

STAFF MEMORANDUM

TO: Board of Mayor and Aldermen

FROM: Vernon Gerth | Interim Development Services Director
J. Carter Napier | City Administrator 

DATE: 8/17/2026

SUBJECT: Update - Exemption Request from Ordinance 25-29

STAFF RECOMMENDATION:

That the Board of Mayor and Aldermen defer the second reading of this exemption to January 18, 2027, to allow additional time for the business and property owner to bring the property into compliance.

BACKGROUND:

The property at 2536 Duplex Road is designated a historically significant property and is zoned (C-D-E1) Downtown Edge 1 Sub-District. In early 2025, the Development Services Department identified several UDC and Building Code violations, including the conversion of the structure from residential to commercial use without required site plan approval or building permits.

The property owner was directed to submit a Site Plan for review by the Historic Commission and Planning Commission. Although the plan was approved, it did not fully address the historic nature of the structure or the impact on the under-sized Walnut Street right-of-way. Over the past two months, staff has worked with the owner and engineer to consider modification to the plan to ensure future improvements are compatible with this historic property and address some of the drainage and right-of-way conditions.

Based on previous discussions with BOMA, the status of the existing conditions is as follows:

- ~~1. Business tax license obtained; Finance Department confirmed any applicable back taxes.~~ **Completed.**
- ~~2. Required information submitted to retroactively approve interior improvements.~~ **Completed.**
- 3. Necessary building permits have been obtained to comply with ADA requirements. The improvements are pending.**
- 4. Stormwater requirements related to constructing a parking lot are included in the approved Site Plan. Staff is recommending the existing plans be modified and re-considered by the Historic Commission and Planning Commission in the coming months.**

Following the approval of the new Site Plan and construction is complete, inspected, and approved, the business's baseline sewer demand of 4.25 GPD—used in preparing Ordinance 25-29—will be verified and no sanitary sewer reserve allocation is required for this case.

On March 27, 2026, staff met with TDEC, which confirmed that approving this exemption would not violate Consent Order WPC2025-0093.

FINANCIAL IMPACT:

This request does not require a budget amendment or City expenditure except for staff time.

SUPPORTING DOCUMENTS:

N/A