

Predatory Land meeting notes
12/1/20 1 p.m. CST/ 2p.m. EST

Please see the link to the recording HERE.

Welcome & Introductions

Facilitator: Jan Compton, TDEC Director of External Affairs, Johnson City Region and Dane Cutshaw, TDEC Division of Water Resources Manager, Johnson City Region.

Mayor Thomas Harrison- Hancock County- Thanks for having this meeting- we are experiencing issues with Country Places and their land acquisitions and reached out to Dane/ TDEC for possible solutions. Jan: The purpose of this meeting was because these land issues are not just in Hancock County, that's why we are holding this statewide meeting with mayors. Jan introduced herself and Dane Cutshaw.

Blair Beaty with TDEC's Office of General Counsel is joining us and will introduce OGC. TDEC's Office of External Affairs are here as well because they work with mayors and other external customers.

Mayor Kevin Davis from Hardin County: people are really taken advantage of; Jan: I will read your letter mayor if that's okay?

Mayor Hutcherson: has worked with Rudy and is still in the process of working on things. Jaclyn and Tara are representing Middle Tenn.

Randy Porter Putnam County Mayor. Mayor Anderson from Williamson County. Evan Worth from Trousdale County. Nashville EFO, Central Office, Chattanooga EFO and Cookeville EFO DWR EFOMs all introduced themselves.

Mayor Harrison from Hancock County thanked Jan for setting this up.

John LeCroy and Amy Katcher are here.

Morgan County and Scott County and Joe Brooks and Claiborne County Mayor Joe Brooks.

a) Mayor Harrison requested TDEC assistance Mayor Harrison contacted Dane to ask for help for assistance in Hancock County- a distressed and rural county in upper east TN. Dane will discuss this further later in the meeting.

b) Sparked several internal discussions within TDEC- Legal options were discussed through our Office of General Counsel as well as looking at Division of Water Resources regulatory options during our internal meeting discussions.

c) Limited options for TDEC regulation – As we began talking internally, we realized this is a statewide issue and we are limited in assistance we can provide with TDEC.

d) Mayor Kevin Davis letter to Rep. David Byrd requesting assistance (Oct. 12, 2020)- Jan read the letter. Hardin County "large parcels sold in small rent to own lots. People being taken advantage of. Nothing filed at the courthouse. Once the renter gains access to the property, there are no regulations. Numerous health hazards and huge property decreases to the property owners nearby. Renters believe they have the same rights as other renters/property owners. They do not." He is requesting legislation.

e) Current meeting with external customers - Dane Cutshaw: Back several months ago Mayor Harrison asked to talk about the deplorable conditions at Country Places. In many of these cases, there is no way to get SSDS, running water. Subdivision requirements: Developers in these situations typically divide the land into 5 acres or greater to bypass TDEC regulations. If it's 5 or less, TDEC has to approve SSDS for each lot. In this case, many sites don't have adequate suitable soil area for an SSDS (septic system) even though it's greater than 5 acres because these homes are on subpar lands. Low-lying lots, water-logged clays, shallow rock, steep slopes etc. Timmy Jeanette picked up the thought: We are reactive. We don't know

about these lands until someone files a complaint and we look awful because at that point our recourse is to bring the people who have been taken advantage of to court. Dane again: To make things worse, when we're enforcing a site where they're discharging raw sewage onto the ground we take them to court for a Class C misdemeanor, a \$50 fine and the courts are bogged down with more important stuff. Six months to get a summons. It takes 5-6 years to get someone to comply.

Question: Less than 5 acres? Have to comply with our subdivision regs.

Question: How many have running water? Electricity? Who actually owns the land? Dane: These are land contracts on a rent to own kind of situation where they move out someone as soon as they miss a payment. Running water? That's different. Sometimes half a dozen people on one non-regulated well. Sometimes no water, just a nearby creek. To my knowledge, none have actual running regulated water.

Question: People are taking advantage in my area of agri-tainment laws, building tiny-home or tepee home villages to get around zoning laws. Dane: there's a lot of different variations across the state to try to stop this but even that doesn't necessarily fix all the problems.

III. Potential Resolutions

a) Potential Success Story – Chester County, over last 2 years, has worked political ends, formed committees and adopted planning commission guidelines. Mayor Barry Hutcherson: I've been mayor a little more than 2 years but this problem has been going on exactly like the letter to a T. The developer has been buying farms all over my county and split them up into smaller plots and rents them. When I got elected all sorts of people came to me about these properties and Rudy (Collins with TDEC) and I went and talked to all of these people personally. Every person had a different reason why they were there. Some had electricity. Some got water from a creek. Some had a well. Some people lived in a bus. None were the same. Dealing with them one at a time wasn't working, so we tried to start a planning committee to deal with them. The Henderson City Planning Committee advised us to hire someone so we did that. We're still working on that, and in the meantime people were still setting up tents and we thought how can we stop them, so we talked to the developer and told him what we're going to do. He said he knew what we were doing but that he had 600 properties so good luck stopping him. They are in the process of hiring a building codes enforcer. That finally stopped him, but they are juggling stopping him without slowing down building in Chester County. The developer said he has been doing that for 35 years and that's his source of income so he's going to keep doing it in another county. He just doesn't develop any new sites in this county. In some cases you want to try to help the renters; it's not their fault. Some don't want you on their property. Jan: I take that as a success since he's not buying any more farms in your county. Do you have anything in writing about how you formed your planning committee? Mayor: I went to the Development District and we really leaned on the planner and everything has gone well so far.

b) Putnam County Mayor Randy Porter - "County Powers Act" to clean up junky properties
Mayor Porter: Adopted the County Powers Act in 2016 because of junky properties. When I took office in 2014 that was my number one issue I got calls about. It's a legal process. First you give a letter that gives them 30 days. We've had raw sewage on the ground. Once 30 days passes, the County Attorney takes over. Then a \$50 a day fine, then a lien on the property. Once that happens, we sell the property. Huge amount of success. Right now 82% of all properties have been fixed. Haven't had to sell a property yet. Once it gets to the selling point the homeowners will fix the problem. The County Commission has to adopt the private act. It's very specific about what you can do and what you can't do, but we've had a lot of success.

Jan: Question on the chat from Mayor Tibbals: Thought about raising the subdivision threshold to 10 acres? Dane: We'd have to change the TCA.

c) Local Zoning/Planning/Ordinances

Trousdale County will share an ordinance from the State Fire Marshal's Office about not providing electricity to any ready/removable structure if it looks like it's going to be lived in.

Jan: a lot don't have electricity but for those that do, this can help.

Kevin Davis: Can you please send all of this out to us? We're seeing the electric companies put temporary poles out but never come back to inspect again.

Mayor Brooks had his hand up but his question was addressed in the chat box.

Jan: We will be providing notes and the recording.

Sam Edwards: Electric companies say the state is not allowing them to put up temporary poles any more, so if they are dropping temporary poles in your area, that is something you can look into.

Jan: There may be other departments in the state that may play a role in this as well. The sewage component is really where our role is, so there may be other entities involved in this discussion.

Mayor Harrison: The letter that was sent in hits our situation on the head. We have a building inspector who was put 4-5 years ago. People are coming in about temporary services. Those are only allowed for new building situations otherwise it's permanent. We are getting a new planning commission put into place so hopefully that will help in Hancock County.

Jan: I will send handouts your way, and if we can do anything else please let us know.

Timmy Jeanette: We are dealing with the agri-business as much as anything else because they are using a statute to pretend they are exempt from everything, so I think we need to include them in the discussions going forward.

Jan: Thank you for the letter. I just wanted to read it so I could let folks know what was happening. One other thing I wanted people to know is we have another county that is issuing building permits before we have septic permits.

Dane: I don't know if this is an issue in other parts of the state, but when builders go in and disturb the soil of a lot before we can issue the septic permit it causes a problem. I think most counties are doing that right.

Sam from Trousdale: That is the most important step. We have some areas that are too rocky for any bathrooms, so I tell them this is a bad financial decision. Make sure it will perc before you spend any money. You have to poop somewhere so you shouldn't build until you have a septic permit. Electric or building shouldn't start until you have a septic permit. That stops a lot of illegal activities. Sam from Trousdale's contact information will be shared.

Jan: feel free to reach out to your OEA director any time. I will have our OGC folks look into the agri-business bill. Many of these counties are distressed and rural and we are already working to assist them with economic development per Governor Lee's Executive Order #1. These properties are not attractive for new business.

Sam from Trousdale: Agri-tourism: Woman wanted to set up yurts on a property; Needs to address the Planning Commission. Neighbors said no. They had camping regulations, too. UT representative said it comes down to what's the building official's decision? Is it a farm or are they using this business to skirt the rules? It comes down to a personal decision and if your county wants to fight it or not.

Jan: it sounds like there are a lot of grey areas there. We run into that with ponds as well with agriculture.

Thank you for being here today to start this discussion. I know your time is valuable and I appreciate the mayors who are required to know so much about a variety of topics. I will

share the recording, notes and other resources we have discovered today for your use. Please reach out to your OEA directors with TDEC or to me if we can be of assistance.
Meeting adjourned.