



KINGSPORT

T E N N E S S E E

Building Division
2018 Annual Report

The Kingsport Building Division issues an annual report at the end of each of calendar and fiscal year to summarize the department's activities regarding permitting, inspections, and substandard housing abatement. The report is also a useful tool in tracking and analyzing changes in the construction industry over time.

This report includes a review of all permits issued, a breakdown of new housing starts, a summary of inspections completed, a comparative revenue analysis, and a discussion on code enforcement activities regarding dilapidated dwellings. Spreadsheets and charts are included to provide a visual representation of the data.

STAFF

Keith Bruner – Building Official

Chris Ferrell – Senior Electrical Inspector

Joel Spencer – Building Inspector II

Josh Martin – Building Inspector I

Kristen Hodgson – Secretary

PERMITS

Building permits are issued for all new construction, additions and alterations to existing structures, and the installation of accessory structures such as carports and storage sheds. The valuation of permits is based on the estimated construction cost, not the market value of the property upon completion of construction.

The total estimated construction cost declined from \$138,458,410 for 527 building permits in 2017 to \$108,486,302 for 497 building permits in 2018.

The top five building permits represent investments by Eastman Chemical Company, Eastman Credit Union, and Kingsport Housing and Redevelopment Authority.

Eastman	\$15,350,012	New Industrial Building
ECU	\$11,029,928	S Wilcox Dr New Corporate Office
KHRA	\$10,745,767	Cloud Apartments Renovation
Eastman	\$8,391,983	New Industrial Building
KHRA	\$3,371,488	Holly Hills Apartments Renovation

Building permits are just one category of permits issued each year. Other categories include electrical, mechanical, plumbing, and miscellaneous permits. Miscellaneous permits include advertising banners and signs, demolitions, and event tents.

A grand total of 2,479 permits were reviewed, processed, and issued in 2018, compared to the 2,442 permits issued in 2017. The permits were categorized as:

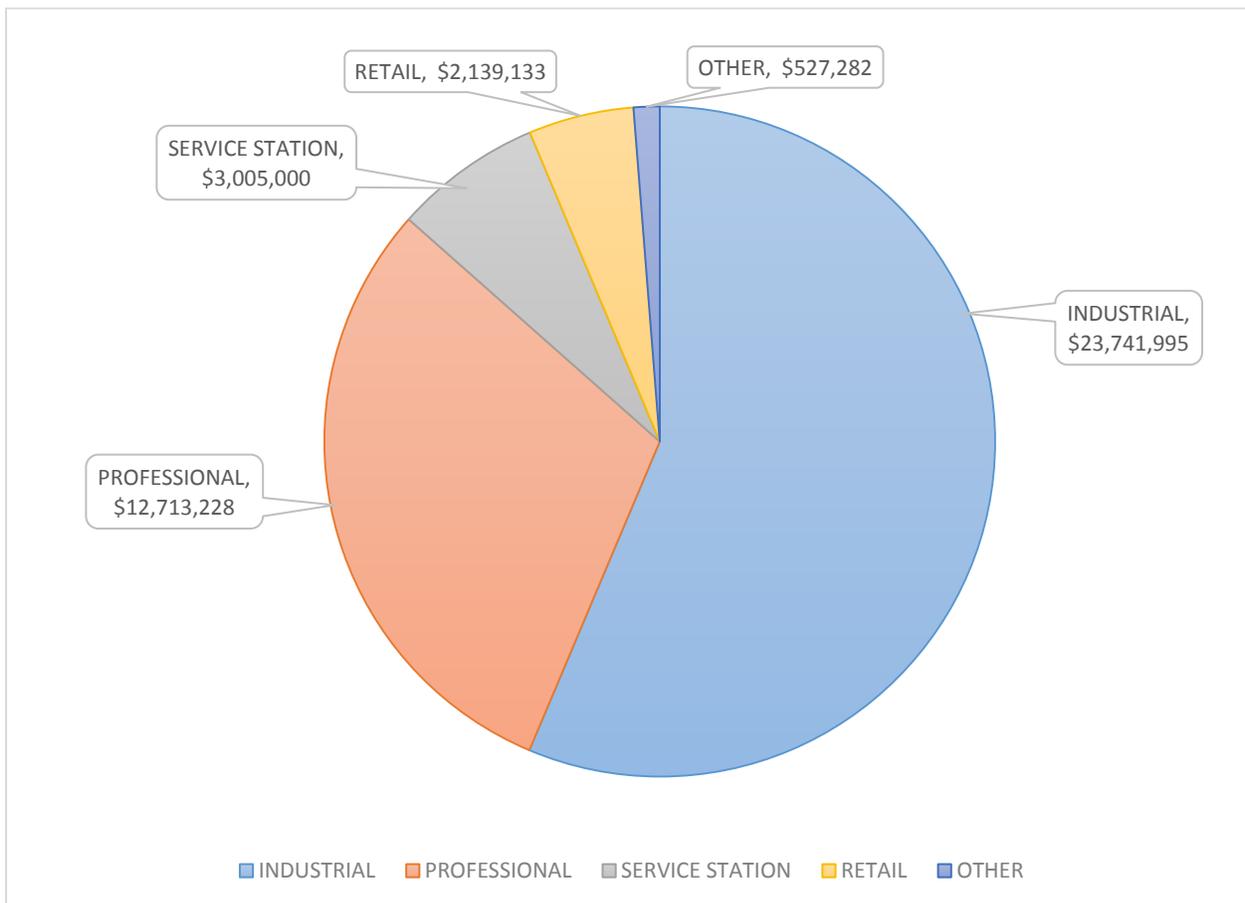
	2017	2018
Building Permits	527	497
Electrical Permits	643	702
Mechanical Permits	535	501
Plumbing Permits	602	657
Miscellaneous Permits	135	122
TOTAL:	2,442	2,479

The following table compares the building permits issued in 2017 and 2018.

	2017		2018	
	<u>Count</u>	<u>Value</u>	<u>Count</u>	<u>Value</u>
RESIDENTIAL PERMITS:				
Accessory Structures	120	\$ 2,125,709	103	\$ 1,463,644
Residential Additions	23	701,827	28	1,024,508
Residential Alterations	91	2,787,185	79	2,267,327
New Single-Family	102	22,092,759	86	19,598,709
New Multi-Family	4	26,334,000	1	400,000
New Duplex	2	240,000		
Residential Roofs	50	272,307	58	349,808
COMMERCIAL PERMITS:				
Commercial Additions	4	1,435,000	3	1,184,500
Commercial Alterations	60	19,723,572	78	34,969,529
Adds/Alts Churches	3	186,911	3	34,814
Additions/Alterations Schools	1	19,812,354	2	632,200
New Church/Religious	1	200,000	1	130,000
New Hospital/Nursing Home	2	23,800,000		
New Industrial	3	4,232,746	2	23,741,995
New NonResidential/Public	1	4,186,000		
New Profess/Medical/Bank	2	825,000	2	12,713,228
New Retail/Restaurant	3	3,449,368	2	2,139,133
New School/Museum/Library				
New Service Station	1	125,000	2	3,005,000
New Social/Amusement	1	5,000	1	393,000
New Structure/Pool/Dock				
Commercial Roof	24	878,436	20	816,482
OTHER:				
Communication Tower	6	122,465	8	221,865
Foundation Only	13	2,164,450	7	2,216,584
Grading	3	2,174,221	7	786,694
Non-Housekeeping Shelters	7	584,100	4	397,282
TOTAL	527	\$138,458,410	497	\$108,486,302

COMMERCIAL

Thirteen permits valued at \$42,126,638 were issued for new commercial projects. One of the largest projects was for Planet Fitness on Jack White Drive, including site work, the total construction cost was \$2,149,435. In addition to the new corporate office located on S Wilcox Drive, Eastman Credit Union also permitted a branch on W Stone Drive valued at \$1,683,300. Other significant projects include two new service stations, an Ingle's Gas Express valued at \$1,605,000 and Weigel's on W Stone Drive for \$1,400,000; and two tire centers on E Stone Drive, with Firestone Complete Auto Care permitted for \$1,200,000 and Discount Tire Store for \$939,133. The following chart illustrates the value of new commercial projects by category.



Eighty-two permits were issued for commercial alterations and additions, with a total value of \$36,154,029. Five McDonald's restaurants were renovated with a total construction cost of \$1,400,000. Some of the largest projects were:

Ballad Health Infusion Therapy	\$2,476,000
Hampton Inn	\$1,604,138
Goodwill Industries	\$1,200,000
Kingsport Press Credit Union	\$810,500
Health South Rehab Hospital	\$745,410
Associated Oral & Implant Surgery	\$724,012
Chantz Scott Kia	\$495,721

RESIDENTIAL

New housing starts are indicative of the growth and stability of an area. Eighty-nine permits were issued for new single-family dwellings with a total construction value of \$20,569,749. Although this is a decline from the previous year's 102 permits valued at \$22,092,759; the average cost per home increased from \$216,596 to \$231,121. The largest single-family home permit was valued at \$810,000

Leading the residential development was the Edinburgh community in Rock Springs with 32 new housing starts. Chase Meadows permitted eight new homes; while Anchor Point, Old Island, and Polo Fields each added five new homes. Three new homes were permitted in Harmony Ridge and the new Cherokee Bend development.

The most prolific builder was Patterson Homes with 32 new housing starts, followed by Orth Construction Company with 21. Boyle Builders, Trumark Construction, and TS Designs and Renovations each permitted three new homes.

There was one new apartment building permitted on Arch Street, valued at \$400,000 with six units.

INSPECTIONS

Inspectors performed 6,376 on-site construction inspections, an increase of 342 from the previous year.

Inspections are reported by category. There were 1,276 general building inspections performed, these include foundations and footings, framing, insulation, roofs, and final inspections. There were 2,232 electrical inspections; rough-in and final inspections are required for all new construction and renovation projects. Electrical service upgrades and meter replacements also require inspections. There were 1,143 mechanical inspections performed. The mechanical category is the most diverse, including everything from heat pump and furnace installation or replacement, ductwork, natural and propane gas accessories and piping, to commercial and industrial equipment. Plumbing permits accounted for 1,725 inspections. New construction and renovations require plumbing rough-in and final inspections. Also, all new or replacement sewer connections must be permitted and inspected. These totals reflect only construction related inspections on permitted projects. Additionally, in June the department began utilizing a new system to track code enforcement inspections. These inspections vary from responding to complaints from the code hotline to identifying unpermitted construction activity. From June through December, there were 125 such inspections.

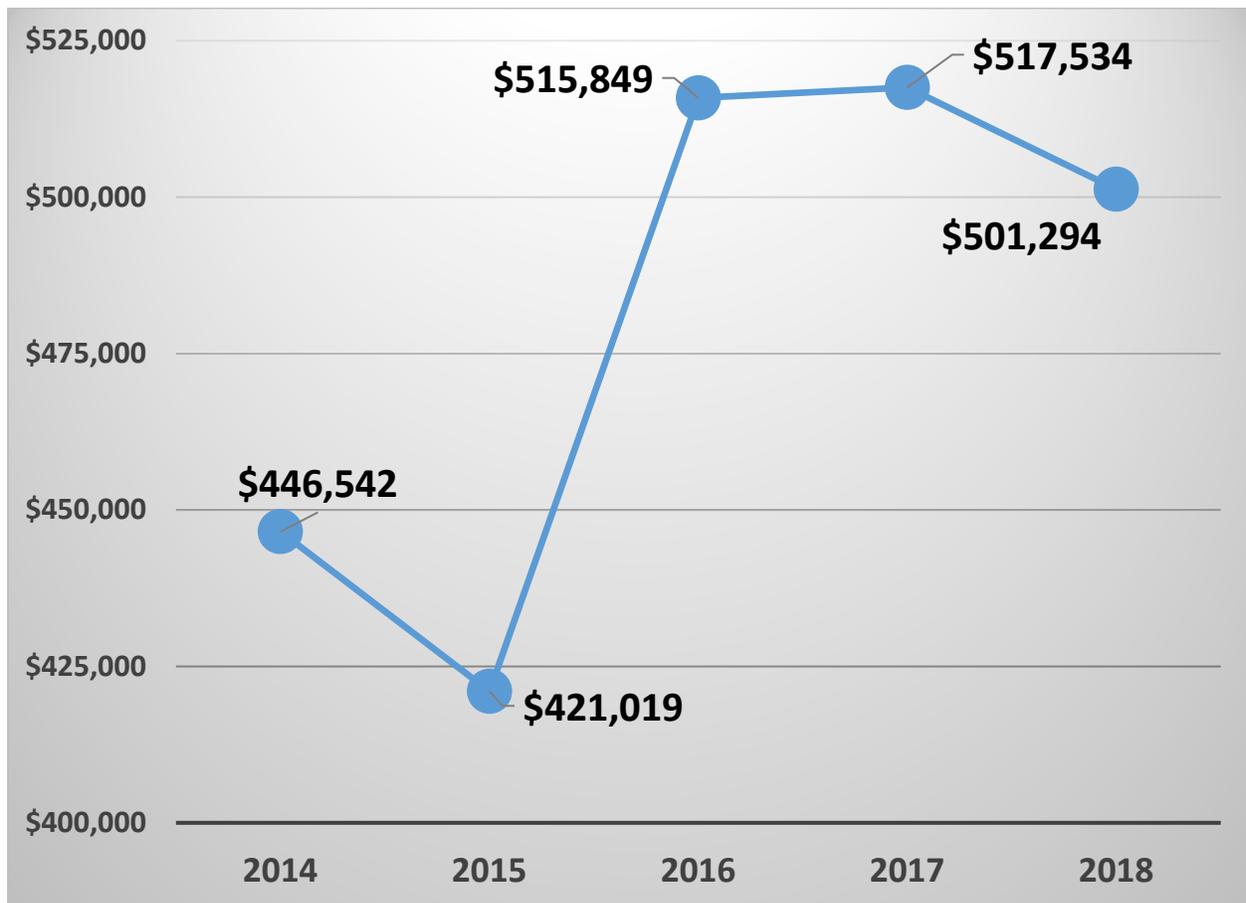
Inspections performed in relation to permits issued over the past five years:



REVENUE

The annual revenue for the building division was \$501,534. Plans review fee account for \$13,699. Compared to the previous year's total of \$517,534, revenues decreased by \$16,240.

The following chart demonstrates the revenue trend over the past 5 years:



DILAPIDATED BUILDING ABATEMENT

The Building Division is dedicated to improving our community through dilapidated building abatement. Suspect properties are identified through the cooperative efforts of inspectors, other city departments, and citizen complaints. Once a property has been targeted as unsafe, the department works with property owners to ensure the property is brought into code compliance for the safety of the neighborhood and citizens. While rehabilitation is the preferred outcome for such blighted properties, demolition is often

the most cost effective means to remove the danger and nuisance of such properties. The Building Official conducts code hearings on an as-needed basis, ruling whether a property may be rehabilitated or razed. If the owner does not comply with an order to bring the property into code compliance or raze the structure, as a last resort the Building Official can have the structure demolished. A lien is then placed against the property to recoup the cost of demolition.

The process for dilapidated building abatement, from identifying the property to successful rehabilitation or demolition is necessarily lengthy. Due diligence must be given to protect the property owner's rights and only after exhausting all other means of communication and cooperation is a structure razed by the city.

In 2018, the Building Official held hearings for nine properties. As a result, seven were ordered to be demolished and two successfully rehabilitated. The city initiated demolition of five properties, with the owners of the remaining two properties agreeing to demolish the structures themselves.