

REVISED FINDING OF NO SIGNIFICANT IMPACT

TENNESSEE VALLEY AUTHORITY

MODIFIED SALE, EASEMENT OR LEASE OF THE KNOXVILLE OFFICE COMPLEX (KOC) AND THE SUMMER PLACE OFFICE AND GARAGE COMPLEX (SPC) AND CONSOLIDATION OF THE TVA KNOXVILLE OFFICES KNOXVILLE, TENNESSEE

Background

On August 14, 2017, the Tennessee Valley Authority (TVA) issued a Finding of No Significant Impact related to the proposed consolidation of Knoxville area employees.

The purpose of the proposed action was to consolidate the TVA administrative Headquarters (HQ) components currently located in the KOC and SPC into one location in downtown Knoxville to improve space utilization and to reduce TVA cyclic operations and maintenance (O&M) and capital project costs, consistent with TVA's real estate strategy. The project is needed because the KOC and SPC are both only about 40 percent occupied. The consolidation would reduce energy consumption and foster collaboration and cohesiveness throughout the TVA HQ. In addition, the consolidation would reduce expenses associated with having multiple locations. TVA proposed to consolidate employees in Knoxville, Tennessee into one building and either convey an easement, lease, or sell the remaining buildings. The properties to consolidate consist of the KOC, which includes the East and West Towers, and concourse and service levels and the Fritts lot; and the SPC, which consists of a seven-level parking garage with approximately 700 parking spaces, an office building below the garage, and a five-story office tower adjacent to the garage. TVA chose to retain ownership of KOC and SPC Sites, continue TVA HQ Operations in the West Tower, and convey easements or leases for East Tower and the SPC.

During negotiations with a potential occupant of the East Tower, TVA proposes to modify actions associated with the Fritts lot. The new proposal would grant a term easement over the Fritts lot, instead of TVA retaining full ownership and use of Fritts lot. Additionally, the potential occupant of the East Tower requests to construct a service elevator and walking bridge that would span from the Plaza Level of the KOC East Tower over the alleyway and down to the Fritts lot. The additional service elevator and bridge would provide access for shipping and receiving, as the new occupants are prohibited from accessing TVA's West Tower loading dock or freight elevators on the concourse level, with very limited exception due to TVA security requirements.

TVA prepared an environmental assessment (EA) of the original proposed project and issued a FONSI on August 14, 2017. These documents are incorporated by reference. Because of the request to add an easement over the Fritts lot and to construct a service elevator and walking bridge connected to the East Tower, TVA has performed additional analysis of potential effects and is issuing this revised FONSI.

Impact Assessment

With the exception of potential effects to archaeological resources, the potential environmental effects of implementing the revised proposal are expected to be the same as those evaluated in the 2017 EA and FONSI.

Based on the analysis in the EA, TVA concluded there was a potential for renovations or other changes to adversely impact the historic KOC. Any future renovations proposed by the easement/lease holder or by TVA for the East or West Tower façades, interior plaza lobby areas and exterior plaza would be reviewed in consultation with the Tennessee State Historic Preservation Officer (TN SHPO) and other consulting parties to ensure the historic value and architectural integrity of the KOC is maintained. The easement/lease of the East Tower will include a restrictive covenant requiring the easement/lease holder to preserve the historic value and architectural integrity of the East Tower exterior elevations and first floor interior Plaza area. With inclusion of the restrictive covenant in the East Tower easement/lease, TVA determined that implementation of Alternative D would have no adverse effect on the KOC. The Tennessee SHPO concurred with this determination in a letter dated August 8, 2017.

To review the impacts of the most recent change, TVA determined the area of potential effects (APE) for this undertaking to be the East Tower of the KOC and the Fritts lot. Additionally, any historic properties within direct line of sight to the proposed service elevator and Fritts lot were also included. The APE accounted for both direct and indirect visual effects.

In 2016, a geophysical survey using ground-penetrating radar was conducted to identify potential archaeological features within the Fritts lot. In October 2018, trenches were excavated to investigate the potential features identified during the geophysical survey. Even though the site contains intact features, the features and the site as a whole lack the integrity needed to contribute significant information to our knowledge of historic Knoxville.

The proposed design for the service elevator and bridge features a two-story concrete elevator shaft, a sheltered walkway with metal railing, and a covered stair. The proposed structure will be anchored in the Fritts lot and attached to the East Tower. Attachment to the East Tower will be minimized to just above and below the walking bridge as the primary opening will be within existing band of windows on the east elevation. The exterior of the elevator shaft and roof feature a pattern with a similar rhythm, form, and design of the concrete sections on the exterior of the East Tower. Similarly, the exterior of the stair mimics the rhythm and dark bands of glass windows on the exterior on the East Tower. The proposed design is compatible with the existing exterior of the East Tower. Thus, the construction of the proposed service elevator and walkway on the East Tower will not diminish the integrity of the NRHP-eligible KOC East Tower.

A review of the Tennessee Historical Commission (THC) Property Viewer indicated that in addition to the NRHP-eligible KOC, four previously-recorded historic architectural resources (KN-1205, KN-1206, KN-1207, and KN-1208) are close enough that they could be within direct line of sight to the Fritts lot and the proposed location of the service elevator and bridge. A field review was completed within APE on January 12, 2018. Two of these resources, KN-1206 and KN-1208, are no longer extant and have been replaced with paved parking lots. Two resources, KN-1205 and KN-1207, are located within direct line of sight of the East Tower and the Fritts lot. The proposed location of the service elevator and walkway is set back from the street and within an otherwise empty lot. Give the size and scale of the service elevator structure and limited view to Gay Street from the north and south by larger buildings, it is unlikely that the proposed service elevator will diminish the integrity of the NRHP-listed Gay Street Commercial District. Thus, TVA finds that the proposed project will have no adverse effect to historic architectural resources.

Pursuant to Section 106 of the NHPA, TVA consulted with the TN SHPO and federally recognized tribes regarding the proposed changes to management of the Fritts lot and the construction of the construction of the service elevator and walkway. On January 23, 2019, the TN SHPO concurred with TVA's findings that granting of an easement and subsequent construction of the service elevator and walking bridge would have no adverse effect on archaeological resources. Additionally, the TN SHPO concurred that the proposed service elevator and walkway would not diminish the integrity of the NRHP-eligible KOC East Tower, nor would the project diminish the integrity of the NRHP-listed Gay Street Commercial District. On January 27, 2019, the Cherokee Nation stated it had no objection to the project.

Mitigation

TVA will continue to employ all measures described in the 2016 EA to mitigate the adverse impacts that may occur.

As a condition of the easement or lease agreement, TVA will require the tenant that occupies the East Tower of the KOC to inform TVA of any proposed changes to the exterior facades or the interior of the Plaza-level lobby. TVA will consult with the SHPO and determine appropriate mitigation for any adverse effects. If it is determined through consultation that the KOC would be adversely affected a Memorandum of Agreement would be developed to address these affects. If it is determined that additional historic properties, other than the KOC, would be adversely affected by the proposed undertaking, TVA would, in consultation with the SHPO and other consulting parties, develop a treatment plan to resolve the adverse effects. Consultation with the TN SHPO in assessing the effect of renovations on KOC as well as in developing an MOA to address any adverse effects of that renovation shall be conducted in accordance with the procedures set forth in 36 CFR part 800.

Conclusion and Findings

Based on the findings and the analyses in the EA, which is incorporated by reference, TVA has concluded that the proposed changes in implementing Alternative D - Retain Ownership of KOC and SPC Sites, continue TVA HQ Operations in the West Tower, and convey easements or leases for East Tower and the SPC would not be a major federal action significantly affecting the environment. Accordingly, an environmental impact statement is not required to implement Alternative D.



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Date Signed