

2. CITADEL STORAGE PARTNERS II, LP ZONING MAP AMENDMENT & LOCUST HILL SHOPPING CENTER (AMD) ZONING DEVELOPMENT PLAN

- a. PLN-MAR-18-00018: CITADEL STORAGE PARTNERS II, LP (11/4/18)*- petition for a zone map amendment from a Commercial Center (B-6P) zone to a Wholesale and Warehouse Business (B-4) zone, for 3.88 net (4.10 gross) acres, for property located at 133 N. Locust Hill Dr.

COMPREHENSIVE PLAN AND PROPOSED USE

The 2013 Comprehensive Plan's mission statement is to "provide flexible planning guidance to ensure that development of our community's resources and infrastructure preserves our quality of life, and fosters regional planning and economic development." The mission statement notes that this will be accomplished while protecting the environment, promoting successful, accessible neighborhoods, and preserving the unique Bluegrass landscape that has made Lexington-Fayette County the Horse Capital of the World.

The petitioner proposes to construct a two-story self-storage facility, and associated off-street parking. The proposed facility will be approximately 130,000 square feet of space, with 872 units available for rent.

The Zoning Committee Recommended: **Postponement** to the full Commission.

The Staff Recommended: **Disapproval**, for the following reasons:

1. The requested rezoning to a Wholesale and Warehouse Business (B-4) zone is not in agreement with the 2013 Comprehensive Plan, for the following reasons:
 - a. The Goals and Objectives and policy statements of the Plan encourage the consideration of how proposals relate to existing development in the immediate vicinity, and focus on protecting neighborhoods and residential areas from incompatible land uses. No B-4 zoning exists along the Locust Hill Drive, Richmond Road or Rio Dosa Drive, and a self-storage facility is not a neighborhood-oriented land use.
 - b. The Goals and Objectives encourage creating jobs and prosperity (Theme C), but the proposed self-storage facility will generate very few jobs in support of this policy.
 - c. Policy statements in the Plan focus on the need for the development (or redevelopment) of land in the most appropriate relationships, compatibility of land uses and creating neighborhood nodes of commercial development or a focal point. The Locust Hill Shopping Center has been that neighborhood node that provides necessary goods and services to the adjoining neighborhoods in this immediate vicinity.
 - d. The Comprehensive Plan supports infill and redevelopment that is respectful of the area's context and design features. In this case, the context of the area is neighborhood businesses and high density residential. Incorporating a warehouse facility within the neighborhood is out of character.
 - e. Self-storage facilities do not address a "vital neighborhood need" nor are they "community facilities and services" as recommended by the Comprehensive Plan. Neighborhoods should be served by neighborhood-oriented businesses that furnish the ordinary or daily necessities for the surrounding residential areas, and that are used by pedestrians (walkable) and which do not interfere with pedestrian movement. Self-storage facilities provide a convenience to local citizens, but are not walkable nor do they furnish daily necessities.
 2. The proposed B-4 zone is not appropriate for the subject property, for the following reasons:
 - a. Statistical information would indicate that our community already has the right amount (more than the national average of 52% for suburban facilities) of self-storage facilities outside New Circle Road, especially given the knowledge that three additional facilities of similar characteristics are planned/proposed for completion in the near future.
 - b. There is no other B-4 zoning or land uses compatible with B-4 uses in the immediate vicinity, including the neighborhood business, professional office, medical and multi-family residential uses.
 - c. Additional storage options in the immediate area are not needed as the existing facilities have available space.
 3. The existing Commercial Center (B-6P) zone remains appropriate at this location because it offers many land uses that would be considered compatible within the character of the immediate area and the adjoining residential neighborhood. Recent changes to the B-6P allow compatible redevelopment options for the site that have not yet been explored.
 4. There have been no unanticipated changes of a physical, social or economic nature within the immediate area since the Comprehensive Plan was adopted in 2013 that would justify a B-4 zone for the subject property.
- b. PLN-MJDP-18-00071: LOCUST HILL SHOPPING CENTER (AMD) (11/4/18)* - located at 133 N. LOCUST HILL. (Barrett Partners)

The Subdivision Committee Recommended: **Approval**, subject to the following conditions:

1. Provided the Urban County Council rezones the property B-4; otherwise, any Commission action of approval is null and void.
2. Urban County Engineer's acceptance of drainage, storm and sanitary sewers, and floodplain information.
3. Urban County Traffic Engineer's approval of parking, circulation, access, and street cross-sections.
4. Urban Forester's approval of tree inventory map.

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5. Denote canopy size and height in feet.
6. Dimension office area in feet.
7. Denote compliance with Article 8-21(o)(1) of the Zoning Ordinance.
8. Resolve landscape buffer along R-4 zone.

Staff Zoning Presentation – Ms. Wade presented the staff report and recommendations for the zone change. She displayed photographs of the subject property and aerial photographs of the general area. She said that the applicant is proposing to remove the existing structure and construct a 130,000 square foot, two-story climate controlled self-storage facility. She said that the subject property was rezoned in 1981 from the Agricultural Urban (A-U) zone to the Commercial Center (B-6P) zone. She displayed photographs of the movie theater that is currently on the subject property, but is vacant.

Ms. Wade said that the applicant has opined their request is in agreement with the 2013 Comprehensive Plan's Goals and Objectives. Specifically, creating jobs, infill and redevelopment, and encouraging compact, contiguous and mixed-use sustainable development within the Urban Service Area. She said the intent is to have an activity node for commercial development in this location. She said that self-storage is not usually a use that generates many jobs; which is not in agreement with that goal of the Comprehensive Plan. She said that self-storage is an inefficient use of highly valuable Urban Service Area land and it's also not a neighborhood-oriented land use. She said that the applicant stated in their justification that self-storage is a vital neighborhood need, however the staff does not agree. She said that the applicant believes that this proposed zone request would be a better transition between the B-6P and R-4 zones. She said that those neighboring zones are already compatible with each other and that the B-4 zone is incompatible with the immediate area.

Ms. Wade displayed a map of the business, residential, professional office and industrial zones in the area. She said that there is a natural drainage area or a roadway which acts as a buffer between the zones. She said that the applicant believes that a self-storage center is neighborhood oriented. She said that the Comprehensive Plan states that businesses that furnish ordinary and daily needs for the surrounding residential areas are neighborhood-oriented. She said that the self-storage facility does not provide for local needs and it is not a walkable facility. She said that the staff evaluated if the proposed zone is appropriate. The current zone is inappropriate and the staff concluded that the B-4 zone is not appropriate at this location. She said that the B-4 zone is not consistent with the zoning of the immediate area.

Ms. Wade said that the applicant contends that there is a need in our community for 250,000 to 300,000 square feet of storage space. She said that the staff discovered that all existing self-storage facilities in the community have available space. She said the staff finds that the need for storage space is going to be met with existing and planned facilities. She also said that the staff offered the applicant to assist them with seeking a different location within the community. She displayed a list of the current storage facilities, whether they have climate-control unit availability, and also a map of the current and future storage facilities.

Ms. Wade said that the staff recommends disapproval of this zone change request because it is not in agreement with the Comprehensive Plan in terms of creating a vital neighborhood need, for creating jobs. She said that the existing B-6P zone remains appropriate at this location. She said that there have not been any unanticipated changes in the immediate area. Lastly, she said that the Zoning Committee recommended postponement of this zone change on September 6, 2018.

Development Plan Presentation – Mr. Martin presented a rendering of the preliminary development plan associated with this zone change. He reminded the Planning Commission that the staff reviews the plan as if the zoning is already in place. He said that the applicant is proposing to construct a thirty-foot tall, two-story building with 65,000 square feet on each floor. He said that access will be from N. Locust Hill Drive. He said there are a few clean up conditions. He said that condition #7 is to denote compliance with Article 8-21(o)(1), which is a requirement in the B-4 zone that limits opening to pedestrian doors on walls that are within 100 feet of residentially zoned property. He said that condition #8 regarding the buffer along the R-4 zone could be resolved at the time of a Final Development Plan, if this zone change is approved. He said that the Subdivision Committee recommended approval of this development plan.

Commission Question – Mr. Nicol asked if this property were not to be used as a climate-control, self-storage facility, would the existing building meet the B-6P zone requirements. Mr. Martin said that it would require more parking, and possibly more landscaping because of the residential/commercial relationship.

Applicant Presentation – Mr. Nick Nicholson, attorney representing the petitioner, along with Allen Shubert were present for Citadel Storage. He presented photographs of other Citadel storage facilities in other areas of the region, including Louisville, Nashville, and Cincinnati. He also displayed photographs of the existing building located on the subject property. He said the applicant believes this proposal is in agreement with the Comprehensive Plan, but it is difficult to justify based that basis alone. He said the owner of this property also owns neighboring commercial properties, and has a vested interest in ensuring that this property be well developed and is a vital use to this neighborhood.

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Mr. Nicholson said this is a proposed demolition and redevelopment of this property. He said that the current building is a movie theater so reuse of the structure is difficult, and he opined that a new building will need to be constructed for any other use. He said that the rear of the building is very close to the property line and wouldn't allow for any kind of delivery services at this location. He also displayed an aerial photo of the subject property. He said that at least 85% of the parcel is entirely landlocked and that cannot be changed. He said that the property has limited frontage, access and visibility. He said that the main access is off of N. Locust Hill Drive, which will not be accessible for delivery trucks. He said that there are currently 254 parking spaces on the property for a 31,000 square foot building.

Mr. Nicholson questioned if this property remains as B-6P zone, what will become of it. He displayed a chart of the nearby vacant office and retail spaces. He also stated that Walmart had left this corridor recently, which is a major economic change. He said that all national retailers pay attention to what Walmart does. He said that there is a total of 228,204 square feet of vacant office and retail space within this area. He said that multi-family apartments do not make economic sense and also do not comply with the Comprehensive Plan. He believes that self-storage does work with these type of existing constraints, (ie: the long and narrow parcel.) He said that a self-storage facility is the perfect example of what can be done with these types of restraints, limited access and limited visibility. He displayed a chart of the current self-storage facilities, and opined that most of them are near residential zones.

Mr. Nicholson said that a demand study was completed in this area, based on the typical national, state, and local averages of the amount of residences and small businesses within a ten minute drive of this parcel. He said the study concluded that there is 300,000 square feet of unmet demand for self-storage, and 400,000 square feet, if climate-controlled self-storage.

Mr. Nicholson said that they are in agreement with the discussion of the buffer at the time of the Final Development Plan and submitted Proposed Findings of Approval with zoning restrictions, as follows:

**PROPOSED FINDINGS OF APPROVAL
FOR A ZONE CHANGE FROM COMMERCIAL CENTER (B-6P) ZONE
TO WHOLESALE AND WAREHOUSE BUSINESS (B-4) ZONE
CITADEL STORAGE PARTNERS II, LP**

Based on the evidence and testimony presented, the Planning Commission recommends that the application to rezone the property located at 133 N. Locust Hill Drive from Commercial Center (B-6P) zone to Wholesale and Warehouse Business (B-4) zone for 3.88 net (4.10 gross) acres be APPROVED because:

1. The existing Commercial Center (B-6P) zone is inappropriate for the subject property because despite having frontage along N. Locust Hill Drive, there is poor visibility for commercial activities, an irregularly shaped parcel, and other site constraints limiting the commercial attractiveness of the site that has led it to being underutilized. As such, the site is not conducive to successful development of a B-6P zoned property.
2. The proposed Wholesale and Warehouse Business (B-4) zone is appropriate for the subject property because the proposed indoor self-storage use is less intense than what could be developed on the property in close proximity to senior living facilities, rehabilitation facility, and multi-family residential complex. In addition, the restricted B-4 zone is compatible and consistent with the surrounding zoning, land use, and development pattern along this portion of the Richmond Road corridor.
3. This recommendation is made subject to the approval and certification of PLN-MJDP-18-00071: Locust Hill Shopping Center, prior to forwarding a recommendation to the Urban County Council. This certification must be accomplished within two weeks of the Planning Commission's approval.
4. Under the provisions of Article 6-7 of the Zoning Ordinance, this property shall be subject to the following use restrictions via conditional zoning:

PROHIBITED USES:

- a. Major automobile and truck repair.
- b. Laundries and dyeing shops, and laundry pick-up stations.
- c. Ice plant.
- d. Tire re-treading and re-capping.
- e. Machine shop
- f. Truck terminals and freight yards.
- g. Automobile service stations.
- h. Establishments for the display and sale of pre-cut, pre-fabricated, or shell homes.
- i. Circuses and carnivals.
- j. Retail sale of building materials, hardware-related items and lumber.
- k. Pawnshops.
- l. Parking lots and structures as principal uses.
- m. Outdoor speakers and public address systems.
- n. Mining of non-metallic minerals.

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- o. The Principal use of the property as an establishment or lots for the display, sale, or repair of farm equipment, contractor equipment, automobiles, trucks, mobile homes, recreational vehicles, such as mini-bikes, motorcycles, bicycles, boats or supplies for such items.

These land use restrictions are appropriate and necessary at this location to ensure that the proposed commercial development of the subject property will not negatively impact the nearby residential developments in this area.

Commission Question – Mr. Wilson asked if Mr. Nicholson had met with the neighborhoods near the current self-storage facilities. He asked if they wanted them there or not. Mr. Nicholson said he didn't know how many of them were submitted as zone changes. He said that the facility at 755 & 757 Newtown Pike was a zone change and there was no objection from the community. He said that the facility at 536 Stone Road is new and had no objections either. He said that this is a neighborhood business because the public won't drive to the other side of town to store their belongings. Mr. Wilson said that the community that is the closest to the Newtown Pike site did have concerns about the buffer. Mr. Nicholson said that was part of the conditional zoning restriction and that all of the adjacent properties are either multi-family or commercial development, in this instance, and not single-family homes.

Mr. Nichol asked why the B-4 zone was chosen for this property. Mr. Nicholson said that the applicant had chosen a restricted B-4 zone so that it would fit in better with the adjacent properties. Mr. Nichol also for an explanation of the different types of storage facilities. Mr. Nicholson said that typically communities don't like the outdoor storage facilities with overhead doors that can be noisy and no security. He said that this is a two-story, indoor facility with access through manned doors. He said that there are six units that have overhead doors because those units are larger. Mr. Nicholson said that self-storage units are not all eye-sores, this is going to be one building with the overhead doors being indoor, away from the public.

Mr. Bell asked if this building will have a twenty or thirty year life. Mr. Allen Schubert, managing partner of Citadel Storage, said that these are high-end units and he believes that a sixty or seventy year life would be more accurate. He said that he is happy to work on buffering with the staff.

Citizen Comment – There were no citizens present to speak to this application.

Staff Rebuttal - Ms. Wade said that Mr. Nicholson pointed out residential land use near the B-4 and I-1 zones. She displayed an aerial photo of The Lexington Mini-storage on Bryant Road., which is near residential zoning. She said that the industrial zone preceded the residential zoning in this situation, but Pleasant Ridge Drive and a natural feature, such as a waterway exists to create a buffer between the land uses. She said that the applicant hasn't offered to create a buffer between the zones. She said that staff based their conclusion on the existing conditions of the site. She said that applicant stated that retail will not work at this location; however, the staff believes that retail could work along the frontage with mixed-use to the rear of the property. She said that with the new Zoning Ordinance text amendment for the B-6P zone, that a hotel could also be an option for this site in the future. She said that remodeling could be difficult for this site, but redevelopment is clearly an option. She said that the lack of maintenance and/or activity on this property do not create a reason that the zone is inappropriate. She said that it could have been poor marketing on the owner's behalf. She said that the applicant has not provided the appropriate justification for this request. She reiterated that the staff recommended disapproval for this zone change.

Applicant Rebuttal – Mr. Nicholson said that the property owner has been actively marketing this site for the past five years. He said that in the past five year, there were three calls; one was Citadel; second was for a different storage facility; and the third was someone who possibly saw this property as a B-6P use and determined that it wouldn't work. He agrees that the B-6P zone is changing, but he believes that the time is now for the site to redevelop. He said that he has distributed their proposed conditional zoning restrictions, which he also shared with the staff, and asked if there were any other restrictions they wished to add to the list. He said that he would be happy to add to the list of conditional zoning restrictions and buffers.

Commission Comments – Ms. Mundy said that she believes this request fits the area, because the Peninsula development was just approved and there is more infill on the way. She said she thinks these new residential developments will desire self-storage nearby.

Mr. Berkley said that he believes the applicant has made good efforts to market the site and are the most vested in this area.

Mr. Penn said that he believes that this will be an out lot, which is a parcel that does not lend itself to anything else because of its size, width, or length. He said that he can't find another use that could be done in the current zone. He said that he would to discuss as a Commission what other options there are other than the B-4 zone, and questioned if this an appropriate zone change.

Mr. Wilson reminded the Planning Commission that if they are in favor of the applicant's proposal, to make the motion in favor with findings. Likewise, if the Commission agrees with the staff, to make the motion in favor of the staff recommendation.

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Zoning Action – A motion was made by Mr. Berkley, seconded by Mr. Bell, and carried 7-1 (Mr. Wilson opposed; Brewer and Plumlee absent) to approve PLN-MAR-18-00018: CITADEL STORAGE PARTNERS II, LP, for the reasons provided by the applicant, as follows:

1. The existing Planning Shopping Center (B-6P) zone is inappropriate for the subject property because despite having frontage along N. Locust Drive, there is poor visibility for commercial activities, an irregularly shaped parcel, and other site constraints limiting the commercial attractiveness of the site that has led it to being underutilized. As such, the site is not conducive to successful development of a B-6P zoned property.
2. The proposed Wholesale and Warehouse Business (B-4) zone is appropriate for the subject property because the proposed indoor self-storage use is less intense than what could be developed on the property in close proximity to Senior Living facilities, rehabilitation facility, and multi-family residential complex. In addition, the restricted B-4 zone is compatible and consistent with the surrounding zoning, land use, and development pattern along this portion of the Richmond Road corridor.
3. This recommendation is made subject to the approval and certification of PLN-MJDP-18-00071: Locust Hill Shopping Center, prior to forwarding a recommendation to the Urban County Council. This certification must be accomplished within two weeks of the Planning Commission's approval.
4. Under the provisions of Article 6-7 of the Zoning Ordinance, this property shall be subject to the following use restrictions via conditional zoning:

PROHIBITED USES:

- a. Major automobile and truck repair.
- b. Laundries and dyeing shops, and laundry pick-up stations.
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- d. Tire re-treading and re-capping.
- e. Machine shop
- f. Truck terminals and freight yards.
- g. Automobile service stations.
- h. Establishments for the display and sale of pre-cut, pre-fabricated, or shell homes.
- i. Circuses and carnivals.
- j. Retail sale of building materials, hardware-related items and lumber.
- k. Pawnshops.
- l. Parking lots and structures as principal uses.
- m. Outdoor speakers and public address systems.
- n. Mining of non-metallic minerals.
- o. The Principal use of the property as an establishment or lots for the display, sale, or repair of farm equipment, contractor equipment, automobiles, trucks, mobile homes, recreational vehicles, such as mini-bikes, motorcycles, bicycles, boats or supplies for such items.

These land use restrictions are appropriate and necessary at this location to ensure that the proposed commercial development of the subject property will not negatively impact the nearby residential developments in this area.

Development Plan Action – A motion was made by Mr. Berkley, seconded by Mr. Bell, and carried 8-0 (Brewer and Plumlee absent) to approve PLN-MJDP-18-00071: LOCUST HILL SHOPPING CENTER (AMD), with the revised conditions provided by the staff as follows:

1. Provided the Urban County Council rezones the property B-4; otherwise, any Commission action of approval is null and void.
2. Urban County Engineer's acceptance of drainage, storm and sanitary sewers, and floodplain information.
3. Urban County Traffic Engineer's approval of parking, circulation, access, and street cross-sections.
4. Urban Forester's approval of tree inventory map.
5. Denote canopy size and height in feet.
6. Dimension office area in feet.
7. Denote compliance with Article 8-21(o)(1) of the Zoning Ordinance.
8. Resolve landscape buffer along R-4 zone at the time of the Final Development Plan.

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