

SUPPLEMENTAL STAFF REPORT ON PETITION FOR ZONE MAP AMENDMENT

MAR 2011-16: HALLMARK STUDENT DEVELOPMENT CO., LLC

CASE REVIEW

The staff has evaluated the petitioner's justification and assertions about the appropriateness of the proposed zoning and land use for this property on South Broadway. Since the Zoning Committee meeting on November 3rd, the staff has convened three times with the applicant, and met with the University of Kentucky about their future plans for housing students on campus. Additionally, the applicant provided a written response to the staff recommendation of postponement two weeks ago. This supplemental report attempts to outline the staff's conclusions about that reexamination and the revised information received from the applicant since that meeting.

The proposed 272-unit housing complex on the subject property is planning to locate within this area of the community due to the close proximity to the University of Kentucky, and will be marketed to students. In fact, the subject property is about half of a mile from the central part of campus. The University currently has approximately 28,000 students enrolled, with 5,145 beds for undergraduate students, and 861 apartments for family and graduate students (*UK Campus Housing White Paper 2011*). This represents an ability to house about 21.5% percent of the students.

The University of Kentucky currently is soliciting responses to a Request for Proposals (RFP) regarding their on-campus housing. They propose a prioritized approach over time, which would primarily replace much of their older dormitory stock, and add some new housing, as well. UK expects to grow its student population by another 10% (to 30,000 students) in the next few years, and hopes to house approximately 30% of their student body on campus in the future. In 2007, when the Planning Commission evaluated another large student housing complex on Angliana Avenue (MAR 2007-7), the University's goal was to house 40% of students on-campus by 2020. Thus, the on campus future supply is not as great as once anticipated.

A first phase of this new plan would include a 600-bed honors-student dormitory on Haggin Field, on University Drive, just south of the W. T. Young Library. The awarding of bids for this new dorm is expected next winter, with a desired completion scheduled for the fall semester in 2013. Future phases of the University's new housing plan are expected to be announced later next year, and it is anticipated that much of the focus will be on a phased replacement of existing dormitories and some new 4-5 story housing infill within the existing campus land mass.

The staff would also note a recent acquisition earlier this year of the University Lofts apartments (on Bolivar Street just west of Central Campus) by the University. The Art Department at UK is planning to move into this building, and the existing 86 units in that complex will then be lost for private housing. The staff is not aware of the timing of this change.

Since the Red Mile Development Plan was approved by the Planning Commission in 2009, the applicant's plans for the Tattersalls facility have changed. Until recently, the applicant intended to maintain the Tattersalls pavilion, arena and stables. It was not planned for any type of redevelopment in the Concept Plan portion of the document, nor was any alternative recommendation considered or made for the subject property. The applicant has further evaluated the need for these facilities to be co-located with the track, and the cost to repair and renovate the existing facilities. They now report that a reduction in racing days permitted at the track, and the excessive cost of renovation have resulted in the Red Mile entering into a contract with Fasig-Tipton to meet these needs off site. This operational decision has, in essence, freed up the subject property for possible redevelopment.

All rezoning applications are considered in light of the adopted Comprehensive Plan and other relevant current information. In assessing this proposed rezoning, the staff has considered the proximity of the

subject property to the University of Kentucky campus, the supply of student housing on-campus, the impact of students living within established residential neighborhoods near campus, the suitability of the proposed land use for the site, and the recommendations of the Red Mile Development Plan.

While the Red Mile Development Plan was approved by the Planning Commission, it has not been adopted by the Commission as either an element or an amendment of the 2007 Comprehensive Plan. Therefore, the Goals and Objectives, and the land use recommendation of the 2007 Plan should receive significant consideration. Given that a majority of the subject property is recommended for Commercial Residential Mixed Use (MU) future land use, a mixture of uses *with a residential component* is necessary to fulfill the recommendation, and no residential land use currently exists along the north side of South Broadway between the Angliana Avenue and the Red Mile Road intersections. Redevelopment of the subject property with residential dwelling units would help to more fully implement the land use recommendation of the 2007 Comprehensive Plan. This is true because the area recommended for MU land use would have to have a mixture of uses on the whole. This can include the existing restaurants, gas station/convenience store, the retail space and hotel, in addition to the proposed residential development.

Although the principles and redevelopment recommendations of the approved Red Mile Development Plan advocate for no student housing, the elimination of the Tattersalls support area from the Red Mile race track can be considered an extenuating, perhaps even an unanticipated circumstance. An apartment complex for over 270 units of primarily student housing could support the proposed mixed-use entertainment district planned for a significant portion of the Red Mile property to the west of this location. Additionally, the applicant is proposing a public street to connect the Red Mile property along the northwest boundary of the subject property to Curry Avenue to facilitate the overall goal of improving connectivity and access to the Red Mile from the surrounding community.

More importantly, the proposed development will not undermine the core recommendations of the Red Mile Development Plan. That plan (p. 29) calls for 150-250 residential units of market-rate housing, in addition to commercial and entertainment uses for the property. The Planning Commission has recently approved about 170 such units on the western edge of the Red Mile's approved Final Development Plan.

The staff concludes that the proposed development will "encourage a mix of housing, retail and office" in the South Broadway area, as recommended by the 2007 Comprehensive Plan. Similarly, the R-5 zone proposed won't compromise the recommendations of the adopted Red Mile Development Plan.

The Staff Recommends: **Approval**, for the following reasons:

1. The proposed rezoning from a Wholesale & Warehouse Business (B-4) zone, and from an Agricultural Urban (A-U) zone to a High Rise Apartment (R-5) zone is in substantial agreement with the 2007 Comprehensive Plan, for the following reasons:
 - a. The Plan recommends that most of the subject property be used for Commercial Residential Mixed Use (MU) future land use, defined as "combinations of office and neighborhood retail with residential above, or adjacent to, the retail and office." Non-residential uses already exist in the vicinity of this location, with some located adjacent to this site.
 - b. The Plan recommends redevelopment of the subject property, which is being proposed.
 - c. The petitioner proposes a residential use adjacent to restaurant and retail uses, for some 272 apartment units on 10.6 net acres, at a density of 25.66 units per net acre.
 - d. Residential redevelopment of the subject property, consistent with the Infill & Redevelopment Study recommendations, will implement the "mixed use" land use recommendation for this area of the South Broadway corridor.
 - e. The Plan recommends a small portion of the subject property, to the rear, be used for Semi-Public Facilities (SP) land use. Although this area of the subject property is mostly proposed for associated parking in support of the proposed residential uses, off-street parking for use by the harness track at this location would otherwise qualify as a Semi-public land use as well.

2. This recommendation is made subject to approval and certification of the applicable portions of ZDP 2011-92: Tattersall Apartment Development, prior to forwarding a recommendation to the Urban County Council. This certification must be accomplished within two weeks of the Planning Commission's approval.

TLW/BJR/WLS/CDK

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