

GENERAL INFORMATION - Zoning Ordinance Text Amendment Application

1. APPLICANT INFORMATION:

Name: **A & M Hamburg, LLC**
Address: **P.O. Box 12128**
City, State, Zip Code: **Lexington, KY 40580**
Phone Number: **859-299-7028**

2. ATTORNEY (Or Other Representative) INFORMATION:

Name: **William M. Lear, Jr./Rena G. Wiseman, Stoll Keenon Ogden PLLC**
Address: **300 W. Vine St., Ste. 2100**
City, State, Zip Code: **Lexington, KY 40507**
Phone Number: **859-231-3000**

3. DESCRIBE YOUR REQUESTED TEXT CHANGE:

Zoning Ordinance Article #23-A. Specific text change proposed:
See attached letter.

4. DESCRIBE THE JUSTIFICATION FOR MAKING THIS CHANGE: (Use attachment if necessary.) See attached letter.

5. SIGN THIS APPLICATION:

I do hereby certify that, to the best of my knowledge and belief, all application materials are herewith submitted, and the information they contain is true and accurate.

APPLICANT: _____

ATTORNEY (or other representative): Rena G. Wiseman

LFUCG EMPLOYEE/OFFICER, if applicable: _____

NOTE: Attorneys may submit a formal letter instead of this form; otherwise, fill in all box information requested above.



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July 2, 2012

Lexington-Fayette Urban County Planning Commission
Lexington-Fayette Urban County Government
101 E. Vine Street, 7th Floor
Lexington, KY 40507

RE: Zoning Text Amendment Application: CC (Community Center) Zone

Dear Members of the Planning Commission:

We represent A & M Hamburg LLC and, on its behalf, submit this application for a text amendment to the provisions of the CC (Community Center) zone. The CC zone limits the size of buildings to 15,000 square feet with the exception that a building primarily used as a grocery store may contain a maximum of 50,000 square feet. The purpose of this request is to amend the CC zone so as to allow a building to exceed 50,000 square feet under certain circumstances. The Applicant owns property located at the interchange of Interstate 64/75 and Man O War Boulevard including 37.5 net acres zoned CC. The Applicant has entered into an agreement with Costco Wholesale Corporation for the construction of a Costco Warehouse on approximately 16 acres of the CC area. However, the proposed Costco will exceed 50,000 square feet therefore necessitating this application.

The proposed amendment, a copy of which is attached, would allow a building designed to be used as a store selling general merchandise, including food, produce and grocery items, to exceed 50,000 square feet provided that it is located within a CC zone containing at least 30 net contiguous acres, provided that the CC zone has frontage on and immediately adjoins an interstate interchange, and provided that the building is part of an integrated development governed by a single development plan. The other restrictions of the CC zone, including the provision that at least 40% of the floor area be devoted to residential uses, are not proposed to be modified and therefore will still be applicable.

The CC zone was created as part of the Expansion Area Master Plan and implementing ordinances adopted by the Planning Commission and the Urban County Council in 1996. The intent of the CC zone is to provide a mix of residential and non-residential uses to serve the surrounding residential areas. Accordingly, most of the designated CC areas are located

internally within areas primarily planned and developed as residential. However, the CC area on the Applicant's property adjoins the Interstate 64/75 interchange with Man O War Boulevard. The property was part of a zone change approved in 2010 which shifted the location of the commercial and residential properties on Applicant's property moving the CC area to the west side of Polo Club Boulevard adjacent to land zoned Economic Development (ED) and moving the EAR-3 Residential land to the east side of Polo Club adjacent to future residential development. The realignment of the CC area, along with its size, makes it an appropriate location for a large regional retail use while still accommodating a mix of residential and smaller non-residential areas that can serve the surrounding residential areas. The amendment to the CC zone, therefore, will provide flexibility so that a building larger than 50,000 square feet can be part of a CC development provided that the requisite size and locational criteria are met.

The impetus of this application is the desire of Costco to locate in Lexington. Costco is a member shopping warehouse and the second largest retailer in the United States. It operates over 600 warehouses throughout the world including 435 in the United States, 82 in Canada, 32 in Mexico as well as locations in the United Kingdom, Japan, Australia, Taiwan and Korea. Costco offers a wide variety of merchandise including groceries, electronics, office supplies and equipment, apparel, appliances, television and media, hardware, sporting goods, jewelry, and toys at lower prices than retail outlets. The stores are designed to help small and medium-sized businesses reduce costs for supplies and equipment but also offer membership to individuals for their personal needs. Costco has built a loyal customer base with over 66 million members including 36 million household members.

Costco stores are also a source of well-paying jobs. A typical Costco store, such as the one anticipated for Lexington, has 242 employees with an average hourly wage in the United States of \$20.51. Its employees are some of the highest paid among American retailers; for example, the average annual salary of a cashier after 5 years is \$46,680. In addition, Costco experiences low employee turnover with an average rate of 5.6% after the first year of employment.

Approval of the amendment would allow Costco to locate in Lexington. If approved, the Applicant and Costco intend to submit a development plan for the property, including the balance of the CC area, as soon as possible, so that construction can commence in 2013.

We submit that the amendment is appropriate given the shift in location of the CC area on Applicant's property. It will provide the option for a larger retail use to locate in a CC development that meets the criteria while still accomplishing the goal of providing a mix of uses, including retail goods and services geared to the needs of surrounding residents. Moreover, in this case, it will help bring an outstanding national company to Lexington. We will make a complete presentation of this application at the August public hearing and request your favorable consideration.

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Very truly yours,

Stoll Keenon Ogden, PLLC



Rena G. Wiseman

RGW: lc
Enclosures

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PROPOSED CC TEXT AMENDMENT

23A-9(k) SPECIAL PROVISIONS

1. At least 25% of the net developable acreage of any development within a CC zone shall be open space.
2. At least 40% of the aggregated floor area of buildings within a development in a CC zone shall be devoted to residential uses as permitted in EAR-3 and schools, churches and their accessory structures, and public buildings.
3. No building shall exceed 15,000 square feet in floor area unless:
 - a. The building contains a mix of residential and non-residential uses; or
 - b. The building is designed and intended to be used for a school, church or public building; or
 - c. The building is designed and intended to be used principally as a store selling food, produce and other grocery items (not primarily general merchandise) and not exceeding 50,000 square feet.
 - d. One additional building exceeding 50,000 square feet which is designed and intended to be used primarily as a store selling general merchandise, including food, produce and other grocery items, shall be permitted provided it is located within a CC zone containing at least 30 net contiguous acres, provided that the CC zone immediately adjoins and has frontage on an interstate interchange, and provided that such building is part of an integrated development governed by a single development plan.
4. Parking areas shall be designed so as to minimize the placement of parking between the buildings and the adjoining streets.
5. Each development within a CC zone shall have access to a pedestrian accessway.
6. Each development shall provide suitable facilities for the parking of bicycles.
7. The development shall be screened from adjoining zones as for a business zone under Article 18-3(a)(1).
8. Structures shall be sited to avoid the rear of the building facing a street (other than an alley) to the greatest extent practicable.