

## 2. ON THE BLOCK, LLC ZONING MAP AMENDMENT AND ON THE BLOCK, LLC PROPERTY DEVELOPMENT PLAN

Note: The Planning Commission postponed this item at the June 26, 2025 meeting.

- a. **PLN-MAR-25-00009: ON THE BLOCK, LLC** (8/3/25)\* – a petition for a zone map amendment from a Planned Neighborhood Residential (R-3) zone to a Neighborhood Business (B-1) zone to for 0.0402 net (0.0993 gross) acres for the property located at 400 Chestnut Street. The applicant is also requesting a variance to reduce the required property perimeter landscaping from 15' to 0'.

### COMPREHENSIVE PLAN AND PROPOSED USE

The 2045 Comprehensive Plan, Imagine Lexington, seeks to provide flexible yet focused planning guidance to ensure equitable development of our community's resources and infrastructure that enhances our quality of life, and fosters regional planning and economic development. 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 is proposing the Neighborhood Business (B-1) zone in order to lease to prospective commercial tenants. The applicant intends to utilize the property for potential retail, restaurants, professional offices, restaurants, or personal service uses. No parking for the use will be provided on-site; although, on-street parking is available in the general vicinity.

The Zoning Committee Recommended: **Approval.**

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

1. The requested Neighborhood Business (B-1) zone is in agreement with the 2045 Comprehensive Plan's Goals and Objectives, for the following reasons:
  - a. The proposed project is in a location that promotes infill, redevelopment, adaptive reuse, and mixed-use developments (Theme A, Goal #2.a).
  - b. The proposed rezoning will allow for a commercial development with the potential for a neighborhood-serving business (Theme A, Goal 3.d).
  - c. The proposed project will remain in scale with the surrounding context through the reuse of an existing, non-conforming structure (Theme A, Goal #2.b) while prioritizing multi-modal facilities promoting safer connectivity (Theme A, Goal #3.b).
2. The requested Neighborhood Business (B-1) zone is in agreement with the 2045 Comprehensive Plan's Policies, for the following reasons:
  - a. The proposed rezoning will allow the applicant to reuse an existing structure for a commercial use in scale with the surrounding context (Theme A, Design Policy #4).
  - b. The proposal will not have any on-site parking, prioritizing multi-modal connectivity (Theme A, Design Policy #7).
  - c. The proposal intends to prioritize multi-modal connections for the potential commercial user (Theme A, Design Policy #10).
  - d. The proposal seeks to add neighborhood-level commercial opportunities through re-zoning the property (Theme A, Design Policy #12).
3. The justification and corollary development plan are in agreement with the policies and development criteria of the 2045 Comprehensive Plan.
  - a. The proposed rezoning meets the recommendations for Land Use, as the proposed development will re-establish a commercial use within a neighborhood context (A-DS10-1), which will provide a pedestrian-oriented commercial opportunity (A-DN3-1).
  - b. The proposed rezoning addresses the Transportation and Pedestrian Connectivity Development Criteria, as the proposal will provide safe multi-modal facilities (A-DS5-1) that incorporates dedicated connections to neighborhood anchors (C-PS10-1) promoting pedestrian, bike, and transit users to the property (A-DS1-2).

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- c. The request meets the criteria for Environmental Sustainability and Resiliency, as the applicant proposes to use native, low-impact landscaping (B-PR2-1), while not adding any impervious surface to the site (B-SU4-1).
  - d. The request meets the requirements for Site Design, as the proposed development will activate the streetscape by promoting a pedestrian-oriented site (A-DS5-4) with no on-site parking (C-PS10-2) that will enhance the public realm by activating the street corner (C-LI8-1).
  - e. The request meets the criteria for Building Form, as the proposal maintains appropriate scale to the surrounding neighborhood (A-DS4-2) through the reuse of a viable existing structure (E-GR4-1) while creating a pedestrian-oriented atmosphere (A-DS5-3) through the activation of the street corner (D-PL2-1).
4. This recommendation is made subject to approval and certification of PLN-MJDP-25-00028: ON THE BLOCK, LLC PROPERTY prior to forwarding a recommendation to the Urban County Council. This certification must be accomplished within two weeks of the Planning Commission's approval.
- b. **VARIANCE** – As part of their application, the petitioner is also seeking two variances to reduce the required perimeter buffer for a business zone adjacent to a residential zone from fifteen (15) feet to zero (0) feet.

The Zoning Committee Recommended: **Approval.**

The Staff Recommends: **Approval** of the requested variance for the following reasons:

1. Approval of the requested variances should not adversely affect the public health, safety, or welfare, nor should it create a hazard or nuisance to the public, as the site has always operated commercially.
2. Strict application of the Zoning Ordinance would adversely impact the applicant's ability to utilize the parcel, as the existing structure is built to commercial building code, not residential building code.
3. The circumstances of this variance are not a result of actions taken by the applicant subsequent to the adoption of the Zoning Ordinance.

This recommendation of Approval is made subject to the following conditions:

- a. Provided the Planning Commission and Urban County Council approve the requested zone change to the B-1 zone, otherwise the requested variances shall be null and void.
  - b. The development shall be constructed in accordance with the approved development plan and supplemental documents, or as amended by the Planning Commission.
  - c. All necessary permits shall be obtained from the Divisions of Planning, Traffic Engineering, Engineering, and Building Inspection prior to construction and occupancy.
  - d. Action of the Planning Commission shall be noted on the Development Plan and future plats for the subject property.
- c. **PLN-MJDP-25-00028: ON THE BLOCK, LLC PROPERTY** (8/3/25)\* – located at 400 CHESTNUT STREET, LEXINGTON, KY  
Council District: 1  
Project Contact: Mizu Engineering

Note: The purpose of this plan is to depict an existing structure and lot, in support of the requested zone change from a Planned Neighborhood Residential (R-3) zone to a Neighborhood Residential (B-1) zone.

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

1. Provided the Urban County Council approves the zone change to B-1; otherwise, any Commission action of approval is null and void.
2. Urban County Engineer's acceptance of drainage, and storm and sanitary sewers.
3. Urban County Traffic Engineer's approval of street cross-sections and access.
4. Landscape Examiner's approval of landscaping and landscaping buffers.
5. Addressing Office's approval of street names and addresses.
6. Urban Forester's approval of tree preservation plan.
7. Department of Environmental Quality's approval of environmentally sensitive areas.
8. Bike & Pedestrian Planner's approval of bike trails and pedestrian facilities.

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9. Greenspace planner's approval of the treatment of greenways and greenspace.
10. Division of Fire, Water control Office's approval of the locations of fire hydrants, fire department connections, and fire service features.
11. Division of Waste Management's approval of refuse collection locations.
12. Documentation of Division of Water Quality's approval of Capacity Assurance Program requirements, prior to plan certification.
13. United States Postal Service Office's approval of kiosk locations or easement.
14. Denote: All buildings, paving, signs, fences, walls, and retaining walls that are depicted, described, or required on this development plan shall require a separate review and building permit from the Division of Building Inspection prior to construction.
15. Denote written scale in addition to graphic scale.
16. Orient design scheme and vicinity map with north to the top of page.
17. Correct plan title to match staff report.
18. Depict contour lines at 2' intervals.
19. Depict all doors on existing structure.
20. Provided a variance is approved for zone-to-zone screening per Article 18 of the Zoning Ordinance.
21. Denote height of building in feet.
22. Provide Tree Inventory Map and Tree Protection Plan per Article 26 of the Zoning Ordinance.
23. Discuss Placebuilder criteria.

Staff Presentation - Mr. Mills oriented the Commission to the zone change application. He explained that there had been a deed issue that prompted a postponement, but it had been resolved. He told the Commission that in addition to the zone change, the applicant was requesting a variance. Mr. Mills said that the R-3 zoned property had been used commercially since 1932. He explained that the Staff agreed with the applicant's request for the Enhanced Neighborhood Place Type, Low Density Non-Residential Development Type, as well as the requested B-1 zone. The applicant had also met with some neighbors. He listed the proposed conditional zoning restrictions that were recommended by staff and discussed by the Zoning Committee. The Staff recommends that the following uses shall be prohibited:

1. Retail or package sale of beer, wine, or liquor
2. Bars
3. Private clubs
4. Cocktail lounges
5. Nightclubs
6. Pool Halls
7. Parking structures

Mr. Mills continued and said that the zone change met the Goals & Objectives of the Comprehensive Plan, and Staff was recommending approval.

Mr. Chaney oriented the Planning commission to the corresponding preliminary development plan, and the conditions of approval. He explained that there were no proposed structure changes.

Commission Questions - Ms. M. Davis asked about public engagement, and Mr. Mills replied that the applicant did not have a formal meeting, but could comment about the conversations that they had with neighbors. Mr. Mills stated that most of the citizen comments were referring to uses that they did not want at the location.

Ms. M. Davis asked about parking availability. Mr. Mills replied that there was on-street parking in the area.

Staff Presentation Continued - Mr. Mills explained the accompanying variance request for zone-to zone screening, and the reasons why the Staff was recommending approval.

Applicant Representation - Attorney Lexi Holland, and Kyle Hogue, Mizu Engineering, were present to represent the applicant. Ms. Holland explained that the area needed commercial/retail support. She requested approval of the zone change because the property had a long history as a business. She explained that there had been a deed issue and dispute regarding a property line and fence, but said that

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they had recorded a corrected deed and submitted a copy to the Staff. She asked for no further delay in a vote of approval, because the Planning Commission could not act on the dispute. She also described the conversations that the owner had with surrounding neighbors.

Opposition Representation - Attorney Jessica Winters was present to represent a neighboring property owner, Samuel Hicks. She explained why Mr. Hicks was in opposition to the development plan and the variance request. She also briefly described the ongoing property line dispute. She displayed several photographs depicting the issues.

Citizen Comments - Robert Hodge, president of the William Wells Brown Neighborhood Association, stated that he owned 9 properties in the area, but the applicant had never reached out to discuss their plans. He requested that there be some extra conditions regarding hours of service, parking, and allowable uses.

Vivian Hodge, vice-president of the William Wells Brown Neighborhood Association, told the Commission that she had spoken to the owner the day before. She expressed concerns over some potential uses of the property to him.

Andrew Mueller, owner of subject property, gave some background of the property since he purchased it. He wanted to bring business to the neighborhood and make it better. He said that the previous owner and real estate agent are to blame for the property line dispute.

Applicant Rebuttal - Mr. Hogue stated that he had tried to reach out to the citizens who had made comments. He added that that he was unable to reach some of them though. He told the Planning Commission that they had done everything they could to correct the deed and dispute. Mr. Hogue said that the purpose of zone change was to make it possible to have business there without going to the Board of Adjustment every time the business changed hands.

Ms. Holland reiterated that the development plan said that there were no plans to do any work behind the disputed fence. They had no intention to tear down the fence at this time. She also restated the need for the landscape variance.

Staff Rebuttal - Mr. Mills stated that if the variance was not granted, part of the existing structure would have to be removed because of the zero-foot lot line. Ms. Wade also clarified that the list of suggested conditional zoning restrictions was from the Staff.

Mr. Owens asked Ms. Jones to clarify if the Planning Commission could weigh in on the property line dispute. Ms. Jones confirmed that the dispute over the property line was out of the purview of the Commission.

Ms. Worth asked the applicant if they were aware of the existing neighborhood association. Mr. Mueller replied that he was not aware of the neighborhood association, but he spoke to everyone that he met when at the property. He reiterated that had attempted to reach out to everyone who had concerns, but not everyone replied. He reminded the Commission that he had purchased the property to better the neighborhood.

Ms. Worth asked if the owner planned to lease it, and if they planned to limit the types of businesses that are allowed there. Ms. Holland replied that he did plan to lease it, and was amenable to the conditional zoning restrictions.

Commission Discussion - Mr. Penn reiterated that the Planning Commission would not be involved in the property dispute, and there was nothing preventing them from approving the zone change. Mr. Wilson agreed.

Action - Mr. Wilson made a motion, seconded by Mr. Owens, and carried 7-0 (Forester, Barksdale, Nicol and J. Davis absent), to approve PLN-MAR-25-00009: ON THE BLOCK, LLC, as recommended by staff, with the 7 conditional zoning restrictions.

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Mr. Wilson made a motion, seconded by Mr. Owens, and carried 7-0 (Forester, Barksdale, Nicol and J. Davis absent), to approve PLN-MJDP-25-00028: ON THE BLOCK, LLC PROPERTY, as presented by Staff, but removing Condition #23.

Mr. Wilson made a motion, seconded by Mr. Owens, and carried 7-0 ( Forester, Barksdale, Nicol and J. Davis absent), to approve the variance request, with the conditions provided by Staff.

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