

May 2, 2021

Urban County Planning Commission
Division of Planning – Planning Services Section
101 E Vine Street, Floor 7
Lexington, KY 40507

Re: Justification Letter – DF Lexington Properties II LLC
3440, 3450 and 3454 Richmond Road / PIDN 38085760, 34503460, 20413602
From: Neighborhood Business (B-1) Zone
To: Highway Service Business (B-3) Zone

Dear Members of the Planning Commission:

We submit this justification letter for DF Lexington Properties II LLC's ("Applicant") application for a zone map amendment request for 3440, 3450 and 3454 Richmond Road from Neighborhood Business (B-1) Zone to Highway Service Business (B-3) Zone. The property is approximately 1.90 acres net (2.78 acres gross), and comprised of three lots: 0.928, 0.913, and 0.11 acres, respectively, per the Property Valuation Administrator. There is approximately only 1.80 acres that is developable. The Applicant is proposing a preliminary plan for redevelopment of the property to allow Don Franklin Auto to construct a new vehicle showroom, sales offices and auto maintenance facility. Don Franklin Auto operates several dealerships on adjacent property. As discussed below, B-3 Zone is a natural fit for this particular property.

Don Franklin Auto is a multi-generational family run business. From its humble beginnings with a single dealership in Columbia, Kentucky, it has grown to over 29 locations and 900 employees throughout Kentucky. It currently operates 43 dealerships at those 29 locations. This rezone will allow Don Franklin Auto to construct a new Genesis dealership. This is the first phase of a multiple phase project to redevelop and improve all of Don Franklin Auto's dealerships at this location. Approval of this application will allow Don Franklin Auto to remain, and improve its operations, in Lexington, while enhancing the aesthetic in the area.

Currently, the property is zoned B-1 and consists of two buildings constructed in the early to mid-1980s. The existing buildings have an industrial design. The smallest lot is vacant and separated by a publicly maintained service road ("Service Road") that connects Richmond Road to Squires Road. Most recently the other two lots have been used for sign and paint stores and a physical therapy office. We expect that those existing businesses will vacate the property in the near future. Don Franklin Auto intends to remove those two older buildings to construct a state-of-art dealership on the property.

The B-3 Zone dominates the immediate vicinity (other than this property) along Richmond Road from Man O' War Boulevard to Squires Road. There are no residential properties within the immediate vicinity. The Cove Lake Village Apartments are located on the other side of the reservoir, and the townhouses of Squires Woods are located east of Squires Road. The Applicant owns the properties to the northwest of the property on which Don Franklin Auto's existing dealership buildings are located. To the southeast of the property, there is a gas station, auto parts store and a dry cleaner. Don Franklin Auto's proposed use of the property as an auto dealership would be consistent with the other businesses in the vicinity and would not negatively affect any residential areas.

Don Franklin Auto intends to expand its operations with a Genesis dealership. Genesis Motor is the luxury vehicle division for Hyundai Motor Group. Genesis Motor is quickly transitioning away from the internal-combustion engine, and Genesis Motor has announced that it plans to eliminate internal-combustion engine from new models by 2025. In conjunction with those plans, Genesis Motors is rolling out a new design for its dealerships that includes a transparent and open floorplan, indoor vehicle delivery area and infrastructure to support its upcoming portfolio of electrified Genesis models. Genesis Motor has designated Lexington and Louisville as the metro areas in Kentucky for these new-generation dealerships. Don Franklin Auto is working with Genesis Motors on the final plans for Genesis dealership. The Applicant expects to seek a final development plan for this property later this summer to allow Don Franklin Auto to start construction in the fall. Applicant is committed to keep planning staff apprised of the final plans as promptly and often as possible over the next months.

Comprehensive Plan

As discussed below, this project meets numerous goals and objectives of the Comprehensive Plan, and further complies with relevant standards articulated in "Placebuilder" included as part of the Comprehensive Plan.

This property is a natural fit for the B-3 Zone. As set forth in Section 8-20 of the Zoning Ordinance, the B-3 Zone is intended to provide uses that are "necessary to the economic vitality of the community but may be inappropriate in the other zones" and special consideration to the relationship to the other land uses in the area should be given. As stated above, there are no neighborhoods in the immediate vicinity. Richmond Road is a part of US Highway 25, which is a major arterial highway that runs through Fayette County. This area of Richmond Road is characterized by businesses that serve the traveling public, including, without limitation, several auto dealerships, a gas station, fast food and casual restaurants, two auto parts stores, and a dry cleaner. The Applicant will rely upon the existing street system, which is adequate to serve its traffic needs. The Applicant proposes to enhance the right-in / right-out entrance median along Richmond Road at the Service Road. This is an opportunity to allow an enhancement of the area with an updated development that is consistent with the area and compliments the other highway service businesses in this area.

This is an opportunity to improve the aesthetics of this area of Richmond Road. The existing development on the property has two industrial-designed buildings. There are very few

trees or greenspace on the property. This is an opportunity to allow an enhancement of the area with a new development that would be consistent with the area and compliment the other highway service businesses in this area.

This project will grow the number of employment opportunities in the area, thus relieving some pressure to expand the Urban Service Area in the adjacent area (Theme E, Goal 1, Objective d.). Don Franklin Auto is proposing to expand its operations for a new Genesis dealership. Currently, Don Franklin Auto employee 163 people in Lexington, with an average salary of approximately \$76,000. Don Franklin Auto offers full health benefits, career training, and retirement savings opportunities. At this time, only approximately three employees are dedicated to Genesis vehicles. Upon completion of the Genesis dealership, Don Franklin Auto anticipates having up to 12 additional employees working at the Genesis dealership. Those 12-15 employees will include managers, sales people, clerks and automotive technicians. And, unlike the auto mechanics of the past, automotive technicians are highly skilled experts who are able to work on both the traditional mechanical systems and the complex electronic systems that are controlled primarily by computers (even more so with the coming evolution of electrified vehicles). It is common that only a high school diploma or equivalent is necessary to be trained as an automotive technician. So, this project will increase job opportunities for those with less education, “allowing upward mobility for lower income residents” (Theme C, Diversity Policy 2). As contemplated by the Goals and Objectives of the 2018 Comprehensive Plan, this project will increase the number of job opportunities paying higher compensation and benefits to employees than retail jobs, but without the advanced level of education required by professional jobs (Theme C, Goal 1, Objective a.). This is a major opportunity to retain and expand a large employer in Lexington and to create new jobs in a high-tech employment sector (Theme C, Goal 2 Objective a.).

This project will further sustainability in Lexington through the expansion of electrical vehicles and electrical vehicle charging stations in Lexington. 2018 Comprehensive Plan admits that “Lexington is a long way from relinquishing the automobile as the primary mode of transportation for the majority of residents ...” (Theme B, Pillar II, Sustainability). This project will provide Lexingtonians with expanded opportunities to purchase electrical vehicles. Further, Don Franklin Auto will expand the electrical vehicle charging infrastructure in the city. Currently, Don Franklin Auto’s Nissan dealership provides the only electrical vehicle charging station along this portion of the Richmond Road corridor. This project will include an additional electrical vehicle charging station on the property. Without electrical vehicle charging stations, the adoption of electrical vehicles will not happen. Lastly, Don Franklin Auto will service electrified vehicles from the new dealership. This project will increase customer’s access to electrified vehicles and the electrical vehicle charging stations that will assist Lexington in reducing emissions and its carbon footprint (Theme B, Goal 2).

There already exists mass transit and multi-modal infrastructure in this area of Lexington. However, this infrastructure is still being developed and it is not continuous. For example, there is currently no continuous pedestrian access on this portion of the Service Road. Further, this is no direct pedestrian way between Man O War Boulevard and Squires Road. This project will further the connectivity in this area through new pedestrian access to improve viable options for all users (Theme A, Density Policy #1; Theme B, Sustainability Policy #1 and Restoration Policy #4;

Theme D, Connectivity Policy #3). Once the multi-modal access is complete along this section of the Service Road, the neighborhoods located further from the property along Squires Road and Richmond Road will have additional transportation options to access these businesses as customers and/or employees (Theme D, Goal 1, Objective b.).

As set forth above, the B-3 Zone change would bring jobs and opportunity to the area, the area already has the infrastructure in place to support the zone change, it would encourage reduction of the city's carbon footprint, and this new auto dealership will compliment the other uses in the area. The zone amendment complies with KRS 100.213, because the B-3 Zone is in agreement with the Goals and Objectives of the 2018 Comprehensive Plan.

KRS 100.213(1)(a)

Alternatively to the above argument, the Applicant is proceeding under KRS 100.213(1)(a) that the existing classification is an inappropriate zoning classification and the proposed zoning classification is appropriate. An applicant has the discretion to determine which of the statutory options it intends to use under KRS 100.213(1) to prove the justification for the map amendment. More importantly, an applicant is not obligated to provide for alternative justifications. If an applicant chooses to proceed under KRS 100.213(1)(a), then an analysis of the comprehensive plan is not applicable to that argument.

The B-1 Zone is an inappropriate zone for the Land. The B-1 Zone is intended to "accommodate neighborhood shopping to serve the needs of the surrounding residential area," and the shopping facilities "should be oriented to the residential neighborhood." Section 8-16 of the Zoning Ordinance. As discussed above, the property is oriented toward Richmond Road, and there are no neighborhoods in the immediate vicinity. This portion of the Richmond Road corridor serves the traveling public. The B-1 Zone for the property may have been appropriate in the past, but the B-1 Zone is now at odds and out of character under the current Zoning Ordinance. The B-1 Zone is an inappropriate zone for the property.

The B-3 Zone is an appropriate zone for the property. As its name suggests, the B-3 Zone provides services for the traveling public along the highways of Lexington. The B-3 Zone dominates the immediate vicinity (other than this property) along Richmond Road from Man O' War Boulevard to Squires Road. This portion of the Richmond Road corridor is characterized by businesses that serve the traveling public, including, without limitation, several auto dealerships, a gas station, fast food and casual restaurants, two auto parts stores, and a dry cleaner. The B-3 Zone is an appropriate zone for the property.

The zone amendment complies with KRS 100.213. The B-1 Zone is an inappropriate zoning classification for the Land, and the B-3 Zone is an appropriate zoning classification for the Land.

DEVELOPMENT CRITERIA / PLACEBUILDER

Placebuilder does not recommend the B-3 Zone for any areas of Lexington; provided, however, an auto dealership at this location would enhance the aesthetic of the area and

compliments with the other uses in the area. We submit that the project could be evaluated as the Corridor Place Type classified as Medium Density Non-Residential / Mixed Use Density. The end-user and end-use is known, but the Applicant does not have the final details for the building. The Applicant expects to seek a final development plan for this property later this summer to allow construction to start in the fall. Attached hereto is a color-coded reflection of how we have addressed the design criteria listed in that Placebuilder category. Items highlighted in green are represented graphically on our amended preliminary development plan, items in yellow are addressed in this letter, and items highlighted in orange we do not believe are applicable to our proposal.

Standards That Are Applicable

SITE DESIGN, BUILDING FORM, & LOCATION

A-DS4-2 The neighboring structures to the northwest are dealership buildings that are one to two stories. The structures to the southeast are one story, but there is sufficient buffering between the properties with the Service Road. Further, Don Franklin Auto anticipates that its new building will be located closer to Richmond Road than the existing building on 3440 Richmond Road.

A-DS5-3 It is anticipated that the portion of the building oriented toward Richmond Road will have transparent full-glass walls to showcase the open, transparent and modern design of the interior. This item is represented graphically on our amended preliminary development plan.

A-DS5-4 It is anticipated that the project will have new pedestrian connections. There will be a connection from the building to public sidewalk to the adjacent gas station. This project will also further the connectivity in this area with a new public sidewalk. This item is represented graphically on our amended preliminary development plan.

A-DS7-1 Don Franklin Auto anticipates that its new building will be located closer to Richmond Road than the existing building on 3440 Richmond Road, and the majority of the parking will be located to the side of the building. Auto dealerships are often the victims of after-hour theft of parts from vehicles, and it is best to have vehicles in visible-lighted areas.

A-DS7-2 Don Franklin Auto anticipates that its new building will be located closer to Richmond Road than the existing building on 3440 Richmond Road, and the majority of the parking will be located to the side of the building. Auto dealerships are often the victims of after-hour theft of parts from vehicles, and it is best to have vehicles in visible-lighted areas. The parking will be buffered with landscaping under the Zoning Ordinance, the Service Road and any required landscape buffering under the Richmond Road landscaping ordinance.

A-DN2-2 The neighboring structures to the northwest are dealership buildings that are one to two stories. The structures to the southeast are one story, but there is sufficient buffering between the properties with the Service Road. Further, Don Franklin Auto anticipates that its new building will be located closer to Richmond Road than the existing building on 3440 Richmond Road. There should not be any significant contrasts in scale, massing or design.

A-EQ3-1 There are no residential neighborhoods within the immediate vicinity of the property; provided, however, Don Franklin Auto anticipates that its new building will be located closer to Richmond Road than the existing building on 3440 Richmond Road.

B-PR9-1 This project is a redevelopment of a fully developed site, and the Applicant does not anticipate any major elevation grading. There are no environmentally sensitive areas on the property.

B-SU11-1 At this time, there are few trees on the property, and those trees are perimeter trees along the rear of the property. We anticipate a number of new perimeter and internal trees will be added to the property as part of the project. The Applicant also anticipates other opportunities to incorporate additional green infrastructure into the project, including, without limitation, rain gardens and bioswales for water quality. The Applicant is committed to discussing those opportunities with planning staff at the final development plan phase. Further, in addition to the Zoning Ordinance, the Applicant will provide any enhanced landscaping required under the Richmond Road landscaping ordinance.

C-D11-1 The B-3 Zone will Don Franklin Auto to have up to 12 additional employees, with a total of 12-15 employees to work as managers, sales people, clerks and automotive technicians at the new dealership.

C-L16-1 It is anticipated that the project will have new pedestrian connections. There will be a connection from the building to the public sidewalk to the adjacent gas station. This project will also further the connectivity in this area with a new public sidewalk. This item is represented graphically on our amended preliminary development plan. This project will also expand the electrical vehicle charging station infrastructure.

C-L17-1 It is anticipated that the project will have new pedestrian connections. There will be a connection from the building to the public sidewalk to the adjacent gas station. This project will also further the connectivity in this area with a new public sidewalk. Further, the project will allow additional employment and business opportunities. There is currently very little greenspace on the property, and the Applicant anticipates additional perimeter and internal greenspace in the project. This project will also expand the electrical vehicle charging station infrastructure.

C-PS10-3 Don Franklin Auto intends to use the property as an auto dealership, and the Applicant and planning staff will need to discuss this issue further with planning staff as the final development plan phase. At this time, the Applicant is showing the required number of parking spaces under the Zoning Ordinance, plus the number of parking spaces for new vehicles that Don Franklin Auto anticipates is needed.

D-PL7-1 I have spoken with the representatives of The Cove Lake Village Apartments on the other side of the reservoir, and it supports the zone change. I have spoken with representatives of the townhouses of Squires Woods (east of Squires Road) and the adjacent the gas station and a dry cleaner; none of them foresaw an issue with the zone change. On behalf of the Applicant, I have offered to meet with those stakeholders in person or to provide the same with additional information.

D-SP3-1 There are adequate right-of-way and infrastructure in this area. This item is represented graphically on our amended preliminary development plan. Further, project will also expand the electrical vehicle charging station infrastructure.

E-GR4-1 The Applicant intends to remove the existing buildings to construction a new generation dealership.

E-GR9-4 Currently, the property is primarily used for a paint and sign businesses. The proposed automobile maintenance facilities will intensify the use of the property with this zone change.

E-GR10-2 The Applicant intends to increase pedestrian access to the area, which will allow pedestrian access to and from its automobile maintenance facilities. Customers would have the ability safely walk to other businesses and amenities located near the property.

TRANSPORTATION & PEDESTRIAN CONNECTIVITY

A-DS1-2 The property does not abut a transit route, but with the proposed additional pedestrian facilities, this project will allow the Service Road to reach closer to the transit stop at S. Eagle Creek Drive. This item is represented graphically on our amended preliminary development plan. This project will also expand the electrical vehicle charging station infrastructure.

A-DS4-1 There are no residential neighborhoods within the immediate vicinity of the property, but this project will increase the sidewalks on the Service Road, along the Richmond Road corridor.

A-DS5-1 During the final development phase, the Applicant intends to consult planning staff to ensure that adequate multi-modal infrastructure is provided to ensure vehicular separation from other modes of transport on the property.

A-DS5-2 The Applicant's vehicular use area and other trees will create a vertical edge along the Service Road.

A-EQ3-2 The intended use of the property is more intense than its current use, and it will be slightly more dense. This project will also further the connectivity in this area with a new public sidewalk, which will allow additional pedestrian access to the transit stop at N. Eagle Creek Drive. This project will also expand the electrical vehicle charging station infrastructure.

D-CO1-1 The Applicant is not providing any new rights-of-way, but it will construct a new sidewalk along the Service Road. This area of the Service Road does not have a sidewalk. This criteria is also represented graphically on our amended preliminary development plan.

D-CO2-1 During the final development phase, the Applicant intends to consult planning staff to ensure that safe facilities are provided for all users on the property. At this time, the Applicant is graphically illustrating an example of such facilities on the preliminary development plan.

D-CO2-2 This project will further the connectivity in this area with a new public sidewalk to provide safe facilities are provided for all users on the property. At this time, the Applicant is graphically illustrating an example of such facilities on the preliminary development plan.

GREENSPACE & ENVIRONMENTAL HEALTH

B-PR7-2 The Applicant will incorporate trees on the property. Further, the Applicant will provide any enhanced landscaping required under the Richmond Road landscaping ordinance. There may be an opportunity to group trees. During the final development phase, the Applicant intends to consult planning staff to discuss such grouping.

B-PR7-3 The Applicant is improving tree canopy on the property with additional interior and perimeter trees on the property. Further, the Applicant will provide any enhanced landscaping required under the Richmond Road landscaping ordinance. There may be an opportunity to group trees. There are currently very few trees on the property.

B-RE1-1 The project will incorporate trees, and along with the new sidewalk, the project will enhance the walkable street scape in the area. Further, the Applicant will provide any enhanced landscaping required under the Richmond Road landscaping ordinance.

Standards Not Applicable

SITE DESIGN, BUILDING FORM, & LOCATION

- A-DS3-1 There is no proposed multi-family residential development for the property.
- A-DS7-3 There is no proposed parking structure for the property.
- A-DS8-1 There is no proposed housing for the property.
- A-DS10-1 There are no proposed residential units for the property.
- A-DS11-1 There are no proposed common public uses for the property.
- A-DN2-1 There are no proposed infill residential units for the property.
- A-DN3-1 There are no residential neighborhoods within the immediate vicinity of the property; provided, this project will bring new pedestrian access to an area with multi-modal gaps.
- A-DN3-2 This is not a commercial center project.
- A-EQ7-1 There are no proposed schools for the property.
- C-DI5-1 The property is not in an Opportunity Zone.
- C-LI2-2 The property is not located in or near the Rural Land Area.
- C-LI2-3 The property is not located in the Rural Land Area.
- C-LI2-4 The property is not located in the Rural Land Area, and there are no historic turnpikes, scenic byways, turnpikes, and other scenic roads adjacent to the property listed in the Rural Land Management Plan; provided, however, in addition to the Zoning Ordinance, the Applicant will provide any enhanced landscaping required under the Richmond Road landscaping ordinance.
- C-PS9-2 The Applicant intends to remove the existing industrial-style buildings from the property; provided, however, there is currently small-ancillary offices therein.
- C-PS10-2 Due to safety and security concerns, the Applicant intends to discourage the general public from accessing the property.
- D-PL9-1 There are no historically significant structures on the property.
- D-PL10-1 Given the small area of the property, the Applicant does not intend to designate a public art easement.
- D-SP3-2 There are no proposed cellular tower antennae on the property.
- D-SP9-1 There are no proposed housing units on the property.
- E-GR5-1 There are no historically significant structures on the property.
- E-GR9-1 This is not a residential development.
- E-GR10-3 The Applicant is not proposing any common space for the property.

TRANSPORTATION & PEDESTRIAN CONNECTIVITY

- A-DS1-1 The property does not abut a transit route; provided, this project will bring new pedestrian access to an area with multi-modal gap.
- A-DS10-2 The Applicant is not proposing any new focal points.
- A-DS13-1 The Applicant is proposing any new streets at the property.

- A-EQ7-2 No healthcare or social services facilities are proposed for the property.
- B-SU4-1 This is a small development, and the Applicant is not proposing any greenspace/community centers.
- C-PS10-1 Due to safety and security concerns, the Applicant intends to discourage the general public from accessing the property.
- D-CO4-2 No new roadways are proposed for the property. There is plenty of capacity on existing roadways.
- D-CO5-1 No new streets are proposed for the property.
- D-SP1-3 There are no proposed schools for the property.
- E-ST3-1 Due to safety and security concerns, the Applicant intends to discourage the general public from accessing the property, and it is not proposing any park and ride facilities.

GREENSPACE & ENVIRONMENTAL HEALTH

- A-DS4-3 There are no key natural features to preserve on the property.
- A-EQ7-3 There are no proposed community open spaces.
- B-PR2-1 There are no environmentally sensitive areas on the property.
- B-PR2-2 No portion of the property is in a floodplain.
- B-PR2-3 No portion of the property is in a floodplain.
- B-PR7-1 No portion of the property has a greenway, tree stand, or stream corridors.
- B-RE2-1 The property is land-locked from the greenspace network; provided, however, the Applicant also anticipates other opportunities to incorporate green infrastructure into the project, including, without limitation, rain gardens and bioswales for water quality. The Applicant is committed to discussing those opportunities with planning staff at the final development plan phase.
- D-SP2-1 There are no school sites.
- D-SP2-2 There are no school sites.
- E-GR3-1 The property is land-locked from the greenspace network; provided, however, the Applicant also anticipates other opportunities to incorporate green infrastructure into the project, including, without limitation, rain gardens and bioswales for water quality. The Applicant is committed to discussing those opportunities with planning staff at the final development plan phase. Further, the Applicant will provide the enhanced landscaping required under the Richmond Road ordinance
- E-GR3-2 There are no unique geographic features on the property.

Sincerely,



P. Branden Gross

cc: DF Lexington Properties II LLC
Don Franklin Auto