

**STAFF REPORT ON PETITION FOR ZONE MAP AMENDMENT**

**PLN-MAR-18-00022: CBROTHERS, LLC**

**DESCRIPTION**

**Zone Change:** From: Restricted High Density Apartment (R-4) zone  
To: Restricted Light Industrial (I-1) zone

**Acreage:** 4.43 net (4.81 gross) acres

**Location:** 2370 Sandersville Road

**EXISTING ZONING & LAND USE**

<b><u>Properties</u></b>	<b><u>Zoning</u></b>	<b><u>Existing Land Use</u></b>
Subject Property	R-4 (CZ)	Warehousing, Office & Residential
To North	R-3 & A-U	Residential & Landscaping Services
To East	R-4	Residential
To South	A-U	Golf Course with a Private Club
To West	A-U	Golf Course with a Private Club

**URBAN SERVICES REPORT**

**Roads** – Sandersville Road is classified as an urban collector roadway, although it has not been upgraded to function in that manner at this location. Sandersville Road connects Spurr Road to Georgetown Road in this part of Fayette County. Access to the development will be solely from Sandersville Road, and no connection is proposed to the neighboring Spring Valley golf course. There is a narrow railroad underpass on Sandersville Road, just east of the golf course entrance.

**Curb/Gutter/Sidewalks** – Sandersville Road does not have any curb, gutters, or sidewalks at this location. Roadway improvements may be required at the time of development and/or re-use of the site.

**Storm Sewers** – The subject property is located within the Town Branch watershed. Storm sewers are not currently located anywhere on the subject property; however, the developer may be required to provide these facilities at the time the property is redeveloped. There are no known flooding problems that exist on the subject property; however, there have been various citizen complaints regarding stormwater and flooding on the neighboring property (2330 Sandersville Road). Furthermore, the existing pond located in the southwest corner of the property is the start of a special flood hazard area associated with the Bracktown Branch of Town Branch Creek.

**Sanitary Sewers** – This area is located within the Town Branch sewershed and will be served by the Town Branch Wastewater Treatment Facility. Sanitary sewers were constructed along the rear property line in 2008.

**Refuse** – The Urban County Government serves this portion of the Urban Service Area with refuse collection on Thursdays. Commercial and multi-family development may be served by the Urban County Government with collection one day per week, although additional private collection is often utilized to supplement these services.

**Police** – The nearest police station is the West Sector Roll Call Center, located off Old Frankfort Pike near New Circle Road, about three miles southwest of the subject property.

**Fire/Ambulance** – Fire Station #10 is the nearest station to this site. It is located about 1¾ miles to the southeast of the subject property on Finney Drive, near the interchange of Georgetown Road and New Circle Road.

**Utilities** – All utilities including natural gas, electric, water, cable television, telephone, and streetlights should be able to be extended to serve the subject property, as they have been done for the other residential developments in this area.

## **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 Plan's 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. In addition, the Plan encourages a mix of uses, housing types and/or residential densities; development in a compatible, compact and contiguous manner; and provision of land for a diverse workforce.

The petitioner proposes rezoning the subject property in order to allow for part of the existing warehouse to be used for restoring historic automobiles and related storage and also for storage of equine oriented materials.

## **CASE REVIEW**

The petitioner had previously requested a zone change from a restricted High Density Apartment (R-4) zone to a Light Industrial (I-1) zone for approximately 4.5 acres of property, located at 2370 Sandersville Road. The applicant now proposes significant conditional zoning restrictions and has stated their intent to utilize the site for a Flex Space Project, as permitted in the B-4 and I-1 zones that are located outside of the Infill and Redevelopment area.

The subject property is located on the south side of Sandersville Road, east of Greendale Road. The subject property was used as part of the Hillenmeyer Nursery business until 2006. The large brick warehouse was utilized by the Hillenmeyer Nursery business for several decades for storage. The subject property and the two neighboring properties (2330 and 2314 Sandersville Road) were all rezoned from an A-U zone to a R-4 zone in 2006 (MAR 2006-26: Doug Cauthen and Kerry Cauthen) with plans to create a residential development. The proposed residential development spurred interest by other groups resulting in the rezoning of nearby properties to a Planned Neighborhood Residential (R-3) zone. All other adjacent properties are currently zoned A-U. A plant nursery and the offices for Stephen H. Hillenmeyer Landscaping are located directly across from the subject property on Sandersville Road. The subject property is also located to the west of the Norfolk-Southern Railroad approximately 300 feet at its closest point. Since the 2006 rezoning, the former commercial / retail sales building associated with Hillenmeyer Nursery was converted to a single-family home.

The proposed development on the subject property would be bound on two sides by the Spring Lake Country Club property. Several properties in the vicinity of the subject property have been rezoned to the R-3 zone, and have been approved for residential development along Greendale and Sandersville Roads. There are no properties in the immediate vicinity that are currently zoned I-1.

The 2013 Comprehensive Plan no longer includes a parcel-based land use element; rather, it encourages land use decisions to be made based upon small area plan recommendations, policy statements and the Goals and Objectives of the Plan. The petitioner opines that this request is in agreement with the policies, goals and objectives of the 2013 Plan and the adopted Goals and Objectives of the 2018 Comprehensive Plan.

While initially the applicant was vague regarding the overall use of the property and the potential connection to the neighborhood, over the course of the review process, the applicant has been more forthright and detailed regarding the proposed use. The applicant indicates that they plan to utilize and maintain the current structures for four different uses that are permitted within the B-4 and I-1 zones. The original brick warehouse will be divided into three sections for three different uses. The eastern most portion of the warehouse will be utilized for the restoration of historic automobiles, as well as the machining of parts to be used on site for the repair of such automobiles. The applicant has also indicated a desire to package and

sell these parts, should a demand arise. The packaging and sale of such machined items indicates a clear shift from a machine shop, a principal use in the B-4 zone, to one that is focused on the production and manufacturing of goods, a use in the I-1 zone. This shift occurs due to the sale of parts to off-site locations. A machine shop is a use where lathes, presses, grinders, shapers, and other wood and metal working machines are used to aid in the production or repair of goods that will be utilized by the maker in support of their own work. Once a product or parts are being manufactured for broader consumption, the use has transitioned to the I-1 or I-2 zone, depending on the intensity of production. The applicant also proposes to store parts and material associated with the rehabilitation of vehicles in this space, which is a use permitted in the B-4 zone.

The western most portion of the site is proposed to be utilized for storage of bourbon barrels and the subsequent bottling of bourbon. This proposed use of this portion of the site is also a combination of a B-4 zone use, the warehousing and storage of goods, and an I-1 zone use, the bottling of beverages.

The center portion of the brick structure has been proposed to be utilized as retail sales of the bottled bourbon and other finished products. The applicant has indicated that this portion of the brick building would be utilized as a tasting room, where members of the public would be able to also fill their own bottles of bourbon, similar to the Blue Grass Distillery, currently operating out of the Breadbox Adaptive Reuse Development near downtown. Retail sales are a permitted use within the B-1 zone, and are allowable in a Flex Space Project.

The applicant proposes to utilize the "Lincoln House," the stand alone structure on the western most portion of the site, as office space, a permitted use in the B-4 zone.

The I-1 zone allows for many different uses, including those uses allowable in the Wholesale and Warehouse Business (B-4) zone. Traditionally, these uses are not recommended to be located adjacent to residential developments. In cases where the Flex Space or Industrial Mixed Use Projects are indicated to be the intent of a site, the location near residential land use can be appropriate. This is due to either the incorporation of residential use or uses that can be geared toward or have an element focused on the neighboring residential developments.

In this case, to achieve the desired uses across the site the applicant has indicated that they will seek to implement a Flex Space Project when a final development plan is considered by the Planning Commission. The petitioner indicates that the retail operation can act as a public amenity serving the increasing residential presence in the area. Despite the inclusion of a public amenity, staff was concerned regarding an industrial use in a residential area. The 2013 Comprehensive Plan and the adopted Goals and Objectives of the 2018 Comprehensive Plan encourage the consideration of how proposals relate to existing development in the immediate vicinity, as well as protecting neighborhoods and residential areas from incompatible land uses. Although there is I-1 zoning and Heavy Industrial (I-2) zoning in the broader area, there are manmade buffers that separate these zones from the subject site, as well as the nearby residential developments. These land use transitions / buffers include the Norfolk Southern Railroad to the east, Greendale Road to the west, and the Spring Valley Country Club to the south. The incorporation of an I-1 zone within this area would place an industrial use in the middle of an area that has become or is planned to become primarily residential in nature. Where a mix of industrial and residential exists within the community, it has largely come about due to a downzoning of industrial land to residential, not vice versa.

In an effort to avoid the placement of an inappropriate zone, while also seeking to maintain the historic structures, the applicant has submitted a revised justification and offers to restrict the site via conditional zoning that results in a heavily restricted I-1 zone. These proposed restrictions include:

1. The existing office and warehouse structures originally constructed in the 19th Century are to be retained and maintained.

2. The only I-1 uses permitted on this property are the principal permitted uses in the B-4 zone, except as prohibited below, and the manufacturing, compounding, assembling, processing, packaging, or similar treatment of auto parts and beverages, including bottling facilities limited to 5,000 square feet.
3. The following B-4 permitted uses shall be prohibited:
  - a. Laundry (excluding self-service laundry), clothes cleaning or dyeing shop.
  - b. Ice Plant.
  - c. Tire re-treading and re-capping.
  - d. Kennels, animal hospitals and clinics.
  - e. Establishments and lots for the display, rental, sale, and repair of farm equipment, contractor equipment, mobile homes, recreational vehicles, such as mini-bikes, motorcycles, bicycles, or boats.
  - f. Establishments and lots for the outdoor storage or display of automobiles or trucks.
  - g. Truck terminals and freight yards.
  - h. Automobile and vehicle refueling.
  - i. Establishments for the display and sale of precut, prefabricated, or shell homes.
  - j. Carnivals.
  - k. Shredding, sorting and baling of paper scrap and storage of waste paper, when wholly conducted in a completely enclosed building.

While the inclusion of an unrestricted I-1 zone is not appropriate for the subject property, the use of conditional zoning restrictions allow for the property to be utilized and renovated, while also providing a less intense use of the subject property. The application of a Flex Space Project also allows for the development of a potential community amenity. With the growing residential concentration in this area, the need for retail will continue to grow in the future.

Additionally, the reduced industrial element of the proposed plan alleviates some of staff's concerns regarding an increase in large truck traffic. While Sandersville Road has been classified as a collector, it has not been upgraded to function in that manner at this location. This is largely due to the historic elements on the subject property, as well as the historic stone walls located along neighboring properties. Any large truck movement will need to travel to the site from the west due to the underpass associated with the Norfolk-Southern Railroad, less than a ¼ mile east of the subject property. This underpass causes a narrowing of the roadway and constricts the height of vehicles able to access the immediate area. By limiting the square footage of the industrial uses, it will limit the potential for increased large truck traffic along a constricted roadway.

The petitioner indicates that the proposed rezoning complies with the adopted Goals and Objectives of the 2018 Comprehensive Plan. They opine that the rezoning and associated plan identifies areas of opportunity for adaptive reuse and mixed-use development (Theme A, Goal #2.a). Furthermore, the plan is consistent with the Comprehensive Plan's Land Use Change Considerations as it proposes to employ underutilized land to provide greater utility and function, will promote historic preservation, and maximizes the use of property within the Urban Service Area. Additionally, the conditional zoning restrictions will also allow for preservation of cultural resources by maintaining the historic structures (Theme A, Goal #3.a), while also incorporating new uses that will incentivize the renovation, restoration, development and maintenance of the historic structures (Theme D Goal #3.b). Staff agrees with these aspects of the petitioner's justification.

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

1. A restricted Light Industrial (I-1) zone is in agreement with the Goals and Objectives of the 2018 Comprehensive Plan, for the following reasons:
  - a. The subject property has been an underutilized site with the High Density Apartment (R-4) zoning. The property should be considered for a change to a restricted Light Industrial (I-1)

- zone in order to permit a use that will allow for the preservation of the historic structures, as well as serve the needs of the surrounding residential land within the Urban Service Area.
- b. The existing historic structure will continue to respect the context and design features of the surrounding area and the existing urban form (Theme A, #Goal 2.b), specifically in connection to the historic structures across Sandersville Road.
  - c. The incorporation of potential new uses will incentivize the renovation, restoration, development and maintenance of the historic structures (Theme D, Goal #3.b) and allow for preservation of cultural resources by maintaining the historic structures (Theme A, Goal #3.a).
2. While the inclusion of an unrestricted I-1 zone is not appropriate for the subject property, the use of conditional zoning restrictions and the application of a Flex Space Project allows for a lower intensity of use, while also providing a potential community amenity.
  3. Under the provisions of Article 6-7 of the Zoning Ordinance, the following use restrictions shall apply to the subject property via conditional zoning:
    - a. The existing office and warehouse structures originally constructed in the 19th Century are to be retained and maintained.
    - b. The only I-1 uses permitted on this property are the principal permitted uses in the B-4 zone, except as prohibited below, and the manufacturing, compounding, assembling, processing, packaging, or similar treatment of auto parts and beverages, including bottling facilities limited to 5,000 square feet.
    - c. The following B-4 permitted uses shall be prohibited:
      - i. Laundry (excluding self-service laundry), clothes cleaning or dyeing shop.
      - ii. Ice Plant.
      - iii. Tire re-treading and re-capping.
      - iv. Kennels, animal hospitals and clinics.
      - v. Establishments and lots for the display, rental, sale, and repair of farm equipment, contractor equipment, mobile homes, recreational vehicles, such as mini-bikes, motorcycles, bicycles, or boats.
      - vi. Establishments and lots for the outdoor storage or display of automobiles or trucks.
      - vii. Truck terminals and freight yards.
      - viii. Automobile and vehicle refueling.
      - ix. Establishments for the display and sale of precut, prefabricated, or shell homes.
      - x. Carnivals.
      - xi. Shredding, sorting and baling of paper scrap and storage of waste paper, when wholly conducted in a completely enclosed building.

These restrictions are appropriate because they have been offered by the applicant and will limit inappropriate uses and maintain the historic character of the property.