

3. **ZOTA 2014-2: AMENDMENTS TO ARTICLES 8-17, 8-18, & 8-19 & ARTICLE 27 TO IMPLEMENT "DESIGN EXCELLENCE"** – petition for a Zoning Ordinance text amendment to implement, in part, the "Design Excellence" program.

REQUESTED BY: URBAN COUNTY COUNCIL

PROPOSED TEXT: *(Proposed text is available upon request from the Division of Planning)*

The Zoning Committee Recommended: Approval, for the reasons provided by staff.

The Staff Recommends: Approval for the following reasons:

1. The proposed text amendment is the first step in implementing the "Design Excellence" program, as developed by the Design Excellence Task Force, an Urban County Council appointed group. The Design Excellence Task Force was tasked with creating an approach to improve the overall design aesthetic of the downtown area.
2. The proposed changes to Articles 8 and 27 will create a new Downtown Area Design Excellence Board to review applications for redevelopment, rehabilitation and demolition that result in an exterior change to a property within the three downtown business zones (Downtown Business [B-2], Downtown Frame Business [B-2A], and Lexington Center Business [B-2B]), utilizing yet-to-be adopted design standards and guidelines.

Staff Presentation: Ms. Wade presented the staff report, explaining that the proposed amendments to parts of Article 8 and all of Article 27 would replace the existing Courthouse Area Design Review Board with the Downtown Area Design Excellence Board. She displayed a map of the proposed Design Excellence area boundary, noting that it includes all of the B-2 zoning areas.

Ms. Wade stated that the Design Excellence Task Force (DETF) was established in the summer of 2010, with the goal of creating a way to develop better building design in the downtown and other business areas. The DETF met numerous times and considered several other approaches to achieving design excellence, but determined that the best way would be to use the three Downtown Business zones as the area in which Design Excellence is enforced. The three Downtown Business zones are proposed to be modified, along with the creation of a Design Excellence Board and drafting the rules by which they will review projects within the defined area. In addition, the Courthouse Area Overlay Zone will be dissolved, in order to avoid a duplication of effort. Ms. Wade said that the Urban County Council will also consider staffing changes, new initiatives, and the adoption of Design Guidelines, which are currently in draft format. She noted that the DETF has reviewed the proposed Design Guidelines numerous times as part of their working group. The DETF is also proposing new incentives, which will be presented to Council in the near future.

Ms. Wade stated that the proposed changes to the Zoning Ordinance are only one portion of the Design Excellence program; the Council will "hold" those changes until the rest of the pieces are ready to move forward, collectively. She said that, in general, the text amendment establishes the process for the review of redevelopment, rehabilitation, and demolition of structures in the downtown area, through Article 27. The proposed changes to Article 8 modify the lot, yard, and height requirements, and the special provisions sections of each of the downtown zones. Those changes also note that, in any case where a Historic District (H-1) overlay exists along with a B-2 zone, the H-1 Design Guidelines and process would take precedence over new design excellence Design Guidelines for the B-2 zones.

Ms. Wade stated that the proposed text amendment for the B-2A zone includes two changes that are not reflected in the B-2 or B-2B zones. Specifically, building height will be allowed up to 12 stories; currently the text limits it to three stories, or up to 10 stories with Planning Commission approval. In addition, off-street parking requirements would be reduced in the B-2A zone.

With regard to the proposed changes to Article 27, Ms. Wade said that the Design Excellence Board will have seven members, rather than the five that serve on the Courthouse Area Design Review Board (CHADRB). The Board would be representative of design professionals; a resident within the boundary; a business owner within the boundary; a real estate person or developer within the boundary; and a member at-large. The new Board will have the authority to review applications for redevelopment and demolition, using the new Design Guidelines upon their adoption. Ms. Wade noted that one of the specific improvements intended with the changes to Article 27 is to allow more staff-level approval, rather than focusing on Board approval. The proposed changes list the criteria by which the staff can evaluate projects; beyond the scope of staff evaluation, a project would be required to be reviewed by the Board. Other changes to Article 27 include the appeal process for the Design Excellence Board, which will involve appeals to Fayette Circuit Court, rather than the Planning Commission. Enforcement language will be updated to assign a Design Excellence Officer the responsibility of reviewing construction and determining compliance. In addition, clarification was added to denote that economic hardship cannot be claimed based on deferred maintenance of historic buildings.

Ms. Wade stated that, after reviewing the proposed text forwarded from the Council, the staff found that some of the areas that should have been underlined were not. For clarification, the staff identified those areas so that the changes would be

* - Denotes date by which Commission must either approve or disapprove request.

clear and concise. The staff and the Zoning Committee recommended approval of the proposed text changes, for the reasons provided as listed in the staff report and on the agenda.

Commission Question: Mr. Penn asked if BOAR appeals in the Design Excellence boundary area would be heard by the Planning Commission, or the Design Excellence Board. Ms. Wade answered that, if the appeal involved the action of the BOAR, appeals would still need to be heard by the Planning Commission.

Mr. Owens asked Ms. Wade to outline the changes presented in the Staff Alternative text. Ms. Wade answered that the changes involved primarily missing underlining, or rearranging the text. She said that there were also two small changes that were proposed by the staff of the Downtown Development Authority. The first, on page 27-5, would keep the words "any part of" and not add "25% or more." This section of the Ordinance would require authorization permits when there is an exterior change or any type of demolition. Ms. Wade explained that the next two sections define the 25% break point in proposed demolition to denote what is large-scale and what is small-scale, which could qualify as a staff approval; so that information is not needed in Section 27-5(a). She said that the second proposed change occurs on page 8, and refers to multi-phase Board review. The DDA staff suggests that a clarification be added that would direct the reader to a Section above that outlines the guidelines for a large-scale new construction project.

Ms. Blanton asked if the text that refers to "any exterior change" would include painting, or new windows. Ms. Wade answered that it would not include painting the exterior of a building that was painted before, which is specified in an earlier section.

Ms. Wade noted that the staff had received a letter of support from the Fayette Alliance for this amendment, which she entered into the record.

Citizen Comment: No one in the audience wished to speak about this proposal.

Action: A motion was made by Mr. Wilson, seconded by Ms. Plumlee, and carried 10-0 (Brewer absent) to approve the Staff Alternative Text of ZOTA 2014-2, including the two changes proposed by the Downtown Development Authority, for the reasons provided by staff.