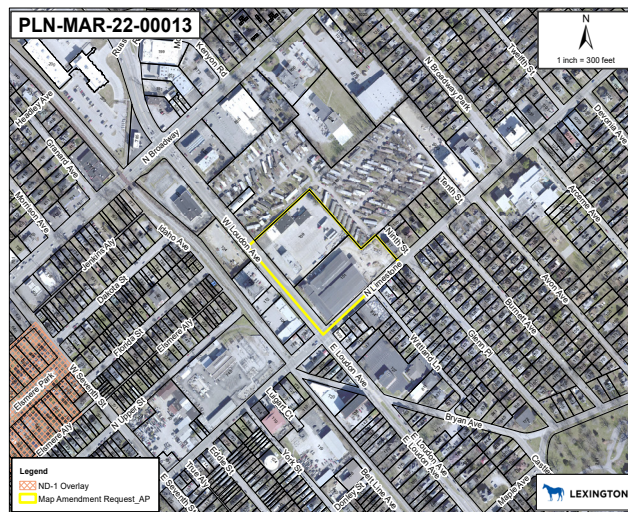


STAFF REPORT ON PETITION FOR ZONE MAP AMENDMENT PLN-MAR-22-00013: NORTHYARD, LLC

DESCRIPTION OF ZONE CHANGE

Zone Change:	From a Wholesale and Warehouse Business (B-4) zone To a Light Industrial (I-1) zone
Acreage:	4.939 net (5.7236 gross) acres
Location:	101 & 109 W Loudon Avenue



EXISTING ZONING & LAND USE

PROPERTIES	ZONING	EXISTING LAND USE
Subject Property	B-4	Mixed Use
To North	B-4	Mobile Home Park
To East	R-1C/ B-1	Church/ Commercial
To South	I-1	Industrial/Office
To West	I-1	Industrial

URBAN SERVICE REPORT

Roads - The subject properties are located at the intersection of W Loudon Avenue, a two lane minor arterial roadway, with North Limestone, another two-lane minor arterial roadway.

Curb/Gutter/Sidewalks - Curb, gutter and sidewalks exist along the North Limestone Street and W Loudon Avenue.

Utilities - All utilities, including natural gas, electric, water, phone, cable television, and internet are available in the area, and are able to be extended to serve the proposed development.

Storm Sewers - The subject properties are located within the Cane Run watershed. There are no FEMA Special Flood Hazard Areas on the properties or in the immediate vicinity. Storm sewers exist in this portion of the Urban Service Area. The subject property is also located within the Royal Spring Aquifer Recharge Area, where special care is needed in order to better protect the aquifer, which supplies drinking water for Scott County. During the establishment of the Adaptive Reuse Project, the subject properties significantly upgraded the on-site stormwater infrastructure in order to help alleviate issues caused by aging infrastructure in the area.

Sanitary Sewers - The subject property is located within the Cane Run sewershed. The property is served by the Town Branch Waste Water Treatment Facility, located on Lisle Industrial Avenue, southeast of New Circle Road.

Refuse - The Urban County Government serves this area with refuse collection on Tuesdays. Supplemental service may be required to serve the needs of the proposed industrial land use. This can be accomplished by contracting with private refuse collectors, if desired.

Police - The subject properties are located within the Central Sector and are served by the Central Sector Roll Call Center, located on Industry Drive near its intersection with Winchester Road, approximately 1½ miles to the southeast of the subject properties

Fire/Ambulance - Fire Station #8 is located less than one mile to the northeast on North Broadway, between New Circle Road and Interstates 64/75.

Transit - This area is served by Lextran Route #7, with outbound and inbound service at the intersection of Loudon Avenue and N Limestone.

Parks - The subject properties are a walkable distance from two parks; Brucetown Park is located 350 feet southwest of the subject properties, and Castlewood Park is located approximately 1/4 mile east of the subject properties.

SUMMARY OF REQUEST

The applicant is seeking a zone change from the Wholesale and Warehouse Business (B-4) zone to the Light Industrial (I-1) zone for the properties located at 101 and 109 W Loudon Avenue in order to establish a future kombucha brewery use at this location.

PLACE-TYPE

INDUSTRY &
PRODUCTION CENTER

The Industry and Production Center Place-Type is where Lexington’s most intense types of economic development and job creation occur. These places should be located near major corridors to facilitate efficient and affordable shipping and transportation of goods throughout the region while minimizing the impact on the traffic infrastructure throughout the rest of the community. Special care should be taken to address the environmental impact of these places as well as their impact on residents.

DEVELOPMENT TYPE

INDUSTRIAL & PRODUCTION
NON-RESIDENTIAL

Primary Land Use, Building Form, & Design

Primarily employment land dedicated to the most intense types of employment-centric development. This is the only category where uses are inherently incompatible and are best separated from adjacent uses. These uses are best suited in areas where they already exist, collocating to utilize industrial-scale infrastructure to serve the needs of the users. Environmental protection measures should be taken to minimize impacts.

Transit Infrastructure & Connectivity

These uses are also heavy employers and should incorporate mass transit infrastructure, on par with that of other modes, to connect residents to their jobs.

PROPOSED ZONING



This zone is intended for manufacturing, industrial and related uses not involving a potential nuisance in terms of smoke, noise, odor, vibration, heat, light or industrial waste. In addition, the Comprehensive Plan recognizes that it is important to promote adaptive reuse of older industrial areas and to allow Industrial Mixed-Use projects and Adaptive Reuse Projects. The Comprehensive Plan should be used to determine appropriate locations for this zone and for Industrial Mixed-Use Projects. Consideration should be given to the relationship of this zone to the surrounding land uses and to the adequacy of the street system to serve the anticipated traffic needs.

PROPOSED USE



This petitioner is proposing the Light Industrial (I-1) zone in order to allow for production type uses within the existing Greyline Station Adaptive Reuse Project. In particular, the applicant wishes to utilize space within the existing workshop building in order to establish a kombucha brewery.

While the scope of uses is proposed to be expanded, the footprint of the existing structures and the layout of the parking areas and landscaping are not proposed to be changed with this request.

APPLICANT & COMMUNITY ENGAGEMENT



According to the submitted letter of justification, the applicant states that they had preliminary discussions with several adjacent property owners regarding this project, and has indicated that they intend to conduct further neighborhood outreach.

PROPERTY & ZONING HISTORY



The subject property has been zoned Wholesale and Warehouse Business (B-4) since before the 1969 comprehensive rezoning of the city and county. The site initially was used as a service station for Southeastern Greyline, and was acquired by LFUCG in 1972 for use as a service garage for public buses. The property was added to the National Register of Historic Places in 2011, and redeveloped in 2018 as a part of the Greyline Station Adaptive Reuse Project.

Currently, the subject property consists of the 65,000 square foot historic Greyline Station building, a 4,000 square foot office building housing the Lexington Herald Leader, and a 11,500 square foot workshop building, with associated parking and landscaping areas. The site contains a mix of uses, including: market space, banquet facilities, retail, restaurant, and music venue space. At this time, the applicant is proposing to convert the workshop space into a kombucha brewery, with no physical changes proposed to the site.

COMPREHENSIVE PLAN COMPLIANCE



The 2018 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.

GOALS & OBJECTIVES

The applicant opines that they are in agreement with the adopted Goals and Objectives of the 2018 Comprehensive Plan.

The applicant begins their discussion of the Goals and Objectives of the 2018 comprehensive plan by stating that their proposal supports infill and redevelopment throughout the Urban Service Area as a strategic component of growth (Theme A, Goal #2). Since the Transit Center use was discontinued at this location, the site was severely underutilized. Expanding the permitted uses for the site's Adaptive Reuse Project will contribute to the continued success of efforts to effectively and efficiently utilize land within the Urban Service Area. By retaining the existing structures on site, the proposal will continue to respect the context and design features of this area (Theme A, Goal #2, Objective B)

The applicant further opines that the request is in keeping with the Comprehensive Plan's goal supporting and showcasing local assets to further the creation of a variety of jobs (Theme C, Goal #1). The applicant opines that the shift in zoning from B-4 to I-1 will allow the businesses within this Adaptive Reuse Project to expand their scope of operations by allowing production type activities such as canning, bottling, and packaging. The additional revenue opportunities presented by this operational flexibility will help these businesses grow, leading to the generation of additional job opportunities for all (Theme C, Goal #1a).

The applicant further claims that the proposed rezoning will allow the development to better provide entertainment and other quality of life opportunities to attract young, culturally diverse professionals, and a workforce of all ages and talents to Lexington (Theme C, Goal #2d). Several popular uses that typically have a production component, such as the applicant's proposed kombucha production use, craft microbreweries, and craft distilleries would be able to be added to the list of permitted uses at this site.

The staff agrees with these aspects of the applicant's proposal and that these Goals and Objectives of the 2018 Comprehensive can be met with the proposed development.

POLICIES

While the applicant does not directly reference any specific Comprehensive Plan Policies within their letter of justification, staff has identified several policies listed within the 2018 Comprehensive Plan that are being met with this request. Staff finds the request meets Design Policy #4, which relates to providing development that is sensitive to the surrounding context. While the scope of uses are expanding, the footprint of the Greyline Station Adaptive Reuse Development is not. With no physical changes proposed to the site, the development



will remain the same compatible scale as before.

In expanding the allowable uses, the request meets Density Policy #3, which advocates for opportunities for additional neighborhood supportive uses. While industrial type uses do not typically fit the mold of neighborhood supportive business, the I-1 zone will allow for neighborhood scale uses that characterize this development to perform supplemental production activity, such as on-site packaging/bottling, which will allow them to be more profitable and contribute to their long-term success.

Finally, the request meets Livability Policy #6, which focuses on attracting and retaining young professionals by improving amenities and entertainment options. This proposed rezoning would allow for popular production uses such as the proposed Kombucha brewery, craft beer microbreweries, or craft distilleries, and would allow existing uses to package their products for consumption or sales off-site.

PLACE TYPE, DEVELOPMENT TYPE, AND ZONE

In an effort to allow for the greatest contextual development of Lexington's Urban Service Area, applicants are asked to identify a Place-Type based on the location of the subject properties. Within each Place-Type there are recommended Development Types based on the form and function of the proposed development. Based on the Place-Type and Development Type there are also several recommended zones that are most appropriate based on the Goals, Objectives, and Policies of the 2018 Comprehensive Plan. While these zones are the ideal zoning categories to develop within a specified area, other zones may be considered, provided there is an appropriate justification addressing the unique situation and provided the development is able to adequately meet the associated Development Criteria.

The applicant has indicated that the site is located within the Industry and Production Place-Type and is seeking to create an Industry and Production Non-Residential Development Type. Within this Place-Type and Development Type, the Comprehensive Plan states that special care should be taken to address the environmental impact of these places, as well as their impact on residents. Typically, the appropriateness of the Industry and Production Place-Type is heavily reliant, not only on the surrounding land use, but the infrastructure that is available to support such a development. **The subject property fronts on two minor arterial roadways, and this portion of Loudon Avenue near the site has historically contained a mix of warehousing and light industrial land uses. Based on the location and historical context of this area, Staff agrees that the Industry and Production Place-Type can be appropriate for the subject property and, with appropriate consideration given to the adjacent residential uses and environmentally sensitive areas, the proposed Industry and Production Non-Residential Development Type can be appropriate for the subject property.**

DEVELOPMENT CRITERIA

The development criteria for a zone change are the distillation of the adopted Goals and Objectives, as well as the policies put forth in the 2018 Comprehensive Plan. The development criteria for development represent the needs and desires of the Lexington-Fayette Urban County community in hopes of developing a better built environment. The applicable criteria are defined based on the proposed Place-Type and Development Type.

1. Site Design, Building Form and Location

The applicant highlighted several aspects in which the proposed rezoning meets the criteria for Site Design, Building Form and Location

B-PR9-1. Minimize disturbances to environmentally sensitive areas by utilizing the existing topography to the greatest extent possible

The applicant notes that as they will be utilizing existing structures for the proposed kombucha brewery use, no physical changes to the site are proposed with this request. As a result, there should be no impact to any nearby environmentally sensitive areas with this request.



C-DI1-1 Consider flexible zoning options that will allow for a wide range of jobs.

The applicant indicates in their letter of justification that rezoning the site will allow for a wider array of uses on-site. The property's current status as an Adaptive Reuse Project allows for a number of expanded uses, which include retail, restaurants, and other more neighborhood oriented businesses typically not permitted within the B-4 zone. The applicant's requested rezoning would allow for a further increase in the scope of uses, and would allow for these neighborhood scale businesses to perform production activity, which is not permitted under B-4 zoning.

D-PL9-1 Historically significant structures should be preserved; E-GR4-1 Developments should incorporate reuse of viable existing structures.

The applicant has indicated that the historically significant Greyline Station structure will not be expanded under this request. In order to keep the additional zoning flexibility provided by the Adaptive Reuse Project provisions of the Zoning Ordinance, the structure is required to be retained.

2. Transportation and Pedestrian

Staff finds that this request meets the requirements for Transportation and Pedestrian Connectivity. The existing development has access to pedestrian facilities, transit routes, and dedicated bike lanes along both sides of Loudon Avenue. No changes to these existing features is proposed with this request.

3. Greenspace and Environmental Health

The proposed rezoning meets the criteria for Greenspace and Environmental Health as the applicant is not proposing any physical changes to the site, and is maintaining existing stormwater management systems.

STAFF RECOMMENDS: **APPROVAL**, FOR THE FOLLOWING REASONS:



1. The requested Light Industrial (I-1) zone is in agreement with the 2018 Comprehensive Plan's Goals and Objectives, for the following reasons:
 - a. The proposed development will support context sensitive redevelopment of land within the Urban Service Boundary by allowing for adaptive reuse of an existing industrial building (Theme A, Goal #2.b)
 - b. The proposed rezoning will help with the creation of a variety of jobs (Theme C, Goal #1.a) by allowing for new uses, and providing existing businesses in this development additional flexibility to package their products for use and consumption off-site.
 - c. The proposed rezoning will help attract young, culturally diverse professionals by expanding the permitted uses on-site to include popular uses such as the proposed brewery (Theme D, Goal#2.d)
2. The requested Light Industrial (I-1) zone is in agreement with the 2018 Comprehensive Plan's Policies, for the following reasons:
 - a. As the development will not physically change under this request, the proposed development will remain context-sensitive, meeting Design Policy #4.
 - b. The proposed development meets Density Policy, #3 as the additional production capabilities provided by the change in zoning will encourage further growth of neighborhood supportive uses by allowing them to engage in light production activity.
 - c. Finally, the request meets Livability Policy #6 by providing the opportunities to accommodate additional entertainment and amenity opportunities that appeal to young professionals.

3. The justification and corollary development plan are in agreement with the policies and development criteria of the 2018 Comprehensive Plan.
 - d. The proposed rezoning meets the criteria for Site Design, Building Form and Location as the applicant will keep the current site configuration, retain the historically significant Greyline Station structure, while allowing for increased zoning flexibility.
 - e. These proposed rezoning addresses the Transportation and Pedestrian Connectivity development criteria, as the proposal will retain the existing pedestrian connections, proximity to transit stops, and access to dedicated bike lanes.
 - c. The proposed rezoning meets the criteria for Greenspace and Environmental Health as the request will not result in any physical changes to the site, and all existing water management systems will be retained.

4. This recommendation is made subject to approval and certification of PLN-MJDP-22-00060 GREYLINE STATION & MARKET (FKA TRANSIT AUTHORITY OF LFUCG), prior to forwarding a recommendation to the Urban County Council. This certification must be accomplished within two weeks of the Planning Commission's approval.