ORDINANCE NO. <u>135</u> - 2023

AN ORDINANCE MODIFYING CONDITIONAL ZONING RESTRICTIONS IN A NEIGHBORHOOD BUSINESS (B-1) ZONE FOR 0.485 NET (0.666 GROSS) ACRES, FOR PROPERTY LOCATED AT 509 EAST MAIN STREET, AS AMENDED. (509 E. MAIN, LLC; COUNCIL DISTRICT 3).

WHEREAS, at a Public Hearing held on October 12, 2023, a petition for a zoning ordinance map amendment modifying the conditional zoning restrictions in a Neighborhood Business (B-1) zone limiting uses related to retail sale of only certain merchandise on the property, for 0.485 net (0.666 gross) acres, for property located at 509 East Main Street, was presented to the Urban County Planning Commission; said Commission recommending conditional approval of the zone change by a vote of 6-2; and

WHEREAS, this Council agrees with the recommendation of the Planning Commission; and

WHEREAS, the recommendation form of the Planning Commission is attached hereto and incorporated herein by reference.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT:

Section 1 – That the Zoning Ordinance of the Lexington-Fayette Urban County Government be amended to show a modification of conditional zoning restrictions in a Neighborhood Business (B-1) zone limiting uses related to retail sale of only certain merchandise on the property, for 0.485 net (0.666 gross) acres, for property located at 509 East Main Street, being more fully described in Exhibit "A" which is attached hereto and incorporated herein by reference.

Section 2 – That under the provisions of Article 6-7 of the Zoning Ordinance, the following use restrictions shall apply:

- A. The permitted uses on the property, as regulated by Section 8-16 of the Zoning Ordinance for the Neighborhood Business (B-1) zone, shall be:
 - 1. Professional services including, but not limited to, financial services, legal services, business offices, medical and dental offices.
 - 2. Schools for academic instruction.
 - 3. Libraries, museums, art galleries, and reading rooms.
 - 4. Studios for work or teaching of fine arts.
 - 5. Community centers and private clubs.
 - 6. Ticket and travel agencies.
 - 7. Kindergartens, nursery schools and childcare centers.
 - 8. Restaurants and brew-pubs.
 - 9. Establishments for the retail sale of merchandise.

- 10. Beauty shops and barber shops.
- 11. Shoe repair, clothing alterations, and tailoring services.
- 12. Dwelling units.
- 13. Athletic club facilities.
- 14. Banquet facilities.
- 15. Adult daycare facilities.
- 16 Places of religious assembly.
- 17. Nursing homes, personal care facilities and assisted living facilities.
- 18. Rehabilitation homes.
- 19. Day shelter.
- 20. Establishments of the retail sale of food products.
- 21. Accessory parking areas.
- B. No merchandise for sale will be displayed on the building's porch or in the front or side yards.
- C. The Parking lot will be screened from Forest Avenue by the brick wall and landscaping shown on the submitted development plan. A buffer/screening of up to fifteen feet in height shall be planted along the sides and rear of the property as approved by the Planning Commission on a final development plan and consistent with findings of the Board of Architectural Review.
- D. Business signage on the property shall be limited to one freestanding sign, with indirect illumination, not to exceed 3 1/2 feet in height, to be constructed of natural materials such as wood and be consistent with the architecture of the principal structure.

These restrictions are appropriate and necessary to allow for reasonable utilization of the property, and to protect the character of the Bell Court Historic Area and the Main Street corridor.

Section 3 – That the Lexington-Fayette Urban County Planning Commission is directed to show the amendment on the official zone map atlas and to make reference to the number of this Ordinance.

Section 4 – That this Ordinance shall become effective on the date of its passage.

PASSED URBAN COUNTY COUNCIL: November 28, 2023

MAYOR Sorton

Muler

ATTEST

CLERK OF URBAN COUNTY COUNCIL PUBLISHED: December 14, 2023

1108-23:TWJ:X:\Cases\PLANNING\23-LE0001\LEG\00801212.DOCX

Rec'd by	
Date:	

RECOMMENDATION OF THE URBAN COUNTY PLANNING COMMISSION OF LEXINGTON AND FAYETTE COUNTY, KENTUCKY

IN RE: <u>PLN-MAR-23-00012: 509 E MAIN, LLC</u> – a petition for a zone map amendment from Neighborhood Business (B-1) zone with conditional zoning restrictions to Neighborhood Business (B-1) zone with no conditional zoning restrictions, for 0.485 net (0.666 gross) acres, for property located at 509 E. Main Street. (Council District 3)

Having considered the above matter on <u>October 12, 2023</u>, at a Public Hearing, and having voted <u>6-2</u> that this Recommendation be submitted to the Lexington-Fayette Urban County Council, the Urban County Planning Commission does hereby recommend <u>CONDITIONAL APPROVAL</u> of this matter for the following reasons:

- 1. There have been significant changes in the retail trends for the industries permitted under the original conditional zoning restrictions, and these represent a major economic change that was not anticipated in 1990.
- 2. The current conditional zoning restrictions unreasonably restrict the utilization of the subject property, and the ability to maintain the historic structure on-site.
- 3. Under the provisions of Article 6-7 of the Zoning Ordinance, the following use restrictions shall apply:
 - A. The permitted uses on the property, as regulated by Section 8-16 of the Zoning Ordinance for the Neighborhood Business (B-1) zone, shall be:
 - 1. Professional services including, but not limited to, financial services, legal services, business offices, medical, and dental offices.
 - 2. Schools for academic instruction.
 - 3. Libraries, museums, art galleries, and reading rooms.
 - 4. Studios for work or teaching of fine arts.
 - 5. Community centers and private clubs.
 - 6. Ticket and travel agencies.
 - 7. Kindergartens, nursery schools and childcare centers.
 - 8. Restaurants and brew-pubs.
 - 9. Establishments for the retail sale of merchandise.
 - 10. Beauty shops and barber shops.
 - 11. Shoe repair, clothing alterations, and tailoring services.
 - 12. Dwelling units.
 - 13. Athletic club facilities.
 - 14. Banquet facilities.
 - 15. Adult day care facilities.
 - 16. Places of religious assembly.
 - 17. Nursing homes, personal care facilities and assisted living facilities
 - 18. Rehabilitation homes
 - 19. Day shelters
 - 20. Establishments for the retail sale of food products
 - 21. Accessory parking areas
 - B. No merchandise for sale will be displayed on the building's porch or in the front or side yards.

concerns of Bell Court Neighborhood Association and asked the Planning Commission to disapprove the zone change.

- Keith Lovan, 524 Sayre Avenue
- Stated that he was uncomfortable with the proposed zone change, and that traffic issues were the biggest concern.
- Kevin Murphy, 141 W. Bell Court
- Stated that he was concerned about the potential conditional uses in the B-1 zone.
- Maureen Peters, 535 Russell Avenue
- Stated that she felt that the previous zone change would not have happened without the conditional zoning, and she was concerned about expanding the list of allowable uses.
- Amy Clark, 628 Kastle Road
- Stated that she felt that if the property was rezoned, it should go back to the prior zone. She felt there was no demonstrated change to the property. She was concerned about the hours of operation.
- Brady Barlow, 505 E. Main Street
- Stated he was concerned about the number of members that would be in the club, and that it would not serve the neighborhood.

VOTES WERE AS FOLLOWS:

AYES:

(6)

Barksdale, Wilson, Meyer, Michler, Owens, and Worth

NAYS:

(2)

Meyer and Davis

ABSENT:

(2)

Forester and Pohl

ABSTAINED: (0) DISQUALIFIED: (0)

Motion for APPROVAL of PLN-MAR-23-00012 carried.

Enclosures:

Application
Justification Letter
Legal Description

Map

Development Snapshot

Staff Reports

Applicable excerpts of minutes of above meeting

STOLL KEENON OG DEN

NICK NICHOLSON

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> 300 W, VINE STREET SUITE 2100 LEXINGTON, KY 40507 MAIN: (859) 231-3000 FAX: (859) 253-1093

August 7, 2023

Lexington-Fayette Urban County Planning Commission Lexington-Fayette Urban County Government 101 East Vine Street Lexington, KY 40507

Conditional Zoning Restriction Modification Request for 509 E. Main Street in the Neighborhood Business (B-1) Zone.

Dear Members of the Planning Commission:

On behalf of 509 E Main, LLC, ("Applicant") we have filed a zoning modification request to remove one of the Conditional Zoning Restrictions in the Neighborhood Business (B-1) zone, for the property located at 509 E. Main Street (the "Property"). The Property consists of approximately 0.49 net (0.68 gross) acre.

While it is presently zoned Neighborhood Business (B-1), there is a Conditional Zoning Restriction on the site that limits the permissible B-1 uses to:

The only uses permitted on the property shall be establishments for the retail sale of merchandise, including only fabrics, furnishings, fixtures, glassware, and china, gifts antiques, and books; and dwelling units.

The Applicant requests the removal of this Conditional Zoning Restriction as it is inappropriate to continue restricting the Property to a single retail category as described by the 1990 property owner, Zee Faulkner Antiques. There have been major economic and societal changes to retail sales and in our community's desire to allow more types of commercial and mixed uses on Lexington's arterials as discussed below. As such, it is appropriate to remove this condition limiting the Property to a single business use and replace it with a list of prohibited uses that would be inappropriate for the Property in a manner that the Commission is accustomed to doing.

The Applicant is a group of local community members with deep roots in Lexington and extensive ties to the Property and the surrounding neighborhood. The LLC Members include Tyler Bromagen, Field Ladd, William Ryan, and Brian Babbage. Most of the members grew up near the Property or attended Good Shepherd for school and/or church. In fact, Mr. Ladd has lived at the Property and worked at the Cross Gate Gallery for the last 25 years. Their vision is to create a business that can continue the Ladd Family's stewardship of the Property in a way that brings the use of it into today's economic and social reality while also enhancing the lives of the Bell Court community.

Lexington-Fayette Urban County Planning Commission August 7, 2023 Page 3

Lexington's major roadways focused on commerce and transportation. The overriding emphasis of Imagine Lexington is significantly overhauling the intensity of the major corridors. The future of Lexington's corridors lies in accommodating the shifting retail economic model by incorporating high density residential and offering substantial flexibility to available land uses.

Due to the historic nature of the structure itself, we are limited from adding additional residential units above the existing 4-bed unit, but Lexington certainly should reevaluate the need to limit an existing mixed-use structure to only be able to sell niche goods. The Property is located on the Main Street corridor in close proximity to the downtown core. Our community policies encouraged bolstering the vitality of new and existing small businesses in corridors such as Main Street and also promoting the adaptive reuse of existing structures – especially historic structures. The Applicant proposal fulfills both of these goals and minimizes any adverse impact by merely promoting a wider array of mixed-use activities already authorized in the underlying zoning for the Property.

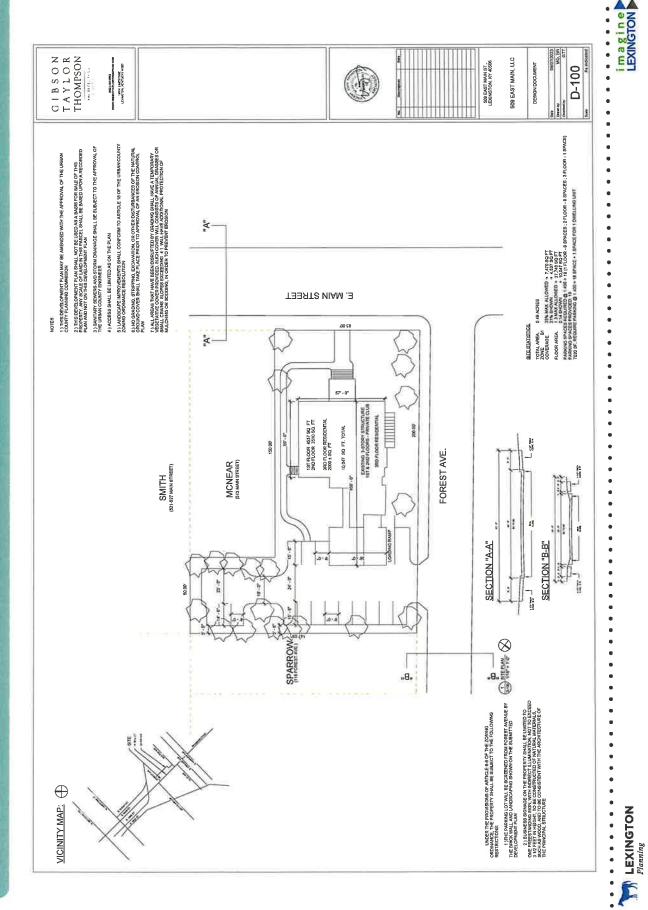
This stretch of Main Street is unquestioning a mixed-use and mixed-zone area. The subject B-1 property is adjacent to the residential zones of R-2 to the north, R-4 to the east and west, with commercial zoning of B-1, P-1, and B-2A directly to the south across Main Street. The mix of uses is ever greater than that of the surrounding zoning. There are single-family residences, multi-family units, senior housing, churches, schools, salons, boutiques, restaurants, real estate offices, dentists' offices, and financial services' offices, all within a few parcels of the Property. Any and all of the desired uses of the Property already exists within the neighborhood and in many instances just a parcel or two away.

The Applicant's proposal should not cause any unwanted intrusion into the surrounding neighborhood. Indeed, all of the proposed uses for the Property already exist in close proximity along the Main Street corridor and represents an extension of the types of uses and events that Cross Gate Gallery regularly provided to its clients and the surrounding neighborhood. Cross Gate historically hosted both commercial and non-profit events, had food service, beverage service, along with various forms of entertainment for its guests. These offerings likely qualified as accessory uses to the principal use of the art gallery, but they nonetheless have been commonplace with the Property. The Applicant is simply requesting that these historic uses of the Property not be tied to the retail sale of goods as described by the Conditional Zoning Restriction, instead simply allowing them as the principal permitted B-1 uses associated with Lexington's Neighborhood Business zone. The Property's parking area is already well buffered with a substantial brick wall surrounding the parking area and the Applicant has secured additional off-site parking agreements with nearby commercial users. There will be no changes to the existing exterior lighting and the existing courtyard area has additional brick walls and hedges to damper any noise.

The Applicant commits to working with Staff to develop appropriate conditional zoning restrictions to detail out a set of prohibited uses for the Property that are more appropriate to limit than taking the approach of only allowing a single type of retail sales that was placed on the Property in 1990.

We will be at the September public hearing in order to make a complete presentation of this application and request your favorable consideration.

Development Plan







STAFF REPORT ON PETITION FOR ZONE MAP AMENDMENT PLN-MAR-23-00012: 509 E MAIN, LLC

DESCRIPTION OF ZONE CHANGE

Zone From a restricted Neighborhood Business(B-1) zone

Change: To a Neighborhood Business (B-1) zone

Acreage: 0.485 net (0.666 gross) acres

Location: 509 E Main Street

EXISTING ZONING & LAND USE

PROPERTIES	ZONING	EXISTING LAND USE
Subject Properties	B-1	Art Gallery
To North	R-2/R-4	Residential
To East	R-4	Residential
To South	P-1/B-2A	Professional Offices
To West	R-4/B-1	Residential



URBAN SERVICE REPORT

Roads - The subject property is located at the intersection of Forest Avenue, and E Main Street (US 25). E Main Street in the vicinity is a four-lane major arterial roadway. Forest Avenue is a two lane local road.

Curb/Gutter/Sidewalks - Curb, gutter, and sidewalk facilities are present on both E Main Street and Forest Avenue.

<u>Utilities</u> - All utilities, including natural gas, electric, water, phone, cable television, and internet are available in the area, and are able to serve the site.

<u>Storm Sewers</u> - The property is located within the Town Branch watershed. Storm sewers are available to serve the property. There are no FEMA Special Flood Hazard Areas or environmentally sensitive areas on the subject property, or the immediate vicinity.

<u>Sanitary Sewers</u> - The subject property is located within the Town Branch Sewershed. Sanitary sewer treatment is provided by the Town Branch Wastewater Treatment Plant for properties within this portion of the Urban Service Area, which is located on Lisle Industrial Road.

<u>Refuse</u> - The Urban County Government serves this area with refuse collection on Tuesdays. Supplemental service by private refuse haulers is available to supplement existing service, if necessary.

<u>Police</u> - The subject property is located within the Central Sector, and is served by the Central Sector Roll Call Center, which is located on Industry Road, approximately 1.5 miles to the northeast of the subject property. The downtown Police Headquarters is approximately 0.9 miles northwest of the subject property, on East Main Street.

<u>Fire/Ambulance</u> - The nearest fire station (#5) is located about 1/3 mile southwest of the subject property, at the intersection of Woodland Avenue and E Maxwell Street.

<u>Transit</u> - LexTran services are available in the immediate area, with Route #11 featuring stops along E Main St near Kentucky Avenue, Bell Court, and Indiana Avenue.

<u>Parks</u> - The subject property is located one block west of Bell Place Park. Woodland Park is located approximately 1/4 mile south of the subject property, and Thoroughbred Park is located approximately 1/4 mile northwest of the property.





CONDITIONAL ZONING RESTRICTION PROCESS



Article 6-7(c)Amendment. Modification, removal or amendment of conditions or restrictions shall be as follows:

- 1. Restrictions or Conditions Designated by the Urban County Council. The Urban County Council shall have final authority to consider and act upon requests for modification, removal or other amendment of a duly imposed binding restriction or condition so designated by the Council at the time of their adoption.
 - a. <u>Findings Required</u>. The request may be granted by the Council only if it is found that there has been a major change of an economic, physical or social nature on the subject property or within the area in which the subject property is located, which was not anticipated at the time the binding restriction or condition was imposed, and which has substantially altered the basic character of such area making the restriction or condition inappropriate or improper. The burden shall be on the applicant to establish said finding by a clear preponderance of the evidence.
 - b. <u>Procedure</u>. The procedure for review, notice and action on requests to modify, remove or amend an imposed restriction or condition shall be the same as for a zone map amendment, except that a full public hearing by the Urban County Council shall be required in all cases. The Council's decision to modify, remove or amend a duly imposed binding restriction or condition shall be final action; and any person or entity claiming to be injured or aggrieved by that action may appeal to Fayette Circuit Court within thirty (30) days after such final action pursuant to KRS 100.347.

ZONING ORDINANCE COMPLIANCE



The applicant opines that the zoning restrictions at this location are no longer appropriate due to economic changes in the industries permitted under the property's current conditional zoning restrictions. The applicant begins by touching on changes to the antique industry in the 33 years since the rezoning of the property, stating that according to a 2019 New York Times article, the antiques market has declined roughly 80% over the last several decades. The applicant then cites an Artnet article that reports a 45-70% drop in the art sales market in just the last 15 years. The applicant indicates that the downturn in this industry led the Crossgate Art Gallery to relocate to an area that was more affordable, and suggests that such a use is no longer capable of supporting and maintaining this historic site. While no statistics were cited, the applicant also opines that the bookseller industry is also in decline.

While the applicant has provided information regarding the antiques, art, and bookseller industries, the applicant should provide information on the other industries included within the list of permitted uses on the site, such as furniture stores. In addition, the applicant should also provide information regarding any physical or economic changes in this portion of the Main Street corridor since the 1990 rezoning that would support their request.

The applicant has indicated that they will seek the neighborhood's input on crafting a new list of conditional zoning restrictions with this application, but have not done so at this time. Public participation and neighborhood outreach played a crucial role in developing the conditional zoning restrictions during the property's initial rezoning. The specifically tailored conditions led to general support from the neighborhood for the 1990 rezoning efforts. In order to ensure that the site will operate harmoniously with the adjoining historic residential area, the applicant should conduct the proposed public outreach, and provide information on the neighborhood's involvement on the proposal of new conditional zoning conditions.

In addition to the use restrictions, the conditional zoning present on the site also requires specific landscaping buffers, prohibits outdoor sales, and prohibits exterior signage. The applicant does not discuss the appropriateness of those conditions in their letter; however, as proposed those conditions would also be removed with the proposed rezoning. Staff finds theses conditions remain appropriate, and should remain even if the permitted uses within the current conditional zoning restrictions are altered.

Staff recommends postponement in order to provide the applicant an opportunity to conduct the necessary public outreach, as well as supply supplemental information to bolster their appropriateness argument.





The Staff Recommends: Postponement, for the following reasons:

- The applicant should provide information regarding neighborhood outreach regarding new conditional zoning use restrictions at this location.
- 2. The applicant should provide greater information regarding the economic feasibility of the other permitted uses at this location.
- 3. The applicant should provide information regarding physical or social changes in this portion of the Main Street corridor since the initial 1990 rezoning.

Mr. Crum began his presentation by informing the Planning Commission that he had given them handouts that included several support and opposition letters. He oriented the Planning Commission to the site location and the surrounding zoning. He indicated that the property was included in an H-1 overlay area so it would need approval from the Division of Historic Preservation. He described the details of the request to change the conditional zoning restrictions of the property that were placed on it during a previous zone change in 1990. Mr. Crum stated that the applicant had three separate meetings with the Bell Court Neighborhood Association, of which staff was present for two.

The neighbors had concerns with parking and other use-specific requirements. He listed previous uses of the building, and displayed photographs of the subject property, as well as the development plan. Mr. Crum described the type of use that the applicant was seeking, a private, social, art-based club, and mentioned some similar clubs in Lexington. He stated that staff felt the conditional zoning that was placed on the property was very specific and not how Planning would approach conditional zoning now. Mr. Crum stated that the applicant had made an economic argument to justify the request for a change in the conditional zoning, and staff agreed with their position. He shared the applicants list of proposed restrictions, and listed the following alternative list to address potential equity issues.

- A. The permitted uses on the property, as regulated by Section 8-16 of the Zoning Ordinance for the Neighborhood Business (B-1) zone, shall be:
 - 1. Professional services including, but not limited to, financial services, legal services, business offices, medical, and dental offices.
 - 2. Schools for academic instruction.
 - 3. Libraries, museums, art galleries, and reading rooms.
 - 4. Studios for work or teaching of fine arts.
 - 5. Community centers and private clubs.
 - 6. Ticket and travel agencies.
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 - 9. Establishments for the retail sale of merchandise.
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 - 14. Banquet facilities.
 - 15. Adult day care facilities.
 - Places of religious assembly.
 - 17. Nursing homes, personal care facilities and assisted living facilities.
 - 18. Rehabilitation homes.
 - 19. Day shelters.
 - 20. Establishments for the retail sale of food products.
 - 21. Accessory parking areas.
- B. No merchandise for sale will be displayed on the building's porch or in the front or side yards.

- 3. Urban County Traffic Engineer's approval of street cross-sections and access.
- 4. Urban Forester's approval of tree preservation plan.
- 5. Correct note #6, deleting word "resolution."
- 6. Discuss on-site drop off location for members and deliveries.

<u>Staff Presentation</u> - Ms. Gallt shared the Development Plan with the Planning Commission and stated the sign-offs that were needed for approval. She mentioned drop-off and pick-up locations were a discussion item that needed to be addressed.

Applicant Representation – Attorney Nick Nicholson was present to represent the applicant. He mentioned that there were several members of the applicant team present as well. He began by displaying a photograph of the subject property and stated that the application came about because the gallery use of the project was insufficient to maintain the building in the manner it deserved. The applicants wanted to find a use that was art-related but make it economically possible.

Field Ladd, co-owner of the property, shared his personal history with the property, and described it as a legacy in his family. He told the Planning Commission the efforts that had been made to preserve the legacy of the property. He stated that the preservation of the property was extremely important to the family, as well as respecting Bell Court.

Tyler Bromagen, spoke about the historic aspect of the building and said that it must be maintained. He described the proposed club to be a culturally diverse, art based social club. He said that there would still be art displayed in the building that would be maintained by Crossgate Gallery. He listed several social events that they envisioned taking place at the club.

Mr. Nicholson continued the presentation. He expressed their complete agreement with the staff alternative list of permitted uses. He said that they were only asking for conditional zoning that would be comparative to most B-1 zoned property in an historic district. He reemphasized the shift in retail sales to online purchasing and how it had affected his client's ability to maintain the property as they had done previously. He displayed several statistics to back up their position, and he stated that the Crossgate Gallery had to move to a smaller, more maintainable space to be economically viable. He pointed to several properties that could be used for the proposed club, by right, in the immediate area because they did not have the strict conditional zoning. Addressing traffic concerns, Mr. Nicholson said that the owners anticipated only 40-60 trips being added per day, and also mentioned that they had dedicated parking agreements with other nearby properties. He also shared that the Kentucky Transportation Cabinet was planning pedestrian improvements to East Main Street. He stated that the neighborhood mentioned a desire for enhanced landscaping and displayed some renderings of landscaping that they planned to submit to the Board of Architectural Review. He reiterated that they wanted the Bell Court neighbors to enjoy and utilize this property.

Mr. Nicholson discussed the neighborhood engagement including scheduled meetings as well as several emails and phone calls. He said that they wanted to activate an underutilized property and include many of the ideals of the Comprehensive Plan including ridesharing, multi-modal, and an infill type use. He again asked for approval.

<u>Commission Question</u> – Mr. Wilson asked if there was any set criteria for members of the club. Mr. Nicholson said that there was no criteria that he was aware of, and they had no desire to be a country club, but a nice co-working space with multiple learning opportunities.

Mr. Wilson inquired about the number of parking spaces at the property. Mr. Nicholson replied that there were 17 spaces on site, and parking arrangements for over 100 more neraby.

Ms. Worth asked if there would be rental spaces for artists, and Mr. Nicholson said that there would be nothing for rent, rather it would be covered in the membership fee.

Maureen Peters, 535 Russell Avenue, felt that the previous zone change would not have happened without the conditional zoning, and she was concerned about expanding the list.

Bob Babbage, 3013 Tates Creek Road, #104, spoke in support of the project. He compared this project to one in Louisville that had been very successful. He said that there were not going to be 500 members, and there was a parking plan in place. He said that the plan would keep Bell Court special.

Bo Bromagen, 442 N. Limestone, was supportive of the plan. He said it was a group of local residents who wanted to continue investing in the community. He said it would preserve the property.

Greg Ladd, 1101 Fincastle Road, and owner of the property, said the building was wonderful and they wanted to preserve it. He felt that the interior plan that they had planned would be beautiful.

Andrea Mandella, 101 Swigert Avenue, said that the type of retail that had been in use was not maintainable. She supported the zone change, because they would do the right thing with the property.

Jonathan Nunley, 145 Old Cassidy Avenue, was excited about the club and the social aspects that would be offered.

Amy Clark, 628 Kastle Road, felt that if the property was re-zoned, it should go back to the prior zone. She felt there was no demonstrated change to the property. She wanted no transient rental allowed and was concerned about the hours of operation.

Brady Barlow, 505 E. Main Street, was concerned about the number of members that would be in the club, and that it would not serve the neighborhood.

William Meng, 125 Forest Avenue, said that the zoning restrictions were unfathomable and that the antiques market was extremely difficult. He supported the plan.

Applicant Rebuttal – Mr. Nicholson reiterated that this was a property in an H-1 Overlay, so it would have additional protections. He clarified that the rear parking lot would be used for ride sharing and deliveries. He said that there have been changes to the business model for the better, because of the neighborhood interactions. He also reminded the Planning Commission that there would be no exterior building changes. Mr. Nicholson repeated the reasons why they could claim a significant economic change, and also listed several changes that had been made due to neighborhood concerns, such as no smoking and limited outdoor hours. He asked that the Planning Commission take staff's recommendation and approve the restriction changes.

Opposition Rebuttal – Ms. Baxter said that there was too much inconsistent information being provided and other information not provided at all. She believed that the applicant had not presented sufficient evidence that there had been significant economic change. She asked that the Planning Commission protect the neighborhood and reject the proposed zone change.

<u>Staff Rebuttal</u> – Mr. Crum clarified that the plan has not been presented to the Board of Architectural Review and they would have to sign off on issues such as the preservation of tree canopy and additions such as kitchen ventilation. He reiterated that the staff was recommending approval because of the significant economic change, and that they felt the restrictions were unreasonable. He said that the Commission could place conditional zoning requirements regarding hours of operation and outdoor loudspeakers. As proposed, this plan would not allow for any short term rentals.

<u>Commission Questions</u> – Mr. Michler asked for clarification regarding outdoor amplification. Mr. Crum stated that indoor and outdoor live entertainment would not be allowed at all. Mr. Michler

Ms. Jones and Mr. Martin confirmed that the plan could be changed to a preliminary plan so that the details could be worked out at a later time.

<u>Action</u> – Mr. Nicol made a motion, seconded by Mr. Wilson, and carried 6-2 (Meyer and Davis opposed, Pohl and Forester, absent) to approve the alternative list of conditional zoning restrictions for <u>PLN-MAR-23-00012</u>: 509 <u>E MAIN, LLC</u> with the 21 allowable uses, as listed in the supplemental staff report, and with the findings proposed by staff.

Mr. Nicholson again offered a postponement suggestion on the development plan until after Council had heard the zone change. Ms. Jones stated that it would be difficult to put a date on a postponement because they were unsure of when Council would act.

<u>Action</u> – Mr. Owens made a motion, seconded by Mr. Nicol, and carried 7-1 (Meyer opposed, Pohl and Forester absent) to approve <u>PLN-MJDP-23-00052</u>: <u>ZEE FAULKNER PROPERTY (AMD)</u> as a preliminary development plan, changing condition number 6 and adding two more conditions as listed:

- 6. Denote on-site drop off location for members and deliveries.
- 7. <u>Denote</u>: Business hours will be 8:30 a.m. 10 p.m. on weekdays and 9 a.m. to midnight on the weekends with outdoor spaces closing at 10 p.m. nightly.
- 8. Denote: There shall be no outdoor speakers.

Before the final vote was taken, Ms. Jones asked Mr. Nicholson to affirm that this was being changed to a preliminary plan and he did so.

