

# 1. SUBTEXT ACQUISITIONS, LLC ZONING MAP AMENDMENT AND SUBTEXT DEVELOPMENT II DEVELOPMENT PLAN

- a. **PLN-MAR-25-00005: SUBTEXT ACQUISITIONS, LLC (6/1/25)\*** – a petition for a zone map amendment from a Professional Office (P-1) zone and Medium Density Residential (R-4) zone to a Downtown Frame Business (B-2A) zone for 1.93 net (2.34 gross) acres for properties located at 169, 175, 179, 185 E. Maxwell Street and 245, 251, 257, 261, 267, 271, and 275-277 Lexington Ave.

## COMPREHENSIVE PLAN AND PROPOSED USE

The 2045 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.

The petitioner is proposing an 85-foot tall mixed-used development totaling 380,947 square feet in size. The residential component of the building will accommodate 338 dwelling units, with a total of 900 beds, for a density of 175 dwelling units per acre. The proposal features 1,250 square feet of commercial space located at the intersection of E. Maxwell Street and Lexington Avenue. A total of 367 parking spaces are being provided on-site within internal garages that are accessed from Lexington Avenue. Included within the structure is approximately 14,500 square feet of amenity areas.

## The Zoning Committee Recommended: **Postponement.**

### The Staff Recommends: **Postponement** for the following reasons:

1. The applicant should provide information on how their proposal addresses the following Objectives of the Imagine Lexington 2045 Comprehensive Plan.
  - a. Respect the context and design features of areas surrounding development projects and develop design standards and guidelines to ensure compatibility with the existing urban form (Theme A, Objective #2.b).
2. The applicant should address the following Policies of the 2045 Comprehensive Plan:
  - a. Design policy #5: Provide pedestrian-friendly street patterns & walkable blocks to create inviting streetscapes.
  - b. Protection policy #7: Protect the urban forest and significant tree canopies.
3. The zone change application for the subject properties, as proposed, does not completely address the development criteria for zone change within the Downtown Place Type, and the High Density Non-Residential Mixed-use Development Type. The following criteria require further discussion by the applicant to address compliance with the 2045 Comprehensive Plan:
  - a. D-PL7-1: Stakeholders should be consulted to discuss site opportunities and constraints prior to submitting an application.
  - b. A-DS4-1: A plan for a multi-modal network to adjacent neighborhoods, greenspaces, developments, and complementary uses should be provided.
  - c. A-DS3-1: Multi-family residential developments should comply with the Multi-family Design Standards in Appendix 1.
    - i. SP.2: Provide as many private, ground level entries to individual units as possible.
    - ii. AD.2: Relate the overall height, size, and character of the development to that of adjacent structures and those of the immediate neighborhood. Sensitively scaled development reinforces pedestrian-oriented character and neighborhood appeal.
    - iii. AD.3: Break up building mass with facade articulation on all sides by using varying roof shapes, exterior wall setback, material, color, building height, and landscaping.
  - d. A-DS4-2: New construction should be at an appropriate scale to respect the context of neighboring structures; however, along major corridors, it should set the future context in accordance with other Imagine Lexington corridor policies and Placebuilder priorities.
  - e. A-DS5-2: Developments should incorporate vertical elements, such as street trees and buildings, to create a walkable streetscape.

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\* - Denotes date by which Commission must either approve or disapprove request, unless agreed to a longer time by the applicant.

- f. B-PR7-1: Developments should be designed to minimize tree removal and to protect and preserve existing significant trees.
- g. A-DS5-3: Building orientation should maximize connections with the surrounding area and create a pedestrian-friendly atmosphere.
- h. A-DS5-4: Development should provide a pedestrian-oriented and activated streetscapes.
- i. B-PR7-3 Developments should improve the tree canopy.
- j. E-GR5-1: Structures with demonstrated historic significance should be preserved or adapted.

**b. PLN-MJDP-25-00014: SUBTEXT DEVELOPMENT II (6/1/25)\* – located at 245-271 LEXINGTON AVENUE (odd only) and 169-185 EAST MAXWELL STREET (odd only), LEXINGTON, KY.**

Council District: 3

Project Contact: EA Partners

Note: The purpose of this plan is to depict a multi-story mixed use structure in support of the requested zone change from a Professional Office (P-1) zone and Medium Density Residential (R-4) to a Downtown Frame Business (B-2A) zone.

The Subdivision Committee Recommends: **Approval**, subject to the following conditions:

1. Provided the Urban County Council approves the zone change to B-2A; otherwise, any Commission action of approval is null and void.
2. Urban County Engineer's acceptance of drainage, and storm and sanitary sewers, and floodplain information.
3. Urban County Traffic Engineer's approval of street cross-sections and access.
4. Urban Forester's approval of tree preservation plan.
5. Greenspace planner's approval of the treatment of greenways and greenspace.
6. Department of Environmental Quality's approval if environmentally sensitive areas.
7. Denote: No building permits shall be issued unless and until a final development plan is approved by the Planning Commission.
8. United States Postal Service Office's approval of kiosk locations or easement.
9. Denote purpose of plan.
10. Correct plan title to match staff report.
11. Addition of north arrow on vicinity map.
12. Denote: Final Development Plan shall reflect the design elements indicated in the Multi-Family Design Standards.
13. Provide Tree Inventory Map and per Article 26 of the Zoning Ordinance.
14. Depict dimensions of building on all levels and distances from property lines.
15. Discuss drop-off location(s).
16. Discuss release of right-of-way of Club Alley.
17. Discuss proximity of parking in the first level with property line for constructability.
18. Discuss Placebuilder criteria.

Staff Presentation – Mr. Daniel Crum presented the staff report and revised recommendation for the zone change application. He displayed photographs of the subject property and the general area. He stated that the applicant was seeking a zone map amendment from a Professional Office (P-1) zone and Medium Density Residential (R-4) zone to a Downtown Frame Business (B-2A) zone for 1.93 net (2.34 gross) acres for properties located at 169, 175, 179, 185 E. Maxwell Street and 245, 251, 257, 261, 267, 271, and 275-277 Lexington Ave. Mr. Crum stated that the applicant was seeking the Downtown place-type and High Density Non-Residential Mixed Use development type and they were seeking to construct a mixed use-development. Mr. Crum indicated that Staff was in agreement with those selections. Mr. Crum stated that the applicant was in close proximity to the Stavroff development, and that the applicant wished to match the existing zone currently present. Mr. Crum noted the proximity to the H-1 overlay and that both the applicant and Historic Preservation had provided information on the historic houses in this area, but they would not be subject to the H-1 rules and regulations. Additionally, Mr. Crum showed photographs of the properties that would be demolished and noted that there would be a right-of-way that would need to be closed.

Mr. Crum continued his presentation by showing updated renderings from the applicant that depicted businesses on the first level, as well as stairs that lead to residential units to activate the street level. Mr.

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Crum indicated that the applicant had changed the initial rendering and noted a step or transition in the height of the building. Initially the applicant was showing eight stories, but now depicts four stories at the eastern end of the project, then six stories, and finally eight stories at the corner. Additionally, he stated that the height transition caused the applicant to lose a few units and brought the total number of bedrooms down to 825 from the initial 900 requested by the applicant.

Mr. Crum noted Staff's initial concerns with the application, which included about connectivity, pedestrian activation, and the scale and its relationship to the surrounding smaller homes. Mr. Crum stated that the applicant had met with the neighborhood and that their concerns stemmed from a lack of available parking in the area. Mr. Crum presented renderings of the building with the proposed stepdowns as well as the location of significant trees and noted the report the applicant had provided that recommended the removal of those trees.

Mr. Crum provided a recommendation for conditional zoning restrictions that included prohibiting hotels, motels, automobile service stations and refueling stations, adult entertainment establishments, and stadium and exhibition halls. Mr. Crum concluded by stating that Staff was recommending approval of the subject application and could answer any questions from the Planning Commission.

Commission Questions – Mr. Robin Michler asked if there was anyone from Historic Preservation in attendance to answer any questions. Crum indicated there was not, but discussed the historic houses that were mentioned in the Historic Preservation report, noting the style of architecture, when the houses were built, and if any additions were added. Mr. Crum also noted that none of the homes were individually listed on the National Registry of Historic Places.

Mr. Michler asked if Mr. Crum knew what the term “very architecturally significant” meant and noted that he thought these homes had beautiful craftsmanship that was no where to be found on the current development plan. Additionally, Mr. Michler asked what the Comprehensive Plan says about protecting homes like this that aren't on a national registry, and if portions of the Comprehensive Plan that mention protecting homes is meaningful. Mr. Crum stated that portions of the Comprehensive Plan that mention this are absolutely meaningful, and there are many different factors that go into this. The context of the neighborhood, the layout of the site itself, and the level of detail and significance. Mr. Crum stated that the applicant could provide more information on the other factors that went into their thinking, but Staff was comfortable with these buildings being torn down given all the factors mentioned.

Mr. Michler asked why the applicant went with this stepdown approach when a previous plan had something that did not look like this. Mr. Crum indicated that a lot of the how the site is designed and functions is similar to what Staff was looking for with the previous application that Mr. Michler was talking about and sometimes the context of a building changes.

Mr. Michler asked how these changes would be addressed given the new ministerial standards set out by House Bill 443. Mr. Crum stated that right now they are reviewing the preliminary development plan and as a part of this review the Planning Commission can include notations and other elements to information and materials that are available today. Mr. Crum stated that this will serve as the mechanism moving forward that will hold the applicant to what was agreed to during the Planning Commission public hearings.

Development Plan Presentation – Mr. Chris Chaney oriented the Planning Commission to the location and characteristics of the subject property. He stated that the revised conditions had six of the usual sign off's with the addition of denoting the release of the right-of-way on Club Alley, as well as denoting the encroachment of the front yard setback which would need to conform to Article 15. Mr. Chaney presented renderings of the subject property and noted the location of retail facing Maxwell St. and the internal parking structures that are not connected. Mr. Chaney continued and showed the residential floors as well as the open air courtyard and pool.

Mr. Chaney concluded by stating Staff is recommending approval and could answer any questions from the Planning Commission.

Commission Questions – Ms. Molly Davis asked for clarification on the location of the open-air courtyard and pool area and Mr. Chaney highlighted it in the presentation.

Traffic Impact Study Presentation – Mr. Stuart Kearns, Principal Planner for Transportation Planning, gave a brief presentation about the findings of the traffic impact study. Mr. Kearns indicated that the number of trips generated by the development would be negligible because the student housing project is mostly pedestrian-oriented. Mr. Kearns also stated that there are sufficient pedestrian and bike facilities to accommodate residents in the area.

Mr. Kearns stated that the study recommended an eight-foot sidewalk along E. Maxwell St. and Lexington Ave., ADA compliant crossing ramps on E. Maxwell St. and Lexington Ave., and adding crosswalks across Lexington Ave. and E. Maxwell St. Mr. Kearns stated that Staff agreed with all of these recommendations.

Applicant Presentation – Ryan Bumb, representative for the applicant, stated that the developers liked this application due to its proximity to downtown Lexington and to the University of Kentucky, as well as the historic districts near it. Mr. Bumb presented photographs of recent developments completed by Subtext and noted his pride in their development's designs. Mr. Bumb continued by showing aerial photographs of the surrounding zoning and noted that he thought this development was an appropriate extension of the B-2A and residential zones in this area and that they would not be impacting the historic overlay. Additionally, Mr. Bumb argued that this site was in line with similar multi-story buildings in the area, noting the adjacent 4-story apartment complex and mentioning their building was eight stories that steps down to four.

Mr. Bumb noted the benefits he saw from this development including adding much needed housing, a mix of unit types, the proposed community retail, and the step-down design. Mr. Bumb stated that they had met with the neighborhood to receive feedback and provide some clarification where possible. Mr. Bumb mentioned that their concerns stemmed from the site's design quality, how parking would be managed, concerns about more development in the area, traffic, and if bars would be allowed. Mr. Bumb indicated that they had attempted to address all their concerns and even had an in person meeting church representatives from the nearby Maxwell Presbyterian Church to attempt to address additional concerns.

Mr. Bumb gave a brief summary of the changes that they had made since the committee meetings. Those changes included increased parking, the step-down design, more walk-out units along Lexington Avenue, additional street trees, added articulation and design features, and moving the building off the north property line. Mr. Bumb showed the site plan and indicated that there would be 307 dwelling units with 825 bedrooms and the parking would be underneath the complex. Mr. Bumb indicated they agreed with Staff findings on the traffic impact study and indicated they were willing to accommodate those recommendations.

Mr. Bumb concluded by stating that they had made a lot of improvements based on Staff's recommendations and are happy with how the design ended up and are asking for approval.

*\*Mr. Zach Davis left at approximately 2:30 PM*

Commission Questions and Comments – Ms. Molly Davis asked what Bluegrass Trust had comments on when they met with them. Mr. Bumb indicated that they were most concerned with 179 and 185 Maxwell and they did an on site visit to discuss the features of the buildings.

Ms. Davis stated that she understood that the Comprehensive Plan calls for more density, but it feels like this particular application does so at the expense of those who already live in the neighborhood.

Mr. Nicol thanked the applicant for his presentation and the adjustments made after speaking with Staff.

Applicant Presentation – Mr. Nick Nicholson, attorney for the applicant, stated that the Comprehensive Plan calls for more connections between downtown and the University of Kentucky and this development does just that. Mr. Nicholson stated that with the expected population of Lexington potentially moving up to 400,000, this would add the type of housing that Lexington needs. Mr. Nicholson argued that this is the sweet spot for where the Comprehensive Plan has said is appropriate to build more dense housing. Mr. Nicholson stated that this development is already near larger developments in downtown and the university. For all the reasons he and Mr. Bumb stated he believes this development should be approved. He concluded by stating he could answer any questions from the Planning Commission.

Commission Questions and Comments – Mr. Penn asked Mr. Nicholson when he thought the University of Kentucky started getting out of the housing business. Mr. Nicholson responded by stating that the university had been building more housing since the 90's than prior to that.

Mr. Penn asked what we could do to ensure that projects like this benefit the university and the city. Mr. Nicholson argued that this development does both by fulfilling a need by the university, while also connecting the university with downtown.

Mr. Michler stated he thought that Mr. Nicholson had outlined a compelling argument for density and the location of the density, but he thought that it was worth recognizing that some of the buildings on the block were beautifully built. Mr. Michler stated that we may gain density and development, but we will have lost detail and artistry by losing these homes. Mr. Nicholson stated he understood Mr. Michler's sentiment, but these buildings had changed hands many times, and did not have the protections of an H-1 overlay.

Mr. Nicol stated that the Planning Commission deals with objectivity and the details of the structures and architecture are subjective and they had the right to demolish the building.

Ms. Judy Worth asked if the owners of 179 and 185 Maxwell Street intended to register their houses as historic homes. Mr. Nicholson indicated that they did not.

Ms. Worth stated that she looked on the PVA website of all the listed addresses that were going to be effected or demolished and she was so sad that this neighborhood did not attempt to apply an H-1 overlay because of all the damage that had already been done.

*\*Mr. Bruce Nicol left at approximately 2:45 PM*

Public Comment – Rev. Matt Falco, pastor of Maxwell Presbyterian Church, stated that he was very concerned about traffic, parking, and a potential change in character of the neighborhood.

Dr. Zak Leonard, Bluegrass Trust, thanked the developer for meeting with them but stated concerns with demolishing the historic homes and questioned why there was not a bigger effort to try and save and reuse the property.

Amy Clark, 628 Kastle Road, stated she was against this development and that she thought the city should not allow the University of Kentucky to use our land for the housing of their students.

Maureen Peters, 276 Lexington Ave, stated her opposition because of the loss of historic houses and the shade put on her property.

Applicant Rebuttal – Mr. Nicholson stated that during the course of this meeting the owner of 185 Maxwell texted him and reaffirmed his support for this project and would like for the Planning Commission to approve it. Mr. Nicholson clarified that this development would not be solely student housing and instead would be multi-family housing. Mr. Nicholson stated that many of the concerns conveyed by the public, Staff, and the Planning Commission had been addressed in previous meetings with Staff and that there had been significant changes in this project since its inception.

Mr. Nicholson stated that disapproving projects like this does not send a message to UK, it sends a message to every landlord in town to keep buying up homes for student housing because the City of Lexington is not willing to do the serious work to grow up and not out. Mr. Nicholson concluded by stating it was time for Lexington to do something different, and approve this zone change.

Public Rebuttal – Amy Clark, 628 Kastle Road, stated that all the student housing the university needed could be added back where the Kirwin and Blanding Towers used to be and that this zone change was not necessary to provide an adequate amount of student housing.

Commission Questions and Comments – Mr. Michler asked if there was discussion or a note about where all the mechanicals would be located. Mr. Crum presented the development plan and stated that it looked like they would be inside the facility.

Mr. Michler asked if the applicant was willing to put a note on the development plan for the mechanical equipment to not be outside the structure of the development. Mr. Crum indicated that Staff could come up with the language for a note and the applicant indicated that they were willing to do that.

Mr. Michler stated his concerns with the scale of the building and the relationship to the street and had concerns about Ms. Peters home not getting any sunlight. Mr. Crum addressed his concerns and stated that the house in question already had tree canopy coverage and there was already shade coverage today without the buildings being there. Additionally, Mr. Crum stated that this was the only building of this size on the street.

Mr. Michler stated that Staff had put a rationale in a previous recommendation to not exceed a certain height given the width of Lexington Avenue and asked if Staff still believed that rationale. Mr. Crum indicated that Staff's rationale had changed since then because the context of the neighborhood had changed with the development across the street.

Mr. Owens noted a previous mistake with a similar recent development plan and asked if the applicant intended to keep the open patio shown in the renderings and Mr. Nicholson indicated that they were going to build it.

Mr. Owens stated his concern with the number of parking spaces in the building and the lack of street parking.

Mr. Michler commented that the features shown off in the renderings will not last 150 years like the house that is being demolished.

Mr. Johnathon Davis stated that while he thought this development fit within the Comprehensive Plan, he did not think that it fits the spirit or needs of the city. He stated that he thought something was missing here, but he could not put his finger on it.

Mr. Penn stated that society is building throw away buildings that will last the mortgage, keep the equity and income, and then tear it down to do it again. Mr. Penn stated that he did not agree with the recent actions by the university and his opinion that they are not building enough housing. He stated he would support this application because it was in line with the Comprehensive Plan.

Mr. Owens stated that the Comprehensive Plan talks about housing and this would fulfill that need for housing at this moment.

Action – A motion was made by Mr. Owens and seconded by Ms. Barksdale and carried 8-1 (M. Davis opposed) (Z. Davis and Nicol absent) to approve PLN-MAR-25-00005: SUBTEXT ACQUISITIONS, LLC for reasons provided by Staff.

Action – A motion was made by Mr. Owens and seconded by Ms. Ivy Barksdale and carried 8-1 (M. Davis opposed) (Z. Davis and Nicol absent) to approve PLN-MJDP-25-00014: SUBTEXT DEVELOPMENT II with the eight conditions provided by Staff, adding that a final development plan shall incorporate (1.) first level pedestrian entrances for residential units along Lexington Ave., (2.) landscaping and trees between the structure and the curb line, (3.) the use of various materials and articulations and (4) a step back of structure along Lexington Avenue to maintain 4 story structure at the northeast corner, adjacent to 243 Lexington Avenue. Additionally, all mechanical areas shall be incorporated, or located on rooftops.