



## STAFF REPORT

Planning Commission Meeting: March 25, 2024

<b>Application:</b>	<b><u>RZ23-0009</u>: Rezoning from the CTY RUR (County Rural) District to the M-2 (General Industrial) District and a Preliminary Site Development Plan for Intermodal Industrial Park</b>
<b>Location:</b>	North of W. 175 <sup>th</sup> Street and east of Clare Road
<b>Owner:</b>	Rob Emery, CF Gardner, LLC
<b>Applicant:</b>	Daren Aldag, Panattoni Development Company
<b>Engineer:</b>	Judd Claussen, Phelps Engineering, Inc.
<b>Staff Contact:</b>	Jessica Schuller, AICP, Senior Planner

<b>Site Area:</b>	<u>186.22± acres</u>	<b>Building Area:</b>	<u>2,828,059 square feet</u>
<b>Existing Zoning:</b>	<u>CTY RUR (County Rural)</u>	<b>Plat:</b>	<u>Unplatted</u>
<b>Proposed Zoning:</b>	<u>M-2 (General Industrial)</u>		

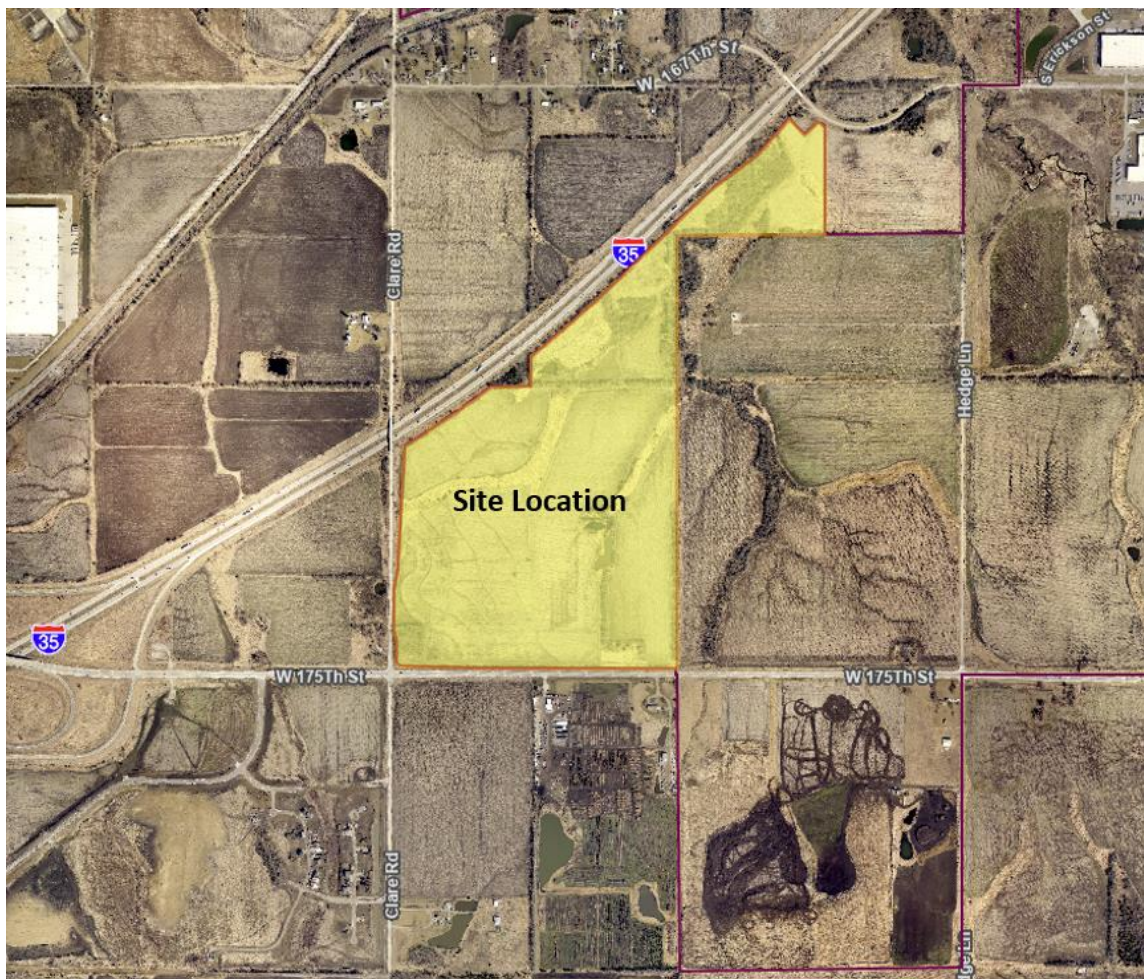
	<b>Plan Olathe Land Use Category</b>	<b>Existing Use</b>	<b>Existing Zoning</b>
<b>Site</b>	Industrial Area/Secondary Greenway/Undefined	Agricultural	CTY RUR
<b>North</b>	Secondary Greenway/Employment Area	Vacant	M-2/CTY PRB3
<b>South</b>	Industrial Area/Employment Area	Warehousing-Distribution/Bottling Works/Landscape Company/Agriculture	M-2/RUR
<b>East</b>	Industrial Area/Employment Area	Vacant/Warehousing-Distribution	M-2/BP/RUR
<b>West</b>	Regional Commercial (City of Gardner)	Vacant	CP-2

## 1. Introduction

The applicant is requesting a rezoning from the CTY RUR (County Rural) District to the M-2 (General Industrial) District for 186.22± acres north of 175<sup>th</sup> Street and east of Clare Road, extending to 167<sup>th</sup> Street in the north. The rezoning request is accompanied by a preliminary site development plan consisting of eight (8) industrial buildings totaling 2,828,059 square feet of speculative industrial development. The largest proposed building is 560,175 square feet and future tenants have not been specified at this time. A rezoning to a City zoning district is required prior to development of the site.

## 2. History

The subject property was recently annexed in the City of Olathe in 2022 (ANX22-0005) and retains CTY RUR (County Rural) zoning for agricultural related uses. This is the first development plan the City has received for this property. The property is not platted and there are no existing structures on the property.



*Aerial view of the subject property highlighted in yellow*

### 3. Existing Conditions

There are no existing structures on the subject property which has historically been used for agricultural purposes. Existing ponds are located central to the property and areas of Flood Zone X exist on the northern portion of the property extending to 167<sup>th</sup> Street. A Floodplain Development permit is required prior to issuance of any type of permit that requires work in the floodplain.



*View of subject property looking northeast from Clare Road*

### 4. Zoning Standards

- a. **Land Use** – The applicant is seeking a change of zoning from the CTY RUR District to the M-2 District to allow for construction of an industrial development. A portion of the site is identified as Secondary Greenway and Industrial Area on the PlanOlathe Future Land Use Map (PlanOlathe) while the southern portion of the site is not identified on PlanOlathe. The proposed M-2 District zoning does align with the PlanOlathe future land use designations.

M-2 District uses include a number of industrial and service-type uses including warehousing and distribution and cold storage. Staff recommends the restriction of some land uses on the subject property due to the high visibility of the site from 175<sup>th</sup> Street and I-35, and due to incompatibility with future anticipated development in the area, including commercial land uses to the west, in the City of Gardner, and business park uses to the east along 175<sup>th</sup> Street. Staff has worked with the applicant on these use restrictions and the applicant is amenable to the following:



- a. Automobile Storage or Towing
  - b. Paper Manufacturing
  - c. Rendering and Meat Byproduct Processing
  - d. Storage Area or Lot, except when as an accessory use to a building, and not visible from 175th Street, Clare Road, and I-35.
  - e. Bus/Truck Maintenance, Including Repair and Storage
- b. **Building Height** – Buildings within the M-2 District are limited in height to 55 feet. The tallest buildings on site will be 54 feet tall, meeting this requirement.
- c. **Setbacks** – The M-2 District requires a minimum 20-foot front yard setback and 20-foot parking/paving setback from right-of-way. Additionally, 10-foot side and rear yard setbacks from all other property lines are required. The preliminary site development plan meets or exceeds all dimensional requirements of the M-2 District.

## 5. Development Standards

- a. **Access/Streets** – Due to the scale of development proposed, a traffic impact study was required by the applicant and has been reviewed by staff. Access to the site will be provided from 175th Street where a new public street (Public Street A) and future Gleason Road will be constructed. As 175th Street is classified as an expressway, Public Street A is limited to a right turn in/right turn out. This public roadway curves to the east and will connect to future Gleason Road, a new collector roadway, along the eastern property line. Future Gleason Road will provide a connection from 175th Street to north of Building #7 where a conservation area prevents the roadway from continuing to 167th Street; therefore, a private drive will provide connection from Gleason Road to 167th Street. A series of driveways provide access to the site from Gleason Road.

Proposed access from Building #8 to 167<sup>th</sup> Street crosses the Kansas Department of Transportation (KDOT) right of way, therefore the applicant will work with KDOT for this proposed access. In addition, the applicant is aware that future development plans must comply with the KDOT's access requirements.

Along the western property line, Clare Road will be improved to provide two (2) access points to the development. New left and right turn lanes will be required. Traffic signals will be installed at the intersections of 175th Street and Gleason Road, and 175th Street and Clare Road, when sufficient traffic volumes warrant them. To the north of the site, a portion of 167th Street will be realigned through a future benefit district. However, the developer will be required to improve 167th Street from the new access point to the end of the future benefit district project.

Updated traffic impact studies will be required with each building at the time of final site development plan.

- b. **Sidewalks** – The applicant is providing a sidewalk network throughout the development that meets UDO requirements for pedestrian connections. This includes a 5-foot-wide sidewalk provided along the east side of the north/south street that runs between Buildings 1 and 2, and along the west side of Gleason Road. Sidewalk connections are provided from all buildings to the exterior sidewalks.

- c. **Parking** – The preliminary site development plan identifies parking areas for passenger cars and trailers throughout the property. Per UDO, Section 18.30.160, a parking analysis is required for warehousing and distribution facilities. The parking analysis for each individual lot will be provided with final site development plans for each site when specific users are identified. The plan currently provides a range between 83 and 249 automobile parking spaces per building, and a range between 23 and 158 trailer parking spaces per building.
- d. **Landscaping/Screening** – The applicant provided a preliminary landscape plan identifying the required perimeter landscaping on the property, as well as street trees throughout the internal public street network. Buffers with plantings are provided adjacent to roadways, and disturbed land areas adjacent to roadways will be sodded. A double row of evergreen landscaping and a minimum of 3-foot tall berm will be provided adjacent to Interstate right-of-way to provide screening of the property from the roadway (see Section 6.c for additional details).

Fully detailed landscape plans will be provided at the time of final site development plan for each lot as it develops. The landscape plans will include, but not be limited to, details such as the number and species of landscape materials to meet requirements for parking lot landscaping, foundation landscaping, and detention basin landscaping. Landscaping must meet all requirements of UDO 18.30.130.
- e. **Public Utilities** – The site is located within the City of Olathe Sewer and WaterOne service areas. City sewer exists to the east of the property that the development will connect to, and WaterOne has a water main along 175<sup>th</sup> Street that the development will connect to.
- f. **Stormwater/Detention** – The site drains to the north and a series of seven (7) stormwater basins will be provided on site. The proposed development must meet all requirements of Title 17 which includes obtaining a Flood Plain Development Permit for work being done within the Future Flood Zone X.
- g. **Phasing** – The project will be constructed in five phases, beginning with Building #1 at the southwest corner of the property, constructed in conjunction with stormwater improvements in Tracts B and C. Phase II includes Buildings #4 and #5 nearest Clare Road and Phase III includes Building #2 and #3 adjacent to Gleason Road. Phase IV constructs Building #6 and #7 central to the site, and the project concludes with Building #8 adjacent to W. 167<sup>th</sup> Street.

## 6. Site Design Standards

The site is designated as Industrial Area on the PlanOlathe Future Land Use Map and is subject to Site Design Category 6 (UDO 18.15.130). The following is a summary of the applicable standards of Site Design Category 6.

- a. **Parking Pod Size** – The maximum number of parking stalls allowed in one parking pod for developments subject to Site Design Category 6 is 320 stalls. The largest parking pod within this proposed development is 40 parking stalls, meeting this requirement.
- b. **Drainage Features** – In developments subject to Site Design Category 6, open drainage areas visible to the public must be incorporated into the design of the site as an attractive amenity or focal point. There will be detention basins in the northwest portion

of the development and adjacent to I-35. The final design of these basins, and the required landscaping surrounding the basins, will be determined at the time of final site development plan.

- c. **Landscape Buffer Options** – Site Design Category 6 offers two (2) options for landscape buffers adjacent to arterial roads: a 50-foot planted buffer with no fence or wall or a 20-foot buffer with a fence or wall. The applicant is utilizing the 50-foot planted buffer along 175th Street, with landscaping and 3-foot tall berms to provide screening of truck courts and trailer parking. Along Clare Road, the applicant is providing a 50-foot planted buffer along the majority of the right-of-way, and a 20-foot landscaped area with a fence and columns at the northwest corner of Building #5.

A double row of giant evergreen arborvitae trees will be planted along the length of I-35 for screening of dock areas and back of house operations, as permitted by UDO 18.30.130-2. However, the planted area along the I-35 border does not meet the minimum 50-foot planting width, and such, a waiver is requested to reduce the width of the planting area (see Section 8, Waiver Request).

## 7. Building Design Standards

Industrial buildings constructed in the M-2 Districts are subject to building design standards for Industrial Buildings (UDO 18.15.020.G.10). Table 3 lists the requirements of the UDO, and the elements of the proposed design which meet these requirements.

<b>Table 3: Building Design Standards</b>	<b>Proposed Design</b>
<i>Building Entryway</i>	<p><b><i>The main common building entry must be defined with a covered projection from the façade or by a recessed area.</i></b></p> <p>Each building includes canopies that project over each entry to the buildings.</p>
<i>Garage and Overhead Doors</i>	<p><b><i>Garage and overhead doors may only face a local or collector public street, unless completely screened from view.</i></b></p> <p>The proposal includes overhead service doors facing 175<sup>th</sup> Street (Buildings #1-2). However, these doors will be completely screened from view of the roadway with a 3-foot tall berm, a double row of evergreen landscaping, deciduous trees, and a building setback exceeding 200 feet. The building also sits at a lower elevation than 175<sup>th</sup> Street. The garage doors will be covered with awnings and include glass windows.</p> <p>The proposal also includes overhead service doors facing the internal road network (Building #3, #5 and #7). Architectural treatment of these garage doors was provided per the UDO, including a 3-foot canopy overhang, recessed behind the office portions of the building, and treated with glass windows.</p>
<i>Vertical Articulation</i>	<p><b><i>Each primary façade must provide vertical articulation every 100 linear feet of the façade.</i></b></p> <p>Each primary façade on the eight (8) proposed buildings will have an element of vertical articulation located every 100 linear feet or</p>

	less by way of variation in height of four (4) feet or more, as required by the UDO.
<i>Horizontal Articulation</i>	<p><b><i>Each primary façade must provide horizontal articulation every 100 linear feet of the façade.</i></b></p> <p>Each primary façade on the eight (8) proposed buildings will have an element of horizontal articulation every 100 linear feet, as required by the UDO, with the exception of façades containing truck courts. See Section 8 for the detailed waiver request.</p>

### Proposed Building Materials

All buildings within the proposed development will have a consistent architectural theme and will be constructed primarily of a textured and painted concrete panels, formliner concrete panels and glass. Building entrances are wrapped with Class 1 ACM metal panels. The color scheme consists of shades of gray with red accents. Each of the buildings on site meets or exceeds UDO requirements for high-quality building materials on all façades, including exceeding the minimum required 75% Class 1 or 2 building materials requirement. The applicant is requesting waivers to the minimum percentage of glass and horizontal articulation on facades with truck courts, of which staff is supportive (see Section 8 below).

### 8. Waiver Requests

Per Section 18.40.240 of the UDO, waivers can be granted if certain criteria are met. The applicant has submitted a waiver request letter (see attached) for the following items. Upon review, staff is supportive of the waiver requests, as detailed below.

- a. **Percentage of Glass** – The applicant is requesting a waiver from UDO 18.15.020.G.10 pertaining to the percentage of glass on primary facades that contain truck courts. The UDO requires a minimum of 15% glass on the first floor of primary facades, while the applicant proposes 8% glazing on all facades with truck courts.

In lieu of this requirement, the applicant provided clerestory windows across the length of the truck court facades, and additional glazing at building corners is incorporated where offices will be located.

Staff is supportive of this waiver request, as the applicant is providing nearly 100% Class 1 and Class 2 materials on all facades, including textured and painted concrete panels, form liner panels and clear glass. The applicant is enhancing the design of dock facades through a mix of colors and patterns which provide visual interest, and is exceeding vertical articulation requirements on all facades.

- b. **Horizontal Articulation** – A waiver is requested to the horizontal articulation requirements of UDO 18.15.020.G.10 pertaining to primary facades which contain truck courts. The UDO requires horizontal articulation for every 100 feet of façade width, and the applicant does not propose any articulation where docking areas are located.

The applicant notes that offsetting wall areas along dock facades is an atypical design for loading areas which will present challenges to future occupants. In lieu of this, the applicant provided 15-foot tall truck court screening walls at the building corners, and

screening through landscaping and berming, as an alternative design which eliminates the view of truck courts from adjacent roadways.

Staff is supportive of this waiver request, due to the aforementioned increase of Class 1 and 2 building materials, increased vertical articulation, and screening through the truck court walls and landscape berms.

- c. **Landscape Buffer** – The applicant is also requesting a waiver from UDO 18.15.130.C requiring that the minimum setback area on the edges of an industrial site that directly abuts an arterial street include 50 feet of landscaped areas, or 20 feet of landscaped area with a fence or a wall. The applicant is proposing 20 feet of landscaped area adjacent to I-35, with a minimum 3-foot-tall landscape berm, in lieu of this requirement.

The applicant notes that the edge of the I-35 pavement is approximately 85 feet from the right-of-way line, and in addition to the proposed 20 feet of landscaped area with berming, the intent of the UDO is being met.

Staff is supportive of the request, as the addition of a landscape berm will enhance the proposed truck court screening (to include a double row of evergreens), west of Buildings 5 & 7. The site is encumbered by numerous existing easements (see Sheet C1.2), which limit the ability to provide an additional 30 feet of landscape width adjacent to the I-35 right-of-way.

## 9. Public Notification

The applicant mailed the required certified public notification to property owners within 200 feet of the site in the City, and 1,000 feet in unincorporated areas in accordance with UDO 18.40.050.B. Neighborhood notice was also mailed to properties within 500 feet of the site, as required by the UDO; however, a neighborhood meeting was not required as there is no residential development within 500 feet of the property. The applicant and staff have not received any feedback from surrounding property owners.

The application was continued from the November 13, 2023 Planning Commission Meeting. Notification of the continuance was provided and new signs posted on the property, per UDO 18.40.070.

## 10. UDO Rezoning Criteria

The Future Land Use Map of the PlanOlathe Comprehensive Plan identifies the subject property as an “Industrial Area”. Development of this site with industrial type uses aligns with the Industrial Area designation and is suitable for this type of development.

The following are criteria for considering rezoning applications as listed in UDO Section 18.40.090.G.

### ***A. The conformance of the proposed use to the Comprehensive Plan and other adopted planning policies.***

The Future Land Use Map of the PlanOlathe Comprehensive Plan designates the subject property as Industrial Area. The M-2 District aligns with the PlanOlathe future land use designation of Industrial Area, as well as the Employment Area designation located directly east. Promotion of Olathe as an ideal place for new industry is a goal of



PlanOlathe, which calls for the City to “develop distinct employment districts to ensure Olathe’s strong and diversified economy.”

- **Principle ES-1.3: Targeted Industries.** “Promote Olathe as an ideal place for desirable new industries, especially those that would diversify the employment base, reflect the labor force capabilities of the community, and complement Olathe’s high quality of life.”
- **Principle ES-4.1: Employment Districts.** “Distinct employment districts will help maintain Olathe’s economic sustainability. These focused districts will include primary employment and industrial uses and build upon existing economic strengths.”
- **Principle M-1.8: Truck Routes.** “Minimize truck traffic on local streets outside of industrial areas.”

***B. The character of the neighborhood including but not limited to: land use, zoning, density (residential), architectural style, building materials, height, structural mass, siting, open space and floor-to-area ratio (commercial and industrial).***

The properties to the north and west are currently undeveloped and are being used for agricultural purposes. The property to the east is currently developing with large-scale distribution warehouse buildings and bottling works facility, primarily constructed of tilt-up concrete panels. The industrial park to the northeast along 167<sup>th</sup> Street is constructed of medium-scale industrial buildings also constructed of tilt-up concrete. The surrounding industrial buildings range in height from approximately 40-50 feet. The proposed development is compatible with the character of the surrounding area.

***C. The zoning and uses of nearby properties, and the extent to which the proposed use would be in harmony with such zoning and uses.***

The properties to the east of the site are zoned for, and being developed with, industrial and business park uses. Property to the west, within the City of Gardner, is zoned for general business district uses and is currently undeveloped. The property to the south across 175<sup>th</sup> Street is zoned CTY RUR and is currently being used agriculturally. The proposed M-2 (General Industrial) District is harmonious with the existing industrial zoning and development to the north and east.

***D. The suitability of the property for the uses to which it has been restricted under the applicable zoning district regulations.***

Prior to any development application, zoning to a City zoning district under the Olathe UDO is necessary. The site was annexed into the City in 2022 and currently retains County zoning designation.

***E. The length of time the property has been vacant as zoned.***

The property is zoned CTY RUR (County Rural) and has never been developed.

***F. The extent to which approval of the application would detrimentally affect nearby properties.***

The proposed rezoning to the M-2 District will not detrimentally affect nearby properties, which are also designated for existing or future industrial and employment uses.

***G. The extent to which development under the proposed district would substantially harm the value of nearby properties.***

Staff has not received any information indicating that the proposal would lead to a detrimental impact on the value of surrounding properties.

***H. The extent to which the proposed use would adversely affect the capacity or safety of that portion of the road network influenced by the use, or present parking problems in the vicinity of the property.***

This zoning request will not cause any adverse effect on traffic and safety of the road network with the required roadway improvements. A Traffic Impact Study was provided and evaluated, which identifies necessary improvements and accounts for the increase in vehicle and truck traffic.

***I. The extent to which the proposed use would create air pollution, water pollution, noise pollution or other environmental harm.***

The development is not anticipated to create pollution or other environmental harm. The development will follow all regulations and requirements pertaining to stormwater, air quality, noise, and other related items.

***J. The economic impact of the proposed use on the community.***

Development of the subject property as an industrial use will generate property taxes and sales taxes to be collected by the City as well as create new jobs.

***K. The gain, if any, to the public health, safety and welfare due to the denial of the application as compared to the hardship imposed upon the landowner, if any, as a result of denial of the application.***

There is no gain or detriment to the public health, safety, or welfare if the application were denied. The proposed rezoning does not negatively impact public health, safety, or welfare as presented. If the application were denied, development of the property would be limited to low density rural residential uses.

**11. Staff Recommendation**

Staff recommends approval of the rezoning and preliminary site development plan (RZ23-0009) with the following stipulations:

A. Staff recommends approval of RZ23-0009 for the following reasons:

1. The proposed development complies with the policies and goals of the Comprehensive Plan.

2. The requested rezoning to the M-2 District meets the Unified Development Ordinance (UDO) criteria for considering zoning applications.
- B. Staff recommends approval of the rezoning to the M-2 District with the following stipulations:
1. The following uses are prohibited:
    - a) Automobile Storage or Towing
    - b) Paper Manufacturing
    - c) Rendering and Meat Byproduct Processing
    - d) Storage Area or Lot, except when as an accessory use to a building, and not visible from 175th Street, Clare Road, and I-35.
    - e) Bus/Truck Maintenance, Including Repair and Storage
- C. Staff recommends approval of the preliminary development plan with the following stipulations:
1. A waiver is granted from UDO 18.15.020.G.10 to permit a reduction of glass on select primary façades containing truck courts, from 15% to 8%, as shown on the attached architectural elevations dated March 15, 2024.
  2. A waiver is granted from UDO 18.15.020.G.10. to remove horizontal articulation requirements from primary facades which contain truck courts, as shown on the attached architectural elevations dated March 15, 2024.
  3. A waiver is granted from UDO 18.15.130.C, permitting a 20-foot setback area with a 3-foot landscaped berm adjacent to I-35, in lieu of a fence or wall.
  4. All development on the subject property must meet the access management requirements of the Kansas Department of Transportation (KDOT) and the City of Olathe.
  5. The applicant must submit a revised traffic study with the final development plan for each building, to verify that appropriate public improvements are in place to accommodate development traffic.
  6. All street improvements must be provided in accordance with the traffic impact study and as required by the City Engineer.
  7. A letter from Evergy is required at the time of final site development plan for each lot to approve any work within Evergy easements, including but not limited to, grading, signage, streetlights, driveways and landscaping.
  8. Outdoor storage areas must be identified at the time of final site development plan and must meet the screening requirements of UDO 18.30.130.I.
  9. All new on-site wiring and cables must be placed underground.
  10. Mitigation for removal of existing trees must be provided in accordance with UDO 18.30.240.G.3.

11. Exterior ground-mounted or building mounted equipment including but not limited to, mechanical equipment, utilities' meter banks and coolers must be screened from public view with three (3) sided landscaping or an architectural treatment compatible with the building architecture.
12. All trash enclosures and compactors must be screened per the requirements of UDO 18.30.130 and architectural details must be provided at the time of final site development plan.