



STAFF REPORT

Planning Commission Meeting: April 13, 2026

Application:	RZ26-0003: Rezoning from the CTY PRN2 (County Planned Residential Neighborhood) District to the M-2 (General Industrial) District with a Preliminary Site Development Plan for Lone Elm Commerce Center, Sixth Plat
Location:	Northwest of W. 167th Street and Lone Elm Road
Owner:	Foote Land Company LLC
Applicant/Engineer:	Judd Claussen; Phelps Engineering
Developer:	Rob Heise, LE Commerce Center LLC.
Staff Contact:	Taylor Vande Velde; Planner II

Site Area: 60.46 acres **Proposed Use:** Warehousing, storage, and other Industrial Uses

Building Area: 355,870 sq. ft. **Plat:** Unplatted (FP26-0002 pending)

Existing Zoning: CTY PRN2 **Proposed Zoning:** M-2 (General Industrial)

Lots: 3 **Tracts:** 2

	Plan Olathe Land Use Category	Existing Use	Existing Zoning
Site	Industrial Area/Employment Area/Greenways	Undeveloped	CTY PRN2
North	Employment Area/Greenways	Undeveloped	CTY RUR
South	Industrial Areas	Industrial	MP-2
East	Employment/Industrial Areas	Residential	CTY PRN2
West	Employment Area	Industrial	M-2

1. Introduction

The applicant is requesting to rezone property from the CTY PRN2 (County Planned Residential Neighborhood) District to the M-2 (General Industrial) District with a preliminary site development plan for the Lone Elm Commerce Center, 6th Plat. Rezoning to a City zoning district is required prior to development. The subject 60-acre property is located northeast of Monticello Road and S. Erikson Street. The project includes over 355,000 square feet of total floor area across three (3) industrial buildings and three (3) tracts that will be constructed in phases as a continuation of the existing Lone Elm Commerce Center to the west. The development also requires platting (FP26-0002) to establish industrial lots and tracts.

2. History

The site has historically been used for agricultural purposes and remained undeveloped since it was annexed into Olathe in 2006 (ANX-06-007). The proposed development is an extension of the Lone Elm Commerce Center to the west, which was approved in 2017 (RZ17-0006) and consists of five buildings for various industrial uses.



Subject property outlined in yellow.

3. Existing Conditions

The site is currently undeveloped and used for agricultural purposes. The property drains northeastwardly towards the existing creek, and a portion of the site is located within the Cedar Creek Floodplain.



View of the subject property looking northeast along Monticello Road.

4. Zoning Standards

The development is following the base standards of the requested M-2 District found in Column 1 of UDO 18.20.200.

- a. **Land Use** – The applicant’s request to rezone this site to the M-2 District aligns with the property’s designation as an Industrial Area on the PlanOlathe Comprehensive Plan Future Land Use Map. The M-2 District generally permits various industrial uses, such as warehousing, storage, wholesale, and distribution facilities. Phase I (Building #1 and Tracts A, B & C) of the development includes an industrial warehouse and outdoor storage. Future phases are shown as speculative industrial warehousing with trailer parking to support existing businesses in Lone Elm Commerce Center, but specific users have not been identified.

Staff recommends the restriction of some land uses on the subject property due to the greater intensity of these uses and the ability to generate nuisances such as noise and odor. Staff worked with the applicant on these use restrictions, and the applicant is amenable to the following restrictions:

- (1) Power Generation Plant
- (2) Paper Manufacturing
- (3) Recycling Centers, Drop-Off
- (4) Rendering and Meat Byproduct Processing
- (5) Petroleum Bulk Stations and Terminals
- (6) Textile, Clothing and Leather Manufacturing

- b. **Building Height** – The proposed building (Building 1) is 46 feet tall, complying with the maximum building height of 55 feet in the first column of the M-2 District. Future phases must comply with this maximum building height.
- c. **Setbacks** – All buildings and paved areas comply with the minimum setback of 30 feet from the front property line and 10 feet along the side and rear property lines.
- d. **Open Space** – The M-2 District requires a minimum of 15% open space, and the proposal exceeds this requirement by preserving over 42% of the site as open space and natural vegetation.

5. Development Standards

- a. **Phasing** – The development will be constructed in phases. Phase 1 includes Lot 1 (Building #1), Tract A with potential outdoor storage, Tract B for stormwater detention, and Tract C, which preserves the stream corridor. Future phasing includes Lots 2 and 3 for a total of 95,000 SF of industrial development, as well as the construction of Erikson Street as Lots 1 & 2 develop.
- b. **Access/Streets** – The development will be served by the existing Erikson Street, which will be extended as the property develops. Phase I (Building #1, Tracts A, B, and C) will have one access point off Monticello Road and Erikson Street and share future access with Building #2. Phases 2 and 3 show the extension of the existing cul-de-sac as well as future access off the future Erikson St.
- c. **Parking** – The applicant expects that future tenants will require 1 stall per 1,500 square feet of general industrial building area, which is standard for most industrial uses. Altogether, the development provides 428 parking spaces for passenger vehicles and 180 trailer stalls. Final parking requirements will be finalized once specific users are identified.
- d. **Landscaping/Screening** – Landscaping is provided in compliance with UDO requirements, and a mixture of deciduous, evergreen, and ornamental landscaping is proposed throughout the site. Type N (Natural) Buffer is provided along the eastern edge of the property by preserving the existing stream corridor and woodland area, as well as the northern property line of Lot 3.

Nonresidential landscaping will be provided along Erikson Street, and the use of berms and supplemental landscaping is shown for overhead doors facing the street. Staff will continue to work with the applicant to finalize the use of berms around Tract A and future outdoor storage areas. Foundation landscaping is provided along facades that face roadways and parking areas. Landscaping for the future lots will be further refined with revised preliminary and final site development plans as users and tenants are identified.

- e. **Tree Preservation** – Approximately nine (9) acres are considered a woodland area, primarily within the existing stream corridor area. This development preserves 82% (approximately 7 acres) of the woodland area, exceeding the requirement to preserve a minimum of 20% of woodland areas. These areas will further screen the industrial development from public view along nearby arterials and adjacent properties.
- f. **Stormwater/Detention** – One (1) wet detention basin will be installed with Phase I of this development to comply with Title 17 stormwater requirements of the Municipal Code.

Stormwater collected throughout the site will be conveyed into this detention basin, which is generally located in the northern portion of the development.

- g. **Public Utilities** – The property is located within the City of Olathe sewer and WaterOne water service areas. The development will be served by existing sewer and water mains, which will be extended by the developer to serve each of the buildings.

6. Site Design Standards

The property is subject to the **Site Design Category 6** based on the *Industrial Areas* designation on the PlanOlathe Future Land Use Map. The following is a summary of the applicable site design requirements:

- a. **Parking Pod Size** – Parking lots must be broken up into parking pods with no more than 320 stalls, which this development complies with.
- b. **Drainage Feature** – A fountain is provided in the wet detention basin in Tract A to incorporate it as a decorative feature for the site, as it is visible from Erikson Street.

7. Building Design Standards

The development includes three (3) industrial buildings that are subject to the **Industrial Building design standards** according to UDO Section 18.15.020.G.10; however, only phase I (Building #1) architecture was provided with this application. The north and west facades are primary facades, while the east and south facades are considered secondary.

Revised preliminary plans will be required for the remaining buildings in Lots 2 and 3 to finalize compatible architecture once users are identified. The following table lists the applicable design requirements and proposed design elements:

Building Design Standard	UDO Design Requirements
<i>Building Entryway</i>	<p>Proposed Design</p> <p><i>The main common building entry must be defined with a covered projection from the façade or by a recessed area.</i></p> <p>Each primary entrance includes canopies that project over building entrances as well as tower features that project from the building, exceeding UDO requirements.</p>
<i>Horizontal Articulation</i>	<p><i>Garage and overhead doors may only face a local or collector public street, unless completely screened from view.</i></p> <p>Overhead doors on Building #1 are located on the rear southern façade and oriented away from public streets. Building #2 shows dock doors angled towards Erikson Street and will require additional architectural treatment at the time of the revised preliminary development plan. Lot 2 also provides a 4-foot-tall berm and a row of evergreens to further screen this area from the view of Erikson Street.</p>

<i>Vertical Articulation</i>	<i>Horizontal and vertical articulation must be used to divide primary façades into vertical bays that are no greater than 50 and 100 feet in width for buildings under and over 100,000 square feet, respectively.</i> Each primary façade is divided into vertical bays using a variation in the parapet height to differentiate entrances and break up the building. Additionally, wall offsets, wall projections, and canopies provide both vertical and horizontal articulation, meeting UDO requirements. The applicant is also using a variety of material colors and panel sizes to increase visual interest.
------------------------------	---

Primary facades must use a minimum of two (2) Class 1 and 2 materials on 75% of the façade and secondary facades must use a minimum of two (2) Class 1, 2, and 3 materials on 50% of the façade. All facades on Lot 1 (Building #1) exceed these requirements, with clear glass (Class 1), metal paneling (Class 1), and tilt-up concrete panels with form-liner reveals (Class 2) comprising 100% of every façade.

Primary façades must also use a minimum of 15% glass on the first floor, for which the applicant has requested a waiver (see Section 9, Waiver Request).

8. Public Notification and Neighborhood Meeting

The applicant mailed the required public notification letters to surrounding property owners within 200 feet and posted a sign on the subject property per UDO requirements. A neighborhood meeting was held on March 19th with no one in attendance. Staff and the applicants have not received any correspondence regarding the project.

9. Waiver Request

Section 18.40.240 of the UDO provides a mechanism for waivers to be considered when unnecessary hardships can be demonstrated or where the exception would result in superior design. The applicant submitted a justification statement for one (1) waiver request, which is included in the meeting packet.

- 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. The UDO requires a minimum of 15% glass on the first floor of primary facades, and the applicant is providing 11% on the north façade and 6% on the west primary façades of Building 1.

Staff is supportive of the waiver request as the industrial building requires an alternate but complementary design to meet the needs of the anticipated users. Additionally, this development is a continuation of the existing Lone Elm Commerce Center phases, and the proposed building will match the industrial buildings to the west, which will create a more cohesive development. The applicant has also added glass to the primary corner features on all facades to help enhance the impact of these proposed glass areas. There is also an increased level of articulation along the primary facades and varying colored panels to create visual interest instead of clear glass. Further, this alternative design will have no negative impact on the adjacent properties.

10. UDO Rezoning Criteria

The future land use map of the PlanOlathe Comprehensive Plan identifies the property as industrial uses, employment area, and primary and secondary greenways. This application was reviewed against the UDO criteria listed in Section 18.40.090.G and generally aligns with the industrial areas designation and preserves areas along the primary greenway as well which is detailed below.

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 identifies the subject property as an Industrial Area with Primary and Secondary Greenways. Industrial Areas are designated for more intensive industrial uses, including manufacturing, assembly, and distribution. Research, warehousing, and other light industrial uses are also appropriate in Industrial Areas. In Industrial Areas, complementary retail and service uses should be limited in scale and carefully integrated with surrounding industrial uses. The M-2 District directly aligns with the Industrial Area future land use category, and greenways will be preserved within the northeast portion of the development. This request conforms with the PlanOlathe (Comprehensive Plan) and the following policy elements of the Comprehensive Plan:

LUCC-1.1: Consistency with the Comprehensive Plan. Land use proposals should be consistent with the vision of the Comprehensive Plan, as well as applicable local ordinances and resolutions.

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.

The application was reviewed against the UDO criteria for considering rezoning applications listed in UDO Section 18.40.090.G as detailed below.

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 surrounding area along 167th Street and Lone Elm Road is primarily industrial warehousing and logistics buildings constructed of concrete and with limited office areas, while the properties to the north remain undeveloped. The proposal will be a continuation of the existing Lone Elm Commerce Center to the west and will have a similar building design and materials. The proposed uses are more speculative at this time, but are expected to include warehousing, distribution, and storage, which are compatible with the surrounding industrial development.

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

The proposed M-2 (General Industrial) District and proposed industrial uses will be in harmony with the existing businesses within adjacent M-2 and MP-2 zoning districts, which are of similar size and scale, and include some outdoor storage areas.

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

The property currently retains the CTY PRN2 (County Planned Residential) District and must be rezoned to a City zoning district before it may be developed.

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

The property was annexed in 2006 and retained its CTY PRN2 District zoning. The site has remained undeveloped and was largely used for agricultural purposes.

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

Staff has not received information indicating the proposed project will detrimentally affect nearby properties. Approval of this application would allow a similar type of development to the surrounding properties already zoned to the M-2 District.

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

The development as proposed is not anticipated to have any detrimental impact on the value of nearby properties, which are zoned for similar uses. The proposed development is similar to the surrounding developed properties regarding site and building design.

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.

The proposed industrial uses will not cause any adverse effect on traffic and the safety of the road network. The development will be served by two (2) collector streets, which feed into 167th Street and will not warrant additional public improvements.

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

The development will follow all regulations and codes pertaining to stormwater, air quality, noise, and other impacts on the environment and is not anticipated to create environmental harm.

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

The proposed development will contribute to the local economy by generating additional property taxes to be collected by the City and creating new employment opportunities.

K. The gain, if any, to the public health, safety and welfare due to 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 to the public health, safety, or welfare if the application were denied. If the application were denied, the property would be restricted to the uses permitted in the County PRN2 District and industrial development of this property would not be permitted.

11. Staff Recommendation

- A. Staff recommends approval of RZ26-0003, Lone Elm Commerce Center 6th Plat, for the following reasons:
1. The proposed development complies with the policies and goals of the PlanOlathe Comprehensive Plan.
 2. The requested zoning meets the Unified Development Ordinance criteria for considering zoning applications.
- B. Staff recommends approval of the rezoning to the M-2 District with the following stipulations:
1. Prior to issuance of building permits for Buildings 2 and 3, Erikson Street must be extended adjacent to the property line, or a development agreement must be in place defining the schedule for extending Erikson from its existing terminus to Lone Elm Road.
 3. The following uses are prohibited in the M-2 District:
 - a) Power Generation Plant
 - b) Paper Manufacturing
 - c) Recycling Centers, Drop-Off
 - d) Rendering and Meat Byproduct Processing
 - e) Petroleum Bulk Stations and Terminals
 - f) Textile, Clothing and Leather Manufacturing
- C. Staff recommends approval of the preliminary site development plans with the following stipulations:
2. A waiver is granted for Lot 1 from UDO 18.15.020,G.10. to permit the primary façade glass percentages shown on the architectural elevations for Building 1 dated February 16th, 2026.
 3. Approval of a revised preliminary site development plan is required for Lots 2 and 3.
 4. Buildings within the project boundary must have similar architectural features, colors, and building materials for a cohesive design.
 5. Outdoor storage areas must be fully screened from public view.
 6. Access drives onto Erikson Street for Lots 2 and 3 must meet IFC requirements prior to approval of the final site development plans for each lot.