



City of Olathe
Planning Division

STAFF REPORT

Planning Commission Meeting: July 22, 2019

Application:	<u>RZ19-0006:</u> Request for rezoning from CTY PEC-3 and M-2 to C-3 (Regional Commercial) and M-2 (Heavy Industrial) districts, and preliminary development plan for Builders Stone.
Location:	Located on the west side of Kansas City Road and north of 119 th Street
Owner:	Clay Blair, CB Holdings, LLC
Applicant:	Brandon Becker, Builders Stone
Engineer:	Daniel Foster, Schlagel & Associates
Staff Contact:	Sean Pendley, Senior Planner

Site Area:	<u>17.35 ± acres (total)</u> 8.73± acres (C-3) 8.62± acres (M-2)	Proposed Use:	<u>Office/ Warehouse/</u> <u>Outdoor Storage/</u> <u>Commercial</u>
Lots:	<u>3 (Commercial)</u> <u>1 (Industrial)</u>	Plat:	<u>Unplatted</u>

	Plan Olathe Land Use Category	Existing Use	Current Zoning
Site	Urban Mixed Use Center	Undeveloped/ Telecommunications Facility	County PEC-3/ M-2
North	N/A (City of Lenexa)	Undeveloped	BP2
South	Urban Mixed Use Center	Street right-of-way	M-2
East	N/A (City of Lenexa)	Office/ Warehouse	BP2
West	Urban Mixed Use Center	Industrial/ Office/ Warehouse	M-2/ MP-2

1. Proposal:

The applicant is requesting a rezoning from County PEC-3 and M-2 district to **C-3 (Regional Commercial) district** on 8.73 acres and **M-2 (Heavy Industrial) district** on 8.62 acres. The subject property is located in the vicinity of 119th Street and Kansas City Road on the north side of the 119th Street ramp.

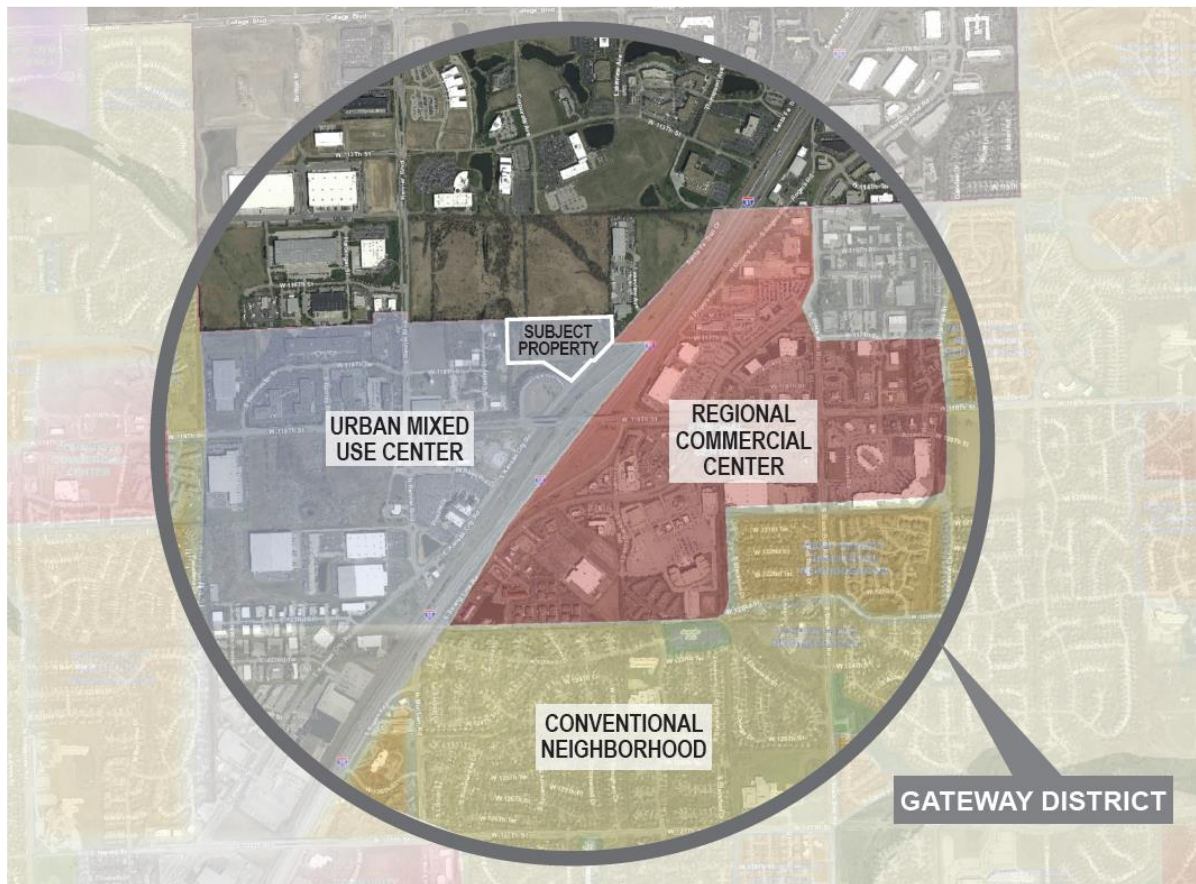


(Site location map)

The applicant is proposing three commercial lots with a total building area of approximately 107,000 square feet and an industrial lot with an office/warehouse building and outdoor storage area. The proposed business for the industrial lot includes a showroom, office space, warehouse and outdoor storage and display of stone and masonry products. The applicant is requesting a combination of C-3 zoning and M-2 zoning to accommodate an outdoor storage yard on Lot 2.

The applicant submitted a preliminary development plan and has requested that it be included in the packet despite staff's recommendation of denial of the zoning request. Staff cannot vet nor make a recommendation regarding the preliminary plan since there is not a recommendation to approve the zoning district.

As illustrated in the Comprehensive Plan (PlanOlathe), the subject property is located within the Gateway District which is considered a main entry into Olathe and is critical to the overall image of the community. The Gateway District is intended to support high quality retail, services, offices and housing as outlined in PlanOlathe. Industrial uses and outdoor storage are not supported in the Gateway District.



(PlanOlathe future land use – Gateway District)

In addition, the 118th Street and Renner Boulevard Land Use Study was recently completed to determine if the vision as identified in PlanOlathe for this area is still viable. The Study concluded that the goals of PlanOlathe for the subject area are still relevant for high-quality mixed-use center within the Gateway District. Therefore, zoning recommendations for this area are reviewed against the goals and vision in PlanOlathe in addition to applicable UDO requirements.

Staff recommends denial of the rezoning application as it fails to meet the goals of PlanOlathe. Staff met with the applicant on several occasions and discussed our review, recommendation, and provided the applicant a copy of PlanOlathe and the Renner Study supporting documents.

The applicant is pursuing the zoning request and submitted preliminary plans, building elevations and renderings to support their position that the rezoning application will not be detrimental to the City's goals and vision for the Gateway District. The requirements and standards for the plan review are based upon the requested zoning district. As stated previously, staff has not completed a detailed analysis of the site and building design because staff did not recommend approval of the zoning application. Therefore, the remainder of this report will focus on the zoning and land use analysis.

2. Existing Conditions/ Site Photos:

Much of the site is undeveloped with the exception of an existing telecommunications facility and old storage shed on the northeast corner of the site. There are existing trees along the south, east and west property lines.



(View from Kansas City Road, looking west to site)



(View from Kansas City Road, looking west to site)

3. History:

In 2001, Johnson County approved a 150-foot tall communication tower in this area. In 2009, the majority of the subject property was annexed into Olathe as part of an enclave annexation (ANX-08-002). The property was previously zoned in the County to PEC-3 (Planned Light Industrial Park District) and the site was never rezoned to a City designated district.

There is a small portion of the property on the southeast corner that is zoned M-2 (Industrial District) and this property was located in Olathe prior to the annexation of the north property. The M-2 zoning was approved in 1985 as part of the Hall's Acres property to the west of the site. There have been no preliminary development plans or plats approved for the subject property and the site has not been developed except for the telecommunications facility and storage shed.

4. Neighborhood Meeting/Public Notice:

The applicant held a neighborhood meeting on May 14, 2019 (see attached minutes). One person attended the meeting, representing Fry-Wagner Moving and Storage. The applicant gave an overview of the project and answered questions regarding the proposed development. The adjacent owner had questions regarding traffic improvements on Kansas City Road, stormwater improvements, and landscaping and screening. The meeting minutes are included in the Planning Commission packet.

The applicant mailed the required public notification letters to surrounding properties within 200 feet and posted signs on the subject property per *Unified Development Ordinance (UDO)* requirements.

5. Comprehensive Plan Goals:

The subject property is located within the Gateway District according to PlanOlathe. This area is considered a main entry into Olathe and is critical to the overall image of the community. Districts are identified in PlanOlathe as areas of the City where the most significant commercial, employment, housing and mixed use activity will take place in the future.

PlanOlathe includes the following goals and direction for the **Gateway District**:

"Aptly named, the Gateway District provides the entry experience into Olathe from Kansas City. The site is adjacent to Interstate Highway 35 and 119th Street at one of the highest traffic volume intersections in the region, and is an area that will eventually provide a major transit node for the community. The Gateway District is a critical component in the overall image of Olathe, and development in this area should protect and enhance the image of the community and create an inviting environment to welcome travelers and visitors. High quality retail, services, offices and housing are the focus of this District. Superior design compatibility within the Gateway District can be achieved through consideration of building scale, design, proportions, site planning, landscaping, materials and colors".

The future land use plan also identifies different Centers which focus on commercial activity, reinforces the transit network and promotes the development of distinct

neighborhoods and Districts within the community. Centers are served by a highly connected street network, transit connections and greenways. The future land use plan identifies the subject site as being within the “Urban Mixed Use Center” and these areas are intended to support a mixture of commercial, office and residential uses. Urban Mixed Use Centers are places of relatively higher intensity uses including a mixture of residential, employment, shopping and civic uses. In combination with existing office and other employment-generating uses, new residential units and small-scale retail within these centers will support the development of a live/work environment. These mixed-use areas can create walkable environments, which may contribute new housing opportunities of a product type that is currently underserved in the community. Heavy industrial, truck areas and outdoor storage yards or areas are not supported in this location since these uses are not compatible with uses envisioned in the Gateway District.

6. Zoning/ Land Use Analysis:

The following are criteria for considering rezoning applications as listed in Unified Development Ordinance (UDO) Section 18.40.090 G.

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

PlanOlathe

The proposed M-2 zoning and associated land use for outdoor storage conflicts with the goals and vision for the Gateway District as identified in PlanOlathe. This area is expected to support a mixed-use area with high quality commercial and office development. The proposed zoning, warehouse building, and outdoor storage yard is inconsistent with the intended land use for this area and will negatively impact the ability for the City to fully realize the vision and goals of PlanOlathe.

B. The character of the neighborhood including but not limited to: land use, zoning, density (residential), floor area (nonresidential and mixed use), architectural style, building materials, height, siting, and open space.

The immediate area consists primarily of industrial uses and undeveloped property with industrial or business park zoning categories. However, full build out of the surrounding area has not been realized. Several properties are either vacant or contain distressed buildings which have great potential for redevelopment.

The properties south of 119th Street are zoned CP-2 (Commercial) and include several high-quality retail, restaurant and service uses in the Olathe Gateway development. Earlier this year, a Planned District zoning and mixed-use development plan for Olathe Gateway II was approved for the property on the southwest corner of 119th and Renner which includes commercial, multifamily residential and mixed-use buildings. In addition, there is an existing business park located west of Renner Boulevard (119th Street Tech Park). There is no outdoor storage of materials or equipment in these commercial and business park developments.

The map below shows the developments in the 119th and Renner area that include commercial, office and multifamily residential uses with walkable environments, quality amenities and street connectivity that follows the vision and intent of the Gateway District and Urban Mixed Use Center as identified in PlanOlathe.



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.

Zoning of the surrounding properties consists of M-2, MP-2 and BP districts. The proposed zoning for M-2 and C-3 is consistent with existing zoning in the immediate vicinity, but is inconsistent with the goals and vision for PlanOlathe and future uses for the Gateway District. The recommended zoning for the subject property to realize the vision for this area is Commercial or Business Park. The proposed Industrial zoning conflicts with the recommended land uses in this area.

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

The current zoning of the property is CTY PEC-3 (Planned Light Industrial Park District) which is a County zoning designation. The property was not zoned to a City district at the time of annexation. According to UDO Section 18.40.010, no development on any tract shall begin until approval of zoning and other applicable plans and plats have been granted by the City. The property could be rezoned to a commercial or business park district. Currently, the site does not allow for an outdoor storage area, which is the applicant's main objective.

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

The property has been vacant since it was zoned in the unincorporated area of Johnson County and no development plans have been submitted to the City prior to this zoning request.

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

The proposed industrial zoning and preliminary development plan would diminish the potential for redevelopment for commercial and office uses as recommended for the Gateway District. Development with intense industrial uses, including warehousing, shipping and distribution, or outdoor storage, will have a negative impact to the existing and planned office and retail development in the surrounding area and detract W. 119th Street as a community gateway. A new development consisting of warehousing and outdoor storage would deter future high quality commercial and office users from developing in this area. While existing industrial users are located in this vicinity, the City would have the same review and recommendations for any new development on those parcels as well.

G. 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.

Staff does not support the proposed zoning and therefore, did not complete an analysis of the preliminary development plan and street network. To provide future external connectivity and a well-connected street network, a future connection would be required from Kansas City Road to Renner Boulevard. The proposed development with a cul-de-sac for 118th Street would adversely affect the road network and future connectivity for development in this area. This would hinder the ability for gateway district uses and development in this area.

Increasing truck traffic within the this area will negatively impact the attractiveness and marketability of the existing nearby office complex and retail center as well as the planned mixed-use development by increasing traffic congestion and noise. Large trucks and semi-trailer by their very nature consume a disproportionate amount of traffic capacity of the roadway, disrupt traffic signal operations, and increase road noise.

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

Staff is not aware of any potential for unlawful levels of air, water or noise pollution with the proposed development. Any proposed development will be required to meet the City's stormwater requirements and best management practices for water quality.

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

The proposed zoning to M-2 and associated land use for office, warehouse and outdoor storage uses may generate less tax revenue than if the entire property were rezoned to a commercial or mixed-use district with additional retail and services uses as recommended for the Gateway District.

7. Staff Recommendation:

Staff recommends denial of RZ19-0006 for the following reasons:

- A. As detailed in this report, the proposed rezoning to M-2 zoning district is not consistent with the policies and goals of the Comprehensive Plan for the Gateway District as identified in PlanOlathe which is intended to support a mixture of commercial, office, and residential uses.
- B. The proposed use for a warehouse building and outdoor storage will have a negative impact to the existing and planned office and retail development in the surrounding area and detract from 119th Street as a community gateway.
- C. The proposed zoning will have a detrimental impact to the future redevelopment of this area in accordance with PlanOlathe
- D. As proposed, this application fails several of the criteria for a rezoning under section 18.40.090 of the Unified Development Ordinance.
 - 1) *"The conformance of the proposed use to the Comprehensive Plan and other adopted planning policies".*
 - 2) *"The character of the neighborhood including but not limited to: land use, zoning, density (residential), floor area (nonresidential and mixed use), architectural style, building materials, height, siting, and open space".*
 - 3) *"The suitability of the property for the uses to which it has been restricted under the applicable zoning district regulations".*
 - 4) *"The extent to which approval of the application would detrimentally affect nearby properties".*
 - 5) *"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".*

If the Planning Commission recommends denial of the rezoning to C-3 and M-2 districts, as recommended by staff for failure to meet the UDO criteria and PlanOlathe goals, the application will still proceed to the City Council. If the rezoning is denied, the associated preliminary development plan would automatically fail as the requirements and standards for the plan review are based upon the requested zoning district. Should zoning be approved, a preliminary development plan would return at a later date to the Planning Commission and City Council following staff review of the development plan.