



Planning Division

**STAFF REPORT**

Planning Commission Meeting: **October 26, 2020**

<b>Application:</b>	<b><u>RZ20-0003:</u></b> <b>Rezoning from M-2 (General Industrial) District and C-2 (Community Center) District to M-1 (Light Industrial) District and a Preliminary Site Development Plan for Southpark Phase II</b>
<b>Location:</b>	South of W. Old 56 Highway and west of S. Fountain Drive
<b>Owner/Applicant:</b>	Thomas S. Vankeirsbilck Trust
<b>Engineer:</b>	Judd Claussen, Phelps Engineering
<b>Staff Contact:</b>	Jessica Schuller, AICP, Senior Planner

Site Area:	<u>34.02± acres</u>	Existing Zoning:	<u>M-2 &amp; C-2</u>
Building Area:	<u>385,500 sq.ft.</u>	Proposed Zoning:	<u>M-1 (Light Industrial)</u>
Proposed Use:	<u>Warehousing, Storage, Wholesale and Distribution Facility</u>	Plat:	<u>Southpark Phase II</u>

	<b>Plan Olathe Land Use Category</b>	<b>Existing Use</b>	<b>Current Zoning</b>	<b>Site Design Category</b>	<b>Building Design Category</b>
<b>Site</b>	<b>Urban Mixed Use Center</b>	<b>Vacant</b>	<b>M-2/C-2</b>	<b>3</b>	<b>Industrial Buildings</b>
<b>North</b>	<b>Urban Mixed Use Center</b>	Railroad/Vacant	M-2/C-2	-	-
<b>South</b>	<b>Urban Mixed Use Center</b>	Vacant/Trucking Transportation Service	R-3/C-O	-	-
<b>East</b>	<b>Urban Mixed Use Center</b>	Vacant/Health Center	C-2	-	-
<b>West</b>	<b>Industrial Area</b>	Mechanical/Industrial Services	M-2	-	-

**1. History:**

The existing site is vacant and was platted in 1988 as part of the Southpark Phase II industrial area. The overall Southpark development was originally zoned M-1 (Light Industrial) District and M-2 (General Industrial) District but underwent a large rezoning in 1987 when a mix of medium density residential and other commercial uses were introduced (RZ-3-87). In 1992, a portion of the subject property was rezoned from C-1 to C-2, and from R-3 to C-2 and M-2 (RZ-20-91), as the subject property is currently zoned today.

This application was continued from the May 11, 2020 Planning Commission meeting, for which it was originally publicly notified for. Public notification of the project was sent again in October of 2020 in preparation for the October 26<sup>th</sup> Planning Commission meeting.

**2. Proposal:**

The applicant is requesting a change of zoning from M-2 (General Industrial) District and C-2 (Community Center) District to M-1 (Light Industrial) District for approximately 34.02± acres. The rezoning of the subject property is being requested in conjunction with the associated preliminary site development plan. The project consists of three warehousing/distribution buildings ranging from 113,500 sq.ft. to 136,000 sq.ft., for a total of 385,500 sq.ft. of gross building area on site.

**3. Existing Conditions:**

The subject property is currently vacant. The area southwest of the subject property is currently developed with a variety of industrial businesses including mechanical, metal and glass related businesses. Areas zoned R-3 (Residential Low-Density Multifamily) directly to the south, and C-2 (Community Center) directly to the east, are currently undeveloped.

The existing site is farmland and contains wetlands and wooded vegetation near the north and central portions of the site. The proposed site development requires permits from the U.S. Army Corps of Engineers prior to construction.



*Site Aerial – outlined in navy*



*View from Frontier Lane, looking northeast*

#### **4. Neighborhood Meeting/Correspondence:**

The applicant held a neighborhood meeting on March 23, 2020 as required by the Unified Development Ordinance (UDO). No members of the public attended the meeting, and the applicant and City did not receive any correspondence.

After obtaining a continuance from the Planning Commission, the applicant held an additional neighborhood meeting on October 1, 2020 at 6:30 PM as required by the Unified Development Ordinance (UDO). One member of the public attended the meeting and discussions involved the Stormwater Management Plan and the proximity of the site to the R-3 zoned district to the south. The project applicants explained the Stormwater study and the additional measures taken to screen the property from the adjacent R-3 zoned district through landscaping, berms, and screen walls. The applicant and City have not received any additional correspondence.

#### **5. Zoning Requirements:**

- a. **Land Use** – The proposed land use of this preliminary development plan is consistent with uses permitted within the M-1 District. *Warehousing, Storage, Wholesale and Distribution Facilities* is the primary use and is permitted by right within the M-1 District.

The *PlanOlathe* Future Land Use Map of the Comprehensive Plan designates the majority of the Southpark area as an Urban Mixed Use Center. At the time of original zoning, the Comprehensive Plan designated the Southpark area as appropriate for commercial, industrial and a limited amount of medium density residential development.

The applicant’s request to rezone the subject property from M-2 and C-2 to M-1 is consistent with the existing zoning established to the west by continuing the industrial use designation, while also lessening the intensity of a portion of the site. While the applicant proposes to remove the established C-2 zoning on the subject property, the M-1 District does still permit a number of commercial uses.

When residential uses were originally established to the south of the proposed lot (RZ-03-87), it was noted that the residential uses should be buffered from the railroad to the north by office or “high finish” light industrial uses, in addition to items such as landscaping, open space, berms and fencing. In 1991, a preliminary site development plan was approved with four industrial use buildings and a large commercial use building on Lot 27 of the subject property. The currently proposed plan proposes three industrial buildings exceeding current UDO requirements for architecture and site design, with improved screening along Frontier Lane through a combination of berms, landscaping, and screen walls in front of the trailer parking.

- b. **Building Height** – Building heights within the M-1 District are limited to 55’. The proposed buildings are 40’ tall at the highest point, meeting the requirements of the UDO.
- c. **Setbacks** – Table 1, below, lists the required setbacks for the M-1 District and the proposed setbacks for the development.

<b>Table 1: Setbacks</b>	<b>UDO Requirement (minimum)</b>	<b>Proposed Plan</b>
<b>Front Yard</b>	50’ from property line	78.05’ from property line
<b>Side Yard</b>	10’ from property line	97.98’ from property line
<b>Rear Yard</b>	10’ from the property line	115.27’ from property line
<b>Parking/Paving</b>	30’ from right-of-way/10’ from property line	30’ from property line

**6. Development Requirements:**

- a. **Access/Streets** – Three driveways provide access to the site from Frontier Lane, and one driveway is located along the northern end of Fountain Drive. The three buildings are also accessible from the interior of the site, via internal access drives.
- b. **Parking** – Per UDO requirements, parking is required at a minimum rate of one space per 1,500 sq.ft. of building area. The applicant proposes to construct 449 parking spaces initially and is planning for an additional 120 parking spaces to be constructed at a future point in time, when needed. The future parking will be maintained as green space until the parking is constructed. The applicant is requesting more parking than the minimum UDO requirement, to accommodate a potential for higher volume uses, including additional delivery drivers, labor intensive

warehousing uses, or training events. After analysis of the land uses and associated required parking, staff is supportive of the parking as proposed.

- c. **Landscaping** – The applicant provided a preliminary landscape plan meeting the requirements of the UDO. Foundation plantings are provided on facades that do not contain dock doors, and areas that front upon the parking lot, as required by the UDO. Parking lot screening from the right-of-way is provided on the south and east sides of the development, including a 3' tall berm accented with evergreen and deciduous trees. Parking lot trees are provided within landscape islands.

Large areas of native wooded vegetation exist on site. Per UDO requirements, a minimum of 20% of the contiguous tree canopy must be preserved. The applicant is preserving 84% of the tree canopy on site, exceeding UDO requirements.

- d. **Public Utilities** – The property is in the Olathe water and wastewater service areas.
- e. **Stormwater/Detention** – The property contains existing wetlands and large areas of native vegetation. Areas of stormwater detention are located throughout the site, including areas along the northern property line, centrally located between Buildings A and B, and along the western property line. Native vegetation will be preserved in these locations.

Due to the existence of on-site wetlands, a permit from the Army Corp of Engineers was obtained by the applicant in July of 2020. This is a separate review process from this zoning request and is not required during the zoning process. The decision on the approval of the wetland mitigation permit is not determined by the City so this information is for your awareness only. If the applicant's plans change or if the activity is not completed within the required term, another permit determination will be required from the Army Corp of Engineers.

**7. Site Design Standards:**

The site is designated as Urban Mixed Use Center on the *PlanOlathe* Comprehensive Plan Future Land Use Map. The proposed development is subject to **Site Design Category 3** (UDO 18.15.115). Table 2 below provides an analysis of the site design requirements.

Table 2. Composite Site Design (Category 3)	Design Requirements
<i>Landscape Options</i>	<b><i>Planted Buffer with No Fence or Wall</i></b> The proposed plan includes a landscaped area at the public sidewalk edge that is at least 20' deep with a minimum of 70% permeable surfaces.
<i>Outdoor Amenity Space Options</i>	<b><i>Stands of mature trees or natural drainage areas retained as an amenity for users of the development.</i></b> Natural stands of trees are retained on site, covering more than 10% of the site area, meeting the requirements of the UDO.

<i>Pedestrian Connectivity</i>	<p><b><i>Pedestrian connections between buildings on site and to the public sidewalk.</i></b></p> <p>A 5' sidewalk has been provided along the entire frontage of Fountain Drive and Frontier Lane. Connections from buildings are made to the perimeter sidewalks.</p>
<i>Drainage Features</i>	<p><b><i>Open drainage and detention areas visible to the public shall be designed as an attractive amenity.</i></b></p> <p>The site includes multiple existing landscaped basins, channels, and natural drainage features that are to be preserved. This includes a large basin between Buildings A and B.</p>

**8. Building Design Standards:**

The building is subject to building design standards for **Industrial Buildings** (UDO 18.15.020.G.10). Table 3, below, 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>Design Requirements</b>
<i>Building Entryway</i>	<p>Proposed Design</p> <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>Entries are located at the corners of buildings and in the center of buildings and are defined with a metal projecting canopy. Corner entries are also defined with a 4' wall projection, meeting the requirements of the UDO.</p>
<i>Garage 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>No garage doors face a local or collector street, meeting the requirements of the UDO. Additional screening of garage doors is provided in the form of two 15' tall screen walls located at the southern end of Buildings B and C, screening the view of trailer parking from Frontier Lane.</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>The parapet heights of primary facades change by a minimum of 4' through the use of building cornices at entry locations and lower parapet heights where changes in material occur, meeting the requirements of the UDO.</p>
<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>Wall offsets and wall notches are provided every 100 linear feet, meeting the requirements of the UDO.</p>

**Proposed Building Materials**

The building is proposed to be constructed of tilt-up concrete panels with reveals and textured paint in varying shades of gray, with teal accents (Class 2 material). A small percentage of EIFS (Class 3 material) is used in the form of cornice detailing. Glass is used on all facades, located around building entrances and office locations, and as an upper clerestory above dock doors and on long wall expanses. The primary roof is proposed to be a flat roof, and rooftop mechanical units will be fully screened.

Tables 4 and 5, below, list the percentages of Class 1 and Class 2 materials used on each façade. A Class 3 material is used in the form of EIFS, at 1% or less of each façade area.

<b>Table 4.</b> <b>Building Materials</b> <b>Primary Facades</b>	<b>Class 1 &amp; Class 2</b> <b>Materials</b> <b>(Min. UDO</b> <b>Requirement 75%)</b>	<b>Clear Glass</b> <b>(Min. UDO Requirement 15%</b> <b>on First Floor)</b>
<b>Building A</b>		
<i>South Elevation</i>	98.8%	33%
<b>Building B</b>		
<i>South Elevation</i>	99.4%	15.6%
<b>Building C</b>		
<i>South Elevation</i>	99.4%	15.6%
<i>East Elevation</i>	99.0%	27%

<b>Table 5.</b> <b>Building Materials</b> <b>Secondary Facades</b>	<b>Class 1 &amp; Class 2 Materials</b> <b>(Min. UDO Requirement 40%)</b>
<b>Building A</b>	
North, East & West Elevations	100%, 99.3%, 99.3%

<b>Building B</b>	
North, East & West Elevations	99.3%, 100%, 99%
<b>Building C</b>	
North & West Elevations	99.3%, 100%

**9. Comprehensive Plan Analysis**

The future land use map of the *PlanOlathe* Comprehensive Plan identifies the subject property as “Urban Mixed Use Center”. While the proposed M-1 zoning is not consistent with the future land use map, staff is supportive of the requested change in zoning as the zoning is consistent with the M-2 zoning to the west, and creates a less intense district than currently zoned on a portion of this property. Amending the existing C-2 zoning district to M-1 also provides consistent zoning across the same property. Staff also finds that it is reasonable to allow a natural zoning separation to occur at Fountain Drive to the east and Frontier Lane to the south.

Additionally, zoning the entire property to M-1 does meet the following policy elements of the Comprehensive Plan:

**Principle LUCC-6: Discourage Sprawl.** “Discourage “leap-frog” or sprawling land use patterns by encouraging growth in serviceable areas. Promote the infill of vacant parcels and reinvestment in buildable areas.”

**ES-3.1: Reinvestment in Existing Commercial and Industrial Areas.** “Cooperate with the private sector to foster the revitalization of existing commercial and industrial areas in order to create greater vitality.”

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.***

The proposed land has been platted within the Southpark subdivision since 1988 as part of an industrial and employment area, at which time the Comprehensive Plan determined the site to be suitable for commercial, industrial and limited medium density residential development. The Southpark area currently includes free standing office buildings and medical facilities.

The proposed M-1 District does not align with the current *PlanOlathe* future land use designation for an Urban Mixed Use Center; however, the proposed improvements to the 34-acre parcel comply with other goals of the *Comprehensive Plan* and principles of other planning policies. Promotion of Olathe as an ideal place for new industry and a strong economy are goals of the *PlanOlathe Comprehensive Plan*. In order to strengthen and revitalize existing commercial centers, *PlanOlathe* calls for the City to “cooperate with the private sector to foster the revitalization of existing commercial and industrial areas in order to create greater vitality.”



***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).***

Surrounding zoning of the subject property includes M-2 (General Industrial) to the west, C-2 (Community Center) to the east, and R-3 (Residential Low-Density Multifamily) and C-O (Office) to the south. Southpark has remained largely undeveloped since 1987. The area was proposed for a regional mall, office, commercial retail, medium density residential and general industrial uses. Existing industrial use buildings are generally one to three stories in height and separated by large lots. Existing office uses, including Southpark Commons, range from one to three stories in height. Commercial uses include a hotel and gas station, and residential uses include a long-term care facility. The majority of development within Southpark occurred in the early 1990's, with some parcels developed in the early 2000's. The proposed warehouses are compatible with the existing uses and are of similar scale to the industrial buildings to the southwest. The proposed buildings also use a high percentage of Class 1 and Class 2 building materials, thus maintaining a high standard of development. The M-1 zoning requested allows for a mix of commercial and industrial type uses compatible with the existing zoning in the Southpark 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.***

A portion of the subject property already permits the proposed warehousing use by right. The portion of the subject property proposed to rezone from the C-2 to M-1 District provides a continuation of an already established industrial area but lessens the intensity of currently established M-2 zoning in the area. The proposed changes to zoning are in keeping with the established mix of commercial retail, medium density residential and general industrial uses seen within the area.

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

The subject property is currently zoned M-2 and C-2, causing the proposed warehousing use to only be permitted on a portion of the existing property. Rezoning the entire property to the M-1 District allows the proposed development to be placed under a single ordinance and a single set of regulations for the proposed use.

The M-1 District provides for a number of uses, including some commercial-type uses and light industrial uses. The M-1 District is less intense than the M-2 District, restricting industrial uses such as manufacturing, milling and product assembly which are permitted within the M-2 District. The property is suitable to the use restrictions of the M-1 District.

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

The subject property was zoned from R-3 to M-2 and C-2 in 1991 (RZ-20-91) and the 34-acre subject property has remained vacant since that time. The property was platted in 1988. Large portions of the Southpark area also remain undeveloped.

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

The proposed rezoning to the M-1 District will have no detrimental effect on nearby properties, which consist of higher intensity industrial use to the west and vacant property to the east. The R-3 zoning district to the south is separated by a collector street and will be screened from the industrial property through a combination of berms and plant material. Additionally, due to the *PlanOlathe* designation as an Urban Mixed Use Center, the site is subject to higher site design standards (Category 3) than typically required of industrial properties. Previous rezoning applications within the Southpark area also called for screening of residential through a combination of berms, open space, fences and the like.

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

The proposed rezoning will not substantially harm the value of nearby properties, which consist of higher intensity industrial use to the west and vacant property to the east. Rezoning from M-2 to M-1 on a portion of the property will reduce the intensity of uses that are currently allowed. Future residential properties to the south will be screened from the industrial use through berms and landscaping. Screen walls are proposed on the sides of the buildings to screen trailer parking from the roadway.

***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 use was reviewed for compatibility with the existing road network within and surrounding the Southpark development, and no adverse impacts are anticipated from developing the site. The preliminary development plan approved in 1991 showed a greater number of industrial buildings on the western portion of the proposed site, but of smaller scale than those currently proposed. Circulation within the site and an adequate availability of parking spaces will be provided to accommodate the warehousing use. The site is also in proximity to the intersection of US-169 and I-35 Highways. These high capacity roadways are equipped to handle the increased trucking traffic.

***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. The property has a considerable amount of mature wooded area on the property; the applicant proposes to save over 80% of the existing vegetation.

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

Industrial warehousing can add value to the community through supporting a strong and diversified economy and an expanded employment base, among many other impacts.

***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.***

The proposed rezoning does not negatively impact public health, safety, or welfare as presented. If the rezoning were denied, a large portion of the property could not be

developed for the warehousing use, causing a hardship for the property owner. City staff and the applicant agree the rezoning offers more developable land area for the proposed industrial use and offers consistency with surrounding properties.

#### 10. Staff Recommendation:

Staff recommends approval of the rezoning and preliminary site development plan (RZ20-0003) with the following stipulations:

- A. Staff recommends approval of RZ20-0003 for the following reasons:
  1. The proposed development complies with the policies and goals of the *Comprehensive Plan*.

**Principle LUCC-6: Discourage Sprawl.** “Discourage “leap-frog” or sprawling land use patterns by encouraging growth in serviceable areas. Promote the infill of vacant parcels and reinvestment in buildable areas.”

**ES-3.1: Reinvestment in Existing Commercial and Industrial Areas.** “Cooperate with the private sector to foster the revitalization of existing commercial and industrial areas in order to create greater vitality.”
  2. The requested rezoning to M-1 District meets the Unified Development Ordinance (UDO) criteria for considering zoning applications.
- B. Staff recommends approval of the rezoning to the M-1 District as presented with no stipulations.
- C. The following stipulations apply to the preliminary site development plan:
  1. A final site development plan must be approved and final plat recorded prior to building permit submittal.
  2. If a gate is installed on-site, additional on-site queueing at a rate approved by the City Engineer will be required.
  3. A City of Olathe floodplain development permit will be required at the time of final site development plan.
  4. All applicable requirements of *City of Olathe Title 17* must be addressed and are the responsibility of the applicant prior to issuance of building permits.
  5. Any State and Federal approvals regarding stormwater are the responsibility of the applicant and must be obtained in writing and submitted to the City prior to issuance of building permits.