PLANNING COMMISSION REPORT Regular Agenda - Public Hearing Item

PC Staff Report 11/18/2013

ITEM NO. 1: Z-13-00401 IG (General Industrial) District TO CS (Strip Commercial) District; 1.95 Acres (SLD)

Z-13-00401: Consider a request to rezone approximately 1.95 acres from IG (General Industrial) District to CS (Strip Commercial) District, located at 1360, 1380, 1400, and 1410 N. 3rd St. Submitted by Colliers International, for Evenshar, LLC., property owner of record.

STAFF RECOMMENDATION: Staff recommends approval of the request to rezone approximately 1.95 acres, from IG (General Industrial) District to CS (Strip Commercial) District based on the findings presented in the staff report and forwarding it to the City Commission with a recommendation for approval.

Reason for Request:

The property is currently zoned IG, which is general industrial classification. This is a relatively intense classification and is generally found in large industrial parks such as East Hills and Santa Fe Park, where our major manufacturers and warehouse and distribution companies are location. Those users include companies such as Del Monte, Slumberger, Amarr Garage Doors, K-Mart Distribution, etc., and each of those businesses are housed in buildings of between 300,000 SF to more than one million SF. This IG classification allows some uses that would be considered inappropriate for this small area. A few of those includes; heavy equipment sales and rental, heavy warehouse and storage, truck stop, and explosive storage. There are also a number of uses that would be allowed in the CS classification that are not allowed in IG. Some of those include; lodge or fraternal assembly, a variety of recreation uses (such as sports coaching and camps), personal convenience or improvement (such as massage therapy), crematory, and consumer repair service (such as vacuum cleaners, computers, and sewing machines.)

KEY POINTS

• Existing development of warehouse type buildings with multiple tenant spaces.

ASSOCIATED CASES/OTHER ACTION REQUIRED

- SP-7-64-89 1400 N 3rd Street; antique car restoration garage
- SP-07-53-02 1410 N 3rd Street 4000 SF building addition to existing structure
- SP-7-48-02 1400 N 3rd Street 3600 SF detached building addition

PLANS AND STUDIES REQURIED

- Traffic Study Not required for rezoning
- Downstream Sanitary Sewer Analysis Not required for rezoning
- Drainage Study Not required for rezoning
- Retail Market Study Not applicable to residential request

ATTACHMENTS

- Area Map
- Letter regarding crematory use
- Land Use Map

PUBLIC COMMENT RECEIVED PRIOR TO PRINTING

None received to date

Project Summary:

Proposed request is for a change in zoning to accommodate a wider range of uses for this property. This application is for two separate parcels of land located along the east side of N. 3rd Street. The application included multiple addresses since several tenants within the existing buildings have independent addresses from the specific "site address" of 1360 N. 3rd Street and 1410 N. 3rd Street. The following table provides a summary of the subject property and improvements that are included in this request.

Legal Description of property included in request	Parcel Address	Additional site addresses
Lot 1 RM One Subdivision (.933 ac)	1360 N. 3 rd Street	1380 N. 3 rd Street
		1400 N. 3 rd Street
Lot 2 RM One Subdivision (1.03 ac)	1410 N. 3 rd Street	1412 N. 3 rd Street
		1414 N. 3 rd Street

1. CONFORMANCE WITH THE COMPREHENSIVE PLAN

Applicant's Response: The comprehensive plan indicates this general are in North Lawrence is appropriate for a variety of commercial and industrial uses.

The N. 2nd Street and N. 3rd Street corridor is noted in *Horizon 2020* as an existing commercial area. The plan states that this "area should play an enhanced role in the community as a commercial corridor, acting as an important entryway/gateway to Lawrence." The plan suggests the relocation of heavy industrial uses and property be "redeveloped with compatible commercial, service or retail uses."

The property to the west (Advantage Metal) was recently annexed into the City of Lawrence. The property was rezoned to IG-FP. Although the property is located along the N. 2nd and N. 3rd Street Corridor as noted by *Horizon 2020*, the zoning prior to annexation was a county industrial district. The historic use of land for this property had been intensive industrial use and was proposed for redevelopment to an existing intensive industrial use. This is a consistent land use pattern along the west side of N. 3rd Street. Additionally, the Advantage Metal property was identified as an industrial area as part of the Northeast Plan. The east side of N. 3rd Street has a greater variety of uses, and generally, smaller lots along the frontage.

The makeup of land uses in this immediate area includes a strong pattern of commercial uses especially located along the east side of N. 3rd Street. [See land use map].

Horizon 2020 identifies this portion of the N. 3rd Street corridor for *Office Research, Industrial, Warehouse, and Distribution* uses per Map 3-2. The land use map designation and the commercial chapter do not align for this area.

Staff Finding – The proposed zoning change will facilitate uses of this property consistent with the land use recommendation for this portion of the Corridor.

2. ZONING AND USE OF NEARBY PROPERTY, INCLUDING OVERLAY ZONING

Current Zoning and Land Use:

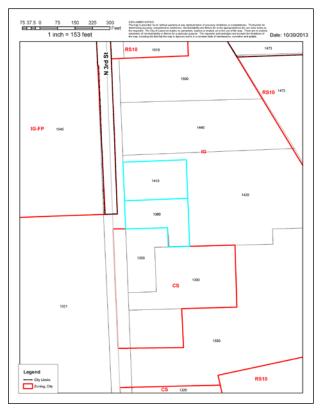
IG (General Industrial) District; existing buildings with multiple tenants spaces. Uses include vacant space, automotive repair and contractors sales and service uses.

Surrounding Zoning and Land Use:

IG (General Industrial) District to the north and east. The immediate north includes a shared access drive with the property to the east a contractor's sales and service use – Paul Davis Restoration. Property farther to the north includes a manufacturing and production, technical use – Scanning America.

IG-FP (General Industrial and Floodplain Overlay) District to the west; Advantage Metals - a recycling facility and BC & R - storage.

CS (Commercial Strip) District to the south. Existing eating and drinking establishment and open storage lot.





Surrounding Zoning

Surrounding Land Use

Staff Finding – The property is surrounded by both industrial zoning to the north, east and west and commercial zoning to the south. Surrounding uses vary widely between intensive industrial uses and commercial uses.

3. CHARACTER OF THE NEIGHBORHOOD

Applicant's Response: The neighborhood includes a mix of light industrial uses such as; automotive repair, assembly, gas stations, warehouse; commercial uses such as car wash, restaurants, greenhouse, and sales of retail goods and services; and office uses such as call centers, contractor and sub-contractor offices. There are also agricultural uses in the surrounding area.

This property is located in the area known as North Lawrence. However, it is not within the boundary of the designated North Lawrence Neighborhood. This property is located along the N.

3rd Street (Highway 40/59) corridor between US 24/40 and I-70. This segment of the corridor includes industrial and commercial uses as well as residential uses. The City Limit boundary in this location includes the east half of the right-of-way of N. 3rd Street but does not include the west half of the right-of-way adjacent to the Advantage Metal Recycling facility located to the west of the subject properties. The average industrial parcel in this area is 4.7 acres. The largest is 13.2 acres. The smallest is .7 acres. The two properties proposed for rezoning are 1.02 acres and .92 acres (for 1410 N. 3rd Street and 1400 N. 3rd Street respectively). The total combined change of the subject properties from an industrial district to a non-industrial district is less than one-half percent of the total area along this segment of the corridor. These parcels are relatively small and less suitable for intensive industrial land uses. The distribution of industrial to non-industrial zoning in this area is roughly 51% to 49%. The proposed zoning change will not impact the overall character of this area.

Staff Finding – This property is located along the highway corridor between 24/40 and I-70. The area is characterized by a mix of industrial and commercial activities.

4. PLANS FOR THE AREA OR NEIGHBORHOOD, AS REFLECTED IN ADOPTED AREA AND/OR SECTOR PLANS INCLUDING THE PROPERTY OR ADJOINING PROPERTY

This property is located in a portion of North Lawrence that is outside both the North Lawrence Neighborhood Plan boundary and the Northeast Sector Plan area. However, the corridor is influenced by both areas. The subject property is located along N. 3rd Street, which is also a principal arterial, and a main corridor to the City of Lawrence as noted in *Transportation 2040*. *Transportation 2040* notes that gateways into the city "should be reviewed for aesthetic and informational enhancements when they are improved." At this time, there are no plans to redevelop or modify the property. This proposed request for CS zoning is to accommodate a wider range of uses suitable for mixed tenant buildings. There are no specific adopted land use area or sector plans that governing this area.

Staff Finding – There are no specific land use plans for this area at this time. As properties redevelop, a review of aesthetic elements and conformance with adopted design guidelines will be implemented. There are no proposed changes to the property at this time.

5. SUITABILITY OF SUBJECT PROPERTY FOR THE USES TO WHICH IT HAS BEEN RESTRICTED UNDER THE EXISTING ZONING REGULATIONS

Applicant's Response: The buildings that comprise the subject property are not appropriate for many of the uses within the IG classification. Most of the IG zoning in Lawrence is concentrated in large industrial parks of 50 to several hundred acres such as East Hills, Lawrence Industrial Park, Santa Fe Park and Timberege Park. The subject property, which has been fully improved, is a total of just under two acres. Neither the location, nor the small size of the buildings on the site are suitable for many of the uses allowed in the IG District.

Staff concurs with the applicant's statement that the subject properties are comparatively small for typical industrial development. The CS zoning allows a wider range of uses that are suitable for tenant spaces within the existing buildings.

The land use recommendation for this area contained in *Horizon 2020* is as a commercial area. The plan identifies the intersection of N. 3rd Street and I-70 as a possible location for an auto related commercial center. These centers are characterized by containing a small amount of

commercial square footage under roof but require a large area of parking or sales display. At this time, there are no plans for this type of development.

The purpose of the IG District is "primarily intended to accommodate moderate and high-impact industrial uses, including large scale or specialized industrial operations requiring good transportation access and public facilities and services. The District is generally incompatibility with residential areas and low-intensity commercial areas." (20-217). The existing development is not large scale or intensive in nature. The vehicle related uses that currently operate at this location are also allowed in the CS district.

The purpose of the CS district is "primarily intended to provide for existing commercial strip development along the City's major Arterial Streets. No new undeveloped parcel shall be zoned CS, except in the case where an undeveloped parcel is adjacent to an existing CS, then the adjacent undeveloped parcel maybe zoned to the classification CS to allow for expansion of an existing CS use onto the undeveloped adjacent parcel." (20-213). While this request does not fully meet this description this property is developed and used for a strip type development in the multi-tenant buildings. The property is adjacent to an existing CS property. This corridor is recommended for commercial development and this rezoning request facilitates reuse use of these buildings.

Staff Finding – The existing IG zoning is not suitable for these lots given the size and development pattern in this immediate area. The CS district is a more suitable district to facilitate tenant leases in the existing buildings.

6. LENGTH OF TIME SUBJECT PROPERTY HAS REMAINED VACANT AS ZONED

Applicant's Response: The property is not vacant land, the land has had improvements constructed, but 2 of the 4 suites are currently vacant, and attempts to market the vacant suites over the last several months have not been successful. Many of the inquiries about the spaces have been from businesses that would not be allowed uses within the IG zoning classification.

Both properties are developed with buildings that accommodate multiple tenants. The property has been zoned IG since 2006 upon the adoption of the Land Development Code. Prior to 2006 the property was zoned M-2 (General Industrial) District. The buildings were originally constructed in 1989 with additions made in 2002.

Staff Finding – This property is not currently vacant and is zoned for industrial uses. The existing development accommodates a variety of tenant spaces and uses which are more typically found in the CS District.

7. EXTENT TO WHICH APPROVING THE REZONING WILL DETRIMENTALLY AFFECT NEARBY PROPERTIES

Applicant's Response: The zoning change should not have any detrimental effect on nearby properties. The adjoining property to the south has CS commercial zoning, which is a less intense classification, and some of the uses allowed in the IG would not be compatible with the CS uses next door. Many of the uses that would be allowed in the CS classification are either already existing uses in the area, or would be compatible uses with other tenants and owners in the area. There are also areas with residential zoning to the north, south, east, and CS would also be a better neighbor to those adjoining residential areas.

The property located at 1360 N. 3^{rd} Street abuts existing CS zoning along the south property line. The property at 1410 N. 3^{rd} Street shares access with the adjacent lot to the east that will remain

IG zoned. The purpose of the request is to allow greater flexibility of tenant space for non-industrial uses within the existing development. There are no proposed changes to either property with regard to the physical development of the sites.

Any change of use within either building will need to operate within the existing limits of the buildings and available surface parking. There are no detrimental impacts anticipated with this proposed rezoning.

Staff Finding – Approval of the request will not detrimentally impact adjacent properties.

8. 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

Applicant's Response: Having half of the suites vacant in this small park is a hardship on the owner, and it is a hardship on the adjoining owners. Vacant buildings are subject to neglect and vandalism, which can have a spillover impact on adjoining property owners and the condition and value of their properties. Occupied properties are better kempt, they have daily activity, they provide jobs and economic growth, and lend stability to the neighborhood. Expanding the positive uses that would be allowed under the CS classification would broaden the pool of prospects who might become tenants in these buildings. The uses that would be allowed would be positive additions to the immediate area as well as the larger surrounding neighborhood. Denial of the application would severely restrict the ability of the owners to find suitable tenants that would fit within the current classification.

Evaluation of this criterion includes weighing the benefits to the public versus the benefit of the owners of the subject property. Benefits are measured based on anticipated impacts of the rezoning request on the public health, safety, and welfare.

Benefits that could result from rezoning to CS include reinvestment in existing infrastructure and improvements and the potential to fill vacant space. The CS district offers a wider variety of uses than the current IG zoning for commercial oriented uses.

Staff Finding – New tenants represent the opportunity for public gains through reinvestment and revitalization of existing properties. Rezoning is unlikely to have harmful impacts. Approval of the request provides increased flexibility for uses that do not currently exist or this property. The size and location are not conducive to intensive industrial uses unless the property is substantially redeveloped.

9. PROFESSIONAL STAFF RECOMMENDATION

The subject property is currently zoned IG (General Industrial) and thus is part of the industrial property inventory. Rezoning property from an industrial to a non-industrial classification should be considered in the context of the properties' relevance to the overall inventory.

- Horizon 2020 identifies this corridor as commercial.
- Existing land use classifications include 1410 N. 3rd Street as part of the commercial inventory.
- Approval of the request increases the types of land uses that may occupy existing vacant tenant spaces.
- The total land area included in the request is a small fraction of the overall industrially zoned land along this corridor.

The impact of the proposed CS zoning is focused on the benefits to the property owner in his ability to fill vacant tenant spaces and offer a wider variety of optional uses for the site. As a result, the vicinity has the potential for reinvestment and vitality. There is no recognizable public harm by removing these properties from the industrial inventory. Staff recommends approval of the CS zoning.

CONCLUSION

While some uses allowed in the CS district (particularly multi-dwelling residential uses) would not be suitable for this location, it is highly unlikely the property would be redeveloped for such a use. Because the likelihood is so low for redevelopment of this type of use staff is not recommended the zoning be conditioned. It is probable that the CS zoning will foster reinvestment in the property as vacant tenant spaces are filled.