

RECEIVED

VARIANCE JUSTIFICATION

LDC Section 5.5.1.A.2 – Corner Setback from Dixie Highway
Passport Health Plan – New Headquarters Building
July 10, 2017

JUL 10 2017

PLANNING &
DESIGN SERVICES

The applicant, University Health Care, Inc., d/b/a Passport Health Plan (“Passport”), is requesting approval of a Revised District Development Plan (“RDDP”) for a new office headquarters building (HQ) and parking garage on the property located at 1800 W. Broadway, 1824 W. Broadway, and 1912 W. Broadway (“Subject Property”). Passport’s proposed RDDP sets forth its Phase I development (nearly 6 acres) of what Passport envisions as a larger health, wellness and lifestyle campus (18.16 acres) Passport intends to design and develop over the next few years, whereon it hopes to establish, with input from nearby neighborhood residents, community leaders and property owners, land uses that will help support and further Passport’s mission behind its health and wellness campus. Initially, Passport intends to locate over 550 employees in the proposed headquarters building, with plans for 500 or more additional employees to follow during the subsequent years.

The Subject Property is zoned EZ-1 and C-1 (1912 W. Broadway) and is in the Traditional Workplace and Traditional Marketplace Corridor Form Districts. In conjunction with the development plan, the applicant is requesting variance relief from Section 5.5.1.A.2. of the Land Development Code (“LDC”) to allow its HQ building on the 1800 West Broadway property, a corner lot, to exceed the 5-foot maximum setback along Dixie Highway (18th St. south of West Broadway). More specifically, Passport’s proposed HQ will be built along West Broadway’s frontage of the corner lot, in conformance with LDC setback requirements applicable to West Broadway; as it relates to Dixie Highway, however, Passport proposes to locate its HQ 117 feet from Dixie Highway, 112 feet beyond the required maximum 5-foot setback for corner lots within the Traditional Workplace Form.

The primary reason Passport proposes to setback its HQ from existing Dixie Highway is because Dixie Highway’s existing location will soon change. It is understood that in the near future, Louisville Metro Public Works will act on its plans to reroute Dixie Highway to the east so that Dixie aligns with 18th Street where 18th Street connects into West Broadway’s northern right-of-way. To accomplish this reroute, the exiting Dixie Highway right-of-way will be closed, the asphalt removed, and a new roadway constructed in a new location just east of existing Dixie Highway. As a result of Dixie Highway’s reroute, additional property will become available once the existing Dixie Highway is closed and removed. It is Passport’s intent to develop this soon-to-be available property and establish thereon a land use consistent with its health, wellness and lifestyle campus. Prior to developing this future parcel, there will be a temporary period of time wherein Passport’s HQ will setback 285 feet from the future, rerouted Dixie Highway. To plan for this interim window of time, Passport is also hereby requesting additional variance relief to permit its HQ building to be setback 285 feet away from the future corner location where Dixie Highway will intersect with West Broadway. For the reasons stated herein, the requested variance meets the criteria for granting variances set forth in KRS 100.243 and, therefore, should be approved.

JUL 10 2017

PLANNING &
DESIGN SERVICES

The proposed variance will not adversely affect the public health because the former Phillip Morris building on the subject property was set back significantly more from W. Broadway and Dixie Highway, and, in 2014, this BOZA approved a similar setback variance to permit the previously-proposed and approved Walmart building to setback from Dixie Highway. The immediate area contains a variety of site designs, including those where the building is set back behind parking or surrounded by parking, and those nearby properties with rear parking. The applicant's new HQ building will be located along West Broadway's frontage, yet with the proposed reroute of Dixie Highway farther to the east, the applicant believes the best and safest course of action is to wait for the establishment of the new intersection of Dixie and West Broadway before developing said intersection's southwest corner, at its new configuration.

The proposed variance will not alter the essential character of the general vicinity because the surrounding area contains a mixture of uses and site designs following no predominant pattern. The requested variance is to allow for a brand new office headquarters building on property that has been vacant since 2001, which will greatly improve upon the character of the property and enhance the overall character of the Broadway corridor. Similar to nearby properties along West Broadway that also have multiple frontages, the applicant's new HQ building will be located along the more prominent West Broadway corridor. Moreover, once the future realignment of W. Broadway and Dixie Highway is completed, the property occupying the southwest corner of the W. Broadway/Dixie Highway intersection will be developed with a building, thereby mitigating the dimensional relief the applicant requests today.

The variance will not cause a hazard or nuisance to the public because the proposed site design of the applicant's development accommodates the future realignment of the W. Broadway/Dixie Highway intersection, improving traffic safety in the area. And as previously mentioned, the applicant is requesting variance relief for a temporary situation. For when the new W Broadway/Dixie Highway intersection is completed, a new parcel of property will open up a new development opportunity for this future southwest corner and, when said corner is developed, applicant's current variance relief will be mitigated, if not eliminated.

The variance will not allow an unreasonable circumvention of the requirements of the Land Development Code because the Comprehensive Plan encourages flexible and creative site design along with a respect for the traditional pattern of development in the surrounding area in order to encourage reinvestment, rehabilitation and redevelopment in Traditional Workplaces. The proposed development represents a significant reinvestment, redevelopment and rehabilitation of an older and declining neighborhood in a manner that is consistent with the Traditional Workplace Form District. Cornerstone 2020 states the Traditional Workplace Form is characterized with employment uses located in buildings having little or no setback from the street, while parking is encouraged to be located mostly off-street and behind buildings, and the property should be served by public transportation. As shown on the RDDP, the applicant's proposed HQ is an employment use pulled up to and oriented toward West Broadway, which observes the West Broadway setback within the Traditional Workplace Form. And because the headquarters building will be located along West Broadway, the parking structure serving the applicant's

employees will not be located along West Broadway, but behind the building and mostly out of view from drivers and pedestrians on West Broadway. Additionally, the subject property is adequately served by public transportation, incorporates sidewalks and walkways throughout the proposed development, and bicycle parking will be provided in accordance with the Land Development Code requirements. Therefore, the proposed development accommodates all modes of transportation. The stormwater detention design is required to receive approval from MSD prior to construction of the proposed development, and an Erosion Prevention and Sediment Control Plan utilizing best management practices as recommended by MSD will be implemented prior to commencing construction of the development.

The variance arises from special circumstances, which do not generally apply to land in the general vicinity because the current configuration of the property's frontages at the corner of West Broadway and Dixie Highway will soon be altered thereby changing the setback requirement as it relates to a structure holding the corner at Dixie Highway. Moreover, it is difficult for the applicant to comply with a setback requirement that is a moving target. The applicant believes it would be best to wait until the new confirmation of the Dixie Highway—West Broadway intersection is established prior to the development of the southwest corner of said intersection.

The strict application of the maximum corner-setback requirement would deprive the applicant of the reasonable use of the land and create an unnecessary hardship on the applicant because the applicant cannot wait until Dixie Highway is realigned before constructing its new HQ building. If the applicant were forced to wait until Dixie Highway is re-aligned with 18th Street at the newly-proposed intersection with West Broadway just so the new corner-setback requirement from Dixie can be met, then the applicant will be unable to act upon its proposed RDDP, and a substantial opportunity for developing a long-vacant parcel will be lost. What's more, there are several properties in the area that do not meet the maximum setback requirements, and placing such a burden on the subject property would complicate and potentially prevent the redevelopment of the subject property for many years.

The circumstances are not the result of actions taken by the applicant subsequent to the adoption of the Land Development Code. The circumstances of the subject property's previous development pattern and those of surrounding properties existed for many years before the applicant decided to develop the subject property. Moreover, as explained throughout the applicant's variance justification, actions are being taken by other parties, of which the applicant has no control over, that have a direct effect on the applicable LDC 5.5.1.A.2 corner-setback requirement. When Dixie Highway is soon re-aligned, per the approved plans of Metro Public Works, a new setback from Dixie Highway will be created. As such, compliance with the new setback can be revisited when applications to develop that newly-created parcel are submitted.

61646547.1

RECEIVED

JUL 10 2017

DESIGN SERVICES