JUSTIFICATION OF ZONING MAP AMENDMENT LOUISVILLE RENAISSANCE ZONE THIRD AREA-WIDE REZONING

CASE NO. 16AREA1000

Case No. 16AREA1000 is an area-wide rezoning in response to Resolution No. 16, Series 2016, passed by the Louisville Metro Council (the "Council") on February 11, 2016. The resolution requests the Louisville Metro Planning Commission to consider rezoning of a portion of the Louisville Renaissance Zone from R-4, C-1, and C-2 to EZ-1.

BACKGROUND

By Ordinance No. 199, Series 2003 (the "2003 Ordinance"), the Council established the Louisville Renaissance Zone as a development area covering property generally described as being south of Louisville International Airport at Standiford Field (the "Airport") and north of Interstate 265/KY 841, bounded by Interstate 65 to the east and the CSX right-of-way to the west. The Council found it to be in the best interest of the Commonwealth of Kentucky and the Louisville/Jefferson County Metro Government that there be a rational plan for the development of the Louisville Renaissance Zone in a manner that, among other things, promotes aviation and furthers airport-compatible economic development initiatives. To implement that public policy, the 2003 Ordinance designated the Louisville Renaissance Zone Corporation ("LRZC") as the development agency for the Louisville Renaissance Zone.

By Ordinance No. 135, Series 2004 (the "2004 Ordinance"), the Council recognized a November 2003 Pilot Program Preliminary Planning document (the "2003 Planning Report") as the report of projects to be undertaken in the Louisville Renaissance Zone. However, the full implementation of the projects envisioned by the 2003 Report was constrained by zoning district classifications that did not permit appropriate airport-compatible uses in portions of the Louisville Renaissance Zone. Efforts to change those zoning district classifications began in 2006 when the initial Louisville Renaissance Zone area-wide rezoning was commenced with respect to property designated in the 2003 Planning Report as the first area to be developed. By Ordinance No. 220, Series 2006, the Council approved a rezoning changing the zoning classification for the initial development area from R-4 and R-5 to EZ-1. In 2011, the Council approved Ordinance No. 112, Series 2011, which rezoned approximately 595 acres in the Louisville Renaissance Zone from R-4, R-5, R-6, R-7, C-1, and C-2 to EZ-1. Case No. 16AREA1000 is the third area-wide rezoning for the Louisville Renaissance Zone and includes an area of approximately 26 acres currently zoned R-4, C-1, and C-2.

JUSTIFICATION

KRS 100.213 requires that before a map amendment is granted, the legislative body must find (i) that the map amendment is in agreement with the comprehensive plan, or (ii) that the existing zoning classification is inappropriate and that the proposed classification is appropriate, or (iii) that there have been major changes of an economic, physical, or social nature within the area involved which were not anticipated in the adopted comprehensive plan and which have substantially altered the basic character of such area. The map amendment proposed in this case

satisfies *all three* requirements of the statute. These requirements are discussed in inverse order below.

CHANGED CIRCUMSTANCES HAVE ALTERED THE BASIC CHARACTER OF THE AREA

There have been major changes which have substantially altered the residential character of the area that existed when the property was first zoned R-4, C-1, and C-2. The fact that the Council included the subject property within the "development area" created by the 2003 Ordinance confirms that the subject property has undergone changes that have removed the residential character once present at the site. A review of the general vicinity finds industrial uses located nearby, including a landfill across Outer Loop from the site and a large warehouse/distribution facility located to the west of the site on Outer Loop. Portions of the subject site have undergone major transformations by virtue of the massive relocation project designed to allow residents of the area to relocate their residences to areas not affected by the airplane noise created by the expansion of the Airport. The community, primarily through the Louisville Regional Airport Authority (the "Authority"), has invested more than \$150,000,000.00 to acquire homes in the area of the subject property and to relocate residents to other areas better suited for residential use. As of March 30, 2016, 1053 single-family residences, out of a total of 1,064 (almost 99%), have been acquired through the relocation program and the families have been relocated out of the area. Federal regulations require that the land acquired through the relocation program be made available for redevelopment after the imposition of restrictions limiting the property to airport-compatible uses. The 2006 and 2011 area-wide rezonings discussed above serve as an examples of such redevelopment and further demonstrate the changes to the basic character of the area. In the 2006 area-wide rezoning, approximately 75 acres fronting on Outer Loop was rezoned from R-4 and R-5 to EZ-1, enabling part of the land to be developed into the UPS Centennial Hub. That project included the construction of Air Commerce Drive and additional infrastructure designed to accommodate not only the Centennial Hub but also future redevelopment of this area. The 2011 area-wide rezoning established approximately 595 acres as EZ-1 and enabled the construction of new infrastructure (including the extension of Air Commerce Drive to South Park Road and the dedication of Export Drive) and the development of multiple acres of land for airport-compatible industrial uses. The subject properties should be rezoned to an EZ-1 Enterprise Zone District to permit the compatible use of the properties as future development opportunities are identified and to allow the implementation of the public policies promulgated by the Council.

EXISTING ZONING IS INAPPROPRIATE; PROPOSED ZONING IS APPROPRIATE

Use of the subject property for residential purposes is inappropriate given the substantial investments that have been made to ensure that the property is <u>not</u> used for residential purposes. The Authority, the Louisville/Jefferson County Metro Government, the Commonwealth of Kentucky, and the Federal Aviation Administration, working together with local business and community leaders, made a conscious policy decision to eliminate the incompatible residential uses in areas surrounding the Airport. The community, primarily through the Authority, has invested more than \$150,000,000.00 to acquire homes in the area of the subject property and to relocate residents to other areas better suited for residential use. Through March 30, 2016, 1053 residences have been acquired and the families have been relocated out of the area. To comply

with federal law, the Authority imposes restrictions limiting the reuse of the property acquired through the relocation program to airport-compatible uses. This will preclude the residential uses permitted by the current zoning classifications. Further, although the C-1 and C-2 classifications would allow use of certain portions of the study area for non-residential purposes, those classifications would not fully permit the type of airport-compatible land uses contemplated for the area in the 2003 Planning Report recognized by the Council as the report of projects to be undertaken in the Louisville Renaissance Zone. In order to permit the development of the property in a manner that will further the public policies promulgated by the Council, the most appropriate zoning classification is that which will permit the broadest range of airport-compatible uses: EZ-1 Enterprise Zone District. The EZ-1 classification will encourage productive re-use of the property consistent with Council actions and Authority restrictions.

THE PROPOSAL IS IN AGREEMENT WITH THE COMPREHENSIVE PLAN

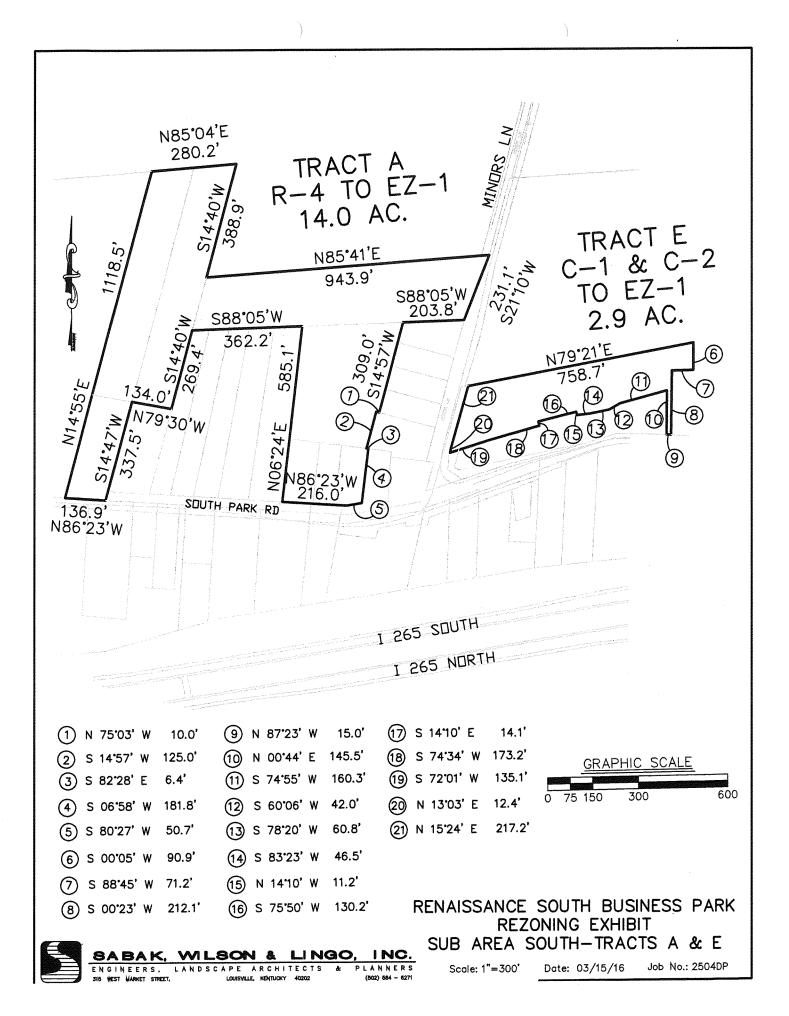
The proposal is in agreement with the following provisions of the comprehensive plan:

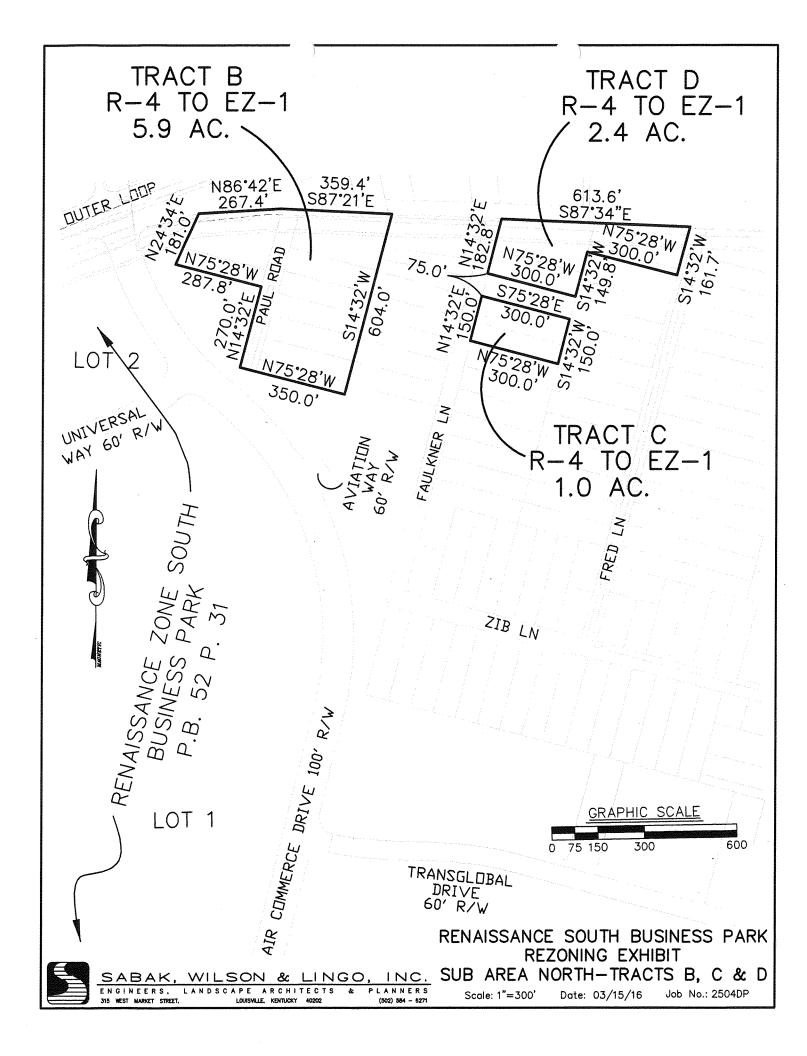
- 1. The zoning map amendment complies with Guideline No. 1, Community Form and with Community Form Strategy Goals G1 and G3. As stated on page 34 of the 2003 Planning Report, initial uses at the site are anticipated to include Airport-related industrial uses (such as a large warehousing and distribution facility). These uses will be compatible with the scale, rhythm, form and function of development currently located within the vicinity of the Airport. Development at this site represents a continuation of the emerging pattern of development that will satisfy the federal regulations requiring productive reuse of the property acquired through the relocation program. The site's size and proximity to the Airport, Interstate 65, and Interstate 265/KY 841 make it the logical choice for the location of such industrial facilities. The site is located within a Suburban Workplace Form District, which is a form district characterized by predominantly industrial and office uses. To the extent that any properties adjoining the site are not currently zoned for industrial, commercial, and/or office uses, adequate buffering from such adjoining properties will be preserved. To the extent that any properties within the area-wide rezoning boundary that are presently used for residential purposes continue to be used for residential purposes following the rezoning, adequate buffering from such uses will be preserved.
- 2. The zoning map amendment complies with <u>Guideline No. 3</u>, <u>Compatibility</u> because a warehouse/distribution use is compatible with nearby land uses. As with many of the land uses in this area, it is expected that the operations at this site will rely heavily upon the nearby Airport as stated in the 2003 Planning Report. Under the current zoning classifications, portions of the site only permit residential uses in an area that has been determined to be incompatible with residential use. The portions that would allow non-residential uses would not allow the full range of airport-compatible uses contemplated by the 2003 Planning Report. The use of the site for warehouse/distribution purposes fits within the pattern of development provided for in a Suburban Workplace Form District.
- 3. The zoning map amendment complies with <u>Guideline No. 6</u>, <u>Economic Growth and Sustainability</u> and <u>Marketplace Strategy Goal A1</u>, <u>C1 and D1</u>. The zoning map

amendment is an integral part of the continuing expansion of Airport-related industrial uses contemplated for the Louisville Renaissance Zone. This area is of critical importance in attracting businesses to the community and securing their long-term investment here. This site presents an ideal redevelopment and reinvestment opportunity for converting what is currently mostly unimproved land that is unsuitable for residential or neighborhood-serving commercial purposes into a center of economic productivity consistent with both the current Suburban Workplace Form District and the economic development strategy promulgated in the 2003 Ordinance. The proximity to the Airport is a critical component of the site's suitability for development. The zoning map amendment will promote a positive culture for attracting and sustaining business in the area near the Airport and will enable compliance with the federal regulations requiring reuse of the property acquired through the relocation program.

- 4. The zoning map amendment complies with <u>Guideline No. 8, Transportation Facility Design</u>, <u>Mobility Strategy Goal A1</u>, <u>A3 and A6</u>, and <u>Marketplace Strategy Goal B1</u> because development at the site will capitalize on the location's proximity to the Airport and prime interstate access, promoting the efficient and timely movement of goods to and from the site. The proposed rezoning is necessary to permit Airport-related businesses to continue to invest in the community in general and in operations near the Airport in particular.
- 5. The zoning map amendment complies with <u>Guideline No. 12</u>, <u>Air Quality</u> because the site's proximity to the Airport, Interstate 65 and Interstate 265/KY 841 will consolidate business and shipping traffic between the Airport and the development area and minimize air quality impacts to residential areas.

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RENAISSANCE ZONE SOUTH REZONING DESCRIPTION R-4 TO EZ-1 TRACT A

Beginning to a point in the north right-of-way line of South Park Road and the southwest corner of a tract conveyed to Michael England as recorded in Deed Book 6684, Page 542 in the office of the clerk of Jefferson County, Kentucky; thence with the west line of England North 14°55' East, 1118.5 feet, more or less, to a point in the south line of a tract conveyed to Air Commerce, LLC as recorded in Deed Book 10327, Page 128 in the aforementioned clerk's office; thence with Air Commerce, LLC North 85°04 East, 280.2 feet, more or less, to a point; thence South 14°40' West, 388.9 feet, more or less, to a point; thence North 85°41' East, 943.9 feet, more or less, to a point in Minors Lane, thence with Minors Lane South 21°10' West, 231.1 feet, more or less, to a point; thence leaving Minors Lane the following courses:

South 88°05' West, 203.8 feet, more or less, to a point; South 14°57' West, 309.0 feet, more or less, to a point; North 75°03' West, 10.0 feet, more or less, to a point; South 14°57' West, 125.0 feet, more or less, to a point; South 82°28' East, 6.4 feet, more or less, to a point;

South 06°58' West, 181.8 feet, more or less, to a point in the north right-of-way line of South Park Road; thence with the north right-of-way line of South Park Road South 80°27' West, 50.7 feet, more or less, to a point; thence North 86°23 West, 216.0 feet, more or less, to a point, thence leaving the north right-of-way line of South Park Road the following courses:

North 06°24' East, 585.1 feet, more or less, to a point; South 88°05' West, 362.2 feet, more or less, to a point; South 14°40' West, 269.4 feet, more or less, to a point; North 79°30' West, 134.0 feet, more or less, to a point;

South 14°47' West, 337.5 feet, more or less, to the point of beginning containing 14.0 acres.

RENAISSANCE ZONE SOUTH REZONING DESCRIPTION R-4 TO EZ-1 TRACT B

Beginning at a point in the west right-of-way line of Paul Road; thence with the west right-of-line of Paul Road North 14°32' East, 270.0 feet, more or less, to a point; thence leaving the west right-of-way line of Paul Road North 75°28' West, 287.8 feet, more or less, to a point; thence North 24°34' East, 181.0 feet, more or less, to a point in the center of South Ditch; thence with the center of South Ditch North 86°42' East, 267.4 feet, more or less, to a point; thence South 87°21' East, 359.4 feet, more or less, to a point; thence leaving South Ditch South 14°32' West, 604.0 feet, more or less, to a point; thence North 75°28' West, 350.0 feet, more or less to the point of beginning containing 5.9 acres

RENAISSANCE ZONE SOUTH REZONING DESCRIPTION R-4 TO EZ-1 TRACT C

Beginning at a point in the east right-of-way line of Faulkner Lane 257.8 feet, more or less south of the center of South Ditch; thence leaving Faulkner Lane the following courses:

South 75°28' East, 300.0 feet, more or less, to a point;

South 14°32' West, 150.0 feet, more or less, to a point;

North 75°28' West, 300.0 feet, more or less, to a point in the east right-of-way line of Faulkner Lane; thence with the east right-of-way line of Faulkner Lane North 14°32' East, 150.0 feet, more or less to the point of beginning containing 1.0 acres.

RENAISSANCE ZONE SOUTH REZONING DESCRIPTION R-4 TO EZ-1 TRACT D

Beginning at an intersection of the east right-of-way line of Faulkner Lane and the center of South Ditch; thence with the center of South Ditch South 87°34' East, 613.6 feet, more or less, to a point in the west right-of-way line of Fred Lane; thence leaving the center of South Ditch and along the west right-of-way line of Fred Lane South 14°32' West, 161.7 feet, more or less, to a point; thence leaving Fred Lane the following courses:

North 75°28' East, 300.0 feet, more or less, to a point; South 14°32' West, 149.8 feet, more or less, to a point;

North 75°28' West, 300.0 feet, more or less, to a point in the east right-of-way line of Faulkner Lane; thence with the east right-of-way line of Faulkner Lane North 14°32' East, 182.8 feet, more or less to the point of beginning containing 2.4 acres.

RENAISSANCE ZONE SOUTH REZONING DESCRIPTION C-1 & C-2 TO EZ-1 TRACT E

Beginning at the southwest corner of a Tract conveyed to JAM Development II, LLC as recorded in Deed Book 8313, Page 338 in the office of the clerk of Jefferson County, Kentucky; thence with the south line of JAM North 79°21' East, 758.7 feet, more or less, to a point in the northwest corner of a tract conveyed to Louisville Renaissance Zone Corporation as recorded in Deed Book 9727, Page 34 in the aforementioned clerk's office; thence with Louisville Renaissance Zone Corporation South 00°05' West, 90.9 feet, more or less, to a point, thence South 88°45' West, 71.2 feet, more or less, to a point; thence South 00°23' West, 212.1 feet, more or less, to a point in the north right-of-way line of South Park Road; thence with the north right-of-way line of South Park Road North 87°23' West, 15.0 feet, more or less, to a point in the southeast corner of a tract conveyed to Evans and King Investments, LLC as recorded in Deed Book 9071, Page 915 in the aforementioned clerk's office; thence with the north line of Evans and King the following courses:

North 00°44' East, 145.5 feet, more or less, to a point;

South 74°55' West, 160.3 feet, more or less, to a point;

South 60°06' West, 42.0 feet, more or less, to a point;

South 78°20' West, 60.8 feet, more or less, to a point;

South 83°23' West, 46.5 feet, more or less, to a point;

North 14°10' West, 11.2 feet, more or less, to a point;

South 75°50' West, 130.2 feet, more or less, to a point;

South 14°10' East, 14.1 feet, more or less, to a point;

South 74°34' West, 173.2 feet, more or less, to a point;

South 72°01' West, 135.1 feet, more or less, to a point in the east right-of-way line of Minors Lane; thence with the east right-of-way line of Minors Lane North 13°03' East, 12.4 feet, more or less, to the point thence North 15°24' East, 217.2 feet, more or less to the point of beginning containing 2.9 acres.