

ITEM #:	35
DATE:	07-28-26
DEPT:	P&H

COUNCIL ACTION FORM

**SUBJECT: REQUEST TO INITIATE PLAN 2040 LAND USE DESIGNATION
AMENDMENT FOR 300 AIRPORT ROAD**

BACKGROUND:

City Council received a letter dated May 4 from Ron McMillen asking Council to initiate a land use amendment process for a 14-acre property that was previously developed with an industrial building, but is currently designated as commercial and zoned for commercial use. The owner believes the site is best suited for reuse of the existing building by another industrial user since the prior tenant (Danfoss) relocated to another facility. The site is located between Lowe's and the Airport at 300 Airport Road. See Land Use Map excerpt below.

The site has been designated commercial and zoned Highway Oriented Commercial (HOC) for over 25 years. The prior use of the site by Danfoss was considered legal nonconforming as a warehouse facility. Continued use of the site as a warehouse is permitted as a nonconforming use. If the site is not reoccupied within 12 months with another nonconforming use, then only conforming use would be permitted. The owner believes the current building would be difficult to re-tenant as a commercial building and is best suited for industrial.

The 300 Airport Road site has traditionally been used for industrial purposes and is situated in a location that has limited retail commercial visibility. If the land use designation was changed to Employment, the site's zoning district could be either Planned Industrial or General Industrial. Either zoning district would likely meet the goals of the owner for reuse of the building, but GI has more permissive development standards and a broader range of use options than PI.

It should be noted that GI zoning does allow for commercial uses whereas PI does not. PI is more focused on large scale sites for office, manufacturing, and warehouse uses has large setbacks requirements compared to GI. Details on potential industrial uses could be addressed in more detail with a future rezoning, including potentially a Master Plan to control for specific site improvements or uses. In this circumstance with an existing building and developed site, a concurrent review would be appropriate if the Comprehensive Plan Amendment is initiated by the City Council.

ALTERNATIVES:

1. Initiate a Plan 2040 Minor Amendment process for the owner to apply for a land use change to Employment and require a concurrent rezoning application with a master plan to describe the types of intended uses for the property (one step process).

This option is more comprehensive, but with a shorter timeline overall than Alternative No. 2. Based upon a substantial number of other ongoing projects combined with current staff limitations, the timeline to accept the combined applications for the amendment and rezoning will need to be deferred until no sooner than September or October. Final approval for both the Comprehensive Plan amendment and rezoning could still occur before the end of the year. A final schedule would be determined based upon the outcomes of other ongoing projects being completed in the next 8 weeks.

2. Initiate a Plan 2040 Minor Amendment process for the owner to apply for a land use change to Employment and defer a rezoning application process until the Plan 2040 amendment is resolved (two-step process).

*As a two step process, the applicant could proceed with the Comprehensive Plan amendment application in August with possible hearings in September and October, because the level of involvement is less than Alternative No.1. However, the rezoning process as a second step would then **delayed starting** probably until late November or December, again pending the outcome of ongoing applications.*

3. Defer the request until a later time or for more information.
4. Take no action and decline the request.

CITY MANAGER'S RECOMMENDED ACTION:

Staff believes that, due to the history of the use of the site as industrial, accommodating reuse of the existing facility with a change to industrial uses would likely not be detrimental to the City's land use plans for this area or for broader commercial needs of the City. The City has other large sites available for commercial use that may be situated in more desirable locations along Hwy 30, SE 16th, and E 13th Street. These sites did not exist when the area was zoned commercial in 2000.

If the site was vacant or expected to be redeveloped in the near term, then potentially a commercial use would be better option for the site as a neighboring site to other big box and commercial uses in the area. However, this is not the case as represented by the owner.

Changing the use to Employment with industrial zoning may be desirable if the types of use are compatible with the existing commercial uses abutting the site and the airport.

PI zoning is generally the more compatible zoning district with this type of area compared to GI zoning. With commercial development essentially surrounding the site, regardless of the base zoning, staff believes a rezoning with master plan is a better choice than traditional straight zoning in order to understand the planned reuse of the site. Therefore, it is the recommendation of the City Manager the City Council adopt Alternative No. 1, which allows for the combined review of the proposal and includes a master plan for the site conditions and uses.

ATTACHMENT(S):

[300 Airport Land Use Map.pdf](#)

[R. McMillen - Land Use Amendment \(1\).pdf](#)