FACTSHEET

TITLE: Use Permit No. 140F - Adjust the required parking
(8900 Andermatt Drive)

APPLICANT: Menard Inc.


STAFF RECOMMENDATION: Conditional Approval.

SPONSOR: Planning Department

OTHER DEPARTMENTS AFFECTED:

OPPONENTS: None present at hearing.

REASON FOR LEGISLATION:

This is a request to reduce the required parking associated with an ongoing store expansion. The applicant is requesting that the required parking ratio be reduced from 810 spaces to 650 to accommodate the construction of an indoor mezzanine used for primarily for inventory storage. It is to be built in two phases, the first of which is under construction, with the second phase within the next two years.

DISCUSSION / FINDINGS OF FACT:

1. This use permit request appeared on the Consent Agenda of the Planning Commission on December 6, 2017.

2. The staff recommendation of conditional approval of this use permit and reduction of parking to 1 space per 500 square feet of floor area is based upon the “Analysis” as set forth on p.1-2, concluding that this is the third parking reduction requested by the same applicant. In all three requests, the applicant has provided a statistical comparison with its other stores around the country all with parking provided at a lower rate. No parking issues have been noted by staff as a result of the two reductions that were previously approved.

3. On December 6, 2017, the Planning Commission voted 8-0 to recommend conditional approval of this use permit.

FACTSHEET PREPARED BY: Geri Rorabaugh, Administrative Officer

REVIEWED BY: David R. Cary, Director of Planning

DATE: December 11, 2017
ANALYSIS
1. As originally approved, Use Permit 140 for Appian Way allowed up to 940,000 square feet of commercial floor area, 194,853 of it allotted to Menards. The approved plan showed 877 parking stalls on Lot 2 dedicated for use by Menard’s.

2. In 2002, UP#140A was approved reducing the parking requirement from 877 to 729 spaces. In 2009, a second request was approved by UP#140C for a further reduction in the off-street parking requirement from 729 to 650 spaces. The reductions accommodated a revised store layout that moved the entrance to the outside storage area from the east side of the building to the west side. It also allowed a parking reconfiguration which eliminated parking spaces both adjacent to the west side of the building that were converted to driving aisles. It also allowed changes to the main parking lot which accommodated revised parking islands to make it easier for trucks to maneuver when entering the yard.
3. This request seeks a third parking reduction to allow an increase in the floor area to 243,000 sq. ft. with 650 parking stalls - a reduction in required parking from 810 stalls to 650. The applicant notes the increased floor area is due to the planned enlargement on an indoor mezzanine used for inventory, to be accomplished in two phases.

4. The requested reduction to 650 spaces results in a ratio of 2.7 spaces per 1,000 square feet of floor area. This compares to the B-5 district which requires 1 space per 300 square feet of floor area, or a ratio of approximately 3.3 spaces per 1,000.

5. The applicant has provided a listing of other similarly-sized stores across the United States, and the number of parking spaces provided for each. Excepting Lincoln, the ratios range from 1.56 to 2.1. If Lincoln is included (which includes the proposed expansion), it is the highest at 2.67.

6. A reduction to 2.0, or one space per 500 sq. ft. of floor area, would be consistent with the parking ratios provided at the other applicant’s other stores. This would fall between the B-5 (1:300) and the B-3 (1:600) in the Zoning Ordinance. It would allow for future expansion, and simplify site planning and building plan review. Per the applicant’s analysis, it would provide parking in an amount consistent with the other stores.

7. The Menards site is ringed by private roadways and does not share parking areas with other users. A shortage of parking on this site would likely not impact other users in the center due to this separation.

8. The parking requirement for the B-5 district like most others is an overall average based upon a range of uses allowed, which also takes into account such factors as open space and driving isles in the calculation of the minimum parking requirement. Understanding that this is an average, it is accepted that there may be uses allowed within the district that generate a higher parking demand that exceeds the number of spaces required, as well as those uses that generate a lower one.

9. As the applicant noted in the requested parking adjustment in 2002, the size of the store is at least partially in response to the merchandise carried, which in many cases is larger and bulkier than typical retail merchandise. As a result, the parking generation demand is expected to be less when compared to general retail uses on strictly a total floor area basis.

10. Should Menard’s vacate this building, any subsequent user of the building would be expected to provide the required parking per Lincoln Municipal Code (LMC). The area around the building in the outside storage area could be converted to off-street parking in that case if needed. An exhibit showing this condition is attached as Exhibit C.

11. The City Council is authorized by the Zoning Ordinance as part of the provisions governing use permits to grant adjustments to the parking requirements when warranted.

12. If approved, this amendment allows the applicant to expand the floor area of the store without creating more parking. This is due to unique operating characteristics and the nature of the products sold, where the amount of parking required by the Zoning Ordinance is not needed according to the applicant’s analysis. Making more efficient use of land, whether for residential or commercial uses, is supported by the Comprehensive Plan. Subject to the recommended conditions of approval, this request complies with the Zoning Ordinance.

CONDITIONS OF APPROVAL: See attached.

EXISTING LAND USE & ZONING: Commercial B-5 Planned Regional Business

SURROUNDING LAND USE & ZONING

<table>
<thead>
<tr>
<th>Direction</th>
<th>Land Use</th>
<th>Zoning</th>
</tr>
</thead>
<tbody>
<tr>
<td>North</td>
<td>Vacant, Commercial</td>
<td>H-4, B-5</td>
</tr>
<tr>
<td>South</td>
<td>Vacant, commercial</td>
<td>B-5</td>
</tr>
<tr>
<td>East</td>
<td>Vacant, Commercial</td>
<td>B-5</td>
</tr>
<tr>
<td>West</td>
<td>Commercial</td>
<td>B-5</td>
</tr>
</tbody>
</table>
APPLICATION HISTORY:

Mar 2015 - UP#140E was approved to expand the area of the use permit by 17.47 acres.

May 2014 - UP#140D was approved to expand the use permit by 14.6 acres, while reducing it by 6.3 acres for a portion rezoned to H-4.

Mar 2009 - UP#140C was approved adjusting the required parking from 729 spaces to 650 spaces.

Apr 2005 - UP#140B was approved expanding the Appian Way use permit by 24 acres for a six-screen movie theater complex.

Oct 2002 - UP#140A was approved adjusting the required parking for Menards from 877 spaces to 729 spaces.

Sep 2001 - PP#01006 for Appian Way Regional Center with 28 commercial lots and 8 outlots was approved.

Nov 2001 - ANN#01006 annexing 245 acres into the City of Lincoln was approved.

Nov 2001 - CZ#3320 changed the zoning on 98.8 acres east of relocated South 91st Street from AG to R-3.

Nov 2001 - CZ#3285 changed the zoning on 146.3 acres between South 84th and relocated South 91st Street north of Highway 2 from AG to B-5.

Nov 2001 - UP#140 for 825,400 square feet of commercial space, with the option to expand to 940,000 square feet provided that the total p.m. peak hour trips does not exceed 2,925 was approved.

APPROXIMATE LAND AREA: 18.38 acres more or less

LEGAL DESCRIPTION: Lot 2, Block 1, Appian Way Addition, located in Section 23-9-7, Lincoln, Lancaster County, Nebraska.

Prepared by

Brian Will, Planner
November 21, 2017

Applicant/Contact: Nick Brenner
Menard, Inc.
5101 Menard Drive
Eau Claire, WI 54703
nbrenner@menard-inc.com
715-876-2177

Owner: Menard, Inc.
5101 Menard Drive
Eau Claire, WI 54703
715-876-2177
CONDITIONS OF APPROVAL - USE PERMIT #140F

This approval permits a parking reduction to one space per 500 sq. ft of floor area for a home improvement store.

**Site Specific Conditions:**

1. The permittee shall cause to be prepared and submitted to the Planning Department three copies of a revised final site plan with all required revisions and documents as listed below before receiving building permits.
   1.1 Revise Sheet 1 of the Appian Way use permit plan set to include the parking reduction for the subject property.
   1.2 Provide documentation from the Register of Deeds that the letter of acceptance as required by the approval of the special permit has been recorded.

**Standard Conditions:**

2. The following conditions are applicable to all requests:
   2.1 Before occupying the areas of expansion all development and construction is to substantially comply with the approved plans.
   2.2 All privately-owned improvements, including landscaping and recreational facilities, are to be permanently maintained by the Permittee or an appropriately established homeowners association approved by the City.
   2.3 The physical location of all setbacks and yards, buildings, parking and circulation elements, and similar matters must be in substantial compliance with the location of said items as shown on the approved site plan.
   2.4 This resolution's terms, conditions, and requirements bind and obligate the permittee, its successors and assigns.
   2.5 The applicant shall sign and return the letter of acceptance to the City Clerk. This step should be completed within 60 days following the approval of the special permit. The City Clerk shall file a copy of the resolution approving the special permit and the letter of acceptance with the Register of Deeds, filing fees therefore to be paid in advance by the applicant. Building permits will not be issued unless the letter of acceptance has been filed.
   2.6 The site plan as approved with this resolution voids and supersedes all previously approved site plans, however all resolutions/ordinances approving previous permits remain in force unless specifically amended by this resolution.
Use Permit #: UP140F
Appian Way
S 84th St & Highway 2

Zoning:

R-1 to R-8 Residential District
AG Agricultural District
AGR Agricultural Residential District
O-1 Office District
O-2 Suburban Office District
O-3 Office Park District
R-T Residential Transition District
B-1 Local Business District
B-2 Planned Neighborhood Business District
B-3 Commercial District
B-4 Lincoln Center Business District
B-5 Planned Regional Business District
H-1 Interstate Commercial District
H-2 Highway Business District
H-3 Highway Commercial District
H-4 General Commercial District
I-1 Industrial District
I-2 Industrial Park District
I-3 Employment Center District
P Public Use District

One Square Mile:
Sec.23 T09N R07E

Existing Use Permit Boundary

Area of Amendment

PDF: F:\Boards\PC\Internet\out

File: F:\Dev\Review\Planner\Packet\MXD\Agendadrawings.mxd (UP140F)
November 3, 2017

City of Lincoln
Attn: Brian Will
555 South 10th Street, Room 213
Lincoln, NE 68508

RE: Amendment to Special Use Permit

Mr. Will,

Enclosed is the application for the major amendment to the special use permit governing the Menards site located at 8900 Andermatt Drive. The required fee for this amendment is also enclosed. I will submit the site plan and project narrative via the online portal. If you would like any hard copies of these or need anything else, please let me know. Thank you.

Sincerely,
Menard, Inc.

Nick Brenner
Real Estate Representative
5101 Menard Drive,
Eau Claire, WI 54703
[P] 715-876-2177
[C] 715-577-0363
nbrenner@menard-inc.com
Menards Storage Expansion Narrative

Relating to the Menards store located at 8900 Andermatt Drive, Lincoln, Nebraska, Menards is requesting a major amendment to the special use permit to increase the allowable floor area and a waiver to reduce the required parking. In 2002, an amendment to the special use permit (140A) was approved allowing a waiver to the parking ordinance to require 729 spaces for 194,853 square feet of floor area. In 2009 an amendment to the special use permit (140C) was approved allowing a waiver to the parking ordinance to require 650 spaces for 194,853 square feet of floor area. With the new mezzanine addition, the finished building will be 219,000 square feet. Menards is also contemplating a second addition of the mezzanine in the next year or two that will increase the floor area to 243,000 square feet. This major amendment is requesting the allowable floor area be increased to 243,000 square feet to accommodate these interior mezzanines and a waiver for parking to require only 650 spaces.

The purpose of the proposed mezzanine expansion is to allow for more storage area. Due to the large, bulky size of much of the merchandise sold in the store, vast areas of storage space is required in order to keep items on hand. It takes a lot of room to store these bulky items and much of the building’s floor area is designated for the storage of these materials. In addition to increasing the ability for customers to take home a product the same day, the mezzanine will create a safer storage system. Currently there is racking that is utilizing the entire height of the store. By constructing the mezzanine, it is essentially cutting the storage racking in half. This eliminates many of the high grabs that forklift operators are currently doing. By allowing the increase floor area, employee safety will be increased.

As it relates to parking, an important distinction to note is how Menards operates as opposed to a store like Wal-Mart. Wal-Mart is considered more of a high transactional store whereas Menards is considered more of a high volume store. In other words, a Wal-Mart will typically see more customers and more separate transactions a day, whereas Menards will typically see a higher average dollar amount per transaction. The parking ratio set forth in the zoning code may be accurate when it comes to these high transactional stores, but the ratio becomes over-excessive when it comes to a retailer like Menards.

Menards currently operates over 300 retail stores across the Midwest and knows how their stores operate. Menards knows how many spaces are needed in order to serve their customers adequately and efficiently. Attached is a list stores approved in the last five years. As you can see not one store on this list has more than 500 spaces. It has been determined to be more ideal to utilize the land for a better use than an empty parking lot as empty parking lots only increase the storm water runoff and negatively affect the appearance of the site. It is important to note that Menards has a great interest in making sure parking is adequate. If the parking lot is full or constantly difficult to find spaces, customers may choose to shop elsewhere. This directly conflicts with good business practices.

The subject property currently has 685 spaces. Even with the increase in floor area, parking is not going to be a problem because: 1) there is significantly more parking at this site compared to a prototypical Menard retail store; 2) as it currently operations, parking is not an issue; and 3) the increased floor area is going to be utilized as storage area and not sales area. The increase in floor area will help improve employee safety which is always an important goal to try and achieve.
EXHIBIT A

P5 Last 5 Years:

<table>
<thead>
<tr>
<th>Store</th>
<th>Parking Count</th>
<th>Approx. SF</th>
<th>Ratio (per 1,000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rolla, MO</td>
<td>421</td>
<td>244,244</td>
<td>1.73</td>
</tr>
<tr>
<td>Springfield West, MO</td>
<td>412</td>
<td>244,244</td>
<td>1.69</td>
</tr>
<tr>
<td>Springfield East, MO</td>
<td>412</td>
<td>244,244</td>
<td>1.69</td>
</tr>
<tr>
<td>Kirksville, MO</td>
<td>380</td>
<td>244,244</td>
<td>1.56</td>
</tr>
<tr>
<td>St. Peters, MO</td>
<td>427</td>
<td>224,623</td>
<td>1.90</td>
</tr>
<tr>
<td>Independence, MO</td>
<td>354</td>
<td>224,623</td>
<td>1.58</td>
</tr>
<tr>
<td>Farmington, MO</td>
<td>426</td>
<td>224,623</td>
<td>1.90</td>
</tr>
<tr>
<td>Hollister, MO</td>
<td>420</td>
<td>224,623</td>
<td>1.88</td>
</tr>
<tr>
<td>Richmond Heights, MO (2-Story)</td>
<td>410</td>
<td>244,025</td>
<td>1.68</td>
</tr>
<tr>
<td>St. Ann, MO</td>
<td>423</td>
<td>224,623</td>
<td>1.89</td>
</tr>
<tr>
<td>Popular Bluff, MO</td>
<td>413</td>
<td>224,623</td>
<td>1.84</td>
</tr>
<tr>
<td>Belton, MO</td>
<td>430</td>
<td>224,623</td>
<td>1.92</td>
</tr>
<tr>
<td>Jamestown, ND</td>
<td>437</td>
<td>224,623</td>
<td>1.95</td>
</tr>
<tr>
<td>Williston, ND</td>
<td>420</td>
<td>224,623</td>
<td>1.88</td>
</tr>
<tr>
<td>Dickinson, ND</td>
<td>443</td>
<td>224,623</td>
<td>1.98</td>
</tr>
<tr>
<td>Athens, OH</td>
<td>436</td>
<td>244,244</td>
<td>1.79</td>
</tr>
<tr>
<td>Cuyahoga Falls, OH</td>
<td>413</td>
<td>244,244</td>
<td>1.69</td>
</tr>
<tr>
<td>Mentor, OH</td>
<td>416</td>
<td>244,244</td>
<td>1.70</td>
</tr>
<tr>
<td>New Philadelphia, OH</td>
<td>414</td>
<td>244,244</td>
<td>1.70</td>
</tr>
<tr>
<td>Brooklyn, OH</td>
<td>438</td>
<td>244,244</td>
<td>1.80</td>
</tr>
<tr>
<td>Loveland, OH</td>
<td>470</td>
<td>224,623</td>
<td>2.10</td>
</tr>
<tr>
<td>Cortland, OH</td>
<td>426</td>
<td>224,623</td>
<td>1.90</td>
</tr>
<tr>
<td>Gillette, WY</td>
<td>420</td>
<td>224,623</td>
<td>1.88</td>
</tr>
<tr>
<td>Pierre, SD</td>
<td>414</td>
<td>224,623</td>
<td>1.85</td>
</tr>
<tr>
<td>Pontiac, MI (2-Story)</td>
<td>437</td>
<td>244,025</td>
<td>1.79</td>
</tr>
<tr>
<td>Lake Orion, MI</td>
<td>420</td>
<td>244,244</td>
<td>1.72</td>
</tr>
<tr>
<td>Gaylord, MI</td>
<td>405</td>
<td>244,244</td>
<td>1.66</td>
</tr>
<tr>
<td>Taylor, MI</td>
<td>416</td>
<td>244,244</td>
<td>1.70</td>
</tr>
<tr>
<td>Belleville, MI</td>
<td>421</td>
<td>244,244</td>
<td>1.73</td>
</tr>
<tr>
<td>Wixom, MI</td>
<td>453</td>
<td>224,623</td>
<td>2.02</td>
</tr>
<tr>
<td>Ann Arbor, MI</td>
<td>425</td>
<td>224,623</td>
<td>1.90</td>
</tr>
<tr>
<td>Florence, KY</td>
<td>408</td>
<td>244,244</td>
<td>1.67</td>
</tr>
<tr>
<td>Elizabethtown, KY</td>
<td>412</td>
<td>244,244</td>
<td>1.69</td>
</tr>
<tr>
<td>Richmond, KY</td>
<td>429</td>
<td>244,244</td>
<td>1.76</td>
</tr>
<tr>
<td>Olathe, KS</td>
<td>423</td>
<td>224,623</td>
<td>1.89</td>
</tr>
<tr>
<td>Kansas City North, MO</td>
<td>428</td>
<td>224,623</td>
<td>1.91</td>
</tr>
<tr>
<td>Lawrence, KS</td>
<td>411</td>
<td>224,623</td>
<td>1.83</td>
</tr>
<tr>
<td>Lincoln</td>
<td>650</td>
<td>243,000</td>
<td>2.67</td>
</tr>
</tbody>
</table>
USE PERMIT NO. 140F

CONSENT AGENDA
PUBLIC HEARING & ADMINISTRATIVE ACTION
BEFORE PLANNING COMMISSION: December 6, 2017

Members present: Beckius, Corr, Edgerton, Finnegan, Harris, Hove, Joy, and Washington; Scheer absent.

The Consent Agenda consisted of the following items: TEXT AMENDMENT NO. 17013, COUNTY TEXT AMENDMENT NO. 17014, TEXT AMENDMENT NO. 17017, COUNTY TEXT AMENDMENT NO. 17018, TEXT AMENDMENT NO. 17020, ANNEXATION NO. 17023, CHANGE OF ZONE NO. 07063B, CHANGE OF ZONE 17033, PRELIMINARY PLAT NO. 17005, SPECIAL PERMIT NO. 1219N, SPECIAL PERMIT NO. 17041, COUNTY SPECIAL PERMIT NO. 17043, PRE-EXISTING USE PERMIT NO. 3AH, AND USE PERMIT NO. 140F.

Scheer declared a Conflict of Interest on Change of Zone No. 17033 and Preliminary Plat No. 17005, and recused himself from voting on the Consent Agenda.

Hove and Finnegan disclosed that they read an article in the Lincoln Journal Star regarding Pre-Existing Use Permit No. 3AH.

Text Amendment No. 17013, Text Amendment 17014, Text Amendment No. 17020, Special Permit 1219N, and County Special Permit No. 17043 were removed from the Consent Agenda to have separate Public Hearing.

Vice-Chair Corr called for a motion.

Hove moved approval of the remainder of the Consent Agenda, seconded by Beckius and carried, 8-0: Beckius, Corr, Edgerton, Finnegan, Harris, Hove, Joy, and Washington voting 'yes'; Scheer absent.

Note: This is FINAL ACTION on Special Permit No. 17041 and Preliminary Plat No. 17005 unless appealed by filing a letter with the City Clerk within 14 days. This a recommendation to the City Council or County Board on all remaining items.

Scheer returned to the Chambers.