

LIBERTY TOWNSHIP ZONING COMMISSION

April 17, 2023

6:00 p.m.

MEETING MINUTES

The Zoning Commission was called to order at approximately 6 p.m. by Mr. Dobrozsi. The Pledge of Allegiance was recited.

Upon call of the roll, members in attendance were Mr. James Dobrozsi, Mr. Michael Ward, Mr. Brian Uhl, Mr. Michael Dunn and Mr. Wayne Bradshaw. Also, in attendance was Bryan Behrmann, Director of Planning and Zoning and Thomas McIntyre, Senior Planner.

Mr. Dobrozsi reviewed the hearing procedures and performed a group swearing in.

Mr. McIntyre presented the staff report and PowerPoint Presentation for case ZC23-009, Clete Benken is requesting a Zoning Map Amendment from B-2 (General Business District) & B-PUD (Business Planned Unit Development) to MU-PUD (Mixed Use Planned Unit Development) for 264 luxury apartments and a Major Modification to the Liberty Center B-PUD to allow for a 145-room hotel.

Mr. Dobrozsi asked if there were any questions for staff.

Mr. Rob Tarulli (3446 Quivas Street, Denver, CO) introduced the proposal. Liberty Center is a focal employment center of the region and a critical component to the successful development of the I-75 corridor. One specific alteration to the plan is to decrease the footprint of multi-family component (when compared to the 2021 proposal) and retain building G-1 which has been leased to Ford's Garage Restaurant. Another alteration is to modify the multi-family design to allow for ground floor flexibility if the demand for retail uses materializes. It is clear that Liberty Center had never stabilized even 7 years after construction. The proposed masterplan is informed, diligent and validated by the continued pursuit of a stable and balanced mixed-use center. Diversifying the types of retail uses within the center has been paramount in addition to bringing additional food and beverage tenants. Transitioning vacant retail uses to office uses within the Foundry is the second component to the masterplan. Actively maintaining and improvement the common areas of the center is the third component. Additional multi-family and hospitality is the fourth and final component to the proposal as this will help improve the economic vitality of Liberty Center.

Mr. Clete Benken (6131 Robison Road, Cincinnati, OH) spoke to the regional competitive market and keys to long-term success. Liberty Center, as it stands today, has the bones and infrastructure that is made to last. Dramatic shifts in consumer choices have required shopping center owners and leasing managers to reinvent their tenant make-up and business models to remain viable. The recommended 25% residential cap could prove to be counterintuitive as similar successful commercial centers have a much higher residential component percentage. The daytime captive patronage is essential to the long-term viability of mixed-use districts. Liberty Center is the greatest attraction for prospective companies looking to relocate along the I-75 corridor, specifically in Liberty Township. Providing a landmark, walkable mixed-use development and diversifying the housing stock by providing highly amenitized rental options will cater to highly educated and mobile residents. Highly skilled young professionals make job/relocation choices based on

“quality of place” and amenities available in walkable mixed-use districts. Stabilizing Liberty Center is the main goal and can be achieved by providing walkable mixed-use districts as patronage can be up to 6x greater than traditional retail centers. When discussing parking the peak demand is for a single hour on the weekends typically between 6:30 p.m. - 7:30 p.m. Parking spaces are a resource and when parking lots are not full then resources are not being maximized to their fullest potential.

Mr. Tarulli discussed the proposed Liberty Center masterplan. Dozens of retailers have been lost over the years and this plan focuses on new experiential and restaurant tenants. These new tenants will assist in retaining and attracting patrons and businesses to the local region. An architect was recently engaged in an effort to improve the common areas which in turn will increase the dwell time of customers. The result is a wholesale renovation of the park behind Brio Italian Grille as well as renovations to Haskell Street to make it more pedestrian friendly. The proposed multi-family density is over the recommended 25% but the simple truth is Liberty Township and Liberty Center need additional upscale multi-family residential housing to support the Center and the township’s economic growth. The proposed hotel is an obvious choice for business and leisure consumers in the local region. Walker Parking Consultants were engaged in an effort to gain a deeper understanding of the parking issues today and how to alleviate any parking concerns for the future. Per the 2022 revised parking analysis which includes proposed apartments and hotel, Liberty Center will have in excess of 1,600 parking spaces at peak times. While the convenient lots were fully occupied other lots had little to no occupancy. If parking demand ever became an issue there are a variety of parking solutions that can be employed to alleviate said concerns such as requiring employees to park in under-utilized lots, utilization of valet parking, increased use of ride sharing services, tenant incentives that encourage early patron arrival along with the potential to increase the inventory of structured parking.

Mr. Michael Dinn (124 Garrard Street, Covington, KY) discussed the demand for qualified, affluent and mobile multi-family households. Precise market segmentation has found that enterprising professionals, bright young professionals, old and newcomers & young and restless are 4 of 13 such segments that represent a proxy preference for rental housing by lifestyle, income, household size and mobility. Rents along the Liberty Way Corridor rank as the highest within the drive time market area. Over the past 3 years average base rents within the study area have steadily increased while vacancy rates have gradually decreased. These renters are upscale and rent by choice. They are defined by their lifestyle and mobility, not their income.

Mrs. Krista Wood (345 Andover Drive, Lexington, KY) spoke to the leasing and management for Liberty Center. Mixed-Use developments have become a trend and Liberty Center has great bones to build off of. When bringing in retailers from large markets such as New York, Chicago, etc. it shows really well. The mixed-use component, simply put, makes developments more attractive for prospective retailers. More retailers and restaurants mean more sales which in turn fosters the next level of desirable tenants aka co-tenancy. Empty parking fields takes away from the desirability of a development.

Mr. Travis Likes (8140 Graves Road, Cincinnati, OH) discussed the office leasing component. Mixed-use developments very much help the office leasing do well. Office spaces, when near mixed-use developments, rent for upwards of 25% higher due to its proximity to an urban product and high-amenity areas.

Mr. Jason Arthur (7505 Gibson Street, Cincinnati, OH) spoke to the proposed hotel on the east side of the site. The AC Marriot hotel is doing very well and is selling out multiple times a week. A second hotel would be a great addition to Liberty Center as it would help all retailers and restaurants. He feels that parking is not an issue currently and would not be an issue moving forward.

Mr. Dobrozsi asked why the existing masterplan has failed and what the overall vision is now.

Mr. Tarulli responded stating the initial plan showed almost twice as much retail as what is shown today. Leasing had never exceeded the low 70s in percentage of tenancy, even during pre-construction, which doomed Liberty Center from inception. The expenses to operate Liberty Center are well in excess of what it cost to operate a typical town center (75%-80% of every dollar goes towards expense). The revenues never exceeded the expenses which has been a crutch leading to 40+ tenants leaving since the center opened. Simply put, Liberty Center was overbuilt. The decision to build the second floor of the Foundry was a bad decision in hindsight as second floor retail is almost always a non-viable option and is very difficult to lease which is why it is being marketed as office. The vision moving forward is to improve the indoor space, improve consumer dwell time, convert as much indoor retail space to office as possible, add the multi-family apartments and add the hotel which will increase the everyday patronage at the center.

Mrs. Wood responded stating that the initial feeling in the retail community was that Liberty Center was going to be an extremely high-end and that some of the more moderate retailers were turned away as a result of that. When reaching back out to said retailers they feel that if they were not good enough 5 years ago why are they good enough now, which has proven difficult to overcome. A free-standing building was constructed for Apple who unfortunately chose not to be a tenant. Restaurants and entertainment do very well at Liberty Center while apparel has gone down across the board nation-wide.

Mr. Dobrozsi stated he believes one of the failures of Liberty Center is that there is no attraction/draw from Liberty Way. With respect to the proposed plan, would the applicant entertain moving the proposed hotel closer to the west side in an effort to increase connectivity and pedestrian issues.

Mr. Tarulli responded stating if the hotel were placed on the north or west side of the property there would be a high probability that additional parking would have to be provided. When looking at the site as a whole where will the hotel not impact existing uses that require additional mitigation measures. Additionally, the hotel can exist on an "island" as people go there for a specific reason and provides a specific service.

Mr. Dobrozsi asked who the daily guests/users of the AC Hotel.

Mr. Arthur responded stating with the Raymond Management portfolio this AC Hotel is one of the highest performers due it being within and part of Liberty Center. Monday-Thursday are typically business travelers and Friday-Sunday is primarily transient travelers either going to sports tournaments or leisure travelers looking to enjoy a weekend out of the house.

Mr. Dobrozsi asked where is the saturation point regarding apartments.

Mr. Dunn stated he believes what is driving the demand for apartments is the lack of single-family housing. There are hundreds of approved apartments that will be coming online between West Chester and Freedom Pointe and at what point will the demand be less than the availability.

Mr. Tarulli responded stating there are two extremes that could happen: one extreme is Liberty Center can continue to be overbuilt while the other extreme is that when leases expire in 2026 tenants move out and Liberty Center will simply become a Cheesecake Factory, Agave & Rye and Dillard's which will be a shadow of what it is capable of. Regarding the saturation point, Mr. Dinn's data is objective and does not include any opinions. The 16-minute drive that was discussed earlier does not exist within the vacuum of Liberty Township, rather it's sixteen minutes in any direction which extends into multiple municipalities. The existing apartments command the highest rents in the 16-minute sub-market which speaks to the demand of renters wanting to live at Liberty Center. As the center is built today it does not have the population around it to support it which is why the center is in the shape it is in right now.

Mr. Uhl asked what will the market tolerate with respect to the apartments.

Mr. Dinn stated that his model is a conservative model and has been proven over the past 15 years. This model states that 70% of the young professionals/residents can afford the projects \$1,800 rent. The proposal meets the needs of market as observed.

Mr. Dunn asked about the 2021 parking analysis. He suspects the parking spaces may be double counted and is confused when comparing the 2021 proposal to the current proposal.

Mr. Tarulli clarified that the 2021 parking count was a study where the 2023 count is an observation which verified their hypothesis. A parking count was conducted on the Saturday before Mother's Day in 2022 which showed the Taylor Garage level 3 at 100% capacity, Taylor Garage level 2 at 54% capacity and Taylor Garage level 1 at 9%. At peak time on a peak day there were approximately 1,600 unoccupied parking spaces which were evenly split on the east/west sides. With the multi-family apartments, dedicating Taylor Garage level 1 exclusive to resident parking and the already dedicated surface parking near the entrance to Liberty Center there will be roughly 250+ unoccupied parking spaces on the west side. That can be increased to 500+ parking spaces if employees are required to park in the less used parking areas.

Mr. Bradshaw stated he believes the math behind the parking analysis based on his personal experience at Liberty Center, in particular parking at the Taylor Street garage. With respect to the 2021 proposal, he voted against it. However, the proposed apartments provide a good option and provide an opportunity for growth as retail/office is simply not a viable option anymore. He is in support of the proposal as presented.

Mr. Dobrozsi stated his concern regarding the design and materials of the proposed luxury apartments. The buildings, architecturally speaking, provide something to be desired. The chosen materials and design do not provide the quality that Liberty Way demands as he believes Liberty Center is lacking on its Liberty Way frontage.

Mr. Bradshaw stated he agrees with Mr. Dobrozsi regarding the architecturally. It looks like a very long box that has little to no dynamic appeal.

Mr. Dunn made a motion to **CLOSE THE PUBLIC HEARING**. Mr. Uhl seconded. Upon the call of the roll, the motion passed. **PUBLIC HEARING CLOSED**.

Mr. Uhl stated Liberty Center is in a transformative state and believes this proposal to be positive for Liberty Township. The original masterplan will never be built as proposed due to market shifts and a pandemic which shifted market trends.

Mr. Dobrozsi stated he would like to amend the notice of decision to add a note about reviewing the architecture as submitted.

Mr. Bradshaw stated that most buildings in the surrounding areas don't provide much architectural detail and for the most part look the same. He would like to see the apartments and hotel stand out on their own and provide the character that is not seen within Liberty Center.

Mr. Dunn stated he does see different facades on each side and supports the proposal as submitted.

Mr. Bradshaw made a motion to **REOPEN THE PUBLIC HEARING**. Mr. Ward seconded. Upon the call of the roll, the motion passed. **PUBLIC HEARING REOPENED.**

Mr. Benken stated he would like to amend the draft notice of decision to include verbiage provided by Mr. John Taylor which states "if approved, Liberty Center commits to ensure that adequate parking is available in accordance with all future leases and uses, and to resolve any future parking issues should they arise".

Mr. Behrmann responded stating he has no issues with the amendment as proposed with the exception that "subject to staff approval" be added to the end of the proposed amendment. This addition is important as staff wants to be sure that non-exclusive surface parking is not dedicated to any one particular tenant which could create a potential parking conflict in the future.

Mr. Benken responded stating he believes the proposed language would cover and eliminate any potential parking conflict in the future.

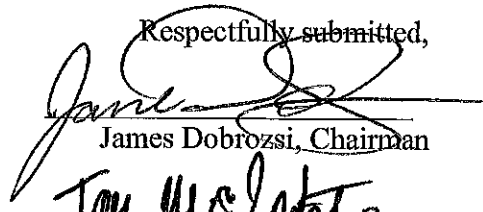
Mr. Dunn made a motion to **CLOSE THE PUBLIC HEARING**. Mr. Uhl seconded. Upon the call of the roll, the motion passed. **PUBLIC HEARING CLOSED.**

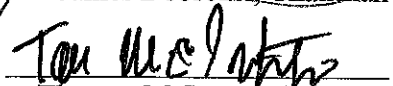
Mr. Ward made a motion to **APPROVE** Case ZC23-009 with the following amendments to the notice of decision: (1) adding the proposed verbiage provided by the applicant in addition to the suggested staff verbiage regarding parking to #1 and (2) adding the note regarding architectural review to #2. Mr. Uhl seconded. Upon call of the roll. Mr. Ward – yes; Mr. Uhl – yes; Mr. Dobrozsi – yes; Mr. Dunn – yes; Mr. Bradshaw – yes. The motion passed 5-0.

Mr. Dunn made a motion to **APPROVE** the March 20, 2023 meeting minutes and notices of decision as presented. Mr. Bradshaw seconded the motion. Upon call of roll: Mr. Dunn – yes; Mr. Bradshaw – yes; Mr. Dobrozsi - yes; Mr. Ward – yes; Mr. Uhl – abstain. The motion passed.

Mr. Dobrozsi made a motion to adjourn. Upon call of the roll, the motion passed unanimously and the **ZONING COMMISSION MEETING ADJOURNED.**

Respectfully submitted,


James Dobrozsi, Chairman


Thomas McIntyre, Secretary