

APPLICATION FORM

CITY VARIANCE

ID: Billings Variance # _____ - Project # _____

The undersigned as owner(s) of the following described property hereby request a Variance from the terms of the City of Billings Zoning Regulations.

PROPERTY TAX ID # C13941 CITY ELECTION WARD # 5

Legal Description of Property: SHILOH BUSINESS PARK SUBD, S23, T01 S, R25 E, BLOCK 2, Lot 9A, LT 9A BLK 2 SHILOH BUSINESS PARK SUB AMD (09)

Address or General Location (If unknown, contact City Engineering): 3840 Zoo Drive
Billings, Montana 59102

Zoning Classification: Heavy Commercial (CX)

Size of Parcel (Area & Dimensions): 24.91 acres (1,085,048 square feet)

Covenants or Deed Restrictions on Property: Yes X No _____

If yes, please attach to application

Variance(s) Requested: To allow a variance to the surface area parking yard location requirements for the Heavy Commercial (CX) zoned described in BMCC 27-409.

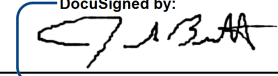
Facts of Hardship: (attach letter) Please see enclosed Project Narrative

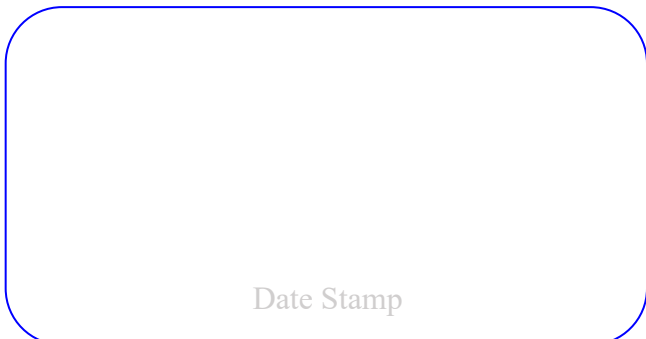
*** Additional information may be required as determined by the Zoning Coordinator in order to fully evaluate the application.

Owner(s): Shiloh 47 LLP
(Recorded Owner) PO Box 80667 Billings MT 59108-0667
(Address) 406-670-7136 jimbd@diamondbco.com
(Phone Number) (email)

Applicant Agent(s): Barghausen Consulting Engineers, Inc. C/O Sean Anderson
(Name) 18215 72nd Avenue South, Kent, WA 98032
(Address) (425) 251-6222 Sanderson@barghausen.com
(Phone Number) (email)

I understand that the filing fee accompanying this application is not refundable, that it pays for the cost of processing, and that the fee does not constitute a payment for a Variance. Also, I attest that all the information presented herein is factual and correct.

DocuSigned by: 
Signature: _____ Date: 3/1/2022
E8E5F3488117477...
(Recorded Owner)



Date Stamp



BARGHAUSEN

PROJECT NARRATIVE VARIANCE

Costco Wholesale Warehouse and Fuel Facility Relocation

**3840 Zoo Drive
Billings, Montana 59102**

Prepared for
Costco Wholesale
999 Lake Drive
Issaquah, Washington 98027

March 1, 2022
Our Job No. 21966

Introduction:

Costco is under contract to purchase vacant land at the southeast intersection of Zoo Drive and Shiloh Road. It wants to develop a new facility on that land to relocate its existing operations from its King Avenue West location. Costco's proposed site plan for the project is included with these materials as Site Plan A, but to develop the project in that fashion, Costco needs a variance. This is because the application of the parking siting requirements in the City of Billings Zoning Code would require Costco to locate the new store along the street frontage of either Zoo Drive or Shiloh Road, as shown on Site Plan B or Site Plan C. Due to the peculiarities of this land, those street frontage locations are not feasible and will cause hardship, the most significant of which is (1) the inability to relocate the irrigation canal running through the land, (2) access and traffic congestion issues, and (3) limiting the developability and future essential strategic store expansion plans. Granting a parking siting variance to enable Costco to develop its new store will not confer any special privilege on Costco and is in harmony with the general purpose of the Zoning Code.

Project Description:

The project is a 166,388-square-foot Costco building, an associated nine-dispenser fuel facility, and 852 parking stalls at 3840 Zoo Drive. The project also includes a future addition of a 25,000-square-foot market delivery operating (MDO) center and a potential seven-dispenser fuel facility expansion. The project site is approximately 24.91 acres (1,085,048 square feet) and within the Heavy Commercial (CX) Zone, which is intended for heavy commercial, wholesale, warehouse distribution, and other similar uses. The project area is situated within a commercial district with the parcels to the north, east, and south likewise zoned CX, and uses within this area generally consist of heavy commercial retail and hospitality uses. The areas to the west of the site generally consist of agricultural land. The project area currently includes seven parcels, which will be consolidated into three parcels for the building and associated parking, the fuel facility, and a 1.35-acre (58,949 square feet) out lot.

The purpose of the project is to allow Costco to relocate its existing operations within the City of Billings to develop a warehouse, fuel facility, and parking lot based on current design standards. In addition, the new site will allow a future MDO. The existing Costco building located on King Avenue includes 591 parking stalls and is located within a shopping center where on-site parking is shared with adjacent retail tenants. As a result, the existing development regularly experiences parking deficiencies, congestion, and internal circulation issues associated with an inefficient, non-standard layout. The new project allows Costco to improve the efficiency, safety, and capacity of its operations.

The site and structure regulations for the CX zone described in BMCC Section 27-409 require surface parking to be located at the side or the rear of a building. The parking layout for the project can generally be described as including three equally proportioned zones being located between the fuel facility and building along Shiloh Drive, along Zoo Drive, and to the eastern side of the building. As described in the detailed responses below, unique constraints associated with the project site and existing on-site easements significantly limit Costco's ability to construct a development that addresses its operational requirements and meet the strict interpretation of the Zoning Code. The intent of the CX Zone is to allow heavy commercial uses along corridors where proximity to residential and walkable mixed-use development is limited. As described above, the uses associated with this project are allowed as-of-right. In order for Costco to be allowed to construct a project that meets its minimum standard operational requirements, a variance to the parking siting requirements is required.

The warehouse, fuel facility, and associated parking are going to be delivered in a single phase once all required permits are approved. The MDO and potential fuel facility expansion may be delivered during separate future phases, and do not have a specific timeframe.

Purpose of Variance Request

BMCC Section 27-1627 allows the Board of Adjustments (BOA) to grant a variance from the terms of the Zoning Code in specific cases where it is found that the granting of the variance will not be contrary to the public interest and where, because of special conditions with respect to the lot shape or topography,

a literal enforcement of the provisions of the Zoning Code would result in unnecessary hardship. Before the BOA grants a variance, it shall determine:

1. *That special conditions and circumstances exist which are peculiar to the land, the lot or something inherent in the land which causes the hardship, and which are not applicable to other lands in the same district.*

Response: The project land includes unique conditions and constraints that impact Costco's ability to meet the specific parking siting requirements of the Zoning Code that do not apply to other properties in the same district. These include an irrigation ditch that traverses the site between Zoo Drive and Shiloh Drive, and limited direct access to the surrounding street network. The irrigation ditch includes a 50-foot easement that prevents the siting of any structures along Shiloh Drive and significantly restricts the buildable area along the Zoo Drive frontages. Costco consulted with the irrigation district on potential solutions to mitigate the site impact of the canal. However, the functional and technical requirements prohibit any significant relocation of the canal. Costco would need to significantly reduce the size of the warehouse building in order to locate it along the Zoo Drive frontage and would not be able to construct the MDO.

Additionally, the project area is effectively a corner property with only two frontages that have direct access to adjacent streets. Opportunities to create driveways from the two frontage streets are limited due to the size and design requirements of the building and fuel facility, as well as the setback restrictions of irrigation facilities in the northwest corner of the project site. Also, the driveway entrance to Shiloh Drive is restructured to a right in/right out and is generally fixed in location due to the intersection with Zoo Drive to the north and existing off-site driveways and the intersection with Pierce Parkway to the south. As a result, these access restrictions make it difficult to place the building closer to the street frontages without requiring the closure of at least one driveway. Limiting direct access to the surrounding streets' network would force members to use the shared driveway to the east of the site, creating unnecessary congestion for both Costco and the adjacent parcels.

The combination of these unique conditions creates a significant hardship that restricts Costco's ability to meet the strict application of the surface parking siting standards without creating a detrimental impact to the layout or operation of the development.

2. *That a literal interpretation of the provisions of this zoning code would deprive the applicant of rights commonly enjoyed by other tracts in the same district.*

Response: As demonstrated by the enclosed alternative layouts, the literal application of the surface parking siting standards on this specific site makes it practically infeasible to place the building along either street frontage. Due to the location of the irrigation ditch and associated no-build easement, there is no area along the Shiloh Drive frontage that can accommodate the warehouse building. Similarly, the available developable area along Zoo Drive is not large enough to accommodate the warehouse, which requires access on the east side of the building for the tire center and the west for loading. The limited space would also prohibit the future addition of the MDO. In order to meet the strict application of the surface parking standards, Costco would need to reduce the size of the warehouse and limit future growth at this location. This would significantly restrict Costco's ability as a regional retail operator to meet the anticipated demand of its members and would limit its rights to fully utilize the development standards and allowances of the CX zone, which is intended to support heavy commercial uses.

3. *That granting the variance requested will not confer on the applicant any special privilege that is denied by this zoning code to other land in the same district; and*

Response: Granting the requested variance to the Zoning Code parking siting standards is supported by this narrative, along with the enclosed proposed and alternative layouts and associated parking waiver. As described in this narrative, Costco intends to develop a warehouse, fuel facility, and future MDO to address the limitations of its current facility in Billings and continue to serve its members in the surrounding region. The layout of the facility, including the location and amount of parking, is based on a demand analysis prepared for this specific location. Reviewing the alternative layouts demonstrates that strict compliance with the Zoning Code's parking siting standards creates unnecessary hardship and limits the rights of Costco to develop this project in a way similar to other tracts within the surrounding district. Specifically, applying those standards would result in a layout that restricts adequate access to the site, limits building size, and constrains site circulation. As a result, these combined findings support the decision to grant the requested variance based on the merits of the project and would not act as a special privilege to the applicant that would be otherwise denied within the same zoning district.

4. *That the granting of the variance will be in harmony with the general purpose and intent of this zoning code and with the growth policies.*

Response: The uses associated with the project are all allowed as-of-right and granting of a variance to the surface parking siting requirements would allow for the development of a uniquely constrained parcel and would remain consistent with the purpose of the CX zone. Specifically, the CX zone is designed to provide standards and use allowances to accommodate large, auto-oriented commercial uses that are suited for corridors located away from residential and mixed-use areas. Allowing a variance to provide flexibility to the surface parking siting requirements does not alter the type or intensity of uses associated with the project in a way that would be out of character for the surrounding area or the intent of the CX zone. The project is consistent with the types of large-format auto-oriented commercial uses in the surrounding CX zoning district.

Granting of the variance to allow for the development of this parcel is also consistent with the guidelines described in the 2016 Billings Growth Policy. Specifically, it supports the broad goal of "Essential Investments" by allowing Costco to relocate its existing operations to a neighborhood that is zoned for the type of regional retail services it provides. As a result, Costco is able to continue providing essential goods and services to members within the surrounding region, a stated guideline within the Growth Policy. A variance also allows Costco to develop an area that currently sits vacant with a high-quality building, provide attractive landscape along the street frontages, and contributes to the "Community Fabric" of an established commercial area that includes similar auto-oriented commercial uses. The addition of the Costco development to this area also contributes to providing "Strong Neighborhoods" that are designed to be safe, attractive, and provided essential services to the greater community. Based on the findings provided in response to the required decision-making criteria, the approval of a variance for this project would support a Costco development that is harmonious with the intent of the Zoning Code and stated goals and guidelines of the City Growth Policy.

Based on information provided in this narrative and documentation included in this submittal package, we believe the Board of Adjustment is justified in approving a variance to the surface parking standards for the CX zone.