

## **MEMORANDUM**

### PLANNING DIVISION DEPARTMENT of COMMUNITY and NEIGHBORHOODS

To: Salt Lake City Historic Landmark Commission

From: Michael McNamee, Principal Planner

Date: September 1, 2022

Re: Work Session for Petitions PLNPCM2022-00301 and PLNPCM2022-

00302, Zoning Map and Master Plan Amendment for 865 S 500 E

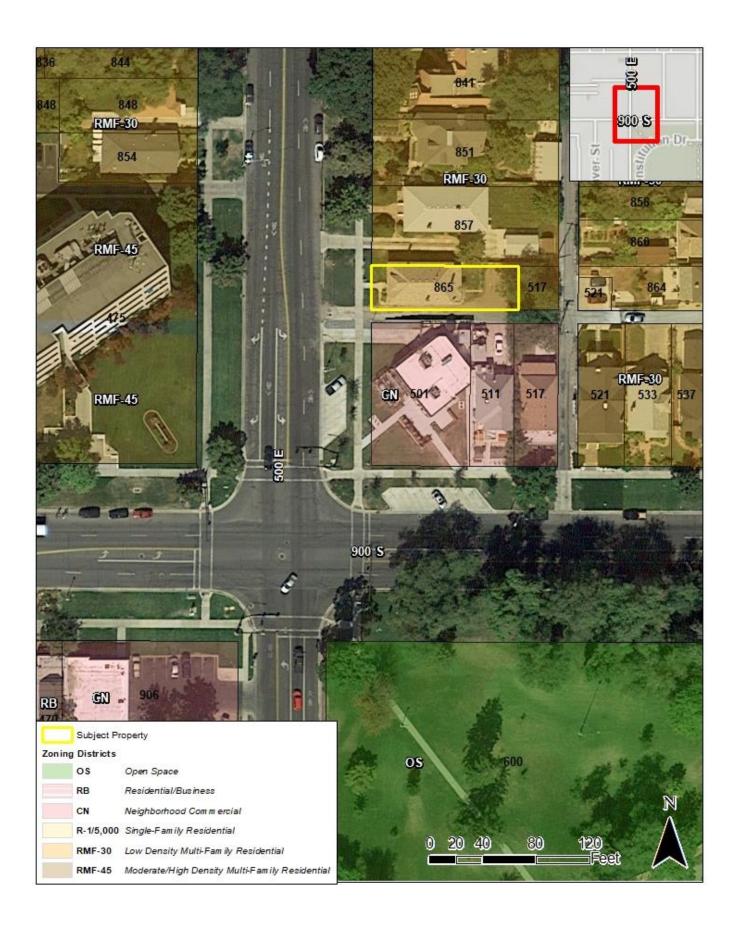
### **Action Requested**

Planning Staff requests that the HLC hold a work session to discuss the proposed zoning map amendment and provide input and feedback to the applicant, Planning Commission, and the City Council who has final decision making authority in these matters.

The subject property is a contributing structure within the Central City Local Historic District. The proposed rezone would allow for the structure to be converted from a residential to commercial use, changing the nature of the building. For these reasons, Planning Staff would like to bring the proposal to the Commission for their consideration.

### **Petition Request**

Rick Service, property owner and applicant, is requesting to amend the zoning designation for the property located at 865 S 500 E from RMF-30, Low Density Multi-Family Residential District, to CN, Neighborhood Commercial District. At the same time, he is requesting that the future land use map be amended so that the designation for this property would be changed from Low Density Residential to Neighborhood Commercial. The parcel contains a single-family dwelling, built in 1905, that the applicant is proposing to convert to an unspecified commercial use. The applicant has submitted a narrative for their proposal which is attached to this memorandum as Attachment A.



### **General Discussion**

This proposed amendment of the zoning map is to change the zoning for the subject parcel from RMF-30, Low Density Multi-Family Residential District, to CN, Neighborhood Commercial District, in order to facilitate a conversion of the property from residential to commercial use. A master plan amendment would also be required, because the future land use map in the Central Community Master Plan shows this property as being designated for "Low Density Residential," which would not support the rezone request. Instead, the applicant is proposing to amend the future land use map for this property to the "Neighborhood Commercial" designation.

Currently, a single-family dwelling sits on the property. The house was constructed in 1905 in the Victorian Eclectic style, and is listed as a contributing structure to the Central City Local Historic District. Because of its status as a contributing structure, it is unlikely that demolition would be approved for the home. The applicant has indicated that he would like to keep the existing home and convert it to a commercial use.

### **Adjacent Land Uses and Zoning**

This property is located near the northeast corner of the intersection at 500 East and 900 South. Liberty Park is located nearby, on the opposite side of 900 South. Directly to the south of this property are a restaurant and butcher shop. Both of these properties are zoned CN, Neighborhood Commercial District. There is also a single-family dwelling to the south of this property that is zoned CN.

Directly west from the subject property is a 70-unit apartment building that is zoned RMF-45, Moderate/High Density Multi-Family Residential District. This building was constructed in 1982 and is one the largest structures in the immediate area.

To the north, east, and northwest all properties are zoned RMF-30, Low Density Multi-Family Residential District. This includes the rest of the block of 500 E between 800 S and 900 S, as well as the entire block of Park Street immediately to the east. The existing structures are generally a mix of single-family, two-family, and small multi-family dwellings.

Along the 900 South corridor, the properties are zoned CN, RB (Residential/Business), and RMF-30. Land uses are generally low-scale commercial and residential development. Notably, commercial zoning does not extend to the interior of blocks that intersect with 900 South.

This property would be the first in the immediate area on the interior of a block intersecting 900 South to be zoned as a non-residential district. It would expand the borders of a semi-contiguous area of commercial zoning, while encroaching on an existing contiguous area of residential zoning.

### Comparison of CN to RMF-30

The applicant is proposing to change the zoning of this property from RMF-30 (Low Density Multi-Family Residential District) to CN (Neighborhood Commercial District).

The CN Neighborhood Commercial District is intended to provide for small scale, low intensity commercial uses that can be located within and serve residential neighborhoods. This district is appropriate in areas where supported by applicable master plans and along local streets that are served by multiple transportation modes, such as pedestrian, bicycle, transit and automobiles. The standards for the district are intended to reinforce the historic scale and ambiance of traditional neighborhood retail that is oriented toward the pedestrian while ensuring adequate transit and automobile access. Uses are restricted in size to promote local orientation and to limit adverse impacts on nearby residential areas. (Purpose Statement for CN District, Salt Lake City Code Section 21A.26.020)

The two districts differ from each other primarily in the types of uses they allow. RMF-30 permits single-family, two-family, and multi-family, among other types of dwellings, and uses that are generally associated with residential neighborhoods, such as gardens, parks, and places of worship. By contrast, the CN district disallows most types of dwellings, except that "mixed use development," a type of use that combines residential and another allowed use, is permitted. Permitted uses are by and large those of a commercial nature.

Maximum building height in the RMF-30 district is 30 feet, compared to 25 feet in CN. Setback requirements are more permissive in CN, and CN has a maximum setback of 25 feet for the building façade. There is no similar requirement in RMF-30. CN also does not have a lot coverage maximum, while RMF-30 has a maximum lot coverage of 40-50% depending on the type of use. For a single-family detached dwelling, the maximum lot coverage is 45%. In general, the CN development standards would allow for a more intense use of a lot than in RMF-30, but not remarkably so.

#### **Housing Loss Mitigation**

When a property includes residential dwelling units within its boundaries, a petition for a zoning change that would permit a nonresidential use of land cannot be approved until a housing mitigation plan is approved by the City. A housing impact statement will need to be prepared and approved by the City's Zoning Administrator. An option for mitigating residential loss must be selected. The following options are available by ordinance:

- 1. Replacement Housing
- Fee Based On Difference Between Housing Value And Replacement Cost
- 3. Fee, Where Deteriorated Housing Exists, Not Caused By Deliberate Indifference Of Landowner

### **Key Considerations**

Key considerations listed below were identified through the analysis of the proposal.

- 1. Historic Overlay
- 2. Master Plan Analysis

### **Consideration 1: Historic Overlay**

This property is a contributing structure within the Central City Local Historic District, making it subject to the zoning standards of the H, Historic Preservation Overlay District for alteration of a contributing structure. Any modification to the contributing structure or site would require approval via a Certificate of Appropriateness.

For properties seeking a zoning and master plan amendment within local historic districts, it is essential to consider whether the proposal aligns with the purpose statement for the overlay, which states:

In order to contribute to the welfare, prosperity and education of the people of Salt Lake City, the purpose of the H Historic Preservation Overlay District is to:

- 1. Provide the means to protect and preserve areas of the City and individual structures and sites having historic, architectural or cultural significance;
- 2. Encourage new development, redevelopment and the subdivision of lots in Historic Districts that is compatible with the character of existing development of Historic Districts or individual landmarks:
  - 3. Abate the destruction and demolition of historic structures;
  - 4. Implement adopted plans of the City related to historic preservation;
  - 5. Foster civic pride in the history of Salt Lake City;
- 6. Protect and enhance the attraction of the City's historic landmarks and districts for tourists and visitors;
  - 7. Foster economic development consistent with historic preservation; and
  - 8. Encourage social, economic and environmental sustainability.

The proposal isn't necessarily in conflict with the provided purpose statement for local historic districts. It is, however, in conflict with an associated standard for the alteration of a contributing structure within the overlay. Section 21A.34.020.G.1 states:

A property shall be used for its historic purpose or be used for a purpose that requires minimal change to the defining characteristics of the building and its site and environment.

In particular, the language that "a property shall be used for its historic purpose" is relevant. Records kept by the City do not suggest this property was ever used for a purpose other than as a single-family dwelling. Adaptive reuse is generally supported by Planning Staff. However, this structure is currently occupied by a

tenant and is functioning as a single-family dwelling, per the applicant. Rezoning this property could create a future conflict with this standard.

### Consideration 2: Master Plan Analysis

The city's adopted plans and policies provide a basis for examining this proposal. This includes the citywide plan, Plan Salt Lake (2015) and the neighborhood plan for this area, the Central Community Master Plan (2005). These plans were both adopted by the City Council after extensive review by the public and city boards and commissions. The proposal would support some initiatives in Plan Salt Lake (2015) and the Salt Lake City Community Preservation Plan (2012), but would also run counter to several. While this could be an appropriate zoning designation for the scale of the neighborhood, expanding commercial zoning into low density residential areas would be counter to objectives in the Central Community Master Plan (2005) and goals in the City's five-year housing plan, Growing SLC (2017).

See below for the specific items and analysis.

#### Plan Salt Lake

Plan Salt Lake is the City's overall master plan. It was adopted in 2015 and intends to provide a vision for Salt Lake City for the following 25 years. The guiding principles and initiatives in Plan Salt Lake cover a broad range of topics, some of which support the proposed zoning map and master plan amendment. However, there are also principles and initiatives in the plan that do not support the proposal.

# Guiding Principles and Initiatives Consistent with the Proposal:

- The Neighborhoods Chapter Guiding Principle, "neighborhoods that provide a safe environment, opportunity for social interaction, and services needed for the wellbeing of the community therein."
  - Initiative: Encourage and support local businesses and neighborhood business districts.
- The **Transportation & Mobility Chapter** Guiding Principle, "A transportation and mobility network that is safe, accessible, reliable, affordable, and sustainable, providing real choices and connecting people with places."
  - o Initiative: Reduce automobile dependency and single occupancy vehicle trips.
- The **Economy Chapter** Guiding Principle, "A balanced economy that produces quality jobs and fosters an environment for commerce, local business, and industry to thrive."

o Initiative: Support the growth of small businesses, entrepreneurship and neighborhood business nodes.

This zoning map amendment would seek to expand the number of small commercial spaces in the neighborhood, providing additional services and, depending on the type of business, opportunities for social interaction. Given the small size of the subject property and structure, it is likely to attract a small-scale business that is more likely to be locally owned. If the property were remapped to CN, it would also join an existing neighborhood business district. The proposed rezone would create an opportunity for an additional business venture to open, helping to foster an environment for commerce and local business.

If the subject property were to be used for a commercial business, it would provide an additional choice for those who live in the neighborhood, allowing them to walk, bike, or take transit more easily to an additional business.

# Guiding Principles and Initiatives Not Consistent with the Proposal:

- The **Housing Chapter** Guiding Principle, "access to a wide variety of housing types for all income levels through the city, providing the basic human need for safety and responding to changing demographics."
  - Initiative: Ensure access to affordable housing citywide (including rental and very low income)
- The **Parks & Recreation Chapter** Initiative, to "provide accessible parks and recreation spaces within ½ mile of all residents."

This proposal would make the existing single-family dwelling legal conforming per 21A.38.070. If the property were converted to commercial use after it was rezoned, it could not be converted back to a single-family dwelling unless another rezone was adopted. This would result in the permanent loss of a housing unit in a centrally located area of the city.

Given the age and size of the home, it is likely a "naturally occurring" affordable unit of housing, or a housing unit that is affordable because of its characteristics rather than being restricted by covenant as affordable to households of a certain income level. Therefore, the loss of this home would also represent a loss in the city's stock of affordable housing, which is already very limited.

This property is roughly 200 feet (1/25 mile) away from Liberty Park. If it were converted to commercial use, that would mean one fewer household would have close access to the park, running counter to the above-referenced initiative in the Parks & Recreation Chapter.

### Central Community Master Plan

The subject property is located within the Central Community Master Plan area (see Future Land Use Map – Attachment A). The associated Central Community Future Land Use Map currently designates the property as "Low Density Residential." The petitioner is requesting to amend the future land use map so that the property is designated as "Neighborhood Commercial." This would be a change from Residential to Commercial Land Use designation. The Neighborhood Commercial designation provides for small-scale commercial uses that can be located within residential neighborhoods without having significant impact upon residential uses. This land use pattern includes, but is not limited to, small businesses such as retail sales and services, small professional offices, and locally owned businesses. (p. 10) Properties fronting 900 S to the south of and abutting the subject property are currently included in this designation on the Future Land Use Map.

There is a specific land use policy identified in the Central Community Master Plan that relates to this type of proposal. It is listed as policy RLU-1.1, on page 9 of the Plan:

Preserve low-density residential areas and keep them from being replaced by higher density residential and commercial uses.

The proposed rezone and master plan amendment are in exact opposition to this land use policy. There are no specific policies that support the proposal. Rezoning the property and amending the master plan would therefore not be consistent with the Central Community Master Plan.

### Salt Lake City Community Preservation Plan

The proposed rezone would support a reuse of the existing single-family dwelling at 865 S 500 E. In general, the Community Preservation Plan is supportive of adaptive reuse where it creates more housing units, but is not in outright support of converting housing to a non-residential use. Policies related to reuse of existing structures can be found in the Housing and Develop a Comprehensive Preservation Toolbox chapters of the plan. These policies would largely support an adaptive reuse for more housing units. Some listed policies may offer somewhat ambiguous support for a project that converted a housing unit to non-residential, if the structure were not significantly altered and negative impacts were mitigated.

Select policies from the Develop a Comprehensive Preservation Toolbox Chapter:

- 3.3k: Support modification of existing historic resources to allow for changes in use that will encourage the use of the structure for housing or other appropriate uses in historic districts in an effort to ensure preservation of the structure. (p. III-27)
- 3.4d: Adaptive Reuse of Historic Structures should be allowed for a variety of uses in appropriate locations where it is found that the negative impacts can be mitigated and where the uses do not require significant alterations to the historic integrity of the interior of the structure. (p. III-37)

Select policies from the Housing Chapter:

- 6.5b: Support the renovation and use of historic apartment buildings and the adaptive reuse of historic non-residential buildings for residential units. (p. VI-21)
- 6.5c: Support appropriate changes to existing historic homes to accommodate the changing needs of various household types within the City. (p. VI-22)

Policies 3.3k and 3.4d could be interpreted as supportive of the proposed project. Policy 3.3k makes a reference to encouraging "other appropriate uses," which could include a commercial use on this property. Policy 3.4d says that historic structures should be allowed to be reused for a "variety of uses," as long as negative impacts are mitigated and the uses do not require significant alterations to the historic integrity of the interior of the structure.

Policies 6.5b and 6.5c are policies that specifically support preservation and reuse of existing historic structures for residential purposes. These are the only policies in the preservation plan that support a specific kind of reuse for historic structures. There are no policies that specifically support a reuse of a residential structure for commercial purposes.

#### **Growing SLC**

Growing SLC is the City's five-year housing plan. It was adopted in 2017 and intended to provide a framework for the City's housing policy for the years 2018-2022. In general, the goals outlined in Growing SLC support zoning changes which support additional housing opportunities, particularly policies to accommodate additional growth and ensure that housing remains affordable for a wide spectrum of income levels.

Because this proposal involves rezoning a property from a zone that primarily permits residential units to a zone that primarily permits commercial uses and disallows most residential units, the goals in Growing SLC are not supportive. The following specific goals and objectives are out of alignment with the proposed zoning and master plan amendment:

- GOAL 1: Increase housing options: Reform city practices to promote a responsive, affordable, high-opportunity housing market.
  - Objective 1: Review and modify land-use and zoning regulations to reflect the affordability needs of a growing, pioneering city.
    - 1.1.2 Develop in-fill ordinances that promote a diverse housing stock, increase housing options, create redevelopment opportunities, and allow additional units within existing structures, while minimizing neighborhood impacts.
  - Objective 3: Lead in the construction of innovative housing solutions.
- GOAL 3: Equitable and Fair housing: Build a more equitable city.
  - o Objective 3: Implement Life cycle Housing principles in neighborhoods throughout the city.
    - 3.3.1 Support diverse and vibrant neighborhoods by aligning land use policies that promote a housing market capable of accommodating residents throughout all stages of life.

The proposed zoning map and master plan amendment would result in a zoning map that was less aligned with policies promoting a housing market capable of accommodating residents throughout all stages of life. The existing RMF-30 zoning allows for a mix of housing types, even if the subject property is too small to support many of those types of housing per the density requirements of the district. The proposed zoning map and master plan amendment would result in a zoning that outlawed many housing types, made the existing single-family dwelling a legal non-conforming use, and permit a commercial conversion of the property.

#### **Attachments**

A – Applicant Narrative

B - Photos

C – RLS and Survey Information

### **Attachment A – Applicant Narrative**

### **Zoning Amendment Requirements**

The reason for changing the zoning from RMF-30 to CN Neighborhood Commercial are many. The existing residential building at 865 South 500 East is placed on the lot in such a way that it lends itself more to the two neighboring properties to the south zoned CN. The two neighboring properties to the south are 501 & 511 East 900 South. 511 East 900 South and 865 South 500 East share a driveway. 511 East 900 South has their Handicap Parking space at the rear of the property that is accessed from the shared driveway. Their deliveries are also received by use of the shared driveway. There is no alleyway access so all deliveries must back down the shared driveway. 865 South 500 East does not have covered parking, it just has two parking spaces at the rear of the building. There is no back yard to this house, which is why it is impossible to rent the house to a family.

UDOT, along with Salt Lake City, are in the process of improving bus travel along 500 East. They have put a large cement pad directly in front of the house along with a bench. A large lighted enclosure with a garbage can will be installed soon. That makes the property feel like a commercial property with no front yard. Last but not least I truly want the challenge of improving and transforming the residential building to a small commercial building. When I purchased the neighboring two properties to the south, one was an abandoned gas station for 32 years with graffiti on the walls and a make-shift homeless persons shelter. I turned 501 East 900 South into the restaurant "Tradition". It was quite a challenge but I feel it turned out well. The property at 511 East 900 South when I purchased it was a 100 year old house being used as a residential rental. I remodeled it and today it is a very thriving commercial building as Beltex Meats, a very successful butcher shop. Both properties employ local people bringing revenue into the area.

Knowing that this houses in the Historic District, as it was built in 1908, I will be able to work with the Historic District to improve the use of the building while staying within

the parameters set by the Historic District.

The adjoining properties zoned CN have a total square footage of 14,808 square feet. The CN zoning allows for up to 90,000 square feet. With the addition of 865 South 500 East being only 3,484 square feet there will be a total of only 18,292 square feet for the entirety of the new proposed CN zone. This is much smaller than the allowed 90,000 square feet. Allowing this property to be added to the existing CN zoning will create a more balanced and useable commercial corner.

The CN zoning calls for "small scale low intensity commercial use". I believe that changing the zoning of this property too CN will to do just that.

Please give me the opportunity to improve the property.

At this time I do not have a specific use in mind for the property. I have spoken with several people who might be interested in the space. One such person wants to put a dog grooming and supply store, another person who runs a very successful sandwich shop wants to open a new location there. I anticipate remodeling the building and making it a shining example of what is possible in the CN zoning.

### Master Plan Amendment

I wish to change a small portion of the Central Community Master Plan. The plan change would be to amend the zoning of a single family residence zoned RMF-30 to a CN Neighborhood Commercial zone. The property is at 865 South 500 East. The property is bordered by two properties zoned CN. With a zoning change of this property, all three properties on the corner of 500 East and 900 South will have the same zoning. This will create a balance to the corner and will promote more commercial services to the ongoing vibrant Liberty Park Neighborhood. It will create a gathering place in such a walkable neighborhood. The infrastructure is already in place to support the change. Part of the Central Community Master Plan is to promote more Commercial Services in the area. The amendment change will allow me the flexibility to select a tenant that will add to the vibrant area.

Parcel Number. 16-07-276-024-0000

### **Attachment B – Photos**



Subject Property – looking northeast



Looking south from in front of subject property



Subject Property – looking southeast



Looking north from in front of subject property



Rear of the subject property



Rear yard of subject property – showing access to parking for business to south



Parking located on subject property



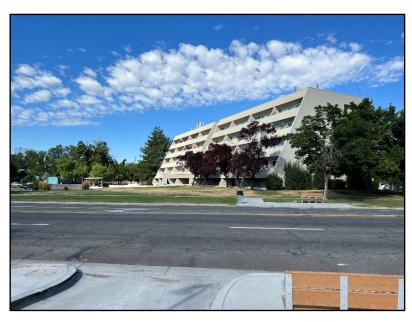
ADA parking stall for adjacent business is accessed through shared right of way with subject property



Bus stop located in park strip in front of subject property



NE corner of 900 S & 500 E, looking north, showing restaurant in foreground and subject property behind



West side of 500 E as viewed from subject property



NE corner of 900 S & 500 E, looking east, showing commercial properties adjacent to street corner

# Attachment C – RLS and Survey Information

RATING DATE H	821 S 500 EAST EC 1930 1.5	827 S 500 EAST EC 1895 2	833 S 500 EAST EC 1890 1	841 S 500 EAST EC 1925 2	851 S 500 EAST EC 1890 1	857 S 500 EAST EC 1910 1		865 S 500 EAST EC 1905 1	EC 1905								
TYPE CENTRAL PASSAGE	CENTRAL PASSAGE	CENTRAL BLK W/ PROJ BAYS	CENTRAL BLK W/ PROJ BAYS	CORNER ENTRANCE APT.	CENTRAL BLK W/ PROJ BAYS		BUNGALOW	BUNGALOW	BUNGALOW	BUNGALOW	BUNGALOW	BUNGALOW	BUNGALOW	BUNGALOW	BUNGALOW	BUNGALOW	BUNGALOW
	COLONIAL REVIVAL	QUEEN ANNE	VICTORIAN: OTHER QUEEN ANNE	ENGLISH TUDOR	QUEEN ANNE VICTORIAN ECLECTIC	BUNGALOW		CLECTIC									
	STRIATED BRICK SHINGLE SIDING	REGULAR BRICK SANDSTONE	ALUM./VINYL SIDING REGULAR BRICK	HALF-TIMBERING STRIATED BRICK	REGULAR BRICK DROP/NOVELTY SIDING SANDSTONE	REGULAR BRICK		REGULAR BRICK SHINGLE SIDING									
	SINGLE 1	SINGLE 1	SINGLE 1	DWELLING	SINGLE 1	SINGLE 1		SINGLE 1 DWELLING	NG	NG NG	NG						
OBS NOTES	1 NON	1 NON ORIGINAL PORCH REMOVED	1 NON	0	1 NON	1 CON		1 NON	NON	NON	NON	NON	NON	NON	NON	NON	NON



### UTAH STATE HISTORIC PRESERVATION OFFICE STRUCTURE/SITE INFORMATION FORM

2	Name of Property:	Site No.: Block 5
NIFICALIC	Street Address: 865 South 500 East	T. R. S.
	City. County: Salt Lake City, SL County	Map Name/Date:
	Current Ownership: Private Public Local	UTM:
	Public State Public Federal	Tax #: 16 07 <b>1</b> 76 024
	Name of historic district (if applicable): 6th East H	Historic Parkway
	Legal Description (include acreage):	•
		•
2	1989 Owner: Rentco P.O. Box 57,218 SLC, UT	84147
	Original Use: Current	Use:
	Original Use: Current	
E/STATUS	Property Category Evaluation Com  building eligible/ structure potentially eligible site ineligible object out-of-period	ndition Alterations  excellent none  good minor  fair major  deteriorated moved  ruins demolished
E/STATUS	Property Category Evaluation Computation eligible potentially eligible object out-of-period Evaluation control of the control	excellent none good minor fair major deteriorated moved ruins demolished
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BIBLIOGRAPHICAL REFERENCES (books, records, interviews, photos, maps, etc.)

4	Building Style/Type:	
NO NO	Wall Material(s):No. Stories:	
IPT	Number of associated outbuildings and/or structures	
DESCR	Briefly describe the principal building, noting additions and alterations and their dates, and associated outbuildings and structures.	

Architect/Builder:

Date of Construction:

Write a chronological history of the property, focusing primarily on the original or principal owners & significant events.