

**PLANNING COMMISSION STAFF REPORT  
ADMINISTRATIVE ITEM**

**Sugar House Streetcar Surplus Property  
Declaration of Surplus Property  
PLNPCM2014-00003  
968 East Sugarmont Drive  
February 26, 2014**



Planning Division  
Department of Community  
and Economic Development

**Applicant:** Mayor Ralph Becker

**Staff:** Maryann Pickering at  
(801) 535-7660 or  
maryann.pickering@slcgov.com

**Tax ID:** 16-20-178-001

**Current Zone:** OS (Open Space)

**Master Plan Designation:**  
Parks & Open Space

**Council District:** Council District 7 –  
Lisa Ramsey Adams

**Community Council:** Sugar House  
Community Council

**Lot Size:**  
2.85 acres

**Applicable Land Use Regulations:**

- Section 2.58
- Section 2.90.120
- Section 21A.32.070

**Attachments:**

- A. Petition Initiation Request
- B. Department Comments
- C. Property Photographs

***Request***

Mayor Ralph Becker is requesting approval from the City to declare city-owned property as surplus and remove the property from the Open Space Lands Program. The land is commonly known as the Fairmont Park Tennis Courts and is currently used as a community garden and community center. The property is zoned as OS (Open Space). This type of project must be reviewed as a Surplus Property petition.

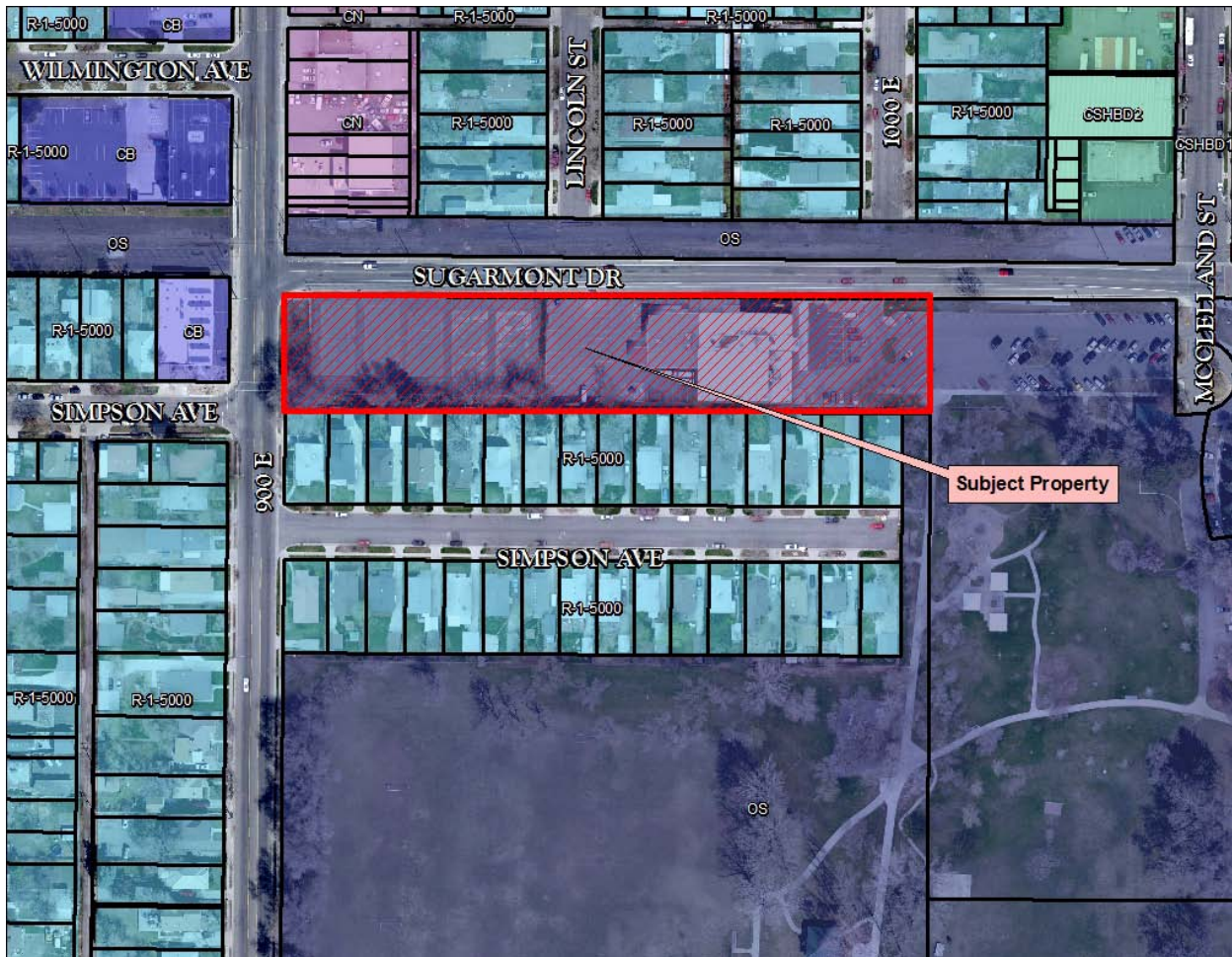
***Recommendation***

With regard to petition PLNPCM2014-00003, based on the findings within this staff report, staff recommends that the Planning Commission declare surplus the 2.85 acre property located at 968 East Sugarmont Drive and forward a recommendation to the City Administration to dispose of the property in a manner consistent with Sections 2.58 and 2.90 of the Salt Lake City Code.

***Recommended Motion***

With regard to petition PLNPCM2014-00003, based on the findings within this staff report, I move that the Planning Commission declare surplus the 2.85 acre property located at 968 East Sugarmont Drive and forward a recommendation to the City Administration to dispose of the property in a manner consistent with Sections 2.58 and 2.90 of the Salt Lake City Code.

## Vicinity Map



### **Background** **Project Description**

The property that the city wishes to surplus the area noted above in red. The property is currently located in the Open Space zoning district; therefore, the property is included in the Open Space Lands Program. Section 2.90.120 of the Salt Lake City Code regulates the removal of lands from the Open Space Lands Program and requires a public hearing before the Mayor and City Council. Following the public hearing, the property cannot be sold for six months in order to provide opportunity to explore other alternatives to the proposed sale of the open space land.

In 2011, the City underwent a community visioning process to develop urban design and development recommendations related to the Sugar House Streetcar and greenway corridor. As a result of the process, the project consultant recommended a number of changes to the existing development patterns to create transit oriented development that would support the significant investment the City has made in developing the rail transit corridor. One such recommendation was to create a neighborhood scale transit district near the future 900 East streetcar station. The recommendation went further by stating that the property located south of the future station, the

current location of the tennis courts and community garden, should be redeveloped as a two to three story residential townhome development.

As a result of the recommendations stated in the visioning report, the Planning Division has proposed land use regulations that support the transit oriented development vision. The draft regulations would rezone the subject property to a neighborhood scale mixed use zoning district. In July 2013, the Planning Commission forwarded a favorable recommendation to the City Council to rezone this subject property. The City Council is the final decision maker regarding zoning amendments. It is anticipated that they will consider the item in the near future.

In addition to the Fairmont Park tennis courts, the subject property also houses the Boy's and Girl's Club (B&G Club), which currently owns the building but is leasing the land from the City. The lease expires in the year 2027. There is no intention of terminating this lease, but in the event that the B&G Club relocates on their own, or with the City assistance, the property could be redeveloped to support the neighborhood transit district if removed from the Open Space Lands Program.

In the event that the City Council approves the zoning amendment and the removal of the property from the Open Space Lands Program, the Department of Neighborhood and Housing Development will issue an RFP for the purchase and development of the property. The City will select the developer according to City procedures for doing so and will initiate Declaration of Surplus Property proceedings at that time.

### ***Public Notice, Meetings and Comments***

Notice of the public hearing for the proposal includes:

- Public hearing notice mailed on February 13.
- Public hearing notice posted on City and State websites on February 13.
- Public hearing notice emailed to the Planning Division listserv on February 13.

### **City Department Comments**

The comments received from pertinent City Departments / Divisions are attached to this staff report in Attachment B. The Planning Division has received comments from the applicable City Departments / Divisions. In general, these comments are supportive of the proposed request and the concerns of each Department / Division are summarized below.

**Sustainability:** Recommends that no transfer of the property or development occurs prior to November 30, 2014. The current lease for the community gardens will expire on this date.

**Public Services:** A suitable site for the replacement tennis courts will need to be found and the City will need to fund the potential purchase of the land and construction of new tennis courts. There is also concern that a recreation asset will be lost and the community will be underserved.

Parks & Public Lands: Staff recommends that the open space disposition process be followed, the Parks, Natural Lands, Urban Forestry and Trails Advisory Board (PNUT) have an opportunity to make a recommendation; and should the lands be removed from the inventory the open space fund be compensated appropriately.

## **Analysis**

There are no specific standards for declaring City-owned property surplus. It is appropriate, however, to weigh the following considerations when deciding to declare a piece of property surplus.

### **1. The proposed use and project description.**

**Analysis:** The proposed use of the surplus property was discussed during the public process and hearings for the proposed zoning and master plan amendments related to the Sugar House Streetcar zoning project. From the beginning of that project, this property was identified for a transit oriented development should the property be declared surplus and eventually sold as private property. Staff recommended and the Planning Commission concurred that the property should be rezoned to a transit oriented designation. The Planning Commission recommendation has been forwarded to the City Council for their consideration.

Based on the proposed zoning designation, staff would envision that a mixed use development with commercial and residential would occur on the site. Because the property is still owned by the City and the zoning designation is Open Space, no formal plans have been submitted or reviewed at this point.

**Finding:** There are no definitive plans for reuse of the property at this time. The proposed zoning and master plan designation would allow development to occur on the site. Should the property be declared as surplus and disposed of by the City, this site could serve as a catalyst for future development along the Sugar House Streetcar alignment.

### **2. The history of the subject property.**

**Analysis:** The property has been part of Fairmont Park for many years. The tennis courts were maintained and used in the past. However, funding for the maintenance of the tennis courts has not been allocated for several years and they have fallen into disrepair. More recently, the site has been used as a community garden.

**Finding:** As noted, the site has not been used as tennis courts for a few years and they are in need of repairs and upgrading. It would be near impossible to use the courts in their condition today. A substantial investment by the City would need to be made in order to upgrade the courts to a playing condition. As part of the visioning study for the Sugar House Streetcar that was prepared with input from the community, the site was identified that a better use might be a mixed-use transit oriented development.

**3. Access to the property.**

**Analysis:** The property is located at the corner of two arterial streets (Sugarbont Drive and 900 East). Should a use other than the tennis courts or community garden be proposed for the site, there is available access from two streets. Final determination for access would be made by the Transportation Division when a project is proposed.

**Finding:** The property has existing access points to city streets.

**4. The proposed method of disposition of the property if declared surplus.**

**Analysis:** If declared surplus, the Property Management Division would be charged with disposal of the property. All property transactions must be consistent with the standards found in Sections 2.58 and 2.90 of the City Code. The Mayor has final authority to dispose of City-owned real property. The intent is to market the property for future development through an RFP and it would be sold to a private developer.

**Finding:** The Property Management Division will coordinate the disposition of the property in accordance with both applicable Sections of the City Code.

**5. The comments received from applicable departments.**

**Analysis:** No objections were received from any of the divisions or departments with regard to the surplus property. There were three divisions and departments that provided recommendations for the disposition of the property. The comments in general are noted below:

Sustainability: Recommends that no transfer of the property or development occurs prior to November 30, 2014. The current lease for the community gardens will expire on this date.

Public Services: A suitable site for the replacement tennis courts will need to be found and the City will need to fund the potential purchase of the land and construction of new tennis courts. There is also concern that a recreation asset will be lost and the community will be underserved.

Parks & Public Lands: Staff recommends that the open space disposition process be followed, the Parks, Natural Lands, Urban Forestry and Trails Advisory Board (PNUT) have an opportunity to make a recommendation; and should the lands be removed from the inventory the open space fund be compensated appropriately.

The entirety of all comments received is located in Exhibit B.

**Finding:** There are no comments from City departments that would impact its qualification for being declared surplus.

**6. Compliance with adopted policies of relevant master plans.**

**Analysis:** The property is located in the *Sugar House Community Master Plan* area. The current zoning and master plan designation of Open Space is inconsistent with any type of commercial, residential or mixed use development. However, a consistent master plan and zoning designation has been proposed for the site as part of the Sugar House Streetcar zoning and master plan amendment request. An orderly chain of events including removing the land from the Open Space Lands Program, declaration of the site as surplus and a change in the zoning and master plan designation by the City Council would all need to occur before any type of project could be developed on the property.

**Finding:** The property has yet to be officially rezoned to match the proposed future land use designation. This action would need to be done before any private commercial development takes place.

**7. Whether annexation is required.**

**Analysis:** The property is within city limits.

**Finding:** No annexation is required for this proposal.

**8. Consistency with adopted governmental codes and regulations.**

**Analysis:** City Code Section 2.58 outlines the process for declaring property surplus. Once the Planning Commission makes a recommendation to the City Administration, the item will be transmitted from the Community and Economic Development Department to the Chief Administrative Officer. In addition to the property being declared as surplus, it will need to be removed from the Open Space Lands Program according to the procedures in Section 2.90. Once both of those processes have been complied with, the disposition of the property can be finalized.

**Finding:** The subject property is being disposed of in accordance with applicable governmental codes and regulations.

**Attachment A**  
**Petition Initiation Request**



SCANNED TO: Mayor  
SCANNED BY: Ractel C.  
DATE: 11.19.13

# MEMORANDUM

HOUSING AND NEIGHBORHOOD DEVELOPMENT  
COMMUNITY & ECONOMIC DEVELOPMENT

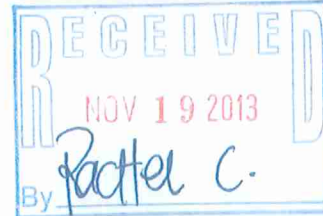
To: Mayor Ralph Becker

From: Ryan McFarland, Real Property Manager

Date: November 19, 2013

Cc: Eric Shaw, Community & Economic Development Director; Mary De La Mare-Schaefer, Community & Economic Development Department Deputy Director; Michael Akerlow, Housing and Neighborhood Development Director; Nichol Bourdeaux, Housing and Neighborhood Development Deputy Director; Wilf Sommerkorn, Planning Director; Cheri Coffey, Assistant Planning Director; Nick Norris, Planning Manager; DJ Baxter, RDA Director, file

Re: Initiate petition to declare property surplus and remove from the Open Space Lands Program



The purpose of this memo is to request that you initiate a petition to declare City-owned property as surplus and remove the property from the Open Space Lands Program. The property is located at 968 E. Sugarmon Drive and houses the Fairmont tennis courts and Boys and Girls Club. A map showing the location of the property is attached.

The property is currently located in the Open Space zoning district; therefore, the property is included in the Open Space Lands Program. Section 2.90.120 of the Salt Lake City Code regulates the removal of lands from the Open Space Lands Program and requires a public hearing before the Mayor and City Council. Following the public hearing, the property cannot be sold for six months in order to provide opportunity to explore other alternatives to the disposition of open space land.

In 2011, the City underwent a community visioning process to develop urban design and development recommendations related to the Sugar House Streetcar and greenway corridor. As a result of the process, the project consultant recommended a number of changes to the existing development patterns to create transit oriented development that would support the significant investment the City has made in developing the rail transit corridor. One such recommendation was to create a neighborhood scale transit district near the future 900 East streetcar station. The tennis court property was specifically identified as a future redevelopment site.

As a result of the recommendations stated in the visioning report, the Planning Division has drafted land use regulations that support the transit oriented development vision. The draft regulations include rezoning the subject property to a neighborhood scale mixed use zoning district. The Planning Commission reviewed the proposed zoning on July 31, 2013 and voted in support of the new zoning designation. The next step in the zoning amendment process is a hearing before the City Council. The City Council is the final decision making authority regarding zoning amendments.

In the event that the City Council approves the zoning amendment and the property is declared surplus and removed from the Open Space Lands Program, the Department of Neighborhood and Housing Development will issue an RFP for the purchase and development of the tennis court property. The City will select the developer according to Salt Lake City rules and procedures.



In addition to the Farimont tennis courts, the subject property also houses the Boy's and Girl's Club (B&G Club), which currently owns the building but is leasing the land from the City. The lease expires in the year 2027. There is no intention of terminating this lease, but in the event that the B&G Club relocates on their own or with assistance from the City, the property could be redeveloped to support the neighborhood transit district if declared surplus and removed from the Open Space Lands Program.

Please contact me if you have questions.

Thank you.

*Concurrence to initiating the petition as noted above.*

  
\_\_\_\_\_  
Ralph Becker, Mayor

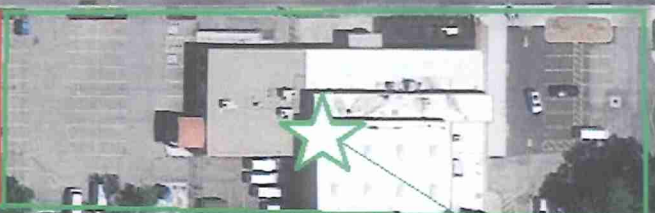
11/22/13  
\_\_\_\_\_  
Date



Sugar House Street Car - 900 East Station



Salt Lake City Tennis Courts - 968 E. Sugarmont Drive



Boys and Girls Club

## **Attachment B**

### **Department Comments**



# Memorandum

**Sustainability Division  
Public Services Department**

**TO:** Maryann Pickering, Planning Division

**FROM:** Vicki Bennett, Sustainability Division

**DATE:** January 8, 2014

**RE:** Surplus Property Disposition – PLNPCM2014-00003  
968 E. Sugarmont Drive (Sugar House Tennis Courts/Community Gardens)

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The purpose of this memo is to submit formal comment regarding the surplus property disposition proposal for 968 E. Sugarmont Drive (Sugar House Tennis Courts/Community Gardens).

The Sustainability Division, in partnership with the Parks and Public Lands Division and Wasatch Community Gardens, has had an agreement with the Sugar House Community Garden for the past two years to perform a horticulture trial on the Fairmont Tennis Courts. This trial has been a successful community project and has helped the City identify best management practices for community gardens on City land. We anticipate that this final year will provide valuable insight into how further refine the organizational and management structure to support this community group as it plans to transition to another property next year.

The Sustainability Division supports the recommendation for the Planning Commission to rezone the parcel, currently zoned OS (Open Space), as part of the Sugar House Streetcar Rezoning project. We also support the Department of Neighborhood and Housing Development plan to issue the purchase and development of the land for future transit oriented development after the current agreement with Sugar House Community Garden expires on November 30, 2014.

Should the surplus property disposition proposal for 968 E. Sugarmont Drive be approved, we would require that the current agreement with the Sugar House Community Garden be honored, and that no development of the property would occur before November 30<sup>th</sup>, 2014.

**CC:** Mike Akerlow, Director of Housing and Neighborhood Development  
Rick Graham, Director of Public Services

**From:** [Graham, Rick](#)  
**To:** [Pickering, Maryann](#)  
**Cc:** [Reese, Todd](#); [Maloutas, Emy](#)  
**Subject:** Surplus Property Disposition - Sugarhouse Tennis Courts - PLNPCM2014-00003  
**Date:** Friday, January 24, 2014 8:23:21 AM

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Please accept my comments and add it to those already provided by Todd Reese and Emy Maloutas, representing the Parks and Public Lands Program.

If the Zoning change is approved and the property is made available for sale and reuse, the largest collection of tennis courts in the Sugarhouse community will be displaced and permanently taken out of service. Loosing the tennis courts will result in a public recreation facility loss for the community. The loss will need to be restored. The Public Services Department fully supports the zoning change and land re-use, but there must be a requirement that tennis courts, in some number, need to be re-built in the community. The department has been working with the Property Division to find a suitable building site for the displaced courts. No reasonable sites, either public or private, are available. Attention is now focused on converting overflow parking at Forest Dale Golf Course into tennis courts. The property is a golf fund asset that would have to be purchased from the golf fund. This parcel is also zoned open space. It is possible that alternative sites for the displaced tennis courts may be found. Again, options are very limited right now. So,

Requirement: Suitable site, and funding for the purchase of land and construction of replacement tennis courts must be acquired.

Concerns: Loss of 5 tennis courts in the Sugarhouse community is a significant public recreation loss which will leave the community underserved.

Thank you for considering my comments.

Rick Graham  
Director, Public Services Department

Sent from my iPad

## Memorandum

To: Maryann Pickering, Planning Division

From: Todd Reese, Park & Public Lands Program Director  
Emy Maloutas, Open Space Lands Program Manager, Parks and Public Lands

Date: January 24, 2014

**Re: Response to declaration of 968 E Sugarmont Dr as surplus property and removal from the Open Space Lands Program Inventory**

### Background

On Jan 8<sup>th</sup> Public Services received a memo from Maryann Pickering related to a surplus property request at 968 E Sugarmont Dr. This property is currently in Parks and Public Lands open space inventory and managed as a part of Fairmont Park. The current and former uses of the proposed surplus property include tennis and community gardens.

On Nov 22, 2013 Mayor Becker signed a petition to declare 968 E Sugarmont Dr as surplus property and remove it from the Open Space Land Program inventory.

The Nov 19<sup>th</sup> Cover Memorandum related to this petition has a subject matter “*initiated petition to declare property surplus and remove from the open lands program*”; and Parks and Public Lands wants to provide clarification that the surplus property disposition has a separate and distinct process from removing lands from the open space inventory. The memo is not clear on this point and we would like to make sure that the CED staff involved in this process understand that only the disposition process summarized in the outline below and in Ordinance 2.90.120 are relevant to Parks and Public Lands.

### **Open Space - Ordinance 2.90.120 (Summary of steps)**

- 1) **Proposal** (written, signed and accepted by the mayor)
  - a. Purpose of sale
  - b. Purchaser
  - c. Amount
  - d. Future use
  - e. Anticipated change in zoning
  - f. Statement by the Mayor why the sale in the best interest of the City
- 2) **Public Hearing** - Mayor and City Council
  - a. Transmittal (Mayor/ Public Services)
- 3) **Notice of Public Hearing**
  - a. publication of notice in newspaper 30 day advanced (City Recorder)
  - b. mailing notice to property owners within 1000 ft 30 day advanced notice (planning)
  - c. all notices shall comply with notice language in ordinance 2.90.120 A.3.d
- 4) **Notice of Sale**
  - a. Two signs 2’x3’ on property 30 days advance of hearing containing notice information (3.c above)

- 5) **Council may elect to conduct an Advisory Vote**
- 6) **Conveyance**
  - a. No conveyance until 6 month after conclusion of public hearing

### **Overview and Implications**

The Nov 19<sup>th</sup> memo describes three things needing to happen before HAND could potentially develop and RFP for the proposed surplus property

1. Rezone – PPL land inventory include properties of many zoning designations and therefore the inventory is not contingent on zoning. Therefore, in terms of rezoning the PPL staff has no comment.
2. Surplus – The process of declaring property as “surplus” to our knowledge relates to the selling of land by the City. Whether the surplus property process should occur before, after or concurrently with the open space disposition process; should be clarified the City Attorney’s Office.
3. Removal of lands from OS Inventory – One of the unstated goals of the open space program is to increase the inventory to meet the current and future needs of the community. However we recognize that from time to time there will be issues and opportunities will arise that might require land to be disposed of from the inventory. This is why the disposition process was created.

Specific to this proposal, our opinion is that the fund derived from this sale of the approximate 2.85 acres would be deposited into the open space fund as specified in Ordinance 2.90.120B . We would anticipate the value of the land being disposed would be based on an appraisal and for its highest and best use (possibly a transportation oriented development).

A part of the value of this open space relates to the programmed use as tennis courts and community gardens. It would seem reasonable to assume that the replacement value of the tennis courts and community gardens would be in addition to the value of the land.

In addition to the Jan 8<sup>th</sup> Memo, PPL Staff received and email from Maryann Pickering inquired if the Parks, Natural Lands, Urban Forestry and Trails Advisory Board (PNUT Board) had discussion about the potential disposition of the property. To date, PPL staff has not responded to Maryann. However, as you know the PPL staff has briefed the PNUT board on this and related issues over the past few months. There have been no staff recommendations and the PNUT Board has taken no formal action; but believe they are very interested in this issue and making a recommendation.

### **Recommendation**

Staff recommends that the open space disposition process be followed, the PNUT Board have an opportunity to make a recommendation; and should the lands be removed from the inventory the open space fund be compensated appropriately.

Cc: Rick Graham, Public Services Director; Alden Breinholt, Public Services Operations Director; Nancy Monteith, PPL Landscape Architect



# Work Flow History Report

## 968 E SUGARMONT Dr

### PLNPCM2014-00003

Date	Task/Inspection	Status/Result	Action By	Comments
1/14/2014	Transportation Review	Complete	Walsh, Barry	<p>January 14, 2014</p> <p>Maryann Pickering, Planning</p> <p>Re: PLNPCM2014-00003 at 968 E Sugarmont Drive to declare surplus property and change the zoning status for future development.</p> <p>Transportation review comment and recommendations are as follows:</p> <p>We see no direct impact to the existing transportation corridor of Sugarmont Dr. with the proposed zoning change, in that all transportation issues are to comply with the proposed zone for future development. Future development will also require the upgrade of the public pedestrian sidewalk fronting this property per the complete street regulations.</p> <p>Sincerely,</p> <p>Barry Walsh</p>
1/27/2014	Engineering Review	Complete	Weiler, Scott	<p>No objection to the proposed declaration of surplus property. If the existing sidewalk on Sugarmont or 900 East adjacent to this property contains tripping hazards, it is recommended that they be remedied.</p>
1/28/2014	Building Review	Complete	Pickering, Maryann	<p>No comments received.</p>
1/28/2014	Fire Code Review	Complete	Pickering, Maryann	<p>No comments received.</p>
1/28/2014	Police Review	Complete	Pickering, Maryann	<p>No comments received.</p>
1/28/2014	Public Utility Review	Complete	Pickering, Maryann	<p>No comments received.</p>
1/28/2014	Sustainability Review	Complete	Pickering, Maryann	<p>See attached comments.</p>
1/28/2014	Zoning Review	Complete	Pickering, Maryann	<p>No comments received.</p>



# **Attachment C**

## **Property Photographs**



*View of tennis courts/community garden from the southeast corner of 900 East and Sugarmont Drive.*



*Boys & Girls Club from the eastern edge of the tennis courts.*



*Eastern side of the tennis courts with houses along Simpson Avenue in the background.*



*Southern edge of the tennis court/Boys & Girls Club property taken from 900 East.*