

Staff Report

PLANNING DIVISION COMMUNITY & ECONOMIC DEVELOPMENT

To: Salt Lake City Planning Commission

From: John Anderson, 801-535-7214, john.anderson@slcgov.com

Date: September 27, 2017

Re: PLNPCM2017-00591 Barnes and Celtic Bank Buildings Property Disposition

Declaration of Surplus Property

PROPERTY ADDRESS: Approximately 431 S. 300 E.

PARCEL ID NUMBERS: 431 S. 300 E: 16-06-331-014; 320 E. 400 S.: 16-06-331-015-2000; 330 E. 400 S.: 16-06-404-013; 338 E. 400 S.: 16-06-405-001; 419 S. Blair St.: 16-06-405-003; 429 S. Blair St.: 16-06-405-004; 439 S. Blair St.: 16-06-405-005 and portions of 475 S. 300 E: 16-06-404-014.

REQUEST: Salt Lake City is seeking to convey several significant parcels of real estate located at approximately 431 S. 300 E. to a development group, pursuant to Municipal Code section 2.58.040. The development group intends to construct a mixed-use development on the site that would include commercial space as well as multi-family residential dwellings.

RECOMMENDATION: Based on the information in this staff report, Planning Staff recommends that the Planning Commission forward a recommendation of approval to the City Administration to declare the properties surplus and dispose of them in a manner consistent with section 2.58 of the Salt Lake City Code.

ATTACHMENTS:

- A. ANALYSIS OF STANDARDS
- **B.** PUBLIC PROCESS AND COMMENTS
- C. <u>DEPARTMENT REVIEW COMMENTS</u>
- D. PROPOSED PROJECT PLANS
- E. NOTICE
- F. SITE PHOTOGRAPHS

PROJECT DESCRIPTION: Salt Lake City Real Estate Services Division is seeking to declare several parcels of property as surplus in order to convey these significant parcels of real estate located at approximately 431 S. 300 E. to a development group, pursuant to Municipal Code section 2.58.040 (See map below).

The property consists of 2.31 acres and currently consists of three vacant structures. These structures include the former Barnes Bank and Celtic Bank buildings as well as the former Roasting Company. Some landscaped areas and existing parking areas around the vacant structures would be included in

the proposed property conveyance. The proposed buyer was selected from a group of potential developers that responded to a Request for Proposals (RFP) initiated by the City. The proposed development is a mixed-use development that will include affordable housing in addition to market rate housing and commercial uses. This development proposal is not currently under review. Comments and discussion should be related to the declaration of the property as surplus. Any future development on the site would be required to be designed in accordance with all city standards and regulations. More information related to this proposal can be found in Attachment D.



The map above identifies the subject properties.

ATTACHMENT A: ANALYSIS OF STANDARDS

2.58.040: STANDARDS FOR SALE, TRADE, LEASE, AND CONVEYANCE OR REAL PROPERTY

Factor	Finding	Rationale
1. A significant parcel of real property owned by the city or any significant legal interest therein shall not be sold, traded, leased or otherwise conveyed or encumbered until the city has provided reasonable notice to all interested parties and held at least one public hearing on the proposed conveyance as set forth herein.	Complies	Notices were sent to all abutting neighbors on 9/14/17. Additionally, the notice was posted on the City website and delivered to local newspapers on 9/14/17. A public hearing before the Planning Commission will be held on 9/27/17. (see attachment E for a copy of the notice)
 Reasonable notice of the proposed conveyance shall include the following: Notice of the proposed conveyance shall be mailed to all abutting property owners. Notice of the proposed conveyance shall be delivered to the office of the city council, posted in the office of the city recorder, delivered to a local media representative, and posted on the city's website. 	Complies	Notices were mailed to all abutting property owners, delivered to the Office of the City Council, posted in the City Recorder's office, delivered to local media, and posted on the City website on 9/14/17. (see attachment E for a copy of the notice)
3. No significant parcel of city owned real property identified in section 2.58.035, including table 2.58.035D, of this chapter may be conveyed until after a public hearing has been held before one or more of the following as may be applicable: the planning commission, the airport board, the public utilities advisory committee, the golf enterprise fund advisory board, or the parks, natural lands, trails, and urban forestry advisory board.	Complies	The public hearing is scheduled before the Planning Commission on 9/27/17.

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4. In addition to the public hearing required above, the city council may also request a public hearing before the conveyance of the property. Any request for a hearing before the city council must be delivered to the office of the mayor no less than fifteen (15) days after delivery of the notice to the office of the city council pursuant to subsection B2 of this section. If no request for a hearing is made within that time period, the city council shall be deemed to have waived any right to request a hearing.	Complies	The City Council received notice of these applications on 9/14/17. There has not been a public hearing requested by that body at this time.
If a written call for hearing has been made by the city council, the mayor or his or her designee shall attend the hearing to hear and consider comments upon proposals to convey the property specified in the notice. The hearing shall take place before, after or in conjunction with a regularly scheduled city council meeting, as determined by the mayor.		
Any notice of a proposed conveyance of a significant parcel of city owned real property shall specify the following: 1. A description of the property to be conveyed or encumbered; 2. The nature of the proposed conveyance or encumbrance, whether the property is to be sold, traded or encumbered, including the nature of the conveyance if the property is to be sold, or if a trade or lease of property is contemplated, a brief summary of the proposed transaction; 3. Persons to whom interests are to be conveyed; 4. Any consideration tendered; 5. The name of the person, department or entity requesting such action; 6. The basis upon which the value of the interest has been determined by the city;	Complies	All standards were met when notices were sent. Please see copies of the notices in Attachment E.

7. The date, time and location of the public hearing to be held before the planning commission, airport board, public utilities advisory committee, golf enterprise fund advisory board, or parks, natural lands, trails, and urban forestry advisory board, as applicable. The notice shall further state that interested persons may appear and comment upon the proposal.		
The conveyance or encumbrance of a significant parcel of real property of the city may be finalized: 1. By the mayor, at his/her discretion following notice and any public hearings required by this section; or 2. By the mayor, if the transfer is revocable and the mayor has determined that an unanticipated combination of facts and conditions of pressing necessity has emerged that requires that action be taken before a city council hearing. Such conditions shall not be deemed to arise unless it appears that delay from the notice or a city council hearing would produce: a. Great or irreparable injury to persons seeking the conveyance or encumbrance, with negligible impact upon city interests; b. Serious detriment to the social or economic interest of the community as whole; or 3. Substantial economic loss to the city.	Undetermined	The finalization phase has not yet occurred. This cannot occur until the property has been declared surplus
Any decision by the mayor to forego the city council hearing provisions of this section shall be made in writing to the city council, stating the specific reasons upon which the decision was based.	Undetermined	Planning staff has no knowledge of this having occurred in regards to this application.

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The following shall be exempt from the mandatory procedures of this section: 1. The leasing of existing buildings, infrastructure, or facilities; 2. Special events lasting less than twenty one (21) days; 3. The leasing of recreation areas in accordance with their intended use; 4. The selling of burial rights in the Salt Lake City Cemetery; and 5. The granting of easements or other rights that service the property, including grants in connection with utilities or safety equipment such as traffic signal poles. Any such easement or use right must be primarily for the benefit of the city. With respect to open space land under chapter 2.90 of this title, such easement or use right may be granted only with the approval of the city's open space lands manager. (Ord. 50-15, 2015)	Not Applicable	None of the subject properties are exempt from the mandatory procedures.
NOTES:		

ATTACHMENT B: PUBLIC PROCESS AND COMMENTS

Public Notice, Meetings, Comments

Notices were mailed to property owners within 300 feet of the properties and the Downtown Community Council was contacted. No comments were received from the public or the community council.

Notice of the public hearing for the proposal included:

Public hearing notice delivered to the office of the City Council and posted in office of the City Recorder on September 14, 2017.

Public hearing notice posted on City and State websites and Planning Division list serve, mailers sent to all properties within 300 feet of the subject parcels, and delivered to a local media representative on September 14, 2017.

Public hearing notice published in the newspaper on September 16, 2017.

Public Input:

No public comment has been received regarding this petition.

ATTACHMENT C: DEPARTMENT REVIEW COMMENTS

Engineering (Scott Weiler)

No objections.

Zoning (Greg Mikolash)

The project that will be associated with this disposal of property has been through at least 2 DRT meetings where the need for a street closure (disposing) of City property was discussed. Building Services has identified no issues associated with this disposing of the private r.o.w. areas; however, comments will be associated with the review of any/all future permitting of buildings, parking, and landscaping on the site(s).

Transportation

No comments.

Public Utilities

No comments

Fire

No comments.

Sustainability

No comments.

Police

No comments.

ATTACHMENT D: PROPOSED PROJECT PLANS



SW CORNER PERSPECTIVE





NW CORNER PERSPECTIVE





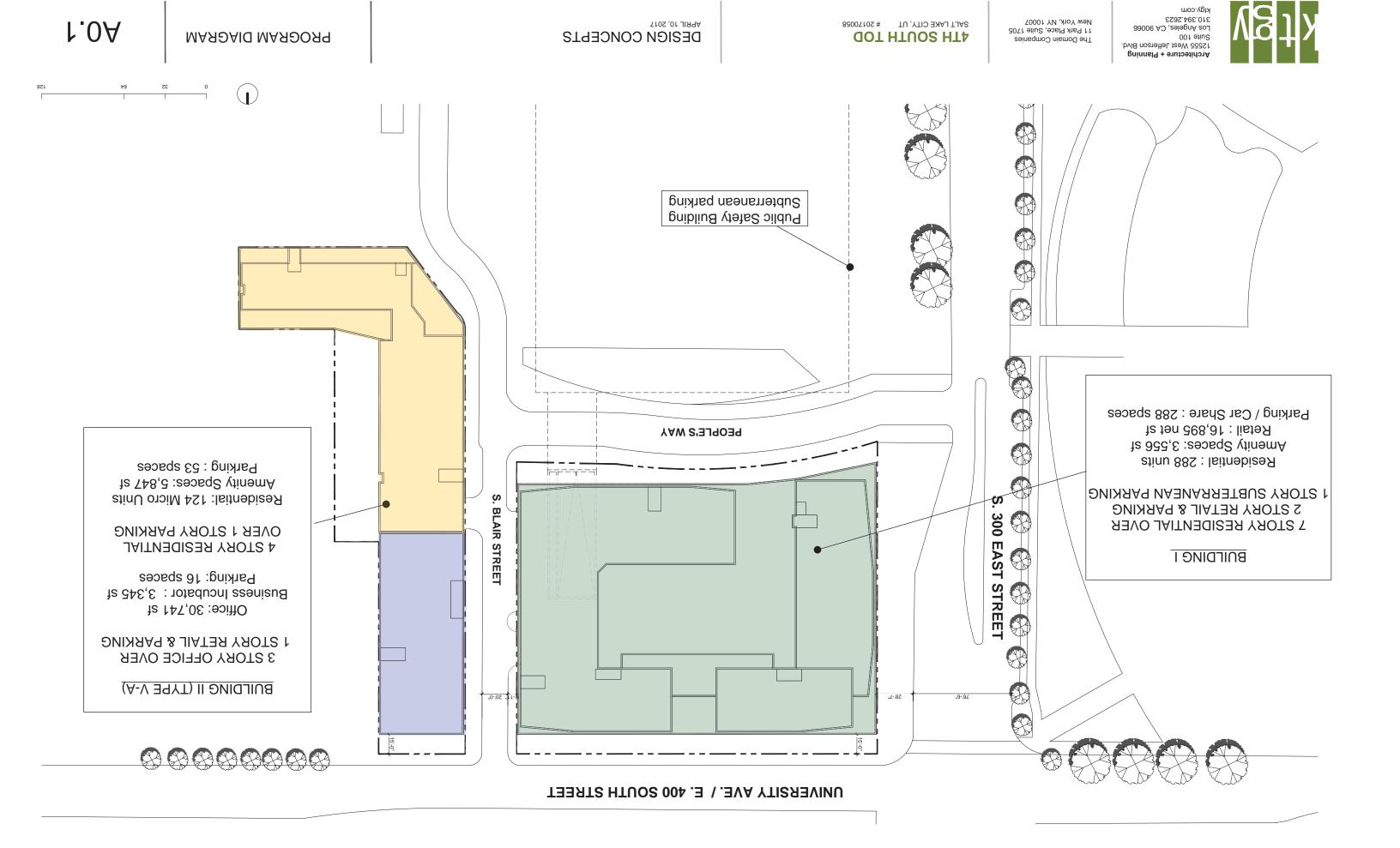
SW CORNER RETAIL PERSPECTIVE

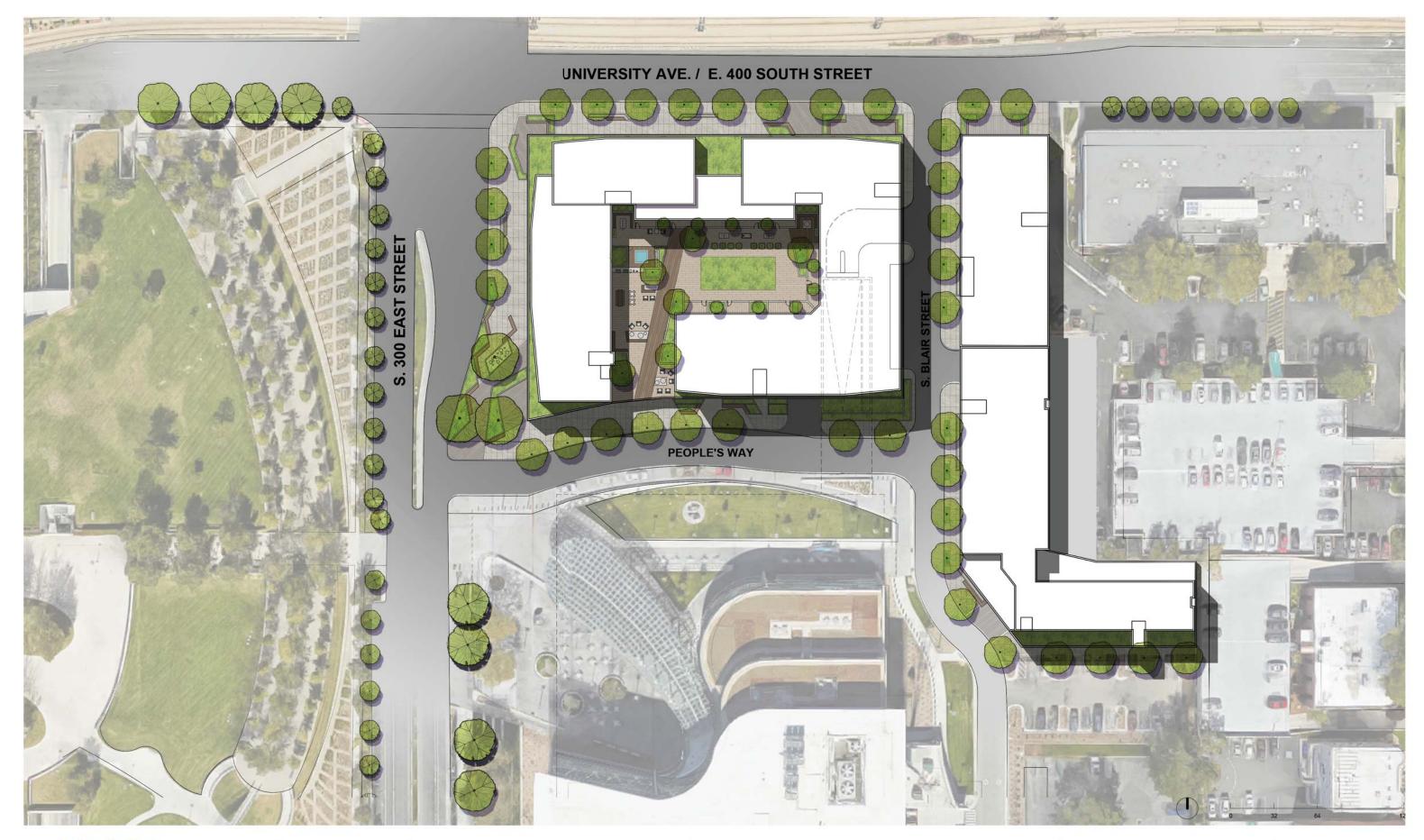




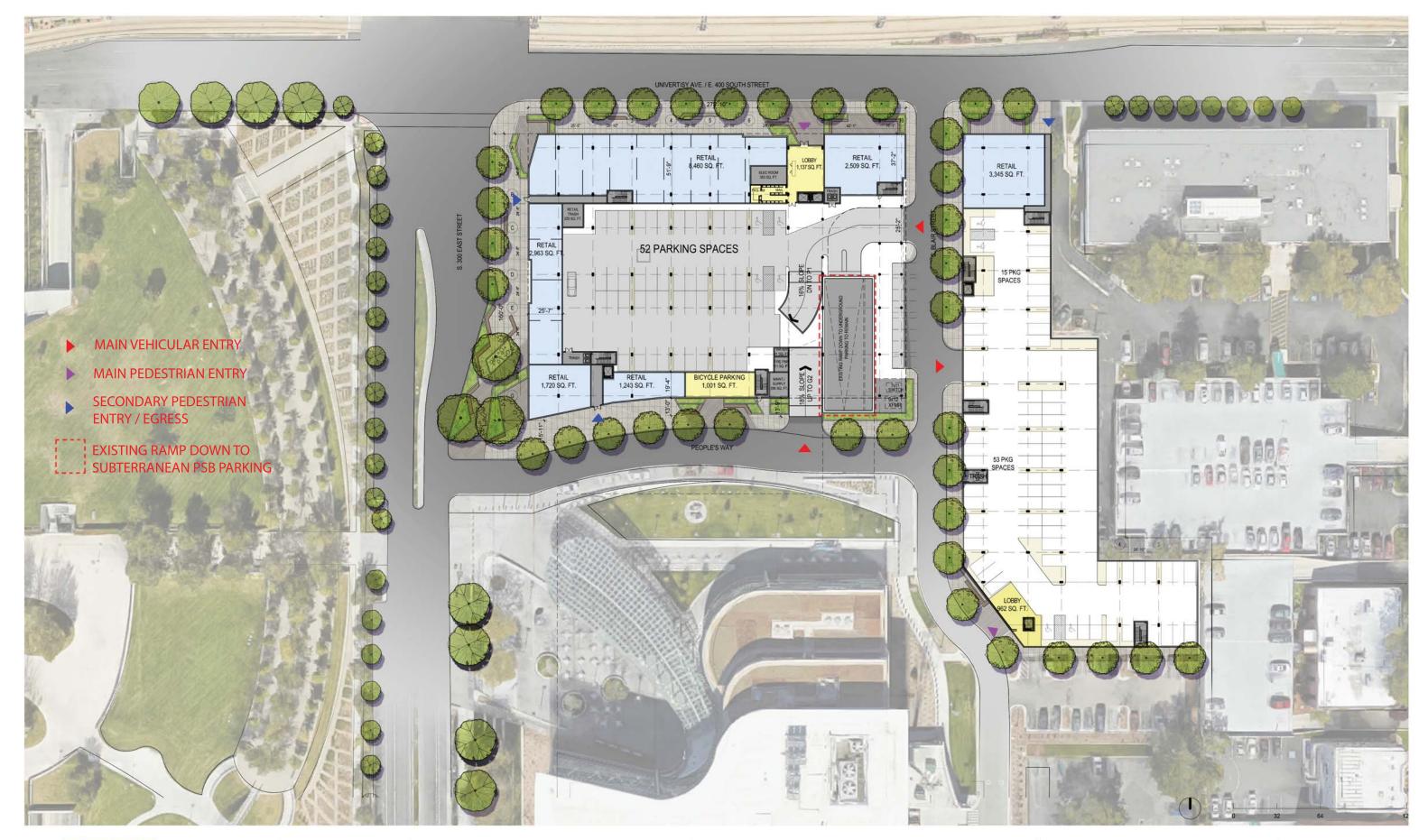
NE CORNER PERSPECTIVE













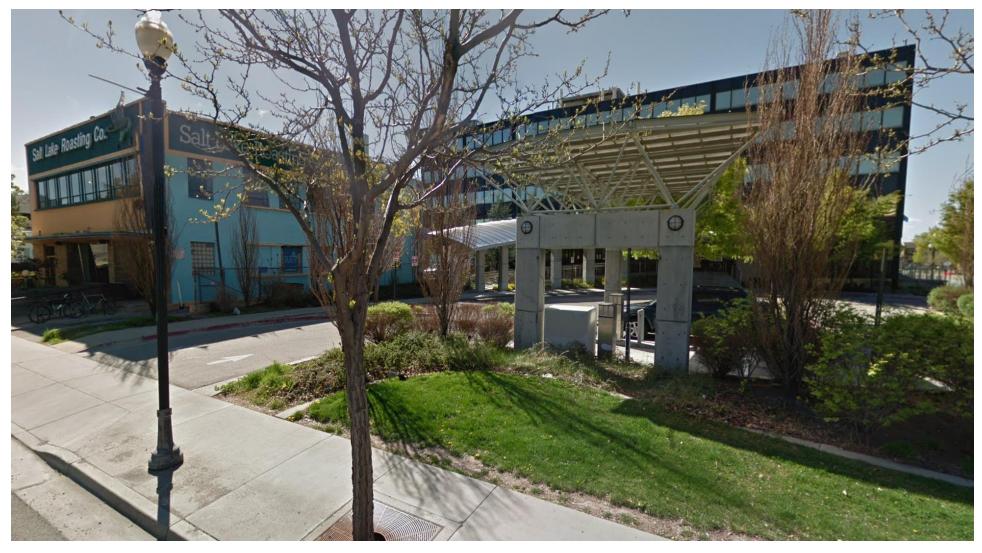
ktgy.com

ATTACHMENT E: NOTICE

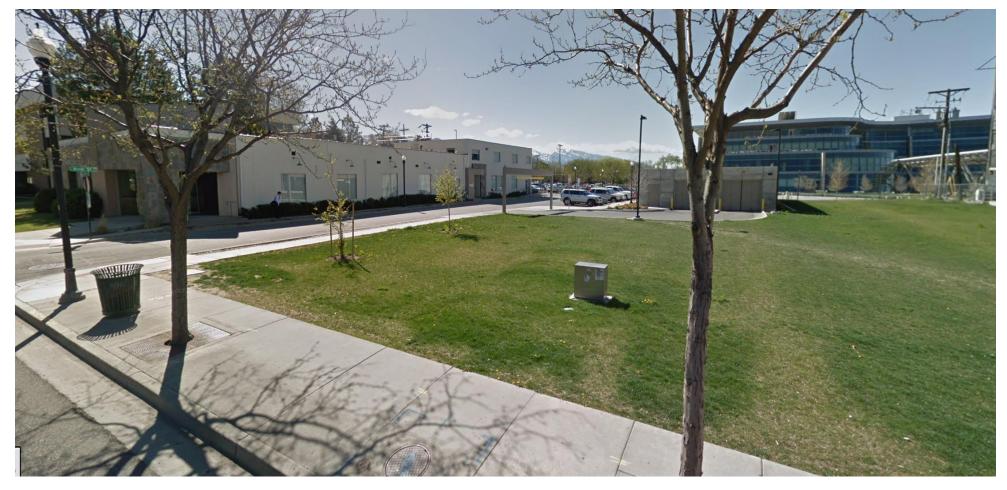
PLNPCM2017-00591- Disposition of City Owned Properties Located at Approximately 431 S. 300 E.

Salt Lake City Real Estate Services Division is seeking to convey 7 significant parcels of real estate located at approximately 431 S. 300 E. to Domain Development and the Giv Group, pursuant to Municipal Code section 2.58.040. The property consists of 2.31 acres and includes the former Barnes Bank, Roasting Company and Celtic Bank buildings and associated parking areas and open space. A formal development agreement will be negotiated upon approval of the disposition and then the property will then be sold. An appraisal will be obtained to determine the value of the properties. The proposal is to construct a mixed use development that would include affordable housing, market rate housing and commercial uses. The property is located in a TSA-UC-C Transit Station Area Urban Center Core District in Council District 4, represented by Derek Kitchen. (Staff contact: John Anderson at 801.535.7214 or john.anderson@slcgov.com)

ATTACHMENT F: SITE PHOTOGRAPHS



Photograph looking southeast with the former Salt Lake Roasting Company Building on the left side and the former Barnes Bank Building on the right.



Photograph looking southeast at the intersection of Blair Street and 400 South with the Public Safety Building in the background and the former Celtic Bank Building on the left.



Photograph looking south at the former Celtic Bank Building at the intersection of Blair Street and 400 South.



Photograph looking towards the northeast at the rear side of the former Barnes Bank Building.