

Staff Report

PLANNING DIVISION COMMUNITY & NEIGHBORHOODS

To:	Salt Lake City Planning Commission
From:	Doug Dansie, 801-535-6182 or <u>doug.dansie@slcgov.com</u>
Date:	December 12, 2018
Re:	PLNPCM2018-00645 D-1 Zoning Text Amendment – Allow for self-storage

Zoning Text Amendment

PROPERTY ADDRESS: All properties located in the D-1 Central Business District Zoning District **PARCEL ID:** Multiple **MASTER PLAN:** Downtown Master Plan **ZONING DISTRICT:** D-1 Central Business District

REQUEST: Bruce Bingham, representing 324 State Street LLC, has initiated a petition to change the text of the Zoning Ordinance to allow self-storage facilities in the D-1 Central Business District. The proposed amendment would affect the Table of Permitted and Conditional Uses for Downtown Districts (Section 21A.33.050, Zoning Ordinance). Related provisions of 21A-Zoning may also be amended as part of this petition. The D-1 zoning district is currently mapped in the downtown area between South Temple to 600 South and 200 East to 200 West.

RECOMMENDATION: Based on the analysis and findings of this report, it is the opinion of staff that the proposed text amendment to the D-1 Central Business District Zoning District meets the standards of approval. Staff recommends that the Planning Commission forward a favorable recommendation to the City Council for petition PLNPCM2018-00645 to add self-storage to the D-1 Zoning District as a permitted use in the land use chart with the further condition that they be limited to basement areas of buildings only.

ATTACHMENTS:

- A. Proposed Ordinance
- B. Map Showing all D-1 Zoning District zoned properties
- **C.** Analysis of Factors
- **D.** Public Process
- E. Department Comments
- **F.** Petitioner information

PROJECT DESCRIPTION: Bruce Bingham, representing 324 State Street LLC, has initiated a petition to change the text of the D-1 Central Business District zoning to allow self-storage facilities.

The impetus for this specific proposal is largely driven by the fact that the petitioner's building, 324 South State, is a former department store (Auerbachs) with a deep floorplate (portions of the building are further from the street than what would be typical for office or residential constriction) that does not always allow for easy conversion to office or residential. Many of the interior spaces lack the ability to have windows that would be desirable or required for office or residential development. While this particular building has challenges because it is a department store converted to office; the general issue of deep floor plate is not uncommon in Salt Lake City due to the large block size. The petitioner has indicated that their primary concern is the basement areas and that a text amendment that applied to the basement area only would be acceptable to them.

The D-1 zone is located in the downtown central business district; generally between South Temple to 600 South and 200 East to 200 West. While there are other Downtown zoning classifications in the city, the only D-1 mapped area is in the central core of the City. It is intended to be the most densely developed portion of the City.

Self-storage is presently permitted in the D-2 and D-3 zoning districts without specific design restrictions. It is prohibited in D-1 and D-4. Currently, the area shown on the map in Attachment B is the only area zoned D-1, however any text changes would apply to any potential future zoned properties.

The Downtown zoning districts in general were designed to facilitate the most urban levels of development in the City. The D-1 Central Business District zone provides the most dense development potential.

Purpose Statement: The purpose of the D-1 central business district is to provide for commercial and economic development within Salt Lake City's most urban and intense areas. A broad range of uses, including very high density housing, are intended to foster a twenty four (24) hour activity environment consistent with the area's function as the business, office, retail, entertainment, cultural and tourist center of the region. Development is intended to be very intense with high lot coverage and large buildings that are placed close together while being oriented toward the pedestrian with a strong emphasis on a safe and attractive streetscape and preserving the urban nature of the downtown area. This district is appropriate in areas where supported by applicable master plans. The standards are intended to achieve established objectives for urban design, pedestrian amenities and land use control.

Self-Storage is defined as a retail service establishment providing off site storage space to residents and businesses, offering convenience storage and limited warehousing services primarily for personal effects and household goods within enclosed structures having individual access, but excluding use as workshops, hobby shops, manufacturing or commercial activity. It differs from storage that is common in downtown buildings for offices and residences in that it off-site and functions independent of/not accessory to the main use.

A review of other similar western cities indicates the following:

- Denver permits mini-storage in its downtown district with the limitation that the Mini-Storage Facility use shall not have individual entrances to storage units from the exterior of the structure and are prohibited when the lot is located within 1/4 mile of a Rail Transit Station Platform
- Boise allows self-storage in their central business district as a conditional use
- Phoenix has 15 character areas in their downtown zones. Three character areas permit self-storage and five character areas allow them as a special permit.

• Sacramento does not list self-storage in their land use tables for their Central Business District zoning.

KEY CONSIDERATIONS:

The section that would be changed in the zoning ordinance as part of the proposed amendment is 21A. 33: D-1 Land Use Tables. The issues listed below have been identified through the analysis of the project as well as public comment.

1. Appropriateness of Storage in a Highly Dense Area

The Downtown zoning districts are intended to be mixed-use and highly dense, with the D-1 zone being the most dense and active.

DISCUSSION: The intent of all downtown zones is to create a densely developed portion of the City with multiple mixed-uses. In general, the only land uses that are prohibited tend to be heavy manufacturing, otherwise the area is intended to be a mixture of residential, commercial, light manufacturing, entertainment and office development.

Storage units were originally not allowed in the D-1 or D-4 zoning district because they do not provide a high level of activity. Self-storage is presently permitted in the D-2 and D-3 zoning districts.

The purpose statement of the D-1 zone indicates that it is intended to foster a twenty four (24) hour activity environment consistent with the area's function as the business, office, retail, entertainment, cultural and tourist center of the region. Self-Storage is not a highly active use, however, many active uses require some storage. There have been several multistory storage development build in the periphery of downtown (generally to the west, with two large storage development on 500 West at South Temple and 500 South). These tend to be used by offices requiring additional storage or residents, who have often downsized from a suburban location in order to move downtown. Storage units on the periphery of downtown may continue to be a reasonable alternative to having storage units downtown. However, self-storage downtown may provide support for uses that promote commercial and economic development as long as the storage itself is done in a non-impactful manner (does not detract from the activity). Since basements of large office, retail or residential buildings are already commonly used for service, on-site parking and/or storage for accessory uses, the inclusion of commercial self-storage would not likely be any more impactful when limited to basement areas only, and would be less impactful than above ground storage complexes.

2. Self-Storage as Permitted vs. Conditional use

There are two options to allow self-storage units: permitted use or conditional use. The difference is that the conditional use generally requires a greater level of scrutiny and Planning Commissions approval. However, by State law, a conditional use must be granted unless impacts may not be mitigated.

DISCUSSION: Allowing self-storage units as a conditional use would allow additional scrutiny, but with sufficient design controls or limitations built into the zoning district, a conditional use would not necessarily provide a better product.

Allow as a Permitted Use

Pro:

- The permitting process is shortened
- Conditional use is effectively "permitted" if all impacts can be mitigated

Con:

- The D-1 area is highly visible
- The design controls in the D-1 zoning district are not as elaborate as some of the newer zoning district

Allow as a Conditional use:

Pro:

- Conditional use provides a formal level of review
- It provides the Planning Commission with input, however the criteria are impact, not design related.

Con:

- Additional review slows the development process
- Conditional use is NOT a design review process; the standards for conditional use focus on use compatibility/eliminating impacts
- Adding design criteria or location restrictions built into the zoning district minimize the need for another layer of review

The draft ordinance provided by Staff lists self-storage units as a permitted use with additional footnotes limiting storage to basement/below ground levels of a building only (Attachment A).

3. Design Standards in the D-1 Zoning District

The D-1 zoning district was the first district to include major design controls such as maximum setback, glass on the ground level, etc. However, these design controls tend to be older and are not as elaborately developed as the newer form based codes.

DISCUSSION: Modifying design codes may be a desirable thing, however it is beyond the scope of this petition to rewrite overall Downtown design criteria. As an alternative, specific design criteria may be added to the land use chart to specifically address any design concerns regarding self-storage units in an urban environment. Those issues may include options such as: self-storage not occupy any ground level space adjacent to the street or midblock walkway because the use does not provide significant activity; or on upper levels to allow hallways and offices only, not individual storage units, along exterior walls; or simply limiting the use to areas of a building where interface with exterior areas is not common (the basement), etc.

The large self-storage units on 500 West have dealt with the "activity" issue by providing all the storage interior to the building and locating hallways and public areas adjacent to windows on upper floors. This insures both the privacy of the storage units and a sense of activity along the window spaces. Although there is a legitimate concern as to whether an exclusive storage building such as these are appropriate in the central business district, since even with better design, they are not large activity generators.

Staff has proposed an alternative limiting storage to basement levels only, where design considerations of street or exterior interaction generally do not come into play. (Attachment A)

4. Master Plan Considerations

These proposed changes will affect the D-1 zoning district. This zone is presently mapped in the area covered by the Downtown Master Plan, which was adopted May, 2016.

The Downtown Master Plan states: *The Central Business District (CBD) will continue to be defined by Main Street shopping, the tallest buildings in the city, and arts and cultural institutions. As a growing residential community, the CBD will be home to those seeking the ultimate urban experience that Utah has to offer. Dense apartment and condo-style living in a variety of unit types and sizes will be supported by local serving retail and community services within walking distance. The CBD will maintain its prominence as Utah's "financial district." Visitors will be entertained, easily find their way around and use the CBD as a launching point for business, sight-seeing and recreation. Over time, the CBD will expand to the south and west. Each street in the CBD will have its own unique character and form*

The plan does not specifically speak to the need for storage, but advocates a vibrant and active community. To the extent that self-storage is necessary for vibrant uses to exist in the downtown area, there should be some accommodations in areas where the lack of activity inherent in storage units would not be a problem. Conversely, large self-storage complexes generally lack the desired level of activity that is preferred in the central business district. The proposed draft (Attachment A) would allow storage units in basements only, because sub-terrain levels generally do not have the same activity level or public interaction as above ground levels.

NEXT STEPS:

The Planning Commission's recommendation for these proposed zoning text amendments will be forwarded on to the City Council for their action.

The City Council is the decision-making body for zoning text amendments.

ATTACHMENT A: PROPOSED ORDINANCE

21A.33.050: TABLE OF PERMITTED AND CONDITIONAL USES FOR DOWNTOWN DISTRICTS: (Abbreviated)

	Permitted And Conditional Uses By District			
Use	D- 1	D- 2	D- 3	D- 4
Accessory use, except those that are otherwise specifically regulated elsewhere in this title	Р	Р	Р	Р
Adaptive reuse of a landmark site	Р	Р	Р	P ⁴
Social service mission and charity dining hall		С	С	
Stadium		С		С
Storage, self	<u>P²⁰</u>	Р	Р	
Store:				
Department	Р	Р		Р
Fashion oriented department	P ²			
Mass merchandising	Р	Р		Р
Pawnshop		Р		
Specialty	Р	Р		Ρ
Superstore and hypermarket		Р		
Studio, art		Р	Р	Р
Wholesale distribution		Р		
Wireless telecommunications facility (see section <u>21A.40.090</u> , table <u>21A.40.090</u> E of this title)				

Qualifying provisions:

1. Subject to conformance to the provisions in subsection <u>21A.02.050</u>B of this title.

2. Uses allowed only within the boundaries and subject to the provisions of the Downtown Main Street Core Overlay District (section <u>21A.34.110</u> of this title).

3. A car wash located within 165 feet (including streets) of a residential use shall not be allowed.

4. Building additions on lots less than 20,000 square feet for office uses may not exceed 50 percent of the building's footprint. Building additions greater than 50 percent of the building's footprint or new office building construction are subject to a conditional building and site design review.

5. No check cashing/payday loan business shall be located closer than $1/_2$ mile of other check cashing/payday loan businesses.

6. Subject to conformance with the provisions in section <u>21A.36.300</u>, "Alcohol Related Establishments", of this title.

7. Subject to conformance with the provisions of chapter 21A.59, "Conditional Building And Site Design Review", of this title.

8. Subject to conformance to the provisions in section <u>21A.40.060</u> of this title for drive-through use regulations.

9. Prohibited within 1,000 feet of a single- or two-family zoning district.

10. Must be located in a fully enclosed building and entirely indoors.

11. If a place of worship is proposed to be located within 600 feet of a tavern, bar establishment, or brewpub, the place of worship must submit a written waiver of spacing requirement as a condition of approval.

12. No large group home shall be located within 800 feet of another group home.

13. No small group home shall be located within 800 feet of another group home.

14. No large residential support shall be located within 800 feet of another residential support.

15. No small residential support shall be located within 800 feet of another residential support.

16. Subject to section <u>21A.36.130</u> of this title.

17. Allowed only within legal conforming single-family, duplex, and multi-family dwellings and subject to section <u>21A.36.030</u> of this title.

18. Must contain retail component for on-site food sales.

19. Subject to conformance with the provisions of section <u>21A.36.350</u> of this title, the City may not prohibit construction of a homeless resource center or homeless shelter if the site is approved by and receives funding through the State Homeless Coordinating Committee, with the concurrence of the Housing and Community Development Division within the Department of Workforce Services, in accordance with section 35A-8-604 of the Utah Code.

20. Limited to basement/below ground levels only. Not allowed on the ground or upper levels of the building, with the exception of associated public leasing/office space.

ATTACHMENT B: Map of D-1 Zoned Properties



The D-1 zone is maroon in color at the center of the map

ATTACHMENT C: ANALYSIS OF FACTORS

As per section 21A.50.050, a decision to amend the text of this title or the zoning map by general amendment is a matter committed to the legislative discretion of the City Council and is not controlled by any one standard. In making a decision concerning a proposed text amendment, the City Council should consider the following:

onsider the following:		E
Factor	Finding	Rationale
1. Whether a proposed text amendment is consistent with the purposes, goals, objectives, and policies of the City as stated through its various adopted planning documents;	Complies	The Downtown Master Plan calls for the Central Business District to be a highly dense and active area. As a necessary support use for high density activities (including office retail and residential) there is an argument that self-storage, when properly designed, may be appropriate. Staff has proposed an alternative to allow for limited self- storage in basement areas only, where the use may be supportive, but not detrimental to the activity levels of uses downtown
2. Whether a proposed text amendment furthers the specific purpose statements of the zoning ordinance;	Complies	The purpose statement in the Zoning Ordinance for the D-1 district states: The purpose of the D-1 central business district is to provide for commercial and economic development within Salt Lake City's most urban and intense areas. A broad range of uses, including very high density housing, are intended to foster a twenty four (24) hour activity environment consistent with the area's function as the business, office, retail, entertainment, cultural and tourist center of the region. Development is intended to be very intense with high lot coverage and large buildings that are placed close together while being oriented toward the pedestrian with a strong emphasis on a safe and attractive streetscape and preserving the urban nature of the downtown area. This district is appropriate in areas where supported by applicable master plans. The standards are intended to achieve established objectives for urban design, pedestrian amenities and land use control.

		Allowing for self-storage, limited to only those portions of buildings that do not affect above ground activity levels, may facilitate the successful support of other active uses.
3. Whether a proposed text amendment is consistent with the purposes and provisions of any applicable overlay zoning districts which may impose additional standards;	Complies	There are several overlay districts in the D-1 area, such as the Exchange Place historic district. The Zoning Ordinance states that when there is a conflict between the base zoning district and those of the overlay district, the overlay district will control.
4. The extent to which a proposed text amendment implements best current, professional practices of urban planning and design.	Complies	The proposal to allow for self- storage in basement areas only, is an attempt to recognize the limited need for self-storage in an urban area, while limiting the potential negative impacts in the most densely and active area of the City.

ATTACHMENT D: PUBLIC PROCESS AND COMMENTS

Public Notice, Meetings, Comments

The following is a list of public meetings that have been held, and other public input opportunities, related to the proposed project:

Community Councils: Notice of this application and a letter soliciting input was sent to all recognized Community Organizations on September 7, 2018. No formal response was received; although the Sugar House Community Council discussed the issue at their land use meeting. The Downtown Alliance or Downtown Community Council had not provided formal input at the time of this staff report.

Open House: An open house was held on October 18, 2018. Staff discussed the proposed text amendments with several in attendance. The conversations with staff were generally in support of the addition of storage to the D-1 zone.

Notice of the public hearing for the proposal included:

Public hearing notice published in the newspaper on November 29, 2018 Public hearing notice posted on November 29, 2018 Public notice posted on City and State websites and Planning Division list serve: November 29, 2018

Public Input:

As of the writing of this staff report, no further comments were received.

ATTACHMENT E: DEPARTMENT REVIEW COMMENTS

Input was requested from all pertinent City divisions and departments.

Building Services: Gregory Mikolash Building Services finds no issues with this proposed text amendment

Engineering: Scott Weiler No objections

Fire: Edward Itchon No Comment

Transportation: Michael Barry There are no objections from Transportation

ATTACHMENT F: PETITIONER INFORMATION

Application to Amend the text of the Zoning Ordinance

STATEMENT OF PURPOSE

Property: 324 S State Street Salt Lake City UT 84111

Applicant: 324 State Street LLC

For Your Consideration:

324 State Street LLC is proposing an amendment to the text of the Salt Lake City Zoning Ordinance to allow the property to more completely fulfill the goal of its current Central Business District zoning designation.

Per the text: "The purpose of the D-1 central business district is to provide for commercial and economic development within Salt Lake City's most urban and intense areas. A broad range of uses, including very high-density housing, are intended to foster a twenty-four (24) hour activity environment consistent with the area's function as the business, office, retail, entertainment, cultural and tourist center of the region. Development is intended to be very intense with high lot coverage and large buildings that are placed close together while being oriented towards the pedestrian with a strong emphasis on a safe and attractive streetscape and preserving the urban nature of the downtown area."

324 State Street LLC believes that the ability of the D-1 zone to attract residential and business users will be greatly improved with the addition of well-located self storage facilities. Self-storage facilities allow residents to move in to higher density housing through the ability to reduce the need for increased inhome storage of bulky and off-season items. The facilities allow businesses to keep important records and documents nearby without the high additional per square foot cost of additional office space, both decreasing the cost of occupancy and also increasing the efficiency of their space.

Without storage solutions within reasonable proximity to residences and offices, the users and residents of downtown Salt Lake City will be faced with increased cost of occupancy due to the need for increased square footage of apartments, condos and office space. The growth of the urban core, especially the high-density multifamily form will increase the desire for storage uses that are easy to access. This ease of access will enhance the urban nature of the downtown areas and keep the demand strong for all types of permitted uses as Salt Lake City continues to grow and evolve as a world-class city.

Sincerely,

Bruce Bingham

Bruce Bingham

324 State Street LLC C/O Hamilton Partners, Inc. 222 South Main Street, Suite 1760 Salt Lake City UT 84101

APPLICATION TO AMEND THE TEXT OF THE ZONING ORDINANCE

324 S STATE STREET

Application to Amend the text of the Zoning Ordinance DESCRIPTION OF THE PROPOSED USE OF THE PROPERY BEING REZONED

Property: 324 S State Street Salt Lake City UT 84111

Applicant: 324 State Street LLC

The proposed text amendment would allow 324 S State Street to secure a self-storage operator to occupy the basement level of the building, with access via a dedicated street front entrance for walk in customers and a loading ramp for vehicles. The proposed use will help the stated goal of the D-1 zone in providing the ability for residents and businesses to utilize storage solutions to reduce their overall cost of occupancy and thus, increase the viability of high-density housing and office use.

The storage is to be located primarily below grade in space without access to natural light. This type of space has the benefit that it is not suitable for residential or office use, thus its use as self-storage will not take away valuable square footage from the pool of space available to residential and office users.

The following figures show the proposed location of the storefront and the ingress and egress for users of the self-storage facility.



Figure 1. Proposed street front entrance and tenancy for self-storage use. Located on State St, between Broadway and Exchange Place (ADA access via Broadway entrance)



Figure 2. Access points for pedestrian and vehicular traffic

Application to Amend the text of the Zoning Ordinance

REASONS THE PRESENT ZONING MAY NOT BE APPROPRIATE FOR THE AREA

Property: 324 S State Street Salt Lake City UT 84111

Applicant: 324 State Street LLC

- 1. Prospective residents of the central business district are forced to travel further to store items, reducing the viability of smaller, higher density housing units as occupants may elect to live in cheaper locations so they are able to increase square footage and store bulky and off-season items in their domicile.
- Businesses have similar issues, either being forced to rent additional square footage at high office rates, which require long term commitments, or traveling out of the central business district to store items.

Application to Amend the text of the Zoning Ordinance

AMENDED LANGUAGE TO BE INTEGRATED IN TO THE ZONING ORDINANCE

Property: 324 S State Street Salt Lake City UT 84111

Applicant: 324 State Street LLC

Suggested language would be in Title 21A.33.050: Table of Permitted and Conditional Uses for Downtown Districts:

Amend "Storage, self" line item under the D-1 column to "P" with a footnote that reads: "Storage facility must include street front retail presence open to public. Storage units must not be visible from street level, with no less than 80% of rentable space to be located below grade. Customer loading and unloading not to take place where visible from street frontage."