



Staff Report

PLANNING DIVISION
DEPARTMENT of COMMUNITY and NEIGHBORHOODS

To: Salt Lake City Planning Commission
From: Daniel Echeverria, daniel.echeverria@slcgov.com, 801-535-7165
Date: September 17, 2021 (publication)
Re: **PLNPCM2021-00635 Significant Water Consuming Land Uses Text Amendment**

Zoning Text Amendment

MASTER PLAN: Citywide
ZONING DISTRICT: Affects multiple zones
PROPERTY ADDRESS: Citywide

REQUEST:

A request by Mayor Erin Mendenhall to amend the text of the zoning ordinance related to land uses that consume significant amounts of water. The proposal would implement a limit on the amount of water that certain land uses can utilize. The limit affects multiple zones and multiple land uses. The ordinance also amends and clarifies the definitions of related land use terms. Other related standards of Title 21A Zoning may be amended as part of this petition.

RECOMMENDATION:

Based on the information in this staff report and the factors to consider for zoning text amendments, Planning Staff recommends that the Planning Commission forward a positive recommendation to the City Council regarding this proposal.

ATTACHMENTS:

- A. [Maps](#)
- B. [Proposed Code](#)
- C. [City Plan Considerations](#)
- D. [Analysis Of Zoning Amendment Standards](#)
- E. [Public Process And Comments](#)
- F. [City Department Review Comments](#)
- G. [Water Use Data](#)

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PROJECT DESCRIPTION AND BACKGROUND:

The City is proposing a text amendment pertaining to land uses that consume significant amounts of water. In the past year there has been a growing awareness of the current drought conditions and the drought’s potential long-term impacts on the City’s water resources. Given these drought conditions and concerns related to future water resources, the City is proposing land use amendments to prevent future very large water users from being located in the City. Such uses may have significant impacts on the City’s water resources.

Key Ordinance Components

The proposed ordinance does the following:

- Implements a water use limit on commercial and industrial land uses
 - The limit is 300,000 gallons per day (based on an annual average) of City potable/culinary water
 - The limit applies to new land uses and existing uses that are expanding
 - Any new or expanding use that may potentially exceed the limit is required to certify their anticipated water use amount on their land use application (permit application) and Public Utilities can ask for an additional detailed report to verify the use number.
 - Uses that already exceed the limit are prohibited from expansion unless the expansion will not result in a net increase in water consumption.
 - A footnote is being added to commercial or industrial land uses listed in the Zoning Code’s Land Use Tables that have the potential to exceed the limit. The footnote states that they are subject to the water use limitations and refers to the related code section.
 - This footnote is intended to ensure the regulation isn’t missed in administration by City staff or by businesses looking at the code for applicable regulations.
 - The ordinance exempts residential, institutional, and agricultural uses.
 - These types of uses are unlikely to exceed the limit. See the below consideration section for further discussion and local data.
- Clarifies definition of bottling plant to cover bottling of beverages in any form, including bottles, cans, or any other container.
 - The existing definition only refers to bottles.
- Defines the terms water use report and potable water (used in the proposed regulation).
- Adds a footnote to bottling plant land use referencing the existing Inland Port overlay prohibition on bottling plants.
 - This footnote is intended is to ensure that the regulation isn’t missed in administration by City staff or by businesses looking at the code for applicable regulations.

The full ordinance proposal is in [Attachment B](#).

KEY CONSIDERATIONS:

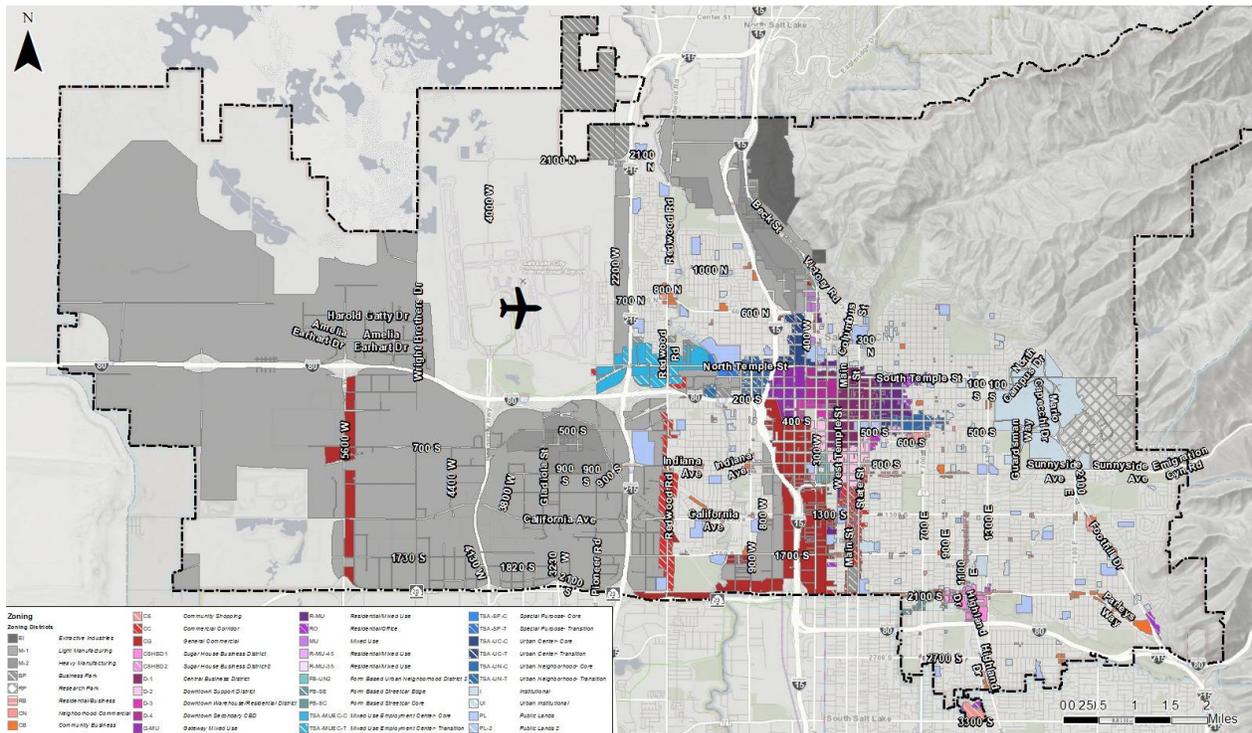
The key considerations below have been identified through the analysis of the proposal, public input, and department reviews.

1. [Land Uses and Businesses Impacted by the Proposal](#)
2. [Original Ordinance Proposal and Subsequent Changes](#)
3. [Public Notice and City Department/Public Input](#)

1. Land Uses and Businesses Impacted by the Proposal

The proposed ordinance is directed at large, intensive commercial and industrial land uses that have the potential to consume significant amounts of water. Other types of uses, such as residential, agricultural, or institutional uses, generally do not have the same municipal culinary water use potential as large commercial or industrial uses, and they are unlikely to use water above the proposed limit.

The affected uses include a variety of commercial and light manufacturing uses, including such uses as food processing, bottling plants, alcohol production, and chemical manufacturing. The full list of potentially impacted uses is in in [Attachment B](#). These uses are allowed in multiple zones but are primarily allowed and located in the City's Light Manufacturing (M-1) and General Commercial (CG) zones. Other impacted zones include the Heavy Manufacturing, Downtown, Transit Station Area, Business Park, Research Park, Form Based Zones, and other Commercial zones.



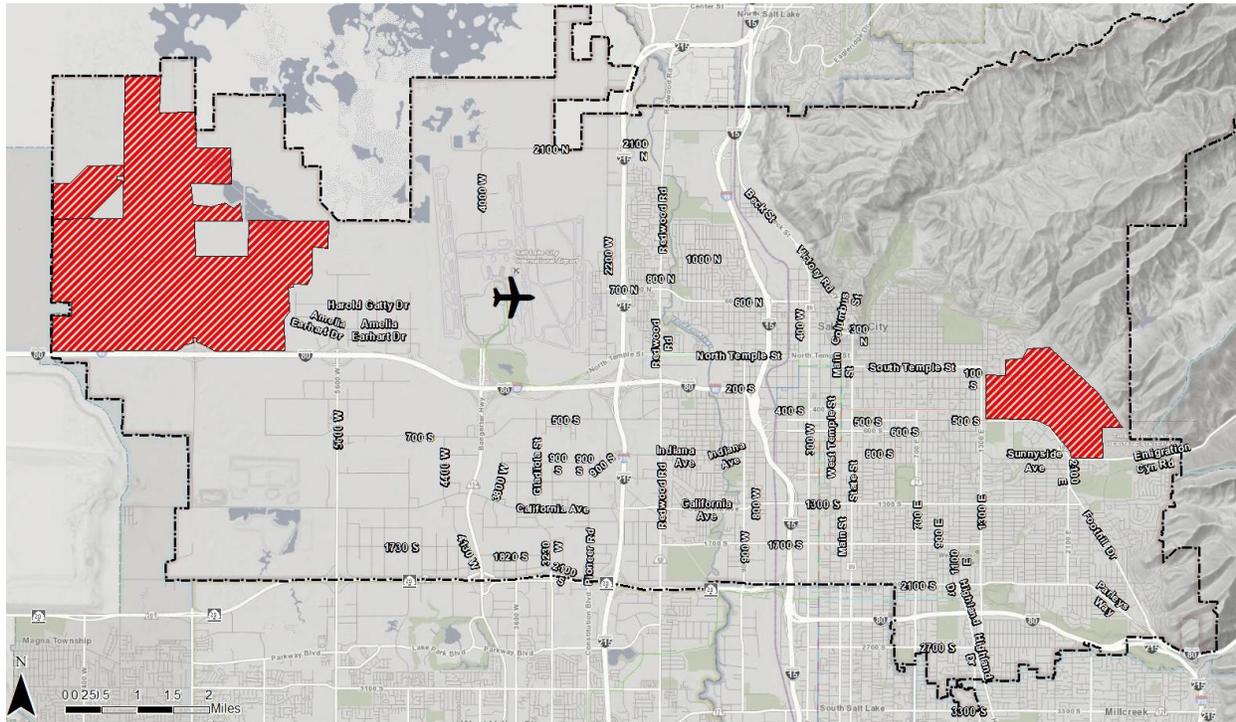
Map showing affected zones. Areas west of Redwood Road are generally zoned Light Industrial. Areas along I-15 are generally commercial west of downtown, and industrial north of downtown. Light gray areas are not affected by the proposal. A full-size map is in [Attachment A](#).

For regulatory context, the City's Zoning ordinance currently prohibits "bottling plant" uses from anywhere within the Inland Port overlay. This overlay covers a large portion of the City's land that is zoned light manufacturing, including areas west of Bangerter Highway/north of SR-201 as well Significant Water Consuming Land Uses

as along 2200 West from North Temple to 2100 North. The prohibition was adopted in 2018 as part of the Inland Port Overlay. Bottling plants can use significant amounts of City water – water that is often distributed outside of the region, completely leaving the City’s watershed. This ordinance does not change that bottling plant prohibition and a footnote is being added to the code to reference that existing prohibition.

Exempt Areas

One qualification to the proposed ordinance is that it would not impact a few large areas of the City. One of these areas is a portion of the City’s Northwest Quadrant area that is north of I-80 and west of the International Center. This area is under a development agreement with the City that locked (“vested”) it under the City’s 2018 zoning code. Other large areas in the Northwest Quadrant that this would not impact are the large state-owned properties in the area, including the State Prison and property owned by the State and Institutional Trust Lands Administration. Another large area of the City that would not be impacted is the University of Utah, University Medical, and Research Park area on the east side of the City. As State owned properties they are exempt from compliance with the City’s zoning regulations. Beyond these specific areas, the ordinance would not impact any other State or Federal properties, as those properties are exempt from local zoning codes.



Map showing two significant areas exempt from the proposed ordinance, the Northwest Quadrant properties on the left (west) and the University of Utah/Research Park properties on the right (east).

The Northwest Quadrant properties also include two large state-owned properties – the new State Prison and a large State and Institutional Trust Lands Administration owned property. A larger map is in [Attachment A](#).

Current Impacted Uses

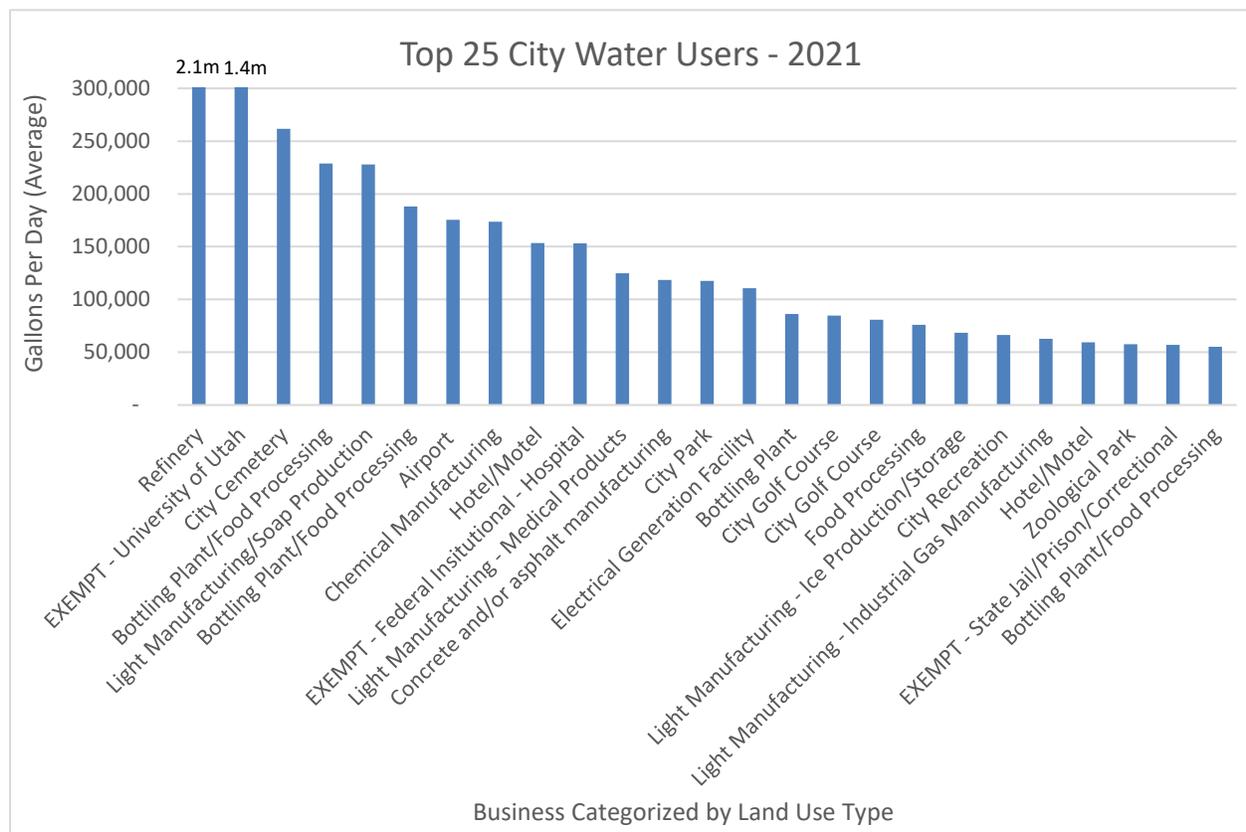
Public Utilities analyzed its existing water use data to determine how much municipal culinary water individual land uses in the City are utilizing. As part of that, the top 50 water meters with the highest usage in the City were identified. Of these top users, this data was again narrowed

Significant Water Consuming Land Uses

down to just water users located within City boundaries. This was then supplemented with data from a selection of higher water users that had multiple meters serving their use. This resulted in the top City water users list shown in the graph below and located in [Attachment G](#).

Two current water users would exceed the proposed limit based on this data. These are the University of Utah at 1.4 million gallons per day and the only refinery in the City at 2.1 million gallons per day. As a State entity, the University of Utah is not subject to the proposal. The refinery is also subject to other state and federal regulations related to the oil and gas industry and environmental quality that may supersede the City’s proposed regulations.

The next highest use is the City cemetery (~262k gal/day), followed by a general bottling/food processing company (~229k gal/day), a soap manufacturer (~228k gal/day), and a milk bottling/food processing company (187k gal/day). Those businesses could continue to operate as-is under the proposed ordinance. However, if they were to come to the City for a building permit to build an expansion to their buildings/facilities, they would need to provide information to verify that the expansion would not cause them to exceed the 300,000-gallon threshold.



The above chart includes the top largest water users in the City based on data from the first 6 months of 2021. The top two users exceed the 300k gal/day limit. Those two users are the one refinery in the City (2.1m gallons per day) and the University of Utah (1.4m gallons per day). The data for this graph is located in [Attachment G](#). As this data is based on January through June use, it may underrepresent seasonal and landscape watering use. 2020 data, covering 12 months, is also located in [Attachment G](#) for reference, and shows generally higher use for large City open space facilities.

The City is aware of at least one current development, a bottling plant, that is also likely to exceed the water use threshold. This business has already applied for a building permit so it would not

be affected by the proposed ordinance unless the business expands in the future. An expansion of this use in the future would be regulated by the proposed ordinance if adopted.

Potentially Impacted Uses

The ordinance could limit the potential for a variety of very large businesses to locate to the City. These types of businesses include:

- Large data centers that utilize water for computer equipment cooling
- Large computer chip manufacturers that utilize water for manufacturing
- Large bottling plants that utilize water for container manufacturing and filling
- Large food processors/manufacturers that utilize water for food processing or packaging
- Other large industrial manufacturers that utilize water as part of the manufacturing process

300,000 Gallon Limit

The 300,000 gallons per day limit is based on an analysis of existing uses on the City's water system and is intended to balance water resources with continued business development. For perspective, 300,000 gallons is approximately half the capacity of an Olympic size pool.¹ The 300,000 limit is likely only to impact very large and very intensive businesses. Most current or potential businesses would not be immediately impacted by the proposed limit, including large multi-national businesses that manufacture significant quantities of products that are distributed regionally and nationally.² Businesses that exceed these 300,000 gallons per day threshold may be more appropriate for regions with less constrained water resources. The gallon threshold also aligns with a threshold used by another municipality in defining "very large water users."³

The 300,000-gallon limit also takes into consideration the City's deliberate long term water supply and demand planning, including future development of additional water resources and climate change risks associated with drought intensification. The City's long-term planning assumes a variety of future residential, commercial, industrial, and institutional land uses that generally align with the current mix of water use intensity, but with a growing population and increased development. In order for the City's water supply to meet future demand under these assumptions, additional water conservation will need to be achieved to reduce the overall gallons per capita per day (GPCD) of water use. The 300,000 gallon per day limit allows for a wide variety of land use and economic growth while discouraging very intense water use that increases pressure on the City's water resources and residents. This is a proactive approach as there appears to be growing interest in siting industries within the City that are proposing to use more than 300,000 gallons of water per day, and in some cases more than 1 million gallons of water per day.

2. Original Ordinance Proposal and Subsequent Changes

The initial draft version of the ordinance went out for public comment in July. That first version of the ordinance included a blanket limit of 300,000 gallons per day for all uses. It also included a prohibition on bottling plants citywide, with an exemption for alcohol related uses. When the

¹ Based on a pool with dimensions of 165' L x 81' W and 6'7" depth holding ~660,000 gallons.

² See [Attachment G](#) for top 25 water use data including business names.

³ See Albuquerque Municipal Code, § 6-1-4-3 https://codelibrary.amlegal.com/codes/albuquerque/latest/albuquerque_nm/o-o-o-4356. The regulations are part of that city's water and sewer codes. The code requires that businesses using city water develop conservation plans and require a water use audit. Both are required to be submitted to the City. The code notes that the city may require improvements from the audit that it deems reasonable to reduce water use.

City published that draft code for public comment, the City also triggered the “pending ordinance” doctrine. The pending ordinance doctrine, under Utah Code § 10-9a-509(1)(a)(ii)(B), allows a city to impose a set of regulations for a temporary six-month period while the city works through the public process and refines the proposed regulations. That original code proposal is temporarily in effect until January 4, 2022 or until the City Council adopts a version of the proposed code, if earlier.

Based on additional research and input, the draft ordinance was revised to directly target commercial and industrial users. Residential, agricultural, and institutional uses are unlikely to exceed the threshold and the requirement for such uses to verify they wouldn’t exceed the threshold with a water use study would be unnecessary. Of note, no City recreational or park facilities currently exceed the water use threshold, and City recreational and park uses would not be subject to this ordinance. Further, large parks and recreational facilities provide general public benefits, such as providing free public access to open space that benefit public health, that private commercial developments generally do not provide. An additional reason for the revision to a commercial/industrial use specific approach is that a blanket prohibition may be more likely to be missed when a prospective developer or City staff is looking at the City’s land use tables to determine if a use is allowed. The proposed ordinance targets specific uses and includes a footnote next to each affected use in the land use tables so that the regulation is not missed by someone who is looking for a particular use.

The ordinance was also revised to remove the proposed blanket citywide bottling plant ban along with the associated alcohol manufacturer exemption. The bottling plant ban was intended to avoid the potential for a large bottling plant to be located in the City – a use that generally involves significant amounts of water being bottled and leaving the local watershed, rather than being returned into the watershed via the sewer system. The proposal would have treated water, milk, or soda bottling plants differently than other uses that may have similar water impacts, such as breweries, and could appear to unfairly target such uses. Due to that, the proposed ban was removed, and the proposed ordinance now relies on the more universal 300,000-gallon limit for those types of uses.

Alternatives Considered

In developing this ordinance, alternative regulatory methods were researched and considered. One alternative that was considered was regulating usage on a per acre basis, for example allowing 30,000 gallons of use per acre of property. This is similar to residential density regulations that limit the number of dwelling units per acre. However, this method could target and disincentivize efficient space use by commercial and industrial development, ultimately incentivizing more sprawling, inefficient land use. For example, it could penalize or prohibit a use that utilized a multi-story structure in an urban context as opposed to a large single-story structure in a more suburban context. Additionally, it could still ultimately allow for very large, “mega water users” on very large sites. Due to those concern, the proposed ordinance does not take this route and relies on a blanket overall cap per site, regardless of the site size.

3. Public Notice and City Department/Public Input

For the initial outreach, the City posted an “Open House” website with the initial ordinance proposal and sent out notification of the proposal to the Planning Division’s general listserv. This also included notice to all of the City’s Recognized Organizations (community councils and other recognized community/business organizations). After analyzing water use and business license data, the City sent direct notices to top City water users in the City, as well as any food Significant Water Consuming Land Uses

manufacturing and beverage bottling businesses with a City business license. Food manufacturing and beverage businesses were directly notified as the proposed ordinance originally included a blanket prohibition on any beverage bottling businesses.

As part of the formal City review process, Planning received input from the City's Economic Development and Sustainability departments. Their full input is in [Attachment F](#). The Economic Development department noted that the proposal may impact a variety of prospective businesses, including distribution centers, food manufacturers, solar, and electric vehicle related businesses. The Sustainability department also noted concerns regarding the 300,000-gallon limit impacting food growing businesses/agricultural uses. The ordinance was revised following that comment to directly target commercial and industrial uses and exempts agricultural uses.

Planning also received comments from the State Department of Agriculture and Foods (included in [Attachment E](#)) with concerns related to the water use threshold on agricultural uses and the potential for similar ordinances to be adopted by other Utah cities. The concerns were similar to those received from the City's Sustainability department. Agricultural uses generally do not use municipal, culinary water for farming and likely would not have been impacted by the original ordinance proposal. However, the ordinance was revised following that comment so that it doesn't target agricultural businesses.

STANDARDS OF REVIEW DISCUSSION:

Zoning text amendments are analyzed regarding whether they are generally in-line with City master plans and adopted policies. As discussed in [Attachment C](#) (City Plan Considerations), the proposed zoning changes are generally in compliance with the adopted City policies pertaining to environmental sustainability as well as economic development policies.

The proposal strikes a balance between environmental sustainability and economic development goals, conserving and preserving water resources while allowing for continued economic development in the City. Based on the proposal's compliance with adopted City policies, Planning recommends that the Planning Commission forward a positive recommendation to the City Council.

NEXT STEPS:

The Planning Commission can provide a positive or negative recommendation for the proposal and as part of a recommendation, can add conditions or request that changes be made to the proposal. The recommendation and any requested conditions/changes will be sent to the City Council, who will hold a briefing and additional public hearing on the proposed zoning changes. The City Council may make modifications to the proposal and approve or decline to approve the proposed zoning text amendment.

If ultimately approved by the City Council, the changes would be incorporated into the City Zoning code, and new and expanding developments would be required to follow the new regulations.

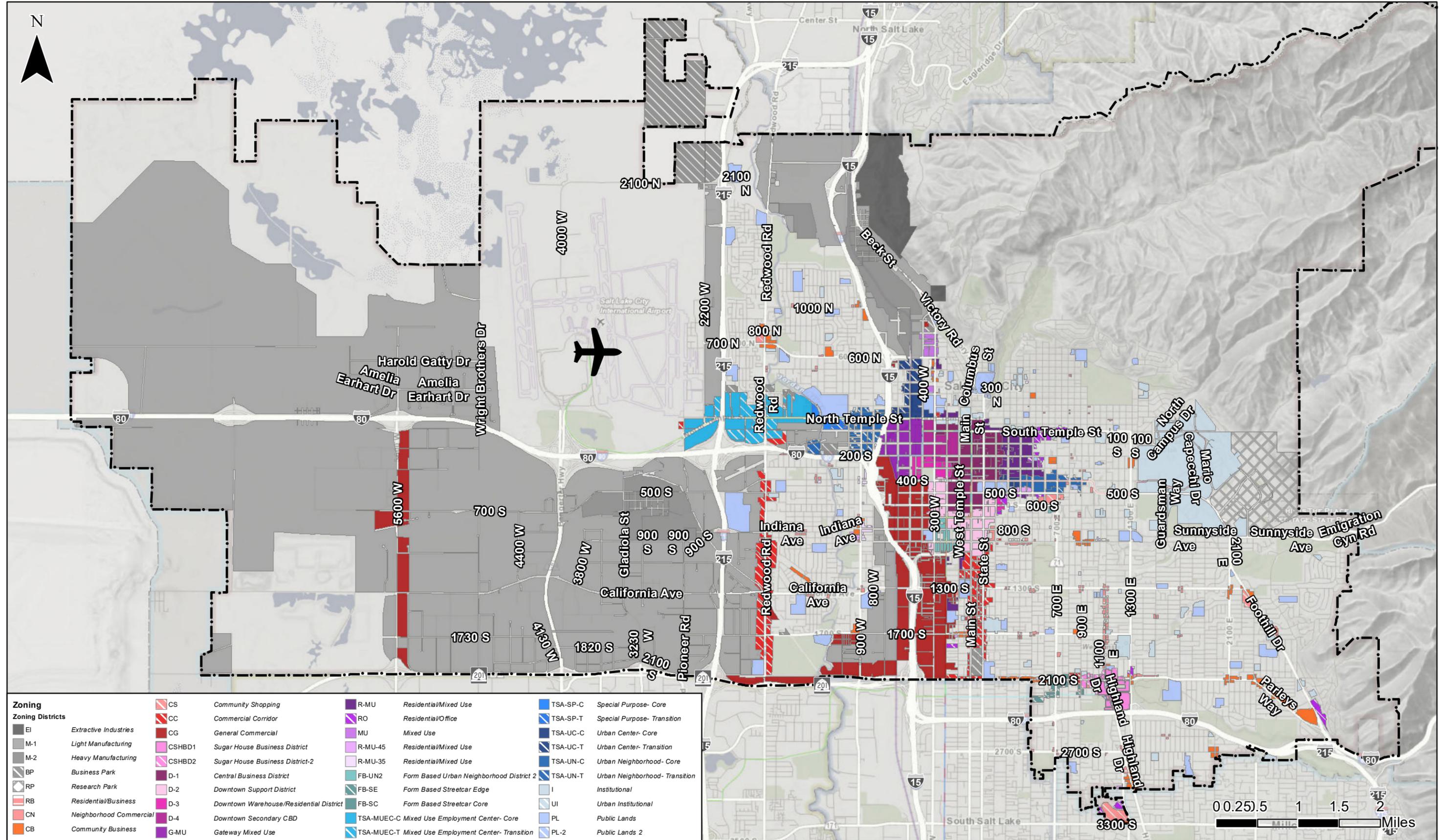
If the proposed zoning amendments are not ultimately approved by the City Council, development and businesses would not be subject to the proposed limitations.

As noted in Key Consideration 2, the City made the July version of the proposed regulations effective until January 4th, 2021 or until the City Council takes action on the proposal if earlier.

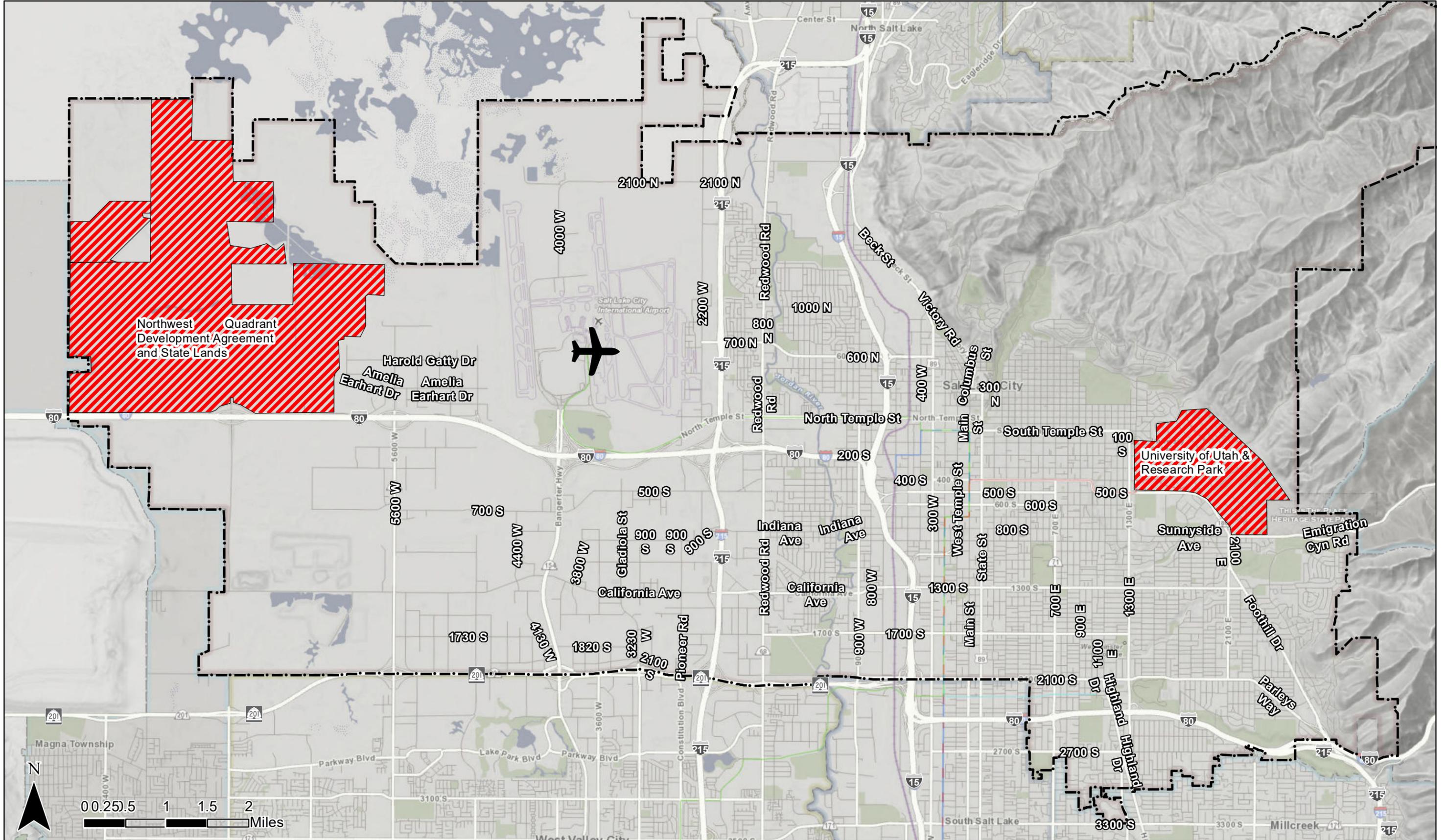
ATTACHMENT A: **Maps**

This attachment includes a full size map showing the zoned areas that are affected or exempted by the proposed ordinance.

Zones Impacted by the Proposal



Major Areas Exempt from the Zoning Proposal



*The above does not represent all properties that may be exempt from the ordinance and is only meant to represent two major areas.

ATTACHMENT B: **Proposed Code**

Proposed Ordinance - Significant Water Consuming Land Uses

Section 21A.33.010 “General Provisions” - Text Addition

The below text will be added to Section 21A.33.010 “General Provisions” in Chapter 21A.33 “Land Use Tables”:

D. Prohibited Uses: The following land uses are prohibited in all zoning districts:

- 1. Commercial and Industrial Land Uses That Exceed 300,000 Gallons of Water per Day.**
 - a. New Land Uses:** Any new commercial or industrial land use that consumes or uses more than an annual average of 300,000 gallons of potable water per day is prohibited in all zoning districts. The use and consumption limit is based on the total use from all water meters that serve the land use.
 - b. Expansions of Existing Uses:** No commercial or industrial land use shall expand to an extent that increases its daily potable water consumption or use to exceed an annual average of 300,000 gallons of potable water per day. Notwithstanding the provisions of 21A.38.040.H, an existing land use that exceeds the water use threshold may not expand if the expansion will result in a net increase in water consumption or use. The use and consumption limit is based on the total use from all water meters that serve the land use.
 - c. Water Use Report Required:** A land use applicant shall certify the anticipated daily water use of the proposed land use in a manner satisfactory to the Department of Public Utilities. The Department of Public Utilities may require an anticipated daily water report of any land use applicant proposing a new use or expansion of an existing use.
 - d. Exemption:** Agricultural, residential, and institutional land uses are not subject to the regulations of this subsection.
- 2. Reserved.**

Land Use Tables Footnote Reference

A footnote (a) will be added to the following land uses listed in all applicable districts in 21A.33 “Land Use Tables.” The footnote will be added next to their corresponding P or C listing:

- Artisan food production
- Artisan food production (more than 2,500 square feet in floor area)
- Automobile salvage and recycling (indoor)
- Automobile salvage and recycling (outdoor)
- Bakery, Commercial
- Blacksmith Shop
- Bottling plant
- Brewery
- Chemical manufacturing and/or storage
- Commercial Bakery

- Commercial Food Preparation
- Commercial Laundry
- Concrete and/or asphalt manufacturing
- Dental laboratory/research facility
- Distillery
- Drop forge industry
- Explosive manufacturing and storage
- Extractive industry
- Food processing
- Golf course
- Heavy manufacturing
- Incinerator, medical waste/hazardous waste
- Industrial assembly
- Laboratory (medical, dental, optical)
- Laboratory, testing
- Laundry, commercial
- Light manufacturing
- Manufacturing, concrete or asphalt
- Paint manufacturing
- Photo finishing lab
- Poultry farm or processing plant
- Printing plant
- Rail, repair shop
- Recycling, processing center (indoor)
- Recycling, processing center (outdoor)
- Refinery, petroleum products
- Research and development facility
- Research facility (medical)
- Small brewery
- Solar array
- Utility, electric generation facility
- Warehouse
- Welding shop
- Wholesale Distribution
- Winery
- Woodworking Mill

New uses not currently codified (pending Council action)
that will need to be footnoted if adopted:

- Bio-Medical facility
- Technology facility
- Laboratory, Medical Related
- Data Center

Footnote content:

^a Subject to the water use and/or consumption limitations of 21A.33.010.D.1.

Bottling Plant Footnote Added to Reference Existing Inland Port Prohibition

A footnote will be added to the use “Bottling Plant” in 21A.33.040 “Table of Permitted and Conditional Uses for Manufacturing Districts” to reference an existing prohibition on the use located in the Inland Port Overlay zoning district, as follows:

21A.33.040: TABLE OF PERMITTED AND CONDITIONAL USES FOR MANUFACTURING DISTRICTS:

Use	Permitted and Conditional Uses by District	
	M-1	M-2
Bottling Plant	P^b	P^b

^b Prohibited in the Inland Port Overlay. See 21A.34.150.B.2.f.

Section 21A.62.040 “Definitions of Terms” - Text Modifications and Additions

The following definitions will be modified or added to 21A.62.040 “Definitions of Terms”:

Bottling Plant: An establishment commercial facility for the purpose of that engages in the bottling, canning, or filling of any container of with beverages for distribution. The term "bottling plant" shall not include any beverage or food manufacturing type use which is otherwise listed specifically in the table of permitted and conditional uses found in chapter 21A.33 of this title.

Anticipated Daily Water Use Report: A detailed report provided by an applicant that demonstrates the anticipated daily use and/or consumption of water for the described use based on commonly accepted standards within the water utility industry.

Potable Water: Water that is safe for human consumption and provided by the Salt Lake City Department of Public Utilities.

Section 21A.60 “List of Terms” – Additions

The following terms will be added to 21A.60.020 “List of Defined Terms”:

Anticipated Daily Water Use Report

Potable Water

ATTACHMENT C: City Plan Considerations

Adopted City Plan Policies and Guidance

Zoning map amendments are reviewed for compliance with City master plans and adopted policies. In developing a zoning code, the Planning Division considers applicable plan policies. As this is a citywide zoning amendment impacting a wide variety of uses and areas of the City, staff looked at the citywide policies located in the City's citywide plan, Plan Salt Lake.

Plan Salt Lake

Relevant economic development policies from the plan include:

1. Maintain and grow Salt Lake City as the economic center of the region.
3. Support the growth of small businesses, entrepreneurship and neighborhood business nodes.
5. Recruit corporate headquarters and major employers to locate in the City.
9. Support the growth of the industrial areas of the City.

The plan includes a section related to growth, with the following related policy:

- Reduce consumption of natural resources, including water.

The plan includes policies related to the natural environment, directly specifically at water consumption:

2. Protect water quality and supply by:
 - Reducing water consumption per capita;
 - Limiting development in the canyons;
 - Preserving and expanding acreage of property critical to watershed protection;
 - Operating facilities to ensure water quality meets regulatory requirements;
 - Promoting and supporting reuse of reclaimed and secondary water sources; and
 - Protecting ground water sources.

This section also includes a 2040 goal to “Reduce Water Consumption.” It also includes the following discussion related to water:

Water is one of our most precious natural resources. With population growth, increasing demand and changes in short- and long-term supply levels due to weather fluctuations and climate change, water conservation is necessary to sustain our water supply for future and current generations. Salt Lake City is committed to protecting our water supplies, ensuring water quality and safety, and complying with or exceeding all EPA requirements. We will continue working to address our stream and storm water quality and to reduce the risk of damage by floods.

Future changes to our climate will have an impact on our natural resources and the natural environment. These changes will need to be addressed at a local level. It is our responsibility to plan for and mitigate the impacts of climate change on our community.

Staff Discussion

Plan Salt Lake provides citywide policies that should be considered in any zoning amendment. They are especially relevant for citywide zoning amendments. The policies in the plan support economic development and specifically support industrial development - development that would be the most impacted by this proposal. However, it also includes several policies specifically directed at water resource conservation – including to ensure that we conserve as necessary to ensure a water supply for future generations. The proposed ordinance strives to strike a balance between economic development goals and the need to conserve water resources. The proposed threshold allows for a wide variety of commercial and industrial businesses but may prohibit very large businesses that would individually use significant water resources. The limit may also incentivize large businesses to look at water efficiency and ways to reduce water waste in their business practices.

ATTACHMENT D: Analysis Of Zoning Amendment Standards

ZONING TEXT AMENDMENTS

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:

FACTOR	FINDING	RATIONALE
<p>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;</p>	<p>The proposal is generally consistent with the policies of the applicable adopted citywide plans.</p>	<p>The amendments to the zoning code are generally in-line with adopted citywide plan policies as noted in Attachment C.</p>
<p>2. Whether a proposed text amendment furthers the specific purpose statements of the zoning ordinance;</p>	<p>The proposal generally furthers the purpose statement of the zoning ordinance.</p>	<p>The purpose of the zoning ordinance is the following:</p> <p><i>The purpose of this title is to promote the health, safety, morals, convenience, order, prosperity and welfare of the present and future inhabitants of Salt Lake City, to implement the adopted plans of the City, and to carry out the purposes of the Municipal Land Use Development and Management Act, title 10, chapter 9, of the Utah Code Annotated or its successor, and other relevant statutes. This title is, in addition, intended to:</i></p> <ul style="list-style-type: none"> <i>A. Lessen congestion in the streets or roads;</i> <i>B. Secure safety from fire and other dangers;</i> <i>C. Provide adequate light and air;</i> <i>D. Classify land uses and distribute land development and utilization;</i> <i><u>E. Protect the tax base;</u></i> <i><u>F. Secure economy in governmental expenditures;</u></i> <i><u>G. Foster the City's industrial, business and residential development; and</u></i> <i><u>H. Protect the environment.</u></i>

		<p>The proposal furthers the intent expressed in items E through H. The ordinance is intended the balance the economic development of the City with protecting the City’s water resources. The proposal will allow for continued business development thereby protecting the City’s tax base and not hampering funding of City expenditures, while also protecting the City’s water supply and ensuring its availability for future business use.</p>
<p>3. Whether a proposed text amendment is consistent with the purposes and provisions of any applicable overlay zoning districts which may impose additional standards;</p>	<p>The proposed zoning is not associated any other particular zoning overlays and no overlays impose additional standards that conflict with the proposed water use limitation.</p>	<p>The proposal doesn’t conflict with any other overlays. No overlays specifically prescribe any water use limitations or allowances that conflict with the proposed water use limit.</p>
<p>4. The extent to which a proposed text amendment implements best current, professional practices of urban planning and design.</p>	<p>Although staff was unable to find any directly applicable precedents for the proposed regulations, best planning practice allows for zoning that is tailored to local conditions and concerns.</p>	<p>The proposal implements regulations reflective of local Planning needs, in this case protecting water resources in the local context of a drought. Best planning practices allow for local zoning to be tailored to local situations. Staff researched other zoning ordinances across the country to find any precedents for the proposal. This included nationwide zoning code searches using multiple municipal codifier company search tools (individual codifiers generally service hundreds of cities each), American Planning Association best practice material research, and general online research.</p> <p>Through that research, staff was unable to find any directly comparable zoning regulation precedents that specifically limit water use to a particular threshold for multiple or specific uses. Staff was able to find several municipalities that limited or prohibited high water uses such as water bottling plants or that limited or prohibited a wide variety of heavy industrial or commercial uses, any of</p>

		<p>which could potentially use large amounts of water. However, this does not necessarily indicate that the lack of use allowances was due to water use concerns.</p> <p>Public Utilities identified Albuquerque, New Mexico, in their research, which has regulations in their Water and Sewer code (not the zoning code) that provide thresholds for water use. The thresholds trigger requirements to submit conservation plans and water audits to the city and the code also notes the city may require implementation of measures identified in the water audit. However, the thresholds are not a water use limit.⁴⁴ The “very large water user” threshold of that code aligns with the 300,000-gallon threshold of this proposed code.</p>
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⁴⁴ See Albuquerque Municipal Code, § 6-1-4-3 https://codelibrary.amlegal.com/codes/albuquerque/latest/albuquerque_nm/o-o-0-4356.
Significant Water Consuming Land Uses

ATTACHMENT E: Public Process And Comments

The following attachment lists the public meetings that have been held, and other public input opportunities, related to the proposed project. All written comments that were received throughout this process are included within this attachment.

City Outreach and Meetings

Notifications

The Planning Division posted the proposal on an online Open House website starting in July of this year and subsequently notified the following individuals and organizations:

- Planning listserv (general list of interested individuals and organizations)
- Recognized community organizations (City recognized community councils and community/business interest groups – organizations that are registered with the City Recorder)
- Potentially impacted businesses, including:
 - Top 25 water users (including businesses and associated property owners) based on Public Utilities data
 - All food manufacturer and beverage bottling companies based on business license data
- Utah Inland Port Authority (covers a significant portion of the land impacted by this zoning)

Community Councils Meetings

The Planning Division met with two community councils that requested presentations on the matter. These were:

- Sugar House Community Council's Land Use and Zoning Committee
 - At this meeting questions were asked about the impact on expanding businesses and the refinery. See Consideration 1 for information on impacts to existing businesses.
- Glendale Community Council
 - At this meeting a question was asked about whether this would impact the water park property.
 - The water park has been closed for a number of years, so data was not immediately available on its historical usage. However, no City park or golf course has exceeded the threshold. The data in [Attachment G](#) includes a few city parks and golf courses.

Business Advisory Board Meeting

The Planning Division also attended the City's Business Advisory Board meeting to brief that board on the proposal and obtain input. This board is housed in the City's Economic Development department. At the meeting one board member asked questions about whether the proposal would impact the Inland Port area. Staff explained that the proposal would impact the Inland Port area, excepting the Northwest Quadrant development agreement exempted areas. Another board

member expressed their support of the proposal. A City Economic Development staff member also expressed their support of the proposal noting that it provided a water use threshold that they could point to when responding to businesses looking to potentially locate here.

Public Input

The Planning Division received formal input from the Utah Department of Agriculture and Foods with concerns related to agricultural uses and the water limit. Their letter is included in this attachment section. This letter is noted and addressed under [Key Consideration 3](#).

A letter from the Sugar House Community Council in support of the proposal is attached.

Staff also received one e-mailed comment from an individual in support of the proposal. Another comment was received with a concern regarding the wording of the limit for expanding uses and its enforceability on uses that already exceed the threshold. Those are also attached.

- The wording of the proposal was revised since originally sent out to better clarify its impact on any existing uses that already exceed the threshold.

Public Hearing Notice

The Planning Division provided the following notices for the Planning Commission meeting:

- Mailed notice sent September 9th
- E-mailed notice to listserv sent September 9th
- Public hearing notice posted on State notice website September 9th

E-MAILED PUBLIC COMMENT

From: thea
Sent: Thursday, September 9, 2021 1:57 PM
To: Planning Public Comments <planning.comments@slcgov.com>
Subject: (EXTERNAL) water use issue

I would like to comment that I completely, utterly approve of Mayor Mendenhall's idea to put limits on water use on certain lands. In fact, I wonder if the proposed limit is enough. Apparently it is based on the same amount named in other states' regulations. Given the current drought and continuing extensive development in Salt Lake City, is the proposed number adequate? How old is the data it is based on? I would appreciate this being addressed at the meeting.

Thanks,

Thea Brannon

Echeverria, Daniel

From: [REDACTED]
Sent: Thursday, September 16, 2021 10:51 AM
To: Echeverria, Daniel
Subject: (EXTERNAL) FW: Significant Water Consuming Land Uses Text Amendment

Mr. Echeverria,

I received the public notice dated 8/31/21 on subject matter. From the web site I understand the public comment period was 7/8/21 to 8/22/21 but comments can still be provided until the Planning Commission public hearing.

My comment is there is confusion and possibly a discrepancy between the public notice description of the proposal compared to the draft language. Between the two, the intent of applicability to expansion of existing land uses is not clear.

The public notice description, item 2 and copied in below, could be interpreted to say that restrictions will only apply to existing land uses that already consume over 300,000 gallons per day.

City Zoning Proposal

Due to concerns with the current drought and long-term impacts on the City's water supply, the Mayor has initiated a petition to amend the zoning ordinance regulations pertaining to land uses that use significant amounts of water in the City. The City has prepared draft zoning ordinance regulations that if adopted would do the following:

1. Prohibit new land uses that would likely consume more than an annual average of 300,000 gallons of culinary water per day;
2. Restrict the expansion of existing land use types that consume more than an annual average of 300,000 gallons of culinary water per day; and
3. Prohibit bottling plants citywide but exempt alcoholic beverage production uses.

The draft ordinance language in D.1.b. could be interpreted to say it only applies to land use expansions that are currently under 300,000 gallons per day but will exceed that amount after the expansion:

Section 21A.33.010 "Land Use Tables" - Text Addition

D. Prohibited Uses: The following land uses are prohibited in all zoning districts:

1. Land Uses That Exceed 300,000 Gallons of Water per Day.

- a. **New Land Uses:** Any new land use that consumes more than an annual average of 300,000 gallons of potable water per day is prohibited in all zoning districts.
- b. **Expansions of Existing Uses:** No land use shall expand to an extent that increases its daily potable water use to exceed an annual average of 300,000 gallons of potable water per day.
- c. **Water Use Report Required for All Uses:** In order to determine if a new or expanding land use will exceed the water consumption limits of this section, an applicant for a permit required by this title shall provide an anticipated daily water use report that is acceptable to the Department of Public Utilities prior to the City issuing

Please consider this comment and provide consistency and clarification so the ordinance change matches the intent.

Thank you.

Peter Hendricks

[REDACTED]



September 6, 2021

TO: Salt Lake City Planning Commission

FROM: Judi Short, First Vice Chair and Land Use Chair
Sugar House Community Council

RE: PLNPCM2021-00635 Significant Water Consuming Land Uses Text Amendment

We received notification of this proposed Text Amendment, and it was put on our website and in the Sugar House Community Council Newsletter for August and again in September. I have one written comment, indicating approval. During the land use meeting, after Daniel explained the proposal, people seemed to indicate this made a lot of sense, everyone seems to agree with this concept. We are running out of water, and need to conserve everywhere.

We shouldn't allow big bottling plants, or soda pop plants to use our water and export it to other places for consumption. The local breweries and distilleries use a small amount of water, and all of that stays in Utah for consumption here.

We learned that current recreational uses will not be affected. I don't remember if we asked about golf courses. It is clear that this will be modified as time goes on and we try to hone in on the seriousness of this threat to our environment. We have no objections.



State of Utah

SPENCER J. COX
Governor

DEIDRE M. HENDERSON
Lieutenant Governor

Department of Agriculture and Food

CRAIG W. BUTTARS
Commissioner

KELLY PEHRSON
Deputy Commissioner

August 20, 2021

Daniel Echeverria
Salt Lake City Planning
daniel.echeverria@slcgov.com
801-535-7165

Subject- UDAF comments concerning the Salt Lake City Significant Water Consuming Land Uses Text Amendment

Dear Mr. Echeverria:

The Utah Department of Agriculture and Food (UDAF) has reviewed the Salt Lake City Significant Water Consuming Land Uses Text Amendment and has several concerns related to how this zoning amendment may impact agricultural producers. Water conservation and preservation is of utmost importance to UDAF. The drought that is currently affecting all of Utah has been the most devastating to agricultural producers. Farmers and ranchers are continually working to conserve water resources in order to provide the much-needed food and fiber to the citizens of Utah. While struggling to have enough water for livestock and crops, agricultural producers are also being heavily impacted by wildfires. Proper water usage and conservation is essential to farmers and ranchers; however, the current draft ordinance, as presently written, could be detrimental to agricultural production.

UDAF requests that an exemption for agriculture be included in this ordinance. The restriction of land uses that exceed 300,000 gallons of water per day would eliminate any farm or agricultural production facility over 30 acres in size. We understand that agricultural production facilities over 30 acres in size are rare within Salt Lake City and we also recognize that this ordinance only pertains to culinary water. However, we have serious concerns about other cities or counties following Salt Lake City's example and adopting an ordinance similar to this one in the future. Many surrounding cities and counties contain agricultural operations that are larger than 30 acres and would be greatly harmed by this ordinance.

Data shows that there are currently an estimated 592 farms operating in Salt Lake County.¹ A total of 61,965 acres are being used for agricultural production, with each

¹ Headwaters Economics. 2017. <https://headwaterseconomics.org/apps/economic-profile-system/49035>

farm averaging 105 acres in size.² In addition, farms make up an approximate 13% of land in Salt Lake County.³ This data shows that agricultural production is not only essential in rural areas, but also within Utah's most populated city and county. Although data might be different in Salt Lake County compared to Salt Lake City, there is still potential that this ordinance could be adopted by Salt Lake County or other cities and counties. There are also several community gardens and micro farms within Salt Lake City that could be negatively impacted by this ordinance. There are great benefits that come from community gardens and micro farms. Additionally, these types of farms use drip irrigation and are positive examples of efficient water use. The bottom line is that the current draft ordinance would be detrimental to agricultural production and needs to be revised.

Again, we wish to emphasize that agriculture be exempt from this new zoning ordinance. The exemption should apply to the prohibitions on land use that are being proposed as well as be a consideration in any future review of existing land use regulations by the Planning Division in their efforts to mitigate demands on the City's water supply. This exemption will benefit agricultural users within the city and also allow Salt Lake City to pave the way for other cities and counties as they also recognize the importance of agricultural production in Utah and exempt agriculture from similar ordinances.

UDAF welcomes any questions or discussions regarding the draft ordinance or our comments. In addition, and if needed, our staff is happy to work with Salt Lake City in drafting exemption language. UDAF appreciates the opportunity to provide comment and looks forward to continually working with Salt Lake City Corporation.

Sincerely,

A handwritten signature in black ink that reads "Craig W Buttars". The signature is written in a cursive, slightly slanted style.

Craig W. Buttars
Commissioner

² Ibid.

³ Ibid.

ATTACHMENT F: City Department Review Comments

Economic Development Department

After reviewing the zoning changes and assessing our current projects with high water usage we have the following comments:

1. We currently have 21 active prospects with water usage over 300k GPD. These prospects are considering SLC's NWQ as a possible location for their projects.
2. This will heavily impact all the EV/Battery-related projects we've been tracking. Typically these projects bring in good paying jobs and contribute to the EV/Electric Vehicle industry, a sector we're sorely lacking in and have been working to attract.
3. Most of these projects are DC/Food processing and manufacturing projects, some we are not in the running for and some we did not submit due to lack of real estate and water usage concerns.
4. These changes could impact other types of projects like data centers, breweries, life Science/tech companies, mega site projects (large scale projects).

Sustainability Department

In addition to water, data centers use a tremendous amount of energy, so it may be another reason to limit them, if that's the direction the City is already leaning towards.

If we don't put a limit on data centers, there could be argument for making an exception for another (non-food) manufacturing operation to co-locate and reuse their water if it's reused from the closed system.

While I don't believe we have any agricultural operations within SLC that use more than 300K gallons per day (our farmer friends tell us that a 30–35-acre farm would use this much water), we would be concerned if this type of restriction would be looked at by other communities to place similar restrictions, and if so, agriculture would be an important exception, as local food growing is an important resiliency factor.

ATTACHMENT G: **Water Use Data**

The attached water data was originally compiled by the Public Utilities department from their meter records and was consolidated into an abridged version for this report. The data is based on the top 50 water usage (meter) charges in City records and an additional selection of higher water users with multiple meters was added to account for high usage properties with multiple meters. Most uses only have one water meter. This data may be further refined and is subject to change.

Land Use	2021 Gallons per day (Average)	Business Name
Refinery	2,180,832	Tesoro
EXEMPT - University of Utah	1,467,235	University of Utah
City Cemetery	261,814	SLC CEMETERY
Bottling Plant/Food Processing	228,683	WWF OPERATING COMPANY
Light Manufacturing/Soap Production	227,899	HENKEL
Bottling Plant/Food Processing	188,177	MEADOW GOLD DAIRIES
Airport	175,388	SLC Airport (All Areas, multiple props.)
Chemical Manufacturing	173,544	Thatcher Chemical
Extractive Industry & Concrete and/or asphalt manufacturing	172,896	PARSON:JACK B/STAKER PAVING
Hotel/Motel	153,308	GRAND AMERICA HOTEL
EXEMPT - Federal Insitutional - Hospital	153,004	DEPT VETERANS AFFAIRS MED CTR
Light Manufacturing - Medical Products	124,669	THERA TECH INC/ACTAVIS LABS
City Park	117,672	SUGARHOUSE PARK AUTHORITY
Electrical Generation Facility	110,728	UTAH POWER
OUTSIDE CITY - Other	102,145	S L COUNTY SER AREA #3
OUTSIDE CITY - Residential	96,976	COUNTRY CLUB MOBILE ESTATES MH
OUTSIDE CITY - Hospital	96,357	ST MARKS HOSPITAL - TOTAL
Bottling Plant	86,262	DS WATERS OF AMERICA INC
City Golf Course	84,782	GLENDALE GOLF COURSE
OUTSIDE CITY - Other	83,335	TOWN OF ALTA
City Golf Course	80,769	ROSE PARK GOLF COURSE
Food Processing	75,973	SWEET CANDY COMPANY
OUTSIDE CITY - Multi-family Residential	73,920	KW FOOTHILL PLACE LLC
OUTSIDE CITY - Bottling Plant Outside Salt Lake	71,973	SHASTA BEVERAGES
Light Manufacturing - Ice Production/Storage	68,509	ICE COLD EMPIRE SLC, LLC
City Recreation	66,370	SLC REGIONAL COMPLEX
Light Manufacturing - Industrial Gas Manufacturing	62,660	AIR LIQUIDE INDUSTRIAL USLP
Hotel/Motel	59,377	LITTLE AMERICA
Zoological Park	57,586	UTAH ZOOLOGICAL SOCIETY
OUTSIDE CITY - Multi-family Residential	57,028	PINNACLE HIGHLANDS
EXEMPT - State Jail/Prison/Correctional	56,872	UTAH DEPARTMENT OF CORRECTIONS
Bottling Plant/Food Processing	55,208	1833 SOUTH, LLC
OUTSIDE CITY - Multi-family Residential	52,175	KW COTTONWOOD LLC
OUTSIDE CITY - Outdoor Recreation	46,801	SOLITUDE SKI RESORT
OUTSIDE CITY - Residential	46,609	SENTINEL VENTURES IV
OUTSIDE CITY - Multi-family Residential	46,359	COTTONWOOD APARTMENTS LLC
OUTSIDE CITY - Concrete and/or asphalt manufacturing	35,771	GRANITE CONSTRUCTION COMPANY
OUTSIDE CITY - Multi-family Residential	35,062	MILLCREEK HOA
Institutional - College	29,376	Westminster College

*Data is based on January-June 2021 usage data. Seasonal usage, such as landscape watering usage, may be underrepresented in this data. See 2020 and 2019 data for these same uses for comparison.

Land Use	2020 Gallons Per Day (Average)	Entity
Refinery	2,339,011	TESORO
EXEMPT - University of Utah	1,893,136	UNIVERSITY OF UTAH
City Cemetery	301,209	SLC CEMETERY
Electrical Generation Facility	263,059	UTAH POWER
City Golf Course	250,986	GLENDALE GOLF COURSE
EXEMPT - Federal Insitutional - Hospital	236,290	DEPT VETERANS AFFAIRS MED CTR
City Golf Course	224,518	ROSE PARK GOLF COURSE
City Park	213,835	SUGARHOUSE PARK AUTHORITY
City Recreation	205,015	SLC REGIONAL COMPLEX
Light Manufacturing/Soap Production	196,400	HENKEL
Bottling Plant/Food Processing	193,901	WWF OPERATING COMPANY
Extractive Industry/Concrete and/or Asphalt Man	163,668	PARSON:JACK B/STAKER PAVING
Airport	155,675	SLC INTERNATIONAL AIRPORT (ALL)
Milk Bottling Plant/Food Processing	149,306	MEADOW GOLD DAIRIES
Light Manufacturing/Medical Products	149,249	THERA TECH INC/ACTAVIS LABS
Chemical Manufacturing	149,054	THATCHER COMPANY - TOTAL
Hotel/Motel	139,876	GRAND AMERICA HOTEL
OUTSIDE CITY - Residential	115,962	COUNTRY CLUB MOBILE ESTATES MH
Outside City - Hospital	107,517	ST MARKS HOSPITAL - TOTAL
OUTSIDE CITY - Multi-family Residential	94,661	PINNACLE HIGHLANDS
Multi-family Residential	93,057	KW FOOTHILL PLACE LLC
OUTSIDE CITY - Multi-family Residential	84,796	KW COTTONWOOD LLC
Outside City - Other	77,413	S L COUNTY SER AREA #3
Light Manufacturing - Ice Production/Storage	75,510	ICE COLD EMPIRE SLC, LLC
Outside City - Bottling Plant	73,407	SHASTA BEVERAGES
Bottling Plant	73,231	DS WATERS OF AMERICA INC
Outside City - Other	72,205	TOWN OF ALTA
Outside City - Extractive Industry/Concrete and/c	68,647	GRANITE CONSTRUCTION COMPANY
Light Manufacturing - Industrial Gas Production	68,557	AIR LIQUIDE INDUSTRIAL USLP
Food Processing	63,180	SWEET CANDY COMPANY
Hotel/Motel	59,388	LITTLE AMERICA
OUTSIDE CITY - Residential	54,436	SENTINEL VENTURES IV
Institutional - College	52,541	WESTMINSTER COLLEGE
OUTSIDE CITY - Multi-family Residential	47,894	COTTONWOOD APARTMENTS LLC
Zoological Park	45,682	UTAH ZOOLOGICAL SOCIETY
OUTSIDE CITY - Multi-family Residential	39,876	MILLCREEK HOA
Outside City - Resort	16,330	SOLITUDE SKI RESORT
Bottling Plant/Food Processing	7,376	1833 SOUTH, LLC

*The above list is based on full 12 months of 2020 usage data. The users in this list are based on the highest users from 2021 data.

Land Use	2019 Gallons Per Day (Average)	Entity
Refinery	2,167,312	TESORO
EXEMPT - University of Utah	1,980,690	UNIVERSITY OF UTAH
EXEMPT - Federal Insitutional - Hospital	276,369	DEPT VETERANS AFFAIRS MED CTR
City Cemetery	254,770	SLC CEMETERY
Hotel/Motel	222,010	GRAND AMERICA HOTEL
Light Manufacturing/Soap Production	213,242	HENKEL
City Recreation	190,743	SLC REGIONAL COMPLEX
Bottling Plant/Food Processing	187,734	WWF OPERATING COMPANY
Chemical Manufacturing	166,635	THATCHER COMPANY - TOTAL
Milk Bottling Plant/Food Processing	150,375	MEADOW GOLD DAIRIES
Electrical Generation Facility	149,123	UTAH POWER
Light Manufacturing/Medical Products	135,647	THERA TECH INC/ACTAVIS LABS
Outside City - Hospital	116,946	ST MARKS HOSPITAL - TOTAL
Extractive Industry/Concrete and/or Asphalt Mar	112,530	PARSON:JACK B/STAKER PAVING
Outside City - Other	111,945	S L COUNTY SER AREA #3
OUTSIDE CITY - Residential	97,890	COUNTRY CLUB MOBILE ESTATES MH
Hotel/Motel	96,292	LITTLE AMERICA
Airport	88,407	SLC INTERNATIONAL AIRPORT (ALL)
Light Manufacturing - Industrial Gas Production	88,073	AIR LIQUIDE INDUSTRIAL USLP
OUTSIDE CITY - Multi-family Residential	85,846	PINNACLE HIGHLANDS
Multi-family Residential	82,896	KW FOOTHILL PLACE LLC
Outside City - Bottling Plant	80,947	SHASTA BEVERAGES
Light Manufacturing - Ice Production/Storage	77,845	ICE COLD EMPIRE SLC, LLC
Outside City - Other	70,889	TOWN OF ALTA
Zoological Park	65,759	UTAH ZOOLOGICAL SOCIETY
Food Processing	65,212	SWEET CANDY COMPANY
Bottling Plant	64,281	DS WATERS OF AMERICA INC
OUTSIDE CITY - Residential	59,672	SENTINEL VENTURES IV
Outside City - Extractive Industry/Concrete and/c	54,421	GRANITE CONSTRUCTION COMPANY
OUTSIDE CITY - Multi-family Residential	53,382	KW COTTONWOOD LLC
OUTSIDE CITY - Multi-family Residential	52,948	COTTONWOOD APARTMENTS LLC
OUTSIDE CITY - Multi-family Residential	43,270	MILLCREEK HOA
Institutional - College	43,000	WESTMINSTER COLLEGE
Outside City - Resort	25,204	SOLITUDE SKI RESORT
Bottling Plant/Food Processing	1,556	1833 SOUTH, LLC
City Golf Course	-	GLENDALE GOLF COURSE
City Golf Course	-	ROSE PARK GOLF COURSE
City Park	-	SUGARHOUSE PARK AUTHORITY

*The above list is based on full 12 months of 2019 usage data. The users in this list are based on the highest users from 2021 data.