COUNCIL STAFF REPORT

CITY COUNCIL *of* SALT LAKE CITY

Item Schedule:
Briefing: February 2, 2021
Set Date: February 2, 2021
Public Hearing: March 2, 2021
Potential Action: March 16, 2021

TO: City Council Members

FROM: Brian Fullmer
Policy Analyst

DATE: March 16, 2021

RE: **Zoning Map Amendments from CC to FB-UN2 for Properties at 1301 and 1321 South State Street PLNPCM2020-00328**

PUBLIC HEARING SUMMARY

Five people spoke at the March 2 public hearing expressing general support for the proposal. One person suggested the City negotiate with the developer for tangible community benefits and put these in ordinance if possible. This person advised the Council to take more time exploring options before voting.

The Council closed the public hearing and deferred action to a later meeting.

The following information was provided for the March 2 public hearing. It is provided again for background purposes.

WORK SESSION SUMMARY

At its February 2 briefing the Council expressed support for the proposal, though some concerns were raised. A Council Member stated it feels like this neighborhood will become a patchwork of zoning designations depending on what developers want. A comprehensive look at the overall neighborhood was suggested for future projects to help prevent this patchwork and help ensure the area is developed in the best way it can be.

A Council Member would like the proposed project to be built but stated developers do not always follow through on their plans for projects presented to the Council. The applicant stated there have been many

changes in the years his family owned the parcels. His desire is to rejuvenate the area with owner occupied housing, so residents are invested in the neighborhood.

It was suggested the Coachmans sign be used as a placemaking piece. Planning staff was asked about the possibility of maintaining single-story buildings with unique façades on the west side of State Street south of 1300 South. Planning staff stated they are working on a review of zoning on the State Street corridor. This area is within the State Street Overlay Zone. As the area is reviewed, it will provide an opportunity to make changes to the overlay zone and potentially find a way to keep unique building placements and façades with development behind them.

A Council Member stated there are not enough home ownership opportunities in the city and believes this is what the area needs.

The following information was provided for the February 2 work session. It is provided again for background purposes.

The Council will be briefed about a proposal to amend the zoning map for properties at 1301 and 1321 South State Street totaling approximately 1.77 acres. The subject parcels are currently zoned CC (Corridor Commercial) and the applicant is requesting a change to FB-UN2 (Form Based Urban Neighborhood 2). An amendment to table 21A.27.050E2 is also requested to add this corner to other named locations eligible for increased building height.

Currently Coachmans Restaurant and a two-story office building are on the subject parcels. (Photos of the parcels are found on page 28 of the Administration's transmittal.) The applicant indicated an intent to replace the existing buildings with a new mixed-use building including ground floor commercial space and owner-occupied condominiums above at a price point attainable to a wide range of potential buyers.

The FB-UN2 zone typically includes buildings up to four stories, with taller buildings allowed on some street corners. This zoning amendment requests adding this corner to others in the FB-UN2 zone that allow buildings up to 65 feet tall. The other named street corners are:

- West Temple at 800 or 900 South
- 200 West at 700, 800 or 900 South
- 200 West at Fayette Avenue
- 300 West at 800 or 900 South

Planning staff recommended and the Planning Commission voted unanimously to forward a positive recommendation to the City Council for the zoning map amendment. This recommendation includes a condition that the two parcels be consolidated before the ordinance is published.

Aerial image showing the subject parcels outlined in blue.

Goal of the briefing: *Review the proposed zoning map and master plan amendments, determine if the Council supports moving forward with the proposal.*

POLICY QUESTION

Is the Council supportive of the Planning Commission's recommendation to approve the zoning map and master plan amendments?

ADDITIONAL INFORMATION

Three key issues were identified through Planning's analysis of the proposed project. A summary of each is below. See pages 18-24 of the Administration's transmittal for the complete analysis.

Issue 1 – CC and FB-UN2 Zoning Development Potential

The subject parcels are located at a key intersection on 1300 South and State Street. State Street is an important gateway into Salt Lake City and 1300 South is a major east/west arterial street.

CC Zoning

CC zoning regulations do not encourage housing or high-density development due to height limits, high parking minimums, and deep setbacks potentially making mixed-use developments unfeasible. These setbacks also discourage a walkable pedestrian environment along State Street and when combined with

typically shallow lot depths, further limit development potential. Planning staff found these factors prevented the corridor from achieving a critical mass of people, goods and services that make for the best urban areas.

South State Street Corridor Overlay District
The subject site is within the South State Street Corridor Overlay District which is generally aligned with the State/Main street corridor from 900 South to 2100 South. The overlay has additional requirements including maximum setback, parking setback and exempts front yard setback, with the goal of increasing pedestrian activity and walkability along the corridor. There are additional design requirements of ground floor glass, blank wall maximum and screening of equipment and service areas. Planning staff noted while the overlay district maximum setback improves feasibility of mixed-use developments as proposed, it does not overcome height limitations.

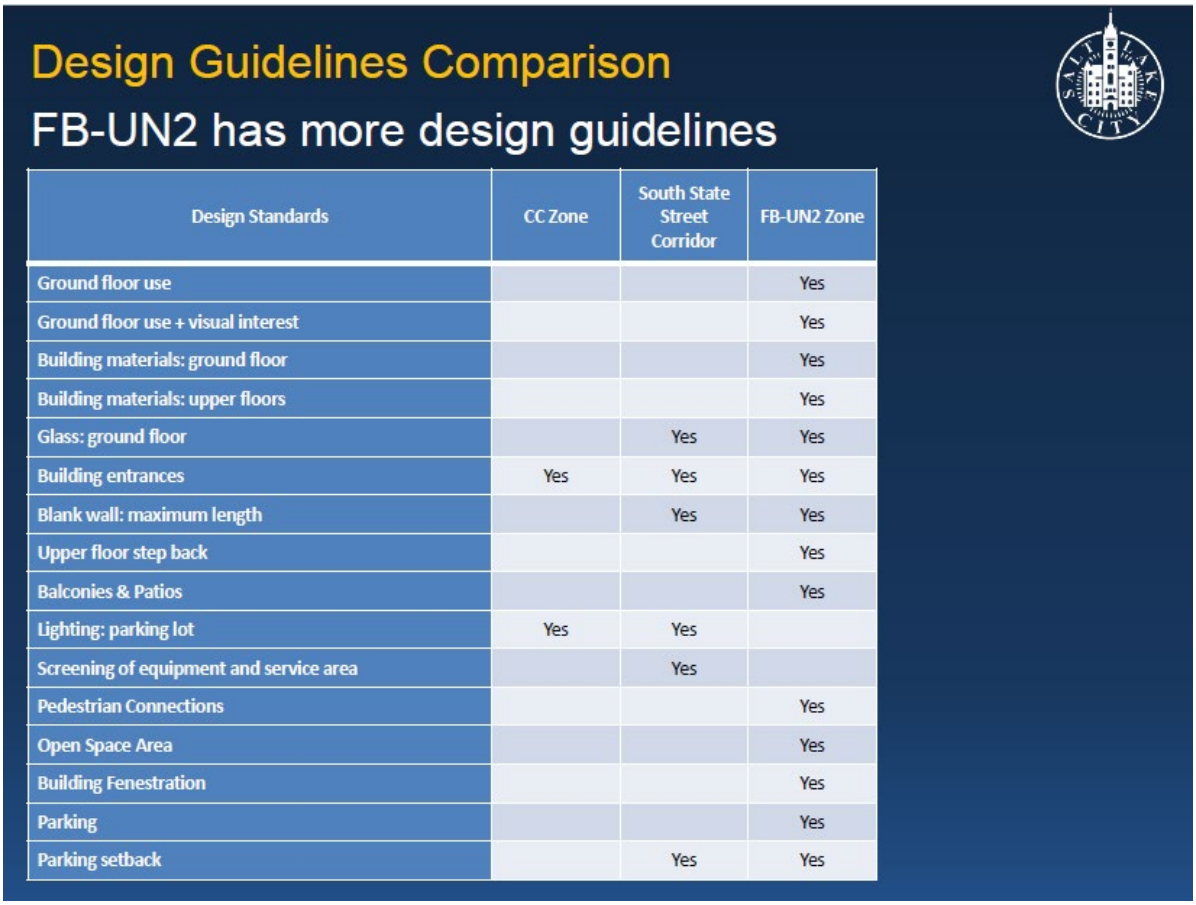
FB-UN2 Zoning
Zoning regulations and design guidelines greatly impact development in an area. Form-based districts provide zoning regulations focusing on the form of development, how buildings are oriented toward public spaces, scale of development and interaction of uses within the city.

Planning staff included the following tables comparing the CC and FB-UN2 zones and design guidelines on pages 66-67 of the transmittal:

Zoning Comparison

CC zoning requires more setbacks, more parking and less height/density

Zoning Standard	CC Zone	FB-UN2 Zone
Front Setback*	15' 25' Max. for 35% (SSSC Overlay)	0 Minimum 10' Maximum
Corner Side Yard	15'	0 Minimum 10' Maximum
Interior Side Yard	0	15' adjacent to single family or FB-UN1
Rear Yard	10'	20' adjacent to single family or FB-UN1
Height	30' with additional 15' through the Design Review process	50' or 65' on some corner lots
Lot Size (minimum)	10,000 square feet	4,000 square feet
Lot Width	75'	30'
Parking	• 1 per 1br Unit • 2 per 2br Unit • 2 per 1,000 sq. ft. retail	No minimum



Design Standards	CC Zone	South State Street Corridor	FB-UN2 Zone
Ground floor use			Yes
Ground floor use + visual interest			Yes
Building materials: ground floor			Yes
Building materials: upper floors			Yes
Glass: ground floor		Yes	Yes
Building entrances	Yes	Yes	Yes
Blank wall: maximum length		Yes	Yes
Upper floor step back			Yes
Balconies & Patios			Yes
Lighting: parking lot	Yes	Yes	
Screening of equipment and service area		Yes	
Pedestrian Connections			Yes
Open Space Area			Yes
Building Fenestration			Yes
Parking			Yes
Parking setback		Yes	Yes

Planning staff also included the following list of items provided by form-based districts in creating urban neighborhoods:

1. People oriented places;
2. Options for housing types;
3. Options in terms of shopping, dining, and fulfilling daily needs within walking distance or conveniently located near mass transit;
4. Transportation options;
5. Access to employment opportunities within walking distance or close to mass transit;
6. Appropriately scaled buildings that respect the existing character of the neighborhood;
7. Safe, accessible, and interconnected networks for people to move around in; and
8. Increased desirability as a place to work, live, play, and invest through higher quality form and design.

Planning further noted the following establish an acceptable standard of quality and design in the FB-UN2 zone:

- Greater Building Height for Higher Density
- Building Frontage
- Ground Floor Transparency
- Active Ground Floors
- Amenity Space
- Pedestrian Friendly
- Ground Floor Residential Treatments
- Parking Standards & Orientation

The following were also considered by Planning staff when comparing the existing and proposed zones:

Housing/Mixed Use
The Central Community Master Plan future land use map designates the subject site as "Medium Residential/Mixed Use (10-50 dwelling units/acre). The proposed FB-UN2 zone does not completely match the master plan's "Medium Residential/Mixed Use" designation. There is not a density limitation in the FB-UN2 zone which could result in greater than 10-50 dwelling units per acre. On the other hand, the CC zone is more permissive, with lower height requirements, greater setbacks and higher parking requirements. These make construction of mixed-use developments more difficult. It is Planning staff's opinion rezoning the subject parcels to FB-UN2 would facilitate cost-effective mixed-use buildings and better urban form.

Attachment C of the Administration's transmittal (pages 33-36) includes the Residential section of the Master Plan and Planning noted it supports changes the proposed rezone would bring.

Safety
Design guidelines in the FB-UN2 zoning district can provide additional active street frontages with increased "eyes on the street." New buildings closer to the front property line could help engage sidewalk activity with visual interest and variation for pedestrians. Transparent ground floor windows and doors allow passers-by to see activity inside, and those inside can see out to the street. This may increase the perception of safety and security.

Sustainability
Housing at this location is close to TRAX and bus routes reducing impact on transportation needs. Planning staff found higher density housing has the potential to create compact housing types that may reduce per household water and energy use resulting in lower infrastructure demands and housing costs.

Issue 2: Additional Height on Corner
The FB-UN2 zone allows taller buildings that are located at identified main intersections. Additional height incentivizes development and activity at these corners while keeping a distinction between the intersection and lower buildings mid-block.

As discussed above, part of the proposal is to add this corner to others allowing additional height. Planning staff noted if the Council approves the petition a text amendment would not be required since it would be a site-specific addition to the ordinance.

Issue 3: Compatibility with Adjacent Properties
Surrounding properties to the south, north and west fronting on State Street and 1300 South are zoned CC. They have a variety of uses including office space, retail, drive-in restaurant, a bank, and gas station/convenience store. An adjacent parcel to the east is multi-family residential and zoned RMF-45. It serves as a buffer between more intense land uses on State Street and the lower density neighborhood to the east.

Both the CC and FB-UN2 zoning districts require a seven-foot landscape buffer when adjacent to residential property. In addition, FB-UN2 requires floors above 30 feet in height to be stepped back 15 feet from the building foundation at grade for elevations adjacent to a public street, trail or open space. Note: this step back does not apply to buildings with balconies on floors rising above 30 feet in height.

ANALYSIS OF STANDARDS

Attachment D of the Planning Commission staff report (pages 37-38 of the Administration's transmittal) outlines zoning map amendment standards that should be considered as the Council reviews this proposal. They are summarized below. Please see the Planning Commission staff report for full details. Planning staff found this proposal generally complies or is consistent with these standards.

1. Whether a proposed map amendment is consistent with the purposes, goals, objectives, and policies of the City as stated through its various adopted planning documents.
   Finding: The proposed amendment is generally consistent with the goals and policies of the applicable master plans.

2. Whether a proposed map amendment furthers the specific purpose statements of the zoning ordinance.
   Finding: The proposal generally furthers the specific purpose statements of the zoning ordinance.

3. The extent to which a proposed map amendment will affect adjacent properties.
   Finding: The change in zoning is not anticipated to create any substantial new negative impacts that wouldn't be anticipated with the current zoning.

4. Whether a proposed map amendment is consistent with the purposes and provisions of any applicable overlay zoning district which may impose additional standards.
   Finding: The subject site is within the South State Street Corridor Overlay District. Requirements and design guidelines are similar if not stricter in the FB-UN2 zoning than the overlay and therefore will not impose additional standards.

5. The adequacy of public facilities and services intended to serve the subject property, including, but not limited to, roadways, parks and recreational facilities, police and fire protection, schools, storm water drainage systems, water supplies and wastewater and refuse collection.
   Finding: The proposal does not increase the need for improvements beyond that required by existing zoning allowances.

PUBLIC PROCESS

- Notice of the project was sent to Liberty Wells, Central City and Ball Park Community Councils May 18, 2020.

- Notices mailed to property owners/residents within ~300 feet of the subject site June 3, 2020.

- Liberty Wells Community Council online meeting June 10, 2020.
  - The applicant responded to questions about the number of units desired for a potential project, about how it complied with the master plan and about parking. The applicant responded that the number of units had not been confirmed at the time and that the project would provide parking according to the necessity of the project.

  - Planning reports response to the request was positive.

- Online open house June 18, 2020.

- Notice of the Planning Commission public hearing for the proposal included:
  - Public notice posted on City and State websites and Planning Division list serve August 11, 2020.
  - Public hearing notice posted and mailed August 12, 2020.

- Planning staff received five emails with comments on the proposal. Four were in favor and one was opposed to removing Coachmans Restaurant and gentrification of the area. These emails are included on pages 40-44 of the Administration's transmittal.

- The Planning Commission reviewed the proposal and held a public hearing at its August 26, 2020 meeting. No one spoke at the hearing. The Commission voted unanimously to forward a positive recommendation to the City Council for the proposal.