



COUNCIL STAFF REPORT

CITY COUNCIL of SALT LAKE CITY

TO: City Council Members

FROM: Brian Fullmer
Policy Analyst

DATE: March 16, 2021

**RE: Zoning Map and Master Plan Amendments for properties at
159 South Lincoln Street, 949 East, 955 East 959 East, and 963 East 200 South
PLNPCM2019-00683 and PLNPCM2019-00684**

Item Schedule:

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

PUBLIC HEARING SUMMARY

More than two dozen people spoke at the March 2 public hearing. The majority of commenters expressed opposition to the proposed zoning map and master plan amendments. Reasons cited for opposition included dramatic changes to the neighborhood character; loss of the historical structures because of their longstanding presence in the neighborhood; the proposal is not supported by the master plan; Planning staff, the Planning Commission, and community are not supportive of the proposal; and a loss of naturally occurring affordable housing if the rezone is approved.

A Council Member clarified the Council is no longer holding two public hearings on land use applications. Council staff confirmed that is correct.

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

As a reminder, under the State's required process for zoning amendments, the legislative body for Salt Lake City, the City Council, makes the final decision on zoning amendments after receiving a recommendation from the Planning Commission on the petition. While the Council's decision is informed by the Planning Commission's recommendation, it is not determined by the Planning Commission's findings and recommendation.



In addition, regardless of the Council vote on whether to amend the zoning for the parcels, the property owner has options for what they do with their property either under the current zone or the requested rezone. Development and property changes may include demolishing existing structures and building new ones, or other renovations already allowed. The City Council's role is to determine if the proposed zoning change is appropriate for the parcels and surrounding neighborhood. The Council does not attempt to influence what a property owner can build "by right" or as a conditional use under the zoning designation.

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

WORK SESSION SUMMARY

At the February 2 briefing the applicant stated if the Council does not approve the zoning change, she would still plan to demolish the existing structures because they are inefficient and cost prohibitive to open the floor plans and making other changes. A structural engineer and architect recommended demolishing the homes and building new structures. When asked if she would consider selling the current homes, the applicant stated she is not considering selling.

Under the original proposal one affordable housing unit was planned. In the period since the proposal was first submitted, financing costs have changed significantly. The applicant stated she is hopeful this will allow additional affordable units, though she was not able to specify how many, at what percentage of AMI, and for how long the units would be affordable, until updated financing information is available.

A Council Member asked if current tenants would be able to live in the proposed new building. The applicant stated they would be able to, though several moved already. Tenants are paying market rate and if they qualify, they could live in affordable units. An additional question was asked about whether current tenants are lower income. The applicant stated they transitioned to a property management company that works with tenants, so she does not have income information. The applicant stated two units are currently unoccupied because they are being remodeled. Some Council Members expressed concern about housing loss that already occurred.

In response to a Council Member question about composition of current units the applicant stated they are two-bedroom units up to a house with six bedrooms. Plans for the new development are for one 1-bedroom unit, three 3-bedroom 2.5-bathroom units, and twelve 2-bedroom, 2.5-bathroom units. Each unit would have its own garage under the living space. Visitor parking would also be provided.

When asked about what changes have been made to the proposal since the public hearing, the applicant stated the project architect researched buildings in the vicinity and suggested some changes. The project has been through a design review. Some design and material changes were made because of these recommendations and from community input.

A Council Member asked Planning staff and the applicant if additional community outreach has happened since this proposal came to the Council a year ago. Planning staff stated no outreach has happened from them. The applicant said no formal outreach has happened, but several neighbors have stopped by during remodeling of some housing units and discussed the proposal.

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 and Central Community Master Plan future land use map for properties located at 159 South Lincoln Street, 949 East, 955 East, 959 East, and 963 East 200 South from the current R-2 (Single and Two-Family Residential) to RMF-35 (Moderate Density Multi-Family Residential) zoning. The master plan amendment request is to change from Low Density Residential to Medium Density Residential for the parcels. The property owners are requesting these changes to allow more flexibility to develop future multi-family housing with greater density and height than currently allowed on the parcels under existing zoning.

The subject parcels are within the Central City National Historic District (NHD) (Bryant Neighborhood). Structures on subject parcels fronting 200 South are considered contributing to the NHD. The structure at 159 South Lincoln Street is not considered contributing to the Historic District. Though several of the subject parcels are considered contributing to the NHD, there are not any City preservation regulations. NHDs are incentive based historic districts that grant financial incentives to property owners for restoration or rehabilitation of historic structures.

A total of nine dwelling units are recognized by Salt Lake City within the five subject properties:

1. 159 South Lincoln Street is recognized as a single-family dwelling
2. 949 East 200 South is recognized as a duplex
3. 955 East 200 South is recognized as a triplex
4. 959 East 200 South is recognized as a single-family dwelling
5. 963 East 200 South is recognized as a duplex

Images of the subject parcels are found on pages 23-36 of the Administration's transmittal.

The East Central North neighborhood (between 700 East and University Street from South Temple to 900 South) includes a mix of land uses. Surrounding properties are single-family residential, low scale multi-family residential and moderate scale multi-family residential. The Central Community Master Plan designated the subject properties as Low Density Residential to preserve existing low-density residential uses and residential character of this neighborhood. More intense land uses are generally located closer to 700 East while smaller scale and less intense residential uses are farther east toward 1000 East.

Planning staff recommended and the Planning Commission forwarded a unanimous negative recommendation to the City Council for the proposed zoning map and master plan amendments. Because the Planning Commission recommended denial of the petitions an ordinance has not been provided. If the City Council approves the zoning change and master plan amendments, an ordinance will be requested from the Attorney's Office for Council approval.



Aerial image showing location of the subject properties

Goal of the briefing: Review the proposed zoning map and master plan amendments, determine if the Council supports the Planning Commission’s negative recommendation.

POLICY QUESTIONS

1. The Council may wish to ask what changes, if any, were made as a result of the public process since the February 12, 2020 Planning Commission meeting.
2. Rezoning these properties to RMF-35 will substantially increase the value and allow the applicant to put more housing units on these parcels. The Council may wish to ask if any affordable units are included in the proposed development and at what percentage of AMI.
3. Recently the Council has had policy discussions about the impacts to naturally occurring affordable housing units when properties are rezoned in order to building more, newer housing. The Council may wish to review this petition with that context in mind.
 - a. The Council may wish to ask the Administration for an update on how soon amendments to the Housing Loss Mitigation ordinance will be started.

ADDITIONAL INFORMATION

Five key issues were identified through Planning’s analysis of the proposed project. A summary of each is below. See pages 16-19 of the Administration’s transmittal for the complete analysis.

Issue 1 - Existing Master Plan Policies for the Area and the Proposed Zoning

The subject properties are located within the Central Community Master Plan adopted in 2005. The Master Plan’s Future Land Use Map designates the subject properties as Low Density Residential (1-15 dwelling units per acre). The applicant’s request is to modify the future land use designation to Medium Density Residential (15-30 dwelling units per acre).

It is Planning staff's opinion the master plan amendment generally does not align with the goals or policy statements within the Central Community Master Plan. They further stated current R-2 zoning aligns with the current designation on the future land use map at 10 dwelling units per acre. The proposed amendments would double the permitted number of dwelling units under the future land use designation and the allotment under current R-2 zoning.

Issue 2 - R-2 (Single and Two-Family Residential) and RMF-35 (Moderate Density) Comparison

The current R-2 zoning designation requires a minimum 5,000 square foot lot size for a single-family structure and 8,000 square feet for a duplex. These minimum lot requirements protect existing properties from increased density. Redevelopment under current zoning is unlikely and existing structures will likely remain.

RMF-35 zoning introduces land uses not allowed under the current R-2 zoning including single-family attached and multi-family. Per unit square footage is decreased for developments under RMF-35 zoning. If approved, Planning staff believes the proposed amendments would be directly correlated to potential demolition of existing structures.

Issue 3 – National Historic Districts and Historic Preservation

Structures on the subject properties were constructed prior to the turn of the twentieth century and as stated above, are listed within the Central City National Historic District (NHD) (Bryant Neighborhood). NHDs are designated through the National Park Service and recognize unique architecture, character and development patterns of a specific area.

Issue 4 – Public Opinion and Neighborhood Concerns

Planning staff received significant public input about proposed amendments to the subject properties. Comments generally fall within one of the following four categories:

1. *Current condition of the subject properties.* The suggestion is neglect and deferred maintenance caused the properties to deteriorate. If the property owner doesn't maintain existing structures, will they maintain new structures with additional dwelling units?
2. *Loss of existing multi-family housing.* Concern current tenants will be displaced by proposed redevelopment of the properties. Older housing stock is often more affordable than new, market rate housing.
3. *Loss of structures contributing to the National Historic District.* Demolitions are not prohibited, but neighbors are concerned about losing historic structures and future redevelopment of the parcels.
4. *Master Plan Changes.* The Central Community Master Plan Future Land Use Map designates the subject properties as Low Density. Commenters stated without a compelling case to change, the Map should remain as it is.

All public comments and petitions received by Planning staff are included in Attachment H (pages 75-356 of the Administration's transmittal). Public comments received by the Council Office will be forwarded to Council Members.

Issue 5 - Environmental Impact and Air Quality

Planning staff found the proposed amendments are both conflicting and in line with environmental concerns and air quality impacts. If approved by the Council, density would be increased within an environment with existing infrastructure. This potential increased density is located next to rapid bus transit and within walking distance of Trax. On the other hand, the proposed amendments could result in

demolition of existing housing. It is Planning staff's opinion this potential demolition would be a loss of embodied energy and could negatively impact air quality.

ANALYSIS OF STANDARDS

Attachment G of the Planning Commission staff report (pages 72-74 of the Administration's transmittal) outlines zoning map amendment standards that should be considered as the Council reviews this proposal. Planning staff found this proposal generally does not comply with three of the five applicable standards. They are summarized below. Please see the Planning Commission staff report for full details.

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 proposal is not consistent with the goals and policies or specific designation on the Future Land Use Map. Master Plan Future Land Use Map amendment is not supported by policies in the master plan.
2. Whether a proposed map amendment furthers the specific purpose statements of the zoning ordinance.
Finding: The proposed Master Plan and Zoning Map Amendments conflict with the purpose statement of the zoning ordinance.
3. The extent to which a proposed map amendment will affect adjacent properties.
Finding: The proposed zoning and master plan amendments would negatively affect adjacent properties as a result of the increase in scale and intensity.
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: Future development would need to comply with applicable overlays.
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: City services can be provided to the site.

PUBLIC PROCESS

- Notice of the project was sent to the Chair of the East Central Community Council August 9, 2019.
- Planning staff attended the East Central Community Council meeting September 18, 2019.
- Planning Staff hosted an Open House at the Tenth East Senior Center October 7, 2019.
- The East Central Community Council (ECCC) provided a formal letter dated January 20, 2020 expressing opposition to the project. The letter is included on 79-83 of the Administration's transmittal.
- Planning Staff attended the East Liberty Park Community Organization meeting held on January 23, 2020 to answer questions about the project.
- Planning Commission agenda posted to website, notice mailed to property owners within 300 feet of the subject properties, and notice posted on subject properties January 30, 2020.
- The Planning Commission held a Public Hearing on February 12, 2020. By unanimous vote, the Planning Commission forwarded a negative recommendation to the City Council.

