



COUNCIL STAFF REPORT

CITY COUNCIL of SALT LAKE CITY
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TO: City Council Members

FROM: Kira Luke
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DATE: October 6, 2026

Schedule:

Work Session: 09/15/26

Public Hearing: 10/06/26

Potential Action: 10/20/26

RE: Zoning Map Amendment and General Plan Amendment at Approximately 140 N B Street and 272 E 3rd Avenue — PLNPCM2026-00034 & PLNPCM2026-00008

SEPTEMBER 15 WORK SESSION SUMMARY

The Council discussed the recommendation against rezoning 272 E 3rd Ave, a small one-bedroom home that has not been used for long term occupancy since prior to being boarded up in 2008, according to applicants. Council Members who spoke indicated support for both parcels in the petitioners' request, citing the limited value of the single-family home contrasted with the benefits of the petitioners' existing business. The ordinance has been updated to include both parcels.

During the work session briefing, the Council did not straw poll if they supported requiring some type of mitigation, such as a fee-in-lieu paid into the housing mitigation fund, or a unit replacement. At the time of this memo, Council staff was still in the process of getting feedback from Council Members on this question. Additionally, the exact amount was not specified. Council Staff is following up with the Administration to find out what their recommendation is.

The public hearing is set for October 6.

ISSUE AT-A-GLANCE

The Council will be briefed on two petitions:

- A petition to rezone two adjoining properties in the Avenues Local Historic District from RMF-35 (Moderate Density Multi-Family Residential) to MU-2 (Mixed Use 2):
 - the Ellerbeck Mansion at 140 N B St and
 - a single-family home at 272 E 3rd Avenue
- An amendment to the Avenues Plan Future Land Use Map from Medium-Density Residential to Business/Commercial to bring the land use map into alignment with the proposed rezone.

The applicants intend to convert the house at 272 E 3rd Avenue into a retail store, coffee/pastry shop, and community workshop space as an extension of their existing businesses at 140 N B St, Ellerbeck Bed and Breakfast, and Café 140B. No new construction, demolition, or exterior modification of either historic structure is proposed, and no change to the Ellerbeck Mansion's existing legal nonconforming use is proposed.

Commented [TN1]: Sorry, I felt just a little more background would help.



Planning staff recommended denial of both petitions, citing a central concern of the permanent loss of a relatively affordable, naturally-occurring housing unit in a historically expensive neighborhood.

The Historic Landmark Commission forwarded a positive recommendation for both petitions, while the Planning Commission opted to split the request and approve the amendments for parcel containing the bed and breakfast and café, but deny the amendments for the home at 272 E 3rd Ave.

	140 N B St (Ellerbeck Mansion)		272 E 3 rd Ave (single-family home)	
	Zoning Map Amendment (PLNPCM2026-00034)	General Plan Amendment (PLNPCM2026-00008)	Zoning Map Amendment (PLNPCM2026-00034)	General Plan Amendment (PLNPCM2026-00008)
Planning Staff	Negative			
Planning Commission	Positive		Negative	
Historic Landmark Commission	Positive			

The petitions have received a bounty of public comment spanning the breadth from strong support (citing positive experiences with the existing businesses at Ellerbeck, support for another café in the area), to strong opposition (citing concerns about trash management, parking, and housing loss).

The applicants' proposal offers a set of community benefit donations (Attachment 1, page 10) to mitigate the housing loss. As stated by the applicants, these proposed donations apply only if both properties are rezoned. Beyond the proposed donations, the application does not include a plan to replace the housing loss.

GOAL OF THE BRIEFING

Review the proposed zoning map and general plan amendments and determine how the Council wishes to proceed — including whether to consider the two properties together or separately, consistent with the Planning Commission's split recommendation.

POLICY QUESTIONS

1. Does the Council wish to consider the zoning map amendment and general plan amendment for 140 N B St (Ellerbeck Mansion) separately from 272 E 3rd Avenue, consistent with the Planning Commission's split recommendation?
2. If the Council is inclined to approve the amendment including 272 E 3rd Avenue, what would the Council consider an adequate approach to mitigate or replace the loss of the housing unit — a fee-in-lieu calculated per 21A.50.050.E.2, a unit-replacement requirement, or another mechanism?
3. If the Council considers approval, does the Council wish to require a development agreement provision prohibiting short-term rental use of 272 E 3rd Avenue, consistent with Planning staff's recommendation?
4. Is the applicant's proposed community benefit (donations of event space, B&B lodging, food/beverage credit, and gift cards to local nonprofits) proportional to the increase in development potential, or does the Council wish to request a different or additional benefit, and for what duration?

ADDITIONAL INFORMATION

Property Information

272 E 3rd Avenue is a 1-bedroom, 1-bathroom single-family home of roughly 1,200 square feet, built in 1912 and listed as 'Contributory' in the historic district. The applicants operated it as a short-term rental until enforcement action in 2025 led them to convert it to a long-term (30+ days) rental; it has no current long-term tenant. Under the proposed rezone, short-term rentals *are* permitted.

Parking

Parking was a major theme raised by commenters opposed to the rezone. The petition's change of use does not trigger a requirement to add off-street parking. Planning staff calculated that the properties' combined uses would normally require 13 spaces if 272 E 3rd Avenue converts to commercial use; only 6 on-site spaces are provided.

The applicant proposed angled on-street parking to help offset this; Transportation reviewed the proposal and concluded that the area does not meet dimensional requirements and recommended the applicants complete a parking analysis.

Community Benefit Proposal

The applicants propose annual donations to local nonprofit organizations (Attachment 1, page 10). No duration is specified.

• Ten evening event-space reservations at 272 E 3rd Avenue • Ten donated B&B room-nights for visiting guest speakers/performers,	• Up to \$1,000 in food/beverage donations for events for school groups • \$2,000 in gift cards for local fundraisers
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Attachment 1 – Ellerbeck Application Slides
Attachment 2 – [Planning Commission Staff Report](#)