

## SALT LAKE CITY COUNCIL STAFF REPORT

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**DATE:** March 14, 2003

**SUBJECT:** Petition No. 400-01-37 – Ken Holman, Overland Development Corp.  
Request to rezone properties located between 300/400 South and 500/600 East from Residential Multi-Family RMF-35 and Residential Office to Residential Mixed Use

**AFFECTED COUNCIL DISTRICTS:** If approved, the ordinances will affect Council District 4

**STAFF REPORT BY:** Janice Jardine, Planning Policy Analyst

**ADMINISTRATIVE DEPT. AND CONTACT PERSON:** Community and Economic Development – Planning Division  
Doug Dansie, Principal Planner

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### WORK SESSION SUMMARY/NEW INFORMATION:

- A. The Council discussed this issue with the Administration at the Council Work Session on March 4, 2003. Discussion items focused on:
1. Details relating to the proposed residential project.
    - a. The proposed mix of market rate and subsidized units.
      - Planning staff indicated that tax credit subsidized units will be included in Phase I. Phase II and III are intended to be market rate rental and condominiums.
    - b. The number of units available for families that may be provided in future phases.
      - Planning staff indicated that the developer is proposing one and two bedroom units. As previously noted, at the Planning Commission meeting, the developer indicated that the proposed target tenant market age range is early 20's to mid 30's, units proposed include a 50/50 split of 1-2 bedrooms with a range of 748 to 1,000 sq. ft., a high number of children is not anticipated, 1 parking stall per unit will be provided with an option to pay for additional parking spaces.
    - c. The timing proposed for construction of proposed amenities and parking.
      - Planning staff indicated in a follow-up email, that the amenities package for the entire complex will be built as part of Phase II (not Phase I). Extra parking (to accommodate Phase II) will be built as part of Phase I. Phase I will include an oversized parking deck, Phase II will provide the swimming pool, etc., on top of the parking structure.
  2. Height.
    - The Planning Commission recommended allowing 50 foot in height, but the master plan calls for 45. As the change would require a master plan amendment, the Council discussed adopting the ordinance without reference to the 50 feet, with the understanding that the current master plan will stand unless the developer petitions and a formal change is made.
  3. Consistency with previous community concerns as understood by one Council Member.
    - a. Council Member Saxton noted that in the past and particularly during the 1995 zoning rewrite project the community expressed the need to protect the residential character of 300 South and

restrict new commercial development. She felt it may be more acceptable to prohibit commercial development on 300 South and allow new commercial development on 600 East. She indicated that she would like the opportunity to follow-up with the developer and community council members.

- b. Council Member Saxton has followed up with the community council and received initial comments.
4. Details relating to the Central City Neighborhood Council review.
    - a. The Community Council has expressed concern that they did not have an adequate opportunity to comment on the rezoning. The developer did request time on the agenda to discuss the rezoning and did attend the November 6 community council meeting, but there are differing perceptions on the content of the discussion. The community council chair indicates that the council had the impression that the developer would be coming back to discuss the rezoning aspects of the proposal.
    - b. To address this, a 5 p.m. Tuesday briefing has been scheduled for community members, prior to the Council briefing and hearing. In addition, it is proposed that the hearing be continued to March 20 so that additional community comment can be taken after the citizens have had more time for review. This approach addresses the community council concern, yet still addresses the need of the developer to have the issue addressed by the Council prior to April 1.

## POTENTIAL MOTIONS:

1. ["I move that the Council"] **Continue the public hearing to Thursday March 20, 2003.**
2. ["I move that the Council"] **Adopt the proposed ordinances rezoning properties located between 300/400 South and 500/600 East as recommended by the Planning Commission with the exception of the 50 foot height allowance. (See Attachment A)**
3. ["I move that the Council"] **Adopt the proposed ordinances rezoning properties located between 300/400 South and 500/600 East with the exception of the 50 foot height allowance and the condition that the Planning Commission amend the planned development conditional use to:**
  - a. **Prohibit commercial development on the property fronting on 300 South.**
  - b. **Permit commercial development on the property fronting on 600 East.****(See Attachment B)**
4. ["I move that the Council"] **Not adopt the proposed ordinances.**

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The following information was provided previously. It is provided again for your reference.

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## KEY ELEMENTS:

- A. This is a request to rezone several properties in the block between 300 and 400 South and 500 and 600 East. This action would facilitate development of approximately 430-residential units in three separate buildings (market rate/tax credit rental apartments and condominiums for purchase). The Administration notes that the final number of units will be approximately 430, but the number will vary based upon the final size of the individual condominium units.
- B. Current zoning is a mix of Residential Office, Residential Multi-Family RMF-35 and Residential Mixed Use. The site is within the Central City Historic District. Zoning on the properties also includes Historic Preservation and Groundwater Source Protection Overlay classifications. If the rezoning is approved, all properties would be zoned Residential Mixed Use. The Overlay districts zoning would remain the same. (Please see the attached maps for reference.)

- C. The Administration's transmittal notes that the project will be developed on three separate parcels in three phases for financial and marketing reasons and to allow parking to be consolidated. Three ordinances have been prepared with successive deadlines (from 1-3 years) to rezone the properties as each development phase receives approval. Specific ordinance timeframes and conditions are summarized below. (Please see the individual ordinances for details.)
1. Phase I - Rezoning property located at 321-331 South 500 East (to Residential Mixed Use, approximately 208 units)
    - a. Current zoning: Residential Office and Residential Multi-Family RMF-35
    - b. Conditions:
      - Zoning for this property shall not take effect until a building permit has been issued.
      - The mid-block walkway between 500 and 600 East shall be improved with landscaping and pedestrian amenities.
      - Final landscaping plan subject to Planning Director approval.
      - Final building design subject to Historic Landmark Commission and Planning Director approval.
    - c. Ordinance Effective Date: The ordinance will become effective upon the first publication and recording with the Salt Lake County Recorder subject to certification (to the City Recorder) by the Planning Director that conditions have been met.
    - d. Time Restrictions: Conditions must be met within **1 year** or the ordinance shall become null and void. The City Council may extend the time period for satisfying the conditions.
  2. Phase II - Rezoning property located at 550-558 East 300 South (to Residential Mixed Use, Administration may be able to provide information on number of units anticipated.)
    - a. Current zoning: Residential Office and Residential Multi-Family RMF-35
    - b. Conditions:
      - Zoning for this property shall not take effect until a building permit has been issued.
      - The mid-block walkway between 500 and 600 East shall be improved with landscaping and pedestrian amenities.
      - Final landscaping plan subject to Planning Director approval.
      - Proposed development must be processed as a planned development subject to Planning Commission approval.
      - Final building design subject to Historic Landmark Commission and Planning Director approval.
    - c. Ordinance Effective Date: The ordinance will become effective upon the first publication and recording with the Salt Lake County Recorder subject to certification (to the City Recorder) by the Planning Director that conditions have been met.
    - d. Time Restrictions: Conditions must be met within **2 years** or the ordinance shall become null and void. The City Council may extend the time period for satisfying the conditions.
  3. Phase III - Rezoning property located at 326-348 South 600 East (to Residential Mixed Use, Administration may be able to provide information on number of units anticipated.)
    - a. Current zoning – Residential Multi-Family RMF-35
    - b. Conditions:
      - Zoning for this property shall not take effect until a building permit has been issued.
      - Proposed development along 600 East subject to the following stipulations:
        - New commercial uses along the 600 East frontage are prohibited.
        - A 15-foot landscaped front yard setback shall be provided along 600 East unless the Historic Landmark Commission approves an alternative design.
        - Building height along 600 East is limited to 50-feet unless the Historic Landmark Commission approves an alternative design.

- The mid-block walkway between 500 and 600 East shall be improved with landscaping and pedestrian amenities.
  - Final landscaping plan subject to Planning Director approval.
  - Proposed development must be processed as a planned development subject to Planning Commission approval.
  - Final building design subject to Historic Landmark Commission and Planning Director approval.
- c. Ordinance Effective Date: The ordinance will become effective upon the first publication and recording with the Salt Lake County Recorder subject to certification (to the City Recorder) by the Planning Director that conditions have been met.
- d. Time Restrictions: Conditions must be met within **3 years** or the ordinance shall become null and void. The City Council may extend the time period for satisfying the conditions.
- D. On November 21, 2002, the Planning Commission voted to forward a positive recommendation to the City Council to rezone the properties subject to the conditions identified by the Planning Commission. Issues discussed included:
1. Height - 45 feet specified in the master plan versus 50 feet allowed by the building code, requiring lower height in the Historic District.
  2. Parking - use of cross-over easements for phases 2 and 3 and allowing encroachment into the rear yard setback for phase 1.
  3. Useable open space - ensuring adequate space and amenities for each development phase.
  4. Coordination between the Planning Commission and Historic Landmark Commission regarding approval of the project – Planning Commission has decision authority for planned developments, subdivision and condominiums; Historic Landmark Commission has decision authority for design elements such as building materials, architectural features, size and height.
  5. Target tenant market – age range is early 20’s to mid 30’s, units proposed include a 50/50 split of 1-2 bedrooms with a range of 748 to 1,000 sq. ft., a high number of children is not anticipated, 1 parking stall per unit will be provided with an option to pay for additional parking spaces.
- E. The Administration’s transmittal and Planning staff report provide a discussion of the proposed rezoning. Major points are summarized below. (Please refer to the Administration’s paperwork for additional details.)
1. The Residential Mixed Use zoning would accommodate the proposed densities throughout the block while allowing lower scale buildings along 600 East. Rezoning the properties will allow a higher density residential development that will support the light rail transit line along 400 South.
  2. The proposed zoning will accommodate parking on separate parcels. Off-site parking is generally not allowed across zoning district boundaries.
  3. Ensuring compliance with the master plan height policies requires limiting the maximum height and prohibiting new commercial development along 600 East. Restrictions on both height and commercial activity along 600 East should be required to be consistent with the master plan as part of the rezone approval.
  4. The Planning Commission has decision authority regarding planned development approval. Since the properties are within a Historic Preservation Overlay District, the regulations in the overlay zone take precedence when there is a conflict between the base zoning and the overlay zone.
  5. Subdivision amendment and condominium approval will be required.
  6. The Planning Commission approved a similar rezoning and planned development in 1997-1998. There are also several Historic Landmark Commission cases relating to the 97/98 proposal.
  7. The primary issues involved are:
    - a. Compatibility of the proposed higher density mixed use development with the historic district context
    - b. Demolition of the Juel Apartments located at 340 South 600 East.
    - c. Interface with new light rail access.

- F. The project has been reviewed by the City Development Review Team. Public facilities and services are already available. The development proposal will have to meet City standards and demonstrate that there are adequate services to meet the needs of the project.
- G. The public process included review by the Central City Community Council and written notification of the Planning Commission hearing to property owners within a 300-foot radius of the proposed rezoning.

**MATTERS AT ISSUE /POTENTIAL QUESTIONS FOR ADMINISTRATION:**

➤ **POLICY CONSIDERATIONS**

Council Members may wish to request additional information from the Administration regarding the following items in order to have a full understanding of the issues relating to the rezoning and proposed residential development.

- A. The Administration’s transmittal notes “The concept of an apartment complex was discussed by the Central City Community Council on February 7, and June 19, 2001. A vote was taken regarding the demolition of homes on the block (February 7, 2001). The results varied according to specific structure, but were generally mixed. No position was taken regarding the overall project (June 19, 2001). The petitioner took the zoning request to the Central City Community Council on November 6, 2002.” *Council Members may wish to ask the Administration to provide an overview of the issues and comments raised at the Community Council meetings, how they were addressed and whether it is the Administration’s perception that community issues have been resolved.*
- B. The Administration notes that the proposed apartment/condominium project is being developed in three phases. The first phase is the largest, mixing market rate and tax credit rental units. The second phase is proposed to be market rental units. The third phase is proposed to be condominium units. At the Planning Commission meeting, the developer indicated that the proposed target tenant market age range is early 20’s to mid 30’s, units proposed include a 50/50 split of 1-2 bedrooms with a range of 748 to 1,000 sq. ft., a high number of children is not anticipated, 1 parking stall per unit will be provided with an option to pay for additional parking spaces. *Based on Council Members recent discussions relating to Downtown revitalization, school closures and the mix of affordable and market rate housing, Council Members may wish to discuss with the Administration the proposed mix of rental/market rate/condominium units.*
- C. In a related matter, the Historic Landmark and Planning Commissions have reviewed applications for demolition, rezoning and redevelopment on this block since 1997.
  - 1. In April 1998, the City Council approved a similar rezoning request for a proposed high-density residential development (approximately 300 units). Due to economic reasons, the project became financially unfeasible and the Historic Landmark, Planning Commission and City Council approvals expired. Major issues that received significant public comment and discussions focused on by the City Council related to the demolition of several historic structures and the mix of affordable and market rate units.
  - 2. Portions of this new proposal have been processed by the Administration. A planned development conditional use has been approved for Phase I, and the Historic Landmark Commission has approved the demolition of historic structures.
  - 3. Two land use appeals were filed relating to one of the requested demolitions (Juel Apartments located at 340 South 500 East). One appeal was remanded to the Landmark Commission. The second appeal, the Landmark Commission decision not to allow demolition was overturned by the Land Use Appeals Board.
  - 4. *The above information is not included in the Administration’s chronology or in the paperwork provided on this issue.*
    - a. *If the Council has questions on any of this history, the Planning Division will be prepared to address them at the briefing.*

b. *Council staff needs feedback from the Council on whether historical/contextual/interrelated conditions and information of this nature is helpful to the Council and should be requested in the future.*

- D. The Administration's transmittal notes "The East Downtown Master Plan identifies the property along 600 East for medium density residential development at a 45-foot height limit with no new commercial development. It is the recommendation to limit the height along 600 East to 50 feet (four stories for building code). The Planning Commission noted that if the applicant desires a 50-foot height for phase three, he will have to also request an amendment to the master plan at that time. Restriction on both height and commercial activity along 600 East should be required to be consistent with the master plan as part of the rezone approval."
1. The ordinance that has been prepared to rezone the property fronting on 600 East contains the following condition. "The height of the buildings along 600 East is limited to 50 feet unless the Historic Landmark Commission approves an alternative design."
  2. At the Planning Commission meeting, based on advice from Planning staff, the Commission adopted a motion to amend the East Downtown Master Plan as it relates to height in this area.
  3. The City Attorney's office (at the request of Council staff) is reviewing this issue to determine whether or not a revised ordinance will be necessary or if an ordinance for a master plan amendment is necessary.
  4. *Are the Council comfortable adopting ordinances that assume future action by the applicant, the Planning Commission and the Historic Landmark Commission?*
- E. As previously noted, the Administration has indicated that the proposed development will be developed in three phases. Three ordinances have been provided with extended deadlines for compliance with specific conditions prior to the actual rezoning of the properties.
1. The conditions include a requirement for future approvals by the Historic Landmark and Planning Commissions.
  2. In the past, rezoning petitions that have come before the Council (that include a proposed development) have generally also received final approvals from the City advisory boards or commissions.
  3. Also, rezoning ordinances recommended by the Planning Commission and approved by the City Council have linked the actual rezoning to the issuance of an approved building permit and required certification by the Planning Director to the City Recorder that all conditions have been met.
  4. *Are the Council comfortable adopting ordinances that assume future action by the applicant, the Planning Commission and the Historic Landmark Commission?*

## **MASTER PLAN & POLICY CONSIDERATIONS:**

- A. The East Downtown Neighborhood Plan purpose statement includes the following key points:
1. Stop the erosion of the residential character of the neighborhood;
  2. Preserve and enhance the neighborhood's unique character and viability;
  3. Suggest several actions to develop East Downtown as a high density residential neighborhood and create a vibrant, strong, integrated mixed use urban neighborhood.
- B. The properties are located within the *Brownstone-Apartment Mixed Use* and *Bryant Residential* sub-areas of the East Downtown Neighborhood Plan. Key characteristics identified for the sub-areas include:
1. Brownstone-Apartment Mixed Use:
    - a. The area should remain the high density apartment residential service district and primary urban neighborhood for the Central Business District.
    - b. Commercial activity should focus on providing services to the area and not compete with the Central Business District.
    - c. A special emphasis should be placed on safety and street level pedestrian activities compatible with the existing large landscaped, open space character of the area.

- d. Development design should focus on:
  - a high density residential character with ground level commercial activity at a human scale;
  - reinforce the unique grid pattern of this area;
  - enhance the architectural character of the area;
  - emphasize a variety of textures, colors, and shapes compatible with existing environments;
  - high-rise building walls should be set back or terraced down to street level.

2. Bryant Residential area:

- a. The area should remain medium density, high quality residential.
- b. Street parks and reduced widths would reintroduce residential character and discourage additional traffic impacts.
- c. The area should be exclusively residential in character without any commercial office uses and only existing neighborhood commercial support services.
- d. Development design should focus on:
  - Enhancement on the predominant residential character of the area.
  - Buildings should be compatible with adjoining development in respect to scale, building location, use and character.
  - Landscaped buffering and interior block redesign are needed to ease the transition from commercial to residential.
  - Signs and billboards should not be allowed.
  - Pedestrian safety should be the first priority in dealing with traffic movement and circulation.

C. The Council has adopted housing and transportation policy statements that support creating a wide variety of housing types citywide and changing the focus of transportation decisions from moving cars to moving people. The Council's policy statements have been included in the City's Community Housing Plan and Transportation Master Plan.

1. Housing policy statements address a variety of issues including quality design, public and neighborhood participation and interaction, transit-oriented development, encouraging mixed-use developments, housing preservation, rehabilitation and replacement, zoning policies and programs that preserve housing opportunities as well as business opportunities.
2. Transportation policy statements include support of alternative forms of transportation, considering impacts on neighborhoods on at least an equal basis with impacts on transportation systems and giving all neighborhoods equal consideration in transportation decisions. The plan notes that encouraging higher density housing and concentrating business/commercial uses at transit stations allows greater opportunity for ridesharing and use of mass transit.

D. The City's 1990 Urban Design Element includes statements that emphasize preserving the City's image, neighborhood character and maintaining livability while being sensitive to social and economic realities.

Applicable policy concepts include:

1. Allow individual districts to develop in response to their unique characteristics within the overall urban design scheme for the city.
2. Ensure that land uses make a positive contribution to neighborhood improvement and stability and building restoration and new construction enhance district character.
3. Require private development efforts to be compatible with urban design policies of the city regardless of whether city financial assistance is provided.
4. Treat building height, scale and character as significant features of a district's image.
5. Ensure that features of building design such as color, detail, materials and scale are responsive to district character, neighboring buildings, and the pedestrian.

E. On January 7, 2002, the Council adopted a final version of the Policy Statement on the Future Economic Development of Downtown. That statement encourages housing development in this area.

- F. The Council’s growth policy notes that growth in Salt Lake City will be deemed the most desirable if it meets the following criteria:
1. Is aesthetically pleasing;
  2. Contributes to a livable community environment;
  3. Yields no negative net fiscal impact unless an overriding public purpose is served; and
  4. Forestalls negative impacts associated with inactivity.
- G. The City’s Strategic Plan and the Futures Commission Report express concepts such as maintaining a prominent sustainable city, ensuring the City is designed to the highest aesthetic standards and is pedestrian friendly, convenient, and inviting, but not at the expense of minimizing environmental stewardship or neighborhood vitality. The Plans emphasize placing a high priority on maintaining and developing new affordable residential housing in attractive, friendly, safe environments and creating attractive conditions for business expansion including retention and attraction of large and small businesses.

**CHRONOLOGY:**

➤ **BACKGROUND**

The Administration’s transmittal provides a chronology of events relating to the master plan process. Please refer to the Administration’s chronology for details. Key meeting dates are listed below.

➤ **KEY DATES**

- Feb. 7, June 19, & Nov. 6, 2001                      Central City Community Council meetings
- 2001 – November 2002                                      Historic Landmark Commission meetings
- November 21, 2002    Planning Commission meeting

cc: **Rocky Fluhart, Dave Nimkin, DJ Baxter, Ed Rutan, Lynn Pace, Alison Weyher, David Dobbins, Roger Evans, LuAnn Clark, Louis Zunguze, Brent Wilde, Cheri Coffey, Elizabeth Giraud, Doug Dansie, Sylvia Jones, Gwen Springmeyer**

File Location:     Community and Economic Development Department, Planning Division, Rezoning,  
Ken Holman, Overland Development, 300/400 South 500/600 East