
MEMORANDUM

DATE: October 6, 2006

TO: Council Members

FROM: Council Member Søren Simonsen

SUBJECT: Legislative Action – requesting an evaluation of the Sugar House Business District and identification of recommendations, options or tools that focus on historic preservation, economic development, transportation and zoning in the Business District and the surrounding neighborhood.

CC: Mayor Ross C. Anderson, Sam Guevara, Rocky Fluhart, DJ Baxter, Alison McFarlane, Edward Butterfield, Ed Rutan, Lynn Pace, Dave Oka, Valda Tarbet, Mack McDonald, Louis Zunguze, Brent Wilde, Alex Ikefuna, Cheri Coffey, Doug Wheelwright, Larry Butcher, Craig Spangenberg, Kevin LoPiccolo, Lehua Weaver, Annette Daley

I would appreciate the Council's support for a Legislative Action requesting that the Administration reevaluate current zoning regulations in the Sugar House Business District and the surrounding area to determine, at a minimum, the feasibility of implementing modifications with regard to historic preservation of residential and business properties and tools to put in place that would protect affordability and sustainability of one of the most unique and thriving business districts in the region. There are explicit goals of the Sugar House Master Plan adopted in 2001 (Ord. 76 of 2001) that describe these policies, and yet there are no tools, including the current Zoning Ordinance, that provide for the implementation of these specific policies. In fact, the current Zoning Ordinance may be counter to these policies, which will only result in long-term confusion and hardship in implementing the goals of the Master Plan. The scale and design of improvements to existing development is an important factor in the overall aesthetic character of certain commercial areas. Refinements to the Zoning Ordinance would ensure that new development is in scale and compatible with the Sugar House Business District and surrounding neighborhood. I believe that further evaluation and refinement of the current zoning regulations is necessary to preserve the unique and historic character of the Sugar House area. The focus of this project would encompass the area generally located within the SHBD1 and SHBD2 zoning areas adopted in December 2005.

I would like to see an analysis and options that could assist in preserving affordable rents and sustainability for local and small businesses, especially those businesses that could be permanently displaced by major redevelopments in the Business District. The preservation and retention of existing building stock will help maintain affordable rents for businesses. The change in zoning last December has resulted in a dramatic increase in property values, much more rapidly than the normal, incremental increases due to property appreciation. This rapid change may have an adverse impact on rents and property acquisition costs, impacting the many local businesses that have been the predominant property owners historically in the Sugar House Business District. I believe it would be more appropriate to implement zoning regulations and standards that would direct appropriate development toward appropriate redevelopment areas, that would preserve the character and quality of natural and cultural

resources such as the Hidden Hollow Preserve and the Sugar House Monument Plaza, and that would incrementally increase height and density over time in order to facilitate development of an ‘urban district’ rather than a single project that absorbs the available market thus eliminating new development opportunities in the remainder of the District for many years.

Policies in the Sugar House Master Plan support refinement of the business district zoning in order to enhance transit/pedestrian friendly development patterns that exist in the District, increase residential densities and implement design review. The Plan’s Business District Goals emphasize major design themes and development concepts that have historically been promoted in the area including:

1. Honoring the historic scale and mass of buildings along 2100 South and 1100 East.
2. Providing space for small tenants in retail and office buildings that are developed.
3. Increasing a residential presence through a mixed land use pattern.
4. Directing development to be transit and pedestrian oriented.

The Plan notes retaining the distinct identity of the Sugar House area depends on preservation of the community’s historic properties, both commercial and residential, and ensuring that new design respects the community’s historic development and architectural patterns. A successful historic preservation program for Sugar House will support surrounding historic residential neighborhoods and continue the revitalization of the business district. Methods to ensure the preservation of the historic and architectural character of Sugar House include conducting historic resource surveys, pursuing designation to the National Register of Historic Places, establishing historic districts, and increasing public awareness. (Please see the attached document *Sugar House Community Master Plan Summary* for a summary of policies and recommendations that are applicable to this Legislative Action.)

Mr. Kirk Huffaker, Assistant Director of the Utah Heritage Foundation, recently provided a list of potential historic buildings (approximately 70+) in and near the Sugar House Business District. Mr. Huffaker noted that the different eras of buildings give texture to the Business District and have provided economic value and diversity to the area for decades. In addition, Mr. David Nimkin, Vice-Chair of Local First Utah has identified the Sugar House Business District as one of the region’s most significant examples of a thriving local business district. Mr. Nimkin has provided numerous studies and resources demonstrating the important economic benefits to supporting local businesses, which are a significant part of a balanced economic development portfolio for our city.

I would like to emphasize that the intent of this request is to proactively implement actions necessary to ensure preservation of the unique character of the Sugar House area. Because of eminent projects and redevelopment activities, the time frame for some of these actions may need to be expedited immediately. The result I would like to see is an evaluation, analysis and recommendations that address:

A. Historic Preservation:

1. Current zoning, identification of potential conflicts with preservation goals and options that would address these issues and assist in the creation of a destination place.
2. Strengthen the requirements for preservation of historic storefronts, particularly in the area immediately surrounding the Sugar House Monument Plaza. (Granite Block, Sterling Furniture buildings, 2100 South storefronts, etc.)
3. Application of preservation design concepts and options that address to a greater degree compatibility between existing development patterns and new growth.
4. The feasibility of establishing conservation districts and national or local historic districts and sites.

B. Zoning and Height:

1. Potential adverse impacts on property values and affordable housing with regard to height limitations that exceed building code provisions for affordable construction types. (i.e. height limitations for wood construction of 4 stories)
2. Require on-site mixed-use for height/density bonuses rather than agreements to locate housing elsewhere in the Sugar House Business District.
3. Establish certain minimum height/density requirements in the Sugar House Business District in order to reinforce traditional, transit oriented development patterns in the District.
4. Specific design requirements to include, at a minimum, the height and massing of structures surrounding the Sugar House Monument Plaza and the Hidden Hollow Nature Preserve in order to protect the spatial qualities, sunlight, and other characteristics that might be adversely impacted by imposing structures.
5. Possible density bonus, expedited permitting, discounted permit fees, and/or other incentives identified by the City to provide for the proliferation of LEED Certification in the private development sector.
6. Possible implementation of a Transfer of Development Rights (TDR) program as a means to increase density in addition to or in lieu of the current zoning height bonus provisions. (This type of program could help more directly solve other open space preservation objectives in other parts of the City and provide a broader public benefit for the added density the City is seeking to bring about in the Sugar House Business District.)
7. Master plan amendments, if necessary.

C. Economic Development:

1. Identify options, beyond zoning, to help protect affordable rents for current and future local merchants in the area.
2. A market absorption study that would, at a minimum,:
 - a. Evaluate projected regional growth over the next 20 years in combination with an evaluation of the absorption rate for the Sugar House Business District based on the amount of property currently zoned Sugar House Business District 1 (approximately 80 acres), and Sugar House Business District 2 (approximately 27 acres).
 - b. Provide an estimation of how much the market in Salt Lake City and Sugar House can absorb.

D. Transportation:

1. Identify options, opportunities and solutions to comprehensively address parking in the Business District.
2. Provide options that would address increased circulation throughout the Business District including, but not limited to, new east/west street connections and transit options as well as identification of a preferred transit mode and alignment.

E. Other:

1. Potential budget issues such as staffing levels to carry out the duties and responsibilities associated with preservation.
2. Other issues that may be identified by the Council or the Administration.

I would appreciate the support of Council Members in initiating this Legislative Action request.

Sugar House Community Master Plan Summary

❖ **HISTORIC PRESERVATION** (excerpts from the Plan)

Policies

- Balance adequate staff and resources for administration when designating new local historic districts.
- Employ professional assistance when conducting historic surveys and preparing petitions for designating new local historic districts.
- Support designating new local historic districts only after they have been listed on the National Register of Historic Places.
- Ensure the underlying zoning is conducive for the preservation of structures in a historic district.

Historic Preservation Tools

Methods to ensure the preservation of the historic and architectural character of Sugar House include conducting historic resource surveys, pursuing designation to the National Register of Historic Places, establishing historic districts, and increasing public awareness. Many of these efforts are already taking place, but they must be integrated into a cohesive program in order for preservation to be a viable tool in the planning process.

Historic Resources Survey

The Plan recommends that historic resource survey be undertaken for the following areas:

- A. All of the area from 700 East to 1900 East, and between 1700 South to 2100 South should be surveyed (Figure 13). This large area includes strong stocks of bungalows, as in the Hollywood Avenue neighborhood, and development that resulted from an influx of non-Mormon residents near Westminster College. It will probably reveal developments associated with mass-transit possibilities at the beginning of the twentieth century, such as the Perkins Addition at Logan Avenue between 900 East and 1000 East.
- B. The area from 500 East to 1100 East between 2100 South and 2700 South should also be surveyed. This should include the commercial buildings of the business district and the remaining homes in the former town of Forest Dale.

Conservation Districts

Policy

- Investigate the possibility of adopting a conservation district ordinance as a means to invigorate the Sugar House Business District, and to protect its overall historic character as a community town center.
 - A. Conservation districts:
 1. are another tool intended to protect and enhance the character of a designated area by controlling development, including new construction, demolition, additions or major alterations.
 2. can be used as a way of controlling inappropriate development in established neighborhoods that might not qualify for historic district designation.
 3. can be the “lite” version of historic districts, in that certain building activities or regulation of building materials that are strictly regulated in historic districts, such as installation of vinyl siding, windows and fencing, would not be regulated in conservation districts.
 4. focus more on ensuring that redevelopment is compatible with the massing and scale of an older neighborhood.

- B. An historic district will be more effective in preserving the historic character than a conservation district in residential neighborhoods of Sugar House.
- C. A conservation district in the Sugar House Business District could be a successful means of preserving the scale of the historic neighborhood shopping environment that has always characterized this commercial area.
 - 1. As it stands today, the business district includes few buildings that convey their original appearance and many historic commercial structures have been demolished.
 - 2. Yet the original massing of the buildings, the historic layout of the structures, and the uninterrupted streetwall of structures continue to convey the business district's historic sense of place.
 - 3. A conservation district that requires new construction to conform to these characteristics and encourages the appropriate renovation of the remaining historic buildings could reverse the incompatible actions that have eroded the character of this commercial neighborhood.
 - 4. A conservation rather than a historic district would be more appropriate for the business district, due to the lack of a concentration of contributing buildings, and because modern materials obscure the historic appearance of many of the older storefronts.
- D. Establishing a conservation district would be a new planning tool for Salt Lake City.
 - 1. Although many cities have conservation districts, they are administered in different ways, and a number of issues would have to be decided.
 - 2. With significant public input, the city would have to decide how binding a conservation district would be, who would initiate the designation process, who would prepare the necessary background information, and what public entity would review proposed construction.
- E. Design guidelines should be produced so that property owners and developers know what is expected of them. As with historic districts, a very high level of property owner support would be necessary for both the designation and implementation in order for the district to achieve its goals.

❖ **SUGAR HOUSE BUSINESS DISTRICT** (excerpts from the Plan)

- A. In the development of this plan, the community clearly voiced a vision that encompasses many types of land uses in order to create a synergistic and healthy neighborhood – a place where people can live, work, shop and play with a distinct “Town Center.”
- B. The existing merchandise mix in the business district has the potential of integrating a community atmosphere with the excitement of a regional town center: the Hidden Hollow area including Parley's Creek offers a splendid community and commercial development amenity; the Sprague Library is a long-standing community gathering place; and the existing scale and pedestrian orientation of much of the area provides a good basis for future development.
- C. Many of the businesses are residential service and support uses or specialty retail shops that are readily accommodated in small retail spaces.
- D. The “Main Street” quality is the desired character for the heart of the community and offers the greatest potential to identify the area as a unique town center with a strong pedestrian orientation.
- E. Since the mid-eighties there has been significant interest in the area, with new ownership of commercial land, a major new project completed (the Sugar House Commons), and several projects in the planning stages including the Redman Lofts and the Ballet West redevelopment projects.
- F. Preserving the look and feel of the Sugar House Business District as a unique place will continue to be a priority for residents and merchants alike. Part of the image and character of the district is the older buildings that have made up the core area since early in the 20th Century.
- G. It is appropriate that special consideration be given to new development that honors or contributes to the historic character.

- H. Adaptive re-use of structurally sound buildings demonstrating potential economic viability is encouraged.
- I. Getting in and out of the Business District efficiently, finding a place to park, and feeling that walking is a safe and viable alternative to the automobile are essential to the long-term success of the area.
- J. The community envisions an experience where a pedestrian can walk from Sugar House Park to Fairmont Park, utilizing paths and sidewalks, to shop, recreate, or just relax.
- K. Bringing Parley's Creek back to the surface is strongly encouraged in future projects. It would greatly enhance the pedestrians' experience as they follow Parley's Creek from Sugar House Park through Hidden Hollow, the Commons project, the Granite Furniture block and to Fairmont Park with its pool, ponds, and stream.

Business District Goals, Objectives and Development Opportunities

- A. Several major themes in the 1995 Business District plan must be re-emphasized:
 1. Honoring the historic scale and mass of buildings along 2100 South and 1100 East;
 2. Providing space for small tenants in the retail and office buildings that are developed;
 3. Increasing a residential presence through a mixed land use pattern; and
 4. Directing development to be transit and pedestrian oriented.
- B. The Plan does not recommend wholesale urban renewal for the Sugar House area.
- C. Rather, the thrust is to capitalize on the existing features and land-use components of the area and identify opportunities for augmenting the existing strengths of the area through diversification of land use.
- D. The retail, office and residential markets are all quite strong or strengthening in the Salt Lake area.
- E. This is a good opportunity for encouraging mixed-use development in the area -- all could occur concurrently as opposed to structuring a phased approach based on market demand for different uses.
- F. The goals and objectives for the Business District are as follows:
 1. Reestablish the visible image of the Sugar House Business District as a "unique place" offering pleasant and convenient commercial, retail, office, entertainment and residential facilities.
 2. Direct a mixed land use development pattern that includes medium- and high-density housing with the associated neighborhood amenities and facilities to support future transit stations.
 3. Expand the Sugar House Business district with the mixed land use pattern to include the regional shopping area adjacent to 1300 East and I-80.
 4. Establish the Sugar House Plaza Monument as the community focal point.
 5. Incorporate building height envelopes fronting on 2100 South, 1100 East and Highland Drive into a three-story maximum without a building setback, and a step-back on upper stories to maintain an appropriate and historic scale and mass.
 6. Promote public art in the area with sculpture, infrastructure design and murals on existing blank walls, as well as cultural activities, such as art fairs, festivals, concert series and open-air markets.
 7. Support a human-scale environment by dividing large blocks into smaller blocks; and provide public easements to ensure pedestrian and non-motorized access to and through commercial developments.
 8. Incorporate pedestrian orientation and pedestrian amenities into development alternatives; use convenient, interesting and attractive pedestrian linkages between anchor attractions and around the monument area at 2100 South and 1100 East.
 9. Provide for a comprehensive system of street graphics and signage for easy and pleasant communication.
 10. Strive for retail building placement that is visible through existing view corridors, to encourage pedestrian traffic to those businesses.
 11. Incorporate Parley's Creek into new development with at-surface water and landscaping amenities with pedestrian orientation.

12. Provide multi-modal transportation options that include transit and light rail, bicycle and pedestrian facilities, as well as improved public streets to facilitate better mobility, access and reduce traffic hazards.
13. Incorporate adequate off-street parking into development with identified access, proper buffering and landscaping; and encourage coordinated and structured parking .
14. Remove impediments to land disposition and development through assembly of land into reasonably sized and shaped parcels served by improved public utilities and new community facilities.
15. Eliminate obsolete structures unless they have historic or aesthetic value, and encourage adaptive re-use of structurally sound buildings demonstrating potential economic viability.
16. Provide for the strengthening of the tax base, economic health and sustainability of the community.
17. Eliminate or alleviate flood potential within the area.

Policy

- Develop a small area master plan for the business district area bounded by 2100 South and I-80, between 1300 East and 900 East (as identified on the small area plan map). This plan should include, but not be limited to, the following development principles or solutions:
 1. Provide a pedestrian and bicycle circulation plan and identify the right-of-way necessary to support multi-modal alternatives;
 2. Identify the location for a TRAX station as well as the preferred route through the business district for a future light rail alignment;
 3. Divide large blocks into smaller blocks to allow more pedestrian circulation through the business district and to reduce traffic congestion within it;
 4. Redesign the present circulation system to provide better internal access within the business district;
 5. Enhance pedestrian crossings along with traffic calming measures, and provide access through the district that connects Sugar House Park, Hidden Hollow and Fairmont Park;
 6. Greatly increase landscaping along the 1300 East frontage;
 7. Provide for coordinated and structured parking, with underground parking wherever possible;
 8. Provide a central public plaza with strong pedestrian connections to other blocks;
 9. Evaluate the feasibility and impacts of expanding the monument plaza into a Town Square by relocating the eastbound right-turn lane on 2100 South and reconnecting the Plaza with the sidewalk;
 10. Evaluate the feasibility and impacts of realigning Sugarmont Drive with Wilmington Avenue at the Highland Drive intersection, in addition to the extension of Elm Street to Highland Drive as a limited access or pedestrian way;
 11. Include entertainment uses such as a theatre near the monument;
 12. Require new buildings to honor the historic character of the area;
 13. Preserve and restore viable historic buildings;
 14. Restore the water fountain functions of the monument;
 15. Plan for streetscape amenities, including transit shelters, a street lighting theme, benches and street trees; and
 16. Utilize the Salt Lake Jordan Canal/McClelland corridor right-of-way as a pedestrian link, especially as it transects the Granite Furniture block.

Small Businesses

Policies

- Support locally-owned businesses to operate within the Sugar House business district.
- Provide varying types of office space for individuals or small businesses within new development.

- Examine ways to preserve small businesses and provide incentives for developers to accommodate these businesses into new projects.
- Educate business owners on the programs and services available that foster small business development.
- Use the Main Street program model to support small businesses throughout the Sugar House community

Congestion

Policies

- Ensure that new development is managed, balanced and designed with multi-modal options so that automobile travel does not exceed the capacity of the street infrastructure within the business district.
- Provide multi-modal options to alleviate the dependence upon automobile travel.

Traffic & Pedestrian Orientation

Policies

- Implement a *pedestrian first* policy for the Sugar House Business District zone.
- Design 2100 South to provide for a safe pedestrian environment; and enhance all pedestrian crossings along 2100 South.
- Evaluate if Highland Drive, south of 2100 South in the Business District can be made into a two-lane street, with a continuous center turn lane with angled or parallel on- street parking.
- Increase pedestrian access in the area of the Brickyard Shopping Center and the Brickyard Apartments to the north and to the east across Richmond Street.

Parking

Policies

- Strongly encourage coordinated parking in the business district and around all commercial node areas.
- Evaluate the feasibility of creating a parking district in the Sugar House Business District.
- Strongly encourage structured and underground parking wherever feasible to minimize the impacts upon surrounding land uses and reduce the land area used.
- Retain ownership of all publicly owned property in the Business District, including streets, alleys, and parcels, so that future rights-of-way can be acquired through land trade arrangements rather than expenditure of capital funds.

Entertainment

Policy

- Support the development of a theatre that will accommodate live music and theatre, as well as film in the Sugar House business district.

Reinvestment

Policy

- Support ongoing reinvestment into the business district to ensure the long-term sustainability of the area.

❖ **CITY REDEVELOPMENT AGENCY** (excerpts from the Plan)

Policies

- Ensure close coordination and communication between the RDA and other departments when planning for and implementing projects within the redevelopment area of the business district.
 - Maximize investment opportunities offered by the RDA for rehabilitating property in the Business District until its authority expires in 2011.
 - Include public art in RDA redevelopment plans.
-
- A. In 1986, the Redevelopment Agency of Salt Lake City (RDA) declared the Sugar House Business District a project area, making it eligible for RDA assistance.
 - B. The RDA will continue to participate in the redevelopment and improvement of property within the Business District until its authority expires in 2011.
 - C. The overall goal of the Sugar House Neighborhood Development Plan, adopted in 1986, is to re-establish the visible image of the business district as a unique place offering pleasant and convenient commercial, retail, office, entertainment, and residential facilities.
 - D. Other development objectives outlined within the plan include: Eliminate physical and economic blight by removing deteriorated and functionally obsolete structures of no historic or aesthetic value, encourage rehabilitation and adaptive re-use of structurally sound buildings, and provide improved public streets and road access to the area to facilitate better traffic circulation.
 - E. The ability of the RDA to invest in this area helps entice redevelopment of the commercial center.
 - F. Funds available through the RDA must be used for projects that are in compliance with and implement the policies and recommendations of this community master plan and the redevelopment plan.