



PLANNING COMMISSION MINUTES

Meeting of June 13, 2019

Logan City Council Chambers (290 North 100 West Logan, UT 84321) www.loganutah.org

Minutes of the meeting for the Logan City Planning Commission convened in regular session on Thursday, June 13, 2019. Vice-Chairman Nielson called the meeting to order at 5:30 p.m.

Commissioners Present: Roylan Croshaw, Regina Dickinson, Dave Newman, Tony Nielson, Eduardo Ortiz

Commissioners Excused: Sandi Goodlander

Staff Present: Mike DeSimone, Russ Holley, Aaron Smith, Debbie Zilles, Kymber Housley, Bill Young, Paul Taylor, Craig Humphreys, Jeannie Simmonds (Council liaison)

Minutes from the May 23, 2019 meeting were reviewed. Commissioner Croshaw moved to approve the minutes as submitted. Motion seconded by Commissioner Dickinson. Approved unanimously.

Commissioner Nielson was selected to serve as Chairman for the remainder of 2019 with Commissioner Newman to serve as Vice-Chair

PUBLIC HEARING

PC 19-020 Land Development Code Amendment 17.10.100 – Mixed Use Standards

Logan City requests to amend the Land Development Code (LDC) §17.10.100 Mixed Use Development Standards to clarify the ratio of required commercial uses to residential uses in the Mixed-Use zone.

STAFF: Mr. DeSimone explained that the proposed amendment will add a prescribed minimum amount of land or building area specifically devoted to commercial uses as a percentage or ratio of residential uses in the Mixed-Use (MU) zoning district.

This issue was discussed with the Municipal Council several weeks ago based on concerns expressed by the Ellis neighborhood over the Eliason Meat Packing plant site being developed just with residential uses even though it is currently zoned Mixed-Use. While both the Land Development Code and the General Plan call out for a mixture of uses, there are no specific ratios or percentages of use types in the MU zone. It was suggested that a mixture of uses, including at least 10% commercial, would be a good starting point for discussion. Council's direction was to prepare an amendment and for evaluation and recommendation.

The intent of the MU zone is to encourage a mixture of different uses within an overall project. The Intent language from LDC 17.10.100 states:

The intent of the Mixed-Use Zoning District (MU) is to encourage a concentration of different uses within an overall project. Mixed Use developments shall have both a residential and a commercial component and shall be scaled to ensure consistency with the surrounding neighborhoods. Both Commercial and residential development are required elements of a mixed-use project. Mixed use projects can utilize "horizontal" mixed use where commercial, office and residential uses are designed as a single project, yet constructed in separate and distinct building footprints. Mixed use projects in more

urbanized areas are encouraged to employ “vertical” design strategies where commercial, office and residential uses are designed as a single project and constructed within the same footprint, with pedestrian oriented commercial and retail uses on the main level and office and/or residential uses on the upper floors.

The Logan General Plan contemplates a mixture of uses in Mixed-Use Centers and states:

Mixed Use Centers (MUC) have concentrations of commercial and office uses – with residential uses integrated (MUC developments are required to have both residential and commercial components). Residential development is allowed with the range of 7 to 20 dwelling units per acre. Structures in MUC areas will typically be multi-story, with office and residential uses above commercial uses. MUC’s are compact – designed for people to live, work, and play within a walkable center. Existing or future mass transit is also integrated into MUC centers, providing multiple options for transportation. The MUC district is intended to be somewhat self-sufficient – it provides its own customers to support commercial businesses – reducing dependence on drive-to traffic. As a result, MUC development will be pedestrian-oriented with an emphasis on quality urban design and landscaping. The MUC category can be applied to encourage the redevelopment of out dated, one-story shopping areas.

Both the General Plan and the LDC contemplate a mixture of uses within Mixed-Use projects. Both prefer a vertical arrangement of the different uses, and in fact, the LDC provides for a 10 unit/acre density bonus for mixed-use projects designed with ground floor commercial. The preference is for MU projects to be compact, be designed for people to live, work, and play within a walkable center, and be self-sustaining in that the residents are supporting the commercial uses.

Neither document prescribes a minimum ratio of use types; instead relying on the assumption that commercial uses are always more valuable than residential uses and would therefore be the predominate use in a mixed-use project. What we are currently experiencing in the Logan market is a high demand for multi-family housing, and because there is a lack of large, vacant, available tracts of land zoned for multi-family, there is significant pressure on vacant and available sites zoned MU or Commercial to help meet that demand.

The task to determine whether a prescribed minimum percentage of uses are appropriate, and if so, what those ratios or percentages should be. In helping to answer this question, several different approaches to a prescribed ratio or mixture of uses were discussed.

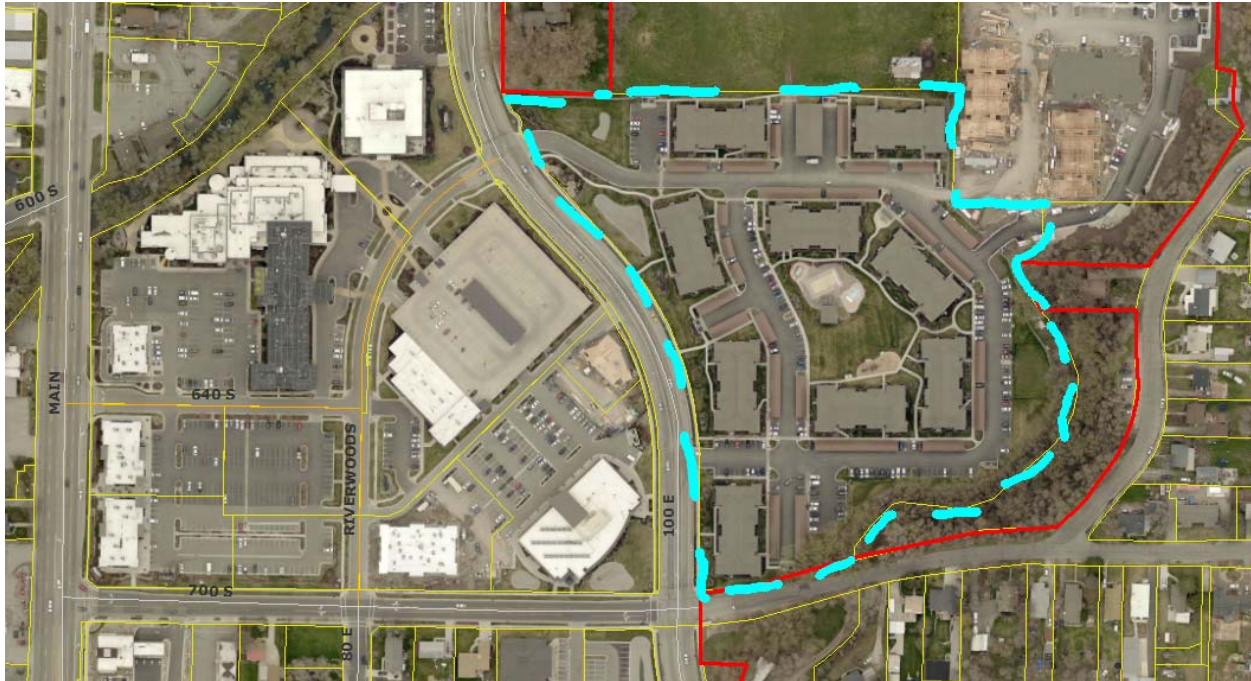
Option No. 1: Each mixed-use project shall have a minimum of 10% of the total building square footage dedicated to commercial use.

This approach prescribes a minimum ratio of commercial to total residential square footage. A real-world example (refer to map on next page) using the existing Riverwoods residential complex helps illustrate the expectations of this approach.

Riverwoods residential complex (residential areas inside blue lines on map). The site is approximately 11.9 acres in size and contains nine (9) three-story 24 plex buildings with a total of 216 residential units. The overall density is approximately 18 units/acre. Each building has an approximate footprint of 11,000 SF on three levels, which equates to approximately 33,000 SF of residential area per building.

Under this option, the amount of commercial area required for this project site would be:
9 buildings x 33,000 residential SF = 297,000 total residential SF x 10% (commercial ratio) = 29,700 SF (minimum) of commercial area.

The result is a commercial building with a footprint a little larger than the existing Conserve Building directly across the street located on approximately 2.25 acres (building pad & parking), leaving approximately 9.65 acre for residential buildings/parking.



Option No. 2: Each mixed-use project shall have a minimum of 10% of the total residential building footprint dedicated to commercial use.

This approach prescribes a minimum ratio of commercial square footage to total residential building footprint rather than total residential square footage. Using the example (refer to map above) of the existing Riverwoods residential complex helps illustrate the expectations of this approach.

Under this option, the amount of commercial area required for this project site would be:
 $9 \text{ buildings} \times 11,000 \text{ residential footprint SF} = 99,000 \text{ SF} \times 10\% \text{ (commercial ratio)} = 9,900 \text{ SF}$
(minimum) of commercial area.

The result is a commercial building with a footprint about 1.5 times the size of one of the Riverwoods pad sites (Firehouse Pizza) along Main Street and associated parking on approximately 1.0 acres leaving 10.9 acres for residential buildings/parking.

Option No. 3: Each mixed-use project shall have a minimum of 5% of the total building footprint dedicated to commercial use.

This approach prescribes a minimum ratio of commercial square footage to total residential building footprint rather than total residential square footage. Using the example (refer to map) of the existing Riverwoods residential complex helps illustrate the expectations of this approach.

Under this option, the amount of commercial area required for this project site would be:
 $9 \text{ buildings} \times 11,000 \text{ residential footprint SF} = 99,000 \text{ SF} \times 5\% \text{ (commercial ratio)} = 4,950 \text{ SF}$
(minimum) of commercial area.

The result is a commercial building with a footprint approximately the size of one of the Riverwoods pad sites (Jimmy Johns/Johnny O's) along Main Street and associated parking on approximately .75 acres, leaving just over 11 acres for residential buildings/parking.

Option No. 4: Each mixed-use project shall have at least 10% of the total land area devoted to commercial use.

This approach prescribes a minimum amount of land devoted to commercial uses regardless of amount of residential square footage. Using the example (refer to map) of the existing Riverwoods residential complex helps illustrate the expectations of this approach.

Under this option, the amount of commercial area required for this project site would be:
11.9 total acres = 1.19 acres of commercial (10%) and 10.71 acres of residential (90%).

The result is a commercial site with a variable as to building size without any relationship to the amount of residential on the overall site.

Option No. 5: A mixed-use project on a site greater than 10 acres shall have at least 5,000 square feet of commercial building space whereas a mixed-use project on less than 10 acres shall have at least 3,000 square feet of commercial building space.

This approach prescribes a minimum amount of commercial square footage to project sizing and uses the commercial sizing or intensity based on the Neighborhood Center (NC) zone. Using the example (refer to map) of the existing Riverwoods residential complex helps illustrate the expectations of this approach.

Under this option, the amount of commercial area required for this project site would be:
11.9 acres = 5,000 SF of commercial.

For a project larger than 10 acres in size, the result is a commercial building with a building footprint approximating the Jimmy Johns/Johnny O's pad site on Main Street with associated parking areas on approximately .75 acres. For a project smaller than 10 acres in size, the result is a commercial building(s) with a building footprint approximating the Starbucks site on 0.4 acres.

This approach builds on the Neighborhood Center scale for commercial sizing and the concept that the commercial uses being provided in a mixed-use project are neighborhood centric in that they are primarily serving the new resident population.

Option No. 6: Each mixed-use project shall have a minimum of 20% of the total building footprint dedicated to commercial use.

This approach prescribes a minimum ratio of commercial square footage to total residential building footprint at 20% as opposed to 10% under option no. 2. Using the example (refer to map) of the existing Riverwoods residential complex helps illustrate the expectations of this approach.

Under this option, the amount of commercial area required for this project site would be:
9 buildings x 11,000 residential footprint SF = 99,000 SF x 20% (commercial ratio) = 19,800 SF (minimum) of commercial area.

The result is a commercial building with a footprint approximately the size of the existing Conserve Building directly across the street located on approximately 2.25 acres (building pad & parking), leaving approximately 9.65 acre for residential buildings/parking.

Option No. 7 (Open Space Option): In lieu of a minimum amount of commercial, a mixed-use project may increase the amount of open space by at least 10% (20% open space/10% useable outdoor space).

11.9 total acres = 2.38 acres of open space (20%), 1.19 acres of useable outdoor space (10%), and 8.33 acres of residential (70%)

This is another option to consider when a project zoned for mixed-use decides against any commercial in the project. This option provides the flexibility of the mixed-use zone, but is similar to the MR-30 zoning in terms of density and development standards.

The MU zone provides more flexibility than other zones as it permits a wider range or collection of uses and/or intensities than other zones, except for the TC zones. The MU zone is responsive to changing market conditions enabling a property owner the flexibility to build into their project those elements that are in demand. The current MU zone is a good balance to the current commercial zone. The commercial zone is also a type of mixed-use zone in that it permits a combination of uses. It was modified last year to ensure that commercial was emphasized as a primary use and residential, if included, was secondary. There is no freestanding residential permitted in the commercial zone, meaning that any residential units must be constructed above commercial uses. There are no minimums/maximum ratios specified in the commercial zone.

While both the General Plan and the LDC state there should be a mixture of uses, the current approach to regulating has been to allow the market to dictate how much of each use type would go into a mixed-use project. The assumption behind this has been that commercial is more valuable than residential and will normally be the primary land use. Obviously with the current housing market, this has changed and one of the most important considerations driving the mixture of uses is location, as location and visibility are critical to the success of most commercial activities. The same mix of uses that one would find along Main Street is probably not going to work on a site on 200 North. The challenge is prescribing a minimum ratio of uses that will work regardless of the location.

There are examples of different mixed-use projects in Logan that have proven to work, all of which were built without any prescribed use ratios. Morty's and Blue Square are two projects that have arranged uses vertically, e.g., commercial on the bottom and housing on the top. These have proven successful due to their proximity to the university. They also have commercial uses that, while catering to the adjacent student population (both project residents and students at large), do serve a broader residential population. The nature of their design is what was contemplated in the General Plan. Another obvious example is the Riverwoods complex, which includes a wider range of uses, serving a wider range of people, and is arranged horizontally. Both design approaches to mixed-use provide similar benefits, e.g., people living close to where they work/shop, reduction in traffic, etc.

While each of the options generally differ slightly in scale and methodology, the net effect could be significant depending upon the project's size, design and layout. The other option that is not listed is the "do nothing option" and not change the code. The open space option was included as an alternative, however, this ends up with a project looking like something in the MR-30 zone.

Bountiful City has divided the concept of a mixed-use zone into several different zones, each with a particular emphasis, e.g., entertainment, commercial, professional office, public facilities, or residential.. Fremont, California requires 50% of the floor area of the portion of the ground floor within 50' of the street frontage shall be commercial. Many do not prescribe a minimum amount of commercial, while others approach it by prescribing a minimum residential component, with the belief that commercial will dominate the use types.

The General Plan and LDC both describe a Mixed-Use Center as a dense, compact, walkable environment containing a mixture of uses, including a commercial base that serves the project's resident population. While there is not currently a prescriptive ratio of uses, the challenge is to ensure a minimum standard is adopted that serves this purpose without being overly restrictive on and driving away good projects. A mixed-use project on Main Street may have a commercial to residential mix of 80/20, whereas a project on 300 South may have a commercial to residential mix of 20/80, the nature of which is driven by location. Market conditions also play into this. Clearly the housing market will soften, demand will shift, and at some point, the City will need to explore other options for multi-family housing as we currently lack large, vacant multi-family zoned property.

Each of the options differ slightly in scale, however, the net effect could be significant depending on the project's size, design and layout. Establishing minimum commercial ratios by using the NC zone sizing (3,000/5,000 SF) is a conservative approach to mandating a range of uses that are based on the scale of the underlying project while working to ensure that a neighborhood scaled commercial component would be integrated into the overall design of a project.

PUBLIC: Sue Sorenson, the Ellis Neighborhood Chair, said the neighbors are not opposed to this idea, they just want to ensure that a project is a good fit for the community. The idea of creating areas where people can live, work and play is a good solution to reducing traffic. These types of developments should be self-sustaining. Her recommendation would be Option 6; however, she can see the concern with developments along Main Street. This decision will set a precedent for future developments. The commercial component should enhance the area. The idea of a hybrid of Option 6 and 7 would be another suggestion, with more open space to allow neighbors to enjoy. She would like to see family-friendly housing, with larger units, developed in a way to ensure safety for the residents.

Paul Rogers pointed out that this will apply to the entire City, not just a specific area. The options that have been laid out are vastly "undershooting" what can be done if the intent is to make these livable/walkable communities. The market alone should not be the driver, compatibility with surrounding neighborhoods should be considered. The idea that "people are not ready" is not a valid excuse not to act. Residents want to be involved with the process. If the desire is for a community that is livable, walkable, safe and healthy, then stronger parameters should be put into place. Neighbors would like to see consistent housing types which are pedestrian-oriented and smart, sustainable and responsible growth that represents the area. Mixed-use can be a mix of commercial and residential, but also a mixture of residential types. He would favor Option 6 with 20% required commercial and possibly specifying which types of commercial (mix of retail, entertainment, food) to get to the diversity that allows someone to live, work and play in the same place. Green space should be encouraged. There is a need for more sustainable housing for families to live long-term. Development should be compatible with existing neighborhoods. Transportation is a key component regarding health and safety; adding high-volume traffic impacts air quality. There should be an incentive to limit parking and consider current and future transportation programs.

Roger Rowan is not opposed to the idea, however, is concerned with the potential development in the Ellis area. Mr. DeSimone pointed out that this does not address a specific development, but is a citywide approach to mixed-use and the amount of residential to commercial. Mr. Rowan said he would like to see a cap on the amount of residential so there is limited traffic.

Blake Parker works in real estate and is concerned that if this becomes too restrictive, projects will have a difficult time being able to find financing. It is important to consider the location because some areas may have difficulty attracting commercial. Being forced to put a commercial component in may not work. He recommended not creating too tight of a box and to consider the reality of project working.

Ryan Reeves, ICP Commercial Real Estate, noted that in the last three years, the Valley has lost 210,571 SF of retail space. The mall is currently at 25% vacancy. Recently, ShopKo, Payless, Bed, Bath & Beyond, K-Mart and Dress Barn have all closed stores and the buildings currently sit vacant. He does not want to have areas where developers cannot make projects work.

Bracken Atkinson, Wasatch Development Group, said Mixed-Use zones can be one of the most utilized zones for smart development, however, it can also have difficult challenges. These types of developments can benefit communities, neighborhoods and future generations. He applauds Logan for trying to “look down the road”. Defining what is required is a challenge for a developer, for example, the hotel at the Riverwoods development had to be changed to a Commercial zone because of the requirement for a residential component. There needs to be consideration given to the financial well-being of a project to succeed. The market does dictate what developers do. It is a daunting task to balance the needs of residential versus commercial. Developers want to make projects beneficial so they will succeed. In theory, self-sustaining is a good idea, however, it can be difficult to make it happen. Starter homes in the Valley begin at \$280,000. The market is not balanced and the desire does not equate to the viability. A professionally-managed multi-family development can be successful and retain families. He encouraged flexibility to allow for projects to work. He recommended a simple process with fewer and more defined requirements.

COMMISSION: Mr. Holley answered for Commissioner Croshaw that Riverwoods was developed under the Mixed-Use zone, subsequently the front commercial portion was rezoned back to Commercial because of the requirement for a residential component. Mr. DeSimone explained that Riverwoods was master planned as a mixed-use development. This is a horizontal mix of uses but does not integrate commercial and residential into one building.

Commissioner Ortiz asked what zones allow for mixed uses. Mr. DeSimone said Mixed-Use is its own standalone zone. Campus Residential and Town Center also allow for a mix of different uses.

Commissioner Dickinson is worried about the use of the word “commercial” because it is so broad. Mr. DeSimone outlined the range of uses that could be used. Commissioner Dickinson understands the need to not be too restrictive, but is worried because the point of the Mixed-Use zone is to be walkable and pedestrian friendly. If office space is put in, there will be a need to travel off-site to eat, shop and work, which seems to defeat the purpose. Mr. DeSimone said the challenge is to determine what is “walkable”. The Riverwoods development is walkable, even though it is quite large, there is a range of uses and it meets the elements of a mixed-use concept. It becomes a philosophical debate because people can choose to live and walk to nearby places. Commissioner Dickinson said not knowing what the commercial element will be in a project makes it difficult to envision. Mr. DeSimone said the idea is to be comfortable with the range of uses that could be allowed.

Mr. DeSimone said another option would be, rather than having a Mixed-Use zone, allowing an overlay, however there will need to be incentives for the developer to use it.

Commissioner Ortiz noted the complexity of this idea; the challenge is there are too many factors to consider such as size, density, location, external forces, etc.

Mr. DeSimone pointed out the proposed wording “*The Planning Commission may authorize a reduction in the amount of minimum commercial building area if the Commission can make findings supported by substantial evidence that the goals and intent of the mixed-use zone are being achieved with the project design*” which allows some latitude. Mr. Housley said it is like an alternative parking or landscaping plan which allows for some flexibility for a specific project while still accomplishing the overall goals.

Commissioner Newman said three elements to consider seem to be geographic location, size and open space. He does not think a decision can be made tonight.

Mr. DeSimone noted that consideration for future growth needs to be addressed.

Commissioner Croshaw asked if this type of zone is currently needed and if there has been interest in this type of development. Mr. DeSimone explained that there have been discussions over the last few years as to how to implement this idea and respond to possible development. The goal is to provide commercial that is sustainable, however, that requires rooftops to be viable. Different sites will have different contexts to consider.

Chairman Nielson agrees with both the neighbors and developers. Mixed use can work (i.e. Sugar House area in Salt Lake City). He would like more time to digest the information and consider ideas and encouraged continuation of the discussion.

Commissioner Newman asked if there are other communities that can be researched. Mr. DeSimone said Bountiful City's approach is five (5) different Mixed-Use zones, each with a specific emphasis. Freemont, California requires ground floor commercial along major arterials. The implicit assumption with the mixed-use idea is that commercial will be the driver, however, multi-family residential is the current demand in Logan.

Mr. Housley said a list of commercial uses that would not be allowed could be considered.

MOTION: Commissioner Croshaw moved to **continue discussion** to the July 11, 2019 meeting. Commissioner Ortiz seconded the motion.

Moved: R. Croshaw **Seconded:** E. Ortiz **Approved:** 5-0

Yea: Croshaw, Dickinson, Newman, Nielson, Ortiz **Nay:** **Abstain:**

WORKSHOP ITEMS for June 27, 2019

- ✓ PC 19-021 Woodmore Pointe Rezone
- ✓ PC 19-022 Meadow Creek Rezone

Short-Term Rental Discussion

Discussion will be continued to the July 11, 2019 meeting.

OTHER BUSINESS:

Mr. Holley explained that the Michael Cooper Office building located at 400 North 950 West which was approved October 25, 2018 (PC 18-035) submitted building plans with differences in height (approved as 2-story, proposed as 1-story), colors, materials and transparency. The Planning Commission was presented with the updated design. The Commission has the authority to review the project if it is substantially different than what was approved. The Commission agreed that the new design was fine, except that it should still meet the required transparency.

MEETING ADJOURNED at 7:10 p.m.