



PLANNING COMMISSION MEETING STAFF REPORT

DATE OF MEETING: August 10, 2021

NAME OF APPLICANT: Midway Heritage Development

AGENDA ITEM: Code Text Addition of Section 16.5.3: Site Development Standards

ITEM: 2

Midway Heritage Development is proposing an amendment to Land Use Code Section 16.5.3.I.2.c of the Midway City Municipal Code. The proposed amendment would clarify what part of a structure counts towards the gross square footage.

BACKGROUND:

Midway Heritage Development is proposing an amendment to Land Use Code Section 16.5.3.I.2.c of the Midway City Municipal Code. The proposed change would clarify the area of a structure that is counted towards gross square feet when calculating commercial area and residential area in a mixed-use project. The C-2 and C-3 zones allow for mixed use projects if all requirements are met. The code allows for up to 80% of the gross square feet of all structures to be residential if at least 20% of the gross square feet of all structures is commercial. This is the same for properties less than an acre and properties over an acre in area. Properties that are less than an acre are only allowed one residential unit as part of a mixed-use project. Properties that are greater than one acre are allowed up to 20 residential units per acre. The proposed amendment would only amend language for mixed-use developments located on properties greater than an acre.

The current code states the following:

c. A minimum of 20 percent of the gross square feet of all structures on the lot must be deed restricted as commercial.

The proposed amendment language is the following:

c. A minimum of 20 percent of the gross square feet of all structures (excluding residential garages) on the lot must be deed restricted as commercial.

The proposed language would change the residential structure area included in the formula to not include garage areas. The impact of this change is the amount of gross square feet required for commercial would be reduced.

The applicant has included the reasons and justifications for the amendment as the following:

Garages should not be counted as a "residential structure" for the following reasons:

- 1. They are typically included when calculating residential square feet.*
- 2. This discourages covered garages and encourages street/surface parking.*
- 3. This increases commercial requirements when the applicant is being asked to reduce them.*

The applicant also states the following in the application regarding how the proposal will implement the City's vision as described in the General Plan:

Making this change will encourage covered (and hidden) parking massively improving the aesthetic of the community. It will also reduce the commercial requirement which will result in more open space and fewer two-story buildings on Main Street. This all amounts to a safer more beautiful and more walkable village. Larger garage space doesn't increase the number of residents or traffic, but adds to the cleanliness, safety and aesthetic.

ANALYSIS:

The proposed amendment would reduce the amount of commercial required on mixed-use projects that are greater than an acre. This would have long term consequences for Midway as future development occurs in the commercial zones. The vast majority of

Midway is zoned residential and does not allow for commercial development. There is only a small percentage of Midway that is zoned commercial. It is important to protect the commercial zones of the City for commercial uses. The proposed amendment would affect all the commercially zoned area even if the purpose of the proposed amendment is for The Village development. The reason why The Village development is petitioning the City for the amendment is because of the proposal to rezone the entire property to C-2 which will allow for dispensing the density in the project to create a better planned development. The goal of the City is to create the best planned community as possible and a zone change will help meet that goal. The unintended consequence for the developer of the proposed rezone is now all the square feet of residential area (which includes 25 units in the original plan) is included in the calculation for mixed-use which increases the amount of commercial required for the project even though density is decreasing with the zone change. In the original plan, about 50,000 square feet of commercial area was required based on the amount of residential square feet. The proposed rezone development plan includes 48,500 square feet of commercial (including the pool and patio) which is essentially the same amount of commercial space for both plans (the proposed rezone plan square feet is calculated based on the footprint of the buildings, multiple floors of commercial and residential will need to be calculated for the final calculation). Basically, the proposed amendment will not reduce the amount of commercial for The Village project. Most likely, The Village project will have more commercial space than the original proposal even with the proposed code text amendment because now all the residential structures are included in the formula when calculating the required commercial area.

The question then becomes how does the City address the issue that the proposed amendment will impact the rest of the commercially zoned area by reducing the amount of commercial building square feet required for mixed use projects greater than an acre? Currently the proposal would impact all properties that are greater than one acre. The amendment could be tailored to only address projects that are greater than 15 acres. It is unlikely that the City will ever have another 15+ acre mixed-use development in the commercial zones. The language could read as follows (proposed language in red):

I. Mixed-Use Standards.

1. Lots less than one acre:

a. Frontage: 70 feet

b. One single-family dwelling (above, behind or detached)

c. A minimum of 20 percent of the gross square feet of all structures on the lot must be deed restricted as commercial.

2. Lots greater than one acre:

a. Frontage: 200 feet

b. Up to 20 residential units per acre

c. A minimum of 20 percent of the gross square feet of all structures on the lot must be deed restricted as commercial.

3. Lot greater than 15 acres:

- a. Frontage: 200 feet*
- b. Up to 20 residential units per acre*
- c. A minimum of 20 percent of the gross square feet of all structures (excluding residential garages) in the development must be deed restricted as commercial.*

POSSIBLE FINDINGS:

- The proposed code would only impact mixed-use developments greater than 15 acres
- Midway would continue to protect the limited area that is zoned commercial
- The proposed amendment complies with the vision of Main Street as described in the General Plan

ALTERNATIVE ACTIONS:

1. Recommendation of Approval. This action can be taken if the Planning Commission finds that the proposed language is an acceptable amendment to the City's Municipal Code.
 - a. Accept staff report
 - b. List accepted findings
2. Continuance. This action can be taken if the Planning Commission would like to continue exploring potential options for the amendment.
 - a. Accept staff report
 - b. List accepted findings
 - c. Reasons for continuance
 - i. Unresolved issues that must be addressed
 - d. Date when the item will be heard again
3. Recommendation of Denial. This action can be taken if the Planning Commission finds that the proposed amendment is not an acceptable revision to the City's Municipal Code.
 - a. Accept staff report
 - b. List accepted findings
 - c. Reasons for denial