

Item No:  
Meeting Date: **November 8, 2006**

## **Staff Report**

**November 2, 2006**

**TO:** City Council

**FROM:** Katherine Hess, Community Development Director  
Ken Hiatt, Economic Development Manager  
Heather Johanson, Economic Development Assistant

**SUBJECT: PA #96-04, Zoning Ordinance Amendment #02-04, Revised Negative Declaration #16-04; Amendments to the Zoning Ordinance pertaining to development standards within the Mixed Use (M-U) Zoning District**

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### **Recommendation**

That the Planning Commission:




1. Recommend the City Council adopt Revised Negative Declaration #16-04 and;
2. Recommend City Council approve Zoning Ordinance Amendment #02-04 pertaining to amendments of the uses and development standards within the Mixed Use (M-U).

### **Background**

The M-U Zoning District surrounds the downtown commercial core and provides a use and scale transition to the residential neighborhoods adjacent to the downtown. The purposes of the M-U District in the City of Davis Municipal Code are to...preserve the older architectural structures, and to encourage harmonious intermingling of other structures, provide for an increased variety and intermixture of residential and commercial activities; and enhance the tree-shaded ambience, the pedestrian usage and character of the district.

# Mixed Use Zoning Districts

## Scale

-  Main Street Scale
-  Residential Scale
-  Old North Scale



In 2001, the City adopted the Davis Downtown and Traditional Residential Design Guidelines. The guidelines were developed with the expressed purpose to:

- Conserve the traditional neighborhood character, fabric and setting while guiding future development, reuse and investment.
- Discourage the demolition of structures consistent with the district's historic character by providing incentives for reuse of non-designated contributing structures.
- Plan for new commercial and residential infill construction that is compatible and complementary to the character of existing neighborhood areas within the district.
- Foster reinvestment and economic development in the core that is consistent with historic conservation.
- Provide guidelines to clarify the community's expectations for the type and quality of development within the district.

The Design Guidelines contain general and specific guidelines for the various mixed use character areas. When the guidelines were adopted they were incorporated and apply as an overlay district to the M-U zone. It was acknowledged at the time of adoption that amendments to the M-U and other districts were needed in order to bring the zoning into better conformance with the Guidelines. The city has completed several of these efforts including the PD 2-86A and R2-CD amendments.

In 2005 the City initiated an application to amend portions of the Mixed Use (M-U) District. Due to an error in the noticing of the amendments and requests by members of the Old North Davis Neighborhood Association (ONDNA), action on the amendments was deferred at the City Council hearing in July of 2005.

Staff has since met with the ONDNA to discuss specific amendments to the properties within the MU district on G Street north of 5<sup>th</sup> Street. To address the unique context of these properties, a new subarea within the M-U District is proposed called "North G Street Scale". The proposed standards for this subarea were developed in consultation with a subcommittee of ONDNA. For a comparison of the subarea development standards see Attachment 3. Additionally, staff held a community meeting on November 1, 2006 to receive input from property owners and tenants within the district as well as general members of the public. Further adjustments have been made to the amendments in response to comments at that meeting.

### **Public Noticing**

A notice was mailed to all property owners and tenants within the M-U district on October 20, 2006 announcing a November 1, 2006 neighborhood meeting, November 8, 2006 Planning Commission public hearing and a December 5, 2006 City Council Hearing. The same notice was sent to all property owners within 500 feet of the M-U district and was published in the Davis Enterprise. In addition a Notice of Availability was filed with Yolo County on October 20, 2006.

### **Analysis of Proposed Amendments**

The proposed amendments will strengthen both the purpose of the district through improved standards and the relationship with the Davis Downtown and Traditional Neighborhoods Design Guidelines through continuity. Amendments to the development standards of the M-U District

(Article 40.15) include modifications to the open space, lot coverage, setbacks in relation to architectural projections, and parking requirements in relation to preservation. Staff is also recommending several changes be made to the list of permitted and conditional uses which will serve to enhance the livability of the district and provide greater incentive for new investment. To view a comparison of existing and proposed language, refer to Attachment 4.

#### *Applicability of the Core Area Design in Combining District*

Staff is recommending applicability of the Core Area Design Combining district be deleted from Section 40.13.020. The Core Area Design Combining district was developed prior to the Downtown and Traditional Residential Neighborhood Design Guidelines (DTRNDG). The combining district effectively serves the same purpose as the DTRNDG and addresses many of the same design criteria including requirements for pedestrian circulation, commercial frontage, weather protection, parking access, and architectural/landscape standards. Staff feels the applicability of the Combining district creates redundancy and some contradictions with the Design Guidelines and is therefore recommended to be deleted as applicable to the M-U district.

#### *Permitted Uses*

As stated in the purpose above the M-U district is a place to intermix uses. The amendment proposed to the permitted uses would allow commercial and office uses to locate within the district as a sole use within a structure without a conditional use permit. Currently commercial and offices uses without a residential component must have a conditional use permit. Staff feels the existing requirement for a use permit for such uses creates a disincentive for adaptive reuse and reinvestment in existing residential structures in the district.

#### *Conditional Uses*

The proposed amendment to Section 40.15.050 (**Conditional Uses**) removes nightclubs, commercial or office uses not located in a mixed use building, and drive-through facilities as a conditionally permitted uses. Staff feels that allowing nightclubs and drive-through facilities as conditionally permitted uses in the M-U district invites potential conflicts with the residential uses within the district as well as the adjoining residential neighborhoods. For reasons stated under the permitted uses section above staff is recommending eliminating the requirement for a conditional use permit for commercial or office uses not located within a mixed use building.

#### *Height Requirements*

Staff is proposing an amendment to Section 40.15.060 to remove redundant language. The amendment will not change the maximum height allowed of three stories for the Main Street and Residential Scale subareas (Attachment 1).

Three options are being presented for a height standard in the North G Street Scale subarea:

- Three stories (no change from existing).
- Thirty feet maximum height limit (ONDNA proposal).
- Three stories maximum and no greater than thirty feet maximum height within 50 feet of the rear property line (compromise).

Concern was expressed by the ONDNA of the current MU Zoning's lack of a maximum building height and requested that a maximum of 30' be established for the North G Street Scale subarea to provide for a compatible scale with the R-2 Zoned properties on F Street. .

Most of the parcels in the MU District on G Street share an alleyway with properties on F Street that are zoned R-2 (See map on page 2). The R-2 District has a maximum building height of 30'. The properties on the east side of G Street north of Fifth, including the Co-Op Shopping Center are zoned PD C-C (Central Commercial) which allows for buildings up to 4 stories. The purpose of the MU zoned properties is act as a scale and use transition between these two districts. Staff is therefore proposing a maximum building height standard that would allow structures to be built to three stories but be required to step down to no more than 30 feet in height within 50 feet of the rear property line. This approach will allow for scale transition within these properties that respects the context of the two adjacent districts.

### *Open Space*

The proposed amendment regarding open space within the Main Street and Residential Scale subareas decreases the required amount of total open space per project. Currently open space is determined by calculating 25% of the gross residential floor area of a project. This is a substantial requirement when designing a mixed use project and creates a disincentive for developing residential units. The amendment proposes to determine open space based on number of bedrooms per unit (see table below) and may be provided in the form of patios, decks, balconies or similar features. The amendments would also require the open space to be directly accessible from the unit making it potentially more desirable to the residents than common open space allowed under existing zoning.

<b>Bedrooms/Unit</b>	<b>Open Space Required</b>
Studio or One Bedroom	40 square feet
Two Bedrooms	80 square feet
Three or More Bedrooms	10% of gross area of such unit

The open space standard for the North G Street Scale subarea is proposed to adapt the current standard of 25 percent of gross residential floor area.

### *Setbacks*

The Mixed Use (M-U) district allows for residential infill provided setbacks and other development standards can be met. Through the processing of design review applications for residential infill staff has observed that certain architectural features provide better design as well as increased livability. Examples of such features are bay windows and covered stoops. The proposed amendment to the Residential and Main Street Scale subareas would allow for these types of projections and other architectural features to encroach into the required setbacks to within three feet of the side and rear property lines. This amendment also provides further continuity with the Davis Downtown and Traditional Neighborhoods Guidelines which encourages the use of architectural features that add visual interest to the street; more specifically, porches, awnings, balconies, bay windows and stoops.

An amendment to the setbacks in the North G Street Scale subarea is also proposed. Current zoning allows for side yard setbacks to equal a total of 10 feet and a front yard setback equal to or exceeding the average of the two nearest buildings on the same side of the street or 1000 square feet. The proposals seek to maintain traditional setbacks similar to those in the Old North Neighborhood and those already existing in the subarea, allowing for a setback no less than 20 feet in the front yard and side yards of no less than 5 feet on each side.

Concern that a greater setback is not consistent with commercial uses in regard to the proposed front setback for North G Street Scale was addressed during the November 1<sup>st</sup> neighborhood meeting. As the proposal is virtually the same as the existing setback and similar to the Residential Scale setback, with an allowance of a clear, definitive measurement of 20 feet, staff is not recommending a change from the proposed setback.

#### *Lot Coverage*

Staff is proposing to remove the lot coverage requirement in the Main Street and Residential Scale subareas of the M-U district as it is redundant and to other development standards that must be met including floor area ratio, open space, parking, and setbacks. Lots in this district average approximately 6,000 square feet. After applying FAR and setbacks there is approximately 3,000 square feet of building area remaining. Rather than further limiting potential projects, staff believes providing a little flexibility in the area of lot coverage may encourage and allow for better design.

The current lot coverage standards of 45 percent for commercial and office projects not combined with residential and 50 percent for mixed-use buildings are proposed to be maintained for the North G Street Scale subarea.

#### *Parking Requirements*

The amendments to the parking requirements simplify calculations for determining the number of spaces and also strive to preserve historical structures and trees of significance to maintain the character and ambiance of Davis' Mixed Use district. When applying for a reduction in parking in order to preserve a landmark tree or tree of significance, a tree preservation and monitoring plan must be submitted with the design review application. In addition, a minimum parking standard is proposed within the North G Street Scale subarea. As stated in the DTRNDG, a standard of one on-site space per residential unit will now be included in the M-U ordinance as a requirement.

While on-site parking for commercial projects is encouraged by the design guidelines and a minimum standard for on-site residential parking is proposed to be included in the ordinance, a proposal to allow for in-lieu fees for parking in the North G Street Scale subarea is also included in recognition that a well designed, appropriate project may not be able to provide all required parking on-site. Eligibility to pay in-lieu fees will be considered through the conditional use permit review process and may only be granted if the project is able to meet specific findings.

#### *Residential use requirements*

Amendments are proposed to Section 40.15.100 that clarify the intent of the section to establish minimum residential use requirements for projects to qualify for FAR bonuses under Section

40.15.080. Reference to an attachment containing Uniform Building Code (UBC) standards for residential units is proposed to be removed as incorporating it into the ordinance is unnecessary and does not allow for the standards to change as the UBC is updated. Also, subsection (d) pertaining to usable open space requirements will be amended and applied only to the North G Street Scale subarea as it is redundant and would be inconsistent with the amended open space requirements proposed for Residential and Main Street Scale subareas in the Section 40.15.070.

### **Subarea Nomenclature**

At the November 1<sup>st</sup> neighborhood meeting comments were presented regarding terminology used to label the subareas in the M-U district and the need to have a broader discussion about the reclassification of parcels [south of Fifth Street] from one scale to another.

Currently the M-U ordinance uses Main Street Scale and Residential Scale as labels, North G Street Scale is a newly created subarea. It was suggested that “Residential” Scale does not accurately reflect the type of development that may occur in the district. In response, staff would like to point out that Residential Scale refers to the siting and scale of structure(s) on a parcel, rather than use as the name may imply. At this time a change in the label is not being proposed. In addition, staff does not believe that this is the appropriate application for reviewing the classification of individual parcels. Should staff be directed to study this topic in the future, a subsequent application along with greater environmental review and analysis will be completed.

### **General Plan / Core Area Specific Plan Consistency**

Staff believes that the proposed zoning amendments are consistent with policies contained within the General Plan and Core Area Specific Plan directly relevant to mixed use development. Specifically, the following support the proposed amendments:

#### General Plan

*Goal UD 1.* Encourage community design throughout the City that helps to build community, encourage human interaction and support non-automobile transportation.

#### **Standards**

- d. Where possible, commercial buildings should abut the street or other public access way...
- h. Pedestrian-oriented design is encouraged in the allocation of space, building size and placement, site enhancement, open space design, connection to pedestrian/bikeways and site amenities.

*Goal UD 2.* Maintain an aesthetically pleasing environment and manage a sustainable community forest to optimize environmental, aesthetic, social and economic benefits.

#### **Actions**

- b. Develop, adopt and implement policies and actions to protect and preserve identified scenic resources and elements reflective of place and history.

*Goal UD 6.* Strengthen the City’s neighborhoods to retain desirable characteristics while allowing for change and evolution, promoting public and private investments and encouraging citizen involvement in neighborhood planning.

#### **Actions**

- c. Revise city code to remove regulatory barriers to neighborhood improvements and livability, particularly in older neighborhoods. Such revisions could be related to development standards and home occupation standards in the zoning ordinance.

## CASP

### *2.6 Land Use Policies*

- 1.B. The City shall take measures that encourage new businesses to locate in the Core Area.
- 1.H. Where feasible, encourage the adaptive reuse, renovation and /or rehabilitation of existing residential facilities.

## **City Council Goals**

Furthermore, the proposed amendments to the M-U district are consistent with and will serve to implement the following goals and objectives specifically established by the City Council:

### **Economic Development**

- Pursue economic development that balances the pursuit of new NET revenue with maintaining and enhancing the community's unique character
- Reduce need for new taxes through increased economic activity

### **Downtown**

- Downtown should continue to have residential uses
- Downtown is a vital commercial center. The actions of the city should continue to support this function and reduce potential for blight

### **Housing and Growth**

- Provide slow, steady additions to housing stock, consistent with Council set goals and General Plan.
- Ensure special needs housing – for seniors, for those who have accessibility issues, and for people who work but don't currently live in Davis
- Provide an array of housing to meet needs of citizens
- Provide housing for people who live/work in Davis
- Develop multi-family housing near downtown.
- Ensure any new housing benefits community

### **Previous Planning Commission Action**

On June 8, 2005 the City of Davis Planning Commission held a public hearing and unanimously supported a recommendation to the City Council for approval of the proposed amendments. The Planning Commission did not object to any of the amendments and mainly asked staff for clarification on items such as: open space, setbacks, Main Street scale versus Residential scale standards, and preservation of character contributing structures.

Two members of the public spoke collectively addressing the removal of drive-throughs as a conditional use as well as the potential of over-intensification of mixed use zoned properties in the Old North Neighborhood. It was suggested that a drug store would be beneficial in the downtown and many drug stores have drive-throughs. Eliminating drive-throughs may limit the

potential for a drug store to locate within the district. In regards to the amendments impacting the Old North neighborhood, it was explained that the amendments to the ordinance will not significantly increase the development potential of the properties within the district beyond that which is currently allowed under the zoning.

### **Summary**

Staff feels that the proposed amendments to the Mixed Use district are not only consist with city policies and goals for infill development but necessary to create better consistency with the established Design Guidelines for the district. The amendments will help to ensure future projects which are well designed, livable and integrate appropriate uses within the district.

### **Attachments:**

1. Ordinance
2. Revised Negative Declaration #16-04/Initial Study
3. Table of Proposed Changes
4. Development Standards Comparison Table
5. Existing/Proposed Code Section Red Line Version: Mixed Use (M-U) District (40.15)
6. Existing Code Section: Core Area Design (C-D) Combining District (40.13)