

## **Staff Report**

**December 7, 2006**

**TO:** Planning Commission

**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 that the City Council adopt Revised Negative Declaration #16-04 and;
2. Recommend that the City Council approve Zoning Ordinance Amendment #02-04 as contained in the attached draft ordinance pertaining to the amendments of the uses and development standards within the Mixed Use (M-U) District.

### **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 "Old North G Street Transition Scale". The proposed standards for this subarea were developed in consultation with a subcommittee of ONDNA and other business and property owners within the M-U District. 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 members of the general public. Further adjustments have been made to the amendments in response to comments at that meeting.

Following the above mentioned outreach, a public hearing before the Planning Commission was scheduled for November 8, 2006. At the meeting staff realized additional discussion was needed with interested parties and requested to continue the hearing to December 13, 2006. A meeting was convened on November 15, 2006 including city staff, Old North Davis residents and board members, and business and property owners within the M-U district. Three of the proposed amendments were discussed and are presented in the analysis of this report.

### **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.

With the continuation of the November 8, 2006 public hearing to December 13, 2006 the City Council public hearing is now tentatively scheduled for January 9, 2007. An additional notice will be mailed out for the January 9<sup>th</sup> public hearing.

### **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.

In response to opposition expressed by the Old North Neighborhood Association this amendment will not apply to the Old North G Street Transition Scale subarea. The Old North G Street Transition Scale subarea will maintain the current provision for commercial or office uses to obtain a conditional use permit if not located within a mixed use buildings or mixed use infill structures.

### *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).

The building height standard for the Old North G Street Transition Scale subarea has been discussed at multiple meetings, including the meeting held November 15, 2006, but consensus on a standard was not reached. The existing standard limits structures to three stories. Residents of Old North would like to see a 30 foot maximum building height established. Owners of several properties in the subarea would like to see the existing three story standard retained.

After further consideration, staff is choosing to recommend the building height standard for this subarea be three stories with a provision that in no case may any portion of a structure within 50 feet of the rear (alley) property line exceed 30 feet in height. The parcels in the M-U District on G Street share an alleyway with properties on F Street that are zoned R-2 CD (See map on page 2). The R-2 CD 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 M-U zoned properties is to act as a scale and use transition between these two districts.

Staff feels that this standard is consistent with the purpose of this district to serve as a transition area not only in terms of use but also in scale to the adjoining districts. However, staff also realizes that this proposal is a compromise to the height standard that exists and what has been requested by the ONDNA. All three options have been included in this staff report for the Commission's consideration. The Commission could choose to recommend the zoning incorporate any of the following alternative building height limits for the ONGSTS subarea.

- Three stories (no change from existing).
- Thirty feet maximum height limit (ONDNA proposal).
- Other standard determined by the Planning Commission to be appropriate.

### *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 Old North G Street Transition 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 Old North G Street Transition 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, as well as simplify the existing language allowing for a front yard setback to equal or exceed the average depth of the two nearest buildings on the same street frontage 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 Old North G Street Transition Scale subarea was addressed during the November 1<sup>st</sup> neighborhood meeting. It was also suggested that a minimum standard of 20 feet be included for the front yard setback. After further study it has been determined that four of the fourteen parcels have existing front setbacks of sixteen feet. To avoid creating non-conforming parcels staff is recommending the front yard setback be equal to or exceed the average depth of the front yard setbacks of the two nearest buildings on the same street frontage.

### *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 Old North G Street Transition 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 Old North G Street Transition 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 Old North G Street Transition 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 Old North G Street Transition 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, Old North G Street Transition Scale subarea 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.

The name "Old North G Street Transition Scale" subarea was agreed upon for the newly created subarea at the November 15, 2006 meeting. The name proposed reflects the fact that the 14 properties on G Street are both within the Old North Davis Neighborhood and serve as a transition area in terms of use and scale between the residential properties to the west and the commercial properties to the east.

### **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

### **Summary**

Staff feels that the proposed amendments to the Mixed Use district are not only consistent 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. Table of Proposed Changes
3. Development Standards Comparison Table
4. Existing/Proposed Code Section Red Line Version: Mixed Use (M-U) District (40.15)
5. Revised Negative Declaration #16-04/Initial Study
6. Existing Code Section: Core Area Design (C-D) Combining District (40.13)