## CITY PLANNING COMMISSION AGENDA

## **STAFF: RYAN TEFERTILLER**

# **FILE NOs:**

CPC ZC 17-00059 - QUASI-JUDICIAL CPC DP 17-00058 - QUASI-JUDICIAL CPC NV 17-00060 - QUASI-JUDICIAL

PROJECT: 315 E. DALE ST.

APPLICANT: CITY OF COLORADO SPRINGS

OWNER: CONNIE FAIRCHILD



#### **PROJECT SUMMARY:**

- Project Description: Three applications are being processed to establish the OR (Office Residential) zone on the property to ultimately allow the owner of the property to utilize the building for an office use. A non-use variance for insufficient parking is needed to support a general office use, as only three parking stalls are available on-site. (FIGURE 1) The subject property is roughly 4,000 square feet in size and contains a roughly 2,012 square foot residential structure. The property is currently zoned R5 (Multi-Family Residential), and is located on the south side of E. Dale St. between N. Weber St. and N. Wahsatch Ave.
- 2. Applicant's Project Statement: (FIGURE 2)
- 3. <u>Planning and Development Team's Recommendation</u>: Staff recommends approval of the application, subject to modifications.

#### **BACKGROUND:**

- 1. Site Address: 315 E. Dale St.
- 2. <u>Existing Zoning/Land Use</u>: R5/Residential with a Home Occupation for Counseling Services (FIGURE 3)
- 3. Surrounding Zoning/Land Use: North: R4, OR, and R2 / Single-Family and Office uses

South: OR and R2 / Office and Single-Family uses East: R2 / Single-Family and Multi-Family uses

West: OR, OC, R4, and R5 / Office, Commercial, and Residential

- 4. Comprehensive Plan/Designated 2020 Land Use: Regional Center
- 5. Annexation: Town of Colorado Springs, 1872
- 6. <u>Master Plan/Designated Master Plan Land Use</u>: Experience Downtown Master Plan (2016) and Imagine Downtown Master Plan (2009) / General Residential.
- 7. Subdivision: Town of Colorado Springs Addition #1, 1873
- 8. Zoning Enforcement Action: There are no current enforcement actions on this site.
- 9. <u>Physical Characteristics</u>: The property is developed with a roughly 2,012 square foot 2-story residential structure built in 1900, a single-vehicle detached garage, and 3 off-street parking stalls.

STAKEHOLDER PROCESS AND INVOLVEMENT: The public process involved with the review of this application included posting of the site and sending of postcards on two separate occasions to 254 property owners within 1,000 feet of the site. Staff received input from multiple property owners in the area as well as from the Middle Shooks Run Neighborhood Association. Staff's dialog with the property owner immediately east of the site (across the alley) was significant. FIGURE 4 includes a number of written comments and Staff's responses to questions and concerns. FIGURE 5 is a letter that was produced by one of the project's neighbors; it was mailed to 17 properties surrounding the subject property and it was posted on the website Nextdoor.com. Concerns were raised by neighbors about parking, residential character, light/noise, and other issues.

Staff's input is outlined in the following sections of this report. Staff sent plans to a number of standard internal and external review agencies for comments. All comments received from the review agencies are addressed. Commenting agencies included Colorado Springs Utilities, Enumerations, and City Engineering.

# ANALYSIS OF REVIEW CRITERIA/MAJOR ISSUES/COMPREHENSIVE PLAN & MASTER PLAN CONFORMANCE:

1. Review Criteria / Design & Development Issues:

The current owner of 315 E. Dale, Connie Fairchild, acquired the property and the residential structure on the property in September of 2006. When considering this purchase, Ms. Fairchild reviewed the City of Colorado Springs' zoning maps to confirm the range of uses that may be permitted on the site. The Planning Department's official maps at that time indicated that the property was zoned OR (Office Residential) **(FIGURE 6)**. In the summer of 2013 Ms. Fairchild

initiated discussion with City Planning to investigate her ability to convert the residential structure to mixed office/residential. By that time, the City's zoning maps had been updated and corrected to indicate that 315 E. Dale Street was in fact zoned R5 (Multi-Family Residential).

Staff completed extensive research to understand this discrepancy and verify the correct zoning of the property. The source of the error appears to be tied to the zoning of the adjacent properties to the west. In 1982, the two parcels to the west of 315 E. Dale were rezoned from C5 and R5 to OR/cr via Ordinance 82-31 (FIGURE 7); the condition of record associated with the zone prohibited the expansion of any of the businesses present at that time. In 1994, the properties to the west were rezoned again via Ordinance 94-221 (FIGURE 8); this rezoning simply removed the condition of record leaving a standard OR zone. It appears that when this zone change was incorporated onto the City's official zoning maps, the eastern boundary of the district was incorrectly extended eastward to the public alley. The City's official zoning maps continued to show 315 E. Dale St. as being zoned OR until at least 2012. In 2006 the current owner purchased the property thinking it was zoned OR; while it was being used residentially at the time, the owner believed it could be converted to an office in the future given the OR zone.

In 2013, the property owner initiated dialog with Planning Staff to learn about the process for converting the structure to an office use. At that time, the City's GIS maps indicated that 315 E. Dale was zoned R5 and that offices uses were not permitted. Significant dialog ensued regarding past mapping errors and the process for changing the property's zone to OR. Due to the significant cost and process involved in a zone change, the owner decided to utilize the City's allowances for home based businesses. A formal home occupation permit was issued to the property owner in August of 2014 for an accessory "behavioral health therapy" use **(FIGURE 9)**. While a home occupation permit was able to help the owner achieve their needs, limitations on home occupations, specifically the restriction that all employees associated with the business must live on-site, present challenges to future owners and users of the property.

In 2017 the property owner reengaged with City Planning regarding the desire to rezone to the OR zone. Prompting this discussion was the desire to sell the property and belief that the OR zone may be more marketable. Contributing to this belief is the fact that current layout of the home made the most marketable to a mixed-use buyer. Shortly after the property was purchased by the current owner, the home was remodeled to relocate the kitchen on the second floor; this is unusual for most residential structures. While the R5 zoned prohibits true office/residential mixed use, it is permitted in the OR zone. Potential buyers may appreciate the building's layout to utilize the structure for a residential apartment upstairs and an independent office use on the first floor. A mixed office/residential use would serve as an excellent transition from the more traditional office uses to the west and the single-family residences to the east.

The area around the subject property currently includes a mix of zones and land uses. The block of N. Weber St. between Monument and Dale includes a number of residential and non-residential zone districts including C5, OC, OR and R5. Conversely, N. Wahsatch Ave. is largely zoned with residential districts in this area. South of Cache La Poudre the demarcation line between single-family / two-family zoning on the east and multi-family, office and commercial zoning to the west is the north/south running alley between N. Weber and N. Wahsatch. North of Cache La Poudre, the area is zoned SU (Special Use) which is a mixed use zone allowing a range of residential, office, civic and light commercial uses. The east/west streets between N. Weber and N. Wahsatch are largely fronted by residential uses. However, many of the corner properties along N. Weber are non-residential and a few exceptions are present including the parcel at 309 E. Dale (just west of the subject property) and 315 E. Willamette. Non-residential uses fronting the side streets in this area are more common to the west between N. Nevada and N. Weber.

While stakeholders have expressed a number of concerns with the proposed applications, one of the more common opinions is that the area is parking deficient and permitting uses with higher parking demands is inappropriate. Furthermore, request for parking relief should not be granted as the readily available supply of on-street parking on E. Dale is limited. Staff agrees that the onstreet parking stalls along E. Dale are well utilized. However, a few issues with the requested parking variance must be clarified. When the original applications were submitted, initial Staff analysis indicated that the size of the existing structure and the proposed general office use demanded six off-street parking stalls per City Code. However, updated information on the size of the structure (FIGURE 10) and use of the City's new parking reduction factors (FIGURE 11) reduces the number of off-street parking stalls from six to four. While relief is still needed to allow the proposed use, the scale of the request is greatly reduced.

While the amount of parking relief needed has been found to be less than originally contemplated, a non-use variance is still needed. Staff agrees with many of the public comments that on-street parking along E. Dale St. can be in short supply, especially when the expectation is to have on-street parking immediately adjacent to the desired destination. However, during multiple visits to the site and area, Staff's experience is that an on-street parking stall can generally be found within a block or less of the desired destination (FIGURE 12). This level of access to convenient and proximate on-street parking is reasonable in a mixed use area like N. Weber St.

The primary application demanding analysis and action is a change of zone from R5 (Multi-Family Residential) to OR (Office Residential). While the history of the site as discussed previously is noteworthy, the key factors to be considered are consistency with the required zone change criteria as described in Section 7.5.603.B of City Code. The most debated criterion is item #1 which requires City Council to find that "the action will not be detrimental to the public interest, health, safety, convenience or general welfare." Many of the public comments received by the City (FIGURE 4) express the opinion that the expansion of the adjacent OR zone will create additional traffic, parking demand, light, noise, trash, crime, and other impacts that will negatively affect property values in the area. Conversely, Staff finds that many of the stated issues are more closely related to individual users, residents, and tenants than the zoning of the property. Staff finds that the proposed zone change will not be detrimental to the public interest, health, safety, convenience or general welfare of the neighborhood.

The proposed OR zone is considered a "transitional zone" that is intended to "accommodate a variety of residential use types and offices" and is "directed to smaller office sites which need a careful evaluation of use to use compatibility such that the stability and value of the surrounding neighborhood is best protected." The subject property is well suited for the OR zone based on the fact that the OR zone is already present to the west and south. Additionally, the small size of the property (4,000 square feet) and structure (roughly 2,000 square feet) will limit the size and intensity of future office uses. The proposed non-residential use may actually lessen impact to surrounding properties due to the fact that most office uses have the highest level of use Monday through Friday 8AM to 5PM; when the residents of the area come home in the evening more onstreet parking should be available and the nearby office uses should be quite.

The second zone change criterion is consistency with the City's Comprehensive Plan. See the section below regarding this issue.

The last zone change criterion requires that the proposed zone change be consistent with any applicable master plan. The subject property fell within the 2009 Imagine Downtown Master Plan where it was identified as being within the General Residential future land use classification. This class of future land uses utilized the same land use definitions as the City's Comprehensive Plan. As such the "general residential" category supports a range of non-residential uses including office uses. In 2016 the City replaced the Imagine Downtown Plan with the Experience Downtown Master Plan. The boundaries of the Experience Plan utilized the same boundary as the Downtown Development Authority (DDA) and therefore excluded the subject property from its future land use map. However, the Experience Plan does discuss support for mixed use, higher density uses, creating walkable neighborhoods, and other issues that are well aligned with the proposed changes.

In addition to consideration of how the request relates to the Imagine and Experience Plans, Staff considered the "North Weber / Wahsatch Historic District" design guidelines. The 100+ year old structure has considerable opportunity to be retained and repurposed as an office or mixed office/residential use. Retention and rehabilitation of contributing structures within the district is of significance.

Per City Code, any application to establish the OR zone must be accompanied by a development plan. The plan submitted for 315 E. Dale was based off an Improvement Location Certificate (ILC) completed a few years ago for the property. The plan illustrates no physical changes to the site. The use listed on the plan is "general office," however, future owners/users could continue to use the structure for single-family residential or mixed office/residential, both of which are permitted uses in the OR zone. Future changes of use to something other than General Office can be accomplished with an administratively reviewed development plan amendment or modification. The primary consideration when evaluating changes to uses other than general office would include a) is the use permitted in the OR zone? And b) does the proposed use demand more parking than general office? If so, a new parking variance would be required at that time. Depending on the extent of the parking variance and the intensity of the use, Staff may find that the proposed use is not appropriate for the site.

While a few technical modifications to the plan are recommended at the conclusion of this report, Staff finds that the development plan meets the required criteria and adequately supports the proposed zone change.

Staff finds that the proposed applications adequately addresses all of the issues raised by the internal review agencies and meets the review criteria as set forth in City Code.

#### 2. Conformance with the City Comprehensive Plan:

The 2020 Land Use Map within the 2001 Comprehensive Plan calls out this area as "Regional Center" which is defined as "large, intensive activity centers that combine the uses of commercial centers and employment centers and serve the city and region as a whole. They often include regional malls or corporate headquarters." The Comprehensive Plan supports the creation of mixed-use, walkable areas where residents can live, work, and recreate in higher density neighborhoods. The Near North End area is a great example of a mixed use area that is largely aligned with numerous provisions of the Comprehensive Plan.

While there are many Objectives, Policies, and Strategies with the Comprehensive Plan that support the proposed use, the following elements are particularly relevant.

Strategy LU 203a: Locate the Places that people Use for Their Daily Needs and activities Close to Each Other.

Group and link the places used for living, working, shopping, schooling, and recreating and make them accessible by transit, bicycle, and foot, as well as by car.

Objective LU 3: Develop A Mix of Interdependent, Compatible, and Mutually Supportive Land Uses

Over the past several decades, the location and design of development have created a pattern of isolated, disconnected, single-purpose land uses. An alternative to this type of land use pattern is one that integrates multiple uses, shortens and reduces automobile trips, promotes pedestrian and bicycling accessibility, decreases infrastructure and housing costs, and in general, can be provided with urban services in a more cost-effective manner.

Strategy LU 301a: Support Mixed-use Development in Neighborhoods

Support mixed-use development through neighborhood plans and zoning revisions. Develop zoning guidelines and standards that support mixed-use development and pedestrian access by facilitating the integration of residential and non-residential land uses.

#### Objective LU 4: Encourage Infill and Redevelopment

Encourage infill and redevelopment projects that are in character and context with existing, surrounding development. Infill and redevelopment projects in existing neighborhoods make good use of the City's infrastructure. If properly designed, these projects can serve an important role in achieving quality, mixed-use neighborhoods. In some instances, sensitively designed, high quality infill and redevelopment projects can help stabilize and revitalize existing older neighborhoods.

#### 3. Conformance with the Area's Master Plan:

As discussed above, this site falls just outside the official boundaries of the Experience Downtown Master Plan, but within the boundaries of the recently replaced Imagine Downtown Master Plan. The request was also evaluated using the "North Weber / Wahsatch Historic District" design guidelines. All three documents support the proposed zone change, the proposed general office use, and the preservation of the existing structure.

#### **STAFF RECOMMENDATION:**

#### CPC ZC 17-00059 - ZONE CHANGE

Recommend approval to City Council the change of zone for 315 E. Dale St. from R5 (Multi-Family Residential) to OR (Office Residential), based upon the finding that the request complies with the review criteria in City Code Section 7.5.603.B.

#### CPC DP 17-00058 - DEVELOPMENT PLAN

Recommend approval to City Council the proposed development plan for 315 E. Dale St., based upon the finding that the request complies with the review criteria in City Code Section 7.5.502.E., with the following technical and information modifications to the plan:

#### Technical and Informational Modifications to the Development Plan:

- 1. Provide an updated project statement to accurately reflect the date of purchase (2006), date of remodel (2007-2009), and any other necessary updates.
- 2. Adjust the plan's parking data to indicate that only four on-site parking stalls are required once the City's new parking reduction factors are considered.

## CPC NV 17-00060 - NON-USE VARIANCE

Recommend approval to City Council the non-use variance to allow general office use within the existing structure at 315 E. Dale St. with three on-site parking stalls where four are required by the zoning code, based upon the finding that the request complies with the review criteria in City Code Section 7.5.802.B.