

1. **Project Description:** This proposal is to allow a new bar use within 112 N. Tejon St. The 9,500 square foot property is zoned FBZ-T1 (Form-Based Zone – Transition Sector 1), includes a 8,350 square foot small commercial building, and is located on the west side of N. Tejon approximately mid-block between E. Bijou St. and E. Kiowa St. **(FIGURE 1)**

2. Applicant's Project Statement: (FIGURE 2)
3. Planning & Community Development Team's Recommendation: Approval of the application with technical modifications

BACKGROUND:

1. Site Address: 112 N. Tejon St.
2. Existing Zoning/Land Use: FBZ-T1 (Form-Based Zone – Transition Sector 1) / The site is developed with an existing 8,350 square foot small commercial building.
3. Surrounding Zoning/Land Use:
 - North: FBZ-T1 / Commercial, and office uses
 - South: FBZ-T1 and FBZ-CEN / Commercial, office and residential uses
 - East: FBZ-T1 and FBZ-CEN / Commercial, office and residential uses
 - West: FBZ-COR / Commercial, office, lodging and parking uses
4. Comprehensive Plan/Designated 2020 Land Use: Regional Center
5. Annexation: Town of Colorado Springs, 1872
6. Master Plan/Designated Master Plan Land Use: Experience Downtown Master Plan (2016) / General Mixed Use
7. Subdivision: Town of Colorado Springs (1871)
8. Zoning Enforcement Action: None
9. Physical Characteristics: The site is developed with an existing 8,350 square foot small commercial building.

STAKEHOLDER PROCESS AND INVOLVEMENT:

Prior to application submittal, City Staff organized a relatively informal stakeholder meeting between the applicants and many of the residents in the area on March 4, 2019. Communication regarding the date, time and place of the meeting was led by the Downtown Residents Coalition. Approximately a dozen people attended this meeting to hear about the proposed project and voice concerns.

At the time of application submittal, the City mailed notification postcards to 150 owners of property that falls within 1,000 feet of the subject property. Those postcards included information about the proposed use of the building. Staff received input from the Downtown Partnership, the Downtown Resident's Coalition, and one individual condo owner in the area during the internal review stage (**FIGURE 3**). The site will be posted and new postcards mailed prior to the Downtown Review Board's public hearing.

Because the application only involved a new use in an existing building, the application was reviewed by a limited number of City agencies such as Colorado Springs Utilities and the City's Police Department. All agencies support the project; any remaining technical concerns are included as Technical Modifications at the end of this report.

ANALYSIS OF REVIEW CRITERIA AND MAJOR ISSUES

The subject property is a relatively typical 50 foot by 190 foot downtown parcel totaling 9,500 square feet in size. The 8,350 square foot building on the site was built in 1900 and has included a number of uses over the years; the most recent uses were a jewelry store and then a costume shop. The site is located on a fairly central stretch of N. Tejon St. approximately mid-block between Bijou St. and Kiowa St. The area is a mix of retail, restaurant and service uses. A number of the buildings on both sides of Tejon in this area include upper level residential uses.

In March of 2019 the subject property was sold to the current owner and the costume shop was moved to a new location. The application submitted to the Urban Planning Division in April 2019 illustrates a significant upgrade to the building façade adding glazing, additional pedestrian access points, and roll up doors. The plan also calls for the interior of the building being remodeled into three separate tenant spaces, all of which will have a street presence at Tejon. According to the project statement, the two smaller tenant spaces (each at approximately 1,200 square feet) will be occupied by new restaurant uses. The largest tenant space, totaling nearly 5,300 square feet will be occupied by Louie Louie's Piano Bar – the third location for the successful Texas-based business.

According to the applicant's project statement Louie Louie's is an entertainment bar with capacity for approximately 200 customers. The space will include the primary, main floor space as well as a partial mezzanine level at the rear of the building. A small exterior patio is planned adjacent to the alley to the west of the building. While light food will be available, the primary source of revenue for Louie Louie's is alcohol sales.

One of the overarching principles of the Downtown Form-Based Zone is that individual land uses are less important than the building forms that establish Downtown's character, architecture and built environment. A healthy downtown is comfortable to pedestrians, and pedestrians are affected more by physical forms, public improvements, traffic speeds, and a consistent street-wall, than they are by the uses which exist behind closed doors. However, there are a select number of uses which, if not properly considered, have the potential to negatively impact surrounding properties and downtown as a whole. One such use is a bar, which is defined as a business which generates more than fifty percent of gross revenue from on-site alcohol sales. While all successful urban areas have bars, the size, type, and perhaps most importantly, location of new bars was determined to deserve case-by-case review by the Downtown Review Board at a public hearing through the conditional use process. This review, including the evaluation of the conditional use review criteria, can be an important step toward ensuring that surrounding properties are not harmed and that clusters of existing bars aren't intensified, worsening problems associated with many late night urban uses.

Specific areas within the Downtown Form-Based Zone have experienced recurring problems with bars and late night bar customers. Littering, fighting, and other criminal activities are a challenge in areas with a high concentration of bar uses. City resources, specifically increased Police presence, are necessary to minimize impacts to the surrounding area and protect innocent residents and customers. While there is one bar (Rendezvous Cigar and Cocktail Bar) on this block as well as Oscar Blues Grill and Brew which qualifies as a restaurant, the more notable issue is that Downtown's most significant concentration of bar and nightclub uses is one block to the south on Tejon between Kiowa and Pikes Peak. Bar uses to the south of the subject property include: The Mansion, Cowboys, Gasoline Alley, The Red Martini, Blondie's, and the Beauty Bar (which is primarily a salon but also has approval for a bar use).

As a bar use, the Downtown Review Board must find that the project substantially complies with the following conditional use criteria:

- A. Surrounding Neighborhood: That the value and qualities of the neighborhood surrounding the conditional use are not substantially injured.
- B. Intent Of Zoning Code: That the conditional use is consistent with the intent and purpose of this Zoning Code to promote public health, safety and general welfare.

C. Comprehensive Plan: That the conditional use is consistent with the Comprehensive Plan of the City.

Of the three required criteria, the 2nd and 3rd are relatively easy to evaluate. The proposed Piano Bar will fill a vacant building and will provide a new and unique use to Downtown Colorado Springs. The proposed business attracts a diverse range of customers and has a large percentage of first time visitors. It can be considered a destination attraction which will bring people downtown that may not regularly patronize downtown businesses. It will add to the mix of uses downtown without jeopardizing the public health, safety and general welfare of the City's citizens.

The first Conditional Use criterion deserves specific discussion given the surrounding uses and the size of the proposed bar use. There are multiple residential uses in close proximity to the subject property including the Giddings Lofts, Carriage House Lofts, and Daniels Lofts. The residents of those properties have previously expressed concerns about bar uses downtown, particularly larger bars with live/loud music and hours of operation that extend past midnight. Those concerns rose to the level where many of the residents along Tejon established the Downtown Residents Coalition (DRC) in 2012. According to the DRC's website their goal is to "create and protect our neighborhood so that it will be a safe, pleasant, and attractive place to live, work, and play."

Knowing the interest from residents in the area about a new bar on S. Tejon St. the applicants worked to communicate early and often regarding the project. The neighborhood meeting held on March 4, 2019 helped introduce the property owners and operator to the stakeholders and helped clarify the details of the proposed project and operation. The applicants were able to hear and understand stakeholder concerns and were able to commit to minimizing impact to surrounding properties.

Specifically, the applicant has committed to no outdoor amplification and no roof-top patio. While the Piano Bar will be open to 2:00AM like many other bars in the area, the staff of the business will manage customers to limit impacts to surrounding properties. Understanding these commitments, the DRC submitted a letter of support (**FIGURE 3**) to the proposed conditional use.

Beyond the applicant's commitments regarding the operation of the Piano Bar use, the application includes a number of noteworthy elements. The front façade of the building is planned for significant improvement with new glazing, Tejon-fronting roll-up doors, new pedestrian access points, and the exposing of the original brickwork. While the Piano Bar will only be open in the evenings the other two tenants will have regular day-time hours which should increase activity and pedestrian traffic along Tejon.

While the approval of new bar uses along Tejon should be carefully considered, Staff has concluded that the proposed location, size and operation of the proposed Piano Bar will have minimal impact on surrounding properties and create a destination use that benefits the entire area.

Staff finds that the project complies with the required Conditional Use criteria if all the Technical Modifications listed below are fully implemented.

STAFF RECOMMENDATION:

CPC CU 19-00058 – LOUIE LOUIE’S PIANO PAR

Approve the Conditional Use Development Plan based on the findings that the Conditional Use criteria found in Section 7.5.704 of the City Code will be met once the following technical modifications are addressed:

Technical modifications to the Conditional Use plan:

1. Add the file number (CPC CU 19-00058) to the bottom right-hand corner of the plan.
2. Correct the zoning on the plan to document that the site is zoned FBZ-T1.
3. Correct the “allowable building height” on the plan to read 6 stories.
4. Correct that “setbacks required” to simply cite the building envelope standards in Section 2.3.3. of the Code.
5. Add a note to the plan stating that the site falls within the parking exempt area per Section 2.6.2. of the Form-Based Code.
6. Revise the plan to clarify the intent for the western edge of the property and if an alley side outdoor patio is proposed.
7. Add a note to the plan that clarifies that outdoor amplification is not permitted on the site.
8. Add a note to the plan that states that a roof-top patio space will require Downtown Review Board approval.
9. Revise the plan or project statement to clarify and provide consistency regarding the square footage of the existing building.
10. Revise the plan or project statement to clarify if Tejon-side sidewalk patio cafés are proposed.
11. Note on the plan that any encroachments into the public right-of-way are subject to a revocable permit.