#### CITY COUNCIL STUDY SESSION ITEM

#### **SUBJECT**

Planning Commission Recommendations on the Downtown Livability Land Use Code Amendments, Land Use Code 20.25A

# **STAFF CONTACTS**

Carol Helland, Code and Policy Director, 452-2724 Trish Byers, Code Development Manager, 452-4241 **Development Services Department** 

Dan Stroh, Acting Director, 452-5255 Emil King, Strategic Planning Manager, 452-7223 Department of Planning & Community Development

# **POLICY ISSUES**

Part 20.25A of the Land Use Code implements the policy direction of the Downtown Subarea Plan. This is the first comprehensive update of the Downtown Land Use Code since its original 1981 adoption, and is intended to better align the Downtown Land Use Code with the updated Subarea Plan.

Shall the Planning Commission's recommendations for updating the Downtown Land Use Code be adopted?

### 

Tonight is the first in a series of study sessions for the Council to consider the Planning Commission's recommendations for updating the Downtown Land Use Code. Vice Chair Stephanie Walter and staff will provide an overview of the Commission recommendations, and begin to answer Council questions. No action is requested tonight. Staff will return in future study sessions to further explore the Code updates with Council, building toward Council action to adopt an ordinance at a later date.

# BACKGROUND/ANALYSIS

The City Council launched the Downtown Livability Initiative to update the Downtown Land Use Code so that it is better aligned with the updated Downtown Subarea Plan and changes that have occurred in the evolution of Downtown. This is the first comprehensive update of the Code in over 35 years, and is part of a larger set of actions across the City organization that focus on enhancing the livability of the city center. The May 24 Commission vote recommending these Code amendments was unanimous. Their Transmittal (Attachment A) summarizes how the Code package advances Downtown Livability.

A scope of review was set by the Council at the onset of this process, covering most of the key elements of the Downtown Code, including:

- Public Open Space;
- Pedestrian Corridor;
- Design Guidelines;
- Amenity Incentive System;
- Station Area Planning;
- Building Height and Form;
- Downtown Parking (ultimately limited review); and
- Other Topics (such as sidewalk widths, vacant sites and buildings, mechanical equipment screening, recycling and solid waste, range of permitted uses and Downtown food trucks).

Given the comprehensive scope of the update, the changes resulted in the need for extensive reorganization of the Downtown Code. Thus, the Planning Commission recommendations appear as a whole new document rather than a strike-draft; a reference table and notes call out the key changes recommended.

Tonight provides for an overview of the full set of Planning Commission recommendations. The Commission work was guided by Council Principles established at the beginning of this project, additional Council Principles specific to incentive zoning, and by a higher-level set of recommendations from the Council-appointed Citizen Advisory Committee (CAC). The Commission's task was to take the CAC recommendations and develop detailed direction for specific Code language. Given the complexity and time needed to develop a complete package of Code amendments, the Commission in 2015 presented a recommended set of "early wins" that the Council adopted that same year, well in advance of the full set of updates. A number of additional Council engagements have occurred over the course of this work, including a joint Commission/Council workshop on incentive zoning, and periodic updates on the full project.

Public involvement has occurred throughout the Commission process, with substantial public comment at every Commission meeting, a well-attended public hearing, and informal engagements conducted by staff. Major issues that the Commission worked to address included the following:

- Changes to maximum building heights (generally not FARs), which are recommended in most Downtown districts
- Requirements for buildings exceeding currently allowed height maximums to provide open space and narrower floorplates. In one instance (nonresidential buildings using the new height allowance), the Commission has identified a range for percentage floorplate reduction, and is asking Council to set a precise number within this range.
- Potential tower separation and setback requirements, designed to ensure adequate light and air
- Factors associated with the updated incentive zoning system
- Parking issues
- Site-specific issues
- Affordable housing. A section of the draft Code is reserved to capture the details of a proposed 1.0 FAR exemption intended to promote affordable housing; the details are anticipated to be filled in via the Council's review and direction.
- Adequacy of the Downtown transportation system

In addition to the major issues discussed above, the Planning Commission recommended that Transient Lodging Uses (which would include an emergency shelter) be separated out from Hotel and Motel uses. To achieve consistency with its recommendation on the Eastgate code amendment package, the Planning Commission recommended that a Conditional Use Permit be required to establish a Transient Lodging use in Downtown. Since the Planning Commission finalized its Downtown Livability code amendment recommendation on May 24<sup>th</sup>, the City Council provided additional direction to staff on June 5<sup>th</sup> regarding the regulation of shelters citywide. Staff will be responding to the City Council direction on the shelter issues during discussion of the Eastgate code amendment that is tentatively scheduled for consideration on July 10<sup>th</sup>. If necessary, the Downtown Livability code amendment treatment of transient uses will be conformed to reflect any direction received from the City Council during the Eastgate conversation.

In addition to the specific Code amendments, the Commission Transmittal conveys several other key points and recommendations. For example, the Commission recommends that the Council consider providing incentives to achieve greater tower separation.

Staff will be available to discuss these issues with the Council at this and other upcoming study sessions. Tonight's overview and Council issues raised will help staff develop a more precise plan for these future sessions. Our current thinking is that a follow-up session may focus exclusively on height, FAR, and the amenity incentive system. The following session would review other elements identified by the Council as needed to finalize the code amendment package and take final action.

### **ALTERNATIVES**

No action is requested tonight. The following alternatives are presented to frame future Council action.

- 1. Adopt the Planning Commission recommended Downtown Livability Code amendments, as conveyed in the Planning Commission Transmittal.
- 2. Modify the Planning Commission recommended Downtown Livability Code amendments, and then adopt the modified amendments.
- 3. Provide alternative direction to staff.

### **RECOMMENDATION**

N/A

#### **ATTACHMENTS**

- A. Planning Commission Transmittal on Downtown Livability Code Amendments
  - A.1 Council Principles for Downtown Livability Initiative
  - A.2 Council Principles for Updating Downtown Incentive Zoning
  - A.3 Recommended Downtown Land Use Districts and Perimeter Overlays Map
  - A.4 Recommended Downtown Livability Land Use Code Amendment, Part 20.25A
- B. Public Hearing Staff Report