## PLANNING DIVISION STAFF REPORT

July 10, 2023

## PREPARED FOR THE PLAN COMMISSION

Proposal:	Zoning Text Amendment
Legistar File ID #:	78322 (Minimum Story Requirement)
Prepared By:	Zoning and Planning Staff

<u>78322</u> – This amendment adds an exemption to the two-story minimum requirement in the Transit-Oriented Development (TOD) Overlay for counseling/community service organizations.

In the TOD Overlay, new principal buildings and major expansions (50% or more of building floor area) for non-residential uses and buildings with over two residential units are required to meet certain standards. The standards apply only to the portion of the building that is new or expanded. One of the standards is that the building must be at least two stories for a minimum of 75% of the building footprint. A few uses are exempted due to the unique nature of the buildings that typically house these uses. The exempted uses are predominantly located within single-story buildings. Here is the related code and the exempted uses:

- (c) <u>Minimum Number of Stories and Height</u>. A minimum of two stories is required for a minimum of seventy-five percent (75%) of the building footprint except for the following uses:
- 1. Greenhouse, nursery.
- 2. Place of worship.
- 3. Public safety or service facilities.
- 4. Recreation, community, and neighborhood centers.
- 5. Transit station, transfer point.
- (MGO 28.104 (7)(c))

Here is how the zoning code defines the counseling/community service organization use:

<u>Counseling/Community Service Organization</u>. An organization that provides a variety of social and community-based services within a single tenant space. Activities include but are not limited to day treatment services, job training, office functions, counseling, neighborhood/group meetings, physical therapy, food bank, and transportation services. (MGO 28.211)

A number of different types of establishments fit within this use category. The use category is primarily made up of nonprofits, but not exclusively. However, many nonprofits are categorized as other uses more specific to what they do, such as hospitals, health clinics, lodges and private clubs, mission houses, museums, and colleges and universities.

Transit-Oriented Development (TOD) is pedestrian-oriented, compact, mixed-use development that is centered on quality public transit. It typically includes a mix of housing, office, retail, neighborhood amenities, and other uses within walking distance of a transit station. The two-story requirement in the code is intended to intensify development near high-frequency transit corridors, supporting transit efficiency and decreasing automobile dependency.



## Legistar File ID 78322

Zoning Text Amendment – Minimum Story Requirement

April 10, 2023 Page 2

While not requiring a two-story building may reduce construction costs for some nonprofits, there are benefits and drawbacks that should be considered.

Counseling/community service uses are often located to serve a specific area and depending on the type of facility, they may also have unique programmatic considerations. Staff believes that a benefit of this amendment is making it easier to site counseling/community uses within TOD areas. On the other hand, staff notes that a building may serve future uses beyond its initial developer, and that a single-story structure built for a counseling/community service organization may transition to other uses in the future. Unlike the limited number of current exceptions to the two-story minimum height, which are more often purpose-built and are less likely to be adapted into other uses, a single-story counseling/community service organization space is more likely to be reused for something else that would not otherwise be allowed as a one-story building within the TOD overlay area. Thus, the development of less intensive building forms could ultimately result in less effective implementation of the TOD overlay goals over the long-term.

Also, establishments that the zoning code would categorize as another use will likely be more apt to appeal their use categorization to avoid building a two-story building, requiring limited City staff time and resources to be expended on appeals.

Lastly, the change would likely result in missed opportunities for counseling/community service organizations to collocate with affordable housing. Nonprofit uses on ground floors often pair well with affordable housing units on upper stories.

While staff does not object to the proposed amendment, staff advises that policymakers should carefully weigh the potential benefits and drawbacks regarding this code change.