

PLANNING DIVISION STAFF REPORT

July 7, 2025



PREPARED FOR THE PLAN COMMISSION

Proposal: Zoning Text Amendment

Legistar File ID #: [88737](#) (Downtown and Urban Districts Permitted Uses)

Prepared By: Zoning and Planning Staff

[88737](#) – This code change changes conditional use threshold to allow more small and midscale residential and mixed use developments to be reviewed as a permitted use within certain downtown zoning districts.

Presently, the threshold for conditional use review varies by downtown zoning district. This code increases the threshold for when a development is subject to conditional use review within the Downtown Core (DC), Urban Mixed-Use (UMX), Downtown Residential 1 (DR-1), and Downtown Residential 2 (DR-2) zones. The changes proposed to each district are outlined in the following table:

Downtown Area or Zone	Current Threshold(s) requiring Conditional Use Review	Proposed Threshold(s) requiring Conditional Use Review
Downtown Core (DC)	Greater than 4 stories or 20,000 square feet in size	Greater than 6 stories
Within DC with frontage on State Street and 100 Block of King Street	Greater than 4 stories or 20,000 square feet in size	No change
Urban Mixed-Use (UMX)	Greater than 4 stories, 20,000 square feet in size, or 8 housing units	Greater than 6 stories
Downtown Residential 1 (DR1)	More than 4 housing units	More than 12 housing units
Downtown Residential 2 (DR2)	More than 8 housing units	More than 36 housing units

For the majority of the DC district and within the UMX district, this changes the conditional use thresholds to be based on a building's height rather than number of units or building area. This is consistent with the Conditional Use Thresholds in some zoning districts that are used to implement the Comprehensive Plan future land use recommendations in certain growth priority areas. The proposed changes, however, will not impact the conditional use threshold for developments within the DC district with frontage along State Street or the 100 block of King Street. Additionally, these changes make the threshold for DR-2 more similar to other high-density residential areas, and for DR-1 are intended to support city goals to create more missing middle housing.

All downtown projects will continue to receive design review. Today, buildings within the downtown zoning districts are required to comply with zoning rules regarding buildings' overall height and certain aspects of their design. Administration of and evaluation of compliance with these rules is completed by the Zoning staff within the Building Inspection Division, and apply regardless of whether a project is reviewed as a conditional or permitted use. This code change makes a correction to remove a reference in the DC and UMX districts'

standards that states the UDC reviews these zoning code requirements. This review is and will continue to be performed by staff.

Projects within the DC and UMX zoning districts are also required to adhere to the Downtown Design Guidelines, which is reviewed by the City's Urban Design Commission (UDC). If a proposed development is reviewed as a conditional use, the UDC reviews a project under these guidelines and makes a recommendation to the Plan Commission. If a proposed development is reviewed as a permitted use, the UDC reviews a project under these guidelines and issues final approval. This process is not proposed to change, though with an increased threshold for conditional use review it is possible that additional projects could be reviewed by the UDC for final approval, rather than for an advisory recommendation to the Plan Commission.

Finally, within the DR-1 and DR-2 zones, applicants, Alders or staff can request that the UDC review a project and provide an advisory recommendation per its duties in MGO 33.24.

Staff supports this amendment.