

# City Council Agenda Memo

**From:** Ryan Miller, City Planner

**Council Meeting:** September 14, 2021

**Subject:** Conditional Use Permit for Mixed Business/Residential Use  
– 530 1<sup>st</sup> Street South / 110 6<sup>th</sup> Avenue South

**Person(s) Responsible:** Mike Struck, Community Development Director

## **Summary:**

Granted Properties, LLC, has submitted an application for a conditional use permit in order to establish a mixed business/residential use consisting of contractor's shops and/or personal storage with second floor residential in a Business B-3 Heavy District.

## **Background:**

Granted Properties, LLC, recently purchased the property at 530 1<sup>st</sup> Street South and 110 6<sup>th</sup> Avenue North. A rezoning from Industrial I-1 Light District to Business B-3 Heavy District was approved in June 2021. The applicant plans to develop the site with a mixed business/residential use, a conditional use within the B-3 District.

## **Item Details:**

The property is located at the corner of 1<sup>st</sup> Street South and 6<sup>th</sup> Avenue South near the viaduct. A legal nonconforming building containing an existing siding and roofing shop is located on the north of the property along 1<sup>st</sup> Street. An existing single-family dwelling will be demolished in order to redevelop the remainder of the site. A replat will be required in order to combine the three existing lots into one for redevelopment.

The applicant is proposing a development on the site which will include seven contractor's shops and/or personal storage units with four two-bedroom residential dwellings on the second floor. The site would have access along both 1<sup>st</sup> Street South and 6<sup>th</sup> Avenue South as well as access from the alleyway to the west.

A mixed business/residential use is allowed by conditional use permit in the B-3 Zoning District with the following standard:

- Such business uses shall be only those uses permitted in the respective zoning district.

Contractor's shops are a special permitted use in the B-3 District under the condition that all equipment and materials be contained within a completely enclosed building. A temporary personal storage facility is an allowed use in the B-3 District.

The City Council approved a rezoning request for the lot in June 2021 rezoning the property from I-1 Light Industrial to B-3 Heavy Business. A mixed use development would not have been allowed in the I-1 District. A variance has been granted for the reduction of the required bufferyard structure setback from 30 feet to 20 feet to the south, where an existing single-family dwelling is located and zoned R-3A.

Although mixed use developments are allowed by conditional use permit in the B-3 District so long as the uses are permitted in the district, staff has concerns with the compatibility of uses being proposed and the variation from traditional mixed-use developments. The uses proposed include contractor's shops and residential rental dwellings. The proximity of contractor's shops, which could include activities with borderline heavy business/industrial uses, to residential units has the potential to cause hazards and nuisances for residents living above such intense uses. Traditional mixed-use developments combine more traditional retail and service establishments with second floor and above residences.

**Legal Consideration:**

None.

**Strategic Plan Consideration:**

Economic Growth – The proposed development will support economic growth and affordable housing opportunities.

**Financial Consideration:**

None.

**Options and Recommendation:**

The City Council has the following options:

1. Approve as presented
2. Amend
3. Deny
4. Move the item to a study session
5. Do nothing

The Development Review Team does not support the request. Staff recommends denial. The Planning Commission voted 4-2 recommending approval.

**Supporting Documentation:**

Ordinance

Planning Commission Minutes

Application

Aerial Map

Site Plan