

MEETING SUMMARY

GOLDEN TRIANGLE REGULATORY IMPLEMENTATION

Date: February 10, 2021
Meeting Info: January 21, 2021, 3:00-5:00 pm, virtual meeting
Subject: Advisory Committee Meeting #13

Attendance

- **Advisory Committee**
 - Present: Kristy Bassuener, Chris Carvell, CM Chris Hinds, Pete Dikeou, Scott Johnson, Anne Lindsey Laura Liska, Chris Parezo, Adam Perkins, Cherry Rohe, Jeff Samet, Brent Snyder, Byron Zick, Liz Zukowski (District 10)
 - Not present: Charlie Hunt
- **City Staff**
 - CPD – Laura Aldrete (Executive Director), Sarah Showalter (Planning Services Director), Kristofer Johnson, Krystal Marquez, Fran Penafiel, Bridget Rassbach
 - HOST – Andrew Johnston

Meeting Summary

1. **Councilman Hinds welcoming remarks**
 - a. Golden Triangle is distinct from other areas in District 10 and city
 - b. This process has been inclusive and addresses multiple perspectives
 - i. 3 major stakeholder groups: neighbors, developers, and city staff
 - ii. More than 18 months of meetings
 - c. Your effort has been important, and we are getting close to something that works
2. **Laura Aldrete welcoming remarks**
 - a. Understanding the complexity of the task before you
 - b. Thank you for your time and expertise, you know your own neighborhood and we honor that through this process
 - c. We're making great progress and want to continue that momentum of activity
 - d. Supporting GT is our priority and we acknowledge the authentic aspect that makes GT unique and equitable
 - e. Our neighborhoods and communities are made of diverse viewpoints
3. **Recap of Process to Date**
 - a. Evaluation of priorities
 - i. Through the early process we understood that there's a focus on design element and street level retail activation
 - ii. Discussed how we address parking, which is an important programmatic need, without compromising design quality
 - iii. Strong support for allowing development of taller buildings, while an emphasis was also placed on preserving the integrity of historic context
 - iv. Importance of public art and relationship to cultural and art facilities in the district
 - b. Land Use, Building Form, and Street Level Experience were identified as priority topics from Neighborhood Plan

4. Proposed Zoning Update

- a. Key outcomes to achieve through the zoning update and lead toward a more complete, mixed-use neighborhood:
 - i. More robust zoning standards to get better quality design, scale, and placemaking
 - ii. Encourage more robust active uses throughout the building and less above-ground parking
 - iii. Update the existing incentive system to target priorities that cannot simply be incorporated into new zoning standards
- b. Land Use
 - i. Moving away from one-size fits all approach and proposing zoning tools that responds to increasing lot sizes – unique to GT
 - ii. Removing barriers to encourage a variety of uses
 - iii. Eliminating outdated parking requirements to enable more public/shared parking outcomes
 - iv. Supporting housing that is more affordable and provides a wider range of opportunities for middle income workers like teachers, nurses, recent graduates, service industry employees, etc.
- c. Building Form
 - i. Using upper story setbacks and mass reduction to reduce the bulk of larger buildings
 - ii. Allowing a flexible height limit so buildings can be shaped into a variety of different forms throughout the neighborhood
 - iii. Protecting historic structures that add character, human scale, and authenticity to the neighborhood
- d. Street Level Experience
 - i. Applying upper story setbacks to break down the scale of tall buildings adjacent to the street and relate to smaller existing buildings
 - ii. Shielding large parking structures behind active uses
 - iii. Applying residential setbacks to create space for a proper transition between the public sidewalk and private residences
 - iv. Activating the street with retail and active uses on key street corridors where they are likely to be most successful
 - v. Enhancing the public realm to allow for a variety of activities like public art, open space, retail spillover, and café and restaurant seating
- e. Appropriate Intensity in Future Zoning
 - i. Existing zoning allows for 6.0 FAR Base for office and residential uses based on the allowed floor area of 4.0 FAR plus the area of minimum required parking (approximately 2.0 FAR).
 - 1. Over the last 20 years, development in GT has taken advantage of the residential incentive bonus that allows residential projects to reach approximately 10.0 FAR
 - 2. Office uses do not automatically qualify for the incentive and would need to leverage several other bonuses to increase the allowed floor area above 6.0 FAR
 - ii. Proposed zoning attempts to balance the existing entitlement defined by the code and the bonus amount that residential projects have become accustomed to
 - 1. It establishes a maximum of 15.0 FAR and sets a threshold of 8.0 FAR, below which no special conditions shall apply
 - 2. Projects greater than 8.0 FAR will need to comply with higher standards for affordable housing or apply bonuses achieved through historic preservation
 - 3. The proposal includes a generous 50% increase of maximum FAR from 10.0 to 15.0
 - 4. Additional floor area beyond that increase is also available if parking is limited or placed underground

- iii. The 8.0 FAR base threshold is sufficient for a variety of different development outcomes shown by existing precedents in the neighborhood including:
 - 1. 11th and Cherokee (25-50 units)
 - 2. 12th and Elati (100+ units)
 - 3. 816 Acoma (200 + Units)
 - 4. All of these examples include above-ground parking in the FAR calculation and are at or below 8.0 FAR
- iv. The proposal to increase the maximum to 15.0 means we are adding a lot more potential floor area to each lot
 - 1. Need to balance that extra floor area with mass reduction to help scale buildings appropriately
 - 2. Also need to enable an increased height limit to 250' for the General form for projects that exceed 8.0 FAR, which allows extra room to shape larger buildings
 - a. On larger lots, it is most likely that projects would fall within 10.0-14.0 FAR range because the scale of the project begins to be overwhelming from a cost and engineering perspective
 - b. Maximizing the 15.0 FAR is more likely to occur on smaller or medium-sized lots
 - 3. Similarly, the Point Tower is proposed to be increased slightly to 325' but in exchange, the scale of those buildings is significantly restricted by the tower floor plate size limits
 - a. Increasing the Point Tower beyond 325' would begin to significantly encroach on mountain views
- f. Applying Zoning Standards Relative to Lot Size
 - i. A new approach that is unique to GT
 - ii. Narrow lot – requires residential setback only
 - iii. Standard lot – requires residential setback, upper story setback, mass reduction and wrapped parking
 - iv. Wide Lot – requires residential setback, upper story setback, mass reduction and wrapped parking, street level open space, & nonresidential active uses if located on one of the key streets
- g. Introducing Flexibility into the Rigid Structure of Zoning
 - i. The proposed zoning implements flexibility to the greatest extent possible acknowledging the uniqueness of different lots and contexts within GT
 - ii. Public art is being introduced as an alternative for compliance with open space and nonresidential active use standards. This will be much more effective in creating new public art than a small density bonus and contributes to the flexibility of the new zoning. This is another item that is unique to the GT zoning and doesn't exist elsewhere.
 - iii. Allowing open space and nonresidential active uses to be used interchangeably is another approach unique to GT
 - iv. Upper story setbacks incorporate flexibility on the height of where they occur and only apply to a portion of the frontage
 - v. Wrapped parking is also required only for a portion of the frontage and only on larger projects
- h. **Advisory Committee Comments**
 - i. **Scott** - The comparable properties are helpful to illustrate existing examples of 8.0 FAR. Can you please confirm that these include all the above-grade parking and other square footage that would be included in the proposed density calculations? Those properties would also be helpful to evaluate from a design perspective - exposed parking, stepbacks/setbacks, mass reductions, etc.

1. **Staff** confirmed that these examples include all above-ground floor area, consistent with the proposed approach to FAR calculations
- ii. **Byron** – Over summer Davis Partnership Architects looked at some test sites to be able to evaluate what a given FAR would look like if you brought the maximum square footage to a given property. They looked at narrow, standard and wide lots. Even with a 325 ft height tower it would be tough to achieve the 15 FAR. The effects of 2020 have been hard on the neighborhood, it's not what it was in 2019, we're optimistic that it will bounce back, but it is dependent on the inertia of development
 1. **Staff** confirmed that in most cases, 325' would accommodate 15.0 FAR. Only on lots that were larger, but not large enough to accommodate two towers, would the 325' height limit FAR to approximately 13.0.
 2. **Staff** also reiterated that it is in everyone's best interest, including the City, for development to continue and support activity in the neighborhood
- iii. **Scott** - Is the 8 FAR base going to result in developable pro-forma?
 1. Are you achieving the same income streams today?
 2. There's a lot to digest that we don't know yet, such as AMI levels.
 3. Too many uncertainties still to be able to judge if 8.0 is feasible
- iv. **Chris Carvell** - 10.5 was discussed at one time – 3.0 FAR maybe required to be dedicated to parking in order to get the building financed
 1. **Staff** confirmed that 10.0 accommodates 30%, or 3.0 FAR of parking. Increased amount of parking or smaller lots may result in approximately 10.5-11.0 total FAR. The parking assumption is based on recent projects that are providing 1.25 parking spaces per unit. It should be noted that we have people reaching out to us with proposals for 0.75 per unit or even less, so lower parking amounts are being considered.
- v. **Chris Carvell** - The design opportunities with open space, how you treat the garage going below grade is an expensive proposition, how you screen it and wrap it ought to be incentivized
 1. **Staff** responded that not everything can be included as an incentive. We don't want to sacrifice all the great design improvements that are part of this project and need to make sure we have a package that we are confident will be approved by Council
- vi. **Pete** - How does affordable housing city wide incentive impacts the GT neighborhood in the future?
 1. **Staff** responded that whatever is developed as a citywide affordable housing program will replace what is included in this zoning update.
- vii. **Anne** - We're just talking about residential here, and required parking is different for office building, and it's much harder for offices to be developed here due to the residential incentive.
 1. **Staff** agreed and noted the proposed zoning is structured to remove barriers related to parking and the way the incentives can work for all types of uses
- viii. **Anne** - Residential properties below medium income are not using their parking to their maximum capacity. It's market rate development that has multiple cars per household.
- ix. **CM Hinds** - The art museum is a perfect example of shared parking structure.
- x. **Anne** – The minimum amount of required parking is not what's getting built. Much greater amounts of parking are being included in new projects.

5. Achieving Important Priorities

- a. Need to make sure the zoning update promotes the highest priorities of the city
- b. Permitting and administration of multiple incentives is very difficult and almost always, one or two become the easy default option and the others are ignored

- c. The zoning is proposed to require the most critical priorities we heard about from the community, rather than simply encouraging them via an incentive
 - i. Require publicly accessible open space on larger projects
 - ii. Require ground floor nonresidential active uses on key streets
 - iii. Allow public art to substitute for open space and nonresidential active uses
 - iv. Cultural and arts uses are allowed as part of the nonresidential active use category
 - v. Setbacks and more space for outdoor dining, etc.
- d. Zoning will only be a partial solution. There are other City departments outside Community Planning and Development, such as Economic Development and Opportunity and Arts and Venues, that have programs and can offer help to the community to encourage public art and arts/cultural uses
- e. Comments
 - i. **Pete** – Would it be possible to pay a fee instead of providing public art? It can be challenging to have the space to provide public art on property. Seems difficult to see developers providing his amenity without bigger incentives
 - 1. **Staff** responded public art does not necessarily need to take up space and can be incorporated into the architecture of the building
 - ii. **Byron** – Would this be a requirement or an incentive?
 - 1. **Staff** responded it would be an alternative. Open space and nonresidential uses are required for large lots and public art would be an alternative to those two requirements.
- f. Using an Off-the-shelf Affordable Housing Tool
 - i. The administration and the processes are already in place
 - ii. The zoning needs to offer significantly more than what is possible today to encourage developers to consider using the incentive
 - iii. The proposed approach is something Council could potentially support, but will still require many discussions and meetings with Councilmembers to build consensus
 - iv. Affordable Housing Example
 - 1. Today – 200 units with no units and only a small linkage fee is paid
 - 2. 8.0 FAR – 160 units
 - 3. 10.0 FAR – 160 units + 40 incentive units (9 affordable or 4.6% of total)
 - 4. 15.0 FAR – 160 units + 140 incentive units (25 affordable or 8.4% of total)
 - 5. Note that Council is currently asking for a minimum of 15% affordable units on most rezoning efforts that are asking for increased density
- g. Promoting Historic Preservation
 - i. Rehabilitating a landmark structure generates a FAR bonus that can be utilized on site or transferred/sold as a development right to another property within D-GT. Any unused floor area from a historic landmark can also be transferred/sold to another property within D-GT.
 - 1. Currently the bonus for rehabilitation is 1 sf to 1 sf and a receiving lot is limited to accepting only 1.0 FAR of transfers from other sites
 - 2. The proposed zoning doubles the bonus for rehabilitation to 2 sf and triples the allowance for receiving lots to accept up to 3.0 FAR
 - ii. Affordable housing is prioritized, but the historic preservation bonuses can be used in lieu of the affordable housing incentive for the portion of a project between 12.0-15.0 FAR.
- h. **Advisory Committee Comments**
 - i. **Byron** – 10.0 FAR – 200-unit example – you have additional 2.0 FAR stacked on top of the 8.0. That 2.0 is representing 40 additional units and 9 of those units are affordable. Do you have to meet a minimum affordable housing first and then apply landmark credits?
 - 1. **Staff** responded that yes, affordable housing would be prioritized and landmark bonuses could be applied above 12.0 FAR

- ii. We want to see affordable housing and a mix of housing stock in the neighborhood
- iii. **Brent Snyder** – We are all in favor of affordable housing, but it is only one of the multiple incentives we would like to see, and it looks like it is taking over the rezoning process. Are we compromising all the other incentives that the community values? The devil is in the details, we don't have an idea of what the final cost is. The feasibility needs to be well throughout so that it is practical
 - 1. **Staff** responded that the other incentives that have been discussed have been incorporated into zoning standards and other strategies. Affordable housing cannot be required so it needs to be built into an incentive approach. A system with too many choices is difficult to administer and creates “winners and losers” among the options.
- iv. **Sarah S** – This approach is not only about building more affordable housing in the city, but about achieving an equitable distribution across the city and adding affordable housing in neighborhoods like Golden Triangle.
- v. **Brent** – I have concerns with the feasibility of the incentives. If there are no real incentives, then development could tank.
- vi. **KJ** - The implementation of the neighborhood plan doesn't end with zoning and DSG's and similarly the implementation of the plan does not only depend of CPD. There are multiple city agencies and the Golden Triangle Creative District collectively contribute to the realization of the Neighborhood Plan vision. For example, we have talked about how to incentivize the 5280 Trail. CPD does not have a mechanism in place to do this, but future discussions with Parks and DOTI could lead to an impact fee that helps fund its construction.
- vii. **Chris C** - building affordable housing – construction costs will be similar
- viii. **Sarah S** - this project is about implementing the goals of the community as set forth in the Golden Triangle Neighborhood Plan.
 - 1. But there are certain priorities and expectations of this administration
 - 2. That is what consensus is, is working to balance the difference expectations, input, and needs.
 - 3. Not everyone will be satisfied with each individual aspect, but can you support the overall package?
- ix. **Kristy** - How does public art incentive impact developers?
 - 1. **Staff** responded public art needs to be in a space that is publicly accessible (ie, not inside a building) and visible from at least one public street
- x. **Pete** – Concerns with the cost involved with all the new requirements and incentives and I feel like we haven't achieved anything better than what exists.
- xi. **Cherry** – I don't agree that we didn't achieve anything with this process, I think we have accomplished a lot through this process and we're going to get better design outcomes as a result
- xii. **Adam Perkins** – agree that there are lots of good parts to this rezoning, we just need to be cautious that we don't set it up in such a way that we slow down development
 - 1. **Staff** agreed and reinforced that It is not in the city's interest to put forward a zoning update that slows down development. That is the opposite of our goals for Downtown neighborhoods and everything we developed in the last two years is there to support the neighborhood plan including affordable housing and mixed use, multi-scale development
- xiii. **Pete** - How do we assure that the future city-wide incentive doesn't double down on affordable housing?
 - 1. **Staff** responded that the citywide affordable housing program process is on-going and it is impossible to know what that structure looks like at this point. That said, staff working on this project have been coordinating closely with that team so they are aware of the history of decision-making here.

- xiv. **CM Hinds** – note that there are examples in District 10 where neighbors are protesting projects being proposed by-right under current zoning (<http://savegovernorspark.org/>) so we need to consider how supportive this area is of on-going development.
- xv. **Scott** - Can more about the internal modeling be shared - so those that understand it can review it?
 - 1. **Staff** responded that they will provide a summary of the internal feasibility testing.

6. Next Steps

- a. Moving ahead with drafting the zoning code for internal review
- b. About 5 months' worth of work to still get to adoption
- c. Development activity is not slowing down in this area (approximately 10 active projects in various stages of permit review and construction) and time is of the essence