

## **MEMORANDUM**

**TO:** Donna Barron, City Manger

**FROM:** Richard E. Luedke, Planning Manager

**DATE:** October 1, 2018

**SUBJECT:** **Public Hearing: Consideration an Ordinance Granting a Zone Change Request From Single Family Residential District (R-7.5) to Old Town Mixed Use 1 District (OTMU1); on Approximately 0.93 Acres, Situated in the John W King Survey, Abstract Number 696, Located at 411 and 419 Milton Street; as Requested by Paul Poteet, of Liberation Development Investments, on Behalf of Terry Bohn, the Property Owner. (Case No. PZ-2018-08-10).**

### **BACKGROUND**

The subject 0.93-acre property, which is currently two separate parcels, is located on the west side of Milton Street between Samuel Street and Edwards Street. The two parcels are zoned Single Family Residential (R-7.5) and currently house two single-family residential dwelling units. The applicant is seeking to replat the two existing parcels into one, demolish the existing houses and develop townhouses at this location.

### **ANALYSIS**

The subject property is adjacent to Single Family Residential (R-7.5) zoned properties to the south, west and north. The applicant plans to build sixteen attached townhomes on the property. The conceptual development would feature two rows of eight attached townhomes facing each other aligned east-west and perpendicular to Milton Street. The applicant has not provided any concept plans for the development at this time. The Old Town Mixed Use 1 zoning district allows for townhomes, provided that no more than nine dwelling units are attached in one continuous row. Design of the townhomes will be required to meet the Old Town Development Ordinance and go before the Old Town Design Review Committee for approval should the zone change request be approved.

The proposed zone change is in compliance with the zoning recommendations in the Old Town Master Plan, adopted in 2003. Staff originally recommended approval of the zone change since the request was in compliance with the Old Town Master Plan. Based on staff's recommendation, the Planning and Zoning Commission (P&Z) recommended approval by a vote of 4 to 1 on August 21, 2018.

At the P&Z public hearing, two residents from the surrounding neighborhood expressed concerns regarding the density and scale of the proposed development compared to the single family residential properties surrounding the site. After the public hearing, staff reexamined the Old Town Master Plan. While the plan does call for this area to be rezoned to Old Town Mixed Use 1 zoning and our Zoning Code lists townhomes as an allowable use in that zoning

district, staff also found clear language in the plan that recognizes and encourages the stability of the existing residential neighborhood between South Cowan and Milton Street south of Elm Street along with two other residential neighborhoods in the northwestern portion of Old Town. The plan identifies these older residential neighborhoods as a stable base for the Old Town area and recommends protecting and maintaining these single family areas by encouraging single-family infill on available properties. The plan further states that these neighborhoods, which are designated for OTMU1 zoning, should be considered for protection over the next five to ten years in the form of conservation areas since they may experience economic pressure for redevelopment. This intent in the plan appears to conflict with some of the allowable uses in the OTMU1 district.

Fifteen years after the adoption of the Old Town Master Plan, pressure to redevelop within the traditional single family neighborhoods in the western half of Old Town has arrived and presents a critical decision point to address the future character of these neighborhoods. Moving forward with the proposed townhome development would introduce a greater mix of density and building types. Staff has also received two letters in opposition to this zone change request. Based on the potential conflict between the Plan's expressed intent and the OTMU1 allowable uses, staff now is taking a neutral stance on this application and is seeking direction from City Council.

If Council approves this request, greater density will be allowed into the single family neighborhood. This request is only the second proposal for a townhome development within the area designated for OTMU1 since the district was established in 2003. The first townhome development in OTMU1 is located approximately 120 feet north of this site on the west side of Milton Street and contains three townhomes and three vacant townhome lots developed in 2006. All other requests for OTMU1 zoning have been for the purpose of building single family homes. The neighborhoods designated for OTMU1 zoning represents approximately 19% of the Old Town Design District area.

If Council decides to deny this rezoning request to conserve the single-family nature of these areas, staff would want to further study the OTMU1 district regulations for possible future amendments. These amendments could limit higher density uses, preserve the single-family nature of these areas, but still provide the OTMU1 flexibility for single family redevelopment.

### **RECOMMENDATION**

It is City staff's recommendation that the City Council consider the ordinance as set forth in caption above.