

BRIEFING NOTES

Advanced public notice of the Planning Commission briefing was posted on the County-City bulletin board and the Planning Department's website.

NAME OF GROUP: PLANNING COMMISSION

DATE, TIME AND PLACE OF MEETING: Wednesday, July 21, 2021, 3:50 P.M., Council Chambers, County-City Building, 555 South 10th Street, Lincoln, Nebraska.

MEMBERS IN ATTENDANCE: Dick Campbell, Tracy Corr, Tracy Edgerton, Cristy Joy, Cindy Ryman Yost and Dennis Scheer; Lorenzo Ball absent.

OTHERS IN ATTENDANCE: David Cary, Steve Henrichsen, Stephanie Rouse and Rhonda Haas of the Planning Department.

STATED PURPOSE: Briefing on the **“Proposed Text Amendment - Affordable Housing and Multi-Family Units.**

Chair Corr called the meeting to order and acknowledged the posting of the Open Meetings Act in the back of the room.

Stephanie Rouse, Planning Department, 555 South 10th Street, came forward and stated that this is for an Affordable Housing Text Amendment they have been working on for several months. Implementation methods as part of the Lincoln Affordable Housing Coordinated Action Plan were adopted by the City Council in December 2020. One of those methods was to look at the zoning code and identify ways to update the ordinance to better support housing production. Several of the amendments will indirectly help with affordable housing and some of them are tied to housing production.

Rouse stated that they looked at data from the Coordinated Action Plan, as well as the Community Indicators Report, which is put together each year. There is a need for roughly 1,500 new dwelling unit each year, and the city is producing just under that for a ten-year average. There is a high level of cost burdened households, which significantly impacts renters' households when compared to owner occupied households. Median family incomes are declining while home prices are increasing, which creates cost burdens and decreased purchasing power.

This text amendment package began in March with an internal working group meeting to discuss the path forward and which sections of the ordinance they would target for this text amendment. In May, a draft text amendment was ready, and meetings were held with several groups. Rouse stated that they worked on amendments based on the feedback received from those groups. An email was sent out to the broad audience to announce these text amendments.

Rouse stated that there are five main categories: administrative amendment process, parking, height, setbacks, and the ability to rebuild. When looking at administrative amendments the market is showing a declining need for commercial and retail space, and an increase in residential needs. In the last 5 years, 4 Planned Unit Developments (PUDs) have been amended to convert floor area to residential units. Delaying projects negatively impacts the construction of housing units and increases uncertainty, and the developer's willingness to go back through a public process. This would allow the Planning Director to approve the conversion of floor area to dwelling units and it would be capped at the maximum density for that property. The special permit section does not have the 15 percent increase clause for use permits and this is proposing to add that language to the special permit.

Corr stated that this situation would be similar to Holdrege and 35th Streets where the applicant made a request to convert the first-floor space to residential instead of commercial. Rouse said yes it could go through an administrative amendment instead.

Rouse stated that they spent a lot of time looking at local and national parking studies and trends. They found that parking requirements increases the cost of housing and reducing or removing parking requirements is not necessarily the same as removing parking completely. In Buffalo, they removed all the off-street parking requirements in 2017, and when a study was done, they found that less than half of the developments provided less parking than what would have normally been required to provide. The 2019 American Community Survey estimates show that over half of the renter households own one vehicle or less. Rouse stated that they are proposing to amend the parking ratio to 1.5 vehicles in multi-family in the R-1 to R-6, 1.0 vehicles in the O-3 and B-5, which would also capture the single and two-family as well as multi-family. The O-1 district also ties into the South of Downtown PUD and they propose to change those parking requirement to zero to reflect its adjacency to the B-4 Downtown District, which also has a parking ratio of zero.

Corr stated that she has a problem with this portion of the text because she consistently hears from people that work in or near the State Capitol and they cannot find parking, and she worries that it will make the problem worse. Rouse stated that this area is adjacent to the B-4 Downtown District, and it would be treating a lot of the residential uses that are adjacent to it similarly with the parking requirement being reduced. **David Cary, Planning Department Director, 555 South 10th Street**, came forward and stated that what Ms. Rouse has said is exactly the reasoning behind the proposal. He stated that he would add that parking challenges around the State Capitol, state office buildings, and state activities is largely a function of the state. There is a project that will probably happen in the not-too-distant future, but it is not fully funded yet on the vacant site that has the geothermal built underneath. In a way, they are trying to answer the demand, but a large part of this issue needs to be addressed by the state. Corr stated that she feels that this will exacerbate the situation, because it is next to a B-4 area.

Campbell stated that the South of Downtown border is at the Governor's Mansion and so, anything around the State Capitol and on other streets they would still be able to park. Corr stated that parking is first come first served and asked if this is creating a problem for the

residents in the area. Corr stated that her concern is that she already knows that parking is a problem in the area, and this will add to it, and asked why she would want to vote for this if it is going to make the problem worse. Cary stated with the land use it is meant to incentivize the activity or redevelopment of the O-1 area.

Ryman Yost stated that even if you reduce the parking requirements the developers that want to lease their space know that they may be unable to lease if they do not offer some opportunity for parking. She stated that she feels that the state is aware that they have parking issues and hopefully they will address those problems.

Rouse stated that all Residential Zoning Districts have a height limit of 35 feet, except R-7 and R-8 districts, which are adjacent to downtown. Limiting heights also limits density, even when the district allows more density by right. Rouse stated that they are proposing to increase the maximum height which is in line with a number of waivers that have been approved for apartment complexes. Since 2016, there have been 15 height waivers approved for projects that were outside the downtown area. In the R-1 to R-4 districts they are proposing to amend just the PUD and CUP language to allow the increase in height either up to 45-feet if the project is within the boundaries of the Neighborhood Design Standards or up to 55 feet if it is outside of those boundaries. In the R-5 to R-7 districts it would increase to 55 feet as well as in the O-3, B-2 and B-5 for both commercial and multi-family. Additionally, a clause was added to the O-3 Office District because it's a transitional district and that would require the building to be setback one foot for each additional foot in height over the 35 feet.

Rouse stated that a lot of the older neighborhoods have issues with nonstandard lots, which makes them difficult to redevelop or rehab homes. There are some provisions in place that help with this, but it often falls to requiring a special permit or other types of approval process to build on these nonconforming lots. This proposal would amend the yard definition and add corner front yard to the definition, which would apply to the other street facing yards. The setback for single and two-family dwellings would be 10 feet instead of 20 feet. In R-1 to R-8 residential can rebuild after being damaged to its original condition regardless of nonconformity even if the damage exceed 60 percent of the fair market value.

Rouse stated that this will go before the Planning Commission on August 4, 2021 and then tentatively go before the City Council on August 22, 2021.

Corr stated that multi-family is three plus people that are not related, and this not allowed in an R-2 area and that is why several areas are not affected. Rouse said correct and the 45-foot height limit would apply to R-1 to R-4, but it would need to be done through a CUP or PUD.

Joy asked how this would reduce time for someone applying for a PUD. Rouse stated that this specifically would not save them time because they would still be required to go through the entire process, but what it does is takes away some of the required waivers and matches up with what the Planning Department has been doing. Joy asked if it would be a normal building process they would need to go through. Rouse said after they go through the PUD process. Joy stated

that if the applicant did not need a PUD they could go down the line and do their project. Rouse stated that if they were in an R-5 or R-6 and just wanted to do an apartment complex and they could meet the setbacks then they could build a 55-foot apartment. Joy stated that they could get an administrative amendment if it is like the project you just mentioned versus the board looking at it.

Cary stated that there is still a process involved and this is just taking away the need for a waiver for the height but would not change the process. Corr stated that they would not need to request a waiver because it would be there by right.

Campbell asked about removing impact fees for developments if there is either a full development, the majority of a development or a certain percentage of low-income housing. **Steve Henrichsen, Planning Department, 555 South 10th Street**, came forward and stated that there is already a low-income provision that goes back to 2003, when impact fees started. If the developer comes in and meets the criteria they could then have their arterial street impact fees reduced or eliminated. Campbell asked what the criteria was. Henrichsen stated that he thinks it is 60 or 80 percent of median income and they would need to prove that they were tied to a program. Campbell stated that would be for the entire development. Henrichsen stated that it is on a building permit by building permit basis. Henrichsen stated that Mr. Cary did look it up the amount of affordable housing and it is 60 percent or less.

Henrichsen stated that he wanted to address the question on the R-1 to R-4 and if they would still need to go through the process why is the height being listed as 55 feet. Cary stated that the department has heard from several apartment developers that it inhibits them because they always need to ask for a waiver. Joy asked where the 55 feet for the height came from and why the Planning Department wouldn't just recommend 60 feet.

Scheer stated that this was advertised out to the development community, and he has already received an email saying that this does not go far enough and asked if they have heard those types of comments from developers. Rouse stated that the Planning Department started with the 55 feet because that is what the 15 waivers were asking for, but the department did receive an email a couple of days ago in response to what was sent out saying that 60 feet matches what the building code allows for. Rouse stated that they have a good point.

Henrichsen stated they don't go far enough and there are other things that could be done. This is an incremental step, and the Planning Department used the 55 feet because that is what was most often requested by the developers. Henrichsen stated that the builders were comfortable with this and in some cases, they were building to 50- or 51-feet but would ask for 55 feet to have a little margin for error. Cary stated that these changes are the easy ones that the Planning Department has been approving with waivers. He stated that there is a lot more that needs to be discussed with this. Henrichsen stated that it would also go for parking with the affordable housing and market rate builders, because they would like to go to 1.5 vehicles and 1.0 vehicles in commercial areas, and they feel comfortable doing that. Henrichsen stated that several communities are letting the market decide about parking needs and requirements and

they may need to decide what the community values and would it be for more parking than affordable housing, or housing choices, or a walkable downtown. The downtown area is B-4 the parking requirement is zero, but the builders are still building parking for their developments downtown.

Scheer stated that some places provide more parking than is needed and they charge for parking there. He stated that there are several people that work in the buildings downtown that will not pay for parking, and instead they park in the neighborhoods and that exacerbates the problem. Joy stated it is the same with the University and it just pushes people out because they do not want to pay. Henrichsen stated that the community needs to decide what is more important requiring more parking or trying to get more affordable housing. Campbell asked if they have contemplated where those people would go in a snow emergency when parking is banned to clean the streets. Corr stated that they are encouraged to park in the city garages and a lot of times if there is a snow emergency the city does not charge for parking to get the cars off the streets.

Corr stated that the board recently had an application where a house on a corner lot that was looking to rebuild their stairs and she asked if these proposed changes would address that issue. Rouse said yes and that they added the word landing to the yard definition, because you could have stairs in the setback but not the landing portion of the stairs. Corr stated that she wanted to make sure.

There being no further business, the meeting was adjourned at 4:20 p.m.

F:\Boards\PC\Minutes\2021\pcb072121.docx