



19-0274

TITLE: Discuss and Provide Direction Regarding Existing Residential Uses in Non-Residential Zoning Districts

COUNCIL GOAL: Operational Excellence
(2E: Continuously provide a high level of customer service to our citizens)

MEETING DATE: April 2, 2019

DEPARTMENT: Development Services - Planning Department

CONTACT: Jennifer Arnold, AICP, Director of Planning

RECOMMENDED CITY COUNCIL ACTION:

- Discuss and provide direction.

ITEM SUMMARY:

- The Mayor and Mayor Pro-Tem requested that this item be brought forward for discussion.
- Staff is seeking direction as to how the City Council might wish to resolve unintended consequences from a somewhat recent modification to provisions of the Zoning Ordinance.
- At the June 4, 2018 Work Session, Staff presented an item to the City Council highlighting the fact that a number of residential land uses were permitted in non-residential zoning districts. The impact of this issue could result in the unpredictability of development within commercial zoning districts, the possible erosion of the commercial tax base, and the potential incompatibility caused by allowing some uses next to one another without some additional approval action being required (ex: specific use permits).
- Based on the Staff presentation and recommendation, the Council was in general agreement that an amendment to the Zoning Ordinance should be considered. As such, Staff moved forward with an update.

- Following public notification and outreach efforts, proposed amendments to the Zoning Ordinance to modify the allowance of residential uses in legacy zoning districts were considered by the Planning and Zoning Commission on August 14, 2018 and received a favorable recommendation. On August 21, 2018, the City Council considered and approved the proposed amendments to the Zoning Ordinance.
- However, Staff was recently made aware that some existing homes within the modified zoning districts, which are now considered legally nonconforming or “grandfathered,” have run into issues with closing home sales due to mortgage companies’ unwillingness to issue home loans.
- As Staff understands it, mortgage companies are refusing to issue loans due to the fact that reconstruction of the home is not possible if it becomes damaged beyond 50%.
- There are a number of potential solutions to this issue that Staff would like to discuss with the City Council.

SUPPORTING MATERIALS:

[Presentation](#)