

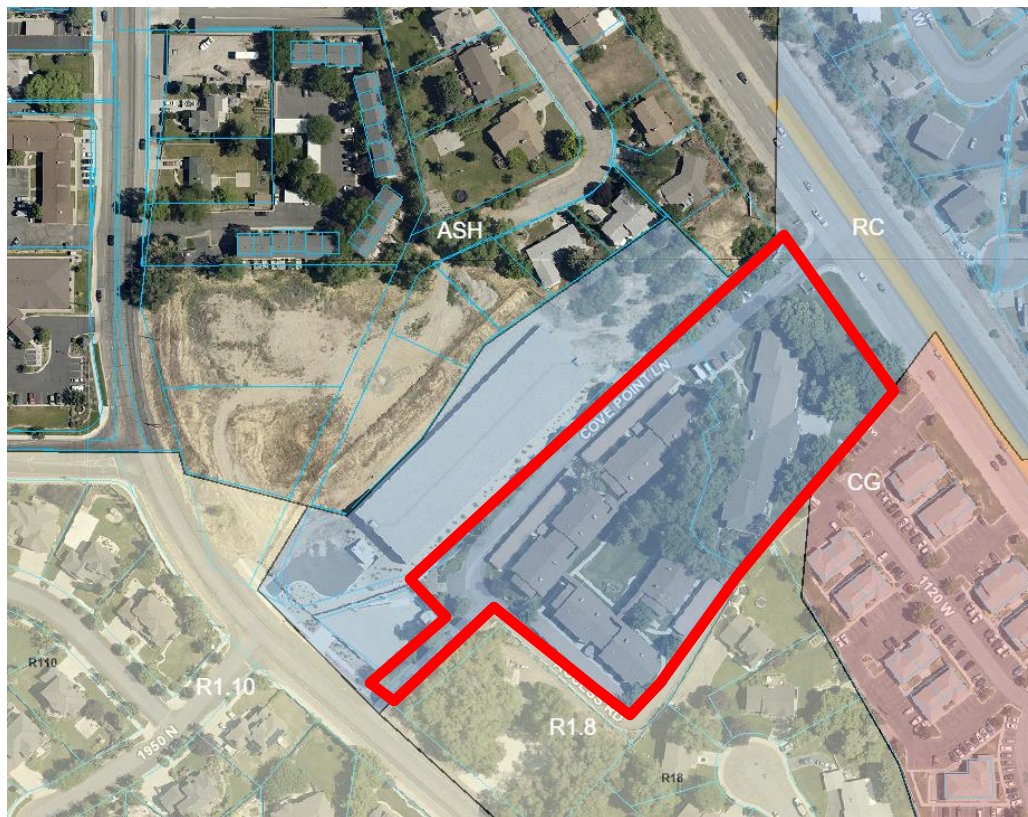
ITEM # 5* Heather Llewelyn requests a zone change from the Residential Conservation (RC) zone to the Medium Density Residential (MDR) zone, located at 1988 N Cove Point Ln, to allow for a conversion of an assisted living center to apartments. Grandview North Neighborhood. Brandon Larsen (801) 852-6408 jblarsen@provo.org PLRZ20210331

<p>Applicant: Heather Llewelyn</p> <p>Staff Coordinator: Brandon Larsen</p> <p>Property Owner: Cove Point Apartments LLC & Cove Point Investors LLC</p> <p>Parcel ID#: 36:712:0001 & 36:712:0002</p> <p>General Plan Designation: Residential</p> <p>Current Zoning: RC (Residential Conservation)</p> <p>Proposed Zoning: MDR (Medium Density Residential)</p> <p>Acreage: approx. 4.50 acres</p> <p>Number of Properties: 2</p> <p><u>ALTERNATIVE ACTIONS</u></p> <ol style="list-style-type: none"> Continue to a future date to obtain additional information or to further consider information presented. <i>The next available meeting date is January 12, 2022, 6:00 P.M.</i> Recommend Approval of the proposed zone map amendment. <i>This action <u>would not be consistent</u> with the recommendations of the Staff Report. The Planning Commission should <u>state new findings</u>.</i> 	<p>Current Legal Use: Older adult housing/Assisted living facility</p> <p>Relevant History: A rezone request was approved in 1978 to facilitate development of the assisted living facility/senior housing project in 1978 (R1.8 to R3). A project plan approval was obtained in 1979. The property was rezoned in 2002 to the RC Zone along with multiple properties in the City.</p> <p>Neighborhood Issues: A neighborhood meeting is scheduled for December 9, 2021.</p> <p>Councilor George Handley did relay to staff comments he had received from a resident of Cove Point who is concerned about the proposed rezone and change of use to apartments open to all ages. The citizen notes that Cove Point is perhaps the only moderately priced older adult housing development in the City that is not subsidized.</p> <p>Summary of Key Issues:</p> <ul style="list-style-type: none"> The applicant is requesting a zone change from the RC Zone to the MDR Zone. The proposed rezone is desired to facilitate a change of use of the Cove Point development from older adult housing/assisted living to apartments for all ages. <p>Staff Recommendation: Staff recommends that the Planning Commission forward a recommendation of denial to the Municipal Council for a zone change from the RC Zone to MDR Zone.</p>
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BACKGROUND

The subject property comprises two (2) parcels with a combined acreage of approximately 4.5 acres. It lies in the RC (Residential Conservation) Zone—between State Street and Columbia Lane—on the northern border of the City with Orem. Single-family residences lie to the northeast and southwest of the development. A city water tank lies to the north, while professional offices lie to the southeast.

There is a mix of zoning designations adjacent to the subject property. The lands to the northwest and northeast lie in the RC Zone. The adjacent property in Orem City is the R6.5 (Residential, 6500 SF lots) Zone with ASH (Affordable Senior Housing) Overlay Zone. Land to the south and west lies in the R1.8 and R1.10 Zones. The CG (General Commercial) lies to southeast of Cove Point.



The Cove Point community lies in the Grandview North Neighborhood. A neighborhood meeting is scheduled for December 9, 2021. The Grandview North Neighborhood failed to hold a neighborhood meeting within 45 days of notice from the Development Services Department of the application (notice was sent to the Neighborhood on October 7, 2021). This failure allows the application to proceed to the Planning Commission prior to a neighborhood meeting, as per §14.20.010(2), Provo City Code.

Natural hazards do not appear to be a readily apparent issue for the subject property. It does not appear to lie in any areas of hazard concern.

GENERAL PLAN POLICIES

The Cove Point property has a Residential (R) land use designation on the General Plan map. A Residential designation is general and simply recommends essentially any type of residential development. A land use designation is a recommendation, as opposed to a zoning designation, which has an associated set of code requirements.

The General Plan offers little specificity in relation to the subject property or the current use. It should be noted that the Cove Point community lies in the Grandview North Neighborhood, which does not have a neighborhood plan.

There are a few goals from the Housing chapter (Chapter III) of the General Plan that seem applicable to the present application:

Goal 3.4.1.2: Maintain and encourage good quality, sustainable housing and infill developments.

The applicant stated the following in the application: "The current configuration of the assisted living facility as a type one facility is considered obsolete in the market and the building is considered no longer viable under its [*sic*] current use." The applicant is explicitly stating that the existing use is no longer viable. Staff can appreciate a business acting to remain viable. The applicant has provided a more extensive statement about Level I facilities (see Attachment 6).

Goal 3.4.1.6: Encourage diversity of age groups in neighborhoods.

The Grandview North Neighborhood has a large proportion of single-family homes; however, there are a few large condo and apartment complexes. The current Cove Point development helps to diversify the housing stock of the Grandview North Neighborhood and City by offering perhaps a unique option for older adults. Staff is told that this option is uniquely priced to be affordable for those who do not qualify for government subsidies, and that no other such option exists in the City. Staff found eight (8), including Cove Point, older adult housing/assisted living facilities in the City.

3.4.1.7 Offer a range of housing types within neighborhoods that meets the changing needs of an aging population and facilitate long-term residency.

As noted above, the existing development helps to diversify housing options in the Grandview North Neighborhood and the City. It provides a very basic and essential need for older adults. The proposed rezone would pave the way for the development to be utilized by a more diverse group of people, but staff is concerned this may be to the disservice to Provo's older adult population, which appears to have limited housing options specific for older adults.

While staff very much wants to be supportive of the vitality of business and development, staff is concerned that if the proposed rezone is approved it will lead to reduced housing options for the City's older adult population. Staff would prefer to see the applicant work to make the current operation and use more viable on the subject property.

OBJECTIVE AND PURPOSE OF ZONES

The subject development is currently zoned RC (Residential Conservation). The first sentence of the Purpose and Objective of the RC Zone states: “he Residential Conservation (RC) zone is established to encourage conservation of existing housing by limiting the use of a given lot or parcel to the legal use existing on April 2, 2002.” The RC was designed to preserve housing, yet it appears the zone has been designed to encourage rezoning for redevelopment proposals. A portion §6.2.1 (Residential Conservation) of the General Plan states the following about the RC Zone:

“The establishment of the Residential Conservation (RC) Zone and creation of a Project Redevelopment Option (PRO) tool have worked together to create an opportunity to slow down the transition that resulted from the previous high-density zoning in the Pioneer neighborhoods, while recognizing legally established uses that resulted during this time period. These tools provided an opportunity to step back, evaluate the present and future needs of the neighborhoods, and make informed choices about specific redevelopment proposals.”

While the above paragraph speaks specifically about the Pioneer neighborhoods and the effect the RC Zone was intended to have on transition, it seems reasonable to believe a similar effect has occurred here. The subject property was once zoned at a higher residential density (R3), and was rezoned to the RC Zone in 2002. The current zoning has helped to preserve the use and gives us pause to consider the proposal before us.

The proposal is to rezone the subject property to the MDR (Medium Density Residential) Zone to facilitate a change of use from older adult housing/assisted living to all-age apartments. The RC Zone will not allow for the change of use.

A portion of the Purpose and Objectives of the MDR Zone states: “The Medium Density Residential (MDR) zone is established to provide a suitable environment for medium density residential uses. This zone is generally located in or near the central area of the City and in areas where there is a substantial demand for multiple dwelling units as indicated in the General Plan.”

Staff believes the subject development is in a questionable area for an MDR Zone, especially to facilitate the conversion of the development to an all-ages apartment complex. There would likely be a demand for the apartments, and the development is approximately 650 feet from the Grandview Apartments. However, single-family zones lie adjacent to the south and west, and the northeast (Orem City).

Staff believes the current zoning helps to preserve a needed use (assisted living/senior housing) for the Neighborhood and City.

FINDINGS OF FACT

Provo City Code Section 14.02.020(2) sets forth the following guidelines for consideration of zoning map amendments:

Upon receipt of a petition by the Planning Commission, the Commission shall hold a public hearing in accordance with the provisions of Section 14.02.010 of this Title and may approve, conditionally approve, or deny the project plan. Before recommending an amendment to this Title, the Planning Commission shall determine whether such amendment is in the interest of the public, and is consistent with the goals and policies of the Provo City General Plan. The following guidelines shall be used to determine consistency with the General Plan: (responses in bold)

(a) Public purpose for the amendment in question.

The proposal would facilitate additional housing opportunities for all ages in the Grandview North Neighborhood and the north-end of Provo. Staff is concerned about the impact this proposal will have on housing options for older adults in the Grandview North Neighborhood and the City in general. Staff has been told the existing development offers a uniquely affordable, unsubsidized, price point for older adults.

(b) Confirmation that the public purpose is best served by the amendment in question.

Staff appreciates the owners of Cove Point acting to make their operation and development viable and profitable. While additional housing is needed in the city for all ages, staff is not convinced the amendment is in the best interest of an important segment of the City's population—older adults. The City might do well to think long-term on senior housing, even in a city with a young population. Seniorliving.org notes that Utah's median age is rising fast: "While Utah can be considered one of the youngest states in the country, that could be changing in the near future. That's because the rate at which the median age in Utah rose between 2010 and 2018 was the fastest in the U.S. — 6.2 percent. That increase is more than double the rate at which the overall U.S. median rate rose in that time." The Gender and Age paragraph in the Population preface of the General Plan noted that between 2010 and 2015 the median age of Provo increased by nearly one (1) year (22.9 to 23.7).

(c) Compatibility of the proposed amendment with General Plan policies, goals, and objectives.

The proposal is in harmony with the General Plan Map's land use designation for this development. The general plan goals referenced earlier in this report value sustainable development that supports a diverse group of people. The applicant is claiming the current operation is no longer viable, and proposes a change of use to an apartment complex that would be open to a diverse age group. However, staff is concerned about the diversity of housing options for older adults in the Grandview North Neighborhood, and more broadly the City. This could be an underserved segment of the City's population.

(d) Consistency of the proposed amendment with the General Plan's "timing and sequencing" provisions on changes of use, insofar as they are articulated.

Staff is not aware of any timing or sequencing issues with this request.

(e) Potential of the proposed amendment to hinder or obstruct attainment of the General Plan's articulated policies.

See (c) above.

(f) Adverse impacts on adjacent landowners.

The proposed amendment would change the zoning from RC to MDR, which could pave the way for an all-ages apartment complex. There is a good buffer (water tank) for the residences to the north. The existing development is bounded on the east and west by major streets. There is a single-family development to the southwest that may see a bit more disruption from the potential change in age groups.

(g) Verification of correctness in the original zoning or General Plan for the area in question.

The General Plan and zoning have been verified for correctness.

(h) In cases where a conflict arises between the General Plan Map and General Plan Policies, precedence shall be given to the Plan Policies.

Staff is not aware of conflict between the General Plan Map and General Plan Policies.

CONCLUSION

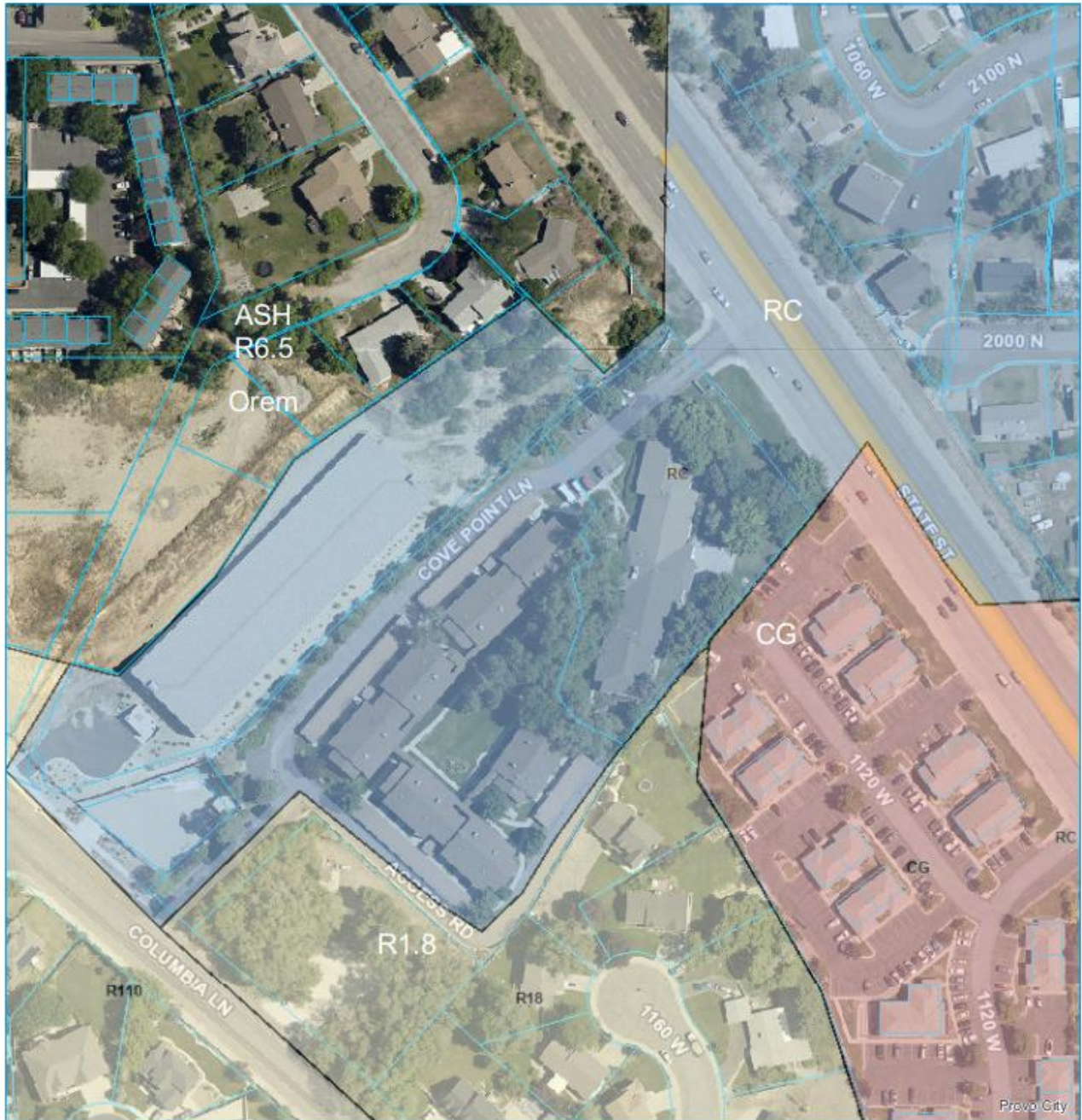
Staff believes there are better locations for the MDR Zone in the City. There is likely demand for an MDR Zone here, but the current zoning (RC Zone) has helped to preserve a good transitional use (independent living/assisted living for older adults) for the adjacent and nearby single-family residences. An all-ages apartment complex may be a less-desirable transitional use for the single-family neighborhood. Staff is concerned about the impact this proposed rezone will have on housing options for older adults in the Grandview North Neighborhood and the City in general.

ATTACHMENTS

1. Current Zoning
2. Proposed Zoning
3. General Plan Land Use Designation Map
4. Concept Plan
5. Statement from Applicant – Reason and Justification for Zone Change
6. Statement from Applicant regarding Assisted Living Facilities
7. Public Works Staff Report

ATTACHMENT 1 – Current Zoning

Cove Point and Vicinity -- Current Zoning



ATTACHMENT 2 – Proposed Zoning

Cove Point and Vicinity -- Proposed Zoning

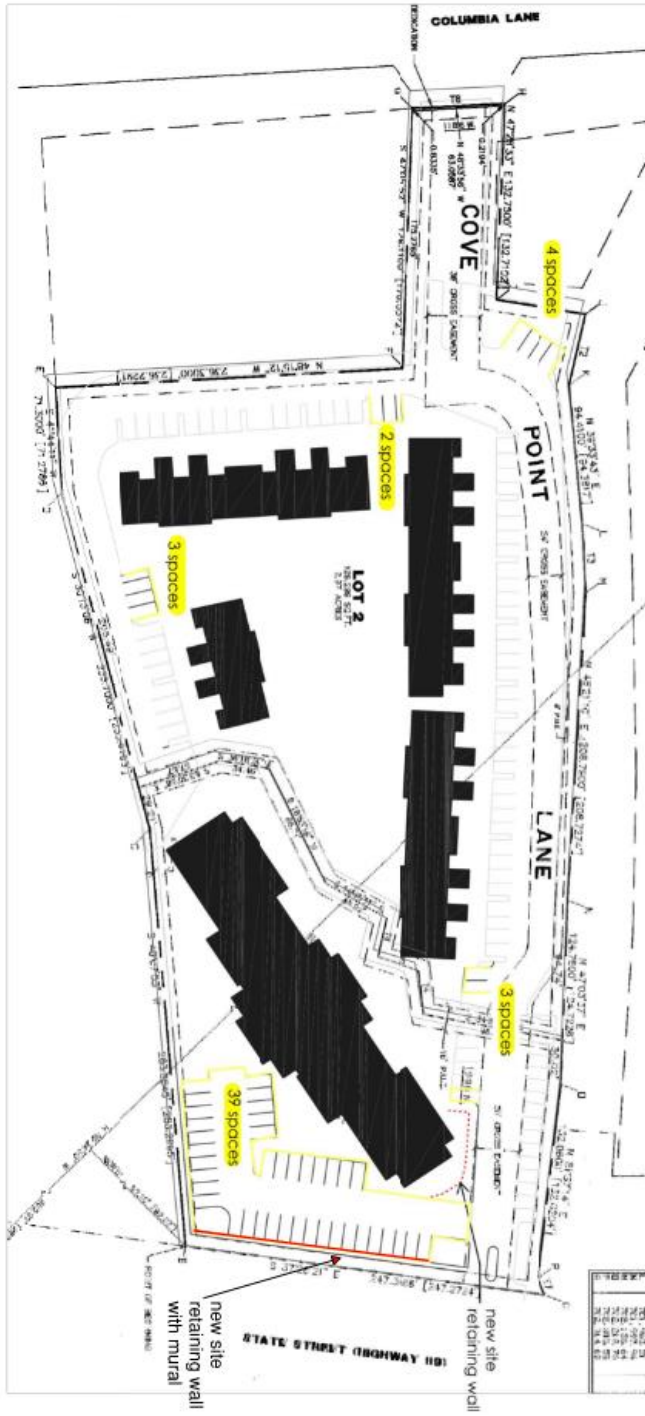


ATTACHMENT 3 – General Plan Land Use Designation



ATTACHMENT 4 – Concept Plan

site parking combined sites				
approximate lot area	approximate lot coverage	current parking count	additional parking	total site parking
129,299 (lot 1) +65,358 (lot 2) = 194,657 sqft	36,495 sqft (building area) + 65,097 sqft (covered parking) = 52.1% (lot coverage)	77 existing spaces	39+3+4+2+3= 51 additional spaces	77+51 = 128 total spaces (5 accessible)



cover point
 parking study



ATTACHMENT 5 – Statement from Applicant – Reason and Justification for Zone Change

Potential Use of Property Statement

Cove Point Zone change from RC to MDR

Applicant: MCRE, Inc. / Brandon Smith

Owner(s): Cove Point Apartments, LLC

Cove Point Investors, LLC

Reason and Justification for zone change:

The intent and use for the 52 units located on lot 2, is intended to remain the same as it's current use, however permitting residents of all ages to occupy. Zone change from RC to MDR is requested to accommodate conformance with its existing use as apartments.

The intent for the 48 assisted living units located on lot 1, is to convert the occupancy from institutional to residential, modifying the existing units to studio apartment units by adding kitchenettes and upgrading finishes and interior elements to accommodate such a conversion as well as any life and safety requirements necessary.

The current configuration of the assisted living facility as a type one facility is considered obsolete in the market and the building is considered no longer viable under it's current use.

ATTACHMENT 6 – Statement from Applicant regarding Assisted Living Facilities

Level I assisted living facility has been built in over 15 years in the state of Utah and no new Level I facilities are listed on the state's assisted living construction registry; the product is fading into obsolescence. The reason for this change is most simply explained due to the services that can be provided in each setting and the shifting nature of levels of care. Residents in the Level I setting only receive 24-hour general monitoring, 7 days a week. Residents at a Level II facility, by contrast, receive 24 hour individualized personal and health-related services, 7 days a week.

Level I facilities can only provide partial assistance with activities of daily living ("ADLs") and these facilities can only accept residents having the ability to exit the building in an emergency on their own, without the assistance of a caregiver. This effectively means that the majority of residents that enter a Level I facility will eventually need to be relocated to a Level II facility where they can receive full assistance with ADLs and higher-acuity care. The elderly are already reticent to move into a care facility and families of the elderly already have a strong aversion and feelings of guilt when moving their parents or grandparents into a facility. Level II facilities provide a level of assurance a resident will be able to age-in-place and will not need to be uprooted once again. This peace of mind is only available at a Level II facility.

Furthermore, the trend in the last two decades has been for elderly people to delay moving into assisted living until they are in need of higher levels of care only available in a Level II facility. COVID has exacerbated this trend. Since the pandemic far more people are able to work from home creating the opportunity for families to provide care and assistance for ADLs at home without incurring the cost-burden of assisted living. Consequently, occupancies and lengths-of-stay at all assisted living facilities have been impacted in the state of Utah and the nation as a whole. Level I facilities have been affected more deeply as the elderly that are now entering assisted living facilities are entering with higher acuity and can only receive their needed care within a Level II setting.

Assisted living operators are also biased towards only operating within a Level II setting. This is primarily due to the extra revenues generated from providing a higher level of care. Level I facilities still incur most of the same operating costs associated with running a Level II facility. Both Levels I & II settings require a licensed administrator, caregivers, a chef and housekeeping staff in addition to food, utilities, insurance and more. Yet, Level I facilities are required to send residents to a higher-acuity facility when cares are required and thus miss out on the opportunity to collect the added revenues associated with providing care to higher acuity residents. Financially speaking, Level I facilities do not make sense to operate.

Lastly, construction standards when building a Level II facility are virtually the same as building a Level I facility. The added costs of associated with the construction of Level I compared to Level II are marginal; there is only an increase of \$1 - \$2 per foot for a Level II facility. These additional costs are made up in only a few months of operation.

Ultimately the incentives for residents, families of residents, operators and developers are all aligned in favor of Level II care. These trends are only becoming more entrenched making Level I facilities effectively obsolete.

ATTACHMENT 7 – PUBLIC WORKS STAFF REPORT



PUBLIC WORKS
TEL. 801 852 6780
1377 S 350 E
PROVO, UT 84606

Public Works Staff Report
Hearing Date: 12/8/2021

PLRZ20210331 – Rezone: Cove Point Zone Change from RC to MDR

Item #5 Summary:

Heather Llewelyn requests a zone change from the Residential Conservation (RC) zone to the Medium Density Residential (MDR) zone, located at 1988 N Cove Point Ln, to allow for a conversion of an assisted living center to apartments. Grandview North Neighborhood.

Staff Recommendation:

Public Works has reviewed the application for rezone, and recommends **Approval**.

Dave Decker, Public Works Director
David Day, Development Engineering Coordinator