



Provo City Planning Commission

Report of Action

June 26, 2024

***ITEM 3** Development Services request Ordinance Text Amendments to the DT1 (General Downtown), DT2 (Downtown Core), and ITOD (Interim Transit Oriented Development) Zones in order to add housing density maximums. Citywide application. Aaron Ardmore (801) 852-6404 aardmore@provo.org PLOTA20240162

The following action was taken by the Planning Commission on the above described item at its regular meeting of June 26, 2024:

CONTINUED

On a vote of 8:0, the Planning Commission continued the above noted application to July 10th, 2024, for further discussion.

Motion By: Lisa Jensen

Second By: Andrew South

Votes in Favor of Motion: Lisa Jensen, Andrew South, Daniel Gonzales, Robert Knudsen, Barbara DeSoto, Jonathon Hill, Jeff Whitlock, Adam Shin

Daniel Gonzales was present as Chair.

- Includes facts of the case, analysis, conclusions and recommendations outlined in the Staff Report, with any changes noted; Planning Commission determination is generally consistent with the Staff analysis and determination.

STAFF PRESENTATION

The Staff Report to the Planning Commission provides details of the facts of the case and the Staff's analysis, conclusions, and recommendations. Staff gave additional background information on the downtown zones allowances and difficulty finding additional incentives to get guaranteed for-sale units, and clarified that this item is not up for a recommendation from the Planning Commission, but for discussion and should be continued after discussion.

PROPOSED TEXT AMENDMENT

The proposed text amendment for discussion is attached as Exhibit A.

CITY DEPARTMENTAL ISSUES

- The Coordinator Review Committee (CRC) has reviewed the application and given their approval.

NEIGHBORHOOD MEETING DATE

- City-wide application; all Neighborhood District Chairs received notification.

NEIGHBORHOOD AND PUBLIC COMMENT

- The Neighborhood District Chair was not present or did not address the Planning Commission during the hearing.
- This item was City-wide or affected multiple neighborhoods.
- Neighbors or other interested parties were present or addressed the Planning Commission.

CONCERNS RAISED BY PUBLIC

Any comments received prior to completion of the Staff Report are addressed in the Staff Report to the Planning Commission. Key issues raised in written comments received subsequent to the Staff Report or public comment during the public hearing included the following:

- Leslie Jones (representing Obie Companies) indicated some reservations about limiting density downtown and she believes that it can result in negative impacts to development downtown. She desires to know what the problem is with a high rental percentage in the city. Once the problem is more clearly defined, then we can work at finding solutions. Ms. Jones indicated that the density limit impacts project design but did not address questions from the Commission on issues with guaranteeing owner-occupancy or offering all for-sale units.

APPLICANT RESPONSE

Key points addressed in the applicant's presentation to the Planning Commission included the following:

- Staff addressed questions on difficulties with condominium construction and financing, indicating that creating a separate building with for-sale units can be difficult for developers.
- Staff noted that the direction from the City Council comes from a recent history of many more rental units than for-sale units over the last ten years in Provo, and that there are not a lot of choices for first-time homebuyers.
- Staff shared the risk of not doing enough to address the housing crisis and seeing the State force regulations on the city, but that Provo has a lot of property zoned for new units, but economics are holding back new development.

PLANNING COMMISSION DISCUSSION

Key points discussed by the Planning Commission included the following:

- Commissioner Jensen warned of loopholes and hopes that there can be a way to ensure owner-occupied units on the for-sale products instead of a quick switch to more rental units.
- Commissioner Gonzales indicated support for a longer period of required owner-occupancy on for-sale units, but realized that the difficulty with regulating that requirement could be difficult for staff. Staff indicated that HOAs have proven better at watching the occupancy of units in this regard.
- Commissioner Whitlock asked staff for further information on what makes condominium construction so difficult. Staff indicated that financing for that construction has been more difficult since 2008, but that there appears to be a strong market for condo units.
- The Commission discussed relative density of projects built downtown to better understand how the proposed density limits could affect future projects.
- There was additional discussion around the difficulty for smaller, infill projects to achieve the for-sale units desired by the city. Concerns about creating a ceiling and limiting new units downtown were shared among the Commission.
- Commissioner DeSoto shared concerns about initiating these changes downtown where densely populated apartment projects are allowed and expected to be the dominant product type, and asked about smaller projects

outside of downtown that could help meet the goal of for-sale units. Staff shared a couple of examples of city-owned properties that are moving in that direction.

- Commissioner South asked Leslie Jones what she believes the problem with rental units is in her opinion. Ms. Jones indicated that she has not learned yet what the perceived issue is with a high percentage of rental units, but is only asking the question.
- Commissioner Gonzales related experiences with neighborhood pushback on rental units and shared his thoughts on what the concerns could be. He believes the city is trying to just balance the occupancy status.
- Commissioner Hill added that rental units are valuable and all housing units into the city should be valued and sought after.



Planning Commission Chair



Director of Development Services

See Key Land Use Policies of the Provo City General Plan, applicable Titles of the Provo City Code, and the Staff Report to the Planning Commission for further detailed information. The Staff Report is a part of the record of the decision of this item. Where findings of the Planning Commission differ from findings of Staff, those will be noted in this Report of Action.

Legislative items are noted with an asterisk (*) and require legislative action by the Municipal Council following a public hearing; the Planning Commission provides an advisory recommendation to the Municipal Council following a public hearing.

Administrative decisions of the Planning Commission (items not marked with an asterisk) **may be appealed** by submitting an application/notice of appeal, with the required application and noticing fees to Development Services, 445 W Center St, Provo, **within fourteen (14) calendar days of the Planning Commission's decision** (Provo City office hours are Monday through Thursday, 7:00 a.m. to 6:00 p.m.).

BUILDING PERMITS MUST BE OBTAINED BEFORE CONSTRUCTION BEGINS

EXHIBIT A

14.21A.050 Lot Standards.

Lots within the DT1 Zone shall be developed according to the following:

- (1) Minimum Lot Area: 10,000 square feet
- (2) Minimum Lot Width: 65 feet
- (3) Minimum Lot Depth: 90 feet
- (4) Minimum Lot Frontage: 65 feet
- (5) Maximum Lot Coverage: No requirement
- (6) Housing density maximum: fifty (50) units per acre*

*Housing density may exceed 50 u/a with the following percentages of for sale housing:

50.1- 65 u/a	20%
65.1- 80 u/a	35%
80.1 and over	50%

14.21B.050 Lot Standards.

Lots within the DT2 Zone shall be developed according to the following:

- (1) Minimum Lot Area: 20,000 square feet
- (2) Minimum Lot Width: 90 feet
- (3) Minimum Lot Depth: 90 feet
- (4) Minimum Lot Frontage: 90 feet
- (5) Maximum Lot Coverage: No requirement
- (5) Maximum Lot Coverage: No requirement
- (6) Housing density maximum: fifty (50) units per acre*

*Housing density may exceed 50 u/a with the following percentages of for sale housing:

50.1- 65 u/a	20%
65.1- 80 u/a	35%
80.1 and over	50%

14.23.135 Housing Density Maximum.

Lots within the ITOD Zone shall be developed according to the following:

(1) Housing density maximum:	fifty (50) units per acre*
------------------------------	----------------------------

*Housing density may exceed 50 u/a with the following percentages of for sale housing:

50.1- 65 u/a	20%
--------------	-----

65.1- 80 u/a	35%
--------------	-----

80.1 and over	50%
---------------	-----