



Memorandum

To: Town Council
From: Thomas Dansie, Director of Community Development
Date: August 1, 2019
Re: **August 6, 2019 Town Council Meeting: Incentive and Exceptions Ordinance Revisions**

In the July regular meeting the Council reviewed a Planning Commission recommended ordinance that would remove development incentives and exceptions from the Town Code. The Commission developed and recommended this ordinance based on the findings that:

- 1- The public amenities the Town was receiving in exchange for development incentives did not justify the grant of those incentives.
- 2- The development incentives being offered (larger buildings, taller buildings, reductions in landscape, etc.) resulted in development that is not compatible with the Town's village character.
- 3- It is preferable to have a consistent set of development standards that all development must comply with, rather than having a standard that is flexible based on which incentives are used.

The Council generally agreed with the Commission's findings. However, the Council did not feel a blanket removal of all incentives and exceptions in the code is warranted. The Council requested a work meeting to go through the ordinance in detail to decide which incentives to retain and which to remove.

Several Council Members have also requested information on what type of incentives the Town can offer to property owners. The following is a basic summary of incentives available to the Town:

- *Modification of Development Standards:* This is the type of incentive the Town Code currently contains. If a property owner gives the Town something the Town wants and needs, the Town can modify development standards (building height, setbacks, etc.). For example, if a property owner provides a public restroom, the property owner can build a larger building. These are the types of incentives the Planning Commission recommends removing. These incentives need to be specifically spelled out in the code.
- *Deferral of Impact Fees:* The Town charges impact fees for culinary water connections and parks and recreation. These impact fees can be a significant portion of the total building permit costs for a new development (in some cases the majority of permit costs are impact fees). Deferring these impact fees could be a significant economic incentive to a property owner looking to develop a property. The Town may be able to leverage impact fees to get public amenities, or to encourage a more village scale development style. The Council should be aware that deferring impact fees reduces the funding available to development essential infrastructure to serve the Town.
- *Forgiveness of Building Permit Fees:* Besides impact fees, the Town collects other fees as part of the building permit for new development. These permit fees are used to cover the Town's expenses in reviewing and inspecting new development. They are usually a smaller portion of

the total permit costs than impact fees. Forgoing these fees could be used as an incentive to encourage a certain style of development.

- *Property Tax Incentives:* Many communities use reductions in property tax payments as a development incentive. In these cases, the community is usually seeking to attract new development, not regulate the style of the development or encourage the inclusion of public amenities. The Council should be aware that many entities levy property tax in addition to the Town (e.g. the County, school district, fire district, library, mosquito abatement, etc.). The Town's portion of the total property tax assessment for a property is very small. The Town cannot reduce the portion of property tax levied by other entities. Given the complexity of property tax incentives, and the already low property tax rate in Springdale, staff does not feel property tax incentives are a strategy the Council should pursue.
- *Recognition Program:* Publicly recognizing property owners for exemplary development that achieves the Town's goals to preserve village atmosphere could be a good strategy. However, staff feels such programs are unlikely to be a powerful incentive to encourage property owners to change their development style or provide public amenities.

Ultimately, incentives involve giving up something of value in exchange for getting something else of value (in Springdale's case, either a preferred style of development or a public amenity). The Council should discuss what (if anything) it is willing to give up as an incentive. The Council should also discuss what a property owner could offer that would merit any incentive the Council wants to offer.

- *What can the Town give up?*
 - Modification of development standards
 - Deferral of impact fees
 - Forgiveness of building permit fees
 - Others?
- *What does the Town want in exchange?*
 - Village scale development (smaller buildings, shorter buildings, buildings with more stone, etc.)
 - Housing (affordable/employee)
 - Public restrooms
 - Parks and recreational amenities
 - Others?

The packet material from the previous Council meeting is attached as reference.



Memorandum

To: Town Council
From: Thomas Dansie, Director of Community Development
Date: July 5, 2019
Re: **July 10, 2019 Town Council Meeting: Incentive and Exceptions Ordinance Revisions**

Background

The General Plan contains numerous references to the use of incentives as a means of encouraging property owners to develop their properties in a way that more fully promotes the goals of the Plan. The introduction of the Plan states:

The focus of many of the strategies contained in this Plan is on effecting positive change through the use of incentives and education, rather than on restrictive regulation.

The Plan suggests the use of incentives to accomplish the following specific goals: protect open space, minimize visual impacts of development, promote mixed-use (residential mixed with commercial) developments, development affordable housing, develop employee housing, preserve historic structures and features, protect wildlife corridors, construct trails, and encourage energy efficient buildings.

Based in part on the direction in the General Plan, the Town Ordinance currently contains a number of development incentives. The Town allows larger buildings, taller buildings, increased density, reduced setbacks, and/or reduced amounts of landscape for developers who help accomplish the goals listed above as they develop property.

In addition to the goals specifically listed in the General Plan, the Town Code currently allows development incentives or exceptions for the following: public restrooms, public parking, and location of buildings relative to SR-9.

The Planning Commission recognizes the importance of incentives and the value of using incentives to promote the development that is consistent with General Plan goals. However, the Commission has determined the current incentives offered in the Town Code should all be removed for the following reasons:

- 1- The larger, taller buildings allowed by the incentives do not promote village scale.
- 2- The amenities a developer can offer to qualify for an incentive are not proportional to the incentive the Town is offering.
- 3- The need for the Town to maintain its village scale and character is greater than the need to offer incentives for the amenities received in return.

The Planning Commission has recommended the attached ordinance revision that does the following:

- Removes all incentives for affordable and employee housing. Currently the code allows increases in building size, building height, and in some cases project density (units per acre) when a developer includes affordable or employee housing.

- Removes all incentives to increase building size in the VC and CC zones.
 - o VC Zone. The base building size is 5,000 square feet. Currently a developer can qualify for a building size increase up to 8,000 square feet zone by locating the building further from SR9 and residential zones.
 - o CC Zone. The base building size is 8,500 square feet. Currently a developer can qualify for a building size increase up to 12,500 square feet by locating the building further from SR9 and residential zones, including public restrooms, including affordable or employee housing, or using native sandstone on the building.
- Removes an allowance to reduce setbacks in the CC and VC zones based on lot width or development on adjacent properties.
- Removes allowances for building height increase in the CC and VC zones based on a number of different factors. Building height in both zones will be a maximum of 26 feet under all circumstances.
- Removes an allowance in the CC zone to reduce the amount of required landscape in exchange for provision of public parking.
- Removes the provision for increased density (units per acre) in the Planned Development Overlay zone.
- Removes the Parking Structure Overlay Zone in its entirety.

The Planning Commission has unanimously recommended approval of the proposed ordinance.

ORDINANCE 2019-_____

AN ORDINANCE OF THE SPRINGDALE TOWN COUNCIL REVISING MULTIPLE SECTIONS OF TITLE 10, REMOVING A VARIETY OF DEVELOPMENT INCENTIVES, AND REPEALING CHAPTER 10-15E: PARKING STRUCTURE OVERLAY ZONE

Whereas, the Springdale Land Use Ordinance currently includes development incentives and exceptions that modify development standards when developers provide certain public amenities as part of their development (e.g. public restrooms, affordable/employee housing, public parking, trails and other recreational amenities, etc.); and

Whereas, the Springdale Town Council finds the type of development allowed by these incentives and exceptions is not consistent with the Town’s village character; and

Whereas, in order to promote development that is more consistent with the Town’s desired village character, and to give more consistency in the size and scale of development allowed the Council wishes to remove development incentives; and

Whereas, based on resolution to the Town’s parking congestion problem by using strategies other than a parking structure the Council finds there is no longer a need for the parking structure overlay zone; and

Whereas, all public hearings and other necessary processes for revising the land use ordinance have been fulfilled;

Now therefore be it ordained by the Springdale Town Council that the following sections of Title 10 of the Town Code are revised as shown:

10-6A-3: REQUIRED AFFORDABLE HOUSING:

A. Residential developments of twenty (20) or more new single-family dwelling units or lots or eight (8) or more multi-family dwelling units shall provide at least ten percent (10%) of the number of market rate dwelling units or lots constructed as affordable housing for households whose income is at or below the median income for Washington County. ~~For developments with fewer than thirty (30) single-family dwelling units or lots or twelve (12) multi-family dwelling units, the number of lots or dwelling units allowed in the project shall be increased by one market rate unit for each affordable unit provided. For developments with thirty (30) or more single-family dwelling units or lots or twelve (12) multi-family dwelling units, the increase in the number of market rate units allowed shall be negotiated by the town council or its designated representative(s) and the developer in order to achieve the required number of affordable units.~~

10-6A-5: OPTIONAL INCENTIVES:

~~A developer desiring to add affordable housing units in excess of the number required may be eligible~~

~~for additional incentives. Development of affordable housing units in excess of the number required may be economically unfeasible given the town's development regulations and development costs. Optional incentives may be available to a developer if the town council determines that any such units are deemed necessary in furtherance of the town's adopted affordable housing plan and/or a current market assessment. Any such incentives shall be granted according to the specifications of chapter 13, article D, "Moderate Income Housing Development Overlay (MIHD) Zone", of this title.~~

10-11A-5: BUILDING SIZE:

A. Individual Building Gross Area: To ensure village scale development, the gross area of each individual building or structure on a lot or parcel of land in the CC zone shall not exceed eight thousand five hundred (8,500) square feet, ~~except that an additional four thousand (4,000) square feet of gross area may be allowed according to the criteria established in subsections A1 and A2 of this section. In no case shall an individual building in the CC zone exceed twelve thousand five hundred (12,500) square feet in gross area.~~

~~1. The gross area of any individual building may be increased according to the bonuses below.~~

~~a. An additional two thousand five hundred (2,500) square feet for one individual building on a property if the property provides and maintains public restrooms. In order to qualify for this additional square footage the property owner must provide both men's and women's restrooms, with entrances accessible directly from the outside of the building. The restrooms must be clearly signed and advertised as public restrooms. The restrooms do not need to be in the building receiving the bonus.~~

~~b. An additional one thousand three hundred thirty three (1,333) square feet for one individual building on a property for each employee or affordable housing unit included in the development. Such employee or affordable housing shall be subject to the requirements of section 10-6A-4 of this title. The affordable or employee housing does not need to be in the building receiving the bonus.~~

~~c. An additional one thousand five hundred (1,500) square feet for the use of red sandstone resembling that native to the Springdale area on at least thirty percent (30%) of the building facade that faces a public street. (Stone veneer greater than 4 feet in height must be seismically reinforced.) The stone must be used on the building receiving the bonus.~~

~~2. Buildings which are set back at least three hundred feet (300') from SR-9 and one hundred feet (100') from a residential zone may be increased in gross area up to twelve thousand five hundred (12,500) if the planning commission finds that adequate design features and site planning techniques have been incorporated into the development to mitigate the visual impact of the larger buildings.~~

~~3. Notwithstanding subsection A1 of this section, no more than eight thousand five hundred (8,500) square feet of any individual building may be within one hundred feet (100') of the SR 9 right of way.~~

~~41. Covered walkways designed to provide a covered pedestrian connection from one building to another shall not be included in gross area calculations, nor shall such walkways be construed as combining two (2) buildings into a single building, if the following criteria are met:~~

- ~~a. The walkway is not enclosed by a wall, screen, or other similar element on either side.~~
- ~~b. The width of the overhead covering for the walkway is no more than ten feet (10').~~
- ~~c. All walls, roofs, and other structural elements of the individual buildings are separated by the required building separation distances.~~

10-11A-6(A)(3)(c)

~~c. Side setbacks on lots with one hundred feet (100') or less of lot width shall be a minimum of ten feet (10'), except that the required side setback may be reduced to zero if the owner of the adjacent property gives consent to reduce the side setback in a written, notarized, and recorded statement.~~

10-11A-8(D)

~~D. The height limits established in subsections A and B of this section may be increased by four feet (4') according to the criteria below.~~

~~1. If a proposed building is greater than one hundred feet (100') from a residential zone, the height of the virtual plane may be increased by:~~

- ~~a. Four (4) additional feet if the building contains affordable or employee housing units (such employee or affordable housing shall be subject to the requirements of section 10-6A-4 of this title), or~~
- ~~b. Four (4) additional feet if the building contains underground parking, or~~
- ~~c. Four (4) additional feet and an additional story if the building contains walk-out basement apartment units used for affordable or employee housing (such employee or affordable housing shall be subject to the requirements of section 10-6A-4 of this title).~~

10-11A-11: PARKING:

Off street parking in the CC zone must conform to the standards contained in chapter 23 of this title. ~~In order to promote the best possible site design and the most effective use of commercial land while allowing for the preservation of open space and wildlife corridors as called for in the general plan, the following standards are adopted to allow flexibility in meeting the requirements of chapter 23 of this title:~~

~~A. Public Parking: If a property provides public parking, the amount of required landscaping area for that property shall be reduced, according to the provisions below:~~

~~1. In order to be considered "public parking", all of the following standards must be met:~~

~~a. The total amount of parking required for the uses on the property must be satisfied. Any additional parking spaces not used to meet the parking requirements for the uses on the property may be considered public parking.~~

~~b. The public parking spaces must be clearly identified with standard "public parking" signage on the public street at the entrance to the parking area.~~

~~c. The property owner must submit a written, signed, and notarized document that:~~

~~(1) States the number of public parking spaces on the property,~~

~~(2) States that the public parking spaces will be open and available to the public in perpetuity, or until the town council determines the public parking spaces are no longer necessary, and~~

~~(3) Contains the property owner's acknowledgment that the public parking spaces may not be used to meet the parking requirements for the uses on the property.~~

~~2. The overall amount of required landscaping for a property shall be reduced by five hundred (500) square feet for each public parking space provided. However, the maximum reduction of landscape area for any property providing public parking shall be equal to ten percent (10%) of the property area.~~

~~3. In the event that a property owner who had received a landscape bonus in exchange for public parking wishes to discontinue public parking on the property, the landscape bonus would be revoked and the property owner would be required to landscape the percentage of property originally allowed as a bonus.~~

10-11B-5: AREA REQUIREMENTS:

A. Building Size: To ensure village scale development, the gross area of each individual building or structure on a lot or parcel within the VC zone shall not exceed five thousand (5,000) square feet. Gross area shall include all attached structures and exclude basements. ~~Buildings or structures not exceeding eight thousand (8,000) square feet may be allowed if said structure is located a minimum of one hundred (100) linear feet from SR-9 (Zion Park Boulevard) and/or a residential zone (VR or FR zone). The linear distance requirements may contain other buildings or structures and should not be substituted for the unobstructed yard (setback) requirements of section 10-11B-6 of this article.~~

B. Units Per Lot: No lot or parcel of land within the VC zone shall be developed to have more than one apartment or transient lodging unit per four thousand (4,000) square feet of land area.

10-11B-6(E)

~~E. Exemption: In instances where the adjacent property is commercially zoned and where a building or structure on such adjacent property is already in existence closer than the required side and rear yard setback, the Planning Commission may allow a side or rear yard less than that stated above. The Planning Commission shall review and decide each case individually. In such a review, the applicant shall show cause for reducing the yard requirement and the Planning Commission shall find the proposed reduction shall in no way be detrimental to the health, welfare or safety of persons residing or working in the vicinity.~~

10-11B-8: BUILDING HEIGHT:

The height of any principal structure (excepting chimneys whose largest horizontal dimension [width] does not exceed 5 feet) shall be entirely below a virtual plane, which is an elevated replica of the grades residing below it as defined in [chapter 15A](#) of this title.

A. The virtual plane shall be twenty six feet (26') above uniform, natural, or cut grade as determined by section [10-15A-5](#) of this title, ~~except as allowed by subsection D of this section.~~

B. No building or structure in the VC zone shall contain more than two (2) stories, except as allowed by subsection ~~E-D~~ of this section.

C. In no case shall the height of any accessory building or structure exceed the height of any principal structure on the same lot or parcel.

~~D. The virtual plane shall be twenty eight feet (28') above uniform, natural, or cut grade as determined by section [10-15A-5](#) of this title, if the highest finished floor elevation of the first floor of the building is more than four feet (4') below the lowest elevation of the SR-9 roadway fronting the property.~~

~~ED.~~ A building in the VC zone may have a third story walkout basement or basement parking area if all of the following criteria are met:

1. The highest finished floor elevation of the first floor of the building is at least two feet (2') below the elevation of the lowest elevation of the SR-9 roadway fronting the property.
2. The walkout basement or parking area entrance opens on the side of the building opposite SR-9.
3. There is at least six feet (6') of natural topographic relief between the side of the building facing SR-9 and the opposite side of the building, SR-9 side being the higher side. This natural topographic relief must be retained during development of the building.
4. The building meets the height limit established in subsection A of this section.

10-13C-8: DENSITY AND LANDSCAPING:

A. Density: The permitted density of the underlying zone shall be the maximum allowable for the subdivision as a whole ~~unless the town council approves a bonus as provided in subsection B of this section.~~

~~B. Density Bonus: The maximum density may exceed that permitted by the underlying zone up to a maximum of twenty percent (20%) at the discretion of the town council. The town council may grant a bonus between one and twenty percent (20%). The town council must find, however, that any increase in density will be compensated by increased amenities and improved design. Such amenities may be included on the same parcel of land as the planned development. A density bonus shall not be automatic or obligatory, nor shall it be based on characteristics normally inherent in a residential subdivision or in the land itself. Open space, for example, is an inherent result of a PD design, and therefore, not in and of itself a criterion for determining a possible density increase. Specific criteria is outlined as follows:~~

- ~~1. Park Or Trail In Planned Development: Park or trail designated for use by all residents of the development. The trail must provide a significant benefit to the development for any bonus to be granted. (Up to a 10 percent bonus as determined by the town council.)~~
- ~~2. Outstanding Planned Development Design: Types of outstanding design may be: Site design which minimizes visual impact on the rest of the PD as well as on the town; covenants, conditions and restrictions (CC&Rs) that promote designs which mitigate visual significance by limiting building heights and sizes to significantly less than that permitted under the provisions of the underlying zone, and require low profile rooflines, preservation of significant viewsheds and/or site and building design which focuses on integrating the development into the landscape. Other types of exceptional development methods may be considered by the planning commission for bonuses. (Up to a 20 percent bonus as determined by the town council.)~~
- ~~3. Community Wide Access Trail System: An all-weather trail system suitable for walking, bicycling and equestrian use. The trail shall be built to include all necessary signs, bridges, etc. The system~~

~~shall be deeded a public right of way upon acceptance by the town. (Up to a 20 percent bonus as determined by the town council.)~~

~~C. Guarantee Of Performance: All improvements for which density bonuses have been granted shall be included in the guarantee of performance, where applicable, as provided for in section 10-14B-6 of this title. If the developer fails to fulfill any obligation created by a granting of a density bonus, the Town Council may deny all building permits until the developer meets those obligations.~~

~~D. Density Bonus Calculation: Allowed density refers to the number of permitted lots on a given parcel of land. A density bonus is calculated as follows:~~

~~Standard permitted density (SPD) = number of homes permitted according to the underlying zone~~

~~(Earned density bonus x SPD) + SPD = new permitted density~~

~~E.B Required Landscaping: The required landscaping of the underlying zone shall be required for the subdivision as a whole unless the Planning Commission approves an exemption as permitted in subsection F of this section. Individual lots in the subdivision will not be required to meet the landscape area standards of subsection 10-18-4A of this title if the subdivision as a whole meets said standards.~~

~~F.C Landscaping Exemption: If the development provides a public facility or has designated a public pathway, park or other similar public amenity, the Planning Commission shall allow the developer to include any property dedicated to such purpose in the calculation of the landscape area for the property.~~

ARTICLE E. PARKING STRUCTURE OVERLAY ZONE (PSOZ)

REMOVE IN ITS ENTIRETY

Passed and adopted by the Springdale Town Council on July 10, 2019.

This ordinance shall become effective upon passage and posting.

Stanley J. Smith, Mayor

Attest:

Darci Carlson, Town Clerk