



DEVELOPMENT SERVICES

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Mr. Jesse Dodson
University Avenue Developers, LLC
300 University Avenue
Missoula MT 59801

September 9, 2020

RE: Approval of Request to Rezone 508 S. 3rd Street W to Apply /AR Adaptive Reuse Overlay

Dear Mr. Dodson,

At a special meeting on September 2, 2020, the Missoula City Council voted (11 Aye, 0 Nay, 1 Absent) to approve the request to rezone property located at 508 S. 3rd Street W from C1-4 Neighborhood Commercial /DE-C Design Excellence Corridor Typology 2 Overlay to C1-4 Neighborhood Commercial /DE-C Design Excellence Corridor Typology 2 Overlay /AR Adaptive Reuse Overlay.

The rezoning will take effect on October 2, 2020, per MCA 7-5-4203. Attached is the draft ordinance approved by City Council.

If you have any questions, please feel free to contact me at 552-6621 or email me at gluckine@ci.missoula.mt.us.

Sincerely,

Emily Gluckin

Emily Gluckin
Associate Planner

CC: Laval Means, DS
Dave DeGrandpre, DS
Missoula Consolidated Planning Board/CAPS Support
Kirsten Hands, Deputy City Clerk
Marty Rehbein, City Clerk

Findings of Fact and Conclusions of Law
Rezone of 508 S. 3rd Street W. to Apply /AR Overlay
City Council Action
September 2, 2020

Findings of Fact

General

1. The subject property located at 508 S. 3rd Street W and is comprised of one (1) lot that is approximately 6,490 square feet or 0.15 acres in area.
2. The subject property has frontage on S. 3rd Street W and abuts an alley.
3. The subject property contains one (1) sixteen (16) unit multi-dwelling building.
4. The subject property is located within the McCormick Neighborhood Historic District which is listed on the National Register of Historic Places.
5. The subject property is inside the Urban Growth Area, the Wastewater Facilities Service Area, the Air Stagnation Zone, and is served by City water and sewer.
6. The subject property is located within an established service area for Missoula hospitals and the City Fire and Police Departments.

Growth Policy:

1. The *Our Missoula 2035 City Growth Policy* promotes a “Focus Inward” development approach that encourages new growth in the direction of existing infrastructure, neighborhoods, and public services through infill, increased density and adaptive reuse.
2. The City Growth Policy describes the importance of historic preservation as a tool to uphold a commitment to community heritage and to maintain a unique “sense of place” in Missoula.
3. The *Livability* section of the City Growth Policy outlines goals and objectives for historic preservation, which include: encouraging the preservation of historic buildings, encouraging development that maintains or enhances the character of the community, and supporting sustainable development practices through historic preservation.
4. A goal of the *Housing* section of the City Growth Policy is to meet the needs of a growing and diverse population in regard to age, income, physical abilities and household size by having a sufficient supply of housing and developing a variety of housing types. The *Housing* section identifies that within the next 20 years the population within the Urban Growth Area is projected to increase by 18,500 people, which presents a need for approximately 9,000 new housing units.
5. The City Growth Policy recommends a land use designation of Neighborhood Mixed Use, which encourages a mix of neighborhood serving commercial uses and medium -high residential density (12 to 23 dwelling units per acre). The Growth Policy indicates that the following zoning districts align with the Neighborhood Mixed Use designation: B1-1 Neighborhood Business, B2-1 Community Business, B2-2 Community Business, and M1R-2 Limited Industrial Residential. Each of these zoning districts permit a residential density up to 43 dwelling units per acre, which is the same density allowed by the current underlying zoning of the subject property.

Zoning

6. The subject property and the parcels to the north, east, south, and west, are all zoned C1-4 Neighborhood Commercial /DE-C Design Excellence Corridor Typology 2 Overlay.
7. There is no minimum parcel area in the C1-4 zoning district unless the parcel is developed for a single-purpose residential use, in which case the minimum parcel area is 3,000 square feet, and the minimum parcel area per unit is 1,000 square feet. There are no required setbacks if the parcel is not abutting a residential district, which is the case for the subject property. The maximum allowed building height is 125 feet tall. All residential building types are permitted in the C1-4 district.

8. The C1-4 zoning allows for up to six (6) dwelling units to exist on the parcel. According to a historical survey of the site, the building has been used as an apartment building since as early as 1909. The existence of sixteen (16) dwelling units pre-dates current zoning regulations, therefore the density is considered legal nonconforming.
9. Parcels within the Design Excellence Corridor Typology 2 Overlay are intended to be closely knit with residential neighborhoods that surround them with smaller scale elements and a lower scale at the street edge. The applicable site design, vertical scale, façade design, and materials/articulation standards of the Design Excellence Overlay Corridor Typology 2 are required in place of the base zoning design standards. Design Excellence Review is required for projects designated as Corridor Typology 2 if the gross square footage of the proposed structure(s) are 8,000 square feet or more. Where a project involves a Historic Resource, Design Excellence Review is conducted by the Historic Preservation Commission or the Historic Preservation Officer.
10. The existing multi-dwelling building will be reconfigured internally to create six (6) new units with no enlargement or modification to the exterior of the building. The Historic Preservation Officer reviewed and approved the proposed alterations to the interior of the structure. The subject building will be restored and renovated using the Secretary of the Interior's standards for historic building rehabilitation.
11. The applicant is requesting to apply the /AR Adaptive Reuse Overlay, which is intended to facilitate the adaptation and continuing use of Historically Significant Buildings in the community. The /AR District may only be applied to a parcel that contains an existing building which meets the definition of Historically Significant Building, and must be for an adaptive reuse purpose.
12. Applications for the /AR Adaptive Reuse Overlay are reviewed based on the following factors described in Title 20.25.035.E: the project's relation to public, health, safety, and general welfare; the contribution to the preservation, maintenance, and general welfare of historic buildings; and the impacts to the surrounding area, including light, traffic, parking, landscaping and buffering, neighborhood character, and contextual appropriateness.
13. The /AR District is intended to facilitate the adaptation and continuing use of Historically Significant Buildings in the community. For projects that comply with the regulations of the /AR Adaptive Reuse Overlay and historic preservation review, additional building and land uses may be allowed on properties that would not ordinarily permit them.
14. The objectives of the /AR Adaptive Reuse Overlay include: promoting adaptive reuse of historic buildings as part of Missoula's broader goals in supporting historic preservation, environmental sustainability, and economic and community development; recognizing the social, economic, and environmental value of Historically Significant Buildings; encouraging historic preservation beyond established historic districts; allowing the conversion of existing building uses into new building uses that maintain or enhance the character of the community and further extend the life of a building or space; reducing the environmental hazards and costs associated with new construction; and enhancing economic growth.
15. Historically Significant Buildings are defined as any building eligible for inclusion on the National Register of Historic Places, any building that is included in Missoula's Inventory of Historic Resources, or any contributing building in a National Register Historic District
16. According to a Montana Historical and Architectural Inventory report (Exhibit A), the subject building was constructed in 1909 and was utilized as an apartment building until the Thornton Hospital was established on the site in 1917. After the founding doctors relocated to establish what would become the Community Medical Center, the subject building was utilized once again as an apartment building. The report determines that the historic integrity of the building has been retained due to the survival of the original design and materials, continuity of setting and location, and representation of early Missoula architecture, and that the building would be a contributing element to the historic district.
17. On January 9, 2020 the Historic Preservation Commission unanimously approved the motion to add the building on the subject property to Missoula's Inventory of Historic Resources as it is

designated as a Contributing Building to the McCormick Historic District and therefore meets the definition of a Historically Significant Building. Based on these qualifications, the Historic Preservation Commission and the Historic Preservation Officer determined that the subject property is eligible for the /AR Adaptive Reuse Overlay. See Agency Comment from Historic Preservation.

18. Properties where the /AR Adaptive Reuse Overlay is applied may exceed the maximum density established by the underlying zoning district for the parcel, so long as the added density is allowable by building code. With the application of the /AR Adaptive Reuse Overlay, the applicant is requesting an increase in density to twenty-two (22) dwelling units, which exceeds the allowed density of the underlying zoning district.
19. Any new development on the subject property will be required to meet all applicable portions of Title 12 & Title 20, as required by the Missoula Municipal Code.

Transportation

20. South 3rd Street West is functionally classified as a minor arterial.
21. There is a well-connected pedestrian network in the surrounding area, including boulevard sidewalks on South 3rd Street West adjacent to the subject property and curbside sidewalks on nearby Orange Street.
22. Orange Street and S. 3rd Street W. are signed shared roadways for bikes and vehicles near and adjacent to the subject property. Within a quarter mile, there are striped on-street bike lanes on Orange Street and S. 3rd Street W.
23. The subject property is within the Missoula Urban Transportation District. Mountain Line Route 9 travels inbound and outbound to downtown Missoula, and there are three (3) bus stops within one block of the subject property.
24. The existing parking area for the multi-dwelling building is accessed off of the alley. The multi-dwelling building has access to seventeen (17) parking spaces, including three (3) parking spaces on the property and fourteen (14) parking spaces provided by a parking agreement with the adjacent commercial property to the east.
25. The Development Services Transportation Division commented in support of the request, stating that the proposed rezone meets “Focus Inward” goals by increasing unit density; is in a location well-served by multi-modal transportation options; is in a walkable neighborhood with access to various goods, services, and jobs; and will support the organization’s mode split goals by providing additional housing opportunities in a multi-modal, urban neighborhood.

Conclusions of Law

Review Criteria for Rezone Requests (20.85.040.G)

1. Whether the zoning is made in accordance with a growth policy;

1. City Council determined that the rezoning complies with the “focus inward” goals of the City Growth Policy to promote infill, increased density, and adaptive reuse in areas with existing infrastructure.
2. City Council determined that the rezoning supports the historic preservation goals of the *Livability* section through encouraging the preservation of a historic building, encouraging development that maintains the character of the community, and supporting sustainable development practices through historic preservation.
3. City Council determined that the rezoning supports the goals of the *Housing* section by contributing to Missoula’s housing supply through increased density as permitted by the /AR District.

2a. Whether the zoning is designed to facilitate the adequate provision of transportation, water, sewerage, schools, parks, and other public requirements; 2b. Whether the zoning considers the effect on motorized and non-motorized transportation systems;

1. City Council determined that the rezoning facilitates the adequate provision of public services, including transportation, water, schools, parks, and other public requirements, because the area is inside the Urban Growth Area and the Sewer Service Area, and is served by water, sewer, motorized and non-motorized infrastructure.
2. City Council determined that the rezoning considers the effect on motorized and non-motorized transportation systems because the property is within the Missoula Urban Transportation District and the property is served by public transit facilities, pedestrian, and bicycle facilities. The property is adjacent to South 3rd Street West, which is functionally classified as a minor arterial and is suited to handle additional traffic from an increase in units.

3. Whether the zoning considers the promotion of compatible urban growth;

1. City Council determined that the rezoning promotes compatible urban growth because it implements the “focus inward” goal of the City Growth Policy and provides for increased density while promoting efficient use of existing infrastructure.
2. The use of the property as a multi-dwelling building has been in place since as early as 1909. City Council determined that the addition of six (6) additional dwelling units promotes urban infill without adding stress to existing infrastructure and facilities.
3. City Council determined that the rezoning promotes the continued preservation, maintenance, and general welfare of a historic building that is representative of the neighborhood character.
4. City Council determined that the rezoning is contextually appropriate given the similar uses and building types in the surrounding area.

4a. Whether the zoning is designed to promote public health, public safety, and the general welfare;

4b. Whether the zoning is designed to secure safety from fire and other dangers;

4c. Whether the zoning considers the reasonable provision of adequate light and air; and

4d. Whether the zoning conserves the value of buildings and encourages the most appropriate use of land throughout the jurisdictional area;

1. City Council determined that the rezoning will promote public health, public safety, and the general welfare by retaining residential uses in an area with access to sewer, public water, emergency services, streets, bicycle lanes and other urban services.
2. Emergency services are available to the site. Law enforcement personnel and procedures are available to address potential problems of noise, property damage, or personal injury. Fire protection is also available to the site and is enforced through fire and building codes.
3. City Council determined that this rezoning will not adversely impact the provision of adequate light and air as the exterior of the existing building will not be enlarged.
4. City Council determined that this rezoning conserves the value of buildings by encouraging the preservation and restoration of a Historically Significant Building. The rezoning encourages the appropriate use of the land because it maintains a use that is permitted within the C1-4 Neighborhood Commercial district and encouraged in the Neighborhood Mixed Use land use designation.

5. Whether the zoning considers the character of the district and its peculiar suitability for particular uses;

1. City Council determined that the rezoning is suitable for the subject property and considers the character of the district. The neighborhood includes a mix of residential building types and commercial uses.
2. City Council determined that the rezoning considers the location and character of the property, which has access to urban infrastructure, multimodal transportation and existing services in Missoula.

ORDINANCE NUMBER _____

AN ORDINANCE TO REZONE LOT 11 IN BLOCK 32 OF KNOWLES ADDITION #1, IN SECTION 21, TOWNSHIP 13 NORTH, RANGE 19 WEST, A PLATTED SUBDIVISION IN MISSOULA COUNTY, MONTANA, ACCORDING TO THE OFFICIAL RECORDED PLAT THEREOF, LOCATED AT 508 SOUTH 3RD STREET WEST FROM C1-4 NEIGHBORHOOD COMMERCIAL / DE-C DESIGN EXCELLENCE CORRIDOR TYPOLOGY 2 TO C1-4 NEIGHBORHOOD COMMERCIAL / DE-C DESIGN EXCELLENCE CORRIDOR TYPOLOGY 2 / AR ADAPTIVE REUSE OVERLAY.



BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MISSOULA:

THAT THE ABOVE DESCRIBED PROPERTY IS HEREBY WITHDRAWN FROM THE C1-4 NEIGHBORHOOD COMMERCIAL / DE-C DESIGN EXCELLENCE CORRIDOR TYPOLOGY 2 ZONING CLASSIFICATION AND REPLACED WITH THE CLASSIFICATION OF C1-4 NEIGHBORHOOD COMMERCIAL / DE-C DESIGN EXCELLENCE CORRIDOR TYPOLOGY 2 / AR ADAPTIVE REUSE OVERLAY.

Severability. If any section, subsection, sentence, clause, phrase or word of this ordinance is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this ordinance. The council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, phrase and words thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases or words have been declared invalid or unconstitutional, and if for any reason this ordinance should be declared invalid or unconstitutional, then the remaining ordinance provisions will be in full force and effect.

PASSED by a _____ vote and

APPROVED by the Mayor this _____ of _____, 2020.

ATTEST:

APPROVED:

Martha Rehbein
City Clerk

John Engen
Mayor

(SEAL)