AGENDA REPORT PLANNING AND ZONING COMMISSION MEETING May 20, 2021

SUMMARY

A request by the City of Columbia to amend Chapter 29, Sections 29-1.11 [Definitions]; 29-3.2 [Permitted Use Table]; and 29-3.3 [Use-Specific Standards] related to the Retail, General; Personal Services; Office; Physical Fitness Center; and Artisan Industry uses; revisions also include a new use to be called "Accessory Commercial Kitchen". **(Case #136-2021)**

DISCUSSION

Staff has prepared for consideration a list of proposed zoning text amendments to Chapter 29 of the City Municipal Code, which is also referred to as the Unified Development Code (UDC). The UDC was adopted on March 20, 2017 and at the time replaced several sections of the City's Municipal Code that addressed subdivision and zoning regulations.

With the UDC in place for more than 3 years, work has begun on revisiting sections of the code that are leading to outcomes that were not originally intended, no longer desired, or written in a way that is confusing to the general public. There are also general errors that require correction. Evaluation and proposing amendments to recently adopted codes is common practice and is seen as a way of ensuring the code remains relevant given the dynamic conditions it is required to provide oversight for. This evaluation and amendment process is anticipated to continue into the future with additional text amendment proposals presented on an as needed basis.

There are four separate text amendments proposed with this case which are numbered #A1 - #A4 and attached to this report. The original text of the amendment is listed, and any **additions to the text are in bold**, and deletions marked with a strikethrough. Each amendment may include revisions to several sections of the UDC given those additional section's relationship to the primary amendment and several amendments propose additions or revisions to the UDC's use-specific standards as well.

Use-specific standards are regulations used by communities to place limitations or apply technical standards to certain land uses so potential impacts are mitigated by better integrating these uses into the natural and built environment. They may limit a use in certain zones, provide size limits, or describe additional design standards. These standards are often applied as a complimentary tool when proposing changes to the permitted use table.

Background

The Planning and Zoning Commission previously reviewed the list of proposed text amendments over a period of four separate work sessions on January 21, February 4 and 18, and March 18, 2021¹. The text amendments were presented by staff and the Planning and Zoning Commission provided recommendations on revisions to the amendments. Input was also solicited from stakeholders and the public. Based upon work sessions discussion and public comments received, the draft text amendments have been revised to produce the final draft being presented at this time. Additional details on the discussion from those work sessions can be found at the link at the bottom of this page.

These proposed text amendments were published on the City website on April 1, 2021. Stakeholders

¹ See memos and minutes for background: <u>https://www.como.gov/community-development/unified-development-code-text-amendments/</u>

included in the request for comments included, but were not limited to, the Chamber of Commerce, Community Improvement Districts (CIDs), Neighborhood Associations, places of worship, existing business operators, REDI, and local developers. Approximately 2,779 individuals, businesses, and organizations were included on the listserv soliciting input from stakeholders.

Proposed amendments

#A1: Presently, commercial kitchens are generally considered a customary accessory use to a principal permitted use – restaurants (principal permitted use) leasing out kitchen space is an example of this practice as a customary accessory use. Permitting commercial kitchens as an accessory use, with use-specific standards, in residential zones would enable community-serving facilities the ability to lease out underutilized kitchen space while creating restrictions to minimize neighborhood impacts.

To accomplish these objectives, the following actions are proposed as part of proposed amendment #A1:

- 1. Create Accessory Commercial Kitchen as a new unique permitted use in the definitions section, permitted use table, and use-specific standards section. This use is unique from the current accessory use definition.
- Create use-specific standards that prohibit on site sales, restrict hours of operation, ensure sufficient parking, and set limits on the size of said kitchen to be used as a commercial kitchen. The standards also cross-reference the Department of Health and Human Services policies which regulate food establishments and commissaries.

To view the proposed text changes in the context of the current UDC regulations see **Amendment #A1** in the attached document entitled "Proposed Text Amendments"

#A2: The intent of the Artisan Industry use is to allow less intensive cottage-type production uses which may include manufacturing, storage/warehousing, production, and shipping. Given this use is permitted in the M-N zone, standards are desired that would permit the use at an operational scale and intensity that fits within a neighborhood-commercial setting. In recognition of this desire, staff proposes to revise the definition of "Artisan Industry" to more broadly support small-scale artisans and craftspersons by removing the restriction that currently limits the use to a production process involving minimal automation. As such, two sub-definitions of "Artisan Industry" are proposed as way of creating a distinction between minimally-intensive activities, defined as Class 1, and more intensive activities, defined as Class 2.

Class 1 uses include small-scale arts, crafts, and food and beverage production such as textiles, jewelry, small-batch bakeries, and micro-breweries. Whereas, Class 2 uses include small-scale metalworking, glassworking, and firing of pottery in kilns. These activities would be further subject to use-specific standards that place restrictions on size, location, loading docks, and outdoor storage.

To ensure Class 1 uses are appropriately scaled within the M-N district the proposed text amendment limits their total area to a maximum of 5,000 sq ft. unless a larger floor area is authorized by a conditional use permit. The amendment further proposes that no Class 2 use be allowed within the M-N district without approval of a conditional use permit.

In the M-C, M-DT, and M-BP districts, any number of Class 1 or Class 2 artisan industry uses would be permitted "by-right" in a single structure provided no individual artisan use exceeds 15,000 sq ft.

However, when a Class 2 artisan use is proposed within these districts the maximum gross floor area that may be allocated to any number of Class 1 or Class 2 artisan uses shall not exceed a maximum of 30,000 sq. ft. cumulatively. Businesses who wish to exceed these size limitations may request a Conditional Use Permit from the Commission.

As part of a conditional use permit request, the Commission would review the proposed artisan uses, number of tenants, common or shared use of spaces and tools, operating plans, repurposing of buildings, and any prior or current complaints or code violations – if applicable. The intent is to encourage the shared use of space or tools by several tenants whose activities are minimally intensive both internally to the site and to the site's surroundings. Additionally, existing artisan industries who wish to expand but would otherwise exceed the size limitations by doing so could request a conditional use permit.

Note: Staff reviewed the recommendations provided by Smart Growth America and the Business Loop CID (attached) regarding small-scale manufacturing and place-based economic development. Staff found these recommendations to be a good draft and tailored these provisions to better suit the community at large. This amendment is proposed after meeting with the Loop CID to review the changes, collect their input, make minor revisions, and garner their support.

To view the proposed text changes in the context of the current UDC regulations see **Amendment #A2** in the attached document entitled "Proposed Text Amendments"

#A3: The intent of this revision is to permit smaller-scale personal services to operate in the M-OF (Mixed-Use Office) zone without a conditional use, and to modernize the Personal Service, Office and Physical Fitness Center use definitions to address common interpretation issues which occur during the business license review process. Presently, the M-OF zone only permits personal services with a conditional use permit (CUP). Personal services are permitted in the M-N, M-C, M-DT, M-BP and IG zones subject to Use-Specific Standard 29-3.3(v).

In addition to use definition revisions, this amendment revises Use-Specific Standard (v) to include the size, scale and manner of operation factors which would allow a personal service use to be permitted in the M-OF zone by-right. Uses which do not meet these factors would still be required to seek approval of a CUP.

Note: The public input on this amendment was positive. Comments indicated it was challenging to find affordable rental spaces for small operations, and this would expand options. Per early public comments, staff included information in the newspaper advertisement and on the website that this amendment did not revise the home occupation standards for home-based personal service business (29-3.3(kk)).

To view the proposed text changes in the context of the current UDC regulations see **Amendment #A3** in the attached document entitled "Proposed Text Amendments"

#A4: The intent of this amendment it to provide clarity on how to administer existing off-street parking requirements for retail uses. The UDC differentiates parking requirements for "retail large and small", but nowhere else in the code addresses the difference between large and small retail sites.

To address this apparent omission, the existing Retail, General Use-Specific Standards provided for in Section 29-3.3(aa) are proposed to be amended. 15,000 GFA of building square footage is proposed to be established as the threshold to differentiate small versus large retail uses for the purposes of determining off-street parking requirements. This threshold fit the research conducted by staff and also

works with the existing text of the use-specific standard conditions for retail uses in the M-N and M-BP districts. This amendment provided the simplest path to achieve the desired clarification in applying parking standards. Additionally, the amendment provides clarity in how the code reads in terms of limiting *individual retail uses* versus total uses within a single building.

To view the proposed text changes in the context of the current UDC regulations see **Amendment #A4** in the attached document entitled "Proposed Text Amendments"

RECOMMENDATION

Approve the recommended text amendments to the UDC.

SUPPORTING DOCUMENTS (ATTACHED)

- Proposed Text Amendments
- 2019 Smart Growth America Report Recommendation Columbia, Missouri

Report prepared by <u>Rachel Smith and Brad Kelley</u>

Approved by Patrick Zenner