

AGENDA ITEM SUMMARY

City Council



STAFF

Ryan Mounce, City Planner
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SUBJECT

Items Relating to The Landing at Lemay Two Plan Amendment to the City Structure Plan Map and Rezoning.

EXECUTIVE SUMMARY

A. Public Hearing and First Reading of Ordinance No. 099, 2023, Amending the City's Structure Plan Map.

B. Public Hearing and First Reading of Ordinance No. 100, 2023, Amending the Zoning Map of the City of Fort Collins by Changing the Zoning Classification for that Certain Property Known as The Landing at Lemay Two Rezoning.

The purpose of this item is to amend the City Structure Plan Map to change the land use designation of approximately nine acres of land east of the Lemay Avenue overpass over Vine Drive from the Industrial Place Type to the Mixed Neighborhood Place Type and rezone the property from the Industrial (I) District to the Medium Density Mixed Use Neighborhood (MMN) District. The site is a remnant area of Industrial zoning resulting from the first Landing at Lemay Rezone which was approved in February 2023.

The rezoning request is subject to criteria in Section 2.9.4 of the Land Use Code. The rezoning may be approved, approved with conditions, or denied by Council after receiving a recommendation from the Planning and Zoning Commission, which voted 7-0 on their consent agenda to recommend approval of the request at their May 2023 hearing.

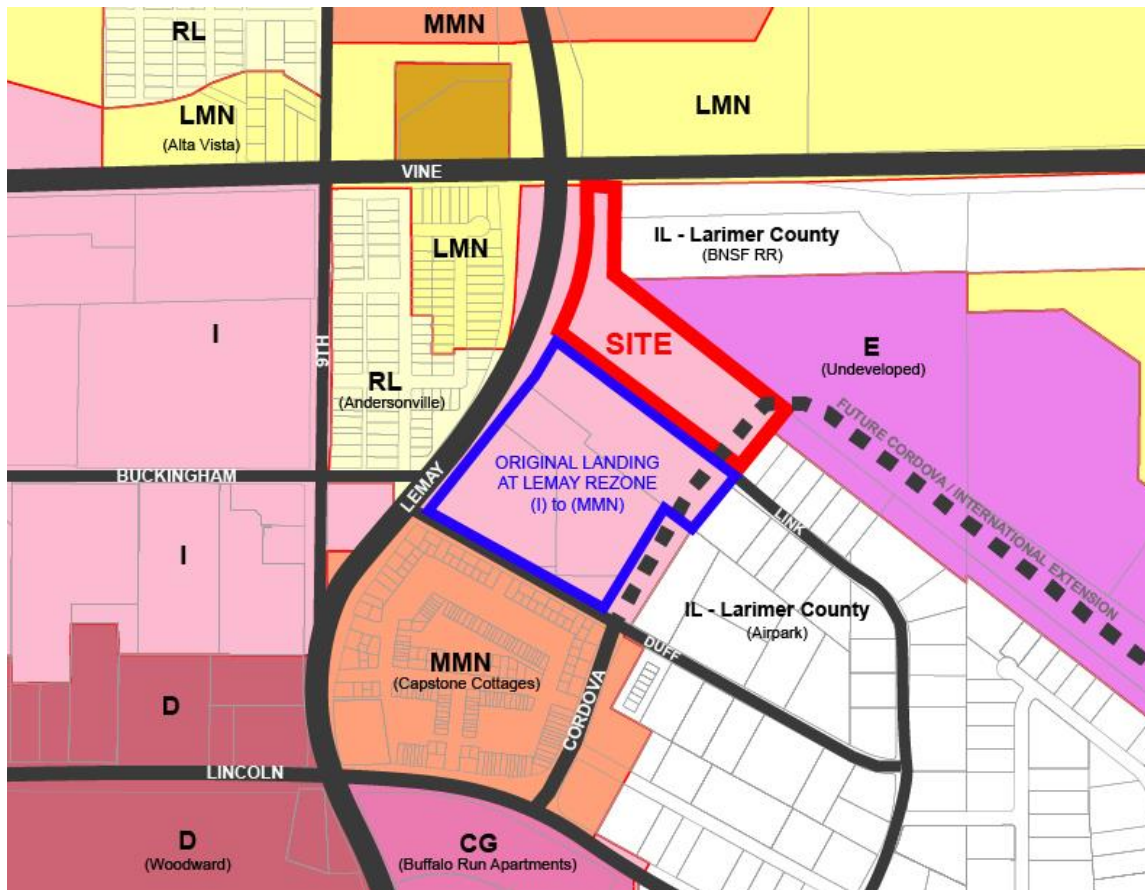
This item is a quasi-judicial matter and if it is considered on the discussion agenda, it will be considered in accordance with Section 2(d) of the Council's Rules of Meeting Procedures adopted in Resolution 2022-068.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinances on First Reading.

BACKGROUND / DISCUSSION

In February 2023, Council approved a request to rezone approximately 17 acres of land from the Industrial (I) zone district to the Medium Density Mixed-Use Neighborhood (MMN) zone district known as The Landing at Lemay Rezone. Located near Lemay Avenue and Duff Drive, this rezoning resulted in an odd-shaped remnant of industrial zoned land approximately nine acres in size that is the subject site of this second rezoning request known as The Landing at Lemay Two Rezoning.



Site and Zoning Vicinity Map

In Fall of 2021 when the petitioners were preparing the first Landing at Lemay Rezoning application, staff provided direction to only include the portions of property that were anticipated for a future residential development proposal in the rezoning request, and the remaining nine acres could be evaluated more holistically for potential land use or zoning changes as part of the East Mulberry Corridor Plan update which was beginning at the time. While the first rezoning request continued through the review process, the East Mulberry Corridor Plan update was subsequently delayed, resulting in a mismatch in timing between when these different areas would be considered for potential rezoning.

At the Planning and Zoning Commission hearing for the first Landing at Lemay Rezoning, the Commission discussed concerns about this remaining nine acres remnant of industrial land, as it created uncertainty about potential buffering requirements between industrial and residential development, and that the remaining 9 acre site suffered from similar characteristics that diminished the viability for industrial development as the first Landing at Lemay Rezone site.

The Planning and Zoning Commission discussion prompted the petitioners to submit the second rezoning request to proactively consider rezoning the 9 acre remnant and to unify the full property under MMN zoning. Given delays in the timeline for the East Mulberry Corridor Plan, staff are also supportive of the rezoning request for Council consideration in advance of the Plan update. The Planning and Zoning Commission subsequently voted 7-0 on their May 2023 hearing consent agenda to recommend Council approve the proposed Structure Plan Map amendment and rezoning.

PETITIONER'S REZONING REQUEST

The petitioner's request a rezoning of approximately 9 acres of land from the Industrial (I) zone district to the Medium Density Mixed-Use Neighborhood (MMN) zone district. Associated with the rezoning is a request to amend the Structure Plan Map from the Industrial Place Type to the Mixed Neighborhood Place Type to align with the proposed zoning. Unlike the first Landing at Lemay Rezone, there is no associated development proposal, and the change is primarily intended to clean up and unify zoning for the parcel and create more logical zoning boundaries.

SITE CONTEXT AND HISTORY

The site was part of the Fort Collins Business Center Annexation of 1986 and originally zoned Light Industrial (IL), conditioned upon the property being developed as part of a larger planned unit development. The original industrial development contemplated in the 1980s never occurred, and the site remains undeveloped.

A prominent characteristic of the site is a number of barriers which reduce the site's visibility and accessibility from several directions, including:

- (North) Burlington Northern Santa Fe railroad yard which prevents access to Vine Drive and provides a visual separation from the north.
- (West) The Lemay Avenue overpass over Vine Drive is elevated above the site and reduces visibility. Direct access to Lemay Avenue is no longer possible from the site and the overpass visually shields the site from the southwest to northwest.
- (East) Upon future development, the eastern edge of the site will be required to extend Cordova Road, a collector street intended to travel the perimeter of the Airpark and eventually connect with International Boulevard to the east near Timberline Road.

REZONING CRITERIA AND EVALUATION

Rezoning and map amendments are governed by five criteria in Land Use Code Subsections 2.9.4(H)(2) and 2.9.4(H)(3). A rezoning must demonstrate compliance with either criteria one or two, while the three remaining criteria are additional considerations for the Planning and Zoning Commission and Council. These five criteria can be paraphrased as:

1. Consistent with the Comprehensive Plan;
2. Warranted by Changed Conditions;
3. Compatible with Surrounding Uses;
4. Impacts to the Natural Environment; and
5. Logical and Orderly Development Pattern

Staff's summary of each criterion can be found below while the attached Planning and Zoning Commission staff report evaluates each criterion in greater detail.

Criterion One: Consistent with the Comprehensive Plan

In evaluating consistency with City Plan, staff analyzed both the policy guidance and future land use direction found in City Plan and the 2002 East Mulberry Corridor Plan, which is an adopted element of City Plan.

The existing City Plan Structure Plan Map identifies the site as part of the Industrial Place Type, consistent with its established industrial zoning. This industrial designation is also represented in the Land Use

Framework Map of the 2002 East Mulberry Corridor Plan. These land use designations are not consistent with the proposed MMN zoning, and a Structure Plan Amendment is required alongside a rezoning to create the necessary alignment between site zoning and the land use guidance in these policy documents.

Staff is currently working on updates to the East Mulberry Corridor Plan. If the proposed Structure Plan Map amendment and rezoning are approved by Council, staff intends to reflect those changes in the upcoming Plan update.

City Plan and East Mulberry Corridor Plan policies present a tension between goals seeking to ensure the success and preservation of the community's industrial and employment land supply, as well as maximizing housing opportunities along transit routes and in close proximity to nearby employment centers and services.

Either set of policies could be used to support retaining the existing industrial designation to ensure a long-term supply of land available for industrial development, or for a residential rezoning given the site's proximity to major employment areas located Downtown and in the Mulberry Corridor, as well as the site's proximity to transit along Lincoln Avenue and nearby retail and grocery store several blocks to the south.

Given the site's smaller size and odd shape as well as other constraints such as limited accessibility and access, Planning and Economic Health staff do not feel the site is a critical component of the City's overall industrial land supply and the policies encouraging housing with the type of nearby amenities supports a rezoning and compliance with the comprehensive plan.

Criterion Two: Warranted by Changed Conditions

Criteria two is the primary justification for the rezoning in staff's evaluation based on multiple physical and land-use changes which have occurred surrounding the site over the past several decades. Alongside changing trends in industrial development and demand, the site's suitability for industrial development has diminished.

The most prominent physical and land-use changes affecting the site include:

- Construction of the new Lemay Avenue overpass over Vine Drive. This has resulted in reduced visibility of the site and eliminated the possibility of direct arterial street access which are important site characteristics for certain types of industrial development.
- Introduction of a new collector street on the Master Street Plan (Cordova Road) along the site's eastern perimeter that can serve as a logical breakpoint between existing industrial development to the east.
- The rezoning of the abutting properties to the southwest (Capstone Cottages in 2015 and the first Landing at Lemay in 2023) from Industrial (I) to Medium Density Mixed-Use Neighborhood (MMN) zoning.
- The Lincoln Avenue frontage has been improved to create a more direct multimodal connection to Downtown with enhanced transit features and bike lanes as part of the Lincoln Corridor Plan.
- Land uses have shifted along Lincoln Avenue, with rezonings along both Lincoln Avenue frontages as a result of the new Woodward Headquarters and the shift in previously traditional industrial land uses towards retail, services, and tourism with the growth of nearby breweries. The City recently rezoned properties along the northern Lincoln Avenue frontage from the Industrial zone district to the Downtown district during the last update to the Downtown Plan.

The collective result of these changes is that the site's context within the middle of what was once planned as a much broader industrial district has shifted and the site now sits within a mixed land use context with residential zoning along two sides of the property. The construction of the new Lemay Avenue overpass has also diminished the competitiveness of the site for certain industrial users such as warehousing and logistics.

In consultation with Economic Health, staff also analyzed potential impacts to the community's industrial land supply and the importance of this site for new industrial development. Given a surplus of vacant industrial land in the Growth Management Area, ongoing industrial development trends, and marginal site attributes, Planning and Economic Health staff feel the site is not crucial to the City's overall industrial land supply.

Pages 32-33 of the attached City Plan Employment Land Demand Analysis estimate a large excess of vacant industrial land in the Growth Management Area in relation to future demand. Staff also requested historical industrial demand study from the petitioners during the first Landing at Lemay rezoning, which indicates industrial development over the past several decades in Fort Collins has been level or slightly decreasing, even as the community has grown. If these trends persist, Fort Collins' available industrial land supply is anticipated to be greater than future demand.

While the sites reduced visibility and lack of arterial street and highway access reduce competitiveness for warehousing/logistics users, narrative from Economic Planning Systems in the City Plan Employment Land Development Analysis, page 22, also discusses industrial development trends for Small Urban Manufacturers, such as those found to the east of the site in the Airpark. National trends for these businesses indicate a direction towards smaller footprints and number of employees. Further, these types of businesses generally seek out older spaces due to their lower costs rather than new construction. Where new construction or expansion may be desirable, there remain multiple vacant parcels within the Airpark/Mulberry Corridor and other sites for additional expansion or intensification.

Criterion Three: Compatible with Surrounding Uses

Given the immediate area's mixed zoning, the proposed MMN zone district does not appreciably alter the land use character of the area, especially given the site's limited size and location with limited access/visibility. A rezoning from the Industrial zone district to the Medium Density Mixed-Use Neighborhood district would also reduce a direct border between industrial and residential zoning and minimize the potential for nuisance issues.

In terms of potential future development impacts, the Industrial and Medium Density Mixed-Use Neighborhood zone districts feature similar levels of development intensity, although individual impacts are much more variable in the Industrial district given the large number of land uses that are permitted. An industrial development is more likely to create impacts related to noise, odor, truck-traffic, and aesthetics. An MMN-style development is more likely to create impacts related to building height and overall traffic generation.

Criterion Four: Impacts to the Natural Environment

The impact to the natural environment is likely to be similar between Industrial and MMN zoning at this location. Assuming typical development patterns for both zone districts, the level of human activity, traffic generation, and noise/light impacts can be expected to be of a similar magnitude. Traditionally, industrial development has been more likely to contain perimeter fencing and may use the full amount of property for impervious or compacted surfaces for parking and storage yards. Multifamily residential development may contain more requirements for formalized landscaping and open space/amenity areas that may be used on occasion by urban-adapted wildlife during low activity periods.

The City's Natural Habitats and Features Inventory Map does not contain any identifiable features on the site and the closest identified features are non-native grasslands several hundred feet to the northwest. Aerial imagery indicates the potential presence or past presence of prairie dogs. Under an I or MMN zoning designation, future development of the site will be required to identify ecological resources and subsequent mitigation efforts in compliance with Land Use Code requirements at the time of development – a change in zoning designation does not impact these standards and requirements.

Criterion Five: Logical and Orderly Development Pattern

Following the rezonings for Capstone Cottages and the first Landing at Lemay, all of the prior industrial zoning west of Cordova Road has shifted towards a residential designation. The proposed rezoning would complete the zoning and land use transition and reduce the potential for nuisances by eliminating a direct border between residential and industrial zoning. The proposed rezoning would instead shift this demarcation between residential and industrial to Cordova Road where the wider right-of-way of this future collector street can aid in greater physical separation and buffering.

The proposed rezoning also creates a logical and orderly pattern from a City Plan policy perspective as it encourages housing opportunities near employment, transit, and shopping, all of which can all be found within a short distance.

Finally, the proposed rezoning to MMN also matches the purpose and intent of the MMN zone district as described in the Land Use Code as a district, “...*intended to function together with surrounding low density neighborhoods (typically the L-M-N zone district) and a central commercial core (typically an N-C or C-C zone district).*” In this circumstance, the site would function as a separator or buffer between the more intensive non-residential areas of the Airpark and the lower density residential zone districts found further north and west and continues an area of MMN zoning extending northward from the commercially zoned property to the south comprising the Mulberry and Lemay Crossing Shopping Center.

CITY FINANCIAL IMPACTS

There are no direct financial impacts associated with the proposed rezoning.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

The Planning and Zoning Commission voted 7-0 on the consent agenda at their May 18, 2023, hearing to recommend approval of the rezoning and Structure Plan Map amendment to Council. Draft minutes from the May 18, 2023, hearing and excerpted minutes from the Commission’s December 15, 2022, hearing discussing the first Landing at Lemay rezoning are attached and discuss the impetus for this second rezoning. At the December 15, 2022, meeting, the Commission discussed:

- Concern that the nine-acre remnant of industrial land features the same characteristics, such as reduced access and visibility, that make the site less suitable for industrial development and that a similar rezoning to MMN that is taking place for the original Landing at Lemay Rezone may be appropriate.
- Concern that leaving the nine-acre remnant under Industrial zoning will create uncertainty about buffering requirements when a project proposal for residential development is reviewed on the first Landing at Lemay Rezone site, especially if staff is already preparing to recommend zoning changes in the forthcoming East Mulberry Corridor Plan update process.

PUBLIC OUTREACH

A neighborhood meeting for the original rezoning proposal and early discussion of a potential multifamily development occurred October 4, 2021. A neighborhood meeting summary is attached.

Key discussion topics from the meeting included concerns and potential impacts from the multifamily development proposal, including building heights, traffic generation, the use of the vacant land by wildlife, and impacts on water resources. Related to the rezoning were discussion about a desire to see more diversity of land uses and housing types in the area, including more retail or restaurants within walking distance.

There were no public comments or testimony for the Landing at Lemay Two proposal at the Planning and Zoning Commission hearing.

ATTACHMENTS

1. Ordinance A for Consideration
2. Exhibit A to Ordinance A
3. Ordinance B for Consideration
4. Aerial and Zoning Vicinity Map
5. Applicant Rezoning Petition and Project Narrative
6. Landing at Lemay Two Rezoning Map
7. Applicant Industrial Land Use, Forecast, and Demand Study
8. Planning and Zoning Commission Staff Report
9. City Plan Employment Land Demand Analysis
10. Neighborhood Meeting Summary
11. Planning and Zoning Commission Minutes, May 18, 2023 (Excerpt)
12. Planning and Zoning Commission Minutes, December 15, 2022 (Excerpt)
13. Presentation