STAFF REPORT
REGULAR MEETING

AGENDA DATE: October 20, 2026 **DEPARTMENT:** Community Sustainability

TITLE:

Ordinance 2026-14 – First Reading (Quasi-Judicial Hearing) – 504 3rd Ave South & 228 S L St – Small Scale FLUM Amendment

SUMMARY:

Ordinance No. 2026-14 – First Reading – Privately-initiated Small-Scale Future Land Use Map amendment requesting a change of Future Land Use of two (2) parcels from Medium Density Residential (MDR) to Mixed Use – East (MU-E) at 504 3rd Avenue South and 228 South L Street

BACKGROUND AND JUSTIFICATION:

The applicant, Wes Blackman, AICP of CWB Associates, on behalf of Mobat Inc., is requesting a Future Land Use Map (FLUM) Amendment and associated rezoning (Ordinance 2026-13; under separate cover) for the properties located at 504 3rd Avenue South and 228 South L Street. The request proposes changing the Future Land Use designation from Medium Density Residential (MDR) to Mixed Use – East (MU-E). Both properties are included as the parcel at 228 South L Street provides the required off-street parking for the facility located at 504 3rd Avenue South.

The properties are part of a long-established residential care facility within the Southeast Lucerne Historic District. The primary building at 504 3rd Avenue South has operated as an Assisted Living Facility for more than 60 years and reflects a development pattern from an earlier era, when larger institutional structures were occasionally built within residential neighborhoods. As the City evaluates long-term planning and redevelopment opportunities, it is necessary to proactively examine whether current land-use and zoning designations continue to support the viability and adaptive reuse of these properties.

The subject structure is a four-story Assisted Living Facility located at 504 3rd Avenue South. Its height, massing, and operational intensity exceed what is currently permitted in the MF-20 zoning district, making it a legally non-conforming development. The adjacent parcel at 228 South L Street has historically operated as the site's parking area. Under the existing Medium Density Residential Future Land Use and MF-20 zoning, future reuse or redevelopment of the ±16,000-square-foot structure would be restricted to approximately seven dwelling units by right, an inefficient and economically impractical outcome. Even maximizing density utilizing the City's Affordable/Workforce Housing and Micro-Units program, a maximum of twelve micro-units could be achieved—still insufficient to support realistic reuse of the existing structure.

Redesignating both parcels to Mixed Use – East (MU-E) provides a land-use and zoning framework better aligned with the size, scale, and operational needs of the existing building. The Mixed Use – East Future Land Use and Zoning District is located directly adjacent to the subject property to the east across South M Street; and offers a more flexible mix of residential, institutional, office, and service uses. This designation supports the City's goals for adaptive reuse, historic resource protection, and sustainable infill development, while also preserving the long-term reuse potential of the building should the current nonconforming use end.

The proposed amendments are consistent with the Comprehensive Plan, including Future Land Use Element Policy 1.1.1.5, which identifies Mixed Use – East as appropriate for areas supporting a blend of residential and institutional uses where higher-intensity activity may be incompatible with standard medium-density residential neighborhoods. The request also aligns with the City's Strategic Plan (Pillar Two, Section D), which emphasizes strengthening neighborhoods by preserving and supporting the reuse of historic resources.

Staff analysis concludes that the request satisfies the FLUM and rezoning review criteria in LDR Section 23.2-36(4), including consistency with adopted plans, compatibility with surrounding development, and continues an existing land-use pattern rather than creating an isolated designation. A complete analysis is provided in the HRPB staff report.

The Historic Resources Preservation Board (HRPB) considered the Future Land Use Map Amendment on September 9, 2026, and voted 6-0 to not recommend approval. The HRPB expressed concerns that the building is currently not in operation and that a potential sale of the property is under consideration; therefore, the future use of the site is unknown and the change in the FLUM and Zoning designations should be addressed when the desired use of the property is known.

MOTION:

Move to approve/disapprove Ordinance 2026-14 on first reading and set the second reading and public hearing for November 17, 2026.

ATTACHMENT(S):
Ordinance 2026-14
HRPB Staff Report (Combined FLUM and Rezoning)
Current & Proposed FLUM Map
Justification Statement and Applicant Submittal
Applicant Submittal Addendum
Water Utility Letters