

PLANNING COMMISSION REPORT
Regular Agenda – Public Hearing Item

PC Staff Report
03/27/2019

ITEM NO. 11A SPECIAL USE PERMIT FOR THE HUB; 1040 MASSACHUSETTS ST & 1041 NEW HAMPSHIRE ST (BJP)

SUP-18-00502: Consider a special use permit for ground floor dwelling units, The Hub at Lawrence, located at 1040 Massachusetts Street and 1041 New Hampshire Street. Submitted by Core Lawrence Massachusetts LLC on behalf of Allen Press Inc and Allen Realty Inc, property owners of record.

STAFF RECOMMENDATION: Planning Staff recommends approval of ground floor dwelling units at the Hub at Lawrence project, and forwarding the request to the City Commission with a recommendation for approval, subject to the following conditions:

1. There shall be no ground floor dwelling units with exterior frontage on New Hampshire Street and E. 11th Street.
2. The total square footage of the first floor residential shall not exceed 50% of interior square footage of the first floor structure on New Hampshire Street.

Applicant's Reason for Request: *The applicant is proposing a mixed use retail and multi-family residential structure. The structure includes ground floor residential units on New Hampshire Street. Ground floor residential uses require a Special Use Permit, per Section 20-5017(3)(ii). Applicant proposes two limitations on the special use permit: (1) there shall be no ground floor residential with exterior frontage on New Hampshire street; and (2) the total square footage of first floor residential shall not exceed 50% of interior square footage of first floor structure on New Hampshire.*

ASSOCIATED CASES/OTHER ACTION REQUIRED

Associated Cases

- DR-18-00505: Lawrence Historic Resource Commission, 1040 Massachusetts Street, 1041 New Hampshire Street, and east side 1000 Block New Hampshire Street.

The following items are being considered by the Planning Commission at their March 27, 2019 meeting:

- SUP-19-00033: Consider a special use permit for ground floor dwelling units, The Hub at Lawrence, located at 1000 New Hampshire Street Block 1. Submitted by Core Lawrence Massachusetts LLC on behalf of Allen Realty Inc, property owner of record.

Other Action Required

- City Commission approval of special use permit and adoption of ordinance.
- Publication of the special use permit ordinance.
- Submittal and administrative approval of a site plan application.
- Submittal and administrative approval of a minor subdivision.
- City Commission approval of demolition of the existing buildings at 1040 Massachusetts Street and 1041 New Hampshire Street.
- City Commission approval of a license agreement for the use of alley right-of-way.

- Submission and administrative approval of public improvement plans.
- Submittal of construction plans to Development Services for processing of building permits. Building permits must be obtained prior to construction activity.

KEY POINTS

- This special use permit application was submitted for proposed ground floor dwelling units that are a component of a mixed-use development, The Hub at Lawrence. While the special use permit request is a part of an overall project, the item under consideration with this request is only for the ground floor dwelling units. The other elements of the overall project require review and approval by different reviewing bodies. The Historic Resource Commission reviews the project in terms of size, scale, massing, materials, and design. The City Commission will consider a request for demolition of the existing buildings at 1040 Massachusetts Street and 1041 New Hampshire Street, a license agreement for the use of alley right-of-way, and the special use permit applications. The technical site components of the project will be reviewed by staff through the site plan process for compliance with the Land Development Code. Appeals of the decision made by the Historic Resource Commission or the site plan administrative determination would also go to the City Commission for their consideration.
- Per Section 20-517(ii) of the Land Development Code, multi-dwelling structures require a special use permit in the CD District when ground floor residential uses are proposed along numbered streets, Vermont Street, or New Hampshire Street. Staff believes the intent of this standard is to activate streets in the downtown area with commercial and/or office uses and associated exterior design elements. This special use permit application proposes ground floor dwelling units near, but with no frontage on, New Hampshire Street, along the north portion of the building and internal to the project. The ground floor dwelling units proposed with this special use permit are shown colored blue and outlined in red in Figure 1 below.

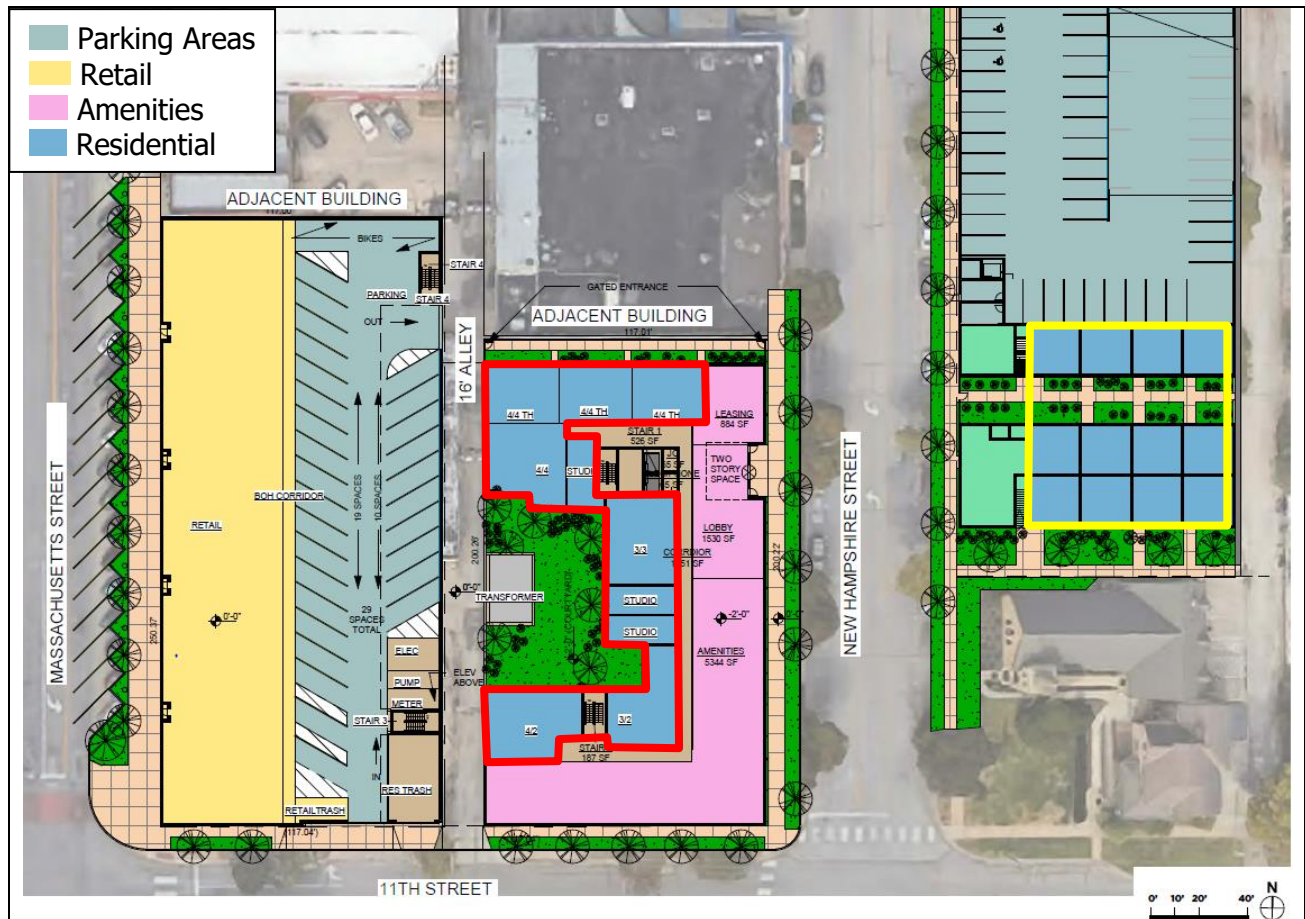


Figure 1: First floor of the proposed development. The ground floor dwelling units associated with this special use permit request are outlined in red. The ground floor dwelling units proposed with SUP-19-00033 are outlined in yellow.

- The special use permit request is one component of the overall project, the details for which are provided for context. The overall project would include the demolition of the existing buildings at 1040 Massachusetts Street and 1041 New Hampshire Street, and the construction of a mixed-use 5-story structure.
- The uses contained within the overall project will include retail, office, apartment amenities, and residential. These uses are permitted by right in the CD District and are reviewed for compliance with the Land Development Code through the site plan process. Submittal of a site plan application for review and approval will be required prior to development.
- The development also proposes a 3-level parking garage and mixed-use structure on the east side of New Hampshire Street (1000 New Hampshire Block 1). The mixed use building would contain office space on the ground floor immediately adjacent to New Hampshire Street and residential uses in the remainder of the space. A second special use permit application was submitted for the ground floor dwelling units associated with this space and are also being considered at the March 27, 2019 Planning Commission meeting.
- The subject property is located in the Downtown Conservation Overlay District and subject to the Downtown Design Guidelines. On November 15, 2018, the building design was reviewed by

the Historic Recourse Commission (HRC). The HRC voted to defer action on the building design and to refer the project to the Architectural Review Committee (ARC) for design refinement that will produce a design that meets the intent of the Downtown Design Guidelines. The design was discussed at the January 9 and January 31, 2019 ARC meetings. The item is schedule to go back to the HRC for their consideration on March 21, 2019.

- At their November 15, 2018 meeting, the HRC provided a recommendation for approval of the special use permit for ground floor dwelling units along the north side of the building and interior to the site associated with this request.

PUBLIC COMMENT RECEIVED PRIOR TO PRINTING

- Mr. Maceli spoke with staff regarding the affects that closing the alley during construction would have on this business. He recommended that the city plan to repave the rest of the alley with this project to minimize future impacts. He also said that more public parking is needed in the area. Mr. Maceli suggested angled parking be added to New Hampshire street as a means to increase public parking and to act as a traffic calming measure.
- Darryl Graves, JD wrote in support of redevelopment of the area.
- Linda Watts wrote with concerns over the appearance and size of the development, lack of adequate parking, and recommended that this development not be considered before completion of the downtown master plan.
- Nick Kuzmyak wrote with a suggestion that the city purchase the property, demolish it, and subdivide the property into similar size lots as the rest of downtown, add utility service, and sell the lots.

ATTACHMENTS

1. Hub at Lawrence design package
2. Revised unit matrix
3. Level one layout for 1040 Massachusetts Street and 1041 New Hampshire Street

Zoning and Land Use Pertaining to the Mixed Use Structure at 1040 Massachusetts Street and 1041 New Hampshire Street

Current Zoning and Land Use: CD-UC (Downtown Commercial – Urban Conservation Overlay) District; vacant buildings and surface parking.

Surrounding Zoning and Land Use: To the west: CD-UC (Downtown Commercial – Urban Conservation Overlay) District; *Restaurant, Quality, Bar or Lounge, and Personal Convenience Services.*

OS-UC (Open Space – Urban Conservation Overlay) District; Japanese Friendship Garden, City Park.

GPI – UC (General Public and Institutional Use – Urban Conservation Overlay) District; *Cultural Center* (Watkins Museum of History)

To the north: CD (Downtown Commercial – Urban Conservation Overlay) District; *Fast Order Food, Event Center, Personal Convenience Services, and Office.*

To the south: GPI (General Public and Institutional Use) District; *Institutional* (Douglas County Courthouse and Douglas County Judicial and Law Enforcement Center).

To the east: CD (Downtown Commercial – Urban Conservation Overlay) District; *Office* and surface parking.

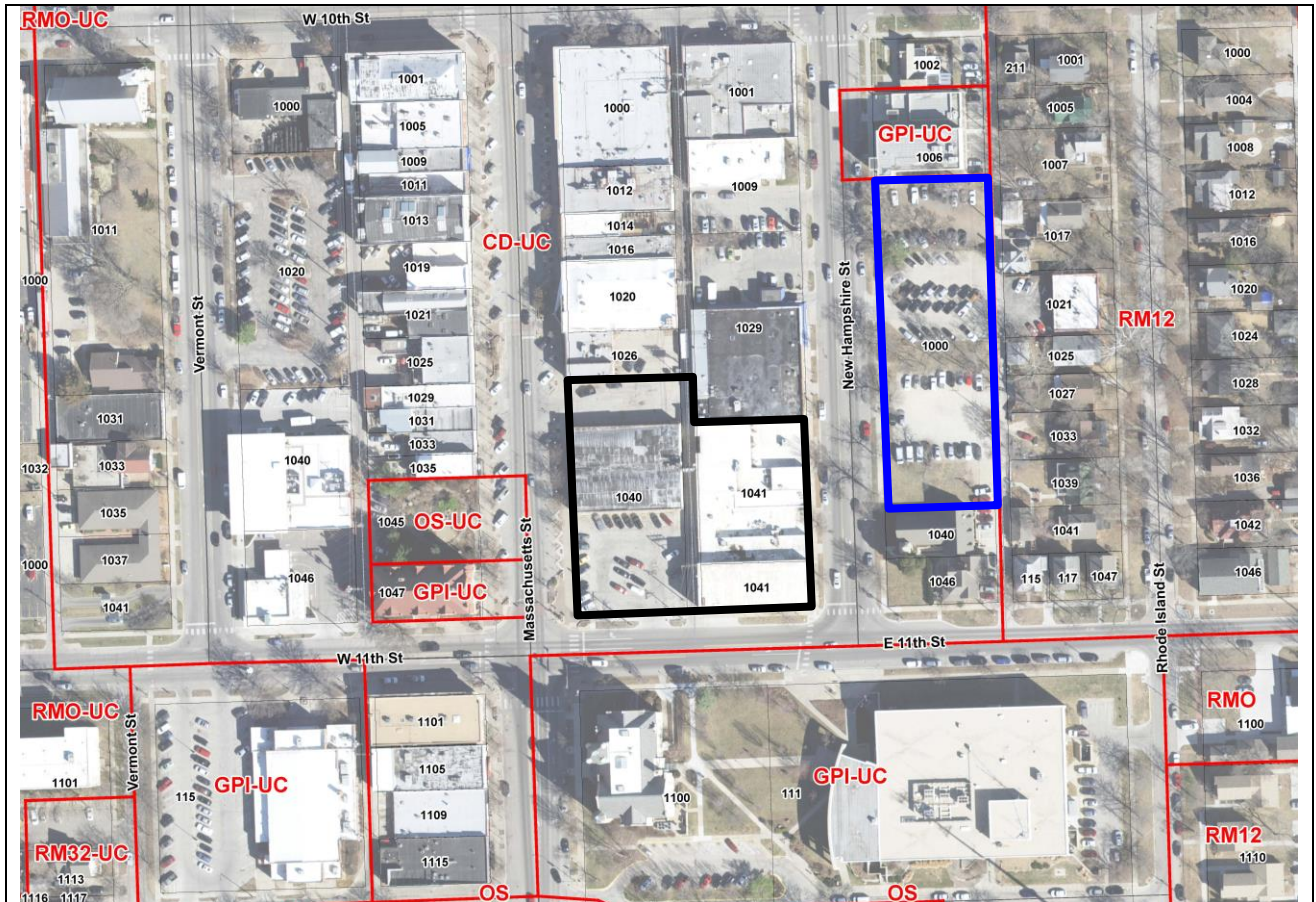
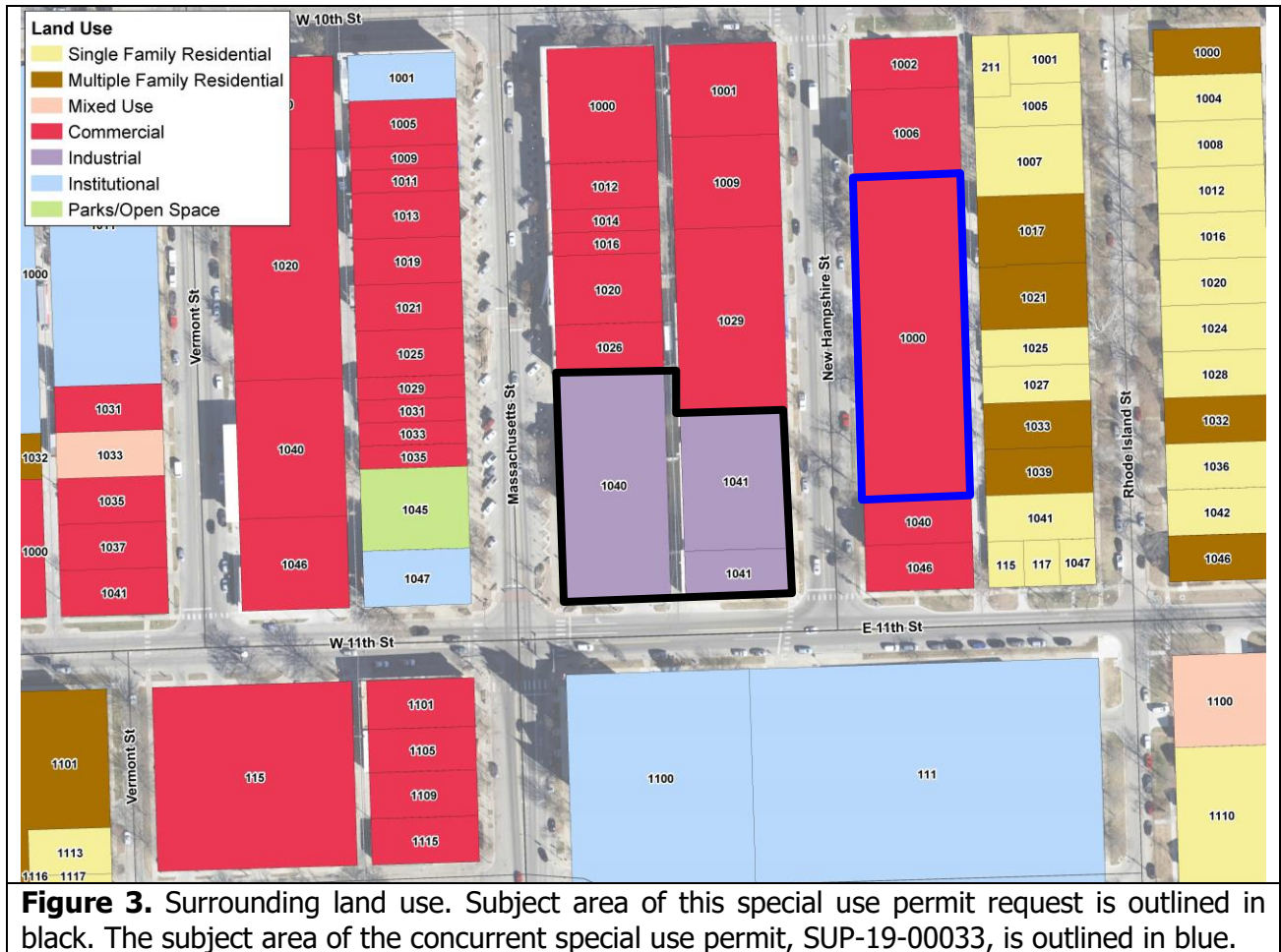


Figure 2. Surrounding zoning. Subject area of this special use permit request is outlined in black. The subject area of the concurrent special use permit, SUP-19-00033, is outlined in blue.



Summary of Request

The special use permit application was submitted for ground floor dwelling units associated with the mixed-use development, The Hub at Lawrence. This special use permit application proposes ground floor dwelling units near, but not immediately adjacent to, New Hampshire Street, along the north portion of the building and internal to the project. Per Section 20-517(3)(ii), ground floor dwelling units are permitted in the CD (Downtown Commercial) District with approval of a special use permit. This requests pertains only to the ground floor dwelling units. The other uses associated with the development (commercial, amenities, and non-ground floor residential) are permitted in the CD District with approval of a site plan.

This special use permit application would facilitate 10 units/29 beds located on the first floor of the proposed building. The total number of units and beds associated with the development (including the structure on the east side of New Hampshire) is 215 units and 610 beds.

Review and Decision-Making Criteria (Land Development Code Section 20-1306(i))

1. WHETHER THE PROPOSED USE COMPLIES WITH ALL APPLICABLE PROVISIONS OF THIS DEVELOPMENT CODE

Applicant’s Response: *Yes, residential units in the CD district are commonplace, and permitted as a special use on the ground floor. Approval of this special use is subject to the approval of a site plan that complies with applicable City Code and the Downtown Design Guidelines, which will ensure that the overall structure will comply with the Development Code.*

Section 20-517(ii) of the Land Development Code stipulates that ground floor dwelling units in the CD (Downtown Commercial) District are permitted with approval of a special use permit. Approval of the special use permit is contingent on approval of a site plan application for the entire project. Applicable provisions of the Land Development Code, such as access, parking, landscaping, and screening, will be reviewed for compliance with the future site plan application.

On November 15, 2018, the Historic Recourse Commission (HRC) reviewed the size, scale, massing, materials, and building design of the overall project. At that meeting, the HRC also reviewed the special use permit request for compliance with the Downtown Area Design Guidelines. Specifically, guideline 6.1 of Part Two states that “buildings should have retail and commercial uses at street level.” The HRC found that because the ground floor dwelling units do not have exterior street frontage, the ground floor dwelling units meet the intent of the Downtown Design Guidelines. Given this, the HRC provided a recommendation for approval of the special use permit for ground floor dwelling units along the north side of the building and interior to the site.

At their November 15th meeting, the HRC also voted to defer action and to refer the project to the Architectural Review Committee (ARC) for refinement that would produce a design that meets the intent of the Downtown Design Guidelines. The design was discussed at the January 9 and January 31, 2019 ARC meetings. The item is schedule to go back to the HRC for their consideration on March 21, 2019.

Staff Finding – With approval of the special use permit application, the ground floor dwelling units would be permitted in the CD District. All other applicable provisions of the Land Development Code will be reviewed with a future site plan application.

2. WHETHER THE PROPOSED USE IS COMPATIBLE WITH ADJACENT USES IN TERMS OF SCALE, SITE DESIGN, AND OPERATING CHARACTERISTICS, INCLUDING HOURS OF OPERATION, TRAFFIC GENERATION, LIGHTING, NOISE, ODOR, DUST AND OTHER EXTERNAL IMPACTS

Applicant’s Response: *The proposed ground floor residential units on New Hampshire Street are shown in the renderings and plans attached to the Historic Resources Commission Review application and incorporated here by reference. Ground floor residential uses is compatible with adjacent uses because residential use is already permitted and is a less intense use than adjacent commercial and government uses. The applicant anticipates a weak demand for retail or office space, whereas ground floor, two-story, four bedroom “rowhouses” would be among the most popular units offered as part of the overall project. With direct street access, the rowhouses would create an appropriate amount of activity during the day, and would contribute to the urban feel of the area.*

This request is for a mixed-use building that will contain ground floor dwelling units. Section 20-517(3)(ii) of the Land Development Code dictates that ground floor dwelling units are permitted with approval of a special use permit. Specifically, the Land Development Code states:

Section 20-517(3)(ii)

A Multi-Dwelling Structure and Work/Live Units require a Special Use Permit in the CD District when ground floor residential uses are proposed along number streets, Vermont or New Hampshire Streets.

The application does not propose ground floor dwelling units fronting on New Hampshire Street or E. 11th Street. The proposed ground floor dwelling units will be located on the north side of the

building and interior to the structure. New Hampshire Street is developed with other mixed-use structures that contain commercial and office uses on the ground floor, and non-ground floor residential uses. The most recent mixed-use developments have been located at 730 New Hampshire Street (Hobbs Taylor Lofts), 800 New Hampshire Street (800 Lofts), 888 New Hampshire Street (888 Lofts Apartments), and 901 New Hampshire Street (901 Lofts). The proposed special use permit would align with the existing development along New Hampshire Street, with the recommended condition that the proposed ground floor dwelling units be restricted to not have exterior frontage on New Hampshire Street and E. 11th Street. With approval of that condition, the requested special use permit is compatible with the area and the existing development. The frontage along New Hampshire Street and E. 11th Street is proposed to be amenities associated with the residential use (such as a gym and leasing office).

Staff Finding – The proposed ground floor dwelling units are compatible with the adjacent uses. The Historic Resource Commission will review the proposed project in terms size, scale, massing, materials, and building design.

3. WHETHER THE PROPOSED USE WILL CAUSE SUBSTANTIAL DIMINUTION IN VALUE OF OTHER PROPERTY IN THE NEIGHBORHOOD IN WHICH IT IS TO BE LOCATED

Applicant's Response: *No, the approval and construction of the proposed project will have a positive impact on the value and desirability of other properties in the 1000 block of New Hampshire.*

The special use permit request is for ground floor dwelling units that is a component of a larger project. The overall project will revitalize vacant and underused property at 1040 Massachusetts Street and 1041 New Hampshire Street.

Staff Finding – Substantial diminution of other property values in the area is not anticipated with approval of the ground floor dwelling units.

4. WHETHER PUBLIC SAFETY, TRANSPORTATION AND UTILITY FACILITIES AND SERVICES WILL BE AVAILABLE TO SERVE THE SUBJECT PROPERTY WHILE MAINTAINING SUFFICIENT LEVELS OF SERVICE FOR EXISTING DEVELOPMENT

Applicant's Response: *No, the proposed uses will have a positive impact on the natural environment by converting a former industrial space to an infill, walkable, residential hub that is part of a larger project, and which makes significant design improvements to the south downtown gateway.*

The proposed development would be located in an urban developed area. Infrastructure is available to provide service to this development. Public safety and transportation access will continue to be part of the future site plan review for the overall project.

Staff Finding – Adequate public facilities and transportation access is accommodated for this development. The uses do not preclude the ability to service the existing uses with respect to public safety, transportation, and utilities.

5. WHETHER ADEQUATE ASSURANCES OF CONTINUING MAINTENANCE HAVE BEEN PROVIDED

The special use permit and subsequent site plan provide enforceable tools to address the use and continued maintenance of the property with regard to landscaping, exterior activity, and off-street parking.

Staff Finding – Adequate assurances of continued maintenance are inherent in the use and the special use permit approval process.

6. WHETHER THE USE WILL CAUSE SIGNIFICANT ADVERSE IMPACTS ON THE NATURAL ENVIRONMENT

Applicant's Response: *The existing wooded area will be removed from the center of the site, however, the tree cover on the west property line will remain as a buffer for the neighborhood to the west. Adverse impacts on the natural environment are not anticipated and new trees will be provided with the new development.*

No, the proposed uses will have a positive impact on the natural environment by converting a former industrial space to an infill, walkable, residential hub that is part of a larger project, and which makes significant design improvements to the south downtown gateway.

The proposed project is located within the existing urban area. The property does not contain sensitive lands and is not encumbered by regulatory floodplain.

Staff Finding – The proposed development is subject to regulatory controls to protect the significant natural features. This property is free from regulatory floodplain encumbrances.

7. WHETHER IT IS APPROPRIATE TO PLACE A TIME LIMIT ON THE PERIOD OF TIME THE PROPOSED USE IS TO BE ALLOWED BY SPECIAL USE PERMIT AND, IF SO, WHAT THAT TIME PERIOD SHOULD BE

Time limits are established on special use permits to permit a periodic review to determine if the use remains compliant with the area. Approval of the special use permit would allow ground floor dwelling units, with a restriction on exterior frontage on New Hampshire Street and E. 11th Street. The use should maintain its compatibility with the surrounding area and a time limit is not necessary.

Staff finding – If approved, staff does not recommend a time limit on the special use permit.

CONCLUSION

Section 20-517(3)(ii) of the Land Development Code requires a special use permit in the CD District when for ground floor units are proposed along numbered streets, Vermont Street, or New Hampshire Street. Based on the findings in this report, and as conditioned, staff recommends approval of the proposed special use permit for ground floor dwelling units.