



MEMORANDUM

P.O. Box 4100 ♦ FRISCO, COLORADO 80443

TO: MAYOR AND TOWN COUNCIL
FROM: BILL GIBSON - COMMUNITY DEVELOPMENT ASST. DIRECTOR
RE: ORDINANCE 21-03: AN ORDINANCE REZONING FROM THE LIGHT INDUSTRIAL (LI) ZONING DISTRICT TO THE MIXED-USE (MU) ZONING DISTRICT, CERTAIN REAL PROPERTY LOCATED AT 18 AND 68 SCHOOL ROAD / LOT 1, SAINT ANTHONY SUMMIT MEDICAL CAMPUS
DATE: FEBRUARY 9, 2021

Summary and Background: The Applicant, Traditional Neighborhood Developers, LLC, representing Centura Health, is proposing to change the zoning classification of the property located at 18 & 68 School Road from Light Industrial (LI) District to Mixed-Use (MU) District.

The subject property is owned by Centura Health and is the site of the Summit Vista Professional Building new Frisco Medical Office Building. Centura desires to demolish the now closed Summit Vista Professional Building and construct a future residential development on that portion of the site. The Applicant has stated that this future residential development will include workforce housing. However, the subject property is currently zoned Light Industrial (LI) District which does not allow for such residential development. The Applicant is therefore proposing to rezone this property to the Mixed-Use (MU) District which would allow for future residential development on a portion of this site.

Pursuant to Section 180-2.3.4.F., Simultaneous Processing of Development Applications, of the Frisco Unified Development Code (UDC), a Major Site Plan Application may not be accepted or processed while a rezoning application is pending for the same property. The Applicant's future residential project cannot be reviewed by the Planning Commission at this time.

Any proposed rezoning application must stand on its own merits and meet the rezoning review criteria prescribed by the UDC and outlined below in this staff report.

The Planning Commission held a preliminary public hearing of this application on January 7, 2021. There was consensus among the Commissioners that the current LI zoning designations and some of the land uses allowed by that district are no longer desirable or appropriate for this site. The Commission made preliminary findings and a preliminary recommendation of approval for this application by unanimous vote. On January 21, 2021, the Planning Commission forwarded to the Town Council a recommendation of approval for the proposed rezoning.

Analysis: FRISCO COMMUNITY PLAN

The following Guiding Principles and policies of the Frisco Community Plan are applicable to the review of the proposed rezoning:

Guiding Principle 1: Inclusive Community

Frisco cares about our neighbors, visitors, and the whole of our community. We are an inclusive community that welcomes people of all backgrounds and income levels. We support a balance of housing options to create opportunities for a diverse population to reside here. Our history is integral to our identity and it is also a guiding principle for our future. As the Town grows and changes, we need to be rooted in the values of our past. The Ten Mile Range mountain backdrop, historic structures, vibrant neighborhoods, and a lively Main Street characterize Frisco along with the friendly people and welcoming vibe. As Frisco grows, this character and identity should be preserved and enhanced throughout Town.

1.2: Improve the aesthetic appeal and functionality of the Summit Boulevard Corridor and the Exit 203 Gateway

- 1.2A Support public improvements and gateway redevelopment that is aesthetically appealing, inviting to visitors, and reflects a cohesive community image of Frisco.
- 1.2B Encourage infill and redevelopment along Summit Boulevard that improves the aesthetic appeal, and supports an economically thriving corridor.
- 1.2C Support the integration of workforce housing as part of future redevelopment efforts along Summit Boulevard through the potential intensification of land uses throughout the Summit Boulevard corridor and the greater Mixed Use Gateway District.

1.5: Promote a balanced community through support for diverse and equitable housing options

- 1.5A Develop a diverse portfolio of workforce housing programs to support a broad range of housing needs—type of unit, rental vs. ownership, and price points—at the community and neighborhood level.
- 1.5B Stimulate the creation of workforce housing through town policies, incentives, and regulatory procedures.
- 1.5C Collaborate with community partners and the private sector to expand the reach of Frisco's workforce housing efforts.

Guiding Principle 2: Thriving Economy

The Frisco economy is built upon a unique balance of tourism and its role as a commercial-service hub for the region. Tourism, driven by recreational opportunities, and the small, mountain town appeal of Main Street, creates jobs and revenue. Locals and visitors utilize the large retailers, grocery stores, and services located along Summit Boulevard, and support the small businesses on Main Street. While the Frisco economy has seen steady growth in the past decade, diversification of the economy is important. More year-round opportunities will provide stability through the seasons and economic downturns. The Town should focus on small, incremental changes that preserve the town character and a healthy small business community that attracts residents and visitors.

2.1: Maintain a diverse and strong economy

- 2.1A Continue to attract and retain businesses that support and enhance Frisco's tourism

revenues, while also seeking to build upon entrepreneurship and new or emerging niches.

- 2.1B Provide opportunities for a balanced mix of housing and services to support local businesses, employees, residents and visitors.
- 2.1C As development and infill occurs, ensure that the Town's overall mix of land uses remains aligned with community goals.
- 2.1D Participate in regional and state economic development efforts that support a diverse economy.
- 2.1E Support the creation of home-based businesses and remote workers.

2.2: Strengthen Frisco's role as the year-round-local commercial and service hub for the region

- 2.2A Support the retention and expansion of regionally-serving commercial and service uses.
- 2.2B Protect the Light Industrial zone district from dilution and intrusion by other uses.
- 2.2C Encourage continued reinvestment in existing commercial centers.

2.3: Facilitate the retention and expansion of locally-owned businesses

- 2.3A Create a positive business environment that encourages investment and expansion.
- 2.3B Support efficient regulations and processes that foster a supportive business environment.
- 2.3C Expand workforce housing options to support small businesses, and local employees.

With the exception of policy 2.2B (*Protect the Light Industrial zone district from dilution and intrusion by other uses.*), the proposed rezoning application is consistent with the above listed guiding principles and policies of the Frisco Community Plan. The existing medical uses on the property aid in maintaining a strong economy along with supporting Frisco's role as a year-round-local commercial and service hub for the region. As noted in the applicant's submitted narrative:

Currently, the property is zoned "Light Industrial", which does not allow for residential uses. Rezoning the property to "Mixed Use" would allow for Centura to pursue the development of units for their workforce, as well as additional uses for community partners and the greater Frisco community. Centura has a unique opportunity to fulfill not only its employee housing needs, but also contribute in a positive way to workforce housing for the community. The rezoning is the first step in doing so and we look forward to reviewing this with you and seeking Planning Commission and Council approval.

With the applicant stating their plan to provide workforce housing, the future uses on the property would provide equitable housing options. Additionally, the proposed rezoning to Mixed-Use would permit a variety of additional uses along Summit Boulevard that are not currently permitted on the property through the existing Light industrial District. Table 180-5.1.5, Table of Allowed Uses, attached to this staff report, can be referenced to review all uses permitted by right or by conditional use in the two districts.

180-2.4.1, REZONING

Purpose (§180-2.4.1.A): *The purpose of this Section 2.4 is to provide a mechanism by which, and review procedures and criteria under which, the boundaries of zone districts may be changed or the zoning classification of any parcel of land may be changed. Rezoning may also be used to apply historic overlay designations or other overlay designations.*

Applicability (§180-2.4.1.B): *A proposed change of zone district boundaries may be initiated by*

the Council, the Planning Commission, or by application of one or more of the owners of property within the area requested to be changed.

The proposed rezoning has been initiated by the owner of the property. The application meets this standard.

Area Required (§180-2.4.1.C): *Changes in the Zone District Map of the Town of Frisco involving any zoning district requires a minimum of one acre in area for consideration, unless the area requested for rezoning abuts an existing zone district of the same general classification as that being requested on all or part of one side.*

The subject property is 3.802 acres in area. The application meets this standard.

Rezoning Criteria (§180-2.4.1.E.): *For the purpose of establishing and maintaining sound, stable, and desirable development within the Town, the applicant for rezoning shall establish that at least one of the following criteria is met:*

1. The land to be rezoned was initially zoned in error or the rezoning is of a technical or corrective nature in order to conform zone district boundaries with lot lines;

The subject land was not initially zoned in error nor is the proposed rezoning technical or corrective in nature.

The application does not meet this criterion.

2. Because of changed or changing conditions in a particular area or in the Town generally, it is in the public interest and reasonably necessary in promotion of the public health, safety or welfare to rezone a property to encourage development or redevelopment;

The subject property has historically been the location of a hospital and medical offices. There has been no past industrial use of this property. While an institutional use such as a hospital is a permitted use in the Light Industrial (LI) District, medical offices are a conditional use. In the past, the Town has issued conditional use permits for the construction of the Summit Vista Professional Building and the Frisco Medical Office Building finding that the subject property is an appropriate and desirable location for such uses. The Mixed-Use (MU) District allows both institutional use and medical offices as permitted uses.

The subject property is located along the Summit Boulevard corridor. This property is located in a transition area between Main Street to the south and gateway commercial development to the north. It is also located between low density residential development to the west and a school to the east. Other properties in the vicinity that are similarly located along Summit Boulevard are currently zoned or have an underlying zoning of Mixed-Use District. Please refer to the attached Frisco Zoning Map.

The need for additional workforce housing continues to grow and addressing this challenge is one of the Town Council's highest strategic priorities. A rezoning of the subject property to the Mixed-Use District would facilitate future residential development on this site. Centura has indicated that they would like to construct a residential development that includes workforce housing. In addition, the Mixed-Use District also allows for use of the density bonus provision of the UDC that incentivizes deed restricted affordable housing.

Section 180-5.2.13 of the UDC states that for properties located in the Mixed-Used District shall be a mixture of residential and nonresidential uses with each such use making up not less than 20 percent of the total gross floor area of all uses within the property. Developments with a lesser mixture of residential or nonresidential uses, including single use developments, are a conditional use. If the property is rezoned to Mixed-Use, the property owner will be required to provide a minimum of 20 percent of the total gross floor area of all uses on the property as residential (except in the case of a conditional use permit). The new medical office building existing on the property will count toward the nonresidential total gross floor area requirement.

Staff finds that the historic, current, and desired future use of the subject property is more consistent with the purpose of the MU District than the LI District:

§180-3.10, Light Industrial (LI) District

§180-3.10.1 Purpose

To promote the development of professional trade, industrial, general services, storage, and contractor services in Frisco, and to allow for associated uses complementary to contractor trades and light manufacturing.

§180-3.12, Mixed-Use (MU) District

§180-3.12.1 Purpose

To increase the efficiency of land use, the number of residents and the diversity of commercial activities in those transition areas between the core commercial districts and residential districts, and to emphasize and encourage pedestrian and bicycle circulation.

With the historical and existing medical uses along with conversations about future residential uses, the purpose of the Mixed-Use District is more consistent with the property than the existing LI District. The application meets this criterion.

3. The rezoning is necessary to conform to the Master Plan; or

With the exception of policy 2.2B, *Protect the Light Industrial zone district from dilution and intrusion by other uses.*, the proposed rezoning application is consistent with the guiding principles and policies of the Frisco Community Plan. As noted above in this staff report, the guiding principle of an Inclusive Community and the guiding principle of a Thriving Economy and multiple underlying policies generally support this proposal. In addition, there also policy statements that directly support this rezoning application including:

- 1.2B *Encourage infill and redevelopment along Summit Boulevard that improves the aesthetic appeal, and supports an economically thriving corridor.*
- 1.2C *Support the integration of workforce housing as part of future redevelopment efforts along Summit Boulevard through the potential intensification of land uses throughout the Summit Boulevard corridor and the greater Mixed Use Gateway District.*

The application meets this criterion.

4. The rezoning is necessary to provide land for a community-related use that was not anticipated at the time of adoption of the Master Plan, but which is generally consistent with the policies and goals of said plan, is in the public interest, and is reasonably necessary in promotion of the public health, safety, or welfare.

The Frisco Community Plan anticipates and promotes mixed use development and workforce housing. The proposed rezoning application is not associated with a community-related use not

anticipated in 2018 during the adoption of the plan. The application does not meet this criterion.

As stated above, the applicant shall establish that at least one of the criteria for a rezoning is met. Through Staff's analysis, the proposed rezoning application appears to meet two of the four criteria. The application meets this standard.

Financial Impact: Adoption of this ordinance has no impact on the budget.

Alignment with Strategic Plan: Adoption of this ordinance aligns with the Town Council's 2020-2021 Strategic Priorities of Inclusive Community and Thriving Economy.

Environmental Sustainability: Adoption of this ordinance has no impact on environmental sustainability.

Staff Recommendation: The Planning Commission forwarded to the Town Council a recommendation of approval for the proposed rezoning. Staff recommends approval of this ordinance.

Attachments:

Attachment 1: Ordinance 21-03

Attachment 2: Centura Rezone Narrative Data

Application Materials

Frisco Zoning Map

Excerpt from the Unified Development Code:

- 180-3.10, Light Industrial (LI) District
- 180-3.12, Mixed-Use (MU) District
- 180-5.1.5, Table of Allowed Uses