

# Memo

**To:** Planning Commission  
**From:** Bryan Myrkle, Community Development Director  
**Date:** January 30, 2020  
**Re:** Rezoning request - 600 S. Cochran Avenue

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The City has received a rezoning request from Helping Hands of Eaton County, the owner of the property located at 600 S. Cochran Avenue. The request is to rezone this property from R-1 Single Family Residential to B-1 Local Business District, which the owners believe is a better fit for the long-term, established use of this property; and which would increase the value and marketability of the site. The letter making this request is included in your packet. I have also included two photos of the site, in case you are not familiar with it.

As you may know, while it is zoned for residential use, and may have been a house at one time, it has had commercial or similar uses in place for at least 50 years, and perhaps longer. The building is on a very small corner lot, barely larger than the building itself, and does not appear to be a suitable residential site. Furthermore, because there are no existing residential amenities or accommodations in the building, the cost to remodel the building for residential use would likely eclipse its market value, making such a move financially impractical.

It is also the case that anyone who might be interested in financing a purchase of the site with a traditional lender would likely have problems securing a mortgage. Tightened lending standards over the past 10 years has made financing non-conforming properties more difficult, as banks now consider them poor collateral. I would also point out that, even if the building were remodeled into a house or two-unit apartment, it would still be non-conforming, as the lot is too small and there are no yards or setbacks (Helping Hands does not own the greenspace to the immediate south).

I would compare this situation very closely with the request and subsequent action taken in 2018 to rezone the Charlotte Plaza Floral building at 200 N. Cochran (the historic former library building) to B-1 Local Business District. It is a low-impact commercial zoning classification that better reflects the actual established uses of the site, and allows them to endure without the added risk and complication of having to seek special approvals each time the use changes.

Over the past few weeks, I have had the opportunity to talk to two prospective purchasers of this property, and in both cases its non-conforming status and the subsequent requirement to seek special approvals from the Planning Commission were enough of a 'turn-off' for both buyers to walk away. Consequently, I can say from first-hand knowledge, that the current status is making the property hard to sell, and more likely to remain vacant for an extended period.

While I believe this rezoning is in the best interests of Helping Hands, and would certainly help them resolve these ownership issues, I am also aware that there is likely to be interest in this matter from neighbors.

In researching the recent history of this property, I was able to read letters the City received in the past from neighbors; as well as minutes of older Planning Commission meetings where citizens have spoken about various proposed uses. From those letters and comments, it is clear to me that there has been sustained interest in the site and its uses in the neighborhood all along. While many of the nearby residents have no doubt changed over the years, I think it's likely that there remains a public interest in the site and what may happen to it now.

As in other zoning ordinance changes, the Public Hearing is held before the Planning Commission, which will make a recommendation to the City Council on the matter.

### **A note on the Master Plan –**

When I presented this issue to the City Council, I said that this rezoning would also require an amendment to the City's Master Plan, because it calls for residential uses in this area. However, City Manager Guetschow later reminded me of work he did on this issue a couple years ago in relation to the Dairy Queen rezoning issue. His research at that time led to a conclusion that the text of our Master Plan actually supports the creation

of neighborhood business zones in areas where the Future Land Use Map calls for residential. Therefore, no Master Plan change is called for. The relevant portion of the Master Plan is on page 71, excerpted here:

*In order to create viable neighborhoods and a walkable community, neighborhood commercial districts have been outlined in the future land use plan. These areas are located at major intersections within existing neighborhoods. These commercial areas would offer goods and services that residents would need on a daily basis. Corner markets, mom and pop stores, dry cleaners and local cafes would be suitable commercial operations that would fit into local neighborhoods. Incorporating these into existing and future neighborhoods would also encourage residents to walk to commercial areas limiting the number of daily automotive trips. While limited areas are outlined in the future land use map, it is important to assess additional areas that would be suitable for neighborhood commercial development. To manage the types of uses permitted within these areas, a specific zoning district and definition should be developed. The current B-1 zoning district would provide the security needed to preserve the character of each neighborhood and allow the commercial uses outlined above.*

This language clearly establishes that neighborhood commercial zones are appropriate inclusions in otherwise residential areas. Similarly, the Zoning Ordinance language for B-1 also supports this conclusion.

*The B-1 Local Business Districts, as established in this article, are designed to meet the day-to-day convenience shopping and service needs of persons residing in adjacent residential areas.*

This information is not intended to inform you as to whether this particular request should be supported, or not, but simply to let you know that if the Planning Commission does choose to approve this change, it would be a decision that is consistent with the City's Master Plan and Zoning Ordinance.

Similarly, the potential issue of 'spot zoning,' which was raised at the City Council meeting would also not apply in this situation. There is a 4-point test to determine whether a zoning action constitutes spot zoning. One of those points is conflict with the Master Plan, which this proposal does not, as described above.

In summary, the determination of whether this proposal is a good one is left to you as Planning Commissioners. I am not recommending that the Commission approve or deny this request; rather, I am saying that (1) this is a reasonable request by the property owners that deserves fair consideration, and (2) one that, if approved, would not be in conflict with our Master Plan or Zoning Code, and would not constitute spot zoning.