City Council Communication

Department: Community Development CASE #ZT-21-005 Applicant: C P Holdings, Inc. 1801 South 54th Street Omaha, NE 68106	Ordinance No. _____	Planning Commission: 12/14/2021 1st Consideration: 01/10/2022 2nd Consideration: 01/24/2022 3rd Consideration: 02/14/2022

Subject/Title

Request: Public hearing on the request of C P Holdings, Inc., represented by Jason James, to amend Section 15.18.030, *P-C/Planned Commercial District – Conditional Uses*, of the Council Bluffs Municipal Code (Zoning Ordinance) to allow 'Manufacturing, Light' as a conditional use (subject to further limitations) in the P-C/Planned Commercial District.

Background

The Community Development Department has received an application from C P Holdings, Inc. to amend Title 15: Zoning of the Council Bluffs Municipal Code (Zoning Ordinance) relative to 'light manufacturing' as follows:

- Amend Section 15.18.030, *P-C/Planned Commercial District – Conditional Uses*, of the Council Bluffs Municipal Code (Zoning Ordinance) to allow 'light manufacturing' as a conditional use in the P-C/Planned Commercial District.

As per Section 15.03.462 of the Council Bluffs Municipal Code (Zoning Ordinance), 'light manufacturing' refers to "an establishment engaged in the manufacture or processing of finished products from previously prepared materials. Such uses will include processing, fabrication, assembly, packaging and distribution of products with limited incidental storage. Typical uses include bakeries, bottling plants, publishing houses, warehousing and distribution, assembly of electronic and metal products, frozen food lockers, garment manufacturing, optical goods, pharmaceutical manufacture and printing." Light manufacturing is allowed as a principal use in the following zoning districts:

- P-I/Planned Industrial District
- I-1/Light Industrial District
- I-2/General Industrial District

Additionally, light manufacturing is permitted as a conditional use in the C-2/Commercial District if it is contained within a structure of 50,000 square feet or less. As such, this proposal to allow light manufacturing as a conditional use in the P-C/Planned Commercial District is not without precedent. A recent inquiry by C P Holdings (d.b.a. Certified Transmission) to use the old Council Bluffs School District building (located at 1751 Madison Avenue and previously a Target store) at the former Mall of the Bluffs for a light manufacturing use has necessitated the proposed text amendment.

All City Departments and local utilities received notification of the proposed text amendment. No departments or utilities expressed opposition to the request.

Discussion

1. The P-C/Planned Commercial District is intended to provide for the development of retail shopping centers, hotel/motel services, destination resorts, and office parks. Since the creation of the P-C/Planned Commercial zoning district decades ago, the market for large retail shopping centers has changed dramatically. The rise of e-commerce has rendered brick-and-mortar shopping centers around the country significantly less useful for a large segment of consumers. As a result, like countless other communities, Council Bluffs has faced multiple closures of large "big box" stores in its shopping centers in recent years, and it is reasonable to expect that future closures will occur. The City now faces the challenge of determining what to do with these abandoned and obsolete retail facilities.

   In recent years, the City has approved text amendments allowing multifamily dwellings and mixed commercial/residential structures as principal uses within P-C districts, with the intent being to support the City's commercial centers by enabling people to live closer to the commercial amenities within them. The Community Development Department has also received interest in allowing light manufacturing in P-C districts. Light manufacturing uses have the potential to further support commercial uses in P-C districts. Unlike more intensive manufacturing uses (general or heavy manufacturing), light manufacturing produces few negative impacts on surrounding properties, meaning there is little reason for concern about such uses having a net negative effect on commercial centers. Light manufacturing facilities also employ people and therefore would increase the "daytime population" inside P-C districts that may patronize restaurants during meal breaks, stores on their way home from work, etc. Light manufacturing is consistent with the intent of the P-C zoning designation as a supportive land use that can help ensure the long-term sustainability of the city's large commercial centers.

2. The intent of the P-C/Planned Commercial District is decisively not to primarily host industrial land users. As such, the Community Development Department is recommending several limitations to prevent excessive light manufacturing within P-C districts:

   a. Light manufacturing shall be allowed in the P-C/Planned Commercial District as a conditional use;
   b. Light manufacturing in a P-C district shall only be allowed as an adaptive reuse of existing buildings (expansions of existing buildings may be permitted through the conditional use process);
   c. The sum total acreage of properties used for light manufacturing shall not exceed twenty (20) percent of the total acreage within any contiguously zoned P-C district; and
   d. Light manufacturing shall be permitted in P-C districts containing greater than fifty (50 acres).

   The aforementioned limitations will ensure that the addition of light manufacturing in P-C districts occurs in buildings previously intended for commercial purposes that are no longer needed or supported by the market. The proposed limitations will also ensure that light manufacturing does not become the dominant land use within a P-C district. If an existing building needs to be expanded to support a light manufacturing use, this can be allowed through the conditional use permit (CUP) process as outlined in CBMC 15.02.090 and by amending the development plan for the subject property.

   In determining limitations to place on light manufacturing in the P-C district, several scenario maps were created showing hypothetical buildings and parcels being used for light manufacturing in P-C districts. These scenarios visually show how a P-C district could look with the introduction of light manufacturing, though the scenarios do not represent all possibilities. Some scenarios that fall in line with the proposed limitations are included in Attachments A, B, and C.

3. The addition of light manufacturing as a conditional use ensures that such uses in a P-C district will go through adequate review before receiving approval. In addition to following the Planned Commercial Development Plan, a light manufacturing use will require a public hearing by the Zoning Board of Adjustment. The CUP process, according to CBMC 15.02.090, requires the City to notify all property owners

within 200 feet of the property for which the CUP is requested. As such, neighboring properties will have a chance to weigh in on the potential for a light manufacturing use to negatively impact their property.

4. Attachment D contains a draft of the proposed text amendment language to allow light manufacturing in P-C/Planned Commercial Districts subject to the limitations mentioned above.

Recommendation

The Community Development Department recommends approval of the request to amend Section 15.18.030, *P-C/Planned Commercial District – Conditional Uses*, of the Council Bluffs Municipal Code (Zoning Ordinance) to allow 'Manufacturing, Light' as a conditional use (subject to further limitations) in the P-C/ Planned Commercial District.

Public Hearing

Staff speakers for the request:
1. Brandon Siracuse, Planner, City of Council Bluffs, 209 Pearl Street, Council Bluffs, IA 51503
2. Christopher Gibbons, Planning Manager, City of Council Bluffs, 209 Pearl Street, Council Bluffs, IA 51503

Speakers in favor:
1. John Jerkovich, 535 West Broadway, Suite 100, Council Bluffs, IA 51503

Speakers against: None

Planning Commission Recommendation

The City Planning Commission recommended approval of the request to amend Section 15.18.030, *P-C/ Planned Commercial District – Conditional Uses*, of the Council Bluffs Municipal Code (Zoning Ordinance) to allow 'Manufacturing, Light' as a conditional use (subject to further limitations) in the P-C/Planned Commercial District.

VOTE: AYE - Bass, Danielsen, Opperman, Rater, Rew, Scott, Stroebele, and VanHouten. NAY - None ABSTAIN - None ABSENT – Halm, Haner, and Hutcheson. VACANT – None. Motion: Carried.

Attachments

Attachment A: Former Mall of the Bluffs Scenario Map
Attachment B: Manawa Power Centre and Metro Crossing Scenario Map
Attachment C: Mid America Center Scenario Map
Attachment D: Proposed Chapter 15.18, *P-C/Planned Commercial District*, of the Municipal Code (Zoning Ordinance)

Prepared by: Brandon Siracuse, Planner, Community Development Department