

Memo

To: City Council
From: Bryan Myrkle, Community Development Director
Date: January 8, 2020
Re: Rezoning request - 600 S. Cochran Avenue

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.

This change would also require a minor change to the city's Future Land Use Map, which the Planning Commission will also have to consider.

Therefore, I am asking you to give this matter a first reading, which will send it to the Planning Commission for a public hearing, commission consideration and ultimately a recommendation back to the City Council for action, one way or another.