

**SANTA CLARA CITY PLANNING COMMISSION
MEETING MINUTES
2603 Santa Clara Drive
Thursday, June 22, 2023**

Present: Mark Hendrickson, Chair
Logan Blake
Ryan Anderson
Shelly Harris
Curtis Whitehead
Mark Weston

Staff: Jim McNulty, Planning and Economic Development Manager
Cody Mitchell, Building Official
Matt Ence, City Attorney
Selena Nez, Deputy City Recorder

Excused: James Call

1. Call to Order.

Chair Mark Hendrickson called the meeting to order at 5:30 p.m.

2. Opening Ceremony.

A. Pledge of Allegiance: Mark Weston.

B. Opening Comments (Invocation): Mark Weston.

3. Communications and Appearances.

There were no communications or appearances.

4. Working Agenda.

A. Public Hearing.

- i. Consider a Proposed General Plan Amendment Application for Property located at the Southeast Corner of Santa Clara Drive and Gates Lane (Parcel #SC-6-2-16-435, Described as 2.43 acres). Granite Peaks Investments, LLC is Proposing a General Plan Amendment from the Mixed-Use Residential (“MUR”) and Neighborhood Center (“NC”) Land Uses to the Main Street Commercial (“MSC”) Land Use for the Subject Property.**

Planning and Economic Development Manager, Jim McNulty, presented the Staff Report and recognized the presence of the applicant Neil Walter from Granite Peaks, LLC. The request is for a General Plan Amendment for a 2.43-acre property located on the southeast corner of Santa Clara

Drive and Gates Lane. The applicant is proposing a General Plan Amendment from the Mixed-Use Residential (“MUR”) and Neighborhood Center (“NC”) land use designation to the Main Street Commercial (“MSC”) land use designation for the subject property. The applicant has submitted a Concept Plan along with architectural elevations for a proposed office building to be located on the southeast corner of Gates Lane and Santa Clara Drive. The proposed office building is a three-story structure that is approximately 35,000 square feet in size. This includes three levels of office space (each level is approximately 9,000 square feet), with a 7,500-square-foot basketball court/gym facility.

Future access to the property will be provided via Santa Clara Drive to Gates Lane to the future extension of Bonneli Trail. The extension of Bonneli Trail will be provided along the southern portion of the project. Notices were sent to property owners within 300 feet of the subject property and the subject property was also posted per State Code. A real estate sign was provided with a description of what is being proposed as well as a public hearing banner which is not required by the State Code and is used to be transparent and get the word out. No responses were received until later in the afternoon when a few emails were forwarded to the Planning Commission for their review after 3:00 p.m.

The subject property is in the Santa Clara Historic District, which requires Heritage Commission review. The item was presented to the Heritage Commission on May 18, 2023. In general, the Heritage Commission was in favor of the project moving forward through the process. One of the comments made during the meeting included the thought of the proposed building being a bookend for the west end of the Historic District and City Hall being the eastern bookend.

The proposed building has been designed to accommodate the existing grade of the property, which includes a 12 to 15-foot drop in elevation from north to south off of Santa Clara Drive. As a result, the building would be 30 feet in height to the top of the parapet along the street side (north building elevation) and 42 feet in height to the top of the parapet/walkout basement side (south building elevation). The proposed building will be located close to Santa Clara Drive with parking to the rear of the building. A pedestrian-oriented streetscape with attractive landscaping was also proposed.

The proposed project will be required to go through a second public hearing process for a Rezoning and Project Plan where more discussion regarding the Building Design and Site Plan layout will be discussed if the General Plan Amendment is approved.

Mr. McNulty explained that the Santa Clara City General Plan Map includes two land use designations for the property. This includes Mixed-Use Residential and Neighborhood Center.

The description for MUR (Section 3.4.2 Mixed-Use Land Uses) states the following:

“The mix of uses is mostly residential, in the form of townhomes, and multi-unit buildings, but also might include small-lot single-family homes. MUR may also include small retail stores, coffee shops, and offices at intersections with collector streets. Second-floor residences or offices are encouraged”.

The description for NC (Section 3.4.2 Mixed-Use Land Uses) states the following:

“Intended to support residential neighborhood convenience shopping, services, and community facilities, as well as mixed-use multi-family residential and office uses.”

Mr. McNulty explained that both designations would allow for a mix of uses and apartments on a second story.

The description for the proposed MSC designation (Section 3.4.2 Mixed-Use Land Uses) states the following:

“Predominantly commercial uses on the ground level, including uses such as stores, restaurants, and offices with residences and/or office on the 2nd and 3rd floors”.

The General Plan states that a Mixed-Use designation, Section 3.4.2 encourages a mix of residential, retail, and employment uses that are typically segregated. Policy 3.1 states that all mixed-use development will be accompanied by:

- Attractive landscaping.
- Pushing buildings to the street or right-of-way.
- Pedestrian-oriented streetscape.
- Street trees.

Section 4.2 of the General Plan includes the “Historic Downtown Core” and states the following:

“Santa Clara’s Historic Downtown Core includes the area from the Bluff to the Santa Clara River and from the East Gateway Subarea to where Santa Clara Drive climbs out of the valley towards Ivins. The downtown with its historic buildings and settlement patterns, has a character that makes it truly unique in the region. This identity is an asset for attracting and keeping residents, businesses, and visitors”.

Consistent with these goals, future development in the Subarea (Section 4.2 Historic Downtown Core) should strive to mix office, residential, and commercial uses. A large portion of the Subarea will retain its low-density character. Pedestrian access and appeal will be enhanced with a heritage trail along the Santa Clara River.

Policies to achieve the objective for the Historic Downtown Core includes Policy 4.5 as follows:

“All Town Core development should be pedestrian-oriented, maintain the core area’s existing small-scale character, and maintain historic building setbacks.”

Actions to achieve the objective for the Historic Downtown Core Subarea includes Action 4.4 as follows:

“Work with the Economic Development Committee (“EDC”) to attract cottage/specialty retail, restaurants, businesses, and convenient commercial uses.”

Section 5.2.2 of the General Plan includes “Historic Preservation & Economic Development” and states the following:

“Without exception, economic development studies confirm that preservation and enhancement of historic resources yields significant economic benefits”.

There are distinct economic advantages to certain kinds of businesses and residents to locate in a unique, authentic, and attractive place such as a historic area. Public investment in historic areas, such as the recent improvements to Santa Clara Drive, increases the confidence of property owners to attract and leverage significant private capital. This, in turn, has a positive impact on property values, within the historic district and the entire community.

Section 6 of the General Plan includes “Economic Development” and states the following:

Economic Development Objective: Attract new businesses and retail to Santa Clara to broaden and increase the sales tax base and to provide increased local employment opportunities. Policy 6.1 states the following:

“The City supports development that proposes mixed-use land uses to help diversify the City’s income and maintain City services”.

Staff recommended that the Planning Commission review the submitted General Plan Amendment to determine if the application is complete. If the application is determined to be complete, Staff would recommend that the Planning Commission forward a recommendation to the City Council for their review and consideration of the General Plan Amendment application subject to the conditions set forth in the Staff Report.

Mr. Walter identified himself as the owner of the property and was also representing the end user of the property, Onset Financial. He thanked City Staff for their help getting the project to this point. They met with the Heritage Commission who generously spent their time reviewing the project. He explained that one of the reasons they chose the use they did was because they wanted to identify what they thought would be the lowest impact use. Professional office is one of the lowest-impact uses and as they considered how they could be responsive to some of the concerns that were raised previously, they felt that they needed to come up with a low-impact use. Professional Office fit that criteria in terms of hours of operation, trips, and traffic.

The current zoning is RA and extends across the balance of the parcel that was originally proposed to be part of the assisted living center. They are only considering the 2.43 acres on the corner, which is in the Historic District. A sample of a residential concept was presented and is similar to other residential in the area. Mr. Walter explained that there is a significant elevation change between Santa Clara Drive and the subject property. They will likely have to either bring in an extraordinary amount of fill to get access to Santa Clara Drive or place the back of the property toward Santa Clara Drive. The concept that was presented a few years earlier was displayed and included 118,000 square feet with two stories with pitched roofs and heights of 30 feet. They listened to the comments received with many residents not wanting townhomes or apartments and feeling that the project was too large. They also did not want increased traffic or a Maverik, self-storage, or other high-impact use there. Mr. Walter stated that they tried to address the concerns that were raised at that time.

The current request is for Main Street Commercial. The project was originally to be set back near the river but it was recommended that it be moved close to the street. They underwent a massive change to the architecture based on feedback from staff. The building is approximately 35,000 square feet, which is about one-third the size of the original proposal. What is proposed is very low impact with no apartments or townhomes.

Mr. Walter reported that Onset Financial will ultimately be the owner and user of the building. They provide financing to companies that want to lease equipment. They do not sell equipment and are simply a financing firm that provides financing to manufacturing, mining, and aircraft companies throughout the country. They are based in Salt Lake City and would like to have two sites in Southern Utah. They have been very successful and will bring high-paying jobs to the community.

Onset Financial does a lot of charitable giving and examples of the work they have done were described. It has been rated as one of the best workplaces and has received numerous accolades. They expect to have 50 full-time employees and provide a professional career path for those who want to live and stay in the community. Mr. Walter stated that it provides a good opportunity to add an economic development component to Santa Clara City.

Mr. Walter stated that the hope is that the property owners will act to enhance the quality of the Historic District, which is what they are attempting to do. Five key elements were identified that they felt could be incorporated into the concept to enhance and add to Santa Clara Drive, which has become a destination. They focused on the following:

- Colors;
- Elevations;
- Building Materials;
- Porches; and
- Community Space.

Mr. Walter reported that they focused on colors found in the Jacob Hamblin Home. That building sets the tone for the color schemes.

There is not much commercial development on Santa Clara Drive and inside the Historic District, there is only one commercial building that is reflective of turn-of-the-century architecture, which was straight, clean lines set near the street with as much glass and natural light as possible. They felt that was the best example in the City of what historic commercial looks like.

On Santa Clara Drive, the most prevalent building material is brick. They felt that using brick would be consistent with what was most commonly used in the first structures that were built here. Porches were an important concept and many homes in the area have them. This building will incorporate an outdoor porch as well. Community space was identified as important and having a place where the community can gather. City Hall and the Old Relief Society House both serve as community space and draw the public in. He used Salt Lake City as an example of turn-of-the-century architecture, some of which they were trying to emulate.

Mr. Walter explained that the building was set close to the street in keeping with the homes that exist on the south side of the street. That allows them to use the outdoor space. All of the parking will be

set back. The street view was displayed showing the view from across the street. They tried to provide a number of angles to see the context, size, and scope of what is proposed. The proposed concept showed a walkout facing the river, which will allow them to use the space that drops off from Santa Clara Drive.

Commissioner Blake asked for a rendering of the east side. Mr. Walter did not have one but stated that there is currently a fence and wall there. It will be difficult to see as it will be set back at the same distance as the home that is next door. Commissioner Blake asked to see one when they present the zone change request. He asked if the applicant has plans for the strip of land between the existing home and the building. He was informed that there would not be any room there and that it would be a landscaped setback area. There could potentially, however, be room for a walkway there. It was noted that there could be employee parking behind the property. There is currently a sidewalk around the other side of the building and across the front.

Commissioner Blake commented that in considering the General Plan for Swiss Days, this will be a place where people can walk around and it would be nice for people to be able to access the site.

Mr. Walter commented on the rooftop and stated that the developers do not want to set any HVAC equipment on top of the roof. It has a very small parapet and they want a clean, beautiful building. It would instead be screened behind the building on the south side near the parking.

Chair Hendrickson noted that their previous buildings in St. George used the latest technology with a reduced impact.

Chair Hendrickson opened the public hearing.

Eric Marriott gave his address as 4335 Colby Loop in The Hills. He wished to read a statement from *Denise Webster*. Chair Hendrickson indicated that the Commission has already been provided with the letter and stated that it will be made part of the record. Mr. Marriott discussed his understanding of the project, the concept, and what is allowable. He had no objection to the proposed development and mixed-use and commented that the proposed building could not be considered a historic building as it is 1970s architecture. He preferred to see more wood, barn doors, and heavy timbers. He did not object to flat roofs but he did not believe that the concept fits in downtown historic Santa Clara. He did not understand how the proposal passed the Historic Committee. Mr. Marriott commented that if there are not going to be any roof penetrations he could see no screened areas where the condensers will be as they are not shown in the rendering. He did not think it had been thought through well and stated that a lot more detail needed to be provided with the building that doesn't show up in the renderings. He stated that the building looks very large and appears larger than City Hall. To him, the proposed building looks like a big box.

Neil Fiourum gave his address as 4447 Colby Loop and asked if the Onset Financial will be the sole occupant of the property. Chair Hendrickson responded that that is how it has been represented.

Justin Caplin gave his address as 1457 Boys Pond Circle and appreciated Mr. Walter's presentation. He did not object to the proposed use or building and thought it would be an attractive place for his law office. He remarked that although the Heritage Commission recommended approval of the request, it was with a modification to the exterior to make it look more historic. He agreed with the comments of the Heritage Commission and Mr. Marriott and agreed that it is not historic looking. He

commented that it will set the standard for the City. He suggested that rock be incorporated into the design so that it is not just a big box with large windows and gives it a more historic feel.

Penny Willard gave her address as 3262 Hamblin Drive and stated that she, her husband, and others in the area near the Jacob Hamblin Home are opposed to changing the General Plat and the zone. They have stated many times in the past that they want it to remain residential and agricultural. They do not want commercial buildings and businesses coming in. It is a nice building but not in the City's Historic District. They are trying to preserve this narrow area and stated that there is plenty of land all around. Mrs. Willard reported that she grew up in Santa Clara and was saddened by the fact that the historic areas are being developed. She asked that their wishes be honored and preserve what makes the valley so quaint. Many moved here because of the beauty of the area and she asked that this small portion of the City be preserved.

Melvin Taylor gave his address as 1401 Victor Street and stated that the world is driven by money and this land is valuable. If the change to commercial is allowed, it will only be the beginning of further development. He suggested that a survey be sent to all those in the Historic District to see if they support a zone change from Agricultural Residential to Commercial. If more than 50% agree, it should be allowed. Mr. Taylor stated that those living in the area do not want commercial and want it to remain residential.

Richard Hughes gave his address as 3298 Hamblin Drive and was pleased with the Heritage Commission's concern about the flat roof. He was concerned about the gym and wondered why one is needed when a new one was just built down the street. If the gym portion were eliminated the footprint would be much smaller.

Patty Warby gave her address as 3268 Santa Clara Drive and commented that when she looks out her front door she will see the proposed building as she lives on the corner of Gates Lane and Santa Clara Drive. Her preference was to leave the land as-is but realizes that things are changing and eventually there will be some type of structure built there. She would, however, like to see something more historic in nature in terms of architecture.

Alan Warby identified himself as the husband of Patty Warby. He commented that they built their home in 2004 at which time there were fields across the street. In January 2005, it changed significantly. When they built their home, they met with the contractor and the Historic District who gave feedback. As a result, there is a lot of brick and wood on their home. He has enjoyed having architecture that adds to the character of the area. He suggested that the proposed structure be modified to look more historic.

There were no further public comments. The public hearing was closed.

ii. **Consider a Proposed Code Amendment to the Santa Clara City Zoning Ordinance, Section 17.08, Definitions. This includes an Updated Definition for Building Height in the City.**

Mr. McNulty reported that the above item is a public hearing and staff recommended approval.

City Building Official, Cody Mitchell, reminded the Commission that the matter was before them on June 8, 2023, as a discussion item and before the City Council in a work meeting on May 17, 2023.

Three sections in the current ordinance address building height. One is for the old township that takes an average subterranean home and a building definition. He commented that in his opinion, the current building height definition is dated. Some of the language does not pertain to the modern style of construction that is currently seen.

Commissioner Anderson's understanding was that they were going to do something different with Exception #1 regarding the upper and lower grades being 10 feet. He thought it would be worded differently. Mr. Mitchell stated that it was unclear to some and clear to others. He asked for direction but never received any so it remained unchanged. Chair Hendrickson suggested that the maximum variation be a maximum of 10 feet. Mr. Mitchell was not opposed to that. It was suggested that the language specify that the average grade be no more than five feet below the upper grade. Mr. Mitchell explained that the maximum height allowed is 35 feet but with the walkout dynamic, the upper and lower grades must not be more than 10 feet different. They then take the average, which is five feet. A walkout basement scenario decreases the maximum height of the structure by five feet. Mr. Mitchell stated that the current Code does not address walkout basements. He read from Code Section 17.08.010, which was used to calculate the average height of a building.

Chair Hendrickson opened the public hearing. There were no public comments. The public hearing was closed.

5. General Business.

A. Recommendation to City Council.

- i. Recommendation to the City Council to consider a proposed General Plan Amendment application for property located at the southeast corner of Santa Clara Drive and Gates Lane (Parcel #SC-6-2-16-435, described as 2.43 acres). Granite Peaks Investments, LLC is proposing a General Plan Amendment from the Mixed Use Residential, MUR, and Neighborhood Center, NC land uses to the Main Street Commercial, MSC land use for the subject property.**

Commissioner Whitehead asked if the request is approved and if the applicant decides to sell the property if it could be developed as proposed. City Attorney, Matt Ence, reported that a change to the City ordinance was passed that will change the way they deal with General Plan Amendment applications. The decision was made to only present General Plan Amendments to the Planning Commission once per quarter. If approved, a property owner would have one year to get a zone change approved consistent with that amendment. If they do not, after one year it would revert to the previous General Plan designation. Because this application predates that change, it would not apply. If the General Plan Amendment is approved by the City Council there would not be an automatic reversion in place for this particular application. It could, however, be listed as a condition.

Mr. Ence explained that many aspects of the project are not requirements of the General Plan Amendment and they have gone above and beyond to show the concept and elevations. The General Plan Amendment, however, would not incorporate those things, which will be formally considered and approved when the matter comes back for a zone change and project plan approval. Conditions can be set with any approval if so desired.

Mr. Ence stated that anytime there is a General Plan Amendment or a zone change, the final decision is made by the City Council. The Planning Commission's role is to serve as an information-gathering body. They review the application and input from the public and make a recommendation to the City Council. The City Council then has the responsibility as the City's legislative body, to make a decision and are given very broad deference. They can consider just about any information as long as their decision is not arbitrary, capricious, or illegal.

Commissioner Weston asked Mr. Walter if this same presentation was presented to the Heritage Commission. Mr. Walter stated that there are a couple of very minor changes but the renderings are the same. Commissioner Weston stated that the Heritage Commission recommended approval of the request based on a modification to the exterior to make it look more historic. He agreed with the comments made by the public, particularly Mrs. Warby.

Commissioner Blake was taken aback by the building that is proposed as it was not what he was expecting. He agreed that it should look more historic. He liked the glass on the bottom floor but felt that the top floor should have more windows and perhaps reveals in the brick. He has seen historic buildings with all brick with many have reveals and definition. He liked that the roof is empty and suggested skylights to accentuate that. He suggested that the upper floor be made to look more residential from the exterior. He liked the porch. Commissioner Blake had hangups about changing the General Plan and did not think it was necessary. He was opposed to changing the General Plan because he does not like what it matches. He liked the office use in Historic Downtown but did not like the idea of bringing certain businesses to the area. He was more inclined to expand the neighborhood center or allow what is proposed under mixed-use residential.

Mr. Walter reported that the General Plan request was made at the request of staff after discussing how to move through the process appropriately. They weren't trying to go a different direction but looked at the use with a residential component. The recommendation was to remain compliant with the various segments of the General Plan. In terms of architecture, he felt he could give the Planning Commission guidelines that might be helpful. There are various views regarding what is or might be historic. There are things they would be more than happy to accommodate and others they were not. They were not willing to do a pitched roof on the building. With regard to building materials, they were not comfortable moving forward with stone or block rather than brick. In terms of making adjustments to other features, there were things they were willing to do.

Commissioner Blake commented that Main Street Commercial does not match the recommendation. Mr. McNulty stated that it is difficult because they are limited in their land use designations. There are three in the mixed-use designations as follows:

- Neighborhood Center is limited and intended to support residential neighborhood convenience shopping, services, and community facilities as well as mixed-use multi-family residential and office uses.
- Mixed-Use Residential allows for a mix of uses that is mostly residential in the form of townhomes and multi-unit buildings but may include small lot single family, small retail stores, coffee shops, and offices.
- Main Street Commercial is closest to what is proposed and calls for predominantly commercial uses on the ground level including uses such as stores, restaurants, and offices with the potential for residential on the second or third floor.

Mr. McNulty explained that the applicants are seeking 100% office use and are not looking for a mix of uses that the designation allows for and what they are limited to. When the General Plan is rewritten, more land use designations need to be created. On the ground floor facing Santa Clara Drive, they may potentially have space that could be used as a coffee shop or small bistro-type use. Many startup companies also have a café on the interior for employees.

Mr. Ence supported Mr. McNulty's comments but clarified that this is not a staff-driven process. It is driven by a property owner who would like to develop his property. Mr. McNulty stressed that there is one land use designation on the property. Procedural issues were discussed. The request was to rezone from RA to Planned Development Commercial ("PDC"). With that application, the next step would be to submit additional project details. Tonight's request is conceptual in nature. The matter would also go back to the Heritage Commission prior to a zone change being granted.

Commissioner Blake was hesitant to change to Main Street Commercial. He sees a lot of PDC on Main Street that is not residential. He was of the opinion that the use works in the NC zone. He was not opposed to the use of the building and would simply like the top floor to look different. He was not concerned about the flat roof. Mr. McNulty referenced the renderings of the original Merc and the Post Office and they incorporated the flat roof and parapet type of design. Others were looking at property across the street from the Merc that might employ a similar design. Mr. McNulty explained that there are currently two land use designations on the property and the applicants were clear that they want there to be one land use designation on the property. With the split zone they made one zone. Having two land use designations and two zones creates problems.

Commissioner Whitehead compared it to the last time they received public input on the site and the current proposal seemed much less controversial. He did not think people were necessarily opposed to the commercial use but to the exterior of the building. The Heritage Commission also had concerns with the exterior. He was of the opinion that the proposal fits well as long as the design of the exterior can be modified to look more historic.

Commissioner Harris agreed with Commissioner Blake and was hesitant to recommend a General Plan Amendment. After reading the General Plan notes cited in the Staff Report, she could not make what is proposed fit. Particularly, the historic core refers to a small-town feel and scale. To her, what is proposed is not that.

Commissioner Weston liked what was proposed with caveats.

Commissioner Weston moved to forward a recommendation of APPROVAL to the City Council for their review and consideration of the General Plan Amendment on the property at Santa Clara Drive and Gates Lane subject to the following:

Conditions:

- 1. That the proposed General Plan Amendment complies with Section 3.4.2 of the General Plan (Mixed-Use Land Uses)**
- 2. That the proposed General Plan Amendment complies with Section 4.2 of the General Plan (Policy 3.1, and Historic Downtown Core Subarea).**

3. That the proposed General Plan Amendment complies with Section 4.2 of the General Plan (Historic Downtown Core Objective, Policy 4.5).
4. That the proposed General Plan Amendment complies with Section 4.2 of the General Plan (Historic Downtown Core Objective, Action 4.4).
5. That the proposed General Plan Amendment complies with Section 5.2.2 of the General Plan (Historic Preservation & Economic Development).
6. That the proposed General Plan Amendment complies with Section 6 of the General Plan (Economic Development Objective and Policy 6.1).
7. Take into consideration the ordinance passed last night giving a one-year time limit to get the zone changed to Planned Development Commercial (“PDC”).

Commissioner Weston seconded the motion. Vote on motion: Commissioner Blake-Nay, Commissioner Anderson-Aye, Commissioner Harris-Nay, Commissioner Whitehead-Aye, Commissioner Weston-Aye, Chair Hendrickson-Aye. The motion passed 4-to-2.

- ii. Recommendation to the City Council to Consider a Proposed Code Amendment to the Santa Clara City Zoning Ordinance, Section 17.08, Definitions. This includes an Updated Definition for Building Height in the City. Santa Clara City, Applicant.

Commissioner Weston moved that the Planning Commission recommend APPROVAL to the City Council of the Code Amendment to the Santa Clara City Zoning Ordinance Section 17.08 regarding the Building Height definition in City Code, as described. Commissioner Harris seconded the motion. The motion passed with the unanimous consent of the Commission.

6. Discussion Items.

- A. None.

7. Approval of Minutes.

- A. Request Approval of the Regular Meeting Minutes – June 8, 2023.

Commissioner Blake moved to approve the minutes of the June 8, 2023, Santa Clara Planning Commission Regular Meeting. Commissioner Whitehead seconded the motion. The motion passed with the unanimous consent of the Commission.

8. **Adjournment**

The Planning Commission Meeting adjourned at 7:02 p.m.

Jim McNulty

Jim McNulty
Planning Manager

Approved: July 13, 2023