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May 10, 2017

City of Norman
City Council Members
Office of the City Clerk
201 W. Gray Street
Norman, Oklahoma 73069

This agenda was posted in prominent public view at the Municipal Building, 201 West Gray, in Norman, Oklahoma, on:

DATE: 5/10/17
TIME: 10:01 am
SIGNATURE [Signature]
City Clerk's Office

Re: Application Case Number PD17-6
- Center City Form-Based Code.

City and Honorable Council Members:

I submit this letter as my written protest of the City of Norman's application to rezone my property legally described as:

The South Sixty (60) feet of Lots Seventeen (17), Eighteen (18) and Nineteen (19), in Block Sixty-Six (66), of ORIGINAL TOWN OF NORMAN, Cleveland County, Oklahoma according to the recorded plat thereof, also known as 111 N. Santa Fe Ave.

Rezoning the property represents a "taking" of current fair market value and future appreciation property rights.

A cursory review of the PD17-6 application reveals the following:

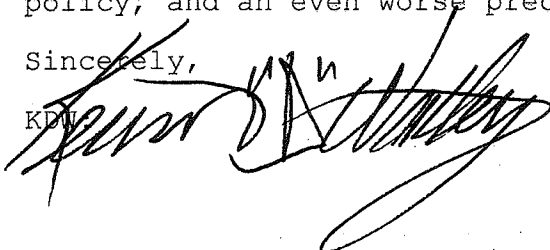
1. Creation of a City of Norman policy that those making capital investments in Norman cannot rely on continuing the zoning status in place at the date of their purchase.
2. Loss of downtown parking spaces, when lack of adequate parking has long been identified as a fundamental shortcoming for downtown Norman economic activity. Reducing parking spaces is not an incentive to promote private sector investment.
3. As with all investors, those contemplating investments in Norman evaluate the risk associated with the investment as compared to the potential return. Forced zoning changes by the City unnecessarily increase risk, making alternative investments in other communities relatively more desirable. This increased risk will permanently stifle capital attraction to Norman.
4. The PD17-6 application reinforces a commonly held belief that Norman is not a stable business friendly community.

The current decision maker regarding the PD17-6 forced rezoning application is the City of Norman, through the City Council. Future decision makers will be private sector investors who will be considering whether or not Norman, or some other community, is best for business and protection of their financial resources.

The PD17-6 forced rezoning application represents overreaching bad policy, and an even worse precedent.

Sincerely,

KDW



Protest to an ordinance of the Council of the City of Norman, amending Chapter 22 of the City Code to add section 429.7 -- the Norman Center City Form Based Code.

This area of Norman was designated as the DeBarr Historic District developed primarily between 1907 and 1925 and is a reflection of the residential facilities available for faculty, staff, fraternity and sorority houses and students of the University of Oklahoma. The District runs from Boyd Street on the South to Main Street on the North and between University Street on the West to the railroad tracks on the East. Basically this represents the same boundaries that define the Center City Vision area. As a person concerned with preservation, I find it very disturbing that history is being ignored for the development of the area into a vision who's premise is based on walkability and missing middle housing types. As a resident of the core area I have no problem walking to the bank, post office, shopping, car repair, restaurants, entertainment, churches, dentist, Andrews Park, and numerous other services and art and cultural amenities in the downtown area and campus corner area. A sidewalk along the West side of the railroad tracks would increase my safety in walking and biking tremendously and provide a distinct path between Main Street and Campus Corner. Apparently that is too easy of a solution. The "missing middle housing" concept is both idealistic and futuristic to the point of being unrealistic. To assume that Oklahoman's are going to give up their cars now or in the future is inconceivable! What is missing as far as housing goes in this area is affordable single family homes.

Within the past two years, 400-500 property owners on both sides of the Center City Vision area have sucessfully down zoned their properties from R-3 multi family dwellings to R-1 single family dwellings. These actions required a majority vote from the owners affected with approvals in the 60-65% range. The Planning Commission thanked us for bringing this rezoning before them and approved our application by a 100% vote. The City Council also approved the down zoning by 100%. Several of the owners who did not approve objected because of the inability to add a garage apartment to their property. A committee was formed and has recommended solutions for this issue. I believe the property owners have spoken loud and clearly, i.e. 60-65% approval regarding the future of this area. The Center City Vision project and the use of form based code does not represents these homeowners but instead opens up the area between these down zoned areas of core Norman for multi family development. Having read the available information, I see NO emphasis at all on single family homes. In fact, the minimum requirement is two story properties for multi family residents.

As a property owner of 206 West Symmes, which is zoned R-3, I knew at the time I purchased it the zoning left me with options of adding a garage apartment, but personally am not interested in increasing the density in the area and prefer to offer tenants a yard for their kids and pets and a garden. And, I also knew that down zoning took a majority vote of owners and with this area being predominantly rentals that down zoning to R-1 was probably not going to happen. BUT I knew that it took a majority to make that decision. If the Center City Vision and form based code is adopted for this area, the City of Norman Planning Department, the 9 member Planning Commission, and the 9 member City Council will be the small minority that will be making the decisions affecting my property. I see this as a taking by the City of Norman and not representative of the people that live and pay property taxes in this area. I quote from Center City Vision documents: "This ordinance provides certainty for both the community and developer about the form and process of future developments". My house's future seems very

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uncertain and doesn't offer me a lot of comfort to know that it's in the hands of a developer. A developer has a strictly financial interest in this while I try to provide affordable rental options to students and families and rent in accordance with city ordinances, i.e. three unrelated persons. My 1930's bungalow in the 200 block of Symmes, that also in the past received Community Development Block Grant funds to upgrade its electrical, sewer, heat/air and plaster walls will become BPS Townhouse/Small Apartment under CCV. A rough estimate based on the provided maps indicate that the current 100 and 200 blocks on Eufula, Symmes, Apache, and Linn are also designated as BPS Townhouse/Small Apartment and BPS Urban General. Best I can tell that encompasses 60-70 lots. And somewhere I read that 31 acres within this area are concrete parking lots. Between 1973 and 2002, 178 structures were demolished for these non tax paying church parking lots.

I also oppose this ordinance because the existing infrastructure is old and cannot function for increased density. Norman has a serious stormwater problem and the runoff in the core area is especially bad. I know of numerous homeowners whose yards and basements flood after a large structure was built beside and behind their properties. We've seen the removal of many large, old beautiful trees that have been taken down so that developers can access the property with equipment. Sidewalks in the area were built by the WPA are missing in spots and in bad condition in other areas. Existing streets are narrow and during home football game days are impassible and unsafe and do not allow room for emergency vehicles to respond.

While I'd like to present more reasons to oppose this ordinance I have run out of time and need to get this delivered in time for the SPECIAL planning commission meeting on April 8. Thank you and all the citizens that have been involved with the Center City Vision process. Please consider my reasons for opposing in your decision.



Marsha McDaris

448 College Avenue

Norman, OK 73069

405-326-2309

April 3, 2017

City of Norman
Office of the City Clerk
201 W. Gray Street
Norman, OK 73069

RE: Application PD17-6 (Center City Form Based Code)

To Whom It May Concern:

As the Property Manager of 332 W Main and per the owner's instructions, a protest letter was delivered March 15, 2017 requesting the immediate designation change from "Public Open Space" to "BFS Urban Storefront".

At the Pre-Development meeting the Planning Director stated that the "Public Open Space" designation was an error. Though no further explanation was provided, I was told this would be changed prior to Planning Commission.

We appreciate this acknowledgement though still have sincere concerns.

I have followed this entire process. My initial impression was that the proposed code was a good idea but would have to be carefully drafted to be financially viable at the individual parcel level. At several of the public meetings I asked that the draft code be applied to actual properties so the result could move from a "conceptual plan" to the "real world".

None has been provided to date. The owner of 332 W Main Street needed to see how their property would be affected, so after investing dozens of hours reading, interpreting and applying the Proposed Code to their specific property, I came to a few conclusions:

- 1) To meet this code the existing historic structure would have to be demolished;
- 2) Only limited renovations/improvements could be made to the property without triggering the Code therefore negatively impacting renovation & revitalization opportunity; and
- 3) If the Code were to be used to build a new structure, the end result would have functionally obsolescent elements from the beginning and would not be financially viable.

These mirror the impressions that I had from the first public meeting. The commercial portions of this code do not work in the real world: they are cost prohibitive, functionally obtuse and don't produce a market viable result. All of the commercially designated areas should be exempted from the Code for much the same reasons the Campus Corner area has already been exempted. Or this code should not be approved.

The owners continue their protest of PD17-6 now based on the conclusion that it will simply not work.

Respectfully,



Brad Worster, CPM, CCIM
Broker & Property Manager
for the Mary Louise Livingston Trust

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ON 4/3/17

enclosures: 332 W Main – Case Study of Proposed Form Based Code

332 W Main – Case Study of Proposed Form Based Code

Triggers for the new Form Based Code:

- 1) Adding more than 185 square feet to the existing structure
- 2) Additions up to 925 square feet could be made if they met the new code
- 3) Additions larger than 925 sq ft must comply with new code
- 4) Any renovation that would exceed \$60,000

Staying within the non-conforming structure rules, any additions must be less than 185 sq ft and under \$60,000 which is more in the “repair” category than a “renovation” or “revitalization”. From a practical standpoint, very little will/can be done to this property.

Applying the code will essentially require the demolition of this historic structure and a new structure built in its place because:

- 1) Compliance with form based code requires a minimum of 56’ of storefront on Main St. and 105’ along University Blvd.
- 2) That minimum frontage coverage must be at least 20’ deep (about 3,500 sq ft footprint)
- 3) That minimum frontage must also be 2 story
- 4) That minimum structure would still be an “L - shape” about 20’ north of the structure on the Main Street RBL side and right up to the existing building on the University side. Effectively surrounding the one story existing structure with a 2 story structure and leaving very little room for parking.

Conforming to the new code in the most efficient manner would require:

- 1) Demolishing the existing structure
- 2) A minimum of two stories at the street frontage on Main street and University
- 3) Frontage on University must be 20’ deep and retail or professional services – from a practical standpoint, building to at least the 30’ parking setback line along the entire University Blvd frontage is best. There is nothing that could be done in the 10’ space in between – can’t be parking or open space by Code. Plus a 20’ deep building is very shallow and expensive to have that much perimeter wall and so little square footage.
- 4) Building at Main Street frontage must cover at least 56’, however there is no alternate use available for remaining frontage so Main Street frontage would be built full width 75’.
- 5) First floor must have at least a 15’ interior clear height
- 6) Second floor a minimum of 9’ clear height
- 7) Most likely need 2 entries from Main St. and 2 entries from University Boulevard. One entry of those entries could be at the corner with the building chamfered 8’ on both frontages to make a covered corner entry.
- 8) Parking only off the alley and behind the 30’ parking setback line off both frontages. This only leaves a 45’ width off the alley for parking. Could get a drive with a total of 6-7 spaces pending handicap requirements.
- 9) Site plan shows dumpster location at alley.
- 10) There is very little street parking available near this property for customer or employee use.
- 11) Not shown on site plan: two 2 capacity bike racks would be required for the commercial space.
- 12) Not shown on site plan: three 2 bike capacity bike racks required for residential space.
- 13) Bicycle racks must be sited as “visible to intended users” and “not encroach on... public right-of-way...”
- 14) A required “private open area” on site of 1,575 sqft. To allow for the 6-7 parking spaces, the 10% ground floor area was used. Most efficient location would be a 40’ x 26’ north of the parking lot and before the building entrance. (This leaves a 2 story building to the north and west with a minimum height of about 27 feet and most likely closer to 35’ and a one story building to the east not allowing much sunlight.)
- 15) Minimum of 2 trees required in the private open area.
- 16) The remaining 5% private open space would be added as second floor balconies, etc.

- 17) Subtracting parking and the ground floor open space we now have an available 5,550 square foot footprint available for first floor commercial use.
- 18) A vestibule will take up about 8' x 4' to accommodate door swings onto the sidewalk (-32 sq ft)
- 19) Additional variation of building face at RBL will remove another ~75 sq ft of leasable space.
- 20) The first floor must be Retail sales or service or professional use. Second story residential provides the higher rental rate return and avoids elevator requirements.
- 21) A third floor is impractical due to parking restraints.
- 22) A sprinkler system would be required (this portion the subject area doesn't appear to have proper infrastructure for sprinkler systems – therefore the cost to install increases about \$10,000)
- 23) Second floor as residential provides for 6 apartments of about 900 sq.
- 24) No reserved parking required, however, from a practical standpoint, at least 1 per apartment should be reserved. This means all of the parking is reserved for residents other than the 1 Handicap space.
- 25) No parking on site for commercial space eliminates the Professional Office use. Use would have to be low employee retail – customers could park on Main Street. A retail use may have problems receiving deliveries.
- 26) If the second floor were to be retail or professional services, an elevator would be required. (about \$100,000 for a normal one or a really small and slow one would be about \$60,000). Rents for apartments would be higher than second floor commercial.
- 27) Given the required exterior materials, windows, balconies, and mixed-uses, the construction costs with residential upstairs and commercial downstairs for the structure alone would be about \$2,600,000.
- 28) Total project cost for land, building, design fees, engineering, parking lot, demolition of existing structures and landscaping would be about \$3,200,000.
- 29) Permit & impact fees estimated at \$17,000 or 0.53% of project cost.
- 30) With Apartment rents at \$1,400 per 900 square foot unit and the commercial space at \$19.00/sf the pre-tax Return on Investment (ROI) assuming no financing = 4.3%
- 31) Current Market Interest rate is approximately 5% (and rising). ROI is lower than interest rate therefore the ROI will go lower if financed.
- 32) Current Market return rate is 7.5% - 9.5%.
- 33) Project price is \$1,350,000 to \$1,750,000 above Market Price (180%-235%)

Conclusion: A new building fails to meet even the lowest investment thresholds. Owner would have negative equity. And the numbers used were the most cost efficient building. Smaller or less dense usage will only worsen the returns. Renovations on the existing building would be severely limited by the Code. No hybrid new structure / existing structure would be viable after the 185 square foot threshold since it would have to be built at the RBL.

Prepared by: Brad Worster, CPM, CCIM
Principal Broker

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132 N Santa Fe
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Disclosures: The preparer of this Case Study reviewed the Center City Form Based Code dated September 2016 (the "Proposed Code") and applied the regulations and principles outlined therein with general building code requirements and market knowledge to determine the most efficient and economical use of the property as governed by the Proposed Code. The timeline of the concurrent zoning process limited the depth of the research, however, all statements are believed to be accurate and based on current knowledge of development costs and a reasonably thorough review of the Proposed Code. This Case Study was completed in good faith, however, may contain errors and/or omissions. All information was gathered from sources deemed reliable, though not guaranteed.

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332 W. Main St. Case Study Site Plan

