

Background Information on Ordinance 1091 Amendments to Residential Rental Overlay Districts Regulations

Ordinance 1091 would amend Sections 50-775 and 50-776 of Division 5 - Residential Rental Overlay Districts - of Article VII - Other Districts - of Chapter 50 – Zoning - of the Code of the City of East Lansing, to add alleys and platted subdivision lines to the types of boundaries that can be used to establish residential rental restriction overlay districts and allow for changes to the types of districts to be established subsequent to the introduction of an ordinance.

The residential rental restriction overlay district concept is new, and some initial questions and applications have pointed out concerns that were not anticipated and addresses when the process was created. The changes included in Ordinance 1091 were suggested by the Planning staff and drafted by the City Attorney.

Ordinance 1091 has been introduced by the City Council and referred to the Planning Commission for review and recommendation. The Planning Commission will hold its initial public hearing on the Ordinance at its October 13, 2004 meeting. The Commission will subsequently make a recommendation on the Ordinance and the City Council will then hold a second public hearing before taking final action on the Ordinance.

The proposed changes in Ordinance 1091 are targeted at addressing two issues:

A. The Boundary Issue

The process of establishing an overlay district is initiated by the neighborhood itself through a petition signed by the owners of at least two thirds of the properties to be contained in the designated zone. A proposed overlay district must meet certain requirements. One of the requirements is that the designated area must contain at least 50 separate parcels, or it must be a “discrete neighborhood geographic area.” Another requirement is that the district boundaries should initially be drawn to follow streets and existing zoning lines, although in adopting an overlay district, the City Council may choose to exclude some of the originally designated area to make the overlay district more consistent with actual land use patterns.

We have encountered situations where streets and zoning lines do not serve to define and enclose a “discrete neighborhood geographic area.” In several areas, most commonly in the northern part of the City, different neighborhoods sit next to one another with no intervening street or zoning boundary to distinguish between them. This is particularly a problem when cul-de-sac streets are present. One specific example is the North Harrison Meadows Subdivision, on the east side of N. Harrison Road and between Saginaw and Lake Lansing. The Subdivision consists of 23 single family lots located around both sides of Cricket Lane, a cul-de-sac street. In order to define a boundary which includes the 23 lots and follows streets and zoning boundaries, a district would have to be drawn to encompass significant parts of the Tamarisk and Gainsborough Neighbors, including 86 additional properties. Conversely, the Tamarisk

Neighborhood could not establish a district without including 20 of the 23 lots in the North Harrison Meadows Subdivision and 7 other properties along N. Harrison.

To address this concern, Ordinance 1091 would revise the language in Section 50-775(f) of the Code to allow alleys and platted subdivision boundaries to be used along with streets and zoning lines to define overlay district boundaries. This provision would also be modified to include the phrase, "if practicable," to allow some further discretion in instances where other means may be necessary to describe an appropriate neighborhood.

B. Changing Designated Districts

In one recent and pending application, the petitions called for the imposition of the R-O-1 overlay district, the most restrictive of the three district options. At the initial public hearing before the Planning Commission several residents of the designated area spoke against the application because they felt it would be too restrictive. They indicated, instead, that they would support one of the other less restrictive overlay districts. The question then arose, from the organizers of the petition and from the Planning Commission, whether there is any means within the existing provisions to change from one district to another while an application was under review. During subsequent discussions among staff, the City Attorney and City Council, a similar question arose regarding changing to another a district after an initial district had been adopted.

All of the proposed changes highlighted in Section 50-775(3) and in Section 50-776 are intended to address the first question. The effect of the proposed changes would be to allow a neighborhood to change its collective mind once an initial application is under review and seek a different overlay district. Either the designated circulators or a majority of the property owners within a proposed district could ask that the pending application be tabled for up to 60 days to allow the neighborhood to seek an alternative district, instead. The neighborhood would have to go back through the required process of circulating a new petition and secure the necessary support from two thirds of the affected property owners. If an alternative petition is submitted, the two applications would be considered together and the Planning Commission and the City Council would determine which application to approve, based on the totality of the input received through the public hearing process.

Ordinance 1091 also provides at Section 50-775(4) that once an overlay district is adopted, no earlier than one year later, a neighborhood may petition for an alternative overlay district, following the regular procedures required in the Code.