UNIVERSITY HEIGHTS ZONING COMMISSION MAJORITY REPORT

August 17, 2010

Pat Bauer

At the outset I would stress the importance of something on which the vote of the Zoning Commission was unanimous. We voted 5-0 in support of a concept initially reflected in what was referred to as a reversionary clause but which has now been reworked quite nicely by our City Attorney into a more effective set of contingencies and conditions. If for one of any number of reasons either proposal does not come to pass, our City ought not be bound to a bait and switch outcome where some years from now something is advanced that is quite different than the concepts presently under consideration.

The 4/2/residential proposal the Zoning Commission supported by a vote of 4-1 is a compromise proposal that modifies Mr. Maxwell's proposal by reducing density by about 20% and eliminating commercial uses. Commercial uses constitute a fundamental change most starkly at odds with the legitimate expectations of adjacent property owners and such uses are in no way required by any financial imperatives. At the same time, commercial uses also present the greatest risk of something going quite wrong. Residential uses are relatively predictable, but when commercial uses sour they can do so in ways that entail an accelerating series of domino effects.

In reflecting upon on conversations I've had with those who support Mr. Maxwell's 6/3/residential-commercial proposal, I realized I hadn't fully understood the powerful attraction of the vision of a town center that he has painted so vividly. I can appreciate why some people are drawn to the idea of vibrant center to our community, but "if you build it they will come" works better in the movies than it does in real life. The area designated as "Downtown Coralville" is a powerful example of the difficulties in creating a town center out of nothing and Coralville had many more pieces to play with than are available to us here. Those drawn to this dimension of commercial uses should seriously consider the possibility that a viable town center of the sort that is being promised is something that may not realistically be achievable.

The Zoning Commission opposed Mr. Maxwell's 6/3/residential-commercial proposal by a vote of 3-2. This year's revised proposal involves some modest changes from the one which failed to be approved by last year's Council. The height of the front building has been reduced and its setback have been increased, but those aspects of last year's proposal were deficiencies that should not properly have been there in the first place.

Although this year's proposal is much the same as last year's proposal, the circumstances of its consideration by the Zoning Commission were quite different. Analysis of financial information established that our community does not face any pressing fiscal crisis in either the short-term or long-term, and it also was clearly demonstrated that the commercial portions of the Maxwell proposal would generate 80% of necessary surface parking spaces and two-thirds of the projected increase in traffic. As importantly, Mr. Maxwell refused to provide any details about the use restrictions he would be willing to impose on either sold or rented residential and commercial units, and he also refused to specify the percentage or duration of the TIF financing he has indicated his proposal will entail. Even more seriously, it appears that Mr. Maxwell is not fully aware of some important legal limitations TIF financing entails.

During the first Zoning Commission meeting, Mr. Maxwell had stated that he was willing to provide specific information about both use restrictions and TIF financing. At the second Zoning Commission meeting, however, his position changed and became (and I quote) that the details of TIF financing "will be subject to future City Council discussions" and that "[w]e will at the appropriate time in the future submit covenants that are needed to implement any use restrictions imposed by the City Council as part of the PUD rezoning."

At this point in time Council approval of Mr. Maxwell's rezoning request would constitute an unnecessary and unwarranted abdication of important bargaining advantages. Once rezoning is approved, a change in dynamic inevitably occurs as the Council is informed that this or that adjustment in the original plan now is necessary for the project to go forward. Critical considerations such as use restrictions and the terms and conditions of TIF financing need to be nailed down before and not after a rezoning request is approved.

I'd be happy to answer any questions Councilors may have about anything in the 500+ page record of materials considered by the Zoning Commission or to elaborate upon any of the points I've made to you this evening.