

Memorandum

REPORT TO: City Commission

FROM: Tom Rogers, Senior Planner
Chris Saunders, Community Development Manager
Erin George, Director of Community Development

SUBJECT: Ordinance, Provisional Adoption, Establishing a Zoning Designation of R-B Residential Mixed Use Low-Medium (formerly R-3, Residential Medium-Density District), in Association with the Annexation of 17.92 Acres, the L Street Annexation, Application 25360

MEETING DATE: March 10, 2026

AGENDA ITEM TYPE: Ordinance

RECOMMENDATION: Provisionally adopt Ordinance.

STRATEGIC PLAN: 4.2 High Quality Urban Approach: Continue to support high-quality planning, ranging from building design to neighborhood layouts, while pursuing urban approaches to issues such as multimodal transportation, infill, density, connected trails and parks, and walkable neighborhoods.

BACKGROUND: The Commission unanimously (5:0) approved Application 25360 on December 17, 2025, to annex 17.92 acres and voted (4:1) to establish an initial zoning designation of R-3, Residential Medium-Density District, subject to terms of annexation and contingencies for zoning. Commissioner Madgic dissented on the R-3 zoning request. Final documents and easements have been received. A signed annexation agreement was received on February 24, 2026.

The property is addressed at 1215 L Street and generally located west of the intersection of L Street and Story Mill Road. The property consists of three parcels. The properties are largely vacant and undeveloped apart from some minor agricultural buildings and an existing well. The East Gallatin River bisects the property with adjacent potential wetlands as shown on the annexation map. A full wetland delineation will be required with any future site development. It also abuts the Pole Yard Urban Renewal District on the southern edge.

The Subject Property is located within the Idaho Pole Co. Superfund Site boundary and the associated Controlled Groundwater Area (CGA). Any future development of the property will require the installation of municipal utilities provided by the City to support residential use. The CGA requires that any excavation or disturbance of the soil be approved by the

Environmental Protection Agency (EPA) and the Montana Department of Environmental Quality (MDEQ). The applicant acknowledges this requirement and will obtain the necessary approval prior to development. The Subject Property lies outside of both the Treated Soils Area (TSA) and the Residential Restricted Area.

The proposed annexation brings in additional right-of-ways to build out sections of L Street and Story Mill Road upon future development along with additional internal local street network.

City Commission revised the zoning map through Ordinance 2025-12-2151 which became effective on February 1, 2026. The R-3 zone became the R-B zone under the new zoning system. Therefore, the Ordinance shows R-B zoning as the district to be applied to this property.

UNRESOLVED ISSUES: None.

ALTERNATIVES: As determined by the Commission.

FISCAL EFFECTS: No unusual fiscal effects have been identified. No presently budgeted funds will be changed by this Annexation or Zone Map Amendment. Future development will incur costs and generate review according to standard City practices.

Attachments:

[25360 L Street Ordinance.pdf](#)

[002 - EXHIBIT H - ZMA MAP.pdf](#)

Report compiled on: February 26, 2026