

11-15-2023 Town Council Meeting Responses to Council Questions

ITEM #8: Consider the Water and Sewer Proposal for Southern Chapel Hill

Council Question:

The intent of this change is to facilitate the development of missing middle and affordable housing in the area. What, besides zoning, might be considered to preclude larger developments?

Staff Response:

Currently most of the property is zoned Residential-Low Density-1 (RLD-1), minimum lot size of 1 acre, and any change to the lot size would require Council action. Staff anticipates that next steps will include possible amendments to the Future Land Use Map and creating new zoning districts as part of the Land Use Management Plan re-write project.

Council Question:

Is there a place on the Town's website where one can find which homes by addresses...

- are already connected in the proposed area?
- would be connected under the proposal?

Staff Response:

Water and sewer connection data is not publicly available. Of the 139 parcels within the proposed expanded boundary, there are some homes currently connected to water, and none are connected to sewer.

Council Question:

It is my understanding that the homes in Dogwood Acres have access to the water line but not sewer service; so, I'm interested in knowing:

- What was the reason for not providing both water and sewer service to this community?

Staff Response:

When the Dogwood Acres neighborhood was originally developed (1960's to mid-1970's), developers elected not to include what would have been a very long extension to the public sewer outfall along Morgan Creek. The water lines were installed in the late 1960's. The neighborhood is located within the existing service area of the WASMPBA. Should the community desire, sewer service to Dogwood Acres could be pursued through an assessment project whereby OWASA manages and builds the desired infrastructure and recovers all costs needed to serve the benefitting properties through assessment.

11-15-2023 Town Council Meeting Responses to Council Questions

- Can we provide access to sewer service to the Dogwood Acres community?

Staff Response:

Sewer service could be extended under the current water and sewer boundary agreement. The cost of extending the service would be borne by the property owners.

- What would be the cost of this type of connection fee per household?

Staff Response:

OWASA connections fees are tiered based on the house size. Connection fees for sewer fees range from \$1,147 to \$4,084. These fees do not include the cost of installation, which range considerably from site to site.

Council Question:

What is the cost for a single household to connect to OWASA in the proposed area?

Staff Response:

OWASA connections fees are tiered based on the house size. Connection fees are available on the [OWASA website](#)¹ and currently connection fees for water range from \$346 to \$4,690 and connection fees for sewer range from \$1,147 to \$4,084. These fees do not include the cost of installation. Installation costs are very site specific and range considerably from site to site. Water installation costs range between \$5,000 to \$12,000 and recent sewer installations in the Rogers Road neighborhood have ranged from \$7,000 to \$23,500.

Council Question:

Has the Town conducted an environmental study?

Staff Response:

No study has been conducted yet. If the Council and other parties concur and the boundary is expanded, prior to any construction an environmental analysis would be conducted.

Council Question:

Can households facing a health/safety issue apply for access to OWASA services if their home is outside of the boundary?

Staff Response:

The [Water and Sewer Management, Planning, and Boundary Agreement \(WASMPBA\)](#)² has provisions for extension of services outside the existing boundary for documented adverse public

¹ <https://www.owasa.org/app/uploads/2023/10/23-10-01-Summary-Rates-Schedule.pdf>

² <https://www.townofchapelhill.org/home/showpublisheddocument/54584/638295274146300000>

11-15-2023 Town Council Meeting Responses to Council Questions

health conditions that must be evaluated, confirmed, and documented by Orange County Health Department. The financial burden for the extension of services would be borne by the property owner(s).

Council Question:

What are the economic implications (revenue and expenses) for the Town and County (as much as our staff can discern) that development could have as a result of re-extending this boundary as proposed?

Staff Response:

Staff has not conducted an economic analysis of the expansion area. We anticipate that the area can increase housing opportunities consistent with the [Complete Community Strategy](#)³ Plan.

³ <https://www.townofchapelhill.org/home/showpublisheddocument/53972/638222644055270000>

11-15-2023 Town Council Meeting Responses to Council Questions

ITEM #9: Close the Legislative Hearing and Consider a Conditional Zoning Application for Gateway at 19 E. Lakeview Drive

Council Question:

Commercial Space: Would the applicant agree to provide commercial space should the zoning be modified to allow more than what is currently permitted?

Staff Response:

The applicant has reiterated that the proposal is for a residential development and has not expressed an interest in changing the requested zoning district. The applicant has stated that additional commercial/retail is not feasible given the site's lack of visibility from US 15-501 and the amount of existing retail within a 1-mile radius. The applicant has asked to rezone the assemblage of lots from Residential-1 (R-1) to Residential-6-Conditional Zoning District (R-6-CZD). Commercial uses are not allowed in R-6. The applicant would need to request a different zoning district for Council to approve a conditional zoning district that allows commercial uses. Changing the zoning district at this time would require reevaluating how they meet regulations, requested modifications, and other conditions of the revised ordinance.

Council Question:

Has the applicant made any changes to reduce the amount of surface parking or make it less visible?

Staff Response:

The applicant has not made any changes to the plan. Parking remains generally located to the side or rear of buildings.

Council Question:

Most (all?) of CH's LIHTC projects have required a Town financial subsidy. Does the applicant contemplate receiving such a subsidy for the 72 affordable units proposed? Would the applicant be prepared to guarantee their development with no Town subsidy?

Staff Response:

The applicant understands that recent LIHTC projects have requested additional funding from the Town. The applicant does not know whether the LIHTC developer will ask for additional funding but asks that the LIHTC developer not be restricted from asking for funding from any source, including the Town.

11-15-2023 Town Council Meeting Responses to Council Questions

Staff are contemplating the addition of a condition that states that the Town is not under any obligation to fund either the LIHTC or backup affordable housing scenarios. Future Councils can determine whether to fund the project but are not required to provide funding for the applicant to meet the conditions of the ordinance.

Council Question:

Would the applicant consider building for commercial (even flex space) if the Council were to approve rezoning for commercial?

Staff Response:

The applicant has reiterated that the proposal is for a residential development and has not expressed an interest in changing the requested zoning district. The applicant has stated that additional commercial/retail is not feasible given the site's lack of visibility from US 15-501 and the amount of existing retail within a 1-mile radius. The applicant has asked to rezone the assemblage of lots from Residential-1 (R-1) to Residential-6-Conditional Zoning District (R-6-CZD). Commercial uses are not allowed in R-6. The applicant would need to request a different zoning district for Council to approve a conditional zoning district that allows commercial uses. Changing the zoning district at this time would require reevaluating modifications to regulations and other conditions of the revised ordinance.

Council Question:

Where is the nearest Transit Bus Stop?

Staff Response:

There are stops on both sides of Old Durham Road at East Lakeview Drive.

11-15-2023 Town Council Meeting Responses to Council Questions

ITEM #10: Close the Legislative Hearing and Consider a Conditional Zoning Application for Hillmont at 138 Stancell Drive

Council Question:

Would the applicant consider making all of the affordable housing units available to those at 60 percent of the AMI?

Applicant Response:

We looked closely at our current proposal again to see if there was any way to enhance the offer, unfortunately with the current economics of the project the current proposal is pushed to the limit.

Council Question:

Commercial Space: Would the applicant agree to provide commercial space should the zoning be modified to allow more than what is currently permitted?

Council Question:

Would the applicant consider building for commercial (even flex space) if the Council were to approve rezoning for commercial?

Applicant Response:

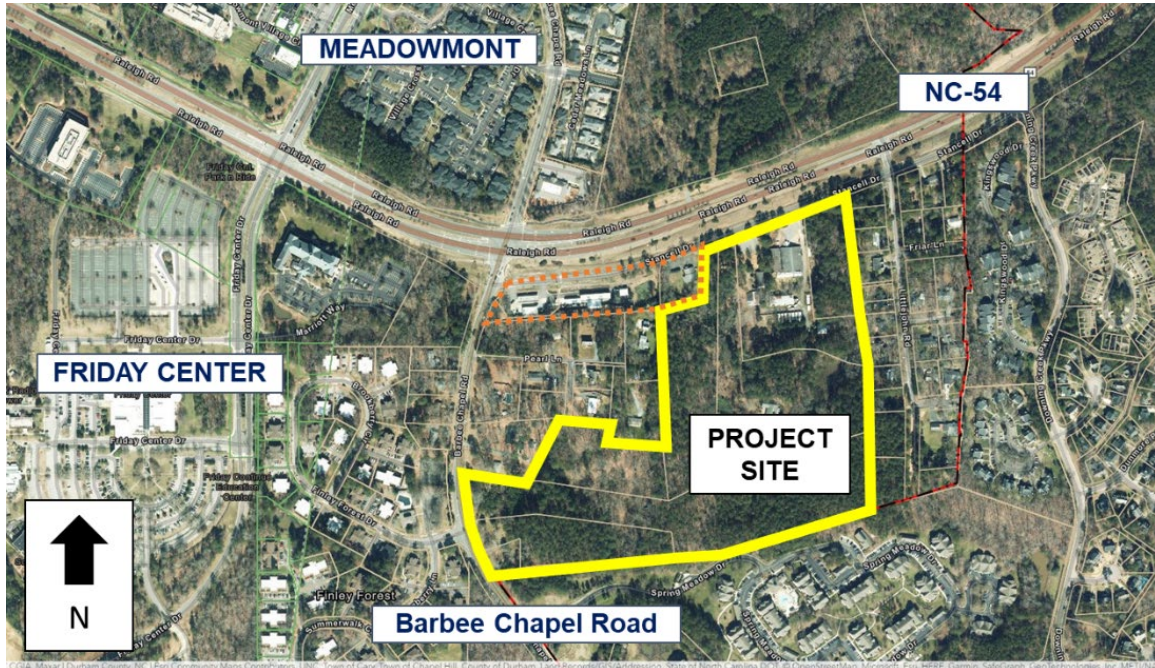
We have added all of the nonresidential uses allowed under the R-6 zoning as permitted uses, but we are unable to change the rezoning request to a commercial zoning for the property. The highest and best use study for this property showed that commercial would not be successful here. There is approximately 2.8 acres directly adjacent to this site and in easy walking distance that is currently zoned neighborhood commercial. Some of this adjacent property is currently developed as commercial, and given the current zoning, its visibility from NC-54, and proximity to both Barbee Chapel Apartments and Hillmont, this land could redevelop with additional commercial in the future.

Staff Response:

The application for rezoning to Residential 6- Conditional Zoning allows for the permitted uses in the parallel Residential 6 zoning district. Condition #5 in Ordinance #4 includes child and adult day care facility as allowed uses. This rezoning application cannot include uses that are not permitted in the parallel zoning district. The applicant would need to request a different zoning district for Council to approve a conditional zoning district that allows commercial uses. Changing the zoning district at this time would require reevaluating modifications to regulations and other conditions of the revised ordinance.

11-15-2023 Town Council Meeting Responses to Council Questions

Staff prepared the map image below to illustrate the project area. The project site is adjacent to Neighborhood Commercial zoning (indicated in orange outline) and across NC-54 from the Meadowmont commercial area. Within the Complete Community framework, this project's proximity to commercial areas contributes additional customer base to support the viability of those existing businesses.



Council Question:

What agreements, if any, have been reached between the applicant and the Finley Forest HOA?

Applicant Response:

We met with the Finley Forest HOA on October 25 and discussed their questions and concerns over traffic and providing access to transit center. No formal agreement has been reached.

Council Question:

Will the applicant increase the buffered (treed) area between its border adjacent to the residential properties on Littlejohn Road?

Applicant Response:

A 10' buffer is required by code adjacent to the properties on Little John Road. We heard concerns regarding this buffer during our concept plan and increased the buffer to 30' in most areas. As you get closer to Stancell Drive, the buffer tapers to 15' to accommodate site access.

Staff Response:

The LUMO requires a 10-foot-wide buffer to separate single-family dwelling units and any other

11-15-2023 Town Council Meeting Responses to Council Questions

use in Group A (typically residences). The applicant is providing a buffer that is 15 feet in some areas and 30 feet in other areas along the east property line adjacent to single-family residences. Staff find that the proposed buffer of this rezoning is adequate to meet the intent of the ordinance and is sensitive to the current context.

**11-15-2023 Town Council Meeting
Responses to Council Questions**

ITEM #11: Open the Legislative Hearing for Modification to Conditional Zoning for Homestead Gardens at 2200 Homestead Road

Council Question:

How will the proposed reductions in units affect the funds committed to the project by the Town and will the reduction have any impact on the Federal funds committed?

Staff Response:

Council approved \$3.2 million in affordable housing funding last fall with knowledge of the proposed reduction in units, so there would be no impact on our commitment of local funding. Staff updated HUD about the new proposed unit count last March. Because the change in unit count does not change the intent of the project (i.e., still for affordable housing development), staff do not anticipate any issues with the federal grant.

11-15-2023 Town Council Meeting Responses to Council Questions

ITEM #12: Open the Legislative Hearing: Land Use Management Ordinance Text Amendment - Articles 3, 4, 8 and Appendix A Regarding Planning Systems Implementation

Council Question:

Do the text amendments change the nature or content of the Concept Plan review itself, particularly in terms of alignment with Complete Community framework?

Staff Response:

Since LUMO does not currently define the nature or content of the Concept Plan application staff review, there are no proposed changes in these text amendments. Staff will continue the current practice of providing a long-range analysis, with special consideration given to the Complete Community framework.

Council Question:

Will the role of the SMUAB change as well?

Staff Response:

To streamline the process and align with the LUMO, Concept Plans have not been presented to the SMUAB since March 2023. Currently, staff only shares Concept Plan applications with the boards required by the LUMO, namely the Community Design Commission (CDC) and the Town Council. This decision was made last spring to limit the purview of Advisory Boards to the scope described in the LUMO.

For more detailed information on this matter, please refer to the Council item from [February 15, 2023](#)⁴.

⁴ <https://chapelhill.legistar.com/LegislationDetail.aspx?ID=6023610&GUID=001BB3D8-1556-4A0F-93FA-CF9C47081055>