

From: Roger Stancil
Sent: Tuesday, June 26, 2018 9:48 PM
To: Allen Buansi; Donna Bell; Hongbin Gu; Jeanne Brown; Jess Anderson; Karen Stegman; Town Council; Michael Parker; Nancy Oates; Pam Hemminger; Rachel Schaevitz; Ross Tompkins
Cc: Amy Harvey; Beth Vazquez; Carolyn Worsley; Catherine Lazorko; Christina Strauch; Dwight Bassett; Flo Miller; Lindsey Bineau; Mary Jane Nirdlinger; Rae Buckley; Ralph Karpinos; Ran Northam; Sabrina Oliver; Sabrina Oliver
Subject: Additional Council Questions: Item 15: Text Amendments: Blue Hill District

Council Question: Has any input been sought from the public (other than at PC meetings) on these proposals? If so, what comments have been received?

Staff Response: *A public information meeting was held on May 22nd, which included the original proposal for new subdistricts and map amendments on 3 specific properties. Some of the major comments were as follows:*

- *Since market demand will drive what happens, this proposal may not be effective.*
- *If the goal is to get away from heavy residential development, why doesn't the proposal encompass the whole district?*
- *It takes a customer base to keep business going. It seems that the Town should be friendly to residences.*
- *Is there enough demand for large commercial projects here?*
- *The district lends itself to more suburban uses, so what is the harm in having residential?*

Council Question: Has the development community been given an opportunity to comment? If so, what have been their responses?

Staff Response: *Members of the local development community – namely, property owners and their representatives - have been present at several of the Advisory Board meetings and at the Public Information Meeting. In addition to the comments listed above, their main concerns have been a decrease in value due to the rezoning/text amendments, and how the proposal will affect the viability of projects currently being designed.*

Council Question: Are the proposals in 1A and 1 B mutually exclusive? If not, would complying with the 10 percent requirement in 1B trigger the incentives provided in 1A?

Staff Response: *The proposals are not mutually exclusive. The requirement in 1B would trigger the incentives in 1A, if the developer chose to take advantage of them. In some cases, the incentives in 1A might encourage an applicant to include more non-residential space than they might otherwise in 1B.*

Council Question: A six-story building has about 17 to 25 percent of its floor area on the first floor (depending on upper floor floorplates, etc.); a seven-story building (the max. in WX-7) would have perhaps 14 to 20 percent. Under 1B, would the 10 percent commercial requirement (if allocated to the first floor) allow sufficient space for the lobby, elevators, stairwells, mail rooms, etc., or would some of the commercial space need to move to the second (or higher) floor?

Staff Response: *The 5% or 10% non-residential figure was chosen for the purpose of accommodating these spaces, to avoid requiring any of the commercial to be on the 2nd floor. While we cannot predict the full range of possible building designs, Tony Sease provided input on what would work in terms of accommodating necessary non-leasable space on the ground floor. In addition, staff research identified examples of vertically mixed use buildings in Chapel Hill that have managed anywhere from 10-15% without having non-residential on the upper floors, including 140 West (10%) and Carolina Square (15%).*

Council Question: Under this plan, would a health club available to both residents and non-residents count toward the commercial space requirement?

Staff Response: *If it were available for the public to join, yes. A full range of non-residential uses would satisfy the requirement, including but not limited to indoor recreation, retail, office, medical, or hotel.*

Council Question: If a facility such as the Chapel Hill Retirement Residence were to open in Blue Hill, would it count as residential and would it have to meet these requirements?

Staff Response: *Yes, it would be considered as residential and would need to meet these requirements.*

Council Question: Do we have any knowledge that any development applications for Blue Hill are or are not likely to be filed in the next three to four months?

Staff Response: *It is likely that Park Apartments will file an application for its first phase within the next 3-4 months, but it would be unaffected by this change due to the Town Council resolution grandfathering the site under existing regulations. The application status of other properties is unknown.*

Council Question: The previously-approved Blue Hill design guidelines exempted the Atma property. Will they be exempted from these new proposals as well?

Staff Response: *Yes, both the Quality Inn site and the Park Apartments site will be exempted from (or otherwise unaffected by) these new proposals. The developer for the Quality Inn site may follow previous regulations so long as he submits a complete application by July 23.*

From: Roger Stancil

Sent: Tuesday, June 26, 2018 7:14 PM

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Subject: Council Questions: Item 15: Text Amendments: Blue Hill District

Council Question: From the Planning Commission's discussion at June 19's meeting, is there a clear sense of which incenting option the Planning Commission would prefer over the other (WC subdistricts vs. non-residential upper floors in WX)?

Staff Response: *The WC subdistricts would have not allowed residential development at all, and so based on feedback received, staff is no longer recommending that option. The current proposal includes three components:*

A) An incentive for non-residential development that allows applicants to add back some upper floor space removed by the Blue Hill Design Guidelines on a one-for-one basis for every square foot on non-residential space included in the project.

B) A requirement for non-residential development in order to build any residential development, with a menu of options for how to this in recognition of the varying conditions across the Blue Hill District and over time.

C) A provision to require the on-site recreation space required for residential development to be provided outdoors, on the ground floor, at the edge of project sites in order to reduce the building lot coverage.

The Planning Commission had a split vote on Item A, with the nay votes largely coming from Commissioners who felt they didn't have enough information on the short timetable in order to make an informed decision. The Planning Commission voted to recommend Items B and C.

Council Question: Given where we are now and given that there are a number of parcels that lend themselves to potentially very long, pedestrian-unfriendly buildings, what can we do (related to our petition) to encourage shorter buildings?

Staff Response: *The Blue Hill Walkability Standards adopted by the Council in 2017 set significant limits on block length, established a block perimeter requirement, and clarified the requirement for building pass throughs. Tony Sease has proposed an additional measure to reduce building lot coverage by revising the recreation space requirement. Language to make this revision to the Blue Hill code is included in the text amendment that is up for consideration by the Council on June 27th. Additional measures can be studied and considered in subsequent months, as desired by the Council. If this work is desired, additional funding resources will be needed to pay for consultant assistance.*

Council Question: Was the data and rationale for the changes to the Blue Hill District shared with the PC? I watched the video and there was a disappointing lack of information shared about target versus actual residential, commercial, etc, but perhaps the relevant information was shared in advance of the meeting?

Staff Response: *Staff made presentations at three different meetings of the Planning Commission, during which they shared background information on development trends in the Blue Hill District. Additional information can be shared as needed in the future.*

Council Question: What was the rationale behind adding the WR and WX subdistricts to the list of available Conditional Zoning Districts? The technical report mentions context-sensitive development -- could you elaborate on staff's thinking on this and what is meant by "context-sensitive development"?

Staff Response: *When the Council authorized Conditional Zoning in 2017, it included all multi-family, mixed use, and non-residential districts in Town, but the zoning districts in the Blue Hill District were inadvertently not included. The addition of the WR and WX districts to this list would enable Conditional Zoning to be used in this location as well, with all such decisions coming to the Council for consideration as a possible rezoning. One of the benefits of Conditional Zoning is that it allows for the inclusion of site-specific conditions that enable the Town and the applicant to customize the rezoning to the particular characteristics of the property in question, helping to ensure that the proposal is sensitive to the surrounding context, and that it includes appropriate mitigation measures for potential project impacts, such as adequate buffering.*

Council Question: Could you please explain the reason for the introduction of a conditional zoning option? I am not understanding the purpose or instances when a developer would opt to use it rather than go through the administrative FBC process? What would be the advantage for the Town?

Staff Response: *When the Council authorized Conditional Zoning in 2017, it included all multi-family, mixed use, and non-residential districts in Town, but the zoning districts in the Blue Hill District were inadvertently not included. The addition of the WR and WX districts to this list would enable Conditional Zoning to be used in this location as well, with all such decisions coming to the Council for consideration as a possible rezoning. One of the benefits of Conditional Zoning is that it allows for the inclusion of site-specific conditions that enable the Town and the applicant to customize the rezoning to the particular characteristics of the property in question. In addition, Conditional Zoning allows for more open communication between stakeholders and the Council, facilitating public input on the decision.*

Council Question: Has this version of the proposed changes been shared with Blue Hill District owners? Have you received any feedback, if so?

Staff Response: *Staff sent a postcard with an updated notice to all property owners within the Blue Hill District, and all properties within 1,000 feet of the district. In addition, the Economic Development Officer send out an email update. Several property owners have been coming to advisory board meetings, and one property owner met with staff. The feedback presented by property owners at the advisory board meetings is that the revised proposal is more amenable than the previous one that affected selected properties. At the same time, there is concern about the required*

percentage of non-residential development being increased too much and potentially creating a barrier to redevelopment.