



**CLOSE THE LEGISLATIVE HEARING AND CONSIDER A LAND USE MANAGEMENT ORDINANCE TEXT AMENDMENT: ARTICLES 1, 3, 4, 5, 6, AND 7 AND APPENDIX A REGARDING HOUSING REGULATIONS AND HOUSING CHOICES FOR A COMPLETE COMMUNITY**

**Staff Memorandum**

TOWN OF CHAPEL HILL PLANNING DEPARTMENT  
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<p><b>Amendment Request</b></p> <p>Amend sections of the Land Use Management Ordinance (LUMO) to address setback and height exceptions, encourage a range of housing choices, and allow administrative approval of smaller multi-unit housing developments up to four (4) units.</p>	<p><b>Meeting Date</b></p> <p>June 21, 2023</p>
<p><b>Town Manager’s Recommendation</b></p> <p>I have reviewed and discussed key issues with Town staff. Based on the information in the record to date, I believe the Council could make the findings required to approve the proposal, and therefore should close the Legislative Hearing, adopt the Resolution of Consistency, and enact Revised Ordinance A approving the Housing Choices for a Complete Community text amendments.</p>	
<p><b>Updates Since the May 24, 2023, Legislative Hearing:</b></p> <ol style="list-style-type: none"> <li>1. No changes have been made to the <a href="#">Noell Consulting Group Impact Analysis of Duplexes</a><sup>1</sup>. Staff recognizes Council’s interest in better understanding the impacts of student housing demands. However, a thorough and reliable study of these impacts will require additional time and funding.</li> <li>2. The amount of tree canopy coverage required for duplexes has increased to 40%. Staff completed additional analysis to support this increase, which can be found in the attached Exhibits.</li> <li>3. Staff further explored the opportunity to create a Pattern Book of pre-approved building designs. Additional information is available in the attached Exhibits.</li> <li>4. Staff heard concerns from Council that this proposal could incentivize demolitions of historic buildings within the Town’s local and National Register Historic Districts. Further information is included in the attached Exhibits.</li> <li>5. Staff will coordinate with the Town Manager and other Town departments to develop and implement a tool that monitors impacts of the text amendments. Periodic reporting will be established.</li> </ol>	
<p><b>Process</b></p> <p>The item before the Council is for approval of a LUMO text amendment. The Council may approve the amendment if it is necessary:</p> <ol style="list-style-type: none"> <li>1. To correct a manifest error in the chapter; or</li> <li>2. Because of changed or changing conditions in a particular area or in the jurisdiction generally; or</li> <li>3. To achieve the purposes of the Comprehensive Plan</li> </ol>	
<p><b>Text Amendment Overview</b></p> <p>Based on the direction provided in the Town’s adopted plans and commissioned studies, staff proposes a text amendment that seeks to:</p> <ul style="list-style-type: none"> <li>• Regulate the amount of housing on a lot through dimensional standards such as minimum lot sizes, maximum floor area ratios, setbacks, building height, and impervious surface, rather than through density caps.</li> </ul>	

<sup>1</sup> <https://chapelhill.legistar.com/View.ashx?M=F&ID=11990753&GUID=C33C78D3-E64B-4BE1-B5DC-B4C5AE3FFDDC>

- Allow two-family developments (including single-family plus cottage) in most residential zones.
- Allow administrative approval of three- and four-family developments in districts that currently allow multifamily development.
- Revise the current height and setback exceptions to clarify requirements.

The proposed amendments do not supersede any regulations set forth by the Neighborhood Conservation Districts (NCDs), nor are they intended to incentivize the immediate redevelopment of single-family neighborhoods. The proposed changes are intended to encourage a context-sensitive increase in density over time and to provide additional dwelling units incrementally within existing neighborhoods.

**ATTACHMENTS**

1. Draft Staff Presentation
2. Exhibits
3. Resolution A (Resolution of Consistency)
4. Revised Ordinance A (Enactment of Land Use Management Text Amendment Proposal)
5. Resolution B (Deny Land Use Management Text Amendment Proposal)
6. Noell Consulting Group Market Impact Analysis of Duplexes