



157 East Rosemary: Conditional Zoning

Staff: Britany Waddell, Judy Johnson, Corey Liles, Jacob Hunt, Anya Grahn-Federmack

Meeting Date: November 29, 2023

Project Overview

- Ballentine Associates, PA, on behalf of TJ Capital II LLC (Developer) requests to rezone one third of an acre from Town Center-2 (TC-2) to the Residential-Community Priority Conditional Zoning District (R-CP-CZD).
- 56 for-sale residential dwelling units and 3,000 sq. ft. of ground floor retail are proposed in a 12-story, 157-foot tall building.
- 25 percent of the total units will be affordable to residents making less than 80 percent of the area median income, meeting the affordable housing criteria of Residential-Community Priority Conditional Zoning District (R-CP-CZD).

Staff Recommendation & Analysis

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| | Staff find that Council could approve the project and approve all requested modifications to regulations , subject to the conditions in Ordinance A. |
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1. Consistency with the Future Land Use Map (FLUM): Staff recommend that Council evaluate the project relating to the goals of the FLUM and the height impacts on the neighborhood.

The Downtown Focus Area, Sub-Area E recommends building heights up to four (4) stories (approx. 48 ft. tall) at the front setback and six (6) stories (approx. 72 ft. tall) at the core height for lots on the north side of E. Rosemary Street. The Sub-Area supports a range of uses, encourages multimodal transportation options, and promotes street design elements that contribute to inviting, safe, and welcoming sidewalks adjacent to active pedestrian-oriented street-level facades.

The proposed rezoning is consistent with the character envisioned by the FLUM. The project proposes a multi-story, mixed-use building with an activated street frontage with glassed retail space wrapping the south, east, and north facades of the first floor. Planters, street trees, and outdoor seating atop a permeable paver patio adds interest and creates a welcoming active frontage.

The proposed 56 for-sale units will encourage a year-round residential population downtown.

The building significantly exceeds the height recommended by the FLUM. The applicant proposes a 12-story building stepping back along E. Rosemary Street on floors five and eleven. The top two floors are glass and step back from the lower levels to reduce visibility. The building measures approximately 135 ft. along E. Rosemary Street with a core height of 157 ft. The FLUM recommends buildings on the north side of E. Rosemary Street be shorter in height than those on the south side of the street as a transition to adjoining residential neighborhoods. The applicant has designed this building to reflect the design of the approved seven-story lab office, 140 ft. in height, on the south side of E. Rosemary Street. This building would be 17 ft. taller. The applicant has noted that the additional height is necessary to provide 25 percent affordable housing units.

2. Inclusionary Zoning (IZ): Staff recommend that Council approve the requested modification to inclusionary zoning since the project is meeting standards for R-CP-CZD.

The proposed project meets the R-CP-CZD standard of 25 percent of the total for-sale units being made affordable to people with incomes below 80 percent area median income (AMI). The Town’s Inclusionary Zoning affordability requirements call for 15 percent affordable units with at least half of those to be priced at 65 percent AMI. The Residential-Community Priority Conditional Zoning District (R-CP-CZD) does not supersede the IZ standards. Inclusionary Zoning remains applicable unless modified by Council. Staff find that the requested modification to IZ standards is acceptable in this case to implement R-CP-CZD with for-sale housing.

The project offsets the lack of lower-income affordable units with 10% more affordable units overall than would be required under IZ. The result is more units at a higher AMI than IZ typically provides.

3. Modifications to Regulations: Staff recommend that Council approve all requested modifications to regulations.

Staff have reviewed all requested modifications to regulations and find that the public purpose is served to an equivalent or greater degree by the requested modifications. All modifications are shown in Ordinance A and the applicant materials.

Summary of Comprehensive Plan Consistency

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| Viewed through the holistic lens of the Complete Community Strategy , this project meets the Town’s strategy for growth. No single issue raised below should be considered in isolation. Additional information regarding the project’s consistency with the Comprehensive Plan can be found in the Applicant Materials. | |
| <input checked="" type="checkbox"/> | Consistent |
| <input type="checkbox"/> | Somewhat Consistent |
| <input type="checkbox"/> | Not Consistent |
| <input type="checkbox"/> | N/A Not Applicable |

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| <input checked="" type="checkbox"/> | Chapel Hill will direct growth to greenways, transit corridors, large infill sites with existing infrastructure, and smaller infill sites. | |
| | <ul style="list-style-type: none"> The site is in downtown Chapel Hill, with ready access to transit, multi-modal transportation, and existing infrastructure. The proposed project contributes to the residential density of downtown by providing 56 one- and two-bedroom housing units within a live/work neighborhood. | |
| <input type="checkbox"/> | Goal 1: Plan for the Future Strategically | Associated Comp. Plan Elements: <ul style="list-style-type: none"> Future Land Use Map Shaping Our Future |
| | <ul style="list-style-type: none"> The building significantly exceeds the height recommended by the FLUM. The proposed zoning district is consistent with the character envisioned by the FLUM at this location. This project is in the Downtown Focus Area of the Transit Oriented Development (TOD) plan. Bus Rapid Transit (BRT) stops are anticipated at the intersections of Franklin Street and Columbia Street. This area expects to grow with some 700 housing units projected by 2040, including workforce and affordable housing. The proposed development supports this investment by creating additional housing opportunities. | |

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| <ul style="list-style-type: none"> The plan also calls for supporting walking and biking with enhanced routes, extended sidewalks, and other street improvements. | | |
| <input checked="" type="checkbox"/> | Goal 2: Expand and Deliver New Greenways for Everyday Life | Associated Comp. Plan Elements: <ul style="list-style-type: none"> Mobility & Connectivity Plan Connected Roads Plan |
| <ul style="list-style-type: none"> Plans call for bus stop enhancements, protected bike lanes, and a multiuse path along E. Franklin Street, approximately 1 block from the proposed development. | | |
| <input checked="" type="checkbox"/> | Goal 3: Be Green and Provide Housing | Associated Comp. Plan Elements: <ul style="list-style-type: none"> Climate Action & Response Plan |
| <ul style="list-style-type: none"> The site offers an opportunity for infill development within downtown. The site is within walking distance to amenities along Franklin and Rosemary Streets downtown, offers proximity to existing bike lanes and transit routes. The applicant proposes to seek LEED v4 (ND) certification or comparable. They intend to use EnergyStar appliances, low VOC materials, and EV charging spaces. | | |
| <input checked="" type="checkbox"/> | Goal 4: Plan for Excellence in the Public Realm and Placemaking | |
| <ul style="list-style-type: none"> Downtown East is anticipated to serve as a gateway to downtown and the UNC campus where there is continued demand for placemaking and economic development that will create a dynamic mix of residential, retail, office, and research development. The proposed ground level retail will contribute to the vibrancy of downtown. The applicant consulted with the Town Urban Designer and other staff on the public realm aspects of the site plan. | | |

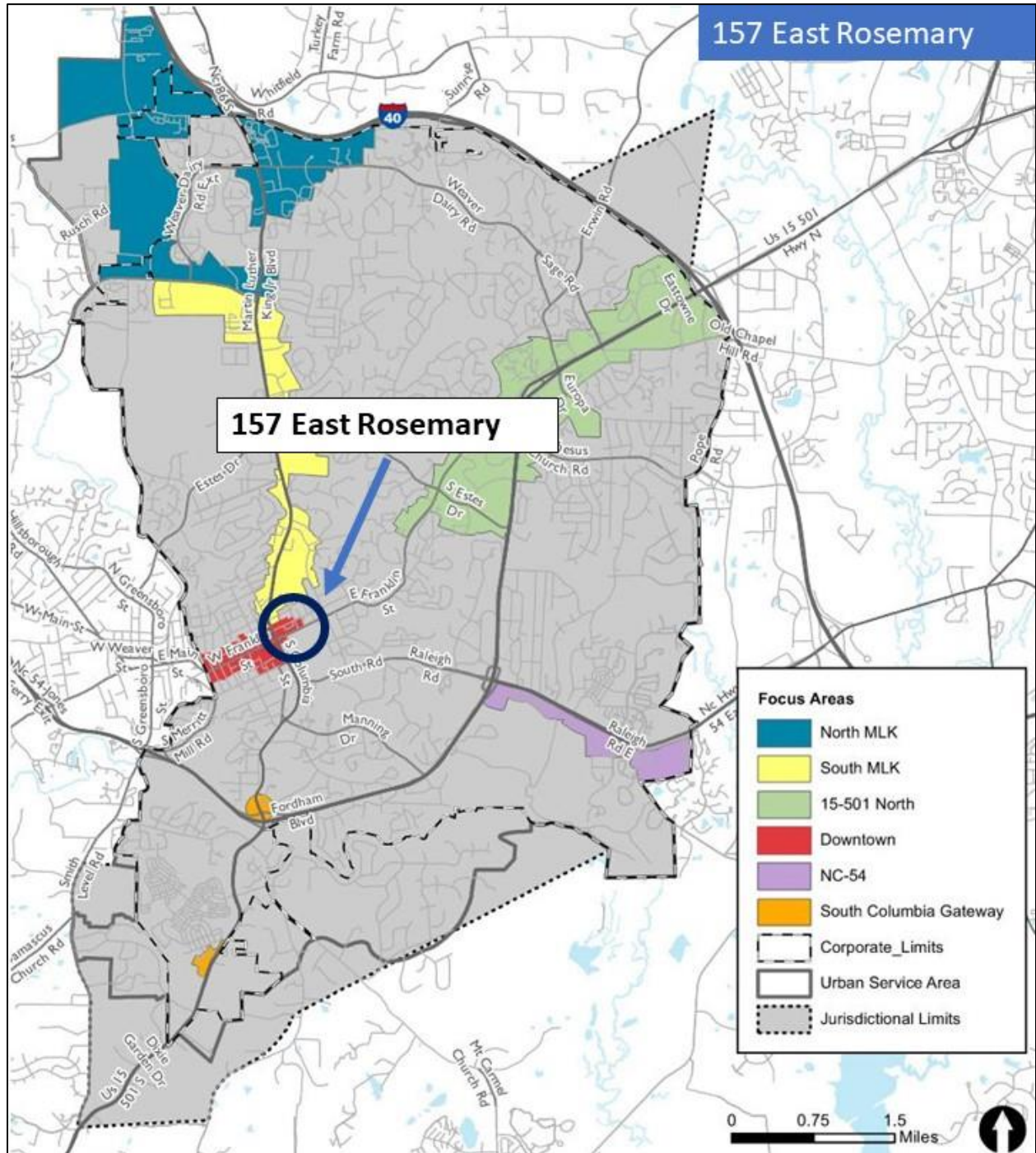
Public Comment

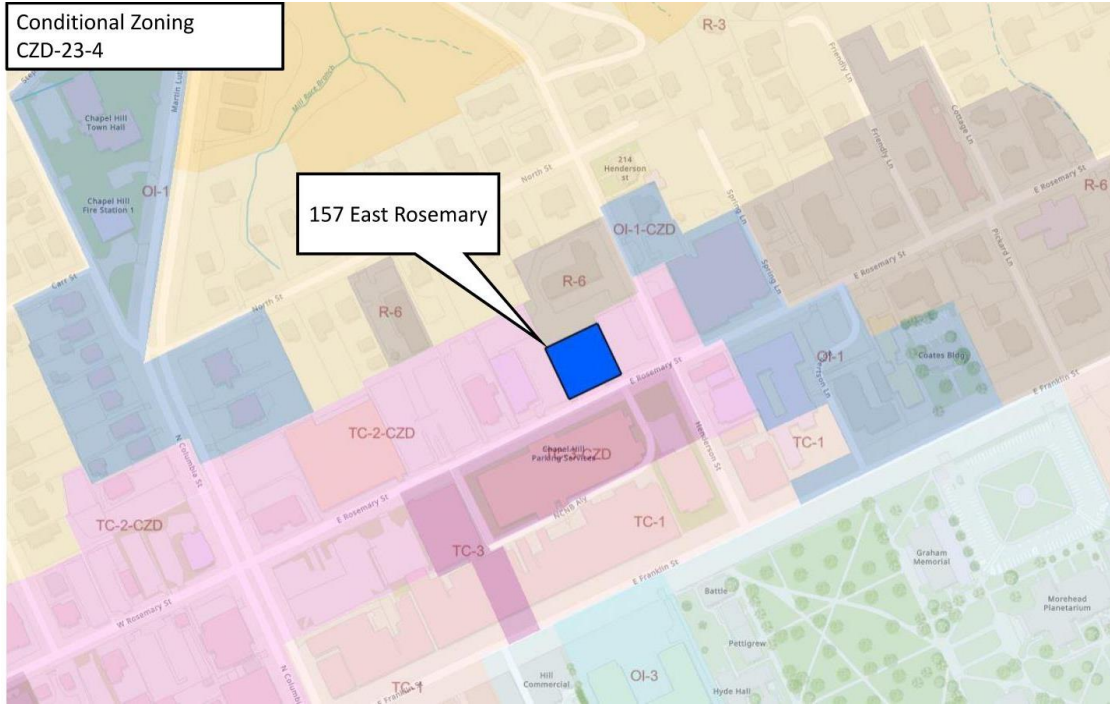
Areas of concern identified by members of the public are noted below. Engagement related to this project has included a public information meeting and one-on-one conversations with the representative of concerned neighbors.

- Height:** Residents of the Phi Mu Sorority House to the north of the proposed project have expressed strong concerns with and opposition to the scale of the development and the negative impacts that a tower of this size would have on their quality of life. The Sorority House has expressed concerns over both a lack of privacy from the units that would sit above any buffer and the shading that this building would place on their property.

Staff Assessment: The developer and Phi Mu have discussed the possibility of off-site improvements at the developer's expense to mitigate the potential impacts of this development. We recommend that this should be an agreement between private parties rather than a condition of this Conditional Zoning District. There is little opportunity for additional on-site screening and buffering under the site's proposed configuration.

Project Location





Attachments

Ordinance and Resolutions

1. Resolution A – Consistency and Reasonableness
2. Ordinance A – Approving the Application
3. Resolution B – Denying the Application

Applicant Materials

4. Applicant's Draft Presentation
5. Applicant's Requested Modifications to Regulations and Narratives
6. District-Specific Plan
7. Architectural Plans

Staff and Advisory Board Materials

8. Planning Commission Recommendation
9. Urban Design Assessment