



CONSIDER AN APPLICATION FOR CONDITIONAL ZONING AT 1200 AND 1204 MARTIN LUTHER KING JR. BLVD. FROM RESIDENTIAL-4 (R-4) AND NEIGHBORHOOD COMMERCIAL (NC) TO OFFICE/INSTITUTIONAL-2-CONDITIONAL ZONING DISTRICT (OI-2-CZD) AND NEIGHBORHOOD COMMERCIAL-CONDITIONAL ZONING DISTRICT (NC-CZD)(PROJECT #19-065)

STAFF REPORT

TOWN OF CHAPEL HILL PLANNING DEPARTMENT
 Colleen Willger, Director
 Judy Johnson, Assistant Director
 Michael Sudol, Planner II

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| PROPERTY ADDRESS 1200 & 1204 Martin Luther King Jr. Blvd. | MEETING DATE February 24, 2021 | APPLICANT Jeremy Anderson, Coulter Jewell Thames, PA on behalf of Stackhouse Properties, LLC, agent for owner, Jones Estates Group, LLC |
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CHANGES SINCE THE JANUARY 27, 2021 PUBLIC HEARING:

- The seven mobile home units previously proposed in the Resource Conservation District and Jordan Buffer have been removed. The total number of dwelling units allowed on-site is proposed to be 83. A revised plan has not yet been received. The staff and Town Attorney have requested additional information from the developer. The location of the additional units have not yet been determined. A condition has been added to Revised Ordinance A to allow for administrative approval of the proposed layout.
- Land disturbance allowed in the Resource Conservation District has been reduced.
- The covenants provided by the developer’s attorney, Bill Brian with Morningstar Law Group, at the January 27, 2021 meeting have been incorporated into Ordinance A and attached. Any modifications to either the covenants or Revised Ordinance A may need to be reflected in both documents.
- Notification of vacant mobile homes has been expanded to include both qualified buyers and lessees.
- A condition requiring a playground has been added.
- The condition requiring a fence between the storage building and mobile homes has been clarified to prohibit a chain link fence.
- References to Planned Development – Housing (PD-H) have been removed.
- Short term rental use has been prohibited with a condition has been added to Revised Ordinance A.
- Tenant shall have a 60-day period, increased from a 30-day period to convert to annual leases.
- A Displacement Mitigation Strategy stipulation has been added to Revised Ordinance A.

At the January 27, 2021 public hearing, the Council discussed limitations on the number of signs for the self-storage building and increased frequency of market rate lot analysis. The applicant has not agreed to either proposed condition and these have not been incorporated into Revised Ordinance A.

TOWN MANAGER RECOMMENDATION

The application highlights several competing objectives in the Town’s 2020 Comprehensive Plan.

The Council could choose to approve the application providing a long-term stability of the existing affordable and diverse housing stock. This action could be supported by the 2020 Comprehensive Plan goal of a Place for Everyone (to provide a range of housing options for current and future residents).

Alternatively, the Council could choose to deny the application as the area is identified on the Future Land Use Map (FLUM) as predominately multi-family, shops and offices and is located adjacent to a future bus rapid transit (BRT) stop. The uses proposed in the application, specifically fuel pumps and self-storage, are typically considered more vehicle-oriented and not complementary to transit service such as BRT. The FLUM states the corridor is envisioned to include a mixture of uses, including a diversity of housing types, that make the best use of the future proposed transit service.

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| <p>ZONING</p> <p><i>Current:</i> Residential-4 (R-4) and Neighborhood Commercial (NC)</p> <p><i>Proposed:</i> Office/Institutional-2-Conditional Zoning District (OI-2-CZD) and Neighborhood Commercial-Conditional Zoning District (NC-CZD).</p> | <p>DECISION POINTS</p> <p>The site is encumbered by two Special Use Permits that the applicant is requested to be revoked. Resolution B would revoke the two Special Use Permits.</p> <p>The applicant is also requesting the following modifications to regulations:</p> |
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PROCESS

Conditional Zoning is a legislative process that allows Town Council to review the rezoning application for consistency with the Land Use Plan in the Comprehensive Plan and establish standards that address any impacts on surrounding properties. For consideration of this Conditional Zoning request, the process requires, and the proposal includes a request to revoke the current Special Use Permits on the property.

The Land Use Management Ordinance states that the zoning shall not be amended except:

- To correct a manifest error in the appendix;
- because of changed or changing conditions in a particular area or in the jurisdiction generally;
- or to achieve the purposes of the comprehensive plan.

- Conditioned self-storage facility, to be on the same zoning lot as an accessory use to a Mobile Home Park
- Conditioned self-storage facility to be located across from an intersection, but not on a corner lot created by two intersecting streets.
- Service station/convenience store within 300 feet of any intersecting street or within 750 feet of driveways intersecting the same street and serving another existing or approved service station.
- Modified northern and eastern buffers
- Reduce the minimum number of parking spaces than required (45 commercial spaces proposed instead of the required 68 spaces)
- Modified nonconforming uses to allow relocation of existing mobile homes on-site and addition of new mobile homes

PROJECT OVERVIEW

The site consists of two parcels, totaling approximately 13.9 acres. The applicant proposes:

- replacing the existing service station/convenience store with a new service station/convenience store and a 4-story self-storage facility, conditioned building.
- relocating approximately 16 of the existing 73 dwelling units on-site.
- Addition of 10 new dwelling units (mobile homes) on-site.

The applicant requests:

- two access points to Martin Luther King Jr. Blvd.
 - one as a full-access
 - one as a right-in/right-out access only.

Due to NCDOT requirements, the right-in/right-out access has conflicts with the proposed Bus Rapid Transit (BRT) system in this corridor. The applicant has indicated a need for the second access point. Staff has been working with NCDOT and the applicant to accommodate the BRT design and the access proposal. A condition is now included that requires the right-in/right-out northern access point to be converted to right-out only when BRT is built.

PROJECT LOCATION



ATTACHMENTS

1. Staff Technical Report
2. Project Fact Sheet
3. Draft Staff Presentation
4. Resolution A (Consistency with Comprehensive Plan)
5. Resolution B (Revocation of Special Use Permits)
6. Revised Ordinance A (Approval)
7. Resolution C (Denial)
8. Applicant materials
9. Plan Set
10. Restrictive Covenants (prepared by Applicant)
11. Planning Commission Recommendation February 11, 2021
12. Community Design Commission Recommendation February 23, 2021
13. Emails from the Public
14. Council Questions with staff and applicant responses December 9, 2020
15. Supplemental Information to Council about Stackhouse (prepared by Applicant)
16. Stackhouse rules for Mobile Home Parks
17. Summary of Community Engagement Meeting



TECHNICAL REPORT

PROJECT OVERVIEW

The application proposes a Conditional Zoning to rezone the property from Residential-4 (R-4) and Neighborhood Commercial (NC) to Office/Institutional-2-Conditional Zoning District (OI-2-CZD) and Neighborhood Commercial-Conditional Zoning District (NC-CZD). The 13.9-acre site currently consists of two parcels with one existing single-family home, 73 mobile home units, and a gas station/convenience store. The applicant is proposing to replace the existing gas station/convenience store with a new 5,000-square foot gas station/convenience store and a 134,400-square foot 4-story self-storage facility, conditioned, building. Three stories of the proposed self-storage building are indicated to be above-grade, with one story below-grade. The existing 73 dwelling units will be maintained on site, relocating 16 of the existing units on-site as part of the redevelopment. An additional ten mobile home units are also proposed for a total of 83 dwelling units.

The developer's Narrative explains that the applicant is seeking to modernize the service station, add a new self-storage building, and preserve or reposition all of the existing mobile home residential units on site. The developer states that they understand the significance that the existing affordable housing plays in the Town's naturally occurring affordable housing, thus retaining as many of the existing units, while redeveloping a portion of the site, is important. More details about the proposed development can be found in the Developer's Program found on page 25 of the applicant materials.

Information about the site and zoning districts can be found below, as well as a list of proposed Modifications to Regulations, and a Technical Report.

SITE CONTEXT

Staff has identified the following physical and regulatory characteristics of the land which are relevant to consideration of a Conditional Zoning:

- The 13.9-acre subject site fronts on and has access to Martin Luther King Jr. Blvd., an arterial street with high traffic volume and existing bus service.
- The right-in/right-out access, requested by the applicant, has potential conflicts with the Bus Rapid Transit (BRT) system proposed for Martin Luther King Jr. Blvd. Further flexibility of the design is requested by the applicant with minor adjustments to be approved administratively if approved by NCDOT and Town staff.
- Properties on the opposite side of Martin Luther King Jr. Blvd. are zoned Neighborhood Commercial (NC), and consist of an assortment of commercial buildings, including a car wash and service station/convenience store.
- The property adjacent to the north is zoned Residential-3-Conditional (R-3-C) and contains a place of worship.
- Properties to the south and east are zoned Residential-2 (R-2) and consist of single-family dwelling units.

- A perennial stream runs through the northern portion of the site and is subject to a 150-foot Resource Conservation District (RCD) and 50-foot Jordan Buffer. Multiple mobile homes are currently located in both the RCD and Jordan Buffer.

PROPOSED ZONING

The applicant has submitted a Conditional Zoning application, which allows review of the development proposal as part of a rezoning. It also allows site-specific standards to be formulated and applied as condition of the rezoning through a legislative process. The Conditional Zoning application provides an opportunity to establish conditions that modify use, intensity, and development standards in order to address impacts reasonably expected to be generated by the development. Conditions can also address conformance of the development with town regulations and adopted plans. A -CZD suffix would be added to the zoning district designation to incorporate the approved conditions. The applicant has proposed two different Conditional Zoning districts for different areas of the site, as shown on the site plan: Office/Institutional-2-Conditional Zoning District (OI-2-CZD) and Neighborhood Commercial Conditional Zoning District (NC-CZD).

The intent of the Office/Institutional-2 (OI-2) zoning district is to “provide for medium-intensity office and institutional development”.

The intent of the Neighborhood Commercial (NC) zoning district is to “provide for the development of low-intensity commercial and service centers that are accessible by pedestrians from the surrounding neighborhoods, serve the daily conveniences and personal service needs of the surrounding neighborhoods, and are of such nature as to minimize conflicts with surrounding residential uses.” This Conditional Zoning application proposes limiting uses to a narrower range of retail/service/business uses.

PROPOSED MODIFICATIONS TO REGULATIONS

The applicant has proposed modifications to regulations for the proposed conditional zoning districts for this development. These include:

- 1. Section 6.23.4, Self-storage Facility, Conditioned:** Section 6.23 specifies standards requiring self-storage facilities to be only allowed on the same zoning lot as other office, commercial, or institutional. The applicant is requesting to allow self-storage facility, conditioned, to be on the same zoning lot and accessory to a Mobile Home Park (in terms of land area).

Staff Comment: Staff believes that the Council could find a public purpose for allowing the additional uses as the proposal will maintain up to 83 mobile homes (73 existing), naturally occurring affordable housing, on the site for fifteen (15) years.

- 2. Section 6.23.2, Self-storage Facility, Conditioned:** Section 6.23 requires that self-storage facilities shall not be permitted on property located at an intersection with any arterial street. The applicant contends that the self-storage building is not located at an intersection, but across from the intersection of Martin Luther King Jr. Blvd. and Northfield Dr. The applicant is requesting to allow a self-storage facility, conditioned, building to be located across from an intersection, but not on a corner lot created by two intersecting streets.

Staff Comment: Staff believes that the Council could find a public purpose for allowing the site location as the proposal will maintain 83 mobile homes (73 existing), naturally occurring affordable housing, on the site for fifteen (15) years.

- 3. Section 6.12(d), Service station/convenience store:** Section 6.12 states that service stations shall not be located within three hundred (300) feet of any intersecting street or within seven hundred fifty (750) feet of driveways intersecting the same street and serving another existing or approved service station. The applicant is requesting to allow a service station/convenience store to be located within the thresholds listed above as an existing service station/convenience store was previously approved and permitted on this site.

Staff Comment: Staff believes that the Council could find a public purpose for allowing the service station location to continue to operate and provide for economic opportunities.

- 4. Section 5.9.7, Minimum and maximum parking space requirements:** The applicant requests a modification to the required minimum number of parking spaces for the Self-storage facility, conditioned. Based on the standards of the Land Use Management Ordinance, a minimum of 1 space per 2,500 sf, the minimum requirement would be 90 spaces. The developer feels this number is almost 5 times the actual need, and that based on market experience at other facilities, this facility would require 16-20 spaces during a peak period.

Staff Comment: Staff believes that the Council could find a public purpose for reducing the amount of parking to reduce the amount of impervious surface and environmental impacts.

- 5. Section 5.6.6, Schedule of Required Buffers:** The applicant requests to allow a modification to the 10-foot Type B and 20-foot Type C required buffers along the eastern and northern property line. Modified buffers in these areas are to be comprised of existing vegetation and existing fence.

Staff Comment: Staff believes that the Council could find a public purpose for allowing the existing mobile homes and existing vegetation to remain and provide buffering.

- 6. Section 7.3.2 Nonconforming Uses:** Modify the nonconforming uses standard to allow relocation of existing mobile homes on-site and addition of new mobile homes.

Staff Comment: Staff believes that the Council could find a public purpose for allowing the mobile homes to be reconfigured on-site, providing opportunities to maintain diverse housing stock in the Town limits.

CONSISTENCY WITH THE COMPREHENSIVE PLAN

North Carolina General Statute Section 160A-605 requires the Council to approve a statement describing whether its action is consistent with an adopted comprehensive plan and any other applicable officially adopted plan when adopting or rejecting any zoning amendment.

Staff provides the following evaluation of this application's consistency with the 2020 Comprehensive Plan and other adopted plans:

- The intent of the Neighborhood Commercial (NC) district notes low-intensity commercial uses, which is consistent with the Commercial designation of a portion of the site on the 2020 Land Use Plan. The OI-2 zoning area supports housing appropriate to the site which is consistent with the Medium Residential designation of the remainder of the site on the 2020 Land Use Plan.
- The site is located within the S MLK Jr Blvd/Area 3 Future Focus Discussion Area. Chapel Hill 2020 identifies S MLK Jr Blvd as an opportunity to proactively plan for character and to coordinate development with investment in higher capacity bus service. The Statement of Consistency notes that “the project is making significant improvements to the access, commercial services, and streetscape for the projects frontage, which all support these future transit improvements along the corridor.”
- The Mobility and Connectivity Plan shows a future trail forming part of the ‘Timberlyne Corridor’ running along the eastern edge of the site. This bicycle/pedestrian-focused corridor would provide a parallel route to Martin Luther King Jr. Blvd., allowing more safe and comfortable travel between the Timberlyne area and central Chapel Hill. Bicycle and pedestrian facilities are also shown along Martin Luther King Jr. Blvd. in the Mobility Plan, to support access to local destinations and Bus Rapid Transit stations. A more robust multimodal network would support growth and redevelopment in the corridor. However, it should be noted that new facilities proposed in the associated application (service station and self-storage) do not represent uses typically associated with bicycle, pedestrian, or transit activity.
- The application proposes a condition to retain 83 mobile homes (73 existing) in the existing mobile home park. This condition would support Comprehensive Plan goals for a range of housing options and a range of neighborhood types. It also would further the theme of making Chapel Hill A Place for Everyone.
- Finding #3 in the next section notes additional purposes of the 2020 Comprehensive Plan which may be achieved through this application, as well as those that would be in conflict with this application.

FINDINGS OF FACT

In order to establish and maintain sound, stable, and desirable development within the planning jurisdiction of the Town, it is intended that the Land Use Management Ordinance (as stated in Section 4.4) shall not be amended except:

- 1) To correct a manifest error in the chapter; or
- 2) Because of changed or changing conditions in a particular area or in the jurisdiction generally; or
- 3) To achieve the purposes of the Comprehensive Plan.

Below is an evaluation of this application based on the three findings. Further information may be presented for the Council’s consideration as part of the public hearing process, and will be included in the record of the hearing.

Finding #1: The proposed zoning amendment is necessary to correct a manifest error.

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| Arguments | No information provided |
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Finding #2: The proposed zoning amendment is necessary because of changed or changing conditions in a particular area or in the jurisdiction generally.

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| Arguments in Support | <p>Staff notes that the Comprehensive Plan identifies the site as part of a Focus Area (S MLK Jr Blvd) which suggests it is an appropriate location for investment, improvement, and/or development.</p> <p>Staff notes that the mobile home park is over 35 years old and that since its establishment there has been continued development along the Martin Luther King Jr. Blvd. corridor.</p> <p>The applicant notes that generally, new commercial facilities need more space to meet modern standards, and that over time new commercial uses are becoming in demand in Chapel Hill.</p> |
| Arguments in Opposition | <p>Staff notes that uses proposed in the application, specifically fuel pumps and self-storage, are typically considered more vehicle-oriented and therefore not complementary to transit service such as BRT.</p> <p>Staff notes that the proposed financial investment in the BRT may change the conditions in this area.</p> |

Finding #3: The proposed zoning amendment is necessary to achieve the purposes of the comprehensive plan.

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| Arguments in Support | <p>The applicant’s Statement of Consistency suggests that the proposed rezoning would contribute to the following elements of the Comprehensive Plan:</p> <ul style="list-style-type: none"> • A range of housing options for current and future residents (<i>Goal-Place for Everyone.3</i>) • Balance and sustain finances by increasing revenues and decreasing expenses (<i>Goal-Community Prosperity and Engagement.1</i>) • A range of neighborhood types that addresses residential, commercial, social, and cultural needs and uses while building and evolving Chapel Hill’s character for residents, visitors, and students. (<i>Goal-Good Places, New Spaces.5</i>) • A connected community that links neighborhoods, businesses, and schools through the provision of greenways, sidewalks, bike facilities, and public transportation (<i>Goal Getting Around.2</i>) • Protect, acquire, and maintain natural/undeveloped open spaces and historic sites in order to protect wildlife corridors, provide recreation, and ensure safe pedestrian and bicycle connections. (<i>Goal-Nurturing Our Community.3</i>) |
| Arguments in Opposition | <p>The proposed playground would be located within the upland zone of the Resource Conservation District. Staff notes that these impacts are in conflict with the following elements of the Comprehensive Plan:</p> <ul style="list-style-type: none"> • Open and accessible common spaces for community gathering, cultural uses, and community development (<i>Goal-Good Places, New Spaces.7</i>) |

- Maintain and improve air quality and water quality, and manage stormwater to heal local waterways and conserve biological ecosystems (*Goal- Nurturing Our Community.2*)

Staff also notes that the adopted Future Land Use Map (FLUM) shows this area as predominately multi-family, shops and offices and is located adjacent to a future bus rapid transit (BRT) stop. The FLUM states the corridor is envisioned to include a mixture of uses, including a diversity of housing types, that make the best use of the future proposed transit service.


















PROJECT FACT SHEET






Project Details

| Site Description | |
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| Project Name | 1200 MLK (Tarheel Mobile Home Park) |
| Address | 1200 & 1204 Martin Luther King Jr. Blvd. |
| Property Size (NLA) | 13.9 acres |
| Existing | Mobile home park and service station/convenience store |
| Orange County Parcel Identifier Numbers | 9789-29-7279 and 9789-39-2409 |
| Existing Zoning | Neighborhood Commercial (NC) and Residential-4 (R-4) |
| Proposed Zoning | Neighborhood Commercial-Conditional Zoning District (NC-CZD) and Office/Institutional-2-Conditional Zoning District (OI-2-CZD) |


Site Development Standards

| Topic | Comment | Status |
|---|---|----------|
| Development Intensity | | |
| Use/Density (Sec. 3.7) | Mobile home park (83 mobile homes); Service station/convenience store; Self-storage facility, conditioned | M |
| Dimensional Standards (Sec. 3.8) | Service Station/Convenience Store – maximum 18 ft. height Self-Storage Facility, Conditioned – maximum 38 ft. height | ✓ |
| Floor area (Sec. 3.8) | 139,400 sq. ft. commercial, 52,358 sq. ft. residential | ✓ |
| Landscape | | |
| Buffer – North (Sec. 5.6.2) | <i>Required:</i> Internal 20' Type "C" | M |
| Buffer – East (Sec. 5.6.2) | <i>Required:</i> Internal 10' Type "B" | M |
| Buffer – South (Sec. 5.6.2) | <i>Required:</i> Internal 20' Type "C" | ✓ |
| Buffer - West (Sec. 5.6.2) | <i>Required:</i> External 30' Type "D" | ✓ |
| Tree Canopy (Sec. 5.7) | <i>Required:</i> 30% | ✓ |
| Landscape Standards (Sec. 5.9.6) | <i>Required:</i> 5' foundation buffer planting strip <i>Required:</i> Landscaped interior islands every 10 spaces | ✓ |

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| | <p><i>Required:</i> Maximum distance of 75' that a parking space may be located from a shade tree</p> <p><i>Required:</i> 8' minimum landscaped buffer strip requirement for parking entrance drives</p> | |
| Environment | | |
| Resource Conservation District (Sec. 3.6) | <p><i>Proposed:</i> Existing Mobile Homes to remain, with new disturbance as follows:</p> <ul style="list-style-type: none"> - <i>Streamside Zone:</i> 2,500 sq. ft. - <i>Managed Use Zone:</i> 4,000 sq. ft. - <i>Upland Zone:</i> 9,500 sq. ft. |  |
| Erosion Control (Sec. 5.3.1) | Orange County Erosion Control permit required |  |
| Steep Slopes (Sec. 5.3.2) | <p><i>Required:</i> Disturb < 25% of slopes greater than 25% slope</p> <p><i>Proposed:</i> Disturb 3.6% (1,269 sq. ft.) of slopes > 25%</p> |  |
| Stormwater Management (Sec. 5.4) | No stormwater measures currently on-site; applicant proposes to install measures, inlets, and piping designed to meet or exceed LUMO 5.4 standards |  |
| Land Disturbance | 247,779 sq. ft. (40% of site) |  |
| Impervious Surface | 271,416 sq. ft. (45% of site) |  |
| Solid Waste & Recycling | Private trash pickup proposed |  |
| Jordan Riparian Buffer (Sec. 5.18) | <i>Proposed:</i> 2,500 sq. ft. of land disturbance | M |
| Access & Circulation | | |
| Road Improvements (Sec. 5.8) | Addition of right turn lane into development |  |
| Vehicular Access (Sec. 5.8) | Two points of access proposed at the intersection with Martin Luther King Jr. Blvd. |  |
| Bicycle Improvements (Sec. 5.8) | No improvements proposed |  |
| Pedestrian Improvements (Sec. 5.8) | 5' sidewalk proposed along Martin Luther King Jr. Blvd. |  |
| Traffic Impact Analysis (Sec. 5.9) | TIA completed and Executive Summary attached |  |
| Vehicular Parking (Sec. 5.9) | <p><i>Required:</i> 68 commercial, 73 residential</p> <p><i>Proposed:</i> 45 commercial, 158 residential</p> | M |
| Transit (Sec. 5.8) | Provide a \$15,000 payment-in-lieu for construct a transit stop to accommodate future Bus Rapid Transit service with a shelter |  |
| Bicycle Parking (Sec. 5.9) | <p><i>Required:</i> 10 spaces</p> <p><i>Proposed:</i> 10 spaces</p> |  |
| Electric Vehicle Parking | None proposed |  |

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| Parking Lot Standards (Sec. 5.9) | Constructed to Town Standards |  |
| Technical | | |
| Fire | Meet Town Standards |  |
| Site Improvements | As shown on plans | NA |
| Schools Adequate Public Facilities (Sec. 5.16) | Application must comply |  |
| Inclusionary Zoning Ordinance (Sec. 3.10) | All mobile home units are proposed remain on-site for a minimum of fifteen years |  |
| Recreation Area (Sec. 5.5) | <i>Required: 27,887 sq. ft. Proposed: 27,887 sq. ft.</i> |  |
| Lighting Plan (Sec. 5.11) | Maximum of 0.3 foot-candles at property line | FP |
| Homeowners Association (Sec. 4.6) | N/A | NA |

Project Summary Legend

| Symbol | Meaning |
|---|------------------------------|
|  | Meets Requirements |
| M | Seeking Modification |
| C | Requires Council Endorsement |
| FP | Required at Final Plan |
| NA | Not Applicable |