



Rewriting Our Rules

A LUMO UPDATE

Council Work Session
March 13, 2024

AGENDA

■ PROJECT UPDATES

- Schedule Changes
- Communications Campaign

■ KEY CONCEPTS

- Economic Constraints
- Design Standards
- Community Benefits

Project Update: **Schedule Changes**

- To create a stronger feedback loop between Planning Commission and Town Council, we have made some schedule changes
- On **April 24**, we'll discuss design and affordable housing at a regular business meeting
- On **May 15**, we'll discuss by-right development and conditional zoning at a regular business meeting

Project Update: **Communications**

- Community engagement site will launch next week
- Communications campaign will launch soon after
- Campaign will include PSAs, bus ads, digital displays, posters, etc.

KEY CONCEPT

ECONOMIC CONSTRAINTS

ECONOMIC CONSTRAINT: NON-TAXABLE LAND

- Approximately 38% of land in Chapel Hill is non-taxable because it is owned by UNC, the Town, and other tax-exempt entities.
- **This puts remaining land under more intense pressure to generate enough property tax revenue to support the Town's needs.**

ECONOMIC CONSTRAINT: SINGLE FAMILY HOMES

- Approximately 67% of property tax revenues are from residential uses – which does not include multi-family.
- **Single family homes, townhomes, and condos represent the largest share of our tax base.**

ECONOMIC CONSTRAINTS

- We need more diverse development to establish a more robust tax base.
- **A more robust tax base will include commercial, multifamily, and mixed-use development.**

ECONOMIC CONSTRAINTS

- LUMO has historically stifled development that contributes to a more robust tax base and prioritized lower-density uses.
- **LUMO should support a robust tax base and allow for higher-density uses.**

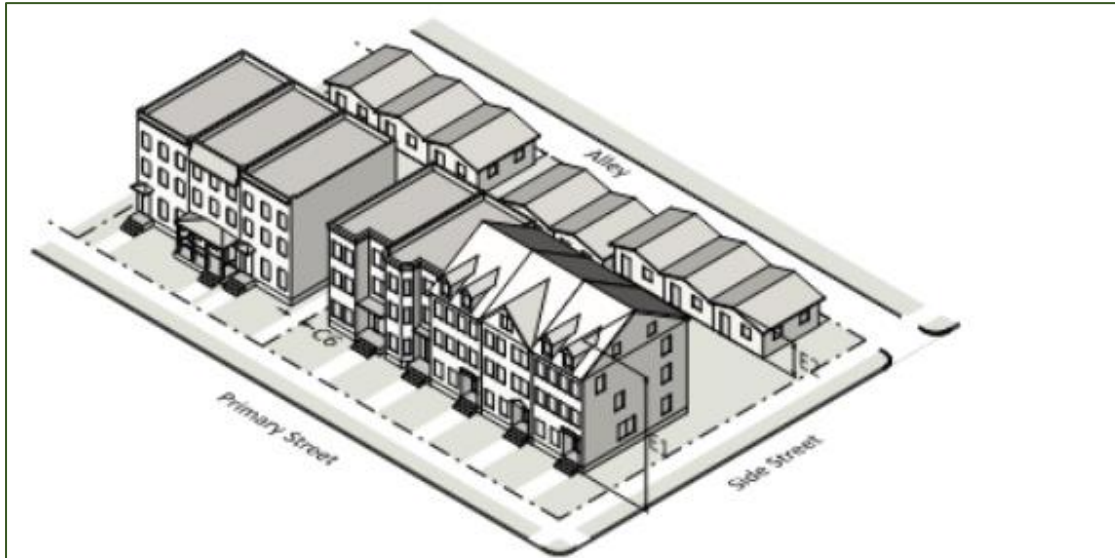
KEY CONCEPT

DESIGN STANDARDS

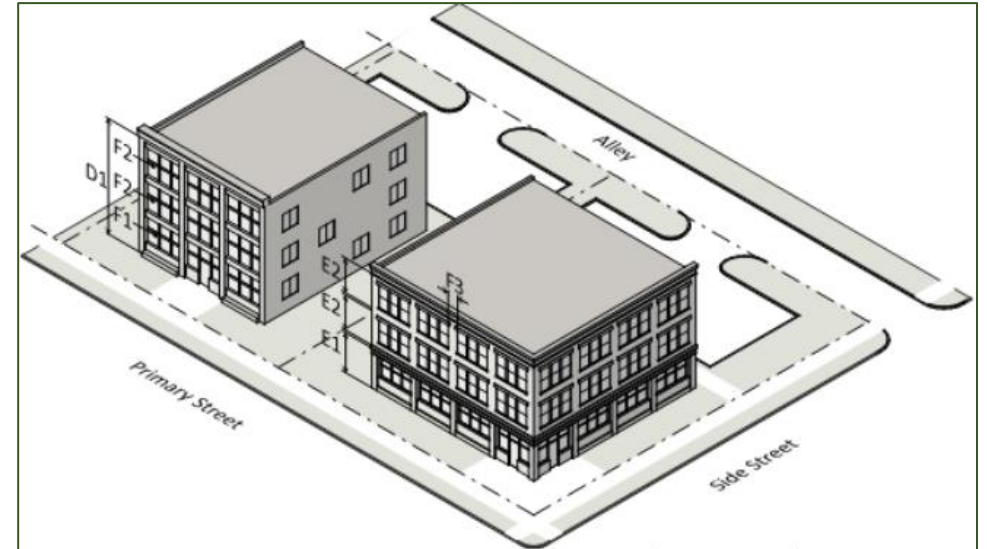
DESIGN STANDARDS

- We currently use uniform standards for all buildings in a particular zoning district. **That approach lacks nuance and doesn't work well for mixed-use districts.**
- The new LUMO will include design standards that are specific to different types of buildings. **This is a best practice used by communities with modern zoning codes.**

DESIGN STANDARDS: EXAMPLE



		R-2 ⁱⁱ	R-4 ⁱⁱ	R-6	R-10
D6	Residential infill rules may apply (see Sec. 2.2.7.)	yes	yes	yes	yes
E. Height					
E1	Principal building (max)	40'/3 stories	40'/3 stories	45'/3 stories	45'/3 stories
E2	Accessory structure (max)	26'	26'	26'	26'
E3	Residential Infill rules may apply (see Sec. 2.2.7)	yes	yes	yes	yes



		OP-, OX- NX-, CX-	DX-	IX-
D. Height				
D1	Principal building (max)	Set by district	Set by district	Set by district
D2	Accessory structure (max)	26'	26'	26'
E. Floor Heights				
E1	Ground story height, floor to floor (min)	11'	13'	11'
E2	Upper story height, floor to floor (min)	9'	9'	9'
F. Transparency				
F1	Ground story (min)	33%	50%	20%
F2	Upper story (min)	20%	20%	20%
F3	Blank wall (max)	30'	30'	50'

See Sec. 1.5.4.D "Building Setbacks" for specific building element requirements.

DESIGN STANDARDS: TYPOLOGY GUIDE

The Typology Resource Guide will help to inform our drafting of new design/dimensional standards, **it is not a set of proposed regulations.**

The guide identifies:

1. The types of buildings that are likely to be proposed
2. The design challenges associated with those building types
3. Best practices associated with those building types

DESIGN STANDARDS: TYPOLOGY GUIDE

As you review the guide, please consider these questions:

- 1. What do you consider to be the biggest design concerns in Town?**
- 2. Are there particular building types you think merit closer attention?**

Your answers to these questions will help guide future LUMO conversations.

KEY CONCEPT

COMMUNITY BENEFITS

WHAT ARE COMMUNITY BENEFITS?

New development can provide “community benefits” in many ways:

- **The value of the development** and its ability to increase tax revenues
- **The use of the development**, such as housing or commercial
- **The way the development is designed or operated**, such as energy efficient buildings or affordable or senior housing
- **Additional benefits provided by the developer**, such as land conservation or public spaces

HOW DO WE GET COMMUNITY BENEFITS?

REGULATE

INCENTIVIZE

REQUEST

REGULATE

- Establish holistic baseline expectations for development.
- Move away from tradition of project-by-project dealmaking.
- Move toward the Complete Community vision of strategic planning for the future.

INCENTIVIZE

- Best to use judiciously and strategically to focus on what's most important
- If we incentivize everything, then we incentivize nothing.

REQUEST

- Council has broad, but not unlimited, authority to negotiate as part of conditional zoning.
- There are risks associated with over-reliance on negotiated dealmaking.

WHAT APPROACH DO STAFF RECOMMEND?

- There are limits to community benefits and our abilities to realize them.
- Council has discussed benefits in prior LUMO conversations.
- Council has asked staff to recommend which methods are best suited for each benefit.

REGULATE

- Dimensional standards
- Stream protection
- Impervious surface
- Stormwater management
- Tree canopy
- Landscaping and buffers
- Infrastructure
- Parking
- Connectivity and access
- Recreation space

- **Electric vehicle infrastructure**
- **Multiuse paths**

INCENTIVIZE

AFFORDABLE HOUSING

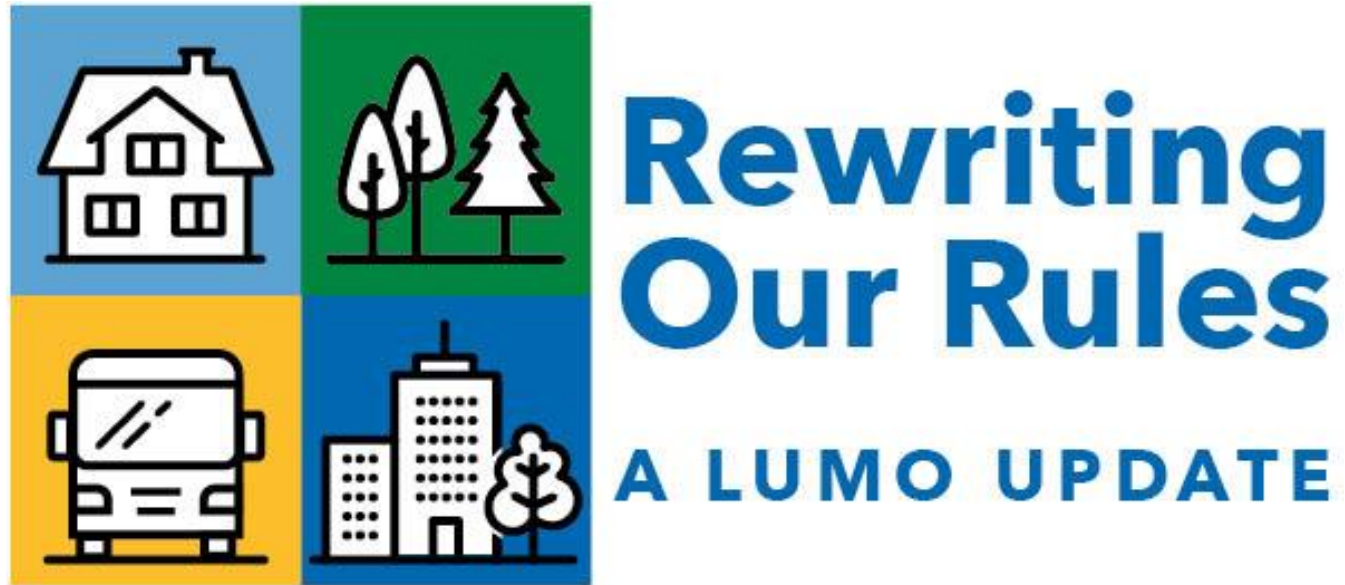
- We should incentivize things that are the MOST important to Council and community – and if we incentivize everything, we incentivize nothing.
- Affordable housing is expensive - if we want developers to include it, we need lend them a hand.



REQUEST

LAND CONSERVATION GREENWAYS ENERGY EFFICIENCY AFFORDABLE HOUSING

- These are also important to Council and community.
- We have limited authority to require these
- Like incentives, requests should be strategic.



Questions? Feedback?