

ORDINANCE A

(Enacting the Land Use Management Ordinance Text Amendment proposal)

AN ORDINANCE AMENDING ARTICLE 3, SECTION 3.11 OF THE CHAPEL HILL LAND USE MANAGEMENT ORDINANCE RELATED TO THE BLUE HILL FORM DISTRICT USE CATEGORIES (2021-06-16/O-1)

WHEREAS, a form-based zoning district was adopted for Blue Hill in July 2014; and

WHEREAS, development in the Blue Hill District is subject to the regulations and definitions in Section 3.11 of the Land Use Management Ordinance, which are distinct from the regulations and definitions in parallel sections of the Land Use Management Ordinance; and

WHEREAS, the residential uses category in Section 3.11 needs further refinement to reflect a distinction of uses within the district; and

WHEREAS, the Planning Commission reviewed the text amendments to the Land Use Management Ordinance Article 3, Section 3.11 on May 18, 2021 and recommended that the Council enact the text amendments; and

WHEREAS, the Council called a Public Hearing to amend Article 3, Section 3.11 of the Land Use Management Ordinance as it relates to Blue Hill Form District use categories for the Council's May 26, 2021 meeting; and

WHEREAS, the Council of the Town of Chapel Hill has considered the proposed text amendment to the Land Use Management Ordinance (LUMO) Article 3, Section 3.11, related to the Blue Hill Form District, and finds that the amendment, if enacted, is reasonable and in the public's interest and is warranted, to achieve the purposes of the Comprehensive Plan as explained by, but not limited to, the following goals of the Chapel Hill 2020 Comprehensive Plan:

- A range of housing options for current and future residents (Create a Place for Everyone.2)
- Adopt an integrated development review process that is fair and transparent and that incorporates the Chapel Hill 2020 environmental goals (Nurture our Community.5)
- 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 (Develop Good Places New Spaces.5)
- A development decision-making process that provides clarity and consistency with the goals of the Chapel Hill 2020 Comprehensive Plan (Develop Good Places New Spaces.3)

NOW, THEREFORE, BE IT ORDAINED by the Council of the Town of Chapel Hill that the Town Code of Ordinances, Appendix A. Land Use Management Ordinance, Article 3, Zoning Districts, Uses, and Dimensional Standards be amended as follows:

Section 1. Section 3.11.3.4. Permitted Use Table is hereby revised to include additional rows as noted below:

3.11.3.4. Permitted Use Table

PERMITTED USES	WR-3	WR-7	WX-5	WX-7	Def./Stds.
Residential Uses					
<u>“Short-Term Rental, Primary Residence</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>Sec. 3.11.3.5.A.5.a</u>
<u>Short-Term Rental, Dedicated</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>Sec. 3.11.3.5.A.5.b”</u>

Section 2. Section 3.11.3.5. Use Categories is hereby revised to read as follows:

“3.11.3.5. Use Categories.

A. Residential uses.

1. Household living. Residential occupancy of a dwelling unit by a family on a monthly or longer basis in structures with self-contained dwelling units, including kitchens. The term household living includes an establishment with support and supervisory personnel that provides room and board, personal care and habitation services in a family environment for not more than six (6) residents who are handicapped, aged, disabled, or who are runaway, disturbed or emotionally deprived children and who are undergoing rehabilitation or extended care. The household living does not include a fraternity or sorority, club, rooming house, institutional group or the like. Household living includes the following:
 - a. Detached living. One (1) or two (2) dwelling units in a single principal structure.
 - b. Attached living. Three (3) or more dwelling units in a single principal structure where each unit is separated vertically by a common side wall. Units cannot be vertically mixed.
 - c. Multifamily living. Three (3) or more dwelling units vertically and horizontally integrated.
2. Group living. Residential occupancy of a structure by a group of people that does not meet the definition of family. Tenancy is usually arranged on a monthly or longer basis. Generally, group living facilities have a common eating area for residents, and residents may receive care or training. Group Living does not include a fraternity or sorority, club, rooming house, institutional group or the like.
3. Social service living. Uses not considered Household Living that primarily provide treatment of those with psychiatric, alcohol, or drug problems, and transient housing related to social service programs.
4. Limited Use. Residential uses in the WX-5 and WX-7 subdistricts must include a non-residential use as part of the same application, in order to accomplish the Form District intent for a mixture of uses. For purposes of this section, a non-residential use includes any use listed in the Permitted Use Table (Sec. 3.11.3.4) that is not listed in the residential use category. To satisfy this requirement, the application must satisfy at least one of the criteria below. A building or site with non-residential floor area exceeding the minimum defined below may utilize the Upper Story Floor Area Bonus established in Section 3.11.2.7.T.1.a.
 - a. Mixed Use Building. Where each building contains a vertical mix of uses, a minimum of 10% of the building floor area must contain a

non-residential use. A certificate of occupancy must be issued for at least 50% of the non-residential floor area prior to issuance of a certificate of occupancy for more than 90% of the residential floor area.

- b. Mixed Use Site. A site with multiple buildings may include buildings with a single use, so long as a minimum of 15% of the total floor area for the site contains a non-residential use.

5. Short-Term Rental.

- a. **Short-term rental, dedicated: A residential dwelling unit(s) located on a property not used as a primary residence in which the dwelling unit is rented in whole or in part for fewer than thirty (30) consecutive days for a fee or other valuable consideration, or a lodging unit contained in a building that primarily contains dwelling units.**
- b. **Short-term rental, primary residence: A primary residence rented in whole or in part for fewer than thirty (30) consecutive days for a fee or other valuable consideration.**

Section 3. This ordinance shall be effective upon enactment.

Section 4. Upon enactment of the townwide Short-Term Rental ordinance that defines "Short-Term Rental, Dedicated" and "Short-Term Rental, Primary Residence" in Section 6.27.3, then Section 3.11.3.5.A.5 will be revised to read as follows:

"5. Short-Term Rental. **See Section 6.27.3 Definitions.**

- a. ~~Short-Term Rental, Dedicated: the rental of all or part of a residential dwelling unit(s) on a property that is not used as a primary residence and is rented in its entirety to one party of guests at a time in exchange for a fee for a period of fewer than thirty (30) consecutive days. No simultaneous rental contracts are permitted.~~
- b. ~~Short-Term Rentals, Primary Residence: the rental of all or part of a primary residence that is rented wholly or partly for a fee to one or more parties of guests in exchange for a fee for a period of for fewer than thirty (30) consecutive days. No simultaneous rental contracts are permitted when the host is not on-site."~~

This the 16th day of June, 2021.