

Ordinance A

AN ORDINANCE AMENDING ARTICLES 3 AND 4 OF THE LAND USE MANAGEMENT ORDINANCE RELATED TO CONDITIONAL ZONING (2020-10-__/O-)

BE IT ORDAINED by the Council of the Town of Chapel Hill as follows:

Section 1 – Article 3. The Introductory third paragraph is hereby amended to read as follows:

“Conditional” Districts (section 3.4) include district-specific conditions agreed upon by the town council and the property owner(s) to ensure that the use or group of uses is compatible with adjoining districts and uses. There are two types of Conditional Districts, each with different application procedures and requirements for establishment by the town council: Conditional Use Districts (sections 3.4.1-~~2~~) and Conditional Zoning Districts (sections 3.4.3 - 6).”

Section 2 - Article 3. Section 3.4.2 is hereby amended to read as follows:

“The A-residential-special standards-conditional use district (R-SS-C) is hereby established, pursuant to North Carolina General Statutes Section 160A-382 is hereby converted to a defined conditional zoning district pursuant to North Carolina General Statutes 160D and section 3.4.3 of this appendix. Any R-SS-C district established before October 2020 shall be shown as R-SS-CZD on the zoning atlas and shall retain the associated special use permit. Any modifications to those special uses permits approved prior to October 2020 shall be considered pursuant to Section 4.5 unless the applicant wishes to seek a rezoning to R-SS-CZD pursuant to Section 4.4.5. Uses allowed in this district shall be those described in section 3.7 and Table 3.7-1 (Use Matrix) of this chapter, and are permitted only upon issuance of a special use permit by the town council pursuant to section 4.5 of this chapter. Residential development and the recreational, open space, and other urban amenities associated with such development when located within the residential special standards conditional district shall, to the extent practical, comply with the goals and objectives of the comprehensive plan.

Zoning atlas amendment applications, proposing to rezone a site to the residential special standards conditional district shall comply with A or B below:

A.—An applicant must demonstrate that the associated special use permit application complies with the following objective:

- 1.—Promotion of an one hundred (100) percent affordable on-site housing component.

Or

B.—An applicant must demonstrate that the associated special use permit application complies with each of the following objectives:

- 1.—Promotion of affordable housing on-site, and off site when appropriate, that complies with or exceeds the council's current affordable housing policy.

2. ~~Implementation of an energy management and conservation plan that addresses carbon reduction, water conservation and other conservation measures that comply with or exceed the council's current energy management/conservation policies.~~
3. ~~Encouragement of a balanced private and public transportation system that promotes connectivity and safety for vehicles, bicycles, and pedestrians including direct and/or indirect improvements to the community's transportation systems.~~
4. ~~Support of a healthy downtown district by identifying or providing reasonable accessible pedestrian/bicycle and non-vehicular access to downtown.~~
5. ~~Promotion of art (private or public) in private development that is visually accessible to the public and/or providing direct/indirect opportunities for public art.~~
6. ~~Protection of adjoining residential uses and neighborhoods with appropriate screening/buffering and/or architectural design elements that is congruous and sensitive to the surrounding residential areas.~~
7. ~~Protection/restoration of the natural environment by implementing program(s) addressing stream restoration, wildlife habitat, woodland, meadow restoration, steep slope protection, and exotic invasive vegetation management, including programs that encourage private/public partnership to restore and enhance environmental resources.~~
8. ~~Promotion of green and ecologically sound developments.~~
9. ~~Encouragement of a community character that promotes economic vitality, economic protection and social equity."~~

Section 3 – Article 3. Section 3.4 is hereby amended to read as follows:

- a) **"3.4.3 Parallel Conditional zoning districts are hereby established that, except the Innovative, Light Industrial Conditional Zoning District established in 3.4.4, parallel each of the following general use zoning districts:**

R-3

R-4

R-5

R-6

TC-1

TC-2

TC-3

CC

N.C.

OI-3

OI-2

OI-1

MU-V

A parallel conditional zoning district may be established through the town council's approval of a conditional zoning district rezoning application pursuant to section 4.4.5. Except as otherwise provided in the Innovative, Light Industrial Conditional Zoning District (LI-CZD), development in a parallel conditional zoning district is subject to the same standards applicable to the parallel general use zoning district including overlay district regulations, as modified by the approved district-specific plans and conditions:

- 1) a) That are proposed or agreed to by the owner(s) of the subject land;**
 - 2) b) That incorporate any proposed modifications to use, intensity, or development standards applicable in the parallel general use district; and,**
 - 3) c) That are limited to conditions that address conformance of the allowable development and use of the rezoning site with Town regulations and adopted plans, and impacts reasonably expected to be generated by the allowable development or use of the site."**
- b) The following defined conditional zoning districts are hereby established to provide an alternative to general use and parallel conditional zoning districts:**
- 1) Light Industrial Conditional Zoning District (LI-CZD) pursuant to 3.4.4 and the applicable provisions of this appendix**
 - 2) Residential Special Standards Conditional Zoning District (R-SS-CZD) pursuant to 3.4.5 and the applicable provisions of this appendix**
 - 3) Mixed Use Village Conditional Zoning District (MU-V-CZD) pursuant to 3.4.6 and the applicable provisions of this appendix**

Development in a defined conditional zoning district is subject to the applicable provisions in this Appendix, as modified by the approved district-specific plans and conditions:

- 1) That are proposed or agreed to by the owner(s) of the subject land;**
- 2) That incorporate any proposed modifications to applicable regulations; and,**
- 3) That are limited to conditions that address conformance of the allowable development and use of the rezoning site with Town regulations and adopted plans, and impacts reasonably expected to be generated by the allowable development or use of the site."**

Section 4 - Article 3. Section 3.4.4 a) is hereby amended to read as follows:

- a) *"Innovative, Light Industrial Conditional Zoning District (LI-CZD) Established.*
 The innovative, light industrial conditional zoning district (LI-CZD) is hereby established as a conditional zoning district. A LI-CZD may be established through the town council's approval of a conditional zoning district rezoning application pursuant to section 4.4.3, which incorporates district-specific rezoning plans and conditions agreed to by the owner(s) of the rezoned land. Once a LI-CZD is established, a property owner may submit final plans applications to the town

manager for review and approval in accordance with the standards of this appendix and the conditions and rezoning plan attached to the conditional zoning district rezoning approval.”

Section 5 – Article 3. Section 3.4 Conditional Districts is hereby amended to add a new Section 3.4.5 to read as follows:

“The residential-special standards-conditional zoning district (R-SS-CZD) as established in 3.4.3 permits uses as described in section 3.7 and Table 3.7-1 (Use Matrix) of this appendix, and are permitted only upon approval of a conditional zoning district rezoning application by the town council pursuant to section 4.4.5 of this appendix. Residential development and the recreational, open space, and other urban amenities associated with such development when located within the residential-special standards-conditional zoning district shall, to the extent practical, comply with the goals and objectives of the comprehensive plan.

Zoning atlas amendment applications, proposing to rezone a site to the residential-special standards-conditional zoning district shall comply with a) or b) below:

a) **An applicant must demonstrate that the proposed development complies with the following objective:**

1) **Promotion of a one hundred (100) percent affordable on-site housing component.**

Or

b) **An applicant must demonstrate that the proposed development complies with each of the following objectives:**

1) **Promotion of affordable housing on-site, and off-site when appropriate, that complies with or exceeds the council's current affordable housing policy.**

2) **Implementation of an energy management and conservation plan that addresses carbon reduction, water conservation and other conservation measures that comply with or exceed the council's current energy management/conservation policies.**

3) **Encouragement of a balanced private and public transportation system that promotes connectivity and safety for vehicles, bicycles, and pedestrians including direct and/or indirect improvements to the community's transportation systems.**

4) **Support of a healthy downtown district by identifying or providing reasonable accessible pedestrian/bicycle and non-vehicular access to downtown.**

5) **Promotion of art (private or public) in private development that is visually accessible to the public and/or providing direct/indirect opportunities for public art.**

6) **Protection of adjoining residential uses and neighborhoods with appropriate screening/buffering and/or architectural design elements that is congruous and sensitive to the surrounding residential areas.**

7) **Protection/restoration of the natural environment by implementing program(s) addressing stream restoration, wildlife habitat, woodland, meadow restoration, steep slope protection, and exotic invasive vegetation management, including programs that encourage private/public partnership to restore and enhance environmental resources.**

8) **Promotion of green and ecologically sound developments.**

9) Encouragement of a community character that promotes economic vitality, economic protection, and social equity.”

Section 6 – Article 3. Section 3.4 Conditional Districts is here by amended to add a new Section 3.4.6 to read as follows:

“Purpose statement: The mixed-use village conditional zoning district (MU-V-CZD) established in 3.4.3 is intended to provide for the coordinated development of office, commercial, and residential uses and their necessary support functions in the vicinity of key highway intersections and transit corridors in Chapel Hill. The district is designed to facilitate stated public policies to encourage design which emphasizes lively, people-oriented environments and compatible, visually interesting development. This district provides areas where moderate scale mixed use centers can locate with an emphasis on development of a balance of residential, office and commercial uses.

It is further intended that the mixed use districts shall encourage development within which mutually supporting residential, commercial and office uses are scaled, balanced and located to reduce general traffic congestion by providing housing close to principal destinations, and convenient pedestrian and bicycle circulation systems and mass transit to further reduce the need for private automobile usage. Mixed use districts are intended to encourage development that allows multiple destinations to be achieved with a single trip. These standards encourage a design such that uses within a mixed use district are arranged in a manner that encourages internal vehicular trip capture and the development patterns that encourage walking, transit and bicycling as alternatives to automotive travel.

When such districts adjoin residential development or residential zoning districts, it is intended that arrangement of buildings, uses, open space, and vehicular or pedestrian and bicycle access shall be such as to provide appropriate transition and reduce potentially adverse effects.

- a) The mixed-use village conditional zoning district (MU-V-CZD) is permitted only upon approval of a conditional zoning district rezoning application by the town council pursuant to section 4.4.5 of this appendix.
- b) Permitted uses and development intensities.
 - 1) The uses permitted in the MU-V-CZD include the following:
 - A. Vertical mixed-use buildings, or
 - B. Uses listed in subsection (2), below, which are mixed horizontally. Uses are "mixed horizontally" where:
 - i. Such uses comprise not less than the minimum, and not more than the maximum, percentage of floor area prescribed in subsection (b)(2)A, below; and
 - ii. Uses within a land use category set forth below, are located not further than eight hundred (800) feet from the uses located within another land use category;
 - iii. The uses within separate land use categories, as set forth below, are linked by a continuous system of sidewalks or trails. Sidewalks or trails shall be considered "continuous" if they are interrupted only by street intersections, but shall not be considered "continuous" if interrupted by natural or man-made barriers to pedestrian and bicycle movement or by a street consisting of more than two (2) lanes of traffic, unless a pedestrian and bicycle island is provided.

c) Land use categories.

- 1) An MU-V shall include office, commercial, and residential uses as described below. The mix of floor area within a proposed development shall contain at least twenty-five (25) percent of the floor area devoted to residential uses and at least twenty-five (25) percent of the floor area devoted to office/commercial uses.
- 2) For purposes of this section:
 - A. Uses within the "Residential" land use category include the following:
Dwelling units, single family,
Dwelling units, two-family with accessory apartments,
Dwelling units, two-family-duplex,
Dwelling units, multifamily, three to seven dwelling units,
Dwelling units, multifamily, over seven dwelling units,
 - B. Uses within the "Non-Residential" land use category include the following:
Business, office-type,
Child/adult day care facility (See section 3.6),
Clinic,
College, university, or professional school
Fine arts educational institution,
Hotel or motel,
Research activities,
Research activities, light
Bank,
Barber shop/beauty salon,
Business—convenience,
Business—general,
Business—wholesale,
Manufacturing, light,
Personal services,
Public service facility,
Publishing and/or printing,
Recreation facility: Commercial.
 - C. Uses not enumerated above shall not be considered to be within a residential or non-residential land use category within the meaning of this section.

d) Dimensional Restrictions.

- 1) Except as otherwise specifically provided in this section, regulations governing the dimensions of lots and buildings are hereby established as shown in Table 3.8-1.
- 2) Permitted density shall not exceed fifteen (15) dwelling units per acre for MU-V-CZD collector and MU-V-CZD local and twenty (20) du/are for MU-V-CZD arterial. Permitted intensity and impervious surface restrictions shall be as established in section 3.8 Table 3.8-1 unless development rights are transferred pursuant to section 3.9.2 of this appendix. The frontage and setback requirements shall not apply to parks and open space.

e) Mixed Use Development Design Standards.

- 1) All design standards specified in article 5 of this appendix and in the town's design guidelines in effect at the time a proposal is being reviewed shall apply to the design of development proposed as a mixed use development as defined by this article along with the provisions of subsections (2) through (5), below.
- 2) Any application for mixed use development shall include a concept plan as provided in section 4.3. The application shall also include a phasing plan that specifies the stages of development build out. The phasing plan shall identify the sequence of development for the land uses shown on the application. The phasing plan information may be prepared as a plan, a table, or a report. It shall include general phasing of internal and external traffic circulation systems, amenities, and utility improvements that will be constructed concurrent with the land use development. Land use development scheduling shall include a general indication of size, either in square footage or acres. The plan shall also indicate the expected impact of the development on existing or proposed public facilities, including but not limited to, streets, transit, schools, water and sewer systems, and public safety. The applicant shall provide assurances that all the use categories will be constructed and that the project will, in fact, result in a mixed use development satisfying the purpose section of this district. The applicant shall include all of the required use categories (residential, commercial, and office uses) in the first phase of the project.
- 3) Outparcels are hereby defined as development or parcels of land generally located at the perimeter boundary of a mixed-use development. All plans for outparcels within a mixed-use development proposal shall include a set of design criteria for the outparcel(s). These design criteria shall be prepared to maintain visual compatibility and overall design compatibility with the entire development. The criteria shall address the location, form, scale, materials and colors of structures as they relate to the design concept of the entire development, and shall be consistent with the design guidelines.
- 4) Off-street parking requirements shall be fifty (50) percent of the minimum parking requirements listed in the parking and loading standards (section 5.9 of this appendix). Required loading areas may overlap automobile parking bays where it can be demonstrated that hours of peak operation do not conflict with delivery schedules. Dimensional standards for parking and loading may be varied by the town manager.(
- 5) The applicant shall provide a bus stop consistent with the design criteria of sections 21-7 and 21-28.1 of the town Code of Ordinances. Such stops shall be located within one-half (½) of a mile of all dwelling units or office buildings. Notwithstanding the provisions of section 21-7 of the town Code of Ordinances, a resolution of the town council shall not be required prior to the designation of bus stops. Instead, this section only requires that bus stops be indicated on the subdivision plat or site plan. Different locations may be designated by resolution(s) of the town council following approval of the mixed use development.
- 6) Buffers are not required between different uses or use categories within the MU-V-CZD District."

Section 7 – Article 3. Section 3.5.1 (a) is hereby amended to read as follows:

- a) "It is the intent of the Town of Chapel Hill to reserve the MU-OI-1 and MU-R-1 designations and regulations for areas already so zoned as of September 2002 and to reserve MU-V for areas already so zoned as of October 2020. The policy of the town is to grant no further rezonings to

MU-OI-1, ~~or~~ MU-R-1, **or to MU-V** and to reserve future mixed-use **village** zoning designations for MU-V-**CZD**.”

Section 8 – Table 3.7-1 Use Matrix is hereby revised to read as follows:

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Table 3.7-1: Use Matrix																																			
Uses	Use Group	Zoning District											Historic Rogers Road Neighborhood District		Planned Development (PD-)																				
		R-LD5	RT	R-LD1	R-1A	R-1	R-2	R-2A	R-3	R-4	R-5	R-6	R-SS-C-R-SS-CZD	TC-1, TC-2, TC-3	CC	N.C.	OI-1	OI-2	OI-3	OI-4	I	LI-CZD	MH	HR-L	HR-M	HR-X	HR-C	H	SC(N)	SCI	OI	MU	I	DA-1	
Dwelling Units, Single Family												§ CZ																							
Dwelling units, single-family with accessory apartment												§ CZ																							
Dwelling units, duplex (See also Article 6)												§ CZ																							
Dwelling units, multifamily, 3 to 7 dwelling units												§ CZ																							
Dwelling units, multifamily, over 7 dwelling units												§ CZ																							
Manufactured home, Class A												§ CZ																							

KEY:

"—" Not Permitted;

"S" Permitted as a special use **or as a CZ in the parallel conditional zoning districts enumerated in 3.4.3 a);**

"A" Permitted as an accessory use; In LI-CZD refer to Article 6 of this appendix for standards applicable to accessory uses labeled as "AY".

"P" In OI-3, OI-4, LI-CZD and MH: Permitted as a principal use;

"CZ" Permitted as a principal use in the parallel Conditional Zoning District **and in the defined conditional zoning districts;**

"Y" In LI-CZD, permitted under additional prescribed standards in section 6.22

In all zones except OI-3, OI-4, ~~LCZD~~, Conditional Zoning Districts **enumerated in 3.4.3**, and MH: For all uses except existing public elementary and secondary schools. Permitted as a principal use if floor area of proposed development is less than twenty thousand (20,000) square feet, and disturbed land is less than forty thousand (40,000) square feet; otherwise permitted as a special use. The floor area threshold of twenty thousand (20,000) square feet for special use does not apply to increasing the floor area in existing buildings in the town center-1, -2, and -3 zoning districts, so long as the redevelopment does not increase the building footprint or height (excluding solar panels, HVAC equipment and screening thereof) and does not significantly alter the building's exterior. For existing public elementary and secondary schools, "P" indicates permitted as a principal use.

Note: The use groups established in the 2nd column of Table 3.7-1 are used to determine whether a site plan is needed for a change in use (see Section 4.7.1(f), and the applicability of buffers (see Section 5.6.6, Schedule of Required Buffers).

Section 9 – Article 3. Table 3.8-1 Dimensional Matrix is hereby revised to read as follows:

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Zoning District	Lot Size (square feet min)	Density (units per acre max)	Frontage (min feet)	Lot Width (min feet)	Building Height, Setback (max feet)	Building Height, Core (max feet)	Street Setback (min feet)	Interior Setback (min feet)	Solar Setback (min feet)	Impervious Surface Ratio (max)*	Floor Area Ratio (max)	Street Setback (max feet)
R-SS-C R-SS-CZD	N/A	N/A	N/A	N/A	39	60	10	0	N/A	.5/.7	1.10"	N/A
MU-V, MU-V-CZD arterial	5,500	20.0	80	62	70	114	0	0	20	.5/.7	1.2	N/A
MU-V, MU-V-CZD collector	5,500	15.0	40	50	44	90	0	0	20	.5/.7	.500	N/A
MU-V, MU-V-CZD local	5,500	15.0	70	40	32	40	0	0	17	.5/.7	.500	N/A

”

Section 10 – Article 3. Sub-section 3.9.2 (b) is hereby amended to read as follows:

“(b) Receiving districts designated.

Severable development rights may be exercised only in conjunction with the development or subdivision of any parcel of land that is located in a receiving district. A parcel of land which receives developments rights pursuant to this section shall be referred to as a "receiving district." The following districts are hereby designed as receiving districts for purposes of transferring severable development rights:

TC-1, TC-2, TC-3	Town center districts
TOD	Transit-oriented development districts
CC	Community commercial
N.C.	Neighborhood commercial

OI-1	Office/institutional-1
OI-2	Office/institutional-2
OI-3	Office/institutional-3
I, LI-CZD	Industrial districts
MH	Materials handling
MU-OI-1	Mixed use-OI-1
MU-R-1	Mixed use-R-1
MU-V- CZD	Mixed use-village – conditional zoning district

Section 11 – Article 3. Table 3.10-1 Inclusionary Zoning Requirements is hereby revised to read as follows:

“Table 3.10-1 Inclusionary Zoning Requirements

	(A)	(B)
	Town Center: TC-1, TC-2, and TC-3	Balance of Planning Area (Town Limits, ETJ, Joint Planning Chapel Hill Transition Area)
Description	TC-1, TC-2, and TC-3 zoning districts	All other zoning districts
Set-aside requirement	10% ⁽¹⁾	15%
Density bonus (see subsection (d), below)	not applicable	15% with the exception of R-SS- CZD and MU-V, MU-V-CZD zoning districts
Floor area bonus for two-family or multifamily dwelling units (see subsection (e), below)	3,400 square feet per affordable dwelling unit if building has no interior common elements; or 4,400 square feet per affordable dwelling unit for buildings with interior common elements.	3,400 square feet per affordable dwelling unit if building has no interior common elements; or 4,400 square feet per affordable dwelling unit for buildings with interior common elements, with the exception of R-SS-C and MU-V zoning districts

Section 12 – Article 5. Section 5.5 (g) is here by amended to read as follows:

Zoning districts	Recreation space ratio
TC-1, TC-2, TC-3	.120
CC, MU-V, MU-V-CZD	.046
N.C.	.039
OI-2	.046
OI-1	.046
I	.032
R-SS- CZD , R-6, R-5	.050
R-4	.039
R-3	.032
R-2, R-2A, R-1	.025
R-1A	.022
R-LD1	.020

All Others	.015
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Section 13 – Article 5. Section 5.14 Signs – Table 5.14.7 Permitted Signs is here by amended to read as follows:

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5.14.7. Permitted Signs	RT, R-, MH, PD-H	TC-, C, NC, OI-, MU-V <u>MU-V-CZD, I</u>	PD-SC PD-OI, PD-MU, PD-I	Mixed Use OI-1, Mixed Use R-1	WR-Subdistricts		WX-Subdistricts		Sign Area Allocation (max)
					Type A Frontage	Type B, C Frontage	Type A Frontage	Type B, C Frontage	

“

Section 14 – Appendix A. – Definitions is here by amended to add new definitions as follows:

“Conditional zoning: A legislative zoning map amendment with site-specific conditions incorporated into the zoning map amendment.”

“Conditional zoning district: Zoning districts in which the development and use of the property is subject to predetermined ordinance standards and the rules, regulations, and conditions imposed as part of a legislative decision by the Town Council creating the district and applying it to the particular property.”

“Defined conditional zoning district: See conditional zoning district and Section 3.4.3.”

“Parallel conditional zoning district: See conditional zoning district and Section 3.4.3.”