



CONSIDER AN APPLICATION FOR CONDITIONAL ZONING APPLICATION FOR 150 EAST ROSEMARY STREET (PROJECT 21-018)

SUMMARY REPORT

TOWN OF CHAPEL HILL PLANNING DEPARTMENT
 Colleen Willger, Director
 Judy Johnson, Assistant Director
 Becky McDonnell, Senior Planner

PROPERTY ADDRESS	MEETING DATE	APPLICANT
150 E Rosemary Street	December 1, 2021	George Retschle, Ballentine Associates, on behalf of Franklin Office Chapel Hill LLC and Town of Chapel Hill

TOWN MANAGER’S RECOMMENDATION

That the Council could consider closing the legislative hearing and receive the Town Manager’s recommendation and consider adopting Resolution A, the Resolution of Consistency and Reasonableness, and enacting Revised Ordinance A, approving the Conditional Zoning application. Please see the attached revisions and technical report describing updates from the applicant.

UPDATES SINCE THE NOVEMBER 17, 2021 LEGISLATIVE HEARING

The developer has provided clarifying information regarding several topics of discussion, including:

- Biosafety levels
- Height
- Massing
- Articulation from Franklin Street
- LEED level
- EV charging
- ADA accessibility
- Refuse
- Loading docks

Additional details can be found in the technical report, below, and the developer’s presentation.

ZONING

Existing: Town Center–2 (TC-2)
 Proposed: Town Center–3–Conditional Zoning District (TC-3-CZD)

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.

PROJECT OVERVIEW

The application is part of a larger redevelopment proposal for East Rosemary Street to create new office, wet-lab, and innovation space downtown. This project proposes to demolish the existing 309-parking space Wallace Parking Deck and construct a new, seven-story lab and office building over three levels of parking with approximately 160 parking spaces. The project will also include a Town Green public space on the corner of East Rosemary Street and Henderson Street.

A Transportation Impact Analysis was completed for the larger East Rosemary Street redevelopment project and identified the following necessary improvements for this portion of the project:

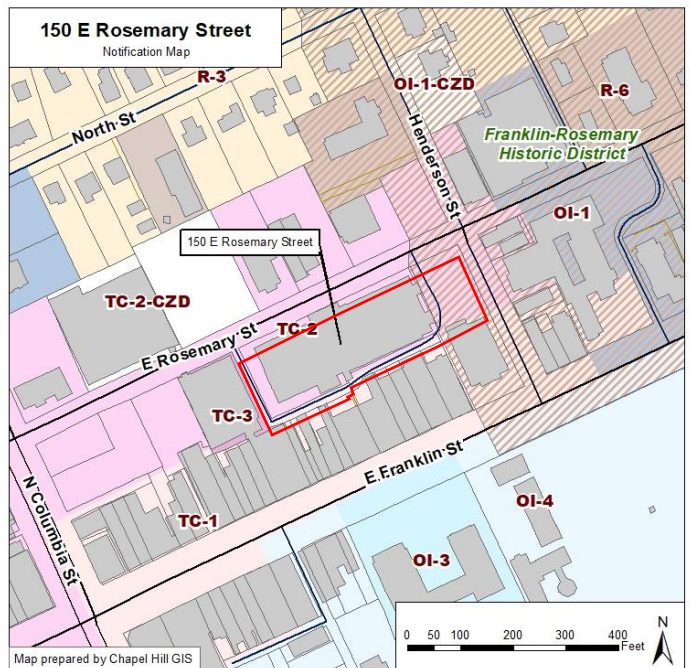
- Provide a primary access to the underground parking garage from the existing alley.
- Maintain the existing one-way alley access configuration behind the proposed office building

DECISION POINTS

The applicant requests the following modifications to regulations:

- Increase the allowed setback height from 44 feet to 112 feet
- Increase the allowed core height from 120 feet to 140 feet

PROJECT LOCATION



ATTACHMENTS

1. Technical Report
2. Draft Staff Presentation
3. Draft Applicant Presentation
4. Resolution A, Resolution of Consistency and Reasonableness
5. Ordinance A (Approving the Application)
6. Resolution B (Denying the Application)
7. Applicant Materials
8. Applicant Response to November 17 Council Questions



TECHNICAL REPORT

PROJECT OVERVIEW

The application proposes applying a Town Center-3-Conditional Zoning District (TC-3-CZD) district to the site to accommodate a seven-story lab and office building with approximately 160 parking spaces. Currently on-site is a three-story parking deck with 309 parking spaces. The parking needs fulfilled by the existing deck will be met by the new municipal parking deck, currently under construction, at 125 and 135 E. Rosemary Street. More details about the proposed development can be found in the applicant's narrative and statement of justification.

Information about the site and proposed zoning districts can be found below, as well as a list of proposed Modifications to Regulations, other important considerations that staff has identified, and an analysis of the project's consistency with the Comprehensive Plan and relevant Findings of Fact.

KEY CONSIDERATIONS –

NOVEMBER 17, 2021 TOWN COUNCIL MEETING

Below summarizes discussion at the November 17, 2021 Town Council meeting, and the Town staff and developer's responses. Please see the attached memo from the developer with additional details. Additional comments from the Town's Urban Designer regarding the proposed changes will be forwarded prior to the December 1, 2021 meeting.

- 1. Biosafety Levels** – The developer has provided additional information about lab safety and regulation in comparable research hubs. Town Staff have also provided an extract from the Occupational Safety and Health Administration (OSHA) with descriptions of requirements for each biosafety level as an attachment.
- 2. Loading Dock** – The developer has provided additional information on comparable buildings and their loading dock facilities – the Chesterfield in Durham and Wake Forest Biotech Place in Winston-Salem.
- 3. Mechanical Penthouse** – The developer has provided additional information about the mechanical penthouse and the height of the building and has provided an alternative location for the air intake louvers which allows for a greater range of cladding options.
- 4. LEED Level** – The developer will achieve a minimum LEED Certified level and will explore higher levels. Staff has included a new condition in Revised Ordinance A

regarding LEED certification:

9. LEED Certification: Prior to issuance of a Zoning Final Inspection, the developer shall provide documentation of LEED certification.

5. Electric Vehicle Parking – The developer proposes electric vehicle charging stations for 20 vehicles, with possible future additional charging stations for up to 36 vehicles. Town Staff has included a new condition in Revised Ordinance A regarding electric vehicle parking:

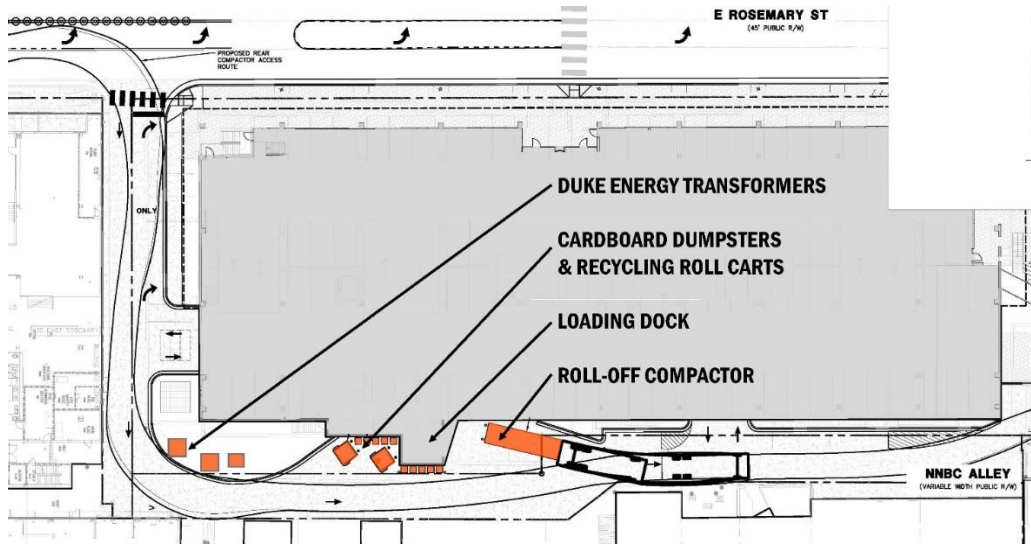
10. Electric Vehicle Parking Spaces and Charging Stations: Prior to issuance of a Zoning Compliance Permit, the developer shall submit plans showing the installation of a minimum of twenty (20) electric vehicle parking spaces including sixteen (16) additional spaces to be made electric vehicle ready with dedicated electric circuits and underground conduits. The developer shall also submit plans showing the specs and dimensions of the electric vehicle charging stations. The developer shall include the specs and dimensions of the electric vehicle charging signage on the site details sheets. Final design and construction details must be approved by the Town Manager.

6. E-Bike Charging Stations – The developer proposes removing 1 car parking space to accommodate 30 e-bike charging stations. Staff has included the following condition in Revised Ordinance A:

11. E-Bike Charging Stations: Prior to issuance of a Zoning Compliance Permit, the developer shall submit plans showing E-bicycle parking spaces for up to 30 bicycles. The developer shall include the specs and dimensions of the electric bicycle charging stations on the site details sheets. Final design and construction details must be approved by the Town Manager.

7. ADA Accessibility – The developer has provided additional information on the Town Green's ADA accessibility.

8. Solid Waste – The developer has revised the solid waste plan and proposes relocating the cardboard dumpsters, roll carts, and trash compactor to the rear of the building, along NCNB Alley. Please see the exhibit below as well as in the attached applicant's response. The facilities would serve other businesses along NCNB Alley. We anticipate additional information being shared prior to the December 1, 2020 Council meeting.

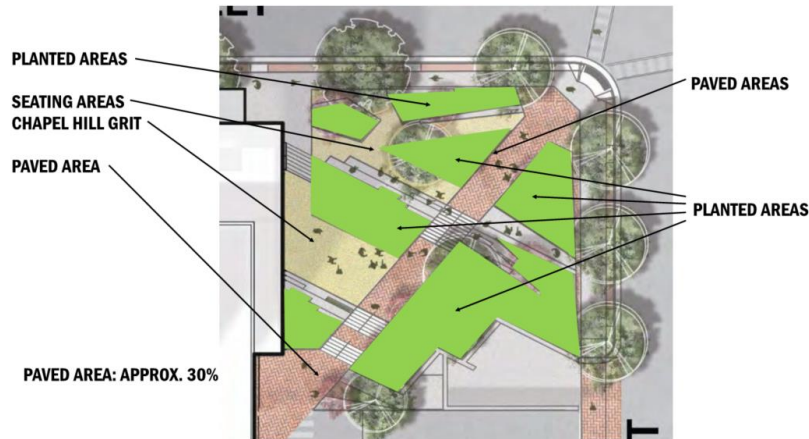


OCTOBER 27, 2021 TOWN COUNCIL MEETING

Below summarizes discussion at the October 27, 2021 Council meeting and the developer's responses.

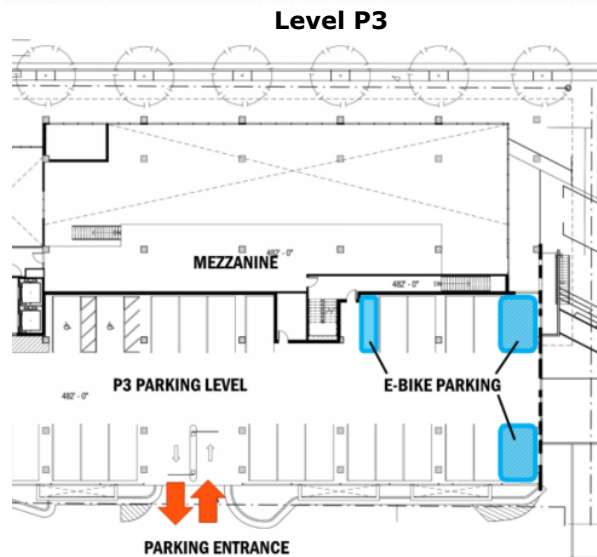
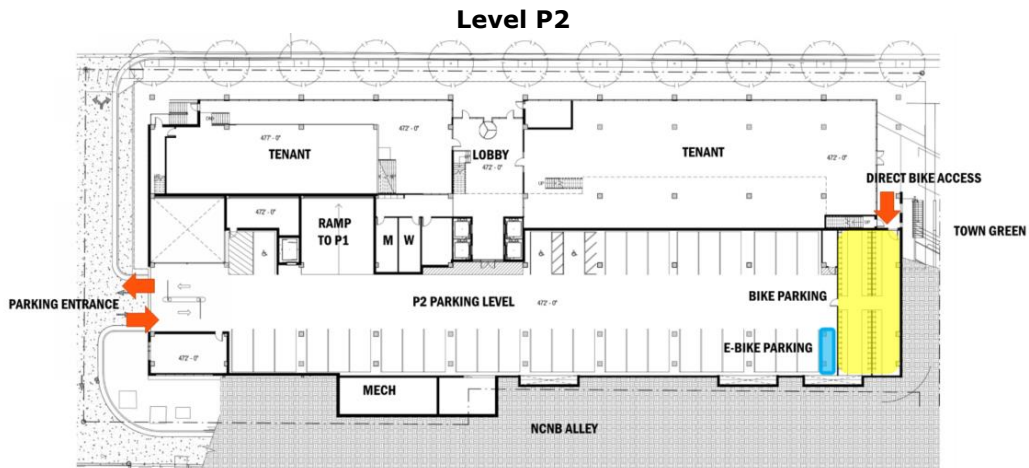
- Town Green** – Based on comments at the October 27, 2021 Council meeting, the developer has updated the Town Green design to include additional planted areas. Approximately 30 percent of the area will be hardscape, as shown below. The developer has also provided information regarding public art opportunities, a shadow study, including a comparison to the 140 W. Franklin Street plaza, as well as a feasibility analysis of an ADA ramp in the Town Green.

GREEN SPACE



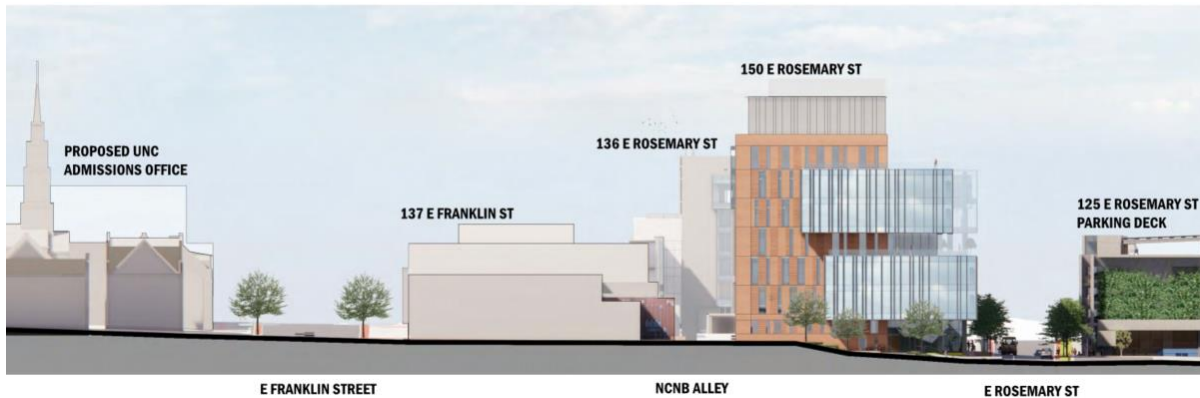
- Refuse Collection** – Based on comments at the October 27, 2021 Council meeting, the developer has provided additional information regarding solid waste collection for the proposed project. Currently, trash is collected from businesses backing along the NNBC alley behind the Post Office, accessed from E. Rosemary Street. The new building would include a specialized collection service for lab waste, and general trash would continue to be collected behind the Post Office, with access from Henderson Street.
- Bicycle Parking** – Based on comments at the October 27, 2021 Council meeting, the developer has included additional e-bike parking and has provided additional

diagrams detailing how bikes and e-bikes can access the bike parking within the parking levels. See diagrams below:

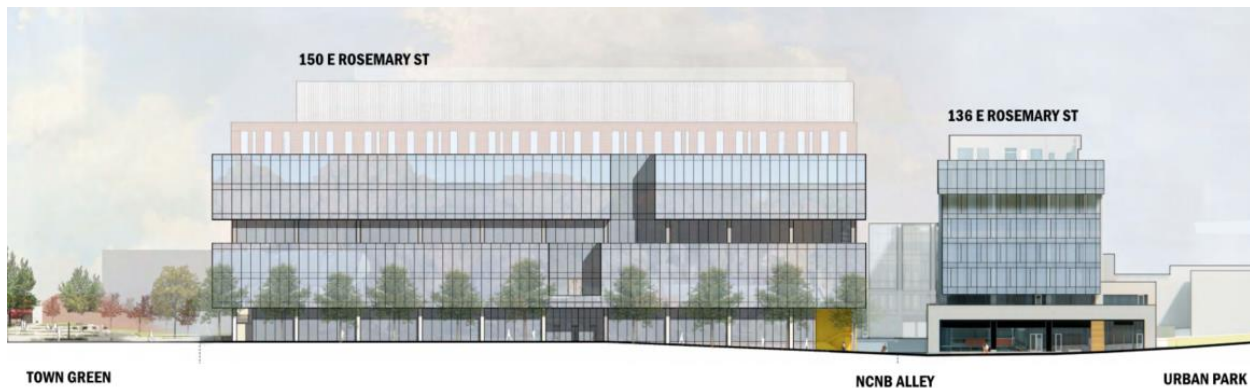


4. **Lab Uses** – Based on comments at the October 27, 2021 Council meeting, the developer has provided clarifying information regarding the flexibility required for lab users.
5. **Height and Mechanical Penthouse** – Based on comments at the October 27, 2021 Council meeting, the developer has provided additional details regarding the building height and the mechanical equipment. The developer has also provided additional cladding options for the mechanical penthouse, as well as renderings of various views and cross-sections of the area. Additionally, the developer has provided a sound study of the mechanical equipment and has provided evidence that the sound on Franklin Street and E. Rosemary Street will be similar to conversation levels.

North-South Cross-Section



East-West Cross-Section



BOARD AND COMMISSION RECOMMENDATIONS

Planning Commission: At their [October 5, 2021 meeting](#)¹, the Planning Commission recommended approval with the following modifications to Resolution A:

- Design and build the highly visible 8th floor (mechanical floor) of the building for both aesthetics and function. Consider alternate claddings and façade treatments and consider rooftop utilities such as a PV array or rainwater collection. Consider relocating the refuse facility into the loading area in the alley.
- Applaud the applicant's Gold LEED intentions but encourage the applicant to pursue Platinum LEED certification instead.
- Engage with the Town's Urban Designer to pursue strategies for first floor activation and to prevent blank or covered window facades.
- Provide a ratio of wall mounted bicycle parking to at-grade bicycle parking that addresses the increased use of (heavier) e-bicycles.
- The weather protected space created by the 2nd level overhang on E. Rosemary Street must incorporate bicycle parking.
- Plan Murals and Public Art to enhance the structure, including on the alley frontage.

¹ <https://chapelhill.legistar.com/MeetingDetail.aspx?ID=896537&GUID=99EFD8E7-2059-4FCC-AB2D-92BFD9C5D750&Options=&Search=>

- Provide electric car charging stations or at least provide conduit for future connection.
- Consider the need for bicycle infrastructure around the site:
 - Bike lanes are needed to reach Bike/Ped goals of Chapel Hill, the building has 150 bike spaces proposed with no bike lanes to access the property.
 - Provide traffic calming measures along the entire E. Rosemary renovation.
 - Install a raised intersection at the E. Rosemary / Henderson St. intersection.
- Increase the numbers of shade trees so the public will use the outdoor spaces, particularly in the public green.

Transportation and Connectivity Advisory Board: At the [September 28, 2021 meeting](#)², the Transportation and Connectivity Advisory Board recommended approval with the following conditions:

- The applicant evaluate the siting and pavement marking for bike parking to facilitate safe passage of cyclists to spots, including splitting bicycle parking across levels to place bicycle parking closer to entrances
- The applicant provide at least 3% of the spaces on site as electric vehicle charging spaces, with at least one ADA accessible space with electric vehicle charging.
- The applicant ensure that at least 20% of vehicle parking spaces are 'EV-Ready' to support future electric vehicle charging stations
- The applicant provide a form of delineation for the crosswalk carrying Post Office Alley across NCNB Alley, including signage to ensure pedestrian safety by slowing vehicle traffic on NCNB Alley.

Environmental Stewardship Advisory Board: At the [September 23, 2021 meeting](#)³, the Environmental Stewardship Advisory Board recommended approval with the following conditions:

- Use of biofuels instead of natural gas for heating the building
- Incorporate plans for using fresh air and other ventilation throughout the building
- Use rainwater capture for rainwater reuse in the building for nonpotable water needs

Historic District Commission: At the [October 12, 2021 meeting](#)⁴, the Historic District Commission recommended approval of the project with the conditions outlined in a September 19, 2021 memorandum.

Community Design Commission: The application was discussed at the [September 28, 2021](#)⁵ meetings. The Community Design Commission recommended approval of the project with the following conditions:

- That the applicant rethink the approach to waste disposal (e.g. other locations for the dumpster or solutions not requiring a dumpster).
- That architectural treatment of the exhaust fans and other upper-level mechanical equipment be subject to CDC review and approval at the Final Plans stage.

² <https://chapelhill.legistar.com/MeetingDetail.aspx?ID=895250&GUID=7D1BB1EE-6EAD-4EAA-A01A-6218949D4408&Options=&Search=>

³ <https://chapelhill.legistar.com/MeetingDetail.aspx?ID=894385&GUID=BB7B72FB-3F4F-4F1A-B0BE-757CE5AB5790&Options=&Search=>

⁴ <https://chapelhill.legistar.com/MeetingDetail.aspx?ID=885511&GUID=D510DB7B-3C3A-44B7-B518-1FCD9735346A&Options=&Search=>

⁵ <https://chapelhill.legistar.com/DepartmentDetail.aspx?ID=35897&GUID=60D7535E-8FD2-4C4F-B065-903F28578771&Search=>

Parks, Greenways and Recreation Commission and Cultural Arts Commission:

These boards provided courtesy comments to the applicant.

SITE CONTEXT

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

- The site consists of a 1.49-acre site with the existing parking deck.
- The subject site fronts on and has access to East Rosemary Street and Henderson Street, which are both collector streets maintained by the Town.
- The eastern portion of the property is located in the Franklin-Rosemary Historic District.
- The properties to the west and on the north side of East Rosemary Street to the west are zoned Town Center-3 (TC-3) and Town Center-2-Conditional Zoning District (TC-2-CZD), respectively, and are part of the overall redevelopment project described above.
- Property on the north side of East Rosemary Street to the east is zoned Town Center-2 (TC-2).
- Property to the south of the subject site, fronting on East Franklin Street, is zoned Town Center-1 (TC-1) and consists of commercial uses.
- There is no Resource Conservation District or floodplain on the site, which is relatively flat and contains minimal vegetation.

PROPOSED ZONING

The applicant has submitted a Conditional Zoning application, which allows review of the development proposal in conjunction with the rezoning, and which allows site-specific standards to be formulated and applied as conditions 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 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 a Town Center-3-Conditional Zoning District (TC-3-CZD) district for the site.

The intent of the Town Center-3 (TC-3) zoning district is “to provide for the development of the commercial, service, and social center of Chapel Hill while maintaining its character, its pedestrian-oriented scale, and its nature as a concentration of business, administrative, financial, governmental, and support functions serving the community; and to encourage further residential development in the central area of Chapel Hill.”⁶

The applicant has proposed modifications to the maximum setback and core building height, as summarized in the Modifications to Regulations section below.

⁶ LUMO Section 3.3.1

PROPOSED MODIFICATIONS TO REGULATIONS

1) Section 3.8.2(g)(2): Dimensional Regulations: The dimensional regulations in Town Center-3 (TC-3) zoning districts limit the setback building height to 44 feet and the core building height to 120 feet.







Staff Comment: The proposed modification request is to increase the 44 feet setback height limit up to a maximum of 112 feet on all four elevations, and increase the 120 feet core height limit up to a maximum of 140 feet.

Council Findings and Public Purpose: The Council has the ability to modify the regulations according to Section 4.5.6 of the Land Use Management Ordinance. Staff believes that the Council could modify the regulations if it makes a finding in this particular case that public purposes are satisfied to an equivalent or greater degree. If the Council chooses to deny a request for modifications to regulations, the developer’s alternative is to revise the proposal to comply with the regulations.

CONSISTENCY WITH THE COMPREHENSIVE PLAN AND OTHER DOCUMENTS

Town staff has reviewed this application for compliance with the themes from the [2020 Comprehensive Plan](#)⁷, the standards of the [Land Use Management Ordinance](#)⁸, and the [Town of Chapel Hill, NC : Design Manual and Standard Details](#)⁹ and believes the 150 E. Rosemary Street proposal complies with several themes of the 2020 Comprehensive Plan:

Comprehensive Plan Themes: The following are themes from the 2020 Comprehensive Plan, adopted June 25, 2012:

<input checked="" type="checkbox"/>		Create a Place for Everyone	<input checked="" type="checkbox"/>		Develop Good Places, New Spaces
<input checked="" type="checkbox"/>		Support Community Prosperity	<input type="checkbox"/>		Nurture Our Community
<input checked="" type="checkbox"/>		Facilitate Getting Around	<input checked="" type="checkbox"/>		Grow Town and Gown Collaboration

Future Land Use Map:

2050 FUTURE LAND USE MAP (FLUM) ELEMENTS		
FOCUS AREA & SUB-AREA	APPROPRIATE USES	OTHER
Downtown Sub-Area E 4-8 stories typical height	Multifamily/Shops/Offices Multifamily Residential Commercial/Office Parks and Green/Gathering Spaces Institutional/University/Civic Townhouses/Residences	Activated Street Frontage
APPLICABLE ADOPTED SMALL AREA PLAN(S)		

⁷ <http://www.townofchapelhill.org/home/showdocument?id=15001>
⁸ https://www.municode.com/library/#!/nc/chapel_hill/codes/code_of_ordinances?nodeId=CO_APXALAU5MA
⁹ <http://www.townofchapelhill.org/town-hall/departments-services/public-works/engineering/design-manual-and-standard-details>

None

The Future Land Use Map (FLUM) envisions the Downtown Focus Area as the social and cultural center of Chapel Hill, where infill and redevelopment can encourage sufficient density to absorb growth and limit impacts to other areas of town. The FLUM indicates a range of appropriate Primary and Secondary uses for the Sub-Area where this site is located, and Commercial/Office is one of the appropriate Primary uses. The proposed rezoning aligns with the character envisioned by the FLUM. The FLUM also calls for:

- **ACTIVATED STREET FRONTAGE.** Activated street frontage is encouraged in order to create vibrancy and ensure pedestrian activity over time. Sub Area E of the FLUM's Downtown Focus Area calls for active visual engagement between the street and ground floor uses, with an environment between streets and buildings that provides pedestrian connections and excludes off-street parking.
- **BUILDING HEIGHT.** The FLUM calls for four stories at the street setback and up to 8 stories allowed on the south side of East Rosemary Street (the FLUM suggests a story height of approximately 12 feet). Increased heights may be allowed in locations where it supports or encourages stated redevelopment initiatives.
- **ENVIRONMENTAL.** The Downtown Focus Area also suggests creating urban pocket parks adjacent to the sidewalk zones, specifically in areas prime for public events and festivals.

Mobility Plan: The Mobility and Connectivity Plan shows bicycle facilities for the site's frontages on East Rosemary Street. There are existing sidewalks on both sides of the street. A future Bus Rapid Transit (BRT) station is located at the intersection of Columbia Street and Franklin Street, about ¼ mile from the site.

Climate Action Plan: The Climate Action Plan includes Sustainable Development as a top strategy to reduce our community carbon footprint and build resiliency. The Transportation and Land Use chapter calls for creating walkable, bikeable, transit-served neighborhoods through strategies such as supportive zoning and integrated land use – transportation planning. The proposed project is in a walkable downtown location that is served by multiple bus routes and a future BRT station.

Staff Evaluation: North Carolina General Statute Section 160D-605(a) 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, as amended, and other adopted plans:

- The proposed zoning amendment to Town Center-3-Conditional Zoning District (TC-3-CZD) aligns with the character envisioned by the FLUM because rezoning would facilitate redevelopment and support sufficient density to absorb growth.
- The Town Center-3-Conditional Zoning District (TC-3-CZD) district would allow all of the proposed uses that the FLUM indicates are appropriate. The Conditional Zoning application proposal falls within the 'Commercial/ Office' category.
- The presence of Activated Street Frontages on the Focus Area map suggests that projects should have urban design that is compatible with pedestrian-oriented development. Zoning conditions would be useful to encourage street activation.
- The FLUM calls for four stories at the street setback, but also allows for "increased heights within the Focus Area in locations where such height may be necessary to

support or encourage stated redevelopment initiatives." The current proposal indicates a building that is 3 stories at the street setback along E Rosemary Street, stepping up to seven stories plus a penthouse interior to the site. This is generally consistent with FLUM guidance for Building Height. Consistency with the FLUM (as measured in number of stories) could support the requested modification to LUMO regulations for building height (as measured in feet).

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.

Staff provides below 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. All information submitted at the public hearing will be included in the record of the hearing.

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

Arguments in Support: To date, no arguments in support have been submitted or identified by staff.

Arguments in Opposition: To date, no arguments in opposition have been submitted or identified by staff.

Staff Response: We believe, based on the information entered into the record to date, that there is no manifest error in the Town's Zoning Atlas Amendment related to the project site.

2) Finding #2: The proposed zoning amendment is necessary because of changed or changing conditions in a particular area or in the jurisdiction generally.

Arguments in Support: The applicant notes that changing conditions could include the ongoing revitalization of the 100 block of E Rosemary St, together with the investments in the area contemplated under the Economic Development Agreement between the developer and Town.

Arguments in Opposition: To date, no arguments in opposition have been submitted or identified by staff.

Staff Response: We believe, based on the information entered into the record to date, that the Council could make the finding that the proposed zoning amendment is in response to changing conditions in downtown Chapel Hill area and in the jurisdiction generally.

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

Arguments in Support: Staff notes that the Conditional Zoning application could contribute to the purposes of the Comprehensive Plan through the following:

- Promoting the Focus Area Character for the Downtown Focus Area as described in the Future Land Use Map
- Facilitating development that implements FLUM guidance for Character Types and Height in Downtown
- Supporting goals of Chapel Hill 2020 including *A Place for Everyone, Getting Around, Good Places-New Spaces, and Town and Gown Collaboration*

The applicant's Statement of Consistency states that the proposed rezoning would contribute to the following elements of the Comprehensive Plan:

- Family-friendly, accessible exterior and interior places throughout the town for a variety of active uses (*Goal: A Place for Everyone.1*)
- A welcoming and friendly community that provides people with access to opportunities (*Goal: A Place for Everyone.4*)
- Balance and sustain finances by increasing revenues and decreasing expenses (*Goal: Community Prosperity and Engagement.1*)
- Foster success of local businesses (*Goal: Community Prosperity and Engagement.2*)
- A connected community that links neighborhoods, businesses and schools through the provision of greenways, sidewalks, bike facilities and public transportation (*Goal: Getting Around.2*)
- A vibrant, diverse, pedestrian-friendly, and accessible downtown with opportunities for growing office, retail, residential and cultural development and activity (*Goal: Good Places, New Spaces.2*)
- A joint Town/University development strategy that aligns initiatives for transportation, housing, environmental protection, and entrepreneurial programs (*Goal: Good Places, New Spaces.4*)
- A community that welcomes and supports change and creativity (*Goal: Good Places, New Spaces.6*)
- Open and accessible common spaces for community gathering, cultural uses, and community development (*Goal: Good Places, New Spaces.7*)
- Take full advantage of ideas and resources to create a thriving economy and incorporate and utilize the intellectual capital that the University and Town create (*Goal: Town and Gown Collaboration.1*)

Arguments in Opposition: To date, no arguments in opposition have been submitted or identified by staff.

Staff Response: We believe, based on the information entered into the record to date, that the Council could make the finding that the proposed zoning amendment is necessary to achieve the purposes of the Comprehensive Plan.

REASONABLENESS OF THE ZONING AMENDMENT

Reasonableness is determined by comparing the scale of permissible development under the proposed zoning district to that of existing zoning, and by considering characteristics of the site and its surroundings. North Carolina General Statute 160D-605 requires the Town Council to consider a statement of Plan reasonableness when reviewing any Zoning Atlas Amendment.

Specific characteristics of the development proposal, compliance with regulations, and appropriate conditions to address potential impacts of the development are evaluated elsewhere.

SUMMARY OF ANALYSIS FOR REASONABLENESS

Supporting Factors

- The site is located along a significant downtown business corridor and close to arterial roads.
- Existing transit service is available within 0.1 miles through multiple bus routes.
- Planned transportation infrastructure along surrounding streets, including bicycle facilities and BRT service, could support more intense development by providing various modes of travel.

- The site already has significant impervious surface and little existing tree coverage.
- The site is surrounded by a mixture of uses and a development character that is compatible with the proposed zoning.
- There is an adjacent office building of similar scale to the proposal.
- Updated zoning could facilitate redevelopment of the Wallace Deck, once parking need is met by the new municipal parking deck.
- Proposed zoning is consistent with the Future Land Use Map character for the Focus Area, and with the list of appropriate uses.
- Activated Street Frontage on the FLUM suggest that more intense development is appropriate.
- Recent development projects along Rosemary Street represent changing conditions in the area.
- Zoning conditions provide an opportunity to limit intensity and to establish standards that address any impacts on surrounding properties.

Other Considerations

- The proposed zoning would allow roughly double the amount of permissible development allowed under existing zoning.

APPLICANT PROPOSAL

Project Description	A commercial office and lab building with around 237,000 sq ft of space. Constructed through redevelopment of the existing Wallace Parking Deck. Includes an adjacent Town Green public space. Located in downtown Chapel Hill, across from a municipal parking deck project currently under construction.	
Proposed Zoning Atlas Amendment (ZAA)	From Town Center-2 (TC-2) to Town Center-3-Conditional Zoning District (TC-3-CZD)	Notes: The submittal of a Conditional Zoning application allows review of the development proposal in conjunction with the rezoning, and allows site-specific standards to be formulated and applied as conditions through a legislative process. A -CZD suffix would be applied to acknowledge approval of conditions.
Applicant Reasoning for ZAA	To accommodate the target program for the building as contemplated under an Economic Development Agreement between the developer and the Town, and to facilitate an open dialogue with the public about the project.	

**REASONABLENESS OF ZONING CHANGE:
Comparing Existing Permissible Development to Proposed**

	LUMO Standard for TC-3	Staff Evaluation
District Intent	<u>Section 3.3.1</u> : The town center (TC) districts are intended to provide for the development of the commercial, service, and social center of Chapel Hill while maintaining its character, its pedestrian-oriented scale, and its	The proposed use program supports the intent statement by contributing to commercial development and a concentration of business functions in Downtown Chapel Hill.

	nature as a concentration of business, administrative, financial, governmental, and support functions serving the community; and to encourage further residential development in the central area of Chapel Hill.	
Permitted Uses	<u>Table 3.7-1</u> : Permitted uses in the TC-3 district include a wide variety of residential, commercial, office, institutional, research, and public uses.	<p>The associated Conditional Zoning application proposes space for Business, office-type; Research activities; other Business (i.e. commercial); and public open space as the uses for the site.</p> <p>All TC- districts specify the same permitted uses. There would be no increase or reduction in uses permitted under a rezoning from TC-2 to TC-3.</p>
Dimensional Standards	<p><u>Table 3.8-1</u>: Standards for the TC-3 district are broadly permissive for development. The main factors limiting development intensity are Height and Floor Area Ratio (FAR).</p> <ul style="list-style-type: none"> • No Maximum Residential Density • Maximum Building Height of 44 ft at the setback line and 120 ft at the site core • No Minimum Street Setbacks • Maximum Floor Area Ratio of 4.00 	<p>The associated Conditional Zoning application proposes:</p> <ul style="list-style-type: none"> • No dwelling units - Residential Density n/a • Modifications to Regulations for greater allowable Building Height at the setback line and site core • Minimum Street Setback of 12 ft • 237,000 sq ft, resulting in a Floor Area Ratio of 3.33 <p>The existing TC-2 zoning has the following standards:</p> <ul style="list-style-type: none"> • No Maximum Residential Density • Maximum Building Height of 44 ft at the setback line and 90 ft at the site core • No Minimum Street Setbacks • Maximum Floor Area Ratio of 1.97 <p>Based on the comparison of Floor Area Ratio TC-3 zoning would allow roughly double the amount of permissible development that currently exists for the site.</p>

Design and Development Standards

Many other standards, including parking, landscaping, and environmental protection, are established in LUMO Article 5 and are applicable in equal measure to the proposed TC-3 and the existing TC-2 district. A change in zoning district would not change how Article 5 standards apply.

The Conditional Zoning application provides an opportunity to establish conditions that modify development standards in order to address impacts reasonably expected to be generated by development.

**REASONABLENESS OF ZONING CHANGE:
Consideration of the Site and its Surroundings**

	Description	Staff Evaluation
Existing Use and Surroundings	<p>Public parking deck serving downtown Chapel Hill, and a service lot behind the downtown post office.</p> <p>Site is along the E Rosemary corridor where there are multiple redevelopment projects under construction and proposed.</p>	<p>With parking need expected to be met by the new municipal parking deck, measures to facilitate new development opportunities for the Wallace Deck are reasonable.</p>
Adjacent Zoning Districts and Land Uses	<p><u>North</u>: TC-2 and TC-2-CZD, low-rise commercial buildings and a Town parking deck (under construction)</p> <p><u>East and Southeast</u>: TC-2 and TC-1, with HD overlay, low-rise commercial buildings</p> <p><u>South</u>: TC-1, Post office and low-rise main street commercial buildings</p> <p><u>West and Southwest</u>: TC-3, mid-rise office building with ground-floor commercial</p> <p>Various commercial uses, University campus, and some residences in the nearby area.</p>	<p>TC-3, TC-2, and TC-1 are compatible adjacent zoning districts.</p> <p>The surrounding area has been mostly developed, with a mixture of uses and a development character that is compatible with the proposed TC-3 zoning. In particular, the proposed uses are compatible with the adjacent mid-rise office building.</p>
Transit Service	<p>Existing local and regional bus routes nearby, running along Franklin St and Columbia St, with stops within 0.1 miles of the site.</p> <p>N Columbia St is part of the corridor for the future North-South Bus Rapid Transit project. A proposed BRT station is located at Columbia St and Franklin St, within ¼ mile of the site.</p>	<p>The amount of nearby existing and future transit service, including high-frequency routes, suggest that more intense development is reasonable.</p>
Roads and Vehicular Access	<p>Frontage on Rosemary St, a significant business corridor for Downtown.</p> <p>Additional frontage on Henderson St.</p> <p>Proximity to major arterials – Columbia St and Franklin St.</p>	<p>The location along and near significant streets suggests that more intense development is reasonable.</p>
Pedestrian & Bike Facilities (existing)	<p>Existing sidewalks along both sides of E Rosemary St and N Henderson St.</p>	<p>The presence of an existing pedestrian network suggests that more intense development is reasonable.</p> <p>Some existing sidewalks are narrow and may need to be upgraded to wider widths to support new activity generated by development.</p>
Streams/ Wetlands/ Floodplain	<p>No environmental constraints identified at this time.</p>	<p>Development could occur without substantial increase of impervious</p>

	The existing parking deck and lot result in extensive existing impervious surface area.	area, loss of tree canopy, or impact to sensitive environmental features.
Topography	Slopes down from south to north. Henderson St. sits lower than the site with a retaining wall in between. No areas of steep slopes identified.	






















PROJECT FACT SHEET



Project Details

Site Description	
Project Name	East Rosemary Street Redevelopment Project
Address	150 East Rosemary Street
Property Size (NLA)	64,690 SF (1.49 acres)
Existing	Parking deck
Orange County Parcel Identifier Numbers	9788-37-9717
Existing Zoning	Town Center-2 (TC-2)
Proposed Zoning	Town Center-3-Conditional Zoning District (TC-3-CZD)


Site Development Standards

Topic	Comment	Status
Development Intensity		
Use/Density (Sec. 3.7)	Existing Use: 309 vehicle space parking garage and surface parking lot Proposed Use: Seven-story lab and office building above three levels of parking	
Dimensional Standards (Sec. 3.8)	Primary height: 112 ft. (modification requested) Core height: 140 ft. (modification requested) Setbacks: 0 ft. in Town Center zoning districts	M
Floor area (Sec. 3.8)	Proposed: 228,000 sq. ft.	
Landscape		
Buffers (Sec. 5.6.2)	N/A in Town Center zoning districts	
Tree Canopy (Sec. 5.7)	N/A in Town Center zoning districts	
Landscape Standards (Sec. 5.9.6)	N/A in Town Center zoning districts	
Environment		
Resource Conservation District (Sec. 3.6)	N/A	
Erosion Control (Sec. 5.3.1)	Orange County Erosion Control permit required	
Steep Slopes (Sec. 5.3.2)	N/A	

Stormwater Management (Sec. 5.4)	Meet or exceed LUMO 5.4 standards	
Land Disturbance	75,000 sq. ft.	
Impervious Surface	N/A in Town Center zoning districts	
Solid Waste & Recycling	Private trash and recycling pickup proposed	
Jordan Riparian Buffer (Sec. 5.18)	N/A	
Access & Circulation		
Road Improvements (Sec. 5.8)	Improvements to be completed in accordance with TIA findings, including: <ul style="list-style-type: none"> - Primary access to the underground parking garage access from the existing alley - Maintain the existing one-way alley access configuration behind the proposed office building 	
Vehicular Access (Sec. 5.8)	Right-in, right-out driveway on East Rosemary Street and one exit-only driveway on Henderson Street	
Bicycle Improvements (Sec. 5.8)	None	
Pedestrian Improvements (Sec. 5.8)	Streetscape improvements along East Rosemary Street frontage including brick pavers and street trees	
Traffic Impact Analysis (Sec. 5.9)	TIA completed	
Vehicular Parking (Sec. 5.9)	<i>Proposed:</i> 170 vehicle parking spaces	
Transit (Sec. 5.8)	N/A	
Bicycle Parking (Sec. 5.9)	<i>Required:</i> 168 spaces <i>Proposed:</i> 181 spaces	
Electric Vehicle Parking	<i>Proposed:</i> 6 spaces	
Parking Lot Standards (Sec. 5.9)	Built to Town Standards	
Technical		
Fire	Built to Town Standards	
Schools Adequate Public Facilities (Sec. 5.16)	N/A	
Inclusionary Zoning Ordinance (Sec. 3.10)	N/A	
Recreation Area (Sec. 5.5)	N/A	

Lighting Plan (Sec. 5.11)	Built to Town Standards; not to exceed 0.3 footcandles at property line	
Homeowners Association (Sec. 4.6)	N/A	

Project Summary Legend

Symbol	Meaning
	Meets Requirements
M	Seeking Modification
FP	Required at Final Plan
NA	Not Applicable