

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 REGARDING SHORT-TERM RENTAL STANDARDS IN THE BLUE HILL FORM DISTRICT (2021-10-27/O-8)

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 Council adopted a Town-wide ordinance regulating Short-Term Rentals on June 23, 2021; and

WHEREAS, the Short-Term Rental use category in Section 3.11 of the Land Use Management Ordinance needs further refinement to ensure consistency with the Town-wide Short-Term Rental ordinance; and

WHEREAS, the Planning Commission reviewed the text amendments to the Land Use Management Ordinance Article 3, Section 3.11 on September 7, 2021 and recommended further consideration of the Ordinance provisions; and

WHEREAS, the Council called a Legislative Hearing to amend Article 3, Section 3.11 of the Land Use Management Ordinance as it relates to short-term rental standards in the Blue Hill Form District for the Council's September 22, 2021 meeting; and

WHEREAS, the Council 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

WHEREAS, upon consideration the Council 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 3.11.3.5. Use Categories, subsections A through C are hereby revised to read as follows:

"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.* ~~See Section 6.27.3 Definitions.~~ **Establishments as defined in Section 6.27.3 of this appendix, and in addition, any**

configuration of lodging units that does not meet the definition of Overnight Lodging under Section 3.11.3.5.C.7. Short-term rentals shall be subject to the requirements of Section 6.27 of this appendix.

B. *Public uses.*

1. *Civic/place of worship.* Places of public assembly that provide ongoing life safety, educational and cultural services to the general public, as well as meeting areas for religious practice.
2. *Parks and open space.* Public gathering areas for passive or active outdoor recreation, and having few structures.
3. *Utilities, minor.* Public or private infrastructure serving a limited area with no on-site personnel.
4. *Utilities, major.* Public or private infrastructure serving the general community, or with on-site personnel.

C. *Commercial uses.*

1. *Commercial parking.* Facilities providing parking that is not accessory to a principal use. Facilities may or may not charge a fee.
2. *Day care.* Uses providing care, protection, and supervision of children or adults on a regular basis away from their primary residence. Care is typically provided to a given individual for fewer than eighteen (18) hours each day, although the facility may be open twenty-four (24) hours each day.
3. *Indoor recreation.* Commercial uses, varying in size, providing daily or regularly scheduled recreation-oriented activities in an indoor setting.
4. *Medical.* Uses providing medical or surgical care to patients. Some uses may offer overnight care.
5. *Office.* Activities conducted in an office setting and generally focusing on business, professional or financial services.
6. *Outdoor recreation.* Commercial uses, varying in size, providing daily or regularly scheduled recreation-oriented activities either wholly outdoors or within outdoor structures.
7. *Overnight lodging.* Accommodations arranged for short term stays of less than thirty (30) days for rent or lease-, **consisting of a collection of lodging units that are serviced by on-site staff and are not otherwise defined as Short-Term Rentals. In a building that includes both Household Living and Overnight Lodging, each use shall constitute a distinct portion of the building with separate access points.**
8. *Personal service.* Facilities involved in providing personal services or repair services to the general public.
 - a. *Animal care.* A facility where four or more domesticated animals more than four months of age are housed, groomed, bred, boarded, trained or sold. No outdoor activity associated with care of animals is permitted.
9. *Restaurant/bar.* Establishments that prepare and sell food or drink for on- or off-premises consumption.
10. *Retail sales.* Facilities involved in the sale, lease or rental of new or used products.
 - a. *Fuel sales.* The sale or dispensing of fuels for motor vehicles. The zoning lot on which fuel sales are located must have a minimum gross land area of twenty thousand (20,000) square feet. The zoning lot must front on an arterial or collector street. Adequate provision must be made for ventilation and the dispersion and removal of fumes, and for the removal of hazardous chemicals and fluids. Driveways for a

service station/convenience store may 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. These distances are measured centerline to centerline.

11. *Vehicle sales/service.* Direct sales, rental, leasing or servicing of passenger vehicles, light and medium trucks, and other consumer motor vehicles such as motorcycles, boats and recreational vehicles. Maximum land area of one (1) acre is permitted. Vehicle parking areas must be screened as required in Section 3.11.4.2.C. All servicing or repair of vehicles must occur indoors. All storage of parts and other similar items must occur indoors.”

Section 2. This ordinance shall be effective upon enactment.

This the 27th day of October, 2021.