



CONSIDER AN APPLICATION FOR SPECIAL USE PERMIT MODIFICATION – EASTOWNE REDEVELOPMENT – MEDICAL OFFICE BUILDING (MOB)-1

STAFF REPORT

TOWN OF CHAPEL HILL PLANNING AND DEVELOPMENT SERVICES
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<p>PROPERTY ADDRESS 100 Eastowne Drive</p>	<p>PUBLIC HEARING DATE May 23, 2018</p>	<p>APPLICANT Health System Properties, LLC</p>
<p>STAFF RECOMMENDATION That the Council open the public hearing, receive comments and evidence on the proposed Special Use Permit, and recess the Public Hearing to June 27, 2018.</p>		
<p>STAFF ANALYSIS The applicant is asking for a special use permit and for modifications to regulations. See attached Staff Analysis for additional information.</p>		
<p>PROCESS The application is before the Council for approval of a Special Use Permit Modification. The Council must consider the four findings for approval of a Special Use Permit, which indicate that the use or development:</p> <ol style="list-style-type: none"> 1. is located, designed, and proposed to be operated so as to maintain or promote the public health, safety, and general welfare; 2. would comply with all required regulations and standards of the Land Use Management Ordinance; 3. is located, designed, and proposed to be operated so as to maintain or enhance the value of contiguous property, or that the use or development is a public necessity; and 4. conforms to the general plans for the physical development of the Town as embodied in the Land Use Management Ordinance and in the Comprehensive Plan. 	<p>DECISION POINTS</p> <ul style="list-style-type: none"> • Modifications to landscape buffers along US 15-501 frontage. • Modification to the building height requirement. • Modification to the Resource Conservation District to allow accessible parking, land disturbance, and impervious surface requirements. • The proposal is contingent upon approval of a rezoning for the project area. 	
<p>PROJECT OVERVIEW The applicant proposes demolition of four existing buildings and construction of a 6-story building for medical office and clinic uses, with a separate 5 ½-story, 580-space parking deck. A landscaped buffer along the US 15-501 right-of-way is also proposed, which includes a multi-use path.</p>	<p>PROJECT LOCATION</p> <p>Map Prepared by Chapel Hill GIS - March 2018</p>	
<p>ATTACHMENTS</p>	<ol style="list-style-type: none"> 1. Draft Staff Presentation 2. Resolution A 3. Resolution B 4. Project Summary Form 5. Application Form & Materials 6. Submitted Plans 	

Key Considerations

Planning Commission Recommendation:

At the May 15, 2018 meeting, the Planning Commission recommended approval with the following comments on modifications to regulations and recommendations:

The Planning Commission supported the requested Modifications to Regulations:

- South Landscape Buffer: 30 foot External Type D with variable plantings;
- Building Height: 74 feet for the Medical Office Building, and 42 feet for the Parking Deck;
- Resource Conservation District: Encroachment into the RCD only for accessible parking.

Recommendations:

- Visual information (such as a balloon fly or other visual representation) be provided to Council to illustrate the requested height variance.
- Additional canopy trees be provided on the front buffer.
- Endorse the CDC recommendation that only accessible parking be permitted to encroach in the Resource Conservation District.
- Additional trees be provided in the buffer between the project and adjacent apartment complex, Pinegate Apartments.

Staff Response: We have included these as stipulations in Resolution A.

Environmental Stewardship Advisory Board

At the May 9, 2018 meeting, the Environmental Stewardship Advisory Board recommended approval with the following special considerations:

Special Considerations:

- AIA 2030 as a building design standard;
- Rooftop solar for the proposed medical office building and parking structure, including exploration of renewable energy financing (renewable energy special projects committee at UNC-Chapel Hill), rebates and tax equity funding.

Staff Response: We recommend that the developer take the special considerations from the Environmental Stewardship Advisory Board under advisement.

Community Design Commission

At the May 7, 2018 meeting, the Community Design Commission recommended approval with the following modifications:

- Only handicapped parking spaces to be permitted in the Resource Conservation District;
- Trees to remain and clearing to be limited for the future medical office building 2 site;
- CDC courtesy review of US 15-501 buffer modification.

Staff response: We have included these as stipulations in Resolution A.

Transportation and Connectivity Advisory Board

At the April 24, 2018 meeting, the Transportation and Connectivity Advisory Board recommended approval with the following conditions:

- That the applicant provide conduit to serve at least 20% of the parking spaces for future electric vehicle charging stations.
- That the applicant provide clear wayfinding and signage for pick up and drop off zones for drivers and visitors using ridesharing services such as Uber and Lyft.

Staff response: We have included these as stipulations in Resolution A.

TECHNICAL REPORT

January 31, 2018 Concept Plan for 100 Eastowne Drive redevelopment is presented to Council. Two 6-story office/clinic buildings with a combined 300,000 sq. ft. of floor area were presented. The project has since been modified to bring forward one 153,000 sq. ft. building at this time.

June 28, 1993 Eastowne Mixed Use Master Plan approving 400,000 square feet of office and 200,000 square feet of commercial space and a hotel on 33 acres.

Mary 24, 1982 Revised Eastowne Master Plan approved.

December 11, 1972 Eastowne Master Plan approved. This plan has been modified through the years.







October 9, 1972 Eastowne Office/Commercial Special Use Permit (Phase 1). This SUP was modified several times.

Connections to other Documents:

Town staff has reviewed this application for compliance with the themes from the [2020 Comprehensive Plan](#)¹, the standards of the [Land Use Management Ordinance](#)², and the [Town of Chapel Hill, NC : Design Manual and Standard Details](#)³ and offers the following evaluation:

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

Council Goals:

☒		Create a Place for Everyone	☒		Develop Good Places, New Spaces
☒		Support Community Prosperity	☒		Nurture Our Community
☒		Facilitate Getting Around	☒		Grow Town and Gown Collaboration

Staff believes the Eastowne Redevelopment proposal complies with the above themes of the 2020 Comprehensive Plan.

¹ <http://www.townofchapelhill.org/home/showdocument?id=15001>

² https://www.municode.com/library/#!/nc/chapel_hill/codes/code_of_ordinances?nodeId=CO_APXALAUSMA

³ <http://www.townofchapelhill.org/town-hall/departments-services/public-works/engineering/design-manual-and-standard-details>

Land Use Plan: The [2020 Land Use Plan](#)⁴, a component of the 2020 Comprehensive Plan, designates this site for Office.

Proposed Modifications to Regulations:

- Section 5.6.6 Buffer Modification:** The applicant proposes a modified buffer on the southern property line. The southern buffer is adjacent to US 15-501, and is proposed to be developed as part of a larger landscaped area in the public right-of-way, with a multi-use path and retaining walls that preserve 26 existing large trees. Some areas of the buffer will be reduced to 0 feet for emergency fire access and to allow limited views into the site from US 15-501.

Staff Comment: Staff believes that Council could find a public purpose for the reduced plantings and buffer width. As an infill project with existing utility lines and a unique lot configuration, we believe the Council could determine that public purposes are satisfied to an equivalent or greater degree as modifications to the planting requirements to enhance the visibility of the property and advancing economic opportunities.

- Section 3.8.4: Building Height:** The applicant proposes a modification to the building height requirements in Section 3.8.4 Transitional Control Intensity Modifications of the Land Use Management Ordinance. The Office/Institutional-3 (OI-3) zoning district places no dimensional limitations on building height. However, the multi-family development across Eastowne Drive is zoned Residential-4 (R-4). The Transitional Control Intensity Modifications section requires that when a residential use is across the street from an Office/Institutional-3 (OI-3) zoned property, the setbacks and building heights along that frontage must be equal to the setback and building heights of the adjacent residential district. As such, the following requirements and modifications are requested:

	Residential-3	Office/Intitutional-3	
		Medical Office Building	Parking Deck
Minimum Street Setback:	22 feet	22 feet	22 feet
Maximum Setback Building Height:	35 feet	74 feet	42 feet

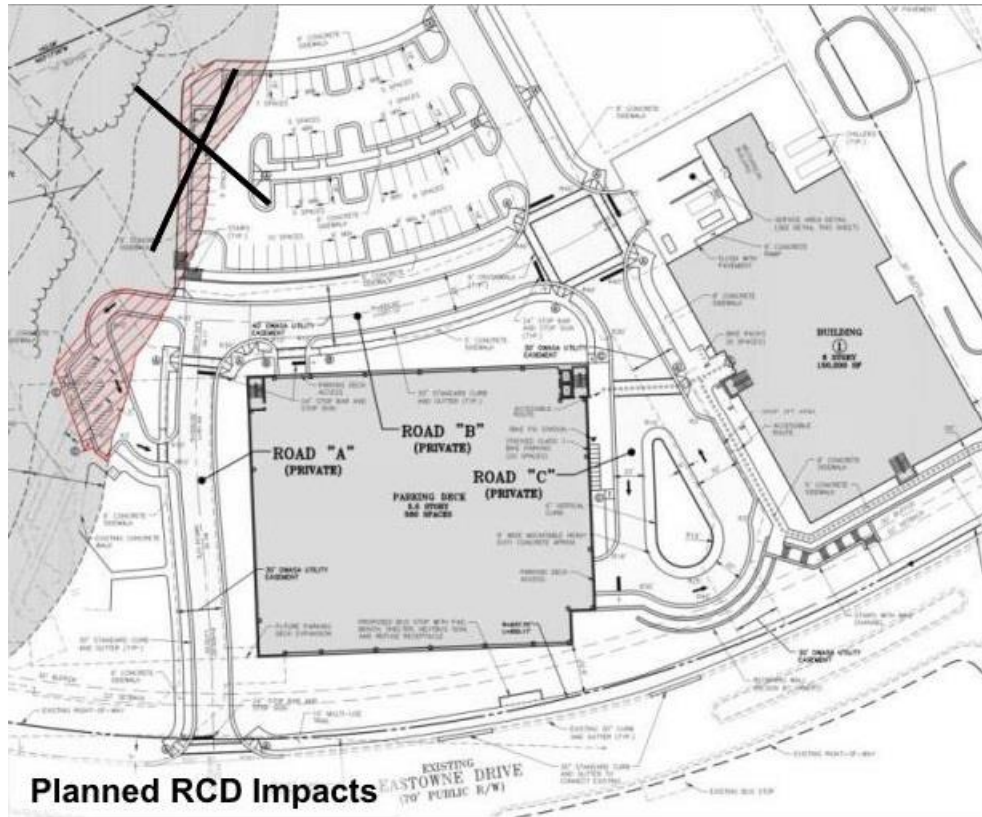
Staff Comment: Staff believes that Council could find a purpose for the increased building heights, including better use of the site and contiguity of character. The transition from residential to office is minimal across Eastowne Drive, as the residential units are three-story apartment buildings, averaging approximately 26 feet in height.

- Section 3.6: Resource Conservation District:**

The developer proposes a modification to the Resource Conservation District requirements found in Section 3.6 of the LUMO. The Resource Conservation District makes up approximately 20 percent of the property and the project will reduce the impacts and impervious surface within the Resource Conservation District. Land disturbance, impervious surface, and parking proposed in the RCD is limited to the accessible parking spaces serving Building 500. The developer has agreed to remove the planned parking area (shown on the plan below marked with an "X") following the

⁴ <http://www.townofchapelhill.org/home/showdocument?id=1215>

advisory board meetings. Calculated land area figures will be detailed prior to Council action on this item.



Staff Comment: Staff believes that Council could find a public purpose in the modification to RCD requirements, as the proposed encroachment will reduce the amount of impervious surface that is currently in the RCD.

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.

For additional information on the proposed modifications, please refer to the developer's attached materials.