



157 East Rosemary: Conditional Zoning District Application

Planning Dept. Staff: Britany Waddell, Judy Johnson, Corey Liles, Jacob Hunt, Anya Grahn-Federmack

Planning Commission Meeting Date: September 5, 2023

Project Overview

- Ballentine Associates, PA, on behalf of TJ Capital II LLC (Developer) requests a conditional rezoning from Town Center-2 (TC-2) to the Residential Community Priority Conditional Zoning District (R-CP-CZD).
- The project would consist of 56 residential units and 3,000 sq. ft. of ground floor retail in a 12 story, 157 ft. tall building on a third of an acre.
- This project meets the affordable housing provisions of R-CP-CZD and proposes 25% of the total units will be made affordable to residents making under 80% of the area median income.

DRAFT Staff Recommendation & Analysis

	Recommend approval of the project with the following conditions: 1. Conditions of Approval found in Ordinance A
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- 1. Consistency with the Future Land Use Map (FLUM):** Staff recommend that Council evaluates the ways in which this project relates to the goals of the FLUM and the impacts that exceeding the height contemplated in the would have on the community.

The Downtown Focus Area, Sub-Area E recommends building heights up to 4 stories (approx. 48 ft. tall) at the front setback and 6 stories (approx. 72 ft. tall) at the core height for lots on the north side of E. Rosemary Street. The Sub-Area also supports a range of uses, encourages multimodal transportation options, and promotes street design elements that contribute to inviting, safe, and welcoming sidewalks adjacent to active pedestrian-oriented street-level facades.

The proposed rezoning is consistent with the character envisioned by the FLUM as the project proposes creating a multi-story, mixed-use building that offers an activated street frontage with glassed retail space wrapping the south, east, and north facades of the first floor. Planters, street trees, and outdoor seating atop a permeable paver patio adds interest and creates a welcoming active frontage.

The mixed use of the building provides retail and an active frontage that will support vibrancy and pedestrian activity along the street. The proposed 56 for-sale units will encourage a year-round residential population downtown.

The building significantly exceeds the height recommended by the FLUM. The applicant proposes a 12-story building that steps back along Rosemary Street on floors 5 and 11. The top two floors are glass and step back from the lower levels to reduce visibility. The building measures approximately 135 ft. along Rosemary with a core height of 157 ft. . The FLUM recommends buildings on the north side of E. Rosemary Street be shorter in height than those on the south side of the street as commercial areas approach surrounding residential neighborhoods. The applicant has designed this

building to reflect the design of the approved 7-story lab office on the south side of E. Rosemary Street that measures 140 ft. in height. This building will be 17 ft. taller at 157 ft. and the applicant has noted that the additional height is necessary to meet the 25% affordable housing units required by the R-CP-CZD.

2. Inclusionary Zoning (IZ): Staff recommend that Council approve the requested modification to IZ since the project is meeting standards for R-CP-CZD.

The proposed project meets the R-CP-CZD standard of 25% of the total units being made affordable to people with incomes below 80% AMI. The Town's Inclusionary Zoning affordability requirements call for 15% affordable units with at least half of those to be priced at 65% AMI for 99 years. R-CP-CZD does not supersede the IZ standards. After discussion with multiple departments staff finds that the requested modification to IZ standards is acceptable in this case.

The applicant offers to provide 25% of the total units at 80% of AMI for 99 years. The project offsets the lack of lower income units with a greater percentage of affordable units overall.

3. Modifications to Regulations: Staff recommend that Council approve all requested modifications to regulations.

Staff have reviewed all requested modifications to regulations and find that the public purpose is served to an equivalent or greater degree by the requested modifications. All modifications are shown in Ordinance A and the applicant materials.

Summary of Comprehensive Plan Consistency

As summarized below, the proposal is consistent with elements of the Comprehensive Plan **except for FLUM building height recommendations**. Additional information regarding the project's consistency with the Comprehensive Plan can be found in the Applicant Materials.

Connected Roads Plan

N/A

Shaping Our Future



This project is in the Downtown Focus Area of the Transit Oriented Development (TOD) plan. Bus Rapid Transit (BRT) stops are anticipated at the intersections of Franklin Street and Cameron Avenue along Columbia Street. This area expects to grow with some 700 housing units projected by 2040, including workforce and affordable housing. Downtown East is anticipated to serve as a gateway to downtown and the UNC campus. There is also continued demand for placemaking and economic development that will create a dynamic mix of residential, retail, office, and research development. The plan also calls for supporting walking and biking with enhanced routes, extended sidewalks, and other street improvements.

The proposed development supports these goals by creating additional housing opportunities downtown in proximity to

Franklin Street, campus, and proposed BRT stops. Further, the ground level retail will contribute to the vibrancy of downtown.

[Complete Community Strategy](#)



Creating denser development that is less dependent on automobiles (Goal 2). The proposed project contributes to the residential density of downtown by providing 56 one- and two-bedroom housing units within a live/work neighborhood. Further, the site's proximity to multi-modal transportation options and limited on-site parking reduce vehicular dependency.

The plan links adding density and sustainability by concentrating development along transit corridors, connected street networks, and within walkable neighborhoods (Goal 3).

[Climate Action and Response Plan](#)



The site offers an opportunity for infill development within downtown. The site is within walking distance to amenities along Franklin and Rosemary Streets downtown, offers proximity to existing bike lanes and transit routes. The developer also proposes to seek LEED v4 (ND) certification or something comparable. They intend to use EnergyStar appliances, low VOC materials, and EV charging spaces and infrastructure.

[Future Land Use Map](#)



The proposed rezoning district is consistent with the character envisioned by the FLUM at this location. The building significantly exceeds the height recommended by the FLUM.

[Mobility and Connectivity Plan](#)



Bus stop enhancements, protected bike lanes, and a multi-use path are proposed along E. Franklin Street, approximately 1 block from the proposed development.

[Chapel Hill 2020](#)



The project furthers several goals of the Chapel Hill 2020 Comprehensive Plan. Specific goals are identified in the Resolution of Reasonableness and Consistency.

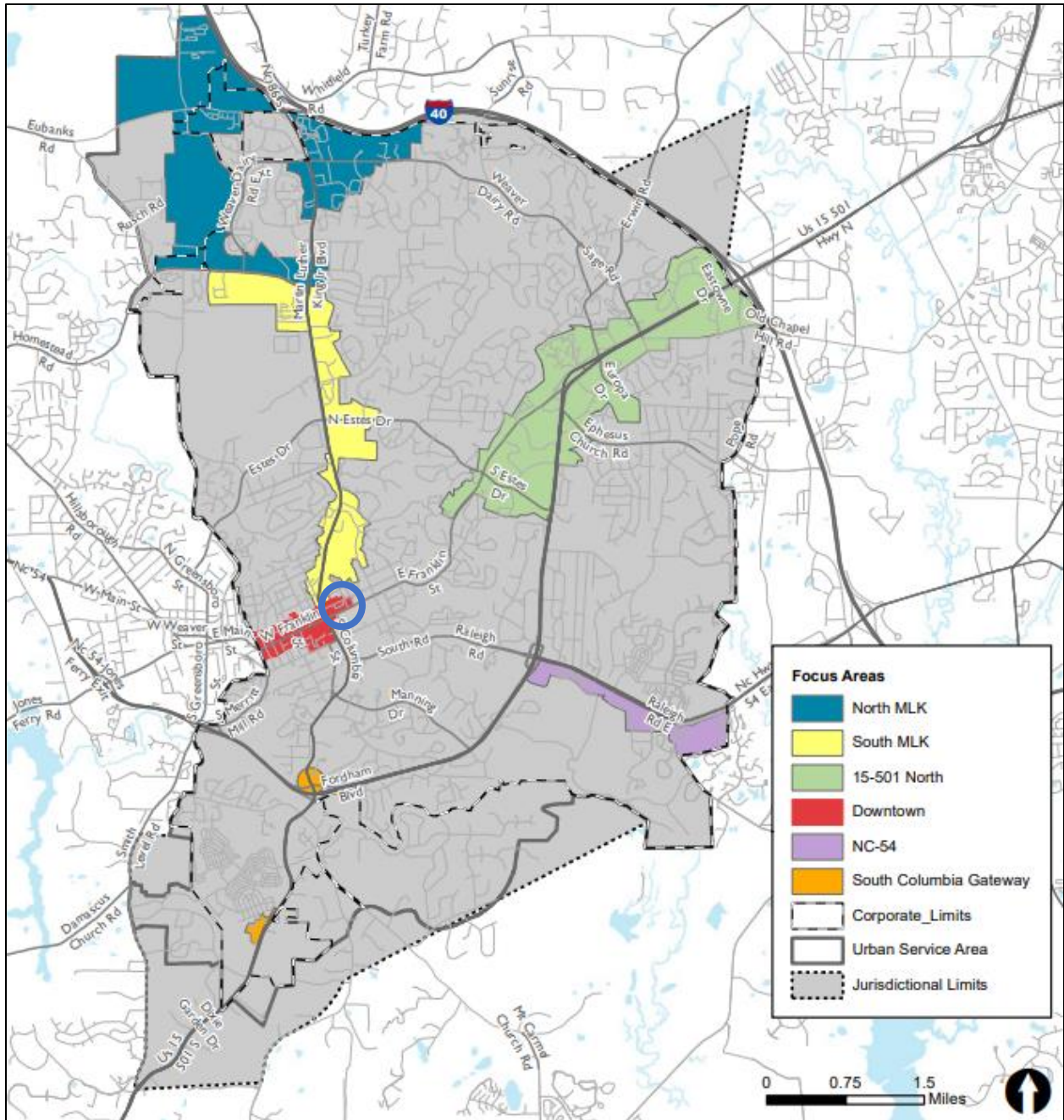
Public Comment

Areas of concern identified by members of the public are noted below. Engagement related to this project has included a public information meeting and one-on-one conversations with the representative of concerned neighbors. Staff have not received significant numbers of phone calls or emails regarding the project.

- 1. Height:** Residents of the Phi Mu Sorority House to the north of the proposed project have expressed strong concerns with and opposition to the scale of the development and the negative impacts that a tower of this size would have on their quality of life. The Sorority House has expressed concerns over both a lack of privacy from the units that would sit above any existing buffer and the shading that this building would place on their property.

Staff Assessment: Town Planning Staff understands that the developer and Phi Mu have discussed the possibility of off-site improvements at the developer's expense to mitigate the potential impacts of this development. We anticipate this would be an agreement between private parties rather than a condition of this CZD. There is little opportunity for additional on-site screening and buffering under the site's proposed configuration.

157 East Rosemary Project Location



Attachments

Applicant Materials

1. Applicant's Requested Modifications to Regulations
2. Applicant's Statements of Justification and Compliance
3. Site Plan
4. Other Applicant Materials

Draft Ordinance and Resolutions

5. Resolution A – Consistency and Reasonableness
6. Ordinance A – Approving the Application
7. Resolution B – Denying the Application