



## ***Consider the Water and Sewer Proposal for Southern Chapel Hill***

**Staff:** Britany Waddell, Judy Johnson

**Town Council Meeting Date:** November 15, 2023

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### ***Proposal Overview***

- The proposal is to expand the water and sewer services boundary in the southern part of Chapel Hill along the US 15-501 corridor to the Chatham County line. The service area is commonly referred to as the Urban Services Boundary.
- WASMPBA is the Water and Sewer Management, Planning and Boundary Agreement. Chapel Hill, Carrboro, Hillsborough, Orange County, and Orange Water and Sewer Authority (OWASA) are all parties to this agreement.
- No physical extension of water or sewer services are proposed.
- No expansion into the Rural Buffer is proposed.

### ***Staff Recommendation & Analysis***



Staff recommend that Council approve this amendment to the Agreement.

Council received a request to modify the boundaries of the Water and Sewer Management, Planning and Boundary Agreement (WASMPBA) at the June 14, 2023 Council meeting<sup>1</sup>.

Expanding the water and sewer boundary along the US 15-501 corridor to the Chatham County line could increase housing opportunities consistent with the Complete Community Strategy<sup>2</sup>. The proposed service area extension is also focused on the US 15-501 South corridor which could lead to future expansion of the transit corridor.

### ***Background***

The Water and Sewer Management, Planning and Boundary Agreement (WASMPBA) is a multiagency agreement governing the areas of Orange County to be served by public water and sewer utilities.

The Council discussed the proposed expansion at the September 20, 2023<sup>3</sup> work session. Staff held a virtual community meeting on September 25, 2023<sup>4</sup> as well as an in-person meeting on September 28, 2023.

A small portion of the expansion area is within the existing Primary Service Area. Some of the properties in the proposed expansion area are currently served by water and/or sewer. In 2000, the adopted Land Use Plan contracted the Urban Services Area in this area. Prior to 2000, the Urban Services Boundary extended to the Chatham County line. Structures that

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<sup>1</sup> <https://chapelhill.legistar.com/LegislationDetail.aspx?ID=6261093&GUID=2FDA230D-FD16-439B-B69C-6549377D2ED9&Options=&Search=>

<sup>2</sup> <https://chapelhill.legistar.com/LegislationDetail.aspx?ID=6195013&GUID=4B7B1135-863B-44B6-B8F0-2F7E0936C6A0>

<sup>3</sup> <https://chapelhill.legistar.com/MeetingDetail.aspx?ID=1117638&GUID=2EB7A9B2-8CAC-4C93-82A9-1C31D48AC885&Options=info|&Search=>

<sup>4</sup> <https://www.youtube.com/watch?v=fahkTRa5iY8>

were previously within the Urban Services Area and existed prior to 2000 could connect to existing utilities (with no extension of services).

### **Capacity Analysis**

Staff has been working with OWASA to determine any capacity limitations on the water and sewer system. The proposal projects for potential increase in dwelling units, ranging from approximately 1,100 to 2,200 additional dwelling units. OWASA has provided a preliminary analysis to determine the impacts to the water distribution system and the sewer collection system in the attached letter. The analysis describes the potential impacts and potential financial impacts.

### **Next Steps**

If the Council chooses to proceed with amending the Agreement to allow expansion to the water and sewer service area, the other parties of the WASMPBA Agreement would need to consider and take a similar action at one of their upcoming meetings.



If all the parties to the Agreement concur and the Agreement is amended, staff will begin considering possible amendments to the Future Land Use Map. Staff anticipates the Land Use Management Ordinance (LUMO) re-write project would assist in crafting appropriate zoning districts.




Although the process for amending the WASMPBA Agreement does not include a joint meeting among the parties of the Agreement, staff of the five parties have discussed the proposed change. Town staff have been advised by the other agencies that Chapel Hill should consider the boundary amendment first. Chapel Hill would be the key factor in the decision-making by the other parties as the area in consideration is solely within Chapel Hill's Planning jurisdiction. If the Council chooses to approve the boundary amendment, staff from the other agencies would proceed to schedule review.

### **Summary of Comprehensive Plan Consistency**

Viewed through the holistic lens of the [Complete Community Strategy](#), this project meets the Town's strategy for growth. No single issue raised below should be considered in isolation.

 Consistent
  Somewhat Consistent
  Not Consistent
 **N/A** Not Applicable

	<b>Chapel Hill will direct growth to <u>greenways</u>, <u>transit corridors</u>, <u>large infill sites with existing infrastructure</u>, and <u>smaller infill sites</u>.</b>	
	<ul style="list-style-type: none"> <li>The proposed change to the water and sewer service area would direct growth to a potential future transit corridor along US 15-501 South.</li> </ul>	
	<b>Goal 1: Plan for the Future Strategically</b>	Associated Comp. Plan Elements: <ul style="list-style-type: none"> <li><a href="#">Future Land Use Map (FLUM)</a></li> <li><a href="#">Shaping Our Future</a></li> </ul>
	<ul style="list-style-type: none"> <li>Located along US 15-501 South adjacent to the South Columbia Gateway Future Focus Area.</li> <li>Provides opportunity for diverse housing types, mixed-income housing, and inclusive housing as called for in Shaping Our Future.</li> </ul>	

<ul style="list-style-type: none"> <li>The area has the potential to bring a significant amount of housing opportunities to southern Chapel Hill.</li> </ul>		
	<b>Goal 2: Expand and Deliver New Greenways for Everyday Life</b>	Associated Comp. Plan Elements: <ul style="list-style-type: none"> <li><a href="#">Mobility &amp; Connectivity Plan</a></li> <li><a href="#">Connected Roads Plan</a></li> </ul>
<ul style="list-style-type: none"> <li>The area is along US 15-501 South, a corridor with potential to link multiple sources of potential housing to transit.</li> <li>The Town has submitted a grant proposal for construction of a multiuse path from the Southern Community Park to the Chatham County line.</li> </ul>		
	<b>Goal 3: Be Green and Provide Housing</b>	Associated Comp. Plan Elements: <ul style="list-style-type: none"> <li><a href="#">Climate Action &amp; Response Plan</a></li> </ul>
<ul style="list-style-type: none"> <li>The area will contribute to the Climate Action and Response Plan strategy for walkable, bikeable, and transit-served development patterns.</li> <li>The extension of utilities offers the opportunity to provide additional housing. Additionally, a sewer system has lower risks of groundwater contamination than septic systems.</li> </ul>		
	<b>Goal 4: Plan for Excellence in the Public Realm and Placemaking</b>	
<ul style="list-style-type: none"> <li>The area could provide opportunity for diverse housing types with a landscape buffer along US 15-501 South.</li> <li>A Town-owned 12-acre parcel would be served by this expansion offering additional opportunity to provide affordable housing.</li> </ul>		

### **Definitions**

*Extraterritorial jurisdiction (ETJ):* The jurisdictional area, located in Orange County and outside the Chapel Hill corporate limits, covered by Chapel Hill zoning and planning regulations. North Carolina cities have had ETJ authority since approximately 1959.

*Joint Planning Agreement<sup>5</sup>(JPA):* Agreement between Orange County and Towns of Chapel Hill and Carrboro from 1987. The purpose of the agreement is for coordinated and comprehensive planning in the Orange County-Chapel Hill-Carrboro Joint Planning Area.

*Joint Planning Area<sup>6</sup>:* The area within the Rural Buffer and Transition Areas designated on the Joint Planning Area Land Use Map lying outside the extraterritorial planning jurisdiction of Chapel Hill and/or Carrboro.

*Primary Service Area:* Area within which public water and/or sewer service is now provided or may be provided in the future.

*Rural Buffer:* Portion of the Joint Planning Area designated as rural residential, agricultural; public/private open space, resource conservation, extractive/disposal use and the University Lake Watershed Area. The area is further defined as being low-density area consisting of single-family homes on lots having a minimum size of two (2) acres. The Rural Buffer is further defined as land which, although adjacent to an Urban or Transition area, is rural in character and which will remain rural, contain low-density residential uses and not require urban services (public utilities and other town services).

<sup>5</sup> <https://townhall.townofchapelhill.org/agendas/ca041108/5f-attach3.PDF>

<sup>6</sup> <https://www.orangecountync.gov/DocumentCenter/View/4182/Joint-Planning-Area-JPA-Review-Areas-?bidId=>

*Transition Area:* These areas are located adjacent to Chapel Hill and Carrboro and in the process of changing from rural to urban or are already urban in use and are developed at or suitable for urban-type densities. The Chapel Hill Joint Development Review Area (CHJDA) is included within the Transition Area. Properties within the Transition Area are subject to Chapel Hill planning jurisdiction with opportunity for review by Orange County.

*Urban Services Area:* Defined as the area within which public utilities and services are available currently or will be provided in the future. The Urban Services Area includes not only the urban area of Chapel Hill, but also of Carrboro and several “transition areas” that are in the process of changing from rural to urban character.

[Water and Sewer Management Planning Boundary Agreement](#) (WASMPBA)<sup>7</sup>: Last updated November 17, 2020, it is a multiagency agreement governing the areas of Orange County to be served by public water and sewer utilities.

*Watershed:* A catchment area defined by the topography of the ground surface that drains to a watercourse or contributes flow to a body of water. The proposed boundary expansion is within the Jordan Lake Watershed.

### ***Attachments***

1. Resolution A – Amend the Agreement
2. OWASA letter expansion evaluation
3. Water & Sewer Service Area Proposal for Southern Chapel Hill
4. Joe Hackney letter dated November 10, 2023
5. Linked: [Water and Sewer Management Planning Boundary Agreement](#) (WASMPBA)

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<sup>7</sup> <https://www.orangecountync.gov/DocumentCenter/View/13804/Water-and-Sewer-Management-Planning-and-Boundary-Agreement-PDF>