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LUMO TEXT AMENDMENT FOR BLUE HILL STORMWATER MANAGEMENT AND AFFORDABLE HOUSING

The following Technical Report describes proposed modifications to the Form District Regulations of the Blue Hill District for purposes of promoting affordable housing and maintaining stormwater treatment benefits while remaining in accord with revised State statute.

BACKGROUND

- May 12, 2014 Ephesus-Fordham (Blue Hill) Form-Based Code adopted, with stormwater requirement to treat 50% of post-construction total impervious area for 85% Total Suspended Solid removal.
- March 14, 2018 Council received a petition concerning the Blue Hill District, which included an interest in new strategies for producing affordable housing
- December 27, 2018 Session Law 2018-145 enacted by the NC General Assembly, a technical corrections bill which includes a provision that local governments may only require stormwater controls to treat the net increase in impervious area of a redeveloped site.
- March 13, 2019 Update provided to Town Council on (a) strategies for affordable housing in the Blue Hill District, and (b) potential modifications to the Form-Based Code in response to State legislation.
- April May 2019 Outreach to potential stakeholder groups, including: Stormwater Management Utility Advisory Board, Environmental Stewardship Advisory Board, Housing Advisory Board, and the development community

NEXT STEPS

- May 13, 2019 Public Information Meeting
- May 2019 Seeking recommendations on the proposed text amendments from the Stormwater Management Utility Advisory Board, Environmental Stewardship Advisory Board, and Housing Advisory Board
- May 21, 2019 Seeking Planning Commission recommendation
- May 22, 2019 Council Public Hearing on proposed text amendment
- June 26, 2019 Council considers action

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SUMMARY AND TABLE OF PROPOSED CHANGES

Based upon the review and feedback received to date, the proposed updates to the Form District Regulations can be broken down into the following general categories:

- A. <u>Identifying Affordable Housing as part of the District's Purpose</u>: A statement would be added to the introductory provisions of the Form-Based Code to identify 'diverse and affordable housing options' as one of the purposes of the District, alongside mix of uses and high-quality public realm. While this change does not set any specific requirement for affordable housing in the District, it provides a foundation for future efforts.
- B. <u>New Paths for Application Review:</u> The zoning regulations for the District would be restructured to allow applicants to select between two paths for review, Conventional and Enhanced Stormwater. All properties zoned WX-5, WX-7, WR-3, or WR-7 would subsequently follow one of these paths for development as determined by the applicant.
 - 1. <u>Conventional</u>: Applications that provide stormwater treatment for only the net increase in impervious area would be subject to limitations on the size of development that are modeled closely after the CC (Community Commercial) zoning district. This includes maximum density, floor area ratio, height, and Resource Conservation Districts for stream features. Projects would typically be reviewed by Town Council for a Special Use Permit. This change would provide a path for application review that satisfies the requirements of the revised State statute.
 - 2. <u>Enhanced Stormwater</u>: Applications that provide stormwater treatment for 50% of post-construction impervious area would be subject to all the current standards of the Blue Hill District. The greater development potential would become a 'density bonus' to projects that provide more stormwater treatment. A Special Use Permit would not typically be required.

Further detail on the standards applicable to each path is provided on the following page. The existing requirements for development in the Blue Hill District are the same as the Path 2: Enhanced Stormwater column.

Staff has identified several specific items for Planning Commission feedback, which are highlighted in orange.

Note that some standards vary based on the Subdistrict of the Blue Hill Form District (Walkable Residential, WR-, or Walkable Mixed Use, WX-).

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STANDARD	PATH 1: CONVENTIONAL	PATH 2: ENHANCED STORMWATER
Stormwater Condition	Water quality treatment of the net increase in impervious area, when less than 50% post-construction impervious area	Water quality treatment of 50% post- construction impervious area or greater
Permitted Uses	[No change proposed] A variety of Commercial, Office, Lodging, Institutional, and Multifamily Residential uses (no Single-Family Residential)	
Maximum Density	15.0 units/acre	N/A
Maximum FAR (Floor Area Ratio)	429 sq ft of building per 1,000 sq ft of land	N/A
Maximum Height	At setback line: 34 ft Interior to site: 45 ft for WR-3; 60 ft otherwise	Up to 7 stories / 90 ft, depending on the Subdistrict
Minimum Height	[No change proposed] Minimum 2-story building height Minimum story heights for ground floor and upper floors	
(RCDs) Resource Conservation Districts	Required per LUMO 3.6.3	Not required
Street Setbacks	Minimum 0' or 5' depending on Frontage type	Minimum 0' or 5' depending on Frontage type
	No maximum No surface parking in setback areas	Maximum 10' or more depending on Frontage type
	on Type A Frontages	No surface parking in setback areas on Type A Frontages
Lot Considerations	5,500 sq ft minimum land area 50 ft minimum lot width	Residential: 1,700 sq ft min land area, 20 ft min lot width
		Nonresidential: 5,000 sq ft min land area, 50 ft min lot width
Streetscape	[No change proposed] 6 ft – 10 ft sidewalks and 4 ft – 8 ft planting zones, depending on Frontage type	
Open Space	[No change proposed] 6% of lot must be Outdoor Amenity Space Residential projects must also provide Recreation Space	
Connectivity	[No change proposed] 450 ft maximum block length; 1800 ft maximum block perimeter Longer buildings require pass-throughs spaced at 330 ft	
Building Mass	[No change proposed] Varied massing required for buildings 4 stories and above Upper stories limited to 70% floor area of lower stories For buildings set back less than 20 ft, requirement for upper story step backs or defined building modules	

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STANDARD	PATH 1: CONVENTIONAL	PATH 2: ENHANCED STORMWATER
Building Form	[No change proposed] Minimum requirements for transparency (windows) Maximum area for blank walls	
	Maximum spacing for building entrances List of allowable building materials	
Building Elements	[No change proposed] Subdistrict determines whether features such as balconies, arcades, awnings, etc are permitted	
Vehicular Parking	Provide parking spaces as required per LUMO 5.9	Provide parking spaces as required in the Form-Based Code
Bicycle Parking	[No change proposed] Provide bicycle parking as required in the Form-Based Code	
Other Development Standards	[No change proposed] Meet standards for Landscaping, Site Lighting, and Outdoor Display & Storage as defined in the Form-Based Code	
Application Review	Projects exceeding 20,000 sq ft of building area or 40,000 sq ft of land disturbance subject to Special Use Permit review by Town Council, otherwise subject to Site Plan Review Final plans reviewed for Form District Permit and Certificate of Appropriateness	Final plans reviewed for Form District Permit and Certificate of Appropriateness

SPECIFIC ITEMS FOR FEEDBACK

The general approach for establishing development potential for the Conventional path has been to mirror the standards of the Community Commercial (CC) district. However, there are some situations where the existing Blue Hill standard may be more appropriate. Staff is interested in receiving Planning Commission feedback on the following items:

Uses: The CC district allows some uses which are not currently permitted under the zoning for Blue Hill, including Single-family Dwellings, Light Manufacturing, Research Activities, and Outdoor Recreation. The CC district is also more specific about designating some uses as Special Uses (requiring an SUP). Staff recommends that the Conventional path allow uses as currently permitted for Blue Hill, rather than mirroring the CC district.

Minimum Height: The zoning for Blue Hill requires a minimum building height of 2 stories, in support of the walkable mixed use environment envisioned for the District. The Conventional path is proposed to have a more restrictive Maximum Height (mirroring the CC District). It may therefore be too onerous to also set a minimum height.

Street setbacks and Build-to-Zone: The CC district requires 22 ft minimum street setbacks, while the zoning for Blue Hill allows setbacks as small as 0 ft and also sets

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a maximum street setback to define a Build-to-Zone. At least 60% of street frontage must be occupied by a building or open space to meet the Build-to-Zone requirement. Since the Conventional path has less development potential (Floor Area Ratio equal to the CC district), it likely isn't practical to meet the Build-to-Zone requirement. Minimum setbacks, however, could be smaller to support the intended walkable environment. Staff recommends that the Conventional path follow the minimum street setbacks currently established for Blue Hill, but not be subject to maximum setbacks or a Build-to-Zone requirement.

Parking: The Blue Hill Form-Based Code has its own required parking table which generally allows lower parking ratios compared to elsewhere in Chapel Hill while requiring more bicycle parking. This reduces land area used for vehicles and encourages other means of travel. However, the lower development potential proposed for the Conventional path could result in a greater need for vehicular parking. Should the Conventional path provide vehicular and bicycle parking spaces as currently required for the Blue Hill District, or as required elsewhere in town?

ZONING AMENDMENT FINDINGS OF FACT

All information submitted at the public hearing will be included in the record of the hearing. Based on the comments and documentation submitted, the Council will consider whether it can make one or more of three required findings (listed below A-C) for enactment of the Land Use Management Ordinance Text Amendment.

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 shall not be amended except:

- **A.** To correct a manifest error in the chapter; or
- **B.** Because of changed or changing conditions in a particular area or in the jurisdiction generally; or
- **C.** To achieve the purposes of the Comprehensive Plan.

Following is a staff response to the three required considerations:

A. To correct a manifest error in the chapter

Staff Comment: We believe information in the record to date can be summarized as follows:

Argument in Support: To date no arguments in support have been submitted.

Argument in Opposition: To date no arguments in opposition have been submitted.

B. Because of changed or changing conditions in a particular area or in the jurisdiction generally

Staff Comment: We believe the information in the record to date can be summarized as follows:

Argument in Support: This text amendment responds to recent revisions in State statute as enacted by Session Law 2018-145. The change in statute affects local government authority over stormwater treatment requirements and specifically restricts the enforceability of current stormwater standards for the Blue Hill District.

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Argument in Opposition: To date no arguments in opposition have been submitted.

C. To achieve the purposes of the Comprehensive Plan

Staff Comment: We believe the information in the record to date can be summarized as follows:

Argument in Support: Relevant goals and objectives in the Chapel Hill 2020 Comprehensive Plan include, but are not limited to:

- A range of housing options for current and future residents (Goal A Place for Everyone.3)
- A development decision-making process that provides clarity and consistency with the goals of the Chapel Hill 2020 comprehensive plan (Goal Good Places New Spaces.3)
- Future land use, form, and density that strengthen the community, social equity, economic prosperity, and natural environment (Goal Good Places New Spaces.8)
- Maintain and improve air quality and water quality, and manage stormwater to heal local waterways and conserve biological ecosystems within the town boundaries and the Extra Territorial Jurisdiction (Goal Nurturing Our Community.2)
- Adopt an integrated development review process that is fair and transparent and that incorporates the Chapel Hill 2020 environmental goals (Goal Nurturing Our Community.5)

Argument in Opposition: To date no arguments in opposition have been submitted.

Staff will provide an evaluation of the findings of fact at future meetings where this item is presented.