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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	Councilmembers submitted a petition on 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	Town staff updates the Council on 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	
May 13, 2019	Public Information Meeting	
NEXT STEPS		
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 summarized as follows:

- 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 a 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. New Paths for Application Review: The zoning regulations for the District would be restructured to allow applicants to select between two paths for review: Conventional or 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. The existing requirements for development in the Blue Hill District are the same as Path 2: Enhanced Stormwater.
 - Conventional: 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 on 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. 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 and 90 ft, depending on the Subdistrict	
Minimum Height	imum 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	[No change proposed] Minimum 0' or 5' depending on Frontage type		
	Maximum 10' or more depending on Frontage type		
	No surface parking in setback areas on Type A Frontages		
Build-to Requirement	2/3 the width of each building front facade must be located between the minimum and maximum setback lines	60%-80% of the lot width must have a building facade or open space located between the minimum and maximum setback lines	
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		

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STANDARD	PATH 1: CONVENTIONAL	PATH 2: ENHANCED STORMWATER	
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		
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	[No change proposed] 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	

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UPDATES BASED ON PLANNING COMMISSION FEEDBACK

The chart above has been updated to reflect input that Planning Commission members provided at the May 7, 2019 meeting for the following topics:

Uses: The Conventional path is proposed to allow uses as currently permitted for Blue Hill, rather than mirroring the CC district.

Minimum Height: The Conventional path is proposed to maintain the two-story minimum height in place for the Blue Hill District, in addition to having a more restrictive Maximum Height (mirroring the CC district).

Street setbacks and Build-to-Zone: The Conventional path is proposed to maintain the minimum and maximum setbacks as established for various frontage types in the Blue Hill District. The two setbacks define a 'build-to-zone' which would be applied differently for each path due to the divergence in development potential:

- <u>Enhanced Stormwater</u> 60%-80% of the lot width along the street must have the front façade of a building or an open space located in the build-to-zone.
- <u>Conventional</u> two-thirds of the width of each building must have its front façade located in the build-to-zone.

Parking: The Conventional path is proposed to include the same lower parking ratios in place for the Blue Hill District, to reduce the land area used for vehicles and encourage other means of travel.

Planning Commission members were also interested in options for a higher Floor Area Ratio (FAR) for the Conventional Path, so that development could still fit the more walkable, compact context envisioned for the Blue Hill District. While the chart above keeps the FAR at 0.429 (mirroring the CC district), the Commission could consider a different FAR as part of the recommendation to Council. A few options include:

FAR of 0.750: In sketching different development scenarios, staff determined that this Floor Area Ratio would provide roughly enough development potential for a site to have a more continuous street frontage. This could allow development under the Conventional path to meet the existing build-to-zone requirement of the Blue Hill District (60%-80% of the lot width along the street with the front façade of a building or an open space).

No FAR: The Conventional path could omit limits on floor area ratio and density, consistent with current Blue Hill standards. The main limits on development potential under the Conventional path would then be height and Resource Conservation Districts.

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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.

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.