

Council Business Meeting
June 26, 2019

Proposed Changes to Blue Hill Form-Based Code

- Affordable Housing
- Stormwater

Text Amendment Process





Stakeholder Engagement



Town Council – Initial Update

Environmental Stewardship Advisory Board

Stormwater Management Utility Advisory Board

Housing Advisory Board

Community Design Commission

Planning Commission

Blue Hill property owners & managers

General Public

Staff Recommendation

- Close the Public Hearing
- Adopt Resolution of Consistency with the Comprehensive Plan (*R-7*)
- Approve Ordinance Enacting the Text Amendment (*O-3*)

Affordable Housing Changes



- Objectives:

- ✓ Affirm Town's commitment to affordable housing – goal of creating **300** new affordable units in the Blue Hill District
- ✓ Preliminary step to support the possible future strategies presented to Council in March 2019

	PROPOSED STRATEGY
	1. Revise Blue Hill code to reflect the Town's commitment to affordable housing within District

Affordable Housing Changes

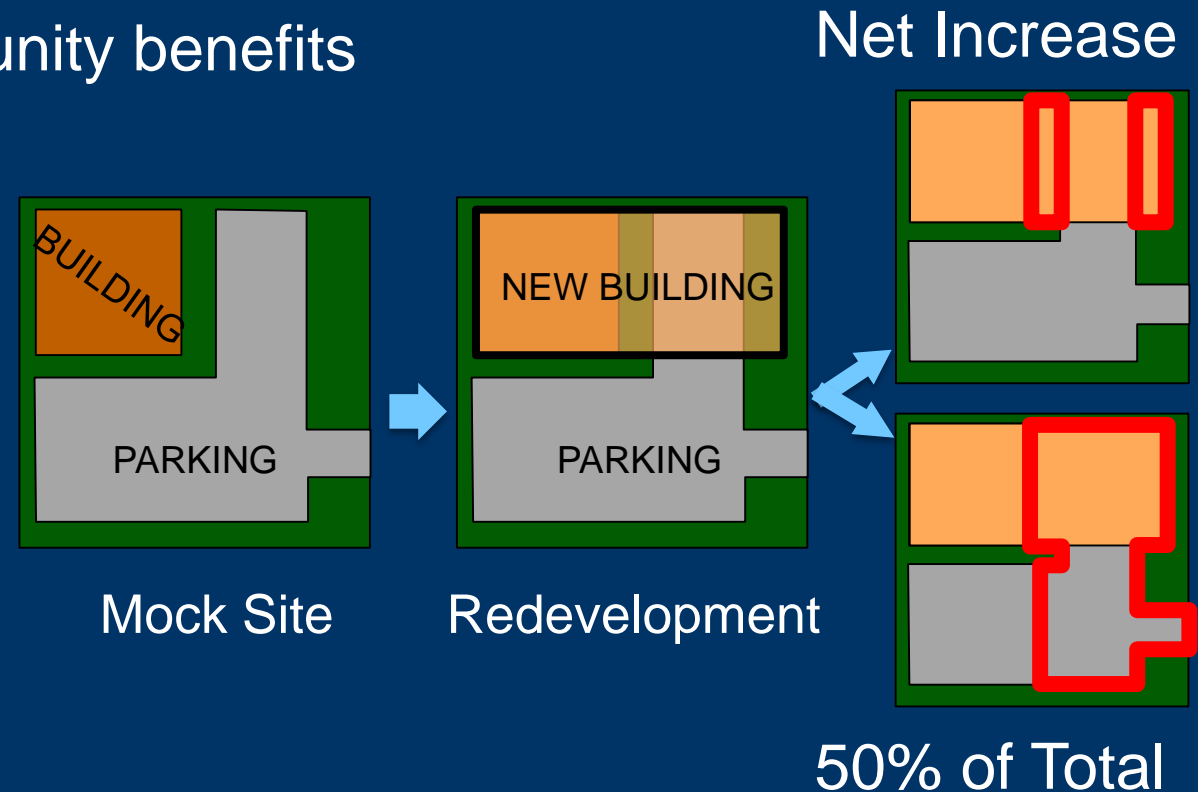


- Proposed language added to District purpose statement:

“The Form District is also intended to support the Town’s Goals for Creating a Place for Everyone and Nurturing Our Community, by promoting diverse and affordable housing options serving a range of income levels.”

Background: Stormwater

- **Blue Hill Code approach to stormwater:**
Treat **50%** of post-construction impervious surface
 - Stormwater is a key community interest
 - Balancing greater density with community benefits
- **Session Law 2018-145:**
Prevents local governments from requiring stormwater treatment of more than the **net increase** in impervious area



Summary of Stormwater Changes

Restructure Blue Hill Code to offer applicants a choice of 2 paths for project review

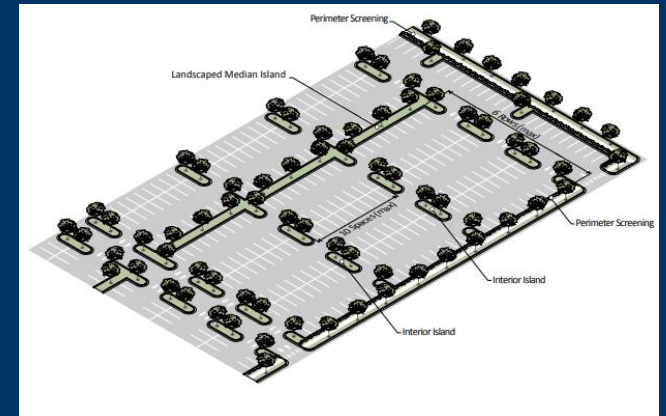
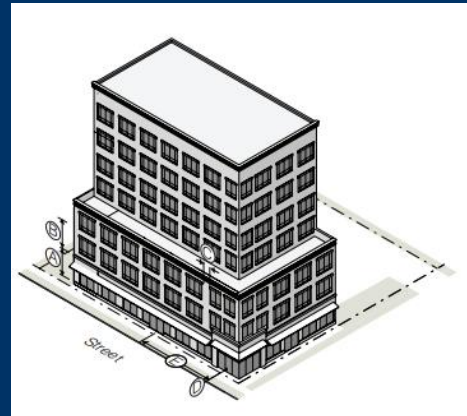


1. Conventional (standards similar to Community Commercial)
Treat net increase in impervious area only
Limited development potential (Height, Density, FAR)
2. Enhanced Development
Treat 50% of post-construction impervious area
Development potential equal to current Blue Hill standards

Placemaking Benefits

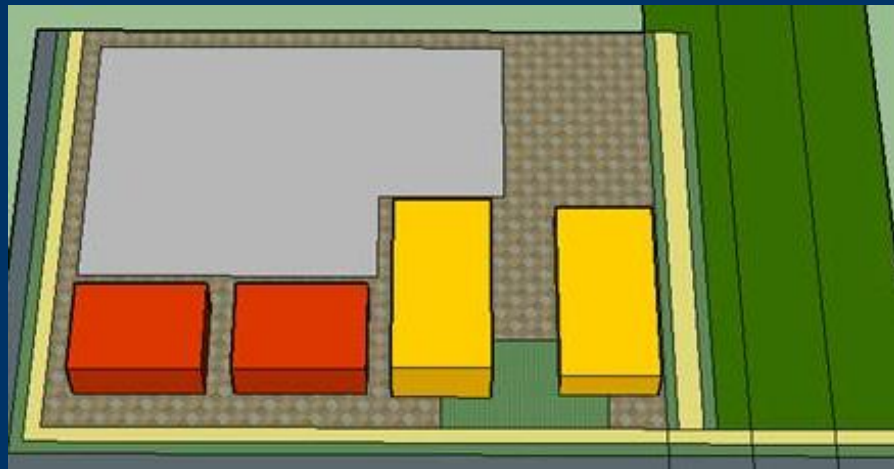
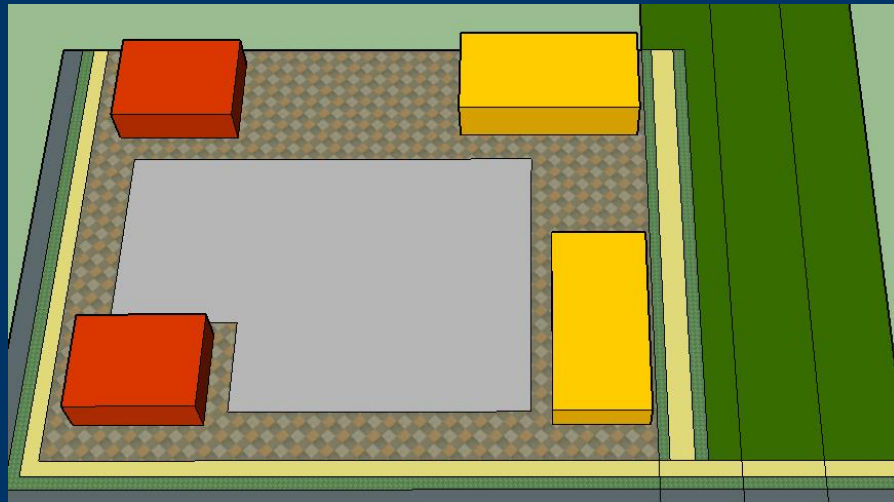
Same standards apply under both paths for:







- Permitted uses
- Minimum height
- Sidewalks & street trees
- Outdoor amenity space
- Block length
- Pass-throughs
- Mass variation
- Building form & materials
- Lower parking ratios



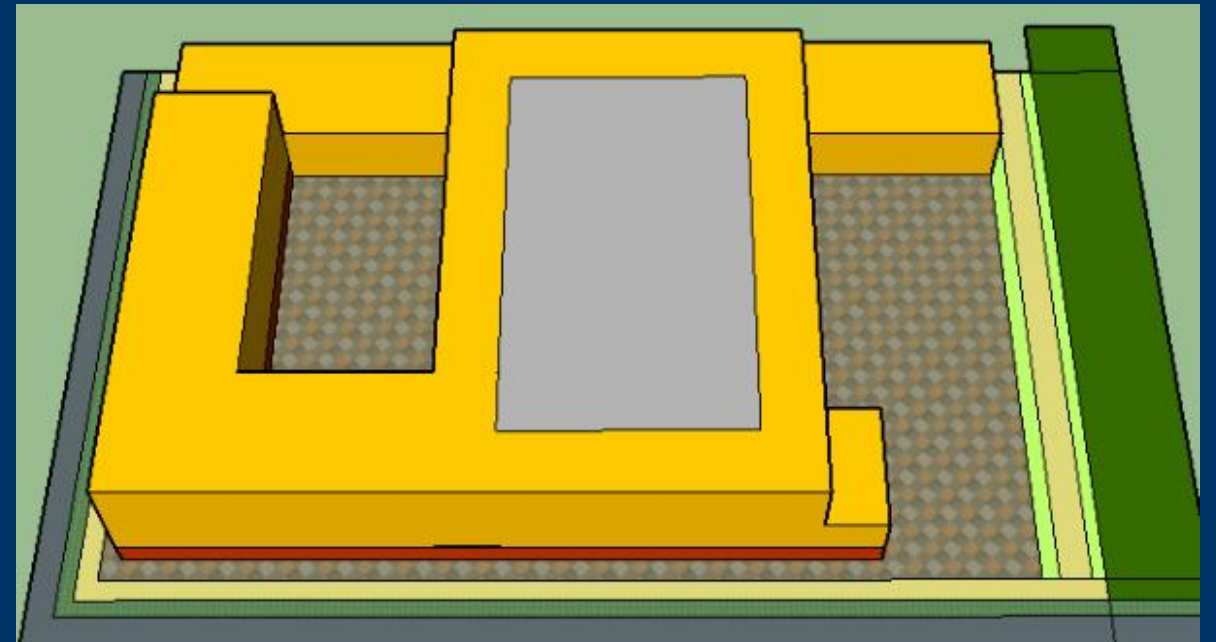
Development Scenarios

1. Conventional Path, with stream



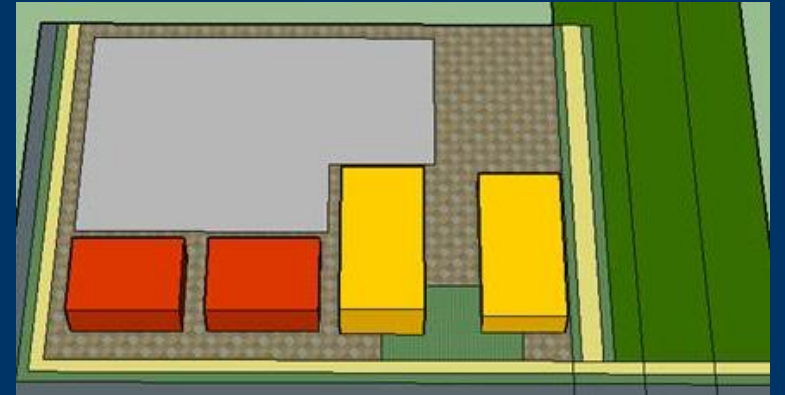
Key	
	Residential
	Commercial
	Parking
	Protected Stream Buffer
	Streetscape / Greenway
	Other Site Functions

2. Enhanced Development, with stream

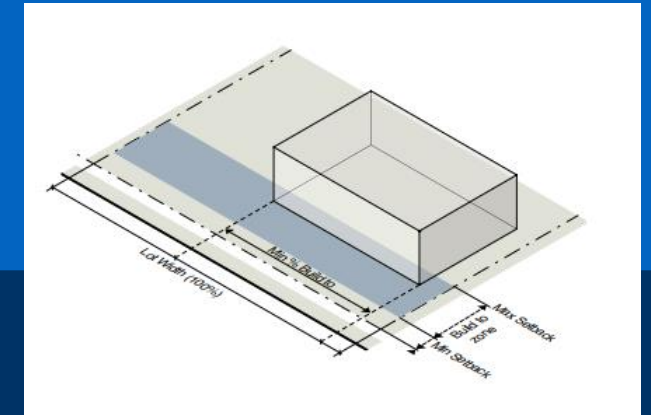


UPDATE: Green Space

- Tree Canopy Coverage
 - Required for Conventional Path only
 - 30%-40% of site
 - Tree protection + new plantings
 - Trees and unbuilt area offer passive stormwater benefit
- RCDs also required for Conventional Path

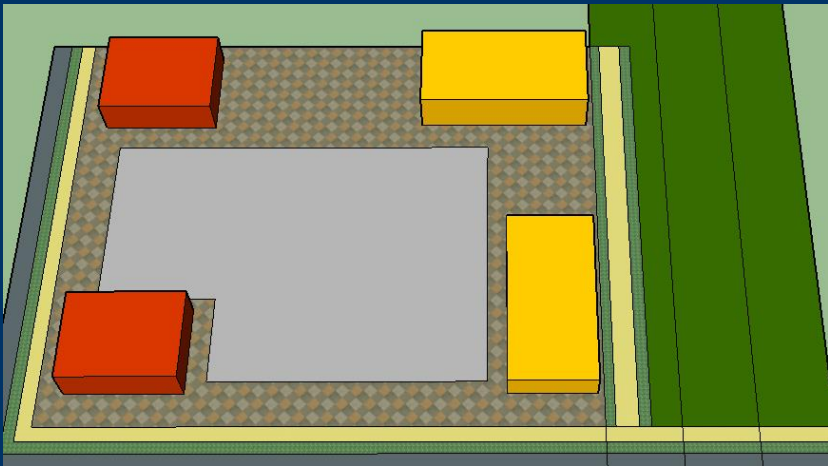


UPDATE: Setbacks / Building Placement

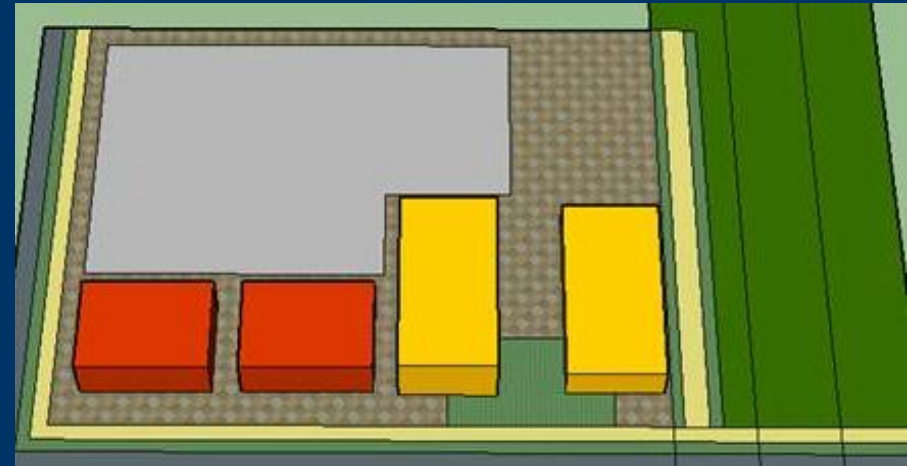


➤ Conventional:

- PREVIOUS (O-2): Each **building** meets maximum setback



- NEW OPTION (O-3): Also require the **primary frontage** to meet maximum setback percentage

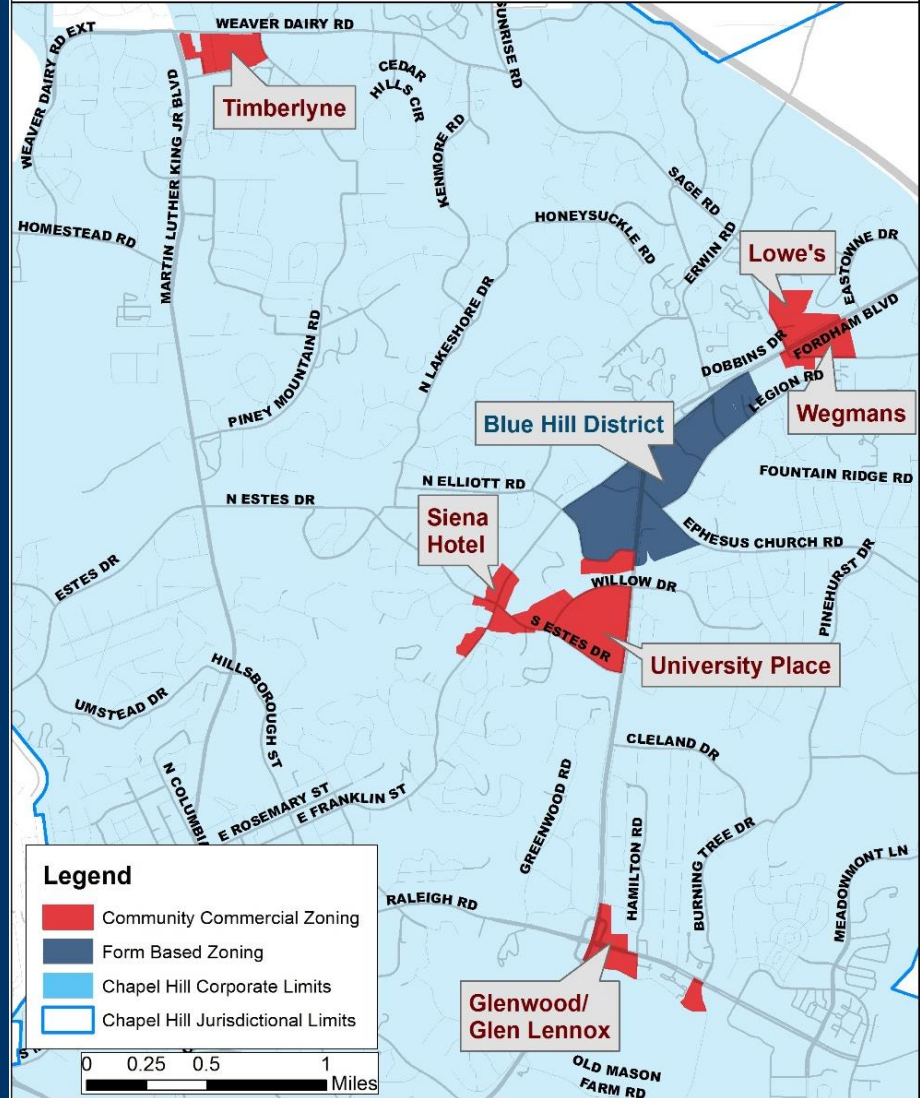


- ## ➤ Enhanced Development: **Each frontage** meets max setback %

Legal Viability

- Conventional Path provides a practical use and a reasonable value for a property
- Development potential equal to other properties zoned CC (Community Commercial)
- Not legally required to be 'comparable' to the Enhanced Development Path
- See Town Attorney Memo for further detail

Community Commercial Zoning Locations in Chapel Hill





Stakeholder Input



- Water Quality and Affordable Housing are valued by the community
- **Housing Advisory Board** recommends the affordable housing language, and applying Inclusionary Zoning
- **Stormwater Board** recommends the incentive path approach
- **Community Design Commission** recommends requiring Primary Frontages to meet maximum setback as percentage of lot width, for Conventional Path (NEW OPTION)



Planning Commission Recommendation








- Recommend approval of text amendment
- Consistency with Comp Plan
- Apply Inclusionary Zoning Ordinance to Blue Hill
- For Conventional Path
 - Consider urban design character
 - Add green space requirements

Staff Recommendation

- Close the Public Hearing
- Adopt Resolution of Consistency with the Comprehensive Plan (*R-7*)
- Approve Ordinance Enacting the Text Amendment (*O-3*, max setback percentage for *Primary Frontage*)
- *Alternative Text Amendment Ordinance* (*O-2*, max setback only for each *building*)

Affordable Housing Strategies Proposed to Council

	PROPOSED STRATEGY	NEXT STEPS
	1. Revise Blue Hill code to reflect the Town's commitment to affordable housing within District	<ul style="list-style-type: none">- Propose text amendment- Council Consideration of text amendment
	2. Offer development review process options to support affordable housing	<ul style="list-style-type: none">- Conduct affordability analysis- Council consideration of text amendment
	3. Partner with developers to provide affordable housing opportunities in planned development	<ul style="list-style-type: none">- Conduct subsidy analysis- Explore partnership opportunities- Learn from CHT master leasing program
	4. Offer similar review process for affordable housing development in surrounding area	<ul style="list-style-type: none">- Explore zoning structure- Analyze potential development sites
	5. Allocate a portion of increased tax revenue to affordable housing	<ul style="list-style-type: none">- Monitor debt repayment schedule- Explore timing of allocation



Objectives for Stormwater Changes

- Restore the ability to improve stormwater treatment through Blue Hill development
- Keep changes simple where possible, to allow a quicker path to adoption



1. Conventional Path

STORMWATER CONDITIONS:

Treatment of net increase only

REVIEW PROCESS:

Council review of Special Use Permit for any project over 20,000 sq ft of building / 40,000 sq ft land disturbance

Planning Commission review for other projects – **By-Right Option**

Equivalent to CC District

DIMENSIONAL STANDARDS:

Max Density: 15.0 units/acre	Max Floor Area Ratio (FAR): 0.429
Max Height: 34 ft at setback line, up to 60 ft interior to site	Resource Conservation Districts: Required

2. Enhanced Development Path

Voluntary, Incentivized

STORMWATER CONDITIONS:

Treatment of 50% total post-construction impervious

REVIEW PROCESS:

Staff review of Form District Permit

CDC review for Certificate of Appropriateness

Equivalent to current Blue Hill District

DIMENSIONAL STANDARDS:

Max Density:

indirectly limited by Height, Setbacks, Open Space

Max Floor Area Ratio (FAR):

indirectly limited by Height, Setbacks, Open Space

Max Height:

Up to 90 ft / 7 stories

Resource Conservation Districts:

Not required

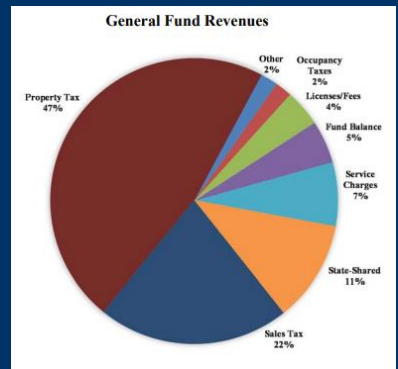
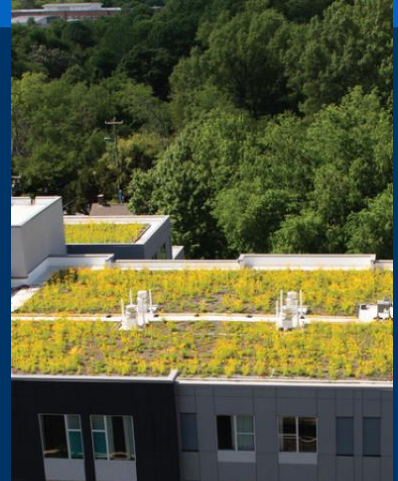
Maintaining Community Benefits

- ✓ Connected streets, multimodal facilities
- ✓ Mix of uses – live/work/play
- ✓ Public spaces – 6% of site



Maintaining Community Benefits

- **Environmental:** RCDs and tree canopy vs Treating more impervious
- **Placemaking:** Buildings and public space close to streets. Conventional path – smaller building footprints
- **Fiscal:** Less revenue per acre for Conventional Path



Financial Modeling

DEVELOPMENT POTENTIAL:

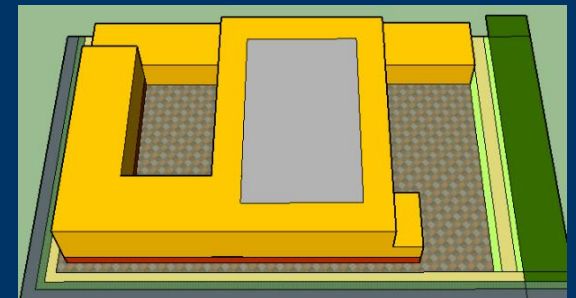
Building square footage reduced by ~80% under Conventional Path, due to FAR limits

STORMWATER COSTS:

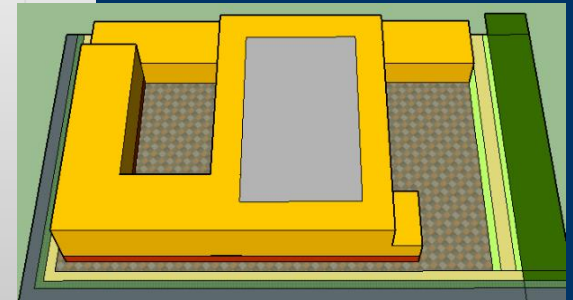
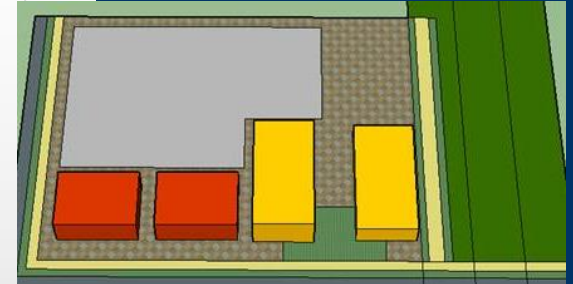
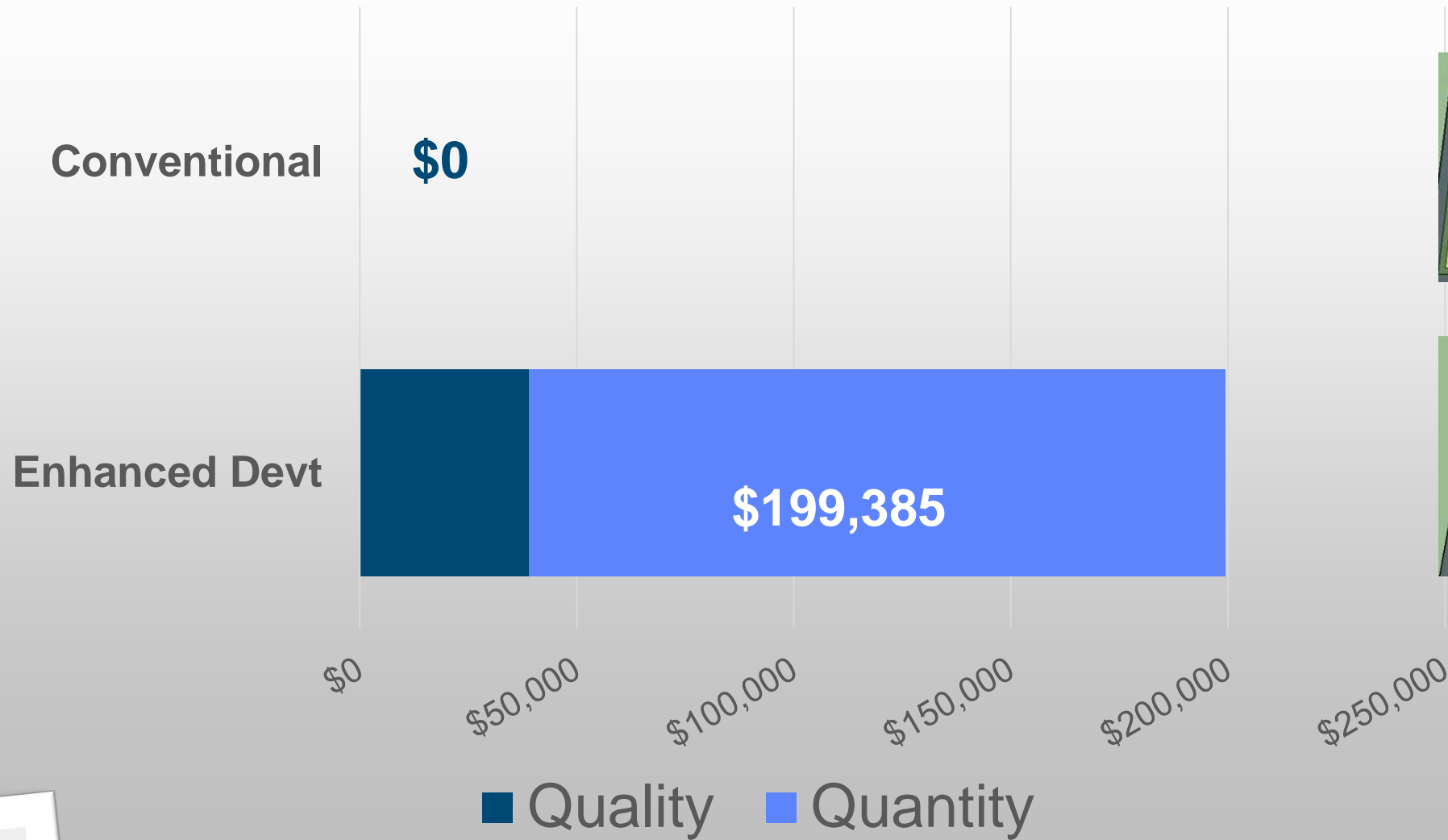
Potentially \$0 for Conventional Path, but only 0.4% of total development costs for Enhanced Devt Path

LAND SHARE OF DEVELOPMENT COSTS:

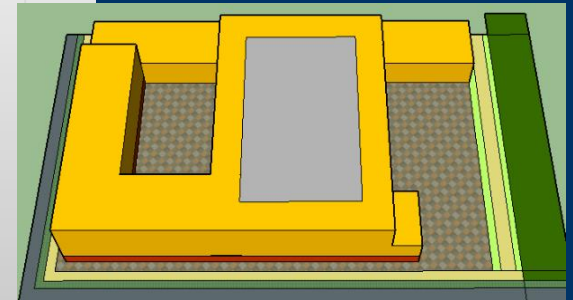
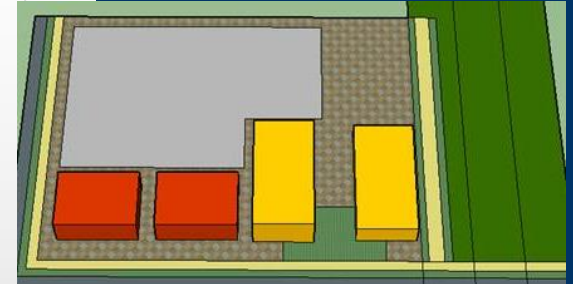
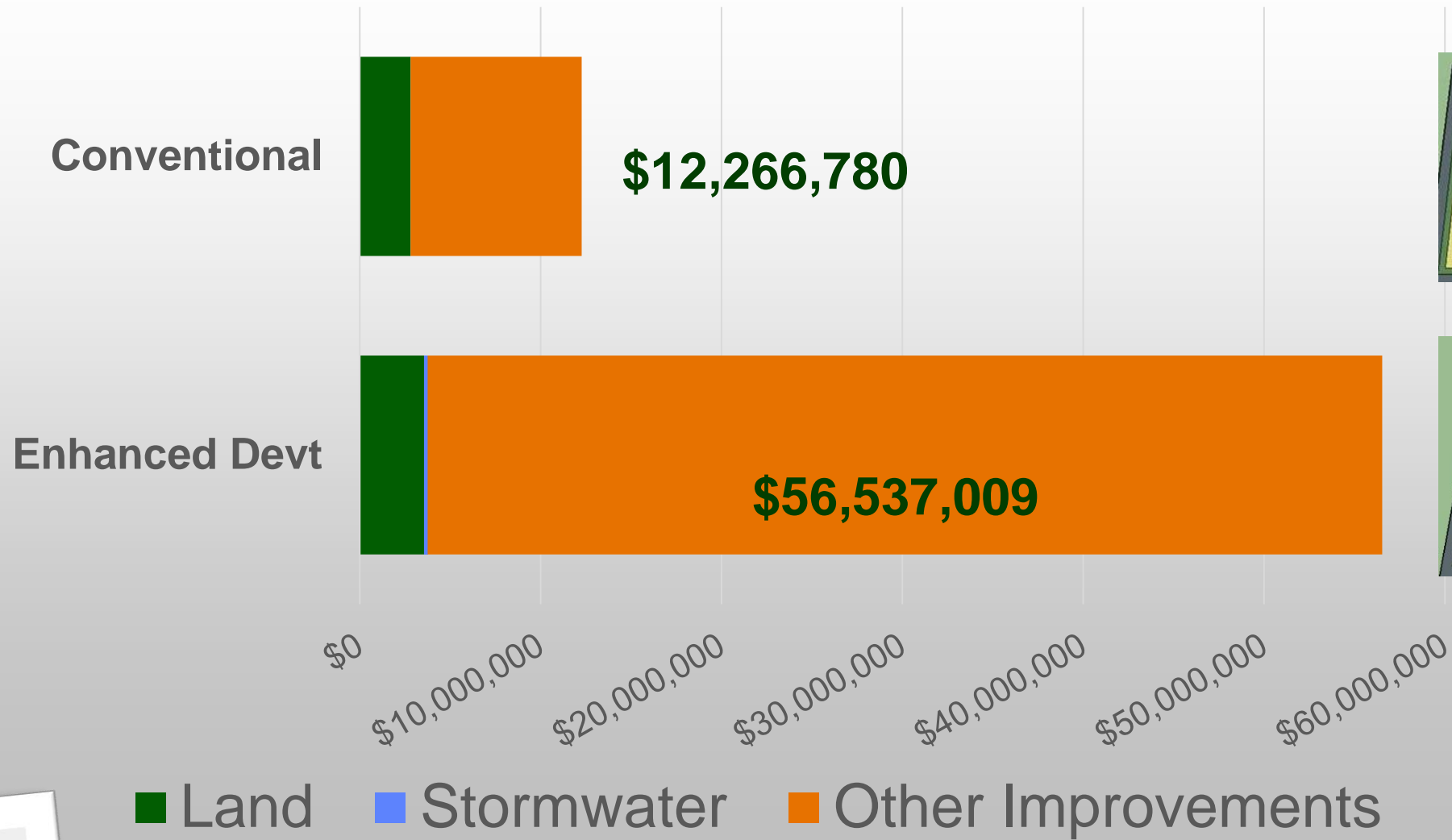
Very high under Conventional Path (23-25%)
Developers typically look for 10% or less



Stormwater Costs



Development Value



Other Opportunities Considered

- **IMPERVIOUS SURFACE LIMITS**
Less effective for sites already developed
- **LOW IMPACT DEVELOPMENT STRATEGIES**
May be out of context in District
- **INCREASED OPEN SPACE / GREEN SPACE**
Requires determination of standards
- **RAINWATER CAPTURE AND REUSE**
Effectiveness depends on irrigation needs