



SOUTH GROVE

STATEMENT OF JUSTIFICATION

SPECIAL USE PERMIT APPLICATION

May 25, 2007

Revised October 8, 2007

Revised February 25, 2008

Project No. 13010

Prepared for:
Oldham Associates, LLC
111 Cloister Ct.
Suite 114
Chapel Hill, NC 27514

**South Grove
Statement of Justification
Special Use Permit Application to the Town of Chapel Hill**

Finding # 1: That the use or development is located, designed, and proposed to be operated so as to maintain or promote the public health, safety, and general welfare.

General

The Applicant proposes to create a low-density residential community on the east side of Highway 15-501 in the southern portion of the Town's extraterritorial jurisdiction area. The neighborhood, named South Grove, will have a semi-rural character, with 26 single-family homes on 38 acres. Neighborhood design will reflect and promote high aesthetic standards, with emphasis on maintaining a beneficial and sustainable environment for residents and the larger community. The proposed housing types will respond to known housing needs within the Chapel Hill community, including housing needs for citizens in the low-to-moderate income range.

Traffic and Streets

The proposed street system is designed with direct access to Highway 15-501, so no new traffic from the neighborhood will be directed through any existing neighborhood. The proposed use will be a relatively low traffic generator, producing only a very small impact on current traffic volumes along the highway.

The street connection to Highway 15-501 will be located and designed to provide safe conditions, with adequate sight lines for comfortable entry and exit. An existing grass-and-curb median along the highway will restrict inbound and outbound traffic movements to right turns only, virtually eliminating the potential for accidents related to left-turning movements.

The Applicant proposes to remove the existing highway guardrail in the area of the new street connection. To mitigate the guardrail removal, additional soil material will be placed on the existing highway embankment slope, to create a flatter and safer slope condition. This work will require no removal of large or significant trees. The improved area will then be substantially landscaped to provide enhanced visual appeal. Rather than trying to create a formal streetscape in this area, the landscaping strategy will focus on maintaining the semi-rural character of the site, using natural planting forms and species.

The entry street has been strategically located to take advantage of site topographic conditions. The first few hundred feet of this street will occur in a natural low area, with the existing ground rising upward on each side of the street. The roadway cross-section will "tie in" to the rising elevations on each side, creating home sites

positioned above the roadway, while avoiding large excavated slopes along the lot frontages.

A public street stubout is proposed as part of the internal street system, for possible future extension to the north. Several parcels on the north side of the site are accessed by private driveways, without direct public street access. The proposed stubout will provide an opportunity for logical street and pedestrian connectivity if the adjacent property is developed, and will have potential to benefit multiple other properties in this area as the street is incrementally extended.

Since South Grove will not be a candidate for Town annexation, the neighborhood streets will be designed in accordance with NCDOT standards for residential subdivision streets. The Applicant will submit the street design to NCDOT for review, to assure conformance to their criteria, and to secure their approval of the design. This procedure will set the stage for ultimate street acceptance and maintenance by NCDOT. The Applicant proposes to follow NCDOT criteria for street construction and testing, and to actively manage the NCDOT street acceptance process after the required neighborhood occupancy thresholds are attained. The Applicant will maintain a management role within the Homeowners Association (HOA) during the buildout phase of the neighborhood, to better facilitate and manage the street acceptance process. NCDOT acceptance of the streets will provide orderly and dependable street maintenance, and relieve neighborhood residents of street maintenance responsibilities.

Pedestrian Facilities

The Applicant proposes to install a pedestrian path system along the public streets in the neighborhood. Since the project is not a typical suburban curbed street, a typical concrete sidewalk in the street shoulder is not an appropriate design solution. Moreover, NCDOT will not maintain sidewalks within their street rights-of-way.

So instead of a typical suburban street sidewalk, a meandering path is proposed on one side of the internal streets, within the designated landscape zone of each affected lot frontage. The walkway will be 5 feet wide, and paved. It will be contained within a pedestrian easement controlled by the HOA, and will be maintained by the HOA. Existing trees and supplemental tree and shrub plantings within this landscaped zone will provide a more pleasant walking environment than would otherwise be available within the street right-of-way.

Potable Water Service

The subject property lies outside the Urban Services boundary, allowing no opportunity for connections to any public water or sanitary sewer systems. Therefore, the project proposes to use a community water supply well and distribution system for potable water service. The system will be designed and constructed in accordance with State regulations, and will be operated and maintained by a licensed public

utility company. System design will be reviewed and permitted by the N.C. Department of Environment and Natural Resources (DENR), and operated under the perpetual oversight of this agency. The Applicant believes that a single water supply well will be more protective of groundwater quality, drinking water quality, and public health; than would 26 individual, less-restricted well sites. In addition, the common well will be subject to regular monitoring and testing for water quality, and will be fitted with treatment systems to increase water quality. Individual wells do not require, nor do they generally have, these components. In addition to monitoring by the State-licensed public utility company, and oversight by DENR, the Orange County Health Department will provide limited oversight for system operation and water quality.

Wastewater Service

Again, since the property lies outside the Urban Services boundary, no opportunity exists for connection to any public sanitary sewer system. Therefore, the project proposes to use individual subsurface wastewater systems for each lot. These systems will use standard time-tested technology, typical of systems widely used for residences throughout the country. Each system will be individually designed and constructed according to State of North Carolina and Orange County Health Department standards and site-specific requirements, with individualized approval and oversight of each system by the Health Department.

No common or shared wastewater systems are proposed, so there will be no interdependency between septic systems for separate lots. Each residential lot will have a separate and distinct septic field, which may be located on the lot that it serves, or on a nearby dedicated area. In addition to the "primary" septic field area, a designated "reserve" field area will be provided for every lot, containing at least the same capacity as the primary field. These reserve areas will not generally be available for system expansion, but are merely reserved for redundancy of the primary area. This feature is provided for any unanticipated future condition that requires a partial or full system repair.

After construction, each wastewater system will be subject to regular monitoring by a State-certified system operator. This operator will be required to perform onsite inspections of each system, and provide reports to the Orange County Health Department according to their specific requirements and protocols. Any system irregularities or maintenance needs will be identified by this procedure, and managed through the County's normal processes.

Other Services

Solid waste collection for each lot will be provided by private contractor. The neighborhood's restrictive covenants will require each lot owner to contract with a pre-approved contractor for this service, and to conform to minimum standards for solid waste containment and management.

Fire protection service for South Grove will be provided by Orange County, which currently contracts with the North Chatham Fire Department for fire protection service in the project area.

Since the project lies outside the Town's and OWASA's service areas, and onsite fire hydrants are not provided, all homes will be equipped with residential fire sprinkler systems for primary fire suppression.

Surface Drainage

Site drainage will generally follow natural patterns. Stormwater runoff from the Highway 15-501 corridor currently discharges onto the property in several locations. This offsite stormwater will be allowed to naturally flow across the property (at the north edge of the site), or piped through the property (at the project entrance). Generally, stormwater runoff will leave the site in the same locations, rates, and quantities as it does currently.

Stormwater runoff from onsite improved areas will be directed and managed to meet or exceed Town requirements for runoff quantity, rate, and quality. A centralized common stormwater management area will provide runoff control for most of the site, while a limited number of supplemental, individualized systems will serve lots that are not tributary to the common facility. The common facility will be constructed in conjunction with initial street construction, and maintained by the HOA. Individualized systems will be designed, approved, and constructed as each lot is developed, and will be maintained by the respective property owner.

No published floodplain exists on the property, and no roadway or structure is proposed in any floodprone area. Several areas of Resource Conservation District (RCD) exist on the property, but no RCD impact is proposed nor anticipated for construction of site improvements. In addition, no house site is proposed closer than 100 feet to an RCD area.

Landscape Buffer – Street Frontage

A landscape buffer is proposed along the property's frontage with Highway 15-501. The Applicant proposes that this buffer will exist as part of the neighborhood's common open space, rather than being located on individual residential lots. This distinction will provide a more protective environment for the buffer zone and vegetation, and should reduce the potential for any confusion about buffer restrictions and uses.

The Applicant seeks approval of an Alternate Buffer for a small portion of the front landscape buffer, to include aesthetically appropriate entry features within the buffer as shown on the project plans.

Conservation Area

Approximately 1200 linear feet of stream and associated Resource Conservation District exist along the property's eastern boundary. No land disturbance is proposed in any portion of this area; but in order to provide an enhanced means for preservation of this natural area, the Applicant proposes to establish a conservation easement that will encompass the onsite portions of the stream and adjoining RCD.

Cemetery Protection

A small undocumented cemetery exists on the property near Highway 15-501. This cemetery is located within proposed common area, and will not be disturbed by construction activities. A dedicated cemetery easement will be shown on the final plat for the project, to perpetually document the cemetery's location and extent.

Recreation Space

The neighborhood will contain common recreational amenities in a central, pedestrian-friendly location. The amenity area and facilities will be commonly owned and maintained by the HOA. These amenities will provide active and passive recreational and gathering venues for neighborhood citizens and their guests.

Restrictive Covenants and Community Governance

Appropriate regulations and limitations for neighborhood uses and activities will be established by restrictive covenants, customized for the neighborhood. These covenants will be designed to provide an orderly and protective environment for neighborhood residents and their guests, and will prohibit activities and conditions that would normally be considered offensive or inappropriate in residential areas. In this way, the covenants will contribute to increased security and well-being for citizens within the neighborhood, as well as the larger community.

The Applicant will establish a neighborhood HOA that will have administrative authority and duties related to common area ownership and maintenance, financial administration, appearance and security issues, and other items of common interest. The Applicant will maintain a significant role within the HOA until it is stabilized and self-sustaining, in order to fully establish the HOA as an effective neighborhood asset.

Affordable Housing

The Applicant proposes to contract with one or more home builders to deliver four finished housing units that will be designated for purchase by individuals or families with low to moderate income levels. Specifically, Lots #5, #6, #18, and #24 are designated for this purpose. These lots are distributed throughout the neighborhood, rather than being clustered in any single area.

Prior to application for Final Plan approval, the Applicant will enter into a memorandum of understanding with Orange Community Housing and Land Trust, to convey the homes on these four lots to the Trust upon completion. The first such home will be started immediately after the sale of the fifth home in South Grove and completed within six months thereafter. One additional affordable home will be started immediately after each subsequent quintet of conventional homes is sold, and completed within a six month period.

Lot # 6 will have no allocated driveway cost, since its driveway will be constructed as part of the common improvements associated with the community water supply well and the stormwater management facility.

Each affordable home will contain at least 1300 square feet of conditioned floor area, and include 3 bedrooms and 2 bathrooms. These homes will be constructed by builders that are also building other homes within South Grove, giving them a strong sense of compatibility, architecturally and otherwise, with other homes in the neighborhood.

To help manage the operational and maintenance expenses for the affordable units, they will be exempted from paying landscape maintenance fees for the neighborhood's common areas and streetscape areas. This exemption is a significant expense-reduction initiative, because these costs are both substantial and recurring.

Finding # 2: That the use or development complies with all required regulations and standards of this Chapter, including all applicable provisions of Articles 3 and 5, the applicable specific standards contained in the Supplemental Use Regulations (Article 6), and with all other applicable regulations.

General

The proposed project will comply with all applicable regulations and standards. The Applicant requests a minor text amendment to the Land Use Management Ordinance (LUMO) in conjunction with this Special Use Permit (SUP) application. This text amendment is discussed in detail in a separate Statement of Justification.

Density

The zoning classification for the property allows a maximum density of 1 residential unit per acre. The project anticipates the development of 26 single-family residences on the 38-acre parcel, for a density of 0.68 units per acre, or about 2/3 of the maximum zoning allowance.

Creative Design Approaches

The project has been designed as a Planned Development-Housing (PD-H), which requires SUP review and approval. The Applicant voluntarily submits the project to the higher standards of review associated with the SUP process, in order to achieve the purposes outlined in Article 4.5 (b) of the LUMO. Specifically, the Applicant proposes creative design approaches that will “(i) accomplish a more desirable environment than would be possible through the strict application of the generally applicable requirements... ; (ii) provide for an efficient use of land and arrangement of land uses, buildings, circulation systems, and utilities; (iii) promote an improved level of amenities; and (iv) provide an environment of stable character compatible with surrounding areas”.

The application of PD-H criteria and the SUP process allows lot sizes and dimensions to be customized for better land use efficiency and homesite quality. This flexibility essentially allows a clustering of lots in a manner that increases beneficial usage of the upland areas, while leaving the more sensitive site areas undisturbed. This approach also has the advantage of allowing the street length to be substantially reduced, along with the associated land disturbance and impervious surface area. In these ways, application of the PD-H concept to this site allows a much better balance of resource usage and resource preservation than could otherwise be accomplished.

For similar reasons, the Applicant proposes that access to the two eastern-most lots be accessed by a shared private driveway. This type of access is appropriate in this case, because it allows the public street length to be reduced, consolidates the need for two driveways into a single location, and allows the access route to be more sensitively placed in its environment than would otherwise be allowed.

Another shared driveway is proposed on Lot # 6. This driveway will serve the normal residential access needs of the lot, but will also serve as a maintenance access for the community water supply well and for the common stormwater management facility. This common driveway is a good example of appropriate resource-sharing, resulting in fewer driveway cuts, less disturbed area, an enhanced recreational space largely devoid of vehicular area, and a significant cost reduction for the affordable home on Lot # 6.

As mentioned earlier, the proposed use of a single community water supply well provides a much more sustainable and high-quality design solution than the alternative of 26 individual wells. This type of private community well system is only allowed with SUP approval. In addition, the alternative design approaches for both water supply and wastewater service for this project will result in significantly less public costs for furnishing and maintaining these services, than is customary for a more conventional subdivision.

In addition, the proposed pedestrian path system is an appropriate, although non-typical, solution to the unique needs and characteristics of a community of this type. The Applicant feels that the meandering pathway within the well-landscaped and commonly-maintained lot frontages will provide a more enjoyable pedestrian experience than would otherwise be provided in a conventional suburban subdivision.

Not only does the application of the PD-H concept allow better home sites for this neighborhood, it will also allow the development of more home sites than would otherwise be prudent with a conventional residential subdivision. This is an important factor, because it allows the necessary lot yield for the project to reasonably accommodate a number of affordable housing units within the project. These affordable single-family homes will be interspersed throughout the neighborhood, and will be architecturally compatible with other houses within the neighborhood. Appropriate restrictions will be placed on these units to ensure their ownership by families with lower income levels.

The Applicant feels that this method of providing affordable housing is generally preferred to mere floor area limits or payments-in-lieu. In this way, the flexible design criteria allowed under the SUP process creates this important opportunity to provide a more sustainable and integrated affordability component within the neighborhood, and promote a more diverse resident base.

Infrastructure

New streets within the neighborhood will conform to applicable NCDOT standards, and will be available for ultimate acceptance by NCDOT. In addition, a street stubout to the north will provide the opportunity for logical and orderly street extension in the future for the benefit of several parcels that currently do not have direct public street access. Potable water, wastewater, and other utility systems will be designed, constructed, and operated to meet or exceed all applicable standards. Common recreational area and improvements will be provided to offer meaningful active and passive recreational and social opportunities for neighborhood residents, fulfilling the LUMO requirements for Recreation Space.

Environmental Protection

The project's design will conform to all applicable environmental regulations, including but not limited to, regulations and policies relative to streams, Resource Conservation District, steep slope areas, significant and specimen trees, and cemeteries. Stormwater management methods and facilities will be provided to meet or exceed Town requirements pertaining to qualitative and quantitative stormwater parameters.

The proposed site design responds to the desire to preserve significant trees and tree clusters. Extensive tree survey work has been provided to document significant

trees, and site improvements have been generally configured to avoid the removal of large trees. The design drawings indicate tree protection measures, and also describe tree planting strategies for individual lot areas.

Since the site lies within a protected watershed zone, the Applicant proposes low-impact development approaches to site design. The low-density project will utilize shoulder-and-ditch roadway design to reduce the need for structural stormwater collection devices and piping. In addition, a section of private shared driveway will be used to minimize the length of public street onsite, contributing to less required pavement and disturbed area. The total amount of impervious surfaces within the neighborhood will be about one-half of the 24% limit allowed under the "Low-Density Option" for development within protected watersheds.

Construction Waste Management

During project construction, solid waste materials will be reduced, recycled, and/or disposed in a manner consistent with Orange County and Town of Chapel Hill requirements. Topsoil removed from new street areas will be re-used in appropriate locations on the site.

Energy Efficiency

The primary street and lot orientation is generally along an east-west axis, allowing most homesites to have a southern exposure along the length of the house (either front or rear), thereby providing very good opportunities for energy efficiency related to solar access.

Homes within the neighborhood will be constructed to include substantial energy efficiency measures. The Applicant will only sell the residential lots to builders who will agree to construct homes that will qualify for ENERGY STAR, or equal, certification. These homes will incorporate energy-efficient features such as increased insulation, high-performance windows, tightly sealed exterior surfaces, very efficient heating and cooling equipment, low-leakage ductwork, and ENERGY STAR qualified lighting and appliances.

Modification of Regulations - Landscape Buffers

The proposed development will essentially be a large-lot residential subdivision adjoining other large-lot residential uses, for which perimeter buffers are not required. Given the spacious lot sizes and the presence of existing vegetation along the perimeter property lines, the Applicant feels that the buffers are not necessary for screening purposes; and therefore requests elimination of the perimeter buffer requirement. This modification will also help to maximize usage of the best soil areas for septic fields which adjoin certain portions of the development's perimeter. For these reasons, the buffer modification request supports the goal of providing "efficient use of land and ... utilities" as outlined in Article 4.5(b), thereby helping to

create a better neighborhood than would otherwise be practical under conventional subdivision regulations.

Modification of Regulations – CDC Review

The Applicant proposes a modification to the typical SUP requirements, eliminating the review of building and lighting plans by the Town's Community Design Commission (CDC). Instead, the Applicant proposes that the neighborhood HOA will perform this function. The development will look and feel like a typical residential subdivision, for which the CDC does not generally review lot-by-lot building and lighting plans. This revised protocol will relieve the CDC of the time-consuming burden of reviewing individual building and lighting plans for 26 residential lots and common facilities, while vesting this responsibility in the most appropriate review entity.

Modification of Regulations – General

These two modification requests result from the application of prescribed PD-H criteria to a project that is not a typical multi-use Planned Development. The Applicant wishes to apply all appropriate PD-H regulations to the project, but requests that these two inappropriate PD-H criteria be waived. This judicious application of PD-H regulations will support the project design strategies of providing improved site design features, efficient use of land and other resources, substantial affordable housing elements, and creating an energy-efficient neighborhood.

Finding # 3: That the use or development is located, designed, and proposed to be operated so as to maintain or enhance the value of contiguous property, or that the use or development is a public necessity.

The subject property is proposed to be developed as a high quality, low density residential neighborhood. The proposed large-lot, single family use is consistent with the current zoning classifications of the subject property and adjacent properties, and consistent with current usage of contiguous developed properties. Development and usage of the property as intended is not expected to create any condition that would be normally associated with diminished property values.

The proposed public street stubout to the north is expected to provide additional value to several neighboring properties, by providing enhanced public street access where none currently exists.

The neighborhood will be designed, developed, and regulated as a beneficial addition to the local community. It will provide attractive and well-maintained landscape and architectural elements, internal public street improvements, and preservation of

environmentally sensitive areas, contributing to a positive and responsible community presence. In addition, restrictive covenants will promote an orderly and protective environment for neighborhood residents and their guests, prohibiting offensive or inappropriate activities and conditions. The Applicant believes that these beneficial improvements and characteristics will contribute to an increased sense of property value within, and adjacent to, the proposed neighborhood.

Finding # 4: That the use or development conforms with the general plans for the physical development of the Town as embodied in this Chapter and in the Comprehensive Plan.

The proposed neighborhood use is consistent with land use and development density guidelines outlined for the site in the Comprehensive Plan, Small Area Plan, Southern Area (CP). According to the CP, the upland portions of the subject property are designated as "Prime Buildable" and "Secondary Buildable" area, indicating that the land is physically suitable for the type of development proposed. The proposed use is permitted and anticipated by the current R-LD1 zoning, and the proposed density is only about two-thirds of the maximum allowable density permitted by the zoning district.

The proposed project will not require the extension of public water and sewer facilities beyond the Urban Services Boundary. Since the subject property does not lie within this boundary, the project will provide alternate means for furnishing adequate and safe potable water and wastewater treatment for each residential lot.

Summary

South Grove will be a unique new residential community located on the southern edge of Chapel Hill. This special neighborhood will be comfortably situated in its natural environment, providing homes for 26 families on 38 spacious acres. While the neighborhood will exhibit high standards of appearance and architecture, the structural and landscape improvements will be in harmony with the property's mostly-rural character. The project will make generous use of creative design approaches to provide reasonable density and sustainable public benefits, while preserving important natural resources.

South Grove residents will benefit from a strong sense of community, the neighborhood's natural setting, energy-wise homes, onsite recreational amenities, and effective community governance. In addition, community diversity will be enhanced by inclusionary and sustainable housing strategies, woven into the very fabric of neighborhood design. South Grove will provide excellent life-quality benefits to its residents, and will be a positive and responsible addition to the larger Chapel Hill community.