ATTACHMENT 6

Residences at Grove Park 425 Hillsborough St. Chapel Hill, NC ram Realty Services

Zoning Atlas Amendment ApplicationStatement of Justification

August 12th, 2008

Introduction

This is a request for a Zoning Atlas Amendment to rezone a recombined portion of 4 contiguous parcels at 425 and 429 Hillsborough St. and 624 & 626 Martin Luther King Jr. Blvd. to facilitate the construction of the Residences at Grove Park, a 346 unit town home and condominium redevelopment project. The parcels making up the Residences at Grove Park development will be recombined into a single parcel as part of the development process prior to final zoning compliance approval. The remaining portions of the current 425 Hillsborough St. parcel and portions of 624 & 626 Martin Luther King Jr. Blvd. will be combined into a separate approximately 0.5 acre parcel and remain the existing R-6 zoning. (See SUP submittal for map of proposed recombination) The current zoning for this 12.93 acres is predominantly R-4 allowing 10 units per acre with only a small portion of R-6 that does not allow for the highest and best use on the property. Based on the benefits this project will bring to Chapel Hill's revitalization effort and for its support of long term growth according to the themes of the Comprehensive Plan, we are requesting the parcels be rezoned to the existing R-SS-C conditional zoning designation as defined by the accompanying zoning text amendment application developed in cooperation with the Planning Department's recommendations with the modifications described in this SUP application. By rezoning this assembly to take advantage of this site's unique location, topography, and natural amenities, the Town can provide for the population growth projected by the 2035 Long Range Plan without impacting the charm of existing neighborhoods or the beauty of Chapel Hill's natural vistas.

Request for Zoning Atlas Amendment

The proposed Residences at Grove Park development complies with the Development Ordinance's land and development regulations and standards as defined in the Application Procedures outlined in Article 4, the Design and Development Standards in Article 5, and the Special Regulations for particular uses in Article 6. The parcels making up the Residences at Grove Park development, including 425 and 429 Hillsborough and portions of 624 and 626 Martin Luther King Jr. Blvd. which will be recombined into two separate parcels as part of the development process, are predominantly zoned R-4 and R-6 allowing minimal redevelopment opportunity and thus we are requesting this rezoning to the existing R-SS-C zoning with a single amendment to the FAR in order to garner this project's benefits for the Town. Along with the included modifications requested in this SUP, only the single FAR amendment is required. We are requesting separate modifications rather than further amendments to limit rezonings and dimensional increases to the unique projects that warrant them like Grove Park. We believe by granting the rezoning to a conditional designation like R-SS-C, the Council will preserve the right to apply this zoning and dimensional limits to projects on a case by case basis. The following dimensional matrix outlines the restrictions of the current zoning as well as our proposal for the dimensions of the new zoning designation we are requesting the text amendment for. The modifications are described below.

Dimensional Matrix	Current R-6 Zone	Proposed R-SS-C
Max. Density	15/acre	N/A
Max. Height (Primary)	39'	39'
Max. Height (Secondary)	60'	60'*
Maximum Impervious Ratio	.24/.5/.7	.24/.5/.7
Maximum FAR	0.303	1.10

^{*} Modification requested for this dimension to 90'

Based on the existing R-SS-C zoning description described in our Zoning Text Amendment application, we believe the Grove Park site will best serve a higher density residential use. With its direct connection to major pedestrian and bus connections, beneficial topography and screening from the RCD, location within a ½ mile of the Downtown Commercial Core, and close proximity to increasing retail and office destinations, Grove Park is positioned to positively encourage sustainable transit and the town's revitalization goals. This new plan will require the site to be rezoned to the R-SS-C zoning with a Zoning Atlas Amendment and Zoning Text Amendment.

We are requesting these modifications to the dimensional requirements and current zoning based on the following significant public benefits and community amenities provided by the Grove Park redevelopment proposal:

- 1. The development is designed for providing healthy density in a unique well located parcel that will support the growth projected in the 2035 Long Range Plan without impacting the surrounding neighborhoods or harming the beauty of Chapel Hill's vistas.
- 2. With 346 new residences, the proposed project could generate large increases in annual property taxes for the entire region and also increase sales taxes as the new residents enjoy the walkable Downtown commercial district. Furthermore, these increases to the tax base will come with little cost to the Town as no additional infrastructure is needed since all utilities and services are already in place. Furthermore, the influx of new Downtown residents will not only contribute to the economic vitality of the Downtown and greater Chapel Hill Area but also contribute to the safety of Downtown Chapel Hill by getting more eyes into the Downtown and surrounding community.
- 3. A major component of our redevelopment plan is the construction of green space, active open space, and RCD improvements for pedestrian connectivity and improved safety on the site. These investments will include extensive improvements to the RCD, bus stop improvements, pedestrian amenities, and better drive lanes to improve public safety. In addition to these benefits, we are also dedicating a greenway easement through the revitalized RCD so the entire community can enjoy the improvements we have planned for Grove Park.
- 4. Based on our ongoing discussions with Orange County Housing and Land Trust, we understand that the amount of condominium projects coming into the Chapel Hill market has caused an influx of affordable condominium units, single bedroom units in particular, that the Land Trust has serious concerns about being able to place. In order to give the Town and Land Trust flexibility to address these concerns, we are proposing to fulfill the Town's Affordable Housing and Inclusionary Taskforce Initiatives by providing our 15% affordable housing requirement with 52 affordable bedrooms in a mix of one and two bedroom condominiums. The final mix of unit types will be determined in consultation with the Land Trust and approved by the Town Manager prior to the issuance of the Zoning Compliance Permit.
- 5. To further our dedication to sustainability and the environment, we have already committed to increasing energy efficiency by 20% above ASHRAE 90.1 standards and are the first project to agree to

independent individual water metering for all our condominium units to promote water conservation. In addition to the massive carbon reduction benefits garnered from locating our project adjacent to Downtown and along major public transportation routes, the design benefits provided by our buildings and unit types, like energy savings from shared walls and passive solar design, will generate a reduction in energy costs our residents will enjoy and a reduction in overall energy use the whole community can benefit from.

LUMO Article 4.4 Zoning Amendment Justification

Article 4.4 of the Land Use Management Ordinance on Zoning Amendments states: In order to establish and maintain sound, stable, and desirable development within the planning jurisdiction of the Town it is intended that, this Chapter 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. It is further intended that, if amended, this Chapter be amended only as reasonably necessary to the promotion of the public health, safety, or general welfare, and in conformance with the Comprehensive Plan.

To justify the need for an R-SS-C rezoning for the Grove Park Project with modifications, we submit the following:

- **a.**) There is no manifest error in the Chapter that needs to be resolved for 425 Hillsborough St. or the abutting properties, however;
- **b.**) Though no manifest error in the zoning chapter, there is a change in the nature of the area around Martin Luther King Jr. Blvd that this project can help facilitate. As outlined by the Long Range Plan, the demands of population growth and economic expansion has sparked the need for increased residential density along major transit arteries like Martin Luther King Jr. Blvd to help preserve the Rural Buffer and limit suburban sprawl. Because of this parcel's unique location and amenities as described above, as well as its pedestrian proximity to the growing Downtown District, this property is an ideal candidate on which to apply the R-SS-C designation with modifications in order to provide the higher residential use the Long Range Plan envisions to fulfill the themes of the Comprehensive Plan.
- **c.**) Justification for the proposed rezoning can best be demonstrated by the proposed development's fulfillment of the core themes of the Comprehensive Plan.

Themes of the Comprehensive Plan

1. Maintain the Urban Services Area/Rural Buffer Boundary

By redeveloping a Downtown site rather than challenging the buffer with additional suburban track development, the Residences at Grove Park project alleviates suburban sprawl by providing a significant choice for new residential development on one of the few remaining sites where such development is encouraged and appropriate. Additionally, this new opportunity for healthy density is created with little additional infrastructure required since the utilities and base services are already present.

2. Participate in regional planning

Forward thinking, sustainable growth projects like the one proposed for Grove Park can give Chapel Hill an example project to act a model for the rest of the region.

3. Conserve and protect existing neighborhoods

Since the area inside the Urban Services Area is approximately 94% built out, one of the few remaining opportunities for Chapel Hill to accommodate the nearly 50% population growth forecast in the 2035 Long Range Plan is to seek out sustainable urban redevelopment sites like 425 Hillsborough St. With developments like Grove Park handling the new growth, the character and nature of Chapel Hill's historic neighborhoods can be protected.

4. Conserve and protect the natural setting

As with neighborhood protection, assigning growth projects to locations like the Residences at Grove Park with its unique benefits of topography and the RCD's tree buffer, sensitive responsible redevelopment can make sure the natural vistas of Chapel Hill remain unblemished. To further protect the greater environment, we will create an energy management plan for Grove Park with the goals of increasing energy efficiency 20% above the current ASHRAE standards and seek ways to reduce our carbon footprint over typical developments.

5. Identify areas where there are creative development opportunities

As detailed before, 425 Hillsborough Street's unique Downtown location and natural benefits ensure that no better site exists than at Grove Park for a well planned, sustainable density development to provide for Chapel Hill's growth while protecting its beauty.

6. Encourage desirable forms of non-residential development

By encouraging higher residential intensities in specific locations that support the Downtown commercial area, the Town can do the best thing for encouraging Downtown non-residential development by providing those projects with nearby residents to patronize them. With Grove Park being all of 4/10ths of a mile from the Downtown core and tied into it by a series of pedestrian and mass transit connections, our site is an ideal project for just this type of non-residential encouragement.

7. Create and preserve affordable housing opportunities

In cooperation with the Town and Orange Community Housing and Land Trust, we will provide our 15% affordable housing requirement with 52 affordable bedrooms in a mix of one and two bedroom condominiums in order to provide a flexible affordable housing opportunity that meets the needs of the community.

8. Cooperatively Plan with the University of North Carolina

Every effort has and will continue to be made to include the University of North Carolina in the benefits the Residences at Grove Park hopes to provide to Chapel Hill. We believe this site will be an ideal location for supporting the University's current campus and the plans for Carolina North.

9. Work toward a balanced transportation system

By design, the Residences at Grove Park bring more residents to the walkable Downtown environment. The proximity of these new residents to downtown should reduce overall automobile trips as well as providing the necessary density to properly support the growing bus system provided by Chapel Hill. More directly though, the improvements Grove Park brings to the pedestrian connections already on our site and the bus corridors it borders will encourage pedestrians, bikes, and bus ridership through out the area and be a model for other developments along the Martin Luther King Jr. Blvd transit corridor.

10. Complete the bikeway / greenway / sidewalk system

The new pedestrian and bicycle amenities provided by the Grove Park design are built specifically to provide connectivity to Downtown and encourage its revitalization. Along with the Downtown connections and our RCD improvements, we are dedicating a greenway easement to improve connectivity to the Bolin Creek Greenway system and other established pathways for the Town.

11. Provide quality community facilities and services

From the well-lit subterranean parking decks to the expansive green spaces and active recreation areas enjoyed by all our residences, the Grove Park project will improve the RCD and the currently clearcut site to make it a model community for sustainable infill and renewal.

12. Develop strategies to address fiscal issues

By generating substantial new property tax revenue per annum for the region as well as additional sales taxes from nearby Downtown retailers, Grove Park gives Chapel Hill additional funding to address future fiscal issues without requiring additional infrastructure and service investments from the Town.

Request

For its support of all the major themes of the Comprehensive Plan as well as the Town's goals for Downtown revitalization, we request that the Council support the proposed rezoning to the amended R-SS-C zoning designation and grant the Special Use Permit, Zoning Atlas Amendment, and Zoning Text Amendment for the Residences at Grove Park. With your approval, we will develop and construct this sustainable infill redevelopment and deliver to Chapel Hill a model project to welcome in its new era of growth, while protecting the rich history and stunning vistas it has always enjoyed in the past.