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MEMORANDUM

TO: W. Calvin Horton, Town Manager
FROM: Roger S. Waldon, Planning Director
SUBJECT: Report from 1/11 Workshop on Development Ordinance
DATE: January 11, 2002

As you know, we conducted a workshop this morning, between 9:00am and noon, to study key proposed provisions included in the 2nd Draft of the Development Ordinance revision. This memorandum reports on that workshop and summarizes the key ideas that came out of this morning's discussions.

DESCRIPTION OF WORKSHOP

Approximately 40 people attended the workshop. We had a good mix: citizens, advisory board members, designers, developers, staff, and Council members. After introductory remarks, we split into four working groups, each to examine a development that had been previously approved and built in Chapel Hill, to determine what the impact of proposed changes to regulations would be. Four local design professionals agreed to facilitate these discussions. The projects we examined, and the facilitators, were as follows:

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|----|-----------------------------|---------------------------|
| 1. | Chesley Subdivision | Facilitator: Dawn Heric |
| 2. | Notting Hill Apartments | Facilitator: Dan Jewell |
| 3. | Cornerstone Office Building | Facilitator: Josh Gurlitz |
| 4. | Lowes/Borders | Facilitator: Jack Smyre |

After each group had met, all came back together to hear a summary of each group's conclusions and observations.

KEY IDEAS

I consider the morning to have been a very valuable exercise. All involved, including Town staff, learned more about the possible implications of the new regulations being proposed. Feedback at the conclusion of the workshop was good.

In the following pages we summarize the main points that were raised. This information should be helpful to us as we continue to evaluate the 2nd Draft, and get ready for preparing a 3rd Draft.

cc: Sonna Loewenthal, Assistant Town Manager

Summary of Key Ideas from Development Ordinance Workshop

January 11, 2002

Comments Compiled by Chapel Hill Planning Department

This workshop was designed to examine key proposed provisions of a 2nd Draft of Chapel Hill's proposed new Development Ordinance. Four projects were selected for study, all previously approved and constructed in Chapel Hill, all of different type/use. Each development was studied to address the following question:

- a) If this development were to be designed under the proposed Revised Development Ordinance, how might the site design be different?

Following are descriptions of each of the four projects, and notes from the discussions. At the end there is a compilation of key comments that were offered at the workshop about Development Ordinance changes in general.

Finally, attached at the end is a summary of some of the key changes being proposed in the 2nd Draft.

1. Chesley Subdivision (Phases I-IV) – Single Family Residential

A preliminary plat for this subdivision was approved by the Town Council in 1987. The subject site is located south of Weaver Dairy Road and north of Honeysuckle Road. Cedar Falls Park is immediately west of the site. When the development was considered by the Council, the tract immediately east of this site was undeveloped (this tract eventually became Chesley, Phase V, as part of a subsequent development application). The 71-acre site is located in the Residential-2 zoning district. Approximately 9.5 acres of the site are located in the Town's Resource Conservation District. 80 lots were approved, and 77 lots were developed.

If this development were to be designed under the proposed Revised Development Ordinance, the site design would need to be different in the following ways:

- ***Decrease in the number of cul-de-sacs, increase in internal street connections and increase in street stub-outs.*** The proposed connectivity ratio requires a more extensive street network, discourages cul-de-sacs and encourages street stub-out to adjacent properties.
- ***Decrease in minimum recreation area.*** Proposed recreation square footage would be based on total number of lots and not gross land area. If this development were designed under proposed regulations, the required recreation space would be less than 2.0 acres. The existing development satisfied its recreation area requirement by providing 8.2 acres of recreation area.

- ***Less land disturbance within portions of the Resource Conservation District.*** Greater restrictions on the types of permitted uses within the RCD and the establishment of 3 stream buffer areas would result in moving land disturbance activities farther away from the stream corridor than is currently permitted.
- ***A decrease in street and bridge crossing the Resource Conservation District.*** Proposed crossings of the RCD with a street or bridge would require obtaining a variance from the Board of Adjustment.
- ***Greater mix of house sizes.*** Housing Floor Area Restriction require a percentage of 1,100 and 1,350 square foot homes. (This is an existing regulation that was not in affect when this subdivision was developed.)
- ***Increase in Affordable Housing Units.*** Twenty percent of homes must be affordable dwelling units. A payment-in-lieu equivalent, off-site affordable units, or dedication of off-site land can substitute for providing affordable units on-site under the proposed regulations.
- ***Increase in the stormwater retention and detention facilities.*** Proposed stormwater management techniques must address 1 year and 50 year storms and include Best Management Practices for water quality.
- ***Possible decrease in average lot size.*** In order to profitability market the development, compliance with connectivity ratio, house floor area restrictions and affordable housing may require smaller lot sizes
- ***Increased clearing, grading and impervious surface.*** It was proposed that required connectivity (more streets), increased stormwater facilities and smaller lot sizes could result in greater land disturbance and increased impervious surface area.

2. Notting Hill Apartments (formerly Sterling Ridge) – Multi-Family Residential

A Special Use Permit for this project was approved by the Town Council in 1996. The subject site is located east of Erwin Road and Sage Road, and west of the Eastowne development. The site has access off of Old Sterling Drive, which was constructed as part of the project. The 30-acre tract is located in the Residential-5 zoning district. Approximately 15 acres of the site are located in the Town's Resource Conservation District. Sixteen buildings were approved, with a total of 200 dwelling units. Overall, the development includes 208,000 square feet of floor area, and has 377 parking spaces.

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Key Findings:

- **Affordable Housing:** no affordable housing component was required as approved. The Draft Development Ordinance would require a 20% affordable housing component that would translate to 40 units or a \$600,000 payment-in-lieu (\$15,000/unit for attached units).
- **Floor Area:** 205,408 square feet of floor area was approved. The floor area could be increased under Draft Development Ordinance by 29, 052 square feet (approximately 29 units) to 234,460 square feet because the floor area ratio has increased to 0.348.
- **Parking:** 377 parking spaces were approved. The Draft Development Ordinance would require a minimum of 200 parking spaces and a maximum of 370 parking spaces.
- **Resource Conservation District:** As approved the site has 654,448 square feet (15 acres) of Resource Conservation District (RCD) with a road crossing and tennis court located in the RCD. The Draft Development Ordinance has variable requirements for the RCD with less development allowed closer to stream channels rather than the same standard throughout the RCD. The Draft Development Ordinance would not allow the existing road crossing but may allow the tennis court. The applicant could apply for a variance with the Board of Adjustment for the road crossing under extraordinary circumstances.
- **Impervious Surface:** As approved, the site has 25.2% impervious surface and did not require stormwater detention because a watershed analysis concluded that detaining stormwater in this lower portion of this watershed could create additional flooding problems. The Draft Development Ordinance would require more stringent stormwater regulations for treating both quantity and quality of stormwater runoff throughout Town.
- **Recreation Space:** 34,400 square feet of recreation space was required as approved. 1,000 square feet / unit would be required by the Draft Development Ordinance, or 200,000 square feet (4.6 acres) for the development. There was some disagreement about whether or not the Draft Development Ordinance would allow the placement of a greenway in the Resource Conservation district to satisfy the recreation space requirement.

3. Cornerstone Associates Office Building - Office

A Site Plan Review for this project was approved by the Planning Board in 1989. The subject site is located on the east side of Airport Road, immediately south of the YMCA. The 0.59-acre site is located in the Office/Institutional-2 zoning district. A two-story, 6,800 square foot office building was approved, with 19 parking spaces.

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This office building could not have been built as currently exists on the site under the proposed Development Ordinance. We list the differences and observations below.

This is a very small site with compact development.

- **Floor Area Permitted:** The permitted floor area would be increased. Under the old ordinance 6,831 square feet of floor area was permitted. Under the proposed ordinance, 8,486 square feet of floor area would be permitted. The Floor Area Ratio would be increased from .264 to .328.
- **Impervious Surface Requirement –** New impervious surface requirements are included in the new development ordinance. Currently, it is estimated that 15,181 square feet of impervious surface exist on the 25,874 square feet of gross land area for this site - 58%. The new ordinance would not permit over 50% impervious surface to be created or 12,937 square feet. The new ordinance would require that greater than 24% impervious surface would require a retention basin. This development would require a basin. It is estimated that in order to build the maximum amount of floor area allowed and to provide the parking required that approximately 9,500 square feet of impervious surface would be created.

The building footprint would need to be decreased in order to construct the maximum amount of floor area allowed and the building would need to go up to 3-stories. Also, the car movement area would require reduction. To maintain parking requirements, it was determined that the drive aisle would need to be reduced by placing the parking area in front of the building.

It was noted that a reduction in the building footprint and moving to 3-story design likely would be untenable. The useable interior space for office space would not be available after ingress and egress code requirements were met.

- **Additionally,** it was believed that architectural interest would be diminished for buildings designed on small lots. Incorporation of interesting indoor and outdoor spaces using patios, terraces, roof overhangs, porches, and varied building wall juts and indentations would not be designed in order to avoid increasing the impervious surface accumulation.
- **Setback and Landscape Buffer Conflict:** Setbacks from the street would be a maximum of 28 feet and a minimum of 0 feet under the new ordinance. However, along Airport Road, a 30 foot Type D landscape buffer is required. Therefore, street setbacks are illusory when landscape buffers are required. The buffers override the setback. The same occurs on the interior property line where 0 foot setback is permitted. However, a 10 foot and 20 foot landscape buffer are required on the interior property lines making setbacks irrelevant.

It was noted that pervious surface on this site would be almost entirely within the landscape buffers on the margins of the site. The pervious areas would effectively frame the impervious surfaces within the interior of the site leaving little room for creative site design.

- **Parking Requirements:** “Business, Office-type” currently requires one parking space per 350 square feet of floor area. In the current development, 19 spaces have been provided. Under the new ordinance, a maximum of 24 (1 space per 400 sf) and a minimum of 21 (1 space per 350 sf) spaces would be required for the maximum amount of buildable floor area.
- **Connectivity:** It was noted that connectivity is not addressed in the proposed regulations for nonresidential development. In the case of Cornerstone, connectivity to the adjacent YMCA for potential shared parking and ease of vehicular movement would be enhanced.

4. Lowes/Borders – Retail/Commercial

A Special Use Permit for this project was approved by the Council in 1995. The site is located northwest of the intersection of Sage Road and US Highway 15-501. Dobbins Drive runs along the site’s US Highway 15-501 frontage. The 20-acre site is located in the Community Commercial zoning district. Two retail buildings were approved, with a maximum of 177,343 square feet of floor area and 702 parking spaces. Two buildings have been constructed, with 160,949 square feet of floor area and 675 parking spaces.

If this development were to be designed under the 2nd Draft of the proposed Development Ordinance, how might the site design be different?

- ***Impervious Surface:*** With a Livability ratio of 0.27 (or 27%) in the Community Commercial zoning district, the existing Development Ordinance allows up to 73% impervious surface. The 2nd Draft of the proposed Ordinance limits development in the Community Commercial zoning district to a maximum of 50% impervious surface, with on-site retention. As constructed by the developer, the approved Lowes/Borders site has 60.8% impervious surface. Consequently, the existing site plan would have to be revised to eliminate a total of 10.8% of the impervious surface on the site, or approximately 93,050 square feet (2.1 acres) of impervious surface on the 19.8-acre site.
- Such a reduction in the amount of impervious surface on the site would require significant adjustments to the development program for this site. In order to construct the same amount of floor area and parking spaces, the uses would have to be stacked and structured parking would have to be provided. Alternatively, if Borders (25,000 s.f.) and its associated parking (approximately 50,000 s.f.) were eliminated, and Lowes and its associated parking were reduced by about 3-5%, the development would potentially be able to meet the 50% impervious surface threshold.

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- Several group members believed that regulations which force uses to be stacked and/or structure parking to be utilized would cause projects such as Lowes/Borders to not be economically feasible.
- **Parking Ratio:** The Lowes/Borders site was constructed with 675 parking spaces. The 2nd Draft of the proposed Development Ordinance would require a minimum of 443 spaces, and allow a maximum of 709 spaces. According to the proposed Development Ordinance, if structured parking spaces were provided on the site, they would be exempt from the maximum parking requirements for this site.
- Overall, it appears that the 2nd Draft of the proposed Ordinance would allow sufficient parking spaces for the site (although typical retailers would prefer being able to have up to one space for every 200 square feet of retail space), although the ability to construct parking spaces is significantly impacted by the impervious surface limitations discussed above.
- **Building Orientation:** The 2nd Draft of the Development Ordinance indicates that the street setback for this site may be a minimum of zero (0) feet, up to a maximum of 28 feet. This setback requirement would significantly alter the approved site plan, requiring the buildings to be brought closer to the public streets. Although it is unclear from the proposed ordinance whether or not the building(s) would have to front on both Sage Road and/or the Dobbins Drive Service Road along US Highway 15-501, it is clear that a significant site re-design would be necessary to comply with this requirement.
- The maximum street setback would also affect the building's floor plan and architecture. The location of entrances, loading areas, and the appearance of the building(s) from the street are all variables that would have to be considered in order to successfully locate a building on the site.
- The group also noted that the street setbacks and the required landscaping bufferyards appear to dimensionally conflict.
- **Stormwater Management:** The stormwater management criteria included in the 2nd Draft of the proposed Development Ordinance would have a major impact on this site. In addition, if the developer chose to pursue the high density option and develop up to 50% of the site as impervious surface, on-site stormwater retention would have to be provided. It is unclear as to whether or not a retention pond would be considered as impervious surface on the site.

Additional Ideas Related to Revising the Development Ordinance

- Connectivity Ratio: although the connectivity ratio doesn't impact the Notting Hill development, it seems to be contrary to avoiding development in environmentally sensitive areas, such as the Resource Conservation District and steep slopes.
- Organize future workshops on development near older residential neighborhoods
- Allow payment-in-lieu provision for "small house" ordinance.
- Allow payment-in-lieu for affordable housing to satisfy small house requirements.
- Handle stormwater management on a "regional" level.
- Connectivity ratio does not achieve intended goal.
- Board of Adjustment variance for RCD street crossing and connectivity requirement in direct conflict.
- Increase stormwater management facilities and decrease land disturbance in the RCD in direct conflict.
- Design standards should be more flexible
- Projects in the "pipeline" should be subject to the existing regulations.
- The Ordinance needs to require sites like this one to be designed to be more transit-friendly.
- The Ordinance needs to require more connection between uses.
- The Ordinance should include mechanisms to transfer development intensity from environmentally sensitive areas elsewhere in town, and use that intensity on appropriate sites such as the Lowes/Borders development.
- The Ordinance needs to provide the opportunity for more creativity on a site-by-site basis.