

BOARD OF ALDERMEN

ITEM NO. D(3)

AGENDA ITEM ABSTRACT

MEETING DATE: Tuesday, December 18, 2001

TITLE: REPORT: Overview and Needs Assessment for Gas Stations and Convenience Stores

DEPARTMENT: PLANNING	PUBLIC HEARING: YES __ NO <u>X</u> _
ATTACHMENTS: A. Resolution B. Map – Gas Stations/Convenience Stores C. LUO Table of Permissible Uses Excerpt D. LUO Performance Standards E. LUO Table of Screening Requirements F. Chapel Hill and Clackamas County, Oregon Ordinance Provisions	FOR INFORMATION CONTACT: Patricia McGuire – 918-7327

PURPOSE

The Board of Aldermen's 2001-2002 Action Agenda calls for a review of gas stations and convenience stores and a needs assessment of these uses. A report has been prepared. A resolution receiving the report is recommended for the Board's approval.

INFORMATION

The 2001-2002 Action Agenda describes this review in the following manner:

Review the needs for standards to regulate the proximity of gas stations and convenience stores. Perform an assessment for gas stations and convenience stores looking at best land use, market needs, environmental concerns, and aesthetics. Identify standards used in other communities.

Information on the current location of these uses and the remaining opportunities for new locations has been identified. Pertinent ordinance provisions are noted, as are regulatory standards in use in other communities. This information is presented below.

Local Regulatory/Development Context for Gas Stations in/near Carrboro

Nine gas sales operations are located in the vicinity of Carrboro and its jurisdiction (see map - *attachment B*), six of which are within the city limits. Eight are principally gas sales operations/convenience stores and one, McFarling's Exxon on W. Franklin Street in Chapel Hill, is a gas sales operation/service station. This trend is not uncommon throughout the nation as auto repair activities have been segmented and specialized. With the rise in convenience store shopping, combination gas sales operations and service stations have also been increasing. Carrboro has

permitted one new gas sales operation, the Pantry at Carrboro Plaza, in 20 years. During this same period, the town has seen four other operations close and three of the remaining businesses convert to only the sale of gas and convenience goods.

Currently, Carrboro’s regulations permit gas sales operations (use classification 9.300) in five zoning districts, the B-3, B-3T, B-4, M-1, M-2 (Excerpt TPU – *Attachment C*). Special Use or Conditional Use permits are required for new businesses seeking approval. There is no associated definition of this use, other than the description contained within the use classification. The table below presents the status of existing gas sales operations.

Business	Location	Zone	Status Gas sales/Convenience
Talberts	NC Highway 54 West	B-5	Non-conforming/Conforming
Pantry at Carrboro Plaza	NC Highway 54 West	B-4	Conforming/Conforming
Fast Fare	NC Hwy 54/W. Main	B-3	Conforming/Conforming
Pantry at Davie Road	Davie/Jones Ferry Rds	B-3	Conforming/Conforming
Carrboro Mini Mart	W. Main Street	B-2	Nonconforming/Nonconforming
Citgo	W. Main Street	B-2	“
Exxon	W. Main Street	B-1(g)	Nonconforming/Conforming

Table 1. Information on location and status of gas sales operations.

Carrboro has adopted performance standards for non-residential uses, which are applicable to gas sales operations. Those that apply include standards related to smoke, fumes, noise, illumination, and ground water (*Attachment D*). Screening requirements also apply to this use classification, as presented in the attached excerpt of the Table of Screening Requirements (*Attachment E*). These provisions provide an opportunity for scrutiny of, and modification to the visual impacts that are often cited by opponents of gas sales operations.

Additional opportunities for the development of new gas sales operations are limited (see Table 2. below). The town’s ongoing commitment to supporting the vibrancy of the central business district has resulted in limited commercial zoning outside of the downtown. The undeveloped/ land area in zoning districts where this use is permitted totals approximately 26 acres. The greatest potential likely occurs on the B-4 tract located on the north side of NC Highway 54 West, although, due to the relatively small land area needed for this use, a few tracts in the B-3 that satisfy locational criteria are also possible candidates.

Zone	Acres per Zone	Vacant Acres	Percent of Zone Vacant
B-1(g)	46.75	2.74	5.86
B-3	14.55	2.51	17.27
B-3(t)			

Zone	Acres per Zone	Vacant Acres	Percent of Zone Vacant
B-4	70.90	19.20	27.08
M-1	46.24	1.33	2.88
M-2	0	-	-

Table 2. Availability of Land for New Gas Sales Operations

Standard definitions for gas sales operations are often included as ‘service station’ or ‘automobile service station.’ In some cases, a particular provision may be included to reference the sale of convenience items. Carrboro’s regulations do not regulate the proximity of these businesses to one another or to any other features. Locational restrictions/separation requirements are utilized in some areas, typically establishing distances from intersections or other uses. Copies of examples from Chapel Hill, North Carolina and Clackamas, County, Oregon are attached (*Attachment F*).

Policy and Regulatory Context - Environmental

Carrboro’s Vision2020 includes two policies that urge enhanced protection of water supplies:

- 5.22** Carrboro should adopt a strategy and set of policies to protect all of our creeks, streams, ponds, and lakes.
- 5.23** Carrboro should be proactive in managing its stormwater, promoting active maintenance of facilities, reducing impacts of increased impervious surface, and minimizing impacts on waterways.

Automobile-related activities are known to have increased potential for environmental contamination. Impacts to ground and surface water systems may result from organic chemicals, such as hydrocarbons, and trace metals - common pollutants associated with motor vehicles. Certain organic compounds, such as benzene, are naturally occurring components of petroleum and are known carcinogens. Studies in urban areas have clearly documented the magnitude of petroleum hydrocarbon pollutants in stormwater runoff from auto-intensive land uses.

The principal question then, in this portion of the assessment is whether current regulations provide adequate protection of water quality. Due to the permit requirements, new gas sales will be subject to the Town’s stormwater quality requirements. The standard that is currently used by the Town Engineer in evaluating surface stormwater pollutant management is the removal of 85 percent of the total suspended solids and that this standard has been determined to provide adequate capture of other pollutants such as heavy metals and volatile organic compounds.

Gas sales operations are subject to U.S. Environmental Protection Agency guidelines regarding the installation and maintenance of underground storage tanks (UST) and the state groundwater division and UST trust fund administer these provisions. Businesses have been subject to requirements for leak detection systems and spill, overfill, and corrosion protection devices since December 1998. The current rate of compliance with UST standards for active tanks is estimated to be 80-85 percent. A range of systems is available with greater reliability resulting from greater

investments in these devices and systems. The responsibility to report on the operation of these devices lies with the operator of the business, as there are limited enforcement personnel.

Current regulations do not address the impacts of customer activity (e.g. small spills) at self-serve pumps, although reporting requirements do apply to larger spills. The UST regulations are extensive and may be viewed at <http://www.epa.gov/swrust1/fedlaws/cfr.htm>.

Just as with other sources of pollutants, there are techniques that can mitigate these pollutants from damaging ground and surface water supplies. Many of these are in place through local, state and federal regulations. As is sometimes the case, enforcement is the weak link. The State public water supply program has identified the need to evaluate the effectiveness of current regulations in order to determine the susceptibility of contamination of public water supply sources. An inventory of potential contaminant sources using available electronic data sources (e.g. UST and NPDES permits) is underway. A draft report on these potential contaminants is expected to be completed early next summer for distribution to water supply managers for review.

As is indicated, extensive regulations currently seek to control the environmental impacts associated with gas sales operations. The Town of Carrboro is also seeking to have an affect in a broader context through other means. The 2001-2002 Action Agenda contains several projects that directly reflect the Town's goals to minimize the detrimental, environmental impacts of official Town and citizen actions. These projects include undertaking an environmental audit of town functions, exploring alternative fuel vehicle technology, and implementing a Zero Waste Resolution. The Town has also committed to adopting a greenhouse gas emissions strategy (through resolutions passed in conjunction with establishing ICLEI/CCP membership).

Needs Assessment for Gas Stations/Convenience Stores

The development community seeks areas with high traffic counts, signalized intersections, minimal competition, and good property access for locating gas sales operations. Due to increases in convenience store sales, this retail activity is increasingly attractive in association with gas sales. Development costs are fairly high. Costs associated with new operations in the area have ranged from \$1 million to \$ 3 million. The average gas sales operation is sited based on a market assessment that expects the sale of one million gallons of gas each year. The national average for gas sales is 82,000 gallons per month.

In order to understand how the existing gas sales operations meet local demand for this product, an evaluation of the local market was undertaken. This assessment is based on data available from the Orange County Tax Assessor's office, the Rocky Mountain Institute, Missouri Small Business Development Centers, and the Northeast Midwest Institute.

In the year 2000, residents of the Town registered 10, 325 vehicles with the Orange County Tax office. In 1999, the most recent year for which data were located, vehicles in North Carolina traveled an average of 11,471 miles, approximately 995 per month. During this same time, the U.S. household vehicle fleet averaged 20 miles of travel per gallon of fuel. Nationwide, 82,000 gallons of fuel are sold each month by the average gas sales operation. When applied to vehicles in Carrboro, the following results:

$10,325 \text{ vehicles} \times 995 \text{ m/mo} = 1,027,337 \text{ m/mo} / 20 \text{ mpg} = 513,668 \text{ g/mo} / 82,000 \text{ g} = 6.3 \text{ gas stations}$
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While based on available data, this information suggests a pretty good fit between the need for and availability of gas sales operations in the Carrboro area. This evaluation does not assume to fully characterize the demand for gas sales in Carrboro or the surrounding area and should not, as the Carrboro population differs somewhat from that of Orange County and the state. For example, the ratio of registered vehicles to population (614/1000) is a little higher than the national average (516/1000). Furthermore, due to the somewhat transient nature of the population, it is likely that some residents' vehicles are registered in their home counties or states. In addition, due to the compactness of the town, and the presence of infrastructure supporting alternative modes of transportation, it is possible that the VMT for Carrboro residents is, on average, lower than the state as a whole. Finally, both local residents and those passing through purchase gasoline from local stations. Residents are also likely to purchase gasoline in other locales.

ADMINISTRATION'S RECOMMENDATION

The Administration recommends that the Board of Aldermen adopt the attached resolution (*Attachment A*) that accepts the Overview and Needs Assessment for Gas Stations and Convenience Stores.