## **BOARD OF ALDERMEN**

## AGENDA ITEM ABSTRACT

### **MEETING DATE: October 11, 2005**

# TITLE: Worksession on Proposed Revisions to Vernacular Architectural Standards

DEPARTMENT: PLANNING	PUBLIC HEARING: YES NO _X_
ATTACHMENTS:	FOR INFORMATION
A. Staff Memo from September 20, 2005	CONTACT:
agenda item	Patricia McGuire – 918-7327
B. Copy of materials from March 8, 2005	
Worksession on Vernacular	
Architectural Standards	
C. 1993 Draft Townwide Design Guidelines	
D. Staff memo on Development Process and	
Developer's Margins	
E. James Burton article on real estate	
development	
F. Article on different capital structures of	
builders.	
G. NAHB Average cost breakdown for SF	
Home	

#### **PURPOSE**

The Board of Aldermen requested additional information and scheduled a worksession for further consideration of the proposed revisions to the Vernacular Architectural Standards (VAS).

#### **INFORMATION**

On September 20, 2005, staff provided a report that evaluates and make recommendations regarding implementation for the Board of Aldermen, as was requested on March 8, 2005, revisions to the Vernacular Architectural Standards (VAS) that have been recommended by the VAS Review Committee following several years of consideration. The committee has recommended that the Town modify its existing vernacular architecture provisions by:

- 1) requiring major subdivisions to <u>comply</u> with general site design and architectural standards;
- 2) establishing an exemption for housing developed by nonprofit organizations intended for first-time homebuyers earning less than 80 percent of the area's median income;
- 3) adopting General Design Standards that address landscaping, context and building design;

- 4) modifying some of the particular Vernacular Architectural Standard requirements, including the porch, garage, and chimney provisions; and
- 5) allowing applicants to choose to submit a detailed narrative on compliance with the General Design Standards and plans to be reviewed using Alternative Design Standards.

Background information is provided, including a copy of the staff memo evaluating the recommended revisions from the September  $20^{th}$  agenda item (*Attachment A*), information provided for the March 8, 2005 worksession (*Attachment B*), and a copy of the 1993 Townwide Design Guidelines (draft) (*Attachment C*). Following its consideration of the staff report, the Board of Aldermen requested that a worksession be scheduled and the VAS Review Committee be invited to participate. The Board also requested that staff prepare a memo on the development process and how developer's margins are derived (*Attachment D*). Members of the VAS Review Committee have been invited to attend the October 11 worksession.

The VAS is currently included within several sections of the Land Use Ordinance. The proposed revisions have been considered in regular public meetings. There has been no special public notice of any possible changes to the VAS. To date, an ordinance that would amend the Land Use Ordinance to incorporate any of the revisions that have been drafted has not been prepared. Should the Board of Aldermen be interested in amending the Land Use Ordinance to revise VAS in any way, the following actions must occur: a draft ordinance prepared, a public hearing set, the Planning Board and Orange County provided an opportunity to review the draft ordinance, public notice of the possible change and a public hearing held.

In light of ongoing concerns related to housing affordability, the Board of Aldermen may wish to specifically review this question with regard to the VAS. A recent report from the US Department of Housing and Urban Development on housing affordability has noted that housing cost increases can be correlated to increasing complexity of regulations and, perhaps particularly in relation to the proposed revisions to the VAS, site design requirements.

The following information is included in the staff memo from the September 20<sup>th</sup> meeting.

If the Board of Aldermen seeks to establish mandatory architectural and site design standards for residential developments, staff would suggest that an optional voluntary procedure also be established. This is the approach that was reported on during the Board's recent consideration of architectural guidelines for downtown development. When a developer chooses not to meet the specified architectural standards, such a process would allow for subjective review of the proposed alternative site design and architecture in conjunction with specified guidelines, such as those proposed by the VAS Review Subcommittee.

On September 20<sup>th</sup>, the staff recommended acceptance of the proposed revisions to the VAS as non-binding policies for residential site planning and architectural design.

#### FISCAL IMPACT

Administrative and advertising/notice costs would accrue if the Board of Aldermen chooses to proceed with preparation and adoption of an amendment to the Land Use Ordinance related to

the VAS. If standards, i.e. architectural requirements, are adopted as proposed, we should expect additional permit application preparation and processing costs on the part of the applicant and review costs on the part of the Town (Appearance Commission and staff, and possibly a consulting architect). Cost impacts are expected to be passed on to occupants, either renters or owners, through increases in the cost of housing.

#### **RECOMMENDATION**

The staff recommends that the Board consider the information related to the proposed revisions to the Vernacular Architectural Standards.