

BOARD OF ALDERMEN

ITEM NO. D(4)

AGENDA ITEM ABSTRACT

MEETING DATE: June 20, 2006

TITLE: Discussion: Rezoning Proposal for R-2 District/Establishment and Placement of OR-MU Zoning District

DEPARTMENT: Planning	PUBLIC HEARING: YES or NO x
ATTACHMENTS: A. Draft Ordinance and Map B. Excerpt of minutes, March 28 public hearing, April 25 continued public hearing, and May 16 discussion C. Email from Todd Spencer D. OWASA's 1999 policy on assessments for unserved neighborhoods and discussion paper E. Approval template for plan/policy consistency findings F. Denial template for plan/policy consistency findings	FOR INFORMATION CONTACT: Patricia McGuire -- 918-7327

PURPOSE

The Board of Aldermen held a public hearing on March 28th and April 25 on a rezoning proposal for the R-2 district. During a discussion of this matter on May 16, the Board requested additional information to consider in deciding on the proposed zoning change.

INFORMATION

After hearing from a number of citizens, the Board of Aldermen closed the public hearing on April 25th and requested additional information from staff. Minutes from the March 28 and April 25 hearings, and the May 16 follow-up session at which the additional information was presented, are attached (*Attachment B*). The Board requested additional information, as noted below. Where applicable, a staff response (in italic text) is provided.

1. Information from OWASA regarding sewer extension cost-sharing, particularly as was used in the Mt. Bolus neighborhood. *An email from Todd Spencer on this topic is provided, accompanied by a copy of the 1999 OWASA policy on assessments for neighborhoods not served by OWASA (Attachments C and D).*
2. Communication with Beth Flora regarding sidewalk plans in Carr Court. *Drew Cummings contacted Ms. Flora via email on May 17th.*
3. Communication with STGL, LLC that the Board of Aldermen will reconsider this item on June 20th and that any alternative provisions be shared with neighbors prior to the June 20th meeting. *Staff communicated with Steve Simpson, of STGL, LLC. The draft ordinance provisions that would require modification have been identified. Representatives of STGL, LLC, Steve Simpson and Ron Gibson presented a modified site plan proposal for the Merritt Mill Road property to several neighbors from*

Carr Court. Mike Brough provided a draft ordinance that include modifications that would allow the major elements of the site plan as presented by STGL, LLC. Please note that staff did not have an opportunity to review the revised site plan in detail and can make no finding regarding its compliance with LUO provisions. The type and level of development will require the issuance of a conditional use permit.

Description of Revised Draft Ordinance, if Applicable

The revised draft ordinance is attached. Several deviations from the provisions of the base ORMU zone would be allowed, subject to the donation of at least ten percent of the total acreage of the development to a non-profit agency engaged in providing affordable housing and enters into an enforceable agreement with such agency to construction and convey to the agency the number of housing units for which the agency obtains a permit. The acreage must be either covered by the CUP or adjacent property that is or has been owned by the developer. Under those circumstances, the specific deviations include

- a. Residential component increases to 90 percent
- b. Bonus density calculation from R-3 to R-2
- c. Maximum height increases to five stories.

In addition, the draft ordinance includes the following provision, “parking levels that are constructed underneath a building within a mixed use development that are at least in substantial part constructed below the ground service levels shall not be regarded as “stories” for the purposes of the height limitations” otherwise established for this district. The revised draft ordinance establishes a foundation for mixed use development that is considered desirable in this area. While the maximum size of the residential component of a mixed use development is increased in this revised draft, the change to OR-MU continues to create a much wider range of commercial opportunity than is currently available under R-2 zoning.

FISCAL IMPACT

The increased commercial opportunity should result in an increase in the underlying property values, contributing to increased tax revenue. Development of affected properties that seek to utilize the mixed use provisions should result in further increases in property values from both residential and non-residential sectors and would be expected to have a positive impact on the town’s tax base. As with any development, there will be the need to provide appropriate town services in proportion to the development.

Ownership or development plans that would result in the designation of a large portion of the downtown as exempt from property taxes is expected to have a negative impact on tax revenue, although the specific magnitude of such an impact has not been quantified.

STAFF RECOMMENDATION

The staff recommends that the Board of Aldermen adopt the revised draft ordinance that amends the Carrboro Land Use Ordinance to establish a new office-residential mixed use district. The approval template (*Attachment E*) must also be adopted, if the Board proceeds with adoption of the draft ordinance.