

**BOARD OF ALDERMEN**

ITEM NO. (2)

**AGENDA ITEM ABSTRACT**

**MEETING DATE: June 12, 2007**

**TITLE: Retreat Follow-Up Report on Selected Recommendations made by Regional Technology Strategies, Inc related to “Creating Carrboro’s Economic Future”**

<b>DEPARTMENT: PLANNING</b>	<b>PUBLIC HEARING: YES ___ NO <u>X</u></b>
<b>ATTACHMENT:</b> A. Resolution B. “Sustainability Checklist for Commercial Development” C. Review schedules D. Administrative Procedures E. Example of CUP checklist F. Engineering Services Contract	<b>FOR INFORMATION CONTACT:</b> Roy Williford, 918-7325

**PURPOSE:**

The purpose of this item is to provide the Board of Aldermen with a follow-up report on the first four of the seven selected recommendations referred to the Planning Department that were made by RTS Inc. in their 9-2006 report entitled “Creating Carrboro’s Economic Future”. The Planning Department will provide a report on the final three items in the fall. The first four recommendations include: 1) adding recommended sustainability guidelines to the development review process; 2) describe LUO requirements on home occupations or home based businesses to remove disincentives; 3) consider ways to evaluate town engineer’s performance under future contracts; and 4) consider designating a planner/zoning development specialist position as an E.D. specialist.

**INFORMATION:**

According to the 9-06 RTS report “the town hired Regional Technology Strategies, Inc., a Carrboro-based organization, to assist the Town in creating a new economic roadmap. In approaching the project, RTS used the guidelines developed for the town to create a plan that will not only respect Carrboro’s unique character but use a Triple-Bottom Line approach to economic development. This approach ensures that economic development promotes environmental sustainability, allows for private sector growth, and promotes better jobs and services for the town’s residents.”

*Identify Current Development Obstacles*

The Town asked RTS to identify current development obstacles within the Land Use Ordinance (LUO) and within the land development approval process that may hinder the ability to achieve economic development goals. RTS reveals LUO and development approval obstacles in Section 6 (pages 36-38) of their report summarized as follows: LUO obstacles include complexity of the

ordinance organized by regulation rather than by zone; organization of permissible use table; parking requirements referenced by use category rather than by use; and densities seem to be regulated by dwelling type or lot size. Development approval process obstacles include the appearance that the completeness, timeliness, and consistency of feedback and comments from staff and the engineer are inconsistent; necessity of requiring fairly detailed engineering drawings early in the process; and strict LUO interpretation and compliance discourages more creative ideas because such an approach can be more time consuming, costly, risky and unpredictable.

#### LUO And Development Review Process Findings

Based in part upon this subjective analysis, RTS provides two out of 13 findings under Section 8 (pages 43-46) finding 12 and 13 related to the LUO and development review process:

12) *Commercial growth is impeded because the town is often perceived by developers as a costly and time consuming place to develop new projects.* To a certain degree Carrboro does not want to be an “easy” place for developers because it wants to ensure well-conceived projects that fit with the community and limit environmental impact. However, land use ordinances and a cumbersome review process not only discourage new development necessary to increase the commercial tax base, but also stifle “creative” new projects, such as green building or innovative design concepts, that could benefit the town. Unlike most communities, Carrboro’s Land Use Ordinances (LUOs) are organized by regulations, not by zone, making it cumbersome to find exactly what one can and cannot do on a parcel of land. Parking requirements are also difficult to find and interpret. Further, Carrboro’s development process entails many steps, and the completeness, timeliness, and substance of feedback from staff and the town’s outside engineer is inconsistent. In addition, the town requires fairly detailed and costly engineering drawings early in the process. Most jurisdictions require these details later in the process once a development “concept” appears to have support. Because of the strict interpretation of zoning and permissible uses—and the requirement for detailed engineering drawings early in the process—it is “risky” for developers to suggest anything creative.

13) *Positive steps have been taken to improve the development process in Carrboro.* In recent years Carrboro has taken measures to improve the development approval process. For example, it has created a Carrboro Development Guide and made planning staff available for development reviews prior to proposal submissions.

#### LUO And Development Review Process Recommendations

These as well as other findings, according to the RTS report, form the foundation for the LUO and development review process recommendations presented in section 10 (pages 48 and 49). The Board of Aldermen after reviewing these recommendations during their 2007 retreat referred the following seven items to the Planning Department for a follow up report:

1. Adding recommended sustainability guidelines pages 64-67 of the RTS report to development review process;
2. Impact of LUO requirements on home occupations;
3. Consider ways to evaluate town engineer’s performance under future contracts;
4. Consider designating a planner/zoning development specialist position as a E.D. specialist.
5. Pamphlet, handout, or web link summarizing how to use LUO to find perm. Uses, allowable density and FAR, and required process for diff. projects at diff. sites
6. Summary and/or sep. sheet showing permissible uses by zone
7. Establish specific steps for development process, incl. exactly what must be submitted and what expectations for review are.

## **Follow-up Report on Recommendations 1 through 4**

### Recommendation 1

Adding Recommended Sustainability Guidelines To The Development Review Process.

The RTS Report recommended that the town establish guidelines for more “creative” development, sustainable design, green architecture, or similar practices that meet the town’s goals. Such development could be targeted for the downtown and/or for specific outlying areas in the town (such as the Northern Transition Area). It could also be in the form of an overlay district, parallel code, or similar and should be allowed only if certain criteria were to be met. For non-downtown areas, the opportunity exists to be especially creative. The town could develop guidelines that encourage the development of an environmentally friendly or “green” office park that could attract firms with a special interest in promoting sustainability. Especially important will be making sure that these developments have strong connections to public transportation.

RTS provided a “Sustainability Checklist for Commercial Development” (Attachment-A) of their report that can be utilized by the Town of Carrboro as an internal tool to gain information about the extent to which potential commercial projects meet Town Goals of sustainable development. RTS recommended that the checklist be completed by a staff committee and that it should serve as a guide to help The Board of Aldermen and/or Advisory Boards gauge the degree of sustainability thereby not requiring a “yes” in each item.

As a follow-up to this recommendation the check list should be used as follows:

- 1) The staff will provide a copy of the checklist along with the land use permit application and supporting material to an applicant contemplating a new or redeveloped commercial project;
- 2) The applicant should submit a copy of the completed checklist as part of their concept plan for review prior to a regularly scheduled development review meeting;
- 3) The staff will review the completed checklist along with the concept plan and provide the applicant with feed back during the scheduled development review meeting;
- 4) The applicant will make adjustments as he or she deems necessary to strengthen the sustainability aspects of the proposal prior to scheduling a review of the concept plan by the advisory boards.
- 5) The staff will review the revised concept plan proposal, complete a revised checklist, schedule a joint advisory board review meeting and submit the concept plan and checklist to the respective advisory boards for their review and comment.
- 6) The applicant, after receiving input from the concept review process, will prepare a LUO permit application along with required site plans and include a copy of the revised checklist for permit review, processing and approval.

### Recommendation 2

Impact of LUO Requirements on Home Occupations:

The Board of Aldermen as part of their review of the RTS report requested follow-up information on the land use ordinance requirements for home occupations or based businesses. The impact of the Land Use Ordinance on an application for a home occupation relates primarily to the actual requirements that must be met to obtain a permit with regard to the nature of the business under consideration. As with most land use regulation, the community defines the use and establishes a

set of standards that seek to strike a comfortable balance among existing land uses and future land uses while weighing individual, neighborhood and town-wide interest. Carrboro defines a home occupation in a way that establishes the basic characteristics that a use must demonstrate in order to be considered as such. The process as described below is fairly straight forward requiring seven to 10 days to process the required zoning permit. Over the past year, \_\_\_ permits were issued for home occupations throughout the Town's planning jurisdiction. If the particular home occupation being applied for meets the basic definition, then the impact will be minimal.

**The Characteristics of a Home Occupation Include:**

- A home occupation is a secondary use of one's home.
- No on-premise retail sales can occur, also goods and other commodities cannot be displayed and not more than one non resident may be employed in connection with the home occupation. A home occupation may not increase traffic in a residential neighborhood or cause noise, glare, vibration, odor or electrical interference that may disturb neighbors.
- Examples of acceptable home occupations include: accounting, bookkeeping, crafts, tailors, photography studios, dressmaking, hairdressing, the office or studio of a physician, dentist, musician, lawyer, architect or similar professional.
- Home occupation activities are allowed in all residential districts. They must be located in the dwelling unit and be limited to twenty-five (25) percent or five hundred (500) square feet of the floor area (whichever is less) of the dwelling unit.

**How to Obtain a Permit:**

- To obtain a home occupation permit, the following is to be submitted to the Zoning Division:
  1. An application for a Zoning Permit (available from the Zoning Division or on-line at [www.townofcarrboro.org](http://www.townofcarrboro.org))
  2. A floor plan showing the location, size, and use of each room in your residence. An applicant may draw his or her own plans as long as they are drawn to scale.
  3. A clear, written description of what is being proposed.
  4. A completed Land Use Permit (if the applicant lives in an apartment complex, the manager must sign the application).
- The application for the Home Occupation Permit must include a floor plan for the existing residence with the space to be used for the home occupation shown on it (the area in square feet). Applicants must also include a plot plan with the residence, lot property lines and parking spaces delineated on the plan. A home occupation use requires one (1) parking space in addition to the number required for the residential uses on the lot.

**The Approval Process:**

- The Home Occupation permit applications are reviewed by the Zoning Division and a decision of approval or denial is rendered.
- If approved, the permit will be kept on file in the Zoning Division and is allowed as long as it adheres to the conditions prescribed in the permit.
- If denied, a written notification will be rendered including a reason for the denial; and, where applicable, what could be done to receive approval. You may appeal the decision to the Carrboro Board of Adjustments within thirty (30) days after the development review administrator makes and files the decision.
- The typical review process takes approximately seven to ten (7-10) days.

**The Home Occupation Fee:**

- The plan review fee for a Home Occupation Permit is \$60.00.

Recommendation 3

Consider ways to evaluate town engineer's performance under future contracts:

**Establish Specific Steps and Timeline To Guide Staff, Applicant and Engineer Development Review Responsibilities:**

RTS recommends that the Town establish specific steps in the development process, including expectations at each step (for town staff, town engineer, and developer/applicant) and timeframe for staff and town engineer comments to be returned to developer/applicant. It should be clear what the developer/applicant is required to submit to make sure that all required information at each step is available for town staff and town engineer to review. Likewise, the town staff and town engineer should complete all comments and review as required. Six weeks should be the expected amount of time for the town to return complete comments to a developer (subject to change for large, complex projects).

The Board of Aldermen adopted a development review schedule for Conditional and Special Use Permits on November 24, 1987 and amended the schedule on April 15, 1997. Both of these schedules begin with the receipt of an application that has been through staff review and determined to be complete by the zoning division staff (Attachment B). Administrative procedures were published for the Planning Department staff on July 1998 that supplement the adopted CUP and SUP schedule since the processing of an application to a point of completeness and approval involves considerable input and coordination by staff, outside agencies, advisory boards, and the applicant (Attachment C). The total process time generally takes in excess of nine months depending on the complexity of the project and the ability and willingness of the applicant to proceed with a complete application. Once the application is complete the process time envisioned by the 4/15/97 schedule runs from six to ten weeks which is comparable to the RTS recommendation of six weeks. The Planning Department produced a Development Review Guide (see Attachment D for an example of the checklist used for commercial projects) in November of 2001 that provides a process guide and detailed checklists designed to assist the staff and applicant through a variety of land use ordinance procedures. These procedures, manuals and checklists will need updating once the town completes comprehensive land use ordinance revisions which have been underway for several years.

**Engineer Performance and Review of Contract for Engineering Services:**

RTS recommends that the Town Consider a way to evaluate and renew the contract with the town engineer to ensure quality, timely service such as a competitive selection process for the engineer(s) on a regular basis, with yearly renewals/applications, and/or consider more than one consulting engineer. The requirement for detailed engineering/design drawings early in the process can be unnecessarily costly and time consuming for developers. This often requires drawings that still may not be approved and/or will need revisions. Consider less detailed drawings early in the process while revisions and comments are still occurring. The developer understands that detailed drawings will eventually be necessary and they will still assume some, although less, risk in project approvals and changes.

This is a two part recommendation with the first part proposing evaluation and selection procedures for engineering services and the second part proposing a reduction in the amount of detail required for land use permit approval. Information regarding the first item is discussed under Contract for Engineering Services and information about the second item is provided below under the caption entitled Site Plan Details.

- **Contract for Engineering Services:**

The Board of Aldermen appointed a town engineer selection committee on August 22, 1995 consisting of Aldermen Bryan, the Town Manager, the Director of Public Works and the Planning Director. The Town received six RFP responses from engineering firms; the selection committee interviewed three firms on March 7, 1996 and the Sungate Design Group submitted a service agreement for review and approval on April 16, 1996. The Board of Aldermen approved the contract for engineering services as recommended by the selection committee on June 18, 1996 (see attachment E). The scope of services and hourly rate for services has not changed since it was approved over 11 years ago. At this juncture it may be worthwhile for the staff members of the selection committee to review with Sungate the scope of services and Sungate's performance of the services with regard to the quality, quantity of services performed by type and timeliness. This review should assist the Town and the Town Engineer in communicating a mutual understanding of the Town's expectations for the provision of engineering services. Specific performance standards, annual performance evaluations and possible adjustments to the existing scope of services may result from this review. In addition, the committee should discuss and determine the need for instituting a competitive selection process on a periodic basis as recommended in the RTS report.

- **Site Plan Details:**

Modifying the need for detailed engineering/design drawings early in the process depends or coincides with the permit issuing authority's expectation that the site plans comply with the adopted land use ordinance. At present, the Town requires applicants to present a "truth in drainage statement" promulgated in part by NPDES Phase II rules and now Upper New Hope TMDL limits which essentially requires a hydrological analysis of the water quantity and quality expected from the proposed development and resulting stormwater management system. Since the various site plan design features work interdependently, the judgment of the Town Engineer and the staff as to whether or not a site plan complies with these and other land use ordinance provisions requires the production of a fairly detailed set of plans. Section 15-49 of the LUO requires that a finding be made by the permit issuing authority that an application is complete meaning, among other things, that it contains all of the information needed to show compliance. Reducing site plan information becomes exceedingly difficult since over time local governments through the "trickle-down" phenomena seem to inherit more and more regulatory responsibility from the federal and state levels of government. Modifying the need for detailed engineering/design drawings early in the process is an admirable goal but may be easier said than done.

Alternative or possible approaches to reduce an applicant's upfront effort in terms of time, cost and site plan detail needed for the acceptance of a complete application may be explored through possible modifications to the land use ordinance and accompanying process. For instance the Town could consider accepting complete applications for land use permit purposes by paring down the ordinance requirements; by reducing the advisory board review process; by reducing the notification requirements; by altering or eliminating preliminary review, by modifying the 4-step concept plan requirement, by deferring more engineering detail to be supplied at the construction plan approval phase; and etcetera. These choices will require considerable thought to gain ultimate

efficiency for the applicant while at the same time meeting the public's expectations and reliance on the outcome of the land use permitting process. An opportunity to consider permit process changes may be incorporated into the comprehensive land use ordinance review process now underway.

Recommendation 4

Consider designating a planner/zoning development specialist position as an E.D. specialist.

The RTS report recommended that consideration be given to designating one of the town's three planners/zoning development specialists as the commercial development "point person" responsible for working with the town's community and economic development director to ensure responsiveness.

The three planner/development review specialist positions are available to assist all applicants on a first come first serve basis and or as assignments may be made by the Development Review Administrator. Assistance to other staff positions outside of the Zoning Division may continue to be made available on an informal as need basis or can be formalized through assignment by the Development Review Administrator.

**RECOMMENDATION:**

The staff recommends that the Board of Aldermen Board consider adoption of the attached resolution (*Attachment A*) accepting this follow-up report on the first four of seven RTS recommendations.

