

Board of Aldermen

ITEM NO. A(1)

AGENDA ITEM ABSTRACT

MEETING DATE: Tuesday, June 14, 2011

TITLE: Public Hearing on a Land Use Ordinance Text Amendment Related to Modification of the B-1(g) CZ Conditional Zoning to Allow Conditions Approving Additional Residential Density

DEPARTMENT: PLANNING	PUBLIC HEARING: YES <u>X</u> NO <u> </u>
ATTACHMENTS: A. Consistency Resolutions B. Draft ordinance C. LUO Text Amendment Request D. Section 15-141.4 E. Recommendations and Comments	FOR INFORMATION CONTACT: Patricia McGuire – 918-7327

PURPOSE

The Town has received a request to amend the Land Use Ordinance in relation to the B-1(g)-CZ zoning district. The Board of Aldermen has set a public hearing on Tuesday, June 14, 2011 to consider a draft ordinance prepared in response to this request.

INFORMATION

Background

The mechanism to place B-1(g)-CZ districts, upon the request of property owners, was established in the spring of 2010 via an amendment to the Land Use Ordinance. Only the B-2-CZ district had been established prior to that point, as the Board had expressed a clear desire to make very limited use of conditional zoning.

The 2010 change was made in response to a request from an owner of property within the CT zoning district who had found that some of the development expectations, as expressed in the definition of the district included in the LUO, of the CT district had not materialized and that development standards (including minimum lot size and separation requirements from existing residential development) of that district effectively precluded most uses of the property. The overriding issue was (and is) that the CT zoning district's minimum lot size is 40,000 square feet and the intent of the zoning district seems to have been that parcels would be combined into larger assemblages to support larger –scale, light industrial/commercial developments. Few lots met the minimum lot size requirement. The concern in 2010 was that the development plan being pursued anticipated the need to further subdivide a lot that already does not meet the minimum requirements of the CT districts.

The owner considered the B-2-CZ – conditional zoning as possibly suitable because it would allow subdivision, as well as discussion of proposed uses and a particular site plan, without all the time and effort needed for conditional use rezoning and permit application. Several design and use conflicts arose, and other districts were evaluated. The B-1(g) seemed to provide a better fit with the owner's

interests. A text amendment request to establish a B-1(g)-Conditional zoning district was submitted, and the draft ordinance making the change was approved on April 27, 2010.

The present amendment request

Staff met with Mr. Reiter and others in late January to discuss a mixed use development proposal for properties at and near 500 N. Greensboro Street. That and a subsequent meeting revealed that the existing zoning classifications did not allow the development program, primarily the building heights and residential density, under consideration. The reduced informational demand and shorter time frame of conditional zoning was of interest to Mr. Reiter, but neither the B-2-CZ nor the B-1(g)-CZ permitted residential density at the level included in the program. Mr. Reiter decided to pursue a text amendment that could allow additional residential density in a B-1(g)-CZ district (*Attachment C*). The amendment request states the reasons for the requested amendment are:

Subject to parameters attached to a Conditional Zoning (-CZ), the Board of Alderman (sic) may allow greater residential density where the goals of creating a more vibrant and successful community are better served. This amendment shall take into consideration the benefits afforded by providing diverse, affordable housing options, an increased commercial tax base, LEED Green building design, MWBE employment opportunities, direct access to public transportation, and a vibrant architectural (sic) design creating a live/work community adjacent to established neighborhoods and commercial businesses. The combination of these benefits create a more sustainable pattern of development when placed in the downtown (sic) core, where utilizing existing infrastructure (sic) allows for a more efficient (sic) and sustainable use of public, private, and natural resources.

The Board of Aldermen considered the text amendment request on May 3rd and directed staff to prepare a draft ordinance and distribute it for review. A public hearing on the amendment was set for June 14th.

Policy considerations

The text amendment raises two questions. First, should an opportunity for residential density to be increased be established in association with B-1(g) – CZ rezoning? Second, what are the conditions under which density might be increased?

- 1) Under the structure of Carrboro's zoning district scheme, the B-1(c) is the district with the greatest mix of uses and the greatest opportunity for residential density. The B-1(c) is found at the center of the Town's downtown zoning districts and is separated from adjacent residential properties and zoning districts in all but two locations by downtown commercial zoning districts of a lower intensity (e.g. B-1(g), B-2, CT). The zoning district definitions/stated purposes, permitted uses and allowable intensity of the districts creates a density gradient that is highest at the center and reduces inversely with distance to match or align with the downtown residential zoning districts. As noted in Section 15-136 92), the B-1(g) district is

designed to accommodate a broad range of business uses. This district, because of its close proximity to established residential single family neighborhoods, is limited in the types of night uses permitted. Uses may be restricted in the hours of operation where the

permit-issuing authority finds that such restrictions are necessary to prevent unreasonable disruptions to the peace and quiet of a nearby residential area.

One project- the Butler - sought and obtained approval of a rezoning from B-1(g) to B-1(c)-CU (conditional use) in order to make use of that district's unlimited residential density. The Alberta project utilized a B-1(g)- CU rezoning approach over the whole of the farmer's market parking lot property so that residential density would be uniformly 3,000 square feet per dwelling unit. The residential/non-residential use ratio for these two projects is XX and YY respectively.

- 2) Currently, the LUO provides a few opportunities for density bonuses, although all are not specifically referred to in that way. These include
 - a. residential density bonus for affordable housing provided in Section 15-141.2
 - b. Bonus accessory dwelling units and units above commercial spaces in village mixed-use developments (VMU)
 - c. Residential density requirements are reduced by 25 percent for pre-existing lots in the R-7.5, R-10 districts if developed for two-family or multi-family purposes

Additional density available under these bonus provisions vary from a relatively small increase associated with the R-7.5/R-10 multi-family option to the 50 percent bonus associated with affordable housing. Theoretically speaking, the bonus units in a VMU could exceed even that percentage. To date, the density gains of projects using any of these approaches has been modest as the ability of a project to utilize density is constrained by other parameters, like lot size, building heights, or set backs. Each of these bonuses is paired with the provision of something that has been deemed as of value; namely residential units of a particular price or type.

Since the B-1(g) already allows residential density of a fairly high density, over 14 dwelling units per acre, the structure of a bonus provision must be carefully considered.

Policy statements referencing residential density in downtown Carrboro are as follows:

Carrboro Vision2020

6.11 Town policy should accommodate a variety of housing styles, sizes, and pricing. It should also address issues of density, funding, and rezoning to allow for more non-detached housing, mixed-use development, and communal living options. *This policy statement is found within Section 6.0 Housing. With the exception of the reference to "density," neither the request, nor the draft ordinance seems related to the interests expressed in this policy statement.*

6.15 The town should pursue the development of density bonus provisions for projects incorporating environmentally sensitive development and building practices. *The request emphasizes greater residential density in relation to creation of a more vibrant and successful community. As noted above, the draft ordinance emphasizes site and building elements that would typically be categorized as environmentally sensitive, including energy and water conservation, energy production, and alternative transportation. The elements included in the draft ordinance relate to construction/site details; other elements, such as requiring a mix or variety of non-residential uses, or a minimum ratio of non-residential to residential square footage, may be desirable and also in keeping with the reasons included in the text amendment request.*

Description of the draft ordinance

Section 15-141.4 is the LUO section describing conditional zoning districts and Section 15-182 describes residential density requirements (*Attachment D*). The draft ordinance proposes changes to both sections.

- 1) A new subsection is proposed for Section 15-182 that states residential density in the B-1(g)-CZ is determined in accordance with Section 15-141.4 (f)
- 2) A new subsection is proposed for Section 15-141.4 that states the Board of Aldermen may approve a condition allowing additional residential density in these districts subject to the inclusion of conditions that provide for site and building elements that will create a more vibrant and successful community. A list of possible site and building elements is included. Elements from seven general areas have been included – stormwater management, water conservation, energy conservation, on-site energy production, alternative transportation, minimum requirements for non-residential space as part of a project, and the provision of public art and/or provision of outdoor amenities for public use. The last two of these, a minimum mix of residential and non-residential uses, were added to the draft ordinance after the item was reviewed by advisory boards on June 2nd.

The recommendation would be that at least one element from each general area on the list, or similar, would be needed in order to grant some additional density. Though not explicitly stated, the degree, extent, or number of site and building elements provided might be expected to be proportional to the additional density requested/granted.

The text amendment request and draft ordinance were referred for Orange County and advisory board review. Recommendations and comments are attached (*Attachment E*).

FISCAL AND STAFF IMPACT.

In and of itself, the requested amendment does not appear to present significant fiscal or staff impacts. Development opportunities in the B-1(g)-CZ district will be shaped by dimensional and other development standards (e.g. parking) that are not affected.

RECOMMENDATIONS

Staff recommends that the Board of Aldermen consider adoption of this amendment. Resolutions of consistency, which are to be acted upon prior to acting on the amendment itself, and the draft ordinance, are attached (*Attachments A and B*).