



TOWN OF CARRBORO

NORTH CAROLINA

TRANSMITTAL

PLANNING DEPARTMENT

DELIVERED VIA: ☐ *HAND* ☒ *MAIL* ☐ *FAX* ☐ *EMAIL*

To: David Andrews, Town Manager
Mayor and Board of Aldermen

From: Tina Moon, Planning Administrator

Date: October 14, 2016

Subject: Request for Rezoning and LUO Text Amendments for Proposed Development
at 700 Old Fayetteville Road

SUMMARY

On June 28, 2016, the Board of Aldermen opened two public hearings to consider rezoning property at the corner of Old Fayetteville Road NC Hwy 54 to allow a mixed use development, and to consider text amendments to the Land Use Ordinance associated with the project. After considerable public input, the Board directed staff to provide more information on the following aspects of the project:

- possible mitigation of traffic congestion
- a better understanding of how stormwater would function during and after construction
- possible ways to incorporate affordable housing units into the project
- potential uses for the 4.6-acre lot fronting James Street that the applicant has offered to dedicate to the town, including the possibility for affordable housing, and
- a fact check of the project revenue projections.

The following memorandum provides a summary of staff research and findings on these matters, supplemented by appendices. In addition to the items discussed during the June meeting, staff has also included a more in-depth analysis of the project as it relates to Town plans and policy documents: Carrboro Vision 2020, Creating Carrboro's Economic Future and the Local Living Economy Task Force Report.

BACKGROUND INFORMATION

Ted Barnes with Argus Development Group, LLC, came before the Board in October 2014 with a request to set a public hearing to consider a conditional use rezoning and conditional use permit for the Lloyd Farm development. The Board did not set a hearing but instead recommended a facilitated conversation involving the applicant, members of the town and stakeholders from the community. The process took place during the summer and early fall of 2015, and a revised design was submitted to the Town in February 2016, as a conditional rezoning. There are two important distinctions between conditional use zoning and conditional zoning. First, in the conditional use rezoning process, the applicant submits the rezoning petition and the conditional use permit applicant at the same time and the two are reviewed simultaneously on parallel tracts; in the conditional rezoning process, by contrast, the applicant submits the rezoning request first, and if approved, proceeds with a land use permit application—in this case a conditional use permit. Second, the use of conditional zoning offers additional opportunity for public input and allows the Board greater flexibility to participate in conversations about the project outside of formal meetings; binding conditions are decided as part of the rezoning. Other conditions can be decided as part of the conditional use permit – where more detail and issues of ordinance compliance are decided.

The applicant has also submitted text amendment requests to modify the Land Use Ordinance in three areas related to the B-4-CZ zoning district: 1) adding flexibility to the collector street standards to allow a cross section with a slower design speed, 2) allowing multi-family residential uses at a density of approximately R-3 or 3,000 square feet per dwelling unit; and 3) increasing the maximum building height to 65 feet, 15 feet taller than the maximum building height for the B-4 zoning district, subject to certain criteria. The second text amendment is perhaps the most noteworthy in that it would introduce the opportunity for residential uses in a commercial district located outside of the downtown.

NEW INFORMATION FOLLOWING JUNE PUBLIC HEARING

The following section provides a brief summary of staff's follow-up research to questions and comments during the public hearing. Additional information in the form of technical reports are provided at the end of the document as appendices (Attachment I in the agenda materials).

Traffic Impact Assessment

Traffic has been one of the primary concerns for neighbors throughout the review of the project. The applicant hired Kimley-Horn and Associates (KHA) to prepare a traffic impact analysis (TIA) as part of the original application in 2013 and a revised TIA in May 2016 to reflect changes to the project subsequent to the summer mediation process. These changes included the introduction of a roundabout at the main entrance to the complex on Old Fayetteville Road and a “left over” a partial movement on NC 54 to allow vehicles traveling east to enter the development from a left turn. Revisions to the TIA also addressed modifications to the overall

design of the project, mainly changing the residential component to a senior-living community (restricted to 55 years of age and older) with approximately 200 apartments, for rent, with dining and other support services and 20 duplex cottages for sale (without age restrictions), and the removal of a fast food restaurant (restaurant with drive-through window). The assumptions described in both TIAs showed approximately 35 percent of the trips leaving the development heading west on NC 54. The roundabout was put forth as a strategy to facilitate the left turn movement onto Old Fayetteville Road, particularly during times when stacking at the Old Fayetteville Road exit might lead some patrons to turn right and travel a more circuitous route through the adjacent residential neighborhood to get back to NC 54.

At the time of the public hearing in June 2016, NCDOT had not yet completed its review of the TIA and, in particular, its analysis of the roundabout. In its response in August, NCDOT approved the left over configuration on NC 54 but did not approve the roundabout on Old Fayetteville Road, on the basis of insufficient queuing space between the roundabout and the intersection with NC 54, which would back up into the roundabout.

In September KHA conducted updated counts, reviewed its assumptions--adding trips to and from Old Fayetteville Road south of NC 54, and reevaluated traffic mitigation without the roundabout. Staff received new review comments from NCDOT dated October 8, 2016 accepting the updated assessments and approving the left over on NC 54 and a traditional unsignalized intersection at the entrance on Old Fayetteville Road. (Copies of the comments from NCDOT and the executive summary of the most recent TIA and are included in the appendices.) The TIA projects approximately 3,128 new external trips with the grocery store generating almost half of the total number, and the evening peak producing roughly 100 more trips in and out, than the morning peak at (218 AM in - 162 AM out and 311 PM in – 305 PM out) respectively. The removal of the fast food restaurant and the change in the residential component in the subsequent to the summer facilitation shows a marked reduction in daily trips (287 AM in - 296 AM out and 398 PM in – 348 PM out). The 2016 assumptions also assign 55 percent of the trips coming to and from NC 54: 35 percent of the trips coming to/from the west via NC 54 and 20 percent of the trips coming to/from the southeast via NC 54.

The Town has engaged Davenport, an engineering firm with offices in Raleigh, Greensboro, Asheville and Charlotte, to provide an independent review of the assumptions and site trip distribution, and to evaluate appropriate traffic calming measures in Plantation Acres and nearby residential streets. The Lloyd Farm developer has agreed to a condition providing \$15,000 to conduct a neighborhood-level traffic calming study and/or to pay for the installation of traffic calming devices or other improvements in Plantation Acres neighborhood. The independent review by Davenport should facilitate the identification of potential traffic calming measures that could mitigate traffic concerns in the residential neighborhoods. At the time of agenda deadlines, staff had not yet received the report from Davenport, but anticipates having its findings in time to bring to the Board meeting on October 18th.

Staff has also discussed an additional condition with the applicant related to the potential construction of a side path along NC 54 that would provide improved bike and pedestrian

access from West Main Street to Anderson Park. The town is not requesting that the applicant construct the side path but rather reserve sufficient space along the property boundary so the facility could be built in the future. The exact wording of the condition is still being finalized.

The rezoning site plan includes a location for a bus pullout along the main internal street. Staff has reached out to Chapel Hill Transit to discuss possible reconfigurations of bus routes in the area to serve a stop within the Lloyd Farm development. Chapel Hill Transit is reviewing different options for modifying existing routes to extend service to the development while continuing to accommodate existing ridership.

Stormwater Analysis

Issues relating to stormwater management have also surfaced during the review of this project in part because of the size and intensity of the proposal and the topography of the site but also because of its location along Tom's Creek and the history of flooding in the area. Part II of Article XVI of the Land Use Ordinance, Stormwater Management, outlines the Town's requirements for developments to be constructed and maintained to meet certain storm events: 2- to 25-year 24-hour design storm for downstream properties and the 100-year storm for upstream properties. The ordinance also includes provisions limiting the volume of water that can leave the site.

The applicant submitted a preliminary stormwater analysis with the conditional use permit /conditional use rezoning application materials in 2013-2014 and the current design is quite similar to the original in that regard. The rezoning site plan submitted in support of the request for conditional rezoning of the property shows large detention features to control water quantity and smaller bioretention areas for water quality. Using the hydraulic model prepared for the greater Tom's Creek Flood Study, Sungate Design was able to input the approximate size and location of the stormwater devices to evaluate the proposed Lloyd Farm development using the historical flood from June 30, 2013 to determine the discharges for the analysis. Their findings, represented in Appendix C, comparing the Lloyd Farm pre-development (scenario #2) to the Lloyd Farm developed with detention (scenario #3) shows that the changes to water level are measured by tenths of a foot—a relatively small change. The same homes would likely see some impact as they do now, but the degree of impact would only slightly change; some properties downstream would see slightly increased levels of water and some properties upstream could see slightly decreased levels. It should be noted that the analysis is based on the original CUP design, which included more impervious surface from parking, a fast food restaurant, so it is possible that the existing proposal would have less impact than what was identified in Sungate's analysis. (The full report is included in the appendices.)

Section 15-49(c2) of the LUO allows the applicants of commercial projects to prepare stormwater analysis with the submittal of construction drawings rather than with land use

permit applications. Staff is recommending as a condition of the rezoning approval, that the applicant submit full stormwater engineering plans as part of the conditional use permit process. The project engineer has indicated that the sedimentation and erosion control devices which would be installed in the locations where permanent stormwater ponds and areas are planned would also provide stormwater retention during construction, an area of concern for large and multiphase projects. The concept of bonding for potential damages from flooding was also discussed by the Board of Aldermen; the LUO allows for bonding for BMPs for up to two years after the completion of the devices in Section 15-263(i), Management of Stormwater.

Possible Uses for Dedicated Parcels Totaling 4.6 Acres

The applicant has offered to dedicate the two lots (3 and 4) (approximately 10 percent of their total property) fronting James Street to the Town as a condition of the rezoning. Labeled as “civic space” on the rezoning site plan, staff referred to them as potential recreation space in the June 2016 agenda materials in order to suggest a narrowing down of the uses to ones that had been mentioned by neighbors during the mediation, such as a neighborhood meeting area, park, or open space, uses that were all considered to be under the ‘recreation’ umbrella and a broad enough term that would allow the area to remain as a natural area or to allow a more formal recreational use that could include a building.

The applicant has also offered a payment in-lieu of providing affordable housing units as part of the development program for the Lloyd Farm. The meal program and associated services offered in the senior living complex offers challenges to traditional strategies toward providing affordable units by way of subsidies. The exploration of further opportunities for affordable housing as part of the Lloyd Farm development or the James Street property would be intended to supplement the applicant’s offer of payment or to reduce it, but not to completely replace it. Discussion during the public hearing about the Town’s interest led to an exploration over the summer of ways to develop the two small lots on James Street for affordable housing. There are certain physical limitations to the site owing to size of the property and the small drainageway located near the center of the site which has stream buffer requirements, but there is sufficient land area to consider a small housing complex, and in fact an earlier iteration of the project included a small standalone residential component with fifteen townhomes arranged around a T-turnaround. (Additional information on uses for this property as well as possible approaches to include affordable housing units in the development is included in the appendices.) The Town requested a copy of the Phase I Environmental Site Assessment of Lloyd property, prepared by Duncklee & Dunham, NC, in June 2011, to determine if any of the dumping that had occurred on lots 3 and 4 had any long-term environmental implications. The authors reported that they did not identify evidence of recognized environmental conditions on the property.

Revenue Projections

Town staff met with their counterparts in Chapel Hill and Orange County to review the anticipated economic gains from the project in terms of tax base and job creation during construction and after completion. The information is provided in the table below; the applicant's calculations is provided in the appendices. As a point of reference, the Town's Cost of Living Housing Wage Salary approved by resolution on July 1, 2016, is \$31,158.

**Lloyd Farm Economic Development Impact Analysis
September 2016**

Economic Impact – Source of Revenue	**County/Town Staff Estimates
<u>Estimated Assessed Value</u>	<u>\$63,200,000</u>
<ul style="list-style-type: none"> • Orange County Taxes • CH/Carrboro Schools Taxes • Carrboro Taxes 	\$554,896 \$131,709 \$375,408 \$1,062,013
❖ Total Property Taxes	
Estimated Annual Sales Taxes (based on developers estimate of \$58,640,000 gross sales)	\$1,282,750
<ul style="list-style-type: none"> • Orange County • Carrboro 	\$810,427 \$113,292
<u>Jobs/Salaries</u>	<u>Avg. Salary</u>
<ul style="list-style-type: none"> • Harris Teeter (125) • Specialty Stores and Restaurants (270) • Senior Living Complex (15) • Shopping Center Maintenance Crew (15) • Construction Project (350) 	\$27,412 \$23,737 \$24,910 \$22,781 \$35,840
Affordable Housing Contribution	\$743,000
CH/Carrboro School Impact Fees	***

**Estimated assessed values provided by Orange County Tax Assessor's Office. Retail Sales Taxes calculated using model sales tax calculator provided by Orange County. Average Salary based on data from NC Works.

***Not applicable to senior housing projects

CONSISTENCY WITH ADOPTED PLANS AND POLICIES

When considering a map amendment, the principal question before the Town is whether the rezoning advances the public health, safety, or welfare (Section 15-325). The project under review seeks approval of a map amendment to a conditional zoning district; the Board of Aldermen is to consider whether the proposed site plan and associated conditions is consistent with Town policies and interests. A project of this magnitude, on one of the few remaining

sizable tracts of undeveloped land, in a location that serves as a gateway into Town will undoubtedly be subject to scrutiny, and it should be. A common question, when considering the petition for rezoning, has been why rezone? Why not develop in accordance with the existing zoning?

The existing Lloyd Farm assemblage consists of four lots, described in the table below, two of which are proposed to be rezoned to B-4-CZ. Lot 1 is currently zoned R-10 (Residential, 10,000 sq. ft. per dwelling unit). Lot 2 has split zoning; roughly one third of the parcel is zoned R-10 and the other two thirds (the portion along NC 54) is zoned B-4 (Outlying Concentrated Business).

Lot	PIN	Existing Zoning	Proposed Zoning	Acreage
1	9779-09-7922	R-10	B-4-CZ	10.18
2	9778-19-6618	R-10	B-4-CZ	8.61
2	9778-19-6618	B-4	B-4-CZ	16.61
3	9779-10-7351	R-10	R-10-CZ	3.73
4	9779-20-0449	R-20	R-20-CZ	0.94

For the most part, the uses proposed in the Lloyd Farm project could be developed with the existing zoning but in a different configuration. For example the existing R-10 classification would allow single family or multifamily units along Old Fayetteville Road and the B-4 classification would allow a grocery store and other commercial uses along NC 54. Such an arrangement would likely place the tallest buildings (the potential apartments) at the highest point of the site increasing their visibility, and move the retail complex toward the middle of the property with parking located in front of the buildings, facing NC 54. By contrast, the rezoning allows the project to incorporate the whole site in its design, to place the tallest building where they are likely to have less visible impact, to provide multiple points of access to the site for better ingress/egress, and to design a more comprehensive stormwater management program.

Carrboro Vision2020, the Town's principal planning document speaks to the need for additional commercial space, and identifies the subject property "across from Carrboro Plaza" as a suitable location for new commercial growth. With more than 37,000 sq. ft. of commercial space (outside of the grocery store anchor) the Lloyd Farm development has the potential to contribute to the Town's efforts to support the Local Living Economy Task Force (LLETf) in two important ways. First the location, though on the outskirts of town is still within walking/biking distance from residential neighborhoods and transit routes. Close proximity to the post office likewise provides an opportunity to combine errands on a single outing. There may be an opportunity for the Town to work with the developer and potentially identify some space for local tenants (business and/or nonprofit) and places for local events, music, outdoor movies, food truck rodeos, and the like. Carrboro's active arts scene and after hours events, described in Regional Technology Strategies, Inc.'s "Creating Carrboro's Economic Future," as one of the town's uncommon assets could over time extend to the NC 54 corridor and particularly to Carrboro Plaza and the Lloyd Farm development. The NC 54 corridor is also mentioned in RTS's report as a suitable location for retail given, in part, to its draw on the Triad labor market.

The TIA assumptions have likewise identified these same commuters as the highest percent of future trip generators, stopping on their way to and from work.

The staff report from the June 28th meeting includes a more detailed analysis of the Lloyd Farm proposal as it relates to Carrboro Vision 2020. There is much to like about the project in terms of the natural spaces associated with the ponds, the preservation of trees at the undisturbed southwest corner of the site, the potential gathering spaces, the bike-ped facilities within the project, and the opportunities for different types of housing. There are other aspects that may not be as desirable such as the use of a car-oriented shopping model, which though permitted by the LUO is considered outdated by some. The increase in traffic congestion associated with a project of this size, and by association the challenges getting to the site by bike or on foot may be seen as a negative. The project includes considerable buffers along the perimeter of the property, are they sufficient to preserve established neighborhoods?

The draft ordinance for the rezoning includes a list of seventeen conditions; the last three in *italics* have been added since the June public hearing. Through its deliberations, the Board may identify minor modifications to the conditions or potentially new conditions to discuss with the applicant. Conditions must be mutually agreed upon by the applicant and the Town and will be binding to the rezoning.