

called “Neighborhood Café,” a coffee-house type use for the brewing of beverages on site and the sale of prepared foods made off-site.

During deliberations at the April 23rd public hearing Town Council members directed staff to revise the draft ordinance in the following ways:

- increase the gross floor area necessitating a special use permit for neighborhood cafes from 1,000 sf to 1,500 sf.,
- remove the presumptive vehicular parking standards for neighborhood cafes,
- increase the potential residential density for the O and O/A districts from 3,000 sf per dwelling unit to 2,000 sf per dwelling unit, and
- remove two of three criteria for allowing the increased density for the O and O/A districts.

A revised draft ordinance has been provided (*Attachment B*); the revised draft ordinance with the changes shown in tracking is also provided (*Attachment C*). The change in potential residential density for the O and O/A districts (from 7,500 sf per dwelling unit to 2,000 sf per dwelling unit) is provided for a “vertically integrated, multi-family residential development” that includes at least 15 percent affordable housing units meeting the Town’s criteria. A bicycle parking requirement is provided for the new Neighborhood Café use (8.900); a vehicular parking requirement is not included. Changes in travel patterns and intensity from the additional density and café use may be noticeable to surrounding, existing development. Most all of the properties in the districts affected by these changes have proximity, if not direct frontage, on arterial roads with available capacity, though some locations experience significant traffic increases and diminished levels of turning movement levels of service during peak hours. As in many parts of town, limited rights-of-way preclude on-street parking overflow, should site-provided parking be less than needed to meet demand.

It should be noted that the revised draft ordinance includes an option relating to the Neighborhood Café use. Section 2 allows the new Neighborhood Café use in ten zoning districts (B-1C, B-1G, B-2, B-3, B-3T, B-5, HR-R, HR-CC, O, and O/A districts). In Alternate Section 2, Neighborhood Cafes would only be allowed in the O and O/A districts.

The Town Council must receive public comments before adopting amendments to the Land Use Ordinance. The draft ordinance was referred to Orange County and presented at the June 6th Joint Advisory Board review meeting. The Transportation Advisory Board did not have a quorum. Economic Sustainability Commission discussed the matter at its regular meeting on June 12th but unable to come to a consensus on the proposed text amendment and therefore did not provide a recommendation. Comments are provided as (*Attachment E*).

FISCAL IMPACT: The applicant has paid the fees associated with a request for a text amendment. Staff time is necessary for public notice and agenda preparation for advisory board review and public hearings.

RECOMMENDATION: Staff recommends that the Town Council receive public input and consider whether the proposed text amendments are consistent with Town plans and policies. Action on Attachment A, the resolution of consistency, and Attachment B, the draft ordinance, is needed. The decision on the draft ordinance (*Attachment B*) should include a clear statement as to the inclusion of Section 2 which would allow Neighborhood Cafes in ten zoning districts, or Section 2 Alternate which would allow Neighborhood Cafes in two zoning districts, O and O/A.