



Legislation Text

File #: 24-015, **Version:** 1

Resolution Amending the Water and Sewer Management, Planning, and Boundary Agreement

PURPOSE: Consider adoption of a resolution amending the Water and Sewer Management, Planning, and Boundary Agreement (WASMPBA) requested by the Town of Chapel Hill to expand the service boundary in the southern part of Chapel Hill along the US 15-501 corridor to the Chatham County line.

DEPARTMENT: Planning

CONTACT INFORMATION: Trish McGuire, Planning Director, 919-918-7327, pmcguire@carrboronc.gov

COUNCIL DIRECTION:

☐ Race/Equity ☐ Climate ☐ Comprehensive Plan ☒ Other

Building on the establishment of Orange Water and Sewer Authority in 1977, the Town of Carrboro worked with its local county, state, and local partners to develop cooperative planning and management agreements that establish areas where sanitary sewer and treated potable water supply services will be provided (available at the link below and included as *Attachment B*). Racial Equity pocket questions have been completed (*Attachment D*).

INFORMATION: An agenda item introducing this request was considered on January 9, 2024, (<https://carrboro.legistar.com/LegislationDetail.aspx?ID=6465970&GUID=3CC75E02-BE93-4879-8742-BFCDFDA63E93&Options=&Search=>>). Council members discussed the item and directed staff to prepare a resolution that would make the requested changes. Council members also requested some additional information. The requests are listed below, with responses provided in italic text.

1. Where are the watershed boundaries and what are the environmental impacts to stormwater of the proposed service boundary change? *Per Town of Chapel Hill (TOCH) staff, revised maps are in preparation related to the Jordan Lake and University Lake watersheds and will be submitting proposed revisions to the state by the end of February. Once a response is received, TOCH staff will proceed with ordinance changes, a process that will include community meetings, Planning Commission review, Public Hearing and Council action. The work is expected to be completed by summer 2024. Any changes to WASMPBA have no impact on the watershed maps and any development proposed in the expansion area would be subject to either the Jordan Lake (WS-IV) or University Lake (WS-II) water supply watershed regulations.*
2. How do the affordable housing requirements used by the Town of Chapel Hill work? How will long-term affordability be established and maintained in association with the additional development density that will be supported by the expansion of the water and sewer service boundaries? *Per Town of Chapel Hill staff, the Town's Inclusionary Zoning Ordinance, adopted in 2011, requires new residential development projects (with five or more for-sale units) to provide up to 15 percent of the units at prices*

that are affordable to low- to moderate-income households. This ordinance went into effect in 2011 and requires a 99-year affordability period. The targeted income levels are households earning 65 to 80 percent of the area median income. The goal of the ordinance is creation of the affordable units on-site with some opportunities for alternatives if it can be demonstrated that an alternative better achieves the goals, objectives, and policies of the Town's Comprehensive Plan. Alternatives to date have been limited to payment-in-lieu to the Town's Affordable Housing Fund.

The Inclusionary Zoning Ordinance offers developers density and floor area bonuses associated with the number of affordable units provided. The 15 percent affordable requirement is applicable in all zoning districts and within the Extraterritorial Jurisdiction (ETJ) with the exception of the Town Center zoning districts (10 percent requirement).

Additionally, the Chapel Hill Town Council has adopted policy in 2000, that any rezoning with a residential component incorporate a 15 percent affordable housing feature into the plans.

3. Provide more context and history about the original boundary agreement. *See Attachment C.*

Judy Johnson, Assistant Planning Director for the Town of Chapel Hill and Vishnu Gangadharan, PE, Director of Engineering and Planning for OWASA are planning to be in attendance to answer questions related to this amendment.

Background. The referenced water and sewer boundaries are included within the Water and Sewer, Management, Planning, and Boundary Agreement (WASMPBA [Water-and-Sewer-Management-Planning-and-Boundary-Agreement-PDF \(orangecountync.gov\)](https://www.orangecountync.gov/DocumentCenter/View/13804/Water-and-Sewer-Management-Planning-and-Boundary-Agreement-PDF) [\(<https://www.orangecountync.gov/DocumentCenter/View/13804/Water-and-Sewer-Management-Planning-and-Boundary-Agreement-PDF>\)](https://www.orangecountync.gov/DocumentCenter/View/13804/Water-and-Sewer-Management-Planning-and-Boundary-Agreement-PDF)), an agreement enacted in 2001 by Orange County, and the Towns of Carrboro, Chapel Hill, and Hillsborough, and the Orange Water and Sewer Authority (OWASA) for the following purposes:

1. To provide a comprehensive, county-wide system of service areas for future utility development and interest areas for dealing with private water and wastewater system problems in areas without public water and sewer service.
2. To complement growth management objectives, land use plans and annexation plans in existing agreements, such as the Orange County-Chapel Hill-Carrboro Joint Planning Agreement and Joint Planning Area Land Use Plan
3. To resolve in advance and preclude future conflicts about future service areas and annexation areas.
4. To provide for predictable long-range water and sewer capital improvement planning and financing.
5. To provide for limitations on water and sewer service in certain areas, as defined.

Amendments to the WASMPBA require the approval of all the parties to the agreement; three amendments have been approved since 2001:

1. October 5, 2010- Changes to Long-Term Interest Areas and Service Areas Efland-Mebane (see Item E.2 at [Town of Carrboro, NC :: 919-942-8541](http://www01.townofcarrboro.org/BoA/Agendas/2010/09_07_2010.htm) [\(<http://www01.townofcarrboro.org/BoA/Agendas/2010/09_07_2010.htm>\)](http://www01.townofcarrboro.org/BoA/Agendas/2010/09_07_2010.htm))
2. June 26, 2017-Changes to Long-Term Interest Areas and Service Areas Efland-Mebane. Correction to

Primary Service Area designation in Carrboro (see [Town of Carrboro - File #: 17-159 \(legistar.com\)](https://carrboro.legistar.com/LegislationDetail.aspx?ID=3046325&GUID=088DF567-BEEB-4468-)
<<https://carrboro.legistar.com/LegislationDetail.aspx?ID=3046325&GUID=088DF567-BEEB-4468->
)

3. October 6, 2020-.Change to map, Appendix A
4. November 17, 2020- Change to Primary Service Area to include five residential lots off Bayberry Drive in Chapel Hill (see [Town of Carrboro - File #: 20-408 \(legistar.com\)](https://carrboro.legistar.com/LegislationDetail.aspx?ID=4688921&GUID=3B6E01B7-3FBB-4764-)
<<https://carrboro.legistar.com/LegislationDetail.aspx?ID=4688921&GUID=3B6E01B7-3FBB-4764->
and [Town of Carrboro - File #: 20-415 \(legistar.com\)](https://carrboro.legistar.com/LegislationDetail.aspx?ID=4688922&GUID=BD69A5B6-97B9-4728-)
<<https://carrboro.legistar.com/LegislationDetail.aspx?ID=4688922&GUID=BD69A5B6-97B9-4728->
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An informational item on the water supply watershed item is expected to be included on the Board of County Commissioners agenda for February 6. The Town of Hillsborough is expected to be considering a resolution amending WASMPBA per Chapel Hill's request on February 12.

FISCAL IMPACT: Staff impacts are minimal with action on this agenda item.

RECOMMENDATION: Staff recommends Council members consider adoption of the draft resolution expanding the water and sewer service boundary (*Attachment A*).