#### **MEMORANDUM**

TO:	Chapel Hill Planning Commission
FROM:	Gene Poveromo, Development Manager Judy Johnson, Principal Planner
SUBJECT:	Land Use Management Ordinance Text Amendment: Northside Neighborhood Conservation District (CD-1)
DATE:	April 7, 2015

### PURPOSE

A Land Use Management Ordinance Text Amendment to the Northside Neighborhood Conservation District Regulations has been proposed with the changes including:

- Reduce and combine review fees;
- To change maximum size of single-family dwelling or single-family dwelling with an accessory unit, to construct up to 2,250 square feet of floor area;
- To change maximum size of an affordable duplex structure up to 3,000 square feet of floor area;
- To allow duplex parking on-site for up to six (6) vehicles per lot with appropriate screening with staff approval;
- Clarify the Town's interpretation of full bathrooms vs half-bathroom;
- Encourage energy efficient building.

Attached is the draft Public Hearing memorandum which describes the purpose and effects of the proposed text amendment.

## RECOMMENDATION

That the Planning Commission review the proposed text amendment and recommend that the Council enact an ordinance enacting the Land Use Management Ordinance Text Amendment with changes to the Northside Neighborhood Conservation District.

This application is proposed to be considered at the Council's public hearing, tentatively scheduled for Monday, April 20, 2015.

## ATTACHMENTS

- 1. Draft Public Hearing Memorandum on the Land Use Management Ordinance Text Amendment
- 2. Draft Summary of Proposed Recommendations
- 3. Draft Ordinance

### **STAFF REPORT**

SUBJECT: Land Use Management Ordinance Text Amendment: Northside Neighborhood Conservation District (CD-1)

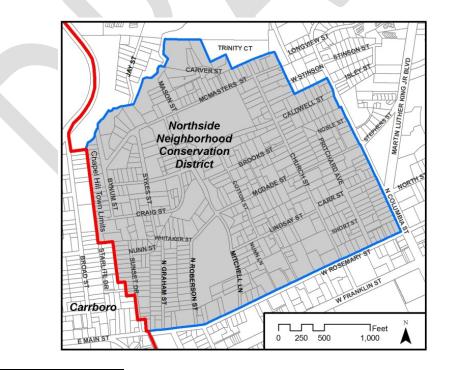
DATE: April 20, 2015

### **INTRODUCTION**

Tonight, the Council is asked to open a Public Hearing to consider amendments to the Northside Neighborhood Conservation District.

The Northside Neighborhood Conservation District was created on February 23, 2004 limiting the size of new homes, prohibiting most new duplexes, and put other restrictions in place to help encourage compatible development. The District also included a set of Design Guidelines.

The Northside and Pine Knolls Community Plan were adopted by Town Council in January  $2012^{1}$ , to develop solutions to parking, enforcement, education and outreach, affordable housing, cultural and historic preservations, and zoning regulations. Additional changes to the regulations were enacted by Town Council on June 25, 2012.<sup>2</sup> Since 2012, we have continued to work with the neighborhood and stakeholders to consider the impact of the regulations and as part of that process, and identified some inconsistencies with the regulations. We offer for Council's consideration some adjusts to the regulations that we believe better reflects the interests of the Town and the neighborhood.



<sup>&</sup>lt;sup>1</sup> http://chapelhillpublic.novusagenda.com/Bluesheet.aspx?itemid=1598&meetingid=141

<sup>&</sup>lt;sup>2</sup> http://chapelhillpublic.novusagenda.com/Bluesheet.aspx?itemid=1888&meetingid=165

### DISCUSSION

We propose the following recommendations for the Council's consideration. These proposed changes would apply to properties located within the boundary of the Northside Neighborhood Conservation District.

**Streamlining the Review Process:** Today, to add more than 250 square feet of floor area in the Northside neighborhood, a property owner must first submit plans seeking approval from the Planning Commission. For projects larger than 600 square feet, applicants must seek review by the Community Design Commission in addition to review by the Planning Commission. In response to concerns over the lengthy review process (between 2 to 3 months) we are recommending that the review process be streamlined as follows:

Dronocol	Current		Proposed	
Proposal	Review	Fee*	Review	Fee*
Additions less than 250 sq. ft.	Staff	\$234	Staff	\$240
Additions less than 600 sq. ft.	Planning Commission and Staff	\$234	Staff	\$240
New dwelling units or additions greater than 600 sq. ft.	Community Design Commission, Planning Commission, and Staff	\$585	Community Design Commission and Staff	\$340

\*fee subject to change – according to fee schedule

We believe this will assist property owners by reducing the fees, time, and amount of paperwork required. Fees are waived for 100% affordable projects.

**Maximum floor area for single-family dwellings (or single-family with an accessory apartment).** Single family dwelling units, or single-family with an accessory apartment, have been subject to a floor area limitation of 1,750 square feet. The Northside Regulations allows an increase to up to 2,250 square feet of floor area with a variance from the Board of Adjustment. We believe adjusting the maximum square footage would allow greater flexibility for families living in Northside.

We are recommending an amendment to increase the maximum permitted floor area from 1,750 to 2,250 square feet for single-family dwelling units, or single-family with an accessory apartment. As Northside Regulations include a floor area ratio of 0.2, a lot must be at least 11,250 square feet in land area in order to build up to 2,250 square feet. Of the 600-plus lots in Northside, other than Town-owned properties, we estimate there are approximately 120 lots in Northside (approximately 20%) larger than 11,250 square feet in size. All properties would be subject to the existing floor area ratio, setbacks, and height restrictions.

We also recommend that any applicant that wishes to exceed the 2,250 square foot floor area limit could seek approval from the Planning Commission, as part of a Site Plan Review approval,

as long as the Commission determined that the proposal was in general compliance with the NCD Guidelines and that the overall floor area did not exceed the 0.20 floor area ratio standard.

**Maximum floor area-affordable duplex dwelling units:** Unless a duplex is proposed and restricted to occupancy by low-moderate income households, they are not permitted in the Northside neighborhood. Currently, duplex structures are limited to 1,750 square feet of floor area.

We recommend that the permitted size of a new duplex in Northside be increased to 3,000 square feet (1,500 sq. ft. per unit). This floor area limit is the same as the duplex floor area limit standard applied town-wide (Section 6.19 of the Land Use Management Ordinance). In order to help encourage more affordable duplex units, we are also recommending that the floor area ratio be increased to 0.40. Structures would still be subject to height and setback regulations. We believe this would expand opportunities for families and affordable housing providers in providing additional housing in the Northside neighborhood without needing to seek a variance. Duplex structures would be reviewed by the Community Design Commission as well as staff.

**Exception to the Maximum Number of Parked Vehicles per Zoning Lot:** The Northside Regulations limit the maximum number of vehicles to four (4) per lot for single-family, duplexes, and triplexes. The regulations allow for an exception to this regulation for duplexes and triplexes upon approval of a Site Plan Review application by the Planning Commission. A total of six (6) vehicles are permitted with the exception. In seeking the exception, applicants must demonstrate compliance with the applicable regulations including the parking area not exceeding a maximum of 40 percent of the front yard, which is the standard Town-wide.

We are recommending adjustments to the district regulations to allow property owners of duplexes and triplexes to seek an administrative zoning compliance approval of up to six (6) vehicles per lot as long as the application demonstrates compliance with the front yard parking regulations and the parking area is screened and clearly defined.

**Bedroom to Bathroom Ratio:** The Northside Regulations place a limit on the ratio of number of bedrooms and bathrooms. Dwelling units with more than two (2) bedrooms must not exceed a 1:1 ratio of bedrooms to bathrooms unless the building is occupied by persons related by blood, adoption, marriage, or domestic partnership, with not more than two unrelated people.

The Town's Planning and Sustainability Office has a policy that any room including either a toilet, shower or bathtub will be considered a bathroom as it applies to the Northside Neighborhood Conservation District. We are recommending that this policy be revised to apply to only rooms with a toilet and shower and/or bathtub. Toilet rooms (or commonly referred to ½ baths) would not be counted towards the bedroom to bathroom ratio.

We are recommending this clarification following an application of a two-story dwelling unit with 3 bedrooms and 2 bathrooms. Because of our interpretation of a bathroom, this applicant was unable to include a <sup>1</sup>/<sub>2</sub> bath on the first floor for guests that may include the elderly or mobility-impaired.

**Encourage Energy Efficient Buildings:** As currently written, the Northside Regulations limit the floor area of dwelling units to 1,750 square feet as defined by the Land Use Management Ordinance. The Ordinance's definition of floor area is measured from outside faces of exterior walls. Standard house construction uses an exterior wall thickness of approximately 4-5 inches. We believe encouraging energy efficient dwelling units, with thicker exterior walls with a minimum R-Value of 25<sup>3</sup>, should not reduce the amount of floor area available due to the Town's Ordinance definition of floor area. We are recommending that applicants may either use definition of floor area as measured from exterior wall faces or provide a floor area calculation and R-Value of 25 certification by a certified architect, licensed engineer, or licensed appraiser that accounts for thicker, more energy efficient walls.

## ANALYSIS OF THE PROPOSAL

<u>Zoning Justification</u>: There are three justifications for a rezoning: a) to correct a manifest error in the chapter; or b) because of changed or changing conditions in a particular area or in the jurisdiction generally; or c) to achieve the purposes of the Comprehensive Plan. Only one justification needs to be met in order for the Council to approve a rezoning.

Below, we provide a response to the three required considerations:

## A. The amendment to the Land Use Management Ordinance is warranted to correct a manifest error.

We do not believe that the proposed amendment to the Northside Neighborhood Conservation District is correcting a manifest error.

# **B.** The amendment to the Land Use Management Ordinance is warranted because of changed or changing conditions in a particular area or in the jurisdiction generally.

We do not believe that the proposed amendment to the Northside Neighborhood Conservation District is warranted because of changed or changing conditions in the neighborhood.

# C. The amendment to the Land Use Management Ordinance is warranted to achieve the purposes of the Comprehensive Plan.

*Argument in Support:* We believe that the proposed amendments to the Northside Neighborhood Conservation District is consistent with the following Comprehensive Plan policies related to conserving and protecting existing neighborhoods:

"Conserve and enhance those elements that define Chapel Hill's special community character and the heritage of Chapel Hill's historic neighborhoods" (Goal, Section 3.2). "Protect the physical and social fabric of Chapel Hill's neighborhoods" (Objective, Section 3.2).

<sup>&</sup>lt;sup>3</sup> Current minimum R-value for exterior walls for Orange County is R-13. R-value is a measure of resistance to heat flow through a given thickness of material.

We believe that the homes in the Northside neighborhood and their settings have a cohesive character that is worth preserving.

<u>Evaluation of Amendments to the Northside Regulations</u>: The proposed changes to the regulations are intended to preserve the single-family residential character of the neighborhood and to streamline community oversight of development in the neighborhoods. We believe the proposed changes would improve the ability of property owners to make modest improvements to their homes.

## PROCESS

The amendment to the Northside Neighborhood Conservation District is proposed as a Zoning Atlas Amendment. The Land Use Management Ordinance requires the Town Manager to: 1) conduct an evaluation of the proposed rezoning; 2) present a report to the Planning Commission; 3) notify property owners of the proposal; 4) hold a public hearing; and 5) present a report and recommendation to the Town Council.

**Public Notice:** On March 24, 2015, notice of the public hearing was sent to the property owners and owners of property within 100 feet of the properties proposed for rezoning. Notice of the proposed rezoning was also included in the Town Week section of the Chapel Hill News on April 5 and April 12, 2015. Copies of the agenda materials for the proposed rezoning are available in the Communications and Public Affairs Department. Documents are also available on the Town's website (www.townofchapelhill.org).

**Format Tonight:** The Council is holding this hearing to receive public comment on the proposed amendments to the regulations of the Northside Neighborhood Conservation District. Typically, the Council refers comments made at the public hearing to the Manager and Town Attorney for a follow-up report. We anticipate returning to the Council with a follow-up report for consideration on May 27, 2015.

**Protest Petitions:** Depending on the amendments proposed, formal Protest Petitions may be considered for the proposed zoning amendments. A formal Protest Petition that meets legal requirements would increase the number of votes needed to enact a zoning amendment. If a protest petition is submitted and determined to be valid as to the proposed amendments, a three-fourths vote by the Council would be required to enact the new zonings. We will report at tonight's Public Hearings regarding any valid protest petitions that have been submitted.

## RECOMMENDATIONS

## Planning Board Recommendation: To be completed

<u>Preliminary Staff Recommendation</u>: We recommend that the Council enact the attached ordinance which would amend the Land Use Management Ordinance and the Northside Neighborhood Conservation District to be more consistent with the intent of the Neighborhood Conservation District.

## SUMMARY OF PROPOSED RECOMMENDATIONS

Regulation	Existing Standards	Proposed Standards
Review Process	Two applications, two fees, and review by Community Design Commission and Planning Commission for projects 600 square feet or greater in floor area.	One application and one reduced fee with review by staff and the Community Design Commission for projects greater than 600 square feet in floor area.
Maximum size for single- family dwelling or single- family with accessory apartment to construct up to 2,250 square feet of floor area	Limited to 1,750 square feet with option to seek a variance to increase the size to 2,250 square feet, subject to the 0.20 floor area ratio.	Allowable up to 2,250 square feet applying a 0.20 floor area ratio with option to seek approval from the Planning Commission for additional floor area.
Maximum size for affordable duplex unit	Limited to 1,750 square feet with option to seek a variance to increase the size to 2,250 square feet, subject to the 0.20 floor area ratio.	Allowable up to 3,000 square feet and subject to Section 6.19 of the Land Use Management Ordinance.
Exception to the Maximum Number of Parked Vehicles per Zoning Lot	Four (4) vehicles allowed. Site Plan Approval for an exception to be reviewed by the Planning Board for up to six (6) vehicles for duplexes and triplexes.	Exception for duplexes and triplexes for up to six (6) approved by the Town Manager if front yard parking percentage restriction met and associated screening and landscaping requirements met.
Bedroom to Bathroom Ratio	Ratio limit of 1:1 bedroom to bathroom for all dwelling units; a ratio greater than 1:1 shall be considered a rooming house unless the dwelling is occupied not more than two unrelated persons.	Ratio limit of 1:1 bedroom to bathroom for all dwelling units (½ bathrooms do not count as a full bath).
Energy Efficient Buildings	No standard	Floor area for energy efficient dwelling units, with thicker exterior walls with a minimum R-Value of 25, may provide calculated floor area by a certified architect, licensed engineer, or licensed appraiser.

## AN ORDINANCE AMENDING THE LAND USE MANAGEMENT ORDINANCE NORTHSIDE NEIGHBORHOOD CONSERVATION DISTRICT-1 (CD-1) ZONING OVERLAY TO FURTHER MAINTIAN THE CHARACTER OF THE NORTHSIDE NEIGHBORHOOD (YYYY-MM-DD/O-)

**WHEREAS**, the Council of the Town of Chapel Hill has considered the proposed amendments to the Land Use Management Ordinance;

WHEREAS, the Council finds that the amendment is in the public's interest and is warranted in order to achieve the purposes of the Comprehensive Plan including:

- Conserve and enhance those elements that define Chapel Hill's special community character and the heritage of Chapel Hill's historic neighborhoods; and
- Protect the physical and social fabric of Chapel Hill's neighborhoods.

NOW, THEREFORE, BE IT ORDAINED by the Council of the Town of Chapel Hill that the Chapel Hill Land Use Management Ordinance be amended as follows:

SECTION 1				
REGULATION	STANDARD FOR NORTHSIDE*			
Maximum Primary Building Height (Other than Town Center- 2 and OI-1 Districts)	20 feet			
Maximum Primary Building Height (Office/Institutional-1)	29 feet			
Maximum Primary Building Height (Town Center-2)	40 feet; 30 feet if adjacent to residential zone			
Maximum Secondary Building Height (residential zones)	26 feet			
Maximum Secondary Building Height Office/Institutional-1)	35 feet			
Maximum Secondary Building Height (Town Center-2)	50 feet			
Duplexes (Dwelling, Two-family Duplex) Triplexes (Dwelling, multifamily 3 dwelling units)	Permitted for new duplex and triplex projects only from non-profit tax exempt organizations involving permanent residential development in which annual documentation is provided that 100% of the dwelling units will be occupied by low-moderate income households (less than 80% of area median income by households size as defined by the Department of Housing and Urban Development) in perpetuity; otherwise not permitted.			
Maximum Size for Single-Family Dwelling (or	1,750 square feet, variance provision			
Single-Family with Accessory	maximum of 2,250 square feet Maximum of			

SECTION 1

Apartment); Dwelling Units, Duplex	2,250 square feet in floor area.
Dwelling Unit, Duplex	Maximum of 3,000 square feet with up to 3 bedrooms per side and a floor area ratio of 0.40
Maximum Floor Area Ratio for Single-Family Dwelling (or Single-Family with Accessory Apartment)	0.20
Bathroom to Bedroom Ratio	A dwelling with more than 2 bedrooms, and a bathroom to bedroom ratio of 1.0 or greater, shall be classified as a Rooming House unless the dwelling is occupied by persons related by blood, adoption, marriage, or domestic partnership, with not more than two unrelated persons. <u>A ½ bathroom (i.e., room with toilet and washbasin only) not to be considered as a full bathroom.</u>
Zoning Compliance Permit Notification	Owners within 500 feet must be notified and given two weeks from the date of notification to transmit comments to the applicant with no notification for projects that do not require a building permit.
<u>New</u> Accessory Dwellings	Not Permitted
Flag Lots	Not Permitted
Maximum number of parked 4- wheeled motor vehicles** used for the conveyance of persons or goods per zoning lot*** for the following Table 3.7-1: Use Matrix use categories: 'Dwelling Units, Single Family;' 'Dwelling Units, Single Family with Accessory Apartment;' 'Dwelling units, duplex;' 'Dwelling Units, multi-family: 3 dwelling units.'	4. Upon approval of <u>a Zoning Compliance</u> <u>Permit Site Plan Review by the Planning Board</u> in accordance with 4.7 of LUMO, up to 6 motor vehicles may be allowed for zoning lots with the Table 3.7-1: Use Matrix use categories of 'Dwelling units, duplex' or 'Dwelling Units, multi-family: 3 dwelling units' through demonstration of adequate parking that is in compliance with applicable regulations, including front- yard parking regulations. The parking area:(1)must be clearly defined and or marked with appropriate materials such as rocks, timbers and hedges; (2) must be maintained in a safe and sanitary condition; (3) cannot contribute to soil erosion or tree damage; (4) must be accessed by properly approved curb cuts or other approved access points; (5) shall be screened by means of an effective screening devise between the parking area and the street which is at least four (4) feet in height above the grade of the edge of the parking area. Appropriate screening devices

	may include decorative brick walls, fences, evergreen hedges which shall reach the required height within two (2) years of planting, or any combination above. Parking in
	the back and side yard is encouraged to minimize visibility.
Energy Efficient Building	Floor area for energy efficient dwelling units, with thicker exterior walls with a minimum R- Value of 25, may provide calculated floor area and certified R-Value by a certified architect, licensed engineer, or licensed appraiser.
Planning Board Review ****	Site Plan Review, in accordance with Section 4.7 of the Land Use Management Ordinance, required for all single family and multi-family demolition projects as well as single-family and multi-family projects that result in the addition of square feet of floor area to a zoning lot that is equal to or greater than 250 square feet.
Community Design Commission Review ****	Concept Plan Review by the Community Design Commission, in accordance with Section 4.3 of the Land Use Management Ordinance, required for single family and multi-family projects that result in the addition of 600 or more square feet of floor area to a zoning lot.

\*For the Northside Neighborhood Conservation District, these standards replace/supersede general, otherwise applicable provisions in the Land Use Management Ordinance where such standards applicable to the property differ. For standards that are not specifically identified in this Plan, provisions of the underlying zoning district for a particular parcel shall apply.

\*\* For the purposes of the Northside Neighborhood Conservation District a Motor Vehicle shall be defined as a self propelled, four-wheeled conveyance, such as a car or truck that does not run on rails.

\*\*\*For the Maximum number of parked 4-wheeled motor vehicles used for the conveyance of persons or goods per zoning lot, these standards shall have an effective date of September 1, 2012.

\*\*\*\* For purposes of determining whether any proposed addition is equal to or greater than the standards set forth in this section to require review by the <del>Planning Board or</del> Community Design Commission, cumulative applications for additions to the same structure shall be combined and considered a single application.

### SECTION II

That this Ordinance shall become effective on \_\_\_\_\_, 2015, except where otherwise noted.

This the \_\_\_\_\_day of \_\_\_\_\_ 2015.