

## 150 E Rosemary Street – Conditional Zoning

### Project Narrative

The 150 E Rosemary Street office and lab building will create much needed commercial office and lab space for new and emerging businesses in downtown Chapel Hill and will be an integral component of the revitalization of East Rosemary Street. This redevelopment strategy for East Rosemary Street will create space for hundreds of new office, professional, technology and researcher workers in the heart of downtown. This new building project will also create a new Town Green public space on the southwest corner of E Rosemary and Henderson Streets as well as improved streetscape treatments on the southern frontage of E Rosemary and the western frontage of Henderson Street.

Currently, the 1.49 acre site is occupied by the Wallace Parking Deck and is owned by the Town of Chapel Hill. Under the Economic Development Agreement (EDA) between the Town and Grubb Properties, this property will be exchanged with Grubb Properties for two parcels on the north side of E Rosemary Street, where the new 125 E Rosemary Street Parking Deck will be constructed, providing approximately 1,100 parking spaces in a centralized parking facility.

The new building will also include approximately 150-170 parking spaces beneath the building to augment some of the parking need for the new office and lab building.

### Statement of Justification – Conditional Zoning

This is a statement of justification to support the request for Conditional Zoning for 150 East Rosemary Street. This parcel is currently within the TC-2 zoning district which does not accommodate the target program for the building as contemplated by the EDA. To accommodate this program a Conditional Zoning for TC-3 is being requested. The Conditional Zoning is being requested to facilitate an open dialogue with the public and negotiations between the applicant and the Town of Chapel Hill.

In order to establish and maintain a sound, stable, and desirable development within the planning jurisdiction of the Town, it is intended that the Land Use Management Ordinance (as stated in Section 4.4) shall not be amended except:

- 1) To correct a manifest error in the chapter; or
- 2) Because of changed or changing conditions in a particular area or in the jurisdiction generally; or
- 3) To achieve the purposes of the Comprehensive Plan.

Below is the applicant's evaluation of this application based on these three findings.

- 1) **Finding #1:** The proposed zoning amendment is necessary to correct a manifest error.

*Response: We do not believe there is error in the Town's Zoning Atlas Amendment related to the project site.*

*NOTE: since the Town just adopted the FLUM, which calls for this block to be 6-8 stories I believe, should we cite that here?*

- 2) **Finding #2:** The proposed zoning amendment is necessary because of changed or changing conditions in a particular area or in the jurisdiction generally.

*Response: Changing conditions center around the revitalization of the 100 block of E Rosemary street beginning with the adjacent 136 E Rosemary Street building and connected 137 E Franklin Street building, together with the EDA which contemplates the Town's investment in a centralized parking structure and requirement to seek the highest and best use of 150 E Rosemary Street for up to 250,000 square feet of office and lab space. This revitalization effort will provide much needed commercial office and lab space where new and emerging businesses can locate and grow in support of the economic vitality of downtown and greater Chapel Hill. The Future Land Use Map (FLUM) adopted on December 9, 2020 reflects the Town's goal of revitalizing this area. This project site is located within Sub-Area E of the FLUM's Downtown Focus Area and the FLUM recommends significantly greater density than currently exist within the area, with core heights of up to 8 stories.*

**3) Finding #3:** The proposed zoning amendment is necessary to achieve the purposes of the comprehensive plan.

*Response: The proposed rezoning would contribute to the following elements of the Comprehensive Plan:*

*Theme 1: A Place for Everyone*

- Family-friendly, accessible exterior and interior places throughout the town for a variety of active uses (PFE.1).
- A welcoming and friendly community that provides people with access to opportunities (PFE.4).

*Theme 2: Community Prosperity and Engagement*

- Balance and sustain finances by increasing revenues and decreasing expenses (CPE.1).
- Foster success of local businesses (CPE.2).

*Theme 3: Getting Around*

- A connected community that links neighborhoods, businesses and schools through the provision of greenways, sidewalks, bike facilities and public transportation (GA.2).

*Theme 4: Good Places, New Spaces*

- A vibrant, diverse, pedestrian-friendly, and accessible downtown with opportunities for growing office, retail, residential and cultural development and activity (GPNS.2).
- A joint Town/University development strategy that aligns initiatives for transportation, housing, environmental protection, and entrepreneurial programs (GPNS.4).
- A community that welcomes and supports change and creativity (GPNS.6).
- Open and accessible common spaces for community gathering, cultural uses, and community development (GPNS.7).

*Theme 6: Town and Gown Collaboration*

- Take full advantage of ideas and resources to create a thriving economy and incorporate and utilize the intellectual capital that the University and Town create (TGC.1).

**Modifications of Regulations:**

**Building Height, Setback** - LUMO Table 3.8-1 Dimensional Matrix limits the Maximum Setback Height line in the TC-3 zoning district to 44 feet and limits the Maximum Core Height in the district to 120 feet. The proposed building will comply with the Maximum Core Height of 120 feet, but a modification of regulations is requested from the Town Council to increase the Maximum Setback Height to 112 feet in order to accommodate the targeted program for the project.