

NEW BUSINESS STAFF REPORT

Possible Amendments to the Unified Development Ordinance

September 26, 2023 Town Council Meeting



Requested by Council Member Mahaffey:

Possible amendments to certain sections of the Unified Development Ordinance (UDO) in order to increase the amount of Resource Conservation Area (RCA) required for single-family and townhome developments south and west of NC 540 and to provide an automatic reduction in RCA with installation of solar panels. The proposal would exempt projects that provide a minimum amount of affordable housing.

Background:

Currently, the UDO requires single-family and townhome developments located south and west of NC 540 to provide buffers and RCA equal to or greater than 30% of the gross site acreage. *Sec. 2.3.4 Planned Development Districts* provides that Town Council may reduce the amount of RCA required up to 10% in exchange for the installation of solar photovoltaic systems or geothermal systems on a certain percentage of the lots or energy efficiency standards that exceed minimum Building Code requirements. For reference, that RCA reduction option was added to the UDO in July 2020 at the same time that the RCA requirement south and west of NC 540 was increased from 25% to 30%. A comparison of RCA requirements (or comparable ordinance provisions) from other towns in the Triangle is attached to this report.

Proposed amendments:

- For single-family and townhome developments located south and west of NC 540, increase the required amount of buffers and RCA from 30% to 50%;
- Provide for an automatic 1% reduction in required RCA for every 1% of homes built with a solar photovoltaic system installed with a maximum reduction of 20%; and
- Provide an automatic exemption from the increase with the provision of a certain amount of affordable housing. The number of affordable units and affordability level will need to be determined. Discussion focused on using the same requirements from the Affordable Housing Policy that qualifies a development to get reduced fees which is at least 20% of the housing units being affordable to households earning no more than 60% of the Area Median Income (AMI) for the Raleigh, NC Metropolitan Statistical Area (MSA).

March 2023 Planning Committee meeting discussion summary:

The Planning Committee reviewed this at their March 2, 2023 meeting at the request of Council Member Mahaffey and were not unanimous in the decision to bring forward the amendment as requested. Staff was asked to request direction from the Town Council on whether to proceed with the proposed amendments through Planning Board and a public hearing at Town Council.

The discussion at the March 2, 2023 Planning Committee meeting included the following points about the proposal:

- Potential to increase cost of housing both by requiring the installation of solar and possibly reducing the lot yield for new development.
- Does not reduce demand for housing and may lead to the desire to develop more land or a shift to apartments/condos.
- May trigger further changes to state law.

Existing Ordinances and Policies:

- Staff research has found other incentives/exemptions based on affordability include the following:
 - In order to utilize the Affordable Housing Zoning Incentive Policy to reduce RCA by up to 10%, a development must provide at least 5% of the units as affordable with the AMI being 100% for rental and up to 135% for ownership. The affordability period varies for rental, but must be at least 20 years for ownership.
 - The UDO exempts multi-family developments with rents that are affordable to a household with an annual income that is not greater than 80% of the AMI for the Raleigh, NC MSA from the requirement to provide EV-Ready and EV Charing Spaces.

Resource Conservation Area Requirement Comparison - March 2023

RCA/OPEN SPACE CRITERIA	Apex	Durham	Morrisville	Wake Forest	Wake County	Rolesville	Garner	Raleigh	Holly Springs	Knightdale	Wendell
RCA or equivalent required?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No
Conservation subdivision special %		50%						50%			
Residential RCA %	10-30%	3-18%	5-10%	5-15%		10-15%	10%*	20%	15-30%		
Non-residential/mixed use RCA %	10-25%	3-18%	5-10%	25%**		5-15%			1-15%		
Watershed %					25%						
Non-watershed %					10%						
Tree preservation in addition to RCA			15-20%***				18-20%*				
Recreation as open space	Public-Separate req.; Private-50% counts	1/3 of %		Separate req.			1/4 of %	1/3 of %	0-5% of %	Public - 100%	Public - 100%

* 25-27% average for RCA + tree preservation in residential districts

** Institutional Campus District only

*** Per local legislation, tree preservation is not required for single-family detached; there is some ability to swap common open space for tree preservation

No response from Cary, Fuquay-Varina, or Zebulon

Most exempt downtown areas and rural density areas. Apex exempts developments with a density of 2 units/acre and less from RCA requirements. Apex also exempts the Small Town Character Overlay District from RCA and landscape buffer requirements; riparian buffers still apply.

