

Minutes

PLANNING BOARD AND BOARD OF COMMISSIONERS

Joint public hearing

7 p.m. May 15, 2025

Town Hall Annex Board Meeting Room, 105 E. Corbin St.



Present

Town Board: Mayor Mark Bell and commissioners Meaghun Darab, Robb English, Kathleen Ferguson, Matt Hughes, and Evelyn Lloyd

Planning Board: Chair Frank Casadonte, Vice Chair Hooper Schultz, and members Jeanette Benjey, Sherra Lawrence, Tiffney Marley, Robert Iglesias, and Christian Schmidt

Absent: Planning Board member John Giglia

Staff: Planner II Molly Boyle, Engineering Services Manager Bryant Green, Assistant Town Manager Matt Efird, and Town Attorney Bob Hornik

1. Call to order and confirmation of quorum

Mayor Mark Bell called the meeting to order at 7 p.m. and noted the public charge listed in the agenda. Bell passed the gavel to Planning Board Chair Frank Casadonte.

2. Agenda changes and approval

There were no changes to the agenda.

Motion: Planning Board member Christian Schmidt moved to approve the agenda as presented.
Commissioner Kathleen Ferguson seconded.

Vote: 12-0. Motion passed.

3. Review and approval of minutes

Minutes from Planning Board regular meeting on April 17, 2025

Motion: Planning Board member Robert Iglesias motioned to approve the minutes as presented.
Planning Board Vice Chair Hooper Schultz seconded.

Vote: 7-0. Motion passed. Only Planning Board members voted since the minutes were for a Planning Board regular meeting.

4. Open the public hearing

Motion: Ferguson moved to open the public hearing. Commissioner Robb English seconded.

Vote: 12-0. Motion passed.

Boyle addressed the public and explained the public hearing process.

5. Public Hearing

- A. Text amendment to Unified Development Ordinance Section 9.2, Definitions (initiated by Board of Adjustment)

Planner II Molly Boyle summarized the text amendment. It was initiated by the Board of Adjustment after hearing an appeal regarding automated teller machines (ATMs). The proposed text amendment would allow drive-up ATMs. The current Unified Development Ordinance allows walk-up ATMs only.

Commissioner Matt Hughes asked for more background on the appeal case to the Board of Adjustment. Boyle explained that a developer was interested in building a financial institution on a portion of the Paliouras Tract. The developer wanted to ensure drive-up ATMs were allowable before moving forward with a development application.

B. Annexation and rezoning requests for 224 Oakdale Dr. (Starlight Construction LLC)

Boyle said the applicant, Starlight Construction LLC, was requesting to annex 224 Oakdale Drive and rezone it to R-10. She said the applicant's intent was to create a subdivision of about 15 lots. Boyle said staff found the rezoning was consistent with the Unified Development Ordinance and Future Land Use Map. She noted that Engineering staff determined the town would be able to provide water and sewer service to the intended number of lots, with necessary infrastructure improvements to be made at the developer's expense.

Hughes requested assurance that the town Utilities Department reviewed the request and determined the proposed development was serviceable by the town. Boyle confirmed. Hughes also asked about the effect on the town's satellite annexation allotment. Boyle confirmed that if annexed, this property would slightly increase the acreage of contiguous property in town limits. This in turn would slightly increase the town's satellite annexation allowance.

Ferguson clarified that the development would not impact sewer capacity for planned and future development. Engineering Services Manager Bryant Green addressed the board and confirmed it would not affect capacity of other planned developments. He also confirmed the project would not impact capacity for downtown or development in north Hillsborough.

Commissioner Meaghun Darab asked if R-10 zoning allows multi-family housing. Boyle said structures like duplexes and triplexes were allowable in that district but not multi-family apartment buildings.

Hughes inquired if the street would be public or private, and Boyle stated a public street would be required.

Ferguson asked if the property could support greater density. Boyle replied that the R-10 zoning district has a minimum lot size of 10,000 square feet. So, at most, this property could be subdivided into 20 lots based on its size. However, you would also need to subtract the area needed for the public road, stormwater device, and open space. Boyle said the applicant's intended 15 lots is likely the actual maximum yield after factoring those in.

Casadonte opened the floor to Starlight Construction LLC, represented by Nasser Massry, who declined to address the board. There were no questions for the applicant.

The floor was opened for public comment. Cindy Talisman of 2105 Magnolia Lane addressed the boards. She stated she is the treasurer for the Magnolia Place Homeowners' Association (HOA). She made the following comments:

- Oakdale Drive is a rural, two-lane road that cannot support increased traffic.
- Hillsborough does not need more houses.
- The town provided insufficient notice to affected properties.

- The stormwater from the proposed development would put further strain on the stormwater pond for Magnolia Place, which supports all the lots in Magnolia Place as well as another subdivision.
- The town continues to become less affordable.
- The development would remove trees and destroy habitat, and she was surprised that she, as a republican, needed to point that out to a liberal board.

Ferguson asked for staff to clarify which properties were in the 500-foot radius for mailed hearing notices. Boyle pulled up a map on the screen showing the 500-foot radius. She confirmed that she personally mailed the hearing notices to properties within the radius.

Iglesias asked Ms. Talisman how her concerns could be addressed. Talisman stated she wanted the town to maintain the stormwater pond and pump station easement. Bell asked about stormwater requirements for the proposed development at 224 Oakdale. Boyle stated that the developer would need to submit a stormwater management plan when submitting plans for the subdivision to town staff for review.

Casadonte asked how many homes were in the Magnolia Place subdivision and how many other homes outside of the subdivision were draining into the Magnolia Place stormwater pond. Talisman stated 42 homes were in the Magnolia Place subdivision. Ferguson said that based on the maps, it appears 16 homes outside of Magnolia Place were draining into the pond.

Hughes asked Talisman if there were other options that would address her concerns. He expressed misgivings about the town taking over the stormwater pond for Magnolia Place. He anticipated if that happened, then all other homeowners' associations in town would want that too. Talisman said she thought incorporating the other 16 homes that use Magnolia Place's stormwater pond into the Magnolia Place HOA would suffice. Town Attorney Bob Hornik stated the town could not force those property owners to do that.

Boyle reiterated that the proposed development at 224 Oakdale would need to create a stormwater management plan and build their own stormwater device. Boyle said she and Ms. Talisman could continue the conversation after the meeting but there were more speakers waiting to offer comment.

Ferguson noted that the decision before the board was not a partisan issue. She said that everyone in the room had Hillsborough's best interests at heart. Handling development pressures is difficult, but it does not have to be a matter of red versus blue.

Next, Robin Langford of 2401 Uphill Court addressed the board and thanked the board for their service. She said she and her husband live on adjacent property and had also submitted written comments on this item. They asked for a greenway between the new subdivision and their property, like what was done with a neighboring subdivision years ago.

Ferguson asked to see a map of the property. Boyle clarified that the greenway Ms. Langford referenced was open space in the Oakridge subdivision. Boyle stated the current Unified Development Ordinance would require the subdivision of 224 Oakdale to preserve 10% of the property as open space.

C. Rezoning and development agreement requests for 1001 Corporate Drive (WP East Acquisitions LLC)

Boyle explained that the applicant is requesting to rezone 11.1 acres at 1001 Corporate Drive from Office Institutional (OI) to Multi-Family (MF). The applicant intends to build a multifamily development, Altera, at this location. It would have a maximum of 333 units, 10% of which would be affordable.

Boyle explained that the applicant was also requesting to enter into a development agreement with the town. She said the agreement would set the development requirements for the duration of the agreement period, and both parties would have to agree to the terms (*i.e.*, one party could not force terms onto another). The draft agreement proposed the following:

- A seven-year agreement period;
- 10% of the units would be affordable;
- Of that 10%, two-thirds would be affordable at 80% of the Area Median Income (AMI), and one-third would be affordable at 60% AMI; and
- The developer would make a financial contribution for design and construction costs for improvements to the Cates Creek Sewer Outfall.

Boyle stated town staff found multi-family zoning at this location to be consistent with the Unified Development Ordinance but inconsistent with the Future Land Use Map. She noted that the town board could still ultimately approve the rezoning request despite the inconsistency.

Schultz noted the parcel abutting 1001 Corporate Drive is zoned Multi-Family Special Use. Boyle confirmed, stating it was Eno Haven Apartments.

Bell asked about the estimated population of the proposed development. Boyle said the applicant would address that question.

Next, Emmit Visconti, Vice President of Development for Wood Partners (doing business as WP East Acquisitions LLC), thanked the board and introduced the project team: Caitlin Shelby, Wood Partners Managing Director; Dan Jewell, Thomas and Hutton Principal/Regional Director; Earl Lewellyn, Kimley Horn Vice President; and Ashley Terrazas, Parker Poe Legal Consultant.

Shelby explained that Wood Partners is an apartment developer with models that create naturally occurring affordable housing. She gave examples of other Wood Partners projects, including Alta Town Center in Raleigh. She elaborated on the three requests before the boards, describing them as:

- An amendment to the Unified Development Ordinance to increase maximum density and building height in the Multi-Family district;
- A request to rezone the property to Multi-Family; and
- A development agreement that addresses several factors, including affordable housing, pedestrian access to Eno Haven, traffic mitigation, and utilities infrastructure.

Shelby noted that Wood Partners does not use tax credits to create affordable housing, so density is required for their model to work. She also noted that the apartment buildings would have elevators, increasing accessibility.

Visconti described the property, which is in the Meadowlands Business Park, and its suitability for residential development. He noted that they had communicated with the Property Owners' Association for the Meadowlands Business Park, and the association was supportive of the proposed development.

Visconti clarified that Wood Partners was proposing to make 10% of the apartment units affordable, with half of the affordable units available at 80% Area Median Income (AMI) and half available at 60% AMI. This was different than what was stated in the staff's presentation. Visconti also made the following points:

- The development would include a paved pedestrian path from Eno Haven Apartments through the proposed development to the Sportsplex and Senior Center.
- A traffic impact analysis would be completed at the site plan stage and keep intersections functioning at a high level of service.
- Wood Partners would make a financial contribution for design and construction costs for improvements to the Cates Creek Sewer Outfall. The estimated contribution is between \$1.5 and \$2 million. The amount of the contribution will be finalized after third-party review of the cost estimates for the design and construction costs.

Shelby ended the presentation and reiterated benefits to the town, including affordable housing, improvements to utility infrastructure, pedestrian connectivity, and tax revenue.

Hughes inquired about an existing brick structure on the property. Visconti stated it was part of the property and would be demolished as part of the development. Shelby stated it is not a historic structure, but Wood Partners is open to salvaging materials to be repurposed. Boyle confirmed that she previously discussed the structure with the staff planner to the Historic District Commission. She confirmed the house is not on the National Register of Historic Places.

Ferguson asked for more information on the naturally occurring affordable housing. She also noted that she had toured one of the Wood Partners project sites. Shelby explained the units are intended to serve residents earning 80% to 110% of the Area Median Income. Ferguson said she would prefer more affordable units at lower AMI percentages because of large demand in the community.

Bell asked for information on income verification of tenants. Shelby stated seasoned property management staff verifies and annually reports this information to the jurisdiction. Bell further inquired if other Hillsborough locations were explored. Visconti stated Meadowlands was found to be the most suitable for their proposed development.

Schmidt asked if the project was possible without the Unified Development Ordinance text amendment. Shelby said the project would not be possible without the increased building height and density.

Darab inquired about the affordability term in the development agreement. Visconti noted that the agreement proposes to maintain the affordable units as affordable for thirty years, but that is negotiable. The thirty-year term was based on legal advice Wood Partners received.

Darab inquired about the scope of the traffic impact study. Earl Lewellyn with Kimley Horn replied that the developers, town staff, and the North Carolina Department of Transportation would first meet to identify intersections and assumptions for the study. He reported early investigations show the proposed development having a minimal impact on Business Highway 70. Lewellyn said he anticipated that Highway 86 would be included in the study as well. Bell asked Assistant Town Manager Matt Efird for recent traffic impact studies along the Business Highway 70 corridor. Efird referred to the board adopted US 70 West study, which provided traffic counts, but not level of service.

Casadonte asked about the dispersion of affordable units within the development. Shelby stated the affordable and market-rate units are identical, and the affordable units are dispersed throughout the development.

Bell asked about the unit sizes and bedrooms per unit. Visconti described a rough estimate of 50% one-bedroom, 40% two-bedroom, and 10% three-bedroom units. Then, Hornik asked for the percentages of one-, two-, and three-bedroom units for affordable housing. Shelby stated the development agreement does not specify. Shelby added that most of the demand for affordable housing in their previous developments was for one-bedroom units. Hornik followed up with an inquiry about the construction timeline. Shelby stated the first units should be available in 12 months. This would include affordable units as well. She estimated build-out would be achieved in approximately 20 months.

Planning Board member Jeanette Benjey asked about how the developer balances unit features and affordability. Visconti stated the buildings and plans are designed to manage costs. Benjey complemented the inclusion of elevators.

Schmidt asked if the developers would be willing to investigate intersection upgrades for downtown walkability. Shelby replied they could investigate it.

Boyle stated there were no speakers signed up to offer comment on this item.

D. Text amendment to UDO Table 6.3.1, Dimensional Requirements - Residential (WP East Acquisitions LLC)

Boyle explained that WP East Acquisitions LLC was also proposing a text amendment to the maximum density and building height requirements for the multi-family zoning districts. The agenda packet contained two versions of the amendment: the applicant's original amendment and a version inclusive of staff edits.

Boyle stated the applicant was amenable to staff's recommended edits, so she summarized staff's version. The staff version of the amendment proposed the following changes:

- The maximum building height in the multi-family zoning districts is currently 45 feet. The text amendment would allow the maximum height to be increased to 65 feet if all building setbacks are increased by 5 feet.
- The current Unified Development Ordinance sets a maximum density of 20 units per acre in the multi-family zoning districts. It also offers a density bonus of 30 units per acre if all units in the development are affordable at 80% of the Area Median Income (AMI). The text amendment would allow a density of 30 units per acre if 10% of the units are affordable at 80% AMI.

Ferguson expressed concerns about other developers abusing these proposed changes. She was also reluctant to keep amending the Unified Development Ordinance with the rewrite underway. She asked if the density and height requests could be addressed with the rezoning and/or development agreement. Boyle and Hornik said conditions could not be placed on a general use rezoning request, and the development agreement could not supersede existing Unified Development Ordinance regulations. Boyle said the applicant's version of the text amendment was more restrictive, which the board might prefer. She also noted that the applicant was amenable to revising the proposed text amendment, so suggested edits were welcome.

Bell also stated his concern about the amendment and would like to explore including more affordable housing regulations in the Unified Development Ordinance rewrite.

Casadonte asked if emergency services would still be able to respond to emergencies on the upper floors. Green said a domestic pump and a fire pump would be needed based on the intended building height. This would be reviewed in the construction drawings. Shelby stated the elevators will be to code, and the developer's preference is for wider stairwells than required.

Hughes thanked the applicant for their inclusion of affordable housing and the proposed utility infrastructure improvements.

6. Close the public hearing

Motion: Schultz motioned to close the public hearing. Ferguson seconded.

Vote: 12-0. Motion passed.

The Board of Commissioners adjourned, and the Planning Board recessed for five minutes at 8:39 p.m.

Planning Board member Tiffney Marley left at 8:39 pm.

The Planning Board reconvened at 8:44 p.m.

7. Planning Board recommendations

Boyle summarized the items heard during the joint public hearing. The Planning Board had no concerns regarding item 5A. So, it decided to make its recommendation on that item before deliberating on the others.

Motion: Schmidt motioned to recommend approval of Item 5A. Schultz seconded.

Vote: 6-0. Motion passed.

Next, the Planning Board discussed item 5B. The Planning Board discussed the comments they received from the public during the hearing. They recognized that one of the speakers expressed great concern regarding stormwater runoff impacting her subdivision. The Planning Board also recognized that, under current stormwater management requirements, the developer of the 224 Oakdale subdivision would have to build a stormwater control measure (SCM) for the development.

Schmidt asked if conditions could be placed on annexations. Hornik said the Planning Board can make suggestions, but conditions could not be placed on the annexation.

Schultz noted that the proposed rezoning was consistent with the town's adopted plans and ordinances, as well as with the neighboring land uses. Schultz said he was comfortable recommending approval of the rezoning and annexation requests. Schmidt agreed.

Motion: Schultz motioned to recommend approval of Item 5B. Schmidt seconded.

Vote: 6-0. Motion passed.

Next, the board discussed items 5C and 5D together.

Schmidt said he would like to see the applicant's credentials and examples of successful projects. Casadonte wondered about the tax benefits of multifamily zoning at this site versus non-residential zoning.

The board discussed various aspects of the requests, including affordability, consistency with the town's Comprehensive Sustainability Plan, and water and sewer capacity. The board also vetted the proposed text amendment, debating whether dedicating 10% of the units as affordable was enough, or if that percentage should be higher. The board also noted it would like to see more robust standards on affordable housing in the updated Unified Development Ordinance. Boyle noted that the Unified Development Ordinance rewrite project had begun.

The Planning Board members agreed they were not ready to make recommendations on items 5C and 5D, so they would continue discussing them at the next meeting in June.

8. Updates

A. Board of Adjustment

Iglesias summarized two items from the previous Board of Adjustment meeting. The board approved a variance request increasing the maximum height for Holy Family Catholic Church on Governor Burke Road. They also approved a Special Use Permit modification for Durham Technical Community College at Waterstone Drive and College Park Road.

B. Parks and Recreation

Schultz could not attend the previous meeting, so there was no report.

C. Staff and Board members

No updates.

9. Adjournment

Casadonte adjourned the joint public hearing at 9:32 p.m.

Respectfully submitted,



Molly Boyle, Senior Planner
Staff support to the Planning Board

Approved: XX XX, 2025