



## Agenda Abstract PLANNING BOARD

Meeting Date: September 19, 2024  
Department: Planning and Economic Development Division  
Agenda Section: 4A  
Public hearing: Yes  
Date of public hearings: August 15, 2024

### PRESENTER/INFORMATION CONTACT

Molly Boyle, Planner II  
Shannan Campbell, Planning and Economic Development Manager

### ITEM TO BE CONSIDERED

**Subject:** Paliouras Tract Master Plan amendment

#### Attachments:

1. Submitted Application Package
2. Vicinity, Zoning, and Future Land Use Maps
3. Original Paliouras Tract Master Plan & Approval
4. Staff Analysis
5. Draft Consistency Statement

#### Background & Proposal:

In 2019, James Paliouras submitted annexation, rezoning, and master plan applications for several parcels totaling 25 acres east of NC Highway 86 S and south of the I-85 interchange. The 25 acres is known as the “Paliouras Tract.” The Board of Commissioners approved the requests on June 10, 2019. This annexed the Paliouras Tract to the town, rezoned it to Entranceway Special Use (ESU), and enacted the master plan.

Vicinity, zoning, and future land use maps for the Paliouras Tract are enclosed, as are the master plan and the Resolution of Approval. Note that the Sheetz site (1990 NC 86 S; PIN 9873-69-3547) is not part of the Paliouras Tract. It was annexed and rezoned separately and is zoned High Intensity Commercial (HIC).

The applicant is proposing the following amendments to the Paliouras Tract Master Plan:

- Change the allowable land uses for lots 1, 2, and 8 from retail and hotel/retail to multi-family residential to allow for the development of apartments (see original master plan map to the right);
- Allow a maximum of 260 apartment units, 30% of which would be affordable to those making 70% of the average median income (AMI); and
- Set a maximum building height of 60’ for the apartment units.



Original Paliouras Tract Master Plan 2019

The applicant is proposing to amend the master plan for the Paliouras Tract but not the zoning designation. If this amendment request is approved, the zoning will remain

Entranceway Special Use (ESU). Under the terms of the master plan, the applicant will need to submit a Special Use Permit application, including a site plan, to the Board of Adjustment for approval to develop the property.

Note the applicant has submitted a sketch plan showing a conceptual layout for the apartment units. This is for illustrative purposes only. If the proposed master plan amendments are approved, the applicant will be submitting a site plan to the Board of Adjustment as stated above.

The joint public hearing for this proposal was held on August 15, 2024. The draft minutes for the hearing are enclosed in this agenda packet for Planning Board review and approval.

**Comprehensive Sustainability Plan goals:**

- Land Use and Development Goal 1:  
Ensure that future growth and development, including infill and redevelopment, are aligned with smart growth principles and consider infrastructure constraints such as water and wastewater system capacity.
- Strategy:  
Develop and adopt plans that contribute to meeting preferred future land use and growth patterns.

**Financial impacts:** To be determined

**Staff comments and recommendations:**

See the enclosed Staff Analysis for detailed comments from Planning and Utilities staff.

If the boards wish to approve the Master Plan amendment, staff recommends the following conditions. The applicant has not yet agreed to these conditions and may propose changes to them. Ultimately, the Board of Commissioners and the applicant will have to agree to the conditions if the request is to be approved.

1. Thirty percent (30%) of the apartment units shall be affordable to those making 70% of the average median income (AMI).
2. A deed restriction shall be recorded reserving the affordable units for a period of ninety-nine (99) years and requiring annual certification with the town of the number of affordable units before a Zoning Compliance Permit will be issued for the first apartment building.
3. The developer shall modify the intersection if needed and install a painted crosswalk with high-visibility striping, pedestrian signal heads, and a flashing beacon at the intersection of NC 86 S and Paliouras Court/Hampton Point Boulevard as allowed and approved by the North Carolina Department of Transportation.
4. The developer agrees to accelerate payment of System Development Fees (SDFs) sooner than otherwise provided by state statute for the apartment development upon its Special Use Permit approval to provide better cash flow for downstream capital improvement projects that are needed and will benefit the project. SDFs shall be paid within sixty (60) days of Special Use Permit approval. The SDFs shall be calculated based on the unit bedroom counts, and construction drawing approval will not be issued until the appropriate SDFs are paid. SDFs shall be those in effect at the time of payment.
5. The developer shall contribute to the cost of upgrading the Town of Hillsborough sewer system to handle the additional flow generated by the proposed project. This contribution shall be made before the approval of the site plan for the apartments and will be used by the town to install upgraded facilities, monitoring equipment, and controls. The developer will update the Town's sewer model to include the proposed development. The updated model will generate modeling results that show a

hydraulic grade line of the existing system and the existing system with all approved projects plus the proposed projects.

6. If the results indicate that sewer is flowing deeper than half full on an average day, or above the top of the pipe on a full day, the developer will upgrade the sewer outfall to ensure the pipe flows at half full and does not surcharge during peak events. The model will be updated to show the required improvements keep the hydraulic grade line at half full on an average day and within the pipe on a peak day. There will be no Town participation in the cost of hydraulic modeling, design, or construction of the improvements required by the modeling.

**Action requested:**

Make a recommendation on the proposed Master Plan amendment