



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date:	Sept. 8, 2025
Department:	Planning & Economic Development Division
Agenda Section:	Regular
Public hearing:	Yes
Date of public hearing:	May 15, 2025

PRESENTER/INFORMATION CONTACT

Molly Boyle, Senior Planner

ITEM TO BE CONSIDERED

Subject: Text amendment to Unified Development Ordinance Table 6.3.1, Dimensional Requirements – Residential (initiated by applicant, WP East Acquisitions LLC)

Attachments:

1. Text amendment application
2. Draft text amendment from applicant with revisions based on public hearing comments
3. Map showing parcels that would be affected by the proposed text amendment
4. Staff research on affordable housing incentives and requirements in neighboring municipalities
5. Draft consistency statement
6. Draft ordinance

Summary:

WP East Acquisitions LLC is requesting an amendment to Unified Development Ordinance Table 6.3.1. Specifically, the applicant is requesting changes to the maximum density and building height requirements for the Multi-Family and Multi-Family Special Use districts.

Joint public hearing

An applicant version and a staff version of the text amendment were presented at the public hearing on May 15. The applicant's version was more restrictive (*i.e.*, applied to fewer properties in town). Staff's version applied more broadly, but it also required a development agreement approved by the town board.

Board members expressed concerns about the broader nature of staff's version, citing the upcoming Unified Development Ordinance rewrite and the desire for more detailed affordable housing regulations. No members of the public spoke on this item at the hearing. Hearing minutes are available online: [MEET-Minutes-884991f9d3224981a1bd27488773d857.pdf](https://www.hillsboroughcountync.gov/MEET-Minutes-884991f9d3224981a1bd27488773d857.pdf).

Planning Board recommendation

At its meeting on June 26, the Planning Board reiterated concerns about making the amendment too broad. Board members also discussed whether the proposed minimum of 10% affordable dwelling units was a high enough percentage. The Planning Board ultimately decided that it was, but it noted a desire for more comprehensive affordable housing regulations in the Unified Development Ordinance update.

The Planning Board recommended approval of the applicant's text amendment (5-0). Meeting minutes are available online: [MEET-Minutes-c9c1799663f54513a2b5137482c3a1ae.pdf](https://www.hillsboroughcountync.gov/MEET-Minutes-c9c1799663f54513a2b5137482c3a1ae.pdf).

Comprehensive Sustainability Plan goals:

Land Use & 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: Ensure that land use and development regulations are aligned with preferred future land use and growth patterns.
- Action: Ensure that the Unified Development Ordinance incorporates strategies to achieve a mix of housing types through zoning.

Financial impacts:

None.

Staff recommendation and comments:

The applicant has prepared a map showing the parcels eligible for higher maximum density (see attached). Based on the current zoning map, only four parcels would be eligible. These four parcels are already developed with multi-family buildings. If the property at 1001 Corporate Drive is rezoned to Multi-Family, it would be eligible too.

Staff recommends approval of the applicant's proposed text amendment as shown in Attachment 2 for the following reasons:

1. Density bonus in current Unified Development Ordinance has not been used.
Currently, the ordinance allows increased density in the multi-family districts only if *all* dwelling units in a development are affordable at 80% AMI or less. No projects in town have ever used this density bonus.

Completely affordable housing projects are funded through subsidies, like the Low-Income Housing Tax Credit program. Competition for tax credits is high, and the credits in Orange County are usually awarded to projects in Chapel Hill, which has a robust affordable housing program.
2. Proposed change consistent with neighboring municipalities.
The proposed minimum of 10% affordable units is consistent with neighboring jurisdictions, which require a minimum of 10-15% affordable dwelling units in exchange for development incentives (see enclosed staff research matrix).
3. Development agreement required.
The text amendment also includes language requiring a development agreement to receive the proposed density bonus. Development agreements must be reviewed and approved by the town board. So, the town board could negotiate the amount of affordable housing with the applicant. The board could also weigh additional factors (*e.g.*, contributions to water and wastewater infrastructure; alternatives to affordable housing construction, such as a payment-in-lieu or dedication of land).

Action requested:

Vote on the proposed text amendment.