



## Agenda Abstract

### JOINT PUBLIC HEARING

Meeting Date:	August 15, 2024
Department:	Planning & Economic Services Division
Agenda Section:	5G
Public hearing:	Yes
Date of public hearing:	August 15, 2024

#### PRESENTER/INFORMATION CONTACT

Molly Boyle, Planner II  
Shannan Campbell, Planning & Economic Services Manager

#### ITEM TO BE CONSIDERED

**Subject:** Unified Development Ordinance (UDO) text amendment (applicant-initiated): Section 5.1.8 *Use Table for Non-residential Districts*

##### Attachments:

1. Application materials, including proposed revisions and reasoning
2. Map of GC zoned properties in town's jurisdiction

##### Background:

The applicant owns two parcels on US 70 E totaling approximately 16.43 acres (PINs 9875-10-4533 and 9875-00-9537). The parcels were previously zoned Entranceway Special Use (ESU) with a master plan, which allowed for a variety of non-residential uses. The parcels were then annexed and rezoned to General Commercial (GC) on June 21, 2023, at the applicant's request. The House at Gatewood restaurant is on PIN 9875-10-4533. The other parcel is undeveloped.

##### Proposal:

The applicant's submittal, including the proposed amendment and justification, is attached. The applicant is proposing to amend Table 5.1.8 *Use Table for Non-residential Districts*. Specifically, they are proposing the following uses be allowed in the General Commercial district subject to a Special Use Permit:

- Dwelling, Attached (5-19 units)
- Dwelling, Attached (20+ units)

##### 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.

**Financial impacts:** None

##### Staff comments:

###### Planning

Note that single-family residences (and associated accessory dwelling units) are allowed by right in the General Commercial district. It appears the district was originally applied in areas with a high concentration of existing single-family residences along a major thoroughfare.

The UDO does not intend for multi-family residential uses in the General Commercial (GC) district. UDO Section 4.2.5, *General Commercial District (GC)* states, “the purpose of the GC District is to accommodate a diverse range of retail, service, and office uses that provide goods and services to the residents and businesses in the community at large...”. If multi-family residential uses are to be allowed in General Commercial, this language in Section 4.2.5 will need to be amended.

Allowing multi-family uses in the General Commercial district may also necessitate amending the Future Land Use Plan. For example, the applicant’s properties are zoned General Commercial and designated as Retail Services on the Future Land Use Map/Plan. The plan envisions Retail Services near residential development, but it does not envision mixed-use development, such as retail and multi-family residential on the same parcel. The plan would need to be amended to include residential uses in any Future Land Use category that corresponds with the General Commercial district. The Future Land Use Map/Plan can be found under “Ordinances and Other Guiding Documents” on the town’s website: <https://www.hillsboroughnc.gov/about-us/departments/community-services/planning>.

Creating more opportunities for mixed-use development is reasonable, even desirable. However, with upcoming updates to the UDO and Future Land Use Map/Plan, the proposed amendment is premature. This amendment would apply to all GC-zoned properties and would necessitate additional amendments to the UDO and Future Land Use Map/Plan. Further research would be necessary to determine the feasibility of allowing multi-family development on all existing parcels zoned General Commercial.

A request to rezone the applicant’s parcels to Planned Development (PD) or Multi-Family (MF) would be more appropriate to achieve mixed use development or multi-family development in this location. However, rezoning the parcels would still not guarantee utility capacity, and there are concerns about the town’s ability to serve multi-family development in this location (see comments from Utilities below).

#### Utilities

The town’s sewer model is based on flow rates from commercial developments consistent with Subchapter 02T, *Waste Not Discharged to Surface Waters* in the North Carolina Administrative Code. Flow from residential development within commercial areas is consistently higher than commercial flows (even with the state’s recent reductions in residential flows).

Utilities would need to re-model the impacts of allowing multifamily “by right” in commercial areas before confirming that the utilities system could support this change. It is unlikely that modeling the areas impacted by the proposed amendment will indicate that capacity is available to support the proposed UDO change given observed current capacity constraints in the sewer system.

#### **Staff recommendation:**

Staff recommends denial of the proposed text amendment.

#### **Action requested:**

Hold the public hearing. The item will then go to the Planning Board for recommendation on September 19, 2024.