

Minutes

PLANNING BOARD

Regular meeting

6:30 p.m. Sept. 19, 2024

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



Present: Chair Frank Casadonte, Vice Chair Hooper Schultz, Jeanette Benjey, Robert Iglesias, Saru Salvi and Christian Schmidt

Absent: Members John Giglia, Sherra Lawrence and Tiffney Marley

Staff: Planner II Molly Boyle, Planning and Economic Development Manager Shannan Campbell, Environmental Engineering Supervisor Bryant Green and Town Attorney Bob Hornik

1. Call to order and confirmation of quorum

Chair Frank Casadonte called the meeting to order at 6:30 p.m. Planner Molly Boyle confirmed the presence of a quorum.

2. Agenda changes and approval

There were no changes to the agenda.

Motion: Member Robert Iglesias moved to approve the agenda as it stood. Member Christian Schmidt seconded.

Vote: 6-0

3. Minutes review and approval

Minutes from regular meeting on Aug. 15, 2024.

Motion: Vice Chair Hooper Schultz moved to approve the minutes as presented. Member Jeanette Benjey seconded.

Vote: 6-0

4. Discussion

A. Paliouras Tract Master Plan amendment (applicant-initiated)

Boyle began with a review of the proposed master plan amendment for the Paliouras Tract, including staff recommendations. Boyle replied to Casadonte's request for the Waterstone South development timeline, stating that it is planned to reach full build-out in nine years.

The applicant, Seth Coker of Comet Development, presented a table from the North Carolina Department of Environmental Quality (NCDEQ) showing water usage for hotels versus multi-family dwellings. Based on this, Coker stated, multi-family developments require less water and generate less wastewater. Coker commented on the table of projects in the staff analysis, which showed developments that were approved by the town but not yet built. He remarked that some of the projects on the list were approved in 2016 and still had not been built.

Next, Environmental Engineering Supervisor Bryant Green explained NCDEQ just lowered the flow rates for residential development this year, but they have not updated non-residential flow rates yet, which explains the discrepancies between NCDEQ's residential and nonresidential flow rates. Also, he stated that staff suggested conditions for the proposed amendment, which the applicant had not accepted, so Utilities staff was recommending denial of the proposed amendment.

Member Saru Salvi inquired about the conditions. Green summarized the Utilities Department's recommended conditions and said he did not think they were in the agenda packet. Member Christian Schmidt clarified that the conditions were included in the board's agenda packet, and his recommendation for approval was dependent on the conditions. Boyle confirmed, saying that the agenda packet included recommended conditions from both Planning and Utilities staff, and the applicant had not yet agreed to the conditions.

Coker stated that he had not received a response to his follow-up email about the conditions. The board asked the applicant to summarize his proposed changes. Coker suggested the following changes to the conditions and discussed them with the board and staff:

- Condition 1: change the proposed Average Median Income (AMI) to 80% instead of 70% based on a discussion he had with a commissioner;
- Condition 2: reduce the 99-year deed restriction to 10 years;
- Condition 3: acceptable (no changes);
- Condition 4: require that System Development Fees (SDFs) be paid at construction drawing approval instead of at Special Use Permit (SUP) approval; and
- Condition 5: include only current/active development projects in the updated sewer model.

Casadonte and Schmidt noted that the 99-year deed restriction in Condition 2 may be a way to ensure lifetime affordability.

In regards to Condition 5, Coker noted that Collins Ridge was included in the "approved but not built" table in the staff analysis. He said Collins Ridge was approved in 2016 but had not been built yet. Coker indicated that, if the sewer modeling/study was going to include the projects listed in the table, he did not think Collins Ridge should be included since it was not active.

Boyle explained that the overall Collins Ridge development was zoned in 2016, but it is being developed in phases. Green confirmed that construction drawings were under review for Collins Ridge Pod D, which is what was included in the table in the staff analysis. Coker said he understood and was amenable to using it in the modeling/study.

Green said staff could work with the applicant to come up with mutually agreeable language for the other Utilities conditions. Salvi said she wanted staff and the applicant to further discuss the conditions and come to an agreement before the Planning Board voted.

Board members debated whether to vote or table the item to their next meeting. Also, Schmidt discussed adding walkability to the conditions and perhaps changing the affordable housing condition to include units affordable to varying AMIs. Salvi agreed with Schmidt. Schmidt then proposed a required buffer between the proposed multi-family development and the existing car dealership. Boyle stated she would investigate the existing buffer requirements.

Motion: Saru motioned that the board table the discussion to the next meeting. Schmidt seconded.
Vote: 6-0. Motion passed.

B. Unified Development Ordinance (UDO) text amendment to Section 5.2.8, *Dwelling, Accessory* (applicant-initiated)

Boyle began with a review of the proposed text amendment and staff recommendations.

The applicant, Natalie Dolgireff, addressed the board and explained the desire for detached Accessory Dwelling Units (ADUs) to be allowed on private streets. Dolgireff thanked the board for their consideration. Schmidt then inquired whether Dolgireff had viewed staff’s proposed version of the text amendment and if she thought it would be an acceptable solution. Dolgireff confirmed that she saw staff’s version and requested clarification on some aspects. Boyle explained that under staff’s version of the text amendment, ADUs will be allowed on private streets only if the private street conforms to the town’s private street standards.

Iglesias asked if a variance would be a better option in this case as opposed to a UDO text amendment. Boyle explained that a variance request is supposed to address a unique property issue. Since the issue/property is not unique in this case, the text amendment process was more appropriate for Ms. Dolgireff.

Casadonte asked Utilities staff to explain how attached and detached ADUs differ in terms of utilities. Green explained that, historically, utilities on private roads in Hillsborough were not well-documented with easements or plats. That tends to cause more problems for detached ADUs than attached ones. When building detached ADUs on private roads, utility lines without easements are often found, and sometimes these lines support other dwellings off the property, which creates complications. For attached ADUs, residents are typically tying on to their existing water and sewer connections. Also, an attached ADU is obviously closer to the main dwelling comparatively, where it is less likely to conflict with existing, undocumented utility lines out in the yard.

Dolgireff inquired about separate metering and sewer for ADUs. Green explained that residents can opt for separate metering or tie to the existing service.

Brynn Shreiner, a property owner in Hillsborough on a private street, asked to address the Planning Board. The Planning Board gave him permission to speak. He explained a detached or attached ADU would require property owner payment for utility upgrades regardless, which he agreed with. He pondered the effects on public safety for attached versus detached ADUs and thanked the board and applicant for their time and effort.

The board discussed the amendment. Jeanette Benjey voiced support for the amendment because she felt it was fair to residents on private streets. Schultz thanked the staff for its recommended changes, which would allow more density in town while considering safety and service. However, he noted he would eventually like to see the town move away from private streets. Salvi expressed support for the text amendment as well.

Motion: Schmidt motioned to recommend the text amendment to the town board with staff’s revisions.
Schultz seconded.
Vote: 6-0. Motion passed

C. UDO text amendment to Section 5.1.8 *Use Table for Non-residential Districts* (applicant-initiated)

Boyle began with a review of the proposed text amendment and staff recommendations.

The board recessed at 7:24 p.m. due to technical issues with the projector. The board reconvened at 7:32 p.m.

The applicant, Jenn Spada, explained her position that allowing multi-family development with a Special Use Permit (SUP) in the General Commercial (GC) district would create more flexibility for all GC-zoned parcels and benefit the town. She shared a town zoning map and highlighted the GC-zoned properties. She said the Planned Development rezoning process requires significant upfront costs. Also, she maintained that the SUP process would still give the town control over multi-family development in the GC district. Schultz clarified that the Board of Adjustment would make the SUP decision, not the Planning Board and Board of Commissioners. Spada acknowledged this. She went on to state that commercial, mixed-use concepts align with the town's sustainability and growth goals.

Casadonte inquired about existing methods to build residential in GC districts. Planning and Economic Development Manager Shannan Campbell said the current method to develop multi-family in General Commercial would be to rezone to either Multi-Family for solely residential use or Planned Development for mixed-use. She also noted that if the boards want to allow multi-family development in the GC district, staff has some recommended revisions to the text amendment. The revisions are intended to make sure development in the GC district would be either commercial or mixed-use, not just solely residential.

Schultz clarified the applicant is not amenable to PD rezoning. Spada reiterated the proposed amendment is for all GC properties, and PD rezoning requires extensive planning and professionally prepared plans, which is difficult for smaller properties. Casadonte and Spada debated the pros and cons of the SUP process versus rezoning and potential strategies to develop GC properties. Boyle interjected that an SUP requires site plan approval from the town's Technical Review Committee before the request can go to the Board of Adjustment for decision. Salvi asked if an SUP request requires a public hearing. Boyle said it does not. It would require an evidentiary hearing.

Town Attorney Bob Hornik explained that the SUP hearing would be open to the public, but not all members of the public could speak like they did at the public hearing for this text amendment. At the quasi-judicial/evidential hearing for the SUP, only people with standing could participate in the hearing. Salvi stated she favors public hearings and for all voices of Hillsborough to be heard.

Schmidt asked if the town did any analyses when preparing the Comprehensive Plan to determine 1) the demand for commercial space and 2) if enough space on the Future Land Use Map had been allocated for commercial. Campbell said some of that was done in the Economic Development chapter. She said she didn't see the proposed change as taking away from the commercial base as long as the developments are truly mixed-use, not just residential. Schmidt said he appreciated the staff recommendation from the packet that acknowledges the importance of mixed-use but suggests working on that during the rezoning/UDO rewrite instead of right now. Schultz stated he supports mixed-use development but was not convinced that this text amendment was what would work best for Hillsborough at this time.

Ron Spada addressed the board. He reiterated that, with the right language, the proposed text amendment could incentivize development and support the town's goals. Schmidt said if the goal is to create a true, mixed-use district with commercial priority, then the board should ask staff to investigate what that could look like, as opposed to changing the GC district now. Iglesias expressed concern that opening the GC district puts staff in a position of having to quickly consider and address all possible, unintended consequences of that. He said he thought the existing path to mixed-use development (rezoning) seems like it would work better.

The board discussed new zoning options to achieve the goals of the text amendment. Boyle stated staff is amenable to exploring this with the UDO update. Spada explained the toll the rezoning process can take on a small business owner and emphasized the incentive the text amendment would give to other small business owners on GC-zoned lots.

Schmidt said the conversation so far had focused on the merits of SUPs versus rezonings, and he wanted to bring it back to whether the town wants to conditionally allow multi-family residential in the General Commercial district. He said in his opinion, he did not support that right now. Casadonte and Salvi agreed. Schultz recognized the difficulties for the applicant, but said he did not support approval of the text amendment. Iglesias agreed and said he did not feel the text amendment would serve the broader interests of the town. Benjey agreed with Iglesias. She said she supported mixed-use but was not convinced this text amendment was the best path.

Motion: Schultz motioned to recommend denying the text amendment. Salvi seconded.
 Vote: 6-0. Motion passed.

Schmidt suggested the applicant get involved during the UDO update process to share their knowledge and ideas for mixed-use development. Casadonte thanked the applicant for their time.

D. UDO text amendment to Section 3.13, *Administrative Procedures- Site Plan Review* (staff-initiated)

Boyle, in lieu of Senior Planner Tom King, summarized the site plan review process and proposed text amendment. She stated the changes were intended to remove administrative barriers to developing duplexes, triplexes, and quadplexes. Iglesias said he favored the proposed changes. Other board members concurred.

Motion: Iglesias recommended approving the text amendment. Schmidt seconded.
 Vote: 6-0. Motion passed.

5. Updates

A. Board of Adjustments

There was no report since the Board of Adjustment has not met recently.

B. Parks and Recreation Board

Schultz gave an update on the Ridgewalk project. He requested staff send the Ridgewalk Benefits Analysis to the Planning Board. He noted that the estimated return on investment for the Ridgewalk is 72 cents extra on the dollar for every dollar the town invests in it. He said he was pleasantly surprised by that estimate.

C. Staff and Board Members

Boyle reported the new Planning Technician, Seth Brown, had started work.

6. Adjournment

Motion: Schultz motioned to adjourn the meeting. Schmidt seconded.
 Vote: 6-0. Motion passed.

Meeting adjourned at 8:18 pm.

Respectfully submitted,



Molly Boyle, Planner II
 Staff support to the Planning Board

Approved: Month X, 202X