



PLANNING BOARD RECOMMENDATION  
OSCEOLA LAKE INN REDEVELOPMENT (25-102-CZD)  
MEETING DATE: March 12<sup>th</sup>, 2026

PETITION REQUEST: Rezoning: R-10 Medium Density Residential Conditional Zoning District (R-10 CZD)  
APPLICANT/PETITIONER: Fiona McColley [Applicant] Green Horizons Property Group, LLC [Owner]

**PLANNING BOARD ACTION SUMMARY:**

The Planning Board voted 9-0 to recommend approval of this petition and adopted the following motion:

**PLANNING BOARD MOTION:**

*Mr. Johnson moved the Planning Board recommend City Council adopt an ordinance amending the official zoning map of the City of Hendersonville, changing the zoning designation of the subject's property (PIN number 9568-31-5964) from R-15 CZD, Medium Density Residential Conditional Zoning District, to R-10, CZD, Medium, Density Residential Conditional Zoning District based on the site plan and list of conditions submitted by and agreed to by the applicant, (dated 2-12-26) and presented at this meeting, and subject to the following: 1. The development shall be consistent with the site plan, including a list of applicable conditions contained therein. Adaptive reuse, Hotel and accessory use of cafe, bar, retail, offices, wellness. Artist Studio, 14 residential units. 2. Permitted uses and applicable conditions presented on the site plan shall be amended to include: 1. The project must be in compliance with all applicable fire, utility, NCDOT, and stormwater standards upon final site plan approval. 2. The renovation of the historic structure should be done in the spirit of the Secretary of Interior Standards for Rehabilitation. 3. The resiliency hub shall be constructed as part of the residential construction phase of the plan. 3. The petition is found to be consistent with the City of Hendersonville Gen H Comprehensive Plan based on the information from the staff analysis and the public hearing, and because: the petition is consistent with a range of Goals, Guiding Principles, and the Future Land Use Designation of Family/ Neighborhood Living as defined in Chapter IV of the Gen H Comprehensive Plan. 4. We find the petition to be reasonable and in the public interest based on the information from the staff analysis, public hearing, and because: 1. The petition proposes to adaptively reuse an important historic structure. 2. The petition provides needed additional housing on a portion of the property. 3. The petition provides a number of sustainability features that align with the goals identified in the comprehensive plan. 4. The petition seeks to revitalize an outdated commercial area. Ms. Zafra seconded the motion which passed unanimously.*

## OVERVIEW OF BOARD DISCUSSION FROM MEETING MINUTES

The Planning Board convened on this project for **30 minutes**.

*Fiona McColley, 159 Osceola Road stated the historical structure itself really isn't being changed any more than it has been through past applications. We're really done with what we're doing there, it's just the uses that we can put inside the building that we're putting in this petition. So there won't be really any needs that I could see where the historical preservation side of things needs to be really sort of considered or debated, because we're at that point where this is how it's staying.*

*Ms. McColley showed a photo of the Wellness Center and stated it is not in front of the primary structure but off to the side and rear.*

*Joey Burnett stated he lives at 511 West Chestnut, which is on the south side of the lake. He showed the elevation that gave the height differences of the buildings.*

*Ms. Flores asked if they could speak to the units, the 14 units, and what those are going to look like? Mr. Burnett stated the site is terraced, so the inn sits at the highest level, and then this sits at the lowest level of the site. Currently, there's a, like, a recreational yard in this place, like a fenced-in tennis court. It's essentially a kudzu farm right now. So we are rehabbing that existing recreational level of the inn, so we're not disturbing a lot of area, because it's already kind of re-greening a lot of that original courtyard. But, we have six duplexes and then two single-family residences. So the duplexes, there's four models that make up the bulk of the duplexes. One of the units is a one-bedroom, and then the other side of that duplex is a two-bedroom. And then we have two duplexes that are built into the hill, to kind of maximize our area. They have green roofs to kind of alleviate the impervious considerations there, but each of those duplexes have two bedrooms. And then those single-family detached units to the north and south are three-bedroom units and then they're kind of centered around that central courtyard to kind of facilitate more of a community feeling. And then the clubhouse component is up the hill a little bit and that's what we're calling the Resiliency Center. They are trying to squeeze out some of the square footage of those units in order to make them more affordable and put some of those shared amenities in the resiliency hub. So, if you need to entertain your guest, you can go to the Resiliency Hub if you have families staying, they can stay in the inn, those type of things, and make those houses a little bit more efficient. Mr. Burnett stated there will be greenspace all around and in between. There will be no garages.*

*Chair opened public comment.*

*John Titus, 203 Vance Street stated a lot has changed in that area since that time. Helene didn't really do us any help, and across from this property, there are a couple new homes. One new home has gone in, and another neighbor took down probably 15 trees that were all 42 inches in diameter, scraped his yard. So, we have a little bit of a better view of the inn than we would like. If my wife were here, she's not a fan of the food truck. I think that what is proposed is, I wasn't able to come to the neighborhood meeting, so I apologize for that. You've done a lot of work since then, I can tell, and I appreciate the quality of where it's headed. I do have some issues with some things. I think it's an aggressive plan. We're adding 19,000 square feet over*

what it had, according to what I have read. I did go through all of this, and the staff recommendations and so forth. I do think, albeit it's not a historic building, to put that other building out front, the Wellness Center. I think for those of us who live in the community, who come up Osceola, that's a big impact. It'll be there visually, it's not far from the road. No matter what landscaping they do, even though it's a single-story building, it will block out a bit of the view of the inn itself. And if you were actually in the spirit of the interior design standards, they don't like buildings, the site itself is a part of the standard, and they don't like buildings that are out in front of, or that aren't compatible. They don't want it to look historic, they want it to look different, but they want it to be compatible with the architecture. If you look at the concepts that have been done so far, I don't know that that's necessarily the case. The scale is compatible, but not necessarily the architecture, and I'm an architect by training, I've practiced for 40 years in all different areas along the East Coast in historic districts. I'm concerned that what they might become is something that's more intense, require more parking. I think overall the potential's there, but I'm not necessarily a fan of the developer's condition of having a building out in front of the principal structure, I think there's other places it could go. When you put all the residential parking down the side, and put in lighting that's adequate to light those up. That's going to light up the night sky, where right now we have great stars at night. And visibility, I'm worried about that. Construction traffic, which way are they coming in? The noise, so the more that it can be contained behind the existing structures that are there, the better it will be.

Ken Fitch, 1046 Patton Street stated this ambitious, visionary project arrives before us in a three-phase plan. Phase 1 calls for adaptive reuse of the historic inn, and this has broad public support. Guidelines to ensure its preservation are appropriate. One question is whether the artist studio units will be adaptably converted in Phase 1 and would these be considered historic and retain their current exterior character? Phase 2 would introduce new structures. One structure would be a wellness center. Question is, is this a support entity for the inn, or is it a separate entity with separate management? If the Wellness Center operates as a public amenity. Then the question is, what is the estimated capacity and the parking availability? As you've heard, is the parking adequate for that use at that location? Regarding the office building, is that an adaptive reuse or a new structure? And the compatibility of the Phase 2 structures with the historic scene of the inn becomes important, as you've just heard from the previous speaker. It is a concern because the historic character of the inn is an attribute that people, value and support. Phase 3 is definitely the more visionary element of this project, and in concept, it could become an artist community entity with housing and studios on-site. It would have enormous cultural impact on our area. But during the neighborhood compatibility meeting, neighbors raised many issues and concerns about the functionality of this Phase 3 of the plan, with the issues of traffic and compatibility, as the previous speaker has mentioned.

There was suggestion at that meeting of further dialogue, and one hopes that there has been some resolution of some very serious and specific issues that must be addressed. Clearly, there are major issues regarding utilities, fire access, and NCDOT issues that are unresolved, and parts of the plan are vulnerable to required changes. But the purposes here are admirable, but compatibility and functionality must also be addressed for Phases 2 and 3.

Rhea Burnett, 511 West Chestnut Drive, stated she lives just down the road from the proposed plan, and I love this idea, and I am an avid tea drinker of North Carolina, and know many people that are, and think it would be a great asset. I took some notes during different parts of this that I just wanted to address while having the floor. The words adaptive reuse of this site were used, and I believe that with the proposed plan, this can add great value to the neighborhood and increase the adaptive use of this site. I think that this is going to just make everything so much better on this site, and I'm all for it.

Virginia Tegel, 418 Midway street stated she has had the good fortune to travel and live in places where we've had a much more dynamic mixed-use development. So, people lived in mixed-use for thousands of years, until the last hundred years, when we focused on the single-family subdivision model. And I am perfectly excited to see something in the future that goes back to what we've all enjoyed and experienced.

I love the idea of a village with necessities and amenities close by. Personally, I have spent a good deal of time on the property, and when you talk about traffic again, looking forward to a less car-centric society. I live about a mile away, and most of the time I'm able to ride my bike when I go to participate there. So, I really appreciate the fact that the city, on a practical sense, says that this is compatible with the comprehensive plan, and if you look at the dreamer sense, especially right now, I'm sure you've all noticed the price of gas. This is a village that we could all enjoy living in. In fact, in my times visiting there, I've said, in another maybe 15 years, I would love to be there when I'm not able to maintain my own property like I do now. I'm also kind of shocked that no one yet has remarked on the dramatic improvement that this project would bring to this site. So, I commend the development of this project, I look forward to approving it, and I look forward to living there someday.

## **BOARD ACTION:**

Motion:

- Bob Johnson

Second:

- Betsey Zafra

Yeas:

- Jim Robertson, Lauren Rippey, Donna Waters, Betsey Zafra, Bob Johnson, Mark Russell, David McKinley, Tamara Peacock, Laura Flores

Nays:

- None

Absent: Kyle Gilgis

Recused: None