



**CITY OF HENDERSONVILLE**  
**AGENDA ITEM SUMMARY**  
**PLANNING DIVISION**

**SUBMITTER:** Matthew Manley, Planning Manager

**MEETING DATE:** May 2, 2024

**AGENDA SECTION:** Public Hearing

**DEPARTMENT:** Community Development

**TITLE OF ITEM:** Rezoning: Conditional Zoning District – Osceola Inn Adaptive Reuse (P23-70-CZD) – *Matthew Manley, AICP – Strategic Projects Manager*

**SUGGESTED MOTION(S):**

**For Recommending Approval:**

I move City Council **adopt** an ordinance amending the official zoning map of the City of Hendersonville changing the zoning designation of the subject property (PIN: 9568-31-5964) from R-15 (Medium Density Residential) to R-15 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 February 5, 2024,] and presented at this meeting and subject to the following:

**1. The development shall be consistent with the site plan, including the list of applicable conditions contained therein, and the following permitted uses:**

1. Adaptive Reuse including:
  - a) Hotel with:
    - 20 Guest Rooms
    - Event & Conference Space
    - Café
  - b) Residential, Multi-Family
    - 26 - 1 & 2 Bedroom Units

*[for amendments to uses or conditions discussed and agreed upon in the meeting (between City & Developer) and not yet represented on the site plan, please use #2 below - **if no amendments are made in the meeting, disregard #2 below and skip to next item using number in parentheses**]*

**For Recommending Denial:**

I move City Council **deny** an ordinance amending the official zoning map of the City of Hendersonville changing the zoning designation of the subject property (PIN: 9568-31-5964) from R-15 (Medium Density Residential) to R-15 CZD (Medium Density Residential - Conditional Zoning District) based on the following:

1. **The petition is found to be consistent with the City of Hendersonville 2030 Comprehensive Plan, but inconsistent with the Future Land Use Designation, based on the information from the staff analysis and the public hearing, and because:**

The adaptive reuse of an historic structure aligns with strategies in the 2030 Comprehensive Plan including Strategy CR-1.5, however the Medium Intensity Neighborhood Future Land Use designation does not recommend any commercial uses or multi-family uses on local streets.

2. **We do not find this petition to be reasonable and in the public interest based on the information from the staff analysis, public hearing and because:**

1. The proposed hotel and multi-family uses are incompatible with the surrounding single-family homes.
2. The proposed use would generate excess traffic on local streets.

**[DISCUSS & VOTE]**

**2. (skip if not applicable) Permitted uses and applicable conditions presented on the site plan shall be amended to include:**

- a.
- b.

**3(2). The petition is found to be consistent with the City of Hendersonville 2030 Comprehensive Plan based on the information from the staff analysis and because:**

The adaptive reuse of an historic structure aligns with strategies in the 2030 Comprehensive Plan including Strategy CR-1.5.

**4(3). Furthermore, we find the petition to be inconsistent with the Future Land Use Map based on the following:**

The Medium Intensity Neighborhood Future Land Use designation does not recommend any commercial uses or multi-family uses on local streets.

**5(4). Therefore we recommend designating the Future Land Use of the parcel as:**

*Neighborhood Activity Center* where multi-family residential, pedestrian amenities (plazas, outdoor seating, etc.) and mixed uses are secondary recommended land uses.

**6(5). We find this petition to be reasonable and in the public interest based on the information from the staff analysis, public hearing and because:**

1. The proposed use satisfies the Supplementary Standards for 'Adaptive Reuse'.
2. The proposed use as a hotel aligns with the original use of the property.
3. The historic structure and its use as an inn predate the surrounding single-family land uses.
4. The scale of the proposed reuse will not negatively impact the surrounding neighborhood.
5. The proposed rezoning will allow for preservation of the historic structure, into which reinvestment is greatly needed.

**[DISCUSS & VOTE]**

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**SUMMARY:** *The City of Hendersonville is in receipt of an application for a Conditional Zoning District from Fiona McColley of BL Corp of NC for the property located at 159 Osceola Rd (PIN: 9568-31-5964). The current zoning of the historic property is R-15 in the ETJ. The applicant is requesting to reuse the existing Osceola Inn for a 20-room hotel*

with conference/event space and café and 26-multi-family apartment/condo units. This is considered an ‘Adaptive Reuse’ which is permitted in the R-15 Conditional Zoning District (CZD).

The 3.75 Acre property and its associated structures would be rehabilitated. No new buildings are proposed to be constructed. The current site arrangement accommodates 42 parking spaces. The applicant will expand parking as needed (min 53) up to the amount shown on the site plan (67). Tree credits will be used to meet landscaping requirements. The existing Bradford Pears on the property are proposed to be removed.

The Inn was originally constructed in 1909 and was utilized for its original purpose until the early 2000s. Most recently the historic structure served as Heartwood Refuge which was categorized as Religious Institution. The R-15 zoning was likely applied when the surrounding area was added to the City’s ETJ in 1996.

At their meeting on April 11, 2024, the Planning Board voted unanimously to recommend approval of the CZD request.

<b>PROJECT/PETITIONER NUMBER:</b>	P23-70-CZD
<b>PETITIONER NAME:</b>	Fiona McColley, BL Corp of NC [Applicant / Owner]
<b>ATTACHMENTS:</b>	<ol style="list-style-type: none"><li>1. Staff Report</li><li>2. Proposed Site Plan / Tree Removal Plan</li><li>3. Planning Board Summary</li><li>4. Neighborhood Compatibility Summary</li><li>5. Draft Ordinance</li><li>6. Proposed Zoning Map</li><li>7. Application / Concept Plan</li></ol>