City of Asheville Staff Report

City Council Meeting Date: July 28, 2026

Staff Resources: Will Palmquist, AICP, Principal Planner; Stephanie Monson Dahl, Planning and Urban Design Director; Chris Collins, AICP, Assistant Director

Action Requested: Adoption of an ordinance to amend a previously approved conditional zoning for the property located at 301 E. Chestnut St for the purpose of making changes to the project conditions.

Project Location and Contacts:

- 301 E. Chestnut St (PIN 9649-63-6041)
- Owner: RCG Furman LLC
- Applicant: Daniel Leslie

Summary of Petition:

- The applicant requests an amendment to an existing conditional zoning for the purposes of making changes to the project conditions.
- The project site at 301 E. Chestnut St is 0.59 acres and is the location of the Princess Anne Hotel.
- The site is zoned Institutional - Conditional Zone (INST-CZ). No change in the zoning district is requested.
- The subject property is designated “Neighborhood Centers” on the city’s Future Land Use (FLU) Map. A change to the FLU Map is not required.
- The existing conditional zoning ordinance on the site (Ord No. 4671), adopted on May 22, 2018, was an amendment to a prior conditional zoning ordinance (Ord. No. 3388) which permitted the use of the site for a 16-room hotel with a dining room and three apartments for staff. The existing conditional zoning on site allowed for the expansion of the size of the dining room and conversion into a full-scale restaurant open to the public.
- The applicant is requesting an amendment to the existing conditional zoning on the site to allow for additional uses in conjunction with the existing hotel and restaurant uses, including:
    - Dwelling units
    - Retail sales
    - Eating/drinking establishments
    - Barber shops & beauty salons
- There are no planned additions or expansion of the existing structure. The request to amend the conditional zoning reflects the applicant’s plan to repurpose the existing staff apartments into different commercial uses that would operate separately from the existing hotel use.
- All other relevant conditions from the existing conditional zoning are included in the new project conditions, including those relating to off-street parking, sidewalks, and landscaping.

Staff Recommendation:

- Staff recommends approval of this conditional zoning amendment based on the reasons stated below.

Consistency with the Comprehensive Plan and Other Plans:

Living Asheville Comprehensive Plan (2018)

- The proposed conditional zoning amendment supports a number of goals in the Living Asheville Comprehensive Plan, including:
    - **Increase Mixed-Use Development Along Transit Corridors** - by incentivizing redevelopment, especially mixed-use development that contains housing, within identified transit-supportive centers (p. 135).
    - **Promote Great Architecture and Urban Design to Enhance Placemaking** - by promoting adaptive reuse as a means of conserving materials, history, and embodied energy in buildings (p. 140).
    - **Celebrate the Unique Identity of Neighborhoods Through Creative Placemaking** - by encouraging planning strategies that support the development of locally-focused neighborhood amenities, including restaurants, pubs, and other neighborhood services.(p. 154).
- The proposed conditional zoning amendment is compatible with the Future Land Use designation of “Neighborhood Centers", which is proposed, in part, as “a small development or corner store within a neighborhood or along a corridor with nonresidential community focused commercial activity and, sometimes, limited residential uses as a component of the commercial development. The commercial uses may include a restaurant, pub, small retail or office, religious institution or community center placed within the neighborhood fabric for the convenience of residents of the neighborhood serving as a focal point for the area.” (p. 340).

Compatibility Analysis:

- The proposed conditional zoning amendment is compatible with the surrounding land uses, including:
    - Commercial, office, and multi-family uses to the west of the site.
    - The larger surrounding residential neighborhood to the east and north of the site.

Council Vision 2036 Focus Area(s):

- This project is most closely aligned with the council goal of *A Well-Planned and Livable Community*.

Committee(s):

- Planning & Zoning Commission - July 1, 2026 - Approved (Vote 5:0)

Suggested Motion to Approve:

- I move to approve the conditional zoning request for the property located at 301 E. Chestnut St, zoned Institutional - Conditional Zone (INST-CZ), and find that the request

is reasonable, is in the public interest, is consistent with the city's comprehensive plan and meets the development needs of the community in that the request: 1) Incentivizes redevelopment, especially mixed-use development that contains housing, within identified transit-supportive centers; 2) Promotes adaptive reuse as a means of conserving materials, history, and embodied energy in buildings; and, 3) Encourages planning strategies that support the development of locally-focused neighborhood amenities, including restaurants, pubs, and other neighborhood services.

Attachment(s):

- This is the existing zoning map of 301 E. Chestnut St - Exhibit A
- This is the aerial imagery map of 301 E. Chestnut St - Exhibit B
- This is the existing future land use map of 301 E. Chestnut St - Exhibit C
- This is the site plan from the existing conditional zoning ordinance - Exhibit D
- This is the project conditions associated with the conditional zoning - Exhibit E
- This is the ordinance - Ordinance
- This is the conditional zoning application - Conditional Zoning Application
- This is the existing conditional zoning ordinance - Ord. No. 4671
- This is the previous conditional zoning ordinance - Ord. No. 3388
- This is the Planning & Zoning Commission staff report regarding 301 E. Chestnut St- PZC Staff Report
- This is the Signed Planning & Zoning Commission Recommendation for 301 E. Chestnut St - PZC Recommendation
- This is the draft Action Minutes of the Planning & Zoning Commission from July 1, 2026 - PZC Draft Action Minutes (7/1/26)