THE CITY OF ASHEVILLE

STAFF REPORT

City Council Meeting Date: February 22, 2022

Subject: Conditional Zoning Request for 343 and 357 W. Haywood St.

Staff Resource(s): Todd Okolichany, AICP, LEED AP ND, Planning & Urban Design Director; Shannon Tuch, RLA, Principal Planner

Action Requested: Conditionally zone properties located at 343 and 357 from Community Business I (CB I) to Community Business II - Conditional Zone (CB II - CZ).

Project Location and Contacts:

- The project site consists of two parcels totalling 0.86 acres located at 343 and 357 W. Haywood St. (PINs 9648-09-3101 & 9648-09-1095).
- Owners: Scott Carter & Andy Brockmeyer.
- Applicant: Haywood Street Community Development

Summary of Petition:

- The subject property is located on the north end of the West End Clingman Avenue Neighborhood (WECAN) and is currently zoned CB I.
- The subject property, along with one other parcel, were rezoned in 2018 from Neighborhood Business (NB) to CB I.
- Included in this petition is a request to construct 45 multi-family residential dwelling units in a single multi-story building, along with sidewalks, a combination of structured and surface parking, and other related site improvements.
- The applicant is seeking a conditional rezoning in order to modify structure size, height and density requirements.
- New building construction includes a single, four-story apartment building that is just under 42 feet in height with an overall height of 55 feet (to peak of angled roof).
- The total square footage is approximately 49,000 square feet.
- A combination of surface (20 spaces) and structured parking (35 spaces) is proposed, which meets the minimum off-street parking requirement of one space per unit.
- Two handicap accessible spaces are also provided as required.
- Maximum density in the CB II district is 25 units/acre. A density bonus that allows up to 50 units/acre is permitted with a commitment for 20% of the units to be affordable at 80% area median income (AMI) for a minimum period of 20 years.
- All 45 units (100%) are proposed to be affordable, satisfying this requirement.
- The project includes several levels of affordability:
    - 23 units at 30% AMI for voucher holders;
    - 9 units at 60% AMI; and
    - 13 units affordable to households at 80% AMI.
- The subject properties are located in Opportunity Zone 9.
- Opportunity Zones were created as part of the 2017 federal tax reform package (Tax Cuts and Jobs Act) designed to drive long-term capital into low-income communities by using tax incentives to encourage private investment.
- These impact funds are designed to help revitalize qualifying lower income census tracts that have not benefited equitably in the economic recovery.
- On October 23, 2018, City Council passed Resolution No. 18-269 to "work with Opportunity Fund Investors and take a proactive approach to offer guidance in Opportunity Zone investments that promote Equitable Growth, Development without Displacement and Healthy Communities of Opportunity for all residents in and around Opportunity Zones."
- The Asheville City Council adopted Resolution No. 21-224 on October 26, 2021 committing to grant funding in the amount of $296,000 for due diligence related to this project.
- The Haywood Street Congregation (applicant) is requesting an additional 1.3 million to assist in the purchase of the property and a Housing Trust Fund loan of $904,000 (See attached

Community & Economic Development staff report).

- Landscaping, open space and tree canopy preservation requirements will be satisfied.
- A pedestrian connection across W. Haywood St. is recommended at either Jefferson St. or Hilliard Ave., in order to allow residents to connect to the sidewalk that leads to transit stops at the intersection of Hilliard and Clingman Ave.
- The project is seeking a number of exceptions to technical compliance, including:
    - **Density** - applicant is requesting 52.3 units/acre (maximum density of 50 units/acre).
    - **Structure size** - applicant is requesting to construct a single building that is 51,000 square feet (maximum building square footage for a multi-story building is 45,000 square feet)
    - **Building Height** - applicant is requesting a height of 41'-9" (maximum height is 40 feet).

Plan Consistency:

Living Asheville Comprehensive Plan

- The proposed development supports a number of goals including encouraging responsible growth by providing infill development in targeted growth areas (p. 131) and by increasing the supply of housing, including affordable housing (pp. 179 & 183) in proximity to employment, transit and parks (pp. 246 & 251).
- The Future Land Use map identifies the subject properties as "Downtown" which is described as "the urban mixed-use center of Asheville" and "to encourage high density residential development, which will complement other downtown uses and surrounding neighborhoods." (p. 339).

WECAN Citizens Master Plan

- The WECAN plan (adopted in 2000) envisioned separating local traffic from interstate traffic by extending Patton Ave. as a city entryway boulevard with small to mid-scale multi-family along the boulevard.

I-26 Connector Project

- The I-26 Connector Project plans have evolved to include a pattern similar to what was first envisioned in the WECAN plan over 20 years ago, and proposes to separate local from interstate traffic along Patton Avenue.
- These plans continue to evolve with final alignments and designs still to be confirmed.
- It is anticipated that the final road design would be most appropriate for multi-story, mixed-use and multi-family development given the strategic location and goals to create an urban gateway boulevard leading into downtown.

Compatibility Analysis:

- The high density residential project is compatible with the small commercial services/offices located to the east and west of the property, and with the other multi-family and institutional uses to the south.
- The property currently abuts controlled access right-of-way for Interstate-240 to the north; however, this portion of right-of-way is for the Patton Ave. exit (Exit 4B) which carries less traffic than the eastbound lanes of I-240.
- Additionally, the site is separated topographically with the ground floor sitting approximately 30-35' above the grade of the Patton Ave. exit and will include landscape buffering between the building and the road, mitigating the effect of the interstate on residents.

Council Goal(s):

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

Committee(s):

- Technical Review Committee (TRC) - December 6, 2021 - approved with conditions.

- Planning & Zoning Commission (PZC) - January 5, 2022 - recommends approval unanimously, 7:0.

Staff Recommendation:

- Staff recommends approval of this rezoning request based on the reasons stated above.

Suggested Motion:

- Motion to approve the conditional zoning request for the property located at 343 & 357 W. Haywood St. from Community Business I (CB I) to Community Business II - Conditional Zone (CB II - 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) supports infill development in a strategically located area targeted for growth; 2) provides housing units in proximity to transit, employment and parks, and; 3) supports city goals for affordable housing.

Attachment(s)

(1) Exhibit A - Existing Zoning Map
(2) Exhibit A1 - Proposed Zoning Map
(3) Exhibit B - Aerial Map
(4) Exhibit C - Existing Future Land Use Map
(5) Exhibit D - Site Plans & Elevations
(6) Exhibit E - Project Conditions
(7) Ordinance
(8) WECAN Citizens Master Plan (Pp. 17-18)
(9) TRC Report & Comments
(10) PZC Recommendation
(11) PZC Draft Action Minutes - Jan. 5, 2022