THE CITY OF ASHEVILLE

STAFF REPORT

Council Meeting Date: September 28, 2021

Subject: Urban Place Form District Zoning Text Amendment

Staff Resources: Todd Okolichany, AICP, LEED AP ND, Planning & Urban Design Director;
Stacy Merten, Principal Planner; Vaidila Satvika, AICP, Planner II/GIS Specialist

Action Requested: Adopt a zoning text amendment to modify the existing Urban Place Zoning district

Background:

- The proposed Urban Place text amendment is a step towards implementation of the city's comprehensive plan, *Living Asheville*, through a broad revision of an existing zoning district that aligns with the Urban Centers category of the plan's Future Land Use Map (FLUM).
- The modified Urban Place zoning district establishes form-based standards that encourage mixed-use development and walkable urban areas and incentivizes the creation of housing units as part of larger commercial developments.
- Key requirements of the modified code include:
    - Provision of housing for commercial projects over 20,000 square feet on sites over five acres;
    - Inclusion of streets, sidewalks and street trees for internal connectivity on larger sites;
    - An affordable housing bonus to allow base heights to increase from four to six stories;
    - Incentive to incorporate small commercial spaces (1,000 SF) to support local business;
    - Master planning requirement to demonstrate long-term plans for sites over two acres; and
    - Landscaping buffer and transition plane standards for neighborhood compatibility

The following table illustrates some basic differences in the code standards.

Standard	**Existing Urban Place**	**Proposed Urban Place Form**
Building Height	6 stories or 80' (whichever is greater)	4 stories allowed by right 6 stories or 75' stories with affordable housing
Building Setbacks	Front: (min) 0', (max) 15' with exceptions for sites adjacent to Wilma Dykeman Riverway Side: 0' Rear: 0	Front: (min) 0', (max) 20' 40' for pedestrian oriented development Side street: (min) 5' Side interior:** (min) 0' Rear** (min) 0' **Side interior/Rear setback when adjacent to RS/RM zoning district RS: 30' RM: 20'

- Engagement strategies included public information meetings at the Stephens Lee Recreation Center and at the West Asheville public library, open office hours, popup presentations/surveying at Ingles (Tunnel Rd) and Walmart (Bleachery Blvd), and open house sessions at the Harrah's Cherokee Center.

- Staff met with interested property owners, their representatives, and other community members on various occasions over approximately 36 months leading to numerous code changes to better reflect market conditions and specific site concerns, such as the following:
    - New language to allow rebuilding existing structures due to catastrophic loss
    - Adding flexibility to front setbacks (now allowing up to 40 feet of building setback and an option for the provision of open space)
    - Removal of curbside parking requirement
- On April 23, 2021 staff met with a subcommittee of the Coalition of Asheville Neighborhoods (CAN) to review the code and answer questions and again on June 17, 2021.
- Staff reviewed comments from CAN and integrated several of their comments into the code.

Comprehensive Plan Consistency:

- This proposal aligns with a number of themes within the *Living Asheville Comprehensive Plan* including 'A Livable Built Environment' and 'A Resilient Economy'. The following goals are applicable to this zoning amendment:
    - Encourage Responsible Growth (pp. 130-131); prioritize growth and development within designated growth areas
    - Increase Mixed-Use Development Along Transit Corridors (p.134)
    - Promote Great Architecture & Urban Design to Enhance Placemaking (p.139)
    - Make Streets More Walkable, Comfortable and Connected (p.146)
    - Increase and Diversify Housing Supply (pp.178-9); incentivize development that maximizes public benefit
    - Promote the Development and Availability of Affordable Housing and Workforce Housing (pp. 182-183); promote affordable housing policies via incentives such as bonus densities and building heights

Council Goal(s):

- A Well-Planned and Livable Community

Committees:

- On January 14, 2019, the Planning and Zoning Commission unanimously supported staff's revised process for the Urban Center initiative, which included consideration of a new zoning district for the subject areas and additional community engagement.
- On February 11, 2019, staff provided an update to the Planning and Economic Development Committee (PED) that clarified redevelopment within Urban Center locations is not permitted while the rezoning application is under consideration.
- On September 5, 2019, an update was provided to the Affordable Housing Advisory Committee (AHAC) with input received regarding the incentive for affordable housing.
- On January 13, 2020, an update was provided to PED that included proposed incentives for housing.
- Staff also shared neighborhood concerns relating to displacement as a result of possible gentrification.
- At the October 27, 2020 City Council work session on the hotel development regulations Council suggested that staff postpone the consideration of the Patton Avenue node from the project and allow the other areas to move forward and recommended that staff add the Asheville Mall node to the initiative as part of a Phase II rezoning effort that would include the Patton Avenue node.
- On May 10, 2021, staff provided an update to the Planning and Economic Development Committee of the City Council.
- On July 7, 2021, staff presented to the Planning & Zoning Commission for a preliminary review of the proposed text and map amendments.
- The hearing was continued to allow more time for staff to meet with affected property owners in an effort to better address their concerns.
- On August 7, 2021, staff presented to the Planning & Zoning Commission to discuss two additional properties for the Phase I review at the request of property owners at South Tunnel Road who have developed conceptual plans that largely align with the proposed code and to further discuss the initiative.

- Staff requested to continue the vote to the following meeting (Sept 1st) to accommodate a request by stakeholders who were not available for the August meeting.
- On September 1, 2021, the Planning & Zoning Commission voted to approve the proposed text amendment 4:3 that included an amendment to reduce the minimum size of parcels to be affected by the housing incentive clause from 10 acres to five acres in order to encourage more housing opportunities within Urban Centers.

Pros:

- Implements zoning regulations recommended in the comprehensive plan, *Living Asheville.*
- Incentivizes the integration of market rate and affordable housing on large commercial parcels.
- Form-based zoning regulations will create a more urban-style pattern of development.
- Transitions single-use commercial strips to walkable, mixed-use nodes along higher frequency transit corridors.
- Improves the efficiency of land and helps to absorb growth in areas that are supported by infrastructure and transit.

Cons:

- Increases some development cost due to added requirements for large projects (i.e. formalizing internal streets with sidewalks and, on larger projects, housing).
- Zoning changes that encourage redevelopment will potentially increase property values over time that can increase neighboring property values.

Staff Recommendation:

- Staff recommends approval of this proposed text amendment based on the reasons stated above.

Suggested Motion:

- Motion to approve the proposed text amendments to Chapter 7 of the Asheville Code of Ordinances and find that the proposed amendments are reasonable, are in the public interest, are consistent with the City's comprehensive plan and meet the development needs of the community in that the amendments will 1) encourage responsible growth; 2) increase mixed-use development along transit corridors; 3) improve urban design; 4) make streets more walkable, comfortable and connected; 5) increase housing supply and encourage the development of affordable housing; and, 6) facilitate development that maximizes public benefit.

Attachments:

- Modified Urban Place Form District Code
- Draft Ordinance
- Proposed Table of Uses Comparison
- Equity Toolkit
- PZC Recommendation Form
- PZ Action Minutes 9/1/2021 PZC.pdf