THE CITY OF ASHEVILLE

STAFF REPORT

Council Meeting Date: September 28, 2021

Subject: Urban Place Form District Zoning Map Amendment for City-Initiated Rezoning of Phase 1 of the Urban Centers Initiative

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

Action Requested: To rezone approximately 122 acres of land from River (RIV), Regional Business (RB), Highway Business (HB), Commercial Industrial (CI), and Office Business (OB) to Urban Place Form District (UP).

Project Location and Contacts:

- The project sites that are part of the first phase of this proposed rezoning are grouped within four nodes of land on Merrimon Avenue (21 acres), Tunnel Road (40 acres), Bleachery Boulevard (46 acres) and South Tunnel Road (17 acres).
- Affected properties by zoning district are summarized on the right.
- Owners: various

Zoning District	Acres	Percent
RB	57	47%
RIV	42	35%
HB	21	17%
CI	1	1%
OB	0.2	0.2%
	122	100%

Background:

- This city-initiated petition is intended to implement the Urban Centers initiative, which is part of a recommended growth strategy that aims to concentrate growth in transit-supportive Centers and Corridors as outlined in *Living Asheville*, the city's long-range comprehensive plan.
- The goal of urban centers is to initiate the transition from a suburban, auto oriented land use pattern to a more dense urban form in key nodes along high frequency transit corridors.
- As the zoning text amendment will potentially create lawful nonconforming situations, it includes a change in the definition of a lawful nonconformity, which renders a lawful nonconformity to be regarded as conforming for non-construction related purposes such as financing, appraisal or zoning verification.
- This petition is phase one of a two phase rezoning process that prioritizes the rezoning of those urban centers identified in the city's Future Land Use Map (FLUM), which are located closest to the Central Business District and also on the high-frequency transit network.
- The request totals approximately 122 acres of property for rezoning to Urban Place Form District.
- The rezoning will allow for the built environment of these properties to transition over time so that they become more urban and walkable, and better aligned with the city's long-term goals.
- The rezoning will lead to a more efficient use of land that encourages housing and incentivizes affordable housing along transit routes.
- Staff have drafted an equity analysis of the proposed rezoning using the Racial Equity Toolkit: An Opportunity to Operationalize Equity, as prepared by the Local and Regional Government Alliance on Race and Equity (attachment #12: Draft Equity Toolkit).
- Staff met with the Legacy Neighborhoods Coalition (LNC) five times between January and May 2021 to discuss neighborhood concerns around displacement, ongoing development and neighborhood involvement in the development process.
- This led staff to postpone the rezoning of a site on Patton Avenue to allow more time to work with the LNC to address their concerns and to develop neighborhood stabilization strategies.
- The discussions are ongoing.
- On July 19, 2021, staff moved two parcels in the vicinity of the former Sears property on S. Tunnel Road from Phase 2 to Phase 1 at the request of the owners who have developed conceptual plans that have the potential to align with the proposed 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 proposal is part of a recommended growth strategy that aims to concentrate growth in transit-supportive Centers and Corridors as outlined in *Living Asheville*, the city's long-range comprehensive plan.

- 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
- The proposed rezoning mostly aligns with the Future Land Use Map (FLUM) with the exception of two parcels within the Bleachery Boulevard node.
- Staff proposes to adjust the FLUM at that location for two properties from Urban Corridor to Urban Center to better align those parcels with adjacent properties.

Compatibility Analysis:
- The proposed boundaries of the Urban Place Form District were derived from the Urban Centers Land Use category of the Future Land Use Map (FLUM) adopted in the Living Asheville Comprehensive Plan.
- Compatibility is achieved by targeting existing commercial nodes with the ability to absorb additional housing density and mixed use development due to their location in areas with adequate infrastructure and along high frequency transit corridors.

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 includes 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 gentrification.
- At the October 27, 2020, City Council work session 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 added properties to the Phase I review and to further discuss the initiative. Staff requested to continue the vote to the following meeting (September 1) to accommodate a request by some of the affected property owners who were not available for the August public hearing.
- On September 1, 2021, the Planning & Zoning Commission voted to approve the proposed rezoning 6:1.

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 increase property values over time that can increase neighboring property values.

Staff Recommendation:

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

Suggested Motion to Approve:

- Motion to approve the rezoning request for phase one properties that includes approximately 122 acres of property from River (RIV), Regional Business (RB), Highway Business (HB), Commercial Industrial (CI), and Office Business (OB) to Urban Place Form (UP) district and amend the Future Land Use Map and find that the proposed rezoning is reasonable, in the public interest, consistent with the City's comprehensive plan and aligned with the development needs of the community in that the rezoning 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

(1-4) Exhibit A01, A02, A03, A04 - Existing Zoning
(5) List of Affected Parcels
(6-9) Exhibit A1.1, A1.2, A1.3, A1.4 - Proposed Zoning
(10) Exhibit C - Existing Future Land Use Map
(11) Exhibit D - Proposed Future Land Use Map
(12) Equity Toolkit
(13) PZC Recommendation Form
(14) Draft Ordinance
(15) P&Z Action Minutes