

Agenda

Planning Board Regular Meeting

6:30 PM June 26, 2025

Board Meeting Room, Town Hall Annex, 105 E. Corbin St.



1. Call to order and confirmation of quorum

2. Agenda changes and approval

3. Old business

A. Rezoning and development agreement requests for 1001 Corporate Drive (WP East Acquisitions LLC)

B. Text amendment to UDO Table 6.3.1, Dimensional Requirements - Residential (WP East Acquisitions LLC)

4. Updates

A. Board of Adjustment

B. Parks and Recreation Board

C. Staff and board members

5. Adjournment

Interpreter services or special sound equipment for compliance with the American with Disabilities Act is available on request. If you are disabled and need assistance with reasonable accommodations, call the Town Clerk's Office at 919-296-9443 a minimum of two business days in advance of the meeting.



Agenda Abstract

PLANNING BOARD

Meeting Date: June 26, 2025
 Department: Planning & Economic Development Division
 Agenda Section: Old business
 Public hearing: Yes
 Date of public hearing: May 15, 2025

PRESENTER/INFORMATION CONTACT

Molly Boyle, Planner II

ITEM TO BE CONSIDERED

Subject: Rezoning and development agreement requests from WP East Acquisitions LLC for 1001 Corporate Drive (PIN 9874-61-2327)

Attachments:

1. Rezoning application, including applicant's reasoning
2. Vicinity, Zoning, and Future Land Use Maps
3. Draft development agreement

Summary:

1001 Corporate Drive - Request Details	
Applicant:	WP East Acquisitions LLC
Property owner:	Duke University Health System Inc.
Acreage:	+/- 11.10 acres
Current zoning:	Office Institutional (OI)
Proposed zoning:	Multi-Family (MF)
Future Land Use category:	Suburban Office
Intended land use:	<p>The applicant is requesting Multi-Family zoning to build Altera, a multi-family development of up to 333 units, at least 10% of which would be affordable. Of those affordable units:</p> <ul style="list-style-type: none"> • Half would be affordable to households making 60% AMI (Area Median Income); and • Half would be affordable to households making 80% AMI. <p>The applicant is also proposing to enter into a development agreement with the town pursuant to NC GS § 160D Article 10. Details of the agreement are on the following pages, and the draft agreement is attached.</p>

Comprehensive Sustainability Plan goals:

Land Use & Development Goal 1: Ensure that future growth and development, including infill and redevelopment, are aligned with smart growth principles and consider infrastructure constraints such as water and wastewater system capacity.

- Strategy: Develop and adopt plans that contribute to meeting preferred future land use and growth patterns.
- Action: Analyze additional opportunities for infill and redevelopment and increased density in existing neighborhoods, focusing on the provision of water and sewer and other infrastructure and services.

Financial impacts:

If the property is rezoned and developed as proposed, the town would collect property tax on the development and provide municipal services to it (e.g., water, sewer, garbage collection, emergency services).

In addition to paying the required System Development Fees (SDFs)¹, the applicant is proposing to make a financial contribution for design and construction costs for improvements to the Cates Creek Sewer Outfall. This is covered in Section 11 in the draft development agreement. The Cates Creek Sewer Outfall improvements are in the town's Capital Improvement Plan but are currently unfunded.

The applicant's financial contribution will be based on a cost estimate for design and construction costs. The cost estimate is in progress and will be ready before the Town Board votes on this item. Once ready, the cost estimate will be included as Exhibit B in the development agreement.

Staff recommendation and comments:

Multi-Family zoning

The applicant is requesting to rezone the property to Multi-Family (MF). UDO Section 4.1.3, High Intensity Residential Districts defines this zoning district as follows:

"The purpose of the MF District is to provide locations for residential development that allow housing options at a higher density than typical detached single-family developments...Prominent uses within this district include single-family attached units, townhouses, condominiums, apartments, and other multi-family dwelling units...[This district] will usually be applied where the following conditions exist:

- Water and sewer lines exist at the site or are to be installed as part of the development process.
- There is direct vehicular access to a public street classified as either collector or arterial.
- Other necessary urban services exist nearby or are proposed at the time of the development."

Future Land Use Map designation

Rezoning this property to Multi-Family would not be consistent with the current Future Land Use Map. The Future Land Use Map categorizes this property as Suburban Office, which is defined as follows:

"[Intended] for office and employment enterprises [that] do not rely on walk-in customers or have a manufacturing component. Businesses may be large or small but will generally arrange themselves in a campus setting with limited walkability and supporting services. Developments of this type should be kept small in nature to limit the peak transportation impact and limited vitality.

[Compatible] Zoning Districts: Limited Office; Office Institutional; Business Park; Economic Development District; Entranceway Special Use; Special Design Special Use"

¹ System Development Fees are fees assessed by local governments on new developments. The fees help fund construction and maintenance of the local government's water/wastewater systems.

The Town Board can determine that a rezoning request is inconsistent with its Comprehensive Plan and still approve it. NC GS § 160D-605 (a), Governing board statement – Plan Consistency states, “if a zoning map amendment is adopted and the action was deemed inconsistent with the adopted plan, the zoning amendment has the effect of also amending any future land-use map in the approved plan, and no additional request or application for a plan amendment is required.”

- Future Land Use Map link: <https://hillsboroughnc.maps.arcgis.com/apps/webappviewer/index.html?id=ecef3ace1e944deda71c4a2e4da1f00a>
- Comprehensive Sustainability Plan link: hillsboroughnc.gov/home/showpublisheddocument/572/638556087250230000

Water and sewer availability

Staff anticipates being able to serve the project under the terms proposed in the development agreement (see attached).

Development Agreement

A development agreement is a contract between a developer and a local government regarding a multi-year project. The agreement sets the development standards for the project, so they remain consistent throughout the development period. This gives the developer more assurance before taking on significant financial risk. The agreement will generally include commitments from the developer as well, such as financial contributions for water and wastewater infrastructure. Both parties must mutually agree to the terms of the agreement.

The statutory requirements for development agreements are under NC GS § 160D Article 10, Development Agreements. Staff has vetted the proposed development agreement with the applicant and finds the terms acceptable. Note that revisions may be made to the agreement between the public hearing and the Town Board vote.

Staff recommendation

Staff supports approval of the proposed rezoning based on consistency with the Comprehensive Sustainability Plan.

Action requested:

Make a recommendation on the proposal to the town board.



APPLICATION General Use Rezoning

Planning and Economic Development Division
101 E. Orange St., PO Box 429, Hillsborough, NC 27278
919-296-9470 | Fax: 919-644-2390
planning@hillsboroughnc.gov
www.hillsboroughnc.gov

This application is to rezone properties to General Use and/or Overlay Zoning Districts. If you want to rezone property to a Planned Development District, please use the Planned Development Rezoning Application. Incomplete applications will not be accepted. Please contact staff with any questions.

Submittal Requirements

- ☒ Complete application form, including signature ☒ Application fee per current Planning Fee Schedule

Property Owner Contact

Name Scott Selig
Phone 919.682.3330
Email scott.selig@duke.edu
Address 2200 W. Main Street, Suite L110
Durham, NC 27705

Applicant Contact

Name Caitlin Shelby
Phone 919.355.0110
Email caitlin.shelby@woodpartners.com
Address 1414 Raleigh Road, Suite 429
Chapel Hill, NC 27517

Property Details

Addresses/Location 1001 CORPORATE DR, HILLSBOROUGH NC, 27705
Parcel ID Numbers 9874612327
Current Land Use(s) Former medical facility (no longer in active use) Acreage 11.1
Current Zoning Office Institutional (OI)
Proposed Zoning Multi-Family (MF)

Consistency with the Comprehensive Sustainability Plan

Please describe how your proposed amendment is consistent with the town's Comprehensive Sustainability Plan, which is available online at <https://www.hillsboroughnc.gov/about-us/departments/community-services/public-space-and-sustainability/sustainability-initiatives>. You may include additional sheets if necessary.

Please see "Exhibit A" attached.

General Standards Considered by the Board of Commissioners

A rezoning request is decided legislatively, meaning the Town Board of Commissioners votes whether to approve or deny the request. When considering the request, the Commissioners are to consider ten factors listed in Unified Development Ordinance Sec. 3.7.2, *General Standards/Findings of Fact*. You can find the UDO on the town's website: <https://www.hillsboroughnc.gov/about-us/departments/community-services/planning/unified-development-ordinance>.

The ten factors are enclosed. Please describe how your proposed rezoning aligns with these factors. You may include additional sheets if necessary.

Please see "Exhibit B" attached.

Signatures

I/we certify that the information presented by me/us in this application and accompanying documents is true and accurate to the best of my/our knowledge and belief. I/we acknowledge that the processing of this application may require additional permits, approvals, and/or fees.

Scott Selig, Associate VP

Property Owner (Print)

Scott Selig

Signature

dotloop verified
03/18/25 9:06 PM EDT
0YQF-GH5M-9YC9-COBV

03/18/2025

Date

WPEast Acquisitions, LLC

Applicant (Print)

Caitlin L. Shuckey

Signature

3.19.25

Date

Staff Use Only

Date received	April 4, 2025
Received by	MOB
Fee & receipt number (if any)	D6NWR77VK4
Tentative public hearing date	May 15, 2025

3.7 UNIFIED DEVELOPMENT ORDINANCE AND MAP AMENDMENTS

3.7.1 INTENT

It is the intent of this section to set forth the procedures for amending this Ordinance including the Official Zoning Map. Amendments shall be made by formal action of the Town Board. All proposed amendments shall be referred to the Planning Board for its consideration and recommendation. In no case shall final action be taken to amend this Ordinance until a duly advertised legislative hearing is held.

3.7.2 GENERAL STANDARDS/FINDINGS OF FACT

Before amending this Ordinance or the Official Zoning Map, the Town Board must consider, when conducting the process below, whether the request is consistent with the adopted Comprehensive Plan for the Town of Hillsborough.

Amending the Official Zoning Map (Rezoning) is a matter committed to the legislative discretion of the Town Board. In determining whether to adopt a proposed amendment, the Town Board shall consider and weigh the relevance of the following factors:

- 3.7.2.1** The extent to which the proposed amendment is consistent with all applicable Town-adopted plans.
- 3.7.2.2** The extent to which there are changed conditions that require an amendment.
- 3.7.2.3** The extent to which the proposed amendment addresses a demonstrated community need.
- 3.7.2.4** The extent to which the proposed amendment is compatible with existing and proposed uses surrounding the subject land and is the appropriate zoning district for the land.
- 3.7.2.5** The extent to which the proposed amendment would result in a logical and orderly development pattern or deviate from logical and orderly development patterns.
- 3.7.2.6** The extent to which the proposed amendment would encourage premature development.
- 3.7.2.7** The extent to which the proposed amendment would result in strip or ribbon commercial development.
- 3.7.2.8** The extent to which the proposed amendment would result in the creation of an isolated zoning district unrelated to or incompatible with adjacent and surrounding zoning districts.
- 3.7.2.9** The extent to which the proposed amendment would result in significant adverse impacts on the property values of surrounding lands; and
- 3.7.2.10** The extent to which the proposed amendment would result in significantly adverse environmental impacts, including but not limited to water, air, noise, stormwater management, wildlife, vegetation, wetlands, and the natural functioning of the environment.

3.7.3 AUTHORITY TO APPLY

Subject to the limitations of the foregoing statement of intent, an amendment to this Ordinance, including the Official Zoning Map, may be initiated by:

- 3.7.3.1** The Town Board on its own motion.
- 3.7.3.2** The Planning Board.

Exhibit A

Consistency with the Comprehensive Sustainability Plan

The Comprehensive Sustainability Plan has several stated goals that can be enhanced through the approval of this rezoning request.

Land Use and Development Goal #1 (pg. 4-24) states: “ensure that future growth and development, including infill and redevelopment, are aligned with smart growth principles and consider infrastructure constraints such as water and wastewater system capacity.”

- A key “smart growth” principle is to mix land uses. This community will provide new housing adjacent to the Orange County SportsPlex, senior housing (Eno Haven Apartments), and the 20+ existing workplaces within the Meadowlands. Further, there is an opportunity to connect to the High Intensity Commercial property at the corner of Hwy 86 and Hwy 70 in the future, which would provide commercial/retail connectivity.
- A key “smart growth” principle is to create a range of housing opportunities and choices. This community will provide workforce housing aimed at middle market rents, appropriate for police officers, teachers, nurses, etc. In addition, a portion of the units will be AMI restricted affordable housing units. The “market rate” / workforce housing units will be integrated with the AMI restricted affordable units and will be indistinguishable.
- A key “smart growth” principle is to create walkable neighborhoods. As part of this development, we are studying the feasibility of constructing sidewalk along a significant portion of the perimeter of the site, with the intent to construct a continuous, accessible walking path within our community to create a connection point between the Eno Haven Apartment property and the Orange County Sportsplex.
- Regarding infrastructure constraints, in conjunction with this rezoning application, we have submitted a development agreement which proposes we provide the significant funding needed to upgrade the Cates Creek Sewer outfall. This would address identified wastewater capacity upgrades and benefit not only the subject property, but also several other projects in the area. Further, the property’s proximity to Hwy 70 suggests additional traffic would be accommodated by a major throughfare, rather than nearby neighborhood streets. We are engaging a traffic engineer to study the potential traffic impacts further.

The proposed rezoning aligns with other stated Goals referenced in the Comprehensive Sustainability Plan, such as collaborating on addressing high density concerns, incorporating housing scale buildings with multiple units in walkable neighborhoods, offering density opportunities, and support for housing projects with new infrastructure development.

We are proposing a parallel UDO text amendment that will further those goals by increasing the allowable density in the MF Zoning District to 30 units per acre where certain conditions supporting those goals are committed.

In summary, allowing for denser residential infill in a location that is already within the Town limits, served by Town infrastructure (along with the commitment to provide funding for enhancement of the Cates Creek sewer outfall), adjacent to work and community center facilities, and with the commitment memorialized in the accompanying development agreement to affordable housing, the proposed rezoning is consistent with the broader policies and goals stated in the Comprehensive Sustainability Plan.

Exhibit B

General Standards Considered by the Board of Commissioners

3.7.2.1 The extent to which the proposed amendment is consistent with all applicable Town-adopted plans

The proposed zoning amendment is consistent with applicable Town Adopted Plans as it will be in complete compliance with the UDO, as well as supporting important goals of the 2023 Comprehensive Sustainability Plan, including providing more housing through infill development.

3.7.2.2 The extent to which there are changed conditions that require an amendment.

The recently adopted 2023 Comprehensive Sustainability Plan calls for more housing options, particularly when there is an element of affordable housing, in locations that will not tax current Town Infrastructure. This property has recently become available for redevelopment, and can be developed in a way that accomplishes those goals and objectives.

3.7.2.3 The extent to which the proposed amendment addresses a demonstrated community need.

There is an identified need in town for additional multifamily housing, affordable housing, and housing within close proximity to workplaces and community services (SportsPlex).

3.7.2.4 The extent to which the proposed amendment is compatible with existing and proposed uses surrounding the subject land and is the appropriate zoning district for the land.

The proposed amendment is in a location area which has already developed with higher-intensity uses, including offices, group living, and Community Service uses. All surrounding properties have been developed, and the proposed rezoning will contribute to the vibrancy of this area.

3.7.2.5 The extent to which the proposed amendment would result in a logical and orderly development pattern or deviate from logical and orderly development patterns.

The proposal is on a previously developed property, where the proposed zoning will allow new housing that will enhance the area. The site is in the Town limits, served by existing public infrastructure, and will be compatible with all surrounding developed properties.

3.7.2.6 The extent to which the proposed amendment would encourage premature development.

The property has been previously developed, but it is ripe for a redevelopment that will enhance the existing surrounding nonresidential uses. Therefore the proposal does not encourage premature development.

3.7.2.7 The extent to which the proposed amendment would result in strip or ribbon commercial development.

The proposal will not result in strip or ribbon commercial development. It is entirely residential in nature, and will support new housing that will be walkable to existing nonresidential uses.

3.7.2.8 The extent to which the proposed amendment would result in the creation of an isolated zoning district unrelated to or incompatible with adjacent and surrounding zoning districts.

The proposed MF zoning is compatible with the existing adjacent High-Intensity Commercial (HIC), Multi-Family Special Use (MFSU), and Office Institutional (OI) zoning, as it places a Multi-Family district adjacent to another similar multifamily district, as well as other higher-intensity districts.

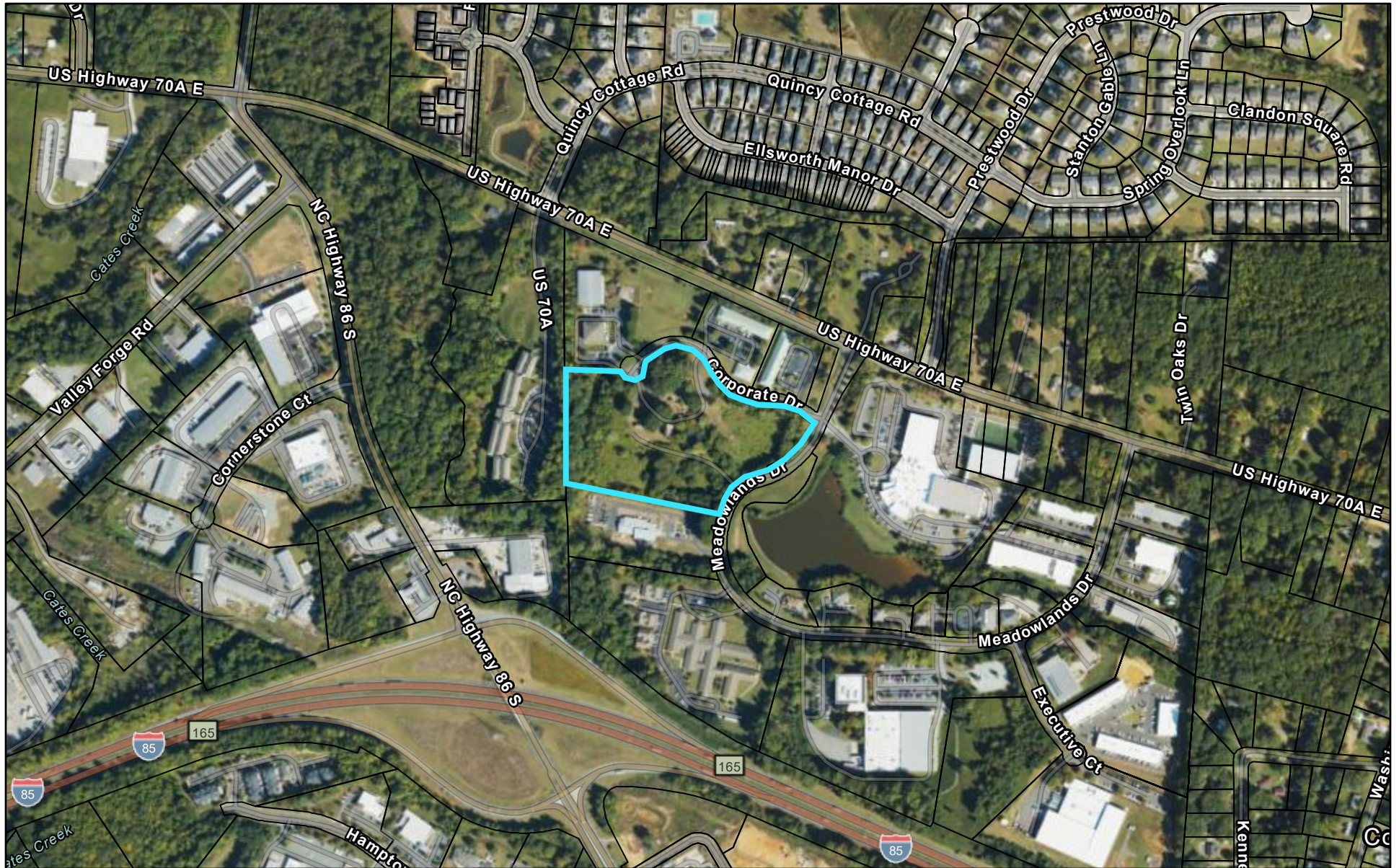
3.7.2.9 The extent to which the proposed amendment would result in significant adverse impacts on the property values of surrounding lands

The proposed amendment will be of a similar intensity and use as the surrounding lands, and therefore we do not anticipate any adverse impacts to those surrounding property values. New housing will provide new customers and employees in close proximity to commercial and office development, which will only enhance the values of those properties.


3.7.2.10 The extent to which the proposed amendment would result in significantly adverse environmental impacts, including but not limited to water, air, noise, stormwater management, wildlife, vegetation, wetlands, and the natural functioning of the environment.

As this is a previously developed site, any natural and environmental features are not present on the site. Similarly, the proposed residential use is not likely to create adverse noise or air pollution, and runoff will be managed per the Town requirements.

Vicinity Map - 1001 Corporate Drive

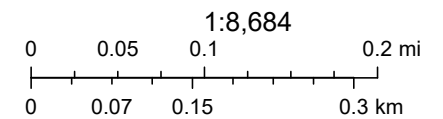


5/6/2025

 Parcels

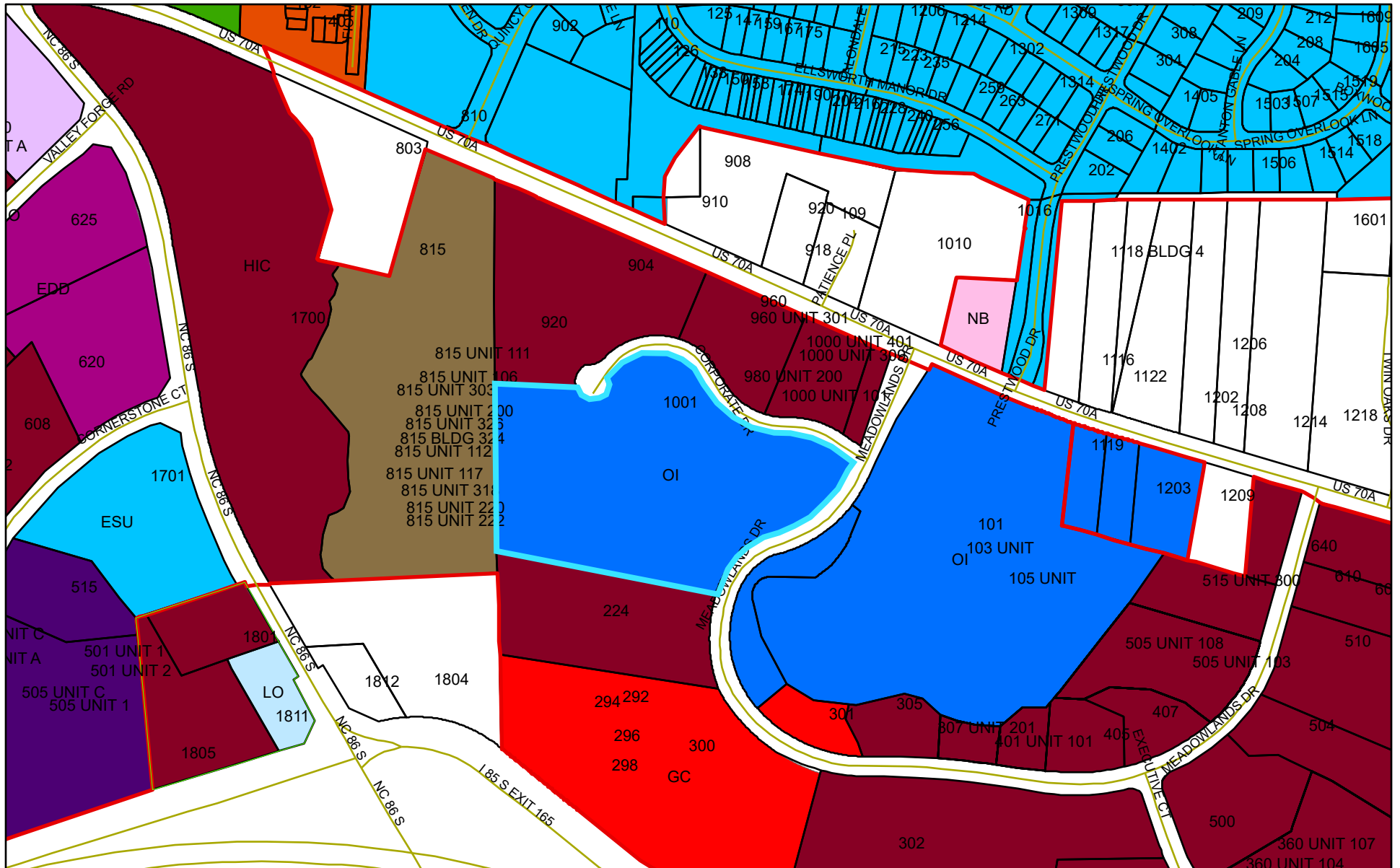
 1001 Corporate Drive

Section 3, Item A.

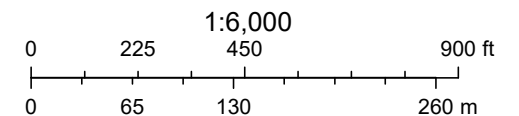


Source: Esri, USDA FSA, Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, (c) OpenStreetMap contributors, and the GIS User Community

Zoning Map - 1001 Corporate Drive



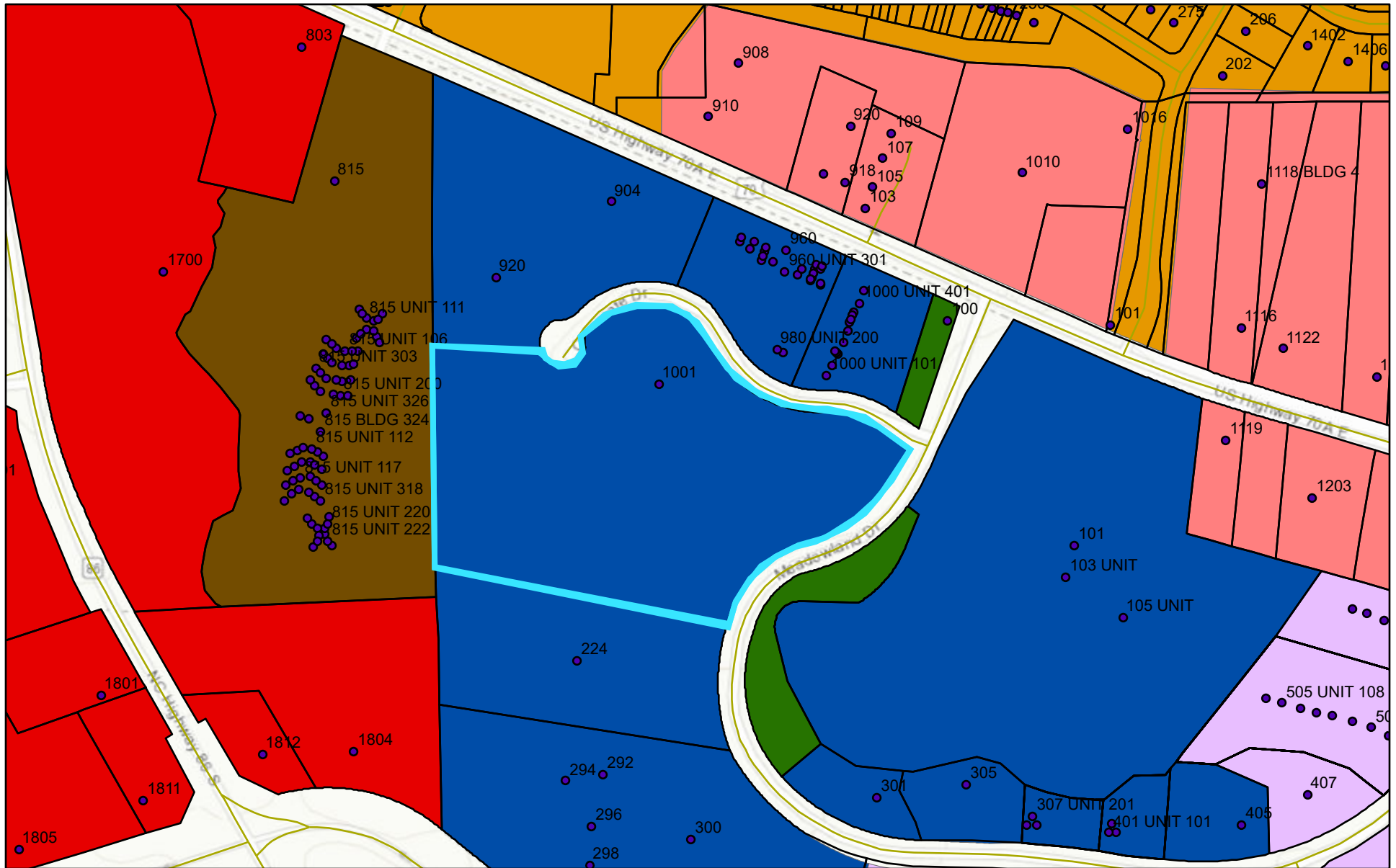
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Section 3, Item A.

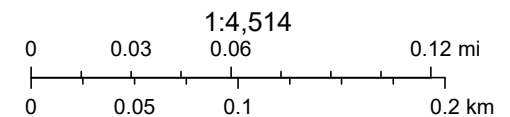
Map: National Boundaries Dataset, 3DEP Elevation Program, Geographic Names Information System, National Hydrography Dataset, National Land Cover Database, National Structures Dataset, and National Transportation Dataset; USGS Global

Future Land Use Map - 1001 Corporate Drive



5/6/2025, 11:27:45 AM

- Addresses
- ▭ Parcels
- Streets
- ▭ Urban Service Area
- HillsboroughLandUse
- ▭ Attached Residential
- ▭ Light Industrial
- ▭ Mixed Residential Neighborhood
- ▭ Neighborhood Mixed Use
- ▭ Permanent Open Space
- ▭ Retail Services
- ▭ Suburban Office



Web AppBuilder for ArcGIS

Excise Tax: N/A

Prepared by and return to:

Ashley H. Terrazas
Parker Poe Adams & Bernstein, LLP
301 Fayetteville Street
Suite 1400
Raleigh, NC 27601

STATE OF NORTH CAROLINA

DEVELOPMENT AGREEMENT

COUNTY OF ORANGE

This Development Agreement (the "Agreement") is made and entered into as of the ____ day of _____ by and among **WP EAST ACQUISITIONS, LLC**, a North Carolina limited liability company (the "Developer"), and the **Town of Hillsborough**, North Carolina ("Town"), a municipal corporation of the State of North Carolina.

WITNESSETH:

WHEREAS, Developer is the contract purchaser of approximately 11.1 acres in the Town of Hillsborough, Orange County, North Carolina located at 1001 Corporate Drive, as more particularly described in **Exhibit A** attached hereto and incorporated herein by reference (the "Property").

WHEREAS, on _____, the Hillsborough Board of Commissioners (the "Town Board") approved 1) a General Use Rezoning request to amend the Official Zoning Map of the Town to rezone the Property from OI to MF, Ordinance ____ (the "Zoning"), and 2) a Text Amendment to amend the Town of Hillsborough Unified Development Ordinance (the "UDO") to allow up to 30 multi-family units per acre on certain properties in the MF district, Ordinance ____ (the "Text Amendment"), to allow development of up to 333 multi-family units on the Property.

WHEREAS, Developer desires to develop the Property into a multi-family residential community with market rate and affordable housing units in accordance with the approved Zoning, Text Amendment, and Town of Hillsborough Unified Development Ordinance, as may be amended from time to time (the "Project").

WHEREAS, North Carolina General Statutes ("G.S.") 160D-1001(b) and 160D-1003 expressly authorize local governments and agencies to enter into development agreements with

developers pursuant to the procedures and requirements of G.S. 160D-1001 through 160D-1012 for projects that require long-term commitments of both public and private resources.

WHEREAS, the Town and Developer desire to enter into this Agreement for the purposes of furthering the Town's and the Developer's mutual goal of providing high-quality, attainable housing in the Town and coordinating the necessary infrastructure and other facilities to serve the Property and the community at large.

NOW, THEREFORE, based on the terms and conditions set forth herein and in consideration of the mutual promises and assurances provided herein, the parties hereby agree as follows:

1. **Recitals.** The parties agree that the foregoing recitals are true and correct and are incorporated herein by reference.
2. **Public Hearing.** Pursuant to Section 160D-1005 and Section 160D-602 of the North Carolina General Statutes, the Town conducted a public hearing on May 15, 2025, to consider the approval and execution of this Agreement in accordance with the procedures set out in Section 160D-1005. Public notice was duly given, and the notice of public hearing specified, among other things, the location of the Property subject to this Agreement, the development uses proposed on the Property, and a place where a copy of the Agreement may be obtained.
3. **Property Subject to Agreement.** The Property shall be subject to this Agreement.
4. **Term.** The term of this Agreement shall commence on the date that all parties hereto have executed this Agreement (the "Effective Date") and shall terminate on the date that is 7 years after the Effective Date, unless sooner terminated by the mutual consent of the parties (or their successors in interest), or unless extended by the mutual consent of the parties (or their successors in interest).
5. **Development Uses.** The Project will include development of up to 333 market rate and affordable residential multi-family units on the Property in accordance with the approved Zoning, Text Amendment, and the UDO. The number and location of buildings, lots, parking areas, and interior drives will be shown on the site plan (the "Site Plan") to be prepared by Developer following execution of this Agreement and reviewed administratively by Town staff.
6. **Affordability.** Recognizing that there is a need in the Town for housing that is affordable and attainable for lower income residents, the Developer dedicate no less than ten percent (10%) of the total units in the Project as affordable for a period of no less than thirty (30) years starting from the date of issuance of the first certificate of occupancy on the property or the date dwelling units are so dedicated, whichever is last to occur (the "Affordable Period") for low-income households earning no more than 80% and 60% of the Area Median Income ("AMI"), adjusted by household size, for the Durham-Chapel Hill, NC Metropolitan Statistical Area, as determined and published annually by the U.S. Department of Housing and Urban Development (the "Affordable Units"). The required number of affordable units shall be rounded to the nearest whole number. Of the Affordable Units, no fewer than half shall be affordable for households earning no more than 80% AMI and half shall be affordable to households earning 60% AMI. If the calculated number of Affordable Units results in a fraction/decimal number, the required number of Affordable Units shall be rounded up to the nearest whole number. The property owner shall certify in writing to the Town compliance with this provision on an annual basis,

such certification to be delivered by July 31st of each year, reporting the status of compliance as of June 30th of the year. The terms and obligations of Developer under this Section 6 shall survive the termination or expiration of this Agreement.

7. **Law in Effect at Time of the Agreement Governs the Development; Vested Rights.**

Except as provided in G.S. 160D-1007, G.S. 160D-1010(b), and this Agreement, the Town may not apply subsequently adopted Town regulations to the Property during the Agreement Term without the written consent of Developer. During the Agreement Term, Developer shall have a vested right to develop the Property in accordance with (i) this Agreement, (ii) the Zoning, (iii) the UDO, (iv) Town regulations, and (v) any other applicable laws, all of the foregoing (i) through (v) as they exist on the Effective Date. In accordance with G.S. 160A-400.25(a)(7), the parties agree, intend, and understand that all conditions, terms, restrictions, or other requirements applicable to the Project and reasonably determined to be necessary by the Town for the public health, safety, or welfare of its citizens, are provided for by the foregoing (i) through (v) as they exist on the Effective Date. This Agreement does not abrogate any rights that may vest pursuant to statutory or common law or otherwise in the absence of this Agreement. If the Town adopts new, different, or amended development regulations that Developer views as more favorable to the Project than the regulations in effect at the time of adoption of this Agreement, Developer may elect to be bound by the new regulations or ordinance (the "After-Adopted Regulation") without any further agreement from the Town. In the event that Developer elects to be bound by the After-Adopted Regulation, Developer will communicate that fact to the Planning Director in writing and note such change on any future permit applications affected by the change.

8. **Public Facilities.** Developer shall be responsible for installation of all of the items below in accordance with the UDO.

- a. Construction of streets, with curb and gutter, within the Property to serve the Project which may be public or private, provided all streets meet UDO requirements.
- b. Stormwater facilities serving the Property.
- c. Construction of utility lines within the Property to serve the Project, including water, sewer, and electric lines.

9. **Traffic Impact Analysis.** The developer shall prepare, or cause to be prepared, a Traffic Impact Analysis, which shall be submitted to the Town prior to site plan approval. Developer shall install all recommended on- and off-site improvements identified in the TIA to mitigate the impact of the Development, to keep the intersections of US 70A with Meadowlands Drive and the intersection of Meadowlands Drive with Corporate Drive at an overall Level of Service of C or better, or to maintain their current Level of Service if the TIA shows they are at a D or below, as a result of this development. The improvements are subject to Town and NCDOT approval.

10. **Pedestrian Connectivity Construction.** Within 90 days after the Effective Date, Developer shall complete a study of the feasibility of constructing an ADA-accessible paved pedestrian connection from the Eno Haven Apartments to the SportsPlex. If such construction is determined to be reasonably commercially feasible, including the ability to comply with all applicable laws and regulations, and if Developer can obtain all off-site easements after the exercise of commercially reasonable efforts, and if construction costs

of such connection do not exceed \$300,000, Developer shall install the described connection. If the construction costs exceed \$300,000, Developer shall incorporate and dedicate a 10-foot-wide public access easement in the Project for a future pedestrian connection, and shall pay a fee in the amount of \$300,000 to the Town prior to the approval of construction drawings for the Project.

11. **Developer Contribution to Sewer Extension.** The Parties recognize that improvements to the Cates Creek Sewer Outfall will be needed to the sewer infrastructure in the vicinity of, but not on, the Property to accommodate sewer flows from multiple approved developments, in excess of the upgrades that would otherwise be required to support the Project (the "Sewer Upgrades"). The Sewer Upgrades are a planned, but unfunded, capital improvement project for the Town. In addition to the improvements to the Property that will be needed to provide adequate sewer service to the Project as required by the UDO, Developer agrees to pay the Town a total fee-in-lieu in the amount of \$____ (the "Total Contribution") for the design and construction costs associated with the Sewer Upgrades, as shown on the cost estimate for the design and construction of the Sewer Upgrades attached as **Exhibit B**. The Total Contribution shall be paid as follows: An amount totaling \$120,000 to cover the estimated costs associated with planning and designing the Sewer Upgrades (the "Design Costs") shall be paid by the Developer to the Town upon the Developer's submittal of the first site plan for the Project. An amount totaling \$____ for the construction of the Sewer Upgrades (the "Construction Costs") shall be paid prior to construction drawing approval. The Town will be solely responsible for all work associated with the Sewer Upgrades, including contracting with all necessary third parties, public bidding, design approvals, permitting, and easement acquisition associated with the Sewer Upgrades, and shall also be responsible any additional unexpected costs associated with the Sewer Upgrades that exceed the Design Costs and Construction Costs paid by Developer in compliance with this Section. The Town shall diligently pursue completion of the Sewer Upgrades; however, the Town shall not withhold or delay or condition any development approvals, including certificates of occupancy, for the Project upon the completion of the Sewer Upgrades.
12. **Water and Sewer Allocation.** Upon the execution by the Parties of a Water and Sewer Extension Contract (the "Extension Contract"), the Town shall reserve in the Extension Contract (i) an average daily flow water capacity allocation for the Project in the amount of 35,000 gallons per day, and (ii) an average daily flow sewer capacity allocation for the Project in the amount of 35,000 gallons per day (collectively, the "Anticipated Allocation") until the final Certificate of Compliance is issued for the project. The Town shall approve the Extension Contract to reserve the Anticipated Allocation at the earlier of 1) when requested by Developer at any time after the Effective Date of this Agreement and prior to construction drawing approval for the Project, provided Developer requests the Extension Contract within two (2) years of the Effective Date of this Agreement, or 2) according to the Town's standard utility allocation reservation and system development fee payment policies. However, this shall not prohibit Developer from reserving water and sewer capacity in accordance with the Town's otherwise applicable process and timeline, if Developer so chooses. Such commitment shall not be effective until the execution of the Extension Contract. In accordance with N.C.G.S. § 162A-213(b)(2), the Developer shall pay the Town's system development fee upon execution of the Extension Contract or when capacity for the Project is otherwise reserved. If the Project requires additional allocation above the Anticipated Allocation, the Town will work in good faith with the Developer to provide additional water and sewer allocations through the initial Extension Contract or subsequent amendments.

13. **Local Development Permits.** In accordance with G.S. 160D-1001(d), the development authorized by this Agreement shall comply with all applicable laws, including all ordinances, resolutions, regulations, permits, policies, and laws affecting the development of the Property, including laws governing permitted uses of the Property, density, intensity, design, and improvements.
14. **Good Standing.** The developer shall be in good standing with fee payments, including System Development Fees, contributions for outfall design and construction, and application review fees, before the Town will accept development applications for review.
15. **Amendment; Modification; Termination; or Extension of the Agreement Term.** This Agreement may be amended, modified, terminated, or extended by the mutual consent of both Parties. The below modifications shall be considered Major Modifications and require the same procedures as required by North Carolina law for the adoption of a development agreement. All other modifications shall be considered Minor Modifications and shall be reviewed and approved administratively, to the extent allowed by law, by the Town of Hillsborough Planning Director (the "Planning Director").
- a. An increase or decrease in the acreage of the Property subject to this Agreement of more than five (5) percent.
 - b. A change in the Agreement Term.
16. **Recordation/Binding Effect.** Within 14 days after the Effective Date, Developer shall record this Agreement in the Orange County Register of Deeds (the "Registry"). The benefits and burdens under this Agreement shall inure to and be binding upon the parties and their successors and assigns. All of the provisions of this Agreement shall be enforceable during the Agreement Term as equitable servitudes and constitute covenants running with the land pursuant to applicable law.
17. **Force Majeure.** In addition to specific provisions of this Agreement, no party shall be responsible for any default, delay or failure to perform if such default, delay or failure to perform is due to causes beyond such party's reasonable control, including, but not limited to, strikes, lockouts, actions or inactions of governmental authorities, epidemics, wars, embargoes, fires, hurricanes, adverse weather, acts of God, lawful work stoppages ordered by a governmental entity, interference duly caused by any other party, or the default of a common carrier. In the event of a default, delay or failure to perform due to causes beyond such party's reasonable control or due to interference by another party, any date or times by which the parties are otherwise scheduled to perform, if any, shall be extended automatically for a period of time equal in duration to the time lost by reason of the cause beyond the reasonable control of such party. If written notice of such delay is given to the other party after the commencement of such delay, an extension of time for such cause shall be deemed granted for the period of the enforced delay, or longer as may be mutually agreed to by the parties.
18. **Disclaimer of Joint Venture, Partnership and Agency.** This Agreement shall not be interpreted or construed to create an association, joint venture, or partnership between or among the parties, or to impose any partnership obligation or liability upon such parties.
19. **No Third Party Beneficiaries.** The Agreement is not intended to and does not confer any right or benefit on any third party that is not a party.

20. **Notices.** Any notice, demand, request, consent, approval or communication which a signatory party is required to or may give to another signatory party hereunder shall be in writing and shall be delivered or addressed to the other at the address below set forth or to such other address as such party may from time to time direct by written notice given in the manner herein prescribed, and such notice or communication shall be deemed to have been given or made when communicated by personal delivery or by independent courier service or by facsimile or if by mail on the 5th business day after the deposit thereof in the United States Mail, postage prepaid, registered or certified, addressed as hereinafter provided. All notices, demands, requests, consents, approvals or communications to the parties shall be addressed to:

Town: Town of Hillsborough
Attn: Shannan Campbell
101 E. Orange St.
Hillsborough, NC 27278
Shannan.Campbell@hillsboroughnc.gov

w/ a copy, which shall not constitute notice, to:

Town Attorney
Town of Hillsborough
1526 E. Franklin St., Suite 200
Chapel Hill, NC 27514

and

Town Manager
Town of Hillsborough
101 E. Orange St.
Hillsborough, NC 27278

Developer: Caitlin Shelby
Managing Director
Wood Partners
1414 Raleigh Road, Suite 429
Chapel Hill, NC 27517
919-355-0110
Caitlin.shelby@woodpartners.com

w/ a copy, which shall not constitute notice, to:

Ashley Terrazas
Parker Poe Adams & Bernstein
301 Fayetteville Street
Suite 1400
Raleigh, NC 27601
919-835-4043
AshleyTerrazas@parkerpoe.com

21. **Entire Agreement.** This Agreement sets forth and incorporates by reference all of the agreements, conditions and understandings between the parties relative to this Agreement and the Property. There are no promises, agreements, conditions or understandings, oral or written, expressed or implied, among the parties relative to the

matters addressed herein other than as set forth or as referred to in this Agreement or as contained in the UDO or the Zoning as of the Effective Date.

22. **Assignment.** The Developer may at any time and from time to time assign its rights and responsibilities hereunder, which assignee and subsequent assigns shall retain the right to assign their respective rights and/or responsibilities hereunder or any part of all or any portion of the Property as Developer. The Developer shall provide the Town with prior written notice of any assignment and a written assignment of rights and responsibilities expressly acknowledging the assignee's agreement to the terms of this Agreement, shall be executed by the Developer and the assignee and recorded in the Registry. A deed from Developer to a subsequent owner shall be deemed to assign the conveying Developer's rights and obligations under this Agreement to the subsequent owner and this Agreement shall be enforceable during the Agreement Term as equitable servitudes and constitute covenants running with the land pursuant to applicable law. Any violation of the terms and conditions of this Agreement occurring after such an assignment will be the responsibility of the then current Developer in violation.
23. **Governing Law; Venue.** This Agreement shall be governed by the laws of the State of North Carolina. Any reference in this Agreement to a North Carolina General Statute be deemed to include any successor or replacement statute as to the same matters subject to the statute that has been succeeded or replaced. Venue for any disputes arising from this Agreement shall be the Superior Court of Orange County, North Carolina.
24. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be deemed an original and such counterparts shall constitute one and the same instrument.
25. **Reserved.**
26. **Termination.** Unless the Agreement Term is extended by the Town and Developer, this Agreement shall terminate on the earlier of the expiration of the Agreement Term or by agreement of the parties. Notwithstanding the foregoing, the Developer shall have the unilateral right to terminate this Agreement upon any change in the Developer's plan for development that renders this Agreement inapplicable, in which case the Town shall be relieved of all obligations hereunder. Any termination other than by expiration of the Agreement Term shall be recorded in the Registry.
27. **No Deemed Waiver.** Except as provided in Section 4.15(b), failure of a party to exercise any right under this Agreement shall not be deemed a waiver of any such right and shall not affect the right of such party to exercise at some future time said right or any other right it may have hereunder.
28. **Severability.** If any term or provision herein shall be judicially determined to be void or of no effect, such determination shall not affect the validity of the remaining terms and provisions. The parties agree that if any provision of this Agreement is judicially determined to be invalid because it is inconsistent with a provision of state or federal law, this Agreement shall be amended to the extent necessary to make it consistent with state or federal law and the balance of the Agreement shall remain in full force and effect.
29. **Authority.** Each party represents it has undertaken all actions necessary for approval of this Agreement, and that the person signing this Agreement on behalf of such party has the authority to bind that party.

30. **Construction.** The parties agree that each party and its counsel have reviewed and revised this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendments or exhibits hereto.
31. **Lender Protections.** Any lender of Developer (or any successor-in-title thereto) having a security interest in all or a part of the Property (a "Secured Lender") may give written notice to the Town of its security interest (a "Lender Notice"). If a Secured Lender provides a Lender Notice, then the Town shall copy the Secured Lender on any notice of default given to Developer (or any successor-in-title thereto), and the Secured Lender shall have 30 days, or such applicable longer cure period given to Developer (or any successor-in-title thereto), to cure the alleged default.
32. **Estoppel.** At any time and from time to time, Town shall deliver, to the extent accurate and permitted by law, within 45 days after Developer's (or any other owner of the Property's) written request, a written statement addressed to the requesting party, and if requested, its Secured Lender and any proposed purchaser or investor in the Property that to the best of its knowledge: (1) that this Agreement is in full force and effect; (2) that it acknowledges that this Agreement has not been amended or modified, or if so amended, acknowledges the accurateness of the amendments provided by the requestor; and (3) whether, to the knowledge of the Town, Developer (or the requesting party) is in default or claimed default in the performance of its obligation under this Agreement, and, if so, describing the nature and amount, if any, of any such default or claimed default; and (4) whether, to the knowledge of the Town, any event has occurred or failed to occur which, with the passage of time or the giving of notice, or both, would constitute default, and, if so, specifying each such event.
33. **Non-Discrimination.** To the extent permitted by North Carolina law, the Parties for themselves, their agents, officials, directors, officers, members, representatives, employees, and contractors agree not to discriminate in any manner or in any form based on actual or perceived age, mental or physical disability, sex, religion, creed, race, color, sexual orientation, gender identity or expression, familial or marital status, economic status, veteran status or national origin in connection with this Agreement or its performance. This provision is incorporated into the Agreement for the benefit of the Town of Hillsborough and its residents and may be enforced by an action for specific performance, injunctive relief, or any other remedy available at law or equity. This section shall be binding on the successors and assigns of all parties with reference to the subject matter of the Agreement.

(End of Page; Execution Pages Follow)

IN WITNESS WHEREOF, the parties hereby set their hands and seals, effective the date first above written.

Pursuant to N.C.G.S. 160D-1005, this Development Agreement came before the Hillsborough Town Board on ____, 2025 for a duly noticed legislative hearing. Based on the information presented at the _ 2025 hearing, the Hillsborough Town Board, determined that the Town entering into this Development Agreement is in the public interest as it provides affordable housing and pedestrian infrastructure, approved this Development Agreement, and authorized the Town Manager to execute the same.

TOWN OF HILLSBOROUGH, NORTH CAROLINA

By: _____(SEAL)

Name: Eric Peterson
Title: Town Manager

Date: _____

Attest: _____
Town Clerk

STATE OF NORTH CAROLINA
COUNTY OF ORANGE

TOWN ACKNOWLEDGEMENT

This is to certify that on the ____ day of _____, 20____, before me personally came _____, with whom I am personally acquainted, who, being by me duly sworn, says that she is the Town Clerk, and Eric Peterson is the Town Manager of the Town of Hillsborough, the municipal corporation described herein and which voluntarily executed the foregoing; that she knows the corporate seal of said municipal corporation; that the seal affixed to the foregoing instrument is said corporate seal, and the name of the municipal corporation was subscribed thereto by said Acting Town Clerk and that the said seal was affixed, all by order of the governing body of said municipal corporation, and that the said instrument is the act and deed of said municipal corporation.

Witness my hand and official seal this ____ day of , 2025.

(Seal)

Notary public

My Commission Expires:

Approval as to Form:

Town Attorney

WP EAST ACQUISITIONS, LLC
a North Carolina limited liability company

By: _____
[Authorized Signatory]

STATE OF _____
_____ COUNTY

I certify that the following person personally appeared before me this day and acknowledged to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: _____.

Date: _____

_____, Notary Public

[Affix Notary Stamp or Seal]

My Commission Expires: _____

DRAFT

EXHIBIT A

The Property

EXHIBIT B

Estimated Costs of Sewer Upgrades



Agenda Abstract

PLANNING BOARD

Meeting Date:	June 26, 2025
Department:	Planning & Economic Development Division
Agenda Section:	Old business
Public hearing:	Yes
Date of public hearing:	May 15, 2025

PRESENTER/INFORMATION CONTACT

Molly Boyle, Planner II

ITEM TO BE CONSIDERED

Subject: Text amendment to UDO Table 6.3.1, Dimensional Requirements – Residential (initiated by applicant, WP East Acquisitions LLC)

Attachments:

1. Text amendment application
2. Revised text amendment drafts (2 options)
3. Map showing parcels eligible for density bonus under applicant's version of text amendment

Summary:

WP East Acquisitions LLC, the applicant for Agenda Item 3A, is also requesting an amendment to Unified Development Ordinance (UDO) Table 6.3.1. Specifically, the applicant is requesting changes to the maximum density and building height requirements for the Multi-Family and Multi-Family Special Use districts (MF & MFSU).

Two versions of the text amendment were presented at the public hearing on May 15: the applicant's version and staff's version. After the hearing, both the applicant and staff revised their drafts based on feedback from the boards. The revised drafts are attached.

Comprehensive Sustainability Plan goals:

Land Use & Development Goal 1: Ensure that future growth and development, including infill and redevelopment, are aligned with smart growth principles and consider infrastructure constraints such as water and wastewater system capacity.

- Strategy: Ensure that land use and development regulations are aligned with preferred future land use and growth patterns.
- Action: Ensure that the Unified Development Ordinance incorporates strategies to achieve a mix of housing types through zoning.

Financial impacts:

None.

Staff recommendation and comments:

The applicant and staff versions of the text amendment propose different conditions on maximum density. The applicant's version proposes to allow 30 units per acre in the multi-family districts under these conditions:

1. A minimum of 10% of the units in the development are affordable to households making 80% AMI (Area Median Income) or less at the time of construction;
2. The development is within 500' of a major arterial road such as Highway 70 or I-85;
3. The development does not abut an existing single-family dwelling use; and
4. A Development Agreement between the Town of Hillsborough and the party responsible for the development is agreed upon and executed prior to commencing construction.

The applicant has prepared a map showing the parcels eligible for higher maximum density (see attached). Based on the current zoning map, only four parcels would be eligible. These four parcels are already developed. If the property at 1001 Corporate Drive is rezoned to Multi-Family, it would be eligible too.

Staff proposes being less restrictive with the text amendment, which may help increase the number of affordable units in town. Staff is still proposing that a Development Agreement be required if a developer wants to increase the maximum density. A Development Agreement will allow the town board to negotiate terms, including enforcement of the affordable housing requirements.

Action requested:

Make a recommendation to the town board.

If recommending approval, indicate the version of the text amendment for which you recommend approval. If recommending approval with changes, please state the proposed changes in your motion.



APPLICATION Unified Development Ordinance Text Amendment

Planning and Economic Development Division
101 E. Orange St., PO Box 429, Hillsborough, NC 27278

919-296-9470 | Fax: 919-644-2390

planning@hillsboroughnc.gov

www.hillsboroughnc.gov

This application is for amendments to the Unified Development Ordinance (UDO). Incomplete applications will not be accepted for processing. Please contact Planning staff with questions.

Submittal Requirements

- ☒ Complete application form (including signature)
- ☒ Mark-up showing proposed changes to the Unified Development Ordinance
- ☒ Application fee per current Planning Fee Schedule

Applicant Contact Information

Name Caitlin Shelby

Phone 919.355.0110 Email caitlin.shelby@woodpartners.com

Address 1414 Raleigh Road, Suite 429

Chapel Hill, NC 27517

List the sections of the Unified Development Ordinance that you're proposing for amendment.

Please see "Exhibit A" attached.

Provide your rationale for the proposed amendment. Use additional sheets if necessary.

Please see "Exhibit B" attached.

Signature

I/we certify that the information presented by me/us in this application and all accompanying documents is true and accurate to the best of my/our knowledge, information, and belief. I/we acknowledge that the processing of this application may require additional town, county, and/or state permits, approvals, and associated fees.

<u>WPEast Acquisitions, LLC</u>	<u>Caitlin A. Mulky</u>	<u>3-19-25</u>
Applicant Name (Printed)	Applicant Signature	Date

_____	_____	_____
Applicant Name (Printed)	Applicant Signature	Date

_____	_____	_____
Applicant Name (Printed)	Applicant Signature	Date

Staff Use Only	
Date received	April 4, 2025
Received by	MOB
Fee & receipt number (if any)	D6NWR77VK4
Tentative public hearing date	May 15, 2025

Exhibit A

List the sections of the Unified Development Ordinance that you're proposing for amendment.

6.3.1 Table Dimensional Requirements

Revise Footnote 2: The maximum density for attached dwellings in the MF or MFSU district is 20 units per acre, except for attached dwelling applications that 1) propose at least 10% units to be affordable to households making 80% AMI or less at the time of construction; 2) are within 500' of a major arterial road such as Hwy 70 or I-85; and 3) do not abut an existing single-family dwelling use. Any such qualifying applications may propose up to 30 units per acre as a maximum density (subject to rounding as defined in Section 9.1.4).

Hillsborough Unified Development Ordinance

6.3.1 TABLE: DIMENSIONAL REQUIREMENTS – RESIDENTIAL										
	AR	R-40	R-20	R-15	R-10	MF & MFSU	MHP	ALN	PW ¹	PWCA ¹
Minimum Lot Area (sf)	40,000	40,000	20,000	15,000	10,000	1 acre	5 acres 5,714 sf per dwelling	1 acre	1 acre	2 acres
Minimum Lot Width	200	150	100	100	75	200	200	200	150	150
Minimum Side Yard Width	30	30	20	15	15	40	40	40	30	30
Minimum Rear Yard Width	30	30	20	20	20	40	40	40	30	30
Minimum Front Setback	40	40	30	25	25	35	35	35	30	30
Maximum Building Height	65	45	45	45	45	45	35	35	45	45
Maximum Impervious Surface (% of gross lot)	NA	NA	NA	NA	NA	NA	NA	NA	30%	6%
¹ Refer to Section 4.5 for additional requirements in the PW and PWCA districts. ² The maximum density for attached dwellings in the MF or MFSU district is 20 units per acre (subject to rounding as defined in Section 9.1.4). ³ An attached dwelling application that proposes all units to be affordable to households making 80% AMI or less at the time of construction may propose up to 30 units per acre as a maximum density (subject to rounding as defined in Section 9.1.4).										

Insert: “, except for attached dwelling applications that 1) propose at least 10% units to be affordable to households making 80% AMI or less at the time of construction; 2) are within 500’ of a major arterial road such as Hwy 70 or I-85; and 3) do not abut an existing single-family dwelling use. Any such qualifying applications may propose up to 30 units per acre as a maximum density”

Exhibit B

Provide your rationale for the proposed amendment.

The 2023 Comprehensive Sustainability Plan has a stated Goal of providing more housing options, particularly affordable housing, workforce housing, and smaller units. This goal also speaks to collaborating on addressing high-density concerns, incorporating housing-scale buildings with multiple units in walkable neighborhoods, offering density opportunities, and support for housing projects with new infrastructure development.

We are proposing a UDO text amendment that will further those goals by increasing the allowable density in the MF and MFSU Zoning Districts to 30 units per acre where affordable housing is a significant part of the project, which will enable and encourage private multifamily developers with traditional financing to provide these units on properties that have already been zoned and designated for higher-density residential development. The UDO already allows this density in all zoning districts where attached residential is allowed—which is in almost all districts with an SUP—when all units in the project are affordable for households making 80% AMI. While this is helpful to enable public affordable housing projects and affordable housing projects by affordable housing developers with unique, specialized financing structures, it does not enable traditional housing developers to provide affordable housing in their projects.

Further, by requiring that any higher density communities are located in close proximity to a major throughfare and not adjacent to a single-family neighborhood, the Town can ensure that these communities will be in appropriate locations where transportation infrastructure can support additional residents.

The Town will be able to provide more affordable housing, which is consistent with the Comprehensive Plan goals, if more density is allowed in projects that contain a significant number of affordable units, in properties that have already been zoned and deemed appropriate for higher-density residential uses presumably due to their location and proximity to Town infrastructure.

Applicant Version: Draft text amendment to UDO Table 6.3.1, incorporating feedback from 5/15/25 public hearing

Black text = existing text to remain

~~Red strikethrough~~ = existing text to be deleted

Red underline = new text to be added

6.3.1 TABLE: DIMENSIONAL REQUIREMENTS –RESIDENTIAL

	AR	R-40	R-20	R-15	R-10	MF & MFSU	MHP	ALN	PW ¹	PWCA ¹
Minimum Lot Area (sf)	40,000	40,000	20,000	15,000	10,000	1 acre (required development tract area)	5 acres (required developme nt tract area)	1 acre	1 acre	2 acres
Maximum Density (Dwelling Units per Acre) ²	1	1	2	3	4	20/30 ³	7		1	1
Minimum Lot Width	200	150	100	100	75	NA	NA	200	150	150
Minimum Side Yard Width	30	30	20	15	15	40 ⁴	40 ⁴	40	30	30
Minimum Rear Yard Width	30	30	20	20	20	40 ⁴	40 ⁴	40	30	30
Minimum Front Setback	40	40	30	25	25	35 ⁴	35 ⁴	35	30	30
Maximum Building Height	65	45	45	45	45	45/ <u>65</u> ⁵	35	35	45	45
Maximum Impervious Surface (% of gross lot)	NA	NA	NA	NA	NA	NA	NA	NA	30%	6%

¹ Refer to Section 4.5, *Other Zoning Districts*, for additional requirements in the PW and PWCA districts.

² Subject to rounding as defined in Section 9.1.4, *Dwelling Unit Yield*. Accessory dwelling units are not counted toward maximum dwelling unit per acre.

³ 30 units per acre allowed where ~~all~~ each of the following conditions are met: 1) A minimum of 10% of units in the development are affordable to households making 80% AMI (Area Median Income) or less at time of construction; 2) The development is within 500' of a major arterial road such as Hwy 70 or I-85; 3) The development does not abut an existing single-family dwelling use; and 4) A Development Agreement between the Town of Hillsborough and the party responsible for the development is agreed upon and executed prior to commencing construction.

⁴ Setbacks measured from exterior property lines of development tract. Interior setbacks governed by applicable use-specific standards (see Section 5.2, *Use-specific Standards*).

⁵ Maximum building height may be increased to 65' if minimum front, side, and rear setbacks are each increased by 5'.

Staff Version: Draft amendment to UDO Table 6.3.1, incorporating feedback from 5/15/25 public hearing

Black text = existing text to remain

~~Red strikethrough~~ = existing text to be deleted

Red underline = new text to be added

6.3.1 TABLE: DIMENSIONAL REQUIREMENTS –RESIDENTIAL

	AR	R-40	R-20	R-15	R-10	MF & MFSU	MHP	ALN	PW ¹	PWCA ¹
Minimum Lot Area (sf)	40,000	40,000	20,000	15,000	10,000	1 acre (required development tract area)	5 acres (required developme nt tract area)	1 acre	1 acre	2 acres
Maximum Density (Dwelling Units per Acre) ²	1	1	2	3	4	20/30 ³	7		1	1
Minimum Lot Width	200	150	100	100	75	NA	NA	200	150	150
Minimum Side Yard Width	30	30	20	15	15	40 ⁴	40 ⁴	40	30	30
Minimum Rear Yard Width	30	30	20	20	20	40 ⁴	40 ⁴	40	30	30
Minimum Front Setback	40	40	30	25	25	35 ⁴	35 ⁴	35	30	30
Maximum Building Height	65	45	45	45	45	45/ <u>65</u> ⁵	35	35	45	45
Maximum Impervious Surface (% of gross lot)	NA	NA	NA	NA	NA	NA	NA	NA	30%	6%

¹ Refer to Section 4.5, *Other Zoning Districts*, for additional requirements in the PW and PWCA districts.

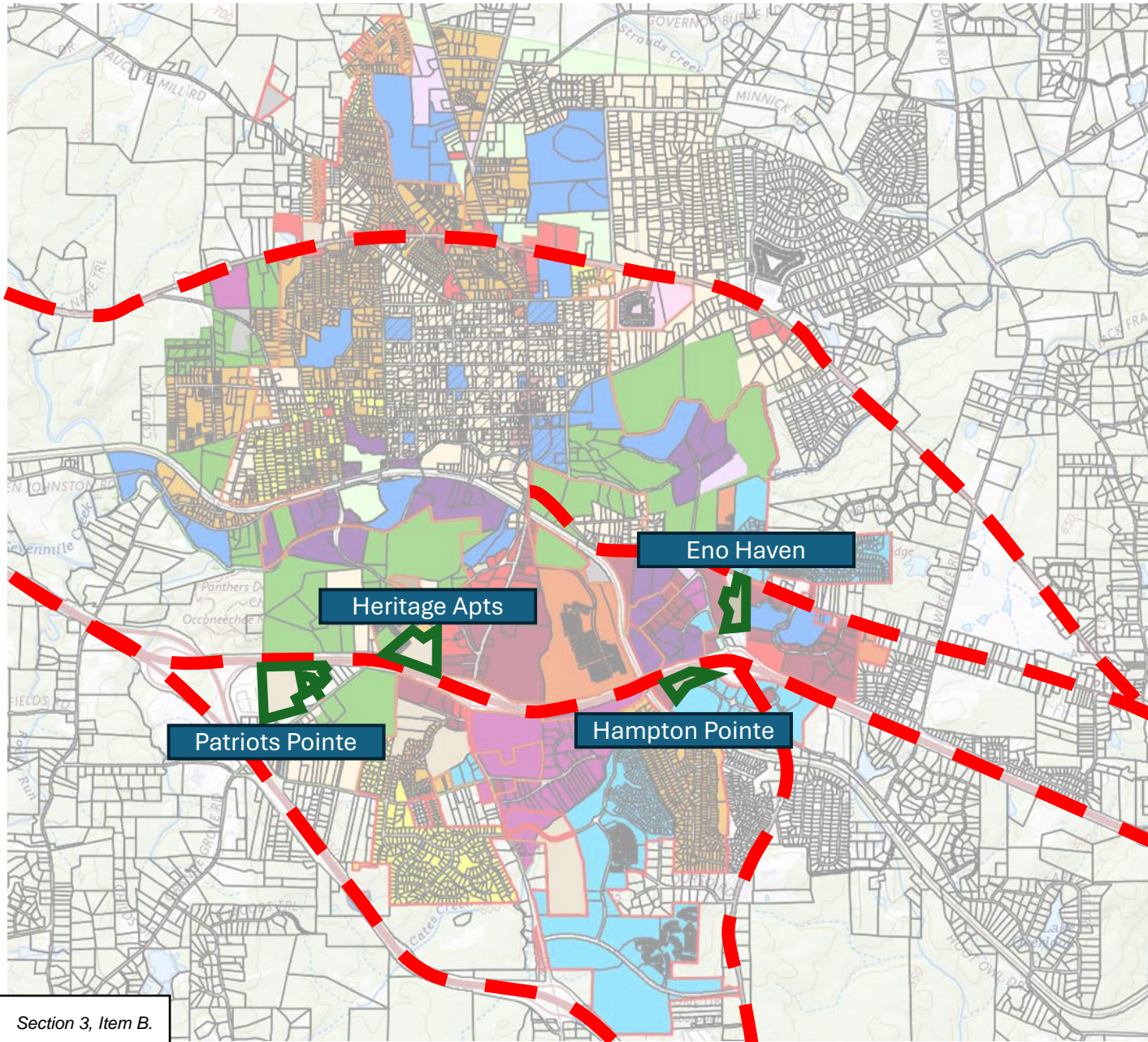
² Subject to rounding as defined in Section 9.1.4, *Dwelling Unit Yield*. Accessory dwelling units are not counted toward maximum dwelling unit per acre.

³ 30 units per acre allowed ~~where all if~~ 1) A minimum of 10% of the units in the development are affordable to households making 80% AMI (Area Median Income) or less at the time of construction, and 2) the Town of Hillsborough and the developer enter into a Development Agreement as authorized under NC GS § 160D, Article 10 to establish the terms of the affordable housing component of said development.

⁴ Setbacks measured from exterior property lines of development tract. Interior setbacks governed by applicable use-specific standards (see Section 5.2, *Use-specific Standards*).

⁵ Maximum building height may be increased to 65' if minimum front, side, and rear setbacks are each increased by 5'.

Map of parcels eligible for density bonus under applicant's version of the text amendment*



Major arterial road

MF or MFSU

*Map prepared by applicant.

Four parcels would be eligible for the density bonus. All four parcels are already developed as labeled on the map.

If 1001 Corporate Drive is rezoned to Multi-Family (MF), it would also be eligible.