



CITY OF DURHAM | DURHAM COUNTY
NORTH CAROLINA



Date: August 18, 2014

To: Thomas J. Bonfield, City Manager

Through: Keith Chadwell, Deputy City Manager

From: Steven L. Medlin, AICP, Planning Director

Subject: Coordinated Annexation Agenda Item: Joven-Northeast Creek

Executive Summary. A request for utility extension agreement, voluntary annexation, and initial zoning has been received from Leonard B. Shaffer for a 177.217 acre site located at the northeast quadrant of the intersection of Ellis Road at the Durham Freeway. This parcel has a previously approved development plan (Case Z0400046, Attachment 6) approved by the Durham County Board of Commissioners on June 12, 2006.

Annexation of the subject property connects three existing non-contiguous areas of the City to the primary City limits. No new “donut holes” are created by this annexation.

The applicant has requested an initial zoning designation of Residential Suburban-20 (RS-20), Industrial Light with a Development Plan (IL(D)), Commercial General with a Development Plan (CG(D)), and Planned Development Residential-4.840 (PDR 4.840), which is not consistent with City Council policy designating the least intense zoning based on the Development Tier and the size of the lot. A memo summarizing this zoning request is attached (Attachment 7). The Administration recommends the City Council adopt the previously approved County zoning as the initial zoning for the following reasons:

- The proposed IL(D), CG(D), and PDR 4.840 zoning districts are consistent with the City-adopted Comprehensive Plan, which recommends Industrial, Commercial, and Low-Medium Density Residential (4-8 DU/Acre); and
- The RS-20, IL(D), CG(D), and PDR 4.840 zoning and site development standards are reasonable based on the context of this site and the surrounding zoning; and
- The County zoning was approved prior to the adoption of the City Council resolution in October 2012 regarding coordinated zoning, annexation, and utility extension agreements.

- Portions of the previously approved Development Plan have already been annexed into the City of Durham and were initially zoned consistent with the County zoning designation.

Public Works and Water Management performed the utility impact analysis for the utility extension agreement and the existing sanitary sewer and water mains have capacity for the proposed development. No offsite improvements will be required, other than extension of sewer and water service to the site. The proposed development has submitted an extension agreement for approval by City Council. Budget and Management Services performed a fiscal impact analysis, which determined that the proposed annexation will be revenue positive in the third year, upon annexation.

One motion, with three components, is required by law to approve the utility extension agreement, voluntary annexation petition, and zoning map change.

Recommendation. Staff recommends that Council approve the EA, voluntary annexation, and zoning map change.

Issues and Analysis. This request involves three separate items: a utility extension agreement, voluntary annexation, and initial zoning. Each item will be reviewed below:

Utility Extension Agreement

Approval of the EA would authorize the applicant to serve the site by connecting to the existing City water and sewer mains adjacent to the site. The existing sanitary sewer and water mains have capacity for the proposed development. No offsite improvements will be required, only extension of proposed sewer and water mains to the projects scope will be required.

Voluntary Annexation Petition

The Administration is requesting the Council conduct a public hearing and consider annexation of the subject property with an effective date of September 30, 2014. The public hearing will be held in compliance with N.C. General Statute 160A-31.

Zoning Map Change

State Statutes (General Statute 160A-360) require that a municipality annexing land place it's zoning designation on the property within 60 days of the effective date of the annexation. Staff is recommending an initial zoning designation of Residential Suburban-20 (RS-20), Industrial Light with a Development Plan (IL(D)), Commercial General with a Development Plan (CG(D)), Planned Development Residential-4.840 (PDR 4.840) on the property. The Administration recommends the City Council adopt the previously-approved County zoning as the initial zoning for the following reasons:

- The proposed IL(D), CG(D), and PDR 4.840 zoning districts are consistent with the City-adopted Comprehensive Plan, which recommends Low-Medium Density Residential (4-8 DU/Acre), Commercial, and Industrial; and
- The RS-20, IL(D), CG(D), and PDR 4.840 zoning and site development standards are reasonable based on the context of this site and the surrounding zoning; and
- The County zoning was approved prior to the adoption of the City Council resolution in October 2012 regarding coordinated zoning, annexation, and utility extension agreements.
- Portions of the previously approved Development Plan have already been annexed into the City of Durham) and were initially zoned consistent with the County zoning designation.

Utility Impacts. Water service shall be provided by extending the existing 12-inch waterline in Ellis Road into the property. Sewer service shall be provided by extending a City of Durham 12-inch sanitary sewer outfall that connects to an existing stub of City of Durham sanitary sewer located in NC 147. The outfall shall extend to the eastern edge of the property and the last manhole shall be set to receive flow by gravity from a future outfall coming from the Stage Road Lift Station. The City of Durham sanitary sewer lines shall be extended to a sanitary sewer outfall operated by Durham County located in Ellis Road for delivery of wastewater to the Durham County Triangle Plant. Wastewater generated by City of Durham residents within the Northeast Creek Basin is treated at Durham County's Triangle Plant. The Developer is required to obtain all necessary approvals, permits, and easements from the City, Durham County, and/or any other party for any improvements to the wastewater collection and treatment systems required to serve the Project. If the Developer is unable to obtain a required approval from Durham County or any other party, the Developer acknowledges that the City is under no obligation to provide an alternative means of wastewater treatment to the Project. This is consistent with the manner in which the City provides wastewater treatment service to all City residents within the Northeast Creek Basin. There is capacity in the system to serve this project. Water Management and Public Works are not requesting major infrastructure improvements at this time.

Financial Impact. The estimated annual General Fund revenues generated from this annexation area under the initial zoning map change at build out in FY2019-20 is \$878,266. The estimated annual General Fund expenditures associated with providing City services at build out is \$213,520. The estimated annual General Fund net gain to the City at build out is \$664,745. The cumulative estimated General Fund net gain to

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the City at build out is \$1,631,641. Please note that Impact Fee revenues are not included in the General Fund estimates.

A cost-benefit analysis is attached (Attachment 3) which provides cost and revenue projections through FY2024-25, including CIP expenses.

The chart below contains additional details regarding projected departmental revenue and expense projections.

Department/Type	Revenues	Expenses
Emergency Communications	No revenues anticipated	No additional expenses are anticipated
Fire	\$760 received in inspections fees in 2016-17. At build out, \$3,000 in annual inspection fees is anticipated.	No additional expenses are anticipated
Fleet Management	No revenues anticipated	No additional expenses are anticipated
Inspections	Total impact fees collected: \$249,095. Parks and Recreation (\$163,625) and Open Space (\$85,470). This scenario assumes significant street impact fee credits will be awarded and therefore are not included.	No additional expenses are anticipated
Parks & Recreation	No revenues anticipated	No additional expenses are projected
Planning	Total fees received over the build out are anticipated to be \$40,480	No additional expenses are anticipated
Police	No additional revenues are anticipated	First year estimated service cost of \$116,150 and ongoing annual cost of \$149,608 at build out
Public Works	Proportional allocation for utility cuts reimbursements total \$2,135 annually at build out	Projected annual street maintenance costs estimated at \$29,432 at build out.
Solid Waste	At build out, \$15,953 in revenues is anticipated from the Solid Waste Fee (\$8,316), recycling (\$1,877) and Yard Waste (\$5,760). The total Yard Waste subscribers at build out will be 96.	Residential collections and recycling costs are anticipated to be \$22,913 at build out. In FY20 the total operating expenses associated with Yard Waste subscriptions is anticipated to be \$8,062.
Transportation	Powell Bill reimbursement of \$380 and \$620 in paratransit revenues at build out. Note: paratransit revenues are not part of the General Fund.	\$2,117 in ongoing annual expenses for striping, traffic signs, and electricity. Paratransit services estimate 363 trips at a cost of \$22.17 per trip (\$8,051 annually) in the final year of build out.
Water Management	No general fund revenues anticipated	No general fund expenses are anticipated

Alternative. Deny the EA and voluntary annexation petition. No action would be required or authorized on the zoning map change.

SDBE Summary. This item has no known SDBE impact.

Attachments

- Attachment 1: Context Map
- Attachment 2: Aerial Map
- Attachment 3: Cost/Benefit Analysis
- Attachment 4: Clerk Certification
- Attachment 5: Legal Description
- Attachment 6: Development Plan (Case Z0400046)
- Attachment 7: Zoning Memo
- Attachment 8: Estimated Utility Life Cycle Costs
- Attachment 9: Utility Extension Agreement
- Attachment 10: Annexation Ordinance
- Attachment 11: Initial Zoning Ordinance