



CITY OF DURHAM | DURHAM COUNTY
NORTH CAROLINA



Date: June 20, 2016

To: Thomas J. Bonfield, City Manager

Through: Keith Chadwell, Deputy City Manager

From: Steven L. Medlin, AICP, Planning Director

Subject: Consolidated Annexation Item: T.W. Alexander at NC-55

Executive Summary. A request for a utility extension agreement (EA), voluntary annexation, Comprehensive Plan amendment, and zoning map change has been received from Hopper Communities, LLC for the T. W. Alexander at North Carolina Highway-55 (NC-55) project. The subject site is comprised of three parcels, 5627 NC-55, 462 T.W. Alexander Drive, and 474 T.W. Alexander Drive – located at the northeast quadrant of T. W. Alexander Drive at NC-55.

The requested annexation (Case BDG1500015) is for 26.08 contiguous acres (including right-of-way). If approved, the annexation would be effective on June 30, 2016.

The applicant has requested an initial zoning designation of Residential Suburban-Multi-Family with a development plan, Falls/Jordan-B (RS-M(D), F/J-B) which would permit 192 to 300 dwelling units at the site. The net developable area at the site is 23.99 acres, which results in a proposed density of 8.000-12.506 dwelling units per acre.

The site, currently in the County’s jurisdiction, is split-zoned: Residential Rural (RR, 17.32 acres) and Commercial Neighborhood (CN, 8.76 acres). By-right, the maximum use of the existing RR portion of the site would permit 20 single family dwelling units. The maximum use of the CN portion of the site would permit a 5,000 square foot fast-food restaurant with drive-up window.

The requested zoning is not consistent with the adopted Future Land Use Map, which designates the subject site as Industrial, Medium Density Residential (6-12 DU/acre), and Recreation and Open Space. A plan amendment, case A1500013, to change 14.08 acres designated as Medium Density Residential (6-12 DU/acre) and 3.66 acres of Industrial designated land to Medium-High Density Residential (8-20 DU/acre), has been received. The remaining 8.34 acres of the subject site would maintain the present Recreation and Open Space designation.

Public Works and Water Management performed the utility impact analysis for the utility extension agreement and have determined that the existing City of Durham

water main has the capacity for the proposed development. Offsite waterline main extensions are required to serve the project. The site will be served by the Durham County sewer system.

Water service to the property shall be provided by extending the 12-inch waterline in NC 55 Highway and the 12-inch waterline in T.W. Alexander Drive and connecting these lines at the intersection of both roads. Sewer service will be provided by Durham County. 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. There shall be no City participation in the cost. Budget and Management Services performed a fiscal impact analysis, which determined that the proposed annexation will be revenue-positive immediately following annexation.

Two motions are required for this item. One motion, with four sub-components, is required by law to approve the utility extension agreement, voluntary annexation petition, plan amendment, and zoning map change. A second motion is required to adopt a consistency statement as required by GS 106A-383.

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

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

Utility Extension Agreement

Public Works and Water Management performed the utility impact analysis for the utility extension agreement and that existing water mains have capacity for the project. The applicant will be required to make off-site waterline improvements to serve the project.

Voluntary Annexation Petition

The staff is requesting that Council conduct a public hearing and consider annexation of the subject property (case BDG1500015) with an effective date of June 30, 2016. The public hearing will be held in compliance with N.C. General Statute 160A-31.

Annexation would require the provision of City services to the subject property. Budget and Management Services performed a fiscal impact analysis, which

determined that the proposed annexation will be revenue positive immediately upon annexation.

Plan Amendment

The proposed plan amendment would change the Future Land Use Map designation of the *Comprehensive Plan* for 14.08 acres designated as Medium Density Residential (6-12 DU/ac) and 3.66 acres of Industrial designated land to Medium-High Density Residential (8-20 DU/acre). The remaining 8.34 acres of the subject site would maintain the present Recreation and Open Space designation.

Staff is recommending approval, based on the proposal being justified and meeting the four criteria for plan amendments. The Planning Commission recommended approval, 11-2, at their April 12, 2016 meeting, based on the justification, the request meeting the four criteria for plan amendments, and information heard at the public hearing. Please see the plan amendment staff report (Attachment 7) for more information.

Zoning Map Change

The applicant is requesting a zoning map change from CN, RR, F/J-B (County jurisdiction) to RS-M(D), F/J-B (City jurisdiction) (Case Z1500032) for 192 to 300 dwelling units. This request is consistent with all adopted City plans and policies. The Planning Commission recommended approval, 11-2 on April 12, 2016 (see Planning Commission Summary and Written Comments, Attachment 16).

Fiscal 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 \$38,063. The estimated annual General Fund expenditures associated with providing City services at build out is \$110,133. The estimated annual General Fund net loss to the City at build out is \$-72,070. The cumulative estimated net gain to the City at build out, including impact fees, is \$396,230. Impact Fee revenues are not included in the General Fund revenue estimates but are included in the cumulative net gain.

A cost-benefit analysis is attached (Attachment 6) that 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	No revenues anticipated	This area will best be served by future Fire Station 19. This station has been submitted to the Long-term CIP, no approved funding has been allocated at this time for land acquisition or construction. Until this station is built, Fire Services will be provided by other near by stations.
Fleet Management	No revenues anticipated	No additional expenses are anticipated
Inspections	Impact fees collected are anticipated to total \$452,700. This includes \$127,500 for Parks and Recreation Facility impact, \$66,600 for Open Space Land Impact and \$258,600 for Street Impact fees.	No additional expenses are projected
Parks & Recreation	No revenues anticipated	No additional expenses are projected
Planning	The department anticipates receiving \$15,600 in development review fees for this requested annexation.	No additional expenses are anticipated
Police	No additional revenues are anticipated	Annual costs for additional coverage area are anticipated at \$110,133 at build out. This includes the personnel costs associated with 1.8 FTEs.
Public Works	No additional revenues are anticipated	No additional General Fund expenses are anticipated. There are minor Stormwater costs associated with this annexation request however, Stormwater fees are projected to cover these costs.
Solid Waste	No additional revenues are anticipated	No additional expenses are anticipated because this is a commercial property.
Transportation	No additional General Fund revenues are anticipated. Projections anticipate approximately \$511 annually for paratransit related revenues/trips.	No additional General Fund expenses are anticipated. Projections anticipate approximately \$6,635 annually for paratransit related expenses.
Water Management	No general fund revenues anticipated	No general fund expenses are anticipated. Water and Sewer rates will cover the cost to provide service.

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

Attachments

Attachment 1:	Context Map
Attachment 2:	Aerial Map
Attachment 3:	Utility Extension Agreement
Attachment 4:	Department of Water Management Written Analysis
Attachment 5:	Cost/Benefit Analysis
Attachment 6:	Plan Amendment Staff Report
Attachment 7:	Plan Amendment Map – Proposed Change
Attachment 8:	Plan Amendment Map – Aerial
Attachment 9:	Plan Amendment Justification
Attachment 10:	Zoning Map Change Staff Report
Attachment 11:	Zoning Map Change Development Plan
Attachment 12:	Zoning Map Change Application
Attachment 13:	Bicycle and Pedestrian Advisory Commission Comments
Attachment 14:	City of Durham Transportation Department TIA Memo
Attachment 15:	NCDOT TIA Memo
Attachment 16:	Planning Commissioner’s Written Comments
Attachment 17:	Case History
Attachment 18:	Clerk Certification
Attachment 19:	Annexation Ordinance
Attachment 20:	Comprehensive Plan Amendment Resolution
Attachment 21:	Zoning Map Change Ordinance
Attachment 22:	Zoning Map Change Consistency Statement