

MEMORANDUM

TO: Mayor and Board of Commissioners

FROM: Bryan Gruesbeck, Town Manager

**SUBJECT: Request from Pittsboro Place Partners, LLC for Extension of Water and Wastewater Capacity Allocation and Extension of MUPD Zoning and Approved Plan for Pittsboro Place**

DATE: February 9, 2015

**Background:** During your November 24, 2014 meeting you briefly discussed a request from Pittsboro Place Partners (hereafter “PPP”) to extend the Mixed Use Planned Development (MUPD) Zoning Classification that was originally granted by the Town in 2007. You may also recall that PPP requested a five (5) year extension of the 15,000 GPD water and wastewater capacity they acquired in 2005.

At the January 26, 2015 meeting you discussed a modified request from PPP to extend the MUPD Zoning Classification and 15,000 GPD water and wastewater capacity for a period of three (3) years. PPP also suggested draft language to amend Section 5.6.10 of the Pittsboro Zoning Ordinance to accommodate the extension. They also revised their water and wastewater capacity extension to a length not to exceed (3) years. In this scenario, PPP is offering to secure 15,000 GPD of capacity for 12 months. If this capacity were unused, on the 13<sup>th</sup> month capacity would be reduced to 10,000 GPD for the remaining two (2) years.

During the meeting, you also asked for clarification of the zoning use applied toward the Capital Recovery Fee that the Town could require PPP to pre-pay by Town Ordinance (Chapter 25, Article VIII). The Town collects Capital Recovery Fees and deposits them in the Capital Reserve Funds in order to plan, construct and maintain the Town’s water and wastewater system. As I mentioned in my previous memos there are no Capital Recovery Fees for MUPD in our Ordinance, therefore “C-2” (Highway Commercial) was applied. We might consider applying the PUD (Planned Unit Development) Zoning District calculations to the Capital Recovery charges. However, it appears the Town’s Zoning Ordinance describes only residential uses in the PUD Zoning Classification and Pittsboro Place also includes commercial in addition to residential uses. In any event, a comparison between the Capital Recovery charges for each district can be seen in the table below:

| Capital Recovery Fees |         |         |         |           |
|-----------------------|---------|---------|---------|-----------|
| Zoning District       | Acreage | Water   | Sewer   | Total     |
| C2                    | 71.9    | \$3,000 | \$4,500 | \$539,250 |
| PUD                   | 71.9    | \$3,600 | \$5,400 | \$647,100 |

We should note that the fees above are calculated based on “gross” acreage before removing right of way, required open space and parks. Therefore, the “net” acreage would be slightly less than 71.9 acres, causing the total amount of Capital Recovery Fees to be lower than indicated. Ultimately, if you were to consider an extension of water and wastewater capacity longer than

one (1) year, I recommend that we calculate and assess an exact Capital Recovery Fee as part of an extension agreement with PPP.

During the January 26, 2015 Board of Commissioners discussion of this issue, PPP mentioned that it would be willing to agree to an extension of one (1) year from the date of application to extend (October 8, 2014) while we review a possible request to make a text amendment to Section 5.6.10 of our Zoning Ordinance to allow an extension of the MUPD Zoning District for a period not to exceed three (3) years. In other words, if you were to extend the MPUD Zoning Classification for one (1) year, the Town could consider a request for an additional two (2) years. PPP would be required to complete a formal text amendment request to the Town.

Attached please find the Resolution Extending the Approval of Pittsboro Place Mixed Use Planned Development. If you approve it, this document would extend the MPUD Zoning District to October 7, 2015.

Also attached please find the Second Amendment and Extension Agreement which, if you approve, extends the 15,000 GPD water and wastewater capacity until October 7, 2015.

**Action Requested:** Approve the Resolution Extending the Approval of Pittsboro Place Mixed Use Plan Development. Authorize the Mayor to execute the Second Amendment and Extension Agreement.