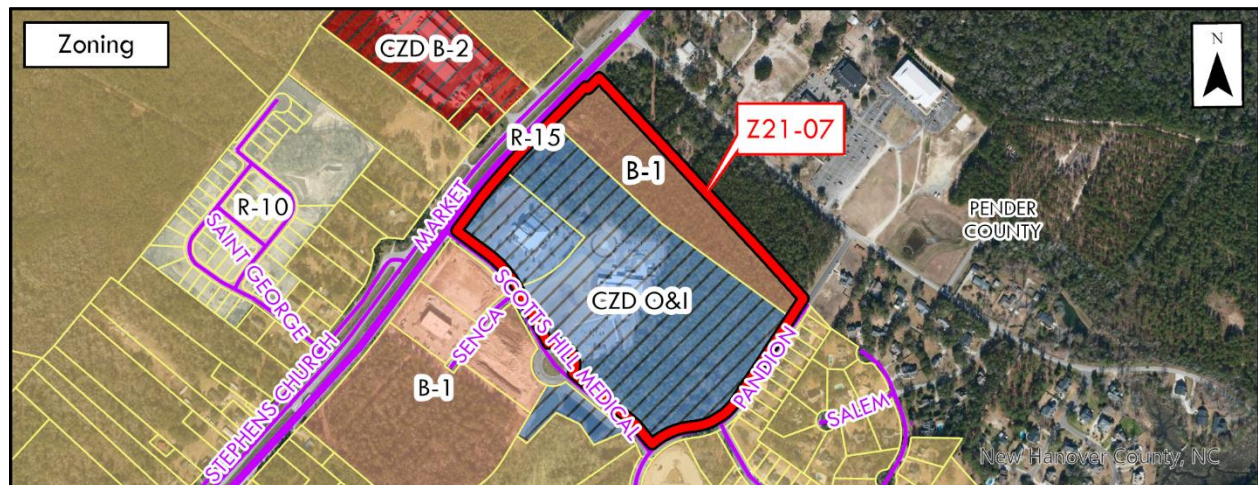


STAFF REPORT FOR Z21-07

ZONING MAP AMENDMENT APPLICATION

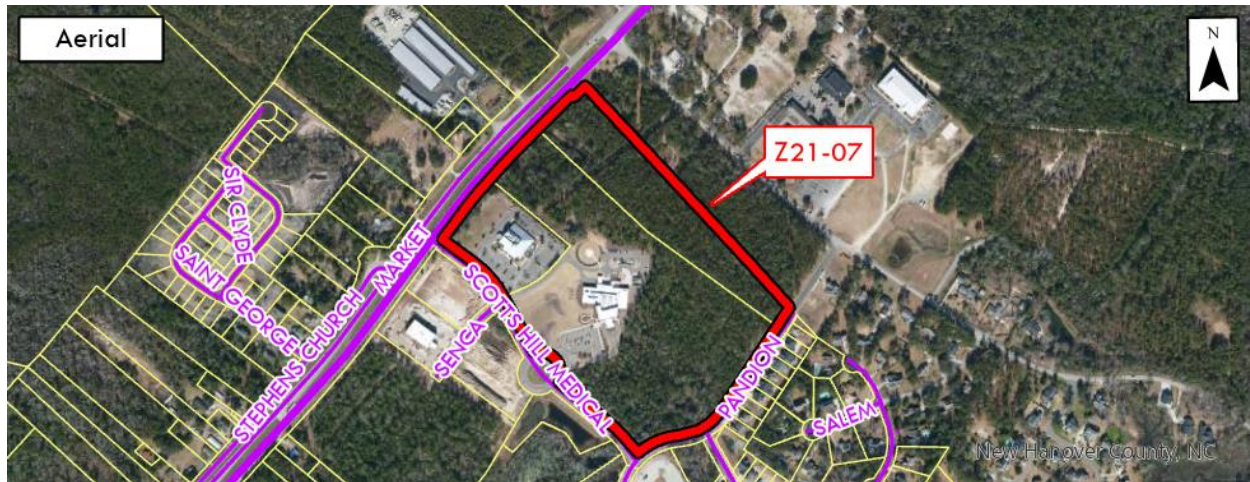
APPLICATION SUMMARY	
Case Number: Z21-07	
Request: Rezone 40.913 acres from (CZD) O&I, Conditional Office and Institutional, and B-1, Neighborhood Business, to O&I, Office & Institutional	
Applicant: Tom Walsh, Novant Health – New Hanover Regional Medical Center	Property Owner(s): Novant Health – New Hanover Regional Medical Center
Location: 9104 Market Street 151 Scotts Hill Medical Drive	Acreage: 40.913
PID(s): R02900-002-077-000 R02900-002-067-000 R02900-002-078-000	Comp Plan Place Type: Community Mixed Use
Existing Land Use: Urgent Care Facility, Medical Office, Undeveloped	Proposed Land Use: Urgent Care Facility and Medical Office to remain. The remaining portions of the site would be allowed to be developed in accordance with O&I district provisions
Current Zoning: (CZD) O&I, Conditional Office and Institutional; and B-1, Neighborhood Business	Proposed Zoning: O&I, Office and Institutional



SURROUNDING AREA		
	LAND USE	ZONING
North	US 17 Corridor, Mini-Warehouse/Self-Storage, Undeveloped	(CZD) B-2, R-15

SURROUNDING AREA		
	LAND USE	ZONING
East	Undeveloped, Religious Assembly, Single-Family Residential	N/A (Pender County GB, O&I, and RP)*
South	Single-Family Residential, Elementary Charter School	R-15
West	US 17 Corridor, Medical Offices	B-1, (CZD) O&I

* Pender County Zoning Districts: GB (General Business), O&I (Office and Institutional), RP (Residential Performance)



ZONING HISTORY	
July 6, 1971	Initially zoned R-15 (Area 5)
October 4, 2004	3.36 acres rezoned from R-15 to (CUD) O&I, Conditional Use Office & Institutional, to allow for a surgery clinic. (Case Z-785) (Replaced by Case Z-795)
April 4, 2005	6.71 acres rezoned from R-15 to (CUD) O&I, Conditional Use Office & Institutional, to allow for a surgery clinic. (Case Z-795) (Replaces Case Z-785)
January 8, 2007	49.85 acres rezoned from R-15 to (CUD) B-1, Conditional Use Neighborhood Business District, and (CUD) O&I, Conditional Use Office & Institutional, to allow for a hospital, medical offices, and business offices. (Case Z-853)
August 4, 2008	9.22 acres rezoned from R-15 to B-1, Neighborhood Business. (Case Z-888)
August 11, 2014	26.93 acres rezoned from (CUD) O&I, Conditional Use Office & Institutional, to (CZD) O&I, Conditional Office & Institutional, to allow for a helicopter landing pad. (Case Z-934)

COMMUNITY SERVICES	
Water/Sewer	Water and sewer services are available through CFPWA. Specific design will be determined during site plan review.

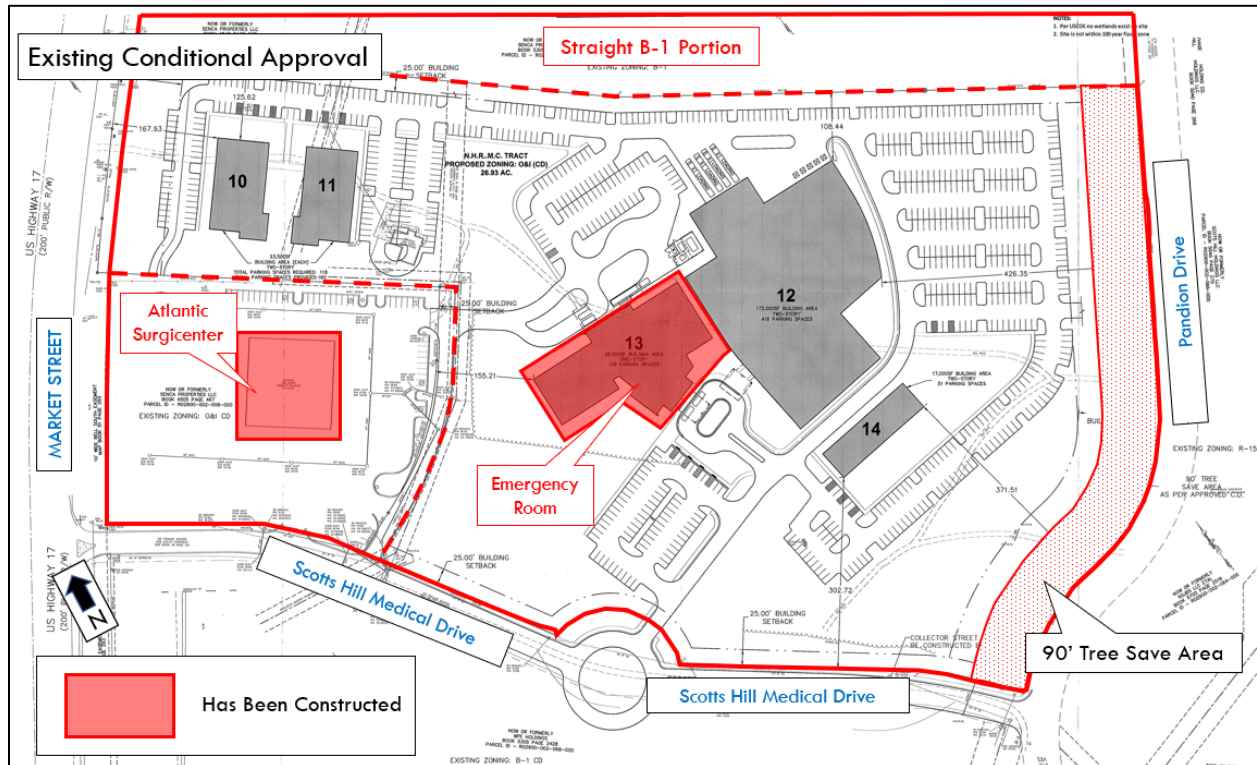
Fire Protection	New Hanover County Fire Services, New Hanover County Northern Fire District, New Hanover County Station Porters Neck
Schools	Porters Neck Elementary, Holly Shelter Middle, and Laney High schools
Recreation	Ogden Park, Pages Creek Preserve

CONSERVATION, HISTORIC, & ARCHAEOLOGICAL RESOURCES

Conservation	The County's Conservation Resources Map indicates that swamp forests and pocosin wetlands may be present on the site. Conservation space is required for swamp forest and pocosin wetlands when at least five (5) acres of the resource exists on the property. Preliminary analysis indicates that fewer than 5 acres exist on the site. Verification of regulated swamp forests and pocosin wetlands will be required during the site plan review process.
Historic	No known historic resources.
Archaeological	No known archaeological resources.

EXISTING CONDITIONS

- Of the three properties being considered, two properties are currently zoned (CZD) O&I, totaling 31.69 acres, and are currently used for an emergency room (New Hanover Regional Medical Center Emergency Department – North), and a surgery center (New Hanover Regional Medical Center – Atlantic Surgicenter). The third property being considered in this request is zoned B-1, accounts for 9.22 acres of the request, and is undeveloped.
- The subject site is located on Scotts Hill Medical Drive along the Market Street corridor, with the existing straight B-1 portion of the site located immediately adjacent to Pender County to the north and northeast.



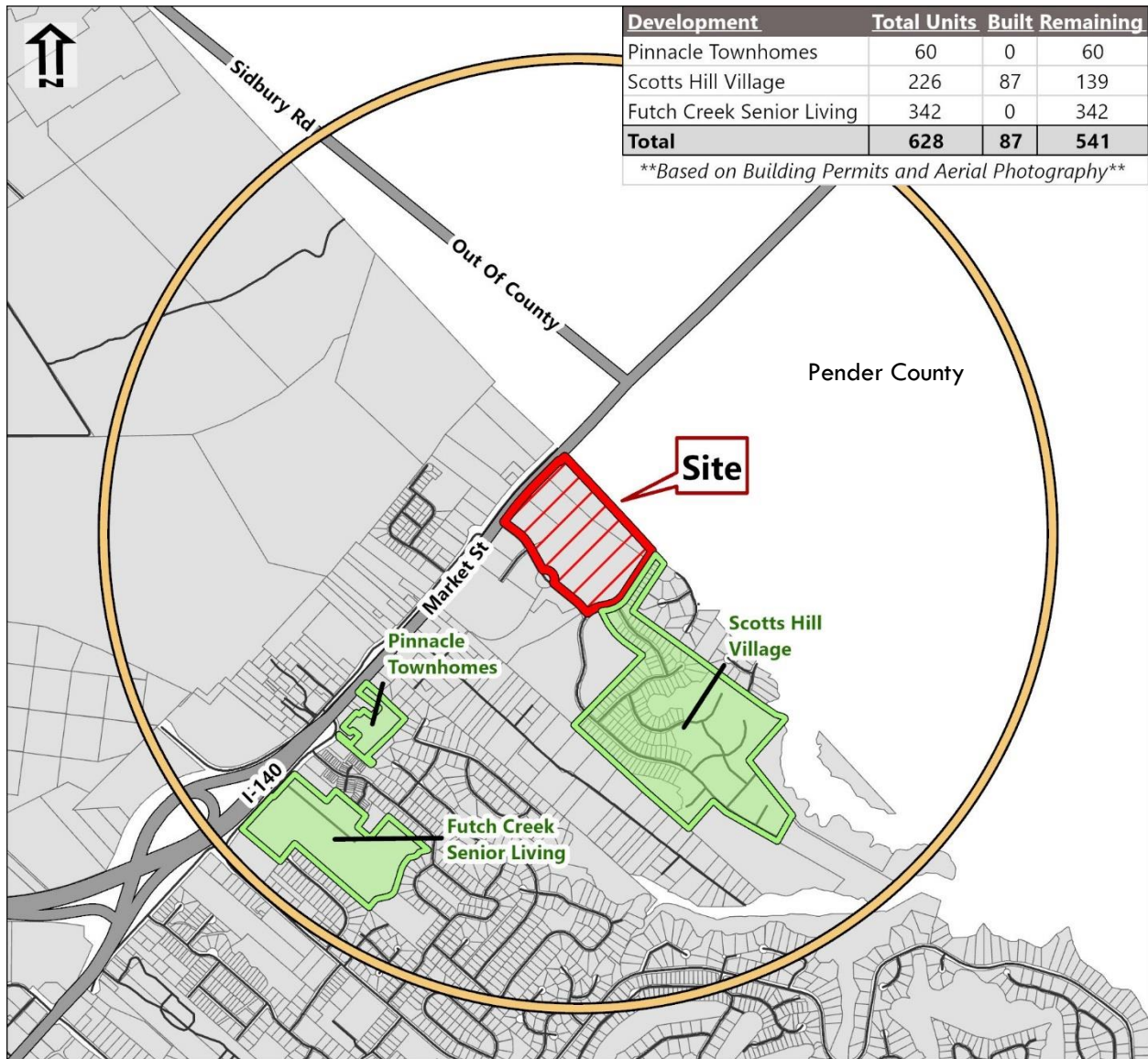
Existing (CZD) O&I Site-Specific Development Plan

- As currently conditionally zoned, the site is subject to two site-specific development plans that, when considered together, allow for six buildings totaling approximately 282,000 square feet of building footprint area with a mixture of the following uses: Hospital, Medical and Dental Office, Offices for Private Business and Professional Activities, and Heliport. The current maximum building height for the subject site is 35 feet, which was the maximum allowable building height in the O&I district when the conditional rezonings were originally approved in the mid-2000s.
- Four of the six approved buildings have not been constructed, totaling 236,000 square feet of footage and 627 parking spaces, which includes the proposed 172,000 square foot hospital and corresponding 416 parking spaces.
- The existing site-specific development plan also establishes a 90' tree preservation buffer located along Pandion Drive.

ZONING CONSIDERATIONS

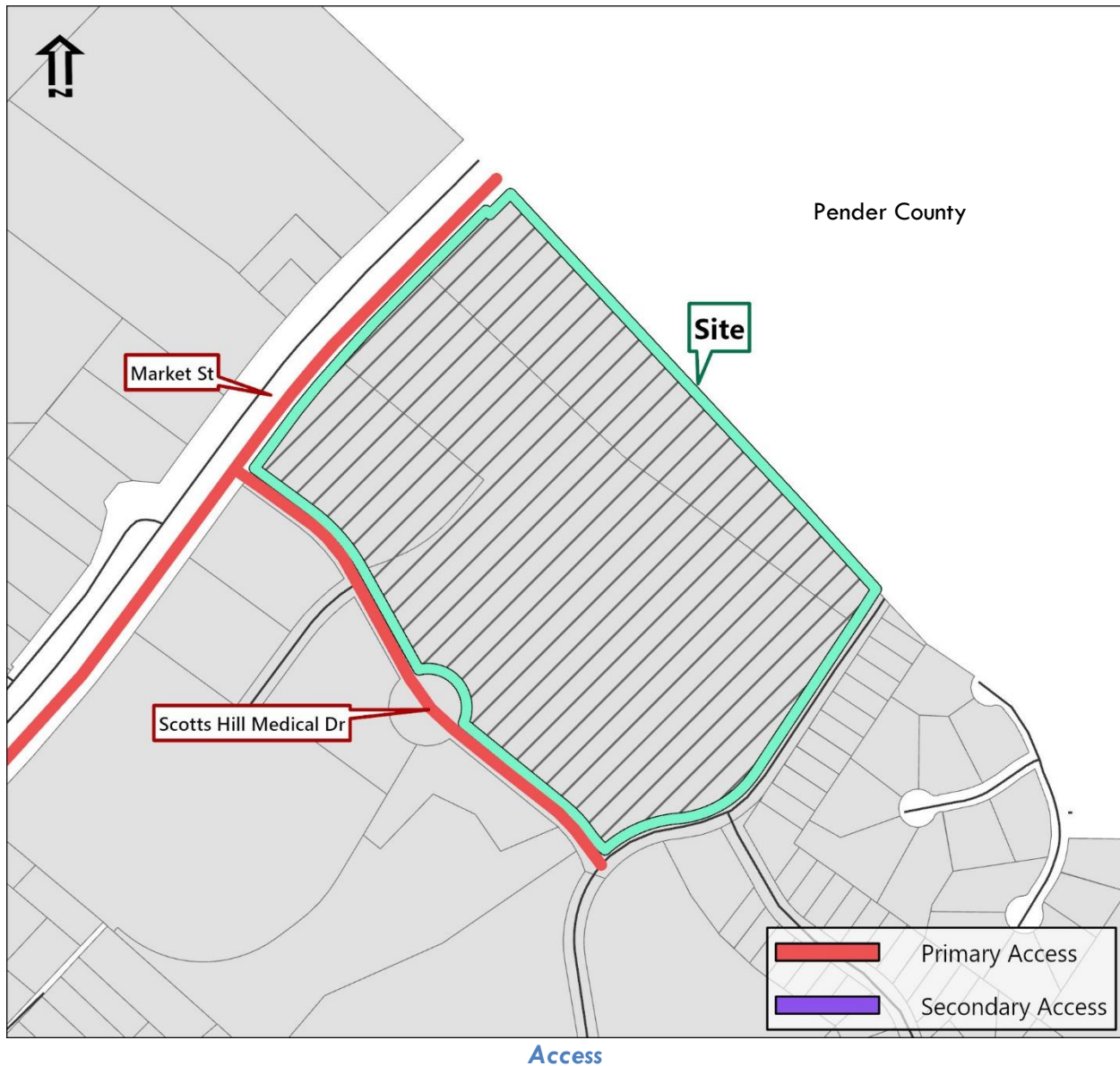
- The applicant is proposing to rezone approximately 41 acres from (CZD) O&I and B-1 to O&I. The applicant has indicated on the application that the rezoning would allow for a regional medical facility, which would be classified as a Hospital use by the Unified Development Ordinance's Principal Use Table. However, this is a straight rezoning and not a conditional rezoning, so all uses allowed in the O&I district would be permitted.
- Types of uses allowed and commonly found in the O&I district include civic and institutional uses like libraries, community centers, government buildings, elementary and secondary schools, and trade schools. Medical uses like hospitals, nursing care facilities, and medical offices are also typical of the O&I district. Other commercial uses including retail, personal service, financial institutions, and restaurants are common as well. The O&I district allows residential development at a maximum density of 2.5 dwelling units per acre.
- The subject site consists of three parcels bordering Pender County to the east. Adjacent Pender County zoning includes General Business (comparable to the B-2), O&I (comparable to the O&I), and Residential Performance (comparable to the R-15). Surrounding New Hanover County zoning classifications include (CZD) B-2, B-1, R-10, and R-15.
- Each of the previously approved uses are allowed by right in the O&I district, with heliports allowed as a customary accessory use to hospital uses, and the proposed straight O&I zoning would allow for a similar development pattern as currently approved.
- Because this is a straight rezoning, a conceptual plan is not included within the application. The subject site would be required to meet all the Unified Development Ordinance's (UDO) requirements for development within the O&I district, including building height maximums for non-residential structures. Based on current standards, buildings would be limited to no more than 52 feet in height and would be required to observe increased setbacks from residential property.
- The subject site is partially located within the Special Highway Overlay District (SHOD). Any building constructed on the site would be required to be set back 100' from the Market Street right-of-way.
- Any development proposed would be required to meet the UDO's standards for parking, tree retention, landscaping and buffering, exterior lighting, signs, and open space.
- Any proposed development would be reviewed by the Technical Review Committee (TRC) to ensure compliance with applicable County and State regulations, including applicable site design and approval provisions within the Unified Development Ordinance (UDO).

AREA SUBDIVISIONS UNDER DEVELOPMENT



Area Subdivisions Under Development

TRANSPORTATION



- Access is provided to the subject site by Scotts Hill Medical Drive, a private street dedicated for public use located off Market Street approximately one mile north of the NC 140 interchange.
- Traffic Impact Analyses (TIAs) are not required for a straight rezoning, as a specific development proposal is required to thoroughly analyze access, potential trip generation, and roadway improvements.
- A Traffic Impact Analysis (TIA) was originally approved for the site in 2014. The improvements required under that approval were carried over into a 2019 TIA for the portion of the Scotts Hill Medical Development south of Scotts Hill Medical Drive, which serves as the basis of the memorandum produced for Case Z21-09 in May 2021.
- As currently approved, the TIA requires the following roadway improvements at the studied intersections to be completed by 2022:

1. Intersection of Market Street and Sidbury Road
 - No improvements.
 2. Intersection of Market Street and Scotts Hill Loop Road (South)
 - Installation of a signalized northbound to southbound U-turn lane on Market Street. This improvement has been completed.
 3. Intersection of Market Street and Scotts Hill Medical Drive
 - Installation of a southbound left turn lane onto Scotts Hill Medical Drive from Market Street.
 - Installation of an additional right turn lane from Scotts Hill Medical Drive onto Market Street northbound.
 - Signalization of the intersection.
 4. Intersection of Market Street and future Comet Apartments site access north of Creekwood Road
 - Installation of a northbound right turn lane from Market Street.
 - Removal of the barrier from the southbound left turn lane.
 - Signalization of the intersection.
 5. Intersection of Market Street at U-turn south of Creekwood Road
 - No improvements.
- In the event the Case Z21-09 development is denied, or if new development in the area is proposed that would trigger the requirement for a TIA established by the UDO and NCDOT, a new TIA would be required that would likely include or supersede these improvements. Likewise, any changes made to the use of the subject site, including but not limited to building square footage or location of driveways, would require a new TIA to be submitted to the NCDOT and WMPO for review and approval.
 - Before any development can occur on this site, the Technical Review Committee will review all plans for compliance with applicable land use regulations, including any recommended roadway improvements from traffic impact analyses to ensure adequate traffic safety and distribution. Recommended roadway improvements will be completed as required by a TIA or through the NCDOT Driveway permitting process.

- As currently developed, the site is estimated to generate approximately 97 trips in the AM peak hour and 102 trips in the PM peak hour.
- In addition to the trips estimated for the existing emergency facility and surgery office, the trip generation included in the original Traffic Impact Analysis for the site analyzed 200,000 square feet of hospital and 64,000 square feet of medical office space. If developed as originally approved, the site could be estimated to generate approximately 400-500 more peak hour trips than the existing development.

Development	Intensity	Approx. Peak Hour Trips
Existing Development:	18,000 square foot Medical Office	66 AM / 59 PM
	28,000 square foot Emergency Medical Facility	31 AM / 43 PM
Potential Development (based on Approved CZD Plan):	200,000 square feet of Hospital	274 AM / 194 PM
	64,000 square feet of Medical Office	236 AM / 210 PM
Net difference between existing conditions and potential development pattern based on approved CZD plan:		+510 AM / +404 PM

- Because a traffic impact analysis (TIA) is not required to analyze transportation impacts at this time, Staff has provided the volume to capacity ratio for the adjacent roadways near the subject site. While volume to capacity ratio, based on average daily trips, can provide a general idea of the function of adjacent roadways, the delay vehicles take in seconds to pass through intersections is generally considered a more effective measure when determining the Level of Service of a roadway.

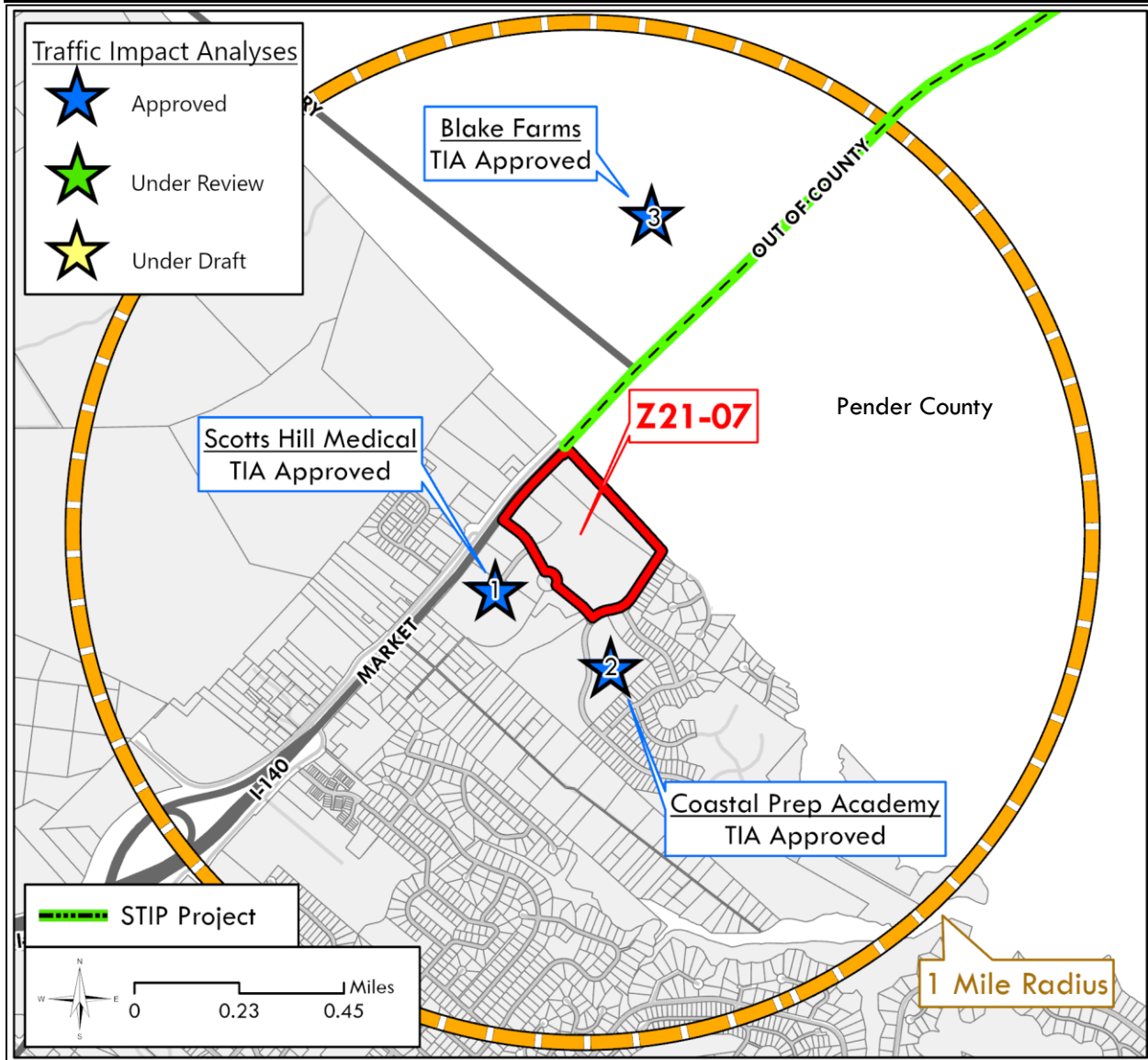
NCDOT Average Annual Daily Traffic (AADT) - 2019

Road	Location	Volume	Capacity*	V/C
Market Street	9100 Block	44,500	41,368	1.08

* Per the WMPO, prior capacity estimates were based off the maximum volume a roadway could be estimated to accommodate, also known as the Level of Service F volume. New methodology developed by the NCDOT Model Research and Development Group references an updated modeling system which uses Level of Service D in capacity analyses for planning purposes rather than Level of Service F, causing this figure to appear lower than previous staff reports. There has been no change in the capacity of the roadway at this location.

- The Military Cutoff extension improvements are expected to improve the volume to capacity ratio by 30-50% at this location based on the 2035 traffic forecast included in the Military Cutoff Extension and Hampstead Bypass Traffic Operations Analysis Report.

Nearby Planned Transportation Improvements and Traffic Impact Analyses



Nearby Planned Transportation Improvements and TIAs

Nearby NC STIP Roadway Projects:

- STIP Project W-5803B (US 17 Shoulder Rumble Strips)
 - Project to install shoulder rumble strips on US 17 between New Hanover County/ Pender County line and mile post 19.3 in Onslow County.
 - The safety project is scheduled to be constructed in 2022.
- There are no pending STIP projects within one mile of the subject site anticipated to impact this request. The Military Cutoff Extension (STIP Project U-4751) is anticipated to improve the volume to capacity ratio of Market Street at this location.

Nearby Traffic Impact Analyses:

Traffic Impact Analyses are completed in accordance with the WMPO and NCDOT standards. Approved analyses will expire if the proposed development is not completed by the build out date established within the TIA.

Proposed Development	Land Use/Intensity	TIA Status
1. Scotts Hill Medical Park w/ Case Z21-09 Addendum	<ul style="list-style-type: none"> • 45,200 sf Office • 23,400 sf Medical Office • 15,000 sf Shopping Center • 9,000 sf Pharmacy with Drive-Through • 256 Apartment Units 	<ul style="list-style-type: none"> • TIA originally approved August 5, 2019 • TIA Memorandum Addendum approved May 19, 2021 • Full Build 2022
<p>The TIA required improvements be completed at certain intersections in the area. The notable improvements consisted of:</p> <ul style="list-style-type: none"> • Installation of a signalized northbound U-turn lane on US 17 south of Scotts Hill Loop Road. • Installation of a signalized southbound left turn lane on US 17 at Scotts Hill Medical Drive. Add additional right turn lane from Scotts Hill Medical Drive onto US 17. • Installation of a northbound right turn lane, removal of the barrier from the southbound left turn lane, and signalization of the intersection on US 17 at the Z21-09 site's southern access point. 		
Nearby Proposed Developments included within the TIA:		
<ul style="list-style-type: none"> • Scotts Hill Village • Coastal Preparatory Academy 		
Development Status: The signalized northbound U-turn lane on Market Street south of Scotts Hill Loop Road has been installed. No other roadway improvements have been completed at this time.		

Proposed Development	Land Use/Intensity	TIA Status
2. Coastal Preparatory Academy	<ul style="list-style-type: none"> • Phase 1 (2016-2017) - 490 students • Phase 2 (2018-2019) - 587 students • Phase 3 (2019-2020) - 664 students • Phase 4 (2020-2021) - 731 students 	<ul style="list-style-type: none"> • TIA approved January 11, 2017 • Full Build 2021
<p>The TIA required improvements be completed at certain intersections in the area. The notable improvements consisted of:</p> <ul style="list-style-type: none"> • Extension of the existing northbound left/U-turn lane at US 17 and Sidbury Road • Modification of signal timing at traffic lights located on US 17 at Scotts Hill Loop Road and Sidbury Road • Driveway improvements at the site's access with Pandion Drive • Installation of a left turn lane into the site • Installation of dual westbound right-turn lanes on Scott Hill Loop Road at the US 17 intersection 		

Nearby Proposed Developments included within the TIA:

- Blake Farms
- New Hanover Regional Medical Center
- Scotts Hill Village

Development Status: Complete.

Proposed Development	Land Use/Intensity	TIA Status
3. Blake Farms (Pender County)	<ul style="list-style-type: none">• 111,925 sf Mini-Warehouse• 407 Townhomes• 15,600 sf Office• 34,500 sf Restaurant• 3,500 sf Restaurant w/ Drive-Thru (Fast Food)• 7,700 sf Aquarium• 8,400 sf Retail• 250 Senior Multi-Family Units• 50 Single-Family Homes• 10,000 sf Restaurant (Event Center)• 20,000 sf Medical Office	<ul style="list-style-type: none">• TIA originally approved July 6, 2015• TIA revision approved January 31, 2020• Full Build 2025

The TIA required improvements be completed at certain intersections in the area. The notable improvements consisted of:

- Installation of three (3) site accesses along US 17 in Pender County. Site Access 1 will include a signalized northbound directional crossover into the site. Site Access 2 and Site Access 3 will be right in-right out
- Installation of signalized southbound to northbound U-turn lane north of Sidbury Road
- Installation of signalized northbound to southbound U-turn lane north of Scotts Hill Loop Road (North)

Nearby Proposed Developments included within the TIA:

- None

Development Status: The site's main internal roadway (Blake Farm Boulevard) has been constructed. No other roadway improvements have been completed at this time.

ENVIRONMENTAL

- The site does not contain any Special Flood Hazard Areas or Natural Heritage Areas.
- The subject property is located within the Futch Creek watershed.
- Per the Classification of Soils in New Hanover County for Septic Tank Suitability, soils on the property consist of Class I (Suitable/slight limitation) soils and Class III (Severe limitations) soils. However, the subject site will be served by public water and sewer.

OTHER CONSIDERATIONS

CONTEXT AND COMPATABILITY

- The property is located along Market Street, which is identified as a Principal Arterial on the WMPO Functional Classifications Map.
- The site is currently used for medical uses, including an urgent care facility and outpatient surgery office. The site is located adjacent to existing medical office uses of the Scotts Hill Medical Park along Market Street and abuts approximately nine single-family homes of the Scotts Hill Village subdivision to the southeast.
- The current site-specific development plan incorporates a 90' tree preservation buffer from the property line adjacent the single-family homes along Pandion Drive. Future development would be subject to the County's tree retention and mitigation standards of the UDO, which prohibits the removal of specimen trees and encourages the retention of trees through required mitigation of significant trees.
- The development would be required to meet all screening and landscaping requirements of the UDO, which includes standards for street yard plantings. A full landscaping and buffering review would be conducted by the Technical Review Committee for any site plan submitted for the property.
- The development will have no impact on the school system.

Representative Development:



New Hanover Regional Medical Center located at 17th Street



New Hanover Regional Medical Center located at 17th Street

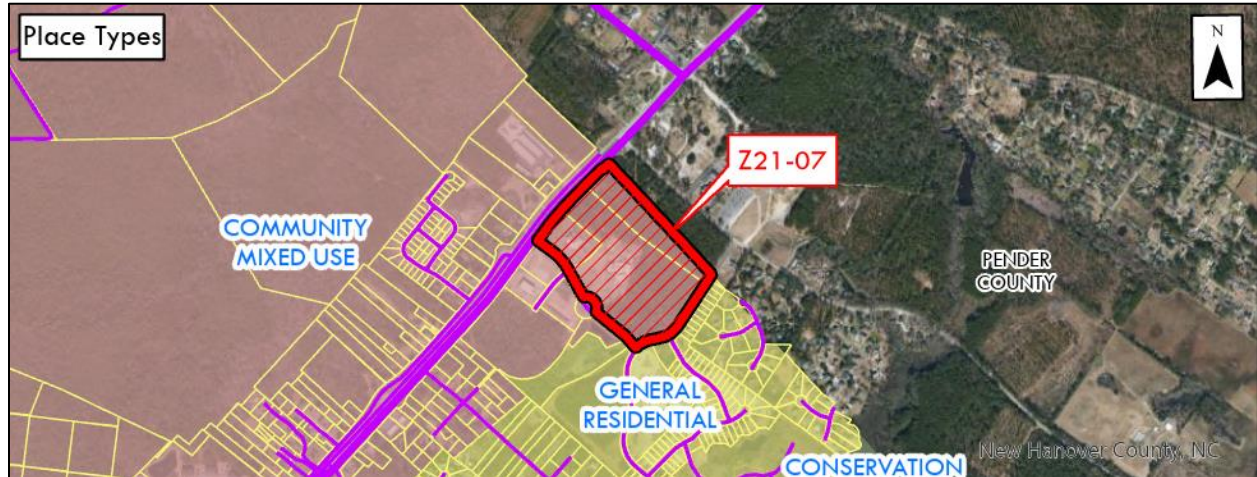
Adjacent Residential Development:



Single-family homes of the Scotts Hill Village subdivision along Pandion Road (subject site on right)

2016 COMPREHENSIVE LAND USE PLAN

The New Hanover County Future Land Use Map provides a general representation of the vision for New Hanover County's future land use, as designated by place types describing the character and function of the different types of development that make up the community. These place types are intended to identify general areas for particular development patterns and should not be interpreted as being parcel specific.



Future Land Use Map Place Type	Community Mixed Use
Place Type Description	Focuses on small-scale, compact, mixed use development patterns that serve all modes of travel and act as an attractor for county residents and visitors. Types of appropriate uses include office, retail, mixed use, recreational, commercial, institutional, and multi-family and single-family residential.
Analysis	<p>The subject site is located at the northeastern edge of the County in an area that the Comprehensive Plan envisions as a Community Mixed Use place that would provide goods and services for nearby residents and the larger community. This designation was applied to the Market Street corridor because of the existing commercial development pattern and high traffic volume. This designation anticipates the gradual conversion of residential properties along the Market Street corridor to commercial and mixed-use projects.</p> <p>The site is part of New Hanover Regional Medical Center's Scotts Hill campus, and is immediately adjacent to existing and approved medical office uses to the west along Market Street, an existing institutional school use to the south, and existing single-family residential to the southeast. The existing development pattern was approved prior to the 2016 Comprehensive Plan and was incorporated into the plan's recommendations for this area. Though this is a straight rezoning, uses and projects allowed in the O&I district are consistent with the community services envisioned at this location.</p> <p>The requested O&I rezoning could allow for the types of commercial, civic, and office uses that could be appropriate in this area, and O&I is one of</p>

	the typical zoning categories identified for the Community Mixed Use place type.
Consistency Recommendation	The proposed O&I rezoning is generally CONSISTENT with the Community Mixed Use place type because it allows the types of commercial, office, and civic uses recommended in the Comprehensive Plan and is identified as a typical zoning category in the Community Mixed Use place type.

PLANNING BOARD ACTION

The Planning Board considered this application at their July 8, 2021 meeting. No members of the public spoke in opposition to, or in favor of, the request.

The Planning Board recommended approval of the application (4-0), finding the application to be:

CONSISTENT with the purposes and intent of the Comprehensive Plan because the district allows the types of commercial, office, and civic uses that would be encouraged in the Community Mixed Use place type and would serve as an appropriate transition between existing commercial development and adjacent residential neighborhoods. The Planning Board also found **APPROVAL** of the rezoning request to be reasonable and in the public interest because the site is located along the Market Street corridor and is near the I-140 interchange and existing commercial services.

STAFF RECOMMENDATION

Staff concurs with the Planning Board's recommendation and suggests the following motion:

I move to **APPROVE** the proposed rezoning to an O&I district. I find it to be **CONSISTENT** with the purposes and intent of the Comprehensive Plan because the district allows the types of commercial, office, and civic uses that would be encouraged in the Community Mixed Use place type and would serve as an appropriate transition between existing commercial development and adjacent residential neighborhoods. I also find **APPROVAL** of the rezoning request is reasonable and in the public interest because the site is located along the Market Street corridor and is near the I-140 interchange and existing commercial services.

Alternative Motion for Denial:

I move to **DENY** the proposed rezoning to an O&I district. While I find it to be **CONSISTENT** with the purposes and intent of the Comprehensive Plan because the district allows the types of commercial, office, and civic uses that would be encouraged in the Community Mixed Use place type and would serve as an appropriate transition between existing commercial development and adjacent residential neighborhoods, I find **DENIAL** of the rezoning request is reasonable and in the public interest because the proposal is not consistent with the desired character of the surrounding community and the intensity of the uses allowed within the proposed district will adversely impact the adjacent neighborhoods.