

Proposed Wegmans Grocery Store Development

Town of Chapel Hill

Orange County, North Carolina

STATEMENT OF JUSTIFICATION

SPECIAL USE PERMIT MODIFICATION

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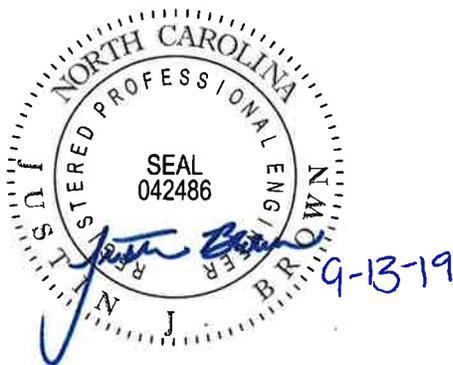
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Project #WGMNS19001

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General Project Description

The subject property is located along the Town of Chapel Hill's northeastern gateway on 15/501 (Fordham Boulevard). The site is situated to the north of the intersection of Scarlett Drive and Old Durham Chapel Hill Road. The existing site consists of a Hendrick automobile dealership, commonly known as The Performance Auto Mall. Leon Capital Group proposes to redevelop the existing Performance Auto Mall dealership (PIN: 9799782879) and the adjoining parcels across Old Durham Chapel Hill Road (PIN: 9799781484). The proposed development will consist of the demolition and removal of all existing buildings and infrastructure within the site, and the construction of a +/- 102,010 SF Wegmans grocery store development. The construction will also include the installation of landscaping, lighting, stormwater management and utilities necessary to support the development as well as providing driveway access to the adjacent State Employee Credit Union site (SECU) to the east. This driveway will provide access to 15-501 through the SECU property via a dedicated right-of-way to NCDOT. The development on the south side of Old Durham Chapel Hill Road will be the construction of a surface parking field to support the intended development.

Project Surroundings

The main Hendrick automobile dealership site is currently zoned partially CC – Community Commercial (western portion of property) and CC-C – Community Commercial – Conditional (remaining property). The existing Hendrick automobile dealership employee parking lot across Old Durham Road (PIN: 9799782464) is zoned NC – Neighborhood Commercial. The property directly to the west of the employee parking lot (PIN: 9799780316) is zoned NC- Neighborhood Commercial.

The main development portion of the site is bounded to the north by the Service Road and US 15/501 (Fordham Boulevard); to the west by an existing Hardees restaurant with drive-thru; to the east by the previous Blue Cross/Blue Shield building which is now owned by State Employee Credit Union; and to the south by Old Durham Chapel Hill Road.

The overflow parking field is adjacent to Old Durham Road to the north; to the west by an existing violin shop that is currently under contract by the developer; to the east by Cooper Street; and to the south by existing residential (R-3) structures.

Findings of Fact

The applicant hereby justifies the request for Special Use Permit Modification application as per the Town of Chapel Hill's Land Use Management Ordinance, Appendix A, section 4.5.2(a):

- ***Finding #1: That the use or development is located, designed, and proposed to be operated so as to maintain or promote the public health, safety, and general welfare.***

General Statement – The Wegmans will promote the redevelopment of an existing auto dealership that is scheduled to be relocated to their existing South Point facility in Durham County. This redevelopment will include the cleanup of an environmentally contaminated site.

Emergency Services – The nearest fire station (Station #3) is located less than 2 miles from the proposed development site. It is anticipated that fire protection and first responder response will be provided by the Town of Chapel Hill. The Wegmans grocery store will include provisions for a sprinkler system and will be designed in accordance with applicable safety and fire codes as part of the building permit review and approval.

Utilities – The existing development is served by public water and sewer services of Orange County Water & Sewer Authority (OWASA). It is anticipated that the existing water and sewer services that surround the development will be adequate to support the proposed development. The refuse will

be collected by the Town of Chapel Hill and the recycling will be collected by the Orange County Solid Waste Management. The development has been designed in accordance with the OWASA, the Town of Chapel Hill and Orange County Solid Waste regulations and requirements.

Transportation and Pedestrian Movements – The development will provide roadway improvements that will offset the traffic that the use will generate. Additionally, pedestrian connections (sidewalks and bicycle lanes) will be provided to link retail with the surrounding neighborhood areas in connection with the Old Durham Chapel Hill Road roadway improvements and the future proposed light-rail transit development. The developer has collaborated with the Town of Chapel Hill Public Works, NCDOT and the Town's traffic consultant (HNTB) to review and analyze the existing surrounding roadway networks. Additionally, a conceptual plan has been developed that mitigates the additional traffic associated with the development. The off-site roadway improvements are shown on the Special Use Permit Plans, dated 11/22/16. The applicant coordinated with the adjoining property to the east (State Employee Credit Union) for an alternative approach to mitigate the traffic at the intersection of US 15/501 and the Eastowne Drive (Service Road) intersection. (Information concerning the transportation analysis can be found in the Gateway Grocery Draft Traffic Impact Study, prepared by HNTB, dated August 2016; Technical Memo – Draft, prepared by HNTB, dated 8/24/16 and the Option "B" minimum design level of service results, dated 8/30/16). This effort has resulted in an agreement between Wegmans and SECU so that driveway access to 15-501 can be provide through SECU's property (via a dedicated NCDOT ROW), consequently Wegmans is requesting to modify the SUP currently in place.

Parking – The current development has space to accommodate approximately 790 vehicles (taken from a plan entitled, "Site Plan - Performance BMW ZCP Plan", prepared by Philip Post & Associates, dated 08/23/04, last revised 08/31/06), including the employee parking lot. The proposed development requires a minimum of 736 spaces (7.22 spaces/ 1,000 SF GFA) in accordance with the Wegmans criteria. This request is above the maximum permitted parking spaces within the LUMO that permit a maximum of 5 spaces/ 1,000 SF GFA (102,010SF x 5 spaces/1,000 SF = 510 spaces). Fourteen (14) bicycle parking spaces will be provided in connection with the development.

Stormwater – As illustrated in FEMA FIRM 3710979900, the site is located in Zone X. A Stream Determination request has been filed with the Town of Chapel Hill. It is anticipated that the site will not include a regulated stream and associated buffers and RCD. The proposed stormwater will maintain existing drainage patterns. The stormwater conveyance is proposed to be connected to the existing stormwater conveyance facilities that exist along the Service Road roadway. The development proposed a reduction in overall impervious surfaces associated with the development. Therefore, peak flow attenuation, TSS and Nutrient requirements will be met through the implementation of additional pervious surfaces associated with the development.

Public Art – The applicant is currently coordinating with Wegmans Food Markets to discuss implementing certain artistic schemes associated with the building.

- ***Finding #2: That the use or development complies with all required regulations and standards of this chapter, including all applicable provisions of articles 3 and 5, the applicable specific standards contained in the supplemental use regulations (article 6), and with all other applicable regulations.***

General – It is intended that all improvements will be coordinated to meet or exceed, to the best of the development’s capabilities, the intent of the current Town of Chapel Hill Design Manual and the Chapel Hill Land Use Management Ordinance. The proposed development will require a Special Use Permit associated with the underlying zoning district of the subject property (CC-C and NC). It is intended that the proposed development will be in accordance with the following LUMO criteria:

- Building setbacks and coverage
- Impervious surface threshold
- Tree canopy coverage
- Stormwater will be designed to mimic the existing drainage patterns
- All utilities will be underground

Modifications to Landscape Requirements – The following modification(s) to the landscape requirements for Interior planting and buffers have been previously approved (Project 16-121) on 10/25/17.

Sustainability – The new building and infrastructure improvements will be designed and implemented to enhance the existing environmental impact. The development will include the removal of several underground storage tanks that currently hold contaminants associated with the current use of the property. Furthermore, the site will require environmental cleanup associated with the under lying soils and groundwater of the site.

Demolition and Construction Waste – The development requires the demolition of the existing buildings and infrastructure in order to clear the site for environmental cleanup. Waste materials associated with the demolition will be handled in accordance with local and State requirements.

- ***Finding #3: That the use or development is located, designed, and proposed to be operated so as to maintain or enhance the value of contiguous property, or that the use or development is a public necessity.***

The current use of the property consists of three (3) automobile dealerships and associated service departments. With the departure of the Performance Auto Mall to their South Point mall facility in Durham County, this property has the ability to remain vacant or developed into a used-car dealership.

The development will provide a retail destination for the surrounding community, in addition to patrons from other counties. The Wegmans development will attempt to partner with local, family farms near the store to provide fresh produce in addition to providing local beef, pork and cheese. Furthermore, the Marketplace Café and Pub restaurant will provide access to a wide variety of lunch and dinner options. The store’s proximity to the local office parks and residences will provide walkability to the surrounding development and neighborhoods. Lastly, the project will provide a significant increase in commercial tax base and sales revenue.

- ***Finding #4: That the use or development conforms with the general plans for the physical development of the town as embodied in this appendix and in the comprehensive plan.***

The Chapel Hill 2020 Comprehensive Plan adopted six (6) themes. Below is a list of each theme is integrated within the proposed development:

1. **A Place for Everyone** – The Wegmans development offers up a wide array of career opportunities; inclusive of part-time, entry-level positions for high school and college students. Additionally, full-time employment opportunities will be available, including management-level positions.

Wegmans also strives to support the community through feeding the hungry, encouragement of healthy eating & activities, enrichment of neighborhoods in which they serve, helping young people succeed and supporting the United Way.

2. **Community Prosperity and Engagement** – The Wegmans development will attempt to partner with local, family farms near the store to provide fresh produce in addition to providing local beef, pork and cheese. Additionally, the project will provide a significant increase in commercial tax base and sales revenue.
3. **Getting Around** – The Wegmans development will provide pedestrian connection to link retail with the surrounding neighborhood areas to the south of the property and office to the north and east of the site. Additionally, the planned Old Durham Road roadway improvements near the Interstate 40 interchange will provide future pedestrian links to the subject development and surrounding community.
4. **Good Places, New Spaces** – The Wegmans development will replace the relocation efforts of Performance Auto Mall to their Southpoint Mall existing auto dealerships. The project will consist of the redevelopment of a currently under-utilized commercial development (Performance Auto) into a community and regional specialty grocery store development.
5. **Nurturing Our Community** – The Wegmans will promote the redevelopment of an existing auto dealership that is scheduled to be relocated with or without the development of the Wegmans store. This redevelopment will also include the cleanup of an environmentally contaminated site.
6. **Town and Gown Collaboration** – The Wegmans development is proposed to the south of the current location of UNC Healthcare Eastowne Campus. The development will provide a retail destination for the employees within the Eastowne Campus. Furthermore, the Marketplace Café and Pub restaurant will provide access to a wide variety of lunch and dinner options for employers and employees.

The project is located within the North 15/501 Focus Area. The proposed development will provide and enhance this area in accordance with the goals stated within the focus area. Specifically, the development will employ the following:

1. Redevelopment of a currently underutilized commercial development (Performance Auto) into a community and regional grocery store development
2. Provides pedestrian connection to link retail with the surrounding neighborhood areas in connection with the Old Durham Chapel Hill Road roadway improvements.