

Agenda Item Summary

Item No. 9a

Council Meeting Date	February 17, 2015
Department	Office of the City Manager
Submitted By	Charles M. Duggan, Jr.
Agenda Section	Ordinances

Public Hearing Required

Name and address of person(s) or business(es) this item affects:

City of Auburn Residents & Property Owners

Description of item under consideration

Ordinance declaring a six (6) month moratorium on multiple unit development within the University Service (US) zoning district located east of College Street.

This is the second reading of this ordinance.

Why is Council action needed?

City Council action is required to pass an ordinance.

Are there deadlines involved with this item?

No

Is this a budgeted item?

N/A



City of Auburn

Home of Auburn University

MEMORANDUM

To: Charles M. Duggan, Jr., City Manager

Through: Kevin A. Cowper, AICP, Assistant City Manager
Rick Davidson, City Attorney

From: Forrest E. Cotten, AICP, Planning Director

Subject: Status of Multiple Unit Developments/"Purpose-Built" Student Housing in Auburn

Date: January 27, 2015 (Updated January 30, 2015)

For the past ten years, the Planning staff has been carefully monitoring the status of multiple unit developments (MUDs) including "purpose-built" student housing in the City and providing information on various ways this particular type of development can be regulated to a greater extent than it is at the present time.

In October 2011, the City Council adopted *CompPlan 2030* which provided a solid foundation for future land use and development decision-making. *CompPlan 2030* paid particular attention to this issue with observations and recommendations for work to be done. The following excerpts from the plan document are provided to set the stage for information to be provided later in this memo.

Chapter Three: Land Use

3.2.1 Limit multi-family development to infill and mixed-use areas.

Auburn has seen a significant amount of multi-family construction in the last several years, with 3,007 multi-family units approved since late 2007. As the demographics of the City shift to include a smaller proportion of students, the need for additional multi-family units will decline. Placing new multi-family units in infill and mixed-use areas will help encourage development of those areas and lessen the strain on the City's road network. (text, page 38)

3.42 Mix of Housing Types

Residential uses make up 74% of Auburn's land use, so it is no exaggeration to say that residential development has an immense influence on the type of place Auburn is and will become. Auburn's diverse population requires a diverse mix of housing types. This can already be seen in Auburn today, with approximately half of Auburn's housing units made up of multi-family units. This large supply of multi-family units has traditionally served the City's large student population. At the time of this writing, however, Auburn University has decided to cap student enrollment at 25,000. This means that, as the City's population continues to increase, Auburn's demographic will begin to transition, with older residents and families with children making up a larger proportion of the population. This will both slow the need for additional multi-family units (though many existing units are aging and increasingly suitable for redevelopment) as well as increase demand for various other housing types. The City should restrict future multi-family development to those locations recommended in the Future Land Use Plan. (text, page 61)

***LU 1.3.4:** Recognizing the ample supply of units in existing multi-family housing, future multiple unit developments in areas not recommended by the future land use plan will require a market analysis justifying need. (policy, page 65)*

***LU 1.3.5:** Conduct a detailed study of multi-family developments in the City to inventory the current supply and determine the future demand for additional development with recommendations for action based on the study's analysis. (policy, page 65)*

In April 2012, the City Council took an important first step to ensure that future MUDs were appropriately located in closer proximity to, and within walking distance of, the Auburn University (AU) campus. Specifically, the Council approved a zoning ordinance amendment requiring that MUDs in the Comprehensive Development District (CDD) be subject to conditional use approval rather than be permitted by right. This gave the City greater discretion in making decisions related to locating MUDs in the CDD zone which largely exists outside the City core and, therefore, also outside the immediate surroundings of AU's campus. It is also important to note that since that time, the only zoning districts in which MUDs are permitted by right are within the University Service (US) and Urban Core (UC) districts which are in immediate proximity to and walking distance of AU's campus.

Danter Report

During the Fall of 2012, and in furtherance of *CompPlan 2030*, Policy LU 1.3.5 (cited above) the City commissioned the Danter Company to conduct a student and market-rate apartment analysis on the City's behalf. The study was completed and a presentation of its findings was provided to the City Council and Planning Commission in March 2013. A summary of the important findings in the report were:

- 1) *The overall vacancy rate of 8.1% is higher than usually encountered in a well-balanced student housing market.*
- 2) *Recently-opened properties have absorbed reasonably well with vacancies under 5%. This has been at the expense of older properties built between 1990 and 2006, where vacancies average 8% to 9%.*
- 3) *The percentage of walkable beds ("walkable" being defined as being located within a one mile radius of Haley Center) (13.4%) is considerably lower than at most well developed schools. Typically, walkable beds range from 25% to 28% of purpose-built beds.*
- 4) *Auburn is currently somewhat overbuilt, for the short term. The release of 1,200 beds in the past year has stressed the market. A realistic goal of 300 to 400 beds per year is recommended.*

While 300 to 400 beds per year was recommended as realistic, it is worthy to note that in the time since the Danter report was released that 1,078 beds amongst three MUDs have either been brought on-line (319 Bragg-308 beds, Grace Ridge 128 beds) or are under construction (160 North Ross-642 beds). An additional 787 units (undetermined bed count) in five proposed MUDs (Cary Creek, College Crossing, The Greens, Moores Mill, Williamsburg) have received some form of approval and could be constructed in the future. As a result, there may be merit to updating the Danter report to see where the market stands today in light of the development that has come into Auburn since March 2013.

Auburn City Schools

Auburn City Schools (ACS) continues to experience robust enrollment and this growth trend is expected to continue for the foreseeable future. Over the next decade, ACS enrollment is projected to increase from 8,027 students in the 2014-15 school year to 10,764 students in 2023-24 for an increase of 34% over the ten year period. By way of comparison, in the past decade ACS enrollment increased from 4,969 students in the 2004-05 school year to 7,766 students in 2013-14 for an increase of 56% over the past ten years.

What is not known definitively is to what extent the City may be contributing to the school system's continued growth through existing multi-family development policies and zoning regulations. For example, while the City has been successful in recent years in better locating new MUDs inward to the City's core, that success has not had a material impact on the overall growth of that housing segment.

Further, the fact that Auburn University has had a policy to maintain student enrollment at current levels for quite some time has not had a discernible market effect on new purpose-built student housing being permitted and constructed.

As such, how is the older housing stock being absorbed when our university students gravitate toward the newly constructed developments when AU student enrollment has been relatively stable? How does this dynamic relate to increased ACS enrollment? What additional tools might the City use from a regulatory perspective (beyond what has been already been done to date) to better understand these relationships and then adjust our policies and regulations accordingly to achieve the outcomes desired by our decision-makers?

University Service (US) District

The US District is specifically designed to meet the commercial and residential housing needs of the Auburn University community. It permits a myriad of commercial uses by right, and more importantly for purposes of this memo, it permits the highest residential density (34 units per acre) of any zone in the City, outside of the Urban Core.

It has been acknowledged by staff for some time that certain areas on the edge of the US district present compatibility issues for adjacent properties that are zoned differently. This compatibility issue has been raised in two instances specifically. The first instance occurred in 2006, when the 221 Armstrong student housing development was approved adjacent to the Neighborhood Conservation (NC)-zoned Payne Street area. The second instance occurred in 2013, with the approval of the 160 North Ross student housing development which is currently under construction and within close proximity to an NC-zoned neighborhood along Ryan Street.

In response to concerns expressed about the 221 Armstrong project, and after consulting with the Planning Commission during the Spring/Summer 2007, the Planning Department initiated a zoning ordinance amendment creating a US-2 zone for both of the aforementioned areas in an effort to provide a more appropriate transition between the US and NC zones. Most notable in the proposal was a recommendation in density reduction from 34 to 24 units per acre and an increase in the angle of light factor (the ratio between a structure's required distance from any adjacent property line and its height) from 0.5 to 1.0. However, during the public hearing process many affected property owners attended and voiced strenuous objections to the proposal as they claimed it would decrease their property values and take away certain development rights that they were currently afforded. The Planning Commission subsequently recommended denial of the proposal and it was never forwarded to the City Council for its consideration.

In retrospect, had this proposal succeeded it is reasonable to postulate that many of the recent community concerns expressed about "density and massing" related to the 160 North Ross project would never have materialized. This is because the density would have been 25 percent less than it is today likely resulting in a three-story rather than a four-story building, and the required setback from all adjacent property lines would have been greater than it is today. This also assumes that the project would even have moved forward at all based on the reduced density and development potential of the property.

Downtown Master Plan (DMP)

The City is in the midst of considering adoption of a DMP that has already been recommended for approval unanimously by the Planning Commission in July 2014. This Plan acknowledges the unique character of the southern extent of the current US zone that is centered around the intersection of East Samford Avenue/South Gay Street and the surrounding neighborhood. As such, the Plan recommends that this area be designated as "Urban Neighborhood: Preservation (UNP)." This land use designation contemplates development and redevelopment on a much smaller scale than what could be realized in the current US zone. Specifically, this designation contemplates house-style buildings of one to two stories, and a maximum height of 35 feet, with any multi-family buildings comprising no more than six units each. If any multi-family development were to be proposed in this area under the current US District regulations, it could undoubtedly compromise the neighborhood character of this area that is clearly in the City's best interest to preserve and keep intact.

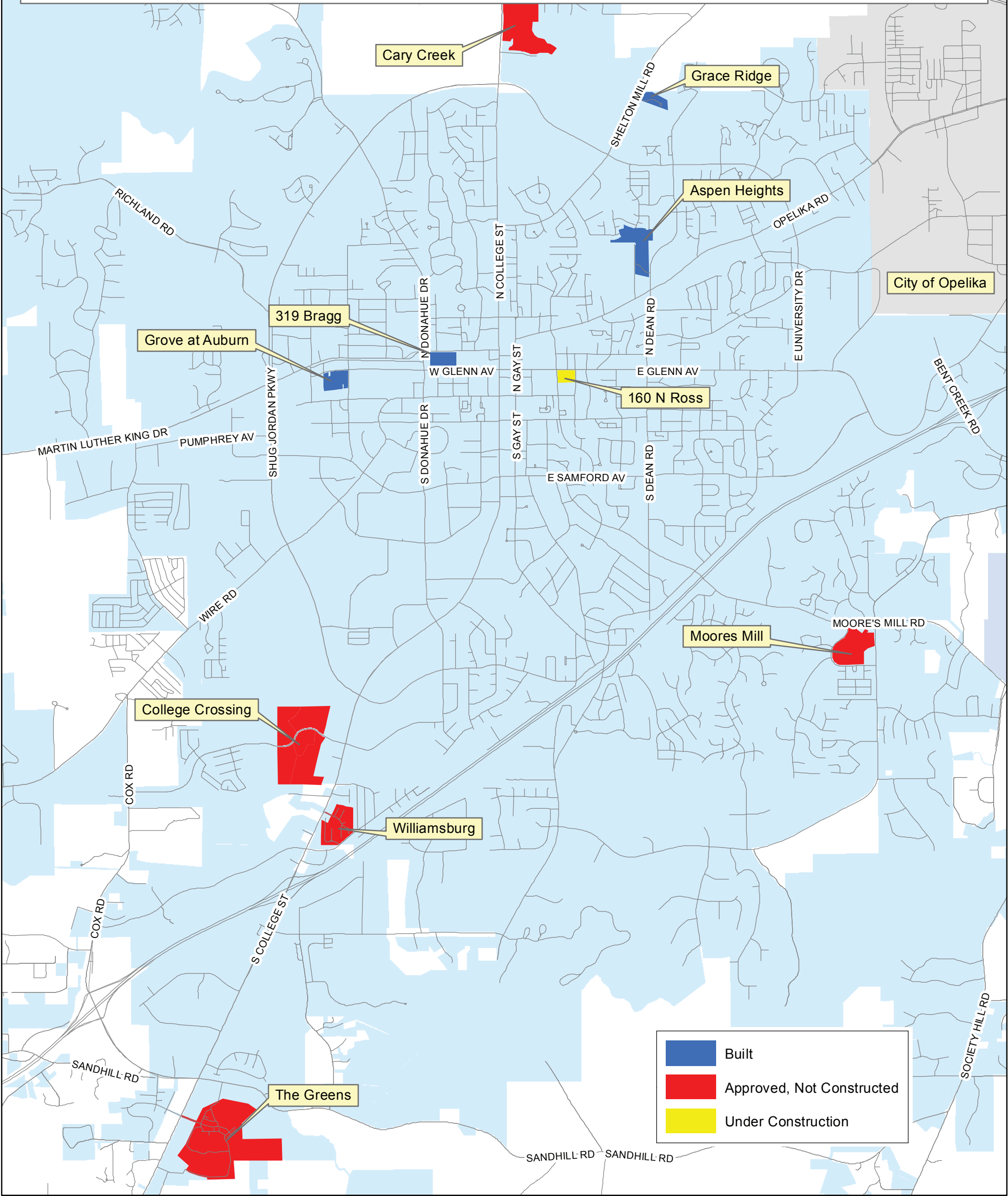
Recommendations

As has been previously identified in this memo, the eastern and southern edges of the US District present compatibility challenges with surrounding neighborhoods under the current zoning regulations. A deliberate attempt was made in 2007 to remedy this by providing a more appropriate transitional zone in the form of a US-2 District. It failed. In light of citizen sentiment expressed when 221 Armstrong was constructed in 2007 and the current sentiment being voiced about the 160 North Ross project that is under construction, it may be appropriate to revisit the 2007 US-2 initiative to see if it, or something akin to it, might be appropriate to put in place moving forward. If another multi-family development proposal were to be submitted for any of the areas identified in this memo that attempts to maximize the development rights currently afforded it in the US District, we can only expect a similar outcome as the examples previously cited. Furthermore, if one were to present itself in the Samford/Gay area identified in the pending DMP as UNP at this point in time, the City would be unable to prevent it unless some type of interim regulatory measure (i.e., moratorium) is put in place until such time as the DMP can be adopted and the subsequent zoning regulations put in place to implement it. As such, the following City Council actions are recommended:

- Enact a six (6) month moratorium on multi-family development proposed to be located in the University Services District east of College Street.
 - Refer the issue to the Planning Commission for appropriate study to determine if the current US Zoning District east of College Street should be amended with respect to allowable density, height, bulk, setbacks and other area and dimensional regulations.
 - Request the City Manager to update the Danter Company multi-family housing market analysis.
 - Request the City Manager to explore regulatory and financial incentives to encourage redevelopment of older outdated existing apartment units and prepare a report outlining recommendations.
- Adopt the *Downtown Master Plan* and request the City Manager and Planning Commission pursue the recommendation to create an "Urban Neighborhood: Preservation (UNP)" district in concert with the study of the existing US Zoning District.

Multi-Family Development in the City of Auburn

(All multifamily development between October 2011 and January 2015)



Under Construction	Units	Beds	Building Permit Issued
160 N Ross	182	642	3/19/2014
TOTAL	182	642	

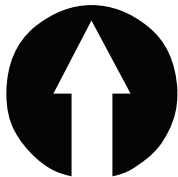
Built	Units	Beds	Date of CO
319 Bragg	86	308	9/15/2014
Aspen Heights	208	600	9/24/2012
Grace Ridge	56	128	11/9/2014
Grove at Auburn	216	600	8/9/2012
TOTAL	566	1636	

Approved	Units	Date of Approval
Cary Creek	252	1/10/2013
College Crossing	199	2/19/2002
The Greens	192	2/20/2007
Moores Mill	120	9/11/2014
Williamsburg	24	1/10/2008
TOTAL	787	

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COA GIS Data
Modified 1/21/15



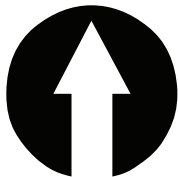
(Approved multi-family development yet to be constructed



Cary Creek	252	The Greens	192	Williamsburg	24
College Crossing	199	Moores Mill	120	TOTAL UNITS	787

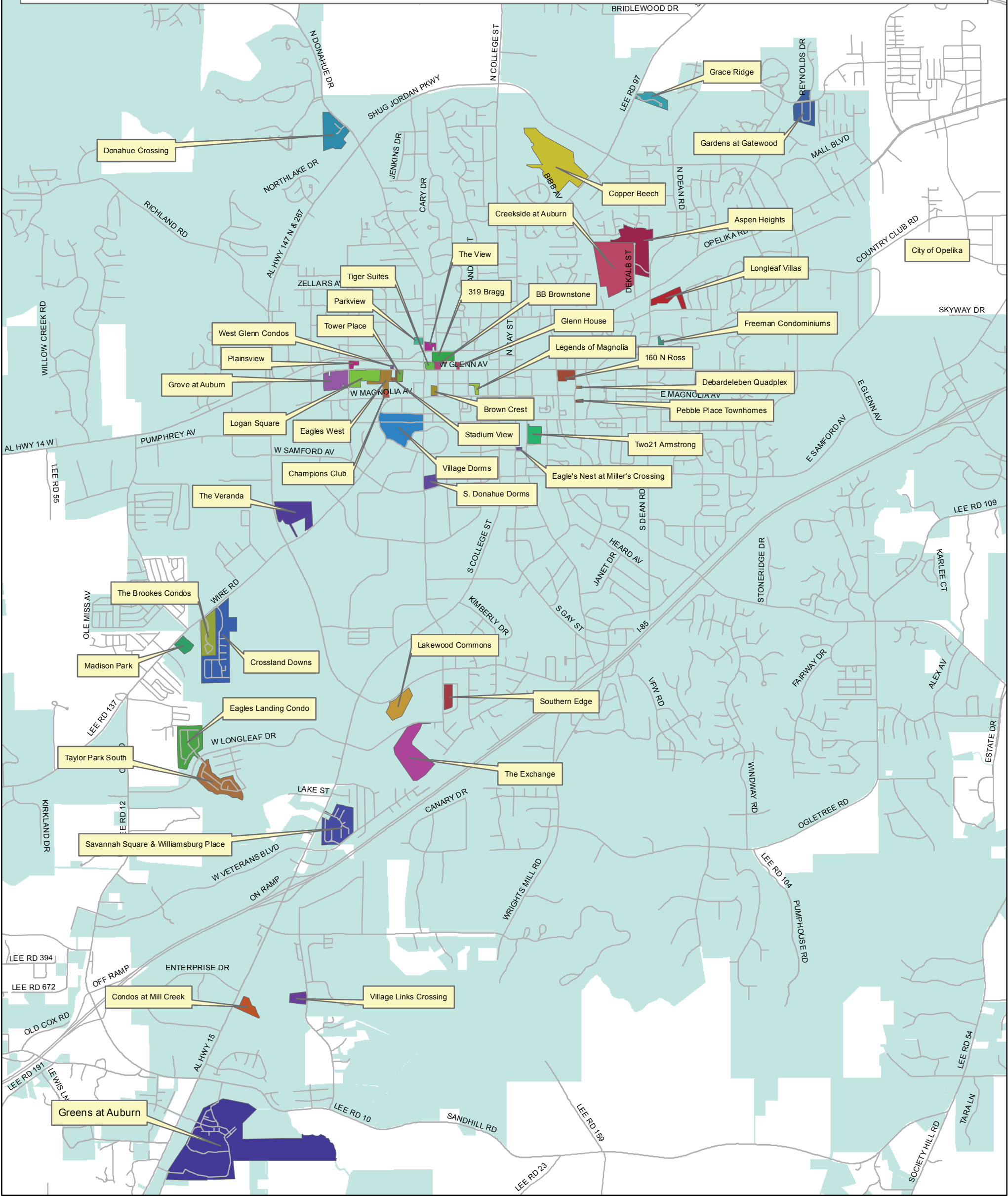
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COA GIS Data
Modified 1/21/15



Multi-Family Development in the City of Auburn

(All multifamily development between January 2005 and January 2015)



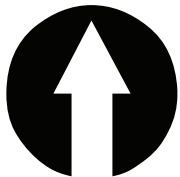
Multifamily Development with Unit Count

160 N. Ross	182	Debardeleben Quadplex	4	Grove at Auburn, The	216	Stadium View	18
319 Bragg	86	Donahue Crossing	111	Lakewood Commons	192	Taylor Park South	54
Aspen Heights	208	Eagles Landing Condo	109	Legends of Magnolia	54	Tiger Suites	76
BB Brownstone	36	Eagles Nest at Millers Crossing	17	Logan Square	234	Tower Place	48
Brookes Condos, The	160	Eagles West	201	Longleaf Villas	184	Two 21 ARMSTRONG	156
Brown Crest	64	Exchange, The	312	Madison Park	37	View, The	36
Champions Club	20	Freeman Condominiums	3	Parkview	8	Village Links Crossing	18
Condos at Millcreek, The	56	Gardens at Gatewood	63	Pebble Place Townhomes	10	West Glenn Condos	9
Copper Beech	271	Glenn House	10	Plainsview	45	Village Doms, The	462
Creekside of Auburn	374	Grace Ridge	56	Savanah Square & Williamsburg Place	56	Veranda, The	176
Crossland Downs	142	Greens at Auburn	732	South Donahue Doms	209	Madison Park	37
				Southern Edge	56	TOTAL UNITS	5608

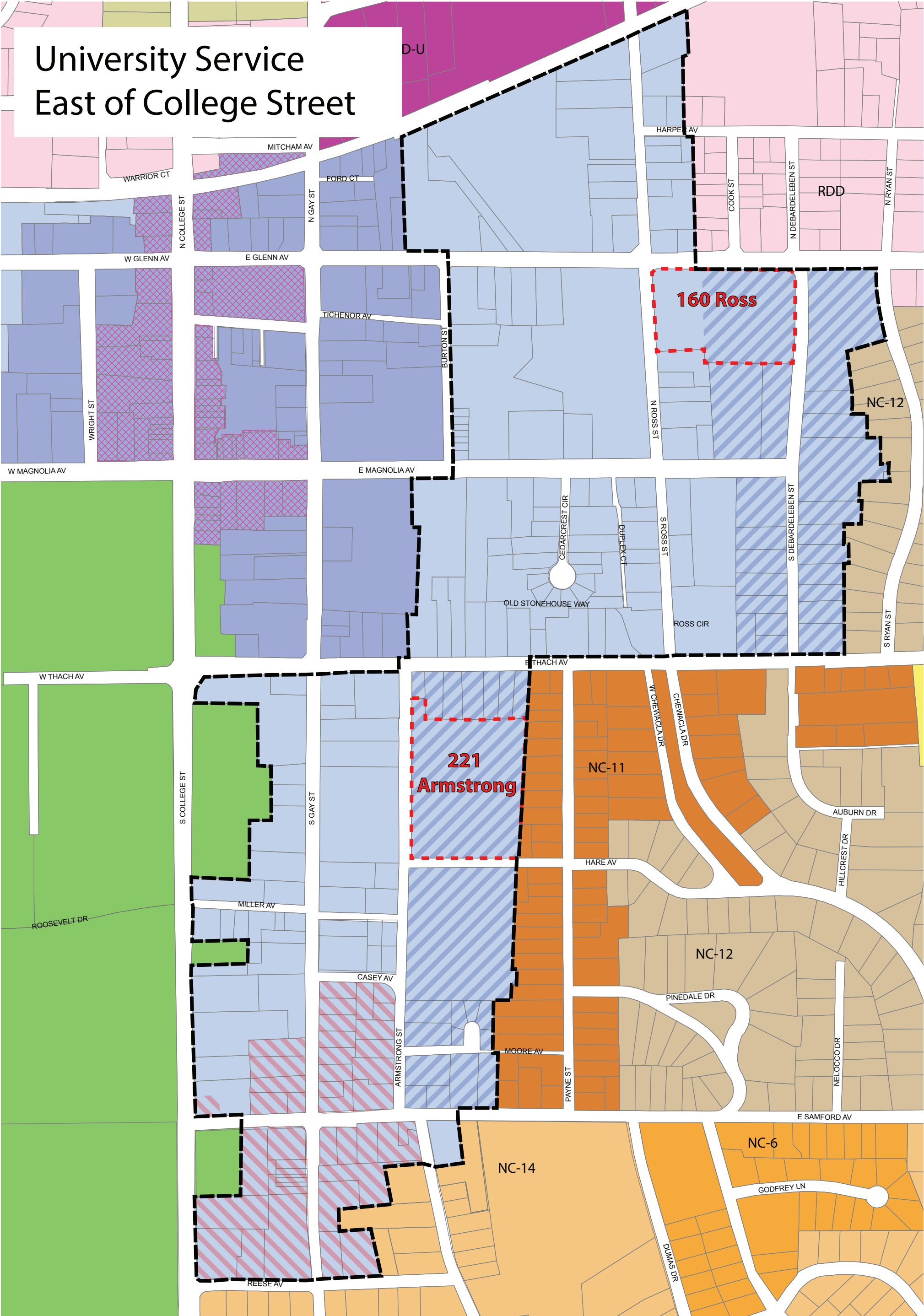
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COA GIS Data
Modified 1/21/15



University Service East of College Street



Proposed Boundary of Moratorium Area



Urban Neighborhood: Preservation
(Downtown Master Plan - Pending)



Proposed US-2 (2007)



University Service (US)



Urban Core (UC)



Holding District (HD)



College Edge Overlay District
(CEOD)

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF AUBURN, ALABAMA, TO PROTECT THE HEALTH, SAFETY AND GENERAL WELFARE OF THE PEOPLE RELATING TO MULTIPLE UNIT DEVELOPMENTS, REGULATIONS, DECLARING A MORATORIUM ON THE FILING AND ACCEPTANCE OF MULTIPLE UNIT DEVELOPMENT CONSTRUCTION PROJECTS AND APPLICATIONS FOR THE SAME WITHIN THE UNIVERSITY SERVICE ZONING DISTRICT LOCATED EAST OF COLLEGE STREET

WHEREAS, the City of Auburn, Alabama, has previously determined that the proliferation of multiple unit developments in the City of Auburn must be monitored to prevent excess units from negatively impacting the safety, health and welfare of its citizens; and

WHEREAS, the City of Auburn has determined that multiple unit development construction has continued since *CompPlan 2030* was adopted on October 4, 2011 in which the continued proliferation of multi-family housing was identified as one area of concern; and

WHEREAS, *CompPlan 2030* contains a number of policy recommendations to discourage urban sprawl and to encourage urban infill, including permitting multiple unit development by right in the University Service (US) zoning district and the Urban Core (UC) zoning district, but requiring conditional use approval in all other zoning districts; and

WHEREAS, in 2012, in furtherance of *CompPlan 2030*, the City Council commissioned the Danter Company to conduct a multiple unit development market study which, among other things, encourages multiple unit development within one (1) mile of campus (specifically, Haley Center) principally in the University Service (US) zoning district and the Urban Core (UC) zoning district; and

WHEREAS, the University Service (US) zoning district is intended to provide for mixed land use at high densities to meet the demands exerted by Auburn University, and to promote the conversion, redevelopment, and growth of residential, commercial, and institutional uses adjacent to the University campus and the urban core of the City of Auburn.; and

WHEREAS, the multiple unit development known as 160 North Ross located in the University Service (US) zoning district east of College Street has raised concern due to its density, height and bulk given its proximity to existing Neighborhood Conservation (NC) zoning districts the purpose of which is to preserve the character of existing neighborhoods; and

WHEREAS, development and redevelopment of multiple unit development in the University Service (US) zoning district east of College Street presents unique land use concerns due to its proximity to existing Neighborhood Conservation (NC) zoning districts; and

WHEREAS, the City of Auburn has determined that it would be in the public interest to promote orderly redevelopment and new development compatible with the existing neighborhood character in the University Service zoning district located east of College Street;

WHEREAS, the City of Auburn has determined that more multiple unit developments are being contemplated in the University Services zoning district located east of College Street at this time; and

WHEREAS, the presence of additional multiple unit developments in the University Service zoning district located east of College Street may have negative effects on the health, safety and welfare of the immediate area and the City as a whole; and

WHEREAS, it is necessary for the City to temporarily halt construction of multiple unit developments in the University Service zoning district located east of College Street while certain studies and investigations can be conducted to properly plan for the location, density, height, and bulk of multiple unit developments, including but not limited to land use studies, zoning studies, and housing market studies, to prevent further development from causing deterioration of existing neighborhoods, decreased property values, increased demand for City services, traffic congestion, negative environmental impacts, negative economic impacts, harm to the aesthetics of the City and to preserve the character of the City of Auburn; and

WHEREAS, the City of Auburn has determined that the adoption of a limited moratorium is appropriate to allow for time to study the impact of existing and increased multiple unit developments in the University Service zoning district located east of College Street, and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUBURN, ALABAMA, on February 17, 2015 as follows:

Section 1. That there is hereby declared, effective on the 17th day of February, a moratorium on the construction of multiple unit developments per the City of Auburn Zoning Ordinance, regardless of whether the structure is an apartment, condominium or other form of ownership or operation, within the University Service (US) zoning district located east of College Street.

Section 2. That this moratorium shall not affect or impact any multiple unit developments which have, on or prior to February 17, 2015, received a zoning certificate from the City Planning Department; and, a valid land disturbance permit from the City Public Works Department, or a construction or building permit from the City Codes Enforcement Division. Provided, however, that if said zoning certificate or permits have expired prior to February 17, 2015 they cannot be renewed or extended.

- Section 3. The moratorium shall be effective immediately upon passage, publication as required by law and shall continue for a period of six (6) months, unless terminated or extended by action of the City Council.
- Section 4. That all laws, regulations and ordinances inconsistent herewith are temporarily suspended or superseded by this ordinance until this ordinance is revoked or amended by further action.
- Section 5. That the City Planning Department, City Public Works Department and City Codes Enforcement Division shall enforce this ordinance by not issuing any zoning certificates or land disturbance, construction or building permits for multiple unit developments in the corporate limits within the University Service (US) zoning district located east of College Street.

PASSED, ADOPTED AND APPROVED this 17th day of February, 2015.

Bill Ham, Jr., Mayor

ATTEST:

Charles M. Duggan, Jr.
City Manager / Clerk