

**CITY-COUNTY PLANNING BOARD  
STAFF REPORT**

PETITION INFORMATION	
<b>Docket #</b>	W-3322
<b>Staff</b>	<a href="#">Gary Roberts, Jr. AICP</a>
<b>Petitioner(s)</b>	CCC Gallery Lofts, LLC and CCC Gallery Lofts II, LLC
<b>Owner(s)</b>	Same
<b>Subject Property</b>	PIN#s 6835-28-7502, 6835-28-8323, and 6835-28-8191
<b>Address</b>	102 East Seventh Street and 181 East Sixth Street
<b>Type of Request</b>	General use rezoning from PB-S and PB to CI
<b>Proposal</b>	<p>The petitioner is requesting to amend the Official Zoning Maps for the subject property <b>from</b> PB-S (Pedestrian Business – special use – Residential Building, Multifamily) and PB (Pedestrian Business District) <b>to</b> CI (Central Industrial District).</p> <p><b>NOTE:</b> General, special use limited, and special use district zoning were discussed with the petitioner(s) who decided to pursue the rezoning as presented. With a General use, all uses in the District must be considered.</p>
<b>Continuance History</b>	The request was continued from the February 9, 2017 Planning Board meeting to the March 9 meeting in order to add an adjacent lot to the request.
<b>Neighborhood Contact/Meeting</b>	According to the petitioner’s representative: “On January 5, 2017, representatives from Stimmel Associates held a neighborhood drop-in session from 6:00 until 7:30 at the Milton Rhodes Center for the Arts in the Hanes Conference Room. A total of 41 invitations were sent to the surrounding property owners. Attendees of the meeting included 1 individual representing 1 property, a member of the Gallery Lofts Property Management, 1 resident of the Gallery Lofts, and 1 individual who was from the Coffee Park who was curious about the drop-in session. See attached sign-in sheet Attachment C.”
<b>Zoning District Purpose Statement</b>	The CI District is intended to accommodate biomedical, technological, scientific, and other public and private research uses within GMA 1. The district is also intended to accommodate a pedestrian oriented mixture of uses such as office, retail, residential and light manufacturing to support the primary research function of the district. The district encourages innovation by offering flexibility in design and layout requirements in an urban context. Development in the CI District should incorporate pedestrian oriented design elements such as facade articulation, sidewalks, open space plazas, entrances facing the street, windows, awnings, and structured parking.

<b>Applicable Rezoning Consideration from Chapter B, Article VI, Section 6-2.1(R)</b>	<b>(R)(1) - Is the proposal consistent with the purpose statement(s) of the requested zoning district(s)?</b>		
	Yes, the site is located within a portion of the Center City Growth Management Area which is experiencing increased pedestrian activity resulting from recent development. The site is located directly west of property which is zoned CI.		
<b>GENERAL SITE INFORMATION</b>			
<b>Location</b>	West side of Chestnut Street, between Fifth Street and Seventh Street		
<b>Jurisdiction</b>	City of Winston-Salem		
<b>Ward(s)</b>	East		
<b>Site Acreage</b>	± 2.05 acres		
<b>Current Land Use</b>	Currently located on the southern portion of the site is small park. The northern portion of the site contains a multistory 49,125 square foot residential building known as the Gallery Lofts, a surface parking area, and a 26,500 square foot, one story building which is currently unoccupied.		
<b>Surrounding Property Zoning and Use</b>	<b>Direction</b>	<b>Zoning District</b>	<b>Use</b>
	North	GB-L	Arts Based School
	East	PB & CI	Goler Manor Apartments and surface parking
	South	CI WO	Surface parking area
	West	CI WO & PB WO	Surface parking and the Winston Factory Lofts across a railroad
<b>Applicable Rezoning Consideration from Chapter B, Article VI, Section 6-2.1(R)</b>	<b>(R)(2) - Is/are the use(s) permitted under the proposed classification/request compatible with uses permitted on other properties in the vicinity?</b>		
	Yes, the mixture of uses allowed in the proposed CI district are similar to the mixture of uses which are permitted on the adjacent properties which are zoned PB, GB-L, CI, CI WO, and PB WO.		
<b>Physical Characteristics</b>	The northern portion of the site is fully developed and has a moderate slope downward toward the southeast. The southern portion of the site has a gentle slope downward toward the southeast and includes some vegetation in the area of the small park.		
<b>Proximity to Water and Sewer</b>	Public water and sewer are available to the site.		
<b>Stormwater/ Drainage</b>	No known issues.		
<b>Watershed and Overlay Districts</b>	The site is not located within a water supply watershed.		
<b>Historic, Natural Heritage and/or Farmland Inventories</b>	The multistory building located on the PB zoned portion of the site is now known as the Gallery Lofts. This building (formerly known as the P.H. Hanes Knitting Co. Warehouse & Shipping Building) was built in 1940 and was listed on the National Register of Historic Places in 2005 as a contributing building within the P.H. Hanes Knitting Company complex of buildings. In 2007, the building was also designated a Local		

	Historic Landmark. The Local Historic Landmark designation requires an approved certificate of appropriateness from the Historic Resources Commission prior to commencement of any minor or major work, including any alterations, relocations, demolitions, and new construction to the building and/or site. A certificate of appropriateness was approved in June 2007, February 2012, and March 2012. This building was renovated and converted to residential units using the historic preservation tax credits.			
Analysis of General Site Information	The subject property is developed with a modest sized building which is currently unoccupied, a small park, a multistory residential building, and some surface parking. The site is located along a railroad within a previously industrial part of downtown which has recently undergone extensive redevelopment for residential and research related purposes.			
SITE ACCESS AND TRANSPORTATION INFORMATION				
Street Name	Classification	Frontage	Average Daily Trip Count	Capacity at Level of Service D
Seventh Street	Minor Thoroughfare	288'	840	13,800
Chestnut Street	Local Street	546'	2,000	NA
Sixth Street	Minor Thoroughfare	227'	1,200	13,800
Proposed Access Point(s)	Because this is a general use request, the exact location of access points is unknown. The site currently has vehicular access from Seventh Street and Chestnut Street.			
Trip Generation - Existing/Proposed	Staff is unable to provide an accurate trip generation for either the existing or proposed general use zonings because there is no site plan.			
Sidewalks	There is an abundance of sidewalks along both sides of all the surrounding streets.			
Transit	Route 91 runs along Main Street located approximately 270 feet to the west.			
Connectivity	The site is located within an urban setting characterized by a well-connected network of streets with short blocks.			
Analysis of Site Access and Transportation Information	The site is located within an area which is served by transit and sidewalks. In regard to vehicular parking, one of the goals within the downtown setting is to reduce the degree of automobile dependence and the extent of surface parking areas. Accordingly, both the CB zoning district in the core of downtown and the adjacent CI zoning district have no minimum parking requirements. However, as a means to address the realistic parking needs, there are two existing parking decks in the general area and one future deck which have some degree of public parking. This is in addition to existing on-street parking available to the public.			

<b>CONFORMITY TO PLANS AND PLANNING ISSUES</b>	
<b>Legacy 2030 Growth Management Area</b>	Growth Management Area 1 – Center City
<b>Relevant Legacy 2030 Recommendations</b>	<ul style="list-style-type: none"> <li>• Promote the conversion of surface parking lots into buildings to add to the vibrancy of downtown.</li> <li>• Encourage housing development in downtown for a diversity of occupants including students, empty nesters, young professionals and families.</li> <li>• Encourage housing downtown and in the Center City that is available at a variety of price points.</li> <li>• Encourage preservation of buildings listed individually in the National Register and in National Register Districts, as well as other significant historic buildings in downtown and the Center City.</li> </ul>
<b>Relevant Area Plan(s)</b>	<i>Downtown Plan</i> (2013)
<b>Area Plan Recommendations</b>	<ul style="list-style-type: none"> <li>• The site is recommended for mixed use development.</li> </ul>
<b>Site Located Along Growth Corridor?</b>	The site is not located along a growth corridor.
<b>Site Located within Activity Center?</b>	The site is located within the Downtown Winston-Salem Activity Center.
<b>Applicable Rezoning Consideration from Chapter B, Article VI, Section 6-2.1(R)</b>	<b>(R)(3) - Have changing conditions substantially affected the area in the petition?</b>
	The general area surrounding the subject property is continually experiencing new residential, research related, and institutional development.
	<b>(R)(4) - Is the requested action in conformance with <i>Legacy 2030</i>?</b>
	Yes
<b>Analysis of Conformity to Plans and Planning Issues</b>	<p>The subject request is to rezone 2.05 acres located in the northeastern portion of downtown from PB and PB-S to CI. The <i>Downtown Plan</i> recommends mixed use development for the subject property along with the majority of downtown. Both the PB and the CI districts are consistent with this recommendation in that they allow for business, residential, and institutional land uses within an urban, pedestrian oriented context.</p> <p>The CI district, similar to the CB Central Business zoning district, has no parking requirements. Therefore, this request is also consistent with</p>

		the recommendation of <i>Legacy 2030</i> in that it would permit the conversion of a surface parking lot into a building. Planning staff recommends approval.				
RELEVANT ZONING HISTORIES						
Case	Request	Decision & Date	Direction from Site	Acreage	Recommendation	
					Staff	CCPB
W-2831	CI and LI to PB	Approved 2-6-06	Included a portion of current site	.67	Approval	Approval
W-2694	LI to PB-S	Approved 6-7-04	Included a portion of current site	.62	Approval	Approval
W-2674	LI to PB	Approved 3-1-04	Included a portion of current site	1.76	Approval	Approval
CONCLUSIONS TO ASSIST WITH RECOMMENDATION						
Positive Aspects of Proposal			Negative Aspects of Proposal			
The proposed CI district is consistent with the recommendations of the <i>Downtown Area Plan</i> and <i>Legacy 2030</i> .			The proposed CI district allows for the uses of Fuel Dealer and Manufacturing B which may have some impact on residential uses.			
The site is located in a pedestrian oriented area which is well served by transit and sidewalks.						
The site is adjacent to other properties which are zoned CI.						
The proposed CI district will allow more development flexibility on the subject property than is permitted by the existing mixture of zonings.						

**STAFF RECOMMENDATION:** Approval

**NOTE:** These are **staff comments** only; final recommendations on projects are made by the City-County Planning Board, with final decisions being made by the appropriate Elected Body, who may approve, deny, table or request modification for any project. **THE APPLICANT OR REPRESENTATIVE IS STRONGLY ENCOURAGED TO ATTEND THE PUBLIC HEARINGS WHERE THE CASE WILL BE CONSIDERED BY THE PLANNING BOARD AND THE ELECTED BODY.**

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# **CITY-COUNTY PLANNING BOARD**

## **PUBLIC HEARING**

### **MINUTES FOR W-3322**

### **MARCH 9, 2017**

Gary Roberts presented the staff report.

#### **PUBLIC HEARING**

#### **FOR:**

Luke Dickey, Stimmel Associates, 601 N. Trade Street, Suite 200, Winston-Salem, NC 27101

- When they got their historic designation in 2007 CCC Gallery Lofts became one of the pioneers in bring residential development into downtown.
- After discussions with staff we chose the CI District which allows more flexibility in developing the two parcels north of the existing historic building. A majority of the site around it is zoned CI except for CB to the west.
- We are in an urban environment.
- The intent for phase two development is to provide a higher ratio of parking when they move forward with the overall plan.
- This protects the existing investment of the Gallery Lofts and provides a viable phase two development.
- CI doesn't require parking, but parking will be provided to meet market demands.
- We held a neighborhood meeting. Four people showed up. One was a property owner, the pastor representing the church to the north. She was very appreciative.
- The petitioner is still working on their plans, but they will be reaching out to property owners in the near future.

#### **AGAINST:**

Chris Woollard, 181 E. 6th Street, Suite 414, Winston-Salem, NC 27101

- I am speaking on behalf of residents in our building on the site.
- We are concerned about this rezoning, both in regards to this specific case and what is happening in general in terms of planning and rezoning in this area with an effort to take over what is currently zoned PB & GB with an industrial zoning.
- This is the Goler Heights neighborhood, the epicenter of black history in Winston-Salem. This neighborhood has never had proper representation, proper history done on it or any recognition for its historical value to the City.
- Its integrity is greatly diminished already. Any zoning changes which will happen in this area are going to be to the further detriment of what's left of that integrity.

- There are no regulations that would apply to parking for CI zoning.
- If we were talking about businesses where parking is provided two blocks away, that would be okay. But we are talking about residents who want to park on site, not two blocks away where they have to carry their groceries two blocks.
- This parking deck will provide some public parking. In addition, it will be at least partially owned by Wake Forest. They will have control over what they do with it and how many spots they will allow public parking for. We don't know how many spaces that will be or even if it will provide adequate parking for the residents around it.
- There is additional development at Patterson and MLK which will be adding more residential units. It was done in PB zoning which allows multifamily residential and has parking regulations. PB zoning allows what they might want to place here so why is the rezoning necessary?
- We're having a problem with parking right now just given what development exists.
- This development will further exacerbate the existing problems.
- We need to look at the intent of doing away with parking ordinances in this part of town.
- This is an unfortunate precedent to set for private property owners who wish to develop multifamily residential units and not have any parking regulations that would be applicable to their properties. The two developments that are currently residential on CI land are in areas which were already zoned CI.

Will Knott, 424 Springdale Avenue, Winston-Salem, NC 27104

- I speak as the guardian of two children who go to the Arts Based School.
- This opposition is about traffic issues and safety.
- Emergency vehicles have a lot of difficulty getting through there because of traffic for the school and for Mud Pies.
- We don't know the impact of the development at Martin Luther King Jr Drive.
- There's an active railroad track here which really scrambles the traffic.
- There's the future impact of Business 40 when Section D of that project is done and affects Martin Luther King Jr Drive and Cherry Street.

Michael Suggs, 889 N. Liberty Street, Winston-Salem, NC 27101

- I'm speaking on behalf of Goler Community Development Corporation which was one of the original planners for the area.
- This area was known as Goler Heights originally.
- About 15 years ago when we acquired the property, we did a series of charrettes with the community and were very intentional about how we wanted to zone the area. We didn't want high density. We wanted walkability. The recommendation at that time was to zone it PB. This is inconsistent with the plan. We wanted people to have a place to park.
- This is a peninsula that you are building into a community that was already well thought out.
- Parking is a big issue. If you develop this without parking you will have people parking in areas which were designed for other properties.
- I'm concerned that you are going to change the fabric of the City.
- Next door is housing for the elderly. We don't want the problem of people taking up parking spaces which were originally intended for the elderly.
- They can build more apartments but let's build the parking spaces to support them.

- This may be flexibility for the petitioners but we want to know specifically what is coming to the community and how many units you are talking about.
- We know what is happening on the Link property and if they are building enough parking spaces to support that.
- Please leave this as PB zoning.

Kevin Nunley, 643 N. Spring Street, Winston-Salem, NC 27101

- I'm here on behalf of the Arts Based School.
- Our concerns are parking, traffic patterns, safety, and congestion around the school, particularly at pick-up and drop-off times.
- The school has been here for about 15 years. It was one of the first projects to develop the area and help bring back the vibrancy to the Goler area.
- Without knowing more about this project it's hard for us not to be opposed to it because of the traffic and the safety of our kids being dropped off and picked up.
- We have 500 kids and since we are a charter school we don't have a busing program.
- If you have more traffic along here you get to the point where you're blocking off the entrance to the school. We don't want parents dropping off children in the middle of congestion because they can't get to the entrance.
- We want to be a good neighbor. We want to support development. But at this point we would be opposed to it.

## **WORK SESSION**

During discussion by the Planning Board, the following points were made:

In response to questions, staff explained parking for the area.

In response to a question by George Bryan, Paul Norby explained that CI has been in this area for several decades. About 10 years ago we made modifications to the CI district to allow additional land use flexibility during the transition period between when Innovation Quarter was adding development but RJ Reynolds still had interest in some of the property in the area. Residential was added at that time to the uses allowed in CI.

The PH Hanes building in the center of the site is a historic building.

Tommy Hicks: Do you have a projected date of completion for the parking deck? Gary Roberts: I understand a permit has been issued for the Link parking deck so that should begin soon. Some of the 872 spaces in that deck will be available to the public.

Melynda Dunigan: Why didn't the petitioner go with special use so you had a site plan and it was more specifically delineated? Luke Dickey: They are still working on their site plan and what they might want to do, but they wanted to move ahead with the zoning and be able to adjust their site plan as needed.

There was no representation from the school at the neighborhood meeting. Luke Dickey was contacted by Neil Foster who is the property owner and emailed him in response to his questions.



Allan Younger asked Chris Woollard if there was enough assigned parking now for Gallery Lofts and how much parking is currently there. Chris Woollard answered that there is not enough parking now. There are 62 units, both one and two bedroom, with his estimate of close to 30 spaces in a parking garage and close to 45 spaces in a gated parking lot.

George Bryan asked Kevin Nunley about parking along Seventh Street. He responded that it was a little wider than a neighborhood road but is two lanes. There is not parking allowed on the sides of the road. People do park there to pick up their kids but it is not allowed.

After George Bryan asked why the school did not have representation at the meeting, Kevin Nunley stated that they did not receive notification about the meeting. The school rents the building and it appears the owner, Neil Foster, did receive the notice and communicated with the petitioner's representative. From a previous conversation with him it appears he did not know the extent of the proposal.

Staff confirmed that there are no parking requirements for CI zoning.

Parking would have to be provided in PB, but it does get a 30% break.

Melynda Dunigan: When adjustments were made to the CI District, what was the thinking behind allowing multifamily and not requiring the parking? Paul Norby: We saw the CI District as a companion district to CB. For several decades the CB District has not had an on-site parking requirement because in a downtown area you don't necessarily want each individual site to have its own parking area. You want to encourage joint use of parking, parking decks, some on-street parking, use of transit, a lot of pedestrian movement between uses and things like that to deemphasize the parking requirements you would have in a suburban area. As the Innovation Quarter was planned, it was seen as a companion part of the downtown expansion with the idea that you would have similar requirements related to parking. When developers are putting in development and trying to lease or sell it, one of the things they will keep in mind is that the user will want to know how you are going to handle parking. A lot of development in our downtown area works by having lease agreements in parking decks or other kinds of shared parking or they rely on their residents to not be having two cars per household. That's why cities in general don't have downtown parking requirements. We had to treat the conversion of the old CI District 10 years ago a little differently since we were still in that transition between RJ Reynolds having property control over some industrial properties that would eventually be turned into Innovation Quarter which would be very similar to downtown development. Melynda Dunigan: But you're still intending for some practical way for people to park a car? Paul Norby: The idea behind CB and CI is that you don't make that a requirement for every single piece of property but there are parking resources in the general area and you rely on other forms of transportation to lessen the need for parking at the same kind of ratio you would find downtown.

Clarence Lambe: We have not had parking requirements in CB for decades. It's an urban, high density environment and by definition that's how its always been treated.

George Bryan: So it's incumbent upon City Council to look at having enough parking so you have development and are not inhibiting that development. What kind of commitment does the City have to putting in convenient parking? Many of the allowed uses in CB require parking,

from a practical sense. How do we help this area develop and have convenient parking? Paul Norby: The City is conducting a parking study right now to get a better handle on what are the present and future problems, needs, and arrangements. That doesn't necessarily mean there's a new City parking deck in our future as there are several both public and private parking decks in the downtown area. The City isn't the only provider for downtown parking. There are three publicly owned parking decks within about 2-3 blocks of this site. If developers feel they need to provide on-site parking, it's up to them to figure it out. It's impractical in this downtown area to put a requirement on each property owner that if they develop their site they have to provide on-site parking.

In response to a question from George Bryan, Luke Dickey explained that there is currently other development happening in this area which provides competition for this development. As a result, the petitioners here will make sure there is adequate parking so they can compete at the same level as similar developments in this area. They need to protect their investment.

Paul Mullican: I agree. If you are investing your money in a development, you are going to provide what the market is demanding. When you move downtown you expect this kind of situation, expect to be using public transit. Parking your car a block or two away isn't a big deal because you don't need it as much.

Tommy Hicks: Part of the brain trust behind Innovation Quarter was that it was going to be a place where people live, work, and play. A lot of the recruitment for the people who will live in that building will be the millennials who will probably park their car in that residential space and not move it. I can appreciate the concern for safety, particularly of the children, but my hope as Paul Mullican said, is that this is going to be an urban style of living where people are not using their cars as much as we may predict. It's not going to be an influx of traffic that we can envision hampering our older and younger citizens.

Arnold King: We're in transition now. We're trying to create this urban environment. Unfortunately some residents still have a suburban mentality. They want the cars. They want the best of both and that's the problem now.

Darryl Little: Has anybody looked at the traffic studies that would impact this particular area with the new development that's considered? Connie James, City Department of Transportation responded, referencing the traffic study which was done for the Business 40 closure for the downtown area. Currently we have a rush hour that lasts maybe 30 minutes. In the worse case scenario, traffic in the downtown area might flow at a Level of Service B. If traffic is really backed up on Fourth Street, that area may be a Level of Service C. But generally traffic in this area flows very well. I wouldn't anticipate that this particular development/redevelopment would have significant impacts. Darryl Little: The reason I ask is that I travel this route several times a day and invariably go past this area as school is letting out. That can be hectic at times. Connie James: We are aware of the traffic issues. Sometimes you don't have enough room to queue the traffic. We deal with this situation with other schools on a regular basis. We will be getting together with the school to see what we can do to help with their current situation.

Allan Younger: I am very much in support of downtown development and what is happening here. One of the challenges we have though is that a lot of people have moved downtown and

are not used to walking more than driving. We have to be careful with development that we don't squeeze them out, especially when many of them have lived here for some time now. It's hard to make an easy decision one way or the other at this point.

George Bryan: I was very impressed by Mr. Suggs' presentation because Goler put a lot of risk into this area even before the City was to that point. They have a lot of money invested here. They feel PB will do what they need. Only part of the land is zoned PB. They have the flexibility they are seeking on the rest of the site which is zoned CI. We can turn this down and they can come back with a Special Use or Limited Use request which gives more assurance about what will happen here. There's not a lot of parking requirement on this anyway and that's the way it should be downtown. I feel a developer could come back in and give us a better proposal.

Melynda Dunigan: That's a lot of what I was thinking - both what George Bryan and Allen Younger said. This is a really tough case because I also support downtown residential development and walkability and not a lot of surface parking lots. But this area presents some unique circumstances where there are pressures affecting it. I would feel much more comfortable having a site plan and having more specificity about what is going to happen with this site.

Brenda Smith: I have a concern about saying we're only going to approve special use in an area. There's a long history between planning, rezoning, and investment in the area. Even if this is PB you're still going to add people and vehicles and parking. What additional increment of cars are we going to add if we say we're only going to approve special use to know ahead of time how many people are going to commit? Whether they park in PB or for another reason, you're going to add people. The goal is to add more people to the area. In the big picture that is what we are approving rather than saying we will only approve special use. We need to give some flexibility. A successful development is going to respect the history. If they want a successful enterprise they are going to provide parking to make it a desirable place. I don't think we need to require Special Use up front for this kind of development.

Paul Mullican: Traffic flow at the school is a concern. I don't think whether this is PB or CI will change the amount of the traffic very much. I think it will be good to go ahead and approve this.

MOTION: Paul Mullican moved approval of the zoning petition.

SECOND: Clarence Lambe

VOTE:

FOR: Tommy Hicks, Arnold King, Clarence Lambe, Paul Mullican, Brenda Smith

AGAINST: George Bryan, Melynda Dunigan, Darryl Little, Allan Younger

EXCUSED: None

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A. Paul Norby, FAICP

Director of Planning and Development Services