

DEVELOPER'S PROGRAM

Introduction

This request is for the review of the South Creek Mixed-Use Concept Plan by the Chapel Hill Town Council, the Community Design Commission, the Stormwater Management Utility Advisory Board, and the Housing Advisory Board. The subject site is a +/- 120 acre property located on the east side of US 15-501 across the street from Southern Village and the Southern Community Park. The Proposal would preserve the majority of the Site as an +/- 80-acre natural preserve on the eastern part of the property and cluster development on the approximately 40 acres on the west side of the property. The proposed development will include for-sale residential homes and a mix of land uses including retail, office, public trails and viewing areas, and affordable housing. The proposal embraces the adopted vision of the Town's South 15-501 Plan which calls for meeting the evolving needs of the community with "clustered, compact development that maximizes open space preservation." It would also help to address a number of the housing challenges highlighted in the recent Chapel Hill Housing Need Analysis commissioned by the Town by offering a different housing types suitable for a wide range of stages in life and income levels.

Project Background

The Town and the previous property owner entered into a development agreement for the property in 2015. The development agreement contemplated a large mixed-use development of up to 1.6 million square feet known as "Obey Creek." Following the execution of the development agreement, the property was rezoned DA-1, which is the Town's zoning designation that is applied to properties subject to an approved development agreement.

The Obey Creek development agreement contemplated a mixed-use development made up of primarily commercial uses. However, market conditions are not suitable to support the level of commercial development called for by the Obey Creek development agreement.

Based on a formal administrative determination from the Town in June 2021, the DA-1 zoning district permits all uses which are listed as "permitted" in Use Matrix, found in Table 3.7-1 of the Land Use Management Ordinance. This means that the property could be developed "by right" with single family dwellings, duplexes, and other multifamily dwelling units on all 116 acres spanning both sides of the creek. The entire tract, as opposed to the portion that Beechwood proposes to develop, could yield approximately sixty (60) lots +/- one-acre lots.

Beechwood proposes to terminate the existing development agreement, pursuant to the termination provisions outlined therein, and to petition the Town to rezone the Obey Creek property, including a 2.19-acre tract owned by the Town, to a conditional zoning district. This will allow Beechwood and the Town to negotiate appropriate development standards without being constrained by a development agreement that was drafted for a different use profile which is not feasible under current market conditions. Beechwood believes that the proposed development far better addresses the Town's Comprehensive Plan and its housing needs than either the current development agreement, or the "by right" one acre lot single family zoning.

Project Goals and Objectives

Beechwood believes that the goals and objectives of this development proposal are in positive alignment with the goals and objectives of the Town's Comprehensive Plan and South 15-501 Focus Area Plan and do much more to address the Town's need for housing diversity than either the development agreement currently in place, or the by-right zoning that would allow for one acre single family homes to be built. A formal development application will follow this Concept Plan review process. The revised land uses and lower intensity will require a rezoning of the property. Beechwood anticipates requesting a "conditional rezoning" for a mixed-use category (MU-V-CZD), which accommodates a broad mix of uses.

Developer Background

The Beechwood Organization is ranked at the forefront of privately-owned residential developers nationwide and on the East Coast. It is one of the largest developers of single-family homes, multi-family homes and sophisticated lifestyle communities in New York State and listed #58 of 245 U.S Housing Giants by Professional Builder.

Since 1985, Beechwood has built more than 7,500 homes in 60 communities, averaging 3.9 million square feet in new developments annually since 2017 with new projects on the map from New York to the Carolinas.

Beechwood founder and chief executive Michael Dubb, with son and principal Steven Dubb, are renowned for their innovative and forward thinking in "not just selling a home, but a lifestyle" with signature quality construction and design for how sophisticated buyers and renters want to live today.

Their company is known for its commitment to thoughtful land planning and design, repurposing disused land, building in harmony with nature and creating a benefit for all residents.

In 2021, Beechwood carries these values forward to the North Carolina market. With thoughtful proposals for new residential developments, starting in Charlotte and Chapel Hill, Beechwood's vision for the Carolinas is to enhance quality of life for both residents and the distinguished communities in which it develops.

Statement & Vision

Beechwood understands that communities are not just about housing, but about engagement with the neighborhoods and the towns in which it develops. Beechwood works to provide community greenspace, walking and hiking trails, parks, and preserves. Beechwood offers a diverse array of recreation for its homeowners, creating the perfect environment to live comfortably and healthfully. Beechwood is committed to building with resiliency and sustainability as guiding principles. The architecture of South Creek will be a vernacular steeped in what is uniquely Chapel Hill; one that is deeply influenced by its natural landscape, dynamic community, and proximity to the University.

This Concept Plan embraces the key components of the Town's Comprehensive Plan and South 15-501 Small Area Plan, while also addressing the urgent housing needs and desires highlighted in recent analysis conducted by the Town regarding its housing stock. South Creek intends to be a transit-friendly development that welcomes and integrates with Bus Rapid Transit (BRT) and enhances its operation on the southern end of Town while providing quick non-car commutes to job centers at UNC and UNC Hospitals. Moreover, community gathering spaces, plazas and courtyards will be a key component of the new development as well as multimodal connections to its neighbors. This Concept Plan utilizes clustered, compact development to maximize open space preservation. Finally, Beechwood's goal is to create a place that celebrates the area's unique qualities and makes South Creek a neighborhood known for its diverse offering of homes and residents.

Site Conditions

Wilson Creek, the most notable physical feature bisecting the property meanders northward to join with Morgan Creek. Land on both sides of the creek is characterized by moderate to steep slopes (12% - 30%) within the stream buffers and adjacent to the alluvial zone. Incorporating this grade change into building footprints will create an immense amount of character as the grade is transitioned. Soil types that persist over much of the area include Appling sandy loam, Louisburg sandy loam and Wedowee sandy loam which pose only moderate constraints for development. Vegetation includes a mixture of hardwoods and pines with younger growth pines throughout the area west of Wilson Creek. Larger hardwoods occur along the stream buffer and to the east of Wilson Creek. With the exception of several houses (vacant) and the abandoned quarry located east of Wilson Creek the site is undeveloped.

General Site Layout and Building Orientation

The property is approximately +/- 120 acres. It is located on the east side of US 15-501 at the southern end of Chapel Hill across from Southern Village. The area on the eastern side of Wilson Creek is intended to be preserved as a natural space for recreational use. With the sloping condition of the site, Beechwood intends to bench the townhome and condominium buildings into the grade to optimize parking opportunities. These areas partially below grade will be used for parking garages. The stepping of the buildings into the grade will afford residents and visitors views out to the nature preserve further enhancing the community's connection to nature.

Site Access and Circulation

The site will be configured so that there will be two access points directly across from Sumac Road and Market Street creating direct links to the Southern Community Park and Park and Ride lot. These access points are desired to be signalized, full movements pending NC DOT approval and Town of Chapel Hill coordination. It is understood that NC DOT would need to review their median spacing guidelines to allow Sumac Road to become a full-movement intersection. While the South Creek development will only generate 20-30% of the traffic from the underlying approved plan for this site, internal stem lengths will still need to be confirmed during the traffic study process to ensure sufficient traffic control per NC DOT standards. A primary north-south internal street will provide connectivity between these two access points with secondary streets and alleys to assist with vehicular circulation. South Creek will have the potential for some on-street parking

as well as podium parking integrated into most of the condo buildings, similar to some of Southern Village's commercial/condo buildings.

Natural Features, Environment, and Landscaping

Vegetation includes a mixture of hardwoods and pines with younger growth pines throughout the area west of Wilson Creek. Larger hardwoods occur along the stream buffer and to the east of Wilson Creek. Except for several vacant houses and the abandoned quarry located east of Wilson Creek, the site is undeveloped. The eastern +/- 80 acres (almost 70% of the property) is intended to be preserved as natural space with recreational opportunities open to the public.

STATEMENT OF COMPLIANCE WITH COMPREHENSIVE PLAN

The South Creek Concept Plan submittal is proposed in accordance with the CH2020 Comprehensive Plan and the South 15-501 Focus Area Plan, an element of the Town's Comprehensive Plan. This statement of compliance is provided with regard to general concepts in CH2020 as well as the guiding principles of the South 15-501 Focus Area Plan. Several key concepts from South 15-501 Focus Area Plan will be highlighted in the South Creek development in addition to the six primary planning themes established by the CH2020 Plan.

A Place to Live

South Creek will provide the community with diverse choices regarding where to live, work, and play in Chapel Hill and will attract those working in Chapel Hill during the day to remain and become residents. These choices will be achieved in a development that will offer new outdoor amenities and gathering spaces, small scale retail and work places in a manner that will serve as a unique gateway into Chapel Hill.

Community Prosperity and Engagement

The South Creek development will increase revenues for the town by creating employment opportunities, increasing the real estate tax valuation, and by enticing those who work in Town to become a resident. It will also complement the Southern Village development across 15-501 by providing additional retail opportunities and public amenities to Southern Village residents, and by providing additional consumers for the Southern Village retail shops.

Getting Around

A dense residential development such as South Creek will support optimum use of the BRT for the Town and enhance the live-work experience to attract those UNC and UNC Hospital workers that live outside of Town to move to Chapel Hill, thereby helping to address the fact that 90% of Chapel Hills employees live outside of Chapel Hill. A future TIA will inform the team of additional improvements needed to ensure a development design that minimizes traffic impacts and does not subtract from the quality of life of existing neighbors and future residents.

Good Places, New Spaces

The proposed development provides new housing options to the South 15-501 Focus Area, while promoting architectural diversity and quality. The streetscape in South Creek will provide a pedestrian friendly and vibrant space for residents and visitors including spaces to gather and socialize outdoors. Beechwood also intends to celebrate an element of the land's cultural

heritage by honoring the significance the Watts Motel played in the US Civil Rights movement of the 1960s. Collaboration with local organizations will be conducted to best determine how to formally integrate a historical marker regarding the Watts Motel as well as commemorating an open space into the development plan.

Nurturing Our Community

By clustering development on the ~40 acres to the west of Obey Creek and leaving the ~80 acres to the east of the creek undeveloped, this project will protect and maintain environmentally sensitive areas on the eastern side of the property. Providing connectivity and access to trails will promote active transportation via walking and biking to reduce vehicle use and emissions, therefore reducing carbon footprint and improving air quality.

Town and Gown Collaboration

By contributing to the range of housing options that will primarily target the Missing Middle, not only will a wider range of people be able to live in Chapel Hill, but the diverse offering of housing in South Creek will give many of the employees of UNC and UNC Hospitals the opportunity to live nearby.

STATEMENT OF COMPLIANCE WITH DESIGN GUIDELINES

South Creek will be designed to comply with the Town's Design Guidelines. We understand that previous design guidelines have been approved for this area and while we will not be building to the same density or scale, our revised design guidelines will incorporate many of the best features from those guidelines. Furthermore, Beechwood desires to also take into consideration design successes from other projects along the 15-501 corridor in order to appropriately position South Creek as a southern gateway to Town that is welcoming and uniquely Chapel Hill. An example rendering of some proposed building elevations are included as part of the submittal.

Vehicular connectivity will be provided at Market Street and Sumac Road with internal streets avoiding dead-end streets as much as possible. As a transit-friendly and pedestrian focused development with sidewalks and trails throughout, South Creek will provide a design of human scale further emphasized by well dispersed community amenities and gathering spaces.

Fire access will be provided in accordance with code requirements. Town-wide design criteria for access and circulation, landscaping and tree canopy, parking and loading shall be included in the design of South Creek. Finally, infrastructure facilities for stormwater management devices, water, sewer, and other utilities will be provided in accordance with the applicable guidelines, standards, and regulations.

STATEMENT ON AFFORDABLE HOUSING PROGRAM

Beechwood understands the Town of Chapel Hill's objectives for providing affordable housing and is committed to developing the appropriate mix of offerings that meet the intent of the Town's Inclusionary Zoning Ordinance.

Beechwood has begun discussions with a several local affordable housing providers and looks forward to continued meetings with community stakeholders and decision-makers to propose an affordable housing plan that aligns with the Town's vision and needs for a sustainable future.

This Concept Plan proposes a residential development in the southern part of Chapel Hill with workforce, supportive and affordable housing components. Furthermore, the overall intent of this project intends to target the much-needed Missing Middle for Chapel Hill with a diverse offering of condominium units that will appeal to a variety of home buyers.