

Shaping Our Future

A Transportation and Land Use Initiative

Town of Chapel Hill 2023

DRAFT



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Foreword

Shaping our Future

This Transit Oriented Development Plan explores ways to achieve the Town's goals and objectives as set out in the 2020 Future Land Use Map (FLUM). It offers a vision of how development, public spaces, sidewalks, streets and bike routes will connect to new BRT stations across the Martin Luther King North, Martin Luther King South, Downtown and South Columbia Focus Areas.

Creation of the plan reflects principles embedded in the Town of Chapel Hill's 2022 Complete Community Initiative addressing long-range housing and growth factors. Key principles include achieving diverse housing, retail, mixed-use development, employment, public realm, green spaces, active transportation and transit. Each of these have influenced planning at TOD Station Area, Focus Area and opportunity site scales.

This TOD plan will play a key role in shaping Chapel Hill and achieving economic development, housing, affordability, transportation and mobility goals. This is an opportunity to build sustainably, with less reliance on cars, more walking and biking, sustainable approaches to stormwater and habitat and the use of green building techniques.

Transit-supportive land use possibilities, public realm improvement options and infrastructure will enhance access and ridership on the planned North South Bus Rapid Transit route. It will also ensure a shift in how people move around Chapel Hill, reducing dependence on single occupancy automobiles, defining new connected, transit oriented development opportunities as well as supporting equitable housing and economic development opportunities.

The BRT Station Areas will play a key role in shaping Chapel Hill's future growth and defining how it meets community needs and aspirations. They encompass a variety of conditions, character and types of future opportunities, providing lessons that can be applied more widely across Chapel Hill.

This report is organized into three main sections:

A. Foundations of the Plan: highlighting Chapel Hill's growth, demographic and market analysis, Town values and aspirations and input from the public and stakeholder engagement process.

B. Focus Area and TOD Station Area Directions: including development, bike, pedestrian, greenway and public realm recommendations.

C. Implementation Strategies: across housing, affordable housing, economic development and land use management, including key actions, timelines and responsibilities. Within this plan, opportunity sites have been investigated to illustrate how the Town's guiding principles and other best practices could be achieved. This also provides robust

evidence for the amount of development that could be leveraged in response to investment in the North-South Bus Rapid Transit system. In addition, site scenarios inform a range of implementation strategies across affordable housing, updating the Land Use Management Ordinance and creating more equitable access to transit.

This planning process has also looked at future growth opportunities in the 15-501 and NC54 Focus Areas. This has also used Focus Area and Sub Area recommendations in the 2020 Future Land Use Map (FLUM) as a foundation.

Focus Areas have been investigated in the following ways:

- Confirming development directions set by the FLUM
- Identifying opportunity sites that are likely to see change by 2040
- Integrating existing and new recommendations for pedestrian, bike and greenway connections

A vision of how individual developments can work together at the Focus Area scale to create a Complete Community is also offered within this plan.

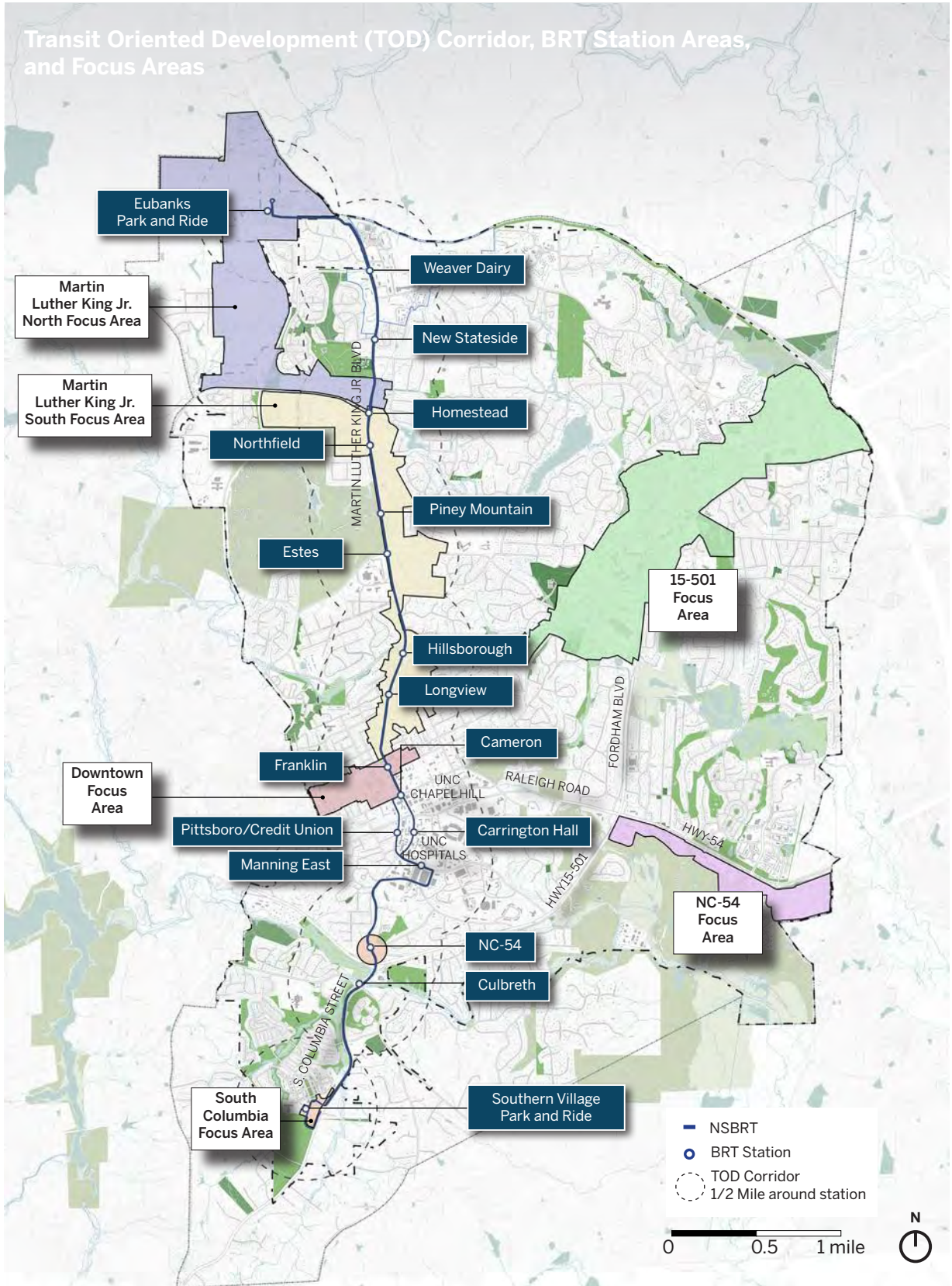
Recommendations for opportunity sites have been investigated via:

- Site frameworks: block, street framework and open space plans.
- Urban design concepts: illustrating 3D outline development forms, circulation and public realm frameworks.
- Development directions: setting aspirations and providing examples of how sites could change.

Each approach provides evidence for the capacity of sites to contribute to meeting Chapel Hill's growth needs through to 2040, support transit investment and create walkable, bikeable and equitable connections. While each subject site will depend on the actions of individual owners, and future regulatory and development review by the Town of Chapel Hill between now and 2040, market demand and local aspirations provide a strong foundation for potential development.

Land Use Management Ordinance (UDO) visioning has been integrated with the TOD planning process. The intention is to diagnose TOD specific and longer-standing Land-Use Management Ordinance (LUMO) update needs. Recommendations from this feed directly into the TOD implementation plan.

Within an Implementation Strategies section, this plan provides recommendations on policies, strategies and programs that will enable and support transit oriented development and equitable transit oriented development. Adoption of this plan will identify the recommendations as Town of Chapel Hill policy objectives. Specific implementation steps and Council decisions on them will follow.



Introduction

Chapel Hill: A Growing Community

Shaping Our Future: A Transportation and Land Use Initiative (“Plan”) establishes a policy direction and implementation strategies for growth and development in the future North-South Bus Rapid Transit (NSBRT) corridor and in Focus Areas identified in Chapel Hill’s Charting Our Future: Future Land Use Map (FLUM) update. Specifically, this Plan promotes and helps implement transit oriented development (TOD) in the NSBRT corridor, including the North Martin Luther King, Jr., South Martin Luther King, Jr., Downtown, and Southern Gateway Focus Areas, and communicates a broad vision for equitable and sustainable growth, transportation, infrastructure, housing, and economy. In addition, Focus Areas along the 15-501 corridor at the north east, and the NC54 corridor at the east are also addressed.

Building on the Town of Chapel Hill’s previous work, this plan has been created to provide more specific guidance on what shape TOD could take and how and where it could be achieved. This has also allowed further definition of implementation strategies for affordable housing, economic development, walking and biking improvements, environmental strategies and updating the Land Use Management Ordinance (LUMO). These implementation strategies are also applicable to Focus Areas across Chapel Hill.

Chapel Hill, North Carolina is a nationally and globally recognized center for higher education, healthcare and research. Chapel Hill also sits within the Raleigh-Durham region, one of the fastest growing regions in the United States. With a growing regional economy and inward migration among students, workers and retirees, Chapel Hill and Orange County have seen and are projected to see significant population growth and housing demand.

Chapel Hill is a unique and special place with a wonderfully engaged citizenry. Home to the oldest public university in the nation, this highly educated, informed and compassionate community has an un-matched public school system, a top medical school and arguably the best college basketball team of all time. The town is comprised of 61,000 friends and neighbors. This growing, diverse community is an example of progress and positive change for communities across the nation. It is home to historic Black communities, and growing Latinx and Asian communities, as well as immigrants and refugees.

In recent years, the Town of Chapel Hill has prepared a series of assessments and plans to understand and set future growth directions and policies. This includes housing assessments, TOD frameworks and updates to the Future Land Use Map.

Each plan has recognized that Chapel Hill desired a shift from autos to transit, walking and biking in the interests of movement efficiency, quality of place and environmental sustainability.

Each also recognized that housing demand is high, and that provision will need to diversify to provide a welcoming and more affordable place for current and future residents.

In addition, the global pandemic, an ongoing reckoning with the racial history of the United States and Chapel Hill’s long term desire to provide an equitable path to future success have informed many conversations regarding Chapel Hill’s future.



Transit in Chapel Hill



Transportation greenways



UNC Chapel Hill

Shifting to Transit, Walking and Biking

Transportation choices play a critical role in Chapel Hill's growth and development patterns. To shift the proportion of people using transit, walking, and cycling to fulfill everyday needs, new policies and investments are needed making sustainable and healthier travel modes more efficient, affordable, convenient, and connected, connecting everywhere to everywhere.

The Town of Chapel Hill has also adopted a set of mobility, bike and pedestrian, ADA transition and wayfinding plans to encourage movement without a car, to support the choices many residents, workers and students wish to make about how they move.

New investment in NSBRT will add mobility options for residents, employees, students and businesses, while guiding future growth and development in an equitable manner, and enhancing well-being with walkable streets and stronger connections to open spaces. NSBRT will:

- Connect Eubanks Road Park & Ride at the north to Southern Village Park & Ride (8.2 miles)
- Link neighborhoods, downtown, UNC-Chapel Hill and the UNC Hospitals
- Create dedicated, curb running transit lanes along much of North Martin Luther King Jr. Blvd and South Columbia
- Offer 17 world class stations with cutting edge amenities
- Increase transit system capacity
- Augment the off-street travel network with a new multiuse path (MUP) along most of the BRT corridor
- Connect with existing and future multi-use paths and Chapel Hill's growing greenway network
- Provide faster, more reliable transit access to local and regional employment centers with rapid buses departing every seven minutes at peak times.
- Support the Town's ambitious climate action goals
- Respond to growing and changing mobility demands



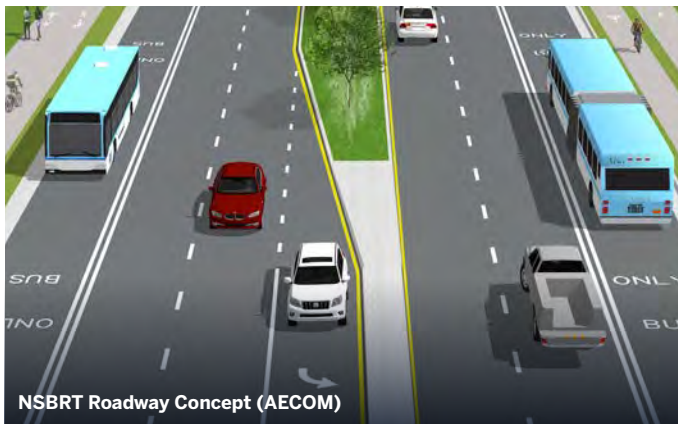
Support accessible transportation choices



"Everywhere to Everywhere" connectivity



NSBRT Station Concept (AECOM)



NSBRT Roadway Concept (AECOM)

Transit Oriented Development

Transit plays a central role in the function, operation, shape and form of whole communities. It is essential to labor force movement, access to jobs, and resident links to public services, amenities and destinations.

Transit connects residents to economic opportunities, education, services and recreation. Transit stations offer an amenity that also attracts housing development, jobs and services. Transit can also be a part of neighborhood identity with communities relating place names, where they live or visit to the transit lines or stations used to access them.

Connections, quality of service and facilities are a key component of quality of life and place.

Transit Oriented Development (TOD) links connectivity and mobility to the buildings and public spaces people use. TOD comes in many forms and scales and is found in railroad towns, historic suburbs, metro areas, downtowns and big cities. It is also linked to the nature of the transit itself, whether commuter rail, subway, light rail, streetcar, BRT and bus systems.

TOD supports compact, walkable and mixed-use communities and focuses uses, activities, development densities and building heights, while protecting environmentally sensitive areas elsewhere. Station areas can become destinations, with public spaces used by commuters, residents and workers. By concentrating growth, we can create great public realm in station areas and support the possibilities of open space preservation elsewhere in Chapel Hill and the region.

Transit allows people to reduce dependence on cars or eliminate car ownership. Household transportation costs can be reduced, releasing resources that can be spent on housing, consumer consumption or wealth building.



TOD promotes high quality development and placemaking in downtown Chapel Hill and supports the future NSBRT's ridership

Equitable Transit Oriented Development

Transit Oriented Development also offers a path to achieving greater community equity through the following strategies.

- More diverse housing types meet the needs of a wider range of household types
- Apartments, missing-middle homes (duplexes, triplexes, townhomes, and smaller apartments) and smaller single family homes are more affordable
- Public sector housing incentives and subsidies can be geographically focused
- Economic development, jobs and community services can be located where they are accessible by all residents via affordable transit
- Single family only zoning can be adjusted to allow accessory dwelling units, allowing more than one household to live on a single family lot
- Transit access reduces household costs for autos and parking

Together, these strategies can serve as an anti-displacement platform by ensuring access to housing for low and moderate income people and lower cost access to the education, jobs and services that support them in the places they live.

Transit Oriented Development Opportunity Sites

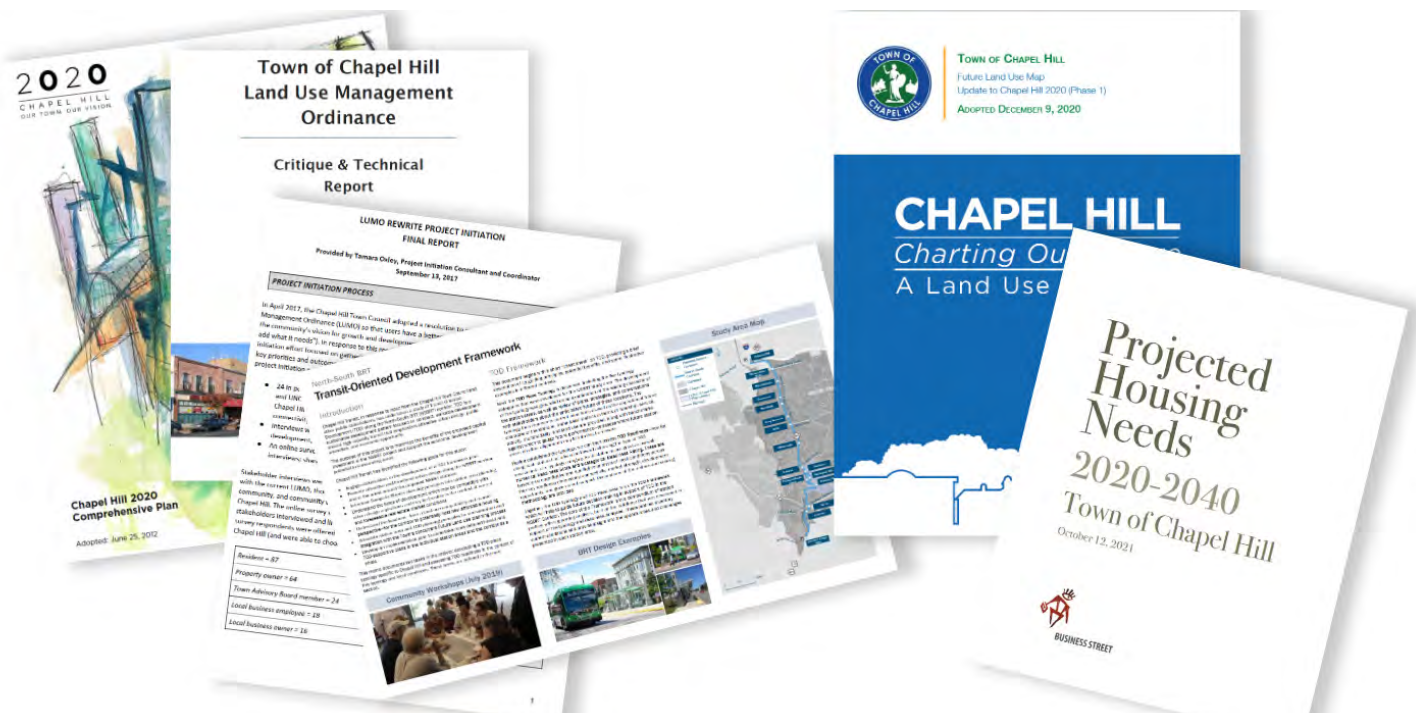
This plan explores TOD opportunity sites that could see new development by 2040.

A range of opportunity sites were identified based on reviews of USGS United States Geological Survey maps, Town of Chapel Hill Geographic Information systems, historic and current proposals for development entitlements, housing, office and retail market analysis and field driving and walking surveys. The existing use and size of sites were assessed to identify those with characteristics aligned with new transit oriented developments in other communities. Investigations also identified the types of sites that have seen substantial redevelopment in Chapel Hill in recent years.

Based on this, the following opportunity site types in Chapel Hill were identified.

Surface parking lots: Chapel Hill has a substantial reserve of stand-alone, remote and accessory surface parking lots that could be put to more effective use, and meet Town aspirations identified in the 2020 FLUM and other plans.

Aging lower density office and retail uses: There are several mid-late 20th century developments that are aging, reaching the end of their useful life, have obsolete formats or do not reflect contemporary business desires for vibrant, attractive, walkable places.



Small vacant sites: Chapel Hill has a collection of smaller, vacant sites with potential for infill development while tapping into local infrastructure and services.

Larger vacant sites: Larger vacant sites may need larger enabling infrastructure and site preparation, which may require longer-term public-private partnerships and use of public economic development tools.

Locations were scanned to identify the above site types. Many sites also reflect Complete Community criteria, including: complete streets offering safe and comfortable routes to BRT stations, connections to the everywhere to everywhere framework, diverse housing types, high quality public spaces and greenery. All require a minimal scale to achieve these.

A Projected Housing Needs 2020-2040 report Prepared for the Town of Chapel Hill by Business Street in 2021 recommended completing an average of about 485 housing units per year. A more detailed demographic, housing and affordable housing market analysis conducted by SB Friedman Development Advisors in 2022 for this study indicates Chapel Hill can support demand for 5,785 homes by 2040. This is in addition to the 3,125 homes already in the current entitlement pipeline. 1.2M SF of new office and 660,000 square feet of retail space could also be absorbed by 2040.

Developed in high quality settings, and at transit supportive densities, sites within the TOD corridor could accommodate approximately 3,600 homes. This is close to 60% of the town's net demand beyond the current entitlement pipeline to 2040.

The 15-501 and NC54 Focus Areas also have capacity to accommodate a substantial number of new homes and other uses up to 2040. Most of Chapel Hill's development demand up to 2040 can be accommodated in the N-S BRT Corridor and the Town's identified Focus Areas.

Shaping Our Future

This Transit Oriented Development Plan identifies ways to achieve the Town's goals and objectives as set out in the 2020 Future Land Use Map (FLUM). Building on the 2019 TOD framework, it offers a vision of how development, public spaces, sidewalks, streets and bike routes will connect to new BRT stations across the Martin Luther King Jr. North, Martin Luther King Jr. South, Downtown and South Columbia Focus Areas.

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Opportunity sites have been investigated in three ways:

- **Urban design concepts:** illustrating 3D outline development forms, circulation and public realm frameworks.
- **Site frameworks:** block, street framework and open space plans.
- **Development guidance:** setting aspirations and providing examples of how sites could change.

Each provides evidence for the capacity of sites to contribute to meeting Chapel Hill's growth needs through to 2040, support transit investment and create walkable, bikeable and equitable connections. While each site will be subject to the actions of individual owners, and future regulatory and development review by the Town of Chapel Hill between now and 2040, market demand and local aspirations provide a strong foundation for potential development.

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The Town of Chapel Hill's Complete Community process addressing long-range housing and growth factors has also influenced and been influenced by the TOD Planning. Key themes that relate to TOD planning include:

- Complete Streets provide safe and comfortable routes to BRT stations and the greenway network
- Station area and streets connect to adjoining neighborhoods
- Transitioning building mass through smaller, connected buildings
- Buildings bound and define public outdoor spaces
- Human-scaled, active uses on ground floor of building frontages
- Articulation breaks up monolithic buildings
- Minimized building setbacks create engaging street edges
- Greenery fully integrated into site design (street trees, medians, bio-swales, public lawns, etc.)

Implementation

With the Implementation Strategies section, this plan provides recommendations on policies, strategies and programs that will enable and support transit oriented development and equitable transit oriented development. Adoption of this plan will identify the recommendations as Town of Chapel Hill policy objectives. Specific implementation steps and Council decisions on them will follow.

The TOD plan is a vision and policy commitment, while the LUMO contains the regulatory tools and incentives to realize TOD goals. A strategy and roadmap for a comprehensive LUMO re-write revision will be provided to Council in early 2023. Revision of the code and zoning map revisions will occur as part of the subsequent LUMO rewrite beginning in mid-2023, and expected to extend into 2024.

Additional Council implementation decisions will also be required in coming years relating to individual project and program approvals, funding allocations, changes to development review processes, individual zoning changes and entitlements and other items. Redevelopment will be driven by owner choices and is not mandated.

A. Foundations

This section includes information and analysis of Chapel Hills growth context, demographic and market conditions, Town values and aspirations, and input from the public and stakeholder engagement process. All were generated through review, technical analysis and engagement.

New housing demand up to 2040 is quantified, as is the need for affordable housing today and into the future. Retail and office demand is also forecasted. The Town's values and principles from recent plans, such as the Comprehensive Plan update and the Complete Community initiative, which provide directions for the qualities sought in future development, and that have guided planning here are identified. Key themes from the multi-level public engagement process are identified.

Together, these components provided the basis for plan making at FLUM Focus Area and TOD Station Area scales addressed in Section B.

1. Chapel Hill: A Major Center in a Growing Region

Population and Jobs Growth

Chapel Hill is located within a region experiencing high population and job growth. Locally generated population growth is joined by a high rate of migration to the region. The Raleigh-Durham-Cary, NC Combined Statistical Area attracted an average of 53 net new residents per day between 2015 and 2019. New residents are largely arriving from high-cost areas in the Northeast and western regions of the United States. The “Triangle” encompasses larger cities, a concentration of major universities and medical centers and tech and research oriented corporate employers, that are attracting and retaining residents.

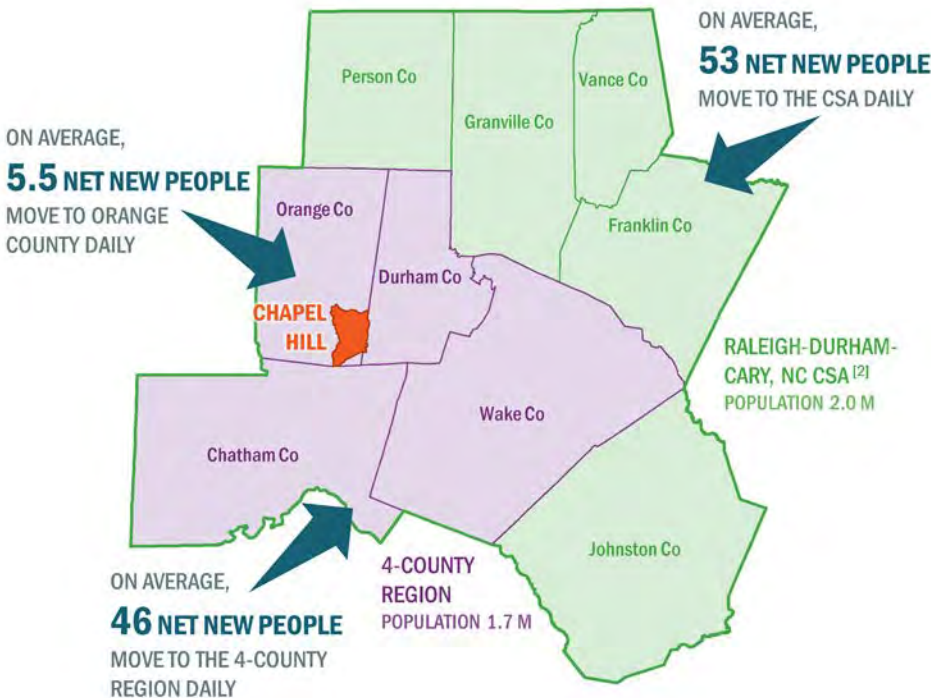
Chapel Hill had a population of 61,960 people in 2020. This is a relatively small number within a region of more than two million. The Town’s share of the region’s population has also decreased over the last two decades. However, Chapel Hill is a major center within the region. The Town has 53,200 jobs. It also has a very high jobs-to-housing ratio of 2.24 jobs per housing unit. UNC Chapel Hill also has a student population of more than 29,000 students. A major medical-center at

Population Growth

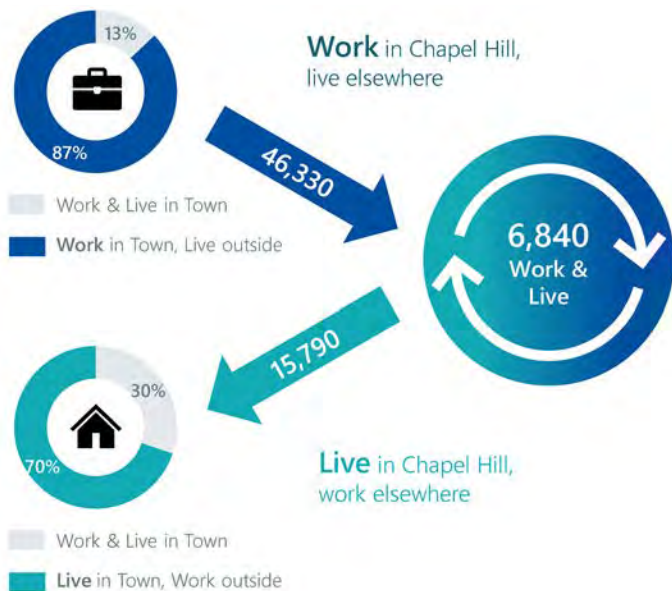
| Chapel Hill Population (2000) | New Residents (2000-2020) | Chapel Hill Population (2020) | Compound Annual Growth Rate (CAGR) |
|-------------------------------|---------------------------|-------------------------------|------------------------------------|
| 48,710 | +13,250 | 61,960 | 1.2% |

| | Historical 2020-2040 CAGR | Projected 2020-2040 CAGR |
|-----------------------------|---------------------------|--------------------------|
| Chapel Hill | 1.2% | 1.0% |
| 4-County Region | 2.5% | 1.4% |
| Raleigh-Durham-Cary, NC CSA | 2.4% | 1.4% |

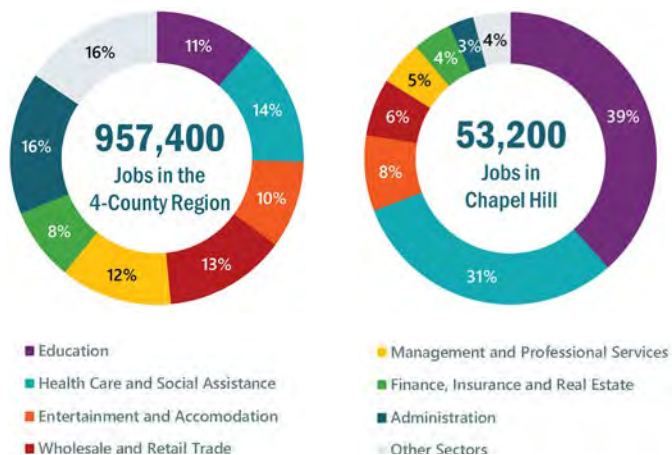
Migration into the Region



Chapel Hill Commuting Patterns



Workforce Composition

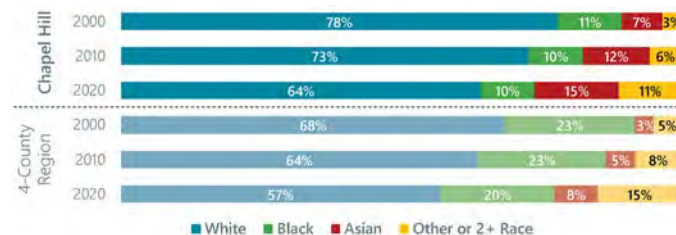


Key Population Factors

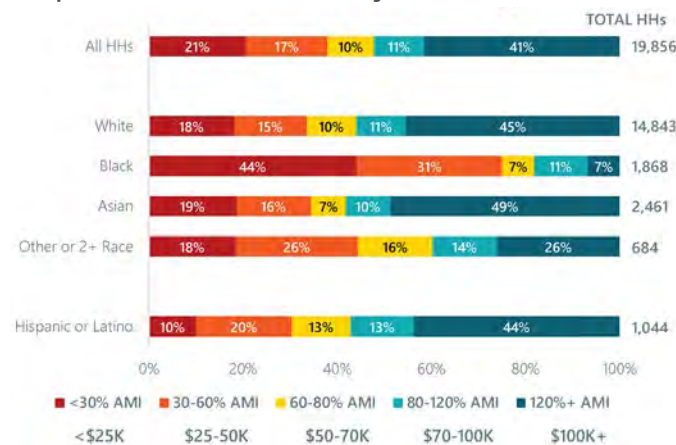
Befitting a college town, Chapel Hill's population is highly educated, 77% of adults (age 25+) hold a bachelor's degree or higher qualification. The town's median household income is high, although there is also a high number of low-income, young adult households. Chapel Hill is less diverse racially than the 4-County region, although it is becoming more diverse with growing Latinx and Asian communities.

Income inequalities are evident. Seventy-five percent of Black households earn 60% or less of Average Median Household Income. There is also a 34-35-point gap between Black homeownership levels and white and Asian homeownership.

Area Racial & Ethnic Composition



Chapel Hill Household Income by Race



Chapel Hill's Housing Market

Most Chapel Hill's housing has been built since 1980. Nearly 40% of existing homes were built between 1980 and 1999, the peak period of suburbanization in the United States, while almost 25% of the existing housing stock has been built since 2000. Following a long period of post-war single family housing development, most new homes in recent decades have been townhomes or multi-family (2 unit+) units. The market is distributed relatively evenly between owner and rental housing and single family and multi-family homes.

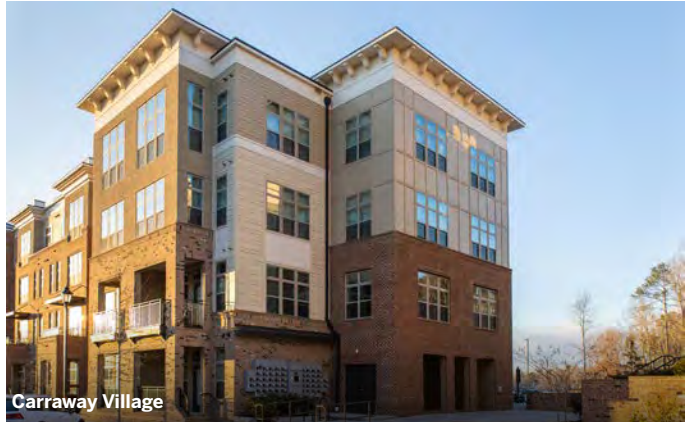
Chapel Hill has captured a falling share of the region's recent housing permits. As a result, the Town's share of the region's population has also decreased. Prices in both rental and for-sale markets have increased significantly in the region and Chapel Hill since 2015, with the biggest increase occurring between 2020 and 2021.

High housing demand and a limited number of protected affordable units are increasing affordability challenges. Single family home prices have increased 33% since 2015, with the biggest jump occurring between 2020 and 2021. Average effective rents have increased 27% since 2015, with a significant increase in 2020. A household needed to earn above \$110,000 to afford the median value home sold in 2021.

Nearly Six out of 10 renter households are cost burdened, meaning they spend more than 30% of their income on rent, mortgage and other housing needs. There is a significant unmet need for housing affordable to households earning less than 60% of the local Average Median Household Income (AMI). Low-income households have a higher likelihood of being cost burdened. This is also the case for Black households. This applies across owner or rental sectors. Of those households earning less than \$35,000 per year, 89% are housing cost burdened. Cost burdened households work in a variety of employment sectors, including health and social care, education and entertainment – which are all strongly represented in Chapel Hill.



Downtown Chapel Hill



Carraway Village

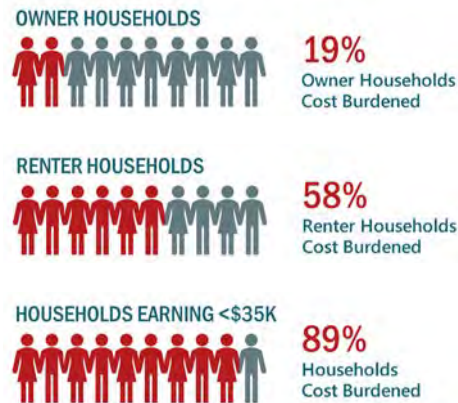


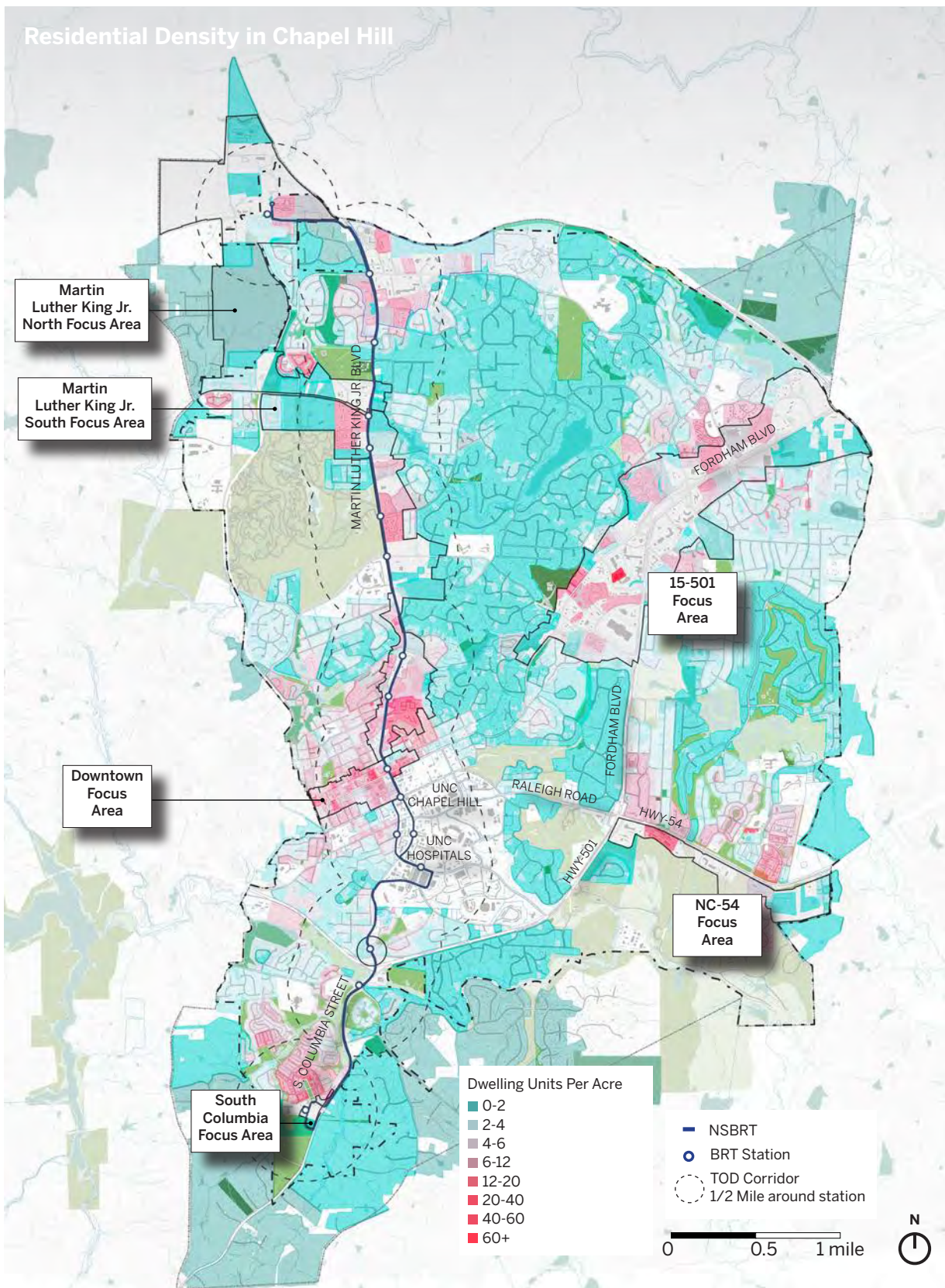
Meadowmont Village



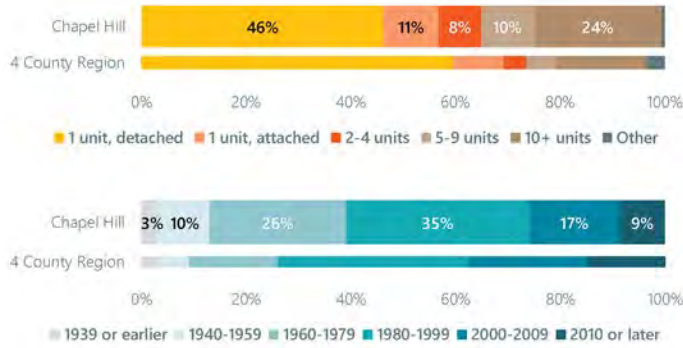
Southern Village

The Housing Cost Burden in Chapel Hill



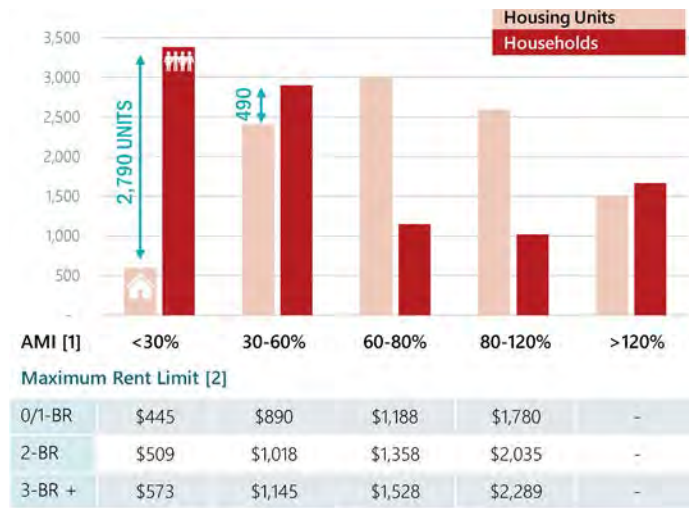


Area Housing Stock: Type and Age

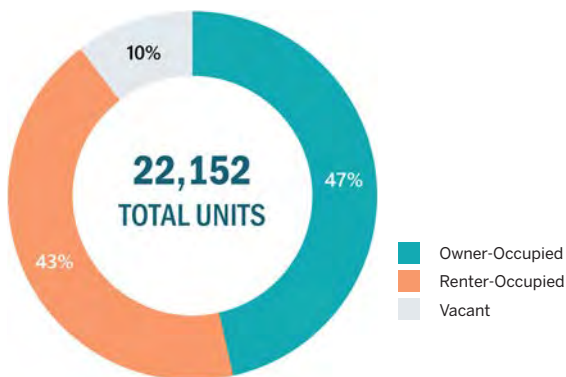


Rent price growth has been accompanied by a strong rate of multi-family housing construction. New homes are absorbed by the market quickly. The newest rental product has rents exceeding \$2.00/SF. Households must typically earn above \$68,600 to afford these homes. There is a ±\$0.45/SF premium for rental homes built since 2000 compared to older stock. However, units of all ages have seen rent increases over the last decade. There is a gap in availability of 2,790 units for households below 30% AMI and 490 units for households between 30 and 60% AMI.

Renter Households and Housing Units by AMI Level



Existing Housing Stock: Owned and Rented



Naturally Occurring Affordable Housing*

| | < 30% AMI | 31-60% AMI | 61-80% AMI | Total NOAH |
|--------------------|-----------|------------|--------------|--------------|
| Studio Units | - | - | 109 | 109 |
| 1 BR Units | 40 | 41 | 1,241 | 1,322 |
| 2 BR Units | 29 | 411 | 1,528 | 1,968 |
| 3+ BR Units | - | 28 | 290 | 318 |
| Total Units | 69 | 480 | 3,168 | 3,717 |

Permanently Affordable Housing*

| | Homeownership | Rental | Total |
|---|---------------|------------|--------------|
| <30% AMI | - | 456 | 456 |
| 31-60% AMI | 155 | 315 | 470 |
| 61-80% AMI | 149 | 6 | 155 |
| > 80% AMI | 36 | - | 36 |
| Total Permanently Affordable Units | 340 | 777 | 1,117 |

Existing Unmet Affordable Housing Need



Affordable Housing, Chapel Hill

*Naturally Occurring Affordable Housing refers to properties that are affordable but unsubsidized by any government program.

*Permanently Affordable Housing refers to housing that is legally restricted to meet affordable housing needs.

Housing Demand Forecast

Chapel Hill sits within a five-county residential market area consisting of: Chatham, Durham, Orange, Wake and Lee Counties. By 2040, this market area is projected to add an additional 688,400 residents, a growth of 40%.

It is expected that the age profile of the population will shift, as the Baby Boomer population cohort ages. A larger share of the area’s population will be aged over 55 by 2040. The fastest growth will be among people aged over 75. Current housing vacancy rates in both the for-sale and rental markets are at historic lows. A well-functioning housing market should have vacancy rates above current levels.

To accommodate projected household growth, and changing demographic trends, the 5-County market area needs to build ±20,800 units per year up to 2040.

While single-family detached homes are still the most popular housing type for owner households, younger generations are purchasing townhomes and condos at higher rates than older cohorts. Both nationally and locally, homeownership rates have declined. More households are now renting by choice, while some are priced out of the homeownership market.

New homes built in the region should meet changing household composition and evolving tenure preferences. New homes should also accommodate first-time buyers, older generations looking to “age in place”, and multigenerational households. A diversity of housing types at different price points will help increase affordability.

While Chapel Hill is home to 3.7% of the region’s population, in recent years, it has captured 0.5% of the region’s single family home production, and 3.0% of its multifamily production.

Two housing demand scenarios have been prepared. The first is “Historic Trend” scenario based on continuation of historic growth trends. The second is a “Demand Driven” scenario based on aligning Chapel Hill’s growth with regional growth rates. These forecasts have been used to inform the potential of opportunity sites within the NSBRT Corridor and the FLUM Focus Areas that overlap it, as well as other identified Focus Areas across the Town.

These scenarios indicate Chapel Hill could capture between 6,400 and 8,900 new housing units by 2040. Chapel Hill does have a current pipeline of housing developments. Based on historic rates of conversion of entitlements to completed projects, it estimated that 3,125 entitled units will be developed. There is a demand for between 3,285 and 5,785 units beyond the current entitled pipeline. Given wider household, housing tenure and affordability trends, the majority of new homes will be multi-family units, including town-homes, missing middle and apartment or condo buildings.

Housing Scenario Recommendation

If Chapel Hill continues to only capture its historic rate of housing it may face a series of challenges in coming years, including:

- The town’s share of the regional population will continue to decrease
- Housing will likely become even less affordable for low-to moderate-income households
- Competition for lower cost housing will likely increase between students and residents.



If Chapel Hill prepares for the Demand Driven scenario, capturing a higher share of regional housing production:

- The town will be able to provide more diverse housing opportunities for residents and people in the local workforce
- Upward price pressures will be reduced
- More places with densities that enable transit, retail, resident services and walkable environments will be supported, aligned with the Town’s FLUM Guiding Principles, including town-homes, missing middle and apartment or condo buildings.

It is recommended that Chapel Hill prepare to accommodate the Demand Driven scenario.



Chapel Hill Pipeline Reconciliation

Chapel Hill has an existing pipeline of approved and entitled housing developments. While not all entitled projects are typically constructed to their full capacity, a substantial proportion will be. It is estimated that approximately 85% of entitled capacity will be constructed. Based on this, it is projected that 3,125 homes will be constructed in coming years.

| DEMAND DRIVEN CAPTURE | | | | | |
|-------------------------|--------------|--------------|----------|---------|-------|
| | SF, Detached | SF, Attached | MF, 2-19 | MF, 20+ | Total |
| Net Demand | 1,140 | 530 | 2,250 | 4,990 | 8,910 |
| SBF Pipeline Projection | 88 | 192 | 133 | 2,712 | 3,125 |
| Demand Net of Pipeline | 1,052 | 338 | 2,117 | 2,278 | 5,785 |

As a result, demand net of the pipeline under the demand driven capture scenario indicates a need for 5,785 additional homes up until 2040. Demand will emphasize multi-family housing types.

Remaining Units to Meet Housing Demand to 2040



Office Market Characteristics and Demand Forecast

Chapel Hill has a high jobs-to-housing ratio compared with other municipalities, and other college towns. There are 53,200 jobs in Chapel Hill. The 20,422 jobs in Education and 16,373 jobs in Health Care & Social Assistance represent almost 70% of these jobs. UNC-Chapel Hill and UNC Health are clearly major employment and economic drivers for Chapel Hill. The wider region is more diversified with substantial Management and Professional Services; Administration; and Finance, Insurance and Real Estate sectors.

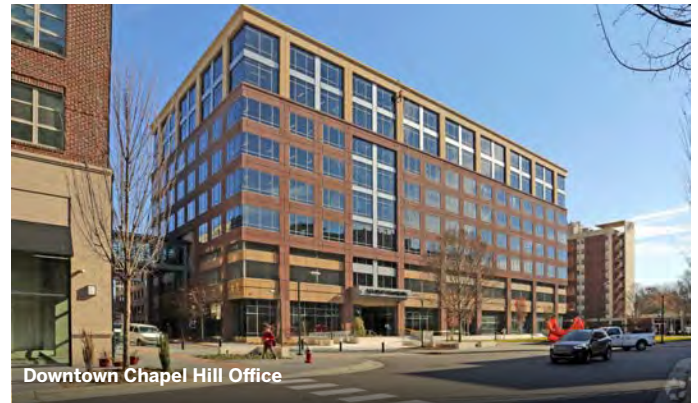
Chapel Hill's economy is specialized in education and health care, while the region's economy is more diversified. An innovation district planning effort is underway and is focused on capturing a greater share (relative to the region) of research and development, and professional services companies locally.

Chapel Hill is located in a regional office market area consisting of Chatham, Durham, Orange, and Wake counties. This 4-County region has 65M SF of leasable Class A & B office space, with 6M SF in the pipeline.

Chapel Hill has approximately 2.9M SF of existing office space, including Class A, B, C and unclassified space. This number represents about 2.7% of the total regional office supply, inclusive of all building classes.

Overall, 46% of Chapel Hill's existing office space has been built since 2000. About 352,000 SF of office space has been built in Chapel Hill since 2011.

Approximately 50% of the space within Chapel Hill is listed as Class A space. On average, this space has a rental rate of \$31/SF, though the newest product is approaching \$39/SF. The Class A vacancy rate in Chapel Hill is around 25%. The vacancy rate reflects recently delivered office space which is still in its lease up phase.



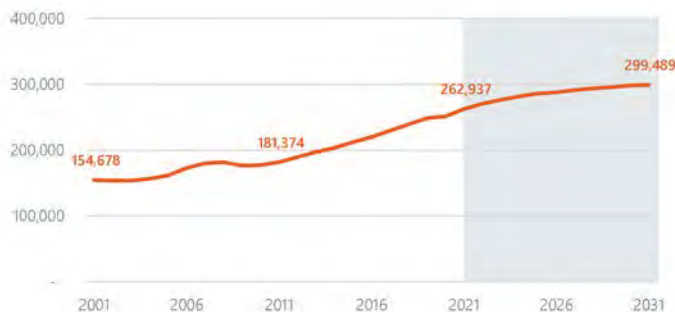
Chapel Hill has 442,000 SF of leasable medical office. The space is mostly occupied, with a vacancy rate below 9%.

Office employment growth in the region is projected to slow down over the next decade. Education and health care are projected to continue growing faster than regional office employment overall. The 4-County region will need to add 21.6M gross SF by 2040 to accommodate projected office job growth, accounting for changing space needs, demolitions, and a controlled level of vacancy.

Between 2001 and 2020, Chapel Hill captured 3.7% of the office space built in the region, on average. Evolving trends are impacting how much and what kind of office space is required. Downtowns and walkable, mixed-use environments are growing in popularity for office users, which favors Chapel Hill.

Through 2040, Chapel Hill could capture as much as 5.1% of regional office production. Chapel Hill could capture between 770K and 1.2M SF of new office by 2040, most of which will be in larger-scale corporate buildings.

4-County Region Office Employment Growth



HISTORIC & PROJECTED REGION EMPLOYMENT CAGR

| | 2001-2011 | 2011-2021 | 2021-2031 |
|-----------------------|-----------|-----------|-----------|
| Office Employment | 1.6% | 3.8% | 1.3% |
| Non-Office Employment | 0.8% | 1.8% | 0.8% |

Chapel Hill Capture of Office Demand



Retail Market Characteristics and Demand Forecast

Chapel Hill has approximately 2.6M SF of retail space today. Over the past 10 years, 267,300 SF of retail space was built. Retail vacancy was at a 10-year high in 2021, but at below 10%, indicating a healthy market.

The town has retail concentrations within its downtown area, along the 15-501 corridor and north along Martin Luther King Jr. Blvd near the I-40 interchange. Three large retail centers—New Hope Commons, South Square, and Southpoint—are located just outside the Town’s boundaries. Chapel Hill loses retail sales to these centers and other locations across the region.

While the pandemic impacted the retail sector nationally by accelerating on-line shopping and home deliveries, the impact varied across sub-sectors. Chapel Hill’s retail mix is relatively resilient given its low retail vacancy rates.

There is on-going demand for higher-quality and more diverse, mixed-use retail settings with food, beverage and entertainment. Walkable districts with attractive public spaces still have appeal. Traditional retailers are also repositioning brick and mortar stores to accommodate multi-channel and omni-channel shopping.

Within appropriate settings, Chapel Hill could support retail growth in furniture and home furnishings, electronics and appliances, building materials, garden equipment, clothing and clothing accessories, health and personal care, general merchandise and food and drinking places. In addition, new retail spaces could include service-oriented businesses, such as salons, yoga studios, or dry cleaners.

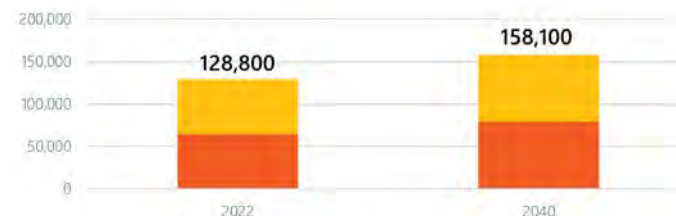
Overall, Chapel Hill could support an additional 660K SF of retail space by 2040.



Trade Area Per Capita Retail Spending



Trade Area Projected Population



Retail Built per Year (Sq Ft)



Retail Demand Projections

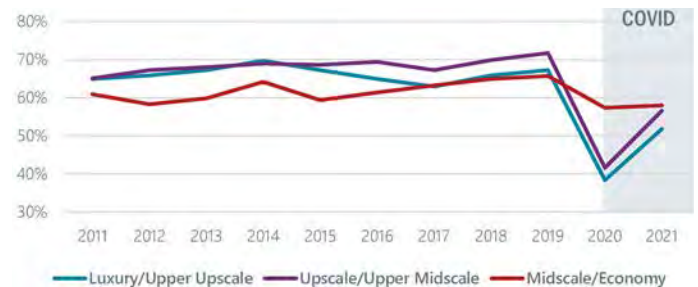
| Retail Category | Trade Area Demand Change 2022-2040 | Trade Area Demand Potential (2040) | Typical Sales PSF (2040) | Chapel Hill Capture of Demand | Chapel Hill Supportable SF |
|--|------------------------------------|------------------------------------|--------------------------|-------------------------------|----------------------------|
| Furniture and home furnishings stores | | \$96M | \$320 | 25% | 75,000 |
| Electronics and appliance stores | | \$7M | \$1,120 | 66% | 4,000 |
| Building materials and garden equipment and supplies stores | | \$168M | \$510 | 10% | 33,000 |
| Health and personal care stores | | \$39M | \$930 | 66% | 28,000 |
| Clothing and clothing accessories stores | | \$18M | \$490 | 50% | 18,000 |
| General Merchandise Stores | | \$262M | \$340 | 25% | 192,000 |
| Miscellaneous Store Retailers | | \$38M | \$500 | 50% | 38,000 |
| Food Services & Drinking Places | | \$136M | \$670 | 66% | 134,000 |
| Total Occupied Retail SF | | | | | 522,000 SF |
| <i>Non-Retail SF % (Services, Medical & Professional Office, etc.)</i> | | | | | 15.0% |
| Total Occupied SF | | | | | 614,000 SF |
| <i>Vacancy Rate</i> | | | | | 7.0% |
| Total Supportable SF | | | | | 660,000 SF |

Hotel Market Characteristics and Demand Forecast

There are approximately 2,400 hotel rooms are located within Chapel Hill's market area. As with the hotel sector nationally, the local hotel market is still recovering from the effects of the COVID-19 pandemic and its impact on business, conference and leisure travel as well as college visits by prospective students and their families.

The Town's existing hotel pipeline is likely adequate to meet demand through 2040. However, new demand could arise from an increase in the number of major events (conferences, sports, concerts, etc.) in Chapel Hill or hosted by UNC or UNC health, or an increase in the size of the UNC student body.

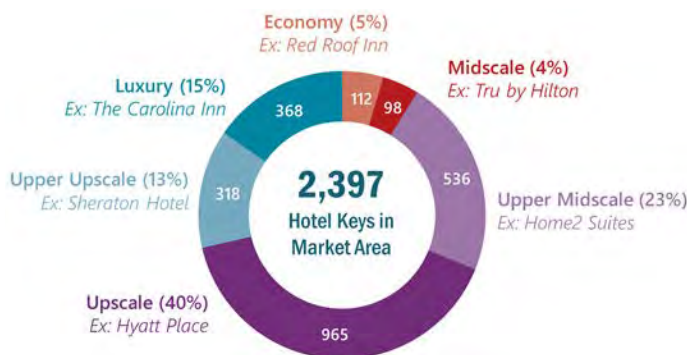
Hotel Occupancy by Class



Hotel Locations



Hotel Class Distribution



2. Aspirations for the NSBRT TOD Corridor and Focus Areas

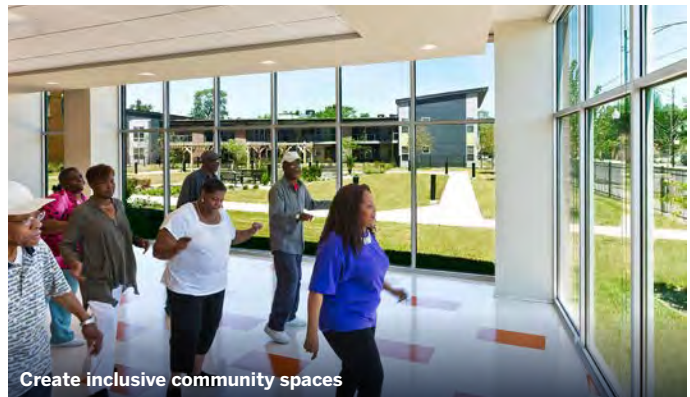
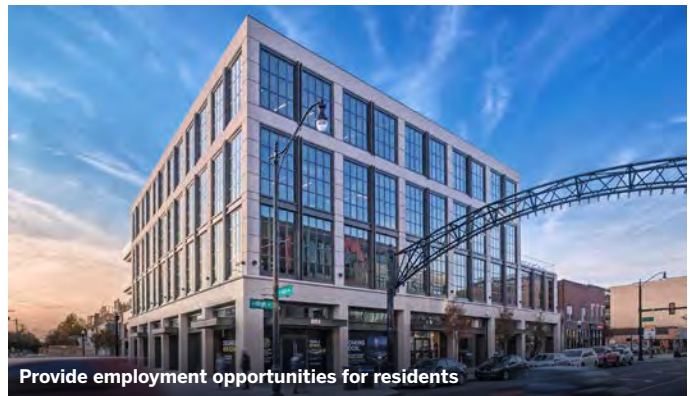
Aspirations provide directions at the beginning of plan making, a shared touchstone during engagement and a point of reference as decisions are made. Aspirations also inform implementation, whether at the policy or action stage. The following plans and initiatives informed, and are reflected in, the vision and aspirations for Focus Area framework and TOD concepts in Section B: Focus Area and TOD Station Area Directions.

Recent Chapel Hill plans, transit oriented development best practices, the importance of equity and a Town led Complete Community process have set aspirations for the NSBRT TOD Corridor and Focus Areas.

Charting Our Future

The Charting Our Future Land Use Map (FLUM) Update to Chapel Hill 2020 provides overarching guidance for future development and growth in Chapel Hill. This has been referenced in advancing Focus Area and TOD Station Area concepts. A synthesis of this guidance provided the following touchstones for planning, urban design and connectivity concepts.

1. Respond to climate change, environmental stewardship and resiliency
2. Enhance equity: benefit low-income residents, communities of color, immigrants, historically excluded and at risk of marginalization
3. Ensure housing diversity – provide missing middle, student and single family housing
4. Create distinctive, safe and attractive neighborhoods
5. Support vibrant and inclusive community and public spaces
6. Invest in key transportation corridors, promote transit + multi-modal options
7. Advance economic development, jobs, entrepreneurship, site redevelopment and infill activity
8. Manage transitions between different uses and scales
9. Preserve and maintain Chapel Hill's appearance, quality design and development character
10. Collaboration with UNC-Chapel Hill and UNC Health



Transit Oriented Development

The 2019 NSBRT Transit Oriented Development Framework defined TOD as: “a sustainable development pattern focused on compact, walkable development around high-capacity transit that emphasizes attractive urban design, public amenities, and economic opportunity.”

The 2019 framework also identified TOD as being critical to sustainability goals, supports affordable housing and other future development along with increasing transit capacity and connecting people with the regional transit network.

This current plan has also emphasized opportunities to:

- **Guide growth and development:** taking FLUM sub area directions of uses, heights and building typologies and defining the development potential of a range of sites.
- **Activate streets and public spaces:** providing exceptional public places for people to move, gather and celebrate, including generous sidewalks, plazas, public greens, gathering and play-spaces.
- **Green infrastructure:** incorporate landscape, vegetation, habitat and progressive storm-water management into the public realm.

Equitable Transit Oriented Development

“Exclusionary zoning laws place restrictions on the types of homes that can be built in a particular neighborhood.... minimum lot size requirements, minimum square footage requirements, prohibitions on multi-family homes, and limits on the height of buildings...Research has connected exclusionary zoning to racial segregation, creating greater disparities in measurable outcomes.

Exclusionary Zoning: Its Effect on Racial Discrimination in the Housing Market. The White House Council on Economic Advisors (2021)

This plan has evolved during a period of increased awareness of, and a reckoning regarding, the history and current context of race in the United States. An equity lens has been applied to understanding Chapel Hill’s history, the development of the town and its current context.

Chapel Hill emphasized single family development for much of its history, from its oldest neighborhoods around the University and downtown, and through the extended period of post-war suburban development when most of Chapel Hill’s housing was built. Historic zoning codes and maps reflected this emphasis. A substantial amount of Chapel Hill remains zoned for single family homes of less than two units per acre.



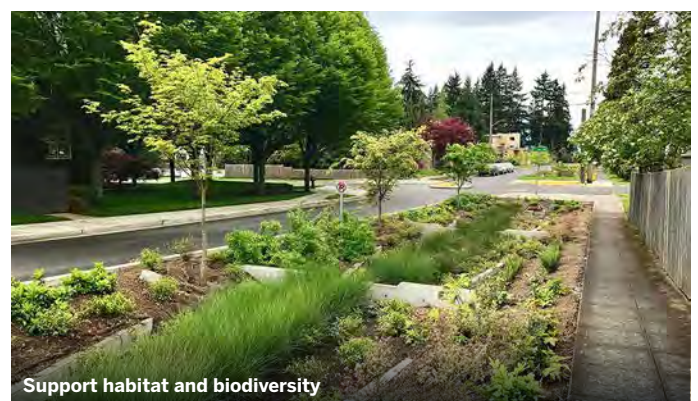
Include retail and community services



Plan for excellence in the public realm



Provide walkable streets



Support habitat and biodiversity

In recent years, the U.S. urban planning discourse has highlighted how low-density zoning maintains high prices, and serves to exclude people on moderate and lower incomes. Given the prevalence of moderate and lower incomes among people and households of color, the effect has been to maintain and further racial segregation. Studies such as “The Color of Law: A Forgotten History of How Our Government Segregated America” by the NAACP’s Richard Rothstein have documented the role of zoning in segregation. In 2021, the White House concluded:

As Chapel Hill has grown in recent decades, the proportion of residents who are Black has held relatively steady at 10-11%. However, this representation has also remained less than half the representation of Black people in the wider four county region. Chapel Hill has seen a growing representation of Asian and “Other” groups, with the latter assumed to anticipate the growing Latinx community. Today, 36% of Chapel Hill’s households are housing cost burdened, with the amount they are spending on housing negatively impacting the amount available to meet other household needs.

Within this context, there is a desire to consider who has experienced the benefits and burdens of historic decisions, and seek more equitable distribution of benefits among town residents in the future.

This planning process has promoted the role of Transit Oriented Development in supporting racial equity by identifying opportunities for the following.

- **Increasing housing supply:** linking multiple sources of potential housing land to transit
- **Increasing housing density:** enhanced residential density in available locations around future transit stations
- **Diverse housing types:** including townhomes, missing middle and apartment housing to meet the full range of Chapel Hills needs
- **Affordable housing strategies:** financial, land and regulatory tools
- **Connecting people to jobs:** through enhanced transit connections
- **Connecting people to community services:** through enhanced transit connections
- **Prioritizing pedestrian and bike infrastructure:** in TOD locations which have the highest housing cost burden

Complete Community

Creation of plans for the NS TOD Corridor and Chapel Hill’s Focus Areas has been informed by ideas generated by the parallel Complete Community process being led by the Town of Chapel Hill. Key ideas from this process that have been incorporated include the following.

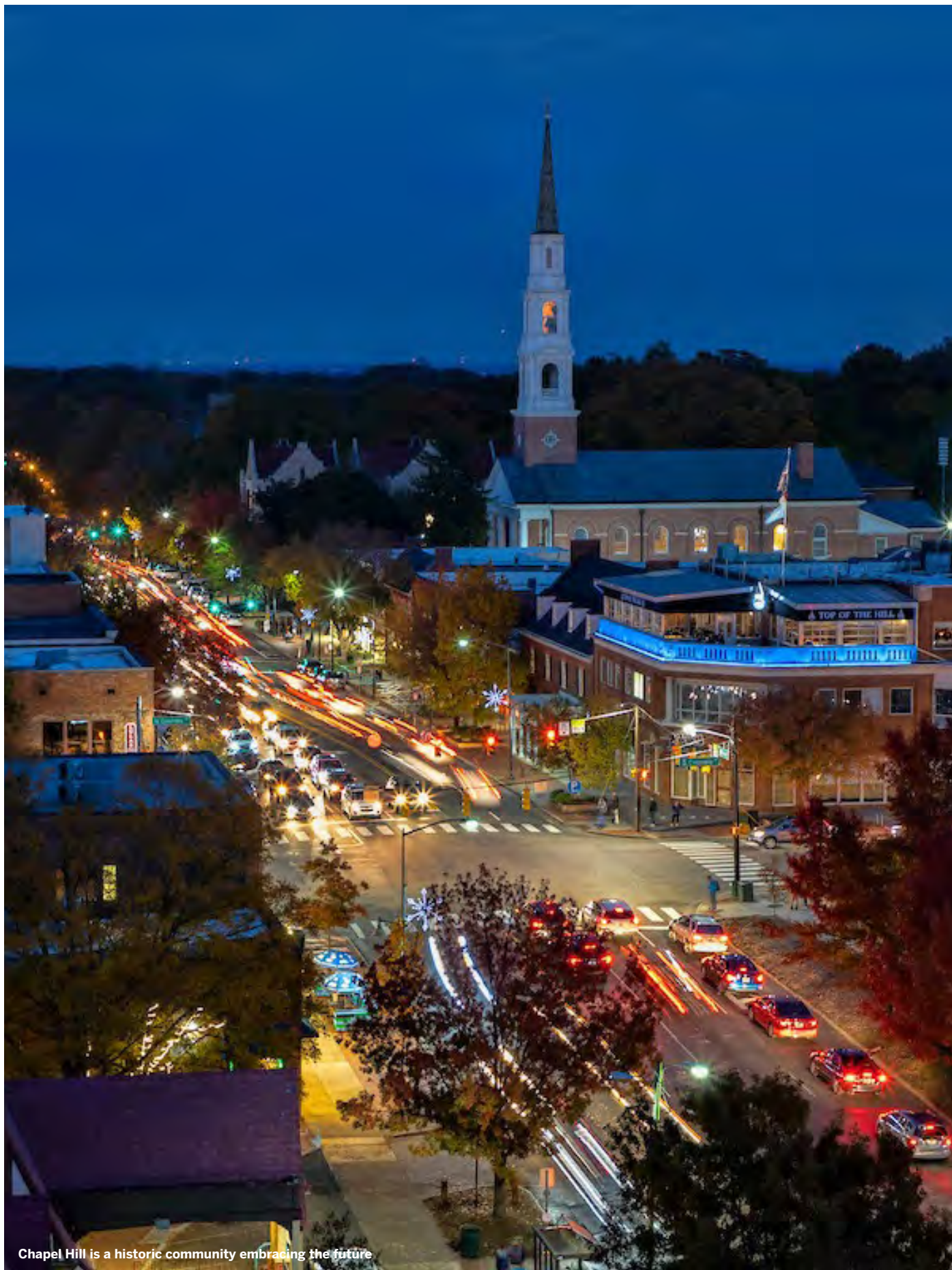
- **Housing:** diverse housing types, mixed-income housing, inclusive housing
- **Mixed-use:** retail, community facilities, employment
- **Public realm:** inclusive public realm, new public spaces, exceptional quality
- **Green:** green spaces, green landscape, rich landscape, trees, protecting natural areas
- **Active transportation:** walkable streets, shared streets, biking, everywhere to everywhere, transportation greenways.

Directions for Focus Areas and TOD Stations

Common themes run through the plans and policy commitments described in this chapter. Together, they include:

- **Enhanced equity and opportunities**
- **Housing diversity and affordability**
- **Sustainability, resilience, and environmental stewardship**
- **Vibrant, high quality public realm**
- **Homegrown economic development**
- **Multimodal transportation options, connectivity, and complete streets**
- **Dynamic, mixed land uses**
- **Distinctive and attractive development**
- **“Smart” growth and development**

These values and principles guided development of the Focus Area frameworks and Station Area concepts provided in the next chapter: “B. TOD Focus Area Directions.”



Chapel Hill is a historic community embracing the future

3. What we Heard: Public and Stakeholder Engagement

Engagement Approach

The Shaping Our Future initiative was the first major Town program where staff piloted the One Orange Government Alliance of Race & Equity (GARE) equitable engagement toolkit and the Community Engagement Compensation plan.

A multi-level and multiple format engagement process drew in the public and stakeholders, building on previous engagement led by the Town of Chapel Hill. This addressed the NSBRT Transit Oriented Development corridor, the Town's adopted Focus Areas and Chapel Hill more widely. This was integrated with engagement on the Land Use Management Ordinance audit and visioning process.

The engagement approach intentionally considered geographic and demographic representation to build connections with groups that have had less influence on growth decisions and directions in the past. This effort was designed to develop a wide range of perspectives about equitable growth and lend a depth of understanding for potential strategies that directly address the distinct needs of different communities. The Town's Justice in Action Committee served in an advisory capacity for the public engagement process.

The public engagement strategy was intended to reach multiple communities and thus required a multi-pronged and multi-lingual approach. Engagement techniques included site tours, one-to-one meetings, attending regular meetings of community based organizations, surveys, small stakeholder group meetings, open house exhibitions, drop-in sessions, webinars and online interactive surveys.

Town Council Members expressed a desire that Town staff used tools to equitably engage and that the consultant teams prioritized engagement and proper compensation to organizations through the Community Engagement Compensation pilot. The organizations identified for compensation assisted the Town with engaging with community members and residents from the refugee community, undocumented community, residents with a disability, and other populations that were historically left out of the engagement process. We engaged with 29 organizations with over 300 person hours and approximately 250 person hours for organizations constituents to participate. The Town's engagement sub-consultant allocated \$12,000 to compensate organizations with \$8,385 encumbered.

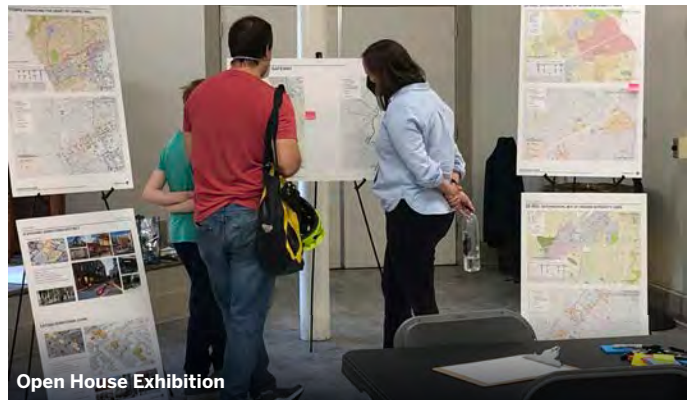
Specific activities were organized to address housing strategies (with a focus on affordable and missing middle housing), business and development, connectivity and mobility, the Land Use Management Ordinance and equity.



UNC Lunch Time Meeting



Engagement workshop



Open House Exhibition



Farmers Market Meeting

Key Engagement Themes

Growth Demands

- The Town of Chapel Hill has a mature town framework, which is substantially built out.
- Within Chapel Hill the benefits and burdens of past zoning practices were not shared equitably across communities.
- There is a risk that slower housing growth than the regional population will push prices up and diminish the limited supply of affordable housing.
- Chapel Hill has become an exclusive rather than inclusive place for homeownership and home renters.
- The community is concerned about the overall cost of living, and high residential, retail and office costs.
- Community members understand the need for density, but want that density to develop equitably in a way that favors all residents.
- There is concern with the exclusionary nature of single-family zoning
- Some believe single-family only zoning districts should be removed from the code.
- The community wants to see in-fill with a mix of different housing typologies
- Infill of missing middle housing in single-family neighborhoods is appealing to many, but not all residents.

Displacement Risks

- There is a risk of displacement.
- There is a need to protect groups most vulnerable to displacement, such as those living in mobile homes.
- There is a fear that people will be displaced as more development increases in Chapel Hill, especially along the Martin Luther King Jr. TOD corridor.

Housing Needs

- Chapel Hill should be a safe and welcoming home for those who already live here and those who work locally and commute to the town.
- Future development should be informed by equity goals.
- There is great housing need, (especially affordable housing).
- An adequate supply of workforce housing is a critical issue that the town will need to address as it continues to grow.
- There is a consensus that the housing stock going forward needs to be more inclusive.
- Student Housing is a major issue that has been growing in the Town for many decades.
- There are concerns that residents have been displaced over time as students take up available housing.
- There were calls for the Town of Chapel Hill and UNC to collaborate to find solutions to student and workforce housing needs.
- There is also a need for senior housing, as there is an aging population.
- There are people with disabilities who need housing, resources and community services, especially near transit locations for those who cannot utilize a vehicle.
- There is also a need for transitional housing for those moving from long-term stay facilities, medical facilities, or homeless shelters.

Development Density

- The public is not afraid of density, but wants development compatible with the character of Chapel Hill.

The Role of Downtown

- The community feels that many of these gaps in services should also be addressed in Downtown Chapel Hill. People are concerned with the cost and health of retail downtown.
- Most everyone we spoke to would like to see a thriving downtown district, full of local businesses and community services.
- People like the idea of mixed-use buildings downtown with retail, office and housing where people can live and work in the heart of the Town.

Equitable Access

- The idea of connecting sidewalks and greenways was supported by the community and there is a great need for critical connections near transit locations.
- Bikes are a great way for people to get around Chapel Hill. Community members feel there is a need for better safety measures to protect cyclists, especially in downtown.

The LUMO

- The LUMO is missing a contemporary range of uses and definitions.
- Residential densities are generally low across all use districts defined in the code.
- There is a suburban approach to dimensions: lot sizes, setbacks, frontages.
- The LUMO offers few incentives for desired development types or community benefits.
- Equitable land use policies are very important to the community.
- There is an absence of design standards to provide predictability and consistency.
- The LUMO should offer greater predictability, consistency, flexibility, clarity, and efficiency.
- There is a low threshold above which design and development review is required.
- Zoning, development review and advisory board engagement is a lengthy and expensive process.

B. TOD and Focus Area Directions

This section includes development, bike, pedestrian and greenway recommendations at a Focus Area scale for the NSBRT corridor and the 15-501 and NC54 Focus Areas.

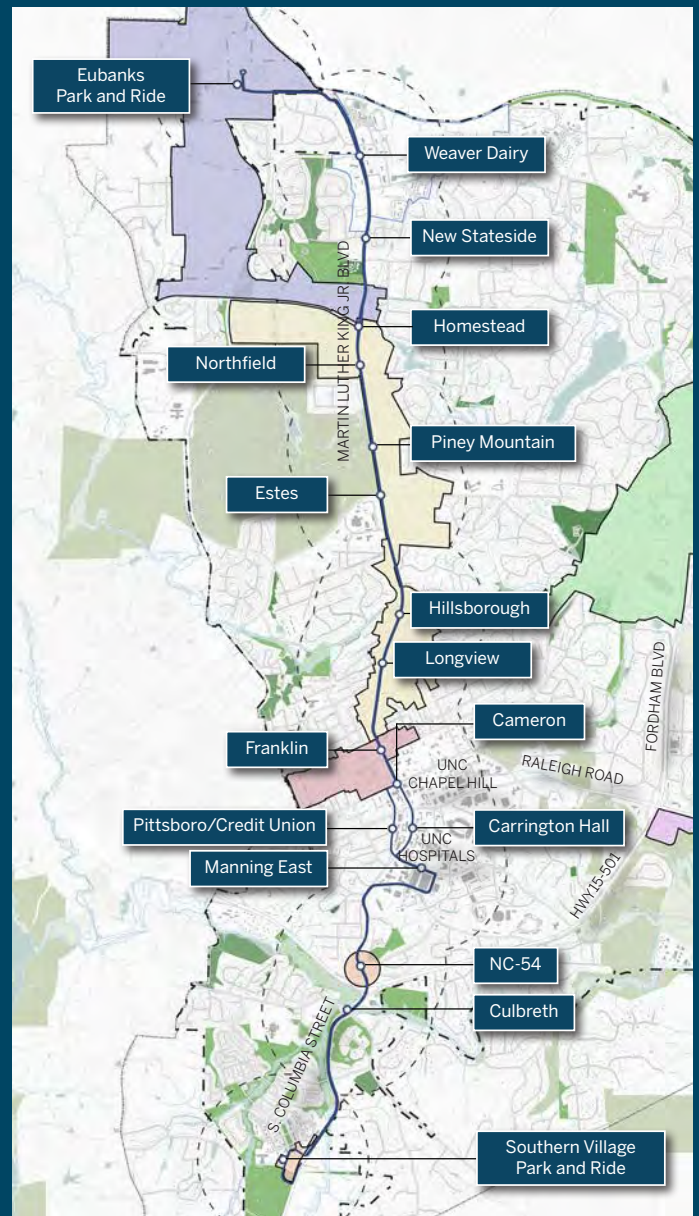
Plans were generated through public and stakeholder engagement, referencing the Town's Comprehensive Plan values and principles, exploring application of Complete Community concepts, application of planning and urban design best practices and collaboration across Town departments.

Focus Area diagrams show existing and proposed transit routes, pedestrian, bike and greenway connections. Previously developed opportunity locations expected to see change and new development by 2040 located within TOD station areas, and at other Focus Area locations are identified.

A series of concepts illustrate how the Town's Values and principles identified in Chapter 2 can be applied at previously opportunity locations. Concepts show how human scaled development blocks, a range of different housing and mixed use development types, porous networks of walkable streets, an active public realm, open spaces, habitat and sustainable storm-water management can be achieved. These will guide the Town, owners and the community in advancing TOD.

Concepts also project future development capacity, providing evidence for future NSBRT ridership and TOD potential in the NSBRT Corridor, as well as growth capacity in other Focus Areas. Collectively, the capacities identified show the potential to meet Chapel Hill's housing and other growth demands up to 2040. Development projects are provided for individual growth locations and in a summary table at the end of this section.

Further information on development typologies is provided in the Appendix.



Interpreting Focus Areas

Focus Area Example



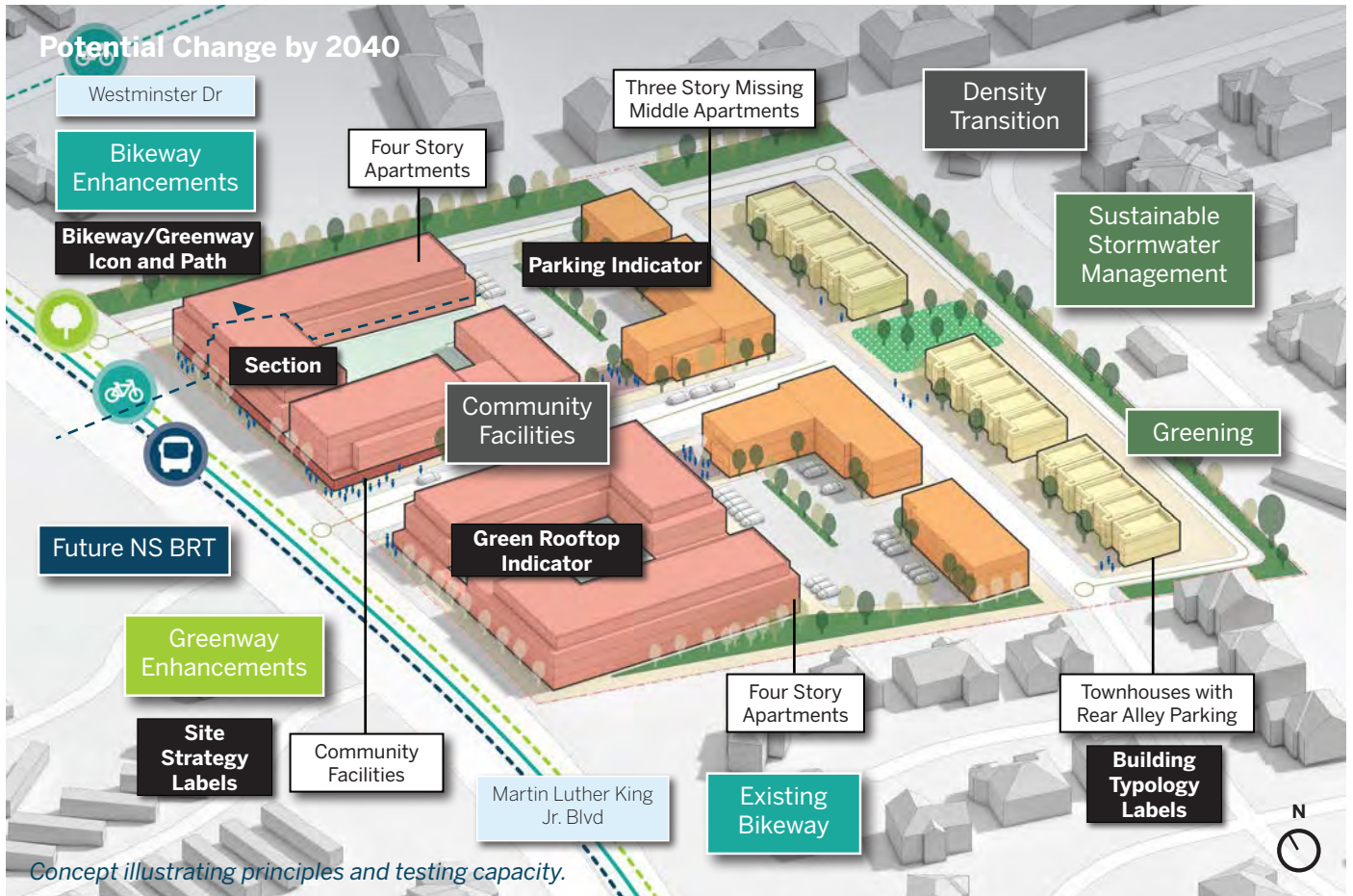
This plan includes framework diagrams illustrating how Future Land Use Map directions, along with principles identified in Chapter 2 have been advanced at the scale of each of the six Focus Areas.

Concepts identify the NSBRT Corridor and locations with strong potential to see change by 2040 based on their existing uses, market forecasts and stakeholder discussions. Bike and pedestrian connections are shown, as well as routes to NSBRT stations. Similar information is shown for the 15-501 and NC54 Corridors, although without reference to the NSBRT, as it does not run through these.

A legend provides information on what graphic symbols mean. Labeling includes a selection of local streets to assist with orientation.

Interpreting Site Concepts

Site Concept



Concept illustrating principles and testing capacity.

This plan includes concepts illustrating how the Town's Values and principles identified in Chapter 2 can be applied at previously opportunity locations.

Concepts show how human scaled development blocks, a range of different housing and mixed use development types, a porous networks or walkable streets, an active public realm, open spaces, habitat and sustainable storm-water management can be achieved.

Concepts also test future development capacity, providing evidence for future NSBRT ridership and TOD potential in the NSBRT Corridor, as well as growth capacity in other Focus Areas.

A legend provides information on what graphic symbols mean. Labeling includes a selection of local streets to assist with orientation, information on potential building types and principles relevant to each site.

| | | | |
|--|------------------------------|--|--------------------------|
| | Bikeways/Sharrows | | Townhouse |
| | Existing Bike/Sharrows | | Missing Middle |
| | Future Bike/Sharrows | | Podium Apartment |
| | Greenways/Sidepaths | | 4 Story Apartment |
| | Existing Greenways/Sidepaths | | |
| | Future Greenways/Sidepaths | | |
| | Transit | | |
| | Future NS BRT | | |
| | Trees | | |
| | Buildings | | |
| | Ground Retail | | |
| | Townhouses | | |
| | Apartments | | |
| | Missing Middle Apartments | | |

4. Martin Luther King Jr. North Focus Area

Transit Oriented Development Assets

At the north end of Martin Luther King Jr. Blvd, this Focus Area has substantial assets that will continue to drive change. Assets create a great opportunity to achieve the Town's values and achieve the principles it has identified for a thriving, attractive, environmentally sensitive and equitable community. This Focus Area will contribute to a Complete Community, with a diverse range of assets and experience across several development locations. These assets include:

- Proximity to I-40 and the wider region
- A major highway gateway to Chapel Hill
- A major north-south arterial in the form of Martin Luther King Jr. Blvd itself
- Strong development interest from the private market as evidenced by the Carraway Village development
- The availability of under-utilized land
- Key sites in single ownership at land areas that enable complete places and TOD.

The NSBRT will add a major asset in the form of a premium transit corridor. It will see more commuters and visitors, who will use the Park and Ride at Carraway Village.

New rapid transit stations:

- Eubanks Park & Ride

- Weaver Dairy Road
- New Stateside
- Homestead

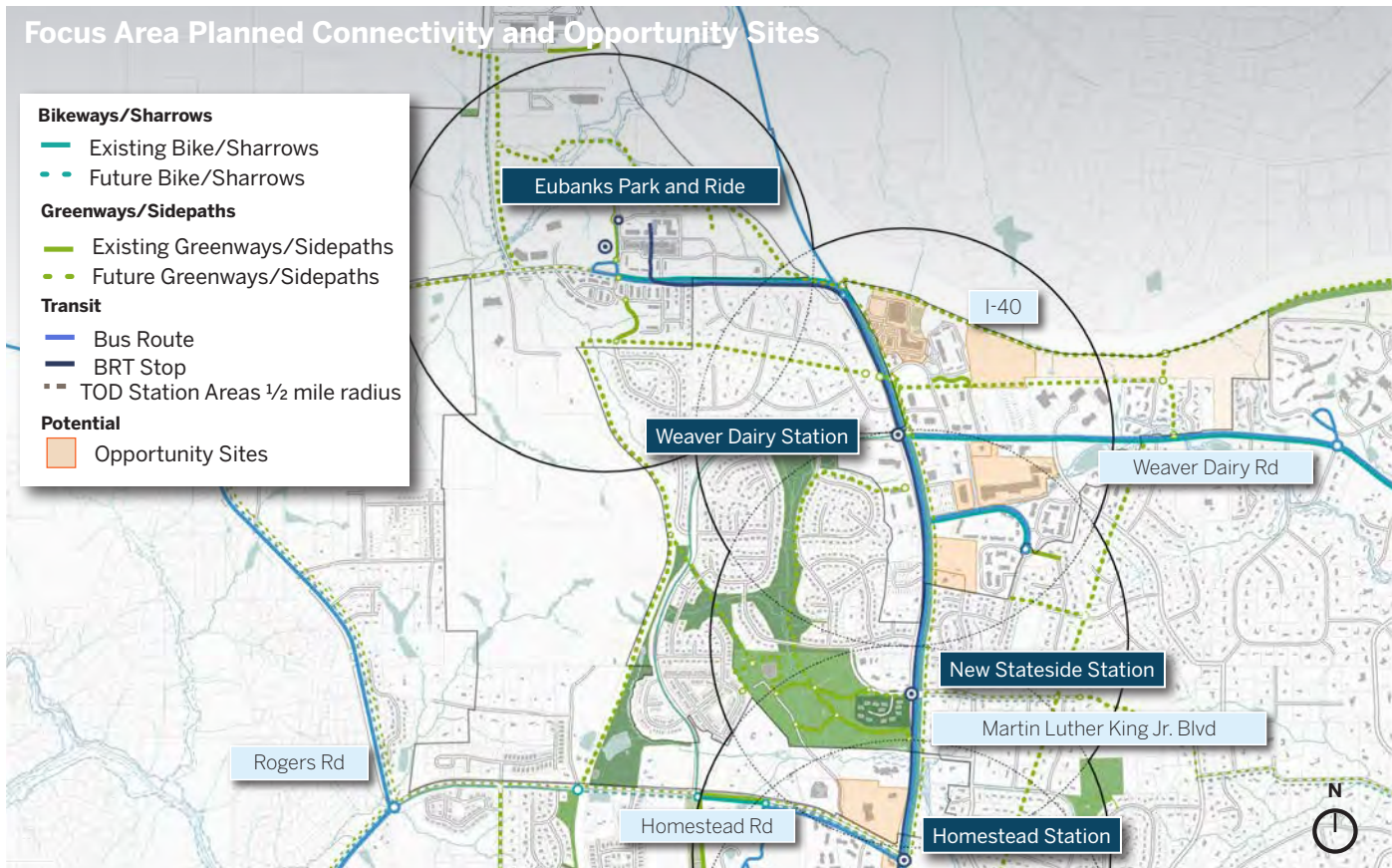
Bike routes will be enhanced and sidewalks extended or improved, creating a more connected corridor and enhancing access to open spaces and greenway connections. Greenway, pedestrian and bike links to BRT stations will be added or strengthened.

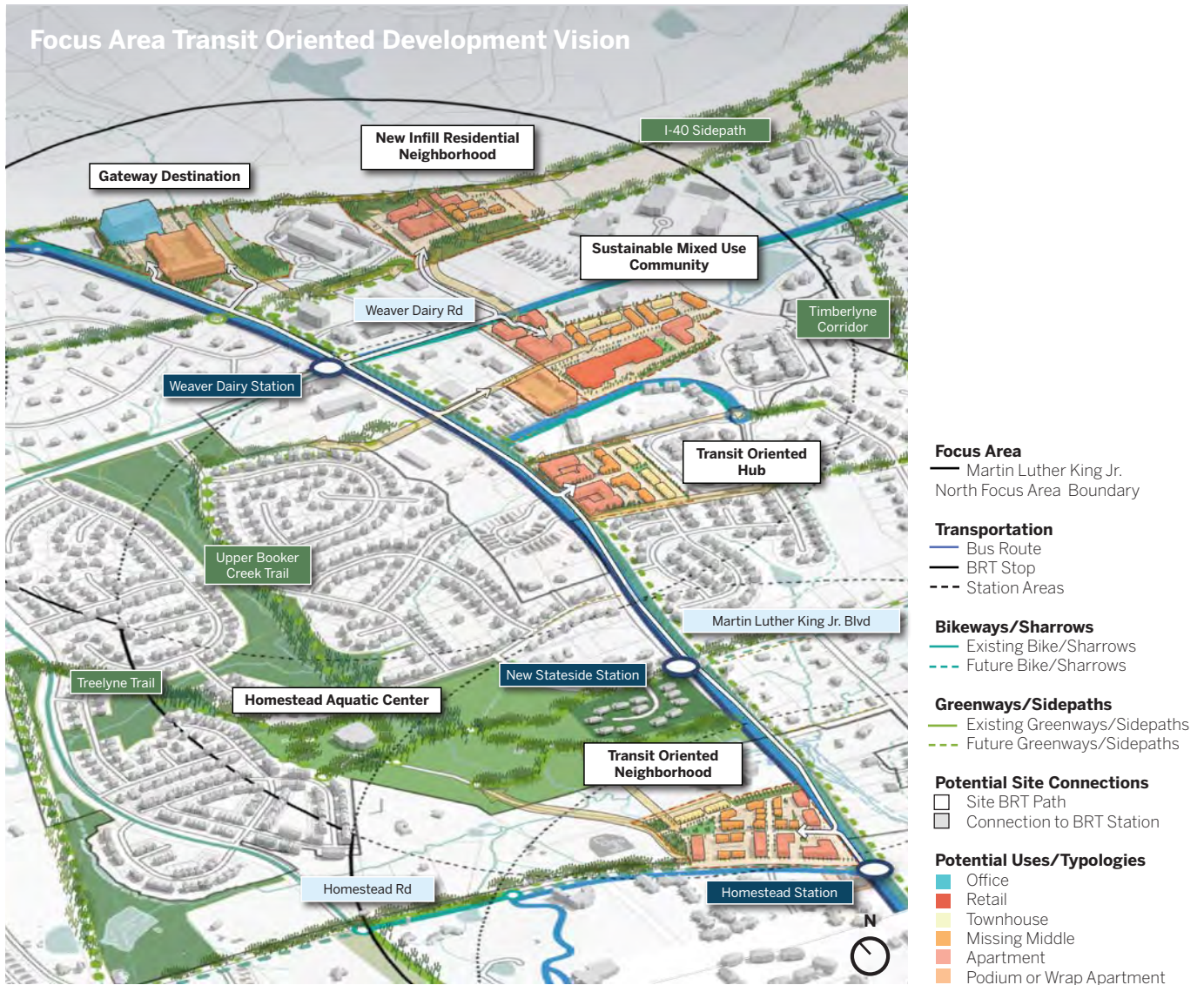
Development Potential

The TOD opportunity will ensure Martin Luther King Jr. North will become an activated urban corridor, with new connections and public spaces. Martin Luther King Jr. North will offer new homes, new retail, enhanced services, and employment across a collection of opportunity sites. Redevelopment will be driven by owner choices and is not mandated at any site.

Opportunity sites include surface parking lots, aging retail and lower density uses that could reorganize into new developments over the time-frame to 2040. Opportunity sites identified include:

- South of I-40
- Chapel Hill North Mall





- Timberlyne Shopping Center
- Martin Luther King Jr. Blvd and Westminster Drive
- Homestead Drive

There is potential for an estimated 1,300 net new homes in this Focus Area by 2040, along with new retail, service and office space. This includes the potential for apartments, missing-middle housing and townhomes at the identified sites.

A more diverse array of housing opportunities will meet the needs of single person households, couples, families and seniors. Application of affordable housing strategies will also support affordable and workforce housing provision. People will be able to walk and bike to stations that connect them to neighborhoods, jobs, community services and education up and down the NSBRT Corridor.

Enhanced local retail, food and beverage and community services within the Focus Area will be accessed by residents via walkable and bikeable streets. Spaces for entertainment, arts and culture can also be included.

This is also a place where Complete Community objectives can be realized, including: complete streets offering safe and comfortable routes to BRT stations, connections to

the everywhere to everywhere framework, diverse housing types, high quality public spaces and greenery and buildings bounding an active public realm.

Pedestrian Connectivity Enhancements

Some streets in the North Martin Luther King Jr. Focus Area were developed without sidewalks, while others were not built to current standards. It is recommended that the sidewalk network be enhanced, gaps in the sidewalk network be closed and intersection safety be enhanced.

- Eubanks Park & Ride Station: sidewalk extensions
- Weaver Dairy Road: Sidewalk extensions, sidewalk upgrades and pedestrian safety intersection improvements
- New Parkside Station: Sidewalk extensions at New Parkside Drive, Stateside Drive and Dixie Lane

Cycling Enhancements

In addition to existing Town plans for future bike and side-path extensions, the following bike infrastructure is recommended:

- Homestead Station: Sharrow or bikeable road conversion along Homestead from Martin Luther King Jr. Blvd

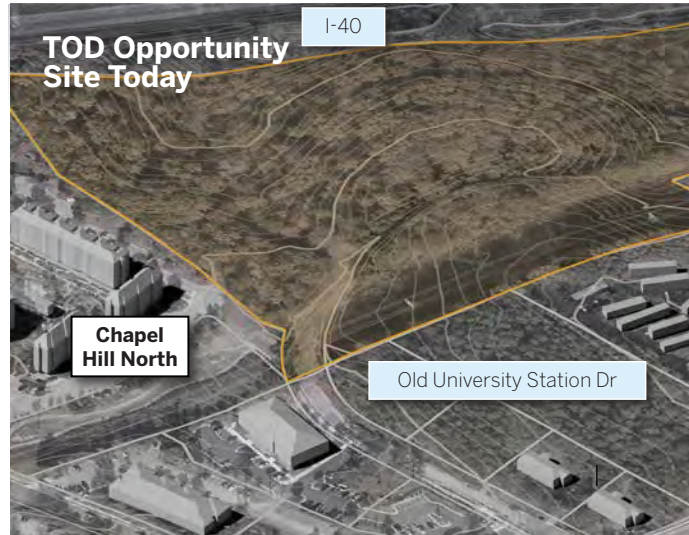
I-40 West TOD Potential

A New Infill Neighborhood

Transit Oriented Development Assets

The I-40 west location has several assets that will help it realize TOD:

- The future Weaver Dairy BRT Station
- Strong connections within Chapel Hill via Weaver Dairy Road
- Existing and future bike and side path connections have been identified by the Town of Chapel Hill Mobility and Connectivity Plan
- Nearby amenities and services at Chapel Hill North and Timberlyne
- Nearby trails and open space resources





Expand and deliver new transportation greenways

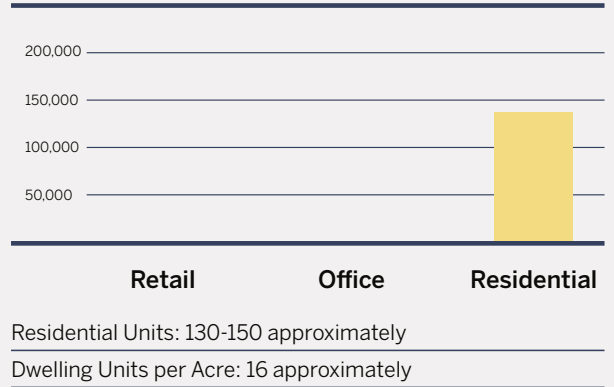


Create shared streets



Include missing-middle housing and low-rise apartments

Potential Uses



A New Infill Neighborhood

This station area, near the Weaver Dairy Station, plays a key role in establishing the corridor's identity. A more transit-oriented Chapel Hill North offers exciting opportunities for diverse housing including affordable, workforce homes or apartment units and high-quality commercial office space with immediate access to I-40.

An intentional focus on multimodal mobility ensures safe and comfortable transportation connections to high-capacity transit service, everywhere to everywhere greenways, and a multi-use path for pedestrians and cyclists.

Innovative and sustainable landscaping approaches and stormwater management generate community and environmental assets, reducing downstream impacts and providing new habitats for native flora and fauna. Flexible, comfortable, and accessible public spaces stimulate creativity and allow informal interactions between people of all ages, catalyzing authentic vibrancy.

Section: New Infill Neighborhood



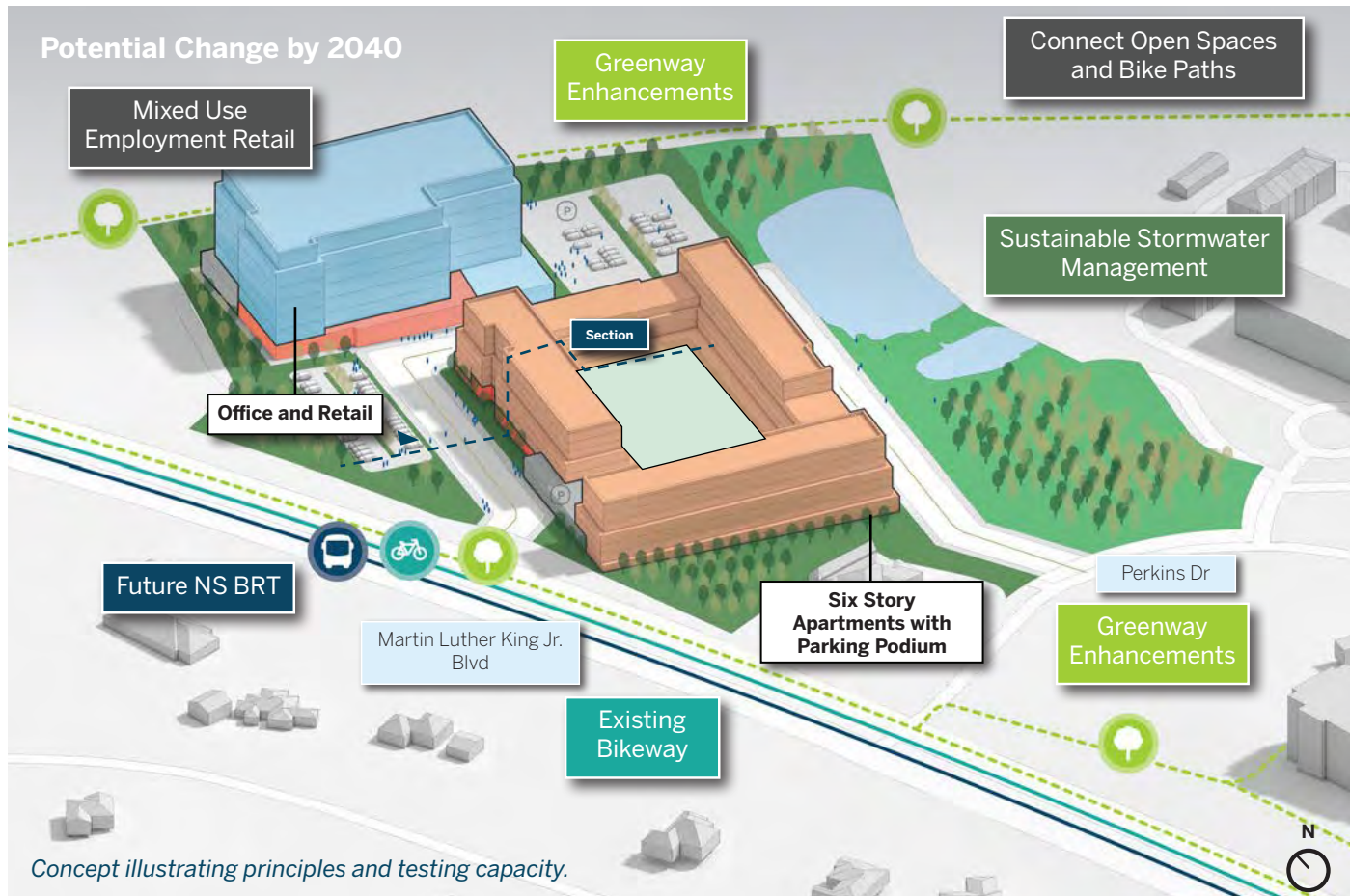
Chapel Hill North TOD Potential

A Gateway Destination

Transit Oriented Development Assets

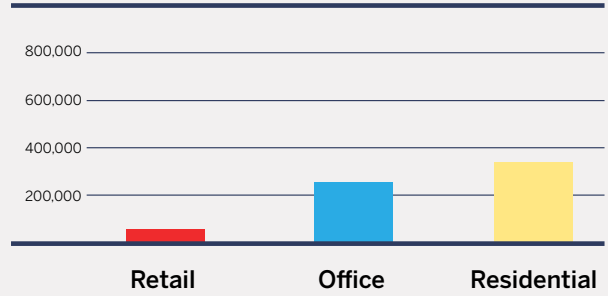
Chapel Hill North assets include:

- An established retail destination role
- The future Weaver Dairy BRT Station
- Strong connections via Martin Luther King Jr. Blvd
- Existing and future bike and side path connections identified by the Town of Chapel Hill Mobility and Connectivity Plan
- The potential to redevelop aging retail facilities





Potential Uses



Residential Units: 260-280 approximately
 Retail sq. ft: 95,000
 Office sq. ft: 245,000
 Dwelling Units per Acre: 20 approximately

A Gateway Destination

This station area, near the northern most terminus of the future NSBRT route and close to I-40 access ramps, plays a critical role in establishing the NSBRT corridor’s identity, while retaining the area’s current retail, residential, and service assets.

The Chapel Hill North location itself provides exciting opportunities for diverse housing including affordable, workforce homes or apartment units along with high quality office spaces. Both activities will be boosted by new, nearby bus rapid transit.

Attractive, comfortable, and accessible public spaces will support informal interactions between residents, workers and visitors and people of all incomes and ages. Innovative and sustainable landscaping approaches and stormwater management generate community and environmental assets, reducing downstream impacts and providing new habitats for native flora and fauna.

An intentional focus on multimodal mobility ensures safe and comfortable transportation connections to high-capacity transit service, everywhere to everywhere greenways, and a multiuse path for pedestrians and cyclists.

Section: A Gateway Destination



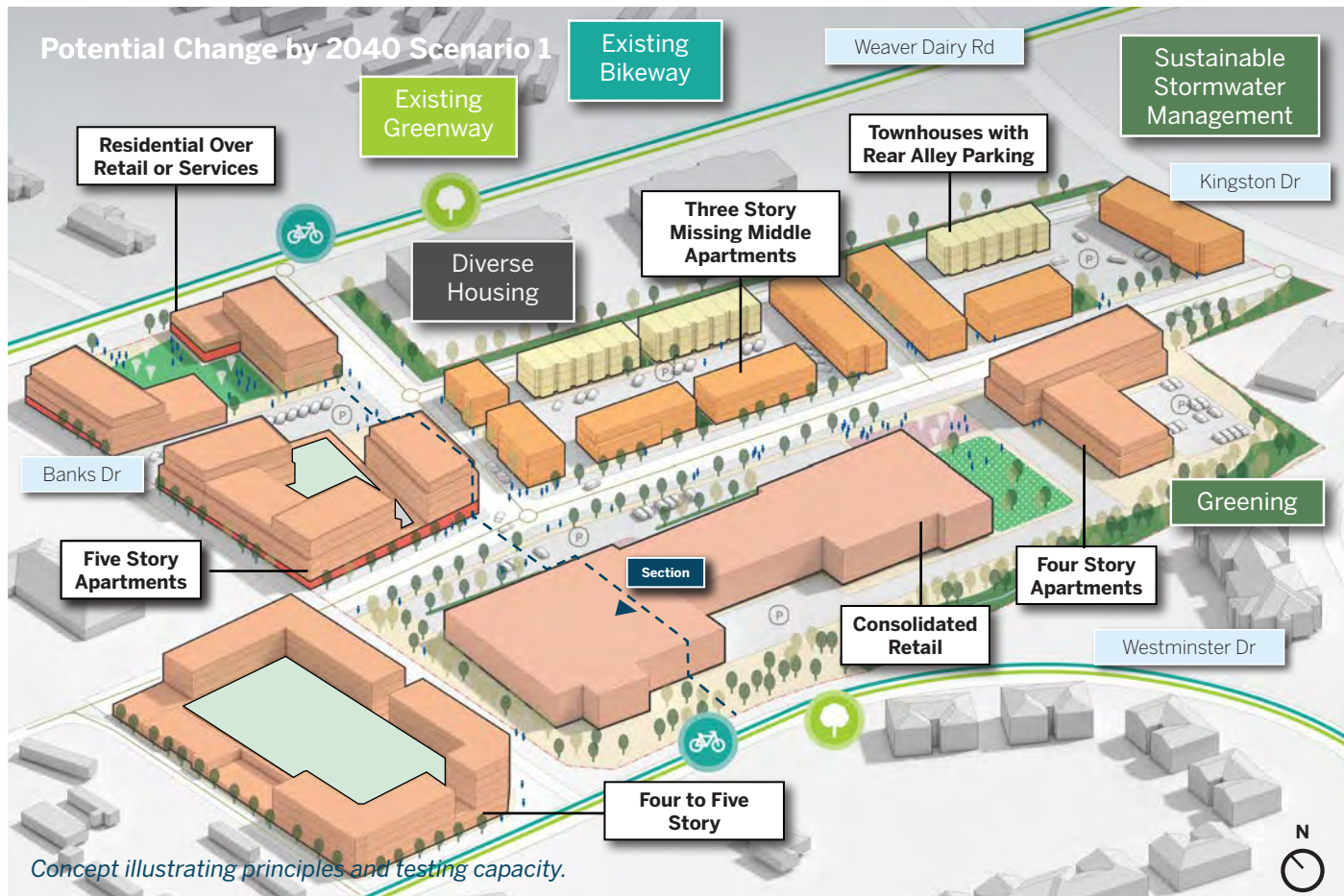
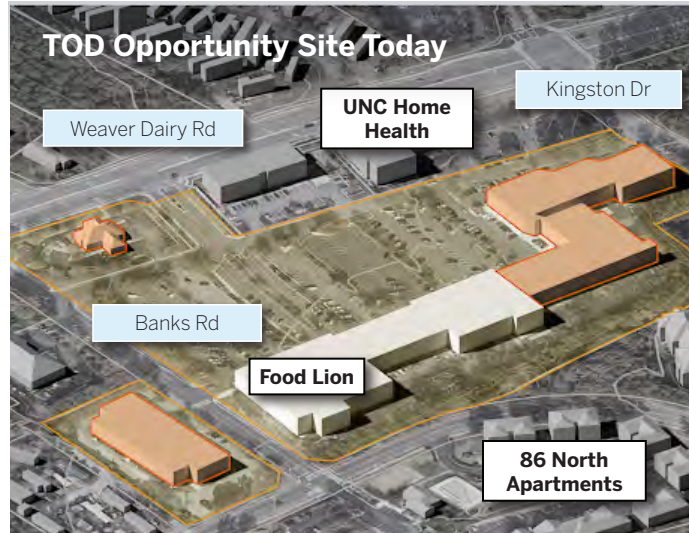
Timberlyne TOD Potential

A Sustainable Mixed-Use Community

Transit Oriented Development Assets

Timberlyne assets include:

- Strong connections via Weaver Dairy Road and Martin Luther King Jr. Blvd.
- Existing and future bike and side path connections have been identified by the Town of Chapel Hill Mobility and Connectivity Plan.
- The future Weaver Dairy BRT Station.
- Underutilized surface parking lots.
- A concentration of retail formats that are seeing redevelopment and intensification across the nation.



Concept illustrating principles and testing capacity.



Provide diverse housing types

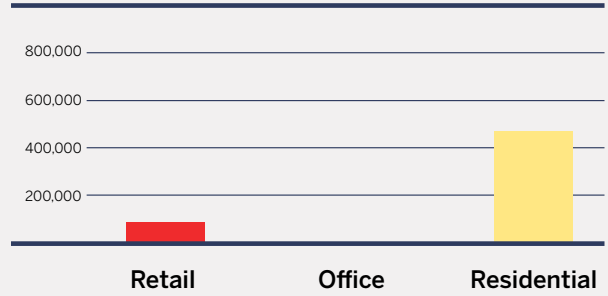


Mix housing, retail and community services



Plan for excellence in the public realm

Potential Uses



Residential Units: 340-360 approximately

Retail/Mixed Use sq. ft: +50,000

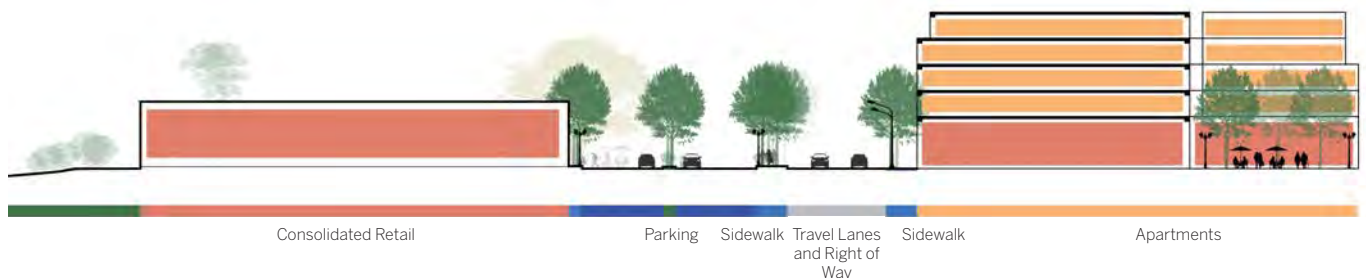
Dwelling Units per Acre: 34 approximately

A Sustainable Mixed-Use Community

People from a wide range of household types, incomes and ages will be drawn to a curated mix of apartments, missing middle homes and townhomes, and Timberlyne’s quality of place. Retail spaces will be consolidated or replaced, and services, food and beverage and entertainment added to the mix. Grocery retail will continue, and other regular community needs met through health and other services. Residents and visitors will ensure a dynamic and active place through the week and into evening hours.

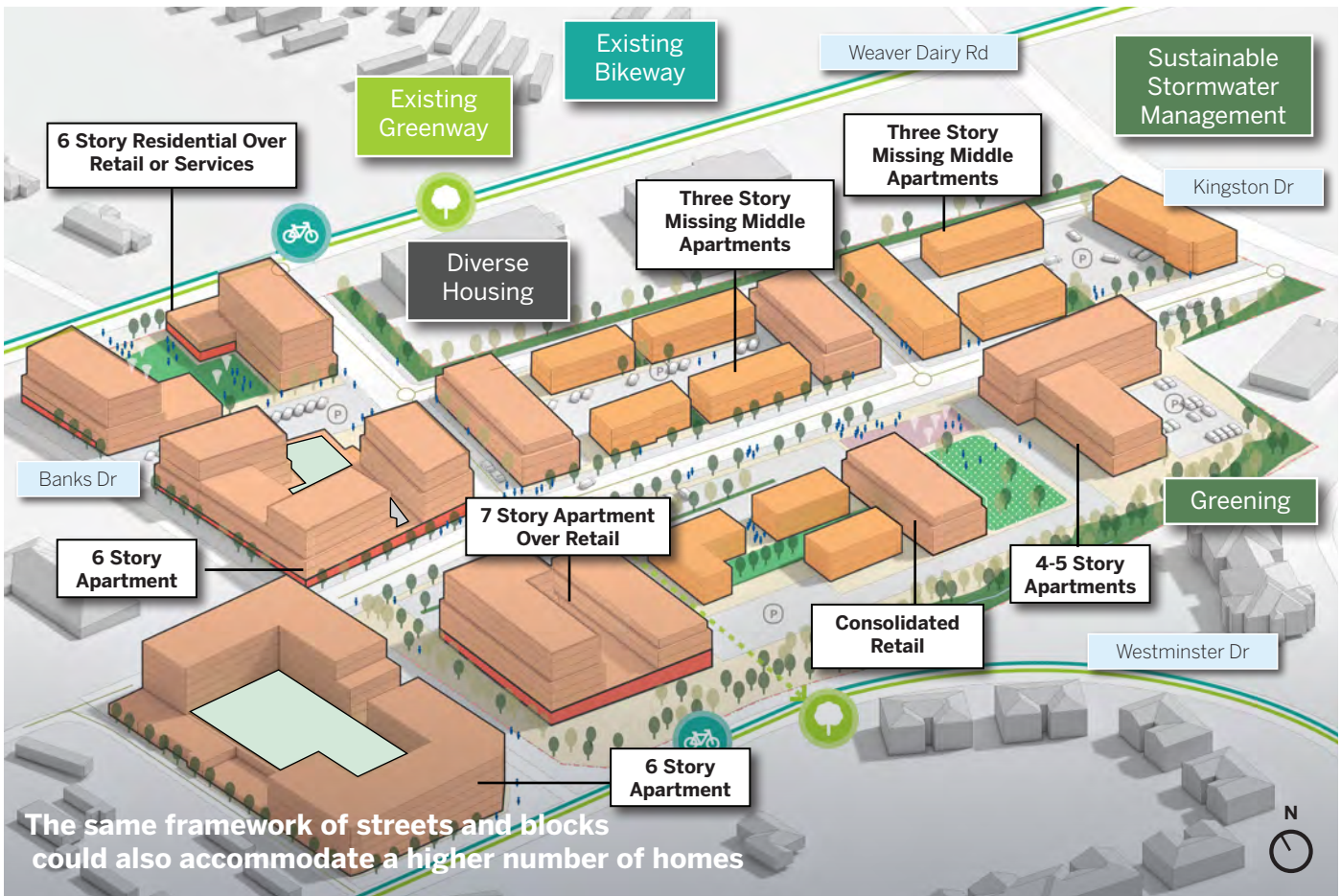
This mixed-use community will see a transformed, human scaled network of walkable and bikeable streets and public spaces that also link seamlessly to the Weaver Dairy BRT station. All streets will be comfortable for pedestrians and bicyclists, offering generous sidewalks, street trees, landscaping and pedestrian-scaled street lights. An extended tree canopy, new landscape treatments and sustainable storm-water techniques will ensure a green and environmentally sustainable public realm.

Section: A Sustainable Mixed-Use Community





TOD creates the opportunity to transform under-used sites, provide a range of new housing, create great public spaces, enhance landscape and the tree canopy, and integrate progressive stormwater management



The same framework of streets and blocks could also accommodate a higher number of homes

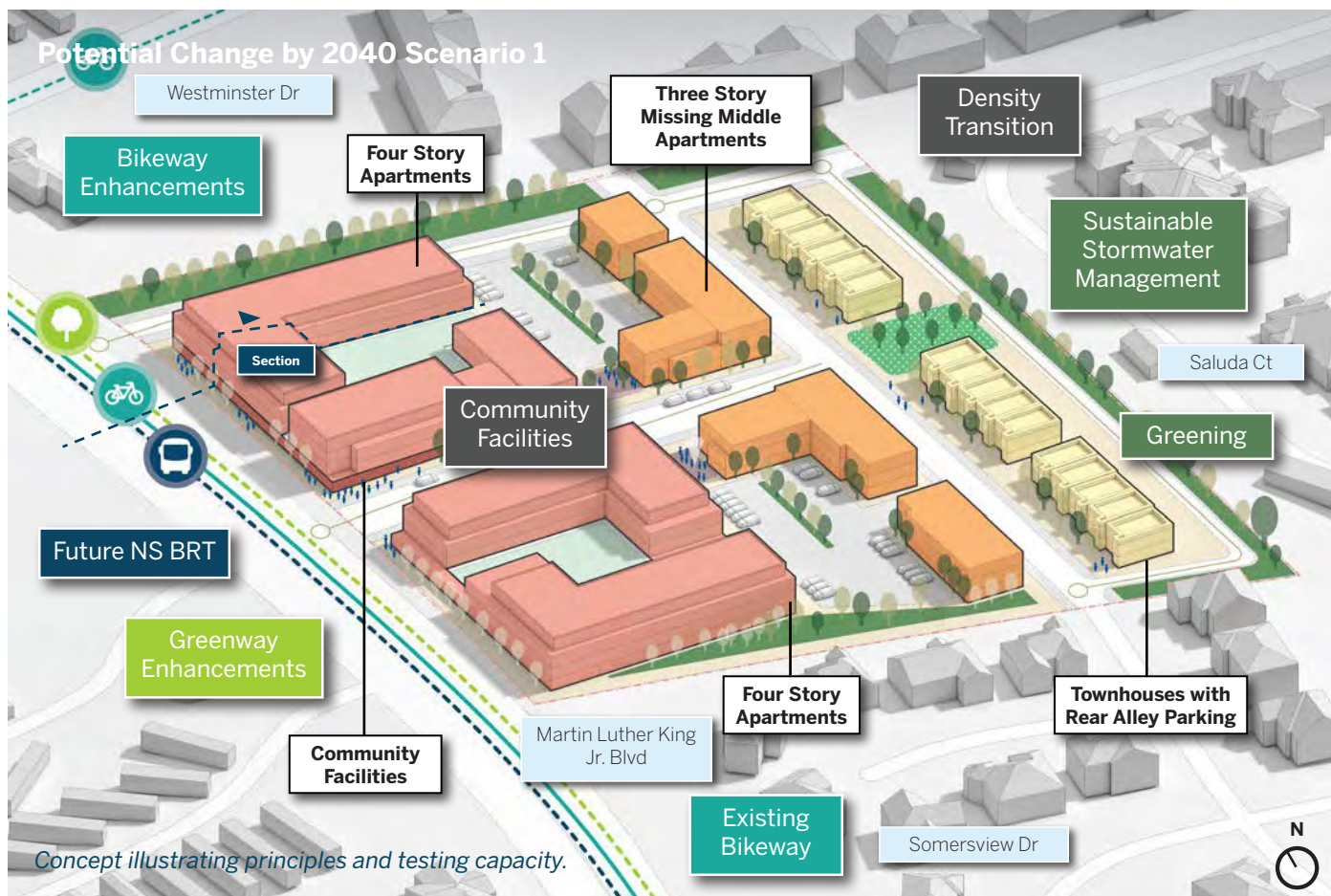
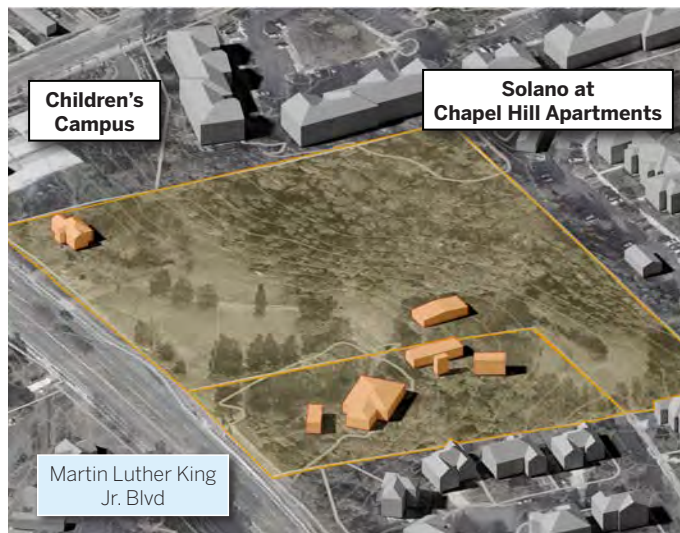
Martin Luther King Jr. Blvd at Westminster Dr. TOD Potential

A Transit-Oriented Hub

Transit Oriented Development Assets

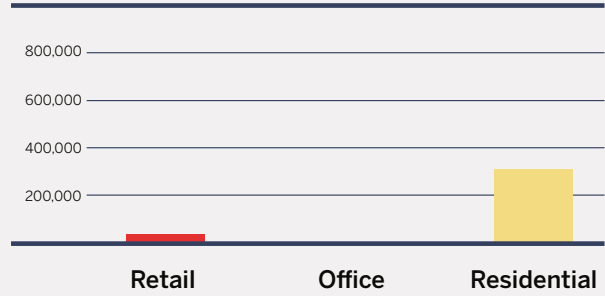
Martin Luther King Jr. Blvd at Westminster assets include:

- Two future BRT Stations, Weaver Dairy and New Stateside
- Extensive frontage and high visibility on Martin Luther King Jr. Blvd
- Nearby existing and future bike and side path connections identified by the Town of Chapel Hill Mobility and Connectivity Plan
- Strong potential to redevelop housing by 2040





Potential Uses



Residential Units: 200-220 approximately

Retail/Mixed Use sq. ft: 10,000

Dwelling Units per Acre: 27 approximately

A Transit Oriented Hub

This location will leverage its high visibility and demonstrate high quality transit oriented development.

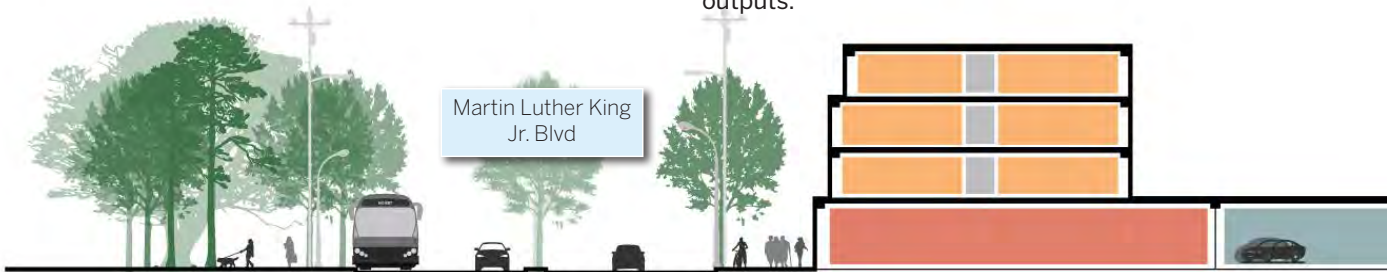
The east side of Martin Luther King Jr. Blvd. will be lined with active storefronts, cafes and services for residents, closest to Bus Rapid Transit, bike routes and sidewalks. A diverse range of housing for Chapel Hill residents will include apartments above these active ground floors.

A network of attractive, tree-lined streets within the site will host apartments, missing middle housing or townhomes. There are options to emphasize apartments and missing middle types within the housing mix. Heights will step down through the site to create a transition to surrounding neighborhoods. This will also support views through the site from new homes. All streets will include trees, extending the tree canopy. Open spaces will provide greening and sustainable stormwater management.

The west side of Martin Luther King Jr. Blvd will see new bike and pedestrian facilities, supporting everywhere to everywhere networks. New landscaping on the boulevard will enhance its visual appeal and the experience of users.

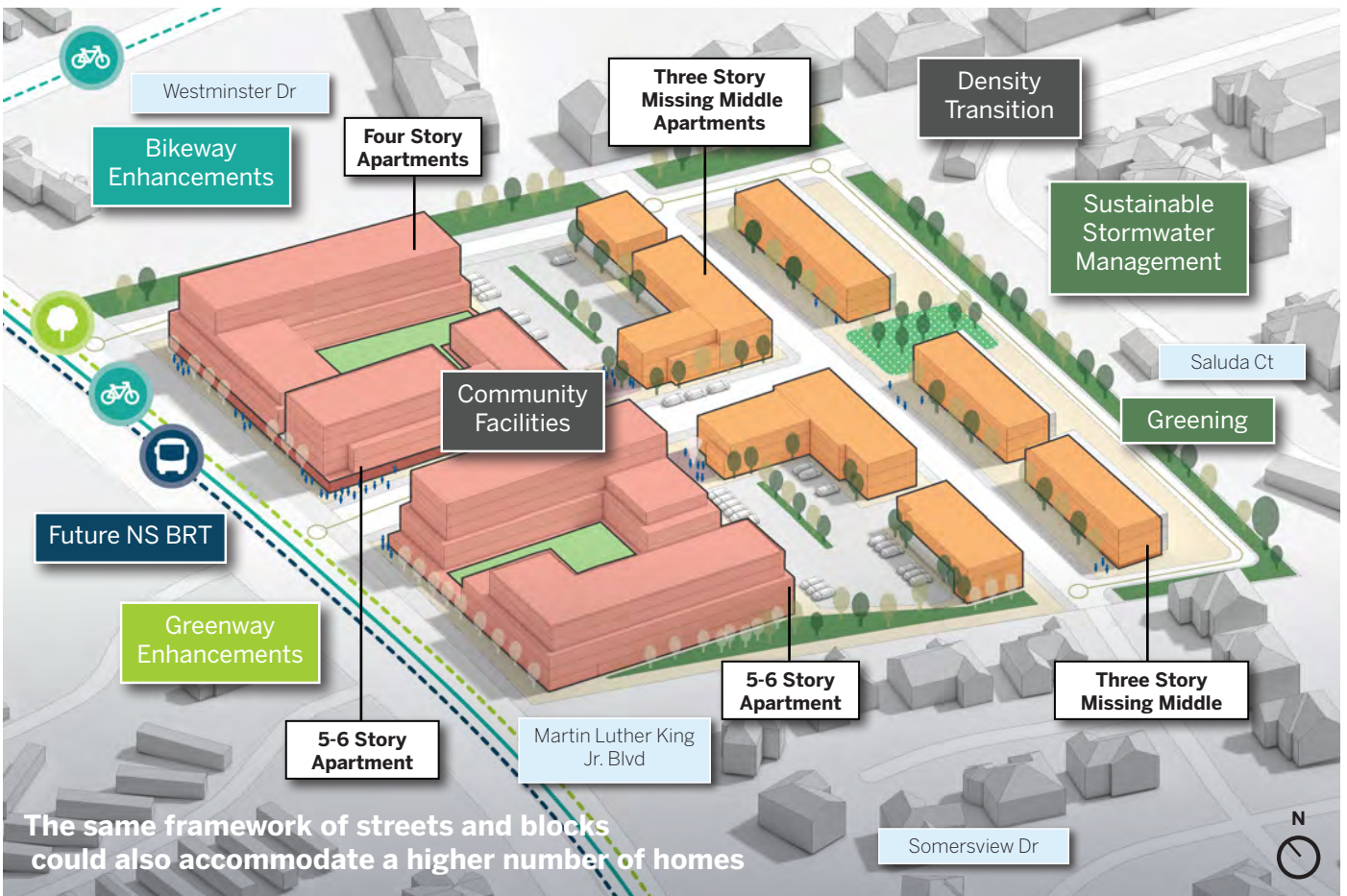
The illustrative concept indicates a potential development direction and provides evidence for potential development outputs.

Section: A Transit Oriented Hub





Transit Oriented Development will be linked to a new NS Bus Rapid Transit route, and see ongoing improvements to streets, walking, biking and an enhanced public realm, as well as new homes, retail and services



The same framework of streets and blocks could also accommodate a higher number of homes



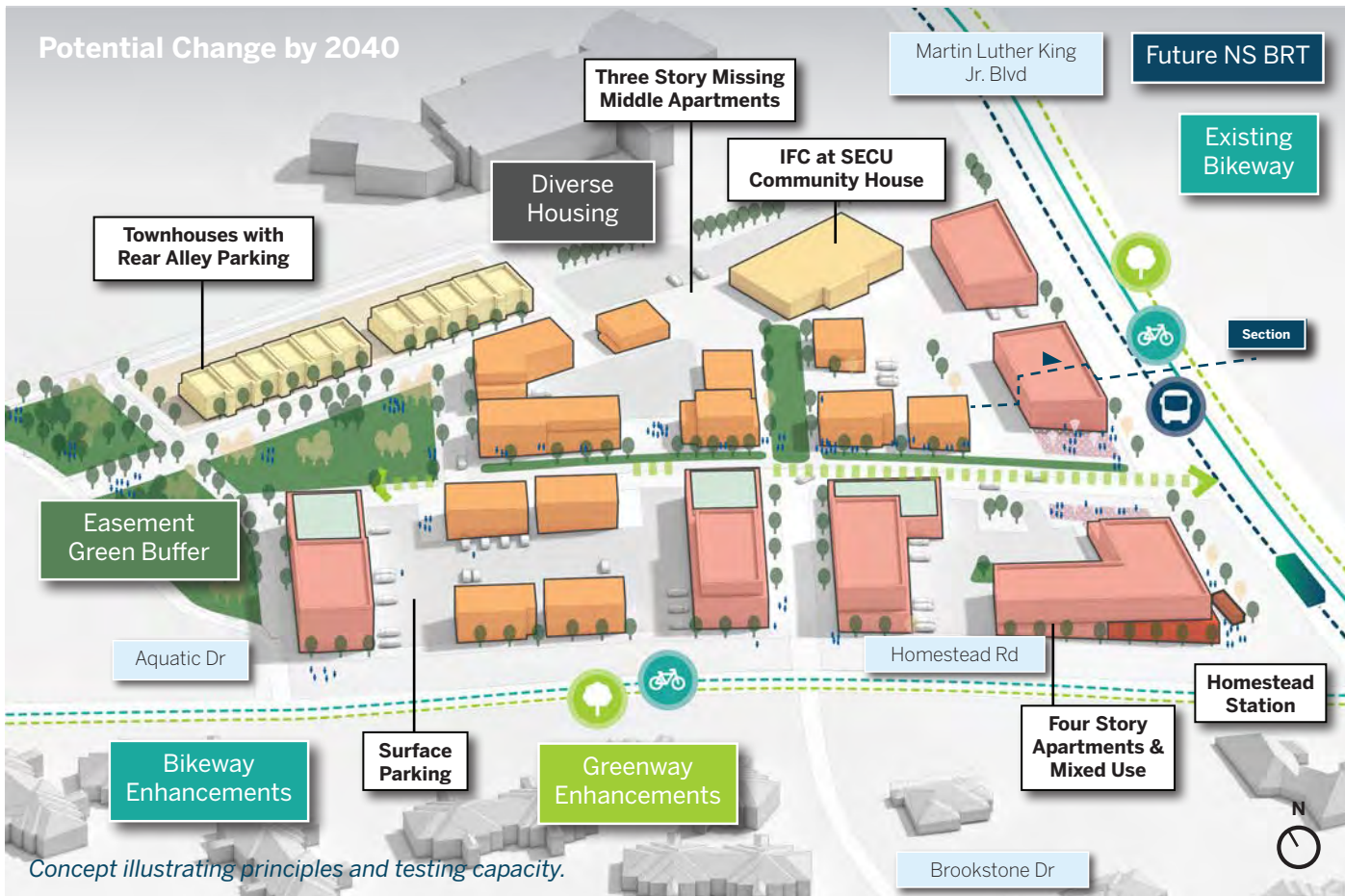
Martin Luther King Jr. Blvd at Homestead Rd. TOD Potential

A Transit Oriented Neighborhood

Transit Oriented Development Assets

Martin Luther King Jr. Blvd at Homestead Rd assets include:

- Homestead BRT Station
- Extensive frontage and high visibility on Martin Luther King Jr. Blvd, as well as Homestead Road
- High visibility retail hub at this intersection
- Nearby existing and future bike and side path connection identified by the Town of Chapel Hill Mobility and Connectivity Plan, particularly along Homestead Road
- Strong potential to redevelop by 2040 with new transit service, on-going market development activity and the potential for a higher and better use
- Social service facility at the north of the site, which can be incorporated into and re-provided in a future development



Concept illustrating principles and testing capacity.



Provide diverse housing typologies

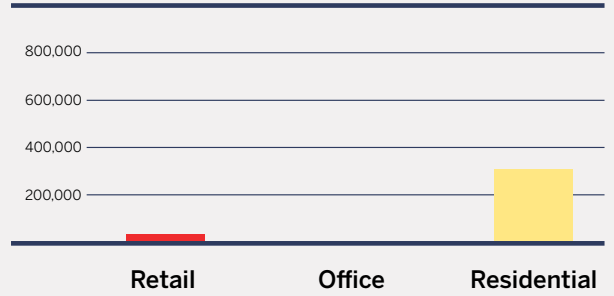


Include missing middle housing



Create vibrant and inclusive community and public spaces

Potential Uses



Residential Units: 250-270 approximately

Retail sq. ft: 15,000

Dwelling Units per Acre: 24 approximately

A Transit Oriented Neighborhood

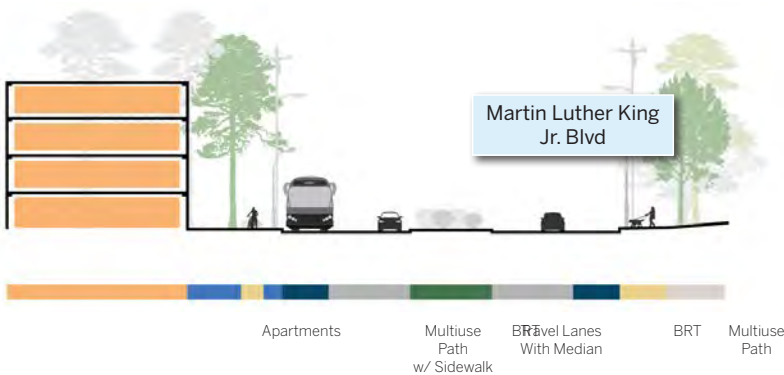
There is a great opportunity to create a distinctive neighborhood at the Homestead Station. Retail and local services can be focused right at the station on Martin Luther King Jr. Blvd to serve commuters.

The step-up to the site level immediately west means this can become an accessible enclave. This location should host a range of housing types, from walk-up apartments to missing middle and townhomes and include affordable and workforce housing. Interior streets can be traffic-calmed, with the potential for some shared surfaces.

A small on-site open space should be provided for residents as a place to meet and play. The green transition at the west should be enhanced to support the tree canopy, provide stormwater management and support native habitat, biodiversity and informal education. Connections to neighboring Homestead Park via Aquatic Drive for pedestrians and bicyclists should be enhanced. These assets can entice families, while a variety of home types and immediate access to BRT will attract a range of households.

The illustrative concept indicates a potential development direction and provides evidence for potential development outputs.

Section: A Transit Oriented Neighborhood



Alternative with IFC Relocated on Site



5. Martin Luther King Jr. South Focus Area

Transit Oriented Development Assets

The Martin Luther King Jr. South Focus Area has a range of local assets that provide a foundation for future change. Both near term small scale infill and larger strategic site opportunities linked to new transit create a great opportunity to achieve the Town's values and achieve the principles it has identified. New homes, academic facilities and jobs can be generated in a thriving, attractive, environmentally sensitive setting and achieve equity objectives. These assets include:

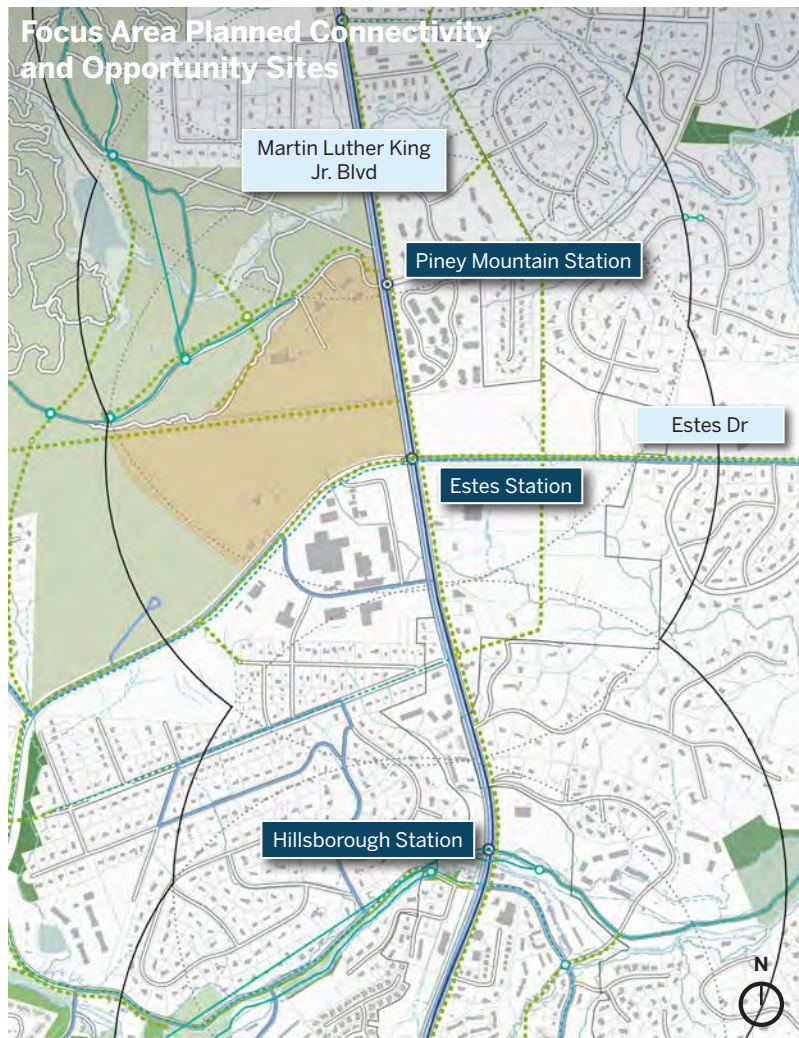
- A major north-south arterial - Martin Luther King Jr. Blvd
- Larger vacant sites previously identified for development
- Smaller in-fill and redevelopment opportunities
- Proximity to downtown and UNC-Chapel Hill
- Access to larger open spaces at Carolina North Forest
- Connections with the Bolin Creek Trail

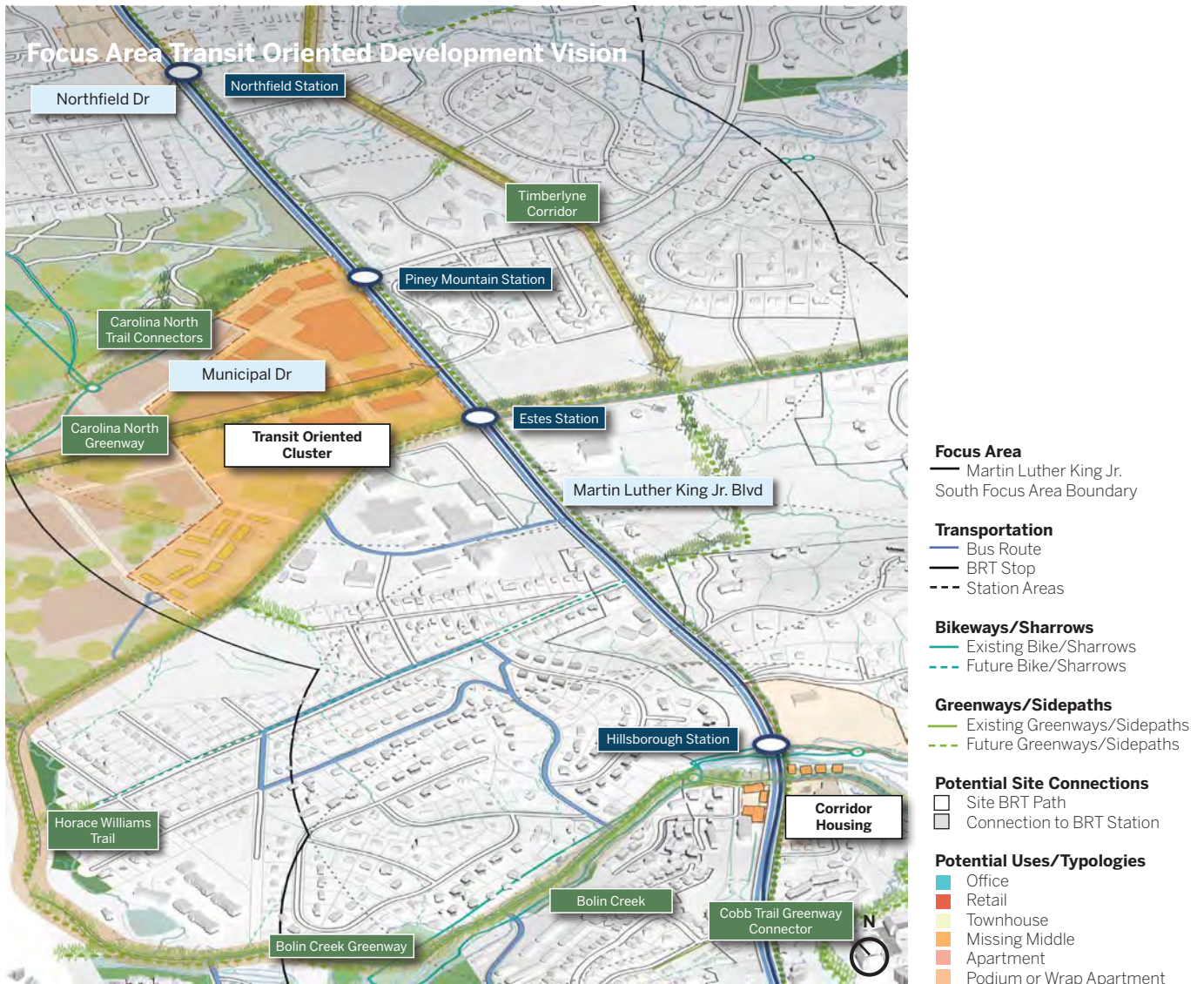
The NSBRT will add a major transit asset and stations at: Northfield, Piney Mountain, Estes, Hillsborough and Longview.

Bike routes will be enhanced and sidewalks extended or improved, connecting the corridor and enhancing access to open spaces and greenways. Pedestrian and bike links to stations will be added or strengthened.

Development Potential

The TOD opportunity will support implementation of long range and strategic site opportunities. Other sites include re-use of light industrial, public service, retail sites. Frequent transit services and short journeys to downtown, UNC and UNC Hospitals support new residential and mixed use.





Active market interest in new development is indicated by entitled proposals at Estes and other locations. There is potential for an estimated 1,350 net new homes in this Focus Area by 2040, along with new retail, service and office space. This development potential includes apartments, missing-middle housing and townhomes at the identified sites.

TOD in the Martin Luther King Jr. South Focus Area will bring new amenities and qualities that will benefit existing and future residents. New housing, academic, employment, commercial and retail diversify activity in the area. Housing will meet the needs of single person households, students, couples, families and seniors. Application of affordable housing strategies will also support affordable and workforce housing provision. People will be able to walk and bike to stations that connect them to downtown, UNC and neighborhoods, jobs, community services and education up and down the NSBRT Corridor. Greenway, pedestrian and bike links will be strengthened or added. New public spaces, including plazas, public greens and other open spaces will offer places to meet and gather.

Pedestrian Connectivity Enhancement

Some streets in the Martin Luther King Jr. South Focus Area were developed without sidewalks, while others were not built to current standards. It is recommended that the sidewalk network be enhanced, gaps in the sidewalk network be closed and intersection safety be enhanced.

- Northfield Drive south: sidewalk extension
- Martin Luther King Jr. Blvd: sidewalk extensions either side of Critz Drive
- Martin Luther King Jr. Blvd: south of Ashley Forest Road

Cycling Enhancements

In addition to existing Town plans for future bike and side-path extensions, the following bike infrastructure is recommended:

- Homestead Station: Sharrow or bikeable road conversion along Homestead from Martin Luther King Jr. Blvd
- Municipal Drive: a new dedicated bike facility connecting Martin Luther King Jr. Blvd to the nearby greenway
- Bolin Creek: enhanced bike and greenway connections

Former Horace Williams Airport TOD Potential

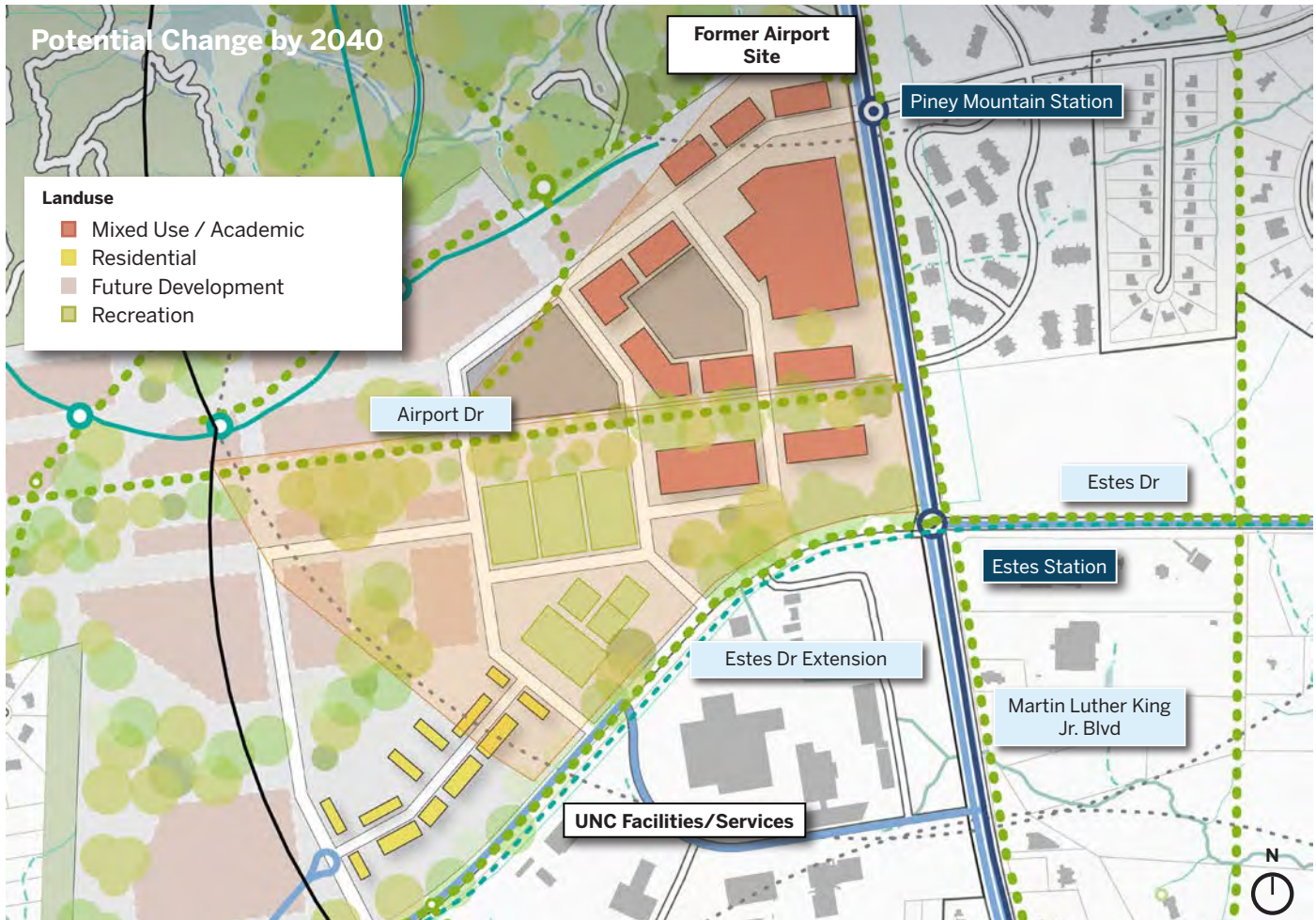
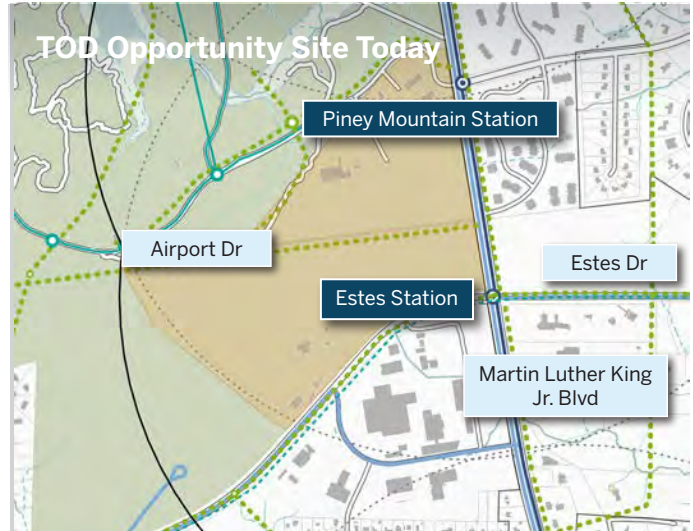
A Transit Oriented Cluster

Transit Oriented Development Assets

The former Horace Williams Airport assets include:

- Two BRT stations, Piney Mountain Station and Estes BRT Station
- Available land after the closure of the airport

The former Horace Williams Airport is the subject of a 2007 redevelopment agreement between the Town of Chapel Hill and UNC. This site was also identified for redevelopment in a 2019 University Master Plan. While substantial infrastructure and site preparation will be required for full build-out, direct adjacency to two BRT stops at Piney Mountain and Estes can enable first phases to occur here.





Employee and student housing and services



University related activities



Gathering places for employees, students and residents



Conservation across the wider area

Potential Uses

Residential Units: 1,100-1230 approximately*

**of site within TOD corridor*

A Transit Oriented Cluster

The 2019 University Master Plan affirms the 2007 Carolina North Plan which provides a framework for conservation across the wider site and potential development and recreation amenities at the east, adjacent to Martin Luther King Jr. Blvd. Potential uses could include a range of housing types to meet UNC employee and student needs, along-side university related activities. Housing can contribute to Chapel Hill's workforce and affordable housing. Frontages in Martin Luther King Jr. Blvd could include retail, service, office or academic spaces.

Optional block frameworks have been investigated to establish potential development ranges. Framework options can be confirmed over time aligned with programmatic demands, resources available and the potential institutional-private-public partnership models selected. UNC controls this property and any redevelopment requires coordination with UNC.

Martin Luther King Jr. Blvd at Hillsborough

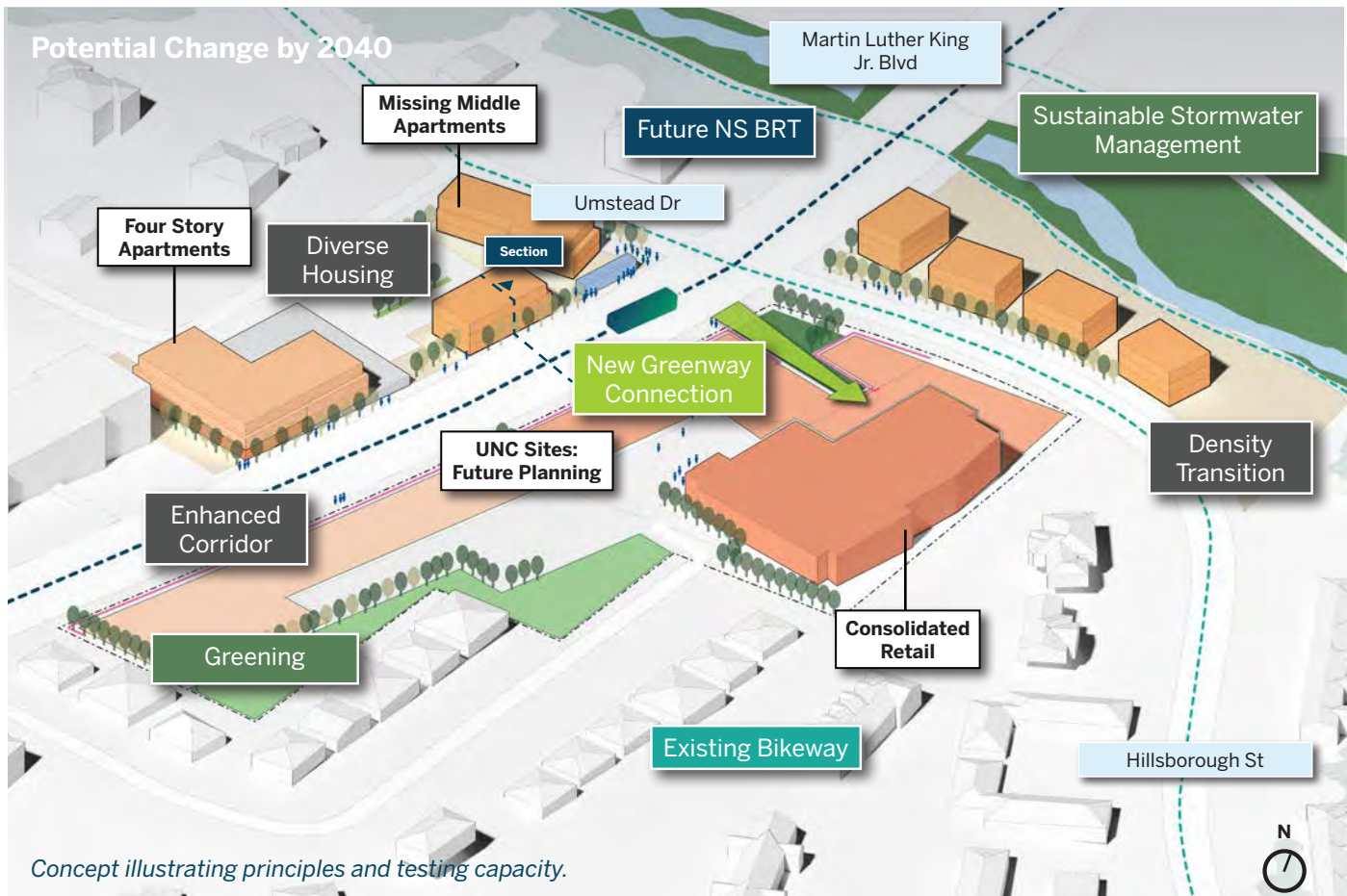
TOD Potential

Corridor Housing

Transit Oriented Development Assets

Martin Luther King Jr. Blvd at Hillsborough assets include:

- Future Hillsborough BRT station
- Access to Umstead Drive, Hillsborough Road, Bolin Creek and Martin Luther King Jr. Blvd
- Important crossroads within the Martin Luther King Jr. South Focus Area used by many people
- Connections to the wider area via bike and greenway along Bolin Creek



Concept illustrating principles and testing capacity.



Design distinctive, safe and attractive neighborhoods

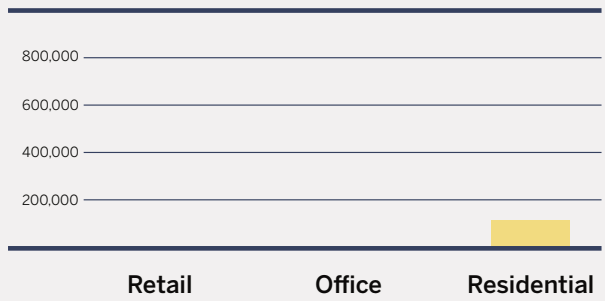


Provide rich, green landscapes



Connect everywhere to everywhere

Potential Uses



Residential Units: 100-120 approximately

Retail sq. ft: 3,000

Dwelling Units per Acre: 7.5 approximately

Transit Oriented Housing and Services

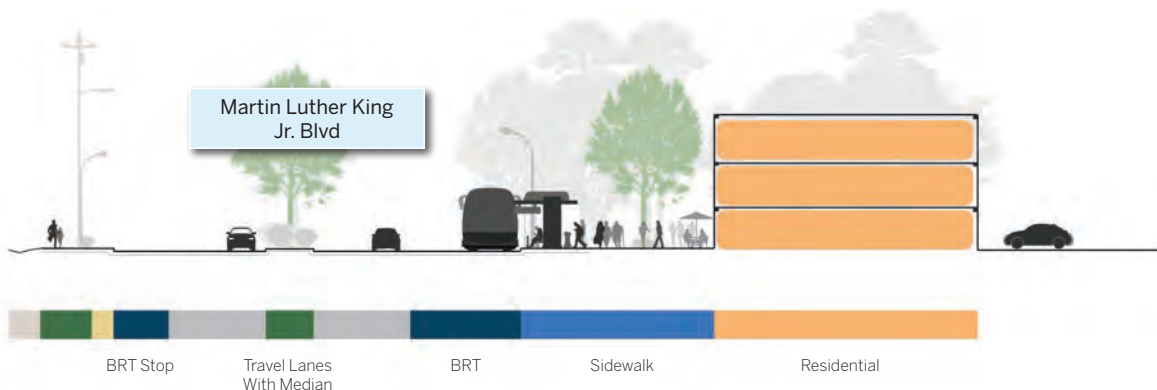
With connections from Umstead Drive, Hillsborough Street and Bolin Creek Trail the Hillsborough Station is at a point of intersection among dynamic terrain and topography.

This is a great location for a hub with housing, along with retail and services for transit riders and nearby neighborhoods. As a natural gathering point, and a midpoint location between the Martin Luther King Jr. North and Downtown Focus Areas, this can be a local place for people to meet and bump into each other.

New housing for residents can be placed on under-used sites. Existing retailers, food and other businesses can be reconfigured into new developments to take advantage of new residents and transit riders. Future planning by UNC will determine the use of sites it owns in the area.

The commitment to walking, biking and native landscape and plantings along the Bolin Creek trail can be extended south into new developments.

Section: Transit Oriented Housing and Services



6. Downtown Focus Area

Transit Oriented Development Assets

The Downtown Focus Area has a range of local assets that provide a foundation for future change. Downtown will continue its transformation, while respecting its unique qualities and character. Downtown will be a thriving place with new homes for Chapel Hill's residents, an active street scene and public realm and continued growth of office, research and innovation. More people will be in Downtown day to day and support thriving retail, services, entertainment, arts and culture. These assets include:

- The traditional retail, food, beverage and entertainment focus for Chapel Hill as a university town
- A substantial student, employment, visitor and residential base
- The social and cultural center of Chapel Hill
- The UNC-Chapel Hill campus
- A walkable grid of streets
- Historic character and districts
- On-going proposals for walking and biking infrastructure

New rapid transit stations:

- Franklin
- Cameron

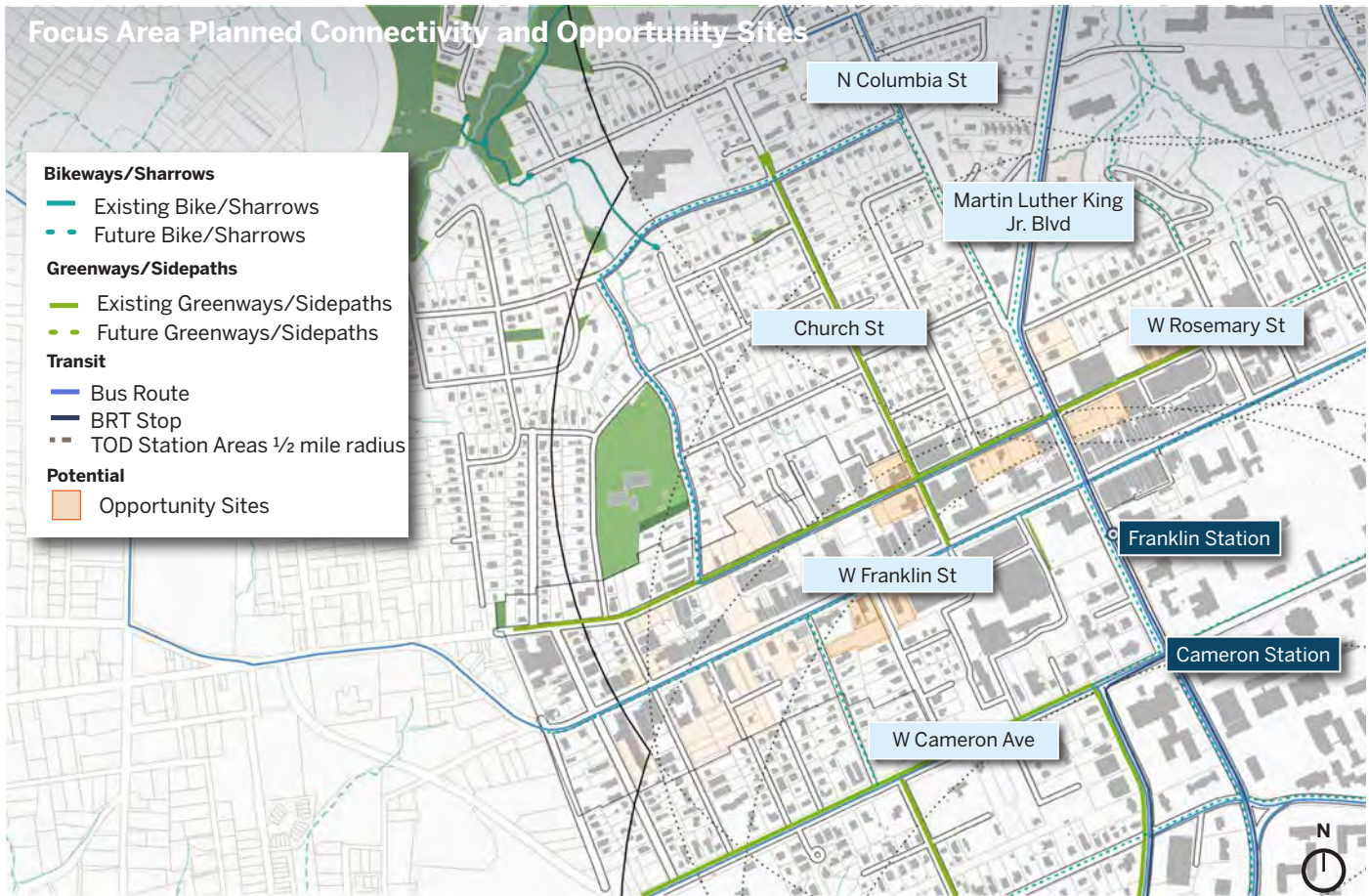
Greenway, pedestrian and bike links to BRT stations will be added or strengthened.

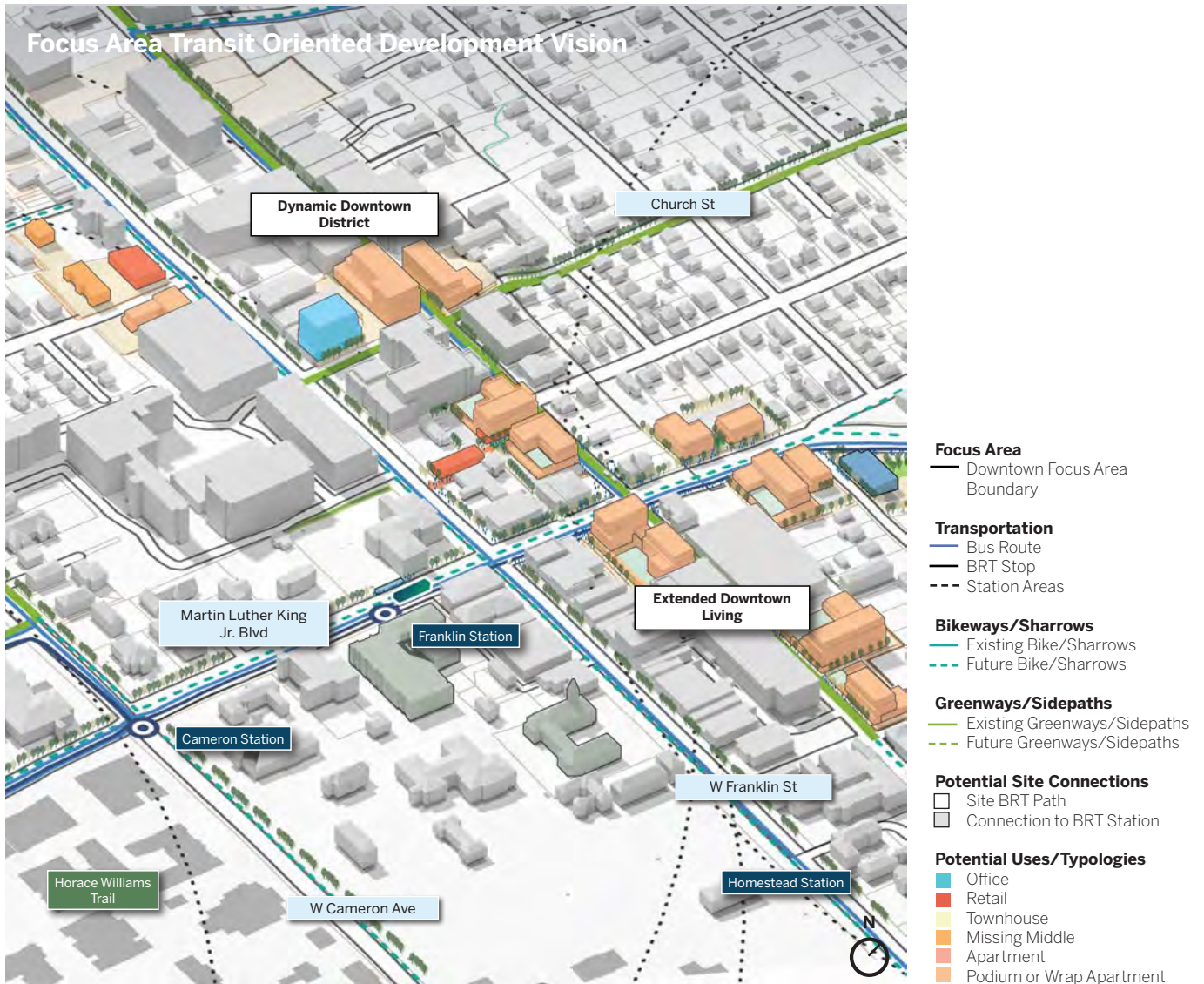
Development Potential

This area has seen redevelopment of individual sites over time for retail, housing and university related uses. There are also active initiatives to strengthen the employment and retail base of Downtown, including an Innovation Corridor proposal.

The TOD opportunity will support implementation of multiple infill development opportunities. Opportunities include several surface parking lots, low density and auto-format retail and fast food outlets and other low density uses.

There is potential for an estimated 700 net new homes in this Focus Area by 2040, along with new retail, service and office space. TOD in the Downtown Martin Luther King Jr. Blvd Focus Area will bring new amenities and qualities that will benefit existing and future residents, and visitors from across Chapel Hill and the region, supporting a dynamic downtown filled with people. New homes will include the potential for apartments, missing-middle housing and townhomes at the identified sites. Application of affordable housing strategies will also support affordable and workforce housing provision.





Housing accessible by all communities, economic development, retail, food and beverage will bring Downtown to its full potential. Spaces for entertainment, arts and culture for all of the Chapel Hill community should also be included. The transit gateway created by the NSBRT will drive change across Downtown via enhanced streets, bike connections and a network of public spaces.

Downtown can also be a place that contributes to realizing a Complete Community, including: complete streets offering safe and comfortable routes to BRT stations, connections to the everywhere to everywhere framework, diverse housing types, high quality public spaces and greenery and buildings bounding an active public realm.

Pedestrian Connectivity Enhancement

There are a number of opportunities to improve walkability. It is recommended that the sidewalk network be enhanced, gaps in the sidewalk network be closed and intersection safety be enhanced.

- Sidewalk extension: corner of Columbia Street and Stephens Street, both sides of Stephens
- Reconstruction: corner of North Street and Henderson Street.
- Sidewalk addition: both sides of North Street.
- Sidewalk addition: both sides of Pritchard Ave.
- Cameron west of S. Columbia sidewalk improvements
- Wilson Street sidewalk improvements
- Malette Street sidewalk improvements

Cycling Enhancements

In addition to existing Town plans for future bike and side-path extensions, the following bike infrastructure is recommended:

- Cameron west of Columbia: Bikeable road conversion
- Cameron: Robertson to Merritt Mill Road: bike lane or bikeable road conversion
- Cameron and Merritt Mill Road: bike lane and Railroad intersection upgrade

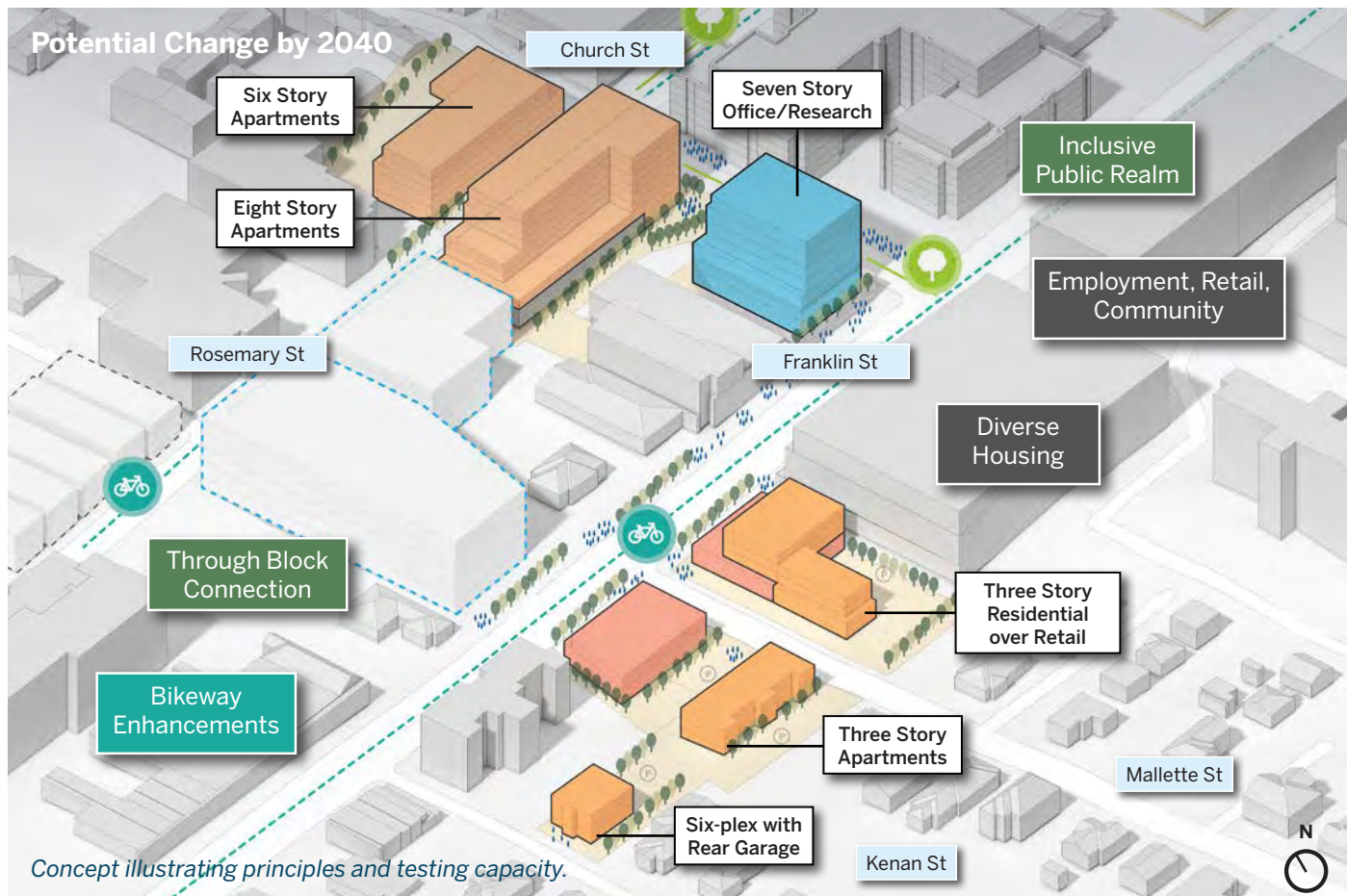
Downtown West TOD Potential

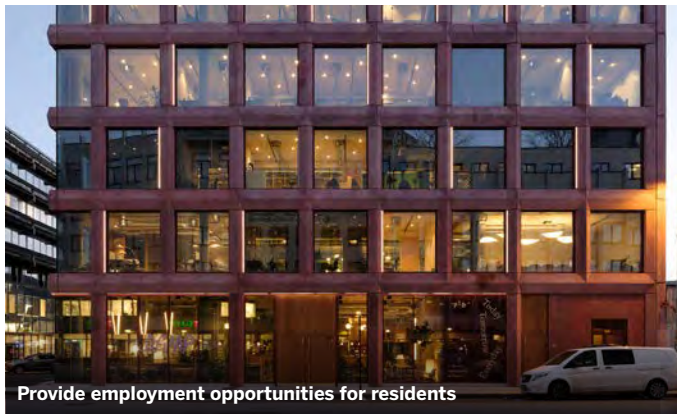
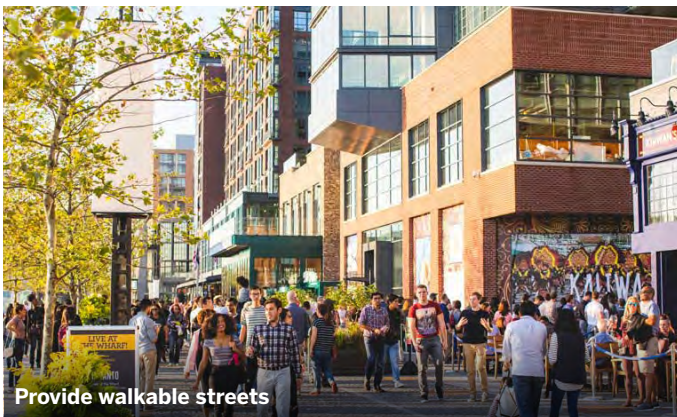
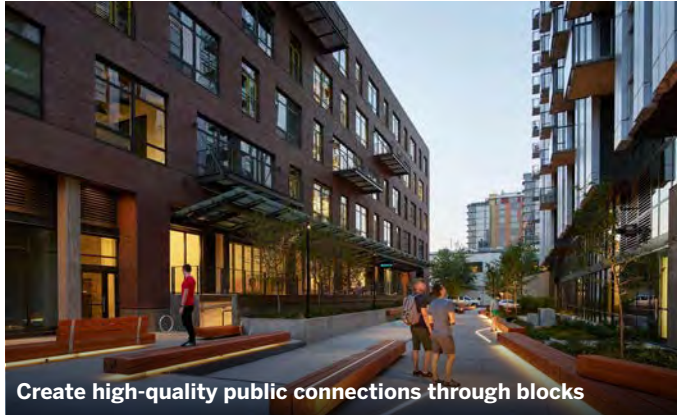
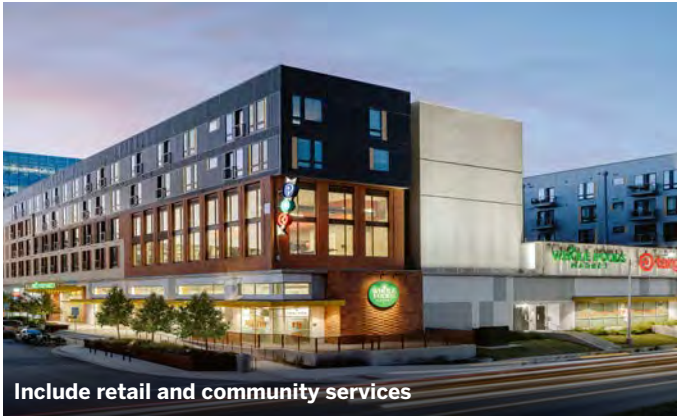
A Dynamic Downtown District

Downtown West Development Assets

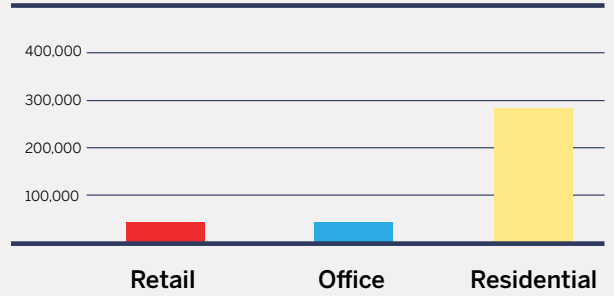
Downtown West assets include:

- Walkable grid of streets
- Established retail, food and beverage locations
- A mix of recent housing, student housing and hotel developments
- Collection of multiple sites across several blocks, offering the potential for a phased redevelopment, over time, up to 2040
- Sites adjacent to each other could be assembled to allow more comprehensive larger developments





Potential Uses



Residential Units: 180-200 approximately

Retail/Mixed Use sq. ft: 65,000

Office/Mixed Use sq. ft: 50,000

Dwelling Units per Acre: 26 approximately

A Dynamic Downtown District

The transformation of Downtown Chapel Hill will continue in coming years, as a dynamic mix of residential, retail, office and research development provides new opportunities for Chapel Hill residents. Placemaking, economic development objectives and competitiveness within the region will be advanced, and a lively street scene created.

Diverse housing types should include apartments, missing middle and, in some cases, townhomes. Workforce and affordable housing will be included to meet local needs. New apartments and taller buildings will be concentrated closer to Church Street, closer to BRT stops. Heights will step down to the west, allowing transitions to lower-density and historic neighborhoods.

There will be more residents, workers and visitors in Downtown West, providing a year-round foundation for growing retail, entertainment, arts and culture in existing and new spaces ground floor space along Rosemary and Franklin Streets. New ground floor spaces should also include community services, meeting the needs of people living in nearby blocks.

Through block north-south pedestrian connections will be enhanced as development occurs. Smaller public spaces will be created to provide meeting spaces for all. Native landscape, enhanced tree canopies and progressive stormwater management will be incorporated into these spaces.

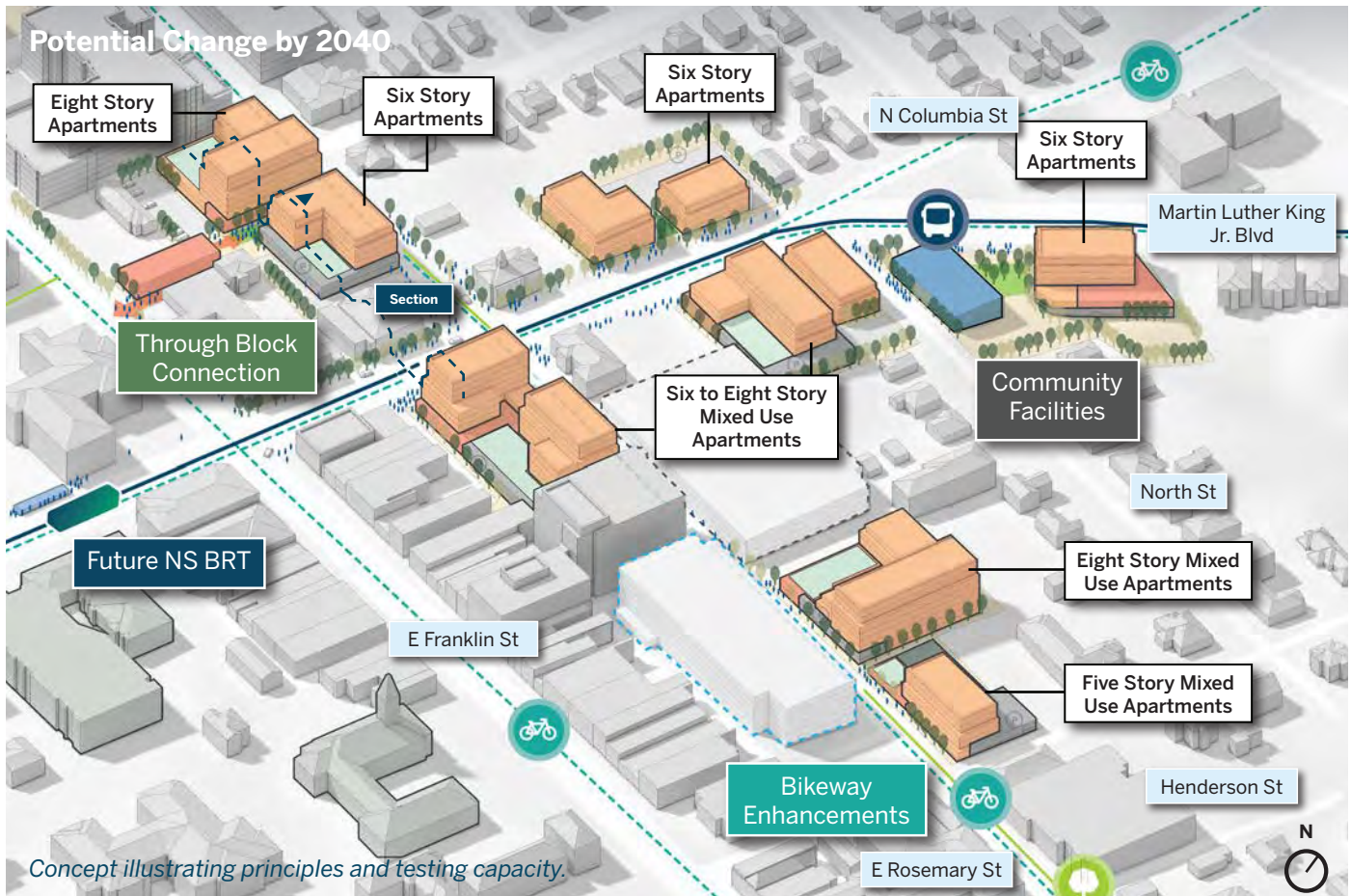
Downtown East TOD Potential

Extended Downtown Living

Downtown East Development Assets

Downtown East assets include:

- Two future BRT stations, at Franklin and Cameron
- Chapel Hill's 100% corner, where key streets connect at Franklin and South Columbia
- Retail, food and beverage have clustered in this area
- Close proximity to the historic gateway to the UNC-Chapel Hill campus and university linked economic development initiatives
- Collection of sites on either side of Martin Luther King Jr. Blvd in the East area of Downtown
- Collection of underutilized sites, including surface parking lots and smaller, low density auto oriented office and retail spaces
- Attracting new investment to storefront vacancies with the added impetus of creating a gateway transit destination, new accessibility and increased footfall





Mix housing, retail and community services

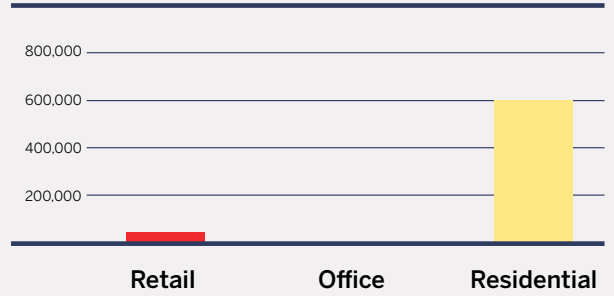


Include housing and community facilities



Provide mixed-income housing

Potential Uses



Residential Units: 480-500 approximately

Retail/Mixed Use sq. ft: 55,000

Dwelling Units per Acre: 132 approximately

Transit Oriented Economic Development and Innovation

Downtown East will support the Town’s economic growth and provide a diverse range of housing opportunities close to the UNC campus anchor.

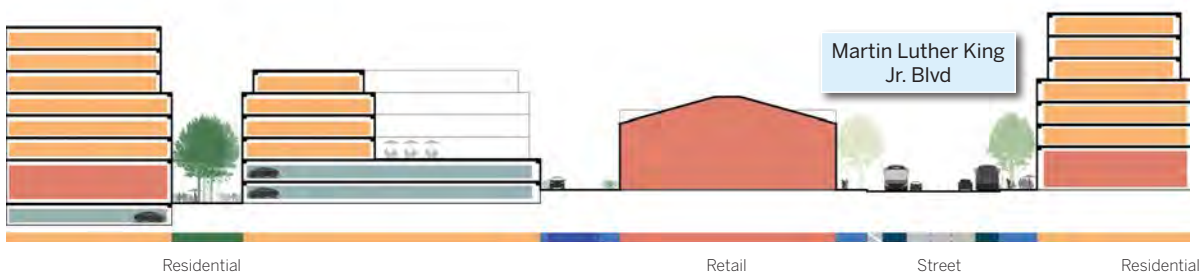
There will be opportunities to advance sites with a stronger economic development focus, providing office and research space, and expanding upon recent wet-lab initiatives. Several sites on Rosemary, Columbia and North Martin Luther King Jr Drive will provide new housing for Chapel Hill residents, including a range of housing types and incorporating workforce and affordable housing.

There will be more residents, workers and visitors in Downtown East, continuing support for existing and new businesses along Franklin. Together with immediate adjacency to the UNC Campus and its own redevelopment initiatives in the area, this will continue to be a vibrant gateway to Downtown and the UNC Campus.

Walking and biking will be supported with enhanced routes. Sidewalks should be extended, curb cuts replaced and new street lights, landscaping and tree canopy installed. North-south through block pedestrian connections should be enhanced either side of N.Columbia.

The network of public and university spaces should be connected by enhanced streets and pedestrian links. New public spaces will be created to provide meeting spaces for all. Streetscape, landscape, enhanced tree canopy and stormwater management will be incorporated into redevelopment initiatives.

Section: Extended Downtown Living



7. South Columbia Focus Area

Transit Oriented Development Assets

The South Columbia Focus Area extends south of UNC-Chapel Hill campus and UNC Hospitals through a lower density development environment and along highways to the Southern Village community and its Park and Ride facility.

Enhanced transit offered through the BRT will continue to support diverse education, health and technology activities, including services and jobs. There are also smaller scale infill opportunities.

Investments in this focus area will prioritize walking and biking connections to support and maximize transit use, and connect to existing greenways. This will become a highly-connected corridor, reflecting everywhere to everywhere goals.

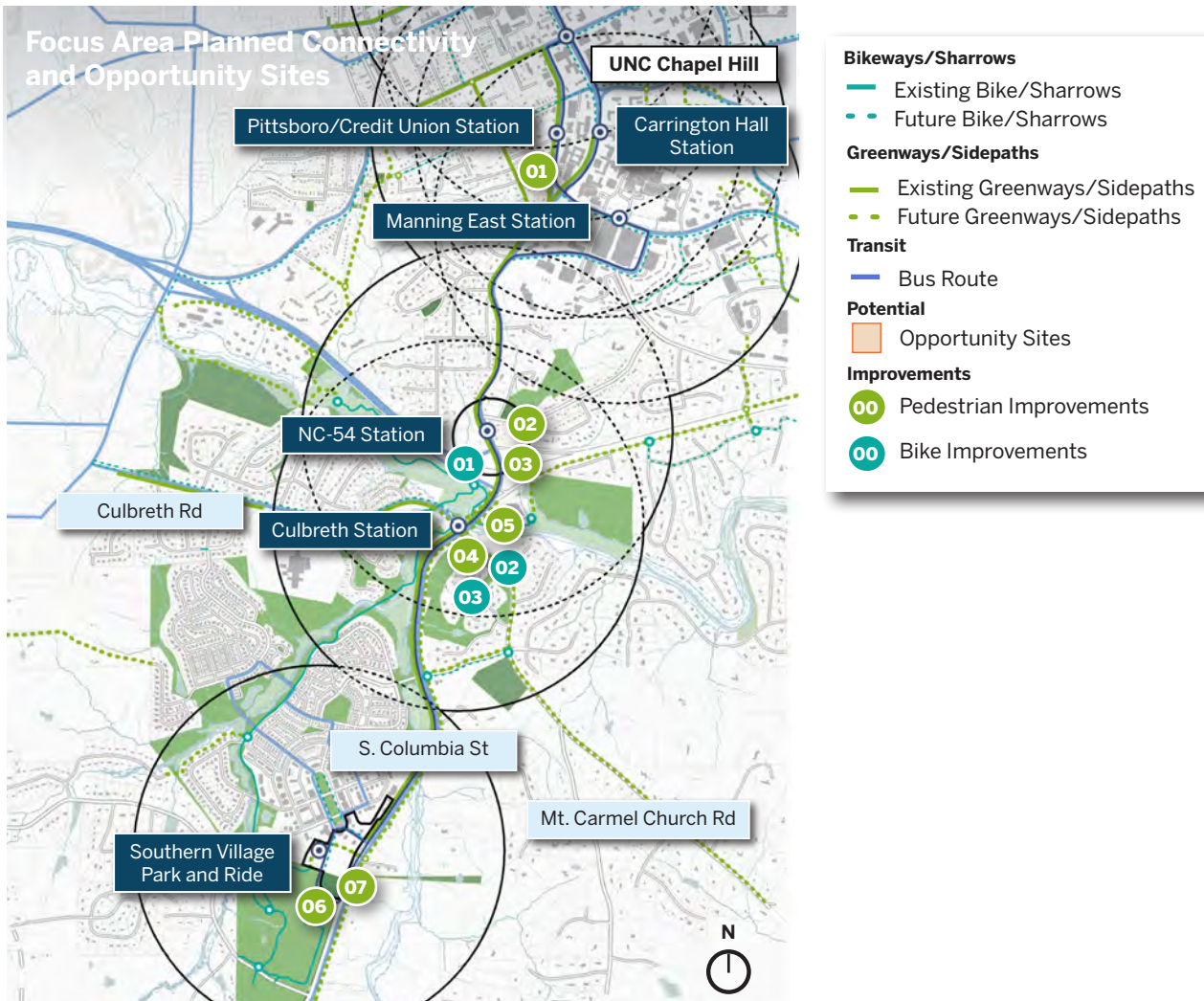
Key area Transit Oriented Development Assets include:

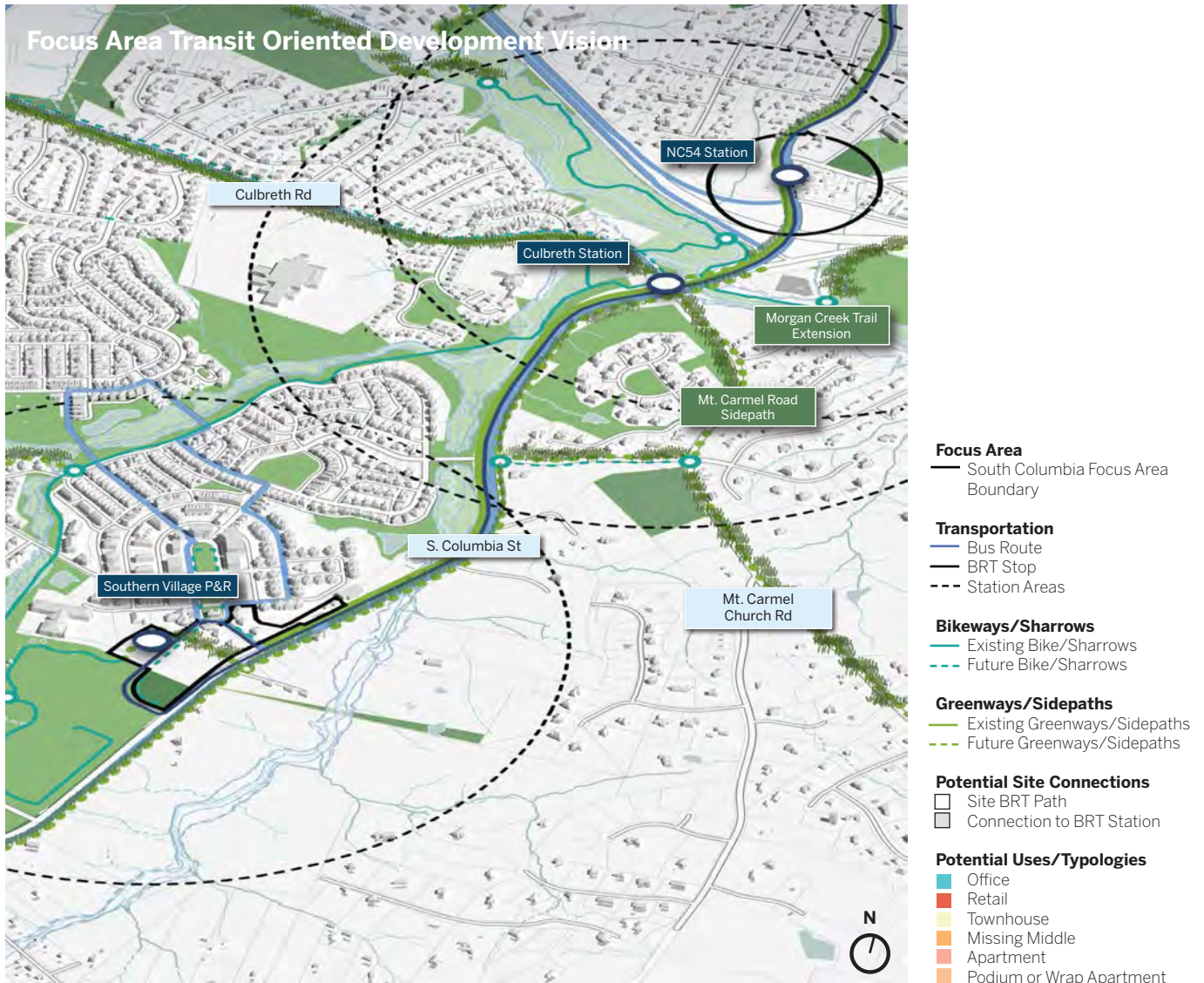
- A smaller gateway node just north of NC 54
- Parcels centered on Town-owned land near Southern Village
- Smaller infill opportunities

New rapid transit stations will be located at

- Pittsboro / Credit Union
- Carrington Mall
- Manning East
- NC54 and South Columbia
- Culbreth
- Southern Village Park and Ride

These diagrams have a numbered key to pedestrian and bike improvements. A list of the improvements is provided on the following pages.





A Gateway Corridor with Mixed-Use Nodes

Chapel Hill's Future Land Use Map calls for a mix of uses and housing types where development should occur. Any new development will be at smaller infill and re-use sites. There is also a strong emphasis on improving connectivity to and within the Focus Area and improving connectivity to transit service. Greenway, pedestrian and bike links will be strengthened or added.

Pedestrian Connectivity Enhancements

In order to improve walkability, it is recommended that the sidewalk network be enhanced, gaps in the sidewalk network be closed and intersection safety be enhanced. Key improvements include:

1. Sidewalk extensions on University Drive, Ransom St. and Vance St.
2. Sidewalk extensions on Purefoy Road
3. Sidewalk widening on S. Columbia south of Purefoy

4. Sidewalk widening on Culbreth Road
5. Sidewalk extensions on Carmel Church Road
6. Enhance sidewalk connection off Sumac Road at Southern Village
7. Sidewalk extension west side of Sumac Road at Southern Village

Cycling Enhancements

In addition to existing Town plans for future bike and side-path extensions, the following bike infrastructure is recommended:

8. Curb ramp to bike lane on S. Columbia
9. Curb ramp to bike lane on S. Columbia south of Culbreth
10. Widen bridge over Morgan Creek to accommodate pedestrians and bikes.

8. 15-501 Focus Area

This Focus Area is outside of the NSBRT Corridor, but it is a Town priority location for future growth and has been considered as part of this Plan.

Focus Area Assets

The Focus Area encompasses a large area and a diverse set of conditions. It is an important gateway from the interstate highway network and a historic route that has become a major arterial connector within Chapel Hill. As a result, tens of tens of thousands of people travel this corridor each day.

This Focus Area is notable for its collections of shopping centers and strip malls, as well as suburban offices and a diverse collection of residential neighborhoods. The area provides services to residents, as well as many commuters and visitors from other communities. Places to live include single family homes, townhomes, apartment complexes and more recent mixed use developments.

In recent years, this Focus Area has seen a series of larger scale redevelopments of older, lower density shopping centers and some residential blocks. Surface parking is being replaced by active uses. This has created new residential-led, mixed-use developments at higher densities than previous uses. At the same time, some retail assets are being repositioned with a more dynamic mix of uses, including high quality food and beverage, more contemporary building expression and attractive public spaces.

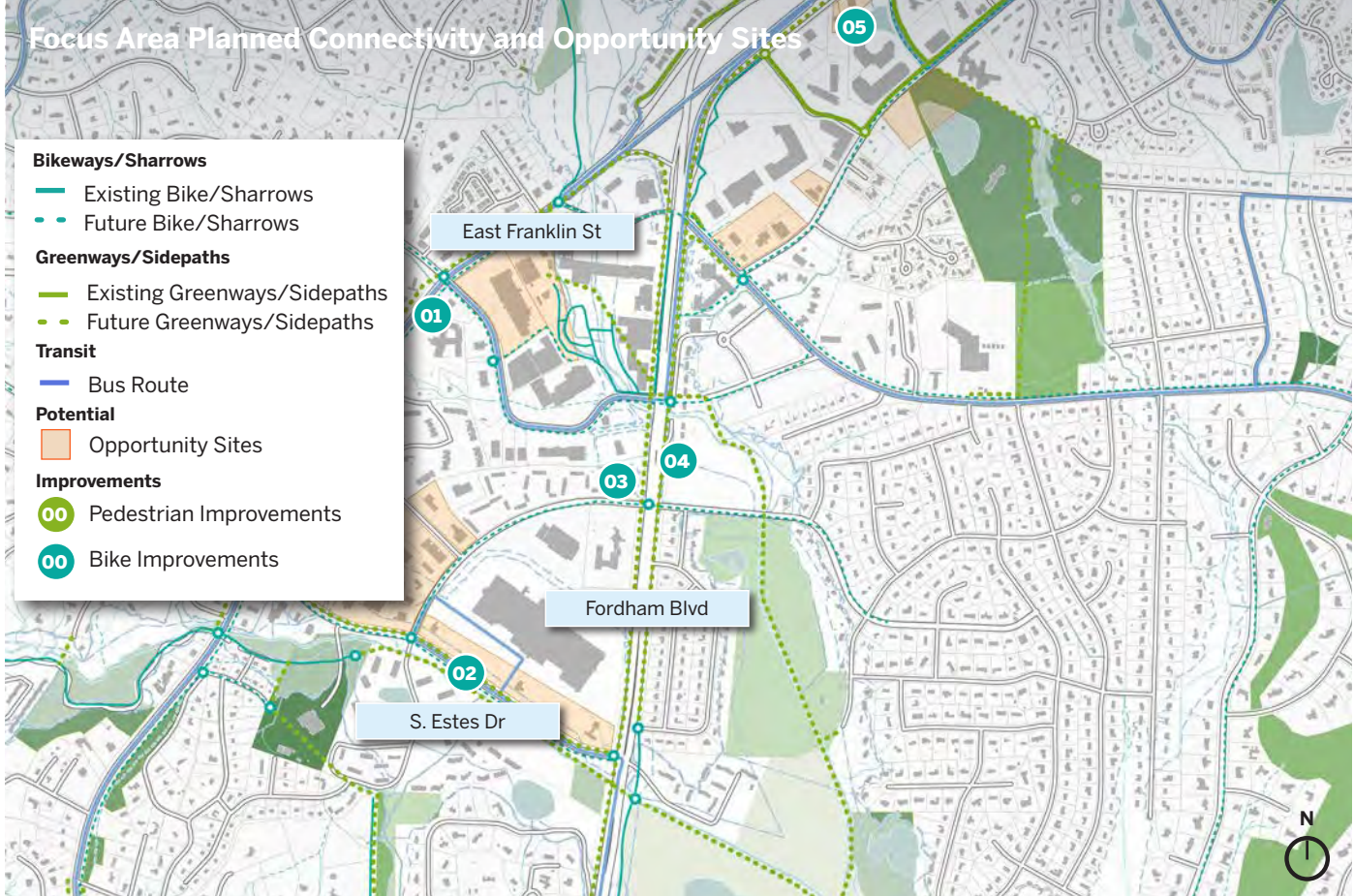
A Destination with a Mix of Higher Intensity Uses

The 15-501 Focus Area will continue its transformation, offering a range of homes for Chapel Hill's residents, in addition to updated retail environments, walkable streets and connected bike networks and a growing jobs base. Infill opportunities will create attractive neighborhoods based around walkable blocks, and creating open space, habitat and stormwater networks.

Access to jobs in the region and within Chapel Hill and the potential to make better use of aging facilities and surface parking lots offer the potential for further redevelopment

The Future Land Use Map identifies aspirations for this Focus Area including:

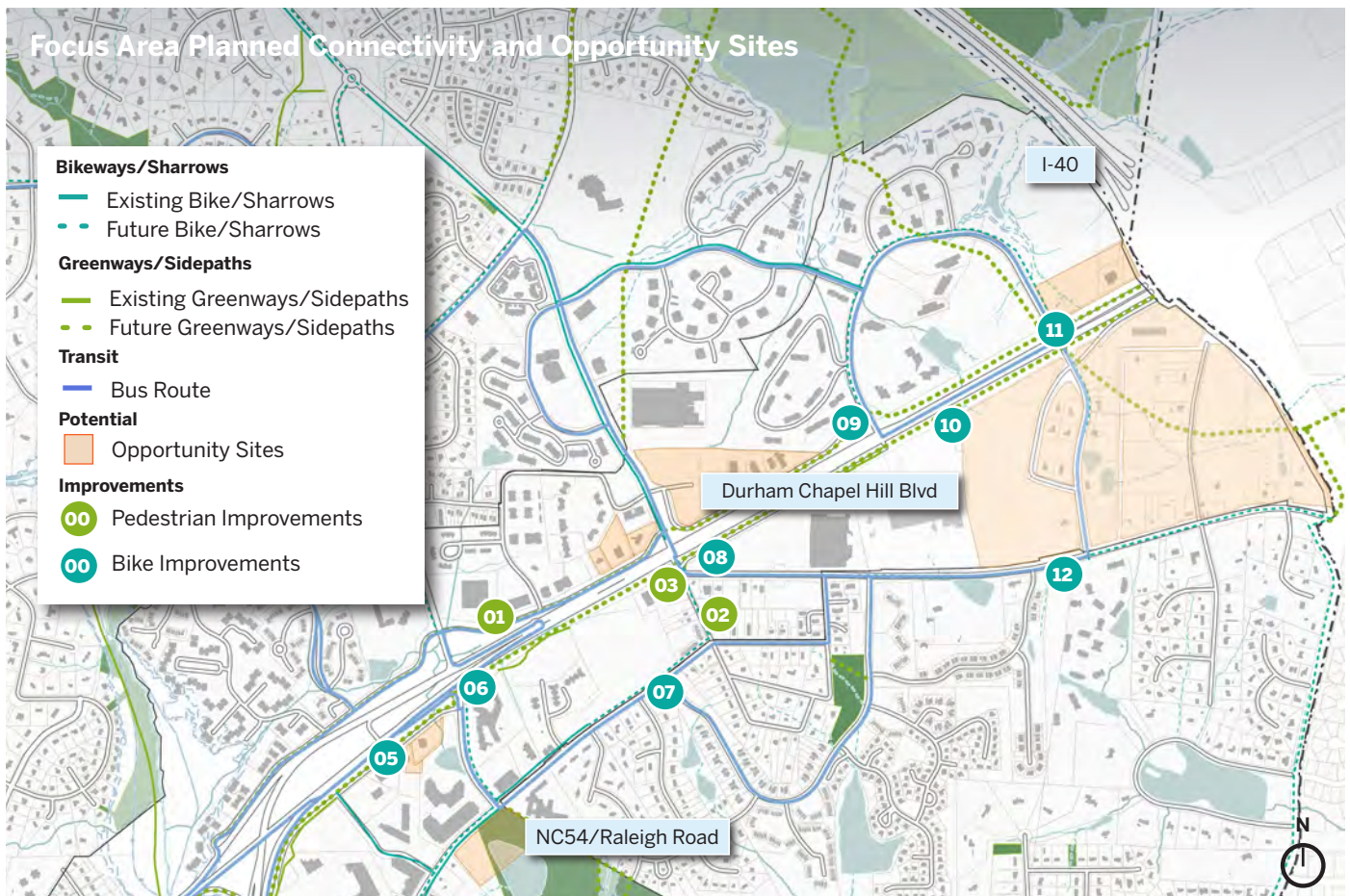
- A dynamic mix of higher-intensity uses
- Providing places to shop and to reside
- Drawing in residents, employees, shoppers, and visitors from elsewhere
- Creating and active street life
- Blending the built environment with mature tree canopies
- Widening sidewalks
- Supporting multi-modal movement and features



This Focus Area can be a place for people thrive, meet a range of their daily and weekly needs, within an attractive, green and sustainable framework. Greenway, pedestrian and bike links will be strengthened or added.

An estimated 2,300 new homes that contribute to meeting Chapel Hill's growth needs could be provided. New homes will include the potential for apartments, missing-middle housing and townhomes at the identified sites. There is also the potential to transition to higher density single family homes in some locations. Application of affordable housing strategies will also support affordable and workforce housing provision. Spaces for community serving retail, public services, entertainment, arts and culture should also be included.

These diagrams have a numbered key to pedestrian and bike improvements. A list of the improvements is provided on the following pages.



Re-use and Infill Locations

The 15-501 corridor includes several locations that, based on age and condition and recent trends, could see intensification or redevelopment by 2040. This includes:

- North east of Estes and Willow – aging retail, office and distribution facilities
- North west corner of Estes and Franklin – smaller infill and re-use site
- Village Plaza shopping center at Franklin and Elliot
- Frontage sites at Erwin Road
- Frontage sites at Sage Road
- Frontage sites on Legion Rd
- Parkline East area

Pedestrian Connectivity Enhancements

There are opportunities to improve walkability in the corridor. It is recommended that the sidewalk network be enhanced, gaps in the sidewalk network be closed and intersection safety be enhanced.

1. Sidewalk construction on the west side of Cosgrove Avenue between Turvey Court and Cosgrove Avenue.
2. Sidewalk construction on the east side of Scarlett Drive from Old Durham Road to Legion Road Extension.
3. Sidewalk construction on the south side of Fordham Blvd. Service Road from Old Durham Road to frontage road.

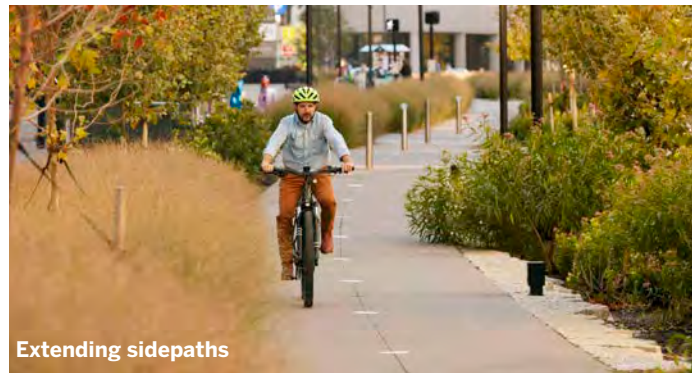
Cycling Enhancements - Sidepath Construction

In addition to existing Town plans for future bike and side-path extensions, the following bike infrastructure is recommended:

1. West side of East Franklin Street from Eastgate Crossing to Dickerson Ct.
2. North side of South Estes Drive from East Franklin Street to Fordham Blvd.
3. West side of Fordham Blvd from Ephesus Church Road to S Estes Drive.
4. East side of Fordham Blvd from Ephesus Church Road to S Estes Drive.
5. South side of the Service Road between Europa Drive and Novus Lane.
6. East of Europa Drive on the south side of Durham-Chapel Hill Blvd.
7. North side of Legion Road from Scarlett Drive to Jackie Robinson Street.
8. South side of NC 501/Durham-Chapel Hill Blvd. from 430 LF west of Eastowne Drive to Greenfield Commons.
9. North side of NC 501/Durham-Chapel Hill Blvd. from I-40 to Erwin Road.
10. South side of NC 501/Durham-Chapel Hill Blvd. from I-40 to Eastowne Drive.
11. East side of Eastowne Drive from Durham- Chapel Hill Blvd. to Old Chapel Hill Road.
12. North side of Old Chapel Hill Road from Pope Road west to Scarlett Drive.



Enhanced pedestrian crossings



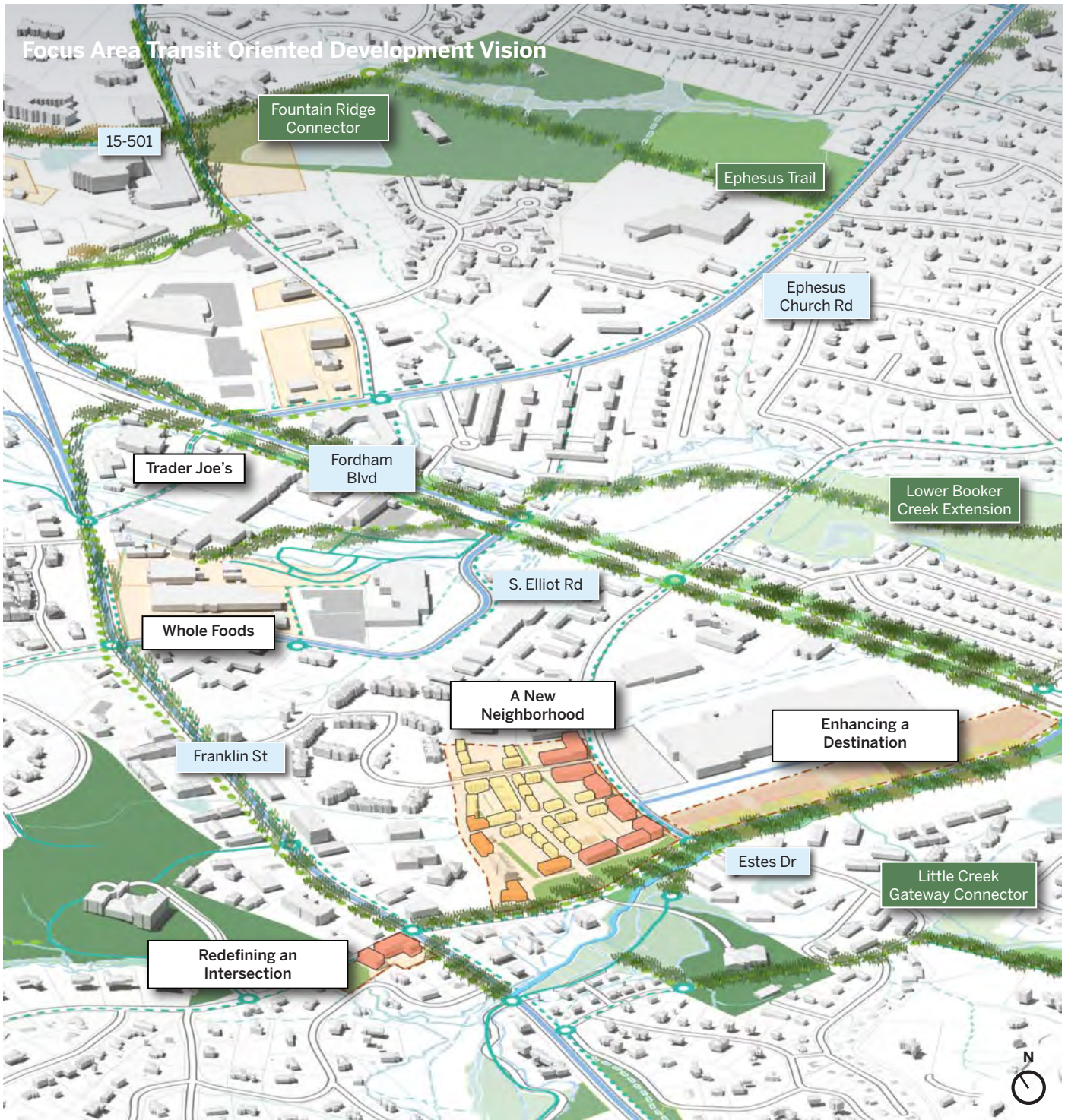
Extending sidepaths



Landscaped streets and tree canopy



Transportation greenways



Focus Area
 — 15-501 Focus Area Boundary

Transportation
 — Bus Route
 — BRT Stop
 - - - Station Areas

Bikeways/Sharrows
 — Existing Bike/Sharrows
 - - - Future Bike/Sharrows

Greenways/Sidepaths
 — Existing Greenways/Sidepaths
 - - - Future Greenways/Sidepaths

Potential Site Connections
 □ Site BRT Path
 □ Connection to BRT Station

Potential Uses/Typologies
 ■ Office
 ■ Retail
 ■ Townhouse
 ■ Missing Middle
 ■ Apartment
 ■ Podium or Wrap Apartment

Estes and Willow Location Potential

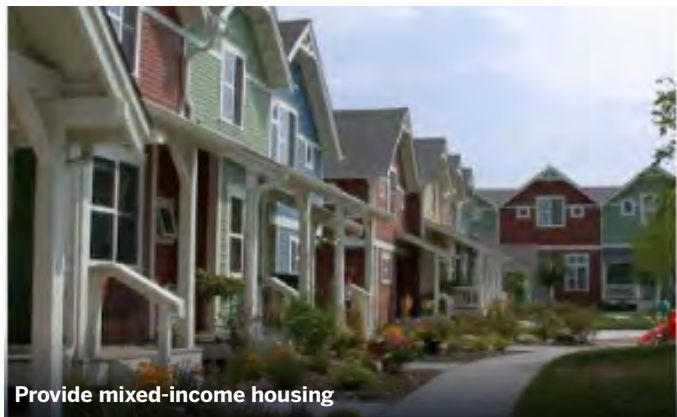
A New Neighborhood

A Re-use and Infill Example

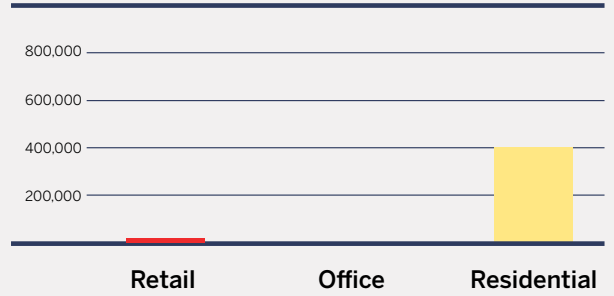
This location provides an example of integrated and holistic site re-use and infill within this corridor.

A range of inclusive housing types, from apartments to missing middle and townhomes. Housing should include affordable or workforce homes. Homes should be clustered and balanced with new open spaces. On-site open spaces can provide opportunities for a comprehensive approach to managing local stormwater issues, while also creating green spaces for residents and enhanced habitat and biodiversity resources. Retail or community services should be incorporated into apartment buildings, particularly those addressing Willow Street and the University Place Mall. Heights will step down through the site to create a transition with surrounding neighborhoods.





Potential Uses



Residential Units: 320-340 approximately

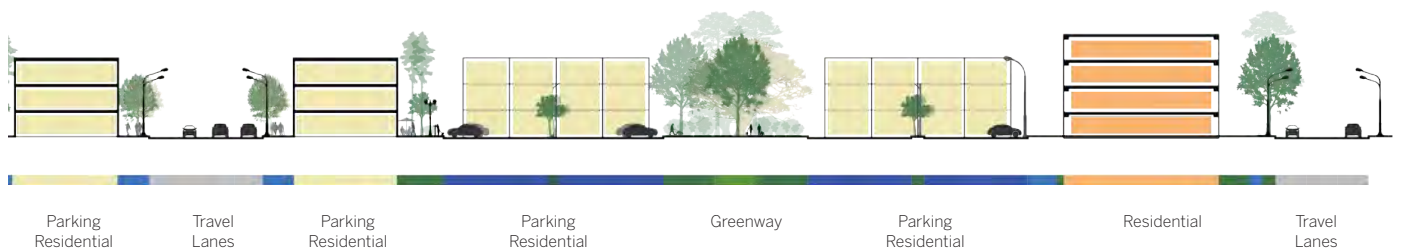
Retail/Mixed Use sq. ft: 10,000

Dwelling Units per Acre: 45 approximately

An attractive frontage should be created on both Estes and Willow. A new framework of two-way streets will be created on site. Pedestrian and bike connections should extend to surrounding neighborhoods. All streets will include trees, extending the tree canopy.

The illustrative concept indicates a potential development direction and illustrates key principles guiding future development.

Section



University Place South Location Potential

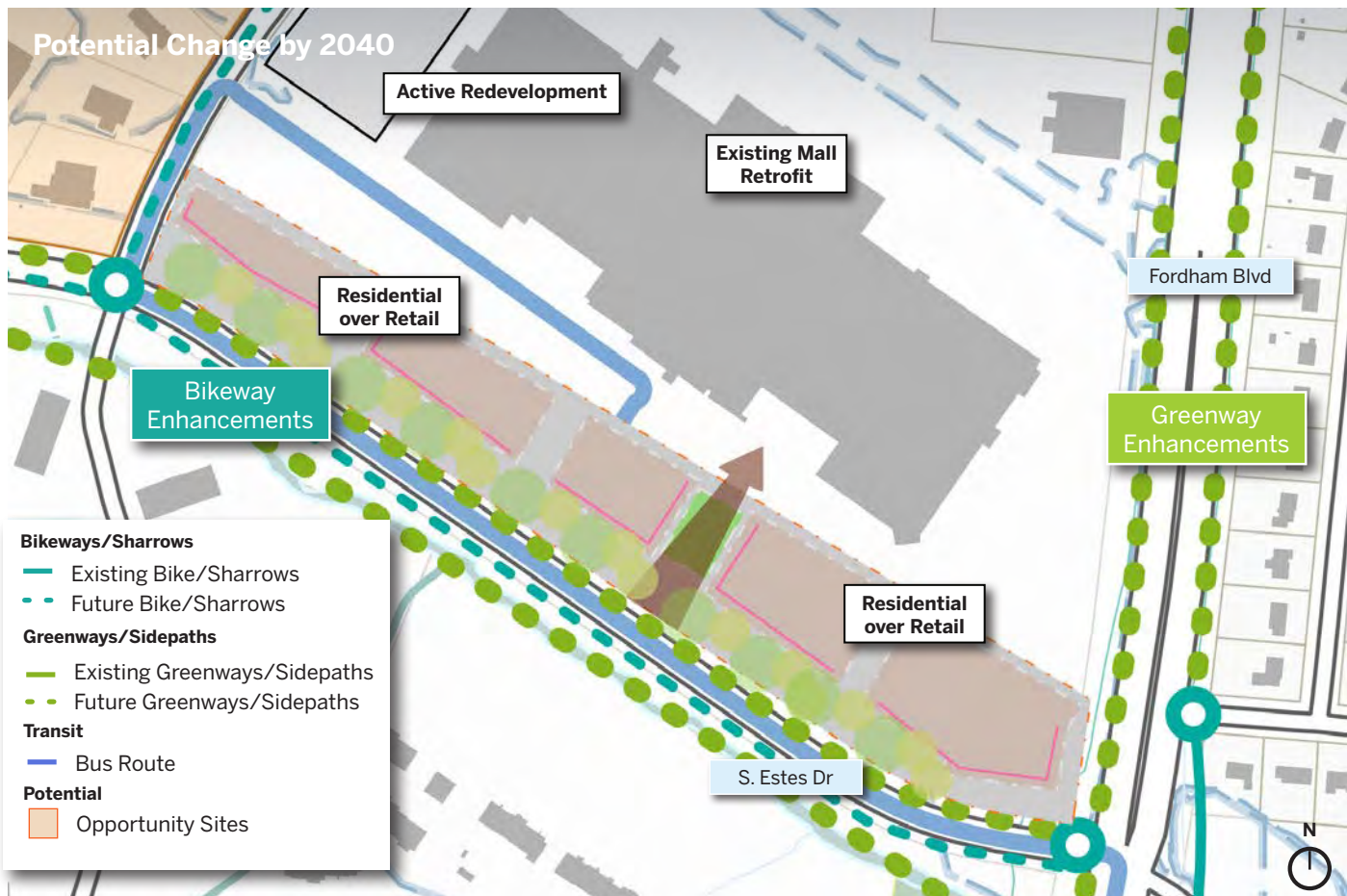
Enhancing a Destination

Enhancing a Destination

Over the longer term, and subject to addressing localized stormwater and flood issues, there is the potential to create frontage development along Estes, and at the corner of Estes and Willow.

Housing could include Missing Middle and apartment types. At street corners and entrances to University Mall, smaller retail or service spaces could be created.

Estes can be enhanced as a street, with wider sidewalks, street lighting and signage, landscaping, progressive stormwater facilities and additional tree canopy.



Estes and Franklin Location Potential

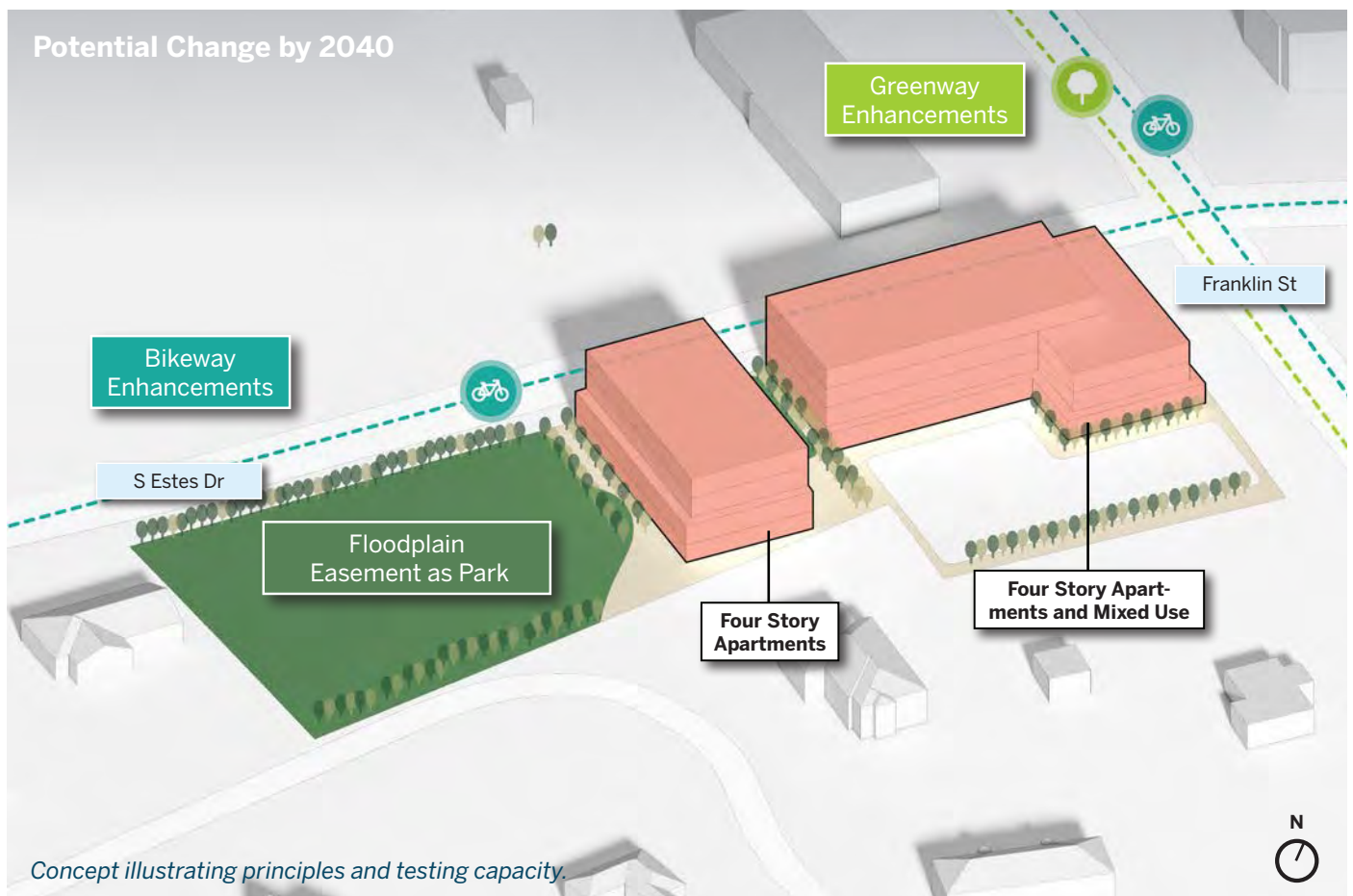
Redefining an Intersection

Redefining an Intersection

With transit, bike and auto access, this is a high visibility location. This is an opportunity to enhance an intersection with an attractive mixed-use building that can define and hold the corner visually.

A residential building should be joined by a mixed-use building at the corner. An on-site open space for residents and visitors can be integrated with progressive stormwater management, and localized habitat enhancement.

Enhancing adjacent streets, sidewalks and pedestrian crossings at the intersection should better integrate this location with it's surroundings.

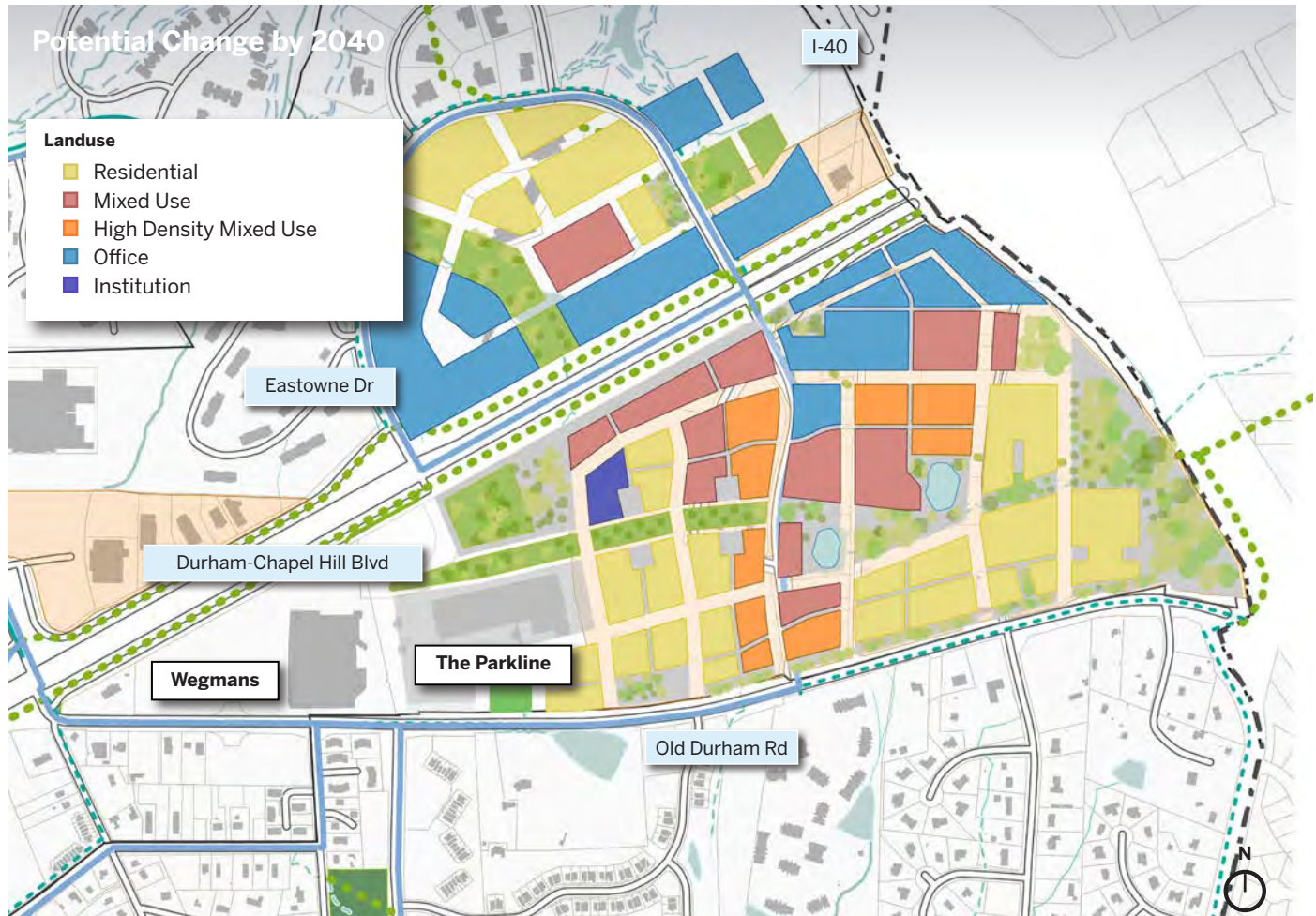
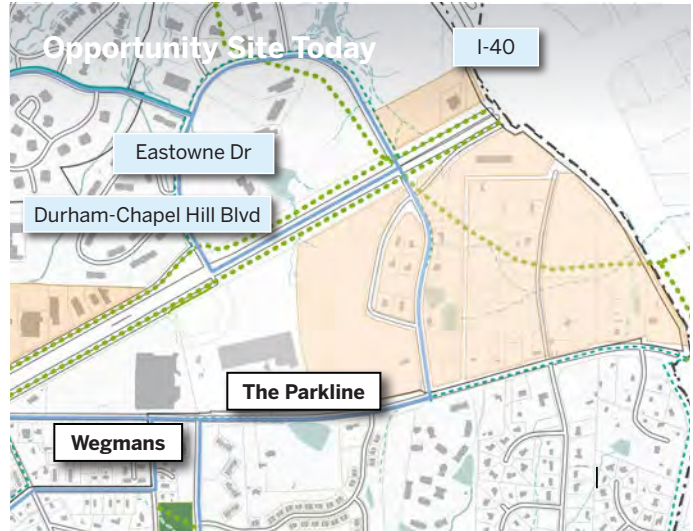


Parkline East Location Potential

A New Neighborhood

A Gateway Framework

There are several large-scale development opportunities north and south of the Fordham Boulevard / Durham Chapel Hill Boulevard gateway into Chapel Hill. Parkline East is the subject of ongoing Town-led planning initiatives. This is an opportunity to set principles that can guide long-term growth.





Plan for excellence in the public realm

Potential Uses

Residential Units: 1,200-1,600 approximately*

Retail: 65,000sf

Office: 485,000sf

Landuse Area

Residential: 35ac

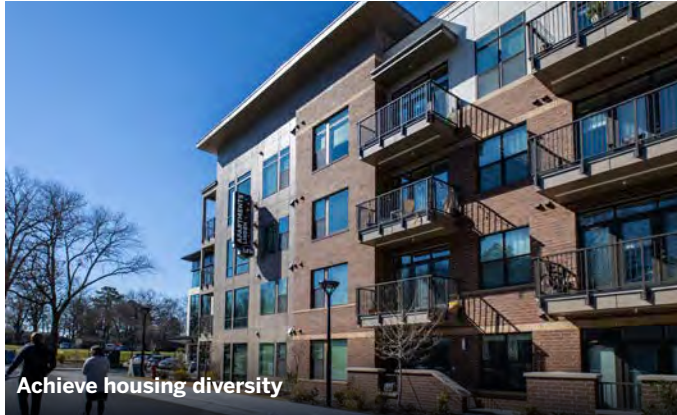
Mixed Use: 15.3ac

High Density Mixed Use: 5.2ac

Office: 21.5ac

Institution: 0.87ac

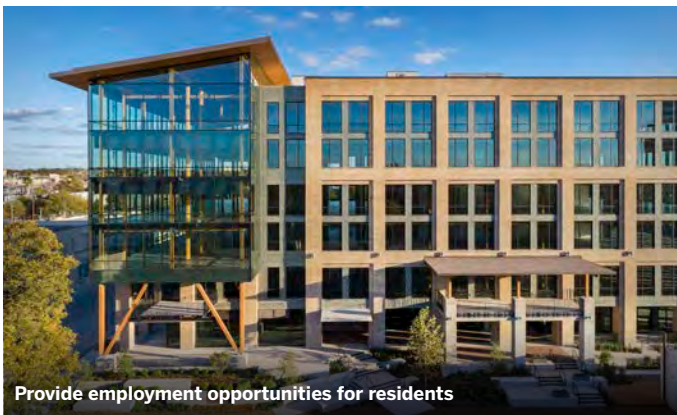
**varies by percentage of residential land use*



Achieve housing diversity

Taking the lead from the Town of Chapel Hills FLUM Guiding Principles and objectives and emerging Complete Community objectives, the gateway location should demonstrate the following:

- Plan for the future strategically
- Respond to climate change, environmental stewardship and resiliency
- Be green in everything
- Advance equity: benefit low-income residents, communities of color, immigrants, historically excluded and at risk of marginalization
- Achieve housing diversity, supporting missing middle, student housing and single family housing
- Design distinctive, safe and attractive neighborhoods
- Create vibrant and inclusive community and public spaces
- Including plazas, public greens and other open spaces will offer places to meet and gather
- Plan for excellence in the public realm, everywhere
- Invest in key transportation corridors, promote transit and multi- modal options
- Expand and deliver new greenways for everyday life connecting everywhere to everywhere
- Add greenways, pedestrian and bike links
- Support economic development, jobs, entrepreneurship, redevelopment and infill
- Manage transitions between different uses and scales
- Preserve and maintain Chapel Hill’s appearance, quality design and development
- Collaborate with UNC and UNC Health



Provide employment opportunities for residents

The framework concept diagram provides initial options for how these principles should be achieved. These are intended to illustrate how principles could be applied on the ground, and do not define or regulate a final master plan.

Key concepts include:

- Focusing employment and commercial activities at Fordham Boulevard / Durham Chapel Hill Boulevard
- Organizing more intense residential development on through streets and at intersections, where they can be served by future transit
- Transitioning to lower densities
- A human scaled framework of streets, blocks and open spaces
- Walkable, bikeable and micro-mobility connections
- Complete greenway connections through the site
- New open spaces for residents and visitors.



Provide walkable streets

9. NC-54 Focus Area

This Focus Area is outside of the NSBRT Corridor, but it is a Town priority location for future growth and has been considered as part of this Plan.

Focus Area Assets

The NC-54 Focus Area is not within the NSBRT Corridor. The Focus Area is anchored by Raleigh Road, a major gateway into Chapel Hill from the east. Tens of tens of thousands of people travel this corridor each day to get to UNC Health and UNC Chapel Hill.

This corridor includes residential neighborhoods including Glen Lennox and Meadowmont Village, institutional anchors such as UNC's Friday Conference Center, and stand-alone office developments. The area provides services to residents, as well as many commuters and visitors from other communities. Places to live include single family homes, townhomes, apartment complexes and more recent mixed use developments. Recreational and outdoor amenities include the UNC Finley Golf Course, tennis courts and trails.

Recent mixed-use developments have either emphasized a single family and townhome density, as with Meadowmont, or apartments alongside multi-tenant office and workspaces, retail and hotels, as with the Environs Lofts.

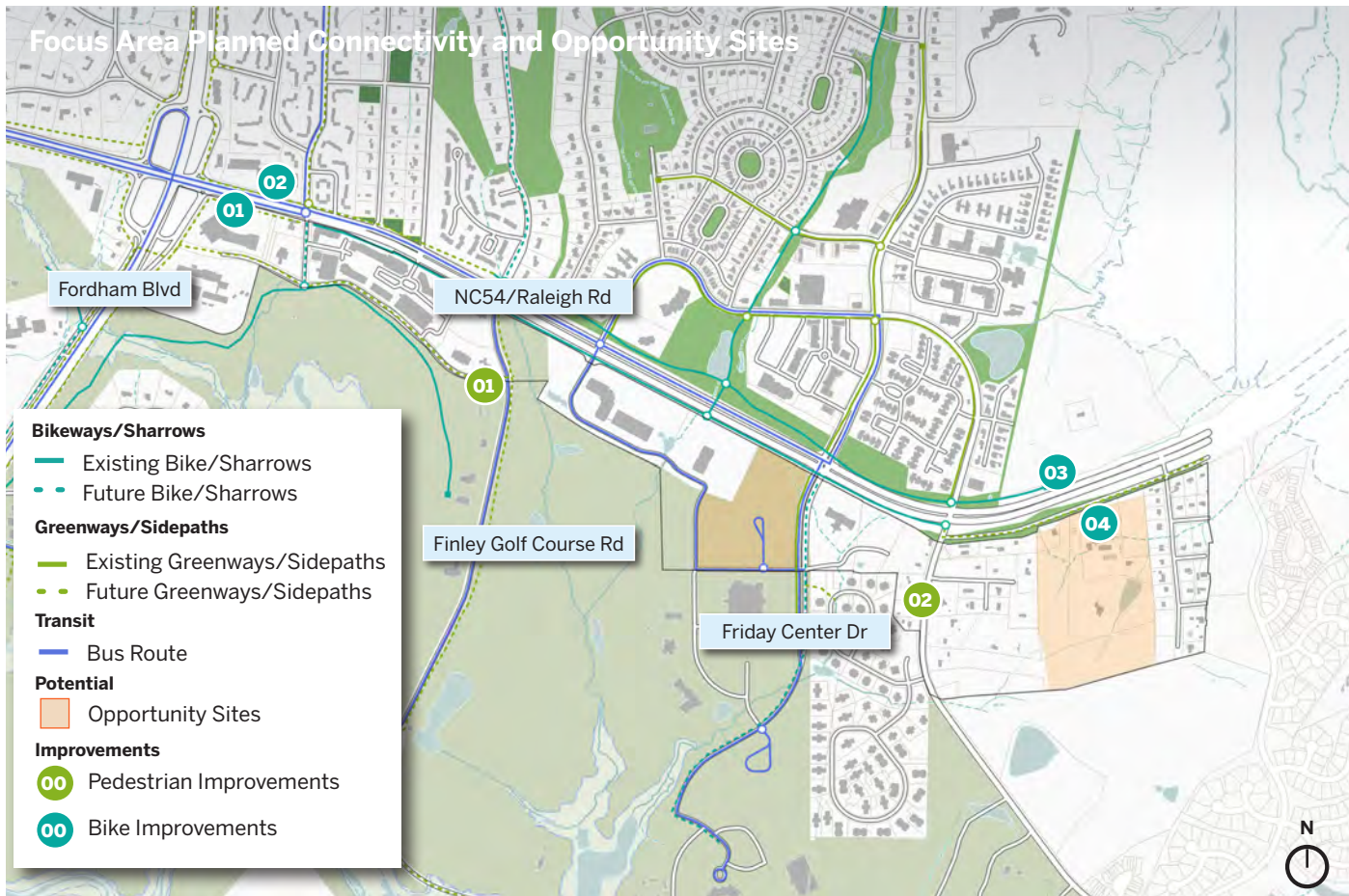
Employment Centers with a Green Gateway to Chapel Hill

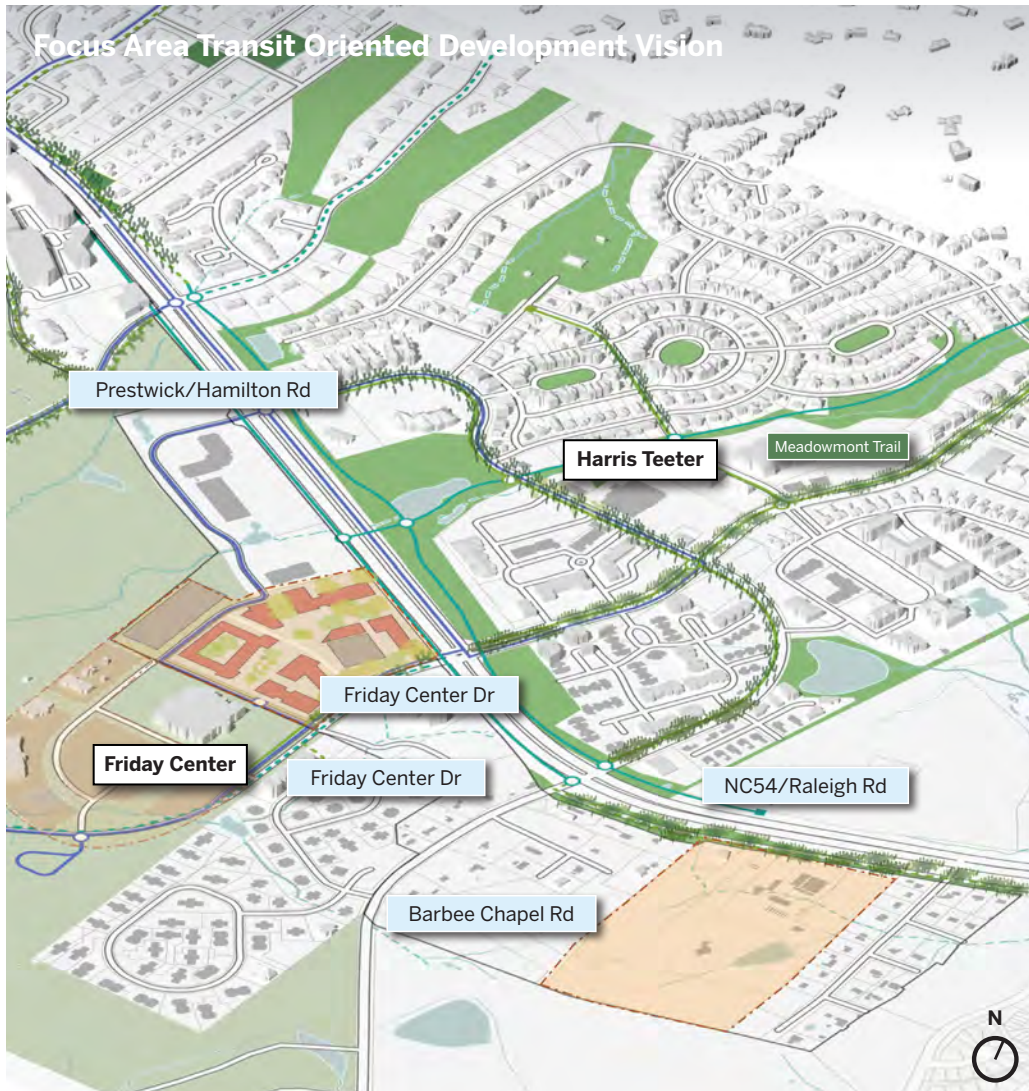
The Future Land Use Map calls for compact, mixed-use developments along the corridor, as well as diverse and affordable housing options. Humanizing this highway dominated corridor is also important, with linear greenspaces. The highway itself should become an urban streetscape that includes wide sidewalks with an abundance of street trees.

This Focus Area should be a place where people can access diverse experiences and places, while living close to amenities that meet their daily and weekly needs, along with access to other parts of Chapel Hill. Greenway, pedestrian and bike links will be strengthened or added.

An estimated 800 new homes that contribute to meeting Chapel Hill's growth needs could be provided.

These diagrams have a numbered key to pedestrian and bike improvements. A list of the improvements is provided on the following pages.





A Gateway Framework

There is a collection of sites south of Raleigh Road and east of Barbee Chapel Road, that offer the opportunity for new homes for current and future Chapel Hill residents. A mix of higher density single family homes, townhomes and missing middle housing could be appropriate here.

Pedestrian Connectivity Enhancements

There are opportunities to improve walkability in the corridor. It is recommended that the sidewalk network be enhanced, gaps in the sidewalk network be closed and intersection safety be enhanced.

1. Sidewalk extension connection to Finley Golf Course Road on the south side of Prestwick Road.
2. Sidewalk extension on the east side of Barbee Chapel Road north of Spring Meadow Drive.

Cycling Enhancements

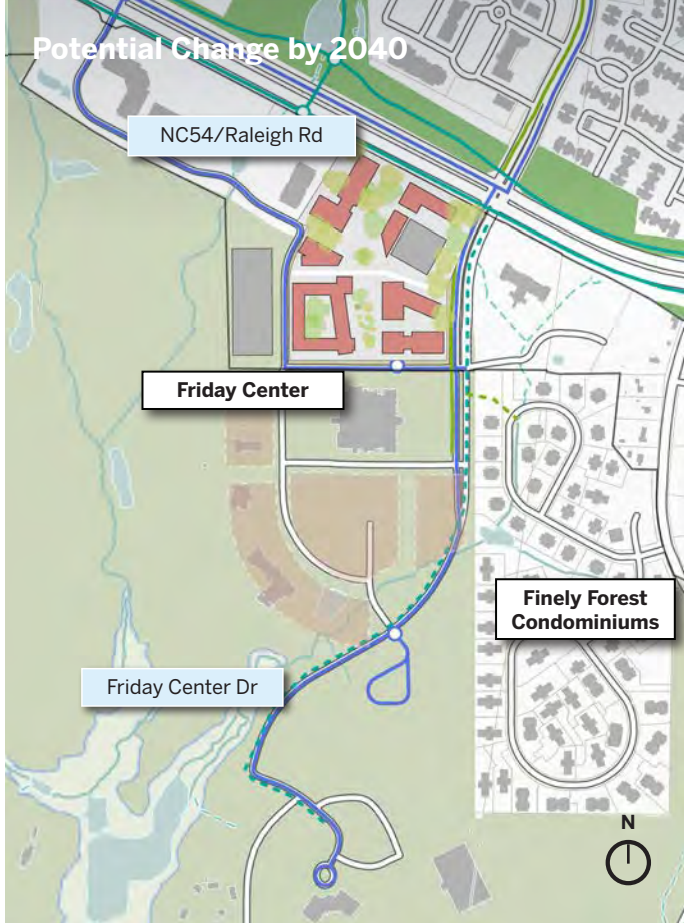
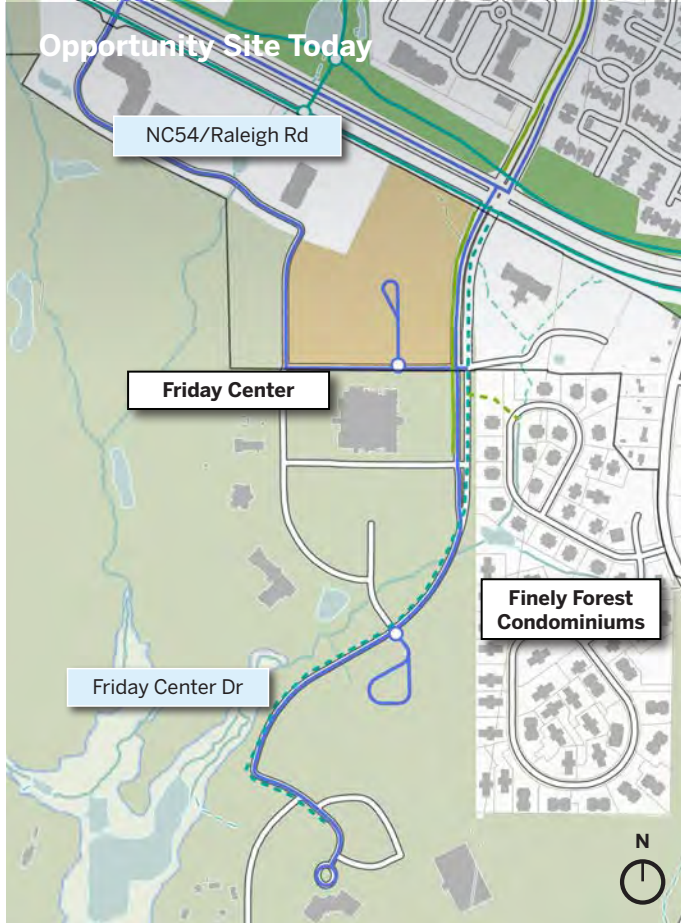
In addition to existing Town plans for future bike and side-path extensions, the following bike infrastructure is recommended:

1. Sidepath extension along north side of NC 54/Raleigh Road from Barbee Chapel Road west to Fordham Blvd.
2. Sidepath extension along south side of NC 54/Raleigh Road from Hamilton Road west to Fordham Blvd.
3. Sidepath extension north side of NC 54/Raleigh Road to Downing Creek Pathway.
4. Sidepath extension south side of NC 54/Raleigh Road to Downing Creek Pathway.

Friday Center Parking Location Potential

A Re-use and Infill Example

The UNC-Chapel Hill University Plan identifies sites adjacent to Raleigh Road as having the potential for redevelopment. A detailed assessment of existing assets at Mason Farm highlight stewardship of environmental resources and preservation of recreation amenities as long-term priorities. The University Plan recommends intentional clustered development that avoids disturbance to environmentally sensitive areas. Recent mixed-use development along Route 54 and existing University assets at the Friday Center present opportunities for leveraging future development, which could include meeting university related residential needs.



Projected Development Outputs

This data reflects potential development output ranges across the Focus Areas addressed. Data for the North Martin Luther King, South Martin Luther King and Downtown Focus Areas represent are transit oriented development outputs associated with the NSBRT Corridor. Sites other than those

identified may provide development outputs in coming years, and the sites studied may generate variations on the concepts shown within this report. The outputs shown are based on market demand forecasts, site capacities and densities and uses associated with TOD.

| | Housing Unit Range | Retail, Services, Etc. Approx. | Office Approx. |
|---|----------------------|-----------------------------------|-------------------|
| North Martin Luther King Jr. Blvd | 1,180 - 1,280 | 170,000sf | 245,000sf |
| I-40 West | 130 - 150 | - | - |
| Chapel Hill North | 260 - 280 | 95,000sf | 245,000sf |
| Timberlyne | 340 - 360 | 50,000sf* | - |
| Westminster | 200 - 220 | 10,000sf | - |
| Martin Luther King Jr. Blvd + Homestead Road | 250 - 270 | 15,000sf | - |
| South Martin Luther King Jr. Blvd | 1,210 - 1,350 | 3,000 | - |
| Former Horace Williams | 1,100 - 1,230 | TBD | TBD |
| Martin Luther King Jr. Blvd + Hillsborough | 100 - 120 | 3,000 | - |
| Downtown | 660 - 700 | 120,000sf | 50,000sf |
| Downtown East | 480 - 500 | 55,000sf | - |
| Downtown West | 180 - 200 | 65,000sf | 50,000sf |
| South Columbia | N/A | N/A | N/A |
| TOD Corridor Sub-Total | 3,050 - 3,320 | 293,000sf | 295,000sf |
| 15-501 | 1,860 - 2,320 | 75,000sf | 485,000sf |
| Estes and Willow | 320 - 340 | 10,000sf | - |
| Parkline East | 1,200 - 1,600 | 65,000sf | 485,000sf |
| University Place | 300 - 320 | - | - |
| Estes and Franklin | 40 - 60 | - | - |
| NC-54 | 800 - 820 | - | - |
| Friday Center | 800 - 820 | - | - |
| Other Focus Area Sub-total | 2,660 - 3,140 | 75,000sf | 485,000sf |
| TOD + Focus Area Total | 5,630 - 6,370 | 368,000sf | 780,000sf |

C. Implementation Strategies

This section includes recommendations for how the Town of Chapel Hill can meet its housing, affordable housing and economic development objectives. Policy, programmatic and investment recommendations are included.

Implementation strategies were generated based on best practices in similar communities and in collaboration with town staff and through engagement with implementation partners.

This section also includes recommendations for re-writing the Town's Land Use Management Ordinance. The ordinance was prepared in an era of suburban development, has not been fully updated in decades, does not address contemporary development types and is seen as inefficient and discouraging to the type of development Chapel Hill seeks. It is recommended that a comprehensive rewrite be undertaken, with the first phase addressing use districts needed to advance TOD in the NSBRT Corridor as well as the type of housing and mixed use development expected in other locations across Chapel Hill.

A management matrix includes key implementation actions, timelines and responsibilities.

10. Affordable Housing

Existing Policies & Programs

There are several strategies the Town can use to expand, protect, and diversify housing provision and promote affordability. The section provides an overview of the Town's existing policies and programs, and those currently being developed for implementation.

This section also recommends programs, policies and strategies that could be implemented to protect and expand the supply of both affordable and missing middle housing. This toolkit has been prepared in direct response to conditions and opportunities in the NSBRT TOD Corridor. Many tools can also be applied to other Focus Areas.

Existing Policies and Programs

Chapel Hill has many policies and programs in place to create and preserve affordable housing.

Housing Development

- The Town manages 336 public housing apartments across Chapel Hill and Carrboro
- The Town leverages publicly-owned land for new, affordable housing developments, such as at Trinity Courts near Umstead Road.

Housing Programs

- Home Buyer Assistance and Rental Assistance Programs assist Town employees secure housing in and around Chapel Hill
- A Transitional Housing Program assists low-income families transition from the Town's public housing to the private market

Funding Mechanisms

- Chapel Hill voters approved a \$10M affordable housing bond in 2018
- The Affordable Housing Development Reserve provides annual funding from the Town's general fund
- The Town of Chapel Hill receives CDBG and HOME funds from the federal government

Planning and Regulation

- An Affordable Housing Development Fund uses in-lieu payments from developers toward affordable housing
- The Manufactured Homes Action Plan addresses redevelopment threats facing manufactured home communities in Orange County
- The Affordable Housing Preservation Strategy Framework sets forth approaches to maintaining Naturally Occurring Affordable Housing (NOAH) units
- There is expedited review for affordable housing projects

Zoning Policies

- Inclusionary Zoning Ordinance mandates that larger for-sale developments in most districts set aside 15% of units as affordable (10% in downtown)
- The Town negotiates affordable units or in-lieu payment as part of conditional rezoning applications for rental housing developments
- Single-family unit accessory apartments are allowed by right in many districts.

Partnerships and Coalitions

- The Orange County Affordable Housing Coalition strives to foster collaboration among providers, local governments, and advocates
- The Northside Neighborhood Initiative acquires and sells properties for affordable housing as part of a community land bank strategy
- The Town provides operational support to Community Home Trust which has developed an inventory of permanently affordable for-sale homes.

Town Policies and Programs in Development

The Town of Chapel Hill is in the process of piloting or implementing new housing policies and programs, including the following.

Housing Development

- Exploring redevelopment of public housing sites to add density
- Identifying additional publicly-owned sites that could be used for affordable housing
- Establishing a pipeline of affordable housing tax credit projects

Housing Programs

- Establishing a revolving loan fund for affordable housing programs

Funding Mechanisms

- Exploring additional funding mechanisms for affordable housing preservation and development, such as collaborations with regional or national non-profit developers and financial intermediaries, such as the Local Initiatives Support Corporation.

Planning and Regulation

- Reviewing options for expediting the review process for affordable housing projects

Zoning Policies

- Re-examining affordable housing incentives, such as density bonuses
- Updating the LUMO to better foster the preservation and creation of affordable housing units
- Exploring LUMO text amendments to expand housing choices in neighborhoods

Partnerships and Coalitions

- Expanding acquisition and development strategies to include UNC, UNC Health, private financial institutions, and other partners.

Potential Future Transit and Affordable Housing Policies and Programs

The Town of Chapel Hill can continue facilitating residential development and redevelopment around the proposed NSBRT stations.

Housing and transportation costs are generally the two biggest expenditures for households. Locating additional housing along the NSBRT will help households reduce their transportation costs and also increase transit ridership. Households along the proposed BRT route could use these savings to increase their spending on goods and essential services, plan for large or unexpected expenses, and/or build household wealth.

Nearly six out of ten renter households in Chapel Hill are cost-burdened. A diversity of housing is required to meet the needs of Chapel Hill residents at different ages, life stage and incomes. The North-South BRT and TOD analysis along the corridor have identified opportunities for housing development that can address housing affordability challenges in Chapel Hill. The Town can encourage a variety of residential typologies, both ownership and rental housing, while also supporting greater affordable housing production.

Several of the programs, policies and strategies implemented within TOD station areas can also be extended Town-wide to address affordability challenges in a variety of locations.

Potential Future Housing Development Policies and Programs

Developer Outreach

Affordable housing developer feedback gathered as part of this planning process has identified that they have been discouraged from undertaking projects in Chapel Hill due to the Town's regulatory processes. As the Town updates its development review process, including an expedited review of affordable housing projects, the Town can promote opportunities directly to housing developers. Town staff can also play an active role in connecting developers, funders, and service providers. This will include identifying local

and regional developers willing to undertake affordable or missing middle development, as well as actively marketing development opportunities, revised entitlement processes, and available incentives.

Strategic Disposition

The Town of Chapel Hill already leverages Town-owned land for affordable housing projects and is continuing to identify other opportunities within its existing land inventory. As the Town explores partnerships with UNC and UNC Health to ease housing development challenges, it could also identify mission-driven landowners (e.g., religious institutions) with surplus land holdings for joint initiatives.

Around the country, churches and nonprofits are partnering with municipalities to build affordable housing. These partnerships allow the public sector and mission-driven landowners to have significant control over what ultimately gets developed on a site, while activating underutilized sites. As the Town identifies potential partners, it will be important to discuss redevelopment strategies that align with the Town's housing objectives, as well as how the Town can assist in development efforts. When working with potential partners, the Town should identify and address any potential zoning or regulatory barriers that could impede housing development.

The Town can issue competitive requests for development proposal (RFP) on land it owns, or has a partnership interest in. Requests for developer proposals can specify the housing types, affordability requirements and other site objectives as selection criteria. Upon selection, the land ownership can be transferred or development can occur under a long-lease arrangement. Furthermore, public- or partner-owned land could be provided to developers at a discount to incentivize the private sector to address unmet housing needs (affordable, senior, or missing middle housing development, etc.).

Strategic Acquisition

In addition to evaluating the suitability of its existing land holdings for affordable housing, the Town could also consider strategically acquiring sites for the same purpose. Typically, this would require the Town to meet a seller's valuation for the site. The Town could consider key sites in NSBRT station areas and other Focus Areas, including larger vacant parcels and aging commercial centers. As a landowner, the Town could then undertake a disposition process, as outlined above, or undertake long-term preservation of any Naturally Occurring Affordable Housing (NOAH) units acquired.

Housing Programs

Revolving Loan Fund

The Town of Chapel Hill is currently exploring a revolving loan fund (RLF) for affordable housing. If a source of funding

is identified, a RLF could be used to support a variety of housing programs:

- **Naturally Occurring Affordable Housing (NOAH) Preservation.** Both property owners and renters could use a RLF to mitigate rent or property tax increases in areas experiencing rapid price appreciation. Larger organizations, including potentially the Town itself, could leverage a RLF to acquire NOAH projects for the purpose of long-term preservation of affordability. Both Durham and Wake County have recently started loan programs to finance the acquisition and preservation of naturally occurring affordable housing.
- **Property Rehabilitation.** Property owners could use a RLF to finance major property improvements, including ADU construction or accessibility improvements. Older structures—which often serve as a form of naturally-occurring affordable housing—are generally in most need of rehabilitation. Greensboro has programs in place that provide low-interest loans to homeowners for housing rehabilitation and to landlords for rental housing improvements.
- **New Affordable Housing Construction.** A RLF can provide bridge loans for affordable housing developers. In particular, a RLF could be used to finance land acquisition and would subsequently be repaid once tax credits or other project financing is obtained.
- **Homeownership Assistance.** A RLF can provide additional financing between what a borrower can obtain in private financing and the total amount needed to purchase a house. A RLF can thereby help increase access to homeownership. However, given the high housing prices in Chapel Hill, a typical revolving loan amount would be unlikely to make a purchase attainable to low- and moderate-income households. To more effectively expand homeownership, an RLF would likely need to be paired with a community land bank strategy.

Regardless of the specific housing program, a RLF relies on interest payments and ultimately repayment from the borrower to replenish the fund. Those payments then allow the Town to issue additional loans. Typically, revolving rehabilitation loan funds have criteria such as home age, type of improvement, cost of improvement, or resident income. Recipients of the loan typically would not be able to receive a loan from a traditional bank, and loans are generally offered at lower interest rates.

Funding Mechanisms

Increased Affordable Housing Development Reserve

The Town dedicates a portion of its general fund for affordable housing programs. However, the annual Affordable Housing Development Reserve allocation has remained flat since 2015. The Town could consider increasing this reserve amount to expand housing programs and accommodate ongoing inflation and other cost increases.

Affordable Housing Bonds

In 2018, Chapel Hill voters approved a \$10 million bond to create and preserve affordable housing. This bond is the Town’s single largest source of funding for affordable housing. The Town could consider placing another bond on the ballot in order to fund future affordable housing development and/or transit improvements.

Tax Increment Financing

Tax increment financing (TIF, often called project development financing in North Carolina) is a way for a municipality to capture the property value increases associated with new development and redevelopment. Those captured revenues are then used to reinvest within the immediate area. In North Carolina, housing for people of low or moderate income is an authorized use of TIF revenues.

TIF is rarely used in North Carolina, likely in part to its perceived complexity, statutory limitations, and availability of alternative types of project financing. In North Carolina, a TIF district must consist of property that is blighted, deteriorated, undeveloped, inappropriately developed, or appropriate for conservation activities or economic development. To issue bonds or other debt instruments, a jurisdiction needs to get approval from the Local Government Commission. State law also limits the amount of a jurisdiction’s land area that can be placed in a TIF to no more than 5%. Should Chapel Hill pursue establishing a TIF, the Town will need to consider which area or areas could make the best use of the tool.

A synthetic TIF is an alternative strategy that includes pledging a portion of future incremental revenues to an area without a formal district in place. Operationally, a synthetic TIF functions similarly to an actual TIF. However, it is simpler and easier to establish, and eliminate, as needed.

Direct Impact Investments

Around the country, employers, financial institutions, and philanthropic foundations often provide financial support towards affordable housing. The Town of Chapel Hill could engage entities which are active locally to direct funds toward housing strategies that address unmet needs.

Planning and Regulation

Comprehensive Affordable Housing Plan

In addition to this NSBRT TOD planning study and its identification of affordable and workforce housing needs and cost burdened households, the Town of Chapel Hill has conducted several recent housing market studies in recent years, including the Housing Needs and Market Assessment (2017), Affordable Housing Gap and Economic Analysis (2017), and Projected Housing Needs, 2020-2040 (2021). To build on this past work and this plan, the Town should undertake a comprehensive planning effort that focuses specifically on affordable housing. This study would ideally develop an updated guide for the Town’s housing investments and regulatory programs

Expanded Community Land Bank

The Northside Neighborhood Initiative already operates a land bank which was funded through an initial \$10M loan from UNC. The land bank identifies properties for purchase and rehab, and then sells to nonprofits that develop affordable housing. To date, approximately 50 affordable units have been developed. The Town of Chapel Hill provides annual operating support as well as gap funding to buyers. Going forward, the Northside land bank could be expanded, or a new land bank could be established, to support affordable housing within Chapel Hill. The Town could assist this process by developing an inventory of the vacant property while pledging funding to acquire and clean parcels. Land bank property would provide low-cost opportunities for affordability in the NSBRT TOD station areas and Focus Areas.

Tenant Right Of First Refusal

Tenant right of first refusal laws are also designed to ensure long-term affordability. The Town of Chapel Hill should explore the feasibility of allowing tenant right of first refusal in any instance that NOAH properties—including manufactured home communities—are redeveloped. Tenants could then rent redeveloped units in the new building at the same rate as pre-redevelopment. North Carolina laws regarding rent control may limit the ability of jurisdictions to implement this policy (other than for public housing units, to which the policy already applies). The Town could attempt to negotiate a similar benefit as part of any rezoning agreement, as was done for the Glen Lennox redevelopment. Such agreements would only apply to a specific project rather than town-wide. If tenant right of first refusal is a viable option, the Town could also work to connect renters facing displacement with nonprofit organizations who can help renters organize or secure funding.

Zoning Policies

Procedural Changes

The stakeholder engagement process provide feedback that the complexity of the Town of Chapel Hill's development review process limits the production and supply of affordable housing by adding time, cost, and risk to projects. This restricts the ability of developers to meet funding deadlines, and prevent some developers from advancing projects.

The Town of Chapel Hill is currently piloting an expedited review process for affordable housing projects. This could be adopted permanently. This could be adopted as permanent change in processes. In addition, this could be expanded to streamline the development process for a wider range of residential projects that set aside a portion of units as affordable. Given high land prices and development costs in Chapel Hill, creating a more streamlined process could support the development of affordable housing.

In addition, the Town could consider increasing the size threshold that currently triggers a Council review process. The existing low threshold allows for very little by-right

development within Chapel Hill. Increasing the development area threshold would allow the typologies and densities expressed in the FLUM to be developed by-right; thereby reducing the entitlement process and providing more certainty to the development community.

Code-Based Incentives

As part of other zoning code updates, the Town of Chapel Hill could grant code-based incentives that support equitable development, such as reduced parking requirements or height and density variances in exchange for more affordable units or other public benefits. Incentives that are clearly articulated in the zoning code—rather than negotiated individually for each development—would provide certainty for the development community around trade-offs while streamlining the entitlement process. These code-based incentives could be piloted in certain areas—such as specific zoning districts or around transit stations—or could be applied to the whole of Chapel Hill.

By-Right Gentle Density in Neighborhoods

A substantial part of Chapel Hill's developed land area is zoned exclusively for single-family housing. The Town has legalized accessory dwelling units (ADUs) in these areas. Introducing additional "gentle density" into these neighborhoods—in the form of duplexes, triplexes, or small multifamily buildings—can gradually increase density over a longer period. These units would not be legally restricted as affordable but have historically served as a form of naturally occurring affordable rental housing and could offer homeownership at a lower price to many households by reducing a buyer's land costs. Many communities around the country, including Durham, have recently begun to allow duplexes and other moderate-density housing in districts previously zoned exclusively for single family housing. The Town of Chapel Hill is reviewing in 2023. Adoption is recommended.

Partnerships

Work with UNC to Expand Housing Options

Currently, UNC students compete with Chapel Hill residents for housing in campus-adjacent neighborhoods and elsewhere across Chapel Hill. At the same time, many university employees also cannot afford to live in Chapel Hill and add to the unusually high number of people commuting into the community. UNC could help address these challenges by supporting more housing development on its underutilized land holdings. The UNC Foundation advanced the Granville Towers/ University Square development on land it owned, within a public-private partnership structure.

The Town could also partner with UNC to identify sites and jointly attract housing and affordable housing developers. UNC-sponsored development does not have to be limited to student dorms. Around the country, there are successful examples of universities entering public-private partnerships to build investment-grade mixed-use residential projects. UNC and the Town could partner to develop housing to serve a wide variety of households.

11. Economic Development

Office Implementation Strategies

Continue Corporate Attraction and Retention Efforts

Over the last decade, Orange County's share of regional jobs has declined. During this period new office development in the region has primarily concentrated in Raleigh and Durham's downtowns, and around Research Triangle Park. The Town's Economic Development department actively works to attract office users and development to Chapel Hill. The Town could continue these efforts and market available incentive programs. Chapel Hill's economic base is heavily specialized in education and healthcare. There is potential to grow other sectors that are quickly growing regionally, particularly life sciences, engineering, and information technology. Many of these sectors would benefit from proximity to UNC's research, facilities and talent pool. The current life sciences research building proposed for West Franklin Street in downtown, is an example of a public-private partnership.

Cluster Office Development

How and where people work has been significantly impacted by the pandemic. Office users are continuing to move to higher-quality, Class A space, which is leading to declining occupancy in older buildings. Established city centers and other walkable areas are expected to keep growing as popular office locations, though they will likely have fewer office workers on a typical day. Chapel Hill is well positioned to capitalize on these trends. The Town of Chapel Hill could encourage office developments to cluster in key locations, particularly downtown, though some users will continue to desire more controlled, campus environments. At the same time, some of Chapel Hill's older office buildings may struggle to maintain occupancy. The Town could therefore proactively identify areas with a concentration of older or vacant office buildings. These areas may benefit from redevelopment to residential or another use rather than continuing to serve as office.

Capture Commercialization from UNC-Based Incubators

The Town of Chapel Hill and UNC partnered to create the Carolina Economic Development Strategy as a way to revitalize downtown Chapel Hill and promote economic development. As part of this strategy, the Town and UNC are working to create a downtown innovation district. As the Town of Chapel Hill continues to facilitate the innovation district, it could be proactive in retaining commercial users that have been incubated locally by assisting with local relocation efforts to nearby properties. LAUNCH Chapel Hill supports three cohorts of new ventures with a track record of market analysis, customer discovery and evidence of product/service-to-market fit, each year.

Retail Implementation Strategies

Activate Ground Floor at Key Locations

To support a vibrant pedestrian environment, The Town and its partners could promote active ground floor uses wherever possible. However, given recent retail trends, it is unlikely that retail can be supported throughout the Station and Focus areas. The Town could prioritize new, walkable retail development within the downtown and at station areas along the NSBRT with the highest projected ridership. In other places, Chapel Hill could promote alternative activation strategies. In new office and residential developments, amenity spaces, such as gyms, can activate the ground floor. If feasible from a financial and design standpoint, parking garages should limit exposure on the street-facing sides. Zoning tools or financial incentives could be applied.

Encourage Retail that Reflects Community Needs or Emerging Typologies

While certain retail categories in Chapel Hill are well supplied, there is unmet current or future demand in others, including general merchandise, furniture and home furnishings, and building materials. The Town and its partners could be proactive in attracting additional retail development within these sectors, as well as in value-, convenience-, and experience-focused sectors, which are all growing nationally.

Support Local Small and Minority-Owned Businesses

Chapel Hill has a strong retail market overall. However, certain areas—parts of downtown in particular—exhibit relatively high vacancies. The Town and its partners could encourage local small and minority-owned businesses to fill these spaces by connecting potential tenants with property owners and available resources. The Town could also encourage property owners to test alternative tenancing strategies, such as short-term leases or pop-ups. Through supportive services or incentives to businesses and property owners, the Town could help fill vacancies in high-visibility locations. This strategy would also activate more ground floor spaces, particularly in the downtown. The Downtown partnership and Chamber of Commerce can assist in this area.

Downtown Implementation Strategies

Downtown Chapel Hill would benefit from many of the land use strategies already discussed. There are additional downtown-specific strategies that could strengthen and support this part of the Town.

Add More Residential Downtown

The Town of Chapel Hill has a significant opportunity to support Chapel Hill's economic and commercial base by supporting residential development in and around downtown. This area will benefit from the forthcoming NSBRT improvements. Some residential projects have been built in the downtown recently, such as at the Franklin and Church intersection, and others are in the pipeline.

The Town could continue encouraging this development momentum, focusing particularly on projects that serve segments of the housing market beyond students. More residents in the downtown would foster a sense of community and increase the viability of different retail and commercial uses. With its proximity to jobs, transit and retail, downtown Chapel Hill is also best suited for higher-density development.

Provide Support and Incentives to Property Owners with High Visibility Vacancies

Retail and service offerings in the downtown have historically catered to students and UNC visitors. As the residential and employment bases in the downtown increase, there may be opportunity to enhance retail amenities such as yoga/fitness studios, small groceries, urban format general merchandise stores with food, clothing, homewares, pet services and pharmacies. In the meantime, the Town and its partners could also provide supportive services or incentives to businesses and property owners to fill high visibility vacancies in the downtown. New retail within the downtown should be developed in transit-supportive mixed-use formats, where possible. The Town should continue working with the Downtown Partnership and the Chamber of Commerce on programming and to attract and support businesses.

Expand Shared Parking Solutions

The Town of Chapel Hill should promote shared and flexible parking arrangements, leveraging parking garages in the downtown. Flexible downtown parking solutions would help accommodate a more diverse range of uses and make more efficient use of parking resources. More shared parking would also free up existing surface parking lots for more productive uses. To implement expanded shared parking, the Town could undertake the following:

- Quantify current inventory and demand for parking.
- Assess future demand based on study area development projections.
- Recalibrate the employee and visitor parking strategy within the downtown core.
- Develop a joint use parking policy to optimize use of available parking downtown.
- Allow and facilitate joint use parking arrangements in public and private garages to minimize construction of new parking spaces.

12. Land Use Management Strategies

The Land Use Management Ordinance (LUMO) regulates the permitted and prohibited land uses of a property and development of buildings and structures. It also has a substantial influence on the street, public realm, storm-water and environment outcomes linked to new development.

One of the key ways the Town can shape future development and implement Transit Oriented Development and achieve Comprehensive Plan Future Land Use Map goals for Focus Areas across Chapel Hill is through an update of the LUMO.

This plan was created through extensive stakeholder engagement and a detailed audit of Chapel Hill’s existing Land Use Management Ordinance and identification of recommendations to update the LUMO. Town staff, Council members, Advisory Board members, developers, environmental group and design community members were engaged.

Interviews, small group meetings and user surveys, along with investigation of comparable codes in other municipalities identified barriers to achieving goals and directions for the LUMO update.

LUMO Audit

Comprehensive Plan and the LUMO

The Town of Chapel Hill has a wide ranging and aspirational Comprehensive Plan. The most recent update includes Focus

Areas that overlap with the NSBRT TOD Corridor, as well as the 15-501 Focus Area and the NC-54 Focus Area. The update includes adopted. The update includes adopted mapped recommendations for uses, building typologies and heights. The LUMO and zoning map has yet to be updated to reflect these policy directions.

At the same time, the 2020 Future Land Use Map is acting as site guidance to applicants. However, the LUMO does not provide compatible standards or metrics.

The Comprehensive Plan does not provide guidance on priorities among multiple objectives. This also limits prioritization in the administration of the LUMO.

LUMO Content

The core LUMO is characterized by a generally suburban approach to land use patterns and development forms and an emphasis on auto transportation.

The use districts are missing a full range of contemporary uses relevant to the Town of Chapel Hill’s goals. Contemporary retail, food and beverage, entertainment uses are not wholly covered. Residential densities are generally low across all districts. There is a suburban approach to key dimensions such as lot sizes, setbacks and frontages.

Chapel Hill has a complex existing use district palette. Many districts have similar standards that do not differentiate significantly enough from one another to always warrant their

Selected Existing Use Districts and Regulations

| Zoning District | R-3 | R-4 | R-5 | R-6 | CC | N.C. | OI-1 | OI-2 |
|-------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| Lot Size (sq. ft min) | 5,500 | 5,500 | 5,500 | 5,500 | 5,500 | 5,500 | 5,500 | 5,500 |
| Density (units per acre max) | 7 | 10 | 15 | 15 | 15 | 10 | 10 | 15 |
| Frontage (min ft) | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 |
| Lot Width (min ft) | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 40 |
| Building Height, Setback (max feet) | 29 | 34 | 39 | 39 | 34 | 34 | 29 | 34 |
| Building Height, Core (max ft) | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 |
| Street Setback (min ft) | 24 | 22 | 20 | 20 | 22 | 24 | 24 | 22 |
| Interior Setback (min ft) | 8 | 8 | 6 | 6 | 8 | 8 | 8 | 8 |
| Solar Setback (min ft) | 11 | 9 | 8 | 8 | 9 | 11 | 11 | 9 |
| Impervious Surface Ratio (max)* | 0.5/0.7 | 0.5/0.7 | 0.5/0.7 | 0.5/0.7 | 0.5/0.7 | 0.5/0.7 | 0.5/0.7 | 0.5/0.7 |
| Floor Area Ratio (Max) | 0.162 | 0.23 | 0.303 | 0.303 | 0.0429 | 0.264 | 0.264 | 0.264 |
| Street Setback (max ft) | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

independence. For example, when comparing dimensional standards between higher intensity residential districts, commercial districts, and lower-intensity office/industrial districts, there are similar standards between similar districts.

The goal of the LUMO rewrite should be to understand where this differentiation has no impact on intended outcome, and consolidate or collapse unnecessary layers wherever possible, when they are not serving a clear purpose.

There are also disconnects between density and height regulations. Design standard provision is limited, and do not provide predictability and consistency. Environmental and sustainability objectives and requirements can also be updated to contemporary standards.

The LUMO offers few incentives for the desired development types, such as affordable housing or community benefits.

LUMO and Transit Oriented Development

The NSBRT Transit Oriented Development Corridor has provided an object lesson in identifying specific transit oriented development issues, as well as information relating to the operations of the LUMO generally. This is a diverse corridor, with a wide range of Chapel Hill development contexts.

Generally, TOD densities for BRT and rail routes range from 20-30 units per acre to support transit ridership, while studies have shown that minimum densities for residential development along regular bus routes need to be at least 7-12 units per acre.

The corridor includes a wide selection of the LUMO's use districts, with the general issues identified above. Previous mapping, and the accumulation of individual development approvals has led to fragmented frameworks. The zoning map does reflect the possibilities of TOD generally. It also does not reflect the context for different station types.

Age of LUMO and Multiple Modifications

The last comprehensive update of the LUMO was some decades ago. The LUMO has been subject to multiple modifications, and as a result it has lost clarity and direction. The resulting fragmented structure also hinders user navigation.

Disconnects between the Comprehensive Plan and the LUMO, and internal issues with the LUMO itself combine to mean that the LUMO no longer achieves the Town's desired land use patterns, transit oriented development, affordable housing, resiliency and equity. Goals for development are being pursued on a case-by-case basis through development review.

Decision-Making Processes

Stakeholders and users of the LUMO are seeking consistency, predictability, clarity and efficiency, with appropriate levels of flexibility in the decision-making process.

The 20,000-sq.ft. land disturbance threshold for placing developments into a development and design review process, is considered by many to be too low because it brings projects into development review that would more typically be addressed administratively, and more quickly, by staff.

The zoning and development review is considered to be a lengthy process. Once initiated, there are multiple advisory boards to be navigated. Stakeholders reported that the topics within the responsibility of each board were not always clear or respected. There is a reported lack of clarity on the differing advisory or formal and legal roles of individual boards. The review processes are also linear, with little concurrent review or coordination between boards.

The Need to Update the LUMO

There are now several reasons to update the LUMO, including:

- To advance Complete Community objectives – defined through a recent town-wide public engagement process.
- Reflect best practices in land use guidance and regulations.
- To reflect the 2020 Future Land Use Map update to the Comprehensive Plan, which was developed with reference to transit oriented development potential.
- To achieve NSBRT TOD potential and objectives identified in this plan.

Supporting Transit Oriented Development through the LUMO

The Town of Chapel Hill has options to enable and encourage Transit Oriented Development. These have some overlap.

Sustainability, protection of natural resources, green buildings.

Option 1. Modifying Existing Use Districts

Chapel Hill has a set of use districts that lean towards TOD densities and uses. Existing use districts most relevant TOD principles and objectives include the following.

- Town center: TC-1, TC-2 and TC-3
- Mixed-use residential districts: MU-OI-1 and MU-R-1
- Mixed-use village districts: MU-V and MU-V-CZD
- Residential: R-4, R-5 and R-6
- Residential Conditional: R-SS-CZD

Existing use districts would need to be modified to reflect the use, density, massing, and site design sustainability and green building considerations provided by the FLUM and this TOD corridor planning process and the Complete Community Initiative. Consolidation may be required to address the broader LUMO issues identified above. The Town's policy restricting expansion of MU-OI-1 and MU-R-1 districts [3.5.1(a)] may need to be revisited.

If the Town chooses to approach TOD implementation through adjustment to the existing base zoning districts identified above, the following modifications by district should be considered as part of the comprehensive LUMO update process.

Mixed-use Village (MU-V/MU-V-CZD; collector and arterial)

- A by-right density increase (minimum 30 DU/AV) for both collector and arterial context, or density bonus incentives for affordable units, voluntary parking reductions, recreation requirements where a greenway or side path connects to a transit hub
- Increase Floor Area Ratio (FAR) or other density tool
- Require build-to on a percentage of frontage length, or apply a maximum setback from street
- Consider defining design characteristics of outparcels, to reflect the character desired by the Town
- Consider lowering parking requirements (from 50%) or adding a parking maximum to cap land developed for this purpose
- Consider increase to impervious surface ratios if Low Impact Developments (LID) treatments are approved, and, or, minimum tree canopy retention increased
- Integration of streetscape and mobility design standards that reflect preferred TOD corridor cross-sections, with particular attention paid to the pedestrian realm and enhanced connectivity and safety tied to increased densities

Mixed-use Residential (MU-R-1)

- Adjustments to mixed-use ratios and square footage requirements
- Increased height requirements
- Reduce parking area setback requirements (from 75 feet)
- Consider lowering parking requirements (from 80%) or adding a parking maximum to cap land developed for this purpose

Mixed-use Office/Institution (MU-OI-1)

- Adjustments to mixed-use ratios and square footage requirements, incentivizing higher residential densities
- Reconsider perimeter setbacks (maximum 50 feet from street, interior)
- Consider lowering parking requirements (from 80%) or adding a parking maximum to cap land developed for this purpose

Town Center 1, 2, and 3

- Consider consolidation – Town Center (TC) with height sub districts
- No density max presently set; consider adding density minimums
- Allow for density bonus incentives when affordable units exceed minimum set-aside
- Increase FAR - from above the current 2.0 minimum for TC-1 and TC-2
- Integration of streetscape and mobility design standards that reflect preferred TOD corridor cross-sections, with particular attention paid to the pedestrian realm and enhanced connectivity and safety tied to increased densities

Residential (R) 5, 6

- Consider density increase to 20 DU/AC when district is located along corridor
- Increase core height allowance
- Reduce minimum street setbacks and consider addition of a maximum setback
- Increase FAR (above 1 minimum).

The following types of development that have been identified as meeting the housing and economic needs of the Town through the TOD assessment will need to be evaluated against the current dwelling types permitted by district in the LUMO to address overlap or the need to expand the use list. They will also need to be clearly defined in the ordinance:

Development Types and Future Requirements

| New Development Type | Existing Development Types Applicable (from Use Table) | Considerations |
|---------------------------|--|--|
| Town-scale single family | Dwelling Units, single family | Need to clearly identify characteristics of "town-scale" through new definition/use group/building type |
| Townhomes | Dwelling units, duplex Dwelling units, triplex | May want to expand use groups to include attached dwellings (beyond a triplex) |
| Missing middle apartments | Dwelling units, multifamily, 3 to 7 units | Development type could be expanded to provide more specificity on where and how applied; need to clearly identify characteristics through new definition/use group/building type |
| Four story apartments | Dwelling units, multifamily, over 7 dwelling units | Development type could be expanded to provide more specificity on where and how applied; need to clearly identify characteristics through new definition/use group/building type |
| Podium apartments | Dwelling units, multifamily, over 7 dwelling units | Will need to expand on existing use group through new definition or building type to identify characteristics of "podium" and what sets this apart from "mixed" below |
| Eight story apartments | Dwelling units, multifamily, over 7 dwelling units | Will need to expand on existing use group through new definition or building type to identify characteristics of "mixed" and what sets this apart from "podium" above |
| Corridor Retail | - | Could be comprised of a number of uses that exist in the use table today, or create an umbrella category that encompasses the retail, sales and service uses that are characteristic of arterial and collector corridors |
| Four to five story office | - | LUMO would benefit from a definition of "office/professional office" |
| Seven story office | - | |

Modified versions of existing districts have been applied to NSBRT Corridor. They could be applied more intentionally in the following Corridor segments and Focus Areas.

Existing Zoning Applicability

| Station/Focus Area | Existing Zoning to Support TOD (with modifications) |
|------------------------------|---|
| Martin Luther King Jr. North | MU-OI-1, MU-V/MU-V-CZD (C, A, and L), R-5 |
| Martin Luther King Jr. South | R-5 |
| Downtown | R-5, R-6, R-SS-CZD, TC-1/TC-1-CZD, TC-2/TC-2-CZD, TC-3/TC-3-CZD |
| South Columbia | R-5, MU-V-CZD (C, A, and L) |
| 15-504 | MU-R-1, MU-V-CZD (C, A, and L) |
| NC-54 | R-5, MU-OI-1, MU-R-1 |

Densities in all the existing districts identified should be increased either by-right or through density bonus incentives. Onsite parking requirements should be minimized or eliminated wherever possible. Where onsite parking is required, it should be located the side or rear of structures and not facing transit stations or primary streets. Access to garages, and servicing should be from the interior of the site or alleys.

Design requirements should integrate high quality public realm, landscaped transition areas, significant tree canopy, clearly delineated sidewalks, walkways, crossings and refuges to create a comfortable environment for pedestrians.

These modified zones could be used as a basis for rezoning applications by owners. They can also be used by the Town of Chapel Hill to proactively rezone properties in NSBRT station areas to align them with TOD objectives.

The existing TOD district language in Section 3.5.4 of the LUMO could evolve to create clarity in the implementation of FLUM policy as well as to achieve TOD opportunity site objectives set out in this plan.

In the event the Town of Chapel Hill approaches TOD implementation through the creation of a TOD overlay or the creation TOD use districts as set out below, the above considerations should be addressed to support compact site development, increased density, walkability, connectivity, access to transit and high quality public realm.

Option 2. TOD Overlay District

Transit Oriented Development (TOD) overlay districts are an additional layer of zoning that is applied to existing or underlying base zoning. They typically encourage or require specific development characteristics and design features that support transit, and often provide incentives in the form of additional density of height. Affordable housing is also often included. This can also be aligned with the Complete Community, Everywhere to Everywhere vision for transportation greenways.

TOD Overlay districts can include provisions for:

- Moderate and higher-density development within walking distance of transit stations to increase transit ridership.
- A wider range of housing options for households across income levels and people across age groups.
- A minimum proportion of affordable or workforce housing.
- A mix of uses, typically with retail and community service clusters that meet the needs of people in immediate stations areas, and others station areas connected to them by transit.
- Creating attractive, walkable and bike-able streets.
- Reducing parking provision, on the basis that people can use other modes of transportation, and substituting floor spaces with homes.
- An integrated everywhere to everywhere Transportation Greenways system.

In Chapel Hill's case, the limitations of existing use districts in the LUMO, the presence of low density residential zones in some areas, and zoning fragmentation in others mean an overlay would have limited utility today. However, a TOD overlay could be applied to updated underlying zoning.

Option 3: New TOD Use Districts

The Town of Chapel Hill could create new TOD districts. These would set uses, mix of uses, densities, heights, setbacks, frontages and parking requirements, among other factors that are relevant to a TOD corridor. A set of TOD use districts could be established to reflect different TOD contexts. New districts would can reflect the use, density, massing, site design, sustainability and green building considerations provided by the FLUM, this TOD corridor planning process and the Complete Community Initiative.

- TOD Hub: where multiple forms of transportation intersect with bus rapid transit, creating vibrant, mixed-use hubs meeting the needs of multiple audiences and neighborhoods.
- TOD Corridor: a greater emphasis on residential development, missing middle housing and amenities and services to meet the needs of people in the station area.
- TOD Downtown: Chapel Hill's downtown district, with a wide array of activities and housing, economic development and visitor goals.
- TOD Institution: Recognizing a predominantly higher education, research and health-care context.

Updating the LUMO

The above recommendations on supporting TOD can also be integrated into a wider update of the LUMO. Options for updating the LUMO are as follows.

Option 1: Targeted Update

This approach focuses on priority content issues, or those which are the most out of date. The advantage of this approach is a focused work-effort and the potential for speed. There are challenges in that central objectives that tie a good code together may be missing. Overall clarity may not be enhanced, and internal conflicts between sections may be left unresolved. This approach works best where the underlying code was updated recently.

Option 2: Sequential Update

In this approach, the code is updated chapter by chapter in an agreed order. This is allied to a holistic overview of the overall recommendations. This approach uses a pre-established framework to work from, and an organized review and editing process. There can be inefficiencies, with updating shared content multiple times, limits to flexibility, and a lengthy process.

Option 3: Comprehensive Approach

A comprehensive re-write addresses content and process in an integrated way. This can update the organization and structure of content in line with a municipality's mission and vision, along with an update of the zoning administration and development review and approval process. A holistic view of land development standards can be linked to overlay and incentive approaches. This is a substantial process, and is usually undertaken where the existing code is out of date or unresponsive to current conditions. Significant public engagement, along with support and training for staff, stakeholders, and elected officials is required.

A comprehensive update of the Town of Chapel Hill LUMO is recommended given the extent of content and process issues that have been identified.

An approach that clearly delineates visioning and objectives, and technical execution is recommended. Substantial engagement across multiple planning initiatives in recent years provides rich insight into the matters to be addressed. This includes the adopted Comprehensive Plan Update, Future Land Use Map, this Shaping our Future TOD Corridor and Focus Area Planning process and the Complete Community initiative.

It is recommended that a LUMO Vision be finalized, and then followed by substantial initial draft update for review and engagement in 2023, with a view to completion and adoption in 2024. This should include an illustrative palette of development typologies that clearly identifies massing, height, and façade characteristics the Town would like to see generated across zoning districts. While this recommendation applies broadly to the LUMO rewrite, design guidelines or requirements specific to transit-oriented development should be identified and provide evidence in support of quantitative and dimensional modifications to zoning districts or in the creation of new TOD districts or a TOD overlay.

Recommendation

A comprehensive update of the Town of Chapel Hill LUMO is recommended given the extent of content and process issues that have been identified.

Substantial engagement across multiple planning initiatives in recent years provides rich insight into the matters to be addressed. This includes the adopted Comprehensive Plan Update, Future Land Use Map, this Shaping our Future TOD Corridor and Focus Area Planning process and the Complete Community initiative. The Town of Chapel Hill is well down the path towards identifying area of the LUMO that require a substantial rewrite.

An approach that clearly delineates a visioning and objectives confirmation step, and then a direction to advance technical execution by specialist consultants and staff is recommended. It is recommended that a LUMO Vision be finalized, followed by substantial initial draft update for review and engagement in 2023, with completion and adoption in late 2024 or early 2025.

This update should include an illustrative palette of development typologies that clearly identifies placement, massing, height, façade characteristics the Town would like to see generated across zoning districts. While this recommendation applies broadly to the LUMO rewrite, design guidelines or requirements specific to transit-oriented development should be identified and provide evidence in support of quantitative and dimensional modifications to zoning districts or in the creation of new TOD districts or a TOD overlay.

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13. Implementation Actions, Timeline and Partners

| Action Area | Strategy | Program, Policy, Investment | Timetable: 2023-2024 | Timetable: 2025-2030 | Lead Department of Division | Implementation Partners | Implementation Partners |
|---|---|--|----------------------|----------------------|-----------------------------|-------------------------|-----------------------------------|
| Affordable Housing | | | | | | | |
| Town Policies and Programs in Development | | | | | | | |
| | Housing Development | | | | | | |
| | | Explore redevelopment of public housing sites to add density | | | Public Housing | Planning | |
| | | Identify additional publicly-owned sites for affordable housing | | | Public Housing | Planning | |
| | | Establishing a pipeline of affordable housing programs | | | Affordable Housing | Planning | Private and non-profit developers |
| | Housing Programs | | | | | | |
| | | Establish a revolving loan fund for affordable housing projects | | | Affordable Housing | Planning | Private and non-profit developers |
| | Funding Mechanisms | | | | | | |
| | | Explore additional funding mechanisms and partnerships | | | Affordable Housing | Public Housing | Private and non-profit developers |
| | Planning and Regulation | | | | | | |
| | | "Gentle density" ordinance, to increase densities in the lowest density zoning districts | | | Planning | DEI | |
| | Zoning Policies | | | | | | |
| | | Re-examine affordable housing incentives, such as density bonuses | | | Planning | Affordable Housing | DEI |
| | | Update LUMO to better foster the preservation and creation of affordable housing | | | Planning | Affordable Housing | DEI |
| | | Explore LUMO text amendments to expand housing choices in neighborhoods | | | Planning | Affordable Housing | DEI |
| | Partnerships and Coalitions | | | | | | |
| | Expand acquisition and development strategies to include partnerships | | | Affordable Housing | Town Manager | | |
| Potential Future Policies and Programs | | | | | | | |
| | Extend Developer Outreach | | | | | | |
| | | Promote Town opportunities to affordable housing developers | | | Affordable Housing | Town Manager | DEI |
| | Increase Strategic Disposition | | | | | | |
| | | Existing TOCH land inventory | | | Affordable Housing | Town Manager | Planning |
| | | UNC/UNC Health Partnerships | | | Affordable Housing | UNC/UNC Health | Planning |
| | | Mission driven landowners | | | Affordable Housing | Town Manager | Planning, DEI |
| | | Developer RFP Processes | | | Planning | Affordable Housing | Town Manager, DEI |
| | Advance Strategic Acquisition | | | | | | |
| | | Vacant parcels, aging commercial centers | | | Planning | Town Manager | Economic Development, DEI |
| | | Preservation of Naturally Occurring Affordable Housing (NOAH) units | | | Affordable Housing | Town Manager | Planning, DEI |

| Action Area | Strategy | Program, Policy, Investment | Timetable: 2023-2024 | Timetable: 2025-2030 | Lead Department of Division | Implementation Partners | Implementation Partners |
|---|---|-----------------------------|----------------------|----------------------|-----------------------------|-------------------------|-------------------------|
| Establish a Revolving Loan Fund | | | | | | | |
| | Naturally Occurring Affordable Housing (NOAH) Preservation. | | | | Affordable Housing | Town Manager | |
| | Property Rehabilitation | | | | Affordable Housing | Town Manager | DEI |
| | New Affordable Home Construction | | | | Affordable Housing | Town Manager | DEI |
| | Homeownership Assistance | | | | Affordable Housing | Town Manager | |
| Increase Funding Mechanisms | | | | | | | |
| | Increased Affordable Housing Development Reserve | | | | Affordable Housing | Town Manager | |
| | Affordable Housing Bonds | | | | Affordable Housing | Town Manager | |
| | Tax Increment Financing | | | | Affordable Housing | Town Manager | DEI |
| | Direct Impact Investments | | | | Affordable Housing | Town Manager | DEI |
| Update Planning and Regulation | | | | | | | |
| | Comprehensive Affordable Housing Plan | | | | Affordable Housing | Planning | Town Manager, DEI |
| | Expanded Community Land Bank | | | | Affordable Housing | Planning | Town Manager, DEI |
| | Tenant Right of First Refusal | | | | Affordable Housing | Town Manager | |
| Rewrite Zoning Policies | | | | | | | |
| | Procedural Changes | | | | Planning | Town Manager | |
| | Code-based incentives | | | | Planning | Affordable Housing | DEI |
| | By-Right Gentle Density in Neighborhoods | | | | Planning | Affordable Housing | DEI |
| Enhance Partnerships | | | | | | | |
| | Work with UNC to Expand Housing Options | | | | Affordable Housing | Town Manager | |
| Economic Development | | | | | | | |
| Office Implementation Strategies | | | | | | | |
| | Continue Corporate Attraction and Retention Efforts | | | | Economic Development | Chamber of Commerce | |
| | Cluster Office Development | | | | Economic Development | Planning | |
| | Capture Commercialization from UNC-Based Incubators | | | | Economic Development | UNC | |
| Retail Implementation Strategies | | | | | | | |
| | Active Ground Floor at Key Locations | | | | Economic Development | Downtown Partnership | Chamber of Commerce |
| | Encourage Retail that Reflects Community Needs or Emerging Typologies | | | | Economic Development | Downtown Partnership | Chamber of Commerce |
| | Support Local Small and Minority-Owned Businesses | | | | Economic Development | Downtown Partnership | Chamber of Commerce |

| Action Area | Strategy | Program, Policy, Investment | Timetable: 2023-2024 | Timetable: 2025-2030 | Lead Department of Division | Implementation Partners | Implementation Partners |
|---|---|-----------------------------|----------------------|----------------------|------------------------------|-------------------------|-------------------------|
| Downtown Implementation Strategies | | | | | | | |
| | Add More Residential Downtown | | | | Planning | Affordable Housing | |
| | Provide Support and Incentives to Property Owners with High Visibility Retail Vacancies | | | | Economic Development | UNC | |
| | Expand Shared Parking Solutions | | | | Economic Development | UNC | |
| Pedestrian and Bike Enhancements | | | | | | | |
| | NSBRT Station ADA Improvements | | | | Chapel Hill Transit | Public Works | |
| | NSBRT Station Area Improvements | | | | | | |
| | Pedestrian Improvements | | | | Transportation Planning, DEI | Chapel Hill Transit | Public Works |
| | Bicycle Improvements | | | | Transportation Planning, DEI | Chapel Hill Transit | Public Works |
| | NSBRT Station last mile connections | | | | | | |
| | Pedestrian Improvements | | | | Transportation Planning, DEI | Chapel Hill Transit | Public Works |
| | Bicycle Improvements | | | | Transportation Planning, DEI | Chapel Hill Transit | Public Works |
| | 15-501 Focus Area | | | | | | |
| | Pedestrian Improvements | | | | Transportation Planning, DEI | Public Works | |
| | Bicycle Improvements | | | | Transportation Planning, DEI | Public Works | |
| | NC-54 Focus Area | | | | | | |
| | Pedestrian Improvements | | | | Transportation Planning, DEI | Public Works | |
| | Bicycle Improvements | | | | Transportation Planning, DEI | Public Works | |
| | Transportation Greenways | | | | | | |
| | Pedestrian Improvements | | | | Transportation Planning, DEI | Public Works | |
| | Bicycle Improvements | | | | Transportation Planning, DEI | Public Works | |

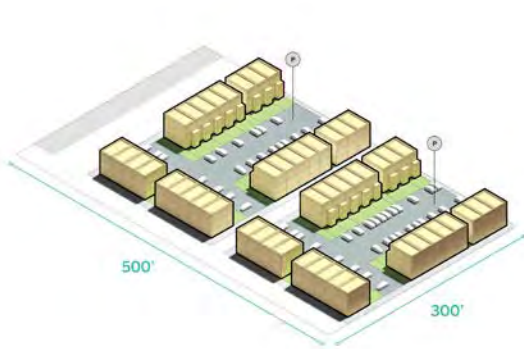
| Action Area | Strategy | Program, Policy, Investment | Timetable: 2023-2024 | Timetable: 2025-2030 | Lead Department of Division | Implementation Partners | Implementation Partners |
|---------------------------------------|--|-----------------------------|----------------------|----------------------|-----------------------------|-------------------------|---|
| Land Use Management Strategies | | | | | | | |
| | Complete LUMO Audit | | | | Planning | | |
| | Complete Town of Chapel Hill Planning Assessment | | | | Planning | Town Manager | |
| | Establish technical team: staff and consultants | | | | Planning | Town Manager | |
| | Confirm LUMO Vision and Objectives | | | | Planning | Town Manager | |
| | Establish design guidelines | | | | Planning | Town Manager | Sustainability |
| | Prepare technical draft: Comprehensive LUMO rewrite | | | | Planning | Town Manager | Sustainability, Affordable Housing, Public Works, Parks Rec, Fire & Other |
| | Draft administrative and development review process | | | | Planning | Town Manager | |
| | Engagement and review | | | | Planning | | |
| | Final draft: Comprehensive LUMO rewrite | | | | Planning | Town Manager | |
| | Final Consultation | | | | Planning | | |
| | Adoption: Comprehensive LUMO rewrite | | | | Planning | | |
| | Zoning map/atlas update | | | | Planning | Town Manager | |

Appendix

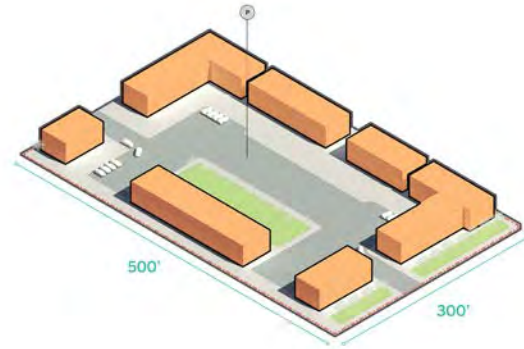
Development Typologies

This appendix provides information on the development typologies that have been used to explore and organize and concepts for opportunity sites within the NSBRT Corridor and across Focus Areas. The typologies include a range of housing types and mixed-use buildings, retail and office buildings.

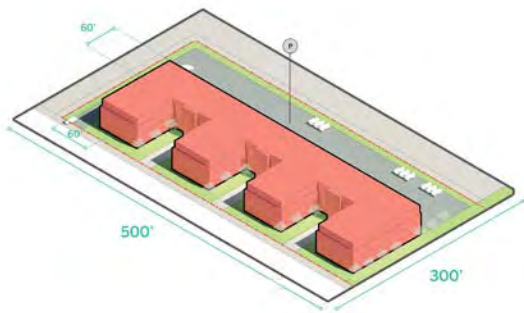
The typologies reflect those identified by the Charting our Future, Future Land Use Map (2020) as appropriate for the NSBRT Corridor and Focus Areas. The future housing demand forecast prepared as a foundational component of this plan identified multi-family, missing middle and single family attached/townhome housing needs.



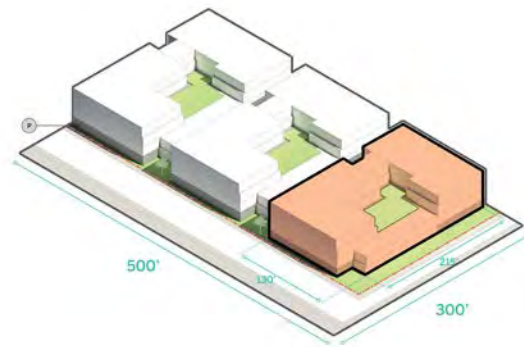
Townhomes
15-20 Net Du/Ac



Missing Middle Apartments
25-30 Net Du/Ac

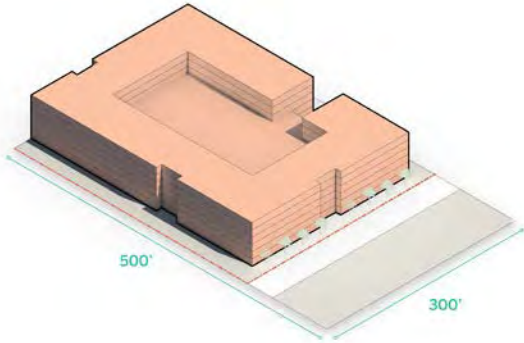


4 Story Apartment (Rear Parking)
40-50 Net Du/Ac

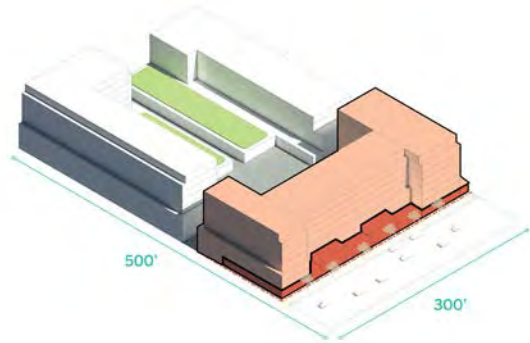


Podium Apartment
50-60 Net Du/Ac

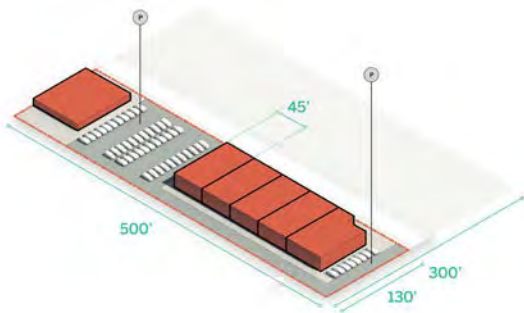
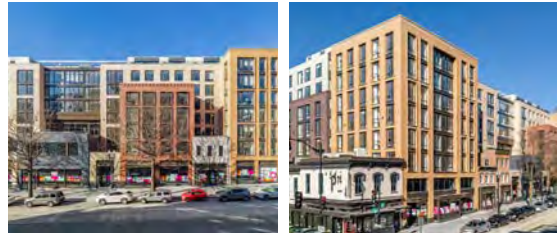




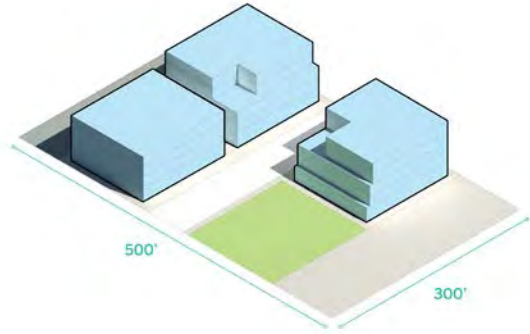
Wrap-around Apartment
60-80 Net Du/Ac



8 Story Mixed Use Apartment
80-150 Net Du/Ac



Corridor Retail

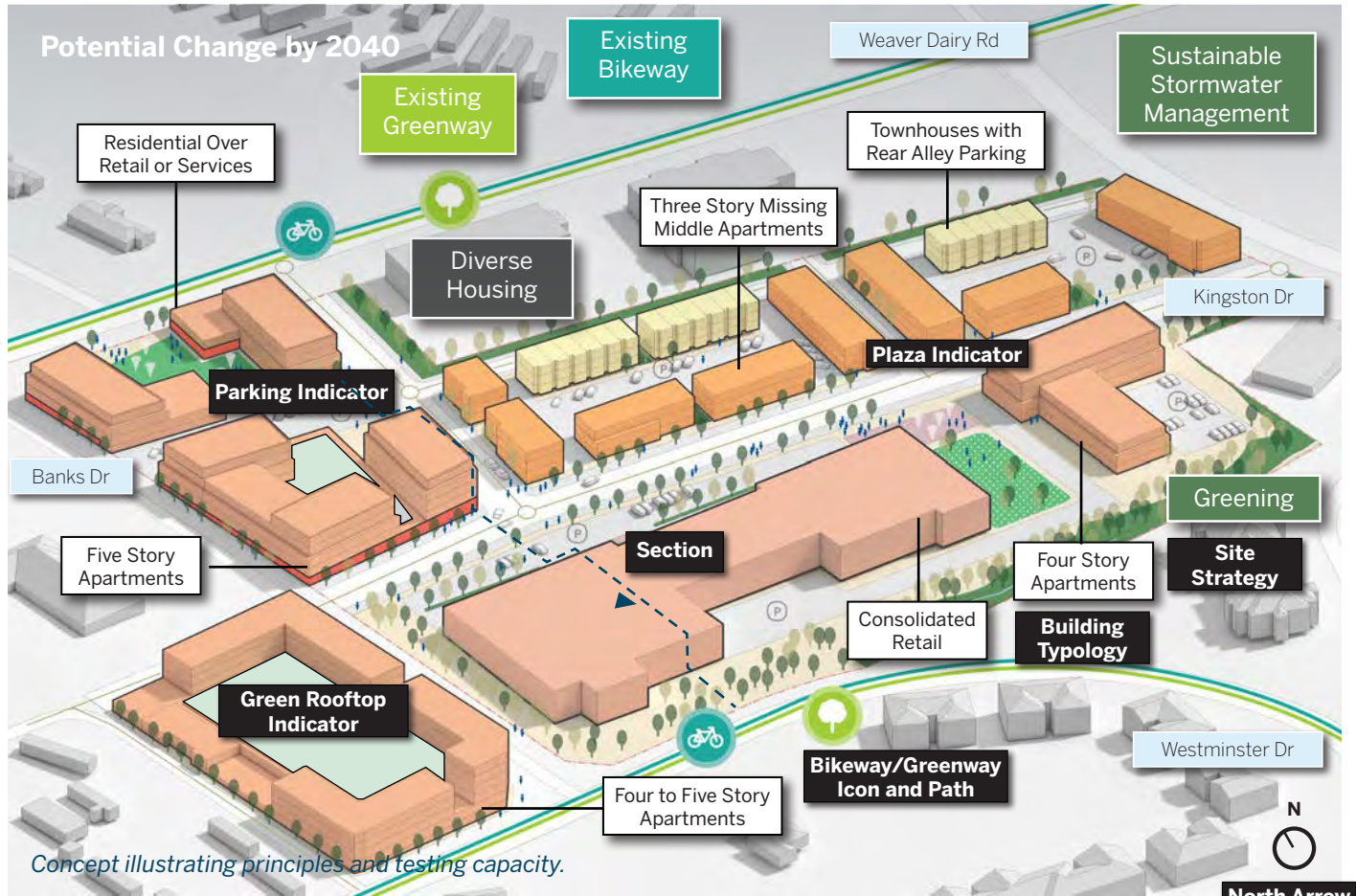


4-5 Story Office



Interpreting Site Concepts

Site Concept



This plan includes concepts illustrating how the Town's Values and principles identified in Chapter 2 can be applied at previously opportunity locations.

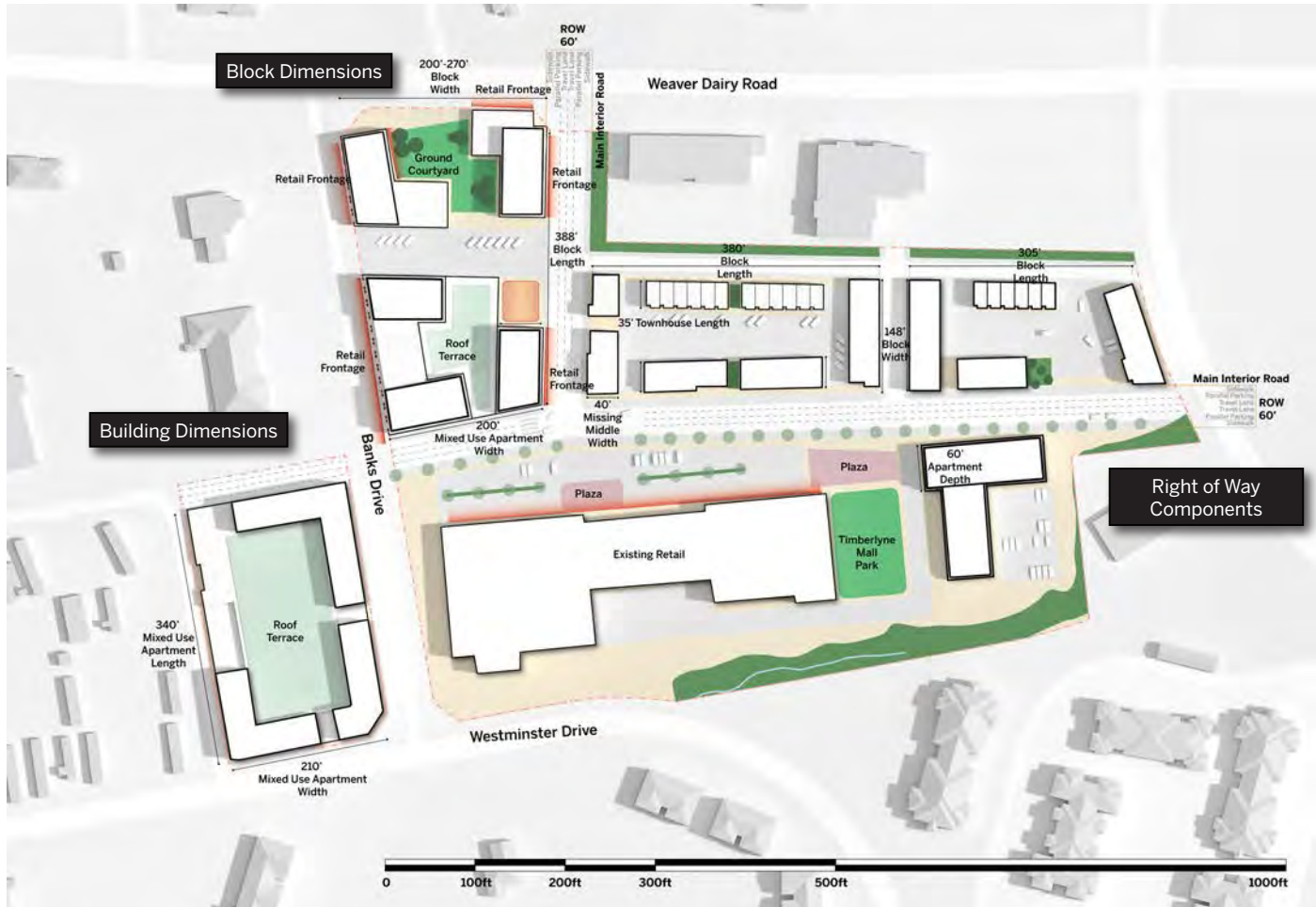
Concepts show how human scaled development blocks, a range of different housing and mixed use development types, a porous networks or walkable streets, an active public realm, open spaces, habitat and sustainable storm-water management can be achieved.

Concepts also test future development capacity, providing evidence for future NSBRT ridership and TOD potential in the NSBRT Corridor, as well as growth capacity in other Focus Areas.

A legend provides information on what graphic symbols mean. Labeling includes a selection of local streets to assist with orientation, information on potential building types and principles relevant to each site.

| | | | |
|--|------------------------------|--|--------------------------|
| | Bikeways/Sharrows | | Townhouse |
| | Existing Bike/Sharrows | | Missing Middle |
| | Future Bike/Sharrows | | Podium Apartment |
| | Greenways/Sidepaths | | 4 Story Apartment |
| | Existing Greenways/Sidepaths | | |
| | Future Greenways/Sidepaths | | |
| | Transit | | |
| | Future NS BRT | | |
| | Trees | | |
| | Buildings | | |
| | Ground Retail | | |
| | Townhouses | | |
| | Apartments | | |
| | Missing Middle Apartments | | |

Timberlyne Mall



Typical Dimensions

Street and Right of Way Widths: 40ft - 60ft

Townhouse: 18ft width

Single Loaded Apartment or Missing Middle: 40ft width

Double-Loaded Apartment: 60ft width

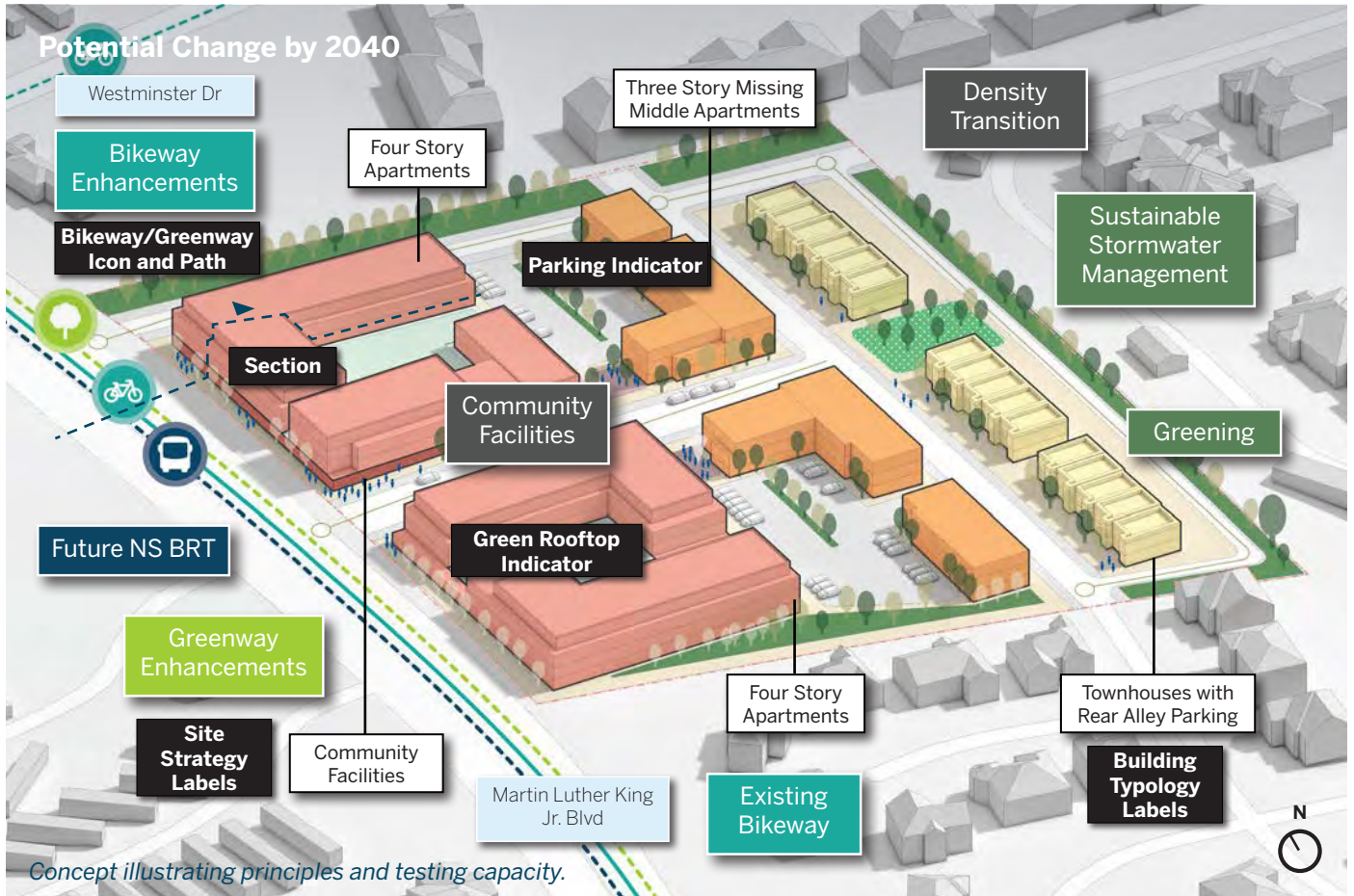
This plan view diagram illustrates the approach to organizing sites in the TOD Corridor. Frameworks are based on human scaled blocks that can accommodate a diverse range of housing and mixed-use development types; a porous, walkable, bikeable street network; active public spaces; and opportunities for landscape, tree canopy, habitat enhancement.

This approach can be applied to sites along the TOD Corridor, and respond flexibly to specific site conditions.

Building Masses

- Building Outline
- Roof Terrace
- Parking
- Green Areas
- Trees
- Site Outline

Site Concept



Concept illustrating principles and testing capacity.

This plan includes concepts illustrating how the Town's Values and principles identified in Chapter 2 can be applied at previously opportunity locations.

Concepts show how human scaled development blocks, a range of different housing and mixed use development types, a porous networks or walkable streets, an active public realm, open spaces, habitat and sustainable storm-water management can be achieved.

Concepts also test future development capacity, providing evidence for future NSBRT ridership and TOD potential in the NSBRT Corridor, as well as growth capacity in other Focus Areas.

A legend provides information on what graphic symbols mean. Labeling includes a selection of local streets to assist with orientation, information on potential building types and principles relevant to each site.

| | | | |
|--|------------------------------|--|--------------------------|
| | Bikeways/Sharrows | | Townhouse |
| | Existing Bike/Sharrows | | Missing Middle |
| | Future Bike/Sharrows | | Podium Apartment |
| | Greenways/Sidepaths | | 4 Story Apartment |
| | Existing Greenways/Sidepaths | | |
| | Future Greenways/Sidepaths | | |
| | Transit | | |
| | Future NS BRT | | |
| | Trees | | |
| | Buildings | | |
| | Ground Retail | | |
| | Townhouses | | |
| | Apartments | | |
| | Missing Middle Apartments | | |

Martin Luther King Jr. Blvd and Westminster Dr



Typical Dimensions

Street and Right of Way Widths: **40ft - 60ft**

- Townhouse: **25ft width**
- Single Loaded Apartment or Missing Middle: **40ft width**
- Double-Loaded Apartment: **60ft width**

This plan view diagram illustrates the approach to organizing sites in the TOD Corridor. Frameworks are based on human scaled blocks that can accommodate a diverse range of housing and mixed-use development types; a porous, walkable, bikeable street network; active public spaces; and opportunities for landscape, tree canopy, habitat enhancement.

This approach can be applied to sites along the TOD Corridor, and respond flexibly to specific site conditions.

Building Masses

- Building Outline
- Roof Terrace
- Parking
- Green Areas
- Trees
- Site Outline
- Dimension

The Town of Chapel Hill received grant funding from the Federal Transit Administration 2020 Pilot Program for Transit Oriented Development (TOD) Planning to support TOD Planning for Station Areas along the North-South Bus Rapid Transit (NSBRT) corridor. The NSBRT Station Areas overlap to a significant degree with four of the six Focus Areas identified on the Town's Future Land Use Map. The Town has integrated TOD Planning and LUMO Visioning projects to advance concepts, coordinate engagement and set a joint implementation strategy for TOD Station Areas and Focus Areas across Chapel Hill

For further information Contact:

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