

# SPECIAL USE PERMIT APPLICATION



**TOWN OF CHAPEL HILL**  
**Planning Department**  
405 Martin Luther King Jr. Blvd  
Chapel Hill, NC 27514  
phone (919) 968-2728 fax (919) 969-2014  
www.townofchapelhill.org

Parcel Identifier Number (PIN): 9870907548 Date: September 28, 2017

## Section A: Project Information

Project Name: Active Adult Housing  
Property Address: 2217 Homestead Road, Chapel Hill, NC Zip Code: 27516  
Use Groups (A, B, and/or C): A Existing Zoning District: R-2  
Project Description: 190 Unit Age Restricted Apartment project

## Section B: Applicant, Owner and/or Contract Purchaser Information

### Applicant Information (to whom correspondence will be mailed)

Name: Richard Gurlitz - Gurlitz Architectural group, PA  
Address: 121 S. SEstes Drive Suite 100  
City: Chapel Hill State: North Carolina Zip Code: 27514  
Phone: 919-489-9000 Email: Richard@gurlitzarchitects.com

The undersigned applicant hereby certifies that, to the best of his knowledge and belief, all information supplied with this application is true and accurate.

Signature: *Richard Gurlitz* Date: Sept 28, 2017

### Owner/Contract Purchaser Information:

Owner  Contract Purchaser

Name: Richard Gurlitz  
Address: 121 S. Estes Drive  
City: Chapel Hill State: North Carolina Zip Code: 27514  
Phone: 919-489-9000 Email: Richard@gurlitzarchitects.com

The undersigned applicant hereby certifies that, to the best of his knowledge and belief, all information supplied with this application is true and accurate.

Signature: *Richard Gurlitz* Date: Sept 28, 2017



# PROJECT FACT SHEET

TOWN OF CHAPEL HILL

Planning Department

## Section A: Project Information

Application type: Special Use Permit Date: September 8, 2017

Project Name: Active Adult Housing

**Use Type:** (check/list all that apply)

Office/Institutional  Residential  Mixed-Use  Other: Age Restricted rental apartments

**Overlay District:** (check all those that apply)

Historic District  Neighborhood Conservation District  Airport Hazard Zone

## Section B: Land Area

Net Land Area (NLA): Area within zoning lot boundaries		NLA=	678842	sq. ft.
Choose one, or both, of the following (a or b), not to exceed 10% of NLA	a) Credited Street Area (total adjacent frontage) x ½ width of public right-of-way	CSA=	15,094	sq. ft.
	b) Credited Permanent Open Space (total adjacent frontage) x ½ public or dedicated open space (Residual SF - to max at 110% NLA)	COS=	52,790	sq. ft.
TOTAL: NLA + CSA and/or COS = Gross Land Area (not to exceed NLA + 10%)		GLA=	746,726	sq. ft.

## Section C: Special Protection Areas, Land Disturbance, and Impervious Area

**Special Protection Areas:** (check all those that apply)

Jordan Buffer  Resource Conservation District  100 Year Floodplain  Watershed Protection District

Land Disturbance	Total (sq ft)
Area of Land Disturbance (Includes: Footprint of proposed activity plus work area envelope, staging area for materials, access/equipment paths, all grading, including off-site clearing)	378,211
Area of Land Disturbance within RCD	0
Area of Land Disturbance within Jordan Buffer	0

Impervious Areas	Existing (sq ft)	Demolition (sq ft)	Proposed (sq ft)	Total (sq ft)
Impervious Surface Area (ISA)	13,140	13,140	194,940	194,940
Impervious Surface Ratio: Percent Impervious Surface Area of Gross Land Area (ISA/GLA) %				26.10%
If located in Watershed Protection District, % of impervious surface on 7/1/1993				



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## Section D: Dimensions

Dimensional Unit	Existing	Demolition	Proposed	Total
Number of Buildings	1	1	1	1
Number of Floors	2	2	4	4
Recreational Space	0	0		

Residential Space				
Dimensional Unit (sq ft)	Existing (sq ft)	Demolition (sq ft)	Proposed (sq ft)	Total (sq ft)
Floor Area (all floors – heated and unheated)	4001	4001	232,000	232,000
Total Square Footage of All Units	4001	4001	232,000	232,000
Total Square Footage of Affordable Units	0	0	Payment in Lieu	Payment in Lieu
Total Residential Density			12du/ac	12du/ac
Number of Dwelling Units	1	1	190	190
Number of Affordable Dwelling Units	0	0	29 (PIL)	29 (PIL)
Number of Single Bedroom Units			109	109
Number of Two Bedroom Units			81	81
Number of Three Bedroom Units			0	0

Non-Residential Space (Gross Floor Area in Square Feet)					
Use Type	Existing	Proposed	Uses	Existing	Proposed
Commercial					
Restaurant			# of Seats		
Government					
Institutional					
Medical					
Office					
Hotel			# of Rooms		
Industrial					
Place of Worship			# of Seats		
Other	0	12,000			

Dimensional Requirements		Required by Ordinance	Existing	Proposed
Setbacks (minimum)	Street	20	NA	700'
	Interior (neighboring property lines)	6	NA	144'
	Solar (northern property line)	8	NA	700'
Height (maximum)	Primary	39	NA	NA
	Secondary	60	NA	60
Streets	Frontages	40	NA	503'
	Widths	50	NA	



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## Section F: Adjoining or Connecting Streets and Sidewalks

(Note: For approval of proposed street names, contact the Engineering Department)

Street Name	Right-of-way Width	Pavement Width	Number of Lanes	Existing Sidewalk*	Existing curb/gutter
Homestead Road	60'	Variable	2-3 lanes	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes
		24-32		<input type="checkbox"/> Yes	<input type="checkbox"/> Yes

List Proposed Points of Access (Ex: Number, Street Name):

\*If existing sidewalks do not exist and the applicant is adding sidewalks, please provide the following information:

Sidewalk Information			
Street Names	Dimensions	Surface	Handicapped Ramps
Homestead Road	10' multi-use	Asphalt	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
			<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

## Section G: Parking Information

Parking Spaces	Minimum	Maximum	Proposed
Regular Spaces	215	271	246
Handicap Spaces	8	8	5 ADA + 3 ADA Van
Total Spaces	222	278	254
Loading Spaces	0	0	1
Bicycle Spaces	48	48	38
Surface Type	Asphalt Paved		

## Section H: Landscape Buffers

Location (North, South, Street, Etc.)	Minimum Width	Proposed Width	Alternate Buffer	Modify Buffer
Homestead Road - North External	15 Feet B	15 Feet	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes
UNC Property -East	10 Feet B	10 Feet	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes
UNC Property - South	10 Feet B	10 Feet	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes
EpCon - West	10 Feet B	10 Feet	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes



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## Section I: Land Use Intensity

Existing Zoning District: R2

Proposed Zoning Change (if any): R5

Note: Refer to Table 3.8-1 (Dimensional Matrix) in the Land Use Management Ordinance for help completing this table.

Zoning – Area – Ratio			Impervious Surface Thresholds			Minimum and Maximum Limitations	
Zoning District(s)	Floor Area Ratio (FAR)	Recreation Space Ratio (RSR)	Low Density Residential (0.24)	High Density Residential (0.50)	Non-Residential (0.70)	Maximum Floor Area (MFA) = FAR x GLA	Minimum Recreation Space (MSR) = RSR x GLA
R-5	.303	.050		373,363		226,258	37,336
Floor Area Bonus - 29 ADU x 4400SF						127,600	
<b>TOTAL</b>						353,858	37,336
RCD Streamside		0.01					NA
RCD Managed		0.019					NA
RCD Upland							NA

## Section J: Utility Service

Check all that apply

<b>Water</b>	<input checked="" type="checkbox"/> OWASA	<input type="checkbox"/> Individual Well	<input type="checkbox"/> Community Well	<input type="checkbox"/> Other
<b>Sewer</b>	<input checked="" type="checkbox"/> OWASA	<input type="checkbox"/> Individual Septic Tank	<input type="checkbox"/> Community Package Plant	<input type="checkbox"/> Other
<b>Electrical</b>	<input checked="" type="checkbox"/> Underground	<input type="checkbox"/> Above Ground		
<b>Telephone</b>	<input checked="" type="checkbox"/> Underground	<input type="checkbox"/> Above Ground		
<b>Solid Waste</b>	<input type="checkbox"/> Town	<input checked="" type="checkbox"/> Private		



**SPECIAL USE PERMIT APPLICATION  
SUBMITTAL REQUIREMENTS  
TOWN OF CHAPEL HILL  
Planning Department**

The following must accompany your application. Failure to do so will result in your application being considered incomplete. For assistance with this application, please contact the Chapel Hill Planning Department (Planning) at (919)968-2728 or at [planning@townofchapelhill.org](mailto:planning@townofchapelhill.org).

	<b>Application fee</b> (including <a href="#">Engineering Review fee</a> ) ( <a href="#">refer to fee schedule</a> )	Amount Paid \$ <input type="text"/>
	<b>Pre-application meeting</b> – with appropriate staff	
	<b>Digital Files</b> - provide digital files of all plans and documents	
	<b>Recorded Plat or Deed of Property</b>	
	<b>Project Fact Sheet</b>	
	<b>Traffic Impact Statement</b> – completed by Town’s consultant (or exemption)	
	<b>Description of Public Art Proposal</b>	
	<b>Statement of Justification</b>	
	<b>Response to Community Design Commission and Town Council Concept Plan comments</b>	
	<b>Affordable Housing Proposal, if applicable</b>	
	<b>Provide existing Special Use Permit, if Modification</b>	
	<b>Mailing list of owners of property within 1,000 feet perimeter of subject property</b> ( <a href="#">see GIS notification tool</a> )	
	<b>Mailing fee for above mailing list (mailing fee is double due to 2 mailings)</b>	Amount Paid \$ <input type="text"/>
	<b>Written Narrative describing the proposal</b>	
	<b>Resource Conservation District, Floodplain, &amp; Jordan Buffers Determination</b> - necessary for all submittals	
	<b>Jurisdictional Wetland Determination</b> – if applicable	
	<b>Resource Conservation District Encroachment Exemption or Variance (determined by Planning)</b>	
	<b>Jordan Buffer Authorization Certificate or Mitigation Plan Approval (determined by Planning)</b>	
	<b>Reduced Site Plan Set (reduced to 8.5"x11")</b>	

**Stormwater Impact Statement (1 copy to be submitted)**

- a) Written narrative describing existing & proposed conditions, anticipated stormwater impacts and management structures and strategies to mitigate impacts
- b) Description of land uses and area (in square footage)
- c) Existing and proposed Impervious surface area in square feet for all subareas and project area
- d) Ground cover and uses information
- e) Soil information (classification, infiltration rates, depth to groundwater and bedrock)
- f) Time of concentration calculations and assumptions
- g) Topography (2-foot contours)
- h) Pertinent on-site and off-site drainage conditions
- i) Upstream and/or downstream volumes
- j) Discharges and velocities
- k) Backwater elevations and effects on existing drainage conveyance facilities
- l) Location of jurisdictional wetlands and regulatory FEMA Special Flood Hazard Areas



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- m) Water quality volume calculations
- n) Drainage areas and sub-areas delineated
- o) Peak discharge calculations and rates (1, 2, and 25-year storms)
- p) Hydrographs for pre- & post-development without mitigation, post-development with mitigation
- q) Volume calculations and documentation of retention for 2-year storm
- r) 85% TSS removal for post-development stormwater run-off
- s) Nutrient loading calculations
- t) BMP sizing calculations
- u) Pipe sizing calculations and schedule (include HGL & EGL calculations and profiles)

**Plan Sets (10 copies to be submitted no larger than 24"x36")**

Plans should be legible and clearly drawn. All plan sets sheets should include the following:

- Project Name
- Legend
- Labels
- North Arrow (North oriented toward top of page)
- Property Boundaries with bearing and distances
- Scale (Engineering), denoted graphically and numerically
- Setbacks
- Streams, RCD Boundary, Jordan Riparian Buffer Boundary, Floodplain, and Wetlands Boundary, where applicable
- Revision dates and professional seals and signatures, as applicable

**Cover Sheet**

- a) Include Project Name, Project fact information, PIN, Design team

**Area Map**

- a) Project name, applicant, contact information, location, PIN, & legend
- b) Dedicated open space, parks, greenways
- c) Overlay Districts, if applicable
- d) Property lines, zoning district boundaries, land uses, project names of site and surrounding properties, significant buildings, corporate limit lines
- e) Existing roads (public & private), rights-of-way, sidewalks, driveways, vehicular parking areas, bicycle parking, handicapped parking, street names.
- f) 1,000' notification boundary

**Existing Conditions Plan**

- a) Slopes, soils, environmental constraints, existing vegetation, and any existing land features
- b) Location of all existing structures and uses
- c) Existing property line and right-of-way lines



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- d) Existing utilities & easements including location & sizes of water, sewer, electrical, & drainage lines
- e) Nearest fire hydrants
- f) Nearest bus shelters and transit facilities
- g) Existing topography at minimum 2-foot intervals and finished grade
- h) Natural drainage features & water bodies, floodways, floodplain, RCD, Jordan Buffers & Watershed boundaries

### Detailed Site Plan

- a) Existing and proposed building locations
- b) Description & analysis of adjacent land uses, roads, topography, soils, drainage patterns, environmental constraints, features, existing vegetation, vistas (on & off-site)
- c) Location, arrangement, & dimension of vehicular parking, width of aisles and bays, angle of parking, number of spaces, handicapped parking, bicycle parking . Typical pavement sections & surface type
- d) Location of existing and proposed fire hydrants
- e) Location and dimension of all vehicle entrances, exits, and drives
- f) Dimensioned street cross-sections and rights-of-way widths
- g) Pavement and curb & gutter construction details
- h) Dimensioned sidewalk and tree lawn cross-sections
- i) Proposed transit improvements including bus pull-off and/or bus shelter
- j) Required landscape buffers (or proposed alternate/modified buffers)
- k) Required recreation area/space (including written statement of recreation plans)
- l) Refuse collection facilities (existing and proposed) or shared dumpster agreement
- m) Construction parking, staging, storage area, and construction trailer location
- n) Sight distance triangles at intersections
- o) Proposed location of street lights and underground utility lines and/or conduit lines to be installed
- p) Easements
- q) Clearing and construction limits
- r) Traffic Calming Plan – detailed construction designs of devices proposed & associated sign & marking plan

### Stormwater Management Plan

- a) Topography (2-foot contours)
- b) Existing drainage conditions
- c) RCD and Jordan Riparian Buffer delineation and boundary (perennial & intermittent streams, note ephemeral streams on site)
- d) Proposed drainage and stormwater conditions
- e) Drainage conveyance system (piping)
- f) Roof drains
- g) Easements
- h) BMP plans, dimensions, details, and cross-sections
- i) Planting and stabilization plans and specifications



### **Landscape Protection Plan**

- a) Rare, specimen, and significant tree survey within 50 feet of construction area
- b) Rare and specimen tree critical root zones
- c) Rare and specimen trees proposed to be removed
- d) Certified arborist tree evaluation, if applicable
- e) Significant tree stand survey
- f) Clearing limit line
- g) Proposed tree protection /silt fence location
- h) Pre-construction/demolition conference note
- j) Landscape protection supervisor note
- k) Existing and proposed tree canopy calculations, if applicable

### **Planting Plan**

- a) Dimensioned and labeled perimeter landscape bufferyard
- b) Off-site buffer
- c) Landscape buffer and parking lot planting plan (including planting strip between parking and building, entryway planting, and 35% shading requirement)

### **Steep Slope Plan**

- a) Classify and quantify slopes 0-10%, 10-15%, 15-25% and 25% and greater
- b) Show and quantify areas of disturbance in each slope category
- c) Provide/show specialized site design and construction techniques

### **Grading and Erosion Control Plan**

- a) Topography (2-foot contours)
- b) Limits of Disturbance
- c) Pertinent off-site drainage features
- d) Existing and proposed impervious surface tallies

### **Streetscape Plan, if applicable**

- a) Public right-of-way existing conditions plan
- b) Streetscape demolition plan
- c) Streetscape proposed improvement plan
- d) Streetscape proposed utility plan and details
- e) Streetscape proposed pavement/sidewalk details
- f) Streetscape proposed furnishing details
- g) Streetscape proposed lighting details



### **Solid Waste Plan**

- a) Preliminary Solid Waste Management Plan
- b) Existing and proposed dumpster pads
- c) Proposed dumpster pad layout design
- d) Proposed heavy duty pavement locations and pavement construction detail

### **Construction Management Plan**

- a) Construction trailer location
- b) Location of construction personnel parking and construction equipment parking
- c) Location and size of staging and materials storage area
- d) Description of emergency vehicle access to and around project site during construction
- e) Delivery truck routes shown or noted on plan sheets

### **Energy Management Plan**

- a) Description of how project will be 20% more energy efficient than ASHRAE Standards
- b) Description of utilization of sustainable forms of energy (Solar, Wind, Hydroelectric, and Biofuels)
- c) Participation in NC GreenPower program
- d) Description of how project will ensure indoor air quality, adequate access to natural lighting, and allow for proposed utilization of sustainable energy
- e) Description of how project will maintain commitment to energy efficiency and reduced carbon footprint over time
- f) Description of how the project's Transportation Management Plan will support efforts to reduce energy consumption as it affects the community

### **Exterior Elevations**

- a) An outline of each elevation of the building, including the finished grade line along the foundation (height of building measured from mean natural grade).

# **Independent Senior Living Facility**

## **WRITTEN NARRATIVE**

### **SITE DESCRIPTION**

The subject parcel is located on 15.76 acres located at 2217 Homestead Road in Chapel Hill, North Carolina. It currently has one single family residence. The portion of the site with visibility to Homestead road is partially wooded, but mostly is lawn and residential garden with a gravel driveway. There is a storage shed towards the mid-portion of the site. The rear nearly 8 acres of the site is completely wooded in primarily mature hardwoods. The site is bordered on the north by Homestead Road, and on the east and south by the University of North Carolina's North Campus property which is vacant and is being used for public trails and park. The property on the west boundary is currently under construction with a single family age-restricted residential development. The site has vehicular access to Homestead Road and the age restricted development to the west has stubbed out one of its internal roads to the common property line. The University property bounding the south and east lot lines are designated as Permanent Open Space and allow for the Gross Land Area (GLA) to maximize at Net Land Area plus 10%.

The property gently slopes towards Homestead Road. There is no Resource Conservation District, Jordan Buffer, perennial or ephemeral streams on the property per a stream determination performed by the Town of Chapel Hill. The property is currently zoned R-2 and this Special Use Permit and Rezoning is requesting a re-zoning to R-5.

### **PROPOSED DEVELOPMENT**

#### **BUILDING**

The proposed use is a 190 unit residential for-rent apartment development. The units are age restricted to tenants over the age of 55. The project will include a single four story building of approximately 250,000 SF. There will be 109 one bedroom apartments and 81 two bedroom apartments. The project also includes roughly 12,000 SF of common activity area, which includes meeting rooms, activity areas, food service and administration. All circulation and common areas are interior to the building. The building will not exceed the 60' secondary height maximum.

#### **SITE DEVELOPMENT UTILITIES AND STORMWATER**

The site development will include 254 parking spaces, of which five are ADA and three additional are ADA van accessible. There will be 38 bike storage areas included. The number of parking spaces falls within the minimum and maximum requirements of the LUMO. The bike storage has been reduced to accommodate the projected use for this population, a demographic that is less inclined to biking. As the project is a single building, the setbacks substantially exceed the required. The LUMO street setback of 20 feet on the north property line, and the LUMO solar setback of 8' also on the north is expected to be approximately 700'. The LUMO interior setback of 6' is expected to be approximately 140'. The project has approximately 503 LF of street frontage along Homestead Road. The stormwater BMP will be developed at the low point of the site bounded by Homestead Road on the north, the project entry road on the East and the adjoining property line to the west. Sewer and water will be provided by OWASA, Duke Energy is providing power, Spectrum will provide the cable and internet access.

## **RECREATION**

It is anticipated that 25% of the required recreational space will be provided as a payment in lieu, per the request of the Town. The remaining 75% will be provided on site. Total recreation space required is 37,336 SF. The on-site recreation required is therefore 28,002 SF. A pedestrian trail linking to the UNC property trailways system will be provided at 1,495 SF. Additionally, a 10' wide multi-use sidewalk and bike lane will be provided along the Homestead Road frontage, accounting for 5,033 SF. Two recreation courtyards including a pool area, outdoor yoga classroom areas, bocce courts and gathering areas in the project have a residual 22,777 SF and there is approximately 4,000 SF of interior active recreation areas in the common area which includes a fitness center, spa, game room, media room and a demonstration kitchen. Total recreation provided is approximately 33,305 SF, which well exceeds the 28,002 required square footage.

## **AFFORDABLE HOUSING**

The Applicant is requesting that the affordable housing component of the Inclusionary Zoning requirements of the LUMO be satisfied with a payment-in-lieu.

## **INDEPENDENT SENIOR LIVING**

This independent senior living facility in Chapel Hill is an age-restricted community developed as an "Active Adult" residence. This project is developed to provide a new segment of age-restricted rental housing to Chapel Hill. The design will be targeted at "active adults" ranging in age from 55 to 80+ who, while they no longer wish to care for and live in a single-family home, do not want or need the entire suite of services offered by traditional retirement communities (full-scale nursing, three daily meals, etc). Moreover, this project will specifically provide a community for local and in-migrating seniors of people in their own age cohort.

The project will offer a number of services to residents – there will be a full-time Activity Director, who will plan daily activities, from field trips to game nights to yoga classes to lecture series and much more. Additionally, the project will offer a daily brunch for residents. As each apartment will have full, chef-inspired kitchens, residents are welcome and encouraged to cook their own meals the rest of the day, or explore the restaurants in the surrounding community.

In addition to the Activity Director, the project will have a Community Director, Business Manager, two or three Leasing Professionals, a Service Supervisor, and a Service Technician, for a total of seven or eight full-time, onsite jobs. Additionally, the project will contract out several other services (janitorial, landscape maintenance, pool maintenance, trash removal, pest control, and more) that will create a significant number of other jobs.

The residents of this project remain a very active group. Whereas traditional senior housing options (CCRC's, Independent Living facilities, and Assisted Living facilities) tend to skew towards an older population, this project skews younger. While traditional senior housing generally has an average resident age ~85, this project will have an average resident age of 74. This means that residents are still of an age where they spend time and money engaging in the community – eating at restaurants, staying involved in local churches and civic organizations, many even still working! As a result, residents tend to

utilize cars at a higher rate than traditional senior housing residents – it can be expected that residents utilize their cars at a rate of approximately 1 car (and parking space) per unit. The project also intends to provide sufficient parking for guests (~0.2 cars/spaces per unit) and onsite staff (~0.1 car/space per unit), for a total target parking ratio of 1.3x spaces per unit. A portion of these spaces will be covered.

This independent senior living project represents a housing option that fills a sorely needed gap in the existing housing landscape for both existing residents and new in-migrating residents to Chapel Hill. Offering a fresh take on the senior housing model, it will give “active adults” who wish to rent a unit, but still want to live in a convenient location, an alternative. Previously, living in an age-restricted community like this would often entail moving. Offering this residential housing type to Chapel Hill, is filling a community need.

# Independent Senior Living Facility

## STATEMENT OF JUSTIFICATION

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This project complies with the Development Ordinance and Design Guidelines. The project further complies with the 2020 Comprehensive Plan and the current zoning for the uses.

### Project Description

The project consists of developing a 15.76 acre parcel that currently has one single family residence on it. The project includes 190 apartment style rental age-restricted units, connections to existing roadway systems, new sewer and water connections to current OWASA services, grading the site for constructability stormwater management, installation of Duke Power services and cable/ internet extensions. The project intends to comply with Section 3.10.2 (e) – Inclusionary Zoning – Rental Units through an approved payment in lieu for affordable housing. A density and square footage bonus based on the provision of an affordable housing payment in lieu is being pursued. The project is being proposed with a rezoning from the current R-2 to an R-5. The plan will exercise a 15% density bonus and 4400SF floor area bonus for multi-family dwellings with interior common elements.

### Compliance with the Comprehensive Plan

The sections of the 2020 Comprehensive Plan that are particularly applicable to this project focus on the need in the community to provide a variety of housing types- Big Idea number 4. We believe that providing age restricted rental housing, which is severely under-represented in this market, meets the expectations and accomplishes the goals of the 2020 Comprehensive Plan by introducing an entirely new form of housing into an already undersupplied portion of the local housing market

This project responds to the Themes and Goals in Chapter 3 of the Comprehensive Plan as follows:

1. ***A Place for Everyone*** -

Rental apartment type housing aimed at the targeted range of age restricted to 55 years old and above is a currently unmet need, fulfilling the requested goal of a diversity of housing types in Chapel Hill. This project provides that housing opportunity to Chapel Hill residents.

2. ***Community Prosperity and Engagement***

A key element in prosperity and engagement, the second theme, is “sustaining healthy neighborhoods”. This project provides new housing as a continuation of an existing (although new) neighborhood, expanding the same fabric of that age specific neighborhood in proximity to walkable surrounding amenities in the Southern Orange Senior Center and the nearby Homestead Park Aquatic Center.

### **3. *Getting Around***

Key in the Getting Around theme is linking neighborhoods to thriving greenways, sidewalks, bicycle amenities and other options. The proximity of this project to the existing University land and trail system, and the anticipated payment in lieu providing support for the continued operation of this greenway and bicycle friendly neighboring property indicates the contribution this project will make to keeping Chapel Hill greenway and park facilities thriving.

### **4. *Good Places New Spaces***

This theme talks about “balancing respect for the old with the prospect of the new”. This development respects the character of Homestead Road, and maintains an appropriate distance from the roadway that allows for the quiet residential character of Homestead Road to be maintained while providing the density and housing type that furthers the Town’s quest for housing diversity.

### **5. *Nurturing Our Community***

Environmental Sustainability and aspects of people’s interaction with the natural habitat from parks and open spaces are the focus of this theme. With the existing wooded areas surrounding it to remain, there is great opportunity for the residents to interact with the immediate natural habitat. The proximity of Homestead Park and the Senior Center on the other side of the site virtually insures that the residents will have the ability to take advantage of the Town park facilities. The basic elements of the project development centralize the construction in the middle of the site and allow for density while intentionally maintaining significant portions of the existing wooded terrain.

### **6. *Town and Gown Collaboration***

While there is direct linkage between this project and the University property, there is also every likelihood that a significant number of the residents will in some way be associated with UNC. It is not anticipated nor is it a goal of the developers that this project provide student housing, which is further underscored by the age-restriction on the project, which will limit residents to ages 55+. However, the developer intends to capitalize on the University connection by virtue of a proximate location to the University, by partnering with the University to offer guest lecturers on site, organizing field trips to attend fine arts and sporting events at the University, and generally aiming to partner with the University wherever possible to provide a rich experience for residents.

# **Independent Senior Living Facility**

## **AFFORDABLE HOUSING PROPOSAL**

### **Summary:**

The Independent senior housing development provides the following justification and proposal for the implementation of an Affordable Housing payment in lieu of providing on site affordable rental units.

### **A. Initial Statements:**

1. Section 3.10 of the Land Use Management Ordinance describes Inclusionary Zoning as a method of encouraging *“housing of high quality located in neighborhoods throughout the community for households of a variety of income levels, ages and sizes in order to meet the Town’s goal of preserving and promoting a culturally and economically diverse population in our community.”*
2. Section 3.10.2 (e) addresses the number of units required to comply with the affordable housing goals if the project is a rental property.
3. Section 3.10.3 (4) B - Amount of Payment, indicates a calculation to determine the amount of payment-in-lieu applicable if the Applicant is pursuing the option of making a payment to the Town in lieu of providing the affordable units required. This calculation is derived from for-sale properties and applies to for-sale properties.
4. The Land Use Management Ordinance does not address the procedure of a rental property complying with section 3.10 – Inclusionary Zoning through a payment in lieu.

### **B. Guiding Principles**

1. This proposed methodology to determine a payment in lieu is applicable to rental properties based on determined and verifiable characteristics applicable uniformly to a variety of rental projects.
2. This methodology is prescribed and available to both the Town and the Applicant at the beginning of the Special Use Permit process.

### C. Justification

1. It is recognized that the HUD Fair Market Rents in Chapel Hill are at or below the 30% AMI attributable to housing costs for both the 80% AMI and the 65%AMI groups, making the majority of rental housing primarily available to the groups identified in the Land Use Management Ordinance for occupants of affordable housing.
  - a. Reference: Fair Market Rental Rates:  
[https://www.huduser.gov/portal/datasets/fmr/fmrs/FY2017\\_code/select\\_Geography.odn](https://www.huduser.gov/portal/datasets/fmr/fmrs/FY2017_code/select_Geography.odn)
  - b. Reference: Median Income:  
[https://www.huduser.gov/portal/datasets/il/il2017/select\\_Geography.odn](https://www.huduser.gov/portal/datasets/il/il2017/select_Geography.odn)
2. It is recognized that a larger proportion of the retirement aged populations are gravitating towards rental properties as their prime residential choice.
3. It is recognized that the Independent Senior Rental Housing project is aimed at a specific and defined segment of the Chapel Hill community.
4. It is recognized that the Independent Senior Rental Housing provides affordable rental housing as part of their primary market. The methodology used to determine a payment in lieu reflects the degree to which the project naturally supplies affordable housing in its operations independent of Town requirements.
5. It is recognized that it is more difficult for age restricted rental housing to incorporate Town or Agency integrated affordable housing in its operating strategy because of the ongoing administrative burden of determining eligible renters, and the effect of creating a rent controlled property which is specifically restricted in the Land Use Management Ordinance (3.10.2 (e)).
6. It is recognized that properties with specific age restrictions allowed by ordinance and statute, similarly find it more difficult to incorporate affordable housing in their operating strategy because of the ongoing administrative burden of determining the financial eligibility of renters in that specific classification.

### D. Payment in lieu Formula

1. The formula is **yearly representative** to reflect current market rental costs in the Chapel Hill sub-market. Using the HUD Fair Market Rent determination sets a multiplier in the calculation verifiable by all parties.
2. The formula takes into account the **construction cost** of the project. By including the construction cost in the formula, a project that is being built at luxury levels will pay more towards payment in lieu than an affordable project. Additionally, the construction number can be fairly estimated by the Applicant at the beginning of the SUP process. It can be verified by the Town when the General Contractor takes out his Building Permit and is required to state the cost of construction.

3. The construction cost requires an adjustment ratio to align the payment in lieu with the scale of the construction costs. Similar to the Floor Area Ratio (FAR) used to modulate acreage in determining allowable square footage on a lot, **Cost Adjustment Ratio, (CAR)**, is used to modulate construction cost to determine the payment in lieu.
4. The number of affordable units required to achieve compliance with section 3.10.2 **Affordable Dwelling Units or Lots Required**, is used as a multiplier for determining the amount of the payment in lieu.
5. A final multiplier applied to the number of units and base cost to express the coverage of subsidy for affordable rental housing for a period of **30 years** allows the applicant to cover in an initial payment the subsidy determined to be applicable for the duration of a typical mortgage term.

FORMULA ELEMENTS:

**FMR** = HUD Fair Market Value determined from HUD website

**CAR** = Cost Adjustment Ratio – is a constant

**CC** = Construction Cost (expressed per \$100,000)

**RA** = Required number of affordable units

**YRS** = Years of Mortgage Duration

$$\text{FMR} \times (\text{CC}/\text{CAR}) \times \text{RA} \times \text{YR} = \text{Payment in Lieu}$$

**15% of 190 units = 28.5 Required Affordable. 16.14 Units at 1BR and 12.36 Units at 2 BR**

For the Independent Senior Housing, this formula is expressed as:

UNIT DESIGNATION		FMR	CAR	CC	RA	30	PIL
		FMR	CAR	Construction Cost/100,000	Required Affordable	30 Yrs	Payment in Lieu
80%AMI	1BR	\$ 834	2000	270	8.07	30	\$ 27,258
	2BR	\$ 978	2000	270	6.18	30	\$ 24,478
65%AMI	1BR	\$ 834	2000	270	8.07	30	\$ 27,258
	2BR	\$ 978	2000	270	6.18	30	\$ 24,478
						<b>Total</b>	<b>\$ 103,473</b>

# Independent Senior Living Facility

## ENERGY MANAGEMENT PLAN

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This Independent Senior Living Facility will achieve 10% improvements on ASHRAE energy efficiency standards. Heat pump technology used to heat and cool the apartments is the limiting factor on further gains. An energy management system will be installed in each apartment. The energy management system is a combination of a thermostatically controlled sensors and user defined set points to conserve energy when the apartment is not in use, or in off hours. Energy efficient lighting will be used throughout the building. Lighting is a combination of LED and compact florescent though LED is quickly replacing compact florescent bulbs of all types.

It is not anticipated that energy origination will be utilized on site. The apartment's roof will be a white single ply membrane with high reflectivity for solar heat gain mitigation.

During construction, ductwork will be sealed to prevent dust from settling in the duct. High efficiency filters will be used in the primary HVAC units. The project design will exceed ASHRAE and USGBC standards by requiring 100% outside makeup air to all apartments and corridors while achieving positive pressurization. Natural day lighting will be utilized. Each apartment has exterior windows and the ends of corridors will have windows. The ground floor activity areas are designed around a large expanse of window walls. Windows are high efficiency with a low E coating.

This project is committed to energy efficiency in both building and operating the project. An energy efficient building reduces the carbon foot print and reduces energy cost.

An important point of the Independent Senior Living Facility is its location near and walkable to facilities likely to be used by the residents thereby reducing automobile carbon. The building is close by the Southern Orange Senior Center and the Chapel Hill Aquatic Center. It is also on the HS bus line and close to an existing stop making use of public transportation.