ITEM #14: Open the Legislative Hearing: Conditional Zoning Application for UNC Health Eastowne

Council Question:

The applicant is proposing approximately 1.1 million square feet of development. Is that inclusive of MOB 1 or in addition to?

Applicant Response:

In addition to MOB 1.

Council Question:

What is the approximate total square footage of all proposed parking decks (inclusive of the one already constructed)?

Applicant Response:

The approximate original deck is 360K SF. The new decks approximate total is 1.1M SF. The total is approximately 1.46M SF.

Council Question:

How was the amount of \$5 million for an affordable housing revolving loan fund determined?

Applicant Response:

UNC Health's investment would be the catalyst to at least quadruple the investment in the Town's loan fund through additional contributions from private banks (and potentially other philanthropic sources), based on feedback received from the Town's Affordable Housing and Community Connections Department. With a \$5M contribution, the Town could anticipate establishing a loan fund of \$25M – \$40M. A \$40M fund could support the preservation/construction of at least 1,000 units over 20 years, half of the Naturally Occurring Affordable Housing at highest risk in Chapel Hill currently. As an example, Wake County's \$61 Million program (which includes funding from a variety of sources) is anticipated to support 3,170 units of affordable housing over the next 15 years.

Council Question:

Is the land on the so-called "north 20" being used to meet the tree canopy requirement for the entire project? If so, what will be the tree canopy percent for the so-called "horseshoe"?

Applicant Response:

Tree canopy coverage required is 30%. Inside the loop will be minimum 20%. The tree canopy

will be comprised of the revegetation associated with the stream restoration project, some tree save areas, street trees along Eastowne Drive and the internal streets as well as trees in the central green. Tree canopy coverage on the north 20 will be approximately 60%.

Council Question:

Who will be responsible for policing of the site – UNC Health or the Town?

Applicant Response:

The Town of Chapel Hill would have responsibility for the Eastowne site. However, UNC Hospitals does have an officer in MOB I from 7AM-5PM and would continue to staff UNC Hospitals police officers at our Eastowne campus to ensure the safety of our patients, visitors and staff. This has been a successful model and relationship.

Council Question:

Will the applicant be providing shuttle or other transportation services between Eastowne and other UNC Health facilities, in particular the main campus?

Applicant Response:

UNC Health will encourage usage of existing transportation services in and around Chapel Hill (including to our main campus). In the event additional services are warranted, UNC will consider adding additional transit options.

Council Question:

Will the applicant maintain or expand the amounts currently paid in lieu of taxes?

Applicant Response:

TBD based on the feedback received from the Town regarding priorities for community benefits.

Council Question:

Is the applicant willing to place all land in the north 20 not used as part of this project in a permanent conservation easement?

Applicant Response:

Yes.

Council Question:

In our last meeting, when UNC-H was asked about adding height to the parking decks within the horseshoe in lieu of the deck on the North 20, someone on the team commented that they

couldn't go back and retrofit the decks – there were structural issues with that, but also that you wanted the decks built before the offices are ready for occupancy. That seems to conflict with the narrative that the deck on the North 20 would be the last structure built. Can you explain the construction timing of the different buildings, and associated decks, in more detail?

Applicant Response:

Potential Phasing (SUBJECT TO CHANGE)

Phase 1: Building 2 (2026 – 2028)

Phase 2: Building 3 and Parking Structure for Building 3 and 4 (2029 – 2033)

Phase 3: Building 4 (2032 – 2038)

Phase 4: Building 5 and Parking Structure for Building 5 and 6 (2035 – 2043)

Phase 5: Building 6 (2038 – 2048)

Phase 6: Building 7 and Horizontally Expanded Parking Structure inside the loop and Parking Structure on N20 if required. (2041 – 2053).

Council Question:

What level of development is currently allowed by right on the North 20 – both regular building space (commercial) and associated parking?

Staff Response:

Based on the current zoning for the Northern 20 (MU-OI-1), 235,746 sq. ft. of floor is permitted by right. Due to state law restrictions on local governments' zoning authority over state-owned land, UNC Health has an unlimited right to develop the site in a manner that does not involve the construction of new buildings (e.g., clearcutting the site and constructing surface parking lots).

Council Question:

I see two possible emergency access points to the North 20 (p. 468). The southern one is clearly better environmentally, since it wouldn't entail an RCD crossing. Is it feasible? Would UNC-H commit to that access if one is required, and abandon the RCD emergency crossing?

Applicant Response:

We cannot be certain the access to the south service road will be an available option in 20-years. It will depend on whatever improvements occur on 15-501 and the I-40 interchange and approval by NCDOT.

Council Question:

On p. 415, the project narrative says that the restored stream will only consist of the 50-foot streamside zone. Is a restored stream exempt from managed use and upland zone RCDs?

Applicant Response:

The USACOE determination and our own consultant's determination all indicate the stream is an intermittent stream that requires a 50-foot streamside buffer. The Town's determination of perennial from the pond dam downstream is inconsistent with those determinations. It is believed with the removal of the pond, as a slow flow release of water, it will certainly be intermittent.

Council Question:

How much of the proposed RCD disturbance is for stream crossings and stormwater facilities? What is the total percentage of RCD disturbance the applicant is requesting?

Applicant Response:

Stream crossings – 25,000 SF (including both to the northern 20). Stormwater facilities total approximately 9,000 SF for the single SCM on the inside of the loop.

- Total land area in RCD: 427,000 sf
- Total disturbance in RCD: 180,000 (42% of total RCD)
 - Streamside RCD disturbed for stream crossings and stormwater facility. Three vehicular crossings, one pedestrian crossing and one SCM: 53,000 sf (30% of total request)
 - o Streamside RCD disturbed for restoration: 119,000 sq ft (66% of total request)
 - Upland and Managed Use RCD disturbed for shifting MOB1 entrance off of Eastowne Dr: 8,000 sq ft (4% of total request)

Council Question:

What is the rationale for allowing administrative approval for increases in floor area of up to 20%, heights up to 15%? Those are significant modifications.

Applicant Response:

One additional floor to the buildings. Will be controlled by the trip generation and traffic studies submitted with each new project.

Council Question:

What is the rationale for allowing disturbance of 35% of natural steep slopes on the site? That's 40% more disturbance than currently allowed (25%).

Applicant Response:

Total Steep Slopes: 129,482 sf

There were differing communications going back-and-forth between staff as we worked through the potential impacts on the steep slopes. Our request for steep slope impacts <u>IS</u> 30%, <u>NOT</u> 35%. The majority of the steep slope impacts requested (65% of the request) is for the steep slopes inside the Eastowne Drive loop. The impacts on the north 20 are generally associated with the stream crossing(s).

Staff Response:

A revised Ordinance will be provided prior to the May 24, 2023 Council meeting.

Council Question:

Has Brian Peterson reviewed the proposal, especially the removal of buffer along Eastowne and activated street frontage there?

Staff Response:

Brian Peterson has reviewed the overall site plan but has not commented specifically on the modification of the Eastowne buffer. Planning staff will work with Brian to receive his input on the Eastowne buffer and activated street frontage prior to the next hearing on this application. Staff will also continue to work with the applicant to develop design guidelines for the site that will impact the nature of the Eastowne frontage.

Council Question:

UNC-H is asking for FAR restrictions to be removed, to be replaced by a cap on square footage. What would be the equivalent FAR of the square footage cap they are requesting?

Staff Response:

The equivalent FAR of the square footage cap is 0.680. The current FAR for the OI-3 zoning district is 0.566.

Council Question:

On the Eastowne project, they're asking for 4.5 parking spaces/1000 SF. Given that we have a robust local and regional bus system serving the area, town planning efforts to increase greenways as commuting options, and the potential for a future BRT line (and perhaps a shuttle from the main medical campus), isn't this figure high?

Staff Response:

The proposed parking maximum of 4.5 spaces per 1,000 SF is lower than the most directly comparable LUMO maximum (1 space per 200 SF for "Clinic" uses). Although it is anticipated

that employees will be able to take full advantage of current and future transit and greenway opportunities, patients – particularly those traveling from outside Chapel Hill – are expected to be far more limited in their ability to use alternative modes of transportation.

The expanded buildout period of the site gives UNC-Health the opportunity to scale back parking if warranted by changing conditions. In order to ensure that UNC-Health is taking changing conditions into account as they build out the site, they will be required to conduct a parking demand analysis with each phase of development.

Council Question:

Can staff give input on sustainability opportunities on the site and can we also make sure that the standards evolve over time/are not static to today's standards? I would imagine that given the extended development timeline this would be assumed but wondering if there is stipulation language needed to ensure they are held to future standards, technology, best practice, etc.

Staff Response:

We've added some language to the draft conditional zoning ordinance that addresses things like energy efficiency, renewable energy, green infrastructure and electric vehicle charging (see "Green Building and Sustainably Infrastructure" conditions 63-67 of the draft ordinance). Some of the conditions include language that allow for standards to be revisited at each phase of development to make sure best practices are being considered.