

## BRYAN PROPERTIES

Sept. 20, 2023

### **Developers Program**

Bryan Properties and NorthView Partners are excited to present the Gateway Development. The rezoning application is for 15 parcels totaling approximately 16 acres. The project is located at the southwest corner of 15-501 and Interstate-40, directly south the existing Red Roof Inn hotel. Currently, the site is mostly vacant, outside of a few single-family dwellings that will be removed.

Gateway is envisioned as a residential community consisting of 4-story, 4-story plus a basement, and 3-story multi-family buildings placed along existing and proposed rights-of-way that establish a grid pattern of development for the largely undeveloped tracts in this area of Town. The plan for Gateway has a strong emphasis on creating inviting, human-scaled streetscapes featuring buildings that front along ample sidewalks, street trees and on-street parking. Primary parking lots are placed behind the buildings. Outdoor gathering spaces are easily accessible to residents - interior and exterior meeting spaces will be built into the fabric of the community. Particular attention will be paid to extensive and durable landscaping to allow for the shading of parking areas and visually pleasing streetscapes.

The North 15/501 focus area in the Town's 2020 Future Land Use Map contemplates a mixture of residential, office and retail uses that are easily accessible by auto, bus, bike and pedestrians. Gateway will provide new multifamily housing directly adjacent to major transportation corridors and within walking and biking distance to major employment centers such as SECU's Parkline office building, Eastowne office park, and to nearby shopping at the recently completed Wegman's.

Gateway is adjacent to an existing GoTriangle commuter route on 15/501 and Chapel Hill Transit routes along on 15/501 and Old Chapel Hill Rd. Gateway includes extensions and connections to existing bike and pedestrian paths along 15/501 and Old Chapel Hill Rd. and appropriate bike facilities such as bike parking (including covered bike parking) and a bike workshop amenity are planned. Utilities are available along 15/501 and also to the south on Old Chapel Hill Road. The project scope includes the extension of existing public water and sanitary sewer services into the quadrant southwest of 15/501 and I-40.

Stormwater management will be facilitated by two stormwater ponds. Both of the proposed stormwater ponds will be wet ponds and include landscaped littoral shelves to create a biological and aesthetic edge to the ponds. The ponds may also include enhancements such as fountains to improve water quality and aesthetics, perimeter walking paths, and overlook sitting areas. The design of these ponds will meet and/or exceed the Town's threshold for stormwater quality and quantity requirements.

Gateway is a joint venture of Bryan Properties, Inc and NorthView Partners, LLC - local developers with proven track records of high-quality mixed-use and residential development within the Triangle. Bryan Properties, based in Chapel Hill, is an award-winning company that focuses on creating great places to live, work and play. NorthView Partners is based in Raleigh and has developed and built numerous multi-family communities throughout the Triangle.

## **Statement of Justification/Compliance with Comprehensive Plan**

Gateway is proposed in accordance with the Chapel Hill Comprehensive Plan including the Charting Our Future update and the Future Land Use Map (FLUM). Two general concepts from the Town's 2020 Comprehensive Plan are Community Choices and Community Connections.

### **Gateway Compliance:**

Community Choices: Gateway will contribute to currently unmet housing needs in this area of Town. It is accessible to transit corridors that connect to key destinations such as downtown and UNC campus. Residents will have a short walk or bicycle ride to work, grocery, and medical service destinations. As this North 15/501 Focus Area is developed south and west of the Gateway project, the walkable and bikeable destination choices will increase. The site also provides easy vehicular access to major arterial roads in town and to Interstate 40.

Community Connections: The development proposal will provide important connections for those who live in the new community in the form of physical connections as well as social connections. Physical connections are provided at multiple spots within the site to existing and future adjacent developments, as well as to public transit access. Social connections will be provided with the community green which is open to the public and will serve as a gathering space for the community.

### **Gateway Compliance:**

Gateway is proposed in accordance with the Chapel Hill Comprehensive Plan including the Charting Our Future update and the Future Land Use Map (FLUM). Gateway will offer a variety of housing choices: one-, two- and three-bedroom market rate multifamily housing as well as multifamily housing for seniors earning 60% or less of the area median income.

The development will support multiple transportation options as the property is adjacent to existing transit corridors along 15/501 and Old Chapel Hill Rd and connects and extends existing bike and pedestrian paths leading to nearby office, service and retail destinations. For those working in downtown Chapel Hill or at the University and Hospital complex, Chapel Hill Transit is available. The recently developed UNC Healthcare facility is within a quarter mile of the site. Gateway residents will have easy access to Interstate 40.

The property is within the North 15/501 Focus Area that has been identified in the Town's plan as appropriate for development of multifamily in 4-6 story structures. Gateway fits well in this area as it puts forth a proposed street network that will allow for the orderly development of nearby vacant parcels in the future and is within the Town's existing urban services boundary.

The developers intend to employ the best practices available at the time of construction to address issues of environmental sustainability. Particular attention will be paid to the energy efficiency of the buildings. Stormwater runoff will be addressed with multiple mitigation facilities throughout the site. Bicycle parking and electric charging for cars and bicycles will be provided as well.

Gateway will provide streetscapes and outdoor areas that are visually pleasing while offering residents the opportunity for planned and spontaneous interactions in a safe and comfortable environment. The developers have a proven track record of building residential neighborhoods in the Triangle and in Charlotte that have been recognized for successfully creating a sense of place and a sense of community. The Chapel Hill 2020 comprehensive plan is organized around six main themes. These themes highlight which topics are important to the community and are an umbrella under which the goals are organized. The themes, and the goals associated with these themes, were developed by the community during numerous working sessions and outreach meetings and provided organization for the community's discussions.

1. **A Place for Everyone:** *This theme explored diversity and inclusion in a family-friendly, vibrantly creative environment. Participants focused on creating a welcoming community for all with special emphasis on the arts, teens, and the need for affordable housing.*
2. **Community Prosperity and Engagement:** *This group focused on sustaining the financial health of the community by creating a safe, vibrant, and connected community. Participants examined encouraging economic development, supporting existing and new local businesses, and sustaining healthy neighborhoods.*
3. **Getting Around:** *This theme included the study of all modes of transportation needed for an inclusive, connected community. Participants explored the potential for regional partnerships linking to thriving greenways, sidewalks, bicycle amenities, and other options within the town.*
4. **Good Places, New Spaces:** *Exploring what the Chapel Hill of the future should look like, this group focused not only on downtown and also on land use throughout the town including in existing neighborhoods, balancing respect for the old with the prospect of the new. Discussions of development coexisted with consideration of open space and the rural buffer.*
5. **Nurturing Our Community:** *Environmental sustainability is at the core of this theme. Participants examined the many aspects of people's interaction with the natural habitat, from parks and open spaces to locally grown agriculture to protecting water quality and solid waste disposal.*
6. **Town and Gown Collaboration:** *Collaboration with the University of North Carolina at Chapel Hill and the UNC Health Care System on lifelong learning and innovation is the centerpiece of this theme. Participants aspired to use the intellectual and financial capital of the University and the UNC Health Care System to help the town flourish.*

**Gateway Compliance with the six themes goals:****1. A Place for Everyone**

- Family-friendly, accessible exterior and interior places throughout the town for a variety of active uses
  - The Gateway project is providing greenways, multimodal paths, wet stormwater pond, a seating pavilion overlooking the wet stormwater pond, dog park, and a community green with food truck parking that will all serve as Family-friendly spaces for activities.
- A range of housing options for current and future residents
  - The Gateway development will provide multifamily homes ranging from studio, 1-bedroom, 2-bedrooms, and 3-bedroom units, and senior affordable housing units with both 1-bedrooms and 2-bedrooms.

**3. Getting Around:**

- A connected community that links neighborhoods, businesses, and schools through the provision of greenways, sidewalks, bike facilities, and public transportation
  - The Gateway development will provide greenways and multimodal paths to facilitate community connectivity and reduce the usage of vehicles.

**4. Good Places, New Spaces:**

- Open and accessible common spaces for community gathering, cultural uses, and community development
  - The Gateway development will provide several community gathering spaces including the community green with food truck parking and dog park.

The Chapel Hill 2020 Future Land Use Map identifies several areas of focus. The Gateway development project resides in North 15-501 Corridor - Sub Area A. Sub Area A primary land use includes Multi-family Residential with a height of 4-6 stories. The Gateway Development will meet the primary land use of Multi-family Residential within a height of 4-6 stories.

The Focus Area Principles include:

- Connectivity & Mobility
  - *Given the higher density envisioned for this corridor, bicycle and pedestrian mobility within and to the Focus Area should be prioritized.*
    - The Gateway development will provide greenways and multimodal paths to facilitate community connectivity and reduce the usage of vehicles.
- Land Use
  - *Housing of various price points should be integrated into mixed-use nodes or located near employment centers.*
    - The Gateway development will provide multifamily homes ranging from studio, 1 bedroom, 2-bedrooms, and 3-bedroom units, and senior affordable housing units with both 1-bedrooms and 2-bedrooms. These housing options address the goal of providing housing of various price points.
- Placemaking, Street Character, and Urban Form
  - *Redevelopment should feature a more compact and connected urban framework by limiting block lengths, thus ensuring a higher number of intersections per square mile.*
    - The Gateway development will establish a road network to facilitate an urban framework and increase intersections.

## **Gateway Affordable Housing Program Proposal**

### **Primary Affordable Housing Program Option**

In order to address the Town of Chapel Hill's recommended provision of 15% of market rate units being attainable for residents making less than 80% of the Area Median Income (with half of these units being attainable for residents making 60% of AMI), the developer proposes utilization of the federal Low Income Housing Tax Credit (LIHTC) program. The intention is to follow the current "income averaging" guidelines whereby potential residents' income does not exceed 80% of the AMI and the average of all dedicated low-income units does not exceed 60% of the AMI.

Our proposal includes working with a local, experienced developer of LIHTC projects who will be the eventual applicant and owner of the affordable community. As shown on our proposed development plan, we intend to provide a site that is served by all necessary utilities (including water, sewer and stormwater retention) that will accommodate up to a 72 unit building targeted to senior citizens. We believe the proposed site of the affordable senior community is particularly well-situated as it is along a proposed Greenway that will hopefully serve as a "pedestrian spine" as depicted in the Town's development "framework" for the area referred to as Parkline East.

The site plan accommodates 316 market rate units and 72 affordable senior units. We are proposing a range of 48 to 72 Affordable Units. The range is to provide the LIHTC developer maximum flexibility without falling below the town's request of 15% affordable units. The Town of Chapel Hill's request is for 15% of units to be affordable which would result in 48 affordable units. Our plan provides 72 affordable units, an additional 24 affordable units. We propose that the additional 24 affordable units provided by the Gateway Development would fully meet the affordable housing component of a future 228-unit market rate development in the general area.

We understand that qualifying for an LIHTC allocation is highly competitive, but we believe that our proposal has several favorable aspects: first, it was preliminarily scored 61 out of 62 points by an experienced LIHTC developer and second, the site is located in Durham County which falls under a "Metro" area designation which historically receive a larger allocation of approved Credits. Additionally, our proposed project would not compete with other LIHTC submittals in Orange County.

Given the competitive process for allocation LIHTC approvals, we propose that, in the unlikely event our project does not receive approval within 5 consecutive annual cycle reviews, then we will dedicate the site (served by all necessary infrastructure) to the Town or a mutually-approved affordable housing developer.

**Alternative Affordable Housing Program Option**

Additionally, the Gateway Development is willing to provide an alternative affordable housing option for Town Council to evaluate. In place of the 72 unit affordable senior building, the Gateway Development will build 24 for-sale affordable townhomes to be sold at prices determined by the below Chapel Hill AMI percentages:

- 8 Townhomes Sold to buyers at the 65% AMI Level
- 8 Townhomes Sold to buyers at the 80% AMI Level
- 8 Townhomes Sold to buyers at the 100% AMI Level

The affordability requirements of the townhomes will match that of the towns requirements for for-sale affordable housing.