

DEVELOPER'S PROPOSAL

111 Erwin Road
Multi-Family Residential

&
101 Erwin Road
Residence Inn Hotel

April 26, 2018
Chapel Hill, North Carolina

Project Location

The applicant, Summit Hospitality LLC, is the owner and developer of the existing Residence Inn Hotel located at the northwest corner of Erwin Road. The proposed residential development is on a five acre parcel immediately north of the 12.3 acre hotel property. The site is bordered by Dobbins Drive and Fordham Boulevard on the south; a Duke Energy substation, McGregor Apartment homes, and Cosgrove townhomes on the east side of Erwin Road; one single family home to the north on Old Oxford Road; and Summerfield Crossing Townhomes to the west. Both the hotel property and the five acre parcel are part of the 15-501 Corridor Area designated for higher intensity uses where appropriate in the 2020 Comprehensive Plan.

History of Property Use and Current Development

A Special Use Permit for the Residence Inn Hotel was approved in 2003. Prior to the application for the Special Use Permit in 2001, Marriott Inc. [the owner of the property at that time] deeded approximately 1.5 acres of property it owned to NCDOT for the relocation of the western leg of Dobbins Drive and contributed about \$400,000 for the widening of Erwin Road and the reconstruction of the Dobbins Drive Fordham Boulevard Intersection. Additional contributions by Marriott Inc. were made to OWASA to relocate water lines in Dobbins Drive.

The Town Council approval of the hotel included a condition that it not be opened until the Erwin Road – Fordham Boulevard “Super-circle” planned by NCDOT for opening in 2005 was constructed. As it turned out, NCDOT did not get the improvements completed until late 2017 and the hotel opened in February 2008.

The Residence Inn Hotel was approved as a “Planned Development – Mixed Use” project. In addition to the hotel, the development includes a building with four dwellings and approximately 1,500 SF of office space. Although the PD-MU zoning designation is still a part of the LUMO, it has been superseded by the Mixed-Use Village districts that are now in use in the LUMO.

The five acre parcel to the north of the hotel is not developed. It contains an old farm pond, originally hollowed out on the property about 70-years ago to corral water for use by the cattle that grazed on this parcel and the other surrounding parcels then owned by the McFarling family.

This parcel and the two smaller residential parcels immediately to its north are the last remainder of the large farm holdings of the McFarling family going back to the early 1900's.

The northern side of Fordham Boulevard, Dobbins Drive, and East Franklin Street where it splits from Fordham Boulevard have been considered appropriate for residential and office development for many years, while commercial/retail has been considered appropriate for the southern side of these roads. This policy and expectation dates back to at least the 1979 Comprehensive Plan and has been reaffirmed in the 2000 Comprehensive Plan and the Chapel Hill 2020 Plan.

Existing Conditions of Importance – Combined Sites

The natural slope of the site is from the western side of Erwin Road to the southwest toward Summerfield Crossing and Dobbins Drive. The pond is not classified as a wetlands nor a body of water for which there is a stream or RCD buffer requirement. The pond currently overflows its northern edge during wet periods [of which we have had a few in the past 5 years] and runs overland to the west across the existing hotel property where it enters Summerfield Crossing and it threatens those homes abutting the current hotel property. Between the hotel and Dobbins Drive there is a stream that required a Resource Conservation District buffer of 75 feet in width at the time the hotel was approved.

In 2003, the hotel was approved with – and in 2007-8 constructed with - its sanitary sewer line connecting to a manhole on the east side of Erwin Road, thereby not forcing the opening of the then existing sanitary sewer easement in Summerfield Crossing. Nevertheless, OWASA required an easement across the hotel site to the five acre site 'IN CASE" it might be developed at some later time.

Existing mixed species vegetation surrounds the pond and runs along the property line of Summerfield Crossing. The vegetation along the front of the five acre parcel is primarily volunteer pine, with a significant amount of the visible vegetation within the current NCDOT right-of-way that was acquired many years ago. There will not be a need for NCDOT to acquire additional right-of-way on Erwin Road between Fordham Boulevard and Old Oxford Road.

Summit Hospitality - Development Proposal Evolution

Summit Hospitality Ltd., a Raleigh based company, was the developer of and is the owner and manager of the Residence Inn Hotel in Chapel Hill. In addition it owns and manages other hotels, including the recently opened Residence Inn Hotel in downtown Raleigh. The managing partner of Summit is a UNC-Chapel Hill graduate, as are others that are part of the Summit ownership group. They are pleased to be investors in Chapel Hill and its future.

Several times during the past 3-4 years, residential builders have had purchase contracts with the owner of the 5-acre site as well as the McFarling property of 2.8 acres at the corner of Old Oxford Road and Erwin Road. David Weekley Homes, the last builder with a contract for the property, submitted a concept plan that was reviewed by the CDC and the Council and was in the SUP review stage before the application was withdrawn. In each of these prior cases, Summit was willing to help solve the stormwater and potential flooding problems of the Summerfield Crossing neighbors by offering 2 acres of land to these builders. Subsequent to the withdrawal of the Weekley proposal, the Managing Partner of Summit Hospitality and other partners determined that it

was in their interest to have a say in the type and quality of any development of the 5 acre parcel and see to it that the solution to the pond and flooding issues at Summerfield Crossing is resolved sooner rather than later by someone else.

Therefore, Summit Hospitality has entered into a purchase contract with the owner of the 5 acre parcel.

Summit Hospitality – Mixed Use Development Proposal

To remove the 2 acres in the northwest corner of the Residence Inn site to connect it to the 5 acre parcel requires a modification to the “Planned Development – Mixed Use” approval of 2003. And, because this older zoning and planned development option is no longer being used by the town, a different zoning district and modified Special Use Permit are needed.

After considering the several conditions and LUMO zoning possibilities, the request for “Mixed-Use Village Collector” zoning appears appropriate for the proposed development plan. That plan quite simply is: 1) the retention of the Residence Inn Hotel as is it now, but on a slightly smaller site, and 2) the development of a multi-family community that provides a density that permitting enables the development of a neighborhood with centralized amenities and with a building and parking footprint that permits the stormwater and pond issues to be resolved for the Summerfield Crossing neighbors.

The proposed plan for review and comment has the major features identified below.

Multi-Family Residential

- 140± Dwelling Units on 7.5 Acres of land.
- Floor Area of about 150,000 SF
- 2 buildings of about 70 units each with 3 floors over parking.
- Centralized outdoor recreation
- Terraced gardens leading down from the recreation area to a landscaped bio-retention natural stormwater management area.

Residence Inn Hotel

- Maintain existing size and conditions.
- Minor Modifications to existing landscaping.
- Possible modifications to stormwater management to coordinate with residential development.
- Increase the amount of permitted floor area to align with changes to zoning and land area of Residence Inn Hotel site.