



October 3, 2018

Housing Advisory Board
Town of Chapel Hill
405 MLK Jr. Boulevard
Chapel Hill, NC 27514

RE: Erwin Road Mixed Use Development Proposal
Summit Hospitality - Applicant
Affordable Housing Component

Dear Advisory Board Members:

On behalf of Summit Hospitality, I apologize for not being able to attend your October 9, 2018 meeting. Several schedule changes resulting from the effects of Hurricane Florence have created a situation that requires me to be out of town on October 8 – 10.

Summit Hospitality – Prior Affordable Housing Commitment

I represented Marriott Hotels in 2001 when the Residence Inn was first submitted as an application and continued with Summit Hospitality through its approval in 2003 and its construction in 2007 and opening in 2008. As part of that approval, Summit Hospitality volunteered to include an affordable housing unit in the 4-dwelling unit condominium residential component of the hotel. The town accepted that offer. During the construction of the hotel, four years after the project approval, the town asked for a payment-in-lieu rather than an on the ground unit. Summit provided the payment-in-lieu even though the preference was to develop the actual new affordable housing unit.

I provide this information to let you know that both the applicant is committed to the development of additional affordable and workforce housing in Chapel Hill, especially as a business owner that employs residents of Chapel Hill and Orange County.

Scott Radway, AICP – Active in Support of Affordable Housing

For reference, I want to let you know that I have been a strong advocate for affordable housing since moving to Chapel Hill in 1989 and am a former member of the Planning Board and CDC. Prior to moving to Chapel Hill I was an expert planning, zoning, and development cost witness in many legal challenges to exclusionary zoning practices in various states. In Chapel Hill, I was part of the Inclusionary Task Force that developed the floor area and density bonus economic incentives & zoning regulations adopted in 2009 that require affordable housing to be in new developments.

Erwin Road Mixed Use Development Proposal

Attached to this letter is a color rendering of the concept plan that will be reviewed by the Chapel Hill Town Council on October 17, 2018. The full set of concept plan materials is on the town's development application web link.

Residence Inn Hotel

The concept plan proposes the expansion of the Residence Inn Hotel from 108 suites to 170± hotel suites. A solid and successful addition to Chapel Hill's inventory of high-quality lodging in the Fordham Boulevard (15-501) mixed use entrance corridor in 2007, the original hotel approval exemplifies the Chapel Hill practice of limiting business activity to sites too small to be expanded in a positive manner if the businesses are successful. With the potential for a jointly developed residential project on the adjacent property, the hotel and Summit Hospitality have the chance to expand a successful business that has well served town residents, businesses, UNC-Chapel Hill and the UNC Hospital System.

Erwin Road Residential

The proposed 135± condominium residential development that is part of the Mixed-Use proposal will add ownership opportunities, rather than multi-family rental residential as has been the case with most of the recently approved residential developments in Chapel Hill. The preliminary mix of dwelling units by type as well as the market rate and affordable housing distribution is shown below:

Type of Dwelling Unit	Affordable Units	Market Rate Units	Total Units
Studio	2	10	12
1 Bedroom	10	55	65
2 Bedroom	8	50	58
Total Units	20	115	135
Percent of Total	15%	85%	100%

The applicant intends to fully comply with the Affordable Housing requirements with respect to staging, pricing, dwelling unit finish and amenities of the development and to work with the Home Trust to create dwelling unit designs that are of a size and arrangement to be easily marketed to and used by successive households that over time will change in make-up and income capabilities as will Town and Home Trust income qualification limits and needs.

We hope you will find that this proposal complies with and achieves the goals of the Town of Chapel Hill and the standards of the Inclusionary Zoning Ordinance with regard to providing affordable housing options and opportunities within the ownership housing available in Chapel Hill in the future.

Sincerely,

Scott Radway, AICP

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