UNC HEALTH CARE SYSTEM

EASTOWNE MASTER PLAN

Town Council Committee

January 10, 2019

UNC HEALTH CARE SYSTEM

Agenda

Vision and overview

Negotiation Matrix

Long Range Transit Potential / Smart Growth

Residential Program

Retail Program

Design Scenarios

Street and Town Square Studies

Potential Sustainable Strategies

Appendix

UNC HEALTH CARE SYSTEM

Master Plan Updates

How has the plan responded to Council comments:

- Avoids development on stream within northern tract
- More forest preserved on northern tract
- Reduces number of housing units
- Includes residential liners along all major streets

What additional information has been provided:

- Preliminary retail program mix
- Preliminary housing program
- Street and town square studies
- Potential sustainable strategies
- Patient and Employee projections

Vision

UNCHC Impact

Patients per day for typical MOB:

- Approximately 800 to 900 per day for a typical 150,000 square foot medical office building.
  @ 7 buildings = 5,600 to 6,300 patients
  @ 10 buildings = 8,000 to 9,000 patients

Employees per typical MOB building:

- Approximately 225 employees would be on site from 8AM to 5PM for a typical 150,000 square foot medical office building
  @ 7 buildings = 1,575 employees
  @ 10 buildings = 2,250 employees

Negotiation Matrix DRAFT

	TOPIC	UNCHC POSITION	TOWN POSITION	COMPROMISE
WHAT WE AGREE ON	**Include Office Space**	Yes	Yes	n/a
	Include Medical Office	Yes	Yes	n/a
	Include Hotel Use	Yes (up to 2 hotels)	Yes (prefer 1 hotel)	tbd
	Include Town Square	Yes	Yes	n/a
	Replace pond with stream	Yes	Yes but want trade-off	tbd
	Parking	Mostly structured / use shared	Mostly structured / use shared	n/a
	Shuttle to Main Campus	Yes	Yes	n/a
	Setbacks on 15-501/ I-40	Yes, keep at 30′ and 100′	Yes, keep at 30′ and 100′	n/a
	Bike Trail connections	Yes	Yes	n/a
	Expand tax base	Yes	Yes	n/a
	Stormwater	Meet LUMO standards	Meet LUMO standards	n/a
	Solar on Rooftops	Buildings to be solar ready	Buildings to be solar ready	n/a
ISSUES TO WORK ON	**Housing**	Mixed of types including market rate and affordable	Mixed income housing serving a range of income levels	Mixed income housing
	Retail	Primarily service but up to 150k	Only service (area tbd)	Discuss tax benefits
	North Parcel	Build upon north parcel	Preserve entire north parcel	tbd
	Density	Gross FAR $\leq$ 1.3	tbd	tbd
	Height	6 stories + penthouse + screened mechanical	tbd	tbd

UNC HEALTH CARE SYSTEM

Negotiation Matrix DRAFT

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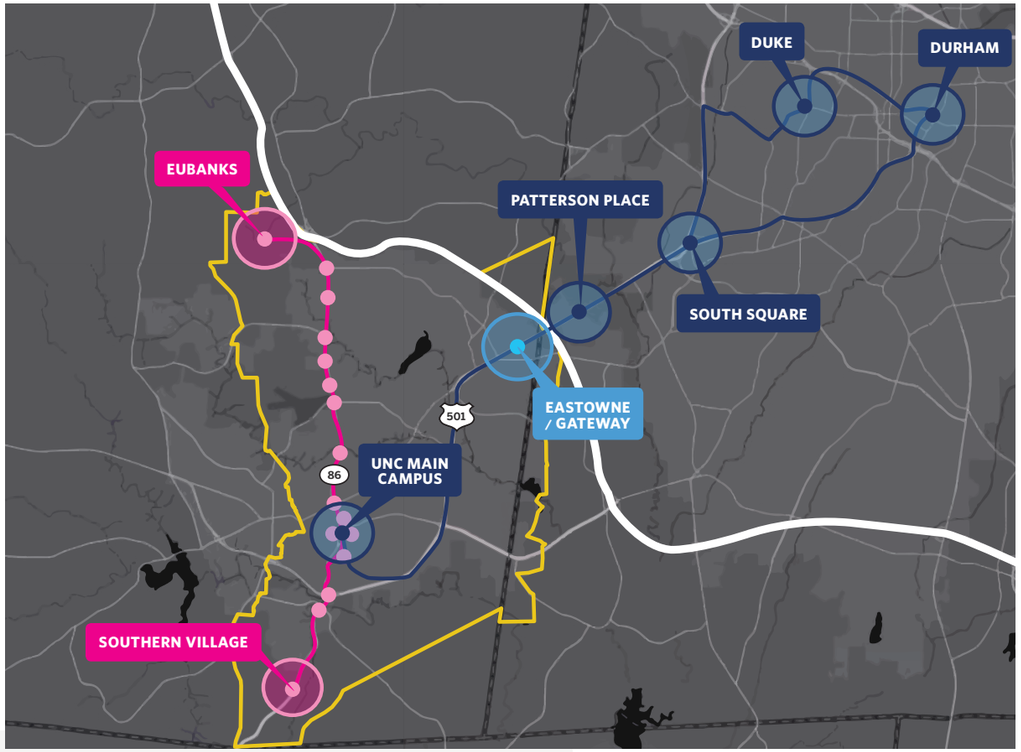
Long Range Transit Potential

East-West BRT line

Rendering of Proposed Chapel Hill N-S BRT



MOBILITY HUB

- Raised BRT platform
- Bike storage and trail connections
- Real-time schedule information
- ADA accessibility
- Shelter and seating
- Ride Share connections

Potential Residential Program

Provide a mix of housing types that will accommodate a range of incomes and demographics, including:

Market Rate

- **Young Professionals:** typical HH Income $40-80k, est. 10-15% UNCHC employees
- **Mature Singles**: typical HH Income $50-100k, many working in tech. sector RTP
- **Professional Couples**: typical dual HH income $60-150k; est. 10% starting families
- **Empty Nesters**: typical HH income $80k; looking to downsize/ live in walkable environment

Affordable Housing (% TBD):

- 80% AMI, median HH income of $35-50k (Chapel Hill median is $67k).
- Workforce housing for teachers, police officers, firefighters, and UNC Health Care workers

Total Estimated Potential Housing Units = up to 600 units

Potential Retail Program

Provide a mix of restaurant, retail and local service businesses catering to on-site employees, visitors and residents in a unique open space oriented town center:

Restaurants

- 4-5 Sit down full-service restaurants offering outdoor dining (3,000-6,000 SF each)
- 5-6 Limited service restaurants with affordable prices (2,000-4,000 SF each)
- 1-2 Coffee / tea shops (2,000-4,000 SF each)

Retail and Services

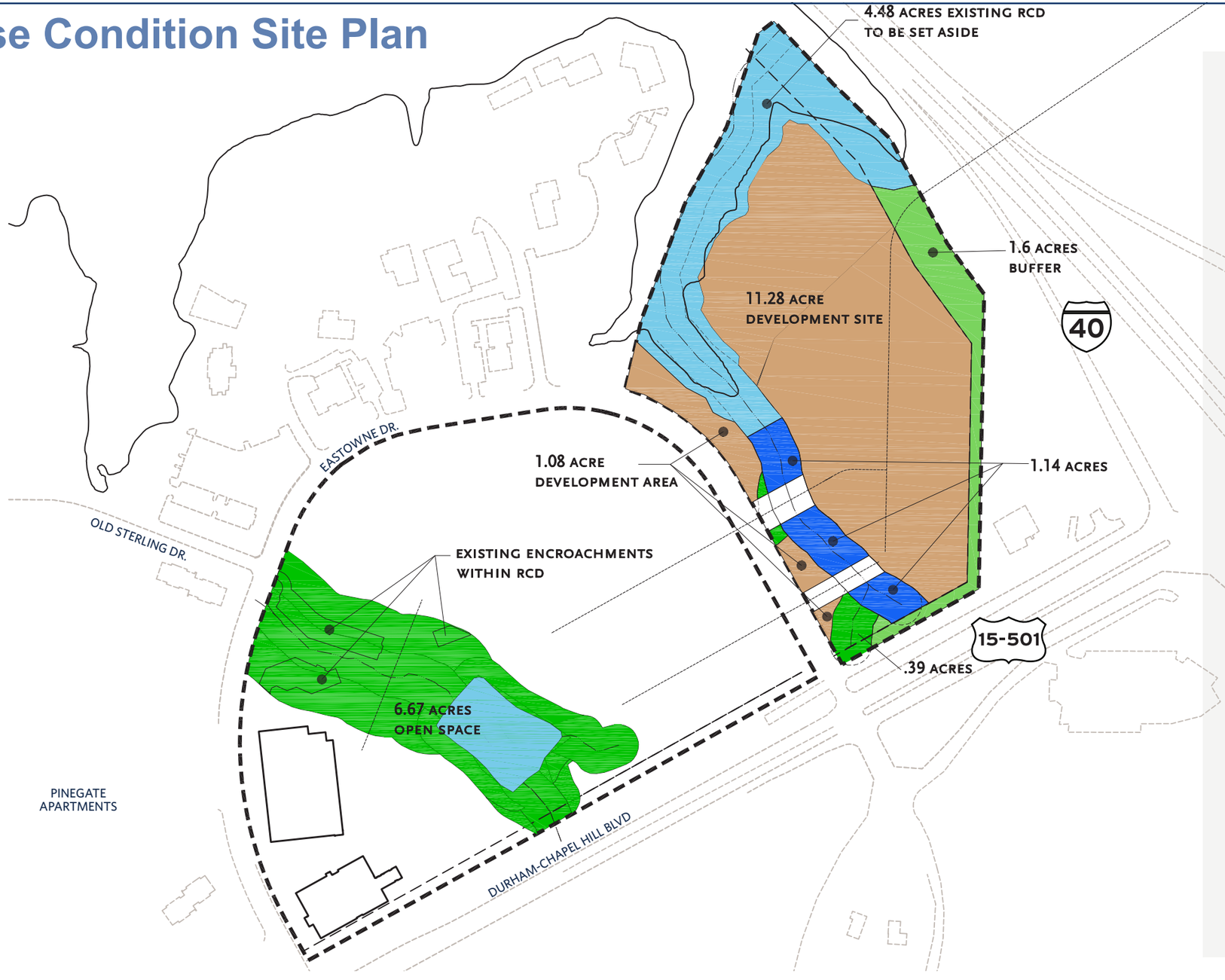
- 1 Pharmacy (est. 10,000 -12,000 SF)
- 1-3 Gift, florist, card, lifestyle boutiques (est. 1,500-3,000 SF each)
- 3-4 Medical / wellness services such as spa, salong, chiropractor, etc (est. 3,000 SF each)
- 1 Childrens daycare (est. 6,000-8,000 SF)
- 20,000 - 30,000 SF of additional misc. services including banks, dry cleaning fitness, etc.

Total Estimated Potential Restaurant and Retail = up to 150,000 SF

UNC HEALTH CARE SYSTEM

Pond and Northern Parcel

Base Condition Site Plan



OPEN SPACE SUMMARY

Contiguous Forest on North Parcel = 4.48 acres

Additional North Parcel = 3.16 acres

Total North Open Space = 7.64 acres

South (includes pond) = 6.67 acres

Total North + South = 14.31 acres

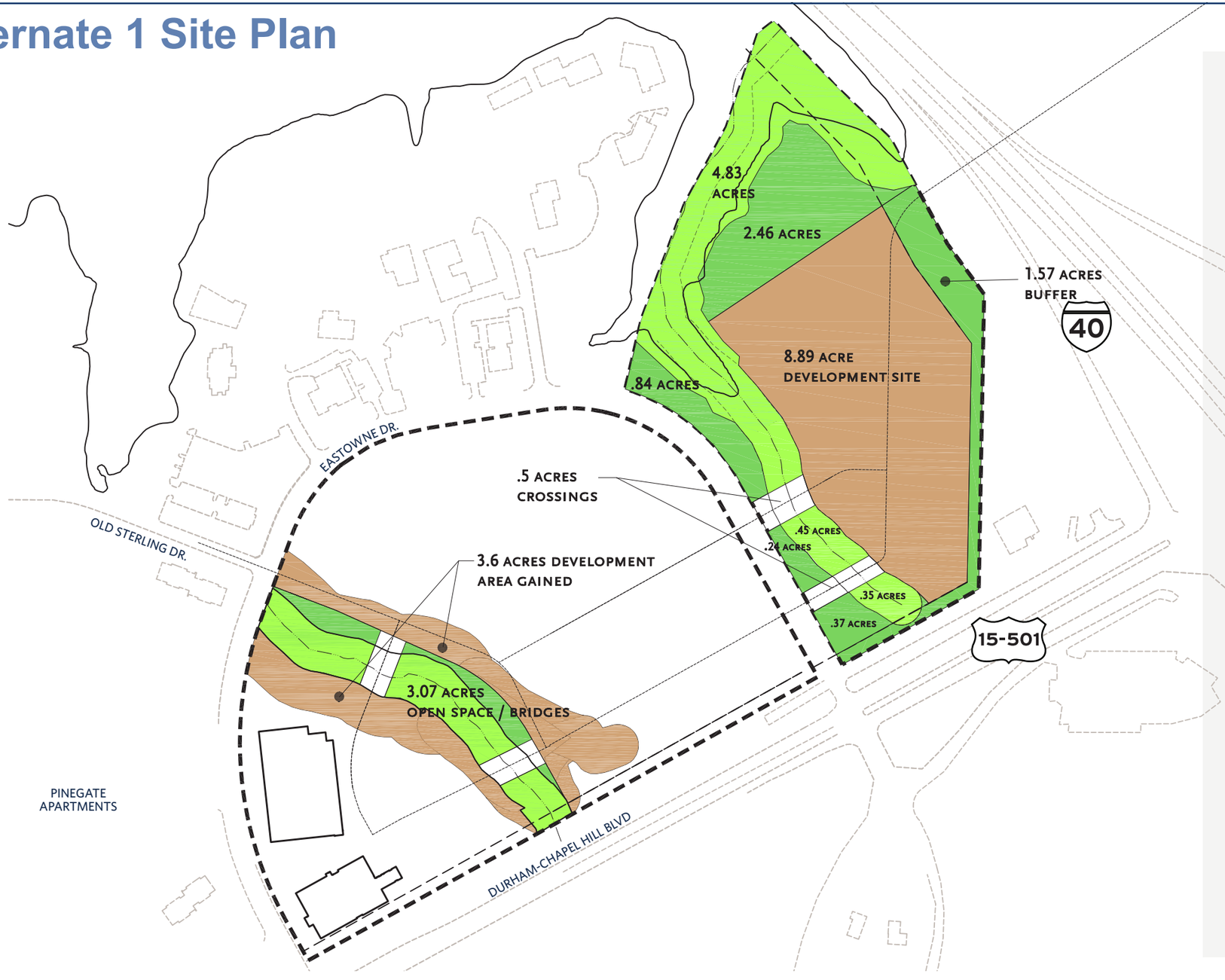
Assumes parking and two existing buildings remain within RCD near pond and limited ADA access to existing pond.

Note: UNCHC is seeking two stream crossings on the North Parcel and two stream crossings on the South Parcel.

UNC HEALTH CARE SYSTEM

Pond and Northern Parcel

Alternate 1 Site Plan



OPEN SPACE SUMMARY

Contiguous Forest on North Parcel = 8.13 acres

Additional North Parcel = 2.98 acres

Total North Open Space = 11.11 acres

South (former pond) = 3.07 acres

Total North + South = 14.18 acres

Assumes parking and two existing buildings are removed from resource area, water quality improvements, and ADA access to resource areas.

Note: UNCHC is seeking two stream crossings on the North Parcel and two stream crossings on the South Parcel.

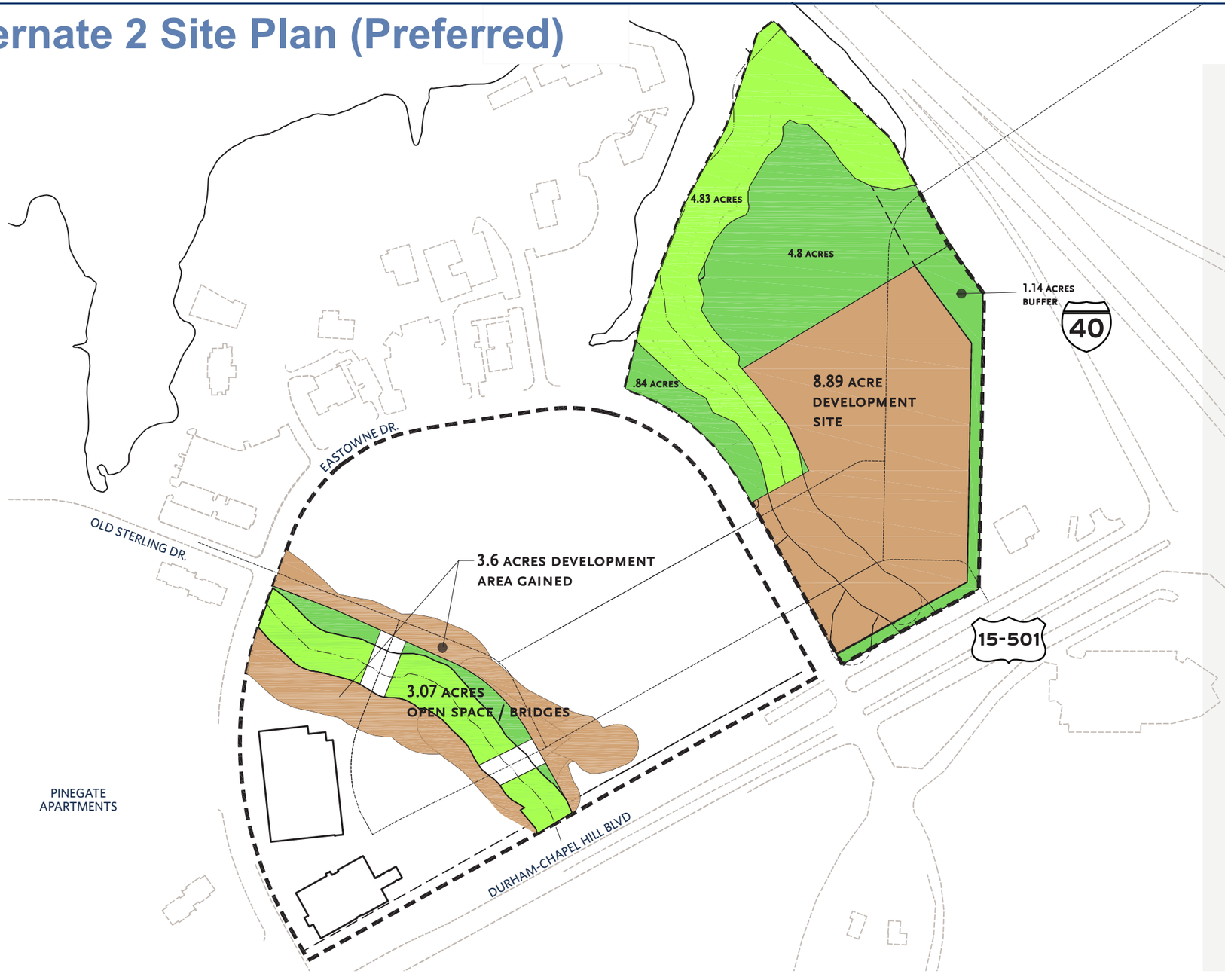
Bird’s eye view

Alternate 1

UNC HEALTH CARE SYSTEM

Pond and Northern Parcel

Alternate 2 Site Plan (Preferred)



OPEN SPACE SUMMARY

Contiguous Forest on North Parcel = 10.47 acres

Additional North Parcel = 1.14 acres

Total North Open Space = 11.61 acres

South (former pond) = 3.07 acres

Total North + South = 14.68 acres

Assumes parking and two existing buildings are removed from resource area, water quality improvements, and ADA access to resource areas

Note: UNCHC is seeking two stream crossings on the North Parcel and two stream crossings on the South Parcel.

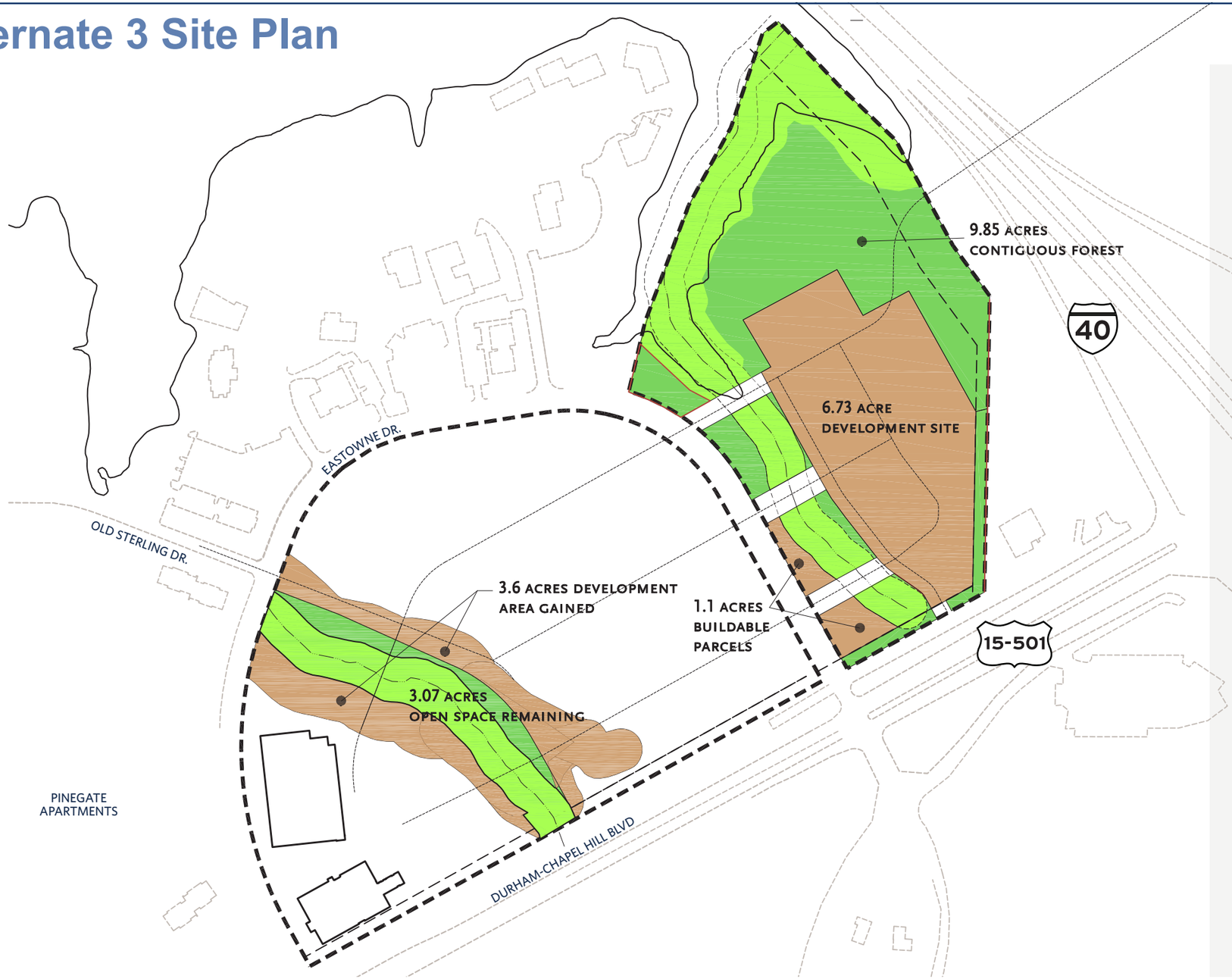
UNC HEALTH CARE SYSTEM

Bird’s eye view

Alternate 2 (Preferred)

Pond and Northern Parcel

Alternate 3 Site Plan



OPEN SPACE SUMMARY

Contiguous Forest on North Parcel = 9.85 acres

Additional North Parcel = 2.45 acres

Total North Open Space = 12.3 acres

South (former pond) = 3.07 acres

Total North + South = 15.37 acres

Assumes parking and two existing buildings are removed from resource area, water quality improvements, and ADA access to resource areas

Note: UNCHC is seeking three stream crossings on the North Parcel and two stream crossings on the South Parcel.

Bird’s eye view

Alternate 3

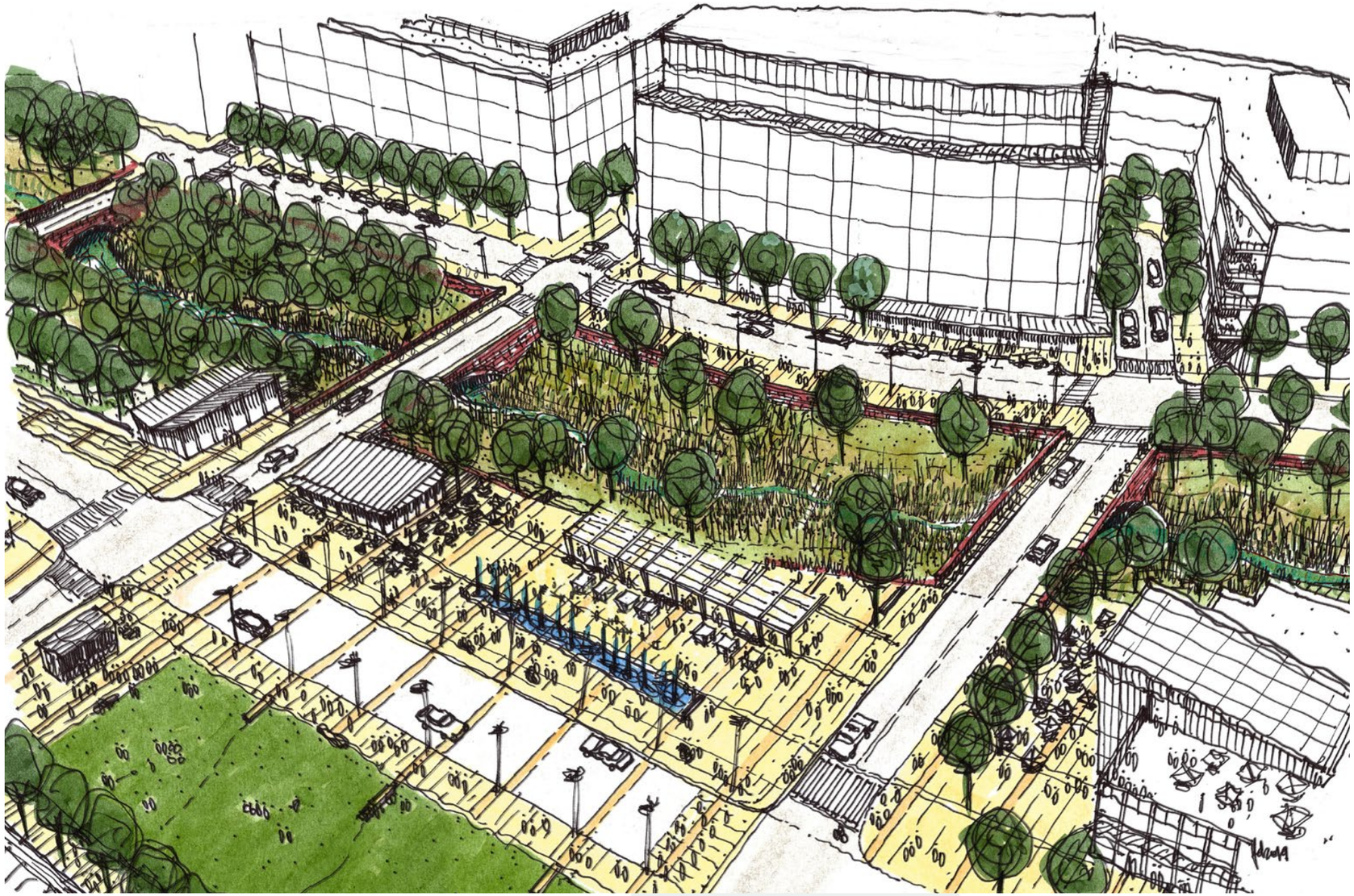
Eastowne Scenario Matrix

	TOPIC		BASE CONDITION	ALTERNATE 1	ALTERNATE 2	ALTERNATE 3
DESIGN ELEMENTS	**Stream Crossings**		N/A	2 in circle + 2 in North	2 in circle + 2 in North	2 in circle + 3 in North
	Buffers on 15-501		30′	30′	30′	30′
	Buffers on I-40		100′	100′	100′	100′
OPEN SPACE	**South Parcel** (30 acres)		6.67 acres including pond	3.07 acres replace pond with stream	3.07 acres replace pond with stream	3.07 acres replace pond with stream
	Northern Parcel (20.5 acres)	**Contiguous Forest Area**	4.48 acres	8.13 acres	10.47 acres	9.85 acres
		Total Preserved	7.64 acres	11.11 acres	11.61 acres	12.3 acres
	Total Open Space* (out of 50.5 acres)		**14.31 acres**	**14.18 acres**	**14.68 acres**	**15.37 acres**

*Note: this open space total does not include the entire buffer along 15-501

Master Plan

View of Potential Town Square



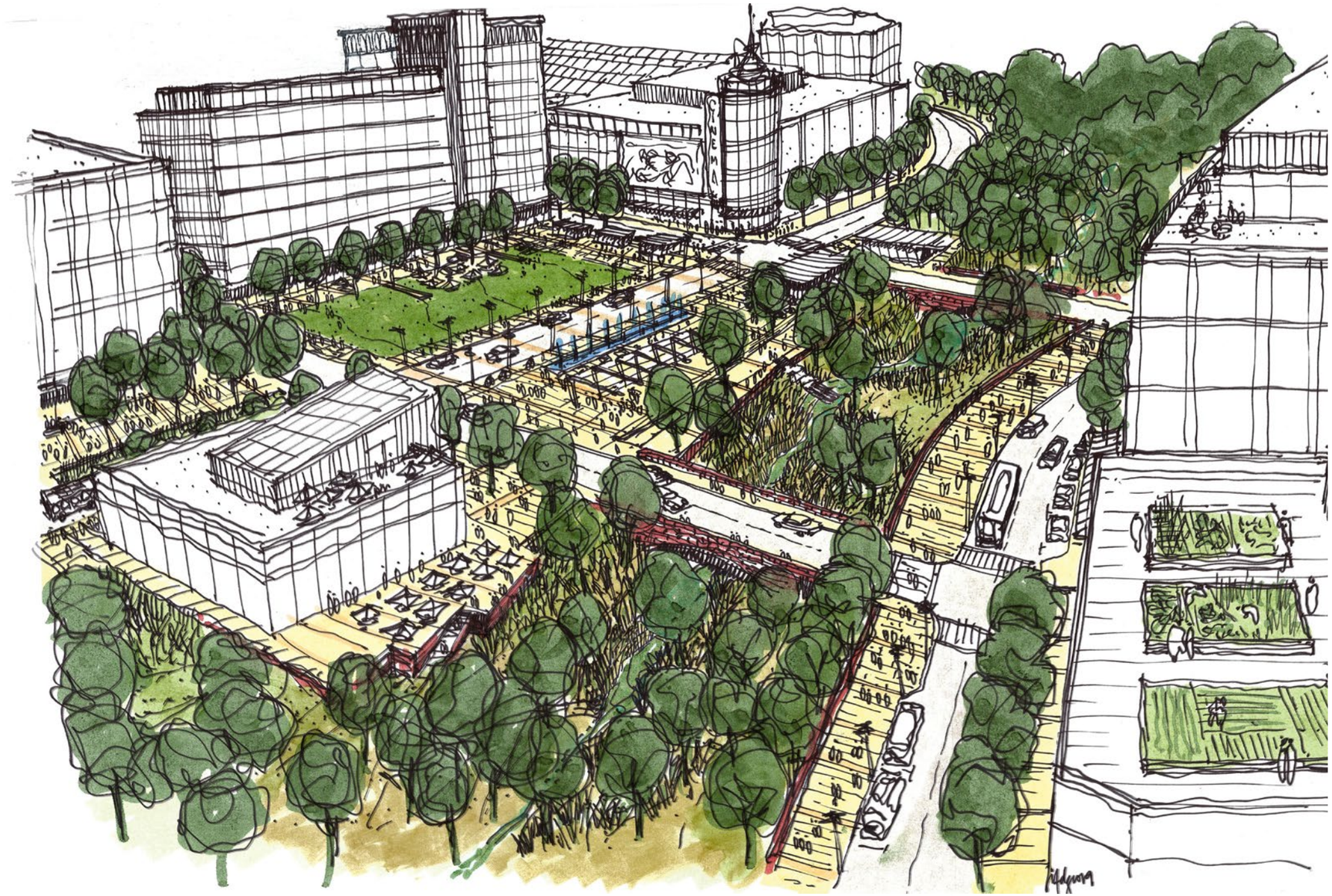
Flexible Lawn

Food Trucks

Pavillion

Master Plan

View of Potential Town Square



Flexible Space

Flexible Lawn

Master Plan

Eastowne Drive View from Potential Future Transit Node

Promenade

Outdoor dining

Master Plan

Town Square Activities

Avalon, Alpharetta, GA

Bryant Park, NYC

South Weymouth, MA

Midtown Park, Raleigh, NC

Durham, NC

Master Plan

Sustainability Standards

Rating Systems

There is not a single rating system that holistically captures all of the best practices and sustainability strategies that Eastowne would embody. The design team will select features to design to from the following standards:

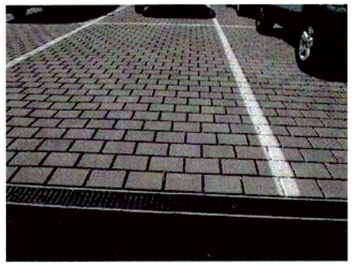
- LEED Neighborhood Development
- WELL Community
- SITES
- The Center for Active Design Guidelines
- EcoDistricts Protocol

Master Plan

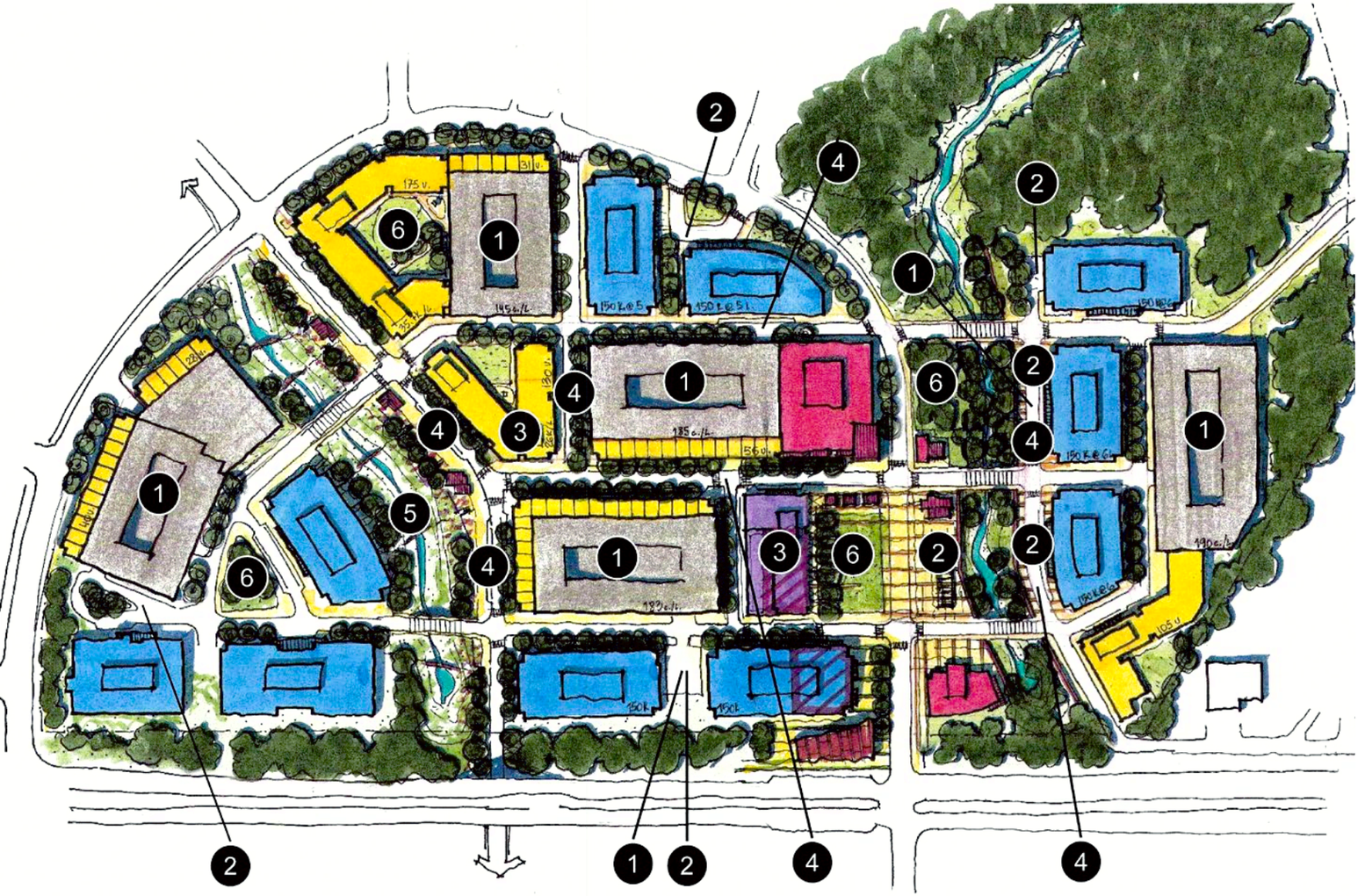
Potential Stormwater Strategies

1 UNDERGROUND STORMFILTER

2 PERMEABLE PAVEMENT

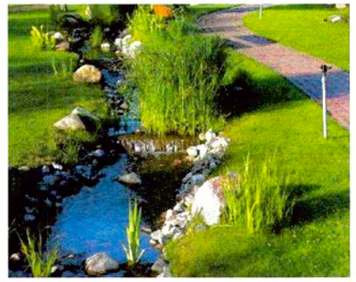


3 GREEN ROOF



4 ROADSIDE BIORETENTION

5 STREAM RESTORATION



6 AMENITY BIORETENTION

Master Plan

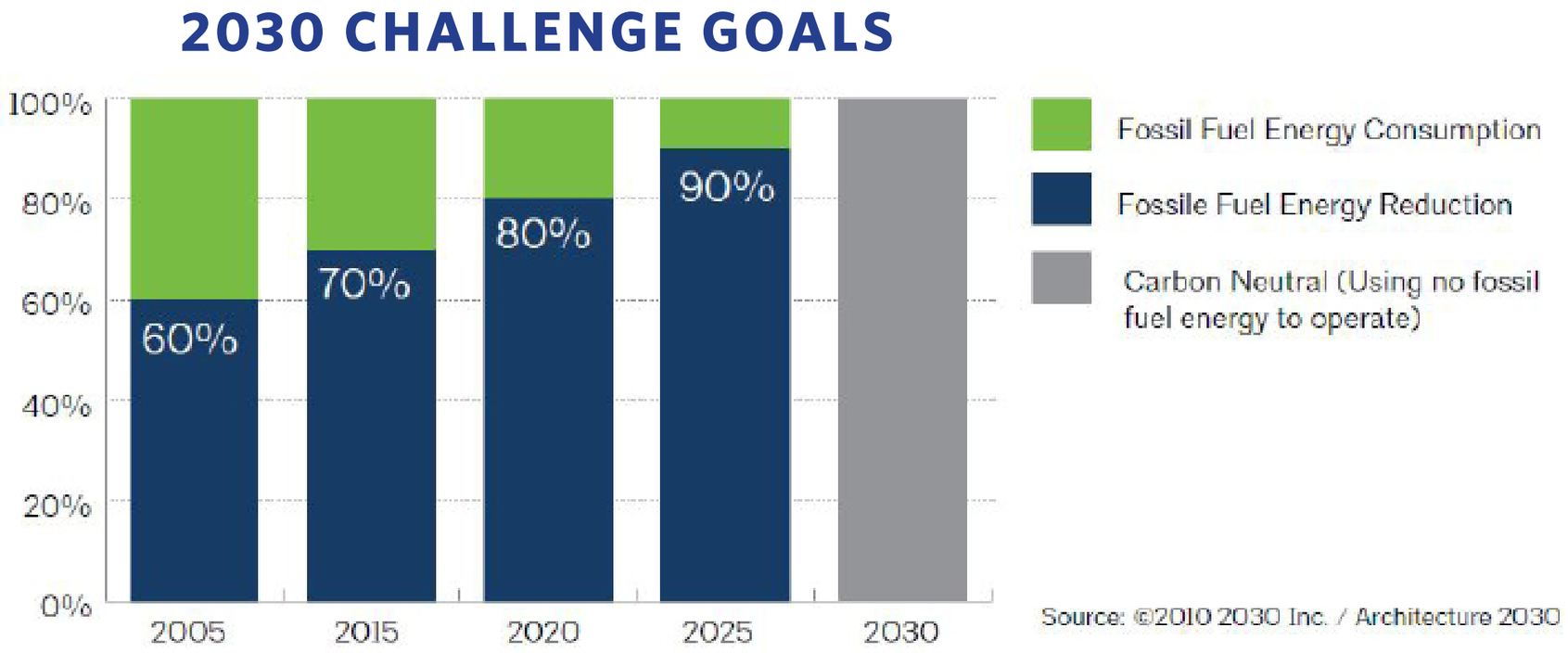
Potential Energy

Potential policies:

- Require design firms working on projects at Eastowne to be signatories of the **AIA 2030 Committment** and to set project energy goals based on **The 2030 Challenge** targets.
- A fossil fuel policy which will be updated for each master plan phase
- Guidelines for roof-top solar requirements
- All parking garages will have electric vehicle charging stations
- All buildings will target the LEED Building Life Cycle Impact Reduction credit which addresses embodied carbon of materials

Master Plan

Potential Energy



Achieving the 2030 targets for energy reduction requires aggressive efficiency; an approach would include:

Robust envelope design to reduce infiltration

Mixed-mode operations for natural ventilation

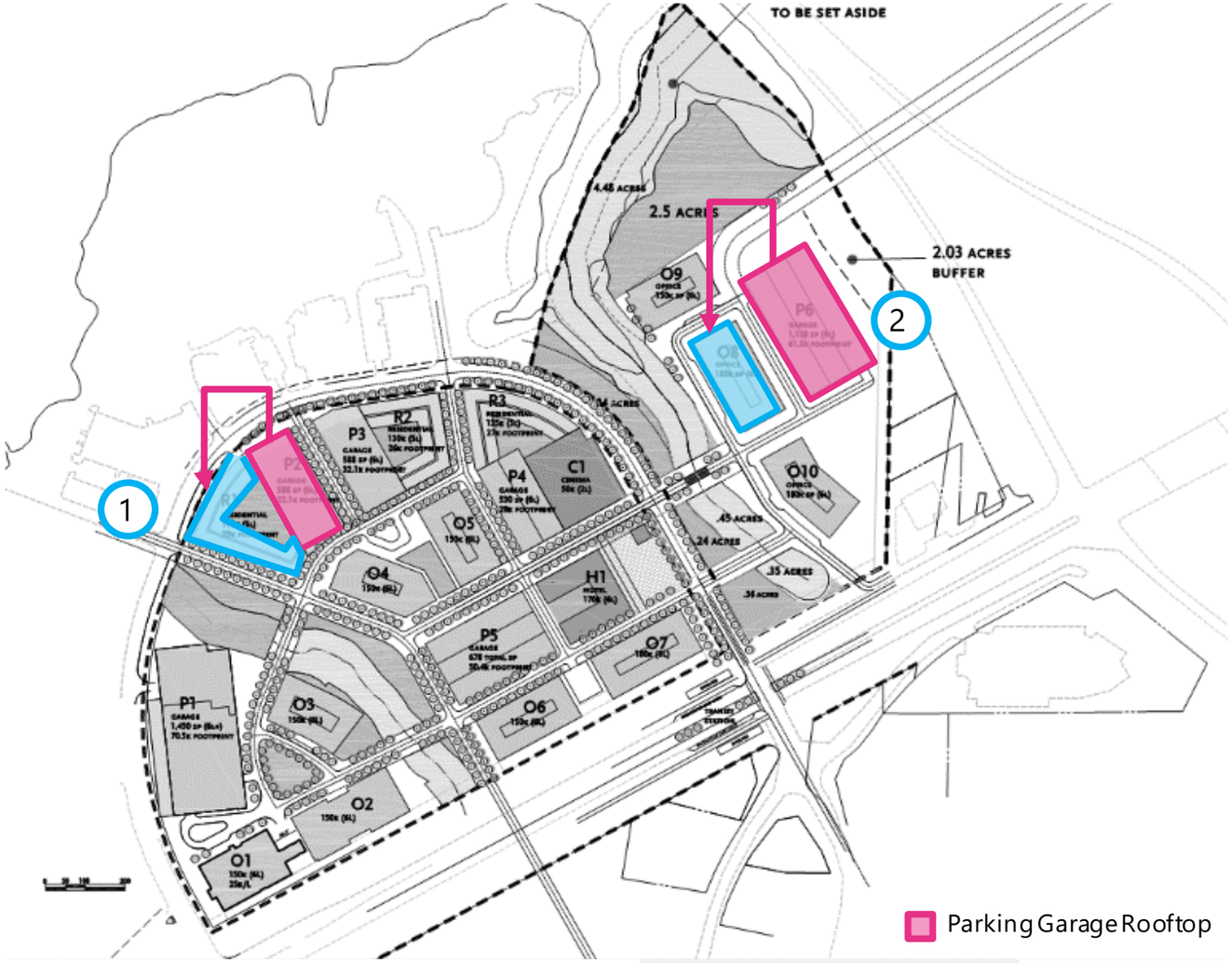
Glazing and external shading that limits solar heat gain into the building to reduce cooling loads

All LED lighting

Master Plan

Potential Energy

EXAMPLE PARCEL ADJACENCY & RELATED SOLAR OFFSETS



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Garage Rooftops (useable area)
21.5 kWh/year per ft²

Assumptions	
Panel Efficiency	19%
Rooftop	~275,000 SF
Rooftop Availability	80% of Total Rooftop Area (~220,000 SF)
Panel Tilt	30.4°
Panel Direction	South
Other System Losses	18%

#	Garage Parcel	Residence/ Office Parcel	% Annual Energy Offset*
1	P2	R1	28.3%
2	P6	O8	30.7%

*Assuming CBECS 2012 National Avg. EUI

BUROHAPPOLD ENGINEERING

Master Plan

Potential Energy Strategies

POTENTIAL STRATEGIES

1. 2030 energy reduction goals
2. All multifamily projects to be LEED Gold
3. Green hotel: LEED Gold & WELL certified
4. Electric vehicle charging stations in parking garages
5. Passive House & WELL certified senior living with 25% affordable units @80%
6. Carbon neutral office building
7. All electric town homes powered by solar arrays on the garage
8. Transit Hub

Master Plan

Wellness

UNCHC's mission is to improve the health and wellbeing of North Carolinians and others whom we serve. Our commitment to wellness includes:

- Providing care in healing, patient and family-centered environments with access to natural light
- Ensuring our patients and staff have access to healthy food options in our cafes and onsite food services
- Encouraging our community to be active by taking advantage of services available in our wellness centers and onsite exercise facilities

Wellness opportunities include an onsite daycare for staff, access to walking trails and bike trails, healthy food options and retail services in close proximity.

Master Plan

Potential Wellness Strategies

STRATEGIES

1. Access to nature, biking and walking trails
2. Retail services in walking distance
3. Healthy food options
4. Housing in walking distance to transit hub and services
5. Healing environments with access to natural daylight and views of nature
6. Open space
7. Space for activities and social interaction (community garden)

Master Plan

Wellness - Potential Trail and Greenway Connections

KEY

- Buffered Bicycle Lane
- Existing Bicycle Lane
- Proposed Bicycle Lane
- Proposed Greenway Multiple Paths
- Proposed Unpaved Greenway
- Existing Unpaved Greenway

Summary

What UNCHC is asking for:

- Determine program including retail and housing mix
- Finalize development footprint including northern tract
- Finalize number of stream crossings
- Set framework for density and public benefit negotiation

What Town of Chapel Hill will receive:

- A vibrant mixed use development that will attract businesses to Chapel Hill
- Additional tax revenue for Chapel Hill
- Additional jobs in Chapel Hill
- Preservation of additional contiguous forest on the north parcel
- Water quality improvements including a stream enhancement on the south parcel

Appendix

UNC HEALTH CARE SYSTEM

Vision

Create a thriving, economically vibrant mixed use environment anchored by UNC Health Care that benefits patients, employees, and residents while attracting premier businesses to Chapel Hill.

This vision will include the following shared principles:

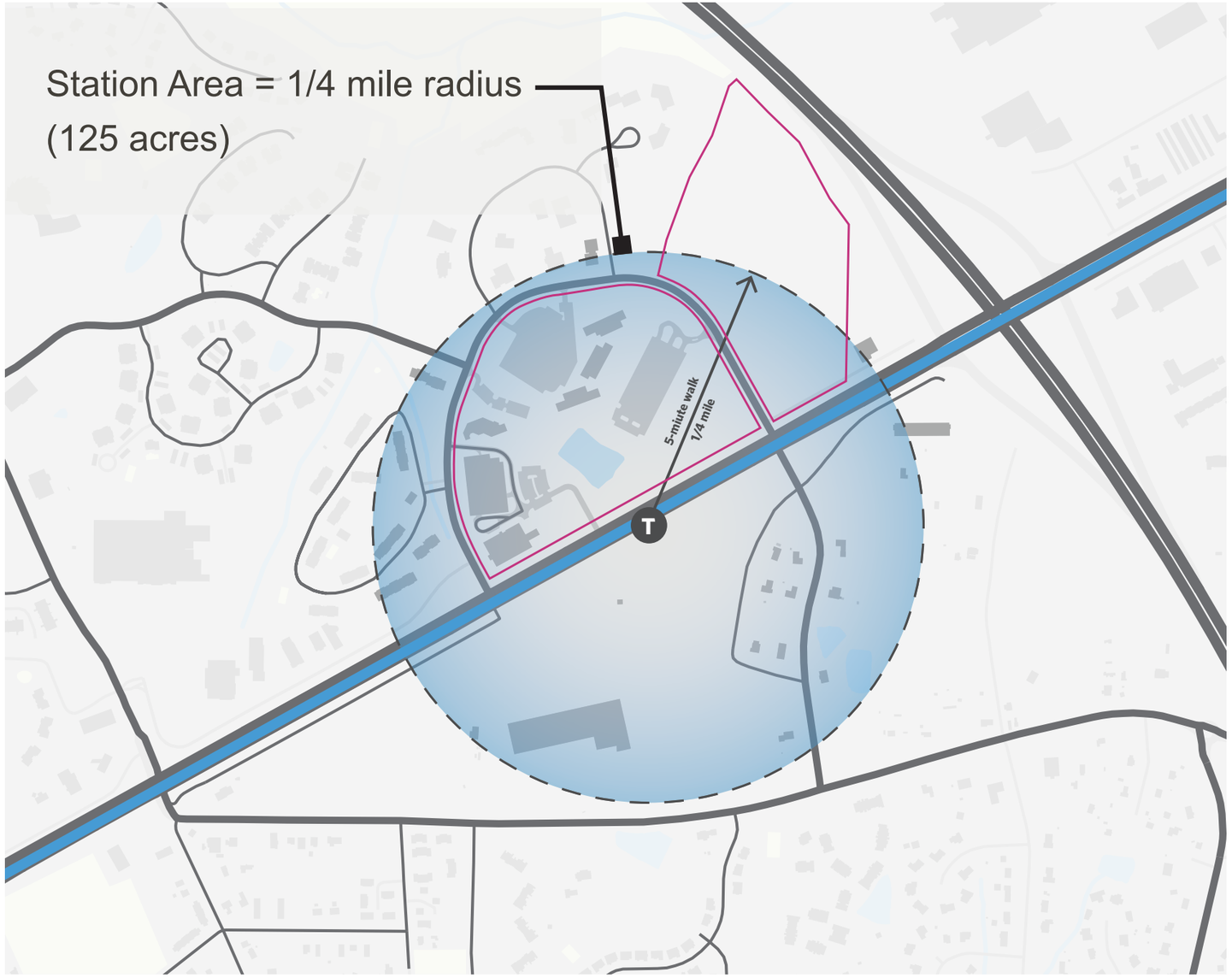
- Placemaking
- Suitable Public Infrastructure
- Sustainable Design
- Walkable Design
- Enhance Natural Environment
- Community Prosperity

Importance of North Parcel

- **Valuable frontage along I-40 and 15-501**
  - Gateway site identified by the Town
  - Town square needs to have enclosure and activity nearby
- **Reducing development footprint will make buildings less economical**
  - Would require high rise construction with significant construction premium (20-35%)
  - Would also likely require significant below grade parking with large premium
    - At grade parking = $2k per space
    - Above grade parking = $16k per space
    - Below grade parking = $35-40k per space
  - This premium will make development less competitive in the marketplace
    - There are no local examples of high-rise MOB construction
    - There are few examples of below grade parking in this market

Support Public Transportation

Concentrate density within 5-minute walk



KEY ATTRIBUTES

Provide a compact development pattern that maximizes density within 1/4 mile of a transit node

Utilize small blocks to encourage walking

Provide a mix of uses to maximize internal capture and discourage short vehicular trips

Include on-site housing to allow people to live and work at Eastowne

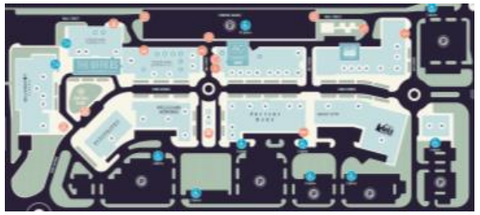
Provide incentives for carpooling and public transit

Create trail and bicycle linkages to connect Eastowne to the larger region

UNC HEALTH CARE SYSTEM

Why Mixed Use?

Town Center Examples

Town Center	Avalon Town Center	Assembly Row - Ph. I	Pinecrest	Phillips Place	Avg.
Site Plan					
Total Size	86 Acres	28 Acres (at build-out 40 acres)	58 Acres	35 Acres	**52**
Office SF	750,000	99,000 w/future pads	162,000	-	**252,750**
MOB SF	-	850,000 Partners Healthcare	Adjacent to University Hospitals	-	**212,500**
Retail SF	570,000	500,000	400,000	130,000	**400,000**
Retail Anchors	Whole Foods, 12-screen Regal Cinema	12-Screen AMC Theatre, LegoLand Discovery Center	Whole Foods, 10-screen SilverSpot Cinema, Pinstripes	10-screen Regal Cinemas	**Cinema**
Hotel	330 Rooms, Full-Service + 47,000 SF Convention Center	158 Room, The Row Hotel - Marriott Autograph	145 Room AC Hotel	124 Room Hampton Inn & Suites	**189**
Multifamily Rental Units	526 Units in two phases (250, 276)	947 Units in two phases (447, 500)	87 Units	402 Units	**491**
For-Sale Residential Units	25 SFD, and 75 THs	125 Condos	-	-	**56**

Noell Consulting Group

What is the right amount of retail?

- Need to serve existing residents, workers and visitors
- Need to activate ground level of streets and public spaces
- Modest scale compared to other nearby developments

NAME	AREA (GSF)
Eastowne (Proposed)	Up to 150k
New Hope Commons	468k
Patterson Place	532k
South Square	485k
Streets at Southpoint	1.6 million
Chapel Hill North	98k
Meadowmont	159k
Southern Village	63k
East 54	55k

Master Plan Process

PHASE 1	PHASE 2	PHASE 3	PHASE 4
Visioning	**Plan Scenario**	**Plan Refinement**	**Final Master Plan**
• **Solicit + Analyze Public Input** UNCHC Public • **Sustainability Workshop**	• **Review Alternative Scenarios**	• **Selection + Refinement of Preferred Alternative**	• **Prepare Final Master Plan**

JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
11 Months										**7 Months Remaining**							

UNCHC Existing Contributions

UNC Health Care provided ~$18M in uncompensated healthcare to Chapel Hill-Carrboro residents in FY19

- During the previous three fiscal years UNCHC has provided ~$50M in uncompensated healthcare to Chapel Hill-Carrboro residents[1]
  - FY17: $14.8M
  - FY18: $17.0M
  - FY19: $18.0M

UNCHC Existing Contributions

UNC Health Care pays ~$8.6M in annual rent across 300k+ square feet in Chapel Hill-Carrboro[1]

County	Square Feet	Annual Rent
Chapel Hill – Orange County	167k	$4.5M
Chapel Hill – Durham County	131k	$3.8M
Chapel Hill – Chatham County	10k	$300k
Chapel Hill-Carrboro Leased Space – All Counties	**308k**	**$8.6M**

[1] Represents data for the following zip codes: 27510, 27514, 27516, and 27517

UNCHC Existing Contributions

UNC Health Care and its affiliates paid ~$1M in property taxes for 2019

Location	Parcel #	2019 Property Taxes (Total)[1]	2019 Property Taxes (Chapel Hill/Carrboro Portion Only)[2]
200 Prestwick Place Condo P95/189	9798441243.006	$16,992	$7,894
204 Prestwick Place Condo P95/189	9798441243.008	$6,002	$2,815
108 Prestwick Place Condo P110/141 (unassigned / unincorporated)	9798441243.010	$6,846	$3,205
108 Village Crossing Drive (future Meadowmont Development)	9798744419	$436	$201
101 E Barbee Chapel Road, Chapel Hill, NC	9798744722	$2,953	$1,365
1350 Raleigh Road, Chapel Hill, NC	9798441499	$18,206	$9,703
100 Sprunt Street, Chapel Hill, NC	9798751612	$254,187	$120,073
TR 3 REV 3 Eastowne Office Park P73/46 (unassigned / unincorporated)	9890807564	$42,056	$21,336
4 Eastowne Office Park P73/142 (unassigned / unincorporated)	9890911209	$38,535	$17,809
300 Eastowne Drive, Chapel Hill, NC	9890800195	$143,651	$68,361
600 Eastowne Drive, Chapel Hill, NC	9890800643	$59,782	$28,673
700 Eastowne Drive, Chapel Hill, NC	9890802764	$49,629	$23,943
800 Eastowne Drive Chapel Hill, NC	9890803947	$56,884	$26,255
Leasehold Improvements (Meadowmont Building B)	9798647228L1	$261,034	$120,641
Totals		**$957,192**	**$452,275**

[1] Source: https://web.co.orange.nc.us/publicwebaccess/BillSearchResults.aspx
[2] Excludes Orange County-specific taxes

UNCHC Existing Contributions

UNCHC Job Creation at Eastowne

- Eastowne MOB I – 150K sq. ft. medical office building

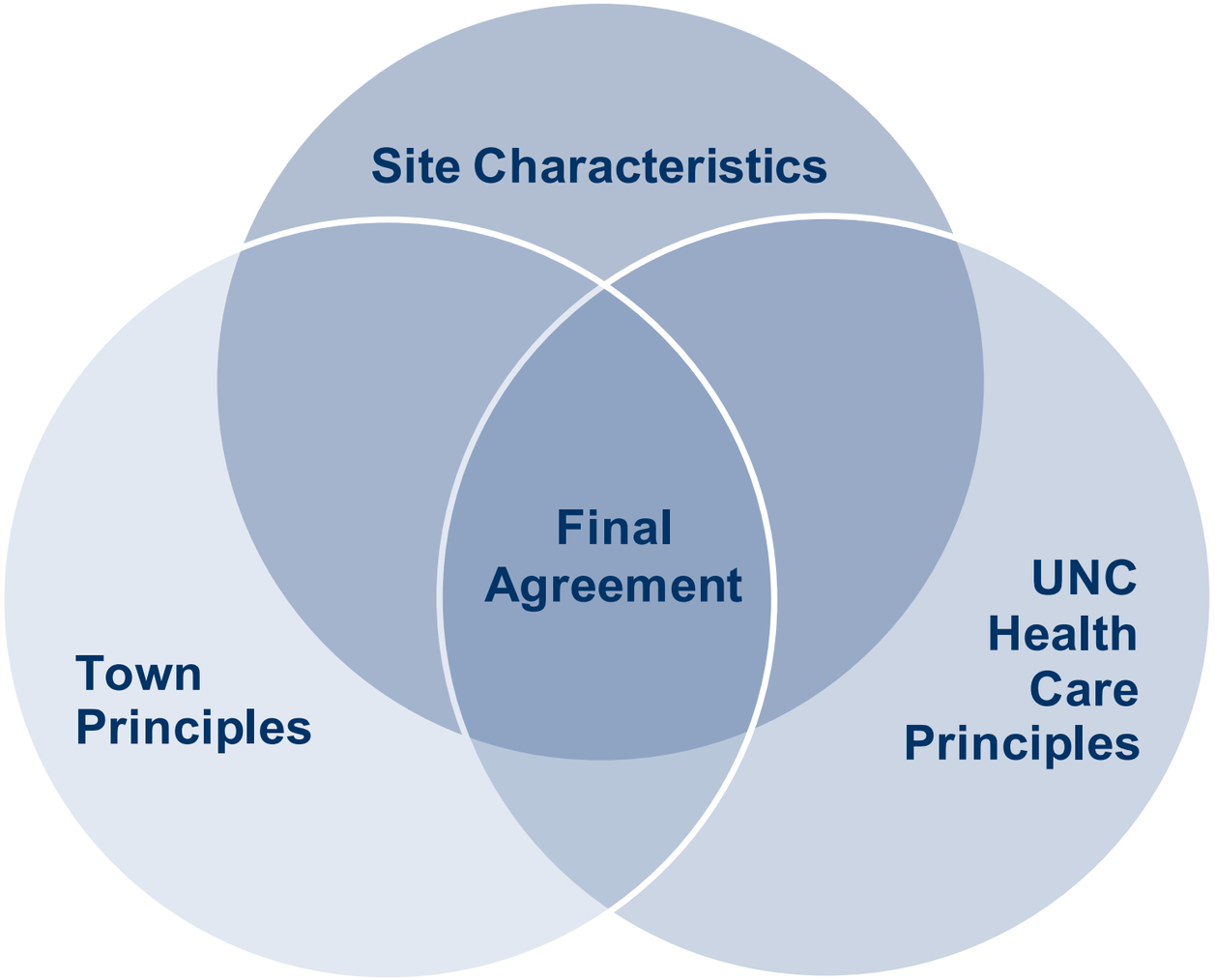
# of Doctors	# of Nurse Practitioners / Physician Assistants	# of Residents	# of Staff	# of Total FTEs	Total Estimated Salary Expense
47	11	17	155	230	$23.5M[1]

[1] Estimates reflect staffing information across nearly 20 departments

- Eastowne future development – Range of 7 – 9, 150K sq. ft. medical office/clinical use buildings

# of Doctors	# of Nurse Practitioners / Physician Assistants	# of Residents	# of Staff	# of Total FTEs	Total Estimated Salary Expense
~425	~100	~150	~1,400	~2,075	$211.5M

Master Plan Approach



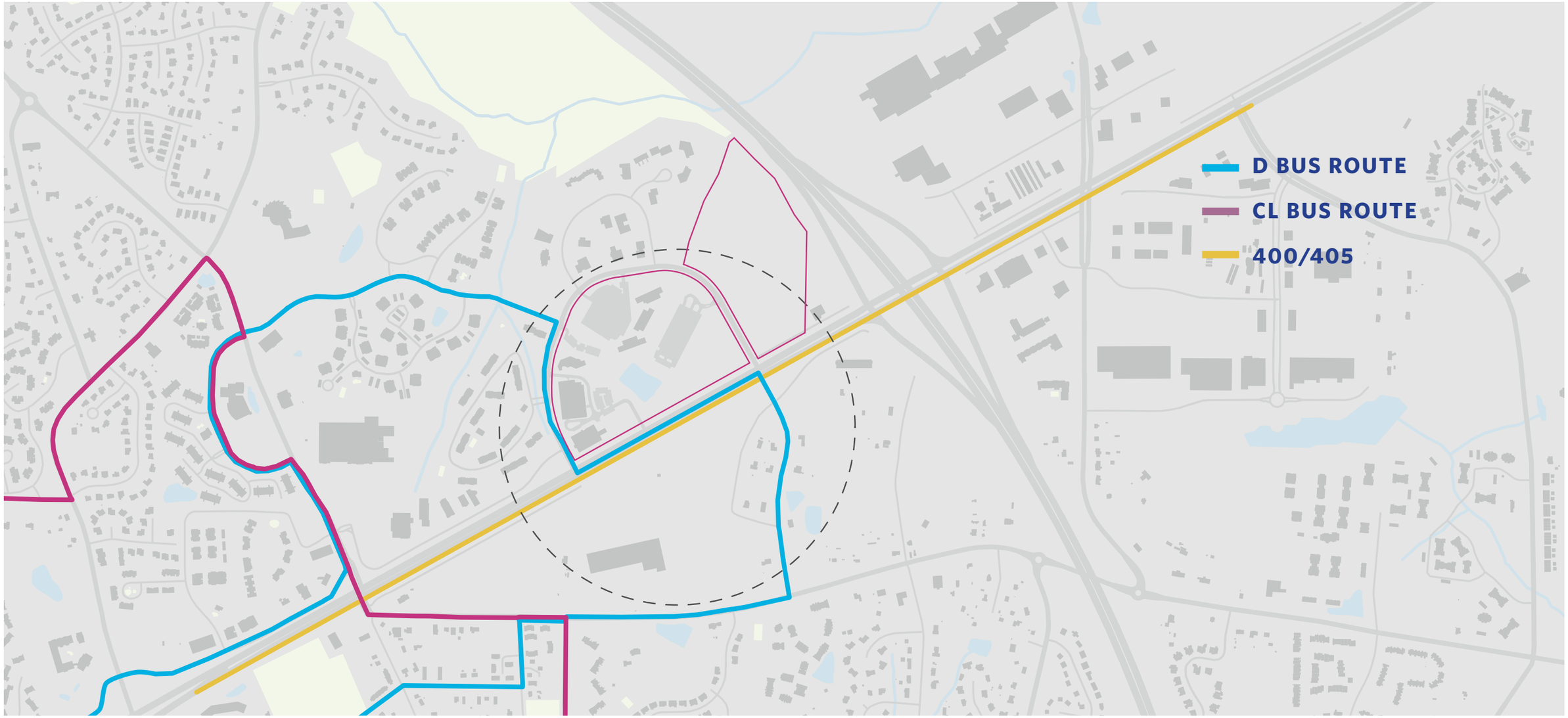
Eastowne Market Analysis

Recommended Development Product Matrix

Land Use	Example Picture	Phase I (Through 2025) Total Square Feet/Units Offered	Total Potential Demand 2019-2030	Parking	Notes/Comments
Rental Apartments		600 Units in two phases of +/- 300 each	Up to 1,500 units in +/- 300 unit phases	1.5 per unit or 1.0 per bed	Class A product above retail with shared parking in a central deck shared with office/MOB in a walkable town center environment. The target audiences will include a mix of young professionals (millennials), mature professionals and empty nesters/retirees. The community is positioned to be the top in the market outside of urban deals in Downtown Chapel Hill & Durham. Includes an estimated 15-20% premium for the town center environment.
Retail / Service		154,000 SF including 54,000 SF of service oriented uses, and 100,000 SF of conventional retail/restaurants	Up to 174,000 SF	Ratio of 5/1,000 SF	Restaurant concentration will serve as anchor. Bring in a diverse tenant base including local services and restaurants. Create the 'place" people want to be by bringing high-quality local restaurants (demonstrated Raleigh operators) to the area. Emphasize patios, rooftops, and other community gathering areas.
Conventional Office		120,000 SF in two 60,000 SF buildings	420,000 SF	Ratio of 4/1,000 SF	Potential tenants will primarily small firms of 5,000-9,000 SF with association to Universities/hospitals in the area. Some potential for start-up growth and/or RTP move-out. Approximately 20% will be medical users.
Medical Office - Clinical and Research		Approx. 300,000 SF in two buildings	UNCH HC assumption of 900,000 SF plus 200,000 SF of Admin.	Ratio of 1.7/1,000 SF on Clinical & Res. 4/1,000 SF on Admin.	Assumption provided by UNC Healthcare. Consider shared parking scenario with residential to limit the amount of net new parking needed for residential by up to 50%.
Lodging		A 100 room Extended Stay & 125 room Select Service	No additional rooms beyond the 225 in Phase I	1 per bed, could change depending on Convention Center needs	Strong potential for extended stay given market fundamentals, aging existing supply, and built-in demand driver of UNC HC. Select service to come on 1-2 years after opening of town center and provide amenitized location for multiple audience types including business professionals, leisure (particularly associated with UNC sports/events), and some group.
	Total Gross SF:	**1,339,000**	**3,359,000**		

Noell Consulting Group

Existing Bus Routes

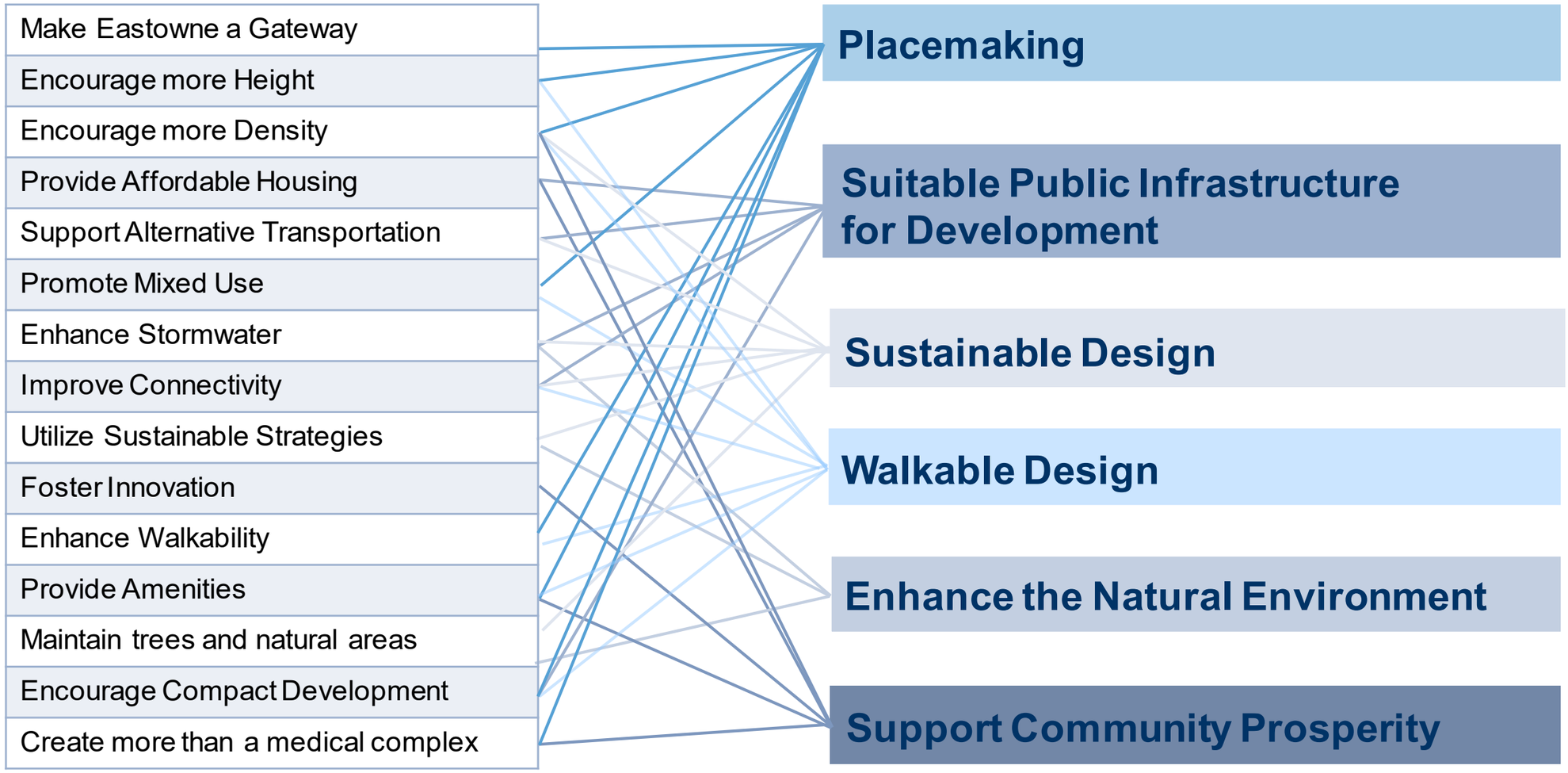


UNC HEALTH CARE SYSTEM

Master Plan Process

Public Participation

- Public Kick-off (4/4) - site visit, sustainability workshop, & open house
- Environmental Stewardship Advisory Board (4/9)
- Housing Advisory Board (4/9)
- Planning Commission (4/16)
- Stormwater Management Utility Board (4/23)
- Transportation and Connectivity Advisory Board (4/23)
- Community Design Commission (4/23)
- Town Council Committee (5/9)
- Joint Advisory Board (5/16)
- Council Committee (6/3)
- Environmental Stewardship Advisory Board (6/11)
- Housing Advisory Board (6/11)
- Planning Commission (6/18)
- Town Council Meeting (6/19)
- Community Design Commission (6/25)
- Stormwater Management Utility Advisory Board (6/25)
- Transportation and Connectivity Advisory Board (6/25)
- Council Committee (8/16)
- Joint Advisory Board (9/3)
- Public Workshop (9/3)
- Town Council Committee (9/4)
- Town Council Committee (9/16)
- Town Council Meeting (9/25)
- Town Council Committee (9/27)
- Town Council Committee (10/15)
- Town Council Committee (11/14)
- Public Workshop (11/19)
- Joint Advisory Committee (11/19)
- Town Council Meeting (11/20)

Master Plan Process

Public Feedback and Town / UNCHC Principles