

North-South Bus Rapid Transit (NSBRT)

Chapel Hill, North Carolina

Small Starts Project Development

(Rating Assigned November 2023)

Summary Description	
Proposed Project:	Bus Rapid Transit 8.2 Miles, 17 Stations
Total Capital Cost (\$YOE):	\$183.00 Million <small>(Includes \$4.0 million in finance charges)</small>
Section 5309 CIG Share (\$YOE):	\$146.40 Million (80.0%)
Annual Operating Cost (opening year 2029):	\$6.72 Million
Current Year Ridership Forecast (2023):	4,900 Daily Linked Trips 1,306,100 Annual Linked Trips
Horizon Year Ridership Forecast (2045):	10,300 Daily Linked Trips 2,674,800 Annual Linked Trips
Overall Project Rating:	Medium
Project Justification Rating:	Medium
Local Financial Commitment Rating:	Medium

Project Description: Chapel Hill Transit (CHT) proposes to implement bus rapid transit (BRT) in the Town of Chapel Hill, along Martin Luther King Jr. Boulevard, South Columbia Street, and US 15-501 South. The Project includes 5.7 miles of exclusive bus lanes, the purchase of 14 vehicles, transit signal prioritization, and near-level boarding at stations. The Project also includes a bicycle and pedestrian path to improve multimodal connectivity. The Project is not anticipated to collect fares, consistent with CHT's fare-free transit system. The service is planned to operate every 7.5 minutes during weekday peak periods, every 15 minutes during weekday off-peak periods, and every 20 minutes on weekends.

Project Purpose: The Project is planned to connect riders to several major activity and job centers, including the University of North Carolina (UNC) at Chapel Hill, UNC hospitals, and Downtown Chapel Hill. The Project's northern- and southern-most stops are located at existing park-and-ride lots. The Project is intended to improve mobility and accessibility in the corridor's low-income communities while accommodating anticipated growth in transit demand by students and seniors. The Project is planned to replace a north-south bus route that has experienced a faster return to pre-COVID ridership levels compared to CHT's overall transit system.

Project Development History, Status and Next Steps: CHT selected a locally preferred alternative (LPA) in April 2016. The Project entered Project Development in November 2016. The LPA was adopted into the fiscally constrained long-range transportation plan in March 2018. CHT completed the environmental review process in March 2023, and anticipates receipt of a Small Starts Grant Agreement in 2026, and the start of revenue service in 2029.

Significant Changes Since Last Evaluation (November 2019): Since the Project was rated and evaluated in November 2019, the Project added one station near Downtown Chapel Hill to improve transit access in nearby communities experiencing transportation cost and

environmental burdens. As a result of this change, the total capital cost increased from \$141.39 million to \$183.00 million. The amount of CIG funds being requested increased from \$100.00 million to \$146.40 million, changing the CIG share request from 70.7 to 80.0 percent.

Locally Proposed Financial Plan		
<u>Source of Funds</u>	<u>Total Funds (\$million)</u>	<u>Percent of Total</u>
Federal: Section 5309 CIG	\$146.40	80.0%
State: North Carolina Department of Transportation Strategic Prioritization Office of Transportation Prioritization 7.0 Grant	\$5.47	3.0%
Local: Orange County Transit Plan Dedicated Taxes	\$29.13	15.9%
Chapel Hill Transit Partners Unrestricted Fund Balance Allocation	\$2.00	1.1%
Total:	\$183.00	100.0%

NOTE: The financial plan reflected in this table has been developed by the project sponsor and does not reflect a commitment by DOT or FTA. The sum of the figures may differ from the total as listed due to rounding.

North-South Bus Rapid Transit

Chapel Hill, North Carolina

Small Starts Project Development (Rating Assigned November 2023)

LAND USE RATING: Medium-Low

The land use rating reflects population density within one-half mile of proposed stations, employment served by the line, and the share of legally binding affordability restricted (LBAR) housing in the station areas compared to the share in the surrounding county.

- The station areas have an average population density of 3,700 persons per square mile, corresponding to a Medium-Low rating. The project would serve 31,900 employees, corresponding to a Low rating. The average daily parking cost in the Chapel Hill central business district is \$12, which corresponds to a Medium rating. The ratio of station area to county LBAR housing is 1.40, which corresponds to a Medium-Low rating.
- Land use in the project corridor is primarily residential, university, commercial, institutional, and open space uses.
- Sidewalk availability in the corridor varies, with continuous sidewalks in the station areas in downtown Chapel Hill and gaps in connectivity near the northern and southern termini.

ECONOMIC DEVELOPMENT RATING: Medium

Transit-Supportive Plans and Policies: Medium

- *Transit-Supportive Corridor Policies:* The Chapel Hill 2020 Comprehensive Plan identifies transit-oriented corridors for higher-density urbanized development, reviews parking standards to support transit and walking, and coordinates land use and transit planning. The project is discussed and cross-referenced in plans and strategic documents on the regional, corridor, and neighborhood level. The planned station area densities range from 7.5 dwelling units per acre (du/ac) (Medium-Low rating) to 132 du/ac (High rating). The Town's updated parking policies eliminate parking minimums for two-family dwelling units.
- *Supportive Zoning Regulations Near Transit Stations:* The zoning code contains three districts that provide opportunities for transit-supportive development: mixed-use districts, town-center districts, and transit-oriented development (TOD) districts. The Town's land use ordinance (updated in 2023) moderately increases density near project stations through a transfer of development rights program, inclusionary zoning density bonuses, and "by-right" development in residential areas.
- *Tools to Implement Land Use Policies:* The Town proactively meets with the regional business community on planning topics which impact the corridor and station areas. Land use planning has received extensive public engagement and the TOD plan development has received moderate engagement. The Town now provides regulatory incentives to support TOD and parking reductions near station areas.

Performance and Impacts of Policies: Medium

- *Performance of Land Use Policies:* Several transit-supportive developments have recently been built in Chapel Hill. Within the station areas, there are nine proposed transit-oriented, mixed-use developments with additional housing units. There are also 17 planned mixed-use developments of moderate densities, including a 126-unit affordable housing community, in the project corridor.
- *Potential Impact of Transit Investment on Regional Land Use:* Currently, eight percent of the corridor consists of vacant land that could be developed, and many station areas have land that is underutilized with the potential for higher density development. By 2045, 43 percent of the town's population and 55 percent of the town's jobs will be in the station areas.

Tools to Maintain or Increase Share of Affordable Housing: Medium-High

- Chapel Hill is pursuing planning and implementation of affordable housing. The Town's legislative tools to guide the development and provision of affordable housing include an inclusionary zoning ordinance, density bonuses, and an affordable housing investment plan. Financial support for affordable housing comes from the Town's Affordable Housing Fund and Affordable Housing Development Reserve.

