November 18, 2019

Dear Durham Friends and Neighbors,

I am excited to write to you as the Durham Housing Authority, under the superb leadership of Anthony Scott, presents its Downtown and Neighborhood Plan.

This plan is both visionary and practical, a ten-year roadmap to the redevelopment of the Durham Housing Authority properties downtown. As Mr. Scott makes clear in his preface to this plan, this work will prioritize the current residents of the Housing Authority properties while creating dense, mixed-income, mixed-use communities in the heart of our city.

Durham voters just approved the $95 million Affordable Housing Bond which received the support of 77 percent of voters — an enormous margin of victory that tells a lot about the people who live in Durham and our desire to keep our city affordable and diverse.

Over the next five years, the passage of the bond will allow the City to offer significant support to the Housing Authority as it redevelops its properties. It is absolutely critical that we do so, and I am so glad that Durham’s voters endorsed this plan with such a strong show of support.

Sincerely,
Steve Schewel
Mayor, City of Durham
November 18, 2019

Dear Durham Friends and Neighbors,

On behalf of the Durham Housing Authority, I am pleased to present the DHA Downtown and Neighborhood Plan (DDNP). This plan represents an unprecedented collaboration with the City of Durham, Durham County, residents of our public housing communities, Durham residents and many, many local stakeholders. DDNP presents the development framework that will guide our strategic investments over the next decade and beyond.

We began this planning work through a series of community planning meetings starting in 2018. We are especially proud that the plan not only addresses the needs of the housing authority residents and replaces all existing 447 deeply affordable units on a one-for-one basis, but the plan significantly increases affordable housing options across a range of incomes with over 2,000 additional units.

But the plan is not just about housing – we envision vibrant mixed-use communities and open spaces, new retail and offices and multi-use spaces. And most importantly, the plan seeks to support our families, especially those most vulnerable, to ensure they thrive.

We are beginning to see the results of our efforts already – in the recently passed bond referendum spearheaded by the Mayor and City of Durham, in the approval by HUD of the housing authority’s repositioning plan, and in the selection of two developers who have started preplanning activities.

I am grateful to the City of Durham for helping to finance this effort, to citizens of Durham and stakeholders who have lent their voice and vision to the process, and to our residents who have actively participated in the planning process and to whom we make an unwavering commitment to ensure they are prioritized for replacement housing.

Thank you!
Anthony Scott
CEO of Durham Housing Authority
Figure 1: Context Map Highlighting Opportunity Sites
Durham is experiencing unprecedented growth – since 2000, the City’s population grew by 40% to nearly 270,000 in 2018 and this trend is expected to continue. The population is projected to grow by another 9.5% between 2018 and 2023 and nearly 80% of these new families are expected to earn more than $75,000 per year\(^1\). By comparison, the Area Median Income (AMI) for the region is $80,600\(^2\). This population growth has surfaced the fact that the City has a significant shortage of housing affordable to those earning less than 50% of the area median income. In response, the City developed its Affordable Housing Plan in 2016 that calls for the preservation and expansion of 1,000 affordable housing opportunities, especially for those earning below 50% the area median income.

At the same time, the Durham Housing Authority (DHA) has been proactively seeking ways to reposition its public housing portfolio to ensure its ability to preserve quality affordable housing and to become more financially sustainability given that the US Department of Housing and Urban Development (HUD) has been steadily reducing the capital and operating funding it provides to housing authorities. DHA initially embarked upon a plan to rehabilitate its public housing portfolio under the Rental Assistance Demonstration (RAD) program. At the direction of a newly appointed CEO, DHA’s Board agreed to reconsider that approach and to instead evaluate ways to better leverage the market opportunities presented by a growing Durham. This new approach was enthusiastically supported by the City.

This is the context in which the Durham Housing Authority (DHA) Downtown and Neighborhood Planning (DDNP) Initiative was born – an unparalleled partnership between the City of Durham, Durham County and DHA, to collectively focus on nearly 60 acres of publicly owned land in downtown Durham to develop a single development framework that simultaneously addresses the needs of all parties. Figure 1 shows the boundary of the DDNP study area highlighting the eight sites that are the subject of this report.

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\(^1\) US Census, Esri BAQ
\(^2\) The AMI is for the Durham Chapel Hill MSA (HUD 2018)
**DDNP HIGHLIGHTS**

**Goal:** DDNP formulates a plan for redevelopment that better integrates public housing residents into the rest of the growing downtown population; preserves all existing affordable units; builds additional affordable housing and unsubsidized housing in a mixed income and mixed use community to provide a range of housing options; leverages public land and investments; and guarantees that existing families living at DHA sites have priority for new units and a right to return.

Figure 3 illustrates other concurrent developments that are under construction or planned for execution around the eight opportunity sites.

**Opportunity Sites:** DDNP focuses on eight publicly owned sites that are grouped based on geography to better organize robust community engagement:

**Focus Area 1 (17.2 acres) includes:**
- The Oldham and Liberty site (12.7 acres) is comprised of Oldham Towers, a senior and disabled housing development, and Liberty Street Apartments, a traditional family housing development. Both are occupied and owned by DHA.
- The DHA Office and the adjacent Criminal Justice Building (2.5 acres). DHA Office is owned and occupied by DHA. The Criminal Justice Building is occupied and owned by Durham County.
- Rigsbee Avenue Substation (2 acres), a former police station is occupied and owned by the City of Durham.

**Focus Area 2 includes (total area of 22.7 acres):**
- Fayette Place (19.8 acres), a former public housing site is vacant and is owned by DHA.
- Southside Phase III (2.9 acres) is currently vacant and owned by the City of Durham. This is the final phase in a multi-phase residential plan.

**Focus Area 3 includes (19.6 acres):**
- J.J. Henderson Housing Center (4.75 acres), is an occupied senior housing tower owned by DHA.
- Forest Hill Heights (14.9 acres), is an occupied senior complex with small cottages owned by DHA.

**Community Engagement:** This plan is the product of an open planning process that involved public housing residents, neighborhood residents, community stakeholders and informed by a resident survey. The community came together through a Strategic Advisory Group, 7 resident and community meetings and numerous individual stakeholder interviews. All meeting materials were posted on the project website www.durhamhousingauthority.org/development/ddnp/.
PREFERRED DEVELOPMENT PLANS

FOCUS AREA 1
Oldham Tower and Liberty Street
Apartments Site

The proposed plan for the Oldham and Liberty site includes a mix of housing to maximize density, and to be sensitive that it is in the transition zone between the intense Downtown Core and Residential zones. The proposed Oldham/Liberty site plan, with 532 units and 47,000+ square feet (s.f.) of office and non-residential space, has three distinct design characteristics:

- A central open space dividing the mid-density three-floor walk-up apartments to the east and the urban high-rise and mixed-use residential wrap buildings to the west.

- The Main Street frontage, on the main Downtown arterial road, is designed as a four-story, high-density, mixed-use, wrap building, with non-residential uses on the ground floor.

- The eastern part of the site is comprised of eight three-story residential walk-up apartments surrounding a central surface parking lot.

- As a design strategy, there are smaller open spaces distributed across the site. The buildings are designed to face the open spaces to ensure safety and maximum utilization.

Figure 4: Proposed Preferred Development Plan for Oldham and Liberty Sites

Figure 5: Conceptual View of Preferred Development Plan for Oldham and Liberty Sites
DHA Office and Criminal Justice Building Site

The DHA Office and Criminal Justice Building site is located just outside the Downtown Loop and in the heart of the Downtown Design Core zoning district, surrounded by dense urban developments. Both buildings are in a Historic District and were built in the 1900’s. The proposed preferred plan includes:

- A mix of uses to maximize density without having to compromise on quality open spaces within the site.

- Yields 290 residential units with 360 parking spaces. The building is a wrap product that intermittently introduces the Criminal Justice Building’s historic façade along Main Street.

- The southern portion of the building, towards the Downtown Loop/Ramseur, is a six to seven-story residential complex wrapping 30,000+ s.f. of internal green/open space.

- Most of the building’s parking is accommodated in a five-story parking deck along Roxboro Street.
Rigsbee Avenue Substation

The Rigsbee Avenue Substation was built in the 1960’s by the Southern Parts and Electric Company and functioned as a police substation. The proposed preferred plan for this site includes:

- A six-story, mixed-use, podium-wrapped structure along Rigsbee Avenue, overlooking Durham Central Park. The building gradually steps down in height along Broadway Street to five stories.

- The development transitions to a three-story, mid-rise, walk-up apartment towards the east with surface parking.

- The two buildings yield a total unit count of 136 and approximately 7,600+ s.f. of non-residential uses at the ground level along Rigsbee Avenue.

- The podium structure includes parking and has a green roof/amenity space on its top level.

Figure 8: Proposed Preferred Development Plan for Rigsbee Avenue Substation site

Figure 9: Conceptual View of Preferred Development Plan for Rigsbee Avenue Substation site
FOCUS AREA 2
Fayette Place

The Fayette Place site, with a total area of 19.9 acres, is divided into three parcels by Merrick Street. While Fayette Place is lined by the Freeway along its entire eastern edge, it is surrounded by a combination of community and residential uses to the south along Umstead Street and commercial uses to the west along Fayetteville Street. Fayette Place was once a large public housing community that was built in 1967 by DHA. In 2009 all the buildings were demolished leaving only the slabs, which still exist today. The preferred site plan is intended to accommodate a total of 530+ dwelling units and 21,600 s.f. of non-residential building. The proposed plan includes:

- A mix of housing typology and density that would support the proposed new LRT line, and is sensitive to the surrounding low-intensity developments.

- Three new roads divide the large superblock into smaller walkable sections.

- The central open space perpendicular to Umstead Street creates a clear access way into the site, terminating at a new three-story residential development with 150 units looking inwards to a 55,900+ s.f. green open space.

- The four-story wrap building, east of the central open space steps down to three stories along the Umstead Street frontage to provide a smooth transition to the adjacent residential neighborhood, yielding a total of 215 units with a 19,000+ s.f. internal courtyard.

- West of the central open space are five walk-up apartment buildings that surround a central surface parking lot.

- The portions of Fayette Place fronting Fayetteville Street is intended to be a single-story non-residential building (preferably a stand-alone grocery store or similar).

- The northernmost portion of the Fayette Place site is designed for two three-story walk-up garden apartments.

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3The Light Rail Transit effort is no longer proceeding
Southside Phase III

Southside Phase III, a 2.9 acres site, is identified as a final development phase of the Southside Redevelopment Plan. The proposed preferred plan for this site includes:

- The Southside Phase III development is designed as a four-story corner apartment building, enclosing centralized a open space with a two-story, 225 car parking tray.

- This site is surrounded by side streets which also allows for overflow street parking if needed.

- This building has 144 units with two pockets of open space, a 10,200+ s.f. internal open space and a 10,700+ s.f. for open space at the southeast corner of the development.
FOCUS AREA 3
Forest Hill Heights Site

The Forest Hill community was once a reflection of 20th-Century America, and contained some of Durham’s earliest houses. The proposed plan includes:

- A mix of housing to maximize density with three different building typologies, yielding about a total of 575 units.
- Preservation of the dense tree cover to the north of the site.
- Two new roads crisscross the site, one running perpendicular, north-south from Lakewood Avenue, and the other horizontally, east-west connecting Blackwell and Mangum Streets.
- The five-story mixed-use building along Blackwell Street is a wrap deck product with 265 units. There is also about 14,600+ s.f. of non-residential space along Blackwell Street. The rest of the building is residential with a five-story parking deck in the middle.
- The three-story residential building along Mangum Street has 90 units with surface parking along the north end of the site.
- Ten mid-density, walk-up apartments, accommodating about 270 residential units along the south side of the site helps transition seamlessly into the residential neighborhood.
- As an efficient urban design strategy, there are smaller pocket parks distributed across the site.

Figure 14: Proposed Preferred Development Plan for Forest Hill Heights

Figure 15: Conceptual View of Preferred Development Plan for Forest Hill Heights
J.J. Henderson Site

The proposed plan for the J.J. Henderson site reimagines the existing building to create a combination of both renovated units and a multi-family component. The plan embraces the proposed Miracle League Field:

- The existing senior tower will be renovated and all existing units preserved.
- A proposed new building lining Morehead Street has 80 units with a 2,600+ s.f. amenity space.
- There are also 12 new townhomes that are planned along Duke Street.
- The new building will connect to the renovated tower via a new multi-purpose community center.

Figure 16: Rendering of the Proposed New Building at J.J. Henderson site [by Laurel Street]

Figure 17: Proposed Preferred Development Plan for J.J.Henderson site
Source: Assigned Developers
KEY ACCOMPLISHMENTS TO DATE

Implementation of DDNP is underway:

1. DHA has procured Laurel Street Residential and California Commercial Investment Group-Florian Companies as developers of JJ Henderson, Oldham and Liberty sites. Joint Venture agreements have been executed for JJ Henderson. The entitlement process is underway, and construction is expected to begin on JJ Henderson in fall of 2020 with Oldham Towers/Liberty Apartments starting in the first quarter of 2021.

2. DHA is advertising for additional developers for the remaining sites in December 2019.

3. In November 2019, the City of Durham voters approved a $95M Affordable Housing Bond, $60M of which will support DDNP.

4. The County has embarked on the redevelopment of the 300 and 500 Main Street parking lot sites. DHA is partnering with the County and its selected developer to provide RAD project-based vouchers for replacement units. Likewise, DHA is partnering with the City and its developer partner to provide RAD project-based vouchers for replacement units at the Willard Street site.

NEXT STEPS

DDNP will be implemented over 10 or more years, depending on financing and market conditions. Key implementation partners are in place, financing for the first two phases are nearly finalized and DHA has been working closely with HUD to secure the RAD approvals necessary to implement the plan. Other implementation recommendations include:

- Develop a comprehensive relocation and supportive services plan
- Continue monthly resident meetings with public housing residents
- Continue monthly City/DHA project meetings
- Convene quarterly community/stakeholder meetings to keep the public informed about DDNP progress
- Continue to maintain project website as a forum to disseminate information
- Hire a dedicated project manager to provide day-to-day management of the implementation effort

Housing Affordability

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<th>Unit Type</th>
<th>Units</th>
<th>Percentage</th>
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<td>Up to 30% AMI (public housing replacement units)</td>
<td>RAD/PBV Rental</td>
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<td>18%</td>
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<tr>
<td>30% - 60% AMI</td>
<td>LIHTC Rental</td>
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<td>34%</td>
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<td>Market-Rate Rental</td>
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<td><strong>Total</strong></td>
<td><strong>2,513</strong></td>
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Table 1: Housing Affordability

Planned Non-residential Program

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<th>Program Components</th>
<th>Quantity</th>
<th>Units</th>
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<tr>
<td>Retail/Institutional</td>
<td>103,044</td>
<td>SF</td>
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<tr>
<td>Infrastructure</td>
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<td>New Linear Feet Road</td>
</tr>
<tr>
<td>New Parks</td>
<td>266,840</td>
<td>SF</td>
</tr>
</tbody>
</table>

Table 2: Planned Non-residential Program
KEY GOALS

- All Existing Units Replaced + Add Net New Affordable Units
- Mix of housing choices for many income levels in the Downtown Core
- Phased to Minimize Resident Disruption and Financing Constraints
- Integrates Supportive Services for Families
- Mixed Use to Address Retail, Office + Open Space
- Maximizes Market Potential
- Connects with and Leverages Partnership Opportunities

CONTENTS OF THE PLAN

The following chapters provide more detailed information about DDNP:

Chapter 2: Community Engagement summarizes the extensive community engagement process undertaken during the planning effort.

Chapter 3: Existing Conditions Assessment summarizes the existing conditions of the overall DDNP study area and the opportunity sites, along with the families who live here today.

Chapter 4: Preferred Development Plans presents the preferred plans and the process of developing the plans.

Chapter 5: Implementation includes a suggested timeline, phasing and cost assumptions.

An Appendix (under separate cover) includes technical information that informed DDNP including survey results, market studies, meeting summaries and data from existing conditions analysis. Additional information can also be found on the project’s website at www.durhamhousingauthority.org/development/ddnp/.

Executive Summary