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Light Rail to Bring Economic Changes to Chapel Hill

In July of 2017, the Federal Transit Administration approved a $2.47 billion project from GoTriangle to put a train in central North Carolina, potentially changing the landscape and business dynamic of the area.

After years of planning, the final design and engineering stage began for the Durham/Orange Light Rail project last year. This stage will last until 2020, when construction starts. Building the light-rail system will take approximately eight years, with service planned to begin in 2028.

This project plans to run a 17-mile train system from Chapel Hill to Durham. There are 18 stations planned, six of which will be in Chapel Hill. The other 12 stations will be in Durham. The rail will start at UNC Hospitals and end at North Carolina Central University, but it will run both ways. The route includes a cross of I-40 and stations at Duke University and downtown Durham, among many more.

Right now, the average drive time between Chapel Hill and Durham is increasing by one minute each year. The light rail, which will always run quickly and consistently, could benefit all types of people, especially those with less financial mobility.

“If you are a low income individual living in east Durham right now, and you work at Patterson place, on the bus it takes about 53 minutes to get there, and the light rail would cut that to about 25,” said Patrick McDonough, manager of planning and development for GoTriangle. “That’s 28 minutes each way. What could you do with that extra hour? You could get to your Wednesday night church supper. You could spend more time reading to your children. You could volunteer in your community.”

Of the multibillion-dollar project’s expected costs, 30 percent of the funds will come from Durham County, 6 percent will come from Orange County, and just over 6 percent will come from private donors. Over 7 percent will come from state funding and 50 percent will come from federal funds.

But how will a transportation project this big effect business? With four planned stations in Orange County, and even more on the edge of the county, the Durham/Orange Light Rail is bound to change the economic landscape of Chapel Hill and the state for a long time to come.

Looking at the broad numbers, the light rail should tremendously increase business in the Research Triangle and the state. Private firm Development Planning & Financing Group (DPFG) wrote an economic potential report for GoTriangle.

According to the report, the light rail will “add $4.7 billion of economic output each year in Durham and Orange counties, with more than $600 million of additional economic output statewide.” It is also projected to create over 30,000 jobs and $175 million more per year in state tax revenues by the year 2043.

Numbers like these are very large and clearly indicative of economic potential, but when the project is looked at from the ground level, focusing on the types of jobs influenced by each station, the potential economic impact of the Durham/Orange Light Rail is even clearer.

The jobs that should come to Chapel Hill from the light rail will be in many fields - from manual labor dealing with the construction to build the light rail system to retail and service jobs focused on the commercial areas that are being planned around the stations. This economic boost will be supported by how many people will be able to commute around the Research Triangle.

“Most people will travel 40 minutes for a good job,” said McDonough during a Chapel Hill Town Council meeting earlier this year. He also noted how with the current configuration of roads and buses, 25,000 people live within 40 minutes of the proposed Gateway Station site. After the light rail’s completion, McDonough estimates that just over 100,000 people will live within 40 minutes of this area.

Coming from Durham, Gateway Station will be the first station the rail stops at in Chapel Hill. It is planned to be near the interchange of Interstate 40 and 15-501. The aptly named station will serve as the gateway between Durham and Chapel Hill. It will be just east of the county line, sitting on the Durham County side of Chapel Hill, but planners believe the surrounding area will be developed to benefit both counties.

Gateway Planning, a consultancy firm out of Dallas, Texas, was brought in to help plan the project and the surrounding areas. Their vision for the Gateway station includes a core around the station with buildings 12 to 15 stories high that could house offices, stores, and other business enterprises. The area would continue out with lower and lower business buildings until it blends into the surrounding neighborhoods.

With just this one station, there will be a huge demand for jobs. It will take people to build the station and the surrounding buildings in the area, which is now scarcely developed. Once the area is developed, people will be needed to work office, retail, and service jobs.

With its proximity to both I-40 and the similarly planned Patterson Place Station in Durham, this area could become a true hub of the Triangle economy.

The next station in line towards Chapel Hill will be to the south, at Leigh Village. It will be in Durham, but it is right at the edge of the city line and will be situated between two Chapel Hill stations. It will have a similar layout to the Gateway Station because of its proximity to I-40. It will be near the interchange of I-40 and NC-54. Currently, the land is not well developed. This gives lots of options when it comes to the development of the area. Currently, the area is planning for residential development, meaning construction jobs for Chapel Hill and Durham.

The next three stations will be located in Chapel Hill, following the route of NC-54. They will be Woodmont Station, Friday Center Drive Station, and Hamilton Road Station. These areas already have development around them, but the light rail should create more demand for businesses in this area, as well as increasing the mobility to the area.

Some of the preexisting developments near these three stations include the Friday Center, Finley Golf Course, and the East 54 commercial center. The increased access will bring even more traffic to these developments.

The next station in Chapel Hill is at Mason Farm Road. It is unclear what could be done with the surrounding land because it is owned by the University of North Carolina. One business that could be affected by this station though, is college athletics at UNC. The station is near the Dean E. Smith Center, so the area could see increased traffic for athletic events.

The final station planned for Chapel Hill will be at UNC Hospitals. This station will serve a very important role for Chapel Hill’s economy. UNC Health Care is one of the largest employers in the state. Bringing the light rail will allow many more people to live within commuting distance of the hospital.

It is also the closest station to the university and downtown, which means it could be a getting-off point for visitors to Chapel Hill. Also, employees of the University and other places in Chapel Hill could have a more reasonable commute if they lived in Durham.

Additionally, the Town of Chapel Hill plans to have numerous bus routes running near the station, which adds to the range of public transit in the town.

These stations are the only ones in the works right now, but further development of the light rail line into Chapel Hill is possible.

“There is a long-range transportation plan which contemplates extending to downtown Chapel Hill and downtown Carrboro by 2045,” said McDonough. “One of the reasons the hospital station is where it is, is that we believe from there, the line can be extended.”

Wherever the light rail ends up extending to, the Town of Chapel Hill is committed to making it help the area anyway it can, not just economically.

“We want to make sure we have the chance to maximize the benefits, “said Ben Hitchings, Director of Planning and Development Services for the town of Chapel Hill. “A particular focus for us has been working to find ways to leverage the project to deliver important community benefits.”

One of the main benefits the town sees is an opportunity to add affordable housing, and people like Hitchings believe that the light rail provides that opportunity. Chapel Hill wants to build affordable housing near stations to make the area a better place to live for all types of people. And affordable housing isn’t the only non-economic benefit the light rail can bring to Chapel Hill’s residents.

“With the development that happens around the stations, we will have more cultural opportunities and more dining opportunities,” said McDonough. “We are building a lot of bicycle and pedestrian infrastructure. There are trails along NC-54 by Meadowmont and the Friday Center which will be extended as part of the light rail project.”

The Durham/Orange Light Rail, will clearly change the economy, opportunity, and culture of Chapel Hill and Durham. The change may be gradual, but if the light rail succeeds in meeting its expectations, the change will be meaningful and long-lasting.