

# AFFORDABLE HOUSING PRIORITIZED SITES UPDATE

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Council Work Session Presentation  
September 18, 2019



# Agenda

1. Background

2. Overview of Feasibility Analysis Findings

3. Review Pathways for Moving Forward

4. Recommended Next Steps

# Council Consideration for Tonight

- Provide guidance on next steps for exploring affordable housing on the sites and proposed pathways



# Background

- Key Town policies have prioritized the development of affordable housing on public land:
  - Affordable Housing Strategy
  - Affordable Rental Housing Strategy
  - FY18-20 Affordable Housing Work Plan
  - Council FY2020-2022 Strategic Goals and Objectives

Affordable Housing Work Plan FY18-20												
PROJECTS	FY 2018				FY 2019				FY 2020			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>DEVELOPMENT</b>												
Develop Town-Owned Property at 2200 Homestead Road				★			★				★	★
Pursue Affordable Housing on Prioritized Town Properties		★		★			★				★	★
Identify Properties for Affordable Housing Development		★					★					
<b>PRESERVATION</b>												
Implement Manufactured Home Communities Strategy			★	★							★	
Create Preservation Strategy											★	
Develop Short Term Strategies for NOAH Resident Displacement												
Acquire and Rehab Properties for Affordable Housing Preservation					★							
<b>POLICY</b>												
Implement the Employee Housing Program			★			★		★			★	★
Participate in the LUMO Re-Write Project										★	★	
Create Goals for Affordable Housing in Rental Developments			★					★			★	
Develop Home Repair Policy												★
Explore Affordable Housing Incentive Options							★	★				★
<b>FUNDING</b>												
Implement Affordable Housing Investment Plan - Affordable Housing Bond	★	★				★	★			★	★	
Manage the Affordable Housing Development Reserve	★	★				★	★			★	★	
Manage the Affordable Housing Fund												
Jointly Manage the HOME Program												
Manage the Community Development Block Grant Program	★	★	★			★	★			★	★	★
<b>MANAGING TOWN-OWNED HOUSING</b>												
Create and Implement a Public Housing Master Plan		★		★	★			★		★	★	
Manage Public Housing Inventory						★						
Manage Transitional Housing Inventory												
<b>COLLABORATIONS</b>												
Convene Teams and Committees												
Serve as a Partner on Committees and Boards												
Expand Collaboration with Key Partners												



## Strategic Goals and Objectives FY 2020-2022

### Affordable Housing

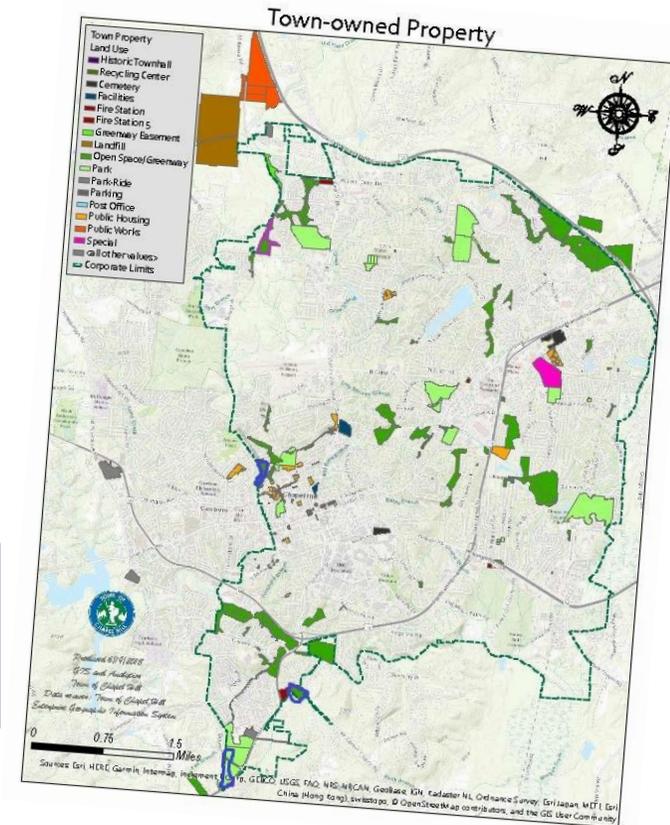
To increase access to housing for individuals across a range of incomes, and to constantly strive for more equitable outcomes and opportunities for historically underserved populations.

**2. Develop affordable housing on Town-owned properties**

*(Note: This objective is highlighted in green in the original image.)*

# Background

- In June 2018, Town Council prioritized 3 Town-owned parcels for affordable housing development:
  - Jay Street
  - Bennett Road
  - Dogwood Acres Drive
- At June meeting, staff presented next steps to:
  - ✓ Conduct further analysis of the development potential for prioritized sites
  - If appropriate, create development plans for sites



# Prioritized Sites Development Strategy Overview



**1. Identify Sites**

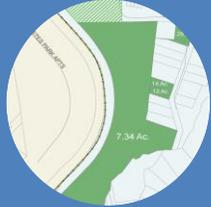


**2. Analyze  
Development Potential**



**3. Design and Implement  
Development Planning Process**

# 1. Identify Sites with Potential for Affordable Housing Development



**1. Identify Sites**



**2. Analyze  
Development Potential**



**3. Design and Implement  
Development Planning Process**

## 2. Analyze Development Potential of Prioritized Sites



1. Identify Sites



2. Analyze  
Development Potential



3. Design and Implement  
Development Planning Process

# Overview of Feasibility Analysis

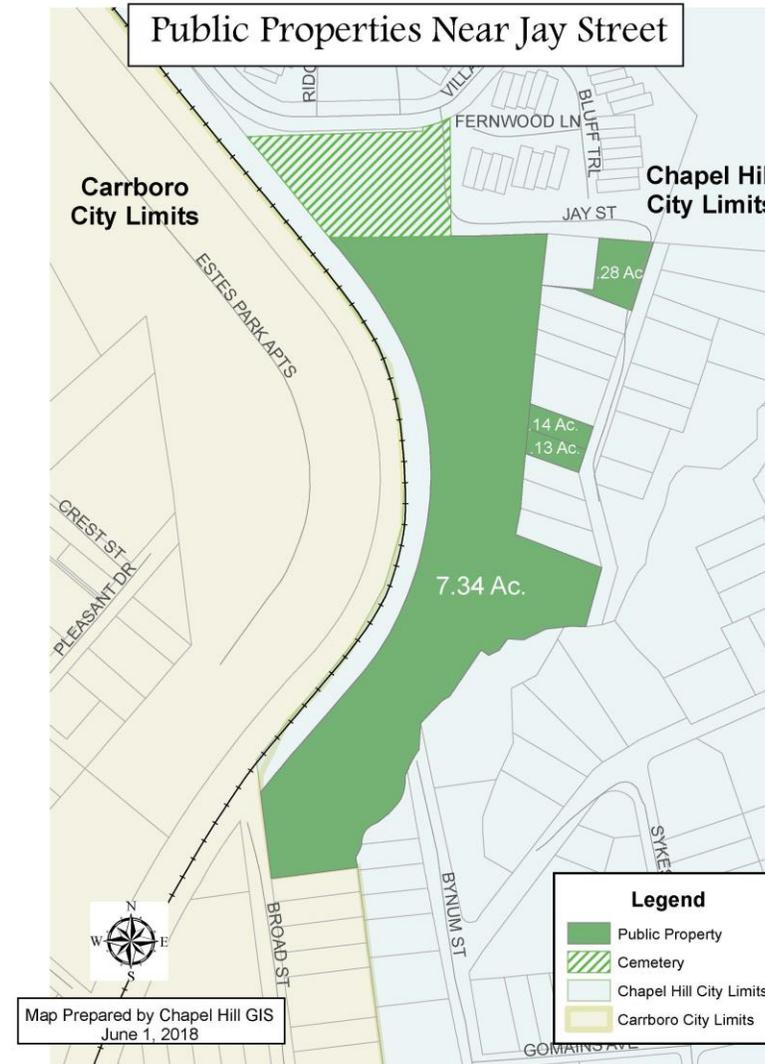


- Procured engineering team - April 2019
  
- Completed feasibility analysis - August 2019
  1. Development feasible on all 3 sites
  2. Estimated development costs in line with similar projects (~\$150k/unit)
  3. Site drawings balance unit count with site challenges and contextual factors

# Jay Street Feasibility Analysis



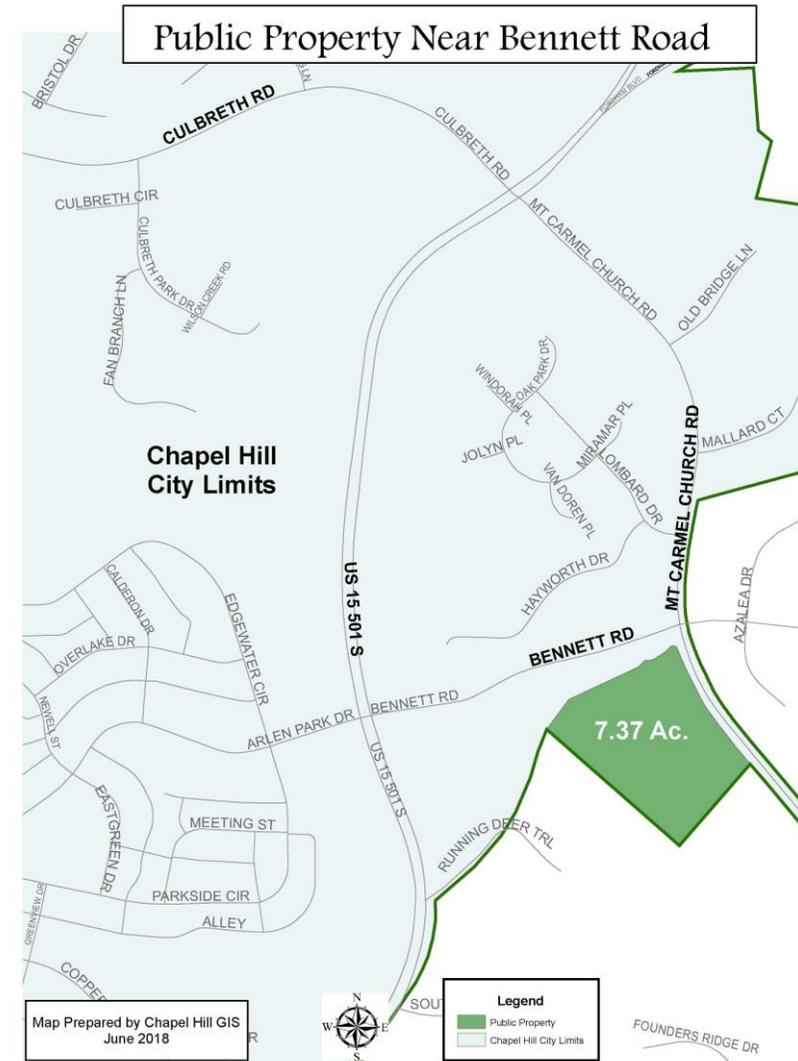
Factor	Finding
Feasible Density	50 homes
Unit Types	Apartments Duplex
Key Finding	Steep terrain limits footprint of development



# Bennett Road Feasibility Analysis



Factor	Finding
Feasible Density	60+ homes
Unit Types	Townhomes Apartments
Key Finding	Steep slopes introduce development challenges



# Dogwood Acres Drive Feasibility Analysis



Factor	Finding
Feasible Density	100+ on N. Parcel 70+ on S. Parcel
Unit Types	Townhomes Apartments
Key Finding	Could be competitive LIHTC property



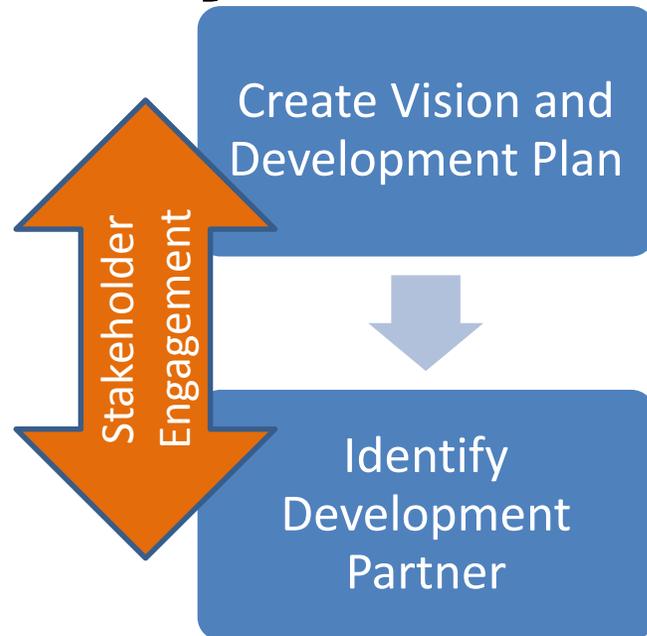
# 3. Design and Implement Development Planning Process



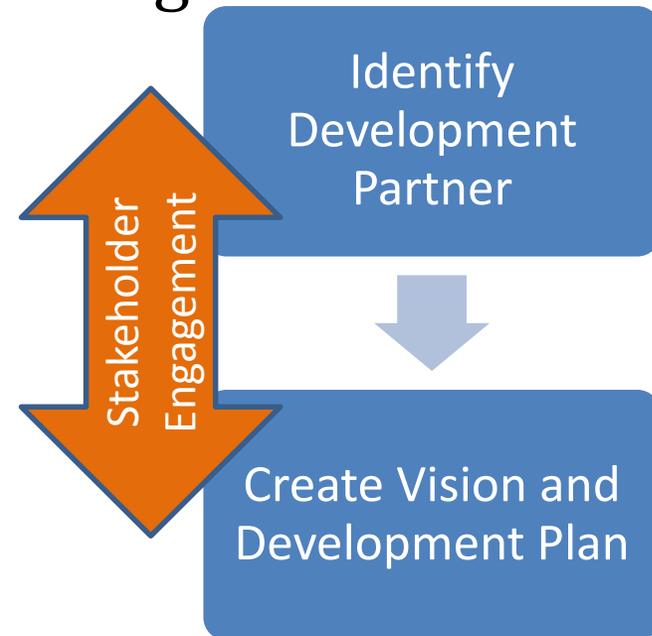
# Primary Pathways for Development Planning Process



- 1) Town leads planning and visioning for site; then procures developer to finance and implement vision



- 2) Town procures development team early to lead planning and visioning process from beginning



# Project Factors Affecting Development Pathway



Factors	Considerations
<b>1. Project Size:</b>	Up-front investment of time and cost vs. project yield
<b>2. Project Impact:</b>	Extent that project changes use of site, level of desired agency control and visibility, level of community trust
<b>3. Town Resources:</b>	Town-led pathway requires up-front investment
<b>4. Funding Source:</b>	Regulatory timelines associated with a funding source
<b>5. Capacity of Town Staff:</b>	Staff capacity in light of full pipeline of projects

# Recommendation for Jay Street



What is anticipated Project Size?

Small/Medium

What is estimated Project Impact?

Lower Impact

Are up-front Town Resources available?

Likely, Yes

What is anticipated Funding Source(s)?

Flexible

What level of Staff Capacity is needed?

Lower Level





# Recommendation for Jay Street

What is anticipated  
**Project Size?**

Small/Medium

What is estimated  
**Project Impact?**

Lower Impact

Are up-front  
**Town Resources** available?

Likely, Yes

What is anticipated  
**Funding Source(s)?**

Flexible

What level of  
**Staff Capacity** is needed?

Lower Level

## Recommendation: Pathway 2: Developer Leads Planning

- Project has lower yield for staff investment
- Project similar to surrounding area
- Smaller usable footprint has potential to deliver homes faster

# Recommendation for Bennett Road



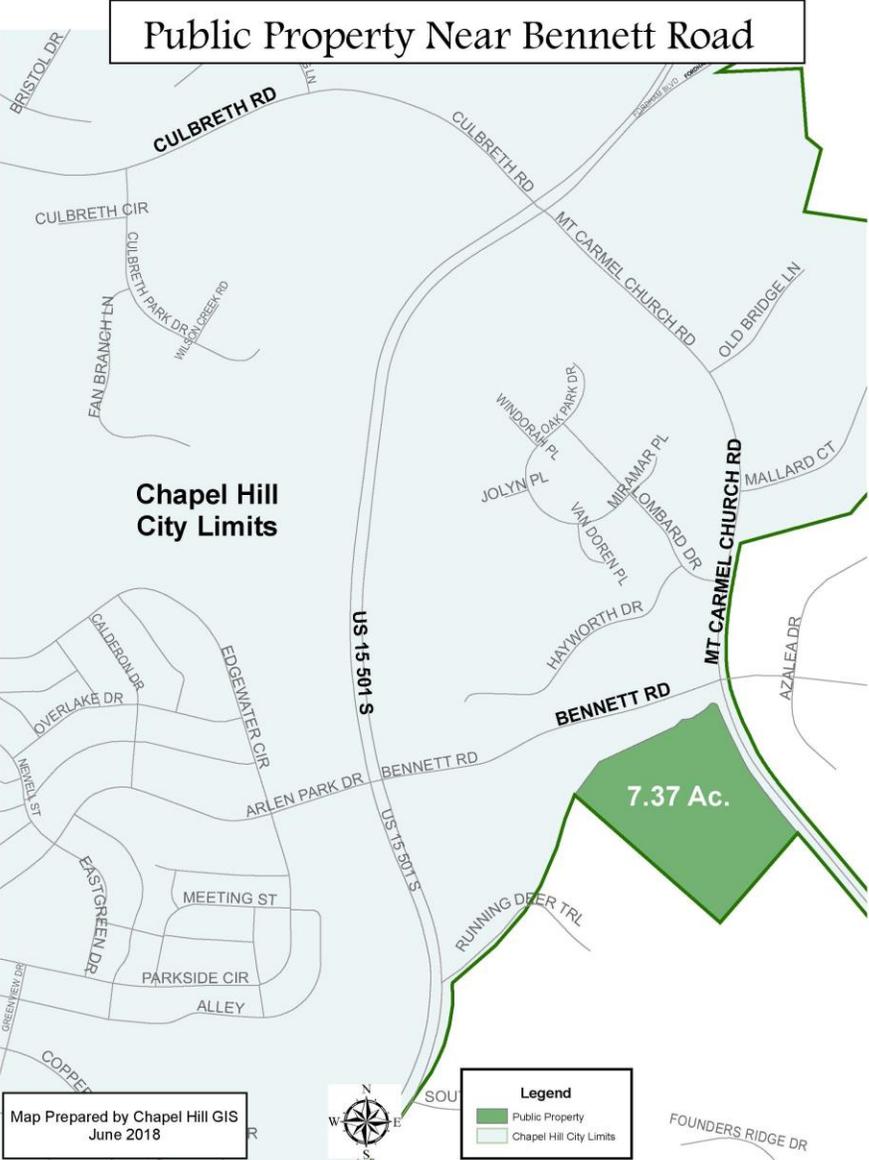
What is anticipated Project Size? **Medium**

What is estimated Project Impact? **Moderate**

Are up-front Town Resources available? **Likely, Yes**

What is anticipated Funding Source(s)? **Flexible**

What level of Staff Capacity is needed? **Higher Level**



# Recommendation for Bennett Road Site



What is anticipated  
**Project Size?**

Medium

What is estimated  
**Project Impact?**

Moderate

Are up-front  
**Town Resources** available?

Likely, Yes

What is anticipated  
**Funding Source(s)?**

Flexible

What level of  
**Staff Capacity** is needed?

Higher Level

## Recommendation: Pathway 1: Town Leads Planning

- Consider community discussion on desired number of units on site
- May want high level of Town control and visibility in early stages of planning

# Recommendation for Dogwood Acres Drive



What is anticipated Project Size?

Large

What is estimated Project Impact?

Higher

Are up-front Town Resources available?

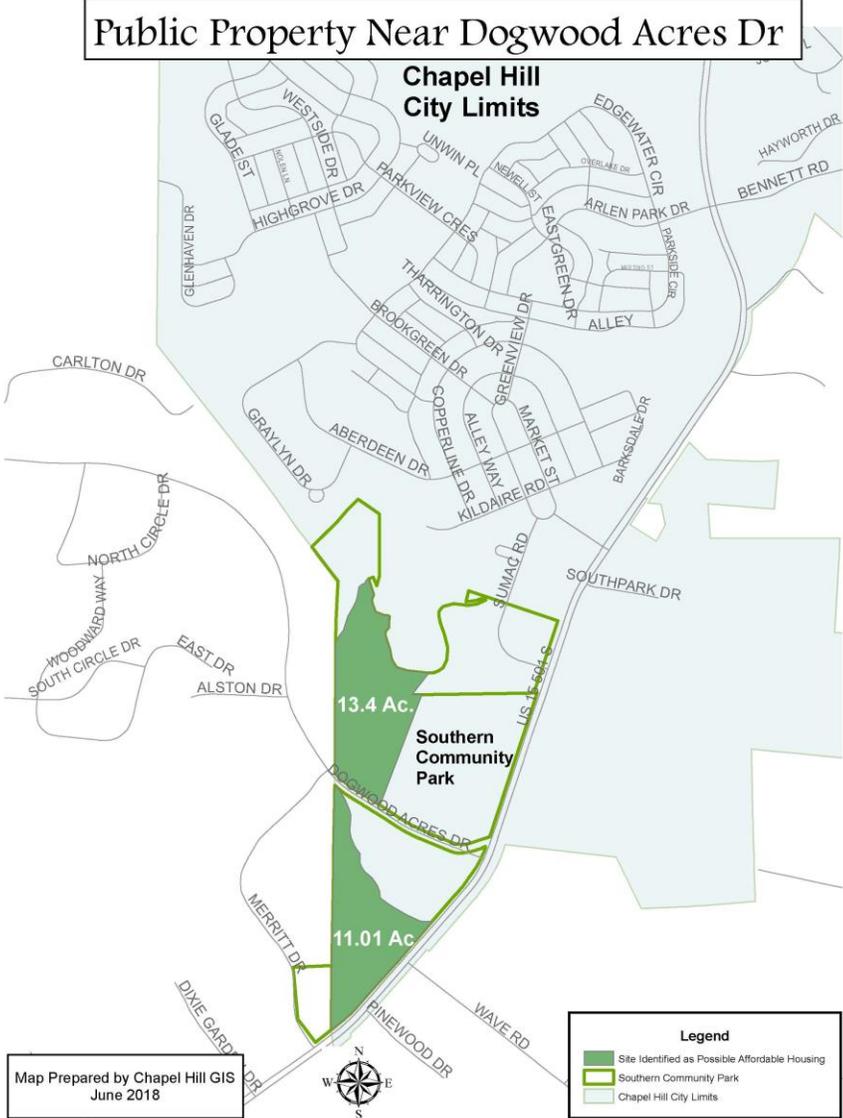
Likely, Yes

What is anticipated Funding Source(s)?

Tax Credit

What level of Staff Capacity is needed?

Higher Level



# Recommendation for Dogwood Acres Drive



What is anticipated  
**Project Size?**

Large

What is estimated  
**Project Impact?**

Higher

Are up-front  
**Town Resources** available?

Likely, Yes

What is anticipated  
**Funding Source(s)?**

Tax Credit

What level of  
**Staff Capacity** is needed?

Higher Level

## **Recommendation:** **Additional Analysis**

- Large contribution toward Town's affordable housing needs
- Project changes use of site
- Impact on existing community benefits on site

# Proposed Timeline of Next Steps



Prioritized Sites Proposed Development Schedule - As of September 2019

Town Fiscal Year	FY2020			FY2021				FY2022				FY2023			
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>Jay Street</b>															
Additional Site Analysis	X														
Assemble Development Team	★														
Planning/Visioning Process							★								
Approvals													★		
Permitting and Construction															
<b>Bennett Road</b>															
Additional Site Analysis	X														
Planning/Visioning Process			★				★								
Assemble Development Team							★								
Approvals															★
Permitting and Construction															
<b>Dogwood Acres Drive</b>															
Additional Site Analysis	X														
Analysis of Potential to Accommodate Park and Housing Uses															
Council Update							★								

★ Council Item Scheduled

# Proposed Initial Next Steps



## Jay Street

- Confirm Project Goals
- Council authorization to issue Developer RFQ/RFP – FY20 Q2

## Bennett Road

- Design community visioning process for Council consideration – FY20 Q4

## Dogwood Acres Drive

- Continue analysis and provide update to Council

# Council Consideration for Tonight

- Provide guidance on next steps for exploring affordable housing on the sites and proposed pathways:
  - Jay Street: Pathway 2 Developer Led
  - Bennett Road: Pathway 1 Town Led
  - Dogwood Acres Drive: Further Analysis



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