

04-21-2021 Town Council Meeting

Responses to Council Questions

ITEM #15: Open the Public Hearing: Application for Conditional Zoning - 2200 Homestead Road

Council Question:

What is the ownership of the land at 2200 Homestead contemplated to be? Will the Town retain ownership of any of the land? Will each development partner assume ownership of the land on which their housing is built? Who will be responsible for ownership/maintenance of common areas?

Staff Response:

The land ownership structure is still being negotiated with the Homestead Housing Collaborative partners. Currently, Town staff are working with the Town legal team, the development team partners, their in-house Counsel, and the Town's outside Counsel to outline the terms of the agreements we anticipate needing prior to construction.

Whether the Council approves leasing or selling the land to the development partners, we will incorporate restrictions that ensure long term affordability for all units. The development partners plan to establish a Homeownership Association (HOA) type of entity to manage the common areas.

Council Question:

Will the Council review/approve the specific business terms of this project prior to construction assuming approval of the entitlement?

Staff Response:

Yes, the Council will review and approve the business terms proposed in development contracts and land conveyance agreement(s). We are currently negotiating the terms of an initial development contract that outlines the roles and expectations of all parties (Town + 4 development partners) and maps out the future agreements required for land conveyance and construction. We are targeting the following timeline for Council consideration of agreements for the project:

- *Initial development contract with all 4 development partners – by September 2021.*
- *Land conveyance agreement with Self Help – fall 2021*
- *Possible additional development contracts and land conveyance agreements with the 3 vertical partners – Spring/Summer 2022, depending on the land conveyance structure with Self Help and the pace of completing site construction and securing all necessary funding.*

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Council Question:

Do we have any estimates of the Town subsidy that will be required for the project by development? Does approval of the entitlement imply any agreement by the Town to provide subsidies?

Staff Response:

The Council has already approved the award of \$3,473,000 to the project: \$3.3M in Affordable Housing bond funding and \$173,000 in Affordable Housing Development Reserve funding. We understand from our development partners that vertical development partners plan to apply for about \$1.5M in additional Town funding to support the vertical development of the units planned for the site.

The development team is working on getting a revised cost estimate for the project and will know better in a few months how much, if any, additional subsidy might be needed from any funding source, including the Town. The development partners are currently finalizing their funding plans, which include applications to the North Carolina Housing Finance Agency, the Federal Home Loan Bank, and private fundraising, among others.

Council Question:

Has stormwater staff worked with the designers on alternatives to disturbing so much of the upland RCD?

Council Question:

Our recent stormwater education made it clear that the upland zone is less sensitive than those closer to the stream; is that why the upland zone has more encroachment? The uses are recreation, road crossings, etc.; are those considered acceptable uses for that zone?

Staff Response:

The upland zone has more encroachment because it is closer to the buildings and captures edges of pavement and grading. We have been careful in the design and grading to ensure that elements in or close to the RCD have stormwater captured and directed to the storm pond rather than flowing into the buffer area. This strategy treats stormwater from the impervious areas for water quality and peak flow before making its way into the stream. We have also added some retaining walls to the design to limit the amount of disturbance in the RCD zones.

Among other uses, the LUMO allows for trails, greenways, play areas, sidewalks, storm mitigation facilities, driveways, and utility lines in the upper and managed RCD zones.

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Council Question:

I saw Brian reviewed the plan and made some recommendations; are those already incorporated?

Staff Response:

Yes, the Town's development team has met with Brian Peterson, the Town's Urban Designer, at different stages of the design process and has incorporated his ideas into the currently proposed plan. Brian's feedback has helped create a site plan with more connected green spaces, common spaces, increased off-site connections, and increased connections to the on-site greenway.

Brian also worked with the Town's architect to consider rotating some of the townhomes fronting Homestead Road. The project architect is currently working with the Community Home Trust, who is developing the townhomes, to consider incorporating this change in the next phase of project design.

Council Question:

Are there other iterations of this plan that give us additional AH? If so, why were they not presented, or why was this plan chosen?

Staff Response:

The Town's design team has explored several variations of site plans throughout the process. The design team believes the proposed plan maximizes the number of affordable units that can be placed on this site, while achieving the project vision for mixed income, mixed type housing, and still closely adhering to other requirements of the Town's Land Use Management Ordinance.