



Legislation Text

File #: [23-0451], Version: 1

Authorize the Town Manager to Seek an Affordable Housing Partner for the American Legion Property and Begin Negotiating an Agreement under which the Parties would Prepare a Proposed Development Project.

Staff:

Sarah Osmer Viñas, Director
Nate Broman-Fulks, Assistant Director
Emily Holt, Affordable Housing Development Officer

Department:

Affordable Housing and Community Connections

Overview: In [December 2022 <https://chapelhill.legistar.com/View.ashx?M=F&ID=11507568&GUID=184FEE9D-19C4-4CF0-B3F2-3CC2C1D3D173>](https://chapelhill.legistar.com/View.ashx?M=F&ID=11507568&GUID=184FEE9D-19C4-4CF0-B3F2-3CC2C1D3D173), the Town Council approved the Legion Property Committee Recommendations on the Future Use of the American Legion Property, which included designating 8-9 acres fronting Legion Road for affordable housing. Prior to and since that action, staff have explored the feasibility of development on that portion of the site, as well as competitiveness of that area for the Low Income Housing Tax Credit (LIHTC) program. As a next step, Town staff are ready to solicit interest from potential development partners to lead the Town through the planning process to develop the site.

Staff have established the following proposed goals for the development of affordable housing on American Legion Property, which are grounded in the Town's affordable housing goals and the approved Legion Property Committee Recommendations.

1. Provide housing affordable to a range of income levels with priority for units serving households earning 60% or less of Area Median Income
2. Maintain long term affordability
3. Leverage outside funding to minimize need for Town funding
4. Use environmentally friendly and sustainable principles for development
5. Facilitate connections within the community, the future park, and surrounding neighborhood
6. Retain Town ownership of the property
7. Complement the design of the future park on Legion Property
8. Align with the Town's [Complete Community Framework <https://www.townofchapelhill.org/businesses/complete-community>](https://www.townofchapelhill.org/businesses/complete-community) and [Comprehensive Plan](#)

Proposed Next Steps:

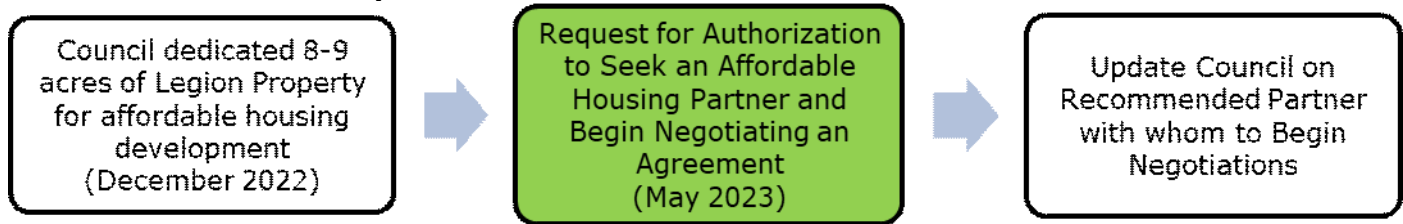
- With Town Council authorization, staff will issue a request for proposals and qualifications.
- Staff will then work with an evaluation team and the Manager to select a potential partner with whom the Town will negotiate an agreement to prepare a proposed development project.
- Once a partner is selected, staff will update Council on their partner selection and proposed planning and community engagement process.
- Staff will engage Council during the planning process to seek their feedback on the development plan prior to submitting a development application.
- The development team will submit a development application through the Town's development review process, which will include review by Town staff, opportunities for community input, and consideration by Council.

☆ **Recommendation(s):**

That the Council authorize the Town Manager to seek an affordable housing partner for the American Legion Property and negotiate an agreement under which the parties would prepare a proposed development project.

Fiscal Impact/Resources: There is no fiscal impact anticipated with authorizing the Manager to seek an affordable housing partner or to begin negotiations.

Where is this item in its process?



 **Attachments:**

- Resolution

A RESOLUTION AUTHORIZING THE TOWN MANAGER TO SEEK AN AFFORDABLE HOUSING PARTNER FOR TOWN-OWNED LAND ON THE LEGION ROAD PROPERTY AND BEGIN NEGOTIATING AN AGREEMENT UNDER WHICH THE PARTIES WOULD PREPARE A PROPOSED DEVELOPMENT PROJECT. (2023-05-24/R-8)

WHEREAS, one of the Town Council's Strategic Focus Areas and Goals for FY2023-25 is to increase access to housing for individuals across a range of incomes; and

WHEREAS, on [June 20, 2016 <https://chapelhill.granicus.com/MediaPlayer.php?view_id=7&clip_id=2801&meta_id=132829>](https://chapelhill.granicus.com/MediaPlayer.php?view_id=7&clip_id=2801&meta_id=132829), Council adopted guiding principles for any future development on the Legion Property that included describing how a proposed multi-family project would contribute to the mix of housing options in the Town and providing a mix of uses in the proposed development, as well as identifying a possible additional principle to outline how proposed development would support the Town's affordable housing goals; and

WHEREAS, in March 2017, the Town purchased the 36.2-acre parcel located along Legion Road from American Legion Post 6; and

WHEREAS, on May 18, 2022, the Council received a petition from several Council members requesting the Town move forward with developing and implementing a plan for the future use of the Legion Property, including to explore using a portion of the site for affordable housing; and

WHEREAS, in October 2022, the Mayor formed the Legion Property Committee (LPC) to form recommendations on the future use of the Legion Property; and

WHEREAS, on [December 8, 2022 <https://chapelhill.legistar.com/View.ashx?M=F&ID=11507568&GUID=184FEE9D-19C4-4CF0-B3F2-3CC2C1D3D173>](https://chapelhill.legistar.com/View.ashx?M=F&ID=11507568&GUID=184FEE9D-19C4-4CF0-B3F2-3CC2C1D3D173), the Town Council approved the Legion Property Committee Recommendations on the Future Use of the American Legion Property, which included designating 8-9 acres fronting Legion Road for affordable housing development.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council authorizes the Town Manager to seek an affordable housing development partner for a portion of the American Legion Property.

BE IT FURTHER RESOLVED that the Town Manager is authorized to begin negotiating an agreement with a selected affordable housing developer to prepare a proposed development project.

BE IT FURTHER RESOLVED that staff will return to the Council with a recommendation to approve the proposed development contract with the selected affordable housing partner.

BE IT FURTHER RESOLVED that the selected partner will submit a development application for the Council to consider in its role as regulator under the Land Use Management Ordinance.

This the 24th day of May, 2023.

The Agenda will reflect the text below and/or the motion text will be used during the meeting.

By adopting the resolution, the Council authorizes the Town Manager to seek an affordable housing development partner for the American Legion Property and begin negotiating an agreement under which the parties would prepare a proposed development project.