



# TOWN OF CHAPEL HILL

Town Hall  
405 Martin Luther King Jr.  
Boulevard  
Chapel Hill, NC 27514

## Legislation Text

File #: [19-0933], Version: 1

### **Authorize the Town Manager to Seek an Affordable Housing Partner for Town-Owned Land on Jay Street and Begin Negotiating an Agreement under which the Parties would Prepare a Proposed Development Project.**

#### **Staff:**

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

#### **Department:**

Housing and Community

**Overview:** In [June 2018 <https://chapelhill.legistar.com/LegislationDetail.aspx?ID=3531760&GUID=13618DD7-534B-4D67-8BD4-E1F9564701A1&Options=&Search=>](https://chapelhill.legistar.com/LegislationDetail.aspx?ID=3531760&GUID=13618DD7-534B-4D67-8BD4-E1F9564701A1&Options=&Search=>), the Town Council prioritized three Town-owned sites for affordable housing, including a seven-acre parcel on Jay Street (PINs: 9778-99-9279, 9788-09-1257, 9788-09-1232), and authorized the Town Manager to pursue affordable housing on those sites. At the [September 18, 2019 <https://chapelhill.legistar.com/LegislationDetail.aspx?ID=4135814&GUID=964ED0B2-5590-4A53-A7A5-E09507E79EB5&Options=&Search=>](https://chapelhill.legistar.com/LegislationDetail.aspx?ID=4135814&GUID=964ED0B2-5590-4A53-A7A5-E09507E79EB5&Options=&Search=>) Council Work Session, staff presented the results of a feasibility analysis conducted by local engineering firm Ballentine Associates. At that meeting the Town Council supported moving forward with planning for the Jay Street site, starting with establishing goals for the project and searching for a developer partner.

Staff proposed the following goals for the Jay Street site, which the Town Manager shared with Council via email on October 23, 2019:

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. Minimize need for Town funding through leverage of outside funding
4. Utilize environmentally friendly and sustainable principles for development
5. Facilitate connections within the community and surrounding neighborhood

#### **Proposed Next Steps:**

- With Town Council authorization, staff will issue a solicitation 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 begin negotiating an agreement to prepare a proposed development project.
- Staff will return to Council with a recommendation to approve the partner and the terms of an agreement to develop the property.

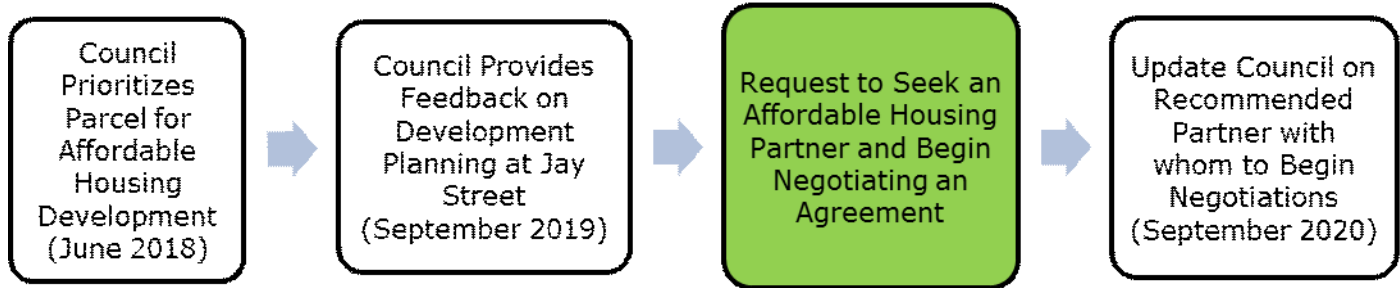


#### **Recommendation(s):**

That the Council authorize the Town Manager to seek an affordable housing partner for Town-owned land on Jay Street and begin negotiating an agreement under which the parties would prepare a proposed development project. Once the parties have reached an agreement and it has been approved by the Town Council the development project would then be reviewed by the Council in its role as regulator under the Town's Land Use Management Ordinance.

**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
- Jay Street Affordable Housing Partner Background Memorandum
- Jay Street Property Map

**A RESOLUTION AUTHORIZING THE TOWN MANAGER TO SEEK AN AFFORDABLE HOUSING PARTNER FOR TOWN-OWNED LAND ON JAY STREET AND BEGIN NEGOTIATING AN AGREEMENT UNDER WHICH THE PARTIES WOULD PREPARE A PROPOSED DEVELOPMENT PROJECT. (2019-11-13/R-3)**

WHEREAS, one of the Town Council's Strategic Goals & Objectives for FY2020-22 is to increase access to housing for individuals across a range of incomes; and

WHEREAS, on June 20, 2018, the Town Council prioritized the Jay Street parcel for affordable housing and authorized the pursuit of affordable housing on the Jay Street site; and

WHEREAS, on September 18, 2019, the Town Council heard the feasibility report on development potential for prioritized Town-Owned affordable housing sites.

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 partner for Town-owned land on Jay Street; and

BE IT FURTHER RESOLVED that the Town Manager is authorized to begin negotiating an agreement under which the parties would prepare a proposed development project; and

BE IT FURTHER RESOLVED that staff will return to the Council with a recommendation to approve the proposed agreement with the selected affordable housing partner; and

BE IT FURTHER RESOLVED that the parties will then submit an application for the Council to consider in its role as regulator under the Land Use Management Ordinance.

This the 13<sup>th</sup> day of November, 2019.

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**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 partner for Town-owned land on Jay Street and begin negotiating an agreement under which the parties would prepare a proposed development project.