

From: Roger Stancil

Date: 1/20/16 2:06 PM

To: Jessica Anderson; Donna Bell; George Cianciolo; Sally Greene; Ed Harrison; Pam Hemminger; Nancy Oates; Maria Palmer; Michael Parker

Cc: Mary Jane Nirdlinger; Gene Poveromo; Amy Harvey; Catherine Lazorko; Christina Strauch; Dwight Bassett; Flo Miller; Rae Buckley; Ralph Karpinos; Sabrina Oliver; Ross Tompkins

Subject: Merin Road Community Planned Housing Development Special Use Permit questions

Council Members asked the *following questions* on the Merin Road Community Planned Housing Development Special Use Permit item on tonight's agenda. Please see *the questions* and our **responses** below.

Merin Road Community Planned Housing Development Special Use Permit

- 1. The Merin Rd. project wants to offer 1/3 of the townhomes to those earning less than 100% of the AMI and 2/3 to those earning less than 80% of the AMI, yet the Inclusionary Zoning Ordinance requires 1/2 offered to those earning less than 80% AMI and 1/2 to those earning less than 65% AMI... why would we agree to this deviation from the ordinance and why did the Housing Advisory Board recommend approval of this plan from the applicant? Similarly, why wouldn't we ask that the applicant build a 10th townhouse to satisfy the 15% requirement, as \$21,250 in lieu does not equate to the cost to build a townhouse? If one of the townhomes goes unrented for six months and then converts to a market-rate unit, is that permanent for the 99-year term where it would have been "affordable"?*

The Inclusionary Zoning ordinance allows the Council to consider alternatives to providing affordable units on-site: a payment-in-lieu of affordable housing; land dedication; dedication of existing units; or an alternate option that better achieves the goals of the Comprehensive Plan. The applicant believes that their proposal is a better option to achieving the goals of the Comprehensive Plan and it is the Council's decision whether to accept this alternative. The Housing Advisory Board reviewed materials, including financial information provided by the applicant, about the cost to develop the units as described by the ordinance. The Community Home Trust also provided information about the significant amount of subsidy that would be required for the units to be affordable to households at the 65% and 80% AMI, and supported the applicant's proposal to sell the units to households earning up to 100% of the AMI. A representative from the Board will be at the public hearing to share their thinking.

- 2. The ordinance states that if the calculation of the housing obligation results in a fractional number of units, the fractional amount shall be fulfilled with a payment in lieu. The current payment-in-lieu amount is \$85,000 per unit.*

The townhomes will be offered for sale. The applicant has not offered the affordable units for rental opportunities.

- 3. This is a small issue, but on page 265 the Community Design Commission recommendation says in the motion that it's in regard to the Stancell Drive Car Wash, but is obviously referring to the Merin Rd. development based on the enumerated conditions (in case this error needs to be corrected officially, or some such thing).*

Please see attached revised Community Design Commission recommendation with the correction.

- 4. Since the Merin Rd. site has more severe grading, what are the ramifications? I'm assuming this is an erosion/environmental concern, but I don't know enough about this area to know exactly what the issue is and what the remedies are.*

The steep slope ordinance was written to protect water bodies from the effects of erosion, to protect plant and animal habitats, and to preserve the natural beauty of the town's hillsides. The project as shown would remove 71% of the natural steep slopes on the site.

The significant grading of the site may potentially lead to areas that will be subject to erosion. Town staff believes the proposed construction, showing many areas of 3:1 slopes around stormwater treatment facilities, property boundaries and riparian buffers, may be difficult to construct due to the space constraints for the constructed sloped areas. Generally, 3:1 slopes are permitted, but the concern is that there may end up being some areas that end up being steeper than 3:1.

Town staff has expressed concern over the proposed slopes to the applicant. During the Final Plan stage, additional site information may indicate the need to construct retaining walls.

- 5. In some places the materials indicate 61 market rate homes, in others it is 62. Which is correct.*

The correct number is 62 single-family (market rate homes) along with 9 townhomes (affordable homes).

6. *The fiscal analysis assumes a value of about \$170,000 for the affordable rate homes. This is significantly higher than other CHT properties, which are in the \$100-120,000 range. If this is correct, how would this affect the fiscal impacts to the Town?*

\$170,000 is the cost of construction of the units. The units if sold at 100% AMI would be marketed at \$148,000 and those at 80% would be marketed at \$96,000. The difference in the market price would be reflected in the subsidy for the units. We will return with additional information regarding the tax value and fiscal impacts of the affordable units at the February business meeting.

7. *There seems to be an overlap/redundancy between stipulations 16 and 17 regarding bicycle parking.*

Stipulation #16 is for outdoor bicycle storage and stipulation #17 is for interior hooks within the townhomes. We believe the two options provide alternatives as well as additional bicycle storage as the townhomes will not have garages.

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