

# BOARD OF ALDERMEN

ITEM NO. E(1)

## AGENDA ITEM ABSTRACT

MEETING DATE: SEPTEMBER 21, 2010

**SUBJECT: A REVIEW OF AFFORDABLE HOUSING FOR THE VERIDIA REDEVELOPMENT  
CONDITIONAL USE PERMIT PROJECT**

<b>DEPARTMENT:</b> PLANNING DEPARTMENT	<b>PUBLIC HEARING:</b> YES <input type="checkbox"/> No <input checked="" type="checkbox"/>
<b>ATTACHMENTS:</b> A. VICINITY MAP B. EXISTING CONDITIONS AND CONCEPTUAL SITE PLAN C. MINUTES FROM 12/2/08 BOARD OF ALDERMEN MEETING D. SECTION 15-54.1 OF THE LUO E. LETTER FROM MR. GEORGE OVERHOLT	<b>FOR INFORMATION CONTACT:</b> GEORGE TRIP OVERHOLT, PROJECT APPLICANT, 260-8747 MARTY ROUPE, 918-7333

### PURPOSE

Because the Veridia redevelopment Conditional Use Permit project application does not propose to reserve 15% of its units as affordable, Section 15-54.1 of the Land Use Ordinance requires that the applicant participate in an Affordable Housing Review Meeting with the Board of Aldermen before project review may begin. Such a meeting did take place on December 2, 2008; however, pursuant to new information supplied by the applicant, staff has determined that an additional meeting should take place. At this time, the Board of Aldermen is asked to review the current information regarding the affordable housing component of the Veridia redevelopment project.

### INFORMATION

The Veridia redevelopment project will replace an existing mobile home park with new modular homes located at 810 Old Fayetteville Road. The property is located along the eastern side of Old Fayetteville Road, near McDougle Middle School.

After discussions and a previous affordable housing review meeting with the Board of Aldermen (see **Attachment C**), Mr. George Overholt submitted his formal application for the Veridia redevelopment CUP. Plans have been reviewed one time and comments have been shared with the applicant. Revised plans have not yet been submitted, but staff has continued to meet with the applicant on occasion to discuss various aspects of the application. During such a recent meeting, the topic of affordable housing arose and the applicant shared new information about how they wish to price homes within the development. These changes are explained in an attached letter from the applicant (**Attachment E**).

As additional background, repeated from the last affordable housing review meeting, note that the CUP application, now under review, results from numerous discussions between staff and Mr. Overholt wherein it ultimately was determined that Mr. Overholt has a right—without seeking a CUP—to simply replace the existing 39 mobile home units with site built homes so long as the size of new homes does not exceed 1,350 square feet (i.e.: the average size of mobile homes currently on site), no other substantive

changes occur on the site, the extent of nonconformities is not increased, etc. It was further determined that if any substantive site changes were proposed or desired, that it would be necessary to seek approval of a CUP (based on the number of units) so that an appropriate reviewing authority could consider the appropriateness of any such changes. At least one substantive change involving a new access road is proposed, hence the CUP application.

Since this change makes it necessary to seek a CUP, the provisions of LUO Section 15-54.1 are applicable (**Attachment D**). Mr. Overholt has stated that he does not find it possible to include 15% affordable housing in the redevelopment project, and now wants to further discuss how he does wish to price the units, hence tonight's meeting (**Attachment E**).

Of note, the affordable housing density bonus provisions of LUO Section 15-182.4 do not necessarily apply to this project, since the property has a prescribed maximum density of 39 units. This density exceeds what is allowed by the current zoning designation of Residential—20 (R-20), and was formally established by Orange County Superior Court in 1970 as a result of a case between the Town of Carrboro and former property owner, Mr. Moody.

### **RECOMMENDATION**

Staff recommends that the Board participate in this second Affordable Housing Review as pertaining to the possible Veridia redevelopment project.