

MANDATORY REFERRAL REPORT NO. 14-50

Proposal to Transfer City-Owned Properties in Cherry Neighborhood to a Developer to Build Affordable Housing

PROJECT PROPOSAL AND LOCATION:

The City of Charlotte's Neighborhood & Business Services (NBS) Department proposes to transfer five City-owned parcels to a private company which specializes in developing affordable housing. The parcels are clustered together around an unopened road right of way (also proposed to be transferred with the five parcels), and each parcel is currently vacant land and zoned residential. The properties are located in the Cherry community along Baxter Street, midway between Kings Drive near the Metropolitan mixed-use retail and residential development and Queens Road in the City of Charlotte.

The developer intends to utilize these parcels of land to develop affordable housing with a 40 year affordability restriction. The desire is to abandon the non-existing street and assemble the land with five neighboring lots in order to create a better footprint for multifamily use. The plan would be to develop multiple structures to provide up to 30 units.

The properties are as follow:

PARCEL SUMMARY				
PARCEL NO.	ADDRESS	ZONING ⁽¹⁾	CURRENT USE	LOT SIZE (AC.)
12524333	809 Avant Street	R-6	Vacant	+/- .670
12524505	609 Avant Street	R-6	Vacant	+/- .126
12524506	617 Avant Street	R-6	Vacant	+/- .197
12524501	631 Avant Street	R-6	Vacant	+/- .242
12524332	630 Avant Street	R-6	Vacant	+/- 1.00

⁽¹⁾ Residential zoning, according to the City of Charlotte Zoning Ordinance

These properties are proposed for transfer specifically for the pursuit and development of affordable rental housing. After the approval process is complete, City Real Estate will be charged with overseeing the transfer of these properties to the designated organization.

PROJECT JUSTIFICATION:

NBS provides affordable housing opportunities in Charlotte as well as assistance to help revitalize and preserve affordable housing options in the neighborhood in which these properties are located. Records indicate that the five parcels were acquired by the City of Charlotte under the Community Development program, which assisted in redevelopment in declining neighborhoods. These properties are surplus to City operations, and the goal of constructing affordable housing complements the reasons for initial acquisition. Additionally, releasing the City-owned properties will avoid the potential for maintenance and liability expenses.

CONSISTENCY WITH ADOPTED PUBLIC POLICIES:

The transfer of these parcels supports the recommendation to develop affordable housing as outlined in the *FY2010-2015 Consolidated Action Plan* (approved by City Council on April 28, 2014).

Additionally it should be noted that in the event the final development plan (reportedly still being finalized) proposes residential density exceeding the maximum 6 units per acre allowed under existing zoning, a rezoning will be required.

CONSISTENCY WITH ADOPTED LAND USE PLANS:

The *Midtown Morehead Cherry Area Plan* (2012) set as twin goals for the Cherry neighborhood: "Maintain and preserve the area's predominant historic residential character, while continuing to provide viable affordable housing opportunities...". The Plan also sets forth the intention to encourage well-conceived infill development balanced with neighborhood preservation. The future land use for these specific parcels called for in the Plan is for residential density of six units per acre.

The proposed dwelling count in the Project Proposal section above is loose, indicating that development could exceed the density recommended in the Plan (taken collectively these five lots combined with the abandoned right-of-way would total approximately 2.8 acres, which would support about 17 dwelling units at six units per acre, while the stated maximum of 30 units would result in just under 11 units per acre). However, it is noted that the subject property is located across Baxter Street from the Cherry Gardens midrise apartments for seniors, containing 42 one-bedroom units and sitting on a site of just over one acre (Google image below).

The proposed use of the site is consistent with the Plan's goals to provide viable affordable housing opportunities and to continue the neighborhood's historic residential character. While the maximum density may exceed the recommended

density articulated in the Plan, it would be no higher than at least one nearby property, and respectful development design can maintain a consistency of scale and style appropriate to the surrounding neighborhood.

PROJECT IMPACT:

The project provides for additional affordable housing options in a community that is rapidly gentrifying, which is resulting in the displacement of residents in need of affordable housing.

RELATIONSHIP TO OTHER PUBLIC OR PRIVATE PROJECTS:

There are no other known public or private projects in the vicinity of the project site.

ESTIMATED PROJECT COMPLETION DATE:

The developer is on a fairly ambitious schedule to apply for housing tax credits in 2015 that will assist in offsetting the construction costs and make the development more affordable to lower income households. If tax credits are awarded during 2015, the developer expects to begin construction in early 2016.

JOINT USE TASK FORCE REVIEW COMMENTS:

The Joint Use Task Force discussed this matter at their November 5, 2014 meeting and no joint use comments were offered.

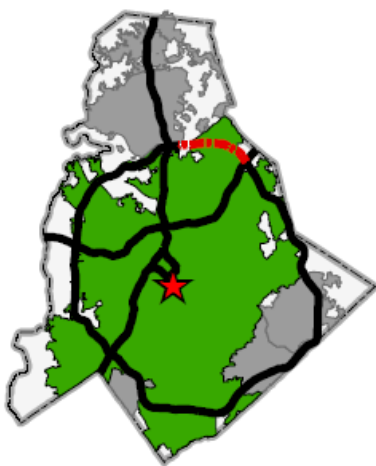
PLANNING STAFF RECOMMENDATION:

The proposal to develop this site residentially and for affordable housing is consistent with goals articulated in the *Midtown Morehead Cherry Area Plan*. If residential densities developed at six units per acre, the development would align with the Plan's density goal, however, if up to 30 units are constructed, it would exceed the prescribed 6 units per acre in the Plan but will also require a re-zoning that would initiate a project review to address development design in order to maintain scale and style consistency with the surrounding neighborhood, intended to offset the impact of the higher density (and would serve to address the Plan's goal of preserving neighborhood character). As such, staff recommends approval of the proposal.

CMPC PLANNING COMMITTEE RECOMMENDATION:

At their November 18, 2014 meeting the Planning Committee recommended approval of the proposal by a vote of 4-1.







Staff resource: Kent Main



Mandatory Referral 14-50

Initiated by: Neighborhood & Business Services

Submitted by: City of Charlotte Real Estate

-  Mandatory Referral
-  Schools
-  City Property
-  County Property
-  Historic Districts
-  FEMA 100 Year Floodplain



Produced by the Charlotte-Mecklenburg Planning Department

