City Council – Action Request Form

Date: April 8, 2024

To: Mayor, Mayor Pro Tempore, and Members of the City Council

From: Patrice Toney, Assistant City Manager

Samuel Hunter, Assistant Director, Neighborhood Services

Council Action Requested:

Resolution Revising Development Requirements by Infill Delicate LLC at the old Commons of Forsyth County Property (now known as The Heights)

Strategic Focus Area: Livable Neighborhoods

Strategic Objective: No

Strategic Plan Action Item: No

Key Work Item: No



Summary of Information:

In June 2021, Infill Delicate, LLC (the "Developer") purchased the old SECU Commons Property from The Commons of Forsyth County, Inc. The Property is located in the Northeast Ward near the intersection of Reidsville Road and Old Greensboro Road. On November 14, 2022, the Mayor and City Council passed two Resolutions to assist the Developer in its redevelopment efforts. The first resolution authorized the City to subordinate a preexisting \$400,000 permanent loan on the portion of the property that previously contained 20 single-room occupancy units. That would allow the Developer to convert those 20 units into ten apartment units (seven studio units, two one-bedroom units, and one two-bedroom unit). The Developer anticipated two of those units being set aside for households from 50%-60% AMI, two units for 80-120% AMI, and the remaining six units for >120% AMI.

The second resolution authorized the City to loan \$290,000 to the Developer to aid in the construction of 12 new rental cottages containing either one or two bedrooms with community amenities. Of those 12 units, the Developer proposed setting aside two units for Section 8 vouchers, five units for households up to 80% AMI, and the remaining five units for households up to 120% AMI.

Committee Action:						
Committee	CC/H/GG – 4/8/24	Action	Forward Without Recommendation to 4/15/24 Council Meeting			
For		Against				
Remarks:						

The parcels for the cottage units and apartment units were separately platted, and the affordability restrictions above would be recorded and apply to each respective parcel. However, as the Developer began construction, the site plan, topography, and required stormwater retention device necessitated a change in the plans for such that only 11 cottages can now be built. In addition, the Developer was able to build 11 one-bedroom apartment units instead of 10 units as originally planned in the single-room occupancy parcel.

The Developer is requesting that the City amend the requirement in the November 14, 2022 resolution to reduce the number of cottage units to be built from 12 to 11. The Developer is further requesting that the City merge the affordability requirements so that they will now apply across both the apartment and cottage properties. As a result, the required set-asides would apply to the 22 units in total instead of being treated as two separate set-asides for two different parcels. This means that there would be only one set of restrictive covenants recorded across both of the parcels.

Unit Count By Area Median Income						
Section 8	Up To 80%	81%-120%	Market Rate	Total Units		
	AMI	AMI				
2	7	7	6	22		

The apartment units have been finished, and the Developer anticipates having final certificates of occupancy for the cottage units this summer. Staff is supportive of this request.

When this item was presented at the Community Development/Housing/General Government Committee meeting on April 8, 2024, the Developer stated that the item did not accurately reflect his request. This CARF and accompanying Resolution have been updated accordingly.