



Legislation Text

File #: 21-248, **Version:** 1

TITLE:

Request to Allow Pee Wee Homes to Apply for a Rezoning of Town-Owned Property for the Purpose of Developing Affordable Housing

PURPOSE: It is the Town's intent to convey property at 106 Hill Street to Pee Wee Homes for the purpose of developing three permanently affordable homes, contingent upon a rezoning. Pee Wee Homes has prepared a petition to rezone the property to R-3-Conditional (R-3-CZ). The Town Council must receive public input before reaching a decision on a rezoning. A hearing date of September 28, 2021 has been identified. Two resolutions have been provided for the Council's use; the first authorizes the Manager to sign the petition and the second sets the public hearing.

DEPARTMENT: Planning & Housing and Community Services

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INFORMATION: It is the Town's intent to convey to Pee Wee Homes a single parcel of land located at 106 Hill Street for the purpose of developing three permanently affordable dwelling units to serve residents earning less than 30-percent of the Area Median Income (AMI), contingent upon rezoning the property. A petition to rezone the property to a conditional district is required by ordinance to be signed by the owner of the property.

Pee Wee Homes has prepared a petition to rezone the 0.17-acre parcel (approximately 7,405 square feet) from R-7.5 to R-3-CZ. As can be seen in the attached vicinity map (*Attachment E*), the property is located at the southwest corner of Hill Street and Broad Street and can be further identified as PIN # 9778-97-5883. It is also located within the Lloyd-Broad Overlay District. The existing R-7.5 zoning would allow for one dwelling unit; the requested rezoning would allow for the three units (*Attachment D*). Two of the units would be approximately 400 square feet in size and the third unit would be a little more than 300 square feet in size. A conceptual site plan is provided with the rezoning petition.

On February 17, 2021, the Affordable Housing Advisory Commission (AHAC) received a presentation from Pee Wee Homes and discussed their proposal to build small homes on 106 Hill Street. The AHAC appreciated Pee Wee Homes prioritizing housing for 30-percent AMI or below since there is a dearth of affordable housing in Carrboro for those households. The AHAC recommended that the Town Council consider donating the 106 Hill Street parcel to Pee Wee Homes for this project. Their recommendation is provided (*Attachment F*). The recommendation was held until the viability of the project via a variance and possible rezoning was established.

A draft ordinance for the requested rezoning has been prepared. The ordinance includes an initial list of conditions; additional refinement is anticipated during the public hearing process (*Attachment C*).

The Town Council must receive public comment before adopting map amendments to the Land Use Ordinance. As noted above, two resolutions have been provided for the Council's use. The first resolution (*Attachment A*) authorizes the Town Manager to sign the petition for rezoning as the owner of the property and outlines the terms of conveyance, particularly the requirement for the development of affordable units for residents earning less than 30-percent AMI. This first resolution also authorizes the Town Manager to execute agreements necessary to convey the property to Pee Wee Homes contingent upon the rezoning and the use of the property solely for affordable housing as restricted in the deed of conveyance of the property by the Town to Pee Wee Homes. The second resolution (*Attachment B*) sets the public hearing and refers the request to the advisory boards. Planning Board review is needed, and the TAB, AHAC, EAB, SWAC and Appearance Commission have been identified based on their areas of expertise. If the rezoning is approved the applicant would follow with an application for a zoning permit for the development of the three homes. The applicant was granted a variance from the Board of Adjustment on June 16, 2021 relating to placement of the homes within the stream buffer associated with the piped stream.

FISCAL & STAFF IMPACT: Costs are associated with public hearing notice for Town Council and advisory board review. It is anticipated that the applicants will seek a fee waiver for the fees associated with the rezoning, estimated at \$1245.10 from the Affordable Housing Special Revenue Fund. It is also anticipated that the applicants may seek addition funding from AFSRF in the fall to assist with costs associated with construction.

RECOMMENDATION: Staff recommends that the Town Council consider: 1) adopting a resolution authorizing the Town Manager to sign the petition for rezoning as the owner of subject property (*Attachment A*), and 2) adopting a resolution setting a public hearing to consider the rezoning for September 28th and referring the item to the Planning Board and other Town advisory boards and commissions (*Attachment B*).