

Legislation Text

File #: 15-21124, Version: 1

Amend Restrictive Covenants for Property on Starwood Avenue

Action:

- A. Adopt a resolution to amend the restrictive covenants on property located at 10742 Starwood Avenue (parcel identification numbers 105-271-74 and 105-271-75) to:**
- **Modify the type of permissible affordable units to include townhomes,**
 - **Increase the required number of affordable units from one to two,**
 - **Extend the timeframe for completion of development of the affordable units, and**
- B. Authorize the City Manager, or his designee, to execute all documents necessary to complete this transaction.**

Staff Resource(s):

Shawn Heath, Housing & Neighborhood Services
Phil Reiger, General Services
Greg Crawford, General Services

Explanation

- On August 10, 2020, City Council approved the sale of approximately 0.6 acres of city-owned property located on Starwood Avenue (parcel identification numbers 105-271-74 and 105-271-75) in Council District 5 to A-Plus Realty, Inc., for the development of two single-family residential homes. The parcels were part of the Willow Creek Wastewater Treatment Plant and were no longer needed.
- On January 22, 2021, the city conveyed the property to A-Plus Realty, Inc. The transaction included the following restrictive covenants:
 - At least one of the two proposed single-family units must be affordable to a household earning 80 percent of the area median income (AMI) and eligible to participate in the House Charlotte program,
 - The affordable unit will include a 15-year affordability period, and
 - The developer would have three years to complete the improvements for occupancy (by January 21, 2024), or the property would revert back to the city.
- A-Plus Realty, Inc. later acquired approximately 3.012 acres of adjacent land (parcel identification numbers 105-271-97 and 105-271-99) creating a total combined development opportunity of approximately 3.612 acres (development site).
- On July 31, 2023, A-Plus Realty, Inc. sold the development site to Northway Homes, LLC, a private homebuilder based in Charlotte. Northway Homes, LLC plans to build a for-sale townhome development on the development site.
- Northway Homes, LLC, has requested the following changes to the restrictive covenants:
 - Allow the affordable units to be developed as townhome units (instead of single-family units).
 - At least two of the proposed townhome units on the development site will be affordable to households earning 80 percent of the AMI. These affordable townhome units will be in lieu of the previously required affordable single-family home.
 - Extend the reversionary restriction for the original two city-owned parcels for an additional two years, to January 21, 2026. This extension takes into consideration Northway Homes, LLC's recent acquisition of the property.

Attachment(s)

Map

Resolution