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May 20, 2024

Eric Rufa
Planning Director/Zoning Administrator
Town of Fletcher
300 Old Cane Creek Road
Fletcher, NC 28732

RE: Extension regarding infrastructure in place

Dear Eric,

On June 12th, 2019 the Town of Fletcher approved the rezoning for our property located at 150 Cane Creek Road. As part of the official order approving the project, Section 15.6 (A.4) of your ordinance, we were to have the infrastructure in place within one (1) year of approval. The order also required us to obtain zoning and building permits within a year. In March 2020 we requested a two year extension from The Town of Fletcher and was granted that extension on April 22nd, 2020. On March 14th, 2022, we were granted an extension till June 12th, 2024 by the Town.

As you know, we have dealt with a handful of issues related to the past and current economic environment due to the pandemic of COVID-19 and other contributing factors that have prevented us from meeting the specified deadline. Thankfully, I believe we have navigated through all of the issues as successfully as one possibly could given the circumstances.

There have been many technical engineering challenges with this site that have taken a significant amount of time and money to address. Foremost is the difficulty and complexity of complying with the North Carolina Department of Environmental Natural Resources (NCDENR) requirements in the flood plain and flood way areas of the site, yet alone the extensive areas of wetlands which make up a large portion of the property. Federal and State regulations continue to change and the ability to develop in these areas has changed significantly in the last few years. Furthermore, we lost our environmental consultant due to an unexpected death and our contact at the Core of Engineers office at DENR relocated. Thankfully, we have now addressed all the issues in the engineering of the site to satisfy both NCDENR and continue to allow this project to be economically feasible. We have received all the permits from NCDENR and the Core of Engineers to develop the site and obtained the permits issued by the Town of Fletcher to fill within the flood plain. Permits from the Core of Engineers and NCDENR were received in February 2024.

We have dealt with multiple challenges related to the gas transmission lines that run through the site as well as challenges with storm water design and requirements due to our proximity to the airport. The proximity to the airport and the physical restraints on the site with flood plans and flood ways has made designing storm water devices that meet local ordinance very cumbersome. Our engineer spent a great deal of time working with NCDENR and the Henderson County storm water department to design a dry pond that would meet the requirements of all jurisdictions. Initially prior management in Henderson County rebutted the use of dry ponds even though the State of North Carolina allows the use such facilities in Storm Water Management. We finally received our grading permit from Henderson County two weeks ago.

NCDOT has required us to complete an updated Traffic Impact Analysis as a result of new developments in the area which have now been completed. The TIA which is now completed has been in review for several months. They were kind enough in February of 2024 to issue a temporary driveway permit to allow us to start our clearing and grading. We are still awaiting on their comments on required roadwork along Cane Creek and Mills Gap Road.

We are very focused on this project and are very eager to start. We have finalized our contract with our tree clearing and grubbing subcontractor and he plans to start in the next three weeks, pending Henderson County approval of the installation of erosion control devices. Our grading contractor that we had negotiated with had to start another project that they had previously committed to and accordingly could not commence on this project until mid to late Fall. We are therefore in discussions with two local grading companies and fully anticipate to have a finalized deal by the time we come to Council in June.

We would like to request a time extension of the Conditional Zoning of CBD to have significant infrastructure in place and begin permitting for building structures. We would like to propose a deadline of December 31, 2026. We will be starting site work this summer and we expect the site work to take at least a year and half to complete depending on the weather, provided we do not run into any significant unexpected surprises. We plan to start construction on the top of the hill as we continue site work on the lower half of the site. Architecturally, our building plans should be ready to be submitted to Henderson County for building permits in 2025. We are now making changes in the plans necessitated by building code changes that have occurred since we last constructed the units, which we completed at our community in Kernersville.

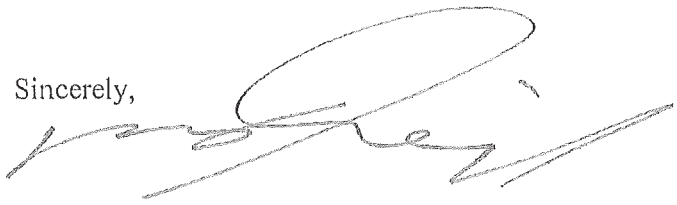
We would anticipate that the site work phase of the project will take 18 months and the actual construction of the buildings will take 24 months. However, we will be at the mercy of Henderson County in regards to final approval and inspections as well as Mother Nature. There is a possibility that depending on when Henderson County Erosion Control releases us to begin full grading operations that we will have to put some efforts on hold if we have a wet summer and fall. Filling in the Flood Plain will be very challenging in that the water table is only three feet below the surface and can only be achieved during prolonged dry periods. We anticipate completion of a portion of the project within or before 36 months from commencement. Completion of the project could take 3 plus years to fully develop. Furthermore, because of the size of the project it may be beneficial to undertake all of the site improvements but construct the

buildings in two phases. Certainly in this case the length of the project would be significantly greater than 3 years.

We own the land and our staff in South Asheville is taking care of the property on a weekly basis. Our plans have not significantly changed for the development. We are still planning to build the eight-unit two story apartment buildings, townhouses (which will now be one story in height), and single family detached villas. We are preserving the house on the property and will operate our onsite office from that house. We are confident that the Council fully appreciates the challenges we have faced and accordingly will approve our requested extension of the Conditional Zoning of the Central Business District and the extension to complete the infrastructure. As you know this project represents a $90 million dollar investment in the Town of Fletcher and will provide a first class housing community in the Central Core District of Town. We are fully invested in the project and are looking forward to working with The Town to get this development completed.

We will be in Fletcher for the June Council Meeting and will be participating in the request for the extension. Before closing, I want to advise you that as of today we have been able to schedule a preconstruction meeting with Henderson County and will be meeting representatives on site on June 3rd to initiate site development. Accordingly, we are in the process of marking the clearing limits and placement of the required silt fences. Please let me know what further information you need to complete our request for an extension.

Sincerely,



Barry Siegal