Reed Creek Greenway Plaza

Land Use Incentive Grant Request

Asheville City Council
May 24, 2022

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Key Takeaways

- LUIG application for 421 Broadway Street, rental apartments.
- Project committing 10 units (20%) to be affordable for 30 years at 60% AMI or below. Two units (5%) will be affordable for 30 years at 80% AMI or below.
- The project is on a site that is difficult to develop, and the city originally purchased one of the parcels for affordable housing.
- The project is also bringing other benefits including rental assistance, solar panels and Universal design.
- Project qualifies for 21 years of taxes paid.

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Project Background

- The project encompasses 1.53 acres of land bound by Broadway Street and Cauble Street on the edge of the Montford neighborhood.

- The proposed development consists of a 49 unit apartment building and 2 commercial buildings. The LUIG will only be for Building A which has the 49 apartments.

- Housing represents 100% of all rentable square footage.

Existing Conditions



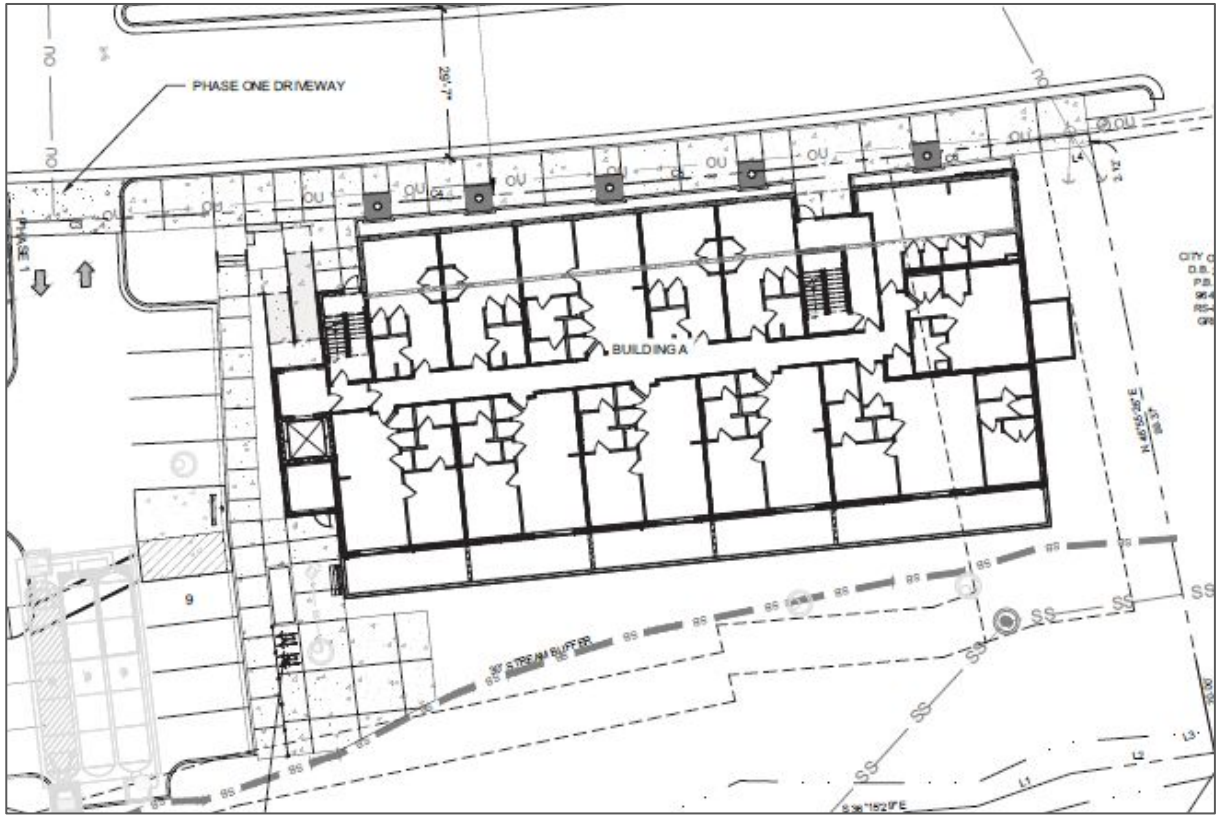
- Located at the edge of Montford
- Just east of the Reed Creek Greenway
- Total site area 1.53 acres
- Residential portion of the project is approximately .39 acre

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Site Plan


TO UNCA
HILLSIDE STREET
REED CREEK GREENWAY PARKING
BROADWAY STREET
PHASE LINE
TO DOWNTOWN
FUTURE PLAZA SPACE
BUILDING C (FUTURE PHASE 2)
CAUDLE STREET
FUTURE PLAZA SPACE
BUILDING A (PHASE 1)
BUFFER PLANTINGS
BUILDING B (PHASE 1)
OPEN SPACE
BIKE PARKING, TYP.
SIDEWALK CONNECTION TO GREENWAY
REED CREEK
EXISTING BRIDGE
BUFFER PLANTINGS
REED CREEK GREENWAY

Sample Floor Plan & Unit Mix



10 Studios - all affordable

35 One Bedroom units

4 Two Bedroom units

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Project Background

- Of the 49 residential units, 10 rental apartments (20%) will be affordable, serving individuals earning at or below 60% of the Area Median Income (AMI) for a minimum of 30 years.

- Also 2 units (5%) will be affordable serving individuals earning at or below 80% of the Area Median Income (AMI) for a minimum of 30 years.

- The developer estimates a total development cost of approximately $9.15M.

Point Summary

- 20% of units affordable at 60% AMI for 30 years
  (20 +10 = 30 points)
- 10% Rental Assistance (10 points)
- Housing someone from the Homeless By Name list (5 points)
- Location (10 points):
  - 1 mile from a job or urban center
  - .5 mile from a transit amenity
- Brownfield Redevelopment (10 points)
- Energy Efficiency, Green Building & Solar panels / Energy Star (5+10 +15 = 30 points)
- Universal Design- 20% of units (10 points)

Total Points: 105 points = 21 years of tax grant benefit

LUIG Specifics

- The vacant parcels where the building will be built has an estimated current tax value of $259,000 and pays city property taxes of approximately $1043 annually.
- Under the estimated tax value of $9.15M post-completion, the annual city property tax will be approximately $36,893.
- The difference is $35,850 which would be granted to the property owner annually for 21 years.
- The total grant would be $752,850 (over 21 years) which equals $62,737 per unit of subsidy which is lower than the estimate of up to $80,000 in subsidy for 80% AMI homes, which is consistent with adopted policy.
- After year 21, the City will receive the approximate $36,893 annually in city tax revenue (depending on future property tax increases, etc.).

(https://www.walkscore

427 Broadway Street

Historic Montford, (https://www.walkscore.com/NC/Asheville/Historic_Montford) Asheville (https://www.walkscore.com/NC/Asheville), 28801

Commute to **Downtown Asheville (https://www.walkscore.com/compare#edit-commutes)**

3 min 18 min 6 min 22 min

Favorite **Map**

More about 427 Broadway Street (https://www.redfin.com/NC/Asheville/427-Broadway-St-28801/home/162791107)



Somewhat Walkable

Some errands can be accomplished on foot.



Bikeable

Some bike infrastructure.

About your score

Add scores to your site (https://www.walkscore.com/professional/badges.php?address=427%20Broadway%20Street%20Asheville,%20NC%2028801)

Committee Recommendations

- HCD Committee - May 17

  Committee voted 3-0 to recommend approval

- Finance Committee - May 24

Recommendation

- Staff recommends approval of a motion to recommend that City Council approve the Land Use Incentive Grant application for Reed Creek Greenway Plaza project/421 Broadway Street.
- The LUIG application will also be reviewed by the Finance Committee in May.
- Review by City Council will be on May 24 at the same meeting as the Conditional Zoning hearing.