Coxe Avenue Redevelopment
Selection of Preferred Plan
Agenda

• Process history and overview
• Discussion of and selection of preferred redevelopment plan
• Next steps
UNC Chapel Hill’s School of Government is the largest university-based local government training, advisory, and research organization in the United States, and serves more than 12,000 public officials each year.
Development Finance Initiative (DFI)

DFI is a program of SOG that works with communities in NC to attract private investment for transformative projects.

DFI brings:
- Real estate development and finance expertise
- Ability to bridge public and private interests
- Neutrality, non-partisanship, responsiveness
DFI Process Overview

Site Analysis

Guiding Public Interests

Financial Analysis

Market Analysis

Feasible Development Plan

Goal: Identify private development partner(s) to finance, build, and operate project(s) that meets community vision
<table>
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<tr>
<th>Option 1: 52 Coxe Only</th>
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## Community Engagement Overview

CAPE promoted the engagement opportunities via the Engage Portal, direct mailings to residents and business owners within 500 feet, multiple press releases, social media, and stakeholder networks.

<table>
<thead>
<tr>
<th>Date</th>
<th>Format and Location</th>
<th>Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thurs 2/22 at 6pm</td>
<td>200 College Street</td>
<td>14</td>
</tr>
<tr>
<td>Sat 2/24 at 10am</td>
<td>Via Zoom</td>
<td>6</td>
</tr>
<tr>
<td>Wed 2/28 - Fri 3/15</td>
<td>Online Input Form</td>
<td>104</td>
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**Total Individual Participants** 124
Participants were asked a) How well the plans meet the public interests and b) Which does it best?

Guiding public interests endorsed by the Buncombe County Commission following spring 2023 engagement:

Development of the 50-52 Coxe Avenue site should:

- Maximize the number of new apartments affordable to low- and moderate-income households in a mixed income setting.
- Include active ground floor uses that serve residents and commuters and increase pedestrian traffic along Coxe Avenue.
- Maintain direct and safe access from Coxe Avenue to Church Street for pedestrians and cyclists.
- Balance maximum density and pedestrian-scale design that extends the vibrant, urban streetscape from Patton Avenue to the South Slope area.
- Attract as much private investment as possible in order to maximize the impact of public investment in affordable housing.

Memo to Board of Commissioners dated March 28, 2024, summarizes all of the feedback received as well as detailed individual responses. Available on PublicInput.com/AffordableHousingDevelopment.
The majority of participants preferred the 50-52 Coxe plan: 200 units affordable to LMI households

- Support for Option 2 utilizing 50 and 52 Coxe Avenue was greatest for the goal of maximizing affordable housing and including active ground floor uses.
- Most of the conversations and responses centered on the details of the final development:
  - Providing deeper affordability versus more “workforce” and market-rate units.
  - Ensuring the vibrancy of the pedestrian pass through.
  - Interest in additional height and density.
  - Concerns about insufficient parking.
  - Ensuring an “attractive” final building and streetscape design.
  - Ensuring ground-floor spaces leased to community-focused businesses.
50-52 Coxe requires closure of Sawyer St. General support dependent on pedestrian access.

Select quotes from input received:

- Closing Sawyer St. and maximizing the number of affordable units is the best use of our county-owned properties.
- I like keeping Sawyer Street open, but I also like maximizing the use of the footprint.
- I opted for the option with more housing especially since Sawyer isn’t a high volume street.
- I think the partial closing of Sawyer makes the development more inviting for pedestrian traffic and provides better options for outdoor spaces.
- I generally prefer option 2, and think this access issue is not so bad because if it involves going one block around, that's not such a big deal.
- Critical to my support for Option 2 is that it retains pedestrian access along Sawyer.
Next Steps

- Community Engagement
- Development Partner Solicitation
- Negotiate and Execute Agreements
- Developer: Construction Begins
- Developer: Tenant Selection

*Timeline is an estimate and subject to change to allow for thoughtful decision-making, LIHTC application process, and potential market shifts.
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### Estimated Costs

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### Funding Gap

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| Per Unit                                         | $32,200 - $80,200      | $49,200 - $80,700           |
Appendix

Presentation for Community Input Meetings

February 2024
Input Session Overview

• Process History and Overview
• Development Options
• Discussion in Small Groups:

How well do these plans meet each guiding public interest? Which of the plans does a better job of meeting each interest?

• Q&A
Buncombe County has significant need for rental units affordable to low- and moderate-income households

Over 8,900 LMI renter households and 5,800 LMI owner households in Buncombe County are spending more than 50% of their income on housing or living in overcrowded homes.

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- Attract as much private investment as possible in order to maximize the impact of public investment in affordable housing.
Goal: Identify private development partner(s) to finance, build, and operate project(s) that meets community vision
Funding for Affordable Rental Development

Funding Gap
- Public or charitable source

Deferred Developers' Fee
- Can defer up to 50% of fee

Low-Income Housing Tax Credit (LIHTC) Equity
- 9% and 4% Tax Credit: Sold to private investors for equity
  - May cover between 40% and 90% of capital needed
  - Unit affordability must be (on average) affordable to households at 60% AMI
  - **Guarantees 30 years of affordability**

Private Loans
- Federally-guaranteed → below market interest rates and terms
Development Options

How well do these plans meet each guiding public interest? Which of the plans does a better job of meeting each interest?
Total Affordable Units (30-80% AMI)  
130

Potential Commercial Space  
2,200 Square Feet
Site Considerations

- All plans include demolition of existing building that currently houses Bureau of Identification.
- At least 70 percent of the street-level façade along Coxe must be composed of windows, doors and other openings.
- Assumes 0.6 parking spaces per unit.
- Funding source (LIHTC) requires all parking on site.
  - One option includes partial closure of street to increase footprint.
- All options require conditional zoning process through City of Asheville.
Plans are conceptual:

- Visualize the footprint, height, and density
- Enough detail to estimate construction costs but still requires developers to bring own team and creativity.
- Do not include architectural elements such as color, texture, materials, etc.
- Eventual design must meet all funding source (LIHTC) and City of Asheville UDO requirements.
Non-residential, non-amenity space in a LIHTC development:

- Must be occupied by a “community service facility” that primarily serves residents earning less than 60% AMI.
- OR if income-producing and not primarily serving low-income households, owned by an entity other than the LIHTC developer.
Option 1: 52 Coxe Avenue

Potential Income Mix:
- 30% AMI: 29 units
- 50%-60% AMI: 75 units
- 80% AMI: 26 units

Potential Commercial Space: 2,200 SF

Estimated Public-Private Investment: $38.5M

Potential Funding Gap: $4.2M
Option 1: 52 Coxe Avenue

LEVEL 1

LEVEL 2

Rental Units
Amenities & Non-Residential
Parking
Outdoor Amenity
Option 2: 50-52 Coxe Avenue

Apartment

Potential Income Mix:
- 30% AMI: 42 units
- 50%-60% AMI: 119 units
- 80% AMI: 26 units

Potential Commercial Space: 5,900 SF

Estimated Public-Private Investment: $59.0M

Potential Funding Gap: $9.8M
Option 2: 50-52 Coxe Avenue

LEVEL 1

LEVEL 3-7

Rental Units
Amenities & Non-Residential
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Next Steps
Potential Development Timeline

- Community Engagement
- Selection of Preferred Plan
- Solicitation
- Negotiate and Execute Agreements
- Developer: Construction Begins
- Developer: Tenant Selection

*Timeline is an estimate and subject to change to allow for thoughtful engagement and decision-making, LIHTC application process, and potential market shifts.*
Discussion

• Break into small groups with a facilitator.

• Discussion today will focus on the guiding public interests and participants will be asked the following for each:

How well do these plans for 50 and 52 Coxe Avenue meet this guiding public interest?
Which of the plans does a better job of meeting this interest?
Visit PublicInput.com/AffordableHousingDevelopment to learn more and sign up for updates.