

Repositioning Committee
Minutes
12/7/20

Present: Eric Braun, Arne Morris, Bahati Mutisya, Gregg Warren, Wayne Felton

Absent: None

RHA staff: Liz Edgerton, Laura McCann, Jennifer Morgan Donna Perez, Gwen Wall

Visitors: Larry Zucchini, JDavis Architects

Updated Design Discussion

Version 1

- Surface parks everything.
- Corridor building the same.
- Senior Building the same.
- 2 support buildings the same.
- Shows out-parcel.
- No parking deck.
- Unit count is similar.
- Parking is at .68/unit. Probably doable, but needs to be discussed.

Version 2

- No parking deck.
- No out-parcel so additional units can be built.
- Parking ratio is less than 1/unit.
- Garden apartments can be put on this site plan to get a mix of building type.

Commissioner Warren asked if garden apartments could be added in to version 1 also. Mr. Zucchini said they could.

Commissioner Warren said garden apartments would be advantageous for 3-bedroom units. Mr. Zucchini said they could be added into either version.

Commissioner Warren asked if the senior buildings could be re-aligned so that they can be front-facing on South Saunders Street (or is West Street the better option for presence on the property). Mr. Zucchini said the grade of the property is also a factor on the piece of land. If the building isn't there, a retaining wall would need to be built. This is currently the best urban design.

Commissioner Warren asked if both versions of the corridor building designs are elevator buildings. Mr. Zucchini said they are. The building plans for both versions don't change - they just add to the density and parking ratio of the property.

Commissioner Morris asked if there were any communities in Raleigh that the committee could look at that have the corridor buildings. Mr. Zucchini said there are. He will work up a few places that can

be toured so the committee can get an idea of what the building will look like. He said the Senior Building at Capitol Park is similar. Commissioner Warren said Washington Terrace is similar, too.

Commissioner Morris asked if Mr. Felton would be comfortable with a committee tour of the senior buildings at Capitol Park and Chavis Heights. Mr. Felton said a driving tour would be okay but he would not want to take a big group into the units.

Commissioner Morris said he was talking about walking through the building, not going into units. Commissioner Warren said a lot of the market rate developments that JDavis has designed are internal corridor family buildings.

Mr. Zucchini told Commissioner Morris that the building in Cameron Village that is on the corner of Clark and Oberlin is a building very similar in scale to what is on the current plans for Heritage Park.

Commissioner Warren wanted to get a general consensus on the following:

- Still looking at internal corridors.
- Also want to see garden style with 3-bedroom units on the plan.

Mr. Felton agreed to that.

Commissioner Braun said he still likes the idea of using a portion of the property to help fund RHA. It gives some mixed-use to the property. He said it might be helpful to look beyond Raleigh and find different design ideas. Staff could ask the consultants or touch base with HUD to see if there are projects other PHAs have done that are more traditional mixed-use and have a component of market rate.

Commissioner Warren said that's a good point. There are a lot of HOPE VI examples with mixed-income, mixed-use. However, that program is gone now. It had the funding to give PHAs the ability to be more innovative. RAD is a little more tightly structured.

Commissioner Warren said he doesn't have a problem with continuing the discussion that the farthest parcel to the east be sold or land-leased to a private developer that would do unsubsidized housing or a hotel. That parcel could be left open as an option to be sold for funding the development.

Commissioner Braun said he likes the idea of having as many elevator buildings as possible on the property, due to a large population of elderly residents needing affordable housing.

Commissioner Warren said he would like a mix of building types to be able to add 3-bedroom units. Mr. Felton agreed. He said he would like more garden-style buildings for that purpose (instead of adding additional corridor buildings with 3-bedroom units).

Commissioner Warren said getting rid of the parking deck is a good idea. Commissioner Morris said he would defer to staff to determine whether a parking deck would be needed.

Commissioner Braun asked if on-street parking would be used to satisfy parking code requirements. Mr. Zucchini said there are no requirements for parking.

Commissioner Morris asked about parking at Walnut Terrace. Mr. Felton said there is parking in front of the units. There are only a few residents who park on the street. Mr. Zucchini said he doesn't see a problem with people parking at the street in this new development.

Commissioner Mutisya mentioned that if RHA holds a portion of the property to sell, staff factors that into the number of units that are built. She doesn't want an out-parcel sale to decrease the number of affordable units that go into the site. Commissioner Warren said that's good point. Those units that are currently showing on the plan should not be counted in case it's decided to sell it a later point.

Mr. Felton said one thing the residents talked about when staff met with them is parking. They have adequate parking. However, there are a lot of people who park on site who are attending a concert at the Red Hat facility across the street. Commissioner Warren said parking permits could be used to control that. The public on-street parking would not be regulated.

Commissioner Braun said, with the future public transit, there should be fewer cars.

Mr. Felton asked if the stand-alone community center could be eliminated and added to the lower floor of another building. Another garden apartment building could be built on that site. Mr. Felton wondered if the city would have space available at Dorothea Dix for the residents to meet. Commissioner Warren said RHA shouldn't count on the city to have space available anytime soon for the residents.

Mr. Zucchini said integrating the community center into the lower floor of another building is worth exploring. It could open onto a playground area.

Commissioner Braun said he is strongly in favor of a community center that provides services to the residents.

Mr. Zucchini said this is a flexible plan and there is nothing that has been talked about today that can't be fit into it.

Commissioner Morris asked if the committee is going to think about touring a few sites. Commissioner Warren said he thinks the committee could go inside a few of the DHIC buildings with no problem (safely distanced with a mask) to get a sense of what the interior corridor building would look like.

Mr. Felton asked Commissioner Warren if he would set up a tour of Beacon Ridge Apartments. Commissioner Warren said he would speak with Yolanda Winstead about it.

Commissioner Morris asked if they could look at Washington Terrace, too. Commissioner Warren said that shouldn't be a problem.

Unresolved Issues

- Public housing units and market-rate units vs. mixed population of market-rate with public housing units.
 - Commissioner Warren is an advocate of mixing the population together, if the financing can work.

- Mr. Felton said there was talk at one time about HUD recommending using the 4% tax credits to do all of these. Staff had broken it down to 3 different tax credit deals:
 1. Senior Building
 2. The block at Saunders and South Street.
 3. The block closer to Dawson Street.

Mr. Felton said, with the tax credits, you get a mixed income because there different income levels. There can be a building with public housing residents next to a building of market rate. However, staff does not want a mixture of the two within the same building. Staff certainly wants the mixture on the site, though.

Commissioner Warren said one of the next steps on the committee is to think about bringing in an investor to give their view of what has worked well in other RAD deals. It would be helpful to get advice from financing people as to how they think it would be best structured.

Commissioner Warren said another thing to think about is that RHA will need a partner to apply for tax credits and staff shouldn't get too detailed into the development plan until that partner is selected. That should likely happen within the next quarter, if this is a tax credit application that is submitted in January 2022.

Commissioner Warren said it would be good to get the RAD consultants on one of the meetings to share what's been going on with RAD elsewhere.

Mr. Felton said staff has a list of other North Carolina RAD deals. Staff can do some research to determine what is comparable to this. Most of the PHAs around the country are doing something very similar to what RHA has already done with the garden apartments and townhouses.

Commissioner Braun asked if the HUD SAC office could be reached to see if there are more mixed-use creative projects with RAD. Commissioner Warren said a lot of the RAD deals are just getting started and many of them haven't been developed. He said there are a lot of HOPE VI projects that are mixed-use, mixed income. However, that is a different type of project that had more flexibility.

Commissioner Braun said he recalled some RAD projects that had some age on them and he'll go back and do some research. He understands that it is a relatively new idea.

Mr. Felton also suggested talking to management companies to get their opinion about how this will work once it's built.

Commissioner Warren discussed setting up a tour of the properties that were mentioned.

Commissioner Warren also wanted to discuss relocation at some point. He said he has a concept that RHA will give Heritage Park residents the opportunity to move close to where they're currently living – which would mean Walnut Terrace and some of the other downtown public housing properties. To make that happen, some of the admissions standards would need to be relaxed, and maybe reduced rents. Mr. Felton said before RHA changes the requirements for Walnut Terrace, it would be better to talk with the residents at Heritage Park to see what they want. RHA has relocated residents before and the residents are asked to give their top three choices of where they would like to go. Staff also works with Wake County Schools to find ways to keep the kids at the same schools.

Commissioner Warren asked if the rezoning is on hold or has been submitted. Mr. Felton said he didn't think it had been submitted yet. Donna Perez said the rezoning has not yet been submitted. The conversation with council members and the general public needs to be narrowed down. Commissioner Warren suggested developing talking points about RHA's intentions for those conversations.

Commissioner Warren suggested staff develop talking points with the following principles:

- RHA will deliver more than the number of units that are currently on site.
- Talk about relocation.

Commissioner Braun suggested coming up with a way to address the advocates of housing people with 30% or less AMI.

Mr. Francis said he thinks there will be questions about the parcel of land that RHA is thinking about selling. He thinks RHA should have a well-developed idea of what will be done in that process.

Commissioner Braun agreed but doesn't think that will need to be addressed in the rezoning. Mr. Francis said if he were a member of the community looking at that, his question would be about selling a portion of land that has nothing to do with public housing other than being a funding source.

Commissioner Morris said there may be a few questions. However, RHA could proactively show the community how those proceeds will be reinvested to provide additional housing at Heritage Park or elsewhere.

Mr. Felton said there are several possibilities to reinvest that money:

- Additional housing at Heritage Park.
- Purchase land and build more housing.
- Additional RHA properties that can be redeveloped and more housing built.

Mr. Felton asked how big the out-parcel is. Donna Perez said it's nearly three acres. She said she doesn't believe the intent was to include the potential carve-off in the rezoning application.

Commissioner Warren suggests RHA should reach out proactively to the community groups with talking points developed.

Commissioner Braun suggested it might be worth asking Mack Paul if there are people who can help respond to questions or comments effectively through all social media, etc. to keep it from getting too out of control.

