



# REQUEST FOR COUNCIL ACTION

## City of Greenville, South Carolina

Agenda Item No.

15i

**TO:** Honorable Mayor and Members of City Council  
**FROM:** John F. McDonough, City Manager

Ordinance/First Reading  Ordinance/Second & Final Reading  Resolution/First & Final Reading  Information Only

**AGENDA DATE REQUESTED:** November 28, 2022

**ORDINANCE/RESOLUTION CAPTION:**

ORDINANCE TO AUTHORIZE EXECUTION OF A DEVELOPMENT AGREEMENT WITH ALSTON PARK, LLC AS A PILOT PROJECT FOR THE DEVELOPMENT OF AFFORDABLE HOUSING INITIATIVES

**SUMMARY BACKGROUND:**

City Council authorized a pilot project for the development of affordable housing initiatives by Ordinance No. 2022-\_\_\_ (TBD) on November 28, 2022 ("Pilot Project"). City Council desires to authorize a development agreement with Alston Park, LLC ("Development Agreement") as the Pilot Project to allow City Council and staff to closely study alternative equivalents in development standards to reduce development costs, and diversion of those saved costs to a fund for affordable housing, resulting in affordable housing units; and whether such market-based incentives should be included as a part of the City's Code.

**IMPACT IF DENIED:**

CDD will not receive the \$544,000.

**FINANCIAL IMPACT:**

There is no financial impact to the City.

**REQUIRED SIGNATURES**

Department Director

DocuSigned by:  
*Merle Johnson*  
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City Attorney

DocuSigned by:  
*Leigh Paolletti*  
5CBFADF322244F8...  
DocuSigned by:

OMB Director

\_\_\_\_\_

City Manager

*John McDonough*  
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## AN ORDINANCE

## TO AUTHORIZE THE EXECUTION OF A DEVELOPMENT AGREEMENT WITH ALSTON PARK, LLC AS A PILOT PROJECT FOR THE DEVELOPMENT OF AFFORDABLE HOUSING INITIATIVES

WHEREAS, the city of Greenville (“City”) has identified the need for affordable housing as a high priority in the Affordable Housing Assessment Strategy and in the GVL 2040 Comprehensive Plan (“GVL 2040”); and

WHEREAS, City Council is committed to ensuring the availability of affordable housing to moderate, low, very-low and extremely-low income households through the adoption of innovative strategies and tools; and

WHEREAS, the City is interested in exploring the possibility of providing additional market-based incentives for affordable housing as contemplated under S.C. Code Ann. § 6-29-1110, including allowing developers to purchase density, relaxed zoning regulations, or design flexibility by paying into a local housing trust fund; and

WHEREAS, City Council authorized a pilot project for the development of affordable housing initiatives by Ordinance No. 2022-\_\_\_\_ on November 28, 2022 (“Pilot Project”); and

WHEREAS, City Council desires to authorize a development agreement with Alston Park, LLC in substantially the same form as that attached hereto and incorporated herein as Attachment 1 (“Development Agreement”) as the Pilot Project to allow City Council and staff to closely study alternative equivalents in development standards to reduce development costs, and diversion of those saved costs to a fund for affordable housing, resulting in affordable housing units; and whether such market-based incentives should be included as a part of the City’s Code of Ordinances; and

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF GREENVILLE, SOUTH CAROLINA:

Section 1. *Pilot Project.* The Development Agreement is authorized as the Pilot Project.

Section 2. *Development Agreement.* The City Manager is authorized to execute the Development Agreement. The City Manager, in consultation with the City Attorney, may make or accept minor modifications to the wording and designations of the attached documents as may be necessary or appropriate, provided there is no compromise of the substantive purposes of this Council action. Should the City Manager or City Attorney, or both, determine that any modification of previously negotiated terms is significant and warrants further action by City Council, then the matter shall be presented to Council for further review before the final execution.

Section 3. *Severability.* Should any provision, section, paragraph, sentence or word of this ordinance be rendered or declared invalid by any final court action in a court of competent jurisdiction or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences or words of this ordinance as hereby adopted shall remain in full force and effect.

DONE, RATIFIED AND PASSED THIS THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 2022.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
CITY ATTORNEY

REVIEWED:

\_\_\_\_\_  
CITY MANAGER

ATTACHMENT 1

STATE OF SOUTH CAROLINA            )  
   )  
 COUNTY OF GREENVILLE            )        **DEVELOPMENT AGREEMENT**  
   )  
   )        **ALSTON PARK**

This DEVELOPMENT AGREEMENT (“Agreement”) is made and entered into this \_\_\_\_\_, 2022 (the “Effective Date”), by and between ALSTON PARK, LLC, a South Carolina limited liability company (the “Owner”), and the CITY OF GREENVILLE, SOUTH CAROLINA, a municipal corporation and political subdivision of the State of South Carolina (the “City”).

WHEREAS, Owner is currently under contract to purchase that certain 9.515-acre tract of land, which will be subdivided off the existing Greenville County Tax Parcel #M011010100307 located at Ridge Road and Fairforest Way, in Greenville, South Carolina, which is further shown and described in Exhibit A of this Agreement (the “Property”);

WHEREAS, Owner intends to develop the Property into pad-ready residential lots and to sell such lots to one or more builders, who shall be responsible for the marketing, construction, and sale of the future residences on such lots;

WHEREAS, the City of Greenville Planning Commission approved a preliminary plat for the reconfiguration of the Property into an 88-lot residential townhome community;

WHEREAS, the City is committed to ensuring the availability of affordable housing in the City and has identified the need for affordable housing as a high priority in the Affordable Housing Assessment Strategy and in the GVL 2040 Comprehensive Plan;

WHEREAS, in order to explore the possibility of providing additional market-based incentives for affordable housing, the City has authorized a pilot project to allow developers to purchase density, relaxed zoning regulations, or design flexibility by paying into a fund, the proceeds of which will be used for future affordable housing initiatives in the City, including affordable housing construction, down payment assistance programs, and land banking (the “Pilot Project”); and

WHEREAS, Owner recognizes the need for more affordable housing in the City and, therefore, desires to participate in the Pilot Project on the terms and conditions more fully set out herein.

NOW, THEREFORE, for and in consideration of the foregoing, and for other good valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City and Owner agree as follows:

1. Project Description. Owner is a special purpose entity that was created to acquire the Property in order to develop a residential townhome community known as “Alston Park,” which, when completed, will consist of 88 pad-ready lots for single-family attached townhomes. The development activities to be completed by Owner include clearing and grading, construction of stormwater pipes and ponds, water and sewer mains and service lines, curbs and gutters,

sidewalks, asphalt pavement, landscaping, street signs, entrance monuments, cluster mailbox units, and other amenities which may include a dog park and/or a community pavilion. Upon Owner's completion of these development activities as evidenced by a recorded plat with the Greenville County Register of Deeds for the 88-home site subdivision, Owner will sell the pad-ready lots to one or more builders, in its sole discretion, who shall be responsible for the marketing, construction, and sale of the townhomes. The parties acknowledge that Owner has entered into a Lot Purchase Agreement dated as of [DATE], with Pulte Homes of South Carolina, Inc., a Michigan corporation (the "Builder"), for such purpose; however, Owner may elect to sell one or more lots to another builder without affecting the rights and obligations of this Agreement.

2. Owner's Commitment. Within 120 days of recording the final plat for the subdivision as set forth above, Owner shall pay **\$544,000.00** to the City. Such funds shall be delivered to the Alternative to On-Site Development of Affordable Dwelling Units Program administered by the City's Community Development Division ("CDD").

3. City's Commitments. The CDD shall use the funds contributed by Owner pursuant to Section 2 for affordable housing solutions within the City, including, but not limited to, affordable housing construction, down payment assistance programs, and land banking, in the City's sole discretion. Such funds may be used within Alston Park or for other locations within the City, in the City's sole discretion.

4. Notices. Any notice or demand which either party to this Agreement is required to, or may desire to, give to or serve upon the other party must be in writing, and shall be deemed delivered if (i) personally delivered, (ii) sent by registered or certified mail, postage prepaid, or (iii) sent by commercial overnight carrier, and addressed as follows:

Owner: Alston Park, LLC  
Attn: Christopher Laney  
P.O. Box 1552  
Greenville, SC 29602

City: City of Greenville, SC  
Attn: Community Development Manager  
P.O. Box 2207  
Greenville, SC 29602

With a copy to (which shall not constitute notice):

City of Greenville, SC  
Attn: City Attorney  
P.O. Box 2207  
Greenville, SC 29602

5. Enforcement. This Agreement may be enforced by the CDD, its successor or designee, or any such other agency or department of the City as may hereafter be designated by the City in its sole discretion.

6. Further Planning and Development Services Approvals. All writings, agreements, or understandings between Owner and the City regarding the Property are subject to approval by the Director of Planning and Development Services and must be filed with the City.

7. Default. Should Owner not deliver the funds set forth in Section within the time period stipulated therein, the City may, in its sole discretion, hold the issuance of any individual building permits with respect to the Property until the funds are received. Except for failure to deliver the funds as described herein, the City shall not prevent development of the subdivision as approved or delay the issuance of individual building permits with respect to the Property.

8. Miscellaneous. This Agreement shall be binding upon, and shall inure to the benefit of, the respective successors and permitted assigns of the parties. The rights and obligations herein shall not be assigned by either party, in whole or in part, without the prior written consent of the other party. This Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina. Any dispute arising out of, or related in any manner to, this Agreement shall be exclusively adjudicated in the state or federal courts sitting in Greenville County, South Carolina. If any term or provision of this Agreement shall to any extent be held invalid or unenforceable, the remaining terms and provisions of this Agreement shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent of the law. Owner and the City each represent that its execution and delivery of this Agreement and the performance of all of its obligations hereunder have been duly authorized, ratified, and confirmed by all necessary action on its part. This Agreement is solely for the benefit of Owner and the City, and nothing contained in this Agreement shall be deemed to confer upon any person or entity, other than Owner and the City, the right to enforce or take any action under or with respect to this Agreement.

[Signature pages follow]

ON BEHALF OF THE PARTIES HERETO, their duly authorized representatives have executed this Agreement as of the date first written above.

**ALSTON PARK, LLC**

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Christopher Laney  
Member

**CITY OF GREENVILLE, SOUTH CAROLINA**

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John McDonough  
City Manager

Approved as to form:

\_\_\_\_\_  
City Attorney's Office

Reviewed:

\_\_\_\_\_  
City Director of Economic and Community  
Development

\_\_\_\_\_  
City OMB Director

\_\_\_\_\_  
City Risk Manager

Received:

\_\_\_\_\_  
City Purchasing Administrator



**EXHIBIT A  
THE "PROPERTY"**