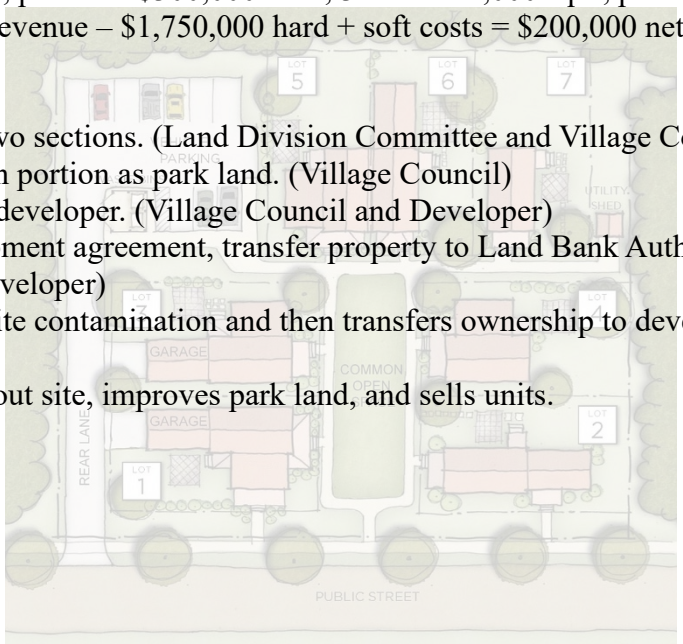
SEVENTH STREET PARCEL – PROPOSAL FOR FUTURE USE

Goal: Provide an opportunity for a developer to build attainable year-round housing for individuals aging in place and families that meets demand for a gap in the market and reserves most of the site as open space with improved passive recreation amenities.

Concept: Develop 4-6 units of attainable single-family detached residential units with a cottage court design that conforms to and preserves the existing natural features on the entire site, with units located only on the southern ~1.2-acre portion. Split the northern ~4.8-acre portion and designate as a Village park.

Key Features:
- Units will be owner-occupied, restricted to a sale price that would be "attainable" for households making at or below 120% of Area Median Income, which would result in purchase prices of between approximately $300,000 and $350,000 depending on unit size.
- Deed restrictions will limit affordability and prohibit use as short-term rental.
- Target market would be on the upper end of the attainable spectrum for affordability and meet demand for a housing type not currently available.
- Units will be between 800-1,000 square feet and include a single-car garage.
- Developer will be responsible for improving the park with trails and signage.

Pro Forma:
Assumptions:
→ Land is donated.
→ Developer would obtain an approved Brownfield Redevelopment Plan to be reimbursed for site preparation and infrastructure costs, including cost of improving park land.
→ No tax abatement; site would generate ad valorem revenue after Housing Tax Increment Finance Plan ends.
→ Hard costs for construction do not exceed $250 per square foot.

Development Scenario with 6 Units:
- 3 units at 800 sq ft, priced at $300,000 each; 3 units at 1,000 sq ft, priced at $350,000 each
- $1,950,000 sales revenue – $1,750,000 hard + soft costs = $200,000 net profit (11% margin)

Action Steps:
1. Split parcel into two sections. (Land Division Committee and Village Council)
2. Designate northern portion as park land. (Village Council)
3. RFP/partner with developer. (Village Council and Developer)
4. Enter into development agreement, transfer property to Land Bank Authority. (Village Council, LBA, Developer)
5. LBA remediates site contamination and then transfers ownership to developer. (LBA and Developer)
6. Developer builds out site, improves park land, and sells units.