



Board Meeting Agenda Abstract

Monday, October 07, 2024

Location: 134 N. Main Street, Fuquay-Varina, NC 27526

Agenda Item

Developer Agreement - Town of Fuquay-Varina and DR Horton, Inc. - Vaughan Park Mixed-Use Development Project – (Davison)

Item Explanation

The purpose of this agenda item is to consider a Development Agreement between the Town of Fuquay-Varina and DR Horton, Inc., for the construction of Vaughan Park Mixed-Use Development Project.

Staff Comments

The Vaughn Park Mixed Use Project comprises approximately 88 acres and proposes to build 336,000 square feet of nonresidential commercial space and 742 residential apartments, townhouses, cottages, and rowhouse units. As part of the Project's rezoning, the Developer has agreed to enter into a Development Agreement that defines the Project's commitment to prioritizing nonresidential commercial uses. The Town Board has requested that developers of mixed-use development projects provide some level of commitment to and prioritization of nonresidential commercial uses.

Fuquay-Varina's residential population continues to expand rapidly, as does the demand for quality commercial retail services and amenities. Commercial retail destinations contribute to the local economy by creating jobs, expanding the property tax base, and increasing sales tax spending.

The Developer, DR Horton, Inc., intends to construct the Vaughn Park Mixed-Use Project in accordance with a master plan that is part of their rezoning petition. The Project will traverse N Judd Parkway NW and is proposed to be constructed as follows once completely built out:

East Side Property (east of N Judd Parkway NW), the Developer proposes to construct (3) nonresidential commercial buildings, (150) Cottages Homes, (22) 22' Townhouses, and (18) Rowhouses.

West Side Property (west of N Judd Parkway NW), the Developer proposes to construct (45) 26' Townhouses, (19) Single-Family (SF) Detached Homes, (6) Nonresidential buildings, (6) Mixed-Use Buildings (397 upper floor apartments), and (2) Multi-Family Buildings (88 apartments).

Per the proposed Developer Agreement, the Town and Developer have agreed to the following construction schedule and commitment of nonresidential development as follows:

EAST SIDE: Upon construction approval, the Developer may commence and complete construction of the Cottages, East Townhomes, and Rowhouses. Upon each unit's completion, these residential uses shall be entitled to certificates of occupancy.

WEST SIDE: Construction can commence with the Townhomes, SF Homes, and installation of infrastructure on the West Side serving the residential uses after Vertical Construction has commenced on one (1) or multiple Nonresidential Buildings containing a minimum of thirty thousand (30,000) square feet individually or collectively.

Vertical Construction shall be defined as the stage where the foundations are completed, and the exterior structural framing components (steel or wood framing) are vertically installed. Nonresidential Buildings required to meet the required minimum of 30,000 square feet shall not include an assisted living, skilled nursing, or medical office facility (as shown on the master plan).

In the event the Developer constructs one or more speculative nonresidential buildings to satisfy the nonresidential building construction, the Developer agrees to use good faith efforts to prioritize the location of these nonresidential buildings at or near the intersection of N. Judd Parkway and Streets A and D as shown on the Master Plan. Speculative nonresidential building(s) is defined as buildings that do not have a formal commitment (i.e., lease or purchase contract) from an end user for the finished nonresidential building(s). Nonresidential buildings for which the Developer does have a formal commitment from an end user may be constructed in a location or locations as determined by the Developer at the Developer's sole and absolute discretion.

As a condition of the Development Agreement, the Developer agrees to pay a payment-in-lieu for improvements to complete Burton Street's connection to Street F shown on the Master Plan. The Burton Street Improvements payment-in-lieu will be

determined as construction of a street from Burton Street's current terminus of pavement to the Property boundary in alignment with Street F. Also, as obligation under the Agreement, the Town affirms that it has sufficient water and sewer capacity to serve the Project's residential and nonresidential components. Prior to the commencement of construction of the Cottages, the Developer requested that the Town provide water and wastewater utility allocations for all 150 Cottages House units (to be located on the EAST SIDE of project). All other residential and nonresidential uses shall be collectively granted a utility allocation as an individual use as construction commences.

Fiscal Note

No

Recommendation:

PUBLIC HEARING

MOTION TO: Approve the Development Agreement between the Town of Fuquay-Varina and DR Horton, Inc. for the construction of the Vaughan Park Mixed-Use Development Project consisting of various terms and conditions including the construction of a minimum of 30,000 square feet of nonresidential commercial space, as presented and recommended and subject to rezoning and annexation approval.

ATTACHMENTS

[REZ-2023-05 - Vaughan Park Master Plan](#)

[Development Agreement - Vaughan Park Mixed Use Project](#)