



Agenda Item Summary Report

Meeting Date:
July 14, 2024

Submitted by:
Michelle Bailey Hedgepeth, Town Administrator
Vito Tinelli, Town Treasurer

Item Title: **CONTRACT APPROVAL:** Approval of an agreement with Osprey Development, LLC, as approved by the Town Attorney in its final form. (Development: Hamlet Woods II)

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Work Session Item [X]
Council Meeting Item [X]

Documentation Attached:
Information on Hamlet Woods
OPC Projects

Recommended Action:

Staff recommends that the Council approve an agreement with Osprey Development, LLC, in the final form negotiated by the Town attorney. The Mayor and Town Administrator will execute this agreement.

Purpose & Summary: Osprey Development is building 59 affordable housing units adjacent to Hamlet Woods. This agreement would reduce the taxable rate by the Council's approval of a PILOT, which would have the following provisions:

- Reduced Taxes at a per-unit rate with increases over an extended period up to 30 years (\$600 per unit per year with increases over the life of the 30-year term).
- Agreement that the units will be maintained and kept as affordable housing.
- The Town will not provide trash or recycling services to this property.

Impact

- This would create 59 quality units that would serve individuals at 60-80 percent of the AMI.
- The project would redevelop a parcel that has been designated for housing but has not been completed for several years.
- Currently, the land is unimproved, and the Town receives around \$3000.00 yearly in property taxes. The proposed agreement reduced the taxable amount due to using tax credits and DCHD funding at the site.
- The county has a similar agreement with the developer, and State funds have been provided to support this project.
- The developer will be hiring people locally for construction opportunities.

If you have any questions regarding this matter, the Town Administrator or Mr. Tinelli can answer them.

Budgeted Item: Yes [] No [X]
Budgeted Amount:\$
One-Time Cost: NA
Ongoing Cost:

Continued Date:

Council Priority: Yes [] No []

Approved Date: