

## EXHIBIT C

### CONDITIONS OF APPROVAL FOR WATERSTONE SOUTH, A PLANNED DEVELOPMENT

#### I. Generally

- a. Site plans and construction drawings for the development shall comply with these conditions of approval, as well as any applicable development regulations for the Town of Hillsborough that are in effect when the plans and/or drawings are submitted. When there is a conflict between a condition of approval and the development regulations of the town, the condition of approval shall govern.
- b. The size of the townhome blocks, denoted as Blocks A, B, C, and D on the master plan, and the number of units within them may be adjusted administratively with the Planning Manager's approval only if the overall acreage and density of the combined townhome blocks are not changed.
- c. Once construction on the project begins, the developer shall conduct a weekly inspection, as needed, of the erosion control and stream protection measures throughout the development of each phase to ensure that all the devices are working effectively. The developer will notify Town Planning staff and neighbors within 500' of the development site(s) of the planned inspection schedule.

#### II. Affordable Housing

- a. Fifteen percent (15%) of the total market rate homes in the development, including the townhomes and multi-family apartment units, shall be affordable to those earning an average of 80% or less of the median income. Median income shall be determined using data from the US Department of Housing and Urban Development for the geographic statistical area in which Hillsborough is located.
- b. A deed restriction reserving the affordable apartment units for a period of ninety-nine (99) years and requiring annual certification with the town of the number of affordable units shall be recorded before a Zoning Compliance Permit will be issued for the first residential unit. The deed restriction shall require the developer, its successors and/or assigns to certify to the town in writing during the month of July of each year that they comply with the affordability condition as of the date of the certification.
- c. For the affordable townhome units, the developer shall prepare and submit an affordable housing plan for the review and approval of the Planning Manager. The approved affordable housing plan shall be recorded in conjunction with the plat(s) for the townhome lots and these conditions of approval. The plan shall include the following information at a minimum:
  - i. General information about the nature and scope of the development.

- ii. The total number of market rate units and affordable dwelling units in the development.
  - iii. The number of bedrooms and bathrooms in each affordable dwelling unit.
  - iv. The approximate square footage of each affordable dwelling unit.
  - v. The approximate location of each affordable dwelling unit.
- d. The affordable units shall be integrated with the market-rate units, and the exterior finishes shall make the affordable units indistinguishable from those that are market-rate.
- e. Affordable units will be developed in accordance with the following minimum size schedule:

<b>Minimum Net Livable Square Footage</b>	
<b>Number of Bedrooms in Unit</b>	<b>Minimum Square Footage</b>
Efficiency/studio apartment	500
1 Bedroom	700
2 Bedroom	850
3 Bedroom	1,100
4 Bedrooms or more	1,200 plus 250 sq. ft. per additional bedroom above 4

- f. Floor plans for buildings containing affordable units must be submitted for review with zoning compliance permit applications.

**III. Conservation Easement**

- a. Approximately 12.8 acres along the southern project boundary shall be held in a conservation easement. The easement, shown on sheet MP1.1 of the approved Waterstone South Master Plan set, was mandated by the Orange County Board of Adjustment as part of the modified Special Use Permits for The Woods and Woodsedge on May 8, 2024. The applicant shall record the conservation easement in a form satisfactory to the Town of Hillsborough with the Orange County Register of Deeds within 120 days of annexation by the Town of Hillsborough. The Town of Hillsborough shall hold the conservation easement in perpetuity.

**IV. Landscaping**

- a. Invasive species are strictly prohibited from landscape designs for the development. All landscape plantings in the development shall be non-invasive, and the developer shall make every effort to use native species when commercially available.

**V. Multi-modal Transportation**

- a. The locations of the internal streets shown on the master plan are conceptual. Exact street locations will be established during site plan/construction drawing review.

The developer shall record a public access easement and private maintenance agreement in each phase for all trails labeled "Walking & Bicycle Trail" on the approved Master Plan before the recordation of the final plat for the residential lots for that phase.

- b.** The developer shall pave all trails labeled "Walking & Bicycle Trail" on the approved Master Plan unless a proposed trail is in an environmentally sensitive area (*e.g.*, floodplains; wetlands; slopes exceeding 25%; highly erodible soils), in which case crushed stone or soft surfaces (*e.g.*, natural earth; wood chips) may be used. All trails within the 12.8-acre conservation easement described in Section III above may be made of natural surfaces. The layout of trails shown on the Master Plan is conceptual. Exact trail locations and surfaces will be established during site plan/construction drawing review.
- c.** All trails shall be maintained in perpetuity by the developer, any successors and assigns of the developer, or other acquiring parties. The Town shall not be responsible for trail maintenance.
- d.** The developer shall install a sidewalk network interior to the site that connects with a sidewalk system on the west side of NC 86 S as shown on the Master Plan.
- e.** The developer shall install a painted crosswalk with high-visibility striping and a flashing beacon at E. Scarlett Mountain Road and Storey Lane at the NC 86 S intersections if allowed and approved by the North Carolina Department of Transportation.
- f.** The developer shall install a sidewalk on the east side of NC 86 S connecting to said crosswalk as shown on the Master Plan if allowed and approved by both the North Carolina Department of Transportation and the Orange County School Board.
- g.** The developer shall design all streets designated as public on the Master Plan to NCDOT Subdivision Design Standards and Town of Hillsborough cross-sections as required by the town's Unified Development Ordinance. This design shall include, but shall not be limited to, the following: radii, vertical curves, storm drainage design, and gutter spread. The design speed will be consistent with current Town of Hillsborough ordinances. Curb and gutter will be required on all streets proposed for town acceptance but will not be required at the taper and turn-lanes at the intersection of NC 86 S and the development's entrance.
- h.** The developer shall install all off-site improvements recommended by their Traffic Impact Analysis prepared September 19, 2023, and concurred with by NCDOT in its letter dated December 7, 2023.
- i.** The developer shall update the Traffic Impact Analysis prior to the issuance of any Zoning Compliance Permits for Phase 2 to ensure acceptable operation at the various study intersections. If an updated Traffic Impact Analysis projects a Level of Service (LOS) of D or lower at the intersection of Waterstone Parkway and NC 86 S, then the developer shall install a

traffic signal at the intersection before the approval of the final Certificate of Occupancy in Phase 2. If signalization has already been installed at Waterstone Parkway and NC 86 S by another developer, the developer of Waterstone South shall not be responsible for signalization at said intersection.

## **VI. Phasing**

- a.** The Town of Hillsborough will not issue zoning compliance permits for the last 10 (ten) dwelling units in a phase until the developer
  - i.** completes, certifies, and submits for town acceptance of all public infrastructure (e.g., sidewalks, streets, trails, greenways, utilities) in said phase, and
  - ii.** installs or provides adequate performance security for the installation of all landscaping, street trees, and stormwater conveyances in said phase.
- b.** The development shall be constructed in three phases, with each phase of construction to last no more than three years per phase for a total of nine years of construction:
  - i.** Phase 1: 205 townhomes and 10,000 square feet of neighborhood commercial.
  - ii.** Phase 2: 225 apartment units and 10,000 square feet of neighborhood commercial.
  - iii.** Phase 3: 225 apartment units and 20,000 square feet of neighborhood commercial.
- c.** The developer shall coordinate with staff to create a mutually agreeable schedule for infrastructure improvements, and the developer shall install or provide adequate performance security for said improvements. However, the developer cannot post a performance security for the new sewer pumping station described in Section VII (a) below. The developer must construct this pumping station during Phase 1.
- d.** The medical and general office portion of the development (Blocks H and I as shown on sheet MP1.1 of the approved Waterstone South Master Plan set) is not included in the phasing plan and shall be developed based on market demand as the adjacent UNC Health facility grows.

## **VII. Utilities**

- a.** As indicated on the approved Master Plan, a new sewer pumping station, associated force main, and all appurtenances shall be constructed by the developer and dedicated to the Town of Hillsborough by the developer after successful completion. The existing gravity sewer to the Woodsedge Back and Nazarene Pumping Stations shall be redirected into this new pumping station located at a site near or in the development as agreed to with the Town of Hillsborough.



the Town's existing sewer that drains to Woods Edge Front Pump Station, and no other blocks of the proposed development will be allowed to connect to the Woods Edge Front Pump Station. The developer shall evaluate the capacity of the Woods Edge Front pump station and make all upgrades needed to serve the proposed development if upgrades are needed to meet the state's minimum design criteria for pump stations.

- v.** Water meters for Blocks A, B, C, D, E, F and G will be released upon completion of the waterlines shown in orange in Exhibit C.1 as well as the abandonment of the existing Nazarene and Woods Edge Back Pump stations into the new pump station shown in Exhibit C.1.
- vi.** The developer shall make the connections shown in the green circles in Exhibit C.1 to all waterlines in platted Town right-of-way and NC DOT right-of-way. The developer shall make connections to existing Town waterlines on private property at the locations shown with green circles if the Town provides documentation of deeded and platted public utility easements at the proposed connection locations. If the Town does not provide the required easement and plat information by construction drawing approval of the proposed connection, the Town will require only a platted and deeded stub to the edge of the subject development.
- e.** The developer shall enter into a Water and Sewer Extension Contract as typical with the town. This contract shall provide the finer details of the design, permitting, construction and acceptance details.
- f.** The developer shall contribute \$250,000 to the cost of upgrading the Elizabeth Brady Pump Station to handle the additional flow generated by the proposed project. This contribution shall be made before the approval of the first site plan for the project and will be used by the town to install upgraded instrumentation, monitoring equipment, and controls.
- g.** By agreeing to the developer's proffers and pledged water and sewer improvements, the town guarantees capacity for each phase of the project as it comes online in accordance with the phasing schedule in Section V (b).

