

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 remains the same.

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. Response. Agreed.
- b. A deed restriction reserving the affordable 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.  
Response. Typically for townhomes the deed restriction would be placed on the deed conveying the town home lot to the purchaser. The Community Home Trust has always purchased our town homes and inserted the appropriate language in the deed conveying the lot to homeowners. What Chapel Hill requires is an "Affordable Housing Plan" that is executed by the Applicant and the Town Manager's office that is recorded in the register of deeds office so that it becomes part of the chain of title. I have attached Chapel Hill's requirements for the Affordable Housing Plan. I think for the town homes that this comment should be changed to read that "The Applicant will record an affordable housing plan, approved by the Town Manager's office, that includes the specifics of the Applicants affordable housing commitment.'. A deed restriction would probably be more appropriate for the apartments. The annual certification could be included in the Affordable Housing Plan.
- c. 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.
- d. Affordable units will be developed in accordance with the following minimum size schedule:

| Minimum Net Livable Square Footage |   |
|------------------------------------|---|
| Number of Bedrooms in Unit         | Minimum Square Footage                                |
| 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 |

- e. The affordable unit mix shall be proportionate to the market-rate unit mix. For example, the number of one-bedroom affordable apartment units shall be proportionate to the number of one-bedroom market-rate apartment units.
- 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. 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.
- b. 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 issuance of a Zoning Compliance Permit for the first residential unit for that phase.
- c. The developer shall request in writing a public access easement from UNC Hospitals to connect the proposed "Walking & Bicycle Trail" on the western side of the Waterstone South development to the water tower access road on the UNC Hospitals property (PIN 9873-32-0287). A copy of the written request will be sent to the Town of Hillsborough Planning Manager. If UNC Hospitals agrees to grant said easement, the developer shall

- i. record the deed of easement and a private maintenance agreement with the Orange County Register of Deeds office, and
  - ii. extend the proposed "Walking & Bicycle Trail" from the shared property line between UNC Hospitals and the Waterstone South development to the water tower access road on the UNC Hospitals property (PIN 9873-32-0287). Response. Discussion needed.
- d. 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. 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. Response. In addition to making the exception for environmentally sensitive area, we would request that we exempt the trails in the 12.8 acres that will be placed under a conservation easement in the southwest corner of the site. These should be natural surface trails.
- e. All trails shall be maintained in perpetuity by the developer, any successors and assigns of the developer, or other acquiring parties.
- f. 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.
- g. 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.
- h. The developer shall design all streets designated as public on the Master Plan to NCDOT Subdivision Design Standards and Town of Hillsborough cross-sections provided in the town's Unified Development Ordinance. This design will 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.
- i. 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.
- j. 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. Response. The language crossed through above should be changed to "... meets the MUTCD signal warrants for signal upgrades....". It is my understanding from both the TIA and NCDOT's conditional approval letter that the signals should be upgraded if warranted by the Manual on Uniform Traffic Control Devices (MUTCD) as used by the Federal Highway Administration and NCDOT to trigger signal upgrades, not just a spot in time Level of Service (LOS). Also, please change "Zoning Compliance Permits" in the first sentence to "Certificates of Occupancy". This will enable the infrastructure to be built but no additional traffic added to the streets before signal upgrades are analyzed.

## **V. 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 bonds all landscaping, street trees, and stormwater conveyances in said phase.
- b. The development shall be constructed in three phases:
  - 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 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.

## **VI. Utilities**

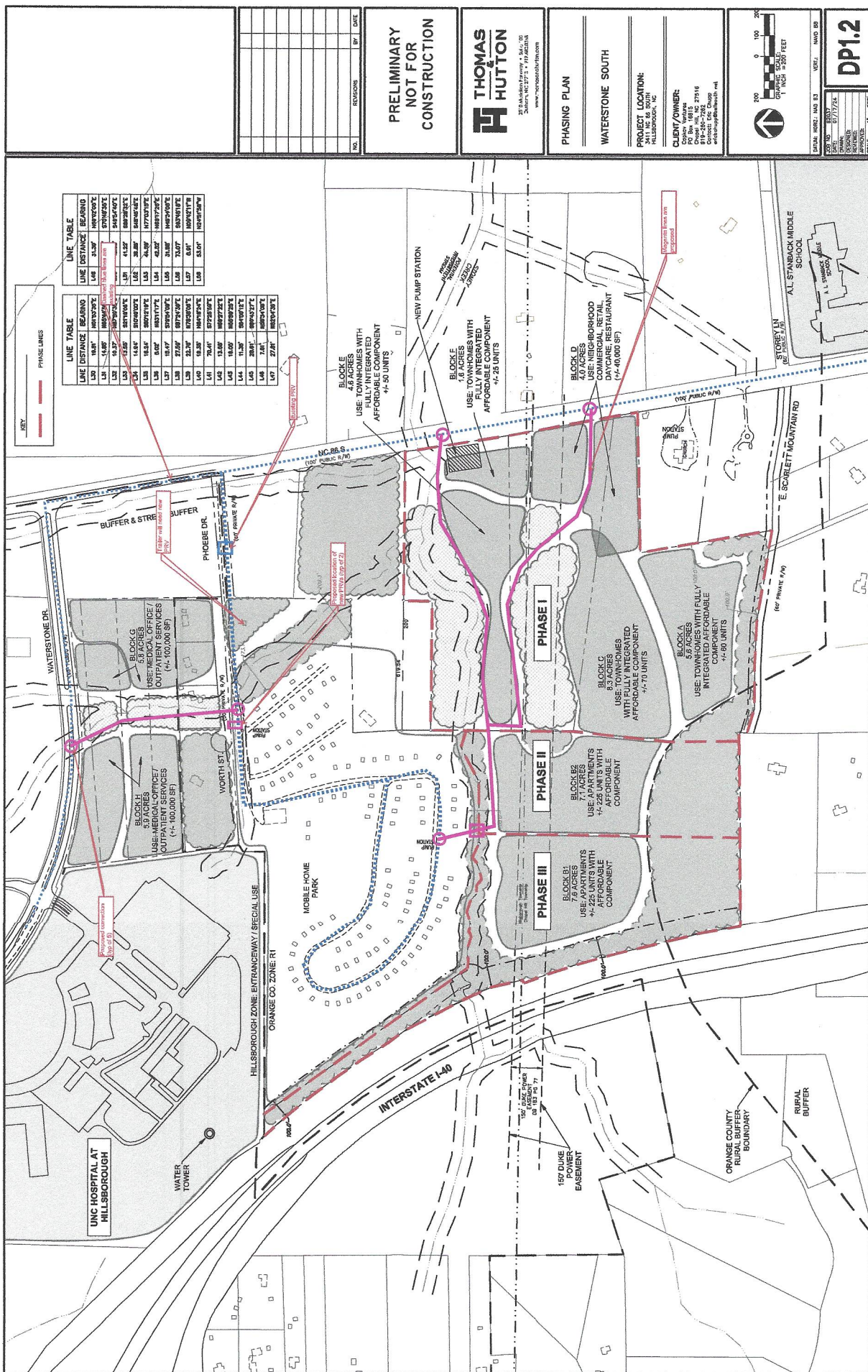
- a. A new sewer pumping station, associated force main, and all appurtenances shall be constructed and donated to the Town of Hillsborough by the developer after successful completion. The existing gravity sewer to the Woodsedge Back and Nazarene Pumping Stations shall be redirected into this new pumping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

- i. The new gravity sewers and sewer pumping station shall be designed to Town of Hillsborough specifications and details including site layout, drive, fencing, and station features.
  - ii. If the new pumping station is in a conspicuous location, something more than a chain link fence may be required. However, any landscaping shall not be placed atop any piping or close to the fencing.
- b. The developer shall connect the project water main extension to the town's existing water distribution system at the general locations shown in the Master Plan. A minimum of two connections is required.
  - i. The new water main shall be of a size and type acceptable to the Town of Hillsborough and designed in accordance with the town's specifications and details. Final connection points shall be approved by the town. The minimum size for any main to be dedicated to the town is 8".
  - ii. The connections to the UNC water main and to the NC 86 S water main must both be completed prior to the issuance of the first Certificate of Occupancy for the subject property. The developer shall work with the town, NCDOT, and UNC Hospitals for construction, access, and easement recordation as necessary and restore all disturbed area on the UNC property and NCDOT right-of-way to their satisfaction.

Response. We are working on an alternative routing of the looped water system that would utilize the existing waterlines in Woodsedge. I have attached an illustration from Bryant Green. We will agree to b(i) which should cover the Town as a minimum of two connections are being required (b). In either case we think the looping should be delayed until prior to the issuance of Certificates of Occupancy for Phase II. The proximity of the other infrastructure would allow for the more orderly construction of the looping when Phase II is constructed. Getting UNC to enter into an easement agreement is proving problematic.
- c. The developer agrees to accelerate payment of System Development Fees (SDFs) sooner than allowable by statute for each planned phase upon its approval by the town of provide better cash flow for downstream capital improvement projects that are needed and will benefit the project. The SDFs must match the unit bedroom counts for each phase of site plan approval, and site plan approval will not be issued for a phase until the appropriate SDFs are paid. SDFs shall be those in effect at the time of payment.
- d. The developer shall demolish the existing Nazarene and Woodsedge Back pumping stations to specifications agreed upon with the town and the property owner of Woodsedge Mobile Home Park after the new pumping station is fully certified and operational with redirected flow from these existing pumping stations active with no apparent issues.

- i.** In general, any equipment the town wishes to keep shall be carefully salvaged and provided to the town.
  - ii.** The existing stations and force mains shall be flushed out. The station features, if unable to be removed completely, shall be taken to 3 feet below grade. Any voids shall be filled with excavatable flowable fill.
  - iii.** The existing station sites shall be graded, seeded, and mulched to establish new ground cover.
  - iv.** Installation of the new pumping station and force main must be complete prior to the release of any water meter in the development. The abandonment of the Woodsedge Back and Nazarene pumping stations must be complete prior to the release of Certificates of Occupancy for Phase 1.
- 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 \$500,000 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.  
Response. Currently trying to schedule a discussion regarding this condition.
- 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.





| LINE TABLE |          |             |
|------------|----------|-------------|
| LINE       | DISTANCE | BEARING     |
| L10        | 10.00    | N00°00'00"E |
| L11        | 10.00    | S00°00'00"E |
| L12        | 10.00    | E00°00'00"E |
| L13        | 10.00    | N00°00'00"E |
| L14        | 10.00    | S00°00'00"E |
| L15        | 10.00    | E00°00'00"E |
| L16        | 10.00    | N00°00'00"E |
| L17        | 10.00    | S00°00'00"E |
| L18        | 10.00    | E00°00'00"E |
| L19        | 10.00    | N00°00'00"E |
| L20        | 10.00    | S00°00'00"E |
| L21        | 10.00    | E00°00'00"E |
| L22        | 10.00    | N00°00'00"E |
| L23        | 10.00    | S00°00'00"E |
| L24        | 10.00    | E00°00'00"E |
| L25        | 10.00    | N00°00'00"E |
| L26        | 10.00    | S00°00'00"E |
| L27        | 10.00    | E00°00'00"E |
| L28        | 10.00    | N00°00'00"E |
| L29        | 10.00    | S00°00'00"E |
| L30        | 10.00    | E00°00'00"E |
| L31        | 10.00    | N00°00'00"E |
| L32        | 10.00    | S00°00'00"E |
| L33        | 10.00    | E00°00'00"E |
| L34        | 10.00    | N00°00'00"E |
| L35        | 10.00    | S00°00'00"E |
| L36        | 10.00    | E00°00'00"E |
| L37        | 10.00    | N00°00'00"E |
| L38        | 10.00    | S00°00'00"E |
| L39        | 10.00    | E00°00'00"E |
| L40        | 10.00    | N00°00'00"E |
| L41        | 10.00    | S00°00'00"E |
| L42        | 10.00    | E00°00'00"E |
| L43        | 10.00    | N00°00'00"E |
| L44        | 10.00    | S00°00'00"E |
| L45        | 10.00    | E00°00'00"E |
| L46        | 10.00    | N00°00'00"E |
| L47        | 10.00    | S00°00'00"E |
| L48        | 10.00    | E00°00'00"E |
| L49        | 10.00    | N00°00'00"E |
| L50        | 10.00    | S00°00'00"E |
| L51        | 10.00    | E00°00'00"E |
| L52        | 10.00    | N00°00'00"E |
| L53        | 10.00    | S00°00'00"E |
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| L63        | 10.00    | E00°00'00"E |
| L64        | 10.00    | N00°00'00"E |
| L65        | 10.00    | S00°00'00"E |
| L66        | 10.00    | E00°00'00"E |
| L67        | 10.00    | N00°00'00"E |
| L68        | 10.00    | S00°00'00"E |
| L69        | 10.00    | E00°00'00"E |
| L70        | 10.00    | N00°00'00"E |
| L71        | 10.00    | S00°00'00"E |
| L72        | 10.00    | E00°00'00"E |
| L73        | 10.00    | N00°00'00"E |
| L74        | 10.00    | S00°00'00"E |
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| L82        | 10.00    | N00°00'00"E |
| L83        | 10.00    | S00°00'00"E |
| L84        | 10.00    | E00°00'00"E |
| L85        | 10.00    | N00°00'00"E |
| L86        | 10.00    | S00°00'00"E |
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| L88        | 10.00    | N00°00'00"E |
| L89        | 10.00    | S00°00'00"E |
| L90        | 10.00    | E00°00'00"E |
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| L92        | 10.00    | S00°00'00"E |
| L93        | 10.00    | E00°00'00"E |
| L94        | 10.00    | N00°00'00"E |
| L95        | 10.00    | S00°00'00"E |
| L96        | 10.00    | E00°00'00"E |
| L97        | 10.00    | N00°00'00"E |
| L98        | 10.00    | S00°00'00"E |
| L99        | 10.00    | E00°00'00"E |
| L100       | 10.00    | N00°00'00"E |

PRELIMINARY  
NOT FOR  
CONSTRUCTION

THOMAS  
&  
HUTTON

PHASING PLAN

WATERSTONE SOUTH

PROJECT LOCATION:  
1111 N. 100th St.  
Charlotte, NC 28215

CLIENT/OWNER:  
Cotton, Virginia  
Cotton, Inc., NC 27116  
Cotton, Inc. Group  
cottongroup@earthlink.net

DATE: 07/17/14  
SCALE: 1" = 200'

DP1.2