

Proposed subdivision in Durham would include working farm

BY DAVID BRACKEN

DURHAM

Seven years ago, when Rick Bagel first began writing a business plan for what would become Wetrock Farm, the concept of placing a working organic farm in a residential subdivision was still fairly new.

After studying a few of the communities that did offer the unusual amenity, Bagel became convinced that the approach would work on a 287-acre tract of land for sale at the intersection of North Roxboro Road and Preston Andrews Road in North Durham.

“It just seemed really appropriate for this area because Durham-Chapel Hill has such a strong local food scene,” says Bagel, 29, who was an undergrad at Duke University and later worked locally as a land development coordinator for K. Hovnanian Homes. “It’s also perfect for this property.”

After several years of revising his business plan, Bagel is now seeking to raise \$2.75 million to buy the land and turn it into [Wetrock](#)

The project would feature 141 lots with homes priced from \$275,000 up to \$899,000. A section of smaller lots would form a walkable village around the 8.5-acre organic farm, which would have a professional farm manager.

Bagel says including a farm in the project made sense because that area of Durham is zoned for low-density development, and by putting half the land in a conservation easement he would be able to put one unit per every 2 acres.

“So you’re not really giving up any lots by including a farm in the development,” he said. “It just seems like something would be a draw for north Durham ... and would be interesting for the Durham-Chapel Hill crowd.”

Bagel has an option to buy the land and hopes to close on it in July. But first he must raise additional capital.

OUR MODEL IS TRUE DEVELOPMENT-SUPPORTED AGRICULTURE.

Rick Bagel

He hopes to raise the bulk of the money by bringing on a co-developer and equity partner. Bagel, who along with friends will also put in 10 percent of the required equity, is also attempting to raise money on [PeerRealty](#), a crowdfunding platform for accredited investors.

The project has received commitments of \$500,000 from investors on PeerRealty since it was posted a month ago, he said.

Labor intensive

Setting aside land for a communal garden in a subdivision is not unheard of. What distinguishes Wetrock from other such developments is that the cost of building and running the farm is built into the project budget.

“Our model is true development-supported agriculture,” Bagel said.

The farm would sell produce to residents, restaurants and wholesalers, with an \$80 a month food share fee included in Wetrock’s homeowners association dues. Bagel acknowledges that introducing a working farm into a subdivision is riskier than providing more traditional amenities.

“It’s certainly more management, labor intensive than a traditional swimming pool-club house amenity,” he said. “But it can be done if you find the right people and have the right management.”

Bagel said that the current plans for the farm to sell its produce to a wide range of customers could be scaled back depending on future conditions.

“If all that became too cumbersome you could easily scale it back to where it’s pretty much the resident on-site farm manager and one helper and the residents kick in \$20 a week and you could make it work,” he said.

In addition to the farm, Wetrock’s master plan calls for a farm stand, a barn, a Muscovite grape vineyard, 150 acres of open space, and a lawn and covered pavilion for outdoor events.

Bagel says he has letters of intent from four local homebuilders to take Wetrock's lots.

The kicker

One of those builders is Chapel Hill-based [Heartridge Builders](#). Owner Jason Nunnery said these days it is hard to get into new neighborhoods because many developers have existing relationships with other builders.

Heartridge typically builds six to seven custom homes a year. Nunnery said he believes the company's designs would find buyers in Wetrock.

"We do a lot of modern farmhouse-type structures," he said. "It would be a really good fit for us."

Wetrock's business plan mentions several other communities around the country that are helping to prove that the farm concept can work. Those communities include [Serenbe](#) in Atlanta, [Willowsford](#) in the Washington, D.C., area, [Harvest](#) in Dallas, and [Agritopia](#) in Phoenix.

Bagel estimates that there are now more than 100 such communities in various stages of development across the U.S.

"In three or four years you're going to start seeing some best practices and some ways for some of the bigger players and the national builders and developers to make it work without too much original thought," Bagel said. "That's going to be the kicker."

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