

# BOARD OF ALDERMEN

ITEM NO. B(3)

## AGENDA ITEM ABSTRACT

**MEETING DATE: May 17, 2005**

**TITLE: Request-to-set a public hearing on Land Use Ordinance Text Amendment to establish Affordable Housing Review Requirement**

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| <b>DEPARTMENT: PLANNING</b>  | <b>PUBLIC HEARING: YES _ NO <u>X</u></b>   |
| <b>ATTACHMENTS:</b><br>A. Resolution<br>B. Excerpt of minutes of the February 1, 2005 meeting of the Board of Aldermen<br>C. Draft Ordinance | <b>FOR INFORMATION CONTACT:</b><br>Patricia McGuire – 918-7327<br>Mike Brough – 929-3905 |

### PURPOSE

In February 2005, the Board of Aldermen considered a report on a two-tiered development review system and directed staff to prepare a draft ordinance that would establish a review requirement for residential projects that did not include 15 percent affordable housing. A resolution that sets a public hearing for June 28, 2005 is recommended for the Board's adoption.

### INFORMATION

At present, various policy statements, financial and regulatory incentives strive to maintain existing and create new affordable housing opportunities within Carrboro's jurisdiction. In February 2005 the Board of Aldermen reviewed a possible two-tiered development review process as a means of expediting the review of projects that included affordable units. Since that process relied primarily on staff action, both within the Town government and in outside agencies to implement adopted policies, an alternative method that directly involved the Board of Aldermen was outlined. In the alternative approach, all development proposals would be reviewed as they are now, on a first-come, first-served basis, with one exception. Projects that do not include at least fifteen percent affordable units would be required to make a presentation to the Board of Aldermen before the first full submittal of plans could occur. Affordable housing review sessions could be scheduled periodically, perhaps on a bi-monthly or quarterly basis. The periodic scheduling would create a queue of projects awaiting the opportunity for this review. This additional step would provide an opportunity for the Board of Aldermen to examine a development proposal and to discuss with the applicant the affordable housing policy and its importance in the community. It would also afford the applicants that had not yet chosen to include an affordable housing component an opportunity to explain their proposed development.

Should an applicant decide in the course of the development review process to remove any affordable housing that had previously been included, the requirement for a presentation to the Board of Aldermen would once again be necessary. If an applicant had included a sufficient affordable housing component, but later reduced or deleted the affordable units in the course of

development review, further regular review of the project would be delayed until the applicant had an affordable housing review session with the Board of Aldermen.

The Board of Aldermen adopted a resolution directing staff to draft ordinance provisions in keeping with the alternative proposal. (*Attachment B*).

A draft ordinance that establishes a review requirement is attached (*Attachment C*).

It will be necessary for the Board of Aldermen to refer the ordinance to Orange County and the Carrboro Planning Board for review and to receive public comment prior to taking action on the draft ordinance.

### **FISCAL IMPACT**

A public hearing is required for the text amendment, with associated notice costs.

### **STAFF RECOMMENDATION**

The staff recommends that the Board of Aldermen adopt the attached resolution setting a public hearing and referring the draft ordinance to the Planning Board and Orange County for review (*Attachment A*).