

BOARD OF ALDERMEN

ITEM NO. B(4)

AGENDA ITEM ABSTRACT

MEETING DATE: June 28, 2005

TITLE: Public hearing on Land Use Ordinance Text Amendment to establish Affordable Housing Review Requirement

DEPARTMENT: PLANNING	PUBLIC HEARING: YES _ NO _X_
ATTACHMENTS: A. Draft Ordinance B. Excerpt of minutes of the February 1, 2005 meeting of the Board of Aldermen C. Planning Board Recommendation	FOR INFORMATION CONTACT: Patricia McGuire – 918-7327 Mike Brough – 929-3905

PURPOSE

A draft ordinance that would amend the Land Use Ordinance and establish a review requirement for residential projects that did not include 15 percent affordable housing has been prepared. It is necessary for the Board of Aldermen to hold a public hearing before taking action on an amendment to the text of the Land Use Ordinance.

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 (*Attachment B*). 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 and a draft ordinance to amend the text of the Land Use Ordinance subsequently prepared.

Description of the Draft Ordinance. The draft ordinance (*Attachment A*) establishes an affordable housing review requirement for residential developments that do not include at least fifteen percent affordable units will be required to make a presentation to the Board of Aldermen before the first full submittal of plans can occur. 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 will once again be necessary. If an applicant has included a sufficient affordable housing component, but later reduces or deletes the affordable units in the course of development review, further regular review of the project will be delayed until the applicant has an affordable housing review session with the Board of Aldermen.

Though the draft ordinance does not address scheduling, it is expected that affordable housing review sessions will be scheduled periodically, perhaps on a bi-monthly or quarterly basis. The periodic scheduling is expected to create a queue of projects awaiting the opportunity for this

review. This additional step provides 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 will also afford the applicants that have not chosen to include an affordable housing component an opportunity to explain their proposed development.

The Zoning Division is currently reviewing five applications for special or conditional use permits to allow residential developments. Of those, two include at least 15 percent affordable housing and would not be subject to the proposed review requirement. Two others include approximately 12 to 14 percent affordable units and the remaining project is working with the Orange Community Housing to develop a proposal to include affordable units. Further details on these projects are available in the Active Projects Report. The Board of Aldermen may wish to make a decision regarding the projects currently in review.

Review Process. The draft ordinance was submitted to the Planning Board and Orange County for review. The Planning Board recommendation is attached (*Attachment C*).

FISCAL IMPACT

Neither scheduling of review sessions nor review of projects for the affordable housing component is expected to have a fiscal impact beyond that already captured by land use permit application fees.

STAFF RECOMMENDATION

The staff recommends that the Board of Aldermen adopt the draft ordinance establishing an affordable housing review requirement (*Attachment A*).