

BOARD OF ALDERMEN

ITEM NO. D(4)

AGENDA ITEM ABSTRACT

MEETING DATE JUNE 16, 2009

SUBJECT: REVIEW OF FEE WAIVER REQUEST FOR OCHLT CREST STREET PROJECT

DEPARTMENT: PLANNING DEPARTMENT	PUBLIC HEARING: YES <u>X</u> NO
ATTACHMENTS: A. RESOLUTION (FEE WAIVER) B. LETTER FROM OCHLT C. ADMINISTRATIVE POLICY NUMBER 540-1 D. FEE WAIVER FORM FROM OCHLT	FOR INFORMATION CONTACT: JEFF KLEAVELAND, 918-7332

PURPOSE

The Orange Community Housing and Land Trust (OCHLT) has submitted a request for waivers of building and permit fees associated with 101 Crest Street AIS. The staff recommends that the Board adopt the attached resolution approving the request.

INFORMATION

Christine Westfall of OCHLT has provided a letter requesting a fee waiver for the Crest Street AIS (Attachment B). This project is comprised of two new and one existing homes. The existing home is managed by OCHLT and the new homes will be managed by OCHLT. OCHLT is a land trust that uses ground leases to maintain a home's affordability for a period of 99 years while still allowing buyers to own the home and realize some appreciation, should they sell. Still, such homes, if they are resold, will be resold by OCHLT at prices consistent with the affordability definitions of the Land Use Ordinance.

Fee Waiver Request

The Town's Administrative Policy allows the Board of Aldermen the option to grant a waiver or refund of fees for affordable housing projects. The administrative policy requires that the project be able to clearly demonstrate compliance with the following four criteria listed in section 6.0 of the policy (Attachment C). Fees that would be waived include Zoning Permit (\$120.00), Final Plat (\$270.00), Building Permit and Fees (\$2459.00) for a total of **\$2849.00**.

Note that in *italics* are staff responses.

1. The fee waiver or refund will directly benefit families or persons of low to moderate income over a sustained period of time;

OCHLT is a non-profit organization designed for just this purpose.

2. The project is directly funded or subsidized by a federal, state or local unit of government or non-governmental organization that guarantees affordability for 99 years or more;

OCHLT homes are sold under ground lease agreements which guarantee 99 years of affordability.

3. The need and benefit will be realized by the community as a whole if the fee waiver or refund is granted;

OCHLT is non-profit organization with the mission of providing affordable housing to the community.

4. The project is necessary to implement a component specified in the Consolidated Plan for Housing and Community Development in Orange County, NC as required by the HOME program administered through Orange County.

OCHLT uses to the Land Trust model which is a way to limit escalation of housing costs which is a supported goal of the Consolidated Plan. OCHLT has been a consistent recipient of HOME program funds.

The applicant has completed the attached fee-waiver worksheet (Attachment D); if the waiver is approved, staff recommends that the Board adopt the attached resolution (Attachment A). Note that the applicant has already paid the fees, so the waiver, if granted will allow for a refund.

FISCAL IMPACT

For the 2009-2010 budget, waiver of zoning and building permit fees would result in a reduction of revenues of \$390.00 for land use permits and \$2459.00 for building permits.

RECOMMENDATION

The staff recommends the Board of Aldermen consider the fee waiver application and if they find is complete, adopt the attached resolution (Attachment A) granting a fee waiver for land use and building permit fees.