

**A RESOLUTION CALLING A PUBLIC HEARING ON A LAND USE ORDINANCE
TEXT AMENDMENT RELATED TO THE INCOME LIMIT FOR AFFORDABLE
UNITS PERCENTAGE OF AFFORDABLE UNITS NEEDED FOR CERTAIN LAND
USE ORDINANCE PROVISIONS**

Resolution No. 28/2009-10

WHEREAS, the Carrboro Board of Aldermen seeks to provide ample opportunities for the public to consider modifications to existing policies and regulations; and

NOW, THEREFORE BE IT RESOLVED that the Board of Aldermen calls a public hearing on November 24, 2009 to consider adopting "AN ORDINANCE AMENDING THE CARRBORO LAND USE ORDINANCE TO MODIFY THE INCOME LIMIT FOR AFFORDABLE UNITS AND THE PROPORTION OF AFFORDABLE UNITS NEEDED TO DETERMINE CERTAIN OTHER REGULATORY REQUIREMENTS."

BE IT FURTHER RESOLVED that the draft ordinance is referred to Orange County for review per the Joint Planning Agreement and to the Town of Carrboro Planning Board for its recommendations.

BE IT FURTHER RESOLVED that the draft ordinance is also referred to the following advisory boards and commissions for consideration and recommendation prior to the specified public hearing date:

- | | |
|---|--|
| <input type="checkbox"/> Appearance Commission | <input type="checkbox"/> Recreation and Parks Commission |
| <input type="checkbox"/> Transportation Advisory Board | <input type="checkbox"/> Northern Transition Area Advisory Committee |
| <input type="checkbox"/> Environmental Advisory Board | <input type="checkbox"/> _____ |
| <input type="checkbox"/> Economic Sustainability Commission | <input type="checkbox"/> _____ |

This is Tuesday, the 20th day of October in the year 2009.

**Board of Directors***Jim Tucker*

President

Mary Bratsch

Vice President

Lisa Inman

Secretary

Michael Hansen

Treasurer

*John Cooper**Laurin Easthom**Gary Giles**Jacquelyn Gist**Pam Hemminger**Brian Lowen**Bruce Runberg**Mary Jean Seyda**Jonathan Weiler**Robert Dowling*

Executive Director

Funding Provided by:*Town of Chapel Hill**Orange County**Town of Carrboro**Town of Hillsborough*

PO Box 307

104 Jones Ferry Road

Suite C

Carrboro, NC 27510

919.967.1545

Fax 919.968.4030

www.ochlt.org

June 13, 2009

Mayor Mark Chilton and the Board of Aldermen
Town of CarrboroRe: Possible Revision to Affordable Housing Ordinance

Dear Mayor Chilton and Members of the Board of Aldermen:

As the Board is aware, the current ordinance language asks developers to provide housing that is affordable to households earning 80% of the median income. When developers agree to meet this standard, the Land Trust (soon to be the Home Trust) must obtain subsidy funds to reduce the purchase prices to buyers typically earning about 65% of median income. The subsidies are needed to allow for a reasonable range of buyers to be able to purchase the affordable homes.

In developments such as the Butler, which the Board approved in 2008, we will need approximately \$24,000 per unit to reduce the price at which we sell the 1BR condominiums. The story is similar for Roberson Place, The Alberta, Claremont II and Ballentine. If all of these developments get built, we will need more than \$900,000 of subsidy to sell all the affordable units.

Aldermen Coleman approached me and asked if it might make more sense to request fewer units from developers (meaning fewer than 15%) but asking for homes to be provided to the Home Trust at a price that is affordable to households earning 65% of median income.

After thinking about this and looking at spreadsheets to determine how this might work, I believe that Aldermen Coleman's idea has true merit and is very worth exploring. I realize the Board is about to go on summer break, but I would ask that the Board consider investigating this alternative. Given our already substantial need for subsidy funding, this modification to the ordinance could offer a preferable alternative.

I would be happy to work with the Town staff to examine this proposal during the summer if that would be amenable to the Manager. Thank you for your consideration of this proposal.

Sincerely,

Robert Dowling
Executive Director

****DRAFT****

AN ORDINANCE AMENDING THE CARRBORO LAND USE ORDINANCE TO MODIFY
THE INCOME LIMIT FOR AFFORDABLE UNITS AND THE PROPORTION OF
AFFORDABLE UNITS NEEDED TO DETERMINE CERTAIN OTHER REGULATORY
REQUIREMENTS

THE BOARD OF ALDERMEN OF THE TOWN OF CARRBORO ORDAINS:

Section 1. Subsection 15-182.4 (a) of the Carrboro Land Use Ordinance is amended by replacing “fifteen” with “twelve and a half” in the first sentence.

Section 2. Subsection 15-182.4 (b)(1) of the Carrboro Land Use Ordinance is amended by replacing “80” with “65” in the first sentence.

Section 3. Section 15-54.1 is renumbered 15-50.1 and amended so that the term “fifteen” in subsection (a) is replaced with the term “twelve and a half,” and the term “15 percent” in subsections (b) and (c) is replaced with the term “12 percent,” and the number “0.15” is replaced with the number “0.125” in subsections (b)(1) and (c)(2).

Section 3. All provisions of any town ordinance in conflict with this ordinance are repealed.

Section 4. This ordinance shall become effective upon adoption for all applications submitted after the effective date.

- 6.13** The town should review all vacant municipally owned land for the purpose of making unneeded tracts available for housing programs.
 - 6.14** The town should continue to advocate for inclusionary zoning techniques to increase the local stock of affordable housing.
 - 6.15** The town should pursue the development of density bonus provisions for projects incorporating environmentally sensitive development and building practices.
 - 6.16** With our growing population of senior citizens, the town should support the creation of more housing that allows our senior citizens to interact fully with the larger community. Senior access to public transit will become an increasingly important concern.
 - 6.17** The town should interact with non-profit groups that work to provide affordable housing, including but not limited to the Land Trust, Orange Community Housing Corporation, Empowerment Inc., and Habitat for Humanity.
 - 6.18** A minimum of 15 percent of the residential units in any residential development should meet the affordability criteria specified in Section 15-182.4 of the Carrboro Land Use Ordinance.
-