

BOARD OF ALDERMEN

ITEM NO. C(3)

AGENDA ITEM ABSTRACT MEETING DATE: September 21, 2010

TITLE: Update on Scheduling Continuation of a Public Hearing on a Land Use Ordinance Text Amendment Related to Affordable Housing

DEPARTMENT: PLANNING	PUBLIC HEARING: YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>
ATTACHMENTS: A. Resolution	FOR INFORMATION CONTACT: Patricia McGuire, AICP – 918-7327

PURPOSE

Additional time is needed to refine the regulatory strategy related to the draft ordinance that includes changes to the definition of an affordable unit and inclusion of units in development projects. Staff recommends that Board of Aldermen continue the public hearing on this matter to November 23, 2010.

INFORMATION

Background information on this item is available at http://www.townofcarrboro.org/BoA/Agendas/2010/02_23_2010_A3.pdf and http://www.townofcarrboro.org/BoA/Agendas/2010/03_09_2010.htm.

On March 9th, the Board of Aldermen received a request from staff to authorize staff resolution that authorized staff to work with developers and builders of affordable housing to refine the draft ordinance, with some participation by members of the Board of Aldermen suggested. The Board of Aldermen requested that staff contact the Town of Chapel Hill to determine the schedule for considering its draft inclusionary zoning ordinance. The Town of Chapel Hill held a public hearing on the draft ordinance on March 15th and June 7th and adopted the ordinance on June 21st, along with an administrative manual. The effective date of the ordinance is March 1, 2011. Copies of the ordinance and manual may be viewed on the Town of Chapel Hill's website at <http://www.ci.chapel-hill.nc.us/index.aspx?page=1298>

The following summary points were provided in a memo from the Town of Chapel Hill Inclusionary Zoning Task Force in September 2009 when the ordinance was forwarded to the Town Council:

- Most residential development proposals must include provisions to expand the Town's supply of affordable housing.
- The amount of affordable housing required is the equivalent of 15 percent of the number of unrestricted dwelling units (E.g. if an applicant receives approval for development of 100 dwelling units, that applicant is responsible for providing 15 affordable housing opportunities.)
- Applicants required to provide affordable housing are granted density and floor area bonuses, so as not to limit the number of unrestricted units that are permitted.
- Affordable housing means dwelling units affordable to households earning 80 percent

of the area median income. Of the affordable units provided, half must be priced so that they are affordable to households earning up to 65 percent of the area median income.

- The default expectation is that the affordable housing is provided on the same site as the unrestricted dwelling units. “Safety valve”: provisions are included for circumstances where that is infeasible

A few changes were made to the adopted ordinance and administrative manual, including more clearly defining the development bonuses, adding a requirement that the number of bedrooms in affordable units be proportional to the number in market rate units, and that rental property used to fulfill the requirement must be priced so that it would be affordable to households earning less than 65 percent of the area median income.

STAFF AND FISCAL IMPACT

None noted.

RECOMMENDATION

The staff recommends that the Board of Aldermen consider continuing the public hearing on this matter to November 23, 2010.