

MEMORANDUM

TO: Mayor and Town Council

FROM: The Inclusionary Zoning Task Force

SUBJECT: Final Report from the Inclusionary Zoning Task Force

DATE: September 28, 2009

PURPOSE

The purpose of this memorandum is to forward a draft Inclusionary Zoning Ordinance to the Council (see Attachment 1).

Adoption of the attached resolution would refer this report and draft Inclusionary Zoning Ordinance to the staff to develop a process for review.

BACKGROUND

On September 22, 2005, the Council adopted the following charge for an Inclusionary Zoning Task Force:

- To evaluate the data and reports collected by staff pertaining to the local housing market and need for additional affordable housing;
- To determine the need and justification for an inclusionary zoning ordinance;
- To evaluate ordinances that have been enacted or proposed in other communities; and
- To make a recommendation to the Town Council on the content of an inclusionary zoning program and ordinance for Chapel Hill.

Since 2005, the Task Force members have included: Council Member Sally Greene, Council Member Mark Kleinschmidt, former Council Member Cam Hill, Delores Bailey, Valerie Bateman, Sylvia Brenner, D.R. Bryan, Sarah Donahue, Robert Dowling, Glenn Greenstreet, Tom Kelley, Susan Levy, John Mackowiak, Gordon Merklein, Scott Radway, Bill Rohe, Larry Short, Nancy Tripoli, Tom Tucker, Rosemary Waldorf and Carol Ann Zinn.

The Task Force completed its charge in August, 2009.

DISCUSSION

In March 2008, the Town contracted with Clarion Associates to complete the attached draft ordinance. Roger Waldon from Clarion Associates worked closely with the Task Force to incorporate its ideas into the draft and provided the following summary of the key elements of the draft Ordinance:

- 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% 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% 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% 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.
- Details are provided in the Land Use Management Ordinance (LUMO) and in an Administrative Manual.

RECOMMENDATION

We recommend that the Council adopt the attached resolution to refer this report and draft Inclusionary Zoning Ordinance to the staff to develop a process for review.

ATTACHMENTS

1. Draft Inclusionary Zoning Ordinance (p. 4).
2. Draft Administrative Manual (p. 23).