

**TOWN OF CHAPEL HILL**  
**Affordable Housing as a Component of**  
**New Residential Development Proposals**

The Chapel Hill Town Council passed a resolution March 6, 2000 to increase the availability of affordable housing for low and moderate income households in Town. This policy was revised on January 26, 2009. The policy states the Council's expectation that *any rezoning requests with a residential component incorporate a 15% affordable housing feature* into their plans with mechanisms to assure ongoing affordability. The resolution text as passed by the Town Council is below.

**A RESOLUTION MODIFYING THE COUNCIL'S EXPECTATIONS FOR AFFORDABLE HOUSING AS A COMPONENT OF NEW DEVELOPMENT PROPOSALS WITH A RESIDENTIAL COMPONENT (2009-01-26/R-7)**

WHEREAS, Chapel Hill's Comprehensive Plan contains the following language: "The Town shall encourage developers of residential developments of 5 or more units to (a) provide 15 percent of their units at prices affordable to low and moderate income households, (b) contribute in-lieu-fees, or (c) propose alternative measures so that the equivalent of 15 percent of their units will be available and affordable to low and moderate income households;" and

WHEREAS, development proposals regularly come before the Town Council seeking approval, but without an affordable housing component;

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that it is the expectation of the Council that applicants seeking approval of rezoning applications containing a residential component will incorporate a "15% affordable" feature into their plans, and that mechanisms will be proposed to assure ongoing affordability of these so-designated dwelling units. At its discretion, the Council may accept a payment-in-lieu of all or part of the affordable housing obligation. The payment amount shall be established by Resolution.

BE IT FURTHER RESOLVED that all projects with an affordable housing component must have an Affordable Housing Plan incorporated into an Affordable Housing Performance Agreement to be signed by the applicant, the Town Manager (or designee) and the entity responsible for administration of affordable housing units.

This the 26<sup>th</sup> day of January, 2009.