



Rewriting Our Rules

A LUMO UPDATE

**Town Council
January 22, 2025**

TONIGHT'S DISCUSSION TOPIC:

- Affordable Housing

We are considering significant changes to almost **all aspects of LUMO**

The various elements of LUMO are **closely intertwined**

Inclusionary Zoning needs to evolve so it continues to **work with the rest of LUMO**

The basics of today's IZ rules:

- Requires affordable housing units in new development
- Mandatory for **for-sale** projects with **5 or more units or lots.**
- Do not apply to **rental projects.**
- Used as the starting point for **conditional zoning negotiations.**

We are proposing two types of changes to IZ:

Structural changes to align IZ with the rest of the new LUMO.

Technical changes to improve how staff administer the IZ.

Increase threshold for traditional IZ

- Traditional IZ will apply to projects with **more than 30 units**
- Provides a strong starting point for conditional zoning negotiations
- Avoids harming smaller by-right projects

**Incentivize
affordable
units in by-
right projects**

- Robust incentives are needed to move the needle for smaller projects.
- Incentives will be tiered to address market-rate and mission-oriented developers.

**Incentivize
affordable
units in by-
right projects**

Incentives will involve:

- Height limits
- Setbacks
- Floor area ratio
- Lot size
- Number of units/lot
- Total units allowed by-right

**Simplify
affordability
requirements**

We **will simplify** how affordability targets are calculated.

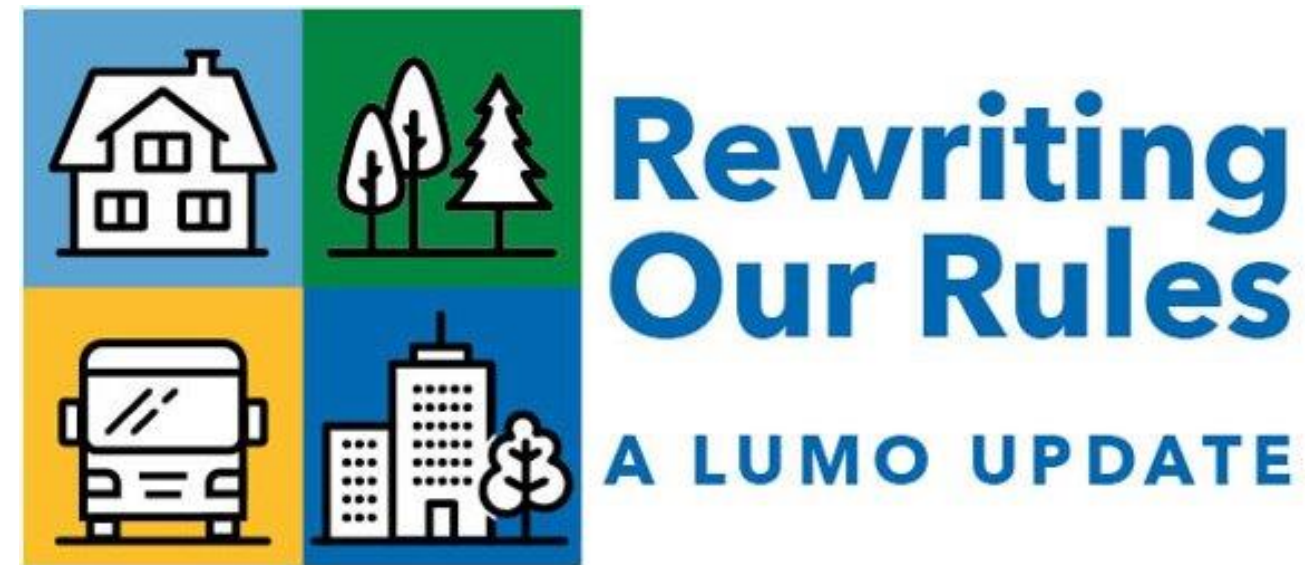
We **will not reduce** the affordability targets.

**Simplify
affordability
requirements**

Current Formula: 15% of market-rate units

Proposed Formula: 13% of total units

Same target, easier math.



Q & A