

Honorable Mayor and Councilmembers

June 21,2023

Re: Affordable Units in Blue Hill

1,937 housing units have been built or are under construction in the Blue Hill District; another 548 were recently approved by the CDC for a total of 2,485 units. When the Code was adopted in 2014 it was projected that 1,101 units would be completed by now and an additional 345 by 2028.

The Town has established an Affordable Housing Goal of 20% throughout the Blue Hill District. To date, only 149 units, the Greenfield, built by DHIC, have been built leaving a shortfall of 348 units.

When the Code was adopted, the Form Based Code exempted numerous regulations and policies from the Blue Hill District including Inclusionary Zoning. The Inclusionary exemption may have been an incentive at the time. But as can be seen from the data above, the incentive of the benefits which accrue to any developer in the Form Based Area are considerable.

We understand that there are inherent contradictions to producing Inclusionary Policies in North Carolina, but there is a provision in the Chapel Hill Inclusionary Zoning Ordinance, (Affordability Controls 7.e) that acknowledges that a developer can voluntarily agree to a Rental Affordable Housing Performance Agreement so long as it is based on an Affordable Housing Plan.

With this as background we ask that Council refer this to Staff to come up with an Affordable Program for the Blue Hill District so that the Town's Goal of 20% can be achieved.

Respectfully,
Community Design Commission