

To: Town of Chapel Hill Planning Department

From: Applicant - Aspen Chapel Hill (Weaver Dairy Road)

Date: December 21st, 2021

Re: Affordable Housing Proposal – Concept Plan Application Submittal

Objective

The purpose of this memorandum is to outline the Applicant’s proposal for the Affordable Housing component of a proposed student housing project consisting of approximately 348 units located in the North MLK Jr. Boulevard area in between I-40 and Weaver Dairy Rd., (Aspen Chapel Hill – Weaver Dairy Road) in the Town of Chapel Hill (the “Project”). The Applicant is currently in the Concept Plan stage of the proposed project, so the enclosed Affordable Housing proposal is conceptual and presented for the purposes of discussion. Details of the Applicant’s approach, proposed Affordable Housing program, and associated Town benefits are intended to encourage feedback from the appropriate Town stakeholders to inform the refinement of the proposed project’s Affordable Housing component to align with Town objectives (per the Comprehensive Plan).

Additional details of the proposed project outside the scope of this initial Affordable Housing proposal are included in the corresponding Concept Plan Application and supporting Concept Plan Package submitted by the Applicant.

Background & Approach

The Applicant has reviewed the Inclusionary Zoning Ordinance (Section 3.10) in detail and allowed the intention of this ordinance in conjunction with the Comprehensive Plan, recently approved projects with a similar development plan, and the Applicants feedback from another project within the Town to be the focal guide for this Affordable Housing Proposal that seeks to maximize the capability of the Project to contribute to the town’s affordable housing objectives while also considering the economic limitations of the Project.

The Applicant’s understanding of the Town’s Inclusionary Zoning Ordinance is to provide a creative housing approach that will help advance the Town’s desire to add affordable units to the Town’s inventory of affordable housing.

As the Applicant is committed to being a quality steward of the Town’s Affordable Housing goals, the Applicant will conduct initial discussions with the Housing and Community Department to further inform its initial Affordable Housing proposal.

Applicant’s Proposed Affordable Housing Component

The Applicant proposes the following to be considered:

Rental Housing Affordable Dwelling Units:

Upon receipt of a certificate of occupancy and for a period of 30 years thereafter the Project shall provide 46 units (the "Affordable Units") of the Project's 348 units as Affordable resulting in 15.2% of the market rate units being affordable. Affordable shall mean 23 of the Affordable Units are affordable for households earning 80% or less of the AMI and the remaining 23 of the Affordable Units are affordable for households earning 65% or less of the AMI. AMI shall be calculated using the HUD Metropolitan Fair Market Rent/Income Limits Area for the Raleigh, NC MSA.

The Affordable Units shall be comprised of 22 one-bedroom units, 17 two-bedroom units (including 4 townhome units), and 7 three-bedroom units (including 3 townhome units) shall be located on the throughout the Project.

Furthermore, at no additional charge, the Affordable Units will have access to parking (the townhome units are intended to have attached garages) and the Project's managed internet service which provides wired and wireless access points in each unit as well as the common areas. Typical speeds for the managed internet service at Applicant's projects provide internet speeds of at least 1GB to each unit.