<u>06-19-2019 Town Council Meeting</u> Responses to Council Questions #1

ITEM #10: Discuss Affordable Housing Goals for Rental Housing Development

<u>Council Question</u>: Pg. 126: How does the cost of our development process compare to the other jurisdictions studied? What impact does this have on their requirements versus ours/compared to each other?

<u>Staff Response</u>: We do not have comprehensive data on the total cost of our development process and how it compares to other jurisdictions. If this is of interest to the Council, staff could explore compiling this information.

<u>Council Question</u>: Which jurisdictions are the best comps for CH? For example, it's interesting to see what San Francisco requires, but they seem quite different from us in terms of urbanity, size, density, scope and severity of AH needs, etc. This is a helpful list, but we need some additional ways to analyze this issue with additional info on why these municipalities were chosen, how they are different or similar to us, etc.

<u>Staff Response</u>: The jurisdictions included as points of comparison in our analysis were those that have inclusionary housing policies in place for rental housing development and have policies for payments-in-lieu of receiving affordable housing in projects. There are a limited number of cities across the country that have such policies, which was in part why those included in our analysis are not all of similar size and character. We anticipate continuing to do additional research this summer to identify additional jurisdictions we can learn from, and will intentionally reach out to Charlottesville, Ann Arbor and other peer cities to whom Chapel Hill is often compared.

<u>06-19-2019 Town Council Meeting</u> Responses to Council Questions #2

ITEM #10: Discuss Affordable Housing Goals for Rental Housing Development

<u>Council Question</u>: Have we gotten any feedback from the development community as to the proposal's feasibility? Also, have the municipalities surveyed been successful in getting the housing they seek?

<u>Staff Response</u>: Staff has held discussions with developers and has received feedback on a wide range of issues around the development review process and payments-in-lieu. While the financials and specific factors for different developments is highly variable, we have consistently heard from the development community the desire to have a more predictable and consistent set of expectations for proposed projects. Tonight's agenda item is designed to be a high level conversation with Council to begin the conversation around setting goals and expectations for residential rental projects.

One of the reasons the jurisdictions shown in the report were analyzed was because they had at least some level of success in realizing the housing they desired. The amount of units received does vary by jurisdiction, and the policies outlined in the staff report have changed over time as jurisdictions aim to improve their effectiveness, impacting the data that is available. For example, Burlington, VT has completed an update to their policies this year and therefore has not had time to evaluate the success of their new policies. Cambridge, MA updated their policies recently and are beginning to see a significant increase in the units they have received. If Council would like additional information on the success levels of the housing programs in the selected jurisdictions, staff can continue to evaluate them over the summer and report back in the fall