

GOALS FOR AFFORDABLE HOUSING IN RENTAL HOUSING DEVELOPMENT

Town Council Business Meeting
June 26, 2019



Agenda

1. Background

2. Research Overview

3. Discuss Potential Goals

4. Next Steps



Goal

- High level discussion on the Council's goals for affordable housing in new rental housing development

Council Consideration

- Provide feedback on draft affordable housing goals in new rental housing developments



Background

- Affordable Housing Policy (2000, 2009)
- Petition from Council (2017)
- Range of previously approved affordable housing components and contributions
- Council Discussion (Feb 2018)

Council Questions from Work Session

- Is the goal to create units on-site or receive payment to produce off-site?
- What is the target affordability level?
- What have other municipalities done?



Research Findings

1. What is the main goal for the affordable housing policy?
 - *Most jurisdictions aim for on site units*
2. What should the payment-in-lieu amount be based on?
 - *Cost of construction is most common underlying basis for payment formulas*

Research Findings

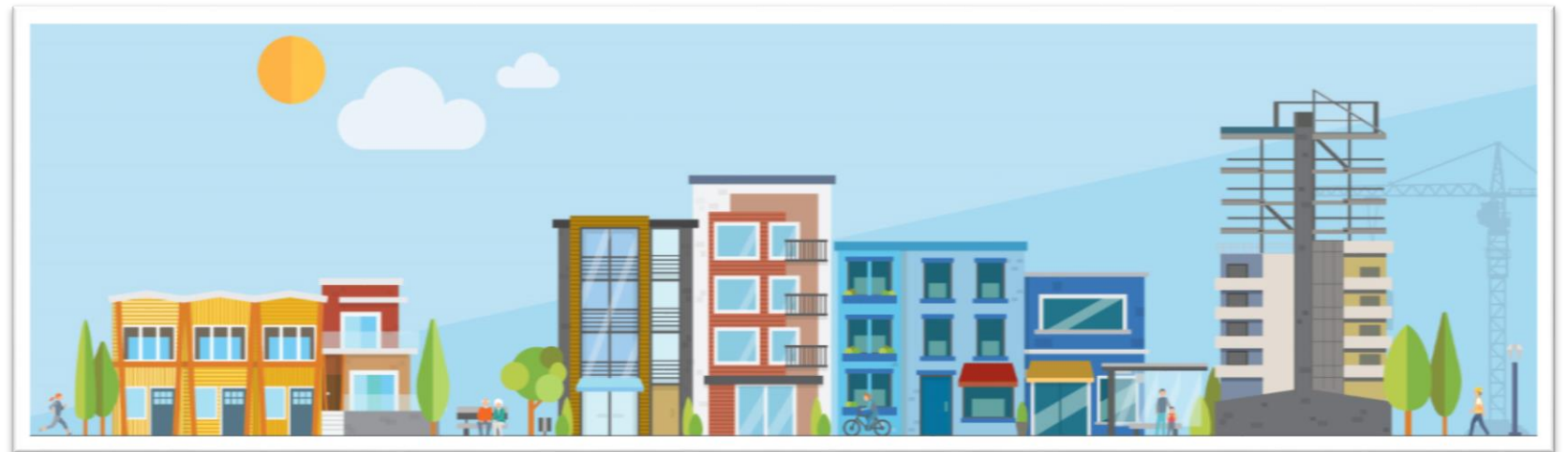
3. What is a reasonable percentage of units to expect on-site?
 - *16% is the average expectation of jurisdictions analyzed*

4. What affordability levels are being targeted?
 - *60-65% AMI households are most typically targeted*

Housing Advisory Board Recommendations

DRAFT GOAL:

- 15% of units on-site affordable to households at 60% AMI and below





1. Units On-Site

- A. Physically indistinguishable from and comparable mix of development
- B. Affordability for at least a 30-year period
- C. Properties accept housing vouchers
- D. May seek partnerships with affordable housing developers to identify creative opportunities to produce units on-site
- E. Households not entirely comprised of full-time students
- F. Promote access to housing, including households with credit and criminal issues



2. Alternatives to On-Site

- A payment-in-lieu, or other alternative may be considered when:
 - Providing units onsite would create an unreasonable financial hardship
 - Payment would directly provide an equivalent or greater amount of affordable units in a way that better achieves the Town's affordable housing goals



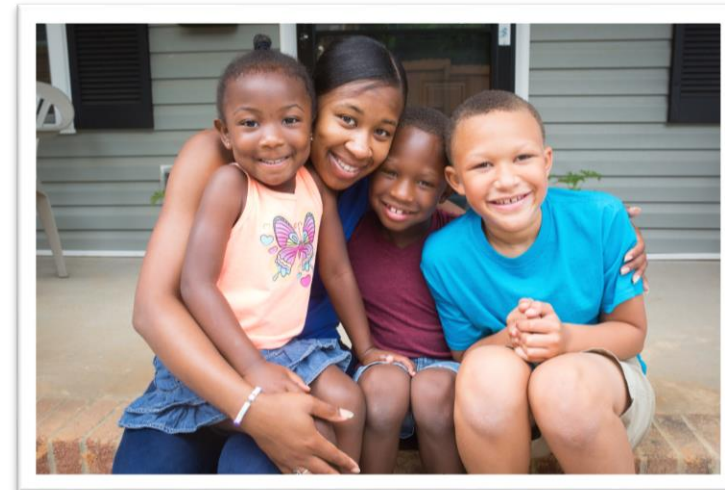
3. Payment-in-Lieu

- The payment amount should be based on:
 - The cost to provide an equivalent number of affordable housing units off site to households at 60% AMI and below



Discussion Questions

1. What feedback do you have on the HAB's recommendation?
2. What do you see as the overarching goal?
3. Is there anything missing in the HAB's recommendation?



Next Steps

- Incorporate Council Feedback
- Present Principles and Payment-in-Lieu Options to Council in the fall



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