

| Agenda Item | cover sheet

for consideration by the Apex Town Council

Item Type: NEW BUSINESS

Meeting Date: June 24, 2025

Item Details

Presenter(s): Marla Newman, Director

Department(s): Community Development and Neighborhood Connections (CDNC)

Requested Motions

Motion to adopt the updates to the Affordable Housing Incentive Zoning Policy.

Approval Recommended?

Yes

Item Details

Staff is recommending amendments to the Town's Affordable Housing Incentive Zoning Policy (Policy) to increase developer participation and improve long-term affordability compliance. Proposed changes include lowering the development threshold from 20 to 10 units/lots and increasing the required on-site affordable housing percentage from 5% to 10%. Affordability requirements would also be strengthened by reducing the maximum Area Median Income (AMI) eligibility to 120% for ownership and 80% for rental, and by establishing a 30-year minimum affordability period for rental units. Pricing would be aligned with HUD and NCHFA benchmarks to ensure homes remain accessible.

To further encourage on-site unit development, staff is proposing financial incentive enhancements, including the option for Town financing and 10% reductions to the Water and Sewer Fee and the Parks and Recreation fee.

Additionally, to improve flexibility while maintaining housing goals, the Policy introduces three policy alternative compliance options: fee-in-lieu, lots-in-lieu, and land-in-lieu. These tools provide developers with options to meet affordable housing objectives.

Attachments:

- NB1-A1: Affordable Housing Incentive Zoning Policy Enhancement Recommendation - Agenda Memo

- NB1-A2: Affordable Housing Incentive Zoning Policy Enhancement Recommendation - PowerPoint Presentation

