

Affordable Housing Incentive Zoning

Apex will create a clear menu of suggested affordable housing zoning conditions for developers to choose from in exchange for incentives as part of the rezoning and Planned Unit Development approval processes.

What it Means

When proposed development requires Town Council approval, the Town has an opportunity to **encourage new development to include** affordable housing units. Incentive zoning conditions are **intended to prompt and help** developers provide a public good, such as affordable housing units, as part of a proposed development, in exchange for incentives that compensate for the loss of revenue. **Such incentive zoning conditions are proffered by the developer and cannot be imposed by the Town Council.**

How it Works

DEVELOPER OFFERS AFFORDABILITY

Long-term affordability of a portion of units through rent or price reduction or an equivalent fee

Ex: Increased density

Ex: Reduced parking requirements or setbacks

TOWN OFFERS INCENTIVES

Need in Apex

Apex already provides incentives for affordable housing and other public benefits, but lacks a clear set of conditions, which can pose a barrier to the production of new housing. In addition, the Town wants to protect Naturally-Occurring Affordable Housing and limit gentrification pressures from new housing development.

Recommendations for Apex

The Town should establish a clear policy to provide incentives for developers in exchange for affordable housing units or an equivalent fee payment toward the Town's Housing Trust Fund. The program should include special requirements for discretionary development in areas particularly sensitive to redevelopment, such as mobile home parks, to minimize displacement.

Implementation

1. Review existing approval processes and recently-approved projects to help develop clear guidelines.
2. Develop an incentive zoning condition, specifying target affordability and available incentives.
3. Establish criteria and a process to review projects.

Timing: Near-term (<2 years)

Goals: 