



Orange County Affordable Housing Coalition

**April 13, 2021**

Dear Mayor Hemminger, Town Council, and Housing Advisory Board members (cc Town Manager Jones),

On behalf of the OCAHC, we are writing to express our support for the affordable housing plan proposed for the AURA Chapel Hill development located at 1000 Martin Luther King Jr. Blvd, provided that key details related to income qualification and ongoing compliance are finalized. If these details are worked out with binding commitments, we think AURA will be a tremendously positive development for affordable housing, both directly via its income-restricted units and indirectly by increasing the supply of market rate housing.

The OCAHC understands that AURA's developer has submitted a conditional zoning application for a mixed-use development with 360 apartments and 55 townhomes. The developer's affordable housing plan indicates that of the 360 apartments proposed, 43 will be income-restricted, with half renting to households earning 65% of the area median income (AMI) and the other half to 80% AMI households. The developer also indicated that they intend to build for sale affordable homes on-site, in partnership with a local nonprofit developer with experience in Orange County. We would prefer to see deeper income-targeting for the affordable rental housing units at AURA, even if it meant fewer total subsidized rental units, since 80% AMI rents approximate available market rents. Still, overall we commend the plan for its proposed meaningful contributions to the affordable housing inventory in our community.

Our support of the affordable housing plan proposed at AURA is contingent on the Town and developer executing an enforceable agreement that affordable units will not be rented or sold to full-time student households, and that rents be set at levels that are truly affordable to tenants below 65/80% AMI accounting for utility allowances, et al. as would be expected for subsidized housing programs. Further, the Town should set an expectation that the owner accept "Section 8" and other rental vouchers that will increase access to rental units. Finally, there should be long-term covenants or other enforcement mechanisms for these units that survive sale to new investors. Similar standards apply to federal housing programs such as the Low-Income Housing Tax Credit, HOME, and Housing Choice Vouchers.

Finally, we encourage the developer to pursue on-site affordable homes for sale at AURA. Should their plans change for building these for-sale homes, we encourage the Town to require that the developer comply with existing alternatives to on-site development such as payment in lieu, as described in §3.10.3 of Chapel Hill's Inclusionary Zoning Ordinance.

Thank you for your attention and for your service to the community,

A handwritten signature in blue ink that reads 'Jennifer Player'.

Jennifer Player  
OCAHC Co-Chair

Dan Levine  
OCAHC Co-Chair