

# COUNCIL DECISION REQUEST

SUBJECT: Affordable Housing Contribution

MEETING DATE: June 4, 2009

PAYSON GOAL: NEW:                      EXISTING:

ITEM NO.:

TENTATIVE SCHEDULE:

SUBMITTED BY: Bethany Beck

AMOUNT BUDGETED: 0

SUBMITTAL TO AGENDA

EXPENDITURE REQUIRED: 0

APPROVED BY TOWN MANAGER

CONT. FUNDING REQUIRED: 0

  
\_\_\_\_\_

EXHIBITS (If Applicable, To Be Attached):

---

## **POSSIBLE ACTION:**

I move to direct staff to initiate the town-wide Affordable Housing Donation Campaign with the following actions: (1) work with the Housing Advisory Commission to solicit donations from the community as a whole; and (2) separate all affordable housing donations from the development approval process.

## **SUMMARY OF THE BASIS FOR POSSIBLE ACTION:**

In November 2006 the Affordable Housing Task Force completed a report that identified 16 potential solutions to expand affordable and workforce housing opportunities. One solution suggested that new developments voluntarily contribute fees based on the extent of rezoning and platting. The Task Force also recommended that Town staff request contributions from developers to secure affordable housing components and contributions, with all proceeds designated for affordable/workforce housing efforts.

Based on these recommendations, Council requested proposals for voluntary contributions from all developers of proposed projects that required rezoning and subdivision plat approval. Twelve developers did so, with proposals ranging from cash contributions to the Town of Payson to the donation of in-kind services and water credits to non-profits such as Payson Area Habitat for Humanity and Payson Regional Housing Development.

However, some people have expressed concern that the process is unfair because it lacks structure and unduly burdens rezoning and subdivision plat applicants. Others contend that the added cost of the affordable housing contribution is simply passed on from developers to buyers, thus defeating the goal of furthering affordable/workforce housing opportunities by increasing the cost of housing overall. Still others have suggested that it's philosophically unsound to link voluntary contributions to the development approval process. Developers and contractors were providing voluntary contributions, financially and through "in-kind" services, prior to the Councils' request for such involvement which alienated some as they now felt compelled to publicly announce their donations.

At the initiative of council member Michael Hughes (who previously served on the Affordable Housing Task Force), staff seeks to address these concerns while preserving the Town's capacity to receive contributions toward affordable and workforce housing efforts.

JUN 04 2009 I. 3

# ***COUNCIL DECISION REQUEST***

**PROS:** Broadening the scope to town-wide donations may promote greater community buy-in to affordable and workforce housing initiatives. Donations would be tax deductible and would provide a way for everyone (even those not involved in the development process) - citizens, businesses, developers and organizations - to contribute to this initiative.

**CONS:** Voluntary contributions from developers may decrease at the rezoning and/or preliminary plat stage.

**PUBLIC INPUT (if any):**

**BOARD/COMMITTEE/COMMISSION ACTIONS/RECOMMENDATIONS (if any) (give dates and attach minutes):**

---

## **FUNDING:**

Account Number:	Title:	Amount: \$
Account Number:	Title:	Amount: \$
Account Number:	Title:	Amount: \$
Account Number:	Title:	Amount: \$
		Total Cost: \$

CFO: \_\_\_\_\_ Date: \_\_\_\_\_