

Racial Equity Pocket Questions – *Newbury AIS Special Use Permit-A Affordable Housing Review Meeting*

What are the racial impacts?

This affordable housing review meeting relates to a pending Special Use Permit-A (SUP-A) application that will be considered by Town Council at a later date during a quasi-judicial public hearing. If granted the application will allow for construction of up to 46 new homes at 904 Homestead Road. Individuals or families choosing or wanting to purchase homes in Carrboro are subject to market forces related to real estate prices in the area. The absence of 15% affordable homes within the project may impact families that do not have sufficient incomes in order to purchase homes at market rate prices, impacting their ability to own a home. The decision to not include 15% affordable homes within the project may thereby result in disproportionate impacts to BIPOC families that historically have had more difficulties accessing funding for purchasing homes, which in turn limits their ability to generate wealth through mortgage based equity.

Who is or will experience burden?

Families that do not have sufficient incomes to purchase market rate real estate in Carrboro may be burdened by the lack of 15% affordable homes within the project. The provision of price controlled housing generally benefits families of moderate and lower incomes by creating a home ownership opportunity not otherwise available in the real estate market. This opportunity is lost if price controlled housing is now provided. The provision of 25% of homes being size-limited will limit the price point of such homes by way of their size, but the homes will still be subject to market forces dictating the costs of the homes. In short, if the development does not provide price-controlled affordable homes, low-income community members may continue to be burdened by the rising cost of home ownership and tenancy in Carrboro.

Who is or will experience benefit?

The community as a whole will benefit from additional tax base provided by new homes in the community, and by the provision of a diversity in housing stock by provided size-limited homes as well as some number of duplexes and accessory dwelling units. Additional job opportunities also will be created during construction of the development and the homes themselves. Existing neighbors could also see an increase in their property values as a result of the land being developed.

What are the root causes of inequity?

Structural racism in the United States has affected access to and funding/financing for property ownership, educational and health care access, infrastructure, public services, and wealth generation for BIPOC families.

What might be the unintended consequences of this action or strategy?

The applicable ordinance provision only require that the developer participate in the affordable housing review meeting. In as much as they do not result in a requirement to provide price controlled homes, the action / strategy only offers an opportunity to discuss the important related matters with a developer. To be clear, the strategy is written and has been adopted in a manner that abides by the limited ability for municipalities in North Carolina to require price-controlled housing, as a matter of law.

How is your department planning to mitigate any burdens, inequities, and unintended consequences?

The department will continually monitor NC laws regarding affordable housing and update town ordinances whenever possible in ways that create and result in more substantial provision of affordable housing. The department will also continue to use the REAL and pocket questions in relation to consideration and

implementation of policies in the town's comprehensive plan, *Carrboro Connects*, an important part of which is the provision of affordable housing in Carrboro.