

MAYOR & COUNCIL AGENDA COVER SHEET

MEETING DATE:

July 6, 2009

CALL TO PODIUM:

Fred Felton

RESPONSIBLE STAFF:

Fred Felton

AGENDA ITEM:

(please check one)

	Presentation
	Proclamation/Certificate
	Appointment
X	Public Hearing
	Historic District
	Consent Item
	Ordinance
	Resolution
	Policy Discussion
	Work Session Discussion Item
	Other:

PUBLIC HEARING HISTORY:

(Please complete this section if agenda item is a public hearing)

Introduced	n/a
Advertised	6/10/09
	6/17/09
Hearing Date	07/06/09
Record Held Open	07/16/09
Policy Discussion	

TITLE: T-391

An Amendment of Chapter 24 Of The City Code (City Zoning Ordinance), Article XVI, Entitled "Affordable Housing Requirements", To Modify The Income Restrictions for Participation In The Program

SUPPORTING BACKGROUND:

When the City's Affordable Housing Ordinance was first adopted in 2006, eligibility for Moderately Priced Dwelling Units (MPDUs) was set for income between 60 percent and 80 percent of Area Median Income (AMI). Eligibility for Work Force Housing Units (WFHUs) is limited to incomes between 80 percent and 120 percent of AMI.

The City's first rental MPDUs are now available for occupancy at Amber Commons, and we are finding that the income limits for market-based units are actually lower than the income limits for MPDUs. Accordingly, staff is recommending that the City lower the minimum income for a rental MPDU to 50 percent of AMI.

On June 1, 2009, the Mayor and City Council agreed to sponsor a text amendment to amend the zoning ordinance to reduce minimum income for a rental MPDU to 50 percent of AMI. This change would also require an amendment to the Affordable Housing Regulations which will be heard concurrently this evening.

Attachments:

1. T-391

DESIRED OUTCOME:

Conduct public hearing. Staff recommends that the record remain open until close of business on July 16, 2009, with final action anticipated on July 20, 2009.

NOTICE OF PUBLIC HEARING

The Mayor and Council and Planning Commission of the City of Gaithersburg will conduct a joint public hearing on T-391 on:

**MONDAY
JULY 6, 2009
7:30 P.M.**

or as soon thereafter as this matter can be heard in the Council Chambers at 31 South Summit Avenue, Gaithersburg, Maryland.

APPLICATION TO AMEND CHAPTER 24 OF THE CITY CODE (CITY ZONING ORDINANCE), ARTICLE XVI, ENTITLED "AFFORDABLE HOUSING REQUIREMENTS", TO MODIFY THE INCOME RESTRICTIONS FOR PARTICIPATION IN THE PROGRAM

Further information may be obtained from the City Manager's Office at City Hall, 31 South Summit Avenue, between the hours of 8 a.m. and 5 p.m., Monday through Friday, or visit the City's website at www.gaithersburgmd.gov.

Angel L. Jones
City Manager
178

(6-10, 6-17-09)

DRAFT
ORDINANCE NO. _____

Text Amendment: **T-381**

AMENDMENT OF CHAPTER 24 OF THE
CITY CODE (CITY ZONING ORDINANCE), ARTICLE XVI, ENTITLED “AFFORDABLE
HOUSING REQUIREMENTS”, TO MODIFY THE INCOME RESTRICTIONS
FOR PARTICIPATION IN THE PROGRAM

BE IT ORDAINED, by the City Council of the City of Gaithersburg, in public meeting assembled, that Chapter 24 of the City Code, (City Zoning Ordinance) Article XVI entitled “Affordable Housing Requirements” is hereby amended to modify the purpose and intent of the Article, Section 24-249 and Section 24-250 to read as follows:

ARTICLE XVI: AFFORDABLE HOUSING REQUIREMENTS

Sec. 24-249. Purpose and intent.

It is the purpose and intent of this Article to ensure that affordable housing opportunities are created for both homeownership and rental units within the City of Gaithersburg for households earning ~~60~~ **50** to 120 percent of Area Median Income.

Sec. 24-250. Definitions.

For the purposes of this Article, the following definitions shall apply:

Area Median Income (AMI): the median income for the Washington Metropolitan Area, adjusted for household size, as determined by the U.S. Department of Housing and Urban Development (HUD).

Approved Sale Price: price at which a for-sale unit is determined to be affordable. For Moderately Priced Dwelling Units, the approved sales price will be affordable to households earning 70 percent of Area Median Income adjusted for household size. For Workforce Housing Units, the approved sales price will be affordable to households earning 90 percent of Area Median Income adjusted for household size.

Approved Rental Price: price at which rental units are determined to be affordable. The approved rental price will be affordable to households earning 60 percent of Area Median Income adjusted for household size.

Affordable: as defined in the Administrative Regulations adopted pursuant to Section 24-256 of this Article.

Affordable Housing Fund: a fund established to support the creation and maintenance of affordable housing in the City of Gaithersburg and to which payments will be made by developers in lieu of construction of units required but not built.

Moderately Priced Dwelling Unit (MPDU): MPDU that is offered to eligible participants under the terms of the affordable housing program and is affordable to households earning at least ~~sixty~~ **fifty (50)** percent of AMI, but not more than eighty (80) percent of AMI, adjusted for household size.

Undue Economic Hardship: the deprivation of all viable economic use of land.

Work Force Housing Unit (WFHU): WHFU that is offered to eligible participants under the terms of the affordable housing program and is affordable to households earning at least eighty 80 percent of AMI, but no more than one hundred twenty (120) percent of AMI adjusted for household size.

* * * * *

ADOPTED this ____ day of _____, 2009 by the City Council of Gaithersburg, Maryland.

SIDNEY A. KATZ, MAYOR and
President of the Council

DELIVERED to the Mayor of the City of Gaithersburg, Maryland, this ___ day of _____, 2009, APPROVED by the Mayor of the City of Gaithersburg, Maryland, this ___ day of _____, 2009.

THIS IS TO CERTIFY that the foregoing ordinance was adopted by the City Council of Gaithersburg, in public meeting assemble, on the ___ day of _____, 2009 and that the same was approved by the Mayor of the City of Gaithersburg on the ___ day of _____, 2009. This Ordinance will become effective on the ___ day of _____, 2009.

Angel L. Jones, City Manager

Boldface	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
Single strikethrough	<i>Deleted from existing law by original bill.</i>
<u><u>Double underlining</u></u>	<i>Added by Amendment.</i>
Double boldface strikethrough amendment.	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

**THIS PAGE INTENTIONALLY
LEFT BLANK**