



Bill number: 250041

Introduced by: Gauthier

Cosponsor(s): Landau, Brooks, and O'Rourke

Assigned committee: Rules

Date introduced: 01/30/2025

Fiscal Note

Overview

This bill would authorize the Zoning Board of Adjustment to condition approval of zoning applications on affordable housing commitments. The anticipated cost to the City is \$300,00 to \$1,297,500 over five years.

Legislative Summary

The Zoning Board of Adjustment (ZBA) is responsible for hearing and deciding appeals in zoning matters, special exceptions to any zoning ordinance, and zoning variances.

The City Planning Commission is responsible for preparing, adopting, and modifying a comprehensive plan of the City showing its present and planned physical development. They are also responsible for proposing zoning ordinances and preparing regulations related to land subdivision plans.

Currently, the ZBA is authorized to impose and the City Planning Commission is authorized to recommend conditions on applications for approvals that they determine are necessary to:

1. Bring the application into compliance with the requirements of the Zoning Code or any previously adopted master plan for the property; or
2. Prevent or minimize adverse effects upon surrounding areas or upon public facilities and services that are caused by the proposed special exception, variance, or other approval required by the Zoning Code. All conditions imposed shall be reasonably related to the anticipated adverse impacts of the proposed special exception, variance, or other approval required by the Zoning Code.

This legislation would add a third category of conditions. This new category would aim to ensure compliance with affordable housing commitments made by zoning applicants. In essence, the ZBA would have the authority to impose conditions on approvals that would create deed-restricted rental caps on housing units.

Proposed Effective Date

This legislation would take effect immediately if it were to become law.

Fiscal Impact Analysis

The estimated cost of implementing this legislation is summarized in the below table. The total cost is estimated to be \$300,00 to \$1,297,500 over five years.

Fiscal Impact Summary	FY26	FY27	FY28	FY29	FY30	Total
Expenditure Increase/(Decrease) Class 100: Personal Services						
Salary	\$0-\$140,000	\$0-\$140,000	\$0-\$140,000	\$0-\$140,000	\$0-\$140,000	\$0 - \$997,500
Fringe Benefits	\$0-\$59,500	\$0-\$59,500	\$0-\$59,500	\$0-\$59,500	\$0-\$59,500	
Expenditure Increase/(Decrease) Class 200: Purchase of Services						
	\$300,000	-	-	-	-	\$300,000
Net Cost/(Savings)	\$300,000 - \$499,500	\$0 - \$199,500	\$0 - \$199,500	\$0 - \$199,500	\$0 - \$199,500	\$300,000 - \$1,297,500

* The above table is rounded to the nearest dollar.

Expenditures

Department of Planning and Development's Division of Development Services: If enacted and implemented, this legislation is expected to increase staffing responsibilities related to enforcing compliance with the affordable housing commitments made by applicants. The legislation has the potential to increase staffing costs, but the costs are largely dependent upon the number of cases where the ZBA imposes affordable housing commitments. The ZBA estimates that about 5% of all appeals are related to affordable housing projects, or about 50 appeals per year. The Division estimates that they could absorb an additional 10 cases per year without additional staffing needs. A scenario of less than 10 cases per year is represented by the \$0 range of the Class 100 expenditure in the above table. However, the higher end of the range, \$140,000, represents a scenario of more than 10 cases a year. The increase in case workload would require the Division to hire two additional Project Coordinators.

Salary Cost: \$0 - \$140,000

The Office of the Director of Finance: If needed, the two full-time employees would be funded through the Department of Planning and Development but the associated fringe benefits for these positions would be included in the Citywide fringes line in the Office of the Director of Finance's budget.

Fringe Benefit Cost: \$0 - \$59,500

City Planning Commission: In addition to the potential staffing costs detailed above, the City Planning Commission recommends procuring an estimated \$300,000 in contracted support for an implementation plan and study. The study and plan would help recommend the foundational framework for establishing affordability requirements based on size, location, and other factors.

Purchase of Services Cost: \$300,000

Implementation

If the legislation were implemented, the ZBA would be allowed to condition its approval on the zoning applicant's compliance with affordable housing commitments. The Department of Planning and Development's Division of Development Services would be responsible for administering and enforcing the affordable housing commitments. For example, the Division would work with the developer, City Planning Commission, and the Law Department to prepare a deed restriction on the property that complies with the commitment adopted by the ZBA. Thereafter, the new deed would be recorded with the restriction and the Division would be responsible for ensuring the property remains in compliance throughout the life of its deed restriction.

Legislative History

Not applicable.

Prepared by: Policy and Fiscal Analyst Unit, Mayor's Office of Legislative Affairs

Date: 05/20/2025

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