

**Q. If a project includes a City lot – will the ARO apply to the entire project, even if the entire project is not built on City land?**

A. Yes – the Ordinance is specific that “whenever the city sells real property to any developer and such property or any portion thereof is developed”... with a Residential Housing Project containing ten or more units, the ARO applies. This is true even when the lot is utilized to satisfy minimum off-street parking, minimum lot area, setback or other zoning or Municipal Code requirements or standards.

**Q. Does the ARO apply to elective Planned Developments?**

A: Yes, the ARO would apply, if the PD was located in a downtown zoning district, or the underlying zoning was increased or changed to trigger the ARO (or City land or financial assistance was provided as part of the PD), and the developer built a residential housing project on the site.

**Q. Does the ARO apply to student housing?**

A: The ARO exempts dormitories that are owned and operated by or on behalf of an educational institution.

**Q. Does the ARO apply to hotel conversions?**

A. If a developer wants to amend a PD to switch units from hotel keys to room keys, the change may reclassify the building as residential, triggering the ARO if more than ten residential units are added.

**Q. Does the ARO apply to hotel/condo units?**

A. Hotel/Condo units are under exclusive ownership and therefore are considered dwelling units, triggering the ARO.

**Q. Will Special uses trigger the ARO?**

A. Special uses are not technically considered a zoning change and thus will not trigger the ARO.

**Q. Is the ARO triggered if a developer is adding units to an existing building?**

A: Typically, the ARO only applies to the units that are being *added to* the existing building. In order not to be subject to the ARO, existing units must be residential units. Note that if units are converted to condos or meet the definition of “substantial rehab, they may trigger the ARO requirement, even if they were existing.

If a project receives financial assistance or City land, the existing units **and** any new units are subject, collectively, to the ARO.

**Q. What if a developer increases the floor area or unit count to a subarea within a Planned Development but doesn't increase the overall FAR or unit count: will the ARO be triggered?**

A. The ARO will not apply unless the overall Floor Area is increased, and at least 10 additional residential units are developed (constructed; substantially rehabbed or converted from rental to condos) as part of the amendment. If those triggers are met, the ARO will apply only to any additional units.

**Q. Are there any exemptions to the ARO?**

A. The ARO does not apply to any Residential Housing Project located on property that was rezoned and thereby converted to a nonconforming use. If the City Council subsequently approves a change in zoning solely for the purpose of restoring the Residential Housing Project to a conforming use, that zoning change will not trigger the ARO.

**Q: Is "Class L" considered financial assistance?**

A: Class L is a property tax exemption granted through the County, and is not considered City financial assistance.

**Q. Is the granting of City land considered financial assistance?**

A: No.

**Q. Does the ARO apply to projects that are receiving tax credits or other financial assistance from the City or State?**

A: Tax Credits constitute financial assistance, and, thus, the ARO applies. However, because the affordability requirements for tax credits often exceed those of the ARO, the requirements associated with the tax credits or other financial assistance will govern unless they expire or are withdrawn prior to the 30-year term required for ARO projects. For PDs receiving Tax credits, Developers are required to include a statement that requires that, should tax credits become inactive, the 30-year ARO term will apply for the remainder of the 30-year term.

**Q. What if the market price and the affordable price are the same – or similar?**

A. There is no provision in the ARO that exempts units that are already "affordable" by market standards.

**Q. For Rental ARO projects, does it matter which unit in a building is affordable? As long as they continue to provide affordable units in the required type (i.e. one-bedroom), can they switch from year to year?**

A. The units designated as the ARO units must be similar in size and finishes, and must have the same number of bedrooms as those initially designated as ARO units – but they do not need to be the *same* units.

**Q. Is Parking required to be provided in the price/monthly rent of affordable units?**

A. Parking is required to be provided in the price of affordable units if it is provided in the price/rent of the market units.

**Q. Can I pay my fee-in-lieu with a credit card or through wire transfer?**

A. No, the only payment that is accepted is a check, made out to the City of Chicago and hand-delivered to the ARO PM. It is advised that you make an appointment prior to delivering the payment, in order to ensure that the ARO PM or their designee is available to receive the check.

**Q. I am interested in purchasing a unit created prior to the 2015 ARO, but I earn 110% of the Area Median Income. Can I purchase the unit?**

A. In most cases, no: the terms that were in place at the time of the creation of the unit will, at minimum, govern the initial sale of the unit, even if it is sold after the effective date of the 2015 ARO.