



CHARLOTTESM



**Incentive Based
INCLUSIONARY HOUSING**

Citizen Advisory Group Meeting 12

June 21, 2012

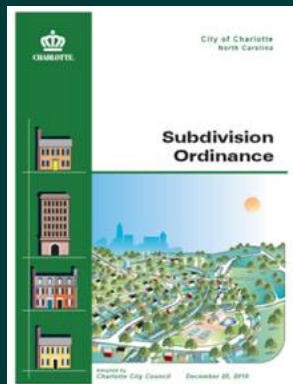
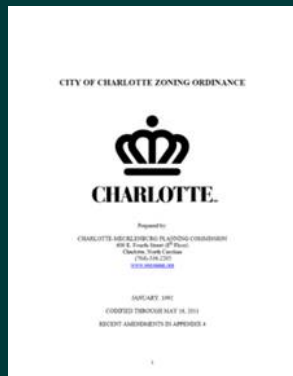
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- **Welcome / Introductions**
- **Action Plan Update**
 - ADU & Duplex
 - Expedited Review & Fee Waivers
- **Multi-family Density Bonus Discussion**
 - Recap from May 24 CAG Meeting
 - Recap from June 18 Work Session
 - Path Forward
- **Next Steps / Adjourn**



Proposed Regulatory Strategies



1. Single Family & Multi-family density bonus
 2. Fee waivers/reductions
 3. Expedited review
 4. Allowance of duplexes on any lot
 5. Allowance of Accessory Dwelling Units (ADUs) to include non-relatives
- ❖ Other considerations that could work for Charlotte

ADU & Duplex Text Amendment Process

Recap of June 18 Public Hearing

- 4 proponents: CAG members Lee McLaren, Wil Russell, Elizabeth Barnhardt, and Joe Padilla
- 2 opponents: Myers Park and Southeast neighborhoods concerned Duplex strategy will:
 - Encourage tear downs in historic neighborhoods
 - increase density and change SF character of neighborhoods
- Council raised the following issues:
 - Limiting applicability
 - If units will have any owner occupancy requirements
 - Product quality and concentration of housing type
 - Other unintended consequences and impacts
- Council requested staff relook at the Duplex recommendation
- Staff will update H&ND Committee on Duplex strategy September 12 (No July/Aug Meetings)

Zoning Committee – June 27 (6pm Room 280)

Council Decision – July 16 (6pm Council Chambers)

- Staff will ask for action on only the proposed ADU changes

Text Amendment Summary

ADU

Current Zoning Regulations

Allowed for elderly and disabled housing and for guest houses and employee quarters

Proposed Changes

Allow accessory dwelling units (ADUs) to any single family detached dwelling under prescribed conditions with no tenant restrictions or affordability requirement

Add ADU definition as smaller second dwelling unit located either within the principal or accessory structure.



DUPLEX

Current Zoning Regulations

Allowed on corner lots within R-3, R-4, R-5, and R-6 zoning districts and on any lot within R-8

Proposed Changes

Allow on all lots within R-3, R-4, R-5, and R-6 zoning districts under prescribed conditions with no affordability requirement



Highland
Creek





Text Amendment Summary

Duplexes

Current Zoning Regulations

Prescribed Conditions

- Minimum lot size requirements
- Corner lot minimum setback requirements

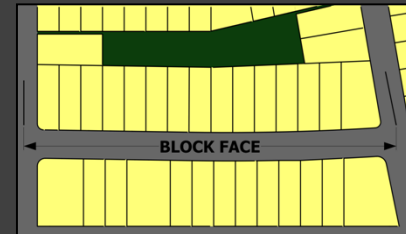


Elizabeth

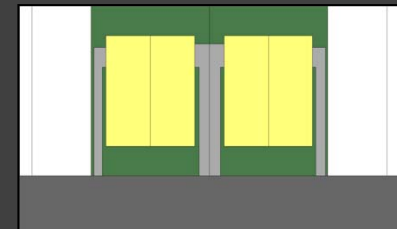
Proposed Changes

Prescribed Conditions

- Must meet current lot size and setback requirements
- Limit maximum building coverage
- Limit of (2) abutting duplex lots within a block face



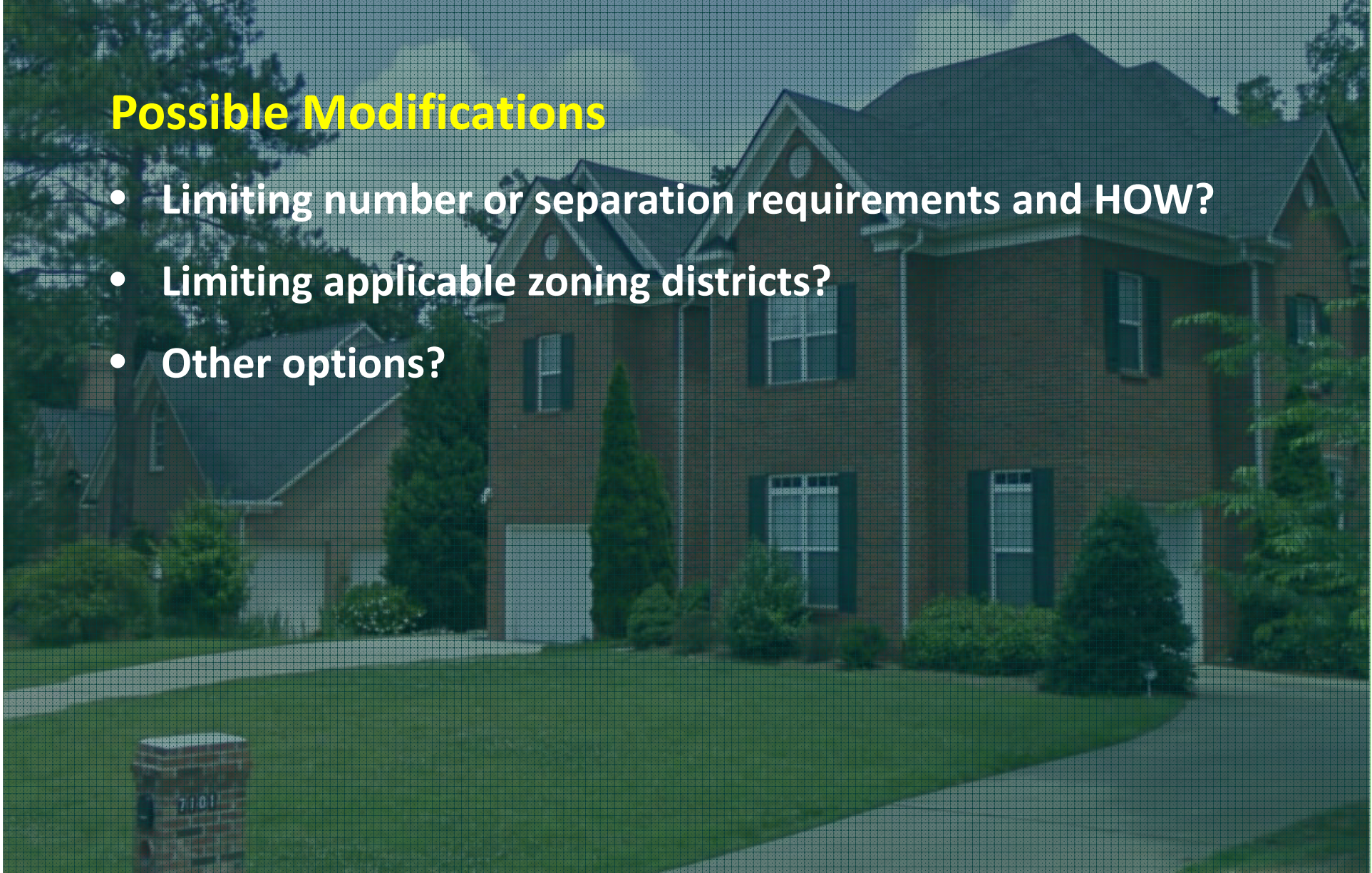
- Must be served by a shared driveway
- Abutting duplex lots may have (3) driveways

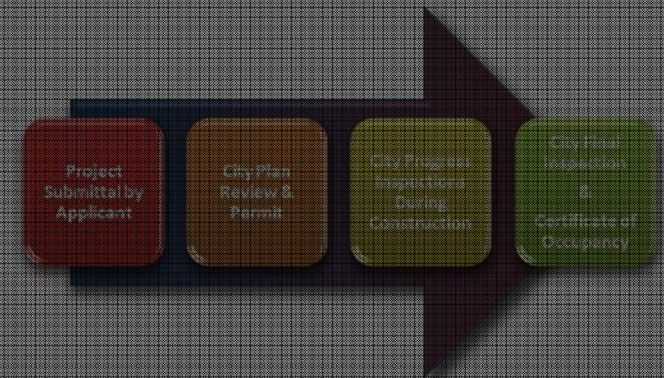


- No program administration or registration requirements

Possible Modifications

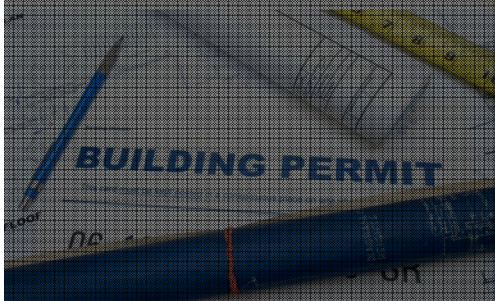
- Limiting number or separation requirements and HOW?
- Limiting applicable zoning districts?
- Other options?





Expedited Review & Fee Waiver Recommendations

- Provide Council update by:
 - Council-Manager Memo or
 - Council Briefing – July 23, 2012





CITY OF CHARLOTTE

Multi-family Density Bonus Discussion

Density Bonus Goals

- Increase number of affordable units
- Assurances affordable units are built
- Administration and tracking
- Architectural consistency
- Dispersal within development and community



Recap of May 24 CAG Meeting

Group Discussion - What are the advantages and disadvantages of a density program for multi-family development in helping to increase the supply of affordable housing?

ADVANTAGES

- Another tool to produce more affordable housing
- Could allow for dispersal of affordable units throughout the city
- Provides opportunity for people to live close to jobs
- Possible to develop without using a tax credit
- Allows developer to pay more for land (competitive purchase)
- Avoids rezoning process
- Non-cash incentive at no cost to the City and community
- May provide opportunities for more Single Room Occupancy (SRO) units

DISADVANTAGES

- More feasible if "for sale" multi-family
- Operating expenses same as market rate
- Difficult to determine appropriate bonus
- Increase the amount of rental housing
- Other, better ways to increase supply of affordable housing
- Benefit reduced by other existing ordinances (i.e. HIRD, USDG, PCCO, etc.)
- Could impact open space and create other environmental concerns
- Possible business risks
- Program administration
- Difficult to ensure adequate dispersal
- Limited value



Recap of June 18 Work Session

Meeting Objectives

1. Can a MF density bonus program increase participation by the private sector in the production of affordable housing?
2. What other strategies should be advanced or discussed with the CAG and Council?

1. Can a MF density bonus program increase participation by the private sector in the production of affordable housing?

- Lack of MF zoned land in areas where Council wants to incent affordable housing
- Without having existing zoned land, a rezoning would be necessary which won't likely incent a developer to participate
- May not be effective tool at lower end of AMI (40% and below) since rents would have to be too low and cost per unit would be too high
- Consider a sliding scale so that the lower the AMI served the higher the bonus given
- Density Bonus Program alone won't yield affordable units
- Rent subsidy may be better strategy, perhaps in combination with density bonus
- Consider other strategies such as land banking to reduce land costs, entitle the property, then turn it over to a builder

2. What other strategies should be advanced or discussed with the CAG and Council?

- Use Housing Trust Funds (HTF) to leverage projects in targeted geographies since land values will be greater in those areas
- Consider adding sites that are zoned R-17MF and R-22MF for density bonus program
- Program may need to target higher end of AMI (50% and above)

- Create a program that addresses existing developed sites

Currently, many sites are underdeveloped and zoned greater than R-12MF. If the City relaxed current development standards (i.e. PCCO, Tree Ordinance, Street Design and other standards) the new density bonus units could be priced for market rate tenants and the old units could be converted and used as affordable units.

- Create an "Adaptive Reuse Program" (i.e. reuse old and dated structures and convert them to multi-family affordable units)

This could be done for old commercial centers that are closed. Financial and density bonuses could be layered to help incent reuse of these developments for affordable housing.

PATH FORWARD?

1. Pursue MF Density Bonus
2. Explore Adaptive Re-use
3. Look at relaxed development standards
4. Land banking
5. Local rent subsidy
6. Combination of these and/or other strategies

- **Upcoming Citizen Advisory Group (CAG) Meeting Dates:**

- July 12, 2012 (6pm, CMGC Room 280)
- July 26, 2012 (6pm, CMGC Room 280) ?
- August (TBD)

- **Process Benchmarks**

- July 16, 2012 - Council Action (ADU)
- July 23, 2012 - Council Briefing (Expedited Review/Fee Waivers)
- Sept 12, 2012 - H&ND Committee Action (Duplex & Density Bonus)

- **Questions or concerns should be directed to:**

Bryman Suttle, *Charlotte-Mecklenburg Planning Department*
704-336-8325 bsuttle@charlottenc.gov

- **Tonight's meeting materials will be posted at:**

www.charlotteplanning.org

