



CHARLOTTE<sup>SM</sup>



Incentive Based  
INCLUSIONARY HOUSING

# H&ND Committee Update

November 14, 2012

CHARMECK.ORG



- **Action Plan Update**
- **Voluntary Density Bonus Strategy**
  - SF Development
  - MF Development
  - Program Administration
- **Committee Follow-up**
- **Next Steps**





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# Action Plan Update



## Accessory Dwelling Units

- **March:** Approved by H&ND Committee
- **July:** Approved by Council



## Duplex

- **March:** Initial Recommendation approved by H&ND Committee
- **July:** Deferred by Council
- **TBD:** H&ND Committee Action on revised recommendation
- **TBD:** Council Decision



## Expedited Review & Fee Waivers

- **April:** Updated H&ND Committee
- **October:** Council Briefing or Memo
- **No Council Action Required**



## SF & MF Density Bonus

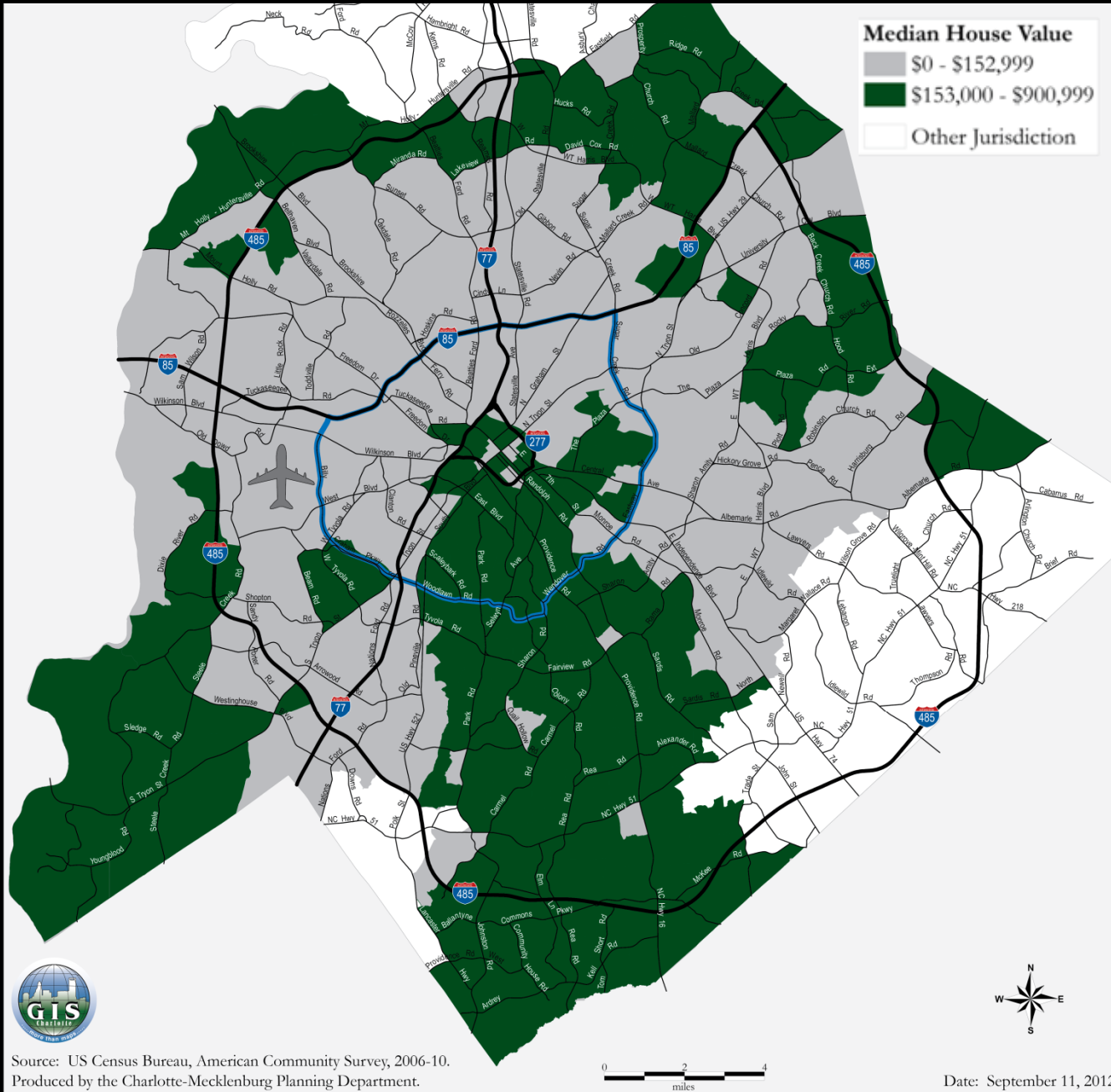
- **October:** H&ND Committee Discussion
- **October:** Council Briefing
- **Jan/Feb:** Council Decision

# Voluntary Incentive Based Housing Program

## Mixed Income Housing Program Goals

- Incentivize private sector development of affordable housing
- Increase number of affordable units
- Disperse affordable units within development and community
- Assure architectural consistency within development
- Encourage range of housing types and income levels
- Increase opportunities for people to age in place
- Assure affordable units are built
- Administer and track affordable units

## Locational Criteria: Census Block Groups with minimum median home value of \$153,000





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# Voluntary Density Bonus Strategy

## Single Family Strategy Summary

**Locational Criteria** – Census block groups that have a median home value at or above \$153,000

**Density Bonus** – up to three units above the base density

**Set-Aside** – 50% of additional units affordable, not to exceed 25% of development

**Income Target** – 80% or below AMI, currently \$54,800

**Incentives/Offsets** – reduced lot size requirements and mix of housing types up to a quad



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# Voluntary Density Bonus Strategy

## Multi-family Strategy Summary

### Density Bonus

- Allow up to two units above the base density for R-8MF District (10DUA)
- Allow up to three units above the base density for R-12MF District (15DUA)

### The Set-Aside

- 50% of additional units must be affordable at or below 80% AMI (currently \$54,800)
- 50% of the affordable units must be affordable at or below 60% AMI (currently \$41,100)
- Number of affordable units not to exceed 20% of total housing units

**Income Targeting** – 80% of AMI, currently \$54,800

**Incentives/Offsets** – Allow an additional two units if located within ¼ mile of transit

**Design Guidelines** – If there are more than 25 affordable units, then those units may be contained in a single structure \*



# Voluntary Density Bonus Strategy

## Program Administration

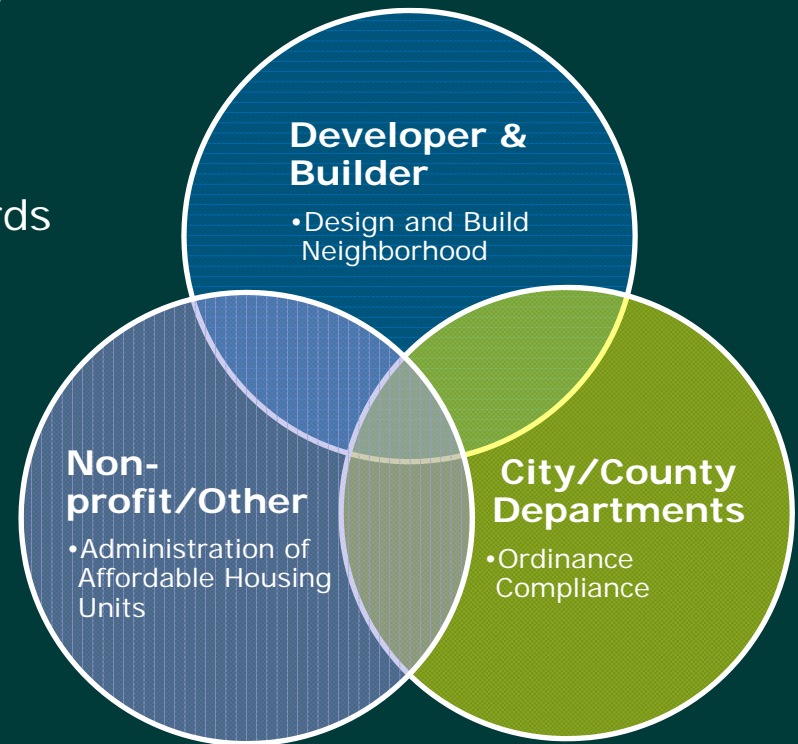
Will involve a higher level of staff review but not limited to the following goals:

### Development Review Goals

- Compliance with development standards
- Architectural consistency
- Dispersal of affordable housing units
- Mitigation of traffic impacts

### Program Administration Goals

- Educate developer/builder
- Qualify renters and buyers
- Track and monitor
- Enforce agreements



## Questions From September 26 Meeting

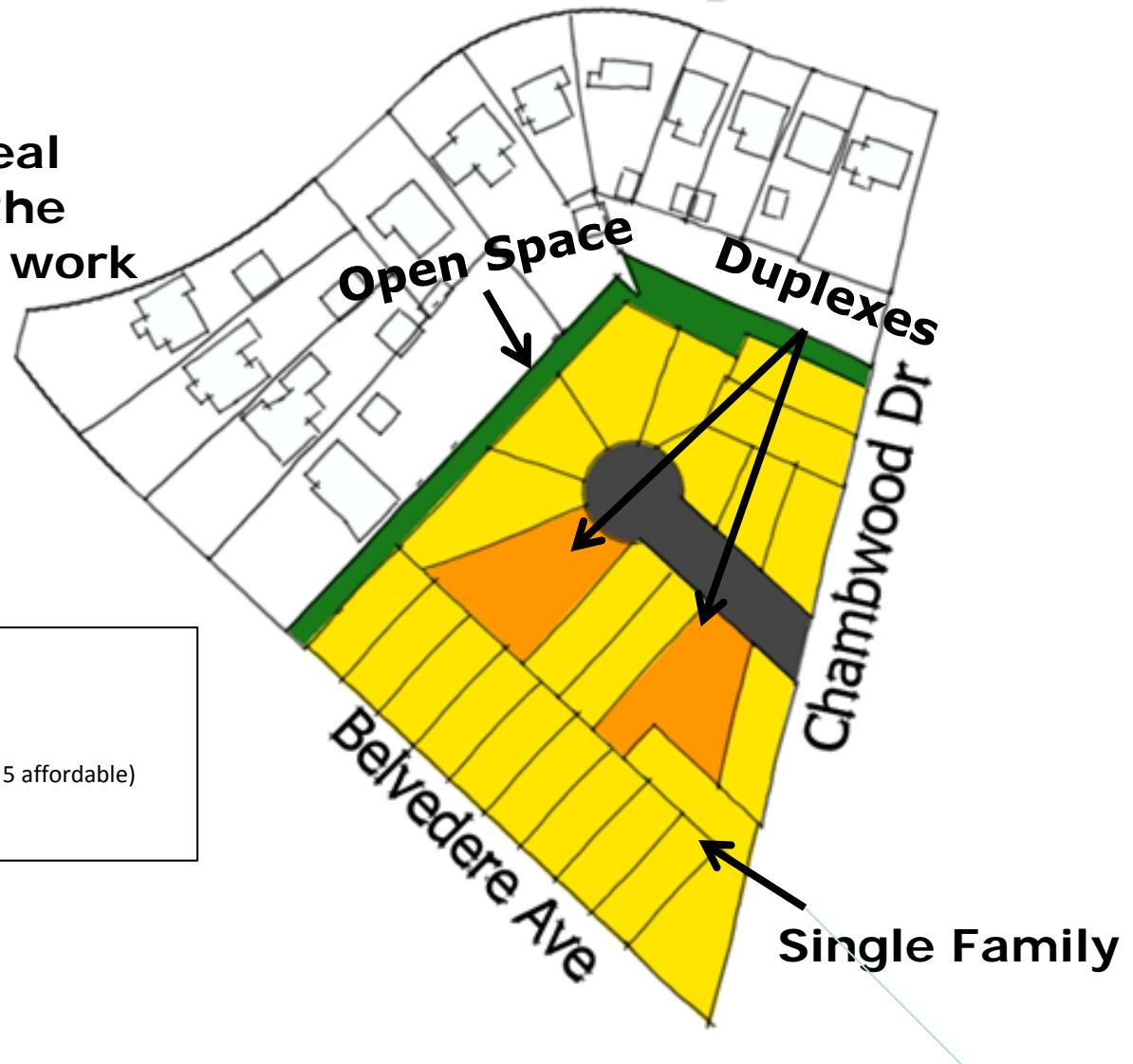
1. Can staff provide a real life example of how the density bonus would work on a smaller tract?
2. Can staff better explain the mechanics of program administration?
3. Can staff explain what happens if the unit is sold within the control period?





## Development Scenario R-5 Example

Can staff provide a real life example of how the density bonus would work on a smaller tract?



### Density Bonus: 3 DUA with Mixed Units

Area: 3.6 acres

Tree Save 15,682 SF (10%)

Base Density: 5 DUA (18 SF lots allowed)

Bonus Achieved: 2.5 DUA (9 bonus units of which 5 affordable)

Total Density: 7.5 DUA (27 units)

Housing Types: 23 SF and 2 Duplex lots



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## Committee Follow-up Question 2

### Can staff better explain the mechanics of program administration?

#### Review and Administration for Mixed Income Housing Program



Joint responsibility of Planning, N&BS, LUESA, and Non-Profit

Can staff explain what happens if the unit is sold within the control period?

- The purchase and resale of affordable units can be managed similar to existing programs and practices
- The City would purchase only if deemed appropriate
- Criteria will be developed to determine when units should be purchased
- The seller gains the equity from the sale

- **Citizen Advisory Group (CAG) Process Complete**
- **Process Benchmarks**

Proposed Text Amendment	Public Hearing	Zoning Committee	Council Decision
SF Mixed Income Housing Development	12-17-12	01-09-13	01-22-13
MF Mixed Income Housing Development	01-22-13	01-30-13	02-18-13
Duplex	TBD	TBD	TBD

- **Follow the process at:** [www.charlotteplanning.org](http://www.charlotteplanning.org)

