



CHARLOTTE



Incentive Based
INCLUSIONARY HOUSING

Citizen Advisory Group Meeting #1

September 29, 2011

Meeting Agenda

- **Welcome / Introductions**
- **Roles and Responsibilities**
 - Citizen Advisory Group
 - Staff
 - Decision Making Process
 - Who are we missing?
- **Recommended Action Plan**
- **Group Discussion on Single Family Density Bonus**
- **Next Steps / Adjourn**



○ **Citizen Advisory Group**

- Responsible for reviewing and discussing various regulatory incentives to encourage private sector development of affordable housing

○ **Who's Represented?**

Community Development Corporations
Real Estate and Building Industry Coalition
Greater Charlotte Apartment Association
Mixed Income Housing Coalition
Habitat for Humanity

Neighborhood Organizations
Charlotte-Mecklenburg Schools
Charlotte Housing Authority
Johnson C. Smith University

○ **Staff**

- Responsible for managing the public input process, drafting recommended text amendments, and carrying text amendments through the review and adoption process

○ **Decision Making Process**

- Citizen Input process September 2011-January 2012
- Committee Action February 2012
- Council Action April/May 2012





CITY OF CHARLOTTE

Who's Missing?



Council Assignment



- Incentive Based Inclusionary Housing Policies are tools used to encourage and yield affordable housing built by private sector
- The Housing & Neighborhood Development (H&ND) Committee met several times to discuss this issue. At the May 25, 2011 meeting the committee recommended to Council a list of regulatory and financial incentives to create affordable housing
- Council approved a proposed action plan at its June 27, 2011 meeting directing staff to pursue 11 regulatory and financial incentives that could work for Charlotte
- Council also asked staff to work with a citizen advisory group throughout this process



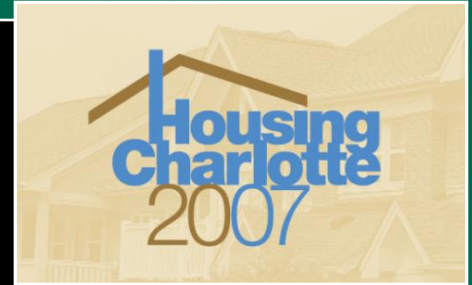
CITY OF CHARLOTTE

Defining Affordable Housing



- Several studies have been done that indicate a significant unmet need for affordable multi-family rental housing units
- Affordable Housing is defined as housing where no more than 30% of a person's gross income is paid for rent or mortgage
- In Charlotte the goal is to provide safe and decent housing for the lowest incomes or persons with incomes less than 60% (\$40,500) of Area Median Income (AMI)

Recent Affordable Housing Initiatives



○ **Housing Charlotte 2007**

- Community Forum on Affordable Housing

○ **Housing Charlotte 2007 Implementation**

- Committees formed around priorities established at the Community Forum. Staff provided administrative support to committees but effort lead by coalition of public and private organizations. Committee structure included:

1. Education, Outreach and Advocacy
2. Rental Housing Subsidy
3. Acquisition Strategy
4. Dedicated Funding Source

5. Incentive Based Inclusionary Housing Policies (IBIHP)

○ **IBIHP Subcommittee Recommendations**

- Develop a single family density bonus program
- Amend current Zoning Ordinance to expand accessory use ordinance to allow non-relatives to occupy accessory dwelling units (ADU's)
- Amend Zoning Ordinance to allow duplex units on any lot (not just corner lots) if it meets current standards (e.g. lot size at 1.5 times base zoning requirement)

- Council recommended the following **Action Plan** at its June 27, 2011 meeting:
 - **Regulatory Incentives**
 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**

- **Financial Incentives**

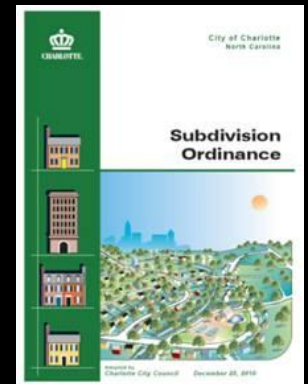
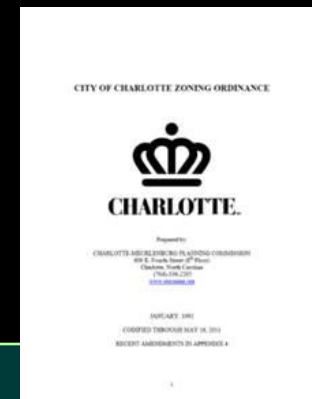
6. Create local rent subsidy program
7. Increase Housing Trust Fund commitments for federal low income housing tax credits
8. Lobby NCHFA for changes to its Qualified Application process to allow urban projects to score higher
9. Develop a program to make available government owned land at a reduced cost in exchange for affordable housing
10. Establish aggressive acquisition program for existing apartments currently in financial difficulty or underutilized
11. Cash subsidies

Action Plan Summary

- Of the **11** Action Plan recommendations, the **6 financial** initiatives are ongoing and should be continued
- The remaining **5 regulatory** initiatives need further action through text amendments, user fee adjustments, or additional Committee discussion
- The Action Plan recommends a public input process for strategies needing additional action, with start-up expected in September 2011 and anticipated Council action by April/May 2012

1. Develop a voluntary single family and multi-family zoning density bonus program

- A density bonus allows for an increase in the number of dwelling units permitted over the otherwise maximum allowable density under the existing zoning district
- Current regulations allow for density bonuses in:
 - MX Districts (MX-1, MX-2, MX-3)
 - Swim Buffers
 - Residential Tree Save Ordinance



Density Bonus Goals

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





IBIHP Subcommittee Density Bonus Recommendation

Density Bonus Recommendation

- Allow a conditional change in density from 3 to 6; 4 to 6; and 5 to 6 dwelling units per acre (DUA) subject to staff review
- Minimum of 5 acres in R-3, R-4, & R-5 Single Family Zoning Districts
- Allow attached multi-family housing in single family districts by right subject to the 6 unit an acre limit on the overall property

Eligibility Requirements

- 50% of additional units must be affordable (3-6 DUA)
- 40% of additional units must be affordable (4-6 DUA)
- 30% of additional units must be affordable (5-6 DUA)
- Number of affordable units not to exceed 25% of total development
- Households earning 80% or less than Area Median Income (AMI); \$51,520 annually for a 4-person household in 2008, and be adjusted in the future based on the actual AMI at the time of submittal of the neighborhood plan to Planning.



IBIHP Subcommittee Density Bonus Recommendation

Development Standards

Design Guidelines

- Units must blend in architecturally with other units
- Affordable units must be dispersed within the development as far as it is possible
- Perimeter of development must reflect the character of adjacent neighborhoods
- Subject to General Development Policy (GDP) residential design guidelines
- Subject to staff review and approval



Single Family Density Bonus Staff Draft Recommendation

Density Bonus Recommendation

- Allow one (1) unit above base density for all single family districts

Eligibility Requirements

- Min. 50% of additional units allowed by the density bonus must be affordable
- Affordable is defined currently as \$126,000, the maximum home price a family of four (4) can afford to pay at or below 60% (\$40,500) of Area Median Income (AMI)
- Number of affordable units not to exceed 25% of total housing units in the development

Single Family Development Example:

- An increase from 3 to 4 dwelling units per acre on a 10 acre site would allow an increase from **30** to **40** dwelling units
- This allows for **10** additional units on a 10 acre site
- If 50% of units affordable could yield **5** units with affordable being **12.5%** of total units

Single Family Density Bonus Staff Draft Recommendation

Development Standards

Reduced Yards

- Front Setbacks: 20' for front loaded garages; 15' for all other lots
- Rear Yards: 30' for internal lots; rear yards along the outer boundary of a project must comply with the zoning district requirement

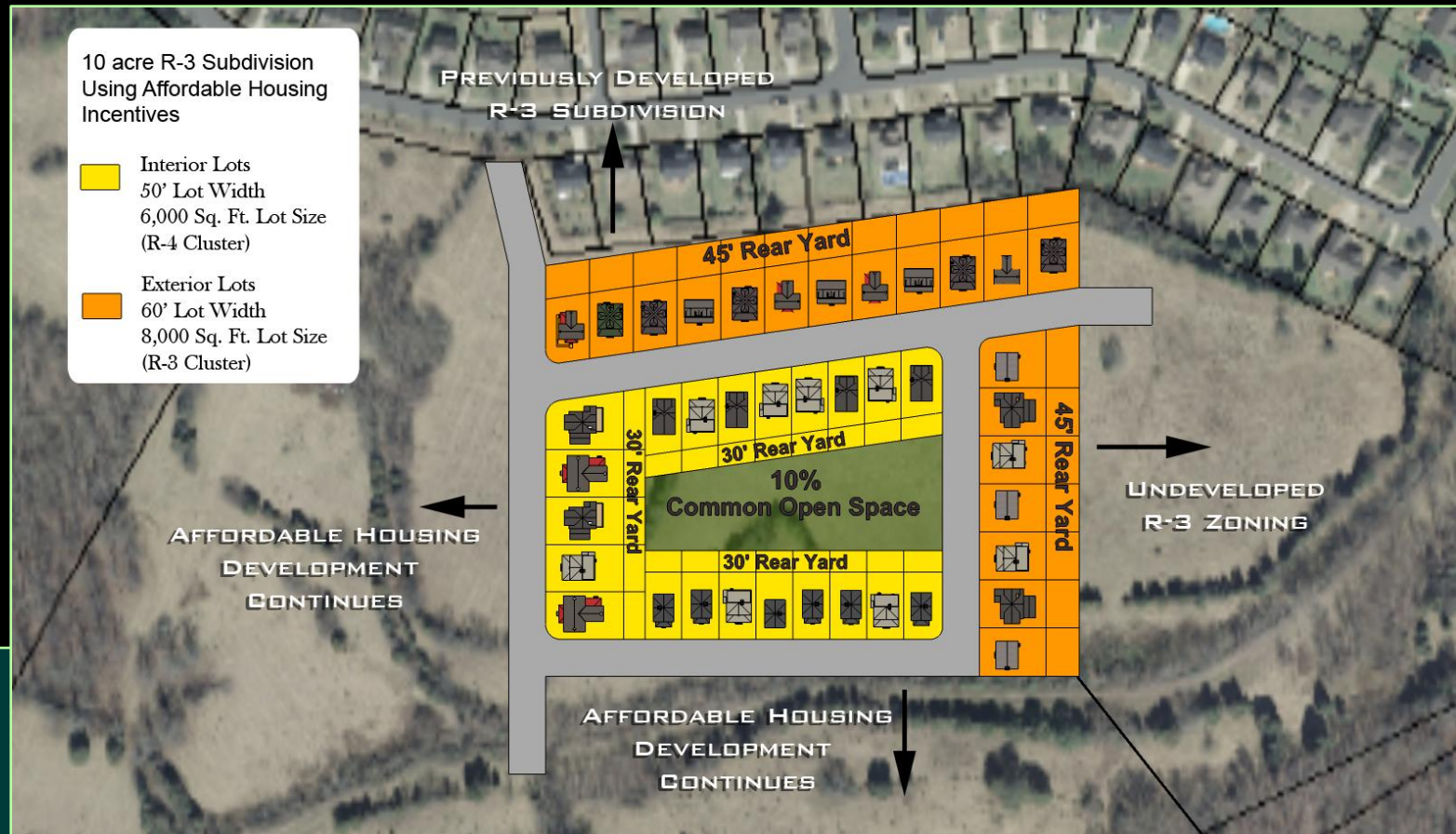
Reduced Lot Sizes and Lot Widths

- Apply the cluster provision for lot size and lot width of the zoning category
- If a minimum of 10% is applied to common open space, cluster provisions for the next lower zoning category may be utilized. Perimeter lots that abut other single family zoned properties shall meet the underlying zoning cluster provisions

Zoning District	Cluster Min. Lot Area	Standard Min. Lot Area	Cluster Min. Lot Width	Standard Min. Lot Width
R-3	8,000 SF	10,000 SF	60 Feet	70 Feet
R-4	6,000 SF	8,000 SF	50 Feet	60 Feet
R-5	4,500 SF	6,000 SF	40 Feet	50 Feet
R-6	3,500 SF	4,500 SF	40 Feet	40 Feet



Development Standards



Single Family Density Bonus Staff Draft Recommendation

Development Standards

Design Guidelines

- Units must externally blend in architecturally with other units to include materials and style (such as roof pitches, foundations, window treatment)
- Affordable units must be dispersed within the development
- Perimeter of development must reflect the character of adjacent neighborhoods based on Zoning



Architectural Design Standards



- Building material
- Roof pitch
- Window type
- Foundation



Breakout Group Exercise

Directions

- 45 minutes to complete
- Breakout into two groups
- Assign a reporter
- Respond to questions
- Report back





Breakout Group Exercise



Questions

1. List the pros and cons of a density program for single family development in helping to increase the supply of affordable housing.
2. List the pros and cons of the proposed development standards for a single family density bonus (yards, setbacks, design).
3. List any issues or concerns you have about implementing a proposed single family density bonus program.

Next Steps

- **Upcoming Citizen Advisory Group (CAG) Meeting Dates:**
 - October 13, 2011 (6pm, CMGC Room 280)
 - November 3, 2011 (6pm, CMGC Room 280)
 - Future dates to be determined
- **Process Benchmarks**
 - Citizen Input process September 2011-January 2012
 - Committee Action February 2012
 - Council Action April/May 2012
- **Questions or concerns should be directed to:**

Bryman Suttle, *Charlotte-Mecklenburg Planning Department*
704-336-8325 bsuttle@charlottenc.gov
- **Tonight's presentation, including summary minutes, will be posted at:**
www.charlotteplanning.org





CITY OF CHARLOTTE

Questions?



Single Family Density Bonus Recommendation

Development Standards

Reduced Yards

- Front Setbacks: 20' for front loaded garages; 15' for all other lots
- Rear Yards: 30' for internal lots; rear yards along the outer boundary of a project must comply with the zoning district requirement

Reduced Lot Sizes and Yard Widths

- Apply the cluster provision for lot size and lot width of the zoning category
- If a minimum of 10% is applied to common open space, cluster provisions for the next lower zoning category may be utilized. Perimeter lots that abut other single family zoned properties shall meet the underlying zoning cluster provisions

Design Guidelines

- Units must externally blend in architecturally with other units to include materials and style (such as roof pitches, foundations, window treatment)
- Affordable units must be dispersed within the development
- Perimeter of development must reflect the character of adjacent neighborhoods based on Zoning