



CHARLOTTE



Incentive Based
INCLUSIONARY HOUSING

Citizen Advisory Group Meeting #2

October 13, 2011

- **Welcome / Introductions**
- **Recap from last meeting**
 - Charge
 - Roles and Responsibilities
 - Follow-up: Who are we missing?
- **Group Discussion – SF Density Bonus**
 - 2008 Incentive Based Inclusionary Housing Policies Sub-committee Recommendations
 - Draft 1 Staff Recommendations
 - What we heard from breakout groups
 - Draft 2 Staff Recommendations
- **Next Steps / Adjourn**



- 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

- 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

○ **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

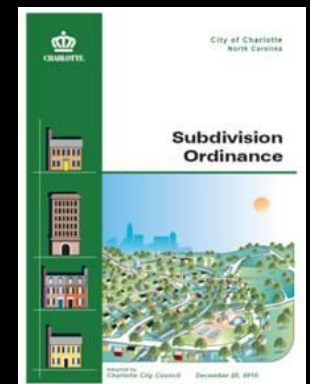
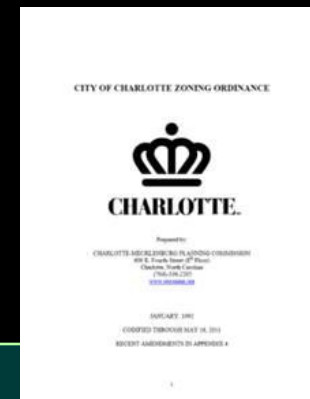




FOLLOW-UP

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

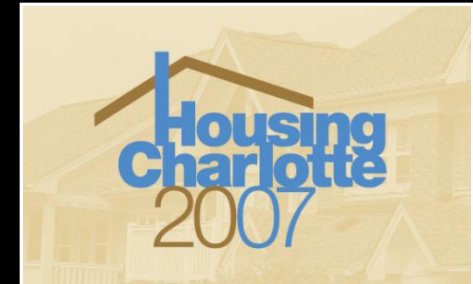


Density Bonus Recommendation

- 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.



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 Draft 1 Staff 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 Draft 1 Staff 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

Draft 1 Density Bonus Development Standards

10 acre R-3 Subdivision
Using Affordable Housing
Incentives

- Interior Lots
50' Lot Width
6,000 Sq. Ft. Lot Size
(R-4 Cluster)
- Exterior Lots
60' Lot Width
8,000 Sq. Ft. Lot Size
(R-3 Cluster)



Single Family Density Bonus Draft 1 Staff 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

Recap from Breakout Groups



- Need a greater density bonus
- Increased density may limit amenity areas
- Citizens are concerned with increasing density without the public input of the rezoning process
- Increase incentives in areas with high housing values
- Focus the program in areas that lack affordable housing and contain higher income neighborhoods to better disperse affordable housing throughout Charlotte
- Concerned that some areas of the community are already saturated with affordable housing
- Place affordable units internal to the development
- Modify the program eligibility from 60% AMI to 80% AMI
- Concerned that AMI changes over time
- Difficult to construct a single family detached home at the affordable value and incorporate the design standards of the market rate or greater priced homes.

Recap from Breakout Groups

- Abutting rear yards can be more than 1 zoning district apart without detracting from lower density district
- Allow the residential tree save incentive from the Tree Ordinance regarding perimeter protection either by utilizing the cluster provisions of the underlying zoning classification or a minimum 20 foot wide tree save buffer perimeter within common open space
- Perimeter of developments, except for rear yards, should be similar
- If the outside of market rate homes and affordable homes are too similar, there aren't enough interior items available to make up for the difference in cost
- Allow flexibility on the type of housing (i.e. allow for sale townhomes) and/or flexibility to modify design



1. Location and Density Increase
2. Program Eligibility
3. Development Standards
4. Mixed Housing Types



Density Bonus Recommendation

- ~~○ Allow one (1) unit above base density for all single family districts~~
- Within geographies that have a median home value of (\$153,000*) or greater:
 - Allow two (2) units above the base density for applicable single family districts (80% AMI)
 - Allow three (3) units above the base density for applicable single family districts (60% AMI)
 - To qualify for 3 DUA increase, all affordable units must serve 60% AMI

* Median Home Value Source: American Community Survey, 2005-09

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)
 - \$168,000, the maximum home price a family of four (4) can afford to pay at or below 80% (\$54,000) of Area Median Income (AMI).
- Number of affordable units not to exceed 25% of total housing units in the development

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 higher zoning category may be utilized. Perimeter lots that abut **or are across a local residential street from** other single family zoned properties shall meet the underlying zoning cluster provisions. **A minimum 20' wide tree save area within common open space may be utilized to eliminate this requirement for perimeter lots that abut other single family zoned properties.**

Draft 2 Density Bonus Development Standards

10 acre R-3 Subdivision
Using Affordable Housing
Incentives

- Interior Lots (R-4 Cluster)**
50' Lot Width
6,000 Sq. Ft. Lot Size
(R-4 Cluster)
- Perimeter Lots (R-3 Cluster)**
60' Lot Width
8,000 Sq. Ft. Lot Size

Existing R-3
Subdivision

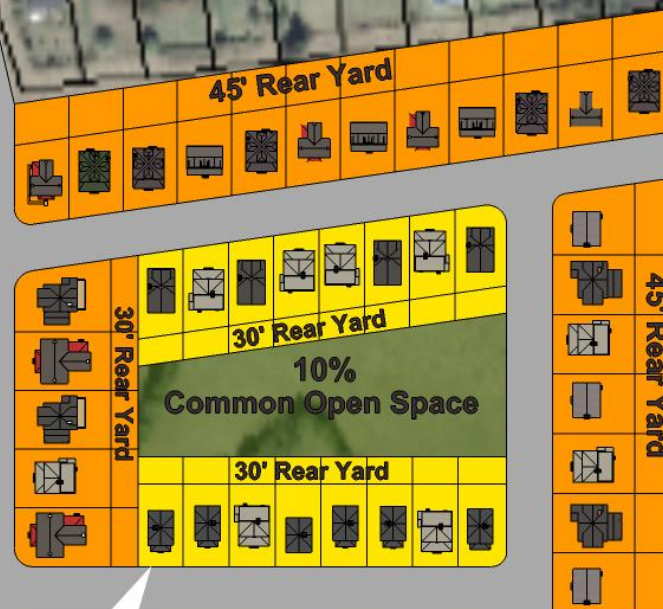
Perimeter lots utilize cluster provisions for lot width and lot size of the underlying zoning category. Rear yards along outer boundary must comply with underlying zoning.

UNDEVELOPED
R-3 Zoning

UNDEVELOPED
R-3 Zoning

Interior lots can utilize cluster provisions for lot width and lot size of the next higher zoning category.

Affordable Housing
Development
Continues



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



Draft 2 Staff Recommendation

Mixed Housing Types

As part of this process, allowing duplexes on any lot and non-relatives to occupy Accessory Dwelling Units (ADU's) could provide a mixture of housing types.



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

