

**Incentive Based Inclusionary Housing  
Citizen Advisory Group Meeting 4- December 13, 2011  
Meeting Summary**

**Attendees:**

Maddy Baer  
Roger Coates  
Bill Daleure  
Monica Holmes  
Karla Knotts  
Bill Martin  
Aaron McKeitham  
Lee McLaren

Don Means  
Johann Means  
Jeff Meadows  
Joe Padilla  
Nancy Pierce  
Wil Russell  
Lucille Smith  
Katie Zender  
Andy Zoutewelle

**Staff Attendees:**

Debra Campbell  
Linda Keich  
Shad Spencer

Bryman Suttle  
Pamela Wideman  
Jan Whitesell

Meeting began: 6:10pm

**I. Welcome / Introductions**

Debra Campbell opened the meeting and welcomed attendees and, went around the room for introductions. She stated we appreciate you being here. As you can see by the agenda we have a lot to cover. We would like to close out the single family residential density bonus and get into the recommendations for duplexes and ADU's. At the end of this meeting we hope we have accomplished all of these topics. If not, we can carry them over to the next meeting. Debra stated we will be moving quickly especially on the single family residential density bonus program. We have spent a lot of time on this subject.

**II. Follow-up on Who's Missing**

She stated we have new people attending from the Madison Park Homeowners Association. At the last meeting we talked about who is missing, specifically south charlotte representation. She thanked them for joining the group.

**III. Finalize proposed Single Family Density Bonus Program**

Debra stated what we would like to discuss is the single family density bonus development scenarios. At the end of our last meeting there were some questions whether we are able to put this conceptual idea of increasing the density for the purpose of affordable housing up to the amount that is proposed. We are saying that we can allow up to 3 additional dwelling units to the acre to the base zoning. She thanked Monica Holmes for her work and also acknowledged the example Planning staff provided.

There were also some legal concerns about the way we have identified specific geographies that we want to target the bonuses in. We had a meeting with the City's legal department and will update you

on how the meeting went. Lastly, we want to report back to provide a path forward on how we plan to address program administration, especially how we address monitoring and making sure that the right people are receiving the benefits of these affordable units program tracking.

Debra turned the meeting over to Shad to go over the Development scenario concerns.

***a. Report back on Density Bonus development scenario***

Shad stated that the purpose of this exercise was to test the recommendations to see if we could achieve the 3 DUA increase. We have to take into account all the other ordinances and they include the tree ordinance, post construction, lot size requirement, lot width requirement, and subdivision ordinance.

**Example 1: Designer R-3 Example**

In this example, which is the same parcel we looked at the last time, we got a 2.5 density bonus. This time we ended up with 2.9 DUA increase. We talked about post-construction and you are going to need 2 to 5 percent of your subdivisions for Post Construction Control Ordinance (PCCO) Best Management Practices (BMPs) which include detention ponds, open space, and trees. The following are the assumptions and results from the first example:

**Area:** 56 acres

**COS:** 8.7 ac (5.7 ac Tree Save & 3 ac BMPs)

Base density is 3 DUA'S , R-3 which gives you (168 sf lots),

2.9 additional DUA (257 sf lots and 74 mixed units)

Total = 5.9 dua (331 UNITS)

**Lot Sizes**

Exterior Lots (R-3 Cluster) – 8,000 sq. ft

Interior Lots (R-5 Cluster) 4,500 sq. ft.

Interior Duplex Lots – 6,500 sq. ft.

Interior Triplex Lots – 9,500 sq ft

Interior Quadraplex Lots – 11,500 sq. ft

**Housing Types:**

Single Family – 257 units

Mixed Housing – 74 units (81) units allowed

○ Duplex – 28 units

○ Triplex – 6 units

○ Quadraplexs – 40 units

***Question:*** Can we go beyond quadraplexes and allow for townhomes?

***Response:*** Debra stated they are raising some good issues in terms of the challenge to get the full maximum 3 DUAs that would be allowed. She also explained our challenge is looking at the traditional single family district where none of this type is permitted. This would be very different allowing this range of housing types in these areas for the community. What I would like to do is take things incrementally so let's start with this and get some good product. Over time we can build a case for adding on townhomes and additional types of mixed housing if we need it to make this successful. I

want the opportunity to get this adopted. This is what I really want to do. We have to demonstrate to the community that it can be done and we can get quality development so that this concept becomes acceptable in the community. This is what we are trying to do.

#### Example 2: Staff R-3 Example

Our Urban Designer got a density bonus of 2.86. The following are the assumptions and results from the second example:

**Area:** 56 acres

**COS:** 8.8 ac (5.8 ac Tree Save & 3 ac BMPs)

**Density**

Base= 3 DUA (168 sf lots)

Bonus Achieved=2.88 DUA (248 lots & 80 mixed units)

Total= 5.86 DUA (328 units)

**Lot Sizes:**

Exterior Lots (R-3 Cluster) – 8,000 sq. ft.

Interior Lots (R-5 Cluster) 4,500 sq. ft.

Interior Duplex Lots – 6,500 sq. ft.

Interior Triplex Lots – 9,500 sq. ft.

Interior Quadraplex Lots – 11,500 sq. ft.

**Housing Types:**

Single Family – 248 units

Mixed Housing – (80 units allowed)

- Duplex – 30 units
- Triplex – 30 units
- Quadraplex – 20 units

#### ***b. Report back on legal concerns for locational criteria***

Bryman stated we met with legal researched the approach and concluded they had no concerns based on the following:

1. The voluntary nature of the program
2. The approach has a rational relationship to the city's interest in promoting and dispersing affordable housing

#### ***c. Report back on program administration***

Pamela stated there are numerous components to program administration. We want to make sure that the affordable housing units will actually be built, that architectural design is consistent, that there is dispersal of affordable housing units, and ensure mitigation of traffic impacts. Our next steps are working to establish best practices that can be applied to all of the recommended strategies/programs. We have a meeting scheduled with the Town of Davidson's Program Administrator in early January to discuss their administrative practices and what they have learned from other communities like Chapel Hill. We want your input and will be putting together a small working group from this group similar to what we did for single family density bonus program. We are sending around a sign in sheet if you are interested in becoming a part of this group. We will start our work in January.

Debra commented what that does is enable us to have dialogue from a smaller group. The smaller group will bring back our recommendations to the larger group. This will allow us to focus just on the Program Administration. We wanted to get more intelligent about some of the programs. That is why we are meeting with Davidson.

*Question:* Are you concerned if you sold to the right person?

*Response:* Pam stated Davidson for example requires developers to have a marketing plan on how they are going market to the right people.

Debra stated the one thing that concerns me about Program Administration is when we call people and ask -"do you have a density bonus program and how many affordable units do you have built?" -they can't give us good information because they are not tracking it. The red flags are always raised regarding program administration and tracking. We need to make sure the right people are getting the units, that we are tracking them, and making sure that over time the unit is still affordable.

Debra stated she wanted to close out the single family density bonus tonight. If there are no burning issues we are moving on.

*Question:* Will you consider units beyond a quadraplex?

*Response:* Debra stated we will consider them in the future.

*Question:* House Charlotte has a 10 year recapture period during which they can sell the property. Will this be put into effect while we have a 95% vacancy rate?

*Response:* Debra stated this is an opportunity to create not just housing units, but different types of communities than what we have had in Charlotte. We do not have these communities in a lot of ways as in from an income perspective, the mixing of affordable and market rate, a racial perspective, and in geographies where we are trying to encourage with this type of program. In terms of why we have to do this, it's bigger than just affordable housing. It's about recreating a different type of Charlotte.

*Question:* Are Quads only allowed on corner lots?

*Response:* Debra stated a Quadraplex based on this particular program is for lots interior to the subdivision.

*Question:* When will architectural review occur?

*Response:* I think it will be part of program administrative because we have to figure out the actual development review approval and permitting process. That will be the hardest thing we will do.

*Question:* How do we open up the opportunity for people below the threshold median income to get into that area when vacancy is an issue?

*Response:* Debra stated I think we have gone through an anomaly in terms of development. I don't know if it will ever be the way that it was. We have so many other controls that will prevent it, in

particular financing. We can't do it anymore at that rate. That is an issue you raise -more or less- not in terms of the details of the recommendations, but the timing. When can this be approved and incremented?

*Question:* Does the word dispersal mean within the development?

*Response:* Yes it should relate to the development as it has to do with the density bonus and the requirements that were recommending.

#### **IV. Review of draft recommendations to allow duplexes on any lot**

##### **Current Zoning Regulations**

Duplex dwellings are allowed in R-3, R-4, R-5 and R-6 provided they are located on a corner lot and meet design criteria

Duplex dwellings are allowed on any lot with R-8

##### **Proposed Program**

Allow duplex dwellings on lots city-wide, other than corner lots within the R-3, R-4, R-5, and R-6 single family zoning districts per prescribed conditions under design guidelines.

##### **The Set-Aside**

Minimum 50% (1 unit) of the duplex must be affordable.

##### **Income Targeting**

Income levels at or below 80% (currently \$54,000) of Area Median Income (AMI)

AMI is updated annually by the US Department of Housing and Urban Development

##### **Design Guidelines & Prescribed Conditions**

- Lots must meet the minimum lot size requirement for duplex lots of the underlying zoning district.

| <b>Zoning District</b> | <b>Minimum Lot Area for Duplex Dwellings</b> |
|------------------------|--|
| R-3                    | 16,000 SF                                    |
| R-4                    | 13,000 SF                                    |
| R-5                    | 10,000 SF                                    |
| R-6                    | 8,000 SF                                     |

##### **Design Guidelines & Prescribed Conditions**

- Duplex dwellings must not exceed the maximum building coverage required for detached dwellings.

| Duplex Dwelling Lot Size | Maximum Building Coverage |
|--------------------------|---------------------------|
| 6,501 SF to 8,500 SF     | 40%                       |
| 8,501 SF to 15,000 SF    | 35%                       |
| 15,001 SF or greater     | 30%                       |

- Limit of two (2) abutting duplex lots which front along the same street.
- Duplex units must be served by a shared driveway.
- Both units must externally blend in architecturally to include materials and style (such as roof pitches, foundations, window treatment).

*Group Concerns:* Issues about Adjacent or abutting lots

*Response:* Debra stated we will work on the limit of 2. The goal is not to have a duplex subdivision. The goal is to retain the single family character and mix in duplexes.

*Group Concerns:* Issues about Driveways location

*Response:* Shad stated we did not want to break up the block up into all single family homes. He stated we did not want to have a whole lot of driveways.

*Question:* Why do we need to require affordability why do we have to track it?

*Response:* Debra stated we are trying to ensure that the recipient is an individual of low to moderate income.

Debra stated that what she is hearing is concern about the set aside. We will have to build a case for Council if we do not have this in the set aside. How do we assure that someone with low to moderate income gets the benefit of living in one of these units?

*Question:* How will renting duplexes affect the neighborhood?

*Response:* Debra commented there are going to be some concerns about potentially adding rental units to a community. What we try to do with the program is create a safeguard. No more than a certain amount of the development can be this type of housing. For example, here you can't have any more than 2 abutting because we don't want to have a subdivision of duplexes.

*Question:* Are there architectural standards for the duplexes?

*Response:* Shad stated they have to blend architecturally. The design guidelines under prescribed conditions which include limits in lot size and building coverage, require shared driveways, and both units within the duplex will blend architecturally.

Debra asked do you want to go back to some of the criteria that we used for the density bonus which was more about the area?

Debra stated we need to clean up some of the language. We need to talk about adjacent and abutting distance from each other limiting them to 2 lots of duplexes. We need to address the issue of the set aside. Should we be recommending half of the units need to be affordable and address architectural compatibility? The group felt like the market would take care of the affordability and it would be a nightmare to administer.

Debra stated we are trying to meet a housing need for a range of people at all incomes and in all geographies.

*Question:* Are the goals for duplexes to put roofs over people's heads or to give the community different types of ownership opportunities?

*Response:* Debra answered I think by providing these units, it will cost less. It is also to provide the opportunity to build a lot that is needed and to potentially own. What I am learning is many people do not have a desire to own. They are too mobile and don't want the responsibility. Our market has a lot of change happening, not only from the financial side but by demographics. Who needs housing and what type of housing do they need?

Debra stated the duplex is not going rent or sale at the same price as the single family home. It sounds like we are leaning toward not requiring one unit to be affordable.

Debra stated we have a listing of the issues that they identified and we will come back at our next meeting with information for you.

## **V. Review of draft recommendations to allow non-relatives to occupy ADUs**

### **Current Zoning Regulations**

Accessory dwelling units (ADUs) are allowed for elderly and disabled housing and for guest houses and employee quarters per prescribed conditions found in Section 12.407 and 12.412 of the Zoning Ordinance.

### **Applicability**

Allow affordable housing units within accessory dwelling units (ADUs) per the following prescribed conditions under design guidelines.

### **The Set-Aside**

The ADU must be affordable.

### **Income Targeting**

Income levels at or below 80% (currently \$54,000) of Area Median Income (AMI). \*

*\* AMI is updated annually by the US Department of Housing and Urban Development.*

### **Design Guidelines**

- The ADU shall be clearly subordinate to the principal structure.
- No more than one ADU shall be located on a lot.
- The ADU and the principal dwelling shall be owned by the same person.
- The ADU shall not be served by a driveway separate from that serving the principal dwelling.
- The ADU shall have a floor area no greater than 50% of the principal structure and under no circumstances cover more than 30% of the rear yard.
- The structure shall be no taller than the principal dwelling.
- The ADU shall be located in the rear yard and not be any closer than 15 feet to a rear property line or along any side property line within the required side yard dimension.
- The minimum lot size for a lot on which an ADU is located shall be 2 times the minimum for the district.
- Roof and exterior wall materials and finishes of the ADU must be comparable in composition and appearance to that of the principal dwelling on the lot.

### **Program Administration**

- Affordable unit must be registered with NBS.
- This section is incomplete and yet to be determined, but will involve a higher level of staff review to address multiple administrative aspects such as:
  - assurances affordable housing units are built and sustained
  - architectural consistency

Concerns were raised about the need to address the height of Accessory Dwelling units.

Debra stated we do not want this building to be the dominant use of the lot. If we have it taller, it will bring attention to that structure and that is not what we are trying to do. Unless it is a certain type of unit as in a garage, it can be taller than the principle structure. So we can narrow it down.

## **VI. Next Steps / Adjourn**

Debra stated we have accomplished a lot in this meeting. Please note the listing of the next meetings.

- January 5, 2012 (6pm, CMGC Room 280)
- January 19, 2012 (6pm, CMGC Room 280)
- February 9, 2012 (6pm, CMGC Room 280)
- February 23, 2012 (6pm, CMGC Room 280)

We may or may not have to go all the way to the February 23<sup>rd</sup>. However, we have not tackled the multi-family density bonus yet.

Meeting adjourned at 7:50 pm.