



CITY OF CHARLOTTE

Background

- June 2011 – Council adopted Action Plan to pursue 11 regulatory and financial strategies incentivizing development of affordable housing
- Directed staff to work with Citizen Advisory Group (CAG) to explore 5 regulatory strategies that are voluntary in nature
- October 2012 – Citizen Advisory Group to complete work on regulatory strategies recommended in Adopted Action Plan



Incentive Based INCLUSIONARY HOUSING

ADOPTED ACTION PLAN

Proposed Regulatory Strategies

1. Accessory Dwelling Units (ADUs) to include non-relatives (adopted July 2012)
 2. Duplexes on any lot
 3. Expedited Review
 4. Fee Waivers
 5. Single & Multi-family density bonus
- ❖ Other strategies

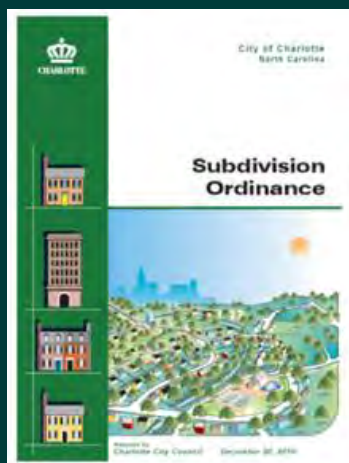
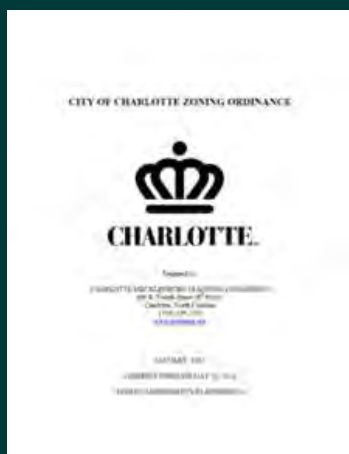


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Advisory Group Representation

- ✓Community Development Corporations
- ✓Real Estate and Building Industry Coalition
- ✓Charlotte-Mecklenburg Housing Partnership
- ✓Greater Charlotte Apartment Association
- ✓Mixed Income Housing Coalition
- ✓Habitat for Humanity
- ✓Neighborhood Organizations
- ✓Charlotte Housing Authority
- ✓Johnson C. Smith University
- ✓2008 Incentive Based Inclusionary Housing Policies Subcommittee Members
- ✓Single Family & Multi-family Developers
- ✓Housing Advocates
- ✓Financial Institutions
- ✓Charlotte Mecklenburg Schools
- ✓South Charlotte Representation

Inclusionary Housing Background



- Tool used by jurisdictions to increase the amount of affordable housing
- Hundreds of jurisdictions have Inclusionary Housing Programs (Boston, Denver, NYC, San Diego, San Francisco, Ashville, Chapel Hill, Davidson, Durham City and County, Winston-Salem and Wilmington)
- At the local level this is usually accomplished by zoning ordinance
- Inclusionary housing program types can be **mandatory** or **voluntary**



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Inclusionary Housing Policy Goals

- Increase supply of affordable units built voluntarily by private sector
- Promote mixed-income communities
- Encourage a range of housing types to be built in developments
- Increase opportunities for people to age in place
- Respond to emerging market needs and demands





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Accomplishments



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
- **No Council Action Required**



SF & MF Density Bonus

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

Accessory Dwelling Units (ADU)

Defined as smaller second dwelling unit located either within the principal or accessory structure

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

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

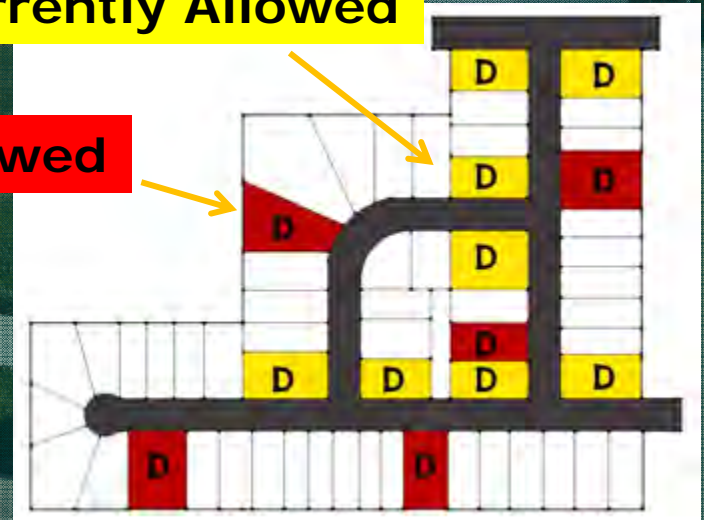
Proposed Changes

Allow on all lots within R-3, R-4, R-5, and R-6 zoning districts under prescribed conditions:

- Allow one additional duplex lot along one side of a city block
- Must meet minimum lot size requirement

Currently Allowed

Potentially Allowed



Existing Practices

- Currently offer a “specialized review” service for affordable housing projects to help expedite the subdivision and rezoning review processes
- Provide comprehensive guidance at the initial stages to reduce the number of review cycles and ensure higher quality development
- **Initial Consultation** Includes relevant staff from various City/County Departments to provide initial site design guidance and explain ordinance requirements and review process
- **Other services** include expedited turnaround for some reviews, troubleshooting, and as liaison with other departments





Expedited Review & Fee Waiver Strategies

Expedited Review Recommendations

1. Continue to provide initial consultations and “Specialized Review”
2. Create Technical Review Committee (TRC) consisting of relevant City, County and State departments representatives
3. Provide education and outreach



Fee Waiver Recommendation

No recommendation for the short term.

Additional study is needed to determine:

- Complexity and scope of development fees
- Budget implications for fee based services

Single Family Program Components

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

Density Bonus – up to (3) units above the base density in R-3, R-4, R-5 and R-6 zoning districts

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

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

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

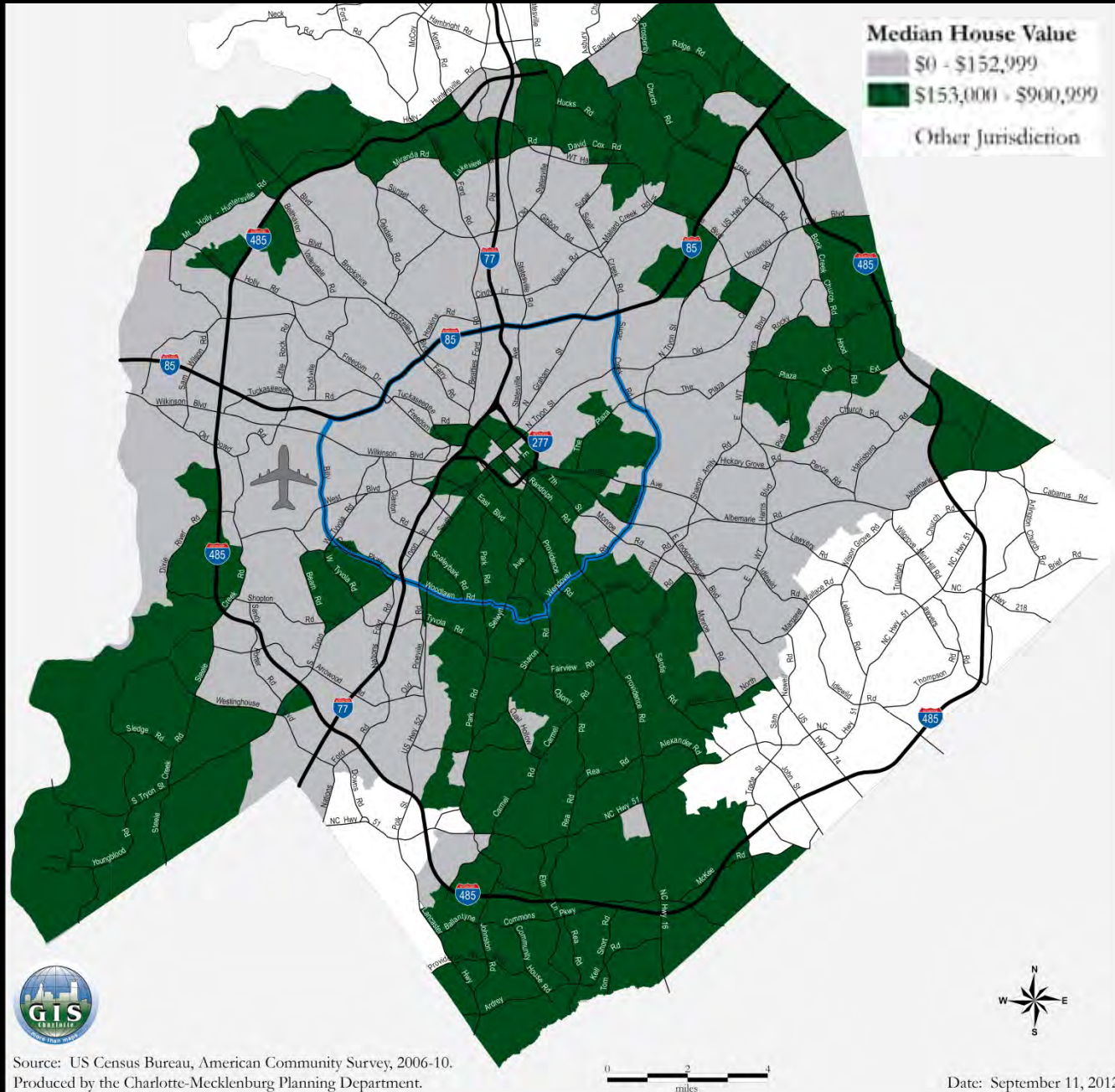
Design Guidelines – must be dispersed and blend in architecturally with other units

Design Guidelines



- Building material
- Roof pitch
- Window type
- Foundation

Locational Criteria: Census Blocks with minimum median home value of \$153,000



Multi-family Program Components

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

Density Bonus

- Up to two (2) units above the base density for R-8MF District (10DUA)
- Allow up to three (3) units above the base density for R-12MF District (15DUA)

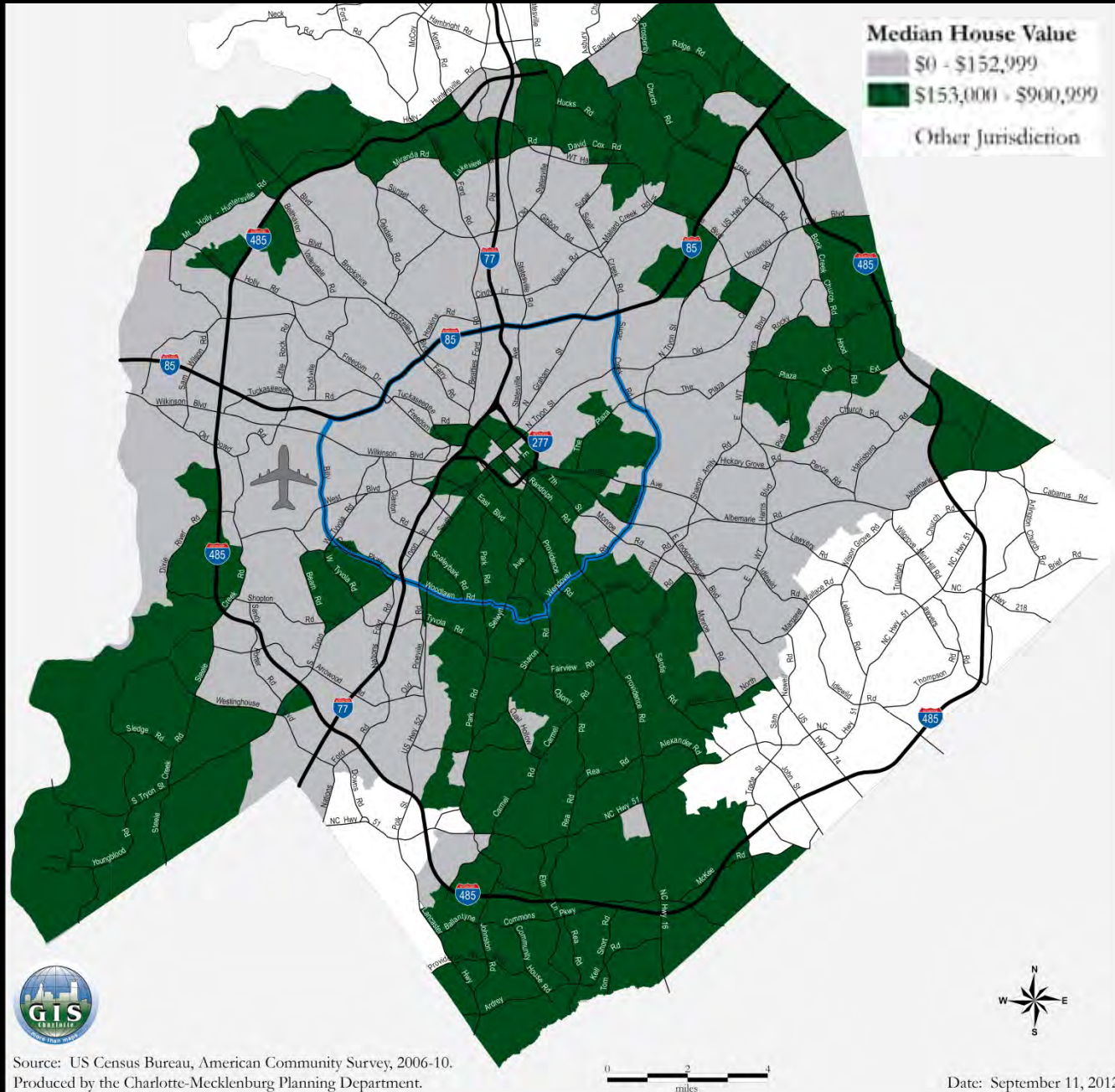
The Set-Aside

- 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 (2) units if located within ¼ mile of transit (rapid transit and local/express bus service)

Locational Criteria: Census Blocks with minimum median home value of \$153,000





Density Bonus Strategy

Program Administration

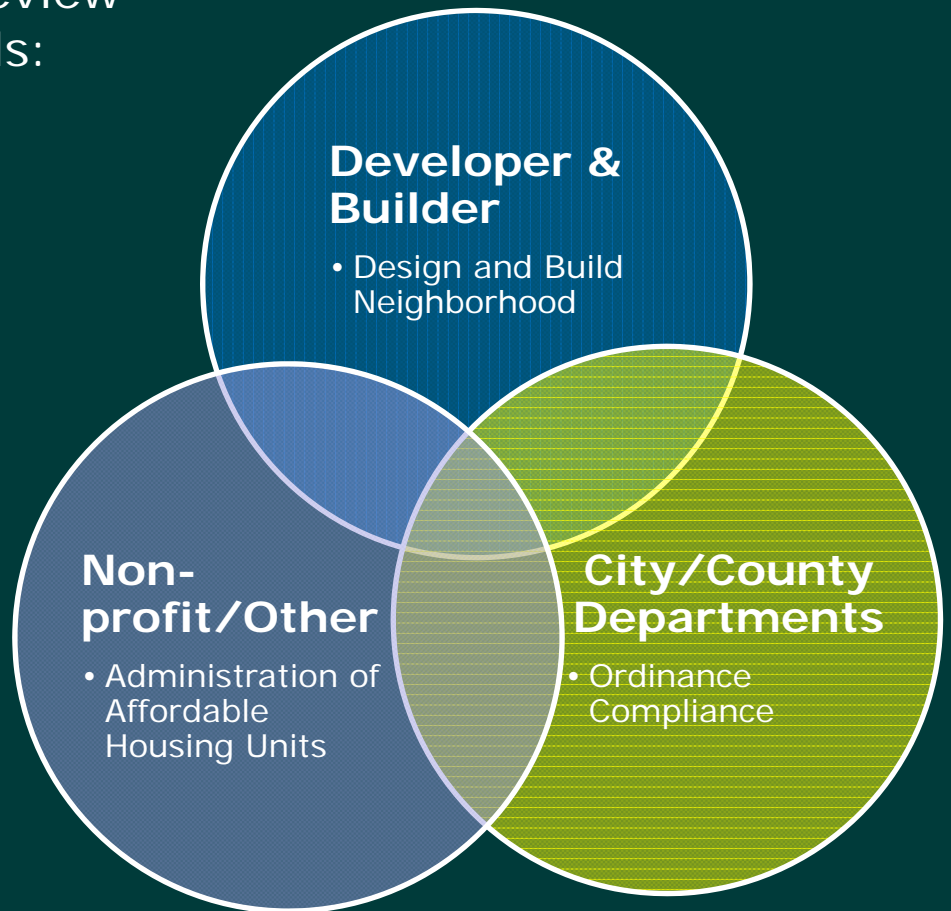
Will involve a higher level of staff review but not limited to the following goals:

Development Review Goals (Ordinance Compliance)

- Architectural consistency
- Dispersal of affordable housing units
- Mitigation of traffic impacts

Program Administration Goals

- Qualifying renters and buyers
- Tracking and monitoring
- Enforcement of agreements



Other Strategies to Consider

- Adaptive Re-use
- Relaxation of development standards
- Land banking
- Local rent subsidy





- **Upcoming Citizen Advisory Group (CAG) Meeting Dates:**
 - October 11, 2012 (6pm, CMGC Room 267)
- **Density Bonus Process Benchmarks**
 - November – H&ND Committee
 - December – Public Hearing
 - January – Council Decision
- **Duplex Process Benchmarks**
 - December – H&ND Committee
 - TBD – Public Hearing
 - TBD – Council Decision
- **Follow the process at:** www.charlotteplanning.org

