



CHARLOTTESM



**Incentive Based
INCLUSIONARY HOUSING**

H&ND Committee Update

September 26, 2012

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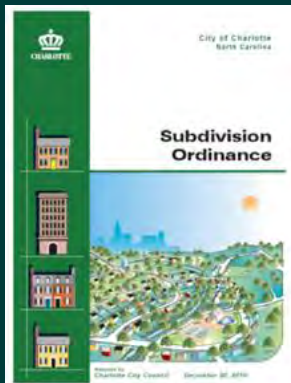
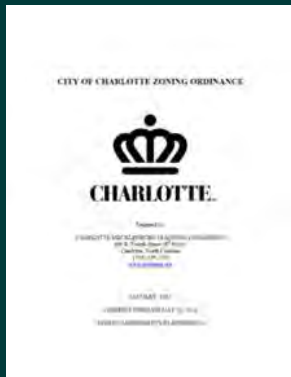


- **Action Plan Update**
- **Density Bonus Strategy**
 - Single Family
 - Multi-Family
- **Duplex Revised Recommendations**
- **Next Steps**





Proposed Regulatory Strategies



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 Strategies

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





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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**



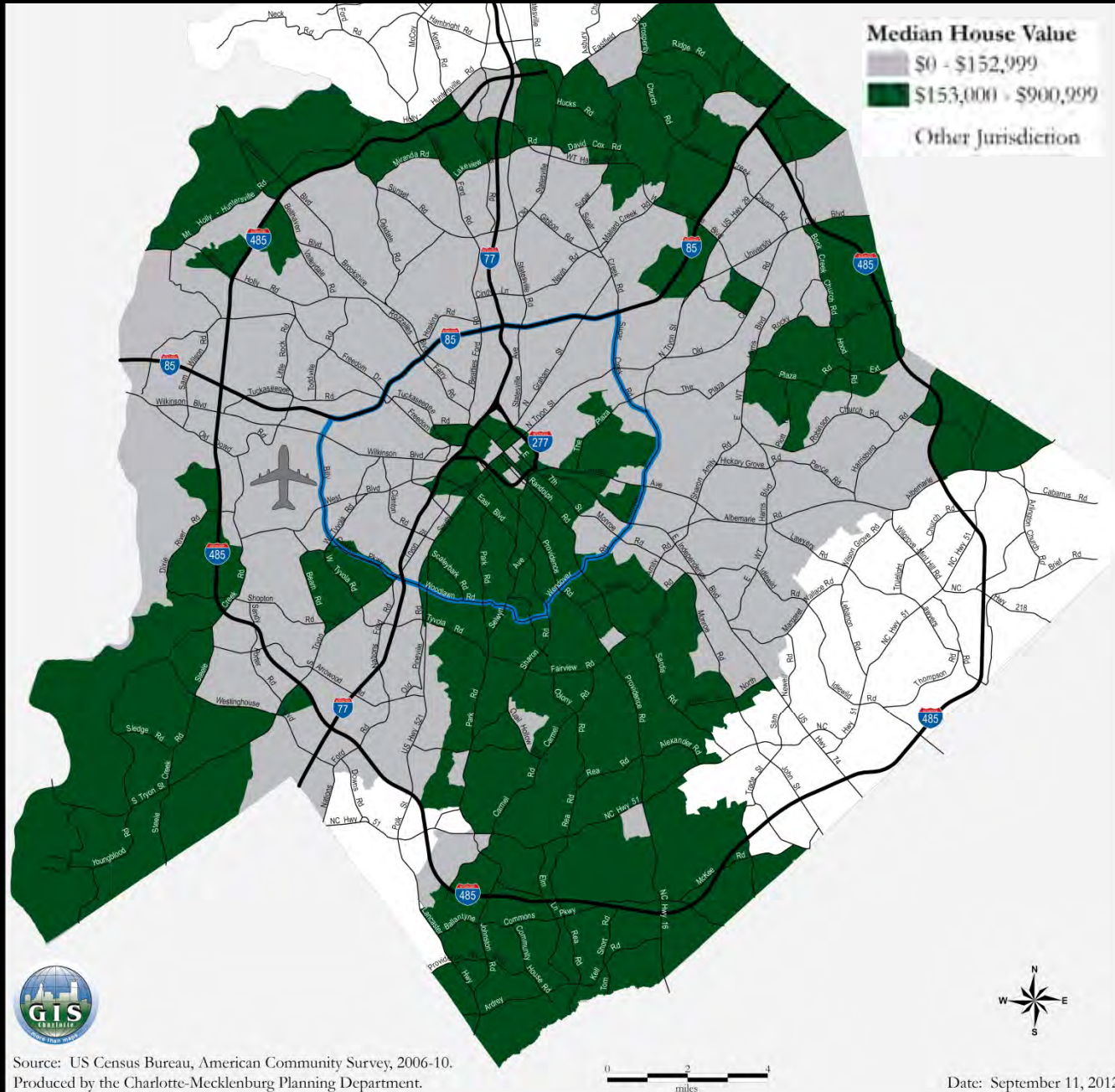
SF & MF Density Bonus

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

Density Bonus Program Goals

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

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



Density Bonus SF Districts

Applicability – R-3, R-4, R-5, and R-6 single family zoning districts

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

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

Threshold Level of Development – (1) acre

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

Phasing – For bonus units, one affordable unit must be built for every market rate unit constructed (1:1 ratio)

Period of Affordability – “Right of First Refusal” on resale for 15 years; would defer to the respective program guidelines if public financing involved

Program Administration – requires a higher level of staff review to ensure program goals

Design Guidelines



- Building material
- Window type
- Roof pitch
- Foundation



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Density Bonus SF Districts

Development Scenario R-3 Example

Density Bonus: 3 DUA with Mixed Units

Area: 56 acres

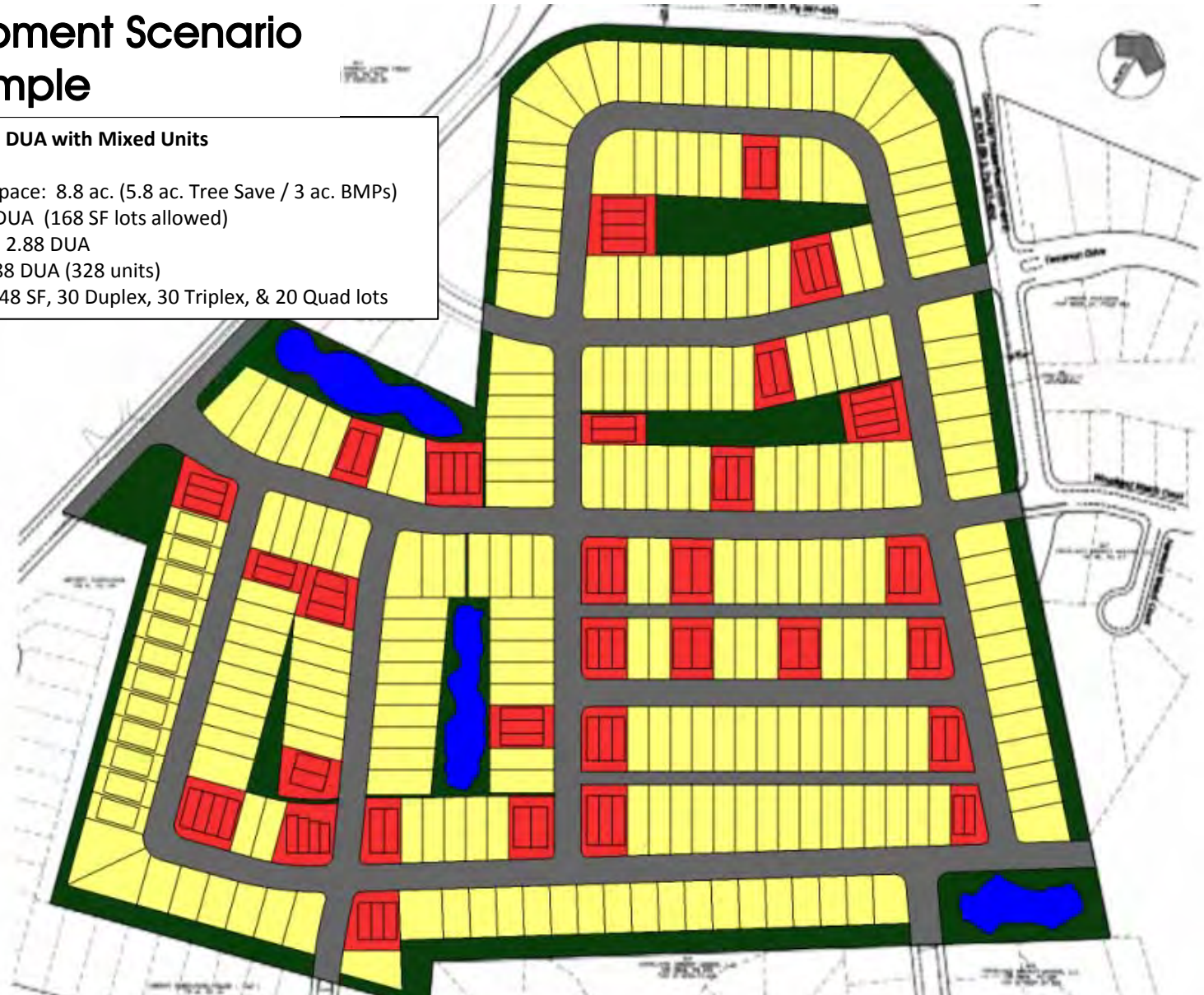
Common Open Space: 8.8 ac. (5.8 ac. Tree Save / 3 ac. BMPs)

Base Density: 3 DUA (168 SF lots allowed)

Bonus Achieved: 2.88 DUA

Total Density: 5.88 DUA (328 units)

Housing Types: 248 SF, 30 Duplex, 30 Triplex, & 20 Quad lots



A. Single Family Discussion Items

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

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

B. Other issues or concerns?



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Density Bonus MF Districts

Applicability – Planned Multi-family Development* within R-8MF and R-12MF zoning districts

** a group of two or more buildings or a single building of more than 12 units constructed on the same lot.*

Locational Criteria – within 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

Threshold Level of Development – (3) acres

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



Density Bonus MF Districts

Incentives/Offsets – Allow an additional two (2) units if located within ¼ mile of transit (rapid transit and local/express bus service)

Design Guidelines

- Affordable units must be dispersed within the development
- If there are more than 50 affordable units, then those units may be contained in a single structure
- Buildings within the development must externally blend in architecturally with other units to include materials and style (such as roof pitches, foundations, window types, building materials)

Phasing – For bonus units, one affordable unit must be built for every market rate unit constructed (1:1 ratio)

Period of Affordability – 15 years for rental and “Right of First Refusal” on resale; If public subsidy or financing involved, would defer to respective program guidelines

Program Administration – requires a higher level of staff review to ensure program goals



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Density Bonus MF Districts

Multi-family Example

- An increase from 12 to 17 dwelling units per acre on a 20 acre site would allow an increase from 240 to 340 dwelling units.
- This allows for 100 additional units on a 20 acre site, 50 of which must be affordable.
- The total percent of affordable housing in the overall development is 14.71%.



Ashley Square



A. Multi-family Discussion Items

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)

B. Other issues or concerns?



Density Bonus Program Administration

Program Administration

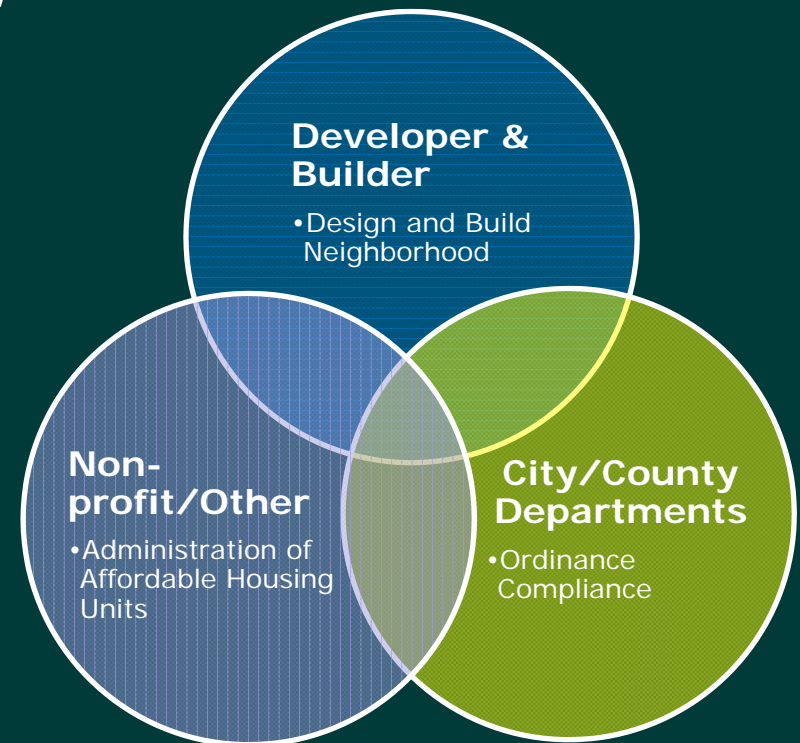
Will involve a higher level of staff review but not limited to the following goals:

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





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Duplex Revised Recommendations

Current Zoning Regulations

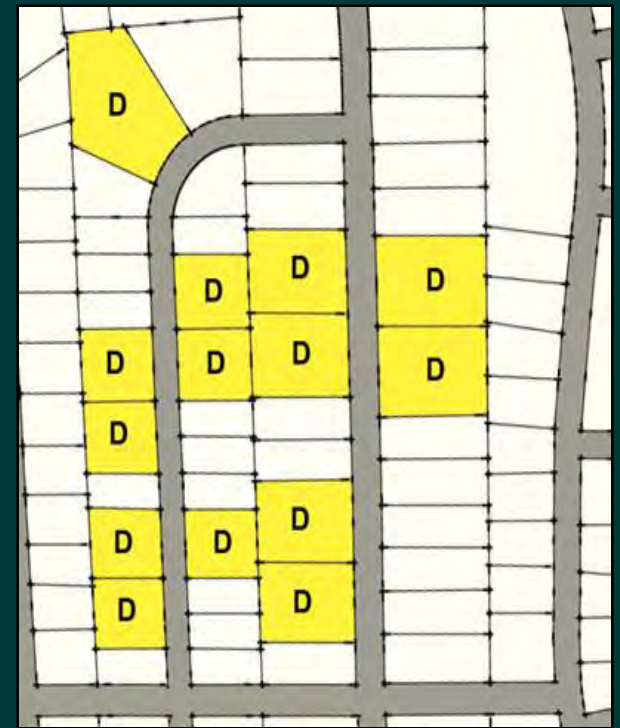
- Duplex dwellings are allowed in R-3, R-4, R-5, and R-6 provided they are located on a corner lot and meet design criteria.
- Duplex dwellings are allowed on any lot within R-8.



Initial Recommended Changes

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

- Must meet the minimum lot size requirement
- Must not exceed the maximum building coverage
- Corner lot must meet minimum setback requirement for each street
- Limit of two (2) abutting duplex lots within a block face
- Duplex units must be served by a shared driveway
- Where two duplex lots abut, a total of three driveways may be allowed





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Duplex Revised Recommendations

Recap of June 18 Public Hearing

- 4 proponents and 2 opponents spoke
- Myers Park and Southeast neighborhood concerned Duplex strategy will:
 - *Encourage tear downs in historic neighborhoods*
 - *increase density and change SF character of neighborhoods*
- **Council raised the following issues:**
 - *Limiting zoning districts and number*
 - *Owner occupancy requirements*
 - *Product quality and concentration of housing type*
 - *Other unintended consequences and impacts*
- **Council requested staff relook at the Duplex recommendation**

Recap of August 2 Meeting

Staff met with citizens who were concerned Duplex strategy will:

- *Encourage tear downs in historic neighborhoods*
- *Increase density without public input as required with a rezoning*
- *Change character of neighborhoods that homeowners expected to remain Single Family*
- *Design will not be consistent with historic or established neighborhoods*



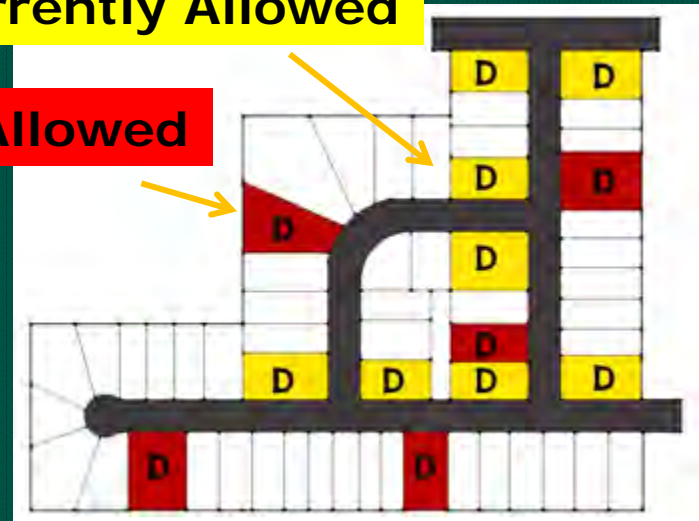
Proposed Modifications

Allow duplex dwellings on all lots within the R-3, R-4, R-5, and R-6 single family zoning districts per prescribed conditions

- Allow on corner lots
- Allow one additional duplex lot along one side of a city block between two adjacent intersections or between an intersection and a permanent street termination (i.e. cul-de-sac)
- Doors must front the street
- Shared driveway is not required
- Must meet minimum lot size requirement
- Must not exceed maximum building coverage
- Corner lot may have driveways on different streets
- Corner lot must meet minimum setback requirement for each street

Currently Allowed

Potentially Allowed





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Duplex Revised Recommendations

Duplex Discussion
Additional Issues or concerns?





Impacts of Proposed Strategies

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





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

