

AFFORDABLE HOUSING ADVISORY COMMITTEE REPORT

To: Housing and Community Development Committee Members
Asheville City Council Members

From: Lindsey Simerly, Affordable Housing Advisory Committee Chair
On Behalf of the Affordable Housing Advisory Committee Members

Date: April 21, 2015

Subject: Affordable Housing Advisory Committee 2015 Recommendations

Summary

The City of Asheville Affordable Housing Advisory Committee (AHAC) is offering its recommendations for review by the Housing and Community Development (HCD) Committee and Asheville City Council.

Background

The Affordable Housing Advisory Committee's continues to pursue objectives in support of the City Council's Comprehensive Housing Strategy.

The two highest priority recommendations in 2014 were to (1) increase allocation of the Housing Trust Fund (HTF) to .01 for every \$100 of City Property Tax Value, and (2) allow for and/or incentivize higher housing density. The Committee sincerely appreciates the actions of City Council to increase funding for affordable housing through the Housing Trust Fund (\$500,000) and the EDCIP (\$500,000) that will implement the highest priority recommendation; and the passing of the UDO wording amendment that dramatically increases allowable densities in 12 "urban and commercial corridor" zoning districts. Additionally, the development of Council's Comprehensive Housing Strategy, and the engagement of the AHAC as a key advisor in that process, is an important step in bringing direct positive action and concrete objectives to solving Asheville's affordable housing crisis.

The AHAC Committee's workplan for 2014 included supporting the regional housing needs assessment, developing and delivering an affordable housing public presentation, and continuing research and discussion about affordable housing needs and strategies that have informed this year's Committee recommendations.

PRIORITY RECOMMENDATIONS

RECOMMENDATION #1:

Continue to increase funding for affordable housing. This City's Housing Trust Fund should continue to be increased until it reaches the goal of 1¢ per \$100 assessed value of all property in the City (today, approximately \$1.1 million). Additional funding, including the current budgeted EDCIP amount of \$500,000, should be continued and made as flexible as possible to support new housing production opportunities. This could include land banking, additional funds for development financing, loan guarantees, and other strategies that result in new affordable housing units.

RECOMMENDATION #2:

The City of Asheville should continue to adjust its land use regulations to increase density for affordable housing throughout the City. Staff should be tasked with developing policies, programs, and procedures that will increase density in our City to provide needed tax base and encourage more affordable housing, for action by City Council and other Boards and Commissions. Specific recommendations for short term action include:

- Change all RS 8 zoning districts to RM 8 to clarify that multi-family residential is an allowable use.
- Increase the threshold for Level 3 (Council) review to 100 units.

RECOMMENDATION #3:

Make changes to Accessory Apartment development regulations, as follows:

- Eliminate setback requirements for accessory units built within the envelope of the existing structure. Homes in older neighborhoods (often close to downtown) are often positioned either on or very near to property lines, and such an adjustment would increase the number of properties where accessory apartments could potentially be created.
- Adjust or eliminate regulation that limits accessory units to 50% of the size of the primary structure, especially on properties where the accessory unit will be created within the envelope the primary structure.
- Waive sewer and water tap fees when creating a unit within the existing envelope of the primary structure, especially if the Metropolitan Sewerage District (MSD) and the City's Water Department don't have to install any new lines or add any new meters.

RECOMMENDATION #4:

Develop and implement a mandatory inclusionary zoning ordinance to require that 20% of all new residential developments of more than 5 units be affordable to and rented or sold to households earning 80% or less of median income.

Additional Committee Recommendations

1. Hold a bond referendum for affordable housing funding. Combine with transportation or sidewalk improvements.
2. Develop a strategy to preserve existing non-subsidized affordable housing units (e.g. "Light Touch").
3. Seek active collaboration with Buncombe County in developing a coordinated affordable housing development strategy.
4. Assess the opportunities and barriers for increased development of multi-family rental and ownership units that would fit the form of existing residential neighborhoods.
5. Assess the opportunities and barriers, including regulatory tools, to increase or require multistory development in commercial areas to include affordable housing.
6. Continue to assess impact of short term rentals on affordable housing availability.

7. Sponsor an Affordable Housing Summit as an opportunity for both developer and consumer input into affordable housing needs, strategies and policy.
8. Support the redevelopment of public housing communities, with sensitivity to those developments within the context of race relations.