

RESOLUTION NO. 11-50

RESOLUTION AMENDING THE TRANSFORMATIONAL DEVELOPMENT PROJECTS
INCENTIVE POLICY FOR THE CITY OF ASHEVILLE

WHEREAS, pursuant to the "Local Development Act of 1925," NCGS 158-7.1, the City is authorized to make appropriations for the purposes of aiding and encouraging the location of manufacturing enterprises, making industrial surveys, and locating industrial and commercial plants or in near the City; encouraging the building of railroads or other purposes which, in the discretion of the City Council, will increase the population, taxable property, agricultural industries, and business prospects of the City; and

WHEREAS, the Asheville City Council believes it important to support development meeting thresholds that support major elements of the Council's Strategic Plan and the City's 2025 Comprehensive Plan; and

WHEREAS, the Council believes it important to specify the elements it considers important to see in such "transformational" development such as easy access (walkability and transit) to major employment centers and areas proposed for redevelopment, that offer jobs as well as affordable and workforce housing elements; and

WHEREAS, the Council wishes to create thresholds for development projects to apply to the Council for such support;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ASHEVILLE THAT:

The Transformational Development Projects Incentive Policy, adopted on November 9, 2010 (Resolution No. 10-240) is revised as shown on Exhibit A, attached hereto.

Read, approved and adopted this 8th day of March, 2011.



City Clerk



Mayor

Approved as to form:



City Attorney

Land Use Incentive Policy

This policy is intended to provide incentives to encourage development projects that fulfill important public purposes that include directly addressing annual strategic goals set by the City Council. It offers discretionary approval of incentives that the Council may choose to grant to projects they believe best achieve their goals.

Applications will be evaluated by staff taking into account Council goals, the stated required elements, and the points achieved in the public benefit elements. The staff will provide a report to the Council, with a recommendation based on a balance of those factors. The point scoring system outlined below is a tool for staff evaluation of certain aspects of submitted projects; it does not alone qualify a project for approval.

Required elements - Base level requirements for participation in this policy incentive include:

- Energy Star Certification
- Assume all legal costs if challenged
- 20% equity participation by party requesting incentive
- Inside city limits, within ¼ mile of the following major highways to the end of the City's corporate limits: Patton Avenue, Hendersonville Road, Sweeten Creek Road, Tunnel Road, Haywood Road, Merrimon Avenue, New Leicester Highway, Brevard Road

<u>Public Benefit Element</u>	<u>Points</u>
Green Building/ Energy	
Energy Star Certified	5
Leed Bronze or HB Silver	10
Leed Silver or HB Gold	20
Leed Gold or HB Platinum	30
Leed Platinum	40

Tax rebate incentive cannot begin until the designated certification is achieved.

Affordable Housing

Must agree to 10 year affordability criteria for rents at 80% of area medium income:

10%+ affordable	10
20%+ affordable	20
30%+ affordable	30
40%+ affordable	40

Annual report to the City demonstrating continuing affordability of the designated dwelling units must be provided for the 10 years of affordability.

Workforce Housing

Must agree to 10 year affordability criteria for rents at 120% of area medium income:

25%+ workforce	5
50%+ workforce	10
75%+ workforce	15

Annual report to the City demonstrating continuing affordability of the designated dwelling units must be provided for the 10 years of affordability.

Mixed Use and Transit Orientation

Includes a minimum 20% non-residential	5
Within the Sustainability Bonus area	5
Brownfield Redevelopment	5

Public Benefit Element	5	10	15	20	30	40	50
Energy Star Certified	X						
Leed Bronze/ Healthy Built Silver		X					
Leed Silver/ Healthy Built Gold				X			
Leed Gold/ Healthy Built Platinum					X		
Leed Platinum						X	
10%+ Affordable		X					
20%+ Affordable				X			
30%+ Affordable					X		
40%+ Affordable						X	
25%+ Workforce	X						
50%+ Workforce		X					
75%+ Workforce			X				
Mixed-Use (20% non-residential)	X						
Located w. in Sustainability Bonus area	X						
Brownfield Redevelopment	X						

If the City Council chooses to extend support the following assistance will be available at the discretion of the Council under the following process and standard for evaluation:

- Approval of an incentive grant in the form of a tax rebate under this policy will require a public hearing and approval by the City Council.
- Unless granted an exemption from the City Council, submitted projects must not have yet received building permits.
- The staff will provide an assessment to the Council of any submitted project, taking into account fulfillment of Council goals and applicable master plans as well as any points achieved using this policy.
- The Council will make a determination of whether to award the available incentives based on their overall evaluation of the submitted project, not just the number of points.
- This policy provides that every 10 points can earn one year of economic incentive (equivalent to city property taxes in excess of currently assessed taxes for one year annually applied, *to be dated from the date of release of all occupancy permits and certification of all green building/energy standards designated for the project.*
- Every 10 points can also earn a 10% reduction in the following fees and charges: Zoning Permit, Building Permit, Driveway Permit, Grading Permit, Plan review fees and Water service connection fee. *This reduction is in addition to the existing fees rebated for affordable housing projects.*
- Any project receiving an incentive related to provision of affordable or workforce housing must provide an annual report to the City for the 10 years that the designated dwelling units must remain at that level of affordability. The report must demonstrated the continued affordability of the units, or the tax rebate incentive must be returned to the City.

Adopted by City Council as worded March 8, 2011