



Planning & Development INCENTIVES

SUSTAINABILITY IN EVERY DEPARTMENT

CITY OF ASHEVILLE

Incentives for Development

The City of Asheville offers incentives and other resources that encourage sustainable development and building practices. Designed to support long term environmental, economic, and social goals and plans developed for our region, these incentives promote affordable, fiscally responsible, green and sustainable development.

Consistent with the objectives outlined in Asheville City Council's Strategic Goals, these incentives encourage development projects that improve the quality of life for city residents, and lead to [increased job growth](#) and economic development.

Providing [much needed affordable housing](#), while encouraging a mixed use [development area along transit corridors within the city limits](#), incentives help increase the livability of Asheville, a city with long term viability, while preserving our nearby mountain landscapes. Since affordability and sustainability are both objectives, we invite you to review all of our current incentive programs, and return to our site often as new opportunities are listed.

How do these incentives fit into the big picture? The City of Asheville has adopted long term development plans that serve as a roadmap to realize the vision of a sustainable Asheville

The [City of Asheville Planning and Development Department](#) is here to help create this city with vision: providing technical assistance, recognition, preference, expedited review, and cost-savings to eligible participating projects. Pre-application meetings are available to assist developers with project assessment and eligibility.

Large employers considering relocation or expansion to Asheville are especially encouraged to contact the city for information related to incentives and other accommodations. These planning and construction based incentives can be used individually or in combination with each other:

[Low Interest Loans](#)

[Land Use Incentive Grants](#)

[Cost Sharing for Public Infrastructure](#)

[Fee Rebates](#)

[Increased Density Bonus](#)

[New Incentives Under Consideration](#)

Quick Links:

[Land Use Incentive Policy](#)

[Sustainability Development Map](#)

[Sustainable Development Projects Bonus Evaluation Form](#)

[Sustainable Development Ordinance](#)



Low Interest Loans

support the development of the Glen Rock Depot, a mixed use project with both historic renovation & new LEED construction.



Permit Fee Rebates

First permit plan review rebate was issued to Biltmore Farms LLC, for the Hilton Asheville, after achieving LEED Silver Certification



www.ashevillenc.gov/incentives

Low Interest Loans:

The Affordable Housing Trust Fund

Created in 2000, The City of Asheville's [Affordable Housing Trust Fund](#) program has helped support the development of affordable housing:

\$7.7 million has been loaned to support the addition of 751 affordable rental and homeownership units within our area.

All permanent financing for rental housing will be in the form of secured loans for a term up to thirty years.

The Housing Trust Fund will not make grants, forgivable loans or indefinitely deferred loans.



The Trust Fund supports affordable housing in Asheville, like The Griffin Apartments, developed by Mountain Housing Opportunities

Creating more affordable housing is a priority of the City of Asheville. The City of Asheville Affordable Housing Advisory Group was established to work in conjunction with City leadership and staff to implement the 2008 Affordable Housing Plan

MOST RECENT LOANS

Beaucatcher Properties will receive a loan for \$200,000 amortized at 3 percent interest for 30 years for the construction of a \$1,1610,000, 18-unit rental development.

Mountain Housing Opportunities will receive two grants from the fund to complement its federal HOME grant in the amount of \$235,000 for continuing to develop the Glen Rock Hotel.

MHO will pay 2 percent interest on a deferred-principal loan in the amount of \$165,000; and 2.5 percent interest on a \$55,000 loan amortized over 20 years.

Call XXXX for more information

Working with the Office of Economic Development

If you are interested in opportunities for development in the City of Asheville, the Office of Economic Development offers assistance throughout the process before the review process may begin with Department of Planning.

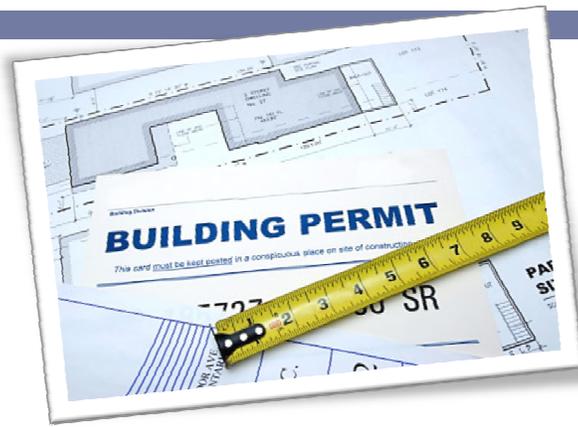
Economic Development supports sustainable, diverse and economically vibrant economic and workforce development. Facilitating industry and neighborhood business clusters, establishing collaborative partnerships, the City of Asheville strives to create a business friendly environment while addressing the overall needs of the community. Services offered include assistance for minority businesses, real estate management and economic planning development. To learn more, review our policies or get involved by contacting the Planning and Economic Development Committee.

[Economic Development Incentives Policy](#)
[Planning and Economic Development Committee](#)



[New Belgium Brewery will take advantage of economic development incentives](#) in their expansion to the River Arts District

FEE REBATES



Fee rebates are calculated using an assessment formula, but may also be combined with other incentives to offer an attractive financial return on investment.

This is addition to the benefits enjoyed by the community, and for generations to come.

Rebate Public Objectives

The objectives of planning incentives are to encourage the development of affordable and sustainable projects along transit friendly corridors.



Rebate Public Process

Planning incentive grants and rebates require a public hearing before the Asheville City Council.

Fee Rebates

The City of Asheville [Land Use Incentive Policy](#) provides incentives to encourage development projects that fulfill important public objectives outlined in City Council’s Strategic Plan. Projects located within the [Sustainability Map](#) area may qualify for property tax exemptions and fee reductions by gaining public benefit points related to green building/energy; affordable and workforce housing; and mixed-use and transit orientation. Incentive grants require a public hearing before the City Council and are granted based on an evaluation of the submitted project.

Assessment Formula

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, from the date of the release of all occupancy permits and certification of all green building and/or energy standards designated for the project. Tax rebate incentives can’t begin until designated third party certification is received.

Every ten points can *also* earn a 10% reduction in related fees and charges: zoning permit, building permit, driveway permit, grading permit, plan review fees, and water service connection fees.

This reduction is in addition to the existing fees rebated for affordable housing projects.

Affordable housing projects eligible for the 50% fee waiver are not eligible for additional fee waivers for points garnered for housing affordability, although they can benefit from the “green” additional points.

FAST FACTS

10%

Reduction in fees for every ten points earned, in addition to rebates for affordable housing

10 Points

Can earn up to one year of economic incentives equivalent to one year of city property taxes

FOR MORE INFORMATION

CALL THE PLANNING DEPARTMENT AT XXXXXXXX

Contact Info



Asheville’s Sustainability Map was created so that development would be encouraged in transit friendly areas close to employment, shopping and schools



Land Use Incentive Grants

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Minimum requirements for Land Use Incentive Grants:

- Energy Star certification
- Developers assume all legal costs if incentives are challenged
- 20% equity participation by the party requesting the incentive
- The proposed development must consist of two or more dwelling units
- The project is inside Asheville city limits and within ¼ mile of the following major highways: Patton Ave, Hendersonville Road, Sweeten Creek Road, Tunnel Road, Haywood Road, Merrimon Avenue, New Leicester Highway, and Brevard Road, and to the end of the city's corporate limits. See [Sustainability Area Map](#).

PUBLIC BENEFIT POINTS



Affordable Housing

Must agree to 10 year affordability, with rents at 80% of area medium income:

10%+ affordable: 10 points
20%+ affordable 20 points
30%+ affordable 30 point
40%+ affordable: 40 Points

Workforce Housing

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

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



Green Building & Energy

Energy Star Certified: 5 points
LEED Bronze or Healthy Built Silver: 10 points
LEED Silver or Healthy Built Gold: 20 point
LEED Gold or Healthy Built Platinum: 30 points
LEED Platinum: 40 points



Mixed Use & Transit Orientation

Minimum 20% non-residential: 5 Points
Within a "Sustainability Bonus" area: 5 Points
Brownfield Development: 15 Points

Density Bonus

Developed with the Mayor’s task force on Affordable Housing and community stakeholders, and a public hearing process, “Sustainable Development Projects” offer an increased density option in exchange for affordable and/or green building projects. Projects are assigned points based on the features of the project. “Green building” is based on LEED Certified or NC Healthy Built third party certification. Changed from a Conditional Use Permit application to a Use-by-right application, the density bonus has eligibility requirements and includes mandatory and optional elements



Example of mixed use development consistent with density objectives

Density Bonus Eligibility Requirements

- Project site must be located within 1/8 mile of key transportation corridors.
- Must be a minimum of 5 units & must be energy star certified
- Additional density may be applied to the base density

Mandatory Elements :

- Good Neighbor Agreement
- Design compatibility standards for:
 - Parking
 - Building orientation & design
 - Pedestrian orientation/ multi-modal features
- Deed restrictions on affordable units
- Certification of LEED or Healthy Built units

Density Bonus Affordable Criteria:

- 50-80 points = 20% density bonus
- 81-100 points = 50% density bonus
- 100+ points = 100% density bonus

Density Bonus Optional Elements

- Projects may be affordable and/or green
- Affordable: points assigned based on features of the project
- Green: based on LEED or NC Healthy Built (NCHB)

Green Building Density Bonus Option:

- NC Healthy Built Silver: 20% density bonus
- LEED Silver or NC Healthy Built Gold: 40% density bonus
- LEED Gold or NC Healthy Built Platinum: 60% density bonus
- LEED Platinum: 80% density bonus

Affordable Housing and Green Building

For an affordable housing project, an additional 10% may be added to the affordable housing density bonus for each level of NC Healthy Built or corresponding LEED Certification achieved.

Green Building and Affordable Housing

For a green building project, an additional matching percentage of bonus may be added for the percentage of affordable units included in the project.



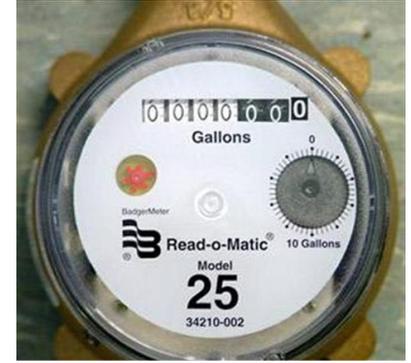
Depot Street in Asheville at the turn of the century, and in 2010. Density bonuses are meant to help revitalize pre-existing neighborhoods like the River Arts District, and prevent sprawl development.



Cost Sharing, Public Infrastructure

Option 1 :

50% rebate of water connection fees for Green projects, including tap and meter for single family homes, and meter for commercial projects (fees vary based on size of meter.)



As much as 50% of the costs can be shared for connection fees and public water line infrastructure

Option 2 :

Cost sharing for new public water line Infrastructure

- Water is an enterprise fund and water revenue must be reinvested in water infrastructure
- \$200,000 of water fund money set aside every year, projects must compete for available funds
- Development must meet 80 points from evaluation form
- Must include 5 or more residential units
- Minimum 20 year investment payback
- 50% of infrastructure cost or \$100,000, which ever is less

Additional Infrastructure Cost Sharing may be available for storm water mitigation, evaluated on a case by case basis

Example for Option One:

Single Family- Tap and Meter = \$2,303.00,
eligible for total rebate of: **\$1,151.50**

Commercial 2" drop in meter = \$9,813.80,
eligible for total rebate of: **\$4,906.90**

Example for Option Two:

- New 70 unit apartment building
- All units are "affordable", scores 90 points on evaluation form
- Requires new water line extension from main road along new road

New line estimated cost is \$220,000.00

City participation, sharing costs of: \$100,000.00

Long Term Development Plans

A Sustainable Vision for the City of Asheville: Long Term Planning

Plans have been developed and adopted for our region to provide a roadmap to realize the vision of a sustainable Asheville. A “triple bottom line” approach to sustainability, which includes economic, social as well as environmental goals and objectives, was an essential part of the planning process. A green and sustainable Asheville is a core strategy in the City of Asheville Strategic Plan adopted by City Council for fiscal year 2010-2011.

These plans were created using a process of stakeholder and public engagement. Consideration of Asheville’s unique population, history and culture. Plans are opportunities, leadership and feedback shape the vision, continually in progress.



[City of Asheville Strategic Plan](#)

[Sustainability Management Plan](#)

[Downtown Master Plan](#)

[Affordable Housing Plan](#)

[Individual Neighborhood Plans](#)

[New! East of the Riverway Project](#)

[Greenways Recommendations and Plans](#)

[Wilma Dykeman Riverway Plan](#)



Want to get involved in planning, development and sustainability at the City of Asheville?

[The SACEE Committee](#) or Sustainable Advisory Committee on Energy and the Environment serves to research and support the development of sustainability initiatives across disciplines. Working closely with City staff and community organizations, SACEE contributes to the policy development and implementation throughout the calendar year.

