

UDO-CC7

Request Summary

- Petitioner: Planning and Development Services staff
- Request: Amend the *Unified Development Ordinances* Bonus Density for Affordable Housing provision and Alternative Parking Incentives

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Summary

- As part of the 2020-21 Work Program, Planning staff was asked to review the *Unified Development Ordinances* (UDO) Bonus Density for Affordable Housing provision, which has been in the UDO since its inception in 1994 and never used.
- The *Winston-Salem/Forsyth County Housing Study and Needs Assessment* (HSNA) also recommended reevaluation of this provision to see whether modifications could encourage its use.

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Summary

- Currently, the provision allows for the following:
 - For duplex or multifamily units, a 25% density bonus if 40% of the units are set aside for residents making less than 60% Area Median Income (AMI), or if 20% of the units are reserved for residents making less than 50% AMI.
 - For single family residential development, a 25% density bonus if 25% of the units are sold/rented to residents making less than 80% AMI.

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Summary

- Planning staff reached out to local affordable housing developers and the Housing Authority of Winston-Salem (HAWS) to provide feedback on the current provision and to suggest changes to make it more usable.
- Staff also asked the City's Community Development (CD) department to review this provision.
- Staff also researched Bonus Density provisions in peer communities to look for innovative practices.

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Summary

- According to developers, Bonus Density can be useful, but it has not been an incentive for inclusion of affordable units in our local market.
- Developers said that the real drivers of affordability were outside the scope of the UDO, and include changes to stormwater regulations, waived or reduced system development fees, and direct municipal funding for projects.
- CD and HAWS identified ordinance language that needed to be updated to reflect current HUD policies and local provisions such as the City's Workforce Housing policy.

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Summary

- Research indicated that another potential incentive to inclusion of affordable units was a reduction in parking requirements.
- Staff determined that allowing parking reductions for multifamily units within $\frac{1}{4}$ mile of a *Legacy* Growth Corridor or Activity Center and within $\frac{1}{4}$ mile of a transit line would further multiple planning goals.
- Such developments would only require one parking space per unit, significantly reducing development costs and the land area needed for the development.

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Recommendation

- After holding a public hearing in October 2020, the Planning Board unanimously recommended approval of UDO-CC7.
- CD/H/GG Committee recommended this amendment to full Council at its December 2020 meeting.