

Summary of Rock Hill Affordable Housing Policy Document

Statement of Need

The goal of the City of Rock Hill is to achieve a balanced community with housing available for persons of all income levels. According to recent census data and market studies there exists within the City a shortage of housing that is affordable to households of lower and moderate incomes. Federal and State housing finance subsidy programs are important in addressing this important issue but are not sufficient by themselves to satisfy these housing needs.

Proposed Response

Seek assistance, cooperation, and attraction of the private sector in making available an adequate supply of workforce and affordable housing throughout the Rock Hill community.

Adopt a City-wide Affordable Housing Policy, adopted by resolution, reviewed and updated annually.

Applicable Projects

Affordable requirements shall apply to all residential developments within the City, including the residential component of mixed-use developments.

Trigger and Requirement

1. For all residential or mixed use development projects which receive from \$1-\$99,999 in financial incentives under the City's Development/Growth Management Incentives policy the applicant shall construct on-site allocated units of at least (10%) of the total number of new dwelling units as affordable to low income households (80% AMI), or at least (5%) of the total number of new dwelling units as affordable to very low income households (60% AMI).
2. For all residential or mixed use development projects which receive \$100,000 or more in financial incentives under the City's Development/Growth Management Incentives policy, as amended from time to time, shall construct on-site allocated units of at least (20%) of the total number of new dwelling units as affordable to low income households or at least (10%) of the total number of new dwelling units as affordable to very low income households.

Affordable housing incentives available for development within the City of Rock Hill are articulated in the City's Development/Growth Management Incentives policy. The request for incentives shall be included as part of the project application materials, and shall be subject to review and approval by City Council.

Once the residential development including allocated units has received its final discretionary approval, the applicant shall file an application with the Department of Housing and Neighborhood Services for approval and finalization of the affordability agreement.

The affordability agreement shall:

- Identify the type, size and location of each allocated unit provided.
- Be reviewed and approved by the Director of Housing and Neighborhood Services and the affordability of the allocated units shall be monitored for compliance by the staff. The

Department of Housing and Neighborhood Services is hereby expressly authorized to act as the City's agent to enter into the affordability agreement for the purpose of enforcing the terms of the agreement consistent with this policy.

Conditions

- Each allocated unit shall be subject to a recorded, deed-restricted affordability agreement at the targeted income level for a term of at least (30) years. The Director of the Department of Housing and Neighborhood Services or a designee is authorized to make the calculation, in each instance, of the affordable rent or housing cost.
- Allocated units shall be constructed concurrent with or before construction of unallocated units, whether provided on- or off-site. For phased projects, allocated units shall be provided in the first phase or with each phase of the project in proportion to the project.
- Allocated units shall be distributed throughout the residential project.
- Allocated units shall be comparable in size, number of bedrooms, exterior appearance, interior fixtures, furnishings and appliances, and overall quality of construction to market rate units in the residential project as a whole.

Compliance Alternatives and Options

- Alternatives to provision of on-site allocated units include provision of allocated units off-site, dedication or conveyance of land, conversion of market rate units to affordable, preservation of at-risk housing, or other innovative approaches. All alternative compliance measures must produce at least the same number and affordability of units that would have been provided on-site, and are subject to review and approval by the Director of Housing and Neighborhood Services.
- Land offered under this section must be within the City's boundaries and must be designated for a general plan land use which allows multifamily units.
- *Conversion of Market Rate Units to Affordable.* A residential applicant may propose to convert existing market rate units to affordable units in an amount equal to or greater than the required on-site inclusionary housing requirement, including any needed rehabilitation to ensure compliance with building, health and safety standards.
- *Preservation of At-Risk Housing.* A residential applicant may offer to purchase long term affordability covenants on an existing deed restricted affordable housing project at imminent risk of contract termination and conversion to market rate housing.
- *Credit for Additional Affordable Units.* If an applicant completes construction on a site of a greater number of affordable units than required, the additional units may be credited towards meeting the requirements for a future project. The applicant may use credits in a future project or transfer the credits in writing to another developer. Credits will only be counted toward

required affordable units with the same bedroom count, the same tenure (rental or ownership), and required affordability targets. The credits must be used within 10 years of issuance.

Administration and Procedures

The City Council, by resolution, may from time to time adopt procedures, policies, rules and requirements, including the adoption of processing and administrative fees, to implement, administer, and/or enforce the provisions of this policy.

At least once each calendar year, the Department of Housing and Neighborhood Services shall prepare a report on the effectiveness of the affordable housing ordinance which shall include the following:

1. The number of allocated units, both on- and off-site, issued building permits during the time period covered by the report.
2. The number of qualifying units, owner/builder units, accessory dwelling units, very low, low or moderate income units and mixed use units issued building permits during the time period covered by the report.
3. The amount of acreage by land use category dedicated to the City.
4. A listing of any staff recommendations, with regard to changes or revisions to the adopted policy to improve its effectiveness and/or administration.

City Council reserves the right and ability to modify the terms and conditions this policy when negotiating project specific development agreements based on property, market, and other applicable conditions.