Expanding Housing Choices

Planning Commission
March 12, 2019
Presentation Overview

1. Project Background
2. Text Amendment Summary
3. Highlighted Issues
1. Durham is growing

Durham County Population, 2010-2018

- 2010: 269,288
- 2011: 271,011
- 2012: 275,697
- 2013: 280,902
- 2014: 284,956
- 2015: 291,237
- 2016: 296,671
- 2017: 301,913
- 2018: 310,045

15% increase since 2010
40,757 new people
Between 2010-2016, JOB and HOUSEHOLD growth outpaced development of new housing units.
3. Concentrated demand in Urban Tier neighborhoods
Urban Tier
4. New residents have more $ 

New residents earn an average of $10,000 more per year than the average Durhamite.

*Compared to Non-migrant Per Capita AGI ($32,333) in 2015. Source: IRS Migration File

Data and graphic Dr. Jim Johnson, UNC
If housing doesn’t exist at all price points, higher income people will buy “down the ladder,” leaving the fewest options for those with the lowest incomes.
5. Building has gotten more expensive

- Land
- Cost of building
  - Interest Rates
  - Materials
- Labor

### Land Cost Per Acre in Urban Tier Zip Codes

<table>
<thead>
<tr>
<th>Cost in thousands of dollars</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>27701 27705 27707 27701</td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<td>100 200 300 400 500 600</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Data source: FHFA Working Paper 59-01, 2019

### Lumber tariffs are making new homes even more costly

Remodeling:
**PROTRACTED LABOR SHORTAGE SEVERELY HAMPERING GROWTH**

Contractors say they could be growing as much as 50% more if they could find qualified help.

By: Stace / P News / P Redd / P Pizzaretto / S Beat

Homebuilders and gasoline prices have been hit by a spike in lumber prices. The reasons for the price increase are complicated, but it is affecting the prices of new homes and remodeling projects.

According to the National Association of Home Builders, the price of lumber has increased by 50% since 2016. This has led to a shortage of lumber, which is putting pressure on homebuilders and remodelers to find qualified labor.

The industry group said that homebuilders are facing a labor shortage, and the tariffs are making it harder to find qualified help.

Sources:
- National Association of Home Builders
- U.S. Department of Labor
- U.S. Census Bureau

**For more information:**
- Durham County
- Durham City
- Durham City Council
- Durham City Manager

919.560.4137
DurhamNC.gov
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6. Zoning limits housing supply and options

46% of Urban Tier is zoned exclusively single family.

Single family is allowed by-right in 69% of the Urban Tier. Duplexes are only allowed by-right in 12%.
Durham is growing
Demand for housing is outpacing supply
Concentrated demand in Urban Tier neighborhoods
New residents have more $
Building has gotten more expensive
Zoning limits housing supply and options

High Cost of Housing
Confluence of factors has led to rising housing prices
Particularly true in walkable neighborhoods close to Downtown

Percent Increase of Median Sale Prices from September 2013-2018 for select in-town neighborhoods

- Countywide: 44%
- Watts Hillandale: 61%
- Old North Durham: 118%
- East Durham: 328%
Add housing units through **incremental growth.**

Develop regulations that builders will use. *(market viability)*

Add housing units that respect the **neighborhood character.**

Develop regulations that **do not accelerate neighborhood change.**
Community Events
- Rock the Park
- Latino Festival
- Farmers Market
- Open House Meetings

Neighborhoods
- Inter Neighborhood Council
- Watts-Hillandale
- Old West Durham
- Tuscaloosa-Lakewood
- East Durham Community Members
- Trinity Park
- Morehead Hill
- Forest Hills
- Spring Valley/West Hills
- Northgate Park

Outreach/Input
- 36 meetings/events
- 4,214 unique website page views
- 1,455 questionnaire participants
- 600+ email contacts

Practitioners/Advocacy Groups
- Practitioners’ Panel
- TJ COG Government Housing Practitioners
- Duke Office for Durham and Regional Affairs
- Coalition for Affordable Housing and Transit
- Development Community Stakeholders Quarterly Meeting

Media
- City Social Media
- Bull City Today
- In Touch with Durham County
- Herald Sun
- Triangle Business Journal
- Independent Weekly

Boards and Commissions
- Joint City County Planning Committee
- City Council Work Session
- Board of County Commissioners Work Session
- Planning Commission
- Environmental Affairs Board
- Appearance Commission
Redlining in Durham
Home Owners’ Loan Corporation “Security Map” 1935-1940

Source: Mapping Inequality: Redlining in New Deal America
Redlining and Single Family Zoning in Durham
Home Owners’ Loan Corporation “Security Map” 1935-1940

Source: Mapping Inequality: Redlining in New Deal America
Resident Satisfaction Survey

Ranking the Importance of Future Planning Goals
by percentage of respondents who ranked the item as a 1 to 5 on a 5-point scale

- There should be an adequate supply of and variety of affordable options for housing in Durham: 43% Most Important (5), 17% Important (4), 14% Neutral (3), 18% Less Important (2), 8% Least Important (1)

- Character of my neighborhood should remain the same: 17% Most Important (5), 17% Important (4), 21% Neutral (3), 36% Less Important (2), 10% Least Important (1)
TC1800007 Text Amendment Summary

1. Density Bonus and Lot Dimension Reductions
2. Flag Lots
3. Duplexes
4. Accessory Dwelling Units
5. Neighborhood Character
Density Bonus and Lot Dimension Reductions

- **Base.** Lot dimension and density standards maintained. No change.

- **Option A.** Incremental reductions in lot dimensions and increase in density

- **Option B.** Small House/Small Lot Option. 2,000 SF minimum lot; 1200 SF building maximum. Can be single-family or duplex.

### Single Family Detached in RU-5

<table>
<thead>
<tr>
<th></th>
<th>Base</th>
<th>Option A</th>
<th>Option B</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Density</strong></td>
<td>8</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td><strong>Lot Area</strong></td>
<td>5,000 sq. ft.</td>
<td>3,500 sq. ft.</td>
<td>2,000 sq. ft.</td>
</tr>
<tr>
<td><strong>Lot Width</strong></td>
<td>45 ft.</td>
<td>35 ft.</td>
<td>25 ft.</td>
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</tbody>
</table>

*(text clarified April 18, 2019)*
Density Bonus Option A

**Bonuses**
- Incremental increase of maximum density
- Reduction of minimum lot area and width

**Additional Criteria**
- Side yard driveways
- Ribbon driveways
- 2 trees (at least 1 canopy)
- Downspout placement

<table>
<thead>
<tr>
<th>Urban Tier</th>
<th>Base Density</th>
<th>Option A</th>
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</thead>
<tbody>
<tr>
<td>RS-20</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>RS-10</td>
<td>4</td>
<td>6</td>
</tr>
<tr>
<td>RS-8</td>
<td>5</td>
<td>9</td>
</tr>
<tr>
<td>RS-M</td>
<td>8</td>
<td>12</td>
</tr>
<tr>
<td>RU-5</td>
<td>8</td>
<td>12</td>
</tr>
<tr>
<td>RU-5(2)</td>
<td>8</td>
<td>12</td>
</tr>
<tr>
<td>RU-M</td>
<td>12</td>
<td>12</td>
</tr>
</tbody>
</table>
Density Bonus Option B

Bonuses

- 12 units/acre density maximum
- 2,000 SF minimum lot area
- 25 ft. minimum lot width

Additional Criteria

- Option A criteria
- 25 ft. maximum height
- 1,200 SF maximum building size
- 40% maximum building coverage
- No ADUs allowed
- Not permitted in RS-20
Flag Lots

- No change to standard pole flag lot
- Reduced pole width option
  - 12 ft. minimum pole width
  - 1 per parent lot
  - 25 ft. maximum height
  - 1,200 SF maximum building size
- Recorded plat
- No ADU allowed

(text and graphic clarified April 18, 2019)
Duplexes

- Currently allowed in RU-5(2), RS-M, RU-M
- Allow throughout Urban Tier, and RU-5 in Suburban Tier
- Mimic dimensional standards of single-family detached house
- Allow in cluster and conservation subdivisions
- Currently no ADUs allowed (no change)
Accessory Dwelling Units

- Currently, size is limited to 30% of house
- 800 square foot maximum
- Height standards are based on location on the lot
- Allowed on a legal, non-conforming lot
- Three (3) ADUs allowed on sites with civic uses
Neighborhood Character (Infill Standards)

• Removed infill lot width standards
• Modified context-based height limits
• Instituted maximum building coverage
• Added new driveway and vehicular use area standards
Highlighted Issues

1. Sustainable Growth
2. Incremental Growth
3. Affordable Housing
4. Stormwater/Tree Canopy
5. Parking Congestion
6. Traffic
7. Schools
8. Tracking and Monitoring
Long range plans estimate 15 percent of new growth will occur in the Urban Tier.
Recommendations are consistent with Future Land Use Map

- Medium Density Residential (6-12 DU/Acre)
- Medium High Density Residential (8-20 DU/Acre)
Incremental Growth

• Incremental intensification. On average 1-2 additional units over what is currently allowed

• Builders using the Affordable Housing Density Bonus yield more units (in most cases)
Affordable Housing

- EHC is not a stand-alone low-income Affordable Housing program
- Yield more units through the Affordable Housing Density Bonus

Maximum AH Units - Current

1 single family with an ADU

Maximum AH Units - Proposed

Lot width reductions for Affordable Housing allow space for a standard flag lot with a 20 ft. pole to be subdivided. Each lot could accommodate a Duplex.
## Stormwater/Tree Canopy

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Building Coverage</strong></td>
<td>Not regulated</td>
<td>Maximum 40 %</td>
</tr>
<tr>
<td><strong>Driveway Width</strong></td>
<td>Not regulated</td>
<td>Maximum 12 ft. width</td>
</tr>
<tr>
<td><strong>Parking Area</strong></td>
<td>Not regulated</td>
<td>Maximum 400 ft. area</td>
</tr>
<tr>
<td><strong>Driveway Design</strong></td>
<td>Not regulated</td>
<td>Density Bonus: Ribbon driveway</td>
</tr>
<tr>
<td><strong>Trees</strong></td>
<td>1 street tree</td>
<td>Infill Base: 1 tree in addition to street tree</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Density Bonus: 2 trees in addition to street tree</td>
</tr>
<tr>
<td><strong>Downspouts</strong></td>
<td>Not regulated</td>
<td>Density Bonus: Direct downspouts over pervious area</td>
</tr>
</tbody>
</table>
Parking Congestion

• No change to parking requirements
• 2 spaces/unit required
• ADUs and Affordable Housing Dwelling Units require zero on-site parking
• Limitations on parking areas
Traffic

Local/Neighborhood
- Dispersed development will have marginal effect on traffic
- Smaller units typically generate fewer daily trips

Regional/Citywide
- 2045 MTP: Coordinated land use and transportation plan

26 Housing Units = 245 trips/day
Traffic

Local/Neighborhood
- Smaller units typically generate fewer daily trips
- Dispersed development will have marginal effect on traffic

Regional/Citywide
- 2045 MTP: Coordinated land use and transportation plan

Adding 10 more housing units would add only 54 trips over the course of the entire day.
Durham Public Schools Enrollment, 2011-2018

Top 5 Over Capacity Schools
1. Githens Middle – 122.89%
2. Creekside Elementary – 122.25%
3. Watts Elementary – 115.88%
4. Holt Elementary – 115.38%
5. Forest View Elementary – 113.81%

Top 5 Under Capacity Schools
1. Durham PLC High – 52.86%
2. Brogden Middle – 59.29%
3. Carrington Middle – 71.20%
4. Southern High – 76.88%
5. Smith Elementary – 76.96%
Tracking and Monitoring

• **2020-2024 Goal: 140 new units/year in the Urban Tier**
  • Baseline: 95 new units/year in the Urban Tier (2009-2018)
• Annual report to City Council and County Commissioners
• Numeric and geographic tracking:
  • ADUs
  • Duplexes
  • Demolitions
  • Building Coverage
• Inter Neighborhood Council metrics (to be developed)
Expanding Housing Choice
Removing regulatory barriers to a wider range of housing types

https://durhamnc.gov/3679/Expanding-Housing-Choices

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