

**BUNCOMBE COUNTY DEPARTMENT OF PLANNING AND DEVELOPMENT
ZONING ORDINANCE AMENDMENT ANALYSIS**

CASE NUMBER:	ZPH2018-00048
PROPOSED ZONING CHANGE:	Permit Manufactured Housing in Certain Districts, Subject to Special Requirements
LOCATION:	R-1, R-2, BDM Zoning Districts
PIN(s):	Not Applicable
APPLICANT:	Buncombe County Board of Commissioners
OWNER:	Not Applicable
DEPARTMENT RECOMMENDATION:	PUBLIC HEARING

SUMMARY: Based upon direction from the Buncombe County Board of Commissioners, Staff has prepared a number of amendments that would permit manufactured housing in the R-1, R-2 and BDM zoning districts (not currently permitted), and establish new standards therefore. *See Attachment A.*

BACKGROUND: County-wide zoning was approved by ordinance in December of 2009. Prior to county-wide zoning, zoned areas were limited to the Limestone and Beaverdam townships which had been in existence since December, 1981. In many respects, the expanded application of county-wide zoning was an exercise of assigning districts that already existed in the Limestone and Beaverdam districts, along with the addition of the Open Use, Airport Industry, and Conference Center / Resort districts. Limestone and Beaverdam did restrict the placement of manufactured housing. When county-wide zoning was first adopted, numerous parcels were made nonconforming to land use due to the assignment of districts that did not match their present land use. Examples of this include neighborhoods with an existing pattern of manufactured housing that were zoned R-1 and R-2, or commercial businesses that were zoned residentially.

In April of 2013 and September of 2014 the North Carolina General Assembly (“NCGA”) abolished the Extra Territorial Jurisdiction (ETJ) areas of the City of Asheville and Weaverville. As part of the NCGA’s justification for dissolution of the ETJ, the entirety of Buncombe County had to be zoned. The County matched zoning as closely as possible to the zoning districts that Asheville and Weaverville had assigned. It is important to note that the purpose of an ETJ is to allow consistency in development patterns and land use with the understanding that these areas would eventually be annexed into their controlling municipality. Both Asheville and Weaverville restricted the placement of manufactured homes within some of their zoning districts.

In April of 2018, Planning Staff made a presentation on land use and infrastructure to the BOC at a scheduled work-session. Of the many items discussed, some of the Commissioners asked that Staff study the allowance and expansion of manufactured homes into additional zoning districts in order to:

- Provide a more affordable construction option to property owners
- Match existing neighborhood development patterns

- Provide more equitable housing choices

Of Buncombe County's 12 zoning districts, the following currently allow manufactured housing: Residential-Low Density, R-3 Residential, Employment, and Open Use; these districts comprise approximately 86% of the unincorporated areas of Buncombe County. *See Attachments C-F.* The majority of the land area in the County is zoned Open Use (approximately 75%), which is a district that tends to be more rural in character, contains the least amount of infrastructure and services, is the least restrictive from a land use perspective, and contains the majority of manufactured housing in the County. Zoned areas other than Open Use (OU) ring the more urban areas and municipalities, are more densely developed, contain the majority of commercial corridors, and have more access to infrastructure. Of the three districts (R-1, R-2 and BDM) that are part of the proposal for manufactured home expansion, R-1 and BDM are the most restrictive relative to allowable land uses. In areas where manufactured homes are not currently allowed, residential home choices are typically stick built or modular.

It is important to stress that, if adopted and enacted, these text amendments would not apply to manufactured home parks, nor expand the placement of manufactured home parks into additional zoning districts.

In summary, the zoning districts of BDM, R-1, and R-2 represent areas that are more urban in nature, located in proximity to municipalities and former ETJ areas, and reflect higher land values than other parts of the County. These more restrictive districts include the most examples of conventional residential construction (i.e. stick built, modular). However, as the nonconformities provision of the Zoning Ordinance is currently written, existing manufactured homes located on parcels in these zoned areas are allowed to be replaced with manufactured homes for one (1) year, but in some less common situations that involve active permits or a real estate contract, this time period may be extended up to two (2) years.

PREVIOUS ACTION BY THE PLANNING BOARD: The Buncombe County Planning Board considered draft amendments at its October 15, November 5, November 19, and December 17, 2018 meetings. On January 28, 2019, the Planning Board voted [majority vote, 6-2] to recommend that the Buncombe County Board of Commissioners enact the amendments as presented herein. *See Attachment B.*

COUNTY PLAN ANALYSIS: The Comprehensive Plan provides the following policy guidance with respect to housing in Buncombe County:

Citation: *Buncombe County Comprehensive Land Use Plan, 2013 Update.* September 12, 2013.
Buncombe County Board of Commissioners.

- *Section 5: Other Planning Efforts.* Pages 43 through 45.
- *Section 6: Issues and Recommendations.* Page 67.



SECTION 5: OTHER PLANNING EFFORTS



Housing Status and Needs

Buncombe County has long struggled with a lack of affordable housing. The aesthetic desirability and livability of this region has attracted an influx of tourists and new residents. While this has certainly supported the tourism- and service-based economy of the region, it has done less to diversify and strengthen the local economy and wage rate. Where land and housing has become a desirable commodity, the market has driven sales and rental prices beyond what many local earners can afford.

The Consolidated Strategic Housing and Community Development Plan, and the Analysis of Impediments to Fair Housing Choice, are documents that include data on housing demographics, need, and our housing economy. Each document provides recommendations that the County has supported to move us closer to realizing safe, decent, affordable housing for all our residents. In addition, there have been recent reports completed on the importance of locating affordable and workforce housing along transit corridors and close to jobs and services. This correlation between affordable housing and access to transportation is also supported by the Sustainability Plan.

The most recent Consolidated Strategic Housing and Community Development Plan is dated April 2010, and projects need through 2015, and in some cases,

through 2020. The Consolidated Plan is updated through a regional effort, and includes information specific to Buncombe County as well as the City of Asheville and

other counties in our region. The Consolidated Plan identifies the priorities for federal funding in meeting the needs of our community³³.



25% of owner-occupied homeowners have housing costs that are 30% or more of their household income (i.e., cost-burdened).



41% of renters are cost-burdened, and for renter households earning below \$20,000, 88% were cost-burdened.



About 17% (16,000) of all residential units in the County are manufactured homes. One-half of these are in manufactured home parks.



Non-profit developers report that their capacity is limited by funding, construction financing, construction costs, reliability of grant funding, etc.



For-profit developers report that their capacity is limited by bank financing for land purchase and construction, mortgage financing for the homebuyer, shortage of downpayment assistance, high cost of land with water and sewer, cost of fees and permits, etc.



The number of affordable homes on the market has declined steadily, indicating shrinking choices for low to moderate income homebuyers.

³³ Per the Consolidated Strategic Housing and Community Development Plan (p. 19-53)

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The priorities that were identified through the Consolidated Plan, in ranked order, include the following:²⁴

- Provide affordable rental housing, particularly for households earning 60% of median income or less.
- Coordinate housing development with transportation, jobs, and services and make efficient use of available land and infrastructure by exploring strategies including encouraging higher density construction near transit corridors; exploring redevelopment potential of underutilized grayfield commercial sites; encouraging collaboration with transit, employment, and services agencies in the planning stage of developments; re-evaluating zoning that effectively excludes affordable housing, and exploring density bonuses as a use-by-right for affordable housing development, as well as other land-use incentives.
- Help those with special needs: the homeless, the frail elderly, persons with mental illness and people with disabilities, and help people succeed through support services coordinated with housing development.
- Emphasize high quality, energy efficient, environmentally friendly designs.
- Target low wealth neighborhoods for assistance that will improve housing conditions and create stronger communities.

- Preserve existing housing and focus preservation efforts to make both rental and ownership housing affordable and preserve long-term affordability of rental housing.
- Promote homeownership.

The Analysis of Impediments to Fair Housing Choice is a standalone document that identifies the actions needed across the region to ensure that all individuals have equal and free access to housing choices. The Analysis of Impediments was updated and accepted through Resolution by the Board of Commissioners in March 2013, and includes demographic, employment, economic, and housing market information, which primarily comes from the 2010 Decennial Census and 5 year estimates included in the 2009 American Community Survey data²⁵. Buncombe has 113,365 total housing units, with 100,412 being occupied. Our housing density is 172 units per square mile, and our units per capita is 0.48. We have the highest median value home in the region of nearly \$180,000, and the highest median gross rental rate of \$711. We have 68% owner occupied units and 32% rental units.

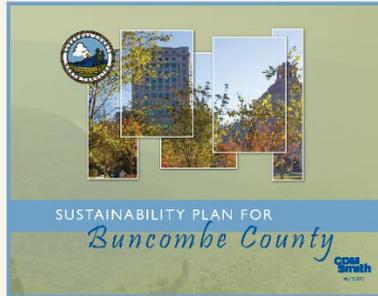
The Analysis of Impediments identified three major impediments: regional coordination and public awareness; discrimination in lending practices; and general accessibility to housing for persons with a handicapping condition. However, the indirect impediments and strategies identified may be more germane to land use planning:

- Continue to encourage, plan for, and promote the construction of new affordable housing options and the redevelopment of properties in areas of greatest need. Where appropriate,

²⁴ Per the Consolidated Strategic Housing and Community Development Plan (p. 47-48)

²⁵ GroWNC Region: Analysis of Impediments to Fair Housing Choice, 2011, p.5

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Most recently, Buncombe County's Sustainability Plan identified affordable, green and liveable housing as one of the fourteen goals. Specific objectives include the following:

- Promote healthy buildings and homes.
- Ensure that information reaches citizens.
- Work in partnership with outside organizations to assist families in finding safe, affordable housing.
- Promote home ownership while also supporting quality rental developments that are required to remain affordable and safe.
- Ensure the availability of a diverse housing stock.
- Provide educational opportunities in financial planning and homebuyer education.
- Provide affordable and workforce housing funding for new developments on existing infrastructure.
- Expand housing rehabilitation and repair programs.

The recommendations and strategies from these plans guide our policies and our funding decisions. The primary funding sources we use to support affordable and workforce housing are Community Development Block Grant (CDBG) funds; Home Investment Partnership Program (HOME) funds; and Buncombe County funds, including the Affordable Housing Services Program, Workforce Housing Program, and Community Development funding. Buncombe County has been an important resource and partner in assisting several affordable housing developments over the past twenty years. There remains a much greater demand than available funding.

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HUD Labeled Manufactured Homes



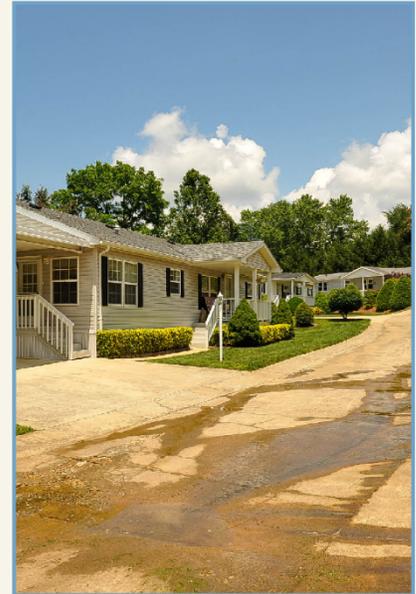
Issue: Manufactured housing is currently allowed within four zoning districts (Open Use, R-3 Residential, Residential Low Density, and Employment) within Buncombe County. In the districts where manufactured homes are allowed, only two are specifically residential districts (Open Use and Employment allow for both commercial and residential uses). The Open Use District is typically located outside of major transportation corridors and does not provide access to public utilities. The Residential Low Density District allows manufactured homes, but requires a minimum lot size of one acre. The R-3 Residential District allows manufactured homes and manufactured home parks. The possibility of allowing manufactured home parks to be established has generated substantial public opposition when requests to have property rezoned to the R-3 District have been heard. The current zoning scenario within Buncombe County does not allow for flexibility in the placement of manufactured homes and places limitations on where manufactured homes can be placed.



Recommendation: In unison with other refinements to the zoning districts, the Zoning Ordinance should be modified to create a clear separation between manufactured homes and manufactured home parks within residential districts which are not constrained by environmental factors. Separating manufactured homes and manufactured home parks would reduce opposition in rezoning requests and would allow such requests to better align with the character of existing neighborhoods. In addition to these efforts, options to allow manufactured homes to be placed in a more flexible way (while still respecting the character of the surrounding neighborhood) should be investigated.

Key Points and Elements:

- Manufactured homes are allowed within a limited number of districts.
- The association between manufactured homes and manufactured home parks creates opposition during public hearings.



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OPTIONS BEFORE BOARD OF COUNTY COMMISSIONERS: Upon conclusion of the public hearing, the Board of County Commissioners has the following options:

- Vote to approve the proposed amendments as presented and recommended by the Planning Board.
- Vote to deny the proposed amendments as presented and recommended by the Planning Board.
- Defer the proposed amendments to a date certain for further consideration and discussion.
- The Board has limited authority to make changes to the proposed amendments. Substantial changes that were not previously considered by the Planning Board nor covered in the legal notification for this hearing, such as the inclusion of additional zoning districts or the addition of new requirements, must be remanded to the Planning Board for further consideration prior to adoption and enactment.

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