



Date: January 30, 2020

To: Members of the County Board of Commissioners and City Council
Through: Patrick O. Young, AICP, Planning Director
From: Scott Whiteman, AICP, Policy and Urban Design Manager
Subject: Activity to date on Expanding Housing Choices

Executive Summary

Since Unified Development Ordinance Text Amendment TC180007, Expanding Housing Choices (EHC), was adopted, ten related permit applications have been submitted to the City-County Planning Department. To enable regular reports on the effectiveness and impact of the EHC amendment, the Planning Department has gathered metrics and baseline information for six of twelve agreed metrics related to effectiveness and impact. Staff are gathering data for two more of the metrics and require more time to gather the remaining four metrics.

Recommendation

Staff propose presenting Expanding Housing Choices metrics and baseline data at the February 5th JCCPC Meeting.

Background

In October, 2019 the County of Durham approved the Unified Development Ordinance (UDO) Text Amendment TC180007, Expanding Housing Choices (EHC) and a resolution regarding regular reports on the effectiveness and impact of the EHC amendment. Staff have since been tracking submitted permits for projects that are now permissible under EHC and gathering the agreed upon metrics including baseline data for 2019 to present for approval by the governing bodies.

Issues and Analysis

From October through December 2019, ten permits have been submitted to the Planning Department for projects that are now permissible under Expanding Housing Choices. Seven of these permits have been issued and three are under review.

Breakdown of Submitted Permits

	Urban Tier	Suburban Tier
Single family home & ADU		1
Single Family Home	1	1
ADU	2	1
ADU foundation	1	
Lot split	2	1

The single family homes are reviewed by infill development standards that were modified through EHC. The lot splits divide one lot into smaller infill lots, allowing for more potential residential units than would have been allowed prior to EHC. The attached map shows the location of these ten projects.

To enable regular reports on the effectiveness and impact of the EHC amendment, staff have gathered metrics and baseline information for:

- number of dwelling units torn down,
- number of lot splits,
- number of building permits issued,
- breakdown of new units built-single family, two-family, townhomes, and apartments,
- change in Legally Binding Affordability Restricted units
- and change in Naturally Occurring Affordable Housing units.

Staff are gathering metrics and baseline information for:

- land sale price/sq. ft. (from tax stamps)
- and racial makeup and income of neighborhoods (by census tract).

Staff require more time to determine the appropriate method for measuring:

- price/value of new units by type,
- mix of rental and homeowner units,
- impact on median home value,
- and infrastructure impacts.

Limitations in metrics gathering:

Land sale price/sq. ft.: Land sale price per square foot is available through Durham County Tax Administration. Staff will receive query results from Durham County Tax Administration to establish a baseline measure.

Racial makeup and income of neighborhoods: Racial makeup and income of neighborhoods by census tract is available in the American Community Survey 2014-2018 5-year estimates released by the U.S. Census Bureau. Staff will query datasets from the American Community Survey for relevant data from the Census tracts where EHC applies.

Price/value of new units by type: Tax Administration does not maintain price or value of new units by type. Instead, Tax Administration appraises new units based on the calculations used at the time of the most recent reappraisal, 2019. Between reappraisals, the recorded property values do not necessary reflect current market values.

Mix of rental and homeowner units: Tax Administration data can be used to estimate the number of rental and homeowner units through a comparison of owner addresses to physical addresses, however this count is a rough estimate as owners are not under any obligation to report to Durham County Tax Administration if they are renting a property. Staff will conduct detailed matching and analysis to estimate this baseline.

Impact on median home value: While staff have available the baseline median home value, determining EHC's impact on median home value will be challenging, given that Tax Administration does not recalculate home values until the next reappraisal in the four-year cycle.

Infrastructure Impacts: Staff must determine which impacts are directly attributable to EHC.

Staff Contact

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