

9: GENERAL RECOMMENDATIONS

CREATE A RANGE OF HOUSING OPPORTUNITIES & CHOICES

The *Western North Carolina Regional Outlook Report 2008* (prepared for the Institute for the Economy and the Future at Western Carolina University for the State's 23 western most counties: ief.wcu.edu) notes that western North Carolina has a serious problem of affordable housing in terms of availability, location and type of accommodation. Although 86% of respondents to IEF's regional public opinion poll own their homes, most respondents (62%) do not view homes in the region as affordable for people like themselves.

This information comes as no surprise to residents and stakeholders of Boone and Watauga County, who have consistently noted affordable housing as being one of the most pressing issues facing the town and the region. According to the IEF's Housing Index analysis, Watauga County and the census tracts around Boone and Blowing Rock specifically, are

some of the most expensive in the state when compared to area median income. IEF's analysis showed that median housing prices in Watauga County are six or more times the median household income (see map below left). It is an issue that impacts economic development and the ability to recruit and retain workers to the University, the Hospital, and other regional employers. It is also an issue of transportation, because housing prices push workers and students further and further from employment and services in Boone, which results in more traffic on the roads to and from the town.

While affordable housing is generally related to the housing needs of households with incomes that are typically 80% or less of the area's median household income, North Carolina's most critical housing need is improving rental housing opportunities for households earning less than 30% of median income. Also, a shortage exists for housing for middle-class families (those earning above \$38,000 and less than \$50,000). A wide range of users (families, single-parent households, retirees & seniors) rely on affordable housing/workforce housing options, as do a wide range of employers.

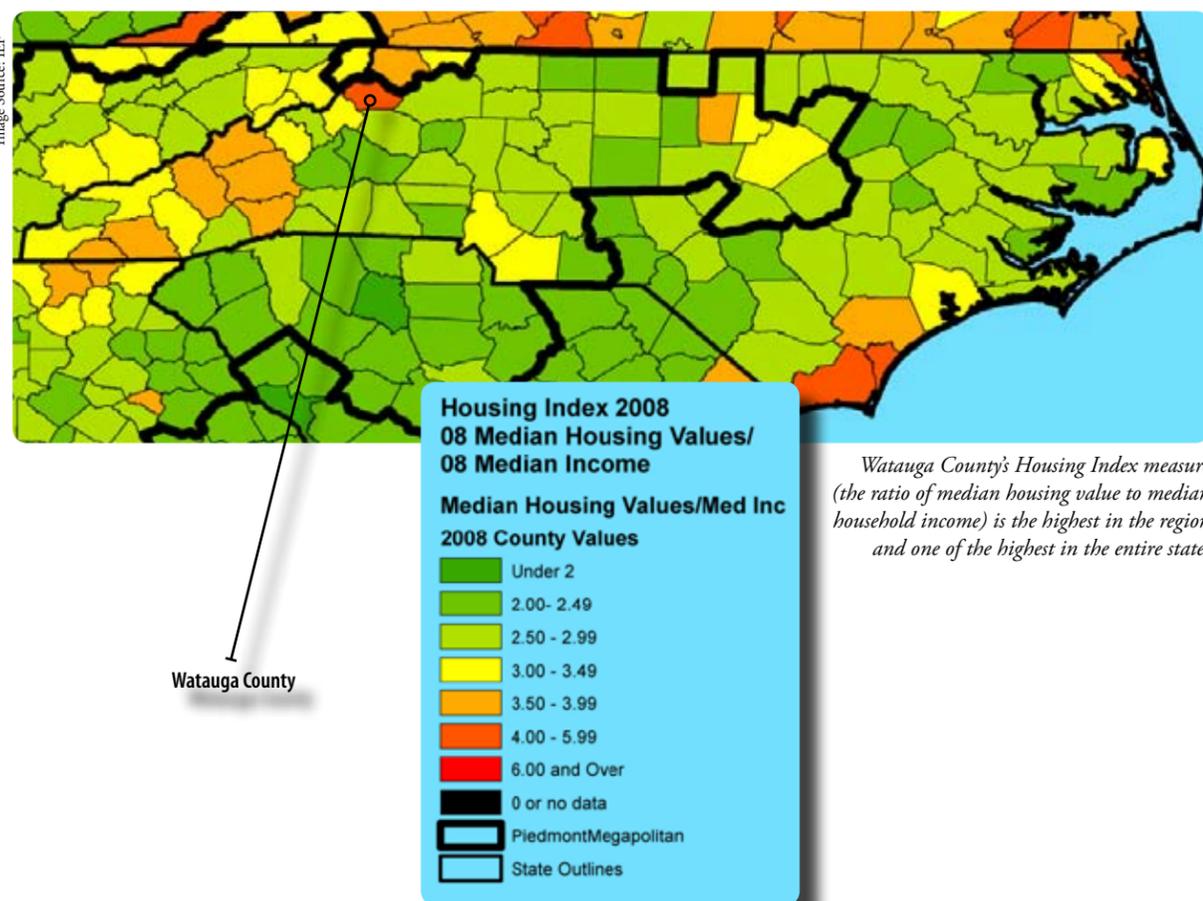
The need for affordable housing continues to deepen while the public resources to address this need continue to decline. In this context, the following strategies present ways of attacking the continuing problem of providing housing that is affordable to members of the regional workforce and their families.

factor in most low income household budgets, priority locations for affordable housing include locations with good access to services and jobs and transportation options, including transit.

When affordable housing is built in compact, mixed use areas, the community and affordable housing residents both benefit:

- Residents of compact communities drive 20-40% less per day, resulting in safer and less polluted communities.
- Local stores and businesses do best when more people live within walking distance or a short drive away.
- When more people work and live in the same town, civic organizations are stronger and residents can participate better.
- Residents of compact communities spend less on cars and have more time and resources for families and communities (*adapted from the Affordable Housing Design Advisor, www.designadvisor.org*).

In terms of design, affordable housing units should be similar to market-rate units in exterior appearance, proportion of attached and detached units, bedroom mix, and proportion of rental and owner-occupied units. The units also must be dispersed throughout communities and developments and must come on the market on a schedule similar to that of the market units.



Watauga County's Housing Index measure (the ratio of median housing value to median household income) is the highest in the region and one of the highest in the entire state.

LOCATION & DESIGN OF AFFORDABLE HOUSING

Establish Location and Design Criteria for Affordable/Workforce Housing.

There are two major issues that affordable housing must address if it is to be sustainable economically and politically acceptable: location and design.

Affordable housing is a controversial reality of contemporary life, for gains in affordability often result from expanding the supply of land available for housing or increasing the density of housing units in a given area. The process of weighing the impacts of locating affordable housing is quite contentious and can be laden with implications of race and class. This makes the twin policies of dispersal throughout communities and similarity to market units in appearance extremely important. Minimum design standards of site layout and housing design can help in achieving these twin objectives.

According to the report "Making Affordable Housing Truly Affordable: Advancing Tax Credit Incentives for Green Building and Healthier Communities" (www.frontierassoc.net), there are locational factors regarding affordable housing that must be addressed in addition to the cost of the housing itself. Since the cost of transportation is a major



Permanently affordable, owner-occupied units are interspersed with market-rate units in this mixed use development in Davidson, NC. From the outside, the affordable units are indistinguishable from the market-rate units except in size.

CREATE A RANGE OF HOUSING OPPORTUNITIES & CHOICES

RECOMMENDATIONS:

The Town's Affordable Housing Task Force and other local and regional groups have already begun to take action on some of the recommendations below and others. Like most issues, the issues of housing choice and affordable housing will have to be addressed on many fronts and will require the participation of public and private entities.

Work to provide sewer/water allocations and service to a proportional number of affordable housing units. Work with NC Rural Center and other state organizations to improve the ability for local agencies and government entities to secure funds for water and wastewater improvements to meet affordable housing goals in specified locations.

Provide Incentives for Affordable Housing. Consider a density bonus for provision of affordable housing. Provide tax rebates for housing in eligible areas.

Remove Regulatory Barriers to Affordable Housing Options. Promote infill and area re-development by adding specific zoning categories that enable small homes, cottages, neighborhood-scaled multi-family (duplex, triplex, quadruplexes), in-home rentals (boarders), co-housing and other forms of housing that are designed to be affordable and supportive of workforce development. Many other related recommendations were detailed in the Smart Growth Audit. These include:

- Allow accessory dwelling units in most zoning districts
- Allow duplexes and triplexes more widely
- Remove barriers for accessory apartments and duplexes
- Allow multi-family housing by-right in certain locations
- Consider allowing car-free housing
- Consider inclusionary housing requirements/incentives

Work with Local Employers to Develop In-Town Housing Options for Employees. Work with local employers to contribute to improvements in workforce housing for new workers. The University, the hospital, Watauga County Schools, and other large local employers will benefit in their recruitment efforts if affordable housing options are available locally. Work with these entities to contribute to development and/or funding of workforce housing in Boone. Employers can investigate Employer Assisted Housing Programs.

Work with ASU to maximize on-campus housing options for students. This recommendation is noted in the Smart Growth Audit, but it bears repeating. The more housing that ASU can provide on-campus, the less pressure on the town and neighborhoods to accommodate student housing.

EMPLOYER ASSISTED HOUSING (EAH)

Recognizing the potential benefits that homeownership has on the stability, morale, and productivity in the workplace, employers across the country have worked to build Employer Assisted Housing (EAH) programs and assist families striving for homeownership. Working with a non-profit group with affordable housing experience, private companies with EAH programs provide a financial incentive to homeownership. This assistance can take several forms, but typically it may be in the form of a zero percent interest, three to five year forgivable loan in amounts ranging from \$1,000 to \$5,000. Some organizations offer financial incentives in the form of grants.

INCLUSIONARY ZONING

Inclusionary zoning is a local government requirement for home builders and developers to provide a certain percentage of units in every new market-rate development at an affordable level for people identified as having low or moderate incomes. More than 200 local governments across the country are using inclusionary housing strategies, including Dare County and the Town of Davidson in North Carolina.

Programs can be mandatory or voluntary, and most programs contain cost offsets (e.g., density bonuses, expedited permitting processes, or fee waivers) for developers. Payment-in-lieu alternatives, if used properly, can be an excellent method for ensuring some flexibility for developers, while also generating land and dollars that can be used to meet a range of affordable housing needs in a community.

According to *Easing the Affordability Crunch: The Inclusionary Housing Option* (www.fanniemaefoundation.org) "recent studies have examined the advantages and limitations of . . . inclusionary housing programs. Three key lessons emerge:

1. Mandatory programs, on the whole, appear to be more effective than voluntary programs.
2. Although originally implemented in the suburbs, inclusionary housing programs can work well in urban centers.
3. Inclusionary housing strategies do not stifle development."

HOUSING LINKAGE FEES

A linkage fee is a housing impact fee, a means for local governments to collect monies from new commercial and industrial development to provide affordable housing. Linkage fees are premised on the basis that lower-wage workers, who are needed to build and work in new nonresidential development, should also be able to afford adequate housing within the community. Provision of such housing near employment centers helps reduce the economic and environmental costs of transportation. Most Jobs/Housing Linkage Programs require

a business to contribute fees to mitigate its housing impacts, but some require business developers to actually provide market-rate and/or affordable housing directly (see also Employer Assisted Housing). Sometimes local governments provide the developer with regulatory relief (e.g. density bonuses or reduced parking requirements) to offset the cost to the developer of meeting the linkage requirement.

Linkage fees are most successful in jurisdictions that expect to attract substantial new business development and have land available for such development. Linkage fees can provide a substantial boost to the production of affordable housing. Also, because linkage fees directly link new job creation with the provision of appropriate workforce housing, they help create a better jobs-housing balance with the resulting benefits of less traffic congestion and reduced air pollution. Employees who can afford to live near where they work spend less time commuting and have more time for their families and their community.



Benedict Commons in Aspen, CO was a joint effort between the City and two developers to provide affordable housing in Aspen for local workers.



The Wellington Neighborhood in Breckenridge, CO provides affordable and market-rate housing on a site that was once dredge-mined. The project recycles land, houses working families, and provides free transit to the nearby downtown.

HISTORIC PRESERVATION



The Town of Boone recently purchased the historic Post Office building downtown. It will continue to house postal services as well as other private or non-profit uses.



Woodshed/grainary at the Blair Farm. The farm house and outbuildings off of Deerfield Road were recently listed on the National Register of Historic Places. Established in 1844, it is one of the oldest existing farmsteads in Watauga County and includes some of the oldest buildings in Boone.

“The historical heritage of our State is one of our most valued and important assets. The conservation and preservation of historic districts and landmarks stabilize and increase property values in their areas and strengthen the overall economy of the State.”
 –NC General Assembly

Some of the most meaningful elements of local landscapes are the buildings constructed in a location over time. They can vividly tell the story of the origins, growth and sometimes the decline of a place. Besides being the repository of historical and community memory, historic buildings can also function as an engine for economic development. They can often stimulate a profitable growth in heritage tourism to support the local economy.

Continue to support the Historic Preservation Commission and private property owners in their efforts to inventory significant properties, develop a preservation plan, and protect individual landmarks. The Town has recognized the importance of historic preservation in Boone and recently established the Historic Preservation Commission. The Commission’s responsibilities will include inventorying properties with historical, architectural, prehistorical and cultural significance; making recommendations on historic districts and landmarks; and preparing a preservation plan. One of the recent victories of the Town and the Commission was the purchase of the old Post Office downtown, which will continue to house postal services among other uses.

To protect historic buildings and individual landmarks there are two distinct types of historic districts:

1. The National Register of Historic Places, a federal program administered by the North Carolina Department of Cultural Resources
2. Local historic or preservation districts created by individual towns or counties in accordance with North Carolina state enabling legislation

The information below is derived from the resources on the North Carolina State Historic Preservation Office website (www.hpo.dcr.state.nc.us).

THE NATIONAL REGISTER OF HISTORIC PLACES

The National Register, established in 1966, is the nation’s official list of buildings, structures, objects, sites, and districts worthy of preservation for their significance in American history, architecture, archaeology, and culture. The Blair Farm off of Deerfield Road was recently recognized with this designation. A farmhouse built in 1844 and outbuildings, it is one of the oldest existing farmsteads in Watauga County.

TAX CREDIT INCENTIVES

A privately owned building that is listed in the National Register or is a contributing building in a National Register historic district may be eligible for a 20% federal income investment tax credit claimed against

the costs of a qualifying rehabilitation of the building. North Carolina tax law provides a 20% “piggyback” credit for such projects. Federal and State credits apply only to income-producing, depreciable properties, including residential rental properties. Federal tax credits do not apply to owner-occupied residential properties.

Additional North Carolina tax credits introduced in 1998 provide a 30% credit for certified rehabilitations of non-income-producing historic buildings, including private residences. The work must meet a \$25,000 investment threshold and must comply with the same rehabilitation standards as income-producing projects.

In addition to these credits, the Tax Treatment Extension Act of 1980 provides federal tax deductions for charitable contributions of easements in historically significant properties for conservation purposes.

PROTECTION IN PUBLIC PLANNING

National Register listing does not provide absolute protection from government actions that may affect the property, but it does mean that if a federal or state project (such as highway construction and Community Development Block Grant projects) is in conflict with the preservation of a National Register property, the North Carolina Historic Preservation Office will negotiate with the responsible agency in an effort to eliminate or minimize the effect on the historic property. The Office’s recommendations are advisory only.

OWNER CONSENT

A privately owned property may not be listed in the National Register over the objection of its owner or the majority of its owners. A district may not be listed in the National Register over the objection of a majority of owners of private property within the proposed district.

LOCAL HISTORIC LANDMARKS

This program of local designations is an option available to local governments under North Carolina enabling legislation (G.S. 160A-400). Properties listed in the National Register sometimes also receive local designation in jurisdictions where local preservation commissions have been established according to the state enabling legislation. However, there is no direct correlation between National Register listing and local designation.

In locations where there is not a critical mass of buildings to qualify for historic district designation such as in Boone, it is still possible to protect individual buildings through designation as a local landmark and render the same protections as are enjoyed by historic districts. Local landmark designations may apply to individual buildings, structures, sites, areas, or objects which are studied by the commission and judged to have

historical, architectural, archaeological, or cultural value.

ADDITIONAL RECOMMENDATIONS

Identify High Country-specific historic architectural details and incorporate these into local design guidelines.

Work with private developers, property owners and public entities (e.g., ASU, etc.) to protect historic and culturally significant structures and sites as new developments are proposed. Provide incentives for protecting and preserving structures and significant sites.



The farm house and barn located near the hospital at the intersection of US 321 and Deerfield Road are exemplary of Boone’s rural heritage and worthy of protection. The concept plan for the hospital district (see Focus Areas section) recommends preserving this building.

One of the recurring themes from public input during the plan process was the need to maintain and promote architectural styles that reflect the history and culture of the High Country.

Recently, Boone has applied Commercial Development Appearance Standards to good effect, especially in regards to building form, materials, and retaining walls. However, as pointed out the *Smart Growth Audit*, there are aspects of the standards that can be improved upon and enhanced for different contexts and building types.

Design standards and guidelines come in several forms and have a variety of uses. They may be used by master developers to regulate the work of different home builders and maintain consistent quality across different areas and stages of development. Alternatively, they may be developed by local government as part of a new regulatory framework. In either instance, they may be advisory or prescriptive, depending on appropriate circumstances.

Design standards are specific requirements, and add another layer of regulatory control and provide a tool by which communities can establish and guide the desired character through uniform design. Design guidelines, while dealing with similar issues, remain advisory, specifying best practices that government wishes developers to follow, but precise details may be open to negotiation as part of the approval process.

Standards and guidelines describe the desired architectural features such as type of exterior materials, front porch requirements, arrangement and design of windows, placement of garages, etc. They also address location, orientation and relationships of buildings and parking lots; pedestrian circulation and safety; and character and qualities of landscaping. Although architectural styles have changed decade by decade, the principles of good design can be identified and applied to future development.

Elements of design standards for Boone should be the subject of intensive local discussion, with stakeholders within the community having the opportunity to decide the level of regulation or guidance appropriate.

Developers themselves, if operating as master developers of large projects are likely to make design standards mandatory and legally binding through their contracts with builders. In this instance, the guidelines become more like “pattern books,” such as the one used by the master developer at Baxter, in Fort Mill, SC.

In private developments, the pattern book embodies detailed design regulations that are legal documents between private consenting

5.3 MASSING

Massing is defined as the shape or form a building, or assemblage of buildings, assumes through architectural design. All building facades are a composite of horizontal tiers and vertical bays.

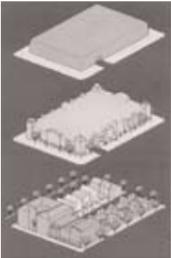
BUILDING DESIGN



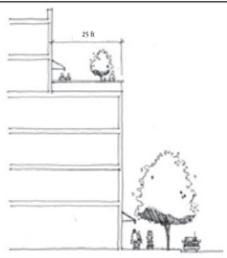
The scale and massing of a 6 story building should be designed to create interest along its entire street frontage with street level windows and building entrances.

Guidelines

1. For human scale and visual interest, break down the mass of the building, horizontally and vertically, into a hierarchy of volumes. Do not create a large monolithic structure. Within each volume or bay there should be an orderly placement of windows and doors.
2. If a building is long or large, more than one entrance may be needed on the front facade, or entrances may be needed on a number of building sides. In general, for walkability in the Core area, building or store entrances should occur at a minimum every 150 feet.
3. Building heights should not exceed six (6) stories in the Core Areas of Village Centers. In all other places they should not exceed three (3) stories. Building heights should transition to lower heights from the Core to the Edge.
4. Buildings in Village Centers may add up to two (2) additional stories provided the upper levels are recessed a minimum of 25 feet to permit sunlight to enter the street and open up views of the sky to the pedestrian.



Consider the use of multiple buildings in lieu of one large monolithic structure



Recess the upper stories to allow sunlight to pass onto the street and minimize the height impact to the pedestrian

City of Raleigh Urban Design Guidelines 36

parties; there is no public local government role in their formulation or implementation. The regulations can thus become very specific, with very detailed stipulations about style, materials and construction details.

RECOMMENDATION

Develop Design Standards for All Buildings.

Echoing the recommendations in the *Smart Growth Audit*, this plan encourages the Town to consider developing and applying some level of design standards to all buildings. These standards should vary according to the context of development (downtown versus rural, for example) and should incorporate architectural details that accurately reflect the history of buildings in the High Country. This recommendation includes non-residential buildings and multi-family buildings. And because of the desire to encourage infill development in certain neighborhoods there may be a need to also regulate infill and/or small-lot single family homes as well.

X.X ARCHITECTURAL DETAILS

Commercial Facades

Facades shall be comprised of brick, stacked stone, wood, cementitious fiberboard siding, or cedar shake shingles. These building walls shall consist of no more than two materials with heavier materials located lower on the facade. The predominant material shall be used consistently on all building elevations.



GUIDELINES

1. No more than two adjacent buildings shall not have the same facade material, same color (including brick), or brick texture. Additionally, no two buildings which face each other shall have the exact same combination of materials and colors.
2. Wood and cedar shake shall be sealed with an opaque stain or paint.
3. Foundation walls, piers and retaining walls shall be brick, stone, or other masonry material.
4. Clapboard siding shall be smooth, horizontal, and maximum 6 inch to weather.
5. Corner boards, at a minimum 5-1/2 inch wide, of contrasting color are encouraged.
6. Trim, at a minimum 4 inches wide, shall be used at all openings. Six (6) inch trim is preferred.
7. Brick masonry units shall be horizontal and heavily textured with buff or ochre mortar. Wall opening lintels shall be detailed with a change in coursing for soldiers or jack arches, for example. Stone or cast stone is also acceptable.
8. Wall material transitions shall not occur at outside corners. Returns are not permitted.



Images clockwise from top left: City of Raleigh Urban Design Guidelines; O'Neal Village Neighborhood Pattern Book, Greer, SC; Louisiana Speaks Pattern Book prepared by Urban Design Associates.



VISITABILITY & UNIVERSAL DESIGN

Include Visitability and Universal Design Standards in Local Guidelines.

With changing demographics, including an increasingly elderly population locally and nationally, design guidelines in Boone need to consider building access as part of the Town's design standards. In general they should not preclude zero-step entries through other regulations that might have this unintended consequence such as certain site grading requirements that cause awkward transitions between the building and the parking lot due standards that prioritize the parking lot grade.

In addition, these standards should be encouraged with all affordable housing projects that might be undertaken in the community as a way to broaden the housing opportunities for the greatest number of individuals.

The intent of visitability and universal design standards is to simplify life for everyone in society by making products, communications and homes more usable by as many people as possible, including people with disabilities. Visitability standards may be seen as the first step towards an accessible home and include the following three elements:

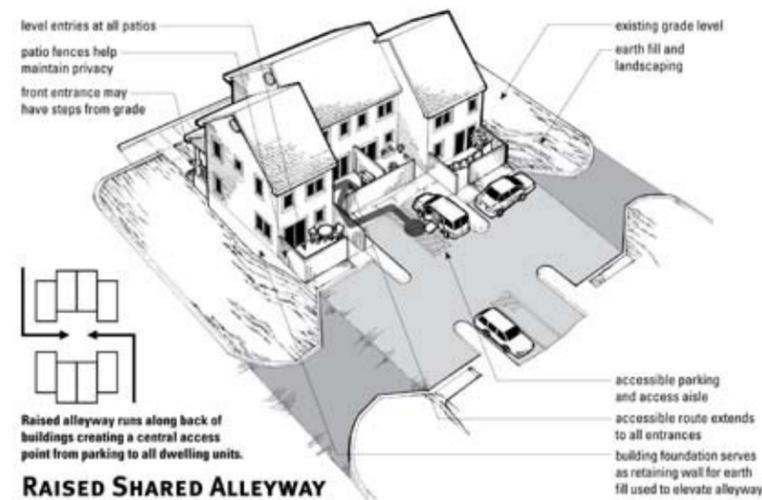
- At least one no-step (or zero-step) entrance
- Doors and hallways at least 32 inches wide
- A bathroom must be on the first floor of the unit, and it must be big enough to accommodate a wheelchair with the door closed.

Universal Design is a higher standard of accessibility than visitability. It refers to a home that accommodates the widest range of potential users, including small children, the frail and elderly, people with mobility and visual impairments (disabilities), and other special needs. Universal design homes are much easier to use by people of all ages and abilities without adaptation or specialized design features.

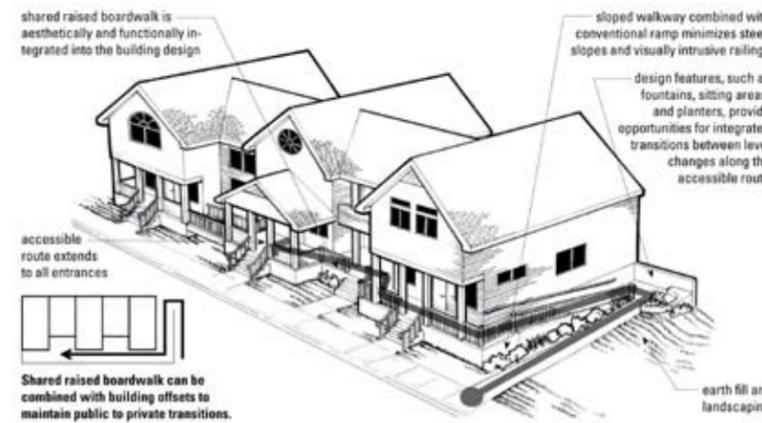
The following are principles associated with Universal Design:

- Equitable Use
- Flexibility in Use
- Simple and Intuitive
- Perceptible Information
- Tolerance for Error
- Low Physical Effort
- Size and Space for Approach and Use

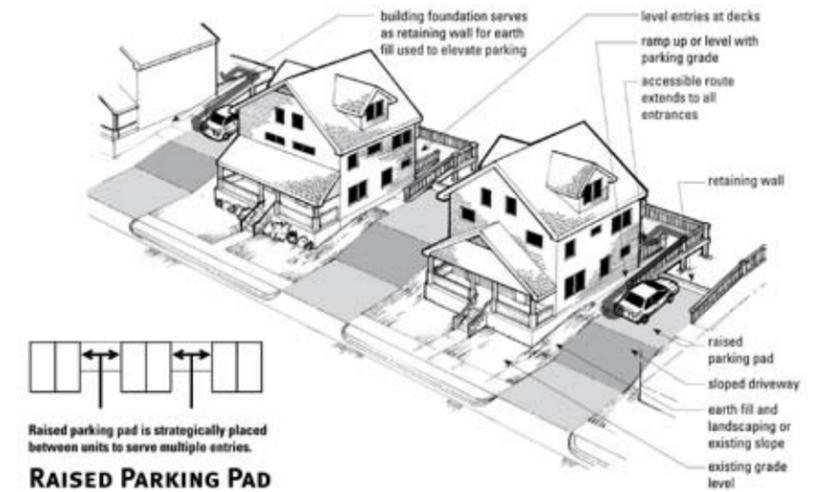
(This information is adapted from "Visitability and Universal Design Standards" www.road2la.org and "the Principles of Universal Design" www.design.ncsu.edu)



RAISED SHARED ALLEYWAY



SHARED BOARDWALK



RAISED PARKING PAD



SHARED WALKWAY

Examples of zero-step entries from "Stepless Entrances for Multifamily Housing" from The Center for Universal Design at North Carolina State University. The full publication can be accessed at: www.design.ncsu.edu/cud/pubs/pldocs/Stepless_Entrances.pdf

Image Source: NCSU

OTHER IMPLEMENTATION RECOMMENDATIONS

Recommendations for implementation are included throughout the report. The strategies listed below are for broader programs or efforts that tie together many of the detailed recommendations from other sections of the plan.

RECOMMENDATIONS

Prepare Small Area Plans for Neighborhoods and Districts. A town-wide plan rarely gets to a level of detail that can satisfy all of the needs and desires of specific small areas within the jurisdiction. Much feedback from citizens and stakeholders in the plan process related to issues and recommendations that can only be fully explored in the context of a focused small area plan—issues such as the need for neighborhood traffic calming; how to deal with neighborhood encroachment from student rentals and commercial development; providing equitable access to public parks and amenities, small-scale public investments, and the like.

Already the Town is considering some small area plans or corridor plans, including the US 321 corridor between Boone and Blowing Rock. As a way to build on and further detail the recommendations from the Boone 2030 planning effort, this plan recommends that additional small area or corridor plans be considered over the next decade, including:

- Residential Neighborhoods
- Downtown
- Happy Valley/Kellwood area (one of the most likely areas for the Town's future growth)
- 321 Corridor between Boone and Blowing Rock
- Hospital District
- Gateway Corridor Enhancement Corridors (see below)

The Town should consider developing at least one small area plan every other year. These plans should include, at a minimum, and as appropriate for each area: a natural resource inventory and recommendations for preservation; transportation strategies for all modes; public open space strategies; housing strategies; historic and cultural preservation recommendations; market analyses for economic development and new investment; branding strategies; design guidelines; and recommendations for regulatory changes and capital investment.

Designate Gateway Corridor Enhancement Corridors. Plan feedback from local stakeholders and visitors indicate a strong dissatisfaction with the appearance of the commercial corridors that are the gateways to Boone. The Framework Plan indicates areas along the US 421 corridor at the eastern and western entrances to the Town's jurisdiction as being important areas for special attention. Other corridors may merit this designation as well, including portions of the US 321 corridor and

the NC 105 corridor at the gateways into Boone. These areas are recommended for enhanced public and private investment to improve the appearance of these corridors for the public traveling into and through Boone.

The Town should consider a variety of strategies for these corridors including:

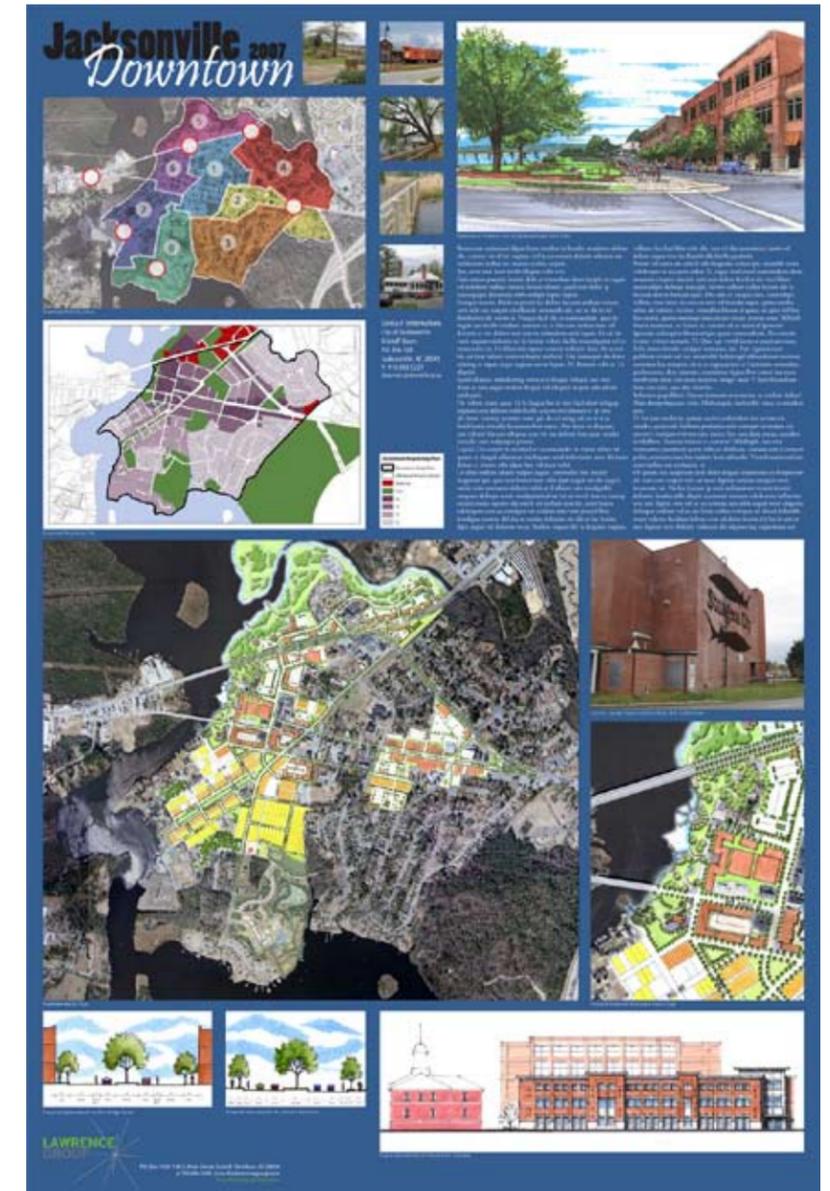
- Detailed corridor land use, design, and transportation plans
- Overlay zoning districts that set standards for signage, building design, and landscaping
- A grant program for building, landscaping, or signage improvements
- Additional entry monuments and landscaping
- Capital investments in landscaping, lighting, banner signage, and other streetscape improvements
- Development incentives for new development or redevelopment in the corridors

Create a Capital Improvement Prioritization Plan. This plan adds numerous capital recommendations to the Town's already full plate of capital needs. One of the key steps in implementing this plan will be to establish a prioritization of projects requiring public funding. The survey and other public input for this plan certainly give elected officials a good reference point in terms of understanding the citizens' priorities for public spending. In fact, one of the questions in the survey was a ranking of project types for public funding. A similar, but more in depth follow-up survey might be useful to elected officials in setting priorities and timelines for capital expenditures.

Establish a Boone Design Studio. When it comes to planning and implementation there are outstanding local resources in Boone at ASU, the community college, and with local organizations and professionals. One way that the Town could capitalize on this expertise and formally put it to work in furtherance of the community's goals is to establish a permanent non-profit design studio. The studio could operate as an independent organization but with support from the Town, drawing on the local resources of students, professors, and professionals in planning, construction, natural resource management, sustainable design, and renewable energy, to create plans and manage project implementation. For example, the studio could provide planning services for small area plans, provide design consultation for buildings or site design, develop creek restoration plans, or assist in public outreach.

Cities such as Raleigh, NC and Chattanooga, TN have (or have had) design studios that are supported in part by the municipality. UNCC's School of Architecture has a similar program that is fully supported by the University. In the case of Boone, the Town could consider providing

space and some technical resources, while the University and the County could contribute staffing or other services to the venture. University professors and students are already contributing time and energy to such work, including excellent studies and recommendations for the Kraut Creek. The design studio would be a way to formalize and direct these efforts.



Summary poster from a small area plan for downtown Jacksonville, NC. The plan includes detailed urban design, transportation, open space, and marketing and branding recommendations as well as new development standards to implement the recommendations of the plan.

OTHER IMPLEMENTATION RECOMMENDATIONS

GERMANTOWN, TN SMART GROWTH PARTNERSHIP PROGRAM & MATRIX

In 2007, the City of Germantown, TN adopted a plan to encourage the redevelopment of 700 acres in the center of their community into a walkable, sustainable downtown area. Once the plan was complete, the City adopted a new zoning ordinance which granted significantly more development opportunities than permitted under the previous regulations. In turn, the code issued new standards for building design, public improvements, and sustainability guidelines.

Subsequent to the Code, the City adopted a decision making guide that grants additional development incentives ranging from streamlined permitting to Tax Increment Financing (TIF) over a 15 year period. The Smart Growth Matrix is a tool to assist the Board of Mayor and Alderman in analyzing development proposals within certain designated areas (Smart Growth zones). It is designed to provide a quantitative measure of how well a development project accomplishes the City's Smart Growth priorities. The matrix incorporates criteria that reflect the Smart Growth goals described above. These criteria include the location of development, sustainable development practices, parking, urban pattern & design, neighborhood support, employment opportunities, increased tax base and other policy priorities.

If a development project, as measured by the matrix, significantly advances the City's Smart Growth Initiative, certain public-private partnerships may be available to help offset the higher cost of developing in an urban area. These partnerships may include the reduction or reimbursement of development fees; public investment in new or improved infrastructure; and accelerated infrastructure investments, which would include available, but unassigned, Capital Improvement Program (CIP) resources related to on- and off-site project improvements. A maximum value for partnerships is set based on the project matrix score and the increase in property tax revenue related to the project. *(For more information please reference www.germantown-tn.gov)*

Develop a Public/Private Partnership Program for Redevelopment.

A consistent theme from participants in the plan process was the need for public and private partnerships for development and redevelopment in Boone. This plan highlights many opportunities for such partnerships, including joint-use parking decks for ASU and downtown; creek restoration projects; and incentives for developers. Many of the goals that the Town is hoping to achieve through this plan will require public participation in the form of regulatory incentives, tax rebates, public financing (such as Project Development Financing; see text box on the right), utility incentives, or streamlined development review.

This plan recommends that the Town develop a menu of public participation strategies along with recommended thresholds for private investment. The text box on the left and the table below provides an example of such a program from Germantown, TN. The menu could include everything from partial tax breaks for homeowners who provide accessory dwelling units to bond financing for infrastructure for projects in certain locations or of a certain size. The key is that the goals of the partnership program should be tied directly to the goals of the Town (e.g., affordable housing, natural resource and historic preservation, mixed use development, etc.) as reflected in this plan and other local policy initiatives. The program then needs to be marketed to taxpayers, developers, builders, and other investors.

PROJECT DEVELOPMENT FINANCING (OR TIF)

Project Development Financing, or Tax Increment Financing (TIF), is an economic development tool that local governments use to finance public improvements to a designated area without having to rely on the state or federal government for funding. Using project development financing, local governments may issue bonds to pay for a variety of activities (examples include buying and selling land, installing utilities, and constructing streets) in order to encourage the private development of land that may not otherwise occur.

The purpose of tax increment financing is to allow local governments to issue bonds to finance improvements in order to stimulate blighted areas or designated urban renewal districts (TIF districts). Revenues collected from the bonds issued are then invested towards infrastructure improvements or other projects within the area. As property values increase due to reinvestment in the area, the property tax gains, the "tax increment," are placed into a Revenue Increment Fund and later used to pay off the bondholder. Essentially, local governments are able to induce investment by borrowing against the incremental tax revenue they expect to receive.

In North Carolina, a TIF district may be established if the local government and relevant property owners determine that the area is eligible for redevelopment because it is blighted, deteriorated, undeveloped, underdeveloped, or inappropriately developed. The total land area used to define the TIF district may not exceed five percent (5%) of the total land area of the local government proposing the development project.

Traditionally, Project Development financing is used to attract businesses for job creation. However, in North Carolina a variety of projects are available to local governments using Project Development Financing, including housing developments.

Project Development Financing may be a useful tool for local governments with an interest in promoting economic development. As part of this effort, affordable housing developments may result from Project Development Financing, but they would not commonly be the reason to initiate development. Affordable housing on its own is not likely to increase the tax value of a land parcel; however, affordable housing could be included as part of mixed-use developments.

Information in this section is adapted from a memo prepared for the Mayor's Task Force on Affordable Housing in Asheville, NC, by Carrie R. Knight, dated February 14, 2008.

GOAL	CATEGORY	ELEMENT/CRITERIA	WEIGHT	VALUE	TOTAL SCORE	TOTAL POSSIBLE	TOTAL SCORE BY SECTION	
MIXED-USE	Upper-story Residential	Provide residential space totaling at least 20% of the building square footage and located above the first floor	3	3	9	9		
	Diversity of Uses	Construct or renovate a project with at least 5 different uses chosen from the list of Basic Services with at least one of which must be residential; OR provide a minimum of three different uses and locate the project within 1/4 mile of 5 other Basic Services	2	3	6	6		
	Diversity of Housing Types	Provide a minimum of three different housing types and each type must comprise a minimum of 10% of the total housing units to be counted	2	3	6	6		
	Street-level Pedestrian Uses	Provide a minimum of 75% of the ground floor along public right-of-way in pedestrian uses	2	3	6	6	27	
4.0 A BALANCED TAX BASE								
	Fiscal Impact Analysis	Provide a fiscal impact analysis to determine whether revenues generated by the project are sufficient to cover the resulting costs for service and facility demands placed on the City						<i>Prerequisite</i>

Part of the Germantown Smart Growth Matrix, which rates development projects applying for public participation on a variety of community goals including mixture of uses, financial impact to the community, environmental performance, public amenities and building and site design. Projects that meet certain thresholds qualify for varying types of consideration from the City from priority permitting to reimbursement for certain public infrastructure.

Total Points Possible	233
Minimum Points Needed	
Level 1	Meets Prerequisites
Level 2	35% 82
Level 3	40% 93
Level 4	50% 117
Level 5	65% 151