



**Planning Staff Report to
Greenville Planning Commission
September 10, 2020**
for the September 17, 2020 Public Hearing

Docket Number: Z-6-2020

Applicant: City of Greenville

Proposal: **TEXT AMENDMENT to MODIFY** Section(s) 19-4.3.1(A), 19-5.1 Table of Dimensional Standards, and 19-6.8.3 related to the repurposing of hotel/motel developments in C-2, Local Commercial Districts and C-3, Regional Commercial Districts into affordable residential housing units

Staff Recommendation: **Recommend Approval to City Council**

Applicable Sections of the City of Greenville Code of Ordinances:

Sec. 2-372 Function, Powers, and Duties of the Planning Commission
Sec. 19-3.2.2(F) District Descriptions
Sec. 19-4.3.1(A) Use Specific Standards, Household Living
Sec. 19-5.1 Table of Dimensional Standards
Sec. 19-6.8.3 Design standards for multifamily residential development, Exemptions

Staff Analysis:

Community Development staff submits a text amendment to Section 19-4.3.1(A), 19-5.1 Table of Dimensional Standards, and 19-6.8.3 to encourage the repurpose of hotel/motel developments in C-2, Local Commercial Districts and C-3, Regional Commercial Districts into affordable residential housing units. The City of Greenville's population growth has amounted pressure on the available affordable housing stock. Affordable housing is an essential foundation upon which to build a more inclusive future for the City of Greenville and to grow a more competitive workforce to meet the challenges of our regional, state, and global economy. This amendment will provide development incentives to redevelop existing, underutilized hotel/motel uses for conversion into affordable housing options. For instance, to redevelop an underutilized structure can help minimize construction costs, and therefore, provide additional affordable housing options for city residents.

Each redevelopment taking part of the proposed development incentives of this provision shall be required to follow standards and terms for affordability. There are two options which include:

- a. Thirty (30%) percent of the dwelling units, rounded up to the whole number, shall be restricted by deed as owner-occupied affordable housing units and/or rental affordable housing units for a period of at least twenty (20) years; or
- b. Twenty (20%) percent of the dwelling units, rounded up to the whole number, shall be restricted by deed as owner occupied affordable housing units and/or rental affordable housing units for a period of at least twenty-five (25) years.

In summary, staff finds that this proposed text amendment will offer the opportunity for the creation of additional affordable housing units in the City of Greenville.

Application # _____	Fees Paid _____
Date Received: _____	Accepted by _____
Date deemed complete _____	App Deny Conditions _____



**APPLICATION FOR ORDINANCE TEXT
AMENDMENT
CITY OF GREENVILLE, SOUTH CAROLINA**

APPLICANT INFORMATION

City of Greenville

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 SIGNED

 DATE

REQUEST

19-4.3.1 & 19-5.1

 PERTINENT CODE SECTION(S)

NARRATIVE DESCRIPTION/PROPOSED REVISION(S):

The proposed Land Management Ordinance revisions will provide incentives to repurpose hotel/motel developments in C-2, Local Commercial Districts and C-3, Regional Commercial Districts into affordable residential units.

INSTRUCTIONS

1. THE APPLICATION AND FEE, **MADE PAYABLE TO THE CITY OF GREENVILLE**, MUST BE RECEIVED BY THE PLANNING AND DEVELOPMENT OFFICE NO LATER THAN 5:00 PM OF THE DATE REFLECTED ON THE ATTACHED SCHEDULE.
2. THE APPLICANT MUST RESPOND TO THE "STANDARDS" QUESTIONS ON PAGE 2 OF THIS APPLICATION (YOU MUST ANSWER "WHY" YOU BELIEVE THE APPLICATION MEETS THE TESTS FOR GRANTING A TEXT AMENDMENT). SEE ALSO **SECTION 19-2.3.2, AMENDMENTS TO TEXT AND ZONING DISTRICT MAP**, FOR ADDITIONAL INFORMATION. YOU MAY ATTACH A SEPARATE SHEET ADDRESSING THESE QUESTIONS.
3. YOU MUST ATTACH THE REQUIRED APPLICATION FEE: \$ 100.00.
4. THE ADMINISTRATOR WILL REVIEW THE APPLICATION FOR "SUFFICIENCY" PURSUANT TO **SECTION 19-2.2.6, DETERMINATION OF SUFFICIENCY**, PRIOR TO PLACING THE APPLICATION ON THE PLANNING COMMISSION AGENDA. IF THE APPLICATION IS DETERMINED TO BE "INSUFFICIENT", THE ADMINISTRATOR WILL CONTACT THE APPLICANT TO REQUEST THAT THE APPLICANT RESOLVE THE DEFICIENCIES. **YOU ARE ENCOURAGED TO SCHEDULE AN APPLICATION CONFERENCE WITH A PLANNER, WHO WILL REVIEW YOUR APPLICATION FOR "SUFFICIENCY" AT THE TIME IT IS SUBMITTED. CALL (864) 467-4476 TO SCHEDULE AN APPOINTMENT.**

APPLICANT RESPONSE TO SECTION 19-2.3.2(E)(1), AMENDMENTS TO TEXT
(YOU MAY ATTACH A SEPARATE SHEET)

1. DESCRIBE THE WAYS IN WHICH THE PROPOSED AMENDMENT IS CONSISTENT WITH THE COMPREHENSIVE PLAN.

See attached.

2. DESCRIBE THE WAYS IN WHICH THE PROPOSAL IS CONSISTENT WITH THE PROVISIONS OF THE ORDINANCE AND RELATED CITY REGULATIONS.

See attached.

3. DESCRIBE THE CONDITIONS THAT HAVE CHANGED FROM THE CONDITIONS PREVAILING AT THE TIME THAT THE ORIGINAL TEXT WAS ADOPTED.

See attached.

4. DESCRIBE THE WAYS IN WHICH THE PROPOSAL ADDRESSES A DEMONSTRATED COMMUNITY NEED.

See attached.

5. DESCRIBE THE WAYS IN WHICH THE PROPOSAL IS CONSISTENT WITH THE PURPOSE AND INTENT OF THE ZONING DISTRICTS IN THE ORDINANCE, WILL PROMOTE COMPATIBILITY AMONG USES, AND WILL PROMOTE EFFICIENT AND RESPONSIBLE DEVELOPMENT WITHIN THE CITY.
See attached.

6. DESCRIBE THE WAYS IN WHICH THE PROPOSAL PROMOTES A LOGICAL AND ORDERLY DEVELOPMENT PATTERN.

See attached.

7. DESCRIBE THE WAYS IN WHICH THE PROPOSED AMENDMENT WILL RESULT IN BENEFICIAL IMPACTS ON THE NATURAL ENVIRONMENT AND ITS ECOLOGY, INCLUDING BUT NOT LIMITED TO: WATER; AIR; NOISE; STORMWATER MANAGEMENT; WILDLIFE; VEGETATION; AND, WETLANDS.

See attached.

8. DESCRIBE THE WAYS IN WHICH THE PROPOSED AMENDMENT WILL RESULT IN DEVELOPMENT THAT IS ADEQUATELY SERVED BY PUBLIC FACILITIES AND SERVICES (ROADS, POTABLE WATER, SEWERAGE, SCHOOLS, PARKS, POLICE, FIRE, AND EMERGENCY FACILITIES).

See attached.

City's responses to section 19-2.3(E)(1), Amendments to Text:

1. Describe the ways in which the proposed amendment is consistent with the Comprehensive Plan.

According to the 2009 Comprehensive Plan, one of the Plan-It Greenville Themes is housing. This theme provides 8 objectives. All 8 objectives provide for increasing and maintaining affordable housing.

2. Describe the ways in which the proposal is consistent with the provisions of the ordinance and related city regulations.

One of the purposes and intents of the Land Management Ordinance is to "Promote diverse quality housing, protect neighborhoods, and encourage a diversity of housing options" (Sec. 19-1.3.4 of the City Code). The proposal will allow and incentivize more affordable housing.

3. Describe the conditions that have changed from the conditions prevailing at the time that the original text was adopted.

Since the original text was adopted, the city of Greenville's population growth has amounted pressure on affordable housing stock. This proposal will provide incentives to leverage the market-rate development of affordable housing.

4. Describe the ways in which the proposal addresses a demonstrated community need.

The proposal addresses the demonstrated community need for affordable housing by providing density bonuses to properties developed for affordable housing.

5. Describe the ways in which the proposal is consistent with the purpose and intent of the zoning districts in the ordinance, will promote compatibility among uses, and will promote efficient and responsible development within the city.

The C-2 district is intended to provide a limited range of general retail, business, and service uses as well as professional and business offices, and residential uses are allowed. The proposal will expand residential uses which is consistent with limited retail, business, and service uses. Also, the C-3, district is intended to establish and preserve distinct areas for regional retail shopping centers. The district typically is located along major arterials. Residential uses are allowed; light manufacturing uses may be allowed. Again, the residential use is allowed in C-3 and will complement the retail centers.

6. Describe the ways in which the proposal promotes a logical and orderly development pattern.

The proposal will allow the redevelopment of existing, underutilized hotel uses. Redeveloping an underutilized structure will help reduce construction costs and providing additional affordable housing options for city residents.

7. Describe the ways in which the proposed amendment will result in beneficial impacts on the natural environment and its ecology, including but not limited to: water; air; noise; stormwater management; wildlife; vegetation; and, wetlands.

The proposal provides for redeveloping existing commercial uses. Repurposing existing buildings will preserve greenspace from development.

8. Describe the ways in which the proposed amendment will result in development that is adequately served by public facilities and services (roads, potable water, sewerage, schools, parks, police, fire, and emergency facilities).

The proposal provides for redeveloping existing hotel uses which have previously demonstrated adequate public facilities and services. Further, all redevelopment is required building permits where services will be assessed.

19-4.3.1(A)(5) Affordable Housing

(a) Findings. City Council finds that affordable housing is the essential foundation upon which to build a more sustainable future for the City of Greenville and to grow a more competitive workforce to meet the challenges of our regional, state, and global economy. City Council finds that zoning regulations can be an effective tool for implementing the strategies to address the needs for affordable housing stock within the City of Greenville. City Council finds that the C-2 and C-3 zoning districts are an appropriate place for certain incentives provided in this section for the redevelopment of affordable housing types.

(b) Purpose. This section is intended to promote a diversity of housing stock by providing certain incentives and regulatory standards for the creation of affordable housing units through redevelopment of hotels and motels to multi-family dwellings in the C-2 and C-3 zoning districts.

(c) Availability. The affordable housing incentives and regulations provided in this chapter are available to all landowners in the C-2 and C-3 zoning districts as a use-specific standard when an applicant has demonstrated compliance with the conditions provided herein.

(d) Definitions. For the purpose of this chapter, the following terms shall mean:

1. Owner-occupied affordable housing unit: A dwelling unit where at least one occupant is an owner, and where all occupants have, in the aggregate, household income less than or equal to one-hundred (100%) percent of the area median income (AMI) for owner-occupied units. Area median income (AMI) shall be determined annually by the United States Department of Housing and Urban Development (HUD) as adjusted by the county.
2. Rental affordable housing unit: A dwelling unit, where occupants have, in the aggregate, household income less than or equal to eighty (80%) percent of the area median income (AMI) for rental units. AMI shall be determined annually by HUD as adjusted by the county.
3. Qualified household: Households where occupants have, in the aggregate, a household income less than or equal to one hundred (100%) percent of the AMI for owner-occupied units, and a household income less than or equal to eighty (80%) percent of the AMI for rental units.
4. Initial maximum allowable sales price: An amount equal to three (3) times one-hundred (100%) percent of the AMI plus any subsidy available to the buyer.

5. Affordable rent: Affordable rent is based on an amount not to exceed thirty (30%) percent of eighty (80%) percent of the AMI as published annually by HUD based on household size, inclusive of a utility allowance. Utility allowances are as provided by HUD guidelines.
6. Household income: All sources of financial support, both cash and in kind, of adult occupants of the housing unit, to include wages, salaries, tips commissions, all forms of self-employment income, interest, dividends, net rental income, income from estates or trusts, Social Security benefits, pension benefits, or any other sources of financial support.

(e) Applicability. Within the C-2 or C-3 zoning district, a property owner may elect to convert existing hotel or motel uses to multi-family dwelling units according to the standards in this section provided that the applicant demonstrates strict compliance with the conditions stated herein.

(f) Land Use Standards. A redevelopment within the C-2 or C-3 zoning district may elect to provide for affordable housing units, in accordance with the following standards:

1. Unit Percentage. The number of owner-occupied affordable housing units and/or rental affordable housing units per development shall be one of the following at the election of the applicant:
 - a. Thirty (30%) percent of the dwelling units, rounded up to the whole number, shall be restricted by deed as owner-occupied affordable housing units and/or rental affordable housing units for a period of at least twenty (20) years; or
 - b. Twenty (20%) percent of the dwelling units, rounded up to the whole number, shall be restricted by deed as owner-occupied affordable housing units and/or rental affordable housing units for a period of at least twenty-five (25) years.
2. Unit Design. The affordable housing units shall be sized, in terms of square footage and number of bedrooms, comparable and proportional to the square footage and number of bedrooms of the market rate units in the development as a whole. The smallest affordable housing unit by bedroom count shall not be smaller than the smallest market rate unit with the same number of bedrooms. The affordable housing units shall be integrated and intermixed within the market rate units in a development and may not be clustered together or segregated from the market rate units. When a development contains multiple buildings, it shall incorporate into each

building, affordable housing units comparable and in proportion, to the number of market rate units in the building so that affordable housing units are disbursed proportionately throughout the development. Exterior finishes of affordable housing units shall be indistinguishable from exterior finishes of market rate units.

3. Density waiver. There shall be no maximum density or minimum lot size requirements.
4. Additional units. The amount of multi-family dwelling units shall be no greater than the amount of guest rooms prior to the redevelopment of the original hotel or motel use.
5. Parking reduction. The off-street parking requirements of Section 19-6.1.3 shall be reduced by 30%.
6. Land use development standards. All other land use and development standards of the C-2 or C-3 zoning district for multi-family development shall be provided, including but not limited to standards for height, area, setbacks, and buffers.
7. Mixed use projects. The standards and incentives provided in this chapter shall apply only to the housing portions of the mixed use project.

(g) Submittal Requirements, Procedures and Enforcement.

1. Prior to receiving a building permit for any portion of a redevelopment, the owner thereof shall provide, in writing, in the form of a Memorandum of Understanding to be filed with the Greenville City Council, to the satisfaction of the Planning and Development Division, or its successor, information identifying the total number of efficiency, one bedroom, two bedroom, etc. and the respective square footage of the same and provide a breakdown of the number, location, size, square footage, bedrooms etc. of the affordable housing units. Prior to the issuance of a certificate of occupancy for any portion of a redevelopment, the owner thereof shall identify, in writing, to the Planning and Development Division, or its successor, the units designated as owner-occupied affordable housing units and/or rental affordable housing units. Affordable housing units shall not be changed, modified, or amended in location, size, square footage etc.

without first notifying and receiving in writing, approval from the Planning and Development Division.

2. Prior to the issuance of a certificate of occupancy for any portion of a redevelopment permitted pursuant to this section, the owner shall execute covenants satisfactory to the City that identifies the owner-occupied affordable housing units and/or the rental affordable housing units. The executed covenants shall restrict such units to occupancy or ownership by qualified households for a period of twenty (20) years when thirty (30%) percent of the units are set aside as affordable housing units or twenty-five (25) years when twenty (20%) percent of the units are set aside as affordable housing units pursuant to the sections above. The executed covenants shall be filed with the City of Greenville prior to the issuance of a certificate of occupancy.
3. Prior to the issuance of a development permit, the owner shall submit plans in accordance with Section 19-6.8 – Design standards for multifamily residential development. The plans shall demonstrate compliance with the standards provided in that section.
4. The covenants for affordable housing units shall provide:
 - a. For owner-occupied affordable housing units, the covenants shall identify the maximum allowable sales price, and provide that the initial maximum allowable sale price may be adjusted annually for inflation based on the increase in the area median income (AMI) or Consumer Price Index, whichever is greater. Each owner of such units, prior to initial occupancy, shall be required to submit to the Planning and Development Division, or its successor, a verified income report of household income of all members of the household. The covenants shall require notice to the Planning and Development Division, or its successor, of any transfer of the owner-occupied affordable housing units and verification that the purchaser is a qualified household. Owner-occupied affordable housing units shall be subject to these resale restrictions for no fewer than the numbers of years elected by the developer provided for in this section. Such restrictions shall be recorded as deed restrictions for the affordable housing unit identified in the Memorandum of Understanding executed pursuant to the requirements in this section.

- b. For rental affordable housing units, the covenants shall require the owner to provide proof to the Planning and Development Division, or its successor, at inception of every tenancy, and on an annual basis thereafter, that no more than affordable rent is being charged for the affordable housing units. The owner or licensed property manager acting on behalf of the owner, shall provide verified income reports of household income of all occupants of rental affordable housing units at the request of the Planning and Development Division, or its successor. Rental affordable housing units shall be subject to these restrictions for no fewer than the number of years elected by the developer provided for in this section.
 - c. If an affordable housing unit is converted from rental occupied to owner-occupied occupancy during the term of the covenants, the unit shall be subject to the owner-occupied affordable housing unit requirements as set out the sections above (to include an initial maximum sales price) for a term of months equal to the number resulting when subtracting from 300 months, the number of months the unit has been subject to the rental affordable housing covenants.
 - d. Conversion of an affordable housing unit from owner-occupied to renter occupied occupancy shall not be permitted.
 - e. Covenants shall require written notice to the Planning and Development Division prior to any conversion taking place and shall require that the necessary covenant(s) and amendment(s) to the Memorandum of Understanding be filed with the City of Greenville.
5. If the redevelopment is to be phased, each phase shall include affordable housing units concurrently with the market rate units in the particular phase in the same proportions in relations to the overall development requirements for affordable housing units. A phasing in plan must make the affordable housing units available concurrently with the market rates in proportions based on the overall percentages elected pursuant to this Code.
6. Upkeep and maintenance of affordable housing rental units must be maintained at the same or better level provided to the market rate units.

Table 19-5.1-1: Table of Dimensional Standards							
District or Use	Lots			Setbacks Minimum (feet)			Height Maximum (feet) ⁸
	Max. Density and Min. Lot Area (sq. ft.)	Min. Width (feet)	Max. Coverage (percent) ¹¹	Front ¹	Side	Rear	
RESIDENTIAL DISTRICTS							
R-6	6,000	40	40	20	5	15	35
R-9	9,000	60					
RM-1	10 units/acre	40 for single-family detached; None for all other	40	20	5 for single-family detached and duplex; 15 for other uses	15	40 ^{2, 12}
RM-1.5	15 units/acre						
RM-2 and RM-3	20 units/acre						
High-rise apartments in RM-3 and OD	1 acre	150	25 ³	25	25	25	None ⁴
Nonresidential uses in all residential districts	None	None	40	25	15	15	40 ^{2, 12}
Accessory structures			50% of principal structure	NP	5	5	20 ⁹
NONRESIDENTIAL DISTRICTS							
OD	See ¹⁰ below	None	50	10	3 ⁵ or 10 ⁶	15	40 ^{2, 12}
C-1	See ¹⁰ below	None	100	10	3 ⁵ or 10 ⁶	15	40 ^{2, 12}

C-2	See ^{10,14} below	None	100	10	3 ⁵ or 10 ⁶	15	40 ^{2, 12}
C-3	See ^{10,14} below	None	100	10	3 ⁵ or 10 ⁶	10	40 ^{2, 12}
C-4	None	None	100	0	0	0	None ^{7, 12}
RDV	See ¹⁰ below	None	100	10 (20 Max)	3 ⁵ or 10 ⁶	3 ⁵ or 10 ⁶	40 ^{2, 12}
S-1	See ¹⁰ below	None	100	10	3 ⁵ or 10 ⁶	10	40 ²
I-1	None	None	100	25	3 ⁵ or 25 ⁶	10	40 ²
Accessory structures			10	NP	3 ⁵	3 ⁵	20 ⁹

NOTES:

¹ See subsection 19-5.2.4(B), setback, front.

² See subsection 19-5.2.9(C)(1), general.

³ See subsection 19-5.2.10, Lot coverage.

⁴ See subsection 19-5.2.9(C)(2), high-rise apartments.

⁵ Zero lot line or common wall construction is allowed.

⁶ If adjacent to a residential district.

⁷ Height may be limited by design guidelines for the central business district.

⁸ See subsection 19-5.2.9, building height.

⁹ See subsection 19-4.4.2(E), maximum height.

¹⁰ No minimum lot area, maximum residential density is 20 units/acre.

¹¹ Total impervious area shall not exceed 60 percent for lots with single-family detached homes and duplex dwellings, per section 19-6.9.

¹² Single-family detached homes limited to 35 feet in height.

¹³ Development within the Unity Park Neighborhood District shall comply with the Table of Dimensional Standards in the Unity Park Neighborhood District Code.

¹⁴ Hotel or motel uses that are converted unit per unit to multi-family dwelling may exceed maximum density, per subsection 19-4.3.1(A)(5).

19-6.8.3. Exemptions. The following multifamily developments are exempt from the requirements of this subsection:

- (A) Structures located within the C-4 Central Business District;
- (B) Structures located within PD Planned Development Districts that incorporate multifamily development design standards;
- (C) Structures located within PO Preservation Overlay Districts, to the extent that overlay standards are more restrictive than the requirements of this section;
- (D) Structures located within NRO Neighborhood Revitalization Overlay Districts, to the extent that overlay standards are more restrictive than the requirements of this section; and
- (E) Routine maintenance and repair of multifamily residential development.
- (F) Hotel or motel uses that are converted to multifamily developments in accordance with the standards and procedure in section 19-4.3.1(A)(5), Affordable Housing.