



## Inclusionary Zoning for Workforce Housing

### Presenters:

**Michael Carper, HDC**  
Affordable Housing Development & Management

**Mark Stivers, AICP**  
Director Of Planning and Development  
East Hempfield Township, Lancaster

**Mark Hiester, AICP**  
Planning Consultant  
Mount Joy, Lancaster County

**Cyndie Fuhrer, HDC**  
Affordable Housing Development, Project Manager

**Michael R. Carper**

**President and CEO , HDC**

439 East King Street  
Lancaster, PA 17602  
Phone: (717)291-1911





## Affordable Housing Defined:

A household should pay no more than 30% of its gross income on housing costs (HUD).

- For renters = rent + utilities
- For home owners = principal + interest + taxes + insurance

**DEFINED**

**AMI: Area Median Income.**  
(Median is the middle value in a set of numbers.)

- Adjusted annually by HUD for a specific area.
- Used to determine affordability levels and income eligibility for a variety of housing opportunities, especially subsidized housing programs, including public housing, Section 8, and LIHTC. [www.huduser.org/datasets/lihtc/index.html](http://www.huduser.org/datasets/lihtc/index.html)

## Who needs affordable housing?



Low & moderate income people are your workforce at all levels of the economic scale and are of critical importance to a functioning and growing society.



## Rental Housing

A crucial step in the process  
of self-sufficiency.



## The 5 most common myths about affordable housing:

1. Affordable housing is ugly.
2. Affordable housing produces more traffic.
3. Affordable housing increases crime.
4. Affordable housing overburdens schools and infrastructure.
5. Affordable housing lowers property values.



## Mark Stivers

Director of Planning  
East Hempfield Township, Lancaster County

East Hempfield Township  
1700 Nissley Road  
Landisville, PA 17538  
Phone: (717) 898-3100



Treasurer, PA Chapter of the American Planning Association




Affordable housing  
will not just happen  
in a community.

**Planning and hard work among the community leaders and stakeholders is necessary for communities to provide a full range of housing options.**

Make no little plans. They have no magic to stir men's blood and probably themselves will not be realized. Make big plans; aim high in hope and work, remembering that a noble, logical diagram once recorded will never die, but long after we are gone will be a living thing, asserting itself with ever-growing insistency. Remember that our sons and grandsons are going to do things that would stagger us. Let your watchword be order and your beacon beauty. Think big.

~ Daniel Burnham  
Chicago architect (1864-1912)

  
**PANEL URGES MORE CITY HOUSING**  
Group makes recommendations to Planning Commission  
By CLAUDIA MELYNDEZ SALINAS  
Herald Salinas Bureau

New affordable housing should be high density and located in areas that already offer nearby services.

These are some of the informal recommendations made by the Housing Advisory Committee to the Monterey County Planning Commission on Wednesday as commissioners consider revisions to the general plan, the document that will guide county growth for the next 20 years.

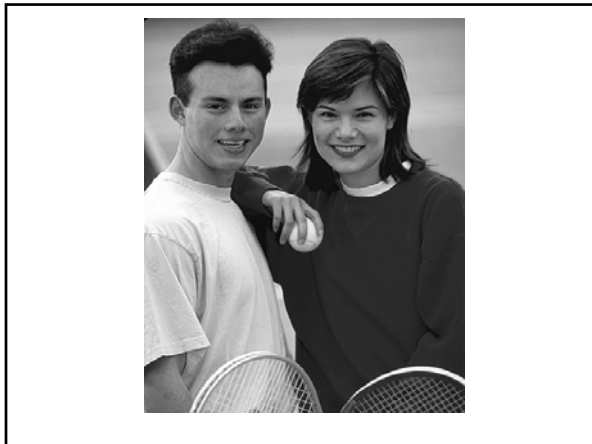
**Communities need to consider why affordable and workforce housing is necessary!**

**The “Traditional Family”**

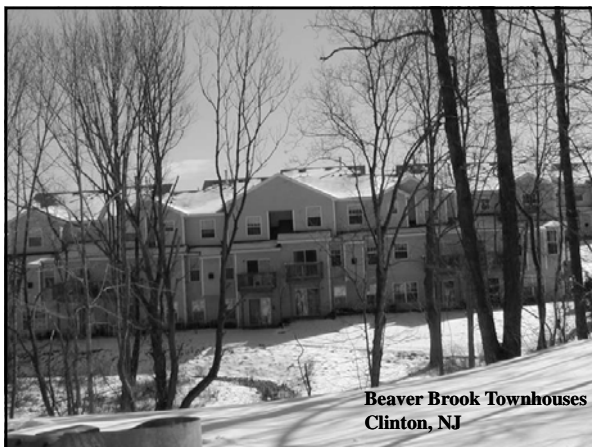
**Married couples with children –**

**Less than 25 percent of American households.**

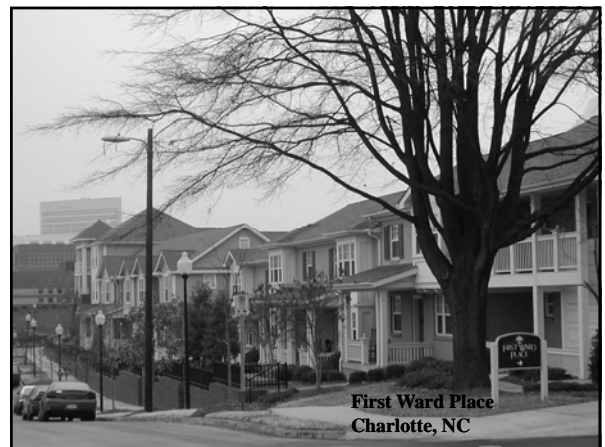
**Non-family households  
now outnumber  
traditional families  
in the suburbs.**



Market-rate and workforce housing should be interspersed in a community.

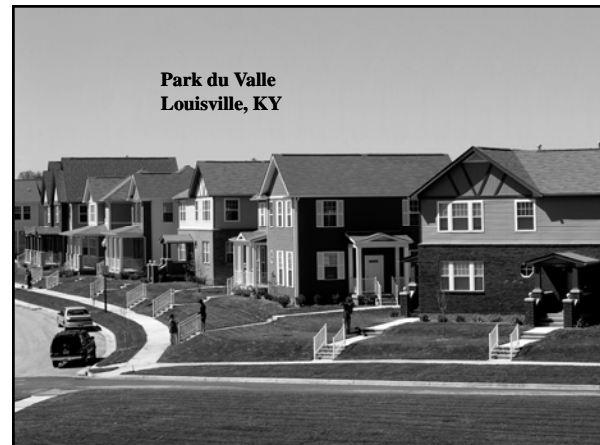
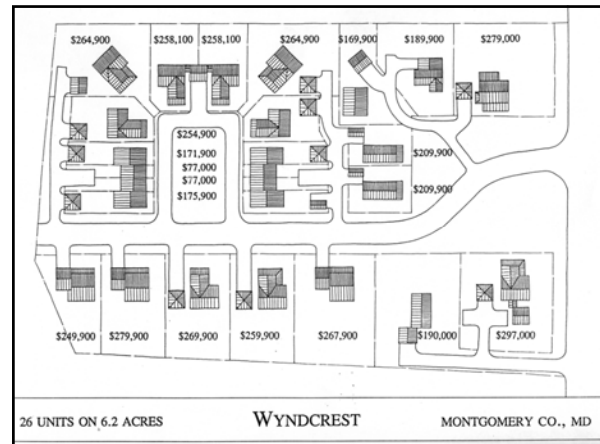


**Beaver Brook Townhouses  
Clinton, NJ**



**First Ward Place  
Charlotte, NC**

The owner/occupant's income level or tenure should not be discernible from the street.



### Encouraging Mixed-Income Development

- Planning Documents to Consider:
  - Comprehensive Plans
  - Zoning Ordinances
  - Subdivision Requirements
  - Park and Open Space
  - Transportation Impact Fee

## Encouraging Mixed-Income Development

- Comprehensive Plan
  - Full range of housing MUST be a goal of the community
  - Consideration must be given to issues such as transportation needs, sewer & water service areas, park and open space, and jobs
  - Levittown Model: Master plans to build affordable homes rather than depending on Government Subsidies and Sub-Prime mortgages

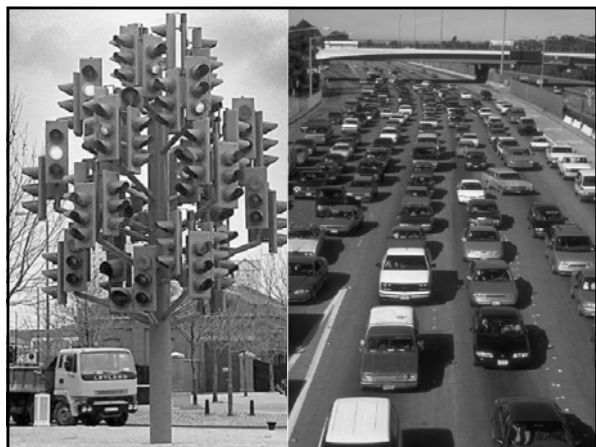
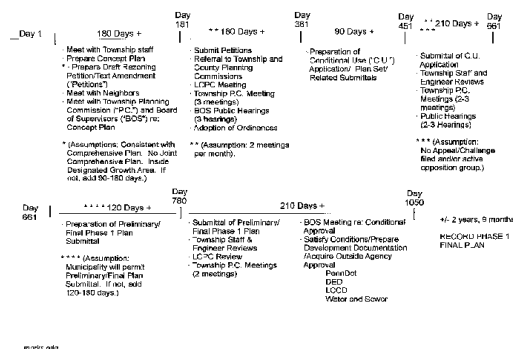
## Encouraging Mixed-Income Development

- Zoning Ordinance
  - Minimum Lot sizes
  - Density
  - Inclusionary Zoning
  - NIMBY
  - CAVE

## Encouraging Mixed-Income Development

- Subdivision and Land Development Ordinance
  - Entitlement Process: Time = Money
  - Infrastructure Improvement Costs
  - Park & Recreation Fees

### PERMIT AND APPROVAL/ENTITLEMENT TIMELINE



## Mark Hiester

### Planning Consultant

308 North Barbara  
Mount Joy, PA 17552  
Phone (717)653-6517  
markhiester@comcast.net



## Economic Incentives for Affordable Housing

- Density Bonus
- Fee Waivers
- Expedited permitting
- Alternate Design Standards
- Cash Subsidies
- Property Tax Abatement

## Sample Ordinance:

- Define your terms:
- What is workforce? Income limits?
- What is the bonus?

Section 285-34 S  
(6) Workforce housing is defined as dwelling units that meet the standards of this Subsection (6). If a neighborhood development will include a minimum of 10% of the total dwelling units that are to be sold or leased as workforce housing, then a density bonus shall be allowed. Such density bonus shall result in an ability to build two additional dwelling units for every workforce housing dwelling unit, up to the maximum density allowed by Subsection J using density incentives. Such dwelling units shall only be sold, leased or subleased to individual(s) within a household that has an income of less than 80% of the Lancaster County median income for households as determined by the most recent data issued by the United States Census Bureau. The census median income data shall be increased by a standard U.S. government measurement of inflation to update the median income to the present.

- Length of restrictions?

**Method? – Land trust, deed restrictions,  
soft 2<sup>nd</sup> mortgages**

(a) The restriction upon the workforce housing shall continue for 15 years after each dwelling unit is initially occupied. The restriction upon the workforce housing shall apply at the time of the initial sale or lease of the dwelling units and any subsequent sale, lease or sublease of the dwelling units. The income determination shall be based upon the income of the inhabitants of the dwelling unit during the previous calendar year.

- Design
- Location?
- Size?
- Architectural guidelines?
- Indistinguishable?

(c) The proposed workforce housing shall be integrated throughout the development, as opposed to being isolated to one area of land. In addition to complying with the architectural guidelines established per Subsection M, the workforce housing dwelling units shall be, to the greatest extent possible, 285 – 109 indistinguishable as viewed from the front from other dwelling units within the development.

- Other considerations:
- Flexibility – changes in income levels, underwriting standards for mortgages, restrictions established by funding agencies
- Rent vs Own – source of subsidies

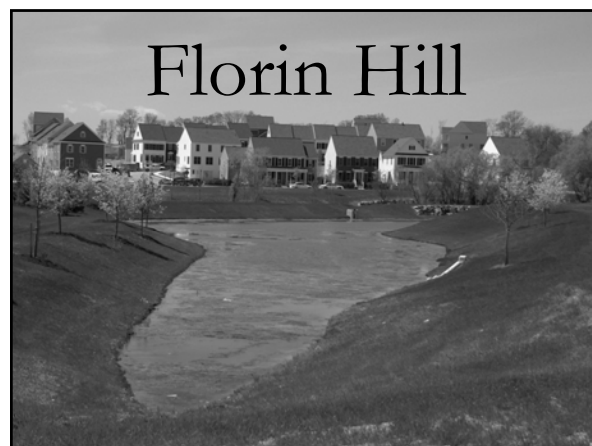
(d) This Subsection (6) shall not by itself limit the sales price or rental price of a dwelling unit.

(e) At the time of initial occupancy, a minimum of 50% of the workforce housing dwelling units shall be available for purchase as opposed to lease.



- Who monitors compliance?
- Conditional Use or By-right provisions?

(b) The applicant shall, as part of its conditional use application, provide documentation as to how this program shall be funded, monitored, implemented and enforced and shall agree that the program conditions and requirements will be made a condition of conditional use approval under Article I. Applicants are encouraged to propose to involve a third-party nonprofit organization in overseeing compliance with this section, with that organization responsible to periodically certify compliance in writing to the Zoning Officer.



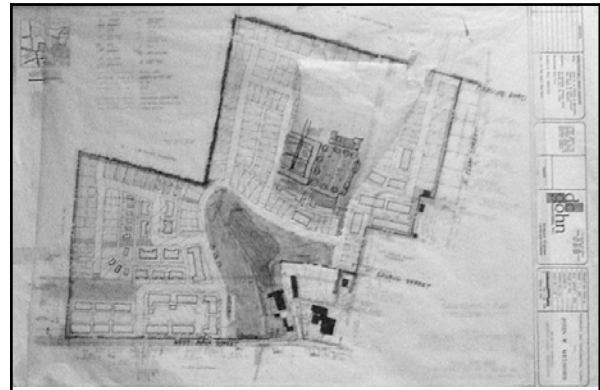
Florin Hill Facts	
61 Acres	
462 Dwellings	
7.8 Dwellings / Acre	
62 Workforce Dwellings	
\$118,900 / Workforce Dwelling	
Workforce ≤ 80% Area Medium Income	
80% AMI = \$50,720 (2006)	
223 Detached Dwellings	
59 Townhouses	
180 Apartments	
4 Density Bonuses	
Bonus = 1 or 2 Dwellings / Acre Each	
100,000 sf Retail & Office	
Transit Route Along W Main St Frontage	
9 Acres Park Land	

Florin Hill Partner Tradeoffs		
Who	Gives	Gets
Borough	Density Bonuses	Design Guidelines Workforce Housing Park Land Community Center \$
Charter Homes	Design Guidelines Workforce Housing Land	Density Bonuses Finance Qualified Buyers
LHOP	Finance Qualified Buyers	Workforce Housing Rotating Fund Land





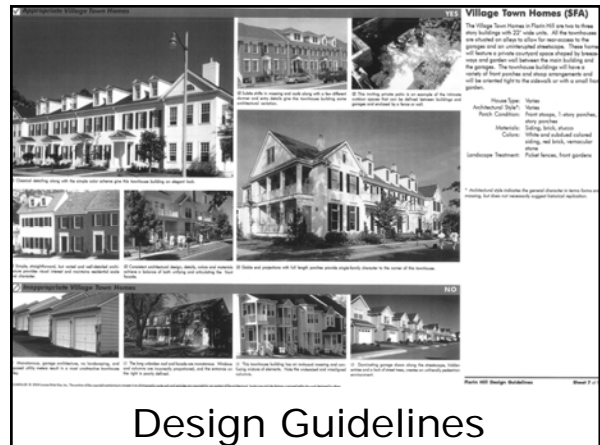
Opportunities & Constraints



First Rough Draft



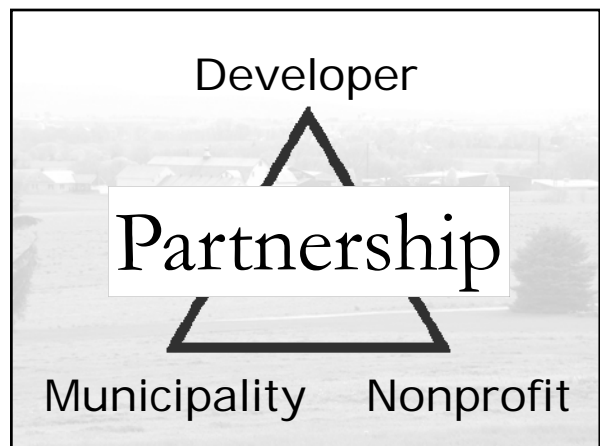
Phase One



Design Guidelines

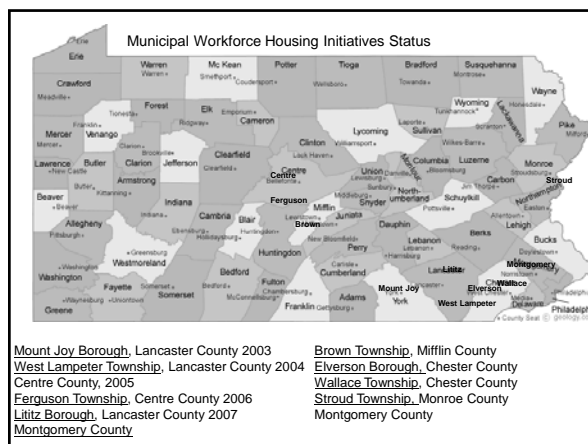


Photo credit: Residex J. Harris, Lancaster, PA



## Lessons Learned:

Partnership(s) essential  
Design critical  
Talented consultants necessary  
Flexibility needed



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**WEST LAMPETER TOWNSHIP  
NEIGHBORHOOD DESIGN OPTION  
WORKFORCE HOUSING INCENTIVE**

Section 285-34.6  
(b) Workforce housing is defined as dwelling units that meet the standards of this Subsection (b). If a neighborhood development will include a minimum of 10% of the total dwelling units that are to be sold or leased as workforce housing, then a density bonus shall be allowed. Such density bonus shall result in an ability to build two additional dwelling units for every workforce housing dwelling unit, up to the maximum density allowed by Subsection 1 using density incentives. Such dwelling units shall only be sold, leased or subleased to individual(s) within a household that has an income of less than 80% of the Lancaster County median income for households as determined by the most recent data issued by the United States Census Bureau. The census median income data shall be increased by a standard U.S. government measurement of inflation to update the median income to the present.

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(c) The proposed workforce housing shall be integrated throughout the development, as opposed to being isolated to one area of land. In addition to complying with the architectural guidelines established per Subsection M, the workforce housing dwelling units shall be, to the greatest extent possible, 25% - 100 indistinguishable as viewed from the front from other dwelling units within the development.

(d) This Subsection (b) shall not by itself limit the sales price or rental price of a dwelling unit.

(e) At the time of initial occupancy, a minimum of 50% of the workforce housing dwelling units shall be available for purchase as opposed to lease.

**Busting the 5 myths of affordable housing can  
be downloaded at:**

<http://www.tcah.org/index.cfm>

