

## 4.2.2. Affordable Dwelling Units

### A. Intent

1. To promote the creation and preservation of affordable housing suitable for meeting the current and future needs of the locality [in accordance with Va. Code §15.2-2304 and other relevant sections of the Virginia Code.](#)
2. To ensure that any project choosing to include 10 or more residential units will implement the affordable housing goals of the adopted Comprehensive Plan, and Charlottesville Affordable Housing Plan.
3. To provide an incentive for the development of residential projects of any size that implement the affordable housing goals of the adopted Comprehensive Plan and Charlottesville Affordable Housing Plan.

### B. Applicability

#### 1. Affordable Dwelling Unit Requirement

- a. Any project exercising the option to build 10 or more residential dwelling units must provide affordable dwelling units that meet the standards of this Section, except projects that meet one of the following exemptions.
- b. The following projects are exempt from providing required affordable dwelling units:
  - i. Projects with 9 or fewer residential dwelling units; and
  - ii. Projects in zoning districts Residential A (R-A), [Residential Core Neighborhood A \(RN-A\)](#), Residential B (R-B), or Residential C (R-C).

#### 2. Affordable Dwelling Unit Bonus

The affordable dwelling unit bonus applies to any project where a developer chooses to meet the standards of this Section in order to receive a bonus to the maximum allowed dwelling units per lot and the maximum allowed building height.

### C. Standards

#### 1. General [Standards](#)

All affordable dwelling units must meet the following requirements and the standards of the Affordable Dwelling Unit Monitoring and Procedures Manual ([“ADU Manual”](#)), [as adopted by Council](#):

##### ~~a. Term of Affordability~~

- ~~i. For rent affordable dwelling units must be income restricted for a minimum of 99 years. Deed restrictions for affordable dwelling units must be recorded in the Charlottesville Land Records.~~

~~ii. For sale affordable dwelling units must be sold to a qualified purchaser who earns 60% of the area median income or below. The dwelling unit must include a deed restriction granting the City of Charlottesville or a qualifying non-profit organization a right of first refusal to purchase the dwelling unit upon its first resale in accordance with the requirements of the Affordable Dwelling Unit Monitoring and Procedures Manual.~~

~~iii. When a project demonstrates the affordability goals of the Comprehensive Plan and Affordable Housing Plan and the intent of this Section are met, the Administrator may accept modifications to these requirements consistent with the guidance of the Affordable Dwelling Unit Monitoring and Procedures Manual.~~

**ba.** Determining the Affordable Rent or For Sale Unit Cost

i. Rental units are to be priced to be affordable to a household having a gross annual income at the required household income limit expressed in terms of the percent of AMI. Monthly housing costs, inclusive of rent, utilities, one parking space (where provided), and any other amenity cost, must not exceed 30% of the applicable household income limit. If utilities are separately metered, the maximum allowable rent will be reduced to reflect the tenant's payment of utilities. Maximum affordable rents based on Department of Housing and Urban Development (HUD) standards are provided in the ~~Affordable Dwelling Unit Monitoring and Procedures~~ ADU Manual.

ii. For sale units are to be priced to be affordable to a household having a gross annual income at the required household income limit expressed in terms of the percent of AMI. The monthly housing costs, inclusive of mortgage principal and interest, private mortgage insurance, property taxes, condominium or homeowner's association fees, hazard insurance, and one parking space (where provided) must not exceed 30% of the applicable household income limit.

~~iii. For student housing rented by the bedroom, the per bedroom rent for units with two or more bedrooms, will be set to 60% of the affordable rent of an efficiency or 1-bedroom unit. Where utilities are separately metered, the utility allowance will be set at 60% of the utility allowance for an efficiency or 1-bedroom unit. For this section, student housing must use rental agreements that lease on a per bedroom basis and be located within 1/2-mile of the University of Virginia campus as determined by the Administrator.~~

~~iv. In the case of renters using a Section 8 voucher or other rental assistance program, the project may collect the fully allowed rental reimbursement amount even if the total rent for the unit exceeds the maximum allowable rent, so long as the household using the rental assistance is not paying more than 30% of the household's monthly income.~~

**eb.** Equivalency of Units

i. Affordable dwelling units must reflect the composition of the overall project units in number of bedrooms, exterior appearance, and ~~overall~~ quality of construction.

ii. Affordable dwelling units must include the same interior features as the other units in the same building, but appliances and finishes need not be the same make, model, or style, so long as they are new and of good quality.

iii. Affordable dwelling units must be evenly distributed throughout the project and not concentrated on particular floors, building sides, or locations.

iv. Affordable dwelling units must be comparable in size to the other units with the same number of bedrooms. The average floor area of the affordable dwelling units must not be less than 80% of the average floor area of the other units with the same number of bedrooms.

v. All affordable dwelling units must have the same access to property amenities and building access points provided to other units.

vi. ~~For projects~~ projects containing at least 30% of units as affordable dwelling units that meet the requirements of this Sec. 4.2.2 meeting the term of affordability and determining the affordable rent or for sale unit cost requirements in 4.2.2.C. Standards are not required to meet the ~~equivalency of units~~ requirements of Sec. 4.2.2.C.1.c Equivalency of Units.

vii. When a project demonstrates the affordability goals of the Comprehensive Plan and Affordable Housing Plan and the intent of this Section are met, the Administrator may accept modifications to the equivalency of units requirements consistent with the guidance of the ~~Affordable Dwelling Unit Monitoring and Procedures~~ ADU Manual.

#### ~~dc.~~ Concurrency

Affordable dwelling units are required to be built concurrently and proportionally with other units in the project. If a project is to be built in phases, affordable dwelling units must be developed during each phase until all affordable dwelling units have been constructed.

#### ~~ed.~~ Monitoring

All affordable dwelling units used to meet the requirements of this Section are subject to an annual monitoring requirement as detailed in the Affordable Dwelling Unit Monitoring and Procedures Manual.

#### e. Fractional Units

i. If the calculation of the required number of affordable dwelling units to be provided results in a fraction of a unit greater than or equal to 0.5, the project must provide one affordable dwelling unit.

ii. If the calculation of the required number of affordable dwelling units to be provided results in a fraction of a unit less than 0.5, the project may provide an affordable dwelling unit or pay the in-lieu fee according to the formula described in the ADU Manual. The amount of fee is reduced to correspond to the percent of a unit required.

## 2. Required Affordable Dwelling Unit ~~Requirement~~ Standards

a. Any project where affordable dwelling units are required must meet one of the following standards, or a combination of both of the standards:

i. A project must provide 10% of all residential units to households at or below 60% AMI. Such affordable dwelling units must be income-restricted for a minimum of 99 years. Deed restrictions for affordable dwelling units must be recorded in the Charlottesville Land Records; or

ii. Instead of constructing all of the units on-site, the developer must pay an in-lieu fee to the City in the amount determined based on the construction cost of building an ADU, as determined by the City. The costs are provided in the Affordable Dwelling Unit Monitoring and Procedures Manual.

b. The above choice of applicable standards may be changed at any time as long as all of the applicable standards can be met.

c. Where the proposed residential units are intended to be provided as student housing, the developer must pay an in-lieu fee to the City in the amount determined based on the value gap between an affordable unit and a market rate unit, as determined by the City. The costs are provided in the ADU Manual. For this section, student housing must use rental agreements that lease on a per bedroom basis and be located within 1/2- mile of the University of Virginia campus as determined by the Administrator.

#### b. Fractional Units

~~i. If the calculation of the required number of affordable dwelling units to be provided results in a fraction of a unit greater than or equal to 0.5, the project must provide one affordable dwelling unit.~~

~~ii. If the calculation of the required number of affordable dwelling units to be provided results in a fraction of a unit less than 0.5, the project may provide an affordable dwelling unit or pay the in lieu fee according to the formula described in the Affordable Dwelling Unit Monitoring and Procedures Manual. The amount of fee is reduced to correspond to the percent of a unit required.~~

#### ed. Housing Choice Vouchers

i. For rental projects, for every 3 ADUs that are required, at least one of those units must be made available to a household receiving a housing voucher or other rental assistance program.

### 3. Unit Bonus in Residential Districts Standards Affordable Dwelling Unit Bonus

~~Any project where the developer chooses to meet the following standards is allowed to use the bonus specified by the zoning district:~~

#### a. Bonus in Residential Districts

ia. In Residential A (R-A), Residential Core Neighborhood A (RN-A), Residential B (R-B), and Residential C (R-C) zoning districts, a project must provide 100% of all bonus units to households having a gross annual income at or below ~~80~~60% AMI. Such affordable dwelling units must be income-restricted for a minimum of 30 years. Deed restrictions for affordable dwelling units must be recorded in the Charlottesville Land Records.

ii.b. When a project demonstrates the affordability goals of the Comprehensive Plan and Affordable Housing Plan and the intent of this Section are met the Administrator may accept modifications to the equivalency of units and concurrency requirements in Sec. 4.2.2.C. Standards.

~~iii~~c. Projects in the Residential A (R-A) and Residential Core Neighborhood A (RN-A) districts are exempt from the equivalency of units and concurrency requirements in 4.2.2.C. Standards.

**B4. Height Bonus in All Other Districts Standards**

~~ia~~. In any zoning district other than Residential A (R-A), Residential Core Neighborhood A (RN-A), Residential B (R-B), and Residential C (R-C), a project must provide 10% of all residential units to households at or below 50% AMI or provide an in-lieu fee according to the formula described in the Affordable Dwelling Unit Monitoring and Procedures ADU Manual.

~~ib~~. To qualify for the bonus height, a project must have a residential use for a minimum of 40% of the total floor area.