



**CITY MANAGER'S OFFICE
M E M O R A N D U M**

May 6, 2021

TO: Mayor and City Council
FROM: Marcus D. Jones, City Manager 
SUBJECT: Charlotte Future 2040 Comprehensive Plan Update

The Charlotte Future 2040 Comprehensive Plan (“the Plan”) is an overarching vision for how our city will grow for the next 20 years, it addresses key growth challenges around housing, jobs, transportation, environment, arts and culture, but at its core it is an aspirational advisory land use plan that guides how we think about growth and development.

Over the course of the planning process, the team had 500,000 plus interactions with over 6,500 voices through more than 40 methods of engagement. An additional 477 key stakeholders, including community leaders, local businesses and non-profit representatives, advocacy groups, major employers, local institutions, and neighborhood groups from across Charlotte provided feedback. Over 650 comments have been received and responded to by staff; these can be viewed at <https://www.cltfuture2040.com/>.

The Plan draft was released on October 31, 2020 for public review and comment. A public hearing was held on March 22 where more than 100 speakers registered to address Council regarding the Plan. The Plan was scheduled for Council action on April 26. However, the significant feedback from the community and concerns from Council members required more consideration of the Plan draft before adoption. At the direction of Mayor Lyles, staff implemented a process for Council and community engagement to review significant concerns from the draft document.

Mayor Lyles referred six topics to three Council committees: Great Neighborhoods; Transportation, Planning and Environment; and, Workforce and Business Development for further discussion. In addition, Council members have hosted four community meetings in order to receive further feedback regarding the topics in the referrals.

Ahead of each committee meeting, committee members received briefing documents to help further and facilitate discussions. Each committee reviewed the questions in the referrals, held discussions and made recommendations. The next pages provide memos from the three committees, a summary of the committee discussions followed by staff recommendations and responses.



Next Steps

The City Council now has an opportunity to evaluate the recommendations and propose adjustments to the Plan and conduct straw votes. I am proposing holding two special meetings for the City Council to discuss the Plan. The first special meeting is scheduled for Monday, May 10. The meeting will be conducted like the budget adjustments process. Council members will discuss the recommendations proposed by staff resulting from Committee referrals and consider revisions to the Plan. Those items receiving five or more votes from Council members will be analyzed by staff and brought back for straw votes at the second special meeting scheduled for Monday, May 17. At this meeting, staff will bring forth proposed revisions to the Plan; each of the revisions receiving six or more votes will be included in the final draft of the Plan.

Following the straw votes, a second draft will be released for a two-week public review and comment period. The final policy will be released in June and presented to the Planning Committee for their adoption on June 15. City Council will consider adoption of the final Comprehensive Plan at the June 21 Zoning meeting.

Please refer to Attachment 1 to view the timeline for more details on the process for the adoption of the Charlotte Future 2040 Comprehensive Plan.

Attachments

1. Timeline
2. Great Neighborhoods Memo
3. Draft Preamble
4. Transportation, Planning & Environment Memo
5. Workforce & Business Development Memo

Timeline

May 5	City Manager Memo to Mayor and City Council regarding the Charlotte Future Comprehensive 2040 Plan and Next Steps
May 10	Special Meeting – Comprehensive Plan Discussion (4 p.m.-6 p.m.) <i>Committee Report Outs on 2040 Comprehensive Plan Referrals; Council members assess proposed modifications to the 2040 Plan; those items with five or more votes will be brought back on May 17 for straw votes.</i>
	City Council Business Meeting/ Budget Public Hearing
May 17	Special Meeting – Comprehensive Plan Straw Votes (3 p.m.-5 p.m.)
	City Council Zoning Meeting
May 19	Second Draft of Comprehensive Plan Released <i>Two-week public review and comment period begins</i>
	Budget Adjustments
May 20	Planning Committee Meeting to Review Second Draft Plan
May 24	City Council Business Meeting <i>Action Review Meeting will include update on 2nd Draft Plan</i>
May 26	Budget Straw Votes
June 7	Release of Final Draft of the Comprehensive Plan
	Presentation of final draft to the Planning Commission
	City Council Strategy Session <i>Staff presents Final Draft with revisions and next steps</i>
June 14	City Council Business Meeting/ Budget Adoption
June 15	Planning Committee <i>Staff presents Final Draft Plan with a recommendation for approval with proposed revisions from Council</i>
June 21	City Council Zoning Meeting <i>Charlotte Future 2040 Comprehensive Plan Adoption</i>

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May 4, 2021

TO: Mayor and City Council

FROM: Shawn Heath, Special Assistant to the City Manager

SUBJECT: Charlotte Future 2040 Comprehensive Plan:
Great Neighborhoods Committee Summary and Recommendations

Committee Members:

Council members Malcolm Graham (Chair), Braxton Winston, (Vice-Chair), Tariq Bokhari, Julie Eiselt and Victoria Watlington (*Note: Council member Matt Newton was also in attendance*)

Referral:

- Creating Great Neighborhoods: How can the Comprehensive Plan integrate and strengthen existing displacement policies while considering new policies?

Summary:

The Committee met on April 7 and discussed creation of great neighborhoods by mitigating displacement of vulnerable populations. The committee also discussed potential changes to policy 2.1 in the Comprehensive Plan which addresses allowance of duplexes and triplexes on all single-family lots.

Questions and Staff Responses:

Below are items the committee directed staff to analyze followed by staff's proposed modifications to the policies in the Comprehensive Plan:

- **Add a preamble to the Plan that describes purpose/intent of the plan, delineating what's aspirational in the Plan**

Staff has drafted a preamble; there will also be an icon/identifier to indicate aspirational elements of the Plan document. Please refer to Attachment 3 to read the draft preamble in full.

- **Incorporate how public investments benefit home ownership in policy section 1.6**

Staff has revised language to add a reference to Goal 3 (Housing Access to All) to address housing and home ownership as well as mobility primarily in underserved communities.

- 1.6 Continue to undertake and expand inclusive neighborhood planning processes, particularly in underserved communities, to incorporate plans for improved connectivity; prioritize public investments such as bicycle facilities, sidewalks, transit stops, and parks;

and identify appropriate locations for food opportunities, shopping, and community facilities. (cross-reference: Goal 3 and Goal 5)

- **Strengthen sections 1.9 and 1.18 regarding stormwater**

Staff has provided revised language below; adding references to the Tree Canopy Action Plan, the Stormwater Master Plan and Goal 7 will strengthen policies regarding stormwater.

- 1.9 Through the implementation of the Tree Canopy Action Plan, ensure adequate structures, systems (large tree wells or planting strips, structural soil or suspended pavement systems, etc.) and resources for maintenance are provided to support large healthy tree canopy along streets that will shade pedestrians and provide community benefit. (cross-reference: Goal 7)
- 1.18 ~~Evaluate the impact of 10-minute neighborhood development policies on~~ Ensure the implementation of 10-minute neighborhood development policies align with the Stormwater Master Plan, promote the health of stormwater features (creeks, wetlands, stream buffers, floodplains, and drainage infrastructure), and seek opportunities to reduce costs and maintain stormwater management objectives. (cross-reference: Goal 7)

- **In policy section 2.1, change “all lots” to “place types”**

Staff has revised language to reflect the change from “all lots” to “all place types” subject to mapping future place types and metrics and measures in the Equitable Growth Framework.

- 2.1 Allow duplex and triplex housing units ~~on all lots~~ in all place types where single-family housing is allowed (subject to mapping of Future Place Types (Section 4.3), as well as metrics and measures in the Equitable Growth Framework (Section 1.2)) and require conformance with residential lot size requirements, setback requirements, and other site development standards specified within the Unified Development Ordinance (UDO).

Note: Implementation of this in vulnerable communities (as defined by this Comprehensive Plan) will be complemented with development of an Anti-Displacement Strategy with greater community participation in developing specific strategies to meet housing needs and protect vulnerable residents from displacement. New zoning and entitlements included in the UDO would not change any existing codes, covenants and restrictions (CC&Rs) associated with HOAs.

- **Incorporate the formation of an anti-displacement commission in the Plan**

Staff has incorporated language and policies in the Plan regarding the formation of an anti-displacement commission by the Mayor and Council:

New Policy: Ensure that landlords, particularly of affordable housing units, maintain a habitable premise as part of the State Landlord and Tenant Act.

New Policy: The Mayor and City Council should commission an Anti-Displacement Stakeholder Group for a period of 12 months. This group shall be composed of neighborhood leaders, housing advocates, community organizers, developers and residents threatened by housing displacement.

New Policy The Commission will launch an anti-displacement study and recommend tools and strategies for protecting residents of moderate to high vulnerability of displacement. Using Commission recommendations, adopt an Anti-Displacement Strategy focusing on vulnerable neighborhoods.

- **Strengthen language around home ownership (Goal 3: Housing Access for All)**

Staff has provided revised language in the Plan below to share our existing toolbox and policies to enhance our efforts to increase homeownership opportunities throughout the community:

3.13 Continue to strengthen and expand ~~expanding and promote~~ access to homeownership opportunities for residents.

New Policy: Raise awareness of existing City programs supporting homeownership such as the Down Payment Assistance Programs through HouseCharlotte and Community Heroes.

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Dear Charlotte Residents and Other Readers,

Charlotte has been one of the fastest growing cities in the country in recent years. This growth has established Charlotte as a vibrant and desirable city; however, this **rapid development has also contributed to many challenges and the events of the last year have magnified many underlying issues** that have faced the community for decades.

Most U.S. cities have a Comprehensive Plan to establish a desired vision for the future and a strategic policy framework. Charlotte has not had a Comprehensive Plan to guide growth and development communitywide since 1975. **The Charlotte Future 2040 Comprehensive Plan is our shared, comprehensive vision to guide the Queen City's growth over the next 20 years.**

"Charlotte is America's Queen City, opening her arms to a diverse and inclusive community of residents, businesses, and visitors alike; a safe family-oriented city where people work together to help everyone thrive."

The Comprehensive Plan is **a living document that provides a policy framework that will guide our city's decision-making and investment in both the near- and long-term.** With this in mind, not all of the Plan's recommendations can or should be implemented immediately. The Comprehensive Plan's goals and objectives, as well as many of the policy recommendations, are intended to be implemented later in the 20-year plan horizon.

In addition, we recognize that certain important recommendations (such as mandatory inclusionary housing) and tools (impact fees and community benefits agreements) cannot be implemented without further explorations and/or changes in State of North Carolina statutes. However, these **recommendations are identified as long-term and requiring further conversations and coordination with formal and informal entities outside the City organization within the Plan document.**

The planning process has been guided by a focus on equitable growth and by the residents of Charlotte coming together to prioritize what is most important to us. As a community-driven Plan, it seeks to **address the inequities of the past and unite the city around a shared set of goals for our future.** With that said, the goals, objectives and supporting policies are intended to be achieved citywide and not on every single lot.

A mature community like Charlotte that is facing additional growth pressures typically holds values important that can be interpreted as competing interests or even in conflict with one another. **Not every property, project or development will be able to achieve all of the Plan goals and objectives, but as a whole the community has expressed a desire that the collective public and private investments made over the next 20 years strive to achieve as many aspirations as possible and make Charlotte an even better city.**

The Plan lays out an Equitable Growth Framework that builds upon the community's input regarding long standing disparities and inequities. For many existing policies and resulting practices, equity and the impact on our more vulnerable neighborhoods and residents has been an afterthought. **The Comprehensive Plan is crafted through a lens of equity and with a commitment to thinking of our most vulnerable populations first with a vision of helping our city become a place where all residents can thrive, regardless of race, income, age, ability or where they live.**

Implementation of the Comprehensive Plan will require continued engagement and conversation with the community. **Tools to facilitate a participatory process, implement Plan policies, and mitigate potential negative impacts of growth pressures and strategies are highlighted throughout the Plan.** In several instances, existing tools can be leveraged in better ways, but many tools will require evaluation and customization for Charlotte.

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May 4, 2021

TO: Mayor and City Council

FROM: Taiwo Jaiyeoba, Assistant City Manager/ Director of Planning, Design & Development

SUBJECT: Charlotte Future 2040 Comprehensive Plan:
Transportation, Planning and Environment Committee Summary and Recommendations

Committee Members:

Council members Julie Eiselt (Chair), Larken Egleston (Vice-Chair), Ed Driggs, Matt Newton and Braxton Winston

Referrals:

- Single-Family Zoning: What is Goal #2 (Neighborhood Diversity and Inclusion) intending to solve and are there other ways to accomplish these objectives?
- Ten Minute Neighborhood Application Options: Where should ten minute neighborhoods be applied in Charlotte?
- Processes to Resolve Conflicting Policies: How do we resolve areas of conflicts within the Plan?

Summary:

- The Committee met on April 19 and discussed all three topics as assigned. The committee voted (4 to 1 – with Council member Winston in opposition) to direct staff to recommend a proposed modification for policy section 2.1.

Questions and Staff Responses:

- **Propose a modification for policy section 2.1**

Staff is recommending adding a note to this policy to address concerns regarding displacement and existing codes, covenants and restrictions associated with HOAs.

- 2.1 Allow duplex and triplex housing units in all lots where single-family housing is allowed and require conformance with residential lot size requirements, setback requirements,

and other site development standards specified within the Unified Development Ordinance (UDO).

Note: Implementation of this in vulnerable communities (as defined by the Equitable Growth Framework in the Comprehensive Plan) will be complemented with development of an Anti-Displacement Strategy with greater community participation in developing specific strategies to meet housing needs and protect vulnerable residents from displacement. New zoning and entitlements included in the UDO would not change any existing codes, covenants and restrictions (CC&Rs) associated with HOAs.

May 4, 2021

TO: Mayor and City Council

FROM: Tracy Dodson, Assistant City Manager/ Director of Economic Development

SUBJECT: Charlotte Future 2040 Comprehensive Plan:
Workforce and Business Development Committee Summary and Recommendations

Committee Members:

Council members Tariq Bokhari (Chair), Malcolm Graham (Vice-Chair), Dimple Ajmera, Renee' Johnson and Gregg Phipps (*Note: Councilmember Braxton Winston was also in attendance*)

Referrals:

- Participatory Development Process/Community Benefit Agreements (CBA): What are other options for communities to realize benefits of development projects and how can residents participate in the development process?
- Fiscal/ Economic Impact Analysis: When is a fiscal/ economic impact analysis appropriate for a Comprehensive Plan versus unified development ordinance?

Summary:

The committee met on April 21 to discuss the topics above and was addressed by two local developers, Mr. Peter Pappas and Mr. Tim Sittema. The discussions centered on current fiscal and economic impact analyses conducted for the Plan; timing for conducting further analyses; and aspirational goals (such as mandatory inclusionary housing, community benefits agreement and impact fees) and their legality.

Summary of Notes from Developers Presentations:

The developers' discussion focused on a desire to be involved in the development of the Plan and to have a vision established and adopted before the discussion of tools and new policies. They noted previous successful subarea/small area engagement. Their concerns stem from the unknown aspects within the Plan document including lack of a future place type map, recommendations for community benefit agreements and other tools (e.g. impact fees) that will impact development costs and creates uncertainty for community and developers. They suggested a more robust exploration of different tools (e.g. expansion of use of tax increment) to help create clarity/certainty of financial implications to fund the aspects of the Plan. This deeper analysis can determine the full impact to the costs of new development.

Questions and Staff Responses:

- **Consideration of a strategy alternative to the Community Benefits Agreements (CBAs) as referenced in the Comprehensive Plan.**

Overview

A Community Benefits Agreement (CBA) is a “project-specific agreement between a developer and a broad community coalition that details the project’s contributions to the community and ensures community support for the project.” (Charlotte Future 2040 Comprehensive Plan p. 178)

A Community Benefits Agreement serves as a contract between a developer and community-based organizations representing residents’ interests. The agreement spells out the benefits the community will receive in return for supporting the developer’s project in their neighborhood. CBAs often include benefits such as guaranteed minimums for local hiring, inclusion of affordable units in new housing, and the development or improvement of parks or community facilities. These agreements can help ensure more equitable development, enabling existing residents to benefit from new activity and opportunities in neighborhoods threatened by gentrification and displacement.

Questions surrounding the feasibility of CBAs include:

- whether the negotiators from a neighborhood represent the community interests as a whole, in particular when they are not elected as part of a formalized neighborhood group;
- the accountability and transparency of the negotiators; and
- whether such individualized agreements detract from citywide interests and initiatives by focusing on issues in a piecemeal fashion.

Specific obligations and corresponding timelines and monitoring provisions:

While CBAs are designed to provide benefits for the community, CBAs tend to lead to development that increases land value, and this may create a hardship for long-time residents. Balancing the needs of long-time residents with new residents is key to ensuring that CBAs do benefit communities.

Agreements should include provisions for on-going oversight and management of agreements to ensure terms are met and should define within the agreement applicable penalties to account for instances in which any terms are not met.

An effective CBA contains formal means to hold the parties accountable to their obligations, including a monitoring and compliance vehicle and avenues for community enforcement. Effective CBAs typically include:

- clearly identified parties, along with their obligations and which party is responsible for implementing each provision;
- outlined timeframes and processes for each commitment to be fulfilled;



- a monitoring and implementation system that requires the parties to engage in future activities related to the CBA and allows the community to hold developers accountable to its provisions over time;
- enforcement measures with real consequences, i.e., remedies that give community parties the ability to ensure that the obligations are delivered upon and contains no impediments to community parties seeking judicial enforcement; and
- provide for enforcement against commercial tenants and contractors as well as successors in interest of the developer.

Legal Framework and Recommendation

The City Attorney's Office has opined that although a novel tool in North Carolina, CBAs are legal when they are privately negotiated between a developer and a neighborhood group. However, the role a local government may play in either encouraging or mandating such agreements is less clear. Unlike development agreements, there is no similar authority in the land use enabling statutes for CBAs. Local governments that impose such requirements, either as part of the rezoning or permitting process, could be subject to challenges that they are imposing exactions (a term used to describe the situation in which local officials improperly condition project approvals on the provision of benefits not closely related to the project's impacts) or are violating the Takings Clause (which states that "private property [shall not] be taken for public use, without just compensation"). Any ask of the developer from the government must be connected to and proportional with the specific government approval being requested, or else, there is a strong risk of legal challenges. Therefore, the City Attorney's Office recommends that the city seek special legislative authority from the general assembly before using CBAs as a regulatory tool in land use decision making.

Inclusion of CBAs within the Planning Process

Although expressly making a developer's entry into a private CBA a condition of project approval would likely create significant legal risks for the city, a developer may voluntarily enter into a CBA with a neighborhood as part of the land development process. Local governments may take a CBA's comprehensiveness into account when evaluating the developer's application during the land use approval process. In addition, elected officials who are aware of privately negotiated CBAs may of course consider community views and concerns when considering major land use decisions. However, care must be taken so that elected officials are not too involved with CBA negotiations and that CBA negotiators are not too closely linked to planning or other political decisions so as to appear that city representatives influenced the CBA terms.

Development agreements may provide a framework for incorporating CBAs into the planning process. Once a CBA is executed by the community and the developer, a local government could possibly incorporate the CBA into a subsequent development agreement with the developer; thus, allowing the local government some level of enforceability over the CBA terms. This would likely be considered on a project-by-project basis with consideration to the particular matters addressed in the CBA.

Economic Development Incentives

There may be opportunities to incorporate community benefit goals into economic development incentive agreements, but such goals must be negotiated separately from the regulatory and planning process. A city could request as a condition to the receipt of public subsidies for a particular project that the developer enter into a CBA with the local community impacted by the development or that the developer provide community benefits as part of its city-funded project. The developer may or may not agree to such a condition as part of its negotiations with the City.

Economic Development Staff Response:

Further analysis should occur to determine viable tools for community and developer engagement. One step may include to add an implementation action to conduct an Urban Land Institute – Technical Assistance Panel to allow independent experts to balance both community and developer interests in exploring participatory development tools applicable to Charlotte. The goal is to share the findings from the panel prior to the final draft for consideration to include in the Implementation section of the final document.

Planning Staff Recommendation:

Currently, the comprehensive plan on page 149 includes a suggested action in the implementation matrix under goal number 10 (fiscally responsible) referencing the creation of a “lookbook.” We will revise that section to reference a community benefits playbook.

The following modifications are also suggested to the plan:

New Policy: The Mayor and City Council should commission a Work with the Community Benefits Stakeholder Group to develop a menu or playbook of community benefits that may be supported with incentives, Community Benefit Agreements or similar tool, if included or addressed within development projects. Align desired public benefits with the type of incentive (e.g. regulatory vs. financial). Utilize direction from the Plan and subsequent small area plans to develop priority ranking of desired public benefits to seek through incentives.

Also, add an implementation action to conduct an Urban Land Institute – Technical Assistance Panel to allow independent experts to balance both community and developer interests in exploring participatory development tools applicable to Charlotte. The goal is to share the findings from the panel prior to the final draft for consideration to include in the Implementation section of the final document.

- **A matrix identifying the difference(s) between a fiscal impact analysis and ... economic impact analysis and when future analyses would be appropriate**

Description	Purpose and Use	Typical Application
Fiscal Impact Analysis	Measures the financial impacts revenues and expenditures for the government of land use policy choices.	Comprehensive Plan, Subarea Plans, Large Project Rezonings, Annexation Plans/Requests
Economic Impact Analysis	Measures and illustrates the benefits and/or costs to the overall economy of a specific project or policy. It compares the changes to investment and employment in the economy from the project or policy versus if it is not built or enacted.	Build support for public investments or amenities, evaluate a major policy change
Market Demand Analysis	Measures the demand for various land uses over certain time horizon to inform land use policy, land use mapping, service provision planning, and infrastructure investment. Estimates the demand for certain use types to ensure the buildings/uses allowed in the ordinance are in demand from the market in specific locations.	Comprehensive Plan, Subarea Plan, Individual Project Evaluation, UDO or Development Regulation Changes
Development Feasibility Analysis	Estimates the financial feasibility of developing the types of buildings allowed by the ordinance. This type of study helps identify if regulations are too onerous and will prevent development from occurring and/or to identify financial feasibility gaps for desired building types that may need to be addressed through public investments or incentives.	Individual Project Evaluation for requests of public funding or incentives (TIF/TIG request) , specific UDO or Development Regulation Changes
Source: Economic & Planning Systems		

The committee did not take a formal vote, but the Chair expressed the intent to have the following provided in advance of a revised Comprehensive Plan:

- **Can this Comp Plan be thinned down to a more focused land use document in the time that we have allowable?**

Staff Response:

The Comprehensive Plan is a land use document that impacts where we live, work and play in the built environment. Page 9 of the Comprehensive Plan states: “This Plan addresses topics that affect how we will experience the built environment and layout of our city for decades to come. It also addresses how our built city can better reflect and advance our community values and aspirations around topics like equity, transportation, quality of life, economic development, jobs, affordable housing, health, safety, and sustainability.”

- **Can the components that remain in the more scoped land use plan be crafted at the appropriate level of detail – more about the outcomes that we want to achieve than the tactical tools by which we will action them?**

Economic Development Staff Response:

The Plan document should be able to be streamlined to include a vision that guides land use policy and suggestions for other tools that will be needed to fulfill that vision. These additional tools would require further analysis to determine the overall impact and viability.

Planning Staff Response:

The revised plan document will be streamlined and provided in three (3) separate volumes as outlined below. Council will only be asked to approve Volume 1 which has the plan policies and equitable growth framework:

- Volume 1, Plan Policy
- Volume 2, Implementation
- Volume 3, Appendices

- **Can we designate a threshold for ideas of significance with the potential for unintended impacts of which fiscal and economic impact analyses must be completed that needs to include the impacts to affordability of housing?**

Staff Response:

The scope of work for future fiscal and economic impacts analysis to be performed analyze market readiness, development suitability, and update the fiscal impact analysis materials already developed during the Comprehensive Plan. This will address further impacts on housing affordability and other elements related to suitability of development.

- **How are conflicting policies addressed?**

Staff Response:

This item was addressed during the presentation to the TAPE committee and in the briefing document provided to the committee: “Processes to Resolve Conflicting Policies Related to Land Development.” Briefly, the Plan sets priorities and notes to use regulations within the UDO to implement city priorities. Several of the potential conflicts identified can be addressed through regulations within the UDO; and incorporating regulatory requirements or incentives that support sustainable development practices into the UDO.