### **ORDINANCE 2008-22**

TO BE ENTITLED: "AN ORDINANCE TO CREATE TITLE 21 OF THE FRANKLIN MUNICIPAL CODE AND HEREAFTER REFERRED TO THE AFFORDABLE & WORKFORCE HOUSING ORDINANCE."

WHEREAS, for the purpose of promoting the public health, safety, comfort, convenience, and general welfare of the people of Franklin, Tennessee the Board of Mayor and Aldermen is authorized to prescribe regulations and standards for the location, design, construction, and maintenance of buildings and structures within the City; and

WHEREAS, in the legislative judgment of the Board of Mayor and Aldermen found that ordinances that regulate land use, development, and building construction must be dynamic and modified from time to time to reflect changes in best practices, model codes, building materials, land and labor costs, and safety standards necessary to preserve and promote the private and public interest; and

WHEREAS, the Board of Mayor and Aldermen, upon the recommendation of the Affordable/Workforce Housing Advisory Committee, found that in order to effectively promote the production and maintenance of affordable, workforce, and moderately-priced housing throughout all geographic and economic segments of the community that a separate Title of the Municipal Code be designated for defining, stating, and outlining various initiatives and strategies that will create and sustain affordable and workforce housing within the City of Franklin.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN OF FRANKLIN, TENNESSEE AS FOLLOWS:

SECTION I: BE IT ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF FRANKLIN, Tennessee, that Title 21 – Affordable & Workforce Housing of the Franklin Municipal Code be created and approved to read as follows:

### TITLE 21

# AFFORDABLE & WORKFORCE HOUSING

### **CHAPTER**

- 1. Purpose, Advisory Committee, and Definitions.
- 2. Reserved
- 3. Reserved
- 4. Reserved
- 5. Building Permit Fee Waivers and Incentives.

revised 4-10-08

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## CHAPTER 1

# PURPOSE AND DEFINITIONS

# **SECTION**

21-101. Purpose

21-102. Advisory Committee

21-103. Definitions

21-101. Purpose. The city recognizes that the marketplace is the primary supplier of adequate housing for those in the upper economic groups, but that the combination of appropriately zoned land, regulatory incentives, and innovative planning techniques will be necessary to make adequate provisions for the needs of families whose incomes are at or below moderate income levels as published annually by the Secretary of the U.S. Department of Housing and Urban Development (HUD). The purpose of this title is to state and implement the policies and procedures contained in the city's consolidated plan and other initiatives that encourage the production and maintenance of affordable, workforce, and moderately-priced housing throughout all geographic and economic segments of the community, and that provide a mixture of housing types to discourage the development of economic enclaves.

21-102. Affordable/Workforce Housing Advisory Committee. In January 2008 the City of Franklin Board of Mayor and Alderman established an advisory committee to encourage the production and maintenance of affordable housing, raise community awareness of potential business opportunities involving partnerships with neighborhood residents and community development organizations, and to advise the Board of Mayor and Alderman on affordable, workforce, and moderately-priced housing issues and opportunities. This committee consists of persons who possess a broad range of knowledge, experience, judgment and background, and have personal or professional interest or experience in affordable, workforce, and moderately-priced housing. The committee has the ability and desire to represent, insofar as possible, the various special personal and professional interests required to make informed and equitable decisions concerning housing opportunities which are affordable for all economic segments of the community.

21-103. **Definitions.** As used in this Title, the following words and terms shall have the meanings specified herein:

Affordable Housing means housing with a sales price or rental amount within the means of a household that may occupy moderate- and low-income housing. In the case of dwelling units for sale, affordable means housing in which mortgage (principal & interest), taxes, insurance that constitute no more than [30] percent of such gross annual household income for a household of the size that may occupy the unit in question. In the case of dwelling units for rent, affordable means housing for which the rent and utilities constitute no more than [30] percent of such gross annual family income for a household of the size that may occupy the unit in question.

Department of Housing and Urban Development (HUD) is a federal department in the executive branch of the United States government, founded in 1965, which is responsible for stimulating housing development throughout the country. HUD has several programs to

subsidize low- and moderate-income housing and urban renewal projects, often through loan guarantees and grants.

**Development** means the entire proposal to construct or renovate one or more dwelling units on a particular lot or contiguous lots including, without limitation, a planned unit development, site plan, or subdivision.

Low-Income Housing means housing that is affordable, according to the U.S. Department of Housing and Urban Development, for either home ownership or rental, and that is occupied, reserved, or marketed for occupancy by households with a gross family income that does not exceed 50 percent of the median gross family income for households of the same size within the Nashville - Davidson - Murfreesboro - Franklin, Tennessee MSA as established in the schedule published annually by HUD.

Median Gross Family Income means the median income level for Nashville - Davidson - Murfreesboro - Franklin, Tennessee MSA as established in the schedule published annually by HUD.

Moderate-Income Housing means housing that is affordable, according to the U.S. Department of Housing and Urban Development, for either home ownership or rental, and that is occupied, reserved, or marketed for occupancy by households with a gross family income that is greater than 50 percent but does not exceed 80 percent of the median gross family income for households of the same size within the Nashville - Davidson - Murfreesboro - Franklin, Tennessee MSA as established in the schedule published annually by HUD.

Renovation means physical improvement that adds to the value of real property, but that excludes painting, ordinary repairs, and normal maintenance.

Workforce Housing means housing that is affordable, according to the U.S. Department of Housing and Urban Development, for either home ownership or rental, and that is occupied, reserved, or marketed for occupancy by households with a gross family income that is greater than 80 percent but does not exceed 150 percent of the median gross family income for households of the same size within the Nashville - Davidson - Murfreesboro - Franklin, Tennessee MSA as established in the schedule published annually by HUD.

Chapters 2-4. Reserved.

## CHAPTER 5

# **BUILDING PERMIT FEE WAVIERS AND INCENTIVES**

### SECTION

21-501. Building Permit and Plan Review Fee Wavier.

21-501. Building Permit and Plan Review Fee Wavier. Except for consultant fees incurred by the city, any certified 501(c)(3) not-for-profit organization developing or renovating low- or moderate-income housing within the corporate limits of the City of Franklin is eligible to receive a waiver from paying city building permit and plan review fees. This waiver shall be revised 4-10-08

limited to any building, electrical, mechanical, plumbing, occupancy, tree-cutting, grading and erosion control, or storm-water permit and plan review fee provided the city is included, as required, as an additional beneficiary with rights to call on the letter of credit, performance bond, or any other form of security to insure compliance with approved plans and specifications and documentation is provided. To qualify for the wavier the following information shall be submitted with the building permit application and/or prior to the issuance of a certificate of occupancy as follows:

- 1. Documentation that the applicant is a representative of a certified 501(c)(3) organization.
- 2. Documentation that verifies the assessed value or anticipated sales price of the dwelling.
- 3. In the case of an existing, occupied dwelling documentation of the occupants income qualifying as a low- or moderate income family as established in the Nashville -Davidson - Murfreesboro - Franklin, Tennessee MSA schedule published annually by HUD.
- 4. In the case where the occupant is not known at the time a building permit is issued, prior to the issuance of a Certificate of Occupancy the applicant shall provide documentation that confirms the future occupants income qualifies as a low- or moderate income family as established in the Nashville - Davidson - Murfreesboro -Franklin, Tennessee MSA schedule published annually by HUD.

SECTION II: BE IT FINALLY ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF FRANKLIN, Tennessee, that this ordinance shall take effect from and after its passage on second and final reading the health, safety and welfare of the citizens of Franklin, Tennessee requiring it.

ATTEST:

CITY OF FRANKLIN, TENNESSEE:

RUSSELL TRUELIL

JOHN C. SCHROER

Interim City Administrator/Recorder

Mayor

PASSED FIRST READING

PASSED SECOND READING

May 13, 2008