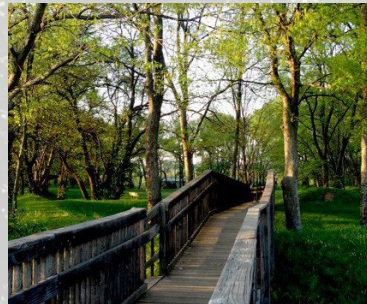


ENVISION FRANKLIN HOUSING STRATEGY



INVITING NEIGHBORHOODS
FOR PEOPLE IN EVERY STAGE OF LIFE



The background of the page is a faded, light-colored photograph of a suburban neighborhood. It features a row of houses with gabled roofs and front porches, a large leafless tree in the foreground, and a green lawn. The overall tone is soft and professional.

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ACKNOWLEDGMENTS

The Housing Strategy for Envision Franklin, The City of Franklin's Land Use Plan, would not have been possible without the contributions, feedback, and expertise of the City of Franklin leadership and staff. A special thank you to the many residents who generously devoted their time and thoughts to the planning process in the hopes of building a stronger and more vibrant Franklin

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INTERVIEWS

Many thanks to the Franklin-area housing, land use, and real estate professionals for sharing their time and insights during telephone and Zoom interviews in February 2023.

Adam J. Ballash, Development Manager, Boyle Investment Company

John Besser, past Chairman, Franklin Housing Commission

Scott Black, Senior Vice President, Bristol Development Group

Jimmy Franks, Owner/President, Tennessee Valley Homes

Greg Gamble, Landscape Architect and Owner, Gamble Design Collaborative

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- Sandra Garretson, Williamson Real Estate
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- Ken Oakes, Synergy Realty Network
- Charlie Peterson, Tyler York Real Estate Brokers
- Nick Shuford, The Shuford Group
- Barbara Slater, The Clough Team Realty
- Amber Stormberg, Stormberg Real Estate Group

EXECUTIVE SUMMARY

Envision Franklin is a planning document adopted and maintained by the Franklin Municipal Planning Commission. Envision Franklin provides support for making land use decisions, managing the quality of development, determining the time and location of future growth, and directing investment activity. Established to articulate the long-term vision for the City of Franklin, Envision Franklin was first adopted in 2017 and updated in 2023. As part of the Envision Franklin update, the City has pursued a Housing Strategy to help address local housing needs.

The 2023 update of Envision Franklin involved extensive public engagement to review existing goals and policies, revise the document to reflect current priorities in the City of Franklin, and determine future land uses and design recommendations. The updated Envision Franklin will direct future development in a way that strengthens the City and creates exceptional places for people.

Franklin is a growing city with a rapidly increasing population. From 2000 to 2020, the city's population doubled, from 41,842 residents to 83,852. It is expected to continue to grow by another 52 percent from 2020 to 2040, reaching a population of 128,089.ⁱ As in much of the country, housing prices in Franklin have escalated even more rapidly in recent years, especially creating housing challenges for low- and moderate-income residents.

The Envision Franklin Housing Strategy focuses on aligning housing supply with market and neighborhood housing conditions. Land use and development strategies to increase the overall supply of market-based housing to meet demand. Other components of this Housing Strategy include:

- Ensure consistency with community character
- Aim for a diversity of housing options
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The Envision Franklin update offered several opportunities to engage the community on housing questions, including a dedicated page on the City of Franklin's website, live and virtual community workshops, an online survey, and a consultant's interviews with several local housing professionals, both individuals and in small groups.

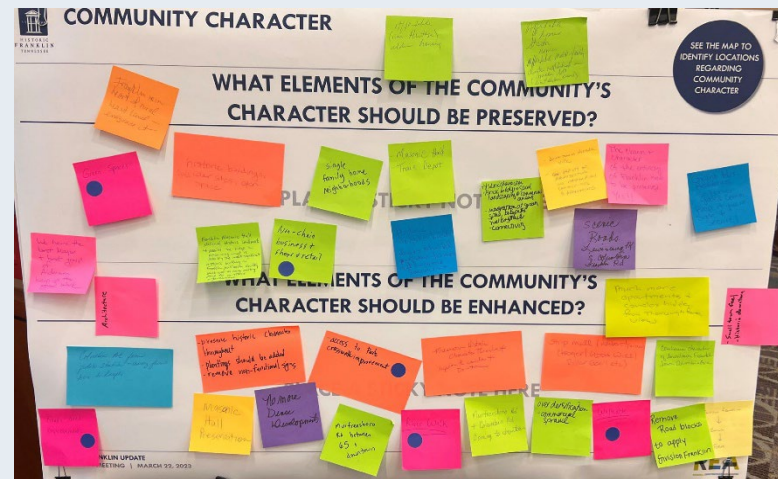


Photo Credit: City of Franklin

A HOUSING VISION FOR FRANKLIN

The updated 2023 Envision Franklin plan embraces several elements that reflect housing goals for the community. Major objectives include:

- Create exceptional places for people through design of new development, building form, uses, setbacks, activated streets, and pedestrian focus.
- Strive to create inviting neighborhoods with memorable character through a balanced mix of compatible uses for all people in every stage of life.
- Strategically locate neighborhood commercial and mixed use nodes to serve surrounding residential neighborhoods and help reduce traffic and trip length.
- Pursue a well-designed, effective, convenient, and active transportation network that connects residential neighborhoods, parks, schools, employment centers, shopping area, and downtown. Achieve this through a complete system of streets, bicycle and pedestrian routes, and transit, not only within the city, but also to the greater metropolitan region.

DEMOGRAPHIC PROFILE

- The population of Franklin is projected to reach 128,089 by 2040, a 44% percent increase from the city's 2022 population of 89,065.
- Franklin's current and projected highest growth age group of residents is 55 and over.
- One and two-person households in Franklin make up 57 percent of the population.
- Homeowners yielded a 41 percent gain in home values from 2015-2021, while household income in the City of Franklin grew by 14 percent during that period.
- The proportion of homeowners and renters in the City of Franklin has remained largely stable over the last two decades, with a slight dip in owner-occupancy in 2010, around the time of the Great Recession. The current proportions of owners and renters are projected to stay steady through 2026.



Photo Credit: City of Franklin

HOUSING SUPPLY AND TRENDS

- The three most common existing and approved housing types in Franklin are single-family homes, townhouse/condominiums, and apartments.
- It is difficult to distinguish the scale of multifamily buildings in the current broad classifications. Much of the “missing middle housing” is invisible (commonly properties with 2 – 12 units).
- According to the American Community Survey, 51% of the multifamily rental buildings constructed from 2000 - 2019 contained 20 units or more. Another third contained 5 – 19 units.
- Only 123 (2%) of the multifamily properties built in 2000 – 2019 contained 2 – 4 units.
- Franklin has had a steady approval of new housing units, ample pipeline, and consistent stream of new units over the last 7 years.
- In 2022, there were 12,748 approved residential units in the pipeline. With the 2022 new construction rate of 1,094, there is a ratio of approximately 1 new home for every 12 in the pipeline.
- Franklin’s experience with rapidly rising home prices and rents are signs of a competitive housing market. Additional indicators support this description including less than 30 days on market for most for-sale homes, and low vacancy rates for rental units.
- Multifamily units in Franklin are meeting an important market demand. Identifying multifamily options at a scale and design that work for Franklin, and adopting policies to support their production, is preferable to simply reducing approvals of multifamily units.

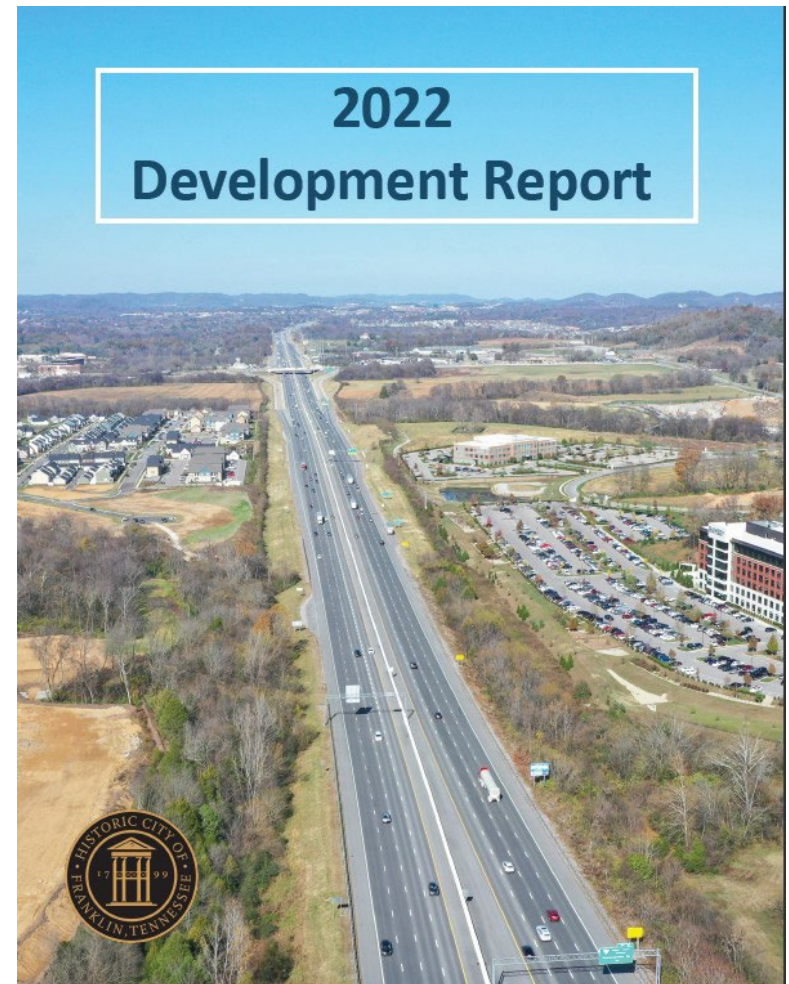


Photo Credit: City of Franklin

EXAMPLES OF OTHER HOUSING POLICIES, PROGRAMS, AND PROJECTS

Horizon 2040, Alpharetta, Georgia: The Horizon 2040 comprehensive plan, adopted in 2021, is Alpharetta's comprehensive plan and a long-range growth management tool that includes housing needs and opportunities and proposes housing policies.

2022 Hamilton County Housing Report , Hamilton County (Carmel), Indiana: *Housing for All: Leveraging Housing for Economic Well-Being* is a report that seeks to help expand attainable housing options, and improve the outlook for Hamilton County to achieve a full continuum of housing products and prices.

Inglenook Cottage Homes, Carmel, Indiana: Inglenook is a 27-home cottage court development in Carmel that opened in 2016, designed by renowned Seattle architect Ross Chapin and developed by Casey Land of Land Development & Building Company in Indianapolis.

National: *"Diversifying Housing Options with Smaller Lots and Smaller Homes,"* is a report produced by Opticos Design, Inc. for the National Association of Home Builders in 2019. The publication explores the issues involved in building a greater mix of housing types. The report also provides best practices on regulatory and design options and barriers.

Norfolk, Virginia: Norfolk's *Missing Middle Pattern Book* is designed to help property owners and developers add "missing middle" housing to established low-density neighborhoods in the city.

Minneapolis and St. Paul, Minnesota: *Twin Cities ADU Guidebook for Homeowners* is a 2019 guide is designed to help homeowners in the Twin Cities region of Minnesota plan and build accessory dwelling units (ADUs).



Photo Credit: Inglenook Cottage Homes

South Bend, Indiana offers pre-approved development templates to small-scale developers at no cost. The plans are designed to fit current zoning rules, lot sizes and shapes, and market conditions, and blend with the historic architectural vernacular in South Bend's existing neighborhoods.

Seaside, California: Residents of Seaside can save time and money with a pre-approved ADU. All three ADUs—the Gable, the Saltbox, and the Shed—are identical in plan with 530 square foot of space that includes one bedroom, one bathroom and an exterior storage room.

Papillion, Nebraska: The Prairie Queen project is on a fifty-acre site near Papillion, Nebraska. Residential buildings are a maximum of 8 units per building, based on "missing middle" prototypes: mansion apartments, fourplexes, small multiplexes, townhouses, and carriage houses, designed by Opticos.

RECOMMENDATIONS

Several of Envision Franklin's Guiding Principles are central to supporting a local housing strategy. These include:

- Vibrant Neighborhoods
- Managed Growth
- Exceptional Design
- Connected Community

A housing strategy can and should meet multiple goals, including supporting social equity and affordability. High demand housing products include smaller, single-story homes that are easy to maintain and close to amenities, such as restaurants, shops, and healthcare providers.

Key Findings

- Missing middle housing offers a valuable focus for housing options beyond single-family homes and large apartment buildings.
- Managing impact fees strategically could help to encourage missing middle housing options and encourage priority development types.
- Envision Franklin design concepts can be updated to support a greater variety of housing types
- More senior-friendly housing options are needed to accommodate an aging Baby Boomer population.
- Predictability in the development process is important for both local governments and developers. Streamlining the review and approvals process helps to make project development more efficient and to lower costs.

CONNECTING HOUSING AND TRANSPORTATION

Housing and transportation are closely tied and benefit from a coordinated approach. Reducing traffic congestion requires either building bigger roads or reducing the number of cars trips on existing roads. Having more mixed-use neighborhoods, where residents can walk or bike to nearby destinations for school, work, or shopping, is a better way to reduce car trips than building bigger roads

OTHER HOUSING POLICIES

While the Housing Strategy for Envision Franklin focuses on land use and development policy, housing policy is most effective with a multipronged approach, including:

- Create and preserve dedicated affordable housing units
- Help households access and afford private-market homes
- Protect against displacement and poor housing conditions
- Tax strategies designed to encourage owners of expensive land to build more intensively

CONCLUSION

The Envision Franklin update offers an opportunity to renew a shared vision for the city and the future – and offers the potential to examine how to both address local housing needs and embrace community character. Expanding partnerships with community stakeholders such as the Housing Development Commission, the Williamson County Health Council, the Franklin Housing Authority, and the Community Housing Partnership are essential to expand local capacity and resources to address Franklin's housing needs.

INTRODUCTION

Envision Franklin is a planning document adopted and maintained by the Franklin Municipal Planning Commission. Envision Franklin provides support for making land use decisions, managing the quality of development, determining the time and location of future growth, and directing investment activity. Established to articulate the long-term vision for the City of Franklin, Envision Franklin was first adopted in 2017 and updated in 2023.

The 2023 update of Envision Franklin involved extensive public engagement to review existing goals and policies, revise the document to reflect current priorities in the City of Franklin, and determine future land uses and design recommendations. The updated Envision Franklin will direct future development in a way that strengthens the City and creates exceptional places for people.

WHY A HOUSING STRATEGY FOR ENVISION FRANKLIN?

Franklin is a growing city with a rapidly increasing population. From 2000 to 2020, the city's population doubled, from 41,842 residents to 83,852. It is expected to continue to grow by another 52 percent from 2020 to 2040, reaching a population of 128,089.ⁱⁱ As in much of the country, housing prices in Franklin have escalated even more rapidly in recent years, especially creating housing challenges for low- and moderate-income residents. The City has pursued a Housing Strategy with the update to Envision Franklin to help address local housing needs.

A full range of housing policy options that communities can consider generally fall into four main categoriesⁱⁱⁱ:

- 1) **Align housing supply with market and neighborhood housing conditions:** implement land use and development strategies to increase the overall supply of market-based housing to meet demand.
- 2) **Create and preserve dedicated affordable housing units:** adopt local government policies to ensure a supply of dedicated affordable housing units with legal restrictions designating affordability for low- or moderate-income households. While mandatory inclusionary zoning is not legal in Tennessee, local governments may opt to offer incentives such as density bonuses, reduced parking requirements, and/or flexible zoning or design standards in exchange for affordable units.
- 3) **Help households access and afford private-market homes:** assist households to access and afford the costs of housing on the private market with resources such as down payment or closing cost assistance, tenant-based rental assistance, and enforcement of fair housing laws.
- 4) **Protect against displacement and poor housing conditions:** help renters and homeowners remain stably housed in the face of such challenges as rising rents, job loss, health crises, gentrification, and mortgage defaults; enhance housing quality and prevent the loss of existing units to deterioration.

The Envision Franklin Housing Strategy focuses on the first of these categories, with an emphasis on land use and development strategies that can offer a framework to align local housing supply more closely with residents' housing needs. Other components of this Housing Strategy include:

- Ensure consistency with community character
- Aim for a diversity of housing options
- Coordinate transportation and utility infrastructure with housing development
- Support social equity and affordability
- Manage environmentally sensitive areas

ENGAGING THE COMMUNITY

The Envision Franklin update offered several opportunities to engage the community on housing questions, including a dedicated page on the City of Franklin's website, live and virtual community workshops, an online survey, and a consultant's interviews with several local housing professionals, both individuals and in small groups.

While not directly part of the Envision Franklin update, the recent Franklin Community Survey that was administered in Fall 2022, a formal, scientifically valid survey designed to measure the sum of the factors that add up to a community's quality of life, was also a valuable resource for gathering local feedback on housing issues.

The Envision Franklin Online Survey^{iv} asked residents about their thoughts on a variety of topics related to the city's future, including housing. It particularly expanded the pool of feedback to include more residents who had not attended in-person meetings. The survey results showed that residents are concerned about the affordability of housing in Franklin, and they want to see more affordable housing options available.

Live and Virtual Community Workshops were held in two in-person Open Houses on March 22, 2023 and a live virtual presentation on April 13, 2023 on "Franklin and the Future of Housing."



Photo Credit: City of Franklin

In consultant interviews with local housing, land use, and real estate professionals by telephone and Zoom in February 2023, interviewees recognized that housing affordability in Franklin is a big challenge, especially for mid-level and lower-income earners. Some reported that the zoning regulations in Franklin are complex and can be difficult to understand. Interviewees recommended greater efficiency and alignment development and infrastructure planning. Others suggested that there is a need for more communication and collaboration between city staff, the City's Housing Commission, and developers.

A sample of interviewees' observations about housing in Franklin:

Utilities/Infrastructure

It is important to connect Envision Franklin with infrastructure planning

It is very costly for developers to extend utility connectivity to reach a development site

Recapture fees for future users would offer a way to defray the cost of extensive developer investment in sewer infrastructure

Consider alternative sewer options

Need to consider increased sewer/water fees to cover new water treatment facility

Housing Diversity

Envision Franklin recognizes need for wide range of houses and costs

When land is so expensive, increased residential density can help

Neighborhood commercial sites would benefit from a three-story option with a ground floor commercial and residential above

More options are needed for households that wish to downsize

Would like to see more opportunities for missing middle housing

Zoning

Regulation is not always consistent with Envision Franklin

Need to examine how city planning and zoning can make room for less expensive homes

The zoning process is very dependent on Planned District zoning

Planned Districts require more time plus more money to develop

Impact Fees

Impact fees in Franklin are well above comparable fees in surrounding markets

Fees should be scalable

Some impact fees are currently waived

Trends and Priorities

Housing affordability is a major concern: where will next generations live?

Need more opportunities for attainable housing

Concerns about gentrification, displacement, and change in Franklin's character

High vacancies in office space signify a big change in Franklin

Service workers are struggling to find affordable housing

Habitat for Humanity cannot afford to build in the City of Franklin

Multifamily Housing

Multifamily is currently addressing a need for workforce housing in Franklin

Can't get financing to develop condominiums, especially at scale

Live and Virtual Community Workshops
March and April 2023
130 attendees total

Housing themes at these events:

- Missing middle
- Tiny homes
- Housing to support service establishments and workers
- Adult children cannot afford to move back
- One-story housing (for 55+)

Transportation themes:

- More multiuse trails
- More sidewalk connectivity

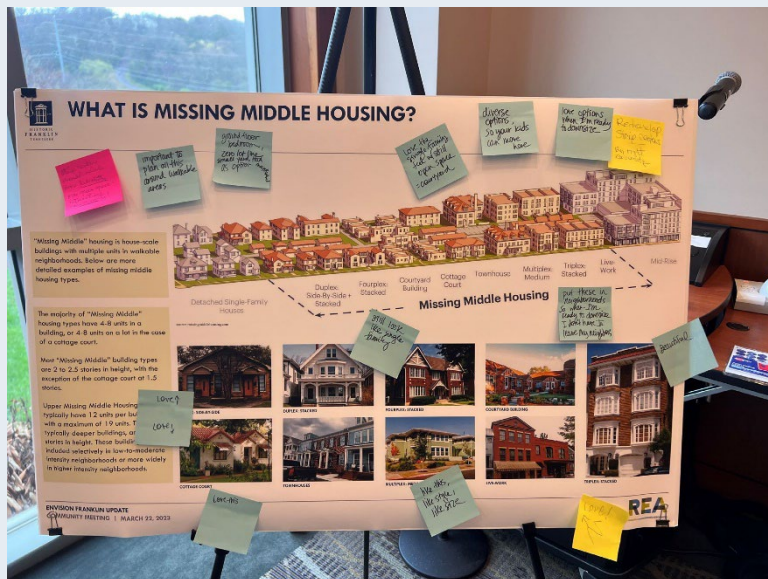


Photo Credit: City of Franklin

Envision Franklin Online Survey
Available from March 27- April 17, 2023
1,147 responses

Key findings from the survey:

- 12 out of 13 Key Planning Issues in Envision Franklin were still ranked as Important
- Infrastructure and Housing Affordability ranked high for write-ins
- 53% of respondents said “No” to the question “Do you think new residential developments in Franklin are providing enough housing variety for the range of ages, incomes, and family sizes that want to live in Franklin?” (Q33)

Franklin Citizen Survey/National Community Survey Franklin Tennessee

Mailed in Fall 2022 to 2,800 randomly selected residents and a offered as a City-wide open web-based survey.

Mailed survey: 448 completed responses

Housing-Related Findings:

- The majority of respondents (72%) said that the cost of housing in Franklin is a major concern.
- 67% of respondents said that they would like to see more affordable housing options available in Franklin.
- 58% of respondents said that they believe that the city should do more to address the issue of affordable housing.

NATIONAL HOUSING TRENDS

Franklin's experience with high demands for housing, short supply, and rising housing costs is not unique. Around the country, many communities have been facing an acute shortage of homes both for rent and sale. The current undersupply of housing is largely a result of the failure to build enough new homes. The result has been increasingly unaffordable housing costs for families across the nation.

When much of the nation shut down in response to the COVID-19 pandemic in March 2020, the housing market came to an abrupt halt. As restrictions eased, a pandemic housing boom emerged as those who could work remotely spread out in search of more space in more affordable communities across the country. Housing prices and rents escalated with the rising demand. Existing homeowners enjoyed record-high levels of home equity.^v

In 2023, rising interest rates, inflation, affordability challenges, and slowing population growth have tempered post-pandemic housing markets. Yet with an ongoing shortage of housing, housing costs are still high and record numbers of renters are severely cost-burdened. Home prices are unlikely to return to pre-pandemic levels, at least in the near term.^{vi}

Higher borrowing costs meant that single-family homebuilding declined significantly in 2022. Multifamily construction continued to rise in 2022, particularly for more expensive high-end units.

With limited available inventory, early 2023 saw the number of homes available for sale reach historic lows. Rising interest rates have put a damper on would-be buyers, and created conditions where older adults are less likely to move. Home builders continue to encounter high construction costs and limited lot availability, yet, the low housing inventory is maintaining a strong demand for new homes and pushing would-be buyers to stay in rental units.^{vii}

At this time, there is also a need to better align housing stock with demographic trends. Deflating demand for new single-family homes is a shrinking number of households with nuclear families, as well as rising multigenerational or group living arrangements plus aging in place.^{viii}

One approach gaining in popularity to address current housing needs is the prospect adding “missing middle” housing to communities. “Missing middle housing,” a term coined by Dan Parolek, founding principal at Opticos Designs, Inc., refers to house-scale buildings with multiple units—compatible in scale and form with detached single-family homes—located in a walkable neighborhood. These compact, low-rise options, typically 2 – 12 units in size, offer an important option between more expensive single-family detached homes and high-rise apartment buildings.



Image Credit: Opticos, Inc

In “The Great Senior Short Sale,” a journal article by urban planning and real estate expert Professor Arthur C. Nelson, he describes troubling misalignment in the real-estate market as 76 million baby boomers age out of large single-family homes, and fewer households in younger generations that prefer these housing types, even if they can afford them.^{ix}

For a longer-term outlook, some forecasters predict an emerging generational housing bubble by the mid-2030's, with reduced housing demand as baby boomers age and population growth slows.

A HOUSING VISION FOR FRANKLIN

The updated 2023 Envision Franklin plan embraces several elements that reflect housing goals for the community. Major objectives include:

- Create exceptional places for people through design of new development, building form, uses, setbacks, activated streets, and pedestrian focus.
- Strive to create inviting neighborhoods with memorable character through a balanced mix of compatible uses for all people in every stage of life.
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The Housing Strategy for Envision Franklin seeks to recommend steps to achieve these objectives as an important part of the housing goals for the community.

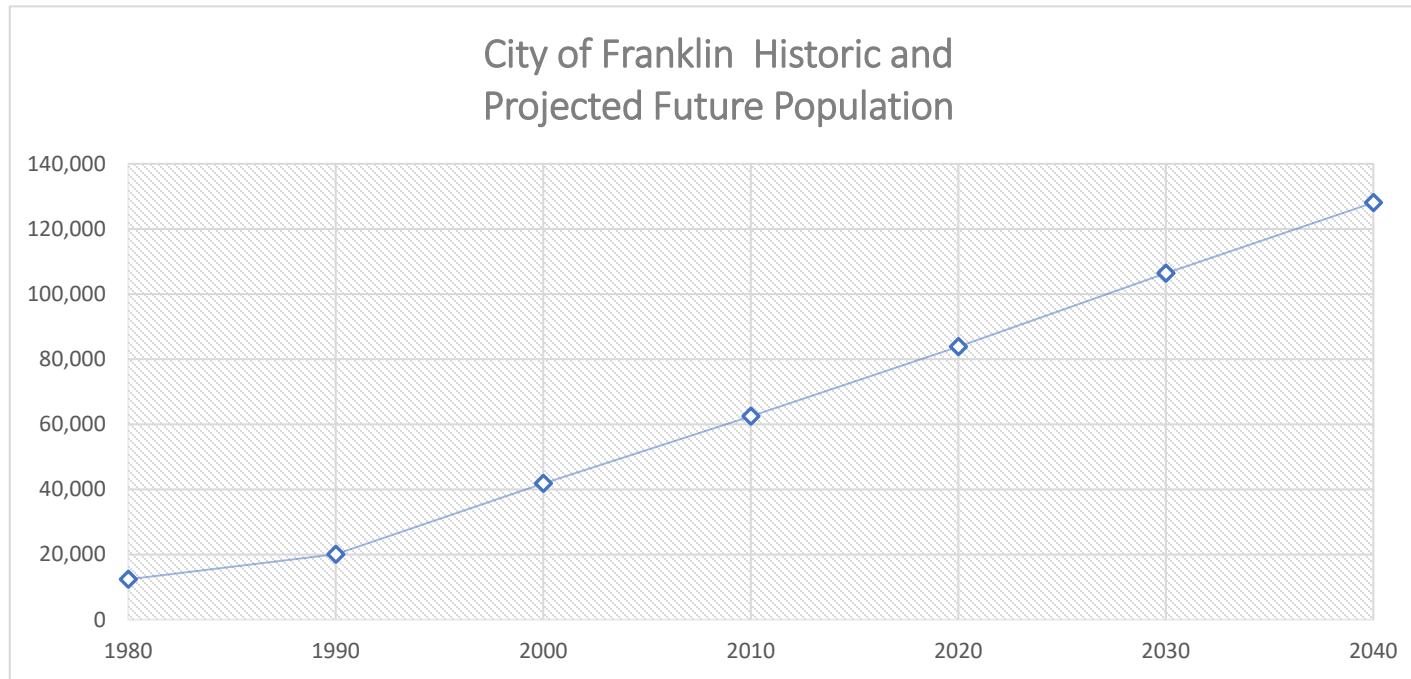
DEMOGRAPHIC PROFILE

KEY FINDINGS

- The population of Franklin is projected to reach 128,089 by 2040, a 44% percent increase from the city's 2022 population of 89,065.
- Franklin's current and projected highest growth age group of residents is 55 and over.
- One and two-person households in Franklin make up 57 percent of the population.
- Homeowners yielded a 41 percent gain in home values from 2015-2021, while household income in the City of Franklin grew by 14 percent during that period.
- The proportion of homeowners and renters in the City of Franklin has remained largely stable over the last two decades, with a slight dip in owner-occupancy in 2010, around the time of the Great Recession. The current proportions of owners and renters are projected to stay steady through 2026.

POPULATION PROJECTIONS

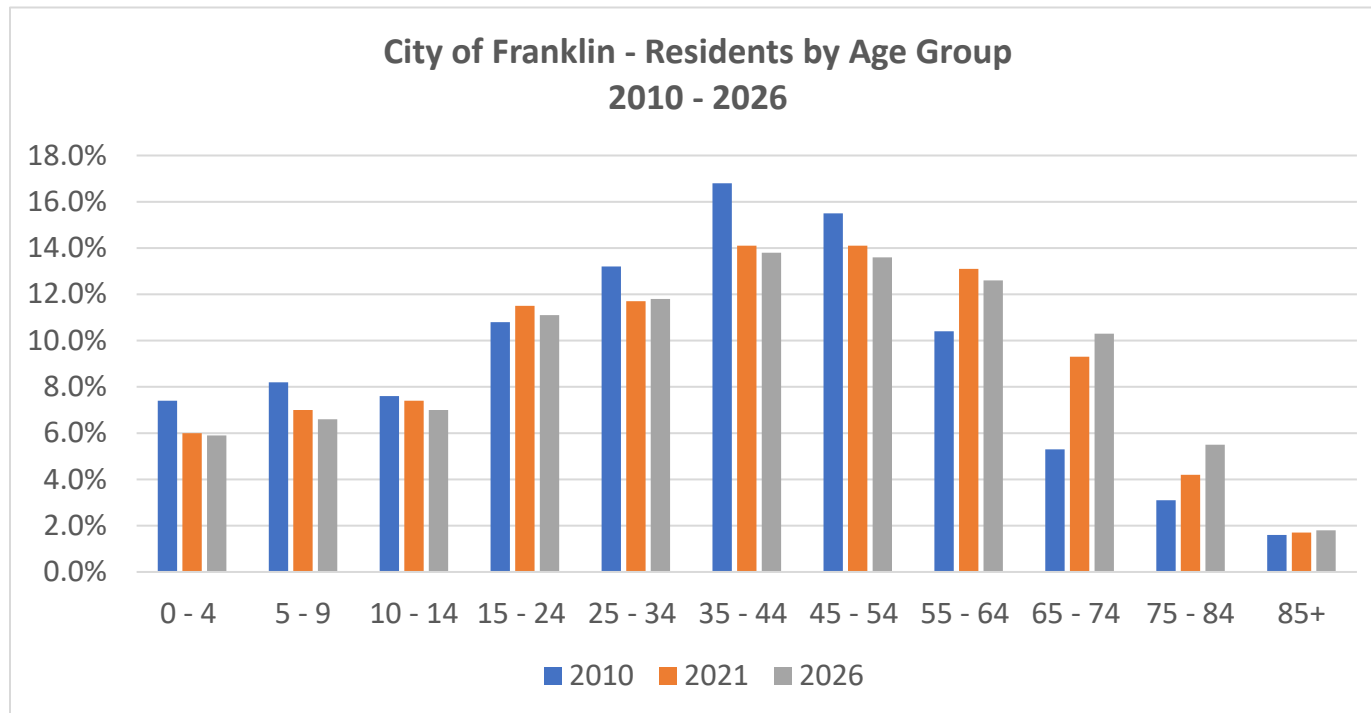
Population projections from the 2022 City of Franklin Development Report suggests growth of 44 percent from 2022 - 2040, with a forecast population of around 128,089 residents.



Data Source: 2022 City of Franklin Development Report

DISTRIBUTION OF POPULATION BY AGE

The highest current and projected growth in population through 2026 are residents ages 55 and up.

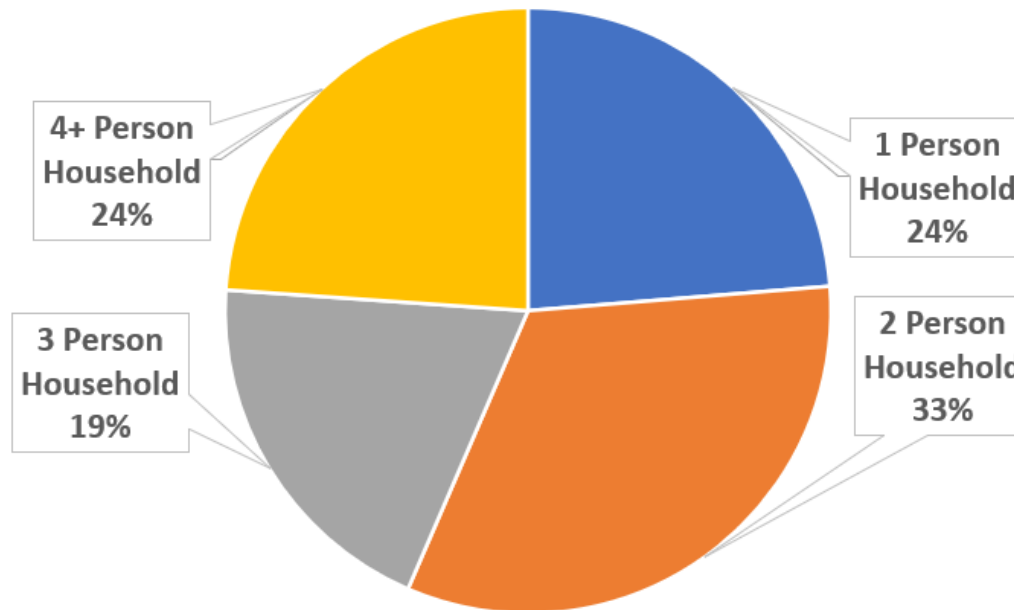


Data sources: American Community Survey (2021) and ESRI Market Profile (2021)

HOUSEHOLDS BY SIZE

In the City of Franklin, one and two person households make up the majority of all households (57%).

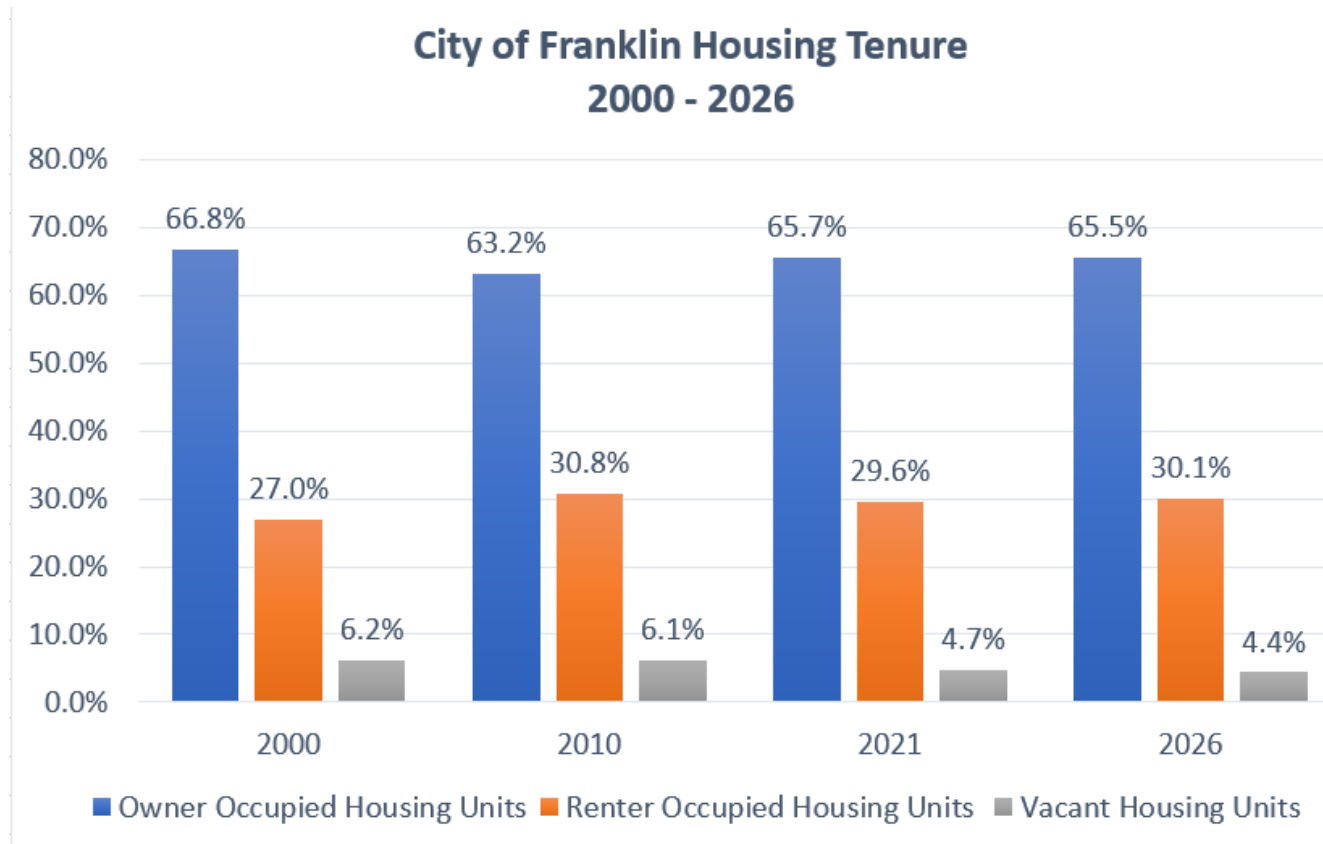
City of Franklin - Household Size 2021



Data source: American Community Survey (2021)

HOMEOWNERS AND RENTERS

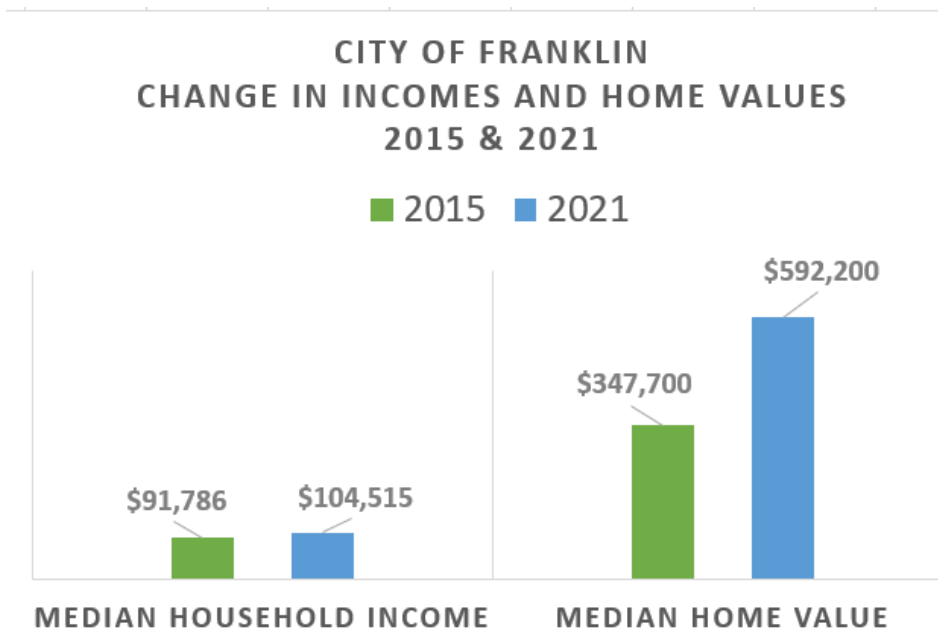
The proportion of homeowners and renters in the City of Franklin has remained largely stable over the last two decades, with a short-lived dip in owner-occupancy in 2010, around the time of the Great Recession. However, current proportions of owners and renters are projected to stay steady through 2026.



Data Source: 2021 ESRI Market Profile

ATTAINABILITY

Household income in the City of Franklin grew by 14 percent from 2015 – 2021, while homeowners enjoyed a generous 41 percent gain in equity. The gap between incomes and housing costs creates a challenge for would-be homebuyers.



Data sources: American Community Survey (2015 & 2021)

DEFINITIONS

- **Area Median Income:** Also referred to as Median Family Income, or Median Household Income, AMI is the mid-point of the City of Franklin's income distribution. These numbers are from the American Community Survey by the U.S. Census Bureau.
- **Median Home Value:** Median home value is the mid-point of the City of Franklin's home value distribution. This number from the American Community Survey by the U.S. Census Bureau.

HOUSING SUPPLY AND TRENDS

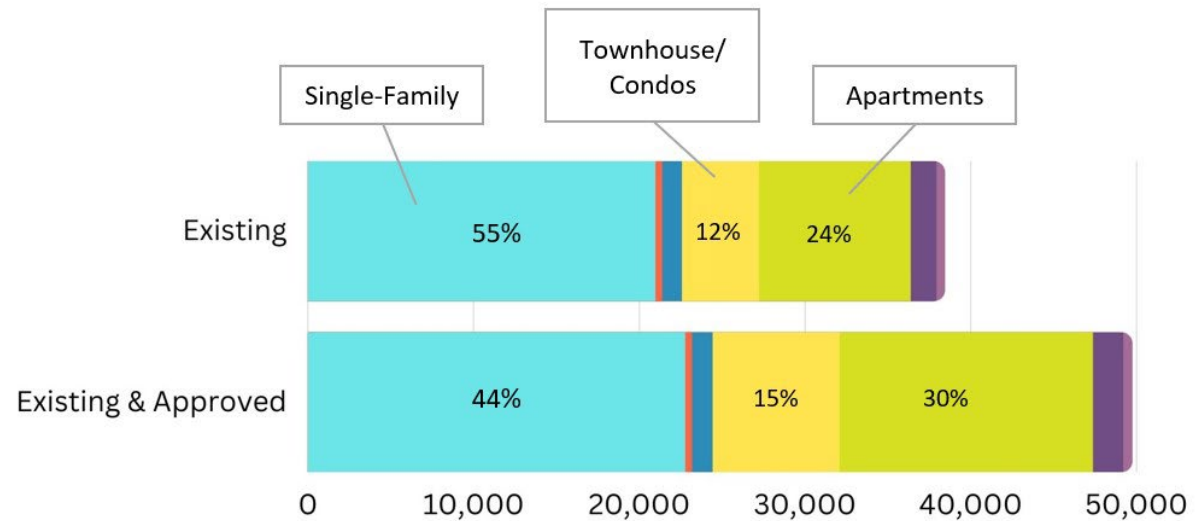
KEY FINDINGS

- The three most common existing and approved housing types in Franklin are single-family homes, townhouse/condominiums, and apartments.
- It is difficult to distinguish the scale of multifamily buildings in the current broad classifications. Much of the “missing middle housing” is invisible (commonly properties with 2 – 12 units).
- According to the American Community Survey, 51% of the multifamily rental buildings constructed from 2000 - 2019 contained 20 units or more. Another third contained 5 – 19 units.
- Only 123 (2%) of the multifamily properties built in 2000 – 2019 contained 2 – 4 units.
- Franklin has had a steady approval of new housing units, ample pipeline, and consistent stream of new units over the last 7 years.
- In 2022, there were 12,748 approved residential units in the pipeline. With the 2022 new construction rate of 1,094, there is a ratio of approximately 1 new home for every 12 in the pipeline.
- Franklin’s experience with rapidly rising home prices and rents are signs of a competitive housing market. Additional indicators support this description including less than 30 days on market for most for-sale homes, and low vacancy rates for rental units.
- Multifamily units in Franklin are meeting an important market demand. Identifying multifamily options at a scale and design that work for Franklin, and adopting policies to support their production, is preferable to simply reducing approvals of multifamily units.

HOUSING TYPES

The three most common existing and approved housing types in Franklin are single-family homes, townhouse/condominiums, and apartments. There is an anticipated shift in this mix of these housing types based on the approved units that are not yet built that would decrease the share of single-family homes and increase the share of townhouses, condos, and apartments.

However, it is difficult to distinguish the range of unit numbers per building sizes in the current broad classifications. Much “missing middle housing” is invisible (commonly properties with 2 – 12 units).



Other housing types represented above: Manufactured Home, Duplex, Assisted Living, Berry Farms Town Center Non-Single-Family Units, Westhaven Units, Residential Special Place

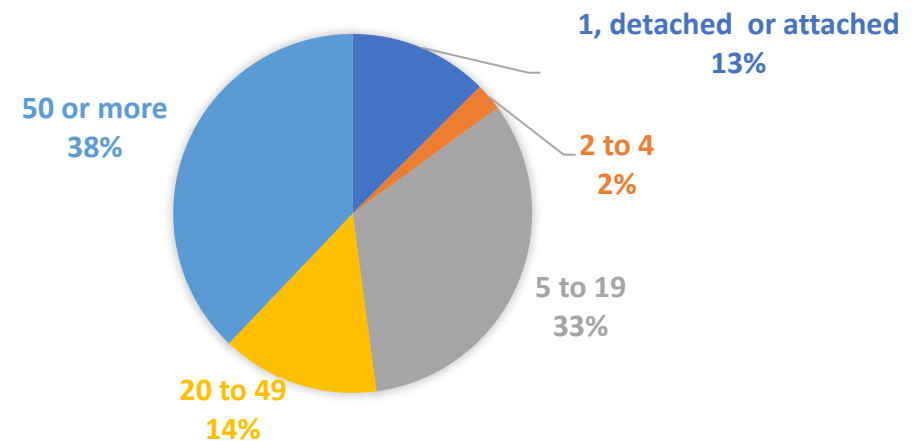
Data Source: 2022 City of Franklin Development Report

RENTAL UNITS BY NUMBER OF UNITS IN THE STRUCTURE

A closer look at American Community Survey data on rental units built from 2000 – 2019 in Franklin offers a finer-grained look at the predominant multifamily building types. These two decades were also a period of robust population growth for Franklin, when the population doubled in size.

- A total of 5,065 rental units were added from 2000-2019.
- 51% of the multifamily rental buildings constructed in this decade contained 20 units or more.
- Another third contained 5 – 19 units.
- Only 123 (2%) of the properties built in this 19-year span contained 2 – 4 units.
- By comparison from 1940 – 1999, 940 buildings with 2-4 units were constructed, or 16% of rental units.

CITY OF FRANKLIN - RENTAL UNITS BUILT BY NUMBER OF UNITS IN THE STRUCTURE, 2000 - 2019



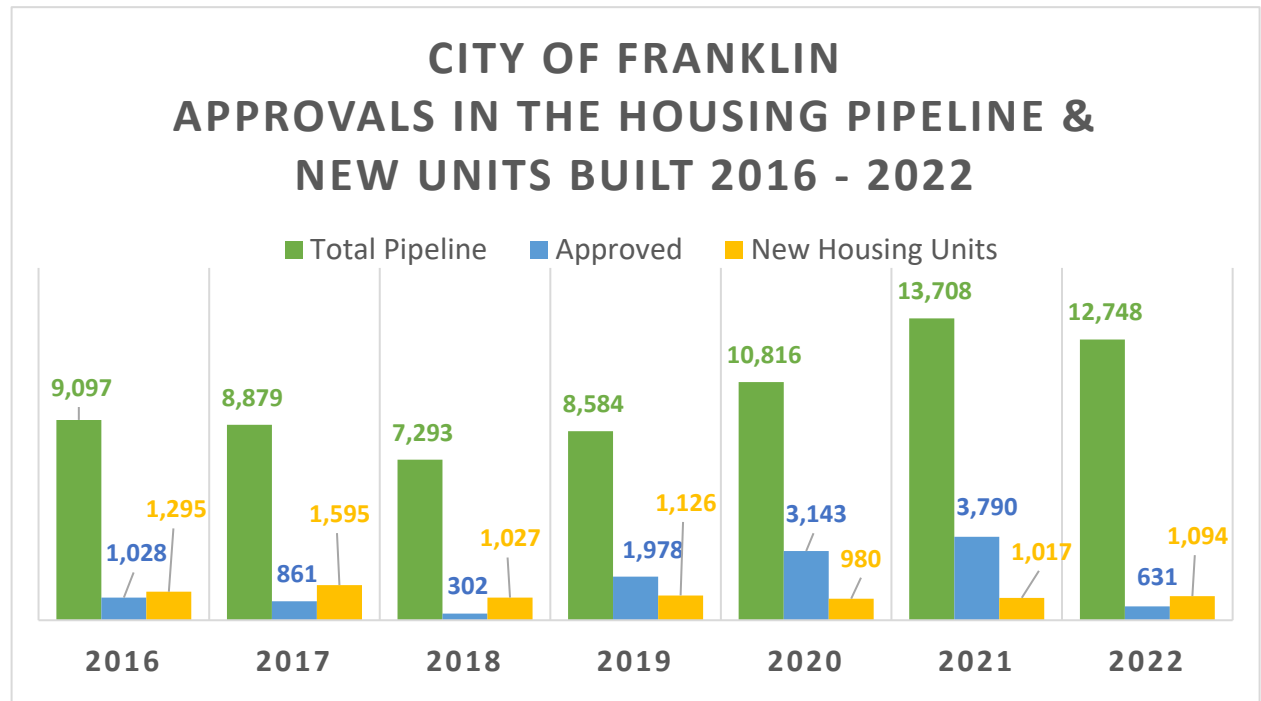
Data Sources: U.S. Census, American Community Survey

HOUSING CONSTRUCTION, PIPELINE, AND APPROVALS

Franklin has had a steady approval of new housing units, ample pipeline, and consistent stream of new units over the last 7 years. From 2016 – 2022, Franklin approved an average of 1,676 new housing units annually, with a median of 9,712 total approved units in the pipeline to be built. In that same period, an average of 1,162 new housing units came online annually in Franklin.

Most recently, in 2022, there were 12,748 approved residential units in the pipeline, or about 31% above the 7-year average. With the 2022 new construction rate of 1,094, there is a ratio of approximately 1 new home for every 12 in the pipeline.

The top housing types in the pipeline are 16% single-family homes, 27% townhomes/condominiums, and 54% apartments.



Data sources: City of Franklin Development Reports, 2016 – 2022.

MEASURES OF MARKET DEMAND

Rapidly rising home prices and rents are signs of a tight housing market. Additional indicators include days on market for for-sale homes, and vacancy rates for rental units.

Days on Market

Despite some cooling of the housing market from 2022 to 2023, Franklin remains a seller's market for homebuyers, with more buyers than there are available homes on the market. Where homes in Franklin were on the market for an average of only 6 days in June 2022, this figure was 25 days on market in June 2023. Total inventory in Franklin during these two periods were 674 units in June 2022 compared to 689 units in June 2023.^x 73% of all homes on the market in Franklin in July 2023 sold in less than 30 days.^{xi}

Vacancy Rates

Apartment vacancy rates in Franklin have been low at 4.3%, indicating continued demand for rental units.^{xii} Median rent for all bedrooms and all property types in Franklin as of July 2023, was \$2,881. This is a .5% decrease (\$14) in average rent compared to the previous year.^{xiii}

SPATIAL MAP: EXISTING AND APPROVED MULTIFAMILY AND MIXED-USE PROJECTS

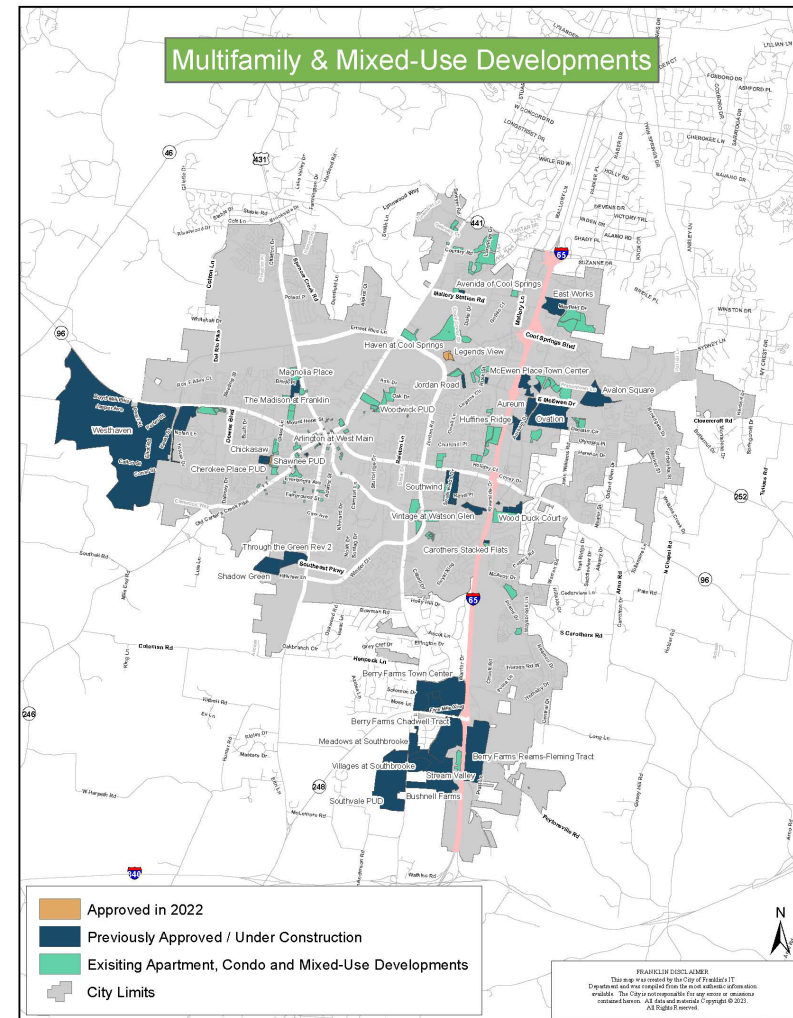


Image Credit: City of Franklin

MULTIFAMILY ASSESSMENT

With so many approved units in the pipeline, there appears to be an ample supply of housing forthcoming in Franklin. The situation leads to questions such as:

- Do currently entitled projects meet the housing need?
- Is there a desired or appropriate percentage of single-family residential?
- How much more multifamily is appropriate for Franklin?

An assessment of local housing production and demographic trends driving demand can help to address these questions.

Do currently entitled projects meet the housing need?

With 12,748 housing units in the pipeline in 2022, it is understandable to expect these cumulative approvals would deliver a generous supply of completed housing. Yet, even as the total number of approved housing units has grown 75 percent since 2018, the annual count of constructed units has stayed fairly steady, averaging 1,049 units.

Prices in the Franklin housing market have remained high, indicating that the pace of construction is not yet matching demand. Franklin homes sales averaged 25 days on the market in June 2023 with a median price \$851,873.^{xiv} During this period in the Nashville metro region, the median home price was \$478,945 with an average of 41 days on the market.

For rentals, Franklin experienced a low 4.3% vacancy rate and high median rent of \$2,881 in July 2023.^{xv} By comparison, the Nashville metro area had a 6.5% vacancy rate at the end of second quarter 2023, and a median rent of \$1,689.^{xvi}

Converting Franklin's robust pipeline of over 12,700 housing units to constructed units is more complex than it might appear on paper. Various market forces can result in approved units not getting built immediately, or sometimes at all. Current challenges to the homebuilding industry in the U.S. include rising interest rates that make building more expensive for developers, inflationary pressures on materials, and labor shortages.

Franklin continues to be a strong market, with 2,200 new residents annually seeking a place to live. Widening the range of housing options available for both new and current residents is an important measure to meet lifestyle and affordability needs.

Is there a desired or appropriate percentage of single-family residential?

Detached, single-family residential homes have long been a dominant housing type in the United States. Closely associated with homeownership, single-family homes are an important source of wealth-building for many families. Borrowers yield the benefit of mortgage-interest tax deduction—the largest home subsidy in the U.S. Residents of single-family homes typically enjoy privacy and choices for home improvement.

When determining a desired mix of housing types for Franklin, a vital question to consider is whether there is an adequate supply of housing that is affordable for people who wish to live in the community. Indicators include median home prices and days on the market for home sales, median rents and vacancy rates for rentals, and comparing median incomes to housing prices. If there is not a sufficient housing supply, the next step is to evaluate what measures can be taken to support the production of housing that meets current and future residents' needs.

To increase homeownership opportunities for a variety of households, planning and zoning can encourage a wider range of units suitable for owner-occupancy, especially “missing

middle” options. Local housing policy can also aim to support more homebuyers, especially for low- and moderate-income households. Many communities do this with tools such as down payment assistance programs, public land donation to help lower the cost of housing production, community land trusts, and a variety of public-private partnerships.

How much more multifamily is appropriate for Franklin?

Current demographic trends are reflecting preferences for smaller homes, choices of rental or owner-occupied units, and homes with mix of uses nearby that can reduce automobile dependence.^{xvii}

While some in Franklin are concerned about the growth of multifamily in the community, these units are nonetheless meeting an important market demand. Fortunately, multifamily residential has many types, including duplexes, small-, mid- and large-scale buildings. Identifying multifamily options at a scale that work for Franklin, and adopting policy to support their production, is preferable to simply reducing approvals of multifamily units.

Constraining housing supply creates scarcity, increasing housing costs. If employees who work in Franklin must move elsewhere in the region to find a home that meets their needs, they will likely need to commute to Franklin, increasing traffic congestion. Finally, high housing costs and long commutes may mean that employers in Franklin may have harder time finding employees.

The best way to determine an apt mix of single-family and multifamily homes is to embrace the production of an ample supply of a wide array of housing types. Planning and zoning that supports more housing choices helps the housing market to align better with demand.

Where are the Condominiums?

Condominiums have traditionally offered an important option for homeownership. However, for many years now condominium construction has been largely stagnant, especially on the more affordable end of the market – even as apartment construction of rental units has been steady. For-sale multifamily construction accounted for only 5.4% of all multifamily starts and only 2.7% of all single-family and multifamily home construction in the first three quarters of 2021.^{xviii}

Why the dearth of condominiums? Condominium development has still not recovered from the impact of the Great Recession. The housing crash in the aftermath of the Great Recession of 2007-2009 magnified the risks of building condominiums. Without sufficient cash flow from the sale of units, many residential developers did not have funds to complete infrastructure and or common areas. To this day, some condominium residents live in communities where the common areas are not maintained and infrastructure remains unfinished.^{xix}

Condominiums are more expensive and complicated to build than apartments. Insurance costs are higher because of the risk of lawsuits over construction defects. Materials must meet higher standards, and financing is harder to get – for developers, builders, and homebuyers alike. For example, restrictive rules for Federal Housing Administration loans can make it harder for homebuyers to borrow to purchase a condominium.^{xx} Finally, larger condominium projects containing more units bear more risk, with increased potential for problems in design or construction.^{xxi} For all these reasons, building apartments is more profitable and poses fewer risks.

Overcoming the systemic barriers to condominium development will require dedicated coordination among federal agencies to ease financing restrictions, as well as commitments from states and localities to remedy defect laws.^{xxii}

HOUSING AFFORDABILITY

When considering housing needs, a common question is “What is affordable housing?” Generally, housing is considered affordable when it costs no more than 30% of gross monthly household income. For renters, this figure includes rent and utilities. For homeowners, this figure includes mortgage payment (principal and interest), insurance, and taxes.

Federal/state housing subsidies are typically reserved for low-income households earning 80 percent or less of the median family income. In Franklin, 80 percent of the median family income is \$83,612 for a family of four.

Workforce (or “attainable”) housing is a term typically used to refer to middle-income households earning 81% to 120% of the median family income. In Franklin, this would be \$84,657 - \$125,418 for a family of four. These households are not usually eligible for subsidies, but increasingly have a hard time finding market-rate housing they can afford in many communities.

As long as there is a large gap between market-rate home prices and incomes, it will be hard for many households to afford to live in Franklin, even for employees such as teachers, firefighters, and police officers who serve the community.

Estimated salary ranges for selected occupations in Franklin	
Public school teacher	\$44,171 to \$64,516
Police officer	\$54,500 to \$63,500
Firefighter/EMT	\$55,764 to \$75,255
Registered nurse	\$56,321 to \$101,010
City of Franklin	\$65,457 (median)
Sources: salary.com, govsalaries.com	

A household seeking to buy a home in Franklin earning \$125,418 annually—120% of the median family income—could afford a house up to \$490,731 (assuming a \$25,000 down payment, no other debt, and 6% interest). However, the median home sales price in Franklin in June 2023 was \$851,873.^{xxiii}

Housing Costs and Household Incomes

For-sale home prices have shot up sharply in the last decade in Franklin, creating generous equity for current homeowners—but creating hurdles for new homebuyers. The median home sale price in 2015 was \$347,700, compared to \$592,200 in 2021. Rents have also escalated rapidly, with median rents increasing 28 percent from \$1,271 in 2015 to in \$1,625 in 2021. By July 2023, the median rent for all bedrooms and all property types in Franklin was \$2,925.^{xxiv}

However, household incomes in Franklin have not increased nearly as rapidly as housing prices. In 2015, the median household income was \$91,786. By 2021, the median income had increased by 14 percent, to \$104,515.

Housing “median multiple” is a broad measure of housing affordability based on the relationship between home costs and

household incomes. To find the ratio between local wages and housing costs, divide the median home price by the median household income. The Franklin median multiple is 5.6, calculated by dividing the 2021 median home price of \$592,200 by the 2021 median household income, \$104,515. Local housing prices are generally considered affordable if that number is 2.5 or 3.

EXAMPLES OF OTHER HOUSING POLICIES, PROGRAMS, AND PROJECTS

Efforts in other communities tackling similar issues can offer ideas for implementing new approaches to local housing needs. Below are a variety of examples from some of Franklin's peer cities and elsewhere in the country.



HOUSING POLICIES AND PROJECTS IN PEER CITIES

Horizon 2040 —Alpharetta, Georgia

The Horizon 2040 comprehensive plan, adopted in 2021, is Alpharetta's comprehensive plan and a long-range growth management tool. The plan defines the city's vision for future development by addressing housing, sense of place, transportation alternatives, mixed uses developments, natural resources, and economic growth. The Comprehensive Plan includes a Community Involvement Plan, Existing Conditions Analysis, and the Plan Elements. The Plan provides a clear, shared vision and describes the future of the Alpharetta.

The community identified needs, opportunities, and policies for six *Themes or Areas of Focus* in the Horizon 2040 Comprehensive Plan: Traffic Congestion/Walkability, Office and Retail Vacancies, Growth Management, Sense of Place/Placemaking, Open Space, and Housing.

Examples of Housing Needs and Opportunities Identified in Horizon 2040:

- Address affordability of housing
- Manage scale of homes to lot size
- Manage density
- Create walkable neighborhoods
- Diversify housing opportunities
- Address missing housing types/price points
- Protect existing workforce housing stock
- Redevelop large surface parking lots in North Point area and suburban office areas with residential uses
- Utilize accessory dwelling units (ADUs) to increase housing stock

Examples of Horizon 2040 Housing Policies
Promote and encourage residential densities and designs that ensure varied living areas and housing types.
Preserve the character of distinct residential areas.
Design quality and long-term value into residential development to maintain appearance and property values.
Provide opportunities for people who work in Alpharetta to live in Alpharetta by monitoring the housing-to-jobs balance and promoting a variety of housing options, including housing types, design and price-points.
Promote opportunities for “aging in place.”

Alpharetta also conducts a biannual rental housing study to examine the state of rental and owner housing in the city. A goal of study is to support applicable updates to policies in its comprehensive plan, zoning and land use policies that can achieve the desired balance between renter and owner units into the future.

2022 Hamilton County Housing Report — Hamilton County (Carmel), Indiana

Housing for All: Leveraging Housing for Economic Well-Being is the 2022 Hamilton County Development Report commissioned by the Noblesville Housing Authority on behalf of the Hamilton County Housing Collaborative, a coalition of 50-plus individuals representing dozens of organizations working to address the community’s housing needs.

New home prices in Hamilton County grew by 63 percent between 2010 and 2019, while the price of existing resale homes in Hamilton County increased by 88 percent between 2010 and 2021. Static incomes and escalating home values especially create affordability challenges for households earning less than \$98,000 (120% of area median income).

To help expand attainable housing options, and improve the outlook for Hamilton County to achieve a full continuum of housing products and prices, the housing study included information about four specific strategies:

1. Community Land Trusts
2. Housing Trust Funds
3. Public-Private-Philanthropic Partnerships
4. Land Use and Development Strategies

The Land Use and Development Strategies section focuses on tools to increase and diversify housing, such as:

- Allow moderate density
- Allow smaller lot sizes
- Allow a variety of residential products
- Reduce fees or expedite approval process
- Incentivize attainable housing

For more information: <https://www.handincorporated.org/category/news/page/3/>

Inglenook Cottage Homes — Carmel, Indiana

Inglenook is a 27-home cottage court development in Carmel that opened in 2016, designed by renowned Seattle architect Ross Chapin and developed by Casey Land of Land Development & Building Company in Indianapolis. Unlike traditional suburban neighborhoods where houses face the street, the homes of Inglenook face shared green spaces. Garages are accessed through alleys behind the homes. The two-, three-, and four-bedroom homes in this "pocket neighborhood" are based on eight designs ranging from 1,060 to 2,176 square feet. For more information: <https://www.houzz.com/professionals/home-builders/land-development-and-building-llc-pfwvus-pf~185315734>



Image Credit: Inglenook Cottage Homes

OTHER HOUSING POLICIES, PROGRAMS, AND PROJECTS

There is a growing awareness nationally of the advantages of offering a variety of housing options for residents. To support changes in what housing types are built, some communities, agencies, and organizations around the country have created guides to help property owners, builders, and developers produce infill housing that is compatible with existing neighborhoods. Assistance may be in the form of suggested regulatory updates, case studies, or pre-approved building plans to expedite construction and reduce costs. Several examples are below.

Best Practices on Regulatory and Design Options

National: “Diversifying Housing Options with Smaller Lots and Smaller Homes,” is a report produced by Opticos Design, Inc. for the National Association of Home Builders in 2019. The publication explores the issues involved in building a greater mix of housing types, such as smaller homes, duplexes, townhouses, small-scale multifamily, and accessory dwelling units. The report also provides best practices on regulatory and design options and barriers. Opticos—the firm that coined the term “missing middle housing”—identified ordinances and codes across the United States that enable the construction of a greater mix of housing types and smaller,



more affordable homes. More than 100 codes and ordinances from a variety of communities and cities were evaluated across four categories: accessory dwelling unit (ADU) ordinances, small lot ordinances, cottage court ordinances, and form-based codes (infill and greenfield). For more information: <https://uat.nahb.org/-/media/NAHB/advocacy/docs/top-priorities/housing-affordability/nahb-2019-small-homes-research-report.pdf>

Norfolk, Virginia: Norfolk's *Missing Middle Pattern Book* is designed to help property owners and developers add "missing middle" housing to established low-density neighborhoods in the city. The *Missing Middle Pattern Book* saw its first incorporation into Norfolk's Zoning Ordinance in 2021.

Individual sections address precedents and typologies, design ideas, resilient construction and sustainable design, approved materials and finishes, zoning and character districts, and site plans and parking. The guide provides free architectural plans for one, two, and three-bedroom units that are readily compatible with existing housing. Each of the floorplans consist of modular components that can be shifted around to create side-by-side

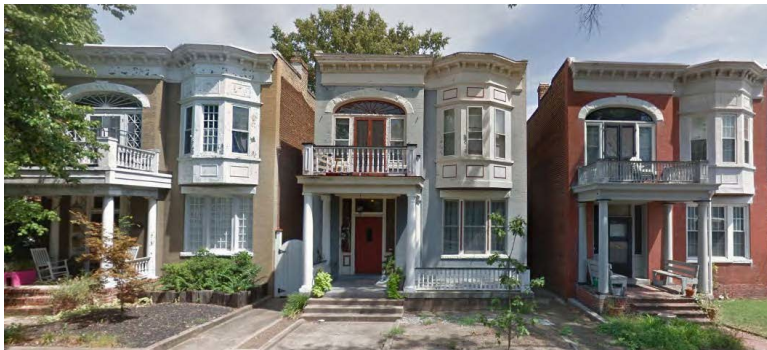


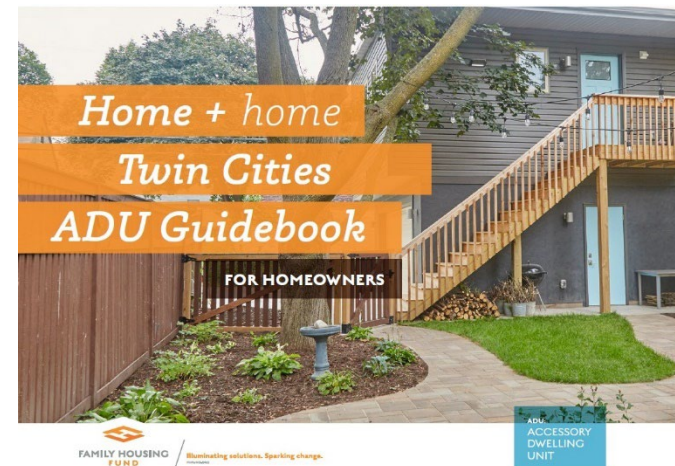
Image Credit: City of Norfolk, Virginia

duplex, triplex, multiplex, or townhouse units with configurations that can fit on different lot sizes.

Depending on the size of the project, developers can expect to save around 15-20 percent on the design fees that constitute roughly 10 percent of the overall cost of a project's construction. Work Program Architects created the guide in collaboration with GARC and Dills Architects. For more information: <https://www.norfolk.gov/5332/Missing-Middle-Housing>

General Guidance

Minneapolis and St. Paul, Minnesota: *Twin Cities ADU Guidebook for Homeowners* is a 2019 guide is designed to help homeowners in the Twin Cities region of Minnesota plan and build accessory dwelling units (ADUs). Individual sections address ADU basics, ADU stories and case studies, and offer an overview of how to build an ADU. For more information: https://www.fhfund.org/wp-content/uploads/2019/07/FHF_ADU_Guidebk_Print-Friendly_Download.pdf



Pre-Approved Development Plans

South Bend, Indiana: The city offers pre-approved development templates to small-scale developers at no cost. The plans are designed to fit current zoning rules, lot sizes and shapes, and market conditions, and blend with the historic architectural vernacular in South Bend's existing neighborhoods. The designs include single-family houses of varying sizes and bedroom counts as well as a carriage house, a duplex, and a six-unit apartment building that can fit on a typical urban lot. For more information: <https://southbendin.gov/bsb/preapprovedplans/>



SOUTH BEND NEIGHBORHOOD INFILL
Pre-approved, ready-to build housing

Seaside, California: Residents of Seaside can save time and money with a pre-approved ADU. All three ADUs—the Gable, the Saltbox, and the Shed—are identical in plan with 530 square foot of space that includes one bedroom, one bathroom and an exterior storage room. The homeowner can choose the exterior form, material and color, and interior finishes. Images: Workbenchbuilt.com For more information: <https://www.ci.seaside.ca.us/740/ADU-Guide>



Image Credit: City of Seaside, California

Adding Missing Middle Housing

Papillon, Nebraska: The Prairie Queen project is on a fifty-acre site near Papillon, Nebraska. Residential buildings are a maximum of 8 units per building, based on “missing middle” prototypes: mansion apartments, fourplexes, small multiplexes, townhouses, and carriage houses, designed by Opticos. Emphasis is placed on walkability first and parking is managed with alley loading and on-street parking. For more information: <https://opticosdesign.com/work/bungalows-on-the-lake-prairie-queen/>



Image Credit: Opticos, Inc

RECOMMENDATIONS

Several of Envision Franklin’s Guiding Principles are central to supporting a local housing strategy. These include:

- Vibrant Neighborhoods
- Managed Growth
- Exceptional Design
- Connected Community

A housing strategy can and should meet multiple goals, including supporting social equity and affordability. As one example, there are many people who work in Franklin and serve the community – such as teachers, firefighters, and police officers – who may not be able to afford to live in the City. Expanding housing options to make it possible for those who serve the community and wish to live in Franklin has multiple benefits, including: a greater stake in the community they serve, higher retention for employers, and shorter/fewer car trips to commute.

Other trends that are shaping the local housing market include aging Baby Boomers, the generation born between 1946 and 1964. The largest generation in the United States, they are starting to retire in growing numbers and often seeking smaller, single-story homes that are easy to maintain. Housing that is close to amenities, such as restaurants, shops, and healthcare providers is also sought after. Younger generations–Gen X,

neighborhoods, while looking for energy efficient, environmentally -friendly homes that they can afford.

The rapid growth of The City of Franklin and Williamson County requires thinking about planning strategically to accommodate housing demand. Implementing a housing strategy as part of the Envision Franklin update offers an important opportunity to explore how to manage this expected growth.

KEY FINDINGS

- Missing middle housing offers a valuable focus for housing options beyond single-family homes and large apartment buildings.
- Managing impact fees strategically could help to encourage missing middle housing options and encourage priority development types.
- Envision Franklin design concepts can be updated to support a greater variety of housing types.
- More senior-friendly housing options are needed to accommodate an aging Baby Boomer population. Predictability in the development process is important for both local governments and developers. Streamlining the review and approvals process helps to make project development more efficient and to lower costs.

ENCOURAGE WALKABLE, HUMAN SCALE BUILDING FORM

Missing middle housing offers a valuable focus for housing options beyond single-family homes and large apartment buildings. Expanding by-right housing types will make it easier and less expensive to build additional options such as duplexes, cottage courts, and accessory dwelling units that fit easily into existing neighborhoods.

- Duplexes: Homes that are compact and house-scale
- Cottage clusters: Smaller single-family homes arranged to foster a sense of community
- Accessory dwelling units: Offer flexible infill options in existing neighborhoods

Zoning revisions may examine removing minimum lot size and setback requirements and instead carefully regulate building width and depth. Seeking opportunities to remove minimum parking requirements also helps dedicate more land towards housing and reduce development costs.

Small-scale apartment buildings can also help diversify housing types while remaining cost-effective. In high-cost markets, the ideal building typology is between 8 and 12 units to be financially viable. This "magic number" allows developers to leverage economies of scale while using less expensive, wood frame construction, without elevators, depending on code requirements.^{xxv}

Accessory Dwelling Units, Local Government, and Homeowners' Associations

Local governments can impose administrative requirements for accessory dwelling units, such as registration, permitting, and compliance with health and safety codes to manage these properties. The City of Franklin requires that the primary home is owner-occupied on a lot with an accessory dwelling unit. Local governments may not prohibit short term rentals under state law.

Even when local government allow accessory dwelling units, they cannot compel homeowners' associations to allow them. HOA boards may have homeowners who want an ADU – whether to provide living space for a family member, guests, or as extra rental income. To explore compatibility, HOAs may consider surveying residents in the community to investigate whether to revise the governing documents to allow ADUs.

In many cases, it is effective for HOAs to examine root problems: are the objections to ADUs based on concerns about parking and traffic? Noise and trash? Perhaps there are ways to manage these concerns directly, rather than by prohibiting ADUs.

MANAGE FEES TO SUPPORT MORE HOUSING SUPPLY AND LOWER HOUSING COSTS

Impact fees are an important local resource to pay for needed infrastructure. However, managing administrative fees strategically can help to encourage missing middle housing options. Charging impact development fees by square foot, rather than by residential unit, is one important means to foster more variety in housing types. For example, the current local practice of calculating impact development fees by the unit makes it more expensive to build a duplex instead of a single-family home, even if the square footage is comparable.

Reserving the option to waive or reduce fees for particular projects can also help to direct priority development. For example, the City waived all impact fees for the Franklin Housing Authority to assist with construction costs for the Chickasaw Senior Community, a residence that will include 48 units for low- and moderate-income seniors. Waiving or reducing impact fees could also encourage priority development types such as duplexes, cottage courts, or accessory dwelling units.

UPDATE ENVISION FRANKLIN DESIGN CONCEPTS

Envision Franklin applies to all parcels within the city limits as well as within the Urban Growth Boundary. Envision Franklin has eight different residential design concepts of varying residential building types and lot size minimums.

There are several ways to revise the Envision Franklin design concepts to support a greater variety of housing types. These include:

- Add duplexes as secondary uses in the Single-Family Residential Design Concept
- Support the design of cottage court developments

- Redefine "multifamily residential" to distinguish small-scale, midscale, and large-scale buildings. Encourage a mix of these multifamily residential dwelling types in Regional Commerce.
- Expand the mapped areas for the Mixed Residential Design Concept
- Add small-scale and mid-scale multifamily as secondary uses in Mixed Residential

Pursuing more compact development is also a more cost-effective way to extend water and sewer, improve roads, and construct new infrastructure.

It will be important to engage in conversations with the Building and Neighborhood Services Department and Fire Department to discuss how to coordinate the Design Concept revisions with applicable building and fire codes. In some cases, mutual revisions may be needed to produce an optimal outcome.

IDENTIFY LOCATIONS TO ENCOURAGE MORE SENIOR-FRIENDLY OPTIONS

There is a wide array of needs for senior housing that will be increasingly important to address as Baby Boomers age. By 2030, all 73 million members of this generation will be 65 or older. The possibilities for senior-friendly housing can include adapting a longtime home to suit aging in place, independent living in an active retirement community, assisted living, or a nursing home. A continuing care retirement community, with a combination of housing, healthcare, personalized assistance, and supportive services, combines several options to accommodate housing needs as they change over time.

With an aging population, senior-friendly housing in well-suited locations will be increasingly important. Factors to consider include:

- **Accessibility:** Locate senior-friendly housing in areas that are easily accessible to seniors and their families. This includes being close to major transportation routes, such as highways and bus lines.
- **Amenities:** Build senior-friendly housing in areas that offer a variety of amenities that are important to seniors. This includes things like parks, restaurants, and shopping.
- **Community:** Place senior-friendly housing in areas that have a strong sense of community. This includes being close to other seniors and their families, as well as having access to social and recreational activities.

Areas in Franklin to prioritize senior-friendly housing:

- **Downtown Franklin:** Downtown Franklin is a vibrant and walkable area that offers a variety of amenities, including restaurants, shops, and parks. It is also close to major transportation routes, making it easy for seniors and their families to get around.
- **Cool Springs:** Cool Springs is a growing area that is home to businesses and corporate headquarters. It is also close to major highways, making it easy for seniors and their families to travel to other parts of the region.
- **The Harpeth River Greenway:** The Harpeth River Greenway is a popular walking and biking trail that runs through Franklin. It is also home to parks and other amenities. This makes it a great location for assisted living facilities that want to offer residents access to outdoor activities.

FOSTER PREDICTABILITY AND SEEK EXCEPTIONAL DESIGN

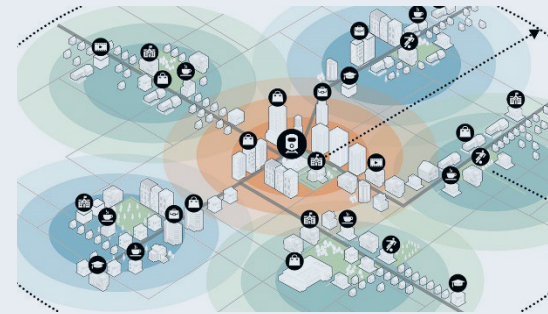
When it comes to housing, predictability is important for both local governments and developers. For a proposed project, local governments want to know: How many homes will this add? Will the design be compatible with our neighborhoods? What are the infrastructure needs?

Developers want to know: What is the community vision for this area? What are local development review and approval procedures? What is the timetable for approval?

While a Planned District can ultimately provide this predictability, the tailored zoning is also based on extensive negotiation and is time consuming to administer, which increases project costs. Aiming for more design-centered, by-right development offers valuable predictability, is more efficient to administer, and lowers the cost of housing production.

The 20-Minute Suburb

The 20-minute suburb offers a framework for reconnecting communities and expanding economic and social mobility. It envisions retrofitting suburban communities to become places where residents can meet all of their daily needs within a 20-



minute walk. Developed by Skidmore, Owings & Merrill, this study re-envisioned American suburbs as more affordable, interconnected, sustainable, and inclusive. This is a worthy vision for Franklin, particularly as part of the greater Nashville metro region.

Recommended resource: *Case Studies in Retrofitting Suburbia: Urban Design Strategies for Urgent Challenges*, by June Williamson and Ellen Dunham-Jones, director of the urban design program at Georgia Tech.

For more information: <https://www.som.com/research/the-20-minute-suburb/>

CONNECTING HOUSING AND TRANSPORTATION

Housing and transportation are closely tied and benefit from a coordinated planning approach. Reducing traffic congestion requires either building bigger roads or reducing the number of cars trips on existing roads. Having more mixed-use neighborhoods, where residents can walk or bike to nearby destinations for school, work, or shopping, is a better way to reduce car trips than building bigger roads. Although building bigger roads has long been a common approach, more lanes have actually been demonstrated to attract more car traffic.^{xxvi}

The real estate phrase “retail follows rooftops” means that sufficient housing is necessary to support nearby shopping and retail. For example, 1,000 households in a walkable neighborhood are needed to support a corner grocer or other small goods and services businesses.^{xxvii} Larger retailers and supermarkets require an even larger population within the neighborhood or need to be located on a transportation node like a busy intersection. Adding more compact and/or multiunit housing options creates the necessary framework for a successful mixed-use neighborhood.

THE DRIVE TO QUALIFY

While the population of older adults and retirees make up a greater share of Franklin residents, workers in Franklin are increasingly likely to live outside the city. Of the 65,318 employees that work in Franklin, 87 percent live outside the City limits. Escalating housing costs that are increasing at rates far faster than salaries often push working households further out in search of more affordable housing. With automobile travel as a dominant form of transportation, more in-commuters fosters more traffic congestion on the City’s roadways.

Trends such as self-driving cars, ride sharing, and remote work are certainly important to monitor and consider for the future – but these are more likely to complement a broader housing/transportation strategy, rather than solve all the current challenges.

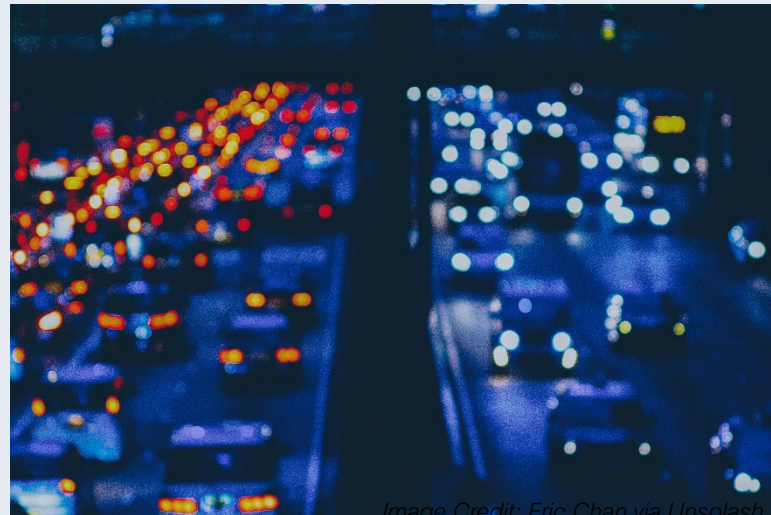


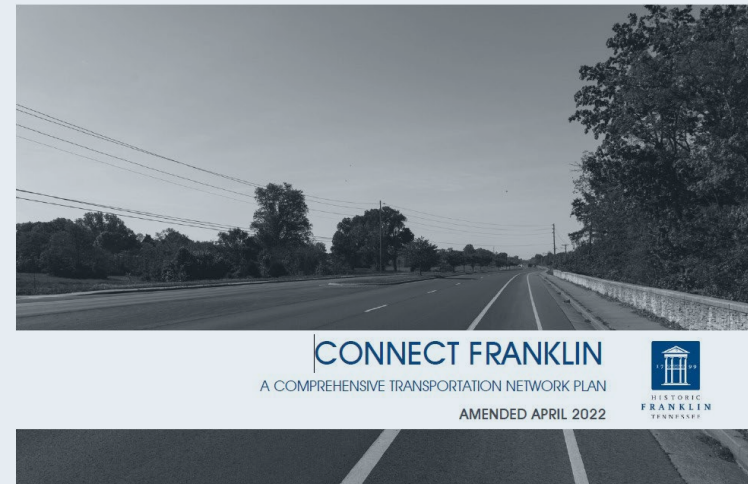
Image Credit: Eric Chan via Unsplash

FROM CONNECT FRANKLIN: A COMPREHENSIVE TRANSPORTATION NETWORK PLAN

“Franklin will have a diverse transportation network that promotes, provides, and supports safe and efficient mobility choices for all, including driving, public transit, walking, and biking. This plan addresses multi-modal access and availability within those boundaries and linked transportation and land uses in an area wide transit framework that includes both expanded transit and bicycle and pedestrian facilities.”

Connect Franklin's transportation goals include:

- Improve mobility, accessibility, and transportation alternatives to provide for the safe and efficient movement of people and goods;
- Safe, efficient and convenient movement of people and goods within the City and its UGB by integrating land uses, circulation routes and transportation facilities;
- Implement industry accepted best practices in transportation planning and transit-oriented planning and ensure they are in conformance with the Regional Travel Demand Model developed by the Nashville Area Metropolitan Planning Organization (MPO)
- Implement a smart growth policy that promotes sustainable economic development, maintains the character throughout the city, and improves health and safety by increasing the amount of recreation and open space.^{xxviii}



CONNECTING NEIGHBORHOODS WITH ALPHA LOOP

Alpharetta, Georgia

The Alpha Loop is a multi-use trail project in Alpharetta, Georgia. The goal of the Alpha Loop is to connect neighborhoods, improve mobility, promote healthier lifestyles, and enhance the quality of life for everyone who lives, works, and spends time in the city.

The Alpha Loop is a long-term project, and it is expected to take several years to complete. The first full segment of the Alpha Loop was completed in 2020, connecting Downtown Alpharetta and Avalon, an 86-acre mixed-use development. The second full segment of the Alpha Loop is currently under construction, and it will connect Avalon to the North Point District, another mixed-use commercial hub.

The Alpha Loop is a 12-mile loop that will eventually connect all the major activity centers in Alpharetta. The trail will be a mix of paved paths and boardwalks, and it will be accessible to walkers, runners, bikers, and skaters. The Alpha Loop will also feature permanent outdoor art sculptures, and it will be a destination for people of all ages.

Benefits of the Alpha Loop:

- **Improved mobility:** The Alpha Loop will provide a safe and convenient way for people to get around Alpharetta without having to drive. This will reduce traffic congestion and improve air quality.
- **Promoted healthier lifestyles:** The Alpha Loop will encourage people to walk, run, and bike more, which will improve their overall health and well-being.
- **Enhanced quality of life:** The Alpha Loop will create a more vibrant and attractive community for residents and visitors alike. It will also provide a space for people to relax, exercise, and enjoy the outdoors.

For more information: <https://www.alpharetta.ga.us/government/departments/recreation-parks/alpha-loop---new>



Image Credit: Alpha Loop

OTHER HOUSING POLICIES

While the Housing Strategy for Envision Franklin focuses on land use and development policy, housing policy is most effective with a multipronged approach. Below are examples of additional housing policy considerations that would benefit from further consideration.

Create and preserve dedicated affordable housing units: Market-based strategies alone cannot meet all of housing needs of Franklin's residents. Affordable housing with subsidies in the financing that support the ability to produce apartments for income-qualified households is essential. Continue to pursue projects such as The Hill, built locally by nonprofit developers on land donated by the City.

Help households access and afford private-market homes: Explore programs to lower the cost of homeownership, support down payment or closing cost assistance, offer tenant-based rental assistance, and enforce fair housing laws. While mandatory inclusionary zoning is not legal in Tennessee, other options such as deed restrictions and shared appreciation may be considered.

Deed-restricted homes help to support affordability for owner-occupied homes. The Hard Bargain neighborhood has 14 deed restricted homes. They are deed restricted for 25 years, with restrictions and covenants managed by their legal counsel, McCann & Hubbard.

Shared appreciation (also known as shared equity) is a worthwhile policy option that can help to make homeownership more affordable. Shared equity programs allow borrowers to purchase homes at below-market prices. In exchange, borrowers agree to sell the property only to other income-qualified buyers and/or share the home's appreciation with the organization that subsidized the purchase. Community land trusts are a common way to implement shared equity homeownership programs.

Protect against displacement and poor housing conditions: help renters and homeowners remain stably housed in the face of such challenges as rising rents, job loss, health crises, gentrification, and mortgage defaults; enhance housing quality and prevent the loss of existing units to deterioration.

Tax strategies: Institute a land value tax that charges a higher tax rate on land and a lower rate on structures. This practice is designed to encourage owners of expensive land to build more intensively—such as a duplex instead of a single-family home.



Image Credit: Deborah Myerson

CONCLUSION

The Envision Franklin update offers an opportunity to renew a shared vision for the city and the future – and offers the potential to examine how to both address local housing needs and embrace community character.

Expanding partnerships with community stakeholders such as the Housing Development Commission, the Williamson County Health Council, the Franklin Housing Authority, and the Community Housing Partnership are essential to expand local capacity and resources to address Franklin's housing needs. Leveraging the updated Envision Franklin with a dedicated housing strategy is an important means to share Franklin's quality of life, scenic beauty, and warm community with all who wish to live here.



Image Credit: City of Franklin

APPENDIX: RESOURCES

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