



# Green Area – Payment-In-Lieu Option

UDO - Tree Protection Article: 29-5.

## 29-5 (E) Payment-In-Lieu

A payment may be made by a developer or a property owner to a City administered tree preservation fund, per item 1 below. The payment shall be a percentage of the tax value of the land being developed pursuant to the Charlotte Tree Manual. The tax value of the land being developed shall not exceed 90% of the average tax value of land in the City limits and of the ETJ, excluding the land within the boundaries of I-77/I-277 and in accordance with the Charlotte Tree Manual. The City shall update the average tax value of the land for this formula with each County property revaluation. Payment-in-lieu may be used for a portion of the required 15% green area or the entire required green area in accordance with the requirements of this section

1. Collected monies from mitigation and payment-in-lieu processes per this item shall be deposited into the Tree Conservation Fund established in Section 29.8.A.1

### How to Calculate Green Area Payment-in-lieu (PIL) Fee

A. PIL formula

a. **Developing Site's Acreage X Site's Appraised Land Tax Value<sup>1</sup> X .15 or .225<sup>2</sup> = (\$ Fee**

- i. <sup>1</sup>If a site's value is greater than 90% of the average value, the site qualifies to use the capped value below
- ii. <sup>2</sup>Check Table 29-2 *Green Area Credits* to see which multiplier applies

B. Determine property's acreage and land tax value

- a. Go to [Charlotte Explorer](#), enter relevant Parcel ID and search, click highlighted parcel, check *Parcel Information* and *Assessment Value/Card Info* section in information panel

C. Capped value - 90% of average tax value for one (1) acre of land in Charlotte and it's extraterritorial jurisdiction (ETJ) = **\$192,626**

- a. Derived by analysis of current county property records and [2019 Revaluation](#) results

D. Multiplier – determine site's place type, consult Table 29-1: Tier Assignment of Place Types to determine applicable tier, consult Table 29-2: Green Area Credits to determine applicable multiplier. Tier 1 = 15% Tier 2 = 22.5%

a.

Tier 1	Tier 2	Tier 3	Tier 4
Regional Activity Center	Manufacturing and Logistics	Neighborhood 2 - All zoning districts other than N2-C	Neighborhood 1
Community Activity Center	Neighborhood Activity Center	Campus - All zoning districts other than IC-2	Parks & Preserves
Campus - If zoned IC-2	Commercial		
	Innovation Mixed Use		
	Neighborhood 2 - If zoned N2-C		

b.

Green Area Credits	Multipliers			
	Tier 1	Tier 2	Tier 3	Tier 4
Payment in Lieu (See Section 29.5.D) <sup>3</sup>	1	0.5		

### Restrictions

- E. Single-family subdivision development - PIL is not available as an option
- F. Combination - PIL may not be used in combination with off-site tree save

## **PIL Formula Examples**

### Example 1

- 1-acre PIL qualifying site with an appraised land tax value of \$175,000 opts to use the payment-in-lieu option to meet the Green Area requirement. Tier 1 Green Area Credit rate of 1 (15%) multiplier applies

$$1.0 \text{ acre} \times \$175,000 \text{ land tax value} \times .15 = \$26,500$$

### Example 2

- 1-acre PIL qualifying site with an appraised land tax value of \$1,500,000 opts to use the payment-in-lieu option to meet the Green Area requirement. Tier 1 Green Area Credit rate of 1 (15%) multiplier applies

$$1.0 \text{ acre} \times \$192,626^* \text{ land tax value} \times .15 = \$28,894.05$$

\*site qualifies to use capped value due to appraised land tax value exceeding \$192,626

### Example 3

- 1-acre PIL qualifying site with an appraised land tax value of \$1,500,000 opts to use the payment-in-lieu option to meet the Green Area requirement. Tier 2 Green Area Credit rate of 0.5 (22.5%) multiplier applies

$$1.0 \text{ acre} \times \$192,626^* \text{ land tax value} \times .225 = \$43,341$$

\*site qualifies to use capped value due to appraised land tax value exceeding \$192,626