Chatham County Affordable Housing Advisory Committee Meeting

| August 3, 2023 | 6:00pm-8:00pm |

Old Chatham Agricultural Center (65 E Chatham St, Pittsboro, NC 27312)

Attendance:

Kyle Shipp Tiffany Stuflick John Foley Sharon Taylor Gray Gail Friedman Alirio Estevez Mary Gillogly Susan Levy Chip Price

New Members:

Gary Cox, comes from Social Services, transportation, and housing board.

Staff:

Jack Watson Lindsay Whitson Hunter Fillers Bryan Thompson Leah Dyson

Community Members:

Rev. Samuel Lassiter, pastor in Harnett county, Pittsboro native. Considering joining AHAC as a member.

Carolyn Cox

MINUTES:

Public comment: no public comment.

Minutes of the May and June meeting were approved.

Regarding replacing the Vice Chair, Susan gave a brief overview of what the responsibilities would be. John volunteered for the position. Running unopposed, John was approved as the new vice chair.

On the subject of subcommittees, Leah brough up the fact that there is significant reduction in red tape if they are not named subcommittees. If they are official, they are subject to open meeting law, requiring that meetings be scheduled in advance and open to the public. Subcommittees are only necessary if more than half of the AHAC members are on them, and none of the suggested subcommittees would reach that quorum. Given the limited membership and the informal nature of conversation within them, AHAC unanimously decided not to create subcommittees and instead have informal groups for information sharing.

In addition to the UDO and Mobile home information sharing groups, Tiffany suggested one dedicated to existing structures that are made for renovation (vacant, already owned that need to be repurposed and could be for affordable housing). There is one such property that Tiffany already had in mind.

Several months ago, Commissioner Gomez-Flores gave a list of properties in Siler City going through the minimum housing process. Gail suggested that this group be expanded to include potential future sites of affordable housing, not just properties that currently had structures on it. This could also include county and municipal-owned homes. Chatham County has a list of these potential sites already and were already using this to assist Love Chatham and Habitat for Humanity. With all this in mind, Tiffany and John expressed interest in joining this group.

Chatham County has partnered with Minnesota Housing Partnership (MHP), to facilitate strategic planning issues throughout the county. Kyle, John, Sharon, Gail, and Susan plan to attend the Strategic Planning session.

Impact Fees Discussion

Brian and Leah began by giving background on the Impact Fees reimbursement policy. It is looking for ways to sweeten the pot even more for potential Affordable Housing development. Through the impact fee policy, Chatham can reimburse developers if they provide affordable housing. Currently, the policy mostly engages developers that do exclusively affordable units such as LIHTC (obviously this helps their bottom line). But we want to talk through what it would take to get more traction from other developers wo may not otherwise take up affordable housing opportunities.

The main question was the length of time that should be required to receive the benefit. To receive incentives currently, there is a 10-year requirement. Do we want to make it a 30- or 99-year requirement? Would we want it to be consistent with the surrounding areas such as Pittsboro at 30 years. It is such a minimal discount that developers are not going to take on 99-years.

Kyle brought up the idea that the policy should prioritize ease of use to increase engagement. The county has never had to turn away developers because of there not being enough budget for impact fees. If you want more affordable housing, make it easier for developers to adjust. Once providing these incentives becomes a budgetary concern, we can think about making affordable housing incentives more strict.

Another idea was to make the policy a sliding scale. Make the minimum eligibility attainable by 10 years but make it more competitive by saying that there are more points for those developers who will promise more years beyond 10 years.

It is also important to note that the impact fee is a relatively small cost of new construction. Chatham County is currently doing a systems developer fee feasibility study that would possibly start for the 2025 year. That would provide a more significant incentive than the impact fee reimbursement alone.

This fee schedule is not going into Chatham's new UDO so that it can be more easily changed, without a text amendment. We may want to change the document from being specifically related to *Impact Fees*. This would be a full-on retooling that would include the fees for school but wanting to add housing.

Leah will have a draft available for review in either September or October – making it simple and easy to digest, accessible, and usable. Then, we are able to make changes and make it more complicated if more affordable housing developers are wanting to take advantage of these benefits/incentives.

As another idea for an incentive, Mary recommended a case manager for ADU development so that folks are not left alone when they go to develop a ADU and smaller square footage duplexes

and multicomplexes. The permitting process has really slowed down people and even in Chatham County. Less about the tiny house and the ADU part and more about the legality part. There are other counties and states doing this better.

Chip shared his experience of what would incentivize developers: time. If affordable housing developers were assigned an inspector, their projects would truly feel prioritized. Chatham County has discussed expediated permitting/dedicated inspectors, but the problem is that there has to be sufficient capacity to actually provide expedited service.

The county is currently working with the NC State's Industry Expansion Solutions program. This program is working to resolve barriers related to liens and tracking the workflow that goes into a new single-family home build.

UPDATES:

8 to 10 AH units will be the first land trust model in Chatham County. It is home ownership, not rentals, and their average homes go for under \$200,000. Working with Community Home Trust and they just own the land since North Carolina does not allow two deeds on one unit – the owners would just have the deed to the home itself.

Land banking is great because if the county conveys land, it is a commitment to permanent affordable housing, since even if a developer decides to switch from AH after 30 years, the land is still to be used for a public purpose and requires the development to be given to the city. Property tax incentives in North Carolina are hard to adopt. Pittsboro was advised to take this option out of their UDO when they were updating their UDO.

White Flag Emergency Shelter and prepping for the winter months and using community-based partnerships to help house folks in the winter months; but there are issues with liability. Leah and Katie are attempting to work through these issues.

Pittsboro and Sanford both adopted a sewer merger, and the water expansion in Sanford is out to bid now. This is putting Pittsboro on track for sewer in about two years!!

Pittsboro just approved a rezoning that will then be the home of a more than 300-unit affordable/workforce housing project coming close to Chatham Park, because of Chatham Park's requirement to build affordable housing to keep building housing.

John moved to adjourn and Mary seconded.

Next AHAC Meeting- {In Person}

September 7th, 2023 – 6-8pm, Cooperative Extension Conference Room, Chatham County Ag & Conference Center, 1192 US-64 BUS, Pittsboro, NC 27312

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