

Chatham County Affordable Housing Advisory Committee

Meeting Minutes for October 3, 2024 | 6:00 pm
Old Agricultural Building | 72 Hillsboro St, 27312

Meeting Report

The meeting report provides a brief, high-level overview of meeting proceedings for review by the public, committee members, and commissioners. More detailed information is included in the general minutes.

Public Comment

- No public comment.

Approved Motions, Recommendations, or Reports

- Motion to move the location to the November AHAC meeting to Goldston and December to the Chatham Cooperative Extension were accepted.
- Motion to approve August and September minutes without changes was accepted.

Major Topics of Discussion

- Jamie Andrews: gave an overview of the incentives currently included in the UDO draft. There are no districts that require affordable housing, only conditional districts that encourage it. Based on the feedback of AHAC, some modifications were suggested to the policy to expand the incentive structure to other districts. This change has been accepted for the mixed use district and is being discussed for others.
- Jamie Andrews: also gave an overview of the Apex affordable housing policy manual, which the Housing and Planning teams are working to convert for Chatham County. This is a set of clear definitions for developers about what qualifies as affordable at different levels in one place that all other county policy related to affordable housing would reference.
- Jamie Andrews: Chatham County is applying for UNC's "Our State, Our Homes" program, which is meant to help facilitate community discussion, identify priorities, and develop strategies to address housing problems. AHAC members mentioned that a possible issue the "Our State, Our Homes" program may help solve is heirs property-- there are properties that could build generational wealth in Chatham, but currently have ownership structures that do not allow the families to take advantage of that wealth.

Reports and Comments

- Susan Levy: Orange County's Habitat for Humanity is doing a dedication of a mixed use subdivision in Chapel Hill.
- Jason Smith: Chatham County to implement property tax relief program with this tax season.

Meeting Information

Mission Statement

Relaunched in fall 2017, the Chatham County Affordable Housing Advisory Committee will make recommendations to the Chatham County Board of Commissioners for procedures and policies around affordable housing. The Committee will be instrumental in implementing the Chatham County Affordable Housing Strategy Toolbox, as well as administering the Housing Trust Fund application review and award process.

Welcome

Presiding officer Tiffany Stuflick, AHAC Chair
Secretary Jack Watson, Central Pines Regional Council Planner II
Call to order time 6:10 PM

Take attendance, assess quorum. A quorum for a meeting of citizen advisory committees shall consist of one more than half the voting members, excluding vacant voting positions and members who are disqualified from voting due to a conflict of interest. With eleven members, six are required to conduct committee business.

Committee Members in Attendance

Present: 6 Susan Levy
 Sharon Gray
 George Cianciolo
 Tiffany Stuflick
 Dave Morton
 Alirio Estevez
Absent: 5 Gary Cox
 Stephanie Dixon
 Andrea Wiley
 John Foley
 Gail Friedman

Others in Attendance

Chatham County Jamie Andrews, Housing and Community Development Officer
 Jason Smith, Housing and Community Development Director
 Hunter Glenn, Planner II
Central Pines Jack Watson, Planner II
Regional Council Hunter Fillers, Housing Programs Manager
Guests Daisy Butzer

Meeting Minutes

Public Comment

No public comment.

Review Agenda and Minutes

August and September minutes approved without changes.

UDO Feedback Implementation

- Jamie Andrews Overview of the incentives in the UDO currently. This is based on the reading of the document, and a meeting with the planning team. Hunter Glenn also met with Jamie last week to overview the changes. The UDO combines development and land use regulations into one document, supports intentional development, requires compatibility with adjoining uses, and preserves the natural resources of the county.
- see slides 1-8 in the attached slide deck*
- There are two districts that developers can apply for: Compact residential, compact mixed use. Conditional Districts require planning board and commissioner approval. The specific incentives in these districts allow for a 15 percent density bonus, reduced parking obligation, and reduced open space if the primary entrance is within 1/4 mi of a public park.
- Our feedback was to apply incentives to other districts, including compact mixed use. The mixed use suggestion has been accepted.
- Incentives to other denser districts as well was suggested, has not yet been accepted.
- expand open space reduction to include access to parks via greenways.
- Definition used in UDO are based on policy manual that we're in very early stages of drafting. Talking through how long they need to be affordable, what IS affordable, etc.
- There's no REQUIREMENTS for affordable housing to develop in Chatham, only incentives to encourage it. That's a function of the powers that NC local governments have.
- Been talk about conservation subdivisions. Not really doing those anymore, other districts are going to pick up the slack. Won't be able to pick up that density in those areas, will likely be that CD district. Could be another mechanism if there's utilities or you have your own wastewater, you can get some density.
- At every step of UDO Development, conservation efforts are baked into what were doing. If a housing dev needs to upgrade their district, our hope is that we can lend support as an advisory committee when they have to go before the planning/comm board.
- Tiffany Stuflick Previously, when we first got a brief, CR and CR Mixed use did not allow for mobile home park. Can a mobile home park fall under those now, or no?
- Jamie Andrews There are other zones that permit mobile homes, Currently it's permitted in compact residential and mixed use. For zoning

purposes, Mobile Homes are identical to single family detached.

There are other housing types that are being defined in the UDO.

For duplexes, it will allow for multiple on the same land.

Auxiliary dwelling units (ADUs) are permitted everywhere and can be up to 1500 sq ft if they are not attached to a primary dwelling. If the ADU is attached (a basement or attic, for example), there is no limit on heated floor space. Duplexes for zoning purposes can be treated as single family detached. The intent is to increase density where we already have the zones for single family.

Chatham is thinking about making a list of pre-approved plans for ADUs to make development easier for homeowners.

Minimal lot size ranges from 3 acres to .5. Limits due to individual septic needs.

RV zone for "Rural Village"-- denser pockets of zoning in the midst of spaced out land, suggesting Duplexes there.

Townhomes, multifamily etc are permitted in conditional district.

Cottage courts in compact residential and mixed use. Cottage courts were allowed, at 8 units per acre. Not a lot of places they're zoned for. At specific nodes where you'll have utilities, basically. Will be accessible in places like Siler City, Pittsboro.

Dave Morton

Will ADUs create a double impact fee? I'd assume so, since it's a double residence.

Will have to check and confirm, but believe that that is correct.

Affordable Housing Policy Manual

Jamie Andrews

This is a review of the Apex Affordable Housing Incentive Zoning Policy Procedures Manual and how this manual can be adapted for Chatham. The Apex manual sets clear minimum policy recommendations for affordable units, mixed in affordable units, and ensures that developers are not prohibited by the standards.

See slides 9-15 in the attached slide deck

<https://www.apexnc.org/DocumentCenter/View/44347/Affordable-Housing-Incentive-Zoning-Policy-Procedures-Manual---Adopted-June-2023>

Apex's standards are for 20 lots or more, 5 percent must be affordable, AMI target is 135 for sale and 100 for rent. Provide incentives: Zoning incentive, higher density district rezoning, higher unit per acre ratio, permitted to build higher with reduced setbacks and lot widths. Reduced conservation, sidewalks, and parking incentives.

The manual also outlines how Affordable Housing interacts with development. Affordable Housing planners meet early and often with developers. There's usually going to be an Affordable Housing plan.

Adaptations for Chatham:

Increase minimum units that are affordable.

Average targeting rather than absolute minimum (for instance, have half units be 80 percent AMI and half at 60 rather than all at 70.)

Lower AMI targets-- 70 for ownership, 55 rentals.

Increase term for 20 to 30 years.

Include the incentives from the UDO, offer support from AHAC for conditional rezoning applications, support in pursuing grants.

Offer Payments in support standards in lieu of a share of units.

Chatham's policy aims to balance making it economically viable enough for developers to engage, while respecting the dignity of end user. Want to keep residents from having a stigma brought onto them.

Next steps:

Adapting existing housing policy

Bringing county departments and local governments on board,

Requesting input from AHAC and other policy leaders over time.

Susan Levy

Public hearings for the UDO process are coming up. Monday, they'll be talking about this at the board of commissioners meeting. Planning board having meeting on Tuesday the 8th. That'll be at the new ag center.

Is Gail going to speak? Is AHAC going to provide any input at all?

Jamie Andrews

The subcommittee took AHAC's input from last year and suggested them to the planning board. Talked through it with John and Gail, brought it to planning staff, and identified areas of improvement.

Our State, Our Homes

Jamie Andrews

"Our State, Our Homes" is part of UNC's Carolina Across 100 program. It's their attempt to work on hot button issues, they've announced housing as their new issue. The county has started to pull together a team to work on a proposal. It would be an 18-month program that allows for UNC technical assistance, outreach and engagement to ensure that resources match community needs.

See slides 16-19 in the attached slide deck

The way the program works, a core team leads community efforts and then a broader community collaborative works on identifying needs, asset mapping, and strategy development. It is meant to pull together a table that's not already together.

Sharon Gray

If we don't do something soon, there's lots of inherited property where the family does not know how to keep track of it. Rental in Chatham is a somewhat new concept. We must pursue practical applications to keep people in their homes.

Do know that the senior community center has programs every month about generational wealth. How to maintain taxes, budget, etc. Saw that they were doing a forum at the local

libraries. Don't know that that is communicated out. That's a problem that these programs aren't reaching these communities. Need to go into the churches. They can get the communication out, and people will come. At Mitchell, planning during the spring a will/estate planning. Talking about credit worthiness. Someone at the church who works with the tax bureau here. There's a lot of info, and young people, how they get into their first home.

Jamie Andrews It's encouraging that there's a connection to school of government, because we have an objective eye. Can show the models, show people what we will need to keep our community sustainable. Having stronger community connections will be what tells the story of Chatham housing effectively. As we look at this, we're trying to ensure that we're including the stories of black and Hispanic communities, because that's who has been here a long while.

Committee Reports or Comments

Susan Levy Habitat in OC, developing a mixed use subdivision in CH. Doing dedication of their first homes. Great example of what could be happening in Chatham Park, Susan will be attending, let her know if you'd like to be invited. There was a lot of neighborhood opposition to this, great example of what can happen. Tons of subsidy, Habitat raised a ton of funding for this. Oct 26th from 1-2:30.

Staff Reports or Comments

Jason Smith 200k from commissioners for tax relief program. 500 dollar rebate to homeowners that are under 60 percent AMI and have been in their home for 5 years or more. Goal is for the information to be sent out with late notices in February. Hoping that our net is correct, can serve 400 homeowners with this benefit. January is the hope for the site to be up and running.

Adjournment



Affordable Housing in the UDO Draft

Affordable Housing Advisory Committee Meeting

October 3, 2024 | 6:00 pm

Jamie Andrews | they/them
Housing and Community Development Officer

The Unified Development Ordinance

“Protect and promote the public health, safety, and general welfare of Chatham County.”

- Combine all development and land use regulations into one accessible document
- Support ordered and intentional future development
- Require compatibility between neighboring land uses
- Protect natural resources and historical resources
- View this on Konveio – link in the agenda



Current affordability incentives

- Applicable in Compact Residential and Mixed Use Conditional Districts (CD-CR and CD-CMU)
 - Balance increased density and more units with open space and amenity access
- Conditional districts require planning board and commissioner review and approval
- Definitions and affordability targets will be established in an upcoming Chatham County Affordable Housing Policy Manual



Affordable housing incentives

See pages 39 and 44 of the UDO draft

- **Density bonus:** increases the total quantity of units permitted in a development by up to 15%
- **Parking Reduction:** allows fewer parking spaces per unit depending on use, such as senior housing or single-room units, based on Institute of Transportation Engineers
- **Open Space Reduction:** reduce open space by 5% if the primary entrance is within $\frac{1}{4}$ mile of a public park



Feedback on incentives

- Apply these incentives to other districts, including Compact Mixed-Use – **this has been applied**
- Apply these incentives to other denser districts as well
- **Expand the density bonus** to increase units per land area, so that developments of any size can increase density in exchange for affordability
- Expand the Open Space Reduction to include access to parks via **greenways and secondary entrances**
- Consider providing comments on the UDO draft!



Accessory Dwelling Units

- ADUs permit an additional dwelling unit on a property with an existing primary use
- Either be part of the primary structure or detached
 - Detached – up to 1500 square feet heated floor space
 - Attached – no limit on heated floor space, like a duplex
- Residential ADUs are permitted in nearly any residential zone
- Many funding sources available for ADU development now, including federal funds and bank financial products
- Considering county strategies to encourage ADU development



Residential uses – conventional districts

3.2.15 RESIDENTIAL PRINCIPAL USES

Table 3.2.15-1: Residential Principal Uses

Land Use	Use-Specific Standards	Residential Less → more dense								Zoning District				
		PP	AG	RA	R5	R2	NR	R1	RV	OI	NB	CB	RB	RHC
Apartment complex ^{BB}										C		C	C	C
Cottage court	3.3.8													C
Two-family dwelling (duplex)						P	P	P	★					
Family care homes	3.3.12				L	L	L	L						
Manufactured home park														
Multi-family building										C		C	C	C
Recreational vehicle dwelling unit			P	P	P	P	P	P						
Single-family detached dwelling (including site built, modular, and manufactured)		P	P	P	P	P	P	P						
Townhouse														

- Minimum lot size ranges from 3 acres to below .5, limits due to individual septic needs
- Single Family includes things like manufactured homes and tiny homes

Key:

- P = permitted
- L = limited
- C = conditional
- Blue = residential
- Orange = nonresidential
- PP = Park/protected land
- AG = Agricultural
- RA-RV = residential
- OI = Office/Institutional
- NB-RB = Businesses
- RHC = hwy commercial

See page 95 for the full table



Residential uses in conditional districts

Land Use	IL	IH	CD-CR	CD-CMU	CD-CN	CD-NC	CD-AC
Apartment complex ¹³⁹			P	P	P	P	P
Cottage court			L	L			
Two-family dwelling (duplex)			P	P		P	
Family care homes			L	L		L	
Manufactured home park			P	P			
Multi-family building			P	P	P	P	P
Recreational vehicle dwelling unit			P	P			
Single-family detached dwelling (including site built, modular, and manufactured)			P	P		P	
Townhouse			P	P		P	P

See page 95 for the full table

- Lower/no minimum lot sizes
- Identified incentives currently apply to CR and CMU, not to NC and AC
- Cottage courts and single family construction are not dense enough for AC and NC, allowed in other zones

Key:

- P = permitted
- L = limited
- C = conditional
- Blue = residential
- Orange = nonresidential
- IL/IH = light/heavy industry
- CR = compact residential
- CMU = mixed use
- CN = non-residential
- NC = neighborhood
- AC = activity center



Affordable Housing Policy Manual



Apex policy goals

- Set clear minimum policy recommendations for applicants and staff
- Create integrated and mixed-use communities
 - Ensure that affordable units are largely comparable to market-rate
 - Ensure that units are dispersed through a development
- Minimize revenue losses for developers who build affordable units



Apex minimum standards

Minimum Standard	Development Size	Share of Development	Area Median Income Target	Affordability Term
Units for Sale	20 or more units/lots	5 percent	135 percent (\$165,100)	20 years
Units for Rent			100 percent (\$122,300)	Based on Income Target

Apex incentive framework

- Zoning-based incentives
 - Support for higher density district rezoning
 - Higher unit per acre ratio permitted
 - Permitted to build higher with reduced setbacks and lot widths
 - Reduced conservation, sidewalks, and parking requirements
- Non-financial incentives
 - Expedited reviews of site plans and master subdivision plan applications
- Financial incentives
 - Reimbursement of development fees
 - Loans or grants to reduce resident cost



Apex development process

- Meet early and regularly with town staff, including Planning and Housing departments to explore appealing incentives
- Develop an Affordable Housing Plan (AHP) to be submitted with planning and zoning proposals
- Seek zoning approval from Planning Board and the Town Council
- Develop zoning conditions and restrictive covenants



Adaptations for Chatham

- Adapt minimum standards to Chatham needs
 - Increase minimum share of units held affordable
 - Use average targeting rather than absolute minimums
 - Lower AMI targets – for example 70% for ownership and 55% for rentals
 - Increased affordability terms – minimum 30 years, prefer perpetuity
- Alter incentives to meet local goals
 - Include incentives in the UDO
 - Offer support for conditional rezoning applications in affordability projects
 - Advocate for expedited site inspections alongside plan review
 - Provide support for connections with federal and state fund sources
- Offer Payments In Support standards in lieu of a share of units



Next development steps

- This policy document will be a work in progress!
- Adapting existing county housing policy and preferences
- Bringing county departments and local governments on board
- Requesting input from AHAC and other policy leaders over time



Our State, Our Homes



Program information

- Program through UNC School of Government's Carolina Across 100
- Collaborate with technical experts and other communities
- Encourage cross-sector engagement in Chatham County
- 18-month program focused on three primary goals
 1. Leverage existing assets and activities related to affordable housing
 2. Increase the availability, quality, and alignment of community resources for affordable housing
 3. Address barriers to meeting community housing needs, especially for more vulnerable subpopulations



Expected outcomes and benefits

- Identify local assets and partners in affordable housing work
- Expand knowledge and capacity within the community
- Develop and provide model programs for our community and beyond
- Extensive access to experts, technical assistance, and resources
- Limited funds for program development and implementation



Community structure

- Core team leads community efforts
- Broader collaborative will work on identifying needs, asset mapping, and strategy development
- Focus on community outreach and representation
- Program through UNC School of Government's Carolina Across 100
- Collaborate with technical experts and other communities
- Encourage cross-sector engagement in Chatham County
- 18-month program



Other Business



On the road again?

Other potential meeting locations:

- Siler City
 - Library multipurpose room or board meeting room
- Goldston
 - Library or board meeting room
- Pittsboro
 - Here!
 - Conference center/new Ag building
 - Library
 - Community House
 - Habitat for Humanity conference room



Recommendations

- November: Goldston library or board room
 - Presentation from Dan Sargent on RTT work
- December: New Ag conference room
 - Review HTF applications, good screens/technology
- January: Habitat for Humanity conference room
 - Presentation from Habitat on their Housing Trust Fund work
- February: Siler City library
 - Library multipurpose room or board meeting room

