

City of Wilmington/New Hanover County  
Workforce/Affordable Housing Ad hoc Committee  
March 7, 2017  
Meeting Notes

Present: Robert Rosenberg, Steve Spain, Dave Spetrino, Jody Wainio, Will Bland, Katrina Redmon, Katrina Knight, Gloria Green, Linda Smith, Paul D'Angelo, Phil Humphrey, Tilghman Herring

Staff –Suzanne Rogers, City of Wilmington; Jennifer Rigby, New Hanover County (NHC)  
Julia Moeller, NCH; Rebekah Roth, NHC

Absent: Elizabeth Dodson; Resigned: David Barnes, Carlos Braxton

Jody Wainio, Chair, called the meeting to order and welcomed all.

Jody reviewed a summary of recommendations and the committee members offered revisions and clarifications. Following the group discussion each member of the committee assigned priority to the recommendations using colored dots exercise. The notes below reflect the outcome of the discussion and prioritization. .

Jody reminded the committee of the upcoming presentation to City Council on 4/4/17 at 6:30pm and NHC Commission on 4/17at 9:00am. A draft report will be distributed to the committee members for review and input prior to the presentations.

**Summary of Recommendations (more details in meeting notes and forth coming report)**

**Top Priorities to be Initiated and/or Implemented in 0-6 months:**

➤ **Convene a Permanent Advisory Committee on Affordable/Workforce Housing**

This committee will be responsible for overseeing the implementation of recommendations of the Joint Ad Hoc Committee on Affordable/Workforce Housing. The Advisory Committee will advise City Council and County Commission on Affordable/Workforce Housing strategies and policies that impact the production, preservation, and access to affordable/workforce housing. Members of the Affordable/Workforce Housing Advisory Committee should represent diverse stakeholders concerned with affordable/workforce housing and related economic and community development issues including, but not limited to, jobs creation and wage growth, integration, public safety, school proficiency, transit oriented development and access, taxes, fees, and land use policy. Members should serve staggered two year terms, with a two term limit.

In addition to other roles, a member or support staff of the Permanent Affordable Housing taskforce will:

- 1) Serve as an ombudsman for new affordable housing projects.

- 2) Act as a liaison between Permanent Affordable/Workforce Housing committee and Planning staff, consultants, and Planning Commissions to facilitate communication and inclusion of affordable/workforce housing issues in review and revisions of Land Use Ordinances, as well as project review and recommendations.

In order to maintain continuity and transfer knowledge from the Ad hoc committee process at the initiation of the permanent committee, six members of the Ad hoc committee will serve on the Permanent Advisory Committee; three will serve a one year term and three will serve a three year term.

➤ **Conduct a housing study and a statistically valid opinion survey**

Work to implement the recommendations of the Ad hoc Affordable/Workforce Committee should not be held up while the study is underway. A study will provide a more detailed analysis of market dynamics influencing housing and pinpoint gaps in supply. Further, it will offer a better understanding of the housing and economic conditions impacting production, preservation and availability of affordable housing so that strategies can be formulated to have the greatest impact in providing equitable access to affordable housing throughout the community. A statistically valid survey should be conducted on housing affordability; building on 2016 UNCW survey.

➤ **Revise City and County Land Use Ordinances to add or improve Accessory Dwelling Unit, and Density and Height requirements and regulations**

As each jurisdiction updates their respective zoning ordinances, the following recommendations are encouraged.

3) **Allow Accessory Dwelling Units:**

- a) For the City's ordinance, the existing standards need to be improved with a focus on affordability. Changes to the ordinance should allow ADUs in more neighborhoods throughout the city.
  - b) For the County's ordinance, standards need to be created that are similar to the City. The need for additional water/sewer capacity should be considered in the County's ordinance in order to ensure that ADUs are allowed on sites that are currently served by private water/septic systems.
- 4) Each jurisdiction is encouraged to look for ways in which the zoning ordinances can **increase density and height maximums** to encourage more efficient and affordable development.
- a) **Density Bonuses and a reduction in parking requirements** is encouraged. Density Bonuses should be available for projects providing affordable units for households up to 120% of Area Median Income.
  - b) Once both ordinances are complete, **preemptive rezonings are encouraged** to better align zoning with long range planning efforts. The desired result will be a

reduction in rezoning requests needed for affordable housing projects (as well as others) and will better implement the visions set forth in the long range planning efforts.

➤ **Fund a staff position to support the efforts of the committee.**

The staff position should be funded by New Hanover County and City of Wilmington, but employed by another organization that supports community development and housing initiatives. This staff person would also act as a liaison between the Permanent Advisory Committee and the public, City Council, County Commissioners, etc.

➤ **Support a public awareness, aka marketing, campaign; utilizing a public relations/marketing consultant.**

Support a public awareness campaign to educate the general public on why housing that is affordable is important to the community. The marketing campaign should recruit the services of a public relations/marketing consultant. In addition, the permanent Housing Advisory Committee should enlist advocates to help get the message out and work with partners to provide financial support for the campaign.

**Priorities to be Initiated and/or Implemented in 6-18 months:**

➤ **City and County owned redevelopment projects include an affordable housing requirement**

City and County owned property identified for redevelopment should include an affordable housing requirement and an option for payment in-lieu to the HTF if the requirement is not met.

➤ **The City and County should identify ways to streamline/ expedite the permitting process.**

➤ **Establish a Housing Trust Fund**

The City and County should establish a **Housing Trust Fund (HTF)** to receive public and private funding to support the production, preservation and access to housing that is affordable. Sources of funding include:

- A. Designate a **penny of property tax revenue** for the HTF, “penny for housing”;
- B. Invest **10% of proceeds from the sale of City or County Surplus Real Property** to the HTF;
- C. Other sources of funding may also include, but are not limited to: general fund appropriation, general obligation bond, private donations and others.

The committee recommends the HTF be used for, but not limited to:

- A. Increase funding for the **Home Ownership Program (HOP)** for workforce housing loans to eligible borrowers earning >80%-120% Area Median Income (AMI);
- B. Expand the **HOP workforce loans (>80-120% AMI) to the unincorporated County** (dependent upon NHC funding);
- C. Provide **Low Interest Loans for developers** producing housing that is affordable;
- D. Provide **Down-payment Assistance** funding;
- E. Create a **Security Deposit Guarantee** for landlords, similar to Rapid Rehousing Program model;
- F. Provide funds for Dilapidated **Housing Rehabilitation**, including the City's Owner-Occupied Housing Rehabilitation Program; and
- G. Fund an on-going **public awareness campaign** efforts to continue to build awareness and support for housing that is affordable throughout the community.
- H. Provide grants to non-profits for development of affordable housing including, but not limited to, permanent supportive housing for disabled and elderly persons.

**Priorities to be Initiated and/or Implemented in 18 + months:**

➤ **Support Existing Financial Literacy and Homebuyer Education**

Don't reinvent programs; help enhance and better coordinate existing programs to reach more people. Programs may be funded through the HTF.

➤ **Explore ways to encourage CFPUA to defer fees, offer payment plans, and rebates for affordable housing developers.**

The committee also recognizes other strategies and sources of revenue that should be supported to foster the production of housing that is affordable for households with low to moderate incomes. To that end the committee recommends:

- Each jurisdiction utilize synthetic **Tax Increment Financing (TIF)** as a means of supporting the development of housing that is affordable.
- City Council and Board of Commissioners **encourage the use of the 4% Low Income Housing Tax Credit bond program**, with bonds to be issued by the Housing Authority. This would require no financial backing by either governing body
- The Permanent Housing Advisory Board research the use of **Limited Participation Bonds** to support development of affordable housing. Winston Salem has successfully utilized this bond.

Prepared by Suzanne Rogers