

HOUSING AND COMMUNITY DEVELOPMENT COMMITTEE MEETING

April 15, 2014

5th Floor Conference Room

MINUTES

Committee Members Present: Gordon Smith, Chris Pelly, Cecil Bothwell

Staff Present: Jeff Staudinger, Judy Daniel, Cathy Ball, Dave Hill, Tara Irby, Sandra Anderson, Heather Dillashaw, Jannice Ashley, Alan Glines, Alesha Reardon

1. Minutes – The meeting minutes from March 18, 2014 were approved.
2. Updates
 - a. Housing Trust Fund: Through March 31, 2014 there is an available cash balance of \$517,921. The current year funds available balance is \$-177,994; this will be remedied through projected receipts of loan income. There was a single substantial payment made to Eagle Marketplace in March 2014 for \$250,000, which was the maximum payout for this fiscal year.
 - b. East of the Riverway Update:
 - i. Jeff Staudinger provided an overview of the March 18th public wrap-up meeting, which provided information about the deliverables for neighborhood greenways, the transportation network plan, and Riverside Drive Development Plan.
 - ii. Jeff provided an overview of the pending Tiger VI grant, which will provide a continuation of transportation improvements for the EoR. The grant application will be in the \$10-15 million dollar range. Approval of submittal of the grant is on council's agenda for next week. Staff will ask council to approve matching funds. Staff are looking at community partners to help raise match funding.
 - iii. The grant is highly competitive, but having the Tiger II grant will help. Projects included in the grant application are RADTIP, Clingman Forest and Town Branch greenways, Livingston complete streets, the Five Points Roundabout, and the establishment of a greenway on the Duke Progress Energy site across the river from the RADTIP. These elements provide access to jobs and economic activity while increasing viability as a livable community. Funded projects need to be completed by 2021.
 - c. Eagle Market Place Update: Dave Hill provided an update on the construction progress at the site including that all pilings for the foundation should be installed next week.
 - d. HOME Funding Recommendations: Jeff Staudinger discussed the \$144,000 in additional HOME funds available. A special meeting of the consortium was held last week to decide how to allocate the additional funds. \$50,000 each was allocated to Givens and East Haven, Rosebay was brought to maximum allocation and the remainder went toward Biotat, bringing the allocation up to \$100,000. Jeff explained that the consortium wanted to support tax credit work as much as possible. A public hearing will be held at next week's council meeting. If council is in agreement, staff will move forward with annual Action Plan.
 - e. Affordable Housing Advisory Committee Update: AHAC will work to engage city boards and commission to raise the understanding of the need for density. AHAC will make a brief presentation to the P & Z Commission, Multimodal Transportation Commission, Neighborhood Advisory Committee, Historic Resources Commission, Riverfront Redevelopment Commission, and the Sustainable Advisory

- ii. IZ can apply to new construction, renovations, adaptive reuse, commercial, rental, single-family, residential. For example, you can set aside 15% of units for affordable housing. Davidson does 12.5%; Chapel Hill does 15% outside town center and 10% in town center.
 - iii. Jannice noted that compliance can be difficult and it can be costly. You may have to provide incentives. If IZ is mandatory, then provide alternatives (such as a fee-in-lieu payment) if they cannot afford to provide the units.
 - iv. Jannice also explained that zoning authority is broadly construed, but we believe we have the authority. None of the 4 municipalities in NC have been challenged. Asheville would need a local bill. Generous incentive programs can help significantly (such as a density bonus). Jannice cautioned that where the bonus is granted, it must be acceptable to community. It can be helpful to do work where it is a hot commodity to build at these densities.
 - v. Jannice discussed a 3rd approach, conditional inclusionary zoning for projects that need conditional zoning. Jannice indicated this should not be open to legal challenges. Before Chapel Hill went mandatory, they did it this way for years. Judy suggested that we consider doing this first in commercial zones. Developers might not be aware of potential in these commercial zones so it is important to get the word out these are truly mixed zones and places where we can get additional density without going into neighborhoods.
 - vi. Gordon Smith commented that we need to consider whether inclusionary zoning is part of a way to reach target numbers.
 - d. Other Business: Jeff informed the Committee that the NC Human Relations Commission received a fair housing outreach grant from HUD, and has requested that the City partner with them. NCHRC has offered the City \$25,000. Jeff indicated that his intent, if approved by Council, would be to subcontract this work to the Asheville Buncombe Human Relations Commission and Land of Sky regional Council.
5. Public Comment: Laura Collins from Asheville Area Habitat for Humanity wished to express that Habitat is not overly dependent on public funds as are some other organizations. Laura also explained that Habitat's homeownership units have a built-in incentive 0% interest rate, which keeps owners there forever while maintaining long-term affordability.
 6. **The next meeting of the HCD Committee will be May 20th, 2014 at 9:00 am in the 5th floor Conference Room of Asheville City Hall.**