

**HOUSING AND COMMUNITY DEVELOPMENT COMMITTEE MEETING**  
**April 21, 2015**  
**5<sup>th</sup> Floor Conference Room**  
**DRAFT MINUTES**

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

**Staff Present:** Jeff Staudinger, Heather Dillashaw, Shannon Capezzali, Tara Irby, Robin Currin, Sandra Anderson, Sam Powers, Alan Glines

1. Minutes – The meeting minutes from March 10<sup>th</sup> were approved with edits.
2. Updates
  - a. AAHH Villas Development: Jeff Staudinger provided an update on the Asheville Habitat Villas development. Habitat will take COA staff's proposal to their acquisition committee this week for review. Staff has discussed the possibility of this project being a land trust structure where houses could have perpetual affordability. This could alter the purchase price. Gordon Smith stated that food production should be discussed as part of the layout.
  - b. Consolidated Plan Priorities: The HOME Consortium has reviewed and recommended the regional goals and HCD will review the goals for the use of CDBG in Asheville. Jeff Staudinger provided an overview of how the funds must be used and the five-year targets for proposed priority accomplishments. The HCD Committee may establish yearly priorities and request that applicants address their most pressing priorities for any given year. Based on the listed targets, 5,000 persons would be served over 5 years.
    - i. Greg Borom from Children First requested that the HCD Committee reword the Plan priorities regarding affordable rental housing to more explicitly prioritize families with children.
    - ii. A motion was made by Chris Pelly to recommend the Priorities and Goals to Council. Seconded by Cecil Bothwell. The motion was approved.
  - c. River Mill Lofts: The River Mill Lofts revisited the development project. The developer is ready to move forward with their application for the Land Use Incentive Grant. At the initial discussion of the LUIG application in February, the HCD generally agreed that he transit vicinity requirement could be waived, although the Committee took no formal action on the LUIG request. Robin Currin raised concerns regarding waiving eligibility requirements, including the .25 mile requirement. Legal staff requested that specific reasons be cited when waiving a requirement. A revision of the existing policy could prevent the need for waivers in the future. Chris Pelly stated that a half mile requirement could be considered, with more points for affordable units. COA staff will provide the rationale for the waiver at the next HCD meeting.
3. Public Comment
  - a. Jim Lowder from Homeward Bound thanked the Committee for funding their AHOPE program through Strategic Partnership Grant Funds in the past. Jim provided an update

on the implementation of coordinated assessment which is prioritizing housing for the most vulnerable.

- b. Robin Merrill from Pisgah Legal Services made a statement about the need for different solutions to the affordable housing crisis. She encouraged the HCD committee to think creatively about the use of inclusionary zoning and other tools.
  - c. Greg Borom from Community First in Schools stated that people moving from public housing to the private market face more challenges than others. The city should identify ways to move into lower income areas to serve households making less than 60% AMI.
4. New Business
- a. Land Use Incentive Grant Revision: Jeff Staudinger provided information and asked for guidance as staff commences a revision of the policy.
    - i. Current eligibility requirements will be reviewed.
    - ii. Robin Currin stated that a policy should be added requiring that people benefiting from LUIG developments be income-eligible and in need of affordable housing. COA staff would be required to annually monitor the income-eligibility of tenants as part of their regular monitoring. Potential subleasing will also be addressed.
    - iii. Gordon Smith stated that some existing green/environmental clauses are less relevant as energy star points have become standardized. Developers should be required to show that their efforts have lowered the monthly cost of the unit to the tenant.
  - b. Affordable Housing Advisory Committee 2015 Recommendations:
    - i. Definition of Affordability: No change proposed.
    - ii. The Committee reviewed the Priority recommendations of the Affordable Housing Advisory Committee. In summary, the Committee proposed 1) to Increase Housing Trust Fund allocations; 2) to adjust land use regulations to increase density; 3) to make changes to accessory apartment regulations; and 4) to develop and implement mandatory inclusionary zoning.
    - iii. Jeff Staudinger noted that the Economic Development Capital Improvement funding for the current fiscal year had not been used, and would be rolled into the 2016 EDCIP budget. The Committee discussed the use of City land for affordable housing, and was open to staff comment regarding the potential use of those funds for strategic land banking.
    - iv. Zoning changes, such as changing RS-8 to RN-8, were addressed by Alan Glines. He noted that staff is reviewing existing densities of already built residences as part of a comprehensive review.
    - v. The Committee discussed raising the level for Council review of residential developments 00 units from the current 50 units.
    - vi. Mandatory inclusionary zoning continues to be an AHAC recommendation. A legal challenge to Davidson's inclusionary zoning is now in the courts. The decision on Davidson should provide important guidance. AHAC will continue to research this issue.

