

MINUTES

HOUSING TRUST FUND SELECTION COMMITTEE

Thursday, February 3, 2022 - 1:30 PM

City Hall Council Chambers

Members Present: Gary Daniel, City Council Member
Steve Harrell, Interim City Manager
Dean Luebbe, Finance Director
Paul Ray, Planning Director
Greg Hunter, Planning Board Chair

Absent: Maurice Jones, City Council Member
Tommy Kilgore, Citizen Member
Victor Foster, Citizen Member

Staff Present: Mack McKeller, City Attorney
Emily Brewer, Planner
Denise Hodsdon, Executive Assistant

Guests: Jake Petrosky, Stewart, Inc.
Molly Jenkins and John Schommer, Planning Board Members
Mark Burrows, Blue Zones Project

Media: Jonathan Rich, Transylvania Times

A. Welcome and Call to Order

Gary Daniel welcomed everyone and called the meeting to order at 1:33 PM.

B. Certification of Quorum

Quorum was certified by Executive Assistant Denise Hodsdon.

C. Approval of Minutes of the November 16, 2021 Meeting

Motion by Mr. Harrell, seconded by Mr. Ray to approve the minutes of the November 16, 2021 minutes as presented. The motion carried unanimously.

D. Workforce Housing and Comprehensive Land Use Plan – Jake Petrosky of Stewart, Inc.

Mr. Ray reported that the City has hired Stewart, Inc. to assist with updating the Comprehensive Land Use Plan (CLUP). Mr. Ray introduced Jake Petrosky and explained that he would discuss what tools we have in our toolbox for workforce housing. A copy of Mr. Petrosky's presentation is attached.

Mr. Petrosky discussed past efforts and the preliminary research that they have been doing. He noted that lack of available land has led to a small number of new homes being built in the city. They will dig a little deeper into that as part of this process. In looking at owners vs. renters, 37% of Brevard residents are renters and it seems that some of the long-term rental housing is being replaced with short-term rentals, which could be a concern when it comes to having availability of long-term rentals.

Mr. Petrosky said one of the key things in the Comprehensive Land Use Plan will be an update of the Future Land Use Map, based on development approvals and zoning changes since it was last updated in 2002. It will also provide some guidance for where we want the city to move in the future and where rezoning might be encouraged.

There will also be policy recommendations, including a housing toolkit that will focus on housing in particular. One of Stewart's goals is to identify strategies to overcome regulatory barriers to missing middle housing types in order to provide more affordable workforce units. They will also explore opportunities to address funding gaps. In response to Mr. Ray's question about possible ways to address the funding gap in order to incentivize the missing middle, Mr. Petrosky suggested looking at long-term partnerships and what resources you have as a city. He noted that although there is not a lot of money in the Housing Trust Fund now to do something right away, it could be part of a long-term plan as to how you want to purpose those funds. He said there are other things the city can do in terms of city owned land and going into partnership with non-profits. Mr. Petrosky suggested that the CLUP can be a way to document a vision for a long-range game plan for how to utilize that fund to address certain gaps or certain housing types. He added that as part of the implementation of this plan, we are going to have to mention the trust fund as a resource as one part of the puzzle and if we can identify some next steps in a long-term plan for the city's role related to the Trust Fund or other activities, that would be a success.

E. Meeting with City Attorney Mack McKeller

Mr. Daniel explained that initially, before we changed focus, we were trying to accumulate some funding that we could leverage through grants or other means of that nature. But that was just for affordable housing and workforce housing is new for this committee. According to our directive, workforce housing is appropriate for us to spend money on. Mr. Luebbe noted that we currently have just under \$200,000 in cash and another \$200,000 in receivables.

City Attorney Mack McKeller explained that as of right now the mandate for this committee is to approve or disapprove grant requests to foster affordable and workforce housing. If this group is going to become more focused on finding solutions to affordable and workforce housing, Mr. McKeller suggests that a resolution needs to be passed by City Council. He has reviewed the establishing ordinances and it is focused on both affordable and workforce housing. He noted that knowing the difference between those is a good place to start. He explained that affordable housing is 30% to 80% of the Area Median Income (AMI) and workforce housing is housing that cost no more than 30% of the total income for residents between 80% and 120% of the AMI. The AMI per household in Transylvania County is approximately \$61,000 so this group should be focusing on projects where the highest rent would be \$1,100.

Mr. McKeller said it might behoove us to narrow the focus of this group even more precisely on workforce housing as opposed to affordable housing. He informed the committee that in 2009 there was a local bill passed for Brevard and Transylvania County where the City of Brevard, Transylvania County and the School Board were all authorized to purchase land and provide housing for city employees, county employees and teachers, and to set reasonable rents and sale prices below market rates and offer below market financing for sales. Mr. McKeller said it would be within the realm of possibility for this committee to take all of its funds and buy a plot of land and rent it to somebody or encourage someone to build housing on it provided they follow certain guidelines. In the long-term plan we will need to identify areas where those more-dense affordable workforce type housing projects need to be. If the committee changes focus to be less about just this fund and more about the issue in general, some of that money could be used to purchase property or to find a partner to subsidize in building those types housing.

Mr. McKeller recommended that the committee ask City Council to amend the implementing ordinances to change the mandate of this committee to concentrate on workforce housing, and to give the committee the ability to seek out partnerships, but leave in place what is already there, which is all the rules regarding terms under which loans can be issued. Motion by Mr. Ray, seconded by Mr. Luebbe to recommend to City Council to amend the implementing ordinances for the Housing Trust Fund Selection Committee to include seeking out and implementing solutions for workforce housing in the City of Brevard. Vote on the motion was unanimous.

F. Set Date for Next Meeting

The next meeting of the Housing Trust Fund Selection Committee is scheduled for Thursday, March 10, 2021 at 3:30 pm.

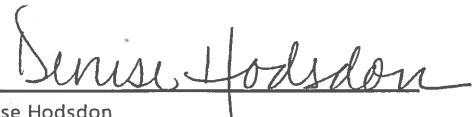
G. Adjourn

There being no further business, the meeting adjourned at 2:33 P.M.

X 

Gary Daniel
City Council Member

Minutes Approved: March 10, 2022

X 

Denise Hodsdon
Executive Assistant



BUILDING BREVARD

2030 COMPREHENSIVE LAND USE PLAN

Brevard Affordable Housing Trust Fund Committee

February 3, 2022



STEWART



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COMPREHENSIVE
LAND USE PLAN

Outline

- Planning Process and Schedule
- Past Efforts and Preliminary Research
- Land Use & Housing Element Overview
- Q&A / Discussion



PLANNING PROCESS





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A Comprehensive Land Use Plan is...

Long-range

- Makes forecasts based on past trends and data
- 10-20 year time frame

Guidance

- Land uses, intensity, design
- Staff, programs and infrastructure investment

Collaborative

- Documents a community conversation

Policy, not regulatory

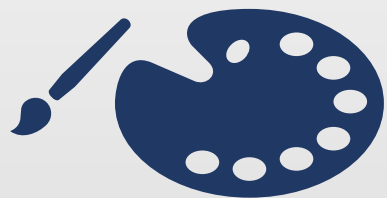
- Lays the groundwork for current and future regulations



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Topics Addressed



Arts & Culture



Economic Health



Environmental Health



Livable Community

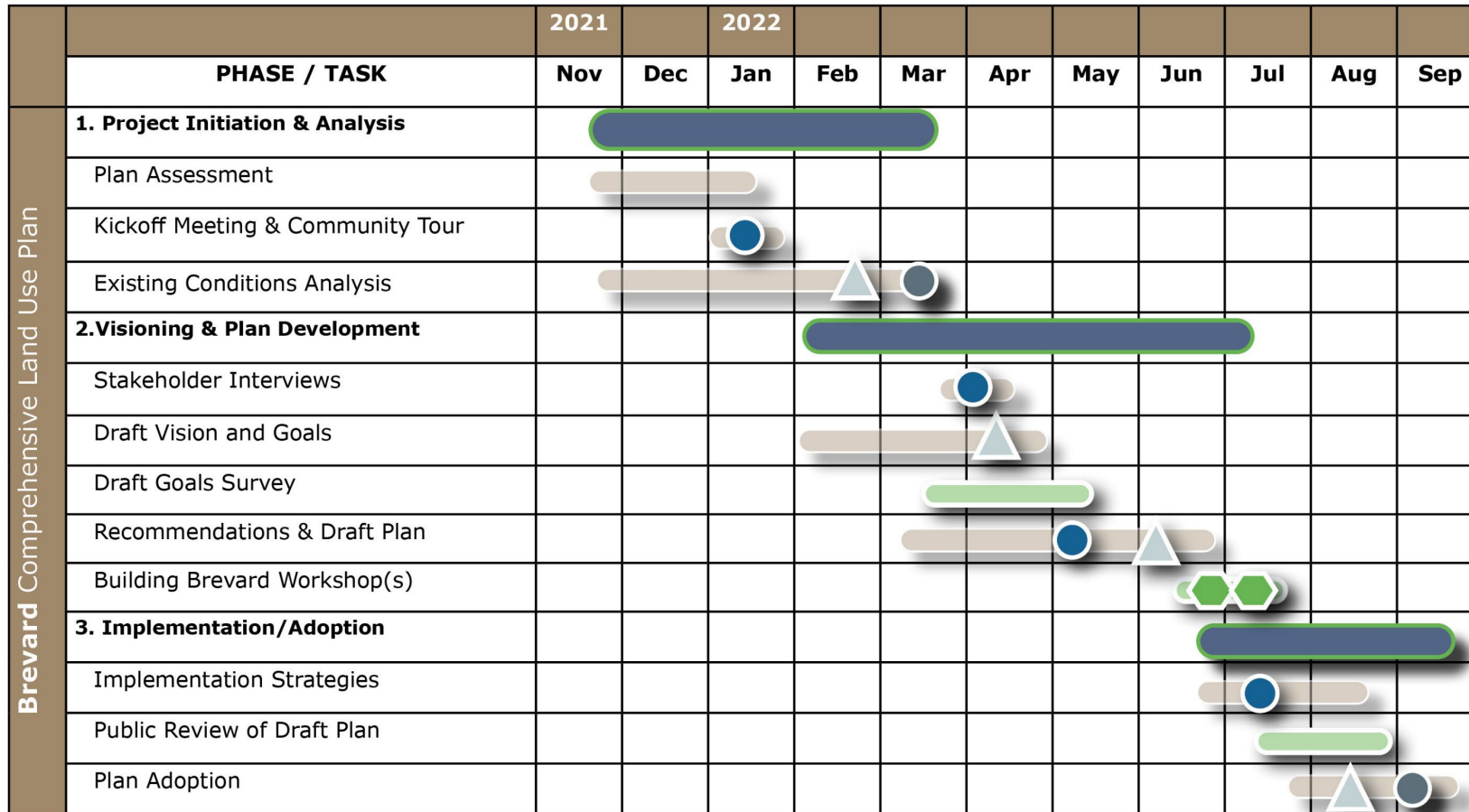


Infrastructure

Brevard Comprehensive Land Use Plan

Schedule (Version 02.02.22)

We anticipate the following schedule for development and adoption of the Brevard Comprehensive Land Use Plan:





PAST EFFORTS / PRELIMINARY RESEARCH



people Ecusta Trail infrastructure Protection Brevard environment
Internet High speed internet need county work affordable
roads Land use **Affordable housing**
protect **housing** jobs Better sustainable downtown area
important natural resources parking workforce housing support



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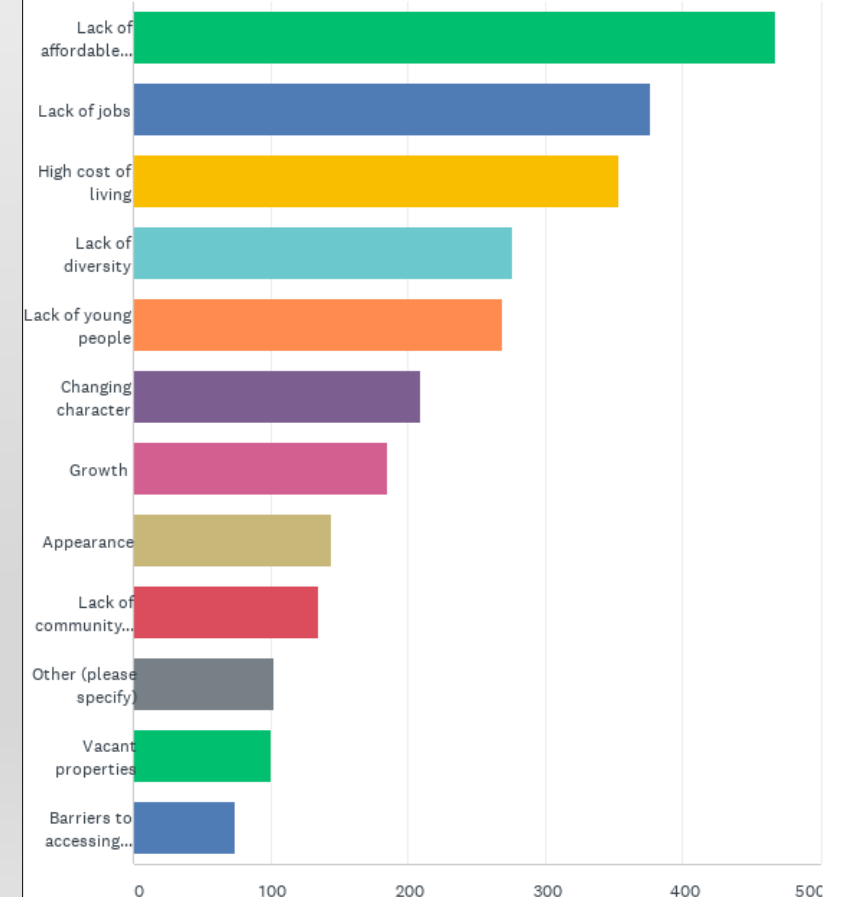
COMPREHENSIVE LAND USE PLAN

Past Efforts

Previous public involvement identified affordable housing a priority issue.



Q13 What are your concerns for the future of Brevard?





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Past Efforts

Planning Department and
Blue Zones Project (BZP) –
Affordable – Workforce
Housing Work

- Defined affordability and income levels
- Documented drivers of housing cost

Strategies Identified:

- **Update City of Brevard 2002 Land Use Plan and Map**
- **Update 2015 Comprehensive Plan**
- Define targets of affordable and workforce housing units
- Increase supply
- Preserve Affordable units
- Reduce housing and transportation costs
- Promote Housing Stability
- Development Leadership and Collaboration



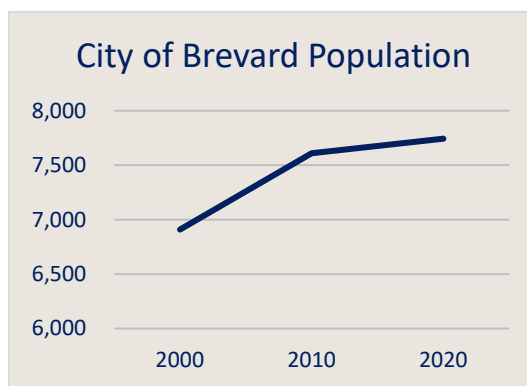
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Brevard and Transylvania County are growing, but not as fast as North Carolina as a whole.

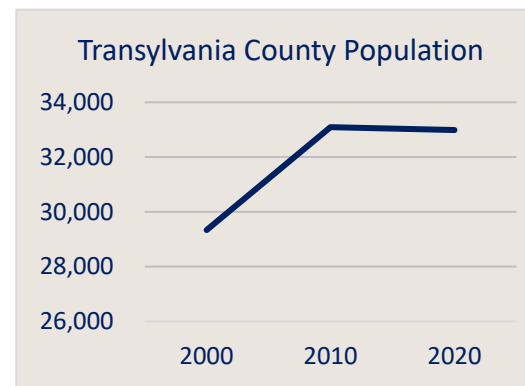
POPULATION

City of Brevard Population: **7,744** (Census 2020)



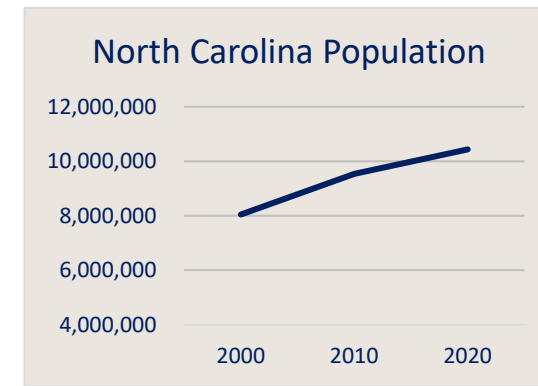
City of Brevard
Change in Population

12.09%



Transylvania County
Change in Population

12.45%



North Carolina
Change in Population

29.74%



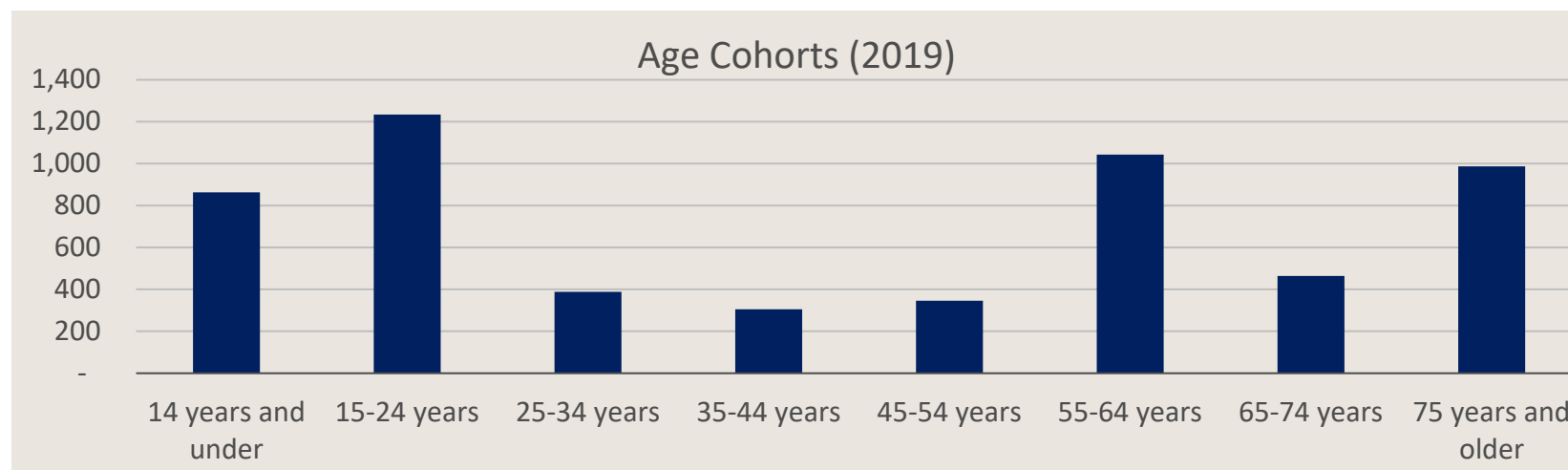
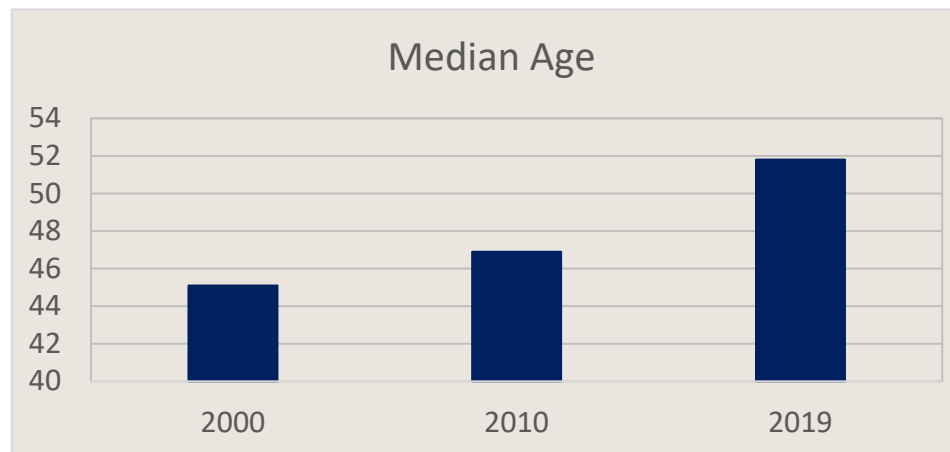
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Brevard's population has been aging over the past two decades due to the City being a destination for retirees.

In 2019, the middle-age ranges have a smaller share of the population than younger and older ranges.

POPULATION





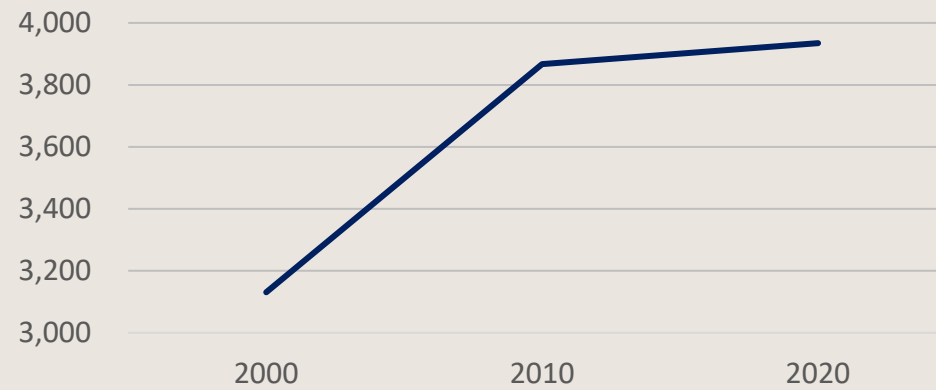
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COMPREHENSIVE LAND USE PLAN

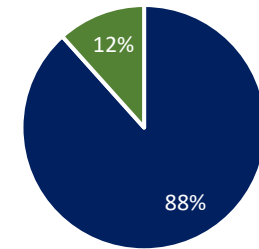
Total housing units follow population trends, and Brevard is in line with NC's occupancy rate. Transylvania County as higher vacancies, which is likely related to vacation homes and short-term rentals.

HOUSING

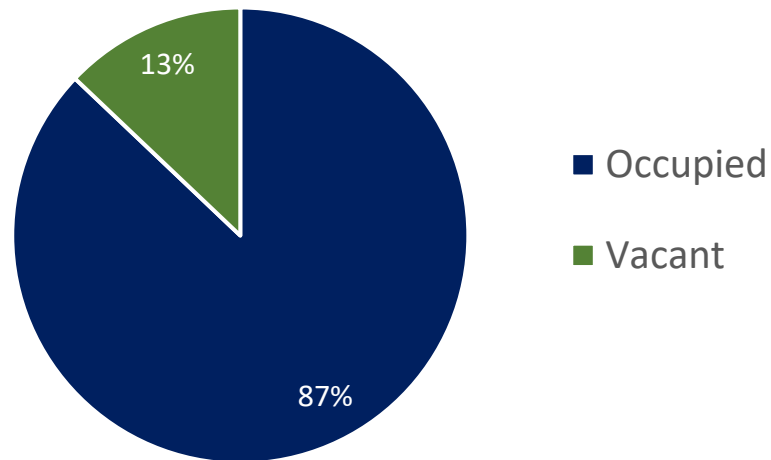
Housing Units



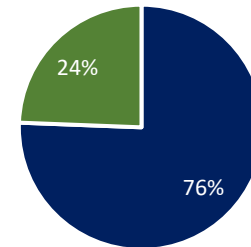
North Carolina Occupancy Rate



City of Brevard 2020 Occupancy Rate



Transylvania County Occupancy Rate





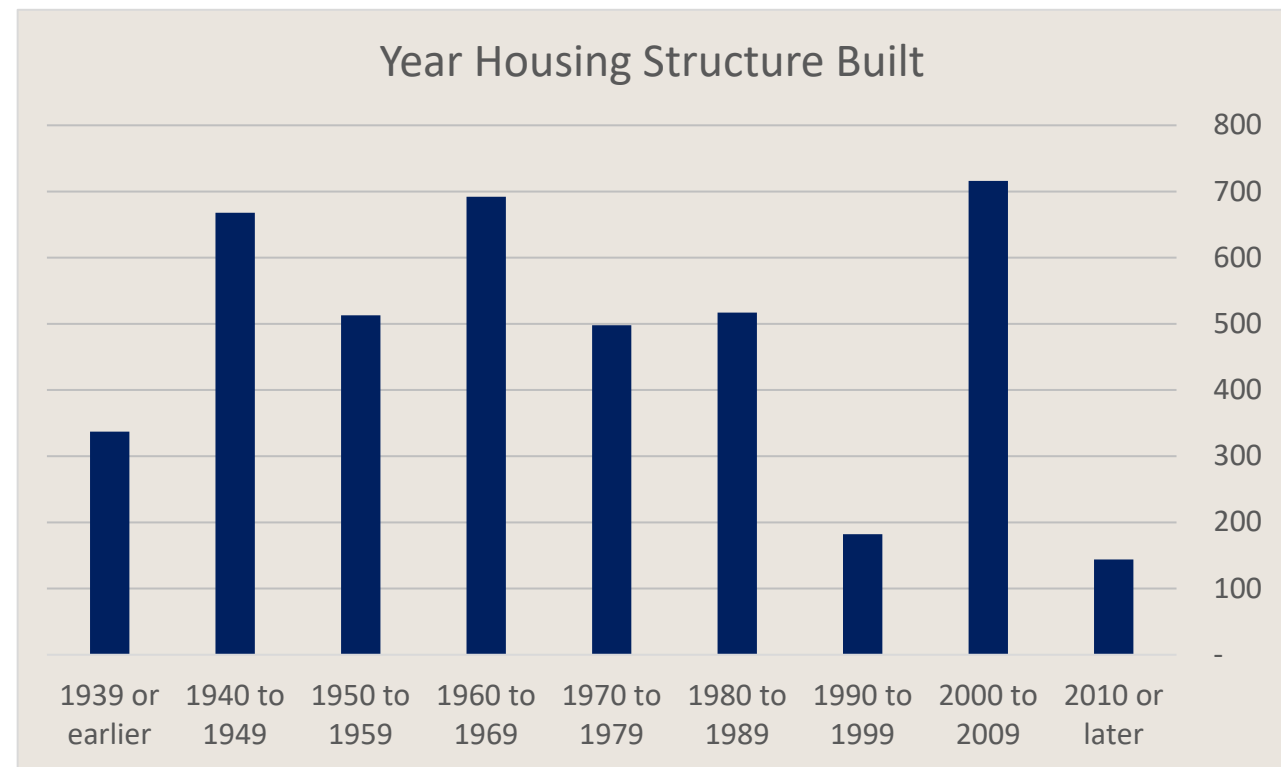
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The most recent housing boom appears to have been in the 2000s and was disrupted by the Great Recession.

Lack of available land and other factors have led to a small number of new homes being built in recent years.

HOUSING





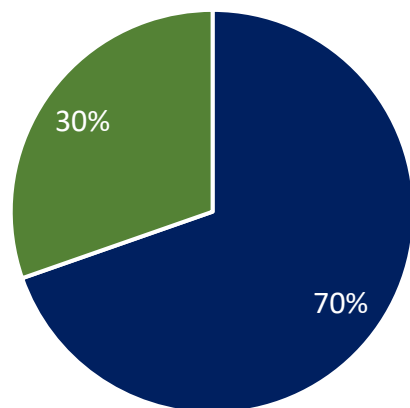
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Majority of housing is single-family detached. Among other types of housing, there is a variety.

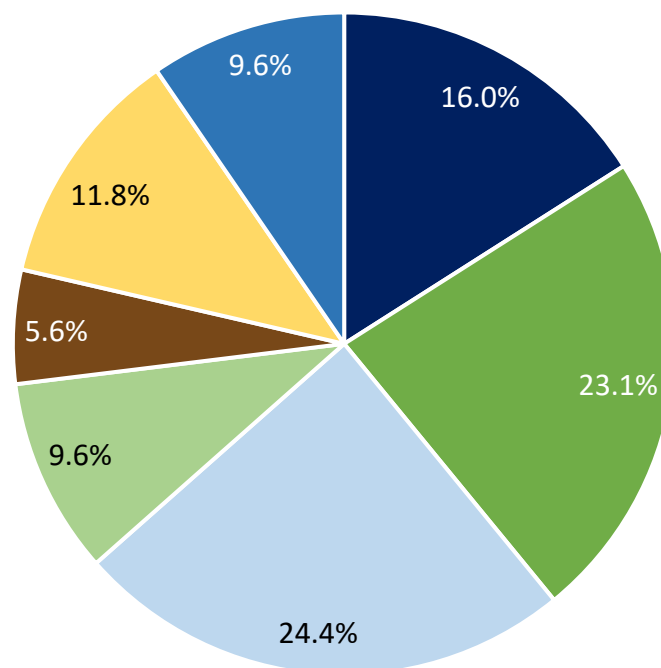
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Units in Structure



- Single-family detached
- All Other Housing

Units in Structure
(Other than single-family detached)



- Townhome
- 2 units
- 3 or 4 units
- 5 to 9 units
- 10-19 units
- 20+ units
- Mobile Home

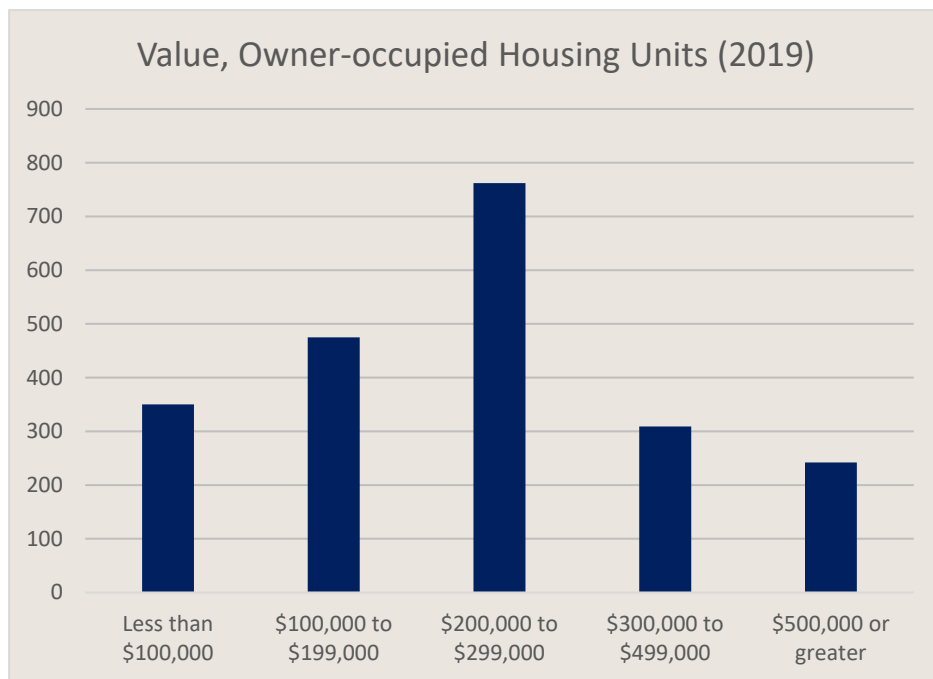


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Brevard's median home value is higher than Transylvania County and the State of North Carolina.

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City of Brevard
Median Home Value (2019 ACS)

\$232,500

Transylvania County
Median Home Value (2019 ACS)

\$221,900

North Carolina
Median Home Value (2019 ACS)

\$172,500



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Brevard's median sales price is much higher than Census home value stats.

HOUSING



LOOKING GLASS REALTY

2021 End-of-Year Home Stats

City of Brevard
Median Sale Price

\$355,500

Transylvania County
Median Sale Price

\$400,000

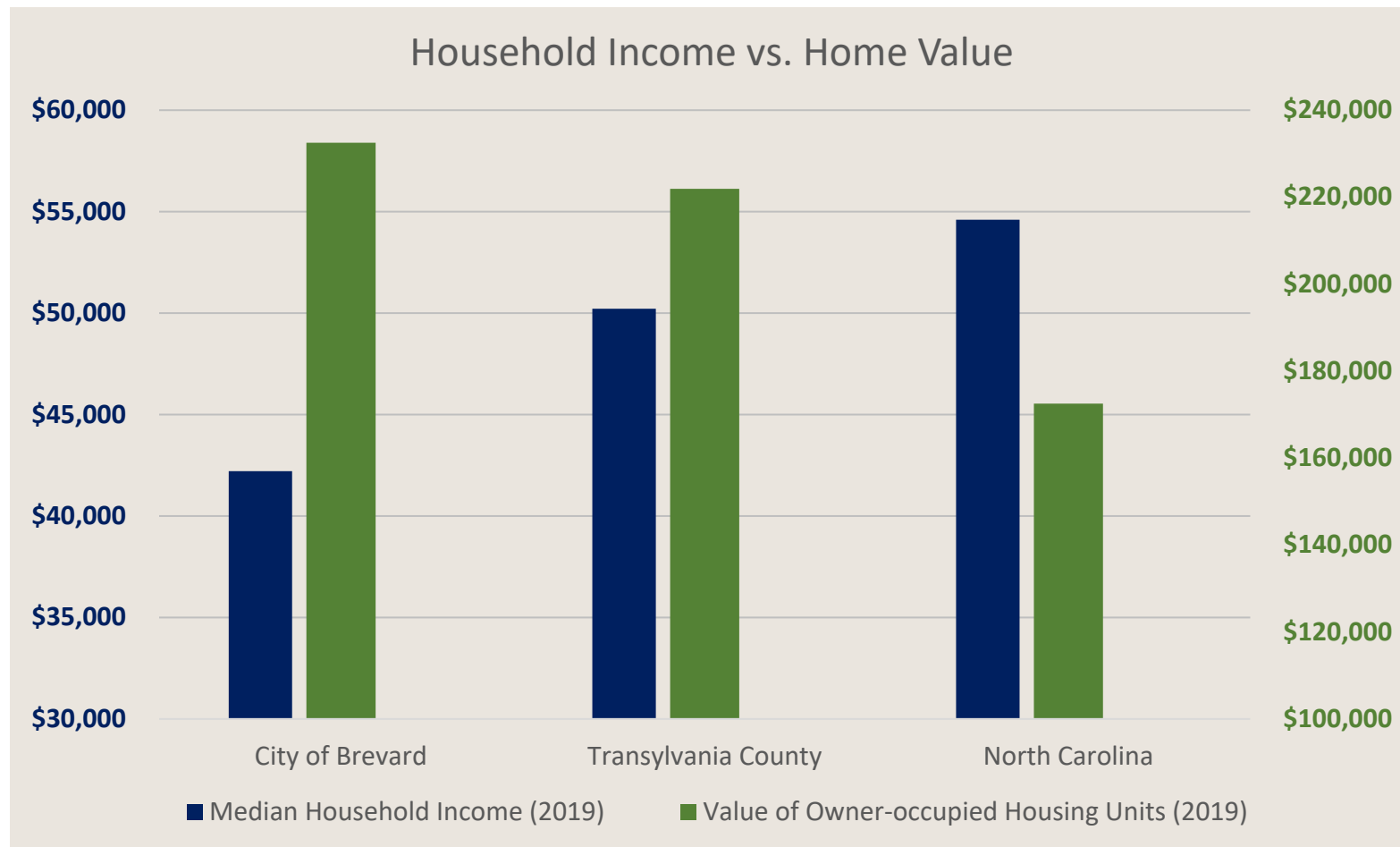


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HOUSING

It appears it is more difficult to buy a house in Brevard than in Transylvania County or North Carolina.





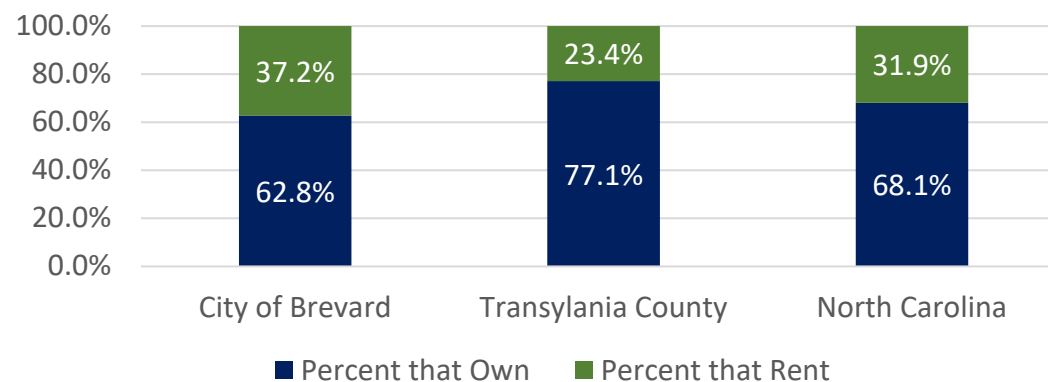
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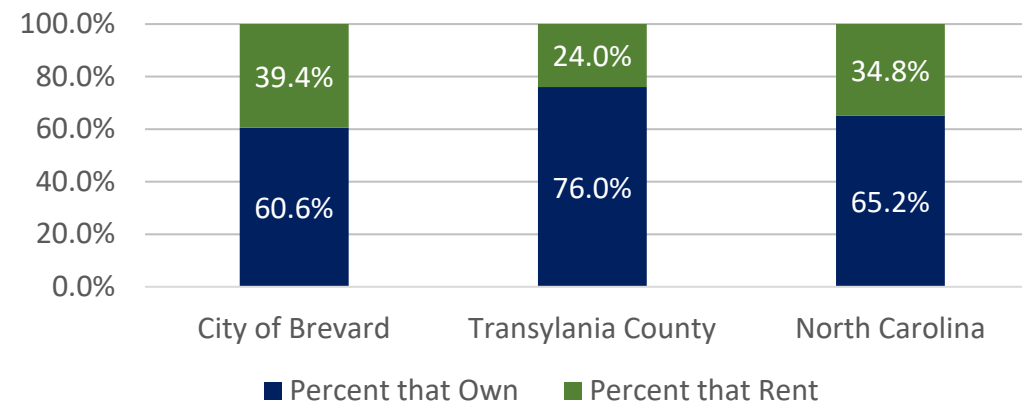
Brevard has a higher share of renters than Transylvania County and North Carolina. The percentages are similar between 2010 and 2019.

HOUSING

Owners and Renters: 2010 (ACS)

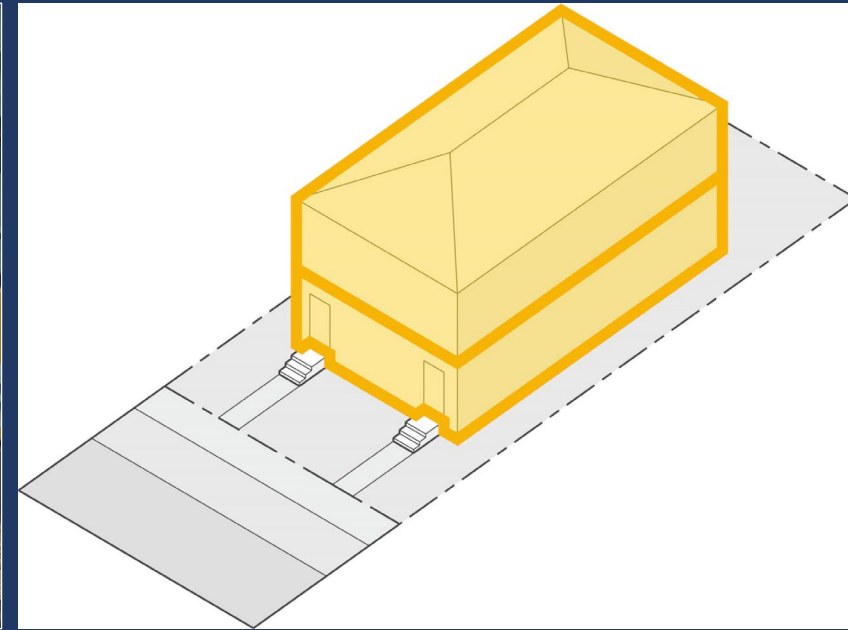
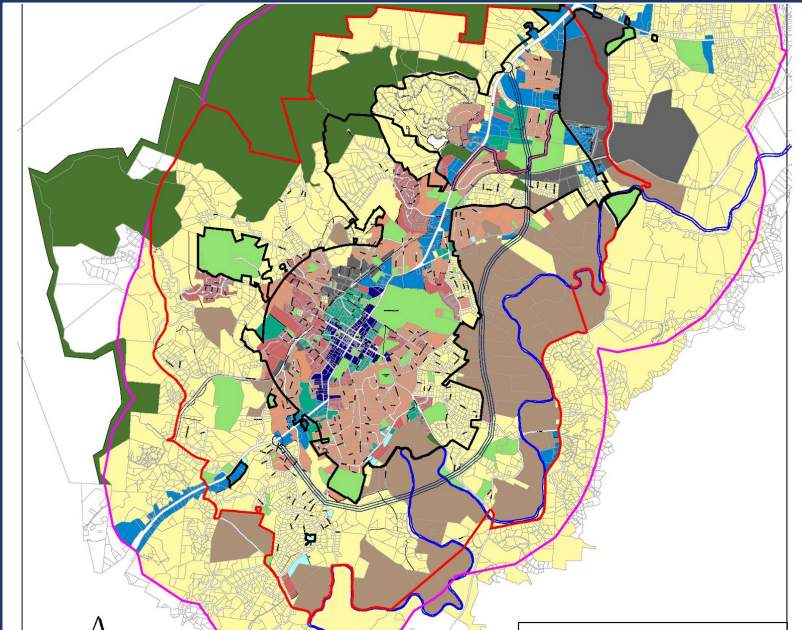


Owners and Renters: 2019 (ACS)





LAND USE AND HOUSING ELEMENT OVERVIEW





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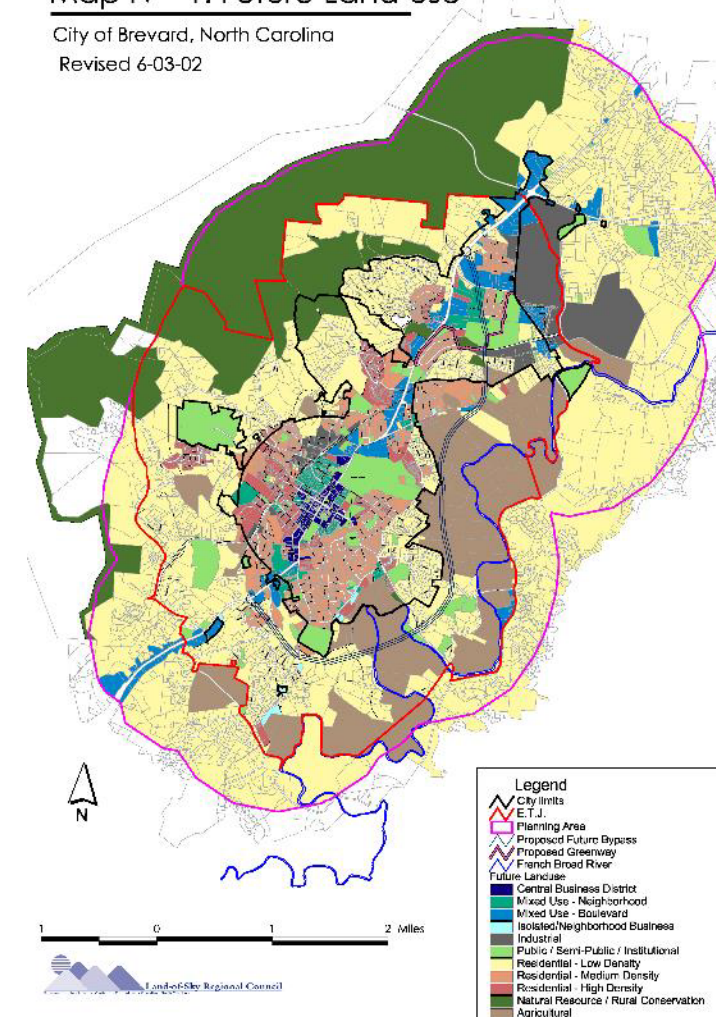
Land Use & Housing Element

- Update of Future Land Use Map (from 2002)
- Character Areas that describe density, housing types
- Guidance for rezonings
- Policy recommendations for land use, infrastructure, parks, natural resources, downtown, etc.
- Housing Toolkit

Map IV - 1: Future Land Use

City of Brevard, North Carolina

Revised 6-03-02





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Housing Toolkit

- Identify strategies to overcome regulatory barriers to missing middle housing types, affordable and workforce units
- Explore opportunities for partnerships to address funding gaps (who, what, where, when)



Image Source: www.missingmiddlehousing.com
Credit: Opticos Design

Q&A / Discussion



CITY OF BREVARD • COMPREHENSIVE PLAN 2045



STEWART