

TOWN OF BOONE HOUSING RETREAT
Monday, February 5, 2024

Town Council members in attendance: Tim Futrelle-Mayor (arrived at 9:40 a.m.), Todd Carter, Dalton George-Mayor Pro Tem, Eric Plaag, and Virginia Roseman

Planning & Inspections Staff in attendance: Jane Shook-Director of Planning & Inspections, Stacey Miller-Deputy Director/Chief Building Inspector, Mike James-Commercial Zoning Administrator (arrived at 11:25 a.m.), Jessica Mitchell-Advanced Planning Specialist, and Brenda Henson-Administrative Support/Permit Tech

Other Town Staff in attendance: Amy Davis-Town Manager, Todd Moody-Public Works Director, and Andy LeBeau (arrived at 12:30 p.m.)

Legal Counsel in attendance: Allison Meade-Town Attorney

Call to Order

Mayor Futrelle called the meeting, held in Town Council Chambers at 1500 Blowing Rock Road, to order at 9:10 a.m.

Moment of Silence

A moment of silence was observed.

Housing Organizations Stakeholder Presentations/Comments

Mayor Futrelle welcomed everyone, and introductions were made. The following organizations were represented: Down Home North Carolina, Hospitality House, Watauga Community Housing Trust, and Watauga Housing Council.

Down Home North Carolina

Ms. Sara Davis with Down Home stated that their group's main focus last year was trying to get minimum housing standards in the County because many living conditions were borderline condemnable. She noted that rehabilitation was a good start to addressing the housing crisis. Ms. Davis stated that people could not live in Watauga County because it was not affordable.

Mayor Pro Tem George stated that he helped out with Down Home. He explained that the majority of the people they dealt with were renters. Council Member George noted that the group had spoken to nearly 2,000 renters, many of whom lived in substandard housing. He added that preserving existing housing stock was just as important as creating new housing stock.

Council Member Tugman noted that WAMY had a new program that allowed them to rehabilitate housing for landlords.

Council Member Plaag asked Ms. Davis if she felt the Town's minimum housing code was effective in helping preserve the town's housing stock. Ms. Davis replied that having some form of code was better than nothing; however, she would like to see more done to correct substandard housing as a whole. Council Member Plaag asked what changes Ms. Davis would suggest. She replied that she had seen a lot of problems in the county, such as mold, heating, broken windows, and roof issues.

Mayor Pro Tem George felt that very few people in town were aware of the minimum housing code. Ms. Jane Shook, Director of Planning & Inspections, noted that the number of minimum housing complaints had been fairly consistent over the past several years. She stated that the complaints usually came in waves about twice a year.

Council Member Roseman stated she had spoken with people who had issues caused by flooding, such as mold.

Council Member Plaag stated that tenants were often fearful to complain due to possible retaliation from their landlords. He added that he felt the Town could do a better job of informing people of the minimum housing code's existence and their rights as tenants. He asked Ms. Davis what she felt was the best way to get this message out. Ms. Davis replied that deep canvassing (going door to door) and talking to anyone who would talk to you was the best way to spread the word. Council Member Tugman asked if Down Home had the capacity and interest to partner with the Town to do that kind of work to get the information out to the public. Ms. Davis stated that they could help.

Council Member Plaag asked if the Town could do spot inspections on leased spaces. Ms. Allison Meade, Town Attorney, replied that the Town Council would have to designate a blighted area before the Town could do preemptive minimum housing inspections. Otherwise, Ms. Meade stated that the town would have to be asked to be on the property. Council Member Roseman suggested performing routine inspections on rental properties in areas known to flood. Council Member Plaag stated it was reckless for the Town to continue permitting work on properties that were known to be in areas that routinely flood.

Ms. Davis stated that the more immediate need to help with housing was to promote existing programs and help fund them.

Mayor Pro Tem George suggested that they talk with renters first regarding the idea of declaring blighted properties.

Hospitality House

Ms. Tina Krause with the Hospitality House stated that they operated nine housing programs and had housed 500 people since 2020. She noted that the shelter was designed for a 90-day stay, but some people stayed 240 days or more because housing was difficult to find in this area. Ms. Krause stated that they were trying to recruit more landlords to participate in HUD housing.

Ms. Krause stated that AppalCART routes affected housing abilities because a lot of low-income individuals relied on public transportation, especially those who were disabled. Council Member Tugman asked if there were grants that could be obtained to assist with public transit. Ms. Krause replied that they were able to utilize van service in other counties and could buy a month-long pass with their funding for individuals who were disabled in particular. However, they did not have that type of thing in Watauga County. Ms. Krause stated that AppalCART did have transportation for disabled clients, but you had to apply for it and get on that route. She noted that transportation for workforce clients was limited.

Council Member Plaag presented the idea of cottage-type housing as transitional housing that would allow someone to get their feet under them and then graduate to a more traditional rental arrangement elsewhere. He asked Ms. Krause if she felt that could be a potentially successful option. He noted some Town-owned property near the Hospitality House that might be a reasonable location for something like that. He asked if public transportation would negate that location. Ms. Krause replied that this idea would be helpful and that transportation could be managed. She added that smaller communities did better than larger ones for transitional housing.

Ms. Krause stated that housing individuals with physical disabilities was challenging because so many locations were not handicapped accessible.

Council Member Tugman stated that she had heard that if the area did not offer all of these services, we would not have all of these people. Ms. Krause replied that offering services was the humane thing to do. She stated that serving someone who was potentially physically or mentally disabled and helping them be one of the 547 people they had housed was important.

Ms. Meade suggested inclusionary zoning, which required a certain percentage of housing units to be affordable. Council Member Tugman stated that enforcement of that regulation could be difficult. Mayor Pro Tem George added that the new housing position should enforce that law.

Watauga Community Housing Trust

Mr. Benjamin Loomis with the Watauga Community Housing Trust stated they had been organized since the fall of 2021 to use the housing trust model to create homeownership opportunities. He noted that the median home price in Watauga County was \$534,000, which made it practically impossible for anyone who earned near the median wage of \$50,000 to afford a home here. Mr. Loomis stated that the Watauga Community Housing Trust was designed to fill that gap by using the housing trust to, through a nonprofit form, raise funds and purchase land, then sell the structures on it to individuals at a reduced rate in a way that they could still develop equity in the home structure itself and have the flexibility to grow and move into a private ownership opportunity.

Mr. Loomis stated that the Housing Trust bought their first home in the Town in the Junaluska area, and they were currently repairing some of the substandard conditions. He noted that the Housing Trust's model was targeted at reducing the scarcity of housing and increasing homeowner opportunities through the housing trust model.

Mayor Pro Tem George stated that density could be added in certain areas by taking advantage of the R1S zoning district.

Council Member Plaag referred to the lot on North Street that the Housing Trust was rehabbing. He noted that the lot was deep, and the house was toward the front of the lot. Council Member Plaag stated that current zoning restrictions limited what could be done with the property. He asked how things might have been different if the property had been rezoned to R1S or if flag lots were allowed. Mr. Loomis explained that the street frontage and minimum lot width requirements currently do not allow them to build a second home on the lot. He stated that they could build an accessory dwelling unit that was 1/3 of the size of the original footprint, which was 547 square feet. This would essentially be a studio or a one-bedroom unit in the rear of the lot, as it stood. Mr. Loomis stated that without going through a lengthy, expensive, and not-guaranteed process, the narrowness of the lot would keep them from building a second home.

Mr. Loomis suggested fast-tracking, incentivizing, allowing pre-authorized plans, having language for alternative building materials, and allowing things like modular panelized buildings would be practical aids when looking for housing solutions.

Mr. Rob Howard with the Watauga Community Housing Trust stated it was important to identify the properties that had access to Town water and sewer and public transportation, provide incentives, seek CBDG funding, simplify the permitting process, encourage development within the existing zoning so there was no rezoning process, and lessen the requirements. He also suggested that a pattern book be developed to show housing types that the town wanted that would be almost pre-approved in the permit review process and help address the "missing middle."

Mayor Futrelle called a break in the meeting from 10:51 a.m. until 11:04 a.m.

Watauga Housing Council

Ms. Kellie Reed-Ashcraft of the Watauga Housing Council stated that they formed in June 2022 after the Watauga Housing Forum series. She noted that the Housing Council's goal was to increase the housing supply for cost-burdened residents through partnerships and systemic change. Ms. Ashcraft stated that reviewing zoning designations and ordinances, strengthening water and sewer infrastructure, and utilizing low-hanging fruit could help facilitate affordable housing efforts.

Public Comment

Mr. James Milner, owner of Appalachian Commercial Real Estate, stated he was in attendance to represent the private sector or the development and business community. He noted that housing was a very important part of the community's economic development. Mr. Milner stated that without proper housing, many businesses within the Town of Boone struggled.

Mr. Milner stated that mixed-use developments needed proper parking calculations for the commercial spaces. He added that the UDO and the zoning map needed to be addressed as part of the Comprehensive Plan update. Mr. Milner stated that he supported revisiting the CDR planned development process. He noted that there were a lot of risks for the development community to go through the current process due to the associated costs and the uncertainty of approval.

Mayor Futrelle called a break in the meeting at 11:52 a.m., and he left the meeting at noon.

Mayor Pro Tem George reconvened the meeting at 12:38 p.m.

Work Session

Ms. Shook reviewed the resources contained in the meeting packet.

Minimum Housing

Ms. Shook stated that the department's website might need to be revamped to provide more information about minimum housing to the public. She added that Mr. Stacey Miller, Deputy Director/Chief Building Inspector, had done some research on blighted areas and cautioned that careful consideration should be given to such action.

Council Member Plaag stated he would like to see the website do a better job of directing people to adequate resources, even if those resources were from other agencies. He added that he found the Town's website to be overwhelming. Council Member Plaag suggested having a carousel on the landing page that pointed to different types of resources within the webpage. On top of that, whoever coordinated the Town's social media could post a weekly blog about various topics that would help better inform the public about the Town.

Mayor Pro Tem George asked Mr. Miller to explain some situations where corrective action would not be taken in a minimum housing investigation. Mr. Miller replied that corrective action was not taken when the tenant created the problem. For example, they do not turn on the exhaust fan in the bathroom or open a window to allow moisture to get out, therefore creating mold. Mr. Miller stated that sometimes complaints were unfounded or the tenants were trying to break a lease. He noted that most complaints were received around the end of April and the end of November. Mayor Pro Tem George asked if there were repeat offender landlords. Mr. Miller replied that there were some. Ms. Shook stated that there needed to be better education for tenants on how to be tenants.

Council Member Tugman left the meeting at 12:53 p.m.

Council Member Roseman suggested placing quick helpful tips on the website, such as “Have steam in your bathroom, turn on the exhaust fan”.

Mayor Pro Tem George asked Mr. Miller if he felt the Town was adequately staffed to respond to minimum housing complaints. Mr. Miller replied that he thought there was enough staff to handle the complaints. Mayor Pro Tem George asked if there would be enough staff if there was a successful outreach campaign and the volume of complaints increased. Mr. Miller stated that it could pose a problem depending on the workload in other areas, such as inspections and other types of enforcement.

Council Member Plaag stated that the Town had been lucky for the last few years that there had not been another 1940-like storm, which would be catastrophic to the Town because of all of the infill and pavement that had gone in since 1940. He noted that other communities did a better job than the Town to end settlement in those flood-prone areas. Council Member Plaag stated it should be part of the Comprehensive Plan to get residences out of common flooding areas as much as possible. He added that this would require having a place to send those residents.

Ms. Shook stated that currently, there was a requirement that construction in a floodplain be raised two feet above the base flood elevation. She noted that the requirement could be increased through a text amendment. Ms. Shook stated that the special flood hazard area did not comprise the 500-year floodplain because it was the non-regulated portion. She noted that the City of Charlotte had introduced regulations for the 500-year floodplain. Ms. Shook pointed out that regulating the 500-year floodplain would cause any residential property, once their repairs hit 50% of the value of the structure, to have to elevate the structure to whatever the base flood elevation was. She stated that this could cause a loss of dwelling units on a multi-family project. Ms. Shook noted that commercial properties could floodproof their buildings, but residential properties were required to elevate. Council Member Plaag replied that as long as there was a plan for the cascade of consequences that flowed from that, he was okay with pursuing the stronger regulations.

Mayor Pro Tem George stated that minimum housing codes were a tool for preserving housing stock because, without those codes, you only have condemnation.

Council Member Plaag asked if there were clustered violations in particular areas or if they were scattered all over the place. Mr. Miller replied that some places, like Oak Street, could use some extra enforcement. He stated that it would require time to do an enforcement area and stick with it. However, the staff did not have the time to stick with it. Mr. Miller stated that if the Town had a dedicated code enforcement officer, they could target areas and make things happen. He noted that the enforcement process was mostly complaint-driven, although staff patrolled the town several times weekly to be proactive. Ms. Shook added that she did not feel like the staff could absorb the responsibilities of a full-time code enforcement officer. She noted that should a building inspector leave, it would be an excellent time to reassess staff structure.

Mayor Pro Tem George asked about designating an enforcement area. Council Member Plaag asked if that area had to be called a blighted area. Ms. Meade stated that she could do an action item and provide the statute so the Town Council could see precisely what was involved. She added that she did not think it forced the use of that terminology, but it was the statutory language. Ms. Meade explained that the Council would have to make a legislative finding that an area is an area of blight requiring specific periodic inspections, and there had to be a plan for the community.

Council Member Plaag asked about the area in the Junaluska community that had a specialized zoning classification. Ms. Shook replied that this area was zoned RR Residential Rehabilitation. She stated that this

zoning district needed to be revisited because she thought there were negative connotations with some of the language for this district.

Ms. Shook provided a brief recap of tasks for the staff, including reworking the website to include additional resources and changing flood requirements.

Council Member Carter suggested that the town's Instagram role on the website would help visitors understand more about the communication methods and make it less static.

Multi-Family

Council Member Plaag asked Ms. Shook if there was a benefit to doing a “missing middle” study. Ms. Shook replied that she felt this was something the staff could figure out on their own at a high level. She stated that there needed to be an overall vision for what housing should look like and how to address it, part of which would come from the Comprehensive Plan process. However, some of the missing middle could be addressed now.

Ms. Meade stated there was some low-hanging fruit that could be addressed quickly.

Mayor Pro Tem George stated that one thing the Council could do immediately was revisit the occupancy standards for R3. He noted that the environment had been created unintentionally where only two bedrooms were being built in multi-family units. This was a problem because some people would like to share housing with more than just one other person.

Council Member Plaag expressed concern about the vast swath of different types of living that fall under R3. He noted that they needed to be very specific about where they wanted different types of housing stock to go. Council Member Plaag suggested cutting back parking requirements in areas that were close to the university and considering four or five different zoning classifications within the current R3.

Ms. Meade asked why, if two people could be in a homestay, there could not be two long-term borders. Ms. Shook stated that this type of issue needed to be considered. She referred to the table on packet page 62, noting that 28% of the Town’s jurisdiction was zoned R1 and 10.27% was zoned R3. Ms. Shook stated that it would be an excessive burden for the R3 to absorb most of the multi-family because it covered such a small percentage of the Town. She noted that when the R1S option was brought before the Council, there were two options, and the Council chose the option to have R1S as a zoning district, which meant that applicants had to seek rezoning of their property. The other option was to allow R1S as a use in certain zoning districts. Ms. Shook stated that the town needed to figure out ways to introduce other housing options within the residential areas responsibly while preserving existing housing.

Ms. Meade suggested expanding multi-family into the B3 where it would be close to transportation and amenities.

Council Member Carter suggested having pattern book plans in the B3 that would be consistent with the Town’s vision of the business district. Ms. Shook replied that she had seen that concept used for single-family and smaller-density projects. Still, she thought it might be difficult to execute for higher-density projects due to topography.

Ms. Shook stated that the mixed-use standards needed to be reassessed. She noted that part of the Comprehensive Plan update would include small area plans, and she thought the mixed-use standards could be included in this process.

Ms. Meade suggested enacting some mass and scale regulations for mixed-use developments. She also suggested proceeding with the wellness district, noting there seemed to be a well-thought-out, careful, and

precise form-based plan for it. Ms. Meade stated this could be a way to experiment with a form-based small area plan. Council Member Plaag stated he thought the Wellness District was an ideal spot for senior-oriented housing because of its proximity to the hospital and nearby shopping. Ms. Shook replied that the Wellness District only allowed mixed-use, but that could be revisited.

Council Member Plaag stated he did not think there were specific enough standards related to the commercial portion of mixed-use. He added that the concept of Compact Neighborhood living should be encouraged.

Council Member Tugman returned to the meeting at 1:42 p.m.

Council Member Tugman asked if there was a conception that too many parking places were required for commercial developments. Council Member Plaag stated he thought there were places where, if you were trying to get people to walk, it would be dumb to require a car for every bedroom. Ms. Shook replied that revisiting mixed-use also meant revisiting parking standards. She noted that there were minimum parking standards for residential and maximum standards for commercial.

Short-Term Rentals

Council Member Plaag stated he did not understand why accessory dwelling units would not be allowed in the R1 zoning district if they could meet the requirements. He did not think short-term rentals should be allowed in an ADU. Council Member Plaag stated that, in his opinion, homestay rentals were a business and should be treated as such. The Council agreed that a whole-home rental should not occur in the R3 and RA zoning districts because it was a business use. Ms. Shook mentioned the home occupation use, noting that this was a business use allowed in residential districts and that those standards should likely be revisited. Commission Member Plaag stated that homestays should not be permitted in any of the residential districts. He added that he could accept a homestay in the primary residence but not in an ADU. Council Members Roseman, Tugman, and Carter agreed they did not want homestays in accessory dwelling units. Ms. Shook stated that five homestays were currently permitted on property that contained an ADU.

Ms. Shook stated that the definition of RR Residential Rehabilitation and some of the standards needed to be revised, especially as they related to lot width. Flag lots were discussed. Council Member Plaag suggested that the RR could be renamed Compact Residential, the lot width could be modified, and street frontage requirements could be modified.

Ms. Shook stated that changes to the RR and the short-term rental requirements could be presented at the March Public Hearing.

Council Member Plaag stated he would like to look at the town-owned property near the Hospitality House for some type of “Beloved Asheville” housing project. Council Member Carter suggested a public/private partnership and stated that the Hospitality House could get grant funding. Mr. Todd Moody, Public Works Director, noted that the Wastewater Treatment Plant would have to be expanded sometime in the future, so some of that land would need to be retained to accommodate that expansion.

Council Member Plaag wished to add a discussion of the Bolick property to the agenda for the next work session.

Recap

Ms. Shook noted the following items that were identified as items for staff to address:

1. Website revisions

2. Flood regulation revisions
3. R3 occupancy – 15.03 remove restriction
4. Parking
5. ADU's in R districts
6. Vacation rentals
7. Homestay rentals
8. RR & flag lots

Items 6, 7, and 8 will go to the March Public Hearing.

Adjournment

With nothing further, Council Member Tugman made a motion to adjourn the meeting at 3:38 p.m. Council Member Carter seconded the motion.

VOTE: Aye – All
Nay – None

The motion passed.

Tim Futrelle, Mayor

Brenda Henson, Admin. Support/Permit Tech