

**BOONE TOWN COUNCIL
COMPREHENSIVE PLAN DISCUSSION
TUESDAY, APRIL 4, 2023, 9:00 AM
1500 BLOWING ROCK ROAD**

COUNCIL MEMBERS PRESENT: Mayor Tim Futrelle, Todd Carter, and Virginia Roseman

PLANNING & INSPECTIONS STAFF PRESENT: Jane Shook-Director of Planning and Inspections, Stacey Miller-Deputy Director of Planning & Inspections and Chief Building Inspector, Jessica Mitchell-Long Range/Special Projects Planner, and Brenda Henson-Administrative Support

OTHER TOWN STAFF AND REPRESENTATIVES PRESENT: Rick Miller-Public Works Director and Allison Meade-Town Attorney

OTHERS PRESENT FOR 9:00 AM SESSION: Kellie Ashcraft-Watauga Housing Council, Sara Crouch-OASIS, Alex Hooker-Watauga Habitat for Humanity, Ben Loomis-Watauga Community Housing Trust, Tina Krause-Hospitality House, Luke Fowler-Northwestern Regional Housing Authority, Michael Cooper-NC Realtor Association, Patrick Bowen-Bowen National Research, and JB Byrch-Watauga Housing Council/Solutions Committee

OTHERS PRESENT FOR 12:00 PM SESSION: Jeff Smith-High Country Home Builders, Matt Long-Capehart Construction, Chuck Perry-PerryBuilt Homes, Jason Gaston-Valor Engineering, David Bryan- DB Built, and Josh Cash-Cash Custom Homes

Call to Order

Mayor Futrelle called the meeting to order at 9:03 a.m.

Moment of Silence

A moment of silence was observed.

Mayor Futrelle welcomed everyone, and introductions were made.

Accessible/Workforce Housing Stakeholder Conversation

Mr. Ben Loomis with Watauga Community Housing Trust, stated that their main goal was to create another option for the community to incentivize affordable housing development. He explained that a housing trust was like a conservancy for affordable housing, creating a fund that was capable of purchasing property, and through fundraising grants, would be able to renovate or develop housing.

Ms. Kellie Ashcraft with Watauga Housing Council, stated that they focused on identifying community-driven priorities for affordable housing. She noted that their mission was to increase the housing supply for cost-burdened residents through partnerships and systemic change. Ms. Ashcraft stated that they would be submitting a proposal for the Rural Transformation Grant, which would be to do an engineering study on a parcel of land for the County with a letter of support from the Town for that proposal. She added that the Housing Council was also working on employer-led housing opportunities.

Mr. JB Byrch with the Watauga Housing Council, Housing Solutions Committee felt that inclusionary zoning, if enforceable, could be one solution to housing. He also mentioned manufactured/mobile homes. Mr. Byrch noted that, although not always popular, mobile homes did cost less. He suggested a cooperatively owned mobile home park.

Council Member Roseman asked if tiny homes were an option for affordable housing. Mr. Byrch stated that tiny homes had been discussed, but mobile homes were being researched at this time. He suggested

that everyone look at Poder Emma in Asheville as a model of a successful cooperatively owned mobile home park.

Mr. Alex Hooker with Watauga Habitat for Humanity, added that they got excited about tiny homes for a while, but found that they were expensive to build per square foot. He stated that tiny homes do not build any equity, and a lot of people could not live in them because they were so tiny. Mr. Hooker felt that tiny homes were not a long-term solution. Single individuals who were past retirement age or young professionals who did not want a family seemed to work well with tiny homes. Mr. Hooker suggested that tiny homes might be a reasonable solution to shelter the homeless.

Council Member Carter stated he would like to have a tiny home village to house the homeless. Mr. Loomis felt that clarity from the Town on what they wanted and how that could be achieved through a regulatory process.

Ms. Sara Crouch with OASIS stated that a lot of people had land they would be willing to have affordable housing projects on, but most would be located outside of Town. Transportation would have to be considered. She noted that intimate partner violence was one of the driving factors for experiencing homelessness, especially for women and children. Ms. Crouch stated that a lack of affordable housing was one of the main reasons why someone might choose to return to or stay with their abuser.

Mayor Futrelle expressed the need for working together to make strides toward providing more housing.

Ms. Ashcraft felt that water and sewer connections played an important part in affordability. She asked if there could be policy changes that could allow affordable housing projects to connect to Town water and sewer without having to annex. Ms. Allison Meade, Town Attorney, asked Ms. Ashcraft why she would not want the properties to be annexed. Ms. Ashcraft explained that the expenses and regulations associated with annexation might hinder the ability to pursue tax credits. She noted that because allowing a property to hook onto Town water and sewer without annexing would be against the regulations, policy changes would have to be made.

Mr. Loomis suggested promoting and encouraging private landowners to zone their properties as R1S.

Mr. Michael Cooper with the NC Realtors' Association stated that 3,500 rental units and 2,900 homes were needed to meet the housing demand in Watauga County. He felt there was a need for a full-time housing staffer. Mr. Cooper stated that other entities might be willing to help fund the salary for that position due to the increased need for housing in the area. He cited height limitations, green space requirements, and setbacks as regulations that inhibit the development of housing. Mr. Cooper stated that it needed to be easier to have accessory dwelling units, duplexes, and triplexes.

Mr. Patrick Bowen with Bowen National Research stated that the Town should look at Yancey County as a model for the extension of water and sewer lines.

Mr. Luke Fowler with Northwestern Housing Enterprises stated that affordable housing could not be done without a reduction of water and sewer-related costs. He added that financing for tiny homes was difficult to obtain for individual owners.

Mr. Rick Miller, Director of Public Works, noted that the Town could only get water so high and so far out before costs became too high. He stated that the Town did not have enough money to cover those costs.

Mr. Loomis suggested a referendum, a municipal bond, or a community investment trust to help cover costs.

Council Member Roseman asked if a portion of the sales tax money that the Town no longer got could be earmarked by the County for affordable housing.

Mr. Joe Furman with the Chamber of Commerce stated that there were different names and definitions for affordable housing. He noted that 60% of the area's median income was considered affordable housing and 80% was workforce housing. Mr. Furman stated that there were no government programs to help households making 80% AMI.

Ms. Jane Shook, Director of Planning & Inspections, stated that the Town would have to evaluate its codes in order to facilitate change for the Comprehensive Plan.

Ms. Tina Krause with the Hospitality House stated the shelter was bursting at the seams. She noted that their organization covered a seven-county area, and to get money for housing would take partnerships. Ms. Crouch added that it was critical that the Town and County be involved.

Mr. Bowen stated that economic development played a role in housing. He noted that employers might be willing to participate in ways to help provide housing for their employees.

Mr. Fowler stated that Northwestern Housing Enterprises dealt primarily with Section 8 housing. He noted that there were 2,000 vouchers each month, and approximately 10% of voucher holders had a hard time finding somewhere to accept their vouchers.

Ms. Meade noted that she had some rental property in another county and she accepted Section 8 vouchers. She stated that there were some financial barriers for people who accepted the vouchers. Ms. Meade explained that the units had to be approved and inspected and there could be several weeks that the units sat vacant during that process.

Mr. Hooker stated that of the 33 houses that Habitat had built, only two of those houses were located inside Town limits. He noted that lots in Town were too expensive, infrastructure was too costly, and regulations were too prohibitive to make a project cost-effective. Mr. Hooker stated that most of their clientele would prefer to own a home with a small yard in the County than a condo in Town.

Mr. Furman stated that there might be infrastructure grants (CBDG) for low to moderate-income neighborhoods.

Mayor Futrelle ended the morning session and called a break in the meeting from 11:13 a.m. until 12:10 p.m.

Low Density Housing Stakeholder Conversation

Mayor Futrelle welcomed the attendees of the afternoon session, introductions were made, and a moment of silence was observed.

Mr. David Bryan with DB Built began by stating that he owned property on Chestnut Drive that he attempted to develop a subdivision on several years ago. He explained that requirements such as sidewalks, curb and gutters, a historic tree survey, and system development fees killed the project. Mr. Bryan felt that if water and sewer fees and infrastructure could be subsidized for affordable housing it would be helpful. He added that increased density was the only way to make the math work.

Mr. Miller explained that the Town was required to have a study done to evaluate what was then called availability fees. As a result of that study, fee increases were recommended. Mr. Miller stated that the increase could have been done over a five-year period or all at once, and Town Council chose to have the increase all at once. He noted that the fees, now called system development fees, would be reevaluated this year.

Mr. Bryan stated he had planned an 18-lot subdivision and the infrastructure would have been \$400,000.

Mr. Josh Cash with Cash Custom Homes stated he had clients that wanted to build affordable housing but could not do so once they found out that system development fees had doubled or tripled.

Mr. Bryan felt that Planning & Inspections wanted the subdivision but was hamstrung by the regulations.

Mr. Cash stated that the permitting process needed to be simplified and applicants needed to be made aware of possible hurdles at the beginning of the process.

Mr. Miller asked if some of the difficulty with the process was that Town departments were in different locations, which caused applicants to go back and forth. Mr. Cash felt the difficulty was more with the process.

Mr. Jason Gaston with Valor Engineering stated he was in the process of developing a ten-lot subdivision off of Fieldstream Drive that had eight duplex lots and two single-family lots. He noted that he could have had 31 lots in the subdivision if the minimum lot size requirements had not increased from 5,000 square feet to 20,000 square feet.

Mayor Futrelle noted that the Town was only six square miles. He felt that having higher minimum lot sizes was a waste of land.

Mr. Gaston explained that he chose to develop a 10-lot subdivision because he could do that by right under the UDO. Then he would not have to go to the Board of Adjustment to request a Special Use Permit and meet transitional zone requirements.

Ms. Meade noted that, by state law, only variances and appeals were required to go to the Board of Adjustment. She stated that anything that went to the Board of Adjustment beyond that would be because the Town required it.

Mr. Chuck Perry of PerryBuilt Homes asked if the Town could share in the costs for extending water and sewer to affordable housing projects. Mr. Miller noted concerns about the cost of such endeavors.

Mr. Perry noted that driveway slopes were required to be less than 10% in Town, but driveways in the County could be built much steeper. Ms. Shook replied that the driveway slope requirement came from the Fire Code.

Mr. Cash stated that there were a lot of layered costs to steeper lots, such as stormwater and geologic hazard requirements.

Mr. Jeff Smith with the High Country Homebuilders stated he had always shied away from building in Town because of the regulations. He felt that all of the regulations increased costs and prevented creative design.

Mr. Bryan added that regulations needed to be loosened or they would destroy the Town in the next 10-20 years.

Mr. Cash asked about secondary pressure zones. Mr. Miller replied that Boone was in a valley and anything above 3,400 feet was in the secondary pressure zone. These areas require pump stations to get the water to a higher elevation. Mr. Miller noted that if a property wanted to get water service from the Town they would have to start the annexation process before knowing if they could get water.

Mr. Gaston stated that transitional zone requirements were created with the idea that additional mitigation measures would help protect neighborhoods, but he did not think that they had added a lot of value. He felt that the requirements and the idea of going before the Board of Adjustment had deterred several housing projects.

Next Steps

Ms. Shook stated that there would be additional stakeholder meetings with other groups during the beginning stages of the Comprehensive Plan update process. She encouraged everyone to follow the progress on the Town's Comprehensive Plan Progress and Update web page.

Adjournment

With nothing further, Mayor Futrelle adjourned the meeting at 2:41 p.m.

Tim Futrelle, Mayor

Brenda Henson, Administrative Support