



Minutes

Board of Commissioners Special Meeting - Affordable Housing Workshop

5:00 p.m. July 15, 2024

Board Meeting Room, Town Hall Annex, 105 E. Corbin St.

Present: Mayor Mark Bell and commissioners Meaghun Darab, Robb English, Matt Hughes, and Evelyn Lloyd

Absent: Commissioner Kathleen Ferguson (remote)

Staff: Planning and Economic Development Manager Shannan Campbell, Assistant Town Manager and Community Services Director Matt Efird, Communications Specialist JC Leser and Town Manager Eric Peterson

1. Opening of the special meeting — welcome and purpose

Mayor Mark Bell called the meeting to order at 5:05 p.m.

Bell condemned the assassination attempt on former President Donald Trump and called for depolarization of the nation. He said violent and political actions and speech are the opposite of democracy and expressed hope for improving the human condition and not being so estranged from each other as the nation approaches its 250th anniversary in two years.

Bell shared that this meeting is the first of three planned meetings on affordable housing before the end of the calendar year. The meetings will help the town refine its approach to affordable housing and help the Board of Commissioners determine the best use of funds set aside for affordable housing projects.

2. Introductions

A. Mayor and Board of Commissioners

The mayor and board members introduced themselves.

B. Partner representatives

The following partners were represented at the meeting:

- CASA – Project Manager Cornelis Verkerk
- Central Pines Regional Council – Housing Program Manager Hunter Fillers
- EMPOWERment – Executive Director Delores Bailey
- Habitat for Humanity of Orange County – President and CEO Jennifer Player
- Orange County Home Preservation Coalition – Coalition Coordinator Ryan Lavalley

Community Home Trust Executive Director Kimberly Sanchez provided written responses.

3. Town and partner sharing

A. Brief update on town affordable housing efforts and projects

Assistant Town Manager Matt Efird highlighted the town's current activities in affordable housing:

- Funding and financial assistance through federal relief funding, land donations and town tax revenue
- Policy updates to the town's strategic plan, comprehensive sustainability plan and unified development ordinance
- Coordination and collaboration with local government organizations and nonprofit organizations

B. Brief description of organizations' mission and experience, any ongoing or upcoming work in Hillsborough

Representatives described their organizations:

Central Pines Regional Pines

- Main function — Resources for local government
- Housing experience — Preserve housing, preserve houses for low-income homeowners, building coalitions to tackle larger problems
- Work in Hillsborough — Orange County housing plan

Habitat for Humanity

- Main function and housing experience — Build housing for low-income individuals
- Work in Hillsborough — Large townhome community near U.S. 70A

CASA

- Main function and housing experience — Own affordable rental properties, usually for people under 30% of the area's median income
- Work in Hillsborough — Collins Ridge parcel

Orange County Preservation Home Coalition

- Main function and housing experience — Make repairs to help people remain in their homes
- Work in Hillsborough — Working with 28 households in the town

EMPOWERment

- Main function and housing experience — Connects the whole community to resources and affordable housing
- Work in Hillsborough — Own several rental properties in Hillsborough

4. Break

Commissioner Evelyn Lloyd arrived at 6 p.m.

5. Partner Q&A

A. Moderator-facilitated questions to partners

Efird asked the following questions. Answers of the community partners are listed under the questions.

- What do you see as the biggest need for affordable housing in the Town of Hillsborough?
 - Lack of senior housing
 - Lack of affordable rentals
 - Need to address whole picture of housing: rentals, ownership and repairs

Community partners explained how accessory dwelling units can help expand affordable housing, even if direct listings for those units may be unaffordable for most people.

Commissioner Matt Hughes arrived at 6:18 p.m.

- What specific challenges are you aware of for development of affordable housing in Hillsborough?
 - Increasing costs of materials and construction
 - Working together with staff on development process
 - Communication between staff and affordable housing developers
 - Workforce development for contractors to complete repairs
 - Bringing homes up to code
- Are there specific actions that the town board or staff could perform to better facilitate the generation or preservation of affordable housing in town?
 - Flexible funding to allow programs to fill gaps in service
 - Access to capital
 - Landlord engagement

6. Break

Following the break, the partner Q&A session continued.

- What are your ideas to leverage 2 cents on the tax dollar (about \$325,000 per year) to generate new units or sustain current affordable units?
 - Buy and donate land
 - Use funds for repairs
 - Avoid splitting up the money because that diminishes returns
 - Create new rental units
- What other approaches or strategies that might be of interest to the town to better support affordable housing?
 - Landlord engagement
 - Manufactured home community engagement and preservation
 - Creative ideas to support communities in place
 - Foreclosure prevention
 - Reimbursing fees for affordable developers
 - Land banking
 - Utilizing the Jackson Center in Chapel Hill

7. Open discussion — board and partners

- A. Moderator-facilitated discussion among board, town staff and partners to explore affordable housing ideas and strategies for Hillsborough

It was noted that the town relies on the county for a significant proportion of affordable housing support, including landlord engagement. Community partners suggested having a full-time employee dedicated to affordable housing projects.

The group also discussed challenges with manufactured homes, formalizing expectations in the development review process, and the current state of the Gateway community.

8. Final thoughts

Attendees provided their final thoughts and items for follow-up, including getting more information on:

- Comparing Hillsborough's affordable housing supply to other jurisdictions.
- The number of full-time employees dedicated to affordable housing projects and landlord engagement in similarly sized jurisdictions.

- Cost of home repairs in the Historic District.
- The Central Pines grant program.
- Sharing affordable housing resources from community partners with Hillsborough residents.

9. Adjournment

The mayor adjourned the meeting at 8:25 p.m.

Respectfully submitted,

Sarah Kimrey
Town Clerk
Staff support to the Board of Commissioners

DRAFT