

HOUSING ADVISORY COMMITTEE

Meeting Notes
October 18, 2007

Present:

Overton McGehee
Noah Schwartz
Dave Norris
Cheri Lewis
Peter Loach
Theresa Tapscott
Charlie Armstrong
Joy Johnson
Ron White
Natasha Sienitsky

Absent:

Carol Clarke
Art Lichtenberger
Reed Banks
Vicki Hawes
Mike Heckman

Guests:

Angela Vanderhoof
Tom Twomey
Edith Good
Holly Edwards

Summary of Meeting Notes:

- Meeting was called to order at 12:10 and began with several announcements from the Chair:
 - Members of IMPACT invited Charlie to a meeting to discuss transportation and affordable housing for residents earning less than 30% AMI. There was discussion about IMPACT's original proposal to have the City and County build 150 new units of housing over the course of five years for residents in this income range. There was also discussion in the meeting about the increase in number of homeless children in both the City and County.
 - Rhonda Miska will be the IMPACT representative on the newly forming Joint City/County/University Housing Task Force.
- Staff announcements included the following:
 - Comments were raised at the end of last month's meeting questioning a line from the minutes. Dave described what he meant by his text and how his message may have been misunderstood by the way the text currently reads. There was a brief discussion about the differences between policy decisions vs. practical results that come about, also between original intent vs. unintended consequences.
 - Next discussion item was about getting a subcommittee together to help advance Joy's research and interest in Mixed-Income Communities. She gave a call to action for the committee to become more proactive and encouraged us to make recommendations to Council more often than we presently do.

We need to take a look at what Workforce housing means to this community as well as what Mixed-Income means. Joy and Overton will both share materials they have

collected thusfar on Mixed-Income communities and we will have further discussion at our next meeting about how to move forward.

Dave suggested that this may be a perfect project to give to the Mayor's intern who is currently looking for something to research. Amy will touch base with her to get the ball rolling.

- Next on the agenda was a Budget Discussion to learn from Dave how the Housing Committee fits into the recommendation-making process.

- Dave gave an overview of the Council's budget process and mentioned that the two new Councilors will take office as of January 1, 2008.

The question was asked as to whether HAC could vote to recommend that Council set up a dedicated source(s) of funding to support the *Charlottesville Housing Fund*? No opposition was voiced.

Overton made a motion: "Beginning in FY 08-09, various components of the *Charlottesville Housing Fund* should have a dedicated source or sources of funding". Joy seconded the motion. All members present voted in favor, none were opposed.

- Dave next gave a brief review of his original CAHIP proposal and the proposed funding streams that were suggested within it: One cent from the Real Estate tax, 25% of the Lodging tax, Developer Contributions, Federal CDBG/HOME funds, and IMPACT added a recommendation to take an additional cent from the Real Estate tax.

Theresa mentioned that people get nervous when you talk about doing things with tax dollars and that the need in the city needs to be quantified. Since the City is an entitlement community, there are restrictions on what types of funding can be applied for.

Dave also mentioned that members of the HAC are allowed to come to Council's Budget Meetings and make recommendations. Dave will keep us up to date as are scheduled.

- Tax Abatement program discussion – Overton made a comment that the Tax Abatement Program has been useful to providing assistance to the city's lower-income homeowners.

Overton made a motion: "To increase the amount of Tax Rebate assistance available for homeowners earning less than \$25,000 from \$500 up to \$1,000". Cheri seconded.

During discussion, Dave talked about how the program is now set up (for the first time) with a tiered level of assistance provided. If a family earns less than \$50,000 they can receive up to \$350 in assistance. If a family earns less than \$25,000 they can receive up to \$500 in assistance.

There were concerns expressed about University students applying to take advantage of the program. How can the guidelines be structured so that the funds/benefits are reaching the members of the community to which they are intended? While there may always be people who are going to scam the system, we must not overlook that a majority of the funds are helping community members.

Cheri made several comments including the suggestion that we gather some data from the Commissioner of Revenue's office to help gauge how well the tiered system is working. Is there a demonstrated need to further increase the program's support levels? Also, we should do some research into how South Carolina's program works by applying different tax rates for homeownership vs. investment property – this would lead to the need for changes made by the General Assembly to allow us to function this way as well.

Another model that was suggested was to look at a residential sq. ft. vs. a commercial sq. ft. and charge that way instead – need more information about this approach.

Vote was called: 3 voted in favor – Peter, Noah and Overton. All others voted in opposition. Motion did not carry.

A second motion was made to have further discussion after additional information had been gathered about how the program is currently working and research into other models had been performed. All voted in favor, none were opposed.

Meeting adjourned at 1:30.

- **Next *REGULAR* meeting date is set for: Thursday, November 8, 2007** (Location: County Office Building on 5th Street) This joint meeting with the County will take the place of our regularly scheduled meeting on November 15th due to the Governor's Housing Conference.