

MINUTES FOR THE WEEKLY MEETING OF THE STEERING COMMITTEE ON MONDAY, FEBRUARY 2, 2009 AT 4 PM IN THE COUNTY GOVERNMENT CENTER BOARD ROOM, BUILDING F.

**PARTICIPANTS:**

MEMBERS PRESENT:

Chris Henderson  
Mary Jones  
Julie Leverenz  
Tom Tingle  
Jack Fraley  
Mark Wenger  
Rich Krapf  
George Billups  
Bill Porter  
Vaughn Poller

NOT PRESENT:

Ruth Larson

STAFF PRESENT:

Tammy Rosario, Planning  
Kate Sipes, Planning  
David German, Planning  
Allen Murphy, Development Mgmt.  
Terry Costello, Planning  
Rick Hanson, Housing and Community  
Development

**I. CALL TO ORDER**

Mr. Jack Fraley called the meeting to order at 4:05 p.m. with Ms. Ruth Larson absent. Mr. George Billups arrived later.

**II. PUBLIC COMMENT**

Mr. Tom Paige, of GS Virginia, stated he was the general manager of the project at the Stonehouse Development. He spoke concerning the Stonehouse project and the County's interest in seeing the commercial properties developed. He stated his company did a study concerning the commercial properties. Mr. Paige stated the study revealed a concern about the inadequate workforce housing in the County. He noted another study done by the Center for Housing Research at Virginia Tech, which mentioned a shortage of workforce housing can threaten economic advancement and growth. He mentioned the report from the Business Climate Task Force that stated the same issue. Mr. Paige stated this is an issue with his company since the commercial properties are encouraged to be developed as soon as possible. He stated that the current requirements at Stonehouse require them to build 125 workforce units whose average price is \$250,000. He stated that if additional density were allocated to this development, the per average lot cost would be reduced, and this would give them the ability to build more workforce housing. Mr. Paige stated the benefits to this would be that the infrastructure committed already would support this, along with the site that will be dedicated to the schools. It would also benefit the environment, reduce sprawl, reduce travel, and increase the viability of bringing in reclaimed water for irrigation. He also stated that with the increase number of residential units, it would increase the chances of developing the commercial properties sooner.

Mr. Fraley suggested that Mr. Paige contact staff since the way to increase density was to go through the legislative process.

Mr. Paige stated he was aware of this, but was suggesting having some language in the Comprehensive Plan to support this increase density.

### III. HOUSING

Ms. Kate Sipes gave a presentation that highlighted important points in the Technical Report. She gave a summary of the information gathered from citizen comments at the different forums held. Some of the comments included the need for more affordable housing for graduates and young professionals, diverse housing cost, diversity of housing type, housing for low income families, affordable housing choices including apartments, and the possible conversion of hotels and motels into low income housing. Ms. Sipes thought it was important to note that 68% of the County residents that responded to the survey stated that it was better to have neighborhoods where there is a mix of low, middle and high income housing options in the same neighborhood.

Ms. Sipes also mentioned that another recurring theme was recurring was growth management. Some of the comments received mentioned that there were too many new homes; the County should be looking to slow growth, not approving new residential development or limiting development; and the County should be restricting the number of homes in subdivisions. Other comments made were regarding housing options for the homeless, making connections between neighborhoods, creating jobs that have wages that support housing costs in the County, offering more options for first-time home buyers, and suggesting ideas concerning tax breaks. Ms. Sipes stated there were comments concerning density, offering incentives for developers to build affordable housing, the need for apartments that participate in rental assistance programs, and several comments concerning small homes on small lots.

Ms. Sipes went through the highlights of the Technical Report. Regarding the current inventory, based on Certificates of Occupancy issued over the last 18 years the trend has been an increase of approximately 4% more units each year over the last decade. She also cited U.S. Census figures indicating single family homes comprise 76% of housing in the County, which is higher than the national figure which is 67%. She displayed a chart that showed the breakdown of the types of housing in the County, during the time period from 1998 to 2008. She stated that the County is higher on average than the state or peninsula for home ownership, with 77% of residents owning homes.

Ms. Sipes stated the U.S. Department of Housing and Urban Development and the American Planning Association use the same general definition for affordable housing. It is stated as housing costs that do not exceed 30% of the total household income. Comparing County incomes with the cost of housing in the County, it can be estimated the range of cost of housing that is needed. Two primary sources for income data include the U.S. Census and the U.S. Department of Housing and Urban Development (HUD). Information provided by HUD is used for many government housing programs, including the ones administered by the County. HUD data is also updated annually, and was used as the basis for the information presented in the Technical Report.

Ms. Sipes explained that using HUD data such as Area Median Income and percentages thereof, affordable housing can be defined as appropriately priced housing for those households earning between 30% and 120% of the area median income. Ms. Sipes thought it was important to note that the distinction between affordable housing and workforce housing is not defined by the County. There is an opportunity with this Comprehensive Plan update to do so; however, up to the present the two words have been used interchangeably.

Using the area median income determined by HUD, it has been suggested the range of housing needed would be from \$60,000 to \$235,000. She stated using data from 2000-2006 for home sales, it has been difficult to obtain housing the County in that price range. *The Housing Needs Assessment for James City County and the City of Williamsburg* concludes that up to half of the households earning 80% of the

median income or less lack affordable housing. She stated that almost 2000 additional housing units are needed in the County to meet the affordable housing needs of this income group.

The same needs assessment study concluded that more than one-third of County households earning 80% or less of the median income lacked affordable housing when it came to rental units. It was determined that an additional 1500 units would be needed to fill the gap.

Ms. Sipes stated some approaches to providing affordable housing within the context of the sustainability theme of the Comprehensive Plan update would include better integration within the same development, more variety of housing types including size and accessibility, interconnectivity between adjacent neighborhoods, walkable connections between neighborhoods and amenities within one half mile, and green building and site techniques. She also mentioned the programs and tools the County has employed since the last Comprehensive Plan update to encourage affordable housing. These include cash proffers for affordable units and are negotiated on a case by case basis. There have been 661 units proffered since 2001, and over 400 are built or under construction. Ms. Sipes stated that the use of soft second mortgages has also been utilized. She also stated the County has a cluster overlay district in the Zoning Ordinance, which allows for increased density with proposed public benefits, with one benefit being the provision of affordable housing.

Ms. Sipes suggested tools that the County could utilize to provide for more affordable housing. One would be to have an affordable dwelling unit policy which would provide consistency between development and proposals. Another tool would be to review existing policies and ordinances. These might include revising the soft second mortgage terms, reviewing parameters of the existing housing fund, and reviewing the current ordinances for flexibility, for example, allowing accessory apartments to be a permitted use in residential districts.

Ms. Sipes then discussed the Goals, Strategies and Actions in the Technical Report. Under goal number one, Mr. Porter had a wording change to eliminate the word “projects,” and consolidate the sentence.

Ms. Leverenz would like to see Strategy 1.1 expanded. She suggested it read “promote diversity and innovation in housing, subdivision location and design, balancing resource requirements and environmental impacts, housing needs and community character.” She stated she would like to include some of the principles of the cumulative impact of development.

Ms. Rosario stated staff will take suggestions and come back with revisions.

Mr. Tingle stated for action 1.1.1 LEED for Homes should also be mentioned. He also suggested having the link for National Association of Homebuilders Model Green Guidelines for reference.

Ms. Leverenz expressed concerns for Action 1.1.2, with the distance being one-half mile for pedestrian and bike travel. She suggested stating “nearby” and leaving it vague.

Mr. Poller stated that the reason one-half mile was used was because that is the distance that is determined to be walkable. When development goes beyond that, people tend to use their vehicles.

Mr. Fraley stated that this is also including bike traffic.

Ms. Leverenz suggested instead of “supports pedestrian and bicycle travel”, use “supports walkability and bicycle travel.”

Mr. Fraley suggested that any changes to wording be placed on the blog and any substantial changes be made during the meeting.

Mr. Henderson stated that the committee needs to be careful as to what they want to encourage. He would support a project that was entirely affordable housing.

Mr. Fraley referred back to the survey, where respondents preferred to have affordable housing integrated.

With reference to architectural guidelines suggested in Action 1.1.5, Mr. Tingle asked if it was a problem now. He can envision it difficult to manage and maintain.

Ms. Sipes answered that it was more an issue with the larger scale projects in excess of 200 or 300 units. Currently it is handled through the use of proffers, with architectural guidelines for a development being proffered, and those guidelines being subject to the approval of the Director of Planning.

Mr. Billups asked when this type of strategy would be used.

Ms. Sipes stated this strategy is referring to diversity and innovation.

Mr. Billups asked if any consideration was given to some of the goals as needed legislative action, or if the ordinance needs to be written to allow for it.

Ms. Sipes stated that consideration was given to include those by-right developments and those requiring legislative action. She stated that if an ordinance change was needed, implementation would come later.

Mr. Fraley suggested changing the word “ensure” to something else, possibly promote.

Ms. Leverenz suggested alternative language used for the word “appropriate” for Action 1.1.8. She would also like to see employment centers added as well.

Mr. Tingle suggested added “other neighborhood support” as well.

Ms. Leverenz suggested removing the word “projects” from Action 1.2.9.

Mr. Henderson asked about a program eliminating blight.

Ms. Leverenz suggested adding it to Strategy 1.2 and to Action 1.2.7.

Mr. Billups stated that it might be beneficial to include a definition of blight, which may be difficult.

Mr. Hanson stated the Commonwealth of Virginia does have a definition of blight.

Mr. Fraley stated that a reference to the State Code could be made.

Ms. Leverenz suggested that Action 1.2.11 be placed under Action 1.1.6 and under Strategy 1.

Mr. Hanson stated that while some of these suggestions are good, such as the needs assessment study, there may not be available resources to accomplish these.

Mr. Porter questioned the need to review all zoning districts for the right to have accessory apartments.

Mr. Billups stated that in the few cases requesting accessory apartments that have gone through the legislative process they have been allowed. He thinks it is important to keep in mind that there is a difference between adding on to a home for a family member, and creating a rental apartment for economic reasons.

Mr. Krapf noted the strategy stated the intent to increase the availability of affordable and workforce housing, but affordable housing is the only term mentioned in the goals. He stated there could be an impact if federal and state funds are involved for certain types of housing.

Ms. Sipes responded that “and workforce” could be added throughout the goals for consistency.

Mr. Fraley asked where it was mentioned of an affordable housing overlay district.

Ms. Sipes answered that it is mentioned in Action 1.3.11.

Mr. Fraley noted that Action 1.3.11 was vague and that some details may be beneficial.

Mr. Tingle agreed. He stated there was a lot of good detailed information on possible tools in the Technical Report that would prove useful if listed as examples in this goal.

Mr. Billups believes it would be good to separate the terms affordable housing and workforce housing.

Mr. Fraley suggested the County develop a definition of workforce housing.

Mr. Hanson stated that these two terms do mean different things. He stated that many times the term used so as to encompass the broadest range is “affordable workforce housing.” He stated the term “affordable” is often a general term that covers a broad range of housing. Mr. Hanson stated the general range is the number that was previously mentioned which was the 30% - 120% of the area median income.

Mr. Porter asked if just one term was needed, since affordable encompasses the broader range.

Mr. Hanson answered yes, but for certain projects it might be beneficial to actually have both terms depending on the funding available.

Ms. Sipes suggested referencing the area median income instead of referencing and defining specific terms. She suggested that terms could be defined in the suggested affordable dwelling policy.

Mr. Tingle wanted to clarify that the County has traditionally stated that affordable is 80% of median income. He stated that public perception is likely different for “workforce housing” than “affordable housing.” He stated that affordable is hard to define, but workforce ties it to economic development, which may be more appealing to citizens and developers. Mr. Tingle suggested having staff define it as part of the policy.

Mr. Porter suggested not using affordable but just workforce.

Mr. Tingle felt comfortable having both terms.

Mr. Poller thought it was more important to look at the area median income and not so much at the label.

Mr. Billups stated that the County should create the definitions based on requirements of the programs that are available.

Mr. Hanson stated these programs change, so it was important for the Comprehensive Plan to be flexible enough to incorporate these changes.

Ms. Sipes suggested making a reference in Action 1.3.7 that the policy will include definitions. The Board would then be able to modify the policy should the terms of the programs change, easier than a change to the Comprehensive Plan could be made.

Mr. Henderson suggested setting up targets as percentages of the housing market to be within the workforce or affordable housing range. He questioned the statistic where 50% of the households in the County earning 80% of the area median income or less lack affordable housing. This tells him that either the problem is overstated or understated.

Mr. Hanson stated that to become a first time homebuyer is one impediment. He stated that as the workforce grows there is not enough rental housing. He stated one issue that the lower to moderate homes are not changing hands.

Ms. Sipes stated that households are often spending more than 30% of their income on housing.

Mr. Hanson stated that in general housing costs have risen much higher in this area than wages.

Mr. Poller stated that even though jobs have increased in the area, there are not enough County residents to fill them; therefore, people commute from other areas to fill these positions.

Ms. Rosario stated there are targets for the community overall as far as affordable workforce housing. There is also a desire to have a greater mixture of housing in the County than what exists today.

Mr. Porter questioned Action 1.3.13, the program to waive water and sewer connections. Mr. Porter stated the James City Service Authority is an enterprise fund where all their costs are covered by their fees that are collected. He felt this is a recommendation that the committee should not make.

Mr. Fraley stated that these recommendations go the Planning Commission and the Board of Supervisors.

Ms. Rosario stated that water and sewer connections can be removed from this action.

Mr. Billups asked if housing funds were used in any localities.

Mr. Tingle stated that a housing fund could be set up to offset utility fees.

Mr. Hanson answered that in Fairfax County there is such a fund. The County does have something similar. But there are advantages to having a housing fund.

Ms. Sipes suggested the action be to “consider” a policy, with the understanding that some fiscal guidance may be need, especially before implementation.

Ms. Rosario suggested consulting with the James City Service Authority.

Ms. Sipes suggested making this action general with no reference to any specific fee.

Mr. Fraley questions whether Action 1.3.14 should be listed at all.

Mr. Hanson suggested given the current market situations, he would not reduce the term of the soft second mortgages. He suggested reversing the order where lengthening the term should be last, and list the shared equity and right of refusal first.

Mr. Tingle asked if enough has been done, since it was mentioned that some of the tools are conservative with regards to encouraging affordable and workforce housing.

Ms. Sipes stated that it probably will not be just one solution that addresses all of these issues, but rather the challenge for the County regarding implementation will be to find a mix of tools that can be used together.

Ms. Jones stated the Comprehensive Plan will reference the report from the Business Climate Task Force that has specific recommendations and suggestions. She stated the Chamber Alliance for Workforce Housing will present something to the Steering Committee.

Mr. Fraley felt that one important tool is the use of inclusionary zoning. There have been some projects that have come before the Planning Commission and Board of Supervisors that have included some affordable and workforce housing.

Mr. Henderson stated in reference to Strategy 1.4, that housing for disabled individuals are often best found in group settings. One of the conditions not addressed is the notion of group homes and how that program would be administered to deal with special needs persons.

Ms. Rosario stated the importance of segregating out the different populations and to assess their needs, realizing that many disable individuals are elderly who want to stay in their homes as long as possible.

Ms. Leverenz asked if the County had a relationship with Charles City County. She was aware of the differences in housing costs between the two counties.

Ms. Sipes was not aware of any, but offered that the upcoming regional effort may include Charles City County.

Mr. Tingle mentioned the timing of the payment of development fees. He would like to see recommendations come out of the Comprehensive Plan as to when these fees get paid.

Mr. Fraley does not believe this is a Comprehensive Plan issue.

Mr. Tingle felt that it was important because it does impact the cost of housing.

Ms. Jones felt that one strategy could be looking at ways to reduce the fees for workforce/affordable housing.

Ms. Leverenz suggested having an action (under strategy 1) dealing with cumulative impacts.

Ms. Sipes stated that normally cumulative impacts are addressed in the land use section.

Mr. Fraley suggested staff look at this.

Mr. Porter expressed his concerns over the fact that most of the affordable housing currently is in the Roberts district. He felt that it was importance for it to be throughout the County.

Ms. Jones stated that one tool would be to call it out in the mixed use areas.

Mr. Krapf stated that information has been presented that shows that having affordable housing in the neighborhood did not adversely affect the resale values of market rate homes in those neighborhoods. He also stated that developments could be done where one could not tell what was listed as affordable as opposed to market rate. He felt there were many positives to incorporating them within developments.

#### **IV. PUBLIC COMMENTS**

There were no public comments.

#### **V. OTHER ITEMS**

Mr. Fraley stated the next meeting will be Tuesday, February 9, 2009, at 4:00 p.m. to discuss public facilities. There will be second meeting on Thursday, February 12, 2009, from 7 p.m. to 9 p.m.

#### **VI. ADJOURNMENT**

Mr. Billups made a motion to adjourn, with a second from Mr. Krapf.

There being no objections, the meeting was adjourned at 6:10 p.m.