



COMMUNITY HOUSING & NEIGHBORHOOD DEVELOPMENT COMMITTEE

Committee Members: Golden, Ewing, Alexander and Williams

Chaired by Mayor Pro Tem Golden

FEBRUARY 14, 2017 – 10:00 A.M.

3RD FLOOR LOBBY CONFERENCE ROOM

MINUTES

Present:

Chairman Jeff Golden and Committee Members Chris Williams and Jason Ewing (Joined the meeting at 10:07 a.m.)

Absent:

Committee Member Latimer Alexander

Also Present:

Council Member Cynthia Davis

Staff Present:

Randy Hemann, Assistant City Manager; Mike McNair, Director of Community Development; JoAnne Carlyle, City Attorney; Richard Fuqua, Affordable Housing Manager; Thanena Wilson, CD Administrator; Lori Loosemore, Supervisor- Code Enforcement; Michelle McNair, Community Resource Manager; Toni Jackson, Housing Specialist; Fanta Dorley, Human Relations Manager; and Maria Smith, Deputy City Clerk

Others Present:

Sofia Crisp, Executive Director, Housing Consultants, Gene Brown, Community Housing Solutions, Judy Stalder (TREBIC), Bill McNeil, McNeil Planning, Jim Bronnert and Jerry Mingo

News Media:

Pat Kimbrough, High Point Enterprise

Note: The following hand-outs were distributed during the meeting and will be attached as a permanent part of these proceedings:

- *Community Housing and Neighborhood Development Committee, Southside Housing Update*
- *November 2016- Implementing a Coordinated Approach to address the Systemic Causes of Vacancy and Abandonment in High Point, North Carolina*
- *ARTICLE E- Minimum Housing Code*
- *Update on the Core City Homebuyer Incentive Program*
- *Community Housing and Neighborhood Development Committee, OperationInAsMuch (OIAM) Update*

Chairman Golden called the Community Housing & Neighborhood Development Committee meeting to order at 10:00 a.m.

Discussion Regarding Community Housing Solutions Agreement to Increase its Production in Southside Community

Mike McNair, Director of Community Development, gave a brief update on Community Housing Solutions (CHS) on increasing their productions in regards to adding onto their staff which are discussing going from two units to five units per year. They are currently working in the Southside area have constructed houses where they own property and some warehouses are also underway. He specified that CHS is working on:

- ✓ 805 and 807 George Place
- ✓ 809 and 811 were just completed
- ✓ 811(due to close soon)

He advised that all properties are built to an energy star standard and guaranteed not to exceed a certain amount. Currently, he explained how they are working on two units and expect to be completed in either April or May and working on a contract that is going to be three - five units and will specify which lots they will build on. He then suggested when that is finalized, it to come back to the Finance Committee, and then to City Council for completion of these five units.

Mr. McNair reviewed the master plan for the Southside neighborhood where lots 2, 3, and 11 are currently vacant and 2 and 3 are under construction. The rest are built. The construction of a sidewalk will be the last piece.

Mr. McNair introduced Gene Brown, Community Housing Solutions, and informed him of increasing their production with adding staff and reaching an agreement and going for a 5-unit contract. Mr. Brown talked about the two houses that were just completed and noted the advanced energy rating called System Vision gives the homes a two-year heating and cooling discount. Foundations were poured on lots two and three and they have started the framing work. He noted how Mr. McNair alluded to the expansion of the staff and the home repair that they do for owner occupants and the contractor that was on staff was overseeing the new construction and the renovation and the rehab work. He also pointed out that they hired a home repair manager that is managing the day-to-day operations of the home repair staff so they can continue to do the 150 home repairs in Guilford County that includes High Point such as OIAM.

Discussion Regarding the Center for Community Progress Study Recommendations

Bill McNeil, McNeil Planning, mentioned a previous meeting regarding a previous meeting on the Center for Community Progress where they delivered recommendations to Council for addressing the problems of vacant and abandon properties in the city. He added that there were 15-16 recommendations in that report. He shared that they heard about a month ago that the Center for Community Progress was making an additional attempt for assistance to cities that have made decent progress. He believed that we could benefit from additional assistance and noted that there is a tight application timeline, the deadline for the applying would be 3 p.m. this afternoon. He discussed how it is a low risk application for a high award and would cost the City nothing in terms of dollars (other than staff time invested).

He reviewed the summary of the progress that was made since November. One of the recommendations was to set up a formalized City staff team that would follow the progress and keep the momentum going. The Assistant City Manager will establish the team members and they would begin meeting later this month. He mentioned the staff data team that is in place and would be bringing the data sets together to the various places around the City and departments.

He shared that there was a recommendation in the previous visits from the General Assembly that has refined the way that cities have conducted inspections for minimum housing code inspections. There are a couple of areas where the cities may, but are not required to establish target areas and there are processes for that.

He shared that they have been partnering with “Say Yes Guilford County Schools” and have identified with Ferndale Middle School, Fairview Elementary and High Point Central for special “Say Yes” attention also called “Wrap Around Services.” He also thinks from a City’s perspective, this is a good opportunity to bring their pursuit of improved housing conditions to help the neighborhoods around those schools and help coordinate them as they work with the children and their families. They are stopping short of calling those areas target areas and the City views them as “focus areas.” Mr. McNair has been in communication with “Say Yes” and with the principals at these schools to see how to best leverage the efforts.

Committee Member Williams asked for an example. Mr. McNeil gave the example of within a quarter of a mile of Fairview Elementary, the City had already done some work in the Southside area. He explained the school system would be serving each family and child for their needs beyond what they see day-to-day in the classroom. In the case of excessive absences of some of the students, they will be able to pick up on extenuating circumstances that might be in the home such as mold, air quality problems, lead in the home, etc.... which would give the City and the inspectors additional information to justify honing in on that neighborhood. Mr. McNair provided another example and noted the Code Enforcement efforts could assist in identifying factors/circumstances which would lead them to do an assessment on the needs and connect them to the proper agencies to get help. Mr. McNeil suggested another recommendation would be to look closely at the crime data and factor this into the decision as well to detect the locations of “problem” houses that may be involved in criminal activity and those being used as “drug houses.” Assistant City Manager Randy Hemann added they are also working through the details with Planning and Development in trying to determine the top 10% of the residential units with known criminal activities.

Chairman Golden asked how we would get into the homes that do not have any associated criminal data, but multiple calls are made to the police department. Mr. McNair commented that they have not sorted through this information yet, but part of the issue has to do with a value scale where a noisy house would not trump a value call, but repeated action would prompt a decision as to how to approach it. It was suggested that they could go in from a Code Enforcement standpoint. Committee Member Williams believed there is a willingness for them to make the call, but believed there is a security issue where people are afraid to make the calls. There were a lot of concerns expressed by folks who experienced busy signals and were not able to get through. Council Member C. Davis suggested to make a rollover line so there is no busy signal and there is a second line available at all times so citizens can leave that tip. Committee Member Ewing added that Greensboro uses a phone app where they can report incidents such or take a picture and it would be directly routed to the appropriate department.

Mr. McNeil reviewed some of the Minimum Housing Code statutes that would allow for re-inspection or periodic inspection when there is a reasonable cause. City staff, along with the city attorney, is looking at the policies that would establish when and how re-inspection could be evoked. He suggested another recommendation was to establish a vacant property registration process. At the staff level, he was advising to look at the benefits, the costs, and the consequences at the registration process and what to do with it. Currently, the County tax office begins the foreclosure process on properties that are seven years or more tax delinquent. One of the findings that they received from Tarik Abdelazim, Associate Director of National Technical Assistance, that was contained in the Technical Assistance report is that would leave a lot of properties that have been abandoned for a long time and with the recommendation to accelerate that to have the City and the County agree to start the foreclosure process after the property is two years’ delinquent. He noted how it would be expected that some foreclosed properties would be acquired by the City. The recommendation would be to set up a definitive plan for handling the responsibilities when the land bank

is up and running. He advised the Core City, CDC, that was authorized by the City Council in January would be the logical place to conduct the land banking management. They are currently asking for technical assistance.

Council Member C. Davis wanted assurance that proper notification would be sent out to those people delinquent in paying their property taxes that would identify the programs available to them in the case of sickness or hardship. Mr. Hemann added while they are also looking at tax delinquent properties that are seven years down the road, it would be a long time until they are the ones that are the two year and their desire is to see people stay in their homes and to be current on their taxes.

Discussion Regarding Revisions to the Minimum Housing Code

City Attorney JoAnne Carlyle distributed a copy of the revisions made to Article E- Minimum Housing Code and prefaced the discussion by sharing that someone in her department had made some unfamiliar Revisions to the document.

She proceeded to review Article E- Minimum Housing Code that she, Mike McNair and Lori Loosemore has been working on. She recommended the old Minimum Housing Code Ordinance be rescinded because it was so far off from the current law and some procedures were not in place. She pointed out that the words “rubbish” and “workmanlike” were not contained in the revised Ordinance. She proceeded to give an overview of the revisions and advised that they tried to make it follow state statutes as closely as possible.

Council Member C. Davis mentioned an article that she came across that showed people making \$31,000 or less have less than \$500 in savings and pointed out the difficulties they have in making ends meet and paying their bills. She felt consideration was not given to their ability or inability to make repairs to their homes. She stated that she has never been comfortable with the 30-day time period required for them to make the repairs because most of those in this income bracket do not even make enough money to make the required repairs. Mr. McNair explained they would more than likely be eligible to participate in some of the other programs that the City has. He added those houses that need substantial repairs may be eligible for the Urgent Repair Program or Operation Inasmuch. Council Member C. Davis reiterated her concerns that the average citizen does not have the resources to make those kinds of repairs and this has always bothered her. Chairman Golden shared that it also bothers him, but the deciding factor comes back to safety and although they cannot make the repairs, it still becomes a safety issue and Council has to move forward. He noted that there is a little leeway where 30 to 90 day extensions could be allowed. Council Member C. Davis felt 30 to 90 days was nothing when considering the cost of the repairs. She stated that she does not want people living in unsafe environments and she also wants people to be safe, but she does have a problem with the timeframe knowing that people just do not have money saved to make the necessary repairs.

Committee Member Williams felt it might be helpful for staff to provide information on the salary and eligibility requirements so this information can be shared and referrals made. Council Member C. Davis stated her concern lies with things that might be teeter-tottering on what is allowed versus what can be done within a reasonable amount of time with the proper resources. Mr. McNair advised that staff would not be knocking on doors unless there are visible signs from the outside. Council Member C. Davis thought a lot of people are concerned and afraid of the code enforcement officers pushing their way through somebody's home. Mr. Hemann asked if there have been specific instances where that has happened and Council Member C. Davis replied “no,” but explained the people are afraid of reaching out for help and this was the same reason they do not call the police department.

Ms. Carlyle asked for some weigh-in regarding the proposed 65% versus the current 50% of the present value of the dwelling, requiring the owner to demolish and remove the dwelling within a specified period of time, not to exceed 30 days. She stated depending on how bad off the house is, it could increase the amount of the cost of repairs. Chairman Golden asked what was the negative to the 65% and felt increasing

the threshold would also increase the amount of dollars. Ms. Carlyle advised there is flexibility on the 30 days in that sense, but there is no flexibility on the 90 days for abandoned houses, vacated, closed and abandoned for a year because it is set by the Statute.

Chairman Golden asked if the CDC could possibly address some of these repairs for people that do not have the money to make certain repairs and referenced a prior conversation on the utilization of those dollars. Mr. Hemann explained that would be more for the purchase and rehab of structures to get them back out on the market. On the flipside, he noted when the threshold is set at 50%, it is so low it's more into the realm of demolition than making repairs. He explained raising the threshold helps from the standpoint of keeping people in houses and encouraging the repairs, rather than tearing down the houses. Council Member C. Davis stated she did not have a problem with the threshold as much as with the timeframe for people to acquire the dollars they need to make the repairs.

Ms. Loosemore explained when staff sends these housing cases to Council, staff has exhausted all avenues available and shared that when they write up the violations, they do the minimum. She noted that staff writes it up as "repair or replace" to give the property owner an option. She further stated that staff works with the property owners that show progress in making improvements to a house because their goal is not to have houses demolished. Ms. Carlyle advised that Council is going to have to deliberate on whether or not the city wants to take over the responsibility for repairing some of those houses because it is a huge decision due to all the elements involved.

Ms. Carlyle proceeded to review the Appeal process and advised that the old ordinance dictated that appeals would go before a Housing Board, although High Point has never had a Housing Board. Under the new ordinance, appeals would go to the Board of Adjustment, then to Superior Court. She apologized again for the unfamiliar changes that were made to the document and noted that she would obviously fix it back to what she had.

Council Member C. Davis asked Ms. Carlyle to address the violations and penalties. Ms. Carlyle advised that subsection A talks about high grass, weeds, trash and debris and at some point in the near future, she would be coming back to talk about abandoned structures. She noted there is also a separate trash, debris, etc... ordinance and she did not feel there would be any use for, so it could be rescinded. The proposed ordinance provides for a civil penalty of \$100.00 for violations for any owner who fails to comply with an order to repair or to improve, vacate or close any occupied dwelling determined unfit for human habitation, etc....for the first day following the expiration of the order. The civil penalty for the trash/debris related violations would be \$50 per day. Ms. Carlyle pointed out these are the maximum penalties allowed by law and if a person is not able to take care of their home and make the repairs, imposing a \$50-\$100 fine per day adds up quickly. She advised that the occupation of a dwelling that has been posted is a Class I misdemeanor which is provided throughout the whole article and is also listed in Chapter 14.

Chairman Golden mentioned an inquiry that he recently received from someone who felt they had been discriminated against by their landlord. They felt they had an obvious code violation within their rental property and had reached out to the landlord to do some of the repairs, but they received no response, nor were any of the repairs made. They were then advised to call the city for an inspection and when the inspectors made the inspection, they found 21 violations. He advised that the landlord now wants to evict the tenant and he asked what recourse is available in these situations to hold the landlord accountable. He asked if this could be deemed a Human Relations issue.

Fanta Dorley, Human Relations Manager, stated it is a Human Relations issue and Mr. McNair added that it is also illegal. Ms. Loosemore pointed out that unfortunately sometimes they find a loop hole (i.e. behind in rent, lease violation, etc...). Minus any loop holes, Chairman Golden asked if the city stepped in to help these tenants. Ms. Dorley replied that she was not sure of the specifics of this particular case, but it was

possible for the city to step in and help and would refer them to the Human Relations Commission in Raleigh if it could not be handled locally. Council Member C. Davis pointed out the owner of the property could increase the rent and phase them out that way making it where they could not afford the rent. Committee Member Ewing explained that no matter what the violations were in the city's system, they would still have to be fixed whether or not the tenants were living there. He added the goal is to have safe housing within the city and to enforce the minimum housing violations to improve the housing overall. Council Member C. Davis noted that most people cannot afford to just pack up and move and pointed out Council is creating policy and procedure that impacts their ability to have a roof over their head versus living in a bush because there are some homeowners that live that way. She believed this was something that would have to be considered across the board as elected officials and although the stable structure was important, family and people are more so. Ms. Carlyle advised that the receivership legislation would certainly help the city in these situations.

Mr. McNair stated that they have had situations where they run into people that exceed the city's guidelines and staff does reach out into the community to find other agencies that can assist them. He provided a recent example of someone that needed assistance and they were able to put him in touch with the Retired Police Association. Council Member C. Davis stated she was familiar with that incident and pointed out the gentleman had been in that situation for years, but was afraid to ask for help. She shared that is why she asks the questions, so she can share what she learns with others, but pointed out there are a lot of ill-informed citizens that are petrified to reach out and ask for help because they are afraid that they might be the next person living in that tent.

Ms. Carlyle suggested that the Committee make a recommendation to push the proposed ordinance to Council and suggested it would probably be on the agenda for the first meeting in March. Council Member C. Davis asked if Chairman Golden needed more time to review and he declined. Ms. Carlyle confirmed everything that was discussed verbally would be exactly what would be seen.

Committee Member Ewing moved that the proposed Minimum Housing Code Ordinance be presented to Council for the first meeting in March 2017. Committee Member Williams seconded. The motion carried by a 3-0 unanimous vote. [Committee Member Alexander was absent]

Update on Southside Pedestrian Bridge Project

Mr. McNair reported that the project has been held up with the State and proceeded to review the current schedule. This project is being funded with the NSP program income and the State has finally approved moving forward with the project. According to the schedule that Engineering has provided to staff, it is anticipated that the project will be submitted to Purchasing by April 1, bid out by mid-May with an award in June or July. The bridge will then be ordered and it has to be constructed with an anticipated delivery in September/October and will be completed by November 2017. The estimated budget for this project is \$200,000. The bridge will be approximately 10 feet wide and 75 feet long. They would be calling it a "park" even though it is a "right-of-way."

Council Member C. Davis suggested having a fall festival around the bridge if it is completed by the end of fall or early winter. Mr. McNair agreed and noted that he has been in dialogue with Patrick Harmon, Dorothy Darr and Carl Vierling about having one of their organizations being the lead organization for the orchard.

Update on Core-City Homebuyer Incentive Program

Mr. McNair reported they continue to have a strong demand for this program and people near the median incomes are the ones that are accessing it. He noted they are still receiving many calls from interested

buyers and real estate agents. The State's program is still out there, but funding would probably run out in September.

Council Member C. Davis asked if there was any way to find out how much money has been utilized in Guilford County versus the other four counties. Toni Jackson, Housing Specialist, replied that when she spoke with the North Carolina Housing Finance Agency, they said a majority of funds have been in Mecklenburg and Guilford County is second, no funds in Cumberland County. She reported there is three times as much money available as it was on the first round and they anticipate another six to seven months before the funds will run out.

Council Member C. Davis suggested to post something in the paper in regards to there being six months left with the program to keep the synergy going about the program. Mr. Hemann felt that was a good idea. Mr. McNair suggested to ask the State for more money. Judy Stalder, TREBIC, expressed how the realtors and the builders ask the State to put more money in it every year. Mr. McNair pointed out this is coming out of the hardest hit funds and there is quite a bit of funding which would lead one to think they would direct the funding where the demand is. Sofia Crisp, Executive Director, Housing Consultants, in her office, there is a decrease in the number of people who are wanting foreclosure money because their situations are more complicated and she is hoping there will be some extra money there that can be diverted towards the homebuyer assistance program.

Update on Operation In As Much Projects

Mr. McNair explained they would be going into the third neighborhood with a primary focus on the red areas from the segmentation study. He shared they are working with Operation Inasmuch on sort of a spin-off for the "out of cycle" projects. They have been approached by some churches who do not want to wait six months to do projects. He stated as they encounter people they can get the team set up, and provide the funding for the materials.

Committee Member Williams asked if the targeted dates would continue to be May and November. Mr. McNair explained that next fall they are discussing the possibility of doing it a little earlier. Council Member C. Davis asked if there was any way for us or OIAM to reach out to churches in and around the West End area.

Ms. Crisp reported that they sent out 62 letters that were mailed to homeowners and have heard back from 15, seven have completed the survey's and have gone into the yellow area with two additional requests. Because they are starting earlier, she feels that they are getting better feedback although some still think it's a scam. They also sent out volunteer letters to 22 churches and suggested if anyone would like to add to that, the first volunteer meeting is scheduled for March 9th with a follow up on April 20th. Mr. Hemann asked if they hit every church in the target area. Ms. Crisp expressed how they would start there and are willing to reach out of the area. She shared that the volunteers would be getting a volunteer notebook at the next meeting that would include project timelines, contact lists, list of skill sets, a list of items to bring, waiver and a good quality logo.

Council Member C. Davis asked if they were reaching out to some of the larger companies such as Thomas Built Buses and dropping off fliers because their employees may want to volunteer and participate.

Mr. McNair advised there is now a new look-up function for The Point that will allow access to the Market Segmentation study and proceeded to give instruction on how to access it.

Scholarship Application- Center for Community Progress

Chairman Golden moved to forward the application to the Center for Community Progress for another scholarship. Committee Member Williams seconded. The motion carried by a 3-0 unanimous vote. [Committee Member Alexander was absent]

Possible Committee Changes

Chairman Golden mentioned that he would be speaking with Mayor Bencini and ask him to replace Council Member Alexander with Council Member C. Davis on the Community Housing & Neighborhood Development Committee because of scheduling conflicts.

He also stated how the previous Council had a Safety Committee, but he could not remember if it was part of another committee or what. In light of all the shootings, etc.... he asked that Council revisit this so they would have a vehicle to communicate better with the Police Department. Ms. Carlyle suggested that Chairman Golden speak with Mayor Bencini about this.

Mr. Hemann added that the City of High Point would like to assemble a staff team for OIAM and called for volunteers. Mr. McNair pointed out that the National OIAM President was here a few weeks ago and they have requested that High Point host other cities in North Carolina. The partnership with the City being involved is unique because there are a lot of cities that are not doing that.

There being no further business to discuss, the meeting adjourned at 11:29 a.m.

Respectfully Submitted,

Maria A. Smith
Deputy City Clerk

Jeff Golden, Chairman