

**COMMUNITY HOUSING, NEIGHBORHOOD DEVELOPMENT and
PUBLIC SAFETY COMMITTEE**

Committee Members: Golden, Ewing, Alexander and Williams

Chaired by Council Member Golden

**JUNE 6, 2017 – 10:00 A.M.
3RD FLOOR LOBBY CONFERENCE ROOM**

MINUTES

Present:

Chairman Jeff Golden and Committee Members Latimer Alexander, Chris Williams and Jason Ewing

Also Present:

Council Member Cynthia Davis (joined meeting at 10:14 a.m.)

Staff Present:

Randy McCaslin, Deputy City Manager; Randy Hemann, Assistant City Manager; Mike McNair, Director of Community Development; Eric Olmedo, Budget & Administrative Director; JoAnne Carlyle, City Attorney; Thanena Wilson, CD Administrator; Lori Loosemore, Supervisor- Code Enforcement; Michelle McNair, Community Resource Manager; Lee Burnette, Planning & Development Director; Maria Smith, Deputy City Clerk and Lisa Vierling, City Clerk

Others Present:

Judy Stalder and Craig Stone, Wynnefield Properties

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:

- 4.3.4 – Commercial Uses (Excerpt from Development Ordinance)
- Data Sheet of Individual Sites and Locations of Compliance
- Map and listing of High Point, NC Census Tract Poverty Rate

Chairman Golden called the meeting to order at 10:04 a.m.

Discussion - Salvage Yards/Auto Repair Businesses

Lee Burnette, Planning and Development Director, identified specific properties with inoperable vehicles with a state of disrepair and with Council expressing their concerns they had staff look into it. Mr. Burnette then reviewed the regulations in the Development Ordinance for Section 4.3.4 – Commercial Uses G-Vehicle Establishments (a) General (b) Major (c) Minor. He advised that they are not complying with many of the standards. Ms. Loosemore, Local Codes Enforcement Supervisor, informed the Committee that staff is currently working on one active case regarding tires located at 1724 West Martin Luther King Drive. She reported that this could cause some financial burdens on the business. She also advised that there were a couple of additional self-identified ones that are not on the list, but notice of violations have been issued.

She further stated that the issues of the tires would be enforced through the public nuisance ordinance and all other cases would be handled under the zoning regulations as far as notice of violations.

Mr. Burnette reviewed the data sheet listing the individual sites and locations to see if they were in compliance or not with the City standards. With the new development ordinance, he mentioned how there was a provision that was changed based on vehicle storage. Based on the number of vehicles in a commercial zone, he noted that the number of vehicles stored could be up to 20 and in an industrial zone could be up to 100. Deputy City Manager Randy McCaslin identified the one location, Rosecrest, where it posed to be a problem site which caused an enforcement problem for staff with the old ordinance.

Mr. Burnette referred to the new ordinance as one cannot be within the salvage operation or storage area for the vehicle parts. Mr. McCaslin mentioned that situations such as this place a burden on our inspectors. Mr. Burnette explained that all vehicles with any kind of repair need to be either in the building and any storage or parts also need to be inside the building. He mentioned that if they are in a commercial zone they would be limited to 25% of the area of the lot and would have to remain behind the front building line. As he stated, it would have to be behind the imaginary line and behind an opaque fence in lot at least 6 feet in height.

Committee Member Ewing mentioned a business located on Eastchester Drive that frequently stacks tires. Mr. Burnette pointed out that the business is in a business district and is allowed to display the tires on their property, but they are also required to take the tires in every night.

Chairman Golden questioned the difference between the public nuisance side and the amount of time to receive the compliance versus a zoning violation. As staff responds to the public nuisance, Ms. Loosemore pointed out they give 14 days and if they do not comply, staff can go on the property to remove the tires and charge them for it. She stated how the zoning would be a civil penalty if they are not within compliance starting at \$50, \$100, \$200, \$400 and then would elevate to \$400. Mr. McCaslin advised they would then have 30 days to get into compliance.

Some areas needing staff's attention were reported as follows:

- Bowers Avenue
- Cox Brothers Auto Salvage
- Westchester Drive near Cornerstone near Ward Street to Main Street South of the Randolph County line
- 2509 Westchester Drive
- 2511 Westchester Drive
- Prospect Street moving toward the Randolph County line
- Westchester Drive near Lexington and Shore Dry Cleaners
- Red Dot Grocery, 1200 West Green
- Fairview across from the Elementary school

Committee Member Ewing was concerned with a property located on Bowers Avenue near Scientific Street where it has a huge junk car lot to the left of the property. From a zoning standpoint, he was concerned because it was surrounded on all four sides by residential. From

previous inspections, Ms. Loosmore stated she was familiar with the area Committee Member Ewing is referring to because of it being a non-conforming use. Staff explained that since it is of non-conforming use so it can be continued until it goes away or City Council can address specific standards for specific uses and come up with an amortization schedule.

Committee Member Ewing mentioned looking at the satellite images from a year or two ago and noticed there were no cars in the lot across the street at that time. Ms. Loosmore advised that staff would check into this. Mr. McCaslin mentioned it could be an expansion of a non-conforming use.

Mr. Burnette advised there is currently a legislative bill pending in the General Assembly, but the efforts are to reduce the City's ability to go back years' prior for zoning violations. He noted if this legislation passes the City would be required to discover the violation within three years or would not have the right to cite the violation after that time.

Committee Member Alexander raised concerns over the excess amount of used junk car lots in the vicinity between north Westchester Drive also near Cornerstone near Ward Street to Main Street and South of the Randolph County line. He pointed out how extreme where one person could find over 75 places to purchase (*pieces*) of automobiles that would be considered a used car. He stressed how in that kind of neighborhood it is needed to purchase used cars, especially a second car under \$5,000. He also added that from an aesthetic viewpoint, any retail business owner would think twice before moving into an area like this. He also pointed out from Burton to English (which would be less than ½ a mile away) there is another place to buy junk cars.

Council Member C. Davis brought up another point and stated if she wanted to sell her vehicle and did not have enough space in her yard (with it being too small) would she be able to park her vehicle in her neighbor's yard. She gave this as an example as Burton and Westchester with the Auto Detail shop with the parcel.

Committee Member Alexander reported on areas of concern where there are junk yards located on major corridors as people enter High Point and mentioned there is a junk yard with tandem dump trucks that have been buried there for years. Mr. McCaslin stressed the need for inspectors to have a concentrated review of the area that Committee Member Alexander is referring to. Committee Member Alexander also referred to Prospect Street to Ward moving towards the Randolph County line as there is a fenced in lot with high grass at least three feet high and approximately 50-60 wrecked pieces of cars, a house that was burned with yellow tape around it. He then recognized the following companies near that area:

- ✓ Carolina Container
- ✓ Leggett & Platt
- ✓ Future Foam
- ✓ Thomas Built Buses

He stressed how there are probably over 4,000 head of household jobs within one mile of Ward and Prospect and how "nasty" within that stretch it can get. He also expressed when High Point has visitors come in from around the world, it is so embarrassing.

Committee Member Alexander was concerned with excess time spent on the burnt house near Westchester Drive and Lexington and questioned why it has not been torn down yet. Ms. Loosemore assured Committee Member Alexander that staff is aware of the situation and is working diligently on that case; however, since the property owner is deceased it has required additional steps such as advertisement in the newspaper to try to reach out to the heirs.

Council Member C. Davis stated that she had mentioned to both Mr. McCaslin and Mr. Hemann, Assistant City Manager, the overgrown lots and properties behind Red Dot Grocery at 1200 West Green where there is a parking place for cars that is fenced in a residential neighborhood. She also reported on parking lots near there that are also overgrown. Ms. Loosemore responded to Council Member C. Davis' concerns on the overgrown parking lots and stated that unfortunately they are legal, so nothing can be done. With that being said, Ms. Loosemore did mention that zoning does require more research and will have the inspectors see if they are in compliance.

Council Member C. Davis also brought to Ms. Loosemore's attention, a house on Fairview across from the elementary school where Southside would be having a reunion on the 24th and 25th.

At this time, Chairman Golden advised that the discussion was getting away from the agenda matter at hand and asked them to get back on track.

Mr. Hemann suggested to bring back State Code Enforcement for assistance to help with all these cases that our inspectors are not able to handle. Chairman Golden recommended to allow the six inspectors that are currently in place to get farther along on these cases before bringing in State Code Enforcement to assist. Mr. McNair pointed out the City does not have unlimited resources and it becomes a matter of priority. Council Member C. Davis mentioned the rats that have been spotted because of the condition of some of these properties and she stated she would entertain bringing back State Code Enforcement to assist with the cases.

Committee Member Alexander pointed out one of the focal points was to raise property values within the City and everything from the substandard housing to code violations has an effect on that and it would prohibit investment on others. While he expressed appreciation, and respects the jobs the inspectors are doing, he felt there are some neighborhoods that need more attention. Ms. Loosemore pointed out that only one out of the six inspectors that were recently hired had minimum housing experience and mentioned that it takes time to teach all of them about the ordinances, findings, citing, violations, and etc... She asked for Council's understanding during this transitional period.

Council Member C. Davis commented that if the City could find funds to do a project the size of the stadium and give ourselves an internal loan to do so, she believed the City could find enough money to do an internal loan to handle the blight problem. She pointed out if that means we having to bring people in from the State Code Enforcement to help resolve some of those things, then in her opinion that is what the City is supposed to be doing. She noted it is a safety issue, health issue, economic issue and a whole gamut of things.

Discussion – Parking in yards

Council Member C. Davis stated this continues to be a problem and noted although signs are posted, citations are not being issued. She pointed out Evergreen being the most noticeable and other side streets that are not curb and gutter where parking is not allowed.

Mr. McCaslin reported on the status on parking in the yard from the last meeting and what staff could and cannot do. He asked for clarification from Ms. Loosemore if a car was parked in a yard how staff would handle it. Ms. Loosemore explained once staff receives the complaint, they would assess if the vehicle is parked on an unimproved surface (grass or front yard). After that, they would issue the occupant of the home a notice of violation of 15 days. Staff would then go back out to see if the vehicle is still there and issue them a penalty. If the vehicle is not there then the case would be closed out. She stated that the first letter issued to the same occupant would be good for two years after the first violation. As of January 1st for the same occupant it would be \$50, \$100, etc... Mr. McCaslin verified if they refuse to move the vehicle, it would be a progressive penalty and it could not be towed since it was on private property and in the front yard. He then wanted to clarify if it was in the backyard, but visible from the front, it would still not be a violation. He then noted if it is a junked vehicle (not drivable), it could be towed.

Council Member C. Davis pointed out others on Cliffside, Hamilton (depending on the time of day) and Lexington, as she explained many are parking their vehicles partly on their lawn and then on the curb and still parked on the street along Hamilton. As an example, on Evergreen for 20 plus years Council Member C. Davis has been complaining about the parking in the yards. She further explained, the house across the street from hers is now parking where they had no yard, and they are parking their vehicle there because it looks like part of their driveway. She heard from a previous neighbor that they were told to lay gravel down so they would be able to park their vehicles there. She was told that staff made that recommendation. Her question was should staff be making recommendations as such and encouraging residents to put gravel down in their front yards. Ms. Loosemore explained oftentimes when the inspectors cite violations, they are asked how they can bring their property into compliance and staff has to tell them because the goal is to get the property into compliance.

Chairman Golden wanted to know how long ago that was passed. Committee Member Alexander noted it was about six years ago. He also stated when he was on Council back then there were many who complained about residents parking in the front yard as it was complaint driven. Mr. McCaslin advised that the inspectors need to see the violation.

Update on Kirkwood Crossing and Hartley Drive Tax Credit Housing & Discussion on Tax credit Housing Criteria and Other Options for Affordable Housing in the Core City

Mike McNair, Director of Community Development, introduced Craig Stone, Wynnefield Properties. Mr. Stone reported on the status of the Kirkwood Apartments and indicated that they are approximately three months from opening and have not started any of their rental activities due to timing of documents. He mentioned there are 84 units, with 585 names on the list for the 84 units. He expects the list to grow between 1,300 – 2,000 names for the 84 units. He stressed that this proves the overwhelming need for affordable housing.

He also advised that they are working on finalizing the specifications for the Hartley Ridge development and anticipate starting construction within the next 60-90 days. He also confirmed those 84 units would be the first to incorporate one bedroom units, two bedroom and three bedroom units at approximately 900 – 1,200 square foot where he feels confident that they would be well received by the community. Committee Member Alexander expressed that he has heard some positive comments and feedback from neighbors surrounding the Kirkwood Crossing property and even though they were less than excited at first about the development, they were now really excited about the way they look. Mr. Stone pointed out they hope to be a steward for that local community and will continue working together in a partnership.

Committee Member Ewing wanted to know how many of those applicants on the list would actually qualify. Mr. Stone explained they generally like to stop taking applications after they receive 200 because of the associated application fees that they have to charge that would apply. He estimates that approximately 200-400 of those on the waiting list would not qualify.

Committee Member Alexander asked about the turnover rate and Mr. Stone replied initially the turnover would be 10-15% , then after that things stabilize and they generally maintain a high 90% occupancy rate. He explained they do work with long-term residents to help them buy in the single-family home market. He reiterated that they would maintain occupancy and will have an extremely robust waiting list.

Mr. Stone referred to the section 42 Tax Credit law, and as he noted they work with North Carolina Housing Finance Agency. He advised that the process is getting more and more competitive due to tax reform, etc... Generally, they receive about 150-200 applications for projects each year with only 40 awards last year and they anticipate only about 25 awards this year in all of North Carolina. He advised there are some potential changes in Washington that may affect investor markets and noted pricing at \$1.00-\$1.05 last year, while this year it is \$.80-\$.85, which is a radical market change. He reiterated how the applications are highly competitive within the QAP process.

He briefly reviewed the QAP process, scoring criteria (site, site selection, financial structuring, site evaluation, topography, location, access to amenities, rent levels, construction points for materials, architectural design, etc....) and noted each year these criteria change.

He reviewed the round process as follows:

- Preliminary round
- Final application round
- Award is made in August

Mr. Stone advised that one of the significant things for our community is going through the process and if there are 150-200 applications each year with an unknown competition looking at the sites and numbers involved, generally Guilford County gets 1-2 awards each year, although that is not an assurance. He noted how Guilford County generally competes in the Metro zone. He explained in the case of tied applications, they move to tie-breaking criteria which makes it even more competitive. Some of the factors considered in the tie-breaking criteria are Census tract locations, poverty rates, poverty index, etc.....

Committee Member Alexander asked as a city, how things like public transportation could be a consideration because the families in these housing units are at certain economic levels and they need public transportation. Mr. Stone reiterated the process is very difficult and challenging. He advised that the proximity to public transportation unfortunately is not a requirement. He went on to say that they work to produce the most competitive application in the process and although they would love to have their developments near a bus stop, it is not a minimum requirement in the rules. Mr. McNair pointed out many of the people that live in these developments have their own transportation.

Chairman Golden wanted to know if we have made the efforts to consider any other funding sources that do not have such high standards. Mr. Stone expressed he would be advocating for affordable housing and presently working to look at other sources to expand the need. He agreed that staff has certainly worked diligently to leverage available dollars in an effort to magnify the available dollars. He assured the Committee that they are looking at other sources that would allow them to expand the reach and move into other areas of the city. Committee Member Alexander asked if there are any local communities that are going to the general obligation bond market for housing dollars. Mr. McCaslin responded that Charlotte has successfully done this, but with a public-private venture.

Chairman Golden asked Mr. Stone if he stores any data on the applicants in the various zip codes. Mr. Stone replied they do, but they do not maintain or publish this information due to the sensitivity of it.

Chairman Golden stressed not wanting to do more harm than good and not creating more blight in the areas that the city is currently tackling. Committee Member Ewing did not agree and believed it to be the opposite and noted you could have a fully populated area, but no disposable income.

Committee Member Alexander felt there is opportunity. Mr. McNair felt it was important that the Committee not lose sight of the fact that most housing activities would be in those areas of need and de-concentration is needed to make the economy work.

Chairman Golden reiterated the need for other funding sources because it could be used to build in areas such as the Core City that do not qualify. Mr. Stone reported that the CDBG and HUD funding is on the table to possibly be cut from the budget.

There being no further business to discuss, the meeting adjourned at 11:23 a.m. upon motion duly made and seconded.

Respectfully Submitted,

Maria A. Smith
Deputy City Clerk

Jeff Golden, Chairman