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## **MINUTES**

The Holly Springs Town Council met in a workshop session on Tuesday, June 19, 2019 in the Holleman Room of Holly Springs Town Hall, 128 S. Main Street. Mayor Pro Tempore O'Brien presided, calling the meeting to order at 6:00 p.m. A quorum was established as the mayor pro tem and four council members attended.

**Council Members Present:** Mayor Pro Tem Tom O'Brien, Councilmen Dan Berry, and Peter Villadsen and Councilwomen Christine Kelly and Cheri Lee.

**Council Members Absent:** Mayor Sears

**Staff Members Present:** Randy Harrington, town manager; Linda McKinney, town clerk (recording the minutes); Daniel Weeks, assistant town manager; Scott Chase, assistant town manager; Tamara Ward interim communications director; Irena Krstanovic, economic development director; and LeeAnn Plumer, parks and recreation director; Mary Hogan, finance director; John Schifano, town attorney; Sean Ryan, planning. Mark Andrews, communications, arrived around 7:15.

### **2. Workshop Overview**

**Staff Resource:** Randy Harrington, Town Manager

Mr. Harrington gave an overview of the items on the agenda. He said there would be a quick update on the land use plan, then the guests from Triangle J COG would discuss affordable housing. Third, there would be a discussion of the remaining Parks and Recreation bond. Lastly, there would be some housekeeping issues.

### **3. Re:Vision Holly Springs Project Update**

**Staff Resource:** Sean Ryan, Planning and Zoning

Mr. Ryan summarized the rough concept for the Future Land Use & Community Character section of the Comprehensive Plan. He then provided an update on the next steps for this project. The comments have been sent to the consultant and the public draft plan will be available the first week of July. On July 11<sup>th</sup> there will be a public meeting at 6:30 at the Cultural Center. Town staff and the consultant will be there to discuss the plan with the public.

### **4. Housing Affordability Primer**

**Staff Resource:** Sean Ryan, Planning and Zoning

**Guest Speakers:** Erika Brown and Aspen Romeyn, Triangle J COG

Mr. Harrington introduced Ms. Brown and Ms. Romeyn of Triangle J Council of Governments and said that they have worked with other municipalities on affordable housing, and will make a presentation for Council.

Ms. Romeyn said there are two types of affordable housing – “little a” affordable housing and “Big A” Affordable Housing. She said that AMI is area median income and HUD uses that to determine Affordable Housing. She defined “little a” affordable housing as housing costs (rent or mortgage) plus utilities equal to or less than 30% of household income. She defined “big A” affordable housing in relationship to the AMI. Affordable Housing is housing that costs 30% or less of household income for households making up to 80% of the AMI of the area. She said

that legally binding affordable housing is housing with rent control, housing assistance, or other mechanisms that restrict the price. Naturally occurring affordable housing is usually older and/or in a worse area, but is “naturally” cheaper, without legal constraints. She said that the number of rental units available in Holly Springs is lower than other municipalities in the area. She said that a key trend driving the need for affordable housing are the region’s growth. The number of households moving into the region has outpaced or stayed just in line with the number of new units available.

Ms. Romeyn said that about 25% of residents in the 7 counties that make up Triangle J commute to another county for work. About 4,455 people commute in to Holly Springs for work, but do not live here. This could be because of a desire to live near another member of the household’s work place, a desire for a specific school district, or other personal reasons. But it could be because of the job mix in Holly Springs being high on service industry jobs, which do not pay enough to afford to live in town.

Ms. Romeyn said that homes have increased in value (and expense) over the past several years. Low wage workers’ incomes have not gone up as much as the housing prices have gone up. The housing market has remained a sellers’ market and there is a limited supply of housing available at all levels, but especially at the affordable level. Holly Springs housing stock is 91% single family homes, and there are very few choices for downsizing. 0% of Holly Springs housing is 2-4 unit housing. The average square footage of newly built homes is 3900 sq ft, which is very hard to build as affordable housing.

The zoning regulations that are popular now across the state limit the “middle housing” or “life-cycle housing.” Everything between single family housing and large apartment complexes is considered this range. The community needs to have housing that works for all the cycles of their life.

Ms. Romeyn then asked Council to consider the people who provide services to the people who live in large houses, and how to provide housing that they can afford to live in.

Erika Brown then spoke about what local governments can do to support housing affordability.

**Educate** – let people know about existing programs and resources, especially those for repairing and maintaining existing older homes;

**Facilitate** – help get the local development community know that Holly Springs is interested in affordable housing development (particularly on town owned property); streamline rezoning and other entitlements for developers who propose Low-Income Housing Tax Credit projects.

**Stimulate** – streamline the development process; “fast track” projects that provide affordable housing;

**Allocate** – discount publicly owned land for developers; create a housing trust fund to lend money to cover affordable housing developers’ financing gaps; provide match funding to nonprofits that use state and federal funds for home repair programs;

**Regulate** – reduce barriers for missing middle housing; reduce impact fees; reduce parking requirements for multifamily projects that are designated for low-income or older residents;

Ms. Brown then spoke about ways that Triangle J COG can assist local governments with affordable housing planning in some of those areas.

Council then asked questions about what Wake County programs exist that Holly Springs could participate in, and what other municipalities and counties in North Carolina are doing to improve the housing mix in their jurisdictions. Council asked if developers’ attitudes toward affordable housing are changing, and Ms. Romeyn indicated that “regular” developers cannot usually afford to build affordable housing, but there are developers who specialize in the niche market

of affordable housing. She thinks that, as developers see that there is a large market for this level of housing, some of them might start building more affordable units.

Council asked for an update from staff on how the housing mix has changed in Holly Springs over the last five years. How much affordable housing was there, what the mix of single family vs. townhome vs. apartments etc.

Council discussed letting developers know what types of housing we are looking to add to Holly Springs, talking to advisory boards about the mix of housing types that are desirable, and asking the future land use plan consultant to identify places in town where there might be opportunities for in-fill development or other affordable housing opportunities.

## **5. Remaining \$8,000,000 in 2011 Parks and Recreation Bonds**

**Staff Resource:** LeeAnn Plumer

Ms. Plumer said that the town has \$8 in unissued Parks and Recreation Bonds that expire in FY 2022. At the Town Council's February Workshop staff presented the results of a Parks and Recreation survey that gauged the desire of town residents. At the top of the list were additional greenway opportunities and the development of passive parkland. Ms. Plumer laid out the timeline for getting projects to the point where the bonds can be issued. She reiterated the information received from residents regarding what types of projects residents are interested in, and discussed four projects that are either underway or funded: Utley Creek Greenway, Sugg Farm Event Shelter, Woodcreek Greenway Culvert, and Bass Lake Dam/Stream Restoration.

Ms. Plumer discussed the estimated available funding from bond funds, Parks and Recreation Reserves, and possible grant awards, estimating from \$11 million to \$13 million will be available for use during FY 2021. Next she named some projects that the Parks and Recreation Advisory Committee had recommend at their May 9, 2019 meeting. She laid out the existing park inventory in the Town, and showed where future parks could be in order to meet the half-mile service area standard. She showed the location of existing and proposed greenways connecting Arbor Creek to Sunset Ridge North, Woodcreek to Holly Springs Road, and Holly Glen to Utley Creek Greenway to downtown Holly Springs. Staff is looking for particular land for parks in the underserved area, and ways to complete greenways.

Council discussed the percentage of Holly Springs budget spent on Parks and Recreation and wants to look at how to justify spending money on parks and greenways. Councilwoman Kelly thought 20% of the budget seemed high compared to neighboring jurisdictions. Randy Harrington said that moving the debt service out of the general fund may have made the percentage look higher, when it was actually the same as last year. Councilwoman Kelly wants to know what to do moving forward to be sure we are serving the residents properly.

Ms. Plumer said she would look at the per person cost of Parks and Recreation, which is a better number for comparison, and the services that Holly Springs offers compared to other municipalities.

Direction was given to hire a consultant in order to apply for the grant, look at the exact placement that would be best, and evaluate land possibilities.

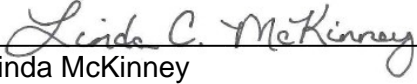
Ms. Plumer said that there was money in the budget to identify greenways and erect signage to guide people when a greenway ends and goes back to a sidewalk.

**6. Parks and Recreation Advisory Committee** – Council directed staff to reach out to applicants who applied to the Parks and Recreation Advisory Committee last fall and ask them if

they want to reapply, and also to reach out to current applicants to let them know when a decision will be made.

**7. Adjournment:** There being no further business for the evening, Motion to adjourn was made by Councilman Villadsen, second by Lee, and passed with a unanimous vote. The June 19, 2019 meeting of the Holly Springs Town Council was adjourned at 7:52 pm.

Respectfully Submitted on Tuesday, July 16, 2019.

  
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Linda McKinney  
Town Clerk