

Hi, my name is Marcia Perritt. I am representing the Chatham County Affordable Housing Advisory Committee, a county appointed citizen advisory group. Thank you to the Chatham County Commissioners for allowing us to address the Board this evening.

I am here today, as a representative of this Committee, to comment on the proposed amendment to the Compact Communities Ordinance (CCO), and to urge you, as County Commissioners, to maintain a commitment to providing affordable housing within Briar Chapel by not adopting the proposed amendment as it is currently written.

Tonight, I would like to address some of the concerns that you as Commissioners may have regarding this Ordinance, and to relay to you why workforce housing is an investment in both our economic future and the well-being of Chatham families.

First, to begin this discussion, it's important that we as a community recognize what market the affordable housing in question would ultimately serve. The affordable housing in Briar Chapel would serve residents who earn less than \$55,000 annually, which is 80% of our area median income. In Chatham County, this means our local school teachers, police officers, daycare providers, in-home health aides, mechanics, nurses, firefighters, and many of our small business owners. As a general rule, they will need to buy houses that are priced well below \$200,000 and which are well constructed, in good repair, and offer the hope of appreciation in value.

Access to homeownership remains, and will continue to be, a pressing need in our community. And nowhere is this need more urgent than in the northeastern part of the County, where the median price for a new home has remained the highest in the county. Now, there are some opportunities for affordable homeownership in Chatham County, but these opportunities are largely concentrated in the southern and western parts of the county. And unfortunately, this presents a spatial mismatch between where affordable housing is available and where jobs are available. There is a core belief in this country is that if you work hard and you play by the rules, you should be able to afford a decent home for your family. But, as we discussed in our last presentation before the Board, this isn't true for many Chatham County residents who work full-time and still don't earn enough to afford a mortgage on a market rate home, particularly in the northeastern part of the county, and particularly in a community like Briar Chapel, which offers onsite schools, parks, opportunities for recreation and exercise, and a neighborhood design that promotes a strong sense of community and social connectedness.

By providing affordable workforce housing in Briar Chapel, we can anticipate that the benefits of this housing will multiply. When people are able to live near their place of work:

- They spend less time commuting, thereby decreasing costs associated with transportation and childcare.

- They can experience a greater sense of community, spending more time volunteering in their children's schools and becoming more involved in their neighborhood and other causes.

But perhaps the most important reason to provide workforce housing is the positive impact that it has on children. We can all agree that children deserve a safe, stable home and community. Children who live in stable housing experience fewer health problems, perform better in schools, and are more likely to succeed socially. In addition, research shows that when families live in safe, decent homes, adults are more successful in the job market and are far more likely to keep their jobs and maintain family income.

It's also important to note that in affordable housing programs for workforce families, like the one that currently exists in Briar Chapel, potential buyers go through a rigorous qualification process, which includes homebuyer's education and financial management classes. Furthermore, the house itself cannot be flipped, and will remain affordable into perpetuity. Thus, workforce families who will be living in Briar Chapel will be stable and dedicated members of their community, perhaps even more so than many other buyers.

In addition to the tremendous benefit that workforce housing provides for families who are already living in Chatham, access to affordable housing is a tool for economic development. Businesses and other industries will be more confident in locating their operations in Chatham County because they will know that workforce housing will be available to their employees, with the added benefit that these affordable homes will be located in a community that offers such a high quality of life like that of Briar Chapel. In that way, workforce housing is a catalyst for economic development.

Of course, it is important to acknowledge that the lack of workforce housing in the northeastern part of the county is not the only housing-related need in Chatham. There are other issues, such as homelessness, affordable rental housing, more housing for seniors and for persons with disabilities, increasing energy efficiency of homes, and the need for repairs and maintenance of the existing housing stock. We as a committee appreciate the passion and interest that you as Commissioners have shown toward these issues in recent months. These are issues that demand and deserve our attention, and right now there are concerted efforts underway to address these needs. For example, the Regional Committee to End Homelessness, a group of non-profit agencies, is spearheading an effort to apply for Continuum of Care funding, which, if awarded, would provide financial assistance to the county in addressing problems related to homelessness. In addition, as a result of the hard work and leadership of Sybil Tate, the county recently received funding to repair the homes of low-income residents in Chatham. Local non-profits such as Habitat for Humanity and Rebuilding Together continue to rehabilitate homes and build new ones for low-income individuals. Also, Powell Springs Apartments, which just opened in Pittsboro, will provide much needed affordable rental housing for seniors and persons with disabilities. Chatham

County is very fortunate to have a group of dedicated citizens and non-profit agencies working together to address the housing issues throughout county. Nonetheless, workforce housing remains a pressing issue in Chatham, particularly in the northeastern part of the county, and this an issue in which funding opportunities are far and few between.

The Compact Communities Ordinance lays the groundwork for the opportunity to provide home ownership in a part of the county where many residents work, but cannot afford to own a home. Workforce home ownership is part of a comprehensive, long-term housing strategy and without the Ordinance; this need will not be addressed. It is important that we as a community not pit different housing-related issues against one another, but be strategic in allocating our resources toward those needs that are not currently being met through other efforts.

We identify with the Board's concerns that the Ordinance is moving at a slower than expected pace. It is important to note, however, that some of the language in the proposed amendment does not accurately represent the history of the ordinance thus far. In reading the amendment, one might presume that all eighteen lots that have been platted and set aside for affordable housing have remained vacant for the past seven years, when this is simply not the case. Three lots were platted and conveyed to a non-profit developer less than two years ago, two of these lots were given back to the county this past fall, and have not yet been conveyed to any non-profit builders at this point.

It is important to note that the housing market as a whole has been abnormally slow over the past four years, and that this slowdown has affected both developers of affordable and market rate housing alike. The market, however, is starting to pick up, and we can anticipate that need for affordable housing in the northeastern part of the county will reach or even exceed 2005 levels in the future.

In late 2011, the BOC asked AHAC to explore the future of the CCO. The report that AHAC delivered in January 2012 has several recommendations that have not been implemented, such as a short-term lot release and replace strategy, and which do address your concerns. We ask you to revisit the recommendations in that report.

We as a Committee strongly believe that no major modifications to the ordinance should be approved until more time is set aside to produce a comprehensive housing plan with public participation. As the proposed amendment is written, the payment in lieu is in no way guaranteed to be allocated to the myriad of housing issues that exist in the county. We believe that it is important that any proposed amendments to the Compact Communities Ordinance clearly identify how any future funding might be applied.

As it is currently written, the language of the proposed amendment leaves many questions unanswered – for example, how will the funding from the payment in lieu be prioritized?

Who will decide? According to what process? Who will oversee the expenditure of any such funding?

The AHAC believes that these questions are in need of answers before any amendments to the CCO are adopted. In addition, the proposed amendment calls for valuing a lot through open-ended negotiations between the developer and the BOC. Our Committee believes that the exclusive use of a professional appraiser, certified in NC, makes better economic sense from the public's perspective and gives the public assurance that the process is fair.

Clearly, more time is needed to carefully consider the substantive changes in the proposed amendment to the Ordinance. AHAC believes that workforce housing in Briar Chapel can work. We would like time to draw on the expertise of the developer, builders, realtors, and non-profits to make it work in reality. We do not believe that all options have been thoroughly explored and we respectfully ask for more discussion and planning before any modifications to the ordinance are adopted.

In maintaining a commitment to affordable housing within Briar Chapel, we could affirm Chatham County's position as a leader in best practices in providing housing for our workforce and would also ensure that those residents who perform services that are vital to our community – police officers, nurses, small business owners, day care providers, and teachers – are able to work AND live in Chatham County.

The Affordable Housing Advisory Committee is very appreciative for this opportunity to address the Board and express our concerns regarding the proposed amendment, and we look forward to continued dialogue with you on this very important issue. Thank you.