



County of Dare

P.O. Box 1000 | Manteo, NC 27954

MINUTES

DARE COUNTY BOARD OF COMMISSIONERS

SPECIAL MEETING

To conduct a workshop to discuss housing alternatives in order to address the essential housing needs of the community before the Board of Commissioners

Dare County Administration Building, Room #168, Manteo, NC

1:00 p.m., September 16, 2019

Commissioners present: Chairman Robert Woodard, Vice Chairman Wally Overman
Rob Ross, Jim Tobin, Danny Couch and Ervin Bateman

Commissioners absent: Steve House (attended via telephone conference connection)

Others present: County Manager/Attorney, Robert Outten
Deputy County Manager/Finance Director, David Clawson
Public Relations Coordinator, Sara Small
Donna Creef, Director of Planning
Clerk to the Board, Cheryl C. Anby

At 1:06 p.m. Chairman Woodard called to order the Special Meeting with appropriate prior public notice having been given. He noted Commissioner House had a conflict preventing him from attending the workshop in person; however, he was connected to the conversation with a conference phone connection.

Chairman Woodard asked each of the attendees to introduce themselves. Among attendees were: Karen Brown, President of the Outer Banks Chamber of Commerce, Pat Broom, Chairman of the Board of Directors for the Chamber, Bob Peele, Wanchese Marine Industrial Park, Sumit Gupta of SAGA Realty & Construction, and George Carver, Executive Director of Dare Minority Coalition, Inc. The sign-in sheet for meeting is on file with the office of the Clerk.

Karen Brown, from the Chamber, began the conversation providing the background of the Chamber's work since 2017 which began with surveys revealing that housing was the number one problem for the area's business community and their employees. They looked at zoning in all of the municipalities and some possible changes and flexibility in some of the ordinances. Some years ago the Outer Banks Community Development Corp. had worked on this issue. The Chamber presented the conceptual site development plan prepared by Bissell Group which maximized the density of a proposed development referred to as Bowerstown.

George Carver, Exec. Director of Dare Minority Coalition, Inc., stated Dare County was the fourth richest county in North Carolina per capita but yet there were only three affordable units, two in Manteo and one in Kitty Hawk. He welcomed the opportunity to join the

affordable housing conversation and noted one obvious issue was the cost of land in the area.

The discussion included the terms of “accessible” which defined by Mr. Carver was the monthly housing cost of less than 30% of a household income. He added the NC Housing Coalition indicated 35% of homeowners could not afford to pay their mortgage and 40% of renters could not afford to rent. Currently there was a seven-year waiting list according to the state-maintained list for subsidized housing options.

Commissioner Tobin remarked land cost was a key issue. With the high cost of land, the ability to build a low-cost, affordable house was difficult especially as contractors also wanted to realize a fair profit.

Karen Brown provided information about the County-owned parcel off California Lane, known as Bowsertown, where the recent wetlands delineation increased the buildable property area. The site plan had 42 units within 22 two-story structures. The project’s feasibility assumed the ability to tie into the Manteo treatment system along with receipt of some affordable housing bonuses. The homes would be designed for annual incomes of approximately \$50,000, with month housing costs of \$800/1,200 per month. Depending upon the number of bedrooms, the living space would average 1,100 sq. ft. per unit. Mr. Carver indicated the community groups he was focused on typically averaged incomes of \$32,000 a year or less.

Commissioner Tobin noted a concern regarding Manteo’s guidelines for density. Chairman Woodard offered another option would be the design of the site as studios and reducing the living space to 600-700 square feet to get more housing units. Pat Broom added there were certainly other possibilities and configurations of the conceptual plan.

Mr. Outten offered when the area of the Bowerstown site had been reviewed before with the CDC, developers had come up with a very similar plan and the number of units speculated had not been significantly different. Developers had been looking at the site to create affordable housing within the guidelines at the time. It was noted although the parcel was five acres; much of it was wetlands coupled with a state-owned boat launch to be considered. With the old site plan, the waste water cost was expensive.

Mr. Peele offered there could be federal money applied for in order to improve and expand waste water projects. It could help the Town of Manteo in any application for federal money to improve their system to have a proposed housing project incorporated with their request.

Mr. Malcolm Fearing mentioned there had been an extensive amount of information gathered in the past by Coastal Studies, as a nearby parcel had once been utilized as an area landfill or “brown field”. Remediation of that parcel could provide more buildable property. He said the County had those studies for reference. Mr. Outten acknowledged there had been reports on the area; however the anticipated cost for remediation had outweighed the benefit for a proposed park in a previous consideration.

Commissioner Bateman referenced the proposed \$50,000 income for Bowerstown was not a realistic bracket for a large number of the people who needed housing options and he noted many residents have yearly incomes between \$22-30 thousand and some were actually County employees. The maximum they could afford would be \$850/month for housing and

that group needed to be targeted for consideration in future plans. He added Boone, North Carolina, near Appalachian State University, had created four-tier high units for students ranging from \$650-950/month.

Chairman Woodard stated there were three different levels of housing needs. Some consideration had been given to use of the local old hotel for housing in the \$30-35,000 budget range.

The discussion of the group outlined housing issues concern not only seasonal employees but year-round employees, such as teachers and fireman. Mr. Outten added the County often struggled to employ high-end talent due the area's cost of housing. Commissioner Ross raised the question of conformity in definitions such as (1) student housing (a new concern raised in workshop), (2) the seasonal talent pool, (3) full-time workers such as teachers, banking institution, government workers, etc., and (4) those earning less than \$32,000/year affordability. The consensus was student housing was not necessarily the group concern at this time. Commissioner Bateman agreed it was important to keep the housing affordable within an \$800-\$1,200 monthly range. Chairman Woodard offered there could be a blended or mixed use of the Bowerstown project to address both the seasonal and full-time employees. Pat Broom, explained the presented project was based upon the targeted needs and concerns of Chamber members in the area and to get the conversation started regarding the housing issue. The project was high end in part due to the water views, wetland considerations and the location in Manteo.

Mr. Fearing mentioned if the land was already owned by the developer it would become more feasible to make the housing affordable. There are companies in other areas competing for housing where the financial programs have tax consequences making it more feasible. He also referred to a HUD project, Bay Tree, which had been completed sometime ago with subsidies for elderly housing. He suggested the rehabilitation of old homes or mobile homes as additional housing solutions to investigate.

Chairman Woodard noted Donna Creef would continue her research on what other like-kind communities were doing and she would provide the Board with information as it came available. One of the projects reviewed was a community very similar to Dare located in Wilmington.

Mr. Carver clarified his organization was non-profit and typically worked with land donations. He offered the realized write offs were usually higher when working with a nonprofit organization and the money saved could be used in improving the quality of the homes built.

The group also touched on the area cost-of-living versus the wages realized which caused some people to have roommates in order to meet housing costs and their associated utilities. Others mentioned the inventory was available, but a large number of homes or spare rooms in homes were rented through companies such as Airbnb. The 2020 census may give insight into the area's income levels.

Others mentioned pet ownership caused additional obstacles for renters. Mr. Gupta stated 75-80% of the renters in Kill Devil Hills' apartments had pets and maintenance there was high. He noted the number of people with pets in Dare County was greater than the national average. In order to service the large number of tourists here Mr. Gupta added would require

different housing for seasonal and fulltime residents. He stated land was typically 5% of the construction cost and to get the land free was not going to have a game-changing effect. The cost of building one house at a time would have higher cost factors to consider and he did not believe the monthly rental or mortgage costs could be reduced to accommodate affordable housing needs without government subsidy. He added dormitories would be a good solution for seasonal housing.

Chairman Woodard noted there would be a Public Hearing today at 5:00 p.m.; and the Board would later be able to make a decision on a few zoning items to stimulate the activity to encourage essential housing. He stated the Board would continue in a proactive conversation and future actions to work towards solving the housing needs of the County.

Pat Broom, from the Chamber, acknowledged the Bowerstown project certainly would not take a large bite out of the number of affordable home focus areas, but it would be a start. She stated the next phase of a proposed long-range plan would be for the County and County stakeholders to decide what sort of public/private entity would be needed to own the project in the long-term basis, perhaps with outside resources.

Commissioner House noted the conversation for the housing issue was heading in the right direction with many good ideas discussed in the workshop and the conversation needed and would continue.

Mr. Flynn directed the group to continue to consider the runoff from new developments while addressing the housing market in order to preserve the water quality.

Chairman Woodard thanked County staff, the Chamber and all of the participants in the conversation and at 2:36 p.m., the Board of Commissioners adjourned the Special Workshop.

Respectfully submitted,



By: _____

Cheryl C. Anby, Clerk to the Board

APPROVED: _____

Robert Woodard, Chairman
Dare County Board of Commissioners

Note: Copies of supporting material considered by the Board of Commissioners at this special meeting are on file in the office of the Clerk to Board.