

Affordable Housing Speech on Compact Community Ordinance to County Commissioners

[March 23, 2004]

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I want to congratulate the planning board and the county commissioners for supporting the requirement that at least 5% of units must be affordable for low- and moderate-income households and that affordable housing must be located on-site

Alternative C provides sufficient flexibility for the developer since it allows, with approval of the commissioners, up to one-half of the affordable housing units to be located off-site.

The proposed option D, on the other hand, would allow developers to locate all of the affordable housing off-site, away from the compact community. This would result in high-growth areas of the county quickly becoming unaffordable for low-to-moderate income households. This is unacceptable because it would essentially defeat the purpose of the compact community ordinance: to avoid traffic congestion and to encourage a mix of housing prices so that low-to-moderate-income households are not priced out of the high-growth area and isolated in locations farther and farther away from centers of employment.

When we talk about smart growth or compact growth, there seems to be a tendency to attach ideological labels. Anti-growth vs. pro-growth, environmentalists vs. property rights advocates. But when it comes to smart growth and affordable housing these labels are irrelevant.

I want to read you a quote and let you try to imagine who might have said it:

“Opponents of Smart Growth imply that the current, sprawl generating system, left to its own devices, would produce enough affordable housing to meet existing demand. Housing experts disagree, however. Last January, for example, Fannie Mae CEO Franklin D. Raines warned that a widening gap between housing ‘haves’ and ‘have nots’ is leading toward a serious housing affordability crunch. Already in many regions, wage earners must drive once unthinkable distances into the hinterlands to find mortgages for which they can qualify. Ensuring that housing is affordable for the full spectrum of incomes is a central tenant of Smart Growth. To that end, the supporters of this evolving movement are trying a number of different techniques to broaden access to housing of all types, not just anywhere, but where it’s needed most: the close [???] and amenities.”

No, this is not the voice of the Sierra Club, or even a Smart Growth organization. It is, in fact, the National Board of Realtors, which is on the record supporting compact communities as a vehicle for assuring affordable housing.

Indeed, other proponents of smart growth include federal agencies, the State of North Carolina, and Triangle J Council of Governments.

Chatham County, like much of the nation, is facing a severe “affordability” gap in housing. As the census map illustrates, this is particularly true in the northern and eastern parts of the county where residential growth pressures are occurring.

There are two ways to address the gap: increase wages of workers or reduce the cost of housing. This county desperately needs a new economic development plan to help bring in more decent jobs offering good wages. But until that happens, we can address the housing affordability gap by stabilizing housing prices in one of two ways: 1) reduce size and quality standards through the use of modular homes – unfortunately, we already are doing that with 30% of the county’s residential units consisting of mobile homes; or 2) raise residential densities in compact communities where affordable housing is required on-site as part of the approval process. That is what we are trying to do with the compact community ordinance.

Requiring affordable housing inside the compact communities also helps to ensure that the high-growth areas remain economically diverse. Imagine the town of Pittsboro, for example, with no affordable housing. The CCO will be much larger. Without affordable housing in the compact community, the result would be what planning board member Angela Brown so eloquently spoke about – low and moderate income households forced to live further and further away from employment centers as the cost of housing increases. It would also mean that those households would contribute to further traffic congestion and have to pay a higher transportation costs as they would commute further distances to work. For example in uncontrolled metropolitan sprawl areas, such as Houston and Atlanta, transportation costs average 22-25% of family incomes.

Traffic is already a major concern for the majority of residents of eastern Chatham who commute daily to jobs outside the county. If residential housing in northern and eastern Chatham became unaffordable to them, their commuting distances would increase even further and traffic congestion would be exacerbated.

The current alternative C gives more than sufficient flexibility for developers to meet the affordable housing requirement. To meet the concern of Habitat to provide for families below 50% of the median family income level, CCEC is not opposed to tweaking alternative C to address their clients’ needs. But if that is to be done, I would make a strong plea that any affordable housing built off-site be located within a reasonable distance for the compact community – say five miles. Otherwise, we are defeating our own economic development goals--- to provide affordable housing near those centers of economic activity where growth is occurring.