Duke
NORTH CAROLINA LEADERSHIP FORUM

2023 Report

Conversations on Housing in Western North Carolina

Contents

Conversations on Housing in Western North Carolina

Introduction: The Problem, Process, and People

The Challenge

Although North Carolinians have always had significant political differences, they have historically exhibited a practical, problem-solving mindset to politics. However, the tenor of the times has become highly partisan, and like many other states, North Carolina finds itself sharply divided. Progressive and conservative leaders often depend on different media and social media outlets, operate with different facts and beliefs, don't engage substantively on a regular basis with people with whom they disagree, and all too often assume the worst about the motives of others. For these reasons, our leaders are less willing and able to work together to create widely embraced solutions and opportunities for our state and its people. Our aim is to help bridge this divide.

Our Approach

The North Carolina Leadership Forum (NCLF) seeks to create constructive engagement between North Carolina policy, business, and non-profit leaders across party lines, ideologies, professional experiences, and regional perspectives. A program of Duke University, NCLF has been bringing together cohorts of NC leaders since 2015. In 2021-2022, NCLF implemented its first pilot of regional cohorts, based on its statewide model, with programs that included leaders from 5 counties in Western NC (WNCLF), and 5 counties in the Triad (Triad LF).

NCLF focuses on leaders, both those engaged in regional policymaking as well as leaders in business, nonprofits, and local communities. For each cohort, we provide an opportunity for these diverse leaders to:

- Build authentic relationships based on trust and understanding through frank, civil, and constructive discourse, and

- Significantly deepen understanding of an important, complex, current issue and the underlying values and concerns of others without diminishing one's own or another person's point of view.

> The overarching goal of NCLF is to develop a critical mass of civic policy leaders who have the will, the skills, and the relationships to work constructively with others of different political parties or ideologies.

Our Method

Over the course of several months, in a series of face-to-face, full or multi-day meetings, with occasional online gatherings, we work to:

1. Increase participant understanding of their own and others' concerns and values that underlie their varying views about the issue;

2. Establish a shared understanding of the nature of important problems and the relevant facts;

3. More clearly articulate the benefits and inherent downsides of proposed ways to address concerns;

4. Identify points of agreement about proposed actions to address concerns;

5. Examine and seek to understand the values, perceptions and experiences that underlie the most polarized disagreements about the proposals;

6. Build authentic relationships among leaders of different political parties and ideological views, as well as across sectors, geography, and demographics; and

7. Create a foundation for future collaboration among their fellow participants.

Adaptation to Regional Forum

Building on the success of our statewide program, NCLF concurrently facilitated two regional programs on the topic of access to adequate housing. We identified the Western region of North Carolina, and five selected counties—Buncombe, Haywood, Henderson, Madison, and Transylvania—in particular, as a place where:

- Local and regional problems are highly specific and can be addressed through the NCLF model

- There are leaders of both parties who have the potential to engage with each other constructively in the future around urgent issues

- Leaders at the local level are also already or could become statewide leaders

- Growth in the region and tension between urban and rural populations contribute to the need for new approaches to constructive engagement across counties

In order to maintain a critical mass of leaders from each county, we invited leaders from the five counties to participate in a cohort of about 34 people. With the regional forums and a reduced need for travel to meetings, we changed the length of the forum from our statewide program from four two-day meetings to five one-day meetings. In addition, NCLF included time to facilitate group discussion of steps to accomplish proposed solutions, believing that our regional participants would have a strong interest in moving collectively to implement the results of their discussions.

The Question Addressed

The 2022 Western North Carolina Leadership Forum addressed the topic of housing, asking:

How can we increase access to adequate housing in Western North Carolina?

NCLF intentionally selected the phrase "adequate housing" to encompass a broad range of concerns in the area around housing. While "affordable housing" was a frequent sub-topic, the group's conversations included housing for a range of income-levels, approaches to housing from the public and private sector, and all elements that make housing and communities livable and vibrant.

The Leadership

The NC Leadership Forum convenes a [statewide steering committee](#) to advise the format and focus of its programs. To replicate this approach, NCLF recruited a WNCLF Regional Advisory Committee, made up of leaders with regional knowledge. This group helped to identify and recruit participants, attended sessions, provided feedback in debrief sessions, and modeled participation in the program.

The Facilitators

During regional programming, WNCLF contracted with a diverse team of facilitators who were neither participants nor Advisory Committee members, but local leaders who led constructive discussion.

This was the first time that NCLF has worked with facilitators in this capacity, and we partnered with a third-party to develop and provide training prior to the program on the NCLF model and effective facilitation techniques. This third-party consultant and the facilitation group planned and led the program's five sessions, along with Leslie Winner (NCLF Co-Chair) and NCLF staff and in consultation with the WNCLF Advisory Committee.

The Participants

The 2021-22 WNCLF program began with 34 participants. Some of the participants are deeply engaged in working on adequate housing, and some are more generally engaged in the development of public policy in Western North Carolina. The group included elected representatives from the State Senate, various county commissioners, and mayors and city council members from local municipalities. Furthermore, the group included leaders from philanthropic, nonprofit and grassroots organizations, as well as business leaders from banks and local sectors, including development, farming and tourism.

Politically, the group included 13 Democrats, 14 Republicans, and 6 unaffiliated participants. Geographically, the group included 14 participants from Buncombe County, 4 from Haywood County, 8 from Henderson County, 4 from Madison County, and 3 from Transylvania County. During the selection process, the steering committee based the number of participants from each county on the proportion of the total regional population that specific county accounted for. In addition, WNCLF participants were approximately half women and half men, and represented the racial diversity of the populace of the local area.

For a complete list of the 2021-22 WNCLF participants, see Appendix A.

The Process

Overview

The group gathered for five one-day meetings between December 2021 and May of 2022, including an online data briefing in January 2022. Meetings were held throughout Western North Carolina, featuring sessions in Fletcher, Waynesville, Brevard, Mars Hill, and Asheville. All NCLF meetings operate under the Chatham House Rule:

When a meeting, or part thereof, is held under the Chatham House Rule, participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed.

The program progressed as follows:

- Establish ground rules for constructive engagement, and engage in exercises that encourage members of the cohort to build relationships and trust amongst one another.

- Identify the broad array of concerns related to adequate housing in Western North Carolina, and the core principles that participants value regarding adequate housing.

- Develop a shared knowledge base by establishing basic facts and a greater understanding of where the complexities lie.

- Establish the overarching concerns related to the topic. Identify and discuss potential options to address each of these concerns, including benefits and drawbacks of each option.

- Determine the extent of agreement and disagreement about the proposed options and the levels of tolerance for their downsides.

- Identify the actions about which there is a consensus. For those actions that have substantial but not complete support, determine how they could be modified to broaden support.

- Dig deeper into the options that generated the greatest amount of disagreement to allow participants to articulate deeply held views, further understand others' viewpoints, and to practice skills in constructive engagement.

- Define what next steps should be taken to work towards adequate housing in Western North Carolina, with participants having the option to step up and volunteer leadership on different proposed solutions to this topic.

At the start of the WNCLF sessions, NCLF also paired and connected cohort members with a "buddy"- a fellow WNCLF participant who holds differing ideological views. This exercise helps to enable connections among individuals who may not otherwise have interacted in a meaningful way. Throughout the entirety of the forum, NCLF encourages these paired "buddies" to continue their conversations outside of required sessions.

While a typical NCLF forum doesn't focus on defining next steps to address the topic, because of the WNCLF cohorts' close local proximity and the urgent nature of the topic, participants had a strong interest in developing immediate next steps based on their discussion. At the conclusion of the program, the cohort discussed possible strategies to implement the discussed solutions in their communities and the group chose to reconvene six months later to discuss progress and plan further action.

Session 1: Identifying Areas of Concern, and Things Held Valuable Related to Housing

The first meeting of the cohort convened at the WNC Agricultural Center in Fletcher (Henderson County). After establishing ground rules in addition to the Chatham House Rule, all members of the cohort shared a personal story about a transformative moment that shaped who they are today. This exercise allows members to get to know and connect with each other beyond their professional positions and to build trust. Participants approached the exercise with vulnerability and open-mindedness, and listened to each other intently. This remarkable experience created a foundation for conversations to come.

Next, participants addressed concerns that they and others in their communities have about access to adequate housing in Western NC. After discussing concerns, cohort members had a conversation about what they held valuable regarding adequate housing in Western North Carolina.

In addition, a panel provided local context for housing needs. The local panel included a county planning director, a regional manager for a local developer, and a representative of a housing nonprofit for Henderson and Buncombe counties.

The session ended with the WNCLF cohort members attending a reception at the Hilton Asheville Biltmore Park.

Online Session: Data Related to Housing in Western NC

In January, NCLF postponed a planned meeting and convened briefly online, due to rising cases of COVID-19. Over Zoom, we discussed data trends occurring locally, statewide, and nationally which impact adequate housing. The Executive Director of NCLF presented information to support the discussion, drawing heavily on a Housing Needs Assessment commissioned by the Dogwood Trust and produced by Bowen National Research. Discussion focused on which data confirmed or rejected participants' previous assumptions, what concerns the data raised, and what further data the group would like to have.

Session 2: Identifying Areas of Concern, Prioritizing Values, and Initial Actions related to Housing

Our conversation continued in Waynesville (Haywood County). The cohort first focused on what values are most important to them regarding adequate housing. To do this, participants ranked the importance of values regarding adequate housing and compared their values to others in the room using instant polling. In addition, participants took part in a "Where do you stand?" exercise, allowing them to physically move to a spot in the room that represented their viewpoint on the question presented and to discuss why they were standing where they were.

Participants then broke into small groups and considered what adequate means. Some of the questions considered included: What are the characteristics that are necessary for housing to be adequate? What are facets of housing that are "nice to have" but aren't included in basic adequacy? What are items that fall between necessary and "nice to have" that differ amongst the group?

Then we narrowed down the list of concerns developed in Session 1 to determine the cohort's main concerns and to determine which concerns would be most beneficial to focus on going forward.

The cohort then brainstormed actions which would address the first two concerns selected: "There is a lack of supply of rental housing that is affordable and stable for tenants and/or sustainable for landlords" and "Counties lack sufficient infrastructure to support growth" and identified which actions would be most important to analyze in the next session.

Session 3: Solutions, Benefits and Tradeoffs for Our First Two Concerns

During our third session at Brevard College (Transylvania County), we focused on having the group develop solutions to address the third primary concern from the prior session. Participants were asked to consider:

> *How can we increase the housing supply that the workforce and other middle income households can afford, and also protect what we value about our communities and neighborhoods, in a way that addresses or decreases community resistance to the additional housing?*

Before proposing actions, participants reflected on times they or others have been in favor of or opposed to a controversial new development.

Then the cohort developed actions to address the concern and identified which actions would be most important to analyze in the next session.

Finally the group dug deeper into several of the actions they had selected as most important to discuss related to their rental housing and infrastructure concerns. The group considered the upsides and downsides of each action proposed, and participants then indicated how strongly they supported or opposed the action, and to what extent they could tolerate the downsides, using polarity charts.

Session 4: Solutions, Benefits and Tradeoffs of Final Concern

Participants began the fourth session at Mars Hill University in Madison County by voting on which solutions were the most important to analyze in-depth with regard to the third concern topic, then discussed how they would implement two actions that had arisen in multiple contexts: changing zoning to enable higher density housing development, and building a public relations campaign to build support for developing housing in their communities.

During their discussion, participants considered the values they had identified, who would need to be involved, and what steps would be necessary for these initiatives to come to fruition. At lunch, the group took a walking tour of the University's Nursing School. Participants then discussed implementation strategies regarding two other solutions raised earlier in the program: funding infrastructure and promoting Section 8 rental assistance.

Session 5: Polarized Perspectives, Success Going Forward

The program concluded in downtown Asheville (Buncombe County). Participants worked in small groups to develop work plans on their top 6 actions, based on an online survey about which proposed actions participants thought were the most important and on which they were

prepared to take action. Questions included what next steps would be to make the action happen, what is already happening, what could be added, what is not working, who needs to be involved to move the plan forward, what additional resources are needed, and who from the group would be willing to take the first steps to move the idea forward.

In closure, participants discussed the relationships they had developed and how their views had changed throughout the course of WNCLF. Then, participants were given an opportunity to reflect on how the program would inform their own leadership going forward and to give NCLF feedback on the WNCLF program. We concluded the cohort with dinner together at a local restaurant and celebrated with their graduation from the WNCLF program.

Context: Adequate Housing in Western NC

NCLF selected five counties in Western NC: Buncombe, Haywood, Henderson, Madison, and Transylvania counties. Four of these counties (with the exception of Haywood) are in 'The Land of Sky' Council of Governments. This area was selected because it has leaders from both political parties, is large enough to recruit a dynamic group of leaders, it already has a vehicle for cross-county coordination that could be enhanced, and the counties have both overlapping and conflicting interests concerning housing. The NCLF relied heavily on a Housing Needs Assessment produced by Bowen National Research and funded by Dogwood Health Trust to inform the group's knowledge of the population and housing demands of the region.[i]

In recent years, the population of all five counties has grown, collectively outpacing North Carolina's population growth, and population growth is expected to continue. For example, Buncombe County, the metropolitan center containing the city of Asheville, has grown over 21% since 2000 – now home to approximately 272,000 people.[ii] In addition to population growth, Western North Carolina continues to be a popular tourism destination, attracting nearly 11.1 million people annually.[iii]

In recent years, the area has become popular among higher-income people, both retirees and working adults, who have drastically increased the cost of living in the region. Median household income in Buncombe, Haywood, Henderson, and Transylvania, for example, has either outpaced state income growth or will over the next five years. At the same time, about 50% of the homeowners in the region earn under $60,000/year, and are now being categorized as economically vulnerable because of the stiffening competition for housing.[iv] Moreover, 50% of minority households earn below $40,000/ year as compared to 40% of white households, displaying vulnerability among racial lines as well.[v]

According to the Bowen Housing Needs Assessment, the region's growth is expected to remain significant for the foreseeable future. The study's housing gap analysis shows that based on current growth projections, the region needs somewhere between 13,000 to 14,500 more rental units, including 5,500 for seniors, and somewhere between 3,000 to 9,000 homes to accommodate homeowners.[vi] This gap is expected to continue rising, as jobs continue to move to the region, tourism increases, and remote work continues to be common.

Both the cost of rental and owning a home are rapidly increasing in the region. From 2016-2020, the median value of owner-occupied homes ranged from $185,600 to $250,600 in Buncombe County. The median sales price of new homes during this period, however, has been much higher—reaching around $400,000 in Buncombe County by December 2020 and continuing to climb in subsequent years, reaching above $500,000 recently.

Owner Occupied and Renter Occupied
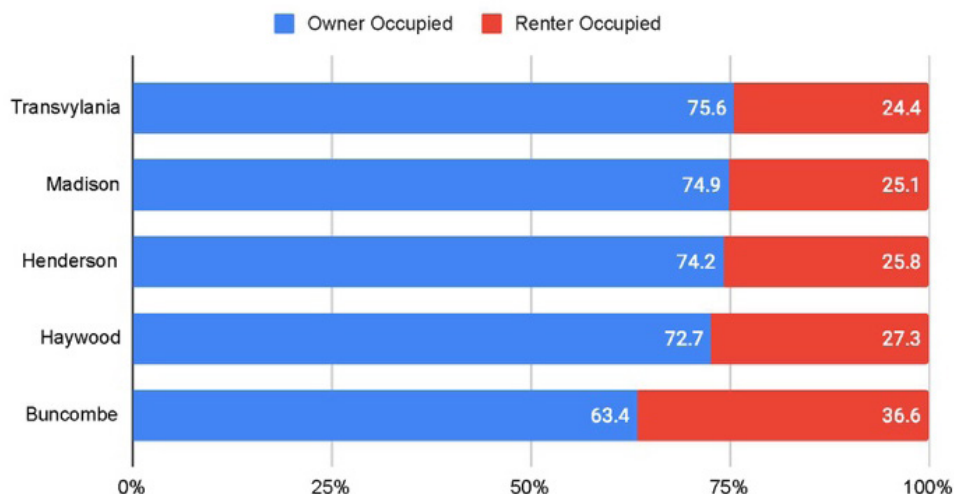
Source: U.S. Census Quickfacts

Rents have similarly increased. For example, in 2020 the median price of renter-occupied units varied from $686 in Madison County up to $1,019 in Buncombe County. Rents continued to rise during the pandemic, as the region attracted many remote workers and additional tourists. Further, rental vacancies are extremely limited, with lower vacancy rates for affordable units or even no vacancies or waiting lists in some cases. Of the 250,000 some units in the region, renters consist of 25-35% occupants, with the majority concentrated in urban areas.

The availability and affordability of housing is a challenge at every price range, even as the development of homes and volume of home sales continues to grow. For homeowners or those seeking to become homeowners, currently, the percentage of available homes for sale is approximately 0.9%, whereas a healthy market would expect between 2-3% of homes to be available. Within this low supply of available homes, over two thirds are priced over $300,000, demanding a household income of $95,000/year to live without being cost-burdened.[vii] Furthermore, efforts to build housing on steep lots, such as those in Western NC, have proven to be more difficult and costly on average due to the region's mountainous terrain.[viii]

While cost-burdened households are cause for great concern, so are those people without homes who are struggling in this high-cost region. Based on the Point-in-Time (PIT) counts conducted by the local Continuum to Care agencies, nearly 637 people were homeless in Buncombe County in 2022 (up from 527 in 2021 and 580 in 2019). In Henderson, the 2022 PIT counted 140, in Haywood 208, in Transylvania 36, and in Madison 16 (compared to 150 in Henderson in 2020, 130 in Haywood, 56 in Transylvania, and 11 in Madison in the same year).[ix] In the area, nearly half of the homeless population are veterans, with a fifth being chronically homeless.

Discussion: Concerns, Options, Benefits, and Tradeoffs
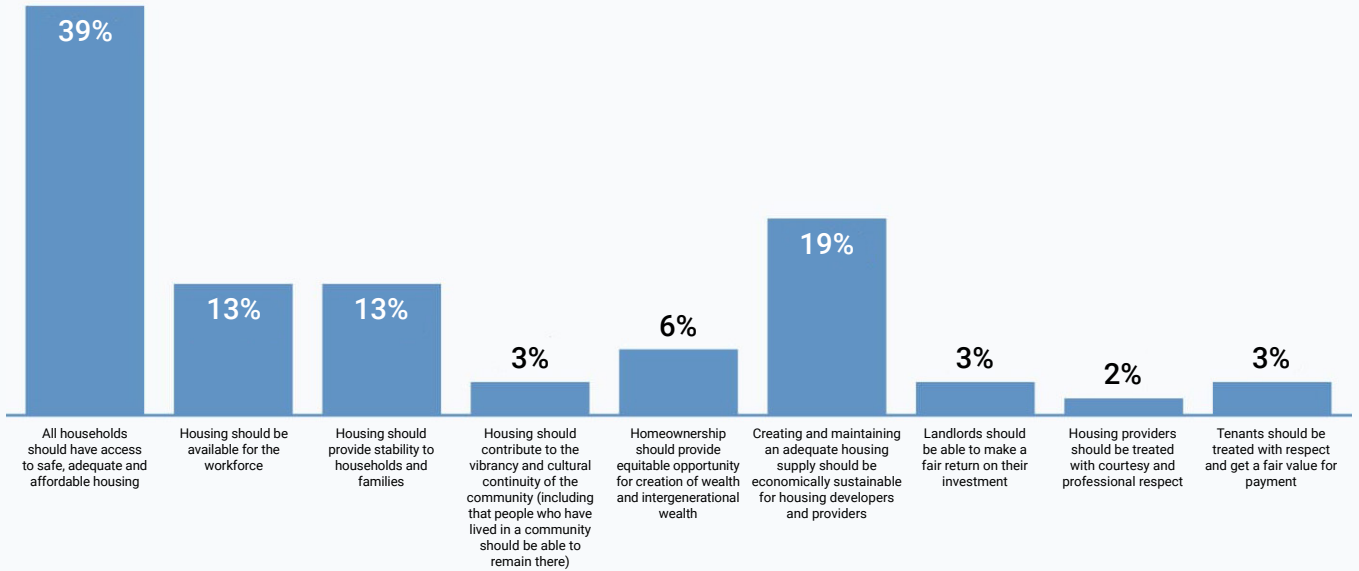
Things Held Valuable

In the first two sessions of the program, NCLF asked participants to share what things they held as valuable as it related to adequate housing. The values articulated were consolidated into eight major categories as follows:

- All households should have access to adequate and affordable housing

- Housing should be available for the local workforce

- Housing should provide stability to households and families

- Housing should contribute to the vibrancy and cultural continuity of the community (including the view that people who have lived in a community should be able to remain there)

- Homeownership should provide equitable opportunity for creation of wealth and intergenerational wealth

- Creating and maintaining an adequate housing supply should be economically sustainable for housing developers and providers

- Landlords should be able to make a fair return on their investment

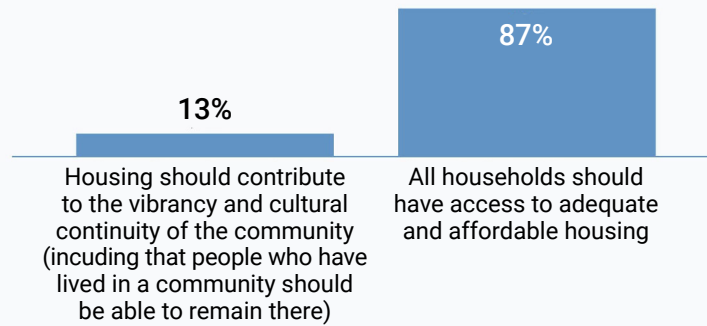- Housing providers should be treated with courtesy and professional respect

Using instant polling software, NCLF asked participants to rate each housing-related value in terms of importance, then select their top values from the full list, and then to choose which value they would prioritize if forced to choose one from a pair. One key takeaway from the exercise is that while the group may think all of the values are individually important, participants prioritize them differently when forced to make difficult choices. In this case, a large proportion of the group (39%) thought the most important value was access to adequate and affordable housing. A second significant group (19%) placed a high value on ensuring that it should be economically sustainable for developers and providers to create and maintain the housing supply. The availability of workforce housing and stable housing for families were also high priorities for the group (13% each).

When asked to weigh two values against each other, the group's differences among priorities became even more clear. 87% of participants thought affordability was a higher priority than community continuity (13%). Two-thirds prioritized affordability over the economic sustainability of developers (with a third taking the opposite view). Similarly, two-thirds favored household stability over a landlord's ability to earn returns. It is important to note that these prioritizations do not represent the general public, but instead help the participants in the room to visualize how their values may be aligned or in tension with others in the cohort, and serve as a prompt for further conversation, particularly as the group moved into thinking about benefits and downsides of proposed actions.
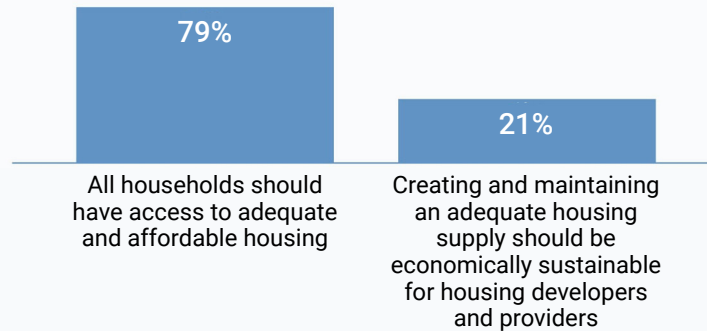
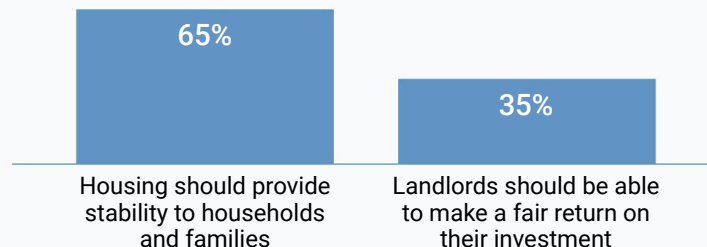## Please select the two values clusters you consider the MOST important

Category	Percentage
All households should have access to safe, adequate and affordable housing	39%
Housing should be available for the workforce	13%
Housing should provide stability to households and families	13%
Housing should contribute to the vibrancy and cultural continuity of the community (including that people who have lived in a community should be able to remain there)	3%
Homeownership should provide equitable opportunity for creation of wealth and intergenerational wealth	6%
Creating and maintaining an adequate housing supply should be economically sustainable for housing developers and providers	19%
Landlords should be able to make a fair return on their investment	3%
Housing providers should be treated with courtesy and professional respect	2%
Tenants should be treated with respect and get a fair value for payment	3%

When considering the following two values, which value do you consider MOST important?

Value	Percentage
Housing should contribute to the vibrancy and cultural continuity of the community (incuding that people who have lived in a community should be able to remain there)	13%
All households should have access to adequate and affordable housing	87%

When considering the following two values, which value do you consider MOST important?

Value	Percentage
All households should have access to adequate and affordable housing	79%
Creating and maintaining an adequate housing supply should be economically sustainable for housing developers and providers	21%

When considering the following two values, which value do you consider MOST important?

Value	Percentage
Housing should provide stability to households and families	65%
Landlords should be able to make a fair return on their investment	35%

After the group discussed the instant polls, NCLF selected three value pairs for further discussion. We asked participants to stand on one side of the room if they strongly agreed with one statement, on the other if they strongly agreed with an opposing statement, or anywhere along the continuum between the two values that felt appropriate to their view.

Regulations Should Protect Cultural Continuity of the Community vs Relax Regulations to Foster Increased Supply of Housing

When this statement was presented, two participants with very different political views and experiences found themselves on the same side of the room in favor of protecting community continuity for different reasons, while a larger portion of the group stood closer towards relaxing regulations to foster increased housing supply. The first person talked about wanting to live in the neighborhood where they grew up and the desire to protect a grandparent's home. They were also concerned that increased rental was changing a traditionally predominantly minority neighborhood of single-family homes. A second participant talked about buying into a neighborhood forty years ago and how change would be unfair because it would damage the long-term investment his family had made in their purchase. On the other side of the room, a participant stated that it was time to "think out of the box," calling for change to meet the needs of the whole community.

It is the Government's Role to Increase the Housing Supply vs It is the Private Sector's Role to Build Housing

One participant stood in the middle, but towards the private sector, stating that he had lost confidence in the government's ability to do anything significant. In his experience, government housing has been terrible in terms of quality and the government moves very slowly. A participant standing on the other side of the room supporting the government's role made the case that the market always fails poor people, arguing that government is the only entity that is able to serve poor people. A second participant stated that without government, there would be no affordable housing. To them, government sets the baseline and given the amount of housing needed, the math could not work to build enough housing without government making a significant investment. A participant in the middle interpreted the statement to say that government should provide the infrastructure for housing because it is the only entity that can, but that the private sector should actually construct housing. Another participant standing in the middle talked about success stories he had seen that had changed his mind from being wary of government to thinking that government incentives for the private market were necessary partnerships for increasing housing opportunities.

Evictions Should be Rare vs Landlords Should be Able to Make a Return on Investment

Some participants articulated the vulnerability of landlords to tenants who did not pay and the need to be able to evict. One noted that two-thirds of landlords are mom and pop owners, and that when a landlord isn't paid rent, they cannot pay their mortgage and are at risk of losing the property to foreclosure. Another noted that limiting the right to evict could be financially devastating for a landlord. On the other side of the room, favoring limits on

evictions, one participant shared stories of how they have seen landlords take dangerous self-help measures to drive away tenants, for example taking the doors off of a property, cutting off utilities, or even resorting to threats of violence. A participant favoring limits on evictions but closer to the middle of the two poles stated the need for the tenant and landlord to form a human relationship, understanding each other's needs, while someone closer to the middle of the room called for a respectful business relationship between the two parties.

Concerns

WNCLF participants were asked to come to the first session ready to share concerns that they and other members of their community held regarding adequate housing. See Appendix B for the complete list of concerns. These concerns were clustered into these eleven conceptual buckets:

- Meeting housing needs negatively impacts neighborhoods, communities, and the natural and built environment
- NIMBYism and lack of communication make it harder to build new housing
- Access to financing is inadequate and inequitable
- Households cannot afford to buy houses, especially near where they work
- Cost of homeownership is too high
- Governments hinder rather than help increasing the supply of adequate housing
- Rental concerns: affordability, stability, supply, sustainability for landlords
- Too much housing is low quality
- Homelessness/houselessness is inadequately addressed
- Counties lack infrastructure to support growth

NCLF asked participants to select the concerns they most wanted to spend time discussing in future sessions. The selected concerns were:

- WNC needs a supply of affordable, stable rental housing that is also sustainable for landlords;
- Counties in the region lack sufficient infrastructure to support growth;
- How can we increase housing supply and protect what we value about our communities/neighborhoods? (This concern combined two concerns, one focused on housing supply and one focused on resistance to development)

After brainstorming many actions to address these three concerns, the cohort selected five actions per concern to explore further. Participants then discussed the benefits and inherent downsides of each selected policy option.

Once they had talked through the tradeoffs of a policy option, participants were asked to vote on "polarity" charts to determine the level of agreement in the cohort for particular proposals. Participants placed two "votes" on a polarity chart for that option. For the first vote, a participant indicated his or her level of support for the option by placing a sticker above the x axis, on the spectrum of "agree" to "don't agree," while also taking into account the intensity of that viewpoint. The second vote shows the extent to which someone can tolerate the downsides of an option and also the intensity of that opinion. Taken in aggregate, these votes provided a visual snapshot of the level of agreement on particular options.

Lack of Affordable, Stable Rental Units that are Sustainable for Landlords

Participants discussed a range of concerns related to the availability of affordable rental units, both in terms of the quantity available, the willingness of landlords to rent to low-income tenants, and supports available for tenants that faced financial difficulty. Examples of participant's comments included:

- Even where units are available, they are often out of reach for low-income renters due to cost, limitations on public subsidy programs, and other barriers. Private market landlords often do not accept Section 8 vouchers, designed to assist low-income occupants.

- The pandemic exacerbated the challenge of limited available units with public subsidy—federal pandemic emergency rental assistance program provided assistance but only had limited funds, making it impossible to keep up with local needs.

- Many landlords are unwilling to rent to low-income tenants because they are worried about damaged property and believe they have limited protections. While the landlords do not want to impose exorbitant deposits, many landlords are worried that if there is tenant damage, the cost of repairing the unit will exceed the security deposit and that low-income tenants will be unable to pay.

- Landlords are unwilling to participate in the Housing Choice Voucher ("HCV") Program, known as Section 8. The program, funded by the US Department of Housing and Urban Development, includes a required approval process for landlords and an annual HUD inspection of properties, viewed by many landlords as onerous.

- Additionally, there are not sufficient vouchers for families who quality for HCVs—counties in the region such as Buncombe and Haywood both have 2+ year waitlists.

- There was also a concern that the maximum allowed Section 8 rent is lower than the regions' fair market rents.

- Finally, participants expressed a concern that units in the region have been taken "off the market" for local resident housing and are instead being used for tourism in the form of short-term rentals.

Multifamily Zoning: Increase Density and Types of Housing Allowed in Residential Zoning and Have Fewer Restrictions on Multifamily Housing

There was strong support for changing local zoning to allow for increased density and reduce restrictions on multifamily housing or multi-use areas (combining residential and commercial uses). Chief among the benefits suggested was the construction of more housing, which is particularly needed for the local workforce and growing population. Additional benefits included environmental and quality of life benefits such as a smaller overall building footprint, less sprawl, less traffic, and more walkability.

Forum members did note possible downsides, though they were generally willing to tolerate these downsides. The potential downsides included the parking and traffic impacts on neighborhoods as density increases. The reality of a NIMBY fight with existing residents around concerns with crime and safety was also discussed. Participants acknowledged that they had fewer concerns about adding small multifamily units to a neighborhood (i.e. an eight-unit building) compared to adding a large apartment building (such as a 200 unit building), saying that a larger 200-unit apartment building would pose a meaningful risk to neighborhood integrity. Additionally, a concern was shared that multifamily units might not be managed appropriately to minimize impacts on neighborhoods. Despite this concern, the broad agreement on the need for more dense housing was notable.

At a subsequent session, participants continued their discussion about what it would take to implement zoning changes to make it easier for developers to build housing, especially affordable housing for local workers. Participants discussed what would happen as housing density is permitted and increased, and specifically what could be done to assure some protection of what is valuable to communities and neighborhoods.

Participants from more rural areas questioned whether existing zoning practice in their areas might already allow new construction, and highlighted several issues with changing zoning rules to allow more density:

- The need to protect against the loss of agricultural land;

- Water and sewer availability might limit ability to support density; and

- Any changes to existing zoning requirements could impose higher costs for construction and habitation.

The rural participants noted that while current zoning could support constructing additional single-family homes in their counties, there may be a need for changes to allow multifamily construction. They weighed the tradeoff of the need for multifamily against the desire to protect agricultural land and considered the idea of supporting different levels of multifamily density based on surrounding uses. Given demands in the area, some participants were willing to publicly support increased multifamily units and higher density even in less urbanized areas of the region.

In the more developed urban parts of the region, it was noted that towns and cities already have zoning rules in place, and that zoning often permits multifamily in the urban core and limits housing to single-family further out. People felt the tension in the balance between property rights and necessary growth, and were torn about zoning changes given NIMBY pressures. In urban areas, it was asserted that there might be greater pushback on allowing mixed uses in the same area—commercial vs. residential development—but that form-based code for better architecture could play a role in setting the right balance for mixed-use development.

Participants from both groups considered concerns about increased traffic as housing density increases. While a wish for a well-functioning public transit system or multi-modal transit was expressed, participants agreed that building closer to corridors, working with partners, and making targeted traffic improvements might be a more realistic way forward. While there was support for up-zoning along traffic corridors, the need to match appropriate density levels to expected traffic and not ignore 'the missing middle' accompanied that sentiment. Participants suggested that higher density be accompanied by amenities such as community centers, and overall wanted to ensure that neighborhoods retained their character and the attachments to the legacy neighborhood aesthetic. Relatedly, a noise ordinance was suggested for the urban areas dealing with increased development.

In all these discussions, the idea of protecting green spaces in urban areas and view corridors (protecting views against building development) seemed important. Protecting views, the environment, and people's ability to be in nature were all considerations, and an open space ordinance was identified as a helpful strategy.

Increase Density and Types of Housing Allowed in Residential Zoning *and* Have Fewer Restrictions on Multifamily Housing
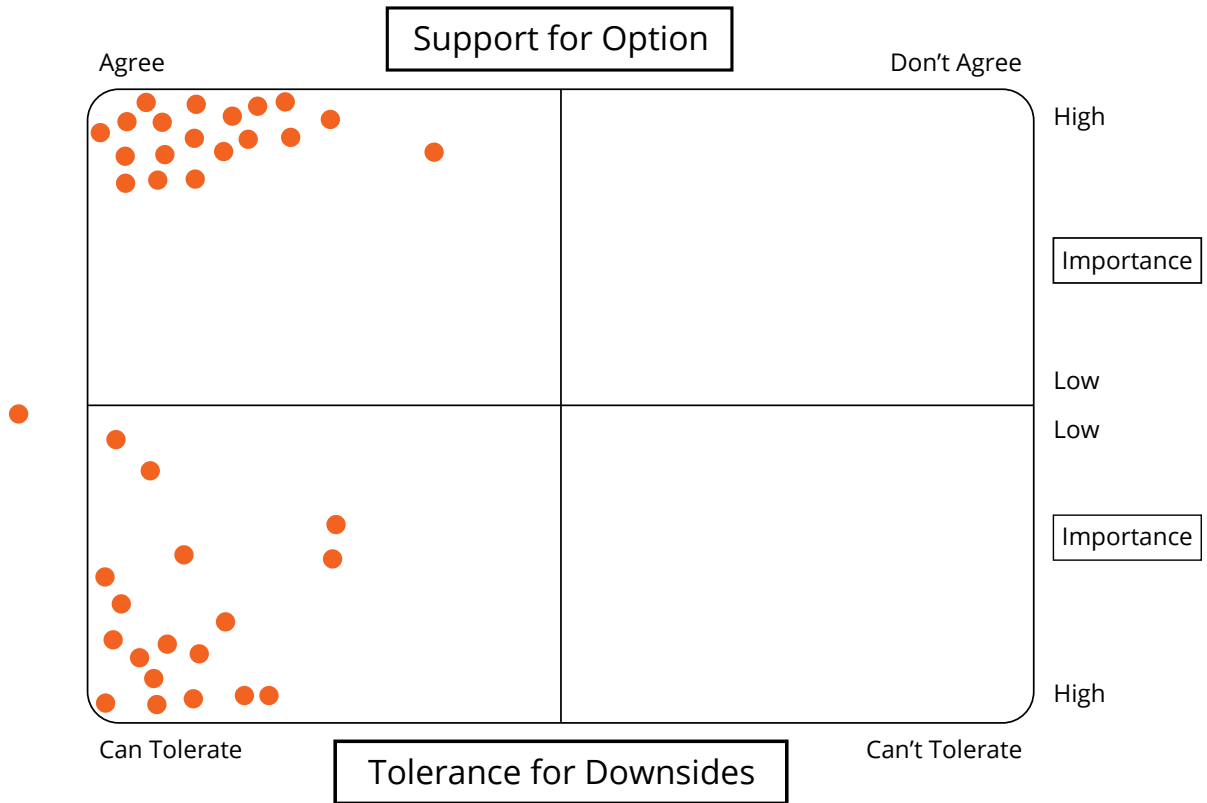
Participants repeatedly also noted the need for more public education about the benefits of zoning to mitigate the stigma of greater density or land use changes. Some area communities such as Hendersonville and Asheville are already doing comprehensive plans to consider longer-term effects. Participants collectively thought that public relations around these planning ideas would help people to see what might be envisioned for the region over a ten-year period. Ideas for building support included:

- Engage leaders in the community, particularly business leaders to talk about the need for workforce housing

- Provide training and tools to elected leaders to make the case

- Develop and present a vision and plan to the public that addresses how increased development and construction will look for the community down the road

- Ensure higher density housing has a family orientation and serves as a place for children

- Ensure higher density multifamily housing is aesthetically pleasing, offers retail establishments that serve the public, and is of reasonable height (i.e. five stories)

- Engage local developers (as opposed to developers from outside the area)

- Establish YIMBY Chapters (yes-in-my-backyard)
- Focus on regional solutions
- Educate residents using historical archives and neighborhood histories, to give context around prior "urban renewal" and depressed downtown areas that could be enriched by new development
- Engage neighborhoods in planning at the outset

Improve Access to Housing and Stability for Tenants

Developing a system of universal applications and background checks

Forum members generally supported a universal application and background check process. They thought a universal approach would lower costs for applicants, who would pay one fee that they could use for multiple rental applications. They also believed that landlords would find such a system easier and lower cost. A key question arose around who would manage such a system and how it would be paid for. Further, there were questions about how tenant records would be maintained and updated, such that they could show improvement where it occurred easily.

Develop a System of Universal Applications and Background Checks
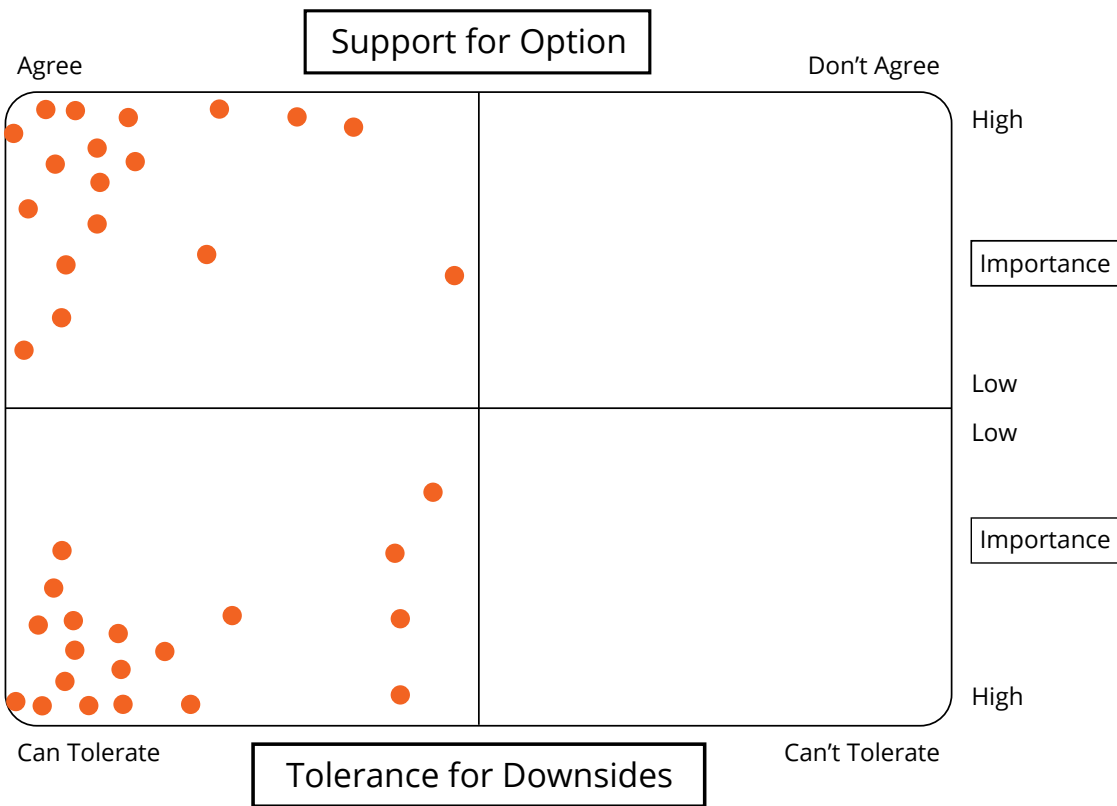
Developing a system for evictions to be expunged from court records and credit reports

There was some strong support for the idea of developing a system to expunge past evictions, with some participants unsure if they could tolerate the downsides of the proposal. Supporters noted that such a system would allow people to have a record that reflects more recent behavior, and to have a clean slate if behavior had improved. They also flagged that initial filings would need to be expunged, in addition to actual final evictions. One major downside of the idea was that it would require a change in law by the NC General Assembly, and that landlords would be likely to oppose the proposal, making enactment difficult. Further, there was some discussion of how expungement could be applied, particularly if it was appropriate to track some extreme cases, such as criminal activity that resulted in eviction.

Develop a System for Evictions to be Expunged from Court Records and Credit Reports
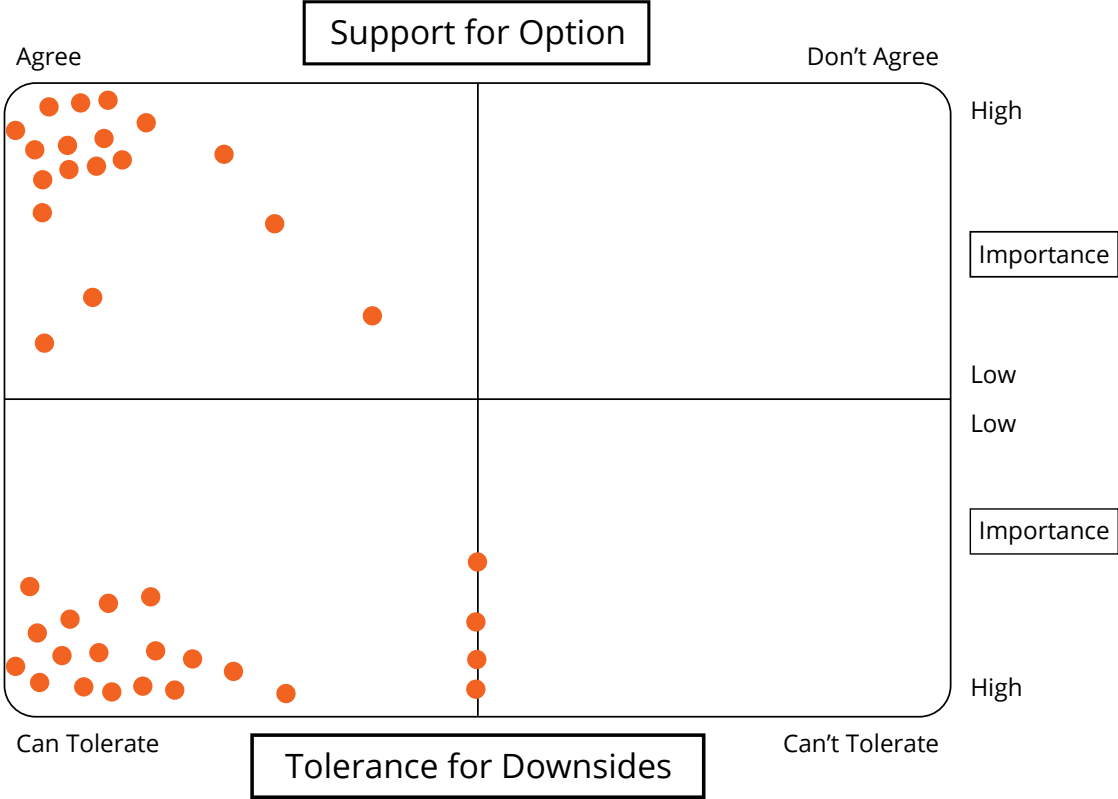
Requiring or increasing availability of mediation for landlord/tenant disputes

The cohort showed significant support for mediation of landlord/tenant disputes, but there was more ambivalence or opposition to the proposal than others put forward. Participants proposed a mediation system that would allow landlords and tenants to resolve smaller disputes without resorting to eviction, and reduce the power of a landlord to use a significant threat to address minor conflicts. Supporters argued that both the landlord and tenant might get better outcomes from a mediation than from an eviction process that led to searching for a new tenant. Opponents expressed some concern that such mediation

Require or Increase Availability of Mediation for Landlord/Tenant Disputes
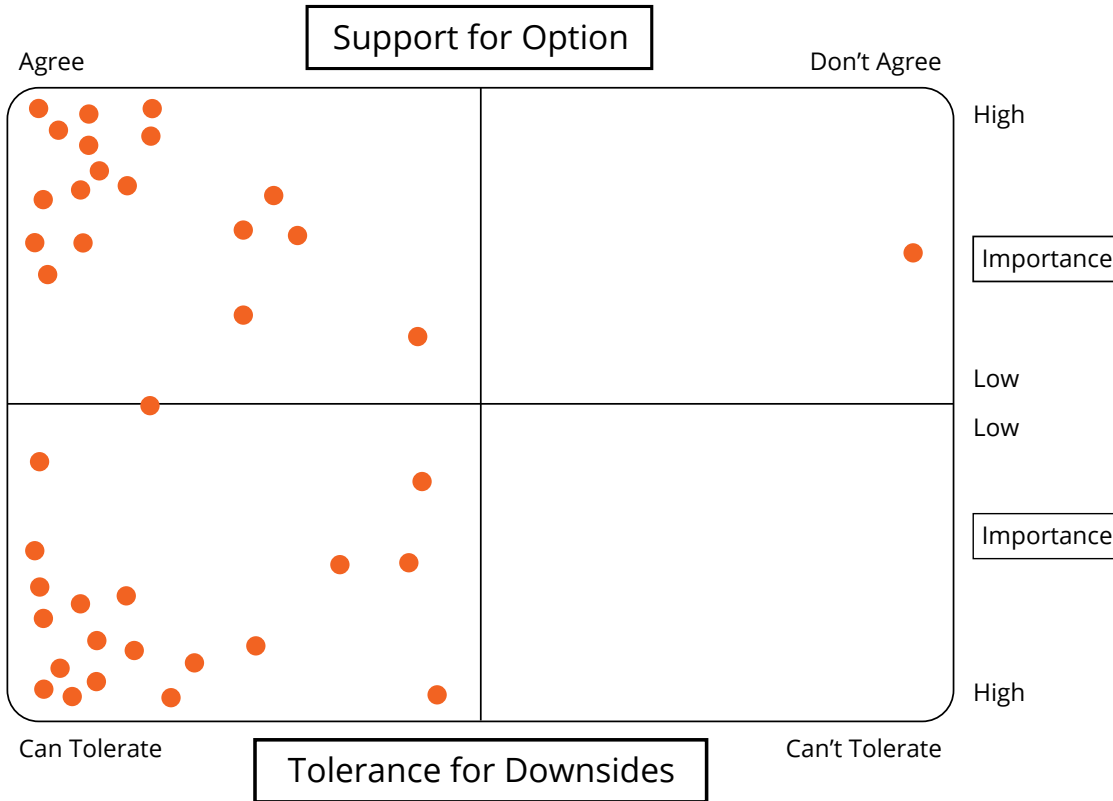
could result in it taking longer to evict a tenant with attendant loss of landlord income. It was also noted that the process could waste time if the landlord had a specific desired remedy and was unwilling to agree to a mediated outcome. Finally, participants questioned whether mediation was appropriate for all cases, or whether some cases belong in court.

Section 8 Housing Vouchers

Federally funded by US Dept. of Housing & Urban Development (HUD) and administered by local Public Housing Authorities (PHAs), the Housing Choice Voucher (HCV) Program (aka Section 8 vouchers) is the largest low-income rental assistance program in the nation, serving 2.2 million US households. The most common form of vouchers are tenant-based and are awarded to qualified families to supplement rent from private owners. There are also project-based vouchers, tied to specific units within a housing property.

For HCVs, the Local Public Housing Authority ("PHA") determines a "payment standard," that is the amount generally needed to rent a moderately-priced unit in the local market. The voucher amount is then based on the income of recipient (adjusted for family size) and area Fair Market Value (FMV) of unit (of appropriate size for the family).

The PHA pays the landlord directly for the difference between what the family pays and the actual rent, subsidizing the family's payment. By law, 75% of new vouchers must go to households making less than 30% of median area income, and HCV recipients' income cannot exceed 50% of median

area income. Landlords are not obligated to accept HCVs, and must have properties approved prior to accepting the vouchers. Properties are also subject to annual inspection and landlords are limited in how often or how much they can raise rent for HCV properties.

Prior to the cohort discussion of Section 8, NCLF spoke with local PHAs and collected information on fair market rates in the area, median family income standards, and use of Section 8 vouchers in each area.

Western NC Regional Section 8 Data (as of Spring 2022)

	FMR 1R (2022)	FMR 2BR (2022)	Median Family Income	Waitlist	Success Rate (family is issued voucher and uses it within timeframe provided)
Asheville Area (includes Buncombe, Henderson, Madison Counties)	$990	$1152	$75,500	Buncombe: 5+ yrs	71%
Haywood County	$822	$937	$65,500	Closed, 2+ yrs, possible reopen by summer.	50%
Transylvania County	$594	$782	$59,100	Open, issued as people apply	26%

Close voucher rent rate versus market rent gap

Close voucher rent rate versus market rent gap

There was significant support for this proposal, with only a few participants unsure of the proposal and one opposed. Participants discussed how closing the voucher rent rate versus market rent gap could make it more appealing for landlords to accept vouchers, making more units available to lower income people. Housing then could more accurately reflect the economic diversity of the community. However, forum members discussed that the United States Department of Housing and Urban Development (HUD) would have to take action on this change, which might be difficult to accomplish.[x] They also considered the significant cost of increasing the voucher rent.

At a subsequent discussion, participants took a deeper look at why they supported the closing the gap between market rent and housing vouchers and how they might make progress on the issue. Ideas put forward included:

- Working with a nonprofit or religious organization to match the voucher to supplement rental assistance. Another version of this proposal considered "layered funding" such as funds from local government as well as funds from a local foundation.

- Increasing incentives for landlords to take vouchers such as through property tax rebates or incentives to improve properties (to increase available housing inventory). One idea was that local governments could provide up to $600 to landlords to cover damage to the property so that landlords would be more willing to rent.

- Increasing outreach and education to landlords and the community broadly to generate goodwill, including emphasizing framing like "guaranteed rental voucher" instead of "Section 8". One question was whether helping landlords to see they were helping people could encourage them to accept HCVs.

- Offering education to tenants to be financially responsible, perhaps with training as a condition of offering a financial subsidy, and/or also providing education to become a homeowner in the long-term.

- Subsidizing tenants' security deposits.

- Allowing vouchers to be used to rehabilitate properties to increase available inventory, rather than only allowing vouchers to be used for rent.

- Considering whether municipalities have inventory that could be used for affordable housing that accepts HCVs.

Participants explored why the current voucher program is not more successful, imagining several arguments that could build support. One approach was to make the case to local leaders and the public that it is more cost effective to supplement rent for existing housing inventory than to build new units (for example, it might cost $100,000 to build one new affordable housing unit, but a participant offered an example of providing $140,000 to subsidize 46 families' rent locally in a mix of new and existing units). Another approach sought to emphasize the combination between tenant contribution and public support as a way that everyone has "skin in the game."

Participants also discussed different ways to persuade landlords to participate. Some thought educating landlords about poverty and appealing to their goodwill and desire to help others would make a difference. Other participants wondered about the financial incentives to participate and whether either voucher could be seen as "guaranteed rent" or additional incentives could be added to entice more landlords to offer inventory for the program. As one participant said, "is there a market incentive for this or is it reliant on 'good-hearted' people?"

Close Voucher Rent Rate vs Market Rent Gap
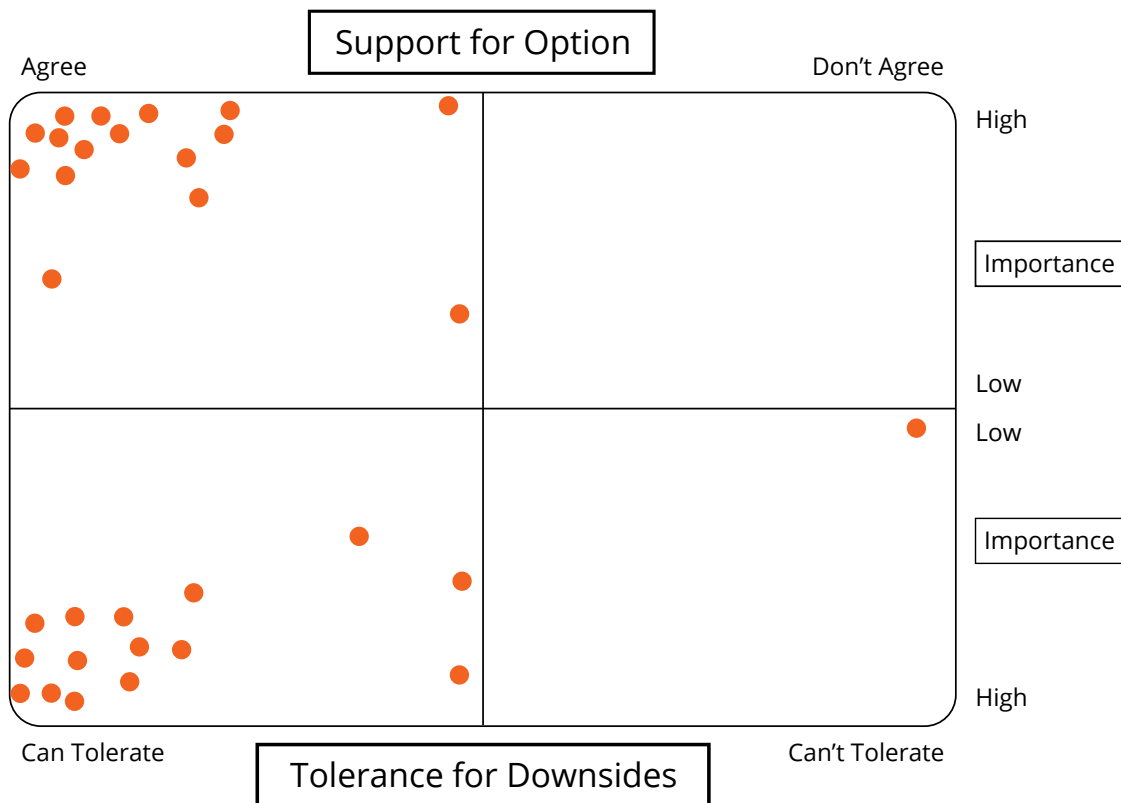
One concern was that as the mortgage market changed, owning a home would be more expensive, making landlords even less likely to accept HCVs. The group also considered what it would take to convince the federal government to acknowledge the real market rate of rental units in the area. Finally, some participants expanded the question, arguing that it was the federal government's responsibility to support the poor, especially the elderly and disabled, and saying that the government should provide a basic income, not just vouchers for partial rent.

Have more outreach to landlords and education of landlords and tenants about the Section 8 program and their role within it

The cohort had mixed views on the proposal to educate landlords and tenants about the Section 8 program—no one was strongly opposed, but many more participants landed towards the middle when asked whether they supported the proposal. Participants noted that this outreach would be beneficial because it would help everyone get on the same page and eliminate myths about the Section 8 program, ultimately serving to recruit new landlords to rent to Section 8 tenants. However, it was noted that care must be taken in educating tenants so that they paid rent on time and maintained the property appropriately. Some participants also noted that time and resources could be spent on such outreach, but no change was guaranteed, so this could be a costly effort for little return.

Short Term Rentals: Adopt Tighter Zoning (or Other) Regulations for Short Term Renters, and Support Homestays

Participants were the most divided on whether to implement tighter regulations for short-term rentals in the region, which are perceived as taking units away from local resident housing to serve tourism demands. Prior to discussion, NCLF provided some available data on the scope of short-term rentals in the area. Of note, there is limited publicly available data, particularly because many units are not legally permitted.

Short-term rentals comprise a dwelling unit, or portion thereof, that is offered or provided to a guest by rental owner or operator for a fee for fewer than thirty consecutive nights. A survey in 2021 produced by the City of Asheville suggested that at that time, there were more than 1,200 Asheville properties, including short-term vacation rentals (STVR) and homestays listed on websites like Airbnb and VRBO, creating the highest ratio of rentals to housing units in the country. Asheville Average Daily Rates for short term rentals range from $164 in February to $211 (as of the time of research). Based on a survey of hosts, 71% use the income to pay their mortgage and 42% would otherwise need to move out of the city. The network found that 1 in 5 hosts stated they were on social security.[xi] A prior report on short-term rentals produced by the City of Asheville in 2019 reported that only 54% of said listings were considered legally permitted, noting a need for greater compliance with the homestay permit.[xii]

While STVRs provide income to their owners, some neighborhood coalitions note that out-of-town investors may buy up properties for short-term rentals, destroying local culture and driving out residents.[xiii] Many participants felt second-class to tourists and those who move to the area as STVRs and wealthier tenants take housing stock off the market and citizens are displaced.

When participants discussed tightening regulations for short-term rentals, they identified potential benefits such as channeling more housing into long term rentals, and decreasing noise and safety disruptions to neighborhoods. Proponents thought that homeowners with long term rentals would still gain income off their home, but the availability of more housing would help the area become more affordable. It was thought that tourist traffic and revenue could be better spread out than it is now.

Downsides included that these changes might not keep the cost of housing down, and would deprive families of rental income that could potentially allow them to retain property ownership. Moreover, many people do not want long term renters and would prefer short term rentals to allow income generation. Residents could become angry and policymakers could face a backlash from this dissatisfaction. Finally, participants expressed concern that such rules could also over-concentrate certain rental types in a specific area.
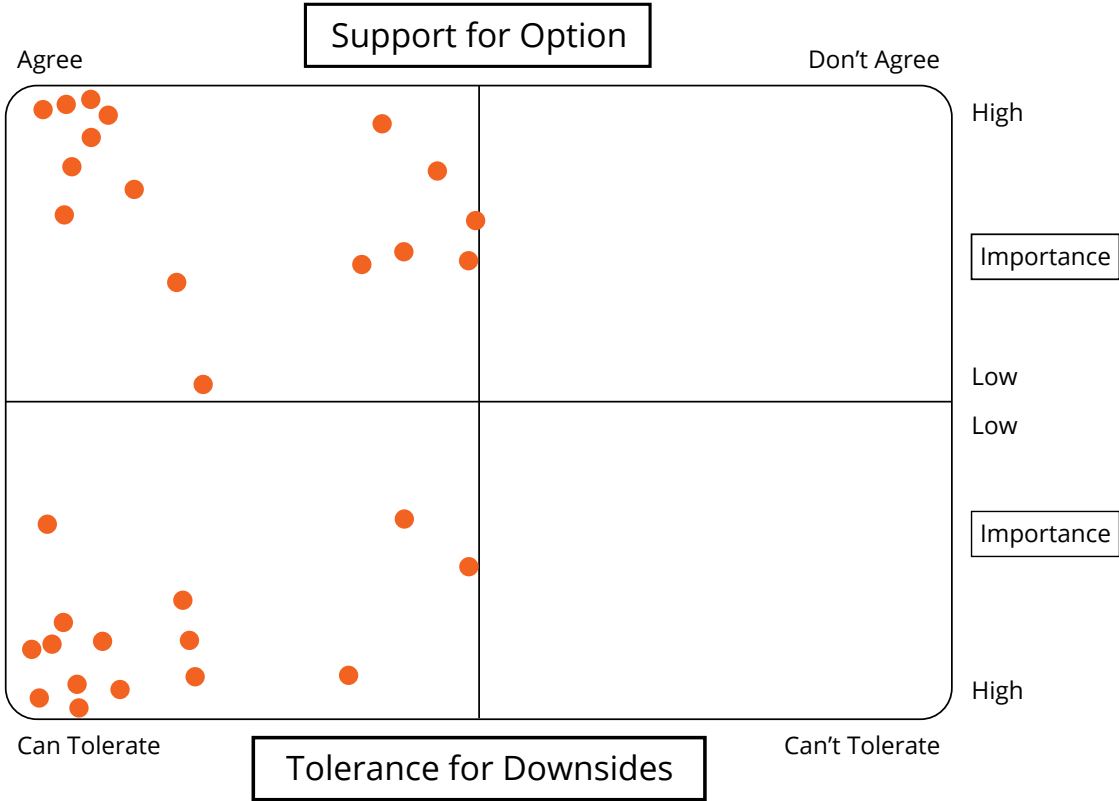
Adopt Tighter Zoning (or Other) Regulations for Short Term Rentals and Support Homestays
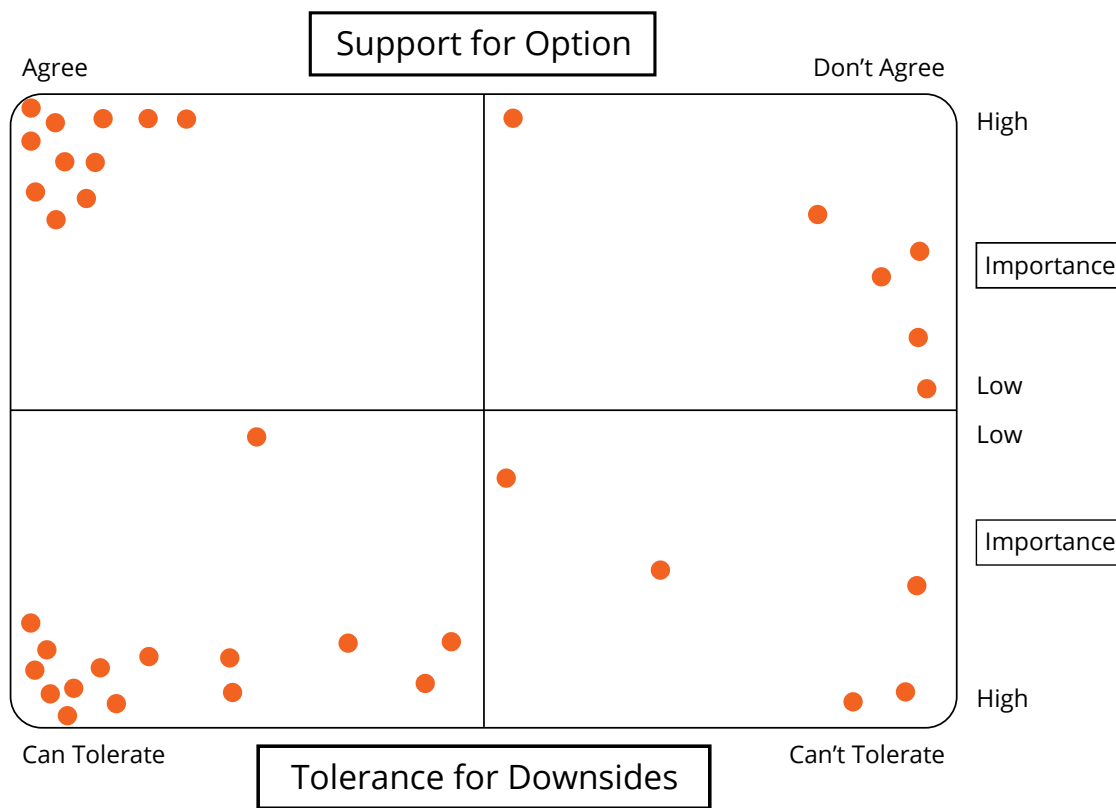
Conduct City/County Audits of Existing Assets to Sell Either
(1) Directly for Use for Development of Affordable Housing or
(2) To Raise Funds for Needed Infrastructure

While the cohort did not specifically discuss the benefits and downsides of this proposal, there was significant support for the proposal.

Support for Option

Agree   Don't Agree

High

Importance

Low

Low

Importance

High

Can Tolerate   Can't Tolerate

Tolerance for Downsides

Insufficient Infrastructure

The majority of counties cited the high costs of infrastructure such as water and sewer as a significant inhibiting factor for developing more housing. It stops high density development and reduces the ability of some areas to attract higher profit businesses. Participants in the cohort frequently noted the need for more long-term planning around infrastructure to accommodate population growth and the related needed housing construction across the region. They also called for more coordinated planning across municipal and county lines.

Residents of the five counties included in this cohort regularly travel between the counties, often living in one and working in another, or taking advantage of amenities in an adjoining county. Infrastructure such as water, sewer and internet differ substantially within the region due to separate systems. Participants pointed to cities that have their own water systems and the lack of coordination within and across counties, as well as a lack of any overarching body such as a water authority.

Moreover, internet access differs greatly across counties. In Madison County, only 73% of homes have internet at the FTC designated minimum speed, whereas nearly 100% of Buncombe County homes do. A Land of Sky assessment of Transylvania County in 2019 estimated that somewhere around 85% of the population of Transylvania County has internet access, but that a significant number of residents who have service believe it is

insufficient, with significant clusters around the more remote sections of the county.[xiv]

Participants discussed a range of strategies to address infrastructure needs in the region, with varying levels of agreement and disagreement on the best way forward.

Proposed Actions to Address infrastructure Needs in Western NC

Broad Agreement:
- Fund housing related infrastructure through occupancy tax
- Have counties collaborate to advocate for more resources and increase the capacity of the region to access state and federal funding for infrastructure and housing

Varying Degrees of Support:
- Increase regional planning and coordination
    - Have regional development of shared utilities
    - Have regional coordination of housing related planning (e.g. corridor plans)
    - Local governments conduct an audit of assets that could be sold to support housing related infrastructure
- Use local or regional bonds to fund infrastructure that supports housing

Least Agreement:
- Use State bonds to fund infrastructure that supports housing

---

Use Occupancy Tax to Support Infrastructure Development to Support Housing

Overall, there was strong support for changing allocations from the occupancy tax to support housing in the region. Advocates underscored that workforce housing was important to support the local tourism industry. In general, two-thirds of revenue from the occupancy tax is used for marketing of the region for tourism, while the remaining third is used for "tourism-related expenditures" such as operational costs or major tourism-related projects.[xv] Prior to 1997, the legislature allowed seven counties to direct occupancy tax revenue into a general fund, sometimes for a specific purpose, such as "services or programs needed due to the impact of tourism on the county" (Dare County). However, in 1997, uniform provisions were adopted for future occupancy tax legislation that generally favors the conventional allocation of funds to tourism marketing and related purposes.[xvi]

Diversion of some portion of such funds to support the development of workforce housing, particularly for those in the service industry supporting tourism, was viewed as a revenue source that would enable people working in the tourism industry to live closer to where they work and improve local residents' attitude to be more favorable about tourism in the region. This funding would be a reliable and regular infusion of financial resources, which would allow the community to engage in long-term planning and

financing, and it might be able to be used as a source of repayment of water or housing bonds. This would relieve the burden on local residents/property owners and local government to separately finance housing needs.

Although this proposal had a very high level of support, participants questioned whether changing use of the occupancy tax revenue required action by the General Assembly; if so, was securing such a change realistic; and whether the "juice was worth the squeeze" getting this change across the finish line. Lack of political will at the state level might make the change harder, especially given a lack of precedent for such an action. The concern that predominantly Democratic counties would be left out was also voiced. Finally, cohort members brought up the barriers to coordination and successfully implementing the change.

At a subsequent discussion, the cohort discussed what further action would be needed to successfully change allocations of revenue from the occupancy tax. The group focused on forming a coalition that would advocate for allowing counties to decide how to use these tax funds, and to do more informational meetings on the revenue and learn how funds are allocated in local budgets. They also discussed further engagement with the local chambers on the issue.

Use Occupancy Tax to Support Infrastructure Development to Support Housing
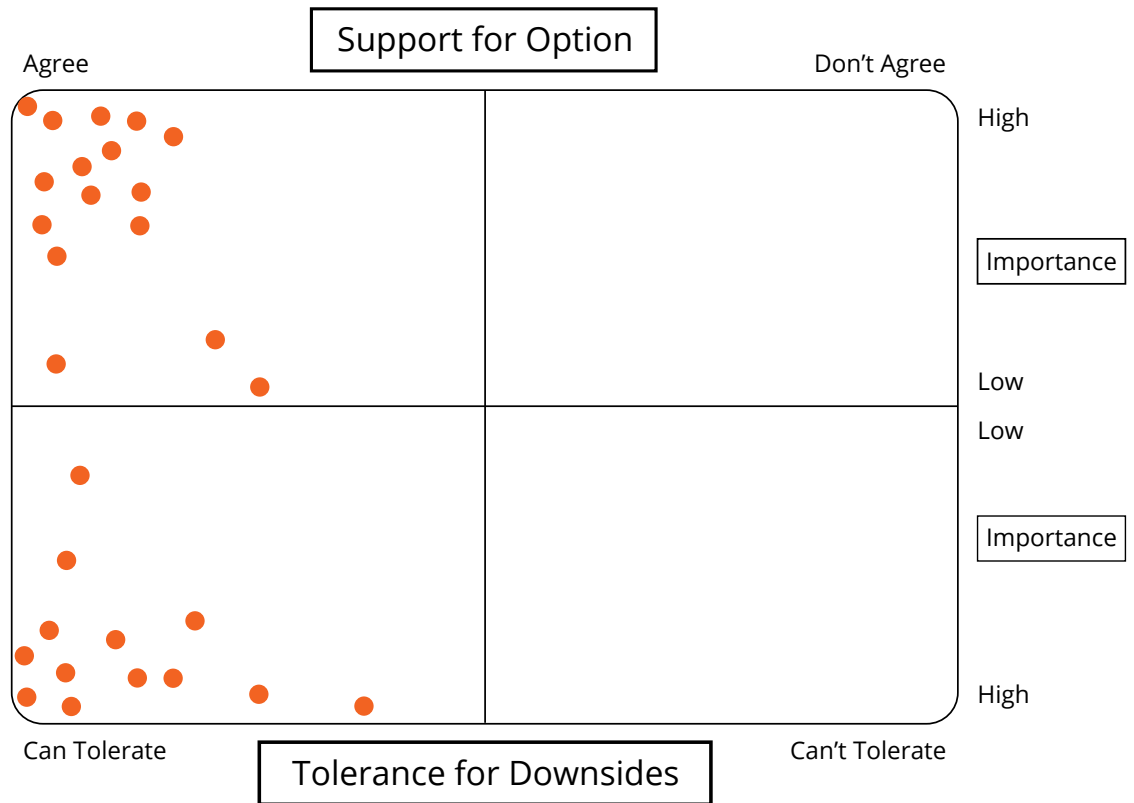
Regional Coordination and Comprehensive Plan for Housing Development, Especially Along Corridors

The cohort in general supported regional coordination in planning along key corridors where municipalities connected across counties within the region and industry and/or housing clustered, such that longer-term strategies could be put in place to plan for needed infrastructure and encourage development in the area. Proponents pointed to shared resources and lower costs, leveraging funds, and the assistance smaller communities would receive to stay ahead of development. It would also be easier for them to coordinate to create a financial plan. Improved communication, better connectivity, stronger regional network could lead to more collaboration, cost-effectiveness, and efficiency. Multiple issues could be tackled at once, and common problems would engender common solutions. A participant noted that the "weakest link is everyone's issue." A better vision or plan for growth and investment could be realized. Such a plan could better develop underutilized areas and improve tax base, providing opportunities for local investment to stay in local areas. Finally, larger, more regional governments could help younger areas grow "better" cities faster.

Regional Coordination and Comprehensive Plan for Economic Development, Especially Along Corridors
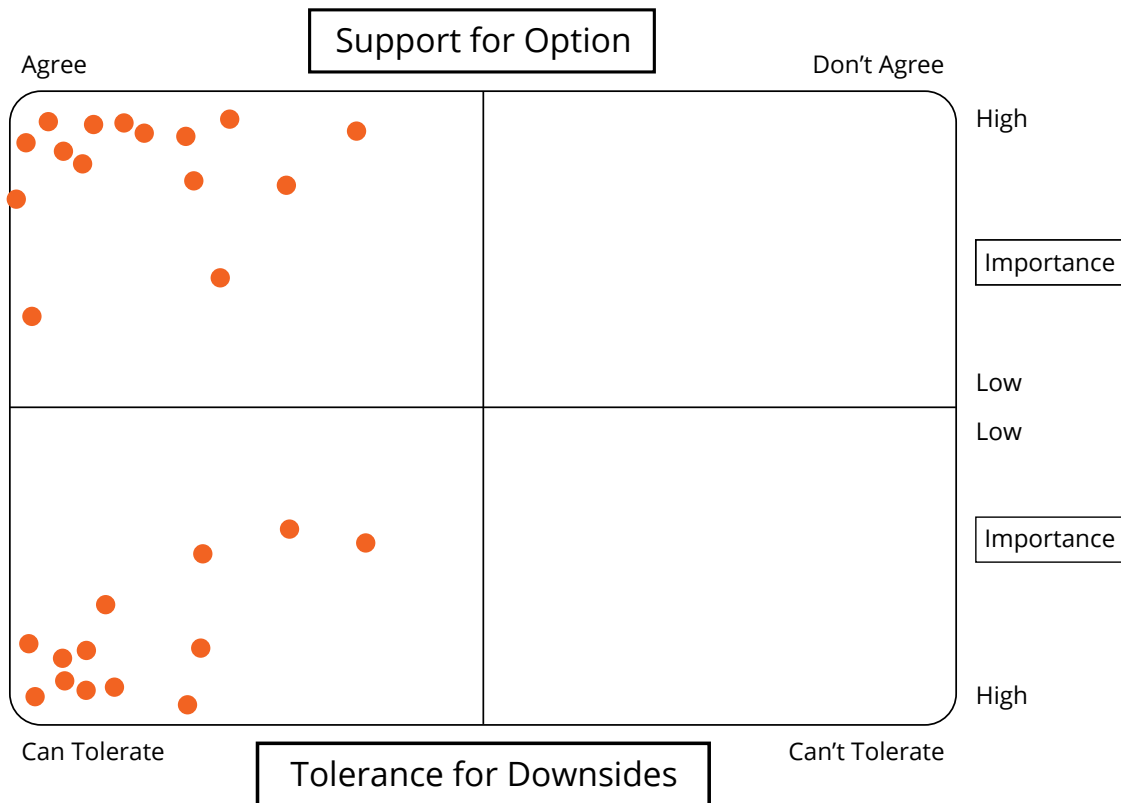

Although there was much support, disadvantages included smaller areas being dwarfed by larger areas and so having less clout. Those same smaller jurisdictions might suffer from lack of expertise to participate, impacting their ability to be part of the process. Participation more generally was questioned, especially given that the political will for cross-municipal participation is low.

Forum participants wondered about resistance to conversation and agreement, and what the costs or local return on investment might result. Different needs between communities could mean different strategies would be needed and these forum members underscored their view that community uniqueness matters. Despite the strong support for the proposal, participants were aware of needing to work around the potential loss of opportunities to improve local communities.

Regional Development of Shared Utilities, Especially Broadband Access

There was mixed support for regional development of shared utilities, with some strongly in favor, some in the middle, and some opposed. Those supporting regional development of shared utilities pointed first to lower, shared costs among jurisdictions. They thought shared efficiencies could eliminate redundant expenses. For their part, developers would only have to interact with one regional entity. Proponents thought this regional development would lead to more industrial growth and more developable land for affordable projects. It could also lead to more service and more consistency/reliability. Supporters saw better long-term planning, for example for water and sewer. It was noted that certain utility rates would be subject to the NC Public Utilities Commission.

Regional Development of Shared Utilities
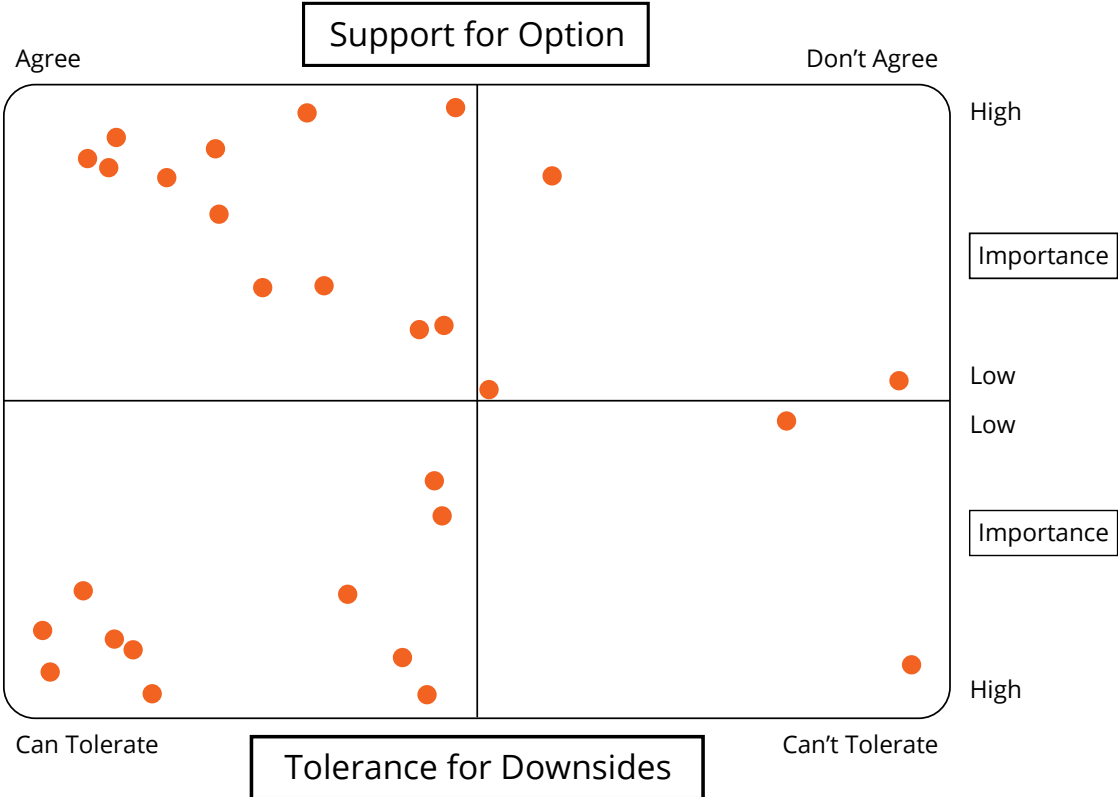
Although there was a good deal of support, this policy change did have some who did not agree. Potential downsides included loss of control of natural resources such as water and contested ownership of resources more generally. There was a concern around the varying levels of participant investment and that smaller communities might be unable to participate, get overlooked, or have less power. It would be important to clarify roles and obtain commitments to perform and fund the process and projects. Related to funding, it was not clear what the end-user cost would be and whether this would be affordable. Questions about the political will and potential NIMBY pushback surfaced. The potential for increased taxes and/or the elimination of city revenues was raised. Forum participants voiced concern about potentially taking assets from local governments. Finally, the required change in state law and the potential barrier this caused was again noted.

Levy Local Bonds for Infrastructure

Supporters of this idea liked that it would keep money in the area and that economic development would follow. They noted such bond revenues could raise some road projects to the top of the list and generally help needed infrastructure be built. They saw the possibility of diverting existing tax revenues to a new pressing need while creating a bond cycle for local jurisdictions. Moreover, historical precedent exists for this idea, so it might be easier to pass and might eliminate some possibility of otherwise disparate funding.

However, such a bond plan could raise local taxes, which could cause resistance. There could also be too much revenue too fast, causing difficulty in spending the money in a required time frame. Alternatively, in some cases the revenue might not be enough to meet the need. This spoke to a larger capacity problem: in some communities, there could be too few residents to create revenues to repay the bonds and/or a government that is not able to administer the bond program.

At a subsequent meeting, the group discussed further what it would take to increase support for locally funded bonds for infrastructure. The needs of smaller- versus larger-population communities were noted. Smaller communities focused on water and sewer, road improvements including sidewalks and streetlights that improve access to housing. They also discussed the need for additional schools for areas with increased population. Finally, they highlighted broadband in rural areas. In the larger communities, forum participants noted that bonds would be needed for changing infrastructure versus maintaining. These leaders advocated for identifying corridors with comprehensive development plans. Such corridors would be planned to have sufficient infrastructure, would develop marginalized communities without displacement in the face of gentrification, and would include regional transportation (express buses, park and rides, etc.), housing, high speed internet. The corridors would be set where leaders and communities wanted to accommodate growth, because infrastructure investment enables growth. Although it was noted that bonds themselves cannot be used for displacement-mitigation measures, they could replace other funds spent on infrastructure so local governments could spend more on anti-displacement strategies.

Following on the most important uses of the bonds, participants from smaller communities expressed their concern about improvements to state roads with local money. They also were cautious about tax increases, especially given inflation. People could lose housing as a result of increased costs, so there was a preference for increased sales tax, some of which would be paid by outsiders. For a similar reason, they also liked the option of a recreation tax. The need for water and sewer expansion, or to protect the environment motivated some participants. An overall realization that very few options exist for small municipalities to fund infrastructure informed the conversation.

In the larger urban areas, forum members were interested in the specifics of where and how money from a bond would actually be used. They also wanted to know who will be making decisions and how those decisions would be made. They noted that bonds would result in increased taxes, so residents would want to know what would those tax increases be, and what location, number of units, and level of affordability would be achieved. Advocates wanted to protect against potential downsides such as "Urban Removal" and to look at affordable housing on county-owned land. One participant argued that it was time to take action, complaining that local communities talk for too long without moving forward.

**Fund Infrastructure Through Local or Regional Bonds**
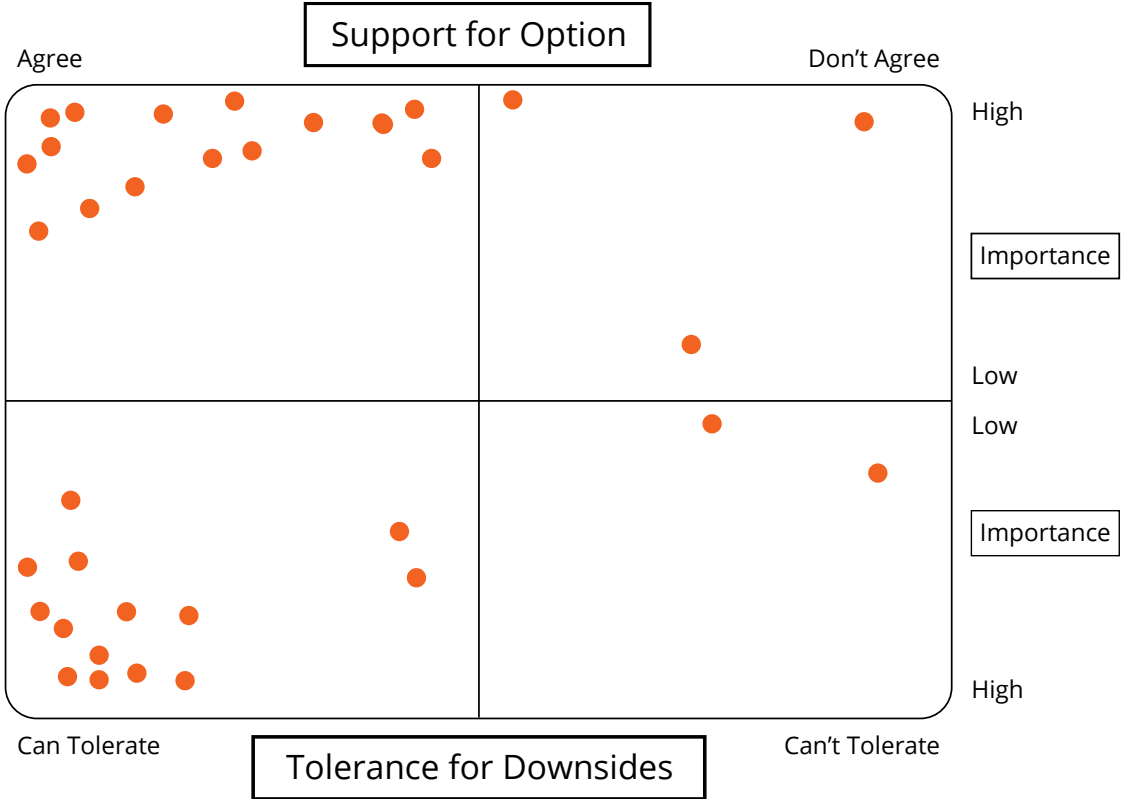
To pass bonds issues like those proposed, residents from smaller or more rural communities suggested a public relations campaign that explained specific projects and how the bonds would help. Relatedly, local leaders could create a toolkit with specific asks. A tax, such as a recreation tax, would be needed to pay the bond, or leaders would have to relocate existing tax money. Forum participants suggested the Chamber of Commerce leadership would be helpful, as could supporting local improvements to complement the bond work. In the more highly populated counties or municipalities, forum participants highlighted the importance of broadly involving constituents, stakeholders, local government leaders and staff and leveraging objective data. They thought advocacy for bonds would benefit from giving a clear, full, and objective picture of who's impacted by the proposal and how it affects them, as well as where infrastructure has the greatest return on investment. Participants also emphasized the importance of ensuring public relations campaigns were bilingual and inclusive of the full community.

Lobby for a State Bond Referendum for Water and Sewer Projects

Participants believed lobbying for a state bond for water and sewer projects could educate and raise awareness to increase public buy-in for development that would encourage housing development and ultimately benefit the local economy. Passing the bond would provide predictable funding over time, which could speed projects. Participants believed that if infrastructure could prepare more land to be ready for housing development, economic development would follow. Forum members also noted that historical precedent exists for this kind of action.

Fund Infrastructure by Lobbying for a State Bond for Water and Sewer
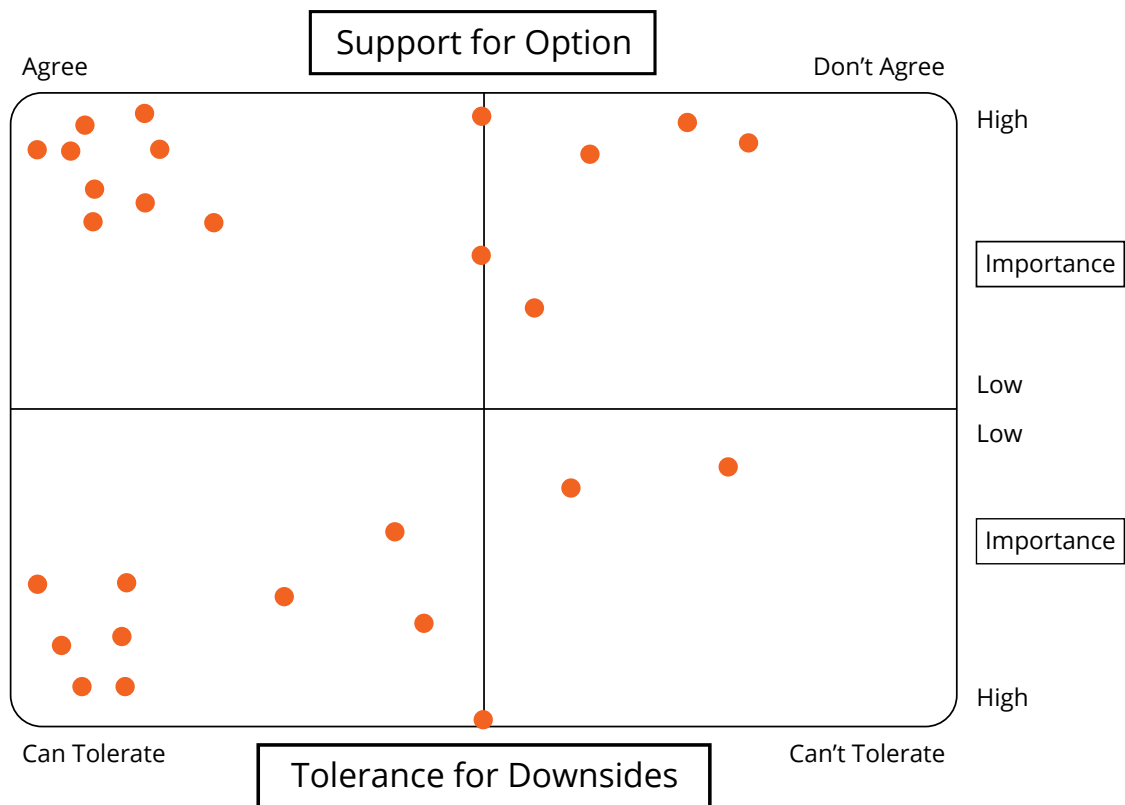
However, participants also noted that increased taxes would also result, which are not popular with voters. There was concern that Western North Carolina would not receive its fair share of a statewide bond, based on past regional experience. Concern also existed that increased spending on these projects could cause the state or federal government to reduce other funding, or for the water and sewer funding to take away from other needs. Some communities might not know what or how to implement the projects.

Finally, it was recognized that it would take an act of the North Carolina General Assembly, and likely a statewide referendum, to enact a bond, making this policy action more difficult to achieve. In a subsequent discussion, the group identified allies that might help successfully persuade the state to pursue such a bond. Ideas included leveraging the Land of Sky Council of Government to represent regional interests, working with local economic development groups, businesses, investors, and real estate groups, and bringing the state legislative delegation from Western NC on board for the idea. Groups talked about focusing on the need in rural North Carolina for housing in particular and in highlighting bonds as a long-term investment strategy.

Increasing Housing Supply While Minimizing Opposition to Housing Development

NCLF combined two of the cohort's concerns because they were frequently raised in combination, increasing housing development and minimizing opposition to housing growth. We framed this concern as:

> *How can we increase housing supply and protect what we value about our communities and neighborhoods?*

Before considering solutions, NCLF asked participants to think of examples of times they favored or opposed a development and share with a partner what drove their different points of view. They also considered what concerns they have heard in their own communities from others.

Proposed Actions to Facilitate Development of Housing While Addressing Resident Resistance

Broad Agreement:

- Implement a broad-based public relations strategy that addresses affordable housing issues in Western North Carolina, highlighting how housing connects to health outcomes, counters NIMBYism, and seeks land availability

- Have counties collaborate to advocate for more resources and increase the capacity of the region to access state and federal funding for infrastructure and housing

Varying Degree of Support:

- Create an 'ownership and development of your real estate' course for property owners in WNC that presents opportunities for property owners to learn about real estate, financing, land development

---

During this discussion, participants observed that there is a lack of communication between institutions and the public, from not-for-profit, business, and government perspectives. As a result, few people understand the role of local government in regulating and producing housing. Moreover, participants believe that the community has not "bought into" the concept of having more housing, despite many of the participants' feeling that more development is necessary. Anecdotally, participants also expressed frustration that the loudest voices, termed as NIMBYs (Not-In-My-Backyard) and BANANAs (Build Absolutely Nothing Near Anything), drown out the many who may be in favor of more housing or of a particular development.

Because there was widespread support for two possible solutions to this concern, and because of the overlap with prior discussions, we asked Forum participants to focus on what would be needed to implement the favored strategy. They considered in particular what barriers existed that made action difficult at the current time, as well as what resources would be needed to take further steps.

Develop and Implement a Broad-Based Pr Strategy to Increase Public Buy-In to Addressing Housing Supply and Affordability Issues in Western NC

Cohort participants felt strongly that there should be a collective effort to build more public support for housing in the region, through a focused and expansive public relations campaign. Building on their own regional network from the program, participants focused on a range of local actors that could help raise the profile of the housing issue, including the Land of Sky Council of Government and similar regional entities, developers, community groups, the religious community, and Dogwood Trust. They also wanted to focus on engaging more local elected officials in support of increasing housing supply.

One key need that emerged from the conversation was access to centralized resources, such as usable examples of housing development from the area that would instill confidence and inspire further action. They also wanted resources that would help educate leaders and the community about the market and population dynamics driving the need for increased housing supply. The group was also interested in a sense of the history of communities in the region and good underlying data related to the case for housing.

There was some interest in the group in securing funding to hire a public relations firm that could help leaders and communities organize around a clear thoughtfully developed message, talking points, and desired results. The public relations firm might also help to conduct focus groups in crafting messaging and a plan for the region. One key theme was emphasizing the collective interest in housing, so that individual leaders did not feel alone in their advocacy. A second theme highlighted the need for a clear vision and action plan around housing growth, and then disciplined messaging and advocacy that stuck to the vision and plan presented.

There was also a distinct environmental sentiment championing density as a way to preserve open spaces and reminding the group not to sacrifice progress for perfection.

Increase Regional Capacity to Access Available Funding (State, Federal, Philanthropic) for Infrastructure and Housing

The group discussed the need across the region to develop better local capacity to access financial resources to support housing development. Ideally, the group desired staffing and time allocated to support housing development and better regional collaboration on the topic as well. The group talked about making bipartisan, joint presentations to city and county leaders to advocate for investment in housing. They also explored asking the existing regional housing consortium to support further information, presentations, and action on housing.

Participants shared that a prior local effort to couple support for conservation and housing bonds at the same time had been promising in Asheville and could be a model for future collaboration. The US Department of Transportation and NC Department of Transportation uses a pooled fund program to enable state DOTs and public and private entities to partner and share resources around transportation assessments, and there was interest in a similar state pool of funds for housing.[xvii]

One barrier to success that was identified was current state and federal preferences to fund projects that have "walkability", favoring urban centers. Because this approach disfavors Western NC, and rural areas in particular, there was a desire to advocate further on this specific issue and to recruit officials to visit the area.

Next Steps

Once participants had talked through all of the selected actions, they chose five for further discussion and action planning at a final session. The participants selected the following topics for further exploration of how to best move forward with action:

- Change zoning rules to allow multifamily developments and increase density

- Conduct public relations campaign on need for housing

- Advocate with the state to allow use of the occupancy tax to fund housing-related infrastructure needs (directly or as security for bonds)

- Advocate with the state to support bonds for Western NC infrastructure

- Encourage regional coordination and planning around Housing and Economic Development (i.e. corridor planning, comprehensive plans for housing)

Ideas from these discussions are incorporated in the description of the action above. Action planning largely focused on who in the group could lead the efforts forward and who else to involve from the community to make the effort successful.

In December 2022, the group asked NCLF to facilitate a follow-up meeting that continued conversations from the formal set of cohort meetings. About half of the cohort attended and many participants shared examples of successful efforts around housing that had occurred since the cohort concluded its meetings in May 2022. The group then brainstormed next steps around several efforts:

- Legislative advocacy on four topics: 1) using the occupancy tax to fund infrastructure to support housing development; 2) state-level bonds for infrastructure; 3) protecting the capacity of local governments to regulate short-term rentals; and 4) broadening "Economic Development" to include housing development

- Develop a public relations strategy to increase public buy-in to address housing supply and affordability needs in Western NC

- Encourage regional coordination for planning around housing and economic development

What We Learned

NCLF provides policy leaders both the opportunity to learn about a topic of importance to the state or their region and the chance to build the capacity to work more constructively with a wide range of leaders going forward. In 2022, NCLF participants in Western North Carolina engaged each other about how access to adequate housing could be increased for people in their communities, to provide more opportunity and quality of life to area residents.

What Participants Gained and Valued About the Process

Valuable New Relationships

When asked what they had gained from the program, participants overwhelmingly emphasized the new relationships they had built and connections they had formed, particularly across counties and across political party. In a post-program survey, 83% of participants reported that they had formed new or deepened relationships that would not have occurred without the program, with about 70% of relationships forming across sectors and 60% across political party. Several people identified specific new relationships they had formed that had led to immediate new opportunities, for example an elected official referring a colleague to someone in the group for assistance, or inviting someone in the cohort to be a speaker at an event. After the program, we heard of several participants who continued to collaborate with, provide opportunities for, and serve as a resource to each other.

Increased Understanding and Motivation to Work on Housing Issues

Participants also pointed to increased motivation and energy to work on housing issues. "Seeing the shared passion on the issue has inspired collaboration," said one participant. Another said, "Beyond the technical knowledge I've gained, I think this group has a motivation to improve housing inventory in Western North Carolina." One veteran of the housing world said:

"I've been an affordable housing advocate for over 20 years and it comes with some victories, some losses, and some disillusions. Seeing this problem even bigger than it used to be, participating has given me some hope to know that there are people in our region that care, and it is a good reminder to me that I'm not alone from my perspective. The relationships I've built with this group are going to be beneficial down the road, and I could call anyone in this room to work together on something."

Following the learning of new information and perspectives, a strong sense of taking the learning out into their communities and prioritizing action steps emerged from cohort members. One said "I want to be able to connect people beyond all my busy work. I want to be able to get people to know

their business and get them to know what they need and connect to you all." Another stated "I want to have a 1:1 meeting with my community about participating more with elected officials." A third participant said "I want to be more intentional about where my networks are and managing my time and space and effort and having a cup of coffee or something with certain people because that's necessary for my small county." There was a sense with participants generally that it was important to be "educating people because we have to share what we learned" and "not just elected officials but what we could be doing together and building out the coalition beyond this."

Broadened Perspective on Approaches to Housing

Participants also reflected on how the program had expanded their thinking about their leadership and their approach to addressing housing in the community. 83% of participants reported that participating in the program helped them learn more about possible responses to housing needs in Western NC.

One participating elected official related

"I came into this group with a feeling that the majority would think government is the solution to the problem, and I had to see as an elected official if I needed to change my perspective on that. I came out thinking it needs to be a private-public partnership where everybody steps up and participates, not just through property taxes but a whole bunch of ways. Now I have to figure out how I can move the private sector to see this as a priority, and convince them to participate and step up in a reasonable and rational way."

Several participants remarked on their new perspective on the scope of the housing challenge and thinking more broadly about the problem. One participant addressed the tension between the urban Asheville area and other parts of the region, noting a need for action: "I feel a new responsibility with how Asheville is doing more for our neighboring communities for a critical consortium. I chair the group that people think isn't doing enough!" A second commented, "All the smaller counties are facing a very similar situation, and the larger counties are seeing it as a city issue and not a county issue." "Another said, "The common ground was refreshing. I appreciate getting out of my county and being with a renewed sense about one North Carolina. There's rarely a regional conversation." One participant summarized their takeaway by stating, "It's not a problem by race, place, or something else... It's a problem problem for us!" One local leader commented "We've had this identity for a very long time as a bedroom community, but it doesn't have to stay that way. Maybe we're not just a single-bedroom community going forward. If we want to push forward effectively, we need homes."

The cohort reported learning about new ways to develop and fund housing, while at the same time feeling the need to protect their communities and long-time residents. Cohort members expressed new learnings around the occupancy tax and its uses, bonds, Section 8, rural development, as well as approaches like advocacy and involving new partners. Forum members expressed being glad at the opportunity to learn new ideas, even if it meant "digging into these really big reports."

Understanding the Views of Others and the Value of Constructive Engagement

Finally, participants clearly deepened their understanding of the perspectives of people that held different points of view. 87% of participants in a post-program survey said that after the program, they were feeling hopeful about my ability to work across political parties or ideologies, and 83% were more confident in their skills at engaging with different political views and perspectives. One participant commented, "I feel I have relationships with people in my region on housing that have a different political background. I feel that we could work together on housing issues." Another said, "I understand different ideologies are just that… they are the ideas of others. They are still human beings having an experience and each are entitled to their opinions." A third stated "Most people truly want the best for others and the community even if we disagree on how it should be solved." Finally, one person shared that the program "made me understand that beliefs come from experiences."

What NCLF Learned

The Western NC regional cohort was the first program in which the NC Leadership Forum took its statewide model and applied it in a regional, multi-county format. This change required developing buy-in from local leaders who helped us identify and recruit participants, identifying new facilitators for the meetings, and testing our model in a smaller region. We learned several key lessons:

- There is an appetite for constructive engagement on critical policy issues at the regional and county level. When we first approached local leaders, several welcomed us eagerly to the area, expressing frustration at the barriers to addressing housing needs in the area. These leaders also played a critical role in identifying participants, convincing them to attend forum meetings, and setting the tone for engagement at the meetings. In addition, we learned that while the participants live within an hour's drive of each other, many had never met and did not previously see each other as resources. Since the program, the participants have shared several examples of new collaborations that grew out of the forum.

- The NCLF model can be replicated with trained facilitators. While at the state level, our steering committee designs the program, invites participants, and facilitates the program, we separated the facilitation role for regional programs. A key ingredient of success was developing a diverse team of facilitators that brought different political perspectives to the table and different areas of expertise, from policy to group dynamics. We provided training to the facilitators and moved from a volunteer facilitation team to a paid team, with significant success. In addition to the facilitators, we were able to recruit a local advisory committee that helped with selecting and recruiting participants, and this advisory committee played an essential role in setting the tone for the group and in providing feedback throughout the program.

- We saw value in selecting a region of about 4-5 counties, which allowed us to identify a very diverse range of leadership perspectives, both in terms of urban-rural, racial and ethnic diversity, and political views. The difference in urban and rural perspectives is particularly noteworthy at the regional level, and we saw leaders learn a great deal about neighboring views that they had previously not considered. We made it a priority to use the Forum as an opportunity for participants to learn about each county, rotating the program to each represented county, and making an effort to incorporate speakers, presentations, or tours that showed off at least a piece of each area. Participants valued this component of the program and have continued to think more expansively about the region since the program.

- A new exercise that was implemented in this WNCLF session was "Where do you stand?" In this WNCLF cohort, participants demonstrated their stance on values and concerns by physically moving to a spot in the room that represented their viewpoint on the question presented. Participants engaged in this exercise with more energy than they had engaged in the previous method of polling, as they were able to see and engage with other cohort members during the exercise more freely. We will continue to incorporate this exercise and other opportunities for participants to move around and engage actively going forward.

- One challenge of moving from the statewide to regional/multi-county level was calibrating the right amount of time for meetings and the right level of policy education to incorporate. Because our statewide participants travel from across the state, we typically conduct meetings across two-day periods, starting late one day and ending early the other. Since participants in the Western NC forum lived within an hour of each other, we planned five full-day meetings. Some participants expressed a preference for shorter meetings so that they could also work part of the day. The tighter full-day meetings also limited the time available to supplement participants' proposed ideas with external research or information.

NCLF also worked with a third-party evaluator to conduct some semi-structured interviews and focus groups with participants after the program:

- Participants overwhelmingly praised the program and in particular highlighted increased courage and confidence to take action after the forum concluded;

- Several noted the value of building relationships in their region and connecting with people on a personal level;

- They also noted being inspired and hopeful after seeing people with genuinely different perspectives engage in good faith conversations about housing in the region;

- Participants highlighted that the program gave them increased self-confidence in their own leadership and perspective, including in their ability to talk with elected officials and speak about housing.

Conclusion

With continued population growth in Western North Carolina, there are acute pressures on the housing market in all five counties that were part of the Leadership Forum. Regardless of political ideology, urban or rural residence, or sector of engagement, the participants in the WNC Leadership Forum attended the program with a strong interest in identifying strategies for increasing the housing supply in the region. While they had different interests and views on the best path forward, participants listened with curiosity and good faith, and emerged with a deeper understanding of different perspectives and ideas for addressing the region's housing needs. Moving forward, the networks they developed and priorities identified by the group provide an opportunity for further collaboration and improved leadership in the region.

Acknowledgments

Appendix A | WNCLF 2021-22 Participants

1. **Kenny Barnwell**, Kenny Barnwell Orchards
2. **Preston Blakely**, Mayor of Fletcher
3. **Vivian Bolanos**, Business Development Officer, First Citizens Bank
4. **Greg Borom**, Children First/Communities in Schools Buncombe County
5. **Maureen Copelof**, Mayor of Brevard
6. **Kit Cramer**, Asheville Chamber of Commerce
7. **Clark Duncan**, Economic Development Coalition for Asheville and Buncombe
8. **Kevin Ensley**, Chair, Haywood County Board of Commissioners*
9. **Tony Floyd**, President of Mars Hill College
10. **Lori Garcia-McCammon**, True Ridge Ministries and Foundation
11. **Sarah Grymes**, VP of Impact for Housing, Dogwood Health Trust
12. **Neal Hanks**, President, Beverly-Hanks Realtors
13. **Mike Hawkins**, Pisgah Enterprises; Former Transylvania County Commissioner
14. **Kevin Hefner**, First Horizon Bank
15. **Jennifer Hensley**, Hendersonville Town Council
16. **Holly Jones**, NC Department of Justice*
17. **William Lapsley**, Chair, Henderson County Board of Commissioners*
18. **Melinda Lowrance**, Chair Henderson NAACP
19. **Julie Mayfield**, NC Senate*
20. **Robin Merrell**, Pisgah Legal Services; Chair, NC Housing Coalition
21. **Andy Nadeau**, President, Bank of America Asheville and East Region Market Executive
22. **Angela Owen**, TBL Leadership Partners; VISION Transylvania
23. **Robin Ramsey**, Office of Senator Richard Burr*
24. **Jay Richardson**, New Belgium Brewing*
25. **April Riddle**, Western Director, NC Department of Insurance
26. **Jeremiah Robinson**, Mountain BizWorks
27. **Michelle Rogers**, Select Homes
28. **O'Neal Shelton**, Wolf Mountain Realty; Madison County Chamber of Commerce
29. **Anthony Sutton**, Alderman, City of Waynesville; Information Systems Director, Biltmore Farms
30. **Hilton Swing**, Chair, Board Chair, Henderson County Housing Assistance Corporation
31. **Sage Turner**, Asheville City Council
32. **Stephanie Swepson-Twitty**, Eagle Street Markets Development Corporation*
33. **Gregory Wheeler**, Business Leader Haywood County
34. **Angelica Wind**, NC Counts Coalition, Healthier Together Regional Director, Region 1

*Denotes Steering Committee Member

Appendix B | Full List of Concerns, as Identified by Participants

During our initial meeting, NCLF staff recorded the concerns of each participant. Later on, the issues were later grouped by theme so that they could be more easily navigated. Facilitators then narrowed the list to a select set of concerns for discussion. The original full list included the following:

To create adequate housing, we will negatively impact existing neighborhoods, communities, and the natural and built environment

- Monetary expense to communities
- Whether or not adequate housing is located well in neighborhoods
- Losing the character of existing neighborhoods
- Protecting vulnerable and legacy neighborhoods
- Minimizing the effects of adequate housing on the agricultural community, especially to stop the loss of farmland
- Protecting farmland and mountains while accommodating necessary growth
- Managing sprawl, including the increased traffic & pollution related to sprawl
- Ensuring that housing is environmentally sustainable and growing
    - Ensuring that planning is location-based, rather than generalizing
- Realizing if communities are starting to have diminishing returns on growth
- The Topography of Western NC limits certain abilities
- Worrying if increasing density loses the ability to have community
- Ensuring that denser communities have access to services and shopping
- Worrying about gentrification
    - Long-term residents being priced out of their homes
    - Displacement of communities of color and lower-wealth neighborhoods
    - Ensuring that those in affordable housing also have access to affordable services
    - Mitigating the effect of out-of-towners who drive up costs for locals

Because of NIMBYism and a lack of communication, it is hard to build new housing

- Dealing with Nimbyism and BANANA (Build Absolutely Nothing Near Anything) attitudes
    - Not enough community buy-in
    - Not enough people understand the role of local government
- The 'loudest voices' are preventing the growth necessary for everybody

Financing is inadequate and inequitable

- Lacking equitable lending
    - Racism
    - No reward for sweat equity

- Lending approval does not consider rental history in most cases
- Redlining is ongoing
- Managing homeownership disparities by race
- Educational disparity is a barrier to financing
- Credit education is emphasized more than credit repair
- Inability to build equity
    - Seems like we are preparing our community to become borrowers rather than owners

People can no longer afford to buy houses, especially near where they work

- Percentage of owners to renters is worsening
- Availability of certain homes
    - Starter homes seem non-existent
    - Cheaper entry options like townhomes & condos are not available
    - No housing availability families
        - Especially middle- to low-income
    - Current workforce can no longer purchase a home in the area
        - Difficult to attract employees
        - Many service industry employees in the area who have little economic mobility
- The Influx of people who want to live in area are driving the housing prices up
    - Especially Remote workers from high paying jobs are moving to the area and purchasing homes
- People view houses seen as an investment rather than homes
- Difficult to use some means-based programs
    - People who do not earn enough to pay for certain things, but earn too much to get assistance
    - Definition of "affordable" in affordable housing feels unrealistic
- Cost of Living is rising higher than wages
    - Becomes a disincentive for young people to remain in the community; It could start a bad cycle in which people leave and area diminishes
- Ability to rectify generation deficits as well as generational wealth
- Ability to address rural and metropolitan concerns

Cost of home ownership is too high

- HOAs are exclusionary
- Ongoing costs like mortgages and utilities can be difficult to keep up with
- Affordability is a moving target
    - Influxes of out-of-towners distort the AMI in comparison to historical trends
- Costly to maintain a home
- Regressive tax increases for utilities and taxes

Costs of building new housing is too high

- High construction costs with little control over costs
- Experiencing inflation in cost of materials & labor shortages
- Cost and lack of supply of land
- Mitigating climate change

Governments hinder rather than help increasing the supply of adequate housing

- Governments are not nimble enough to purchase land for housing in comparison to develops
- Lack of expertise in county governments
- Too many state level restrictions which hinder the ability for the local government to act
- Zoning laws hinder the ability for development
    - Single family zoning is an incredibly impediment
    - Widespread prohibitions on mobile home parks
- Feeling like there is not enough public money to create adequacy
- Financial burdens are placed on developers while builders are driving up costs
    - Utilities
    - "We make it too hard to build here"
- Harder to build a shelter or PSH (permanent supportive housing) than a hotel
- State-owned and University-owned land constricts the supply of land for building housing and limits revenue base
- Bonds need to be regularly updated to keep up with housing needs

Rental concerns

- Short-Term Vacation Rentals (STVR) increasing; Mitigating spillover effects
    - New Rental Laws are allowing abuse of STVRs
    - STVRs taking housing off of the market
    - Excessive rental stock for visitors; Not enough housing for citizens
    - Long term rentals being converted into short term rentals
    - Locals feel second-class to visitors
- Excessive rental application fees
- Evictions cannot be expunged currently
- Landlords are choosing to evict instead of accepting back rent
- High movership rate; Diminishes community
- Vouchers
    - Low acceptance in private market
    - Aging of Section 8; Inability to keep up with needs

- Landlord Protections
    - Need to know what they can expect of tenants
    - Landlords have limited protection
    - Deposits are not covering losses

Abundant Low-Quality Housing

- Concerned for Health and Safety
- Standards not assuring adequate quality
- Inadequate support for rehabbing owner-occupied housing
- Inadequate housing starts cycle of poor health
- People will still buy/rent subpar housing due to need

Homelessness is inadequately addressed

- Not addressing mental health and substance use needs for homeless
- Thousands teetering on homelessness
- Need more wrap-around services
- Need support for re-entry; Stopping cycles of homelessness

Infrastructure

- Rural counties missing water, sewer, & internet
    - Many unable due to cost
- No water & sewer stops higher density development
- Lack of long-term planning across region
- Current roads at capacity

Appendix C | Full List of Actions in Response to Major Concerns

- Landlord/tenant partnership to increase voucher/section 8 outreach to landlords. Educate tenant. City has funds to cover the gap, damage.
    - Close gap in voucher rent to incent landlords to accept vouchers and keep properties affordable
    - Landlord incentive program
- Hotel, motel tax only used for tourism: change so it can be used for affordable housing (state-level) (See AZ conversions as example)
    - TDA allow funds for rental subsidy
- Allow zoning multifamily
- Improve tenant/landlord rules
    - Universal background checks for people looking for places to rent
    - Eviction expungement after 3-5 years so records don't show past history at that point
        - More programs that mediate issues
- Allow zoning of short term rentals
- Explore alternative housing models like micro housing, motel conversion
- Public sector incentive for employee housing
- Economic development creates jobs, leads to housing affordability
- Lower capital gains tax on property owners who sell for affordable housing and substantial tax credit for having property classified as affordable housing
- Expedite affordable housing projects
- Tax on second homes
    - Looking towards SC who increases property tax rates from 4% to 6% on second homes and rental properties
- More public funding and/or land to build more aff housing and repair existing
- Waive tap fees (water and sewer) to developers who agree to keep rents low for X number years
- Increase density on particular parcels and zone appropriately. Then community understands potential
- State level tax program
- "upzoning" homes in major corridors

Regional coordination

- Local government cooperation to discuss strategies
- Infrastructure planning/cooperation
- Communication between groups

Shared development

- Rural broadband
- Promote cross-country regional transportation priorities
- Opportunity zones: use them for infrastructure improvement. Muni or county that has them should ID where they can expand for water and sewer, allows private investors to put $ in without capital gains tax.
- Use impact fees to leverage development private money to address impact on community around them. NC doesn't do, other areas typically do it. [Don't allow localities to do]
- Develop affordable housing adjacent to public schools
- Plan further in advance/longer lens—needs around social determinants of health
- County/City add existing land holdings to sell for use
- Get counties to buy into comprehensive zoning, land use standards

Sales tax/bonds for infrastructure or state bond referendum

- What can localities do? Could you do regional 5 county bond issuance?
- Financing, pay as go vs pay it all at once
- Regional body that could propose bond/infrastructure changes?

Water

- Coordinate across cities. Each city has own water system (Rosman and Brevard ea have own system; lack of coordination across and within county, no water authority or overarching body).
- Marshall–Weaverville: Water/Sewer coordination across cities which crosses county lines, requires coordination across corridors.

Endnotes

[i] Bowen National Research, Housing Needs Assessment: Western North Carolina (2021) available at https://dogwoodhealthtrust.org/data/.

[ii] Census Quickfacts," US Census, 2021, https://www.census.gov/quickfacts/buncombecountynorthcarolina

[iii] "Hotel Development Briefing Book." *The City of Asheville*, January 30, 2020, https://drive.google.com/file/d/1-IMkuo_zfk_Npfuo-V4tSPHlOOCXdPI8/view.

[iv] Bowen Housing Needs Assessment.

[v] Bowen Housing Needs Assessment.

[vi] The range reflects the differing methodologies of the US Housing and Urban Development and the North Carolina Housing Finance Agency.

[vii] Bowen Housing Needs Assessment.

[viii] https://www.pdx.edu/realestate/sites/g/files/znldhr3251/files/2020-10/01_impact_of_slope_on_development_SU20_p2.pdf.

[ix] https://www.ncceh.org/datacenter/pitdata/. Of note, homeless individuals are often undercounted by Point in Time surveys.

[x] In later 2022, after the WNC cohort had finished its discussions, HUD did in fact take action and promulgated a new "Fair Market Rent" policy. For the first time, HUD will use up-to-date private rent data to help set fair market rent subsidy caps for vouchers. As this is implemented, it will help to close the voucher versus market rent gap as participants sought, for example raising the Asheville HCV Fair Market Rent from $1,152 for a two-bedroom apartment in 2022 to closer to the higher $1790/month. Some questions remain, however, about the availability, transparency, and dependability of private market data. And the long wait list issue discussed above could still be a limit to the HCV program. https://www.cbpp.org/research/housing/new-hud-fair-market-rent-policy-can-help-local-agencies-reduce-homelessness-and.

[xi] Survey by The Asheville Homestay Network, an association of STR owners.

[xii] Brooke Randle, "Asheville struggles to rein in illegal short-term rentals," Mountain Xpress, July 21, 2019, https://mountainx.com/news/asheville-struggles-to-rein-in-illegal-short-term-rentals/.

[xiii] "Coalition of Asheville Neighborhoods Government Lobbying," *Coalition of Asheville Neighborhoods*, May 2021, https://www.asheville-can.org/government.php.

[xiv] Land of Sky Regional Council, Transylvania County Broadband Community Profile, June 2019 available at https://www.landofsky.org/pdf/LGS/Broadband/TransylvaniaCounty_CommunityProfile2019.pdf.

[xv] For a summary of the specific allocation of occupancy tax funds by NC locality, see the NC General Assembly's Occupancy Tax Overview at https://webservices.ncleg.gov/ViewDocSiteFile/56369.

[xvi] Magellan Strategy Group, Profile of NC Occupancy Taxes and Their Allocation, available at www.ncrla.org/wp-content/uploads/2018/08/NC-Occupancy-Tax-Profile.-July-2018.-Version-5.0-Final.pdf.

[xvii] https://pooledfund.org//StaticDocuments/Reports/TPF_Factsheet.pdf.

North Carolina Leadership Forum
https://sites.duke.edu/nclf/

JOHN WILLIAM POPE
FOUNDATION

James B Duke
THE DUKE ENDOWMENT

Z. Smith Reynolds
FOUNDATION

BANK OF AMERICA