

ECONOMIC & COMMUNITY DEVELOPMENT COMMITTEE MINUTES

September 20, 2016

In Attendance

Councilman Chris Anderson, Committee Chair, called the meeting to order at 3:10 p.m. A quorum was present, including Council Chairwoman Carol Berz, Vice Chair Moses Freeman and Council members Russell Gilbert, Larry Grohn, Yusuf Hakeem, Chip Henderson, Jerry Mitchell and Ken Smith. The assigned attorney was City Attorney Wade Hinton. Deputy City Attorney Phil Noblett joined the meeting at 4:30 p.m.

Others in Attendance

ECD: Donna Williams, Administrator and Nick Wilkerson, Deputy Administrator of Community Development; Council Office: Nicole Gwyn, CMC, Clerk

Approval of Minutes

On motion of Vice Chair Mitchell and seconded by Councilman Henderson, the minutes of the last meeting (May 17, 2016) were approved as published.

Ordinances (Final Reading) – Agenda Item 5A

Councilman Henderson informed the Assembly that the Council had a discussion in an earlier open meeting about needing more education on this ordinance. Therefore, **Councilman Henderson moved** to defer four (4) weeks, seconded by Vice Chair Mitchell. The motion carried.

Councilwoman Berz requested a presentation on the city policy regarding fiber optics. She asked if 30 days would be enough time for a city policy. Mr. Wilkinson agreed to a presentation on the policy regarding fiber optics. He also confirmed that a presentation could happen 2-3 weeks from today before the vote on the deferred item.

Resolutions – Agenda Item 7A

Councilman Mitchell thought that a foundation was missing from this resolution. Ms. Williams discussed why Benwood Foundation was not included in this particular one. Councilman Anderson also asked that “District 7” be added to the agenda notation.

PILOT PRESENTATION: Resolutions – Agenda Item 7A

Councilman Anderson introduced Ms. Williams and ECD staff who worked on the development of the PILOT: Sandra Gober, Manager of Community Development; Jonathan Butler, Manager of Neighborhood Services; and Jennifer Bisette, Housing Specialist. She also recognized members of the Health, Educational and Housing Board who were present.

Ms. Williams made a visual presentation that included the following:

- Revision to the PILOT: 20% of units to 50% of units
- What is meant by Affordable Housing?
- 2016 Governor’s Housing Conference: “Rentalpocalypse”
- FY 2016 Income Limits Documentation System
- 44,000 jobs in and around downtown area
- Pics of local rental properties
- Rental unit ranges: 284 sq. ft. - 1,200 sq. ft. and \$525.00 – \$2,000 monthly
- City of Chattanooga Housing PILOT – 4 Primary Steps for Developers
- Monitoring and Compliance

Ms. Williams responded to the following questions from the Council:

- Where is the clean version of the PILOT? (Berz)
- Where is the scoring sheet? (Berz)
- Shortage of units? What is the additional inventory? (Henderson)
- Income restricted units? (Henderson)
- Housing for disenfranchised families? (Grohn)
- Are 1-bedroom units family friendly? (Grohn)
- Any current projects offer two or more bedrooms? (Grohn)
- Is 17.50 per hour considered “low income”? (Grohn)
- Can rent be affected by amenities offered (i.e., utilities, parking)? (Grohn)
- How to make affordable for developers wanting to assist low-income families? (Hakeem)
- What is the target income group for this PILOT? (Gilbert)
- What are the income limits for those at 60% area median income? (Gilbert)
- Why not include clawbacks? (Mitchell)
- How will this benefit the Chattanooga Housing Authority? (Mitchell)
- How long to break ground? [Attorney Hinton agreed to add the term “two (2) years” to Section J in the resolution.]
- Is it “up to” 80% area median income? (Berz)
- Where do we see developers going outside of the downtown area? (Berz)
- Are these developers those who do public housing? (Berz)
- What differentiates public housing from these developments? (Berz)
- What keeps the guide on “high quality”? (Berz)
- Who provides oversight on quality (assurance)? (Berz)
- Is anyone checking on the quality of life of the property? (Berz)
- Does the policy include the number of projects to be accepted in a year? (Henderson)
- Do we have a maximum number of projects? (Henderson)
- Is it mixed income? Is mixed income a goal of the PILOT? (Henderson)
- Will developers need to get rezoned if not zoned for the projects? (Gilbert)

[Attorney Noblett replaced Attorney Hinton at 4:30 p.m.]

Follow-Up Items:

- Councilman Grohn requested a list of the PILOT projects that offer two or more bedrooms.
- Councilman Henderson would like to offer an amendment tonight regarding a clawback provision and annual review.

Adjournment

Upon no further questions, Councilman Anderson thanked Ms. Williams, the ECD staff and community members for the program. He adjourned the meeting at 4:35 p.m.