

Affordable Housing Advisory Commission Meeting REMOTE*



February 16, 2022 7:00 PM Remote Meeting

Agenda

- I. Welcome (7:00-7:05)
- II. Consider Approval of January 2022 Meeting Minutes (7:05-7:10)
- III. Presentation from UNC-DCRP students Zoning for Equity Presentation (7:10-7:40)
- IV. Presentation and Discussion of Tenant Advocacy Strategy (7:40-8:15)
- V. Additional Comments/Questions (8:15-8:30)
 - a) Town-Owned Land strategy update
 - b) Manufactured Homes strategy update
 - c) CDBG-CV Update
 - d) Next meeting March 16th OCPEH presentation

^{*}To view the advisory board meeting, please email Zequel Hall at zhall@carrboronc.gov to receive an invitation. Requests to remotely attend the meeting shall be made within 24 hours of the meeting start time.



STRATEGIES TO IMPROVE TENANT-LANDLORD RELATIONS

INTRODUCTION

The Town strives to prevent displacement of existing residents, advance racial equity, and provide accessible housing. However, many tenants, including low-income households, the elderly, the disabled, and non-English speaking residents, often live in poorly maintained, sometimes dangerous rental housing, or they experience difficulties with their landlord. Often residents bring their concerns to the Town, hoping the Town can intervene. However, the Town has limited authority to compel a landlord to remediate many situations.

The purpose of this document is to lay the groundwork for the creation of additional strategies that can assist the Town to advance affordable housing preservation, and to improve tenant-landlord relations and tenant well-being. Town staff is seeking initial feedback from the AHAC as well as their assistance in developing a strategy for tenant advocacy that is centered in community.

OVERVIEW: TENANT EXPERIENCES IN CARRBORO

Currently, Carrboro has a high demand for rental housing due to its proximity to the University of North Carolina at Chapel Hill and to the region's well-paying professional employment opportunities. The Town's October 2020 Affordable Housing Issues and Opportunities Report found that, "there is a concern in the community that a loss of affordable units is pushing out long-term residents, especially Black, Indigenous, and People of Color (BIPoC) some of whom are being priced out." Key findings from the draft comprehensive plan found that:

- A. Rent is rising faster than income. Rent on a two-bedroom apartment has increased 29% over four years while median household income rose 11%. (ACS 2014-2018)
- B. 49% of renters experience cost burden they pay over 30% of their household income toward housing expenses. (ACS, 2014-2018)
- C. Based on housing affordability versus demand for housing, there is a total affordability gap of 1,079 housing units, including 314 for-sale units and 765 rental units. (ACS, Esri and Freddie Mac Calculator)

The more affordable units that are available are often older and poorly maintained. The table on page two reflects concerns submitted to the Town by residents. The Town has limited authority to intervene except when the Town's Housing Code is violated. However, many tenant issues aren't severe enough to violate the housing code, but still create inadequate living situations.

| Construction-Unsafe Practices Eviction – Unlawful & Threats Unpredictable Hot Water Poorly Functioning HVAC Leaks – Plumbing & Roofing Public Safety Concerns | Autumn Woods Berkshire 54 Carolina Spring Chateau Apartments Collins Crossing Chase Park/Elliott Woods Oakwood Apartments The Landings at Winmore Trinity at the Hill |
|--|---|

^{*}Table Columns are listed in alphabetical order and are unrelated.

TENANT RIGHTS

Tenants may not know what rights they have, how to assert their rights, or what tools are available to them, such housing codes. They may have language barriers or disabilities that make it difficult to navigate the code enforcement complaint system, or they may be afraid of landlord retaliation if they complain. Tenants may be undocumented or have limited income that hampers their ability to move. However, tenants are protected from discrimination under Fair Housing Laws and have the right to report discrimination.

Fair Housing Laws state that it is against the law to discriminate against a renter based on a person's:

| Age | Race |
|-----------------------------------|------------------|
| Color | Religion |
| Familial Status (having children) | Veteran's Status |
| National Origin | |

A landlord or housing provider may not do the following based on the above classifications:

| Refuse to rent you a home | Persuade you to move into/away from a certain |
|-------------------------------------|--|
| | neighborhood |
| Charge more to rent | Refuse to accommodate a disability, which includes |
| | the accommodation of an assistance animal |
| Falsely claim a unit is unavailable | Deny any other housing transaction based on your |
| | membership in one of the protected classes |

<u>Fair Housing Reporting</u>: The <u>Orange County Civil Rights Ordinance</u> grants residents the right to file a complaint of discrimination against a landlord, housing provider, or any other person who violates a resident's right to fair and equal housing opportunities. In January 2021, the Town passed a nondiscrimination law extending protections in public accommodations and employment for persons based on their sexual orientation, and gender identity or expression. The Orange County Department of Human Rights and Relations provides education and outreach and investigates housing discrimination complaints. Specialists analyze evidence and will assist residents to "dual-file" with the U.S. Department of Housing and Urban Development (HUD) under the Federal Fair Housing Act if it is determined that discrimination has occurred.

TOWN ROLE

WITHIN TOWN'S AUTHORITY

Minimum Housing Code Enforcement: While the Town is not authorized to intervene in a tenant/landlord dispute, the Town can legally intervene to improve tenant-landlord engagement by addressing a housing code violation through Minimum Housing Code Enforcement. The Town utilizes a complaint-based system to enforce minimum housing codes that is in response to a resident's complaint about a substandard housing condition. The Inspector is authorized to exercise such powers to carry out the provisions of the Housing Code, which includes assessing the condition of the rental unit if a housing code violation is suspected in cases of:

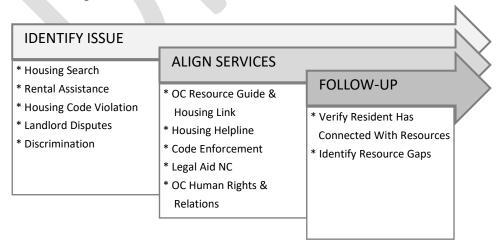
| Light and Ventilation Standards | Electrical Standards |
|--|----------------------|
| Security Standards (Doors and Windows) | Heating Standards |
| Structural Standards | Plumbing Standards |
| Exit Standards | Property Maintenance |
| Space and Use Standards | |

^{*}Table Columns represent the minimum housing standards located in the Town Code.

Benefit - Code Enforcement helps protect the most vulnerable population by addressing issues of housing habitability.

Challenge - The Town's Minimum Housing Code Enforcement uses a complaint-based model which places the burden on residents.

<u>Staff Support</u>: Town Staff interacts regularly with residents to help address tenant-landlord issues. This process connects residents with available resources to address housing insecurities, maintenance, discrimination, and tenant-landlord disputes. The Table below outlines a quick overview of the process used to when interacting with residents:



<u>Landlord Outreach</u>: Staff initiated landlord outreach at the beginning of the Covid-19 pandemic and continue to share information on emergency housing assistance and other programs to further build those relationships. Continued Landlord Outreach efforts include:

- Explain any available landlord incentives, such as signing bonuses, damage/mitigation funds, and/or payment of deposits
- Use the outreach efforts to discuss landlords' fears about accepting different rental assistance and what would incentivize them to accept assistance
- Partner with community groups to connect landlords with other landlords to hear about their successes partnering with local programs to end homelessness
- Conduct listening sessions with landlords to understand their perspective and develop strategies to increase affordable rental housing.

Benefit: Can lead to increased retention and a more positive tenant-landlord relationship prior to move-in

Challenge: Barriers such as time commitments, the lack transportation, childcare, or technology resources.

OUTSIDE TOWN'S AUTHORITY

<u>Rent Control</u>: North Carolina legislation currently prohibits rent control on both a state and local level. Therefore, the Town is governed by general statute G.S. 160A-1, which prohibits:

- 1) Regulating in any way property belonging to that city, county, or authority;
- 2) Entering into agreements with private persons which regulate the amount of rent charged for subsidized rental properties; or
- 3) Enacting ordinances or resolutions restricting rent for properties assisted with Community Development Block Grant Funds. (1987, c. 458, s. 1.)

<u>Payment Source</u>: In addition to the inability to restrict rental pricing, the Town has no authority to require landlords to accept 3rd party payments and North Carolina does not prevent payment source discrimination. The combination of these factors has prevented residents from accessing crucial resources for rental assistance (ex. HOPE Program) and has prevented residents with Housing Choice Vouchers from obtaining affordable units.

OTHER EXISTING RESOURCES

<u>Orange County Housing Helpline</u>: The Housing Helpline assists Orange County residents by providing resources to stabilize housing, prevent eviction and homelessness, and streamlining referrals.

Benefit: Unified process for the Towns and the County, improves access and efficiency in the administration of funding and identifying unmet needs.

Challenge: Long wait times for applicants. Long-term financial stability of the program.

<u>Legal Aid of NC Housing Helpline</u>: Free legal services to low-income tenants in civil cases involving eviction, landlord refusing rental assistance, repairs and maintenance, mobile home evictions, tenantlandlord issues, public and subsidized housing lease terminations, and housing vouchers.

Benefit: Helpline dedicated to housing issues. Free legal services.

Challenge: Long wait times for assistance.

EXPLORATION

1. <u>Denver Residential Landlord Tenant Guide</u>: A comprehensive guide for both tenants and landlords. Standard Topics could include:

- Affordable Housing Resources / How to Search for Units
- How to Complete Rental Applications / What Landlords Look For
- Tenant and Landlord Rights
- Common preventive maintenance / When to Contact Your Landlord or Request Inspections
- Housing Discrimination / How to file a Housing Complaint
- Rental Assistance / Eviction Diversion Resources

In addition to creating a comprehensive guide, partnering with community members and nonprofit organizations to help educate tenants and landlords about fair housing and tenant/landlord responsibilities can help address resident concerns. The involvement of community members and nonprofit organizations may help to reduce tenant fear of landlord retaliation, as well as actual retaliation, since this strategy is prompted by intermediaries rather than by tenant complaints.

2. <u>Winston-Salem Landlord-Tenant Mediation</u>: Tenant-landlord mediation programs could be an effective way to de-escalate issues . before they spiral out of control, possibly ending in eviction. Staff identified a Landlord/Tenant Mediation Program in Winston-Salem that partnered with the Forsyth County District Court to refer cases that could benefit from mediation.

Another example of community partnerships was found in the <u>Greensboro Program</u>, where local government partnered with UNC-G and Guilford College's Program in Conflict Studies and Dispute Resolution to help landlords and tenants resolve differences through mediation rather than litigation. Some of the benefits of a tenant landlord dispute program include:

- Mediators that act as neutral third parties to help both parties talk through grievances
- Emphasizes cooperative problem-solving
- Help tenants understand how to exercise their rights without damaging legal and financial consequences
- Gives landlords and tenants the opportunity to speak openly and have questions answered

Ideally, mediation leads to a plan that both parties can agree to and helps them communicate better. Mediators act as neutral third parties to help both parties talk through grievances. However, the major challenge to this program is that mediators have no legal authority to impose a decision.

3. City of Durham Proactive Rental Inspection Program (PRIP): Another mechanism that can support preserving affordable housing is the implementation of a Proactive Rental Inspection Program. The overarching goal of this type of program is to construct a fair and neutral system for both tenants and landlords by inspecting rental units on a periodic basis to ensure they are safe and habitable. Funding is generated from the revenue created by inspection fees and would require dedicated inspection staff. In researching PRIP programs, the City of Durham implemented this type of program, designating priority areas, targeting properties with a history of housing code violations. Additional data collected on PRIP programs across the country revealed the following benefits and challenges:

| BENEFITS | CHALLENGES |
|---|--|
| Preserve safe and affordable housing. Protect the most vulnerable tenants. Preserve neighborhood property values. Opportunity for the Town to recognize/designate good property owners. Encouraging landlords to maintain properties. Relieves tenant of the burden of reporting landlords. | Staff Capacity Cost of registering and/or repairs may result in rent increases. Displacement of residents from uncovering illegal units or tenant-caused housing violations (ex: overcrowding and hoarding). Program may be viewed as targeting low-income, minority groups or those with language barriers. Some may challenge that PRIP programs violate 4th Amendment Rights. |

4. <u>Anonymous Hotline</u>: Supplement the Landlord-Tenant Mediation Program with a dedicated hotline for tenants to submit anonymous complaints. AHAC and community members could respond to these complaints and advocate for changes without the resident being identified.

REFERENCES

Town of Carrboro - Housing Code

Orange County, NC Declaration of Tenants Rights and Obligations

<u>Fair Housing Project — A Project of Legal Aid of NC</u>

Self-Help Library | Legal Aid of North Carolina (legalaidnc.org)

Community Mediation - Dispute Settlement Center

Carrboro - Affordable Housing Issues and Opportunities (teskaassociates.com)

Landlord/Tenant Mediation Programs | City of Winston-Salem, NC (cityofws.org)

<u>Landlord-Tenant Dispute Program | Greensboro, NC (greensboro-nc.gov)</u>

Update on Town-owned Land Use Strategy

On February 8, 2022, the Carrboro Town Council received a presentation from Town staff regarding the draft strategy to use Town-owned land to create affordable housing. The Town Council unanimously passed a resolution to approve the plan and its implementation in the spring.

The Town Council provided the following directions:

- Contact the neighboring property owner on Crest Street to gauge interest in selling;
- Environmental Planning staff should create a "green neighborhood punch list" to incorporate into design plans;
- Conduct assessments on Crest and Pathway Drive simultaneously.

Other comments included:

- Maximize energy efficiency/solarization in RFP include prices for each option
- Look into prioritizing 30% AMI & increased density through rezoning
- Document lessons learned for future projects
- Identify staffing needs & examine if the County can assist
- Identify how additional 1/2 cent for the AHSRF could contribute to this work

Update on Manufactured Home Park Strategy for Preservation and Displacement Prevention

The draft regional strategy is in its final review stage, after receiving input from housing advisory boards, the Orange County Collaborative, the Orange County Affordable Housing Coalition – Manufactured Housing subcommittee. It is anticipated to be presented to Town Council in March.

Update on CDBG-CV

<u>Quarter: Fourth Quarter - October, November, December 2021</u>

EHA Payments for Carrboro Residents: \$192,801.72 Number of Households Assisted: 48

Total Amount of Funds Disbursed: \$212,081.89 Average Amount of Assistance Per Household: \$4,016.7

EHA Administration Costs: \$19,280.17 Percent 30% AMI or below receiving assistance: 87.5%

| DEMOGRAPHICS | | |
|--|----------------------------------|--|
| Applicant Race | Applicant Ethnicity | |
| Asian 2.1% | Hispanic and/or Latinx 8.3% | |
| Black/African American 60.4% | Not Hispanic and/or Latinx 89.6% | |
| Multiracial/Other 8.3% | Unknown 2.1% | |
| White/Caucasian 27.1% | | |
| American Indian / Native American 2.1% | | |