MINUTES
City Council Housing Committee

Tuesday, July 14, 2026 – 3:45 PM
City Hall Council Chambers

Members Present:	Pamela Holder, Chair, City Council Member Aaron Baker, Vice Chair, City Council Member Mayor Maureen Copelof, Ex-Officio
Members Absent:	Victor Foster, Citizen Member
Staff Present:	Wilson Hooper, City Manager Paul Ray, Planning Director Emily Brewer, Senior Planner Shawnee Cummings, Assistant to the City Manager
Guests:	Harvey Sankey, Monica Driscoll

A. Welcome and Call to Order

Committee Chair Pamela Holder welcomed everyone and called the meeting to order at 3:45pm.

B. Certification of Quorum

Assistant to the City Manager Shawnee Cummings certified that a quorum was present.

C. Approval of Agenda

Mr. Baker moved, seconded by Ms. Holder to approve the agenda. The motion carried unanimously.

D. Approval of Minutes – June 9, 2026 Minutes

Mr. Foster moved, seconded by Mr. Baker to approve the minutes of the June 9, 2026 meeting as presented. The motion carried unanimously.

E. Application for Pro-Housing Grant with Housing Assistance Corporation (HAC)

The City applied for Pro-Housing in 2023 and 2024 for the Azaela property but did not get either one. Ms. Brewer said she did not want to let another round of Pro-Housing go by without applying. For this round's application, Transylvania County is a priority geography, worth 20 points, and is a rural community, worth 4 points.

Ms. Brewer stated that this round of Pro-Housing is different than previous rounds, as it has very clear preferences toward certain types of projects. Previous rounds were open-ended and largely planning grants, funding things like hiring a consultant to review your ordinance. This round is more of a project grant but does give priority and bonus points to reward communities that have taken steps to remove barriers to housing, which the City has done. Pro-Housing expressed preference for projects with for sale units over projects with rental units, construction of new units over preservation of existing units, and mixed income over strictly low-income.

Ms. Brewer said Staff approached Housing Assistance Corporation (HAC) to work with them on their Cashiers Valley Road property that was given by the City as part of the development agreement. She added that Pro-Housing funding is really only available to local governments, so it is a completely new funding source for HAC and the City is not competing with any other projects in Transylvania County. She believes it is a strong project, as it is in a historic community and there is a wealth-building component.

The project is approximately $10 million, which is the cap, and the project was expanded so that HAC could build 10 single-family homes and 16 townhomes. The original scope included 15-20 units, and it has expanded to 26. Within the project, $500,000 was allocated to home preservation repairs for low-income homeowners in the Rosenwald community and $500,000 will be able to repair approximately 6-8 homes. They asked for the maximum award because the grant will offset a lot of the costs and allow the new homes to be sold at a very low rate.

For leverage, HAC received a grant for predevelopment from the Toxaway Foundation, the City's land contribution and sewer connection on Cashiers Valley Road, the County's contribution of extending the sewer into that neighborhood, and Staff time. Ms. Brewer said she does not think we will get the maximum amount of points for leverage, as it requires 150% of whatever your ask is, but we will get some.

In assessing scoring, 50 of the 100 points is just related to how the City has addressed barriers to housing in the last 3 years and the City has done a lot. Ms. Brewer said she included restrictions on short-term rentals, the allowance of cluster homes, group developments, recent changes to allow subdivision off of a private road in the ETJ, and changes to the parking standards. They are also calculating the number of units that have been made available or are in review as a result of those changes. Additional points are awarded if the City has done any of the actions listed in the Executive Order for Removing Barriers to Housing, of which the City has done 4.

Mr. Hooper asked if this will replace HAC's current plan rather than add on to it, to which Ms. Brewer confirmed. She added that HAC is also pursuing CDBGDR funds, but the proposal is likely to be less competitive due to the funds being available for any multi-family project in the Helene-impacted areas and it would require them to pivot to only townhomes to meet the multi-family component. Mr. Hooper asked if they are trying to make this project work whether they get the Pro-Housing grant or not. Ms. Brewer said yes, and that Pro-Housing would solve the funding problems, but if not

awarded, HAC is trying to piece together different funding sources to make the project work. Mr. Hooper asked if HAC would still be able to use their USDA loan if they receive federal funding or would it be double dipping with federal dollars. Ms. Brewer said if awarded Pro-Housing, it would be the golden ticket for this project, but if not, HAC is looking at a combination of the USDA loan, which funds single family units, and CDBGDR funding, which funds multi-family units. Mayor Copelof asked if they will be able to build faster with Pro-Housing funding, as they were only planning on building a couple units a year. Ms. Brewer said yes, and awards are expected in November.

Mr. Baker asked if the County's funding was only for engineering. Ms. Brewer said the County's Dogwood funding is for both engineering and utility construction of the sewer.

Ms. Holder asked when the application is due. Ms. Brewer said the application is due August 3rd and the City will have its public hearing on July 20th, which is not required but is what the City has historically done for this funding source.

Mr. Baker said that the Committee talked about property tax reimbursement as a possible program, however Ms. Brewer said it would not qualify as an eligible expense for this funding.

Ms. Holder asked how the individuals who get assistance are selected. Ms. Brewer said it will be handled by HAC, as the City is really just a pass-through and administrative support, while HAC is the selected development and implementation partner. Mayor Copelof said HAC has started accepting applications for people that want to participate and Ms. Brewer said for new construction, HAC currently has 69 applications on the waitlist in Transylvania County. Ms. Holder asked if HAC has any other new construction projects in the County. Ms. Brewer said she did not believe so, but that is part of why they pivoted to include townhomes, as it allowed them to increase density at this site. Ms. Holder asked if the number of applicants is included as part of the application. Ms. Brewer said yes, there is a whole section on market analysis.

Mr. Baker asked how the preference for mixed income factors into the project. Ms. Brewer said she needs to verify the information with the City attorney, but as a City, our authority is to work on low- to moderate-income (LMI) projects and under State law, the City can only contribute to projects with more than 25% and less than 100% LMI units. Additionally, the City can only financially support those LMI units, however, this project concerns federal money and not the City's money. On the other hand, CDBGDR funding can only apply to 50% or greater LMI. She added that she talked with HAC about having some of the units serve 100% to offset so that some homes can serve 30%. If the City attorney says that the money being federal is not the correct interpretation, then it will be all 80% or less LMI. Mr. Hooper said there has to be a way because housing authorities across the State are getting into mixed income projects. Ms. Brewer said that is the caveat, that the City can support mixed income projects if they are 25% LMI units, but the City's money can only serve that 25%. Mr. Ray asked if we are unable to check the mixed income box due to whatever legal reasons, how many points would we lose. Ms. Brewer said it is not worth any points, but it is a preference.

F. Public Comment

Monica Driscoll said she read about the funding for sewer extension in the Azaela Ave. neighborhood and asked if that affected the project. Mayor Copelof said it does, and that it was the money the City was supposed to get from the County. She added that the City has been working with Representative Ferguson, who has assured us that even though that $10 million was reallocated in the State budget, she will find the $3.5 million to give to the City. Representative Ferguson said she will do the same for the project in Rosman, which was about $5 million, and for the County's pump station at the high school. Mayor Copelof said even though it was a disaster to lose the money, Representative Ferguson has said that they will get the money. Mr. Hooper said even if they did not get the money back, it would not have necessarily killed the City's multi-family project because money to extend the sewer to those units was incorporated in the City's LIHTC application. However, there would have been fewer units because the money allocated to building more units would have been used to extend sewer. Mr. Baker said it also would not have helped the homeowners in that neighborhood with failing septic systems. Mr. Hooper said there would have been a remnant of a project left without the $3.5 million, but now we can do the whole thing if we are awarded LIHTC and receive the money with Representative Ferguson's help.

Harvey Sankey asked if the Pro-Housing project will affect the Housing Trust Fund balance. Ms. Brewer said it will not, as Pro-Housing is a separate funding source.

G. Next Meeting Date

The next meeting was scheduled for Tuesday, August 11, 2026 at 3:45pm.

H. Adjourn

There being no further business, the meeting adjourned at 4:19 pm.

Minutes Approved: July 14, 2026

Pamela Holder, Chair, Council Member
Aaron Baker, Vice Chair, Council Member

Shawnee Cummings
Assistant to the City Manager