SESSION NOTES – FOR INFORMATION ONLY
(No Quorum Present, Listening Session Only

City Council Housing Committee
Tuesday, March 10, 2026 – 3:45 PM
City Hall, Council Chambers

Members Present:	Pamela Holder, Chair, City Council Member Mayor Maureen Copelof, Ex-Officio
Staff Present:	Wilson Hooper, City Manager Dean Luebbe, Assistant City Manager/Finance Director Paul Ray, Planning Director Emily Brewer, Senior Planner Shawnee Cummings, Assistant to the City Manager
Guests:	Tommy Lowmon, Senior Vice President of Development at Woda Cooper Companies; Garrett LeDonne, Senior Vice President of Development at Woda Cooper Companies; Harvey Sankey
Media:	David Bradley

A. Welcome and Call to Order

Committee Chair Pamela Holder welcomed everyone and called the meeting to order at 3:46pm.

B. Certification of Quorum

Assistant to the City Manager Shawnee Cummings did not certify a quorum, as there was only one voting member present.

C. Cascade Ridge 4% LIHTC Application - Bond Inducement Resolution

Ms. Brewer introduced the low- to moderate-income housing developer Woda Cooper, represented by Tommy Lowmon and Garrett LeDonne, who are working on a project to create affordable housing units at 373 Morris Road. This item was brought to the Committee for briefing and will require action from the full Council on March 16, 2026, so that Woda Cooper can move forward with their 4% LIHTC application.

Tommy Lowmon gave background on Woda Cooper, their developments in North Carolina, and their proposed housing project. Cascade Ridge will have 84 affordable housing units, options for 1-, 2-, and 3-bedroom apartments, and affordable rent rates ranging from $305 to $1,025 depending on apartment size and income of applicants. The design plans do not currently reflect it, but balconies will also be incorporated.

Woda Cooper's LIHTC application is due to the North Carolina Housing Finance Agency (NCHFA) in May 2026, and they will be notified of the award in September 2026. If Woda Cooper receives a LIHTC award, pre-construction will follow for 8-10 months, and then construction for 14 months. Cascade Ridge would be placed in service in 2028.

Garrett LeDonne explained the proposed capital stack for Cascade Ridge, including LIHTC equity, a 1st mortgage, CDBG-Disaster Recovery Funds, and a deferred developer fee. Mr. LeDonne said that they will need a Bond Inducement Resolution from the City for $6.5 million in tax-exempt bonds, which is required for the 4% LIHTC application.

Ms. Brewer added that the City has engaged bond counsel, paid for by the developer, to help navigate the process. The bond counsel will present at the March 16th City Council meeting to discuss financial implications, provide details, and answer questions. To move forward, City Council will need to pass the Bond Inducement Resolution, stating that if Woda Cooper is awarded 4% LIHTC, the City agrees to enter into the bond inducement with them. The resolution is necessary so that Woda Cooper can draft their 4% LIHTC application before the May deadline. If Woda Cooper is awarded 4% LIHTC, the bond inducement will be brought back to Council in August to hold a public hearing.

For bond inducements, the developer is solely responsible and the City acts as a conduit for the debt issuance. Ms. Brewer added that bond inducements are a way to use the tax-exempt status of the City to bring in more affordable housing developments.

Mayor Copelof asked if the bonds have any impact on the City's future ability to issue bonds. Mr. Hooper stated that it would not. He further stated that the City would not be liable if the developer defaulted on the debt and the bond inducement does not count towards the City's overall debt capacity. The only risk is if the developer defaulted, it would be a minor reputational risk to the City on the bond market.

Ms. Holder asked how the bonds will be paid back. Mr. Hooper stated that the bonds will be repaid using the rents collected by Woda Cooper. Ms. Holder asked if the bond inducement will need to be put on the ballot. Mr. Hooper stated that it does not.

Mayor Copelof asked why the public hearing is after the fact. Mr. Hooper stated that the public hearing is after the LIHTC award, but before bonds are issued because the City could still back out. Ms. Brewer added that the public hearing is a requirement to be able to issue the bonds and Mr. Lowmon stated that the public hearing also notifies investors that the bonds are going on the market.

Mayor Copelof asked if Staff is looking for a decision from Council on March 16th. Mr. Hooper stated that Staff will ask for a decision from Council so that Woda Cooper can begin compiling their LIHTC application, but since the application is not due until May, Staff can postpone the decision until the next meeting if they are uncomfortable passing the resolution. Mayor Copelof stated that she does not feel comfortable being asked to decide the same night of the briefing on a complex topic. Mayor Copelof added that the City is excited about an affordable housing development, but they are a little hesitant because it is a new concept and something the City has never done before.

D. Follow-up to County Commission Discussion

The County pledged $3.55 million to the Azaela Avenue project and Mr. Hooper stated that Staff will bring this item to Council for approval on March 16th. There are some variables that Council needs to be made aware of, the first of which is the exact amount of the City's contribution. The project exceeds $3.55 million, but the amount that it exceeds by is dependent on whether the City funds the taps and cleanouts for eligible properties with failing septic systems. If the City does not fund taps and cleanouts, the cost of the project decreases but so does resident participation in the sewer extension. If the City does fund the taps and cleanouts, how many? The current project budget included 125. Grant funding identified by the County, CDBG Disaster Recovery funds, likely have income restrictions, reducing the number of eligible properties.

Mayor Copelof stated that we told people that they could connect onto the City's sewer without becoming City residents if the Health Department determined that their septic system was failing and that that would only be a handful of properties. Ms. Brewer confirmed that the number of properties would be somewhere between 30 to 50. Mr. Hooper stated that that is the first option and the second option is to consider his funding recommendation and decide whether it is worth it to pull the funding from that account. The funding options are either the City's water and sewer capital reserve fund, the water/sewer surplus expected in the current year, or a combination of both.

The City's out-of-pocket contribution will be $532,000 at minimum and at maximum $925,000, but Mr. Hooper said that he anticipates it being close to the $600,000 range. Mr. Hooper stated that we need to decide by May because our 9% LIHTC application will be due. Mayor Copelof stated that she does not see why a decision needs to be made now and suggested looking for grant funding. Mr. Hooper explained that the decision is needed because the County committed funding for the sewer extension, but the LIHTC application is due in May and is dependent on the City's contribution. Further, if the City does not commit to funding its portion, the County may withdraw their funding.

Mayor Copelof stated that the water and sewer capital reserve fund is largely funded by City residents and residents would be underwriting the tap fees of County residents, who are not planning on becoming City residents. She further stated that she understands that it benefits the community, but that it seems we should be going after grant funding. Mr. Hooper clarified that the tap fees could be funded with grant money, and the County is going to help connect Staff with a potential funding source, but the City still has to make a $532,000 contribution for construction costs. Mayor Copelof asked where the $925,000 number came from. Mr. Hooper stated it would include the cost of construction and funding for the tap fees.

Mayor Copelof clarified that Council needs to decide on March 16th about the $532,000 and that the decision on tap fees can come later, to which Mr. Hooper confirmed and stated that $532,000 is what is needed to get the project started. He added that the decision on tap fees will need to be made in about 6 months because if we do include tap fees, we will want to include them in the construction plans to get bid out. Ms. Brewer stated that it would also give time to talk to the residents about their options.

Ms. Holder noted that the County's fees are restricted to this development and asked if there are any other restrictions. Mr. Hooper stated that the County funds are restricted to utility costs only, which is why the County did not fund the tap fees. Mr. Hooper also said that the County contribution is dependent on the State giving permission for the County to use their earmarked funds in this way.

E. Public Comment

Harvey Sankey asked clarifying questions regarding Cascade Ridge, construction of the associated roads for the development, ongoing maintenance of the roads, and the acreage. Mr. Sankey also stated that he does not like the idea of taking the funds for Azaela Avenue out of the water and sewer reserves.

F. Next Meeting Date

The next meeting was scheduled for Tuesday, April 14, 2026 at 3:45pm.

G. Adjourn

There being no further business, the meeting adjourned at 4:36 pm.

Notes Approved: May 12, 2026

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

Shawnee Cummings
Assistant to the City Manager