



## NOVEMBER 2020 ADVOCACY UPDATE

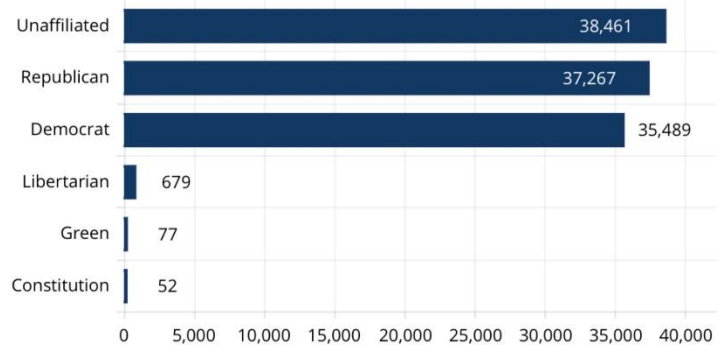
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### 2020 ELECTIONS

We hope you have exercised your right to vote--or are planning to do so on Election Day. Business-friendly candidates up and down the ballot are relying on your support. Once the dust has settled, we will have a full recap of the races.

Thanks again to our partners at WCFHBA, Wilmington Chamber of Commerce and Cape Fear REALTORS® for partnering to host a series of events highlighting candidates running in 2020 including the New Hanover County School Board virtual forum in September and the October Power Breakfast with NC Senate and New Hanover County Commission Candidates.

#### Party



**New Hanover Early Voting Totals**

While we await final results from Election Day, we can look at some of the early voting stats to get an idea of turnout trends. As you can see from the graphic on the right, New Hanover County had robust early voting turnout, with unaffiliated voters outpacing both Republicans and Democrats. At the same time, it is interesting that the Republican vote has exceeded the Democrat vote as the Ds usually have a large early vote lead heading into Election Day. Nonetheless, the unaffiliated vote split and Election Day turnout will be the deciding factors in 2020.

We appreciate the local Election Boards which have posted these types of updated stats showing current vote totals and other interesting information. To see New Hanover's [click here](#) to see Brunswick's [click here](#)

### COOPER EXECUTIVE ORDER TO “STRENGTHEN EVICTION PROTECTION”

In the last week of October, Governor Roy Cooper announced a new executive order which "strengthens eviction protection." Per the Governor's announcement:

*Last month, the Center for Disease Control and Protection (CDC) put a temporary residential eviction moratorium into effect nationwide from September 4 through December 31, 2020. The CDC order protects residential tenants from eviction for nonpayment of rent. However, confusion over who this order protects has caused inconsistent enforcement and unwarranted evictions in some parts of the state.*

*Executive Order No. 171 requires landlords to make residential tenants aware of their rights under the CDC Order. For eviction actions commencing after Executive Order No. 171, landlords must give residents the option to fill out a declaration form before starting any eviction action. The Order also sets forth procedures to ensure protection for residential tenants once they provide the required declaration form to the court or to the landlord.*

More information on Executive Order 171 can be [found here](#).

## **NEW HANOVER AND WILMINGTON DEVELOPMENT ORDINANCE UPDATES**

-At their meeting in late October, Wilmington City Council approved changes Commercial District Mixed Use (CDMU). While CDMU has not been killed outright, it is unlikely that it is viable for investment aside from very small projects due to the open space and 20% commercial requirements. One change City Council did make to the prior drafts was to enable some reduction of the 20% commercial if your site is within ¼ mi of a “full service grocery.” Those nodes are illustrated on the right. The outstanding question at this point is how many CDMU applications were put in prior to the vote and how many will be deemed "complete."

-More positively, the City Council appointed John Lennon (River Bluffs) and Winslow Goins (ECS) to the Planning Commission to replace outgoing members Richard Collier and Jeff Hovis.

-At an October City Council agenda briefing, City staff gave a presentation on the new proposed Site Development Requirements. There was a major discussion about both new change of use provisions and street frontage standards. You can review that item [here](#). We welcome your feedback as we work to provide comments prior to the mid-November deadline.

-On the New Hanover County side, the final iteration of UDO revisions will go to the Commissioners at their meeting in November. These will move forward under the guidance of Interim Planning Director Rebekah Roth, as Wayne Clark will be back in Florida by then.

## **BLUEPRINT BRUNSWICK**

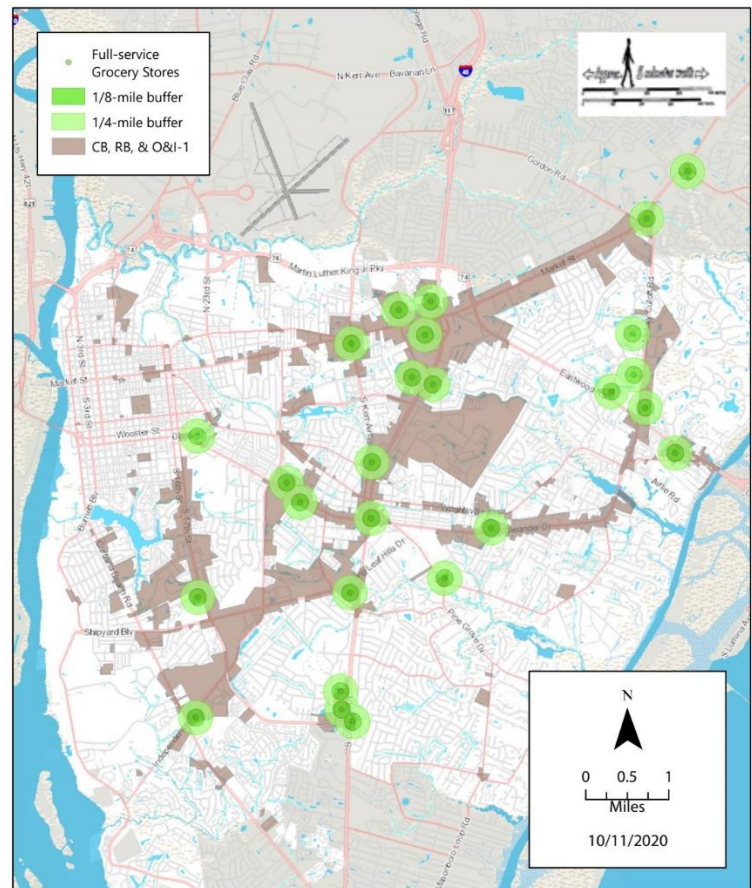
Brunswick County’s Planning and Parks and Recreation departments have teamed up for a 12-month initiative called Blueprint Brunswick 2040 to craft two new plans: a Comprehensive Land Use Plan and a Parks and Recreation Master Plan. Together, these two new plans will guide future growth, decisions and investments in infrastructure and serves within the county.

The project is currently in the second phase of a four-phase timeline. Since July, staff have been busy gathering data and maps on the study areas, hosting steering committee meetings, and holding a tour and visioning meetings with county commissioners. Now the initiative is focusing on its next key component: community input and engagement.

“As one of the fastest growing counties in the nation, having strong comprehensive plans now is crucial to ensure we’re preparing for the growth we’re going to get over the next 20 years,” Planning Director Kirstie Dixon said. “Where will new housing and commercial developments go? What kind of infrastructure will we need to stay connected? What kind of programming and facilities are needed in our parks? And what will it all look like? These are all questions we want to ask you as we work on these plans.” Individuals can find resources, maps, upcoming meetings and the online survey now at [BlueprintBrunswick2040.com](http://BlueprintBrunswick2040.com)



## Food Retail Centers



## **NAR COMMENTS ON DOL INDEPENDENT CONTRACTOR PROPOSED RULE**

In late September, the U.S. Department of Labor (DOL) issued a [notice of proposed rulemaking](#) revising its interpretation of independent contractor status under the Fair Labor Standards Act (FLSA) with a streamlined economic reality testing to promote certainty for stakeholders, reduce litigation, and encourage innovation in the economy.

In determining a worker's status as an employee or independent contractor, the proposed rule examines a workers' economic independence based on: (1) the nature and degree of workers' control over the work (i.e. setting your own schedule; selecting your own projects; ability to work for others); and, (2) the workers' opportunity for profit and losses based on workers' investment (i.e. individual management of investment or capital expenditure on material to further work). Should additional analysis be needed, DOL proposed three additional guideposts for deciding a worker's status based on: (1) the amount of skill required for work; (2) the degree of permanence of the working relationship between the worker and the potential employer; and, (3) whether the work is part of an integrated unit of production.

NAR submitted a [comment](#) on the proposed rule, advocating for minimal disruption to the real estate industry that greatly benefits from the ability to be classified as an independent contractor. Many states and some federal laws have codified the ability of real estate professionals to be classified as independent contractors, but there continues to be ongoing scrutiny and challenges to this status. NAR supports DOL's efforts to provide a clear and consistent standard for evaluating a worker's status, while preserving existing worker classification authority that allows real estate professionals to be independent contractors.

More than 1,700 comments were submitted on the proposed rule during the public comment period that closed on October 26, 2020. DOL will now analyze this feedback and work to issue a final rule based on those comments by the end of the year. Depending on how long this takes, a final regulation could be subject to repeal under the Congressional Review Act or by a change in the Administration.

## **LAWMAKERS URGE TRUMP TO ACT ON LUMBER**

Working in tandem with NAHB, nearly 100 Republican and Democratic lawmakers on Oct. 20 [sent a letter to President Trump](#) seeking urgent action on lumber supply shortages that have resulted in unprecedented price spikes in recent months that are threatening the housing industry and economic recovery.

"These sharp increases are challenging, especially in light of the ongoing housing affordability crisis," the congressional letter stated. "The National Association of Home Builders (NAHB) estimates the recent spike in softwood lumber costs has caused the price of an average new single-family home to increase by \$16,148 since April 17. The market value of the average new multifamily home has increased by \$6,107 over the same period."

The letter adds that housing can create jobs and boost the economy, but in order to do so, we must address the rising costs of lumber and other building materials. Lawmakers called on the administration to "bring all stakeholders to the table and work to find a solution to address lumber scarcity and subsequent price spikes to ensure everyone's needs are met." This is the latest action by NAHB to urge Congress and the administration to address this urgent issue.

## **JOIN THE DESTINATION 2030 COALITION**



One of the major issues for 2021 will be transportation funding. The DESTINATION 2030 COALITION has been formed to begin the process of leading the discussion on ways to move forward as a state with regarding to funding transportation. Both BASE and the Wilmington Chamber of Commerce have signed on as members and your business should too! Here is a [List of Coalition Members](#) and the ["Join the Cause" Link](#)

## **NAHB UNVEILS NEW INCLUSIONARY ZONING TOOL – WHAT % WILL WORK?**

Combating the housing affordability crisis requires comprehensive strategies at the federal, state and local levels to reduce building costs, boost supply and empower home buyers with a mix of housing choices. One strategy that many communities have adopted is inclusionary zoning (IZ) — local government ordinances that require a certain percentage of new residential construction to be sold or rented at below-market rates.



IZ is often adopted under the assumption that it is a simple, expedient method to address affordable housing. However, IZ is far more complicated, and there is conflicting evidence on the extent to which IZ discourages development, raises the price of market-rate homes, creates adequate affordable housing supply, or encourages economic opportunity.

Some evidence over the past decade has shown IZ to be an ineffective tool at promoting affordable housing as it acts as a tax on housing and shifts costs either to market-rate renters and home buyers, or causes developers to build elsewhere.

NAHB has created an empirical tool, the [Inclusionary Zoning Calculator Tool](#), which aims to supplement these conflicting policy studies with concrete data of how IZ requirements impact development choices, including whether or not a developer proceeds on a project. The IZ Calculator Tool uses a sample developer's pro forma as the template, and allows the end user to input and manipulate certain variables to show how different incentives and cost inputs may be used to create an economically feasible development.

NAHB's IZ Calculator Tool comprises two Excel spreadsheets designed to show the effects of IZ on the pro forma for a development consisting of homes built for sale:

- **Acquisitions, Development and Construction (AD&C) Calculator Tool:** AD&C has inputs and requires cost data for development of lots and construction of housing units.
- **Acquisition and Development (AD) Calculator Tool:** AD has inputs and requires data for the development of lots only.

Both spreadsheets allow the user to input acquisition and development costs (A&D version), and one of the tools give you the added control of inputting housing unit construction costs (AD&C version). Both versions start with a sheet of general instructions containing links to each page that requires inputs from the user. The tool can be used by developers, local governments and other stakeholders with an interest in increasing the supply of affordable housing.

## **LELAND EVOLVING ON PERMITTING PROCESS**

On November 2, Leland will transition to Evolve, a web-based system that will streamline the permitting and inspections process for customers and staff. The launch of Evolve will allow customers to:

- Submit permit applications online.
- Submit inspections requests online (inspection results will be automatically emailed to project contacts).
- No longer have to submit separate applications for system development fees; the application and review process for system development fees will be incorporated into the building permit application and review process.
- Simultaneously pay zoning review fees, permit fees, inspection fees, and system development fees online; after online payment of fees, permits will automatically be issued by email.
- Easily set up an online account that will allow them to apply for permits, check on the status of permit applications, make payments, schedule or cancel inspections, and check inspections results.

## **JACKSONVILLE REALTORS HOST COMMUNITY LEADERS**

In October, the Jacksonville Board of REALTORS held a community partners lunch event. These events, held at different points throughout the year, enable JBOR leadership to meet with County Commissioners, Mayors, Congressional staff, legislators, school officials, planning staff, law enforcement and other partners important to the community.

Several highlights from the roundtable discussion at the October meeting:

- an in-depth discussion about Onslow County's preliminary discussions about creating a sports complex/events center
- specifics about schools opening and new school construction updates
- water/sewer agreements under consideration in Surf City, Holly Ridge and Swansboro
- process for forthcoming updates to the Zoning Ordinance in Onslow County
- concerns about loss of agricultural land and farmers facing nuisance lawsuits
- shortage of area surveyors with that profession facing widespread retirements soon

## **US FISH AND WILDLIFE PROPOSE DOWNLISTING RED-COCKADED WOODPECKER**

[Via FWS](#): "Based on the best available scientific and commercial data, the Service is proposing to downlist the red-cockaded woodpecker from endangered to threatened under the Endangered Species Act (ESA). Due to the conservation efforts of diverse stakeholders across its range, it is no longer in danger of extinction and does not meet the definition of endangered under the ESA. Due to these efforts, habitat conditions and population numbers are improving, a vast majority of populations are stable and growing and threats to the red-cockaded woodpecker have been successfully managed to the point that it has met recovery benchmarks. These science-based findings enable the Service to propose the red-cockaded woodpecker for downlisting.

The Service is also proposing to issue a rule under section 4(d) of the ESA to tailor protections for the woodpecker to those appropriate for its continued recovery while allowing some commercial activity to take place.

The red-cockaded woodpecker was first listed as endangered under the Endangered Species Conservation Act of 1969, the precursor to the ESA. Protections were subsequently carried over with the passage of the ESA in 1973.

Historically, the birds inhabited open pine forests from New Jersey, Maryland, and Virginia to Florida, west to Texas and north to portions of Oklahoma, Missouri, Tennessee, and Kentucky. The longleaf pine ecosystem disappeared from much of its original range because of early European settlement, widespread commercial timber harvesting and the turpentine industry."

## **BRUNSWICK MODEL HOMES TEXT AMENDMENT MOVES TO COMMISSIONERS**

At the October Brunswick County Planning Board meeting, the Planning Board approved the "model homes" text amendment. This includes proposed text amendments related to standards for model homes, neighborhood sales homes, and real estate sales centers. Over the past few months, BASE and WCFHBA staff have worked with Brunswick County Planning staff to address some of the potential issues with prior versions of this language. The Commissioners will hear the item on November 16 at 6PM.

## **LELAND CONSIDERING STORMWATER ORDINANCE CHANGES**

In October, the Town of Leland held an in-person work session to discuss potential changes to their stormwater ordinance and design manual. This item was scheduled to move to the Planning Board for a vote at their October meeting. BASE has expressed concerns with several elements of the ordinance, many of which have been changed by staff prior to Planning Board consideration. If you have investments in Leland and have additional concerns, please let us know ASAP.

THANKS TO OUR MEMBERS FOR THE CONTINUED SUPPORT

