



# HOUSE BILL 306: Affordable Housing for Local Employees.

2025-2026 General Assembly

---

<b>Committee:</b>	House State and Local Government. If favorable, re-refer to Housing and Development. If favorable, re-refer to Rules, Calendar, and Operations of the House	<b>Date:</b>	April 1, 2025
<b>Introduced by:</b>	Rep. Pickett	<b>Prepared by:</b>	Ike McRee
<b>Analysis of:</b>	First Edition		Committee Co-Counsel

---

**OVERVIEW:** *House Bill 306 would authorize the Towns of Blowing Rock and Boone, Watauga County, and the Watauga County Board of Education to construct and provide affordable housing for town and county employees and public school teachers.*

**CURRENT LAW:** Under G.S. 66-58, the Umstead Act, governmental units are generally prohibited from engaging in the sale of goods and services in competition with citizens of the State, unless specifically exempted. G.S.115C-518 provides for the disposition of school property when a local board of education determines that a building site or other real or personal property is unnecessary or undesirable for public school purposes. Undesirable or unnecessary property is usually offered to the board of county commissioners at a fair market price or sold by advertisement for sealed bids or at public auction under Article 12 of Chapter 160A of the General Statutes.

**BILL ANALYSIS:** House Bill 306 would authorize the Towns of Boone and Blowing Rock, Watauga County and the Watauga County Board of Education to (i) enter into a joint venture, land trust, or similar arrangement to construct and provide affordable housing on property they own, (ii) convey property they own to the partnership, joint venture, land trust, or similar entity to construct, provide, and maintain affordable housing for their town and county employees and Watauga County school teachers, (iii) contract with any person, partnership, corporation, or other business entity to finance, construct, or maintain the affordable housing, and (iv) rent or sell the affordable housing units for residential use to their employees, establish rents or sales prices, charge below market rates and financing, and place reasonable restrictions and buyback provisions on the resale of the affordable housing units.

**EFFECTIVE DATE:** The act would become effective when it becomes law.

**BACKGROUND:** Similar legislation has been enacted for the Edgecombe County Board of Education (S.L. 2009-161), the City of Brevard, Town of Rosman, Transylvania County, and the Transylvania County Board of Education (S.L. 2009-154), the City of Asheville and the Asheville City Board of Education (S.L. 2007-239), the Hertford County Board of Education (S.L. 2006-86), and the Bertie County Board of Education (S.L. 2006-61).

Kara McCraw  
Director



Legislative Analysis  
Division  
919-733-2578