

Chatham County Housing Committee

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Agenda

- Committee charge and overview
- What do we know?
- History and language – let's get on the same page
- Chatham's situation
- What else do we want to know?
- Next steps

Charge

Use research, data, and expertise available to

1. Identify affordable rental housing challenges that are present in Chatham County and its municipalities
2. Engage with stakeholders and practitioners in the housing world to better understand market conditions and potential incentives
3. Compile short-, medium-, and long-term strategies and best practices that will address affordable rental housing challenges in the Chatham County housing market

Product

A series of affordable, rental housing strategies with a recommended implementation plan

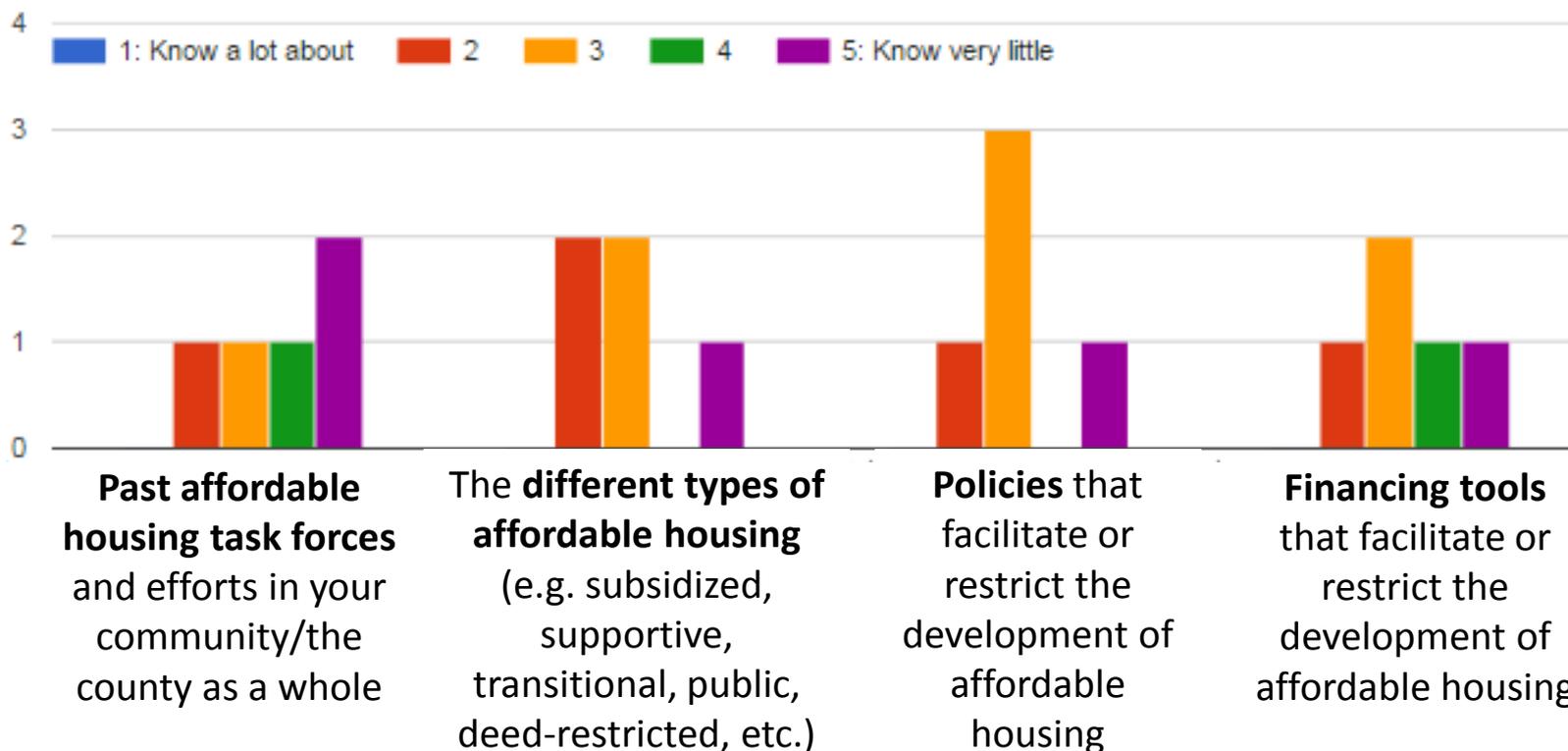
Kickoff Survey Responses

What rental housing challenges are you seeing in your community?

- Not enough affordable rentals (3)
- Availability of quality affordable housing - meets a certain standard (4)
- Concern that issue will become worse as new industry comes in to the area

Kickoff Survey Responses

Rate your level of knowledge about the following:



Kickoff Survey Responses

What topic, strategy, or issue related to affordable rental housing would you most like to learn more about?

- How to partner with housing agencies or investors to help obtain more properties
- Policies that facilitate or restrict the development of affordable housing
- What we can do to help improve existing rental housing
- Financing, building alliances, strategic policy planning
- Strategy actions for resolution, not just discussion

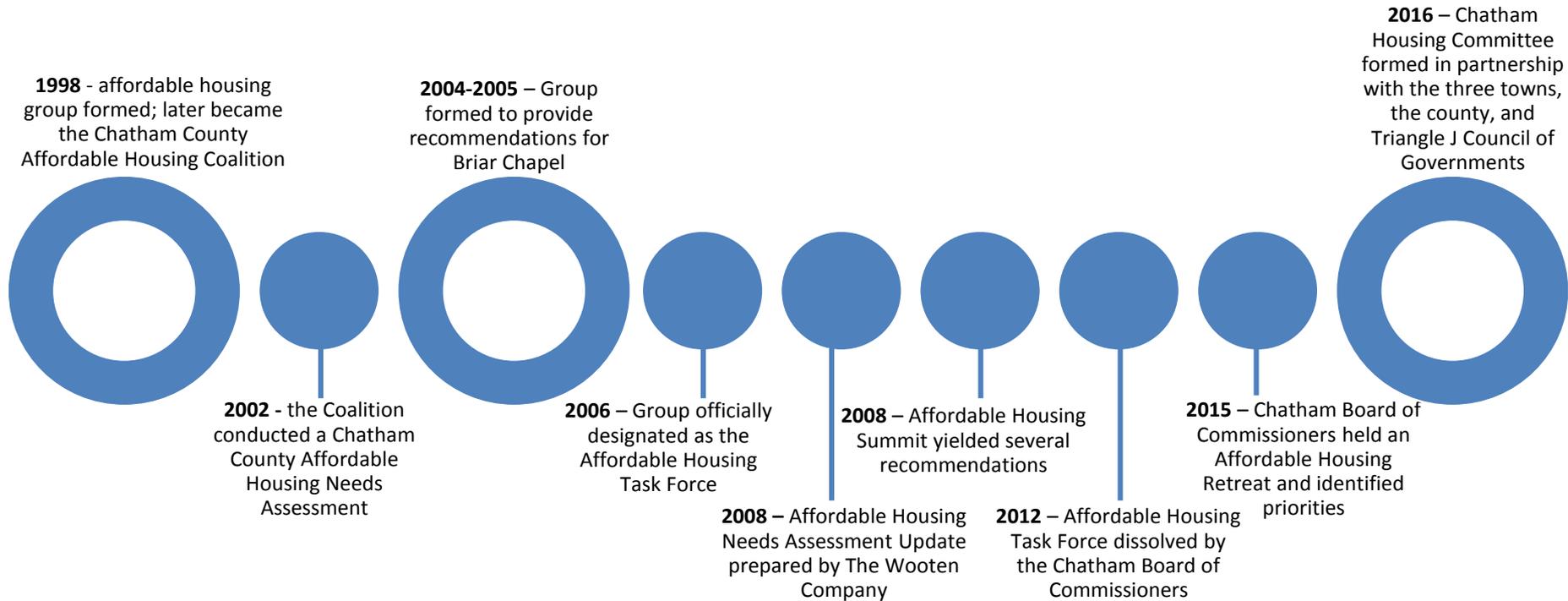
Kickoff Survey Responses

What outcome would you like to see from this work next Summer?

- Clear outline of the issues with data to support them
- Understanding what tools and best practices are available
- Implementable ideas as well as long-term goals
- How to address substandard affordable housing
- A plan that helps us make progress on affordable rental housing
- Community buy-in into the plan
- An understanding of how best to fold affordable housing into Siler City's soon-to-be-revamped land development plan, and/or into the Unified Development Ordinance

Getting on the same page

History of Affordable Housing Initiatives

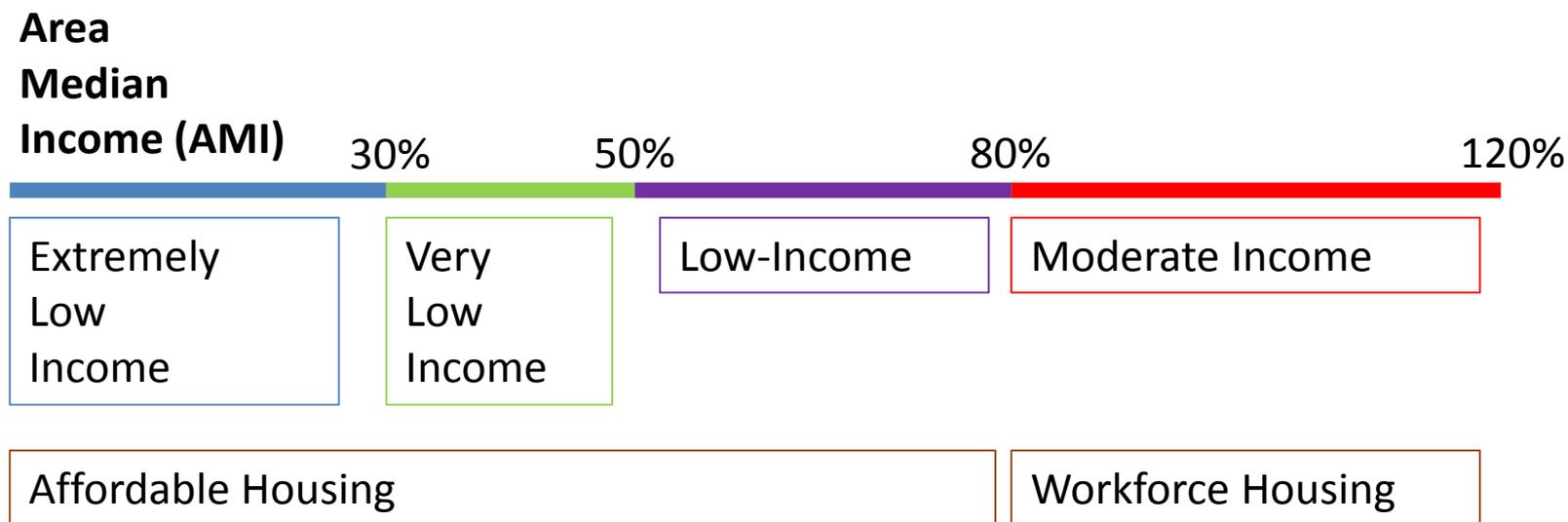


History of Affordable Housing Initiatives

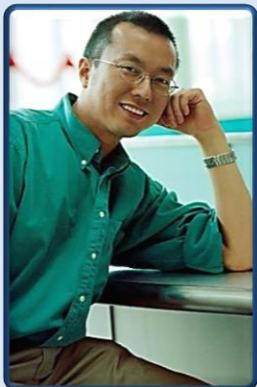
Recommendation	2002	2008	Implemented
Expand homebuyer counseling programs	✓		Chatham Housing Authority & Habitat for Humanity provide counseling services
Donate unused town/county and tax foreclosure land to nonprofit agencies for affordable housing	✓		No formal process; ad hoc decisions
Create an affordable housing trust fund	✓		No
Provide bonuses or incentives for including affordable housing in large-scale for-profit developments	✓		No
Require 10% minimum affordable housing in new residential or mixed-used developments		✓	Compact Communities Ordinance; not required for all
Adopt and enforce a county-wide minimum housing code	✓	✓	No
Reimburse impact fees or other fees for affordable housing	✓		County has a formal process
Seek subsidy funds for building affordable elderly and/or disabled housing	✓		Developers do this, but no formal process at gov't level
Establish an Affordable Housing Commission to explore program and policy options	✓	✓	Created, later deactivated
Hire a housing professional to coordinate affordable housing functions		✓	Hired but later resigned, Tansy Long now fills this role
Support countywide zoning		✓	Yes
Form a cross-jurisdictional council of local governments to foster official adoption of a comprehensive affordable housing strategy		✓	This committee

Affordable Housing

A dwelling including utilities that costs its occupant (renter or owner) no more than 30% of their gross monthly household income.



Snapshot: Who benefits from “Affordable” Housing? Average Chatham Workforce Income vs. Area Median Income



Teacher in Chatham County
53% AMI



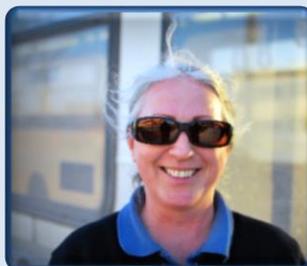
Law Enforcement Worker in Chatham County
60% AMI



Social Worker in Chatham County
71% AMI



Childcare Worker in Durham-Chapel Hill MSA County
33% AMI



Bus Driver in Durham-Chapel Hill MSA
57% AMI



Electrician in Durham-Chapel Hill MSA
63% AMI

*based on HUD calculations; assumes worker is the sole earner in a 4-person household
Updated infographic from TJCOG’s 2013 report, “On Track? Linking Workforce Housing and Transit in the Triangle”

What “Affordable Housing” Looks Like



Image sources: apartments.com, Google Street View, dhic.org, communityhometruster.org



Types of Affordable Housing

Income Restricted Affordable Housing

Housing that is intentionally developed as affordable housing and is only available to households that meet specific income limits

Market Rate Affordable Housing AKA Naturally Occurring Affordable Housing (NOAH)

- Unrestricted housing that is affordable based on price point, but is not restricted to low-income households
- Makes up ~36% of the nation's rental housing stock
- Generally older units
- Without binding legal covenants to ensure affordability
- May be of substandard quality

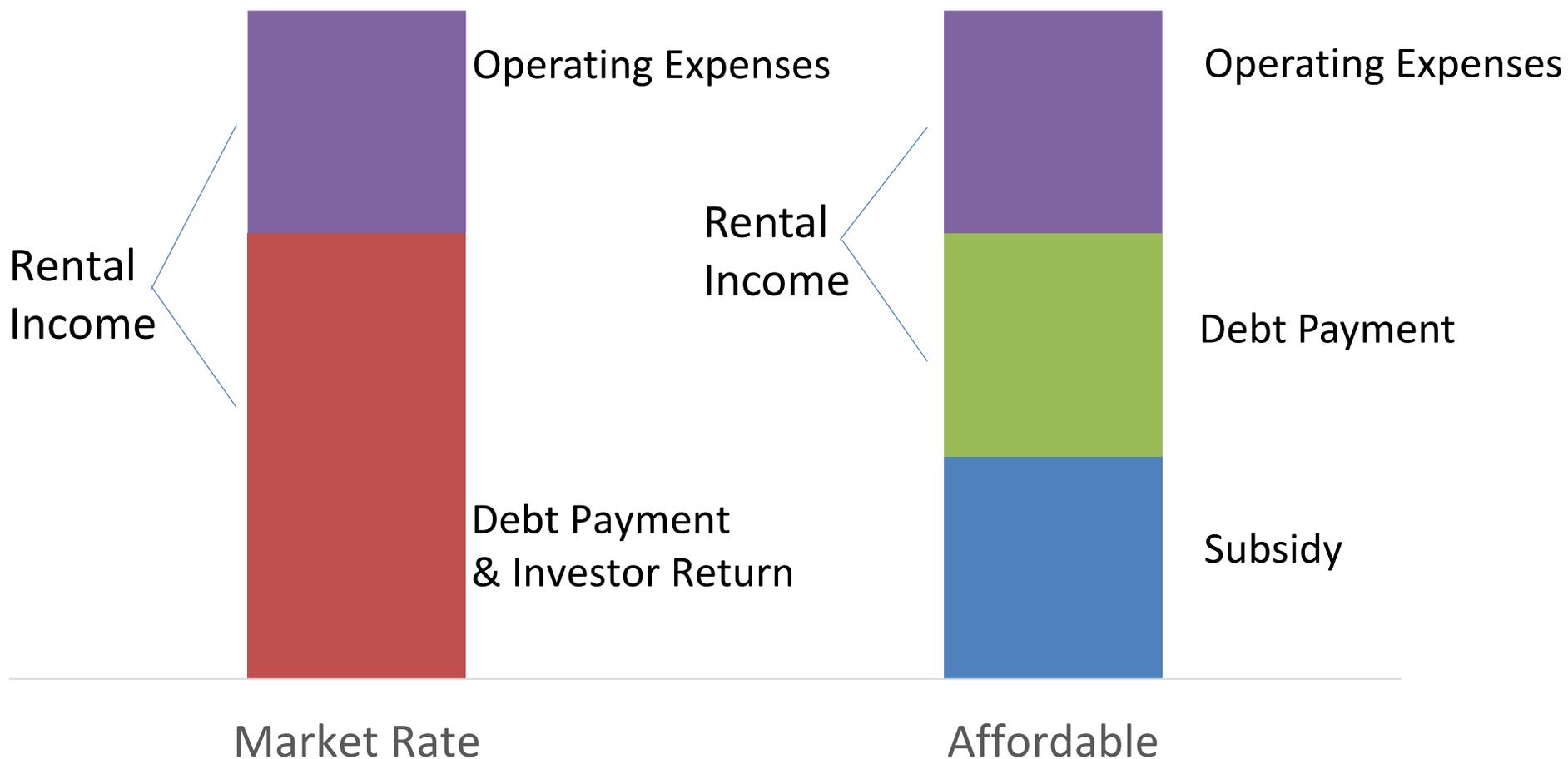
Types of Affordable Housing

- Workforce Housing
 - Housing for households earning between 80% and 120% of AMI
- Supportive Housing
 - Permanent housing with services. The type of services depends on the needs of the residents. Services may be short term, sporadic, or ongoing indefinitely.

Types of Affordable Housing

- Public Housing
 - Units are built with gov't subsidies and owned/operated by local public housing agencies under federally-funded public housing program. Generally serve extremely low income (<30% AMI)
- Subsidized Housing
 - Units are operated by a private owner who receives a subsidy in exchange for renting to low-or moderate-income people
 - Capital subsidies: fund initial construction or renovation
 - Ex: Low-Income Housing Tax Credit (LIHTC) or land donated from local government
 - Operating subsidies: fund ongoing operations
 - Ex: Project-Based Section 8 program

Affordability

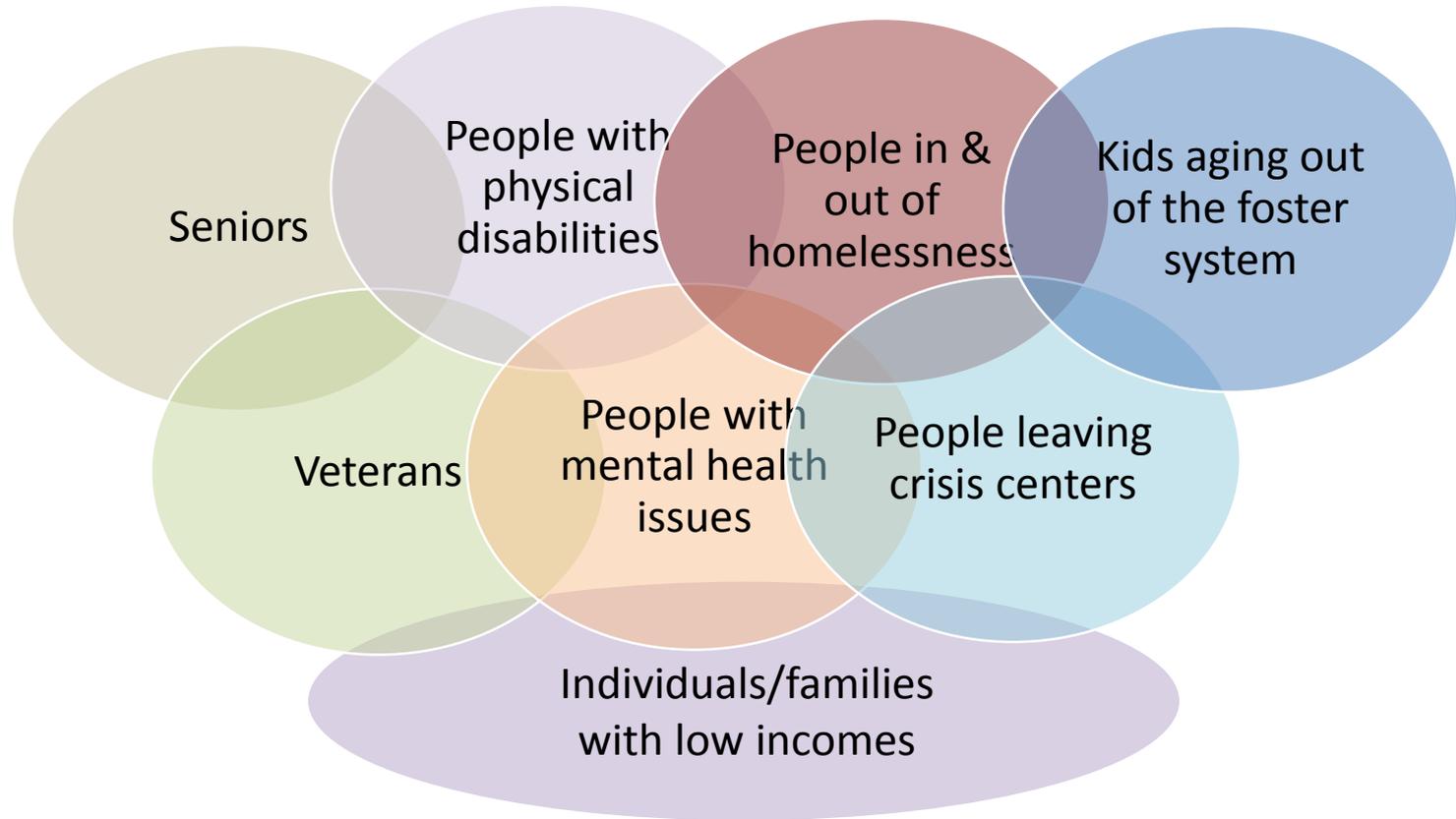


Approaches for Local Government

1. Educate
2. Facilitate
3. Stimulate
4. Regulate



Who Affordable Housing Serves



Affordable Housing Providers

- Non-profit developers
 - Habitat for Humanity, CASA
- For-profit developers
 - Bellemont, Pittsboro Village
- Chatham Housing Authority
 - Vouchers
 - VASH Mobile Homes
- Supportive housing providers
 - The Arc, Tiny Homes at Penny Lane
- Crisis or transitional housing organizations

Important Impacts

Education

Unstable housing or homelessness leads to stress and difficulty learning, which leads to disrupted school attendance, resulting in poorer school performance.



Important Impacts

Health

Unstably housed older adults (>50)

- visit the emergency room at nearly 4 times the rate of the general population of older adults
- experience higher rates of geriatric health problems like falls and memory loss
- may even be at higher risk for premature death



Important Impacts

Local Economy

Every 100 typical Low Income Housing Tax Credit apartments will generate an estimated

- \$7.9 million in local income in the first year, \$2.4 million annually
- 122 local jobs in the first year, 30 jobs a year, ongoing
- \$827,000 in taxes in the first year, \$441,000 annually
 - Taxes = local government revenue from all sources: taxes, fees, fines, revenue from gov't-owned enterprises



Chatham's Situation

Demographics

	Goldston	Pittsboro	Siler City	County Total
Total Population	242	3,912	8,109	66,050
Total Households	108	1,518	2,582	26,474
Median Household Income	\$51,000	\$50,058	\$29,458	\$57,140
Age				
19 & under	17%	20%	32%	23%
20 to 34	10%	21%	22%	14%
35 to 54	26%	25%	22%	27%
55 to 74	26%	21%	19%	27%
75 & up	21%	13%	5%	9%
Race (one alone or in combination)				
White	93%	73%	62%	80%
Black/African American	8%	25%	23%	14%
Hispanic or Latino (of any race)	1%	15%	48%	13%

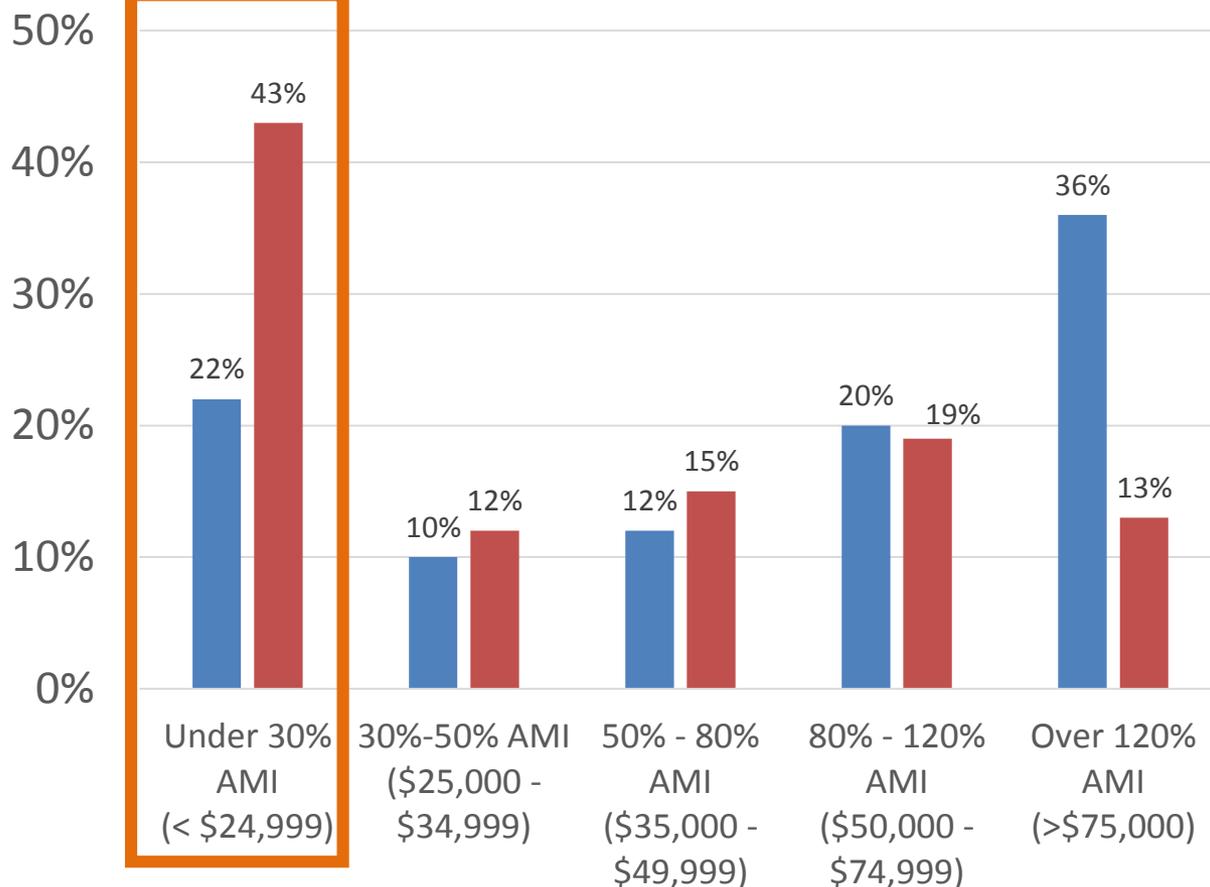
Renter Households

Type	% of County
Housing that is Renter-Occupied	21.5% (5,689)
Rental Units Occupied by Family Households	54.5% (3,100)
Renting Households with Single- Adults and Family (1 dependent, 1 non-dependent)	29% (1,609)
Renting household with older adult (65+)	23% (1,307)

Income

Chatham Incomes
(Rough Estimates of % of AMI)

% of AMI, 2014	HUD Defined Income Limits	30% of Monthly Income (affordable rent)
30%	\$23,850	\$596
50%	\$32,850	\$821
80%	\$52,550	\$1,314
100%	\$65,700	\$1,643
120%	\$78,840	\$1,971



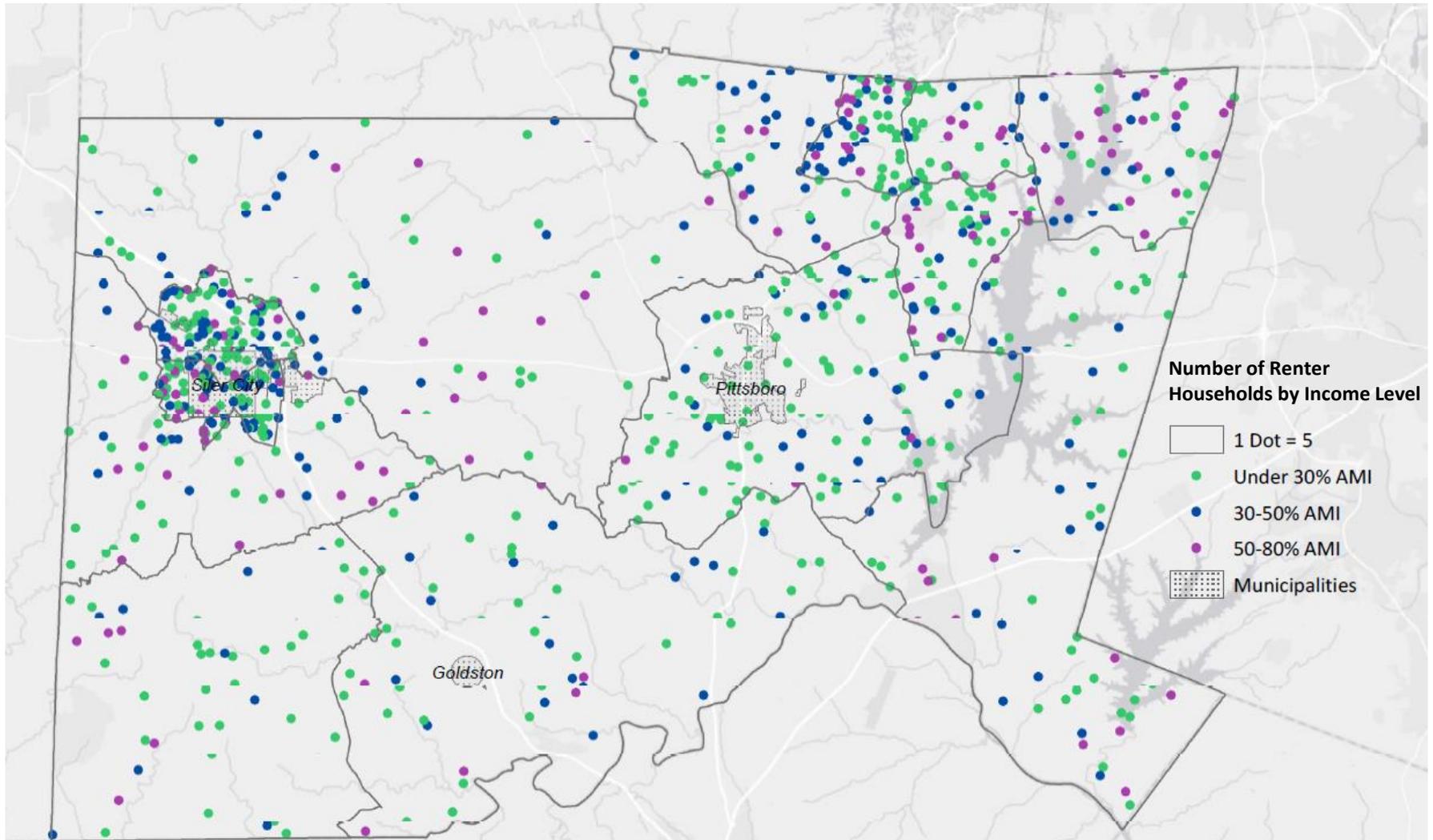
■ % of County (26,474) ■ % of Renter-Occupied Housing (5,689)

Minimum Wage: \$7.25

Rent Affordable at Minimum Wage: \$377



Renter Households by Income Level



Data from the 2010-2014 Census Bureau's American Community Survey

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Households Spending More than 30% on Housing

49% of renter households are paying 30% or more of their income toward gross rent.

Range of Income	Homeowners	Renter	Number of Renters
Less than \$20,000	74%	86%	1257
\$20,000 - \$34,999	39%	61%	614
\$35,000 - \$49,999	27%	28%	205
\$50,000 - \$74,999	18%	17%	159
\$75,000 or more	10%	16%	102

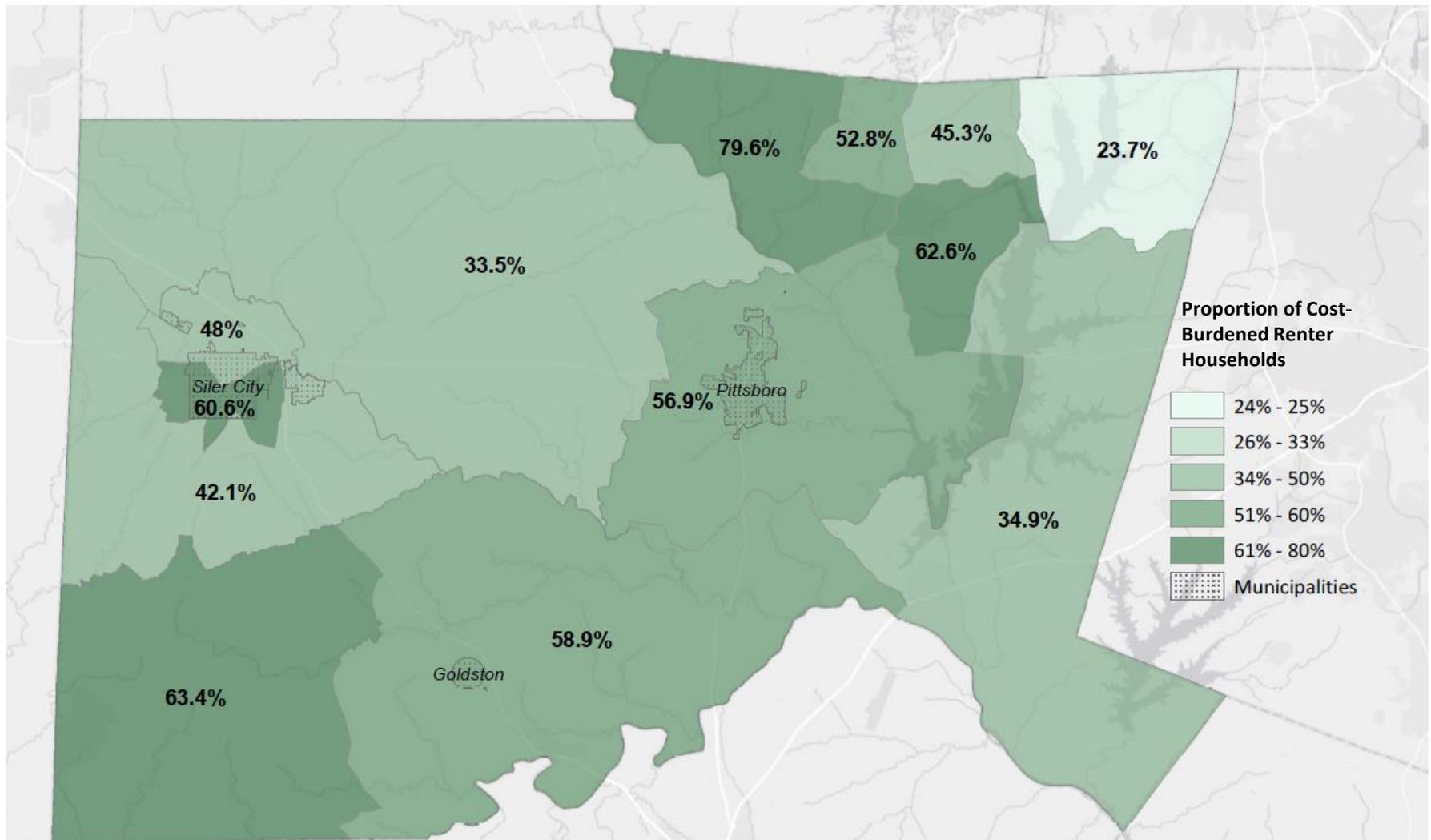
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<80% AMI
= 2,076

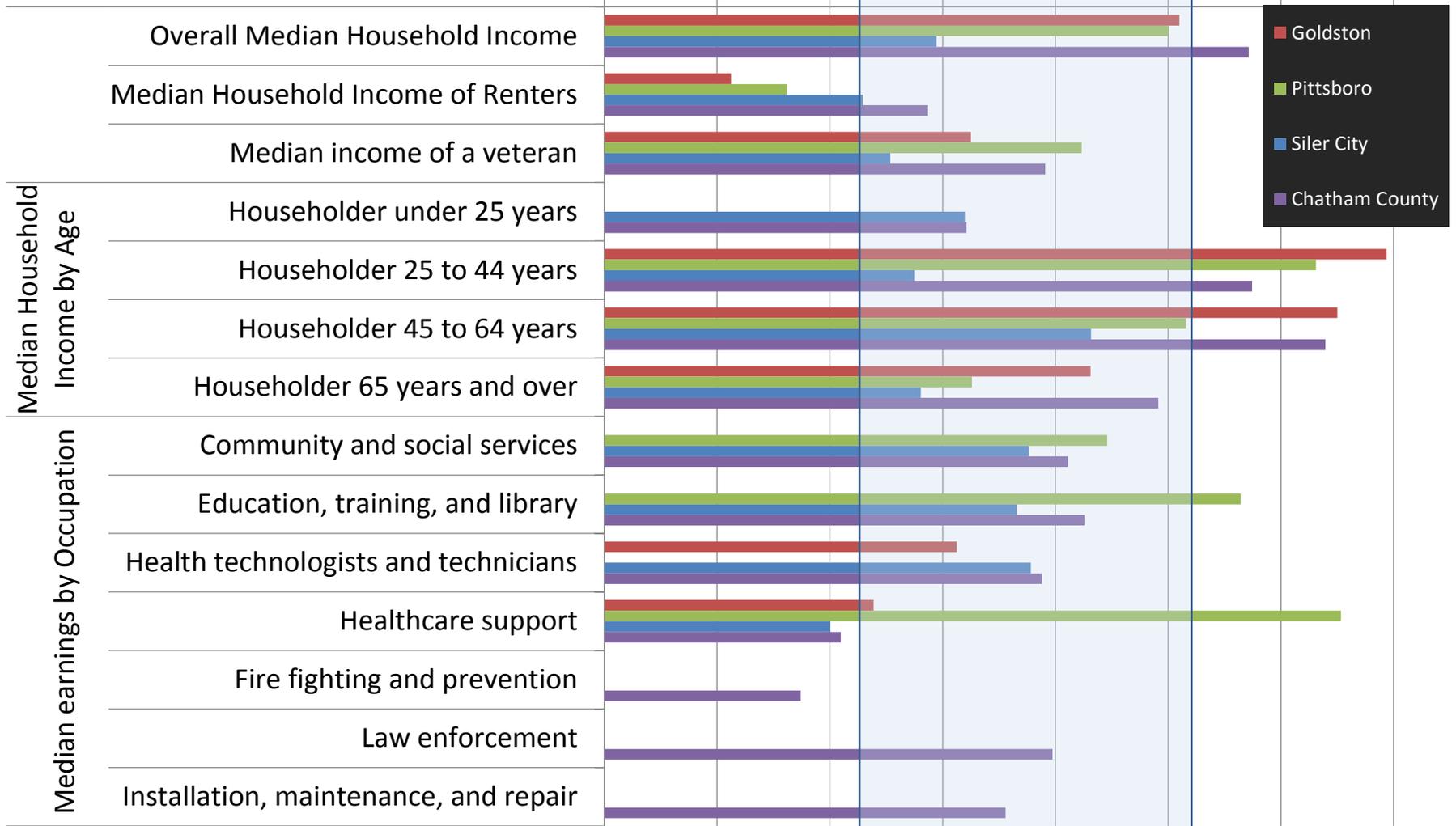
Cost-Burdened Renter Households



Data from the 2010-2014 Census Bureau's American Community Survey

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\$0 \$10,000 \$20,000 \$30,000 \$40,000 \$50,000 \$60,000 \$70,000



Percent of AMI in Chatham MSA

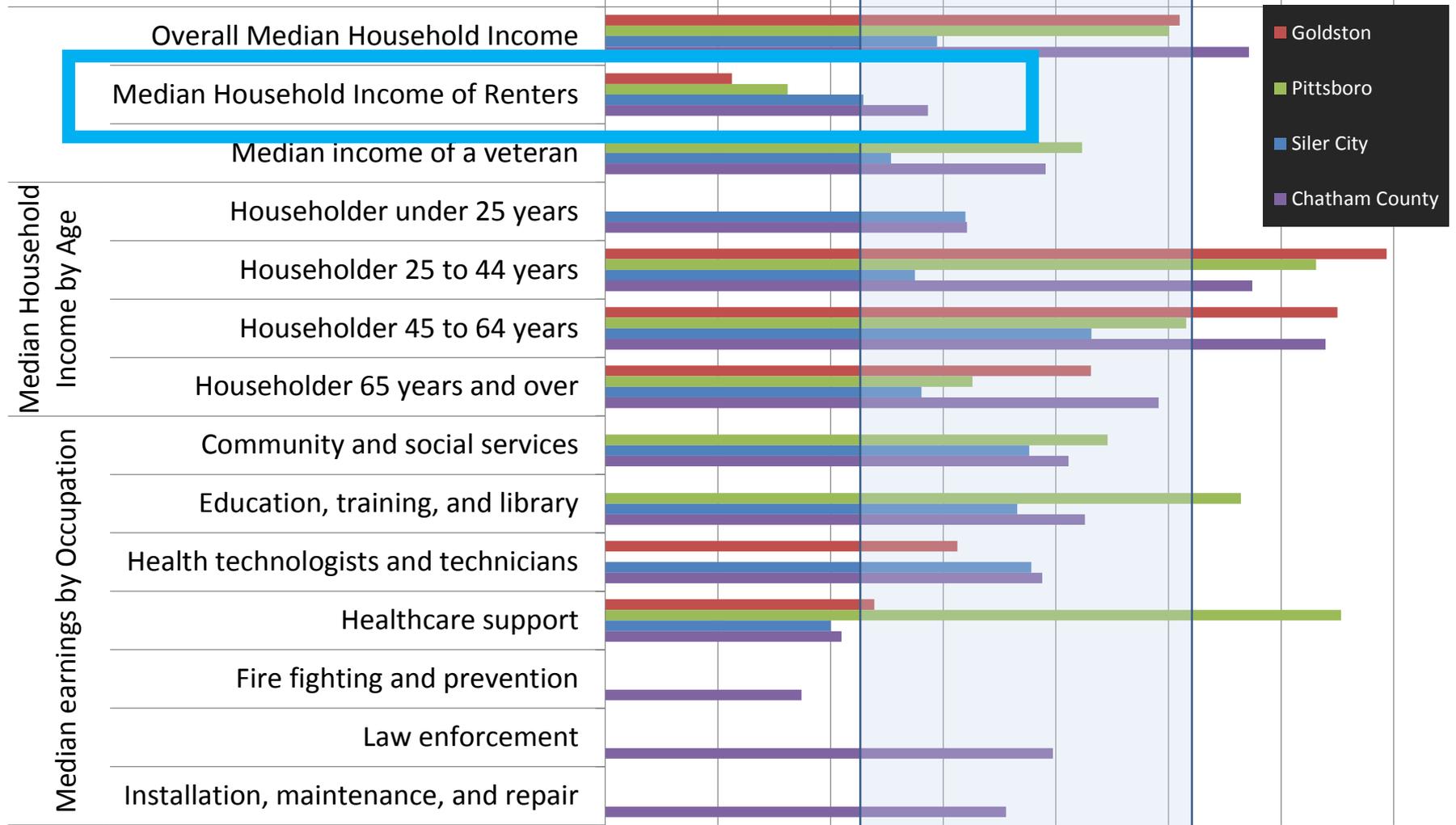
- 30% = \$23,850
- 50% = \$32,850
- 80% = 52,550
- 100% = \$65,700

Proportion of households with incomes \$25,000 - \$49,999

Goldston - **19%** Siler City - **33%**
 Pittsboro - **24%** Chatham County - **22%**



\$0 \$10,000 \$20,000 \$30,000 \$40,000 \$50,000 \$60,000 \$70,000



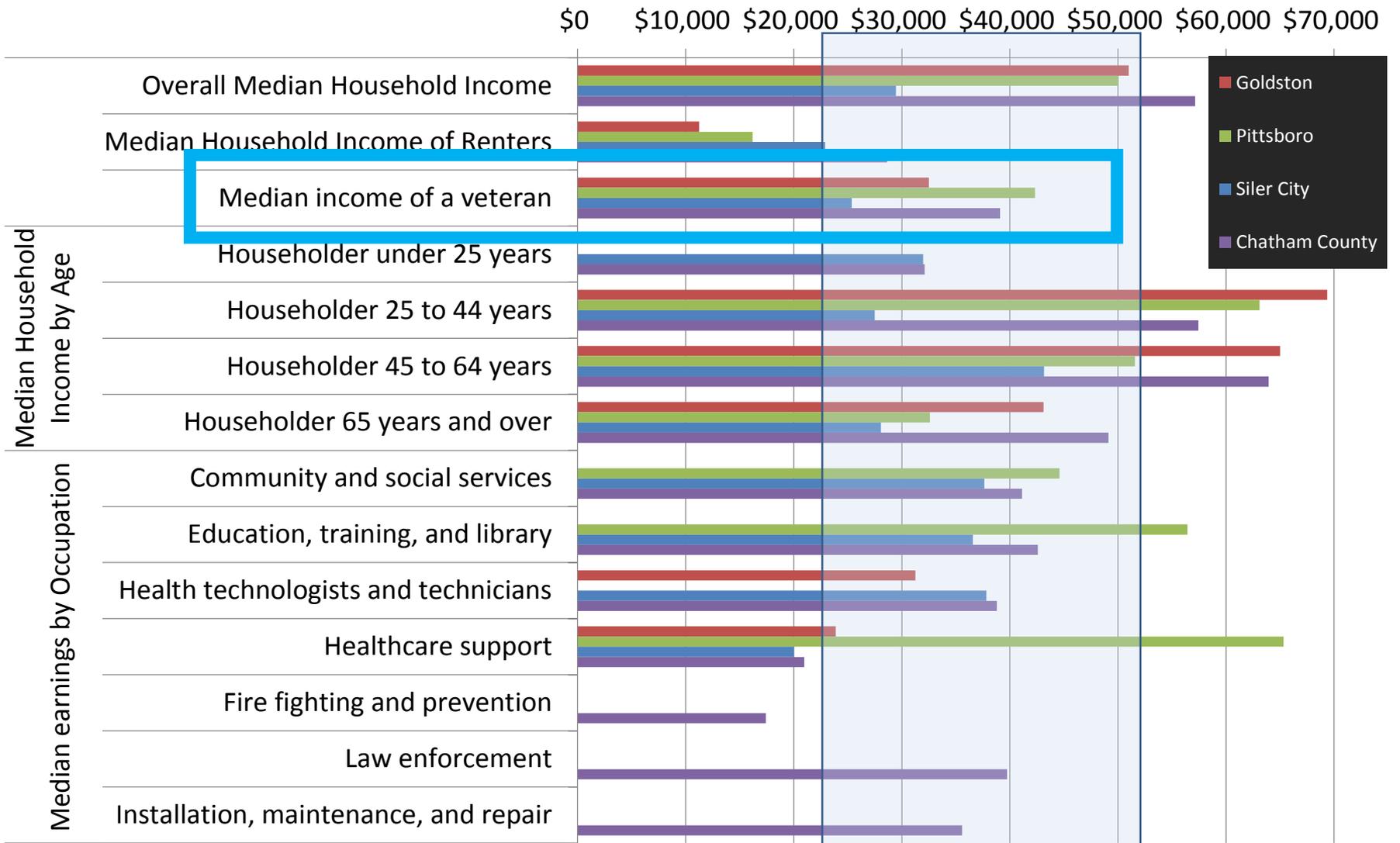
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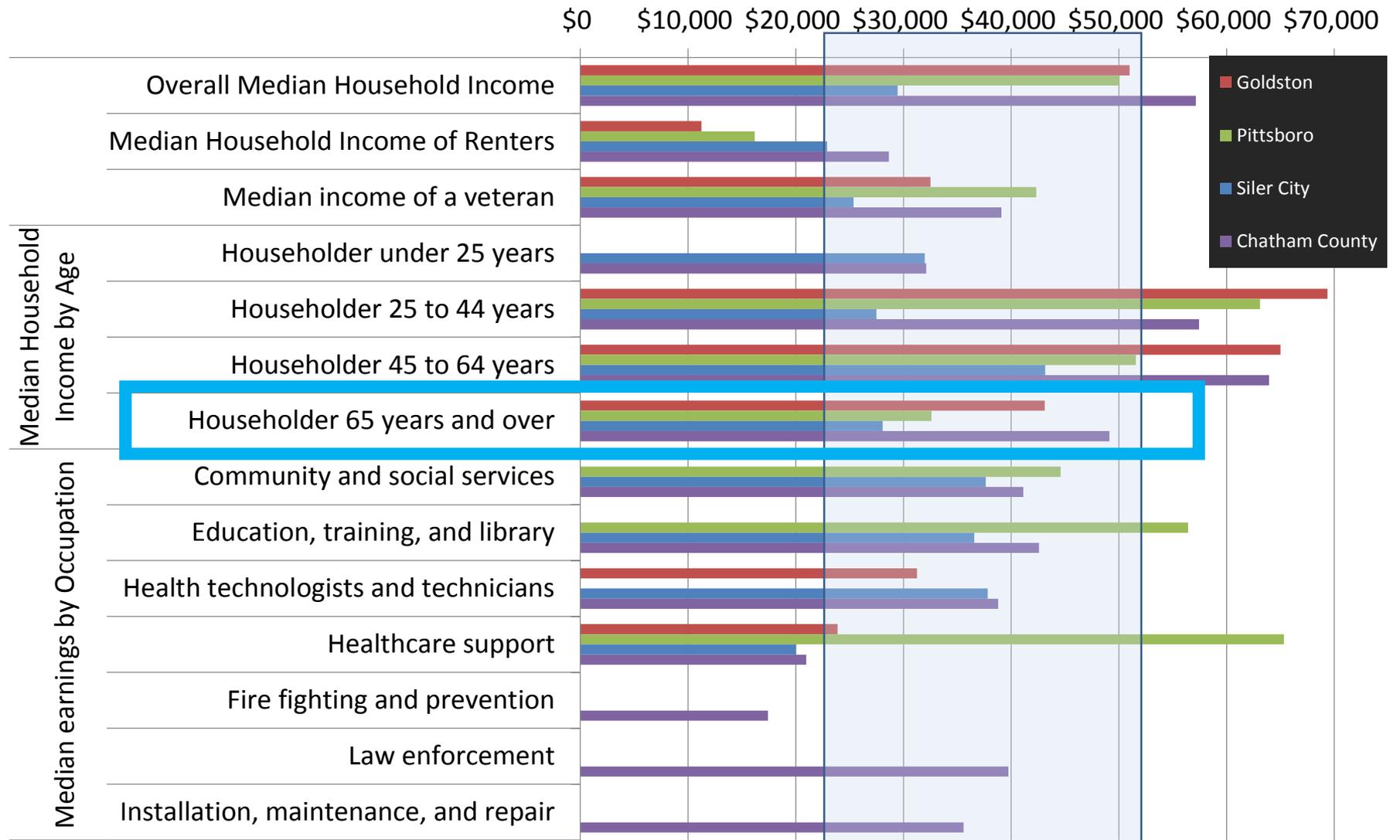
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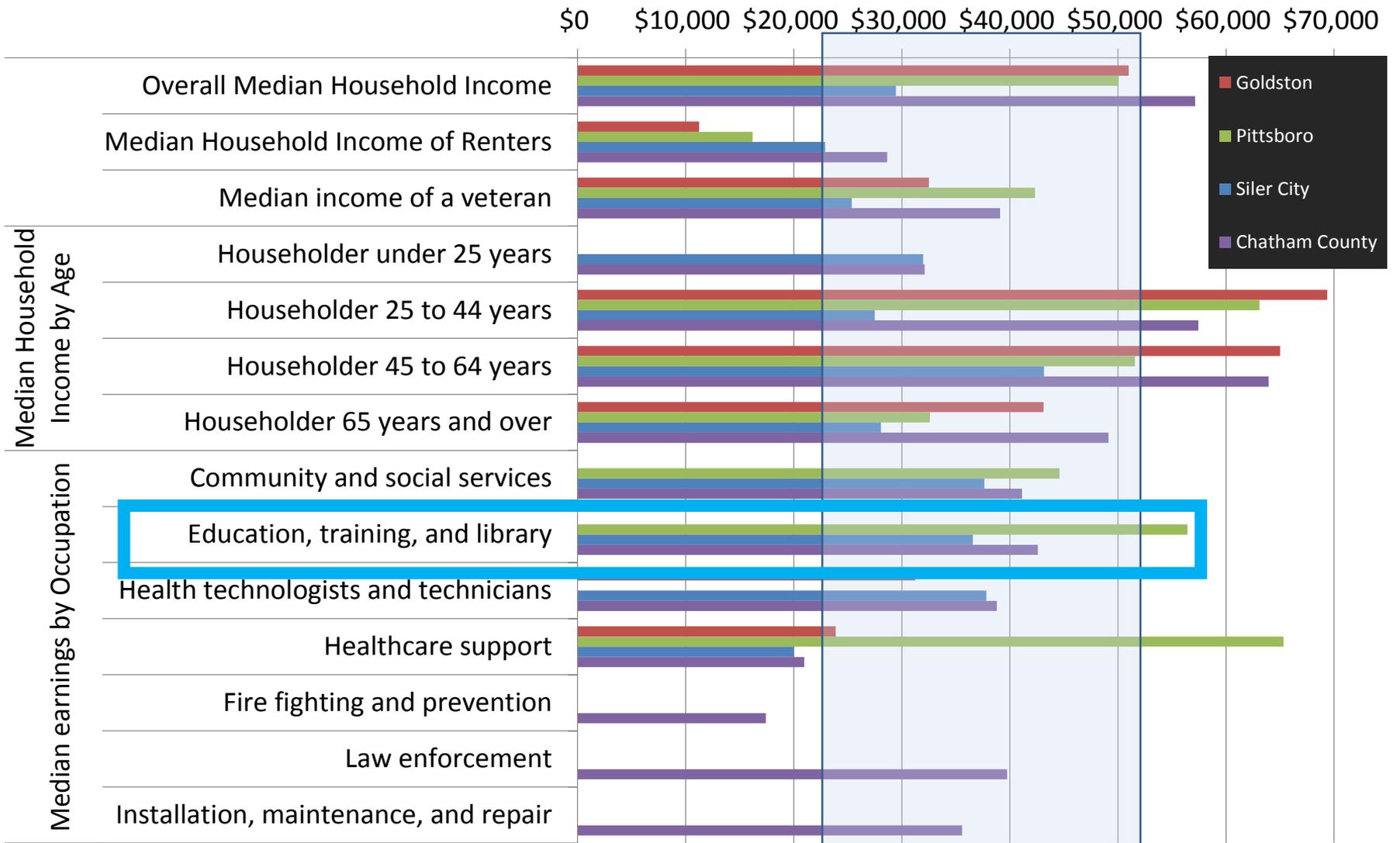
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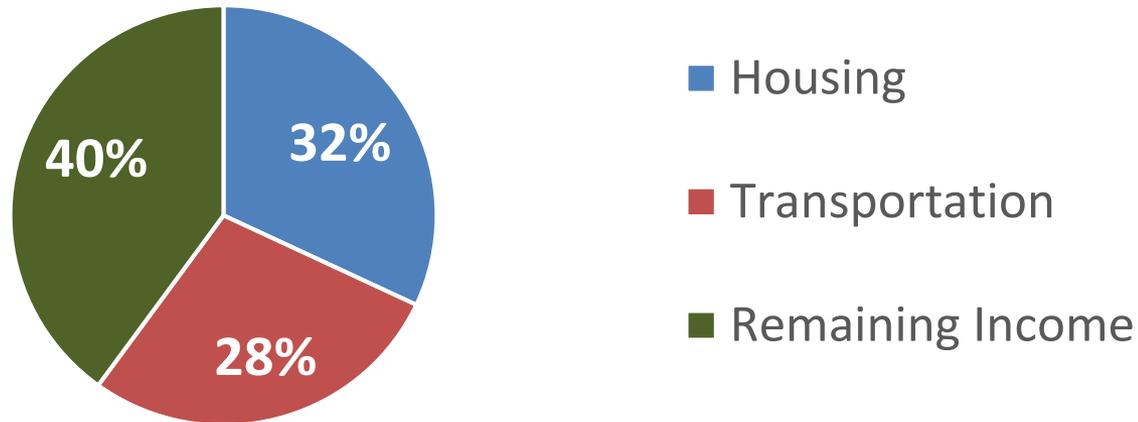
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Housing + Transportation

Should not pay more than 45% of your income on transportation and housing combined.

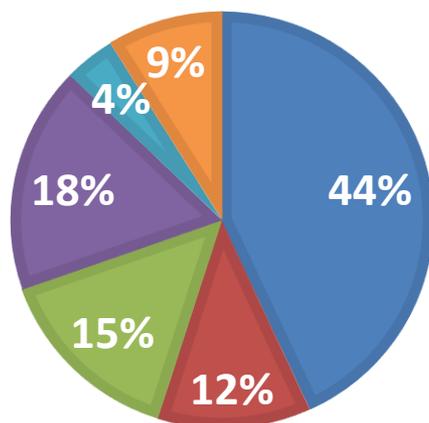
Average Housing + Transportation Costs % Income in Chatham



Affordability

RENTERS' INCOMES

- Less than \$25,000
- \$25,000 - \$34,999
- \$35,000 - \$49,000
- \$50,000 - \$74,999
- \$75,000 - \$99,999
- 100,000 & above



Housing Type	Fair Market Rent Price	Annual Income Needed to Afford Fair Market Rent	HH Size	Median HH Income (Total)
0-Bedroom	\$639	\$25,560	1-person	\$28,636
1-Bedroom	\$796	\$31,840	2-person	\$65,817
2-Bedroom	\$937	\$37,480	3-person	\$70,797
3-Bedroom	\$1,262	\$50,480	4-person	\$76,928
4-Bedroom	\$1,405	\$56,200	5-person	\$71,985

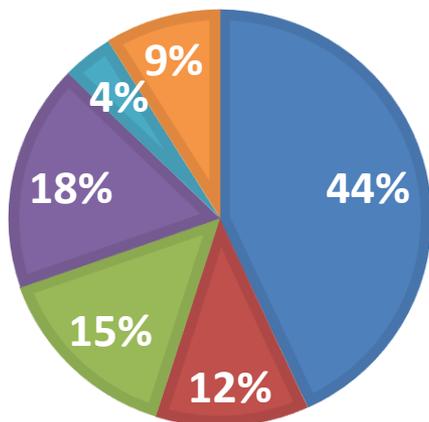
Affordability



Childcare Worker in Durham-Chapel Hill MSA County
33% AMI = \$22,430

RENTERS' INCOMES

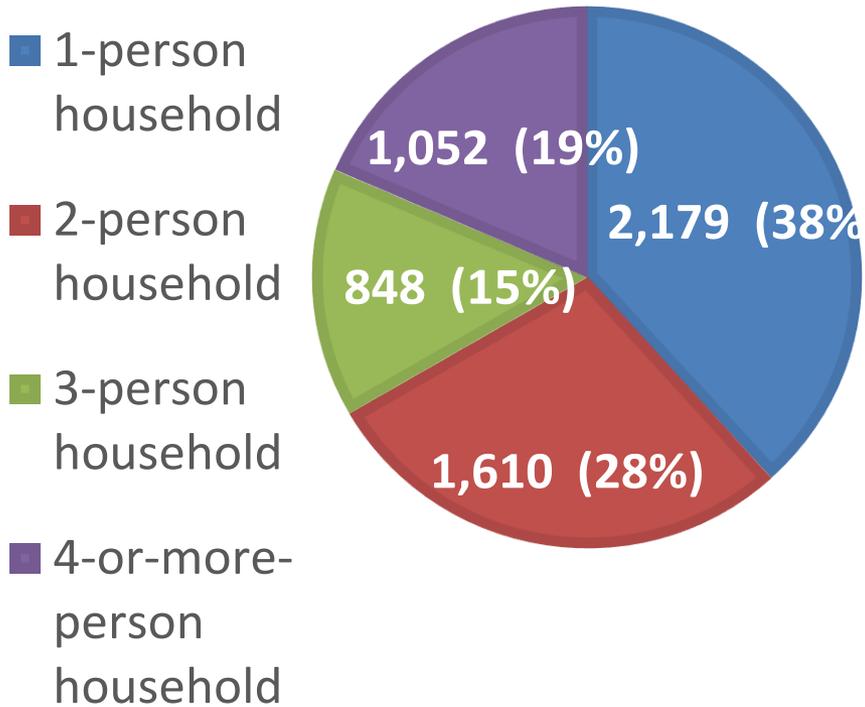
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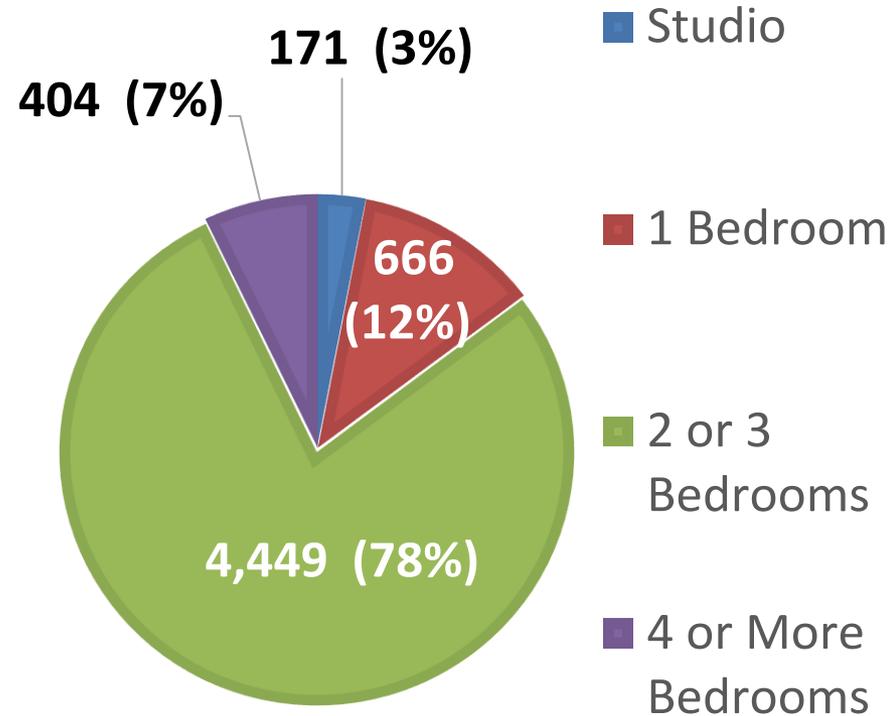
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County Household Data

RENTER-OCCUPIED HOUSING HOUSEHOLD SIZES

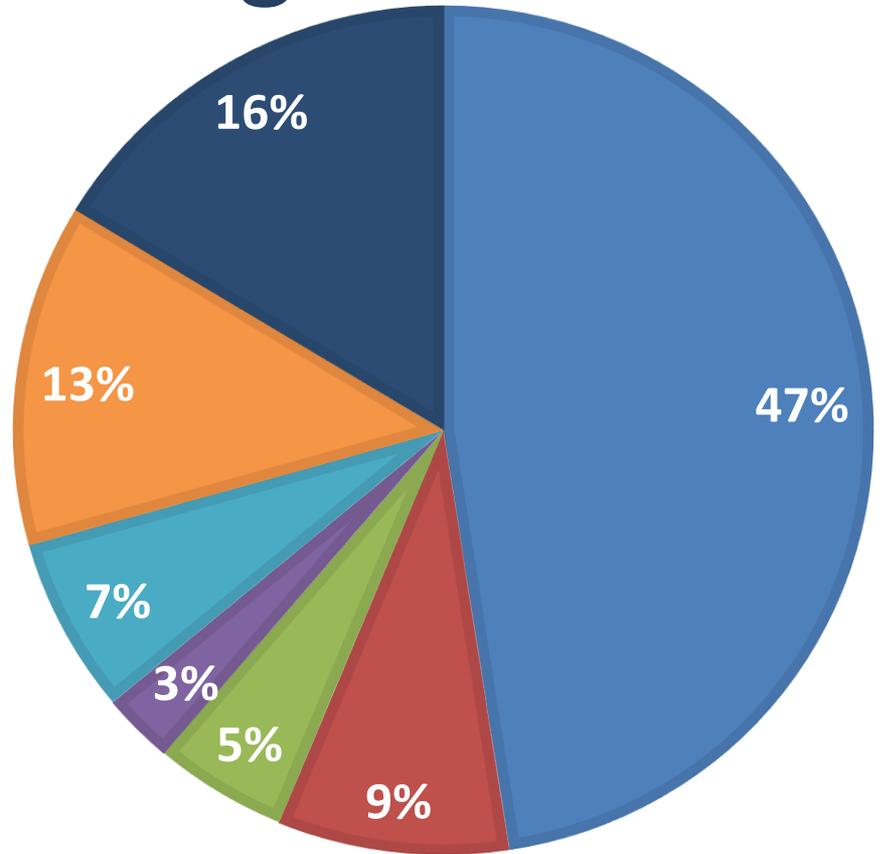


INVENTORY OF RENTAL UNITS



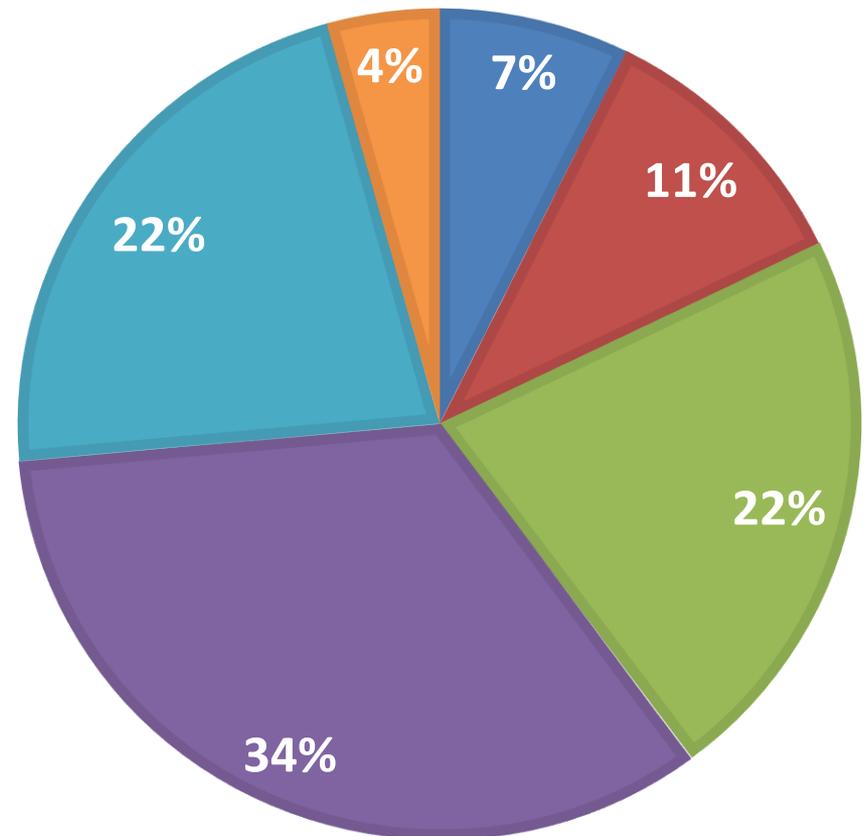
Types of Rental Housing

- Single Family House
- Townhouse
- Duplex
- Triplex or Quadruplex
- Small Apartment Complex (5-9 units)
- Large Apartment Complex (10 or more units)
- Mobile Home or Other Type of Housing



Year Rental Housing Structures Were Built

- 1939 or Earlier
- 1940 - 1959
- 1960 -1979
- 1980-1999
- 2000-2009
- 2010 or Later



Chatham County Housing Authority

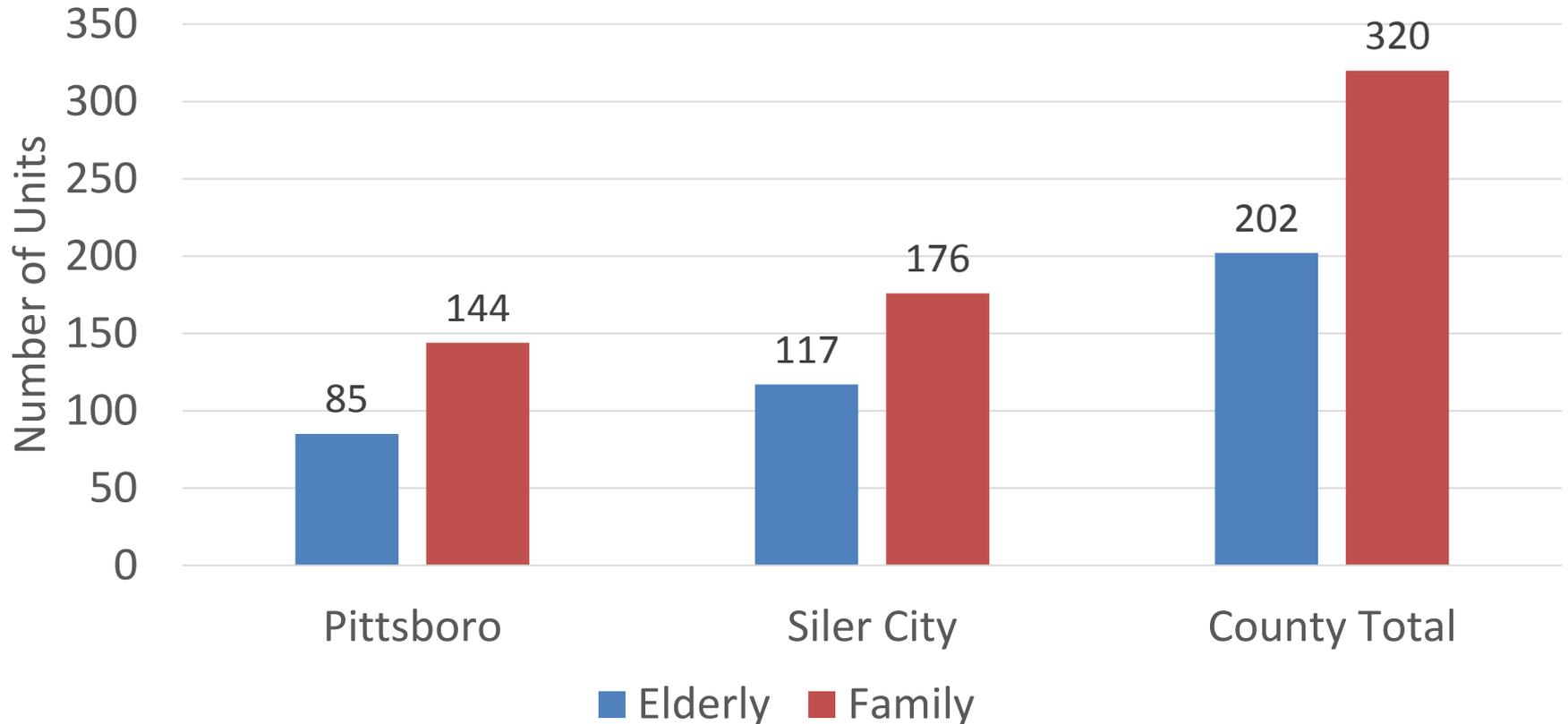
- No Public Housing Buildings
- Housing Choice Vouchers (Section 8)
 - Total vouchers: 470 households (980 persons)
 - 200-300 on the waiting list at a time

Vouchers In Use			
Avg. Head of HH Age	48	Disabled	43%
Avg. HH Size	2.2	Elderly	23%
Avg. HH Income	\$12,015	Non elderly or disabled	34%
Extremely low income HH (<\$23,850)	71%	Female HH	53%
Voucher Type Distributed			
Regular voucher	410		
Non-Elderly-Disabled voucher	50		
Veterans Affairs Supportive Housing (VASH) Project-Based, Mobile Homes	10		

Income Based Apartments

Income Based Apartments in Chatham County

Total = 522

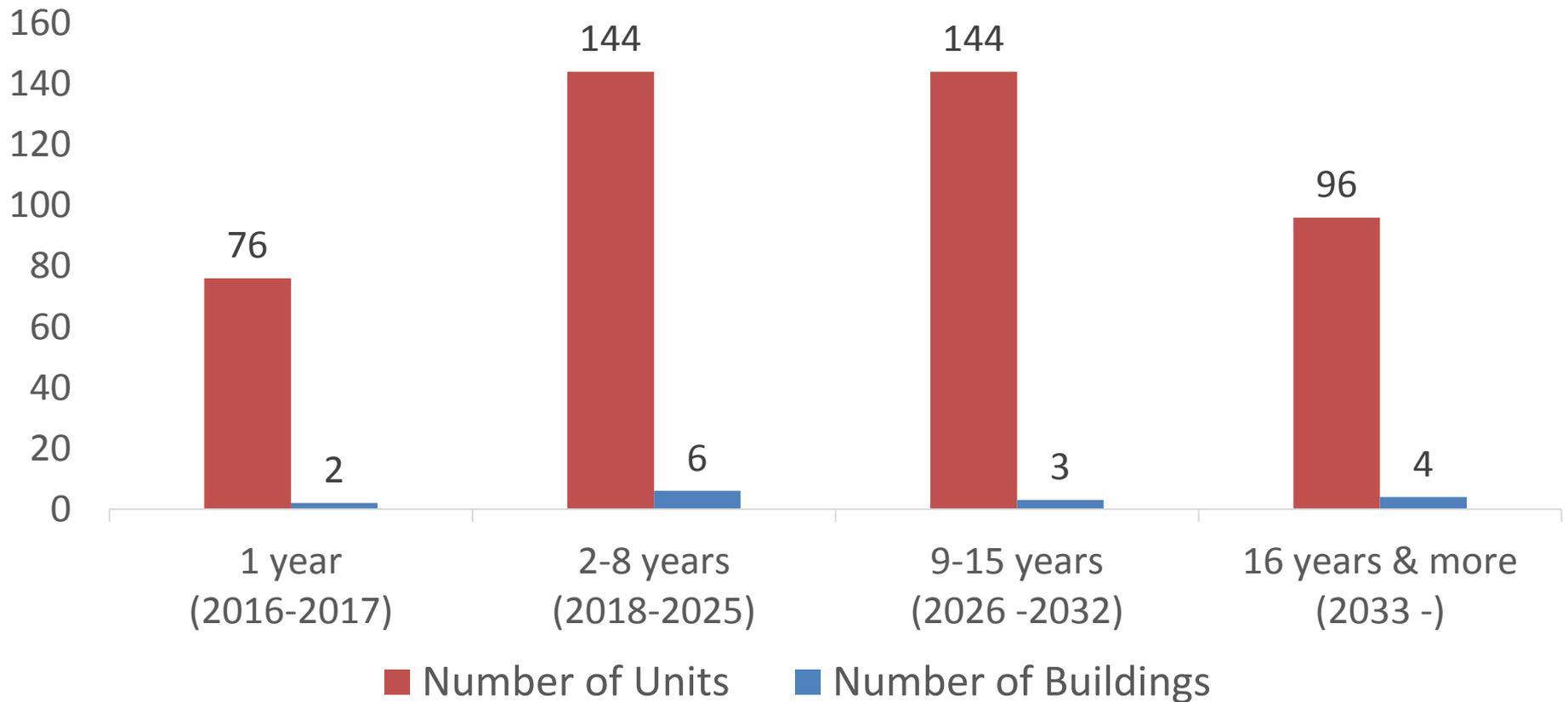


60 of these units are being paid for with vouchers

Total = vouchers (470) + income based apartments (522) - overlapping households (60) = 932

Income Based Apartments

Expiring Affordability



Chatham County Housing Authority

Chatham County Housing Authority households reside in the following locations based on zip codes

Community	% of Households with vouchers
Bear Creek	4%
Bennett	1%
Chapel Hill	4%
Goldston	2%
Moncure	1%
Pittsboro	30%
Sanford	1%
Siler City	49%

Thank you!

Resources

Data:

- Bureau of Labor Statistics, U.S. Department of Labor, *Occupational Employment Statistics*, www.bls.gov/oes/
- Chatham County Housing Authority
- Health and Transportation (H&T) Affordability Index, <http://htaindex.cnt.org/>
- U.S. Census Bureau; American Community Survey, 2010-2014 American Community Survey 5-Year Estimates, using American FactFinder; <http://factfinder2.census.gov>

Reports:

- The Local Economic Impact of Typical Housing Tax Credit Developments. National Association of Home Builders, March 2010. https://www.novoco.com/sites/default/files/atoms/files/nahb_jobs-report_2010.pdf
- Impact of Affordable Housing on Families and Communities: A review of the evidence base. Enterprise, 2014 https://s3.amazonaws.com/KSPProd/ERC_Upload/0093581.pdf