



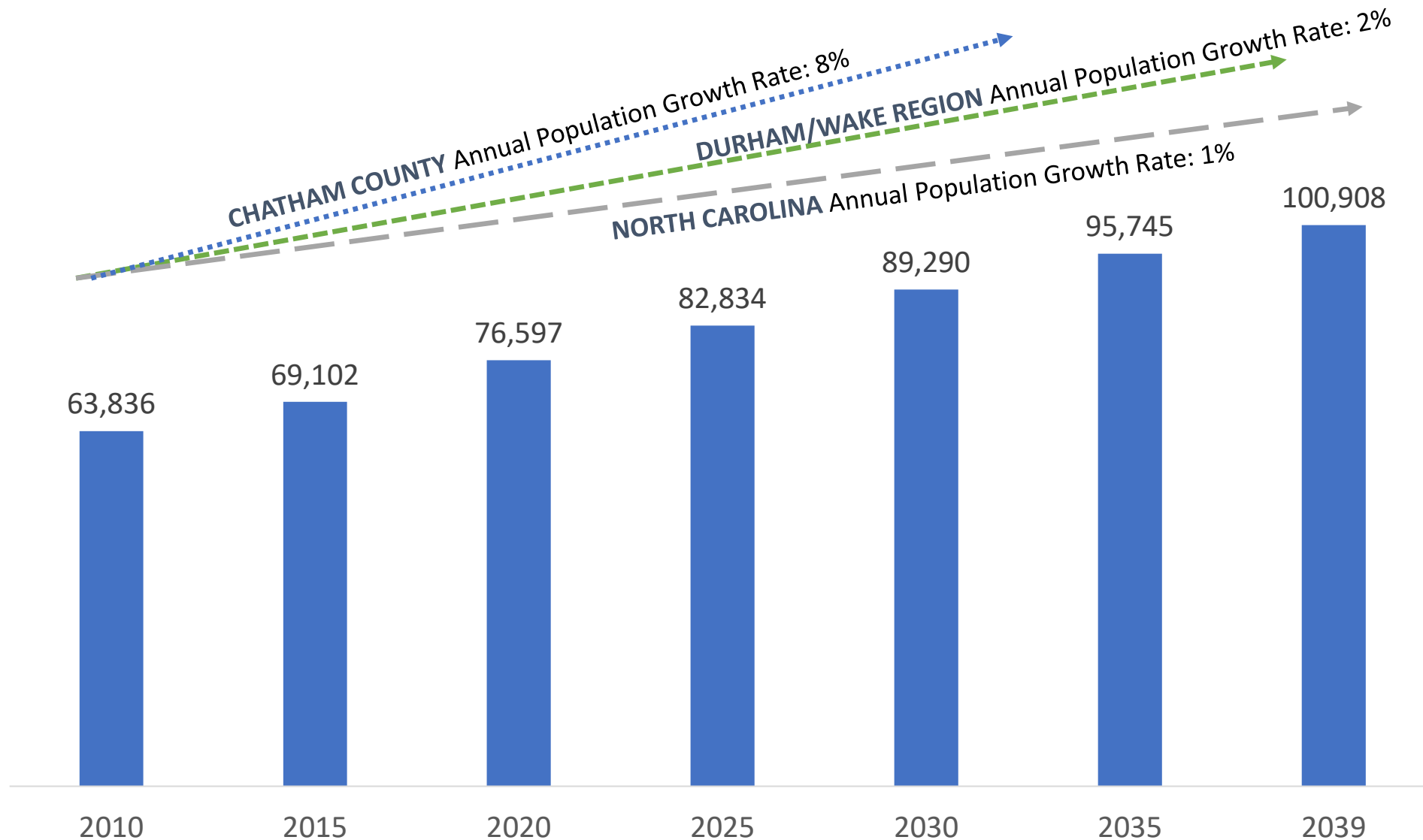
AHAC Looking Ahead Chatham Housing Needs Assessment Update

AHAC Meeting via ZOOM | March 3, 2022 | 6:00pm-8:00pm



Projected Population Growth in Chatham

*POPULATION
GROWTH,
2010-2039*



58%

**CHATHAM
COUNTY**

64%

**DURHAM/WAKE
REGION**

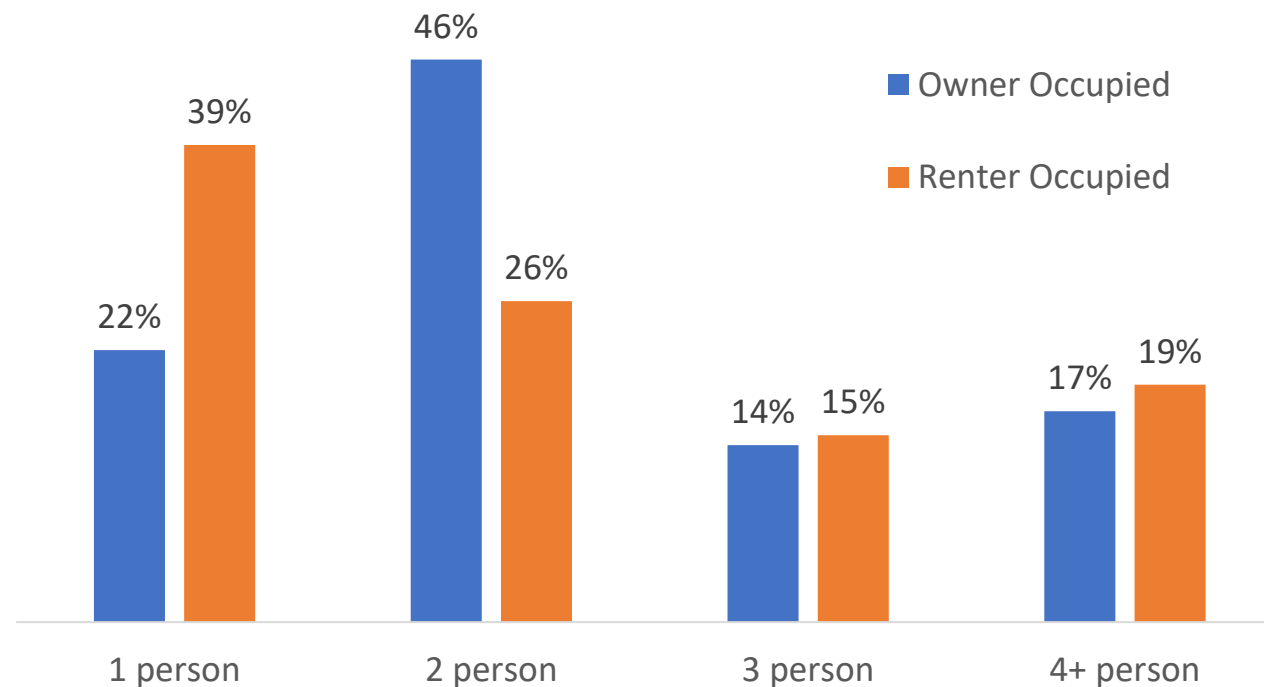
35%

NORTH CAROLINA

Household Size

Gap in existing smaller units versus one and two-person households.

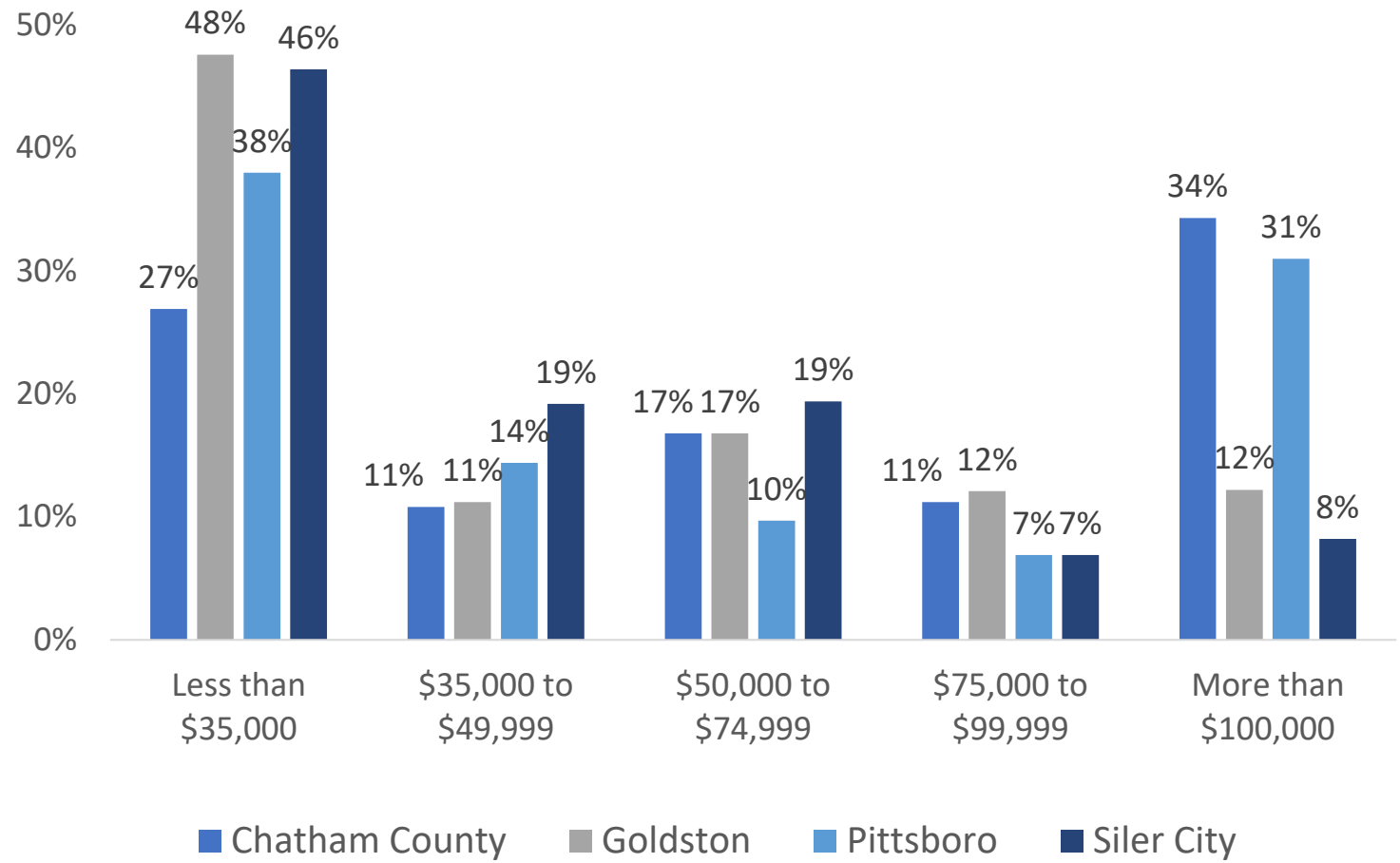
- Primarily 1 and 2 person households in Chatham, Goldston, and Pittsboro. Siler City has more 4+ person households.
- Continued need for smaller household sizes to keep up with demand.



| Number of Persons (or Bed) | HH Size | Unit Size | Unit Gap |
|----------------------------|---------|-----------|---------------|
| 1 Person | 7,614 | 1,617 | -5,997 |
| 2 Person | 12,002 | 7,331 | -4,671 |
| 3 Person | 4,258 | 16,796 | 12,538 |
| 4+ Person | 5,159 | 7,960 | 2,791 |

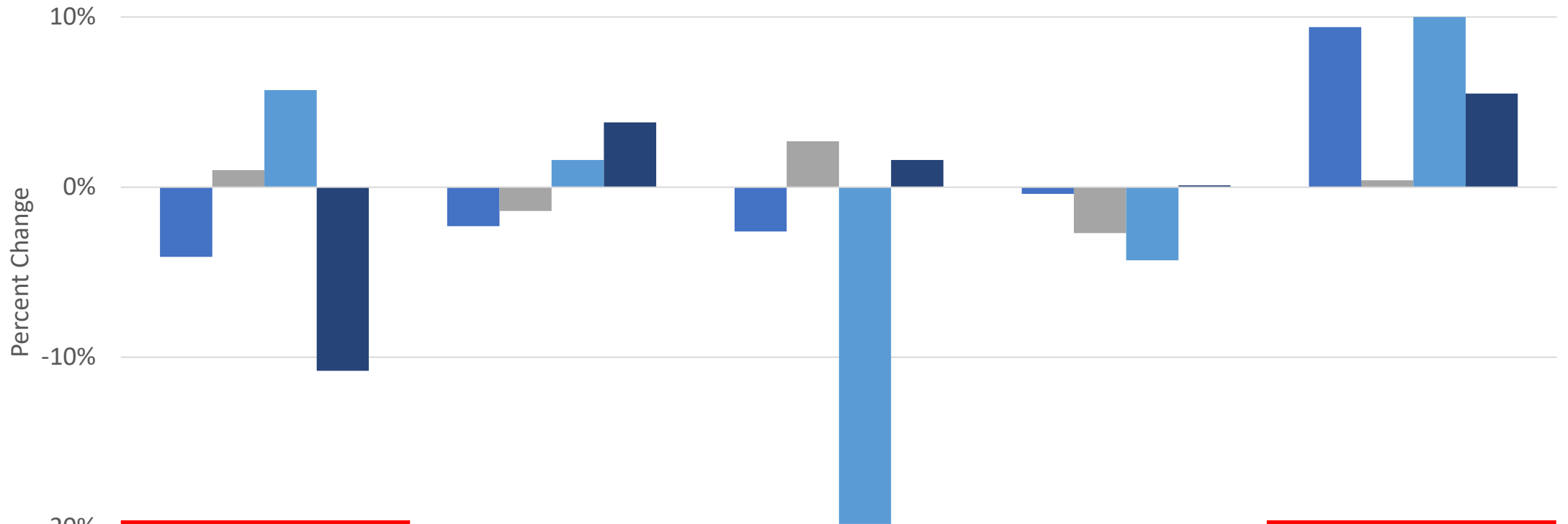
Household Income Distribution

- Median income in 2019 is \$67,031 for the County, up from \$56,542 in 2015
- 55% of all residents have income under 80% AMI which is \$69,100 (used up to \$75,000 as approximate)
- Goldston and Siler City have much higher rates of low-income households



Source: U.S. Census, 2019 ACS 5-year Estimates

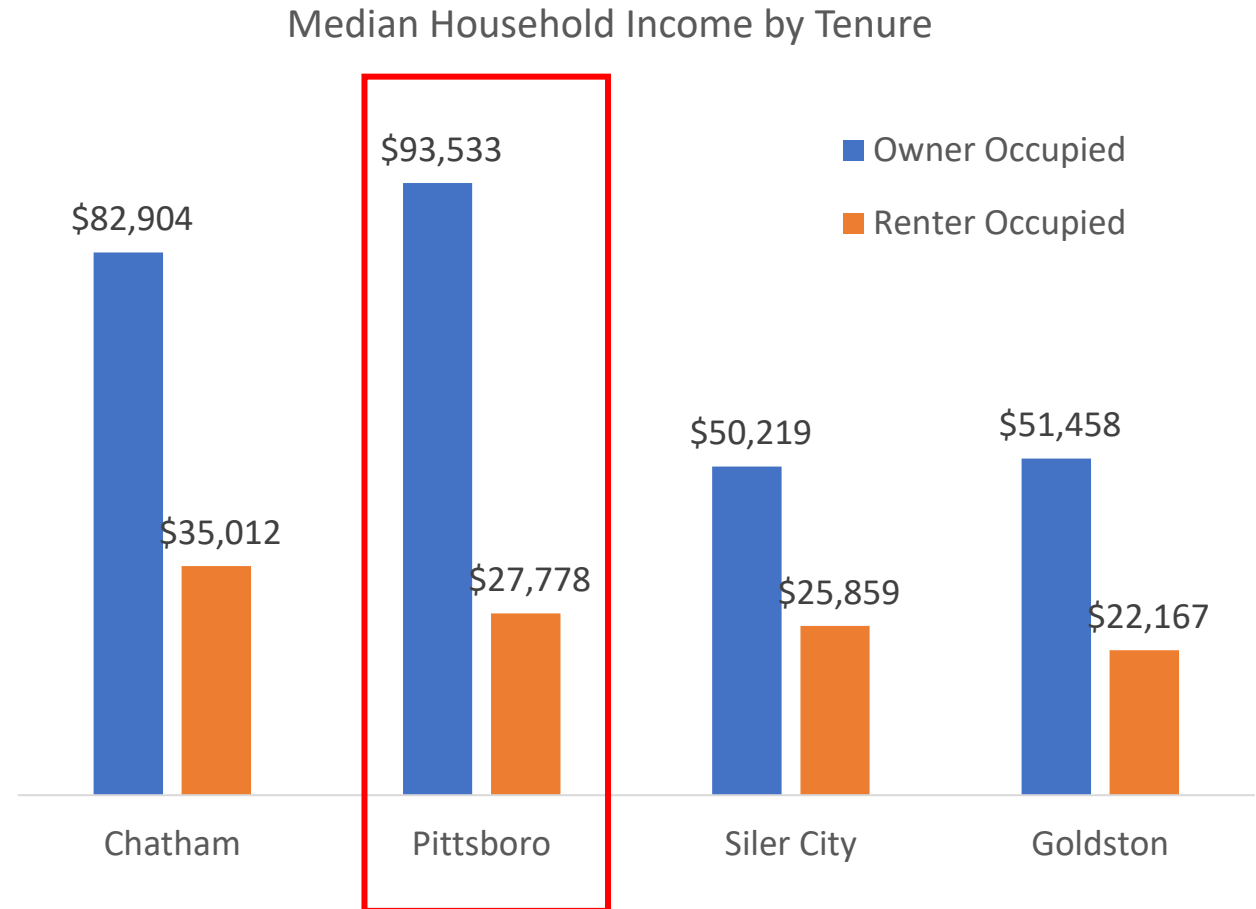
Change in Household Income (2015-2019)



| | Less than \$35,000 | \$35,000 to \$49,999 | \$50,000 to \$74,999 | \$75,000 to \$99,999 | More than \$100,000 |
|----------------|--------------------|----------------------|----------------------|----------------------|---------------------|
| Chatham County | -4% | -2% | -3% | 0% | 9% |
| Goldston | 1% | -1% | 3% | -3% | 0% |
| Pittsboro | 6% | 2% | -20% | -4% | 17% |
| Siler City | -11% | 4% | 2% | 0% | 6% |

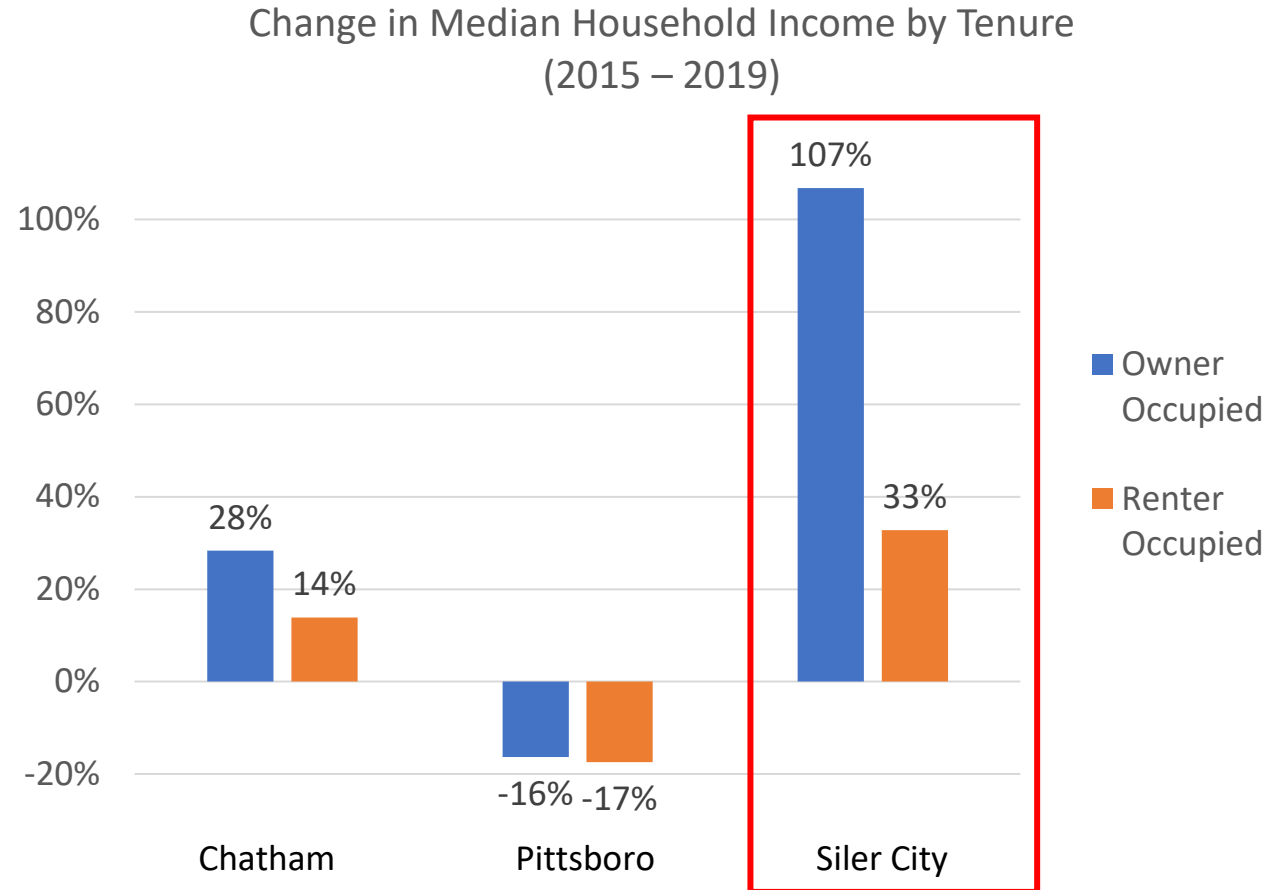
Housing Tenure and Income Inequality

- Median household income for renters is significantly lower than owner occupied median household income across the County.
- Highest income households located in Pittsboro and unincorporated Chatham County.



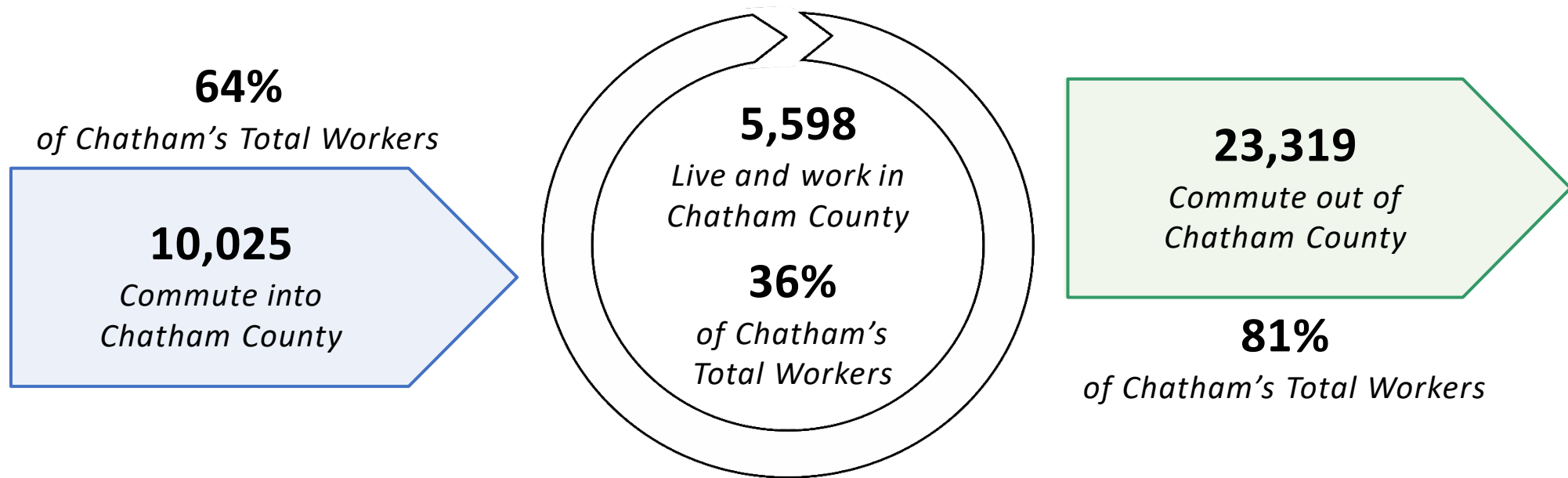
Inequitable Growth of Household Income

- Overall, growth of median household income has occurred in Chatham County for both homeowners and renters (aside from within Pittsboro).
- Large gap between median household income for owner and renter occupied households, which has grown rapidly, particularly in Siler City.



Commuting Trends in Chatham

The vast majority of Chatham residents work outside of the County, though **most people who work in Chatham County community from elsewhere.**

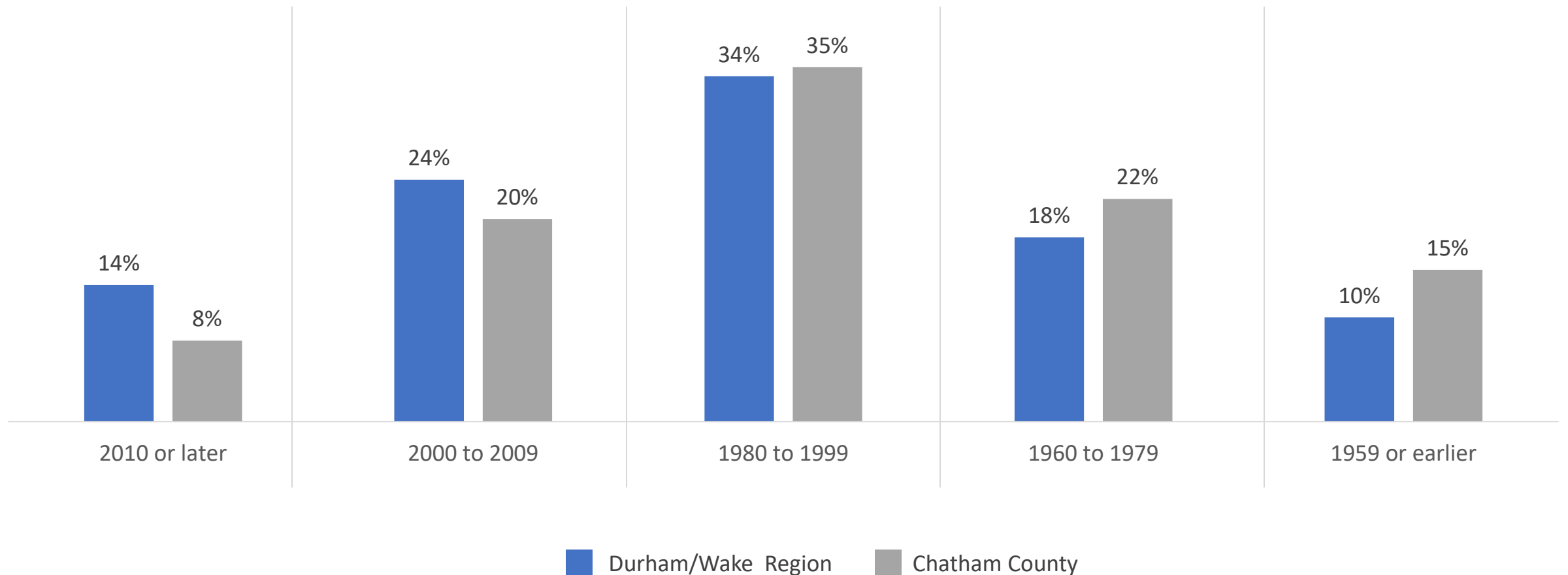


INFLOW/OUTFLOW (PRIVATE PRIMARY) JOBS, 2018



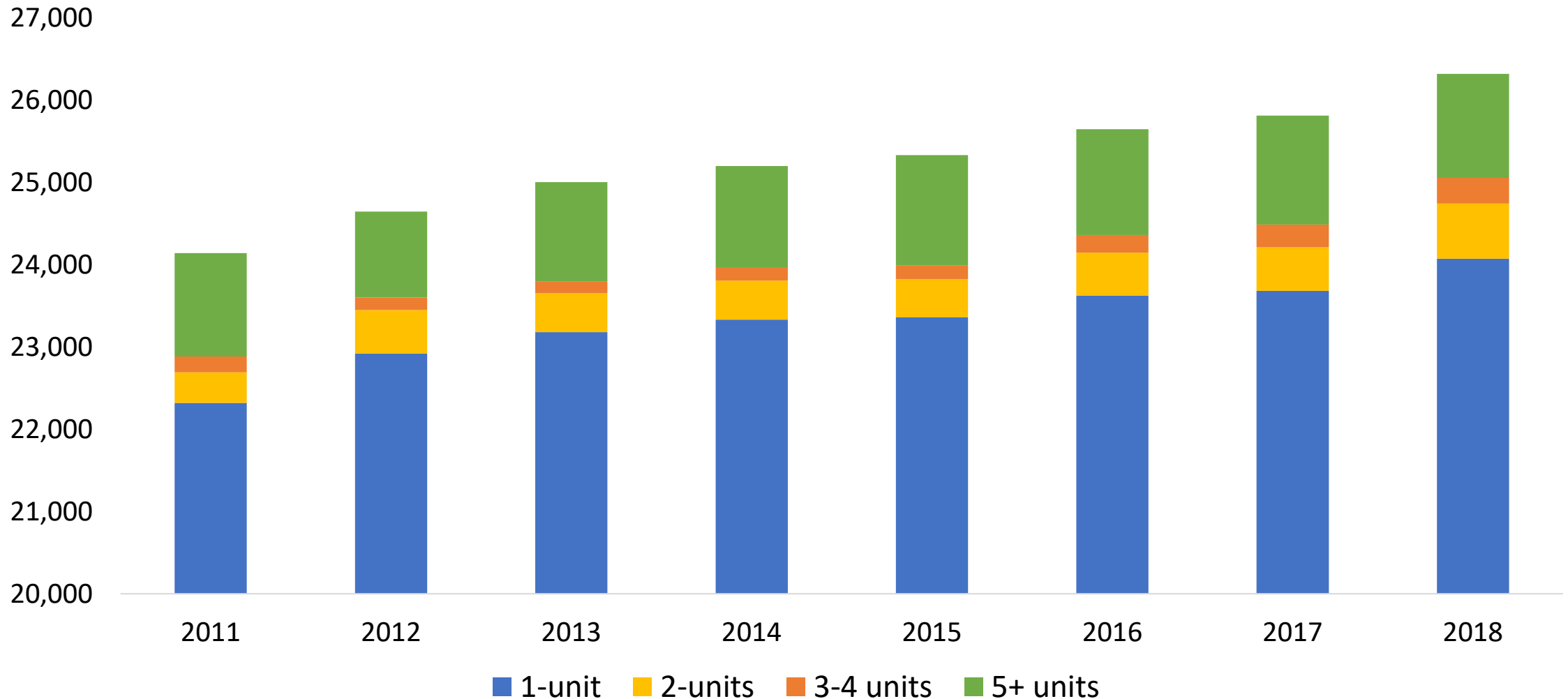
Age of Housing Stock

Less than a third of Chatham County's housing stock is more than 40 years old. Another third is aging (between 20 and 40 years ago) and likely considered NOAH. These units should be preserved as real estate prices continue to grow.



Housing Supply Growth by Unit Size (2011- 2018)

Still needs to be updated...





New Housing Development

- Median sales price of homes is **\$618,000** with home prices up 35% since last year
 - Estimated monthly payment of \$2,908, including property taxes and fees (assuming no HOA) and a 20% down payment of \$123,613
 - Requires a \$166,320 salary a year to be affordable which is 248% AMI
- Siler City – Tripp Cottages: \$925 for two bedroom (\$37,000 required)
- Sanctuary at Powell Place (new market rate)

| | 1 Bedroom | 2 Bedroom | 3 Bedroom |
|---------------|---------------------|---------------------|----------------------|
| Current Rent | \$1,393 - \$2,343 | \$1,646 - \$2,440 | \$1,817 - \$2,760 |
| Income Needed | \$55,720 - \$93,720 | \$65,840 - \$97,600 | \$72,680 - \$110,400 |

Housing Cost vs. Income in Chatham

Affordable housing is generally considered to be affordable to households making 80% of the Area Median Income

Median Monthly Rent:

- 1 bedroom: \$618
- 2 bedroom: \$826
- 3 bedroom: \$900
- 4 bedroom: \$1,426

Median Homeowner Monthly Housing Costs:

- With a mortgage: \$1,618
 - Close to 3,000 households
- Without a mortgage: \$474
 - Still more than 1,000 households paying more than 30% of income on ownership unit with no mortgage.

| HUD 2021 Limits for 4-Person Households | | |
|---|---------------|----------------------------------|
| Income Level (Limit) | Yearly Income | Affordable Monthly Housing Costs |
| Extremely Low Income (30%) | \$26,500 | \$662 |
| Very Low Income (50%) | \$43,200 | \$1,080 |
| 60% AMI | \$51,840 | \$1,296 |
| Low Income (80%) | \$86,400 | \$2,160 |

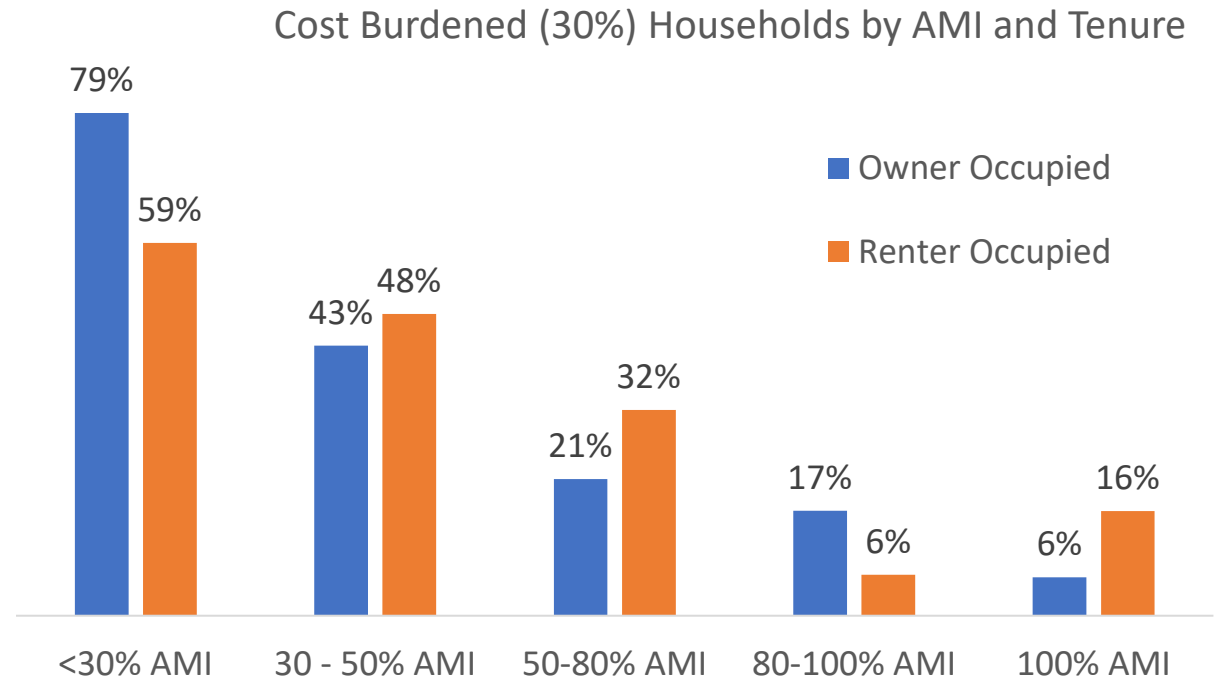


Housing Cost Burden in Chatham

A large majority of Chatham residents under 50% AMI are housing cost burdened each month.

- 42% of renter households under 30% AMI are severely cost burdened
- 54% of owner households under 30% AMI are severely cost burdened

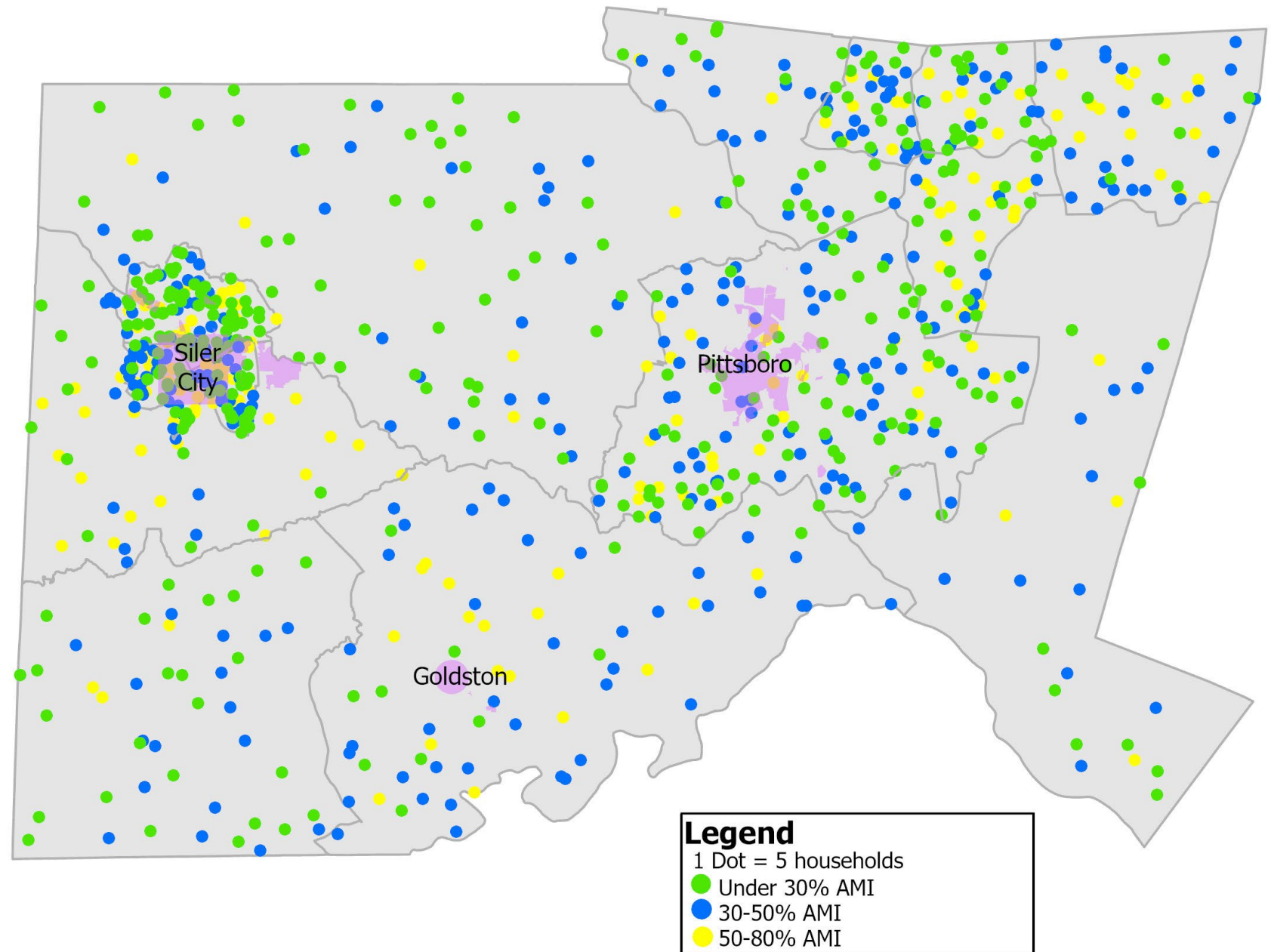
| Level of Income | Cost Burdened |
|------------------------------|---------------|
| Less than 30% AMI | 69% |
| Between 30% AMI and 50% AMI | 45% |
| Between 50% AMI and 80% AMI | 25% |
| Between 80% AMI and 100% AMI | 14% |



Low-Income Households

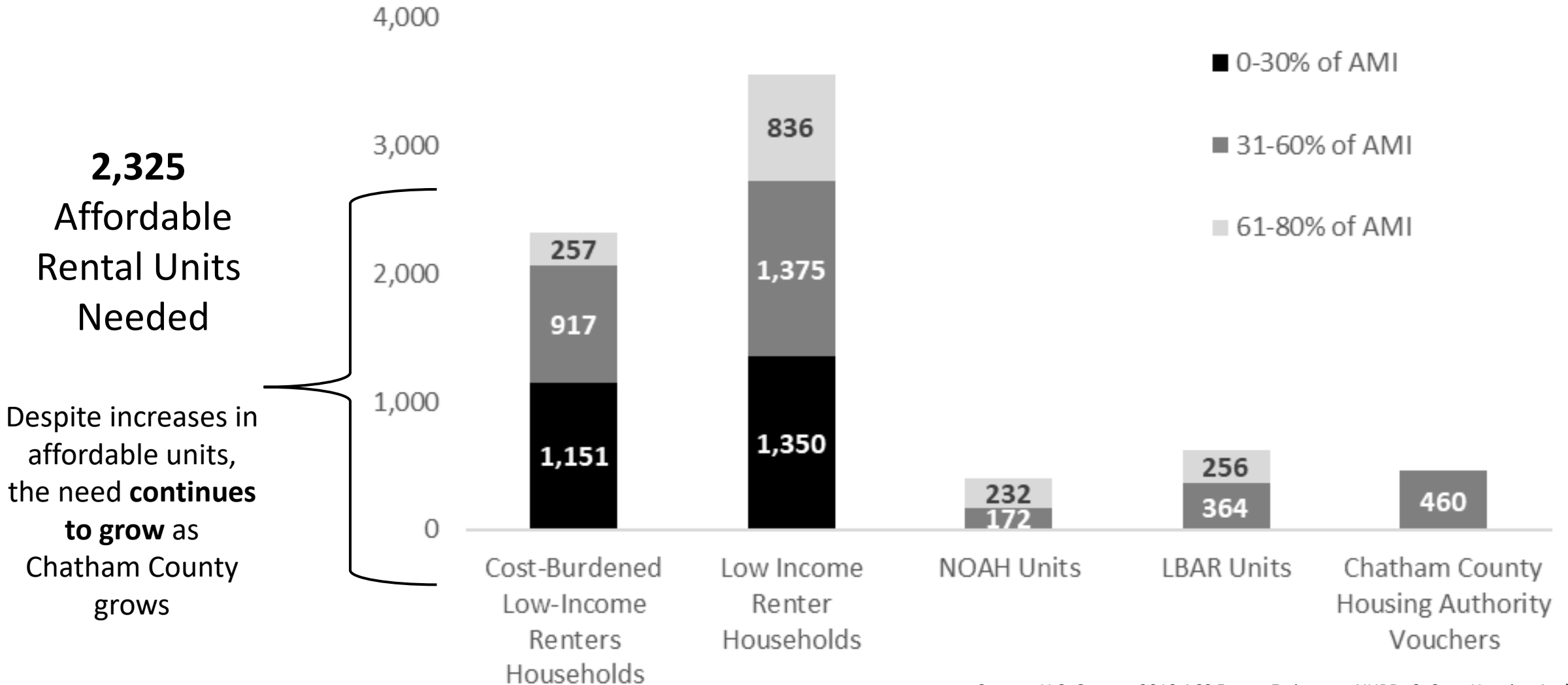
There is an estimated gap of **2,325** affordable rental units.

Affordable ownership opportunities also remain difficult to build given cost increases for land and materials and supply chain difficulties.

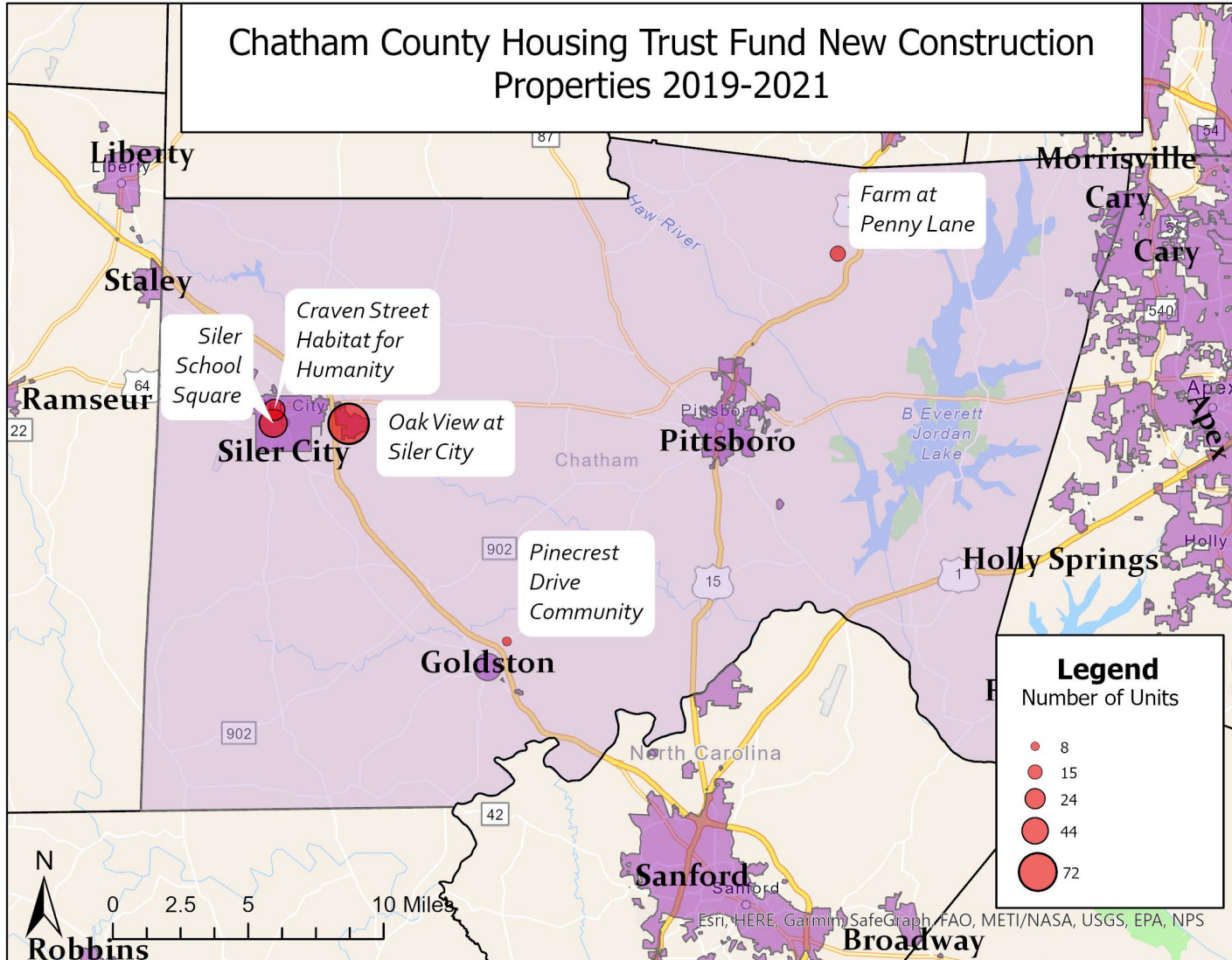


Existing Affordable Housing Supply and Demand

Low Income Renters



Housing Trust Fund Investments



A total of \$720,000 in funding has been awarded over the last three years – 70% of total requests.

- A total of 265 units assisted.
- Funding is primarily serving households at 60% or less.
- Three tax credit awards within the County.
- Innovative projects supporting rental and homeownerships for older adults, veterans, and people with disabilities.

| Project Name | Awarded | Units | Average Investment/Unit |
|------------------------------------|-----------|-------|-------------------------|
| Siler School Square | \$200,000 | 44 | \$4,545 |
| Craven Street Habitat for Humanity | \$75,000 | 24 | \$3,125 |
| Farm at Penny Lane | \$50,000 | 15 | \$3,333 |
| Oak View at Siler City | \$170,000 | 72 | \$2,361 |
| Pinecrest Drive Community | \$75,000 | 8 | \$9,375 |

Data Update Takeaways



Growth in the Triangle continues to deeply affect socioeconomic trends in Chatham County.

- Household income for owners in Pittsboro and Siler City continues to increase at a high rate, widening the gap between homeowners and renters.



Median sales price and rents continue to increase, with homeownership becoming further out of reach for many.

- Housing stock continues to age and supply has not kept up with demand, further exacerbating the housing shortage and increasing costs.



Housing Trust Fund investments have assisted in meeting the need (goal of 100 units/year, have assisted 265 new construction and many preservation since 2019).

- New funding sources must be allocated intentionally to build and preserve affordable housing as new, large market rate developments continue to be approved.



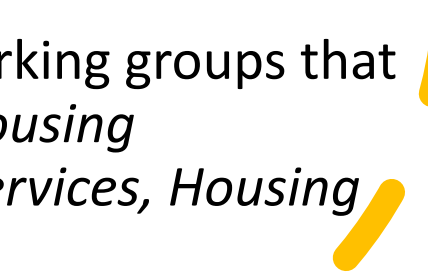
AHAC Looking Ahead

Summary of Feedback & Action Items

AHAC Meeting via ZOOM | March 3, 2022 | 6:00pm-8:00pm

Staff working draft

Feedback Questions Asked in February

1. What subject/topic areas interest you?
 2. What areas would you like more information on/ educational materials around?
 3. What ideas or feedback do you have on the Housing Trust Fund evaluation process?
 - 3b. Do you find the Housing Trust Fund evaluation to be effective and efficient?
 4. What areas or project types would you like the Housing Trust Fund and/or Article 46 to go to?
 5. Are you interested in restarting/creating subcommittees or working groups?
 - 5b. Of the following, choose the areas or working groups that interest you the most (*New Development, Housing Preservation + Rehab, Emergency Housing Services, Housing & Aging, and Community Engagement*)
- 

Your Answers

Based on your feedback we learned the following:

- **There IS interest** in the UDO, inter-jurisdictional cooperation and coordination of policies, emergency housing, preservation and quality of housing, supportive housing, senior housing, landlord engagement, incentives for housing, as well as revolving loans and multi-year awards.
- You **would like** project funding to go towards a lot of these same interest areas (listed above).
- **There IS interest in receiving education** on a wide range of affordable housing topics (many listed above)
- **There IS interest in restarting/creating subcommittees or working groups** that look at New Development, Emergency Housing, Housing Preservation + Rehabilitation, Aging, and Community engagement.
- **You recommended some potential efficiencies** for staff to consider such as - that the HTF evaluation focus more on evaluating the subjective items, and that the objective details be pre-scored for efficiency.

Feedback-based Action Items

| Feedback Area | Action Items |
|--------------------------|---|
| Subcommittees | Develop Subcommittee structures and scopes. |
| Interest areas | Identify how AHAC will address or engage with these interest areas. |
| Receiving education | Designate future meetings or opportunities to receive this information from other organizations or professionals. |
| Subcommittees | Identify existing efforts that AHAC members may be interested in and are willing to engage with and report back on. |
| Funding & Interest Areas | Identify potential projects that align with interest areas from AHAC feedback. |
| Interest Areas | Begin collecting information on AHAC interest areas. |
| HTF | Propose changes to HTF evaluation and scoring model based on feedback. |

Feedback-based Action Items & Next Steps

| Action Item | Next Steps | Responsible | Due Date |
|---|------------|--------------|----------|
| Develop Subcommittee structures and scopes. | | AHAC | |
| Identify how AHAC will address or engage with these interest areas. | | AHAC | |
| Designate future meetings or opportunities to receive this information from other organizations or professionals. | | Staff & AHAC | |
| Identify existing efforts that AHAC members may be interested in and are willing to engage with and report back on. | | Staff & AHAC | |
| Identify potential projects that align with interest areas from AHAC feedback. | | Staff & AHAC | |



Updating our Toolbox

Creating an Action Plan

After seeing the data and reviewing the feedback and responses from last month's meeting, we now need to determine how to approach updating and creating strategies & an action plan with the updated toolbox.

Over the next few meetings, we will need to answer these questions.

- How would you like to develop and/or update strategies from the toolbox?
- What structure (for the development of strategies) would you want to use?
- How do you want to incorporate the interest areas?
- When do we want to complete this update by?

Poll Results-

AHAC Meeting February 2022

See all the answers and input unedited from the feedback polls in the following slides.

Summary Areas of Interest

BOC Commissioner Input 1/18/2022

- Aging
- Unified Development Ordinance
- Supportive Housing
- Transitional Housing
- Revolving Loan Fund for development
- Multi-year awards from the Housing Trust Fund or Article 46 for projects
- Homelessness
- Landlord engagement
- Eviction prevention

AHAC Input 2/3/2022

- UDO
- Interjurisdictional cooperation and coordination of AH policies
- Creating more affordable housing and workforce housing
- Emergency Housing
- Preserving affordable housing + housing quality
- Supportive Housing – Senior Housing
- Revolving Loans & Multi-Year awards
- Incentives for Affordable Housing – Landlord Engagement

Action Item(s): Identify how AHAC will address or engage with these interest areas through policy/program/etc.,

Summary: Educational Materials

- State and federal housing law in non-legalese
- What we can do as a committee vs. What we can't do
- What development applications that include residential are in the pipeline and opportunities for including AH
- Progress on referring people to emergency housing or other programs website is still challenging
- Available housing
- Criteria for programs like habitat
- Revolving loan fund for development
- Financing opportunities refresher – available for builders, local governments, state, federal or private funding
- Policies that have worked across NC
- Barriers to affordable housing development
- Innovative solutions for affordable housing
- UDO Process updates and details
- Naturally Occurring Affordable Housing data
- Updates on code enforcement
- Supportive Housing design and related programs, services, and costs

Action Item (s): Begin collecting information on these areas;

Designate future meetings or opportunities to receive this information from other organizations or professionals;

Identify how to coalesce this information consistently for AHAC, staff, and other uses

HTF Feedback

Evaluation Process & Efficiency

- The need is growing, can we add more weigh for larger housing developments?
- Issues with income levels (51% at 30% AMI better than 100% at 60% AMI not clear).
- Can we make it more efficient by scoring the objective criteria and then discussing the subjective criteria.
- Most find it **somewhat** efficient

Action Items: Staff to propose changes to evaluation process/scoring model with feedback in mind.

Summary Funding Interest for HTF & Article 46

- Senior housing development
- All projects
- Larger projects that serve households 60% AMI and below
- Land acquisition in strategic areas
- Projects that ensure permanent affordability
- Housing for lower income seniors
- Low-income rentals for individuals with mental health issues
- 1-2 -bedroom apartment communities
- Non-traditional, high-impact like Tiny Homes, 3D printed homes
- Small units

Action Item(s): Identify potential projects and/or how to prioritize projects that align with interest areas.

Summary of Interest in Sub-committees

5 out of 7 that voted said yes

2 out of 7 said maybe

0 out of 7 said no

Action item(s): Developing Subcommittees and connect with existing working groups.



Summary of Working Group Interest

- **New Development – 5 people interested**
- **Emergency Housing Services – 3 people interested**
- **Housing Preservation & Rehabilitation – 2 people interested**
- Community Engagement – 2 people interested
- Housing & Aging – 1 person interested

Action Item(s): Creating the working groups formally, identifying clear scopes, tasks, and time commitment.

Identifying people interested in groups that having other ongoing efforts that they can plug into and report back on.