

Edgecombe, Lenoir, Robeson, Wayne, and Columbus

January 7, 2022

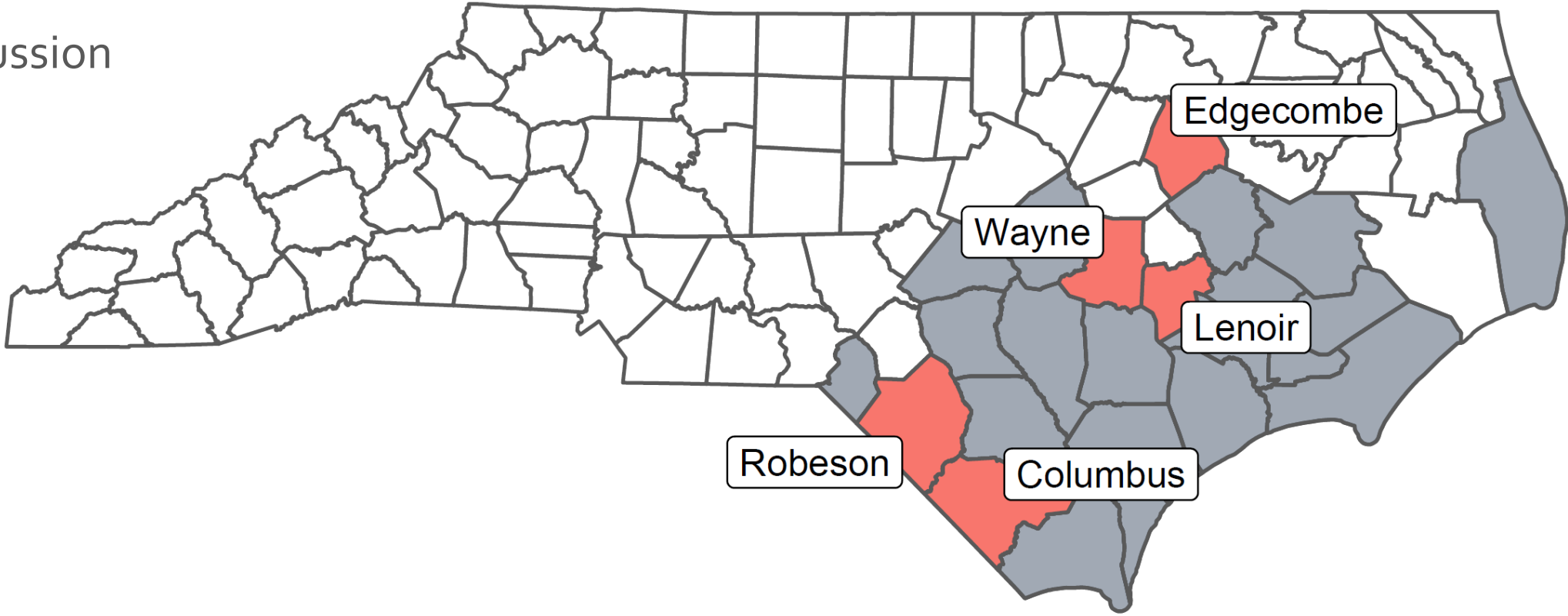
Input Session: Group 1

Expanding Housing Choices in MID Counties



Agenda

- Project Background
- Group 1 Overview
- Discussion



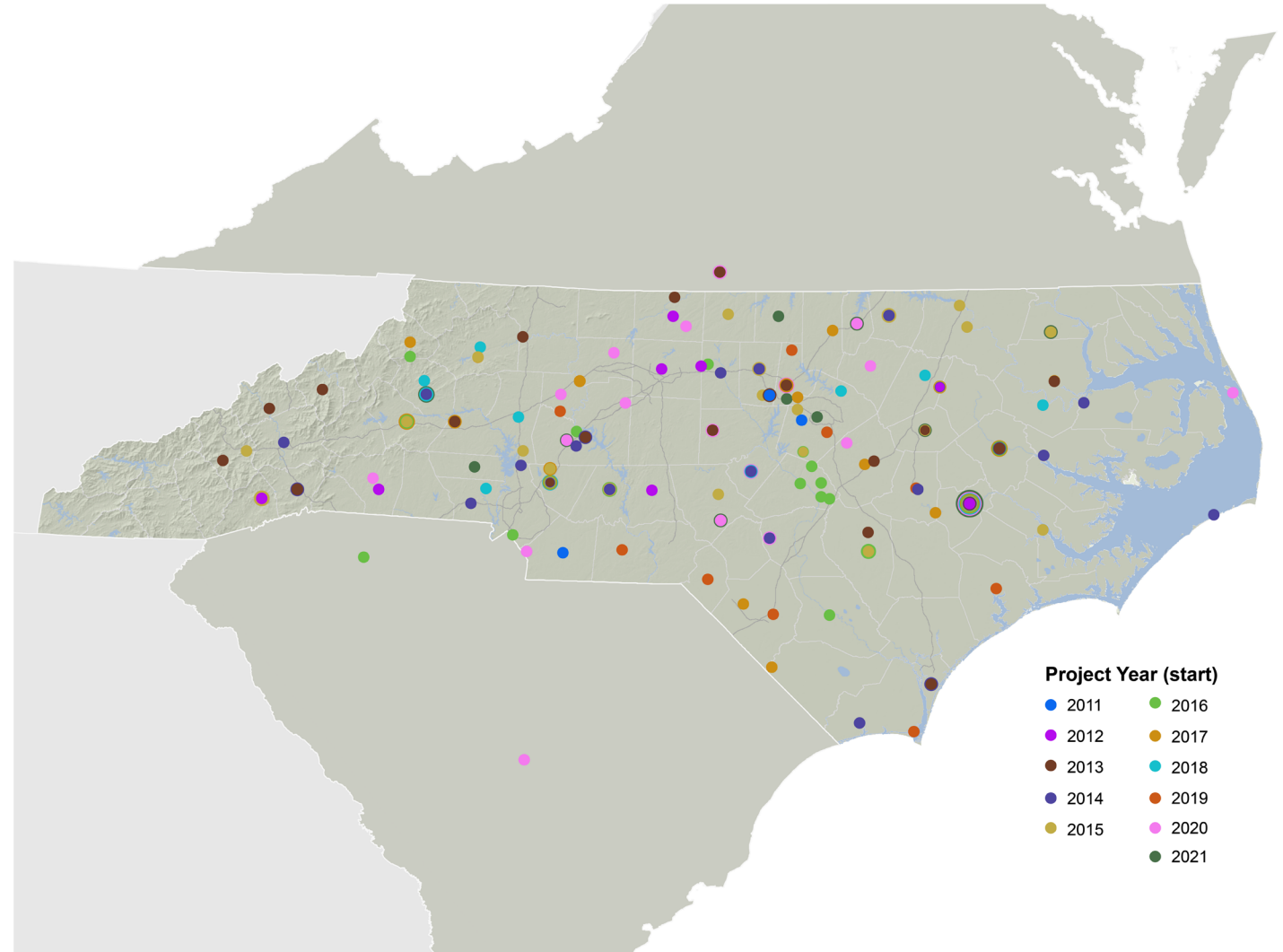
UNC School of Government



UNC Chapel Hill's School of Government is the largest university-based local government training, advisory, and research organization in the United States, and serves more than 12,000 public officials each year.

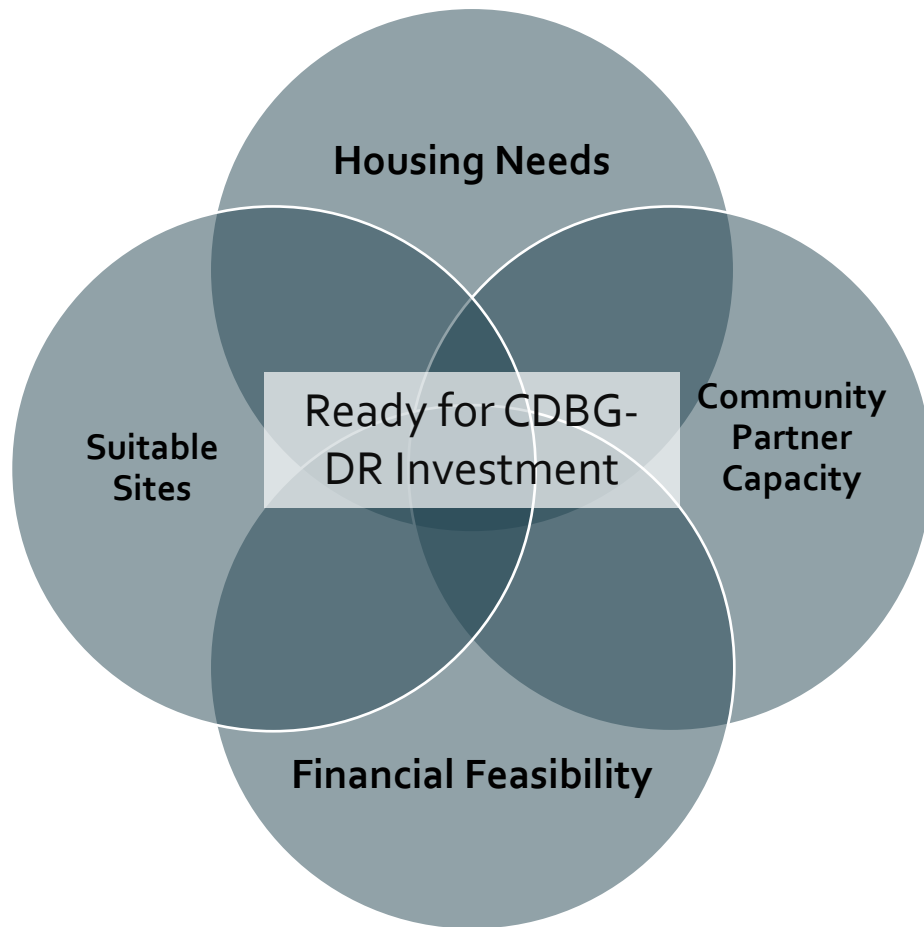
Development Finance Initiative (DFI)

DFI is a program of UNC Chapel Hill's School of Government that advises communities in NC to attract private investment for transformative projects by providing specialized real estate development and finance expertise.



NCORR Engagement

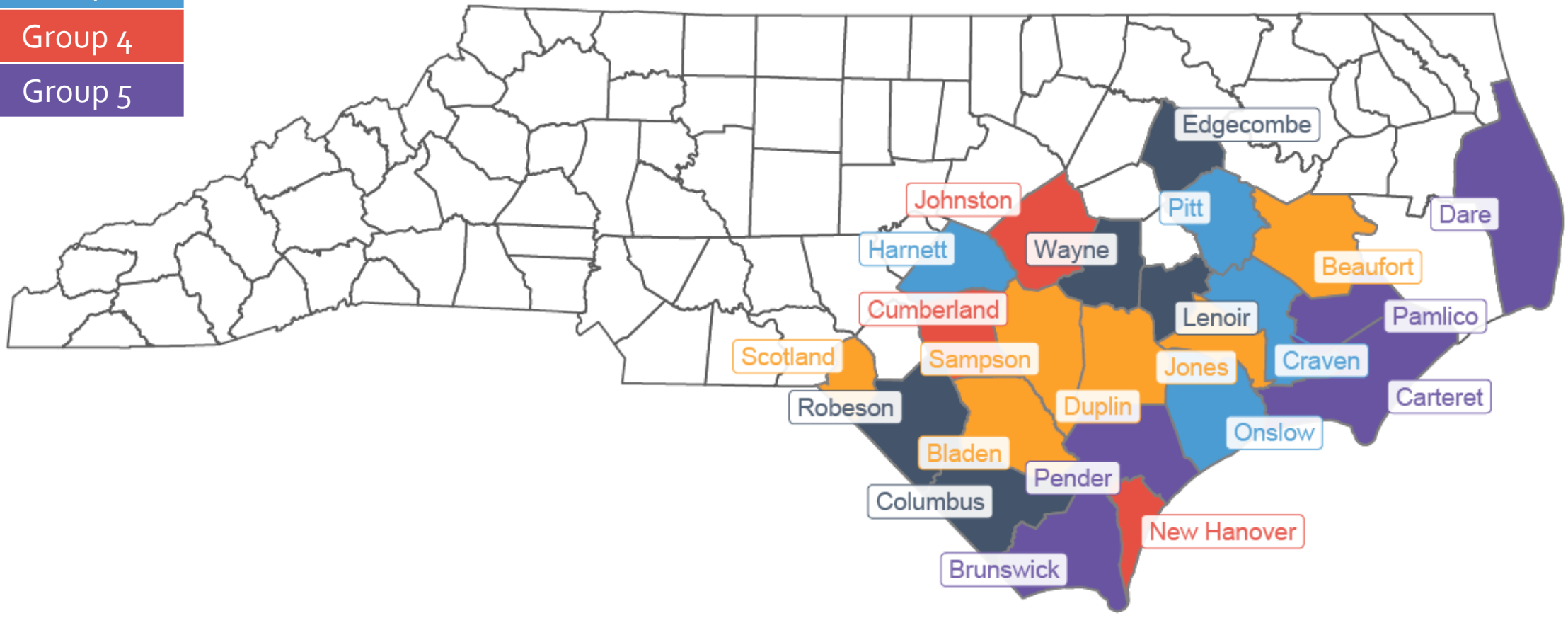
In September 2021, the North Carolina Office of Recovery & Resiliency (NCORR) engaged DFI to assist with the development of a strategy to expand and preserve rental housing choices for low- and moderate- income households in 23 counties.



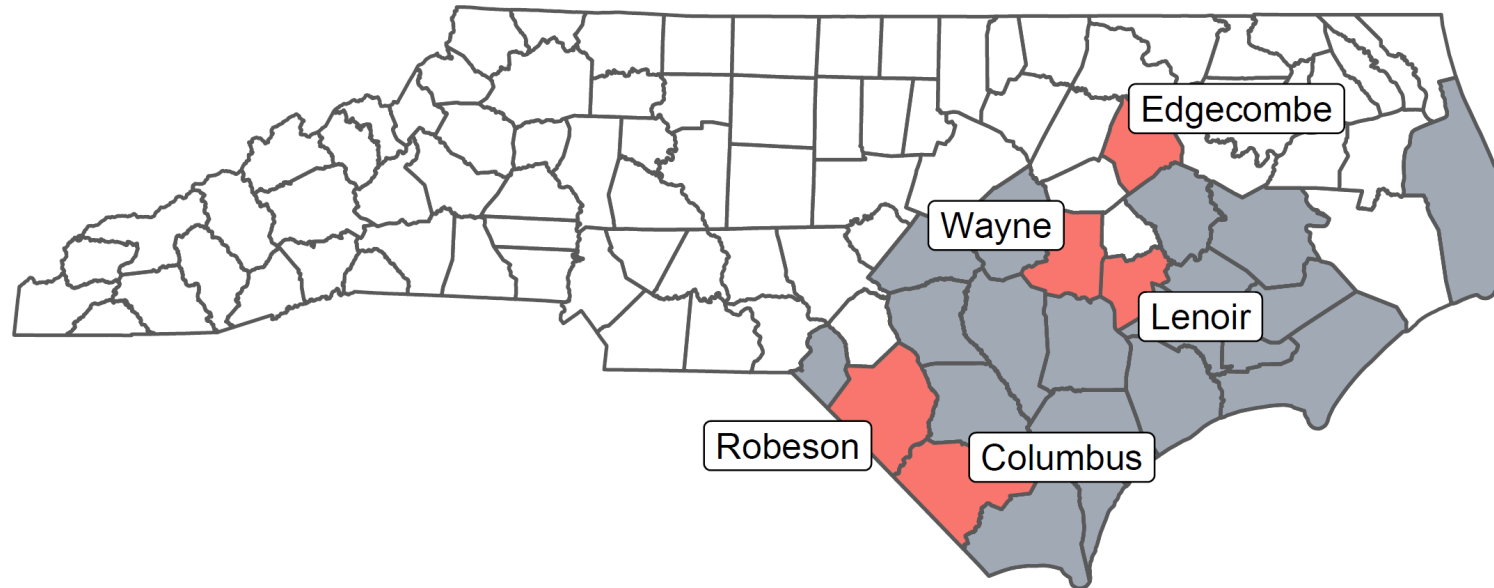
1. Identify optimal level of funding to maximize development and preservation across counties
2. Identify strategies to address local level challenges in areas without “investment-ready” projects

MID Counties by Group

- Group 1
- Group 2
- Group 3
- Group 4
- Group 5



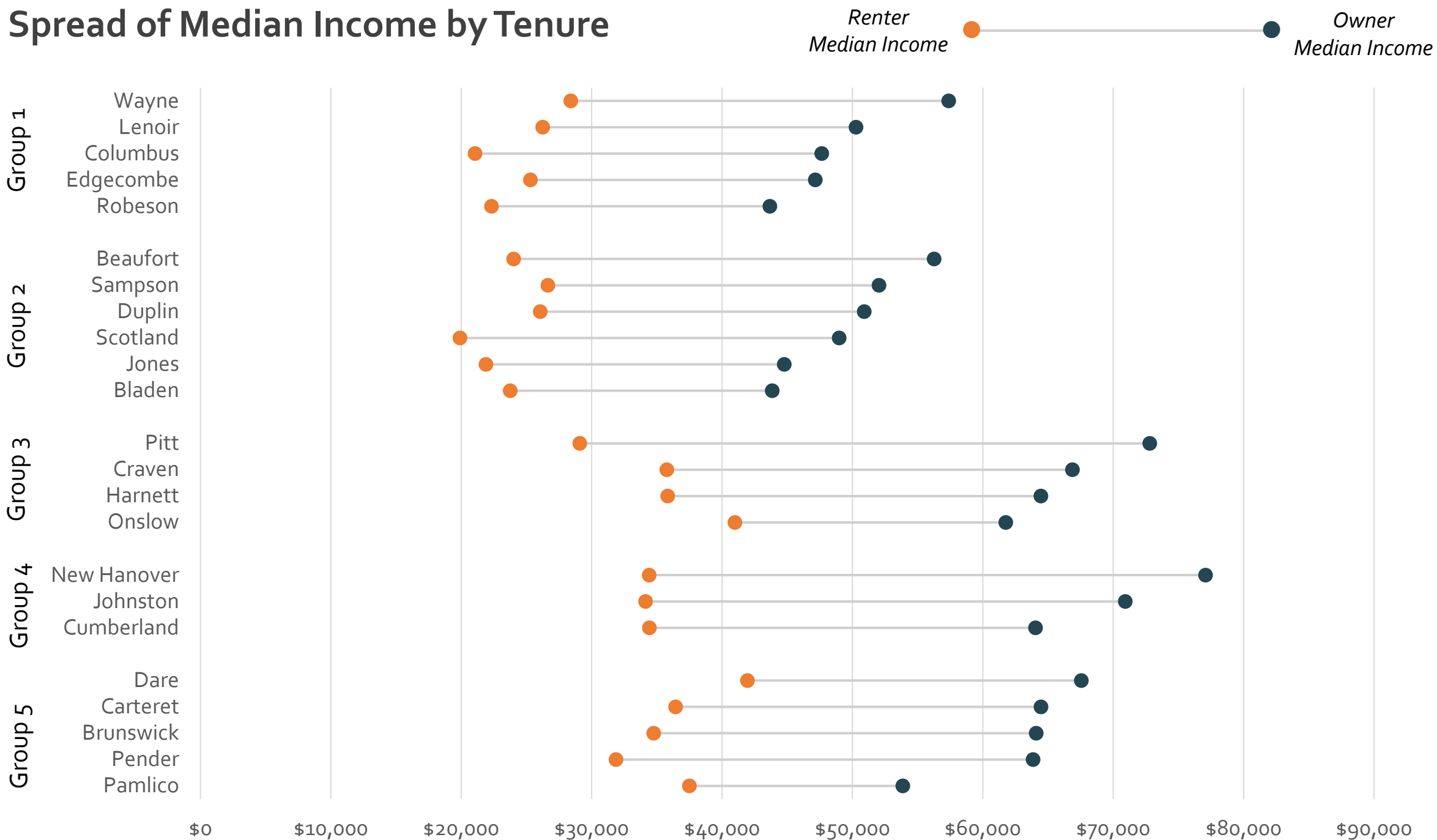
Group 1: Hazard-Prone Inland Counties



County	Population	Population Change 2009-2019*	Households	Homeownership Rate	Median Household Income	Poverty Rate
Robeson	132,596	4%	45,927	66%	\$34,976	28%
Wayne	123,603	9%	48,343	62%	\$44,416	20%
Lenoir	56,756	0%	23,148	59%	\$39,402	23%
Columbus	56,068	4%	21,580	72%	\$37,628	23%
Edgecombe	52,648	0%	21,151	59%	\$36,866	24%

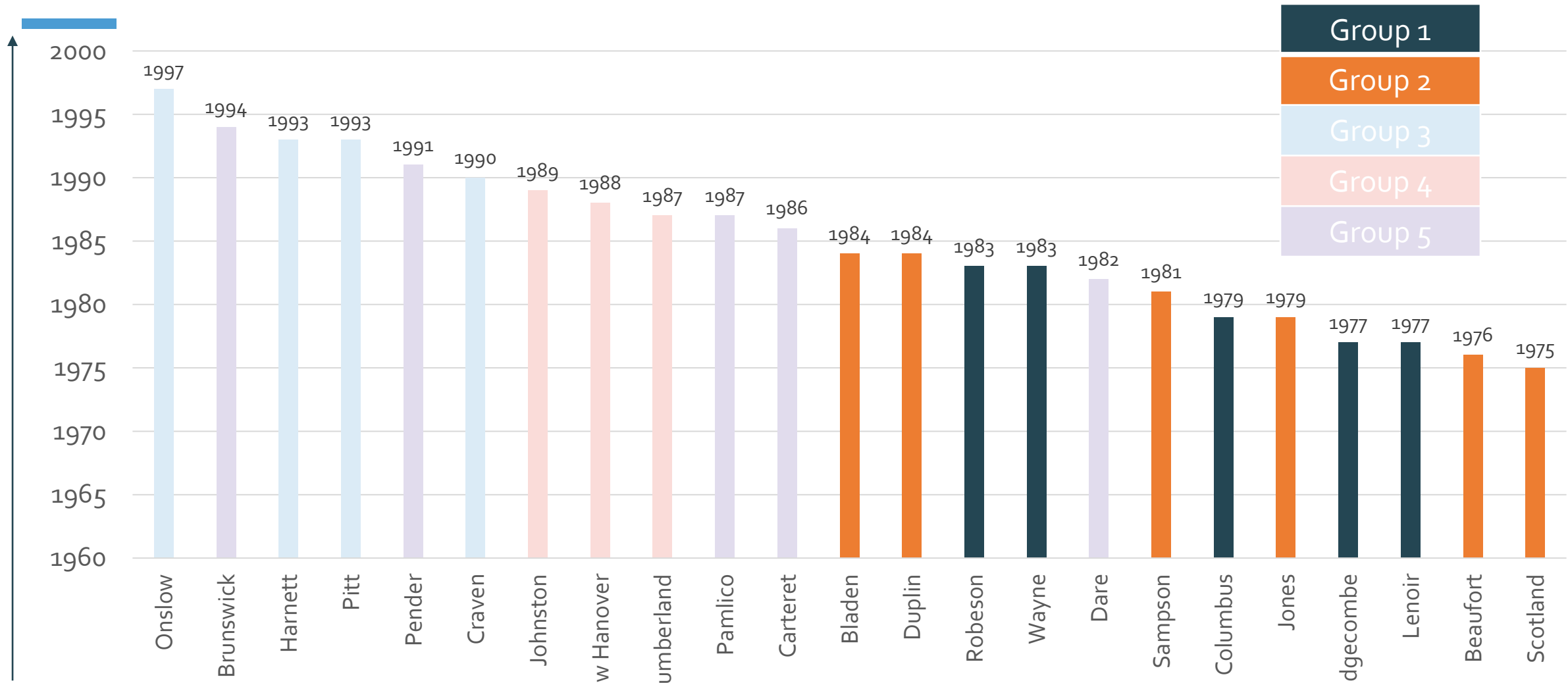
Source: 2015-2019 ACS 5-Year; *2009-2019 ACS 1-Year

Spread of Median Income by Tenure



Source: ACS 2019 (5-Year Estimates)

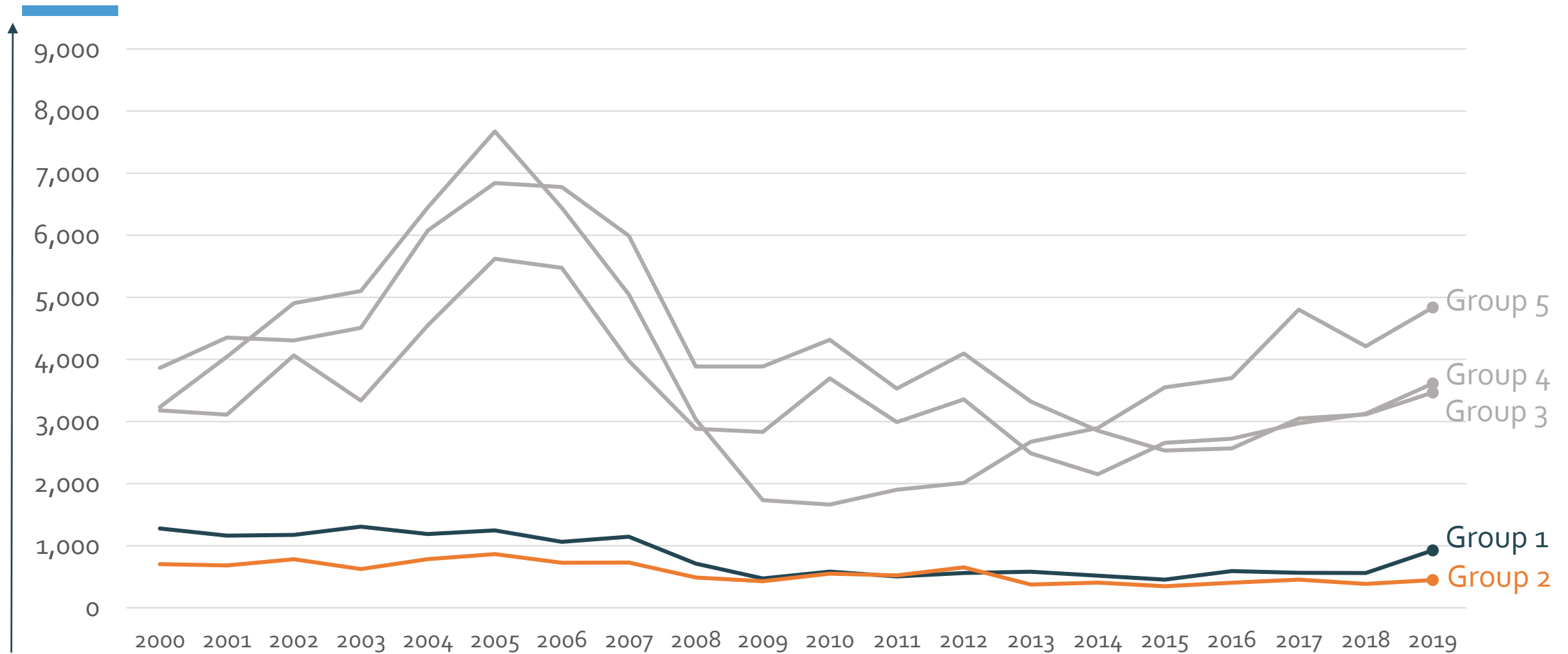
The median age of rental housing stock in **rural** and **vulnerable** counties is over 35 years old



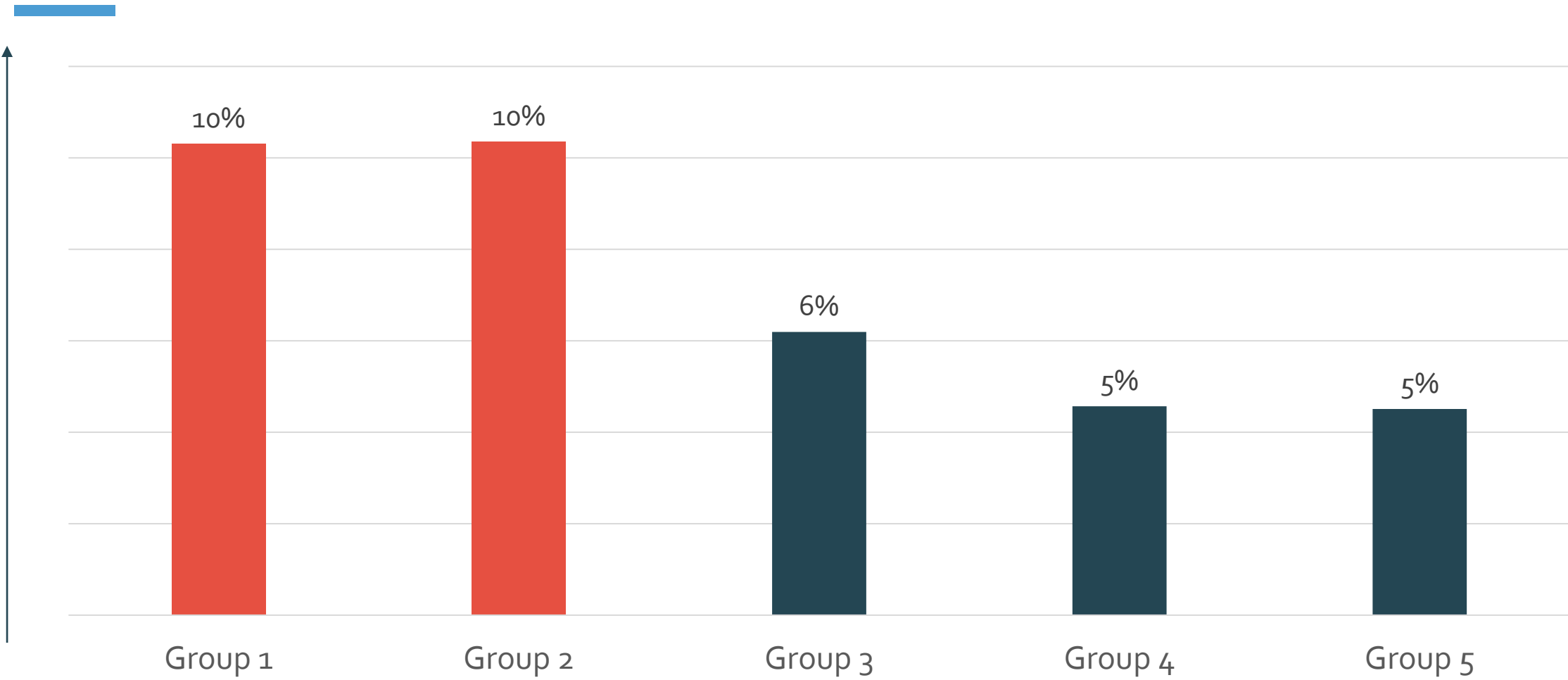
Median year rental units built

Source: ACS 2019 (5-Year Estimates)

New housing units have not been built in **rural inland counties** or hazard-prone communities at the same rate



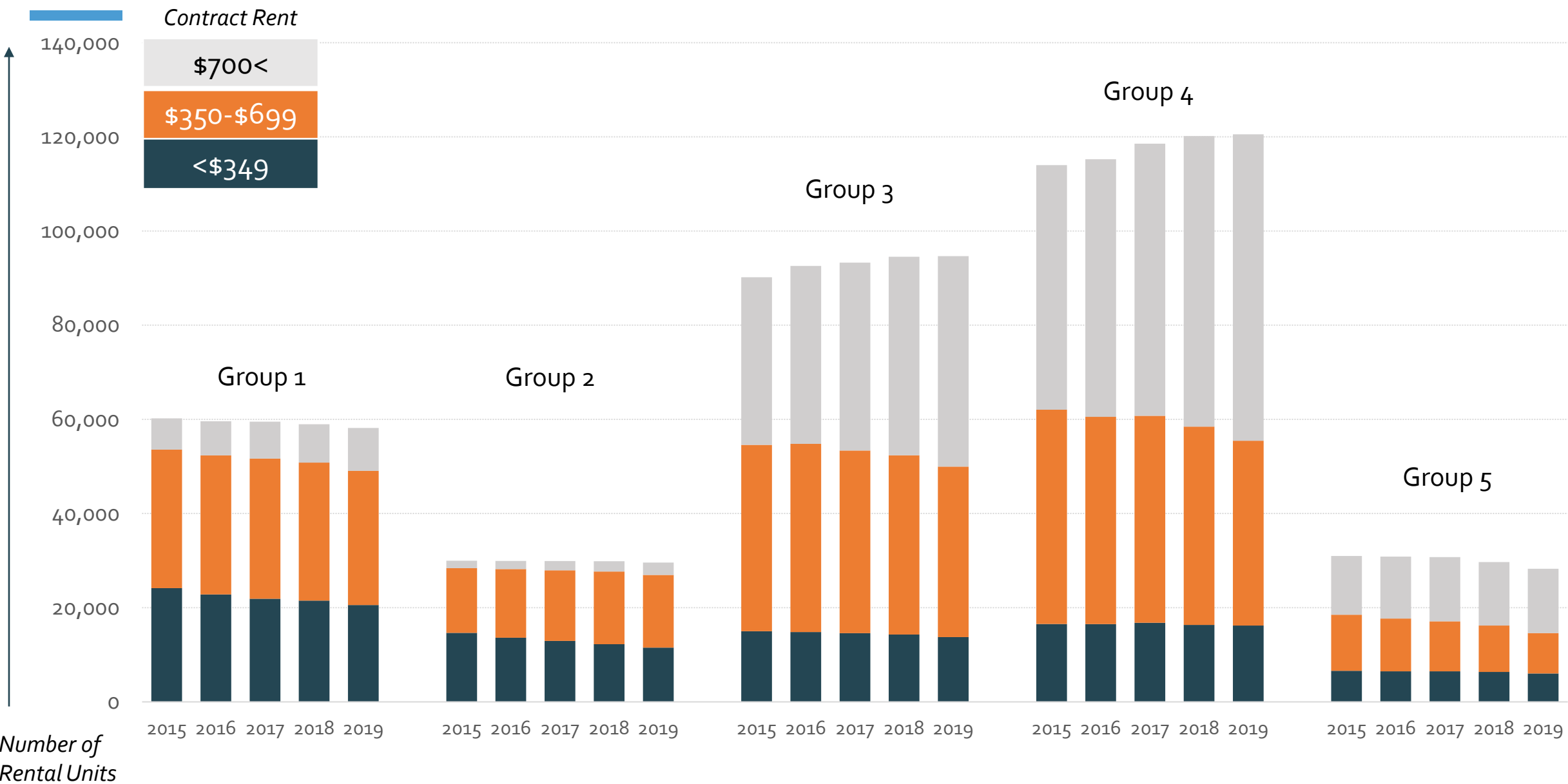
Groups 1 & 2 have the highest rates of abandoned or deteriorated housing units



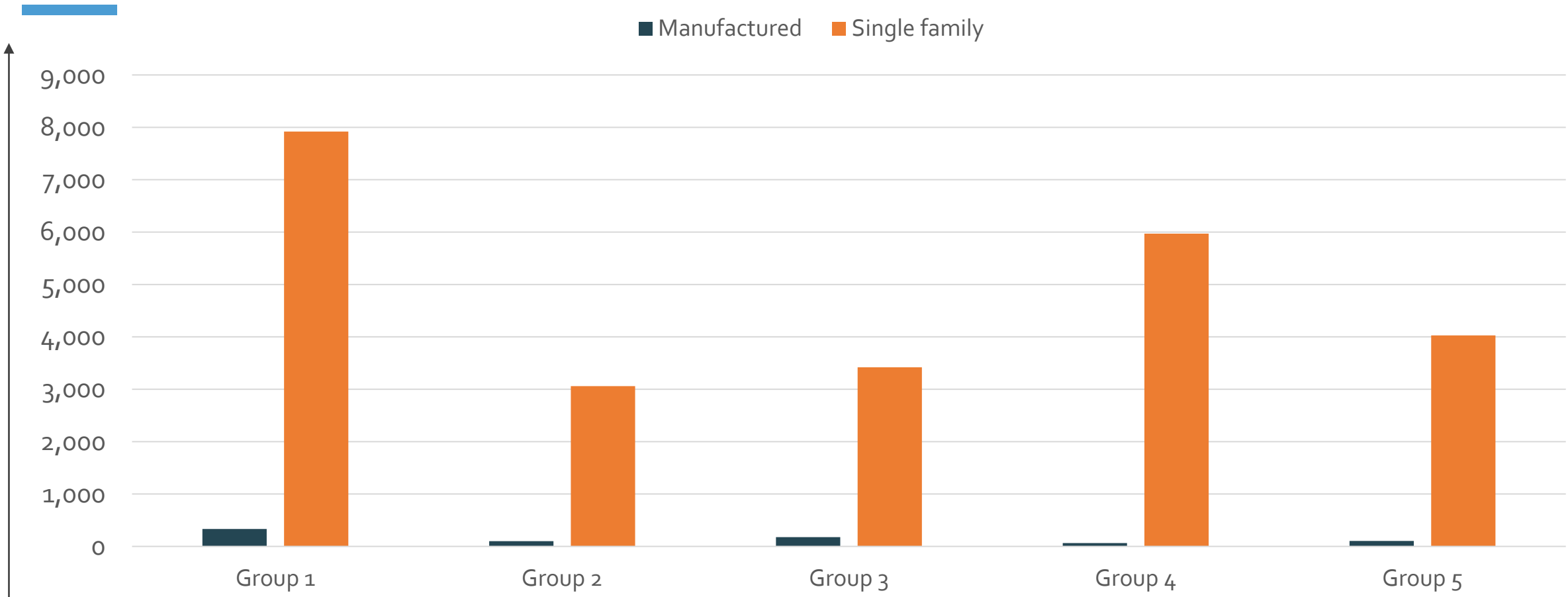
Percent of housing units that are vacant and not for sale or rent

Source: DFI analysis of 2015-2019 ACS microdata

Change in Rents and Units



More LMI elderly homeowners are aging in place in older housing units in Group 1 than in urban centers



LMI Owners 65 years or older who have lived in current residence for at least 10 years and live in homes built before 1970

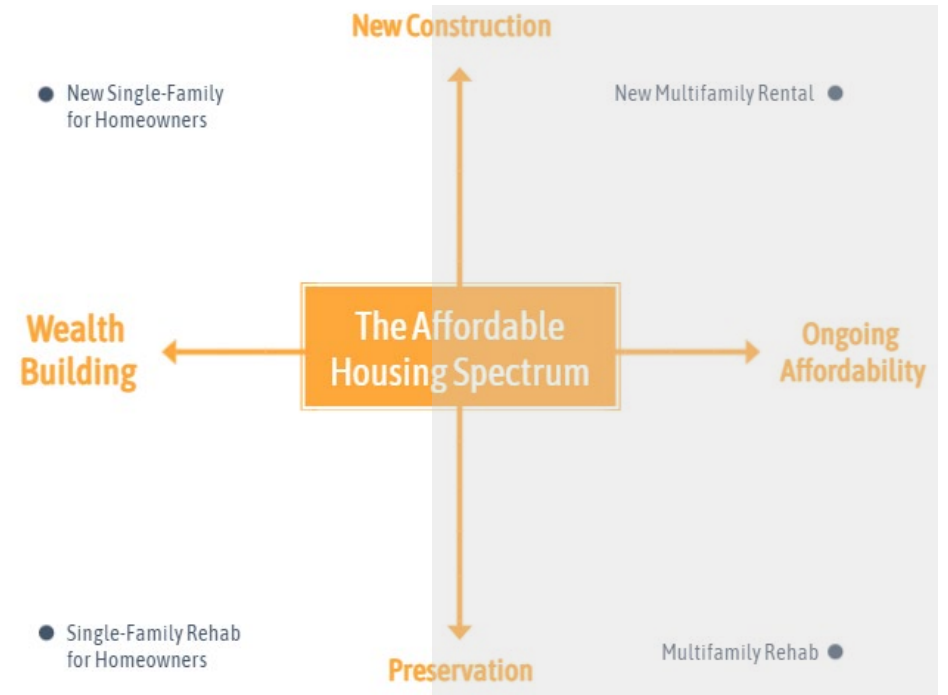
Source: DFI analysis of 2015-2019 ACS microdata

Group 1 Overview

- 24,000 low-income renter households cost-burdened and/or living in substandard housing
 - 46 percent are elderly households
- Although population growth low, rents have increased due to a lack of new supply, while the existing supply has deteriorated.
- Rents are comparable to small metros but cost to build and the perceived risk of investment in these areas have suppressed the development of residential products in the last 10 years.
- Local leaders and contractors report a lack of subcontractors in these counties → impacting cost and capacity
- Approximately 700 renters making less than \$25,000 live in census tracts where over 80% of the area is either in the 100- or 500-year flood zone.
 - *Flood maps may underestimate the risk faced by renters in these counties* → 2,000 renters earning less than \$25,000 live in census tracts where 80% of the area experienced flooding in either Matthew or Florence.

Highest Needs Across All Counties

- Rental units restricted to serve extremely low-income (ELI) (<30% AMI) households
- Rental units that serve LMI senior populations
- Preservation of unsubsidized affordable units and housing with expiring subsidies
- General increase in housing supply affordable to all income levels



Group 1: Rental Priorities

New Construction

- **Large multifamily** (50+ units) targeting LMI seniors

Preservation

- Rehab and adaptation of single-family (SF) and small-medium multifamily (SMMF) to accommodate **aging-in-place**
- Rehab of **SF and SMMF** rental units occupied by LMI households
- Mobile home park renovations and **addition/or renovation** for LMI households

Relocation

- Relocation of **mobile home parks** currently located in 100- and 500- year flood zone or that flood under Matthew/Florence.

Questions for Discussion (Group 1)

- Tell us about unique opportunities in your group.
- Who are the people or organizations that are actively expanding rental housing options in the county or counties you work? Who are people or organizations in your community with capacity to take on development projects, if funds were available?
- What attempts at expanding housing options have worked well in your area?
- Which rental housing interventions are most likely to receive support at the local level?
- Are there any local funding sources that could couple with recovery dollars to maximize the impact – foundations, groups, churches, local government commitments, etc?

Questions?

Email Sarah Odio at odio@sog.unc.edu

Please complete the input form in the chat and share the link with potential development partners.

Thank you..



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Development Finance Initiative

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