

Assorted (Deep?) Thoughts for the Carrboro Affordable Housing Dialogue on Financial and Systemic Issues

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Supply & Financial Issues

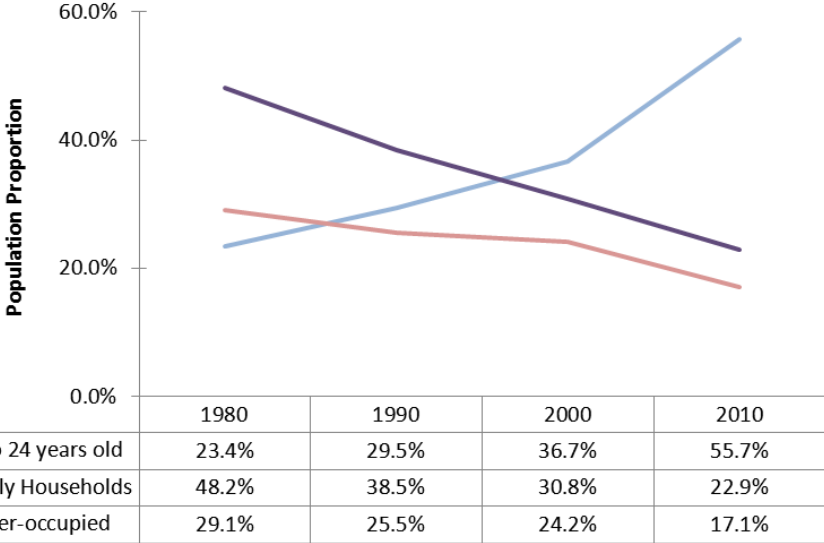
- Only 6% of Carrboro rental units (332) are within reach of workers earning < 30% AMI, typical service sector wages.
(There are > 35,000 service jobs in Orange Co., with avg wage of \$20,450.)
- Just 2% of Carrboro's homeownership units (63) are affordable to families at 50% AMI, and 30% of the stock in Carrboro (928 units) is affordable to households who earn < 120% AMI.
- Little funding has gone into creating affordable rental housing in Carrboro. There are **only 58 LIHTC family rental units in Carrboro** and just 87 such units in all of Chapel Hill (Dobbins Hill I & II).
- Because of local policies and politics, Carrboro is among the most difficult (cumbersome and lacking in predictability) communities in the state in which to build new housing, thus constraining supply.

Systemic Issues

- Affordable housing and diversity are intertwined. What does Carrboro want to look like demographically in 10, 20, 30 years?
- Unless the Town finds a way around rent control laws, affordably priced rental units will be scarce. What can be done to address this?
- Much of Carrboro's inexpensive housing stock is so only temporarily, as properties age, and will cycle back to being expensive.
- Treating students as an “artificial market condition,” per notes from the last meeting, is an odd way to view a large part of the population in a University town (17,750 UNC students need a place to live off campus).
- Lack of affordable housing in Carrboro has direct and indirect impacts:
 - directly, it limits the number & type of people who can live here;
 - indirectly, it increases housing-related costs for those in other towns (e.g., increasing transportation costs to get to local jobs) and runs counter to town sustainability goals.

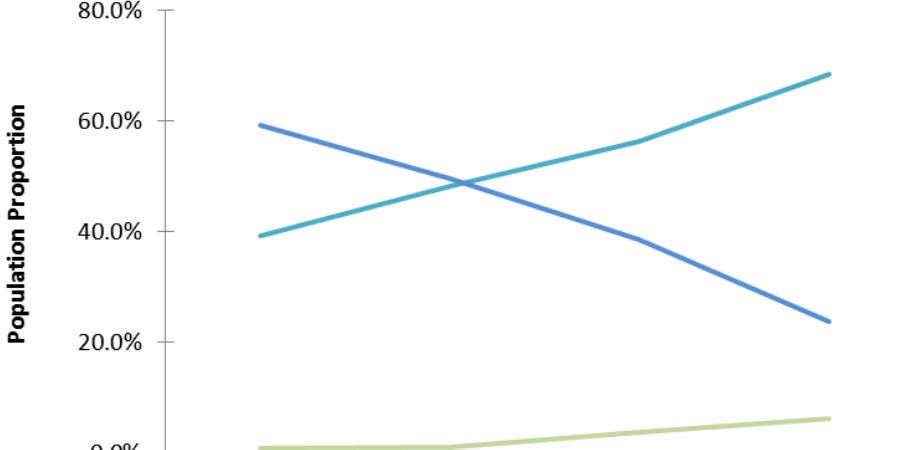
30+ Years of Northside in Two Charts

Household Change



Year

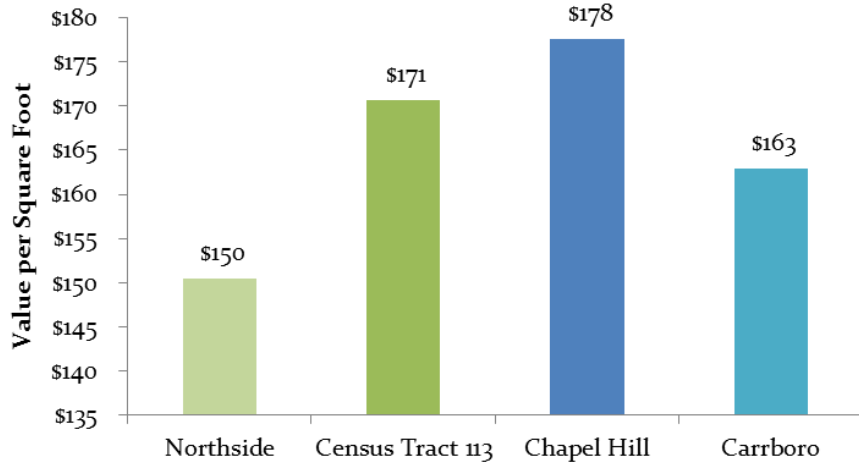
Demographic Change



Year

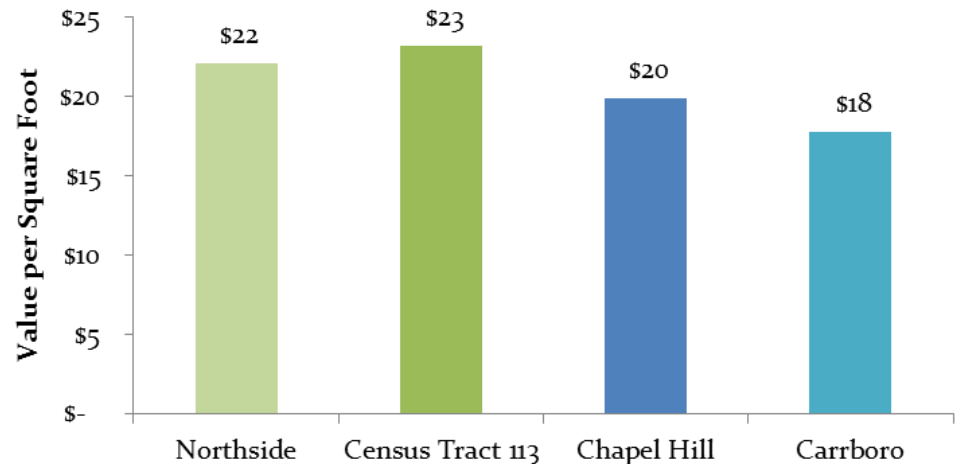
Property Values Per Square Foot

Square Foot Value of Single-family Homes



While Northside's houses are smaller and less expensive than the rest of the Chapel Hill/Carrboro market, **the underlying land is valuable.**

Square Foot Lot Value (Single-family parcels only)



Northside Aspirations

Based on a review of past planning work and conversations to date with stakeholders, we've identified the following community aspirations:

1. Preserving a sense of culture and community identity, as well as preserving African-American land ownership in Northside;
2. Helping long-term residents improve their housing conditions and quality of life;
3. Minimizing the negative impacts of student renters/rentals, and perhaps cooling off the student rental market;
4. Maintaining/restoring a close-knit, proud community; and
5. Building a neighborhood that attracts a diverse range of individuals and families going forward.

Four-Part Framework for Northside

Per the community aspirations identified, we offer the following four-part framework for our collective work in Northside:

1. **Retention:** Creating a strategy to retain families and homeowners who could choose other neighborhoods. What specifically can we do to keep existing owners/families in the neighborhood?
2. **Transition:** Creating a strategy for influencing property disposition in the neighborhood. Some existing owners will want to or have to leave the Northside. What specifically can we do to up the chances that a home sold in Northside gets sold to an owner-occupant or becomes a stable, non-student rental?
3. **Attraction:** Creating a strategy for reigniting home ownership demand in the neighborhood. Who are the next generation of homeowners and how do we get them to choose Northside?
4. **Balancing the Market:** Creating a strategy for influencing the demand for student housing as well as its location and impact on neighborhood. What can we do to have student rental housing complement our retention, transition and attraction strategies?