

AFFORDABLE HOUSING GAP ANALYSIS: GREENVILLE, SC

Greenville Housing Fund
Greenville County Redevelopment Authority

May 21, 2020

AGENDA

- Affordable Housing in Greenville
- Income and Housing Cost Growth
- Household Data: TPMA's Analysis
- Key Finding and Strategy Discussion

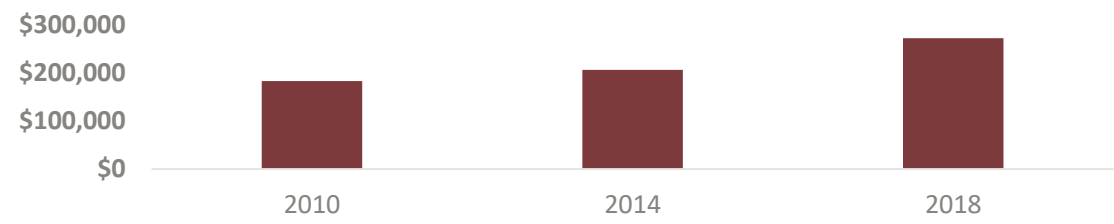
AFFORDABLE HOUSING IN GREENVILLE

- As an attractive place to live, Greenville faces growing pressures on the housing market that create barriers to affordable housing for a growing number of individuals.
- The City and County have both experienced growth in recent years.
- The Greenville Housing Fund is actively addressing this problem by identifying the key community needs and potential partnerships and strategies to make housing in Greenville more affordable.
- This analysis is part of the effort to understand what drives positive outcomes in the housing market for Greenville.

COST AND INCOME GROWTH IN CITY OF GREENVILLE



Median Value of Owner-Occupied Homes

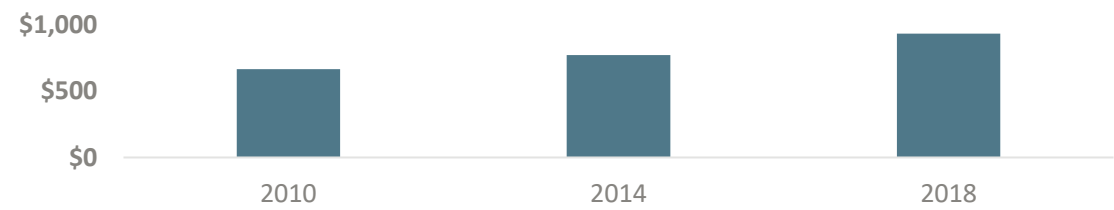


Increase 2010-2018 (%)

48.8%



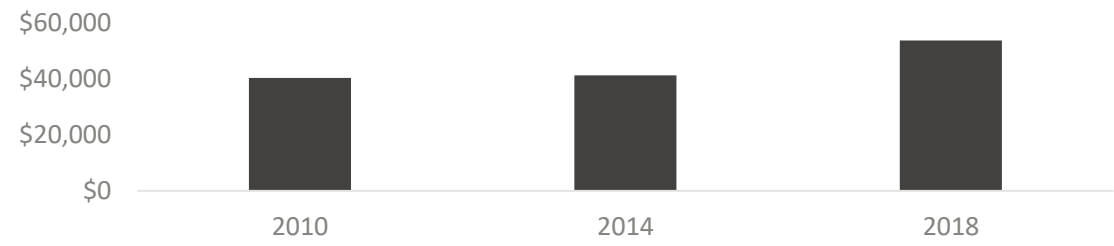
Median Gross Rent: All Rentals



40.5%



Median Household Income



33.0%

Affordable Ratio for Homeownership	4.55	5.04	5.10
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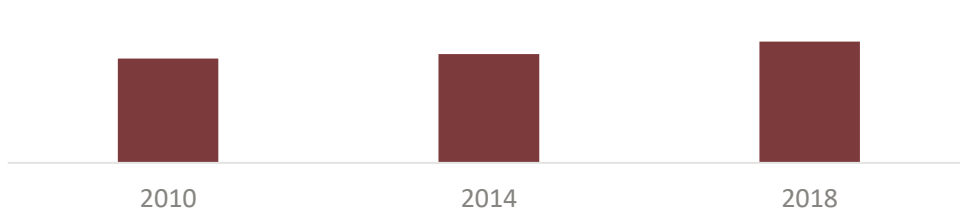
$$\frac{\text{Median Value of Owner-Occupied Homes}}{\text{Median Household Income}}$$

COST AND INCOME GROWTH IN GREENVILLE COUNTY



Median
Value of
Owner-
Occupied
Homes

\$200,000
\$150,000
\$100,000
\$50,000
\$0



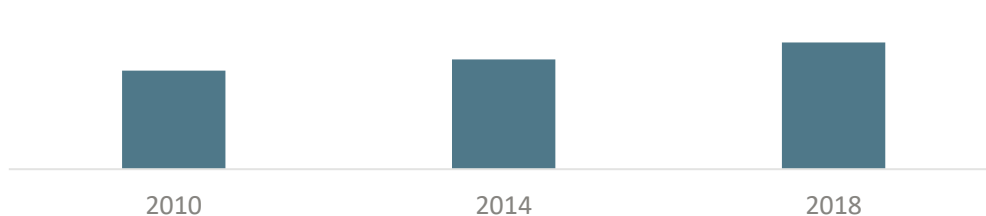
Increase 2010-2018 (%)

16.2%



Median
Gross Rent:
All Rentals

\$1,000
\$500
\$0

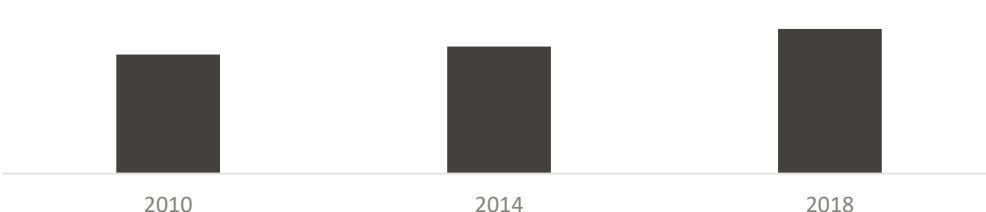


28.5%



Median
Household
Income

\$60,000
\$40,000
\$20,000
\$0



21.3%

Affordable Ratio for Homeownership

3.16

3.09

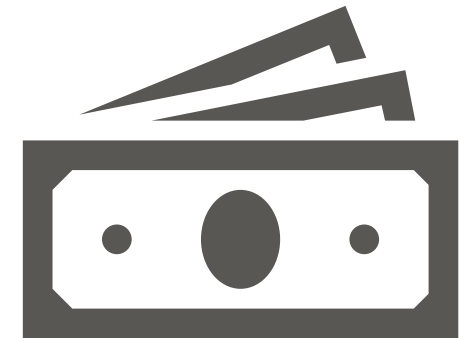
3.03

Median Value of
Owner-Occupied Homes
Median Household Income

AFFORDABLE HOUSING GAP

CZB Studies estimated an approximately 12,000-unit shortage in the County and City of Greenville

Studies looked at households earning \$20,000 or less in the city and \$25,000 or less in the county



COST OF LIVING

Housing Wage in Greenville required for a one-bedroom household is \$14.67. The Housing Wage for a two-bedroom household is \$17.27.

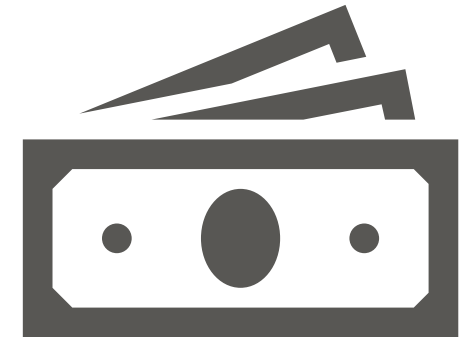
If working 40 hours per week, \$14.67 equates to \$30,513. **Over 35,000 Greenville households are estimated to have an income below that amount.**

Of those, **6,900** are estimated to live within City of Greenville.

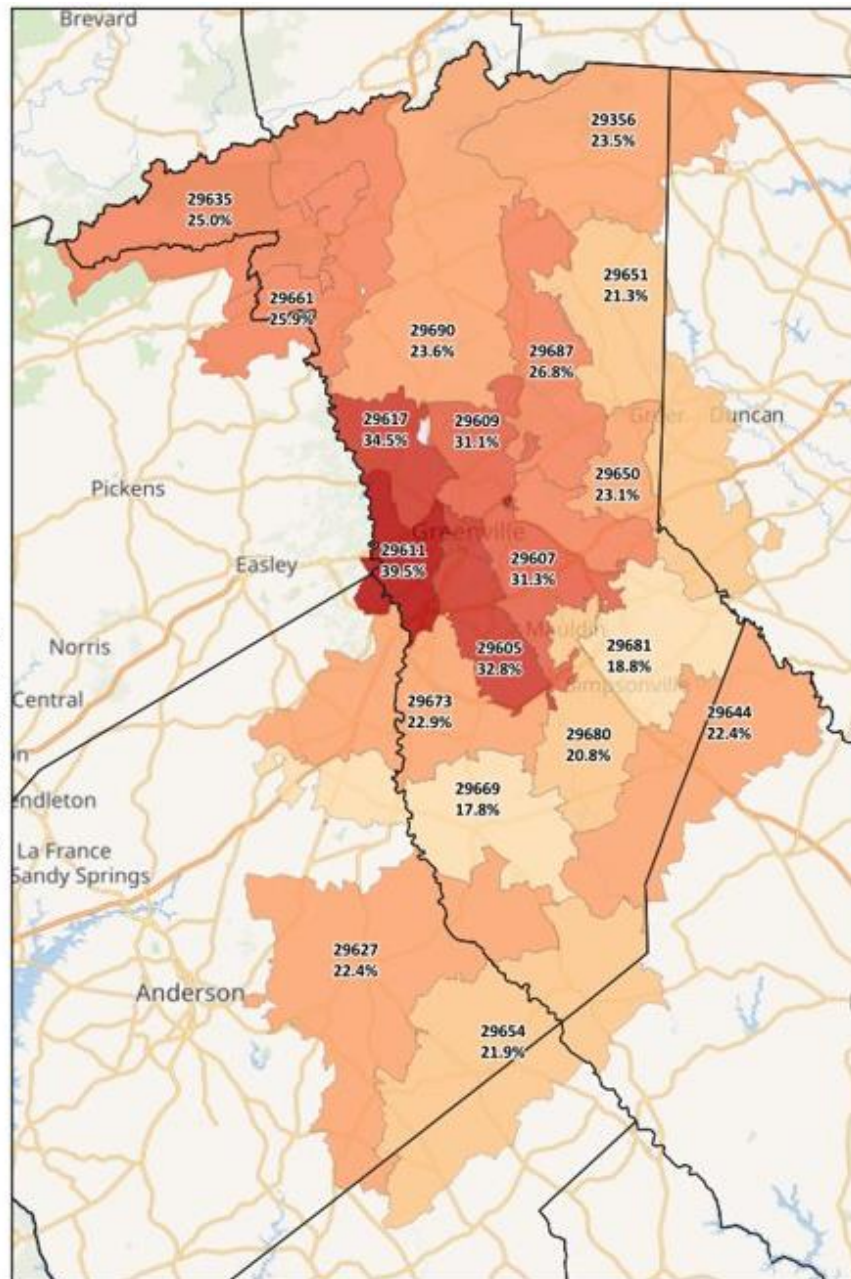
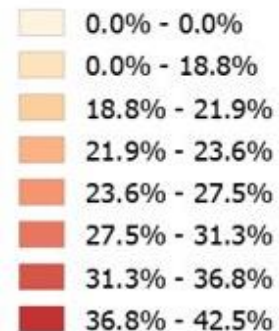
Occupation	Median Wage
Food Prep Workers, Fast Food	\$8.93
Waiters and Waitresses	\$9.01
Cashiers	\$9.43
Maids and Housekeeping Cleaners	\$9.59
Janitors and Cleaners	\$10.63
Restaurant Cooks	\$11.13
Retail Salesperson	\$11.23

GREENVILLE COUNTY HOUSEHOLD INCOMES – CZB QUINTILE ESTIMATES

Income Quintile	Income Range	Maximum Affordable Rent	Maximum Home Purchase Range	Total Households
1	<\$22,499	\$625	\$78,747	29,968
2	\$22,500-\$39,999	\$1,111	\$139,997	29,570
3	\$40,000-\$59,999	\$1,667	\$209,997	33,387
4	\$60,000-\$99,999	\$2,778	\$349,997	29,270
5	>\$100,000	\$5,089	\$641,204	33,158



Percentage of HHs
Cost-Burdened



LOCATION OF COST BURDENED HOUSEHOLDS

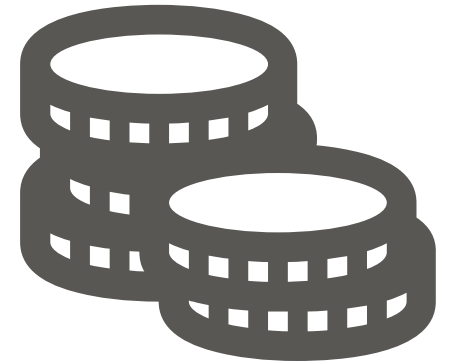
- The share of total households within each zip code shows that higher relative concentration near City of Greenville
- However, many other areas of Greenville County still have more than 20% of households paying more than a third of their income toward housing.

COST BURDEN AFFECTING MORE HOUSEHOLDS

The proportion of cost burdened rental households making \$30,000 to \$45,000 a year grew substantially in metros from **2011 to 2018**.

Greenville was in the **top 10** metro areas that experienced the most growth for cost burdened rental households.

The share of renters in that group who were cost burdened in **Greenville** increased by **16.9%** from 2011 to 2018 (up to 42% of those households).

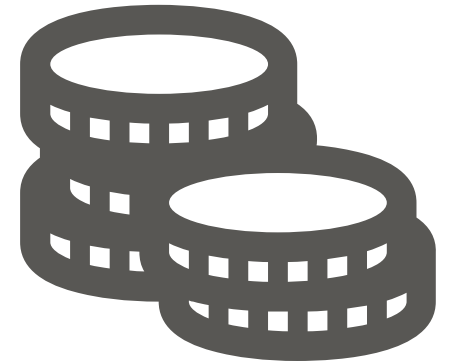


COST BURDEN FOR HIGH-INCOME RENTERS

More high-income households are entering the rental market than previous years.

Majority (**75%**) of national growth in number of renters driven by households earning at least \$75,000.

Meanwhile, the share of low-cost units shrank by **8%** nationally between **2010-2018**.



COST BURDEN IN GREENVILLE COUNTY*

AMI Level	Income Range	Estimated Monthly Maximum Cost	Renter Headed Household	Owner-Occupied Household
0-30% AMI	<\$21,510	\$500	93.5%	72.4%
			10,401	8,535
30-60% AMI	\$21,510 to \$43,020	\$875	72.5%	30.5%
			9,085	4,910
60-80% AMI	\$42,020 to \$57,360	\$1,250	46.2%	29.3%
			3,759	4,279
80-125% AMI	\$57,3560 to \$89,625	\$1,875	7.1%	15.1%
			956	3,520
125%+ AMI	>\$87,625	\$1,875+	4.4%	2.2%
			552	1,367

*Estimated for Four Person Household
 ACS 2018 1-Year Estimates; Table S2503 for Greenville County and City of Greenville

THOMAS P. MILLER & ASSOCIATES

COST BURDEN IN CITY OF GREENVILLE*

AMI Level	Income Range	Estimated Monthly Maximum Cost	Renter Headed Household	Owner-Occupied Household
0-30% AMI	<\$21,510	\$500	83.1%	82.2%
			2,885	651
30-60% AMI	\$21,510 to \$43,020	\$875	69.0%	49.3%
			2,023	443
60-80% AMI	\$42,020 to \$57,360	\$1,250	54.6%	21.0%
			933	209
80-125% AMI	\$57,3560 to \$89,625	\$1,875	7.8%	16.0%
			352	369
125%+ AMI	>\$87,625	\$1,875+	4.6%	3.7%
			161	275

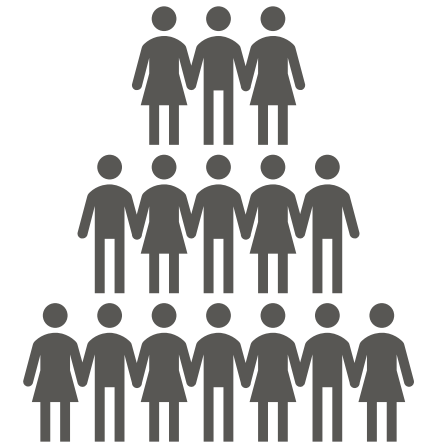
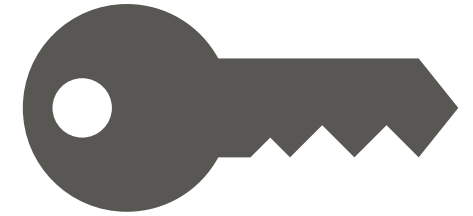
*Estimated for Four Person Household
 ACS 2018 1-Year Estimates; Table S2503 for Greenville County and City of Greenville

EVICTIONS IN SOUTH CAROLINA

South Carolina has the highest rate of evictions in the United States with a total of 41,099 evictions in 2016.

Eviction rates in Laurens and Anderson Counties are as high as 134 and 101 evictions per 1,000 people, respectively.

Cherokee County had the highest reported rate of eviction at 164 evictions per 1,000 renter households.

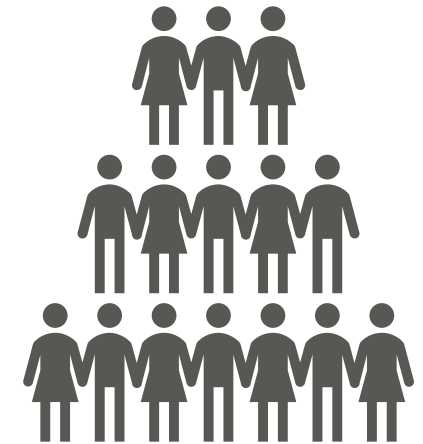
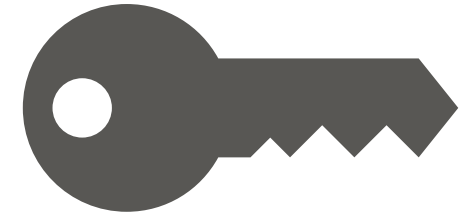


EVICTIONS & HOMELESSNESS

Evictions pose risk to individual performance, physical and mental health, and increase the risk of homelessness and severe poverty.

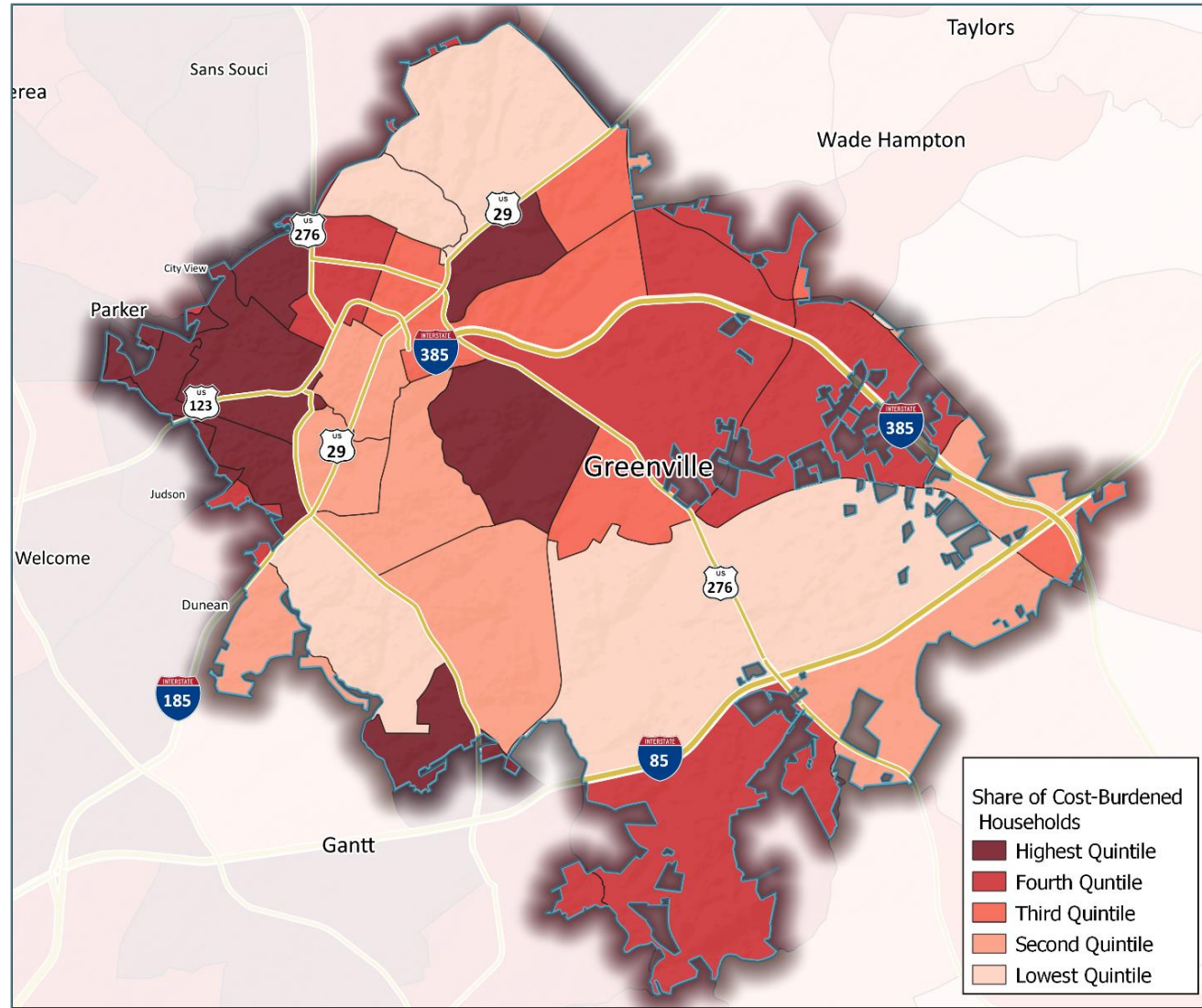
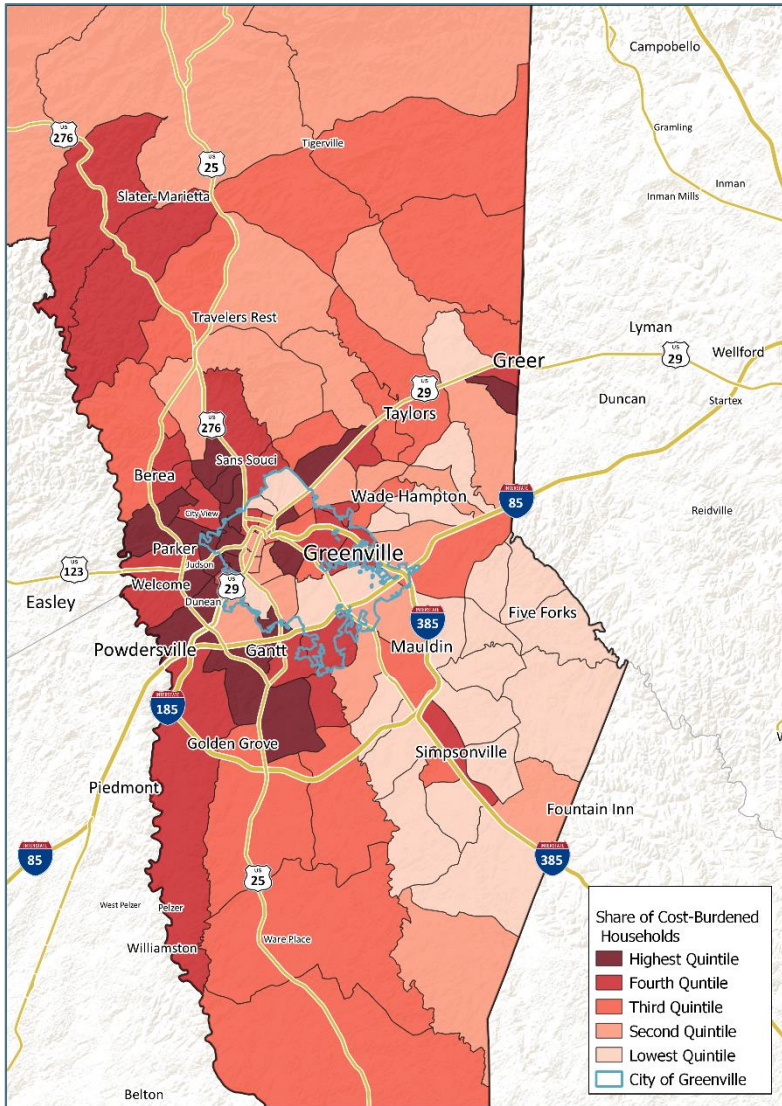
3,633 men, women, children experienced homelessness in Greenville County 2018-2019

- 2,285 emergency sheltered
- 242 unsheltered
- 1,106 school aged children



TPMA'S ANALYSIS: FACTORS CONSIDERED

- Location
- Households by Income
- Family Size
- Number of Bedrooms
- Housing Affordability (Percent of Income Spent on Household Costs)
- Number of Unrelated Households
- Age of Householder
- Household Access to Vehicles



HOUSEHOLD SIZE IN LOW-INCOME CENSUS TRACTS

Nonfamily Households

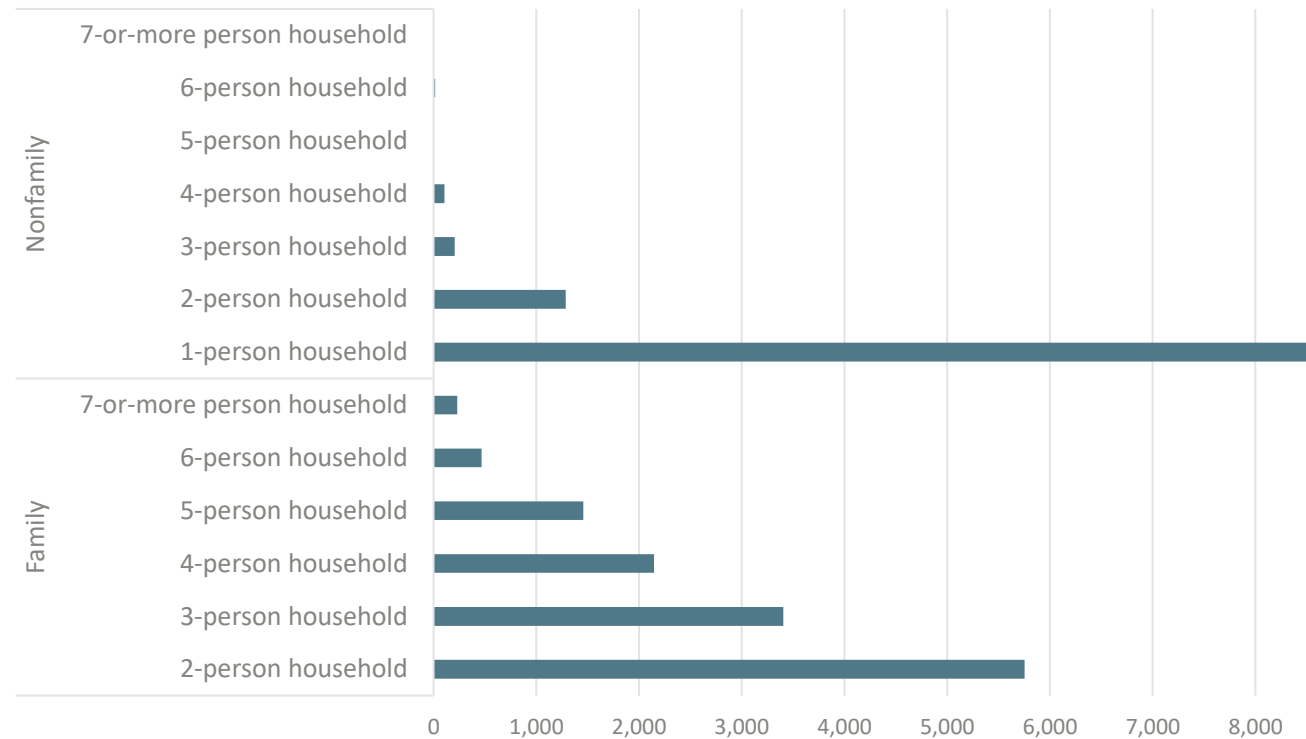
- 8,660 1-person households
- 1,286 2-person households

Over 90% of Nonfamily Households in low-income neighborhoods.

Family Households

- 5,753 2-person households
- 3,403 3-person households

Over 68% of Family Households in low-income neighborhoods.



HOUSEHOLD SIZE

- Smaller family size in areas with more low-income individuals is similar between City of Greenville and other parts of the county.
- There are slightly more large-sized Family Households in Rest of the County than in the City of Greenville.

		City	Rest of County
Family	2-person household	1,325	4,428
	3-person household	753	2,650
	4-person household	307	1,838
	5-person household	254	1204
	6-person household	65	403
	7-or-more person household	21	210
Nonfamily	1-person household	2,363	6,297
	2-person household	437	849
	3-person household	49	157
	4-person household	9	98
	5-person household	0	0
	6-person household	5	9
	7-or-more person household	0	0

HOUSEHOLD SIZE

- 76% of Family Households in City of Greenville have 3 or fewer members.
- 66% of Family Households in the Rest of the County have 3 or fewer members.
- 82% of Nonfamily Households are single-person households in the City of Greenville and 85% of those in the Rest of the County.

		City	Rest of County
Family	2-person household	1,325	4,428
	3-person household	753	2,650
	4-person household	307	1,838
	5-person household	254	1204
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Nonfamily	1-person household	2,363	6,297
	2-person household	437	849
	3-person household	49	157
	4-person household	9	98
	5-person household	0	0
	6-person household	5	9
	7-or-more person household	0	0

HOUSEHOLD TYPE



Majority of Homes in Low-Income Neighborhoods are
2 or 3 bedroom

2 Bedroom Units – 11,039 (41%)
3 Bedroom Units – 10,729 (40%)



57% (15,291) of Low-Income Households
Renting



18% (1,480) of Low-Income Households
with No Vehicle
Available

HOUSEHOLD TYPE



Majority of Homes in Low-Income Neighborhoods are
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2 Bedroom Units – 11,039 (41%)
3 Bedroom Units – 10,729 (40%)

82% of Nonfamily households are single-person households in low-income areas in City of Greenville

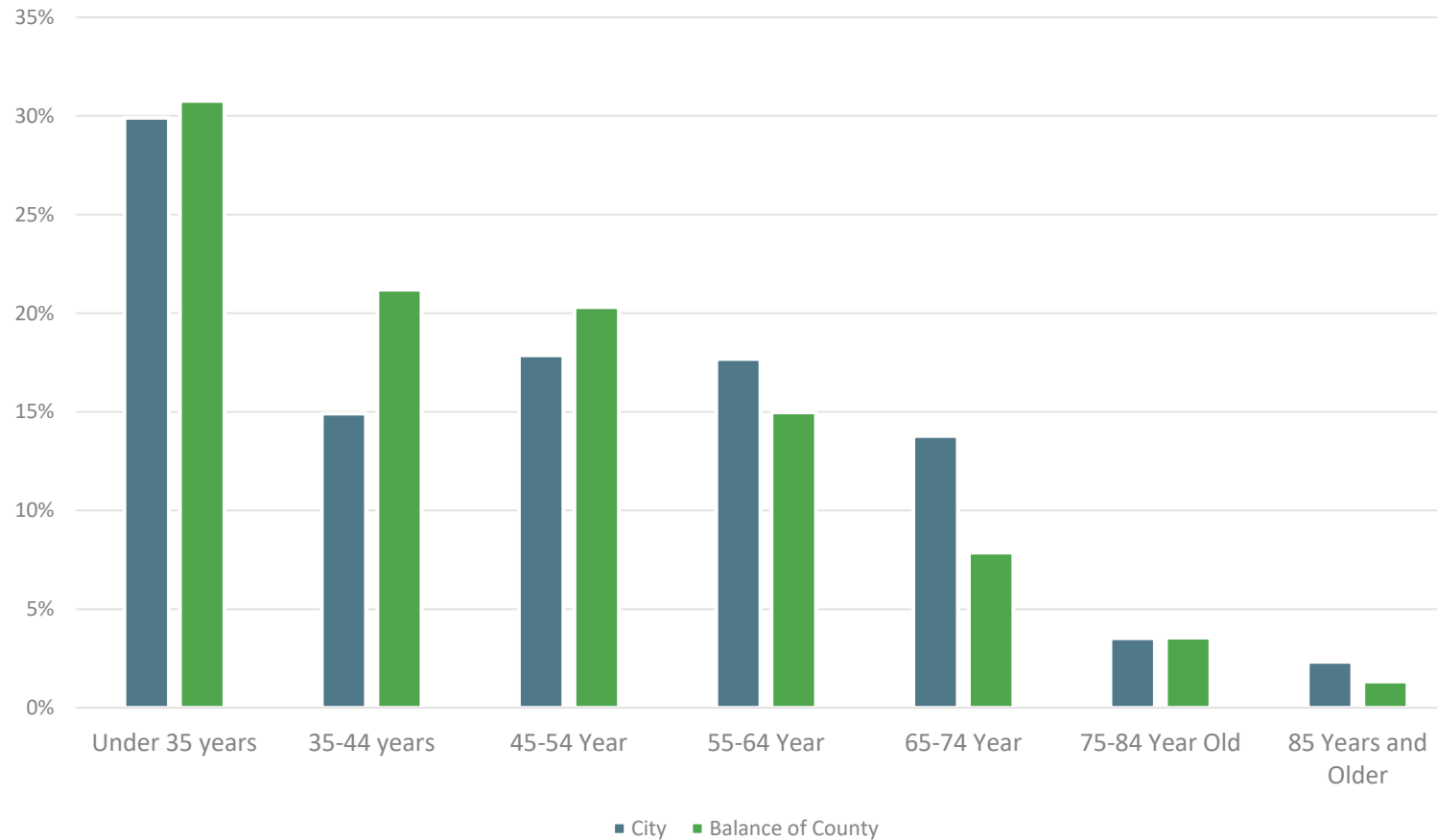


57% (15,291) of Low-Income Households
Renting



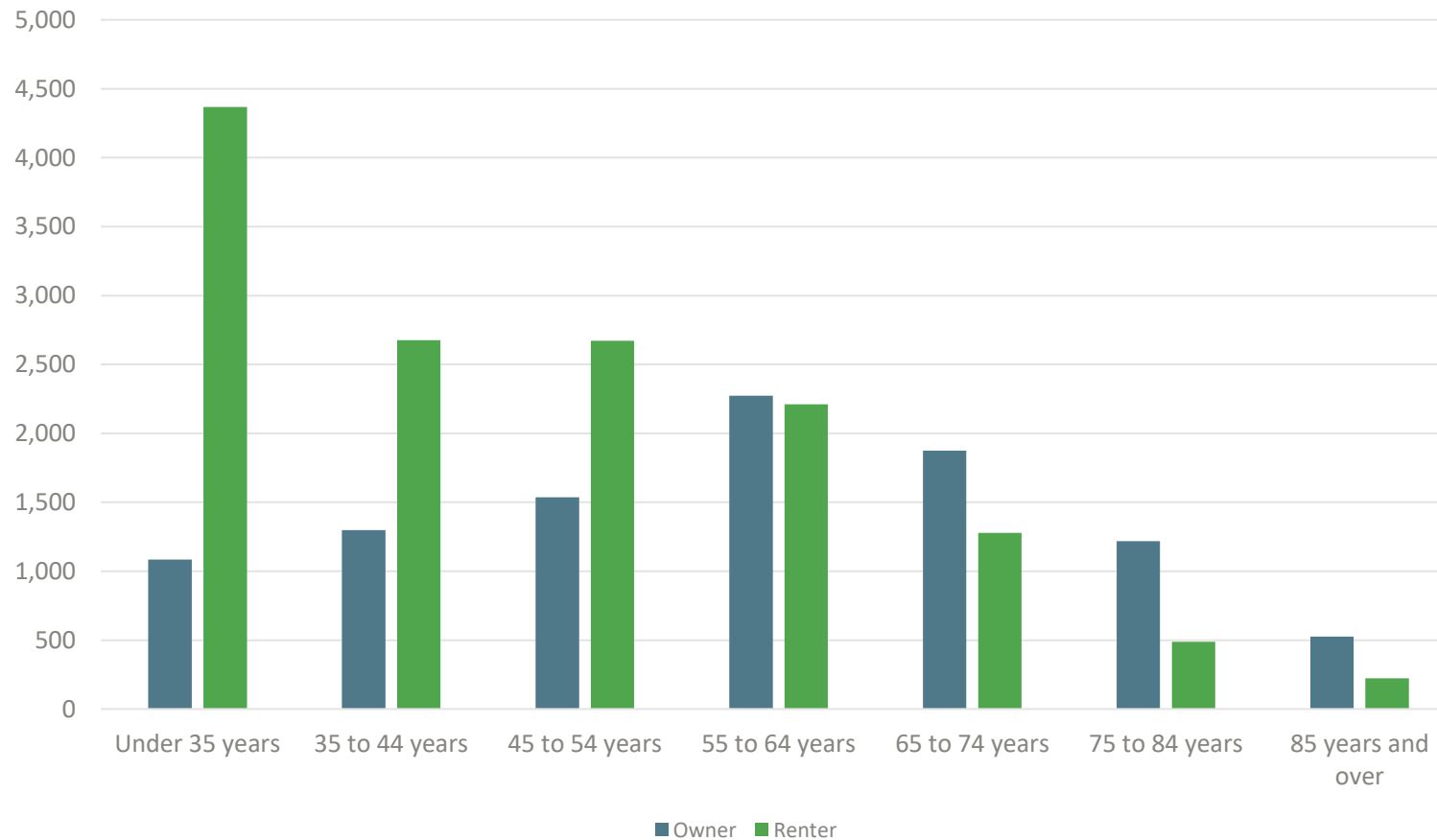
18% (1,480) of Low-Income Households
with No Vehicle
Available

AGE OF HOUSEHOLDER



- Distribution of age groups is relatively similar between low-income areas in the City of Greenville and Greenville County.

AGE OF HOUSEHOLDER



- Larger share of low-income renters under 35 (31%).
- More owners in low-income neighborhoods between the age of 55-64 (23%).

TIME IN UNIT

- Majority of renters moved into their current unit between 2010-2014 (6-10 years).
 - Over 19,000 or about 54% of all rental households in low-income census tracts.
-
- About 7,800 of all owner-occupied households moved into current unit between 2000-2009 (11-20 years).
 - About 32% of all owner-occupied units in low-income census tracts.

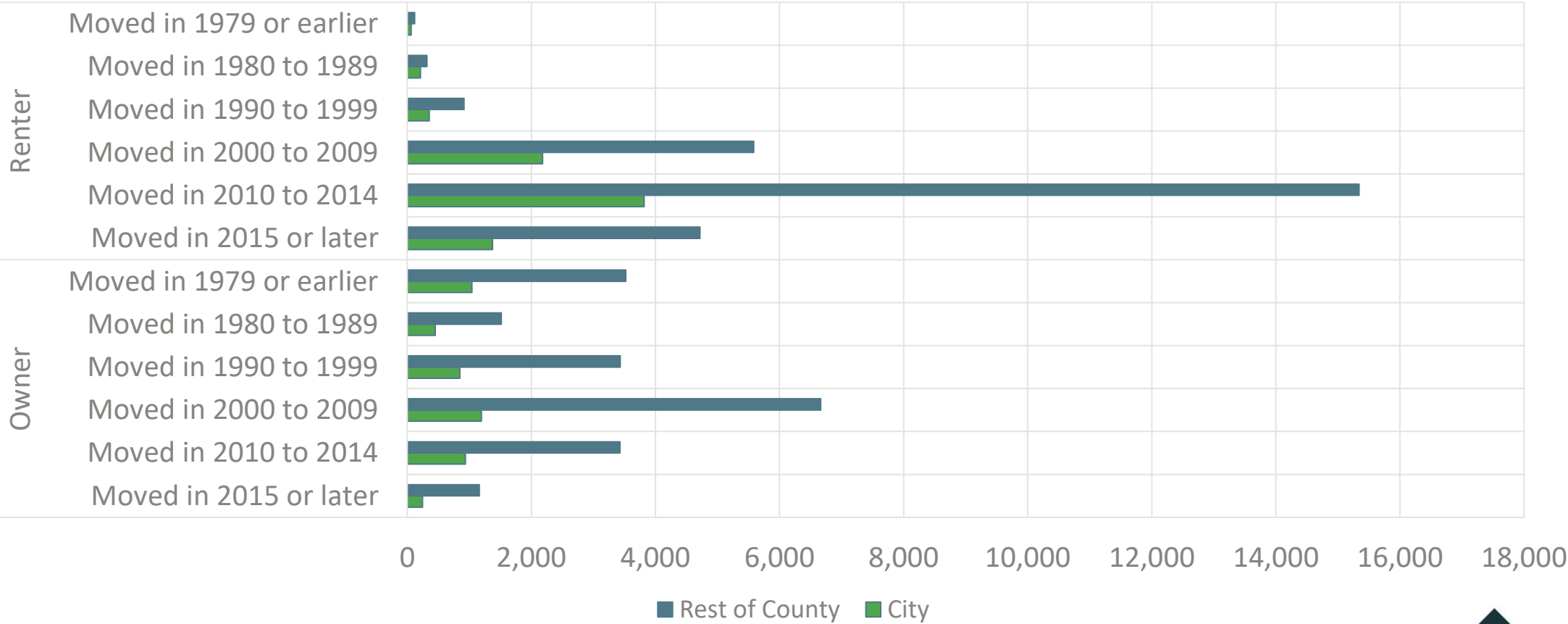


Renters can stay anywhere between 1-3 years. Typically they stay longer in single-family rentals (average is 3 years).



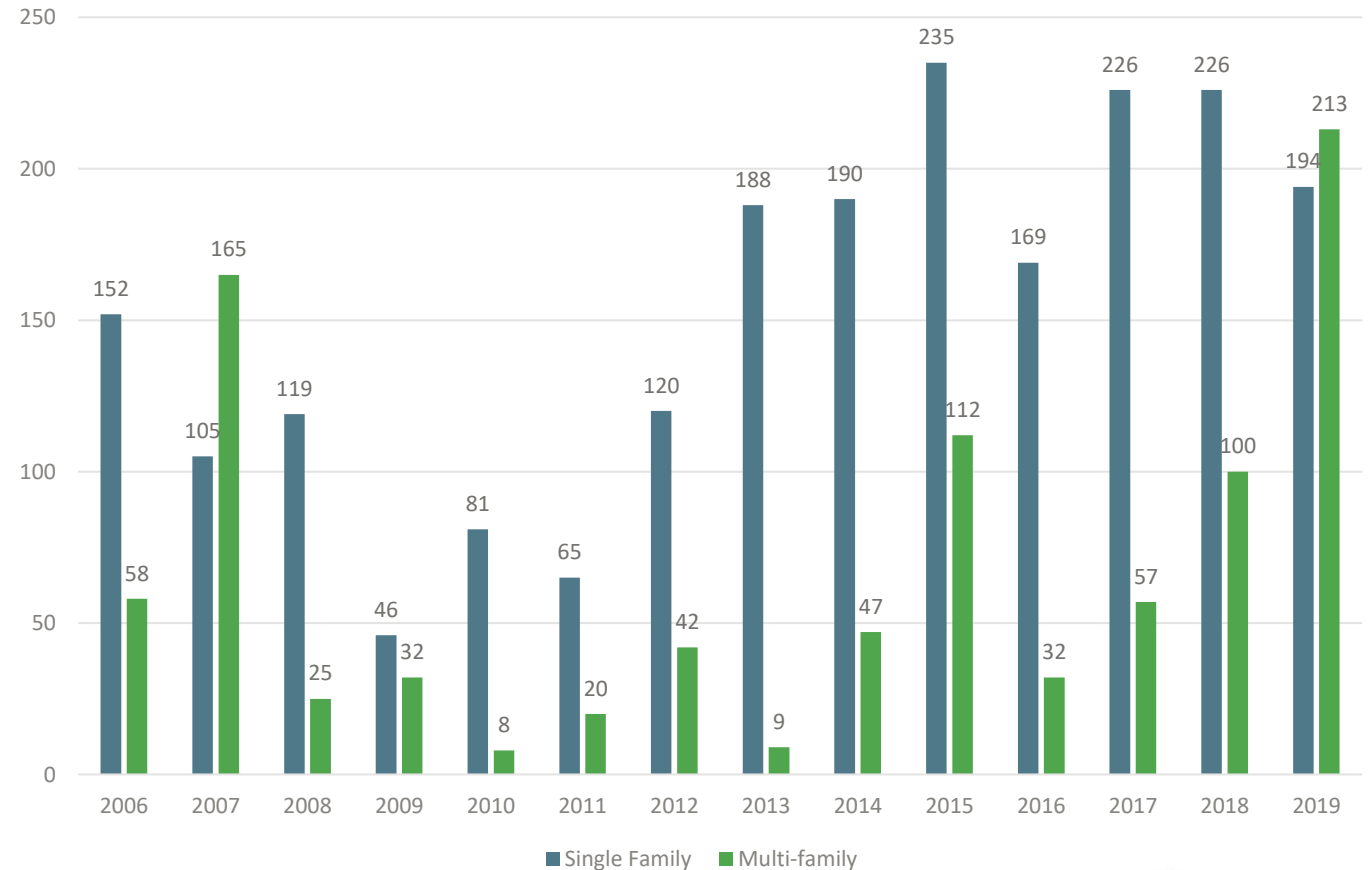
Average U.S. Homeownership in Q1 of 2019
Tenure was about 8.05 years.

TIME IN HOUSEHOLD



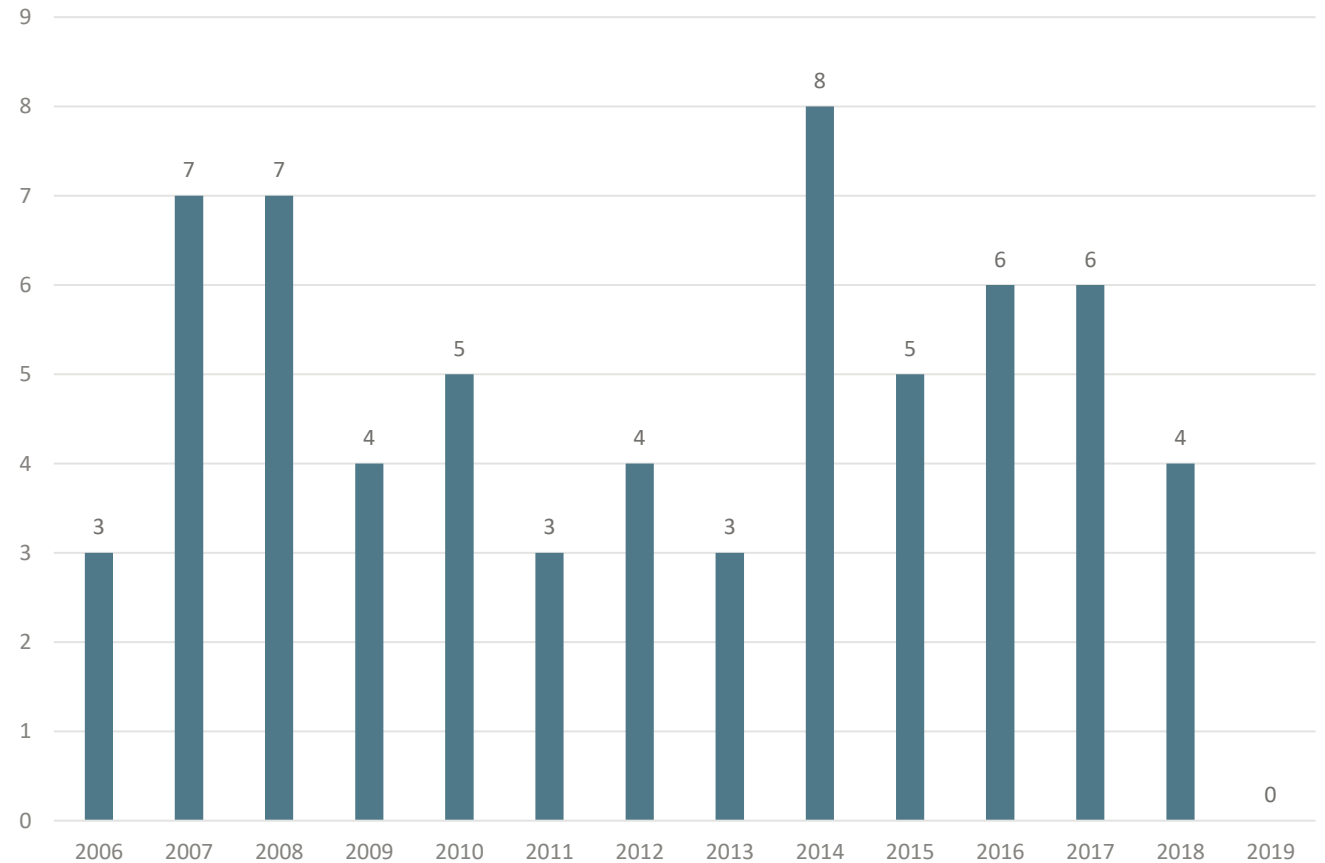
BUILDING PERMITS IN CITY OF GREENVILLE

- Average single-family value has significantly increased from \$150,000 in 2006 to \$370,000 in 2019
- Total number of multi-family permits issued, including duplexes, surpassed number of single-family permits in 2019.



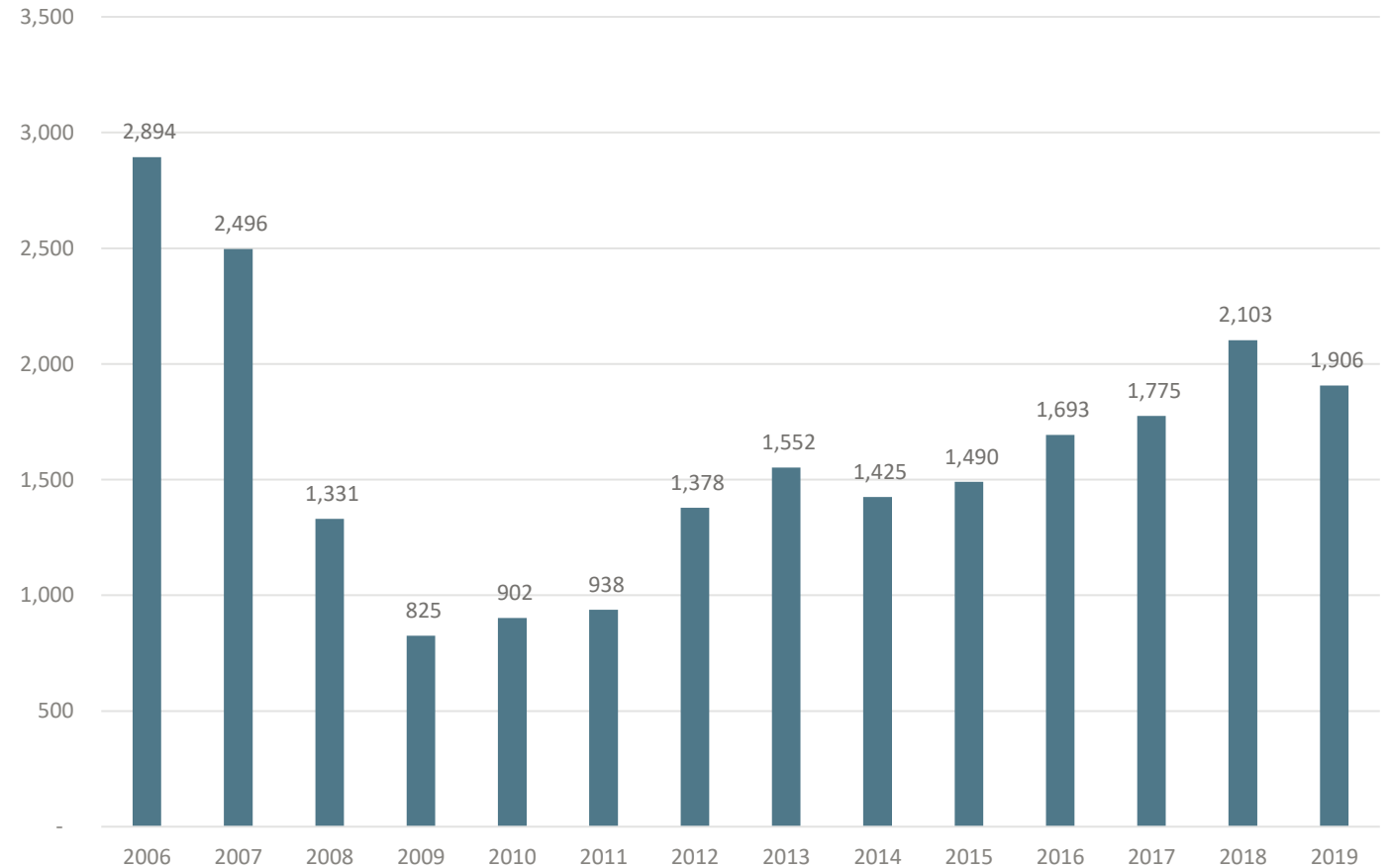
BUILDING PERMITS IN GREENVILLE COUNTY

- Between 2006 and 2019 fewer than 10 annual permits were issued by the County for **multi-family** residential development.

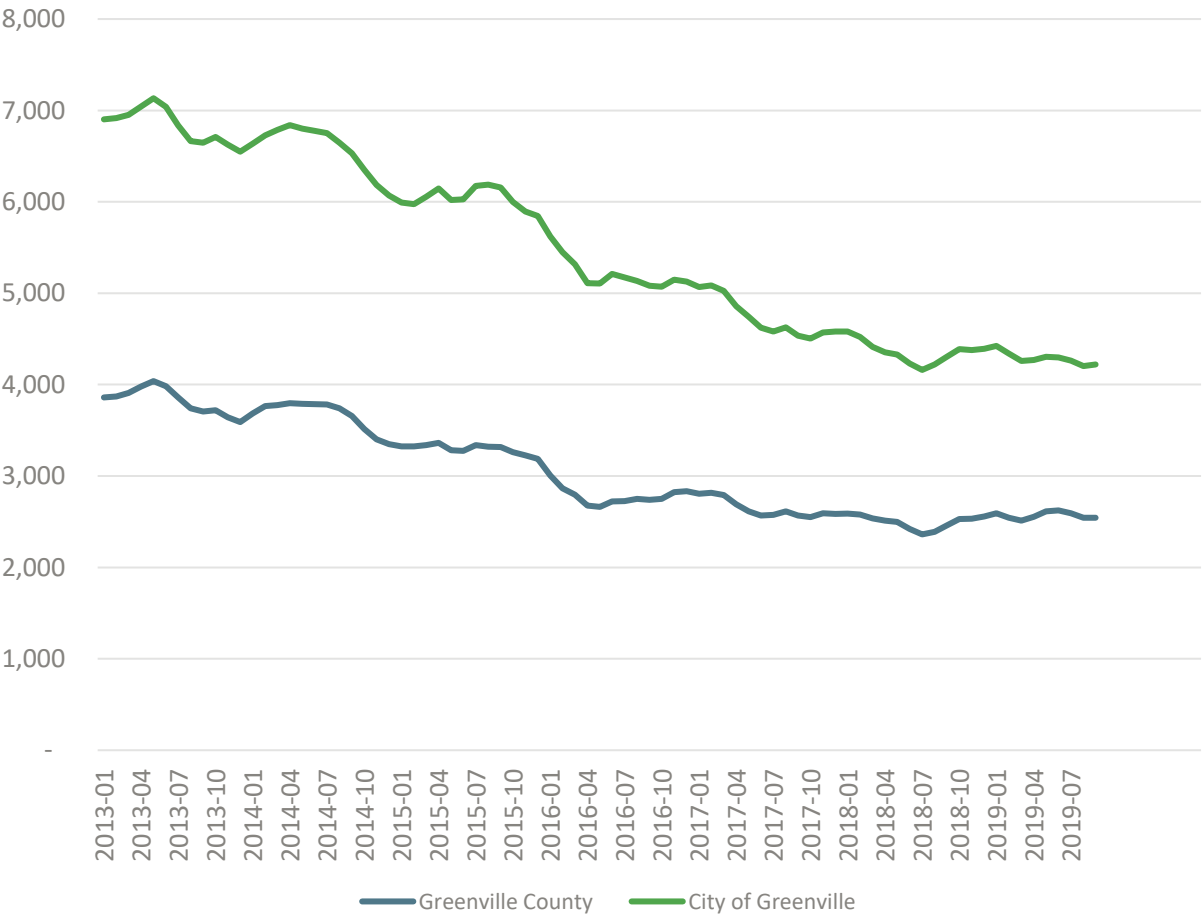


BUILDING PERMITS IN GREENVILLE COUNTY

- Between 2006-2018 the yearly average value of permits issued for **single-family** homes has increased
- Less than 10% of the permits are for 1- or 2-bedroom homes.

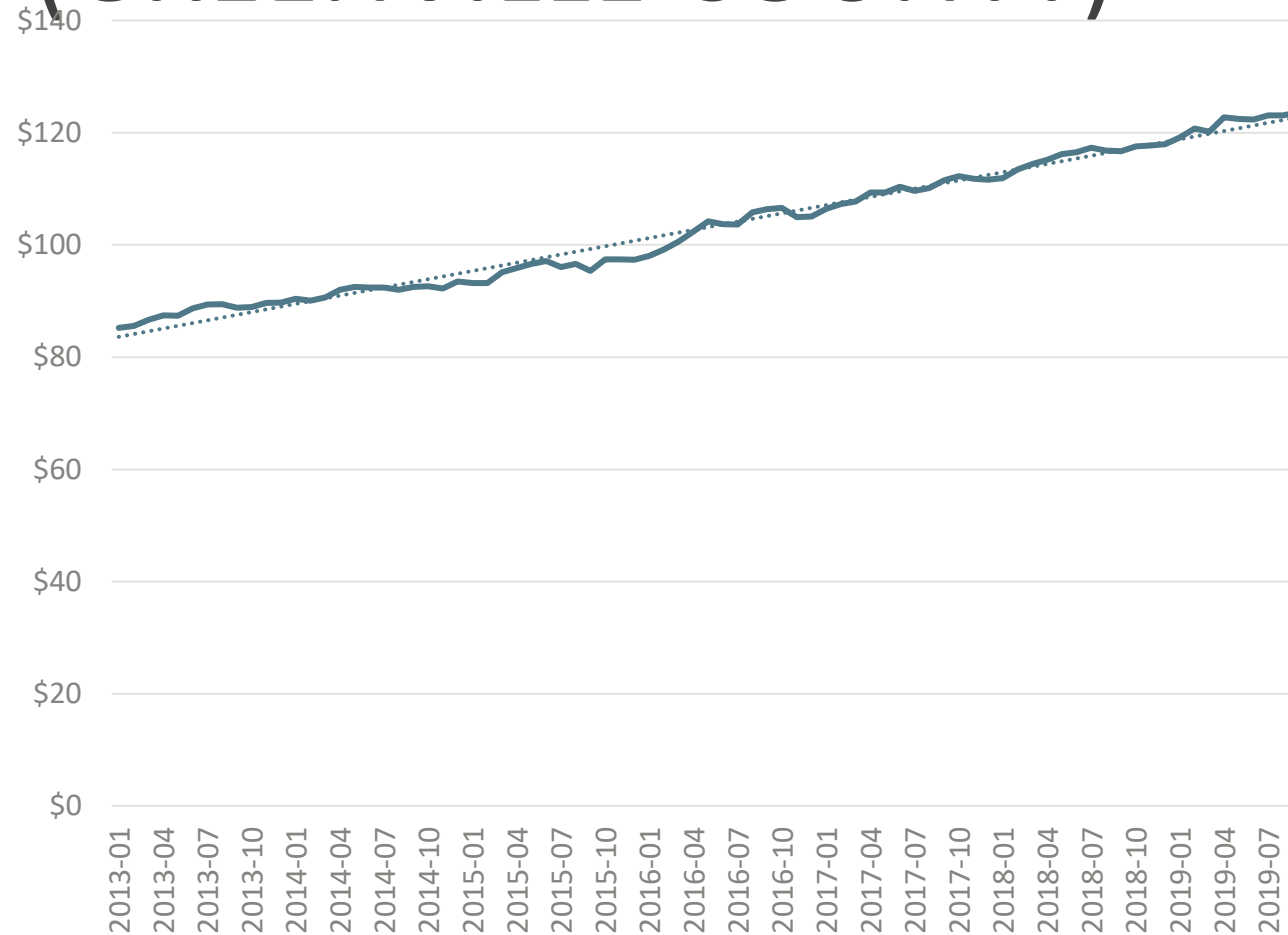


FOR SALE INVENTORY



For Sale Inventory has decreased over the past 6 years, with approximately 1,500 fewer active listings in October 2019 than in 2013.

PRICE PER SQUARE FOOT (GREENVILLE COUNTY)

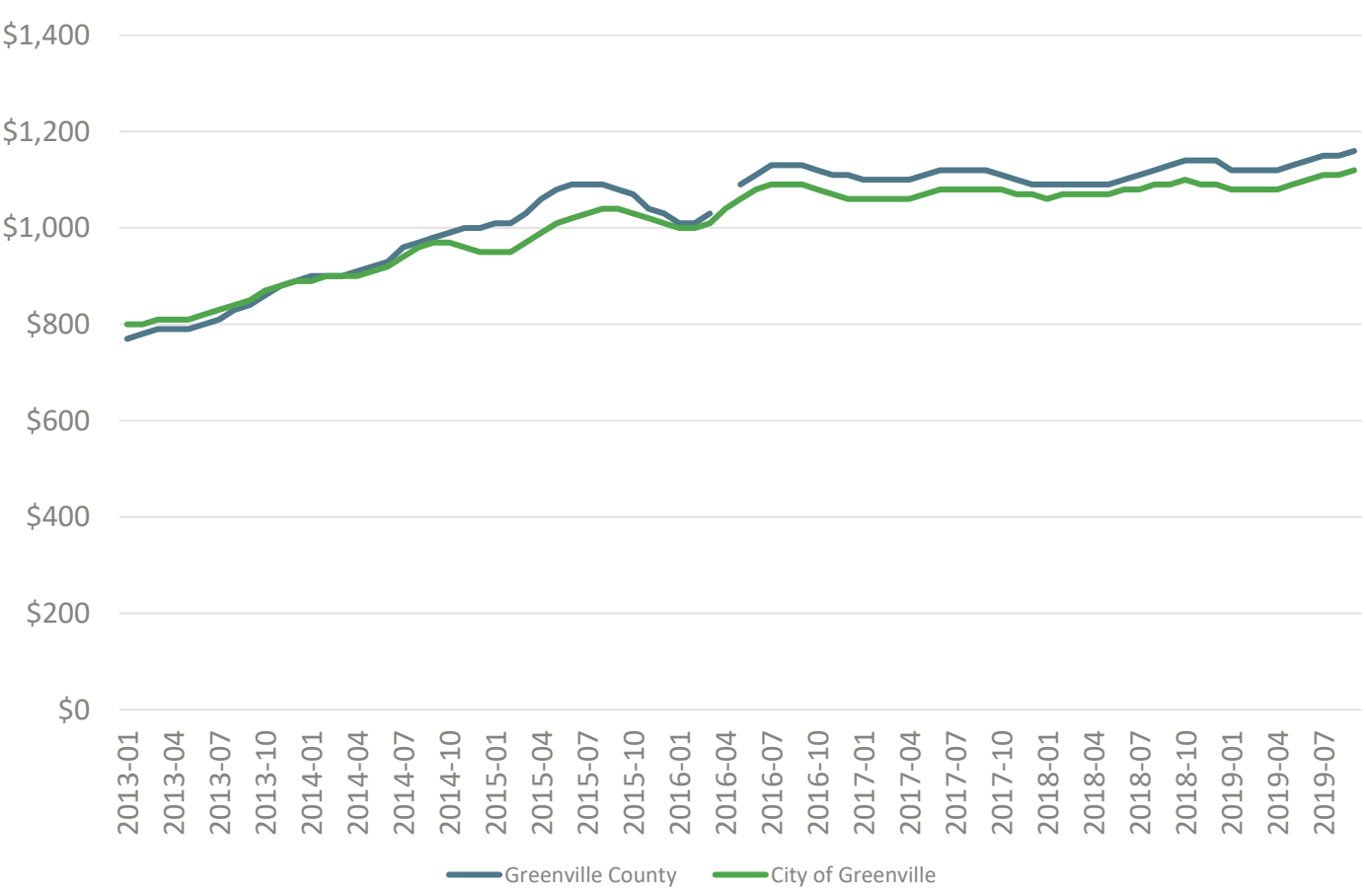


Between 2013 and 2019, the median listing price increased from roughly \$85 per square foot to \$124 per square foot (+45%).

Anderson County's median listing price per square foot increased from \$81 to \$109 (+34%) during the same time.

The national average median listing price per square foot increased from roughly \$106 per square foot to \$155 per square foot (+32%).

MONTHLY RENTAL PRICES

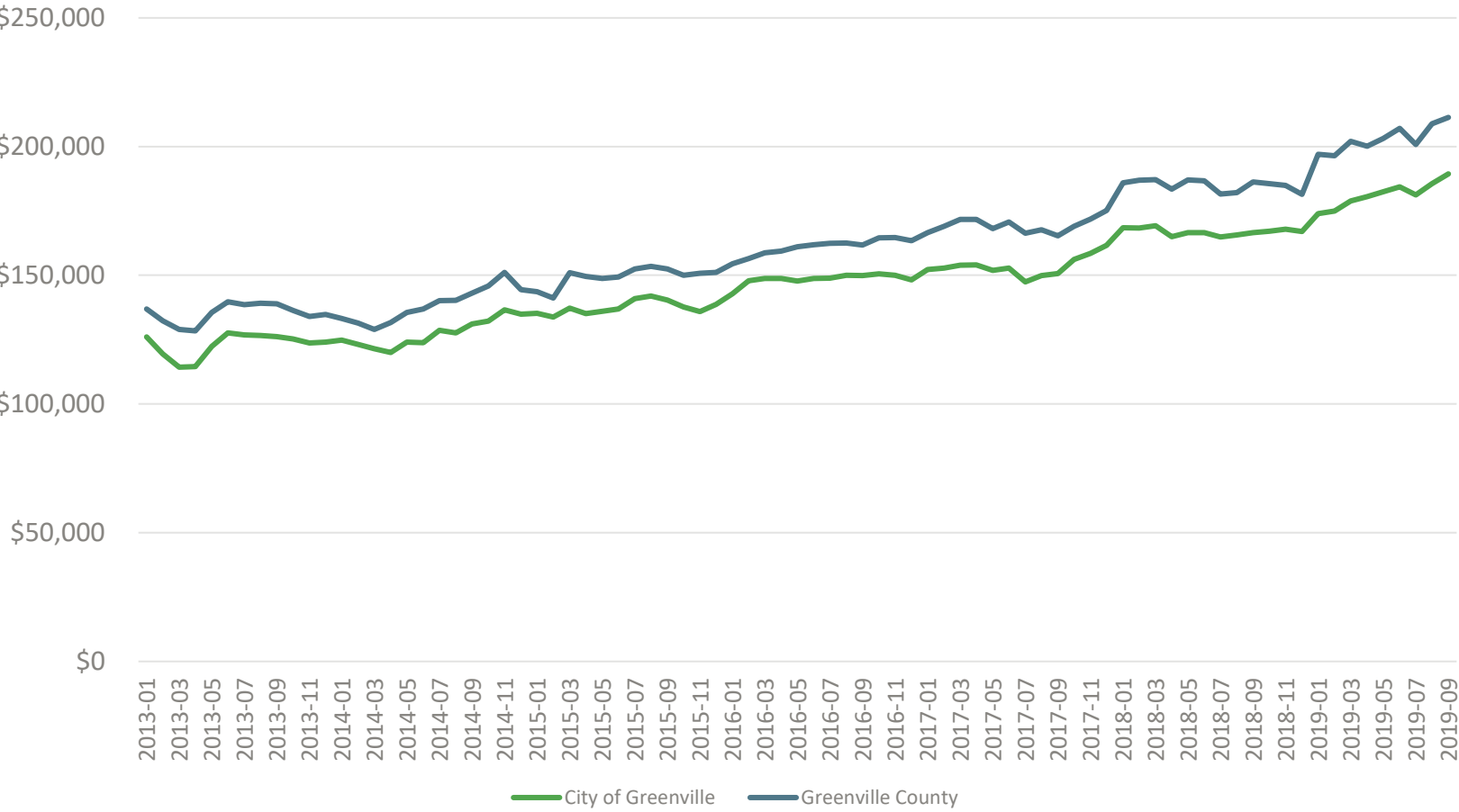


Median rent has increased to approximately \$1,100 in both the city and county between 2013 and 2019.

34% Increase in County
29% Increase in the City of Greenville

Median Household Income in the city increased by roughly 30% around that same time period (2014-2018).

MEDIAN SALES PRICE



Between 2008 and 2019, Median Sales Price nearly doubled in both the city and county.

IMPACT OF COVID-19

- Expected additional short and long-term strain on households due to the impact of COVID-19
- Using unemployment assistance as an early approximator the number impacted:
 - South Carolina unemployment reached 2.6% (up from February 2020)
 - Greenville unemployment was 6,579 individuals (2.5%) down from February 2020
 - Spartanburg (2.7%), Pickens (2.9%), and Anderson (2.8%) are also down from February 2020
- As the economic impact of COVID-19 reaches more communities these trends will likely shift toward a higher unemployment rate.

KEY TAKEAWAYS: HOUSEHOLDS

- There is a high number of renters renting for 6 years or longer which is a potential indicator of lack of rental supply and/or access to home ownership. The national average is closer to 3 years.
- There is a likely upward pricing pressure on rental and for-sale product that has gotten worse over past 5 years.
- A disproportionate share of cost burdened households are renters and householders under the age of 35.

KEY TAKEAWAYS: HOUSEHOLDS (CONT.)

- Low-income neighborhoods have a higher percentage of one-person households than other neighborhoods, (over 90% of households in low-income neighborhoods have three people or fewer).
- Construction of single-family housing units has far outpaced multi-family production between 2006-2017. This is not necessarily representative of current and future need across all income levels.

KEY TAKEAWAYS: AFFORDABILITY

- In addition to already noted low-income households facing affordability issues, a wide range of income groups are impacted by rising housing costs and lagging supply.
- There is a broadening range of income groups that are cost-burdened nationwide
- Housing costs and other factors are driving the number of households in owner-occupied and rental units in the 80-120% AMI range that are cost burdened to grow.

KEY TAKEAWAYS: AFFORDABILITY (CONT.)

- The city and county have a diverse range of demographic characteristics based on household size, income, and needs that can accommodate a variety of rental and for-sale housing options at affordable rates.
- Young renters are most likely to face affordability challenges and require unique and comprehensive support.

KEY TAKEAWAYS: TRANSPORTATION

- Among renters, 18% of households do not have access to a vehicle, suggesting the need for expanded transit options in affordable housing preservation and development.
- The issue of affordable housing is more acute in county as opposed to the city but is still significant in both.
- Limited transportation options restrict access to services, jobs, and neighborhoods, creating additional challenges and cost-burden for low-income individuals. Housing must take mobility into account.

KEY TAKEAWAYS: NEW CONSTRUCTION

- Between 2006 and 2017, the county's population increased by approximately 20%. As the population has increased, production may not be keeping pace with overall growth.
- Overall supply of low- and moderately-priced family homes is decreasing. This supply issue and rising demand would make renting the next-best option for families.
- At the same time, the county has not created enough affordable rental units that are well-located for working adults and families.

NEXT STEPS: STRATEGIES

- Expand individual and collective **organizational capacity** to address housing issues in Greenville.
- Create a menu of **housing stabilization** options to promote access to stable and affordable housing ranging from short-term to long-term solutions.
- Encourage an **appropriate mix of housing** units that match the most substantial needs.
- Utilize **existing and new financial tools** to achieve the levels of affordability needed in Greenville.
- Match development and solutions with **key areas** close to transportation and jobs.
- Incorporate the impact of **COVID-19** in solutions to respond to the short- and long-term impact on individuals.