Affordable Housing Strategy

Greenville, SC

September 2020

Prepared by Thomas P. Miller & Associates, LLC
Message from Bryan and John

We are pleased to have worked with many of you over the past year to produce the enclosed 10-Year Greenville Affordable Housing Strategy. This document represents literally thousands of hours of research, community input, committee meetings and dialogue. The result is a road map with a clear set of directions on how we can over time ensure all Greenville’s citizens have access to housing choices that are affordable, safe and address their stage in life.

Fair warning, this is an ambitious but realistic plan. You will read this document and understand that Greenville before COVID-19 hit had well over 50,000 “cost-burdened” households. That is, households that spend over 30% of their gross income on housing related expenses. Our most income challenged households often can not find affordable housing that either meets their needs or is close to where they work or their children go to school. While our growth has been a positive for most in the community, there are a significant number of households that have been “priced” out of the housing market due to increasing land and housing costs.

Without a sound strategy and a clear commitment, the affordability issues of today will grow and become more costly to resolve. We want to continue to be a community with quality housing choices, not one where many are living in housing of last resort. The Greenville Affordable Housing Strategy realizes that our success will be built on a strong team with all pulling in the same direction. The private sector is expected to play the lead role. There will be a strong supporting cast made up of city and county governments, institutional and not-for-profit leadership.

We are excited to begin this journey and to cut the ribbon of success ten years from now. Over 11,000 affordable housing units later. Thank-you in advance for your interest and involvement in making Greenville a community that will continue to offer opportunity and growth for all residents.
Acknowledgements

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The Greenville Housing Fund is a non-profit entity, founded in 2018 under CommunityWorks Carolina, a US Treasury-certified community development financial institution (CDFI) with a long history of advocating for affordable housing throughout Greenville County. GHF envisions a future where every neighborhood in Greenville County is thriving and affordable for all. Its goals are to 1) serve as an advocate and champion for affordable housing in Greenville, 2) invest in affordable housing development and preservation, and 3) acquire land to facilitate affordable housing development opportunities.

Established in 1974, the Greenville County Redevelopment Authority (GCRA) works to improve the living conditions of the county's residents by building new homes, rehabilitating existing homes, and improving the infrastructures within communities. We believe every resident in Greenville County deserves a chance to own or rent a home that fits within their budget.

While affordable housing is the cornerstone of a healthy community, strong community partnerships make it possible for GCRA to conduct beautification and public works projects such as improving streets, installing sidewalks, community lighting plans, drainage and sewer improvements, and community greenspace, which are important assets of a safe and beautiful community.

Thomas P. Miller & Associates, LLC (TPMA) envisions a world that thinks strategically, works collaboratively, and acts sustainably. In keeping with that vision, we empower organizations and communities through strategic partnerships and informed solutions that create positive, sustainable change. Our economic development approach aims to achieve community resiliency through economic diversity, resource alignment, and community vibrancy. TPMA's Economic Development and Community Resiliency Team provides expertise in assessing markets, identifying business sector opportunities, building innovation and entrepreneurial ecosystems, and conducting housing assessments to assist communities in developing solutions for local housing challenges consistent with community and economic development objectives.
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The Greenville Housing Fund (GHF) issued a Request for Proposals (RFP) in April 2019 seeking assistance “to expand upon the affordable housing strategies completed for the City of Greenville (2016) and the County of Greenville (2018).” RFP objectives included an updated profile of affordable housing needs and recommended strategies for addressing unmet affordable housing demand in both the City and County of Greenville. In addition, the RFP called for the establishment of an affordable housing metrics dashboard. The metrics would set a current baseline for affordable housing data points and serve to measure progress by indicating whether or not affordable housing strategies are achieving their stated objectives.

TPMA was selected to assist the Greenville Housing Fund and its partners to document affordable housing needs, establish potential responses to address affordable housing demand, and develop a housing metrics dashboard.

Affordable housing has been on Greenville’s radar for several years. Both the County and the City have focused their attention on monitoring the scope and impact of local affordable housing issues. When compared to other parts of South Carolina (e.g. Charleston, Hilton Head) and the country, Greenville’s housing was viewed as reasonably priced from 2000-2010 when the area experienced modest housing growth. As Greenville’s population growth rate increased, local affordability issues became more pronounced. The City was rapidly growing and the County continued to grow at a healthy rate. The growth brought many benefits:

- new housing developments helped to diversify housing choice;
- significant business investment and job growth; and
- quality place-making replete with a broad spectrum of cultural, recreational, and natural amenities.
Greenville became one of the most desirable places to live and do business in the Southeast and in the nation.

Growth can create unintended fissures within a local economy. Often, land and housing costs increase as the cost of living does. Safe and decent housing that is also affordable for lower income families may become scarce. While the benefits of growth in Greenville were many, there were some consequences that demanded attention. A lack of quality housing for low- to moderate-income households (as several city and county studies demonstrated, 2015-2019) became a growing problem.

The following are summaries of key findings:

From the City of Greenville Affordable Housing Strategy (2015) presented by Development Strategies:

- Create a framework for targeted investment and identify areas for concentrated investment
- Invest in “opportunity neighborhoods and sites” which will catalyze additional development
- Enhance market conditions through quality of life enhancements and placemaking to improve sense of place
- Establish committed and effective public/private partnerships which are essential to scale housing production
- Improve capability and capacity of community development corporations
From the September 2016 City of Greenville Findings and Recommendations from the Affordable Housing Steering Committee prepared by czb LLC:

- Actively preserve and improve quality of units that are already affordable
- Reduce land costs per unit to facilitate production of new affordable housing

From the March 2018 Greenville County Affordable Housing Study prepared by czb LLC:

- Reduce housing cost burdens for 26,069 County households earning between $10,000-$24,999 annually (12,828 homeowners and 13,241 renters)
- Assist rental property owners to upgrade their properties while holding rents at affordable levels
- Help moderate-income ($35,000-$55,000 annual income) households attain homeownership by preserving and increasing the inventory of affordable homes ($120,000-$190,000)
- Increase the inventory of new rental housing units
Each of these studies documented the need for a deliberative, well-programmed, and resourced affordable housing strategy for both the County and the City. As much of Greenville’s market prospers and can accommodate growth in its cost of living, there is an increasing number of households that cannot. From 2015 to 2020, the number of households that are “housing cost-burdened” grew and the number of affordable housing units decreased.

Planning Process

This 2019-2020 affordable housing study, led by the Greenville Housing Fund and Greenville County Redevelopment Authority, is a response to the lessons learned from the previous studies and the program responses that ensued. Additionally, Greenville’s affordable housing advocates, both public and private, realized that a well-coordinated and collaborative effort is needed if the gap between affordable housing demand and supply is to be closed.

GHF served as the convener for the affordable housing strategy initiative on behalf of Greenville County, the City of Greenville, and the many Greenville housing service providers that have a stake in, and are concerned about, the growing housing affordability gap. The GHF Staff, Board, and Steering Committee guided the affordable housing study and strategy formation process for over one year. As the TPMA team collected data, conducted community interviews, and performed site tours, the GHF Board of Directors and Steering Committee reviewed and refined data findings and provided critical local insights regarding Greenville’s housing ecosystem. Two virtual workshops were held with over 50 local stakeholders and housing advocates participating. Workshop One documented the scale of affordable housing demand both in the County and City of Greenville. The workshop participants held break-out sessions to discuss the significance of the data findings and to provide additional local qualitative information to bolster the findings. Workshop Two presented potential responses to the defined affordable housing demand. The responses were critiqued by those in attendance and an energetic and informative dialogue occurred on how to establish a sustainable response designed to effectively address Greenville’s affordable housing needs.

The final three months of the affordable housing strategy formation process focused on the building of strategies that are intended to be “game changers,” serving to reduce the gap between affordable housing demand and supply. Strategies were presented to the GHF Board and Steering Committee for discussion and refinement. In order to ensure the gap does not continue to grow, and then to close the gap over a ten-year period, all housing stakeholders must actively participate.

Greenville’s Affordable Housing Strategy 2020-2030, as the studies that preceded it suggested, focuses on the following:

- Preserve and produce affordable housing;
- Target locations that best fit a variety of affordable housing typologies;
- Build a diverse tool box of housing incentives; and
- Build community capabilities and capacity through deliberate collaborations and partnering.
Past housing studies helped to inform the 2020 Affordable Housing Strategy Solutions. The two studies that provided the most important information to the affordable housing data and strategies analysis were the 2018 – Greenville Housing Study by czb and the 2019 - Missing Middle Housing Scan Memo by Opticos.

From Greenville Housing Study (2018) by czb:

- Lower income households primarily with annual incomes at or below 30% AMI or about $25,000 in 2018.
- The study by czb illustrated the need for affordable housing for very low-income households, estimated as a need for 9,432 units (8,505 rental) (927 home ownership).

The study also indicated that to keep up with the demand for affordable housing among low-wage workers, 534 new units would need to be produced annually to simply meet future demand.

The Missing Middle Housing Scan Memo by Opticos (2019) Key Takeaways informed this Affordable Housing Study, including the identification of “missing middle” neighborhoods within the City of Greenville.

CURRENT AFFORDABLE HOUSING TRENDS:

- Growing pressure on the housing market is creating barriers for a growing number of households
- Pricing pressure has gotten worse over the past five years
- An expanding range of income groups that are cost-burdened nationwide
### Households Mismatch To Housing Unit Supply
- A potential indicator of a lack of rental supply and/or access to home ownership is that renters are staying for (+/-) 6 years, while the national average is closer to 3 years.
- A disproportionate share of cost-burdened households are renters and householders under the age of 35.
- Low-income neighborhoods have a higher percentage of one-person households than other neighborhoods.
- Inventory of one-bedroom or studios units is lacking, given the demand.

### Financial Affordability of Housing
- Approximately 85,000 Greenville households are at 80% AMI or below.
- Of this group, approximately 46,000 are housing cost-burdened.
- Young renters are most likely to face affordability challenges.

### Access To Transportation/Mobility/Transit
- Among renters, 18% of households in low-income census tracts do not have access to a vehicle.
- The issue of affordable housing is more acute in the 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.

### New Construction Lacking Significant MFR Affordable Housing Development
- Between 2006 and 2017, the county’s population increased by approximately 20%.
- Overall supply of low and moderately priced family homes is decreasing.
- Single-family housing costs are increasing multi-family demand.
- Multi-family production inconsistent – demand significantly outweighs supply.
- Significant demand for new affordable MFR in transit corridors and near employment clusters.
SOCIOECONOMIC

- From 2013-2018, the City of Greenville and Greenville County experienced steady population growth, higher than the national average.
- 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. Specifically, there are a growing number of younger households and empty nesters.
- Educational attainment in the city is, for the most part, higher than national averages. The County’s proportion of bachelor’s degrees and professional degrees is also higher than the U.S. average. Both the City and County are on par with the US average for associate’s degrees.
- All household age ranges are projected to grow, with significant growth rates for older households (65+). The working age population (25-44 & 45-64) make up the bulk of the households in Greenville and are together estimated to increase by approximately 7,905 households although the rate of growth is modest, especially compared to the 65+ age cohort.
- In the city, homeownership has been on a decline, and the County has a larger percentage of homeowners compared with the City.
- The County and City have low-income residents that are significantly cost-burdened and face challenges finding safe, quality units at appropriate price points. This is also evident with Greenville’s homeless population. Lower-wage service jobs on the bottom of the income distribution result in not enough monthly income to sustain stable housing for many families.
SUPPLY

- The supply composition is different based on location as the City has more rental units than owned units, while the County is skewed heavily toward owned units.
- There are a greater number of rental units that are priced at 80% AMI and below than owned units, with the greatest share being at 50%-80% AMI.
- Building permit data collection at the City and County level is not sufficient for accurate tracking of developments, yet the current data shows activity in both areas.
- Higher sales prices and taxes are concentrated around the City of Greenville and at the northern part of the County.

DEMAND

- There has been significant growth in households since 2010 with 22% of the growth in the City, and 77% of the total growth in households with only 1 or 2 people.
- There are many constraints on the housing demand including a falling number of active listings on the market, an above average length of residency in rental units, limited for-sale product in various locations, and a limited variety in unit sizes.
- The amount of cost-burdened households is an issue at both the city and county level especially with very low-income renters.

KEY TERMS

Cost-Burdened Household - A household is considered housing cost-burdened when 30 percent or more of its monthly gross income is dedicated to housing. People whose housing costs exceed this threshold of affordability are likely to struggle to pay for other basic needs, forcing difficult trade-offs.

The Area Median Income (AMI) - the midpoint of a region’s income distribution – half of families in a region earn more than the median and half earn less than the median. Translating incomes into affordable housing costs These income levels are also a way to assess housing affordability.

Affordable Housing - housing which consumes no more than 30% of a household’s income.
Data Highlights

Housing markets across the United States in 2020 remain somewhat volatile. The effects of the Great Recession have been amplified by COVID-19, causing major issues surrounding housing affordability and accessibility across a variety of income groups in the United States. Ample literature indicates housing affordability issues are persistent across the United States – Greenville is not alone.

The modest growth in new home supply nationally keeps pressure on housing and rent prices. Pre-recession (2006) single family permit levels for construction have yet to rebound to historic highs from that period, which ultimately impacts affordability for modest-income households. Further, high land prices, labor shortages, and restrictive land-use policies also contribute to the lack of housing at the appropriate price points for working families. The 2019 State of the Nation Housing Report authored by the Joint Center for Housing Studies at Harvard provided data that showed both homeowners and renters have been impacted. The report indicated renters are more burdened by housing costs than homeowners and low rent housing stock in most metros has declined substantially since 2011. Further, homeownership affordability varies across the country and land prices have risen sharply in other areas. The report highlights other key national themes in housing that have had some spillover into Greenville.

- Overall, housing production has not kept up with household growth, resulting in pressure on rent and home prices. This pressure has an impact on modest income households in more expensive metro markets.
- Demographic trends should support a vibrant housing market into the future; however, realizing this will require the market to provide a broader range of affordable housing options across income ranges.
- The low rent stock across metros in the US has decreased by four million units since 2011.
- Although they are improving nationally, renter cost burden rates are still rising across most income groups.
- Despite recent increases, inventories of both new and existing homes for sale remains tight.
- Over the next decade, the fastest growing household types will be younger families and older empty nesters, who have very different housing needs.
- In rental markets, demand from higher income households is on the rise. Also, low vacancy rates across the board put pressure on rent and push up the price of multi-family properties.

The impact of these economic and housing trends disproportionately impacts those on the lower end of the income spectrum. The situation in Greenville looks to be similar with the addition of younger households also being impacted adversely. Increasingly, however, the housing market pressures in the City of Greenville and Greenville County are also moving into higher-income cohorts, further illuminating the need for a broader range of affordable housing options. Greenville has documented housing trends and detailed the affordable housing issues well over the past decade. This section builds upon this work and provides a more focused analysis of the affordable housing gaps in the City and County of Greenville.
DEMOGRAPHIC AND SOCIOECONOMIC OVERVIEW

From 2013-2018 the City of Greenville and Greenville County experienced growth higher than the national average. The median age of city residents was younger than both the County and U.S. residents. Household median income is generally lower in Greenville compared to U.S. households but higher than South Carolina households. The poverty rate for the City and County are higher than the national rate of 11.8%.

Population Overview

<table>
<thead>
<tr>
<th></th>
<th>Population</th>
<th>Population Growth</th>
<th>Poverty Rate</th>
<th>Median Age</th>
<th>Median Household Income</th>
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</thead>
<tbody>
<tr>
<td>City of Greenville</td>
<td>68,500</td>
<td>13%</td>
<td>15.3%</td>
<td>34.6</td>
<td>$61,200</td>
</tr>
<tr>
<td>Greenville County</td>
<td>515,000</td>
<td>11%</td>
<td>13.5%</td>
<td>38.0</td>
<td>$61,100</td>
</tr>
<tr>
<td>South Carolina</td>
<td>5.1M</td>
<td>6.6%</td>
<td>15.4%</td>
<td>39.7</td>
<td>$56,200</td>
</tr>
<tr>
<td>United States</td>
<td>328M</td>
<td>3%</td>
<td>11.8%</td>
<td>38.2</td>
<td>$65,700</td>
</tr>
</tbody>
</table>

1Population Overview

1 Table 1 and subsequent tables and figures are sourced from ESRI Business Analyst - US Census Data, unless otherwise noted.

Figure 1 and 2 show the County and City population as pyramids. The figures show the female population on the left and the male population on the right and portray 2013-2017 American Community Survey data. The largest groups are 25-29 years at 7.1% and 5-9 years at 7.2% for the County. The City’s largest age groups are 25-29 years at 10.9% and 9.9% for 20-24, representing both females and males.
Household growth in Greenville County splits directions at the $35,000-49,999 income range. The lower three income ranges are projected to see an overall decrease, presumably because as the overall income increases in the county some households will move into moderate income ranges. The higher income ranges are anticipated to experience significant growth upwards of 10% from the $75,000 range and up. As the number of higher income households increases, the future housing options will need to reflect the wants and needs of this growing share of people.

In contrast to the County, the City of Greenville's lower income households are projected to increase. This could be by way of more lower income residents moving into the City. Housing options in the City will need to address the growing share of people in the lower range through more stock at affordable price points. The income ranges above $35,000 are projected to increase with the greatest share coming from the $150,000-200,000 ranges. The growth in high-income households mirrors the county to some degree, while the City's moderate incomes are projected to increase far more than the County's. The future housing stock in the City will need to cater to a healthy growing moderate price point household while also accounting for a surge in high-income household demand.

### Greenville County, Households by Income

<table>
<thead>
<tr>
<th>Households by Income</th>
<th>2020 number</th>
<th>2020 percent</th>
<th>2025 number</th>
<th>2025 percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;$15,000</td>
<td>20,113</td>
<td>9.7%</td>
<td>19,245</td>
<td>8.6%</td>
</tr>
<tr>
<td>$15,000 - $24,999</td>
<td>16,681</td>
<td>8.0%</td>
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<tr>
<td>$25,000 - $34,000</td>
<td>20,851</td>
<td>10.1%</td>
<td>20,772</td>
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<tr>
<td>$35,000 - $49,999</td>
<td>24,330</td>
<td>11.7%</td>
<td>25,072</td>
<td>11.2%</td>
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<td>$50,000 - $74,999</td>
<td>40,660</td>
<td>19.6%</td>
<td>43,056</td>
<td>19.3%</td>
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<tr>
<td>$75,000 - $99,999</td>
<td>29,229</td>
<td>14.1%</td>
<td>32,225</td>
<td>14.4%</td>
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<tr>
<td>$100,000 - $149,999</td>
<td>29,934</td>
<td>14.4%</td>
<td>34,188</td>
<td>15.3%</td>
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<td>$150,000 - $199,999</td>
<td>12,591</td>
<td>6.1%</td>
<td>15,952</td>
<td>7.1%</td>
</tr>
<tr>
<td>$200,000+</td>
<td>13,011</td>
<td>6.3%</td>
<td>16,224</td>
<td>7.3%</td>
</tr>
</tbody>
</table>

Table 2

### City of Greenville, Households by Income

<table>
<thead>
<tr>
<th>Households by Income</th>
<th>2020 number</th>
<th>2020 percent</th>
<th>2025 number</th>
<th>2025 percent</th>
</tr>
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<td>&lt;$15,000</td>
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<td>8.5%</td>
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<td>3,435</td>
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<td>1,696</td>
<td>5.1%</td>
<td>2,105</td>
<td>5.8%</td>
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<tr>
<td>$200,000+</td>
<td>3,013</td>
<td>9.1%</td>
<td>3,599</td>
<td>9.9%</td>
</tr>
</tbody>
</table>

Table 3
Figure 3 below shows the number of households for each income range forecasted to 2029. Households in all income ranges are anticipated to continue growing at current rates. The $40,000-99,000 income range has the largest number of households. The lower three income ranges (less than $20,000 and $20-39,000) are sizeable but remain static. The $75,000-124,000 range is projected to see the most growth over the ten-year period.

Number of Households by HH income range (County & City)
Educational Attainment

The City of Greenville and the County are relatively well-educated compared to the United States and South Carolina. Nearly 50% of the City and close to 36% of the County have a bachelor/graduate degree. The high rate of post-high school education helps to support businesses by offering a skilled workforce that tends to have higher incomes. Additionally, this could mean well-educated people have a desire to live in the City and County, as there are not universities nearby that would indicate a skewed attainment metric.

Figure 4
Household Growth Projections, By HH Age (County & City)

Figure 5 portrays the forecasted growth of households in Greenville over the next ten years. The youngest cohort (ages 15-24) is projected to stay steady, while the 25-44 age range is projected to increase in greater numbers. The 65+ population is anticipated to experience far sharper growth in the next decade. The working age population (25-44 & 45-64) make up the majority of the households in Greenville and together are estimated to increase by approximately 7,905 households; however, this rate of growth is modest, especially when compared to the 65+ age cohort. The dramatic increase in older households will have implications on the future housing picture of Greenville, including demand.
Housing Units (2020)

Figure 6 and 7 show the occupancy characteristics of Greenville’s housing stock. The majority are owner-occupied in the County, while the majority of units in the City are renter-occupied. Compared to South Carolina, the county’s ownership rate is slightly higher while the city’s ownership is lagging far behind the state’s 58% owner-occupied unit rate. Relative to the United States 56.4% ownership and 32.3% renters’ rate, the county is more aligned with the national environment while the city’s ownership makeup is inversed. Additionally, greater price pressure in the city could have a significant adverse impact on the homeownership rate.

Amidst the growth in Greenville, there are still people who cannot afford quality affordable housing, making evictions and homelessness issues. A contributing factor to homelessness is the income needed to secure housing, especially for service jobs. Evictions pose risk to physical and mental health, and increase the risk of homelessness and severe poverty. According to the Greenville Homeless Alliance, there are 3,633 men, women, and children who experienced homelessness in Greenville County between 2018 and 2019:

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

Homelessness is not an isolated issue; it is caused, and perpetuated, by a combination of societal conditions and individual situations. Accordingly, safe and affordable housing is a key component of a vibrant economy and community. As Greenville seeks to address homelessness and evictions, increased amounts of affordable quality housing units will be
pivotal along with more collaboration of community stakeholders. Housing strategies will focus on meeting the needs of affordable development near employment clusters and transit hubs to assist those without automobiles and increase the County’s overall mobility infrastructure.

### County and City Median Wage (2019)

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Median Wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food Prep Workers, Fast Food</td>
<td>$8.93</td>
</tr>
<tr>
<td>Waiters and Waitresses</td>
<td>$9.01</td>
</tr>
<tr>
<td>Cashiers</td>
<td>$9.43</td>
</tr>
<tr>
<td>Maids and Housekeeping Cleaners</td>
<td>$9.59</td>
</tr>
<tr>
<td>Janitors and Cleaners</td>
<td>$10.63</td>
</tr>
<tr>
<td>Restaurant Cooks</td>
<td>$11.13</td>
</tr>
<tr>
<td>Retail Salespeople</td>
<td>$11.23</td>
</tr>
</tbody>
</table>

Table 4

### SOCIOECONOMIC TAKEAWAYS

- From 2013-2018, the City of Greenville and Greenville County experienced steady population growth, higher than the national average.
- 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. Specifically, there are a growing number of younger households and empty nesters.
- Educational attainment in the city is, for the most part, higher than national averages. The County’s proportion of bachelor’s degrees and professional degrees is also higher than the U.S. average. Both the City and County are on par with the US average for associate’s degrees.
- All household age ranges are projected to grow, with significant growth rates for older households (65+). The working age population (25-44 & 45-64) make up the bulk of the households in Greenville and are together estimated to increase by approximately 7,905 households although the rate of growth is modest, especially compared to the 65+ age cohort.
- In the city, homeownership has been on a decline, and the County has a larger percentage of homeowners compared to the City.
- The County and City have low-income residents that are significantly cost-burdened and face challenges finding safe, quality units at appropriate price points. This is also evident with Greenville’s homeless population. Lower-wage service jobs on the bottom of the income distribution result in not enough monthly income to sustain stable housing for many families.
DEMAND

In 2018, there were over 192,500 households in Greenville County. Of those households, over 28,700 are in the City, meaning 163,800 are in the County. Both the City and County have seen housing growth from 2010 to 2018, with the City seeing a 13.7% increase and the County seeing an 11.3% increase. Table 5 shows the growth of households in the City and County along with household incomes. The City and County both saw increases in median household income since 2010 as the majority of growth in households was with those making $50,000 and above. In 2010 the median household income for the City was $40,291 and $45,864 for the County. These values have risen and in 2018 were $61,748 for the City and $61,271 for the County.

Growth in Households by Income Level (2010-2018)

<table>
<thead>
<tr>
<th>New Household by Income Cohort</th>
<th>City of Greenville</th>
<th>Greenville County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $20,000</td>
<td>(1,139)</td>
<td>(7,026)</td>
</tr>
<tr>
<td>$20,000 to $34,999</td>
<td>(1,152)</td>
<td>91</td>
</tr>
<tr>
<td>$35,000 to $49,999</td>
<td>(658)</td>
<td>(2,513)</td>
</tr>
<tr>
<td>$50,000 to $74,999</td>
<td>3,411</td>
<td>4,241</td>
</tr>
<tr>
<td>$75,000 to $99,999</td>
<td>2,159</td>
<td>4,522</td>
</tr>
<tr>
<td>$100,000 to $149,999</td>
<td>514</td>
<td>7,840</td>
</tr>
<tr>
<td>$150,000 or more</td>
<td>1,559</td>
<td>9,303</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,668</strong></td>
<td><strong>16,655</strong></td>
</tr>
</tbody>
</table>

Table 5

When looking at the composition of what households have been moving to Greenville since 2010, growth patterns have varied. The City has seen more growth in nonfamily households than family households while the reverse is true for the County. When looking at how many persons are in the household, the growth patterns are similar, with a two-person household having the most growth.

Additionally, when viewing the split between owners and renters, the City and County tell different stories. Over 99% of the City’s growth in households has come from renters, which is in direct contrast of the rest of the County, in which 78% of growth was fueled by ownership.

When looking at current housing demand, there are a number of constraints with varying impact. First looking at the for-sale inventory for Greenville (City and County combined), it has decreased over the past 6 years, with approximately 1,500 fewer active listings in October 2019 than in 2013. A decrease in active listings can indicate a mix of greater demand, fewer new listings, and more competition in the housing market.
## Growth in Households by Type (2010-2018)

<table>
<thead>
<tr>
<th></th>
<th>City of Greenville</th>
<th>Greenville County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family households</td>
<td>1,827</td>
<td>10,042</td>
</tr>
<tr>
<td>Nonfamily households</td>
<td>2,841</td>
<td>6,613</td>
</tr>
<tr>
<td>1-person household</td>
<td>1,895</td>
<td>3,558</td>
</tr>
<tr>
<td>2-person household</td>
<td>2,125</td>
<td>8,761</td>
</tr>
<tr>
<td>3-person household</td>
<td>120</td>
<td>738</td>
</tr>
<tr>
<td>4-or-more-person household</td>
<td>528</td>
<td>3,426</td>
</tr>
<tr>
<td>Owner-occupied</td>
<td>26</td>
<td>13,054</td>
</tr>
<tr>
<td>Renter-occupied</td>
<td>3,442</td>
<td>3,636</td>
</tr>
</tbody>
</table>

Table 6

## For Sale Inventory (all of Greenville)

![Graph showing For Sale Inventory from 2013 to 2019](image)

Figure 8

---

1 ZillowResearch, Monthly For Sale Inventory, Seasonally Adjusted for Greenville County
Estimates of Cost-Burdened Owners and Renters

Table 7 and Table 8 display the estimated number of owners and renters at different area median income (AMI) levels that are cost-burdened by housing. Cost-burdened is defined as spending over 30% of income on housing. Overall, renters are more likely to be cost-burdened, and especially those under 80% AMI. In the City, over 58% of renters with AMI of 50-80% are cost-burdened by their housing cost and 49% of the renters at that same level are cost-burdened in the County. Additionally, as AMI falls, the share of cost-burdened households increases. For example, at 0-30% AMI, over 80% of renters and owners are cost-burdened in the City, and over 90% of renters and over 70% of owners are cost-burdened in the County.

<table>
<thead>
<tr>
<th>AMI Level</th>
<th>Income Range</th>
<th>Estimated Monthly Max Cost</th>
<th>Renter-Headed Household</th>
<th>Owner-Occupied Household</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-30% AMI</td>
<td>&lt;$21,510</td>
<td>$500</td>
<td>83.1%</td>
<td>82.2%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2,885</td>
<td>651</td>
</tr>
<tr>
<td>30-50% AMI</td>
<td>$21,510 to $35,850</td>
<td>$850</td>
<td>69.0%</td>
<td>49.3%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2,023</td>
<td>443</td>
</tr>
<tr>
<td>50-80% AMI</td>
<td>$35,850 to $57,360</td>
<td>$1,250</td>
<td>58.7%</td>
<td>22.8%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1,045</td>
<td>232</td>
</tr>
<tr>
<td>80-125% AMI</td>
<td>$57,360 to $89,625</td>
<td>$1,875</td>
<td>7.8%</td>
<td>16.0%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>352</td>
<td>369</td>
</tr>
<tr>
<td>125%+ AMI</td>
<td>&gt;$87,625</td>
<td>$1,875+</td>
<td>4.6%</td>
<td>3.7%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>161</td>
<td>275</td>
</tr>
</tbody>
</table>

Table 7

<table>
<thead>
<tr>
<th>AMI Level</th>
<th>Income Range</th>
<th>Estimated Monthly Max Cost</th>
<th>Renter-Headed Household</th>
<th>Owner-Occupied Household</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-30% AMI</td>
<td>&lt;$21,510</td>
<td>$500</td>
<td>93.5%</td>
<td>72.4%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>10,401</td>
<td>8,535</td>
</tr>
<tr>
<td>30-50% AMI</td>
<td>$21,510 to $35,850</td>
<td>$850</td>
<td>72.5%</td>
<td>30.5%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>9,085</td>
<td>4,910</td>
</tr>
<tr>
<td>50-80% AMI</td>
<td>$35,850 to $57,360</td>
<td>$1,250</td>
<td>49.6%</td>
<td>32.5%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>3,984</td>
<td>4,463</td>
</tr>
<tr>
<td>80-125% AMI</td>
<td>$57,360 to $89,625</td>
<td>$1,875</td>
<td>7.1%</td>
<td>15.1%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>956</td>
<td>3,520</td>
</tr>
<tr>
<td>125%+ AMI</td>
<td>&gt;$87,625</td>
<td>$1,875+</td>
<td>4.4%</td>
<td>2.2%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>552</td>
<td>1,367</td>
</tr>
</tbody>
</table>

Table 8

City of Greenville

Greenville County
Looking at how long households are staying in their residency helps shine a light on market conditions and demand. Figure 10 shows that the majority of renters moved into their homes between 2010-2014 in both the City and the County. This is indicative of renters staying between 5-10 years on average in their residencies. This is greater than the national average of about 3 years, which is an indicator of a tighter rental market due to various factors including price points.

**Figure 10**

1Low-income census tracts are those that contain the highest concentration of low-income individuals (top 20%)

Housing development locations can have significant impact on a household’s mobility options and access to opportunity. In total, there are about 9,400 households in Greenville that do not have access to a vehicle. Looking at just the low-income census tracts, 18% (1,480) do not have access to a vehicle.

The size of households also affects housing demand and can be a demand constraint. Table 9 shows the share of total households based on the number of persons in the household. Both the city and county have high concentrations of one-person and two-person households. When looking at the low-income census tracts, these data are amplified. For non-family households, over 90% are in one-person or two-person households, and for family households, 68% are two-person and three-person households as displayed in Figure 11. This shows a higher demand and more competition over smaller units including studio, one-bedroom, and two-bedroom units.
DEMAND TAKEAWAYS

- There has been significant growth in households since 2010 with 22% of the growth in the City, and 77% of the total growth in households with only 1 or 2 people.
- There are many constraints on the housing demand including a falling number of active listings on the market, an above average length of residency in rental units, limited for-sale product in various locations, and a limited variety in unit sizes.
- The amount of cost-burdened households is an issue at both the city and county level especially with very low-income renters.

Persons in Households

<table>
<thead>
<tr>
<th>Persons in Households</th>
<th>City of Greenville</th>
<th>Greenville County</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-person household</td>
<td>43.3%</td>
<td>26.5%</td>
</tr>
<tr>
<td>2-person household</td>
<td>33.6%</td>
<td>35.8%</td>
</tr>
<tr>
<td>3-person household</td>
<td>10.4%</td>
<td>15.7%</td>
</tr>
<tr>
<td>4-or-more-person household</td>
<td>12.7%</td>
<td>22.0%</td>
</tr>
</tbody>
</table>

Table 9

Household Size in Low-Income Census Tracts

Figure 11

GREENVILLE, SC AFFORDABLE HOUSING STUDY
SUPPLY

When considering housing units (homes, apartments, etc.), not households, there are over 214,000 housing units in the County of Greenville. The City of Greenville accounts for 34,600 units while the rest of the County has 179,400. When looking at the split between renters and owners, the City has a much larger share of rental supply. Figure 12 displays the number of total units and their type. This visualization helps show that the City is more split between rental and owned units while the County is made up of mainly owned units. Additionally, Table 10 shows this information at a more granular level and shows that when looking at multifamily development, there is variety in how many units are in each property.

Prevalence of Unit Types

<table>
<thead>
<tr>
<th>Type</th>
<th>City of Greenville</th>
<th>Rest of County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family</td>
<td>17,573</td>
<td>132,988</td>
</tr>
<tr>
<td>2 Units</td>
<td>991</td>
<td>3,044</td>
</tr>
<tr>
<td>3-4 Units</td>
<td>2,193</td>
<td>3,266</td>
</tr>
<tr>
<td>5-9 Units</td>
<td>3,065</td>
<td>8,281</td>
</tr>
<tr>
<td>10-19 Units</td>
<td>4,018</td>
<td>5,156</td>
</tr>
<tr>
<td>20-49 Units</td>
<td>3,001</td>
<td>5,238</td>
</tr>
<tr>
<td>50 or More Units</td>
<td>3,474</td>
<td>3,029</td>
</tr>
<tr>
<td>Mobile Home, RV, etc.</td>
<td>288</td>
<td>18,510</td>
</tr>
</tbody>
</table>

Table 10
Current Unit Supply and Affordability by AMI Level

<table>
<thead>
<tr>
<th>AMI Level</th>
<th>City Rental</th>
<th>City Owned Unit</th>
<th>Rest of County Rental</th>
<th>Rest of County Owned Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>0%-30%</td>
<td>10.4%</td>
<td>3.8%</td>
<td>7.5%</td>
<td>7.4%</td>
</tr>
<tr>
<td></td>
<td>1,670</td>
<td>473</td>
<td>3,211</td>
<td>8,751</td>
</tr>
<tr>
<td>30%-50%</td>
<td>26.4%</td>
<td>7.9%</td>
<td>26.5%</td>
<td>8.2%</td>
</tr>
<tr>
<td></td>
<td>4,248</td>
<td>964</td>
<td>11,332</td>
<td>9,680</td>
</tr>
<tr>
<td>50%-80%</td>
<td>35.8%</td>
<td>12.2%</td>
<td>38.3%</td>
<td>17.3%</td>
</tr>
<tr>
<td></td>
<td>5,743</td>
<td>1,493</td>
<td>16,394</td>
<td>20,438</td>
</tr>
<tr>
<td>Total (0%-80%)</td>
<td>11,661</td>
<td>2,930</td>
<td>30,937</td>
<td>38,869</td>
</tr>
</tbody>
</table>

Table 11 displays the price points of the current housing supply. The different AMI bands display the differences in housing product and their ability to service populations of various incomes. The table shows the number of units someone making the given AMI level could afford (not spending over 30% of income on housing). Yet, this supply is not reserved for the different AMI levels, but is open to the entire market. Therefore, the units are under a larger demand as someone making over 80% AMI will still find these units as an attractive and heavily affordable option. For the city, there are almost 11,700 rental units and 3,000 owned units priced to be affordable for those earning 80% AMI and below. For the rest of the county, there are 31,000 rental units and 39,000 owned units at that same cost band. The majority of these units for both areas are above the 30% AMI level, with the most units being at the 50%-80% AMI level.

Greenville was not immune to the housing crisis of the late 2000s which caused a decrease in the housing development due to the reduced number of residential permits issued. However, both the City and County have been recovering and the City is even at higher levels than before the 2008 recession. These data presented were provided by the City of Greenville and Greenville County. Unfortunately, the current permit systems do not allow the data to show how many units a permit is for and permits are different between the two jurisdictions. The single-family permit data reflects the development activity of a single-family home. The multifamily permits can vary greatly for what the permit is issued for, as the number of units is not accurately tracked. This data in Figure 14, 15, and 16 is presented to show that there is activity and movement at both the city and county level.

Figure 14 shows the building permits in the city from 2006 to 2019 for both single-family and multi-family development. Overall, there has been growth since 2009 in both types of development, and in 2019 the total number of multi-family permits issued surpassed the number of single-family permits. When looking at the value of this new development, the average single-family value has significantly increased from $150,000 in 2006 to $370,000 in 2019.
Building Permits, City of Greenville

Figure 15 and Figure 16 show the building permits in the County of Greenville for single-family and multifamily development respectively. Single-family permits have had a significant rise since 2009 and reached over 2,100 in 2018. When looking at the types of homes built, the data shows that less than 10% of the permits are for 1- or 2-bedroom homes. When looking at multi-family development, the permit number has been relatively low with fewer than 10 issued each year.
Figure 17 displays the average sales price of homes in each zip code while Figure 18 displays the average property tax in each zip code. These maps help to show home/unit values dispersed throughout the county and city. The average sales prices are very diverse and cover a wide range, yet the highest average sales prices are in Greenville and Landrum while the lowest average prices are in Parker and Mauldin. Looking at the tax rates, the highest are found in the northern portion of the county along with the City of Greenville. The tax rates follow a similar path as the average sale prices and additionally show a large variability across the county.
SUPPLY TAKEAWAYS

- The supply composition is different based on location as the City has more rental units than owned units, while the County is skewed heavily toward owned units.
- There are a greater number of rental units that are priced at 80% AMI and below than owned units, with the greatest share being at 50%-80% AMI.
- Building permit data collection at the City and County level is not sufficient for accurate tracking of developments, yet the current data shows activity in both areas.
- Higher sales prices and taxes are concentrated around the City of Greenville and at the northern part of the County.
Both the City and County of Greenville clearly have a demand-supply formula that is out of balance. The population and household growth rate for Greenville 2012-2020 is similar to that of the early 2000s. New construction of single-family housing in 2020 is still far short of the housing production numbers in 2006-2007. Greenville is projected to add 35,000 new households from 2018-2029. Much of this household growth will occur in the upper income ranges ($75,000 +). Ten-year residential permit data for the City and County indicate that supply is not keeping up with new demand, let alone existing demand with evolving needs due to changes in family and age.

Two indicators that bear out Greenville’s growing disequilibrium are:

1) There has been a steady decrease in for-sale housing inventory since 2013, and

2) The length of resident tenure in both ownership and rental units is significantly longer than the national averages, indicating a reluctance or difficulty in finding suitable alternative housing.

From 2011-2018, Greenville ranked in the top ten metro markets for growth in “cost burdened” rental households earning $30,000-$45,000 annually (households exceeding 30% of income allocated to housing costs). During this period, the share of cost-burdened households grew from 17% to 42%.

The City and County represent distinct housing markets. First, the sizes significantly differ with approximately 163,800 households in the County and 28,700 in the City. They are also not completely aligned in regard to their housing issues. The City of Greenville is a younger market that is disproportionately renter-oriented (57%) vs owner-oriented (43%). The County is just the opposite (28% renter vs 72% owner). Demand in the County is more likely family-driven while the City has higher non-family demand, although both markets have notable demand in both household types. This is reinforced by the fact that builders are more focused on delivering single-family housing product in the County, averaging 1,928 permits pulled annually over the past 3 years (2017-2019). In contrast, the City averaged 646 single-family and 123 multi-family permits annually during this same period of time. The County is weighted heavily towards single-family units while the
City is oriented towards multi-family units with smaller household sizes.

During this study, it was mentioned several times by local stakeholders that the affordable housing issue is primarily a City concern, not one that is significant in the County. The data does not bear this out. Both jurisdictions have several low-income census tracts. The County’s low-income census tracts have 18,139 households that are cost-burdened compared to 5,880 respectively in the City. 35% of the County residential units are non-family households. 40% of the City residential units are non-family households. 62% or 11,246 County families are living in low-income census tracts and are cost-burdened. Other cost burdened households live throughout the County (23,300), mostly comprised of households earning 80% or less of Greenville's area median income. Affordable housing is both a City and County concern. In real numbers and logistically, the issue is somewhat more challenging in the County.

Affordable housing is not easily defined. For the purposes of this study, affordable households are defined as those with incomes ranging from 0% to 80% of Greenville’s area median income (AMI) which was $66,500 for a family of four in 2018. The responses to resolving affordable housing issues are often dependent on where a household falls in this income range.

**VERY LOW-INCOME HOUSEHOLDS (0-30% OF AMI)**

There are over 19,300 households in Greenville County that earn 0-30% of AMI and approximately 5,000 in the City of Greenville for a total of 24,300. For a family of four, this household income ranges from $0 to $25,100 (2018 AMI). This income group, due to its limited income, is difficult to serve. The cost of housing and the limited resources often require an on-going subsidy for the household to attain safe and decent housing.

There are housing vouchers, public housing units, and Section 42 tax credits that are employed by both the public sector and private sector to address approximately 12% of Greenville’s households. 19,000 or 78% of these households meet the definition of cost-burdened. This likely means that households are spending their limited resources on housing at the expense of necessities such as food and basic needs. This income cohort requires cost of housing at or below $500 a month, which is limited in supply and quality.

**LOW-INCOME HOUSEHOLDS (30%-50% OF AMI)**

There are over 19,200 households in Greenville County that earn between 30%-50% AMI and approximately 3,200 households at this level in the City of Greenville for a total of 22,400. This represents 11.6% of all households in the County. For a family of four this household income ranges from $25,100-$33,250 (2018 AMI). There are approximately 16,461 (73%) households that are cost-burdened in this category. Thanks to public and private sector policies, these households do not necessarily require an on-going subsidy. There are a diverse set of responses ranging from preserving existing affordable housing stock to incentivizing the private sector to produce affordable housing product designated for these households. Many in this category are on the cusp of being able to purchase a modest existing home ranging in price from $120,000 to $135,000. In most cases this is only possible assuming some level of assistance with the down payment requirement. Most households in this income range...
range will rent an apartment depending on family size for between $600-$1,000 dollars a month.

LOW-TO MODERATE-INCOME HOUSEHOLDS (50%-80% OF AMI)

There are approximately 28,000 households in Greenville County that earn between 50%-80% of AMI and 3,500 households in at this level in the City of Greenville for a total of 31,500. This represents 16.4% of all households in the County. There are 3,984 that are cost-burdened (49.6%) in this income range. For a family of four this household income ranges from $33,250-$53,200 (2018 AMI). As would be expected, households that fall into this income range are more likely to explore homeownership assuming they are able to find a safe and decent home for under $200,000. Saving or securing proceeds for a down payment will be one of the more significant impediments. This income cohort will be able to select from a wider range of multi-family product with a monthly range of $800-$1,500.

Greenville is a growth market. In addition, housing supply in many instances has not kept up with growth. This point is emphatically made in a Homebuilders Association of Greenville report indicating that given its growth between 2009 and 2018, Greenville should have produced approximately 11,000 more residential units than it has. The majority of the new household demand is in the upper income categories. The builders are building in response to this demand, but not at a rate to keep up with the growth. The result is a shortage in supply and an increase in housing pricing.

This set of market facts has likely worsened the shortage of affordable housing available to those that most need it. In most housing markets across the country, affordable housing production is inadequate in responding to the number of households that are income constrained. This is also the case in Greenville, as the barriers to affordable housing access for lower-income households are more pronounced given the overall growth in demand and lack of supply. Upper-income households are competing for the available affordable units, and over time (due to a shortage in supply), serving to drive up the cost of the existing housing stock.

In order to respond to Greenville’s affordable housing issues effectively, the responses must address two critical market indicators. First, the affordable housing inventory available to low- and moderate-income households (0-80% of AMI) is not growing appreciably and there is reason to suspect it is in decline. This decline is precipitated by the persistent increase in residential housing values and the housing supply shortage encouraging households earning 81% of AMI and above to compete for whatever housing might be available. To ensure an effective affordable housing strategy for Greenville, it is critical to produce more affordable housing stock, produce more housing stock that is diverse in housing type and price, and preserve existing affordable residential units.
Strategies designed to effectively address the shortage of affordable housing available to Greenville’s low to moderate income households must effectively organize all the housing related parties, public and private, to ensure measurable progress and sustained change.

The 2021-2030 Greenville Affordable Housing Strategy focuses on these key elements:

- Housing Preservation
- Housing Production
- Housing Tools
- Housing Location
- Organizational Capacity
Discussion

Greenville, city and county, have over 85,000 households living at 80% of the area median income (AMI) or below. Over 22,000 households are living at less than 30% AMI. The total number of “affordable” residential units available in Greenville fall just short of this number – 84,600. Many of these units are likely occupied by households earning well above affordable wages. It is for this reason that almost 55,857 Greenville households are housing cost-burdened.

In addition, many affordable units suffer from inadequate maintenance. Homeowners and landlords of these units, due to limited means, are not able to adequately maintain let alone replace older materials and/or HVAC.

Clearly, a key strategy in responding to Greenville’s affordable housing issues is preserving and maintaining affordable housing for low- to moderate-income households. In communities similar to Greenville, where population and home values are increasing, often the existing affordable housing stock is diminished as owners take advantage of the growing equity in their units. When this happens, solving affordable housing issues becomes more expensive.

Description

An affordable housing preservation strategy has three key objectives:

- Retain as much of the existing 30%-80% AMI household housing stock as possible for as long as possible;
- Ensure existing affordable units are well maintained, providing safe and decent housing for Greenville’s low- and middle-income households; and
- Ensure low- and middle-income households have first access to affordable units whenever possible.

Most affordable residential property owners are confronted by two significant financial impediments that can dissuade them from retaining the affordable status of their residential property.

- Access to capital to adequately maintain and renovate their residential unit(s)
- Increasing operating costs that reduce the economic benefit from owning an affordable home or multi-family unit(s)

25%-40% more expensive to build new vs. preservation
CASE STUDIES

The Greenville Affordable Housing Study recommends preservation as a strategy to maintain existing affordable housing stock. An effective preservation strategy brings multiple stakeholders to adequately fund preservation efforts in the midst of demand and price escalation.

Arlington County, VA
Housing Conservation District (HCD)

The goal of the HCD is to maintain and enhance the character of multifamily neighborhoods, encourage the preservation of existing market-rate affordable housing, and create opportunities for new affordable and moderate-income units when redevelopment occurs. The HCD leverages a combination of land-use planning, zoning, and other incentives that are aimed to preserve mixed-income housing. Since 2017, with an adopted policy framework, this conservation district encompasses 12 areas that contain 382 properties and over 5,600 apartments. The district was created though the County Board and anticipates a set of final recommendations in early 2021 that incorporate both zoning and financial incentives for preservation.

The program is run by County staff but also features a working group that represents a broad set of interests related to housing conservation. Currently, the district is working on implementing its land use and zoning policies that align with the county master plan. The district has adopted a Zoning Ordinance amendment requiring additional community review for new townhouse development within the boundaries of the HCD.

Portland, Oregon
Affordable Housing Preservation

This is a program provides funds to homeowners to maintain their homes in order to preserve the existing affordable housing stock in the city. The Portland Housing Bureau provides no-interest loans and grants for homeowners to repair their units. The amounts offered go up to $40,000 and can be used for any kind of maintenance, such as a leaky roof to electrical issues. Households must be eligible to apply through the City of Portland requirements.

Run by the City of Portland Housing Loan Coordinator, monies come from the City’s general fund and are provided by the Portland Housing Bureau. From FY 2018-19, the City of Portland awarded over 640 home repair grants and over 25 home repair loans, which is over the city’s stated goal for both metrics. The loan will only be administered to homeowners and total cash assets cannot exceed $20,000, excluding the value of the home. Homeowners with a maximum annual household income up to 120% of the Portland AMI, as well as total cash assets of less than $20,000 excluding the value of their homes, are eligible for the loans. Homeowners must have equity in the property at least equal to the loan amount, and specific loan terms are as follows:

- Maximum loan up to $40,000, but not more than total cost of allowable repairs
- 0% Annual Percentage Rate (0.0012% APR)
- 15-year loan term, after 15th year loan is completely forgiven
- Maximum loan to value is 100%
Housing Preservation Strategy

The Greenville Housing Preservation strategy proposes the preservation of 3,000 existing affordable housing units from 2021-2030 (10 years). This will be achieved by building on the progress of a recently launched Multi-Family Acquisition-Rehabilitation Program and the creation of four new preservation incentive programs. Each is described below:

Affordable Housing Preservation Programs

<table>
<thead>
<tr>
<th>Program Description</th>
<th>Impact</th>
<th>Costs</th>
<th>Key Sponsors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Loan Program (program 1)</td>
<td>500 units over 10 years, preserved up to 30 years</td>
<td>average loan: $35K/unit</td>
<td>City and County of Greenville, Greenville Housing Fund</td>
</tr>
<tr>
<td>Indirect Incentive (program 2)</td>
<td>100 units over 10 years, preserved 10-15 years</td>
<td>reduced taxes/fees up to $17.5K/unit over 10 years</td>
<td>City and County of Greenville</td>
</tr>
<tr>
<td>Direct Loan &amp; Indirect Incentive (program 3)</td>
<td>400 units over 10 years, preserved 10-15 years</td>
<td>average loan: $12.5K &amp; reduced taxes/fees up to $10K over 10 years</td>
<td>City and County of Greenville, Greenville Housing Fund</td>
</tr>
<tr>
<td>Donated Distressed Residential Property (program 4)</td>
<td>50 units over 10 years, preserved into perpetuity</td>
<td>average loan: $60K</td>
<td>assigned to qualified Greenville entity</td>
</tr>
<tr>
<td>Multi-family Acquisition-Rehab (program 5)</td>
<td>200 units annually with covenants for affordability</td>
<td>$4M equity raise, self-sustaining revolving debt</td>
<td>Greenville Housing Fund</td>
</tr>
<tr>
<td>TOTAL</td>
<td>3,050 preserved units</td>
<td>revolving loan debt, equity line ($4M), forgone fees-property taxes $5.75M</td>
<td>average cost per unit: $24,524</td>
</tr>
</tbody>
</table>

Table 12

Program 1: Direct Loan Program
Direct cash loan (up to $50K) incentive to selected homeowner & multi-family unit owners

Key Program Tenets:
- Bring units up to code
- Exterior repair and moderate rehab
- Refinance existing debt
- Pay property management fee per specific management benchmarks
- Unit owner covenants to preserve affordability for 15-30 years
- Selected homeowners – plan to sell within 5 years or less
- Multi-family owner unable to maintain unit (various reasons)
Program 2: Indirect Incentive
City/County agrees to forgo/divert up to 50% of annual fees and/or property taxes of $2K per unit (whichever is less)

Key Program Tenets:
- Forgo to reduce the annual operating cost of unit, improves bottom line for owner
- Divert to allow public entity to make loan of up to $15K/unit for rehabilitation
- Select homeowners - must agree to sell home at pre-determined affordable value
- Multi-family owners - maintain affordable rent at agreed-to level determined by incentive terms (minimum 10 years)

Program 3: Direct Loan & Indirect Incentive
Combine Program 1 with direct incentive and indirect with fee/property tax reduction

Key Program Tenets:
- Smaller direct incentive used for rehabilitation of unit - up to $15K
- Partial forgiveness of annual fees and/or tax abatement for 10 years
- Instead of forgiveness, use partial payment to retire direct incentive (loan)
- Unit-owner covenants to preserve affordability for 10-20 years
- Selected homeowners - plan to sell within 5 years or less
- Multi-family owners - unable to maintain unit (various reasons)
- Loan repaid from income stream or sale of home at no/low interest (subject to affordability covenants)

Program 4: Donated Distressed Residential Property
Identification, feasibility, & analysis for Troubled Properties Program to keep units affordable

Key Program Tenets:
- Identify vacant/rapidly deteriorating residential properties
- Conduct ownership and title research
- Conduct feasibility analysis re: return to occupancy condition (post-rehab value)
- Determine suitability for Troubled Properties Program (following owner contact)
- Property remains affordable into perpetuity (once accepted)

Program 5: Multi-family Acquisition-Rehabilitation
The Multi-family Acquisition-Rehabilitation Program partners with local financial institutions to establish a “bridge loan” financing tool to acquire available multi-family properties. Often the properties need modest rehabilitation and capital improvements. The bridge financing terms are favorable and accommodate the lease-up and economic stabilization of the property within an 18-36 month period. Once stabilized permanent financing replaces the bridge loan. It is estimated that this program will preserve an average of 200 multi-family units annually. The program is in the process of raising a one-time $4 million dollar equity line to leverage debt and to ensure the timely acquisition of available multi-family properties.
Housing Production

The primary goal for housing production strategy is to leverage private resources to produce mostly affordable rental housing units to serve households between 0% and 80% Area Median Income (AMI). These are the household income levels that are not able to find affordable housing units to rent at a price point that they can pay. Greenville and Greenville County will experience continued growth in the number of households at these income levels over the next ten years. To meet the existing unmet and new demand for affordable housing, it will be critical for the bulk of the housing units to be generated in larger scale multi-family developments primarily by the private sector. The public and nonprofit sectors may be involved often in leveraging private sector resources to fill affordable housing project financing gaps to assure affordable housing units are built and priced accordingly.

Description

- Baseline - 15,000 Affordable new Housing Units in Demand
- By 2030, growing GAP Increasing to around 20,000 new units
- Begin to close GAP using variety of housing typologies and development partnerships
- Only private investment and development can scale quickly to close the GAP
- Develop affordable housing units at price points that households can afford, private developers/investors must be incentivized to close the growing GAP

Key Issues:

- Mismatch of existing housing supply with existing affordable housing demand
- Need more studios and one- and two-bedrooms to meet the needs of younger households in the market
- Increase supply of affordable housing in targeted locations near employment and transit
- To expand rental assistance programming for 0%-30% AMI households
- Produce affordable housing units across a broad group of housing types, from single-family homeownership to larger multi-family residential product to serve mostly working households with incomes ranging from 30% to 0% AMI
Cost-burdened Households by AMI

<table>
<thead>
<tr>
<th>Cost Burden: 30%-60% AMI</th>
<th>Rent</th>
<th>Own</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>10,108</td>
<td>5,353</td>
</tr>
<tr>
<td>Cost Burden: 60%-80% AMI</td>
<td>4,692</td>
<td>4,488</td>
</tr>
<tr>
<td>TOTAL</td>
<td>14,800</td>
<td>9,841</td>
</tr>
</tbody>
</table>

Table 13

CASE STUDIES

Five15 on the Park

The Greenville Affordable Housing Strategy recommends a handful of large scale mixed-income projects in order to satisfy affordable housing objectives. They are not easy but can serve as game changers for a neighborhood and the prospective residents.

The Five15 on the Park (2015), 259-unit, $52.5M development is a good example of the commitment, complexity, and reward that are involved in completing such projects. Fine Associates, LLC is a developer with a desire to establish catalyst projects capable of reinforcing struggling neighborhoods. The City of Minneapolis was committed to partnering to make the difficult, seemingly impossible, possible in a financially feasible manner.

In this case, a premier project required ten years, 16 Council resolutions, 13 unique private and public funding sources, and evolving community support to result in 130 affordable and 129 market-rate units and 6,000 square feet of commercial space. Not all projects are as complex as Five15. However, almost all are difficult, and require patience and strong capable partnerships.
Housing Production Strategy

The following housing developer typologies describe who may be best to develop certain types of new affordable housing, at what scale, and where in the real estate market are best fits for these developer typologies.

**Developer Typologies**

*NOTE: Further detailed discussion on each housing tool and developer typology is described in the Appendix.*

**Public/Nonprofit Sector Developer 0%-30% AMI**
- Rental Assistance (rent)
- CDBG/HOME (rent and own)
- G.O. Bond GHF: Supplement private developers for dedicated affordable units

**Single Unit Builder/Contractor (rent/own) 30% - 80%**
- G.O. bond GHF: Supplement private developers for dedicated affordable units
- Tax abatement
- Other cash-based transfer incentives to keep price point affordable
- Guarantee to back capital with private finance institutions

**Small (private and/or nonprofit) Developer (missing middle) # Units < 200 units**
- Cash poor, need incentives that keep cash flow steady for ROI and to sustain affordable price points
- Need incentives to generate cash to do the deal
- Guarantee to back capital with private finance institutions

**Large Private Developer**
- Cash rich, guarantee not necessary
- Need incentives to price rents affordably and still make their ROI
- Mixed income, 20% of units in otherwise market-rate project
- Require all large developments to set aside 20% or put money into a pooled affordable housing fund with GHF as an off-set for not providing affordable units
Program 1: Neighborhoods
Neighborhood Housing Stabilization, SFR Infill, and Vacant Housing Renovation

Developer Typology: Public/Nonprofit Developer: 0-30% AMI | Single Unit Builder/Contractor (rent/own): 30-80% AMI

<table>
<thead>
<tr>
<th>Projects</th>
<th>Units</th>
<th>Housing Types</th>
</tr>
</thead>
<tbody>
<tr>
<td>100</td>
<td>100</td>
<td>SFR Rehabilitation (nonprofit, private individuals, faith)</td>
</tr>
<tr>
<td>100</td>
<td>100</td>
<td>New SFR Infill (nonprofit, private individuals, faith)</td>
</tr>
<tr>
<td>60</td>
<td>60</td>
<td>Accessory Dwellings Units (private individuals)</td>
</tr>
<tr>
<td>50</td>
<td>100</td>
<td>Duplexes (private developers, nonprofits, faith)</td>
</tr>
<tr>
<td>30</td>
<td>120</td>
<td>Quads (private developers, nonprofits, faith)</td>
</tr>
<tr>
<td>340</td>
<td>480</td>
<td>TOTAL</td>
</tr>
</tbody>
</table>

Table 14

Program 2: Missing Middle
Missing Middle within Neighborhoods and Neighborhood Edges and Corridors

Developer Typology: Small (private and/or nonprofit) | Private Developer (missing middle): #units <200

<table>
<thead>
<tr>
<th>Projects</th>
<th>Units</th>
<th>Housing Types</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>80</td>
<td>Townhomes (private developers, nonprofits, faith)</td>
</tr>
<tr>
<td>10</td>
<td>200</td>
<td>Small MFR - 20 units/ea. (private developers, nonprofits, faith)</td>
</tr>
<tr>
<td>10</td>
<td>600</td>
<td>Small to Mid-size MFR: 60 units/ea. (private developers, nonprofits, faith)</td>
</tr>
<tr>
<td>12</td>
<td>1,440</td>
<td>Mid-size MFR: 120 units/ea. (private developers, nonprofits)</td>
</tr>
<tr>
<td>42</td>
<td>2,320</td>
<td>TOTAL</td>
</tr>
</tbody>
</table>

Table 15

Program 3: Large/Very Large Multi-Family
Large/Very Large Multi-Family Developments (within areas rich in residential amenities and/or employment opportunities)

Developer Typology: Large Private Developer (Needs 200-500 units per development project)

<table>
<thead>
<tr>
<th>Projects</th>
<th>Units</th>
<th>Housing Types</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>2,400</td>
<td>Large: 200 units/ea., surface parking (private developers, nonprofit)</td>
</tr>
<tr>
<td>6</td>
<td>2,400</td>
<td>Very Large: 400 units/ea., surface parking (private developers, nonprofit)</td>
</tr>
<tr>
<td>4</td>
<td>800</td>
<td>Large: 200 units/ea., structured parking (private developers, nonprofit)</td>
</tr>
<tr>
<td>4</td>
<td>1,600</td>
<td>Very Large: 400 units/ea., structured parking (private developers, nonprofit)</td>
</tr>
<tr>
<td>42</td>
<td>7,200</td>
<td>TOTAL</td>
</tr>
</tbody>
</table>

Table 16
Affordable housing should be developed in a variety of neighborhoods, from established urban neighborhoods to more suburban neighborhoods that may be near employment clusters and transit as well. The key is to identify real estate where affordable housing may be located that “fits” the neighborhood context. Infill single-family homes and small rental development projects may fit the context of an existing neighborhood. Missing Middle rental developments may better be placed within quarter blocks of existing neighborhoods or along the edges of these neighborhoods without locating in the middle of an established block of owner-occupied housing. Large and Very Large Multi-family developments should be located along major corridors, in downtown Greenville or other smaller County municipal downtown, and along suburban growth areas near employment and amenity cluster when possible. Furthermore, Large/Very Large Multi-family developments can often strengthen the retail market along major corridors where “big box” stores may be vacant and/or underutilized real estate.

**Goal**

Identify land parcels (up to 280 acres in aggregate) that are available for immediate or near-term affordable housing development near amenity-rich areas and employment clusters by size of property to match developer typology.

**Description**

Provide incentives to developers of affordable housing to generate affordable housing units across a variety of housing types, real estate conditions, and neighborhoods.

**Key Issues**

Identify real estate that serves affordable housing SFR and MFR both 30%-80%, and MFR mixed-income opportunities

- Focus on real estate along transit lines and major transportation corridors for Large and Very Large affordable MFR development
- Priority near grocery/shopping, schools, parks, and employment clusters where possible
- Missing Middle small to mid-size MFR near grocery/shopping, schools, parks, and employment clusters, but should be located where possible within or on the edge of existing residential neighborhoods when it fits development context of the neighborhood
- Locate SFR rehab and New SFR infill and ADUs when possible in neighborhoods to help stabilize them if neighborhood has experienced higher than average number of vacant lots
The map below identifies geographic areas and neighborhoods that would be potential locations for affordable housing development because they have many of the key attributes that best serve the needs of individuals and families who are in need of affordable rental housing.
The following four program recommendations represent the key factors for identifying real estate for the possible development of affordable housing within the key geographic areas identified on the Greenville City and County map.

Program 1: Developable Property Inventory

- Work with County, the City, and smaller municipalities to identify vacant properties
- Work with realtors and government officials to identify which properties are ready for development
- Prioritize properties based on location, amenities, and readiness for development
- Match available properties with right developer typology

Program 2: Land Assembly/Land Bank Real Estate

- Work with real estate community and neighborhood organizations to identify possible land for Missing Middle within neighborhoods
- Identify key larger properties for Large and Very Large MFR developments in the County, City, and smaller municipalities
- Use Land Bank to protect neighborhood properties as potential long-term affordable housing for SFR and MFR development

Program 3: Networking with Property Owners

- Understand their long-term investment interest in the property
- Determine if the property owner would like to partner with other developers or develop real estate for affordable housing or mixed-income MFR
- Determine if the property owner would like to sell and/or participate as a silent partner with an affordable housing developer

Program 4: Match Developer, Typology, Location

- Individual investors, nonprofit, and faith-based developers for SFR rehab, new SFR infill duplexes, quads, and possible small MFR
- Private developers & nonprofit partners for affordable/mixed-use mid-size (60-120 units), large (200 units), and very large (400 units)
- Identify locations that match Optimize South Carolina LIHTC QAP Scoring Goals
## Neighborhoods

### Neighborhood Stabilization Real Estate (identify ~65 acres within existing neighborhoods)

<table>
<thead>
<tr>
<th>Housing Typologies</th>
<th>Units</th>
<th>Floors</th>
<th>Total Bldg Footprint SF</th>
<th>Total Bldg SF</th>
<th>Minimum Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>SFR - Rehab (existing vacant)</td>
<td>1</td>
<td>1</td>
<td>1,500</td>
<td>1,500</td>
<td>0.17</td>
</tr>
<tr>
<td>SFR - New Infill (existing vacant lots)</td>
<td>1</td>
<td>1</td>
<td>1,500</td>
<td>1,500</td>
<td>0.17</td>
</tr>
<tr>
<td>Accessory Dwelling Unit</td>
<td>1</td>
<td>1</td>
<td>500</td>
<td>500</td>
<td>0.06</td>
</tr>
<tr>
<td>Duplex</td>
<td>2</td>
<td>1</td>
<td>2,500</td>
<td>2,500</td>
<td>0.29</td>
</tr>
<tr>
<td>Quads</td>
<td>4</td>
<td>1</td>
<td>4,000</td>
<td>4,000</td>
<td>0.46</td>
</tr>
</tbody>
</table>

Table 17

## Missing Middle

### Missing Middle Real Estate (identify ~92 acres within or along edges of existing neighborhoods)

<table>
<thead>
<tr>
<th>Housing Typologies</th>
<th>Units</th>
<th>Floors</th>
<th>Total Bldg Footprint SF</th>
<th>Total Bldg SF</th>
<th>Minimum Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Townhomes</td>
<td>8</td>
<td>2</td>
<td>4,800</td>
<td>9,600</td>
<td>0.55</td>
</tr>
<tr>
<td>MFR - Small</td>
<td>20</td>
<td>2</td>
<td>10,000</td>
<td>20,000</td>
<td>1.15</td>
</tr>
<tr>
<td>MFR - Small-Mid</td>
<td>60</td>
<td>2</td>
<td>30,000</td>
<td>60,000</td>
<td>3.44</td>
</tr>
<tr>
<td>MFR - Mid</td>
<td>120</td>
<td>4</td>
<td>30,000</td>
<td>120,000</td>
<td>3.44</td>
</tr>
</tbody>
</table>

Table 18

## Large/Very Large Multi-Family

### Large/Very Large Multi-Family Developments (identify ~121 acres along major corridors w/ walkable, rich amenities/employment opportunities)

<table>
<thead>
<tr>
<th>Housing Typologies</th>
<th>Units</th>
<th>Floors</th>
<th>Total Bldg Footprint SF</th>
<th>Total Bldg SF</th>
<th>Minimum Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>MFR - Large (surface parking)</td>
<td>200</td>
<td>5</td>
<td>40,000</td>
<td>200,000</td>
<td>4.59</td>
</tr>
<tr>
<td>MFR - Very Large (surface parking)</td>
<td>400</td>
<td>5</td>
<td>80,000</td>
<td>400,000</td>
<td>9.18</td>
</tr>
<tr>
<td>MFR - Large (9 flrs w/PG) DT (structured parking)</td>
<td>200</td>
<td>9</td>
<td>40,000</td>
<td>200,000</td>
<td>1</td>
</tr>
<tr>
<td>MFR - Very Large (9 flrs w/PG) DT (structured parking)</td>
<td>400</td>
<td>9</td>
<td>80,000</td>
<td>400,000</td>
<td>1.8</td>
</tr>
</tbody>
</table>

Table 19
Housing Tools are primarily in the form of financial incentives that would be used to spur private developers and resources to produce more affordable housing units across a variety of housing types. While financial incentives are critical to filling project financing gaps to allow private developers to keep rents affordable over time, more regulatory incentives may be key to moving housing from development concept to reality of new affordable housing being built.

**Goal**

Use scarce local resources (grants, loans, loan guarantees, tax abatement and tax credits) to optimize private financing of affordable housing units across all development levels for neighborhood stabilization, Missing Middle development, and Large/Very Large multi-family residential development.

**Description**

Housing tools provide incentives to developers of affordable housing to generate affordable housing units across a variety of housing typologies, real estate conditions, and neighborhoods.

The following are housing tool incentives that may be applied to a variety of rental or homeowner housing development scenarios. Some may be more appropriate for small, affordable housing developments while others serve to spur large-scale affordable housing development projects.
Grants CDBG/Other – The City and County can use their Community Development Block Grant and other Federal HUD housing programs that are designed for low to moderate income households (affordable housing) to preserve existing owner-occupied housing for households and assist smaller developers to create affordable housing infill for single-family and small multi-family product in existing neighborhoods that have need for housing stabilization efforts.

Subsidized Loans (Local, State, and Federal) – A variety of subsidized loan products can reduce debt for private, public, and nonprofit affordable housing developers. This tool is available from a number of government entities, and should be used to assist various developers to produce more affordable housing units over time. The program may need to be focused on geographic areas and locations that best serve individuals and families seeking affordable housing with employment, transportation, and other necessary amenities.

Tax Credits (Federal and State) – Tax credits are critical to assist private developers with building a financial capital stack that will allow them to keep rents affordable over time. Greenville can potentially use State Housing Tax Credits that should be used potentially to supplement federal 4% or 9% credits and extend the number of affordable housing units developed and/or lower the monthly rents to cover a greater number of households at or below 30% AMI.

Opportunity Funds – Greenville and Greenville County have several federally-designated Opportunity Zones that allow investors to delay their exiting capital gains taxes and/or forgo future capital gains taxes for investments within Opportunity Zones.

Affordable housing is an excellent use of this federal incentive when it aligns with needs within an Opportunity Zone.

Faith-Based Entities – These religiously-affiliated affordable housing efforts are often used to support affordable housing development for families in need. They can act independently, but can also be a part of a larger neighborhood affordable housing project.

Property Donations of Vacant Lots & Homes – Another method of acquiring possible sites to build affordable housing projects is to receive property via a 501(c)(3) entity that would then contribute the property to an affordable housing project for development. Often, property owners do not have the existing capacity to develop their properties. By donating them for a social good, the property owner would receive a deduction in their tax liabilities if given to a 501(c)(3) organization for a public good activity like affordable housing development.

Down Payment Assistance – Young families and first-time homeowners often do not have the full 20% for a down payment to a traditional lending entity for a mortgage. Even if they can get their home financed, this may require additional monthly costs such as mortgage insurance. This makes the mortgage possible, but it raises the monthly costs for the family. Down payment assistance could cover a portion of the difference for a young family or first-time homebuyer to reach a 20% down payment so they do not have additional monthly costs like mortgage insurance added to their mortgage payment.

Land Contract (Nothing Down) – Another options for homebuyers may be to “purchase” a home via a land contract. Instead of requiring a down payment, this
Housing Tools
Strategy

contract requires the homebuyer to certify that they can pay the monthly mortgage amount. The homebuyer then earns equity in the home over time, enabling the homebuyer to qualify for a conventional home mortgage after realizing 20% or more of equity in the home value during an agreed-upon timeframe. During the land contract period, homeownership would not be transferred until the conventional mortgage is secured.

Land Bank for Land Assembly - Create and sustain a land bank that could hold on to property overtime as land may need to be assembled for some larger affordable housing project. It would also allow the housing entity land bank to control the direction of real estate as pieces of property are being assembled. Another goal could be to protect and/or sustain rental property at an affordable price point overtime without selling pieces of real estate off into the private market where rent prices may escalate overtime beyond affordable rent levels.

Rental Assistance – This program would be used to assist working families and households that may suffer a one-time temporary economic hardship such as losing a job. Rental assistance could be used to keep tenants in their apartments while they find other work, and it keeps them from being evicted. This is a good long-term solution as most families are able to recover from a temporary job loss. It would reduce the number of evictions and would reduce the number of potential homeless individuals as well.

Tax Abatement – This incentive may be used to assist with long-term affordable housing project cash flow over the period of the tax abatement. It could be used with housing development projects that are 100% affordable or it could also be used to incentivize otherwise market-rate housing by providing tax abatement that corresponds to the percent of units in the market-rate deal that would be sustained long-term at affordable rental rates such as 80% of AMI.

Special Assessment Districts – These may be created to assist with managing new tax revenues generated from a district. These tax revenues could be captured for the district and reused within the district for additional affordable housing development or other public improvements that make the area more valuable.

Non-financial incentives - These may be very appealing as well to private developers. These non-financial incentives could be preferential treatment of the entitlement process if a private developer is proposing an affordable housing projects in a targeted development area. “Speed to Market” can be extremely important for the development of affordable housing to reach occupational sustainability as quickly as possible in the market.
The Housing Tools Matrix below matches the use of specific financing tools to different housing developers. Often, several of these tools may be used in the project financing to assure rent and sale price ranges remain affordable for working families.

### Housing Tools Matrix

<table>
<thead>
<tr>
<th>Housing Tools</th>
<th>Private Developers</th>
<th>P3 Partnerships/ NFP-CDCs</th>
<th>Public Sector G.O. Bond Support Local $</th>
<th>Investors (Institutional/ Individual)</th>
<th>Faith-Based Entities</th>
<th>Foundations</th>
<th>Financial Institutions/ CDFI</th>
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Table 20
Discussion

The Greenville Affordable Housing Strategy will require a well-organized long-term commitment by the community and its housing-related stakeholders. The strategy calls for preserving and producing 11,000 affordable units over the next ten years. If this ambitious goal is to be realized, the informal but impressive collection of housing related entities must establish a more formal structure from which to collaborate and support this mission.

The recent creation of the Greenville Affordable Housing Coalition (the Coalition) recognizes the importance of a collective voice and effort. The Coalition is comprised of a broad spectrum of community leaders and organizations. Many of its members will have a direct role in supporting the affordable housing strategy.

The Greenville Housing Fund provides an outstanding platform for collaboration and innovation. Due to the area’s diverse ecosystem, Greenville and the Coalition have the capacity needed to accomplish the housing strategy’s ambitious but realistic goals.

Impact

There is a need for a more formalized affordable housing platform for Greenville’s affordable housing organizations and advocates to establish effective approaches to addressing affordable housing issues and accomplishing strategic objectives. This platform should include an existing baseline for each of the major roles, measure capacity and role objectives that align with affordable strategy objectives, and report quarterly on progress in expanding effectiveness of each role in advancing affordable housing outcomes.

How much?

To be effective, the Coalition must convene its members and organize the short- and long-term objectives associated with each role. Coalition members should establish an operational budget that includes key costs like personnel, community engagement, and materials.

Estimated Budget - $100,000-$150,000

Who?

Greenville Affordable Housing Coalition
Best Practices
Intentional Partnering – The Secret Sauce

In 2007 Kelly L. Patterson and Robert M. Silverman reported (see Appendix) on the importance of establishing a local partnership to effectively address challenging community affordable housing issues. Often the community or neighborhood housing partnership (NHP) serves as a not-for-profit umbrella organization, bringing together public and private interests to increase affordable housing capacity and community-wide investment.

Effective NHPs typically have three key characteristics in common according to the report:

1. The NHP represents a public-private partnership that plays a local intermediary role on behalf of community-based housing organizations (CBHO).
2. The NHP’s activities are funded via a designated housing fund that pools resources from a diverse set of public, private, and philanthropic sources.
3. The NHP’s activities center on providing technical assistance, funding support, and program monitoring for the CBHOs.

Patterson’s and Silverman’s research found that there were 4 primary benefits realized by communities that established a strong partnership organization.

1. Housing became a less political issue and the focus of a broader group of organizations and constituencies.
2. Collaboration on affordable housing was more apparent and comprehensive solutions more likely as a result.
3. An expanded capacity throughout the community with stronger public-private partnerships.
4. The partnership helped establish more clearly the importance of having a local financial intermediary to foster affordable housing production and preservation amongst the CBHOs.

The advent of the Greenville Housing Fund and the Greenville Affordable Housing Coalition establishes the partnership framework that is required to effectively implement a comprehensive, scalable affordable housing strategy.

Recommendation

As the Coalition formalizes its operating structure, it is recommended that accountability be assigned to the primary organizations responsible for each of the key roles. Each role, except Education, has two or more primary contributors. The primary contributors should work together to leverage their contributions and determine how to maximize the influence that role has on meeting the community’s affordable housing objectives. In those categories that may be limited in the number of primary contributors, such as Producers and Education, the Coalition should determine how to address this potential lack of capacity.