



The Need for Affordable Housing in Lee County, NC

Key Objectives



FROM HOMELESS
TO MIDDLE
INCOME IN LEE
COUNTY



UNDERSTANDING
AFFORDABLE
HOUSING



AFFORDABLE
OPTIONS IN LEE
COUNTY



SOLUTIONS
AND NEXT
STEPS

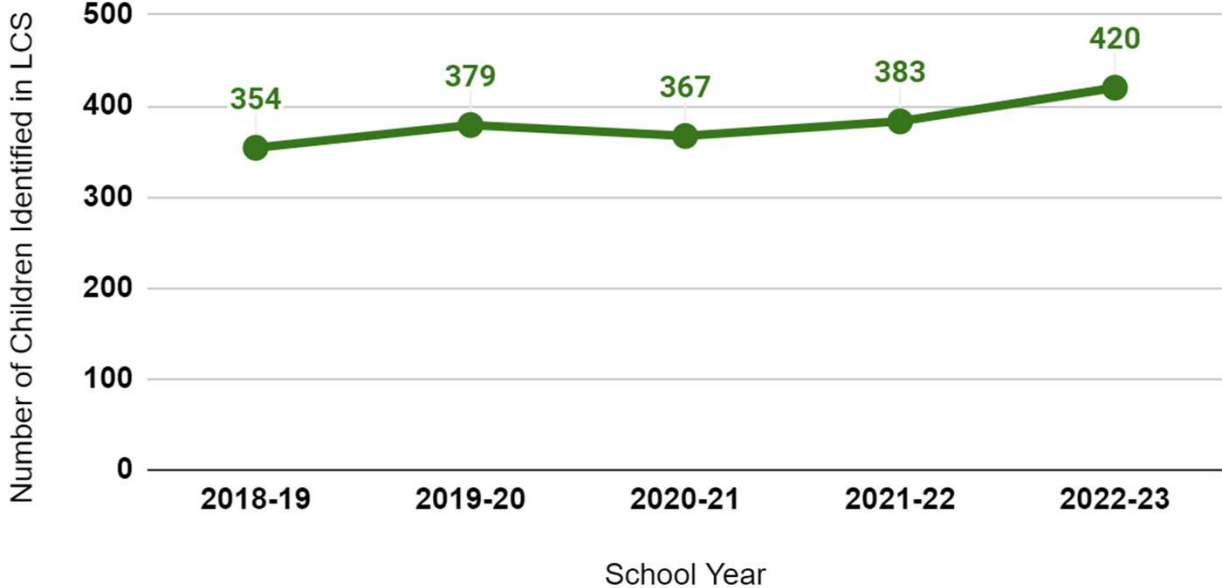
Rates of Homelessness in North Carolina's Region 7

Region 7 covers Anson, Harnett, Hoke, Johnston, Lee, Montgomery, Moore, Randolph, and Richmond counties.



Child Homelessness in Lee County

McKinney Vento Children Identified as Homeless by School Year







What Makes Housing Affordable?


- ▶ No more than 30% of household income is spent on housing expenses
- ▶ With remaining income, people can afford car repairs, school, and medical expenses
 - ▶ Leads to better outcomes
 - ▶ Medical/Dental, Education, Nutrition




Lee County Area Median Income \$66,200 for Family of 4


 Extremely Low 30% (\$9.50 hr 40 hrs) = \$19,860 = \$496 Month

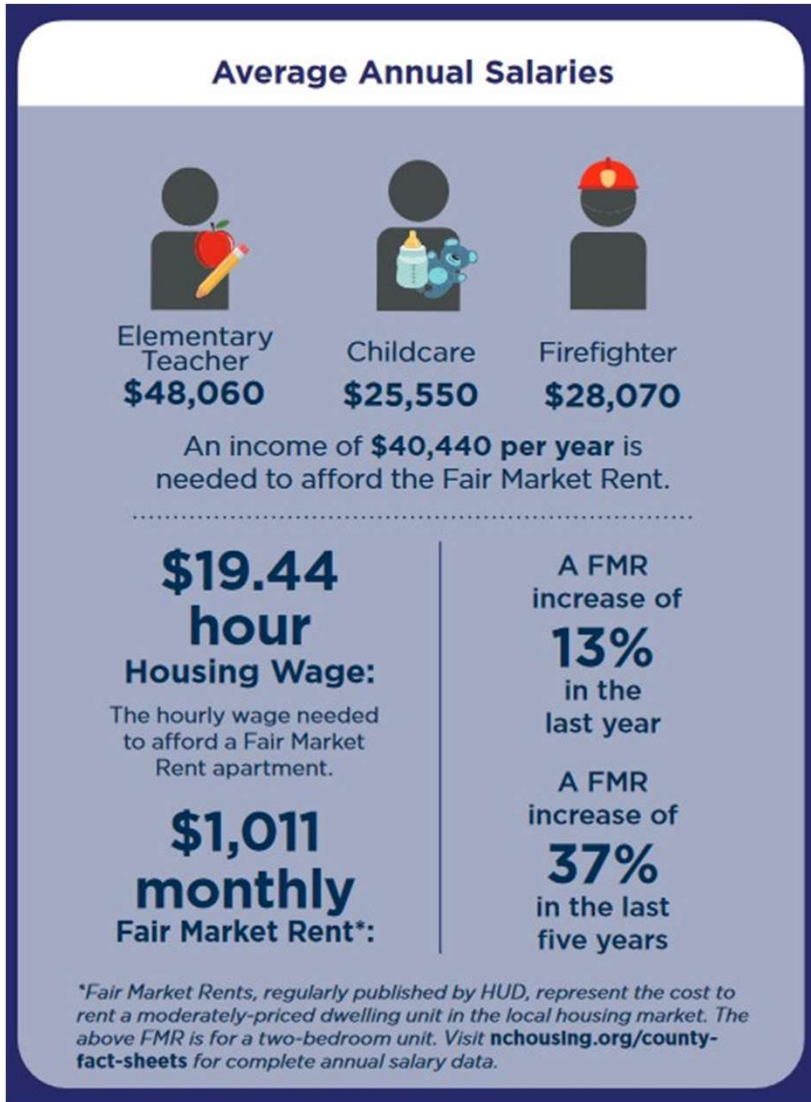
 Low 50% = \$33,100 (\$15.90 hr 40 hrs) = \$827 Month

 Low-Middle 80% = \$52,960 (\$25.00 hr 40 hrs) = \$1,321 Month

 Average/Middle 100% = \$66,200 (\$31.80 hr 40 hrs) = \$1,655 Month

 Average 120% = \$79,440 (\$38.00 hr 40 hrs) = \$1,986 Month

 *Includes Rent/Mortgage and utilities



Lee County Average Wages

► Graphic and data from North Carolina Housing Coalition

NOTE: check on entry-level FF salary with HR

Middle Income Families

- ▶ Make too much to be considered for housing assistance
- ▶ Often spending over 30% of income on housing (housing cost burdened), often over 50% (severely housing cost burdened)
- ▶ Supply is low and demand is high
- ▶ Feel stuck





27%

of Lee County are **cost-burdened.**

6,373 households

Renters who have difficulty affording their homes:



44%

3,392 households

Homeowners who have difficulty affording their homes:



19%

2,981 households

Families that spend more than 30% are considered **cost-burdened**, more than 50% are considered **severely cost-burdened**.

The 2023 Housing Need in Lee County

Graphic and data from North Carolina Housing Coalition

When Housing Costs Too Much

When housing costs become too much, a family can lose their home. This takes an incredible toll not only on a family, but also on the entire community.

Ranks

#62

for evictions among
renter households.

(1 = highest and 100 = lowest)



72 families faced a
foreclosure this
year...

2.42% of all cost-
burdened
homeowners.



424 families faced an
eviction filing this
year...

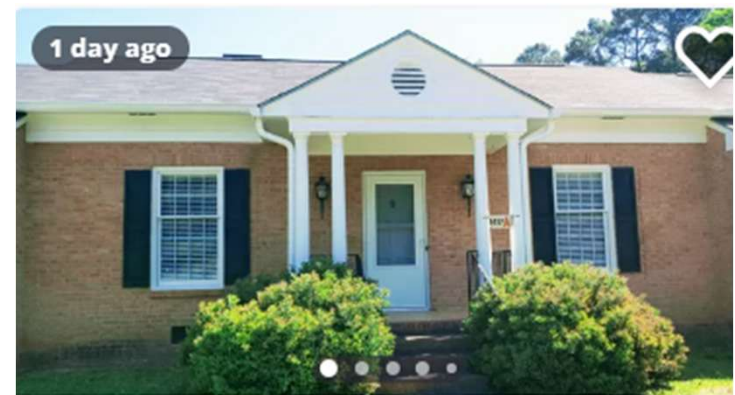
12.50% of all cost-
burdened
renters.

Foreclosures and Evictions

► Graphic and data from
North Carolina Housing
Coalition

What is Available in Lee County Now?

- ▶ Low Inventory
 - ▶ 7 total rentals are available for \$1,400 per month as of April 26, 2024 (Per Zillow)



\$1,350/mo

ooc

2 bds | 2 ba | 1,700 sqft - Apartment for rent
1417 Bragg St #A, Sanford, NC 27330

Current Rental Property in Lee County

Fair Market Rent as determined by HUD is

Final FY 2024 & Final FY 2023 FMRs by Unit Bedrooms

Year	Efficiency	One-Bed	Two-Bed	Three-Bed	Four-Bed
FY 2024 FMR	\$842	\$871	\$1,011	\$1,242	\$1,566
FY 2023 FMR	\$736	\$792	\$894	\$1,103	\$1,346
FY 2022 FRM	\$671	\$723	\$824	\$1,030	\$1,196



\$750/mo

1 bd | 1 ba | -- sqft - Apartment for rent



\$1,000/mo

2 bds | 2 ba | 1,050 sqft - House for rent



\$1,150/mo

2 bds | 1 ba | 800 sqft - Townhouse for rent



\$1,250/mo

3 bds | 1 ba | 1,200 sqft - House for rent



\$1,500/mo

3 bds | 1 ba | 1,102 sqft - House for rent



\$1,850/mo

3 bds | 2 ba | 1,189 sqft - House for rent

Data Review: Home Sales

Affordable Housing Currently

Cost of a Home

- ▶ September 2020 Median Sold Price \$203,000
- ▶ August 2023 Median Sold Price \$300,000
 - ▶ **47% Increase**

Interest Rates

- ▶ September 2020 2.87%
- ▶ September 2023 7.18%
 - ▶ **47% Increase**

Median Family income \$66,200

Monthly gross income $\$5,516 \times 30\% = \$1,655$

\$200,000 mortgage, PITI & PMI = \$1527 with \$8,750 down (3.5%) 5% 30 years

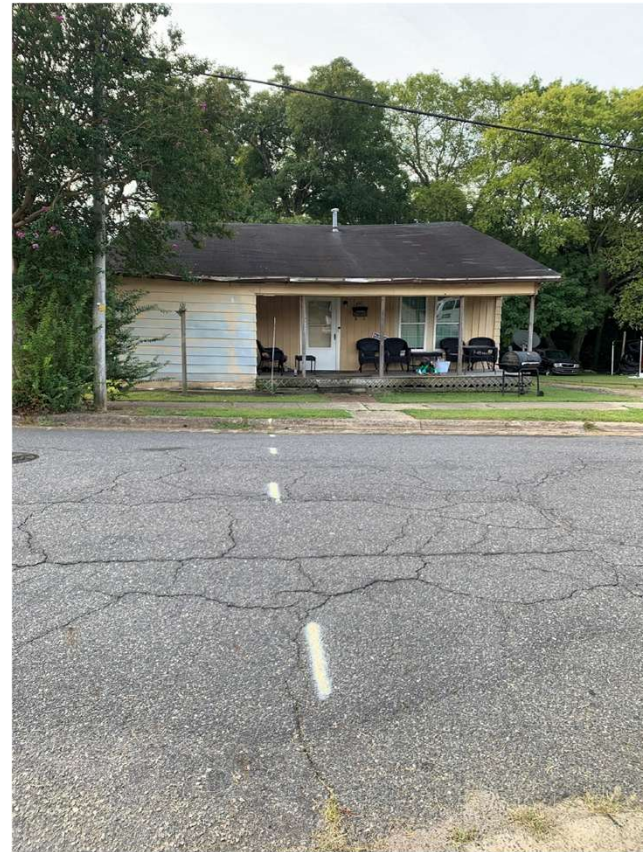
Leaving \$128 per month for utilities

Down payment ~ \$8,750 and closing costs ~ \$2,500 = \$10,500 or higher

Types of Affordable Housing

- ▶ Private-market affordable housing
- ▶ Rental or ownership
- ▶ Smaller or older homes, single or multi-family
- ▶ Manufactured homes (mobile homes or modular homes)
- ▶ Tiny homes
- ▶ Shared housing

Bottom line: Current market does not provide many affordable housing options



Affordable Housing- Rental

Housing Assistance Voucher

- ▶ Tenants find private rental property
- ▶ Tenant pays no more than 30% of their income for their portion
- ▶ Voucher program pays the remaining amount
- ▶ Could be long-term or short-term

*Landlords are not required to accept vouchers and many do not

Affordable Housing- Rental- Continued

Stewart Manor (Currently Unavailable)



Project Based Housing

- ▶ Whole facility requires income eligibility and rents are adjusted
- ▶ May be owned and operated by local Housing Authority, nonprofit agency, or a for-profit company
- ▶ Low Income Tax Credit housing, Sanford Housing Authority, or other funding subsidized
- ▶ Rent is typically based on income but not always, could have other eligibility criteria

Affordable Housing- Rental -Continued

Permanent Supportive Housing

- ▶ Supports people with disabilities and those who have experienced chronic homelessness
- ▶ Provides permanent housing at no more than 30% of resident's income along with support services including case management
- ▶ Project based or voucher based



Types of Affordable Housing- **Ownership**



- ▶ Naturally occurring affordable housing
 - ▶ Smaller or older homes, single or multi-family
 - ▶ Manufactured homes
- ▶ Housing purchased with Down Payment Assistance Programs
- ▶ Habitat for Humanity Housing
- ▶ Land Trust Housing - not available currently
- ▶ Subsidized housing development

City and County Level Solutions

Plan for Affordable Housing with Intention

- ▶ Establish measurable outcomes and accountability to the community
- ▶ Research/gather additional data
- ▶ Engage the community, especially those most affected



City and County Level Solutions

That have been successful in other areas:

- Develop a county/city fund for affordable housing support
- Create incentive zoning strategies that encourage setting aside a percentage for affordable housing or monetary support from traditional developers
- Create City/County Grant/Support for nonprofit affordable housing developers
- Support Affordable Housing developments with annexation into city limits

City and County Level Solutions- Continued

- Create a preservation project to assist in repairing naturally occurring affordable housing
- Create a land trust; research and purchase land for affordable housing set aside
- Donate redevelopment lots to nonprofit developers
- Cultivate relationships with affordable housing developers and consultants and funders

City and County Level Solutions - Continued

- Provide technical assistance and work closely with local nonprofits in completing funding applications and meeting requirements
- Provide up-front funding to support development costs prior to funding awards
- Create a town/county sponsored Affordable Housing advisory board with local residents and nonprofits working in this space

How Can You Help?



Join the Affordable Housing Advocacy Committee of S3 Housing Connect



Do more research on your own- get curious about affordable housing and what can be done to increase affordable housing



Meet with agency leaders working with lower income individuals and families; hear their stories - Habitat and Brick Capital



Meet with local elected officials to Advocate for affordable housing



Attend town council meetings and county commissioner meetings, let your voice be heard



Gather with others to create a common agenda for affordable housing advocacy

Will you take the first step to
learn more and make a
difference?

Can we count on your support?



“Decent, affordable housing should be a basic right for everybody in this country. The reason is simple: without stable shelter, everything else falls apart.”

-Matthew Desmond, *Evicted: Poverty and Profit in the American City*