

Lawrence County Affordable Housing and Implementation Plan Executive Summary

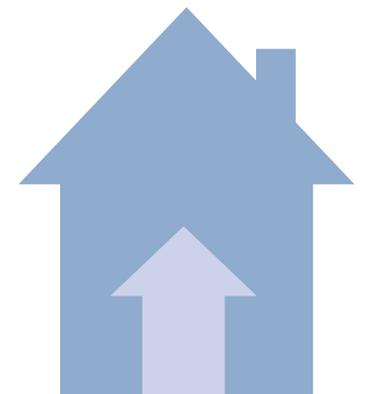
The purpose:

Implementing an action step of Lawrence County's 2016 Comprehensive Plan, this project represents the County's effort to build a detailed understanding of its housing market and the factors affecting the availability, suitability and condition of affordable housing. Based on an analysis of existing trends and conditions, identified needs and expected future demand, the implementation plan is designed to increase the extent to which all renters and owners across the County can access affordable housing choices that meet their needs.

The process:

The Housing and Implementation Plan took shape over the course of 10 months and was adopted in November 2018. A Steering Committee with support from the Department of Planning and Community Development met at major project milestones to provide direction and feedback, having gained direction from public and stakeholder input.

The planning process comprised three major phases: Gathering, analyzing and mapping current and historical quantitative data, defining and researching community needs and devising and refining strategies and action steps.



Affordable Housing and Implementation Plan

Top 8 findings

1 To a large extent, the problem with affordable housing in Lawrence County is not the price of housing – it’s the fact that households do not earn enough money to live in it without being cost burdened.

The County’s housing stock bears prices that are lower on the whole than in neighboring counties. Sluggish construction reflects a market that is currently weak, and in a weak market prices are low. However, incomes have not kept pace with inflation during the last decade-plus, so many County households still struggle to cover housing costs.

In 2016, 5,928 homeowners (19.8%) and 4,119 renters (43.1%) paid more than 30% of their household income in housing costs, a threshold which qualifies them as “cost burdened.” Cost burden is more prevalent among renters than owners and rents lower-income households the most severely.

2 If current trends continue, we can expect that by 2025, there will be **10,758** households in Lawrence County that need some type of intervention to achieve decent, affordable housing.

Affordable housing demand has two factors: Existing need (low-income households who are cost-burdened and/or living in deficient housing) and projected demand (projected increase in the number of low-income households). In 2014, there were 16,045 households in Lawrence County making less than 80% of the HUD area median family income, which was \$57,700. About half of them were cost-burdened, and an additional 652 were not cost-burdened but were living in inadequate housing. Added to the expected increase in low-income households (1,931), this totals **10,758** low-income households with affordable housing demand.

3 The average Lawrence County household spends more on transportation costs than on housing costs.

The average Lawrence County household spends 26% of its annual income on housing costs and 29% on transportation, with the remaining 45% available for other spending.

Lawrence County remains a heavily car-centered county, with 84% of workers driving alone to work each day. Transit options are available, but are limited in reach and schedule. The average County household travels an average 22,156 vehicle miles each year. The average annual transportation cost of \$13,003 includes vehicle ownership costs (average \$9,725) and the cost of miles traveled (average \$3,271), as well as the average amount a County household spends on transit (\$7—many spend zero, while a few spend substantially more).

Thus, location efficiency is a key concern in providing affordable housing options.

4 The County's housing stock is mismatched to meet the needs of changing household types.

Changing household size is one reason that steady population loss over decades in Lawrence County has not resulted in a staggering abundance of vacant housing units. Population loss has occurred at a steeper rate than household loss because households are getting smaller. The trend is a regional and national one: In recent decades, couples have tended to defer marriage and delay having children, and those who do have children have fewer. Single-person households are on the rise.

Since 2000, married couples with children dropped from 22% to 15% of all County households while couples without children and non-family households (including single and non-related people living together) grew in share. Builders and developers translate this trend into increased demand for more compact, accessible units with lower maintenance requirements.

However, much of the County's stock is large, including both century-old homes in core communities as well as newer construction in sprawling suburban plans. In total, 9.8% of housing units have fewer than two bedrooms, but 29.9% of County households are people living alone.

5 The concentration of poverty and lower-cost housing limits housing opportunities for lower-income households.

The data in this report underline a theme from the County's Comprehensive Plan: The County's housing market is only as strong as its core communities. The health of New Castle's market varies by neighborhood, but in general the City hosts a starkly disproportionate share of vacancy, blight and low-cost housing in poor condition. The lowest-income households often cannot find affordable housing beyond the City, especially when transportation is factored in.

Landlords reported that the prevailing low rent rates in the City make it difficult to justify sinking money into renovations, and likewise, would-be buyers are dissuaded from buying fixer-uppers due to the very real possibility that the cost of the purchase plus improvements would exceed the market value of the finished home. This cycle of disinvestment makes neighborhoods less appealing, which erodes their market value.

6 Mobile home residents have housing problems that are difficult to solve.

The County currently has 2,979 mobile homes, comprising 7.3% of all homes. In the words of one stakeholder, mobile home living is a “guarantee of poverty” in the current climate. Some parks charge up to \$250/month lot rent, while the units depreciate as vehicles do. Buying a mobile home does not build wealth.

Mobile homes represent a source of affordable housing, but they are typically not a visitable/accessible option for people with disabilities. The homes must be 30” from the ground, and their features are undersized. Stakeholders reported that water/sewer upgrades are needed in mobile home parks to make them livable, but loans and grants for this purpose are generally not available. More broadly, mobile home owners are limited by program rules from accessing resources for rehabilitation and other assistance.

7 People with disabilities have an especially difficult time finding and sustaining suitable, decent, affordable housing.

People with disabilities tend to have lower earnings, higher poverty rates and lower employment that all translate to a higher risk of housing cost burden. Lawrence County adults with disabilities are much less likely to participate in the labor market than those without disabilities, and even those who work tend to have much lower income levels. Housing implications for this group include:

- The vast majority of housing is ill-equipped to accommodate people who require a wheelchair or walker. Stairways, narrow hallways and doors and conventional bathroom layouts limit mobility and independence. It’s difficult to find affordable, available first-floor accessible units.
- The growing number of people with self-care disabilities suggests a need for the integration of service provision with accessible housing.
- Modification work cannot keep pace with need. Requests can currently take up to six months to address.

8 The growing senior population has major implications for future housing needs.

The median age of Lawrence County residents was 44.6 in 2016, compared to 40.5 in 2000. The County should anticipate a trend of expansion among senior citizen households, many of whom will live alone. Generally speaking, the housing implications for this group include:

- The need to age in place, often in housing that is not well suited for the needs of aging households. Much of the County’s stock is large with substantial maintenance demands and is not visitable.
- The need to downsize. The County currently lacks in supply of accessible apartments located in areas with access (via walking or transit) to daily amenities. What happens to the large homes that will be left behind?
- Fixed incomes. Households with housing cost burden will have little left over to allocate for other needs, such as health care, food and transportation.

What, therefore, should we do?

Simply summarized, the strategy is to **remove barriers** to private housing development and redevelopment that will adjust the stock to meet the needs of changing household types, while making strategic investments to **build competitive neighborhoods** and help **meet the needs** of those the market is least likely to serve.

The implementation plan has two parts. One set of recommendations is organized by neighborhood typology, recognizing that different market conditions will require different approaches. The second set of recommendations more generally applies to actions that will address identified housing needs across Lawrence County.

Typology strategy examples:

Healthy Communities

- Support the provision of quality public services and facilities to protect neighborhood strength.
- In thriving areas with proximity to jobs and amenities, look for opportunities to use the land bank to acquire and hold properties for future affordable housing development.
- Identify and address policy barriers to the development of affordable housing types.

Tipping-Point Communities

- Focus on scattered-site infill and rehabilitation projects.
- Invest in the public realm. Adding street trees, sitting areas and other pedestrian-scale amenities will add value to the neighborhood.
- Identify and proactively address code deficiencies before properties deteriorate to the point of major rehabilitation needs.

Distressed Communities

- Layer funding sources, programs and partnerships to pursue large-scale redevelopment projects.
- Ensure that current residents and business owners have a seat at the table in neighborhood revitalization discussions.
- Use tax-increment financing (TIFs) or tax abatement strategies to improve the feasibility of market-rate construction.

General strategies:

■ Promote economic integration.

Neighborhoods are stronger and more resilient when they include households at a wide range of income levels. However, a high degree of economic segregation exists between distressed areas of Lawrence County's core communities and its more prosperous suburban townships.

■ Reposition the housing inventory to better match the needs of changing household types.

Lawrence County's housing stock is ill-suited to serve the expanding number of small households. This presents two problems: Meeting demand for smaller, energy-efficient and low-maintenance units and finding uses for the large family homes for which there will be less future demand.

■ Integrate housing planning with transportation planning and economic development initiatives.

The typical County household spends more annually on transportation costs than on housing costs. Many residents live far from work, a fact that impacts traffic congestion, environmental quality, public health, neighborhood character and household budgets.

■ Use the land bank as a tool to build up whole neighborhoods, not just housing.

Lawrence County's new land bank represents a powerful tool to clear vacant, often blighted properties and return them to productive use. As policies begin to take shape to govern how the program will operate, the following considerations have to do with its potential to be layered with other investments to create lasting, transformative neighborhood improvement.

■ Grow upward mobility.

The County can create conditions for the market to produce housing affordable to its households, but it also needs to create opportunities that will give its households more economic power.

■ Meet special needs.

Certain subgroups of the County's population are disproportionately impacted by housing problems and face difficulty sustaining decent, affordable and suitable living conditions in the private market without assistance.

■ Cultivate capacity.

Housing problems are complex and impossible to solve in isolation. The planning process created momentum for collaboration that should continue as specific action steps begin to materialize.