

Affordable Housing Deep Dives

Brice McKeel & Joe Wilson | Mayoral Interns

Presenters



Brice McKeel is a fourth-generation Durhamite and homeowner, raising two fifth-generation Durhamite girls with his wife Rosemary. He comes from a Real Estate family; his parents having owned and operated Apple Realty on Guess Rd. for nearly 25 years.



Joe Wilson is a master's student in the Department of City and Regional Planning at UNC Chapel Hill, specializing in Housing and Community Development.

Background



- Affordable Housing Deep Dives
 - October 2022 - May 2023
 - Series of ten presentations to Council by local organizations and city agencies
- Fall 2023: Mayor Elaine O'Neal requests unified report and presentation

Topics



- Income and affordability
- Private development
- Subsidized & public housing
- Evictions
- Homelessness

Themes, Frameworks, & Tensions



- Durham changing
- Historical context
- Private vs. public intervention
- City powers and limitations

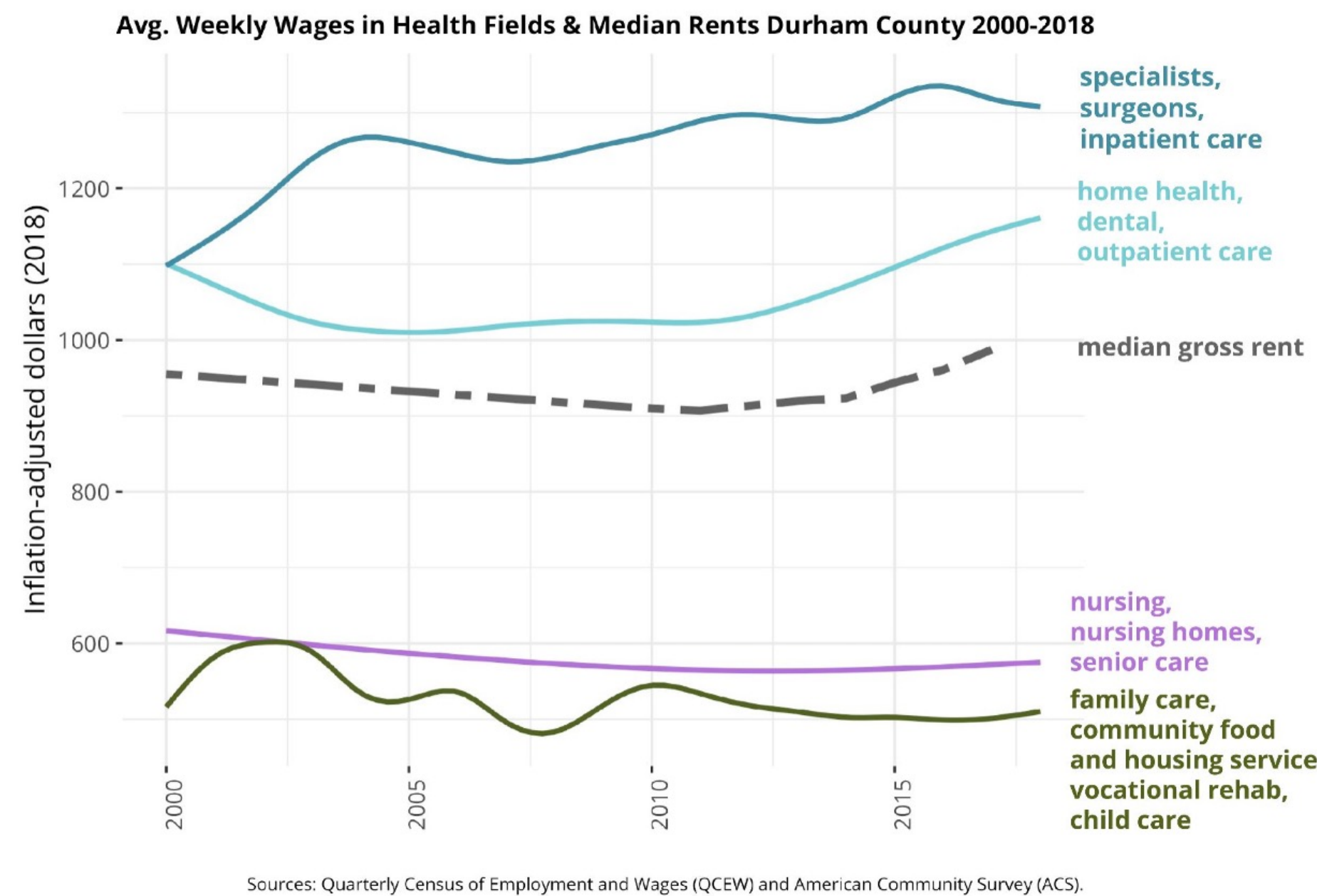
Housing Affordability



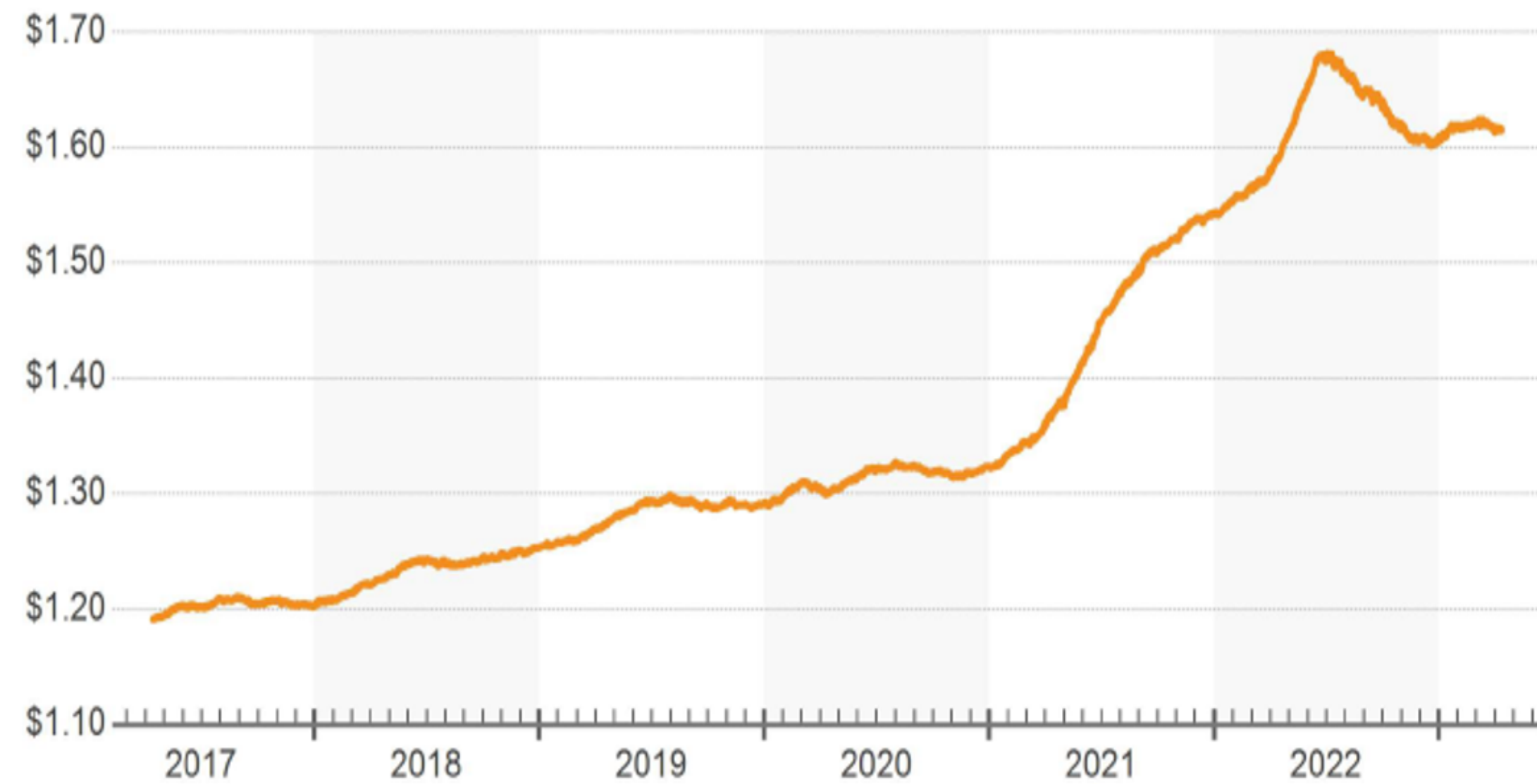
- *There can't really be a conversation about housing affordability without it also being about income.*
- 30% rule — How can the city make it realistic for **everyone** in Durham?
- HUD income levels — Based on Area Median Income (AMI)
 - “Low income” — 80% AMI
 - “Very low income” — 50% AMI
 - “Extremely low income” — 30% AMI

Housing Affordability

- Rent and income trends (DataWorks, Triangle Apartment Association)

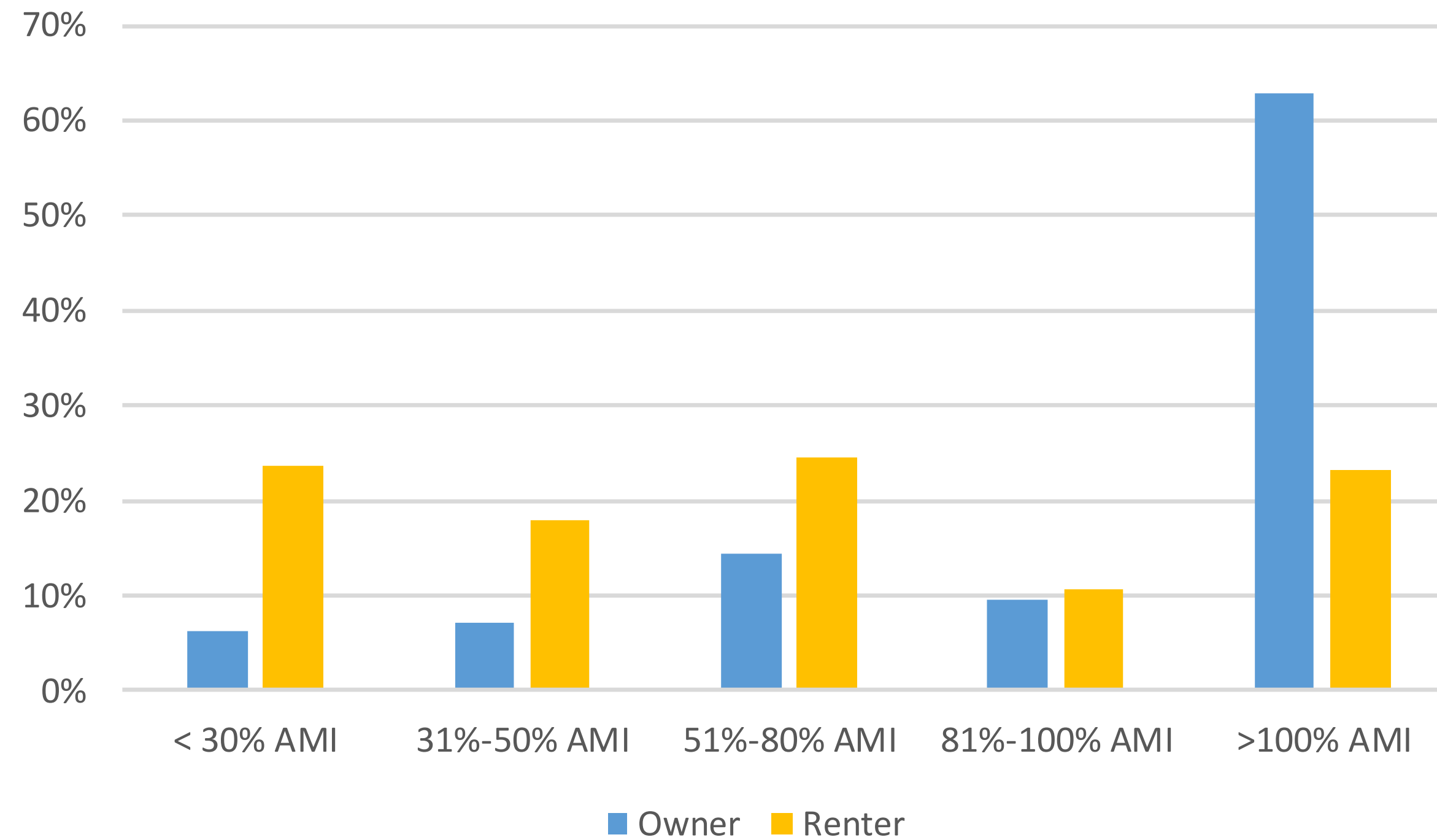


DAILY ASKING RENT PER SF



Housing Affordability

- Homeownership and income (Reginald Johnson, Income and Affordability presentation)



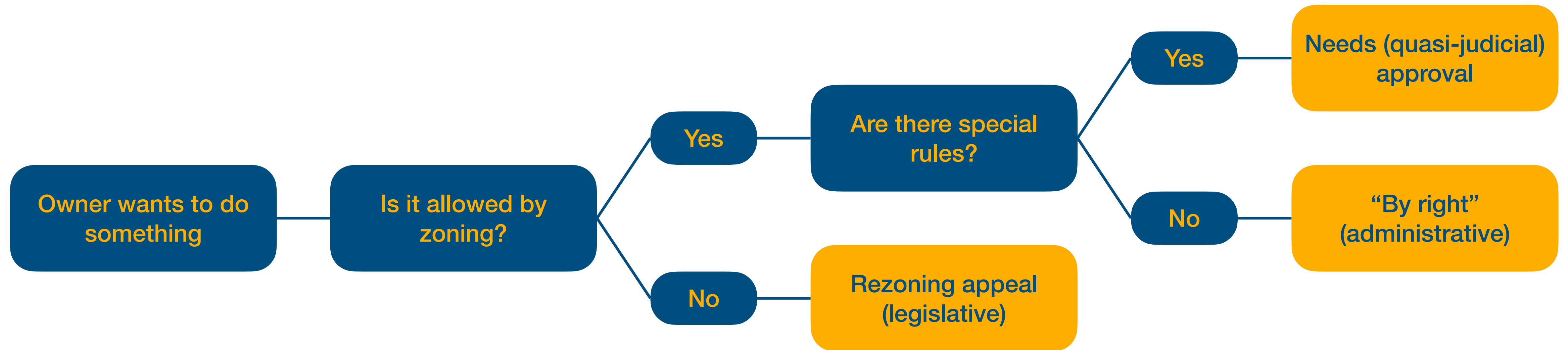
Housing Affordability



- City powers and limitations
 - Dillon's Rule — Durham can't **require** affordable housing
 - Special Charter Authority — Durham can **incentivize** affordable housing through density bonuses or “other incentives of value”
 - Regulatory relief?
 - Expedited consideration?
 - Grants?

Development

- Development process (Sara Young, Planning & the Development Process presentation)



Development



- Planning caseload: highest in years
 - Proffers — Density bonuses & other incentives — Few takers
 - 2023 Comprehensive Plan/UDO rewrite
- Active apartment construction pipeline — Caught up to move-ins in 2022
- Community concerns: deforestation, water quality

Development



- Recommendations — Triangle Apartment Association & Durham Regional Association of Realtors
 - Bring back housing roundtables & convene affordable housing committee
 - Invest in affordable housing preservation fund
 - Streamline development processes for ADUs, townhomes, small multiunit developments
 - Reform zoning and land use regulations
 - Work with a partner to help finance ADUs

Subsidized & Public Housing



- HUD-defined income limits — No graded benefits
 - Subsidized housing reserved for < 80% AMI; average < 60% AMI
- ~ 9,000 residents using DHA services
 - Average income: \$11,000/year
 - Average rent payment (by tenant): \$300/month
 - Employment rate: 25%
 - Under 18: 40%
 - Senior: 15%
 - With a disabling condition: 40%

Subsidized & Public Housing

- Housing Choice Voucher Program (Section 8)
 - DHA's largest program — 3,000 households using vouchers
 - Private landlords — Discrimination?
 - “Reasonable rent”
 - Waitlist capped, but in the thousands

Subsidized & Public Housing



- Public housing
 - *Public housing is essentially a failed model in the United States, not because of anything intrinsic, but because of underfunding by Congress*
 - DHA: 1,700 units, 99% occupied, 5,000+ person waiting list
 - “Troubled agency” — Building quality — Underfunded repairs
 - Mixed-income housing — DDNP

Subsidized & Public Housing



- Recommendations
 - Incentivize/require Section 8 participation among landlords
 - Find partners for wraparound services — Job training, childcare, language assistance
 - Work to fill staffing positions
 - Reform down-payment assistance
 - Utilize section 8 vouchers for mortgage assistance

Evictions



- Paused during Covid, but rising again
- Causes:
 - Non-payment
 - Ownership changes
 - Breach of lease

Evictions



- Filings → judgments
 - Trial process: quick, cursory - most tenants unrepresented
 - Eviction Diversion program
- Lasting impacts
 - Tenant reports
 - Financial impacts
 - Instability

Evictions



- Recommendations
 - Increase emergency rental assistance — Most evictions a matter of \$1,000 or less
 - Increase funding for Legal Aid — Each lawyer can help 85 families stay in their home each year

Homelessness



- HUD Categories:
 - Literally homeless
 - At risk of imminent homelessness
 - Fleeing domestic violence
 - Other administrations' definitions

Homelessness



- Continuum of Care: service providers, housing providers, funders, agencies
 - Coordinated entry & street outreach
 - Diversion
 - Emergency shelter
 - Permanent supportive housing
 - Rapid rehousing

Homelessness



- Challenges
 - Capacity & funding
 - “Fair rent” placement
 - Mental health, substance abuse, mistrust of system
 - Data & support

Concluding Thoughts

- Housing is an enormously complex issue with many stakeholders
- Common theme of presentations: gratitude toward city for prioritizing issue