City of Durham, NC
Housing Profile

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Today's Roadmap

1. Demographics
2. Housing Affordability
3. Housing Supply
4. Existing Affordable Housing
5. Next Steps

Appendix: Background Information for Downtown Rental Subsidy Program

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Useful Definitions

Income Groups

- *Low-income:* 51-80% AMI
- *Very low income:* 31-50% AMI
- *Extremely low income*: ≤30% AMI

2015 Income Limits

Household Size	30% AMI	50% AMI	80% AMI
1 person	14,150	23,600	37,750
2 person	16,200	27,000	43,150
3 person	20,090	30,350	48,550
4 person	24,250	33,700	53,900

Housing Costs

- *Not cost burdened:* Total housing costs represent < 30% of gross household income
- *Moderately cost burdened:* Total housing costs represent 31-50% of gross household income
- *Severely cost burdened:* Total housing costs represent >50% of gross household income

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Highlights

- **Population** is growing and the nature of diversity is changing
- **Rents and home values** have both increased since 2000, although submarkets vary and many areas are still relatively affordable
- **Renters** have the most severe housing cost burdens, especially at the lowest-income levels
  - There is a citywide shortfall in affordable units for very low and extremely low income households
- **Existing affordable housing stock**, which serves the City's most vulnerable populations, has the potential to lose its affordability restrictions
- Population growth, transit dependence and planned public investments will shape short-term and long-term housing affordability
  - Potential target areas include Northeast Central Durham, LRT proposed station areas, and areas near DHA redevelopments.

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DEMOGRAPHICS

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Population and Income: 2000-2013

Population	Persons (2000)	Persons (2013)	% Change 2000-13
City of Durham	187,183	234,922	26%
Durham County	233,314	276,494	19%
North Carolina	8,049,313	9,651,380	20%

Income	Households (2000)	Households (2013)	% Change 2000-13
30% AMI or below	12,295	12,029	-2%
31-50% AMI	9,105	12,611	39%
51-80% AMI	14,406	17,088	18%
81% AMI or higher	39,155	56,966	46%

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Source: CHAS 2000; ACS 2009-2013 via PolicyMap

Race and Ethnicity: 2000-2013

Race/ethnicity	Persons (2000)	Persons (2013)	% Change 2000-13
White	85,464	108,609	27%
African American	81,586	93,722	15%
Asian	6,519	11,248	73%
Native Hawaiian or Pacific Islander	60	75	25%
American Indian or Alaskan Native	574	1,052	83%
Some Other Race	8,754	12,694	45%
Two or More Races	4,226	7,522	78%
TOTAL	**187,183**	**234,922**	**26%**
Hispanic	*15,922*	*32,750*	*106%*

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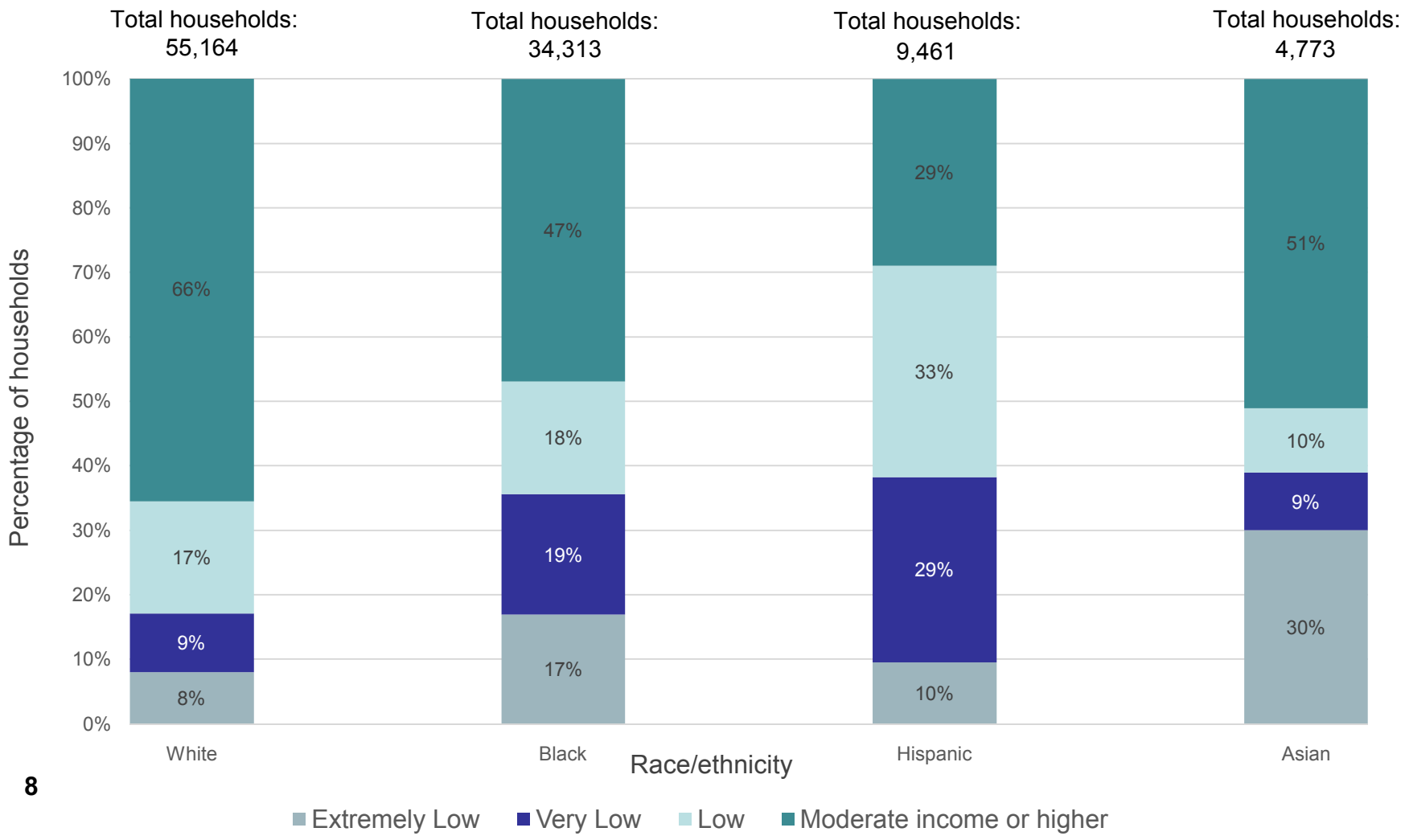
Source: Census 2000; ACS 2009-2013

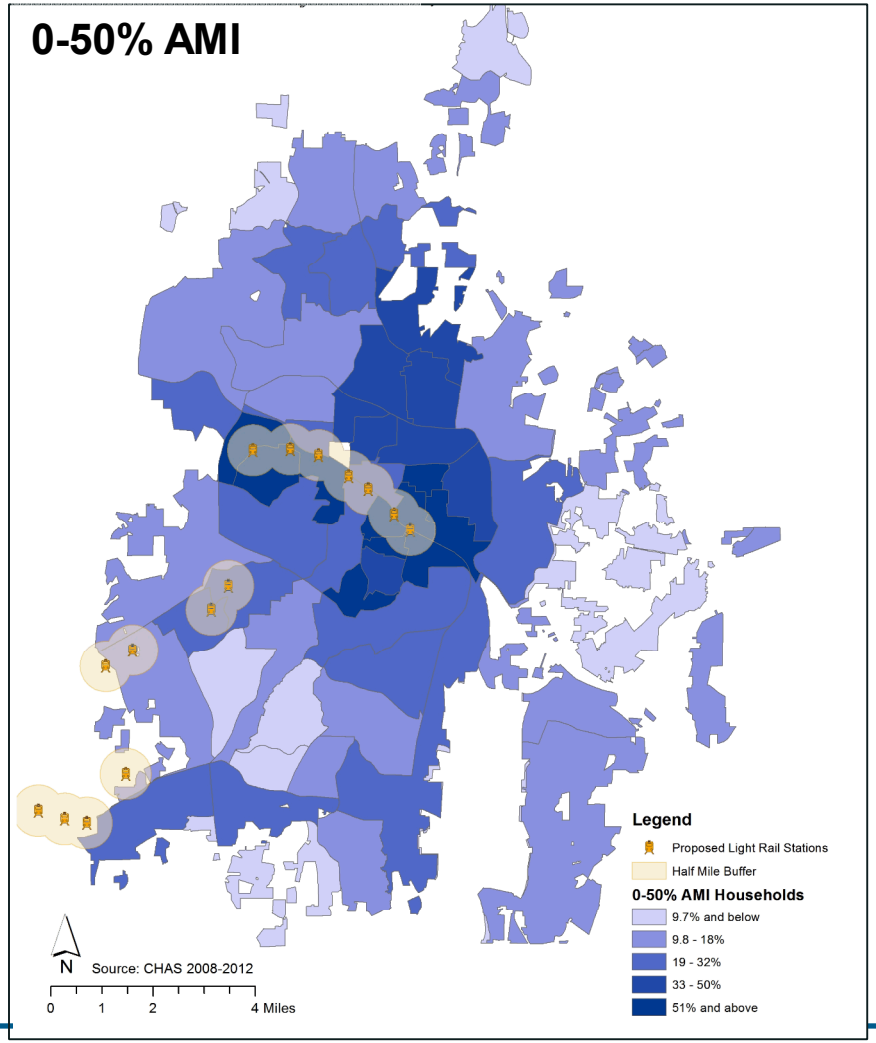
Households by income, race and ethnicity

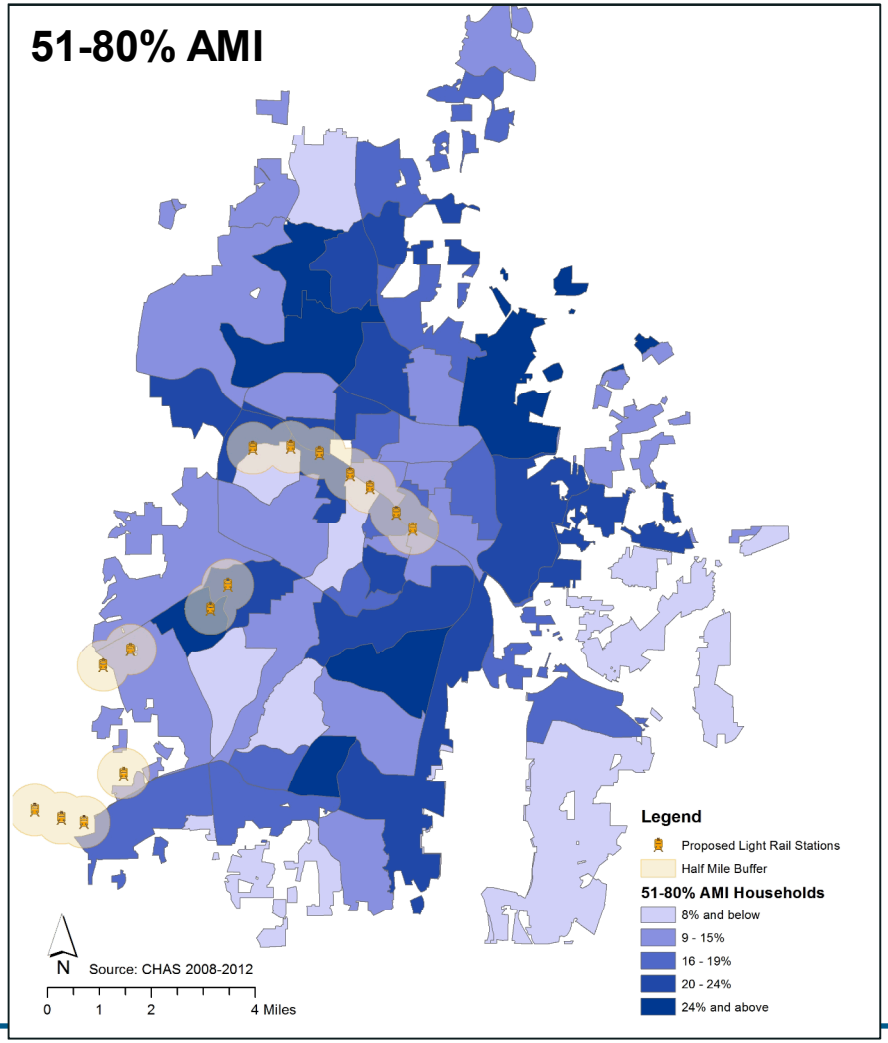


Source: ACS 2009-2013

Low-income households

- In 2013, there were 42,000 low-income households in Durham.

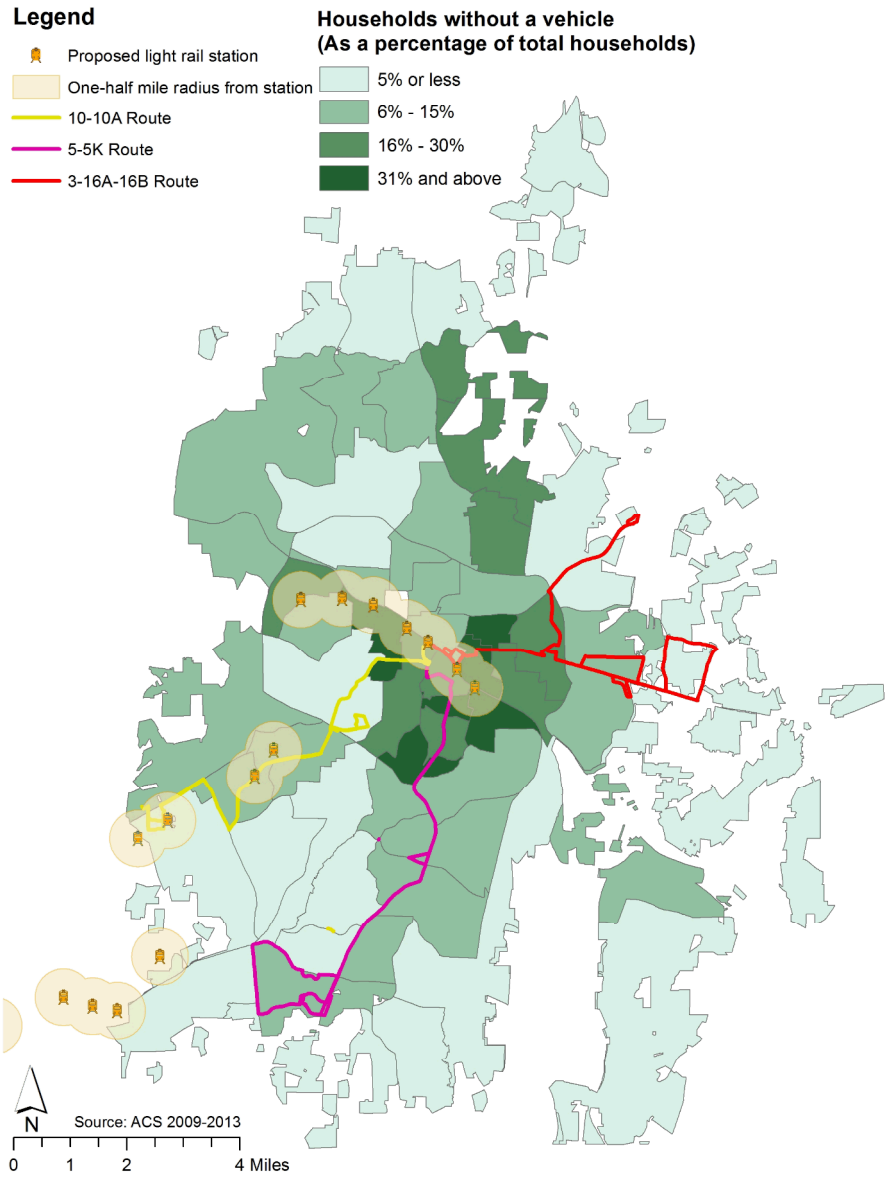




Source: CHAS 2008-2012

Transit-dependent households

- Citywide, nearly 10,000 households do not own vehicles—about 9% of all households.
- 85% of households without vehicles are renters.



Source: ACS 2009-2013

Homelessness in Durham

Total Homeless, 2013	753
Homeless Individuals, 2013	572
Homeless People in Families, 2013	181
Chronically Homeless, 2013	87
Homeless Veterans, 2013	93
Homeless Unaccompanied Youth and Children, 2013	35

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Source: ACS 2009-2013

HOUSING AFFORDABILITY

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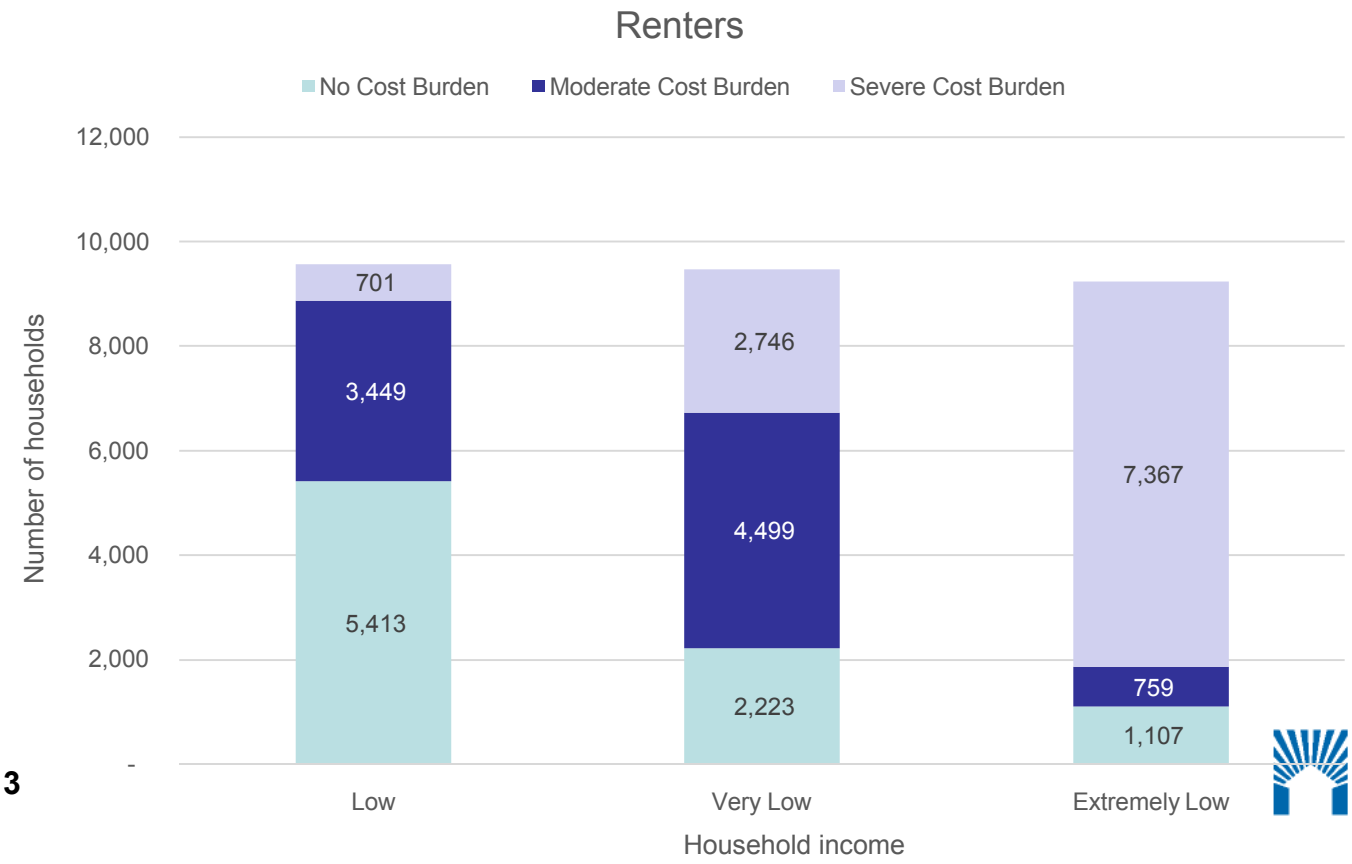
Cost-burdened renter households

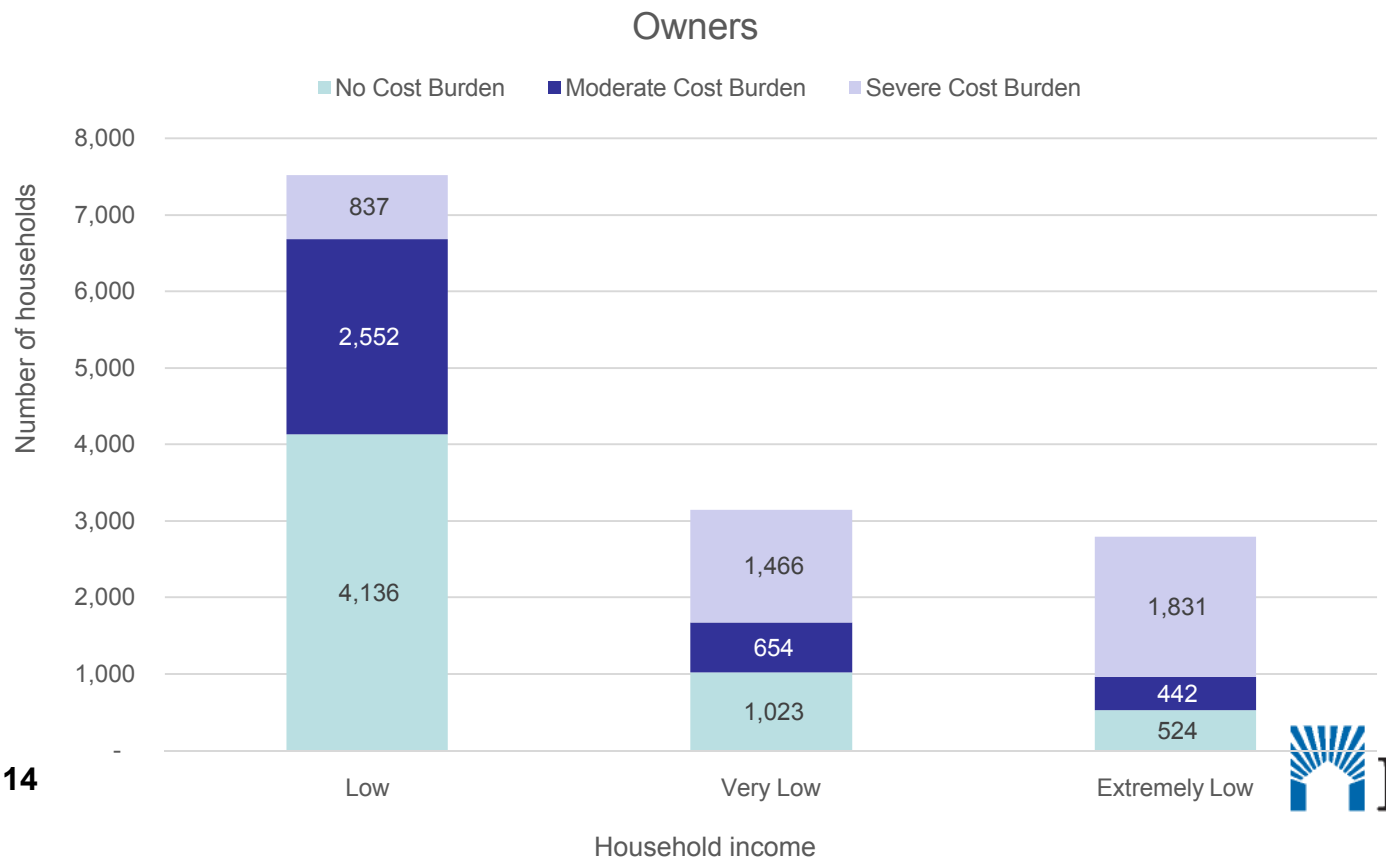
As of 2012, there were 19,500 low-income renters (42% of all renter households) who were paying more than 30% of their total income for housing. Almost 11,000 of these households, the majority very low income, were paying over 50% of their income for housing.



Source: CHAS 2008-2012

Cost-burdened owner households

As of 2012, there were almost 7,800 low-income owners (15% of all owner households) who were paying more than 30% of their total income for housing. Over 4,000 of them were paying more than 50% of their income for housing.



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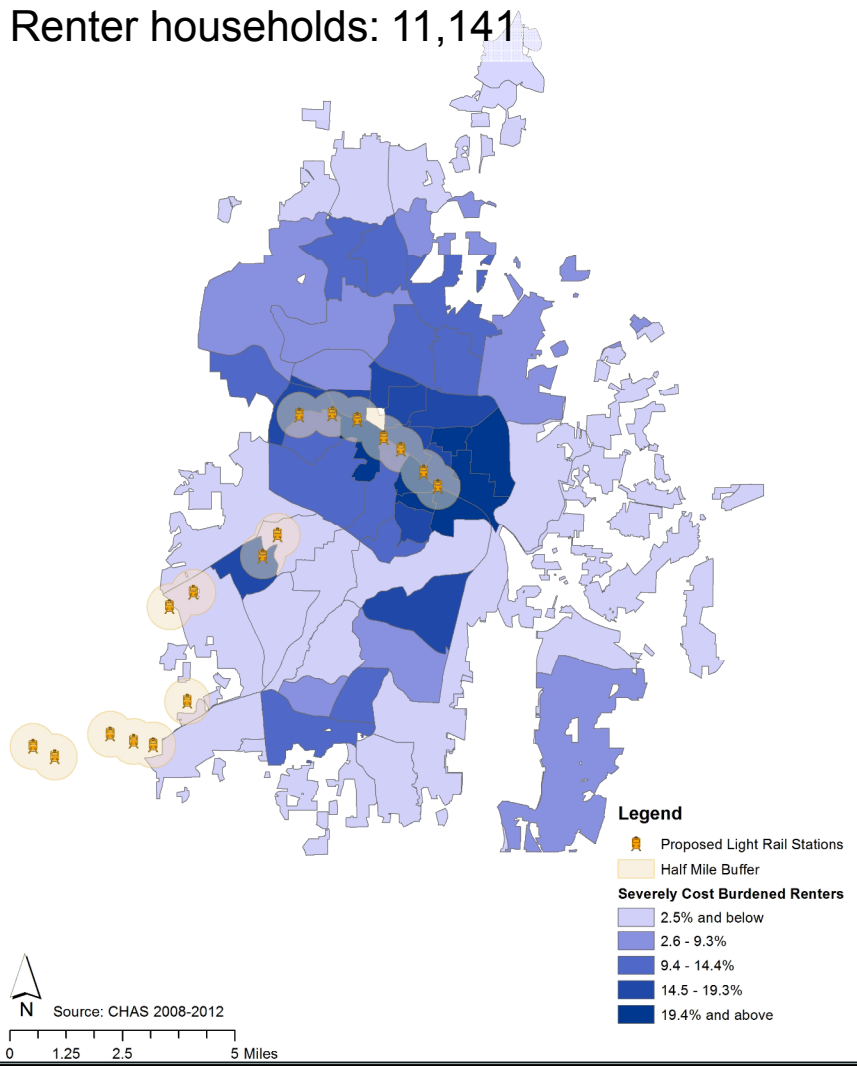
Source: CHAS 2008-2012

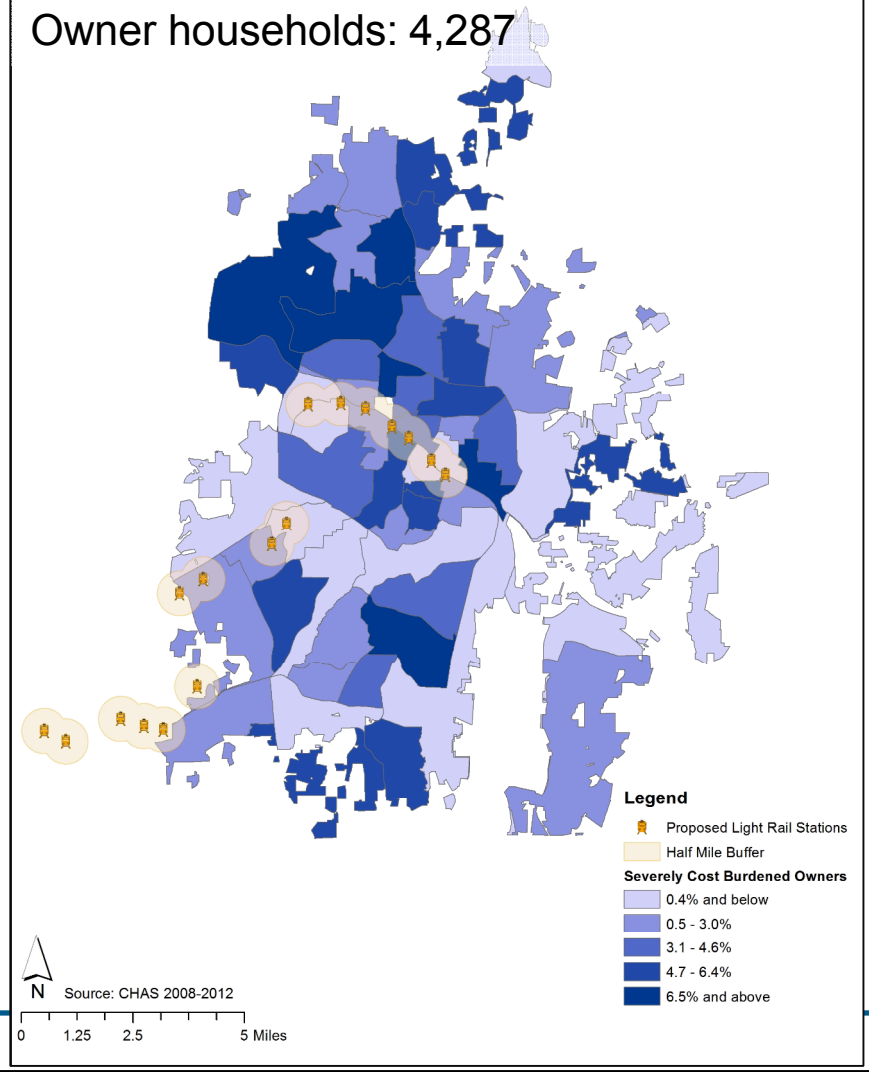
Severely cost-burdened renter and owners

- Renters represent 72% of all <u>severely</u> cost-burdened household.

Renter households: 11,141

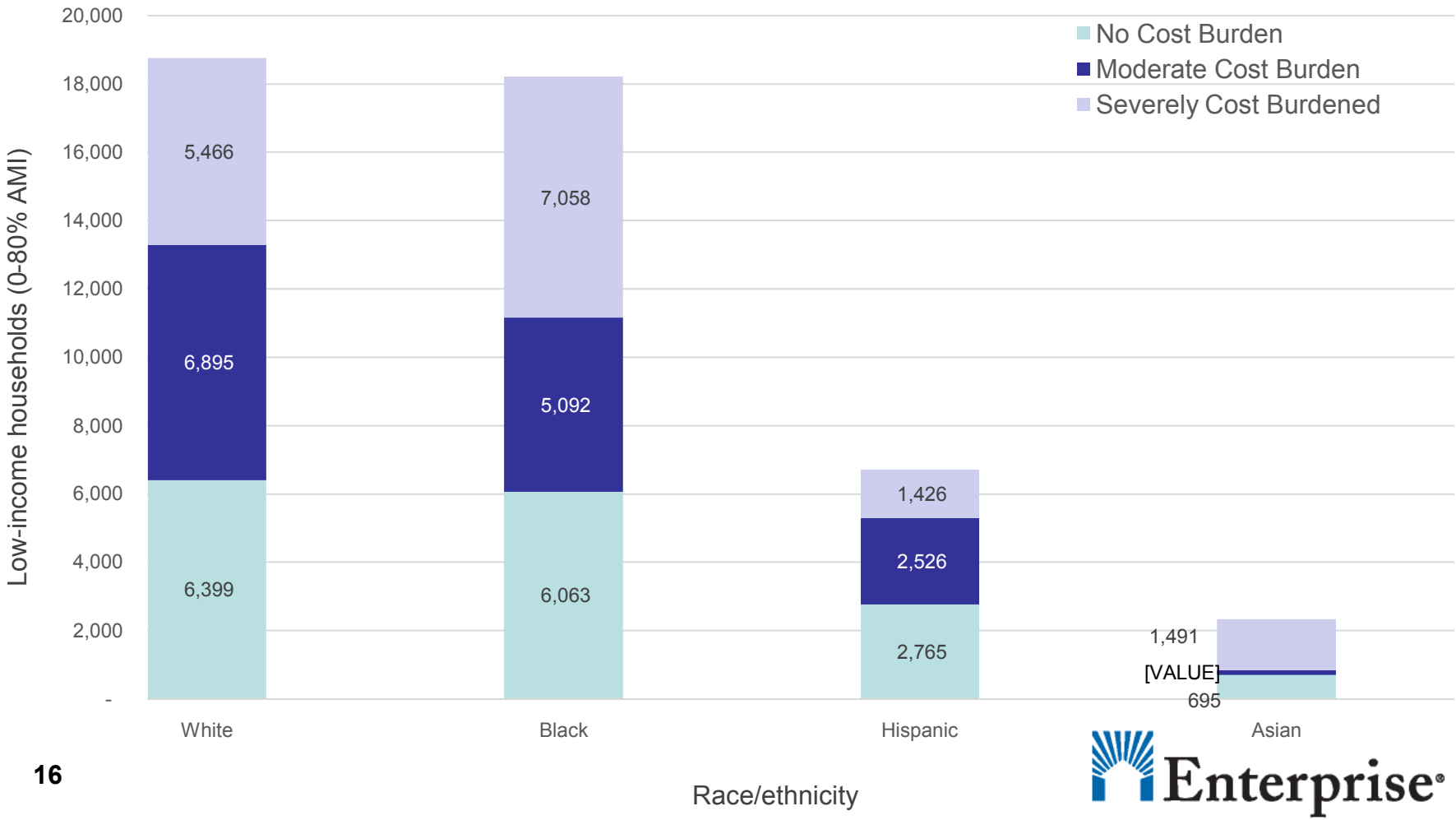


Owner households: 4,287



Sources: ACS 2009-2013; CHAS 2008-2012

Cost-burdened, low-income households by race/ethnicity

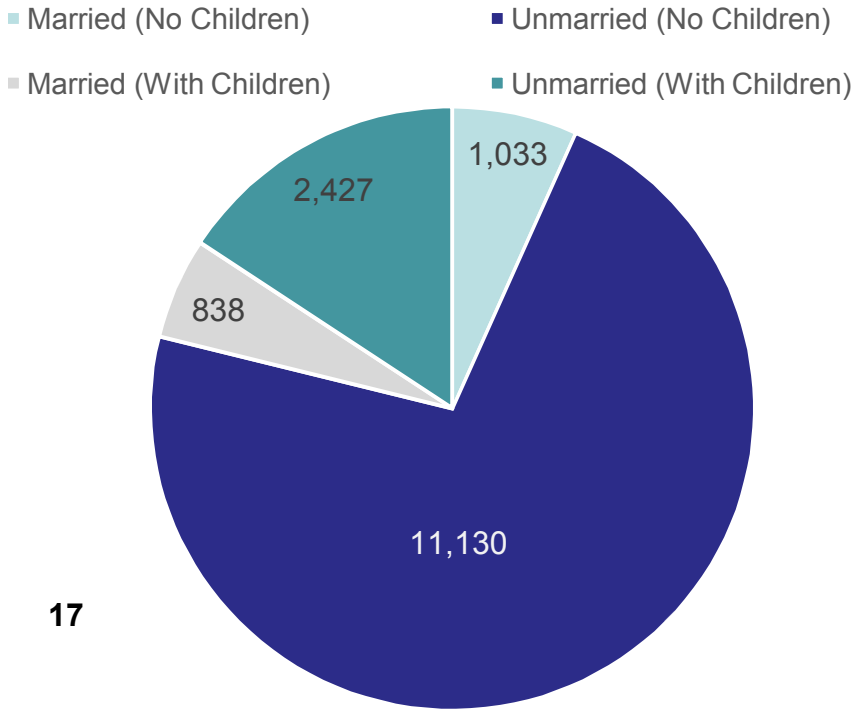


Source: CHAS 2008-2012

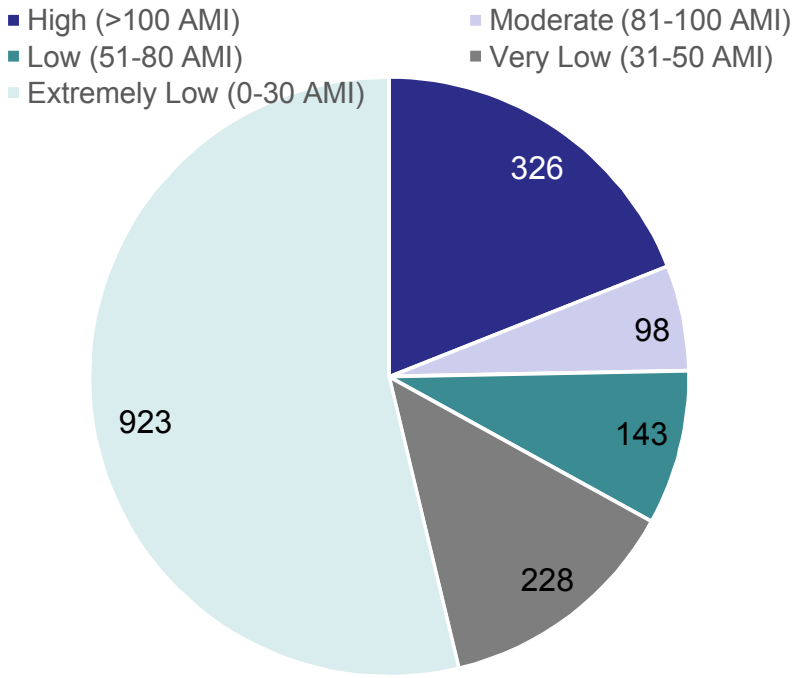
Severely cost-burdened households by family type and age

- Over 70% of severely cost-burdened households are unmarried families without children.
- 10% of all senior households are cost-burdened, with the largest share among extremely low income seniors.

Family Type



Senior Households



Source: ACS 2009-2013

HOUSING SUPPLY

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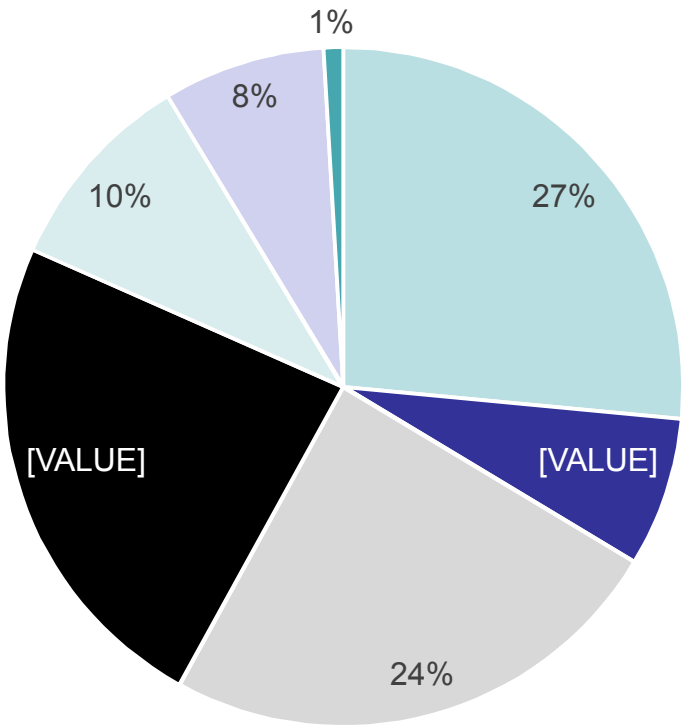
Rental units by type

- Renters live in single-family homes (27%), followed by buildings with 10-19 units (24%).

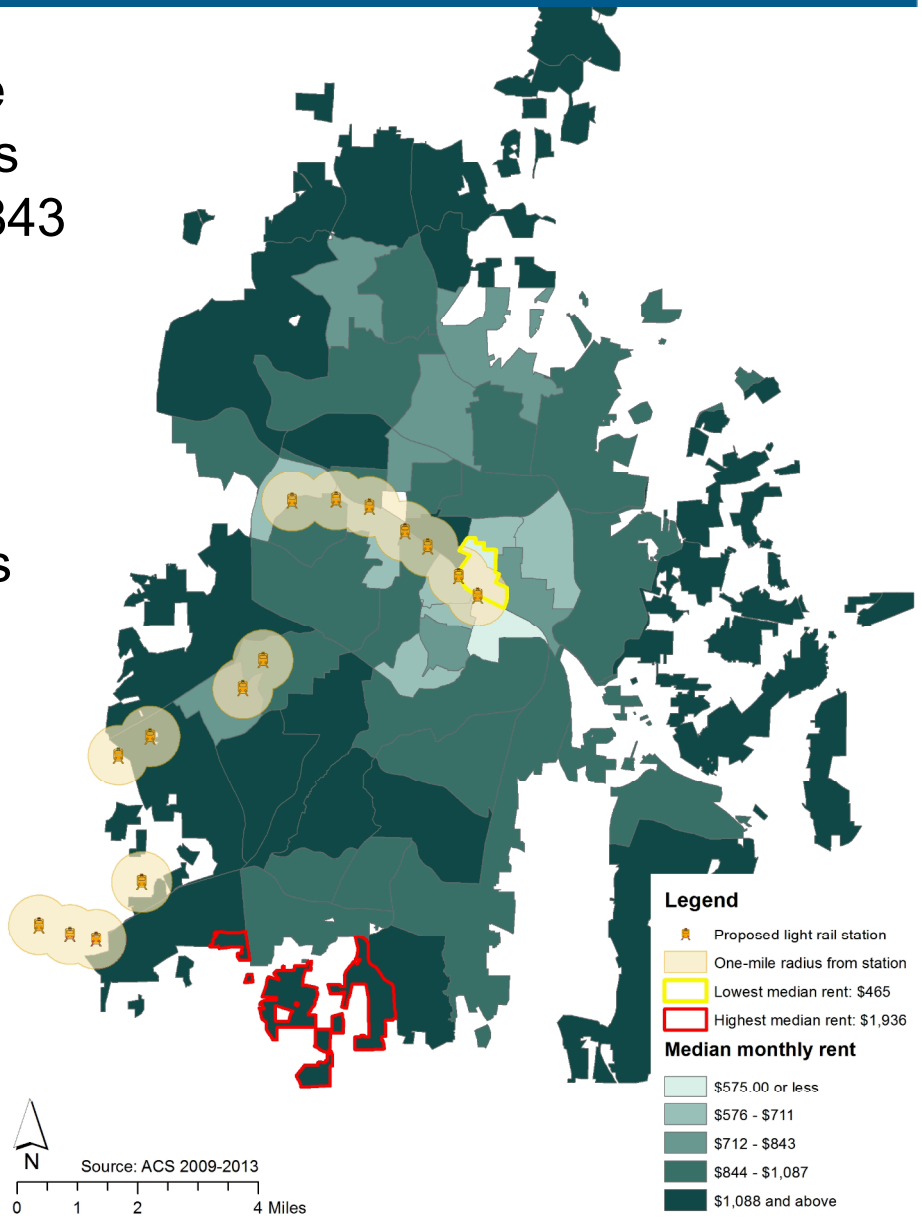


Source: ACS 2009-2013

Rental Market

- As of 2013, 3 out of 4 low-income renter households lived in Census tracts with median rents below $843 (FMR for 2-bedroom).
  - *Lowest median rent: $465*
  - *Highest median rent: $1,936*
- Data lags, so information doesn't reflect recent rental market trends

22%
increase in median rent (2000-2011)

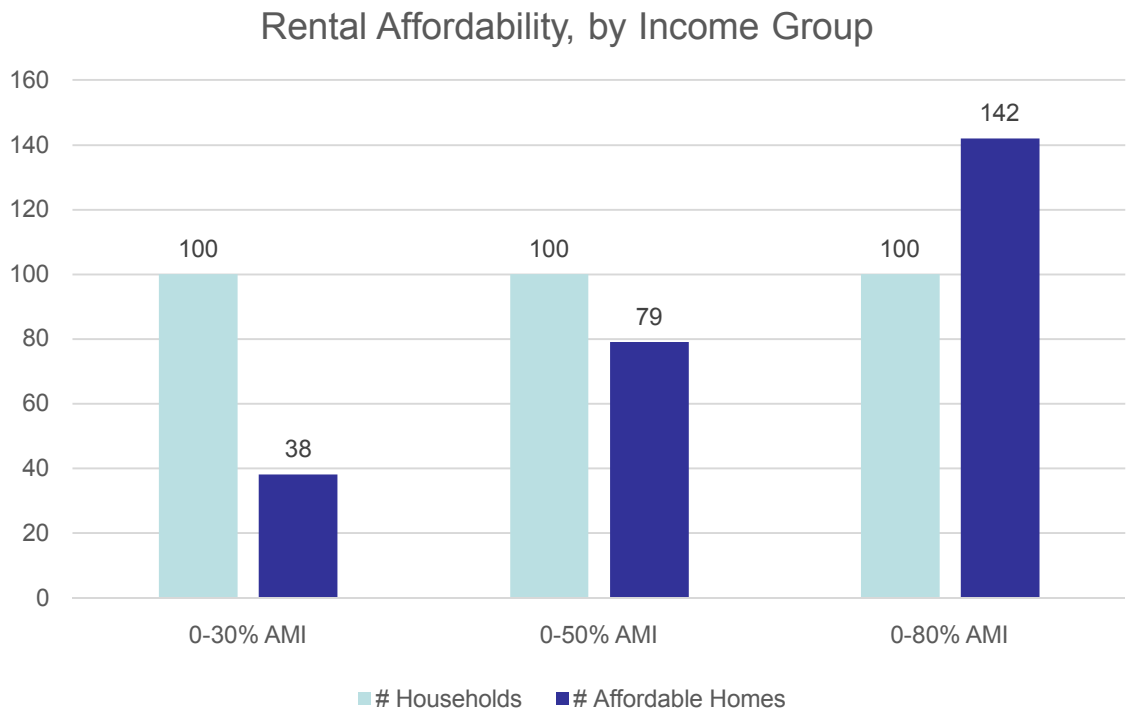


Sources: ACS 2009-2013; 2007-2011; Census 2000; HUD 2014

Rental housing supply gap

Citywide, there is a shortage of units affordable to extremely low and very low income households.

For example, for every 100 renter households with incomes below 30% AMI, there are 38 rental units that are affordable to them.



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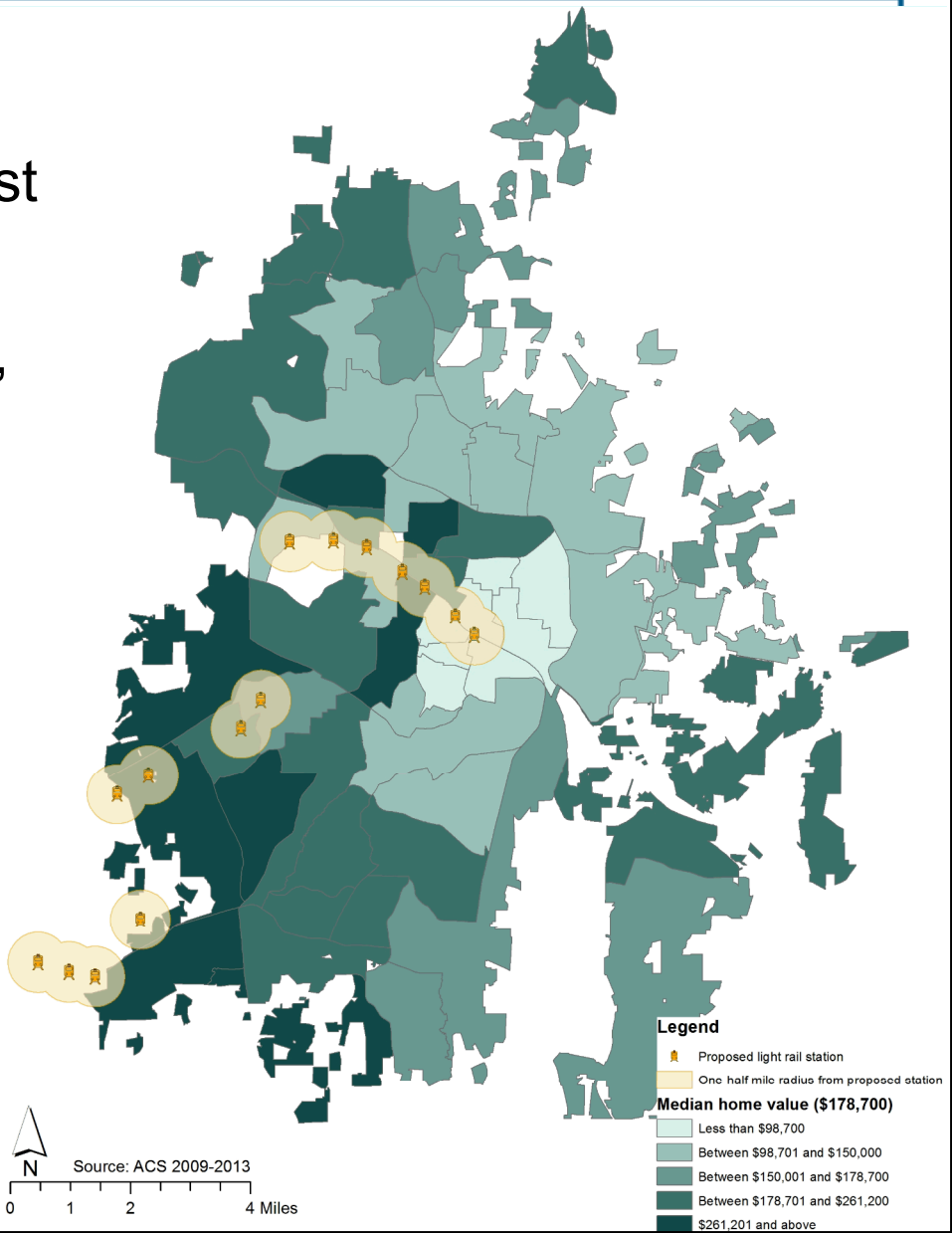
For Sale Market

- Lowest median home values clustered in east Durham, highest in SW Durham and downtown.
- 2015 median sales price: $167k, affordable to 3-person households earning $36,420-48,550 (60-80% AMI).

42%
increase in median home values (2000-2011)



Sources: ACS 2009-2013; 2007-2011; Census 2000; Zillow 2015; HUD 2014

EXISTING AFFORDABLE HOUSING

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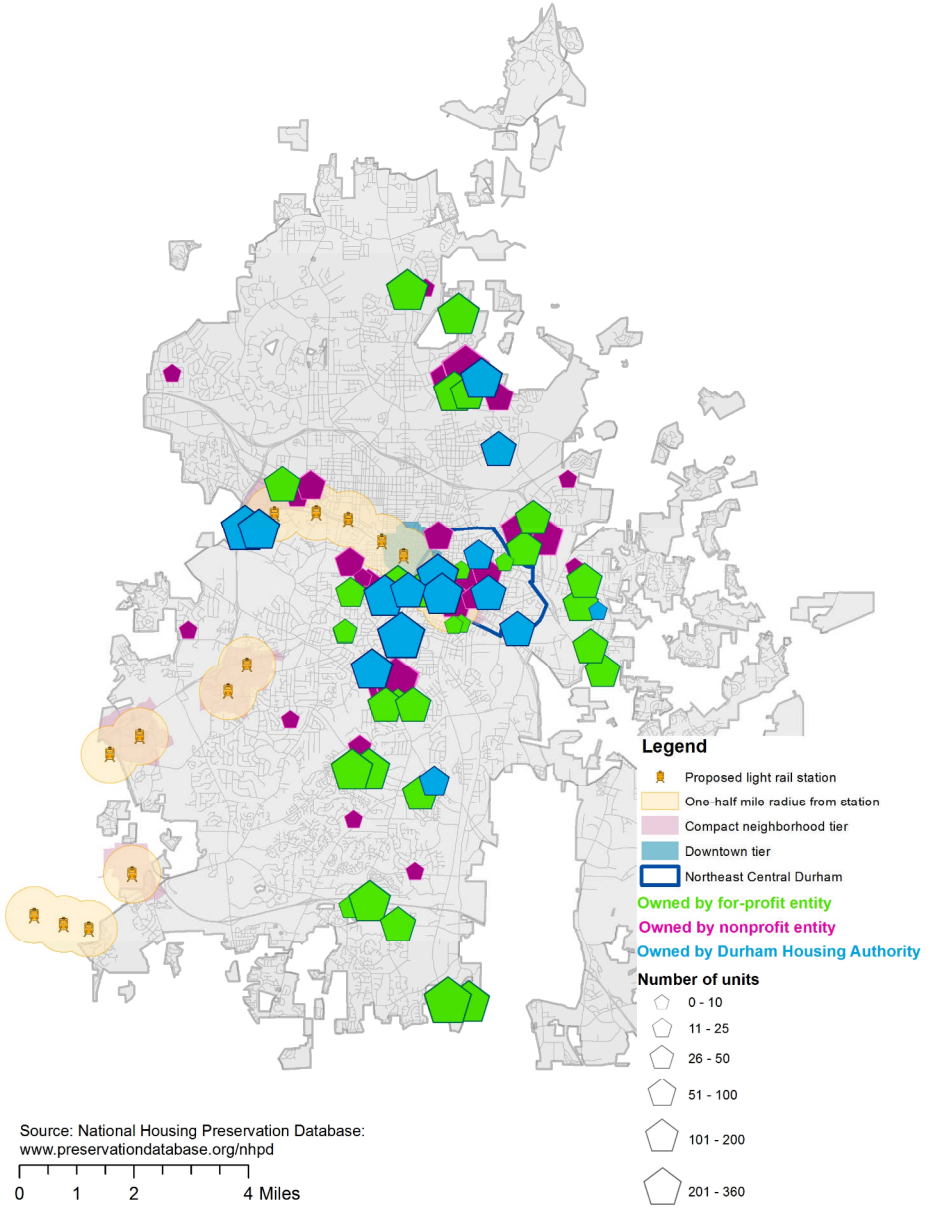
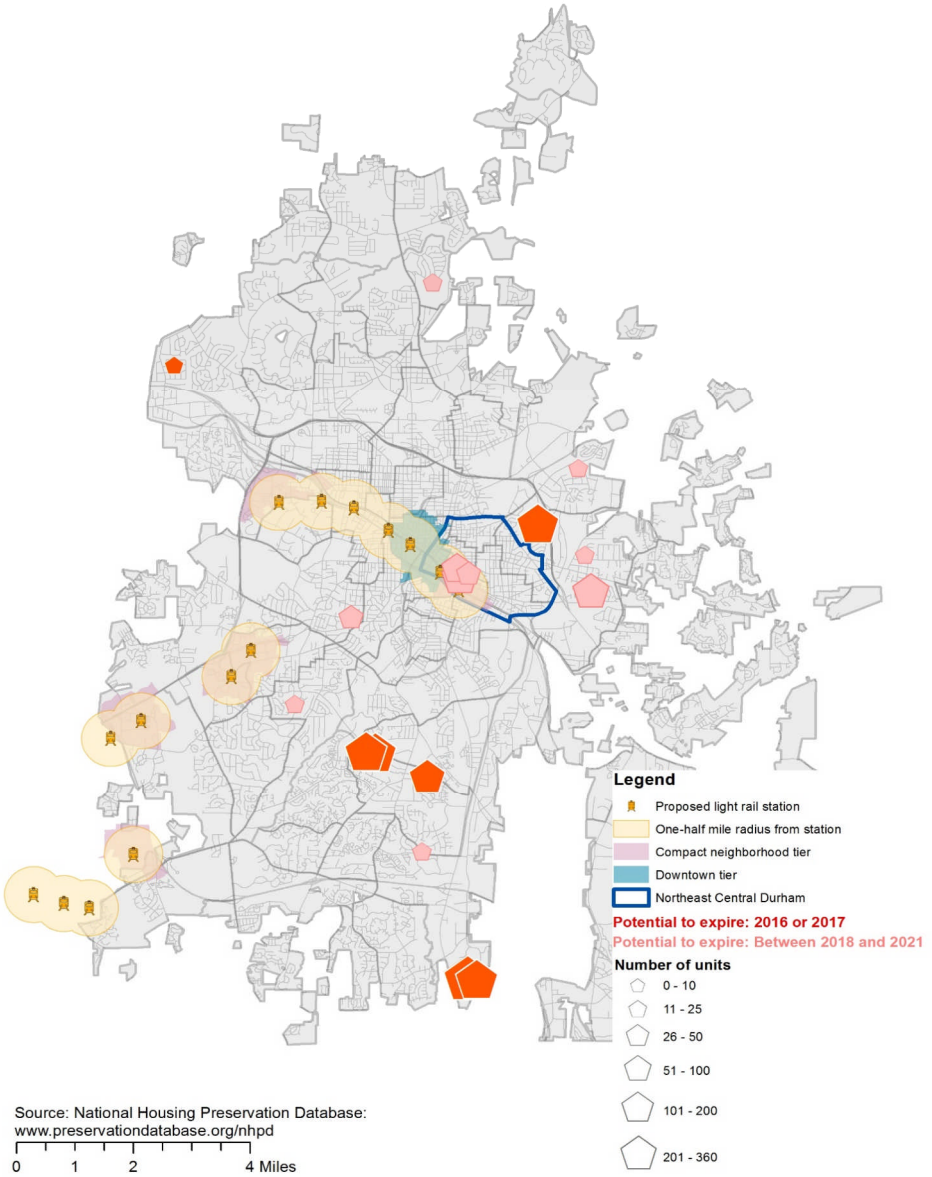
Subsidized Housing

- There are approximately 6,100 income restricted, subsidized homes in Durham
  - For-profit entities own 47%
  - DHA owns 31%
  - Non-profit entities own 22%

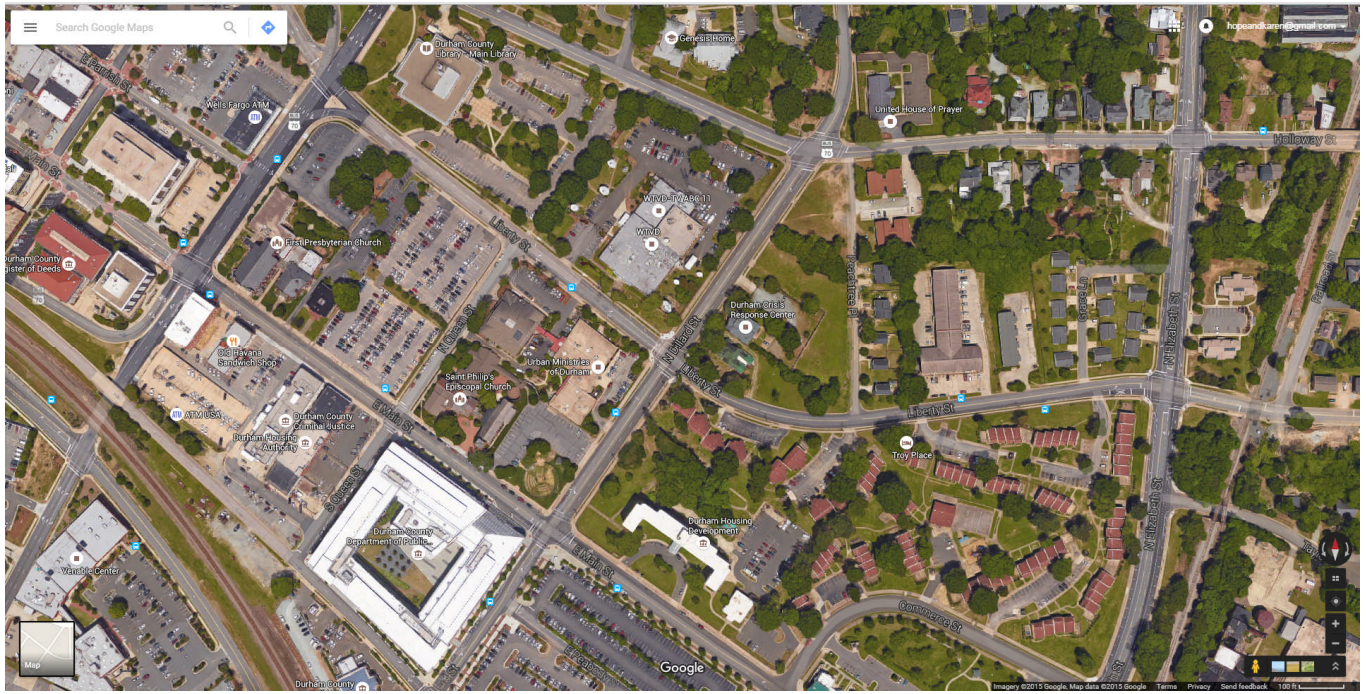


Subsidized housing – Expiring between 2016 and 2021

- 1,240 units have potential to exit affordability restrictions between 2016-21, the majority in the first two years
- Factors that impact continued affordability include extended use agreements, ownership and location



Strategic opportunities with DHA



- 50% of DHA's public housing supply (990 units) is located within station areas.
- Upcoming projects have potential to be transformative for entire neighborhoods: McDougal Terrace; Liberty St. and Oldham Tower

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Source: UNC 2015

NEXT STEPS

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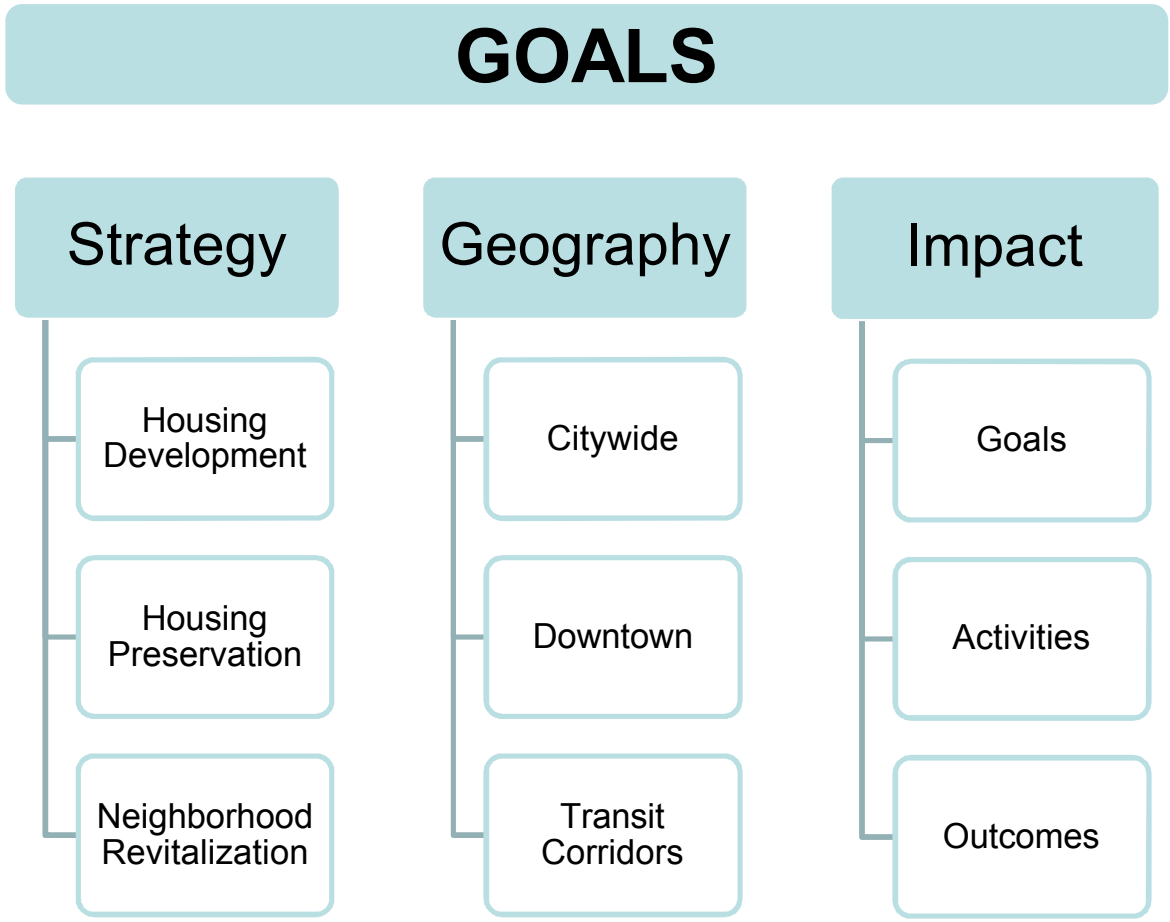
Our Goal: Develop a Strategy Framework



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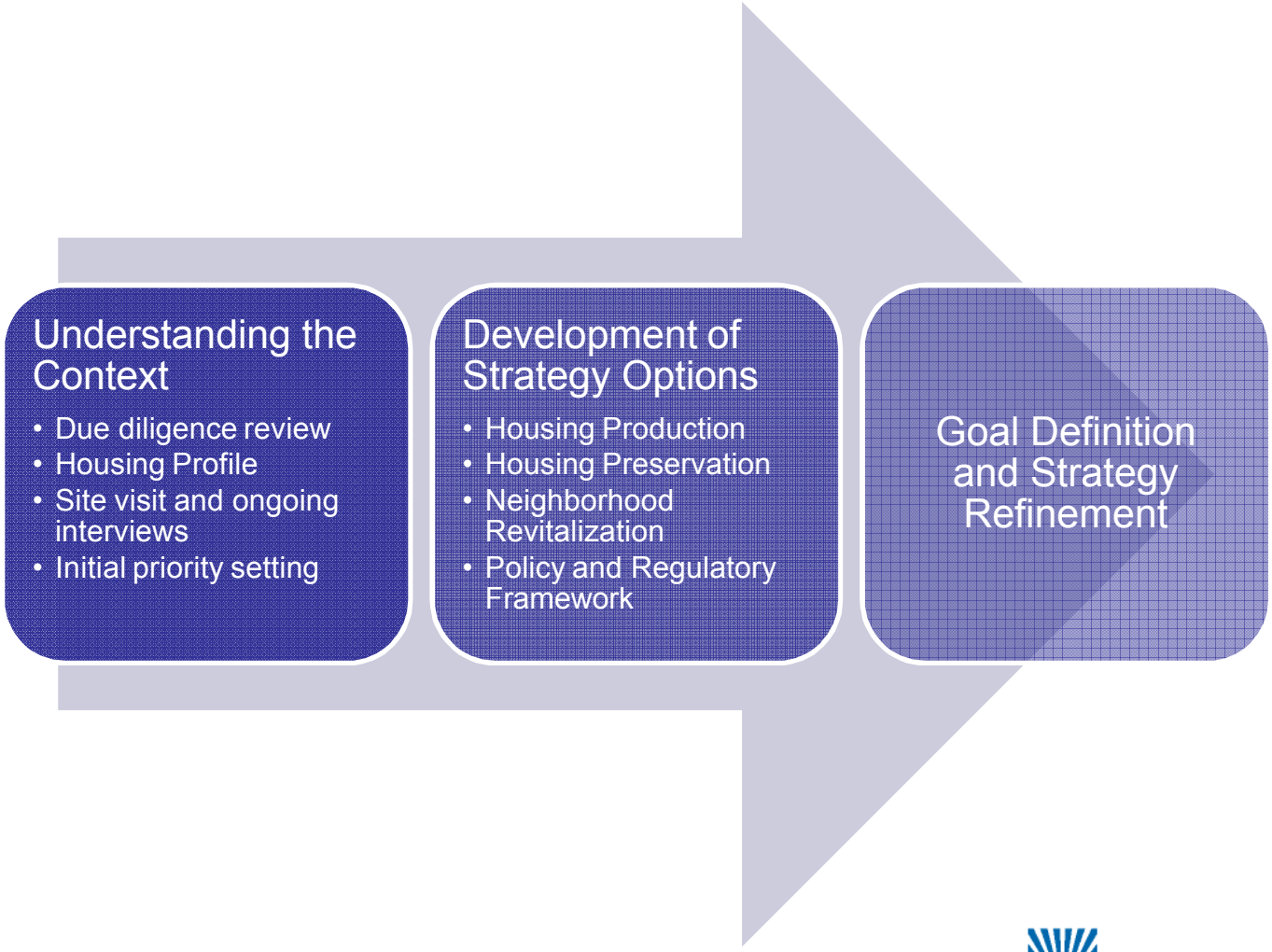
Strategy Development Process



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APPENDIX

Background Information for Downtown Rental Subsidy Program

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Low-Income Households (51-80% AMI)

Citywide, there are approximately 16,500 low-income households.

Race/ethnicity of Head of Household	Number	%
Black	6,754	41%
White	6,446	39%
Asian	829	5%
Other	494	3%
Hispanic (any race)	1,942	12%

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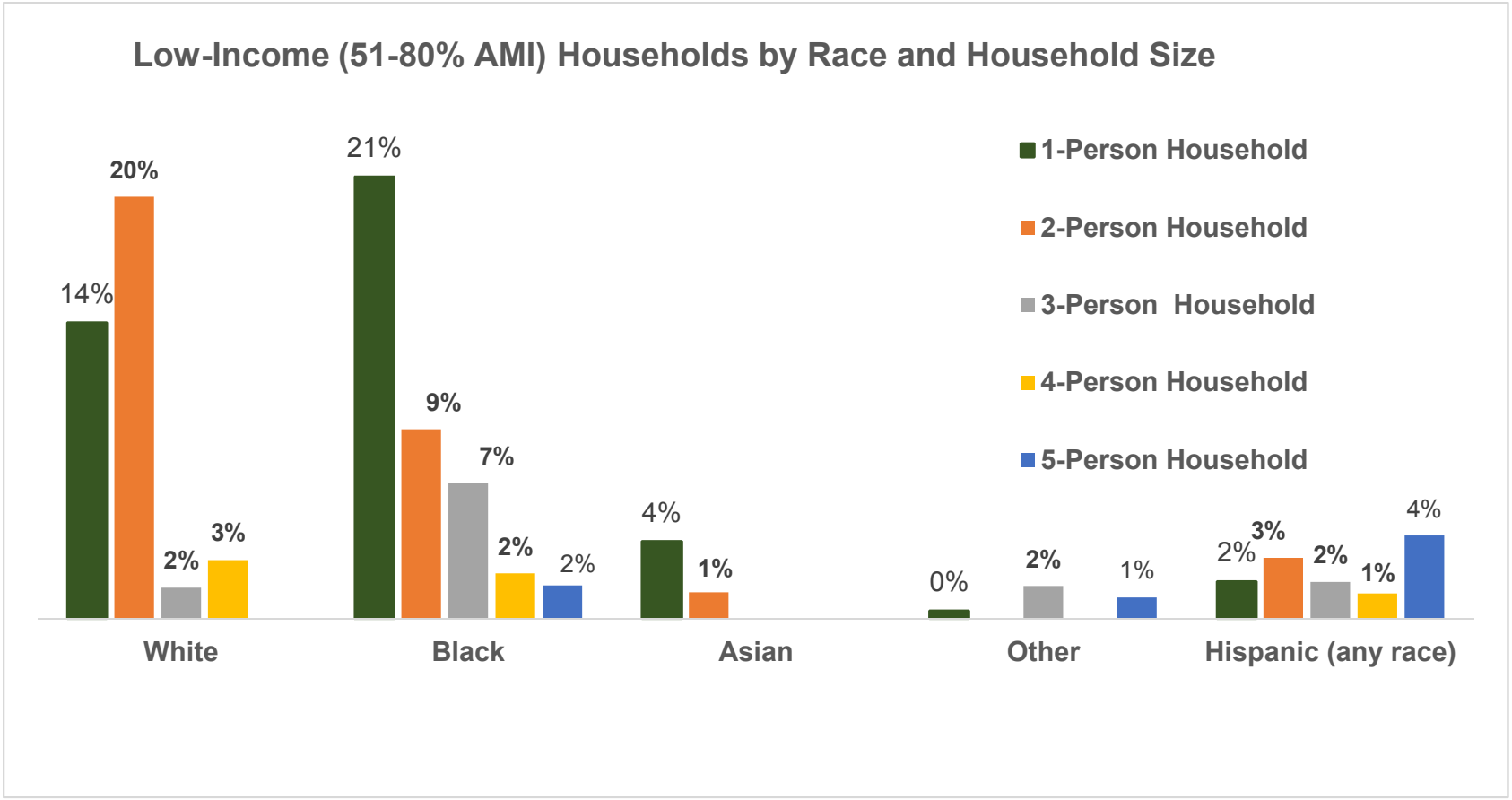
Low-Income Households (51-80% AMI)



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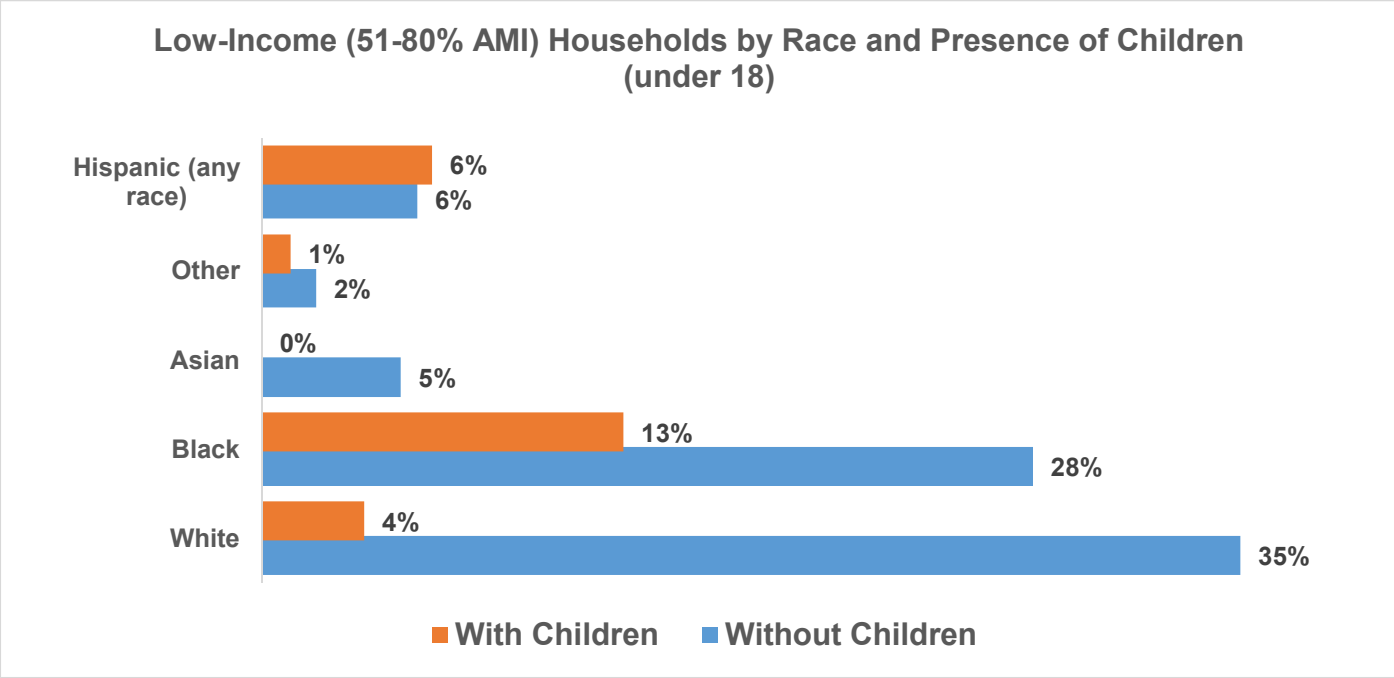
Low-Income Households (51-80% AMI)

24% of low-income households include children under the age of 18.



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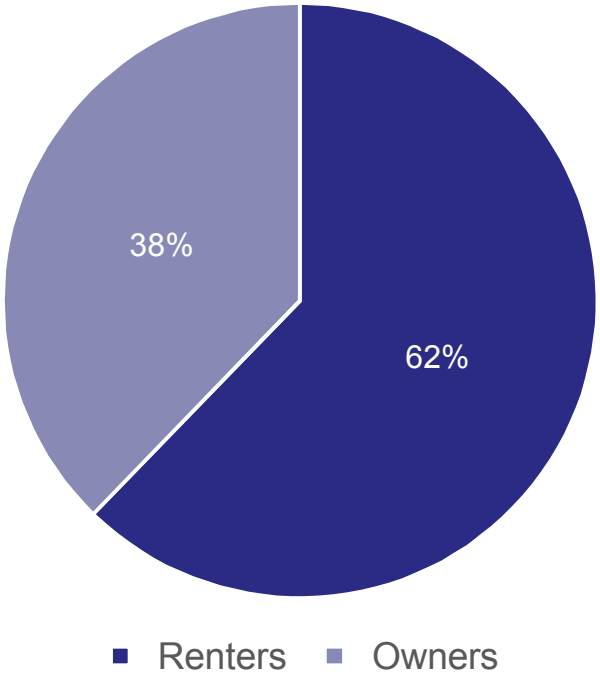
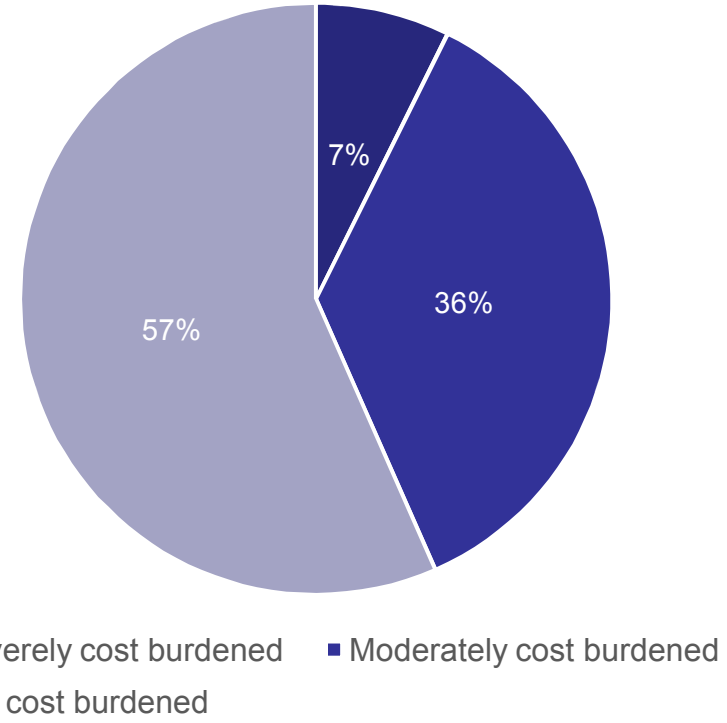
Low-Income Households (51-80% AMI)

Low-Income Households by Housing Tenure



Low-Income Renters by Housing Cost Burden



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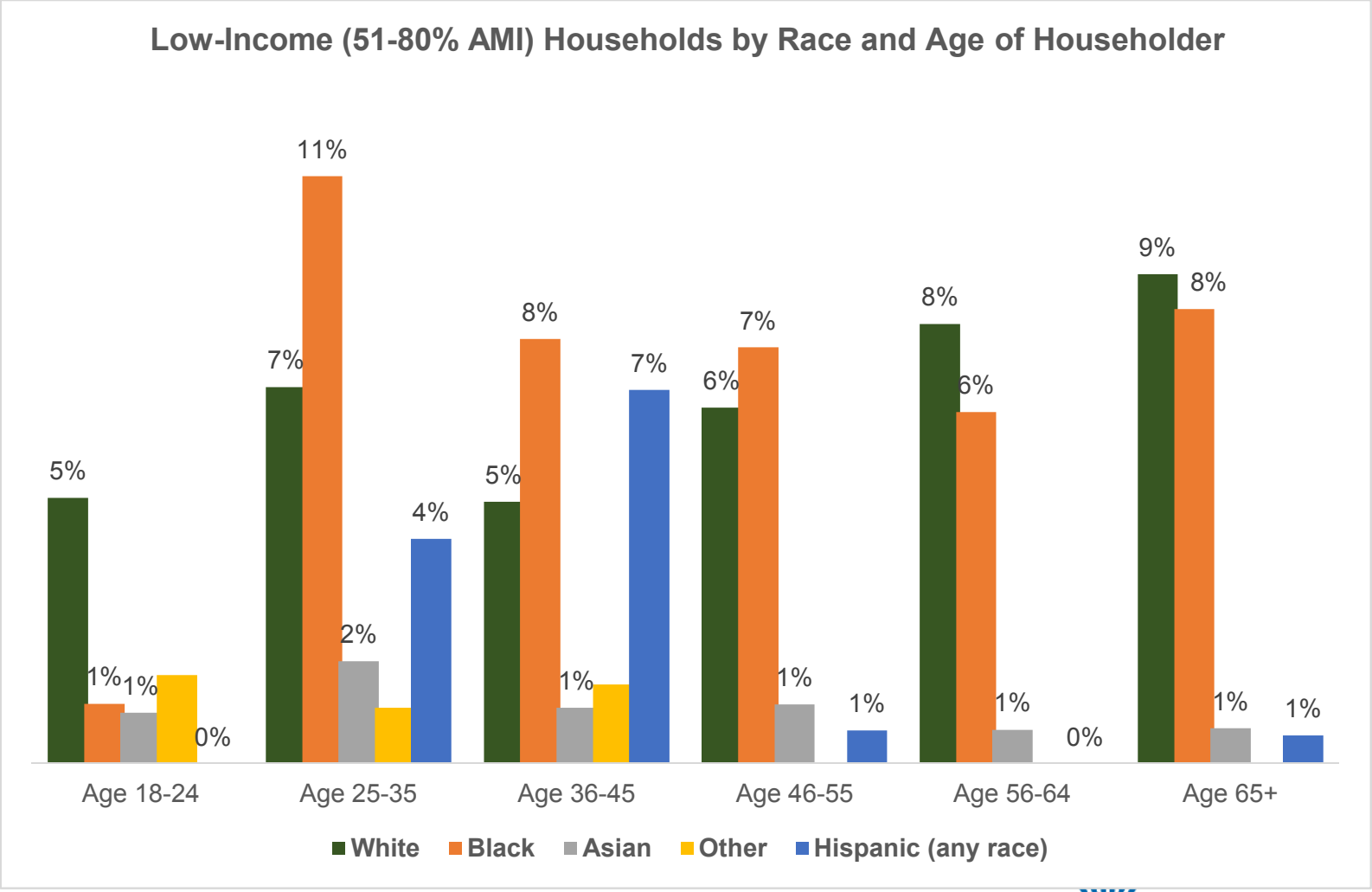
Low-Income Households (51-80% AMI)



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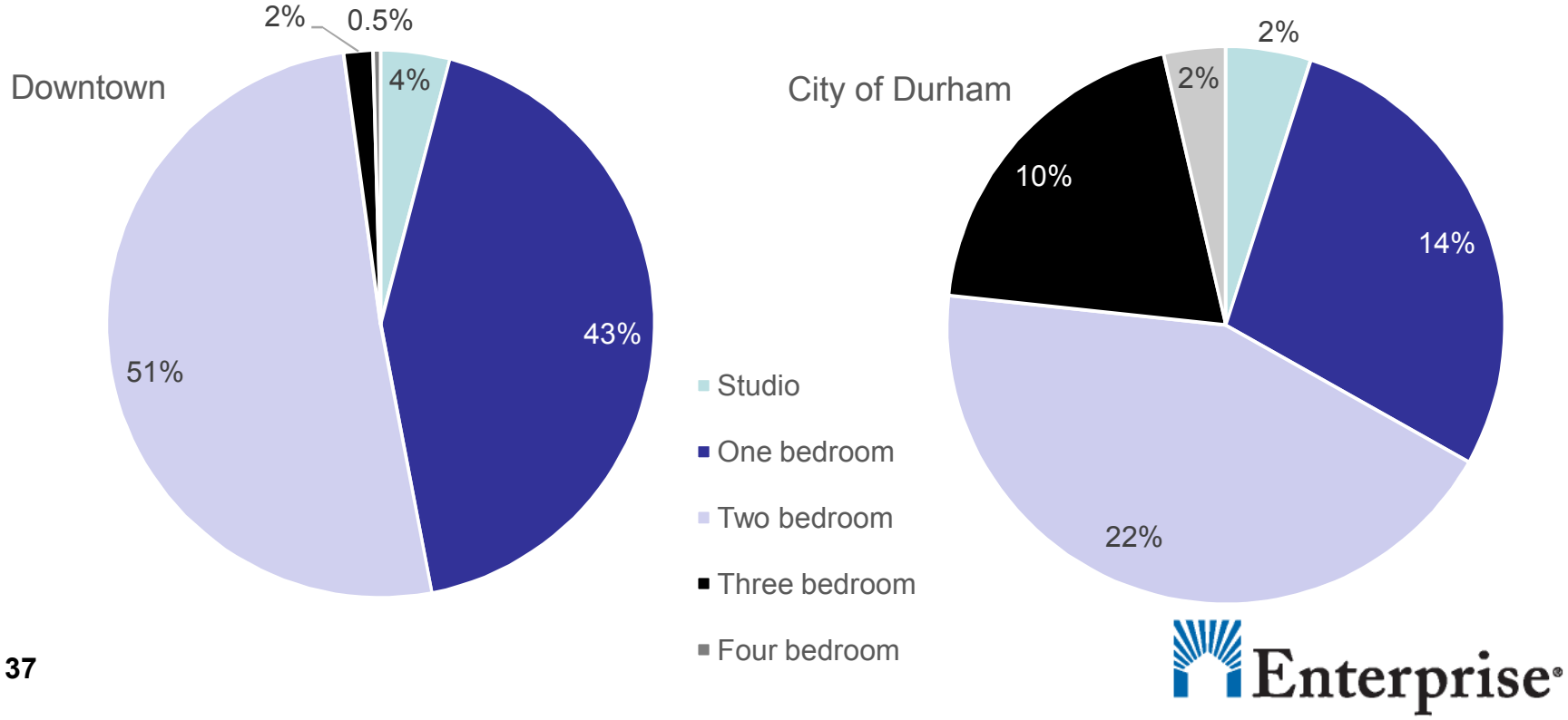
Downtown rental market

There are 833 apartments downtown, plus another 380 under construction. As of March 2015, these properties had a 29% vacancy rate.

Rental units by bedroom



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Source: ACS 2009-2013; Triangle Apartment Xchange database

Downtown rental market

- Larger, newer rental properties in the downtown area have higher average rates than the citywide median rent ($714) or HUD FMRs.

Average Monthly Rents

Unit Size	Downtown (50+ units buildings)	Citywide (50+ unit buildings)	2015 FMR
Efficiency	$1,005	$828	$597
1 BR	$1,270	$883	$737
2 BR	$1,522	$989	$874
3 BR	$2,427	$1,097	$1,127
4 BR	$2,466	$2,466	$1,320
All	$1,413	$955	-

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Source: ACS 2009-2013; Triangle Apartment Xchange database; HUD 2015