



CITY OF HENDERSONVILLE STRATEGIC HOUSING PLAN STEERING COMMITTEE

City Hall – 2nd Floor Meeting Room | 160 6th Ave. E., | Hendersonville NC 28792
Monday, November 18, 2024 – 4:00 PM

MINUTES

Present: Council Member Lyndsey Simpson, Council Member Jennifer Hensley, Robert Hooper (WNC Source), Debi Smith, (TDA), Connie Stewart (Housing Authority); Jennifer Duvall (HAC), Carsten Erkel (Partnership for Economic Development)

Online: Madeline Offen (Pisgah Legal); Sarah Cosgrove (Builder's Assoc. of the Blue Ridge)

Absent: Hilary Paradise (Land of Sky)

Staff Present: City Manager John Connet, City Attorney Angela Beeker, City Clerk Jill Murray, and Communications Manager Allison Justus

1. CALL TO ORDER

Council Member Lyndsey Simpson called the meeting to order at 4:10 p.m. and welcomed those in attendance.

2. PUBLIC COMMENT - None

3. APPROVAL OF AGENDA

Robert Hooper moved, seconded by Carsten Erkel to approve the agenda as presented. A unanimous vote of the Committee Members present followed. Motion carried.

4. APPROVAL OF MINUTES

Debi Smith moved to approve the minutes of September 16, 2024 as presented. A unanimous vote of the Committee Members present followed. Motion carried.

5. NEW BUSINESS

A. 2025 Annual Meeting Calendar – Jill Murray, City Clerk

Due to some conflicting dates with the members, we will amend the calendar and bring it back to the December meeting.

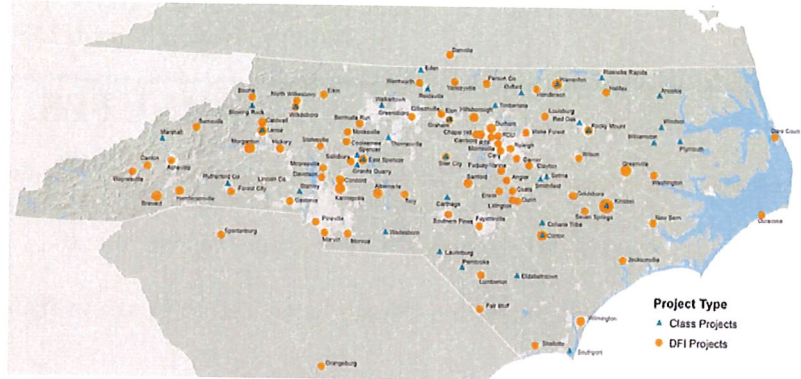
B. Presentation of Housing Needs Assessment – UNC Development Finance Initiative

Frank Muraca, Assistant Director (Data and Analytics), Development Finance Initiative | UNC School of Government gave the following PowerPoint presentation discussing where we've been and where we are going and next steps.

DFI, a program of UNC Chapel Hill's School of Government (SOG), partners with local governments to attract private investment for transformative projects by providing specialized finance and development expertise.

SOG is the largest university-based local government training, advisory, and research organization in the United States, and serves more than 12,000 public officials each year.

Values: Nonpartisan, policy-neutral, responsive



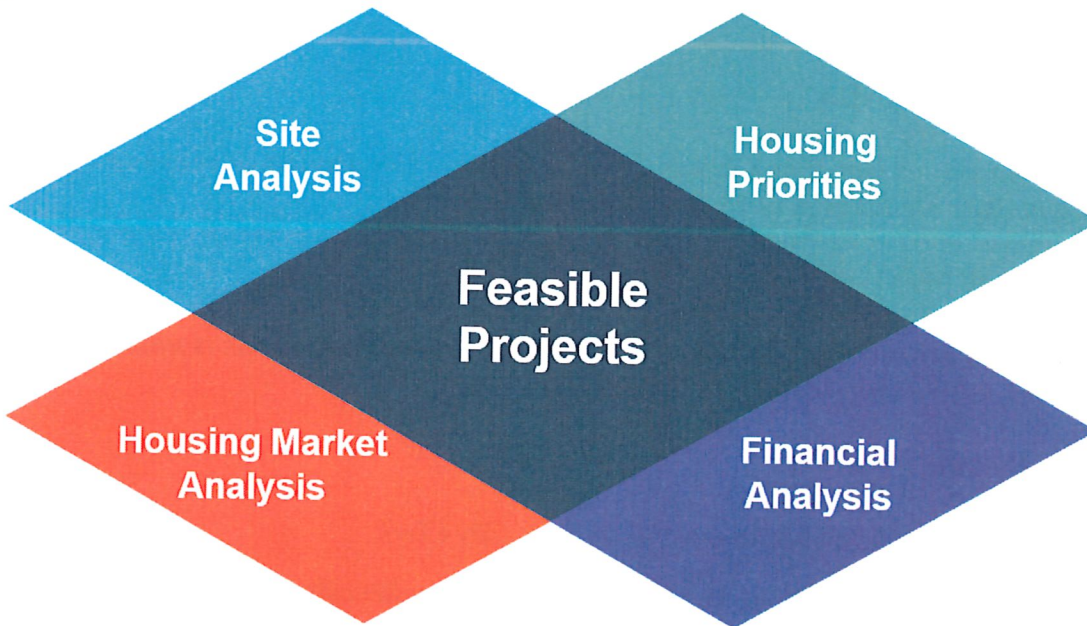
Project Team

Project Lead: Frank Muraca

Associate Director: Sarah Odio

DFI Director: Marcia Perritt

DFI Opportunity Site Identification Process



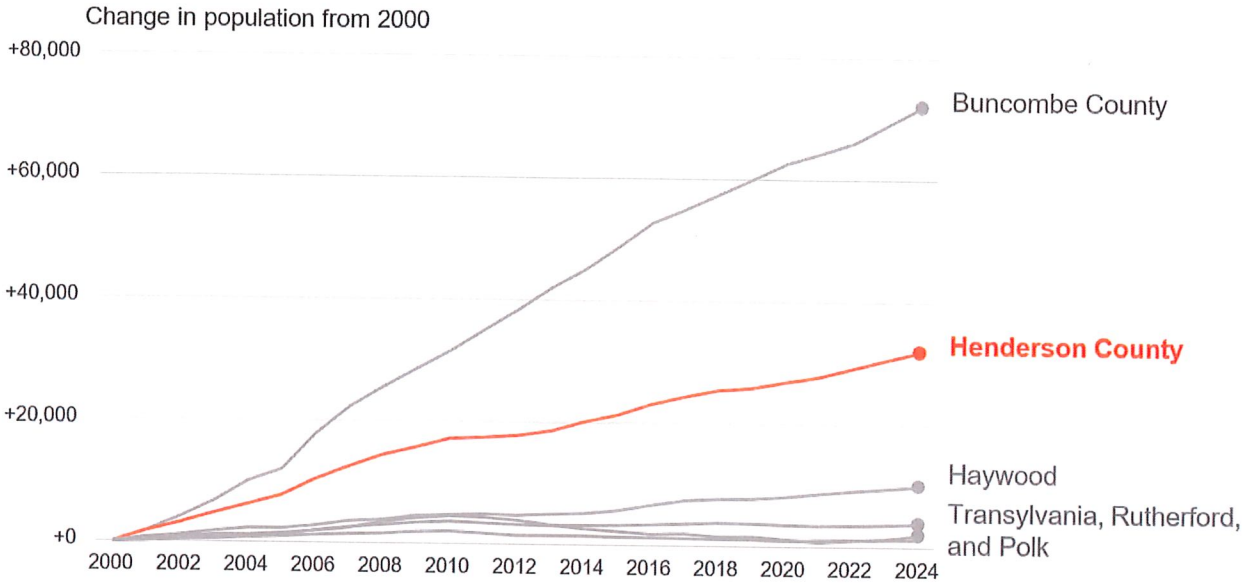
Stakeholder engagement before Helene

- Looking Glass Realty
- Henderson County Public Schools
- Interfaith Assistance Ministry
- Hendersonville Housing Authority
- UNC Health Pardee
- WNCSource
- Kimberly Clark Corp
- Elkamet Inc
- Demmel Inc
- Habitat for Humanity
- Providence Construction
- Housing Assistance Corp

Summary

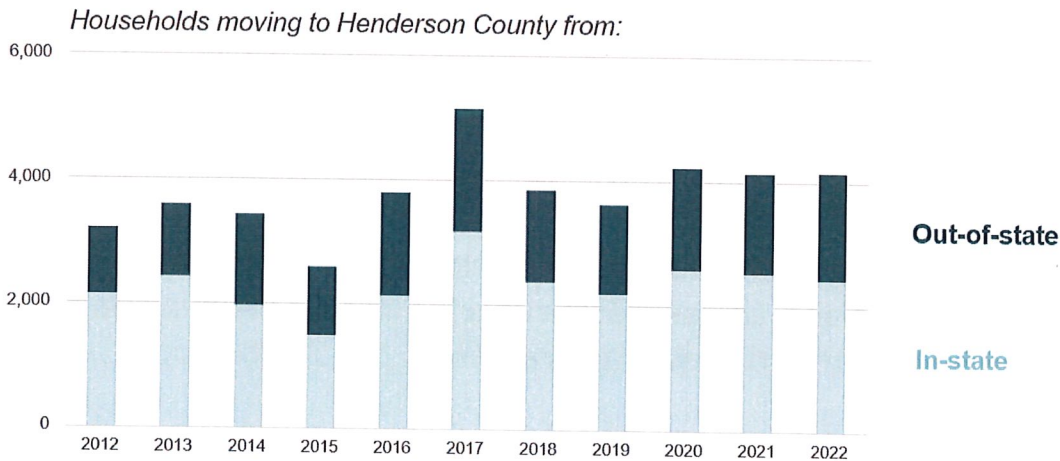
- To meet current and future housing demand, Henderson County needs an estimated 10,000 new housing units within the next five years. At least 2,000 of these units are needed in Hendersonville for low-to-moderate income households.
- Hendersonville's housing supply was constrained even before Hurricane Helene. Over the past decade, household growth in Hendersonville outpaced new housing construction by about 2 to 1, and rental and for-sale vacancies dropped below 2%.
- Various household types in Hendersonville live in unaffordable or low-quality housing, over 80% of which are low-to-moderate income.
- According to state estimates, approximately 126,000 housing units were damaged by Hurricane Helene across western North Carolina. Within the city, the lowest income neighborhoods have the greatest exposure to flood hazards.

Hendersonville in regional context



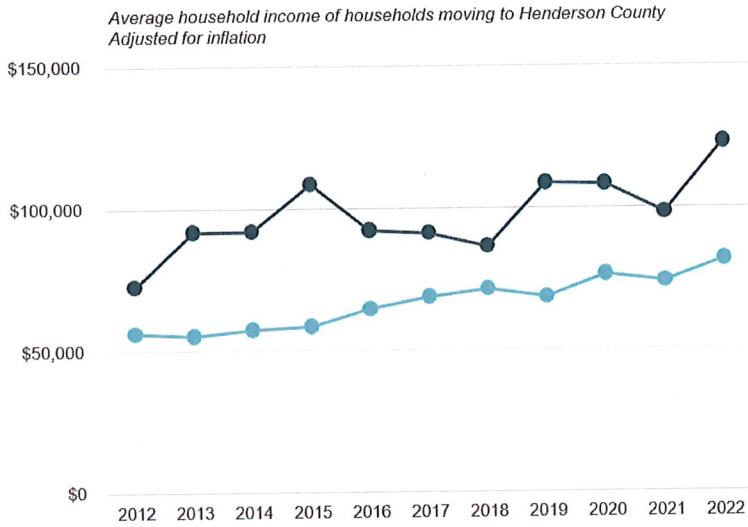
Source: NC OSBM

In recent years, 40% of households moving to Henderson County are from out-of-state



Source: IRS SOI

Households moving from out-of-state have higher incomes than in-state households



The average household income of households moving from out-of-state in 2022 was over \$120,000.

Households moving from in-state have average household incomes of \$80,000.

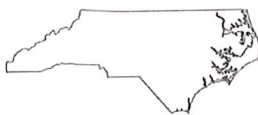
Source: IRS SOI

Nearly half of Hendersonville households are over 65 years old

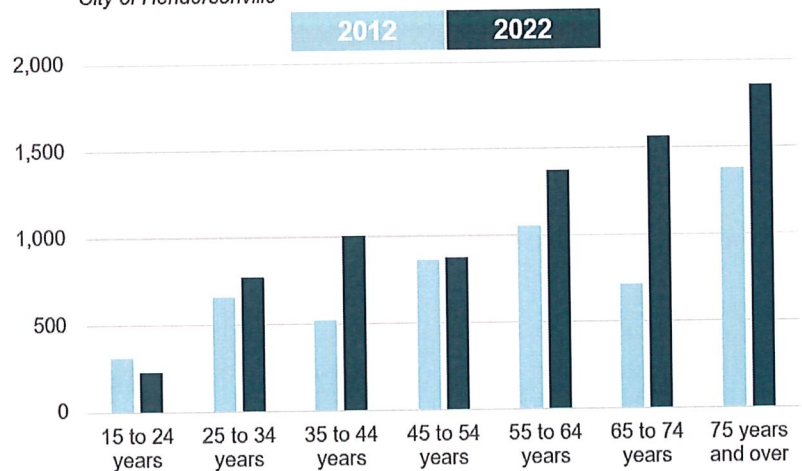
45%

Households in Hendersonville over the age of 65

Statewide: 26%



Number of households by age bracket
City of Hendersonville



Source: ACS 2012, 2022 (5-Year Estimates)

Housing Needs

Who is “Low-Income” in Hendersonville?

AMI for Four-Person Household: \$86,100

AMI	One Person	Two Person	Three Person	Four Person
100%	\$65,400	\$74,800	\$84,100	\$86,100
80%	\$52,320	\$59,840	\$67,280	\$74,800
60%	\$39,240	\$44,880	\$50,460	\$56,100
50%	\$32,700	\$37,400	\$42,050	\$46,750
30%	\$19,620	\$22,440	\$25,230	\$28,050

Source: HUD 2024 for Asheville MSA

Affordable Housing Costs by AMI

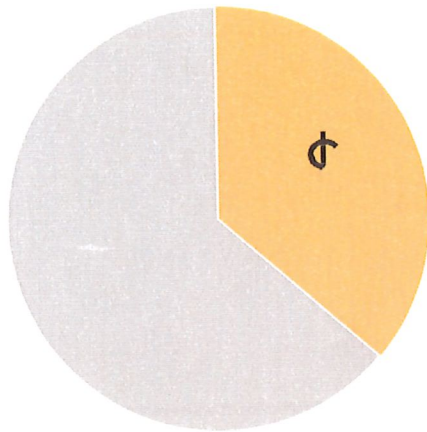
AMI	Studio	1 Bedroom	2 Bedroom	3 Bedroom
100%	\$1,635	\$1,753	\$2,103	\$2,430
80%	\$1,308	\$1,402	\$1,682	\$1,944
60%	\$981	\$1,051	\$1,261	\$1,458
50%	\$817	\$876	\$1,051	\$1,215
30%	\$490	\$525	\$630	\$729

Source: HUD 2024 for Asheville MSA

Housing need is both **cost** and **quality**

Households have housing need if housing-related expenses are **more than 30% of the household's income**.

Households have housing needs if they live in **poor quality** or **overcrowded** housing.



Housing-related expenses include rent or mortgage payments, plus insurance, and utilities.



At least 2,000 renters and 600 homeowners have housing needs in Hendersonville

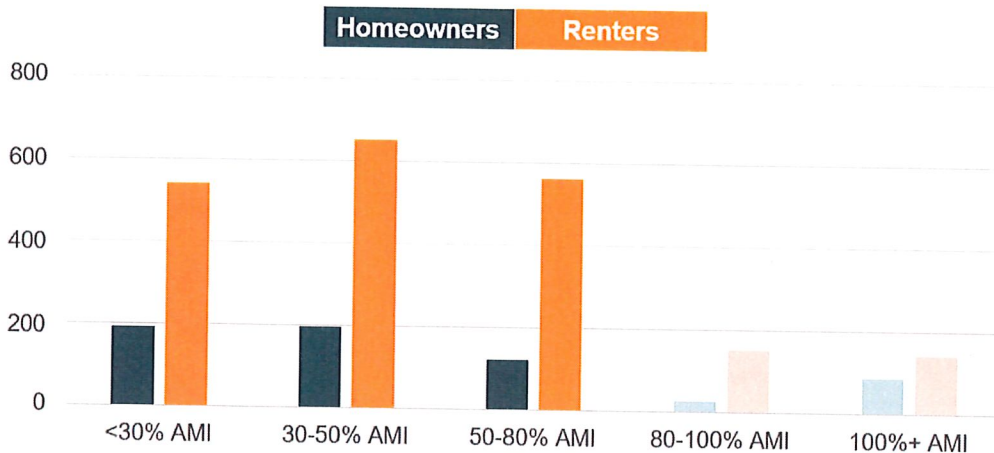
Number of Hendersonville households that are cost burdened or living in substandard or overcrowded housing



Source: HUD CHAS 2021

1,750 renters and 500 homeowners with housing needs are low-to-moderate income

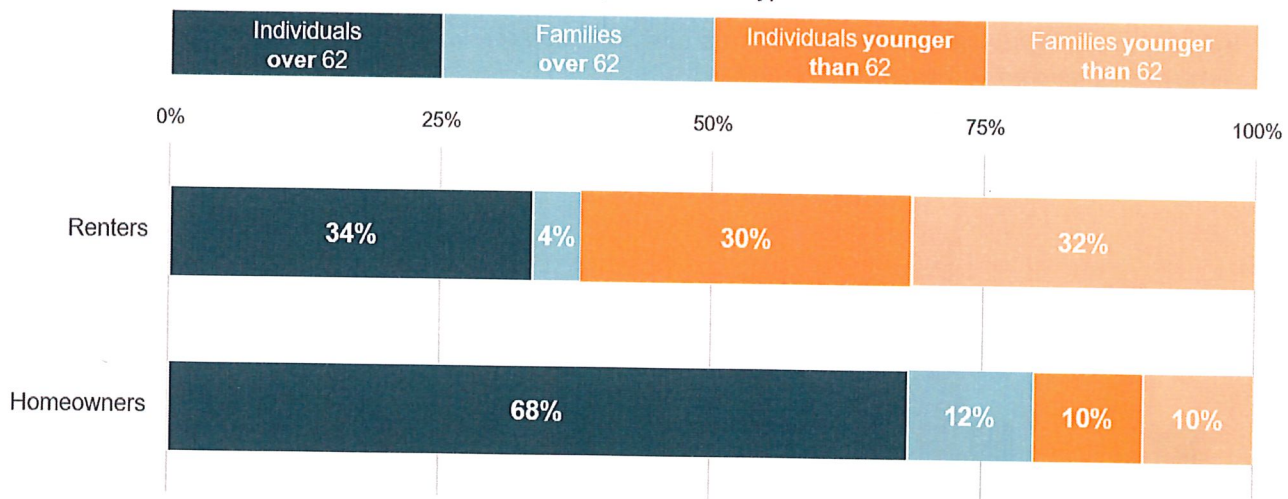
Number of Hendersonville households that are cost burdened or living in substandard or overcrowded housing



Source: HUD CHAS 2021

Various household types in Hendersonville have housing needs

LMI households with housing need by household type



Source: HUD CHAS 2021

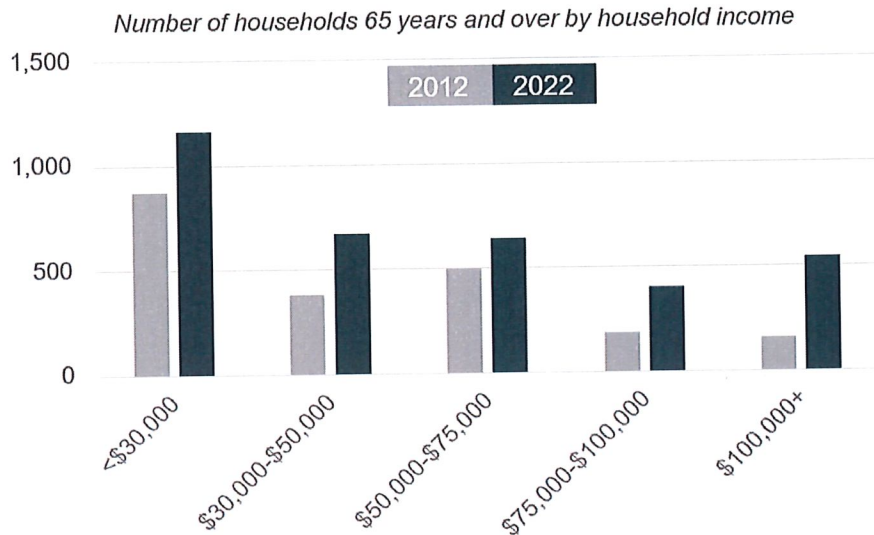
A third of Hendersonville households over 65 have incomes of \$30,000 or less

Individuals over 62



825
Households with housing needs

64%
Renters




Annual Income including earnings from employment, social security, pensions, retirement income, public assistance, and interest from estates

Source: HUD CHAS & ACS 5-Year Estimates

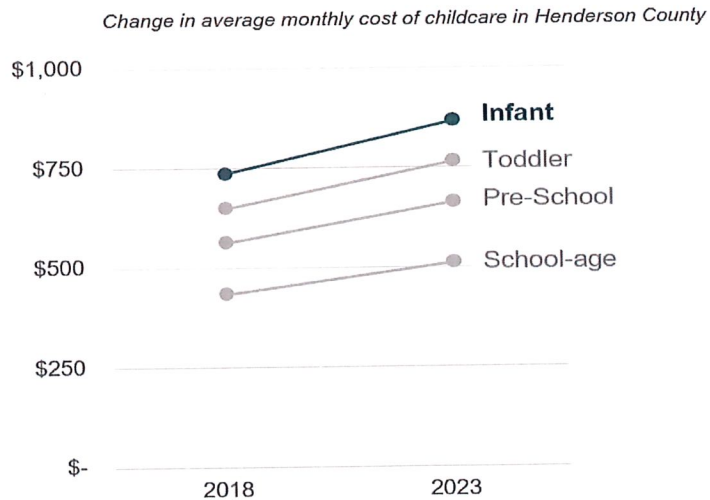
Average cost of childcare in Henderson County is about 1/4 of the monthly budget for a household earning 50% AMI, or \$42,000 a year

Families younger than 62



550
Households with housing needs


92%
Renters



Source: U.S. Department of Labor

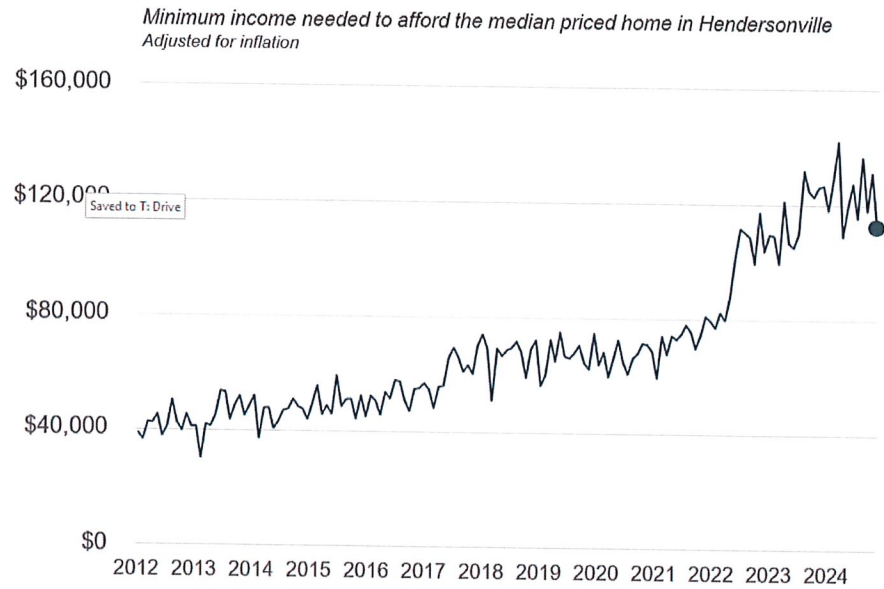
Prospective homebuyers need to make at least \$120,000 to afford the median home for sale in Hendersonville

Families younger than 62



550
Households with housing needs

92%
Renters



Source: DFI analysis. Redfin. St. Louis Federal Reserve. BLS.

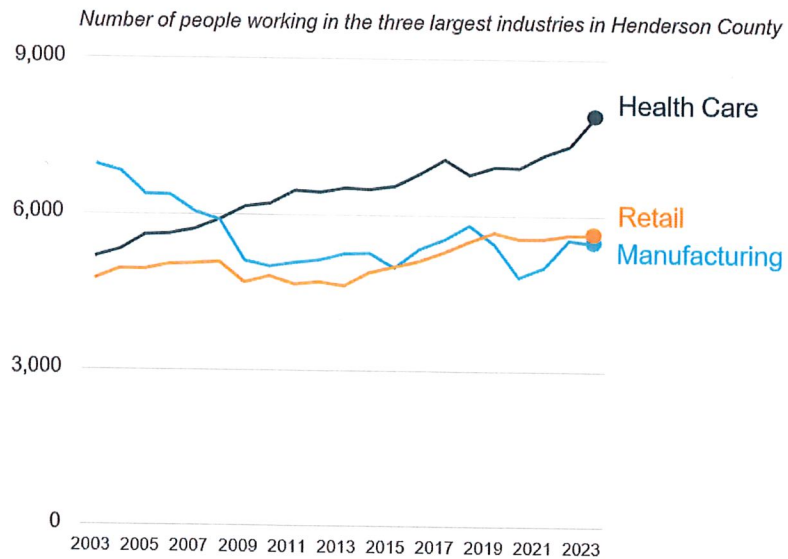
The average wage of Henderson County's largest industries is less than 80% AMI for a one-person household

Individuals younger than 62



500
Households with housing needs

92%
Renters



Source: NC Commerce

Hendersonville's Housing Supply

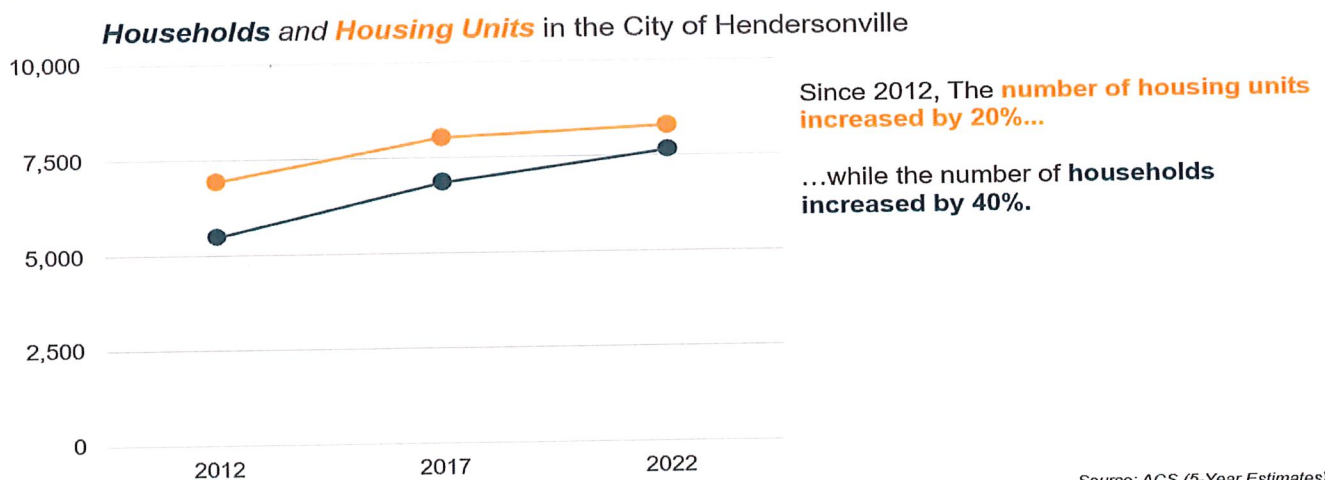
Henderson County has demand for nearly 10,000 housing units over the next five years



Need for **at least 2,200 units** affordable to LMI households in City of Hendersonville

Source: DFI analysis of ACS 5-Year Estimates and NCOSBM population projections

New construction is not keeping up with household growth

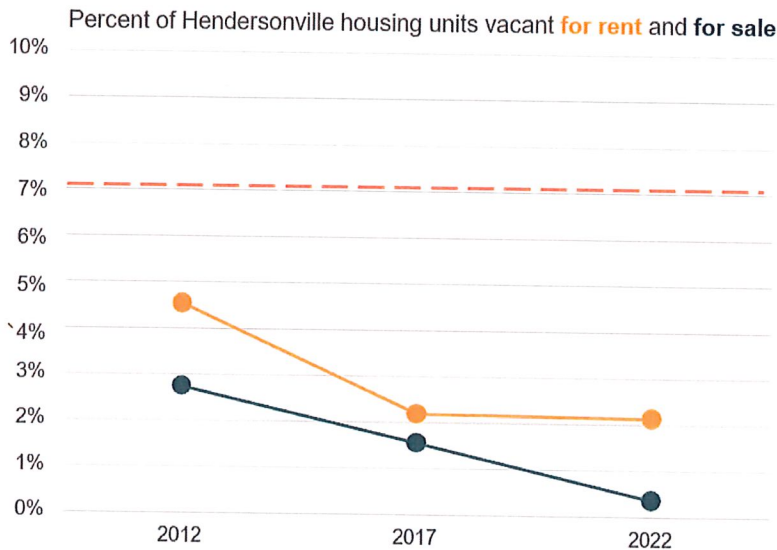


Short-term rentals make up an estimated 5% of Hendersonville's housing stock



Source: AirDNA

Population growth and limited new supply has pushed down vacancy rates

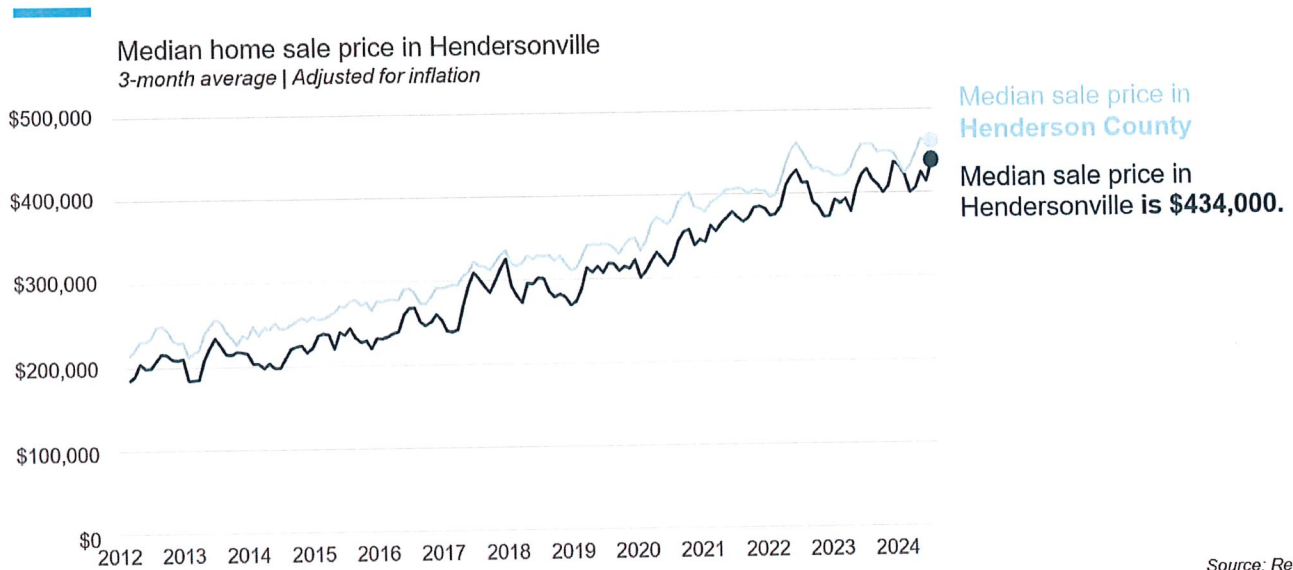


2% of housing units are vacant and for rent

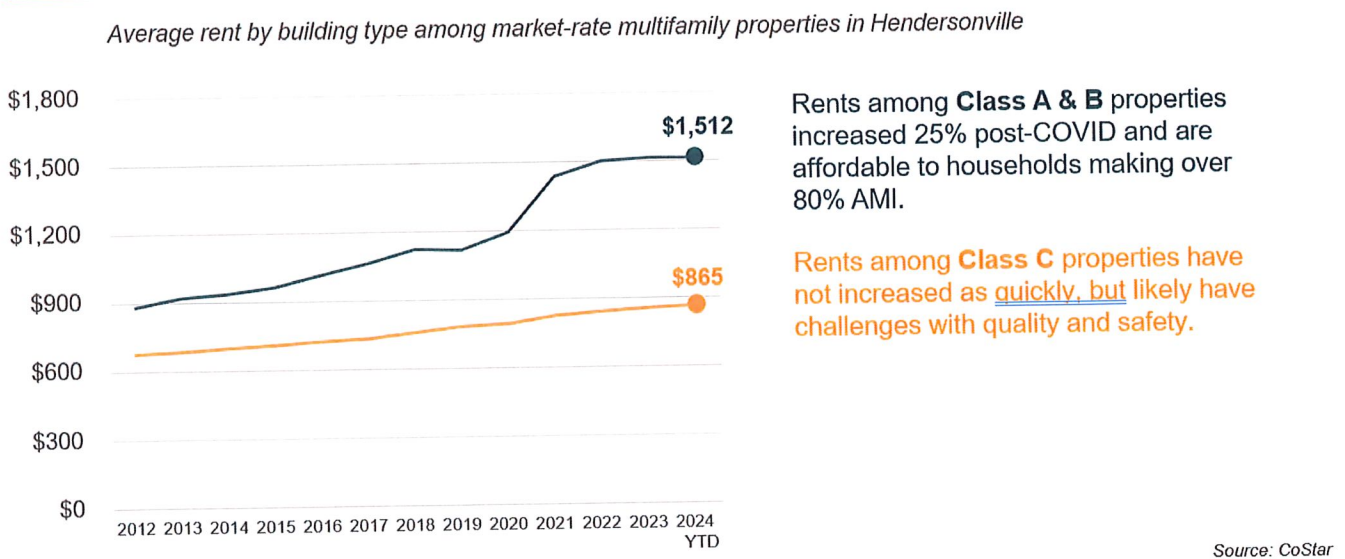
<1% of housing units are vacant and for sale

Source: ACS (5-Year Estimates)

For the past year, median home prices in Hendersonville exceeded \$400,000

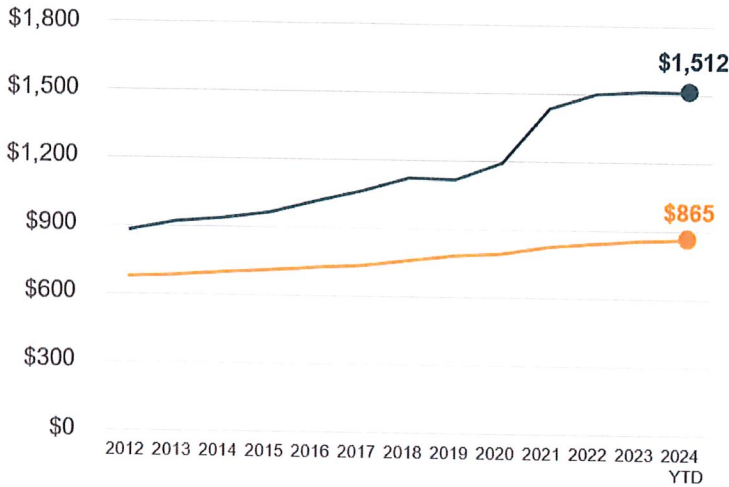


Rents among Class A & B properties increased 25% post-COVID



The median Class C rental unit is nearly 50 years old

Average rent by building type among market-rate multifamily properties in Hendersonville



The median year built of **Class A & B units is 2004...**

...while the median year built of **Class C units is 1976.**

Despite large differences in quality, the vacancy rate among both property types is 3%.

Source: CoStar

An estimated 5,700 housing units are in the Henderson County pipeline

Type	For Sale	For Rent
Affordable	169	163
Market Rate	3,066	2,333
Total	3,235	2,496
% in Hendersonville	35%	83%

Source: Henderson County Planning Department & Hendersonville Housing Dashboard. Projects recently completed, under construction, entitled, or in pre-entitlement.

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Type	For Sale	For Rent
Affordable	169	163
Market Rate	3,066	2,333
Total	3,235	2,496
% in Hendersonville	35%	83%



Cantrell Hills

Affordable at households earning 130% AMI or \$110,000
\$450,000+ / 3-bedroom

Source: Henderson County Planning Department & Hendersonville Housing Dashboard.
Projects recently completed, under construction, entitled, or in pre-entitlement.

An estimated 5,700 housing units are in the Henderson County pipeline

Type	For Sale	For Rent
Affordable	169	163
Market Rate	3,066	2,333
Total	3,235	2,496
% in Hendersonville	35%	83%



The Summit at Hendersonville

Affordable to households earning 80% AMI or \$65,400
\$1,350 / 1-bedroom
\$1,650 / 2-bedroom
\$2,000 / 3-bedroom

Source: Henderson County Planning Department & Hendersonville Housing Dashboard.
Projects recently completed, under construction, entitled, or in pre-entitlement.

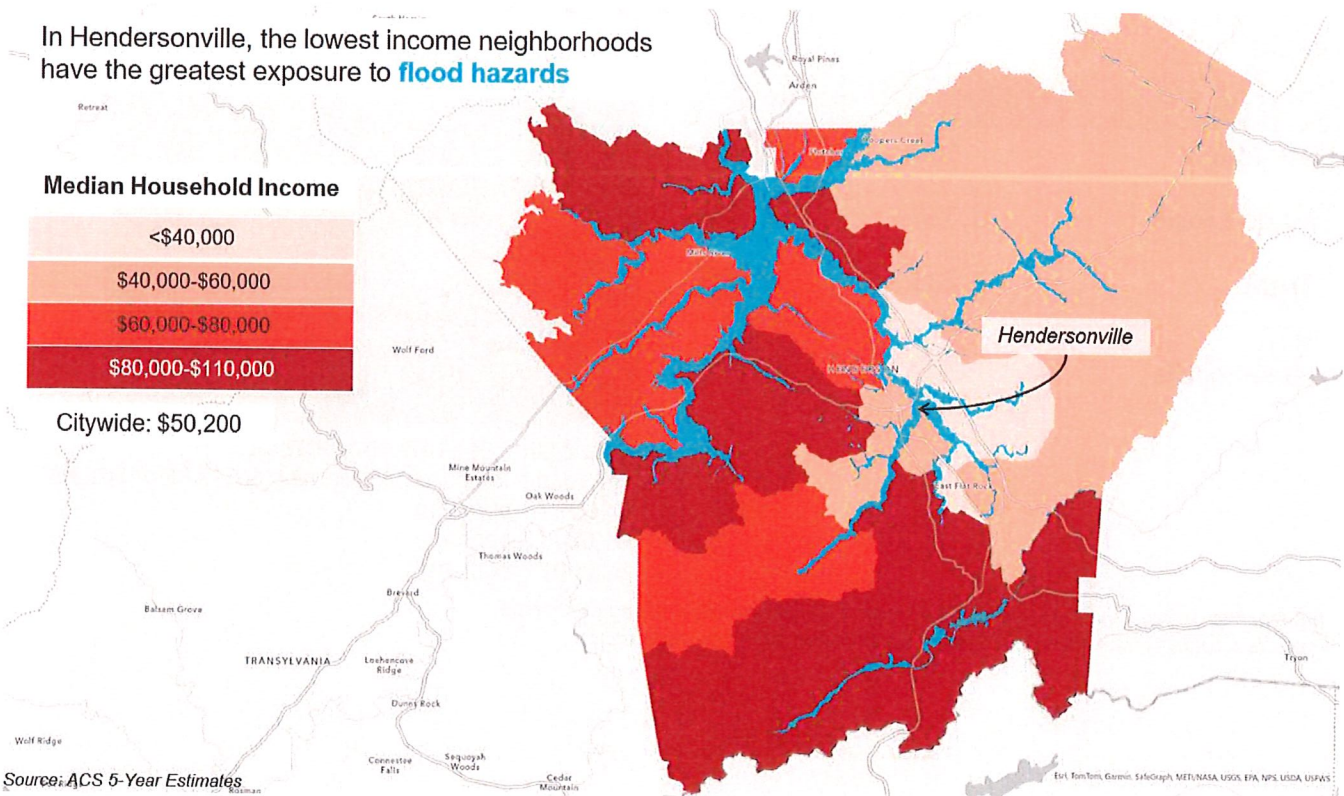
Estimated impact from Hurricane Helene

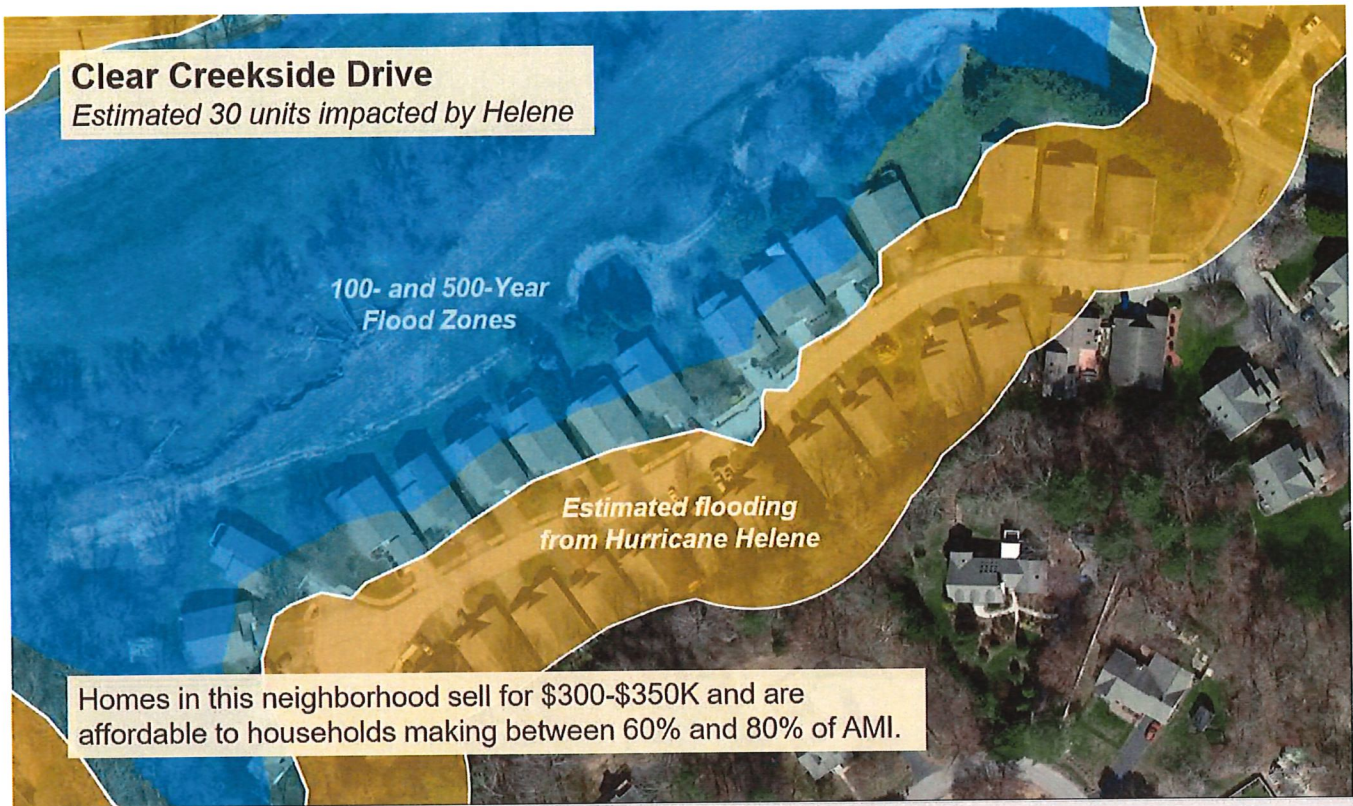
Hurricane Helene

- According to state estimates, approximately 126,000 housing units in western NC were damaged by Hurricane Helene
- As of October 21, 4,600 homeowners and 2,500 renters have been approved for FEMA Individual Assistance in Hendersonville ZIP Codes



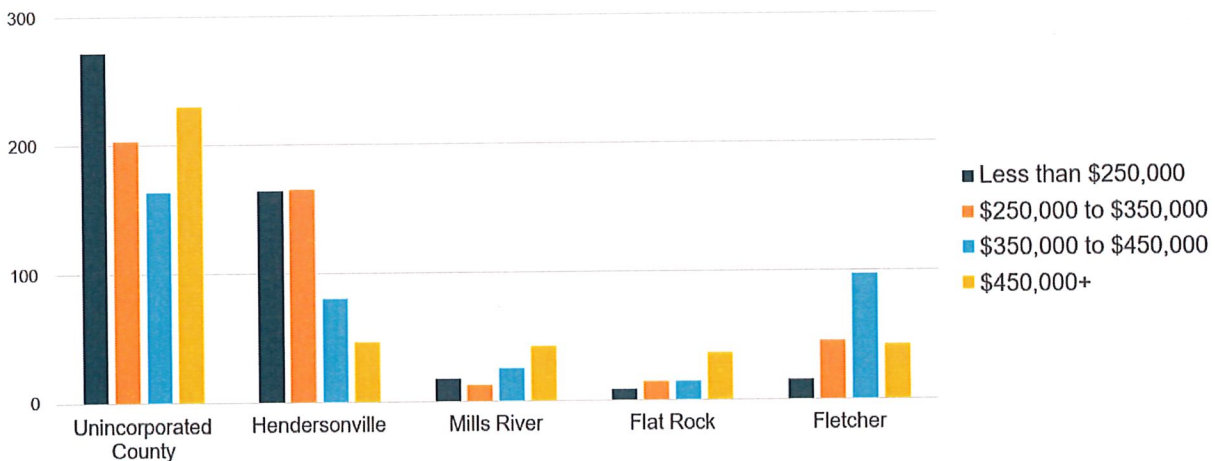
In Hendersonville, the lowest income neighborhoods have the greatest exposure to **flood hazards**



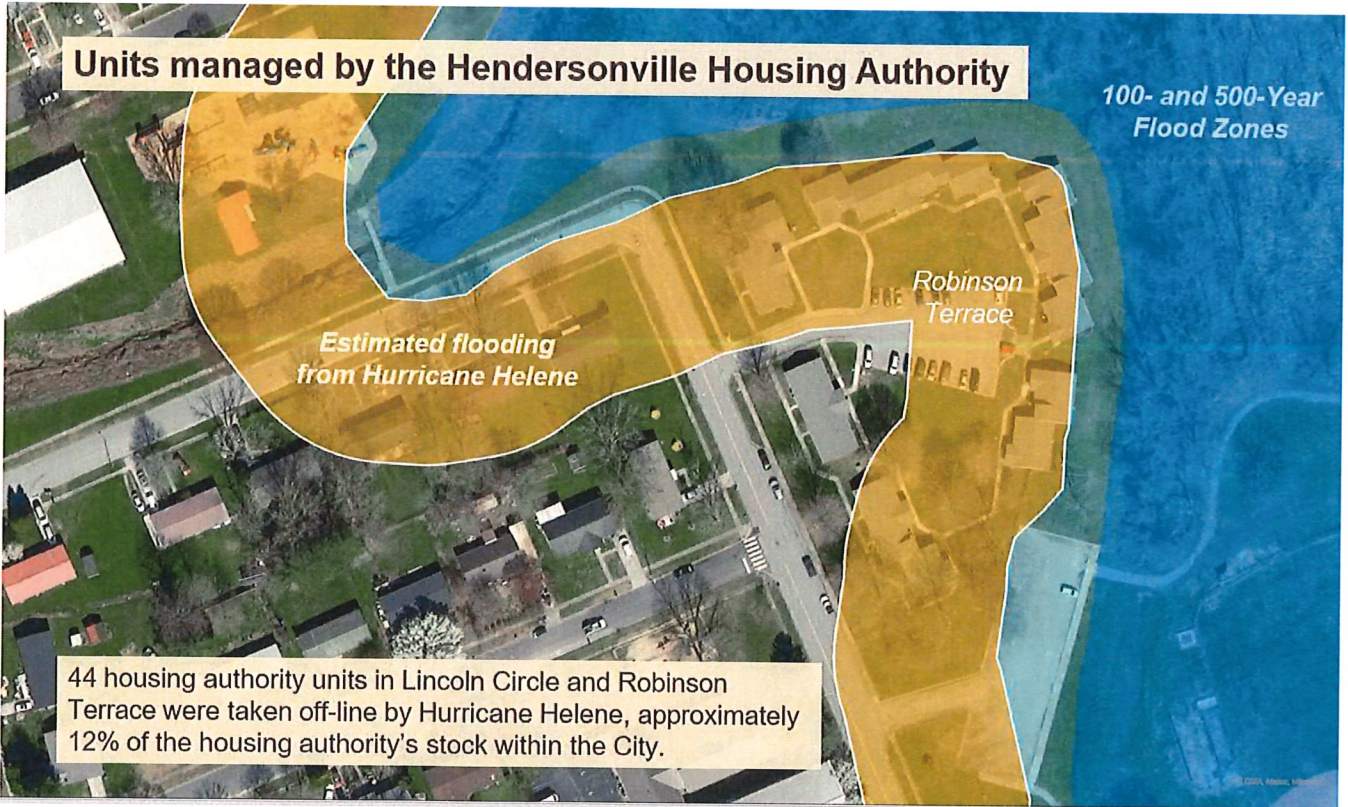
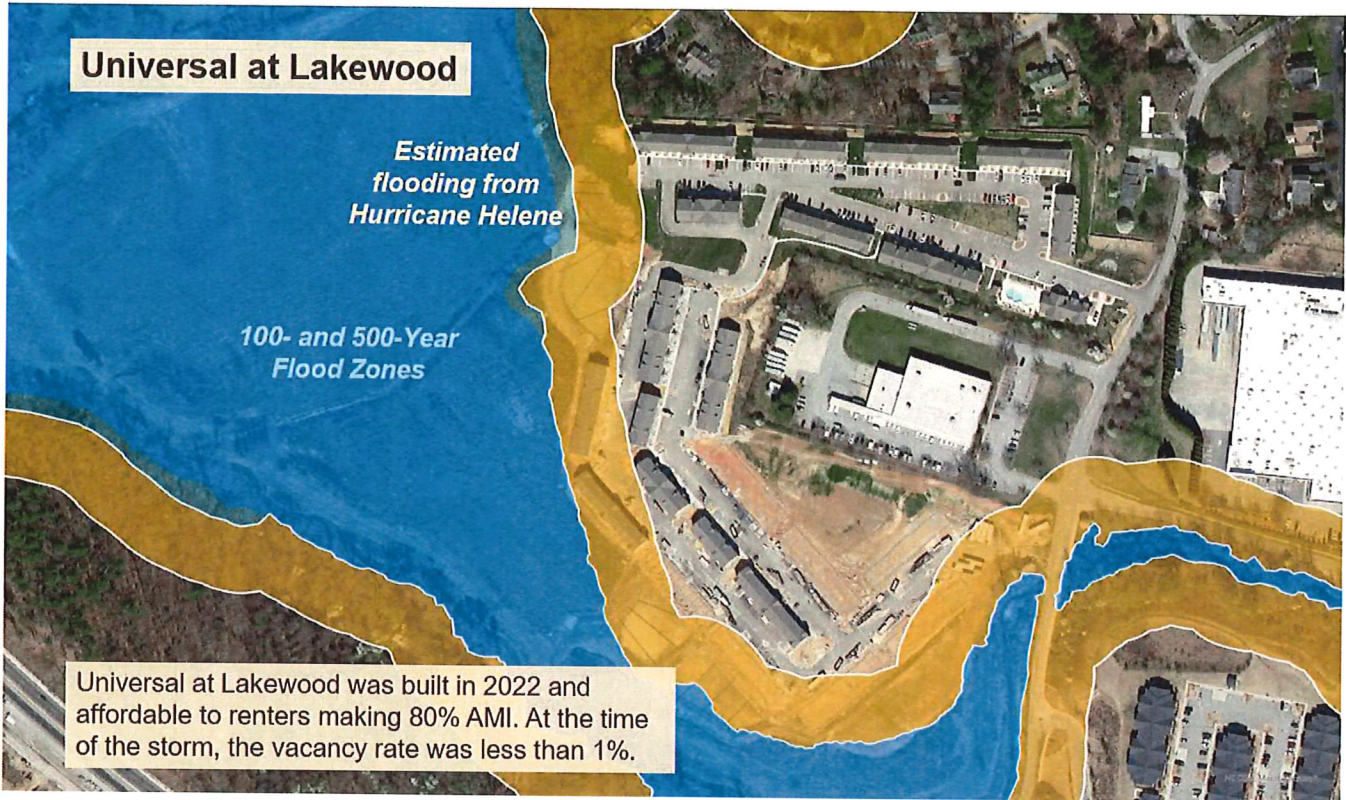


An estimated 1,700 single-family homes were exposed to Helene flooding

Estimated number of single-family and modular homes within 30 meters of the flood zone by municipality and tax assessed value

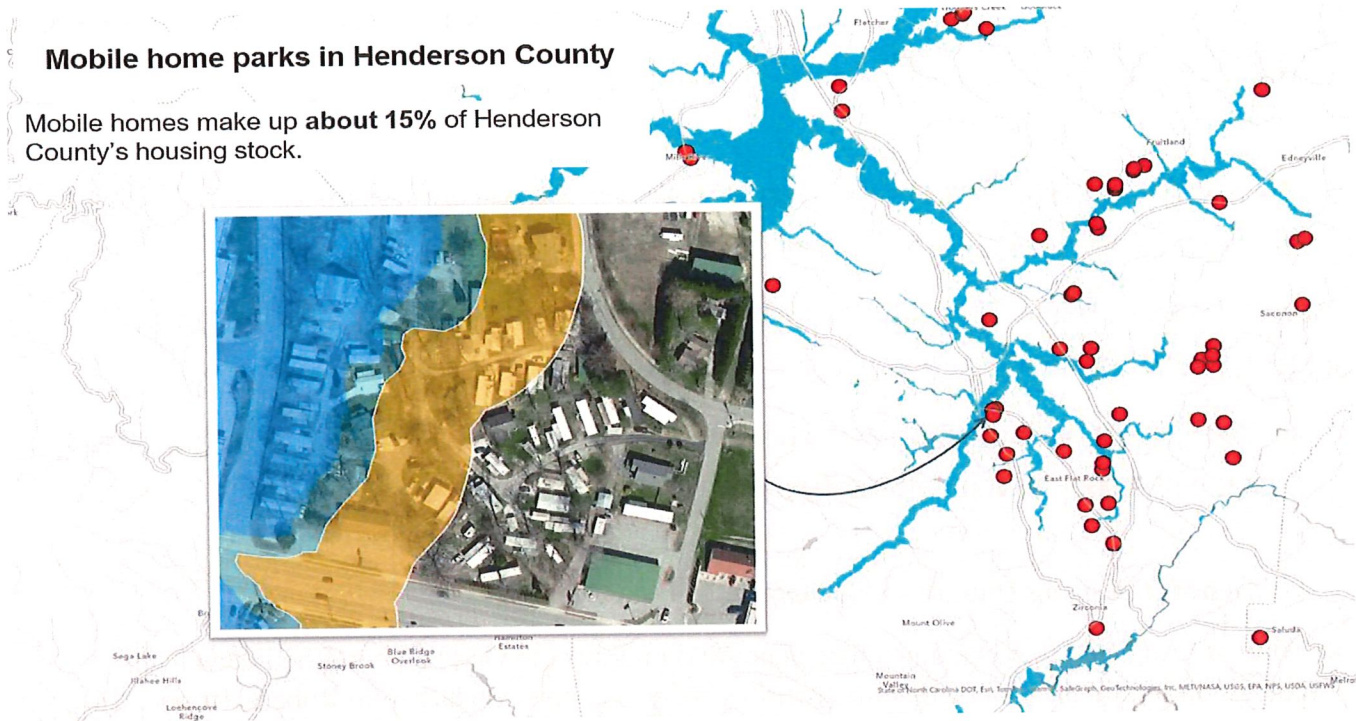


Source: DFI analysis of data from NC FRIS & Henderson County Tax Assessor



Mobile home parks in Henderson County

Mobile homes make up about 15% of Henderson County's housing stock.



Summary

- To meet current and future housing demand, Henderson County needs an estimated 10,000 new housing units within the next five years. At least 2,000 of these units are needed in Hendersonville for low-to-moderate income households.
- Hendersonville's housing supply was constrained even before Hurricane Helene. Over the past decade, household growth in Hendersonville outpaced new housing construction by about 2 to 1, and rental and for-sale vacancies dropped below 2%.
- Various household types in Hendersonville live in unaffordable or low-quality housing, over 80% of which are low-to-moderate income.
- According to state estimates, approximately 126,000 housing units were damaged by Hurricane Helene across western North Carolina. Within the city, the lowest income neighborhoods have the greatest exposure to flood hazards.

Discussion

- Are any of the findings presented today surprising or unexpected? What's missing?
- Do these findings reflect what you have seen and/or heard from residents in the city?
- From your perspective, how has Hurricane Helene impacted your housing priorities for the City?

C. General Housing Update – *City Staff*

City Attorney Angie Beeker explained that since we didn't meet in October, our schedule will shift a couple of months and mentioned that in December we will have an update from Robert Hooper with WNC Source, as well as, a presentation from Connie Stewart of the Hendersonville Housing Authority. In January we will be talking about utilities with our Utilities Director and a realtor data presentation. Then FountainWorks who we engage to help collect community input will also be presenting as well. Our Communications Director is going to give us an update on listening sessions that are coming up.

Allison Justus explained that Council Member Jenifer Hensley and Council Member Miller had their listening sessions prior to the hurricane and the last three had to be rescheduled. Two of them are tomorrow. Mayor Pro Tem Simpson will be hosting the one for non-profits at 2:00pm at Mountain View Church which is on Duncan Hill Road and then in the evening Council Member Lowrance will be at Green Meadows Community at Union Grove at 6:00pm. Then on December 3rd we have our final meeting that we're very excited about with the help of El Centro and Nancy Diaz as well as True Ridge and that will be a bilingual meeting at Immaculate Conception at 6:00pm. In addition to that we have an online survey that has been available and we will keep open until December 8th. The next three meetings we will also be offering raffles to attendees if they are able to join us, they'll be able to put their name in for a \$50 Ingles gift card drawing which we're hoping can offset some costs. We'll have at least 12 cards available at each meeting.

Lyndsey said it would be great if we could all get more people to fill out the survey and asked if the survey is in Spanish as well and it is. She also asked if we could use an Ingles gift card for the survey as well and Allison said she has two gift cards left that could be used towards that.

6. OTHER BUSINESS - None

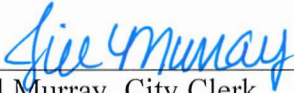
7. ADJOURNMENT

There being no further business, the meeting was adjourned at 5:18 p.m.



Lyndsey Simpson, City Council Member & Chairman

ATTEST:



Jill Murray, City Clerk