

# South Shore Region Local Resident Housing Needs and Opportunities

October 31, 2019

WILLIFORD, LLC



# Building Blocks of a Housing Plan



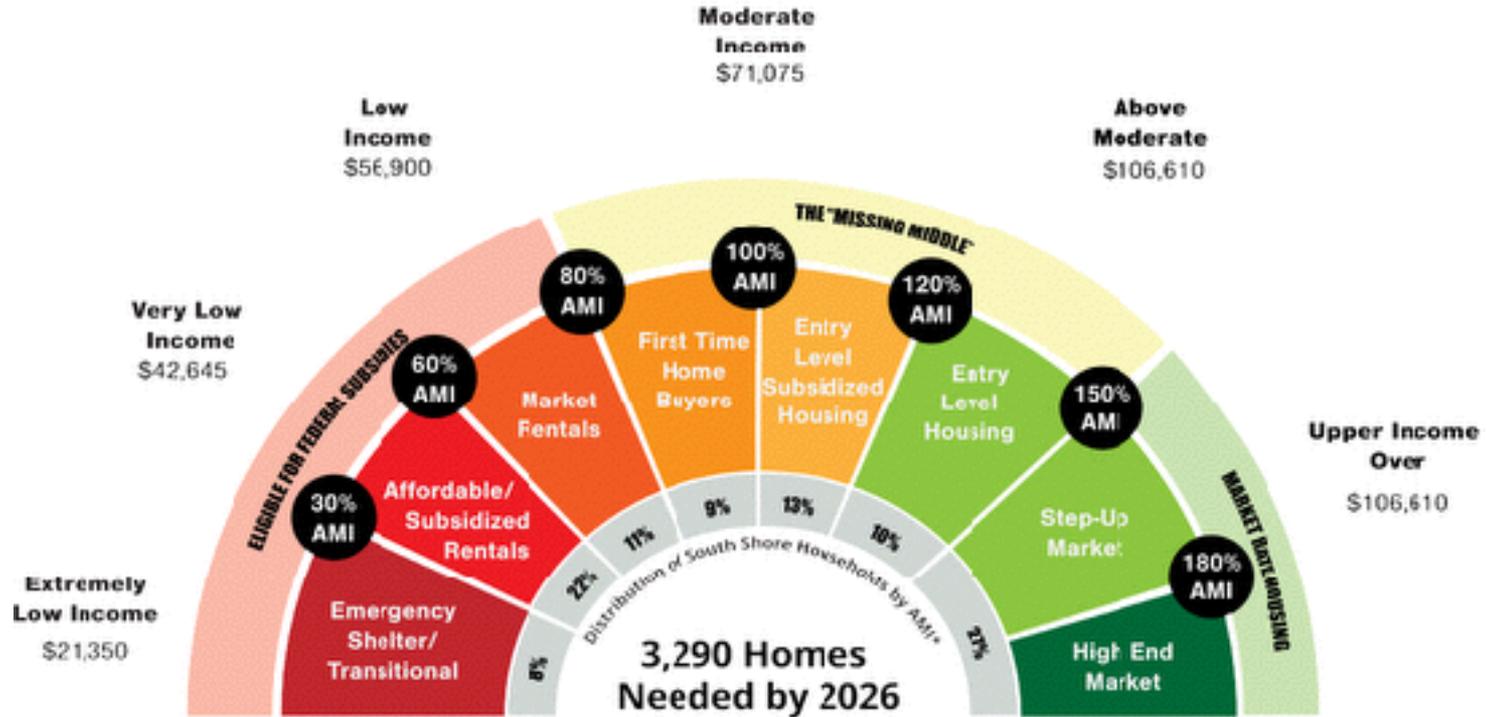
# Study Area



# Methodology

- Quantifies resident and employee housing needs: how much, what type, price
- Survey – households and employers
- Focus groups – real estate agents, property managers, developers, primary employers
- Interviews – employers, property managers, lenders, service organizations, housing partners, developers, stakeholders
- Existing studies
- Secondary data

# Spectrum of Needs



# Housing Needs Residents and Employees

Summary of Housing Needs	
<b>Catch-Up</b>	<b>2,085</b>
Overcrowded Households	165
In-commuters	1,245
Unfilled jobs	675
<b>Keep-Up</b>	<b>1,205</b>
Retiring employees	630
New jobs	575
<b>TOTAL through 2026</b>	<b>3,290</b>
Market rate (43%)	1,410
<b>Housing Gap (lower than market) (57%)</b>	<b>1,880</b>

Est. 62%  
Rental (2,025)

# What Prices Are Needed?

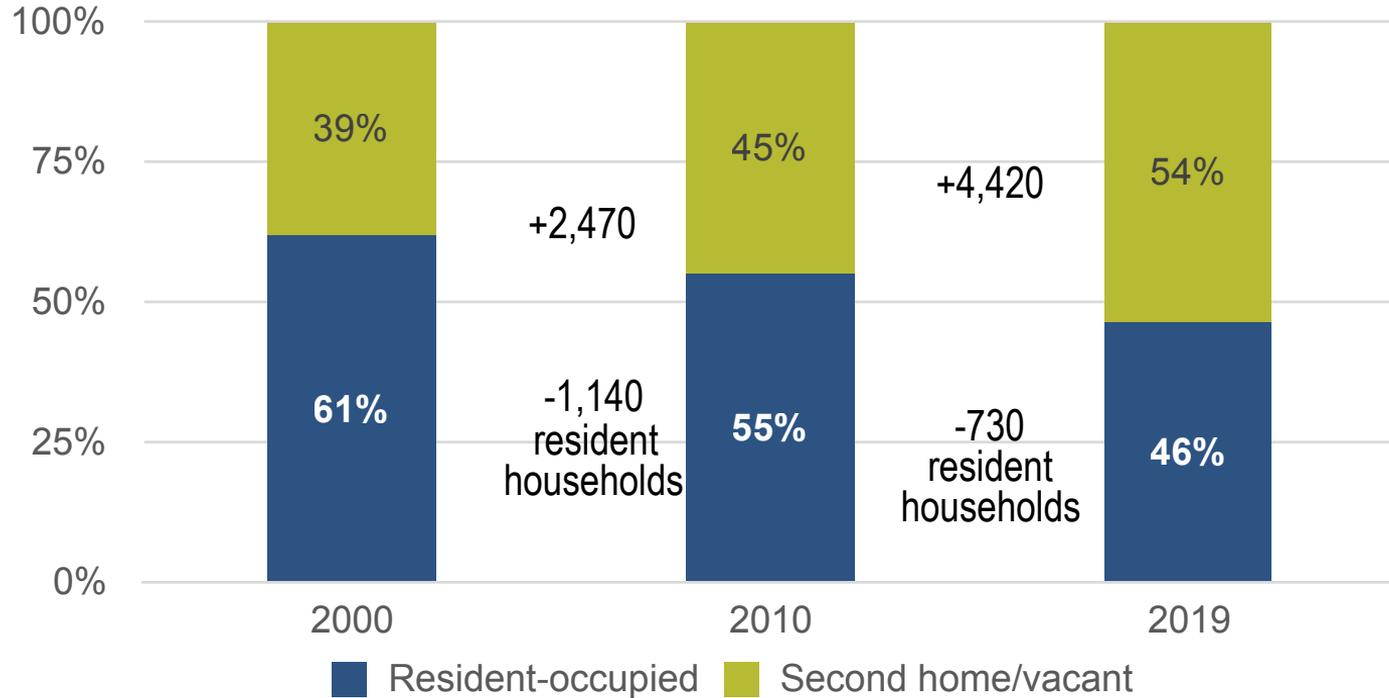
30% of income for rent/mortgage

Household Income	Max monthly rent	Max purchase price
Under \$20,000	\$500	\$100,000
\$20 to \$39,999	\$1,000	\$150,000
\$40 to \$49,999	\$1,250	\$200,000
\$50 to \$59,999	\$1,500	\$250,000
\$60 to \$74,999	\$1,875	\$300,000
\$75 to \$99,999	\$2,500	\$400,000
\$100 to \$124,999	\$3,125	\$500,000
Over \$125,000	Over \$3,125	Over \$500,000

Primary resident and employee demand

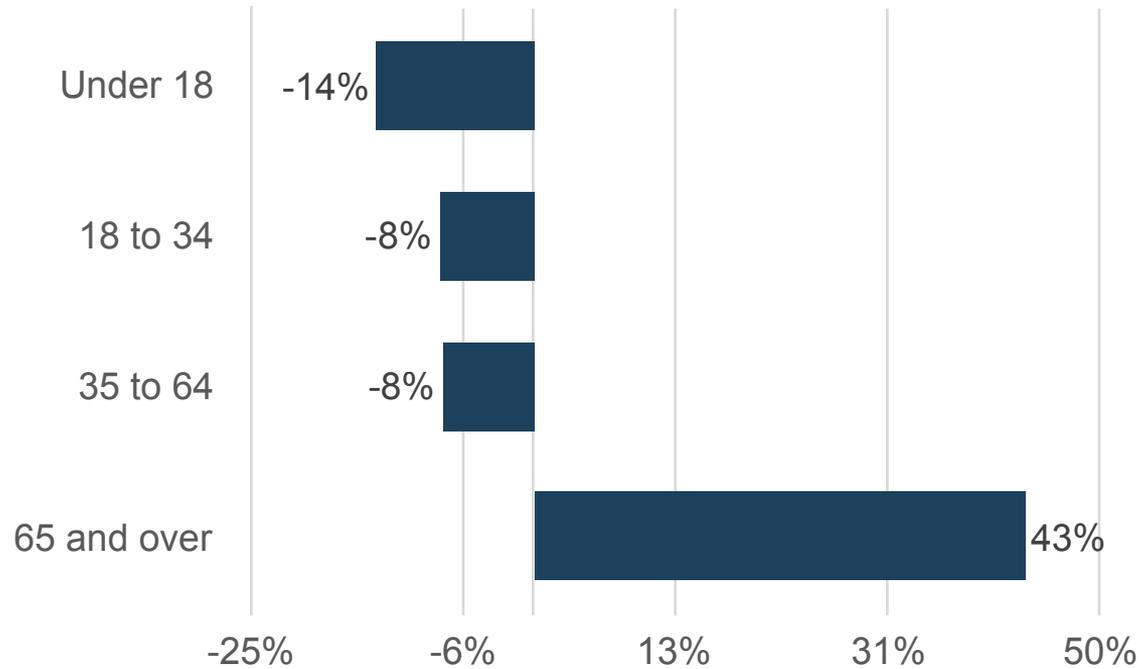
# Key Trends

## Declining Year-Round Resident Households

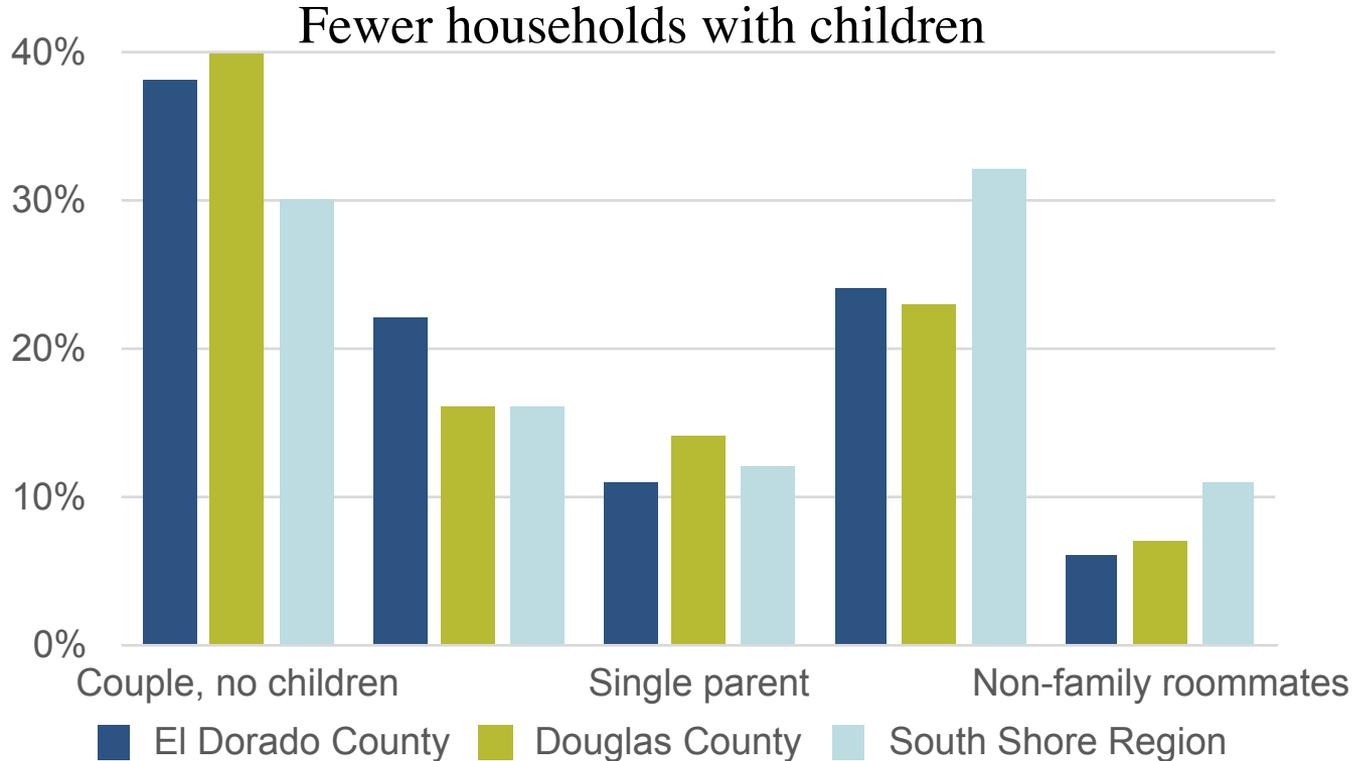


# Key Trends

Ageing population: 2010 to 2017



# Key Trends



# Key Trends

New development largely going to second homeowners

	South Shore
Since 2010	3%
2000-2009	7%
1990-1999	7%
1980-1989	10%
1970-1979	33%
Prior to 1970	40%
Estimated Units (2019)	32,150

Of 825 homes built since 2010:

- 75% valued over \$550,000
- 23% (190 homes) locally-owned (assessor records)
- 48 were low-income rentals (The Aspens)

# Key Trends

## Loss of units

Renter households forced to move in past five (5) years:

- 15% (930 total) due to owner selling rental
- 10% (625 total) due to conversion to short-term rental

Redevelopment:

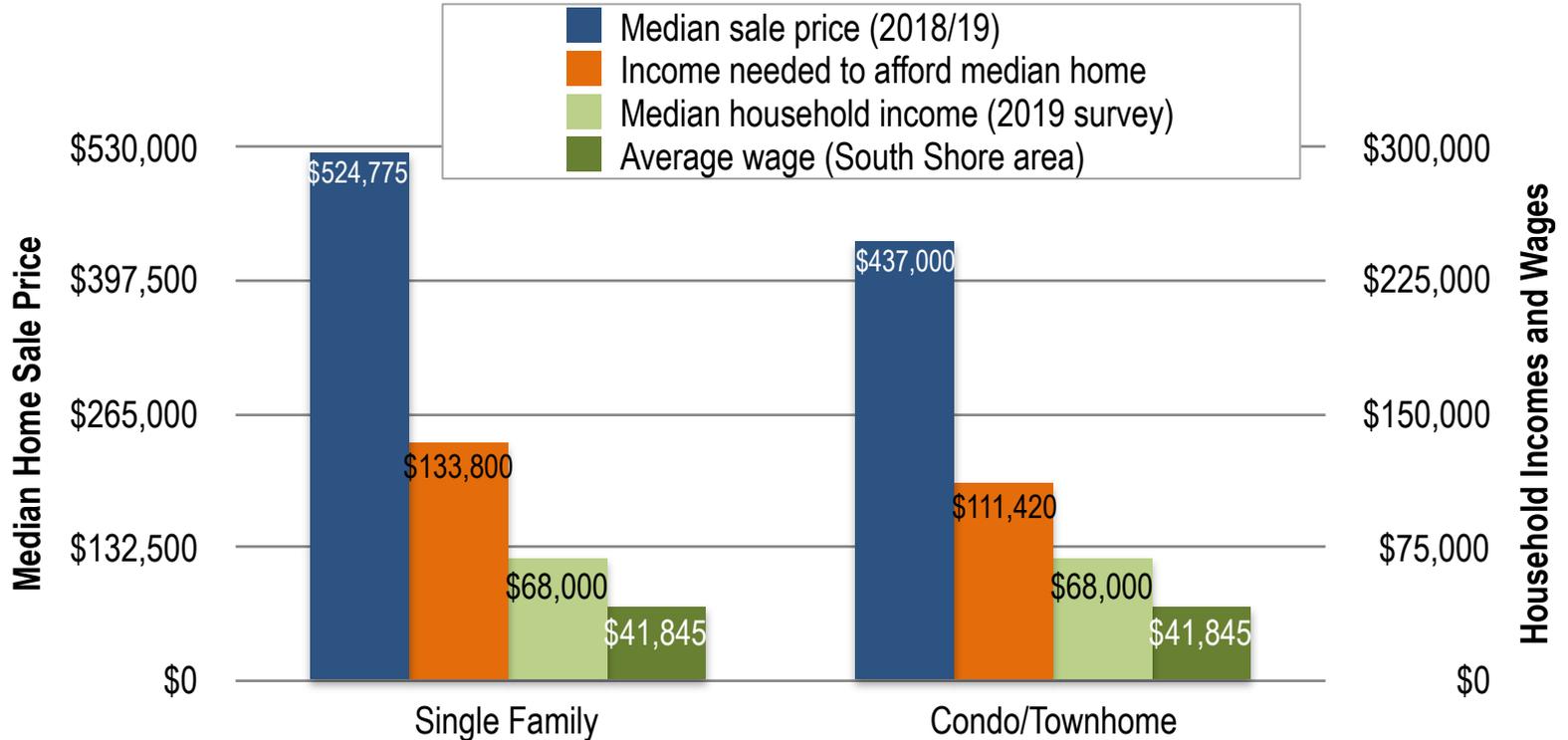
- Loss of 155-unit mobile home park; 54 existing rentals were deed restricted as mitigation

Condemnation/condition:

- 6 families displaced last year (condemnation)
- 4% renters (270 total) moved due to “poor condition/irreparable” home

# Key Trends

Fast home price increases; low availability



# Key Trends

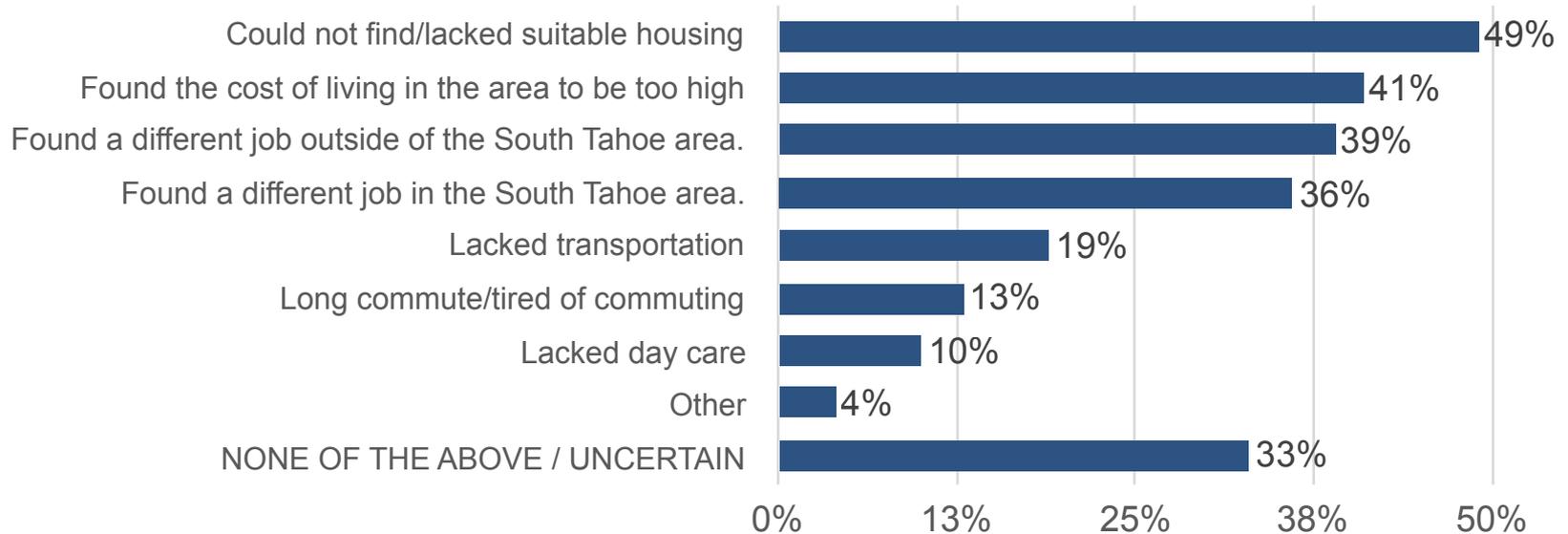
Fast home price increases; low availability

	Professionally- Managed Market Rents (interviews)	Average Rent Paid (survey)	Available rentals (Sept. 2019)
<b>0-bedroom</b>	\$850-\$900	\$850	\$920
<b>1 bedroom</b>	\$950 - \$1,100		\$1,150
<b>2 Bedroom</b>	\$1,200 - \$1,500	\$1,260	\$1,825
<b>3 Bedroom</b>	\$1,600 - \$2,400	\$1,605	\$2,490
<b>4 Bedroom</b>	NA	\$1,800	NA
<b>Overall Average</b>	-	\$1,270	\$1,895

# Key Trends

Employer problems finding/retaining employees:

**Did anyone refuse a job offer or did anyone leave your employment in the past 12 months because they:**



# Key Trends

## Employees Who IN-COMMUTE to Jobs in the South Shore Region

Average Yearly Vehicle Miles Traveled: in-Commuters, 2019		
% in-commuters	31%	25%
# in-commuters	5,555	4,480
Yearly vehicle miles traveled per in-commuter	13,000	13,000
Yearly vehicle miles traveled - all in-commuters	72,215,000	58,240,000

*“Housing in the South Shore is not affordable. I commute from Placerville every day. This racks up an average of 20,000 miles a year on my personal vehicle, and leaves me missing 3 hours a day that I could be spending with my family.”*

2019 Household and Employee Survey comment

# Key Trends

## Employees and housing options

*“Seasonal employees are living in subpar conditions and people take advantage of them. Upper management can't live in the area especially if they have families. It's too expensive.”*

*“Too many rental units are in poor condition and poorly managed.”*

*“We are fortunate to house our seasonal employees on-site but we are dealing with our own housing crisis where more and more staff/management are opting and wanting to live on-site due to the un-affordable housing in town and lack of suitable housing options.”*

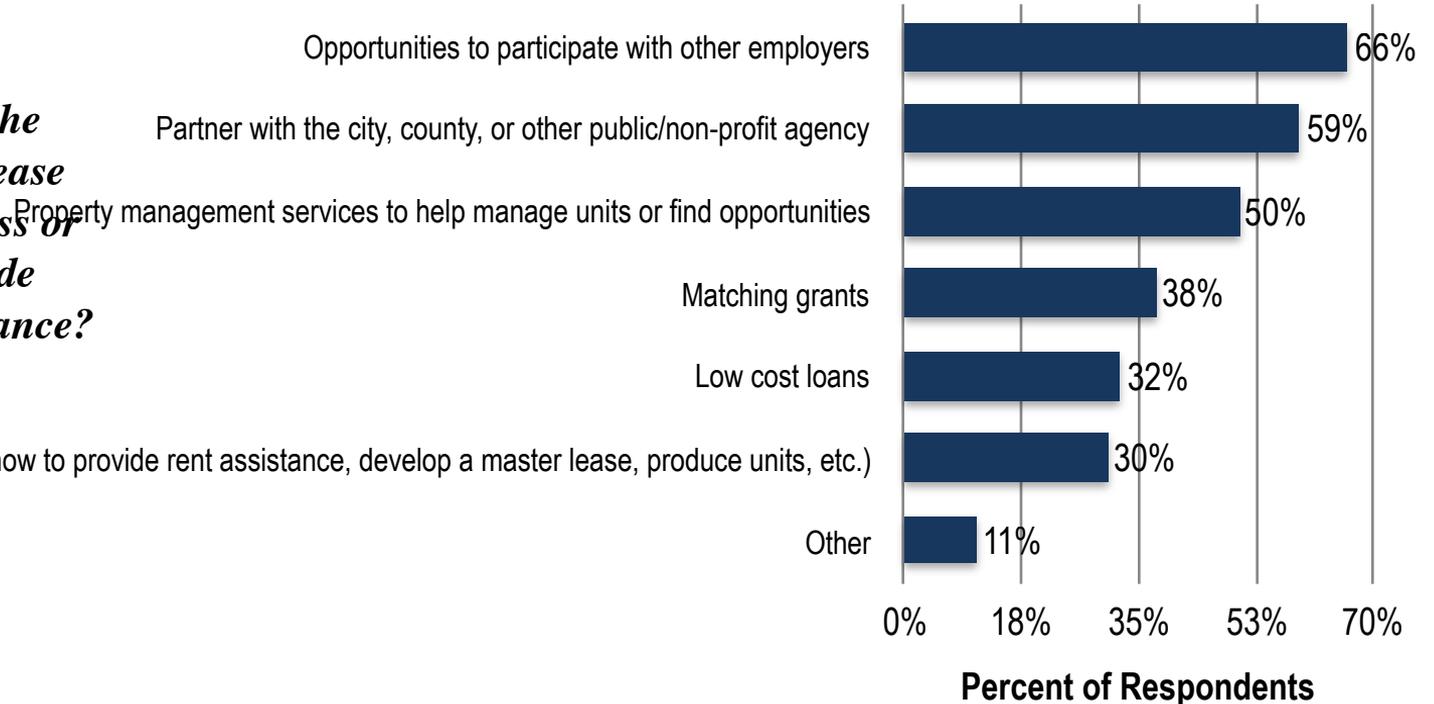
**2019 South Shore Employer Survey comments**

# Key Trends

## Employers and housing assistance

*Would any of the following increase your willingness or ability to provide housing assistance?*

Technical assistance (e.g. how to provide rent assistance, develop a master lease, produce units, etc.)

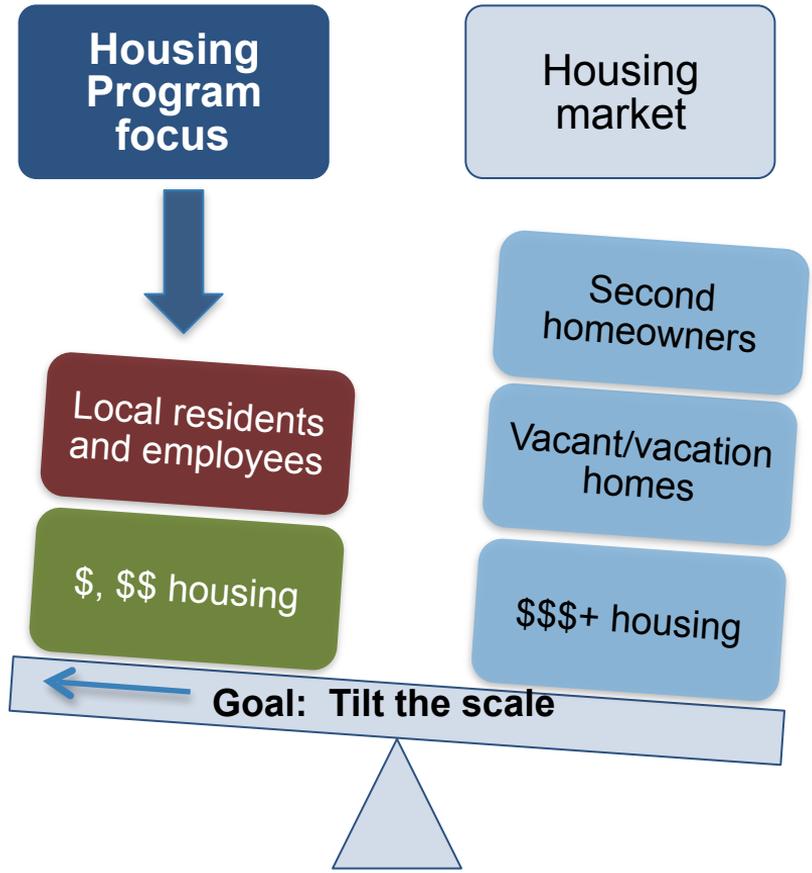


# Action Plan Process

## **What is an Action Plan?**

A partnership framework with actionable strategies to increase the inventory of local resident housing – dwellings that South Shore Region residents and employees can afford to purchase or rent.

What will we achieve?



# Using Tools to Target Various Income Needs



Source: NCHUD Calculated Income Levels for 2 Person Households

Revised May 2019

- Land Banking
- Removal of Regulatory Barriers
- Deed Restrictions (permanent)
  - General Funds
  - Taxes for Housing
- Public/Private/Institutional Partners

# Action Plan Priorities and Roles

Timeline of Priority Tools

HOUSING STRATEGIES	Strategy Type	2018				2019				2020				MID TERM					Long Term	
		1	2	3	4	1	2	3	4	1	2	3	4	2021	2022	2023	2024	2025	2026-2030	
Land Acquisition - Shady Rest Acquisition	PPP	[Action Phase]				[Ongoing Phase]				[Ongoing Phase]					[Ongoing Phase]					
Dedicated Local Tax (to vote Nov. 2018)	Funding	[Action Phase]				[Ongoing Phase]				[Ongoing Phase]					[Ongoing Phase]					
Home buyer assistance (expanded)	Program	[Action Phase]				[Ongoing Phase]				[Ongoing Phase]					[Ongoing Phase]					
Renter Assistance (employers)	Program	[Action Phase]				[Ongoing Phase]				[Ongoing Phase]					[Ongoing Phase]					
EAH - Tenant/Landlord matching	PPP	[Action Phase]				[Ongoing Phase]				[Ongoing Phase]					[Ongoing Phase]					
Promote ADUs (outreach/ education)	Incentives	[Action Phase]				[Ongoing Phase]				[Ongoing Phase]					[Ongoing Phase]					
Second Homeowner Roommate Matching	STR	[Action Phase]				[Ongoing Phase]				[Ongoing Phase]					[Ongoing Phase]					
Federal/ State - Grants/ Loans/ LIHTC	Funding	[Action Phase]				[Ongoing Phase]				[Ongoing Phase]					[Ongoing Phase]					
Land Acquisition - MMSA Lodestar	PPP	[Action Phase]				[Ongoing Phase]				[Ongoing Phase]					[Ongoing Phase]					
Zoning for Affordability	Incentive	[Action Phase]				[Ongoing Phase]				[Ongoing Phase]					[Ongoing Phase]					
STR Amnesty	STR	[Action Phase]				[Ongoing Phase]				[Ongoing Phase]					[Ongoing Phase]					
Land Acquisition - Shady Rest Design	PPP	[Action Phase]				[Ongoing Phase]				[Ongoing Phase]					[Ongoing Phase]					
Housing Mitigation Ordinance	Requirement	[Action Phase]				[Ongoing Phase]				[Ongoing Phase]					[Ongoing Phase]					
Inclusionary Zoning	Requirement	[Action Phase]				[Ongoing Phase]				[Ongoing Phase]					[Ongoing Phase]					
Linkage license fee for STR	STR	[Action Phase]				[Ongoing Phase]				[Ongoing Phase]					[Ongoing Phase]					
Public Land for Development - Tier 1 Sites	PPP	[Action Phase]				[Ongoing Phase]				[Ongoing Phase]					[Ongoing Phase]					
Amnesty for unpermitted units	Requirement	[Action Phase]				[Ongoing Phase]				[Ongoing Phase]					[Ongoing Phase]					
Loan Program for LTR landlords	Program	[Action Phase]				[Ongoing Phase]				[Ongoing Phase]					[Ongoing Phase]					
Inspection/ Licensing for LTR	Requirement	[Action Phase]				[Ongoing Phase]				[Ongoing Phase]					[Ongoing Phase]					
STR Conversion - Property Management	STR	[Action Phase]				[Ongoing Phase]				[Ongoing Phase]					[Ongoing Phase]					

HOUSING STRATEGY	IMPLEMENTATION RESPONSIBILITIES					
	Town	MLH	Chamber	MMSA	Employers	Other
<b>NEAR TERM - in place by the end of 2020</b>						
Land Acquisition - Acquire The Parcel	L					
Dedicated local tax	S	S				Lead TBD
Home buyer assistance (community and employers)	S	L	S	S	Working group	
Renter assistance (employers)			S	L	Working group	
EAH - Tenant/ Landlord matching			L	S	Working group	
Accessory Dwellings* (promote)	S	S				Lead TBD
STR to LTR incentive: roommate match	S	S	L		Working group	property managers
Federal and state grants/ loans; LIHTC	L/S	L/S				depends upon task
Land Acquisition - MMSA Lode Star	S			L		
Zoning for Affordability*	L	S		S		MLF (IP land), community
STR to LTR incentive: amnesty	L	S				
Land Acquisition - The Parcel Design	L	S				community, stakeholders
Housing Mitigation Ordinance	L					
Inclusionary Zoning	L					community

Key:  
 Action Phase  
 Ongoing Phase

# Action Plan Process

## What will we achieve?

At a minimum:

- A common goal/direction for housing.
- Prioritized strategies to reach that goal and a timeframe for achievement.
- An understanding of where your organization's skills, resources and progress fits within that goal – what your role is. Also understanding what partnering means in the context of what needs to be achieved.
- A process to track and monitor progress; keep partners engaged and apprised; consider adjustments as capacity, partners, needs change.
- Knowledge of additional capacity, housing management needs, financing sources that will be needed to succeed.

# Next Steps

## **Final housing needs assessment – today**

- HTP meeting: October 31 – HNA presentation, fielding ideas

## **Action Plan schedule –**

- First open house and Advisory Group Session Nov. 12 and 13<sup>th</sup>
- Next Sessions – Dec and Jan; draft plan in Feb.; Presentation March

