



CITY OF GASTONIA **AFFORDABLE HOUSING PLAN**



UNC
GREENSBORO
Center for Housing
& Community Studies

TABLE OF CONTENTS

ACKNOWLEDGMENTS	3	THE AFFORDABLE HOUSING SURVEY	42
INTRODUCTION	5	About the Survey	43
Growth and Transformation	6	Geographic Distribution	44
Plan History	7	What Brought You Here?	45
Gastonia Planning Background	8	Housing Preferences	46
Affordable Housing: Myth and Reality	9	Housing and Work	47
How to Make Housing Affordable	10	Cost Burden	48
The Housing Gap	12	Eviction	49
The Way Forward	13	Affordable Housing	50
The Way Forward – Summary of		Opinions About Affordable Housing in	
Recommendations	14	My Neighborhood	51
		Opinions About Affordable	
		Housing Programs	52
		Opinions About Affordable	
		Housing Policy	53
THE HOUSING ECONOMY	15	RECOMMENDATIONS	54
Regional Economic and		Recommendations Overview	55
Population Growth	16	POINT 1 – Affordable Housing Trust Fund	56
Areas of Need	17	POINT 2 – Land Disposition Policy	58
Housing Conditions	18	POINT 3 – Community Land Trust	60
Housing Types and Units Added	19	POINT 4 – Housing Resource Center	62
Renter Income and Market Rent	20	POINT 5 – Zoning Incentives	64
Homeowner Income and Home Prices	21	POINT 6 – Gap Financing	66
Wage Gap	22	POINT 7 – Affordable Housing Bond	68
Cost Burden	23	POINT 8 – Innovative Housing	
Rental Housing Gap	24	Programming	70
COMMUNITY ENGAGEMENT	25	IMPLEMENTATION	72
Community Engagement Overview	26	Housing Advisory Board	73
Regional Trends	27	Implementation Steps	74
Housing Trends	28	Implementation Matrix	77
Housing Needs – Homeownership	29		
Housing Needs – Housing Types	30		
Housing Needs – Where To Put			
Affordable Housing	31		
Housing Needs – Homelessness	32		
Barriers – Neighborhood Opposition	33		
Barriers – Investors Buying Up Homes	34		
Barriers – Cost of Development	35		
Barriers – Eviction and Displacement	36		
Solutions – Outreach and Education	37		
Solutions – Repair and Rehabilitation	38		
Solutions – Zoning	39		
Solutions – The Role of the City	40		
The Community Forum	41		

ACKNOWLEDGMENTS

ACKNOWLEDGMENTS

The City of Gastonia Affordable Housing Plan process was guided by the efforts of selfless individuals and caring community partners representing a broad cross-section of Gastonia life. This group of engaged residents and experts lent their support, guidance, and perspectives to the planning process over a year-long period.

Assistant City Manager Quentin McPhatter and Director of Housing and Community Engagement Danette Dye led the project team for the City, under the direction of the Mayor and Council:

Walker E. Reid, III	Mayor	James Gallagher	Council Member Ward 3
Dave Kirlin	Mayor Pro Tem, Council Member Ward 2	Robert Kellogg	Council Member Ward 1
Donyel Barber	Council Member Ward 6	Charles M. Odom	Council Member Ward 4
		Jennifer M. Stepp	Council Member Ward 5

A Steering Committee made up of the following individuals had overall supervision of the project:

Stephen Crane	Executive Director, Our Neighbors, Inc.
Tyler Davis	Alliance for Community Enrichment, City of Gastonia
Lana DuPont	Housing and Community Engagement Department, City of Gastonia
Danette Dye	Housing and Community Engagement Department, City of Gastonia
Rev. Dr. Rodney Freeman	Pastor, Mt. Zion Restoration Church
William Gross	Gastonia Resident
Shaun Jones	Premier South Real Estate
Leslie Lee	Gaston Together
Brian Levy	Bank of America
Gayle Mahl	Homeless Coordinator, City of Gastonia Police Department
Quentin McPhatter	Office of the City Manager, City of Gastonia
Jason Pauling	Planning Department, City of Gastonia
Kay Peninger	Habitat for Humanity of Gaston County, Inc.
Terri Sanford	Gastonia Housing Authority
Crystal Walls	HealthNet Gaston
Nancy Welch	Housing and Community Engagement Department, City of Gastonia
Litasha White	HELP Carolina

Representatives of these organizations also generously contributed their time and effort to the work:

Agent Academics	Glenn Foundation
CaroMont Regional Medical Center	HealthNet Gaston
Citizens Advisory Board	Highland Neighborhood Association
Commonwealth Development Corporation	Kintegra Health
Crisis Assistance Ministry	Laurel East Community Watch
Diversity, Equity, & Inclusion, City of Gastonia	Laurel Street
Gaston Business Association	Legal Aid of North Carolina
Gaston Community Foundation	Office of the County Manager, Gaston County
Gaston County and Municipal Planners	Parks and Recreation Department, City of Gastonia
Gaston County Emergency Medical Services	Planning and Development Services, Gaston County
Gaston County Family YMCA	The David Belk Cannon Foundation
Gaston-Cleveland-Lincoln Metropolitan Planning Association	York Chester Neighborhood Association

Under the direction of the City of Gastonia staff and the Steering Committee, the Center for Housing and Community Studies of the University of North Carolina Greensboro led the work of community engagement and wrote this Affordable Housing Plan. The project team there consisted of the following individuals:

Bruce Rich	Center Director and Project Director	Davin Hall	GIS Specialist
Meredith DiMattina	GIS Specialist	Dr. Haiyang Su	Quantitative Data Specialist
		John Kamaal Sunjata	Research Assistant

INTRODUCTION

INTRODUCTION

Growth and Transformation

The people of Gastonia are embarking upon their Affordable Housing Plan process at a moment of change, promise, risk, and upheaval for the City, the region, and the country. All the economic, social, and political forces that can act upon a housing economy and that can determine the cost, the supply, and the mode of allocation of housing resources seem to be at maximum power right now – population growth, regional development, inflation, wage volatility, pandemic, climate change, supply chain disruption, concentration of wealth.

Gastonia has proved its ability to support innovative development in uncertain times. Business and residential development are continuing at a strong pace. Good quality jobs are arriving.

But growth hardly ever comes without pain. In Gastonia, the social and physical infrastructure has not always kept pace. Housing production has expanded to accommodate the influx of moderate-income residents, but it's often followed a pattern of single-family development with ever-rising home prices ordained by land use, transportation, and cultural forces. Gastonia is fortunate, then, in a leadership and a community willing to consider new approaches to housing development and make hard choices. This Plan represents an opportunity for the City of Gastonia and its people to realize their ambitious and transformational vision for a sustainable, equitable, and livable future.

To achieve their vision of the future, the people of Gastonia have set these goals:

GROWTH AND TRANSFORMATION GOALS



MARSHAL

the resources needed to fulfill the affordable housing needs of residents of all incomes, all ages, and all races



EXPAND

the role of City government beyond what it has been in the past



MOBILIZE

and educate the public about the need for affordable housing and the benefits to the City of safely and securely housing everyone



BUILD

vibrant, affordable, inclusive neighborhoods

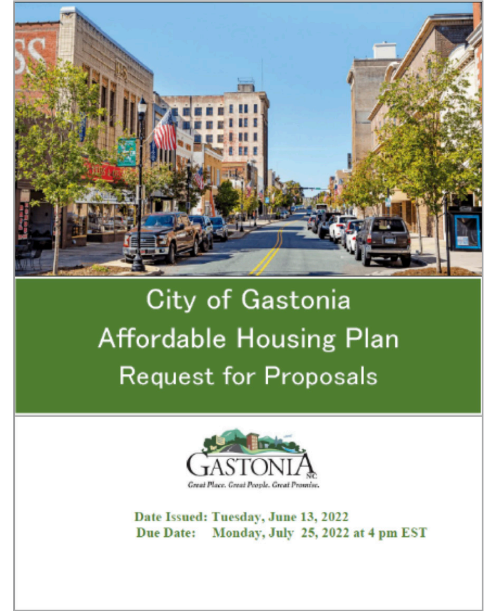
INTRODUCTION

Plan History

On June 13, 2022, the City of Gastonia issued its Request for Proposals seeking a qualified firm to provide professional services for the development of a comprehensive Affordable Housing Plan, to be supported with third-round Neighborhood Stabilization Program funds (NSP-3) that the City is able to use for affordable housing activities without restriction.

After a rigorous selection process, the Gastonia City Council on September 7, 2022, authorized City staff to enter into negotiations with the Center for Housing and Community Studies of the University of North Carolina Greensboro (CHCS), and on September 30, 2022, an agreement was signed calling for work to begin on October 17.

The Plan process began with the convening of the Steering Committee. Members were selected by City staff in consultation with CHCS, to represent the City administration, housing and homelessness services providers, the business and real estate sectors, church leaders, and advocates for affordable housing. The members provided feedback on the study process, reviewed materials, assisted in community engagement activities, and guided the development of the Plan recommendations.



TIMELINE



INTRODUCTION

Gastonia Planning Background

The City of Gastonia Affordable Housing Plan takes its place in a long line of planning projects undertaken by City staff over the years. Formal planning projects like this help the City prepare for the City's future growth, prosperity, and quality of life; help the public to understand City policies and development regulations; and provide a framework for the evaluation of development projects to ensure they meet high standards of quality, sustainability, and amenity for the community. Prior plans include:

The Gastonia 2025 Comprehensive Plan

is the foundational document for long-term planning and zoning in the City of Gastonia. Through text, images, and maps, it sets forth goals and objectives for guiding future land use and development in the planning area. It explores in depth eleven planning subjects, including housing and neighborhoods.

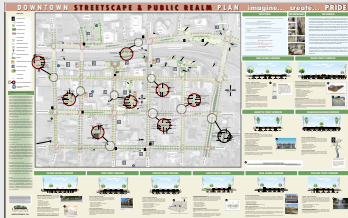


An important additional planning initiative, carried out not by the City but by Gaston Together, a partnership of civic and faith leaders, is **One Gaston 2040**. This document expresses the County's residents' shared vision of Gaston as "a place where everyone thrives." That included an in-depth study of housing needs and challenges, and forms an essential part of the foundation for this Affordable Housing Plan.



The 2010 Downtown Streetscape & Public Realm Plan

was adopted for the streets and public area of this vitally important area of the City. The Plan addressed street and sidewalk design, transit, green space, parking, and lighting for six main downtown corridors. The City of Gastonia has produced smaller area plans focusing on the special needs of particular neighborhoods, corridors, and developments, including Franklin Boulevard and Loray Village.



The **Highland Neighborhood Urban Design Master Plan** represents the work of Highland Community leaders and the Gastonia Planning Department to kick-start the revitalization process and establish a clear and practical vision to improve the physical character of the Highland neighborhood.

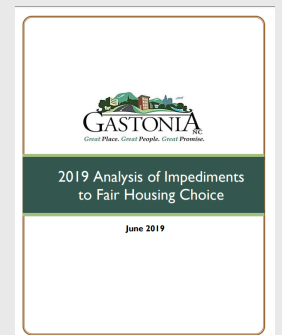


The 2040 Metropolitan Transportation Plan of the Gaston-Cleveland-Lincoln Metropolitan Planning Organization

adopted a comprehensive transportation plan for the three-county area that includes Gastonia, in recognition of the key role that transportation programs play in providing access to safe and affordable housing.



The **2019 Analysis of Impediments to Fair Housing Choice** was prepared in accordance with HUD's Affirmatively Furthering Fair Housing rules. It evaluates barriers to fair housing choice and develops strategies and actions to overcome any identified impediments.



INTRODUCTION

Affordable Housing: Myth and Reality

There is no single agreed meaning of the term “affordable housing.” The quotations on this page, from community residents who participated in the development of this Plan, illustrate the different perspectives we encountered.

“Typically, when I would think about that, I would think about the standard HUD definition of no more than 30% of your income being used to cover either rental or mortgage and utilities.”

“I think ‘affordable’ is that I should be able to take my 40-hour-a-week job and be able to get a home for my family.”

“To me, the definition of affordable, it’s gotten such a negative connotation. People don’t understand what affordable housing means, it means different things for different people.”

The U.S. Department of Housing and Urban Development (HUD) defines “affordable housing” this way: “Affordable housing is generally defined as housing on which the occupant is paying no more than 30 percent of gross income for housing costs, including utilities.” Another way of saying this is that everyone should have safe, affordable housing for them and their families without suffering financial hardship as a result.



But there are widespread misconceptions about affordable housing. Some people think it means rundown apartment buildings where poverty is concentrated and crime is rampant. Others think of the big-city projects of the 1960s and 1970s that were inadequately funded and poorly managed. This has created an undeserved stigma which unnecessarily reduces public support for affordable housing policies.

These are myths. Affordable housing can be attractive, inviting, well-maintained, and the center of thriving communities. This Affordable Housing Plan will share with the people of Gastonia the most up-to-date information about what affordable housing is and is not. In this way, the Plan will encourage the community to pull together toward more and better quality housing in Gastonia.



INTRODUCTION

How to Make Housing Affordable

This Affordable Housing Plan will recommend several ways the City of Gastonia can encourage the development of more and better affordable housing. But how does housing get to be “affordable”? Some housing is already affordable because of low costs or the natural operation of markets. But sometimes, government subsidies or interventions, which come in many forms, are needed to make it affordable.



NOAH: “Naturally Occurring Affordable Housing” means housing that is already affordable, without the need for government subsidies or other interventions. This modest house in a Gastonia neighborhood might be an example. But these affordable single-family homes, even in low- to moderate-income neighborhoods, are becoming fewer in recent years as prices rise.



PUBLIC HOUSING: Traditionally, public housing was owned by local governmental housing authorities and open to eligible households with rental assistance based on income. Today, Gastonia’s public housing communities are owned and operated by private landlords under the federal Residential Assistance Demonstration (RAD) program, generally permitting tenants to pay no more than 30% of their income for rent and utilities.



SECTION 8: The federal Housing Choice Voucher program, often referred to as “Section 8,” is the federal government’s major program for assisting very low-income families, the elderly, and the disabled, to afford decent, safe, and sanitary housing in the private market. This program, administered by the Gastonia Housing Authority, allows the participant to choose any housing that meets the requirements of the program and isn’t limited to subsidized housing projects. But funding for these vouchers is limited, and owners aren’t required to accept even the vouchers that we do have.



LIHTC: The Low-Income Housing Tax Credit program (LIHTC) provides subsidies in the form of federal tax credits to encourage the construction and rehabilitation of affordable multifamily rental housing. Gastonia has had dozens of these developments over the years, and has several more in the pipeline that will be affordable to households earning up to 60% of the Area Median Income.

INTRODUCTION

How to Make Housing Affordable

The ways of making housing affordable that are described on the previous page involve market forces or the intervention of federal agencies, but there are things that local governments can do, too. The City of Gastonia has provided many kinds of assistance and support to help make housing more affordable. The City did these things before this Affordable Housing Plan, and with this Plan intends to do even more.



Homebuyers Assistance Program

This program is funded through a federal block grant known as the HOME Investment Partnerships Program (HOME). The City uses HOME funds to provide down payment assistance to eligible home buyers who lack the cash resources necessary to make a down payment but are otherwise financially capable of home ownership. In addition, the Program offers homebuyer’s education classes to prepare prospective homeowners for the responsibilities of ownership.



Homeowner Rehabilitation Program

The City also has provided grants to assist eligible homeowners to make needed repairs. Repairs and rehabilitation are essential means of preserving affordable homeownership, which otherwise may be at risk of dereliction or condemnation. The need is great, and the Program needs additional funding – which this Plan could provide.



Emergency Rental Assistance

During the first years of the pandemic, the City of Gastonia and its community partners received special federal funding for emergency rental assistance to help renters laid off or otherwise affected by the pandemic. Those rental assistance funds eventually ran out, but the need never went away. The emergency program demonstrated the effectiveness of rental assistance, and new programs are now on the drawing board to replace the Covid-era program.



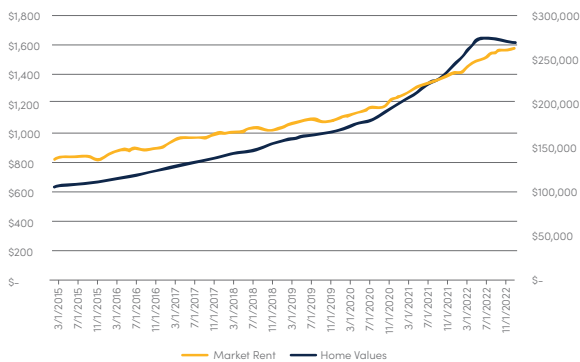
Land Development

The City owns a number of land parcels that have development potential and could be utilized for affordable housing construction or rehabilitation. Over the years, the City has pursued such development opportunities, including through a Request for Proposals issued this year for the purchase and development of several City-owned properties in the Highland neighborhood of Gastonia. This Plan offers the opportunity to expand and improve upon City programs for the acquisition and disposition of land for affordable housing.

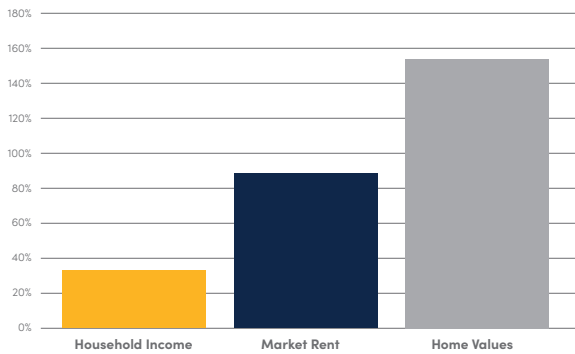
INTRODUCTION

The Housing Gap

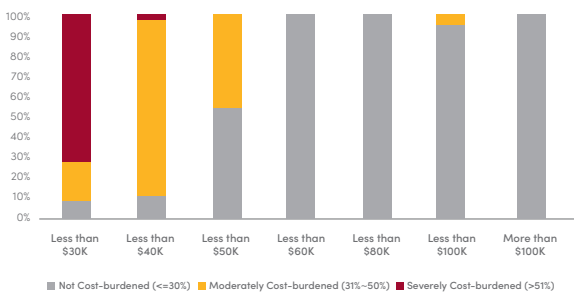
Home Values and Market Rent



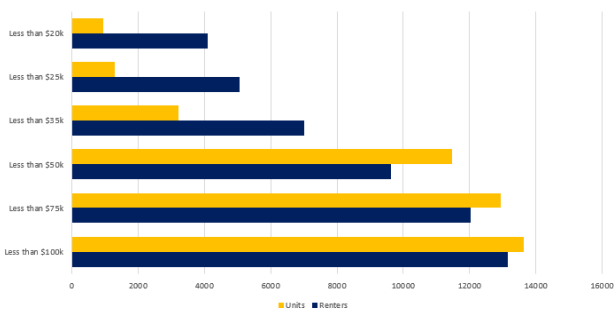
% Change Since 2015



Renter Cost Burden



Gastonia Cumulative Rental Housing Gap, 2021



There are naturally-occurring affordable homes in Gastonia, and housing resources and subsidies provided by federal, state, and local governments have made possible the creation of additional affordable homes, but it hasn't been enough. We see a boom in homebuilding, with thousands of new housing units added in recent years, but that hasn't been enough, either, and too many of those have been priced at the higher end of the rent and sale price spectrum than at the lower end where the need is greatest.

Meanwhile rents and home prices keep rising. The median rent grew from about \$825 per month in early 2015 to nearly \$1,600 per month in early 2023. The median home value followed a similar trajectory, rising from around \$105,000 in the first quarter of 2015 to \$270,000 today.

Incomes in Gastonia haven't kept pace with rents and home prices. The median household income of \$53,620 in 2022 represents only a 33% gain over 2015 income and significantly less than the North Carolina statewide median, while rents gained 89% and home prices 155% over that seven-year span.

As a result, many households find themselves "cost-burdened," meaning they have to spend more than 30% of their household income on rent or mortgage payments plus utilities. The number of cost-burdened households is a rough measure of the supply of affordable housing units. The need is great. Gastonia faces a gap of thousands of units affordable to households earning less than \$50,000 annually. The purpose of this Affordable Housing Plan is to help close the gap.

INTRODUCTION

The Way Forward

Facing a shortage of affordable housing, the City of Gastonia is taking action. With this Affordable Housing Plan, the City will devote an unprecedented amount of resources to address the housing challenges of the people of Gastonia.

An Affordable Housing Plan is the City's roadmap for the work that will be needed to address these challenges. It incorporates six interrelated tasks:

- It explores the housing economy of the City and the social, economic, and demographic forces that contribute to the affordable housing challenges we are experiencing.
 - It describes the steps taken by the City staff and the consultants from UNCG to meet with experts, convene roundtables in the neighborhoods, and survey the opinions of the City residents about housing needs and solutions.
 - It sets the goals for affordable housing in the City.
 - It takes all the data and input and information gathered and, based on that, makes recommendations for action.
 - It sets forth a plan for implementing the recommendations over the next ten years and for measuring the City's success in meeting its goals.
 - It brings affordable housing issues to the attention of City residents, conducts outreach and education on housing policy, and mobilizes public opinion in favor of action and change.
-

The Gastonia experts and neighborhood residents who participated in this year-long project saw the housing challenges and experienced them in their own lives. They supported this planning process enthusiastically, and want to help to bring innovative and creative solutions.

"Because of just the change and the increased need of affordable housing, I think there has to be a multi-faceted approach to coming up with solutions for housing in Gaston County."

"Hey, we see this problem, we're trying to make a solution. Here's what we're gonna do and we're gonna figure out something, a way to move forward with this."

"I feel like if we take the right approach and we get the right buy-in, then five years from now we'll say we did the right thing."

INTRODUCTION

The Way Forward – Summary of Recommendations

This Affordable Housing Plan makes eight key recommendations. They address several aspects of affordable housing policy: funding, land resources, ownership structures, information and services, zoning, multifamily rental development, and other ideas and innovations.

1. Affordable Housing Trust Fund.

A fund created from multiple sources, to be drawn on to support multiple housing initiatives. The key component and driving force of the Plan.



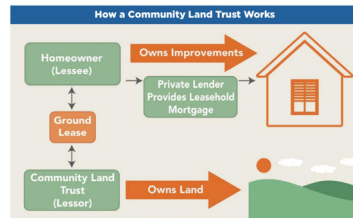
2. Land Disposition Policy.

Conduct inventory of city-owned parcels that may be appropriate for affordable housing development, and make parcels available via donation or below-market sale.



3. Community Land Trust.

An innovative community-based land tenure system allowing permanent affordability and expanding access to home ownership.



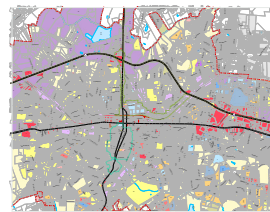
4. Housing Resource Center.

A centralized provider of housing-related services. Housing counseling, rental assistance, education and training, referral to needed services, landlord engagement, mediation.



5. Zoning Incentives.

Align Gastonia’s land use and rezoning practices with the goals of the Plan. Use voluntary incentives to expand affordable housing development and offer benefits to developers.



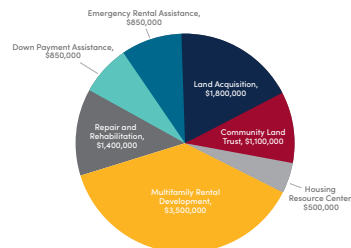
6. Gap Financing.

Provide gap financing for Low Income Housing Tax Credit (LIHTC) development and other loan facilities, gain influence over location, deeper affordability.



7. Affordable Housing Bond.

General obligation bonds issued to the public to raise funds for single-family and multifamily development, preservation of existing affordable units, down payment assistance, seed funding.



8. Innovative Housing Programming.

Promote innovation in housing, tap untried resources, empower communities, create partnerships with neighborhood leaders, nonprofit developers, legal aid lawyers, and build community support for housing.

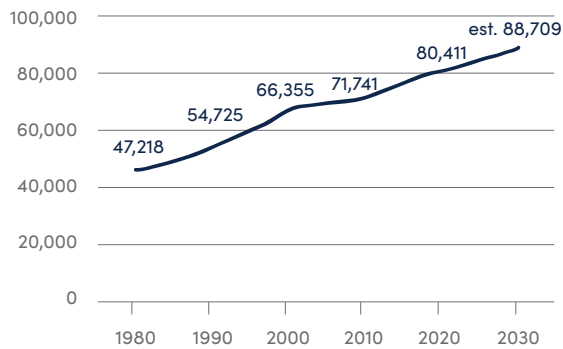


THE HOUSING ECONOMY

THE HOUSING ECONOMY

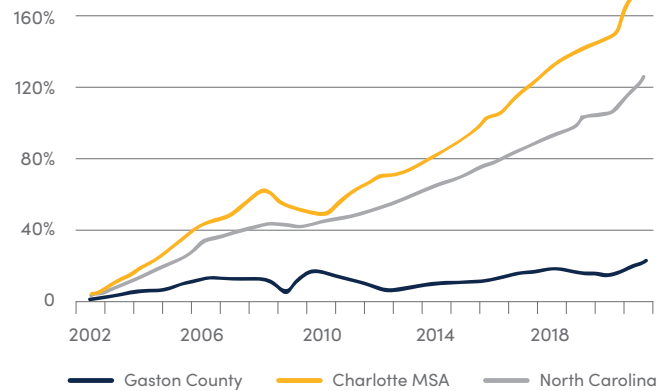
Regional Economic and Population Growth

Population Growth 1990-2023



US Census Bureau

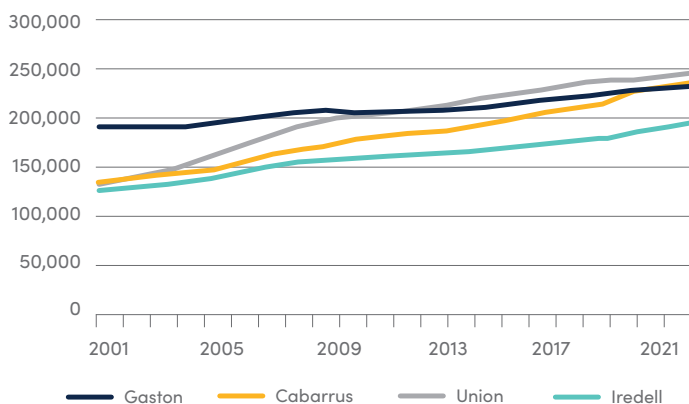
GDP % Growth 2002-2021



US Bureau of Economic Analysis

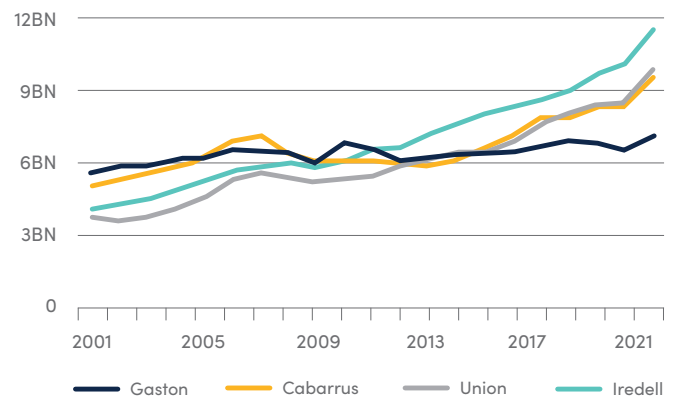
Gastonia’s housing challenges are in large part the consequences of long-term regional economic and population growth. Population of the City of Gastonia has increased steadily for four decades and is likely to continue, with a near doubling of the population between 1980 and 2030. With slower economic growth compared to regional and statewide trends, the resources needed to fund affordable housing development are harder to secure.

Population by County, 2001-2022



US Census Bureau

GDP by County, 2001-2022



US Bureau of Economic Analysis

Regional growth emanating from the economic engine of Charlotte has affected all the surrounding counties. Gaston County has been among the last to feel the impact, but many believe it’s now on the verge of significant growth. Making sure growth benefits everyone and housing keeps pace are among the objectives of this Plan.

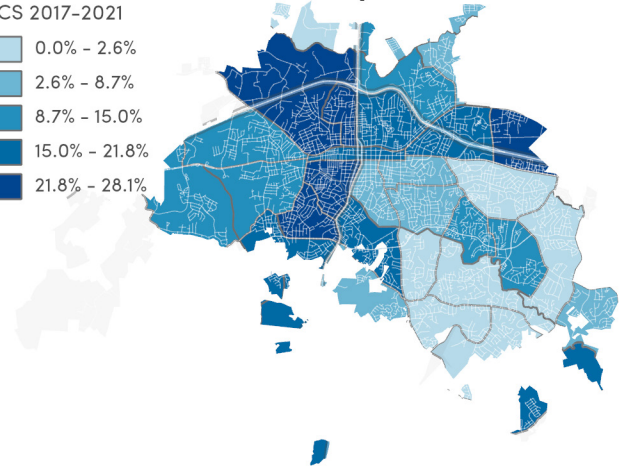
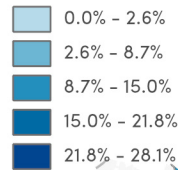
THE HOUSING ECONOMY

Areas of Need

Affordable housing development is taking place and will continue to take place in all areas of the City and Gaston County. But there are neighborhoods of Gastonia that may merit particular attention. These places are experiencing the stresses of poverty, loss of affordable housing units, and the risk of gentrification and displacement.

Percent Income Below Poverty

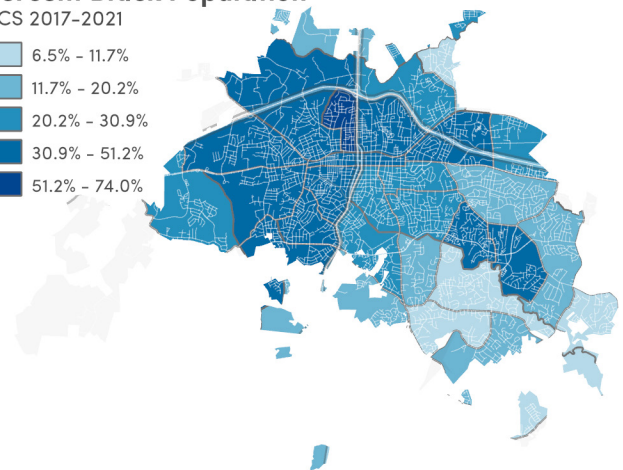
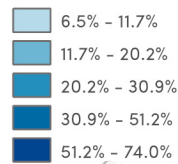
ACS 2017-2021



These lower-income neighborhoods often have higher proportions of Black residents, a legacy of long years of social practices and government policies that still today are reflected in patterns of poverty and segregation.

Percent Black Population

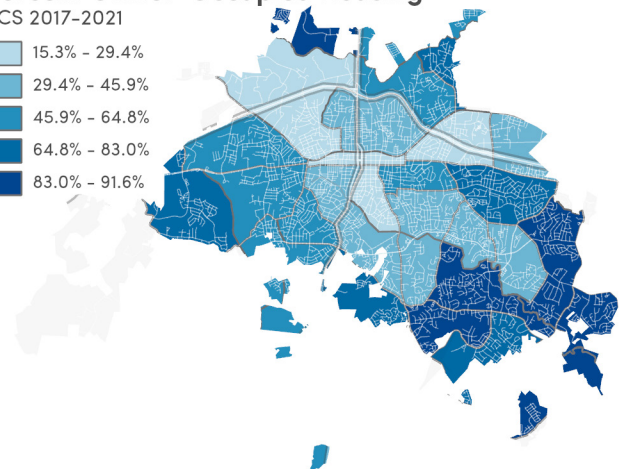
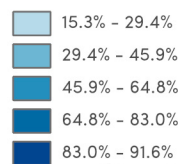
ACS 2017-2021



Among these patterns are several indicators of racially disparate allocation of housing resources. A key example: lower rates of homeownership.

Percent Owner-Occupied Housing

ACS 2017-2021



THE HOUSING ECONOMY

Housing Conditions

The map on the right shows in blue the age of individual housing units in Gastonia, and in yellow and red the location of proposed apartment and single-family developments for which new permits have been issued by the City of Gastonia. Older structures represented by lighter blue are concentrated around the downtown core – in the same neighborhoods where poverty and large proportions of rental housing and of Black residents are located. Newer housing is represented by darker blue and the proposed developments are concentrated around the periphery, especially in the southeast.

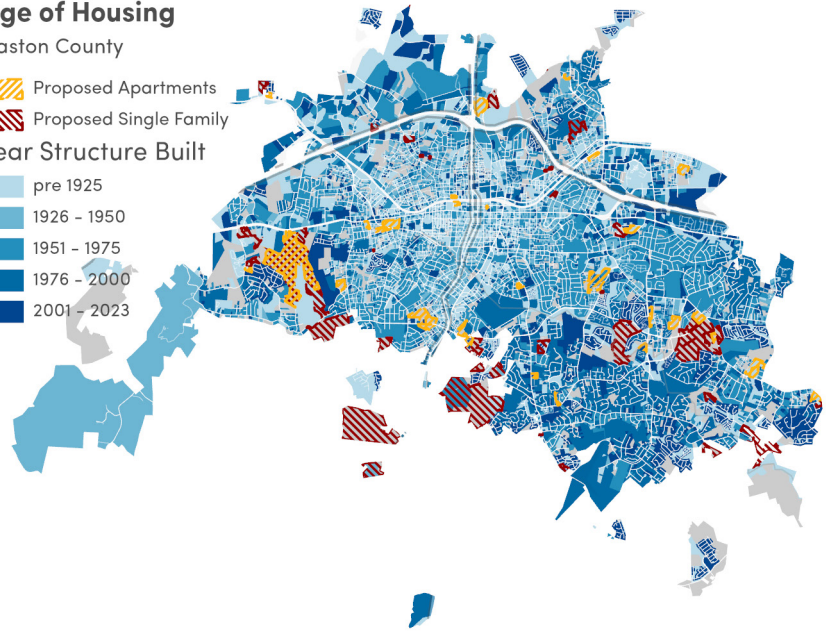
Age of Housing

Gaston County

- Proposed Apartments
- Proposed Single Family

Year Structure Built

- pre 1925
- 1926 - 1950
- 1951 - 1975
- 1976 - 2000
- 2001 - 2023

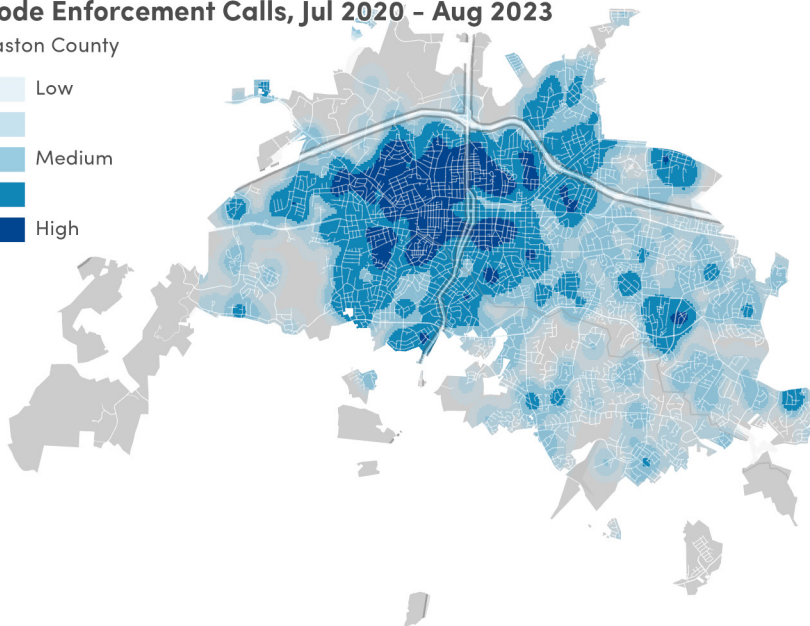


Older structures are not necessarily in poor condition, but they are more likely to be, especially when located in more vulnerable neighborhoods. Older and neglected structures that experience poor conditions such as roofs in disrepair, broken windows, weak foundations, lead paint, mold, and pest infestations are more likely to need repair and rehabilitation – and will need assistance if neighborhoods are to preserve their stock of affordable housing.

Code Enforcement Calls, Jul 2020 – Aug 2023

Gaston County

- Low
- Medium
- High



The map on the left shows the location of code enforcement complaints (including calls for building code violations and public nuisances but excluding calls for which no violation was discovered). This map confirms the expectation that those core neighborhoods are more likely to have need of repair and rehabilitation.

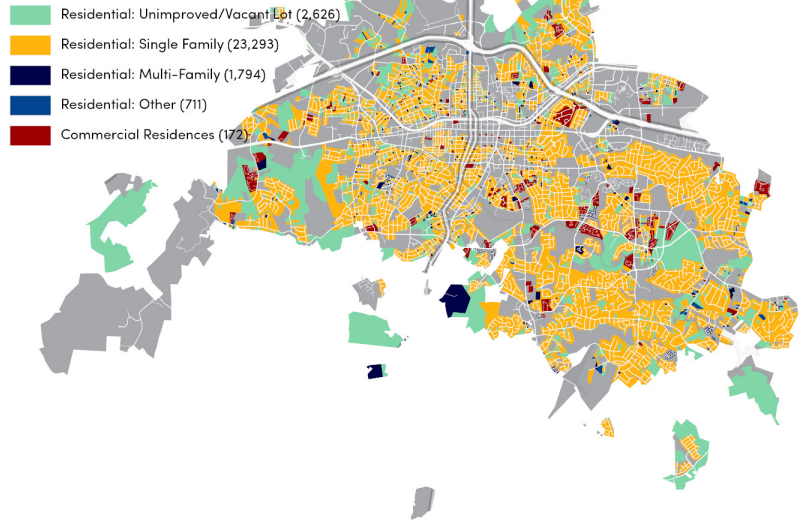
THE HOUSING ECONOMY

Housing Types and Units Added

The type of housing we live in greatly affects the supply and price of housing. In Gastonia, as in most American cities, single-family housing is the most popular, as shown in yellow on the map. This reflects widely-held preferences, and when these homes are owned by their occupants, enables households to build wealth along with increases in their equity and in the market value of the home.

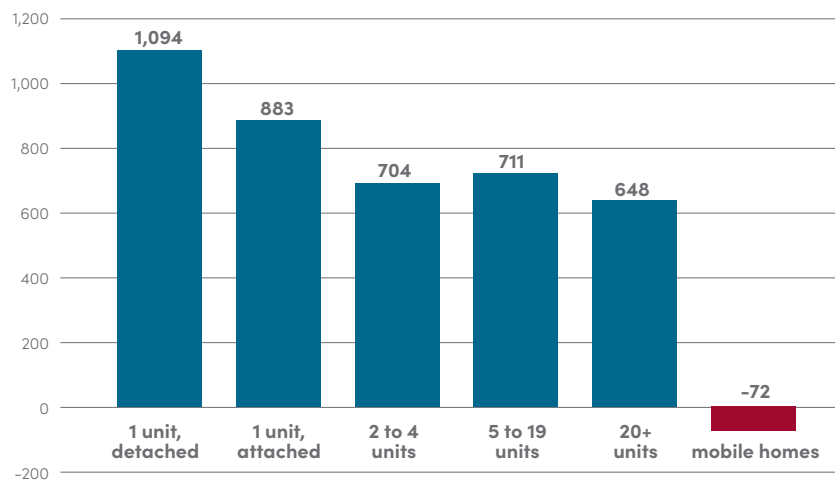
Residential Parcel Property Use

Gaston County

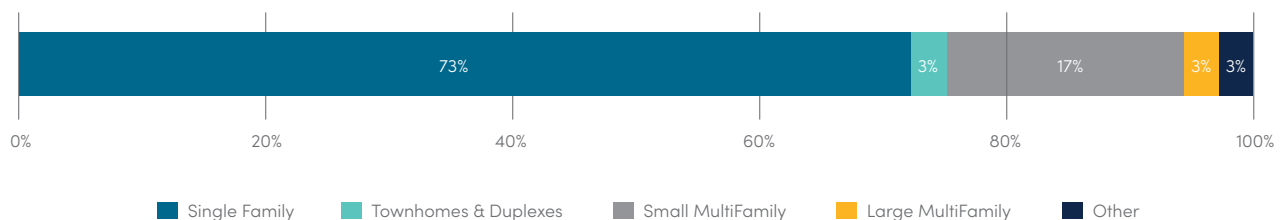


Increasingly, Gastonia is turning to alternative types of housing. While single-family housing remains the largest category of existing and new housing, townhomes, duplexes, and various kinds of multifamily housing are becoming more popular. These approaches add density, enhance livability, increase the supply of housing, and can boost affordability.

2010–2021 Housing Units Added

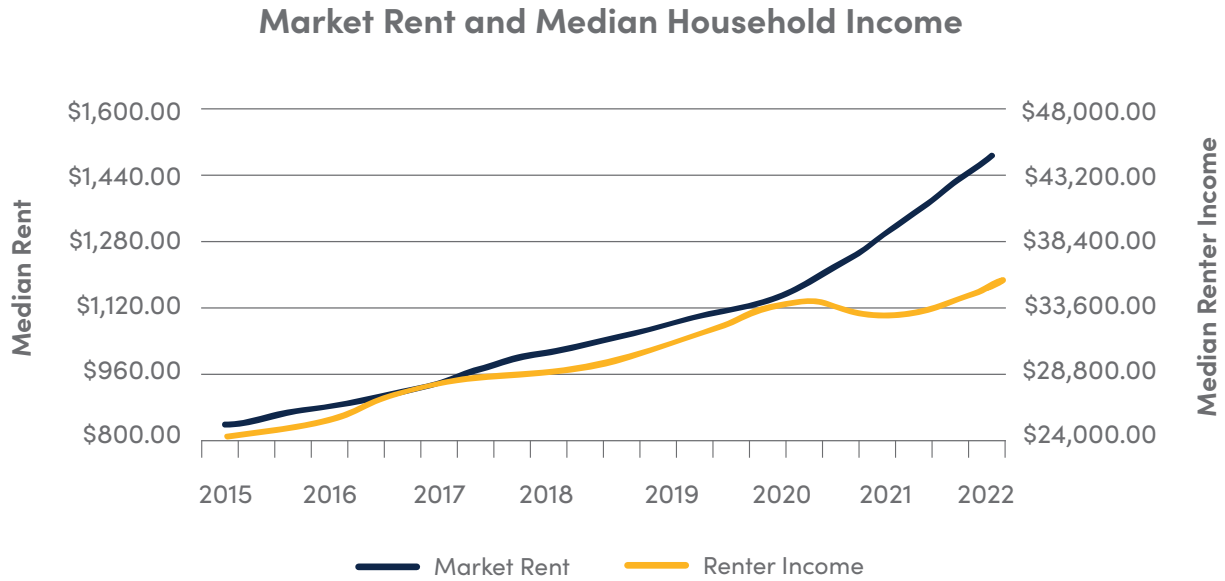


2021 Housing Units by Type



THE HOUSING ECONOMY

Renter Income and Market Rent



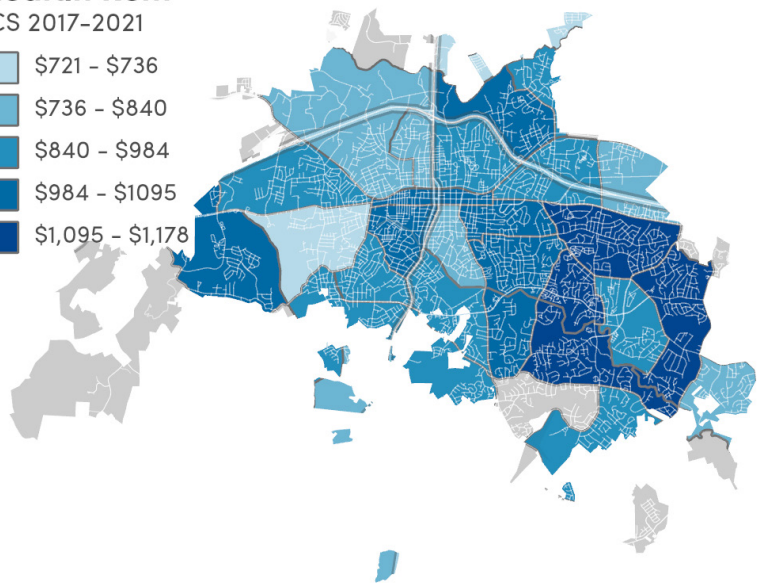
ACS 2012-2021

The median household income of Gastonia renters has grown modestly over the past twelve years, but recently rents have grown faster. This mismatch is at the heart of the housing affordability problem in the region. Wages aren't keeping up with rents. As a result, the gap between prevailing rental rates and what people can afford is getting worse. The map below shows the American Community Survey (ACS) estimates of median rents over the 2017 to 2021 period, by census tract. Rents are rising everywhere, with the highest rents concentrated in areas of new construction in the southeast parts of the City.

An accurate picture of rent trends is gained by comparing the ACS data shown above and to the right, with more recent estimates published by real estate firms. The Zillow chart below shows the median for available rentals at high levels in 2022, with a trend down in 2023.

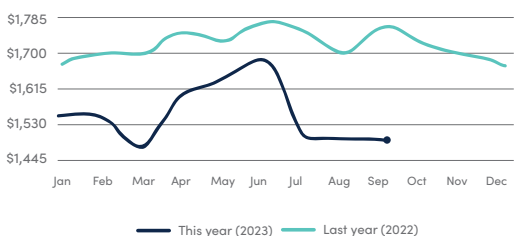
Median Rent ACS 2017-2021

- \$721 - \$736
- \$736 - \$840
- \$840 - \$984
- \$984 - \$1,095
- \$1,095 - \$1,178



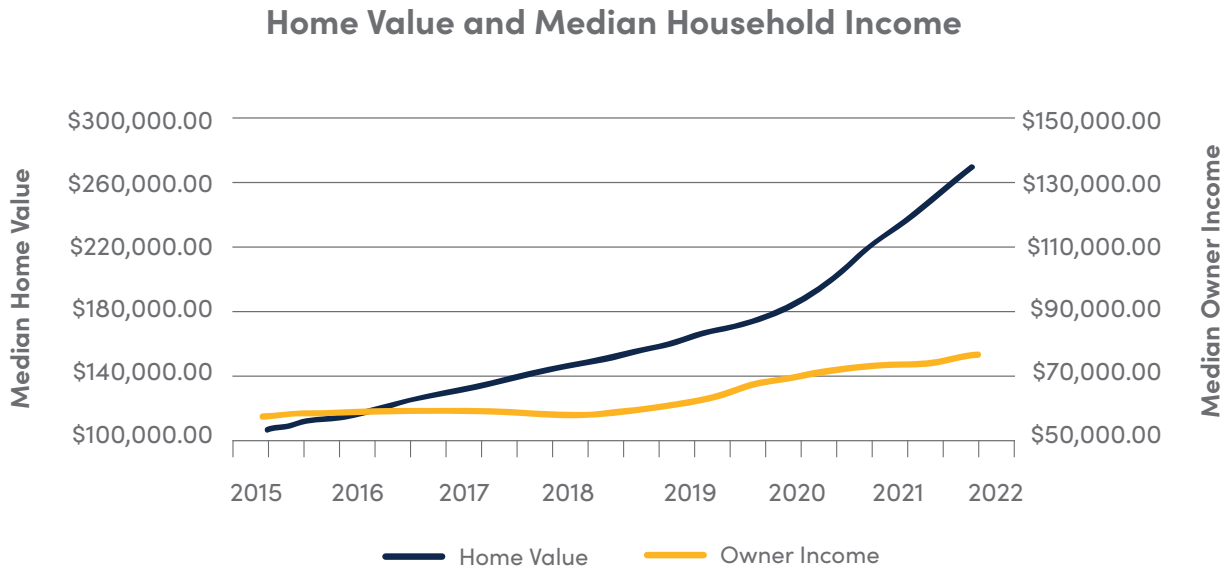
Median Rental Price over Time

In the last year, rent has decreased by \$300 compared to the previous year.



THE HOUSING ECONOMY

Homeowner Income and Home Prices



Zillow, American Community Survey, CHCS

Median income of Gastonia homeowners is significantly higher than renter median income. But the rise in home prices has been even steeper than the rise in rents, so the gap is dramatic and getting wider. This makes it harder for middle-income homeowners to meet the costs of homeownership, and puts homeownership even farther out of the reach of lower-income buyers.

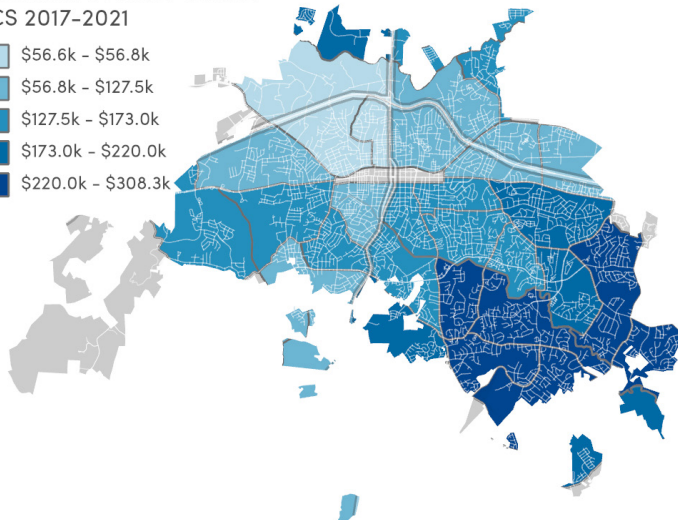
Again, the highest home prices are concentrated in the southeast quadrant of Gastonia, where much of the new home development has been happening, in part to accommodate commuters from Charlotte arriving in Gastonia in search of more affordable options – that is, affordable in comparison to the prices they see in Charlotte itself.

The map on the left shows median home values by census tract. The map on the right shows tax values by parcel.

Median Home Value

ACS 2017-2021

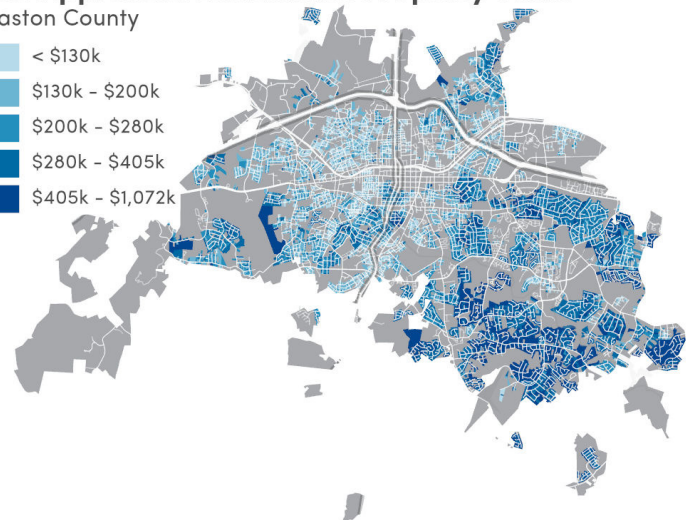
- Lightest Blue: \$56.6k - \$56.8k
- Light Blue: \$56.8k - \$127.5k
- Medium Blue: \$127.5k - \$173.0k
- Dark Blue: \$173.0k - \$220.0k
- Darkest Blue: \$220.0k - \$308.3k



Tax Appraised Residential Property Value

Gaston County

- Lightest Blue: < \$130k
- Light Blue: \$130k - \$200k
- Medium Blue: \$200k - \$280k
- Dark Blue: \$280k - \$405k
- Darkest Blue: \$405k - \$1,072k



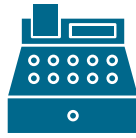
THE HOUSING ECONOMY

Wage Gap



\$14.37

food preparation
(\$29,890 annually)



\$15.72

retail/sales
(\$32,698 annually)



\$15.93

nursing assistant
(\$33,134 annually)



\$21.18

manufacturing
(\$44,054 annually)

\$747

max affordable rent

\$817

max affordable rent

\$828

max affordable rent

\$1,101

max affordable rent

-\$14.69

wage-rent gap

-\$13.34

wage-rent gap

-\$13.13

wage-rent gap

-\$7.88

wage-rent gap

Another way of looking at the gap between incomes and housing prices is by looking at the “wage gap.” That’s the difference between the prevailing wage and the wage required to afford a typical rental dwelling without spending more than 30% of income on housing. In the case of Gastonia, the rent for that typical dwelling is the median rent, or approximately \$1,500. The wage required to afford that rent is \$29.06 per hour.

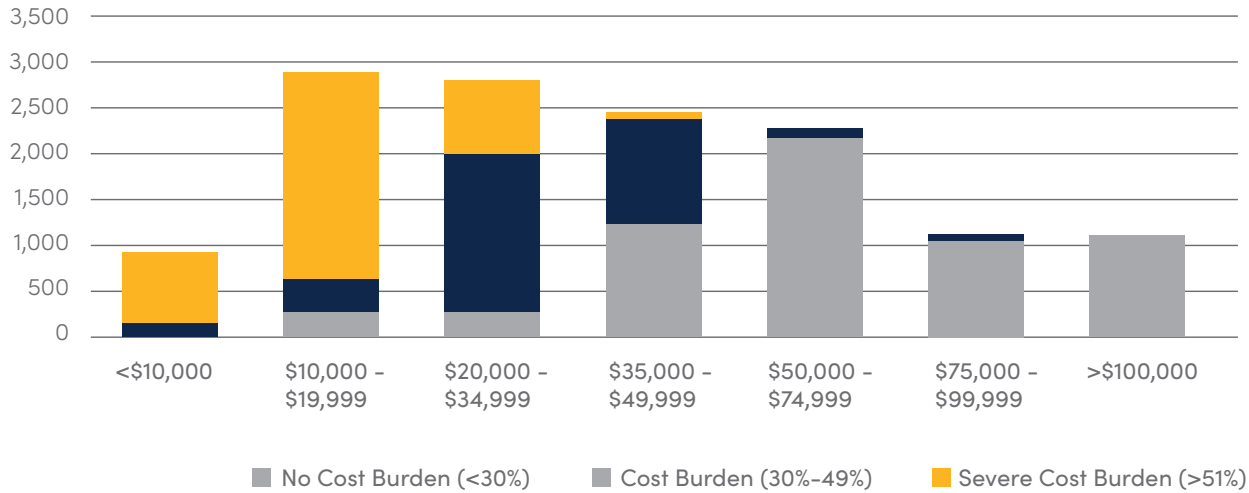
Shown above are the wage gaps for four of the biggest low- or moderate-wage job categories in Gastonia. The hourly wage is shown for each job category (from the Occupational Employment and Wage Statistics for Gastonia). From that is calculated the maximum affordable rent, and the gap between that wage and \$29.06. The wage gap is large, even in the relatively well-paid manufacturing sector.



THE HOUSING ECONOMY

Cost Burden

Renter Cost Burden by Income Bracket

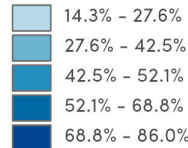


American Community Survey

The chart above shows an estimate of the number of Gastonia renter households that are “cost-burdened” (they spend more than 30% of their household income on rent plus utilities) or “severely cost-burdened” (more than 50%). Cost burden is a key indicator of housing unaffordability. A high rate of cost-burdened households in Gastonia means the City lacks an adequate supply of affordable rental homes.

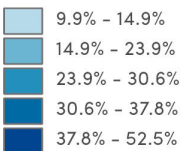
Percent of Cost Burdened Renters

ACS 2017-2021



Percent of Cost Burdened Home Owners

ACS 2017-2021



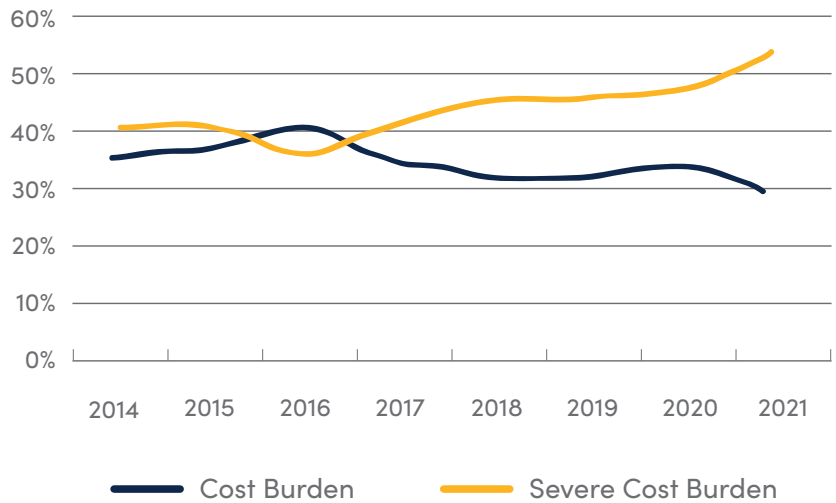
The map above shows the largest concentrations of renter cost-burdened households. (The dark blue in the far southeast shows an anomaly: a small number of high-rent dwellings with a large proportion of cost-burdened renters.) The map to the left shows the concentration of cost-burdened homeowners – those spending more than 30% of household income on the mortgage plus utilities.

THE HOUSING ECONOMY

Rental Housing Gap

Over the past several years, in some of the lowest income brackets, many cost-burdened renter households have seen their housing circumstances worsen: as rents have increased, what were cost-burdened households have slipped into the category of severe cost burden.

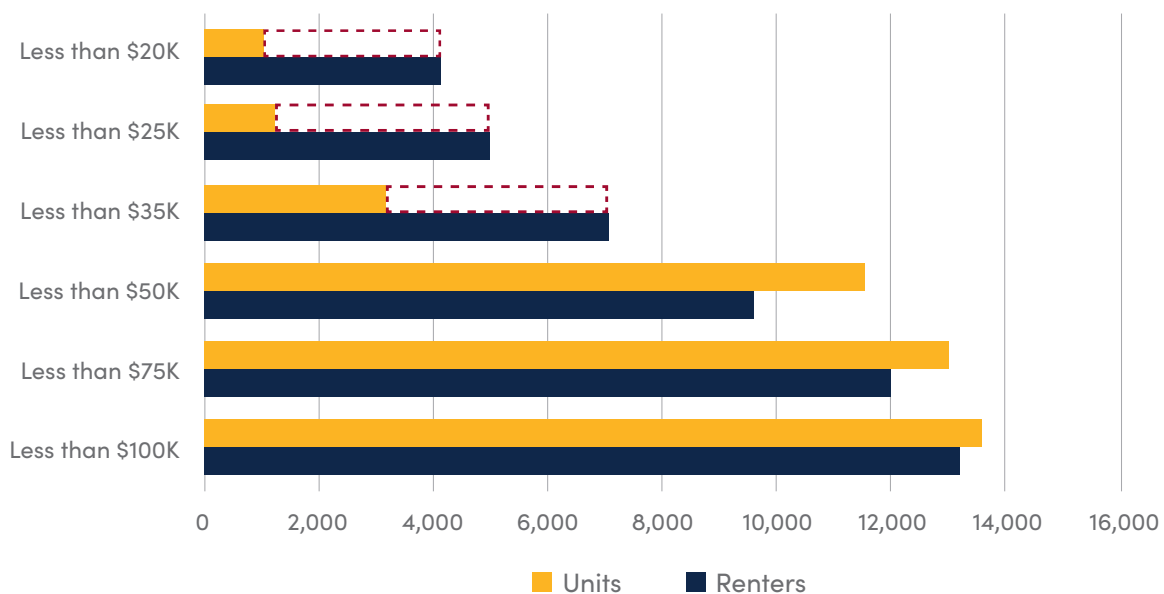
Percent of Cost Burdened Renters Making Less Than \$35,000



American Community Survey

The chart below illustrates the affordable housing deficit. The gold bars measure Gastonia occupied rental units that are affordable to households in various income brackets. The blue bars measure the number of renter households in those respective income brackets. For households earning less than \$35,000, we see a gap illustrating the number of affordable rental units they still need.

Gastonia Cumulative Rental Housing Gap, 2021



American Community Survey

COMMUNITY ENGAGEMENT

COMMUNITY ENGAGEMENT

Community Engagement Overview

At the core of the Affordable Housing Plan development process was an innovative community engagement initiative. An array of engagement strategies was utilized to ensure that the voices of Gastonia would be heard. The findings, and the recommendations, were inspired and informed by what people said about their experiences, their housing needs, their aspirations, and their ideas about how to meet Gastonia's housing challenges. There were six components of the community engagement initiative:

Steering Committee. A Steering Committee was convened to oversee the community engagement plan. Its members were drawn from all parts of the City and represented neighborhoods, churches, City agencies, the business and real estate sectors, and community-based organizations.



Walkaround. The members of the project team began the engagement process by visiting diverse Gastonia neighborhoods to become better acquainted with the City, to study housing types, walkability, and proximity to resources, and to meet and converse with neighborhood residents.



Key Informant Interviews. The project team conducted twenty-five semi-structured, in-depth one-on-one interviews with people from diverse backgrounds including community leaders, City officials, planners, business executives, bankers, educators, and developers.



Roundtable Discussions. The project team convened roundtable discussions throughout the City. The groups were organized by neighborhoods, including Highland, York Chester, and Mountain View, by professional affiliation, such as municipal planners, homeless services providers, and philanthropic foundation leaders, and by housing status as in the case of a group of people who were or had recently been homeless.



Community Forum. Later in the study period, members of the public were invited to a community forum to learn more about the Affordable Housing Plan process, to share their housing experiences, and to provide feedback on the Plan recommendations.



Community Survey. Finally, an opinion survey was conducted, reaching residents of all City neighborhoods and surrounding towns. The survey asked about the respondents' current housing situations and their hopes for the future, and their opinions about the different possible solutions the City might adopt to address housing challenges.



This section will describe the key findings of this community engagement research, with particular attention to the interview and roundtable components. The next section will describe the results of the Affordable Housing Survey.

COMMUNITY ENGAGEMENT

Regional Trends

Regional growth is a key topic of interest to the people of Gastonia. “We really are in the midst of a boom here,” one person said. “We’re on the cusp of really explosive growth right now,” said another. It’s being driven by strong regional economic activity. “The amount of economic energy radiating out of Charlotte seems like it’s going to continue to push a lot of growth and development our way.” That in turn is attracting newcomers. “A lot of people are migrating,” said one observer, “especially from Charlotte.” Said another, “North Carolina is a very desirable place to live, so we have what seems to be a large influx of folks coming in from other states, we see a lot of folks coming in from New York, New Jersey, Pennsylvania area. That’s become very common.”

“For so long, Gastonia hasn’t gotten the growth. It’s now sort of turning this way, and we want the growth, we want to steer it to where it needs to be, and we don’t want to be barriers to that.”

“Some individuals who live here and even some of our people that have influence and policy makers still think of Gastonia as an old mill town with 20 or 30,000 people instead of a rising urban center, which it really is.”

“It’s the best of times and the worst of times, depending on who you are. For some people it’s booming and others are falling through the cracks. People on fixed incomes, senior citizens, single parents.”

Whether this growth is happening too fast, whether it’s good for Gastonia, and how to manage it, is of great interest to Gastonians. One concerned resident said, “We are the dog chasing the bus, and the bus is going pretty fast right now.” At the same time, many are encouraged. “We want growth,” said one. “I do see a lot of positive change here,” said another, “and it’s normal change because it’s happening everywhere, but we’re just in a unique market because we’re right next to Charlotte. And this is where everybody wants to live, so Gaston County is benefiting from this desire to be in the Charlotte hub because it is more affordable than the Charlotte market.”

But some are not so sure. Some want things to stay the way they were. “The challenge, what I see from Gastonia is that they are not prepared,” one resident said. “They want to keep kind of the small-town concept.” Others are in favor of growth but want to make sure it benefits everyone. One expert said, “I welcome the development, but I worry that if we’re not balanced in how we approach all of this, that we’re gonna continue to see that divide between the haves and the have nots.” Another warned, “The city might be pushing too hard to bring in new money and not give enough effort for the people that have been here and now just can’t afford to live here anymore. So we can’t forget the people at the bottom.”

This Affordable Housing Plan takes these concerns and differing views into account and has adopted as one of its core objectives to ensure that growth in Gastonia is inclusive and benefits everyone.



COMMUNITY ENGAGEMENT

Housing Trends

The economic and population growth that Gastonia is experiencing is affecting the housing market very directly, according to those who participated in interviews and roundtable discussions. Economic growth leads to population growth. “We’re gonna very rapidly exceed a hundred thousand in population within just a few years,” said one expert. Population growth drives housing prices. “It’s a supply demand issue,” another person said, referring to Charlotte’s housing shortage. “It’s driving up the average cost here, which means to me, it’s just a ripple effect to the surrounding communities.”

“We’re dealing with the same issues as many communities across the United States that are growing tremendously, but also struggling with how to help those folks who do not have the resources.”

“You won’t find a place around here that’s decent for 720. That is very difficult to find. Average rent these days in our area, it’s about 1,200 a month for a two-bedroom.”

“The time is now to start addressing these issues where low income, very low, and even some moderate are feeling like they’re being pushed out of the community because they just cannot afford to live there.”

The ripple effect is certainly showing up in housing prices. “Housing values have been soaring in the past several years, in Gastonia and in the Charlotte region as a whole,” observed one person. “I never thought I would see this,” said another, “but we have houses sell for 300, 400 thousand here recently.” Rents are rising, too. One person said, “The rents, I mean, they’re crazy. They’re the same houses that rented for \$500 a month and now you’re looking at \$1200, \$1300. That’s not workable for anybody.”

Incomes are not keeping pace with housing prices. “That’s what’s made it so difficult for folks whose income has not gone up that much,” one person said, “and they can’t even afford it on their own, they have to live with two and three incomes to live in a median home.” Said another, “The average cost of a home has gone up, it’s not coming back, and unless wages somehow increase to catch it, which I don’t think we’re raising wages quite that fast.”

With housing prices rising, some are finding affordability harder to achieve. “We’re getting to the point,” one person said, “where we can see fewer and fewer people are able to go out and find housing.” More people are living precariously. As one person put it, “A lot of people have to make the decision on whether Ima eat, pay rent, pay my gas bill now that it’s winter.” Another said, “People are trying to hold on to what little bit of housing that they have.”

Many community members expressed deep concern about the housing situation. This Affordable Housing Plan, recommending steps to make housing more affordable, is the City’s response.



COMMUNITY ENGAGEMENT

Housing Needs – Homeownership

For so many in the Gastonia community, affordable housing means affordable homeownership. The aspiration to be a home owner is a part of our culture. “Property rights are such a huge part of our nation,” said one expert. “That is how our nation has said, this is a way you can build wealth for your family and lift your family up.” People say ownership is good for families, and good also for communities. “It stabilizes neighborhoods and communities,” said one. Another called it “a foundation of a really successful city, that people want to live there, they’re stable, their family is thriving, they are thriving.”

“We want families to be homeowners, so that they are building that financial asset, have some advantage, creating that generational wealth and positioning their family for success.”

“I hate to see a market where so many marginalized people will never, ever own a home. And that hurts me to my heart that I see that trend.”

“It’s shortsighted to think that everybody should purchase a home, ‘cause that’s not gonna happen, so I want to see a balance of affordable housing that’s for purchase and also for lease.”

At the same time, with home prices rising fast, not everyone can achieve homeownership. The numbers don’t add up. “You can’t take an area,” said one person, “I mean, the average income 40, 45 thousand dollars and put a \$350,000 house in it. It just doesn’t make sense.” One of the experts who participated in the interviews and roundtable discussions said, “There is a lot of folks here that rent, who are not in a position to buy. They’re not looking to buy, their credit’s not gonna allow them to buy, the market rate now won’t allow them to buy.”

In response, the Affordable Housing Plan must do two things. It must take steps to make homeownership more affordable, and it must ensure that rental housing remains a strong, safe, and affordable option. “It’s got to be a balance of both. When I speak from affordability of housing, I speak affordable from the purchase to renting.”

Equally importantly, not everyone wants to buy. “Home ownership is not for everybody,” said one person. Young people and seniors are most-often mentioned in this category. “People in the Gen Z category generation,” observed one person, “they would rather rent. They don’t want to own. So, I think people just need options.” Said another, “Renting is a right solution for some people at a certain stage in life. You know, until they decide, is this where I want to put down roots?” But even some who can afford to buy choose not to. “There’s also a lot of people that do have money, and they don’t want to buy. They enjoy having a lifestyle where they can just come and go and they don’t want to have the maintenance or the upkeep of a home.”



COMMUNITY ENGAGEMENT

Housing Needs – Housing Types

Just as homeownership is embedded in our culture as an aspiration shared by many Americans, so too is the aspiration to have a single-family home – that is, a house on some land occupied by just one household. This is the dominant housing type in Gastonia as in most American cities, as members of the community point out frequently. “Single-family housing is the driving force,” said one. And the cultural factors they point to are similar to those attributed to homeownership. “When you have a sense of something that you’re raising your family in,” one said, “it just gives a different vibe to me. Apartments, that’s fine. But to me, I would say single-family homes.”

“As our density increases, as our population increases, we’re definitely gonna have to educate our community and look at other housing sources, be it duplexes, quadruplexes, multi-family.”

“The thinking was, single-family homes and these large lots on these cul-de-sacs and these neighborhoods that are mammoth, that’s just not sustainable.”

“I’m starting to see more people interested in building a little house in their backyard for a mother-in-law or a kid just getting back from college or something like that.”

But apartments will have to play an important role in the housing economy of the future, according to most of the people who participated in the community engagement initiative. “We need those multifamily units,” said one expert. At the same time, she warned against the mistakes of the past. “I can accept beautiful multifamily units, not that old 1950s, 1960s public housing type, but something that, whether you made a six figure income or you were low income, you’ll be proud to live in that.”

In addition to apartments, many are saying we need to consider all housing types. “We need a mix,” one said. “We need multifamily units as well as we need single family homes, duplexes, triplexes.” Another person agreed. “A diversity of building types,” he said. “There’s single family detached, there’s duplex, there’s town home, there’s condo, there’s apartments, all these different varieties.”

The virtues of these alternative housing types are being recognized by many Gastonia people. “Accessory dwelling units are a part of the solution,” said one. Others spoke of town homes as an alternative. “So maybe as opposed to it being single family homes, maybe it’s a town home type situation.” Though some of the alternatives will take some getting used to, they will help the City achieve its goals. “We’re gonna have to explore all types of options to make those housing choices affordable, and increase the housing stock for that to be affordable,” one person said. “I think that’s gonna take some education on the part of the traditional citizen that’s used to the single-family, sprawling neighborhoods, the open spaces.” One person suggested, “We’re gonna have to get used to redefining what open space is.”



COMMUNITY ENGAGEMENT

Housing Needs – Where To Put Affordable Housing

Many factors affect decisions about where to develop more affordable housing. The members of Gastonia communities offered strong and varied opinions.

“I’m not opposed to having affordable housing in any part of the City, whether that’s an apartment complex or whether it’s duplexes or a single home.”

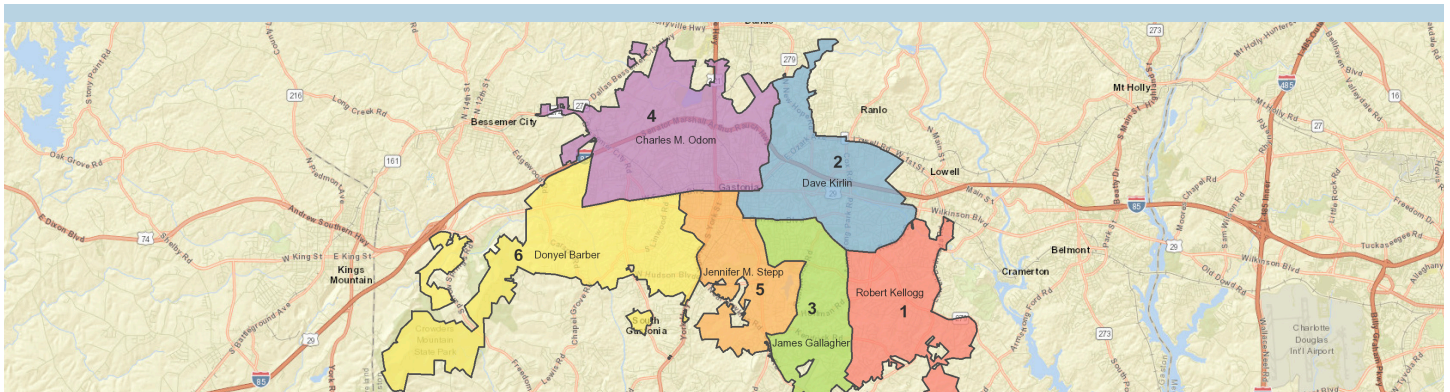
“We have to continue to encourage development because the people who are moving here, whether we like it or not, have to have somewhere to live.”

“The more we can integrate all different kinds of housing and different types of demographics and people, I think that’s better for the community.”

Often, objectives of City stakeholders conflict with market factors, regulatory requirements, and developer preferences. “Developers feel like it’s their bat and ball,” said one person, “and they want to have the majority of the say—so in what their development is gonna look like.” Another said developers “want to be where the people who have choice want to be, so that would be on the Charlotte side of the town.” Some efforts to bring affordable units to the downtown area have stalled. “It may have just been economics,” said one observer. “In that section of Gastonia,” said another, “land prices were three times higher than somewhere else.”

Some have particular neighborhoods that they recommend for affordable housing projects. The Highland neighborhood comes up frequently in this conversation, one person referring to “the traditional Highland area that gets a lot of attention.” Another said, “There probably are parts of the City where it’d be logical. The western corridor suffers a lot from not having the availability of units there.” Other neighborhoods were mentioned. “You follow 321 and go south into the city,” said one person. “There’s quite a need for affordable housing. There’s a large Hispanic population that is clustered in that South 321 corridor.” Downtown gets mentioned, the East side, across New Hope gets mentioned, the Town of Dallas gets mentioned. But people also spoke of places where affordable housing isn’t wanted. “There are certain areas of the city that welcomes it,” said one observer, “that says, ‘hey, these people need a house to live in, too,’ but you get those over there by the country club, you know, you’re not putting no affordable housing over there.” Or put another way, “A lot of folk, they’ll support anything, just to keep it from not coming to their community.”

Rather than specifying places where affordable housing should be located, or should not be located, many residents are recommending that affordable housing be all over the City. One said, “The perfect solution is being diverse and having all kinds of different types of housing sprinkled throughout the City.”



COMMUNITY ENGAGEMENT

Housing Needs – Homelessness

Homelessness is a key topic on the minds of Gastonia people. One person said, in a comment that was echoed by countless others, “The homeless population of Gastonia, probably in the last year or so, probably has tripled or doubled.” They say the people experiencing homelessness are those they would expect – “individuals who are experiencing mental health challenges as well as addiction” – but also those they would not expect. “The face of homelessness has changed drastically just in the last couple of years,” said one observer. “There’s also a large population who are working,” said another. “They work but they have no place to live. So, the face of homelessness has really changed.” A woman who was in and out of homelessness told of events that could happen to anyone. “I lost my housing because I had a stroke and was in the hospital. My rent was getting behind, so I got out of the hospital and found out that I was homeless. They locked the door and everything.”

“There’s no permanent supportive housing, so even if you have the shelter factor figured out, and once an individual completes their stay there, where do they go?”

“Anyone and everyone that lives in Gastonia sees, it just seems like there’s more homeless people walking the streets.”

“There’s a real need for transitional housing for individuals who could very well at some point exit homelessness and enter a stable home and community.”

Homelessness is more out in the open now. “People are talking about it,” said one person. “You cannot drive real far without seeing a tent or a person,” said another. “It’s more visible, to not only just the government but the citizens as well, too.” The shelters are overflowing, and the services offered there are inadequate. “A lot of homeless individuals do not feel comfortable going there,” one expert said, “even on those nights when it’s extremely cold.” They worry they’ll find trouble there. “A lot of times, they were staffed by off-duty police officers there.” The camps grew up to fill the need. “For that very reason,” said one person, “that spawned a lot of homeless camps that are throughout the city, actually increasing in visibility and number throughout the city.”

The City needs to do more. “There’s a lot of supportive services and wraparound services that need to take place to give that person transition,” one pointed out. But even the services we do have don’t always reach those who need them. “A lot of people don’t know,” said one person. “People just call around to the various agencies hoping that they can find the right person for the resource that they need.” They would be better served by a centralized clearinghouse for information and services. As one expert described it, “For lack of a better term, a one-stop shop to be able to accommodate those services and to develop a better relationship where those individuals feel more comfortable coming forward and seeking assistance.”



COMMUNITY ENGAGEMENT

Barriers – Neighborhood Opposition

The interview and focus group participants spoke about opposition to affordable housing. There have been instances where projects have been opposed by neighbors. Describing such an instance, one person said, “The community galvanized and created a whole campaign against this development, put a lot of pressure on staff and council to reject that development.” Said another, “There’s a little bit of that ‘not in my backyard’ mentality that no matter where we want to put something, there’s going to be a hurdle to jump.” They attribute the opposition to “concerns about traffic,” or “a lot of times they’ll bring up property values or crime.”

But more often, people say the opposition is not very serious or widespread. “These days support for affordable housing has improved dramatically,” said one expert. “It used to be the opposite, it was an uphill battle and people thought you were a slum lord that was gonna destroy the neighborhood.” Said another, “I do think that something has changed a little bit in the last five years or so, where you do have more community proponents of affordable housing.” Another added, “I don’t think that anybody would be opposed to have more housing in their area to accommodate people who need.”

“We had people coming out saying that we were going to change their community and that it was gonna be crime infested.”

“If the way it meshes with a neighborhood is improved, there are improved development standards and architectural standards, I think it can be done.”

“At some point there’s got to be a reckoning, and we have to say to ourselves, look, we can’t keep doing what we’re doing ‘cause it’s not working.”

Recent experience has persuaded people that if the development meets high standards of quality, public support will be stronger. “I think so much of it has to do with how the development itself is executed,” said one person. “It’s carried out with a high degree of design quality and it’s maintained properly.” Said another, “There are housing complexes in Gastonia in recent years that look really nice, and I think as long as something like that is built and that the upkeep is good, people will not be as opposed.” In addition, some say that mixing affordable units together with market-rate ones is more likely to be accepted. “I’ll also say,” said one observer, “going back to the fact that you can’t tell in this building that there is affordable housing in it as well as regular renters or homeowners.”

When people consider the good of the whole community, support for affordable housing development will follow. “It’s something new,” one said. “It’s fresh, it’s growth coming to the area, and that’s what we want.” Said another, “Times have changed. This isn’t the ‘70s or the ‘80s. We have to have safe, affordable housing for anybody that wants it.”



COMMUNITY ENGAGEMENT

Barriers – Investors Buying Up Homes

Corporate investors financed by banks and Wall Street hedge funds have been buying houses in Gastonia. They buy for cash, at premium prices, and often convert the homes to rental at market rates. The result is a loss of naturally-occurring affordable home ownership, but it profits a few, and as one person pointed out, “There’s no law to prevent hedge funds and investors from coming in and buying up these opportunities – exactly what they’re doing now.”

“Some people are ready to sell, because they’re offering so much from what the house is worth.”

“Many of them, they signing that paper, and taking that cash, and now they standing out here, don’t have nowhere to go.”

“We would go look at a house and they try to put in an offer and then they would get beat out. It seemed like a majority of the times, they get beat out by an investor.”

Homeowners say the offers pour in relentlessly. “I could tell you right now,” said one, “the properties that I own, I’ll say I have at minimum three to four calls a day about those properties, and I hear the same thing from other people.” Said another, “They send you a letter every day. ‘I’d love to buy your home. I’d love to buy your home. I’d love to buy your home.’” Another person said, “You see a sign in everybody’s yard, ‘We buy homes,’ you know.” It’s tempting to a lot of owners. “When you could get \$300,000 for it,” said one observer, “who’s turning that down?” Another person said, “Some people, they’ve never heard of that type of money.” The buyers target vulnerable homeowners. “The first thing they’re gonna do is get to an individual or a family that they know needs some repairs to their house, unable to make the repairs, so the guy comes in and gives them this pretty good offer, cash offer.” But tempting as it may be, there are risks, to the seller and to the community. The house becomes unaffordable to the next buyer. One person pointed out, “Now it turns it into a \$200,000 house. Now those folks in that neighborhood can’t afford that.” And, the seller of the home will find their next home less affordable. “What are you going to do once you take that money?” asked one person. “You’re already struggling, Where you going that you think you can afford that?”

And when the homes are converted to rentals, the tradition of affordable home ownership is harmed. “They started out passed down from generation to generation, and then you get to where the person just sells it, then you have somebody that rents it, so a lot of the areas in this particular community are rental properties.” The rents are then set too high. “They’re purchasing the homes, getting them ready for renters, and then the renters are cost burdened.” Some say they won’t sell for that reason. “The offers that we’re getting, but we want to be able to sustain the housing that we receive.”



COMMUNITY ENGAGEMENT

Barriers – Cost of Development

The high cost of development is a key barrier to making housing more affordable. One of the people who participated in the interviews and focus groups said affordable housing development is difficult nowadays. “With the construction costs where they are today, you cannot make the deal work.” Said another, “It works great if construction costs stay stable the whole time and interest rates don’t shoot up. But in this current environment that we’re in, it’s just absolute insanity.”

“We tend to go to the locales where we can secure the subsidy that is needed to make an affordable housing deal work.”

“The cost of land has to be reasonable in order for a LIHTC deal to work, whether it’s 9% or 4% tax credits.”

“At the end of the day, they’re still for-profit businesses that have to make money, and so we’ve gotta do something where we incentivize them to do so.”

The costs ultimately fall on the people who seek housing. “You’d have to do what market rate developers are doing right now: jack your rents up to infinity to try to raise enough debt to afford your crazy construction cost.” The problem is pervasive. “Materials are higher, skilled labor is higher,” said one person. Contractors are overbooked. “The only way they’ll work on our projects is to charge us three times as much as they would have before, so it’s basically price gouging everywhere.”

The costs make repairs more difficult to achieve. “With inflation and the cost of materials, you have to weigh how much is it worth to fix something.” It makes accessory dwelling units more difficult to achieve. “You can build an apartment over your garage,” one observer pointed out, “but that housing is still going to be \$250,000, \$300,000 and up, because that’s how much it costs to build a unit today.”

Land costs drive much of the conversation about the cost of development. “God is not creating anymore land,” said one. “It’s hard for me to envision that there’s a whole lot more land within the boundaries of the city that are gonna be conducive to development,” said another. The City will have to step in. “We need to be looking for areas to where we can give builders or developers some kind of incentive to where land can be granted from government to ease some of the burden of the cost so they can then build houses that are affordable.”

Cost pressures push developers to larger projects. Said one person, “There is an economy of scale to affordable housing development in particular that is important. I need to spread my fixed costs over more units.” Said another, “You get some efficiencies of scale, but all projects right now – affordable housing – are highly susceptible to big swings in the market, which create large gaps in your funding.”



COMMUNITY ENGAGEMENT

Barriers – Eviction and Displacement

The rising cost of housing puts the lowest-income and some moderate-income households at risk. “We’re getting to the point where we can see fewer and fewer people are able to go out and find housing,” said one person. They live precariously, and wages aren’t keeping pace. “The crisis to these people that live in those income situations,” said another, “all it takes is one water pump to be replaced in a car and they’re in crisis.” For some, the situation is severe. As one person observed, “People are becoming hopeless. This is PTSD, this is major depressive disorder, this is severe anxiety.”

“Where are they gonna go? When they are displaced from these places, what’s the next step other than a tent or a tarp or your car?”

“I’ve personally seen where there’s been quite a bit of evictions, and it could be just for one person that actually was just in need of \$20 who was evicted.”

“They deserve a home as much as everybody else does. It’s like not having healthcare. You’ve got to have healthcare. Just like you’ve gotta have food and water. I mean, they’re just basic to life.”

When the crisis arrives, for many of these families, an eviction may follow. “There are more people who are losing their housing,” one expert commented. “I suspect that there are more court ordered evictions for non-payment and things of that nature.” Eviction is a drastic remedy because it causes someone to be displaced from their home, and it can trigger an endless cycle. Said one person, “If I can’t pay my rent, we’re gonna be evicted. If I get evicted, I’m never gonna get an apartment again ‘cause I’m not gonna pass their background checks and then I’m gonna be homeless.” A person experiencing homelessness agreed, saying, “Nowadays, landlords don’t want people that have evictions on their background.”

Gentrification can cause people to be displaced. When a neighborhood is slated for redevelopment, as some in Gastonia have been, people might be uprooted. “What has happened is a lot of those people, really gentrification kinda pushed them out,” one person said. “We’re on the cusp of seeing a lot more new investment in some of these older neighborhoods,” said another. “I’m talking about gentrification. It’s definitely on the radar.” Said a resident of one of those neighborhoods, “Now the older people that did own homes are kinda rolling out, so I guess it does look like gentrification.”

The people of Gastonia can join together to address these challenges to basic housing needs. As one person put it, “They’re still human beings and you can’t just toss ‘em aside as if they don’t matter because they just can’t afford to live like everybody else. So yeah, I think we need to have a more human model.”



COMMUNITY ENGAGEMENT

Solutions – Outreach and Education

“Affordable Housing” is a topic that appears in news headlines now and that Americans are talking about more, but the details remain unfamiliar to many. As part of this Affordable Housing Plan, the City of Gastonia will conduct outreach and education activities to bring more information to people about challenges and solutions. “It’s one of the components of whatever that Plan is,” said one expert, “is how we get the word out and how we educate people and how we also get buy-in, ‘cause I think we need our community to buy into it.” Bold solutions will need to be explained and discussed. “As our density increases,” one person said, “as our population increases, we’re definitely going to have to educate our community and look at other housing sources, be it duplexes, quadruplexes, multi-family.”

“There’s a lot of opportunity to help people to see exactly what affordable housing is and what it isn’t, so I do agree the stigma is a challenge here.”

“If I know there are certain monies coming from the government to assist with this and I am putting in my part and knowing that it’s not just my tax dollars, I would be receptive of it.”

“We as a community have to be more educated on what gentrification is. We hear the word and the negative behind it, but we still need to be more educated on what that is.”

Some neighbors have concerns when they see new kinds of development happening in their area, and myths and stigmas have surrounded affordable housing at times. “It’s going to be one of the major challenges we have,” said one, “how to come up with a plan where we can educate our community as far as what it is and then try to break down some of those stigmas.” More information will translate to more support, said another, “if it’s framed the right way with the right people behind it, educating people.”

Outreach and education can help people preserve their homes and find needed services, too. “Knowledge is power,” said one person. “Along with education, there really needs to be a resource of assistance in navigating not only housing but other benefit type programs.” People will learn about their rights and obligations. “That comes back to, do you know your rights? Do you know that there are people that will back up your rights? When you don’t know, you just don’t know.”

People will see that housing affordability is to their benefit. “There’s some educating and some buy-in from people to help them to see why this benefits them,” said one observer. It will serve their interests, and the interests of the whole community, “if we can somehow see the bigger picture as far as community and helping people to be healthier and to thrive, how that can benefit them.”



COMMUNITY ENGAGEMENT

Solutions – Repair and Rehabilitation

We can keep up the supply of affordable housing by building new units, but just as important, we can repair and rehabilitate existing affordable homes. “It’s important to repair the housing stock that you have,” said one person. “That’s just being a good steward of our resources,” said another. “Why not just instead of starting from scratch, put some money into it and bring it back up to shape?” That’s a very cost-effective approach. “A lot of times we destroy when we could fix it.” Another added, “Rehabbing older homes is definitely a less expensive way to go in creating affordable housing.”

“If I have a roof that’s leaking, if I have cracks in my window, and I’m living paycheck to paycheck, then I either do two things. I either move or I shut my mouth.”

“These folks have a difficult time keeping up with their property, and that’s another needed effort is helping low-income people maintain their property in good condition.”

“The first thing they do, no matter how much money they’ve collected over the years, if they put more in it, they go raise the rent.”

Gastonia has long offered home repair assistance. “We have some funding at the City,” one person pointed out, “where we do \$25,000 to help with air conditioner, roof or whatever.” People said these programs have a great impact. “If you were to put funding into making some of these rental properties repairable or more livable, then of course that person would probably take care of the home that they stay in.” Said another person, “To buy an existing home and then rehab it is probably gonna be, with land becoming more hard to get ahold of, that we may need to move more in that direction.”

Owners of rental properties have to shoulder their share of the responsibility for repairs, but there are some who take advantage of vulnerable renters. “You have landlords,” one person observed, “they know we have nowhere else to go, so if you don’t fix the roof, and I have a leak here and there, I put a bucket up under there.” Reports of retaliation are common. “Just to hear the stories of what the landlord said, ‘Well, you know, you take me to court, I’m gonna put you out.’” Or, the owner might raise the rent, an unfortunate consequence of needed repairs. “If someone puts money and rebuilds a home that has been in disrepair, the rent is gonna go up to cover the cost.”

An even worse consequence can result from zealous code enforcement. Robust enforcement of the housing code is an important remedy. “It is just not being enforced, but there has to be some code enforcement,” said one person. But enforcement must seek to ensure repairs are made, while avoiding condemnation wherever possible. “Because that’s kind of what happened initially. Code Enforcement went in and started condemning, and that’s the last thing I want to happen.”



COMMUNITY ENGAGEMENT

Solutions – Zoning

Preferences, finances, regional trends – all of these factors bear on housing affordability, but another very important factor is the City of Gastonia Unified Development Ordinance – the zoning code. It sets forth restrictions on what may be built, procedures for gaining approvals, and opportunities to promote more affordable housing. “The City of Gastonia does have their own set of zoning rules,” one person pointed out. “There’s probably gonna have to be some updates to the city’s zoning ordinance,” another said. “Be more creative with zoning,” said a third. One expert concluded, “We need to continue to look at being more open-minded with our zoning, understanding that a diverse housing, different types of housing lends itself for a healthy community.”

“Like for example on RS-12, RS-8 zoning, which has a specific requirement for the size of the lot, the setbacks. It’s very rigid and it’s very outdated.”

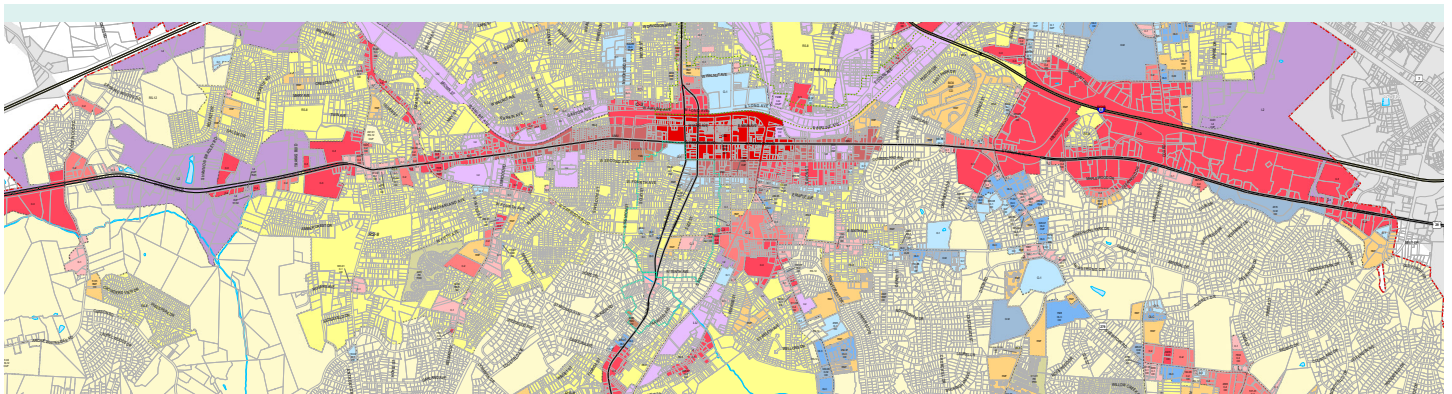
“Right now, I think the Gastonia ordinance has a pretty low density. Maximum density, it’s like 10 units per acre or something like that.”

“I’d love to figure out how to make it by right. Though we try to make planning commission an easy process to go through, there are certainly ways that we can improve.”

“We want growth,” said one person. “We don’t want to be barriers to that, and we certainly don’t want the zoning part of it to be one of those barriers.” But zoning restrictions can be a barrier. Said one observer, “We, in Gastonia, like a lot of communities, a number of decades back zoned out of existence a lot of different varieties of housing.” Zoning procedures have been a barrier. “It took eight months to get through that whole process,” said one person. “It was tough to get responses by phone or email on zoning,” said another. Moreover, rezoning procedures provide opportunities for anti-development voices. “Almost any time when we go in for a rezoning, the neighborhood across the street is gonna come out against us.”

But the City has made much progress. “We’ve been doing a lot of work in the council the last couple years with our zoning, trying to update what’s allowed and what isn’t allowed.” A lot of the focus has been aimed at moderating the strict single-family housing patterns. “A lot of the work that we’ve been doing over the past several years is to plug back in all those other types of housing, which is commonly referred to as the missing middle.” These new approaches promise higher density in appropriate areas. “The goal is to bring infill and density in, whether it be multi-family, duplexes, town homes,” said one expert, “to allow for more flexibility.”

Through new zoning initiatives addressing density, lot sizes, parking spaces, and many other elements, according to one observer, “We have to come up with a way to build more affordably.”



COMMUNITY ENGAGEMENT

Solutions – The Role of the City

The federal government, the state agencies, private developers, all contribute to the development of affordable housing. The people who participated in interviews and focus groups often asked, Is this the City’s responsibility, too? They answered, yes, the City can and must do all it can to help address the housing challenges. One person summed it up. “I think our City is ready to accept some moral responsibility to make sure people have a place to live.”

“We do have to be a helping hand to people that need it. We have to have some type of subsidy, whether that’s \$20-\$25,000 dollars toward a home or subsidizing rent.”

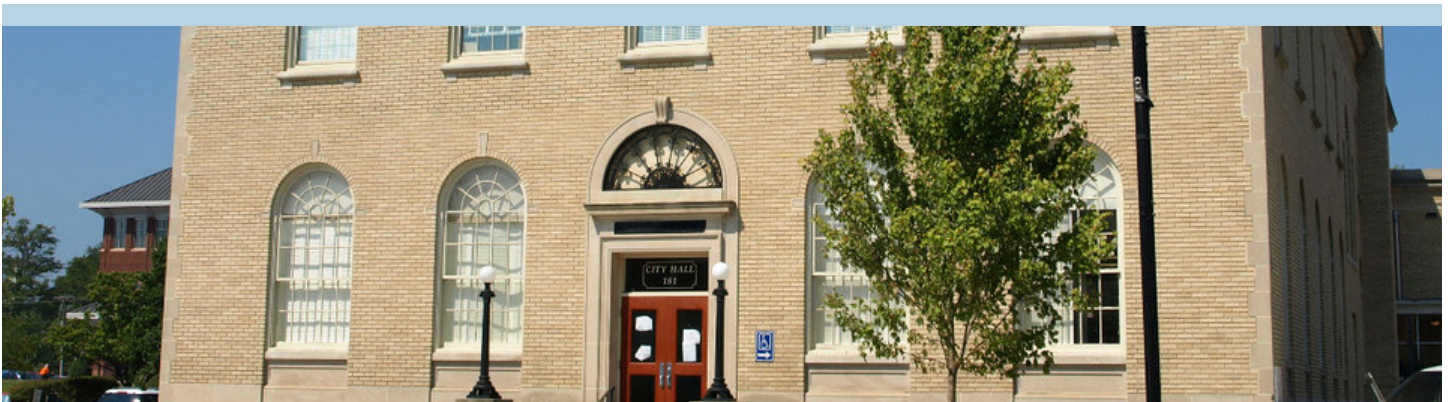
“You have to have staff members that get it, that truly want to embrace this equitable distribution, in people being able to be able to live in our community.”

“They say they’re short staffed as well, so, it’s like, what do you do when they’re short staffed and they don’t even have anybody to process the application that we do?”

The City won’t be alone, but will work hand-in-hand with its partners throughout the community. “It’s going to have to be involvement from all sectors of the community to make it successful and to be continuous,” said one person. “It has to be a collaborative effort,” said another. But as one expert put it, “It’s gonna come down to the money.” Most observers say Gastonia is going to have to provide funding. “Gastonia is having an ineffective conversation about affordable housing if they are not prepared to write a check,” said one, “and I’m talking about a check on the order of magnitude of \$8 to 10 million annually.” Said another, “City government has to help with the neighborhoods and fight for something different, even if it means putting money into programs.” Funding should flow through a trust. “We need an affordable housing trust, some type of fund,” said one person. “I would think that there would need to be either some type of housing trust or land trust,” said another.

To be successful, the City departments will have to pull in the same direction. Some say economic development and community development agencies must learn to work together. “Even for our city staff, when you say affordable housing, that’s like a curse word, because for them it doesn’t draw economic development.” And the city needs to become more responsive. Some who had rezoning or development approvals pending had this concern. Said one, “The big challenge honestly is on City staff. It was very difficult getting feedback and answers there.”

Existing City programs are valuable and should be built upon: home repair, resource navigation, down payment assistance. “They already have a small amount of input with the Down Payment Assistance Program,” said one person, “so it’s like they’re already halfway in. Why not make a full commitment to take that a step further?” A homeless person summed up the need. “Action, action, action!”



COMMUNITY ENGAGEMENT

The Community Forum

In late August, the City of Gastonia held a Community Forum at the Adult Recreation Center on W. Franklin Boulevard. More than eighty interested residents attended, as well as elected officials and community leaders. They heard a presentation of the key elements of the Affordable Housing Plan, and had an opportunity to ask questions and provide feedback, opinions, objections, insights, and perspectives. Their responses were incorporated into the final contents of this Plan.



The attendees were also given a special card and asked to write down their vision for housing in Gastonia or the most important improvement they would like to see happen in the housing market. Excerpts from some of their responses are shown here:

<p>“Perhaps a lot of the older buildings in town can be split into apartments and condos.”</p>	<p>“Accessible housing making it possible for people with varied past to still be able to get housing.”</p>	<p>“I want to see housing as a basic human right. Housing insecurity is a nightmare to navigate.”</p>	<p>“Overall, I want to see everyone be able to have the dream of owning a home and being able to be excited about it.”</p>
<p>“Need more affordable units. Landlords that will rent despite eviction history.”</p>	<p>“My vision for affordable housing is that homes are available for the average income and low-income residents.”</p>	<p>“Housing priced at \$75,000 to \$100,000 in places that have grocery stores, pharmacies, and transportation.”</p>	<p>“Sell all City-owned lots to build homes on. Over one hundred lots available.”</p>
<p>“It is hard for people working and making less than \$25,000 a year to be able to afford a good place to live.”</p>	<p>“Would like to see tiny home communities with modularity for affordability.”</p>	<p>“I envision having a neighborhood where individuals with disabilities can live together with families.”</p>	<p>“Construction of affordable housing that is not oversized. We’ve lost focus on the purpose of housing.”</p>

THE AFFORDABLE HOUSING SURVEY

THE AFFORDABLE HOUSING SURVEY

About the Survey

Purpose of the Survey. To complete its wide-ranging community engagement initiative, the City of Gastonia conducted an Affordable Housing Survey. This allowed the City to reach even more Gastonia and Gaston County residents, to ask them questions about their housing situations, their hopes and struggles, and their ideas about the best solutions for Gastonia’s housing challenges. Their perspectives and insights helped to guide the City in the development of this Plan.

GASTONIA
NC
Great Place. Great People. Great Promise.

Let us hear from you about housing in Gastonia and Gaston County -- the most important areas of need and the most promising solutions to the region's affordable housing challenges.

Survey developed by the UCG
Center for Housing and Community Studies.

UNC
GREENSBORO
Center for Housing
& Community Studies

**CITY OF GASTONIA
AFFORDABLE HOUSING
PLAN**

Help identify housing challenges
Enter drawing for \$100 gift card
Takes about 10 minutes

Take the survey at:
go.uncg.edu/Gastonia
or Scan QR Code

Survey is no longer active

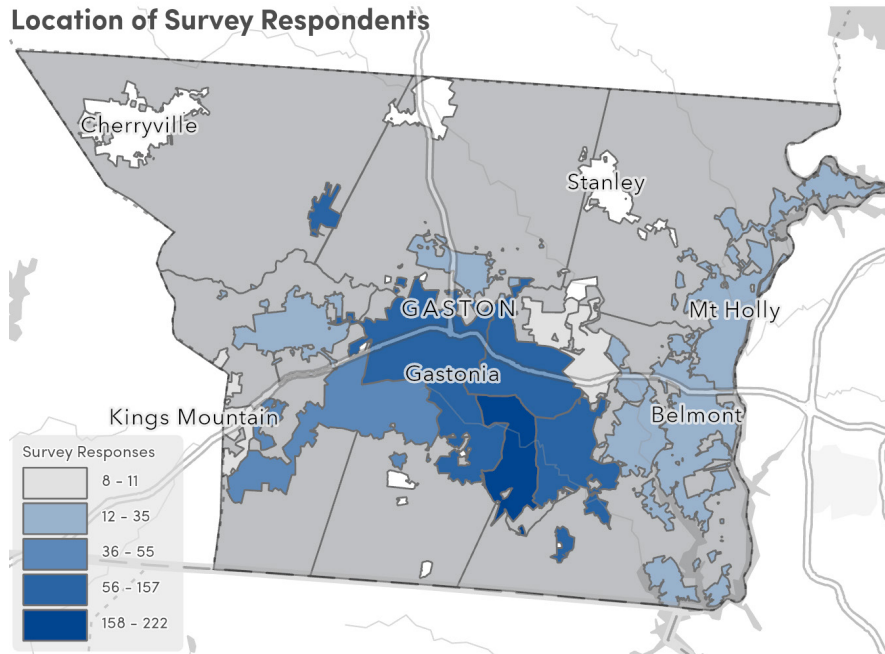
Dissemination of the Survey. The survey was disseminated mainly through community partners for distribution via their mailing lists of clients, customers, members, and constituents, as well as through social media channels and by distribution of flyers at selected locations.

Description of the Sample. In this way, the City obtained a nonprobability sample of 1,123 responses. The sample varies as to some demographic characteristics, particularly race and income, from the general Gastonia and Gaston County populations, and thus caution should be exercised in drawing conclusions applicable to the general population.

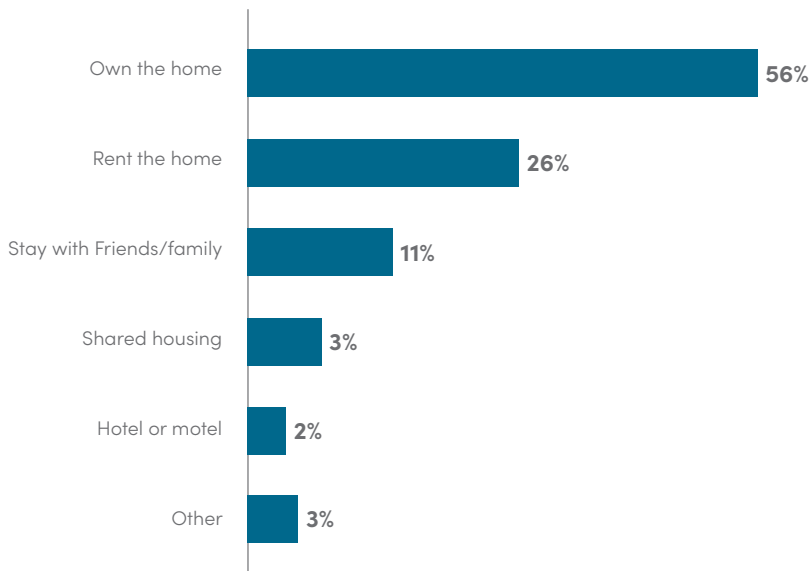
THE AFFORDABLE HOUSING SURVEY

Geographic Distribution

The survey respondents came from all over the City and County. While all city neighborhoods and most surrounding towns were well-represented, the Second, Third, and Fourth Wards of the City of Gastonia, and the Towns of Belmont, Bessemer City, and Mt. Holly, had the highest response rates.



Current Housing Status

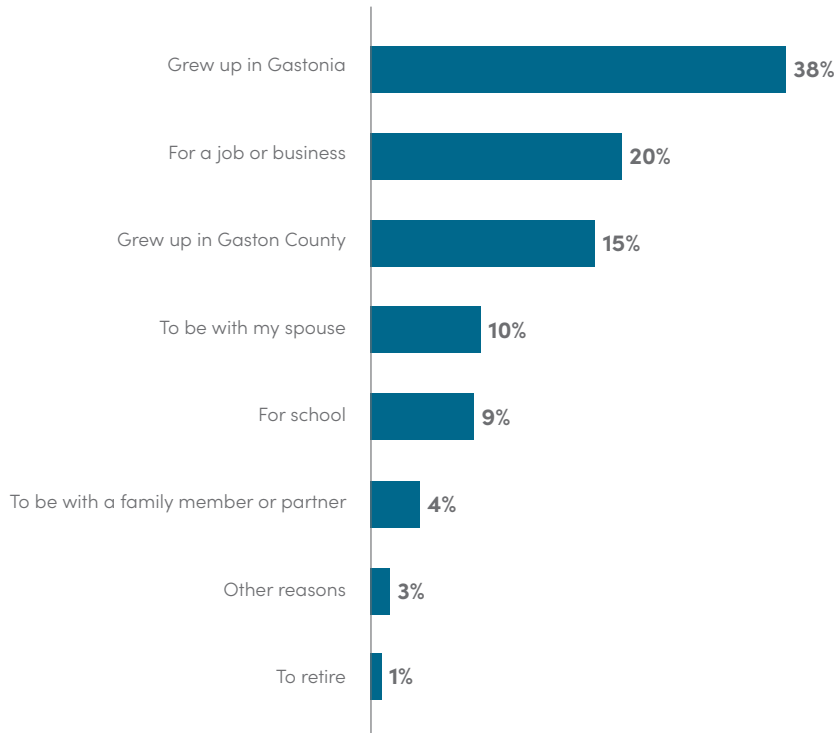


Among all respondents, over half own their own home. That's about in line with the U.S. Census estimate of 54% of Gastonia housing units owner-occupied. About a quarter are renters, a larger-than-expected 11% stay with friends and family, 3% in some kind of shared housing, with the remaining number in assisted living, shelter, or homeless.

THE AFFORDABLE HOUSING SURVEY

What Brought You Here?

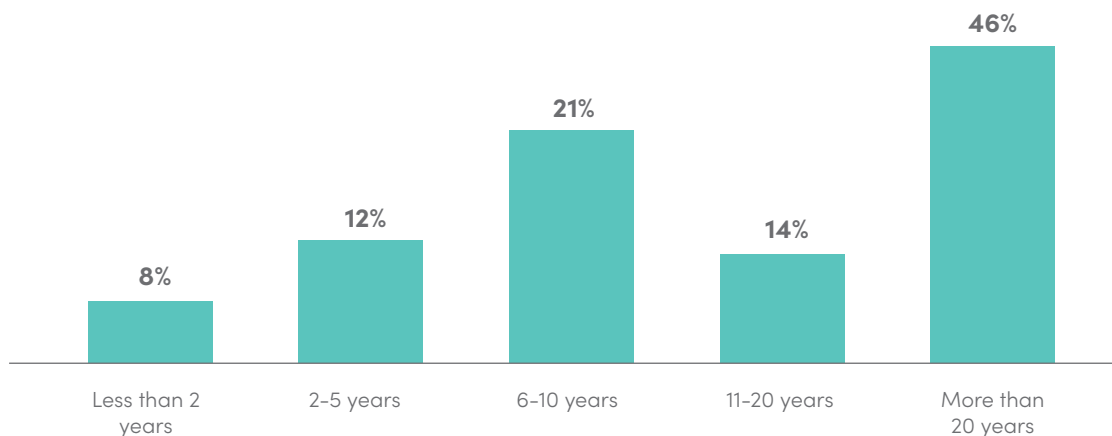
What Brought You Here?



The Gastonia population has grown steadily over the past forty years, much of the growth attributable to in-migration from other parts of the country or from Charlotte metropolitan area workers seeking more affordable housing options. Some evidence of these migration patterns is visible in the survey responses, with nearly half saying they'd moved here for work or school or to join a family member.

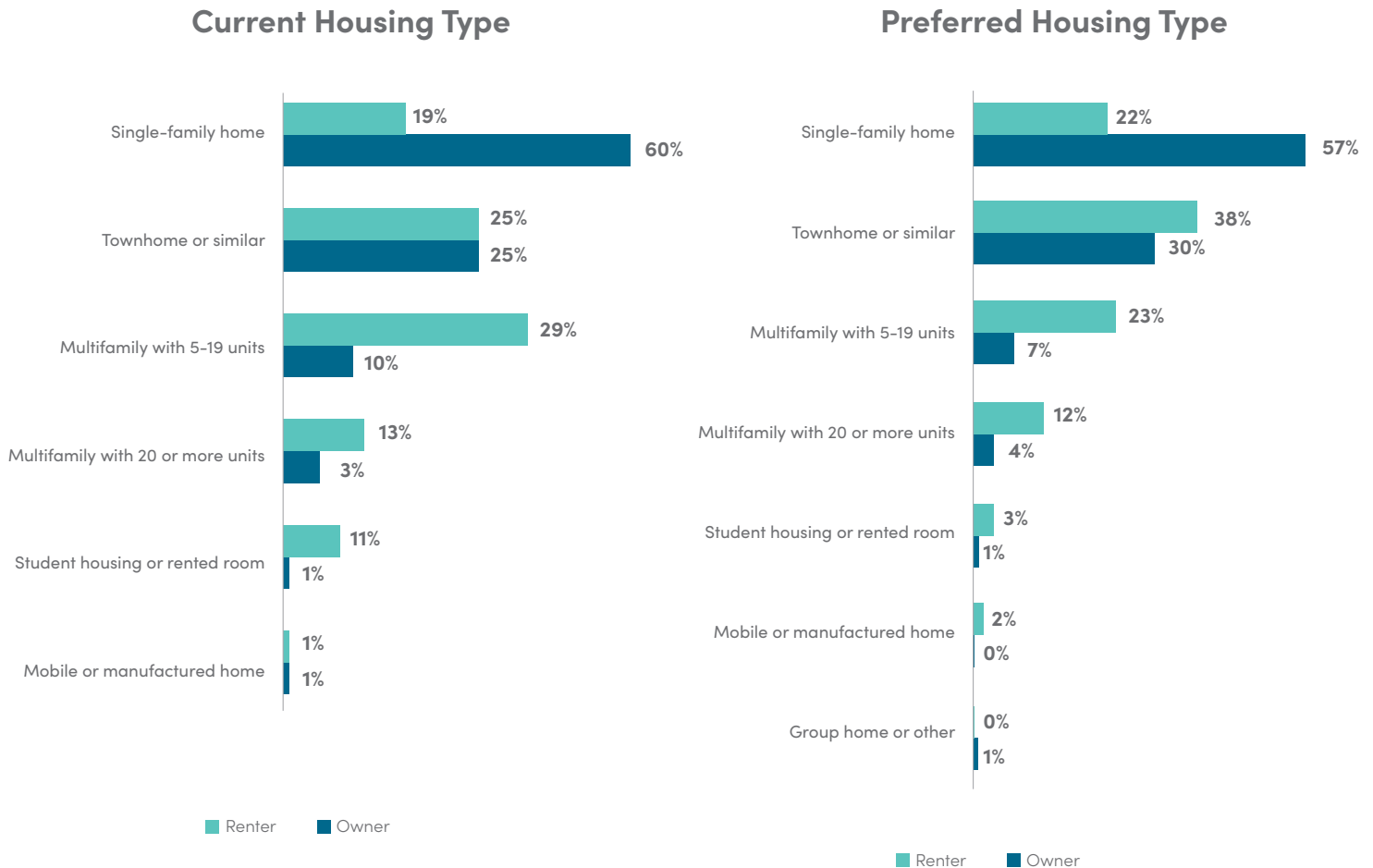
A similar, related pattern is revealed by responses to the question, how long have you lived here? Those who've lived here for more than twenty years constituted the largest response group. These are the people who have seen and adapted to the changes occurring along with growth, including more economic development, urbanism, traffic, and, more recently, rapidly rising rents and home prices.

How Long Have You Lived in This Area?



THE AFFORDABLE HOUSING SURVEY

Housing Preferences



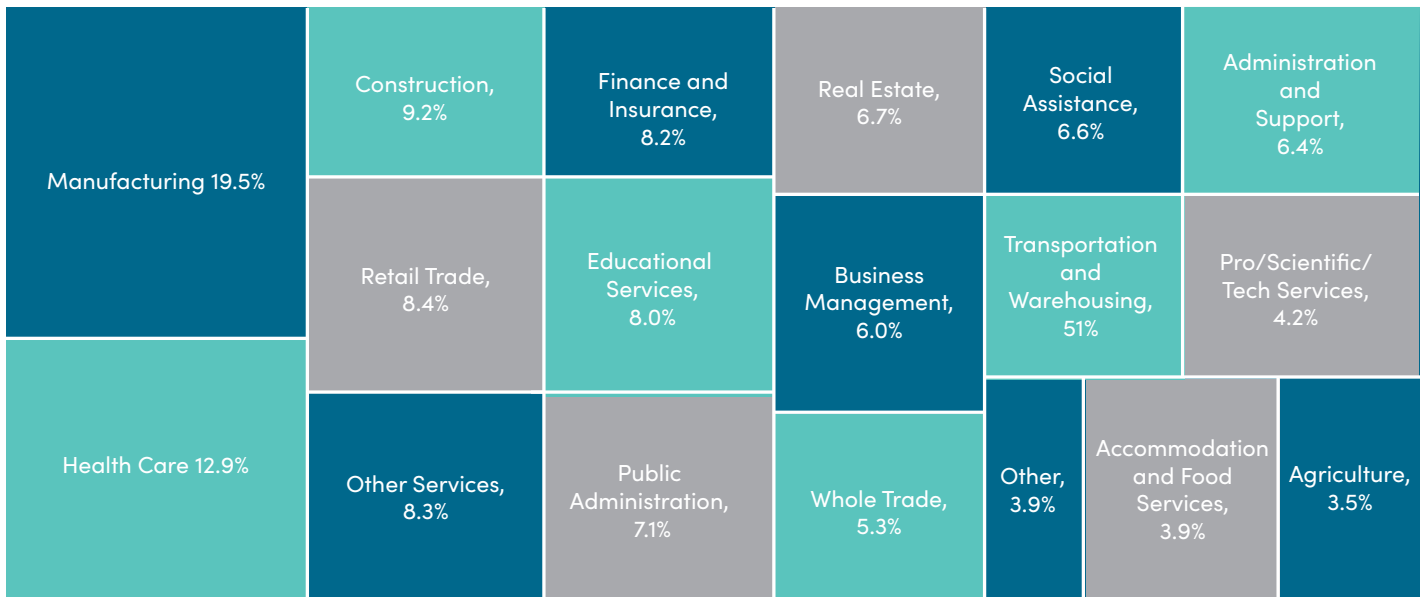
The respondents described their current housing type, and the housing type they'd prefer to live in. The biggest shift occurred when nearly 20% of single-family home dwellers said they'd prefer to live in a duplex, triplex, or townhome (offset by a smaller number of duplex, triplex or townhome dwellers preferring single-family housing). This is notable, because the duplex, triplex, or townhome types – the “missing middle” – will play a big role in increasing density and overall housing supply, and this response suggests support for the shift to missing middle housing types. Younger people and renters, and those in the middle (but not lowest or highest) income brackets, were more likely to want a housing-type change. Relatedly, as shown below, 40% of respondents said they planned to or would like to move, but notably a third of those who want to move said they could not afford to do so.

Intention of Moving Out	%
No, I like living in my current home	59%
Yes, I plan to move out as soon as possible	16%
Yes, I plan to move out in the next year	14%
Yes, but I can't afford to move	10%
Other	2%

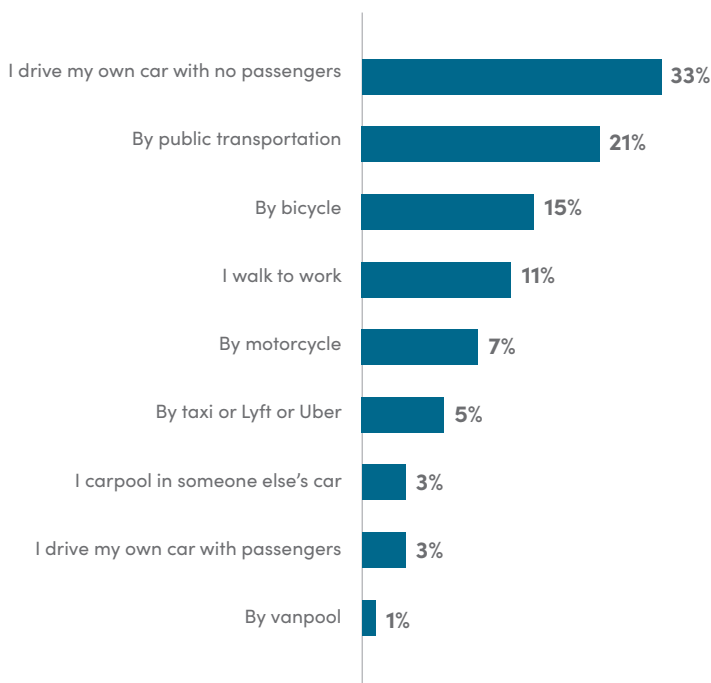
THE AFFORDABLE HOUSING SURVEY

Housing and Work

The survey respondents who are employed reported the industry sector in which they are employed. The chart below shows the sectors. These are in line with historical trends, with manufacturing the largest category, followed by health care, public administration, retail, construction, and finance and insurance. These are a mix of middle- and high-wage jobs, together with substantial percentages of lower-wage jobs, for example in the health care, retail, and accommodation and food service sectors. These middle- and lower-wage jobs are a vital part of the housing equation: housing + transportation + income = affordability.



Commute Methods

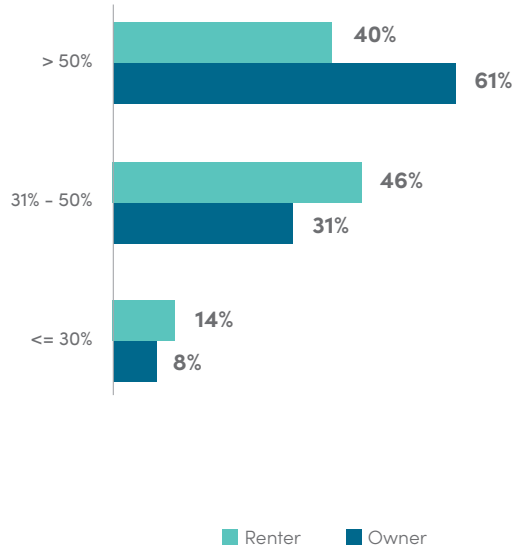


The transportation element of the equation is reflected in commuting patterns. Where you work, at what wage level, and the geography of your industry sector, determine how far and by what means you get to work – or whether you get to work at all. Not everyone has a car. Some manufacturing facilities are located beyond bus routes. A well-paid office or manufacturing worker can afford to take an Uber. Over half of the survey respondents reported monthly transportation costs above two hundred dollars.

THE AFFORDABLE HOUSING SURVEY

Cost Burden

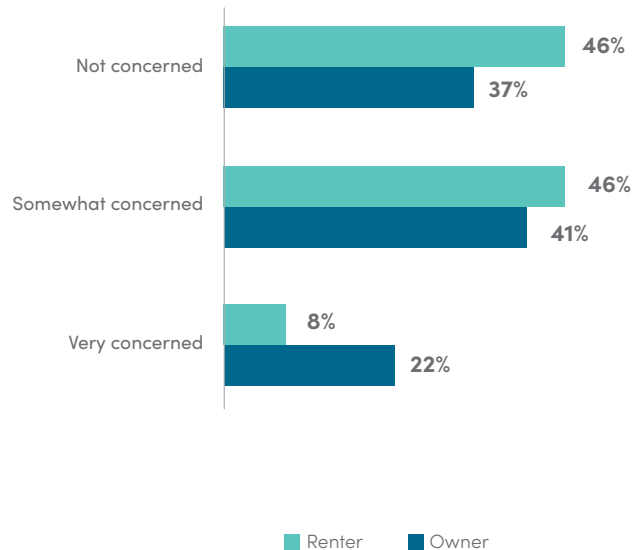
Percentage of Household Income



For many, housing costs, low wages and high transportation costs equal “cost burden” – when a household has to pay more than 30% of its household income on rent or mortgage plus utilities. The survey respondents reported the percentage they’re spending. Sixty percent of respondent renters self-report housing costs that would make them cost burdened – a quite high percentage, probably higher than in the general population but reflecting a high level of financial anxiety.

“Concern about costs” is another striking measure of housing cost anxiety. Ninety-two percent of renters who responded to the survey and almost eighty percent of homeowners report they are somewhat or very concerned about housing costs. That indicates that even those who are not cost burdened are concerned about the cost of housing – a finding also reflected in interviews and focus groups conducted as part of this Plan process.

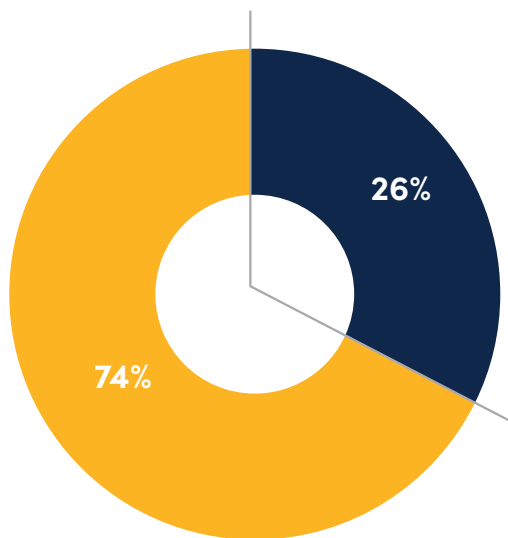
Concern About Costs



THE AFFORDABLE HOUSING SURVEY

Eviction

Eviction Experience



■ Yes, evicted before. ■ No, never evicted.

The survey respondents were asked if they'd ever been evicted, whether by court proceedings or because the landlord asked or pressured them to leave. Of those who responded, 26% said they had. That high percentage reflects the prevalence of informal removals along with formal, court-ordered evictions, and offers a vivid illustration of the severity of the eviction problem. Along with homelessness, a frequent consequence of eviction, it's a key factor in the housing affordability calculation.

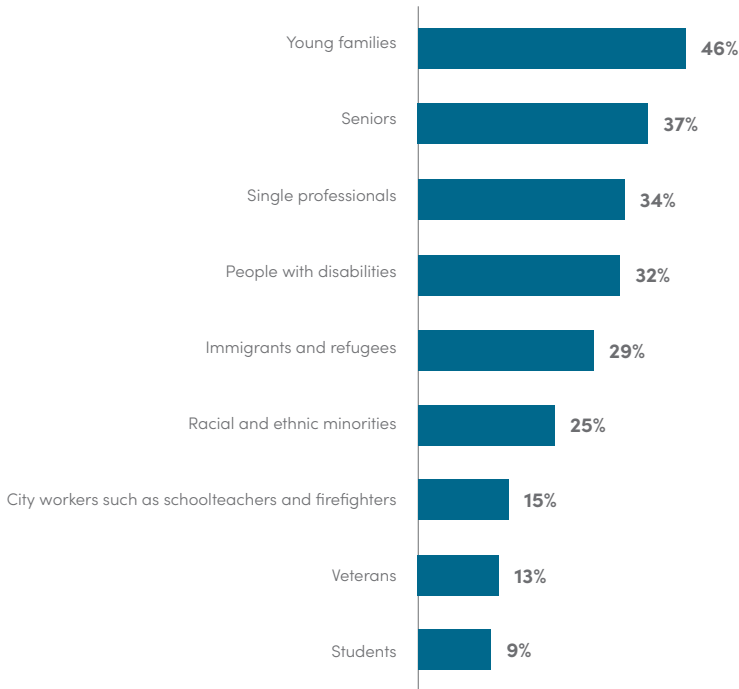
There are many reasons why eviction happens. The respondents were able to write a brief description of the circumstances. Here are some of their stories:

"Landlord raised rent from 350 to 600 was already struggling before the increase in rent due to not always having a babysitter to even attempt to hold a job."	"The landlord unlawfully evicted me and my children when I had COVID."	"We were two weeks late with rent due to a death in the family and landlord demanded we leave."	"The landlord wanted to raise the rent, so I was forced to leave."
"Because I can't pay the utilities."	"I was asked to leave by landlord who did not want an LGBTQ individual in their dwelling."	"The landlord's kids are coming back."	"My landlord is selling the house, so I have no choice but to move out."
"I had to choose to either pay rent or utilities. I couldn't always pay both and if I couldn't I was robbing Peter to pay Paul!"	"Several decades earlier as a single mom with depression and 2 children."	"There was a time when both of us were unemployed and couldn't afford to pay rent for a few months, so we had to move out."	"The company I originally rented with sold the home to a larger company and they increased the rent by \$350."

THE AFFORDABLE HOUSING SURVEY

Affordable Housing

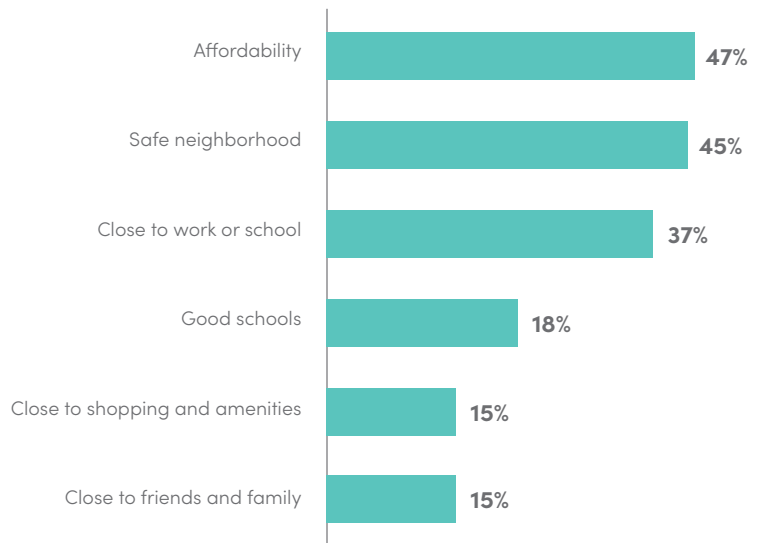
Who Most Needs Affordable Housing?



Some questions turned the lens from the respondents' own experiences to those of members of the community as a whole. The first such question asked what groups in the community are most in need of affordable housing? This is important because it allows people to relate the general topic of affordable housing to the circumstances of people they know and can identify with. The top categories, "young families" and "seniors," align with findings from the interviews and focus groups. And the sheer number of groups in need offers more good reasons to pursue this kind of Plan.

Most Important Considerations in Looking for a Place to Live?

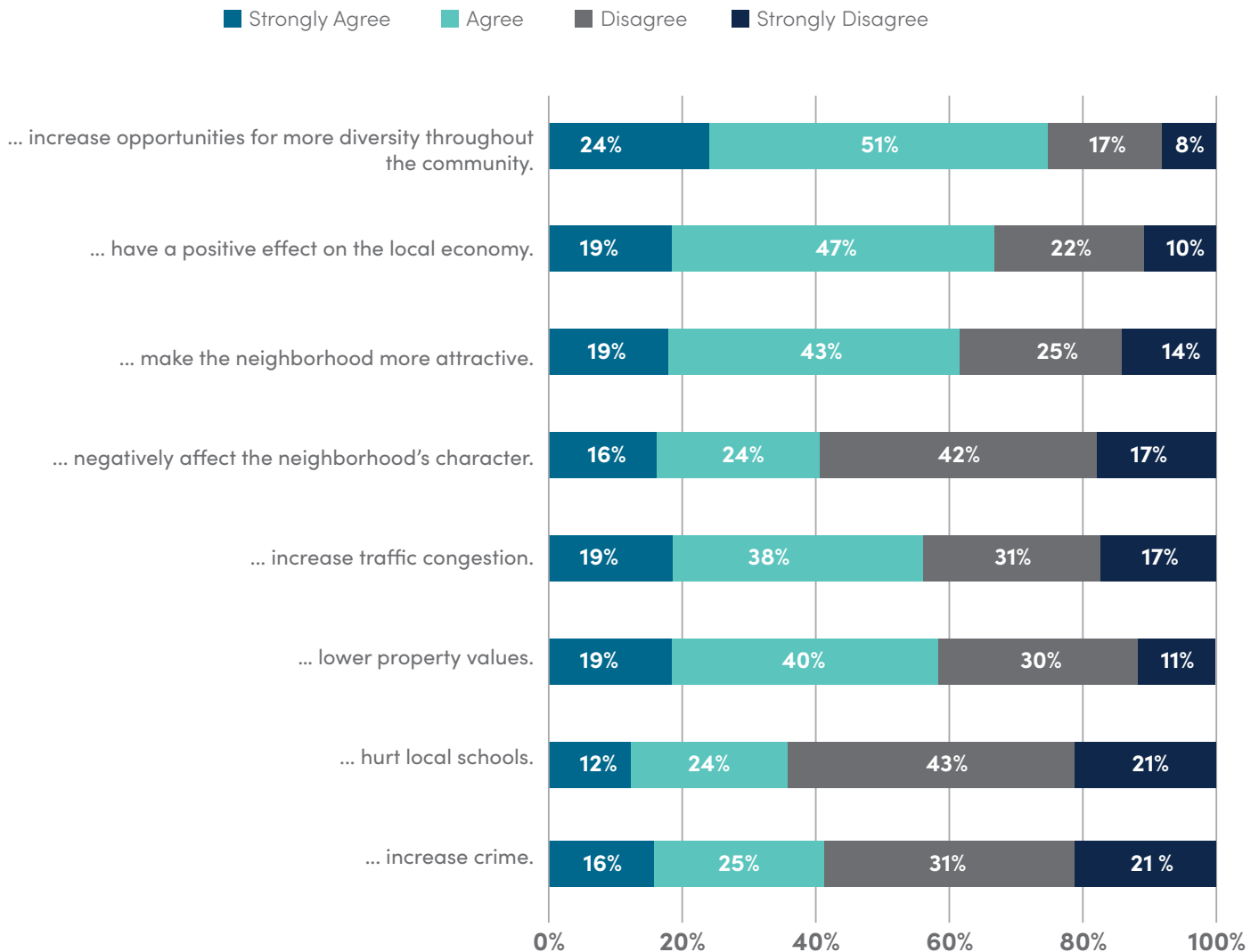
"Affordability", along with "Safe Neighborhoods" and "Close to Work or School," were the top reasons the survey respondents selected from among the most important considerations they bring to a search for a home. These considerations together describe the interrelated factors making a great neighborhood: cost, safety, livability, community.



THE AFFORDABLE HOUSING SURVEY

Opinions About Affordable Housing in My Neighborhood

Building affordable housing in my neighborhood would ...

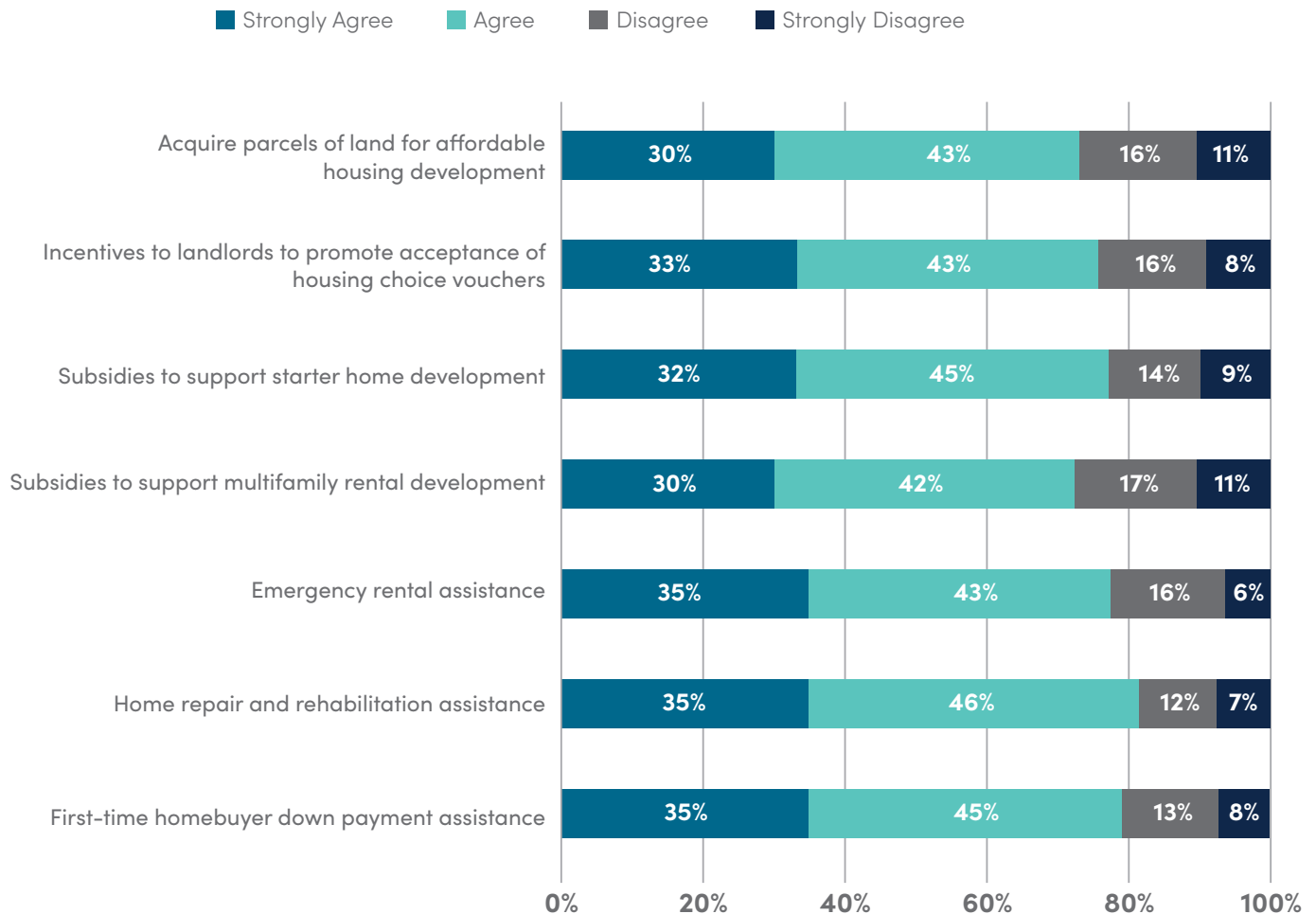


The survey ended with a series of opinion questions. The first block of questions addressed people’s concerns about the effect of affordable housing development in their own neighborhoods. Neighborhood opposition and the “NIMBY” phenomenon (“Not in My Back Yard”) are sometimes linked to public discussions of affordable housing, and these topics came up often in the interviews and focus groups conducted as part of the Plan process. That phase of the City’s research revealed that opposition is not as strong as is sometimes believed, and the survey supports that conclusion as well. Large majorities of the respondents agreed or strongly agreed that building affordable housing in their neighborhoods would increase opportunities for more diversity throughout the community, have a positive effect on the local economy, and make the neighborhood more attractive. Similarly, majorities of respondents disagreed or strongly disagreed that building affordable housing would have negative effects on their neighborhoods. They didn’t think affordable housing would negatively affect the neighborhood’s character, hurt local schools, or increase crime. Majorities of 57% and 59%, respectively, did worry that affordable housing development would increase traffic congestion or lower property values.

THE AFFORDABLE HOUSING SURVEY

Opinions About Affordable Housing Programs

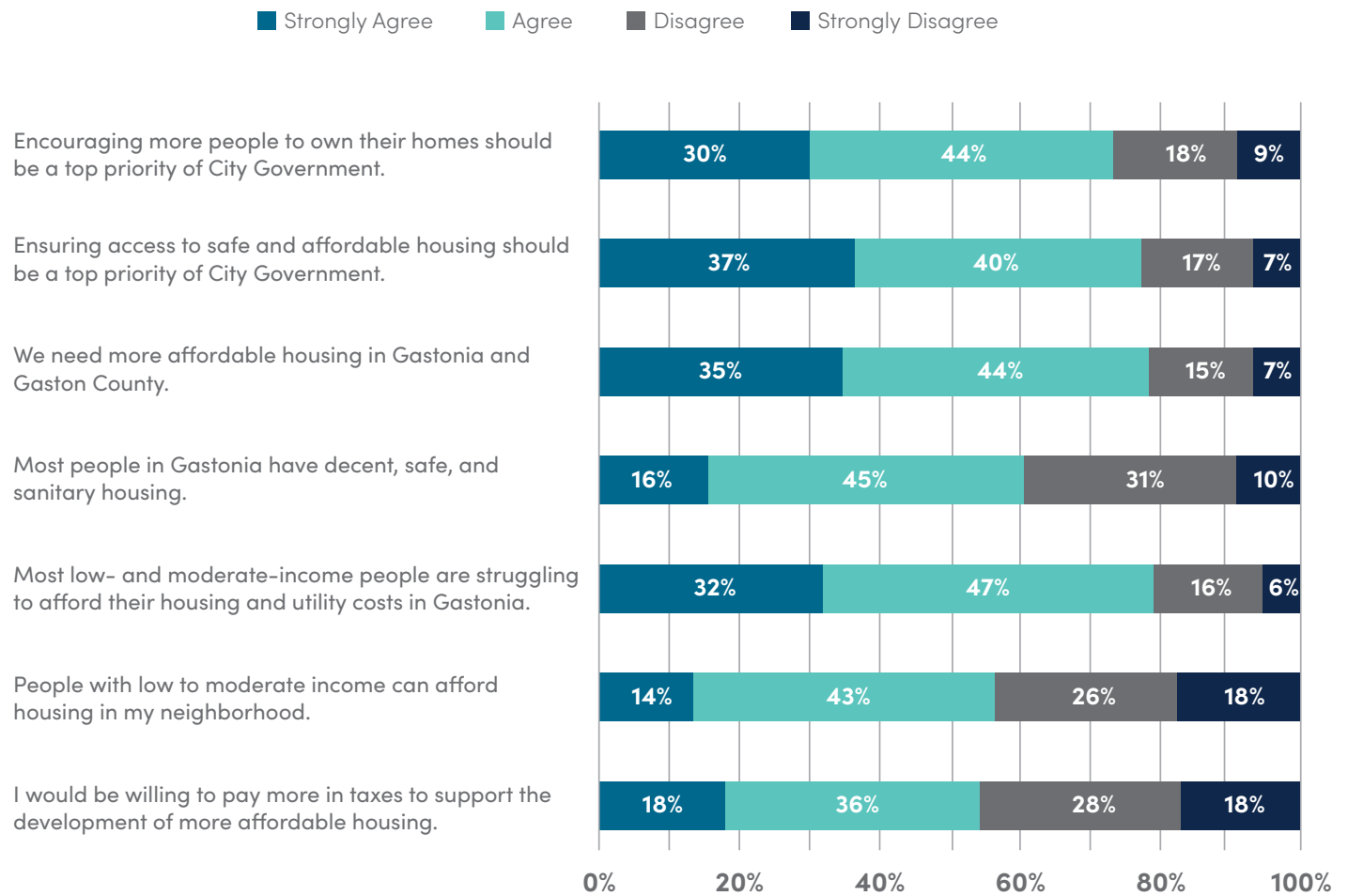
The City of Gastonia should adopt the following affordable housing programs:



The next block of opinion questions measured support among the respondents for selected programs and initiatives that are included in the recommendation of this Plan. These questions revealed very strong support. Majorities of the respondents ranging from 72% to 82% agreed or strongly agreed that the City of Gastonia should acquire parcels of land for affordable housing development; adopt incentives to landlords to promote acceptance of housing choice vouchers; offer subsidies to support starter home development and multifamily rental development; provide emergency rental assistance and home repair and rehabilitation assistance; and offer first-time homebuyer down payment assistance. It's not possible to know whether those who elected to respond to the survey are more likely than the general population to support affordable housing programs. However, given the diversity of housing experiences, employment, and economic status among the respondents, it is notable that such support is widespread among them.

THE AFFORDABLE HOUSING SURVEY

Opinions About Affordable Housing Policy



For the final block of questions, the respondents were asked to say whether they strongly agree, agree, disagree, or strongly disagree with each of the statements about particular housing policies or about the housing economy. Together, the responses suggest the existence of substantial support for the aims of this Plan. Seventy-four percent of the respondents agreed or strongly agreed that encouraging more people to achieve homeownership should be a top priority of City government. Similar majorities of 77%, 79%, and 79%, respectively, agree or strongly agree that ensuring access to safe and affordable housing should be a top priority of City Government; that we need more affordable housing; and that most low- and moderate-income people are struggling to afford their housing and utility costs in Gastonia. And to a question that might be expected to win less support, still a majority of 54% of the respondents agreed or strongly agreed that they would be willing to pay more in taxes to support the development of more affordable housing.

RECOMMENDATIONS

RECOMMENDATIONS

Recommendations Overview

The Eight Points that make up the Affordable Housing Plan recommendations encompass a variety of methods, approaches, and interconnected program and policy goals. These can be summarized under the following four main categories:

Funding and Resource Management	The City marshals funds from internal sources and federal and state funding streams; raises revenues from taxes and borrowings; receives contributions from the business and philanthropic sectors and members of the community; and identifies other City assets to be allocated to housing development.
Program Development	Existing housing programs are strengthened, while new bold and innovative programs are explored.
Housing Subsidy	The City intervenes with funds and other resources where the market alone cannot supply affordable housing, and federal and state subsidies are insufficient.
Capacity Building	Local administrators, community leaders, and neighborhood residents apply the knowledge and skills needed to implement the Affordable Housing Plan.

This table shows the Eight Points in the Affordable Housing Plan recommendations, and identifies one or more of the four categories of methods, approaches, policies, and goals:

	Funding and Resource Management	Program Development	Housing Subsidy	Capacity Building
Affordable Housing Trust Fund	●			
Land Disposition Policy	●	●	●	
Community Land Trust	●	●	●	●
Housing Resource Center		●		●
Zoning Incentives		●		
Gap Financing	●	●	●	
Affordable Housing Bond	●			
Program Innovator		●		●

RECOMMENDATIONS

POINT 1 – Affordable Housing Trust Fund

GOAL!



Housing Trust Funds (HTFs) are a popular, useful, and effective tool for promoting the development of affordable housing. An HTF is created when public revenue sources are dedicated by elected officials expressly to the production or preservation of affordable housing. It represents the community’s commitment to provide sustainable financial support for affordable housing initiatives.

The HTF will collect in one place the revenues that the City has dedicated to affordable housing programs. These revenues might be one-time or occasional funding, or the HTF can be granted a recurring source of dedicated revenue. The revenues might include those the City has received in the past, and might also include ones newly identified as part of this Plan process. Taken together, these funds, collected in one pool, administered under criteria developed as part of the Plan implementation, can offer the City greater flexibility to do things we haven’t done in the past.

A wide variety of revenue tools are available to provide streams of funding into the HTF. The first stage in implementation will be to study and select the funding streams that are feasible, and reliable, and will provide adequate amounts to make a difference.

Uses of the funds in the HTF will include all those discussed in this Plan, and others that may be decided under agreed criteria. The table here illustrates some examples of an HTF’s sources and uses of funds:

SOURCES
General fund set aside
New property tax levy or allocations from existing property tax revenues
Recording fees, linkage fees, affordable housing impact fees
Community development block grant
HOME funding
Affordable housing bond
Real estate transfer tax
Contributions from the business and philanthropic sectors and members of the community

USES
Emergency rental assistance
Homeowner rehabilitation, weatherization, and repair assistance
Direct subsidies for housing development
Gap financing for tax credit development
Land acquisition
Seed funding for community land trust
First time home buyer down payment assistance

RECOMMENDATIONS

POINT 1 – Affordable Housing Trust Fund

The National Housing Trust Fund, a federal fund created by Congress in 2008 and funded by contributions from Fannie Mae and Freddie Mac, distributes funds by formula to the states – \$19.6 million allocated to North Carolina this year – with most funding targeted to extremely low income households. The North Carolina Housing Trust Fund, created by the General Assembly in 1987 and administered by the North Carolina Housing Finance Agency, provides funds to allow local governments to support home ownership, rental apartment development, rehabilitation, and emergency repairs.

But local governments can create their own Housing Trust Funds. An estimated eight hundred around the country have done so, and this includes North Carolina cities and towns that have used them successfully to make the critical housing needs of their people an essential priority.



The Town of Apex created a Housing Trust Fund primarily funded from a “Penny for Housing” program, which allocated one cent of property tax revenue per hundred dollars of taxable property. The HTF then became the primary funding source for the Affordable Housing Plan adopted subsequently by the Town. It will support home ownership, owner-occupied rehabilitation, accessory apartment, and affordable multifamily rental programs.



Asheville’s Housing Trust Fund was established in 2000 to provide low-interest loans for affordable housing projects within the Asheville city limits. Developers and others proposing affordable housing projects are invited periodically to apply for funding, and in the most recent funding cycle, the City Council approved five proposals totaling \$4.4 million in loans for senior housing, multifamily rental, and public housing projects.



Charlotte’s Housing Trust Fund has been in operation for over twenty years and has provided over \$200 million in gap funding primarily for multifamily rental housing and shelter beds. Through partnerships with developers and community-based organizations, every dollar from the HTF has resulted in over six dollars for affordable housing. The primary funding source for this Fund is voter-approved affordable housing bonds.

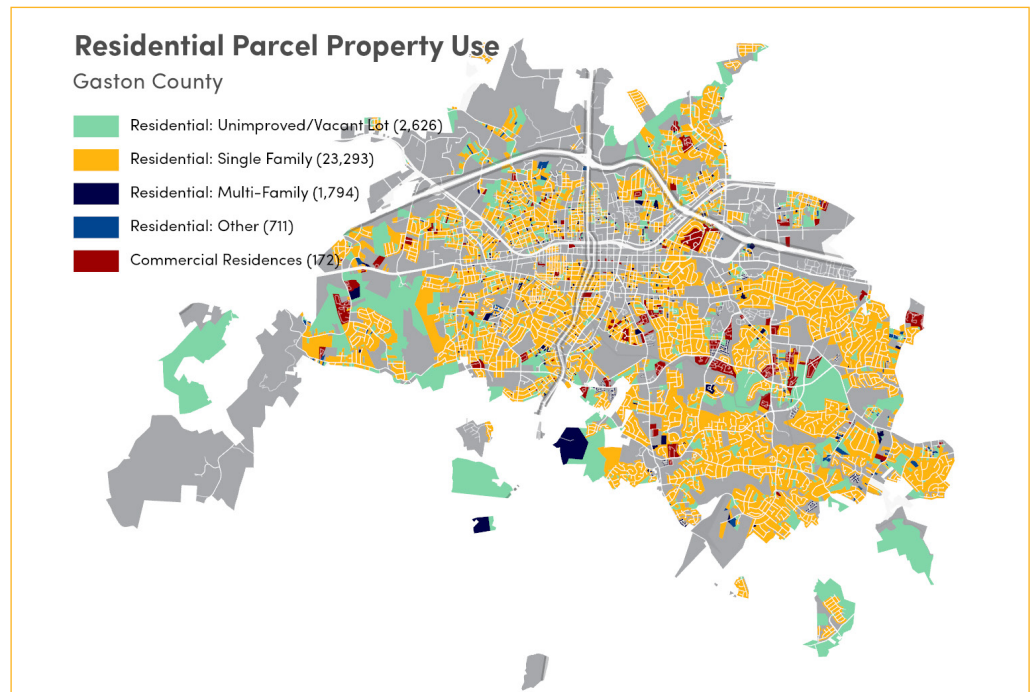
RECOMMENDATIONS

POINT 2 – Land Disposition Policy

High land costs present a key barrier to affordable housing development. Local governments, which often own or can acquire land suitable for development, can deploy these assets to subsidize a level of affordability that otherwise wouldn't be feasible.

Gastonia owns a significant number of land parcels in locations throughout the city, and may from time to time acquire parcels in the future. These include underutilized, vacant, or neglected parcels which come to the City through purchase, condemnation, or foreclosure. Some of the parcels have potential for redevelopment and could be deployed in partnership with developers and community-based organizations to support affordable housing development.

The City has in the past deployed City-owned parcels for affordable housing on a case-by-case basis, through donation or fair market or below-market sale. Under this Plan, the City proposes to implement a formal policy setting forth appropriate terms and guidelines.



THE ELEMENTS OF GASTONIA'S LAND DISPOSITION POLICY:

- The City will formally establish a land disposition policy having terms and guidelines that accord with North Carolina law governing the conveyance of public property for public purposes.
- City departments will be required to make affordable housing a priority when disposing of public land.
- In the first implementation year, the City will conduct an inventory of City-owned parcels, and the City will work with Gaston County to identify parcels owned by County departments.
- For each parcel, the City will assess its characteristics and conditions, and determine whether it has affordable housing development potential.
- The cost to the City of rendering the property attractive for housing development and the revenue impact of disposition will also be considered.
- The policy will permit conveyances of City-owned parcels in negotiated transactions or by requests for proposal, and may be by donation, sale at or below market, or to raise proceeds for off-site investment.

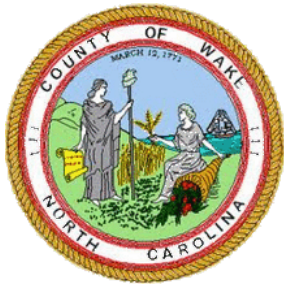
RECOMMENDATIONS

POINT 2 – Land Disposition Policy

The deployment of underutilized publicly-owned land parcels for affordable housing development has become common practice in North Carolina and across the country. The Affordable Housing Plans of Greensboro and Wake County are among those to feature land disposition policies in their toolboxes of policy initiatives.



Greensboro’s Housing GSO Plan calls for a Public Land Disposition Policy that makes public land available free or at reduced cost to subsidize affordable housing development. The Plan discusses the North Carolina legal requirements, and sets forth the steps Greensboro should follow to implement the policy. Notably, the Plan urges the City of Greensboro to partner with the County, the School System, and the Housing Authority to identify available vacant and underutilized land owned by them.

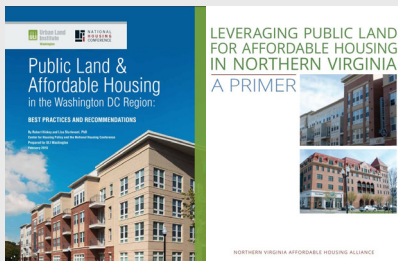


Just as this Plan builds upon the policy established in Housing GSO, that Plan built on the land disposition element of Wake County’s Affordable Housing Plan. That Plan recommends criteria for identification of eligible land parcels, including size, existing use, environmental constraints, zoning status, access to utilities, location, and asset value.

Local governments elsewhere have long turned to land disposition policies to support affordable housing development.



Seattle was a trailblazer in 2018 when housing prices were rising fast in gentrifying neighborhoods there. That year, the City Council adopted a resolution requiring city departments to prioritize affordable housing when disposing of surplus public land. A transit-oriented affordable housing complex alongside the Capitol Hill light rail station was one of several built on land purchased from the city at a below-market rate.



The issue has been studied extensively by researchers and policy experts. City administrators have the benefit of authoritative reporting on best practices on topics including criteria for identification of assets, economic analysis, site preparation, methods of administration, and public engagement.

RECOMMENDATIONS

POINT 3 – Community Land Trust

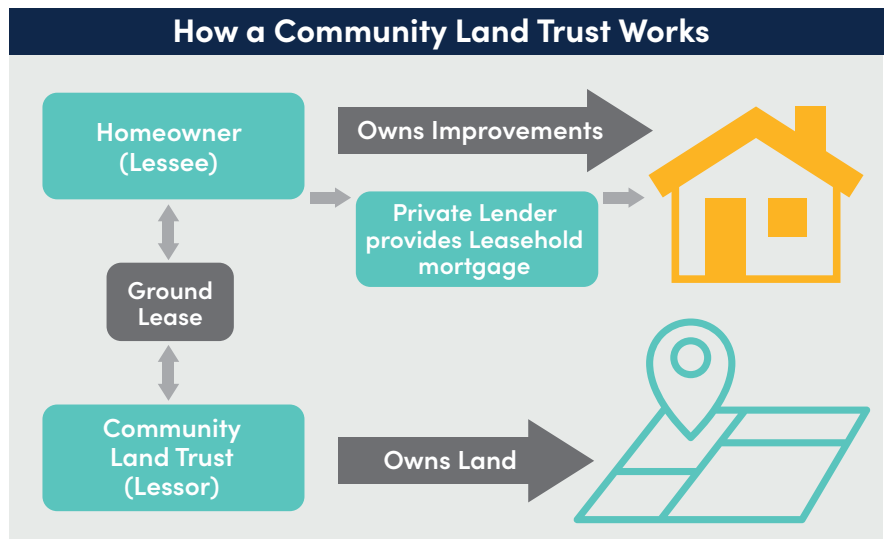
Community Land Housing Trusts (CLTs) are a type of housing development that offers home ownership opportunities to low-income buyers. They do this by creating permanently affordable homes – that is, homes that don’t go up in value to levels that low-income buyers can no longer afford. They’re in use throughout North Carolina and the country, with nearly 250 active CLTs in operation.

In a CLT, the land is owned by the Trust, usually a nonprofit organization. Homes, which could be single-family ones or units in a multifamily building, are either constructed or rehabilitated by the CLT. Then the homes are sold to buyers who are income-eligible. When the home

is sold to the buyer, only the structure is sold, but the land under the home is leased, usually for ninety-nine years. That’s called a ground lease. The home is more affordable because only the house is sold, not the land. The ground lease contains provisions requiring the home to be sold only to another income-eligible buyer and limiting the resale price. When the home is sold, the homeowner receives a portion of any increase in value, but it’s limited so the home will remain affordable for the next buyer.

The CLT is not owned or controlled by the City of Gastonia. The nonprofit organization is the landowner, and it’s governed by a Board of Directors that is set up to represent three important groups: one-third of the Board seats are held by the homeowners themselves; one-third by community members including neighborhood organizations and housing advocates; and one-third by public representatives such as City housing staff members.

Gastonia possesses all the ingredients that make CLT success most likely. It has neighborhoods, such as the Highland Community, facing the risk of gentrification and the loss of naturally-occurring affordable homes, with numerous vacant or neglected parcels that could be utilized for a CLT, and having active and committed community members who could form the spearhead of support for a CLT project.



RECOMMENDATIONS

POINT 3 – Community Land Trust

In their early days, CLTs were typically created by neighborhood organizers, activists, and residents facing precarious housing conditions, limited access to homeownership, and the apparent inability of markets and governments to provide safe and affordable housing for all. They created their own nonprofit affordable housing developments, and built ownership structures controlled by community members. In this sense, the CLT model was the opposite of a top-down, government-led housing initiative. CLTs in Asheville, Boone, and Durham, North Carolina fit into this category.

Yet cities early recognized the benefit of CLT programs. Some of them took steps to bring them into being, and to support them with material and administrative resources. Now, it's common for CLTs to be sponsored by local governments. They still don't own or control the CLT, but they introduce the program to people who might not know about its possibilities, they facilitate the process of forming a CLT, and they provide financing through funding and land resources to help get it started. These North Carolina cities are taking this "city-sponsored CLT" approach.



The City of Concord in 2019 founded the Concord Family Enrichment Association, now known as WeBuild, to serve as a nonprofit and enrichment arm for the City's housing division. WeBuild is tasked with the development of equitable and permanently affordable housing opportunities for all of Concord's residents. Among the projects in the planning stage is a Community Land Trust for Concord.



The City of Greensboro has embarked on a major initiative to sponsor and facilitate the creation of a CLT in Greensboro. The City's Housing and Neighborhood Development Department has engaged a prominent national CLT consultant and, together, they have held a series of neighborhood meetings to educate residents and promote the CLT plan. The City has identified several neighborhoods where the program will have its initial focus.



In 1991, the Orange County Affordable Housing Task Force founded an organization that became the Community Home Trust, a CLT that now has sold 332 permanently affordable homes in Chapel Hill and Carrboro, and is the primary provider of affordable home ownership in Orange County.

RECOMMENDATIONS

POINT 4 – Housing Resource Center

The Housing Resource Center will be a much-needed centralized provider of housing-related services. Until now, Gastonia residents, people who would like to become Gastonia residents, precariously housed people, and people in need of support and access to services, haven't always known where to go or whom to call. They need a one-stop-shop where they can call or visit and get the help they seek.

The Housing Resource Center will bring together under one roof a wide variety of functions and services. It may offer some or all of the following functions and services:

	Housing Counseling	Trained housing specialists will provide information and advice to those seeking, financing, maintaining, renting, or owning a home, and will make referrals to City and County housing assistance programs.
	Housing Referrals	Housing Resource Center staff will keep a list of available affordable rental opportunities, landlords that are known to have vacancies, and apartment communities that are safe and well-maintained.
	Rental Assistance	The COVID-era Emergency Rental Assistance Program has ended, but from time to time rental assistance funding becomes available. The Center will be a clearinghouse of information about funding sources.
	Resource Navigation	Center staff will link at-risk tenants and homeowners to other social, health, and employment services, to address issues that may be contributing to housing precarity.
	Homeless Services	The Center will work with the Gaston Lincoln Cleveland Continuum of Care and City staff responsible for homeless services, and will be able to make referrals to shelters, supportive housing, and other resources.
	Tenant Training	Low- and moderate-income tenants will be offered educational programs focusing on tenant rights and obligations, housing code enforcement, financial literacy, food security, and many other topics.
	Homebuyer Education	Homebuyer education and counseling programs will help new home buyers to learn about the homebuying process, overcome obstacles to home ownership, and connect with programs that can make homeownership more affordable.
	Legal Assistance	The Housing Resource Center will partner with Legal Aid of North Carolina to connect eligible tenants and homeowners with legal help and access to the civil court system when necessary.
	Eviction Diversion	The Housing Resource Center in partnership with Legal Aid will have programs to intervene with help when a tenant is at risk for eviction or has received eviction papers, to provide the services needed to prevent if possible the drastic remedy of eviction.

RECOMMENDATIONS

POINT 4 – Housing Resource Center

	Landlord Tenant Mediation	Mediation is an important way to resolve landlord tenant disputes, without going to court. Mediation is voluntary and can be offered free of charge, and is often a way to bring parties together who haven't been able to communicate effectively in the past.
	Landlord Engagement	Many landlords don't know about available services or have had negative experiences dealing with tenants or navigating assistance programs. Landlord engagement specialists understand landlords' concerns and can reach out with information and help.
	Housing Voucher Access	The Housing Resource Center will partner with Gastonia Housing Authority to help keep track of housing choice voucher rules and availability, and can help tenants with questions and problems.
	Healthy Homes	Homes must be healthy as well as affordable. Center staff will provide assistance to renters and owners dealing with health and safety hazards and can make referral to code enforcement and repair programs.
	Repair and Rehabilitation	To help preserve existing affordable homes, the Center will offer information and make referrals to weatherization, lead-safe, repair, and rehabilitation assistance programs administered by the City, the County, and other providers.
	Senior Services	The Center will have specialists to work with seniors to meet their special housing needs, whether downsizing affordably, or finding appropriate senior housing resources.
	Policy Development	Center staff will be knowledgeable about programs, policies, and legislative initiatives that relate to affordable housing, whether at the City, County, state, or federal level.
	Housing Advocacy	The Housing Resource Center will be an advocate and a champion for all who seek access to safe, decent, and affordable housing resources in the City of Gastonia.

Housing advocates in Greensboro, North Carolina have demonstrated the effectiveness of centralized housing services. Greensboro Housing Coalition, Legal Aid of North Carolina, and the Center for Housing and Community Studies have partnered over the years to provide services to renters, homeowners, and landlords, most recently with the TEAM Project, a full-service provider of counseling, mediation, resource navigation, legal representation, and eviction diversion services.



Eviction Mediation Program
Helping landlords & tenants work together

Voluntary and Free of Charge!

UNCO's Eviction Mediation Program provides a friendly and neutral mediator to help any landlord or tenant in High Point, Greensboro, or Guilford County work together.

- Help with rental assistance applications
- Aid in communication
- Negotiate payment plans
- Smooth landlord & tenant relationships

QUESTIONS? Contact us today!

Phone: 336.336.2171 | Email: em@unco.org
 2020 UNCO and Eviction Mediation Program

RECOMMENDATIONS

POINT 5 – Zoning Incentives

The City’s zoning ordinance divides the City into districts, and outlines for each district the buildings and uses that are allowed there – for example, residential, commercial, office, and industrial uses. Residential districts can include single-family homes with various lot sizes, and small, medium, and larger multifamily dwellings. This kind of zoning ordinance can create an obstacle to housing affordability. This Plan will recommend changes in the ordinance and in the ways it is enforced that will encourage the development of more affordable housing units.

Single-Family Zoning. One way the zoning ordinance acts as an obstacle to affordability is by having more districts permitting only detached large-lot single-family housing. This kind of traditional zoning preference means that only one housing unit can be built on a given parcel of land which, under different rules, could accommodate many more. This limitation on density keeps supply low and prices high. Today, single-family homes account for over seventy percent of all housing units in Gastonia. This Plan will explore zoning changes that will encourage more density in detached large-lot single-family zoning districts. These could include:



Accessory Dwelling Units. Allow Accessory Dwelling Units (ADUs) in single-family districts. An ADU is a second housing unit added to a lot currently holding a detached single-family dwelling. These include accessory apartments, secondary suites, and granny flats. The ADU could be inside or attached to the main house or part of the garage structure or it could be a freestanding structure behind or to the side of the house.



Missing Middle. Allow more townhome, duplex, cottage courts, and small multi-family development. Like ADU’s, these building types can be designed to fit seamlessly into traditional residential neighborhoods without altering their character. They promote affordability by permitting significant increases in residential building density – without turning to disproportionately large apartment blocks.



Multi-Family Residential. Expand the areas where multi-family residential uses are permitted. Incorporate single-family units in mixed-use developments with townhome, duplex and other small and medium-scale multi-family units, together with commercial uses; and promote walkability, bikability, and proximity to retail, school, employment, and transit resources.

RECOMMENDATIONS

POINT 5 – Zoning Incentives

Voluntary Incentives. A second way the zoning ordinance affects housing affordability is by making market-rate housing production the norm. Under this Plan, City planning and development teams will encourage developers to build affordable housing units or to include more affordable units in their market-rate projects.

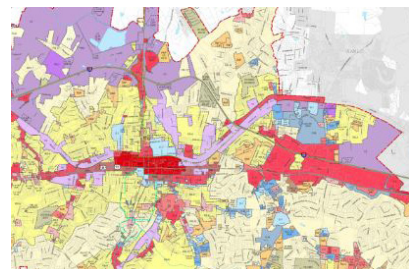
A Menu of Benefits. Use rezoning, variance, and other land use proceedings to encourage affordable housing production. Offer a menu of benefits as incentives for the development of lower-cost housing and housing types. These could include density bonuses that allow more units on a site, relaxed setback, width, or parking requirements, or reduction or waiver of development fees.



Streamlined Approvals. Make the process of obtaining approvals for affordable housing less time-consuming and expensive. Create a special team to relieve bottlenecks and process affordable housing applications outside the normal queue of development approvals.



Contributions to Trust Fund. For market-rate developments where affordable units are still not feasible, offer the same menu of incentives to developers to make contributions to the Affordable Housing Trust Fund. Require similar contributions where developers fall short of promised affordable housing development.



Small Home Incentives. Different types of residential districts are designated by lot size. In Gastonia, single-family districts are designated as RLD (Residential Low Density, with 87,000 square foot minimum lot size), R-20 (20,000 square foot minimum lot size), R-12 (12,000 square foot minimum lot size), and R-8 (8,000 square foot minimum lot size). A particular kind of zoning incentive that could support housing affordability is a reduction in lot size to make smaller houses more economically feasible. These are needed for the increasing number of single-parent households, young families just starting out in life, and seniors seeking to downsize affordably.

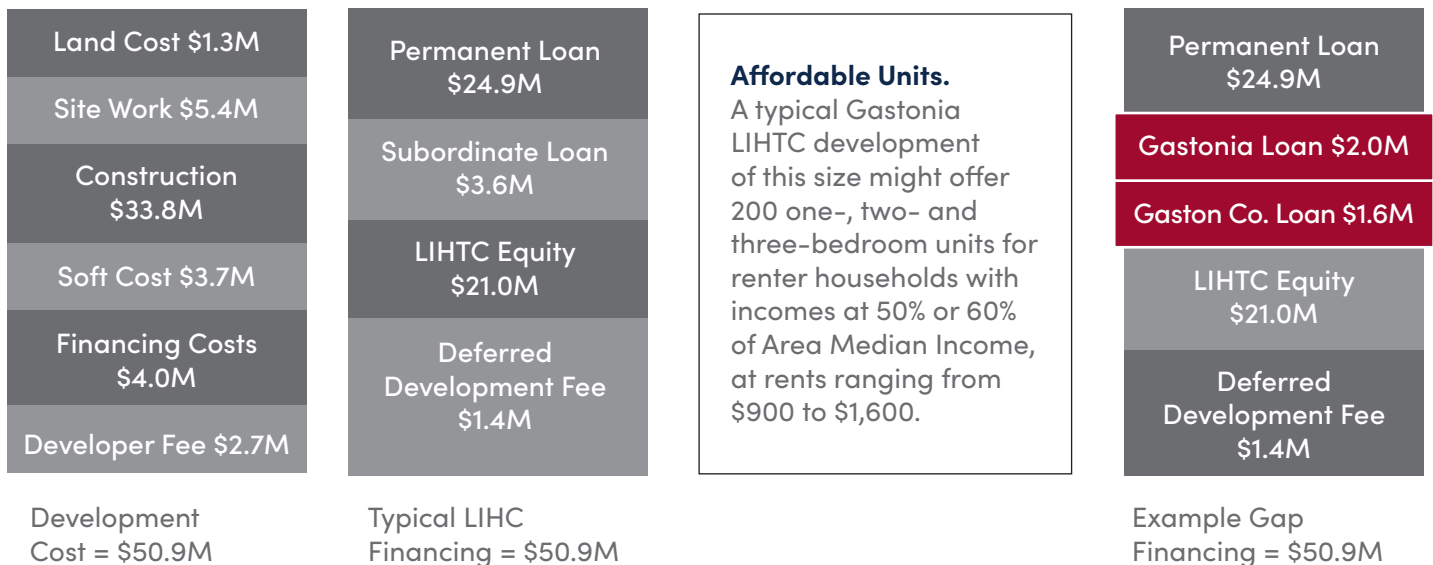


RECOMMENDATIONS

POINT 6 – Gap Financing

The LIHTC Program. The City of Gastonia, through its Affordable Housing Trust Fund, can make loans and provide other kinds of financing facilities to help affordable housing projects become reality. Among the most important ways it can do this is by providing gap financing for Low Income Housing Tax Credit (LIHTC) multifamily rental communities.

The LIHTC Program is the federal government’s primary tool for subsidizing affordable multi-family rental housing. LIHTC financing structures are complex, but in essence the project costs are funded by loans – sometimes several layers of loans provided by banks and government agencies – and by equity contributed by investors who then receive a dollar reduction in their federal tax for each dollar of equity contributed.



Cost Advantage. The typical financing structure might utilize a tax exempt loan with a rate of 4.95% and a second mortgage loan with a rate of 6.15%. Replacing that second, more expensive layer of financing with low-cost gap financing could make more units available and allow some to be affordable to households as low as 30% of Area Median Income.

Influence. The ability to offer gap financing can also give to the City added influence over such decisions as where to locate the development and the duration of the affordability period.

RECOMMENDATIONS

POINT 6 – Gap Financing

Partner with Nonprofit Developers. In addition to providing gap financing, the City of Gastonia can use LIHTC to further another important principle of this Plan – to encourage the participation of nonprofit firms in affordable multifamily rental development. There are advantages to including nonprofit developers. A North Carolina set-aside favors nonprofit participation. A community-based nonprofit agency may have strong relations with the local community and may be more likely to have the expertise to perform effective resident services. The nonprofit partner may be eligible for a right of first refusal at the end of the compliance period, offering the possibility of permanent affordability. And, several nonprofit developers with presence in Gastonia and elsewhere in the Charlotte-Concord-Gastonia region have substantial development expertise.

LIHTC Development in Gastonia. The accompanying photograph shows the Highland Memorial Apartments for seniors, just one of the sixty or so LIHTC developments completed over the nearly forty years the program has been in existence. This Plan will expand and make even more effective this vital source of funding.



Housing GSO, the Affordable Housing Plan of the City of Greensboro, calls for the City to provide gap financing as a way of making rental units affordable to households earning as little as \$20,000 and below, a goal not achievable without a local government financing contribution. That Plan estimates a cost to the City of \$45,000 per unit.



In late 2022, the City of Wilmington approved its first joint gap financing with New Hanover County, and the largest gap financing initiative ever offered by them, to provide a combined \$5.3 million in funding. The project, known as Starway Village, will add 278 new affordable units for households earning 60% of Area Median Income.

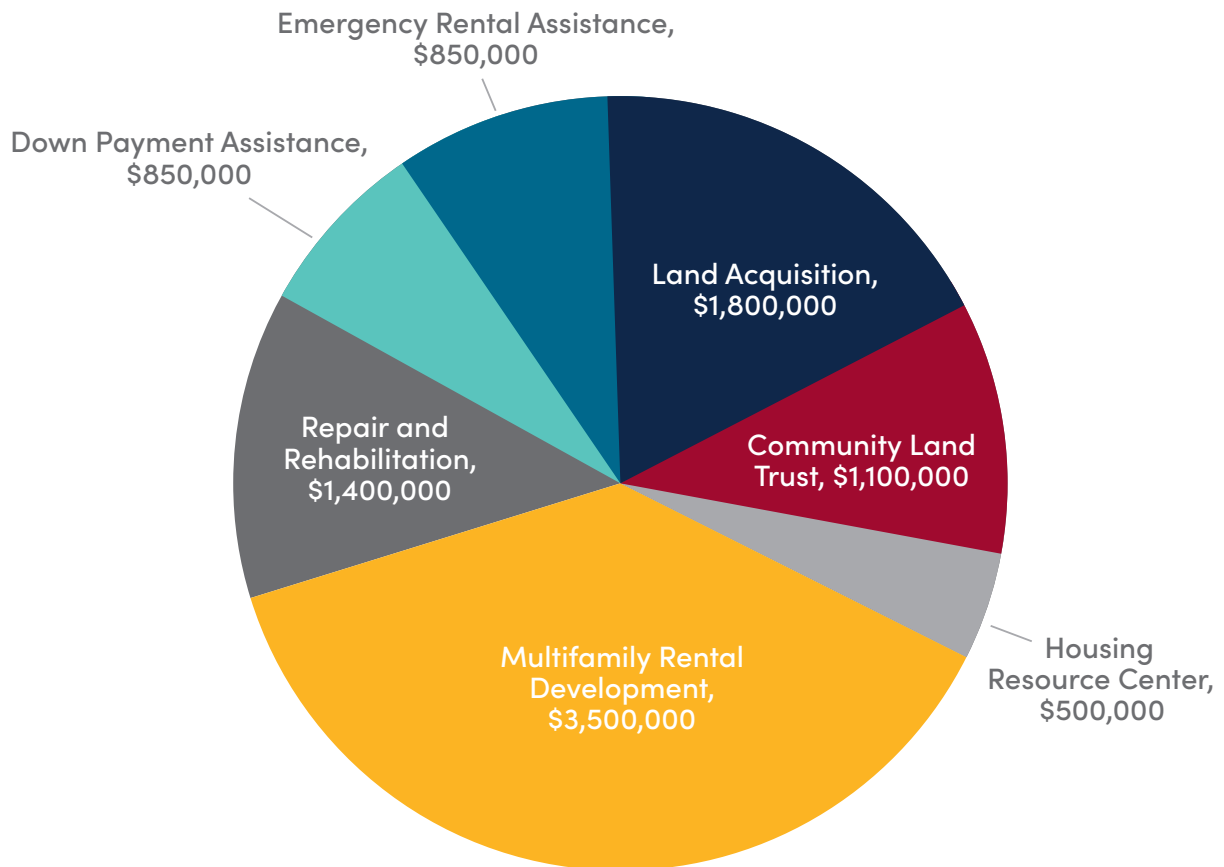


The City of Raleigh has long provided substantial gap financing for affordable multifamily rental development. Last year, using funds from their affordable housing bond and other sources, they supported several projects, adding hundreds of units affordable to households earning 70% of Area Median Income, with 44 units reserved for those earning 30%.

RECOMMENDATIONS

POINT 7 – Affordable Housing Bond

A Significant Investment in Affordable Housing. A general obligation bond is a financing mechanism that is available to local governments to support projects that are beyond the scope of annual operating budgets. Over the implementation period for this Plan, the City of Gastonia will have an opportunity to raise the kind of significant additional funds that will allow it to make a great impact on the supply of affordable housing.



Funding A Variety of Housing Programs. The chart shows an example of how flexible and productive a general obligation bond program can be. For every \$10,000,000 raised, the City will be able to support all the initiatives of this Plan: homeownership, repair and rehabilitation, multifamily rental development, rental assistance, land acquisition, and seed money for a community land trust – or any one or combination of these the City may decide.

Cornerstone of an Affordable Housing Plan. An affordable housing bond is a challenging undertaking. The timing must be right, and the support of the public will be needed – as it will be for all the initiatives of this Plan. However, when implemented as a key element of a coherent, effective Affordable Housing Plan, with strong oversight and accountability to be provided by the Housing Advisory Board, the bond program will help ensure the success of the Plan.

RECOMMENDATIONS

POINT 7 – Affordable Housing Bond

A Tested and Successful Approach. Affordable Housing Bonds have been utilized by local governments across North Carolina and elsewhere across the country to provide essential subsidies for all kinds of affordable housing programs, making it one of the most popular funding methods of all. Descriptions of just some of these initiatives are shown on this page.



Charlotte has been among the leaders in demonstrating the effectiveness of a housing trust fund replenished by affordable housing bond proceeds, allocating more than \$200 million over the past twenty years. The current \$50 million round of funding is supporting new townhome and apartment development, shelters, home repairs, and other projects.



In summer, 2023, The City of Wilmington and the Wilmington Housing Authority approved the issuance of \$37.1 million of multifamily housing revenue bonds that will go to create 278 units of affordable housing in two phases. This and other housing initiatives grew out of a wide-ranging affordable housing needs assessment conducted in 2021.



The 2022 Buncombe County Housing Bond made \$40 million available for housing development. The principles of the bond initiative included oversight by the Affordable Housing Advisory Board, project review and selection by the County Commissioners, and leveraging bond proceeds through utilization of other funding sources and community partners.



The City of Fayetteville combined housing along with public safety and infrastructure into a single \$97 million bond offering, with \$12 million of that allocated for housing. Their affordable housing plan called for the creation of a housing trust fund with a dedicated revenue source – now a reality with the adoption of the so-called Fayetteville Forward Bonds.



In 2019, the residents of Durham approved a \$95 million housing bond to achieve the goals set forth in their comprehensive housing strategy. It contemplated the creation of 1,600 new units for households earning at or below 80% of Area Median Income, the preservation of 800 affordable rental units, the creation of 400 homeownership opportunities, and more.



The City of Greensboro adopted the combined referendum strategy in 2016 and again last year, providing for transportation, parks and recreation, police and fire, and housing in one package, totaling \$126 million in 2016 and \$135 million in 2022. The 2016 housing bond has funded multifamily development, supportive housing, home repair, and homebuyer assistance.

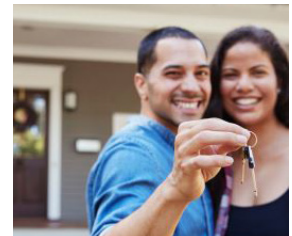
RECOMMENDATIONS

POINT 8 – Innovative Housing Programming

The City of Gastonia has long maintained several important and effective programs to help households afford the costs of housing, whether owned or rented. Under this Plan, the City will strengthen existing programs through supplemental funding, will add innovative new programs aimed at preserving existing affordable housing, and will take advantage of emerging approaches to revitalize communities.

HOME BUYER ASSISTANCE

Under this Plan, the City of Gastonia can build upon its existing HUD-funded Homebuyer’s Assistance Program, which provides a forgivable loan of up to \$7,500 for down payment and closing costs to a first-time homebuyer. The City may expand the program to reach more households or to include more qualifying home purchases.



ASSET BUILDING

Homeownership is the goal of many lower-income households that may not yet be financially ready. The City can offer expanded asset-building programs designed to prepare families for homebuying through matched savings, credit repair, financial coaching and education, and renter’s equity programs.



RENTAL ASSISTANCE

The COVID-era Emergency Rental Assistance Program demonstrated the effectiveness of rental subsidies in keeping low- and moderate-income people housed. Innovative new programs are emerging to make assistance permanent, through long-term subsidies, for emergencies, or for security deposit and first-month’s rent coverage.



REPAIR AND REHAB

Repair and rehabilitation of existing homes is an important way to prevent the loss of naturally occurring affordable housing. The City can draw on the Affordable Housing Trust Fund to expand its Homeowner Rehabilitation Program to reach more households in need of roof, floor, window, plumbing, electrical, or other essential repairs.



ENERGY EFFICIENCY

Utility costs represent a large share of the cost burden of low- and moderate-income owners and renters. The City may also provide support to assist homeowners and landlords to cover the cost of energy-efficient retrofits. Energy audits, weatherization, renewable energy, and general repairs can be included.



RECOMMENDATIONS

POINT 8 – Innovative Housing Programming

In addition to support for individual homeowners and renters, innovative programming includes bold initiatives designed to strengthen communities and provide new approaches to housing affordability. This Affordable Housing Plan, and the Housing Resource Center that forms a part of the Plan, will together create a laboratory for exciting new ideas.

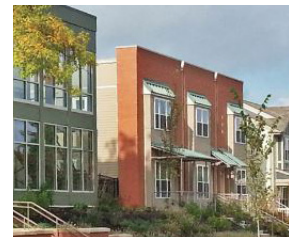
PERMANENT AFFORDABILITY

Permanent affordability plans take several forms (including the community land trust that is also a part of this Plan). Increasingly popular are shared- and limited-equity programs that provide homeownership subsidies in exchange for agreement to restrict the future sale price to a level that is affordable to the next low-income family.



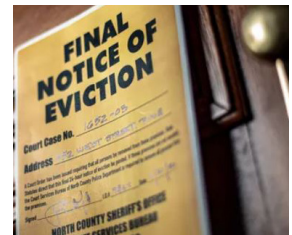
CHOICE NEIGHBORHOODS

HUD’s Choice Neighborhoods Program targets struggling neighborhoods with distressed public or HUD-assisted housing through a comprehensive approach to neighborhood transformation. Gastonia possesses the kind of local leadership and neighborhood assets and challenges that would make it an ideal candidate.



EVICTION PREVENTION

Eviction is a drastic remedy that can destabilize families and neighborhoods and lead to homelessness, but is often avoidable. Many renters don’t know about available resources. The City will support programs that intervene to assist renters with resource navigation, rental assistance, and help from legal services.



CODE ENFORCEMENT

Along with repair and rehabilitation assistance programs, robust code enforcement can keep homes healthy and preserve safe and decent housing for all. The City will review its enforcement procedures to ensure that violations are coming to the City’s attention and to raise public awareness and prevent retaliation against renters.



ANTI-DISCRIMINATION

Equity in the allocation of housing resources is a key principle of this Plan. The City will pursue housing equity through enforcement of fair housing laws, education of real estate professionals and consumers, strengthening acceptance of housing choice vouchers, and providing assistance to victims of discrimination.



IMPLEMENTATION

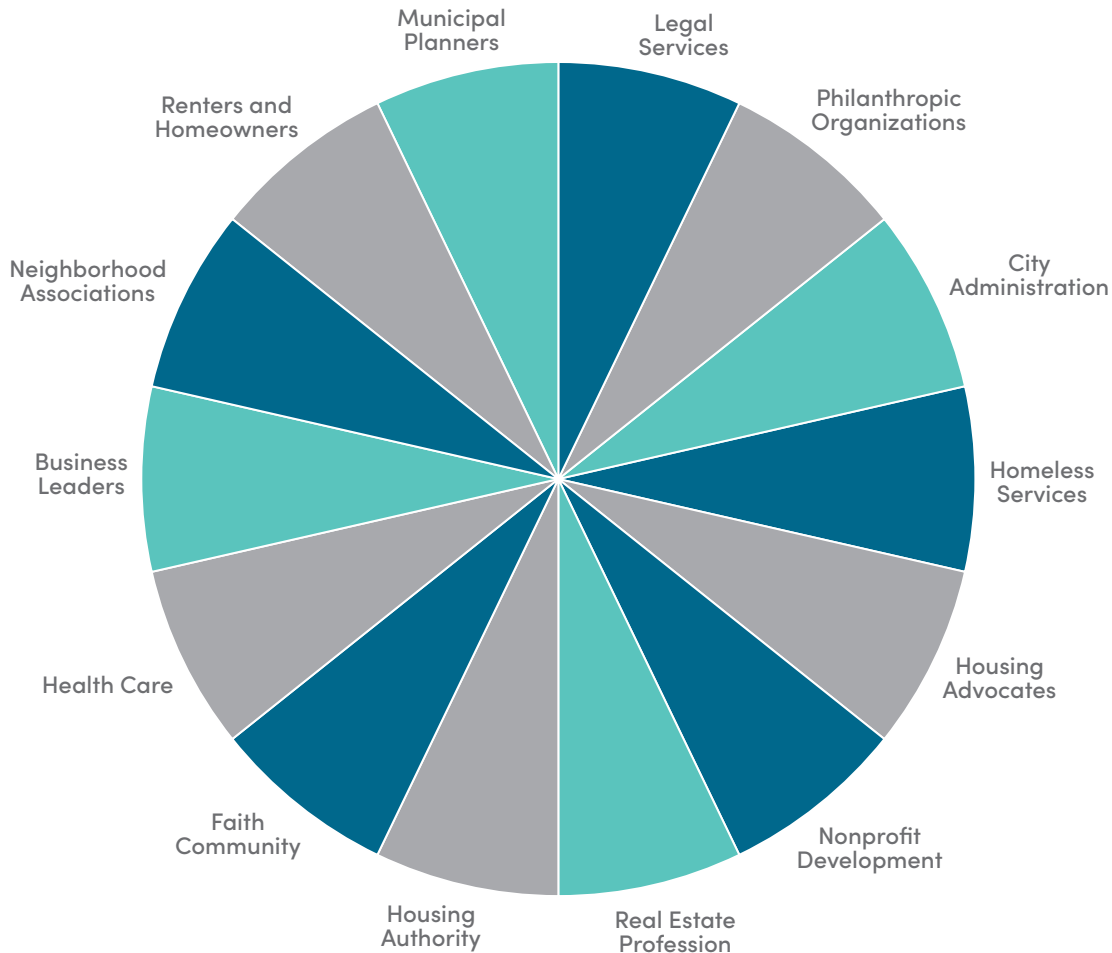


UNC
GREENSBORO
Center *for* Housing
& Community Studies

IMPLEMENTATION

Housing Advisory Board

Overall Supervision of Plan Implementation. Soon after adoption of this Plan, the City Council will create a Housing Advisory Board and invest it with the authority to exercise overall supervision and oversight of the Plan implementation. The Board members will be drawn from diverse sectors in order to be broadly representative of the members of the community who will be affected by the Plan:



Responsibilities of the Board. The Housing Advisory Board will

- Assist the City Council in promoting and developing housing opportunities that meet the needs of the people of Gastonia.
- Supervise the implementation of the Affordable Housing Plan, including setting of timetables, establishing metrics for success, and assigning individual items to the relevant City agencies.
- Oversee the management of the Affordable Housing Trust Fund, including identification of funding sources and decisions for deployment of funds, subject to the ultimate spending authority of the City Council.

Executive Director. The City Council, with the advice and consent of the Housing Advisory Board, will appoint an executive director of the Housing Advisory Board, to be responsible for day-to-day management of the Plan implementation. The Executive Director will also serve in the same capacity for the Housing Resource Center.

IMPLEMENTATION

Implementation Steps

Overall Timeline. The overall timeline for the Plan will be ten years. Most of the Plan initiatives will be implemented within five years, but some may require more time, and some outcomes may be measurable over a ten-year period.

Three Preliminary Steps. There are three preliminary steps that should be undertaken to launch the implementation process for the Affordable Housing Plan:

Identify Funding Sources:	Create Housing Advisory Board:	Launch Community Outreach Campaign:
<p>The success of the Plan will depend on the strength of the financial foundation it rests on. The City will identify the revenue sources that will fund and in future years replenish the Affordable Housing Trust Fund. For each possible revenue source, the City will evaluate the potential size of the funding, the timing of the revenue stream, the parties needed for implementation of the funding source, and any obstacles expected to be encountered.</p> <p>1</p>	<p>The City Council will create the Housing Advisory Board. City staff will make nominations, and will invite the public and interested stakeholders to submit nominations for membership, with final selections to be made by the Council. Staff will draft and submit to the Council for approval the governing instruments setting forth the rules and procedures the Board will follow.</p> <p>2</p>	<p>This Plan was developed with the participation and input of the people of Gastonia, and they must be responsible for ensuring its successful implementation. The community engagement process begun during the Plan development year will continue, with public announcements, neighborhood hearings, and roundtable discussions to raise awareness, educate the public, and mobilize opinion, advocacy, and action toward implementation.</p> <p>3</p>

Eight-Point Implementation Steps. For each of the eight points of the Plan, an implementation Task Force will be organized under the leadership of the Housing Advisory Board. The Task Force will be headed by a staff member of the City agency charged with implementation of the point and will also be made up of interested and relevant stakeholders. The Task Force members may be members of the Housing Advisory Board or other members of the community. The Task Force will define the goals of the implementation, recommend specific initiatives, set a timeline for interim steps and completion, create metrics for success, and track progress and achievement of success metrics over the course of the implementation period.

IMPLEMENTATION

Implementation Steps

POINT 1

Affordable Housing Trust Fund

Task Force Membership:

Housing and Community Engagement Department
Financial Services Department
Gaston County Development
Philanthropic Foundations and Organizations
Banking Representatives
Housing Advocates
Neighborhood Representatives

Metrics:

Number of funding sources committed
Dollar amounts paid into the Fund
Projects and programs funded

First Tasks:

Organize Housing Advisory Board
Identify potential revenue sources

POINT 2

Land Disposition Policy

Task Force Membership:

Housing and Community Engagement Department
Economic Development Department
Real Estate Professionals
Neighborhood Representatives

Metrics:

Number of suitable parcels identified
Number of affordable units developed using
land resources

First Tasks:

Conduct inventory and appraisal of City-owned
land parcels
Draft Land Disposition Policy

POINT 3

Community Land Trust

Task Force Membership:

Housing and Community Engagement Department
Neighborhood Representatives
Nonprofit Developers
Banking Representatives
Housing Advocates
Renters and Homeowners

Metrics:

Measure community interest
Financial feasibility
Number of permanently affordable units sold

First Tasks:

Retain CLT consultant
Hold community meetings to gauge organizational
capacity and homebuyer interest

POINT 4

Housing Resource Center

Task Force Membership:

Housing and Community Engagement Department
Gastonia Housing Authority
Legal Aid NC
Continuum of Care Liaison
Housing Advocates
Faith Community
Business Community

Metrics:

Number of households served by housing resources
programs

First Tasks:

Determine institutional structure
Appoint Executive Director

IMPLEMENTATION

Implementation Steps

POINT 5

Zoning Incentives

Task Force Membership:

Housing and Community Engagement Department
Planning Department
For-Profit Developers
Real Estate Professionals
Housing Advocates

Metrics:

Number of affordable housing units gained through incentives negotiation
Number of ordinance revisions completed

First Tasks:

Conduct review of zoning ordinance for areas of improvement

POINT 6

Gap Financing

Task Force Membership:

Housing and Community Engagement Department
Financial Services Department
Economic Development Department
Gaston County Community Affairs
Neighborhood Representatives

Metrics:

Number of affordable housing units developed through gap funding

First Tasks:

Identify potential partners
Review financial structures

POINT 7

Affordable Housing Bond

Task Force Membership:

Housing and Community Engagement Department
Financial Services Department
Banking Representatives
Housing Advocates
Renters and Homeowners

Metrics:

Amount raised for affordable housing

First Tasks:

Conduct financial analysis of bond funding scenarios

POINT 8

Innovative Housing Programs

Task Force Membership:

Housing and Community Engagement Department
Code Enforcement Department
Housing Advocates
Neighborhood Organizations
Renters and Homeowners

Metrics:

Number of households served by renter and homeownership assistance programs

First Tasks:

Conduct review of existing housing assistance and enforcement programs

IMPLEMENTATION

Implementation Matrix

Year One	Year Two	Year Three	Year Four	Year Five	Year Six	Year Seven	Year Eight	Year Nine	Year Ten
POINT 1 Affordable Housing Trust Fund					Year 1 – Organization and first-year commitments Years 2-5 – Annual dollar receipt targets Years 6-10 – Annual replenishment targets				
POINT 2 Land Disposition Policy					Year 1 – Complete inventory and asset evaluation Years 2-5 – Identify and complete disposition transactions Years 3-7 – Implement land acquisition program				
POINT 3 Community Land Trust					Years 1-2 – Study feasibility, organize CLT sponsor Years 3-4 – Identify parcels, develop structure Years 4-5 – Complete housing development, first home sold				
POINT 4 Housing Resource Center					Year 1 – Determine location and create organization Years 2-3 – Commence operations Years 3-10 – Implement housing programs				
POINT 5 Zoning Incentives					Year 1 – Review zoning ordinance and procedures Year 2 – Create zoning incentive policy Years 3-4 – Adopt zoning ordinance amendments				
POINT 6 Gap Financing					Year 1 – Review possible partners, structures Years 2-3 – Define transaction targets Years 3-10 – Complete project investments				
POINT 7 Affordable Housing Bond					Years 1-3 – Conduct financial analysis Years 3-4 – Hold community forums to build support Years 4-5 and Years 9-10 – Complete Affordable Housing Bonds				
POINT 8 Innovative Housing Programs					Year 1 – Review existing housing assistance programs Years 2-5 – Expand existing assistance programs Years 2-7 – Innovate new programs				

Photo Credits:

Page 13: Neighbor Works New Horizon;
Spectrum News 1; Thurtell

Page 53: Downtown Housing Improvement Corporation

Page 57: Schemata Workshop

Page 58: The Uprooted Project; Henry P. Kendall Foundation

Page 62: Optico Design; Anton Grassl Photography

Page 63: Michael Barrett; John Clark



November, 2023



UNC GREENSBORO

*Center for Housing
& Community Studies*

The Center for Housing and Community Studies is a university-affiliated, community-engaged social science research institute, providing research, technical assistance, and consulting services to local governments, nonprofit organizations, and foundations in the areas of housing, health, justice, and related areas of community development.