

HOUSING ELEMENT

Introduction

The purpose of this *Housing Element* of the 2020 Henderson County Comprehensive Plan is to set forth key Recommendations and Action Strategies necessary to maintain a diverse range of housing opportunities for Henderson County residents.

Public Input

Public input indicates that overall, housing as an issue is not a high priority among county residents.

Citizen Survey results indicate little agreement on the issue of affordable housing in Henderson County. When asked whether affordable housing should be promoted throughout the county, the average response ranked the issue as only “somewhat important.” Based on the survey there is neither a consensus nor overwhelming support for the development of affordable housing in the county. However, it should be noted that surveys were only mailed to property owners, so these results may not be representative of the county at large with regard to housing issues.

Community Meeting results indicate that most residents want to maintain a low-density, rural pattern of development. There are also strong feelings in many of the fire districts against large residential developments and high-density housing, including

Figure H. 1 <i>Designing Our Future</i> Ballot Results, Housing	
Issue: Housing	Percent of Responses
Explore incentives to encourage construction of affordable housing	35.3%
Use affordable housing to keep young people here	27.7%
Provide affordable housing close to services	23.6%
Consider tax exemptions for first-time home buyers	11.8%
Create a housing information center	1.7%
Source: Designing Our Future. Community Vision Ballot Results .	

condominiums, apartments and manufactured home parks. Affordable housing was raised as a minor issue among attendees.

The Latino Community Meeting attendees raised the issue of substandard housing conditions and high rents charged to members of

their community.

The housing-related results of *the Designing Our Future* Vision Balloting are summarized by Figure H.1.

The Lockwood Greene Study identified housing cost as a weakness in the county’s appeal to new and expanding employers:

- *Hendersonville has the second highest cost of living index among the comparison cities, even higher than Asheville. The high cost of living is driven in part by high land and housing costs in Henderson County.*
- *Several business executives stated that the high cost of housing and living in the area makes it more difficult to recruit lower skilled workers and middle managers.*

Respondents to the 1993 *Comprehensive Land Use Plan* questionnaire felt that retirement housing options were adequate at that time. Respondents agreed that housing costs were expensive at the time, but were almost evenly split regarding the adequacy of the number of “moderately priced homes” at the time.

Recommendations & Action Strategies

Recommendation H-01: Promote a diverse range of home ownership and rental opportunities.

Housing – in terms of availability, affordability, and livability – is among the most challenging issues a community must face. Economic expansion requires the availability of adequate housing options for employees. As a result of the considerable power that it has to shape the real estate market through its regulations and other policies, Henderson County Government has a unique opportunity to promote a diverse and healthy range of housing options for its citizens and bears a certain responsibility in making sure that the shelter needs of its most vulnerable citizens are met.

Figure H.2 Housing Units 1970-2000					
	1970	1980	1990	2000	% Change 1990-2000
Population	42,804	58,580	69,285	89,173	28.7%
Total units	17,502	27,205	34,131	42,996	26.0%
Occupied units	14,195	22,389	28,709	37,414	30.3%
Persons per household	2.98	2.59	2.38	2.33	-2.1%
Source: N.C. State Data Center					

As detailed in Section 2, *Population Trends*, of this Comprehensive Plan, Henderson County has experienced a high rate of population growth since 1970, with a growth rate of 28.7% between 1990 and

2000. Growth in housing units has generally kept pace with the growth in population. Figure H.2 shows the relationship between housing and population between 1970 and 2000.

Figure H.3 details the relationship between current and future population, existing housing stock, and future housing needs. Evaluating the number of housing units in 2000 (42,996) as compared to that of 2020 (60,494) reveals that at least an additional 17,498 housing units will be needed to accommodate population growth.

Note that the numbers shown in Figure H.3 are based upon projections made by the North Carolina Office of State Demographics. State population projections were

Figure H.3 Projected Number of Future Housing Units		
	2010	2020
Population Projection	108,029	126,523
Projected Population in Households	105,251	122,627
Projected Population in Group Quarters	2,778	3,896
Projected No. Occupied Housing Units	45,172	52,630
Projected No. Vacant Housing Units	6,750	7,864
Projected Total Number of Housing Units	51,992	60,494
Source of Population Projections: N.C. Office of State Demographics NOTES: Based on 2.33 persons per household from the 2000 U.S. Census; Population in Households projected using trend from 1990 to 2000. Vacant Units projected using 2000 vacancy rate of 13%.		

utilized in this instance because State demographers use special formulas in the projection of housing units – particularly group quarters – that take into account decreases in estimated persons per household. Figure H.3 projects the need for 8,502 new housing units between 2010 and 2020.

Projections shown in Figure H.3 should, however, be viewed as a low-end estimate of housing needs. Population projections for 2020, found in Section 2, are even higher and suggest the need for as many as 3,000 additional dwelling units to accommodate population growth between 2010 and 2020.

Housing types vary throughout the county, with single-family site-built homes making up the largest proportion of housing units, followed by manufactured homes. Figure H.4 summarizes the county’s current housing stock by type.

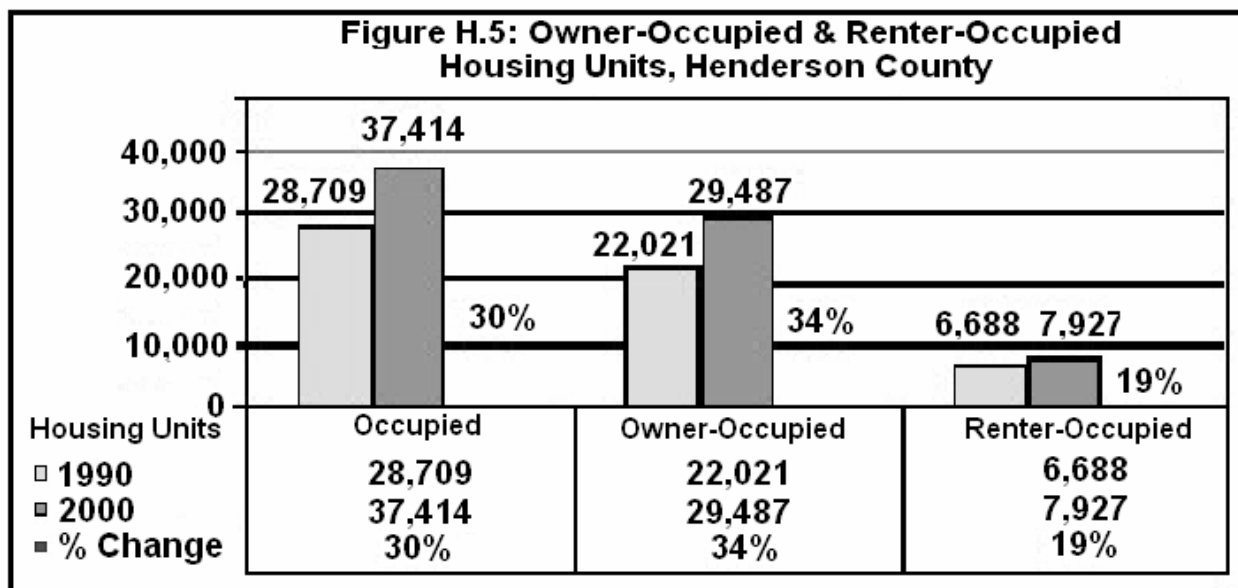
Figure H. 4 Types of Housing Units in Henderson County*

Type of Housing	Total	Percent of Total
Site-Built Homes**	31,025	65.67%
Manufactured Homes**	10,731	22.71%
Modular Homes**	624	1.32%
Apartments	2,707	5.73%
Condominiums or Townhouses	2,085	4.41%
Group Housing	72	0.15%
Total Housing Units	47,244	

Source: Henderson County Assessor's Data February 2004
 *Includes municipalities
 **Single-Family Structure

Growth in the number of rental units was slow throughout the county during the 1990-2000 decade relative to owner-occupied single-family dwellings. Rental units including single-family homes, duplexes, condominiums and multi-family complexes constitute 21% of all

housing units in Henderson County. 2000 US Census data (see Figure H.5) reveals that there were 8,972 new owner-occupied homes built between 1990 and 2000, while only 1,334 new rentals were built during that same period of time. Overall, the county experienced an increase of 19% in rental units as compared to a 34% increase in owner-occupied units during the same period.



Source: U.S. Census

Rental units are an important component of housing stock because they provide much needed affordable housing. Single-family rental units are permitted wherever site-built homes are permitted within the County's jurisdiction. Multi-family rental complexes (apartments, condominiums, etc.) are also permitted in most residential districts with special standards. However, development of multi-family units is generally limited by the absence of sewer and water. The County should consider designating additional areas for high-density residential development and targeting such areas for sewer and

water development where necessary. New zoning districts that permit greater densities may be required. Also, the County should consider allowing accessory dwelling units with certain standards in existing R-40, R-30, and R-20 zoning districts.

An important percentage of the county's in-migration can be attributed to older adults, who make up a relatively large percentage of Henderson County's population. In 2000, 33% of all residents were age 55 and older and 22% were 65 and older. The N.C. Office of State Demographics estimates that in 2020 almost one-fourth of Henderson County's population will be age 65 or over. The elderly population is expected to continue to grow due to the area's attractiveness as a retirement destination.

The number of people living in "group quarters" (primarily nursing homes and other types of care facilities, but also prisons and college dormitories) was 1,841 in 2000, representing 2.1% of the total population. By 2020, this population – particularly those requiring nursing homes – is projected to grow to almost 3,900, indicating a need to plan for more of these types of facilities. These trends also suggest a need to ensure that County policies, including land use regulations, provide for housing that fits the needs of the large elderly population, as well as the county's special needs population. Such facilities include smaller ground-level or one-level housing units relatively close to commercial and human services, as well as nursing homes and related care services.

Most of the county's current and future housing needs have been and will continue to be met by private-sector market forces. Henderson County government can aid the private sector by assisting along the margins, where market forces might not adequately provide for the needs of certain populations. The County can also assist by incorporating flexibility into its land development regulations to provide the market with greater opportunity to respond to changing housing demands and needs.

A. Revise County ordinances to allow the private sector to develop a broad range of housing choices.

The County will ensure an adequate supply of land zoned for dense housing. The County will work through the countywide sewer and water master plan recommended in Section 3, *Sewer and Water Element* to ensure that sewer and water services are provided at appropriate locations to support that objective. Appropriate areas for dense housing will be identified as part of the Community Planning Process established in Section 4. The *Growth Management Strategy Element* generally directs such housing to the Urban Services Area and Community Service Centers.

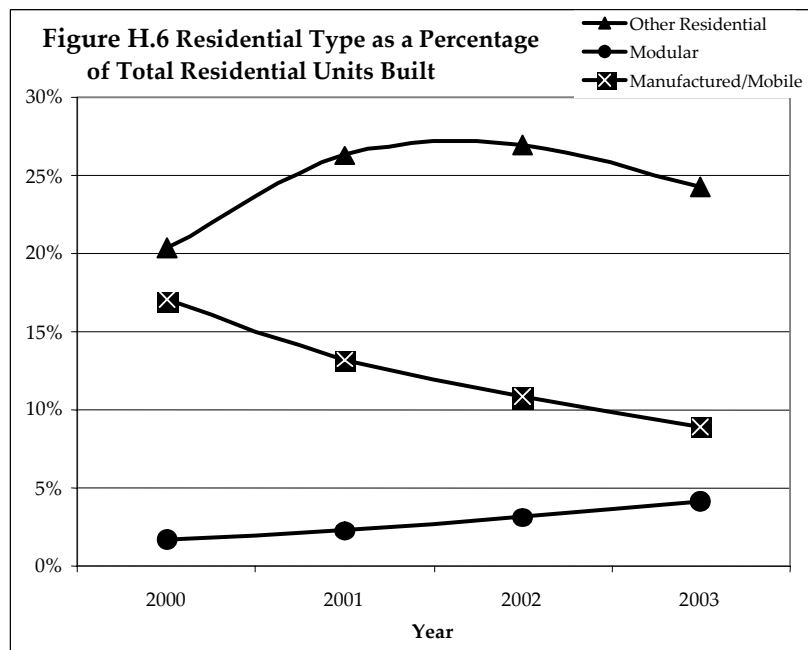
The following changes will be made to the County’s land development ordinances:

- a) Incorporate new zoning districts that allow for higher density development to be applied in areas where services are provided.
- b) Allow accessory dwelling units – with standards – in all residential zoning districts to expand the range of affordable rental units. Such units are commonly referred to as granny flats, garage apartments, and carriage houses.
- c) Ensure that future regulations do not unnecessarily impede the development of nursing homes and other types of care facilities.

B. Maintain an adequate supply of land zoned to allow the placement of manufactured housing in appropriate areas, and improve the appearance, quality, design, and maintenance of manufactured homes and the lots and manufactured home parks in which they are located.

A manufactured home is a type of house that is built in a factory according United States Department of Housing and Urban Development (HUD) standards. Manufactured housing has long served as an important source of housing in Henderson County. Not all manufactured housing can be considered low-cost, and many manufactured home residents view living in manufactured housing as a matter of lifestyle-choice rather than necessity. Nonetheless, manufactured housing has traditionally filled a need for low-cost housing, particularly for individuals and families with limited access to credit and capital.

As of 2003, manufactured housing comprised 22% of all new housing units in Henderson County. These numbers, as well as those shown in Figure H.4 above, indicate that manufactured housing has become an increasingly important form of housing in Henderson County. On the other hand, Figure H.6 shows a decline in the overall number of manufactured homes permitted since 2000.



In 2000, manufactured homes comprised approximately 17% of all newly permitted dwelling units. However, by 2003, their position had dropped to 9% of newly permitted units. Meanwhile, modular units have risen from 2 to 4% of all new units. This trend is explained by a growing reluctance among traditional lenders to cover manufactured housing, the growing popularity and competitive cost of modular units, and a surge in apartment building driven by rising home prices. This trend should be monitored and accounted for in evolving County policies regarding manufactured housing.

Much of the manufactured housing in Henderson County's planning jurisdiction is located in manufactured home parks, although a growing number are located on individual lots. Figure H.7 indicates which County zoning districts permit manufactured housing. Of the 178,000 acres zoned to allow residential land uses, approximately 89% is available for manufactured homes on individual lots, and 83% for manufactured home parks.

While there is a substantial area within which manufactured housing is permitted, it is important to consider the geographic distribution of zoning districts that allow such housing. Comparing Figure H.7 to Map #17, *Current Zoning* and Map #19, *Geographic Distribution of Housing* (Appendix I) reveals that manufactured housing must, for the most part, be located outside of the urbanized core in the more rural areas of the county. This has resulted in a situation in which lower-income populations are being pushed outside of the urban core towards the periphery, further from jobs and services. While it can be argued that the market is acting to place affordable housing on affordable land, it is also true that such market forces are responding to imbalances created by existing ordinances.

Figure H.7 Current County Zoning and Manufactured Homes			
Zoning District	Existing Acreage	Manufactured Home On Individual Lot Permitted?	Manufactured Home Parks (MHP) Permitted?
C-2P	38.21	NO	NO
O&I	320.88	NO	NO
R-10	264.28	NO	NO
R-15	1,646.20	NO	NO
R-20	4,519.86	NO	NO
R-30	5,920.61	NO	NO
R-40	8,827.31	NO	NO
RC	4,085.77	YES	NO
RM-1	0.00	YES	YES
RM-2	4,571.75	YES	NO
R-T	62.66	NO	YES
T-15	483.34	YES	YES
T-20	383.98	YES	YES
Open Use	146,966.73	YES	YES
		Total	
Acres Allowing Residential Uses		178,091.59	Percent of Total
Acres Allowing Manufactured Homes		156,554.23	89%
Acres Allowing MHPs		147,896.71	83%
Source: Henderson County Zoning Ordinance and Official Zoning Map			

The manufactured housing industry has responded to local land use regulations by producing units that qualify as both manufactured homes and modular homes. Manufactured homes are not permitted in many zoning districts in Henderson County, modular units are allowed in all residential zoning districts. While this trend may eventually negate the effect of many local regulations upon manufactured homes, it accounts for only a fraction of the

units currently in use in Henderson County.

While manufactured housing serves as an important, generally low-cost housing alternative in Henderson County, there are a number of important negative aspects of manufactured housing that deserve attention:

- a) Unless built on permanent foundations, the value of a manufactured home depreciates in much the same way as a motor vehicle, rather than appreciating as do most conventional homes. Manufactured homes built on a permanent foundation can appreciate in value and be a good source of housing -- both as in-fill housing and for new subdivisions -- since the newer styles allow them to blend in with existing neighborhoods.
- b) There is a perception that manufactured homes detract from the value of adjacent, non-manufactured home dwelling units. While a review of the academic housing literature does not confirm this point, a perception among enough home owners and home buyers may, in effect, "make it so." Many jurisdictions around the nation now require manufactured homes to incorporate design features that make them look

more like traditional site-built homes, including roof pitch, skirting, and orientation requirements. Henderson County will explore these types of aesthetic standards for manufactured homes on individual lots, as well as those placed within manufactured home parks.

- c) A negative image of manufactured housing also derives in part from the presence of a large number of very old units. Units constructed prior to 1976, while legal in Henderson County, were constructed under less stringent building standards than units built after this date. Federal codes that improved the quality of manufactured homes went into effect in 1976. Pre-1976 manufactured home units make up approximately 25% of the county’s manufactured housing stock (see Figure H.8 below).

At the present time, the Henderson County Manufactured Home Park Ordinance does not permit more than 25% of the units within a given manufactured home park to be of the pre-1976 variety. Beyond that, regulations do not distinguish between such units.

Type of Housing	Total	Percent of Total Manufactured Homes
Manufactured homes built before 1976*	2,788	25.98%
Abandoned / Junked Manufactured Homes**	84 +	
All Manufactured Homes*	10,731	
*Henderson County Property Tax Records, February 2004		
**Henderson County Fire Marshal’s Office, August 2003		

The County will identify and adopt measures to restrict the placement of pre-1976 manufactured homes within its jurisdiction. Many jurisdictions around the nation now allow post-1976 manufactured homes while prohibiting the placement of pre-1976 units within their boundaries, prohibiting them from placement on individual lots, or prohibiting them from certain zoning districts. Other options include reducing the number of allowable units, developing and enforcing a minimum housing code, and other similar measures. While devising such measures, the County should also consider their impact upon overall housing affordability.

- d) The problem is furthered by the poor design and upkeep of certain manufactured home parks, as well as the condition of many individual units. Current standards do not require that new parks be professionally designed, nor do they require the paving of manufactured home park roads or impose any standards for the upkeep of the park. The County took steps to address the design of manufactured home parks when it passed the Manufactured Home Park Ordinance in 1999. Many of the more dilapidated parks were constructed prior to that time. The County will identify improvements to the standards of the Manufactured Home Park Ordinance.
- e) Furthermore, many older units, both on individual lots and within parks, are in conditions that might be considered unfit for habitation. Perhaps the most effective

way to deal with this issue would be to develop a minimum housing code, which is recommended in Action Strategy H-01.E, below.

Manufactured housing policy is the subject of vigorous, ongoing debate in Henderson County. As the county's population grows and development pressures increase, the conflict between the need for low-cost homes – a need that is currently met in part by manufactured housing – and the need to protect the value of non-manufactured homes and other properties will intensify.

As the County's land development ordinances evolve, the County will maintain a variety of zoning districts that allow the placement of manufactured homes on individual lots and in parks. Through the Community Planning Process called for in Section 4 of this Comprehensive Plan, the County will identify areas (both existing and new) where manufactured housing will be permitted on individual lots and within manufactured home parks.

Many communities have developed within existing zoning districts that do not permit manufactured homes. Manufactured housing will not be added to the range of allowable uses within such zoning districts, and such protections will be maintained even as the County's land development ordinances evolve over time. Additionally, the County will identify and incorporate into its land development ordinances, architectural and site design standards that will improve the aesthetic quality of manufactured homes and manufactured home parks.

C. Develop a countywide affordable housing plan.

Appendix III, *Affordable Housing Analysis* establishes that housing affordability is an emerging problem. A countywide affordable housing plan (hereafter, "housing plan") is necessary to fully define the range of needed affordable housing measures and to coordinate housing programs among local non-profits, private organizations, the County, and the municipalities contained therein. Funding for such plan may be available through the Asheville Regional Housing Consortium through planning grants. The County will develop this plan in cooperation with the municipalities within Henderson County.

D. Develop a formal fair housing complaint procedure.

Each year, numerous organizations and agencies receive complaints of violations of Federal and State fair housing laws. The Henderson County Manager's office is

responsible for collecting and reporting fair housing complaints to the North Carolina Fair Housing Commission. The County will ensure clear procedures that guarantee that all received complaints are forwarded to the County Manager's office. The County will also diligently monitor, and where necessary, advocate for vigorous enforcement on the part of the State. Finally, the County will continue to implement the Fair Housing Plan adopted April 07, 2003 (See Appendix III, Other Documents, Fair Housing Plan Update).

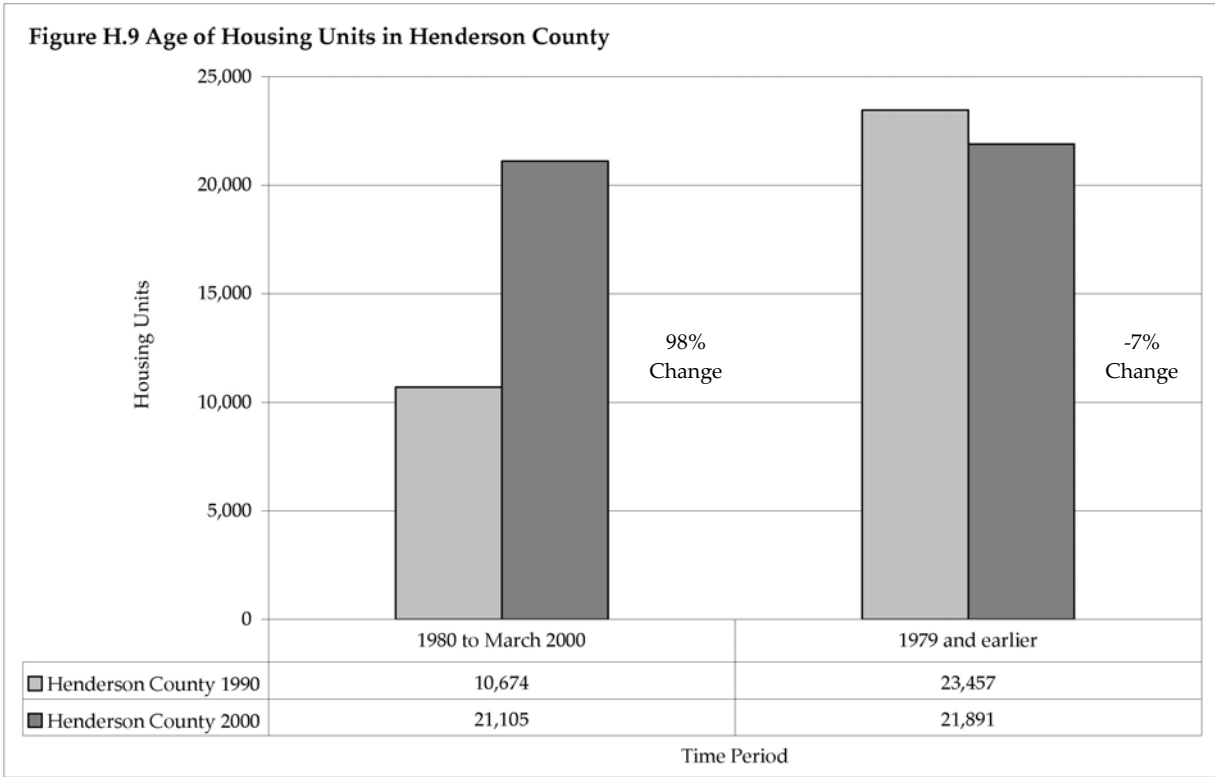
E. Adopt and implement a Minimum Housing Code.

Of the 42,996 housing units in Henderson County in 2000, a small number lack basic facilities. The Census reveals 95 units (0.3%) have no heat source (kerosene, oil, wood, electric); 143 units (0.4%) lack complete plumbing facilities; 138 units (0.4%) lack complete kitchen facilities; and 838 units (2%) have no telephone service (there is no way to account for cellular telephone usage in this calculation, or to know if the residents had the desire for phone service). Various governmental and non-profit programs exist to remedy problems caused by the lack of basic facilities, and the County should explore steps to expand and support these programs.

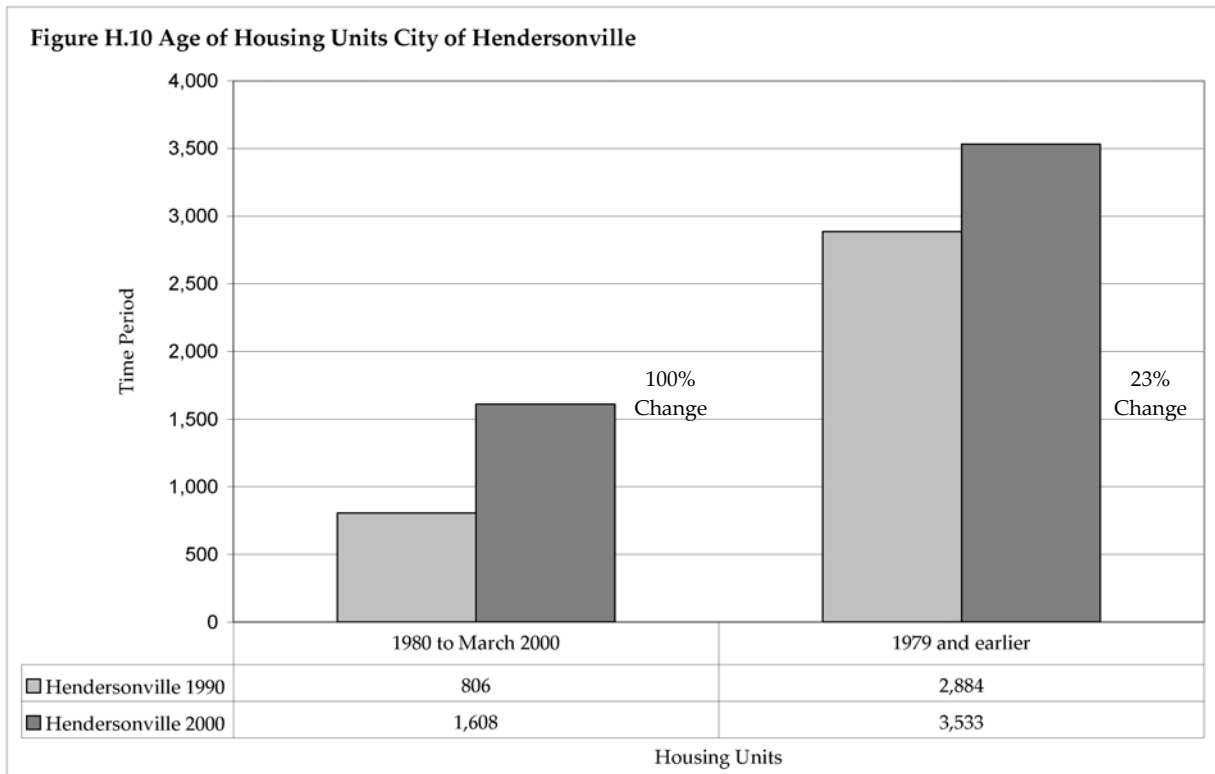
Insofar as County Government is concerned with the issue of habitability, perhaps a more useful tool would be a minimum housing code. Many jurisdictions around the State, including the City of Hendersonville, have minimum housing codes which give Housing, Planning, Inspections, Fire Code, or other code enforcement officers the authority to order the rehabilitation or condemnation of structures that fall below a minimum threshold of livability as defined within the code. Henderson County does not have similar enforcement options. While such a code might be in the long-term interests of the county, its effect upon low-income populations should be considered. Since such codes can lead to the displacement of low-income persons, a minimum-housing code should be coupled with support mechanisms for such persons.

F. Continue participation in the scattered site rehabilitation program and other similar federally and state-funded programs.

Age characteristics of dwelling units are summarized by figures H.9 – H.11, below. Henderson County currently participates in the federally-funded Scattered Site Rehabilitation Program which assists income-qualifying homeowners in making health, safety and general livability-related repairs. The County will continue to participate in this program and will explore ways to expand its application in the county.



Source: U.S. Census



Source: U.S. Census

Figure H. 11 Age & Type of Existing Housing Units In Henderson County	
Age of Housing	Total
Manufactured homes built before 1976	2,788
Housing units built before 1976 (all types)	21,835
Housing units built before 1955	9,028
Housing units built before 1940	4,915
Housing units with no date of construction	1,653
Source: Henderson County Property Tax Records, February 2004	

G. Develop a, or support an existing, housing information center.

Many housing programs exist within Henderson County. These programs cover a broad range of needs and are provided by a number of private, non-profit, and public organizations at the local, state and federal level. Many of the county’s residents, including those in greatest need, are not aware of the existence of such programs or how to access them. The County will work with program providers to establish a housing information center that would serve as a resource for individuals seeking information about housing programs in the area. Such a center should build upon existing resources such as SocialServe.com and the North Carolina Housing Forum (see Appendix III: Other Documents, Fair Housing Plan Update).

H. Lead the establishment of an affordable housing trust fund.

While the details of such a fund require considerably more study, it should be similar in concept to a fund recently established in Buncombe County, NC. Such a fund should be established in cooperation with the county’s municipalities, and should be augmented by external funding sources wherever possible.

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