

# A PLACE TO CALL HOME

## Addressing North Carolina's affordable housing need

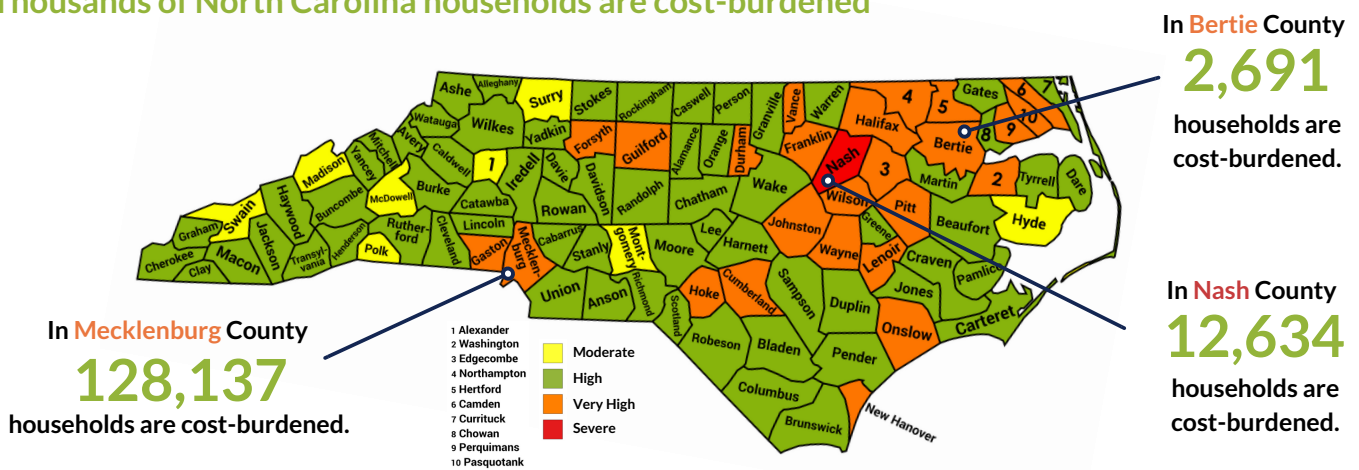
By Samone Oates-Bullock

Having access to affordable housing is a basic human need. Having safe, secure and reasonably priced housing enables people to engage in other basic activities such as employment, obtaining education, and maintaining their physical and mental health. Unfortunately, access to secure and affordable housing is an extreme challenge for many North Carolinians. The lack of affordable housing places a unique burden on individuals by often forcing them to choose between housing and other basic necessities. In order to effectively move the needle on affordable housing, it's time that housing, just like food and water, be seen as a human right, not a mere commodity.



### A CLOSER LOOK AT THE AFFORDABLE HOUSING CRISIS

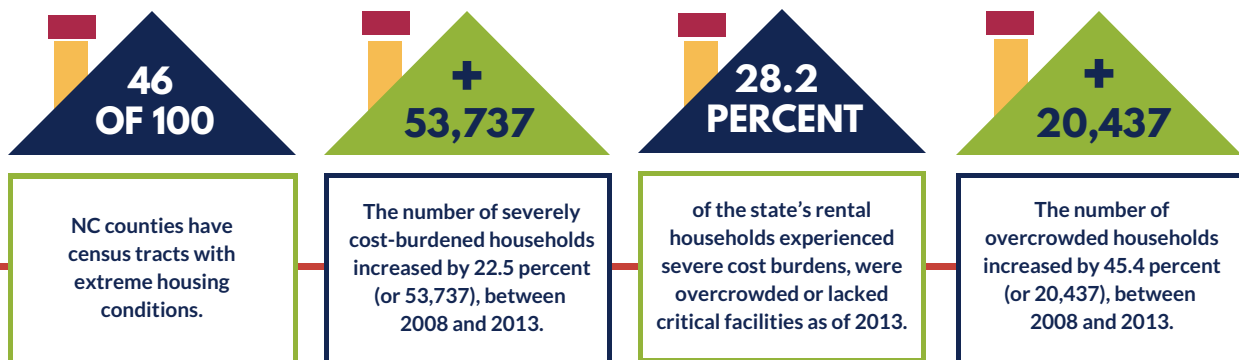
#### Thousands of North Carolina households are cost-burdened



Source: NC Housing Insecurity Rankings in 2017 by County

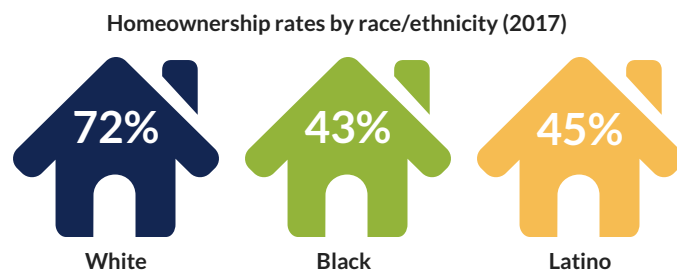
#### Several North Carolina counties face extreme housing conditions

A new [report](#), published by the UNC Center for Urban and Regional Studies, examined severe housing cost burden, overcrowding and substandard housing conditions among renters in the state. The authors defined “extreme” as having relatively high levels of at least two of the following three indicators: severe cost burden (households paying more than 50 percent of their income for rent), overcrowding (rental units inhabited by more than one person per room), or substandard conditions (rental units that lack complete kitchen and/or bathroom facilities). The report found that:



## ● Disparities in homeownership aid in perpetuating the racial wealth divide

Homeownership serves as one of the primary wealth-building tools for today's families. Decades of housing discrimination and predatory lending practices have led to communities of color being less likely to own a home, and more likely to own less valuable properties. The inequities in homeownership further perpetuate the racial wealth divide and deny communities of color access to a key wealth-building mechanism.



Source: [A Downpayment On the Divide](#)

## POLICY PRESCRIPTIONS

### ● Increase recurring funding to the North Carolina Housing Trust Fund

The [NC Housing Trust Fund](#) (HTF) was created by the General Assembly in 1987 and is administered by the North Carolina Housing Finance Agency. Through HTF, the state is able to finance private home ownership and rental apartments, new construction, rehabilitation, and emergency repairs. It also helps to finance supportive housing, and accessibility modifications for people with disabilities. Increasing recurring funding for the Trust Fund would be extremely beneficial to counties throughout the state, particularly in rural and eastern areas that often have a difficult time promoting affordable housing development.

### ● Make use of public land for affordable housing

The process of developing, constructing, and financing affordable housing can be very expensive, and the cost of land typically makes up one of the largest percentages of the overall development costs. Often, there are a number of vacant public sites or underutilized developments in accessible areas that could be used for affordable housing. Reducing land costs through the utilization of public land can be a highly effective way to encourage affordable housing development.

One promising example of public land utilization is the [Northside Neighborhood Initiative \(NNI\)](#), a joint effort among Northside residents, the Jackson Center, Self-Help, UNC Chapel Hill, and the Town of Chapel Hill. The NNI works by identifying properties for renovation and redevelopment, and once acquired, placing the properties into the “Northside land bank” to be maintained until they are ready for conversion to homeownership or rental housing consistent with the goals of the community.

### ● Incentivize mixed-income developments near transit

Often, the development of new transit and other infrastructure increases the value of surrounding properties. Doing so creates positive growth for surrounding neighborhoods overall, but can be unfavorable for the development and availability of new affordable housing, especially for low-income families. In fact, transit oriented development can result in the displacement of long time low income residents who find themselves priced out of their community.

Incentivizing mixed-income developments near transit greatly benefits lower-income households who are more likely to use transit. A [report](#) prepared for Urban Land Institute in Washington, DC found that building mixed-income housing in high-value areas near amenities, such as transit, offers the greatest potential for subsidizing more affordable homes through greater returns on market-rate units.

#### FOR MORE INFO CONTACT:

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