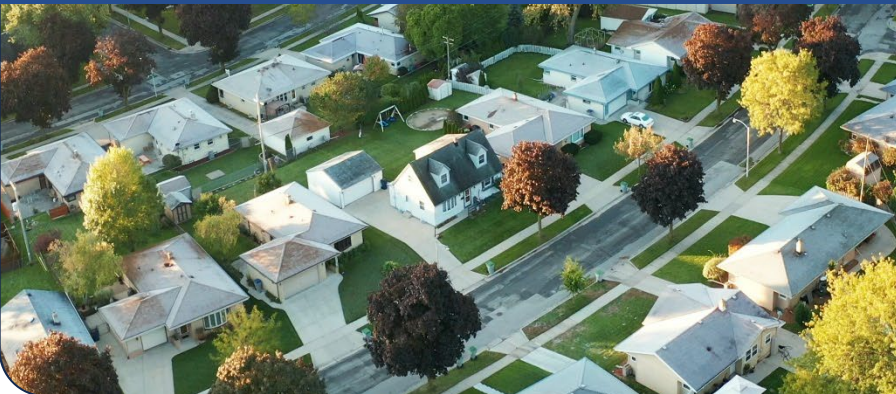


# Spartanburg County

## 2023 Housing Needs Assessment

June 26, 2023



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Section 1:  
**Executive  
Summary**





## Introduction

### *Purpose and Overview*

Spartanburg County commissioned a countywide assessment of current and anticipated housing needs in the county to identify and meet the housing needs of Spartanburg County residents. The Spartanburg County Housing Needs Assessment (HNA) seeks to provide a comprehensive understanding of housing needs and conditions across all household incomes and housing typologies. Furthermore, the HNA establishes an objective, data-driven resource on the housing market to guide future policy decisions by the county leaders and local stakeholders.

Several factors have contributed to the county's imperative to develop a plan to increase housing options that are affordable and accessible for people and families of all incomes, including the influx of families after the COVID-19 pandemic, economic and job growth, and substantial growth in neighboring counties. Spartanburg County is at a pivotal point in its development and growth. From 2010-2021, the county's population experienced an increase of over 16%, outpacing the state as a whole.

This 2023 HNA is a fundamental step in identifying the make-up of the community, its workforce and the state of housing throughout the county. The HNA includes analyses of demographic characteristics, population forecasts, employment and income data, real estate transactions, infrastructure, community assets, and housing market trends and affordability. These analyses form the Community Profile section and Public Sector analysis. Spartanburg County will use this HNA as a tool while developing a comprehensive local housing strategy to address the current and future housing needs of the County.

## *Acknowledgments*

### Council Members

A. Manning Lynch - County Council Chairman  
Monier Abusoft - District 1 Representative  
Jack Mabry - District 2 Representative  
David Britt - District 3 Representative  
Justin McCorkle - District 4 Representative  
Bob Walker - District 5 Representative  
Jessica Coker - District 6 Representative

### Spartanburg County Departments

Assessor  
Building Codes  
Community Development  
Environmental Enforcement  
Planning and Development  
Register of Deeds  
Tax Collector

### Local Stakeholders

Spartanburg Housing  
Continuum of Care  
One Spartanburg, Inc  
Non-profit supportive service providers (various)  
For-profit developers and realtors (various)  
Neighborhood associations

### Consulting Firm

Civitas, LLC

## *Methodology*

The Spartanburg County Housing Needs Assessment was conducted over five months and leveraged data analysis, community feedback, and stakeholder interviews to inform key findings. The report was compiled using a data-focused model in partnership with the Civitas, LLC.

A comprehensive analysis of local data trends on population demographics, household cohorts, local employment and labor force, and current housing stock informed the Community Profile. This phase included interviews and group sessions with community leaders, local planners, employers, and other key stakeholders involved in the local housing market. An assessment of existing housing market conditions, including data and trends on tenure, dwelling type, condition, age of units, home price, and rents led to a housing supply gap analysis which determined the difference in supply and demand for housing at different income levels. We also examined an inventory of new, planned, and under-construction multifamily and single-family housing developments. Housing Needs incorporated forecasts of future household and housing unit growth in the county based on projections of population growth and regional job growth. Recommendations are intended to be a foundation on which to build a housing plan that articulates specific local goals and activities that preserve and promote affordable housing and sustainable growth.

Data for this report came from various sources, including:

- United States Decennial Census (2010, 2020 Census)
- American Community Survey 2016 – 2020; 2017-2021 (As available)
- Policy Map, Inc.
- South Carolina Revenue and Fiscal Affairs Office
- Building Permits Survey
- Federal Financial Institutions Examination Council (FFIEC)
- Home Mortgage Disclosure Act of 1975 (HMDA) database
- Spartanburg Association of REALTORS®
- United States Department of Housing and Urban Development (HUD) Multifamily Database
- HUD Affirmatively Affirming Fair Housing (AFFH) Mapping Tool
- HUD's Picture of Subsidized Households
- Low-Income Housing Tax Credits (LIHTC) database
- United States Department of Agricultural (USDA)



## *Public Input*

To undertake a more complete analysis of the housing needs in the county, Civitas staff conducted three public input meetings throughout the county in February 2023 with the community and published an online community survey that received just under 900 responses. The insights and feedback from the general public supplement the data analyses and housing market trends that are detailed throughout this report. Key takeaways include nearly half of the general population believe that the quality of housing currently available does not meet the needs of the community. Over 93% of renters have difficulty finding affordable rental units. While single-family housing units remain the preference for most, townhomes, small apartment units, and senior-living housing were also cited as a preference for a diverse housing type.

Additionally, Civitas also conducted interviews with several key stakeholders from the area. More than 30 stakeholder organizations were identified and contacted to participate. Feedback from leaders from the public and private sectors shared the housing needs of the community and challenges to their respective clientele. Representatives included building developers, realtors, the housing authority, representatives serving the homeless, non-profit leaders and county staff from various departments.

Over 50% of the residents surveyed are dissatisfied with their current living situation, 30% being extremely dissatisfied. Outside of the leading single-family detached housing unit, residents want to see more townhomes, small apartment complexes, senior homes, and even tiny homes available in the county. Housing with a close proximity to grocery stores/shopping was cited as a high appeal. Nearly 64% of residents surveyed are not familiar with local government housing initiatives or programs, but over 75% welcome these. Both residents and stakeholders alike recognize the trend of rising housing prices at all price points that is affecting many households. Concerns and recommendations both compliment this report's analysis to housing needs and is incorporated into strategies when feasible.

# Housing Needs Assessment Key Findings

The Housing Needs Assessment casts a wide net. It looks at Spartanburg County from numerous angles and across multiple intersecting data points in order to identify trends and to provide a comprehensively robust picture of the community's housing current and expected needs. There are the eight key findings that stand out:

- Key Finding 1. Missing Middle
- Key Finding 2. Challenges to Naturally Occurring Affordable Housing
- Key Finding 3. Insufficient Amount of New Housing Construction
- Key Finding 4. Shortage of Rental Housing
- Key Finding 5. Decline in Affordability
- Key Finding 6. High Level of Cost Burdened Rental Households
- Key Finding 7. Aging Housing Stock & High Number of Units with Lead-Based Paint
- Key Finding 8. Shortage of Housing Vouchers

# Strategic Recommendations

No single funding strategy can solve Spartanburg County's housing challenges. Rather, a combination of programs including leveraging federal programs, utilizing housing trust funds, and increasing private investment and philanthropy can provide pathways that support efforts to balance the housing stock in the county. The following recommendations are explored in the final section of the HNA. These recommendations and implementation steps are meant to be complementary as the combination of approaches are necessary to effectively address the county's housing needs.

- Recommendation #1: Develop Creative Housing Solutions
- Recommendation #2: Expand Developer Incentives
- Recommendation #3: Target Application of Federally Funded Programs

Section 2:

# Community Profile Analysis





# Demographic and Household Cohort Impact on Housing Needs

## *Population and Household Growth*

A key component to understanding the housing needs of the county is to understand the current demographics, how they've changed, and how they may change in the future. Since 2010, the population of Spartanburg County has grown by nearly 45,000 people, or 13.9%. The overall growth rate is higher than the statewide rate of 11.2%. Most of this growth has occurred since 2015.

Table 1: Population – 2010 to 2021

CITY/STATE	2010	2015	2021	% CHANGE 2010-2015	% CHANGE 2015-2021
SPARTANBURG COUNTY	278,167	291,240	322,864	4.7%	10.9%
SOUTH CAROLINA	4,511,428	4,777,576	5,078,903	5.9%	6.3%

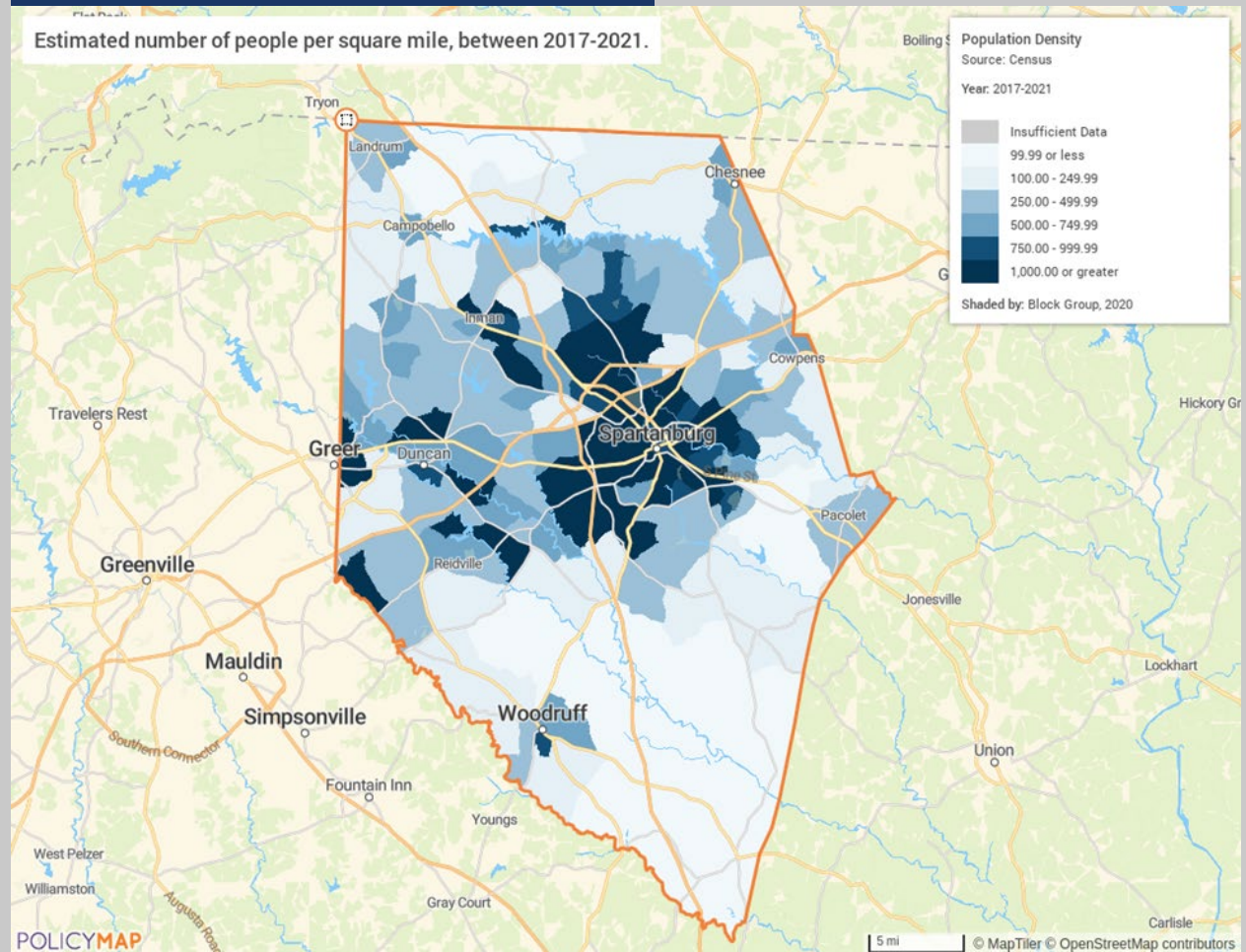
Source: 2006-2010, 2011-2015, 2017-2021 ACS 5-Yr Estimates (DP05)

### Population Concentration

The City of Spartanburg is the urban center of the county and, as expected, areas around the city have the highest population density. While this assessment does not apply specifically to the city of Spartanburg, recognizing the impact of the city on neighboring areas is necessary. The County is also impacted by areas outside of the county boundaries. Tracts in the southwestern portion of the county are impacted by the growth of the city of Greenville. Many tracts outside of the city boundaries have a density of 1,000 people per mile or more. The housing needs in those communities will differ from the rural areas where the population is one-tenth as dense.

The primary driver of population density is vicinity to economic opportunities and services. Areas with low population density may benefit from focusing less on housing variety and more on improving structures and creating ADA-accessible units. Areas closer to city centers must consider higher land costs and demand that benefits from affordable units that are not single-family detached structures.

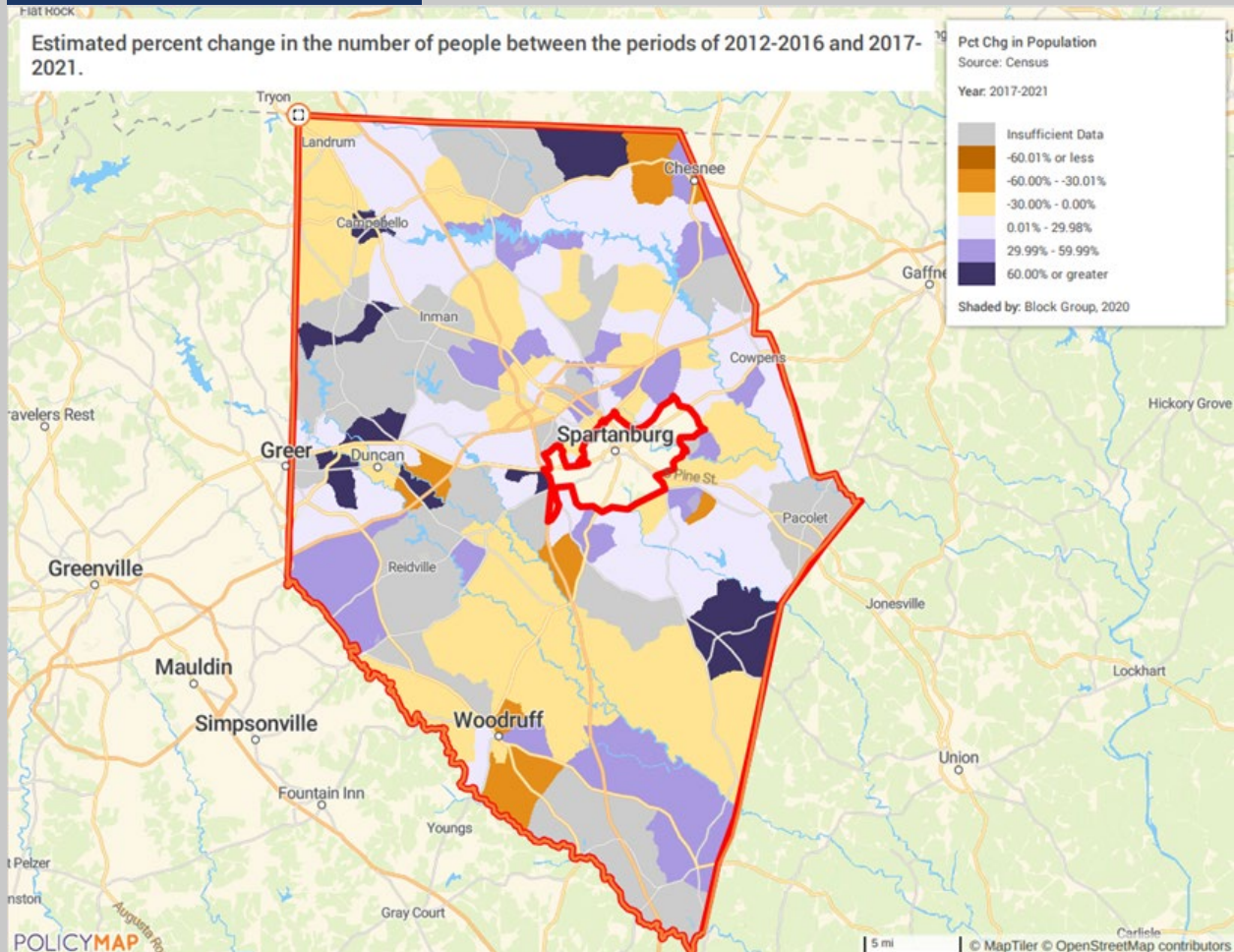
Map 1: Population Density by Block Group



### Population Shift

While the population has grown in the county, the growth has not been uniform. Overall, the areas around the City of Spartanburg have grown but not universally. The majority of the block groups that saw the highest growth rate were not located near the City of Spartanburg. The town of Campebello, the southeast corner of the county, and areas near Greer in the west all saw significant growth.

Map 2: Population Change



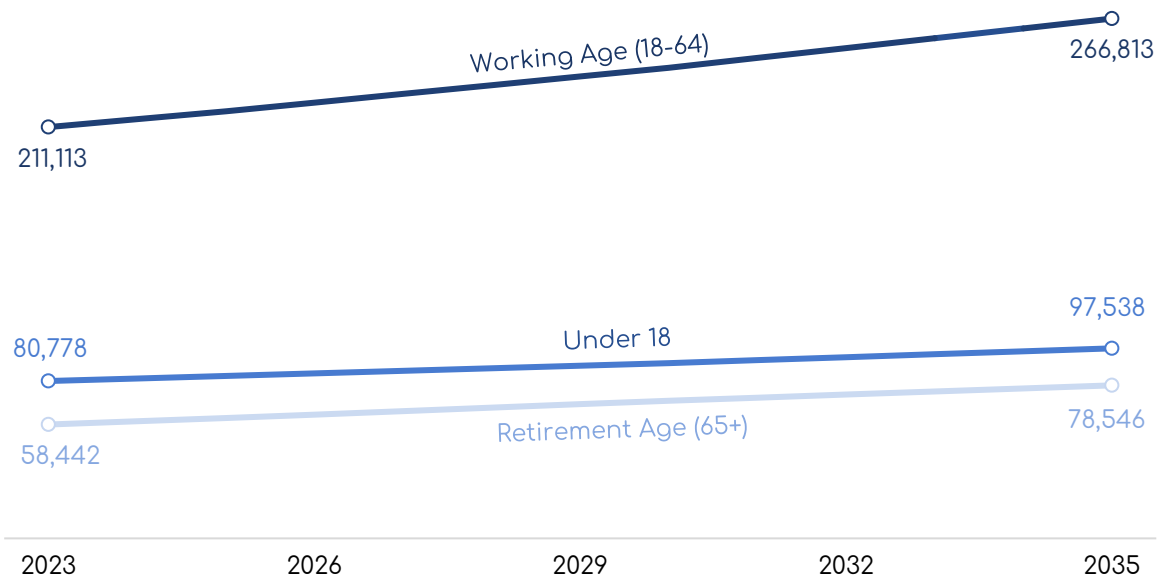
Note: Block groups that are primarily in the city of Spartanburg has been removed for clarity.

### Population Forecast

Population forecasts are produced annually by South Carolina Revenue and Fiscal Affairs Office, with the most recent forecasts produced in September of 2021. The below table displays the population projection for Spartanburg County by age cohort.

According to the Revenue and Fiscal Affairs Office, the population of Spartanburg County is projected to grow from 350,333 in 2023 to 442,898 in 2035 – a significant increase of 26.4% compared to the 10.9% growth from 2015-2021.

Chart 1: Age Group Projections



According to the Revenue and Fiscal Affairs Office, the population of Spartanburg County is projected to grow from 350,333 in 2023 to 442,898 in 2035 – a significant increase of 26.4 percent. By 2035, it is estimated that Spartanburg County will have nearly 267,000 working age adults, 98,000 children, and 79,000 retirement age adults. There are two important takeaways from these projections. First, there will continue to be approximately 3 working age adults per child. That means that most households with working age adults do not have children and may not need larger housing units. The second important factor is the growth of retirement age individuals. The number of retirement age individuals will grow by over 25% for a total of over 20,000 people.

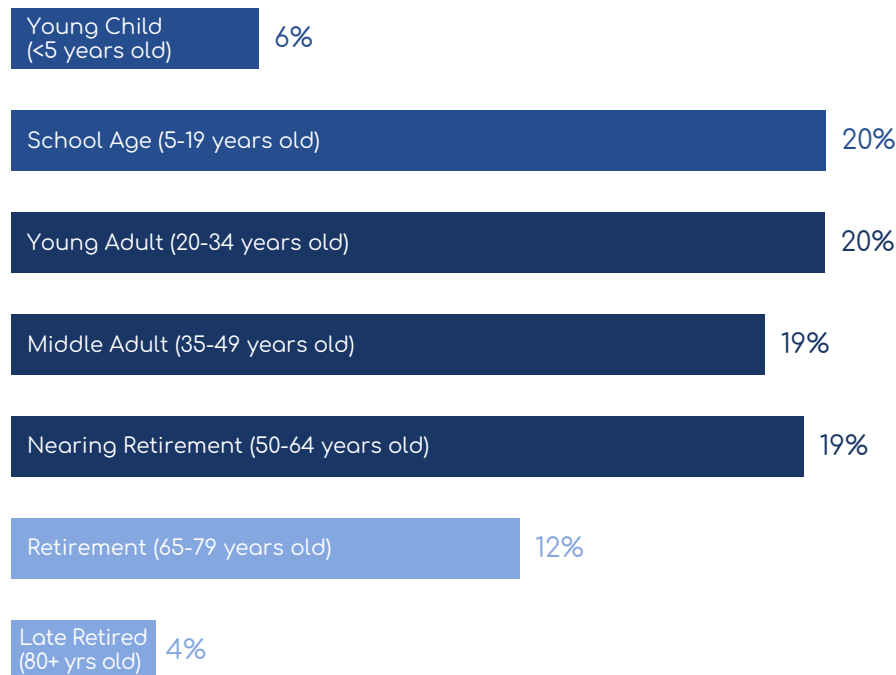
## Age

Spartanburg County has a lower median age than the state. According to the 2017 – 2021 ACS, the median age in the county was 38.1, compared to 39.8 years in South Carolina. ACS data figures show that the county is aging slower than the state. In 2021, residents 65 and older made-up 16.1% of the population of Spartanburg County. That is an increase of 23% from 2010, when persons 65 and older made up only 13.1% of the population. By contrast, the elderly population in the state grew from 13.2% to 17.7% in that period, an increase of 34.1%. The age distribution is fairly even in the county. The largest age cohort in the county is 25 to 29 years, with 7.1% of the total population (22,913 persons).



Spartanburg County has a lower median age than the state.

Chart 2: Age Group Projections



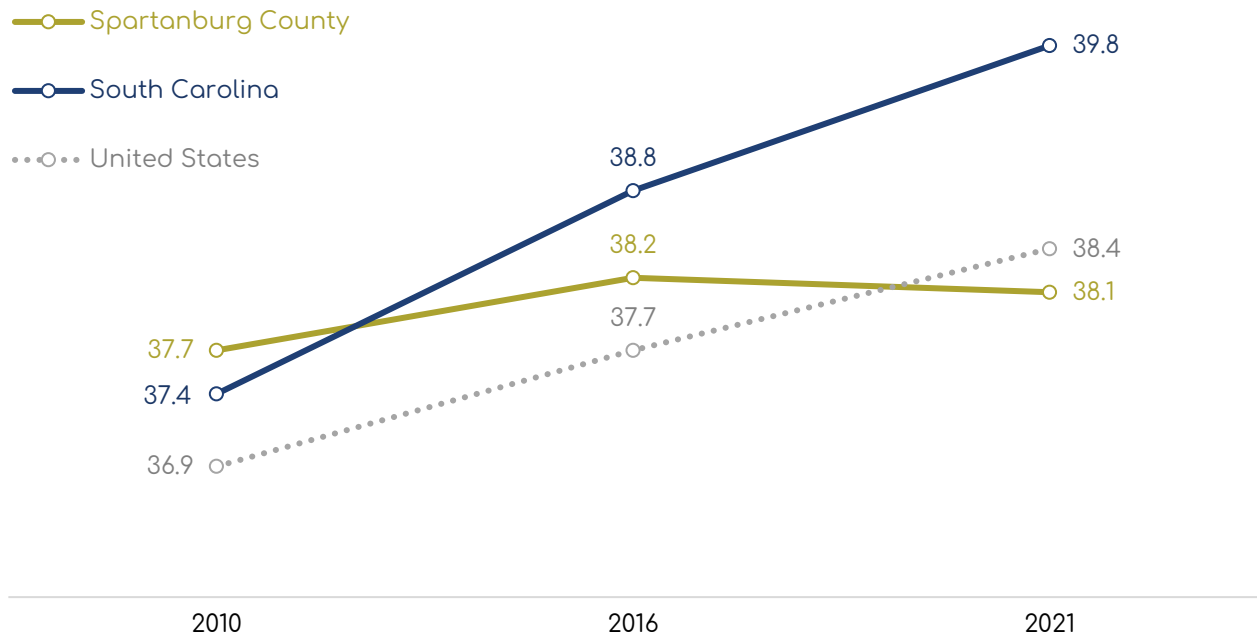
Source: 2006-2010, 2017-2021 ACS 5-Yr Estimates (S0101)



### Median Age

The state saw a steady increase in median age from 2010 to 2021, as did the country, but the median age in the county did not increase as fast and has seen a decrease over the last five years. The decrease in the median age is an outlier across the country and may indicate a disconnect between housing demand and supply in the county. When residents retire, they often have new housing needs and they may not be able to find appropriate housing in the county, so they move elsewhere.

Chart 3: Change in Median Age



Source: 2006-2010, 2012-2016, 2017-2021 ACS 5-Yr Estimates (S0101)

## *Elderly*

Where housing is concerned, meeting the needs of the elderly is especially important. As communities across the nation grow proportionately older, the needs of the elderly should be factored into any community plans and programs with appropriate social services, healthcare, and housing. Central to these evolving needs is access to housing options that are decent, safe, affordable, accessible and located in proximity to services and transportation. Housing is one of the most essential needs of the elderly because the affordability, location and accessibility of their residence will directly impact their ability to access health and social services, both in terms of financial cost and physical practicality. Senior housing was selected as a top three priority for housing in Spartanburg County community housing needs survey.

Persons 65 and older comprise a smaller percentage of the county's population than that of the state. Approximately 16% of the county's population was 65 and older (51,698 persons), compared to the state at 17.7% (2017–2021 ACS). Furthermore, 1.9% of the county's population was 85 and older (6,054 persons). While the percentages may not suggest much growth, the actual number of elderly residents in the county grew from 45,839 in 2017 to 51,698 in 2021.



*"We need senior independent one story, apartments for age 50+."*

- Spartanburg  
County Resident

*Household Status*

There were 122,044 total households in Spartanburg County in 2021. Family households made up the majority of households in the county by far, with 69%. Married couples accounted for half of the households in the county, and nearly one in four households (19%) were single-parent households. Nearly one-third of households in Spartanburg County (29%) had children under 18 years old.

Table 2: Household Status

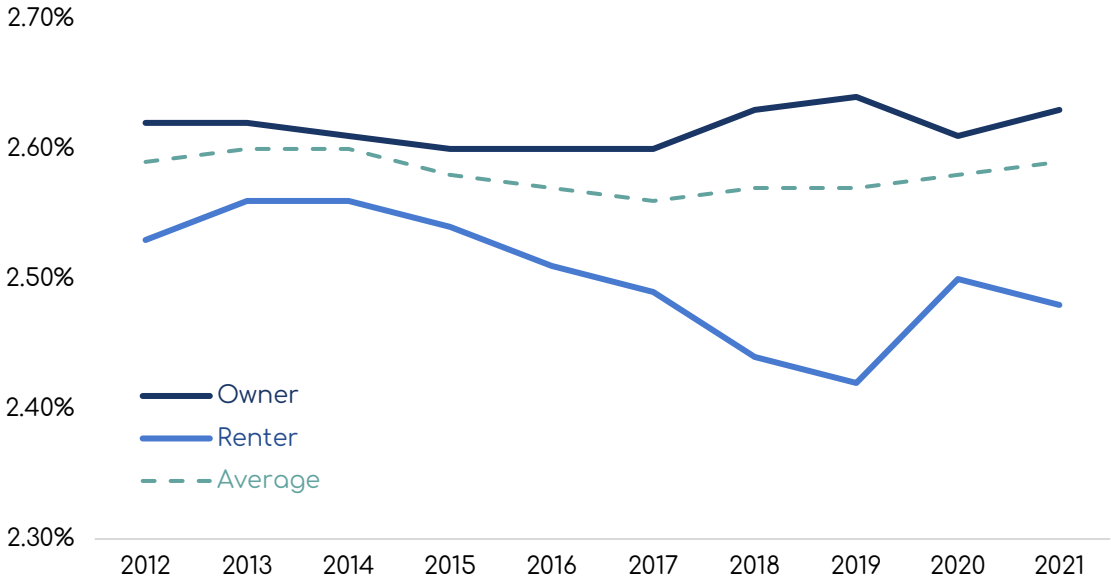
STATUS	TOTAL	PERCENT OF TOTAL	AVERAGE HOUSEHOLD SIZE
TOTAL FAMILIES	83,951	69%	3.13
MARRIED-COUPLE FAMILY HOUSEHOLD	60,720	50%	3.16
MALE HOUSEHOLDER, NO SPOUSE PRESENT, FAMILY HOUSEHOLD	5,949	5%	2.87
FEMALE HOUSEHOLDER, NO SPOUSE PRESENT, FAMILY HOUSEHOLD	17,282	14%	3.11
NONFAMILY HOUSEHOLD	38,093	31%	1.20
HOUSEHOLDS WITH OWN CHILDREN OF THE HOUSEHOLDER UNDER 18 YEARS	35,417	29%	-
<b>TOTAL HOUSEHOLDS</b>	<b>122,044</b>	<b>100%</b>	<b>2.59</b>

Source: United States Census Bureau ACS 2017-2021 (S1101)

*Household Tenure (Homeowner vs. Renter)*

The needs of renters, current homeowners, and future homeowners can vary significantly. Understanding which types of housing are required starts with knowing how large each of these groups are. Currently, Spartanburg County is primarily made up of owner-occupied households (72.3%). The average size for households (2.63) is slightly higher than that of renters (2.48) throughout the county.

Chart 4: Change in Average Household Size by Tenure

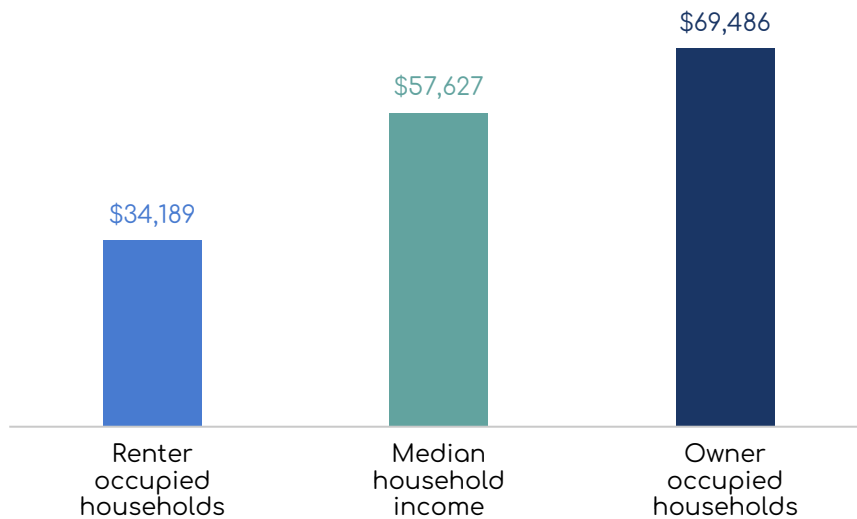


Source: United States Census Bureau ACS 2008-2012 through ACS 2017-2021 (B25010)

### Household Income

In Spartanburg County there is a clear difference between the median household income of homeowners and renters. The median income of homeowners is over double that of renters. Considering homeownership is the strongest way to grow multigenerational wealth this disparity leaves a significant number of households without access to valuable economic opportunities. When income is linked to race and ethnicity, as noted above, the result is a community that is sharply divided by racial and economic lines.

Chart 5: Median Household Income by Tenure



Source: United States Census Bureau ACS 2017-2021 (B25119)



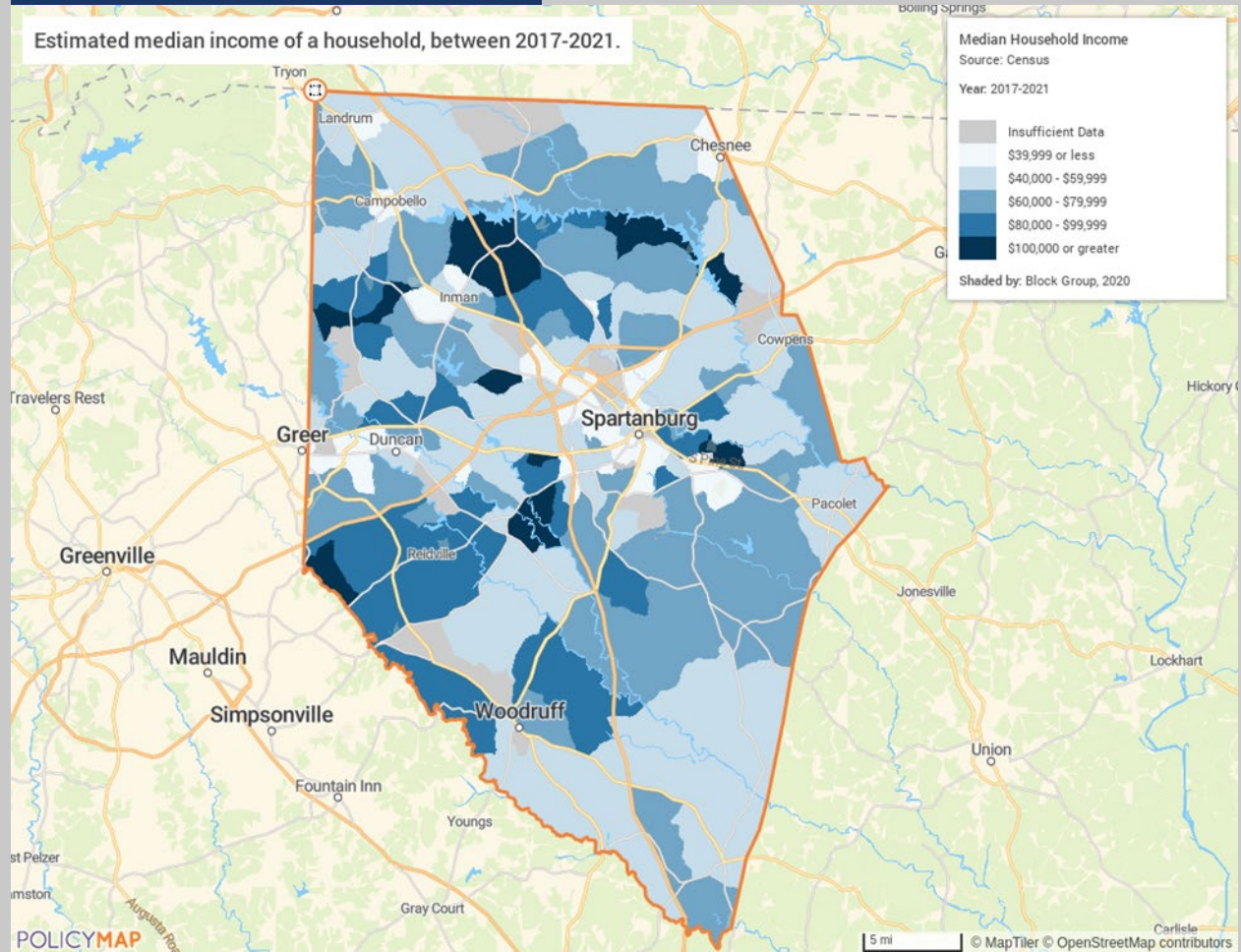
*"We need more affordable housing for those on fixed incomes. We could use grants or funds to help rehab older homes for individuals living on a fixed income."*

-Spartanburg County Resident

### Median Household Income

The areas with the lowest median income correlate with the areas with concentrations of Black or African American and Hispanic households. These areas are primarily in the City of Spartanburg and near the City of Greer. Rural areas, particularly in the north, tend to have a much higher median household income.

Map 3: Median Household Income



Source: United States Census Bureau ACS 2017-2021 via PolicyMap

*Household Income Distribution*

The largest income cohort in Spartanburg County was comprised of households making between \$50,000 and \$74,999 annually (20%). However, more than half the families in the county earned less than \$75,000 (53%). In 2022, the HUD Income Limits Documentation System reported the area median income (AMI) for Spartanburg County as \$74,700, with low-income families of four making only \$59,750. While the limits of the ACS data figures are noted (calculated by total number of family households and were not broken down by family size), 41% of households made less than \$50,000 in 20121. There were over 18,000 family households which earned less than \$25,000 in 2015 (20%). The average family size in Spartanburg County is 3.13 persons – a figure that has been steady since 2010.

Table 3: Income Distribution for Families

INCOME	ESTIMATES			
	Households	Families	Married-couple Families	Non-Family Households
LESS THAN \$10,000	6%	4%	2%	12%
\$10,000 TO \$14,999	4%	2%	2%	9%
\$15,000 TO \$24,999	9%	6%	4%	16%
\$25,000 TO \$34,999	8%	8%	5%	12%
\$35,000 TO \$49,999	14%	14%	12%	17%
\$50,000 TO \$74,999	20%	19%	18%	21%
\$75,000 TO \$99,999	14%	16%	18%	6%
\$100,000 TO \$149,999	14%	18%	23%	4%
\$150,000 TO \$199,999	6%	7%	9%	1%
\$200,000 OR MORE	5%	6%	9%	1%
<b>TOTAL HOUSEHOLDS</b>	<b>128,437</b>	<b>90,393</b>	<b>64,712</b>	<b>38,044</b>

Source: United States Census Bureau ACS 2017-2021 (B25119)

### Households with Incomes Less than \$25,000

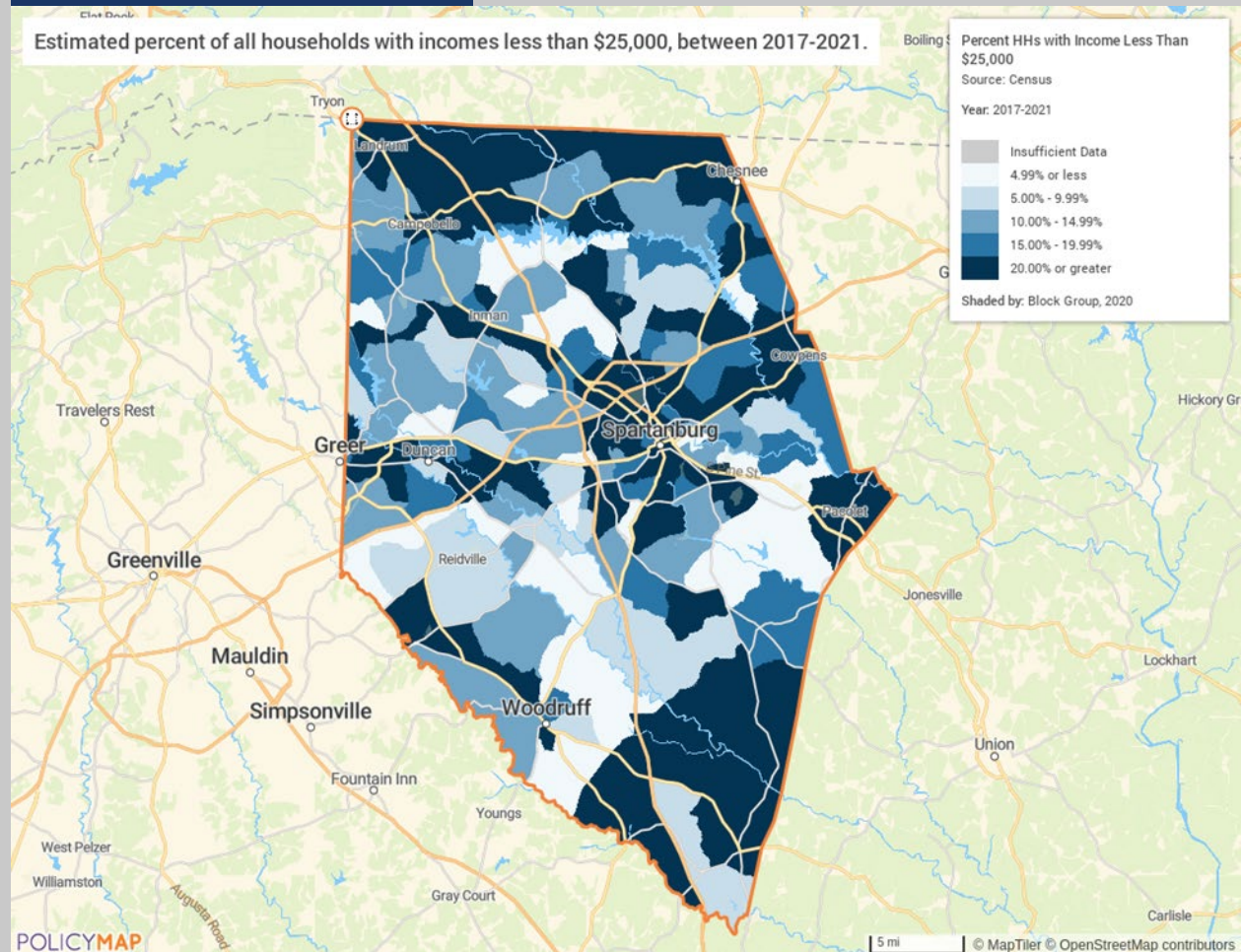
According to the 2017-2021 ACS, approximately 20.6% of households (25,141 households) had a MHI of less than \$25,000. The map below is a countywide distribution of these households at the block group level. The southern tip and northern areas of the county have several areas where over 20% of the population have an income of less than \$25,000. Most of these areas are less populated compared to the central part of the county. There are also several areas scattered around the cities of Spartanburg and Greer. Areas in the northeast corner of the county also have higher rates of households earning less than \$25,000.



*“We need to have more income-based renting options in every school district.”*

- Spartanburg County Resident

Map 4: MHI Less than \$25,000



Source: United States Census Bureau ACS 2017-2021 via PolicyMap



# Economic Impacts on Housing Needs

## *Economic Development Summary*

Spartanburg County, the 5<sup>th</sup> largest county in South Carolina, serves as the region's global transportation hub and economic catalyst. The county was a textile center in the early 20<sup>th</sup> century but has evolved as an automotive hub and a high growth area for the region. Spartanburg County has the highest per capita foreign investment in South Carolina. Among recent recognitions, Spartanburg County ranked number one small metro areas with the most economic growth by independent research firm Stessa in 2022.

While South Carolina is the fifth fastest growing state in the U.S., Spartanburg County's population growth since 2015 has been 10.9% compared to the state's 6.3% increase in population. The county led South Carolina in job creation and investment in 2021. In 2021, Spartanburg County had 44 economic development projects which led to \$1.9 billion in investment and the creation of 4,045 new jobs. The year included a \$450 million Walmart distribution center of 720,000 square foot on approximately 200 acres.

The county added another 36 economic development projects in 2022 that resulted in \$3.2 billion in capital investment and the creation of 1,742 new industrial and office jobs. The project with the highest number of jobs and investment in 2022 was BMW Manufacturing, a \$1.7 billion investment in electric vehicle production, including a new \$700 million battery assembly plant and a \$200 million investment with 300 new jobs. The county currently has 6,653,493 square feet available in 65 industrial buildings across the county which includes more than 3 million square feet of speculative space.

Spartanburg County is also home to the Greenville-Spartanburg International Airport (GSP). The airport has over 100 daily nonstop flights offered by six airlines to 22 destinations. In addition to the passenger terminal, the Greenville-Spartanburg Airport District operations span 3,700 acres and include warehousing, logistics, office, retail, and research and development users.

Many of the areas where the most growth is occurring are experiencing "growing pains" that generate increased congestion on existing roads; pressure to provide more "urban" services; need for expanded/upgraded infrastructure; and, increasingly, a demand for more housing options.

Important Spartanburg County economic goals and opportunities include:

1. Encourage the development of more multi-family housing in mixed use context.
2. Grow the tourism sector anchored by natural, cultural, and historic resources, as well as outdoor recreation.
3. Encourage agri-tourism and other employment opportunities in the rural areas of the county.
4. Support Clemson University Extension, the South Carolina Agriculture Commission and USDA programs to educate landowners and provide innovations in agricultural production and agri-business.
5. Promote the development and expansion of local farmers markets, mobile vendors, and other related agri-business markets that benefit local producers.
6. Support small local farms by promoting community-assisted agriculture programs, food co-ops, local markets, produce stands, and farm-to-table and farm-to-school programs.

### *County Workforce Profile*

An understanding of the county's workforce profile is important when examining its housing needs. Although characteristics of the economic condition of the county's residents were discussed in the community profile, this section discusses the workforce in regard to housing. This profile is affected by factors such as job proximity, transportation and commuting, and participation from neighboring communities' workforces and industry trends. This analysis synthesizes data to draw a relationship between the workforce and housing.

### *Job Proximity*

Having housing in close proximity to job locations offers a multitude of benefits for employees, employers, and local government. Job proximity significantly reduces commuting time and costs, alleviating the stress and financial burden associated with long commutes which often leads to improved work-life balance, increased productivity and increased job satisfaction.

In addition to the benefits for employees and employers, the proximity of workforce housing to job locations also offers several advantages for the local government. Firstly, it can help address issues related to traffic congestion and transportation infrastructure. By reducing commuting distances, there is less strain on road networks and public transportation systems, leading to smoother traffic flow and reduced congestion. This



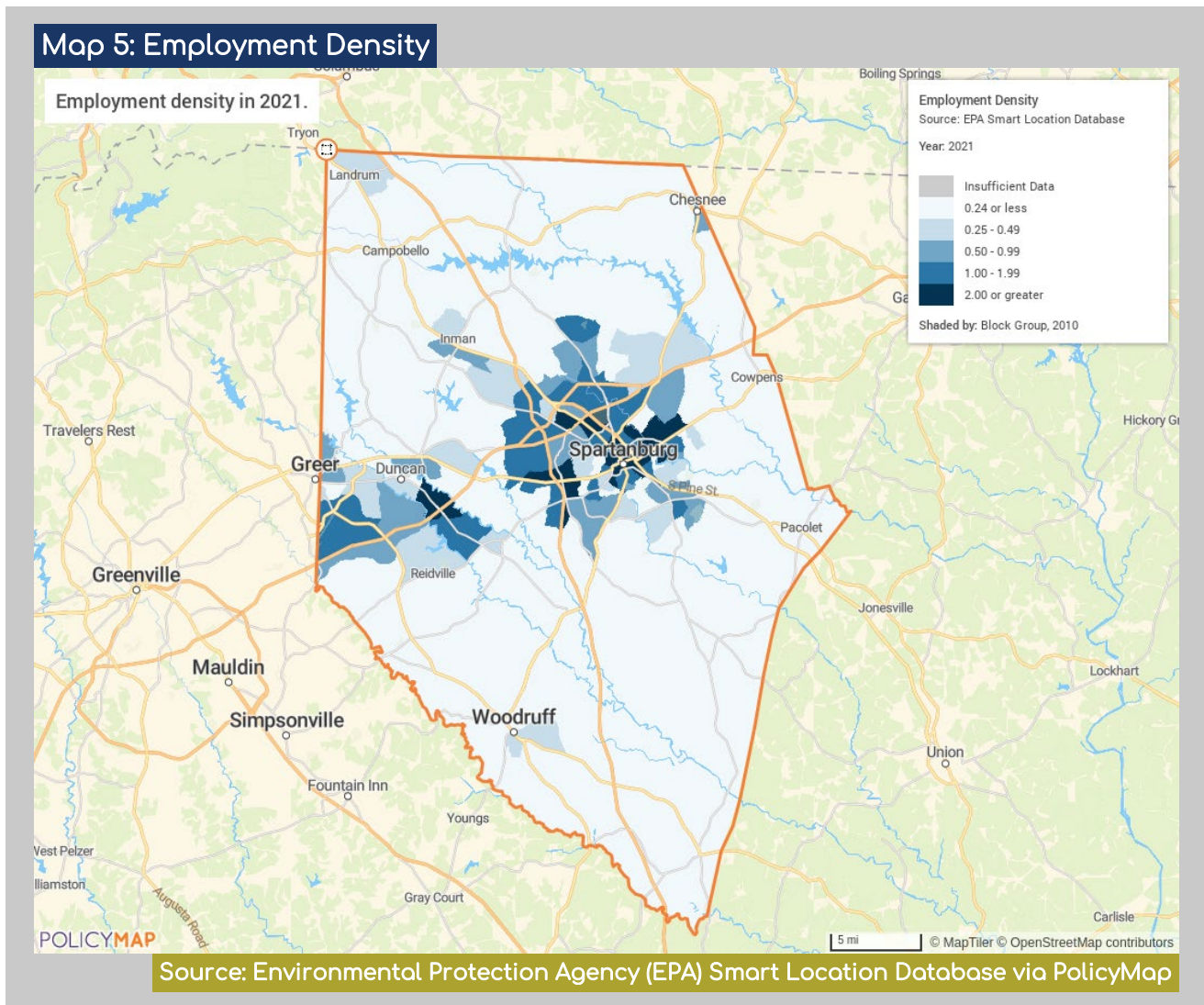
*"The county needs more workforce housing that is affordable."*

- Local Nonprofit

can result in cost savings for the government, as there may be less need for expensive road expansions or public transportation upgrades.

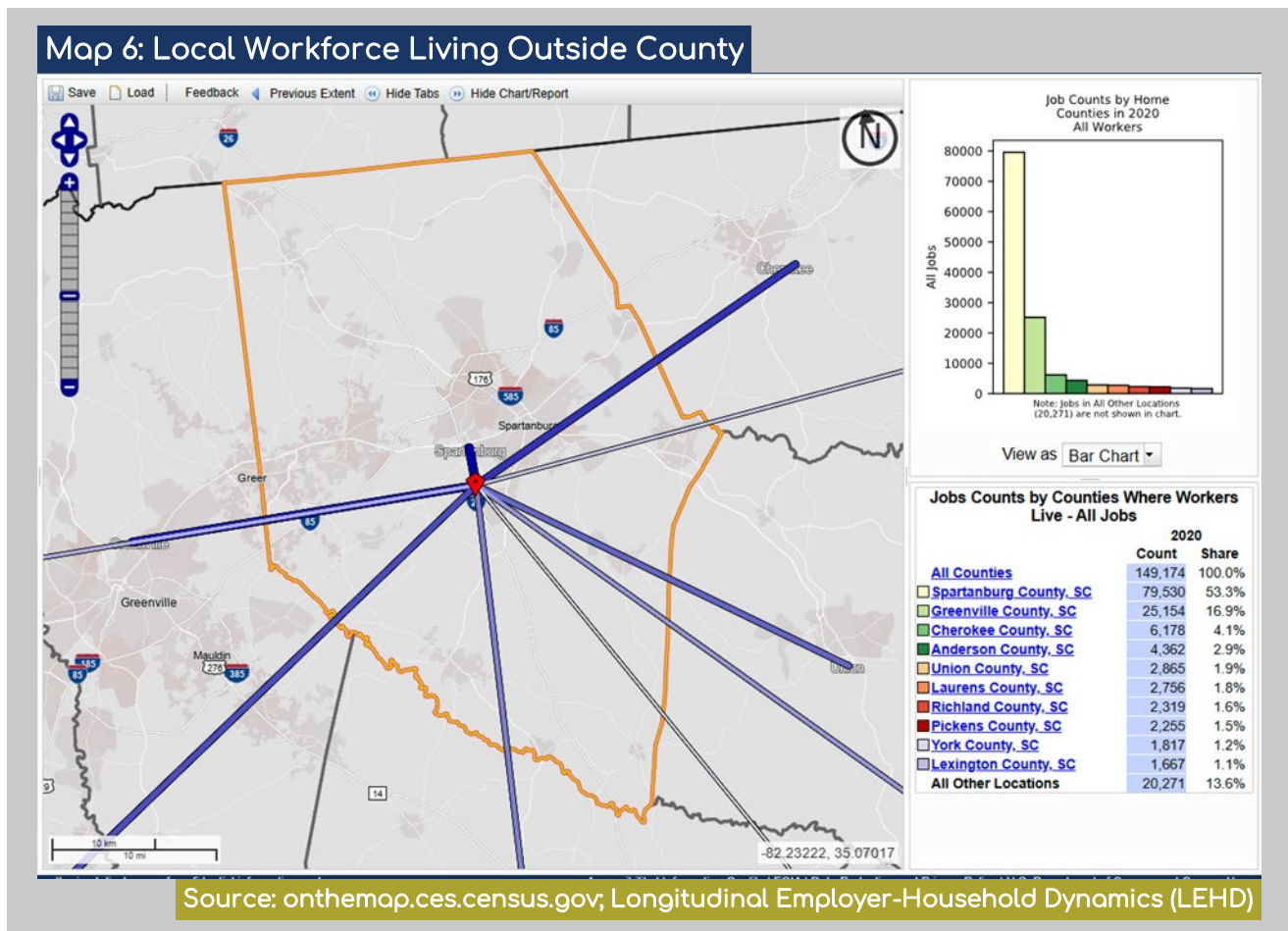
The availability of affordable and convenient housing near job locations also supports the recruitment and retention of a diverse and skilled workforce. This is particularly important for industries that require specialized talent or expertise. The public survey responses also cited a high desire for housing proximity to parks and shopping.

Employment density (jobs per acre on unprotected land) displays the vast amount of opportunity in the City of Spartanburg and City of Greer metro areas. This factor should be considered when planning development and redevelopment opportunities and locations. Infill opportunities within these established high-dense work locations may offer previous listed advantages, as well as cost savings when infrastructure is already in place.



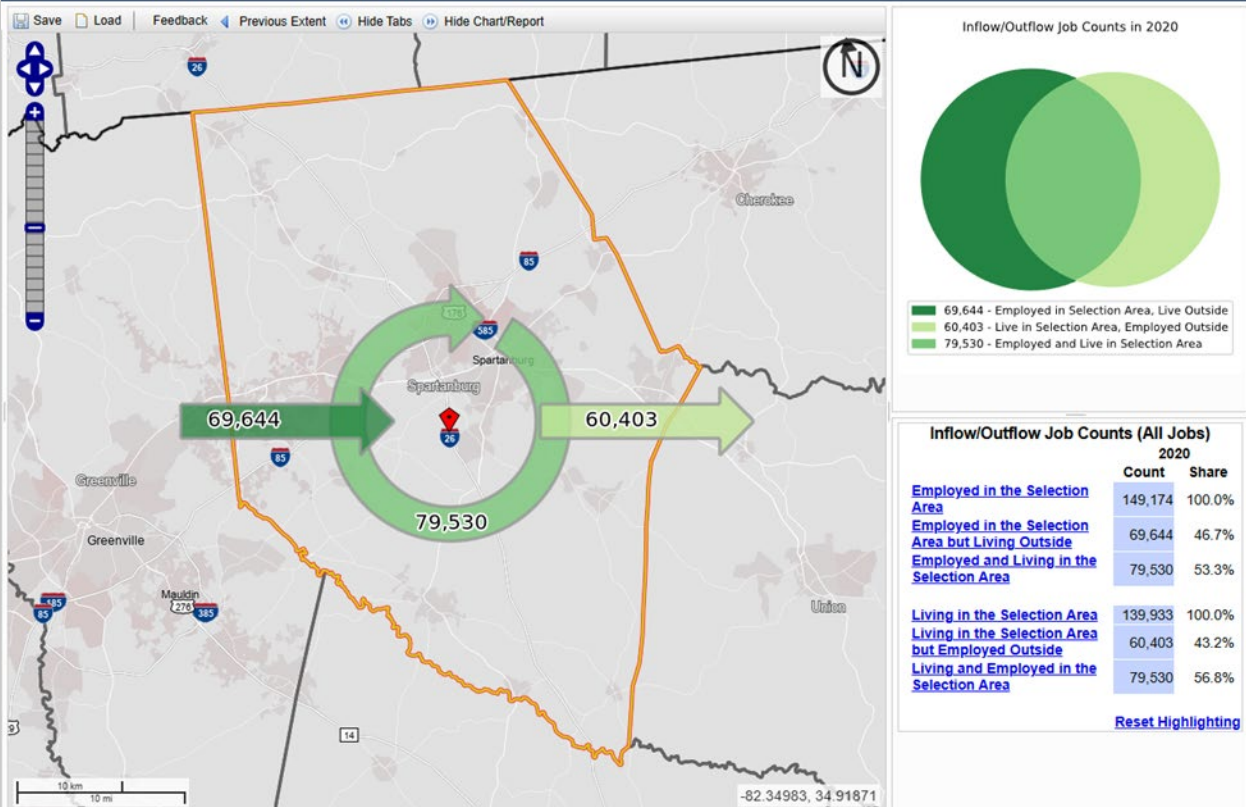
## Out of County Workforce

According to the most recent calculations by the US Census Bureau, nearly 47% of the workforce in Spartanburg County lives in a different county. This means that nearly 70,000 workers are living, shopping, and paying taxes outside of the county. This points to a significant need for workforce housing within the county. Out-of-county workers primarily come from Greenville County, but thousands also come from Cherokee, Anderson, Union, and other counties. This data point signifies that appropriate workforce housing is not available in nearly every direction.



Residents of Spartanburg County also often commute outside the county for jobs. Over 60,000 workers are unable to find appropriate jobs within Spartanburg County. Only 53% of residents both work and live within Spartanburg County.

### Map 7: Inflow/Outflow Job Counts in 2020



Source: onthemap.ces.census.gov; Longitudinal Employer-Household Dynamics (LEHD)

**Labor Force Participation**

Labor force participation rates are similar across the bordering counties with the exception of Greenville County’s higher labor force in terms of persons and percentage. Spartanburg County has a higher percentage not in the labor force compared to the state. But as noted previously, Spartanburg County’s increased job growth rate and economic development investments were highlighted as a statewide leader. The labor force participation estimates must account for current rates in combination with anticipated growth over the next five to ten years.

**Table 4: Labor Force Participation by County, Population 16 and Older**

LOCATION	ESTIMATE IN LABOR FORCE	PERCENTAGE EMPLOYED	PERCENTAGE NOT IN LABOR FORCE
SPARTANBURG COUNTY, SC	159,134	58.9%	37.9%
GREENVILLE, COUNTY, SC	269,064	62.6%	34.8%
LAURENS COUNTY, SC	30,393	52.9%	43.4%
UNION COUNTY, SC	12,169	50.2%	44.7%
STATE OF SOUTH CAROLINA	2,479,690	56.5%	39.5%
<b>NORTH CAROLINA BORDERING COUNTIES</b>			
POLK COUNTY, NC	8,955	51.7%	46.2%
RUTHERFORD COUNTY, NC	27,897	49.5%	47.2%

Source: United States Census Bureau ACS 2017-2021 (DP03)

### Jobs by Industry

The table below outlines the labor statistics in Spartanburg County by industry. The largest industries — education and health care services and manufacturing – account for over 41% of jobs. The third-largest job-producing industry is retail trade (11.3%), followed by professional, scientific, administrative and waste management (a cumulative 8.9%). According to the U.S. Bureau of Labor Statistics, the fastest growing sector in the U.S. is education and health care services, particularly the latter, while manufacturing is by far the most-rapidly declining sector.

Table 5: Jobs by Industry

INDUSTRY	SOUTH CAROLINA		SPARTANBURG COUNTY	
	Total	%	Total	%
AGRICULTURE, FORESTRY, FISHING AND HUNTING, AND MINING	20,276	0.88%	959	0.64%
CONSTRUCTION	161,626	6.99%	8,856	5.87%
MANUFACTURING	311,184	13.45%	30,824	20.42%
WHOLESALE TRADE	54,225	2.34%	4,270	2.83%
RETAIL TRADE	266,677	11.53%	17,037	11.29%
TRANSPORTATION AND WAREHOUSING, AND UTILITIES	124,517	5.38%	10,348	6.86%
INFORMATION	34,868	1.51%	2,377	1.57%
FINANCE AND INSURANCE, AND REAL ESTATE AND RENTAL AND LEASING	135,603	5.86%	7,325	4.85%
PROFESSIONAL, SCIENTIFIC, AND MANAGEMENT, AND ADMINISTRATIVE AND WASTE MANAGEMENT SERVICES	248,126	10.73%	13,375	8.86%
EDUCATIONAL SERVICES, AND HEALTH CARE AND SOCIAL ASSISTANCE	510,451	22.07%	31,487	20.86%
ARTS, ENTERTAINMENT, AND RECREATION, AND ACCOMMODATION AND FOOD SERVICES	226,013	9.77%	12,082	8.00%
OTHER SERVICES, EXCEPT PUBLIC ADMINISTRATION	116,197	5.02%	7,632	5.06%
PUBLIC ADMINISTRATION	103,615	4.48%	4,368	2.89%
<b>CIVILIAN EMPLOYED POPULATION 16 YEARS AND OVER</b>	<b>2,313,378</b>	<b>100.0%</b>	<b>150,940</b>	<b>100.0%</b>

Source: United States Census Bureau ACS 2017-2021 (DP03)

## Trends in Housing Supply and Demand

### *Housing Stock*

Throughout Spartanburg County, one-unit detached structures make up a majority of all housing units. Since 2010, the housing stock in the county has grown from 121,137 units to 135,067 units.

HUD defines a single-family structure as a structure with one to four units. Using that definition, approximately 79.6% of all housing units are single-family. The overall trend is towards more single-family units and multifamily developments with over 20 units. An important group of property types are called the “missing middle” and represent housing types that are neither 1-unit or large complexes with 20 or more units. These units tend to provide affordable housing options for many residents but are rare in many communities. The availability of missing middle housing has decreased with a reduction of over 1,000 units in 5–19-unit developments.

Table 6: Property Type in 2010 and 2021

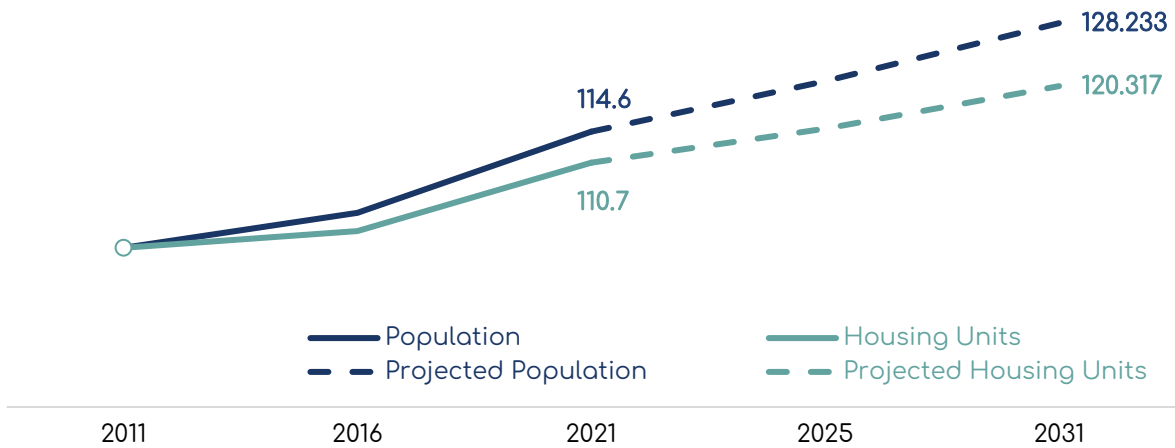
PROPERTY TYPE	2010		2021	
	Number	Percentage	Number	Percentage
1-UNIT, DETACHED STRUCTURE	84,045	69.4%	98,072	72.6%
1-UNIT, ATTACHED STRUCTURE	2,040	1.7%	2,907	2.1%
2 UNITS	3,213	2.7%	3,679	2.7%
3 OR 4 UNITS	2,715	2.2%	2,811	2.1%
5-9 UNITS	4,692	3.9%	3,868	2.9%
10-19 UNITS	2,715	2.2%	2,426	1.8%
20 OR MORE UNITS	2,791	2.3%	4,178	3.1%
MOBILE HOME	18,887	15.6%	17,098	12.7%
BOAT, RV, VAN, ETC.	39	0.0%	28	0.0%
<b>TOTAL</b>	<b>121,137</b>	<b>100.0%</b>	<b>135,067</b>	<b>100.0%</b>

Source: 2006-2010, 2017-2021 ACS 5-Yr Estimates (DP04)



In Spartanburg, between 2011 and 2021, the percentage change in the total number of housing units (10.7%) lagged behind the 14.6% increase in the population. When housing production does not keep up with demand it can lead to elevated prices and substandard living conditions. For a while a community can absorb the difference until running out of vacancy leads to significant affordable housing problems.

Chart 6: Relative Growth of Population, Employment and Housing Stock (Indexed)



Source: Census: Longitudinal Employer - Household Dynamics<sup>1</sup>

<sup>1</sup> Forecasted figures based on 10-year trendlines for population ( $y=7.3x+91.733$ ) and housing units ( $y=5.35+93.567$ )

In Spartanburg County there has been a move towards larger units with three or more bedrooms. In 2010, approximately 34% of the housing stock had 2 units or less but by 2021 it was to 28.7%. The largest change is in 2-bedroom units, there are 3,600 fewer 2-bedroom units now than in 2010. Smaller units tend to be more affordable and with fewer of them on the market LMI households may be priced out of safe and affordable housing.

Table 7: Unit Size

UNIT SIZE	2010		2021	
	Number	Percentage	Number	Percentage
NO BEDROOM	799	0.7%	1,872	1.4%
1 BEDROOM	6,349	5.2%	6,202	4.6%
2 BEDROOMS	34,214	28.2%	30,593	22.6%
3 BEDROOMS	61,198	50.5%	69,655	51.6%
4 BEDROOMS	15,222	12.6%	21,153	15.7%
5 OR MORE BEDROOMS	3,355	2.8%	5,592	4.1%
<b>TOTAL</b>	<b>121,137</b>	<b>100.0%</b>	<b>135,067</b>	<b>100.0%</b>

Source: 2006-2010, 2017-2021 ACS 5-Yr Estimates (DP04)

Like most communities, the housing stock is aging, and a significant number of units may be in need of repairs and updating. Currently, 41% of the housing stock was built prior to 1980. While many of these units are the most affordable units in a community, they are also the most likely to have a lead-based paint hazard.

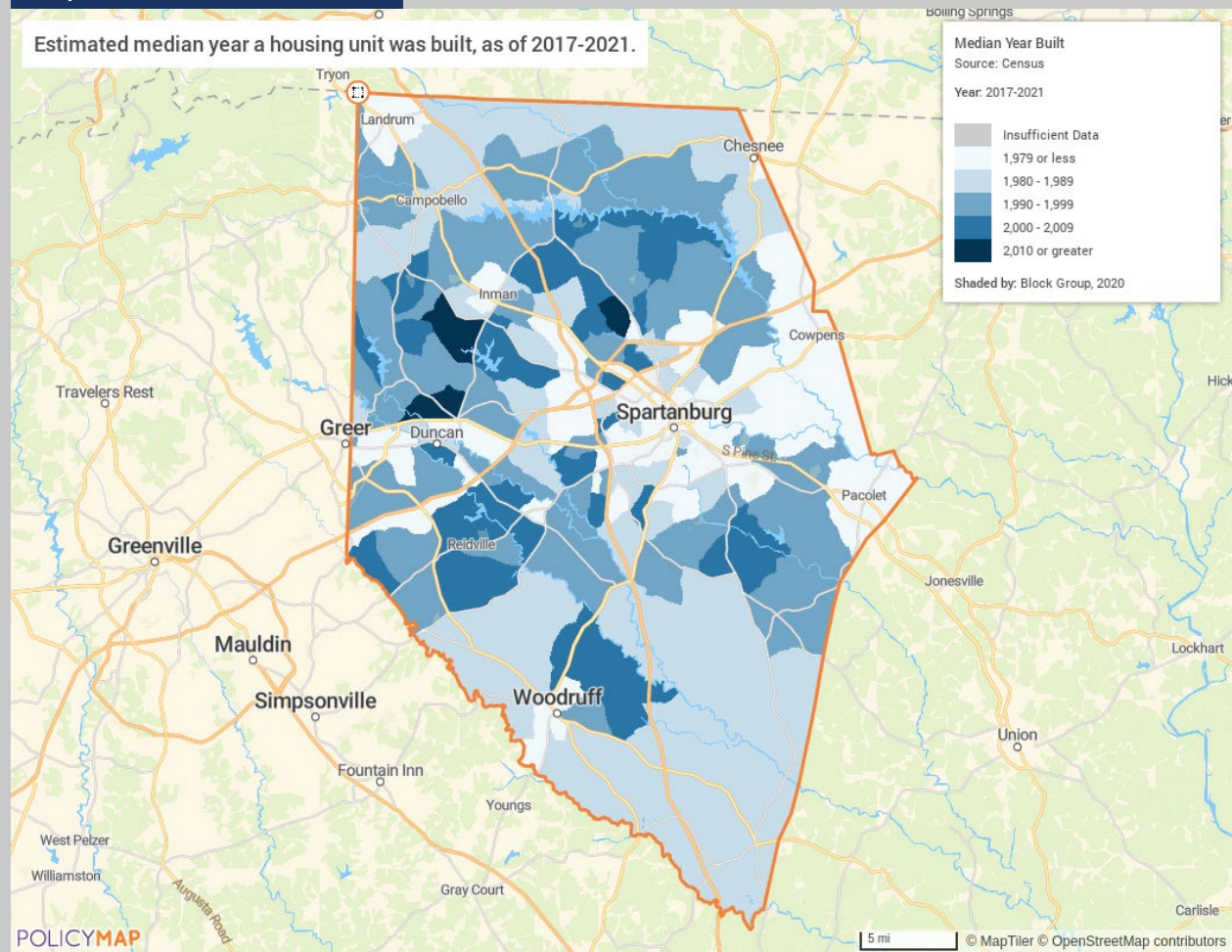
Table 8: Year Unit Built

YEAR UNIT BUILT	SPARTANBURG COUNTY		SOUTH CAROLINA	
	Number	Percentage	Number	Percentage
BUILT 2020 OR LATER	750	0.6%	7,737	0.3%
BUILT 2010 TO 2019	16,026	11.9%	270,879	11.7%
BUILT 2000 TO 2009	22,028	16.3%	432,551	18.6%
BUILT 1990 TO 1999	23,071	17.1%	427,479	18.4%
BUILT 1980 TO 1989	17,097	12.7%	359,005	15.4%
BUILT 1970 TO 1979	19,609	14.5%	323,172	13.9%
BUILT 1960 TO 1969	13,560	10.0%	197,863	8.5%
BUILT 1950 TO 1959	9,921	7.3%	149,417	6.4%
BUILT 1940 TO 1949	4,680	3.5%	64,960	2.8%
BUILT 1939 OR EARLIER	8,325	6.1%	92,185	4.0%
<b>TOTAL</b>	<b>135,067</b>	<b>100.0%</b>	<b>2,325,248</b>	<b>100.0%</b>

Source: 2017-2021 ACS 5-Yr Estimates (DP04)

The following map shows that older units are concentrated in the tracts around the City of Spartanburg and on the east side of the county. There are also pockets of older units near other urban centers. Older homes can play a role in preserving affordable housing, but also come with challenges, such as maintenance costs, due to having older plumbing, electrical, and HVAC systems. Older homes are often less energy-efficient than new builds, which may lead to higher heating and cooling costs.

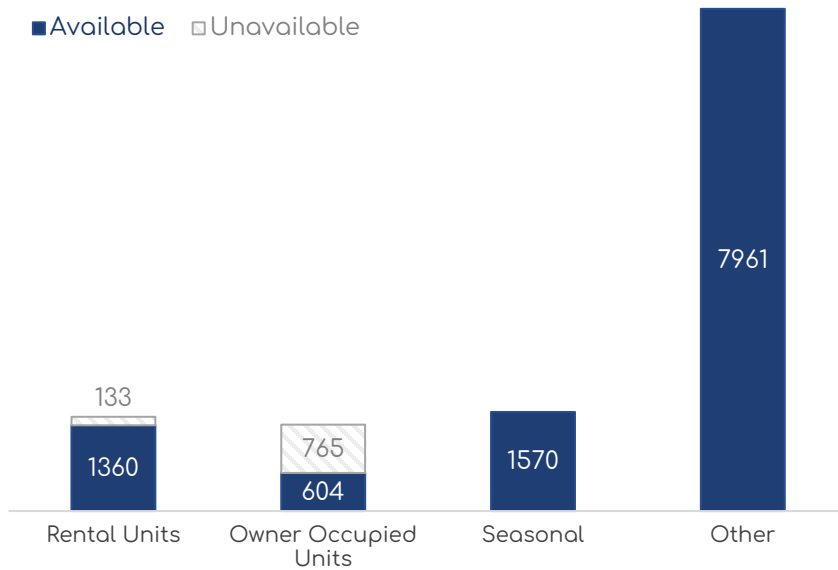
### Map 8: Median Year Built



### Vacancy

An important element of housing needs is the availability of vacant units. Vacant units provide an opportunity to support affordable housing without building new structures. The largest vacancy group in the county is classified as “Other”. Those 8,000 units are likely unfit for human habitation and may be viable for rehabilitation or affordable purchase.

Chart 7: Status of Vacant Units



Source: United States Census Bureau ACS 2017-2021 (B25004)



Nearly 8,000 units are available for affordable acquisition and rehabilitation opportunities.

*Housing Market Conditions*

County housing permits issued from November 2021 through February 2023 were analyzed to provide a profile of the type and value of housing that has been added or removed from the county. There were 2,730 housing units added to the Spartanburg County market during this period while there was a loss and/or demolition of 248 housing units. The majority of these new housing units (62.7%) were single family units; 18.5% were townhomes/duplexes; and 18% were mobile homes.

The value of the new units varied widely from an average of \$326,936 for the single-family units to \$66,848 for the mobile homes. This wide difference reveals that there are a limited number of homes priced between these high and lower home values, often referred to as the “missing middle”. Missing middle housing types provide diverse options, such as duplexes, fourplexes, cottage courts, and multiplexes. These buildings fit into existing or new residential neighborhoods and support walkability and local retail options. They provide a spectrum of affordability to address the mismatch between the available U.S. housing stock and shifting demographics combined with the growing demand for walkability.

In terms of price range for Spartanburg County, missing middle can be priced higher than the typical mobile home and less than the average new single-family home in the sales price range of \$150,000+ to \$300,000. The recently built 500 duplexes and townhome units fill an important segment of the housing market, yet they represent 18.5% of the units permitted during this time frame.

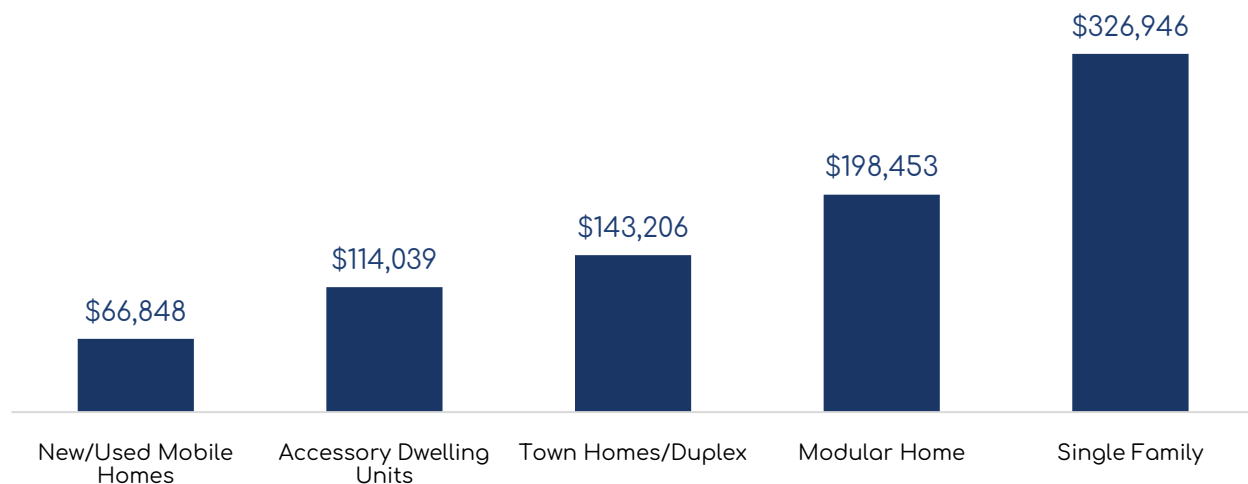
**Table 9: Housing Permits Issued December 2019 – February 2023**

HOUSING UNIT TYPE	NUMBER OF PERMITS ISSUED	AVERAGE PERMIT VALUE	PERCENT OF TOTAL NEW PERMITS
SINGLE FAMILY	1,700	\$326,946	62.7%
TOWNHOMES/DUPLEXES	500	\$143,206	18.5%
NEW/USED MOBILE HOMES	487	\$66,848	18.0%
MODULAR HOME	12	\$198,453	0.4%
DETACHED: ACCESSORY DWELLING UNITS	9	\$114,039	0.4%
TINY HOMES	2	n/a	0.01%
<b>TOTAL UNITS PERMITTED</b>	<b>2,710 units</b>	<b>\$283,057</b>	<b>100%</b>

HOUSING UNIT TYPE	NUMBER OF PERMITS ISSUED	AVERAGE PERMIT VALUE	PERCENT OF TOTAL NEW PERMITS
DEMOLITION SINGLE FAMILY	(131)	n/a	53%
DEMOLITION MOBILE HOME	(89)	n/a	36%
MOBILE HOME MOVED OUT OF SPARTANBURG COUNTY	(25)	n/a	11%
<b>HOUSING UNITS REMOVED FROM INVENTORY</b>	<b>(245)</b>	<b>n/a</b>	<b>100%</b>
<b>NET UNIT INCREASE / AVERAGE PERMIT VALUE</b>	<b>2,465 units</b>	<b>\$283,057</b>	<b>-</b>

The county's incorporated cities have been the leader in providing a wider variety of housing, especially rental units. The City of Spartanburg has recently planned 11 projects offering a mix of 979 apartments, homes and townhomes under construction or planning for development in the city. The largest is Liberty Street Apartments with 200 units. Others include Bon Haven with 150 units; Kennedy Street Apartments with 132 units; and Northside Station Apartments offering 90 units. In 2018, the City of Inman added 158 rental units at the Lofts at Inman Mills.

Chart 8: Average Permit Value of New Residential Units 2022



The March 2023 report from the County Planning Department identified a total of 2,963 housing units in various stages of planning. The mix of housing units included in this listing are:

Single-family Units	1,332	45.0% of total
Patio Homes	1,362	46.0% of total
Townhomes	264	8.9% of total
<u>Duplex Units</u>	<u>15</u>	<u>0.1% of total</u>
<b>Total</b>	<b>2,963 units</b>	

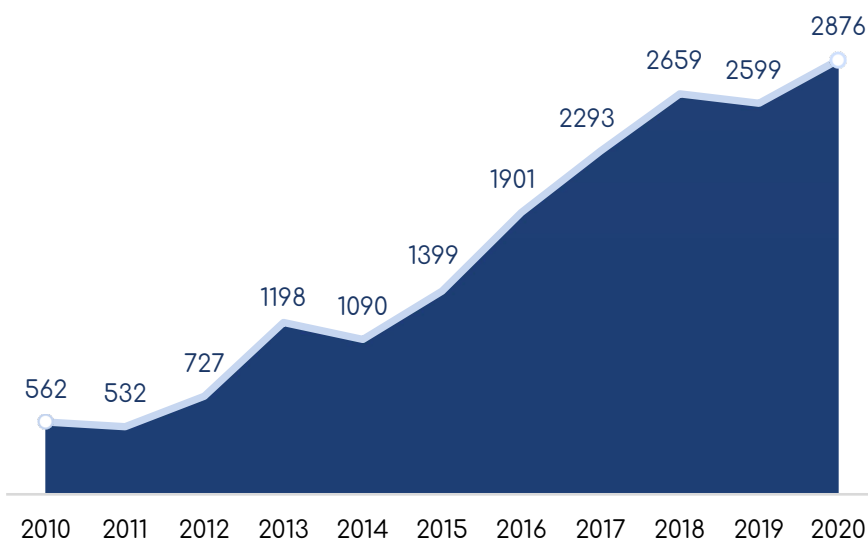
The county's effort to enact performance zoning across all portions of the county can stimulate and facilitate, in part, a wider variety of housing types and price ranges to serve the missing middle and achieve higher densities.

### *Housing Production*

According to the US Census Bureau, since 2010 construction permits have primarily been issued for one-unit structures since 2010. There were only 244 units in larger developments during that time and the vast majority were issued in 2013. As shown below, the price per unit is significantly lower for multi-unit structures.

The following graphs show the change in permits issued and average price per unit over time. Both show a steady increase since 2010. The price per unit jumps significantly in 2014 when only 1-unit permits were issued.

Chart 9: Total Residential Construction Permits Issued



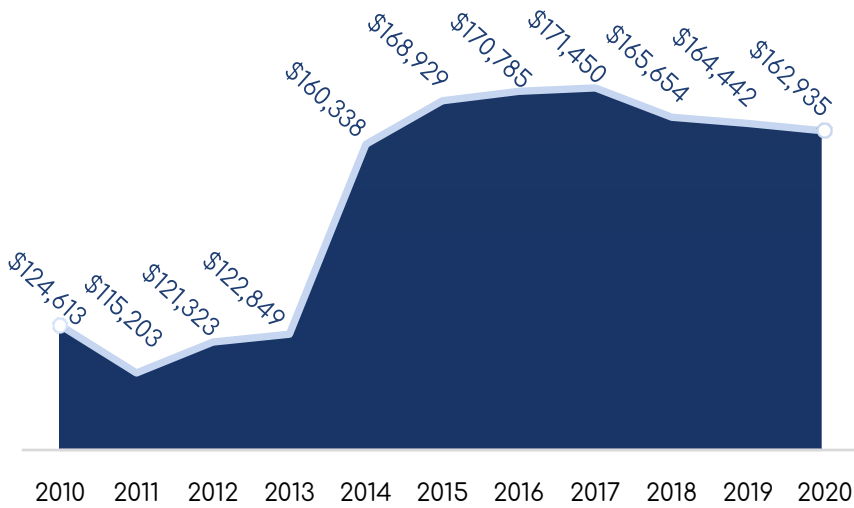
Source: US Census Bureau, Building Permits Survey



The South Carolina Housing Finance and Development Authority scores counties needs for low-income housing tax credits. In 2023 Spartanburg County was scored 8/10 based on Affordable Housing Shortages.



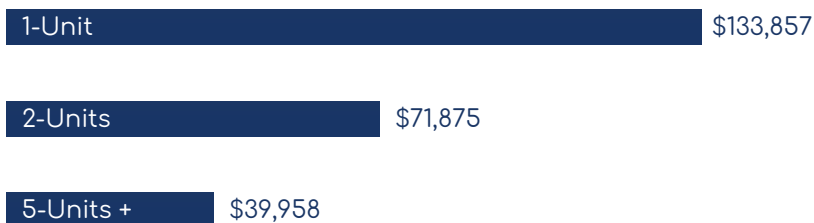
Chart 10: Price Per Unit



Source: US Census Bureau, Building Permits Survey

As noted above, the price per unit for multiunit structures is significantly less. Developing multi-unit structures can help provide affordable housing, as long as they are not targeted at high-income households. It is a common practice for communities to develop high-end condos that are unaffordable to many households. As a result, the supply-demand imbalance in affordable housing worsens, leaving many households with limited options and potentially leading to an increase in homelessness or overcrowded living conditions.

Chart 11: Price Per Unit by Housing Type Average, 2010-2020



Source: US Census Bureau, Building Permits Survey  
 Note: There were no 3-4 unit housing permits from 2010-2020.



It is a common practice for communities to develop high-end condos that are unaffordable to many households.

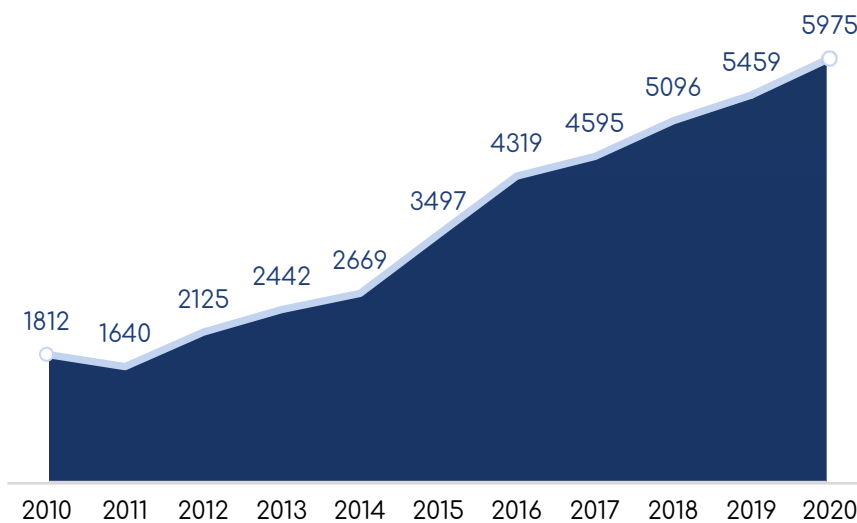
### Origination for Purchase

The demand for home loans continues to rise throughout the county. Since 2011 the number of originations for purchase has grown substantially from less than 2,000 to approximately 6,000. This is a signal of the demand for owner-occupied units in Spartanburg County. As noted above, there is only approximately 1,500 vacant owner-occupied units and building permits for 2,900 units in 2020. That means there is a dearth of approximately 1,600 units if every new unit went to owner-occupied housing and every vacant unit was filled. The reality is that the disconnect between demand and supply is much greater than that.



There is a dearth of approximately 1,600 units if every new unit went to owner-occupied housing and every vacant unit was filled.

Chart 12: Originations for Purchase



Source: FFEIC via PolicyMap Home Mortgage Report

**Future Housing Needs**

The future housing needs are driven by the projected rapid growth in the county. The South Carolina Revenue and Fiscal Affairs Office project’s population growth for the state and its counties, and Spartanburg County’s population is projected to increase by 37.2% or an additional 120,034 residents by 2035. This growth rate is three times the growth rate of South Carolina. Equally significant is the state projects the county’s population of 65 years and over to grow at an even faster rate than the county, or by 23,409 by 2035.



Housing supply is not keeping up with the current demand.

Table 10: Projected Population 2021 – 2035

YEAR	SOUTH CAROLINA	SPARTANBURG COUNTY	SPARTANBURG COUNTY AGES 65 YEAR AND ABOVE
2021	5,193,266	322,864	55,137
2025	5,366,452	364,313	61,747
2030	5,601,742	402,201	70,667
2035	5,827,845	442,898	78,546
<b>2021 – 2035</b>	<b>634,579</b>	<b>120,034</b>	<b>23,409</b>
<b>AVERAGE PER YEAR</b>	<b>45,327</b>	<b>8,574</b>	<b>1,672</b>
<b>2021 – 2035 % CHANGE</b>	<b>12.2%</b>	<b>37.2%</b>	<b>42.5%</b>

Source: U.S. Census; South Carolina Revenue & Fiscal Affairs Office.

This large increase in population generates a significant demand for all types of new single family and multi-family rental housing or an average construction of 3,100 to 3,200 housing units per year through 2035. This demand includes approximately 34,010 owner-occupancy units and 13,094 units for renter households.

Table 11: Projected Housing Demand by Occupancy through 2035

HOUSING DEMAND FACTOR	TOTAL / HOUSING UNITS	OWNER-OCCUPIED UNITS (72.3% OF TOTAL)	RENTER-OCCUPIED UNITS (27.7% OF TOTAL)
NET PROJECTED POPULATION 2021-2035	120,034 persons	-	-
AVERAGE HOUSEHOLD SIZE	2.59 persons per household	2.63 persons per household	2.48 persons per household
PROJECTED HOUSEHOLDS (B)	46,345 households	33,674 households	12,671 households
EQUALS SUB-TOTAL HOUSING UNIT DEMAND	46,345 units	33,674 units	12,671 units
PLUS 2021 VACANCY ALLOWANCE (BASED ON 125,138 HABITABLE UNITS)	Vacant units Owner: 1.5%=1,360 units Renter: 2% = 604 units Total: 1,964 units	@ 1.5% = +500 units	@ 2.0% = 255 units
<b>TOTAL PROJECTED HOUSING DEMAND 2021 – 2035</b>	<b>47,100 units</b>	<b>34,174 units</b>	<b>12,926 units</b>
<b>AVERAGE ANNUAL HOUSING DEMAND</b>	<b>3,100 – 3,200 units</b>	<b>2,200 - 2,300 units</b>	<b>850 - 900 units</b>

Source: U.S. Census; American Community Survey 2017 – 2021.

To meet this on-going demand for housing, especially affordable housing and housing for persons 65 years and above, it will be critical for the majority of the housing units to be generated in larger scale multi-family developments by the private sector. The county has been very successful in recent years utilizing a range of local and state financial tools to attract new industry. The same attention and effort are needed to incentivize private developers and nonprofits to construct new housing and/or rehabilitate affordable housing.

### *The “Missing Middle”*

Part of addressing the housing needs of the community is recognizing that it is necessary to have a diverse range of unit types. It is common to focus only on single-family detached houses or large multi-unit structures, while neglecting the variety of housing structures that exists between the two extremes. Duplexes, fourplexes, townhouses, live-work units, and others are overlooked, despite the ability of these unit types to provide variety and value to residents. These overlooked units are often referred to as the “Missing Middle” housing types.

*While the concept of the Missing Middle originally referred to medium-density housing designs, it has now come to encompass the affordability challenges experienced by middle-income households and families seeking urban living options. Traditionally, medium-density housing was considered a more affordable alternative to single-family homes. However, due to a decrease in construction rates and a surge in demand, the existing supply of Missing Middle housing has seen significant price escalations, particularly in metropolitan areas.<sup>2</sup>*

For the purpose of this report, Missing Middle housing is any type with 2 to 19 units. In Spartanburg County, approximately 9.5% of all housing units are currently missing middle. That is a decrease from 11% in 2010. Not only has the representation of missing middle units decreased but the actual number of units available decreased by over 500 units. By comparison, approximately 12% of units statewide and 17% nationally are missing middle.

With the growth of workers who work from home, it is increasingly necessary for communities to have a large stock of missing middle units. In Spartanburg County, the percentage of workers who worked from home increased from 2.2% to 5.7% since 2010. This demographic is going to continue to grow due to increased availability of remote jobs, which allows current

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<sup>2</sup> Parolek, D. (2019). Missing Middle Housing. Retrieved from OpticosDesign website: <https://missingmiddlehousing.com/>



*“Many seniors are going into assisted living even if they do not need that level of care because they cannot find housing.”*

- Local  
Nonprofit

Spartanburg residents to work from home and allows workers from outside the county to move away from expensive areas to more affordable areas. A new economic reality is that communities across the country are competing to attract workers, many of whom have well-paying jobs. That means that an area that does not provide housing variety will both lose some workers and will not attract new workers.

An additional desire of many households, particularly younger generations and newly retired workers, is walkable communities. Research conducted by the National Association of Realtors found that residents who live in walkable communities are much more likely to be very satisfied with their quality of life than those that live in communities that are not walkable. A community with proximal access to groceries, services, and social opportunities without needing to drive often is increasingly desirable. Missing middle housing is much more conducive to walkable communities due to the relatively low production cost and lot size.

In South Carolina, the average lot size is 13,068 square feet. That lot could have a single-family home, or it could have a duplex, triplex, or fourplex on it. Increasing density is a better use of valuable space and, as noted in the Housing Production section, reduces the per-unit cost of housing. Housing regulations and zoning should allow multiuse developments when possible. Communities could also invest grant funds to the construction and maintenance of missing middle housing to get a better return on investment.

*Housing Costs*

The following two tables compare median contract rent and median home value with the median household income. While this is an important factor to consider it is worth noting that the median price of something does not tell the whole story. The deviation between low and high prices, particularly when they are linked to race or ethnicity, can provide valuable context. Housing prices and median income were growing similarly with relative stability until 2016, at which point prices and incomes started to increase to the current high levels.

Table 12: Housing Costs in 2010 and 2021

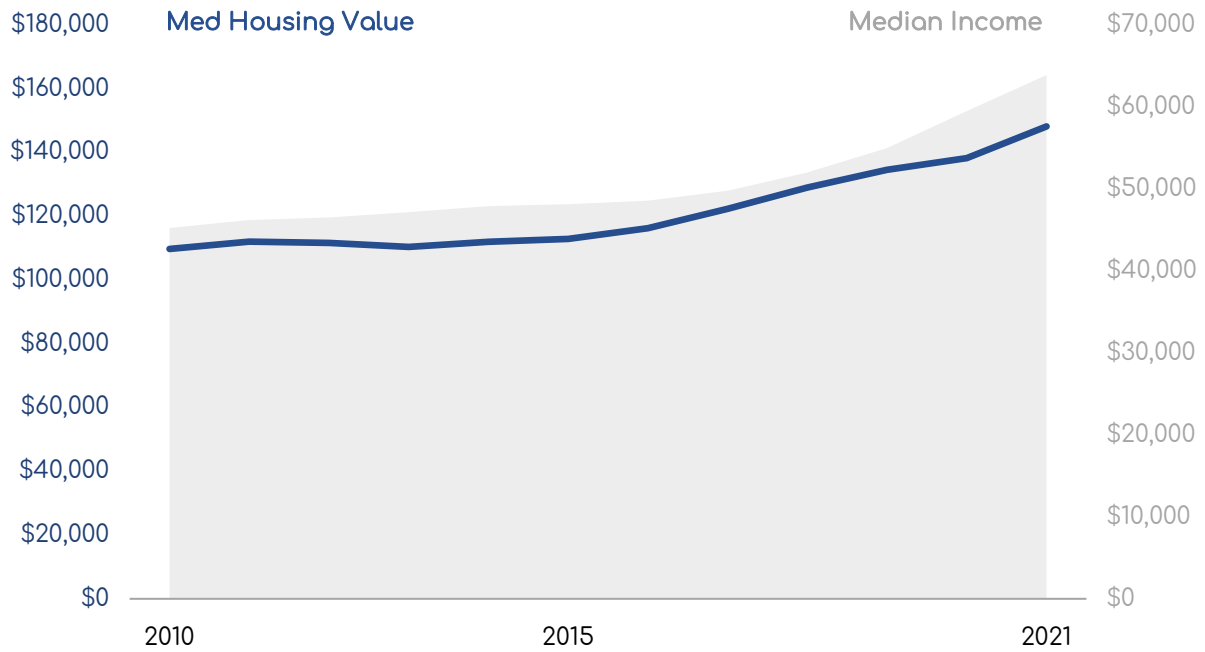
HOUSING COSTS	2010	2021	% CHANGE
MEDIAN HOME VALUE	\$116,300	\$164,300	41.3%
MEDIAN CONTRACT RENT	\$480	\$681	41.9%

Source: 2006-2010, 2017-2021 ACS 5-Yr Estimates (DP04, B25058)



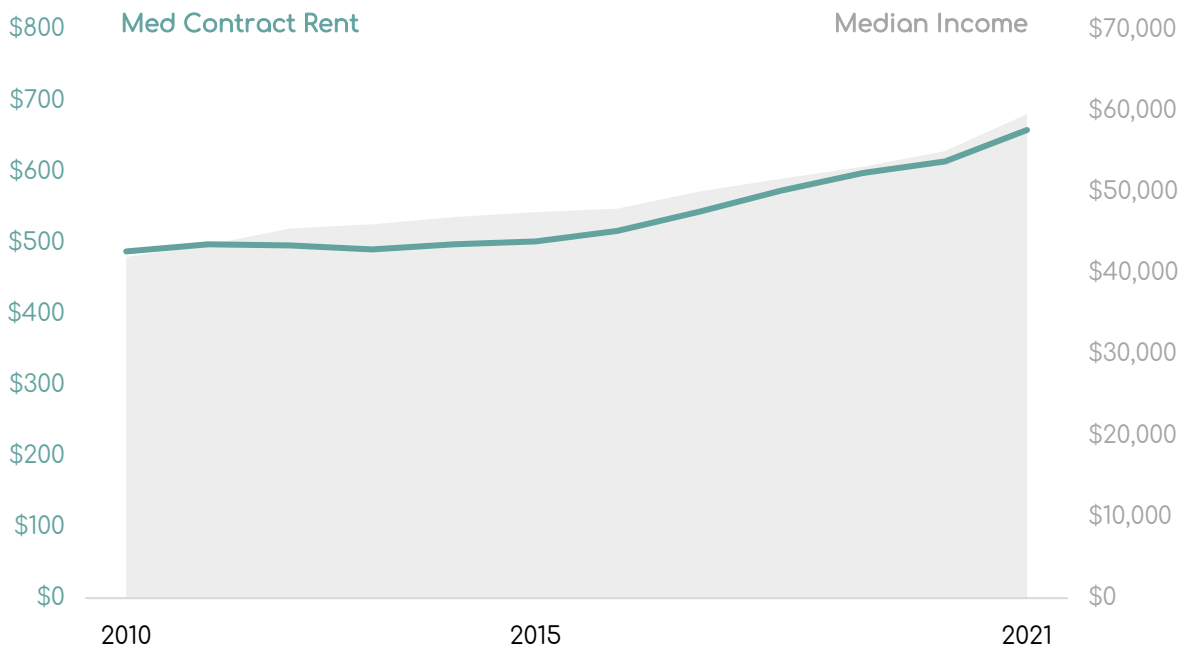
Home values and contract rents have increased at a similar rate since 2010.

Chart 13: Median Housing Value and MHI from 2010 to 2021



Source: 2006-2010 to 2017-2021 ACS 5-Yr Estimates (DP03, DP04)

Chart 14: Median Contract Rent and MHI from 2010 to 2021



Source: 2006-2010 to 2017-2021 ACS 5-Yr Estimates (DP03, DP04)



*Median Home Value*

The median home value can be a useful data indicator for changes over time. However, the availability of units in a variety of housing prices is more important than just the median value, particularly for low- and moderate-income households. The availability of units priced lower than \$150,000 fell between 2010 and 2021. Over 12,000 units are no longer available at that price range. The price cohort that saw the largest increase was the \$200,000 to \$299,999 range that doubled in size.

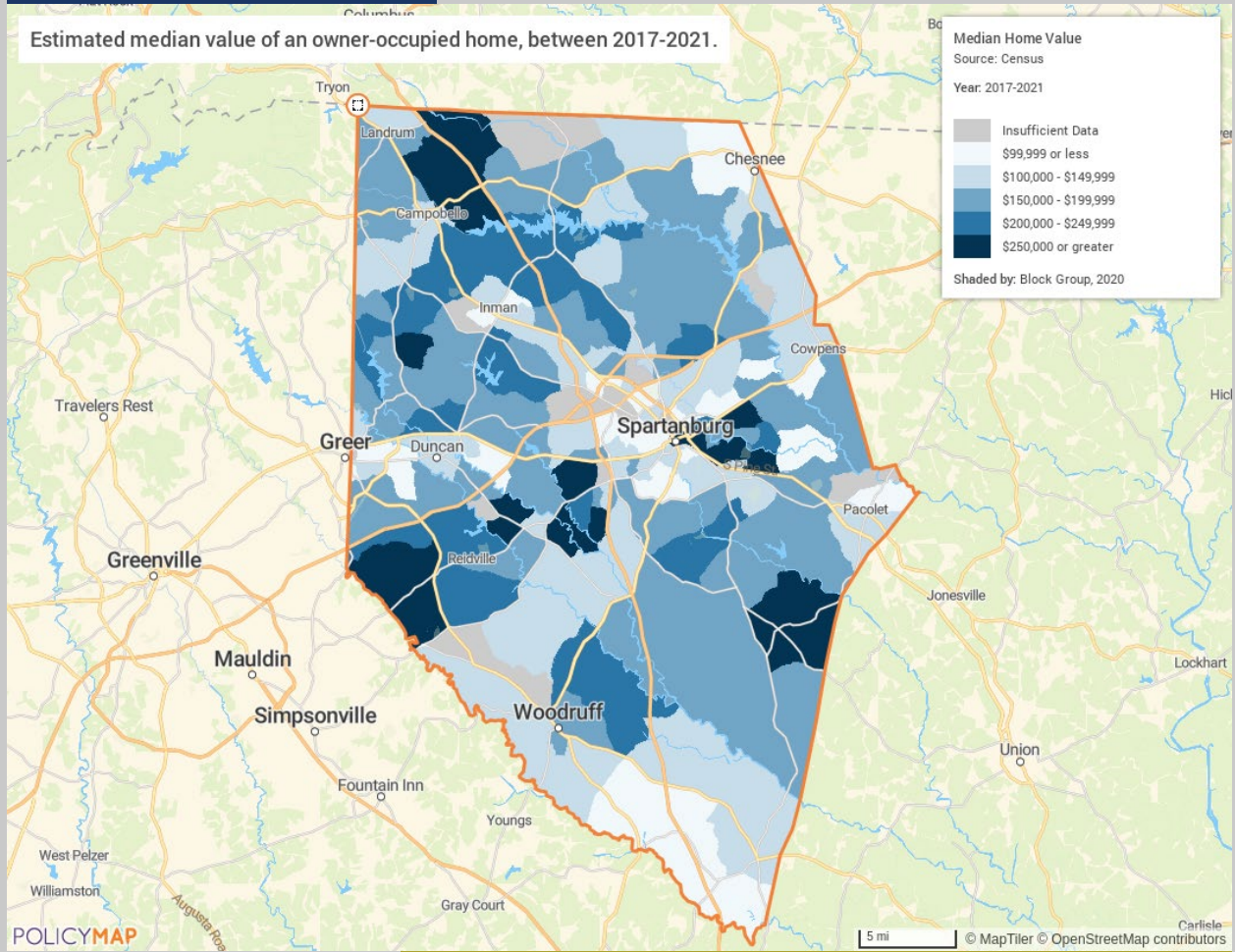
Table 13: Home Value in 2010 and 2021

MEDIAN HOME VALUE	2010		2021	
	Number	Percentage	Number	Percentage
LESS THAN \$50,000	10,158	13.4%	7,437	8.4%
\$50,000 TO \$99,999	20,942	27.6%	12,771	14.5%
\$100,000 TO \$149,999	19,169	25.3%	18,056	20.5%
\$150,000 TO \$199,999	10,900	14.4%	17,753	20.1%
\$200,000 TO \$299,999	8,204	10.8%	18,767	21.3%
\$300,000 TO \$499,999	4,417	5.8%	9,815	11.1%
\$500,000 TO \$999,999	1,550	2.1%	3,021	3.4%
\$1,000,000 OR MORE	425	0.6%	643	0.7%
<b>TOTAL UNITS/MEDIAN VALUE</b>	<b>75,765</b>	<b>100.0%</b>	<b>88,263</b>	<b>100.0%</b>

Source: 2006-2010, 2017-2021 ACS 5-Yr Estimates (DP04)

## Map 9: Median Home Value

Estimated median value of an owner-occupied home, between 2017-2021.



Source: United States Census Bureau ACS 2017-2021 via PolicyMap

### Real Estate Market

The U.S. housing market experienced a turbulent year in 2022, as the impacts of inflation, higher interest rates, and elevated home sales prices combined to cause a real estate slowdown nationwide. Affordability challenges continue to limit market activity, especially for households with fixed income or stagnant wage growth. Higher mortgage rates are also impacting prospective sellers, many of whom have locked in historically low rates and have chosen to delay listing their home until market conditions improve. This delay can often impact the supply inventory and cause prices to increase should demand rise. In 2022, Spartanburg was the top area in the state for the rate of change in New Listings from 2021 (+5.6%). Recently, inventory has not stayed on the market very long in recent times. The average days on the market for sold houses in Spartanburg went from 102 days in 2017 to 16 days in 2022. The year 2021 averaged 19 days on the market.

### Home Sales<sup>3</sup>

The median sales price and average sales price underscore the limits of U.S. Census survey information for median home value. While ACS 2021 estimated the median home value in Spartanburg County at \$164,300, the 2021 median sales price of \$227,000 and the average sales price of \$253,125 in the same year highlight the affordability challenges for many households. The 2022 median sales price (\$269,000) is up + 14.5% since 2021 and has increased +53.9% since 2018.



2022 average home sales price of \$287,055 is out of range for over 70% of Spartanburg County households.

Table 14: Spartanburg Area Historical Median Prices

YEAR	2018	2019	2020	2021	2022
MEDIAN SALES PRICE	\$168,900	\$179,900	\$199,900	\$227,000	\$269,000
AVG SALES PRICE	\$186,628	\$196,054	\$219,198	\$253,125	\$287,055

Source: Spartanburg Association of REALTORS®

<sup>3</sup> All data in this section is provided by the Spartanburg Association of REALTORS® Multiple Listing Service. Report © 2023 Current as of February 10, 2023.

### *Impact of Increased Mortgage Rates*

Higher interest rates increase the cost of financing across all segments of the real estate market and further exacerbate barriers to entry for many households looking to purchase a home. For many individual households, the recent increase in interest rates is significantly impacting affordability and economic mobility.

By comparing the expected monthly costs for someone buying a home in 2020 with the expected costs in 2022 the severe impact becomes clear. In 2020, the average interest rate was 3.10%<sup>4</sup> and median sales price was \$199,990, which translates to an expected monthly payment of \$683 per month. Just two years later in 2022 the average interest rate went up to 5.34% and median sales price increased to \$269,000. These two increases combined mean the expected monthly cost is \$1,200 per month. This represents over a 75% increase in the monthly mortgage payment in just two years. The dual impact exacerbates the affordability of owner-occupied housing and often leads to more households seeking rental properties, remaining in current housing (whether owner-occupied or rental), or overcrowding.

### *Naturally Occurring Affordable Housing*

Naturally occurring affordable housing (NOAH) refers to rental properties that are already affordable without the need for government subsidies or incentives. These properties are typically privately owned and managed, and are affordable due to factors such as age, location or condition. For example, older buildings that may have lower rents due to their age and lack of modern amenities, or properties located in less desirable areas that have lower rental rates. In some cases, landlords may also opt to keep rents lower as a way to retain long-term tenants and avoid vacancies.

NOAH is important as it provides an option for people with limited incomes to find affordable housing without relying on government support. It also helps to prevent displacement of low-income residents in gentrifying neighborhoods, as these properties are typically not as attractive to developers. However, NOAH is not a guarantee and is subject to market fluctuations and landlord decisions. As market demand and property values increase, there is a risk that NOAH properties could become unaffordable.

NOAH buildings, which do not benefit from federal subsidies, have largely been left out of the emergency assistance programs implemented during the COVID-19 pandemic. This exclusion created a vulnerable situation for landlords of NOAH buildings, as they may

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<sup>4</sup> <https://themortgagereports.com/61853/30-year-mortgage-rates-chart>

face financial challenges. Taking advantage of this situation, real estate investors who can provide capital in exchange for ownership may target these landlords. Developers are often more incentivized to acquire buildings, make upgrades to the units, and subsequently charge rents that exceed the financial means of current residents.

The recent rise in interest rates can also create significant challenges for the maintenance and availability of naturally occurring affordable housing, further leading to a reduction in the amount of affordable housing available in the county. Rising interest rates sometimes lead to higher mortgage payments for many property owners. This can make it more difficult for them to maintain affordable rents for their tenants, as they may need to increase rents to cover their increased costs. Spartanburg County residents and stakeholders have both cited increased rents over the last two years as a major impact to affordability. This rent increase results in a reduction in the availability of affordable housing in the market.

Furthermore, increasing interest rates and its implications for the NOAH market also impact the supply and demand dynamics of the broader housing market. When interest rates rise, homeowners are less inclined to downsize or engage in transactions such as selling or renting out their current homes. They tend to postpone these actions until more favorable interest rates become available. Consequently, this delay reduces the potential supply of affordable homes. Lastly, as mortgage rates increase, it becomes more expensive for potential buyers to finance the purchase of homes. Consequently, some individuals may choose to remain renters in NOAH units instead, resulting in a reduced turnover of these rental properties. This increased demand for rental units, combined with limited rental availability, puts strain on the affordability of rental units across various price points.

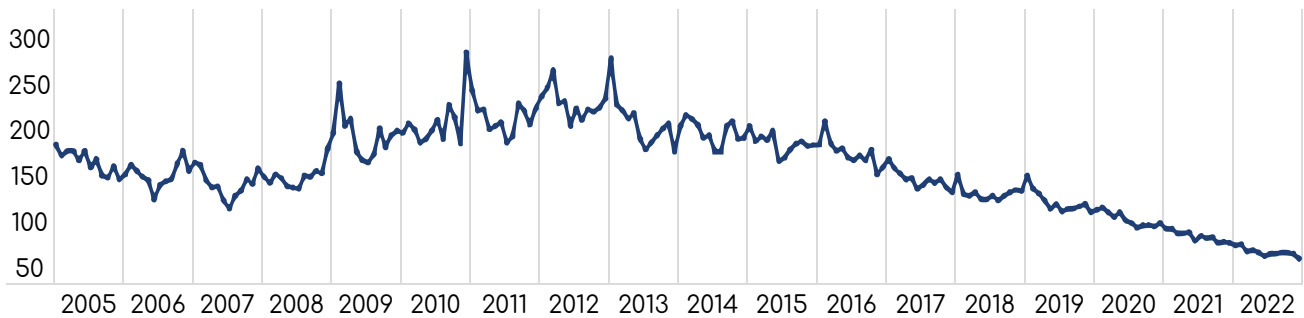


Higher interest rates impact both sides of the NOAH market by pushing potential homeowners to renting and by preventing current homeowners from selling or providing properties.

### *Housing Affordability Index*

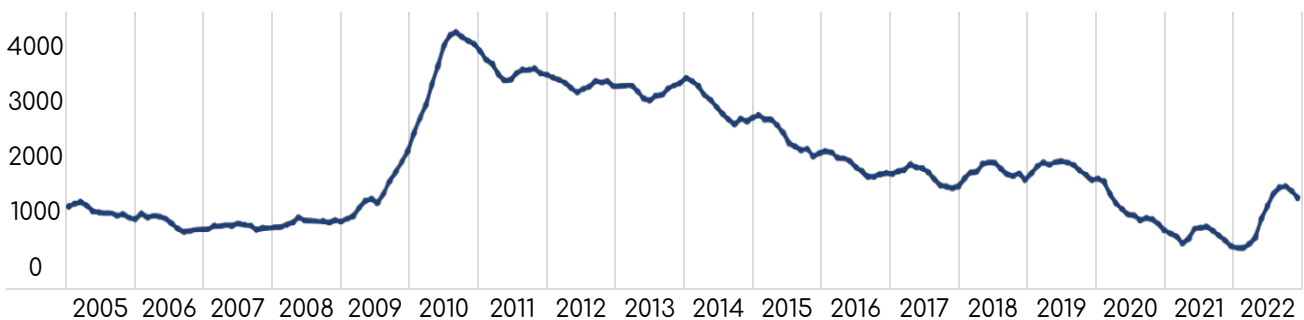
The Housing Affordability Index measures whether or not a typical family earns enough income to qualify for a mortgage loan on a typical home at regional level, based on the most recent price and income data. A higher number means greater affordability. For example, an index of 120 means the median household income is 120% of what is necessary to qualify for the median-priced home under prevailing interest rates. The affordability index in Spartanburg has fallen gradually since 2013. A high index yearly average of 153 in 2017 dropped every year until it reached its lowest in over 15 years at 91 in 2022. This highlights the escalating lack of affordability in the county in recent years, regardless of household income.

Chart 15: Historical Housing Affordability Index by Month



Source: Spartanburg Association of REALTORS®

Chart 16: Historical Inventory of Homes for Sale by Month

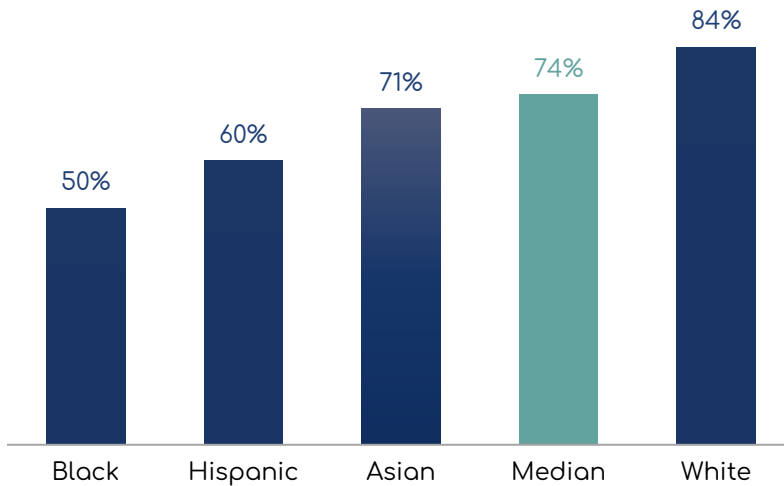


Source: Spartanburg Association of REALTORS®

### Homeownership and Demographics

There is a significant relationship between race or ethnicity and home ownership. Countywide, approximately half of all Black or African American households are in owner-occupied units. This is the lowest rate and significantly lower than White households where 84% are owner-occupied. An additional look at the relationship between race and home ownership can be found in the HMDA section of this analysis.

Chart 17: Percent of Population Living in Owner-Occupied Units by Race/Ethnicity



Source: United States Census Bureau ACS 2017-2021 (S2502)



*“A large barrier for potential homebuyers is high rental cost that drives inability to save for down payment.”*

- For-profit Affordable Housing Developer

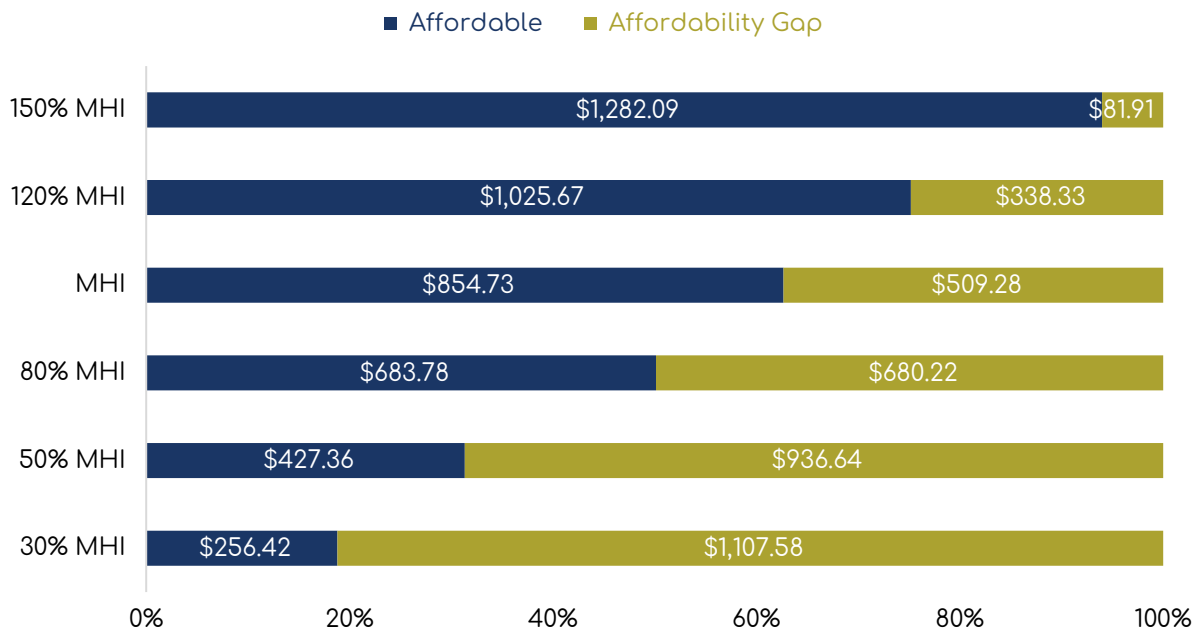
*“I would like to see more programs that promote home ownership programs.”*

- Spartanburg County Resident

### Ownership Affordability Gap

Home ownership continues to be the best way to create generational wealth. Housing costs for homeowners are greater than renters, but a significant amount of those costs are recouped upon selling the unit or disappear after the mortgage is paid off. Homeowners have physical property that provides financial stability. When the average utility costs are added to the average owner costs the total cost is \$1,364 per month and an income of approximately \$55,000 is required. This makes the affordability gap for current renters even larger to cover ownership costs. A renter would need to make over 150% MHI in order to afford the costs. Even if a renter wanted to transition to home ownership, fewer than one-third have an income large enough to cover home ownership costs.

Chart 18: Ownership Affordability Gap – Current Renters



Given the higher monthly costs, home ownership is extremely difficult to obtain for current renters. Renters are less likely to be able to meet ownership costs even if saving for a down payment was not a necessity, but it is. The average sale price was \$269,000, which means the recommended down payment of 20% would require saving \$53,800. The following table shows how long a household would need to save if they currently lived in a unit that was affordable and they could save 20% of their income. Even with these generous assumptions it would take a median income renter nearly 8 years of savings without any changes or unexpected disruptions. Home ownership is clearly out of reach for the vast majority of renters, even those who have a household income above the median rate.

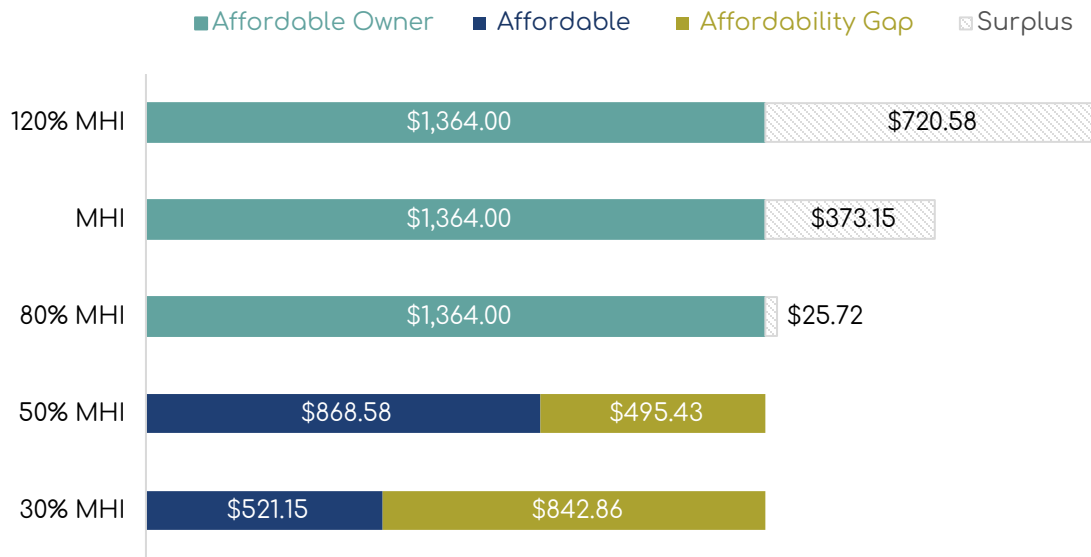


Table 15: Home Purchase Savings Requirement

ESTIMATED MONTHS REQUIRED	
30% MHI (RENTER)	315
50% MHI (RENTER)	189
80% MHI (RENTER)	118
MEDIAN HOUSEHOLD INCOME (RENTER)	94
120% MHI (RENTER)	78

Due to current homeowners' higher incomes, they are in a much stronger position to purchase a new home. Most current homeowners can afford the housing costs without being burdened. Additionally, they can use their current home as an asset to cover the down payment, often with an additional surplus from the sale.

Chart 19: Ownership Affordability Gap – Current Homeowners



**Median Rent**

Much like housing value, the median rent has been trending upwards since 2010. There are over 5,000 fewer units priced under \$1,000 than previously. The largest change was the \$1,000 to \$1,499 price cohort that now makes up over one-quarter of all rental units.

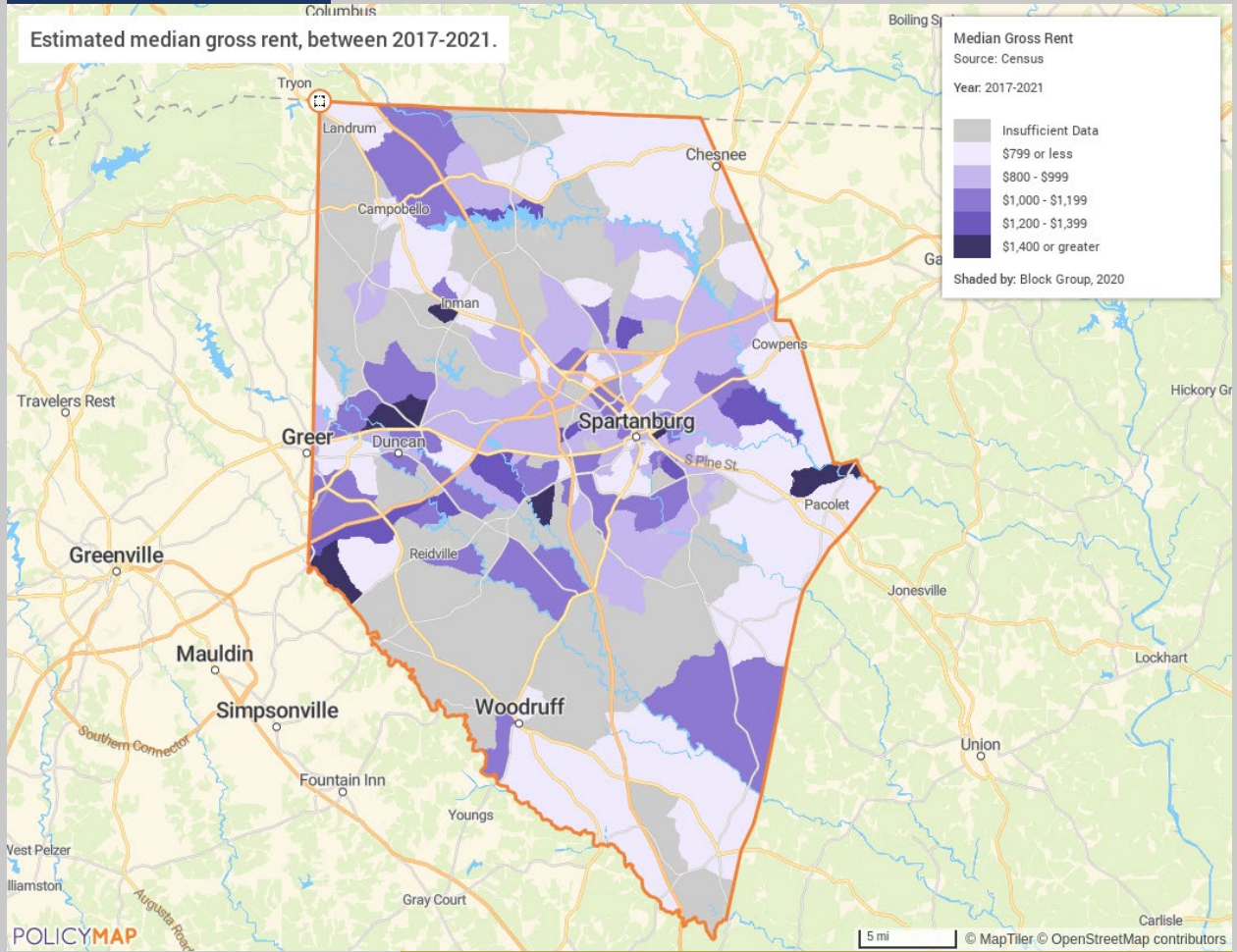
**Table 16: Rent**

RENT	2010		2021	
	Number	Percentage	Number	Percentage
OCCUPIED UNITS PAYING RENT	28,090	-	30,629	-
LESS THAN \$500	7,595	27.0%	3,578	11.7%
\$500 TO \$999	17,698	63.0%	16,484	53.8%
\$1,000 TO \$1,499	2,431	8.7%	8,532	27.9%
\$1,500 OR MORE	366	1.3%	2,035	6.6%
<b>MEDIAN (DOLLARS)</b>	621	-	878	-
NO RENT PAID	2,542	-	3,152	-

Source: 2006-2010, 2017-2021 ACS 5-Yr Estimates (DP04)  
 Note: Median rent is calculated based solely on those renters actually paying rent.

# Map 10: Median Rent

Estimated median gross rent, between 2017-2021.



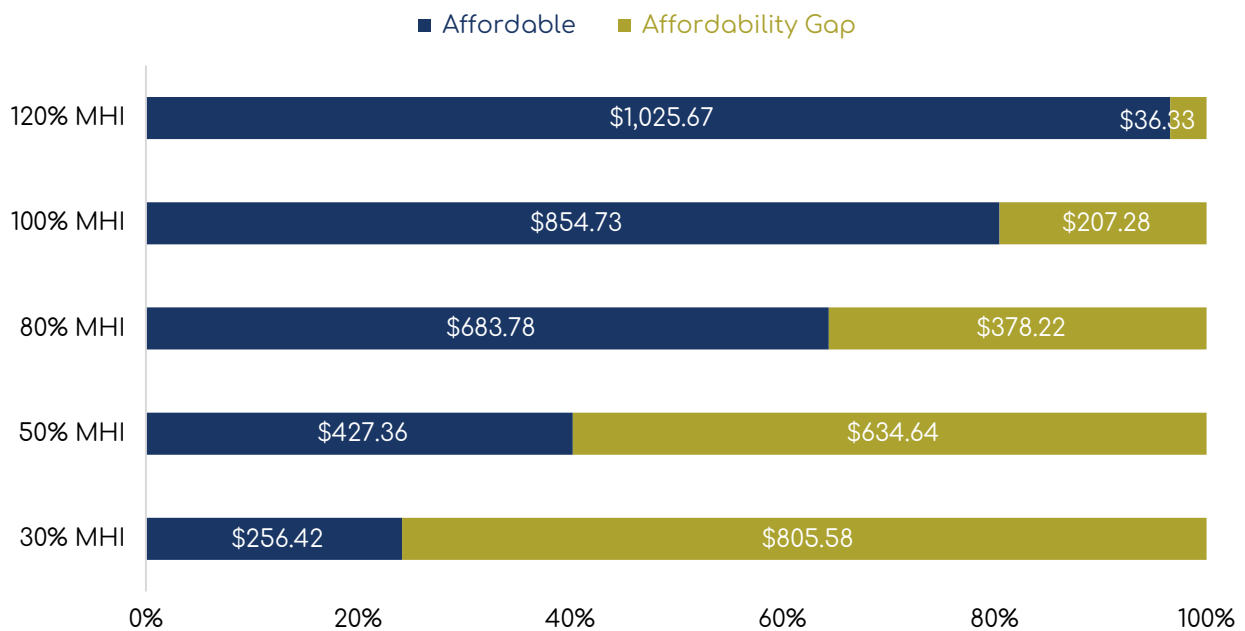
Source: United States Census Bureau ACS 2017-2021 via PolicyMap

### Renter Affordability Gap

A rental unit is considered unaffordable if a household cannot live there without being cost burdened. As noted in the Cost Burden section, a household is cost burdened if it spends over 30% of its income on housing costs. Housing cost not only includes rent, but also includes utilities. In South Carolina, the average water cost is \$35.48 per month and the average cost of electricity is \$184 per month. For this analysis, \$219 is added to the average rent (\$878) to determine affordability.

The following chart shows the affordability gap for renters in Spartanburg County. The average income for renters is \$34,189 and in order for rent to be affordable, an income of \$42,480 is required. Only renters who make 125% median income can afford median rental housing costs. The affordability gap changes significantly by income group. The most vulnerable populations—extremely low-income households—would need to increase their income by at least 414% to afford a median priced unit.

Chart 20: Current Renters – Rental Affordability Gap



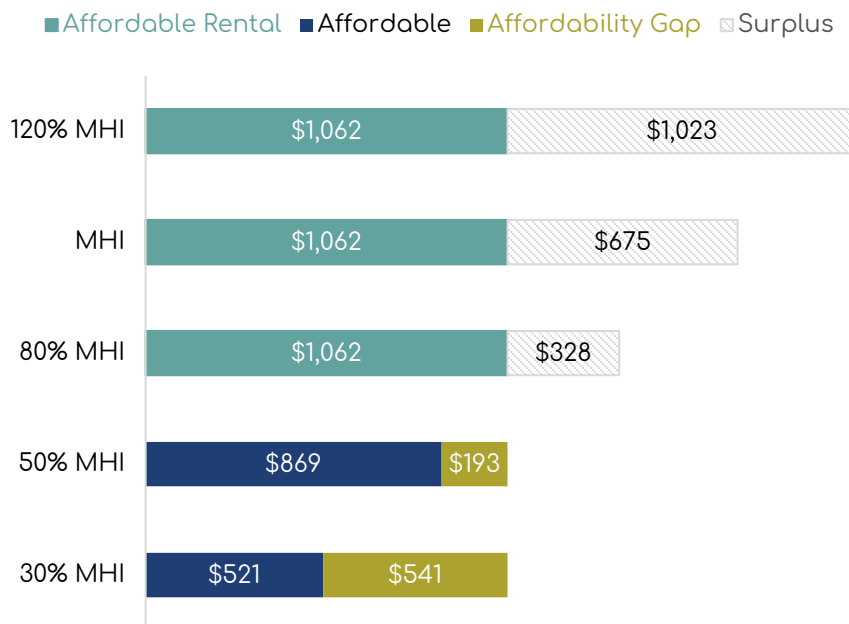
It is less common for homeowners to become renters than the reverse but in those circumstances, homeowners are in a much stronger financial position. The median household income of owner-occupied units is \$69,486, more than twice what renters earn. Even with the higher income, the median rent is unaffordable to some households. Households need to earn 60% of the median household income for homeowners in order to afford the median rental unit.



*“Largest barrier for potential first-time homebuyers are high rental cost and its contribution buyers’ inability to save for down payment.”*

– Local For-profit Realtor

Chart 21: Current Homeowners – Rental Affordability Gap



### Cost Burden

Any household that spends more than 30% of their income on housing costs is classified as “cost burdened.” Nearly half of all renters are currently cost burdened, which puts them at risk of housing insecurity. Cost burdened renters are also unable to save up to purchase a home or to improve their living situation without support. There are some homeowners that are cost burdened as well, but the rate is much lower. Approximately 21% of homeowners with a mortgage and 10% of homeowners without a mortgage are cost burdened. A larger share of senior renter households is burdened (51%) than are renter households overall (48%). For senior homeowners, the same relationship exists.

Table 17: Cost Burden

HOUSING COST BURDENED	POPULATION COST BURDENED	PERCENT OF POPULATION COST BURDENED
RENTERS	14,194	48.0%
HOMEOWNERS WITH A MORTGAGE	11,117	20.9%
HOMEOWNERS WITHOUT A MORTGAGE	3,435	10.0%

Source: United States Census Bureau ACS 2017-2021 (DP04)  
 Note: Households paying 30% or more of income.

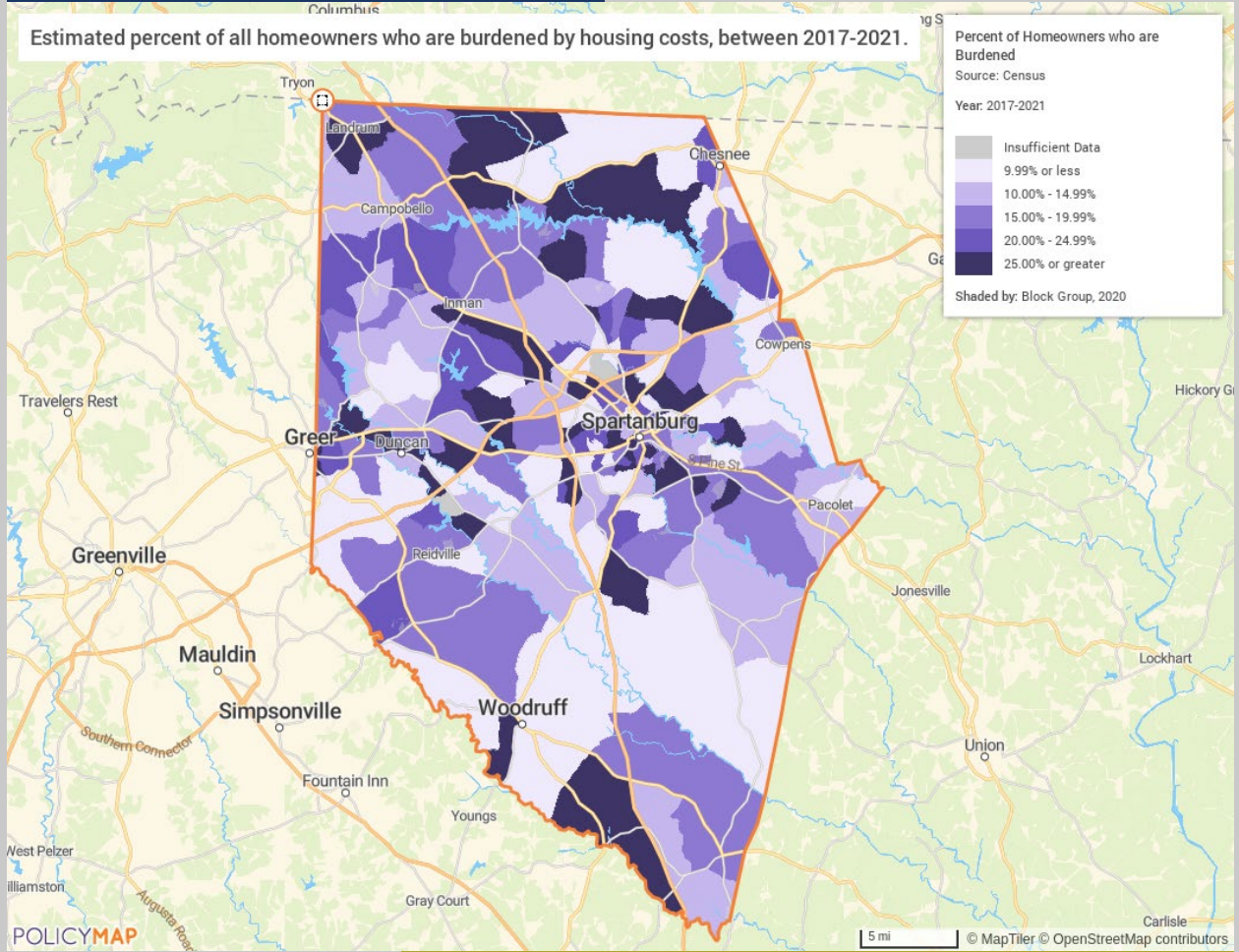


Housing Needs Assessment Public Survey Findings: Over 95% of renters have difficulty finding affordable housing in the community.

Only renters who make 125% median income can afford median rental housing costs.

# Map 11: Housing Cost Burden – Owners

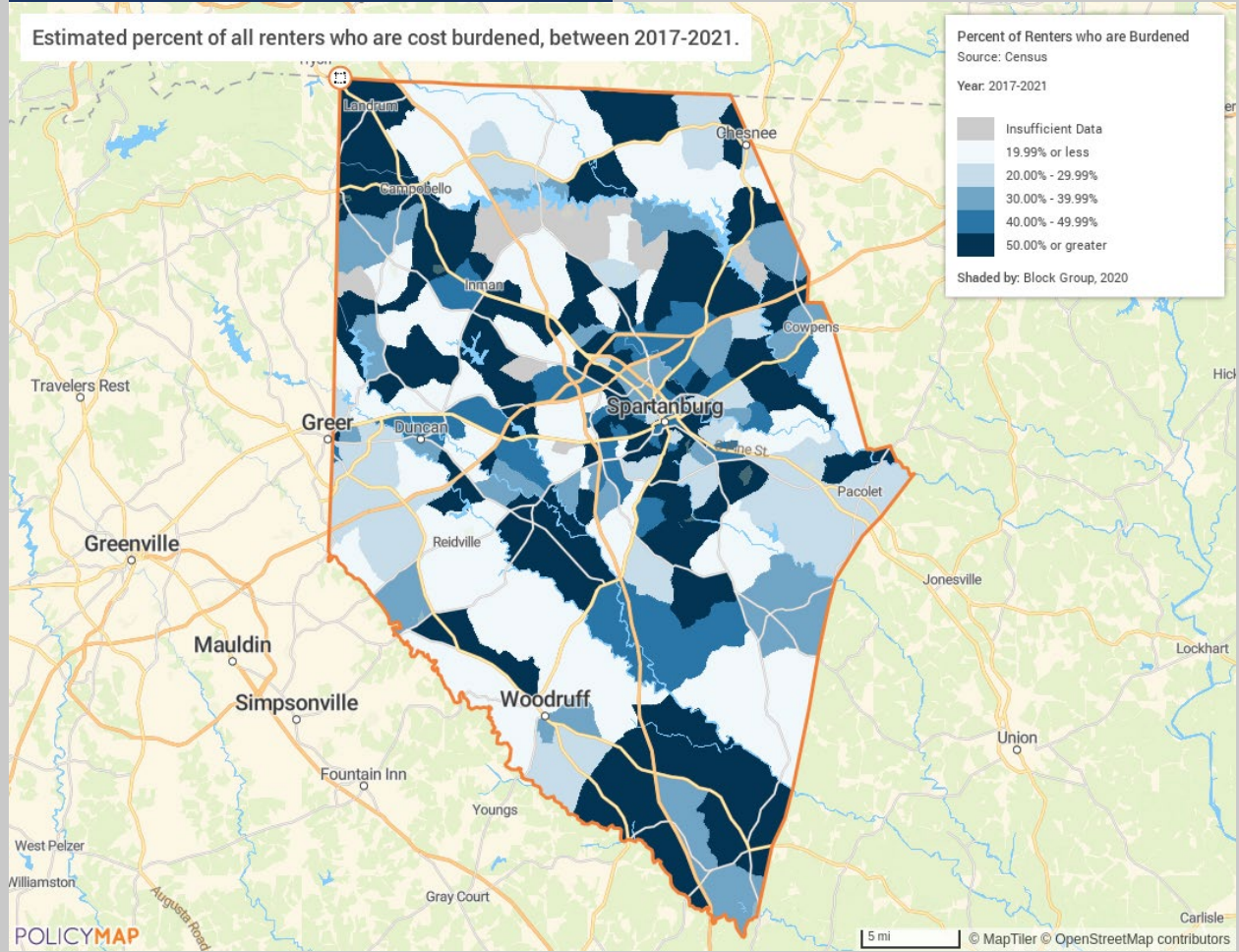
Estimated percent of all homeowners who are burdened by housing costs, between 2017-2021.



Source: United States Census Bureau ACS 2017-2021 via PolicyMap

## Map 12: Housing Cost Burden – Renters

Estimated percent of all renters who are cost burdened, between 2017-2021.



Source: United States Census Bureau ACS 2017-2021 via PolicyMap



Section 3:  
**Public  
Sector  
Analysis**





## Public Programs and Policy

To complement the county's strong industrial and economic growth, Spartanburg County has implemented several public policies and zoning measures that encourage affordable housing opportunities through a variety of programs. Key policies relevant and beneficial to support the expansion of affordable and fair housing in Spartanburg County include:

### *Policy 1. Streamlined Residential Development Process*

Spartanburg County has implemented a new development project tracking and approval program called EnerGov, an online component called Citizen Self Service. Anyone can submit concurrently online for planning, engineering and building codes approvals and permitting, including applying for residential permits. The public can stay better informed and track the status of residential and other projects permitted by the county.

### *Policy 2. Using Performance Zoning Broadens Housing Opportunities*

The county has adopted performance planning that will help plan for more orderly growth and development in Spartanburg County. New subdivision regulations became effective countywide in 2020, along with the Performance Zoning Ordinance currently covering a fast-growing portion of the county. The goal is to enact this planning approach county-wide. Performance standards strive to achieve compatibility of neighboring activities. Residential subdivisions may contain a variety of activities that give internal flexibility with the application of these standards to achieve a maximum level of creativity in the formation of their housing project layout.

Performance zoning is adaptive while providing balanced protections to stakeholders. The approval process with traditional zoning is more time consuming, uncertain, and contentious. In the development of a subdivision using performance zoning, the internal compatibility standards are determined by the design of the project, allowing for creative and innovative smart growth, mixed-use projects. This is especially important given the demand for more rental housing in the county. The use of performance zoning will contribute to diversifying the housing stock and across wider geographic areas within the county. This zoning also encourages more compact development to lessen the impact on both the county's infrastructure and its environment.

### *Policy 3. Practicing Excellent Outreach and Collaboration*

In the absence of adequate resources for affordable housing, the county recognizes and has utilized public, non-private and private collaboration to address housing needs. These efforts include the Spartanburg County Community Development Department advocating for fair housing and actively collaborating with the following: City of Spartanburg, Spartanburg Housing, Greenville Human Relations Commission, South Carolina Human Affairs Commission, Spartanburg County Board of Realtors, along with churches, banks, senior advocacy groups, homeless shelters, apartment managers, housing providers, real estate agencies, insurance providers, and other community agencies and organizations. While there remains a gap in providing enough affordable housing, these multiple public-private partnerships with community-based organizations support the county's affordable housing goals.

### *Policy 4. Utilizing Diversity of Nonprofit Homeless Program Providers*

Despite a shortage of beds in the county's homeless shelters and a shortage of affordable housing inventory, there is a range of nonprofit efforts to connect those experiencing homelessness or at

risk of homelessness with housing and to provide supportive services as needed. The variety of these entities that address homelessness include:

- The Butterfly Foundation runs a housing program for the chronically homeless or persons with disabilities, providing beds designated for chronically homeless persons as well as operating a job training program.
- The Haven Community Solutions is an emergency shelter for homeless families providing shelter, food, clothing, case management, and crisis intervention.
- Homes for Life have beds available for male unaccompanied youth as well as training in life skills, educational support, and case management services.
- Rescue Mission Spartanburg is an emergency shelter for men, women, and children and is regularly at 95% capacity. They provide basic shelter, food, clothing, counseling, and educational opportunities. An additional 80 beds are available during wintry weather conditions.
- The Hope Center for Children operates three residential programs including an emergency shelter for children who have been removed from their home due to allegations of abuse or neglect.
- Anchor House is a residential group home for teen girls in foster care serving girls and older youth who are homeless or are nearly homeless, and have aged out of the foster care system.
- Project R.E.S.T. (formerly SAFE Homes Rape Crisis Coalition) provides emergency shelter and counseling to victims of domestic violence. Project R.E.S.T. serves domestic violence victims and provides emergency shelter for adults and children.
- Una Mano Amiga provides a shelter, employment training and salary reimbursement at Goodwill Industries to homeless persons including LMI persons affected financially by the pandemic.
- Spartanburg Interfaith Hospitality Network provides emergency shelter for homeless families and provides case management.
- United Housing Connection has two permanent supportive housing units for chronically homeless individuals and a transitional housing program for households.
- Welcome Home manages beds for homeless veterans and provides employment training opportunities, job placement, and job readiness.
- The Spartanburg Mental Health Center SOAR Program helps increase access to SSI/SSDI for adults who are at risk of experiencing homelessness and have a mental illness, medical impairment, and/or substance use disorder.

### *Policy 5. Allocated American Rescue Plan Funds for Housing Assistance Services*

The county allocated significant resources with its funding from the American Rescue Plan to assist individuals and families with rent and utility assistance. A primary goal of the funds was to address the lack of affordable housing in the county and to assist as many households as possible with housing-related supportive services. By adding affordable units and more funding to supportive services, the county's intention is for the American Rescue Plan allocation to contribute to the goal of reducing homelessness and housing instability for the most vulnerable populations, as well as allowing more availability of emergency shelters beds/units as current occupants transition out of shelters.

### *Policy 6. Conducted Workshops to Promote Fair Housing*

The county and the City of Spartanburg hosted a landlord-tenant workshop on rights and responsibilities as tenants or landlords, including information on fair housing rights and the eviction process. The county partnered with the City of Spartanburg and nonprofit organizations to offer a free workshop focused on understanding credit, budgeting, and fair housing rights. The county also provides fair housing educational materials to all public service subrecipients and requires them to be provided to all beneficiaries gained through grant funding received from Spartanburg County.

### *Policy 7. Establishing a Local Housing Trust Fund*

The City of Spartanburg, the largest city in the county, is capitalizing a housing trust fund that will provide a new funding source for private developers and nonprofits to build additional low-income units in the city. This fund will be earmarked for supporting and expanding affordable housing opportunities.

### *Policy 8. Support Residential Neighborhood Connectivity*

The county increasingly supports and promotes multi-modal connectivity, including a growing and planned walking and biking trail system connecting housing and employment, services, schools and shopping destinations. This policy not only supports healthy living but enhances neighborhood quality of life for homeowners and renters of all incomes.

### *Policy 9. Developed a Landlord Housing Voucher Incentive Program*

To address the shortage of landlords receptive to accepting housing vouchers, the Spartanburg Housing Authority offers each landlord who has not participated in the housing voucher program to sign up and receive a \$500 bonus to expand the rental market pool of units.

## Infrastructure

The availability, limits, or absence of infrastructure has a direct effect on planning and accommodating new housing. This section of the housing needs assessment provides an overview of Spartanburg County providing needed infrastructure for new housing by reviewing Spartanburg County's:

- Roads and Streets
- Public Transit
- Water Supplies
- Sanitary Sewers Systems
- Parks

In summary, Spartanburg County's water and sanitary sewer services infrastructure components are keeping pace with residential growth. However, the county is lagging in maintaining and widening local roads, offering public transit, and providing a sufficient level of public parks and open space.

### *Roads and Streets*

There are over 60,000 miles of roads in South Carolina. The state owns and maintains 41,500 miles of these roads, or more than two-thirds of all roads. South Carolina has the fourth highest number of roads maintained by any state. South Carolina is unique in the country in overseeing roads across the state with the state assuming disproportionate levels of responsibility. Despite the state increase in the gasoline tax in 2016, (the primary source of local road funds), there remains a shortage of funds for South Carolina. State gasoline taxes are \$0.23 per gallon. This compares to the neighboring states of North Carolina (\$0.36 per gallon) and Georgia (\$0.28 per gallon). Consequently, there is a significant shortage of road funding for cities, counties, and the state.

There are 1,750 miles of roads that Spartanburg County is responsible for maintaining. In the county, older, existing roads started as "farm-to-market" roads used to bring produce or other goods into the cities. These early roads were originally just dirt. Shoulders were a luxury and drainage pipe culverts were very rare. Many of these roads are still only 15 feet wide. There is a need for widening most roads from a typical 18 feet (two each 9-foot-wide lanes) to 20 to 24 feet (10 to 12 feet wide lanes) or even wider.



*"A plan needs to be in place so roads can handle the increased traffic. Too many apartments and duplexes are being built with no road improvements."*

-Spartanburg  
County Resident

As stated by a leading Spartanburg County Public Works official, “At one time, the road widths were sufficient for the traffic loads. However, since the traffic has more than doubled (over the past decade or so) the roads need to be widened where possible to accommodate higher traffic volumes.” The Spartanburg County 2022 Resurfacing Project includes over 50 miles of local roadway. Given the amount of county roads, this amount of resurfacing will require up to 35 years to resurface all existing county roads.

To quantify the impact the county’s residential and business growth has had on area roads, a random sample of state highways and Interstate routes average daily traffic (ADT) in Spartanburg County from 2012 to 2022 has been performed. While the county’s population grew by 17.4% from 286,180 in 2012 to 335,864 in 2022, the average daily traffic grew on these routes by 20.3% during this same period.

**Table 18: Average Daily Traffic 2012 – 2022**

HIGHWAY NUMBER / ROUTE	2012 ADT	2022 ADT	NET CHANGE
SC 60 (ASHEVILLE HWY TO BLACKSTOCK ROAD)	7,400	10,800	45.9%
SC 85 (N. BLACKSTOCK ROAD TO I-26)	26,400	28,900	9.5%
SC 290 (I-85 TO SC 242)	16,000	18,600	16.3%
US 176 (I-585 TO E. ST. JOHN STREET)	32,600	39,600	21.5%
I-26 (JOHN DODD ROAD TO NEW CUT ROAD)	39,600	48,500	22.5%
I-85 BUSINESS (SC 85 TO CHESNEE HIGHWAY)	70,800	85,100	20.2%
I-585 (N. PINE STREET TO CALIFORNIA AVENUE)	27,300	28,400	4.0%
I-85 (E. MAIN STREET TO U.S. 29)	82,100	100,400	22.3%
<b>AVERAGE INCREASE 2012 TO 2022</b>	<b>-</b>	<b>-</b>	<b>20.3%</b>
<b>SPARTANBURG COUNTY POPULATION</b>	<b>286,180</b>	<b>335,864</b>	<b>17.4%</b>

Source: South Carolina Department of Transportation; U.S. Census.

As of March 2023, there were reported an additional 17.3 miles of new roads in proposed subdivisions currently in the planning stages. By accepting these new roads, the county will fall further behind in maintenance in the future. There are a variety of financing means available to offset a portion of the growing demand for road maintenance that should be considered. Major approaches may include:

1. Utilize Homeowners Associations to assume responsibility for existing neighborhood streets and require this responsibility in future residential subdivisions.
2. Evaluate enacting a street impact fee. Such a fee excludes or discounts the impact fee for affordable housing units.
3. Utilize Municipal Improvements Districts (MID) that enables local governments to assess a special fee on property owners in addition to their normal property taxes. Money generated by a MID may only be spent within the same MID area on improvements.
4. identify new county revenue sources to replace the recently lost special road fund fee. The most significant opportunity is to continue the County Courthouse sales tax and earmark this for road improvements.

Offering public transit would provide an alternative to driving private vehicles on roads.

### *Public Transit*

Spartanburg Regional Health Systems has been the designated mass transit provider for the county since 1990. They provide on-demand, curb-to-curb transportation. In 2021, they reported 1,012,475 passenger miles. However, there are no fixed routes that run on a regularly scheduled basis in the county. Rides can be scheduled on weekdays but must be scheduled the day before the trip. Rides can also be requested for same-day trips, but the arrival time is not guaranteed.

Public transit in Spartanburg County is considerably underfunded for residents, especially in comparison to the three other metropolitan counties in South Carolina. By way of comparison, the Greenville County system served nearly three times this number of passengers, and dramatically less than the public transit systems operating in Columbia and Charleston.



Table 19: Major South Carolina Public Transit Systems

COUNTY	OPERATOR	2020 SERVICE AREA POPULATION	2021 NUMBER OF VEHICLES IN USE	2021 ANNUAL PASSENGER MILES
SPARTANBURG	Spartanburg Regional Health Systems	319,785	48	1,012,475
GREENVILLE	Greenlink	202,464	35	2,986,052
RICHLAND (COLUMBIA)	Central Midlands Transit	549,777	127	9,187,442
CHARLESTON	Charleston Area Regional Transit	351,980	124	10,069,718

Source: U.S. Department of Transportation.

In Charleston County, CARTA operates Charleston’s public transportation system that covers the metro area of Charleston. CARTA is the state’s largest public transportation provider and ranks as one of the top systems in the Southeast.

In Greenville, Greenlink offers 12 fixed routes to destinations across Greenville County. Each Greenlink bus is equipped with a bike rack to make commuting easier for bike riders. Service expansion includes operation of 30-minute headways on the core Greenlink network. Greenlink is planning to purchase six CNG buses and six electric buses to operate this service expansion.

The Central Midlands Regional Transit Authority (The COMET) is a regional transportation authority formed by Richland County, City of Columbia, and Lexington County in 2000 by the Central Midlands Council of Governments. The COMET consists of an intergovernmental agreement signed by Richland County, City of Columbia, City of Forest Acres and Lexington County to fund, operate, and maintain public transit services in the Central Midlands area.

As the county and state population ages and there is increasing emphasis on reducing air emissions from gasoline engines, the need to expand the county’s transit system beyond on demand service can be expected.

## *Water*

Spartanburg County currently has eight water service providers which are all special purpose districts. Many more rural homes have their own wells and are not connected to a public water system. These wells are permitted and regulated by the State of South Carolina Department of Health and Environment. In 1992 the County Council established the Spartanburg County Water and Sewer Advisory Committee. The role and responsibility of the Committee is to serve as a policy advisor to the County Council on matters concerning water and sewer, service area boundary disputes, and service coordination. The Committee reviews and recommends actions on all water and sewer issues within the County Council's jurisdiction.

The water suppliers in the county include:

- Greer Commission of Public Works
- Inman Campobello Water District
- Liberty Chesnee Fingerville Water District
- Meansville Riley Water Company
- Spartanburg Metropolitan Subdistrict B Water District (METRO B)
- Spartanburg Water System
- Startex Jackson Wellford Duncan Water District (SJWD)
- Woodruff Roebuck Water District

The county's largest system is the Spartanburg Water System. Their water planning for the next 50 years indicates that they have more than enough water supply (Lakes Bowen, Blalock and the Reservoir) and production capacity at three plants. The number of suppliers in the county can create unnecessary competition between neighboring jurisdictions and lead to duplication of costly infrastructure, maintenance and administrative costs can be contrary to comprehensive planning for future growth. Consolidation of water systems and adopting uniform countywide standards can simplify the housing development process.

## *Sanitary Sewer*

Spartanburg County has seven public sewer service providers which include:

- City of Greer (Commission of Public Works: CPW)
- City of Inman
- City of Woodruff
- Renewable Water Resources (ReWa)
- Spartanburg Sanitary Sewer District
- Town of Lyman
- Woodruff-Roebuck Water District

Several recent capital projects have been completed to accommodate growth including:

- In Greer, the Maple Creek Wastewater Treatment Facility treats five million gallons of wastewater per day (MGD), with plans to expand to 10 MGD to handle additional growth. The Maple Creek Wastewater Treatment Facility serves more than 14,250 accounts. Greer also has a cooperative intergovernmental agreement with Renewable Water Resources (ReWa) to provide sewer treatment to help accommodate additional growth.
- The Cowpens sewer plant has invested \$8.2 million to upgrade the plant to address the area's 'explosion of residential growth' on the east side of Spartanburg County.
- In 2016, Inman City Council approved the wastewater treatment plant's expansion and the \$13.9 million sewer line extension project. There is an extending a sewer line for three miles from the Inman city limits along Highway 292 to Interstate 26.

These capital investments are critical to accommodating future housing needs, as well as commercial development that can narrow the proximity between place of residence and place of work. Despite territorial sentiments and issues, further consolidation of water and/or sewer districts can enable more efficient operations and unify and simplify the development process across the county.

### Case Studies for Merger or Consolidation of Water and Sewer Systems

In 2020, Greenville County consolidated its sewer systems. Six sewer special purpose districts agreed to transfer services to a countywide district to take over sewer collection operations for all unincorporated areas of the county.

In 2004, the City of Landrum sold its water system to Spartanburg Water resulting in Spartanburg Water to reduce total water utilization by replacing old water lines while maintaining the same water rates for local customers.

As a result of the collection of customers' monthly service charges and the imposition of water and sewer tap fees, water and sewerage districts have the ability to finance and pay for water and sewer infrastructure improvements. However, water and sewer tap and capacity fees vary widely across the county as presented in the following table.

Table 20: Residential Water and Sewer System Fee Summary

WATER SERVICE PROVIDER	POPULATION SERVED	2021 METER AND WATER TAP FEE (1 INCH LINE)	SEWER CAPACITY FEE
INMAN CAMPOBELLO WATER DISTRICT	34,503	\$2,225	\$5,000 – \$6,250*
LIBERTY CHESNEE FINGERVILLE WATER DISTRICT	16,970	\$2,225	n/a
METRO SUBDISTRICT B	1,905	\$1,950	\$750
STARTEX-JACKSON-WELLFORD-DUNCAN WATER DISTRICT	66,327	\$1,550	n/a
SPARTANBURG WATER SYSTEM	173,340	\$3,218 - \$3,563*	\$1,688
WOODRUFF-ROEBUCK WATER DISTRICT	10,000+	\$1,750	n/a

\*Tap and capacity fees vary based on whether a new connection is inside or outside of a city's limits.

While water and sanitary sewers are not universally available across the county, there has been continued public investment for these systems to keep pace with residential and industrial growth. Recent examples include:

- Woodruff-Roebuck Water District recently doubled the plant's capacity from 4.4 million gallons to 8.8 million gallons a day.
- Startex-Jackson-Wellford-Duncan (SJWD) Water District plans to borrow \$18 million to expand its plant's capacity by 8 million gallons a day from 16 million gallons to 24 million gallons. The service area covers about 168 square miles in western Spartanburg County to the Greenville County line in the west.
- Spartanburg Water also controls much of the water flow, covering 864 square miles and providing 26 million gallons of water each day to more than 200,000 customers. While other smaller water systems serve portions of the county, Spartanburg Water receives most of the new water customers, including in the City of Spartanburg.
- Greer can accommodate new users with a permitted capacity of five million gallons per day; Greer's Maple Creek Wastewater Treatment Plant has excess capacity of 1.4 million gallons per day.

**Parks**

Parks and open space are often described as a part of “green infrastructure.” Green Infrastructure is defined by both a network of green space and natural areas, along with built techniques that preserve the function of the natural ecosystem to benefit residents of the region.

Green infrastructure refers to a network that provides the “ingredients” for solving urban and climatic challenges by building with nature. Some of the components of this approach according to the U.S. EPA include stormwater management, the reduction of heat stress, healthy soils, as well as increase quality of life through recreation and the provision of shade and shelter in and around towns and cities.

One major measure of green infrastructure is the amount of park land in a jurisdiction. The recently completed Spartanburg County Parks and Recreation Strategic and Master Plan found that the county’s parks system ranked below the national average in comparison with other comparably sized jurisdictions. The National Parks and Recreation Association uses level of service standards to address physical resources planning in a parks and recreation system. Their data is used to establish benchmarks that specifically define acceptable levels of parkland acquisition and recreational facility development. The following table illustrates how Spartanburg County compares with other park agencies serving a comparably sized population.

**Table 21: National Park and Recreation Association Metrics 2022.**

<b>PARK METRIC</b>	<b>SPARTANBURG COUNTY</b>	<b>NATIONAL AVERAGE FOR PARKS AND RECREATION AGENCIES (WITH A POPULATION OVER 250,000)</b>
ACRES OF PARKS PER 1,000 RESIDENTS	3.7 acres	10.3 acres
NUMBER OF RESIDENTS PER PARK	7,333 residents	5,671 residents
OPERATING EXPENDITURES PER CAPITA	\$24.24	\$55.00
5 YEAR CAPITAL SPENDING	\$20 million	\$45 million
REVENUE PER CAPITA	\$3.64	\$8.46

Source: Spartanburg County Parks Department Strategic & Master Plan 2023 – 2028.

As stated in the county's Park and Recreation Strategic and Master Plan, "This is a time when society is beginning to fully understand the importance of providing high quality, well-run parks and recreation facilities and programs in promoting the long-term health and economic development of the region." A survey included in the Strategic and Master Plan also found:

- It is appropriate to develop intergovernmental agreements between school districts and public recreation agencies to share facilities.
- It is appropriate to allocate tax resources to support the development and operation of recreation programs, facilities, and services; and
- Spartanburg County Parks Department should play a vital role in protecting green and open spaces for public use.

In March 2023, the Appalachian Council of Governments completed a Green Infrastructure Plan for the Upstate of South Carolina. The plan recommended that Anderson, Cherokee, Greenville, Oconee, Pickens, and Spartanburg counties should consider placing a Green Space Sales Tax on their ballots to raise funds to conserve more land in the region. Counties can use the funds collaboratively to protect land across county boundaries. It should be a county priority to secure more open space in new residential subdivisions and be incorporated as part of the county's planning review process.

## HUD Funded Programs

Entitlement Grants are awarded to urban communities on a formula basis to support affordable housing and community development activities. The Community Development Block Grant (CDBG) program is used to plan and implement projects that foster revitalization of eligible communities. Program objectives include the provision of decent housing, a suitable living environment, and expanded opportunities principally for low- to moderate-income individuals and families. The HOME Investment Partnerships Program (HOME) is authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act, as amended. The HOME program primarily funds activities that preserve or develop of existing affordable housing or develop of new affordable housing, including acquisition, homebuyer assistance, homeowner rehabilitation, multifamily rental new construction, multifamily rental rehabilitation, new construction for ownership, and tenant-based rental assistance. CDBG programs must primarily benefit low- and moderate-income (LMI) families. More specifically, 51% of the project must benefit families with incomes at or below 80% of the area median income. All HOME funded housing and rental assistance must be targeted to low-income families.

Spartanburg County receives its CDBG and HOME allocation directly from HUD. The county's community development activities are administered through the Community Development Department. To provide for those needs, the goals and funding activities are detailed in the 2019-2023 Five-Year Consolidated Plan:

### 1. Affordable Housing Opportunities

- 1A Preservation of Existing Affordable Housing
- 1B Development of New Affordable Housing
- 1C Increase Homeownership Opportunities
- 1D Provide for Rental Assistance

### 2. Non-Housing Community Development (Quality of Life Improvements)

- 2A Increase & Expand Public Services LMI
- 2B Increase & Expand Public Services Special Needs
- 2C Promotion of Fair Housing

### 3. Community Revitalization

- 3A Increase & Improve Access to Public Facilities
- 3B Increase & Expand Capacity Public Infrastructure

### 4. Economic Development

- 4A Provide financial assistance to for-profit businesses and microenterprises
- 4B Provide technical assistance to for-profit businesses
- 4C Provide for commercial/industrial improvements

# Public Housing Authority

Spartanburg Housing helps sustain affordable housing options in neighborhoods in the City of Spartanburg metropolitan area. Spartanburg Housing serves over 3,400 families throughout Spartanburg County by developing and providing affordable quality housing options and programs that promote self-sufficiency. Programs include public housing, housing choice vouchers, low-income tax credits, and homeownership programming.

Spartanburg Housing has a portfolio of 416 public housing units, and 117 units for low- and moderate-income families. At the time of reporting, there are approximately 5,482 people on the waiting lists for a public housing unit. Individual public housing properties pull about five applications from the waiting list each month, leading to long wait times for applicants on the waiting lists.

Additionally, Spartanburg Housing administers over 2,650 housing vouchers, including 1,700 Housing Choice Vouchers (HCV), 273 Project-based Vouchers, 28 Homeownership Vouchers, 495 Rental Assistance Demonstration (RAD), 150 Mainstream vouchers, and five Veterans Affairs Supportive Housing (VASH) vouchers. Each of these programs also has an extensive waiting list, leading to wait times of several years for some applicants. A standout indication of a lack of affordable options was highlighted in November 2022 when more than 6,000 households applied for a Housing Choice Voucher in a single month. On average, Spartanburg Housing can pull about 100 applications from the waiting list each month. At this rate, it would take the housing authority five years just to house the applicants that applied in November 2022. Collectively, there are over 10,000 applicants across all voucher waiting lists.

Spartanburg Housing continues to address the challenges and shortages of affordable housing. The leadership has engaged a developer for support in the conversion of the remaining public housing communities, utilizing HUD's Rental Assistance Demonstration (RAD) program. Assessments have been completed to determine the level of renovation or demolitions required as well as a review of funding resources. Residents are guaranteed a right to return in the event of a temporary displacement during construction.



*“Housing assistance needs to be increased to be able to afford housing. The housing vouchers aren’t enough to accommodate most homes in our community.”*

-Spartanburg County Resident



Spartanburg Housing's HCV Homeownership Program provides HCV participants to apply their voucher toward mortgage payments. The program has housed 28 participants to date and currently has 34 participants who are in the process of searching for a home. Households that are searching for a property are finding themselves increasingly priced out and are struggling to find affordable properties that meet their needs. In 2022, only two HCV Homeownership program participants closed on homes.

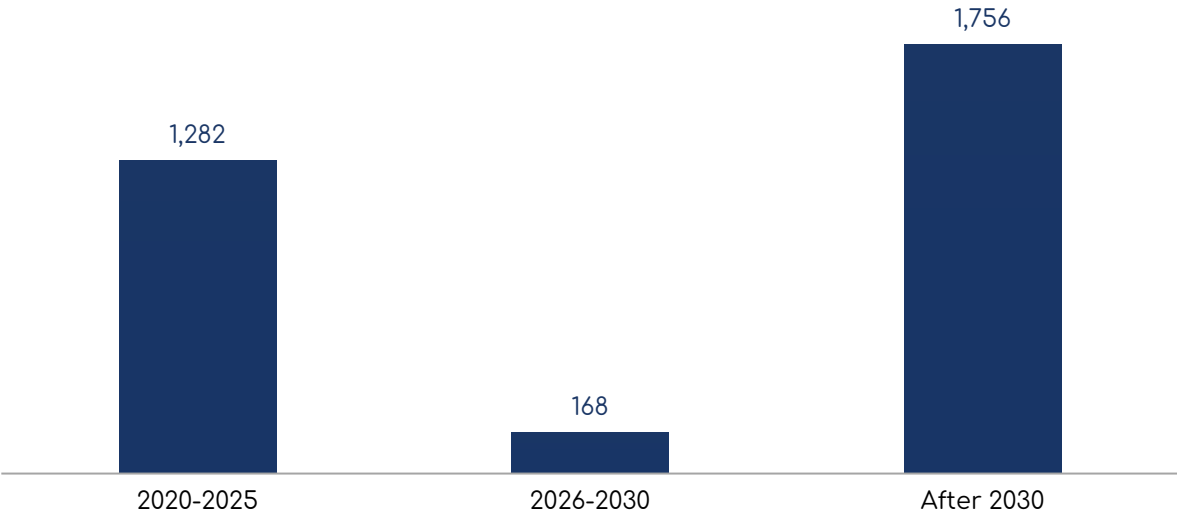
Spartanburg Housing administered two Tenant Based Rental Assistance (TBRA) programs, funded with HOME funds provided by Spartanburg County. This program is designed to serve homeless veterans and working families.

While Spartanburg Housing has a wide variety of programming, the available resources do not meet the overwhelming demand for affordable housing assistance. Long waiting lists for each of the voucher programs indicate that the organization needs additional resources to administer more vouchers. Additionally, tenants are frequently forced to return vouchers due to uncooperative landlords. While Spartanburg Housing has plans to incentivize landlords to participate in the voucher programs, the lack of cooperative landlords is a major barrier to the voucher programs and to affordable housing efforts across the region.

# Federally Subsidized Housing Units by Expiration

By 2025, the affordability restrictions on 1,282 units of federally subsidized housing in Spartanburg are set to expire. Restrictions on an additional 168 units are set to expire by 2030. Some of these units will remain within the subsidized inventory as owners elect to renew their rent subsidy contracts or obtain new federal subsidies. In some cases, the units may remain affordable even after the restrictions expire due to a soft rental market. However, the lifting of the affordability restrictions will allow for rents to compete with market rate rental housing and many of these units will likely rise substantially, reducing the countywide stock of units renting at an affordable level.

Chart 22: Federally Subsidized Housing Units by Expiration



Source: HUD Multifamily DB, HUD's Picture of Subsidized Households, LIHTC, USDA

Section 4:  
**Key  
Findings**





## Current Housing Needs

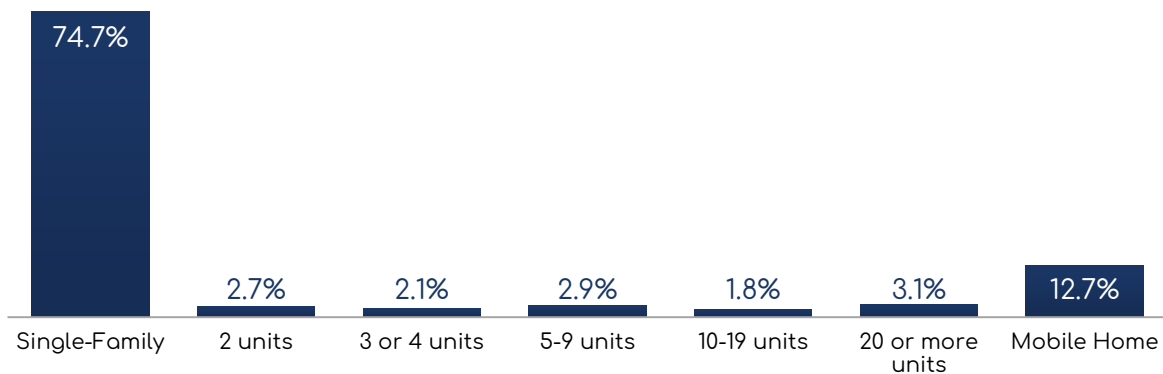
### *Key Finding 1. Missing Middle*

For a community to experience stable growth, it is crucial to offer diverse housing options. While traditional detached suburban homes may be appealing to certain families, they may not be as attractive to younger workers or retirees looking to downsize. Nationwide, there is a growing trend towards walkable, higher-density developments that serve multiple purposes, catering to the evolving needs and lifestyles of a changing population. These developments attract both renters and homeowners who are willing to sacrifice square footage in exchange for convenient access to public transportation, services, and amenities. This shift is particularly significant as smaller or nontraditional households.



The representation of missing middle units has decreased by over 13% (500+ units) since 2010 in Spartanburg County. New multifamily construction, especially of rental apartments, is becoming increasingly scarce. Only 12.6% of the housing stock consists of multifamily units. This heavy reliance on single-family homes creates a gap in the availability of different housing types, living arrangements, amenities, and supportive services. It also impacts price points and middle-income households. To address this gap and accommodate the diverse needs of residents, it is essential to diversify the housing stock and offer a broader range of housing options.

Chart 23: Housing Types



Source: United States Census Bureau ACS 2017-2021

The affordability gap faced by middle-income households, who earn too much for housing subsidies, but too little to afford living near their workplaces, has far-reaching effects on the community. This gap leads to various challenges, including shared housing arrangements and longer commutes from distant areas, resulting in increased traffic congestion and a disconnection between work and residential locations. The chronic financial distress experienced by families in this situation negatively impacts community cohesion. Additionally, if forced to relocate for more affordable housing, these families miss out on the opportunity to build wealth through home equity.

Overall, Missing Middle housing proposes to enable low density growth in residential areas and contribute to affordability relief by providing a more diverse range of housing options that provides a variety of price points.

### *Key Finding 2. Challenges to Naturally Occurring Affordable Housing*

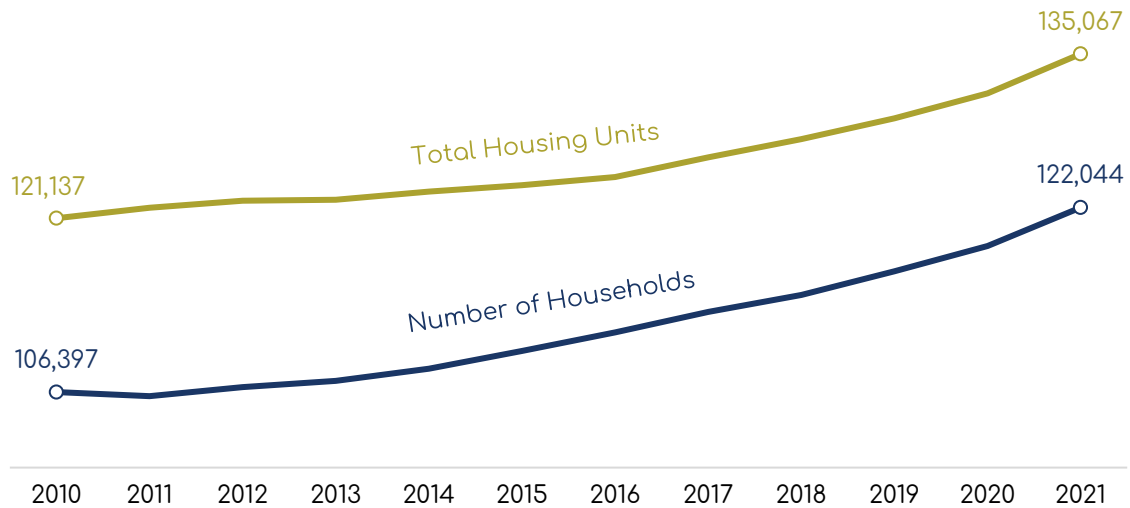
Lack of options in housing type and quality impacts choice for multiple income levels. Spartanburg County is experiencing a loss of Naturally Occurring Affordable Housing (NOAH) units. The absence of federal subsidies for NOAH buildings has hindered their inclusion in emergency assistance programs during the COVID-19 pandemic. Consequently, real estate investors often target financially vulnerable landlords, mirroring actions observed during the 2009 subprime mortgage crisis. These developers acquire buildings, upgrade units, and subsequently charge rents that exceed the financial means of current residents. Rising interest rates also contribute to the decline of NOAH units by reducing homeowners' willingness to downsize or engage in housing transactions. As mortgage rates increase, potential buyers find it more challenging to finance home purchases, leading them to opt for renting NOAH units instead. These factors collectively impact the supply and affordability of housing, creating strains on the availability of naturally occurring affordable housing in Spartanburg County.

### *Key Finding 3. Insufficient Amount of New Housing Construction*

The level of new housing development is not keeping pace with population growth in the county. Spartanburg County added 5,787 new jobs in 2021 and 2022 in excess of the number of housing units. In Spartanburg, between 2011 and 2021, change in the total number of housing units of 10.7% was less than the 14.6% increase in the population.

The need for more senior housing was selected as a top three priority for housing in the recent Spartanburg County community housing needs survey. The number of elderly residents in the county grew from 45,839 in 2017 to 51,698 in 2021. According to the State Demography Office, the total population of Spartanburg County is projected to grow from 490,066 in 2015 to 893,563 in 2050, a significant increase of 82.3% further contributing to this demand.

Chart 24: Growth in Total Housing Units and Households



Source: United States Census Bureau ACS 2017-2021

**Key Finding 4. Shortage of Rental Housing**

Spartanburg County added 13,960 housing units, or an average of 1,396 units per year during the past decade. However, housing growth has been in single family housing; 14,027 units were built between 2010 and 2021.

The availability of units in 5- to 19-unit developments decreased by over 1,000 units since 2010. There were only 244 units in larger developments during that time, and the vast majority were issued in 2013. Mobile homes, a common source of affordable housing, declined by 1,789 units since 2010.

Table 22: Property Type in 2010 and 2021

PROPERTY TYPE	2010		2021		NET UNIT CHANGE
	Number	Percentage	Number	Percentage	
1-UNIT, DETACHED	84,045	69.4%	98,072	72.6%	14,027
ALL OTHER HOUSING UNITS	37,092	30.6%	36,995	27.4%	(97)
<b>TOTAL</b>	<b>121,137</b>	<b>100%</b>	<b>135,067</b>	<b>100%</b>	<b>13,930</b>

Source: 2006-2010, 2017-2021 ACS 5-Yr Estimates (DP04)

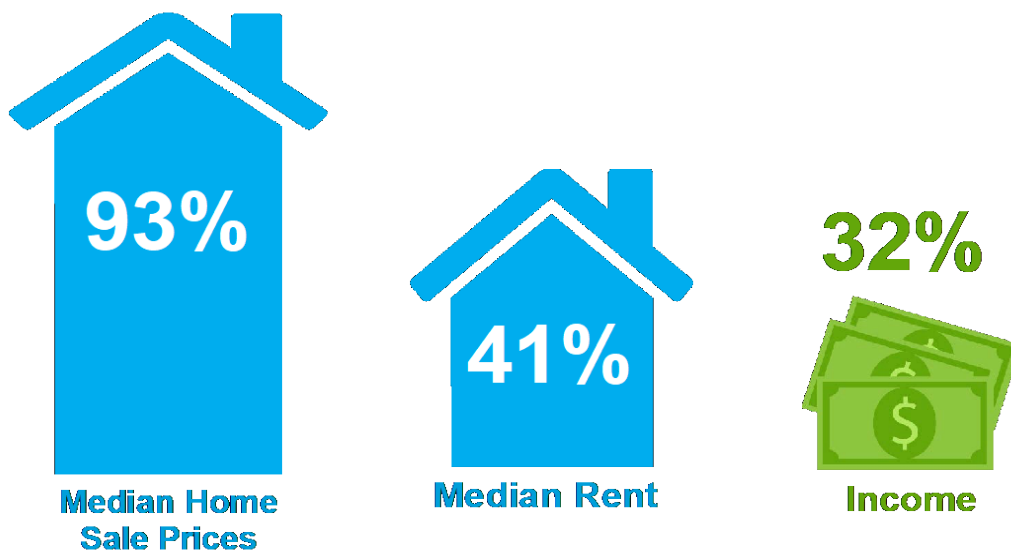
### *Key Finding 5. Decline in Affordability*

The increasing disparity between the soaring housing costs and stagnant wages has made housing unaffordable for a significant number of individuals, including essential members of the workforce who play crucial roles in the community. This includes professions such as teachers, police officers, firefighters, healthcare workers, and employees in the service industry. Nearly 17% of homeowners and 48% of renters are considered housing cost burdened. As housing costs have risen, those in the workforce who provide vital community services are most likely to be closed out because they can't afford to live where they work. The availability of units priced lower than \$150,000 fell between 2010 and 2021. Over 12,000 units are no longer available in that price range. However, affordability for the middle - income households has also suffered. The housing price cohort that saw the largest increase was the \$200,000 to \$299,999 range which doubled in size.

While the American Community Survey 2021 estimated the median home value in Spartanburg County at \$164,300, the 2021 median sales price of \$227,000 and the average sales price of \$253,125 in the same year underscores the affordability challenges for households at various points on the income spectrum. The 2022 median sales price of \$269,000 is up 14.5% since 2021 and has increased by 53.9% since 2018.

### *Prices Rising Faster Than Income*

Spartanburg County Median Values: Past 10 Years





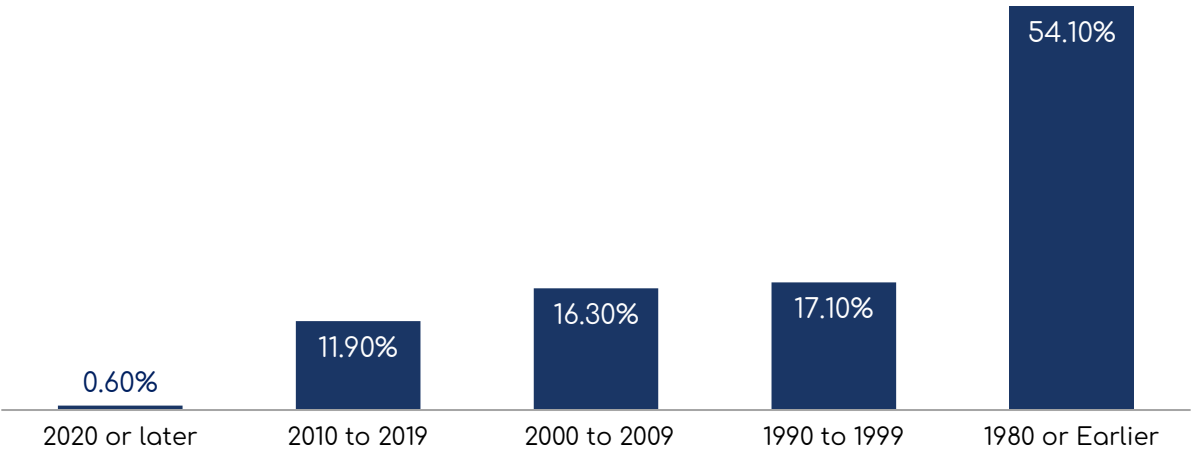
**Key Finding 6. High Level of Cost Burdened Rental Households**

Nearly half of all renters (48%) are currently cost burdened, which puts them at risk of housing insecurity. Cost burdened renters are also unable to save enough to purchase a home or to improve their living situation without support. A larger share of senior renter households is burdened (51%) than are renter households overall. The affordability gap index suggested renters at the median income level and below are unable to find affordable rental units countywide.

**Key Finding 7. Aging Housing Stock and High Number of Units with Lead-Based Paint**

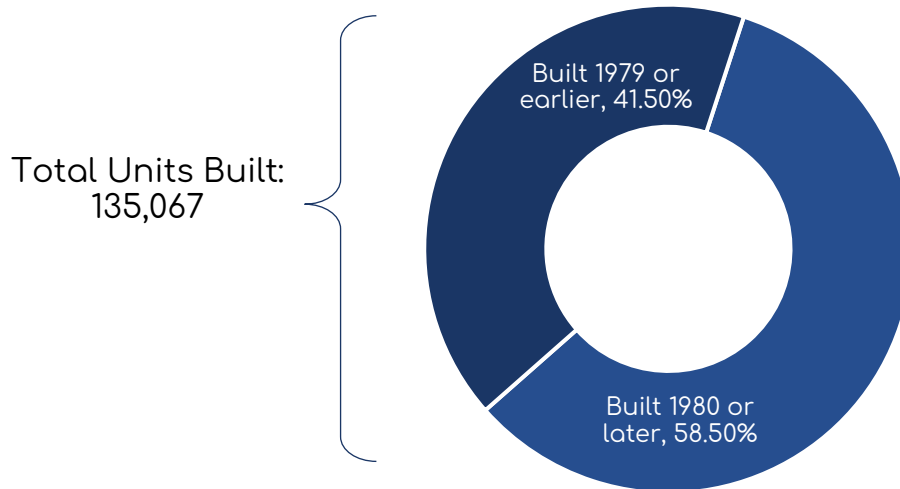
The housing stock is aging, and a significant number of units may need repairs and updating. Currently, 41.5% of the housing stock was built prior to 1980. While many of these units are the most affordable units in a community, they are also the most likely to have a lead-based paint hazard. These units are also likely to require other higher maintenance costs.

Chart 25: Age of Housing Stock



Source: United States Census Bureau ACS 2017-2021

Chart 26: Year Unit Built



Source: 2017-2021 ACS 5-Yr Estimates (DP04)

### *Key Finding 8. Shortage of Housing Vouchers*

In 2021, the inventory of federally subsidized rental housing in Spartanburg included 5,027 units and comprised 14.9% of Spartanburg's total rental stock. The county administers 2,134 housing vouchers. There are a high number of persons on waiting lists to secure housing vouchers and also a need to increase landlord participation in the Housing Choice Voucher Program. The Housing Choice Voucher Program waiting list.

Section 5:  
**Strategic  
Recommendations**





## Comprehensive Approach

Addressing the housing challenges in Spartanburg County requires a comprehensive approach that combines various strategies. Relying on a single funding source or program is insufficient. Furthermore, given the limited influence local governments have over market forces, it is imperative for the county to utilize the available tools and resources strategically. By leveraging available resources and tools, the county government can incentivize housing solutions that are cost-effective, timely, and suitable for the needs of the community.

Different funding instruments cater to specific housing needs, with some targeting low-income housing and others focusing on middle-income earners. It is essential to recognize that increasing housing choice and affordability involves more than simply expanding the housing supply. It requires the development of the right types of housing to meet the specific needs of the community.

The recommendations and implementation strategies provided are not standalone recommendations, but rather collaborative sets of tools that work together to achieve a balanced housing stock in the county. This framework includes programs and funding strategies tailored for both low-income housing and middle-income earners, resulting in a wider range of affordable options and choices for residents.

# Recommendation #1: Develop Creative Housing Solutions

## *Strategic Implementation*

### **Inventory, Identify and Assemble Land for Affordable Housing**

The county should inventory and convey surplus publicly owned property, where feasible, for the development of affordable housing. Once completed, the county should maintain and make available a vacant residential parcel map and database to interested developers and/or builders. Nonprofit housing organizations, including Spartanburg Housing, should be given priority on the utilization of these properties for affordable housing development.

This is a first step to identify infill development opportunities and explore the reasons the open market has not utilized these spaces. A model exists in the City of Spartanburg where the Spartanburg City Council has approved a property sale of a 2.63-acre parcel for \$4,500 from the city in downtown Spartanburg to a private developer on the corner of Kennedy and South Converse Streets for affordable housing apartments. The county should work with the city to set aside the existing soon to be vacated county offices 6.6-acre parcel for residential development.

### **Establish a Revolving Loan Fund That Targets 80% - 120% AMI (Missing Middle)**

The establishment of a revolving loan fund (RLF) program that targets the 80% - 120% AMI cohort offers multiple opportunities to maximize funding resources to address the missing middle. A revolving loan is a gap financing measure that can be used for housing development. It is considered a flexible financing tool due to its repayment and re-borrowing accommodations. The RLF is a self-replenishing pool of money, utilizing interest and principal payments on previously issued loans to fund new loans. By focusing on the 80% - 120% AMI cohort, the fund can help address the affordable housing challenges that middle-class households face, while allowing for other federal and local programs to focus on lower income households. The American Rescue Plan Act (ARPA) funding has fewer constraints than other federal programs and should be considered as the primary funding catalyst for the revolving loan fund. The RLF could create development guidelines that would promote not only affordable housing for middle-income residents, but also housing that is located near workforce hubs, senior housing near appropriate amenities, commercial centers, and other strategic infill development opportunities.

### Create a County Land Bank for Land Assembly

In conjunction with the surplus property inventory, the county may want to explore the options to create a county land bank that could hold onto abandoned, vacant, and foreclosed properties until development is feasible and, in an effort, to assemble parcels for larger affordable housing projects, the county could facilitate transfer to new ownership strategically. A land bank would also allow for the control of real estate as pieces of property are being assembled. Another advantageous goal is to protect and/or sustain rental property at affordable price points over time without selling pieces of real estate into the private market where rent prices and/or sales prices will continue to escalate beyond affordable levels. A land bank can also be used to protect neighborhood properties as potential long-term affordable housing for single-family and multi-family development.

### Explore Opportunities Where Increased Density Would Be Appropriate

Once surplus properties are identified and are ready to be made available for redevelopment some properties may not conform to current zoning and building standards. To stimulate residential investment and provide affordable housing, the county should consider setting aside density restrictions on vacant infill lots to permit duplexes and triplexes. Additionally, the county may need to review setback, minimum lot sizes, and off-street parking requirements for the redevelopment of some parcels to be feasible. This approach may be tried on an interim basis to determine its effect on stimulating infill residential development and, if successful, amend the unified development code for this practice.

### Support the Development of Non-Traditional Single-Family Housing Units

Supporting the development of non-traditional single-family housing units, to include accessory dwelling units (ADUs), as well as the emerging demand for tiny homes, could serve as a partial solution to the affordable housing shortage. ADUs come in various forms, such as basement apartments, in-law suites, backyard cottages, garage apartments, and converted outbuildings, typically found in areas zoned for single-family homes. ADUs offer the advantage of utilizing the existing infrastructure, including sewer, water, and electric lines. Constructing ADUs in a manner that preserves the existing character and rhythm of established neighborhoods introduces new housing choices without the need for demolishing existing structures. ADUs also provide an opportunity to maximize a community's existing residential footprint and provide homeowners with an opportunity to address the demand for affordable housing. This approach, often referred to as "density without demolition," has been recognized by the National Trust for Historic Preservation.

## Recommendation #2: Expand Developer Incentives

### *Strategic Implementation*

#### Review Development Requirements (Density, Setbacks, Minimum Lot Size, Parking)

To satisfy future housing demand, several bold strategies to address the county's needs may include reviewing and updating development requirements in order to incentivize investment and lower development costs. By providing incentives to developers in return for incorporating affordable rental housing units for low- and moderate-income families, the county has the potential to expand its supply of affordable housing, especially for those in the workforce who earn lower incomes. According to a 2018 study by Grounded Solutions Network, the most common incentives offered to developers are 1) density bonuses; 2) zoning variances other than density, such as reductions in parking standards; 3) fee reductions or waivers; and 4) expedited permitting processes.

For example, developers who provide at least 20% of units in a development priced and reserved for households with incomes at or below 80% of average median income might receive benefits such as expedited project reviews, waivers of land use restrictions, particularly with regard to density.

The county should explore expanding density bonuses offerings<sup>5</sup> beyond allowable density when affordable housing units are included in proposed residential or mixed-use developments. To better target the Missing Middle housing gap, consider flexibility to current setbacks and minimum lot requirements for development, not as a requirement for inclusionary zoning, but an incentive for development.

#### Nonconforming Use

Many vacant infill properties have not been redeveloped due to current zoning and building codes. The county should review in particular any identified surplus properties for acceptable waivers for nonconforming uses. Assess whether the process for issuing waivers and variances for nonconforming uses to those infill properties can be streamlined when the redevelopment of a structure will provide

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<sup>5</sup> Current requirement is: 1. Project site must be at least ten (10) acres in size and must be identifiable as an integrated development even if it is subdivided. 2. Must be a site where a textile mill exists or previously existed, an industrial site abandoned for at least five (5) years, a site listed on the National Register of Historic Places, or a Significant Historic Site if declared so by the Spartanburg County Council by resolution.

affordable housing. This flexibility may allow for corrective actions that current code and zoning laws do not permit.

### Building Fees Alternatives

Waiving or discounting building fees for proposed developments that incorporate multi-family and/or affordable housing units and enact building-related fee discounts for the addition of accessory dwelling units.

Another strategy is selling the tax advantages to developers and area lenders for developing multi-family rental property such as deductions for insurance, maintenance, interest, advertising, and marketing expenses.

### Streamlining Procedures

Explore ways to simplify and streamline the approval processes for affordable housing projects to make it easier for developers to navigate the regulatory requirements and obtain necessary permits. Consider methods to expedite the review processes for certain zones or prioritize reviews for certain zones. This could be done by identifying zones with high-volume or high-priority applications, and then assigning those applications to reviewers with more experience or expertise.

### Encourage Employer Assisted Housing

The county and One Spartanburg should promote using employee housing assistance programs especially for the major industries expanding or relocating to the county. One Spartanburg has developed excellent relations with area industries and may use this influence to encourage industries to offer their employees a “housing allowance cafeteria plan.” This approach includes employee benefits with housing down payment assistance; phased forgivable loans tied to employee tenure; rental allowances and/or other cafeteria benefits incorporating housing support for employees.



## Recommendation #3: Targeted Usage of Federally Funded Programs

### *Strategic Implementation*

#### CDBG / HOME / HOME-ARP Target Focus on Lower Income

The target focus of these HUD programs should be for 80% AMI or below with heavier subsidies for developments and programs that target households at or below 60% AMI to allow for maximizing the program funding to low-income and extremely-low-income households. The CDBG Public Service dollars should focus on housing related supportive services, to include first time buyer counseling service, fair housing education, and credit counseling. The HOME program can support the creation of new affordable housing for LMI cohorts.

These programs can also continue to allocate funding toward preserving and rehabilitating existing affordable housing units. This initiative can involve partnering with nonprofit organizations, community development agencies, or housing authorities to acquire and maintain affordable properties. Through investments in repairs, renovations, and upgrades, these units can be preserved as affordable housing options for low- and moderate-income households.

#### Encourage Housing Development Within Opportunity Zones

Promoting the three Spartanburg County Opportunity Zones and the four federally designated zones within the City of Spartanburg to include housing development. These zones offer a variety of investment opportunities and allow investors to delay their exiting capital gains taxes/or forgo future capital gains taxes for investments within Opportunity Zones. Affordable housing is an excellent use of this federal incentive.

#### Maximize the Use of Low-Income Housing Tax Credits (LIHTC)

Low-Income Housing Tax Credits (LIHTC) is one of the largest sources of federal funding for affordable housing development. Nationally, these tax credits have supported the construction or rehabilitation of over 3 million apartments for low- and moderate-income families. Designed to encourage the development of affordable rental housing for low-income individuals and families, the LIHTC program provides tax credits to private developers and investors as an incentive for constructing or rehabilitating rental properties that meet specific affordability criteria.

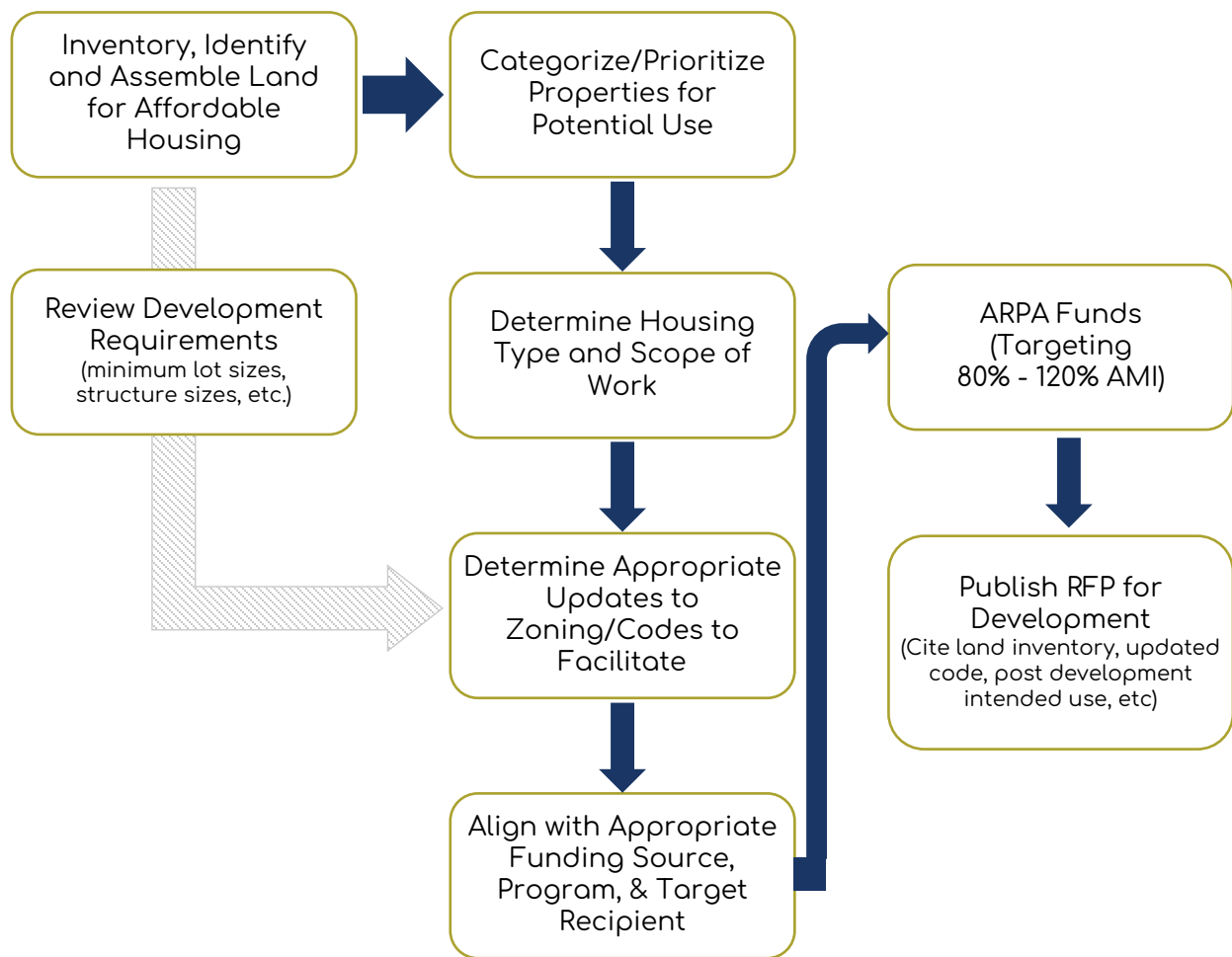
Local governments can actively engage with developers and investors to provide technical assistance and guidance throughout the LIHTC project development process, to include by identifying locations that best match the South Carolina LIHTC scoring goals. This support

could also help developers navigate zoning and land-use regulations, providing information on available sites (to include targeted sites from Recommendation #1), and assisting with accessing other sources of funding or incentives.

Furthermore, the county should nurture current partnerships with nonprofit organizations and community development entities to leverage their expertise and resources in LIHTC project development. Collaborating with these organizations can enhance the capacity and effectiveness of local government in utilizing the LIHTC program to its fullest potential.

### Sample Flow Chart

The below serves as an example of the County working through the various stages of recommendations and strategic steps for utilizing the ARPA funding line to develop affordable housing.



## Additional Considerations

### *County – City Coordination*

Spartanburg County and its cities represent distinct housing markets and have unique and shared housing challenges. Demand in unincorporated parts of the county is more likely family driven while the cities are more suitable for higher non-family rental demand although both markets have notable demand in both household types. This is reinforced by the fact that homebuilders are more focused on delivering single-family housing product in the county. The county is weighted heavily towards single-family units while the higher density is more likely to occur with the county's municipalities. Given these differences, it is increasingly important for the county and its cities to work closely together in planning for new residential development.

### *Public – Private Partnerships*

Collaborations between government entities, private developers, and nonprofit organizations can be instrumental in creating and preserving affordable housing. By leveraging resources, expertise, and funding from both sectors, these partnerships can help facilitate the construction of new affordable housing units or the conversion of existing properties into affordable housing.

# 2023 Housing Assessment Appendix



## Additional Data Points

Table 23: Population by Race and Ethnicity (DP05)

RACE AND ETHNICITY	2010		2021	
	Population	Percent of Population	Population	Percent of Population
WHITE, NON-HISPANIC	196,759	70.7%	216,991	67.2%
BLACK, NON-HISPANIC	56,828	20.4%	65,190	20.2%
AMERICAN INDIAN/ALASKA NATIVE, NON-HISPANIC	416	0.1%	379	0.1%
ASIAN, NON-HISPANIC	5,417	1.9%	7,215	2.2%
NATIVE HAWAIIAN/OTHER PACIFIC ISLANDER, NON-HISPANIC	133	0.0%	100	0.0%
SOME OTHER RACE, NON-HISPANIC	450	0.2%	893	0.3%
MULTIRACIAL, NON-HISPANIC	3,244	1.2%	8,464	2.6%
HISPANIC	14,920	5.4%	23,632	7.3%
<b>TOTAL POPULATION</b>	<b>278,167</b>	<b>-</b>	<b>322,864</b>	<b>-</b>

Source: United States Census Bureau ACS 2017-2021 (DP05)

Table 24: Housing Occupancy in 2010 and 2021

COHORT	2010		2021	
	Number	Percentage	Number	Percentage
OWNER-OCCUPIED UNITS	75,765	71.2%	88,263	72.3%
RENTER OCCUPIED UNITS	30,632	28.8%	33,781	27.7%
AVG. HOUSEHOLD SIZE OWNERS	2.59	-	2.63	-
AVG. HOUSEHOLD SIZE RENTERS	2.43	-	2.48	-
<b>TOTAL OCCUPIED HOUSING UNITS</b>	<b>106,397</b>	<b>-</b>	<b>122,044</b>	<b>-</b>

Source: 2006-2010, 2017-2021 ACS 5-Yr Estimates (DP04)

Chart 27: Tenure by household type

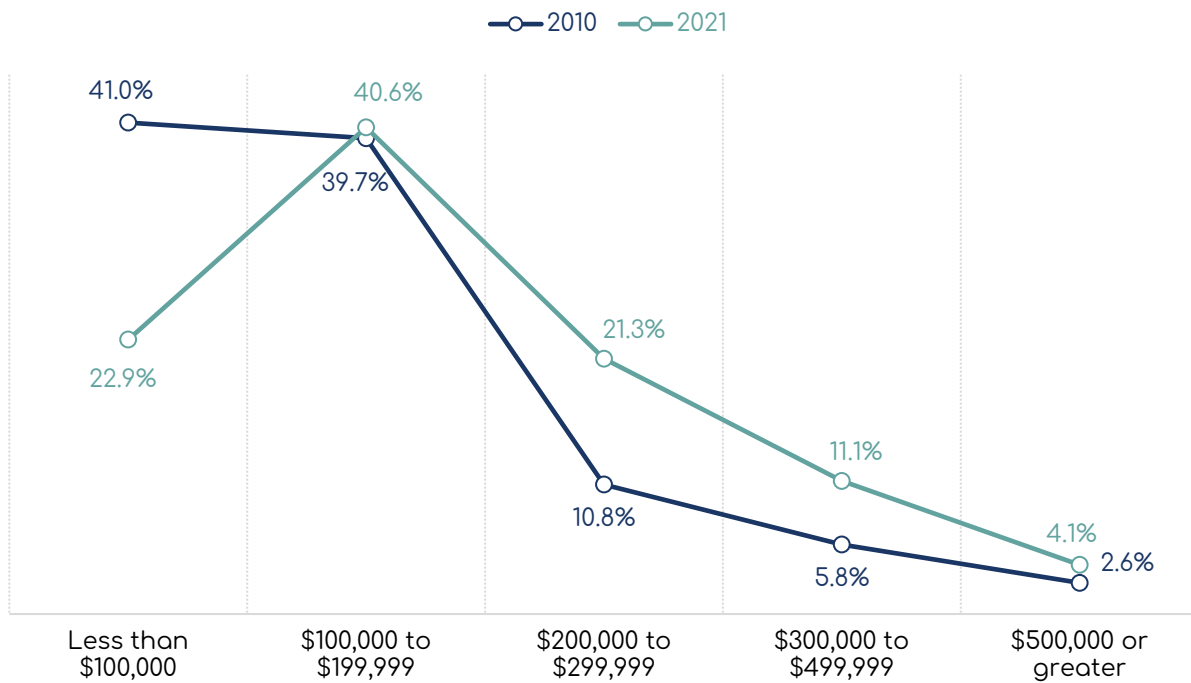
Owner occupied households  
(estimate 88,263)  
72.3%



Renter occupied households  
(estimate 33,781)  
27.7%

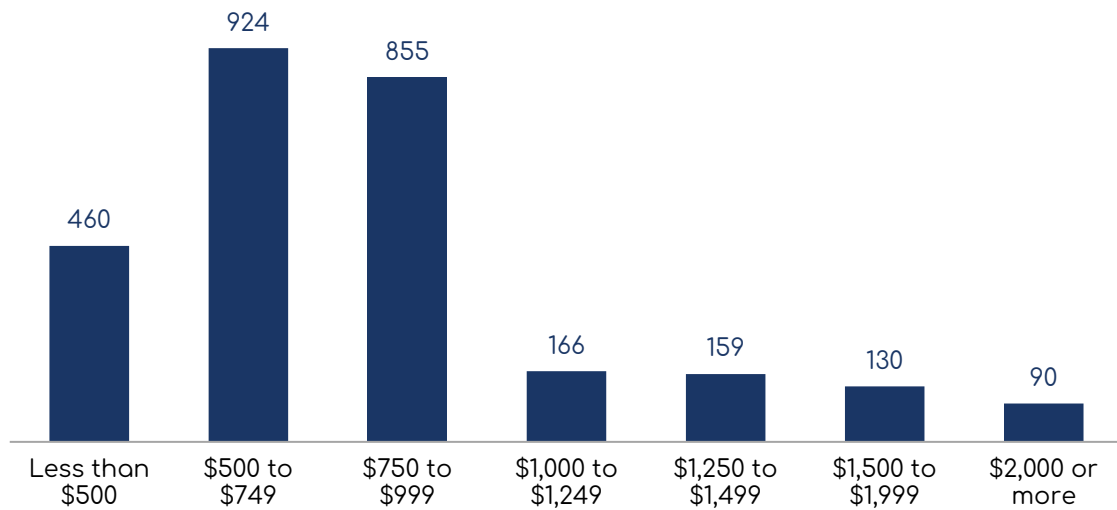
Source: United States Census Bureau ACS 2017-2021 (B25003)

Chart 28: Median Home Value by Price Range



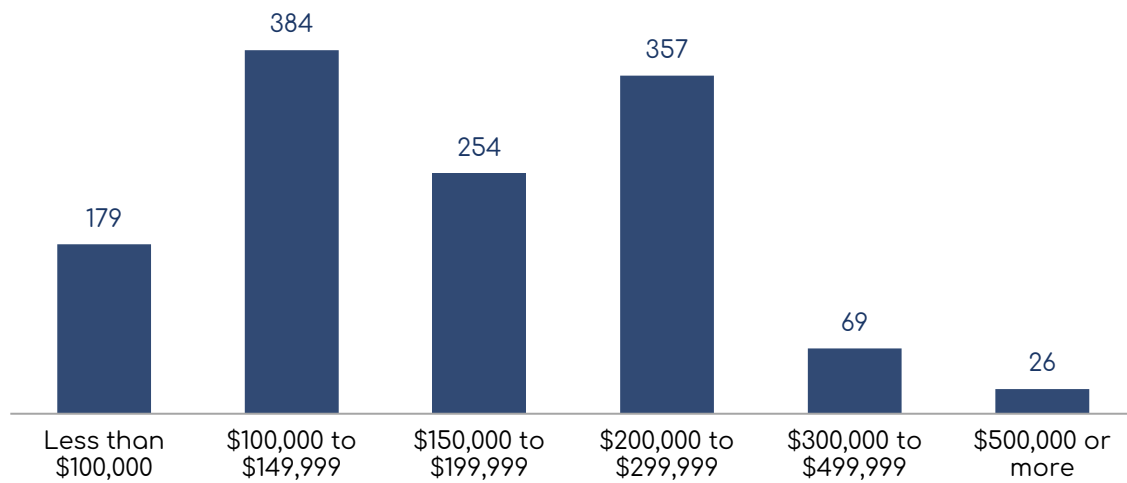
Source: 2006-2010, 2017-2021 ACS 5-Yr Estimates (DP04)

Chart 29: Rent Asked



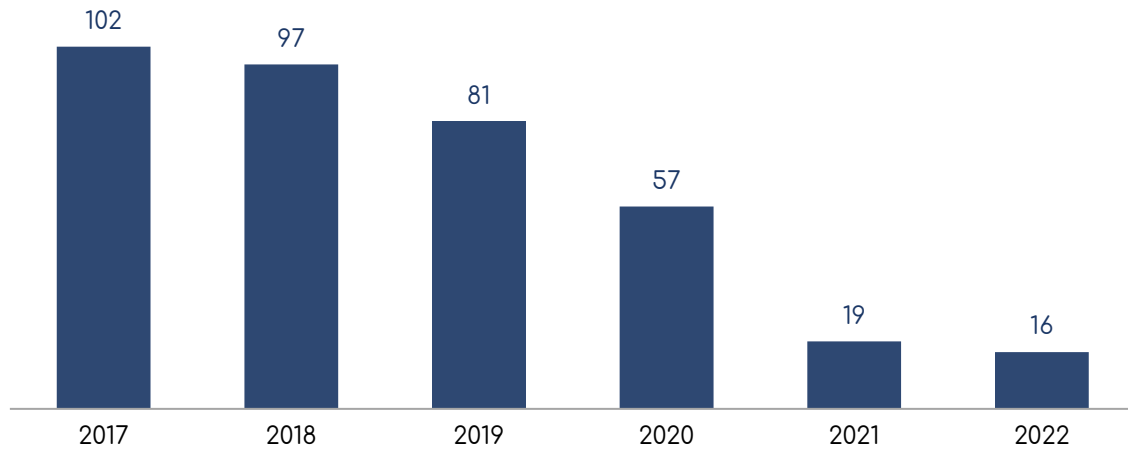
Source: United States Census Bureau ACS 2017-2021 (B25061)

Chart 30: Price Asked for Owner-Occupied Units



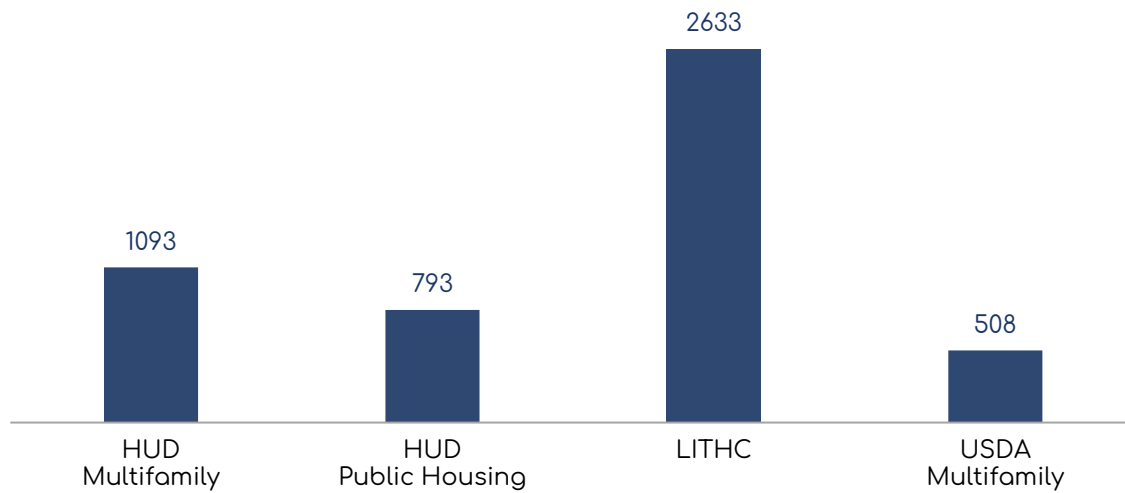
Source: United States Census Bureau ACS 2017-2021 (B25085)

Chart 31: Average Days on Market



Source: Spartanburg Association of REALTORS®

Chart 32: Federally Subsidized Housing Units 2021



Source: HUD Multifamily DB, HUD's Picture of Subsidized Households, LIHTC, USDA



Table 25: Spartanburg County Population Forecast by Age – 2023 to 2035

YEAR	0 TO 4	5 TO 17	18 TO 64	65+	ALL AGES
2023	20,596	60,182	211,113	58,442	350,333
2024	20,784	61,288	215,156	60,095	357,323
2025	20,973	62,394	219,199	61,747	364,313
2026	21,378	63,309	223,672	63,531	371,891
2027	21,784	64,225	228,145	65,315	379,468
2028	22,189	65,140	232,618	67,099	387,046
2029	22,595	66,056	237,091	68,883	394,624
2030	23,000	66,971	241,563	70,667	402,201
2031	23,459	68,026	246,613	72,242	410,341
2032	23,917	69,081	251,663	73,818	418,480
2033	24,376	70,136	256,713	75,394	426,620
2034	24,835	71,191	261,763	76,970	434,759
2035	25,293	72,245	266,813	78,546	442,898

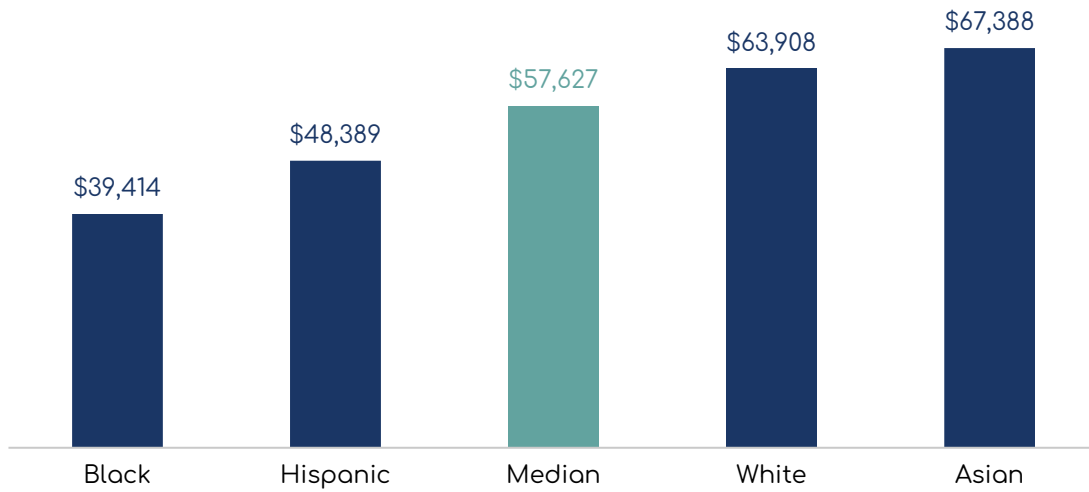
Source: South Carolina Revenue and Fiscal Affairs Office - Data Integration and Analysis Division

Table 26: Age Distribution

AGE COHORT	TOTAL PERSONS IN GROUP	PERCENT
UNDER 5 YEARS	19,594	6.07%
5 TO 9 YEARS	19,923	6.17%
10 TO 14 YEARS	22,834	7.07%
15 TO 19 YEARS	21,817	6.76%
20 TO 24 YEARS	20,123	6.23%
25 TO 29 YEARS	22,913	7.10%
30 TO 34 YEARS	21,432	6.64%
35 TO 39 YEARS	19,900	6.16%
40 TO 44 YEARS	19,060	5.90%
45 TO 49 YEARS	20,781	6.44%
50 TO 54 YEARS	21,489	6.66%
55 TO 59 YEARS	22,035	6.82%
60 TO 64 YEARS	19,265	5.97%
65 TO 69 YEARS	17,726	5.49%
70 TO 74 YEARS	13,996	4.33%
75 TO 79 YEARS	8,558	2.65%
80 TO 84 YEARS	5,364	1.66%
85 YEARS AND OVER	6,054	1.88%
<b>TOTAL POPULATION</b>	<b>322,864</b>	<b>100%</b>
<b>MEDIAN AGE (YEARS)</b>	<b>38.1</b>	<b>-</b>

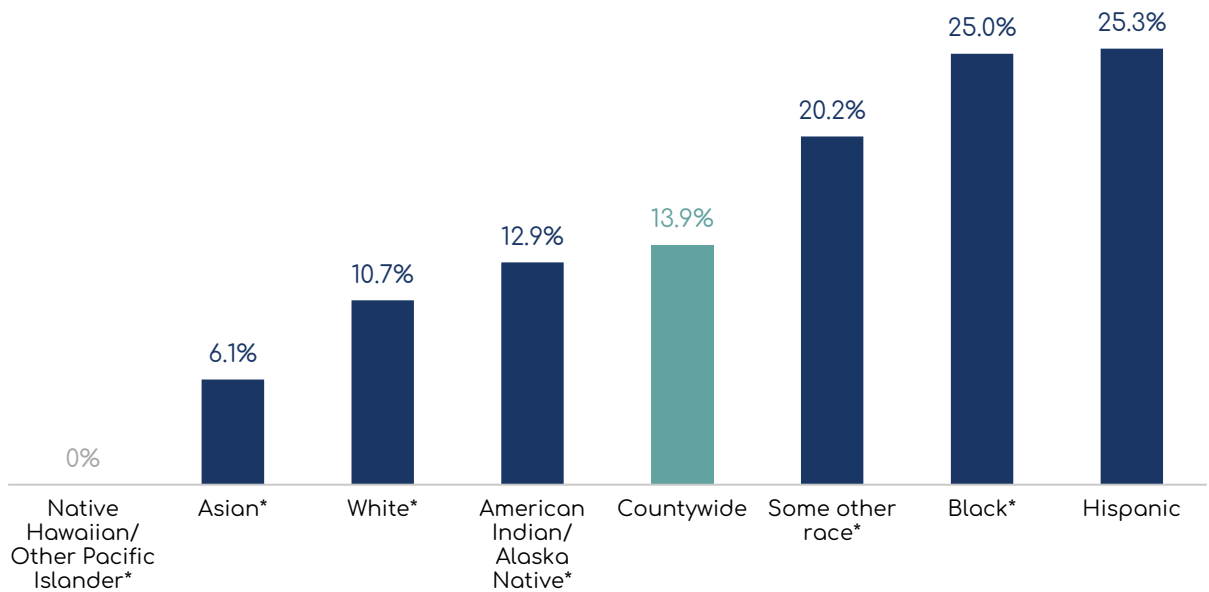
Source: 2006-2010, 2017-2021 ACS 5-Yr Estimates (S0101)

Chart 33: Median Income by Race/Ethnicity



Source: United States Census Bureau ACS 2017-2021 (S1903)

Chart 34: Poverty by Race and Ethnicity

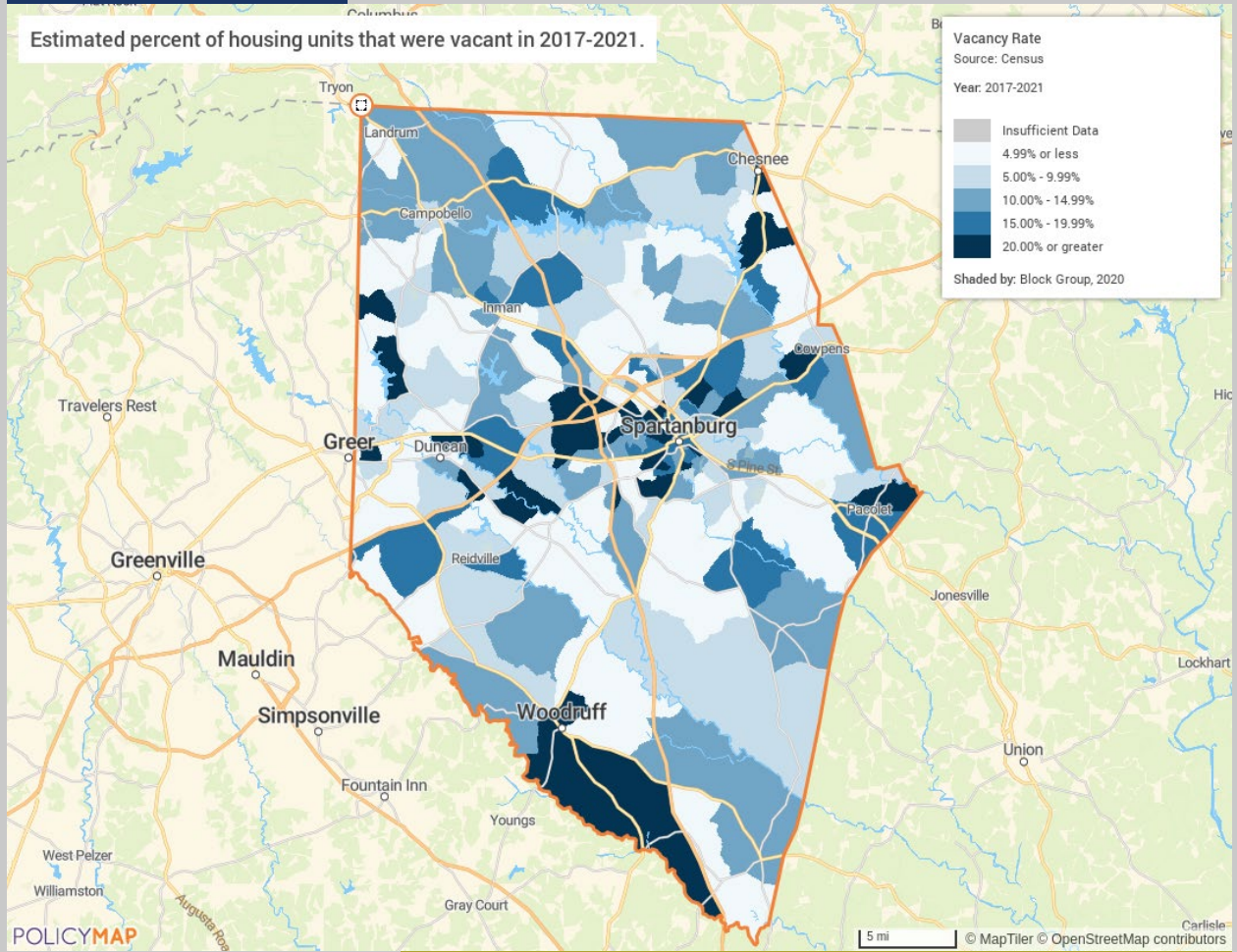


\*Represents that race and ethnicity alone.

Source: United States Census Bureau ACS 2017-2021 (S1701)

### Map 13: Vacancy Rate

Estimated percent of housing units that were vacant in 2017-2021.



Source: United States Census Bureau ACS 2017-2021 via PolicyMap