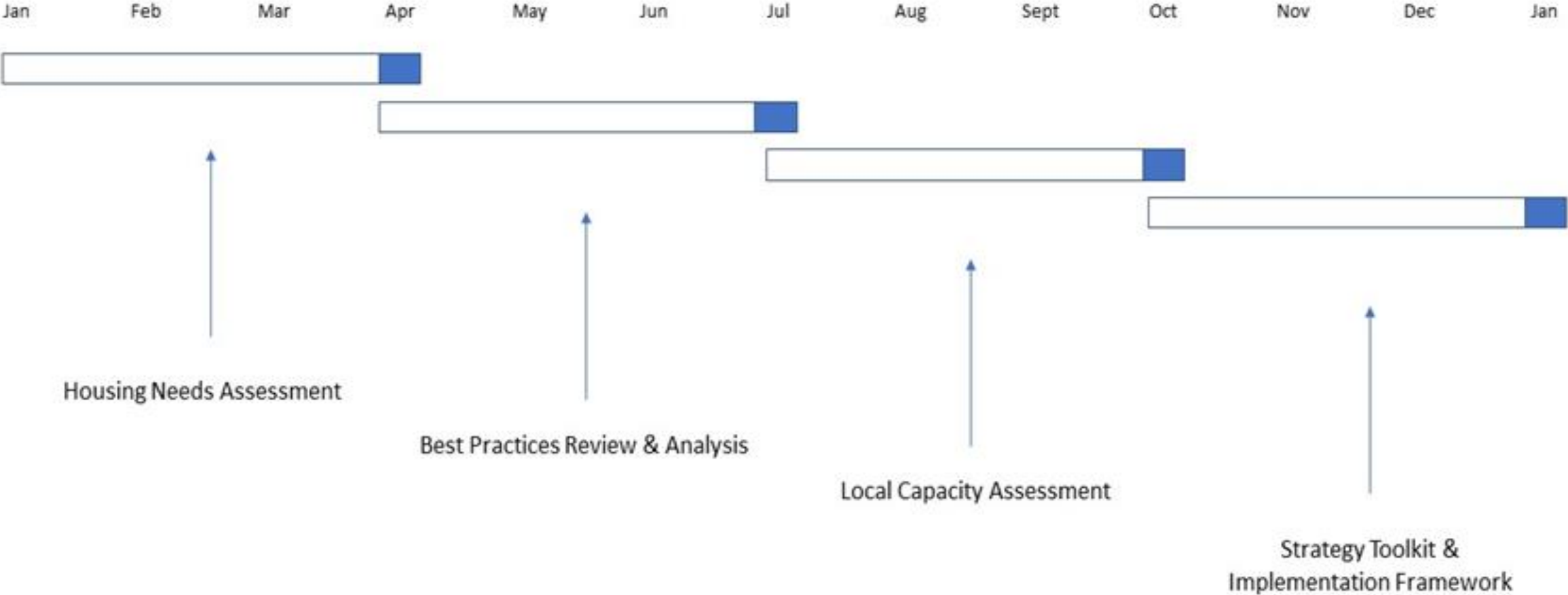




Workforce Housing Initiative

Recommendation Strategy Presentation to City Council January 2022

Initiative Schedule



Outline

- Workforce Housing Needs in the city of Myrtle Beach
- Workforce Housing Definitions
- Workforce Housing Strategy Recommendations

Housing Needs

Industry	Median Wage	Affordable Rent*	Affordable Homeownership**
Accommodation & Food Services	20,667	517	144,669
Retail Trade	23,590	590	165,130
Arts, Entertainment & Recreation	10,340	259	72,380
Health Care & Social Assistance	40,708	1,018	284,956
Administrative & Support & Waste Management Services	19,167	479	134,169
Construction	25,230	631	176,610
Transportation & Warehousing	27,303	683	191,121
Finance & Insurance	62,917	1,572	440,419
Real Estate & Rental & Leasing	40,076	1,002	280,532
Professional, Scientific & Technical Services	53,304	1,333	373,128
Public Administration***	44,405	1,110	310,835

- A lack of attainable housing in the City of Myrtle Beach for the workforce is crucial to recruiting and retaining both private-sector and public-sector employees.
- The number of people commuting from other parts of Horry County and beyond is growing every year.
- Working households, including both those who currently live in the city of Myrtle Beach and those who work in the city but live elsewhere are having a harder and harder time finding housing they can afford.

Source: U.S. Census Bureau, American Community Survey Table S2413

*Rent affordable to one worker at median wage.

**Home price affordable to two workers at median wage, assuming a home price that is 3.

***Includes teachers, first responders, and state and local government staff.

WORKFORCE HOUSING TARGETS

- The City should set a goal of facilitating the construction of 567 new housing units annually including:
 - 250 Net new rental units annually with 35% of the units renting for \$875-\$1,285
 - 317 Net new homeownership units annually with 17% of units priced at \$200,000 and below.
 - In addition to these units, the city should facilitate the construction of 200 seasonal workforce housing units annually.

Workforce Housing Definitions

*FY2021 HUD Income Limits – Horry County, SC HUD Metro
FMR Area*

Household Size

Income Group	1 Person	2 Person	3 Person	4 Person
30 % AMI	12,850	14,700	16,550	18,350
50% AMI	21,400	24,450	27,500	30,550
80% AMI	34,200	39,100	44,000	48,850
120% AMI	51,360	58,680	66,000	73,320

Workforce Housing Definitions

RENTS:

0 Bedroom or Studio: Individual household earning 30-80% AMI

- 20hrs/wk at an hourly rate of \$12.35 *OR*
- 40hrs/wk at an hourly rate of \$8.82

1 Bedroom: 1 couple household earning 30-80% AMI

- 2 people working 20hrs/wk at an hourly rate of \$12.35 *OR*
- 2 people working 40hrs/wk at an hourly rate of \$8.82

2+ Bedroom: 3+ person household earning 30-80% AMI

- 2 people working 20hrs/wk at an hourly rate of \$12.35 *OR*
- 2 people working 40hrs/wk at an hourly rate of \$10.57

0 Bedroom/Studio	\$301-\$804
1 Bedroom	\$344-\$918
2 Bedroom	\$387-\$918

**As of Friday, January 7, 2022 there were zero units listed on Zillow at the price points outlined above.*

Workforce Housing Definitions

Initial Sales Price

Condo Price Targeting 1- person Household at 120% AMI

Income	Monthly Debt	Debt To Income	Down Payment	Down Payment Assistance	Interest Rate	Home-owners Insurance	Property Taxes	HOA	Max Price
40,180	500	37%	5,000	5,000	4.25%	552	1.2%	65	149,400

Single Family Home Targeting 4-person Household at 120% AMI

Income	Monthly Debt	Debt To Income	Down Payment	Down Payment Assistance	Interest Rate	Home-owners Insurance	Property Tax	HOA	Max Price
73,320	500	37%	5,000	5,000	4.25%	944	570	65	238,200

**As of Friday, January 7, 2022 there were only two units listed on Zillow at the price points outlined above. The two units were priced above \$149,400 but less than \$238,200. This search included all home types to the west of HWY 17 BUS.*

Workforce Housing Definitions

Re-Sale Prices based on 10 year rolling average of increase in AMI

Year Bought	2022
Original Sales Price	\$196,629
Change In AMI, 10 year rolling average	22%
Year Sold	2027 (5 years owner occupied)
Re-Sale Price	\$218,258 (Original sales price plus 11%. Still attainable to workforce with 120 AMI income in 2027)

Workforce Housing Definitions

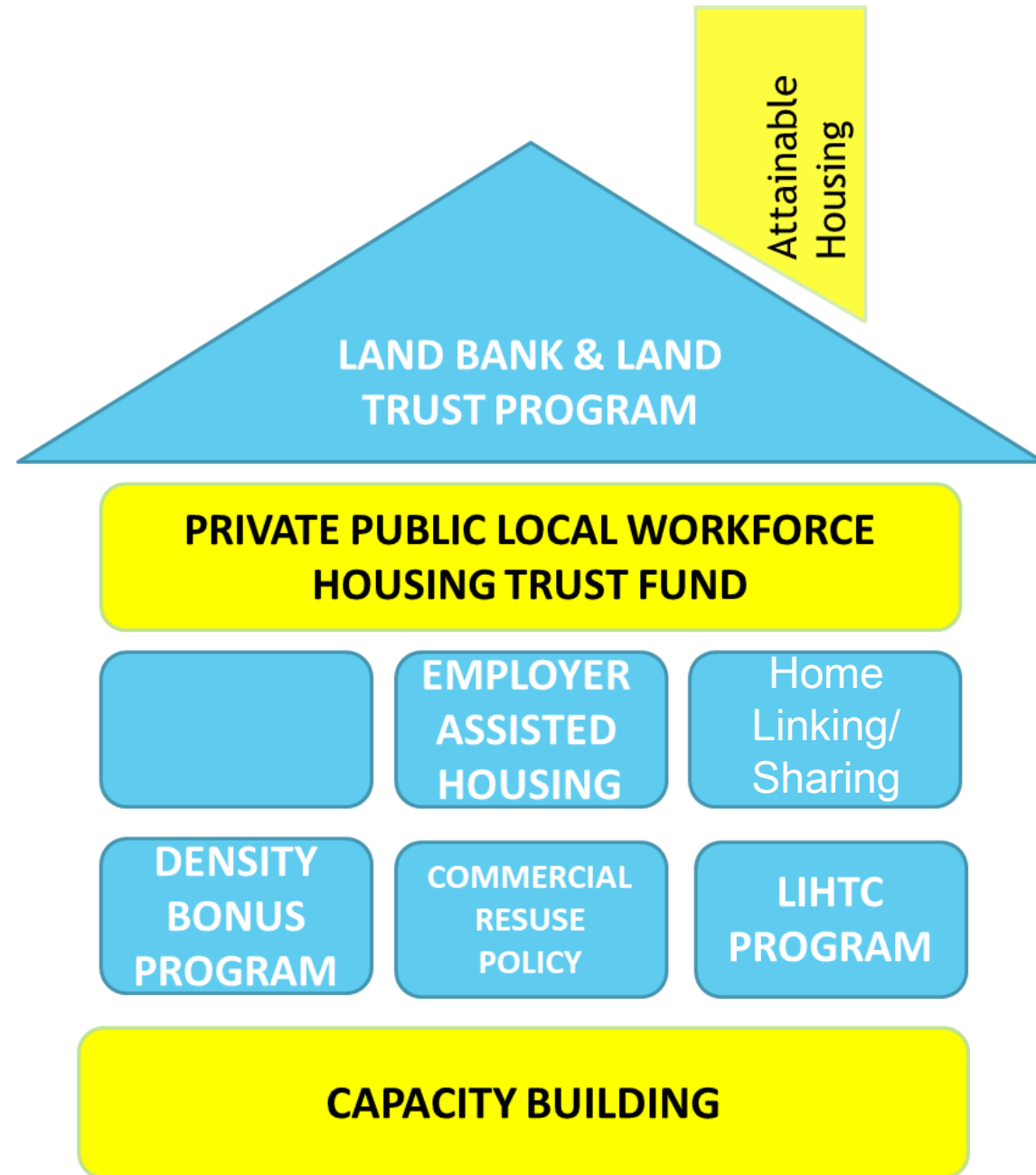
- ***Affordability Terms***

- ***Ownership Units should have a minimum of 15-year term with a reset upon resale.***
- ***Rental units should have a 99-year affordability period.***

- ***Priority Groups***

- ***Existing workers inside the City of Myrtle Beach and new workers with proof of employment within the City of Myrtle Beach.***

Workforce Housing: Building Blocks for Attainable Housing for the Workforce



Workforce Housing Toolbox

PRODUCTION TOOLS

- Bonus Density Program, Incentive-Based (overlay)
- Adaptive Reuse
- Community Land Trust and/or Land Bank
- Mixed Income Policy
- Home Linking/Sharing

FINANCIAL TOOLS

- Local Housing Trust Fund
- National/ SC Housing Trust Fund
- Opportunity Zones
- Vacant Housing Fee

Preservation Strategies

- Single and Multi-Family Rehabilitation

1 Establish a public-private local workforce housing trust fund.	Short-Term	Mid-Term	Long-Term
Identify the appropriate organization to administer the housing trust fund.	Blue		
Establish goals and funding mechanisms for the fund.			
Establish the process for receiving applications for trust fund resources.			
Allocate local public recourses in FY2022 in the amount of \$200,000.			
Establish employer commitments of resources to the fund in the amount of at least \$200,000 in FY2022.			
Allocate trust fund resources to at least one project program.		Green	
Identify a dedicated source of local public funding to the local housing trust fund that would come outside of the annual budget allocation process.			
Monitor and report out projects and programs supported with trust fund resources.		White	Blue
Explore creating an in-lieu fee/contribution option to the trust fund as part of the bonus density program.			
2 Create an adaptive reuse policy.	Short-Term	Mid-Term	Long-Term
Allow developers to request a zoning change to accommodate workforce housing on a MU property	Blue	Green	Blue
Develop a motel conversion ordinance where mixed-use redevelopment is appropriate.			
Adopt a vacant structure fee.		White	
Offer financial incentives to developers interested in repurposing commercial space as workforce housing.			Blue
Evaluate the effectiveness of the policy and revise as necessary.			

3 Establish a density bonus program.	Short-Term	Mid-Term	Long-Term
Modify the planning/zoning ordinance to include a bonus density as an option in the certain zoning districts as part of a Workforce Housing Overlay.	Blue		
Offer financial incentives to support workforce housing developed through the City's density bonus program.		Green	Light Blue
Evaluate areas associated with zoning districts where density bonus is allowed for moderate to high density residential and/or mixed-use development as part of the Workforce Housing Plan Update.			
Monitor and report out on the bonus density program and seek out feedback from the development community.			Light Blue
Explore modifications to the bonus density program based on feedback from developers and other stakeholders. Possibly a fee-in-lieu option, changes to density/workforce housing requirements and/or other incentives.			Light Blue

4 Community land trust/land bank.	Short-Term	Mid-Term	Long-Term
Identify the appropriate organization to administer Community Land Trust and Land Bank.	Blue		
Establish goals for CLT and LB.			
Establish funding mechanisms for CLT and LB.			
Establish process for receiving property into each.			
Allocate local public funding or resources for each.		Green	
Allocate resources for one project from each CLT and LB.			
Report out projects supported by CLT and LB.			Light Blue

5 Expand employer-assisted housing programs.	Short-Term	Mid-Term	Long-Term
Offer down payment assistance to targeted public sector staff.	Blue	Green	Light Blue
Promote County and State first-time homebuyer programs.			
Encourage local private-sector employers offer assistance to its employees.			
Explore options for a local public-private rental voucher program.	White		White
Monitor and report on public and private-sector housing assistance programs.	White	White	Light Blue
	White	White	White

6 Make rental projects more competitive for Low Income Housing Tax Credits.	Short-Term	Mid-Term	Long-Term
Continue to advocate for changes to the state's QAP to make projects in the City of Myrtle Beach more competitive.	White	Green	Light Blue
Explore local options for private activity bond financing to leverage the four percent Low Income Housing Tax Credit.	White	White	

		Short-Term	Mid-Term	Long-Term
7	Partner on a home linking/home sharing program.			
	Coordinate with the Chamber of Commerce and Housing Development Office to determine interest in a home linking/home sharing service.	Blue		
	Assign responsibility for elements of the program (HDO).			
	Expand home linking/home sharing portal in partnership with communities throughout the City/County.		Green	
	Monitor and make modifications to the home linking/home sharing resource, as necessary.			

Strategic Plan for Workforce Housing

Moving Forward:

- **Dedicated person/organization for Workforce Housing Oversight (one stop shop)**
 - Procedures for monitoring WFH units
 - Develop relationships with local and regional developers
 - Education and outreach
 - Develop relationships with local and regional financial institutions
 - Develop relationships with local employers
 - Oversight of Home Linking/Sharing Program

