Northwest Arkansas Regional Housing Report
Bentonville Public Meeting
June 5, 2018
Meeting Objectives

• Introduce the Northwest Arkansas Regional Housing Report planning process and share ways for you to stay involved.

• Outline existing conditions that affect housing within the region.

• Share your perspective on housing within the region.

• Discuss housing needs among persons who live in the region.

• Identify the values that matter to you in housing planning for the region.
Project approach

*Connecting housing to opportunity*

**Neighborhoods matter.**
Neighborhoods determine key pathways to opportunity – from the schools children attend to an individual’s access to jobs, transit, and other amenities and services.
Project overview

Phase 1
Housing Study

Phase 2
Plan Development & Delivery
Key Tasks in Phase 1

Conditions Analysis & Planning Structure

FEB 2018

Phase 1

JUNE 2018

Inventory existing data, assets and housing products in each downtown

Assess current housing programs & policies

Analyze current and future housing needs & market dynamics

Forecast future trends and estimate future housing needs through 2028

Evaluate programs and policies of comparable high-performing regions
Key tasks in Phase 2

Housing Strategy Roadmap

JUNE 2018

Develop a menu of strategies to meet the current and future housing needs and market dynamics

Identify regional housing goals & priorities

Align priority strategies with conditions analysis in Housing Strategy Roadmap

DEC 2018
How Can You Stay Involved?

Review updates & project materials on the *Comprehensive Housing Strategy* webpage, housed at

www.nwarpc.org/environment/nwa-housing-report/

Join us at future public meetings
Defining Key Terms

**Affordable Housing**

In general, affordable housing is when an individual or family pays no more than 30 percent of income on housing costs, including utilities (as defined by HUD).

**Low-Income**

Generally used to describe a household that earns less than 80 percent of the area median income (AMI).

**Cost Burdened**

A household, at any income level, paying more than 30 percent of their monthly income on housing costs.

**Housing Insecure**

Low-income households paying 50 percent or more of their income on housing costs or experiencing homelessness.
Project approach

Continuum of housing

Average annual income for selected occupations (2017)
Arkansas

Any minimum wage worker: $17,680
Poultry Trimmer: $24,460
Retail Sales: $25,000
Fire Fighter: $37,024
School Teacher with Bachelors Degree and 15 years exp: $56,332
Architect: $67,974

<30% AMI  31%-50% AMI  51%-80% AMI  81%-100% AMI  101%-120% AMI

General housing products by income level served:
Public housing, transitional housing, and supportive housing
Subsidized rental housing
Attainable homeownership housing
Market-rate rental and homeownership housing

SOURCES: Arkansas Department of Workforce Services, 2017 Wage Rates by Occupation; Arkansas Department Of Education, 2017-2018 Teacher Salary Schedule; HUD FY2017 Income Limits and Fair Market Rent Documentation System
## 2018 HUD Income Limits for the Fayetteville-Springdale-Rogers HUD Metro Fair Market Rent (FMR) Area

<table>
<thead>
<tr>
<th>Median Income</th>
<th>FY 2017 Income Limit Category</th>
<th>Persons in Family</th>
</tr>
</thead>
<tbody>
<tr>
<td>$65,400</td>
<td>Extremely Low (30%) Income Limits ($)</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>13,750</td>
<td>16,460</td>
</tr>
<tr>
<td>$65,400</td>
<td>Very Low (50%) Income Limits ($)</td>
<td>22,900</td>
</tr>
<tr>
<td>$65,400</td>
<td>Low (80%) Income Limits ($)</td>
<td>36,650</td>
</tr>
</tbody>
</table>

**SOURCE:** HUD FY2017 Income Limits and Fair Market Rent Documentation System
What is “affordable” in Northwest Arkansas?

<table>
<thead>
<tr>
<th>Income levels</th>
<th>1 Person Household</th>
<th>3 Person Household</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Income</td>
<td>Maximum monthly rent</td>
</tr>
<tr>
<td>30% AMI</td>
<td>$13,750</td>
<td>$344</td>
</tr>
<tr>
<td>50% AMI</td>
<td>$22,900</td>
<td>$572</td>
</tr>
<tr>
<td>80% AMI</td>
<td>$36,650</td>
<td>$916</td>
</tr>
<tr>
<td>Median income</td>
<td>$45,800</td>
<td>$1,145</td>
</tr>
<tr>
<td>120% median income</td>
<td>$54,960</td>
<td>$1,374</td>
</tr>
</tbody>
</table>

SOURCE: HUD FY2018 Income Limits and Fair Market Rent Documentation System
Demographic Snapshot
Who are your Northwest Arkansas Region neighbors?

I. DEMOGRAPHIC SNAPSHOT

Sources: 2016 American Community Survey 5-Year Estimates

- Urbanized Area Total Housing Units: 130,209
- Owner-Occupied Units: 64,365 (53%)
- Renter-Occupied Units: 56,421 (47%)
- Vacant Units: 9,423 (7%)
I. DEMOGRAPHIC SNAPSHOT

Who are your Northwest Arkansas Region neighbors?

<table>
<thead>
<tr>
<th>City</th>
<th>Total Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bentonville</td>
<td>42,499</td>
</tr>
<tr>
<td>Fayetteville</td>
<td>80,552</td>
</tr>
<tr>
<td>Rogers</td>
<td>61,979</td>
</tr>
<tr>
<td>Springdale</td>
<td>76,188</td>
</tr>
<tr>
<td>Non-city residents</td>
<td>64,624</td>
</tr>
</tbody>
</table>

325,842
Urbanized Area Total Population

Sources: 2016 American Community Survey 5-Year Estimates
Who are your Northwest Arkansas Region neighbors?

120,786
Urbanized Area
Total Households

2.62
Average Household Size

64%
Family Households

77,774

36%
Non-Family Households

43,012

SOURCES: 2016 American Community Survey 5-Year Estimates
I. DEMOGRAPHIC SNAPSHOT

Who are your Northwest Arkansas Region neighbors?

- 50% Male
- 50% Female
- 26% Under 18
- 29% 18 - 34
- 30% 35 - 59
- 15% 60+

SOURCES: 2016 American Community Survey 5-Year Estimates
Who are your Northwest Arkansas Region neighbors?

Educational Attainment, Age 25+

- 22% High School Diploma
- 5% Associates Degree
- 21% Bachelor’s Degree
- 13% Graduate/Professional Degree

- 4.2% Unemployment Rate (Age 16+)
- 12% Poverty Rate (All Families)

SOURCES: 2016 American Community Survey 5-Year Estimates; Updated to include corrected educational attainment figures 06/07/18
Snapshot of regional housing trends
II. THE REGIONAL SHORTAGE OF AFFORDABLE HOUSING

Summary of Key Trends in the Northwest Arkansas Area

• 27% of Northwest Arkansas residents are cost-burdened
  – 16% of owners are cost-burdened
  – 40% of renters are cost-burdened

$786
2016
Median Gross Rent
(Northwest Arkansas Area)

$156,100
2016
Median Home Value
(Northwest Arkansas Area)

27%
of Northwest Arkansas households are cost-burdened

SOURCES: 2016 American Community Survey 5-Year Estimates
II. THE REGIONAL SHORTAGE OF AFFORDABLE HOUSING

Summary of Key Trends in the NWA Region

Median Home Sales Price 2010-2017

Sources: Center for Business and Economic Research; Northwest Arkansas Board of Realtors;
Summary of Key Trends in the NWA Region

Median Rent 2010-2017

- Bentonville
- Fayetteville
- Rogers
- Springdale

SOURCES: Center for Business and Economic Research; Northwest Arkansas Board of Realtors;
Bentonville does not have a shortage of units for low-income households at any level.

Total affordable units by income level (2016)
Bentonville, AR

<table>
<thead>
<tr>
<th>Household Income</th>
<th>Number of Renter Households</th>
<th>Number of Units Affordable at Specified Income Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extremely Low Income (&lt;30% AMI)</td>
<td>1,065</td>
<td>1,076</td>
</tr>
<tr>
<td>Very Low Income and Below (0-50% AMI)</td>
<td>1,984</td>
<td>2,490</td>
</tr>
<tr>
<td>All Low Income and Below (0%-80% AMI)</td>
<td>3,380</td>
<td>5,970</td>
</tr>
<tr>
<td>Household Income (0%-120% AMI)</td>
<td>4,653</td>
<td>6,473</td>
</tr>
</tbody>
</table>

SOURCE: 2016 American Community Survey 5-Year Estimates
However, Bentonville’s shortage emerges across most income levels when accounting for availability of units.

Total affordable & available units by income level (2016)
Bentonville, AR

SOURCE: 2016 American Community Survey 5-Year Estimates
Snapshot of regional housing trends

II. Who is most severely impacted?
27% of Northwest Arkansas Area residents are cost-burdened. “Cost-burdened” means a household is paying more than 30% of their monthly income on housing costs.

16% of owner households are cost-burdened

40% of renter households are cost-burdened

Median Gross Rent $786/mo

Median Home Value $156,100

SOURCE: 2016 American Community Survey 5-Year Estimates
III. WHO IS MOST SEVERELY IMPACTED?

26% of Bentonville households are cost-burdened.

“Cost-burdened” means a household is paying more than 30% of their monthly income on housing costs.

- 38% of renter households are cost-burdened
- 17% of owner households are cost-burdened

<table>
<thead>
<tr>
<th>Status</th>
<th>Income Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost-burdened Renters</td>
<td>Moderate Income (81%-120% AMI)</td>
<td>9%</td>
</tr>
<tr>
<td></td>
<td>Low Income (51%-80% AMI)</td>
<td>44%</td>
</tr>
<tr>
<td></td>
<td>Very Low Income (31%-50% AMI)</td>
<td>73%</td>
</tr>
<tr>
<td></td>
<td>Extremely Low Income (&lt;30% AMI)</td>
<td>94%</td>
</tr>
<tr>
<td>Cost-burdened Owners</td>
<td>Moderate Income (81%-120% AMI)</td>
<td>15%</td>
</tr>
<tr>
<td></td>
<td>Low Income (51%-80% AMI)</td>
<td>36%</td>
</tr>
<tr>
<td></td>
<td>Very Low Income (31%-50% AMI)</td>
<td>48%</td>
</tr>
<tr>
<td></td>
<td>Extremely Low Income (&lt;30% AMI)</td>
<td>89%</td>
</tr>
</tbody>
</table>

Sources: 2016 American Community Survey 5-Year Estimates; Center for Business and Economic Research; Northwest Arkansas Board of Realtors;
Responding to the Data—Breakout Activity 1

Help us understand the data! In your breakout groups, discuss your thoughts about the data presented:

- Surprises?
- Comments?
- Concerns?
- What’s missing?
Who Needs Housing?—Breakout Activity 2

This activity will help us understand and discuss both common and unique housing needs among persons who live in Northwest Arkansas.
This activity will help us identify what each of you value about housing and the role it plays in the lives of NWA residents. This information will help build the guiding principles in the *NWA Regional Housing Report*.
How Can You Stay Involved?

Review updates & project materials on the Comprehensive Housing Strategy webpage, housed at

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