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.
Why a Regional Housing Report?

How does a Regional Housing Plan benefit residents of Northwest Arkansas?

How does a Regional Housing Report benefit the Northwest Arkansas 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.

![Diagram showing pathways to opportunity and outcomes]

Outcomes

Pathways to opportunity
Project overview

Phase 1
Housing Study

Phase 2
Plan Development & Delivery
Key Tasks in Phase 1

**Conditions Analysis & Planning Structure**

**Phase 1**

- **FEB 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

- **JUNE 2018**

**Focus Groups**

4 Public Meetings
Key tasks in Phase 2

Housing Strategy Roadmap

- 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
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
While no common standard exists, workforce housing typically refers to providing homes for middle-income service workers, such as police officers, teachers and nurses, in close proximity to their jobs, who may not qualify for housing subsidies.

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).

Public Housing
Public housing was established to provide decent and safe rental housing for eligible low-income families, older adults, and persons with disabilities. It is subsidized through the federal government and managed by local housing authorities.

Defining Key Terms

Key terms
Defining Key Terms

**Attainable Housing**

*Sometimes used as a euphemism for affordable housing, the term does not have a set definition, but is often used to describe housing that is offered at a price that does not exceed 30% of a household’s monthly income. Attainability can refer to housing units across a variety of incomes.*

**Below Market Rate (BMR) Housing**

*Generally used to describe when a housing unit – either an apartment or a single-family house – is made available to those earning low or moderate incomes. BMR housing can include both rental and homeownership units.*

**Mixed-Income Housing**

*A mixed-income housing development can be defined as a development that is comprised of housing units with differing levels of affordability, typically with some market-rate housing and some housing that is available to low-income occupants below market-rate.*
Defining Key Terms

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
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>13,750 16,460 20,780 <strong>25,100</strong> 29,420 33,740 38,060 42,380 45,720</td>
</tr>
<tr>
<td></td>
<td>Very Low (50%) Income Limits ($)</td>
<td>22,900 26,200 29,450 <strong>32,700</strong> 35,350 37,950 40,550 43,200</td>
</tr>
<tr>
<td></td>
<td>Low (80%) Income Limits ($)</td>
<td>36,650 41,850 47,100 <strong>52,300</strong> 56,500 60,700 64,900 69,050</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?

130,209
Urbanized Area
Total Housing Units

64,365
Owner-Occupied Units
(53%)

56,421
Renter-Occupied Units
(47%)

9,423
Vacant Units
(7%)

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

Who are your Northwest Arkansas Region neighbors?

120,786
Urbanized Area
Total Households

77,774
64%
Family Households

43,012
36%
Non-Family Households

2.62
Average Household Size

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
- **22%** 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
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

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;
II. THE REGIONAL SHORTAGE OF AFFORDABLE HOUSING

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;
In Fayetteville, there is a shortage of housing priced for the lowest income households – extremely low-income residents.

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

<table>
<thead>
<tr>
<th>Household Income (0%-120% AMI)</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>3,719</td>
<td>5,192</td>
</tr>
<tr>
<td>Very Low Income and Below (0-50% AMI)</td>
<td>8,495</td>
<td>10,442</td>
</tr>
<tr>
<td>All Low Income and Below (0%-80% AMI)</td>
<td>13,928</td>
<td>20,122</td>
</tr>
<tr>
<td>Household Income (0%-120% AMI)</td>
<td>17,871</td>
<td>21,292</td>
</tr>
</tbody>
</table>

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

When accounting for availability of units, that gap intensifies at the lower income ranges and extends to all low-income households.

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

- **Extremely Low Income (<30% AMI)**
  - Number of Renter Households: 5,192
  - Number of Affordable and Available Rental Units: 1,847

- **Very Low Income and Below (0-50% AMI)**
  - Number of Renter Households: 8,495
  - Number of Affordable and Available Rental Units: 5,730

- **All Low Income and Below (0%-80% AMI)**
  - Number of Renter Households: 13,928
  - Number of Affordable and Available Rental Units: 13,444

- **Household Income (0%-120% AMI)**
  - Number of Renter Households: 17,871
  - Number of Affordable and Available Rental Units: 18,605

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

II. Who is most severely impacted?
III. 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?

35% of Fayetteville households are cost-burdened.

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

- 47% of renter households are cost-burdened
- 16% of owner households are cost-burdened

**2017 Median Gross Rent**
- $625/mo

**2017 Median Home Sale Price**
- $210,000

**Cost-burdened Renters:**
- Moderate Income (81%-120% AMI) 8%
- Low Income (51%-80% AMI) 40%
- Very Low Income (31%-50% AMI) 85%
- Extremely Low Income (<30% AMI) 87%

**Cost-burdened Owners:**
- Moderate Income (81%-120% AMI) 13%
- Low Income (51%-80% AMI) 32%
- Very Low Income (31%-50% AMI) 47%
- Extremely Low Income (<30% AMI) 79%

**Sources:** 2016 American Community Survey 5-Year Estimates; Center for Business and Economic Research; Northwest Arkansas Board of Realtors;
Who Needs Housing?—Breakout Activity 1

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

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

Join us at future public meetings