



## **HOUSING WORKING GROUP Meeting #1**

**Wednesday, February 22, 2012  
3:30PM – 5:30PM  
Cansler YMCA, Community Room  
616 Jessamine Street, Knoxville, TN 37917**

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### **Welcome and Introductory Presentation**

Meeting facilitator Ann Coulter welcomed everyone, and the attendees introduced themselves. She noted that once appointed, a Chairperson for the working group will serve as the official contact to transfer information coming from the working group to the leadership team.

The goal of the first working group meeting is to gather reactions to the Housing Section of the draft Existing Conditions Memo, which was distributed prior to the meeting via email and paper copies were provided at the meeting as well. There was then a presentation describing Plan East Tennessee (PlanET), where the region is in the planning process, and the role of the working groups. Highlights were provided of the draft Existing Conditions Memo (February 2012), noting both regional trends and focus area trends for the working group.

The Housing Focus Area Trends from the Existing Conditions Memo draft were summarized in points 1 - 4 below.

1. Low density development characterizes the region and detached single family homes and mobile homes comprise the bulk of the housing stock.
2. Owner occupancy is high, the regional rental market is strong and regional housing demand is projected to increase, even though residential construction and sales declined sharply during the recession.
3. The region's median home values are higher than TN but lower than the U.S. and vary widely within the five counties of PlanET.
4. Housing costs are generally affordable but combined housing & transportation costs are unaffordable for most families in the region

### **MATERIALS DISTRIBUTED:**

- Agenda
- PlanET Project Factsheet

- Working Groups Information Sheet
- PlanET - Existing Conditions Memo February 2012 Draft, Housing Section

**PARTIES PRESENT**

1. John Lamb (*Blount County*)
2. Paul Berney (*KHP, Narrow Ridge, OMNI*)
3. Ken Libby (*Childrens Defense Fund*)
4. Danny Mitchell (*KHFH*)
5. Ed Ellis (*HUD*)
6. Bo Pierce (*KCDC*)
7. Ina Lane (*HUD*)
8. Wolf Naegeli (*Foundation For Global Sustainability*)
9. Barbara Pearman (*BPK, LLC*)
10. Rick Russell (*BPR, LLC*)
11. Claudia Lever (*Oak Ridge Planning Commission*)
12. Susan Burgess-Parrish (*Habitat for Humanity of Anderson County*)
13. Joe Hultquist
14. Kahla Gentry (*City of Oak Ridge*)
15. Jim Ullrich
16. Linda Rust (*Knox County Community Development*)
17. Jeff Talman (*Wells Fargo*)
18. Kevin DuBose (*Emerald Youth*)
19. Rick Held (*HUD*)
20. Eric Hoglelund (*HUD*)
21. Douglas Cox (*FCDC*)
22. Jason Estes (*Knox CAC*)
23. David Massey (*City of Knoxville*)
24. Alana Hibbler (*MPC: note taker and participant*)
25. Mike Carberry (*MPC staff and participant*)
26. Jeff Archer (*MPC, recorder*)
27. Amy Brooks (*TPO*)

**PARTIES MISSING FROM THE DISCUSSION**

- COIN
- Agency representing homeless needs (KARM)
- Knoxville Leadership Foundation

- Barbra Mott (office on aging)
- Knox Area Urban League (representing foreclosure prevention)
- Housing Authorities
- Private developer(s)
- Private landlord
- Apartment Council
- Homebuilders Association
- Housing lenders/financial institutions
- Weatherization program representatives (ETHRA, CACs)
- South Face
- USGBC
- Mobile home industry (Clayton)
- Community schools group
- League of Voters
- Regional coverage: planning and housing experts
- Elected officials
- Loudon County
- Union County
- Legal Aid
- Real Estate Association
- Codes Enforcement
- Latino Community
- More from the Black Community

## **Questions and Responses:**

Participants were asked to answer the following questions, combining their responses to both questions.

- **Are there any group focus area-related issues, challenges, or opportunities not adequately presented in the Existing Conditions Memo?**
- **Are issues related to the topic adequately addressed for the entire region?**
  - Preservation of housing stock is needed, including that in older and historic areas to help retain housing values and promote maintenance of existing stock.
  - Lack of adequate tools to address blight (as well as clarity of related policies).
  - Need affordable housing for the aging population, including programs for aging in place (i.e., opportunities that allow seniors to stay in their neighborhoods).

- Not many alternatives for affordable housing other than mobile homes.
- Imbalance of home selection geographically, including bias of real estate agents to direct potential new comers to newer neighborhoods (rather than older or historic areas), and developers' preferences for greenfield sites over infill).
- Transitional and special needs housing for youth and young adults needs more attention.
- Sprawl into rural areas is related to overall housing costs; this includes agricultural zoning (allowing 20,000 sq. ft. to one-acre lots).
- Sprawl also affected by wastewater utility extension policies, including new technology for subdivision-based wastewater package plants.
- Qualified home owners for affordable housing are not easily found (several counties noted participants often have credit problems).
- Add a discussion of the dynamics of future housing growth and trends (include national and regional data on trends in renting vs. home buying, demographics relative to housing types, and house size(s). Consider structural change taking place in the market (rent vs. ownership and long term shift in market needs discussion).
- PlanET has a "thin" supply of housing compared to other regions (i.e., not as much vacancy and abandonment).
- The context of different types of housing should be added (e.g., historical character, proximity to downtown, areas with high walkability verses areas of blight).
- Define affordable housing to include purchasing cost, and utility usage and expenses.
- The cost of expenses for house repairs is another affordability factor.
- The inefficient housing problem: energy costs and clusters of such houses have a destabilizing effect (e.g., implications for targeted weatherization).
- Education about credit and credit repair is important.
- Taking advantage of schools as multi-use facilities and community amenities can be an asset in neighborhood stability.
- Areas of affordable housing often have increased crime (making seniors feel vulnerable) and environmental health issues (mold in older housing).
- Education related to managing utilities, including energy usage and consumption and weatherization.
- Affordable housing is often not desirable housing (e.g., older parts of Oak Ridge).
- Special housing needs for disabled populations.
- Home ownership qualifying affects rental market.
- People in region are spending too much income on housing and page 62 should be revised to add: a. owners 30-35% of income, not affordable; b. rentals 35-45% of income, not affordable.

- Impact of density and mixed use: add discussion of economics and mixed use development.
- Imbalance in some neighborhoods between renting and home ownership; impacts include less investment, decline in property value, increase in crime.
- Information on homelessness problems should be added (people losing their houses, lack of Section 8 vouchers and “over crowding” in units).
- Transportation and housing cost will grow (ripple effect of tightened household budgets).
- Renting does not grow personal wealth; problems include the widespread number of mobile homes in rural areas.
- Blight leads to neighborhood disinvestment.
- Regulations push greenfield (not infill) development (including such disincentives as 1960-era zoning codes that inhibit infill development in older parts of cities and towns).
- Other towns/places should have opportunities for downtown housing and mixed use development (as has happened in downtown Knoxville).
- Page 65, Forecast for Demand: questions/comments raised includes whether past data is used to project forward, the need for more housing diversity (more duplexes and four-plexes); drill down thru data to better understand the forecast.
- Innovative ideas and incentives are needed when rehabbing houses following storm disasters; additional resources are needed (emergency housing).
- Care is needed in using median home values as a measure in the report; some discussion about pockets of poverty in rural areas should be added to the report (e.g., northern Anderson County and scattered lower value houses in rural areas).
- Need to integrate affordable housing into newer neighborhoods ( problems in achieving this to include NIMBY reaction, and perceptions of crime and other stigma).
- Low density building patterns are predominant yet “densification” is needed to enable new development patterns.
- Neighborhoods were not addressed the report and should be.
- Changing the stigma of living in some areas (e.g., this can lead to further and result in perceptions of a slum).
- Large footprint of the single family house going away (large houses now the slowest moving market).
- Visitability & accessibility: housing needed for aging in place, ADA compliant design and appropriate locations (close to needed services and facilities).
- Decreased budget levels for public financing of housing at all levels of government.
- Code similarities between jurisdictions would be helpful.

- Education for home owners on contracting procedures is needed (problems/fears: folks redoing older homes and differences between 2010 and 2012 law, notice about non-certified contractors).
- No condo market now (bank approvals difficult).
- Scattered development (sprawl) increase cost of infrastructure (road and utility extensions, new schools).

## **Summary Comments/Issues and Priorities**

The input received during the working group meeting can be placed into one of three general categories, suggestions for edits or additions for the Housing Section of the Existing Conditions Memo, housing related issues and priorities the region and its various stakeholders should be concerned about and working on, and general observations. General observations, such as “large footprint of the single family house is going away” are adequately recorded in the bulleted comments above and will not be further treated here. The other two are summarized below. These summaries are not meant to take the place of the above input from participants but to help organize thought around key points.

### **SUGGESTIONS FOR THE EXISTING CONDITIONS MEMO**

1. There should be some discussion of the range and types, locations and need for more special needs housing, particularly for seniors in the region, although housing for youth, emergencies, the homeless, those with disabilities, etc., should also be included.
2. There are important aspects of housing affordability not treated in the report, or not clearly presented, such as costs of housing upkeep to homeowners, how utility costs figure in to housing affordability, availability of housing assistance, etc. Real costs/values of mobile homes as housing was mentioned as well.
3. There should be some discussion that puts the region’s housing trends/characteristics in the national context of the changing housing market, including the impact of changing demographics on housing needs and availability and federal housing policy and funding that reflect long term shifts in housing and how that may impact the region and its housing resources.
4. There is great variety across the region in terms of housing density, age, condition, mix, value, and affordability, and these are not adequately discussed in the report.
5. It is hard to separate housing from the neighborhoods and communities that contain the housing. Neighborhood qualities, including public services, amenities, safety, etc. are not adequately treated in the report. Areas of blight and disinvestment have a big effect on housing quality and perceptions of availability.

### **PRIORITY ISSUES AND CONCERNS**

1. Housing affordability is a significant concern around the region though the particulars of it vary from place to place. It is not perceived as adequate for seniors who want to age in

place comfortably not for people with special housing needs nor for the poor. More affordable housing of all types is needed throughout the region and this includes programs and incentives to help move people from rental to homeownership and to help homeowners remain in their homes in difficult economic times. Housing affordability issues include costs such as utilities that can make homes unaffordable regardless of cost or rent.

2. Many factors contribute to sprawl development, which is viewed as an inefficient and possibly unsustainable way to provide adequate housing resources. The region should try to get a handle on what contributes to sprawl and how to address it in a more effective way, some of which will need to be regulatory in nature.
3. Neighborhood quality of life has much to do with housing. There should be a focus on how to improve neighborhood quality of life where it is not desirable or not perceived as desirable as one way to prevent or reverse housing deterioration and maintain a variety of housing types in many locations.

## **Closing:**

Ann Coulter reminded the group that the Housing Working Group Chair, once named will be taking a summary of today's meeting to Leadership Team meeting on April 19th.

The group can expected to be notified about how to interact on the PlanET website, so that discussion among the working group members can occur outside of meetings.

The next meeting will be sometime in late May/early June and the group will be notified as soon as possible.