

# CHAPTER 5: HOUSING



## INTRODUCTION

Horry County has seen considerable housing growth over the past few decades. Not surprisingly, the housing industry represents an important sector of the local economy. As Horry County continues to grow, the housing stock must accommodate projected population growth and the needs of our changing community. The purpose of the Housing Chapter is to identify trends in the market and anticipate future residential growth. This chapter also addresses the need for safe and affordable housing, along with barriers to fair housing, and mechanisms to address these challenges.

## HOUSING ANALYSIS

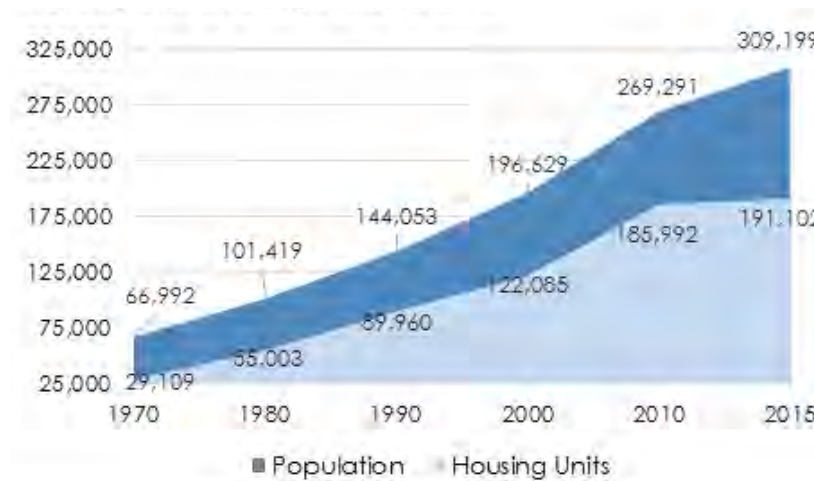
This analysis looks at trends in housing stock, including housing type, age, occupancy, vacancy, and conditions. It also details development trends over time, along with anticipated housing growth into the future.

## HOUSING UNITS

Horry County has experienced a steady increase in the number of housing units since the 1970s. Until the Great Recession, Horry County experienced growth rates ranging from 35-89%. From 2000 to 2010, the housing stock grew by 52.3%. The Recession had a significant impact on construction in Horry County. Between 2010 and 2015, the total number of housing units in Horry County only increased by 5,110 units, growing a mere 2.8%, to 191,102. Despite the Recession and slowdown in new construction, Horry County's population significantly increased during this same timeframe, indicating that the housing stock was already available.

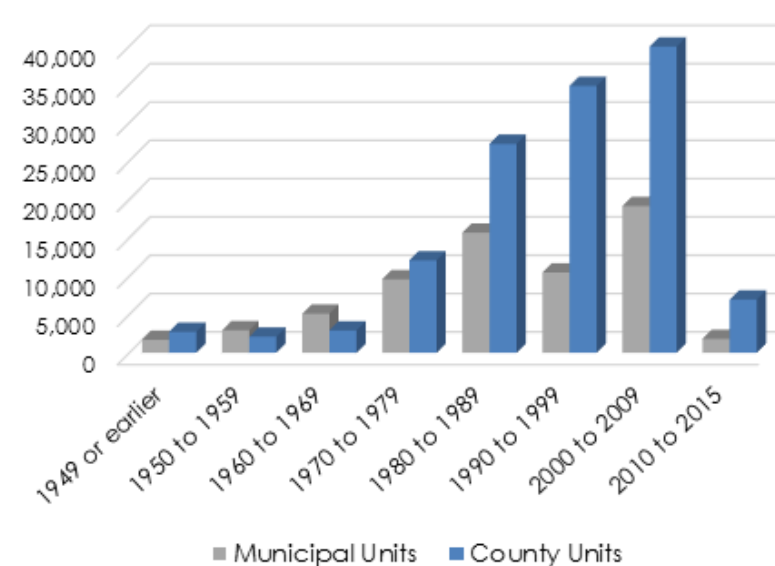
Unincorporated Horry County accounts for 125,457 (65.6%) of the total housing units in the County. Growth since the 1970s has primarily occurred in unincorporated Horry County. As of 2015, Myrtle Beach, Little River, and Conway East Census County Divisions (CCD) are the regions of the County with the highest number of units, respectively. These are the same areas with the greatest share of seasonal housing units.

## Housing Units and Population Growth



Source: U. S. Census, American Community Survey 2011-2015 (#B25001)

## Year Structure Built

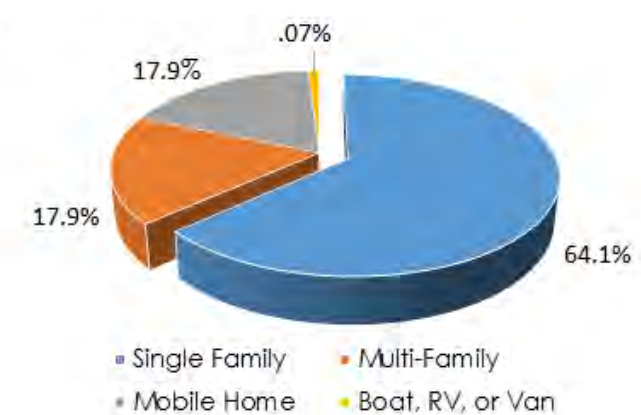


Source: U. S. Census, American Community Survey 2011-2015 (#B25034)

## HOUSING TYPES

Traditional, single-family homes are the most prominent type of housing in Horry County, with more than 64% of the population living within this housing type. The following chart details the breakdown of occupied housing units by type.

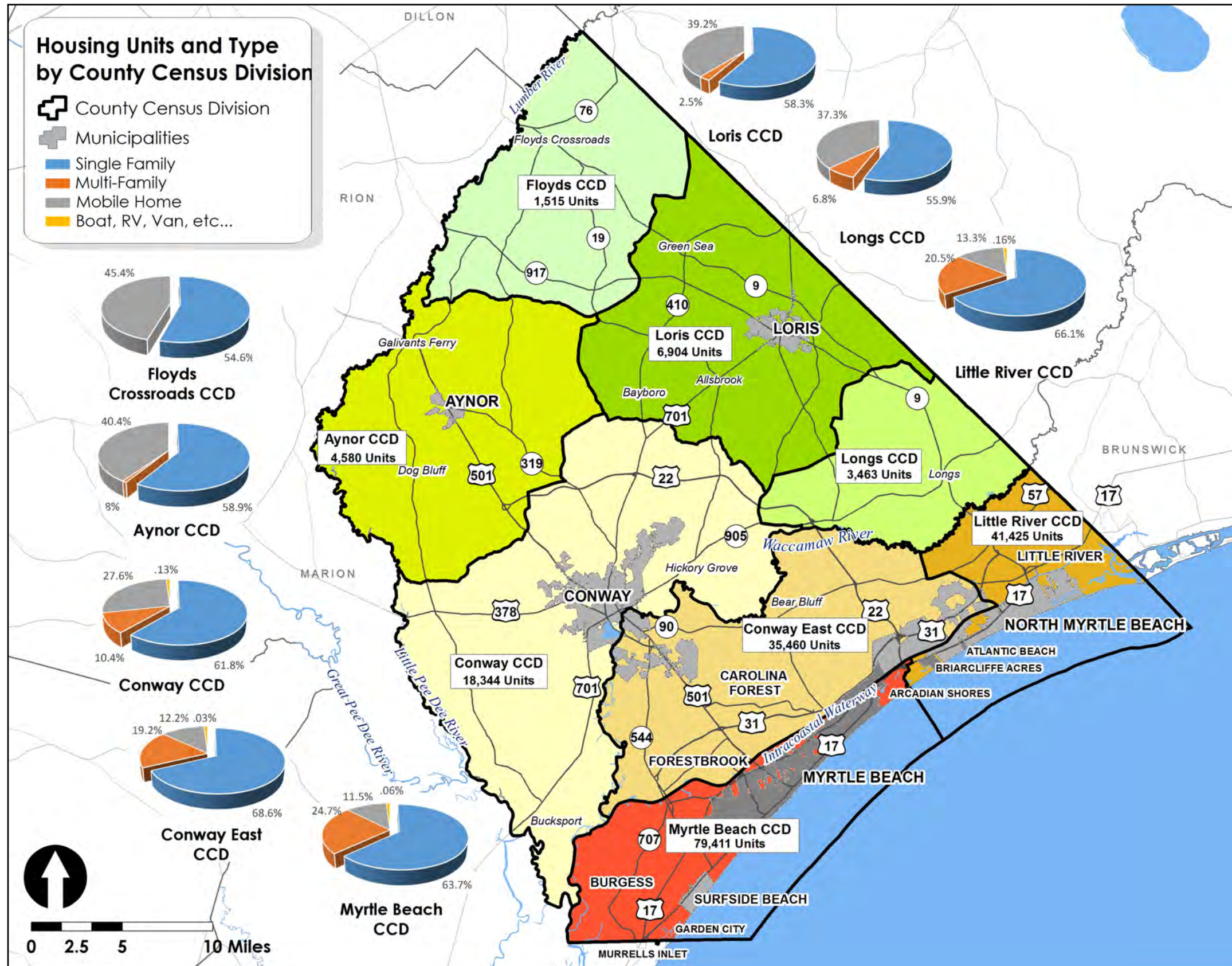
## Population by Housing Type



Source: U. S. Census, American Community Survey 2011-2015 (#B25033)

The breakdown of housing types by geography is detailed on the next page. The CCDs of Conway East, Little River, and Myrtle Beach have the highest shares of single-family units, while Floyds Crossroads and Longs CCDs have the lowest percent of residents living in single-family dwellings. 17.9% of the population lives in multi-family dwellings, while another 17.9% reside in mobile homes. In rural areas of the County, 37.3 - 45.4% of the population lives in mobile homes. This is a clear indicator that rural residents rely heavily on mobile homes for affordable housing, while urban areas rely heavily on multi-family units for affordable options. The housing composition in rural communities places an emphasis on the need for mobile home repair and replacement programs to ensure that residents have safe, durable, and affordable shelter. As population rises, a variety of affordable housing options will need to be considered for both the rural and urban areas.

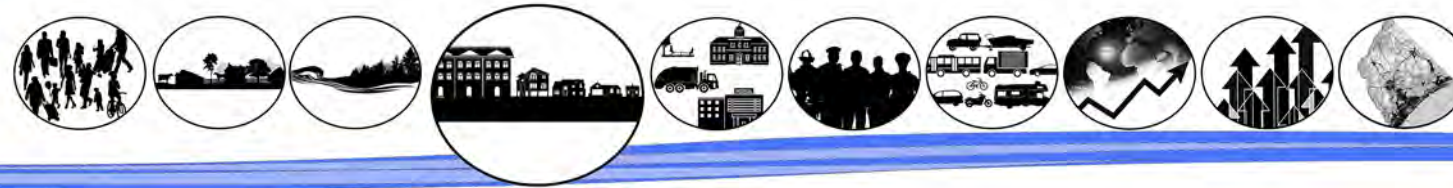




<b>Aynor CCD</b>	<b>4,580</b>
Town of Aynor	290
unincorporated	4,290
<b>Conway CCD</b>	<b>18,344</b>
City of Conway	7,899
unincorporated	10,445
<b>Conway East CCD</b>	<b>35,460</b>
unincorporated	35,460
<b>Floyds Crossroads CCD</b>	<b>1,515</b>
unincorporated	1,515
<b>Little River CCD</b>	<b>41,425</b>
City of North Myrtle Beach	28,176
Town of Briarcliffe Acres	238
Town of Atlantic Beach	275
unincorporated	12,736
<b>Longs CCD</b>	<b>3,463</b>
unincorporated	3,463
<b>Loris CCD</b>	<b>6,904</b>
City of Loris	1,134
unincorporated	5,770
<b>Myrtle Beach CCD</b>	<b>79,411</b>
City of Myrtle Beach	23,406
Town of Surfside Beach	4,237
unincorporated	51,768
<b>Total Housing Units</b>	<b>191,102</b>
Municipal Housing Units	65,655
unincorporated Housing Units	125,447

Source: US Census, American Community Survey 2011-2015, (Number of Units - ID #B25001; Percent Population by Housing Type - ID #B25033)

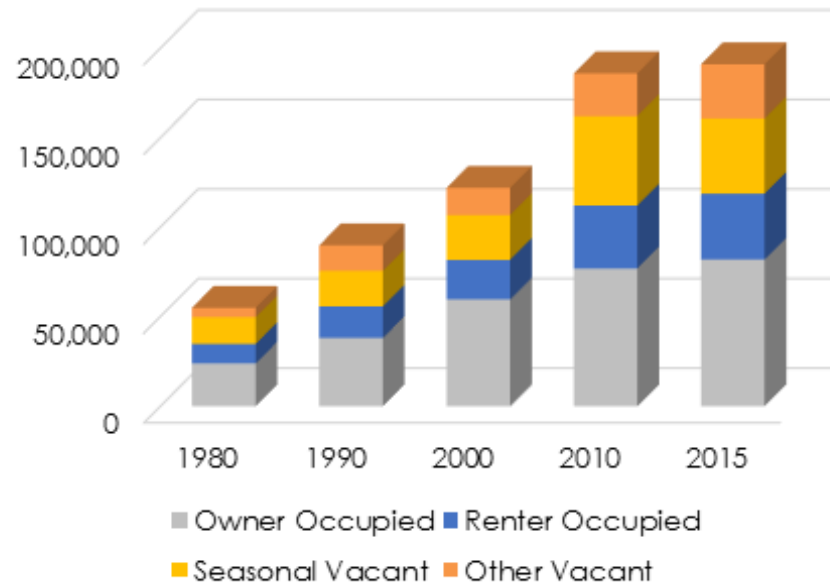




**OCCUPANCY AND VACANCY**

Of the 191,102 housing units in Horry County, 62.1% are occupied, 22.0% are classified as seasonal, and a remaining 15.9% are considered vacant, primarily for rent. 42.9% of the total housing stock is owner occupied, while 19.2% are renter occupied. Since 2010, there has been a slight increase in the number of owner and renter occupied units, while there has been a decrease in the estimated number of seasonal units and an increase in the number of vacant rental units. These slight changes may adjust as more accurate information becomes available with the decennial Census, especially in regards to the classification of seasonal and other vacant housing units (ACS, 2011-2015).

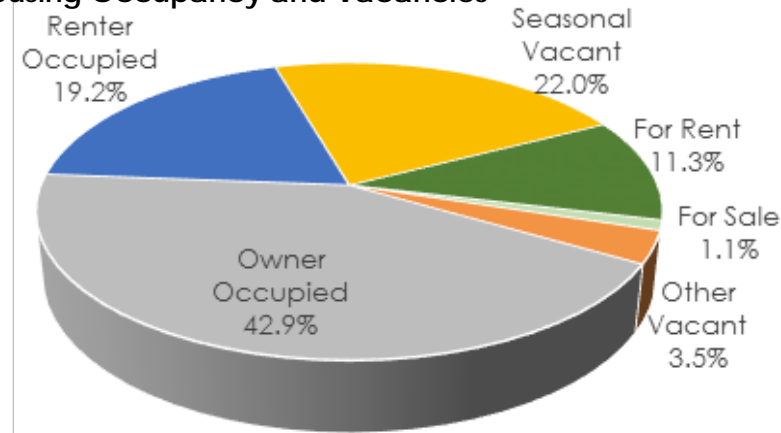
**Housing Occupancy and Vacancy Trends**



Source: US Census, American Community Survey 2011-2015, (ID #B25003 and B25004)

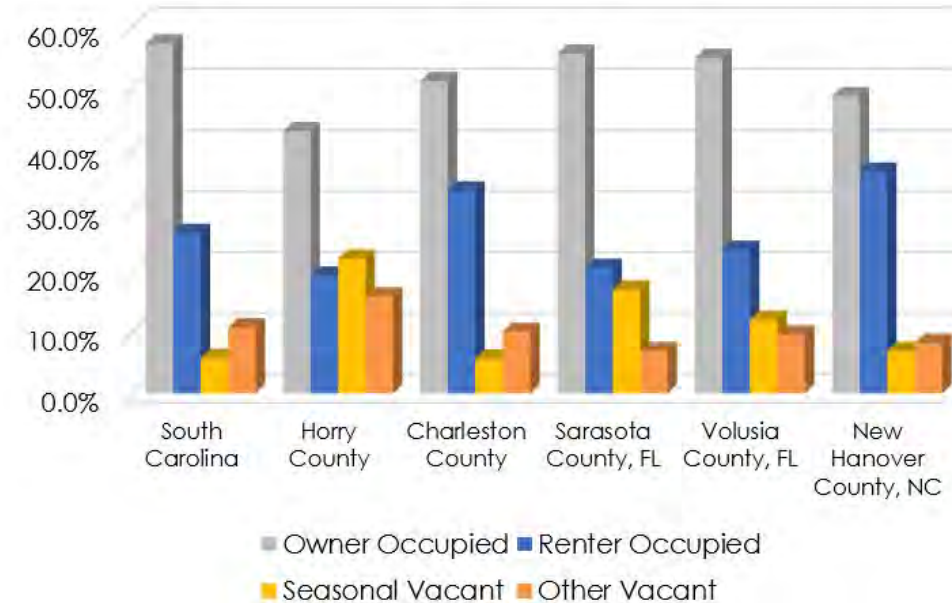
Year	Owner Occupied	Renter Occupied	Seasonal Vacant	Other Vacant	Total Units
1980	23,925	10,873	15,020	5,185	55,003
1990	38,198	17,566	19,880	14,316	89,960
2000	59,713	22,087	24,945	15,340	122,085
2010	76,997	35,228	49,862	23,905	185,992
2015	81,966	36,772	42,083	30,291	191,102

**Housing Occupancy and Vacancies**



Source: US Census, American Community Survey 2011-2015, (ID #B25003 and B25004)

**Housing Occupancy and Vacancy Comparison**



Source: US Census, American Community Survey 2011-2015, (ID #B25003 and B25004)

Overall, 37.9% of all units are considered vacant, largely due to the fact that 22.0% of the housing stock is seasonal. In total, there are approximately 42,000 seasonal units, which makes up 33.6% of South Carolina's seasonal housing stock. In 2015, only 1.1% of the overall housing stock was estimated to be vacant units for sale, supporting the fact that there are few units available for sale, especially in comparison to the number of vacant units available for rent. Areas with high proportions of vacation and second homes invariably show high vacancy rates.

Vacancy is calculated for April 1 of the Census year, prior to the peak of the tourist season. Second homes and units built specifically for seasonal rental purposes yield higher vacancy rates. Compared to other tourist-based coastal housing markets, Horry County has a greater share of seasonal housing stock. The sheer amount of housing units that are not available for year round usage, and are typically investment properties with high values, may have an impact on the availability of affordable housing in close proximity to the jobs available at near the beach. This has an impact on travel patterns and quality of life for working families.

	Occupied		Vacant				Total Units
	Owner Occupied	Renter Occupied	Seasonal	For Rent	For Sale	Other	
Aynor CCD	3,005	956	231	78	5	305	4,580
Conway CCD	11,386	4,856	551	244	216	1,091	18,344
Conway East CCD	18,319	8,494	4,650	2,488	513	996	35,460
Floyds Crossroads CCD	857	376	55	48	-	179	1,515
Little River CCD	12,202	5,015	13,981	8,715	215	1,297	41,425
Longs CCD	2,161	514	360	76	77	275	3,463
Loris CCD	4,556	1,377	250	154	212	353	6,904
Myrtle Beach CCD	29,478	15,184	22,005	9,698	825	2,221	79,411
<b>Total</b>	<b>81,966</b>	<b>36,772</b>	<b>42,083</b>	<b>21,501</b>	<b>2,063</b>	<b>6,717</b>	<b>191,102</b>
<b>Percent Total Housing Units</b>	<b>42.9%</b>	<b>19.2%</b>	<b>22.0%</b>	<b>11.3%</b>	<b>1.1%</b>	<b>3.5%</b>	<b>100%</b>



## HOUSING CONDITIONS

Safe housing is fundamental to having a high quality of life. Because the vast majority of housing in Horry County has been recently constructed, there are few housing units that are classified as substandard, as defined by the US Department of Housing and Urban Development (HUD). A residence is considered substandard if it does not have:

- (1) operable indoor plumbing;
- (2) a usable flush toilet inside the unit for the exclusive use of a family;
- (3) a usable bathtub or shower inside the unit for the exclusive use of a family;
- (4) electricity, or has inadequate or unsafe electrical service;
- (5) a safe or adequate source of heat; or
- (6) a kitchen.

Of all occupied housing units in Horry County, 0.3% lack complete plumbing facilities (304 units), 0.3% lack a means of heat (380 units), and 0.6% lack kitchen facilities (688 units). Overcrowding, meaning homes with more than one person per room, only makes up 2.1% of occupied units (2,552 units) (ACS, 2011-2015).

In addition, a housing unit is considered substandard if it is dilapidated, which includes unoccupied housing units. To classify as such:

- 1) the unit does not provide safe and adequate shelter, and in its present condition endangers the health, safety, or well-being of a family; or
- 2) the unit has one or more critical defects, or a combination of intermediate defects in sufficient number or extent to require considerable repair or rebuilding. The defects may involve original construction, or they may result from continued neglect or lack of repair or from serious damage to the structure.

These conditions are assessed and enforced by the Horry County Code Enforcement Department. Dilapidated structures are one mechanism to determine areas that need revitalization or are deteriorating and needing housing rehabilitation assistance, which is addressed further in this chapter.

Generally speaking, there are relatively few households living in poor housing conditions as tracked by the Census. However, it is important to note that the Census does not assess building code violations, fire and flood damage, or the conditions of unoccupied housing, such as foreclosed and abandoned homes.

### Flood and Wind

Because Horry County is located in the coastal zone and has an abundance of wetlands and riverfront, nearly 24% of the land area is located within the regulatory floodzone. As of 2018, there are numerous repetitive flood loss properties in unincorporated Horry County alone. Those properties have flooded multiple times over the course of five-years. Many of these homes were constructed prior to the adoption of the County's initial flood maps in 1987 and often do not meet today's floodzone construction regulations. Some repetitive flood losses are also located outside of the regulated floodzone, indicating the need for updated flood maps and mitigation efforts. Many single family homes, especially along the beachfront, have split into duplexes or enclosed the downstairs to make additional rooms or apartments for vacation rentals. It is unknown how many of these non-conforming uses exist and if they meet newer building code regulations, including fire and flood standards.

Beyond stick-built structures, there are many people living in older mobile homes or in campers. Mobile homes built prior to June of 1994 are not designed to withstand hurricane force winds. Campers and other recreational vehicles do not provide wind protection either. While mobile homes may be tied down,

that does not mean that the structure can withstand hurricane force winds. Even though new model mobile homes have to meet wind zone standards, mobile homes constructed prior to 1994 can be sited and relocated anywhere in the County, regardless of wind zone. Horry County fortunately has not been impacted by a major wind event; however, there are many dwelling units at risk if such an event were to occur. At this time, there are an unknown number of campers or older mobile homes that serve as primary residences, vacation homes or rental properties. Because this data is not collected by Census, the County needs to continue to evaluate these inventories to identify appropriate housing solutions to natural hazards.

### DENSITY AND FORM

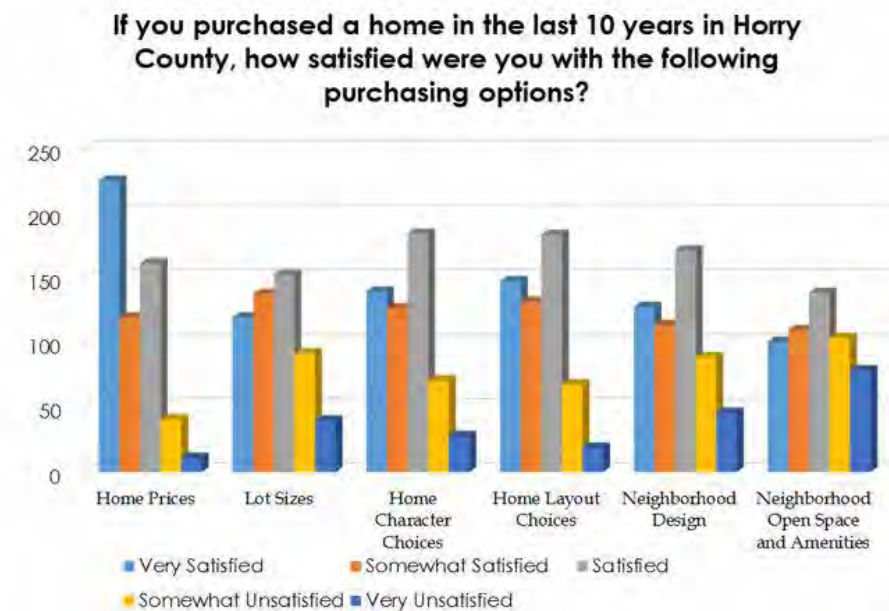
Residential density is intended to vary by zoning district to distinguish between rural, suburban and urban form. Zoning can result in variation in housing types, lot size, lot coverage, building separation, and even building heights. The smallest lot size under standard zoning is 6,000 sq ft; however, more dense developments can be approved as Planned Development Districts (PDD) or Multi-Residential Districts (MRD). Because of this, most of Horry County's zoning districts result in suburban design, with very few resulting in dense, urban design, besides those resort areas that were constructed prior to the establishment of zoning regulations.

All major residential subdivisions are required to meet Horry County's Land Development Regulations (LDR), which provide uniform standards for all new subdivisions to ensure traffic flow, adequate access for emergency vehicles, open space, and sidewalks. Some development criteria is triggered based off of the number of dwelling units. Additional regulations may exist within development agreements or overlay districts, in addition to stormwater regulations. Ac-



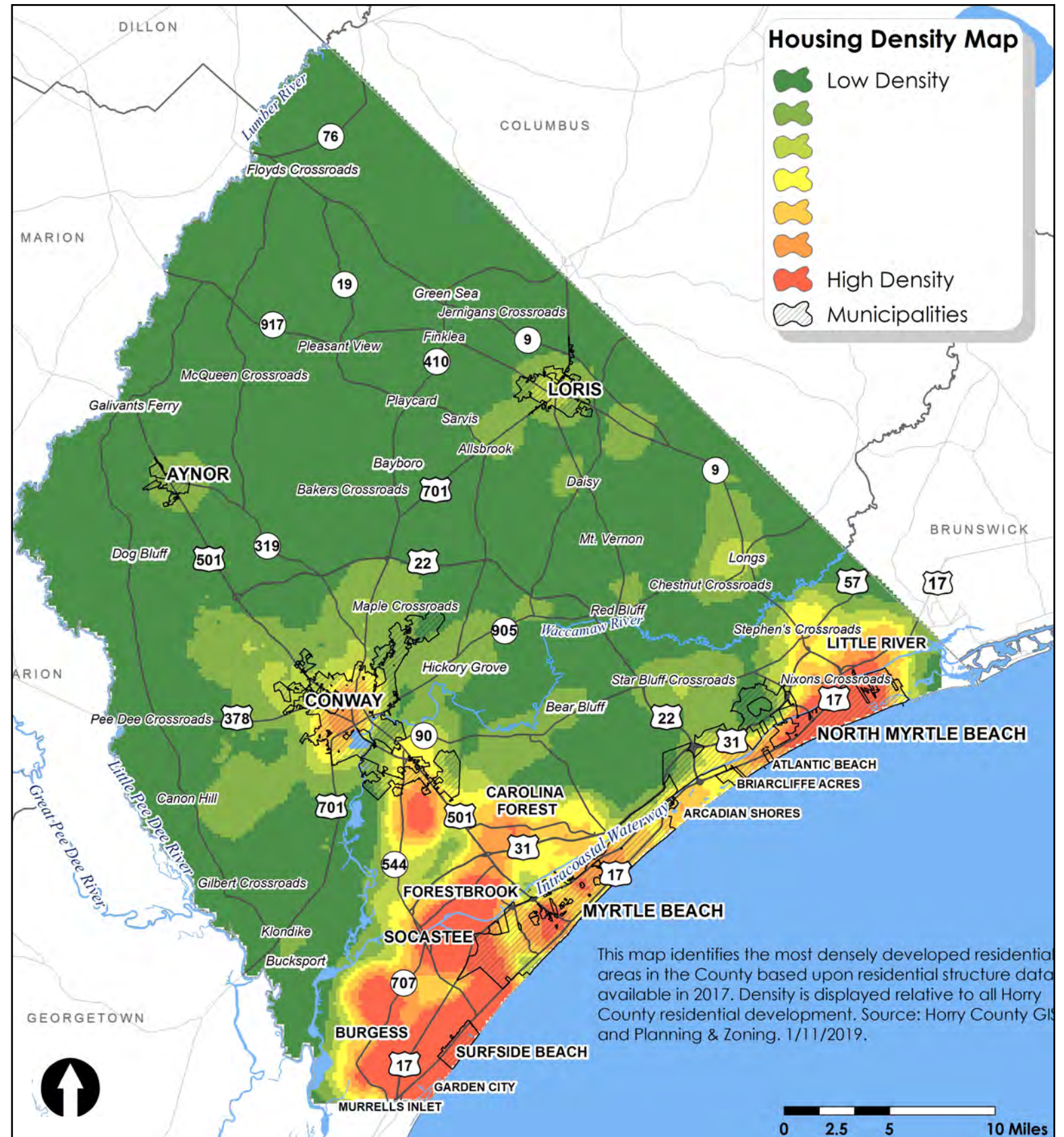


According to the IMAGINE 2040 Survey, those residents that purchased a new home in the last ten years were relatively happy with the housing types and lot sizes that were available on the market at the time of their purchase. Note that this is a reflection of the desires of existing residents and not those seeking to move to here.



Source: IMAGINE 2040 Public Input Survey

Based on existing residential development patterns, Horry County's most densely developed areas are the South Strand and North Strand. These areas have seen the most growth in recent years; however, the greatest density remains in resort areas along the beachfront. Most unincorporated areas of Horry County are not densely developed, and sprawling development patterns are apparent along major road corridors. Residential and commercial development are not centralized together with the exception of municipal downtowns and the areas directly along the beachfront. While residential development has increased drastically in the last 40 years, it has developed largely as residential major subdivisions without being integrated in to adjacent developments or with easy access to commercial uses and services. Establishing interconnected, walkable communities may be challenging in unincorporated Horry County because of extensive wetlands however, regulations and site design play a significant role in shaping livability. Redevelopment also presents opportunity to improve design.





Horry County will need to continue to revise its zoning and land development regulations to allow for variation in housing and neighborhood design to minimize impacts to the transportation network, improve access to jobs, and create healthy communities. The Future Land Use Map and definitions within the Land Use Chapter define where various densities are most appropriate. Development according to this plan will result in more distinct rural, suburban, and urban areas.

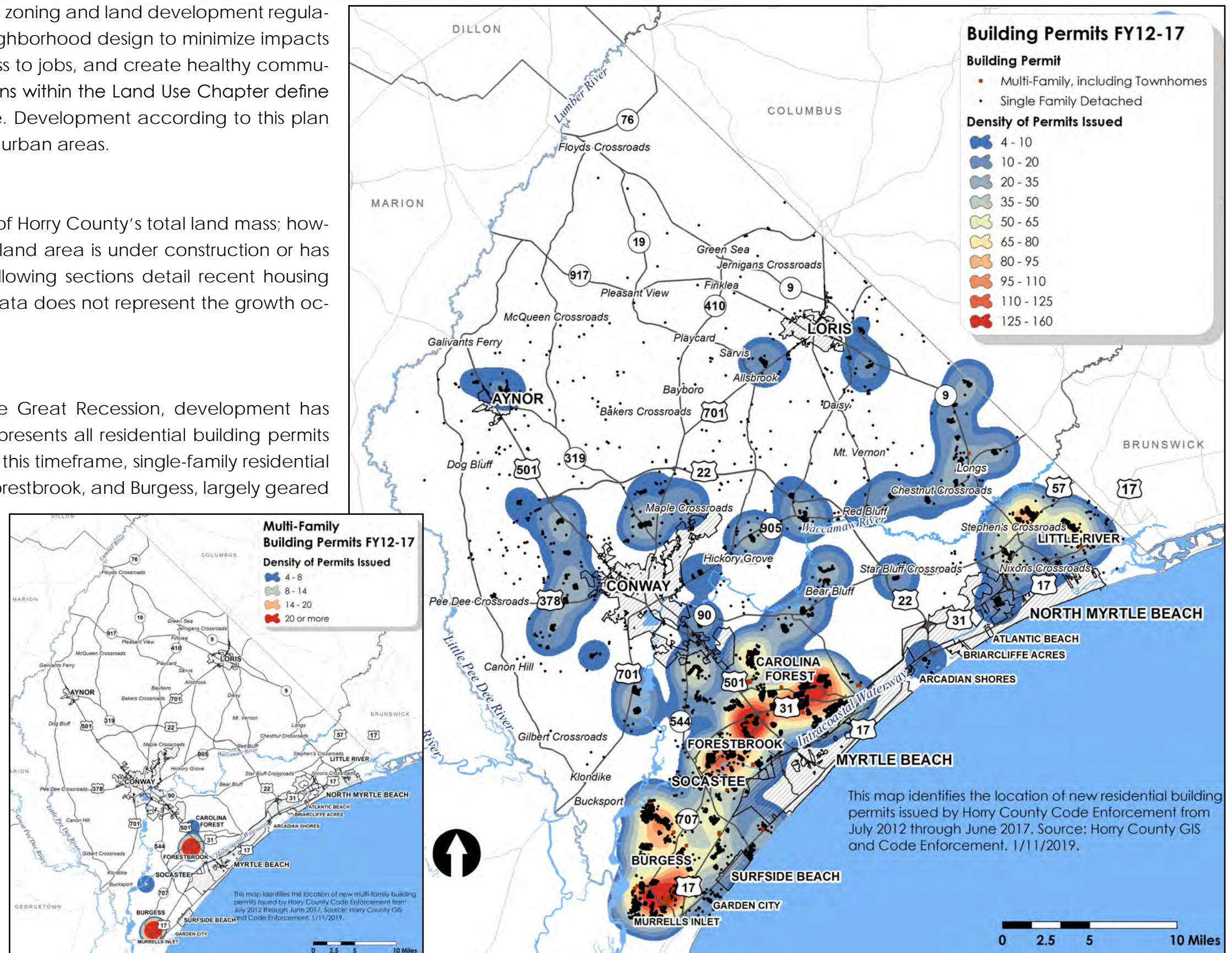
## DEVELOPMENT TRENDS

Major residential subdivisions account for 2% of Horry County's total land mass; however, an additional 8% of the County's total land area is under construction or has been rezoned for major subdivisions. The following sections detail recent housing trends in unincorporated Horry County. This data does not represent the growth occurring in municipalities.

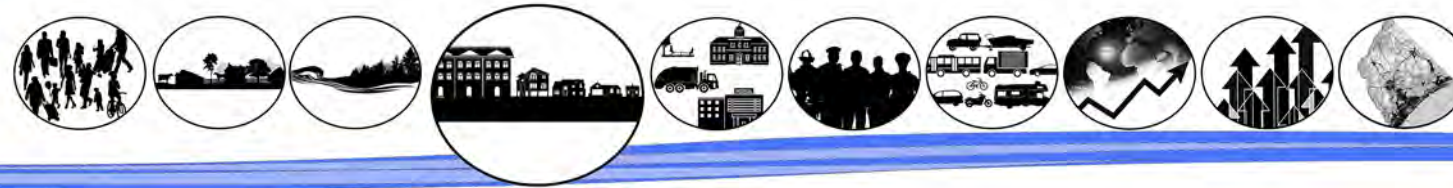
### Recent Growth

While residential growth declined during the Great Recession, development has started to rebound. The map on the right represents all residential building permits that were issued from 2012 – June 2017. Over this timeframe, single-family residential growth occurred heavily in Carolina Forest, Forestbrook, and Burgess, largely geared by construction in major subdivisions, like The Farm, Tuscany, Amberfield, and Prince Creek. These areas can be clearly seen as red 'hot spots' on the map to the right. Within these high development areas, there was limited construction of new multi-family units, as shown below, largely due to the abundance of available multi-family units prior to the economic downturn.

The majority of the growth that has occurred in recent years occurred as a result of rezoning requests that were approved nearly two decades ago. Areas shown in blue indicate where residential permits were not as prominent over the last few years; however, many of them can be seen in areas emerging as







growth areas, such as Hwy 9, 90, and 905 corridors. There is also growth emerging around the perimeter of City of Conway. If development patterns continue in these rural areas of the County, infrastructure needs and costs will need to be evaluated to inform future land use decisions and capital improvements, such as road projects, fire stations, police services, recreation, and schools.

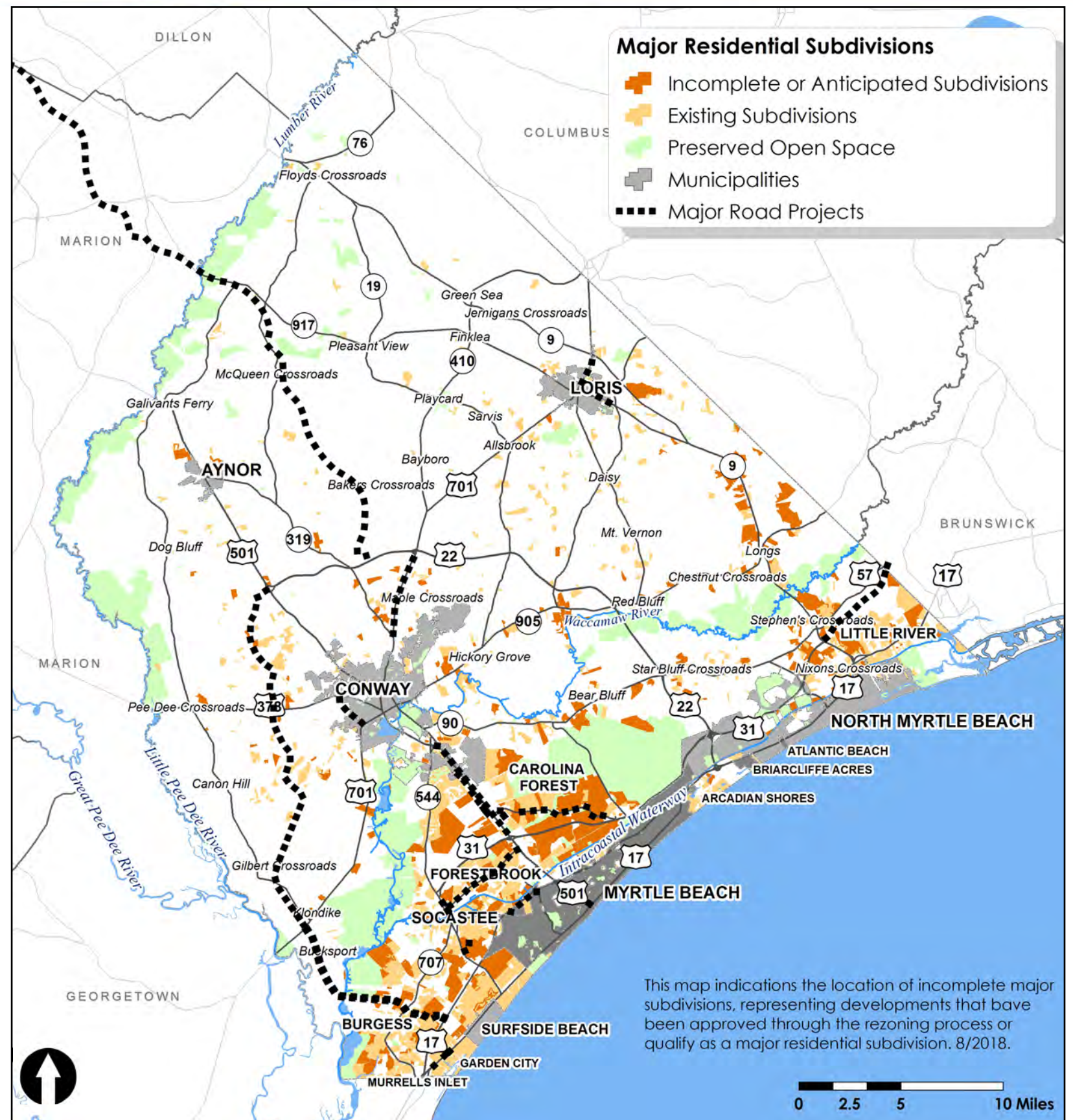
**Potential Growth**

Based off of population projections, approximately 275,000 more people will be living in Horry County by 2040. In order to accommodate this growth, assuming that average household size remains approximately 2.37, an additional 116,160 housing units will need to be available between the cities and unincorporated Horry County. As of 2017, over 52,000 housing units in unincorporated Horry County were approved within major residential subdivisions through the rezoning or development review process; however, they remain to be constructed. Nearly 14,000 of these units are located in Carolina Forest, another 10,000 in Little River, and approximately 6,000 in the Burgess Community. If constructed and average household size remains the same, unincorporated Horry County can accommodate approximately 45% of the projected population growth through 2040. Nearly 64,000 additional units will be needed if population continues to soar as anticipated. The breakdown by County Census Division shown below conveys existing housing trends and speculates growth if those trends continue. They do not account for alterations in development patterns that could occur from land use policies or incentives. The projected additional units needed also does not account for seasonal housing unit needs or the transition of seasonal housing into year-round residences.

**Projected Housing Growth and Needs**

Census Division	Existing Units	Preapproved (Not Constructed) in Unincorporated Horry County			Additional Units Needed
		Multi-Family	Single-Family	Total	
Aynor CCD	4,580	-	899	899	2,356
Conway CCD	18,344	-	2,235	2,235	10,022
Conway East CCD	35,460	9,008	13,385	22,393	21,799
Floyds Crossroads CCD	1,515	-	-	-	754
Little River CCD	41,425	3,866	5,035	8,921	5,156
Longs CCD	3,463	995	2,596	3,591	8,185
Loris CCD	6,904	-	802	802	4,128
Myrtle Beach CCD	79,411	6,473	7,111	13,584	11,336
<b>TOTAL</b>	<b>191,102</b>	<b>20,362</b>	<b>32,063</b>	<b>52,425</b>	<b>63,736</b>

Sources: Housing Units – American Community Survey 2011-2015. (ID #B25001); Preapproved Housing Units – Horry County Planning & Zoning, 2018.



This map indicates the location of incomplete major subdivisions, representing developments that have been approved through the rezoning process or qualify as a major residential subdivision. 8/2018.



## HOUSING ANALYSIS FINDINGS

Because a large portion of the future population growth can be accommodated within already approved residential areas, additional rezonings for major subdivisions should be evaluated to ensure that an adequate balance of housing types, densities, and community design are available for permanent residents and vacationers. Beyond the availability of housing, the County should also more heavily monitor housing conditions, including, but not limited to repetitive flood loss areas and enclosure of breakaway walls, conversion of single-family homes into duplexes and vacation rentals, mobile home age and durability, and dilapidated housing.

## COST AND AFFORDABILITY

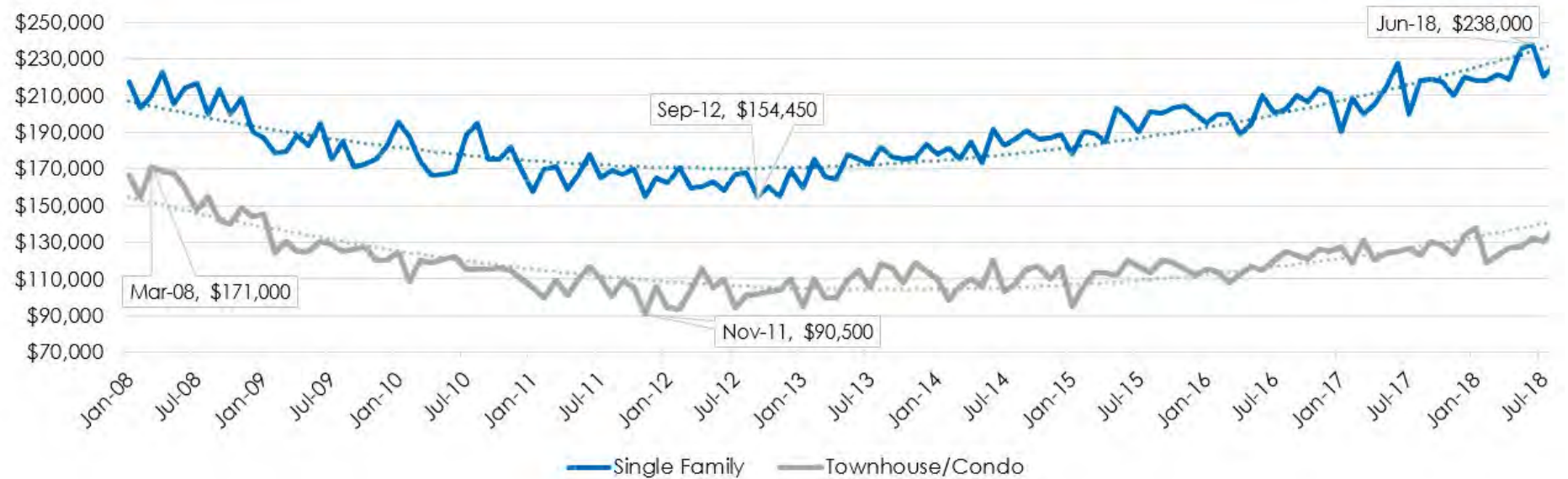
Home costs and average rents have increased since the economic downturn. Single family home values have rebounded more quickly than condos and townhouses. Unfortunately, wages have not increased at the same rate, resulting in an increased cost burden on many households. This trend will likely continue and further increase the need for affordable housing within close proximity to job centers, schools, retail, and services.

## HOUSING COSTS

In 2017, the median property value of owner-occupied housing units in Horry County was \$176,400, which is slightly lower than the median property value of \$181,800 in 2007. Property values remain slightly above the state, but lower than national median values. 65.8% of owner-occupied housing units are valued at less than \$200,000. See the table to the left.

Despite low property values, average single family sales prices reached an all-time high of \$238,000 in 2018, far above the lowest monthly average of \$154,450 that was recorded in September 2012 during the Recession. The recent increase in values reflects the recovery of the housing market, but may indicate that home sales beginning to exceed their value.

## Median Sales Price



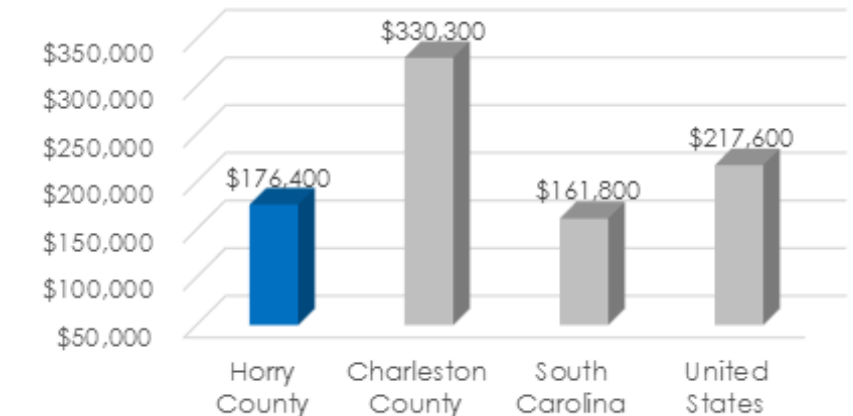
## 2017 Median Sales Price

	Single Family	Condo/Townhouse
Aynor	\$177,525	NA
Carolina Forest	\$249,000	\$120,500
Conway	\$155,000	\$88,000
Garden City/Murrells Inlet	\$259,733	\$144,700
Little River	\$199,900	\$92,000
Lois/Longs	\$148,358	\$87,000
Myrtle Beach	\$303,729	\$120,000
North Myrtle Beach	\$297,000	\$166,900
Socastee	\$178,000	\$93,900
Surfside Beach	\$226,500	\$84,000
<b>Grand Strand</b>	<b>\$217,000</b>	<b>\$126,000</b>

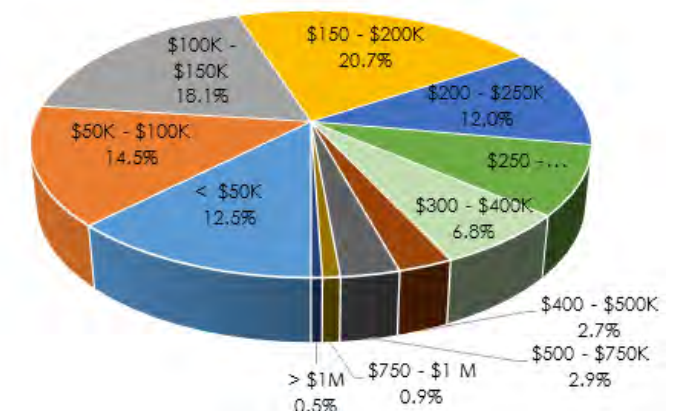
Source: Coastal Carolinas Association of REALTORS®. Local Market Update.

On average, 35% of single family home sales in the Grand Strand are made up of new construction, while the remaining 65% is comprised of resales. New construction is resulting in higher median sales in the region, nearly \$30,000 more on average (CCAR, 2018). In addition, new single-family home prices exceed the cost of a resale, but the gap is beginning to close as fewer units are available for sale.

## Median Property Value Comparison

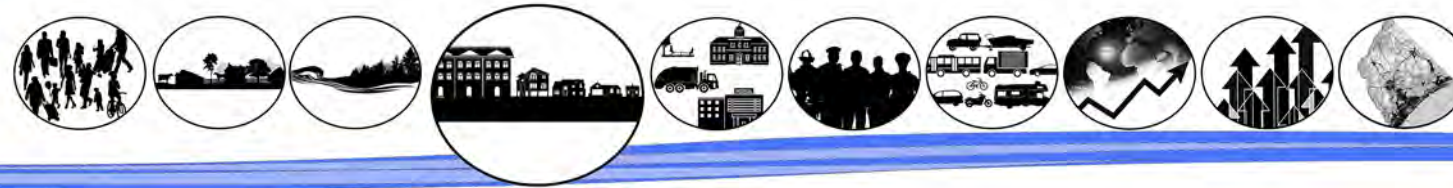


## Horry County Property Values

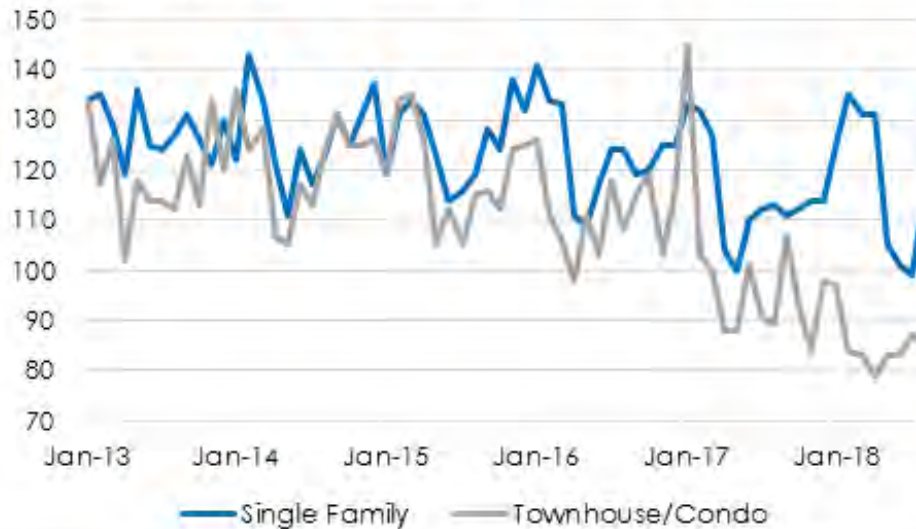


Source: US Census, American Community Survey 2011-2015, (ID#B25075)



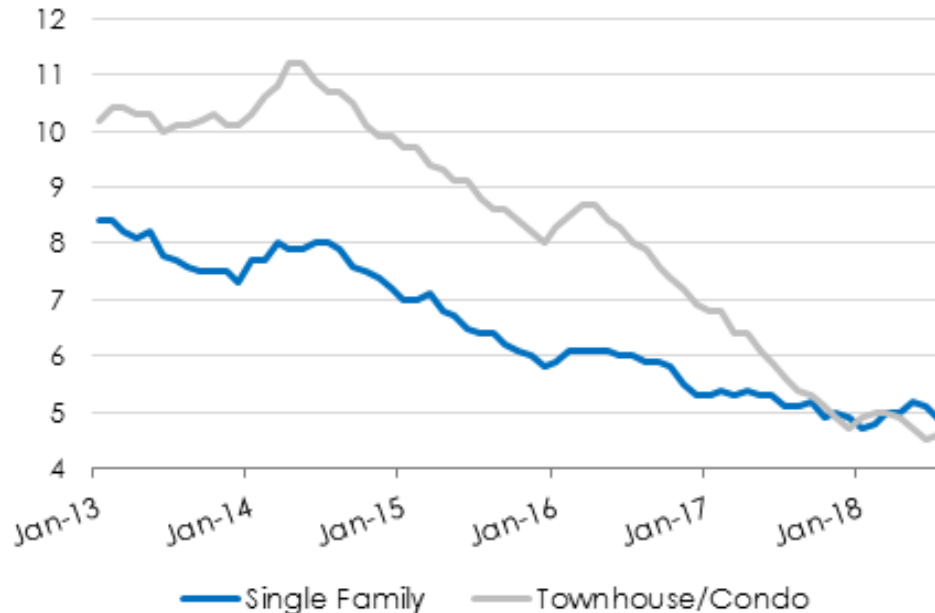


**Median Days on the Market**



Source: Coastal Carolinas Association of REALTORS®. InfoSparks © 2018 ShowingTime.

**Monthly Supply of Residential Units for Sale**



Source: Coastal Carolinas Association of REALTORS®.

**Rental Costs**

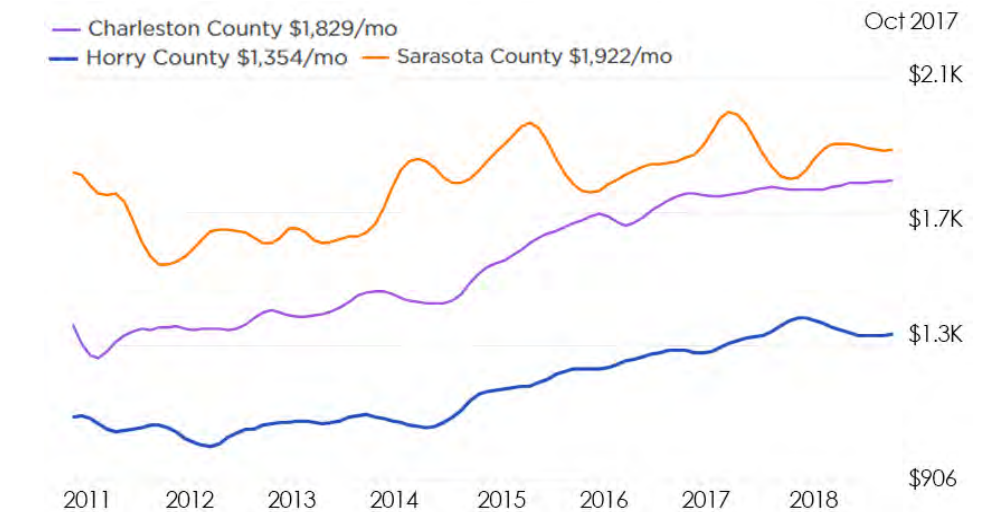
While renting often seems like a more affordable option than purchasing a home, rental costs are also increasing rapidly. The 2015 American Community Survey estimated that approximately 60% of all renters paid between \$500 and \$999/month. 2015 estimates suggest that average rent has increased to approximately \$1,295/month, nearly a \$300/month increase since 2011.

Rising housing costs can lead to displacement of residents due to economic pressures. Renters are particularly impacted, as increases in the value of a home can lead to higher rents (Horry HOME Consortium, 2017). Because Horry County has a high number of seasonal rental units, this can drive up the cost of year-round rentals especially in proximity to the job centers at the beach. Conversely, off season housing near the beach can be more affordable, but is not a viable long-term housing solution.

**Housing Supply**

Despite the fact that Horry County and the rest of the nation is emerging from a decline in construction, there now is a deficit of housing in Horry County, which can have a profound impact on sales prices and rental pricing. While a number of housing developments are underway, there is not enough product on the market to meet the growing demand. In addition, recent floods may have placed an additional burden on both the housing market and the construction industry. New development is attempting to keep up with the demand, driving up the cost of housing; however, the sale price for condos and townhomes have yet to reach the sale price peak from 2008. In order to wait out the Recession, many homeowners rented out their properties, as opposed to selling them.

**Three Bedroom Rental Cost Comparison**



Source: Zillow, Horry County Homes Prices and Values

**2017 Median Rent Price**

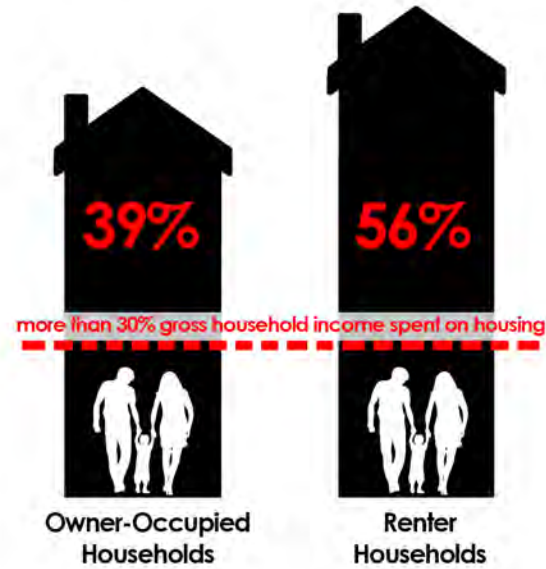
Estimated Rent Paid in 2015	%
Less than \$500	6.7%
\$500-999	60%
\$1,000-1,499	20.9%
\$1,500-1,999	3.7%
\$2,000 or more	1.2%

Source: American Community Survey, 2011-2015

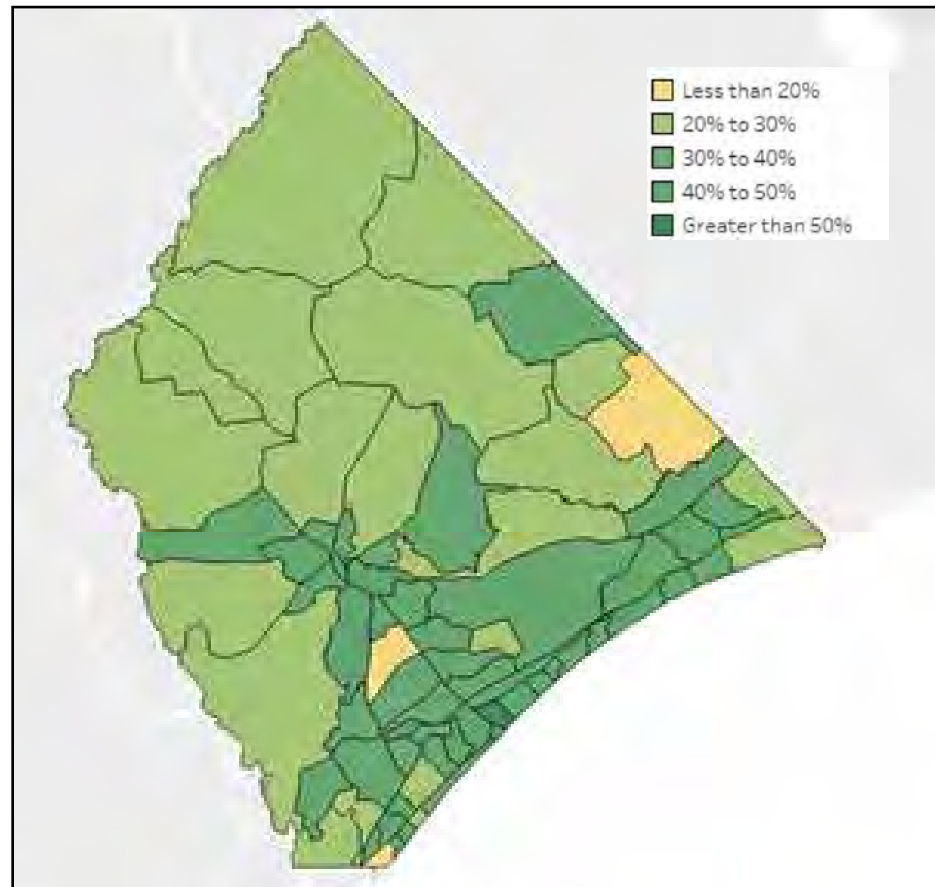


## COST BURDEN

The US Department of Housing and Urban Development (HUD) defines affordable housing as when the occupant or family spends no more than 30% of their gross household income towards their total gross housing costs, whether renting or owning. Housing costs include rent or mortgage costs, water, sewer, gas, and electric services. Approximately 39% of homeowners and 56% of renters in Horry County were considered cost-burdened in 2015 (ACS, 2011-2015).



Horry County Percent Cost Burdened

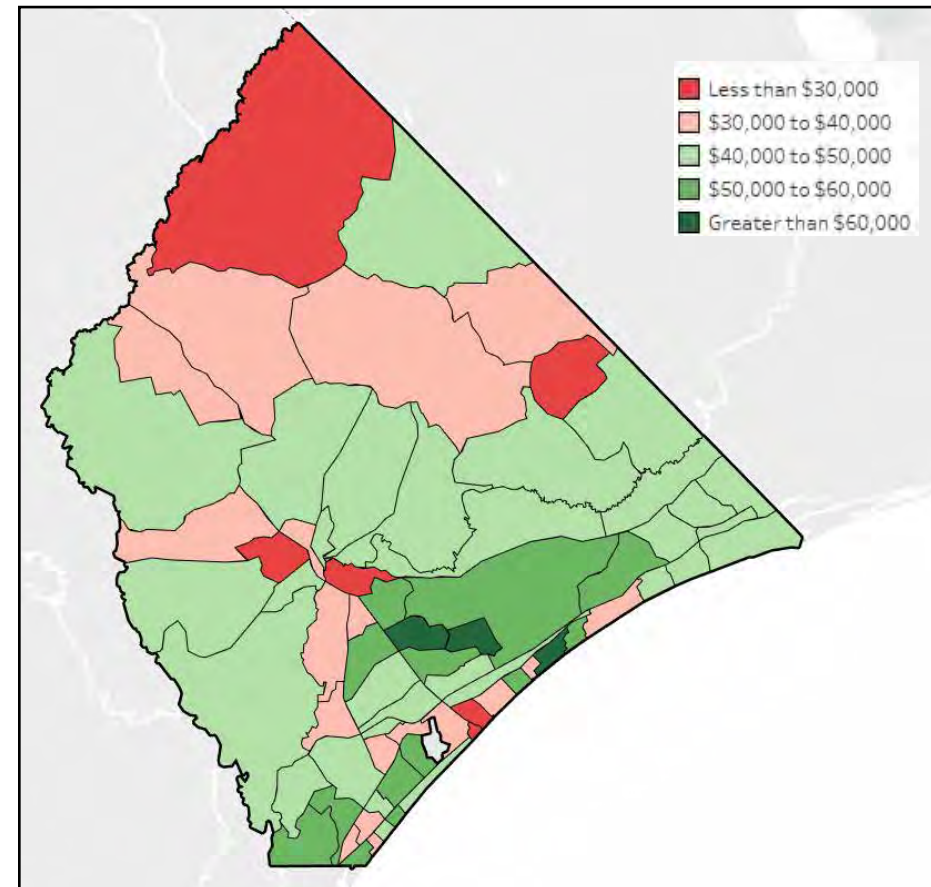


Source: 2012-2016 American Community Survey 5-Year Estimates

## Income

Cost burden heavily correlates with median household income. According to HUD, the Area Median Income (AMI) for Horry County in 2017 was \$52,100, 13% lower than South Carolina's annual AMI of \$58,894. Those families whose income is 30% of the area median income are considered low-income by HUD. From 2001 to 2018 Horry County's median home value increased 45.81%. Over almost the same period, the median household income went up 42.86% from \$36,470 to \$52,100 (ACS, 2011-2015 and HUD). This could afford a two-to-three-bedroom home in Horry County, as shown in the tables to the right.

Median Household Income



Source: 2012-2016 American Community Survey 5-Year Estimates

Median Household Income	Income Limit Category	4 Person Household
\$52,100	Extremely Low (30%) Income Limits	\$24,600
	Very Low (50%) Income Limits	\$26,050
	Low (80%) Income Limits	\$41,700

Source: HUD, FY 2017 Fair Market Rents

## Fair Market Rent

In 2017, 31% or 36,772 households were renters in Horry County were renters (NLIHC, 2017). In order to assess renter affordability, Fair Market Rents (FMR) primarily used to determine payment standard amounts for housing programs. According to HUD, FMRs are gross rent estimates that include the cost of all tenant-paid utilities, except telephones, cable, or satellite television service, and internet service. Note that FMR does not include homeowners' association dues, which are commonplace for most developments in Horry County. They are especially high within condo regimes.

Fair Market Rents (FMR) by Number of Bedrooms				
Location	One-Bed	Two-Bed	Three-Bed	Four-Bed
South Carolina	\$688	\$823	\$1,094	\$1,322
Horry County	\$754	\$880	\$1,172	\$1,345

Annual Household Income to Afford FMR by Bedrooms				
Location	One-Bed	Two-Bed	Three-Bed	Four-Bed
South Carolina	\$27,515	\$32,930	\$43,758	\$52,869
Horry County	\$30,160	\$35,200	\$46,880	\$53,800

Hourly Wage Needed to Afford Fair Market Rent (At 40 hours/week)				
Location	One-Bed	Two-Bed	Three-Bed	Four-Bed
South Carolina	\$13.23	\$15.83	\$21.04	\$25.42
Horry County	\$14.50	\$16.92	\$22.54	\$25.87

The first table indicates the FMR by the number of bedrooms, while the following tables indicate the annual household income or hourly wage needed to afford those rents. In all housing size categories, a higher income is necessary in Horry County than the state. While the median household income in Horry County is \$52,100, a three bedroom home is the largest home a family could afford with this income. For those households that qualify as low income, they could only

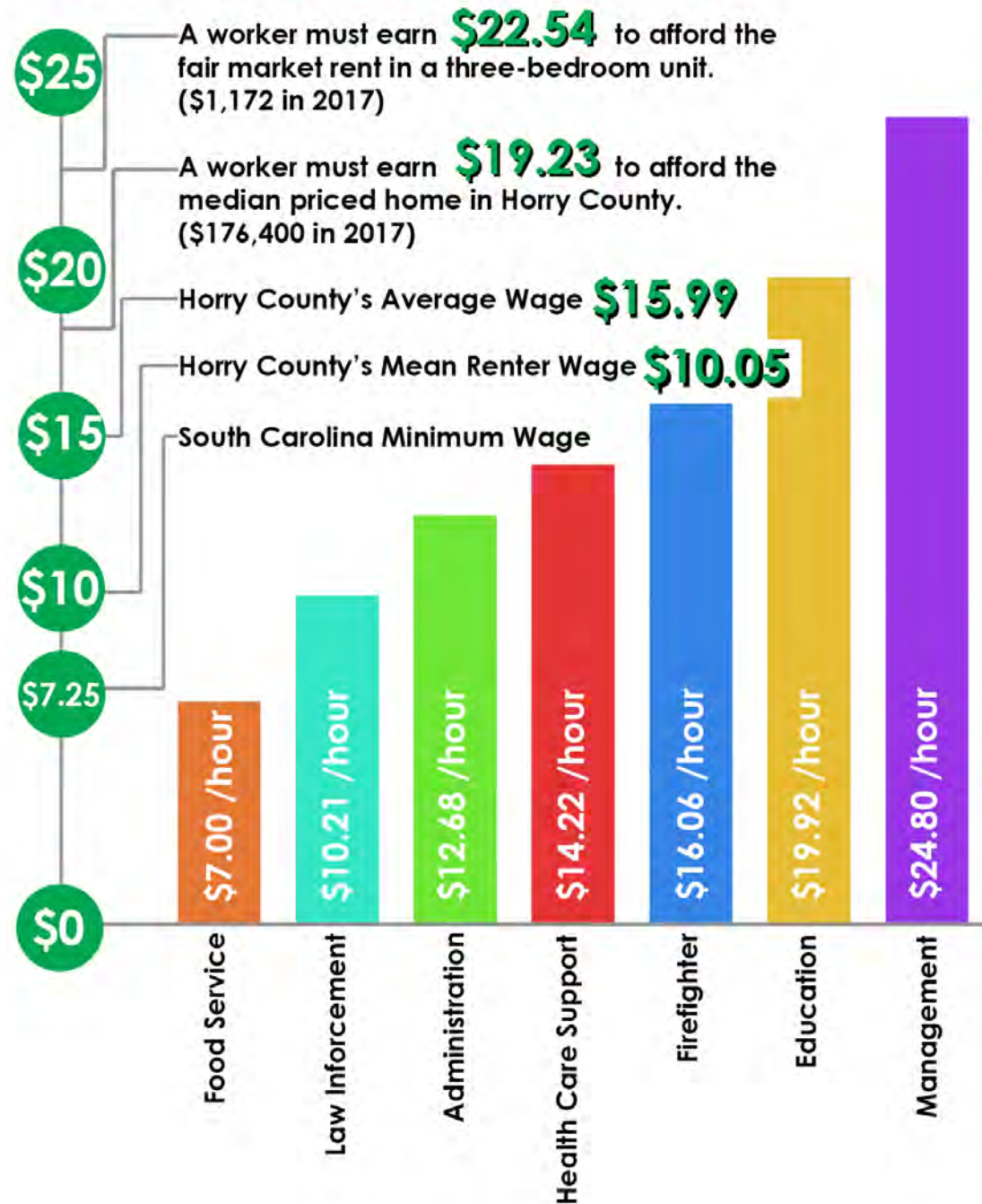




afford a two-bedroom home. And households that qualify as very low and extremely low income cannot afford housing in the County.

In Horry County, a citizen would have to work 80 hours per week at minimum wage to afford a one bedroom home at FMR. While the estimated mean renter wage in Horry County is \$10.05/hour, this would only afford an individual \$523 towards housing, not even enough for a one-bedroom unit. This stresses the importance of providing affordable housing and direct rental assistance for those in need, in addition to attracting higher paying industry.

## WHY HOUSING MATTERS



Sources: Horry County Fair Housing Plan (2017), Trulia Heat Map: Horry County, SC. (2018), DataUSA: Horry County, SC. (2015), and Zillow Mortgage Calculator. (2018)

### Foreclosures

Foreclosures are another way to measure cost burden. According to Zillow Home Value Index, foreclosures will be a factor impacting home values in the next several years. In Horry County 2.9 homes are foreclosed per 10,000. This is greater than the national value of 1.6. The percent of delinquent mortgages in Horry County is 1.7%, which is slightly higher than the national value of 1.6%. With US home values declining more than 20% during the economic downturn, many homeowners remain underwater in their mortgages, meaning they owe more than their home is worth. The percent of Horry County homeowners underwater on their mortgage is estimated to be 11.6%. These homeowners may be cost burdened and unable to move to a more affordable location because they cannot sell their homes for what they owe. As the housing market continues to recover, fewer people will be underwater in their mortgages, but these same individuals may not be able to find more affordable housing options.

### FAIR HOUSING

Fair housing has long been an important issue in American urban policy, stemming from discrimination and fueled by growing civil unrest that reached a boiling point during the Civil Rights Movement. The passing of the Fair Housing Act in 1968 was a critical step towards addressing this complex problem, but was far from the solution. The Fair Housing Act mandates that HUD 'affirmatively further fair housing' through its programs. Towards this end, HUD requires funding recipients to undertake Fair Housing Planning (FHP) to proactively take steps that will lead to less discriminatory housing markets and better living conditions for minority groups and vulnerable populations.

While affordable housing is a significant fair housing issue, addressing fair housing needs is much more complex. The following impediments were identified in Horry County's 2017 Assessment of Fair Housing:

- Location and type of affordable housing;
- Community opposition to public housing, the not in my Backyard (NIMBY) sentiments;
- Displacement of residents due to economic pressure;
- Heir's property issues;
- Lack of access to financial services;
- Lending discrimination;
- The availability of affordable units in a range of sizes;
- Admissions and occupancy policies and procedures, including preferences in public housing;
- Lack of access to high performing schools;



- Quality of affordable housing information programs;
- Lack of public fair housing enforcement;
- Lack of assistance for housing accessibility modifications;
- Lack of affordable, integrated housing for individuals who need supportive services;
- Lack of public investments in specific neighborhoods;
- Lack of resources for fair housing agencies and organizations;
- Lack of local fair housing laws.

The highest barrier to fair housing is the location and type of affordable housing. Community opposition and displacement of residents due to economic pressure also contribute to multiple fair housing issues. Equally important, the lack of public investments and lack of local fair housing enforcement also contribute to multiple fair housing issues.

### **COST AND AFFORDABILITY FINDINGS**

Horry County is rapidly recovering from the economic downturn. The availability of homes for sale is lower than 2% of the entire housing stock. The demand is driving up home values and also spurring new construction of single-family homes. Major subdivisions that were put on hold are now being built out, and there has been a recent increase in rezoning requests for new major subdivisions.

From a pure quantitative standpoint, there are ample units in the region to house the population; however, high home values and rents in comparison to wages, result in much of the housing stock being out of the affordable range for large portions of the population. This indicates that many households are vulnerable to becoming homeless, as there is no ability to establish a 'rainy day fund.' While tourism and

service sector jobs in Horry County reduce unemployment rates during part of the year, they can work to impede the economic viability necessary for many to participate in the housing market. In addition, the lack of a variety of affordable housing options with convenient access to job centers, schools, public transportation, and services also creates a barrier to affordable, fair housing. Public housing complexes are no longer an effective way to provide affordable housing in one's community as they often perpetuate the cycle of poverty and are stigmatized. Addressing fair housing will require creative solutions with area housing partners, developers, and lending agencies, including but not limited to, the development of market-based incentives for affordable housing, down payment assistance, and first time homebuyer education.

### **SHORT-TERM HOUSING ASSISTANCE**

Shelter is the basic necessity for all individuals. Addressing housing needs requires a multi-faceted approach, from providing short-term housing solutions for those most direly in need to providing long-term solutions to provide safe, quality housing for all.

### **HOMELESSNESS**

Homelessness is fundamentally about a lack of housing that is affordable to households at different income levels. On a single night in January 2015, 564,708 people were experiencing homelessness nationwide. In 2016, the South Carolina Coalition for the Homeless Point in Time Count estimated 5,050 persons experiencing homelessness statewide. Horry County had the highest number of unsheltered homeless individuals (236), and the third highest total homeless individuals (492) counted in South Carolina (South Carolina Coalition for the Homeless Point-Time-Report, 2016). Nearly 60% of the homeless in Horry County are unsheltered, some of which live in nomadic homeless camps. These camps are located on private property and do not have running water, restrooms, or proper trash disposal, resulting in unsanitary conditions for those living in them.

Horry County and the City of Myrtle Beach maintain much of the homeless population for the region. Regional data clearly conveys that 55.5% of the homeless population is black or African-Americans, which is considerably higher than the percent of the overall population, 36%. 19.4% of the homeless population are children under the age of 18, but 32% of the total population. 60% of the homeless population are male and 40% female.

Eastern Carolina Homeless Organization (ECHO) is the lead entity coordinating the region's Continuum of Care (CoC)





Program. The CoC brings together over 80 members representing more than 40 agencies that provide a wide range of services to the homeless. These services include homeless/emergency shelter, transitional housing, permanent supportive housing, supportive services, emergency food, meals, clothing, medical services, mental health services, rental and utility assistance, and many other appropriate services.



Homeless Camp in an unincorporated area of Myrtle Beach  
Source: Horry County GIS

**EMERGENCY HOUSING SOLUTIONS**

Everyone is ready for housing - "Housing First" is a low barrier approach which ensures that no preconditions, behavioral contingencies, or other limiting factors to enter into housing are placed on the individual. This approach prioritizes client choice in both housing selection and in service participation.

Homelessness is unacceptable and expensive. A response that focuses solely on shelters is ineffective and expensive. The County has prioritized funding of homelessness prevention (HP) and rapid rehousing (RRH) programs with HUD Emergency Solutions Grant (ESG) dollars.

Horry County, through a subrecipient agreement with ECHO, assisted 139 households through rapid rehousing and 70 households through homelessness prevention assistance during the 2016-2017 program year. The time between intake and housing a family is approximately 26 days, indicating that a lack of availability of affordable rental units in the County impedes solutions for the homeless.

**RAPID REHOUSING**

The National Alliance on Homelessness has reported that 75% of rapid re-housing participants exit to permanent housing, much higher than from emergency shelter (16%) or transitional housing (42%). The average cost per exit to permanent housing was significantly lower for rapid re-housing (about \$4,100) than it was for either shelter (about \$10,000) or transitional housing (about \$22,200). Therefore, five families can be housed utilizing the rapid rehousing approach for the same cost of housing one family at a transitional housing shelter.

**PUBLIC HOUSING**

Publicly supported housing includes public housing, project-based Section 8, other Multifamily Assisted developments, and Housing Choice Voucher (HCV). According to HUD, public housing was established to provide decent and safe rental housing for eligible low-income families, the elderly, and persons with disabilities. Legally protected groups in Horry County (the elderly, individuals with a disability, certain race groups, and families) have higher proportions of their members in several public housing programs than the general public. There are two Public Housing Authorities serving low-income households throughout the County:

- The Housing Authority of Myrtle Beach provides Section 8 Housing Choice Vouchers;
- The Housing Authority of Conway provides Section 8 Housing Choice Vouchers and public housing units.

**HOMELESSNESS PREVENTION - HOUSING REHABILITATION PROGRAM**

Horry County Community Development Department manages several home repair programs funded through HUD. The Essential Home Repair Program is designed for low-income homeowners only, whose income is not more than 80% of the Area Median Income (AMI). Examples of essential home repairs that may be covered under this program include leaking roofs, flooring issues, accessibility modifications for disabled residents, deficient plumbing, etc.

Some of the eligibility requirements for the program include: owning the home and living in it, documentation of ownership, current property taxes, and executing a forgivable loan for the cost of the repairs, etc.



Rehabilitation Examples  
Source: CDBG

The Horry County Emergency Repair Program provides financial assistance to low and moderate income owners who have needs for replacement of heating and air conditioning systems in their homes. The program also provides assistance to disabled homeowners who need accessibility improvements, such as wheelchair ramps or hand rails.



## SHORT-TERM HOUSING ASSISTANCE FINDINGS

Fundamentally, homelessness is the result of a lack of affordable housing. Emergency shelter options are limited in Horry County and do not provide a long-term, safe housing solution for those in need. In addition, transitional housing is only allowed within the ME2 zoning district, which also allows drug treatment and counseling services. To attempt to rezone for such a use will spark opposition from the public. There are a couple of older zoning districts in the County in which transitional housing is allowed; however, there are a limited number of properties available. While it is more affordable and effective to place someone in a permanent home, there is a lack of affordable rental inventory throughout the County and many affordable areas are not close to job centers, public transportation, schools and services. One of the best means to address homelessness remains in proactive measures to prevent homelessness. Horry County continues to provide homeowner repair and assistance to prevent the deterioration of safe and affordable housing stock.

## REVITALIZATION EFFORTS

The Horry County Community Development Department leads revitalization efforts throughout the County, in partnership with other County departments, numerous municipalities and non-profit organizations. Because the Community Development Department is responsible for administering Community Development Block Grant (CDBG) funds for housing and infrastructure improvements in the County and region, HUD requires that the County develop a Consolidated Plan to outline funding priorities for a five year time frame. HUD also requires that the County develop an Annual Action Plan to detail the activities to be completed and the funding sources for them. The activities are planned to help achieve HUD's CDBG national objectives as well as Horry County's long-term goals as identified in the Consolidated Plan. Each

year, citizen input and participation is incorporated in helping to identify the types of future CDBG projects to be funded. The Consolidated Plan, Annual CDBG Action Plans, and Consolidated Annual Performance and Evaluation Reports are available through the Community Development Office and online at: <https://www.horrycounty.org/Departments/CDBG>.

Grant money can go towards any of the following:

- Acquisition of real property;
- Relocation and demolition;
- Rehabilitation of residential and non-residential structures;
- Construction of public facilities and improvements such as water and sewer facilities, streets, neighborhood centers and the conversion of school buildings for eligible purposes;
- Public services, within certain limits;
- Activities relating to energy conservation and renewable energy resources;
- Provision of assistance to profit-motivated business to carry out economic development and job creation/retention activities (<http://www.hud.gov/>).

Beyond managing Community Development Block Grant funds and projects, the Community Development Department also serves as the primary lead for the administration of grants. In addition, they orchestrates major recovery efforts in the event of a disaster, managing FEMA documentation and funds for County lead recovery efforts.

## NEIGHBORHOOD PLANS

In an effort to address housing conditions, infrastructure, and public service needs in deteriorating communities, Horry County has developed neighborhood plans. The intent of

these plans are to help stabilize a community from further deterioration and to help improve the condition and quality of life for its residents. These areas are often defined as low-to-moderate income areas and are often strained by deteriorating or dilapidated housing, deteriorating road and drainage conditions, lack of adequate water and waste water systems, accumulation of trash and debris, over growth of brush, high crime rates, and a lack of access to services. In addition, many housing solutions are impeded by zoning because of non-conforming structures and uses, as most of the communities in need of rehabilitation were developed prior to the establishment of zoning in Horry County.

Neighborhood plans can provide solutions to some of these challenges and identify short and long-term options to stabilize a community. These plans are adopted as amendments to the Horry County Comprehensive Plan and can provide inform capital improvement needs that can be incorporated into the County's Capital Improvements Plan. To date, the County has developed two revitalization plans, including the Racepath Neighborhood Revitalization Plan and the Bennett Loop Neighborhood Plan. Bucksport, Cedar Branch, and Freemont are additional communities in need of neighborhood plans. Recent flood events have also triggered the need for community and countywide recovery and resiliency plans.

## NUISANCE ABATEMENT PROGRAM

The Nuisance Abatement Program was approved by County Council in 2017 to address unfit dwellings and related structures within the unincorporated areas of Horry County. This addresses the need for any building or structure which are unfit for human habitation due to:

- Dilapidation;
- Disrepair;





- Defects increasing the hazards of fire, accidents or other calamities;
- Lack of adequate ventilation, light or sanitary facilities;
- Extensive damage or structural deterioration so as to render the dwelling unsafe; or
- Other conditions rendering such dwellings unsafe or unsanitary, dangerous, or detrimental to the health, safety or morals or otherwise inimical to the welfare of the residents of the County.

After a dwelling has been indicated unfit for human habitation due to any of the stipulations listed above, the County has the authority to exercise its police powers to repair, close, or demolish such dwellings. The Nuisance Abatement Program formalized the procedure for the County to address dwellings that create hazards to the health, safety, and welfare of the residents of Horry County. The implementation of this program requires an integrated partnership between Community Development, Code Enforcement, Police Department, Procurement Department, and Attorney's Office. It has also resulted in more consistent, streamlined procedures for identifying and addressing dilapidated housing throughout the County.

**COMMUNITY REVITALIZATION FINDINGS**

Revitalization requires an integrated approach among various partners and County departments to effectively result in change. Horry County's Community Development Department facilitates most revitalization efforts occurring both in the County and in area municipalities, as they allocate funding for housing assistance, new construction, and infrastructure improvements. There are many challenges that successfully revitalize a community. Zoning and non-conforming uses can impede the ability to provide transitional housing, public

housing, or even repair or rehabilitate one's home. Luckily, the State of South Carolina has granted local governments the authority to establish priority investment zones for the establishment of market-based incentives and alleviation of zoning regulations that hinder revitalization.

While repairs and new residential construction can help stabilize a community, Horry County is limited in its authority to provide services to donut-hole areas within the City of Myrtle Beach and Conway. Without annexing into the adjoining municipality, revitalization efforts can be stymied. State law also inhibits revitalization efforts in unincorporated areas, as the state has not granted counties the authority to remove dilapidated commercial buildings. This is often a critical component to trigger revitalization and redevelopment. The state also has not granted local governments the authority to place liens on properties for cleaning up overgrown brush or junk, only allowing liens to be placed on a property for the removal of a structure. These are just a few challenges to overcome blight.

Horry County is continuing to pursue the development of neighborhood plans; however, there is also a need to develop community plans that can prevent areas of the County from becoming blighted and to spur reinvestment. Horry County will need to continue revitalization, stabilization, and recovery plans in order to ensure safe housing options for our residents.

**CONCLUSIONS**

As Horry County continues to grow, it will need to ensure that housing is safe and affordable. To do so, housing supply and the type of desired supply must keep up with demand both for full-time and seasonal residents. Housing and community design have a direct impact on quality of life, along with housing proximity to jobs, services, shopping, and leisure activities. Community form will be driven by zoning, land development regulations, and the Future Land Use Map and future rezoning requests.

Reinvestment and revitalization efforts will need to continue and be targeted in order to have a significant impact on existing communities. Prior to recent flood events, there was already a need for housing assistance and revitalization in many parts of the County. Hurricane Florence and the subsequent flooding from it has expanded the need for additional housing assistance and mitigation efforts. This event has also triggered the need to evaluate other construction and neighborhood design standards to create a more resilient community.

