

Comprehensive Five-year Affordable Housing Study

Tuscaloosa, Alabama

October 2018

FRAME/WORK

Creating a dynamic guide for Tuscaloosa

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Terms used within this report are either defined within the body of the report, within Appendix D: Endnotes, or within the project glossary (a stand-alone document that defines terms used in this process).

1 / EXECUTIVE SUMMARY

This Five-Year Affordable Housing Study is intended to provide information related to housing trends and issues to help inform development of the Tuscaloosa Framework comprehensive planning effort. This Executive Summary highlights the critical findings of this effort.



HIGHLIGHTS FROM STUDY

PURPOSE OF STUDY

The Five-Year Affordable Housing Study was developed to provide foundational information related to housing and neighborhoods in Tuscaloosa that can assist with making decisions about future policy direction for the city as part of the Tuscaloosa Framework comprehensive planning process. It was also developed to provide information that can be used to update the city's Five-Year Consolidated Housing Plan required by the U.S. Department of Housing and Urban Development. This Comprehensive Five-Year Affordable Housing Study is organized into six key sections:

1. Executive Summary
2. Community Profile (sociodemographic and market trends)
3. Housing Inventory (types of units, condition, and location)
4. Current Policies (summary of current policy direction)
5. Needs Assessment (analysis of 5-year forecasts for housing demand and supply)
6. Strategies to Consider (Strategies and tools to consider during Tuscaloosa Framework process)

KEY FINDINGS

This study provides several key trends and forecasts that are important to consider when evaluating future housing policy direction:

- **Tuscaloosa is Growing and Expected to Grow Faster Than Most Places in Alabama.** The city has increased its population by 24% since 2000, faster than the five largest cities in Alabama. Most of this past growth is attributed to growth in enrollment at the University of Alabama, which is projected to stabilize. While the city is forecast to grow, that growth will likely be slower than that which occurred over the past 20 years. Forecasts suggest that the Tuscaloosa MSA (Tuscaloosa, Hale, and Pickens Counties) will grow by 21.4%, the second highest growth rate after Huntsville (39%).
- **Tuscaloosa is a Regional Center for Jobs.** Nearly 70% of people working in Tuscaloosa commute in from outside of the city. This suggests that the city is a regional economic hub. It also suggests that there may not be ample housing for workers wanting to live in the city.
- **Housing Prices are Increasing and Above 2008 Levels.** Recent sales trends suggest that housing values are higher than pre-recession levels and climbing, and that there is an increase in sales at the highest end of the market and a lower number of homes selling for \$175,000-\$300,000. This suggests that there is a shortage of homes available at these moderate price points.
- **Non-Student Rental Market is Tight and Student Housing Distorts Pricing.** The prevalence of college students in Tuscaloosa seems to have had a significant impact on the local rental market. The point in time rental market analysis shows that student rental housing has higher per bedroom market lease rates when compared to non-student rental housing. Vacancy rates are very low suggesting that there is a limited supply of rental housing for both students and non-student households. The higher value return of student rental housing is likely driving developers of rental properties to focus on student rental units versus traditional housing for families and households.

- **Need to Address Aging Housing Stock and Affordability.** A significant portion of the city's housing stock is over 40 years old. These homes are typically more affordable than newer homes, but many require significant updates to keep them viable. Analysis of home improvement loan applications suggest that many homeowners in Tuscaloosa are attempting to make improvements to their homes and are being denied loans (88% denial rate in 2016). There are likely opportunities to assist these homeowners to maintain the naturally occurring stock of affordable housing in the city.
- **Significant Increase in Seasonal, Recreational, and Occasional Use Homes Is Reducing Housing Stock Available to Renters and Owners.** Since 2010, the American Community Survey estimates that an additional 7,898 units have been built or converted for use as student housing, game day homes, second homes, short-term rentals, or other occasional use housing. The total number of units in this category is equivalent to 19% of the city's total housing stock. It is likely that the uptick in these types of units and the profits generated from them is having an impact on the types of housing being produced in Tuscaloosa, and reducing the number of units for sale and rent to households looking for permanent housing.
- **Poverty Rates Have Been Stable Over Time and Children Have the Highest Rate of Poverty.** While the local college student populations does skew the poverty rates for the city (24%), further exploration reveals that college students make up approximately 5%, reducing the poverty rate of the permanent population to 19%. The largest age cohort suffering from poverty in Tuscaloosa is children under 18 years old. 29% of children under 18 in Tuscaloosa are living in poverty.
- **Five Year Forecast Shows Demand Will Generally Meet Supply, But May Not Actually Provide the Units Needed.** Forecasts that compare future housing demand and supply for the next five years suggest that if current trends continue, there will likely be the equivalent number of units in the city's housing supply to meet demand. However, many trends suggest that there may be a mismatch between the units available, and the types of units that are being demanded, both in terms of price point and in terms of the type of unit. The analysis suggests there will be a need for housing units at a full range of price points.
- **Future Demographic Shifts May Put Pressure on Certain Housing Types.** Forecasts for future age cohorts suggest that there will likely be new demand for starter homes for first time homebuyers and housing affordability to working families, as well as senior housing or units suitable for households to age-in-place safely. These are likely units that will be in demand in the coming years.

CURRENT POLICY DIRECTION

An analysis of current policies found in city adopted plans identifies four key areas of strong policy direction in Tuscaloosa:

- Protecting Neighborhood Character
- Promoting Housing Diversity
- Assisting Lower Income Households
- Serving Neighborhoods

STRATEGIES TO CONSIDER

Using input from stakeholder interviews conducted in July 2018 with elected officials, advisory board members, neighborhood leaders, local businesses, real estate developers and landowners, and other community stakeholders, this report provides an array of potential tools and strategies to consider implementing through the city's new comprehensive plan. (See Chapter 6 for details on each of these strategies to consider.) These strategies to consider have been organized under the same four key policy areas listed on the previous page.

Protecting Neighborhood Character

- Context sensitive standards for redevelopment and infill
- Neighborhood compatibility standards for new uses and transitions
- Tree protection
- Street designs that match neighborhood context and mobility preferences
- Enhance regulations addressing student rental housing
- Strategies to Address Blighted and Vacant Properties
- Good neighborhood program for students living in city neighborhoods

Promoting Housing Diversity

- Adjust Zoning standards to allow for a broader mix of unit types
- Consider public-private partnerships to assist with home improvement loans and construction of workforce housing
- Establishing housing land trust¹

Assisting Lower Income Households

- Implement existing affordable housing plans
- Assist with rehabilitation of older homes to maintain affordable housing stock
- Support development of rental housing
- Support investment without creating displacement of existing residents

Serving Neighborhoods

- Create complete neighborhoods
- Target community investments to priority redevelopment areas
- Support job creation to employ local residents
- Plan for increased transit assistance to aging seniors

These strategies can be evaluated further in the Tuscaloosa Framework process to identify the appropriate policy direction to implement as part of the new comprehensive plan.

2/ COMMUNITY PROFILE

Tuscaloosa's housing market is influenced by a myriad of factors that combined determine the ultimate demand for housing by households and supply of housing built by housing developers. This Community Profile highlights key demographic, economic, and housing trends that influence the local housing market.

Chapter Contents

- Demographics Trends
- Economic Trends
- Housing Trends



DEMOGRAPHIC TRENDS AND PROJECTIONS

GROWING FASTER THAN MOST PARTS OF THE STATE

Since 2000 and according to American Community Survey 5-year estimates, Tuscaloosa's population has grown from 77,906 to 96,352 in 2016; an increase of 18,446 (24%). U.S. Census 2017 single-year estimates put the city's population at 100,287. The areas within Tuscaloosa County not including the City of Tuscaloosa grew 22%, and the state as a whole grew 9% during the same timeframe. Tuscaloosa grew the fastest of the big five cities in Alabama (see Table 2.1 for a comparison of metro areas).

SOURCES:
Demographic trends are based on an analysis of Census data, American Community Survey data, and population projections were prepared by the Center for Business and Economic Research at the University of Alabama.

TABLE 2.1 COMPARISON OF METRO AREA POPULATION GROWTH (2000 - 2016)

City	2000 Pop.	2016 Pop.	2000-2016 Pop. Change
Tuscaloosa	77,906	96,352	24%
Birmingham	242,820	212,424	-13%
Huntsville	158,216	188,973	19%
Mobile	198,915	193,717	-3%
Montgomery	201,568	201,717	0%

Source: U.S. Census (2000) and American Community Survey (2012-2016)

PROJECTED TO GROW FASTER THAN THE STATE AND MANY OTHER METRO AREAS

The Tuscaloosa MSA, comprised of Tuscaloosa, Hale and Pickens Counties, is projected to grow by 21.4% between 2010 and 2040 compared to 11.3% growth in the state as a whole. By comparison, the only other larger MSA that is projected to grow over 20% is Huntsville (with a projected increase of 39%) as estimated by the Center for Business and Economic Research at the University of Alabama.

DRIVERS OF GROWTH

The population growth in Tuscaloosa may be partially attributed to a substantial increase in the number of students attending The University of Alabama. Enrollment has nearly doubled since the year 2000, increasing by 18,347 students to a total of 37,665 enrolled in 2016.

While the University's enrollment growth is similar in number to the city's overall population growth, it should be noted that a portion of these students do not live in Tuscaloosa (student residency data is unavailable). Also, the Census counts and estimates from the American Community Survey typically underreport college student populations.

Another driver of the City's past growth is employment. The City of Tuscaloosa has added 6,000 new jobs since 2009 (see page 11).

TUSCALOOSA HAS A YOUNGER POPULATION

With a median age of 28.6 the city is 10 years younger than the state, which has a median age of 38.6. Figure 2.1 illustrates the 2016 population by age cohort.

The University of Alabama’s student population plays a significant role in this younger demographic, with a current enrollment of approximately 38,000 students (approximately 85% of whom are between 18-24 years old).

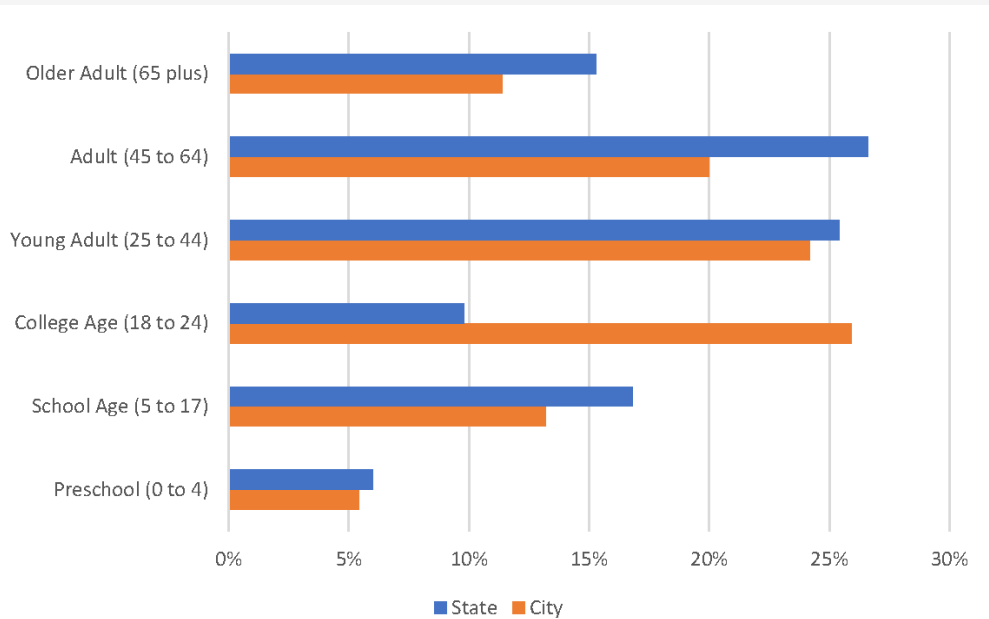
AND AN AGING POPULATION

While Tuscaloosa has a population that is younger overall compared to the state, the older segment of the population is growing.

Tuscaloosa County is projected to experience aging of the population over the next several decades. 2040 projections put the county’s 65 and over population at 16% of the total, up from 11% today. By comparison, the state’s share of this age cohort is projected to grow from 15% to 22%.

An aging population has many implications for city policy, including the type of housing available, transportation access and safety, healthcare facilities, retail, service and recreational needs.

FIG. 2.1 SHARE OF POPULATION BY AGE COHORT (2016)



Source: U.S. Census American Community Survey (2012-2016)

AND A DIVERSIFYING
POPULATION

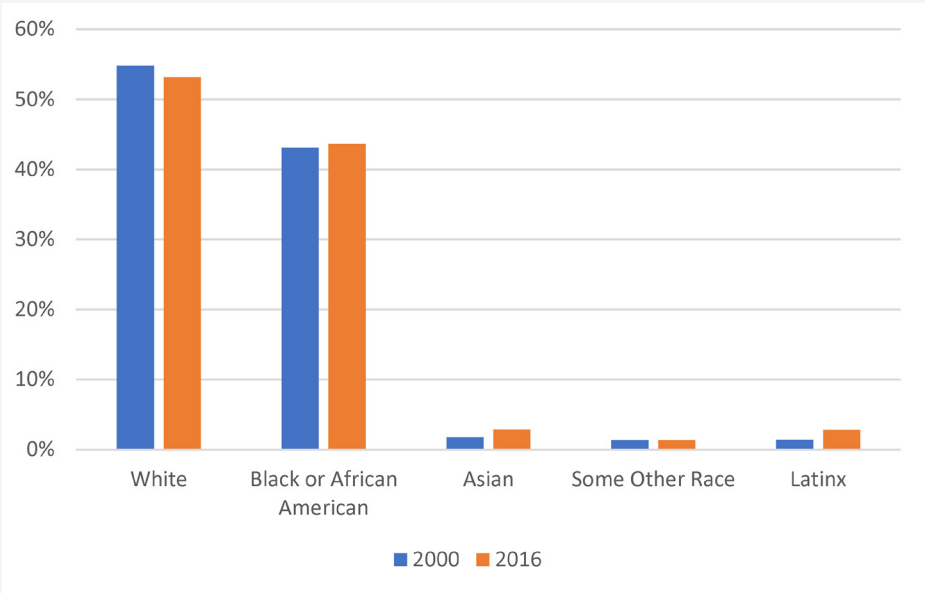
Tuscaloosa's population is predominantly white (53%) and Black/African American (43%). While other races comprise a small portion of the overall population they have seen increases since 2000 as has the Latinx population. Comparatively, the state has a population that is 69% white and 26% Black/African American. It has also seen similar percentage increases in other races as well as the Latinx population. Table 2.2 shows the new population added between 2000 and 2016 by race and ethnicity, and Figure 2.2 show the city's share of population by race and ethnicity for 2000 and 2016.

TABLE 2.2 POPULATION INCREASES BY
RACE AND ETHNICITY (2000-2016)

White	8,534	+
Black or African American	8,496	+
Asian	1,402	+
Some Other Race	257	+
Latinx	1,619	+

Source: U.S. Census (2010) and American Community Survey (2012-2016)

FIG. 2.2 CHANGE IN RACE AND ETHNICITY (2000-2016)



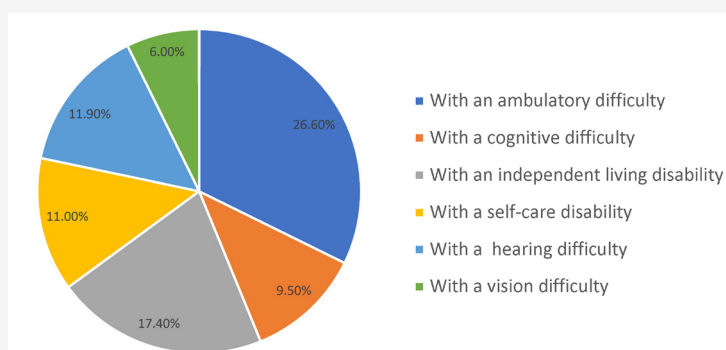
Source: U.S. Census (2000) & American Community Survey (2012-2016)

A SIGNIFICANT DISABLED POPULATION

Just over 11% of the city's population has a disability compared to 16% statewide. 51% of the population 75 years and over and 25% of the population 65 to 74 has some form of disability. Figure 2.3 breaks down the 65+ population by type of disability.

The implications of the city's disabled population are important to consider. In some cases, populations with disabilities may need specialized types of housing and special transportation needs. In the future, it will be important to plan for changing housing and transportation needs for the city's aging and disabled populations.

FIG. 2.3 DISABILITY BY TYPE FOR INDIVIDUALS AGED 65+



Source: American Community Survey (2012-2016)

HIGH NUMBER OF NONFAMILY HOUSEHOLDS

Tuscaloosa was home to 33,933 households in 2016, an increase of 8% since 2000. The number of households has grown more slowly compared to the city's total population, which grew 24% during this timeframe.

Not surprisingly, the city has a high number of nonfamily households (43% of total households) compared to the state (33% of households) and Tuscaloosa County (34% of households).

The presence of the University's student population has some impact on this trend. However, Tuscaloosa's nonfamily share is down from 2000 when 46% of the households were nonfamily. The decreased share in nonfamily households between 2000 and 2016 appears to be due to family households growing faster during this time period; 13% compared to 1% for nonfamily households.

WHAT IS A HOUSEHOLD?

A person or group of people living together in one housing unit.

WHAT IS A HOUSING UNIT?

A house, apartment, mobile home, group of rooms or single room, which are intended as separate living quarters.

WHAT IS A FAMILY HOUSEHOLD?

A group of two or more people living together in a housing unit who are related by birth, marriage, adoption, etc.

WHAT IS A NONFAMILY HOUSEHOLD?

Households that consist of people who live alone or who share their residence with unrelated individuals.

INCREASING SHARE OF SINGLE PARENT HOUSEHOLDS

Between 2000 and 2016 the share of single parent family households with children under 18 rose from 43% of families with children under 18 to 49%. While female householders made up the majority of those single parent families, male householders have increased their share as well. The increase in single parent households can be attributed to many factors including divorce, teen pregnancy, and new forms of family structures such as a woman deciding to have a child on her own.

These trends are important to consider as the planning process identifies locations for, and services and amenities needed within close proximity of housing that could serve this population sector. For example, these single-parent households could be well served to live in neighborhoods that are proximate to groceries, pharmacies, pediatrician offices, daycares, and parks and recreation amenities.

In 2016, it is estimated that...

49%

of family households were headed by a single-parent,

42%

of family households were headed by a female single-parent, and

7%

of family households were headed by a male single-parent.

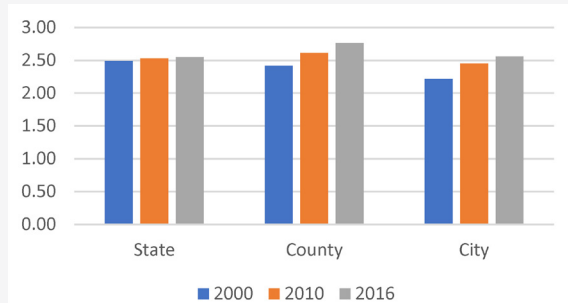
AVERAGE HOUSEHOLD SIZE IS INCREASING

The city's average household size increased from 2.22 to 2.56 between 2000 and 2016. Family households also saw an increase from 2.93 to 3.26. The state's household sizes increased, but not to the same degree. The county also experienced growth in household size.

Nationally, the size of households has gradually become smaller during the latter half of the twentieth century as families have fewer children, young people delay starting families, and the number of "empty nester" households grows with people living longer. In many communities, this trend has meant that the number of households has grown faster than the rate of population growth.

In the past decade, this long-term national trend slowed and even reversed in some communities as people chose to live together due to economic constraints.

FIG. 2.4 AVERAGE HOUSEHOLD SIZE COMPARISON

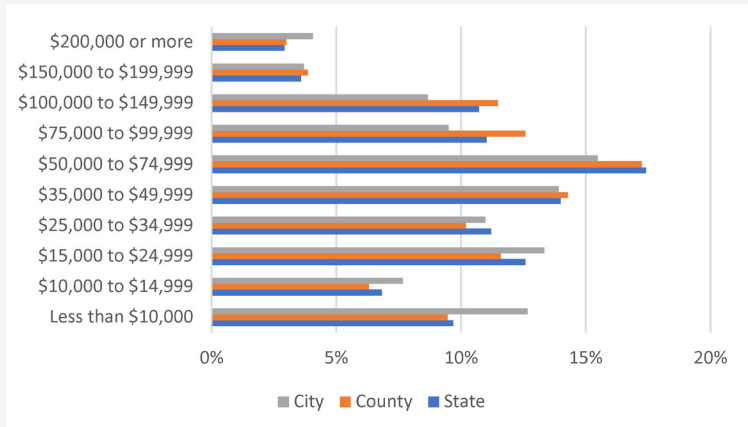


Source: U.S. Census and American Community Survey (2012-2016)

**HOUSEHOLD INCOMES ARE
SIMILAR TO THE STATE WITH
SOME EXCEPTIONS**

Figure 2.5 illustrates the distribution of households by income for the city, county and the state. While mostly consistent, Tuscaloosa has a higher share of lower income households. To some degree this is due to the student population that is earning very little income in most cases. The state and county have a higher share of households with incomes between \$50,000 and \$150,000 than the city. On the high end, the city has a higher share of those making \$200,000 or more.

FIG. 2.5 COMPARISON OF INCOME DISTRIBUTIONS (2016)

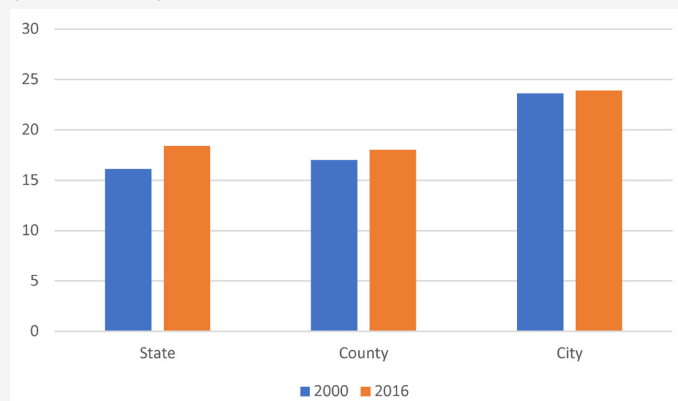


Source: American Community Survey (2012-2016)

POVERTY RATES HAVE REMAINED CONSISTENT SINCE 2000

Almost 24% of individuals and 15% of families live below the poverty level in the city compared to 18% of individuals and 14% of families statewide and 20% and 18% in the county. As with household income patterns, the presence of college students plays a part in determining local poverty rates as student incomes are often below the poverty rate.

FIG. 2.6 COMPARISON OF CHANGES IN POVERTY RATES (2000-2016)



Source: U.S. Census (2000, 2010) and American Community Survey (2012-2016)

When Tuscaloosa residents in poverty are separated by age, it is clear that a significant proportion of impoverished people (47%) are in the college age cohort aged 18-24. (See Table 2.3 on the next page.)

The American Community (ACS) Survey suggests that excluding off-campus college students decreases the poverty rate by 5%, reducing the overall rate from 24% to 19%.² This rate is similar to the state's poverty rate of 18%.

Children under 18 have the highest poverty rate of any age cohort living in Tuscaloosa - nearly 30%. This number is similar to the state's child poverty rate of 27%.

Being impoverished has been shown to have significant impacts on the academic and professional success of children and may also influence health, and longevity of the person over time.

Acknowledging the impact of college students on the local poverty rate, the U.S. Census estimates that excluding off-campus college students reduces the poverty rate of Tuscaloosa to

19%

a 5% decrease from the total poverty rate of 24% for Tuscaloosa.

30%

of all children in Tuscaloosa live in poverty.

TABLE 2.3 PERSONS IN POVERTY BY AGE COHORT (2016)

<i>City of Tuscaloosa</i>				<i>State of Alabama</i>		
<i>Age Cohort</i>	<i># in Cohort*</i>	<i># in Poverty</i>	<i>% in Poverty</i>	<i># in Cohort*</i>	<i># in Poverty</i>	<i>% in Poverty</i>
Under 18 years	17,438	4,996	29%	1,090,244	289,382	27%
18-24	16,313	7,649	47%	428,957	120,323	28%
25-64	41,960	7,308	17%	2,478,993	382,619	15%
65+	10,940	776	7%	722,398	76,342	11%
Total Population	86,651	20,729	24%	4,720,592	868,666	18%

*Population numbers are only for whom poverty status is determined.

Source: American Community Survey (2012-2016)

NON-WHITE HOUSEHOLDS HAVE A HIGHER PROPORTION OF PEOPLE IN POVERTY

The percent of people living in poverty is higher for people identifying as Black/African American alone, and Asian and Hispanic/Latinx than for persons identifying as White alone. 19% of White alone residents are in poverty compared to 29% of Black/African American residents, 30% of Asian residents, and 28% of Hispanic/Latinx residents.

This is important to understand because poverty trends that correspond with race in a community have been shown to result in challenges to finding affordable housing for non-white households.

TABLE 2.4 PERSONS IN POVERTY BY RACE/ETHNICITY (2016)

<i>Race/Ethnicity</i>	<i># in Poverty</i>	<i>% in Poverty</i>	<i>% of Population</i>
White alone*	8,134	19%	53%
Black or African American alone*	11,382	29%	43%
Asian	667	30%	3%
Hispanic or Latinx (of any race)	709	28%	**3%

Source: American Community Survey (2012-2016)

* White alone and Black or African American alone mean that the person identified as this race and no other race.

** Hispanic/Latinx is defined as an ethnicity and not a race. White and Black/African American individuals may also identify as Hispanic/Latinx. Therefore, the sum of the percentages of population by race/ethnicity exceeds 100%.

ECONOMIC TRENDS

EDUCATION IS THE TOP EMPLOYER

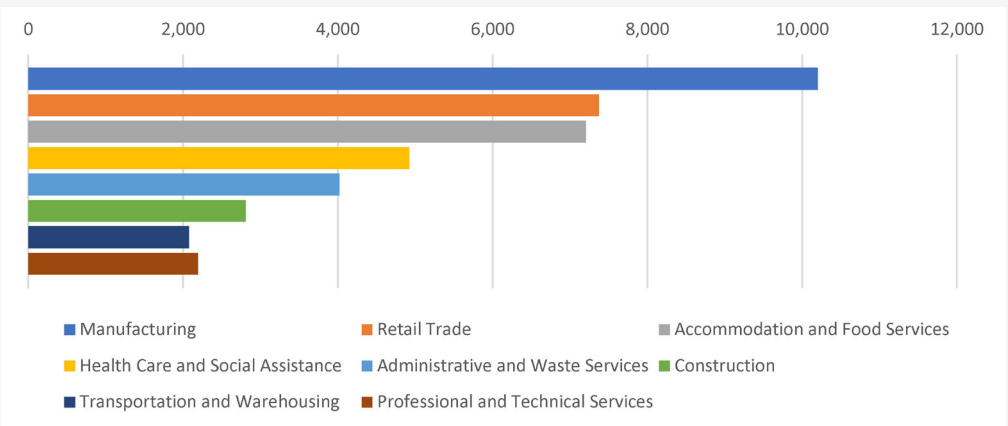
The University of Alabama (UA) is the largest employer in the city with 11,500 employees . This one employer is larger than the total count of employees for the next largest private sector industry (manufacturing, which has estimated employment of 10,200).

Top Three Industries Make Up 51% of the City's Private Sector Jobs

2016 jobs estimates put total private employment in the city at approximately 48,700 jobs. The top three private industry sectors comprised 51% of private sector employment in 2016: manufacturing, retail trade, and accommodations and food services. They represented about the same share in 2009.

SOURCES:
Economic trends are based on analysis of Alabama Labor Market Information's Quarterly Census of Employment and Wages.

FIG. 2.7 TUSCALOOSA'S ESTIMATED TOP PRIVATE INDUSTRIES BY EMPLOYMENT



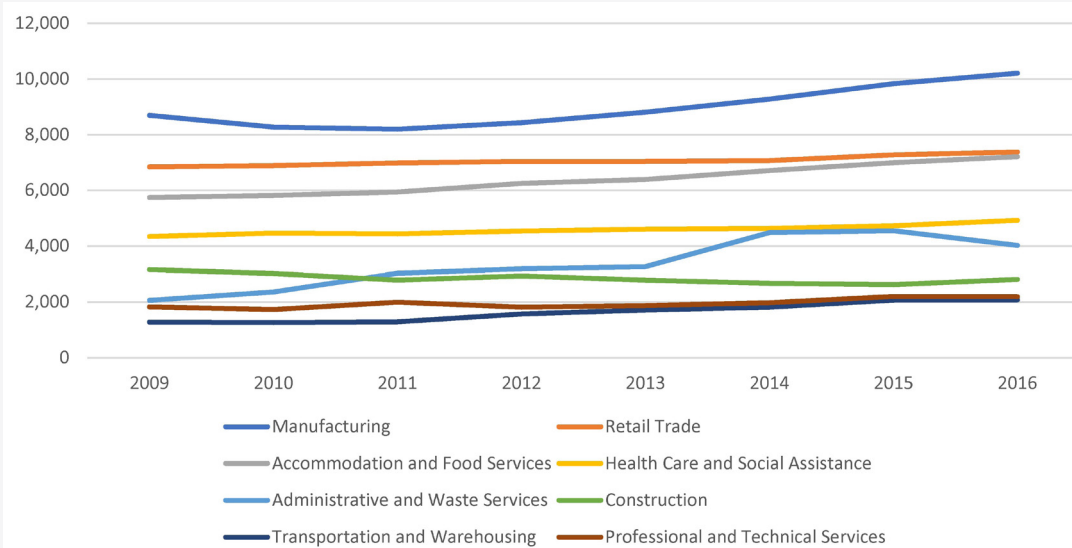
Source: Alabama Labor Market Information, Quarterly Census for Employment & Wages

Note: AL LMI advised to reduce base employment data (i.e., Tuscaloosa County) by 30% to determine estimates for City of Tuscaloosa. Data is available in disaggregated, comparable sectors starting in 2009.

SIGNIFICANT GROWTH IN SOME, BUT NOT ALL INDUSTRY SECTORS

Since 2009, the city has added 6,000 new jobs. Industries with significant job growth (i.e. more than 1,000 net new jobs) include manufacturing (1,500), administrative and waste services (1,970), and accommodation and food services (1,970), and accommodation and food services (1,470). See Figure 2.8 for employment trends by top sectors.

FIG. 2.8 TUSCALOOSA JOB TRENDS IN TOP SECTORS (2009-2016)



Source: Alabama Labor Market Information, Quarterly Census for Employment & Wages

Note: AL LMI advised to reduce base employment data (i.e., Tuscaloosa County) by 30% to determine estimates for City of Tuscaloosa. Data is available in disaggregated, comparable sectors starting in 2009.

TUSCALOOSA IS A CENTER FOR JOBS

The most recent detailed commuting patterns are for 2015 from the Census' OnTheMap program. Table 2.5 displays the breakdown of distance to jobs for Tuscaloosa workers in 2015. Just under 45% of Tuscaloosa's workforce commutes 10 miles or more to work with about 30% commuting 25 miles or more.

As Figure 2.9 shows, the workforce is spread out around the city with the longest commutes from the Northeast. Figure 2.10 illustrates the jobs inflow and outflow for the city, which shows that just under 70% of the workforce lives outside the city and commutes into work each day. (Note that the arrows in Figure 2.10 aren't intended to show the actual commuting direction of workers, but instead are showing that they commute into or out of the City.)

Just Under

70%

of the city's workforce
commutes in from
outside Tuscaloosa

TABLE 2.5 & FIG 2.9 COMMUTING DISTANCE FOR PRIMARY JOBS IN TUSCALOOSA (2015)

	Count	Share
Total Jobs	59,099	100%
Less than 10 miles	32,337	54.7%
10 to 24 miles	8,604	14.6%
25 to 50 miles	7,256	12.3%
Greater than 50 miles	10,902	18.4%

Source: U.S. Census OnTheMap (2015)

The color legend for Figure 2.9 to the right is provided in Table 2.3 above.

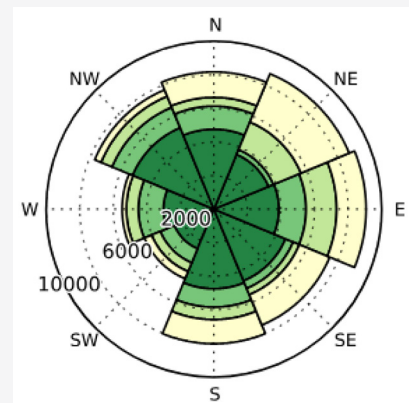
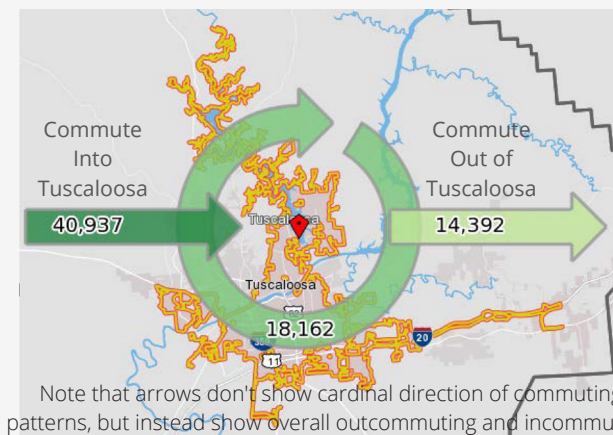


FIG 2.10 COMMUTING DIRECTION FOR WORKERS LIVING AND WORKING IN TUSCALOOSA (2015)



Source: U.S. Census OnTheMap (2015)

HOUSING TRENDS

RESIDENTIAL BUILDING TRENDS

Real estate markets, including housing, go in cycles. It is important to evaluate housing market trends over a significant period of time to assess general trends over the period, and how these trends might inform forecasts for future real estate trends.

Residential land development permits were assessed for the period of 2011 through August of 2018 to determine the number of units and bedrooms by type that were being constructed in a given year. It was assumed that smaller projects came online the same year as the land development permit was issued, and larger projects (100+ bedrooms) were constructed two years after the permit was issued.

More than 6,000 units are estimated to have been built or are in process of being built between 2011 and 2018. The majority of these units (54%) were multifamily units with five or more units in the building. Single family detached housing comprised 38% of units, townhomes/duplexes were 5%, and triplex or duplex were 3% of units.

A large percentage of the multifamily units were student multifamily housing for students attending UA and living off-campus. Production of these units appears to have peaked in 2015, then significantly declined, and appears to be increasing in 2018. As the projected enrollment of UA is likely to decline in future years, it will be important to manage the vacancies of off-campus student rental housing to ensure minimal impacts to the community.

Single family detached, townhomes/duplexes, and triplex/quadplex developments have had fairly steady construction rates during this period with some fluctuations.

TABLE 2.6 NUMBER OF RESIDENTIAL UNITS DELIVERED ANNUALLY (2011- Q2 2018)

<i>Year Permit Issued</i>	<i>Single Family Detached</i>	<i>Townhome/ Duplex</i>	<i>Triplex or Quadplex</i>	<i>Multifamily (5+ units)</i>	<i>Total Units</i>
2011*	312	20	4	22	358
2012*	370	43	7	116	536
2013	378	86	20	313	797
2014	240	57	23	843	1,163
2015	248	23	53	1,046	1,370
2016	281	12	20	399	712
2017	275	59	61	195	590
2018**	182	4	13	320	519
Total units	2,286	304	201	3,254	6,045
% of Total	38%	5%	3%	54%	100%

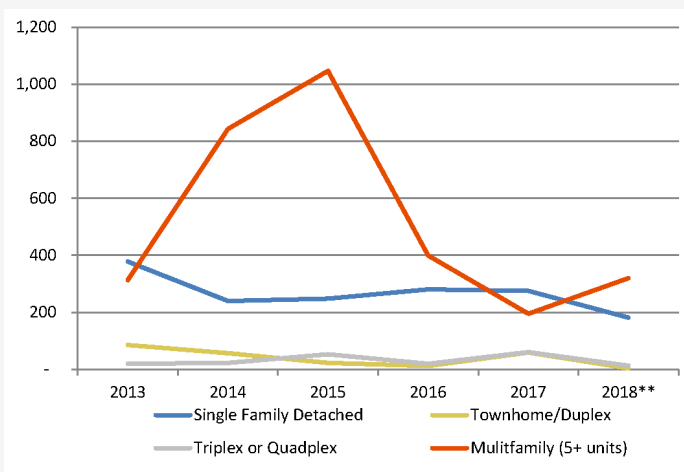
Source: Tuscaloosa Office of Urban Development, Planning Division (August 2018); Single Family Detached provided per Tuscaloosa BuildingEye; Townhome, Duplex, Triplex, Quadplex, and Multifamily provided by Tuscaloosa Planning Division Listings

* Does not include Multifamily Land Development Permits for 100+ Bedroom Units from previous years

** Data as of August 15, 2018

Years 2013-2018 include estimated delivery of Multifamily projects with 100+ bedroom units from LDPs issued two years prior and do not include units that have not been constructed or Tuscaloosa Housing Authority replacement units.

FIG. 2.11 RESIDENTIAL BUILDING PERMIT TRENDS



Source: Tuscaloosa Office of Urban Development, Planning Division (August 2018); Single Family Detached provided per Tuscaloosa BuildingEye; Townhome, Duplex, Triplex, Quadplex, and Multifamily provided by Tuscaloosa Planning Division Listings

* Does not include Multifamily Land Development Permits for 100+ Bedroom Units from previous years

** Data as of August 15, 2018

Years 2013-2018 include estimated delivery of Multifamily projects with 100+ bedroom units from LDPs issued two years prior and do not include units that have not been constructed or Tuscaloosa Housing Authority replacement units.

TABLE 2.7 NUMBER OF BEDROOMS DELIVERED ANNUALLY (2011- Q2 2018)

<i>Year Permit Issued</i>	<i>Townhome/Duplex</i>	<i>Triplex or Quadplex</i>	<i>Multifamily (5+ units)</i>
2011*	94	12	66
2012*	164	31	201
2013	323	58	804
2014	214	102	2,729
2015	88	219	2,277
2016	53	70	972
2017	205	248	402
2018**	20	49	789
Total units	1,161	789	8,240

Source: Tuscaloosa Office of Urban Development, Planning Division (August 2018); Single Family Detached provided per Tuscaloosa BuildingEye; Townhome, Duplex, Triplex, Quadplex, and Multifamily provided by Tuscaloosa Planning Division Listings

* Does not include Multifamily Land Development Permits for 100+ Bedroom Units from previous years

** Data as of August 15, 2018

Years 2013-2018 include estimated delivery of Multifamily projects with 100+ bedroom units from LDPs issued two years prior and do not include units that have not been constructed or Tuscaloosa Housing Authority replacement units.

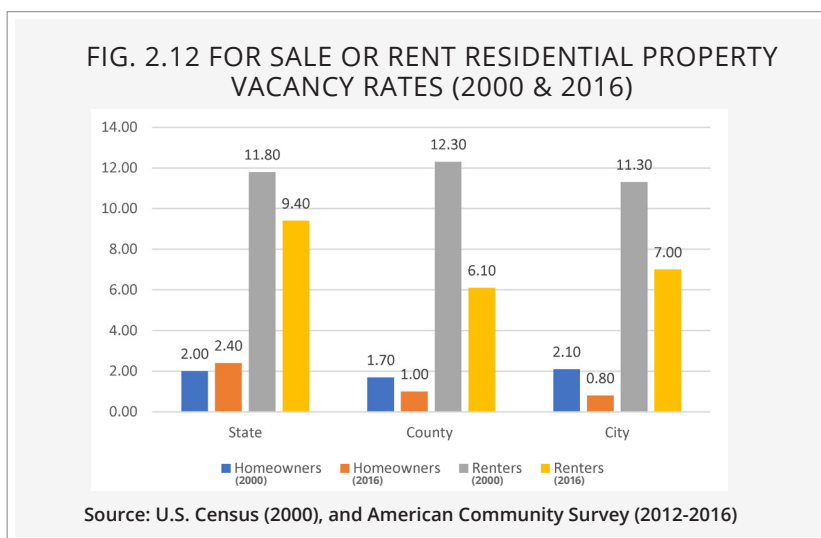
TUSCALOOSA IS A MAJORITY RENTER MARKET

Approximately 47% of non-institutional residential properties are owner-occupied according to an analysis of tax assessors records for the study area. This percentage matches the occupancy rates on the most recent American Community Survey, which lists an owner/renter occupancy split of 48%/52%. This pattern was the same in 2000 according to U.S. Census data; however, there was an increase in the percent of renters between 2000 and 2010 that declined in 2016 to 2000 levels.

Since many residential structures (e.g. apartment buildings) hold more than one unit we know that the non-owner occupied percentage is actually higher. This makes sense given the significant number of University of Alabama students who live off campus - approximately 74% of the student body (27,870 students).

VACANCY RATES HAVE DECREASED OVER TIME

For sale and for rent vacancy rates for both owners and renters have decreased since 2000 in the city indicating a tighter housing market. This pattern holds for the county and partly for the state.

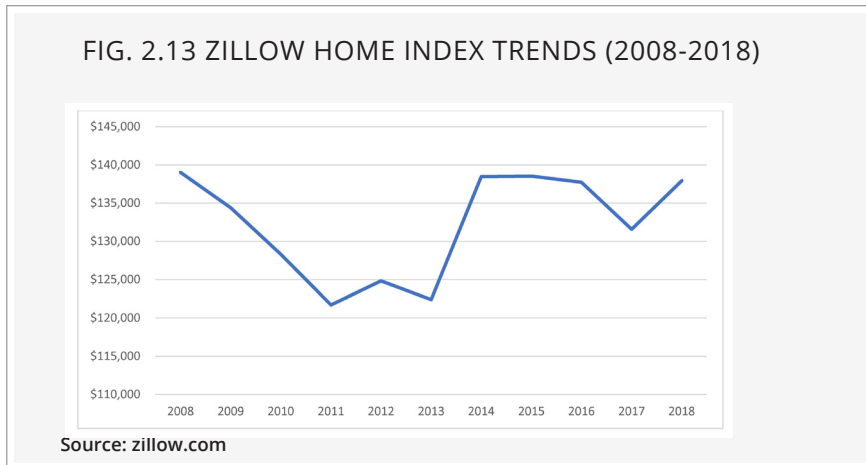


SALES PRICES ON PAR WITH REGION WITH SOME VARIATION

As of July 2018 and according to Trulia.com, the median sales price for a home in Tuscaloosa was \$165,000 with a price per square foot of \$113. Of the 988 properties listed, single family units comprised 55%, and land for these units accounted for 25%. About 17% (171 properties) were listed as foreclosures. In general, median sale prices are on par with the region, with the most expensive housing towards the north end of the city.

HOUSING PRICES HAVE HAD A SLOW RETURN TO PRE-RECESSION VALUES

Zillow calculates a home value index, which is a smoothed, seasonally adjusted measure of the median estimated home value across a given region and housing type. According to this index, the Tuscaloosa metro was at a high of \$139,000 in 2008 with a current price of \$137,933. See Figure 2.13 for home index trends for 2008-current.



Zillow's Home Index estimates the median home value in the Tuscaloosa metro area at

\$137,933

in 2018. This is the same smooth, seasonally adjusted home value for the metro area in 2008.

PER BEDROOM RENTAL PRICES ON PAR WITH THE REGION

For apartments, the calculated price per bedroom was \$525 for 1 bedroom units and \$411 for two bedroom units. These prices are generally comparable to the region according to Trulia.com. As of July 2018, the median rent in Tuscaloosa was \$963. Of the 931 property listings on Apartments.com, 390 (42%) were listed with a specialty in student housing. This number is not an exact count of student rental units in Tuscaloosa, but provides an estimate of properties and may not include multiple units within a single property.

1/3 OF ALL HOMEOWNERS ARE COST BURDENED

The ACS calculates selected monthly owner costs as a percentage of household income. Housing is considered affordable generally when costs are 30% or less of household income. For the most recent ACS in 2016, 31% of home owners paid 30% or more of their income towards housing costs compared to 28% and 31% in the county and state respectively.

RENTERS ARE COST-BURDENED BUT EXACT AMOUNT MASKED BY STUDENT RENTS

Almost 60% of renters are cost burdened (meaning that gross rent is 30% or more of household income). By comparison, the county had 53% and the state had 50% of renter households paying 30% or more of income towards gross rent. The exact percentage of non-student renters is not easily determined, and the cost-burdened percentages for UA students elevates the overall percentage of cost-burdened renters in Tuscaloosa.

3/ HOUSING INVENTORY

It is important to understand the current inventory of housing in the city, the spatial trends of housing conditions, and the proximity of housing to employment and shopping needs as a basis for projecting future demand in the planning area. This Housing Inventory section provides a snapshot of the city's current housing stock and considerations for the future.

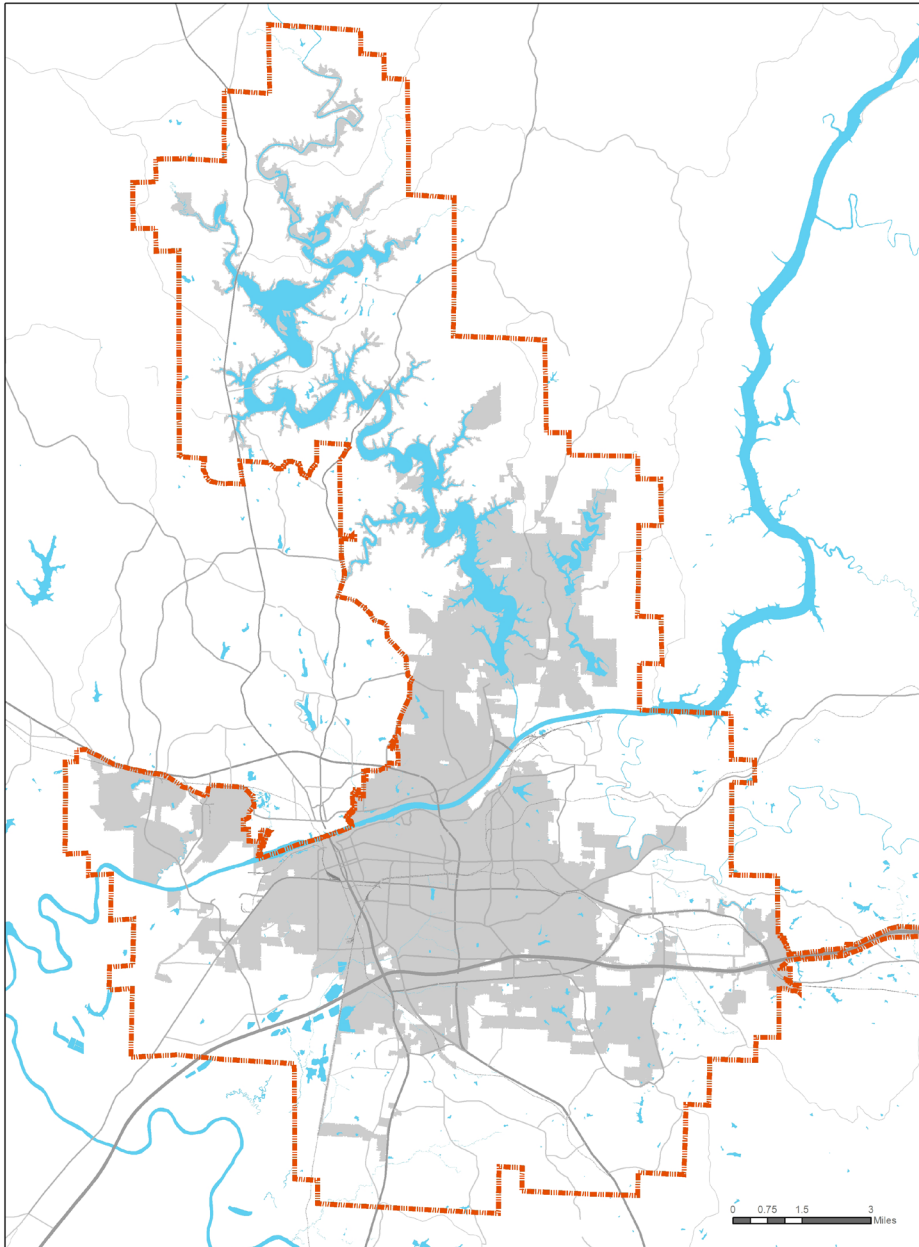
Chapter Contents

- Housing Inventory
- Housing Conditions
- Proximity to Community Assets



TUSCALOOSA PLANNING AREA

For the purposes of the Framework Tuscaloosa planning effort, the planning area used includes the city's incorporated area and the area where Tuscaloosa has subdivision authority (Planning Jurisdiction). The map below depicts this area.



*Sources:
Data included in this section came from the City's Urban Development Office, the City's GIS office, and the U.S. Census American Community Survey (2012-2016).*

TUSCALOOSA PLANNING AREA

Source: Tuscaloosa County Assessor's Parcel Database



HOUSING INVENTORY

RESIDENTIAL LAND DOMINATED BY SINGLE-FAMILY

The vast majority of residential properties in Tuscaloosa's planning area are single-family detached housing (85.7%), followed by multifamily/student housing (8.0%), mobile homes (3.6%), duplex, triplex, and townhomes (1.6%), and other residential uses such as nursing homes (1.0%).

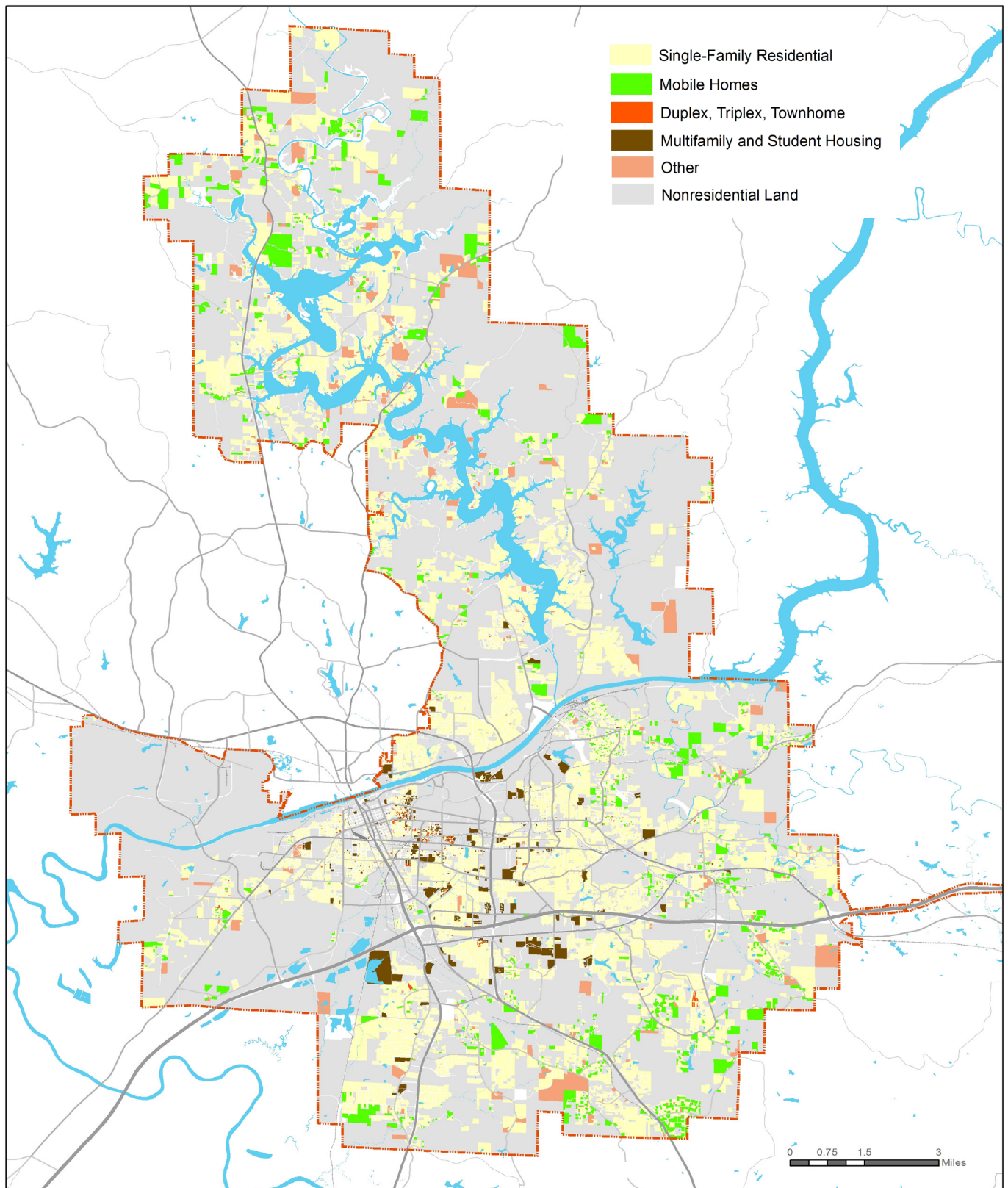
Single-family, mobile homes, and miscellaneous land uses are distributed throughout the planning area. More dense housing types, such as townhomes and apartments, are generally found in the core areas of the city and proximate to jobs and shopping areas.

TABLE 3.1 RESIDENTIAL PROPERTIES IN PLANNING AREA

<i>Residential Type</i>	<i>Properties</i>	<i>% of Total Properties</i>
Single Family	34,960	85.7%
Multifamily/Student Housing	3,270	8.0%
Mobile Homes	1,490	3.6%
Duplex, Triplex, Townhome	667	1.6%
Other	427	1.0%
Total	40,814	100.0%

Source: Tuscaloosa County Tax Assessor Parcel Database, June 2018 (land use description code)

RESIDENTIAL PROPERTIES BY TYPE, TUSCALOOSA PLANNING AREA

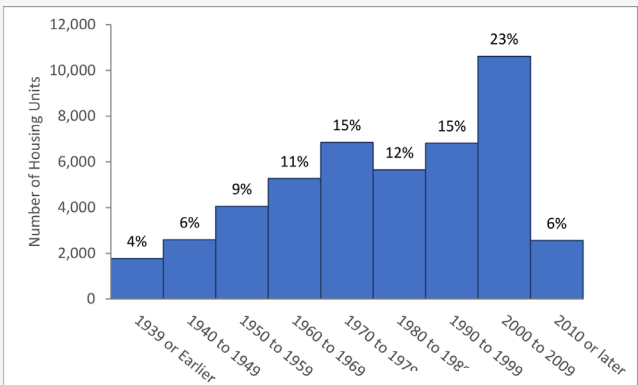


Source: Tuscaloosa County Assessor's Parcel Database (land use description code)

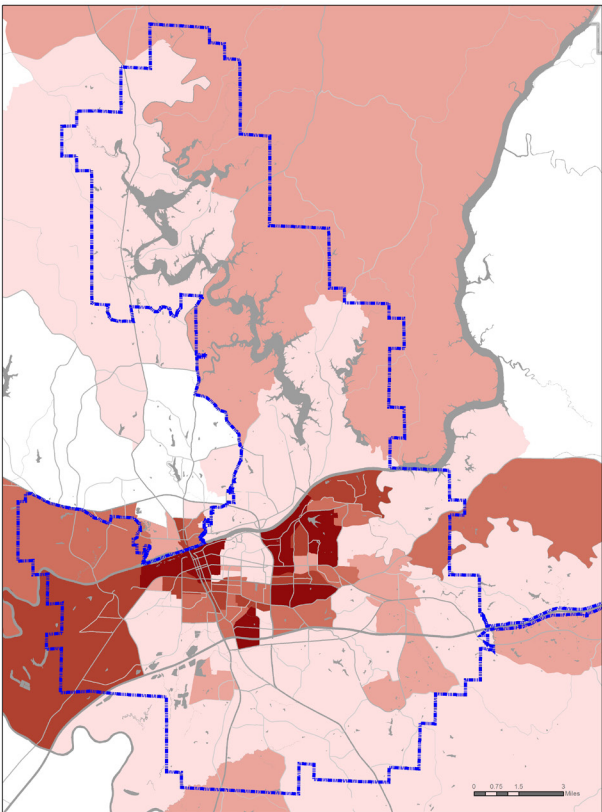
MAJORITY OF HOUSING STOCK BUILT IN LAST FOUR DECADES

65% of the housing units within the Tuscaloosa City Limits were built between 1970 and 2009, with the majority built from 2000 to 2009. The highest concentrations of homes built since 1990 are located primarily in the northern and southwestern portions of the city. Meanwhile the older homes, built before 1950, are concentrated in the central parts of Tuscaloosa surrounding the University of Alabama. The maps shown here show the number of units by Census Block Group that were built pre-1950, 1950-1989, and 1990 to present.

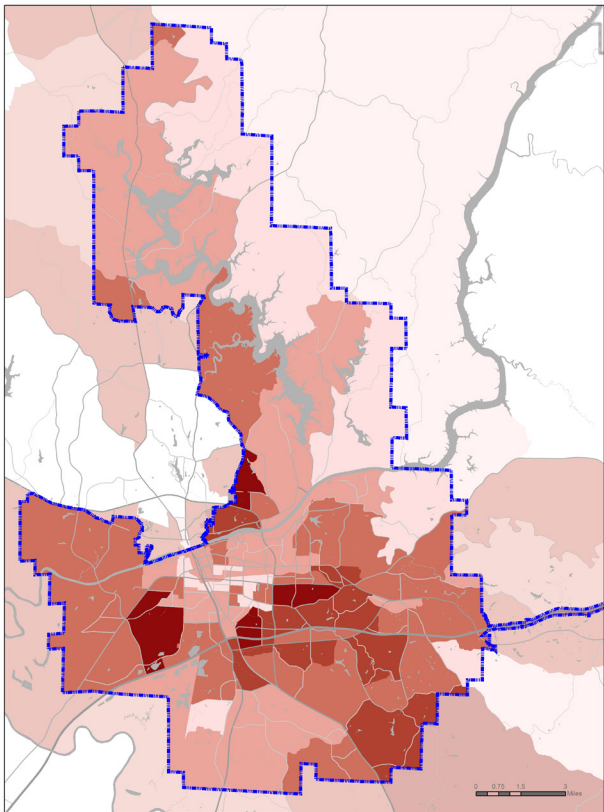
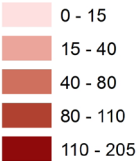
FIG. 3.1 BUILD DATE FOR HOMES IN TUSCALOOSA



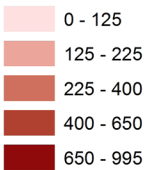
Source: American Community Survey (2012-2016)

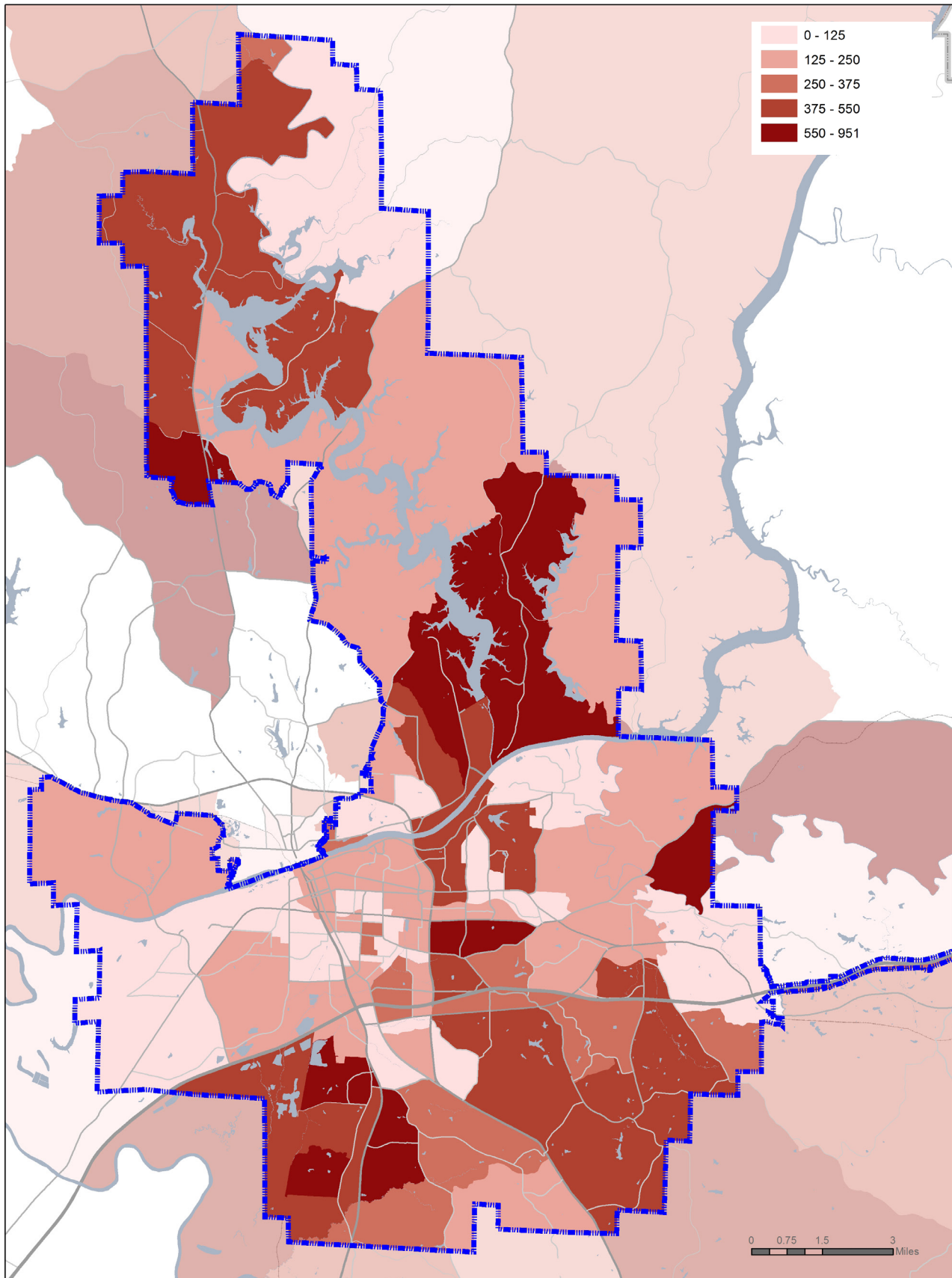


HOUSING UNITS BUILT PRIOR TO 1950 BY CENSUS BLOCK



HOUSING UNITS BUILT 1950-1989 BY CENSUS BLOCK



HOUSING UNITS BUILT SINCE 1990, BY CENSUS BLOCK

Source: U.S. Census, American Community Survey, 2012-2016

RENTAL AND OWNER-OCCUPANCY HAS FLUCTUATED BUT REMAINED FAIRLY STABLE

While Tuscaloosa has remained a majority renter market, the occupancy trends have shifted since 2010. As shown in Figure 3.2, between 2010 and 2016 the total number of renter-occupied housing units in the city increased by 6%, and correspondingly the total number of owner-occupied housing units decreased by 6%.

The maps on the following pages show the geographic distribution of these trends across the entire planning area. The first map shows the percent change in owner-occupied units for each block group, where green shows areas of decrease and red shows areas of increase.

Similarly, the second map shows the percent change in renter-occupied units for each block group in the planning area. The green areas experienced a decrease in renter occupied units, while the red colors show areas of increase. It is important to note that the two maps are not mirror images, as they are showing percent change in number of rental or for-sale units compared to the base year 2010.

SIGNIFICANT INCREASE IN SEASONAL, RECREATIONAL, AND OCCASIONAL PURPOSE HOUSING UNITS

Vacancy rates among for-rent and for-sale units have decreased since 2000 in the city indicating a tighter housing market. This pattern holds for the county and partly for the state. However, there are some underlying occupancy trends that have shifted since 2010.

The total number of housing units in the city increased, but the number of occupied housing units actually decreased between 2010 and 2016 as shown in Figure 3.3.

While the vacancy rates of for-sale or for-rent units have decreased, there has been an increase in the total number of vacant units as shown in Figure 3.4. This is largely due to the increase in vacant housing units in Tuscaloosa that are being used for seasonal, recreational, or occasional purposes accounting for an estimated 8,561 units in 2016 and comprising 70% of the vacant units. This amounts to 19% of the total housing stock in the city. In 2010 there were only 663 of these seasonal, recreational, or occasional purpose vacant units. These units effectively aren't part of the housing inventory.

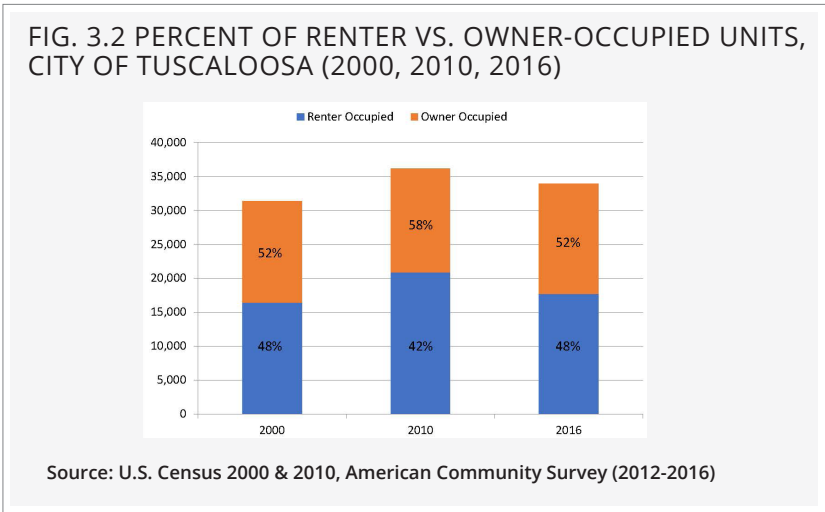
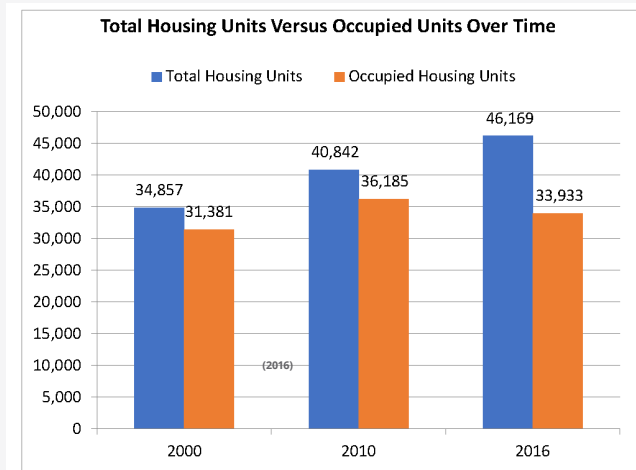


FIG. 3.3 TOTAL HOUSING UNITS COMPARED TO OCCUPIED HOUSING UNITS IN TUSCALOOSA

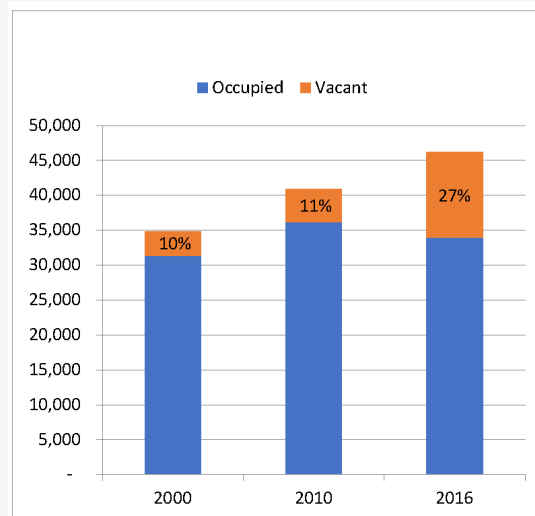


Source: U.S. Census 2000 & 2010, American Community Survey (2012-2016)

19%

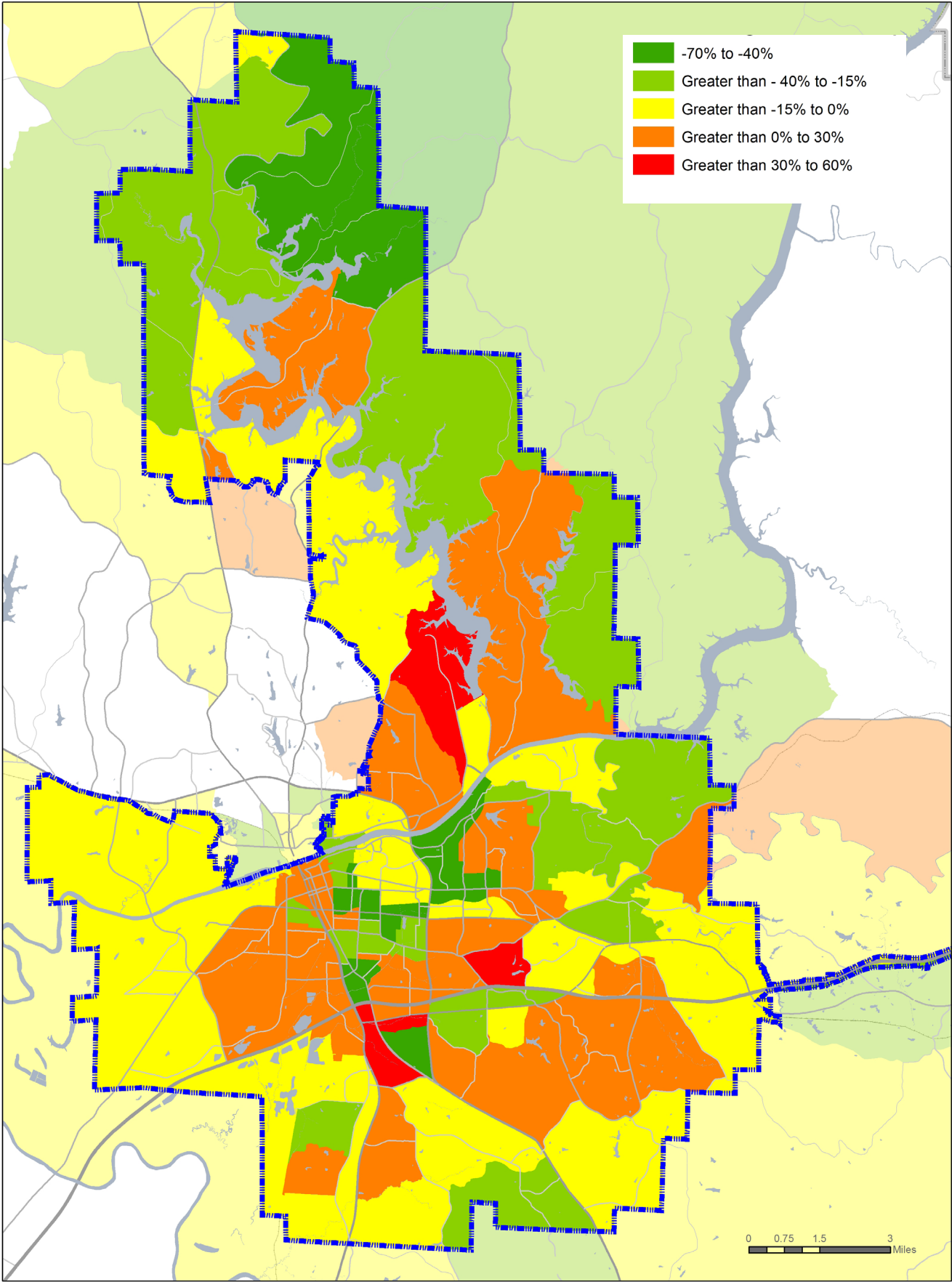
of housing units in Tuscaloosa are estimated to be used for seasonal, recreational or occasional purposes

FIG. 3.4 PERCENT OF OCCUPIED AND VACANT HOUSING UNITS IN TUSCALOOSA (2000, 2010, 2016)

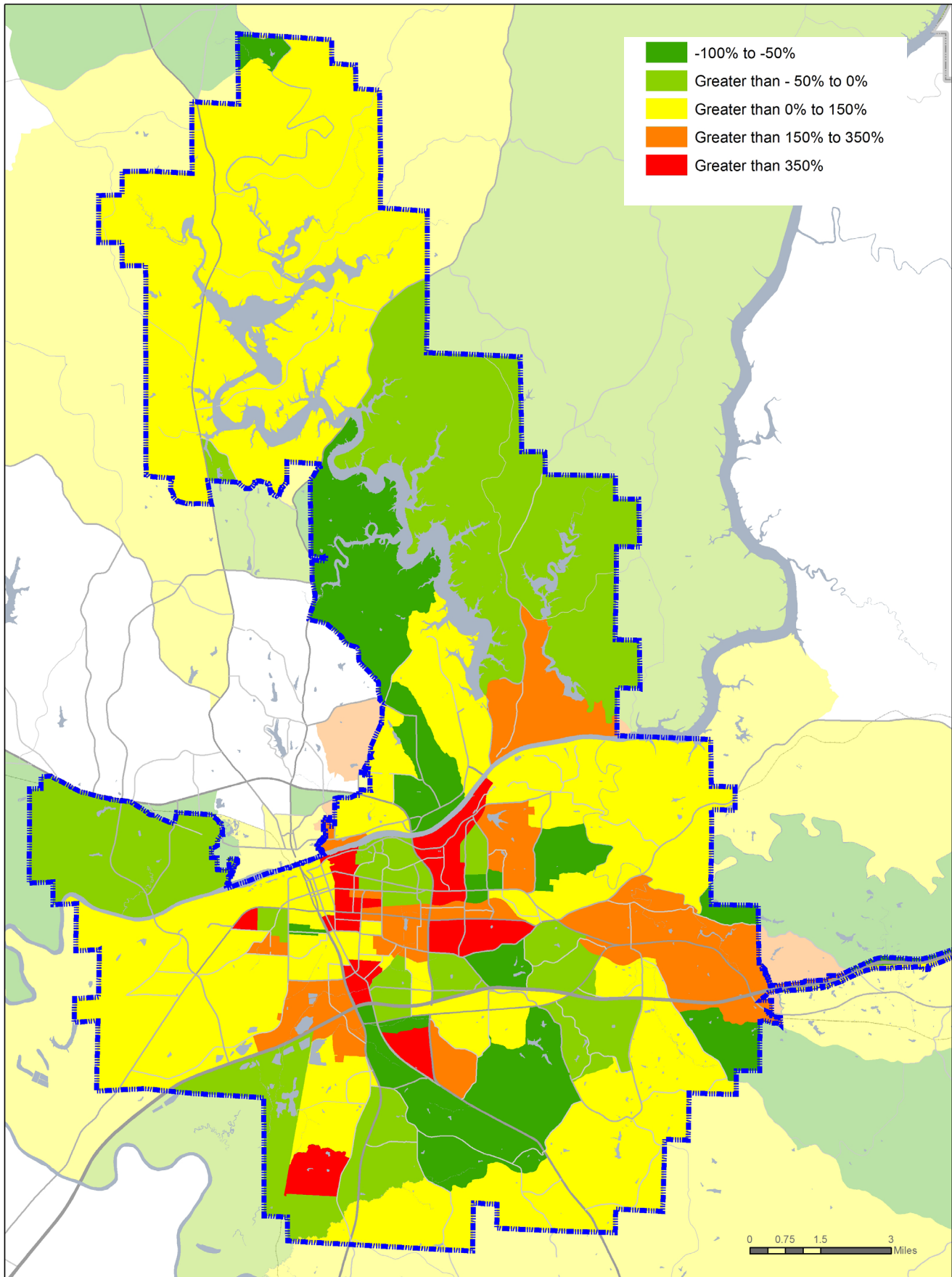


Source: U.S. Census 2000 & 2010, American Community Survey (2012-2016)

CHANGE IN OWNER-OCCUPANCY (2010-2016)



Source: U.S. Census, American Community Survey, 2012-2016

CHANGE IN RENTER-OCCUPANCY (2010-2016)

Source: U.S. Census, American Community Survey, 2012-2016

PUBLIC HOUSING UNITS ARE CLUSTERED IN WEST TUSCALOOSA AND PARKWOOD

Several programs exist to provide housing assistance to lower income households in Tuscaloosa. Tables 3.2 and 3.3 below provide an inventory of these different types of assistance. Table 3.2: Price Restricted Affordable Housing Units shows the restricted housing units supported by various federal programs and public funding sources, in addition to affordable homes built by Habitat for Humanity. Table 3.3: Affordable Housing Assistance by Household/Voucher includes other programs that support low-income

households where the assistance is generally tied to the household and not the actual unit. Section 8 housing vouchers³ comprise the majority of this assistance. Federal Fair Housing (FFHA) rules request that public housing receiving federal assistance should be dispersed throughout the community and not clustered. As the Tuscaloosa Housing Authority rebuilds older units over the next decade, it will be important to identify FFHA compliant sites. See Appendix C for information on these programs.

TABLE 3.2 PRICE RESTRICTED AFFORDABLE HOUSING UNITS

<i>Funding Program Type</i>	<i>Unit Count</i>	<i>% of Total</i>
Public Housing (Government-Owned)	905*	34%
Multifamily (Privately Owned)	794	30%
LIHTC (less public housing and multifamily units)	829	31%
Habitat For Humanity Houses	120	5%
Total	2,648	100.0%

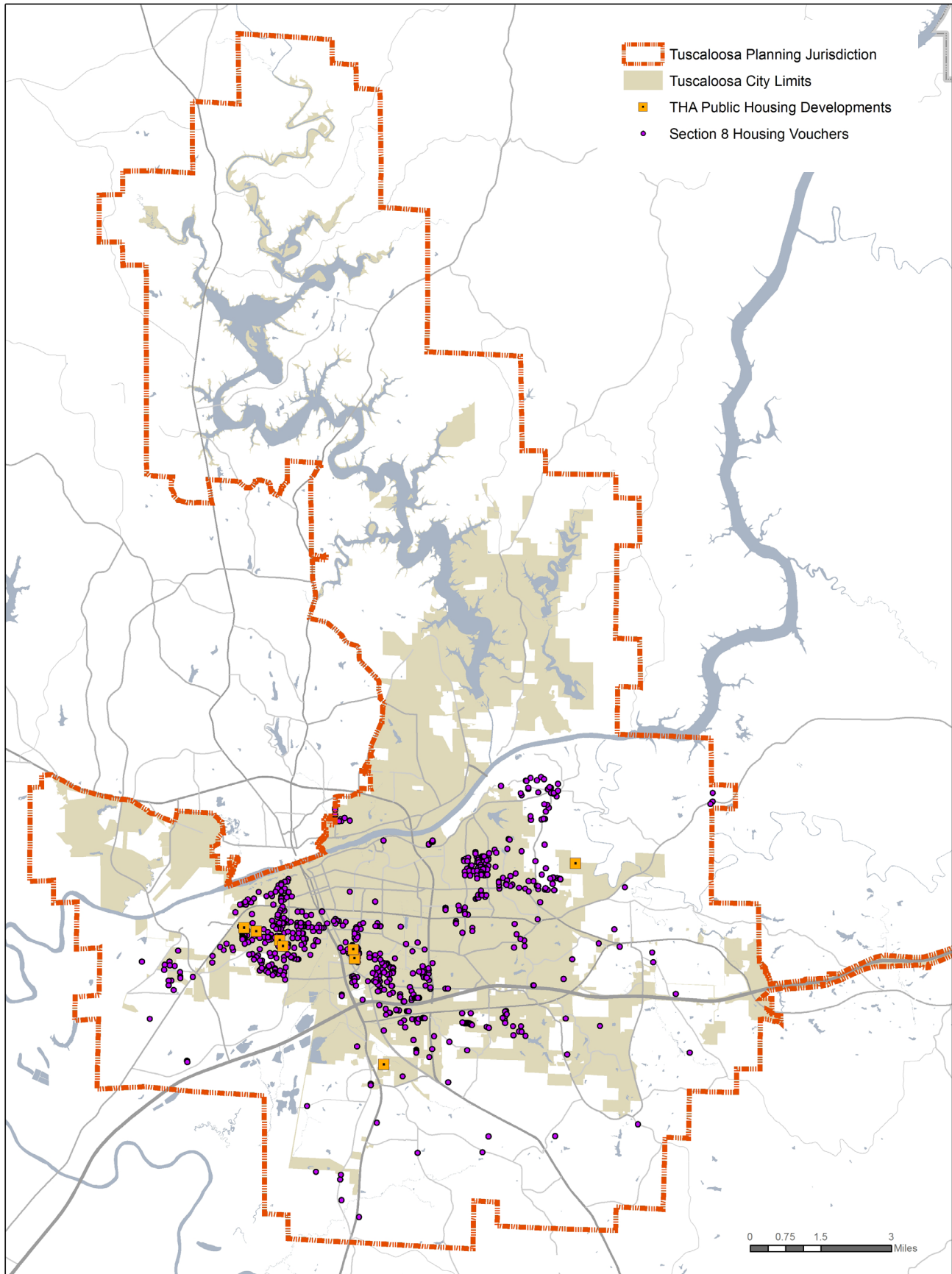
Source: Tuscaloosa Housing Authority, HUD eGIS Open Data, Habitat for Humanity Tuscaloosa, June 2018

*The Tuscaloosa Housing Authority is in the process of redeveloping several public housing developments. Upon completion, there will be 1,237 public housing units.

TABLE 3.3 AFFORDABLE HOUSING ASSISTANCE BY HOUSEHOLD/VOUCHER

<i>Funding Program Type</i>	<i>Unit Count</i>	<i>% of Total</i>
Housing Choice Vouchers	1,969	57%
HOME Units - Homebuyer/Homeowner Assistance	780	23%
HOME Units - Rental/Tenant Assistance	264	8%
CDBG Housing Activity - Owner-Occupied Units	266	8%
CDBG Housing Activity - Renter-Occupied Units	179	5%
Total	3,458	100.0%

Source: City of Tuscaloosa Federal Programs Office, June 2018

LOCATION OF PUBLIC HOUSING UNITS AND HOUSING VOUCHERS

Source: Tuscaloosa Urban Development GIS Database

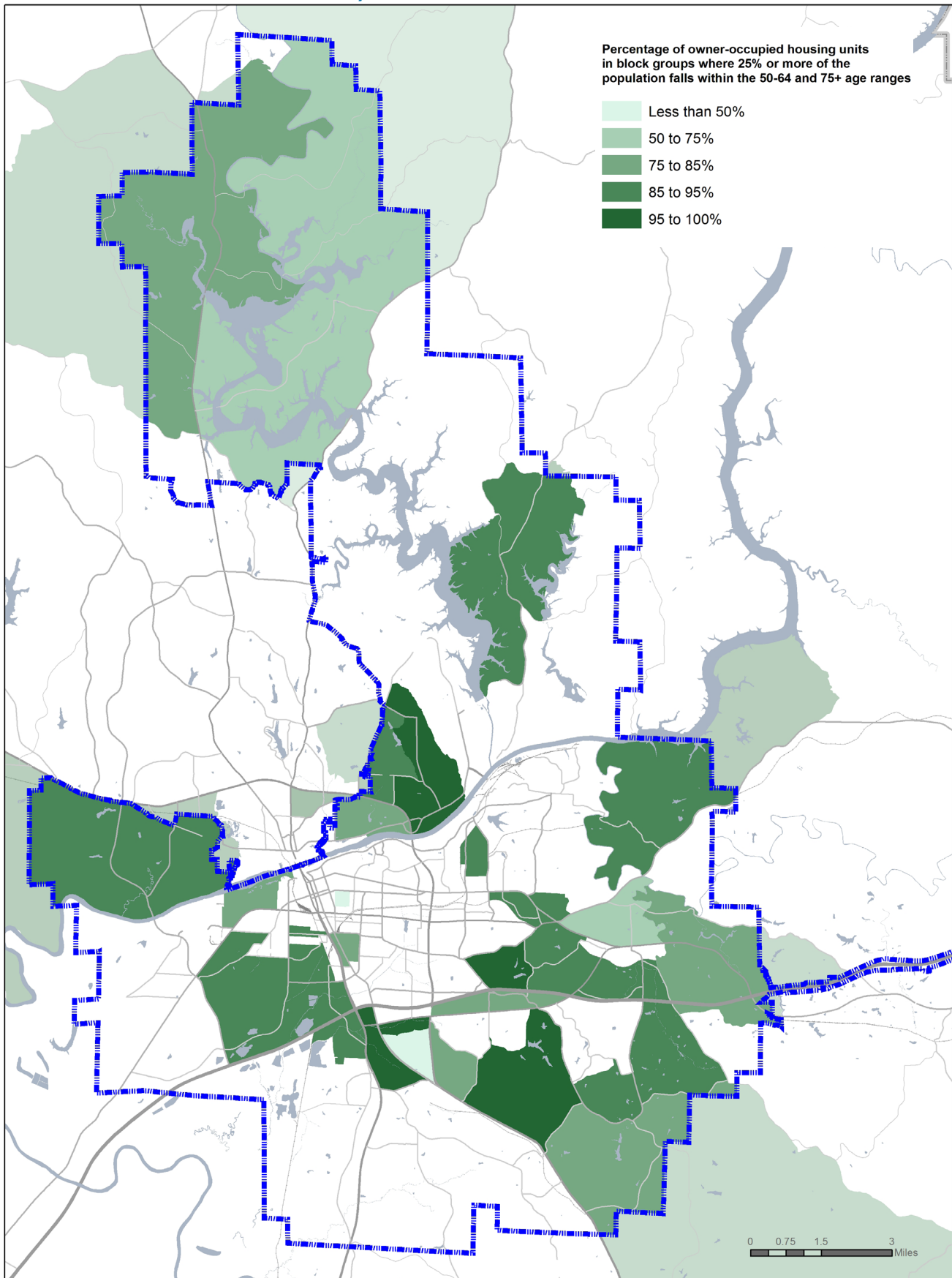
HOUSING CONDITIONS

RESIDENTIAL AREAS WITH HIGH PROPENSITY FOR CHANGE

Households where the head of household is in the 50 to 64 age range or the 75 and up age range may be more likely to sell their homes due to downsizing or transitioning to senior housing and eldercare facilities.

Moreover, the housing market has a higher propensity for change⁴ in high homeownership areas with larger concentrations of these age groups.

The map to the right shows the Census block groups in the Tuscaloosa Planning Area where 25% or more of the population falls within 50 to 64 and the 75 and older age ranges. The different shades of green represent the proportions of owner-occupied housing units in each block group. The darkest green areas may have the highest propensity for change within the planning area.

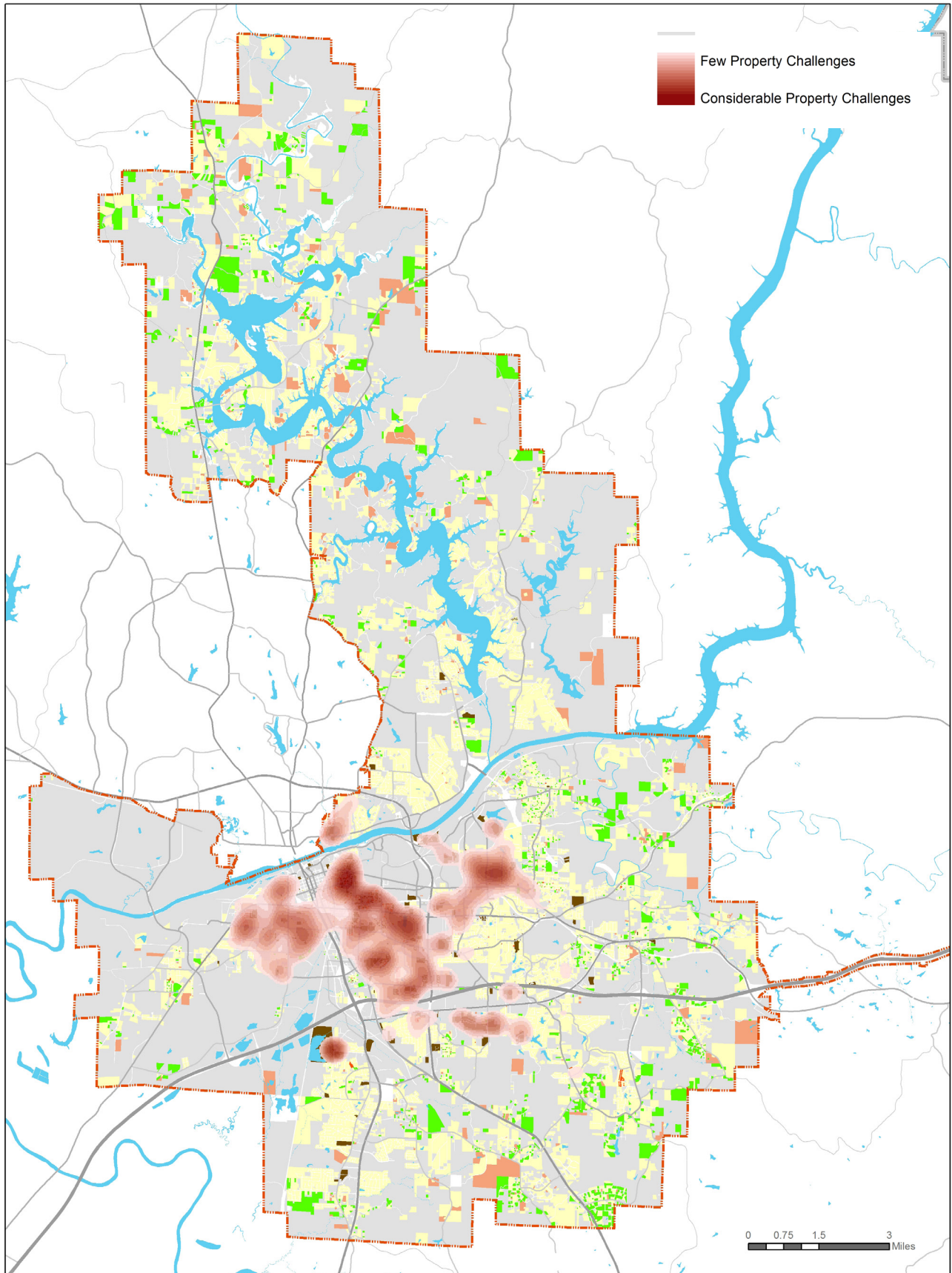
PROPENSITY FOR CHANGE AREAS, TUSCALOOSA PLANNING AREA

Source: Tuscaloosa Urban Development GIS Database

WHILE NOT OUT OF THE ORDINARY, PROPERTY CODE AND CRIME VIOLATIONS ARE CLUSTERED IN CORE OLDER NEIGHBORHOODS

Some areas of the city are more prone to having municipal property code violations (e.g., exceeding occupancy standards) and instances of property crime (e.g., burglary and property damage). City of Tuscaloosa property code violations and property crime location sites were assessed to identify clusters of activity on residential properties in the city. The map to the right illustrates the propensity for these events to occur in and around the downtown area, in Alberta, and in West Tuscaloosa. The comprehensive plan can identify potential tools to address these "hot spots" that create real and perceived challenges to these residential areas.

PROPERTY CHALLENGES, CITY OF TUSCALOOSA



Source: Tuscaloosa Urban Development GIS Database

OPPORTUNITIES FOR PROPERTY REHABILITATION ARE SCATTERED THROUGHOUT OLDER CITY NEIGHBORHOODS

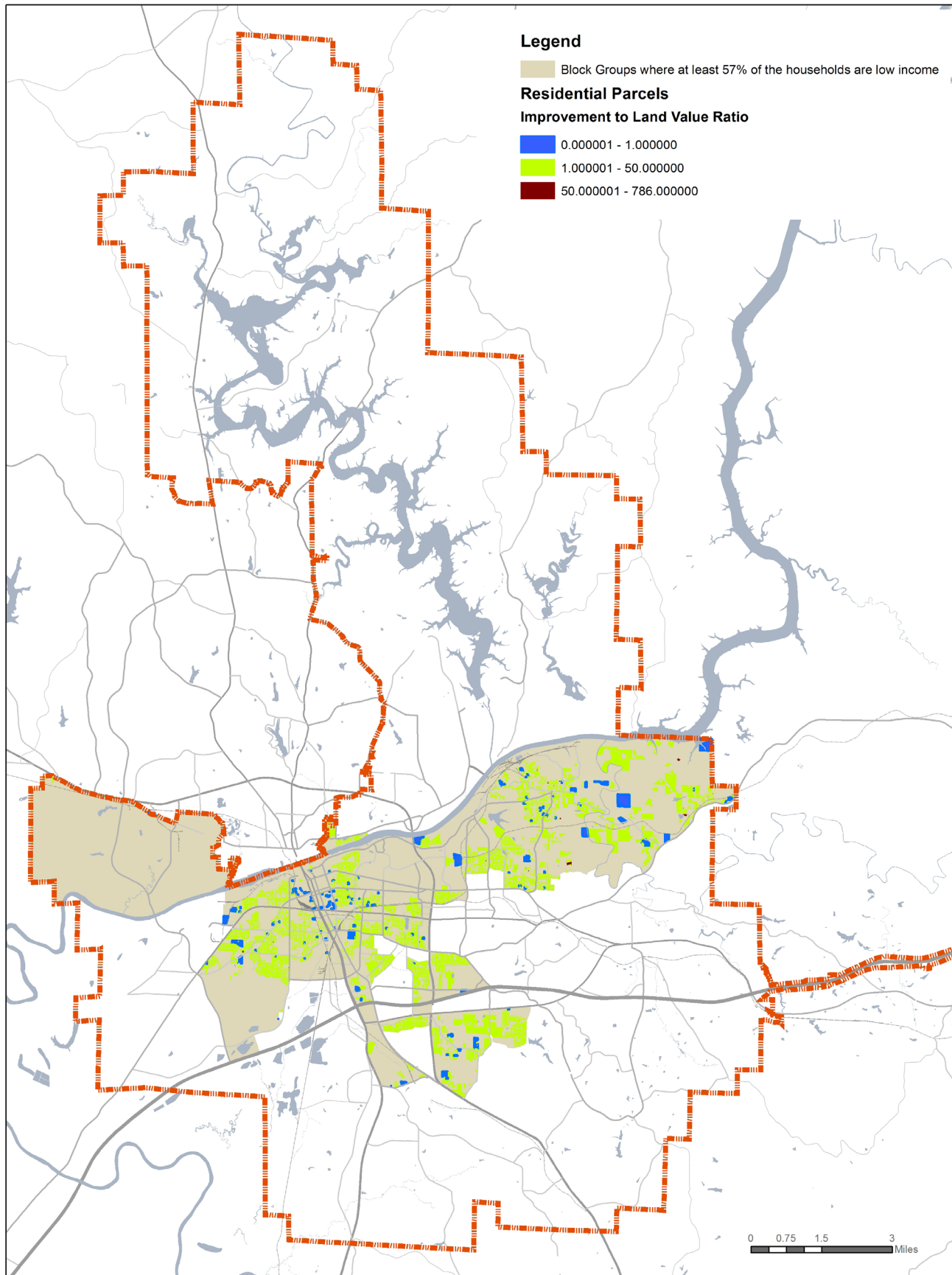
The Potential Rehabilitation Opportunities Map on the next page identifies potential sites that may be opportunities for rehabilitation or redevelopment of older properties with structures that are significantly lower in value than the land they are located on.

Tuscaloosa County Tax Assessor information was used to calculate the ratio of improvement value⁵ (improvement = built structures) to land value ratio⁶ for all the residential parcels in the low income areas of the planning area. The Parcels with \$0 land value or improvement value were excluded from the map.

These low income areas include all of the Census block groups where 57% or more of the households have incomes less than \$45,000 as of 2016. This correlates with the U.S. Housing and Urban Development (HUD) low income limit (80% AMI) for a family of three in the Tuscaloosa Area listed at \$44,300.

The parcels shown in blue are those with an improvement to land value ratio that is between 0 and 1. These areas have potential for rehabilitation opportunities because the value of the land is greater than the value of the improvements (i.e., built structures).

OPPORTUNITY AREAS FOR PROPERTY REHABILITATION, TUSCALOOSA PLANNING AREA



Source: Tuscaloosa Urban Development GIS Database and Tuscaloosa County Tax Assessor Property Database

PROXIMITY TO COMMUNITY ASSETS

HOUSING WITHIN THE TRANSIT WALKSHED

Locating affordable housing proximate to public transit can help low income⁷ households stretch their household earnings further by reducing the need for automobiles and associated expenses. Approximately 32% of residential properties in Tuscaloosa are in a 1/4 mile walkshed of Tuscaloosa Transit stops. The vast majority of these properties are single family, which corresponds to the prevalence of single family in the community. Multifamily and student housing is the next highest type of residential with walkable access to public transportation.

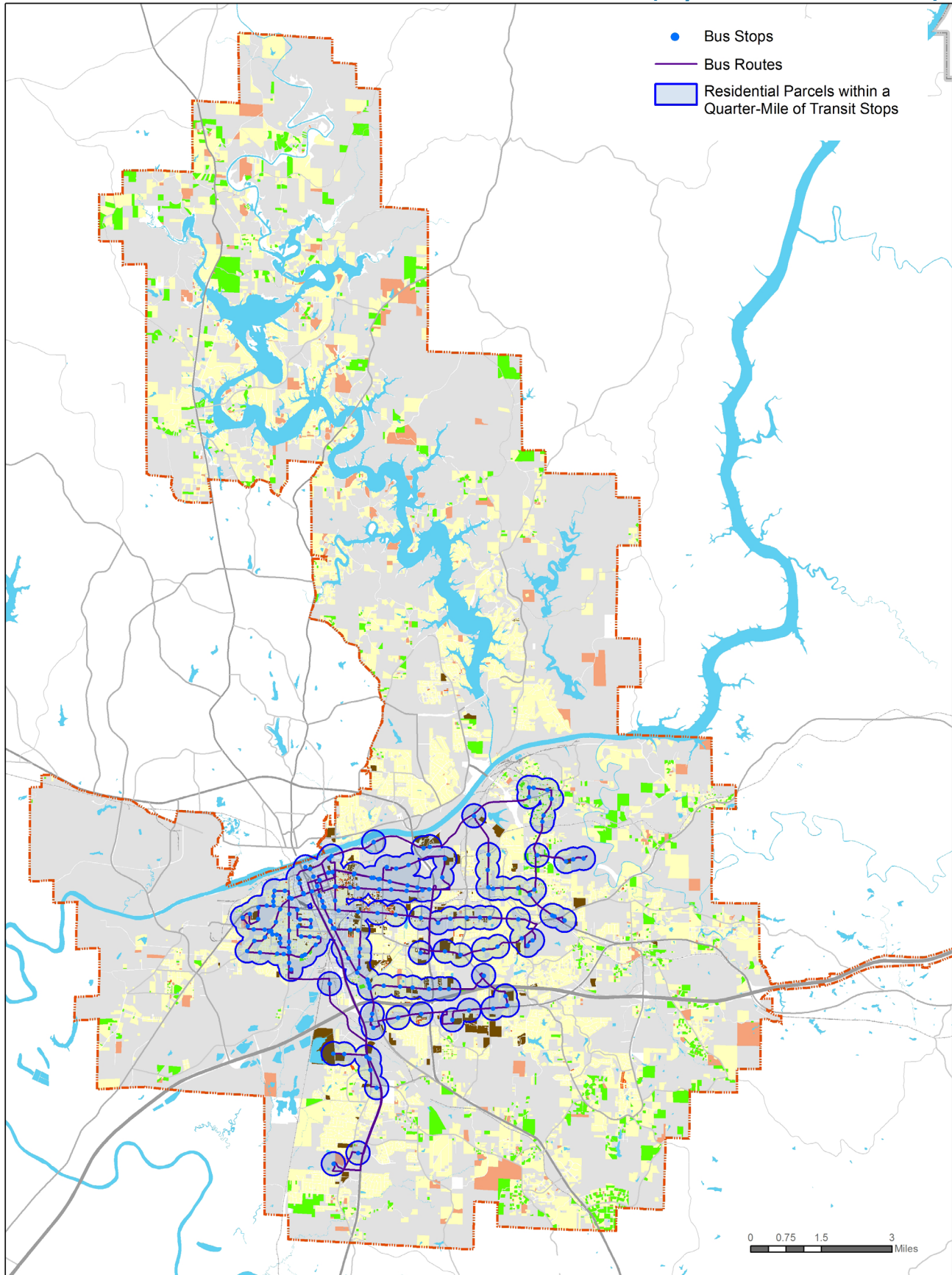


TABLE 3.4 RESIDENTIAL PROPERTIES WITHIN TRANSIT WALKSHED

<i>Residential Type</i>	<i>Properties</i>	<i>% of Total Properties in Walkshed</i>
Single Family	10,309	79.9%
Multifamily/Student Housing	2,055	15.9%
Mobile Homes	166	1.29%
Duplex, Triplex, Townhome	314	2.4%
Other	61	0.5%
Total	12,905	100.0%

Source: Tuscaloosa County Tax Assessor Parcel Database, June 2018 and Tuscaloosa Transit Stop Locations. Calculated by Clarion Associates.

RESIDENTIAL PROPERTIES WITHIN THE TRANSIT WALKSHED (1/4 MILE FROM BUS STOP)



Source: Tuscaloosa Urban Development GIS Database and Tuscaloosa County Tax Assessor Property Database

PROXIMITY OF HOUSING TO
EMPLOYMENT CENTERS AND
SERVICES

In addition to walkability and access to local transit, national trends have shown that better access to employment centers and shopping and dining areas is highly valued by a broad spectrum of household types.

Approximately 66% of residential properties in the planning area are within a 1 mile commute of employment centers and services. 44% of residential properties are within a 1/2 mile commute to these locations. Contrasted with the fact that 70% of Tuscaloosa's workers live outside the city and commute into work each day, there appears to be quality opportunities to reduce commute times within existing neighborhoods.

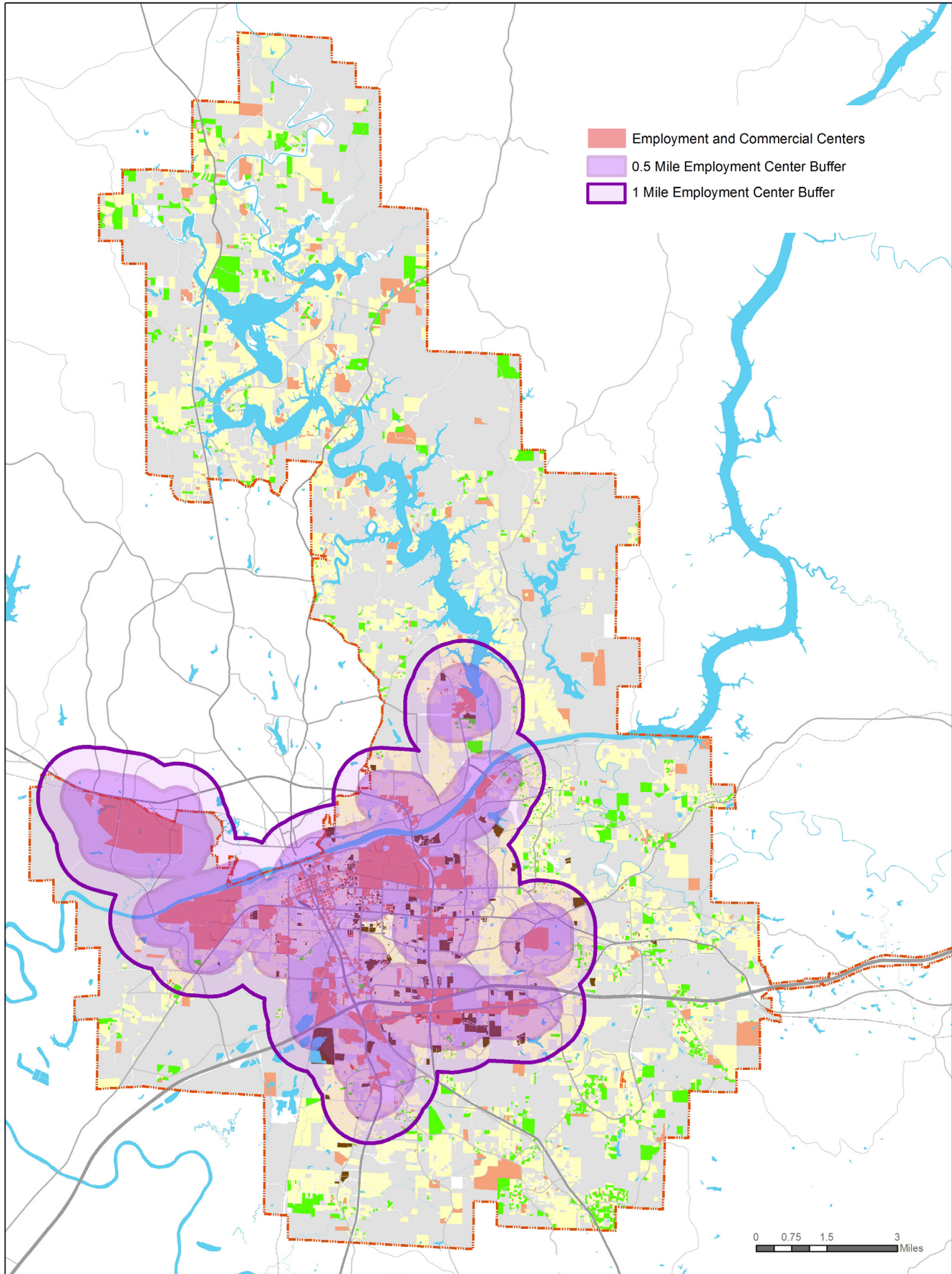


TABLE 3.5 RESIDENTIAL PROPERTIES WITHIN QUICK COMMUTE TO
EMPLOYMENT CENTERS AND SERVICES

<i>Residential Type</i>	<i>Properties</i>	<i>% of Total Properties in 1 Mile Proximity</i>
Single Family	22,409	83.4%
Multifamily/Student Housing	3,578	13.3%
Mobile Homes	284	1.06%
Duplex, Triplex, Townhome	501	1.9%
Other	105	0.4%
Total	26,877	100.0%

Source: Tuscaloosa County Tax Assessor Parcel Database, June 2018 and Tuscaloosa Transit Stops Data provided by Office of Urban Development Planning division.

RESIDENTIAL PROPERTIES WITHIN A QUICK COMMUTE TO LOCAL EMPLOYMENT CENTERS AND SERVICES



Source: Tuscaloosa Urban Development GIS Database and Tuscaloosa County Tax Assessor Property Database

4/ CURRENT POLICIES

The city's housing policies and regulations have a direct effect on the supply of housing in Tuscaloosa. This chapter evaluates the current housing policies that guide decision-making and offers some policy direction options for consideration.

Chapter Contents

- Housing Policy Inventory
- Current Policy Direction
- Policy Opportunities



HOUSING POLICY INVENTORY

To gain a better understanding of the complete array of housing policies that guides decision-making in Tuscaloosa, a housing policy database was built that includes all housing related policy statements and action items included within relevant policy documents.

The inventory of policy documents reviewed and inventoried includes:

- Tuscaloosa's HUD Annual Action Plan (2018)
- Analysis of Impediments to Fair Housing Choice (2015)
- 5-Year Consolidated Housing Plan (2015-2019)
- Tuscaloosa Forward Strategic and Generational Plans (2011)
- Update to Specific Plan for District 3 (2017)
- Greater Downtown Plan (2010)
- Future Land Use Plan (2009)
- Specific Plans District 6 and 7 (2009)
- Specific Plans – West Tuscaloosa and Greater Alberta Community (2007)
- Urban Renewal (2005)
- Specific Plan – University Area Neighborhood (2004)
- Specific Plan – Forest Lake Neighborhood (2003)



The policy statements and action items in these policy documents were reviewed and documented in a searchable database and classified using searchable tags to help assess and document the key policy direction themes among the policy documents.

Appendix B of this report includes a summary of key policy directions for each individual plan. Appendix C includes a list of relevant agencies and programs that provide housing related services and support.

The Tuscaloosa Framework process includes a thorough review and diagnosis of the city's current Zoning Ordinance. This diagnosis and assessment will use the vision and goals of the new comprehensive plan to diagnose the city's regulations and make formal recommendations for changes to the codes.

CURRENT POLICY DIRECTION

The assessment of the policy inventory resulted in the identification of four primary housing policy themes:

- Protecting Neighborhood Character
- Promoting Housing Diversity
- Assisting Lower Income Households
- Serving Neighborhoods

Each of these four housing policy themes was evaluated to determine the key components of the policy direction theme and are listed below. There is an opportunity to evaluate these policy directions as part of the Tuscaloosa Framework planning effort.

PROTECTING NEIGHBORHOOD CHARACTER

- Context sensitive compatibility requirements for redevelopment in established and stable neighborhoods
- Protection of green infrastructure networks in neighborhoods and encourage development of parks and trails
- Street designs that are compatible with scale and function of neighborhood
- Creating consistency of design and safety within the pedestrian realm

PROMOTING HOUSING DIVERSITY

- Creating neighborhoods that offer a variety of housing types proximate to services and transit
- Protection of neighborhood compatibility through zoning that allows for character transitions and flexibility for increased densities in established neighborhoods
- Exploring regulatory opportunities to remove barriers to missing middle housing

ASSISTING LOWER INCOME HOUSEHOLDS

- Reducing concentrations of lower income households
- Reducing poverty through economic development and provision of affordable housing
- Leveraging partnerships to reduce homelessness
- Increasing interagency coordination to reduce foreclosure and evictions
- Furthering fair housing through education on rights of renters and homebuyers
- Building affordable housing units on blighted and vacant properties

SERVING NEIGHBORHOODS

- Coordination of transit and future affordable housing sites to better serve lower income households and protect affordability
- Strategic economic development approaches to invest in lower income neighborhoods and increase job opportunities
- Pursue storm-resistant building designs for homes
- Rebuild neighborhoods in storm-affected areas to eliminate barriers to connectivity
- Develop and enhance multi-modal transportation system
- Develop public facilities to serve as anchors for neighborhoods

POLICY DIRECTION TO CONSIDER

The housing inventory and needs assessment, along with interviews with key community stakeholders resulted in development of the following additional four policy direction considerations during this planning process.

- Target areas of the community that can support future workforce and affordable housing
- Prioritize community investments to support revitalization that can retain the neighborhood fabric and families in existing communities
- Refine student housing regulations to better achieve community goals
- Reduce barriers and create incentives to foster development of a broader array of housing types, character, and density (e.g., duplexes, triplexes, quadplexes, garden apartments, etc.)

5/ NEEDS ASSESSMENT

This housing needs analysis evaluates the current and forecasted supply of housing for a variety of types and pricepoints, and compares this to the expected demand for units in the Tuscaloosa study area. The findings suggest there are segments of the population for which there may be an unmet housing need in the future.

Chapter Contents

- Housing Demand
- Housing Supply
- Housing Needs



HOUSING NEEDS ASSESSMENT METHODOLOGY

The conceptual model to determine the housing needs for the Tuscaloosa planning area is based on the balance between supply and demand. The supply side and the demand side consist of several factors.

Supply side of the need is determined by:

1. Existing units on the market, estimated based on the number of active real estate listings present during a specific timeframe.
2. New construction, which is based on the number of land development permits issued within a specific timeframe.
3. Loss of units⁸, which were not calculated for this analysis, but a cursory review suggests this number is insignificant.

The demand side of the need is driven by:

1. Net in-migration, which is determined by the number of people moving into the area versus people leaving an area. The two smallest geographies for which estimates are available are the county and metro level. The metro statistics were used for this analysis.
2. Propensity to rent or buy housing by age cohorts, as calculated by the 5-year American Community Survey. There is substantial variation among different age groups, so this factor is an important consideration.
3. Natural household formation which is existing population creating new households either through marriage, divorce, death, etc.
4. Income capacity is the income levels of the various households, which influences how much housing they can buy or rent.
5. Life stage change represents people moving into different stages of their life, such as the change from family households to empty nesters, and the required or desired change to a different housing type.

Accordingly, this section highlights four areas:

- For-sale single family housing
- Rental housing availability
- Key demographic drivers
- Future housing need



Sources: Tuscaloosa Multiple Listing Service, Tuscaloosa Land Development Permits, Federal Housing Finance Agency Housing Index, Zillow, American Community Survey, and other listed sources

DRIVERS OF SUPPLY

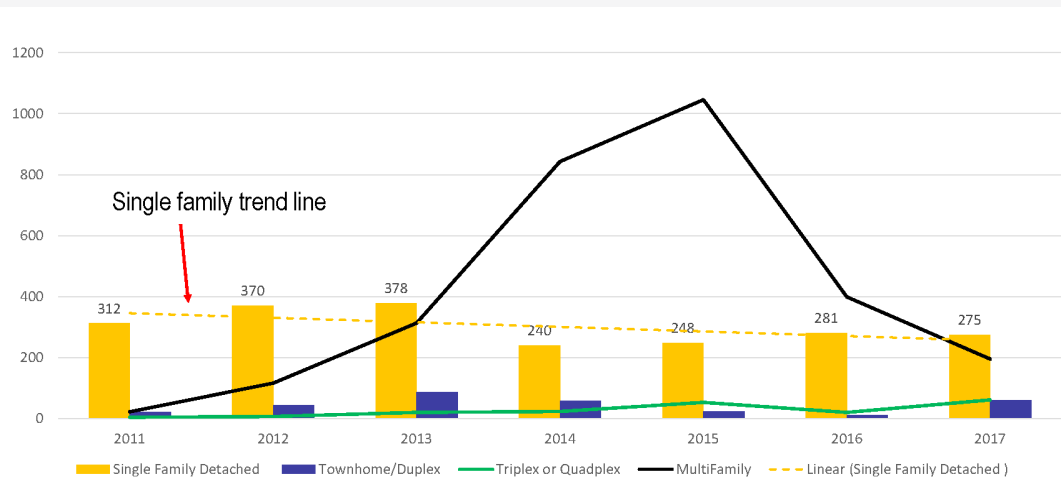
HOUSING PRODUCTION

Single family detached housing production has experienced minor fluctuations since 2011, with small increases in 2012 and 2013 and a leveling out from 2015 to 2017. The overall average annual production of single-family detached units from 2011 to 2017⁹ is approximately 301. Townhomes and duplexes followed a similar trend, with larger decreases in 2015 and 2016, and an annual average of 163 units produced. Triplex/quadplex production, which averages at 106 units annually saw relatively large increases in 2015 and 2017, and a large dip in 2016.

Multifamily units average an annual production of 489, and experienced large increases from 2011 to 2014, driven by several large student housing projects. Since 2014, the decline in student housing production has reduced the number of multifamily units. The number of multifamily units produced in 2017 represents the lowest point since 2013.

Figure 5.1: Housing Unit Production Trends, illustrates the units produced annually by unit type, and shows that single family detached housing has had a very stable production trend during this period.

FIG. 5.1 HOUSING UNIT PRODUCTION TRENDS

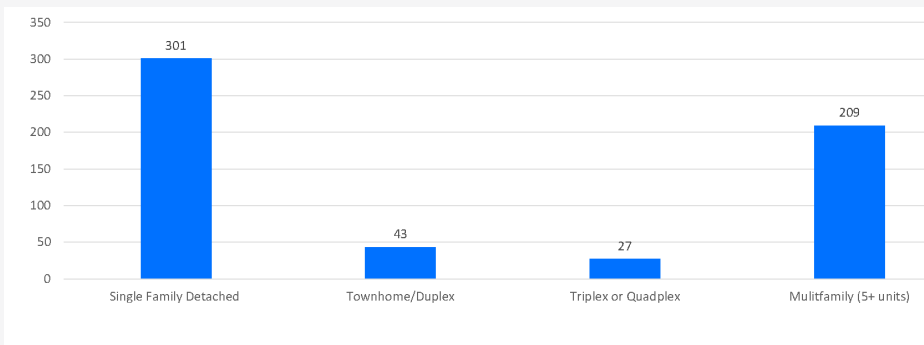


Source: Tuscaloosa Office of Urban Development, Planning Division (August 2018); SFD provided per Tuscaloosa BuildingEye; Townhome, Duplex, Triplex, Quadplex, and Multifamily provided by Tuscaloosa Planning Division Listings

* Does not include MF Land Development Permits for 100+ Bedroom Units from previous years

Years 2013-2018 include estimated delivery of MF projects with 100+ bedroom units from LDPs issued two years prior and do not include units that have not been constructed or Tuscaloosa Housing Authority replacement units.

FIG. 5.2 AVERAGE ANNUAL PRODUCTION BY UNIT TYPE (2011-2017)



Source: Tuscaloosa Office of Urban Development, Planning Division (August 2018); SFD provided per Tuscaloosa BuildingEye; Townhome, Duplex, Triplex, Quadplex, and Multifamily provided by Tuscaloosa Planning Division Listings

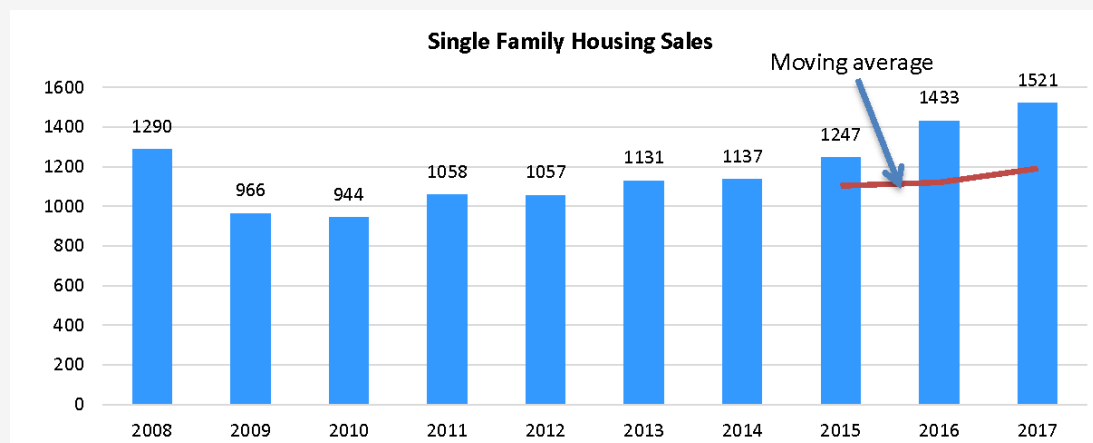
* Does not include MF Land Development Permits for 100+ Bedroom Units from previous years

Years 2013-2018 include estimated delivery of MF projects with 100+ bedroom units from LDPs issued two years prior and do not include units that have not been constructed or Tuscaloosa Housing Authority replacement units.

HOUSING SALES

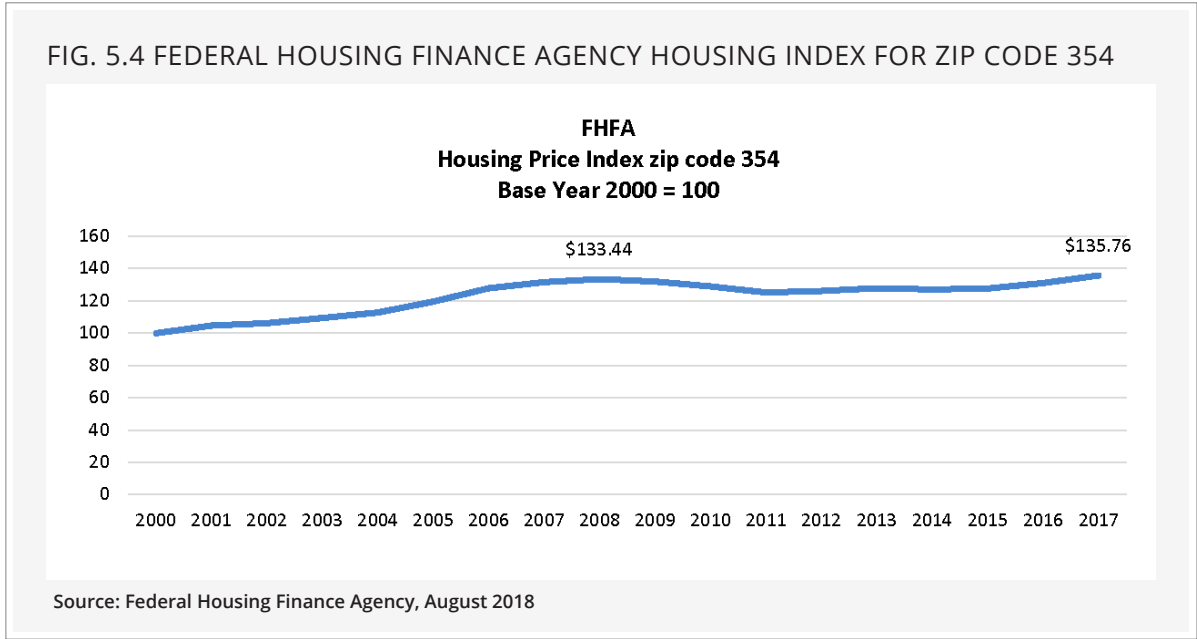
Since the Great Recession of 2008, housing sales in Tuscaloosa have generally been increasing, and surpassed the 2008 sales number of 1,290 in 2016 with a total of 1,433 sales. A look at the three-year moving average, Figure 5.3, shows that sales trends are substantially above the curve, indicating that housing sales are accelerating.

FIG. 5.3 ANNUAL SINGLE-FAMILY HOUSING SALES (2008-2017)

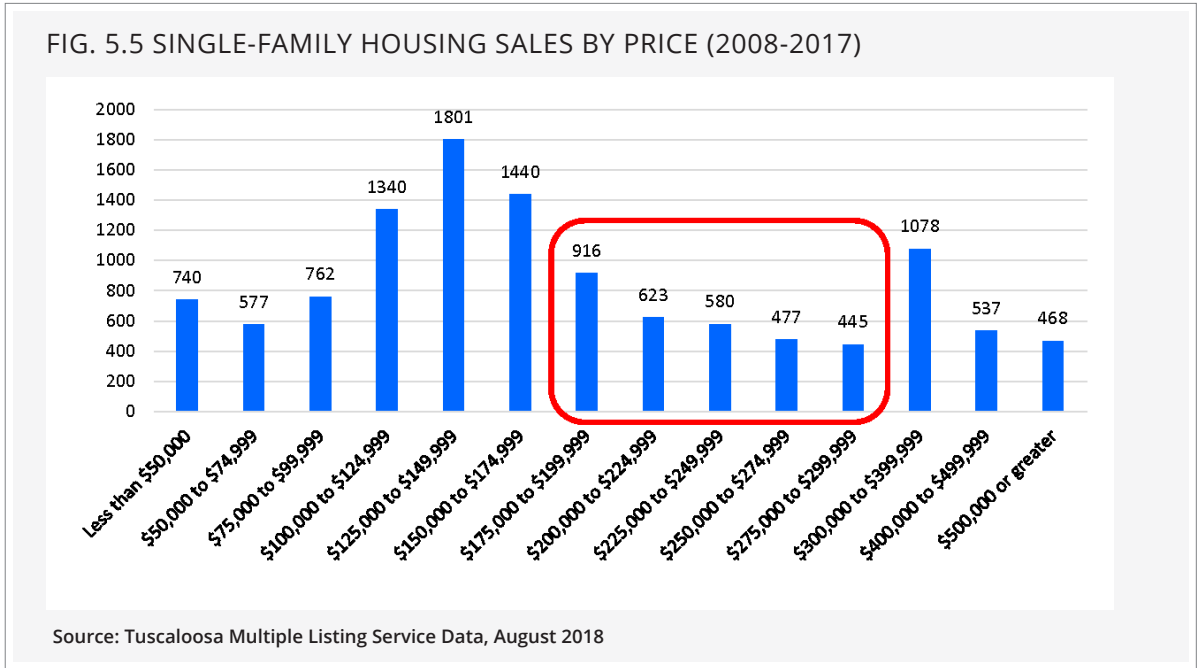


Source: Tuscaloosa Multiple Listing Service Data, August 2018

Prices have also generally increased over the last 17 years. Examination of repeat sales or refinancings for the same properties indicates that, overall, the average housing value is at its all-time high, according to the Federal Housing Finance Agency Housing Index.

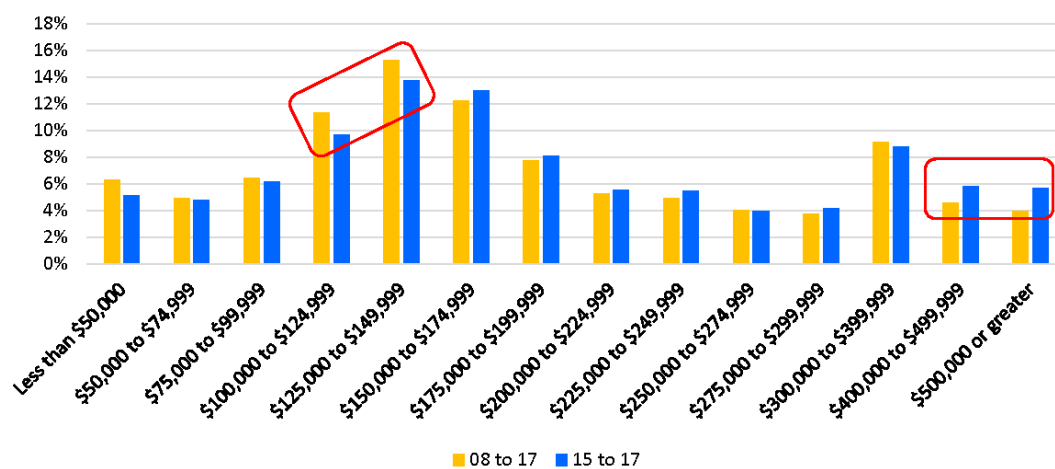


Housing sales activity varies substantially across price categories. During the 2008 to 2017 timeframe, 11,784 single family homes were sold. Forty-six percent of housing sales were below \$150,000. Only 18% of sales were between \$200,000 and \$300,000, which translates to approximately 212 homes per year.



Another analysis of housing sales by price point compares the percent of sales by price point from 2008 to 2017 (long range, over 9 years) and from 2015 to 2017 (short range, over 3 years). In looking at houses valued at \$100,000 to \$149,999, we see that the percentage of sales of properties at these price points make up a smaller share of the market, indicating that these homes make up a smaller part of the market. Conversely, the most expensive homes in the market represent a higher percentage of sales activity increasing from 4% to 6% of the market.

FIG. 5.6 DISTRIBUTION OF FOR-SALE SINGLE-FAMILY DETACHED HOUSING UNITS BY PRICE POINTS, COMPARING 2008-2017 AND 2015-2017 BY PERCENT OF SALES



Source: Tuscaloosa Multiple Listing Service Data, August 2018

HOUSING FINANCE

In 2016, there were 2,275 new mortgage applications for properties in Tuscaloosa. Of those, 796 (35%) received some form of government support. 38% of new mortgage applications were denied. Home improvement loans¹⁰, however, had a much higher denial rate of 88%. While specific factors are unclear there are several observations that may have influenced these rates. It is also not clear if this is an ongoing trend or an anomaly that occurred in 2016.

The denied homes requested loan size was substantially smaller than the average size of the originated loans. One theory could be that these loans were for homes where the appraisal value was not high enough to support the rehabilitation loan. 46% of the homes sold were below \$150,000, so the average denied loan size in this pool was 22% of the purchase price. Understanding the underlying dynamics of the denials is important given the age and condition of the housing stock in several parts of the city.

TABLE 5.1 TUSCALOOSA MORTGAGE FINANCING ACTIVITY (2016)

	<i>FHA, FSA/RH5; VA</i>			<i>Conventional</i>			<i>Refinancing</i>			<i>Home Improvement Loans</i>			<i>Non-occupant Loans From Columns A, B, C, and D</i>		
	<i>Number</i>	<i>\$000's</i>	<i>AvgSize</i>	<i>Number</i>	<i>\$000's</i>	<i>AvgSize</i>	<i>Number</i>	<i>\$000's</i>	<i>AvgSize</i>	<i>Number</i>	<i>\$000's</i>	<i>AvgSize</i>	<i>Number</i>	<i>\$000's</i>	<i>AvgSize</i>
Loans Originated	787	\$133,612	\$169.80	1488	\$296,158	\$199.00	1038	\$176,448	\$170.00	161	\$14,403	\$89.50	532	\$94,939	\$178.50
Apps Denied	94	\$14,596	\$155.30	286	\$30,003	\$104.90	487	\$65,380	\$134.30	142	\$4,815	\$33.90	80	\$7,986	\$99.80

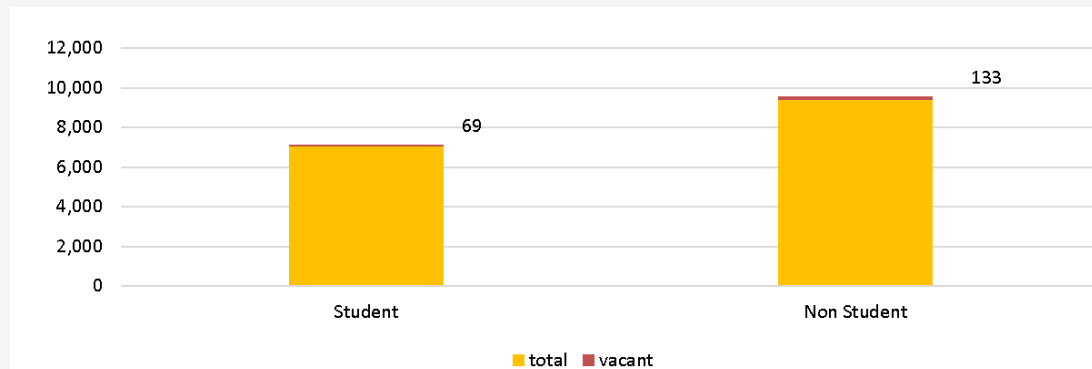
Source: Federal Financial Institutions Examination Council Data, Tuscaloosa Mortgage Activity for 2016

RENTAL MARKET

Due to the presence of the University of Alabama, a substantial portion of the rental market (47%) is self-identified as “student rentals”. For the purposes of this study, student rentals were categorized based on their proximity to the UA main campus (1.5 mile radius from the Quad) or because they were marketed as such.

Because this study was conducted during the off-cycle for student housing, the rental market snapshot (performed in August 2018) showed very little availability, with under 1% vacancy rate for both student and non-student rentals. Of the total available rentals, the most affordable options per square foot are 2 and 3 bedroom rentals, which range between \$.95/SF - \$1.01/SF.

FIG. 5.7 TOTAL AND VACANT RENTAL UNITS IN TUSCALOOSA (STUDENT & NONSTUDENT)



Source: Based on review of rental listings from Craig's List, Apartments.com, Trulia, Zillow as of August 14, 2018. Student versus non-student defined as either self-identified in listing as student apartment or within 1.5 miles from the Quad on campus.

TABLE 5.2 RENTAL RATES BY UNIT TYPE, TUSCALOOSA (AUGUST 2018)

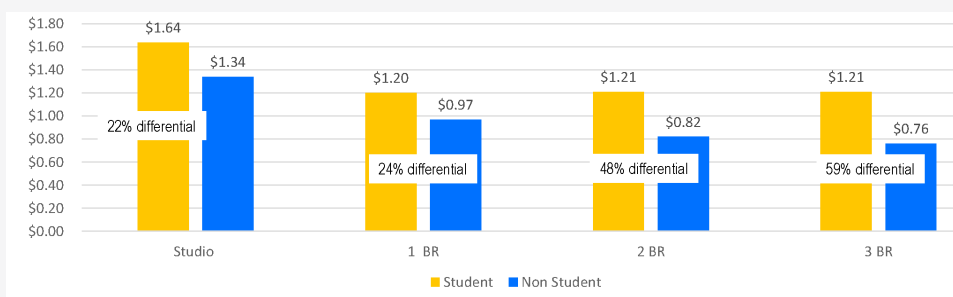
Units	Studio	1BR	2BR	3BR	4BR	5BR
Average Rent	\$605	\$779	\$1,001	\$1287	\$1888	\$2,605
Median Rent	\$601	\$725	\$880	\$1200	\$1,610	\$2,605
Average SF	455	\$716	\$994	\$1,358	\$1,601	\$2,200
Median SF	495	\$707	\$1,000	\$1,306	\$1,632	\$2,200
Average \$/SF	\$1.33	\$1.09	\$1.01	\$0.95	\$1.18	\$1.18
Median \$/SF	\$1.21	\$1.03	\$0.88	\$0.92	\$0.99	\$1.18

Source: Based on review of rental listings from Craig's List, Apartments.com, Trulia, Zillow as of August 14, 2018. Student versus non-student defined as either self-identified in listing as student apartment or within 1.5 miles from the Quad on campus.

STUDENT & NONSTUDENT RENTAL MARKET LEASE RATES

When student and non-student rentals are compared, student units average consistently higher per square foot costs than their non-student counterparts. Larger units such as three bedrooms, were 59% higher than non-student rentals.

FIG. 5.9 AVERAGE RENTS PER SQUARE FOOT IN TUSCALOOSA (STUDENT & NONSTUDENT)



Source: Based on review of rental listings from Craig's List, Apartments.com, Trulia, Zillow as of August 14, 2018. Student versus non-student defined as either self-identified in listing as student apartment or within 1.5 miles from the Quad on campus.

RENTAL MARKET AFFORDABILITY

Just under 20% of the city's population is 25 to 39 years old. Those recently out of college often make less money and are facing student loan debts that limit their available income for rent. The average debt at graduation for the University of Alabama was \$29,320. Affordable rent is defined as 30% or less of monthly income.

So, for example, if the recent grad could afford \$1,254 a month in rent based on income level, that number would drop to \$943 to take into account their student debt burden. For many common occupations, \$943 is much more than the average salary can reasonably afford.

TABLE 5.3 AVERAGE SALARY AND AFFORDABLE RENTS BY JOB

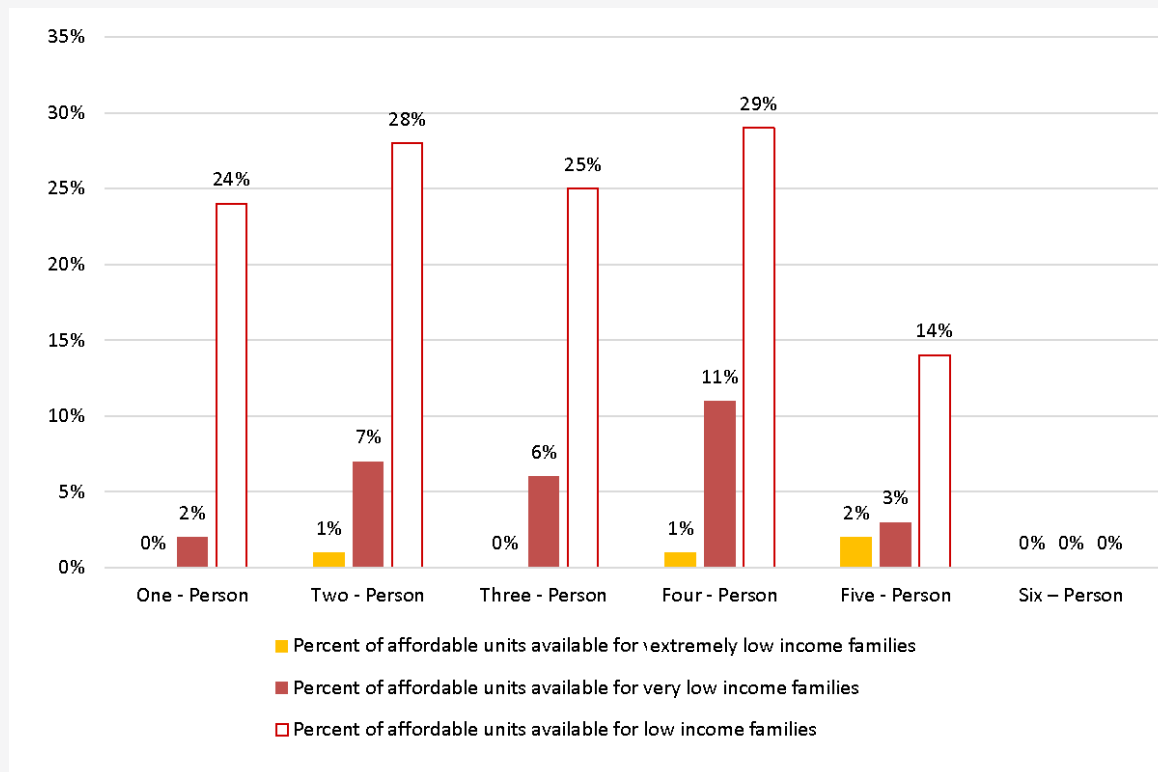
<i>Job Type</i>	<i>Average Salary</i>	<i>Maximum Affordable Rent (30% of Income)</i>
Assemblers and Fabricators	\$44,110	\$1,103
Retail Salespersons	\$26,150	\$654
Registered Nurses	\$57,350	\$1,434
Secretaries and Administrative Assistants	\$35,130	\$878
Waiters and Waitresses	\$19,820	\$496
Janitors	\$26,210	\$655
Heavy and Tractor-Trailer Truck Drivers	\$40,350	\$1,009
Nursing Assistants	\$23,920	\$598
Elementary School Teachers	\$47,130	\$1,178
Customer Service Representatives	\$29,110	\$728
Retail Sales Managers	\$37,960	\$949
Office Managers	\$51,270	\$1,282
Cooks	\$21,450	\$536
Industrial Machinery Mechanics	\$60,860	\$1,522
Restaurant Managers	\$31,280	\$782
High School Teachers	\$48,630	\$1,216
Police Officers	\$52,870	\$1,322
Accountants and Auditors	\$65,790	\$1,645
UA Assistant Professor Salary	\$77,986	\$1,950
UA Instructor Salary	\$55,243	\$1,381

Source: U.S. Bureau of Labor Statistics, Occupational Employment Statistics Wage Data

LOW, VERY LOW, AND EXTREMELY LOW INCOME RENTAL SUPPLY

The rental market snapshot for Tuscaloosa shows that affordable rental housing for low, very low¹¹, and extremely low income¹² families, as defined by HUD, is limited. While there are more options available at every rental size for low income families, the percentage of units that meets affordability criteria for very low income families does not surpass 11% in any of the size categories. For extremely low income families, options are even more limited, topping out at 2% of the 5 bedroom available rentals.

FIG. 5.10 PERCENT OF UNITS AFFORDABLE TO LOW, VERY LOW, AND EXTREMELY LOW INCOME HOUSEHOLDS IN TUSCALOOSA

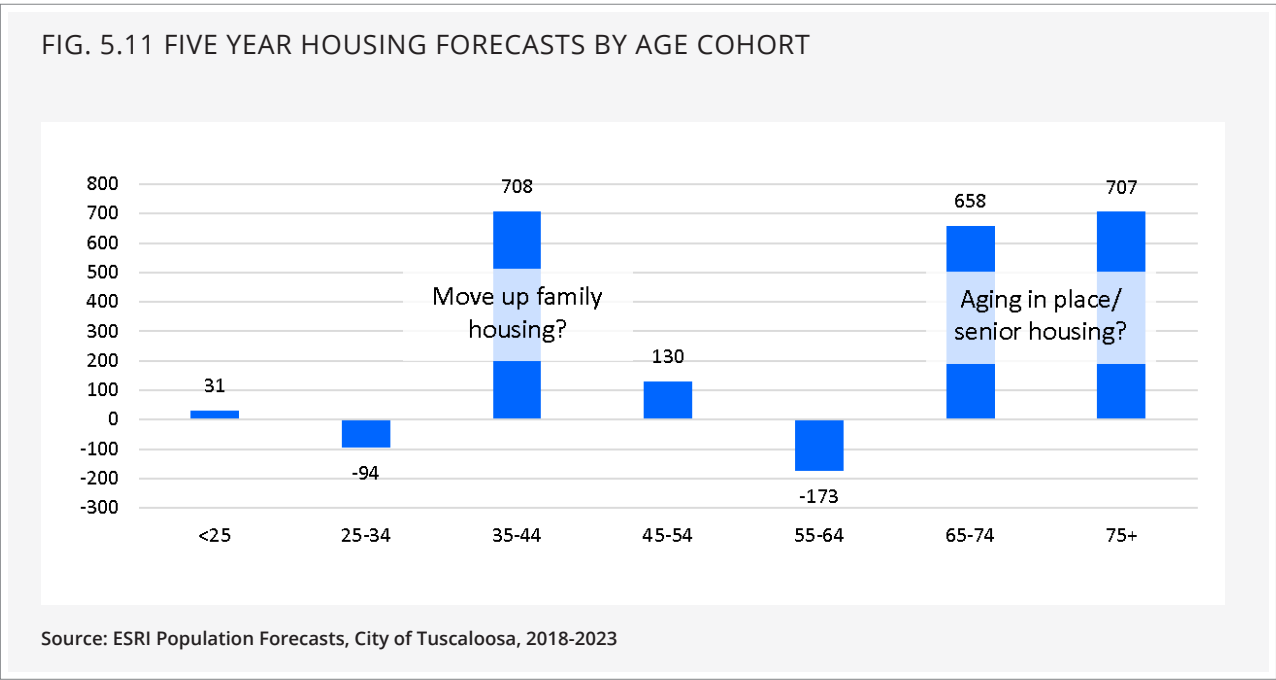


Source: OES Metropolitan and Nonmetropolitan Area Occupational Employment and Wage Estimates, 2017; University of Alabama Factbook, 2017-18.

DRIVERS OF DEMAND

POPULATION CHANGE

ESRI forecasts for Tuscaloosa's population in 2018-2023 show an increase in households, plus shifts in population across age groups. Household change will create a need for almost 2,000 units. Large increases in the 35-44, 65-74 and 75+ age brackets may drive an increased need in larger family housing and aging-in-place/senior housing.



Additionally, the household incomes of the projected populations will result in a higher need for housing affordable to households earning \$50,000 to \$99,999 for all age brackets, as well as a higher need for low income housing for the elderly.

FIG. 5.12 FORECAST OF HOUSEHOLD CHANGE BY AGE AND INCOME

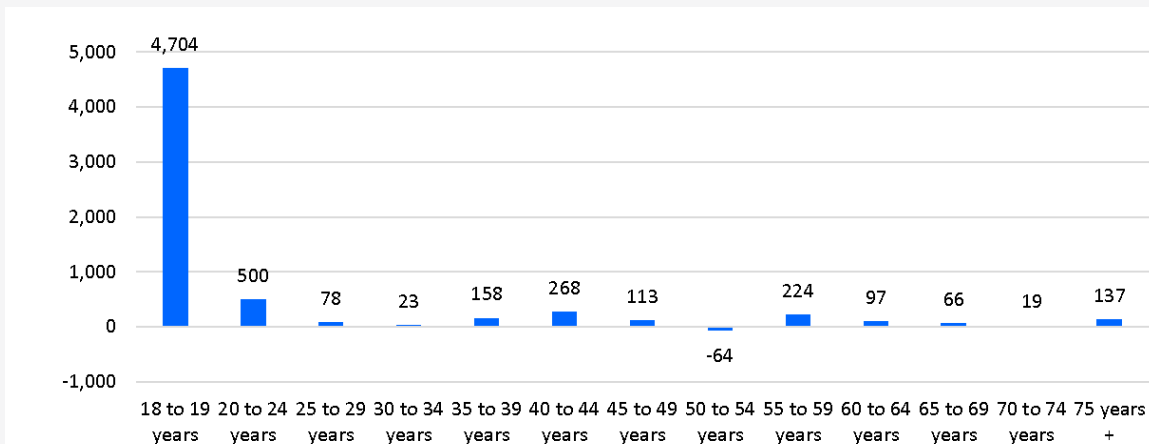
Households	<25	25-34	35-44	45-54	55-64	65-74	75+	
HH Income Base	31	-94	708	130	-173	658	707	
< \$15,000	-167	-158	34	-95	-151	42	93	Low Income Senior housing?
\$15,000-\$24,999	-56	-106	-24	-58	-71	23	98	
\$25,000-\$34,999	1	-100	18	-48	-56	64	54	
\$35,000-\$49,999	57	-31	50	-14	-44	77	94	
\$50,000-\$74,999	98	84	167	48	24	126	140	Projected gain of 1,300 households
\$75,000-\$99,999	49	91	171	76	67	124	100	
\$100,000-\$149,999	52	96	186	144	71	120	77	
\$150,000-\$199,999	2	18	62	41	8	41	28	
\$200,000+	-5	12	44	36	-21	41	23	

Source: ESRI Population Forecasts, City of Tuscaloosa, 2018-2023

NET IN-MIGRATION

Another driver of demand is net in-migration¹³ within the Tuscaloosa Metropolitan Area, which represented 6,300 new residents for 2016. 83% of these new residents are in the 18-24 age bracket, making it likely that they represent new students at UA. This leaves only 1,100 (17%) new non-student residents to the metro area, about half of which are located in the Tuscaloosa city limits.

FIG. 5.13 NET IN-MIGRATION

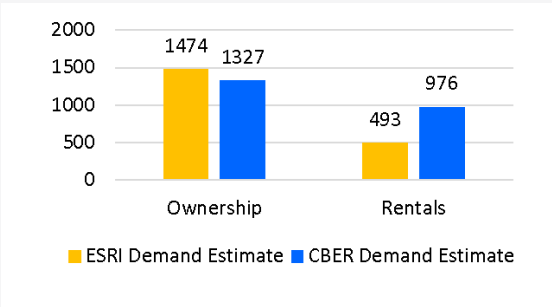


Source: American Community Survey Migration Surveys (2012-2016)

RENTAL AND HOMEOWNERSHIP FORECASTS

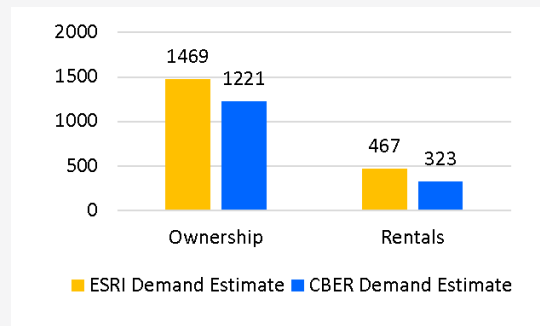
In forecasting rental and ownership demand over the next five years, two population estimate models were used: ESRI and University of Alabama Center for Business and Economic Research (CBER).¹⁴ When the data included student age populations, the rental demand significantly increased for the CBER forecasts, yet there was minimal effect on the demand for owner-occupied properties. The CBER forecast saw a reduction in demand for rental units from 976 to 323 when the college age population was removed.

FIG. 5.14 5-YEAR HOUSING UNIT FORECASTS WITH COLLEGE STUDENT POPULATION



Source: ESRI and UA-Center for Business and Economic Research

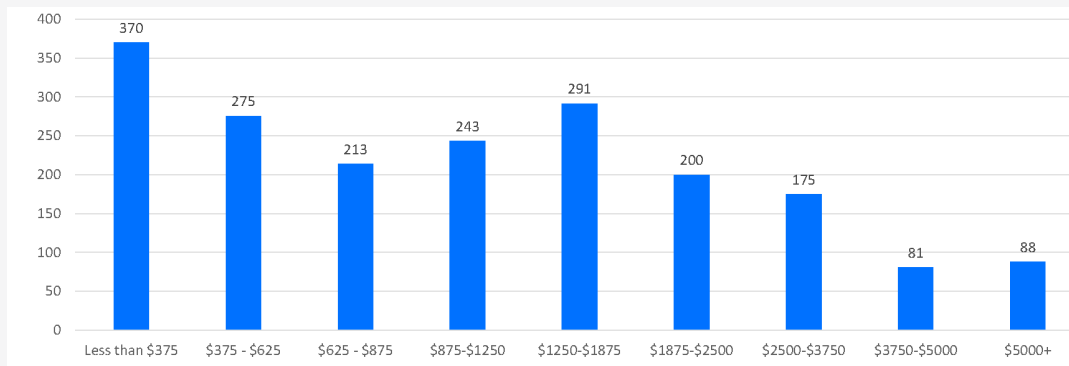
FIG. 5.15 5-YEAR HOUSING UNIT FORECASTS WITHOUT COLLEGE STUDENT POPULATION



Source: ESRI and UA-Center for Business and Economic Research

When students are removed from the data analysis, it allows for seeing the “natural market” breakdown of the price points of units (of any kind) required to meet the increasing population’s needs. Of these categories, the largest need (383 units) is for units that are less than \$375/month, followed by those that are in the \$1,250-\$1,875 range (295 units). There is a much smaller demand for units over \$3,750/month.

FIG. 5.16 FORECASTED NUMBER OF RENTAL UNITS NEEDED BY PRICE POINT, EXCLUDING COLLEGE AGE STUDENTS



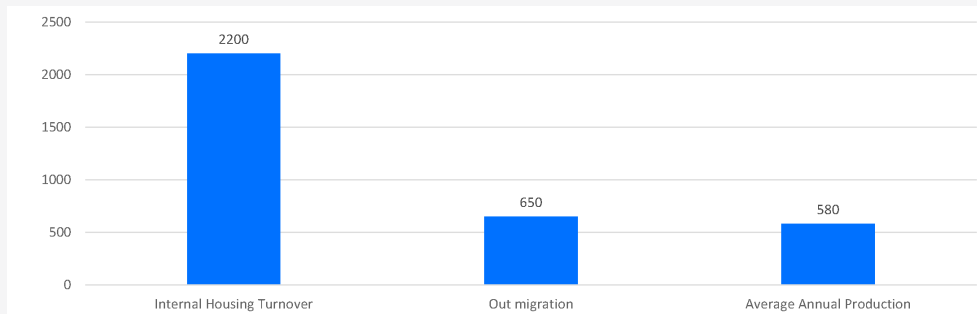
COMPONENTS OF HOUSING NEED

Supply and Demand

Three major components drive housing supply and demand: approximately 2,200 units on the market from internal housing turnover¹⁵, out migration of 650 households¹⁶, and average annual productions (new units constructed based on the permit data described earlier). The gross effect of these components equals a supply of 3,900-4,000 units.

In-migration creates a need for about 800 housing units annually, while out migration frees up 600 to 700 housing units a year. Internal moves (including both renters and homeowners) within Tuscaloosa equate to approximately 2,200 annually. If national patterns for renters are followed this would suggest approximately 11% of non-student renters move annually. For Tuscaloosa, that would equal 1,000 households. Natural household formation accounts for the need for another 1,100 units. Figure 5.17 on the next page shows the expected housing capacity to support future demand.

FIG. 5.17 ESTIMATED FUTURE HOUSING SUPPLY



Source: Analysis of Tuscaloosa Multiple Listing Service data, ACS Migration Statistics (2016) and annual production estimates derived from Tuscaloosa Land Development Permits.

Comparing Supply and Demand

Overall, Tuscaloosa's housing supply appears aligned with the conceptual demand – 4,100 of annual demand compared to 4,000 units of production. What is unclear is how much student housing and seasonal / recreational / game day housing plays into demand for new and existing housing stock. It also begs the question: Is the housing that is being produced responsive to the residential market segments that need it most?

FIVE HOUSING COST DRIVERS TO PAY ATTENTION TO

When communities want to incentivize the construction of different types of housing, it is important to consider the cost drivers that can be reduced. The following five housing cost drivers are the primary targets for reducing costs that can result in greater supply of demanded units.

- Price of land
- Construction costs
- Development soft costs (regulatory and design)
- Capital and financing costs
- Expected return on investment

NEEDS ASSESSMENT HIGHLIGHTS

Through this assessment, four issues surrounding future housing needs come to the forefront.

1. It is difficult to obtain housing rehabilitation financing. If rehabilitation financing were more readily available, affordability needs could be addressed by reviving older housing stock.
2. Housing prices are increasing and have surpassed 2008 levels.
3. The non-student rental market is tight and student housing distorts the picture of the overall housing market.
4. Demographic shifts may put pressure on certain housing types, such as affordable senior housing, housing for working families with children, and apartment housing options for young professionals.

TUSCALOOSA'S UNIQUE HOUSING MARKET FACTORS: SEASONAL, RECREATIONAL, AND OCCASIONAL USE HOUSING

It is also important to highlight housing market factors unique to Tuscaloosa that affect housing supply and demand. As discussed on page 29, approximately 19% of housing units in Tuscaloosa are estimated to be “vacant seasonal housing”, meaning the units are used for seasonal, recreational, or occasional purposes. Vacant units include truly vacant properties at time of survey, rented/sale units that are not currently occupied, seasonal/recreational/occasional purpose use, and migrant worker housing.

This number includes off-campus student units, game day units, lakefront second homes, and short-term rentals, which are the majority of the city's vacant housing stock. The increasing rate of vacant seasonal housing units is having a significant impact on Tuscaloosa's housing market, including potentially driving up housing sales levels higher than the moving average, which in turn could be causing the Federal Housing Finance Agency Housing Index to reach its all time high (\$135.76) since 2000.

6/ STRATEGIES TO CONSIDER

This Five-Year Affordable Housing Study is an opportunity to consider Tuscaloosa's housing trends and conditions, and potential solutions and opportunities for improving the state of housing in the city. As the Tuscaloosa Framework comprehensive planning process moves forward, these housing strategies include a variety of tools the city can consider implementing to realize the vision and goals for the city.

Chapter Contents

- Housing Tools and Strategies or Consideration During Framework Tuscaloosa



STRATEGIES AND TOOLS FOR CONSIDERATION

This Five-Year Affordable Housing Study is one of the first major work products of the Tuscaloosa Framework comprehensive planning process. As such, the policy direction for the city's new comprehensive plan was not fully defined at the time this report was being developed and finalized. However, through interviews with elected officials, advisory board members, business interests, neighborhood representatives, and other community stakeholders, it became clear that there were several areas where this report could offer housing strategies and tools to be explored during the planning process.

These strategies and tools are organized here using the key themes from the current policy review (Section 4: Current Policies), as these policy themes appear to still be relevant today. These include community objectives to:

- Protect Neighborhood Character
- Promote Housing Diversity and Affordability
- Assist Lower Income Households
- Serve Neighborhoods



PROTECT NEIGHBORHOOD CHARACTER

The following strategies are offered for consideration to address issues related to protecting neighborhood character in Tuscaloosa.

Adjustments to Tuscaloosa Zoning and Development Standards

The city's zoning ordinance is one of the primary tools that can be used to protect and maintain neighborhood character. A key component of the Tuscaloosa Framework process is to evaluate the city's zoning ordinance and development standards to identify ways to implement the vision of the new comprehensive plan. Provided here are some specific ordinance updates that can be considered during this process.

1. Context Sensitive Standards for Redevelopment and Infill Development

While the city has much land to develop in the outer edges of its jurisdiction, it is anticipated that redevelopment and infill development will also occur in the future. Redevelopment describes a development context where an existing developed house is razed and demolished and replaced with a new house. Infill development describes the situation where an undeveloped residential lot or parcel near an existing neighborhood is developed. In both of these cases, it is important to consider the context of the new development to ensure that new homes are built to "fit in" to existing neighborhoods. This includes the scale of the new structure, building height, setbacks from the street and adjoining properties, and other physical features.

Communities that use this tool update their zoning ordinance to allow for context sensitive standards that provide some flexibility for changing housing preferences (i.e., larger sized homes), but also take into account the surrounding context.

2. Neighborhood Compatibility Standards for New Uses and Transitions

Similar to context sensitive redevelopment and infill standards, the community could consider establishing neighborhood compatibility standards for new uses in existing neighborhoods and transitions between uses. For example, if the community supports the development of housing types that can provide more options for working families to purchase housing in Tuscaloosa, there may be opportunities to have that housing located in existing neighborhoods. Neighborhood compatibility standards can work to create design cohesion in neighborhoods that are opportunities for new types of housing and for ensuring transitions between different housing types are visually appealing and reduce impacts on adjoining properties.

3. Tree Protection

As new housing developments are constructed in the city, there is an opportunity to ensure protection of trees and tree canopy that can provide many benefits to the surrounding area, including reducing temperatures on the property by providing shade, creating opportunities for a well-designed public space between housing developments (particularly multifamily), assist with stormwater and drainage issues, and offer opportunities to infuse nature into the built environment. Landscaping and buffer standards can be modified to encourage greater tree protection for new and redeveloping multifamily developments.

4. Street Designs that Match Neighborhood Context and Mobility Preferences

Around the nation, more and more people are desiring to living in walkable and connected places that offer access to destinations and high quality places to eat, drink, socialize, and shop. As the city looks for ways to provide opportunities for offering these types of places, it will be important to use street designs that consider both the changing desires for getting around from place to place, and the neighborhood context of the street. As neighborhoods evolve over time, there is an opportunity to provide more connections to destinations and to reinforce the valued character found in existing communities. There is also an opportunity to reinvest in and improve aging neighborhoods by providing more transportation choices for residents to get to work, shopping, and other destinations.

5. Enhance Regulations Addressing Student Rental Housing

Student rental properties have posed challenges to the neighborhood fabric in Tuscaloosa. There are opportunities to further refine the zoning district regulations and land uses in districts surrounding the University of Alabama to better meet community goals of supporting the mission of UA and protecting the historic and neighborhood character.

Strategies to Address Blighted and Vacant Properties

Some parts of the community are challenged by older, blighted properties that have negative impacts on the surrounding neighborhood. These properties can have impacts on surrounding property values, create negative impacts on the perceptions of the neighborhood, and in some situations can actually have negative fiscal impacts on the community as these areas require more frequent police patrolling to ensure that vacant homes aren't opportunities for crime.

Two tools are offered here that can be considered for addressing this problem. Vacant property registration ordinances provide an opportunity to work directly with the blighted property owner to address the conditions of the site. This registration is implemented to obtain accurate contact information for the owner of the vacant property, to make sure the property owner(s) are aware of the obligations of property ownership according to the city's codes, and to make sure the minimum standards of maintenance of vacant properties are met. The Center for Community Progress provides many resources for this tool.¹⁷

Communities can also choose to take a more proactive approach and directly acquire and improve blighted and condemned properties. Birmingham, Alabama, provides a model for consideration to Tuscaloosa (see the vignette below for more details on this strategy.)



LAND BANKING TO REPURPOSE VACANT PROPERTIES | BIRMINGHAM, AL

Since its incorporation in 2013, the Birmingham Land Bank has developed a suite of complementary programs to address blighted and vacant properties. The city grants the bank authority to condemn blighted or vacant properties that have been tax-delinquent for at least five years. A map on the land bank website allows neighbors to see eligible properties. The land bank administers three programs: the Side Lot program, the Adopt-a-Lot program, and the Catalytic Development Project program.

Through the Side Lot program, a neighbor can take care of an adjacent vacant uncared for lot on behalf of the land bank. Through the Adopt-a-Lot program, a neighbor, another city citizen, a faith based organization, or a nonprofit organization can gain use of any vacant overgrown lot in a neighborhood. In both programs, after two years of care the neighbor can petition to take over the deed from the land bank, adding to the neighbor's lot instead of sitting in disrepair. (As a variation, in California's Urban Agricultural Incentive Zones, a similar program specifically allows community gardens to be formed in a similar way).

Through the Catalytic Development Project program more blighted properties or vacant lots may be assembled for a larger project, with preference given to opportunities identified in the adopted plans of the city. City departments may act with the land bank. Outside organizations are recommended to first discuss plans with the Community Development and Economic Development Departments before attempting to use this program.

As of 2017 hundreds of properties had been transferred to new owners and returned to the tax rolls. Information on the Birmingham Land Bank can be found at <http://birminghamlandbank.org/>

More general discussion of land banking is available from the Center for Community Progress at www.communityprogress.net.

Some communities have taken an even stronger approach to addressing blighted and vacant properties that are focused on encouraging redevelopment and investment in blighted areas. The Mill Hill Neighborhood in Macon, Georgia is an interesting example of this approach.



ARTS PROGRAMMING TO REINVEST IN BLIGHTED AREA | MACON, GEORGIA

Artists are frequently enlisted in strategies to reduce blighted properties. The Mill Hill neighborhood of Macon, GA is a strong example of this strategy. Vacancy in Mill Hill reached 50% after the loss of the mill and the introduction of a highway that cut off the neighborhood from downtown. An alliance of organizations led by a historic society established an arts village in the neighborhood, where the vacancies could become artist live/work stations, workshops, or canvases. To target artists, a Community Arts Center was completed and paired with a linear park, an artist in residency program was started and zoning changes favorable to artists and entrepreneurs were proposed.

The first attempt at establishing the arts village failed. The artists and the existing community members weren't being consulted together resulting in a sense of competition and conflict. A cultural plan was then produced in a process that included significant listening sessions and large festive gatherings to draw people together, and the second generation of the project included local artists to serve as a tie between the groups. Development of the arts village is unfinished, but promising.

More information on the Mill Hill neighborhood story can be found at <http://www.maconartsalliance.org/millhill/>

Good Neighbor Program for College Students Living in Neighborhoods

Many university towns throughout the nation have dealt with the issue of college students living in existing residential neighborhoods, and the incompatibility challenges that can occur. The Town of Chapel Hill has had good success establishing the Good Neighbor Initiative in partnership with the University of North Carolina-Chapel Hill to create programs to educate student on the expectations of living in off-campus community neighborhoods.



GOOD NEIGHBOR INITIATIVE | UNIVERSITY OF NORTH CAROLINA, CHAPEL HILL

The Good Neighbor Initiative, sponsored by the Office of Fraternity & Sorority Life and Community Life at UNC-Chapel Hill, has been established since 2004. This initiative is an effort led by the Chapel Hill Police Department to promote positive living experiences in those neighborhoods where students and non-students live in close proximity. Over time, the scope of the initiative has grown to include multiple neighborhoods. The initiative has also partnered with EmPowerment Inc., UNC-Chapel Hill, the Downtown Partnership, the Town Planning Dept. and the Jackson Center, among others to foster efforts to create better working neighborhood relations between households.

The initiative includes door-to-door visits in neighborhoods where students and non-students talk about what it means to be a good neighbor, including a discussion of local ordinances and laws that if followed correctly, will lead to peaceful cohabitation. The initiative has expanded to include over 60 volunteers for the door-to-door visits, reaching over 1,000 homes, in addition to a neighborhood block party and a humorous educational video.

More information on the Good Neighbor Initiative can be found at <https://studentaffairs.unc.edu/carolina-excellence/community-engagement/good-neighbor-initiative>

PROMOTE HOUSING DIVERSITY

The following strategies are offered for consideration to promote development of a diversity of housing choices to serve a variety of households and incomes in Tuscaloosa.

Adjustments to Tuscaloosa Zoning and Development Standards

The housing needs assessment suggests that there may be a housing supply issue that is limiting the inventory of owner-occupied housing for households entering the market. One way to address this issue is to ensure there are opportunities to build smaller format housing products, such as duplexes, triplexes and other "gentle density" solutions that local college graduates and other young professionals could afford to purchase. The city could consider removing any regulatory barriers to building these types of homes in targeted locations to diversify the housing stock and promote a more balanced community demographic.

Public-Private Partnerships

Evaluation of housing rehabilitation mortgage data and interviews with local developers suggest that there are challenges to securing capital to fund construction and rehabilitation of local workforce housing units. One idea is to enter into a public-private partnership to develop a capital pool that can support bridge funding gaps for construction and rehabilitation of workforce housing.

Local Housing Land Trust

More and more communities around the nation are developing community land trusts to help develop and manage the local stock of affordable and workforce housing for the long-term. This model is very effective at ensuring long-term affordability when land values escalate faster than wages and incomes. Currently there are approximately 160 community land trusts operating in every region of the country. These community land trusts are nonprofit, community-based organizations whose mission is to provide affordable housing in perpetuity by owning land and leasing it to those who live in houses built on that land. The Community Home Trust is one such land trust that has been in operation for nearly two decades in Orange County, North Carolina. This home trust serves several communities, including the Town of Chapel Hill (see the vignette below).

COMMUNITY HOME TRUST | CHAPEL HILL, NORTH CAROLINA

The Community Home Trust in Orange County, NC (home to the University of North Carolina-Chapel Hill) is a nonprofit entity that works to preserve homes in a permanent state of affordability. Its stated goals include providing a path to homeownership for nurses, emergency personnel, educators, and any other people who serve the community, who would not be able to afford a market rate home. The trust specifically serves households earning no more than 60% of the area median income.

The trust oversees 315 affordable homes in the county. Some of these homes are in developments that were entirely acquired by the trust. Others were conveyed to the trust by developers who constructed units to meet inclusionary housing standards of area governments. The trust holds the title to all its properties to ensure long-term affordability. It conveys a renewable 99-year ground lease to the qualifying homeowner. For the unit, this shields the home value from being pushed upward by rising property values. Through terms in the deed or the leasehold agreement, home values can appreciate and homeowners can build equity at a steady rate, while still keeping the sales price of the home low enough for future qualifying buyers to afford.

In 2017, 71% of funding for the Community Home Trust came from local government contributions, 14% from private contributions, 10% from earned income and the remaining 5% from various sources. More resources related to funding and operation are available from the National Community Land Trust Network.

There are variations to the exact mechanics of Affordable Housing Land Trusts across the country, but the two critical components are (1) separating control of the land and the home, and (2) a limit or cap on home equity increases when the home is sold. Separation keeps home prices lower at sale while the limit preserves affordability for the future, and maximizes long-term affordable housing stock for the community.

Land trusts also exist to promote other policies including natural conservation (the Georgia Alabama Land Trust oversees a site in Tuscaloosa County), but Affordable Housing Land Trusts are more rare in the state. The Dynamite Hill-Smithfield Community Land Trust in Birmingham has only been operating for two years, and is a sign that experimentation with land trusts has come to Alabama.

More information on the Community Home Trust can be found at <https://communityhometruster.org/>

ASSISTING LOWER INCOME HOUSEHOLDS

The following strategies are offered for consideration to assist lower income households in Tuscaloosa.

Implementation of Existing Affordable Housing Plans

Tuscaloosa is an entitlement community¹⁹, which allows the city to access federal funding to assist lower income populations with housing and community development needs. A requirement to be eligible for this funding is the development of regular planning efforts to evaluate conditions in the community and to develop formal plans to achieve housing and community development goals.

The City of Tuscaloosa and the Tuscaloosa Housing Authority have an adopted Consolidated Housing Plan and Action Plan, and an Analysis of Impediments to Fair Housing Choice Study as required by the U.S. Department of Housing and Urban Development to be eligible for Community Development Block Grant and HOME funds. Each of these plans identifies important community objectives that can be folded into the Tuscaloosa Framework effort, including:

- Increasing management efficiency of publicly assisted housing programs to reduce vacancy turn-around time
- Applying for additional Section 8 vouchers to better assist the waitlist of qualifying households
- Increasing production of affordable housing for people with families
- Coordinating with Transit Authority to provide better transit service to affordable housing areas
- Focusing community investment in lower income neighborhoods, such as Alberta and West Tuscaloosa

Assist with Rehabilitation of Older Homes to Maintain Affordable Stock

Analysis of housing mortgage applications and home improvement loans in 2016 showed that the vast majority (88%) of funding applications for home rehabilitation efforts were denied for property owners in Tuscaloosa. While the exact reason for this high denial rate is not completely understood, there is evidence to suggest that property owners are taking steps to improve their homes and are being denied for financial reasons. This can lead to these properties becoming blighted and potentially vacant over the long-term if the property owner doesn't receive assistance. The city could consider partnering with local financial partners to secure home improvement loans for lower-income homeowners to improve the stability of neighborhoods and maintain the local stock of affordable housing.

Support Development of Rental Housing

The Housing Needs Assessment in Section 5 suggests that there may be a local shortage of rental properties for low- to moderate-income households. The Framework Tuscaloosa planning effort could identify target areas for developing additional rental housing to serve local workers and families and provide incentives to developers of these projects who may otherwise find it more lucrative to develop student rental housing units.

Supporting Investment without Creating Displacement of Existing Residents

When thinking about investing in neighborhoods that are suffering from disinvestment, it is often a challenge to find the right balance between encouraging investment but not displacement of the existing community. The vignettes on the next page provide some examples for consideration to achieve a better balance when investing in targeted neighborhoods like Alberta and West Tuscaloosa.

EXAMPLES OF NEIGHBORHOOD REVITALIZATION WITHOUT DISPLACEMENT

Reinvestment in neighborhoods after a long period of disinvestment can set off competing forces. On the one hand investment can bring better access to goods and services to the community. On the other hand, such investment can increase property values and rents and make it difficult for longtime residents to afford their homes. Displacement as a result of neighborhood revitalization is commonly referred to as gentrification. There are a few treasured examples across the country where redevelopment has improved a neighborhood's amenities while displacement has been avoided or mitigated.

In the Fruitvale neighborhood of Oakland, CA, redevelopment of a transit station was a potential catalyst for both redevelopment and displacement in one of the city's most diverse neighborhoods. A local community advocacy group pushed to provide new public services in an attempt to mitigate increased costs due to changes in property value. Community services included schools, senior and youth centers, a public library, and a Head Start program. These services were meant to help the neighborhood population to stay together, even as new homes and businesses were also built near the station. In March 2018, a major UCLA study found the general demographic breakdown of the population had avoided displacing the Latinx community as a whole. Individual resident turnover is harder to track and was not a part of the study.

In the Roxbury neighborhood of Boston, MA, the city and its partners are purchasing land "ahead" of gentrification. Knowing that commercial investment has already caused displacement along certain transit paths, the current hot neighborhoods are skipped while the city tries to predict and act on the next target of development pressure. By owning more of the land in the area before speculative development starts, cultural institutions that are important to current residents can be preserved, buildings that contribute to the character of the neighborhood can be protected, and affordable housing can be more readily developed.

Avoiding displacement may be easier if current residents of a neighborhood are consulted earlier in the planning or development process, so that resources they rely on can be protected. Seattle has reformed its entire public engagement program toward achieving meaningful involvement from under-served and under-represented communities, the type of communities often displaced by gentrification. The new Community Involvement Commission is developing recommendations beyond the traditional public meeting. Among the founding principles of the commission is to build community capacity for meaningful participation and authentic outreach and engagement.

In the Union Square neighborhood of Somerville, MA, a Sustainable Neighborhoods Working Group of experts and citizens kept watch over the process of redevelopment around transit to produce ideas to limit displacement and preserve affordability. The city also sought outside studies to gather broader ideas and deeper understanding, including a Smart Growth America project and the Somerville Gentrification Project at neighboring Tufts University.

Fruitvale Village I, a core piece of redevelopment in Fruitvale (Oakland, CA): <https://casestudies.uli.org/wp-content/uploads/sites/98/2015/12/C035004.pdf>

SERVING NEIGHBORHOODS

The following strategies are offered for consideration to serve neighborhoods and residents in Tuscaloosa.

Creating Complete Neighborhoods

A complete neighborhood is an area where residents have safe and convenient access to goods and services they need on a daily or regular basis. This includes a range of housing options, grocery stores and other neighborhood-serving commercial services; quality public schools; public open spaces and recreational facilities; and access to frequent transit. In a complete neighborhood, the network of streets and sidewalks is interconnected, which makes walking and bicycling to these places safe and relatively easy for people of all ages and abilities. These types of places are especially important to aging seniors that want to age-in-place, and to the millennial aged workers²⁰ who have different preferences for access and connectedness to destinations from their neighborhoods. Tuscaloosa Framework offers an opportunity to think holistically about how current and future neighborhoods are served, and how to foster the development of "complete" neighborhoods in the future.

Target Community Investments to Priority Redevelopment Areas

The West Tuscaloosa planning effort has identified several opportunities for community investment that can support the revitalization of this important Tuscaloosa neighborhood. Other parts of the community, such as Alberta, may also be targets for reinvestment in the future. As the city develops the new comprehensive plan, it will be important to identify ways to prioritize community investments through the annual budgeting and capital planning processes to ensure that plan priorities are considered annually when budgeting decisions are made.

Support Job Creation to Employ Local Residents

Revitalization of neighborhoods is not just about the physical changes to the area, but also about improving the lives of its residents. Tuscaloosa Framework can consider strategies to support job creation that will train and employ local residents. Furthering partnerships between the University of Alabama, Shelton State Community College, Stillman College, local high schools, and job placement centers could result in initiatives to support job growth for underemployed or unemployed workers in Tuscaloosa.

Plan for Increased Transit Assistance for Aging Seniors

National research suggests that the vast majority of seniors will not have the resources to locate to assisted living facilities in their later years and will instead choose to age in place. As the city's population continues to age, it will be important to evaluate options for providing better transit services to seniors aging in place that will need access to healthcare services and opportunities for social interaction.

APPENDICES

APPENDIX A: SUMMARY OF ASSISTED HOUSING PROGRAMS

Public Housing Units

The Federal Public Housing program provides rental housing for eligible low-income residents. While public housing is a federally funded program, the properties are owned and managed at the local level by the Tuscaloosa Housing Authority (THA). The housing authority determines eligibility based on income limits set by HUD. Rent for public housing units, referred to as the Total Tenant Payment (TTP), varies based on the tenant's income. Currently, there are 905 federal public housing units in Tuscaloosa.

Many of Tuscaloosa's original public housing developments were built in the 1950's through the early 70's, so the Housing Authority is currently undergoing a process of redeveloping and in some cases relocating the City's public housing developments. By the time this process is complete, the City will have a total of 1237 public housing units, which is the maximum number of units allowed for the THA. This number is set by HUD and is known as the Faircloth Limit²¹.

Multifamily Subsidized Housing Units

Multifamily Housing refers to privately owned and managed subsidized housing units for low-income, elderly, and disabled households. HUD provides rental subsidies, below-market interest financing, mortgage insurance, or other forms of assistance to these property owners, and in exchange the properties are subject to low-income tenant use restrictions. There are currently 794 subsidized multifamily units in Tuscaloosa.

Low-Income Housing Tax Credits (LIHTC)

The Low Income Housing Tax Credit (LIHTC) program provides federal tax credits for the acquisition, rehabilitation, or new construction of affordable rental housing. Developers that receive these tax credits agree to build housing and rent a certain number of units at an affordable below market rate with use restrictions. Tuscaloosa has 829 affordable LIHTC units. This number does not include certain multifamily and public housing units that have also received LIHTC assistance.

Habitat for Humanity

Habitat for Humanity has also had an active role in providing affordable brick-and-mortar housing units, specifically for homeownership in Tuscaloosa. The organization has built 120 affordable houses in the city since 1987.

Housing Choice Vouchers

The Section 8 Housing Choice Voucher program is a form of rental assistance that is tied to the recipient as opposed to the housing unit. The voucher program is administered through the local housing authority. Voucher recipients are responsible for finding a unit on the private market. The property owner then enters into a Housing Assistance Payment Contract with the Public Housing Authority and signs a lease with the tenant. There are currently 1406 active vouchers administered by the Tuscaloosa Housing Authority.

HOME Investment Partnerships Program

The HOME Program provides formula grants to local communities, which are often used in partnership with local nonprofit groups, to fund a wide range of housing activities. HOME grants have been used in Tuscaloosa to provide home purchase financing assistance to new homebuyers and to build or rehabilitate housing for ownership for 780 total units. There are also 264 rental units in Tuscaloosa that have received HOME assistance for construction and rehabilitation in addition to rental assistance.

Community Development Block Grants (CDBG)

The CDBG program is a federal funded grant program that provides annual direct grants that are used to revitalize neighborhoods, expand affordable housing and economic opportunities, and improve community facilities and services, principally to benefit low and moderate income persons. CDBG grants have been used in Tuscaloosa to fund renovations, repairs and emergency repairs for 266 owner-occupied units and 179 renter occupied units.

APPENDIX B: TUSCALOOSA HOUSING POLICY DOCUMENT SUMMARIES

TUSCALOOSA HOUSING AUTHORITY REQUIRED HUD PLANS

Annual Action Plan (2018)

Objectives:

1. Strengthen management of resources by reducing vacancy turn-around time, promptly responding to maintenance service requests, and upgrading housing communities as resources are made available
2. Seek problem-solving partnerships with residents, faith-based and other community organizations, and government leadership
3. Achieve and maintain an average Section 8 Leasing rate of 98% or above
4. Maintain Annual Tenant Accounts Receivable at or below 10% of total charges
5. Complete routine Work Orders within 48 hours
6. Reduce public housing average vacancy turnaround to 10 days or fewer
7. Meet Capital Funds Program obligation and expenditure deadlines
8. Apply for additional Section 8 Vouchers (Special Purpose Vouchers)
9. Improve REAC physical inspection score to 75 or above
10. Achieve Family Self-Sufficiency (FSS) Program and Resident Opportunity for Self-Sufficiency Program goals

Annual Action Plan (2016)

Objectives:

1. Increase linkage to permanent housing and services for persons leaving institutions
2. Increase interagency coordination in services that provide short term or transitional financial assistance and housing counseling services in order to avert eviction or foreclosure
3. Obtain and review discharge policies established by the Department of Corrections, Pardons and Parole Board, Department of Veterans Affairs, Department of Mental Health, and local hospitals, and jails
4. Provide support and serve as a point of contact for agencies developing discharge plans
5. Coordinate with the Veterans Integrated Service Network (VISN 7) at the Tuscaloosa VA Medical Center to facilitate discharge planning for veteran re-entry from prison or jail
6. Initiate a media campaign to educate the community about the 2-1-1 and 3-1-1, and coordinate with these referral systems so that accurate, informative, and up to date information is dispersed, especially for after-hours calls

7. Identify area agencies who participate in homeless prevention services such as mortgage, rental, and/or utility assistance, food, clothing, and shelter
8. Coordinate with mental health court case manager and therapist to prevent incarceration of mentally ill for minor offenses in order to prevent decompensation while incarcerated or prevention of release directly into homelessness for punishable offenses
9. Link households participating in one-time prevention programs to ongoing community resources
10. Utilize HMIS to integrate services, promote system wide communication, and report outcomes, and actively recruit more agencies to use HMIS

Analysis of Impediments to Fair Housing Choice (2015)

Objectives:

1. Increase outreach and education to local high school and college students, focusing on the importance of building and maintaining good credit
2. Conduct fair housing outreach and education efforts, to housing providers and consumers alike, on the subject of fair housing law and policy. Topics to be presented and discussed may include: a) housing discrimination, b) the rights and responsibilities of housing providers in the housing market, c) how to identify illegal housing discrimination, d) where to turn when you believe that you have been subjected to illegal discrimination in the housing market, e) the use of public resources and the policy process of local government agencies, f) fair housing issues in zoning and land use decisions, g) the requirement to affirmatively further fair housing, and h) other concerns
3. Locate a Fair Housing Initiative Partnership participant (FHIP) to provide complaint intake and processing to Tuscaloosa residents who believe that they have been subjected to illegal discrimination in the city's housing market. Establish a contract with the FHIP to provide education and outreach and fair housing testing in the City
4. Promote the production of affordable housing units for households with children
5. Develop a proposal for new apartment or multifamily construction, requiring that a percentage of new developments in the city be dedicated to affordable housing, or that developers wishing to opt out of this requirement pay a one-time fee, to be deposited into an affordable housing trust fund
6. Establish a dialogue between the Housing Authority and Transit Authority to better coordinate the siting of future affordable housing and the expansion of transit routes, with the goal of identifying new areas for affordable housing development beyond that served by the existing transit network

Five-Year Consolidated Plan (2015-2019)

Summary of Relevant Policies and Implementation Items:

1. Address economic development in areas of concentrated poverty by attracting business enterprises through business loans and increasing job training and employability of area residents
2. Provide counseling and referrals to training and available job opportunities to unemployed or underemployed persons through the Tuscaloosa Housing Counseling Program to enable these persons to obtain employment and thus, to reduce the number of persons with incomes below the poverty level
3. Maintain and improve affordable housing opportunities in the target areas by: demolishing/stabilizing vacant buildings (eliminating blighting conditions), implementing a vacant building registry, providing housing rehabilitation services to low-income households, and providing homeownership down-payment assistance
4. Provide senior centers, youth centers, neighborhood facilities, and other public facilities to serve the growing number of seniors, youth, as well as the overall low/moderate income community in the West Tuscaloosa and Greater Alberta communities
5. Increase services in the West Tuscaloosa and Greater Alberta communities, especially for seniors, the handicapped, youth, transportation, employment training, crime awareness, fair housing counseling, Tenant/Landlord counseling, childcare
6. Prioritize flood drain improvements, water improvements, street improvements, sidewalk improvements, and sewer improvements, especially in areas of the City that have been disinvested
7. Encourage and promote accessibility in public and private facilities
8. Work with existing community groups to secure resources to address unique needs of chronic homeless persons
9. Develop additional units of permanent housing for homeless individuals and families
10. Carry out street outreach to engage those who are least likely to request housing or services in the absence of special outreach, specifically the chronically homeless, families with children, and those who are not fluent in English
11. Foster coordination through citizen participation, including annual proposal submissions and requests for funding, and by offering technical assistance (programmatic and financial) to all public, private and social service agencies that receive federal funding

COMMUNITY PLANS

Tuscaloosa Forward: A Strategic Community Plan to Rebuild and Renew (2011)

Summary of Relevant Policies:

1. Promote more dense neighborhoods where housing is located in proximity to services and amenities
2. Ensure neighborhood compatibility by establishing zoning tools that allow for character transitions and a balance of rental and ownership housing choices. Revise zoning ordinance to permit missing middle housing types such as duplexes and townhomes on lots previously zoned only for single-family detached housing.
3. Permit dwelling units on smaller lots with smaller setbacks to promote density and affordability
4. Create community building opportunities, especially in neighborhoods with a mix of renters and owners
5. Develop a variety of housing types at a range of price points to serve all Tuscaloosa residents, promoting a mixing of incomes rather than concentrations of low-income housing
6. Design mixed-use neighborhoods that are accessible to multiple transportation modes and multiple generations
7. Pursue high-quality, storm-resistant building design, especially for publicly-subsidized housing

Tuscaloosa Forward: Generational Plan (2012)

Summary of Relevant Policies:

1. Implement infrastructure improvements early in the redevelopment process to maximize cost-efficiency
2. Use streetscaping and road realignments to ease congestion along major transportation corridors
3. Rebuild neighborhoods in storm-affected areas in a strategic way to eliminate barriers to connectivity²²
4. Increase the frequency and availability of bus service in all of Tuscaloosa, particularly storm-affected areas
5. Create a multi-modal transportation system by building sidewalk connections, expanding bike lanes, and developing multi-use trails along floodways
6. Build public facilities in strategic locations that serve as anchors within neighborhoods
7. Enhance redundancy by ensuring that public facilities can double as emergency shelters in times of need

City of Tuscaloosa Citywide Future Land Use Plan (2009)

Summary of Relevant Policies:

1. Promote high-density housing at strategic mixed-use locations and strengthen the vibrancy of Downtown Tuscaloosa
2. Pursue reinvestment in aging neighborhoods to enhance appearance and functionality
3. Create activity centers for regional commerce that are highly-accessible
4. Locate commercial and supporting-commercial uses away from residential areas
5. Use conservation subdivision design techniques to preserve natural systems
6. Design streets that are appropriate to the scale of the neighborhood and that promote multi-modal usage

Urban Renewal (2005)

Summary of Relevant Policies:

1. Contribute to the historical and architectural integrity of Downtown Tuscaloosa as an integral part of the Study Area's strategic initiatives
2. Explore the use of public-private partnerships and tax-increment financing to promote redevelopment. The City should establish covenants on land that it acquires and sells to the private sector to ensure that development meets the City's goals.
3. Use a range of tools to prevent blight and encourage infill development on underused lots
4. Create a Design Review process to ensure that new development and modifications to existing developments are aligned with the desired character of the community
5. Increase intensity of uses in the Downtown Study Area to promote more urban living
6. Create a "city center" by providing an Urban Park/Plaza as a major activity center and focal point for community activities
7. Incorporate "Central Business District" design standards into the Zoning Ordinance

AREA SPECIFIC PLANS

Update to the Specific Plan for District 3 (2017)

Summary of Relevant Policies:

1. Preserve and revitalize established neighborhoods.
2. Ensure compatibility between new developments and existing neighborhood fabric by using density step-up standards.
3. Use Planned Unit Developments to create communities with a greater range of housing types and price points than those that are typically built in general zoning districts.
4. Promote high-quality design through architectural and design standards.
5. Establish multigenerational neighborhoods that have a range of community uses such as parks and neighborhood-scale retail.
6. Develop greenways and other facilities for pedestrians and cyclists to ensure safe circulation.

Greater Downtown Plan (2010)

Summary of Relevant Policies:

1. Enhance the vibrancy of the Downtown core through a Main Street Program and other initiatives to encourage infill, including residential, office, and retail
2. Allow a range of housing types, including condominiums, townhouses, traditional single-family, live-work units, and apartments
3. Restore vacant and underused properties. Identify opportunities to revitalize dead spaces such as surface parking lots and ground floor uses
4. Protect historic character of the Downtown by instilling compatibility standards
5. Create safe streets for multiple transportation modes
6. Incorporate civic spaces within the Downtown built environment

Specific Plans – Districts 6 and 7 (2009)

Summary of Relevant Policies:

1. Preserve community character while reinvesting in areas in need of redevelopment
2. Enhance viability of multi-modal transportation options
3. Protect green infrastructure, considering the environmental impacts of all proposed developments
4. Promote high-quality development

Specific Plans – West Tuscaloosa and Greater Alberta Community (2007)

Summary of Relevant Policies:

1. Ensure neighborhood-scale development, with no buildings exceeding two stories, and adjacent buildings relating in height and configuration
2. Design for the pedestrian realm, requiring a build-to line for all developments and encouraging developers to configure parking in a way that minimizes eyesores in the community
3. Preserve the tree canopy and integrate street trees when possible
4. Use context-sensitive design and incorporate appropriate transitions between different uses
5. Protect green infrastructure, and situate development in a way that minimizes interference with natural systems
6. Plan for higher density residential development in proximity to neighborhood amenities
7. Create community open spaces such as greenways and parks, and encourage both active and passive recreation
8. Focus commerce, industry, office uses, and recreational and institutional support services into development focus areas served by arterial and collector streets.
9. Enhance gateways into the community through landscaping and other design interventions
10. Promote commercial uses at key intersections rather than allowing scattered strip developments
11. Work with Alabama Department of Transportation on an Access Management Plan that prioritizes roadway safety and efficient circulation

Specific Plan – University Area Neighborhoods (2004)

Summary of Relevant Policies:

1. Retail and dining uses should be placed at street level; any office and residential uses should be placed to the rear or in upper stories
2. Adjacent buildings should relate in scale, height, and configuration
3. Residential entrances should be raised above the sidewalk a minimum of two feet to reinforce a privacy zone and distinguish them from commercial entrances

Specific Plan – Forest Lake Neighborhood (2003)

Summary of Relevant Policies:

1. Seek redevelopment to promote appropriate mixing of uses and more pedestrian-friendly environments
2. Preserve fabric of established neighborhoods
3. Use public-private partnerships to improve sidewalks, especially to increase accessibility between residential areas and schools
4. Reconfigure street network to promote more efficient and safe circulation
5. Implement design standards to ensure high-quality developments

APPENDIX C: HOUSING AGENCIES, NONPROFITS, AND PROGRAMS PROVIDING ASSISTANCE AND SERVICES IN TUSCALOOSA

Table C.1. Current Roles of Departments, Advisory Boards, and Committees

ENTITY	RESPONSIBILITIES
Tuscaloosa Housing Authority	<ul style="list-style-type: none"> - Manages 5 public housing sites, which includes 695 units ranging from efficiency units to 5-bedroom apartments - Distributes Housing Choice (Section 8) Vouchers - Connects residents to needed services including, but not limited to, job training and healthcare - Develops ownership units and markets to first-time homebuyers
City of Tuscaloosa Office of Federal Programs	<ul style="list-style-type: none"> - Distributes federal money from the Community Development Block Grant and Home Investment Partnerships programs
City of Tuscaloosa Office of Urban Development	<ul style="list-style-type: none"> - Moderates development of the built environment to ensure a community-led process - Invests in developments that align with community goals
Tuscaloosa Planning and Zoning Commission	<ul style="list-style-type: none"> - Approves new subdivisions and makes recommendations to the City Council for zoning changes
Tuscaloosa Housing Finance Corporation	<ul style="list-style-type: none"> - Uses federal grant money to provide mortgage subsidies - May also use grant money to address community housing needs in other ways (zoning code does not specify)
Tuscaloosa Historic Preservation Commission	<ul style="list-style-type: none"> - Reviews applications for Certificates of Appropriateness for modifications of properties within historic districts
Fair Housing Advisory Committee	<ul style="list-style-type: none"> - An eight-member committee appointed by the City Council to provide advice on fair housing issues to the City and the Director of the Office of Federal Programs
Resident Councils	<ul style="list-style-type: none"> - Each housing community managed by THA has a Resident Council that meets regularly to address issues and build community
Tuscaloosa County Health Department	<ul style="list-style-type: none"> - Provides free or reduced-cost health services to qualified persons
West Alabama District Health Department	<ul style="list-style-type: none"> - Carries out lead screenings in children and reports addresses to the City
Department of Human Resources	<ul style="list-style-type: none"> - Administers the TANF program, the SNAP program, and other assistance programs
Continuum of Care (also known as West Alabama Coalition for the Homeless)	<ul style="list-style-type: none"> - Coordinates homeless prevention and rapid rehousing activities carried out between 29 member-organizations (Office of Federal Programs serves as the lead)

Table C.2. Non-Governmental Entities Involved in Providing Affordable Housing or Ancillary Services

ENTITY	RESPONSIBILITIES
Community Service Programs of West Alabama, Inc.	<ul style="list-style-type: none"> - Administers the federal Weatherization Assistance Program - Develops family-oriented apartments as well as single-family homes - Provides financing for housing rehabilitation - Provides supportive services, such as meal assistance and housing counseling (housing counseling service usually funded by HOME grant) - Offers early childhood education programs
Habitat for Humanity	<ul style="list-style-type: none"> - Helps extremely and very low-income households to pursue homeownership, often through sweat equity - Provides assistance for home repairs
Bernice Washington Hudson Estates	<ul style="list-style-type: none"> - Develops housing for low to moderate income households
Hollyhand Companies, Inc.	<ul style="list-style-type: none"> - Develops, constructs, and manages multifamily and single-family communities - Specializes in LIHTC development in West Alabama
CommunityWorks Tuscaloosa	<ul style="list-style-type: none"> - Provides financial literacy courses and other resources to low-income residents
Alabama Credit Union	<ul style="list-style-type: none"> - Provides loans such as home mortgages and small business loans at lower interest rates than often found at traditional banks - Operates a variety of community programs such as Secret Meals and GreenPath Financial Wellness
West AlabamaWorks	<ul style="list-style-type: none"> - Works with the Chamber of Commerce of West Alabama to provide workforce development and to implement other economic development strategies
West Alabama Aids Outreach	<ul style="list-style-type: none"> - Provides beds and medical care to those with HIV/AIDS
Indian Rivers Mental Health Center	<ul style="list-style-type: none"> - Offers services to those suffering from mental illnesses, substance abuse, or intellectual disabilities
Whatley Health Center	<ul style="list-style-type: none"> - Provides healthcare to underserved populations in West Alabama
Temporary Emergency Services	<ul style="list-style-type: none"> - Assists clients who are in crisis with a range of services, such as utility and rent assistance
Phoenix House	<ul style="list-style-type: none"> - Provides rehabilitation services for those struggling with substance abuse
Turning Point	<ul style="list-style-type: none"> - Provides shelter for women who are victims of domestic violence
FOCUS on Senior Citizens of Tuscaloosa County	<ul style="list-style-type: none"> - Provides door to door transportation services for seniors from their homes to needed appointments and activities
Tuscaloosa Salvation Army	<ul style="list-style-type: none"> - Provides emergency shelter, homeless prevention services, and rapid rehousing services

Table C.3. Affordable Housing Programs Administered by the Tuscaloosa Housing Authority (THA)

PROGRAM NAME	PROGRAM DESCRIPTION
Housing Choice Voucher Rental Program (Section 8 Rental Assistance)	- THA provides Housing Choice Vouchers (Section 8) to approximately 2,000 households. According to the 2015-2019 Consolidated Plan, 892 of these vouchers were project-based, and 972 were tenant-based. Additional tenant-based vouchers were provided by the City following the 2011 tornado.
Voucher Transition Program	- The City of Tuscaloosa and THA have a set-aside fund for families who are expected to transition from Housing Choice Vouchers to the private market after 2 years of assistance.
HUD-Veterans Affairs Supportive Housing (HUD-VASH) program	- THA and the Department of Veterans Affairs ensure that supportive services are available to veterans who receive Housing Choice Vouchers.
Family Self-Sufficiency (FSS) Program	- This HUD program helps holders of Housing Choice Vouchers to become self-sufficient by connecting them with job training, education, or other needed services. HUD rewards those who complete the program by matching their rent increases (which result as participants increase their earned income) in an escrow account, which may be used for eligible activities such as making a down payment on a home.
Resident Opportunity for Self-Sufficiency Program	- This HUD program assists residents of public housing to build self-sufficiency by providing them with resources in a variety of realms, such as education, personal health, and disability counseling.
THA Homeownership Program	- The City of Tuscaloosa and THA jointly work on helping first-time homebuyers to find homes, in addition to counseling and financial assistance. Second and third mortgages offered through these entities are prorated and forgiven after 15 years. Down payment assistance is also available for some housing units.
Housing Rehabilitation Loan/Grant Program	- The City of Tuscaloosa offers grants and loans for housing rehabilitation for qualified owners.
Homeless Prevention Project	- The City of Tuscaloosa assists low-income persons in the City Limits to find legal help, with an emphasis on persons facing homelessness, especially the elderly.
Shelter Plus Care	- This HUD program provides rental assistance and supportive services to persons with long-term disabilities.
HOME Resale and Recapture Provisions	- The Tuscaloosa Housing Authority enforces HUD's Resale and Recapture Provisions that protect units funded through the HOME Investments Partnership Program. These provisions allow for long-term preservation of affordability or financial recapture of the public subsidy.

APPENDIX D: ENDNOTES

- 1 A housing land trust is typically defined as a nonprofit, community-based organization with the mission to provide affordable housing in perpetuity by owning land and leasing it to those who live in houses built on that land.
- 2 <https://www.census.gov/data/tables/2017/demo/income-poverty/acs5yrs.html>
- 3 The Section 8 housing choice vouchers program is the federal government's program that provides assistance to very low-income families to afford decent, safe, and sanitary housing. Housing can include single-family homes, townhouses and apartments and is not limited to units located in subsidized housing projects.
- 4 High propensity for change describes an area or neighborhood where conditions exist that suggest that the area may experience significant change in terms of turnover of future tenants and homeowners. An example of this is when an area has many landowners or renters that are elderly and will likely pass away within the next few decades leaving the home to heirs or to be sold to another household.
- 5 Improvement value is defined as the cumulative value of any structures located on a parcel of land, but not including the value of the land.
- 6 Improvement value to land value ratio is the calculation of improvement value (defined in #5 above) divided by the land value of the property.
- 7 Low income refers to the U.S. Department of Housing and Urban Development's (HUD) definition of a household that earns no more than 80% of the local median family income. The median family income is calculated annually by HUD.
- 8 Loss of units describes a condition where residential housing units in a community are "lost" through the demolition of the unit, conversion of the unit to another use, or loss through natural disaster.
- 9 Annual unit production average excludes 2018 data and the 2014/2015 data for multifamily housing units.
- 10 Home improvement loans are defined as a loan to a household in the form of money from a lending institution to pay for improvements to their home.
- 11 Very low income refers to the U.S. Department of Housing and Urban Development's (HUD) definition of a household that earns no more than 50% of the local median family income. The median family income is calculated annually by HUD.
- 12 Extremely low income refers to the U.S. Department of Housing and Urban Development's (HUD) definition of a household that earns no more than 30% of the local median family income. The median family income is calculated annually by HUD.
- 13 Net in-migration is the difference between the total number of persons moving to a community and the total number of persons moving out of that same community.
- 14 CBER estimates adjusted to reflect city and estimated household size.
- 15 This information is based on analysis of MLS sales data of existing housing units.
- 16 This information is based on analysis of ACS county migration statistics prorated to city household percentage.
- 17 Center for Community Progress, <https://www.communityprogress.net/tool-1--vacant-property-registration-ordinances--pages-257.php>

18 Land banking describes the act of a public or private organization acquiring and holding land for a future intended use. The Birmingham Land Bank has the mission to steward vacant, abandoned, and tax-delinquent properties and dispose of them to the best use as defined by the needs of the community, to reduce community blight, stabilize neighborhoods, facilitate community civic, and commercial redevelopment, and to increase community and overall City of Birmingham property values while returning such properties back to the tax rolls.

19 The U.S. Department of Housing and Urban Development (HUD) defines an entitlement community as one that is eligible to receive Community Development Block Grants (CDBG) to assist with community development efforts. Entitled communities can either be principal cities of Metropolitan Statistical Areas (MSAs), other metropolitan cities with populations of at least 50,000, or qualified urban counties with populations of at least 200,000 (excluding the population of entitled cities).

20 Millennial aged workers are those workers employed in the United States that were generally born between 1981 and 2000.

21 Section 9(g)(3) of the Housing Act of 1937 ("Faircloth Amendment" or commonly called the Faircloth Limit) limits the construction of new public housing units. The Faircloth Amendment states that the U.S. Department of Housing and Urban Development (HUD) cannot fund the construction or operation of new public housing units with capital or operating funds if the construction of those units would result in a net increase in the number of units a public housing authority owned, assisted or operated as of October 1, 1999.

22 The term "barriers to connectivity" describes situations where a place, neighborhood, or other area is limited in terms of its connectivity to adjacent places. Limitations could include adjacent roads or sidewalks that do not connect or the lack of roads, sidewalks, or other connecting rights-of-way between places.