

FRANKLIN, TN: WHO ARE WE AND WHO WILL WE BECOME?



NATIONAL
COMMUNITY LAND TRUST
NETWORK

Prepared for Franklin's Housing Summit 2
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Emily Thaden, Ph.D.
Research & Policy Manager



Franklin is unique.



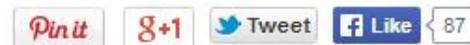


The result of intentional planning and development.

Find It All in Franklin

Just a few miles south of Nashville, this small town holds more than 70 shops, restaurants, and music venues—all within 16 blocks. Here's how to make a day of it.

Article: James T. Black



Southern Living



This month, the Franklin Theatre will offer a production of the musical *Smokey Joe's Cafe*.

9:30 a.m.

Start at Merridee's Breadbasket

Sit down to breakfast with a build-your-own omelette that offers two eggs and a choice of three other ingredients from a list that includes ham, bacon, onions, peppers, cheese, and mushrooms (\$6). 110 Fourth Avenue South; merridees.com or 615/790-3755

10:30 a.m.

Shop Downtown

Boutique MMM

Maria Magdalena Molnar opened this shoe shop last September. Since then, Maria has outfitted women from around the country with footwear from such brands as Taryn Rose, Butter, and Donald J Pliner. 238 Public Square; boutiquemmm.com or 615/628-8323

Emmaline

Owner Abby Palmer features designers such as Joie



Intentional community planning & development is needed **now**.

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Report: Franklin must create more affordable housing

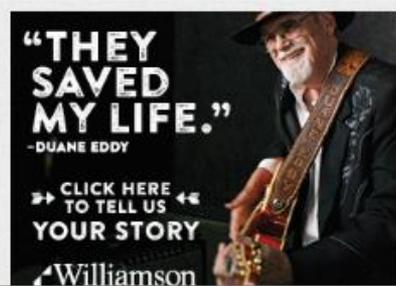
Kevin Walters, kewalters@tennessean.com 4:41 p.m. CDT April 23, 2014



(Photo: Steven S. Harman / The Tennessean)

FRANKLIN — If Franklin wants to create a more diverse supply of houses, then city leaders should lower the cost burden for renters, create greater opportunities for commuters to live in Franklin and plan for a housing supply that covers various stages of homeowners' lives — from first-time homeownership to more senior-friendly housing.

Those are some of the findings of a new report



"THEY SAVED MY LIFE."
-DUANE EDDY
CLICK HERE TO TELL US YOUR STORY
Williamson

Market View for Franklin

Trulia.com

Average Listing Price	Median Sales Price
\$742,125	\$366,000
↓ -\$4,593 -0.6% W-O-W	↑ +\$32,275 +9.7% y-o-y
for week ending Jan 14	Oct '14 - Jan 15

STORY HIGHLIGHTS

- The current median home price in Franklin is \$420,000, which is the third consecutive month of median increases in Franklin.
- Last year, just 15 percent of homes for sale in Franklin totaling 273 detached housing units were priced less than \$250,000. An additional 242 attached units were priced less than \$250,000.



To “find it all in Franklin”...

housing for valuable parts of your community needs to be available.





The following statistics & analysis are based upon:

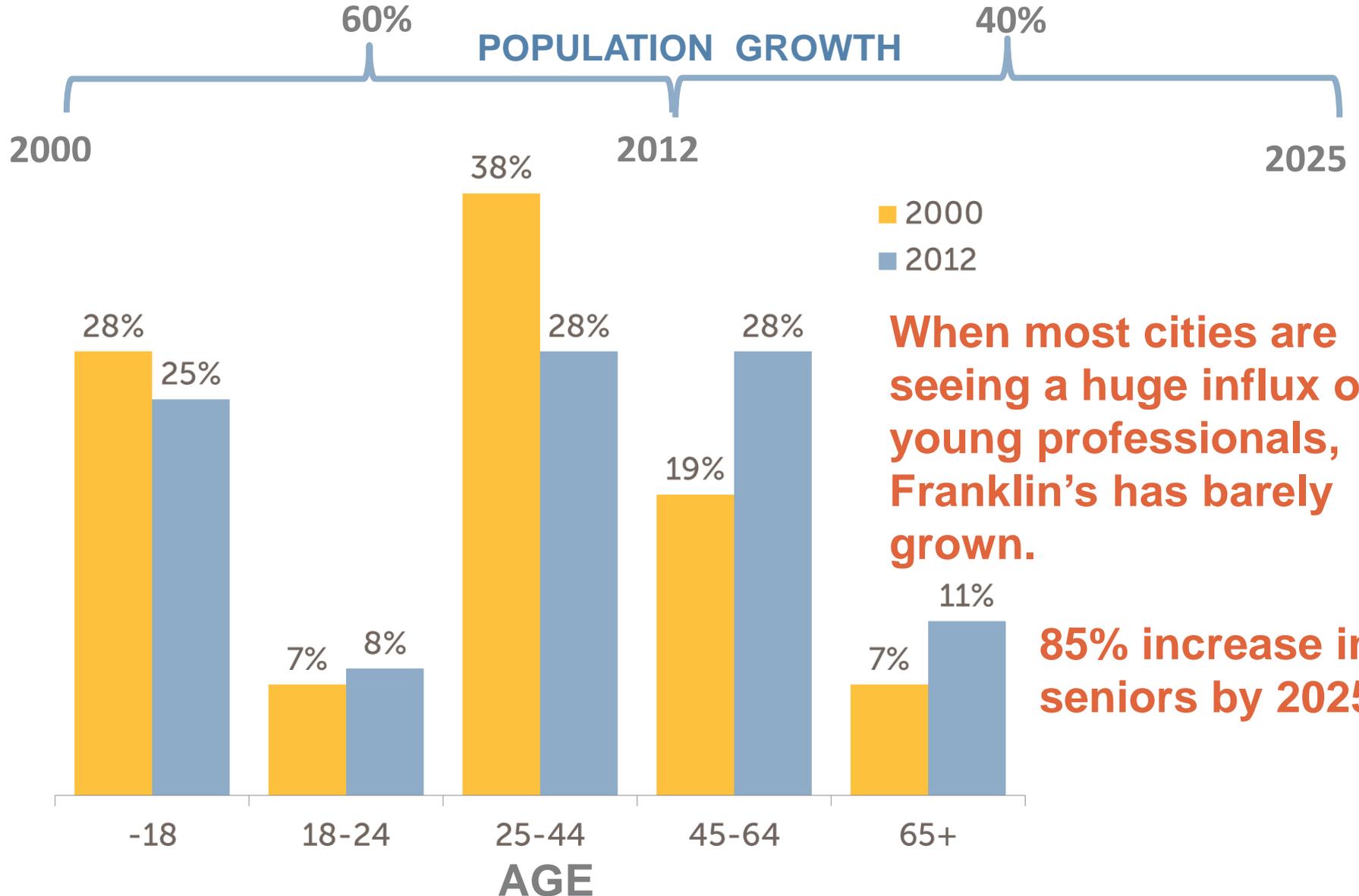
Housing Needs Assessment:
City of Franklin

May 8, 2014

Prepared by
BBC Research & Consulting
in Denver, CO.

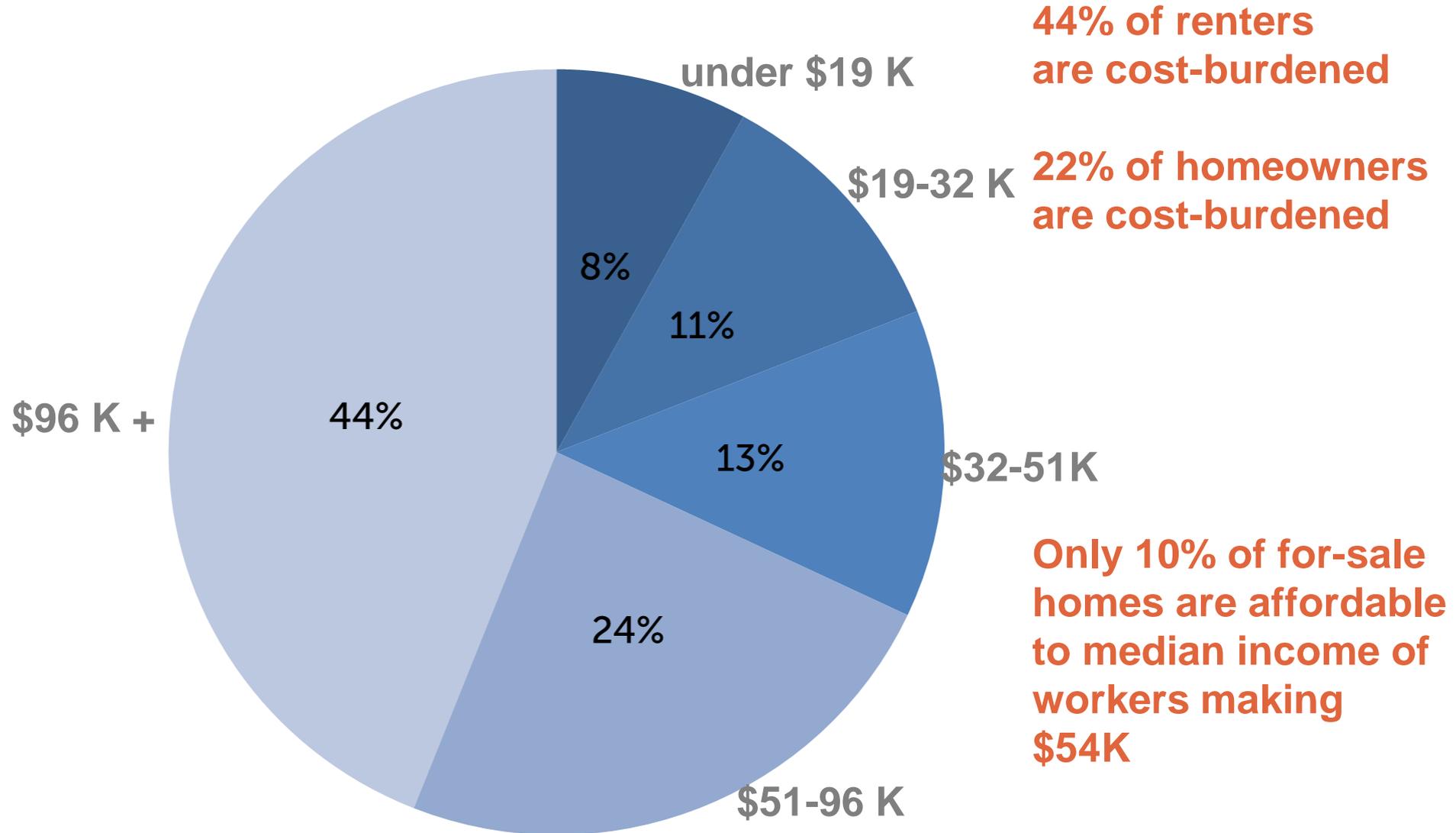


Valuable Parts of Community



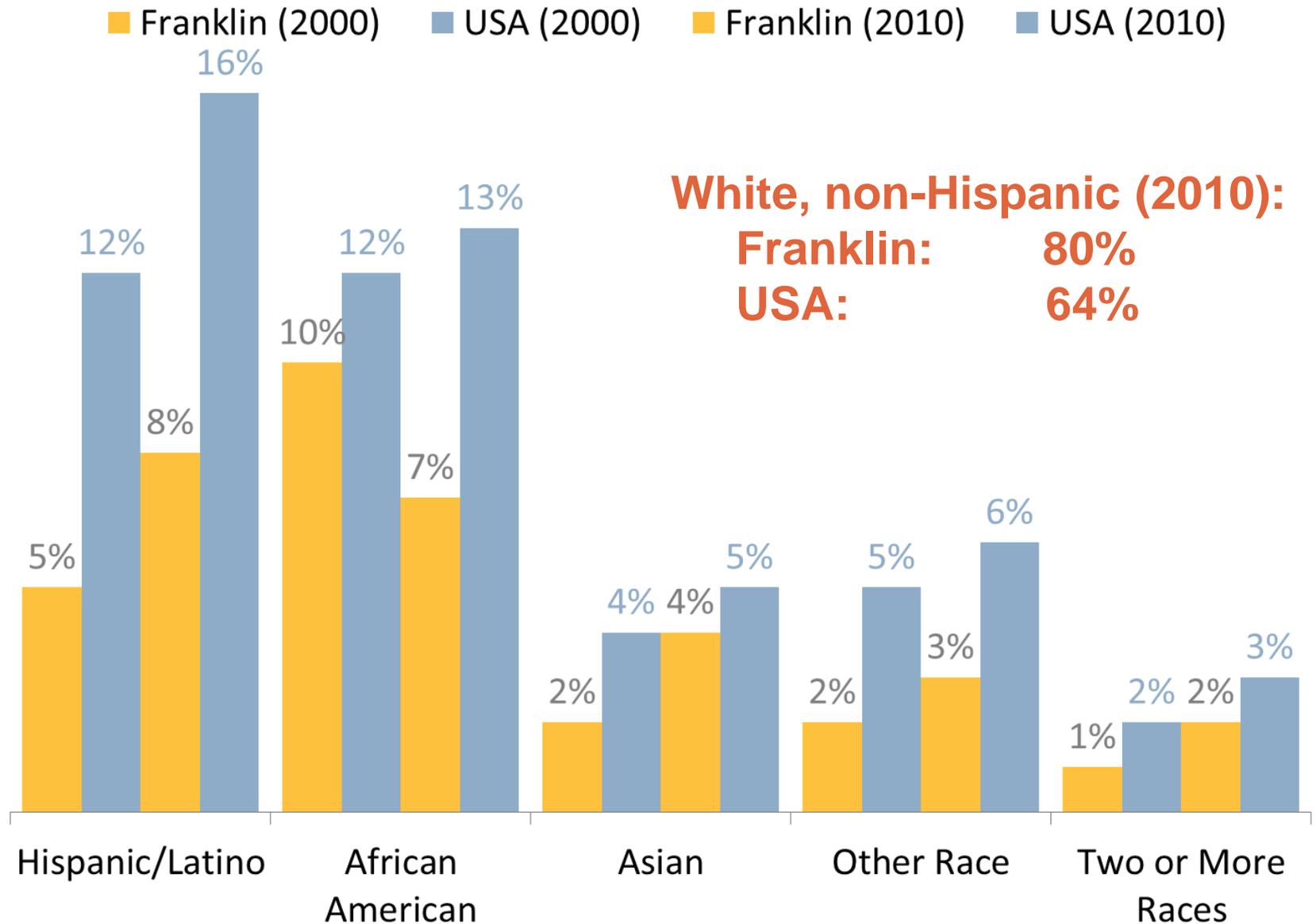


Valuable Parts of Community



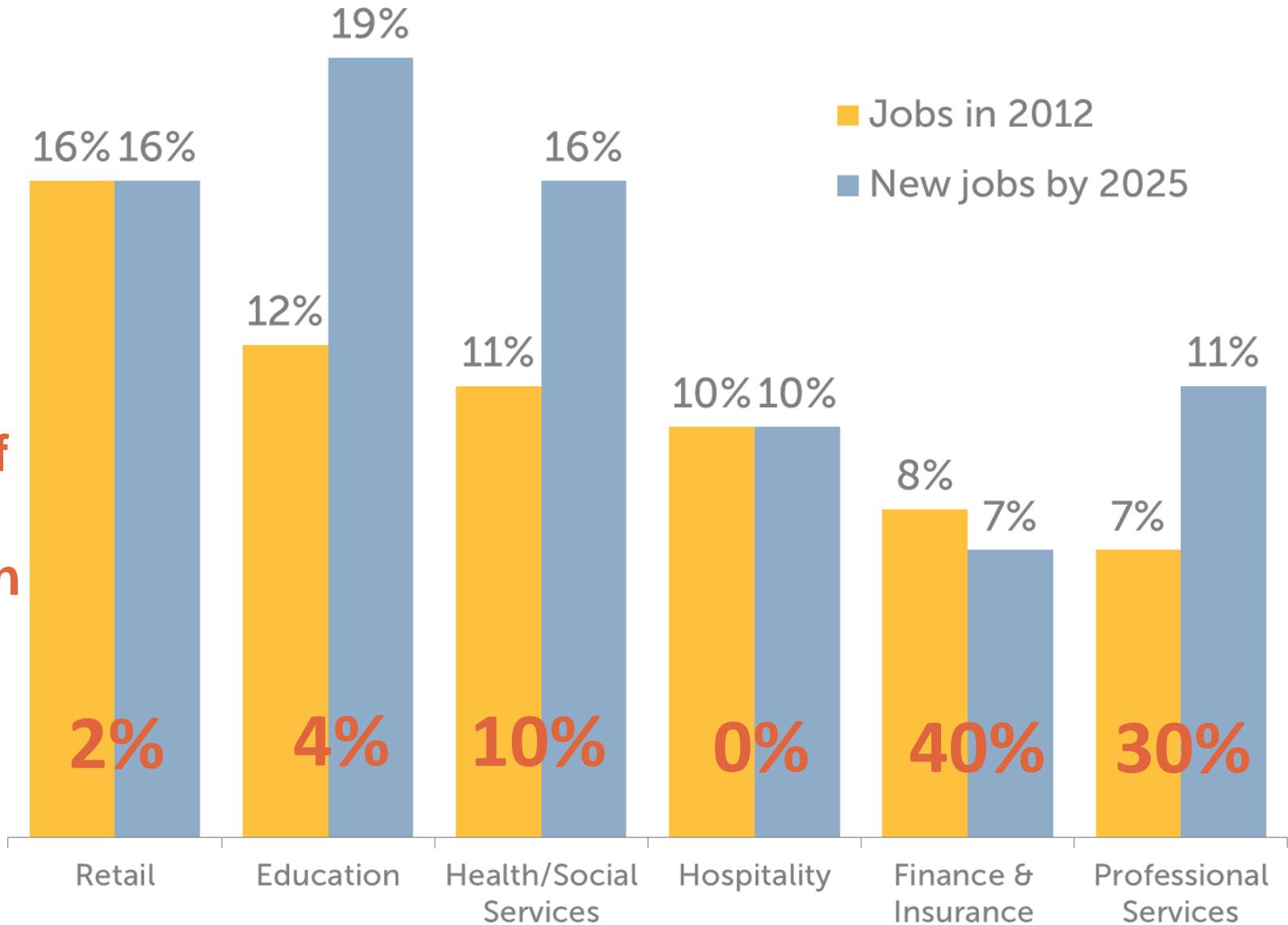


Valuable Parts of Community





Valuable Parts of Community



What % of available housing in Franklin can they afford?



Valuable Parts of Community

Live & work in Franklin	8,000
Live in Franklin, but work outside	17,500
Work in Franklin, but live outside	43,000

- **Only 15% of jobs in Franklin are held by Franklin residents.**
- **16,000 new workers expected by 2025.**
 - At least half w/ jobs paying less than median income for workers (\$54K)
 - Without more affordable housing, **12,000 new in-commuters** expected by 2025.



Current Housing

60% detached & 40% attached

Median rent in 2012 = \$1,044

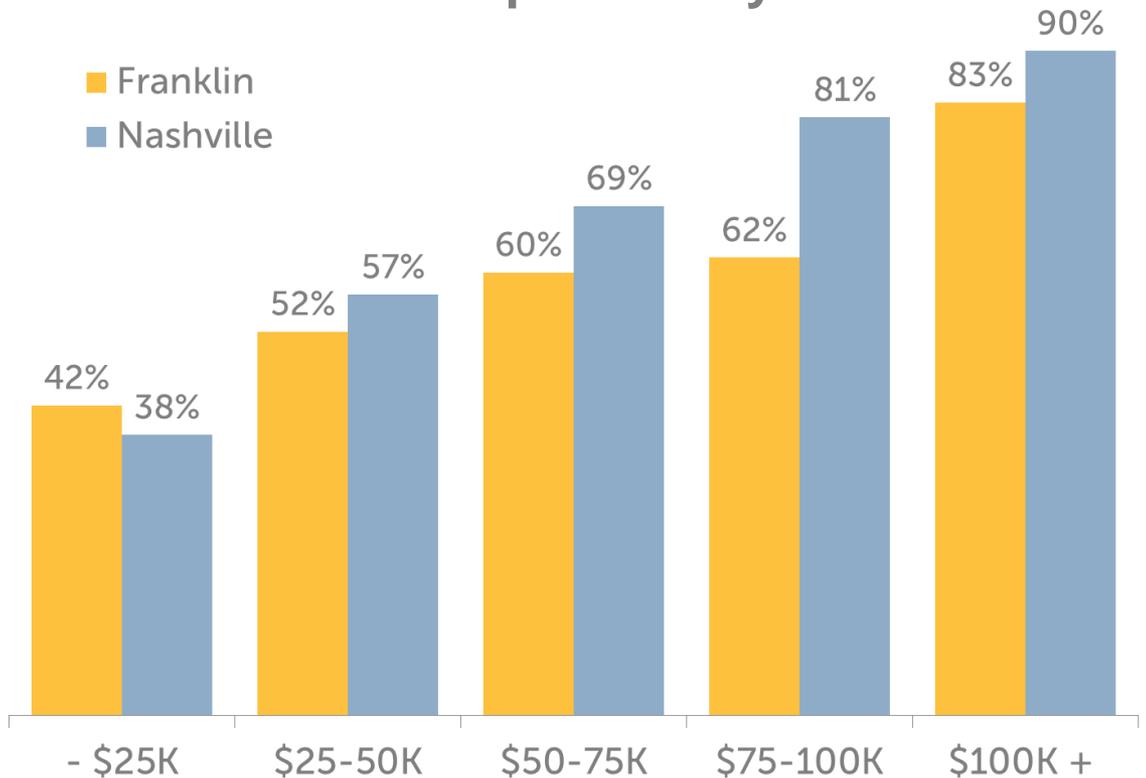
40% of Franklin renters & almost all in-commuters can't afford this

Median for-sale price = \$366K

Median owner income = \$106K

Approximately 70% of Franklin households can't afford this

Homeownership Rates by Income





Implications for Housing in the Future

HOUSING NEEDED BY 2025 TO MAINTAIN STATUS QUO

1,500 rentals (rent below \$875)

2,000 rentals (rent below \$1,000)

2,700 attached for-sale homes (priced under \$212 K)

1,200 detached for-sale homes (priced under \$365 K)

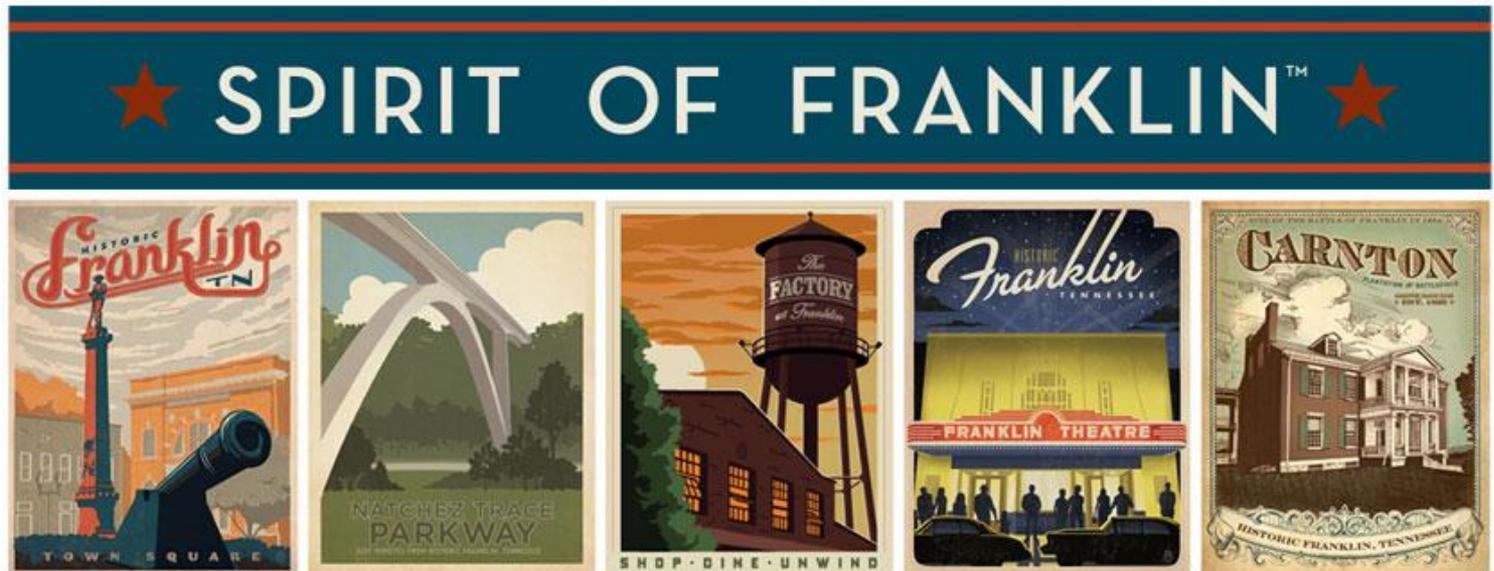
WHAT'S AT STAKE

- Declining homeownership rate & declining wealth in community
- Poor economic development, weak job growth, increase in unemployment
- Racial, cultural and economic diversity disappears
- Seniors without services and safe housing
- Serious traffic and air quality issues
- Less revenue & increased expenditures on preventable costs



Objective

Cultivate inclusive communities and diversify housing to keep Franklin vibrant, healthy, & unique.



BETTER HOUSING FOR A BETTER CITY: Potential Strategies for Franklin



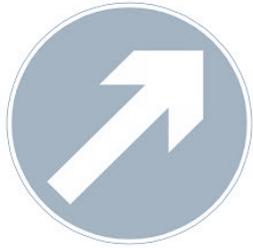
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Prepared for Franklin's Housing Summit
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Emily Thaden, Ph.D.
Research & Policy Manager

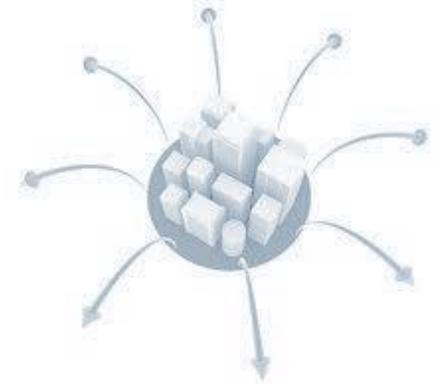


Why now & Why everyone should care



Cities & states increasingly responsible for housing.

In-commuting is a temporary solution with permanent problems.



Affordable housing needs will increase and become more costly to address.

Inclusive communities benefit everyone.





Reasonably-priced

housing creates

BETTER-OFF...

FAMILIES

Families build wealth, save for college and retirement when housing costs don't break the bank.

COMMUNITIES

Diverse, reliable housing options yield invested residents that contribute to building healthy, strong communities.

EMPLOYERS

Employers are more likely to come and stay in a city when their workers can afford nearby homes. When housing costs aren't too high, businesses know that residents have money to spend.

CITIES

Public health and safety are better when emergency responders, educators, and social service providers can afford to live in the city. Minimizing sprawl means less environmental impact and less taxpayers dollars spent on roads and infrastructure.





Recommendations for Franklin

1. Intentionally plan & set explicit goals
2. Update zoning & land use policies
3. Create a successful inclusionary housing program





1. Intentionally plan & set explicit goals



Congratulations! This **housing summit** is a great first step.



“Take a more **proactive stance on affordable housing** development...create affordable housing targets.”



“**Inventory vacant and underutilized parcels**...assess potential for mixed income housing, develop a **vision**, and **modify zoning** as needed.”



2. Update zoning & land use policies



Identify barriers to infill.



Reassess desired densities & allow accessory dwelling units and cottage homes.



Create an inclusionary housing policy.



ZOOMING IN: Accessory Dwelling Units offer benefits across generations





3. Create a successful inclusionary housing program

What it is

How prevalent is it

How does it work

Policy considerations for goals & design





Inclusionary Housing...

creates quality **homes**

for hard-working **families**

that are **reasonably priced**



...**without** additional public funding.



512

Inclusionary Housing policies

exist across the country.



Over 200 owned homes in
Chapel Hill, NC



160 owned and rented
homes in **Santé Fe, NM**



Close to 550 homes in
Cambridge, MA



Approximately 850 rental and
owned homes in **Chicago, IL**



Over 14,000 rental and owned homes
created in **Montgomery County, MD**



How it works

City council adopts an inclusionary housing ordinance.



In order to construct new buildings, developers are required or asked to help create reasonably-priced homes (either by building them or providing money).



Developers construct new buildings like this one.



In return, the City gives something to the developers (like letting their building have extra floors).





ZOOMING IN:

What's fair to ask of private developers?

UNFAIR

- Private developers paying to resolve the city's *entire* affordable housing problem.
- Requirements that result in inadequate profits, deter new construction, or make home values plummet.

FAIR

- Accepting **incentives** to help create affordable housing.
 - Not walking away with the public's entire investment that made development valuable in the first place.
 - Inclusive community and community-condoned development.
-



1. What should be required or asked of developers?

Require or Ask

- 85% of programs are mandatory
- Fewer homes are produced by voluntary
- Programs are moving to mandatory
- State laws need to be considered

Build homes or Pay fees

- Average requirement: 15% of homes made affordable
- Building homes is typically preferred
- Fee options can apply to more development but capacity is needed
- Vary requirements by neighborhood or zone



Chapel Hill, NC:

2000-Voluntary affordable housing policy adopted

2010-Mandatory ordinance for inclusionary housing passed



2. What benefits /incentives could be offered to developers?

- Density bonuses
- Other zoning variances (set-back, parking)
- Expedited permitting
- Fee waiver, reduction or deferral
- Tax abatement
- Subsidies





3. What should be the outcomes?

Goal → Design Implication

Decrease in-commuters

- mandatory for rental, build on-site, incentivize deeper affordability

More homeowners

- mandatory policy on for-sale development

Housing for seniors/disabled

- require accessibility, use fees to fund nonprofits

Economic integration

- build on-site or nearby

Neighborhood revitalization

- build in targeted area

Increase the stock of affordable homes

- require permanent affordability

Land for community

- allow land dedication



QUESTIONS & DISCUSSION



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