

# Population and Housing

vital, vibrant neighborhoods



Charleston has changed more dramatically during the past two decades than in any other 20-year period. Much of this change is attributed to rapid modernization of the world through changes in how we communicate, travel, work or where we dwell.

Constant technological innovations have given an unprecedented freedom of travel, information exchange, entertainment options, housing choices and access to education. Globally, the population is growing and resources are stretched. As technology spreads globally, the resources for survival and comfort are also spread. Competition on every level (global, regional, state, and local) requires more than ever that government operates efficiently and effectively. These facts cannot be ignored as Charleston seeks to continue as a sustainable community and a preferred place to live and do business.

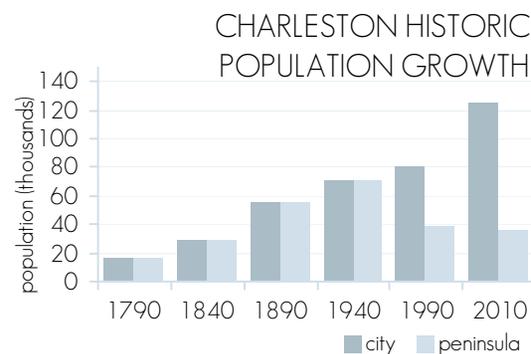
### Trends Affecting Planning

The Century V City Plan Update comes during a remarkable period in the urban development history of the United States. All levels of government are questioning policies that have for decades encouraged flight from the urban city. Many businesses are promoting urban development and redevelopment as sound,

long-term investments. Sustainability advocates, urban planners and developers have begun to forge a vision of urban life as a substantial part of the answer to many environmental and human quality of life challenges. The standout issue faced in the past decade is the increased cost of energy; which has caused every level from nations to households to reevaluate everything from travel modes to housing construction. Public and private leaders have suggested looking to cities as the most livable human habitat.

### Urban Growth Patterns

In the simplest terms, urban areas are the cities and towns that serve as our cultural, economic and population centers. The national trend has been a steady population growth of urban areas and decline in other areas. Between



Source: U.S. Census Bureau and City of Charleston Estimates

### National Urban Growth Trends

- The City of Philadelphia's population declined by 9.4% between 1990 and 1998, the Philadelphia region grew by over 80,000 residents. An indication of changes in growth and land use patterns may be that in the decade between 2000 and 2009, the City of Philadelphia's population grew by 2% while the metro area grew by a relatively comparative 4.9%.
- A similar trend occurred with cities in all regions of the country; New York, San Antonio, Los Angeles, Atlanta, Charlotte & Wichita.
- The City of Portland Oregon, a city with a 30-year history of efforts to control sprawl, grew by 3.7% between 1990 and 1998 while the overall region grew by 15.9% between 1990 and 1996. Contrast this with the 2000-2009 period and the trend towards massive suburban growth seems to be at least slowing: the City of Portland saw double the growth of the urban center at 7% while the metro area continued to grow by 16.3%.

1990 and 2000, 75% of U.S. cities with at least 100,000 residents grew in population. Today, more than 80% are experiencing growth with over half growing by more than 5% during the past decade. As expected the Southern and Western U.S. grew the fastest (over 13%). While the nation and local communities reevaluate urban patterns, new suburban growth in metropolitan areas of the United States continues to exceed the growth in the center, or principal, cities of metropolitan areas. This trend was prevalent in the Charleston area during the 1990s and affected how the City planned for growth and change.

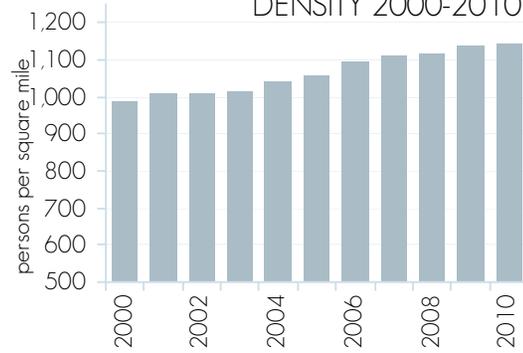
**Slowing Suburban Expansion:** A closer look at national and local trends between 2000 and 2009 shows that many of the “cities” are actually “suburban growth areas.” For example, in the Chicago, Illinois metropolitan area, the “suburb” city of Joliet experienced a 37% increase in population. While the City of Chicago, the urban core of the metropolitan area, declined slightly in population. Yet overall the Chicago metropolitan area reports a five percent total growth rate; the area showed growth, while the city center’s population shrunk. This trend was evident throughout the country in the 1990’s, but recent population data show the trend may now be decelerating.

**POPULATION GROWTH IN CITIES**

City	Principal City Population 2000-2009	Metro Area Population 2000-2009
Charleston, SC	19.7%	20.1%
Athens, GA	14.7%	15.7%
Columbia, SC	11.2%	15.1%
Gainesville, FL	22.2%	12.2%
High Point, NC	20.5%	11.1%
Mobile, AL	2.9%	3.0%
Savannah, GA	2.4%	17.0%
Wilmington, NC	33.6%	29.2%

Source: U.S. Census Bureau, Population Estimates

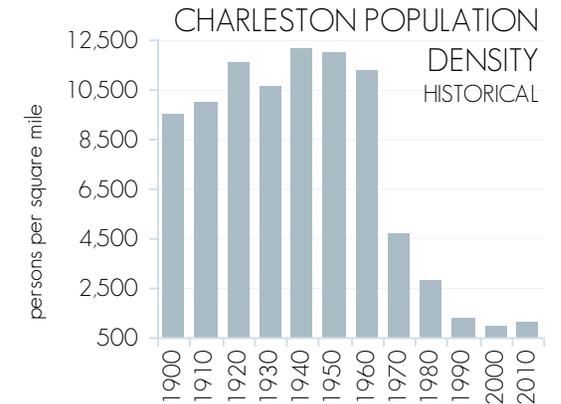
**CHARLESTON POPULATION DENSITY 2000-2010**



Source: U.S. Census Bureau and City of Charleston Estimates

Slowing suburban expansions like Chicago’s example are now seen in many U.S. metropolitan areas, including Charleston at the sub-area level. The regional population of the Charleston metropolitan area increased rapidly while the Charleston peninsula, the region’s urban core, remained nearly constant. However, it is clear that where population growth occurred over the last decade, the urban core is no longer the loser on the overall growth chart as in the past. To illustrate, the “Population in Cities” table in the lower-left shows the differences in center cities versus metro areas for Charleston and other small U.S. cities comparable in size and location. Even the largest cities, that in the south are following this trend: the principal City of Atlanta grew slightly faster (29%) compared

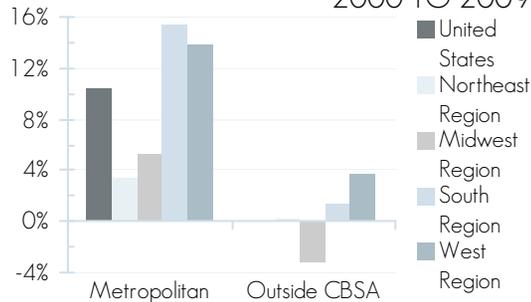
to its metropolitan rate (28%); the City of Charlotte grew 25% compared to 31% at the metropolitan level.



Source: U.S. Census Bureau and City of Charleston Estimates

**Density:** Another indicator of urban growth patterns and population distribution is density. Because most principal cities in metropolitan areas have fairly static boundaries, the growth in population has resulted in a rise in densities. Locally, the overall density of the City of Charleston has increased slightly during the past decade to approximately 1,143 persons per square mile; a sign that the Charleston area is making progress in land use efficiency. This is a leveling-off of a downward trend evident over the past several decades. Recent population estimates indicate that as annexed areas have

### REGIONAL GROWTH CHART 2000 TO 2009



Source: U.S. Census Bureau, Population Estimates  
CBSA: Core Based Statistical Area (area not in a metropolitan (cities) or micropolitan (towns) area)

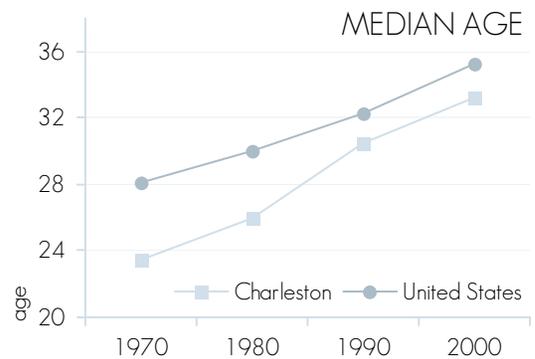
developed and infill development occurred, density in Charleston increased by an estimated 16% between 2000 and 2010.

### Demographic Shift

**Population Migration:** South Carolina was the tenth fastest growing state between 2000 and 2009 (U.S. Census Bureau Estimates). This figure is evidence of the recent shift of the national population through migration and natural increase.

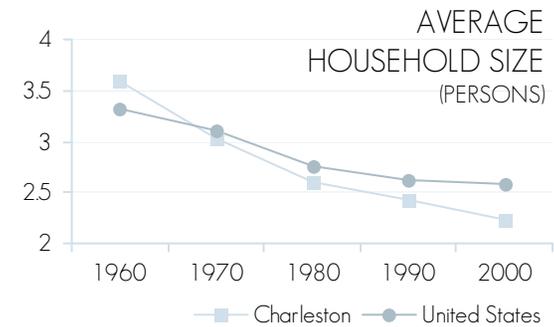
Between 2000 and 2009, the South Region (region defined by U.S. Bureau), by far, saw the highest overall increase in population actually absorbing more than half of the national population growth. Natural population

growth and flow of residents from northern to southern urban areas led to the South region having the fastest growing metropolitan areas in the United States. From 2000 to 2009, metropolitan growth in the South Region grew by 15% (over 12 million persons) compared to very little growth outside Core Based Statistical Areas (135,399 persons). During the same period the national metropolitan growth rate was 10%.



Source: U.S. Census Bureau, Decennial Census Data

This trend continues the rapid expansion of population in South Region metropolitan areas in the 1990s. In contrast, growth in rural counties (outside the Core Based Statistical Areas), which had been a fast-paced 9% in the 1990s, only rose 1.5% between 2000 and 2009. This trend may reflect changing growth management practices by local governments and a changing housing market. While subur-



Source: U.S. Census Bureau, Decennial Census Data

ban growth within the metropolitan areas still dominates the urban growth pattern, signs of maintaining urban boundaries and a movement toward incremental growth within the urban cores are seen.

**Demographics:** The 2010 Census will give an important update of the make-up Charleston. When new 2010 demographics data are released in the Spring of 2011, further analysis will be included in the appendix of this plan. This snapshot from 2010 can be used to identify trends and changes in key demographics, but also further our understanding of the cultural diversity of the City and region.

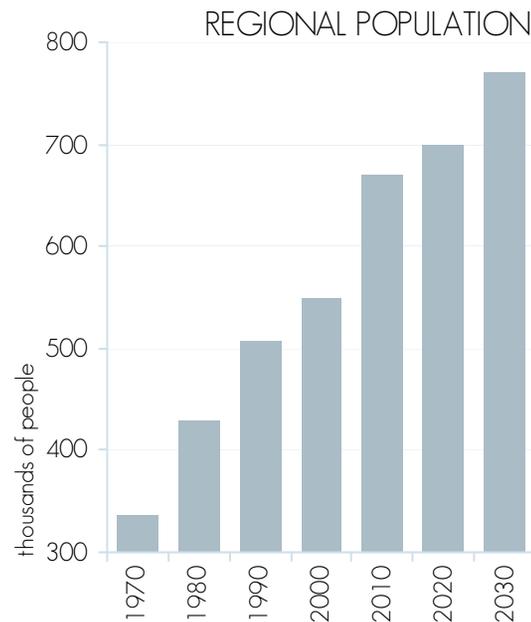
Available data reveals that in Charleston, like other places in the United States, the age of the population has been increasing and the

typical household size has been decreasing for decades.

Since World War II, Charleston's median age was lowest in 1970 when it was 23.5 years of age<sup>2</sup>. The 2000 Census found that the median age of our population had increased to 33.2 (see graph: Median Age) and Census estimates that in 2008 the median age was 33.7. Nationally, the median age in 1970 was 28.1 years, and in 2000 it was 35.3 years of age. This trend is expected to continue as the estimated largest segment of the national population is between 40 and 49 years of age.

The national trend of shrinking household sizes is also taking place in South Carolina and Charleston. In both 1990 and in 2000, about one-quarter of all households in the United States were made up of one person. This is a dramatic change from 1940, when only 8% of all households consisted of one person (U.S. Census Bureau, Decennial Census Data). In Charleston, a more dramatic change occurred. In 1940, 5.8% of S.C. households had just one person, while in 2000 the figure increased to 33.7%.

In addition, "household crowding" has sharply decreased. 'Crowded' is defined as more than one person per room. Persons per household in Charleston decreased from 3.6 persons in 1960 to 2.23 persons in 2000 (see graph: Average Household Size). In 1940, about 20% of U.S. households were considered crowded. By 1990, only 4.9% of U.S. households were considered crowded. In South Carolina, the trend is even more dramatic. In 1940, almost 40% of S.C. households were crowded and by 1990 only 4.1% were.



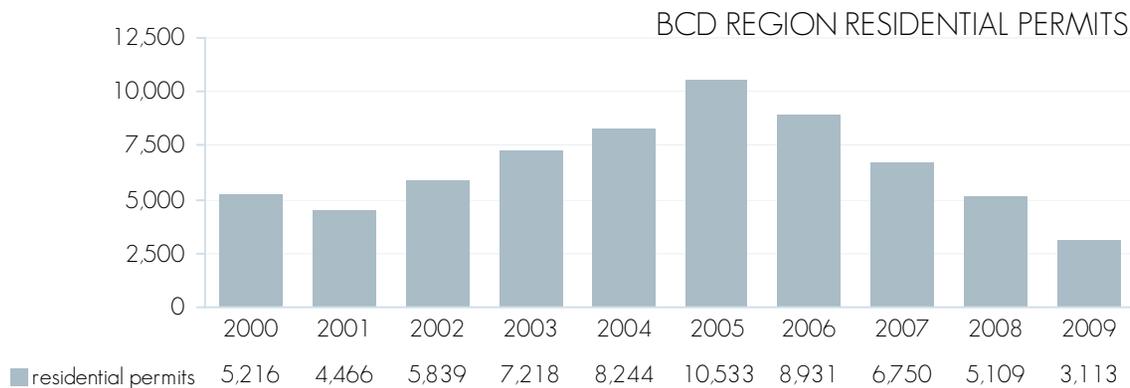
Source: U.S. Census Bureau and City of Charleston Estimates; Includes Berkeley, Charleston & Dorchester counties

An aging population and shrinking household sizes will affect demand for different types of housing, alternative modes of transportation, and local government services. The 2010 Census that has been conducted, but not compiled prior to this document, will provide an invaluable update on these and other demographic changes occurring in Charleston.

### The Regional Context

#### Charleston, Berkeley and Dorchester Counties:

The Charleston region is often thought of as the most urban portions of the tri-county area, but actually (mainly for statistical and planning purposes) comprises the entire area within the boundaries of Berkeley, Charleston and Dorchester Counties. Included within this Charleston-North Charleston Metropolitan Statistical Area (MSA) is a large degree of contextual contrast from the most rural fields of Dorchester County to the most urban streets of downtown Charleston to the barrier island beaches that help form the edge of North America. There are vast areas of unique ecological habitats, a long history of human settlement and dozens of political and public service jurisdictions; all of which make for a diverse environment that manages to grow and change as a region linked by its shared



Source: Real Estate Information Service, Inc.

resources, culture and place.

Within this regional context, the overall population has grown steadily and, most recently, has begun to rise more dramatically as local and national migration patterns affect the area. Other national trends such as a growing senior population, declining household sizes and increasing median incomes are changing the demographic makeup of the Charleston region.

Since the first non-indigenous settlements in Charleston were established in 1679, the number of inhabitants has risen from a few dozen to over half a million over Charleston's 330-year history. At first, the settled areas remained small and confined primarily to walled areas but, as the towns grew in population, so did the urbanized land area. Popu-

lation density in the region (persons per square mile) remained high until transportation and technology allowed settlements and individual property owners to spread out. Much of this spread happened as suburban development between 1950 and the present.

While the urbanized area grew, the number of people also grew rapidly, but not at the same high rate. Since 1970, the regional population has nearly doubled from 336,125 to approximately 670,000 persons. The region's population is expected to reach about 700,000 by the year 2020. While the region's population is growing at a reasonably steady rate, the amount of land being urbanized to support this population has been expanding at a much faster rate. Analysis by the Strom Thurmond Institute at Clemson University revealed that while the regional population grew by 41%

between 1974 and 1993, the urbanized area of the region grew by 255%<sup>7</sup>. This trend indicates the need for regional growth management among the three counties and 27 municipalities within the metropolitan area.

**Much of the rapid growth in the region can be attributed to influx of new residents through migration.** This has led to dramatic housing growth, especially in suburban areas such as Mount Pleasant, Summerville and the West Ashley area of Charleston. Between 2000 and 2009, 65,000 new residential permits were issued in the Charleston region. As was the case nationally, housing construction peaked around 2005 and has declined each year since. Single family residential units dominated the new construction market with 81% of the total units permitted; an indication of rapid suburban expansion. This expansion happened despite average home sale prices significantly increasing by 54% between 2000 and 2008. Since 1990, new housing development within the region has been greatest in Mt. Pleasant and in the West Ashley area of Charleston.

Along with housing and population came increased employment and economic growth. All sectors of employment saw growth in the

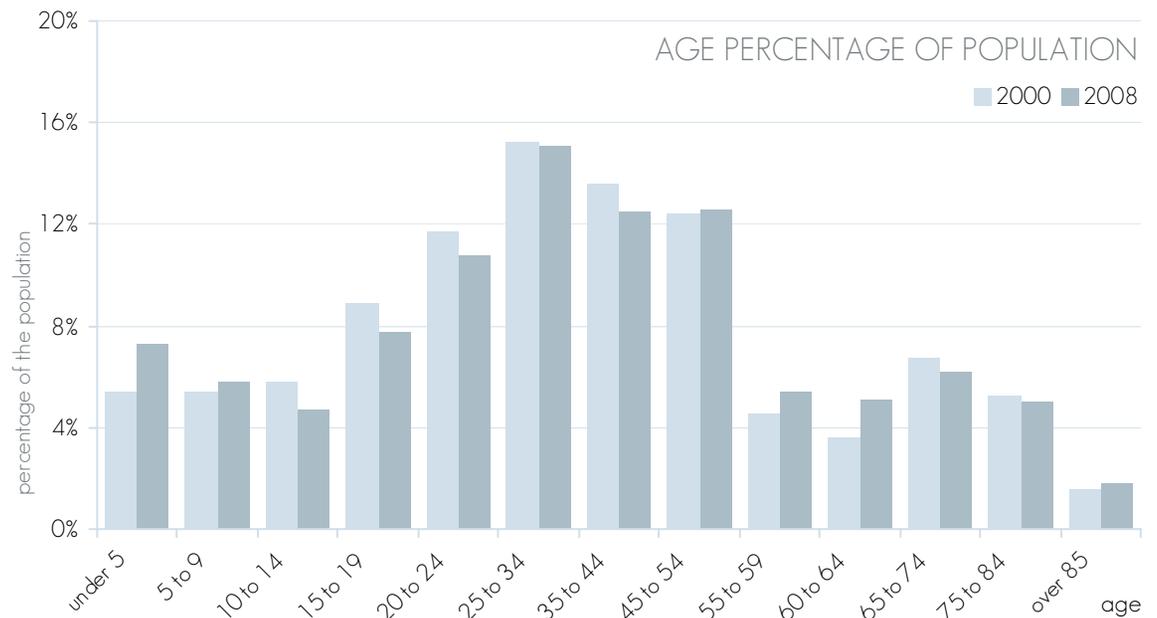
past decade with large increases in the industries related to government, education and health services. Smaller increases occurred in the construction, manufacturing and wholesale trade industries. In the last two years, many industries saw decreases in numbers of employees for the region as unemployment rose dramatically. Overall, the Charleston region fared better than many other metropolitan areas with unemployment rates remaining below State and National averages.

As expected in a metropolitan area, regional employment is concentrated in the urban core of downtown Charleston but, increasingly, areas of high employment are located on the urban fringe: West Ashley, the Airport and the I-526 area in North Charleston, and the Dorchester and Rivers Avenue corridors in North Charleston. Emerging work centers include Daniel Island and the Cainhoy Peninsula and sections of Mt. Pleasant, particularly the Long Point Road and Highway 17 interchanges with I-526 and Patriots Point. Enormous potential for increased employment for all sectors continues in the “Neck” area of Charleston and North Charleston as the South Carolina Ports Authority expands operations on the former Navy base and redevelopment occurs with mixed-uses.

The urban centers of the Charleston area are linchpins for a strong metropolitan area. Downtown Charleston remains the economic, historic, geographic and most urban center of the region. Several small town main streets remain viable in North Charleston and Summerville. The region is dominated, however, by suburban corridors punctuated by intense development at key intersections: Johnnie Dodds Boulevard and Coleman Boulevard in Mt. Pleasant, I-26, Dorchester Road, Rivers Avenue, Montague Avenue, and Ashley Phos-

phate Road in North Charleston, Savannah Highway, Ashley River Road, and Sam Rittenberg Boulevard in West Ashley, Folly Road and Maybank Highway on James and Johns Island, and Clements Ferry Road on the Cainhoy Peninsula. The Mark Clark Expressway is creating new opportunities for development of regional centers at its 12 interchanges with local roadways.

The most important centers of economic activity outside downtown Charleston are the



Source: U.S. Census Bureau, Decennial Census and 2008 American Community Survey

Citadel Mall District of West Ashley, the I-526/Airport area of North Charleston, and the I-26/Ashley Phosphate Road/Northwoods Mall area of North Charleston. The Citadel Mall District is where Savannah Highway and Sam Rittenberg Boulevard meet I-526 and includes the largest concentration of employment in Charleston outside downtown. The I-526/Airport area of North Charleston includes the coliseum and convention center and the research park on International Boulevard. In close proximity to the I-26 and Ashley Phosphate Road interchange are Northwoods Mall and other regional retail centers, and other commercial and office developments.

In addition to these centers, the area around Mount Pleasant Town Center at US Highway 17N and the Isle of Palms Connector is the retail center of East Cooper, attracting customers from all over the region.

### City of Charleston Population

As the cultural, economic and geographic center of the region and South Carolina Low-country, Charleston has maintained a diverse population bound by shared history and place. From its founding, Charleston has been built upon people brought together through shared circumstances of immigration, trade,

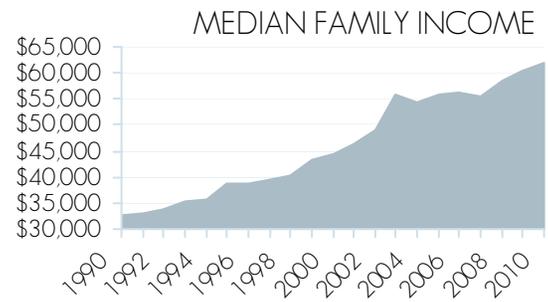
war and self-determination. Even today, Charleston is an evolving blend of people from different ancestry, culture, language, economic means or types of education. Charleston should continue to embrace a diverse socio-economic/demographic makeup as described in the following section.

**Age and Gender:** The gradual trend of an aging population is evident nationally and in the City of Charleston. The median age continues to tick upward as baby-boomers grow older and the population lives longer. The median age in 2000 was 33.2 and was estimated to be around 34 in the latest 2008 Census data (U.S. Census Bureau, American Community Survey, 2006-2008).

Recent estimates indicate a rise in the percentage of persons under the age of ten between 2000 and 2008. Even with an aging population, any planning must consider the unique needs of our youngest population. *The Charleston Area Youth Master Plan (2007)* addresses many of the issues surrounding school-age children in the community. The largest age group in Charleston is made up of persons age 25 to 34 and percentage increases occurred in all age groups from 45 to 64 leading to a modest increase in median age.

Gender percentages remained stable during the last decade with approximately 52% of the population being female.

**Race:** Charleston continues to be racially diverse. The 2008 ACS estimates that about 66.9% of the City's population are white/Caucasian while 29.4% are black/African-American; a decrease of 4.6% from Census 2000. The Charleston peninsula has seen the most significant changes in race population over the decades as Caucasian families moved out of the City into the suburbs in the 1960s leaving a predominately African-American population downtown. Over time,

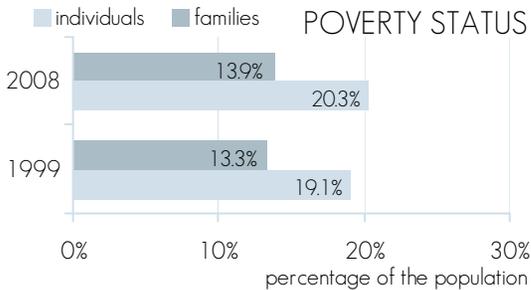


Source: U.S. Department of Housing & Urban Development

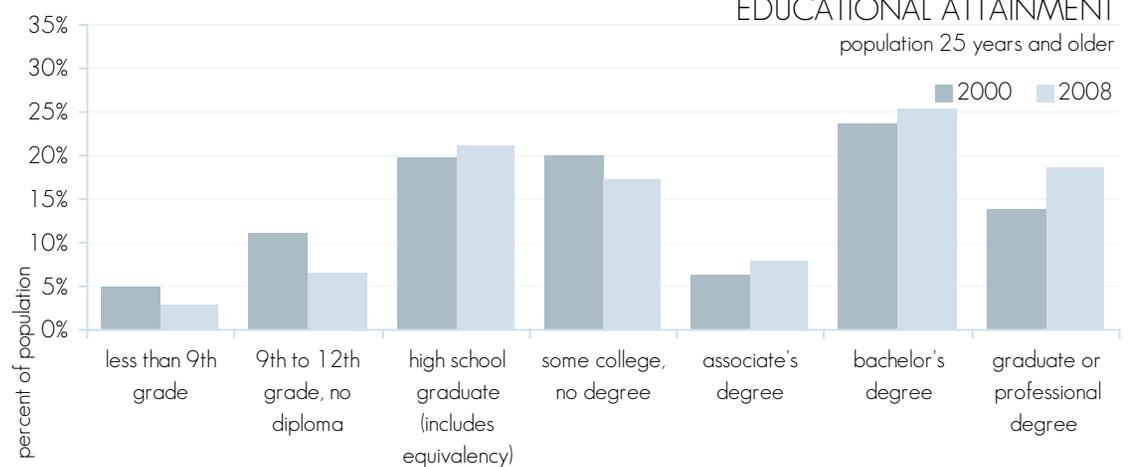
the population of African-Americans and Caucasians have become more comparable, as families have become smaller and people seeking an urban lifestyle have moved to the peninsula. Persons considered Hispanic or

Latino increased to an estimated 2.6% of the 2008 population and tend to live in the Johns Island area of the City.

**Families and Households:** In 2008, families made up an estimated 52% of the households in Charleston. This figure includes both married-couple families (35%) and other families (17%). The average family size was 2.99 persons in 2008. Other relatives (non-



Source: U.S. Census Bureau, Decennial Census and 2008 ACS  
 householder, spouse or child) made up about 6.4% of the population in household, a slight increase from the number in 2000. About 38% of the non-family households were people living alone. Household size has continued to decrease over time from 3.6 persons in 1960 to 2.23 persons in 2000. For Charleston and the nation, this key demographic figure is not expected to drop significantly over the next few decades.



Source: U.S. Census Bureau, Decennial Census and 2008 ACS

**Income:** Median family incomes have risen steadily in the Charleston area over the years and nearly doubled over the past two decades. The median income for a family of 4 increased 39% between 2000 and 2010 (U.S. Department of Housing and Urban Development). Estimates also indicate per capita incomes and median household incomes rose 42.8% and 36.7%, respectively, between 1999 and 2008.

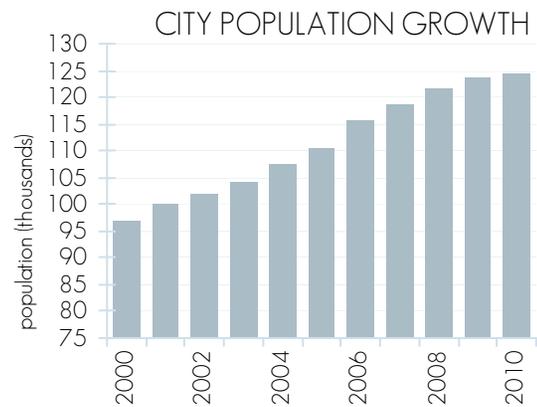
The percentage of families and individuals with incomes below poverty level remained virtually unchanged between 1999 and 2008 given that the latter year's percentage is an estimate (see graph: Poverty Status).

**Education:** The percentage of the population achieving more years of formal education is increasing as well as the number of persons with college and graduate degrees. In 2008, over 90% of the population had a high school diploma (or equivalent) or higher. This is an increase of 7% from the 2000 Census. Also, 44% of Charlestonians had bachelor's degrees in 2008, an increase of 6.6% over the 2000 figure.

### Geographic Areas

The City of Charleston is the primary urban center of a fast growing metropolitan region. The City in 2010 consists of a variety

of urban, suburban, and some rural settings - from the City's oldest neighborhoods downtown, to suburban subdivisions in West Ashley and on James Island, to the pastoral landscapes of Johns Island and new neighborhoods on Daniel Island.



Source: City of Charleston Population Estimates

Each area has its own unique history and man-made or natural environments. But how each area is different is secondary in this plan to how each is united. The residents of each area and every neighborhood share "ownership" of the entire City. Each resident is invested in the City's future. **The Century V City Plan must help reveal the connections between the Peninsula, West Ashley, James Island, Johns Island, and Daniel Island as it reflects the uniqueness of each area.**

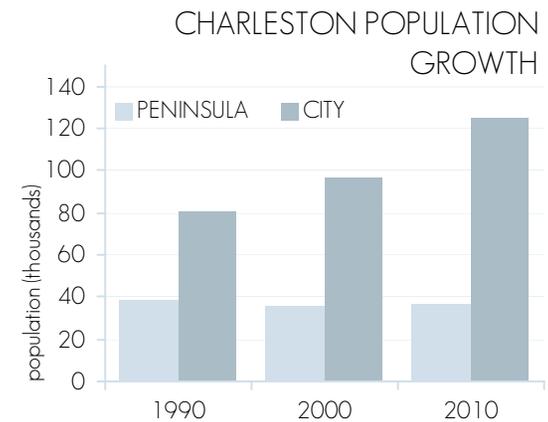
Peninsular Charleston has been largely developed for over 60 years. Since the 1960s, much of West Ashley and James Island was converted from rural to suburban area. Only southwestern areas of James Island remain substantially undeveloped - west and south of Riverland Drive and west of Folly Road. In West Ashley the only substantially undeveloped areas are close to the urban growth boundary near Rantowles Creek. Open space still dominates the landscape of Johns Island, Daniel Island and the Cainhoy Peninsula, but development is slowly filling-in the areas inside the urban growth boundary.

The City's population has grown about 55% since 1990 (see graph: Charleston Population Growth Chart) and the municipal jurisdiction has more than doubled to 109 square miles. Between 1990 and 2000, about half the City's population growth was the result of annexation. In contrast, today most of the growth is occurring as a result of natural increase and migration to the City.

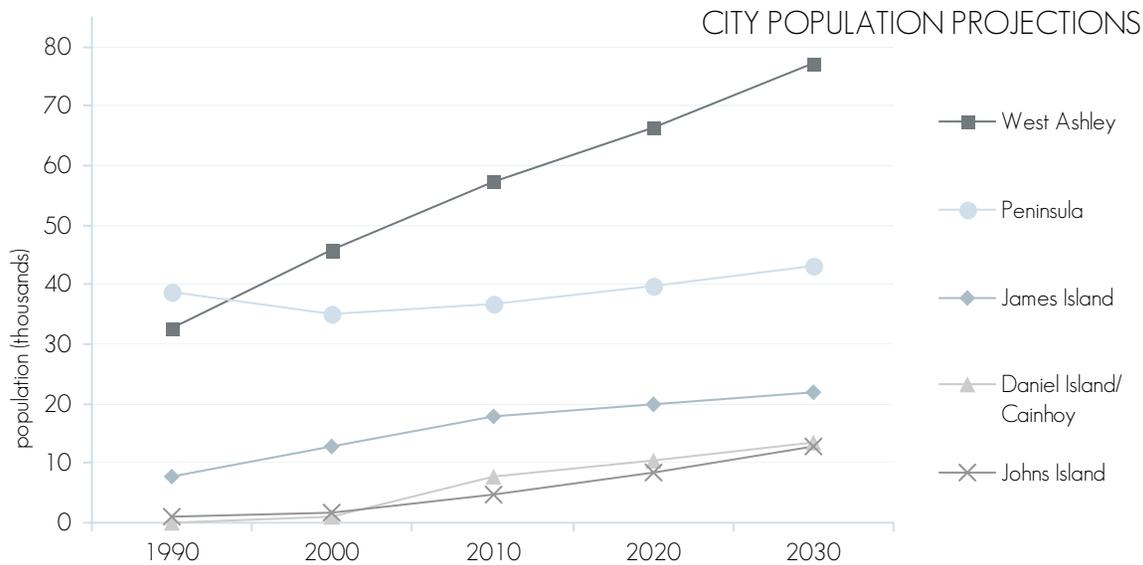
**Peninsula:** The Charleston peninsula, historically the population center of the City and the region, is the second most populated land body in the City with an estimated 36,608 residents. Both the total number and

percentage of population on the peninsula declined significantly after 1940 and only recently may have leveled-off.

**West Ashley:** Currently, the most populated geographic area of the City is West Ashley, where almost half of the City's residents live. This area has increased in population by 25% since 2000 and 75% since 1990. Most of the population lives in suburban neighborhoods developed between 1940 and 1990, but new construction and annexation is increasingly adding to the total number. It was to the new subdivisions in West Ashley that much of the population moved to when they left the peninsula. Today, this area draws many young families and retirees pursuing lower housing prices.



Source: U.S. Census Bureau and City of Charleston Estimates



Source: City of Charleston Population Projections

**James Island:** James Island, much like West Ashley, contains a large suburban population but the majority are not in the City of Charleston jurisdiction. The City's population on James Island has increased about 41% since 2000 to approximately 18,000 persons.

**Johns Island:** Johns Island is the most sparsely populated area of the City with an estimated 4,869 persons in 2010. The City portion of the population on Johns Island has more than doubled since 2000 and tripled since 1990, but the total population has only increased by

an estimated 3,193 persons. Planned and approved development in the Maybank corridor indicate steady growth will continue over the next decade.

**Cainhoy Peninsula:** While all areas of the City have seen significant increases in population, Daniel Island and the Cainhoy Peninsula have seen the highest percentage increase in population since 2000. Six times more people reside in this area than in 2000 as a result of rapid growth in housing and services in the areas.

The most significant population growth trend facing Charleston is the rapidly growing City population outside the Peninsula. In 1940, the Charleston peninsula contained over 71,000 residents. This was 42% of the population in the Charleston region and 100% of the population in the City of Charleston (no other city areas had been annexed). By 2000, the peninsula population had declined by 50% - to less than 36,000 residents. The population of the peninsula had not been this low since before 1850. Today, the peninsula accounts for just 5.4% of the region's population and 29% of the City's population.

Much of the initial decline of the urban center was the result of the mass population movement to the suburbs starting in the 1960s, but other factors such as reduction in household size and lack of housing growth continued the trend into the 1990s. The peninsula remains the most culturally and demographically diverse area of the City and still absorbs a large number of people every day in the form of tourists and workers. The gradual decline in population and continued status as the economic and cultural engine of the region indicates the peninsula has the potential for growth over the next several decades.

**Projections:** The population growth trend in the suburban areas is expected to continue, and by 2030 the population of West Ashley will be nearly twice that of the peninsula. By 2030, Johns Island, Daniel Island and the Cainhoy area are expected to continue with steady population growth while James Island growth will see only modest increases. Projections indicate most of the population will live outside the city center yet will not extend significantly beyond existing urban and suburbanized areas. Infill development, more compact development patterns and changing housing markets and City planning and growth management policies may drive this trend.



Typical Older Suburban Single-Family Home

## Housing

Cities can often be characterized by the quality, distinctiveness and affordability of its housing. Housing is a fundamental building block of good neighborhoods and cities must foster an environment where people thrive in the context of preservation of old homes and where new homes are built as an extension of the culture, lifestyle or civic pride in the community. Ideally, communities provide its population with housing choice through a broad range of housing types, styles and prices.

Because of its long history and diverse population Charleston boasts a remarkable mixture of housing maturation, types, architectural styles and functional designs. From historic wood homes to modern brick houses, housing has been the foundation for an urban pattern that grew out of a walled city into an evolving metropolitan region. This evolution is the result of changes in population, adaptation to climate, construction techniques and market influences. **But, housing has always remained a basic human need and to which a modern society must ensure everyone has access.**

**Housing Affordability:** Housing has become the highest category of expense for households in the United States. The average

household spends over 34% of their income on housing (Consumer Expenditures, U.S. Dept. of Labor, 2009) which is over the recommended individual household affordability threshold of 30%. Homeowners and renters often choose to spend more on the extra comforts of a home, but some spend more in housing because income levels in Charleston cannot keep pace with affordable housing availability.

### HOUSING OPPORTUNITY INDEX

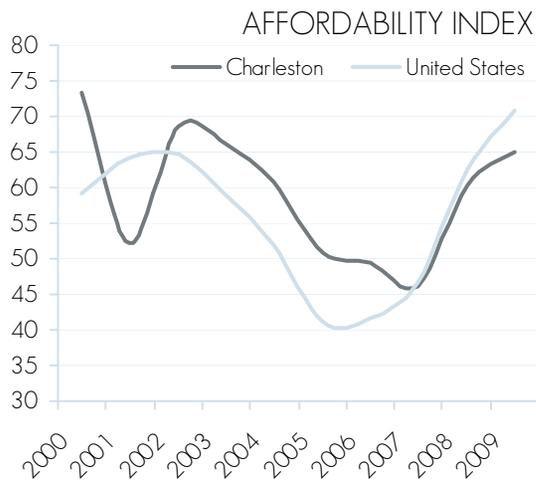
	Quarter 4, 2010
Charleston, SC	65.1
Columbia, SC	83.0
Greenville, SC	82.5
Asheville, NC	79.4
Greensboro, NC	76.4
Charlotte, NC-SC	75.2
NATIONAL	70.8

Source: NAHB/Wells Fargo Housing Opportunity Index

The *City of Charleston 2010-2015 Consolidated Plan* for housing is a detailed review of housing trends, affordability and housing recommendations completed by the Department of Housing and Community Development. This plan describes the recent downturn in the economy and determined that it has not increased affordability for many

families in Charleston, despite the trend in rising median incomes and decreasing rents and home values. This housing affordability environment is driven by the desirability of the Charleston market.

As a snapshot of affordability in Charleston, the median sales price for a home in Charleston is about \$210,000. Based at that price the median home is not affordable to residents earning less than 100% of the median income of the Charleston community. The median income for a family of four in Charleston

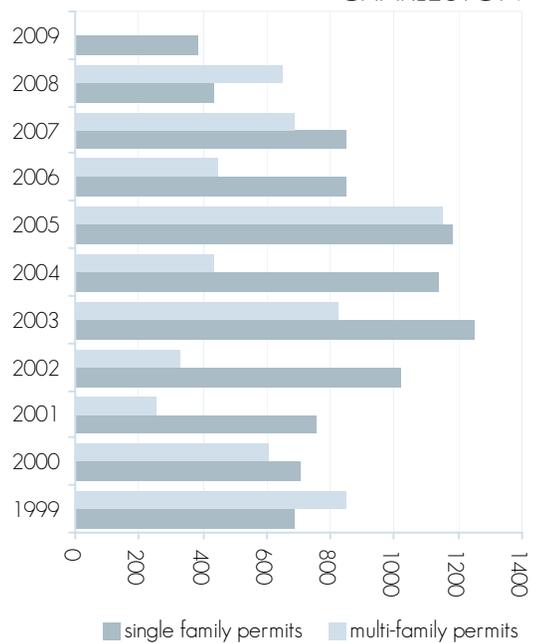


Source: NAHB/Wells Fargo Housing Opportunity Index

is \$60,300. Home ownership is still out of reach for low-income families and virtually impossible for very-low-income families of

Charleston. Of Charleston households with a mortgage, almost half are paying more than recommended on housing (2006-2008 ACS). Another indicator is the National Association of Home Builders Wells Fargo Housing Opportunity Index (HOI). This index charts the affordability of housing as a percentage of households able to purchase a home at the median home sales price. The 2009 figure for the Charleston metropolitan area stood at 58%.

BUILDING PERMITS IN CHARLESTON



Source: City of Charleston Building Permit Data

Almost half of families renting in Charleston are paying more than 35% of their income for rent meaning much of the renting population of Charleston is cost burdened. Charleston is not only facing affordable housing home ownership concerns, but cost-burdened rental housing concerns as well. The City of Charleston and other non-profit or government organizations in the region have many programs to assist in maintaining an affordable housing stock through rent subsidization, low-cost home loans, public housing construction and other necessary programs.

**Housing Construction:** Many factors contribute to increased housing costs in Charleston including land value, building code requirements, existing public infrastructure and home size. Despite rising costs, the Charleston market was able to support the construction of nearly 14,000 units between 2000 and 2009 (Source: City of Charleston Building Permits data). Most of the construction occurred in suburban areas of the City requiring new roads and utility infrastructure. More of the homes were single-family homes on lots typical of suburban neighborhoods and some were built in areas in or near flood

zones. This pattern of construction helps drive prices upward.

A healthy housing market will have an inventory that allows the population to exercise choice in housing type. Between 1990 and 1999, the City saw a new housing market dominated by single-family units. This trend changed between 2000 and 2009 as City building permit data indicates over 38% of all units permitted in the City were multi-family units. While many new multi-family units were built in the past 10 years, they also tended to be constructed in new, "Greenfield" locations rather than close to the urban core where comparable residential units exist in more abundance. More than half of multi-family units were built in West Ashley and Daniel Island, and 11% were built on the peninsula.



Affordable Housing on the Peninsula

### MEDIAN HOME SALE PRICE BY AREA

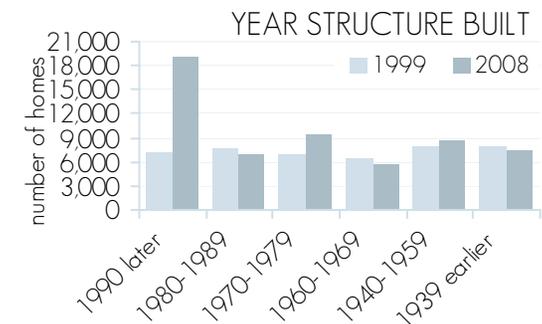
	Peninsula Below Crosstown	Peninsula Above Crosstown	West Ashley	James Island	Johns Island	Daniel Island	Cainhoy
1990	\$175,000	\$68,875	\$166,000	\$73,000	\$63,750	NA	NA
2000	\$407,500	\$110,000	\$144,000	\$155,000	\$183,000	\$266,090	NA
2001	\$399,900	\$141,500	\$146,500	\$162,900	\$145,750	\$280,350	\$80,000
2002	\$389,500	\$163,500	\$149,900	\$167,643	\$138,339	\$268,495	\$458,270
2003	\$410,000	\$154,500	\$159,900	\$166,000	\$229,000	\$335,000	\$234,500
2004	\$474,950	\$197,500	\$172,500	\$173,442	\$201,052	\$383,717	\$184,312
2005	\$502,500	\$255,000	\$189,000	\$189,950	\$247,250	\$359,000	\$229,030
2006	\$622,500	\$295,000	\$209,900	\$232,500	\$236,692	\$569,000	\$218,560
2007	\$565,000	\$259,500	\$213,950	\$261,000	\$219,000	\$431,494	\$259,000
2008	\$550,000	\$249,350	\$212,875	\$247,200	\$220,000	\$441,400	\$217,437
2009	\$487,500	\$213,000	\$200,435	\$205,500	\$230,900	\$410,000	\$194,000

Source: Charleston Trident Association of Realtors MLS data

Around 40% of all permits for new homes (single and multi family) issued between 2000 and 2009 were in West Ashley while only 8% were on the peninsula. Daniel Island saw 23% of all new construction and James Island and Johns Island added more than 4,000 units altogether. This housing construction pattern indicates a more even distribution throughout the City in contrast to the years between 1990 and 1998 which saw 84% of all units built in undeveloped areas of West Ashley and James Island.

**Existing Housing:** Housing prices exploded between 2000 and 2005 but have seen significant declines over the past five years (see

table: Median Home Sale Price by Area). The financial crises of the latter part of the last decade cooled a market that was fast becoming out-of-reach for families in the Charleston area. As the home mortgage/financing industry restructures, foreclosures on



Source: U.S. Census Bureau, Decennial Census and 2008 ACS

existing homes have increased and the number of rate of new construction decreased. Population growth has continued to put pressure on the housing market and construction is continuing at a slow pace. This increase and the huge rate of construction over the past 10 years raised the average age of residential structures (see graph: Year Structure Built). Given its long history and preservation efforts Charleston has an older housing stock than most cities. Housing loss and percentage of dilapidated homes are minimal because of the demand for historic homes and the preservation of significant buildings. It is important that Charleston continue to not only retain housing; but to ensure new uses and building types maintain the character of the existing neighborhoods; especially in the historic districts of the peninsula.

About 55% of homes in the City of Charleston are owned and 8% of those units are vacant. Sixty-seven percent of owned residential units have a mortgage. Over 11% of rental units in the City are vacant (2006-2008 ACS). The vacancy rate for all units Census 2000 was 8.5%, and this figure is expected to be higher when 2010 Census figures are released.

## Housing Trends

Inefficient housing on a city and individual building level contributes to the rising costs of housing. Recent demand for retrofitting older homes and building new, energy-efficient homes, indicates a trend toward improved construction techniques and new policies and programs. From a land-use perspective, com-



One Cool Blow Street: New mixed-use, urban infill housing using green construction techniques. This trend must continue to maintain a vibrant, livable city.

compact housing near existing transportation infrastructure can help reduce emissions and for the individual, maintaining energy efficient homes can be a money-saving practice.

Another trend over the past ten years has been a move from predominantly single-use neighborhoods to mixed-use and mixed housing-type neighborhoods. The City of Charleston has promoted housing choice by encouraging, and in some cases, requiring residential development to include multiple housing types or workforce housing.

Also more housing types today are also including construction accessibility for disabled or elderly persons in response to ADA requirements and the market for units suitable for an aging population. It is important to recognize and plan for an aging population and for persons with special housing needs. Many non-profit, for-profit and public agencies are building senior and assisted living housing in each area of the City and in a variety of types of neighborhoods. The most urban parts of the City, such as the peninsula, typically are the most appropriate locations for safe, afford-

able, accessible, and compact housing that meets the needs of seniors in the community.

## Housing Policies & Programs

Clearly, affordability is the biggest housing concern in Charleston and the City is actively addressing the issue by promoting housing choice. At the same time, the City must monitor fair housing, and the impediments to housing choice and implement the detailed recommendations of the *City of Charleston 2010-2015 Consolidated Plan*. The City's Department of Housing and Community Development and the City of Charleston Housing Authority are taking targeted approaches with a wide range of housing programs, but the City is also directly and indirectly addressing affordability through land-use and design policies. The City of Charleston Zoning Code is increasing workforce housing by encouraging, and sometimes requiring, affordable units to be included in new developments. Also, some zoning districts incentivize workforce housing and housing choice through non-restrictive density requirements or residential density bonuses.

In addition to City code, many of the "area" plans adopted as part of the Century V Plan recommend housing types and designs that

maintain and enhance the character of neighborhoods.

The City is also taking an active role in supporting temporary housing for homeless persons and programs to help prevent homelessness. In September 2010, City Council passed a resolution prioritizing a plan to reduce the impacts of homelessness on individuals and families in Charleston.

## Population & Housing Goals

1. Accommodate future population growth through land-use policies that encourage vibrant, safe, and diverse neighborhoods in areas that allow efficient use of space and transportation.
2. Ensure the Charleston population has access to housing opportunities that provide diversity in building types, availability for all income levels, proximity to transit and accessibility to job centers.

## Population & Housing Recommendations

1. Track changes in national and local population and demographic shifts to ensure growth management, housing, land use and transportation policies reflect current trends and projections.

2. Monitor housing construction permits and sale prices for continuous analysis of housing needs in all areas of the City.
3. Maintain land use policies that allow for and encourage diversity in housing opportunities in a variety of neighborhood contexts.
4. Encourage development of housing in compatible mixed-use neighborhoods and in close proximity to parks, bicycle and pedestrian facilities, public transit, schools, and civic uses.
5. Adopt additional development guidelines that allow and incentivize the inclusion of mixed housing types within neighborhoods.
6. Adopt additional zoning rules that will incentivize the inclusion of workforce housing in new and infill developments.
7. Encourage retention of existing housing stock through preservation incentives and rehabilitation programs and code enforcement.
8. Support sustainable housing development through incentives for efficient construction practices and energy efficient buildings

