10-YEAR

Affordable Housing Strategy

Land of Waterfalls

TRANSYLVANIA COUNTY

NORTH CAROLINA

Contents

Acknowledgments

The development of this comprehensive housing study plan would not have been possible without the insightful feedback, collective effort, and support of the Transylvania County community. Our sincerest gratitude is extended to the local housing organizations, businesses, and community groups who generously contributed their time, expertise, and perspectives. The shared experiences and ideas were instrumental in identifying the challenges the community is encountering and uncovering the opportunities ahead that lay the groundwork for innovative, community-driven housing solutions.

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Acronyms, Definitions, and Programs

ACRONYMS

- ACS – American Community Survey
- ADU – Accessory Dwelling Unit
- AICP – American Institute of Certified Planners
- AMI – Area Median Income
- CDBG – Community Development Block Grant Program
- CLT – Community Land Trust
- HAC – Housing Assistance Corporation
- HOME – Home Investment Partnerships Program
- HUD – United States Department of Housing and Urban Development
- LIHTC – Low Income Housing Tax Credit Program
- LMI – Low-and Moderate-Income
- NOAH – Naturally Occurring Affordable Housing
- QAP – Qualified Allocation Plan
- UNC SOG – University of North Carolina School of Government
- YIGBY – Yes, In God's Back Yard

DEFINITIONS

- Accessory Dwelling Unit (ADU) – A smaller, independent residential dwelling unit located on the same lot as a stand-alone (i.e., detached) single-family home.
- Affordable Housing – Housing is considered affordable when a household spends no more than 30% of their income on housing-related costs including rent, mortgage payments, utilities, etc.
- Area Median Income – The midpoint of all household incomes within a specific geographic area as determined by HUD.
  - Very Low Income (0-50% AMI)
  - Low Income (51-80% AMI)
  - Medium Income (81%-120% AMI)
  - Market Rate (121%+ AMI)
- Community Land Trust (CLT) – A nonprofit organization that owns land on behalf of a community, typically for the purpose of creating and preserving affordable housing and other community assets.
- Deeply Affordable Housing – Housing is considered deeply affordable when it is affordable (less than 30% of household income) for residents at low-income thresholds, often earning at or below 30% of the Area Median Income.
- Ground Lease – An agreement that allows a tenant to develop and improve upon a select parcel of land, despite non-ownership.
- Heirs' Property - Heirs' property refers to land passed down without a clear or formal title, often resulting in shared ownership among multiple descendants that can complicate financing, sale, or development.
- Housing Choice Vouchers – A federal rental assistance program that helps eligible low-income families, older adults, and individuals with disabilities access housing.
- Infill Development – Constructing a building on previously unused or underused land within a development area to increase density and utilization of existing infrastructure.
- Land Development Ordinance – Outlines rules and regulations that govern land development within a specific geographic area.
- Low-to-Moderate Income (LMI) Households – Households whose income is no more than 80% of the Area Median Income.
- Mixed-Income Development – Mixed-income development integrates housing units for households with varying income levels within the same community or property.
- Naturally Occurring Affordable Housing – Housing that is affordable without government subsidy or affordability efforts (e.g., ground leases).
- Occupancy Tax Revenue – Occupancy tax revenue is collected from taxes on short-term lodging such as hotels, motels, and vacation rentals.
- Pro Forma – A method to calculate financial results using price projections.
- Workforce Housing – Workforce housing supports individuals earning 80% to 140% (or 120%) of the Area Median Income.
- Yes, In God's Back Yard – A rendition of the common phrase NIMBY or "Not In My Back Yard", YIGBY signifies a growing movement of working with churches and faith-based organizations to support affordable housing development.

PROGRAMS

- Community Development Block Grant (CDBG) Program – Supports community development activities to build stronger and more resilient communities through investments in infrastructure, economic development projects, public facilities installation, community centers, housing rehabilitation, public services, clearance/acquisition, microenterprise assistance, code enforcement, homeowner assistance, etc.
- HOME Investment Partnerships Program (HOME) Program – Provides formula grants to states and localities that communities use—often in partnership with local nonprofit groups—to fund a wide range of activities including building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income people.
- Low-Income Housing Tax Credit (LIHTC) Program – Provides an indirect federal subsidy to finance the construction and rehabilitation of low-income affordable rental housing by providing investors with a dollar-for-dollar reduction in their federal tax liability.
- Our State, Our Homes Program – An 18-month program to help communities develop capacity, analyze challenges, and implement strategies to address affordable housing and related issues in North Carolina.
- Workforce Housing Loan Program – A loan program designed to support the development of affordable housing for workforce households.

Executive Summary

Transylvania County is experiencing a growing imbalance between housing needs and housing availability. As the county continues to evolve with increased interest from new residents, ongoing tourism growth, and a commitment to maintaining its unique character, ensuring that housing is affordable, diverse, and accessible has become a critical priority.

Transylvania County's housing stock is heavily concentrated in single-family detached homes, which account for 75.4% of all housing units. This limits the availability of more flexible, affordable options such as apartments, duplexes, and townhomes due to various housing types that are increasingly in demand among young families, seniors, and workforce households. At the same time, housing costs are rising more quickly than incomes. From 2018 to 2023, median gross rent increased by 26.3%, while renter household incomes rose by only 21.3%, intensifying affordability challenges for many residents.

Tourism, while a vital part of the local economy, is also straining the year-round housing supply. Nearly 8% of housing units in the county are used as short-term rentals (STRs), the highest percentage among neighboring counties. Although this supports economic activity, it also removes housing from the permanent rental market and contributes to rising prices.

Physical and infrastructural barriers further complicate the situation. Transylvania County's mountainous terrain limited buildable land, and gaps in water, sewer, and road infrastructure make new housing development costly and complex. These factors deter investment and restrict the ability to scale up housing supply to meet current and future demand.

Adding to these challenges is a lack of clarity and coordination across federal, state, and local policies. North Carolina's governance structure places limits on what local governments can do to address housing issues, often leading to resident frustration and stakeholder uncertainty. The gap between public expectations and the legal or financial feasibility of housing solutions underscores the need for greater alignment and transparency.

Despite these challenges, Transylvania County has a unique opportunity to shape a more sustainable and inclusive housing future. By acting now and together, local leaders, community partners, and residents can ensure that Transylvania County remains a vibrant, resilient community where people of all ages, incomes, and backgrounds can find a place to call home while preserving the unique character of the community.

About the Housing Study

Transylvania County is at a pivotal point in its growth and housing development. As the region continues to attract new residents while supporting long-standing community members, addressing housing affordability, availability, and diversity has become a top priority. The 10-Year Strategic Housing Plan offers a forward-looking, collaborative roadmap to guide local leaders, partners, and stakeholders in responding to current and future housing needs with thoughtful, coordinated strategies.

Transylvania County faces a range of housing challenges common to rural and tourism-driven communities. A limited housing supply, rising construction costs, an aging population, and a service-based economy contribute to growing pressure on residents seeking safe, stable, and affordable homes. These conditions disproportionately impact essential workers, young families, older adults, and those on fixed incomes.

Geographic and infrastructure barriers present additional constraints to include the mountainous terrain and limited flat land increase development costs and restrict where new housing can be built. In many areas, the absence of water, sewer, and road infrastructure makes housing development financially and logistically difficult. Strategic investment in infrastructure, paired with updated land use policies should be considered to support a broader range of housing options.

Much of the existing housing stock consists of aging single-family homes, limiting the availability of various types such as townhomes, duplexes, and apartments. Without greater housing variety, many residents struggle to find homes that match their needs and income levels. The growth of short-term rentals and second homes further reduce the stock of year-round housing, presenting challenges for permanent residents to remain in the community.

Housing affordability is an ongoing concern. Home prices and rents have outpaced wages in key local industries, resulting in an increasing number of cost-burdened households. This financial strain affects household stability and limits residents' ability to contribute fully to the local economy.

Despite these challenges, the County has significant opportunities to strengthen its housing ecosystem in ways that promote inclusive growth, support local employers, and enhance overall community well-being. Communities that invest in diverse and affordable housing are better positioned to retain talent, reduce workforce turnover, support aging in place, and foster local entrepreneurship. Expanding housing options also helps strengthen the tax base, reduce commuting burdens, and create pathways for upward mobility.

The strategic plan emphasizes cross-sector collaboration and ongoing community engagement. It outlines practical, data-informed strategies to expand housing supply, preserve existing units, modernize zoning and development policies, address infrastructure needs, and improve housing access for all residents. Partnerships with state and federal agencies will be critical to secure additional resources and align policies with local priorities. The use of "county" in this document references the broader Transylvania community and does not refer to the Transylvania County Government specifically. Implementation of strategies will require support from all housing partners to identify ways that each entity is able to contribute by leveraging the Implementation Plan Toolbox. Success will require for-profit, nonprofit and governmental entities doing what they can collectively.

With strong local leadership, regional coordination, and sustained investment, Transylvania County can address today's housing challenges while laying the groundwork for a more resilient, diverse, and economically vibrant future.

Findings

FINDING 1	Transylvania County's housing mix leans heavily toward single-family homes, which limits opportunities for residents seeking more diverse housing options.
FINDING 2	Housing costs are out of line with resident incomes and lower wage jobs in the county.
FINDING 3	Transylvania County's popularity as a tourist destination is limiting access to its existing housing supply.
FINDING 4	There are a number of practical barriers limiting the county's opportunities to increase, diversify, and improve affordability in the county's housing supply.
FINDING 5	From the federal and state to the local level, a lack of clarity and coordination around policies further obstructing efforts to address housing issues.

Strategic Action Plan

GOAL 1

Ensure a diverse and adequate housing supply that meets the full spectrum of community needs, including varying household sizes, income levels, and stages of life.

STRATEGY 1.1	Identify areas for planned growth and establish minimum density requirements.
STRATEGY 1.2	Support preservation initiatives around Naturally Occurring Affordable Housing (NOAH) inventory.
STRATEGY 1.3	Conduct annual survey to monitor the prevalence of temporary dwellings (such as tents, RVs...) in the County
STRATEGY 1.4	Identify and prioritize publicly and privately owned developable land for various housing types and income levels.
STRATEGY 1.5	Create a program to monitor and identify vacant and underutilized buildings (schools/ office space) to convert into workforce affordable housing

GOAL 2

Promote the development of affordable housing options specifically tailored to support the county's existing and emerging workforce across all industry sectors.

STRATEGY 2.1	Explore incentives for employer housing developments.
STRATEGY 2.2	Work with economic development entities to support strategic expansion of infrastructure to increase the feasibility of LIHTC developments.
STRATEGY 2.3	Facilitate partnerships with for-profit and nonprofit agencies such as voucher providers (WNC source) to finance affordable housing development.
STRATEGY 2.4	Explore the use of alternative funding sources such as economic development financing strategies (e.g. Tax Increment Financing, Community Development Finance Institutions) to support and stabilize affordable housing.

GOAL 3

Balance the growth of the tourism economy with the housing needs of its workforce by addressing seasonal housing shortages and the impacts of short-term rentals.

STRATEGY 3.1	Seek partnerships to support the creation of a nonprofit and for-profit funded loan fund to support workforce housing.
STRATEGY 3.2	Continue to advocate for expanded and strategic uses of Occupancy Tax Revenue.
STRATEGY 3.3	Advocate for differentiated tax option for property types.

GOAL 4

Enhance coordinated efforts among local and regional governments, nonprofits, and private sector partners to guide the development of effective housing policies and address shared barriers to affordable housing.

STRATEGY 4.1	Continue to work with local municipalities and regional housing efforts to expand infrastructure to support housing development.
STRATEGY 4.2	Coordinate with community stakeholders to review and resolve Heirs' property challenges for affordable and workforce housing development.
STRATEGY 4.3	Deploy a public education and awareness campaign about housing needs, practical challenges and opportunities.
STRATEGY 4.4	Create a pilot program to explore shared housing/roommate registration.
STRATEGY 4.5	Coordinate efforts to work with churches and religious organizations to expand affordable housing developments (YIGBY).
STRATEGY 4.6	Continue in the regional housing effort with NC Impact.

Strategic Action Plan - Transylvania County Government

Each Transylvania Housing Partner is encouraged to work with their organizational leaders on how existing and potential activities fit into the broader community strategic plan. The following is an example based on review of Transylvania County Government Housing Initiatives and Guidance.

GOAL 1: ENSURE A DIVERSE AND ADEQUATE HOUSING SUPPLY THAT MEETS THE FULL SPECTRUM OF COMMUNITY NEEDS, INCLUDING VARYING HOUSEHOLD SIZES, INCOME LEVELS, AND STAGES OF LIFE.

STRATEGY 1.1 Support preservation initiatives around Naturally Occurring Affordable Housing (NOAH) inventory.

Action Items:

- Continue to support individual qualifying households with programs like HOME funds to repair and protect existing housing stock.

STRATEGY 1.3 Conduct annual survey to monitor the prevalence of temporary dwellings (such as tents, RVs...) in the County.

Action Items:

- Evaluate the feasibility of an annual survey.

GOAL 2: PROMOTE THE DEVELOPMENT OF AFFORDABLE HOUSING OPTIONS SPECIFICALLY TAILORED TO SUPPORT THE COUNTY'S EXISTING AND EMERGING WORKFORCE ACROSS ALL INDUSTRY SECTORS.

STRATEGY 2.1 Explore incentives for employer housing developments.

Action Items:

- Evaluate County Economic Development Incentive Policy and Scorecard to provide points to companies providing employee housing in calculating eligibility for incentives.

STRATEGY 2.2 Work with economic development entities to support strategic expansion of infrastructure to increase the feasibility of LIHTC developments.

Action Items:

- Continue to advocate for and pursue funding for water and sewer infrastructure in support of Rosman and Brevard systems.
- Advocate to changes to point systems for LIHTC allocations that take into account rural community limits on locations of pharmacies and grocery stores.

GOAL 3: BALANCE THE GROWTH OF THE TOURISM ECONOMY WITH THE HOUSING NEEDS OF ITS WORKFORCE BY ADDRESSING SEASONAL HOUSING SHORTAGES AND THE IMPACTS OF SHORT-TERM RENTALS.

STRATEGY 3.2 Continue to advocate for expanded and strategic uses of Occupancy Tax Revenue.

Action Items:

- Continue to advocate for occupancy tax spending rule changes at the state level through regional and statewide networks such as the North Carolina Association of County Commissioners.

STRATEGY 3.3 Conduct annual survey to monitor the prevalence of temporary dwellings (such as tents, RVs...) in the County.

Action Items:

- Continue to advocate for state authority to permit differentiated tax options for property types through regional and statewide networks such as the North Carolina Association of County Commissioners.

GOAL 4: ENHANCE COORDINATED EFFORTS AMONG LOCAL AND REGIONAL GOVERNMENTS, NONPROFITS, AND PRIVATE SECTOR PARTNERS TO GUIDE THE DEVELOPMENT OF EFFECTIVE HOUSING POLICIES AND ADDRESS SHARED BARRIERS TO AFFORDABLE HOUSING.

STRATEGY 4.1 Continue to work with local municipalities and regional housing efforts to expand infrastructure to support housing development.

Action Items:

- Continue to advocate for and pursue funding for water and sewer infrastructure in support of Rosman and Brevard system expansion of capacity and availability.

STRATEGY 4.2 Coordinate with community stakeholders to review and resolve Heirs' property challenges for affordable and workforce housing development.

Action Items:

- Evaluate feasibility of an Heirs' property program to identify and support resolution of Heirs' property and preserve existing housing stock.

STRATEGY 4.3 Deploy a public education and awareness campaign about housing needs, practical challenges and opportunities.

Action Items:

- Continue to be a voice in regional housing with NC Impact work at the Land of Sky and bring back training to share locally.
- Continue to participate in local and regional housing coalition with for profit, non-profit and government partners to employ county tools in partnership with other stakeholders.
- Public education programs on tools local governments can use to support housing and on advocacy avenues to support changes that would expand those tools.
- Identify advocacy items from out of state successful strategies for state or federal level policy changes to support housing.

STRATEGY 4.4 Create a pilot program to explore shared housing/roommate registration.

Action Items:

- Explore feasibility of managing a shared housing/ roommate matching program.

County-Wide Goals and Strategies

GOAL 1: ENSURE A DIVERSE AND ADEQUATE HOUSING SUPPLY THAT MEETS THE FULL SPECTRUM OF COMMUNITY NEEDS, INCLUDING VARYING HOUSEHOLD SIZES, INCOME LEVELS, AND STAGES OF LIFE.

Communities with diverse housing supplies are strong and resilient communities that ensure all residents have their basic needs met and can weather fluctuations in the macroeconomic economy.

STRATEGY 1.1	Identify areas for planned growth and establish minimum density requirements.
STRATEGY 1.2	Support preservation initiatives around Naturally Occurring Affordable Housing (NOAH) inventory.
STRATEGY 1.3	Conduct annual survey to monitor the prevalence of temporary dwellings (such as tents, RVs...) in the County
STRATEGY 1.4	Identify and prioritize publicly and privately owned developable land for various housing types and income levels.
STRATEGY 1.5	Create a program to monitor and identify vacant and underutilized buildings (schools/ office space) to convert into workforce affordable housing

These communities have housing for individuals at all income levels at various stages of life from starter homes for the budding family, single-family houses for growing families with kids, supportive housing for individuals transitioning out of homelessness, and downsizing options for empty nesters. To accomplish this goal, it will require multiple efforts from various stakeholders across Transylvania County and the broader Western North Carolina region.

Creating and maintaining a robust inventory of affordable housing requires a multifaceted and proactive approach to land use, preservation, and continuous monitoring of housing needs. A foundational step in this effort is the intentional identification of areas for planned growth, paired with the establishment of minimum density requirements. By doing so, the County can ensure that scarce developable land is utilized efficiently, fostering housing developments that support a greater diversity of incomes and housing types. Higher density not only accommodates more units but also promotes cost efficiencies in infrastructure and public services, making housing projects more viable for developers.

Equally important is the preservation of existing affordable housing stock, particularly Naturally Occurring Affordable Housing (NOAH). These properties often provide affordable options without relying on subsidies. Implementing a preservation initiative around NOAH inventory will help safeguard these units, preventing displacement and retaining affordability within established neighborhoods.

As housing challenges evolve, it is critical to maintain a clear understanding of emerging trends and gaps. An annual survey to monitor the prevalence of temporary dwellings, such as tents, RVs, and other non-traditional housing forms, will provide real-time insights into housing instability and homelessness. This data will allow the County to respond quickly with targeted interventions and inform long-term planning efforts.

In addition to consorted planning efforts, identifying and prioritizing both publicly and privately owned developable land for housing at various income levels will expand the pipeline of potential projects. A comprehensive inventory of land assets ensures that opportunities for affordable housing development are not overlooked and that land is strategically allocated to meet current and future demand.

Finally, the County must look inward to repurpose existing underutilized buildings such as vacant schools, office spaces, and other structures that can be converted into workforce affordable housing. This may require working with businesses who own these vacant properties and establishing a mutually beneficial agreement. A dedicated effort to monitor and identify these properties will create opportunities for adaptive reuse, turning dormant spaces into livable housing options that align with community needs.

BEST PRACTICES AND CASE STUDIES

Carrboro, NC - Collaborating to Address the Housing Supply Gap in North Carolina - NC Chamber

Carrboro, North Carolina, has addressed housing affordability by adopting mixed-use zoning reforms that allow for accessory dwelling units (ADUs), townhomes, and mixed-income developments, while also preserving open space. Although the town does not mandate affordable housing quotas, it uses density incentives, flexible development standards, and partnerships with local nonprofits, particularly those connected to UNC to expand housing options. These strategies have supported a diverse housing supply that serves students, families, and seniors, helping Carrboro maintain both economic and demographic diversity.

Wamego, Kansas (Dillion Rule State) - Spruce Apartments: A Case Study on Developing Workforce Housing in Rural Pottawatomie County Kansas - Economic Development Corporation

This case study highlights the successful redevelopment of the historic Genn Hospital in Wamego, Kansas, into a 10-unit multiplex and adjacent ADA-compliant duplex. The project addressed local affordable housing needs and stimulated economic development by repurposing an underutilized building. It was made possible through a collaborative effort involving private developers, local banks, state housing agencies, and community organizations. Key funding and support came from the Kansas Housing Investor Tax Credit (KHITC), the Kansas Department of Commerce, the Kansas Housing Resources Corporation, and the State Historic Preservation Office.

Montgomery County, Maryland (Dillion Rule State) - An American public housing success story | Vox

Montgomery County has made affordable housing a long-standing priority by requiring developers to dedicate at least 15% of new housing units to households earning below two-thirds of the area median income. Beyond mandates, the county adopted an innovative approach to public housing by establishing a dedicated fund to finance and develop projects. Through partnerships with private developers, the county maintains majority ownership in these projects, allowing it to prioritize affordability over profit acting as a “benevolent investor” to ensure lower rents.

GOAL 2: PROMOTE THE DEVELOPMENT OF AFFORDABLE HOUSING OPTIONS SPECIFICALLY TAILORED TO SUPPORT THE COUNTY'S EXISTING AND EMERGING WORKFORCE ACROSS ALL INDUSTRY SECTORS..

Communities that offer housing options for their local workforce experience significant economic benefits

STRATEGY 2.1	Explore incentives for employer housing developments.
STRATEGY 2.2	Work with economic development entities to support strategic expansion of infrastructure to increase the feasibility of LIHTC developments.
STRATEGY 2.3	Facilitate partnerships with for-profit and nonprofit agencies such as voucher providers (WNC source) to finance affordable housing development.
STRATEGY 2.4	Explore the use of alternative funding sources such as economic development financing strategies (e.g. Tax Increment Financing, Community Development Finance Institutions) to support and stabilize affordable housing.

However, the connection between housing and economic development is not always immediately evident to residents, elected officials, and even practitioners. Communities that offer a diverse range of affordable housing are more competitive in business retention and attraction efforts, as employers are better able to access local talent. This is especially critical for sustaining essential public service roles such as healthcare workers, teachers, and first responders whose ability to live near their place of work directly impacts service delivery and community well-being. When housing becomes unaffordable, it places significant strain on individuals in these occupations, often forcing them to seek housing in other communities. Beyond workforce stability, affordable housing also stimulates the local economy, as workers who live in the area are more likely to spend their income at local businesses, keeping economic benefits circulating within the community.

Addressing affordable housing challenges requires not only a focus on land use and preservation but also a concerted effort to align economic development strategies, financing tools, and cross-sector partnerships. One promising avenue is the exploration of incentives for employer-supported housing developments. As workforce recruitment and retention are a critical component of economic development efforts, employers have a vested interest in ensuring their employees have access to affordable, proximate housing. Facilitating employer participation in housing development through incentives or partnerships can create a new channel for expanding the housing supply while also strengthening the local labor force. While these efforts can be difficult to execute, several employers in Transylvania County have begun exploring this as an option from donating land to constructing housing for their own employees.

In addition to economic development incentives, there are current affordable housing financing tools that communities can leverage to support their residents. The LIHTC program is one bipartisan supported tool to create affordable housing across the county. Strategic infrastructure investments play a pivotal role in determining the feasibility of affordable housing projects as state-wide Qualified Allocation Plans (QAPs) require proximity to amenities as a grading criterion. Unfortunately, Transylvania County has struggled to be competitive for LIHTC projects based on the grading formula used for North Carolina's Qualified Allocation Plan (QAP), primarily due to the county not having developable land proximal to amenities. By working closely with economic development entities to align infrastructure expansion to aid with LIHTC applications, the County can reduce development barriers and enhance the attractiveness of these projects for both developers and investors.

Another critical strategy involves fostering partnerships with both for-profit and nonprofit agencies, including organizations that administer housing vouchers. These partnerships are essential for assembling the complex financing packages often required to bring affordable housing projects to fruition. By serving as a convener and facilitator, the County and its partners can help bridge gaps between developers, voucher providers, and financing agencies, ensuring that affordable units are not only built but also accessible to households in need.

Furthermore, the County must explore alternative funding mechanisms that blend economic development strategies with housing stability goals. Tools such as Tax Increment Financing (TIF) and collaborations with Community Development Finance Institutions (CDFIs) can provide flexible, locally driven funding sources to support affordable housing development. These mechanisms not only reduce reliance on limited federal and state resources but also create sustainable financing models that can adapt to local market conditions.

BEST PRACTICES AND CASE STUDIES

Davidson, NC (-15,000 residents) - An Intentional Growth Case Study: Davidson, North Carolina | Groundwork

Davidson, North Carolina, has implemented a comprehensive approach to support a diverse and affordable housing supply. It was one of the first municipalities in the state to adopt a zoning ordinance requiring 12.5% of new for-sale units to be affordable, with options for developers to contribute payments in lieu. The town partners with the Davidson Housing Coalition, a nonprofit that manages deed-restricted ownership and rental units for households earning up to 80% of the area median income. In 2022, Davidson completed a detailed Affordable Housing Needs Assessment to guide future strategies. These combined efforts have fostered a stable, mixed-income community while maintaining the town's small-town character and walkable layout.

Manistee, MI (-25,000 residents) (seasonal tourism destination) (similar workforce) -Manistee Housing Commission eyes land trusts to ease housing crunch **+** $1.5M grant fuels transformation of Manistee's former Hotel Northern

The community located in Manistee, MI, is currently being confronted with a significant housing shortage, with an estimated need for 2,000–2,500 additional units to support its growing workforce, particularly in the education and healthcare sectors. In response, the city implemented strategic incentives, including tax breaks and up to $27 million in infrastructure reimbursements through a partnership with Lennar Homes.

These efforts have substantially expanded the housing stock by including land and zoning reform, incentives, land trusts, and public-private collaborations to help reduce housing cost burdens for 36% of homeowners and nearly half of all renters. While some residents voiced concerns about impacts to local character, the initiative is widely recognized as essential for sustaining Kerrville's economic vitality.

GOAL 3: BALANCE THE GROWTH OF THE TOURISM ECONOMY WITH THE HOUSING NEEDS OF ITS WORKFORCE BY ADDRESSING SEASONAL HOUSING SHORTAGES AND THE IMPACTS OF SHORT-TERM RENTALS.

Short-term rentals and their impact on affordable housing have become a contentious topic of discussion, particularly in areas with heavily tourism-based economies.

STRATEGY 3.1	Seek partnerships to support the creation of a nonprofit and for-profit funded loan fund to support workforce housing.
STRATEGY 3.2	Continue to advocate for expanded and strategic uses of Occupancy Tax Revenue.
STRATEGY 3.3	Advocate for differentiated tax option for property types.

On one hand, they provide affordable short-term stay options for visitors who are spending their money locally, stimulating the economy. They can also provide viable income for individuals who own the rentals. On the other hand, they remove housing options, particularly apartments and smaller housing options (NOAH) that are already in short supply. Areas like Transylvania County that have topographical limitations to housing development are further susceptible to the impacts of short-term rentals. Though North Carolina state law limits local government's ability to regulate short-term rentals, their impact on Transylvania County should be accounted for.

A sustainable affordable housing strategy requires innovative financial mechanisms that reflect the unique dynamics of the local housing market. One key approach is to establish a dedicated loan fund supported through partnerships with nonprofit and for-profit entities that provide flexible capital for workforce housing development. Such a fund would fill a critical financing gap, enabling developers to access below-market financing options that make workforce housing projects more feasible, particularly in high-demand areas where conventional lending falls short. Both cash and in-kind donations, such as land, should be considered to support this initiative.

In addition to supplementing funding streams, Transylvania County and its residents should continue advocating for the expanded and strategic use of Occupancy Tax Revenue. These funds, generated through tourism-related activities, are mostly allocated toward marketing efforts for the regional tourism development authority by North Carolina state statute. However, alternative uses should be considered such as financial support for housing initiatives that benefit the broader community, including the workforce that supports local tourism.

Finally, tailoring tax policies to differentiate between primary residences, investment properties, and short-term rentals can reduce speculative pressures on the housing market while promoting uses that align with community housing goals. However, current North Carolina state statutes prohibit local governments from implementing such differentiated tax structures. Advocating for state-level policy changes to allow taxation based on property type would create a more equitable distribution of tax burdens and incentives. This differentiation would provide a valuable policy tool to encourage responsible property ownership and support long-term housing affordability across the County.

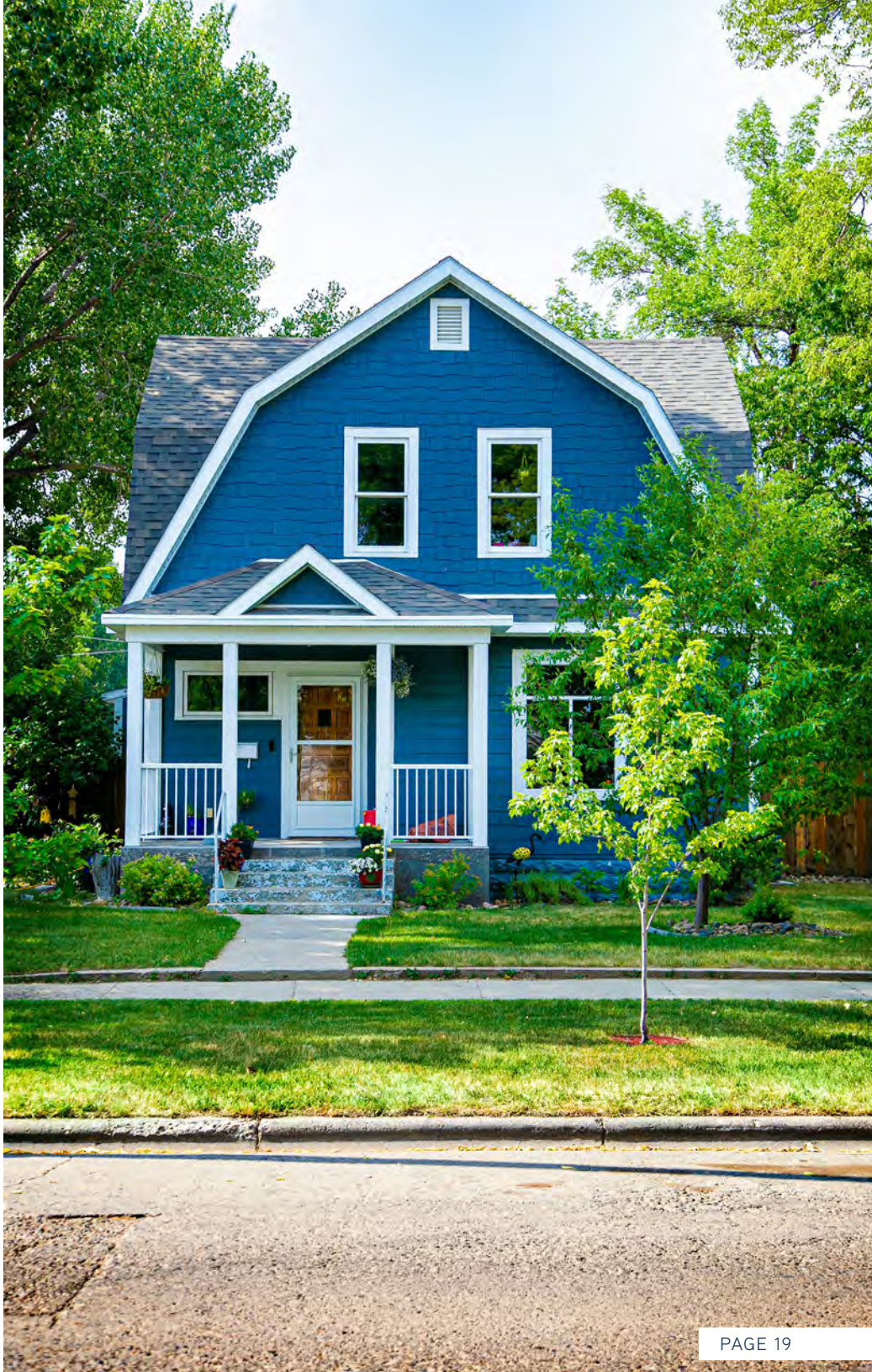
BEST PRACTICES AND CASE STUDIES

Big Sky, Montana (3,391 residents) (tourism hub-ski destination) (STR) – Big Sky Community Housing Trust Rent Local Incentive Program

Rapid tourism growth in Big Sky, Montana, led to a 33% increase in short-term rentals (STRs) between 2018 and 2022, causing STRs to account for 20% of the area's housing stock. During this period, rental prices surged by 38%, while local wages grew by only 8.6%, creating a significant affordability gap for the local workforce. In response, the community implemented a resort tax on luxury goods and STRs, allocating half of the revenue to support housing and infrastructure, specifically reserving water and sewer capacity for 500 deed-restricted units. Additionally, the Big Sky Community Housing Trust launched innovative programs such as Rent Local, which offers cash incentives to convert units into long-term rentals, and Good Deeds, which provides payments in exchange for permanent deed restrictions that ensure homes are reserved for local workers. These strategies illustrate how leveraging tourism-related revenue can directly support housing equity in resort-based economies.

Frederick County, Maryland - Visit Frederick Destination Development Initiative

Visit Frederick, the county's designated marketing organization, leverages tourism-related revenues from local businesses and attractions to continually invest in the tourism industry. The organization has two marquee grant programs including the Tourism Reinvestment in Promotion and Product Program and the Frederick County Main Street Communities Cooperative Fund. The Tourism Reinvestment in Promotion and Product Program uses hotel tax revenue to support marketing activities and product development grants for tourism-related support organizations across the county. The Main Street Communities Cooperative Fund provides areas with support for economic planning, marketing and promotion, and innovatively, training and education for tourism industry workers. This creative use of tourism revenues represents an innovative use to support the regional tourism industry workers beyond marketing and promotion.



GOAL 4: ENHANCE COORDINATED EFFORTS AMONG LOCAL AND REGIONAL GOVERNMENTS, NONPROFITS, AND PRIVATE SECTOR PARTNERS TO GUIDE THE DEVELOPMENT OF EFFECTIVE HOUSING POLICIES AND ADDRESS SHARED BARRIERS TO AFFORDABLE HOUSING.

Through partnerships with the Land of Sky Regional Council, the Housing Assistance Corporation (HAC), local municipalities, and other organizations, Transylvania County is well-positioned to respond to housing challenges through collaborative efforts.

STRATEGY 4.1	Continue to work with local municipalities and regional housing efforts to expand infrastructure to support housing development.
STRATEGY 4.2	Coordinate with community stakeholders to review and resolve Heirs' property challenges for affordable and workforce housing development.
STRATEGY 4.3	Deploy a public education and awareness campaign about housing needs, practical challenges and opportunities.
STRATEGY 4.4	Create a pilot program to explore shared housing/roommate registration.
STRATEGY 4.5	Coordinate efforts to work with churches and religious organizations to expand affordable housing developments (YIGBY).
STRATEGY 4.6	Continue in the regional housing effort with NC Impact.

Now, more than ever, it will be important for these partners to align on a vision for housing in the region and focus on working through the proposed strategies to resolve affordable housing challenges. This will require thinking through creative solutions and bringing new partners to the table. Addressing housing affordability is not solely a function of policy and financing. It requires coordinated partnerships, public education, and the expanded use of community assets.

Expanding infrastructure remains a critical priority, and continued collaboration with local municipalities and regional housing initiatives is essential to ensure that infrastructure, water and sewer in particular, but also transportation and broadband systems, are sufficient to support future housing demands. Infrastructure alignment is the backbone of housing feasibility, and regional coordination will amplify the impact of individual jurisdiction efforts.

In addition to infrastructure, addressing legal and technical barriers to housing development is paramount. Heirs' property issues occur when a property is passed down informally without a clear title, often through generations of a family. This leads to fragmented ownership among multiple heirs, making it difficult to sell, mortgage, or improve the property. It can also lead to loss of wealth and displacement through forced sales (below market rate) and tax foreclosures. By coordinating with community stakeholders and Heirs' property owners, the County can help preserve generational wealth, support equitable development practices, and access dormant land for affordable and workforce housing.

Public perception and understanding of housing challenges play a significant role in shaping policy and fostering community support. Deploying a robust public education and awareness campaign will help display housing needs, highlight practical solutions, and dispel misconceptions about the impacts of affordable housing. This effort will build the social capital necessary to advance affordable housing initiatives and reduce resistance to development projects.

In today's world, it has become increasingly difficult for a single individual to afford housing costs on their own. This is true across the country, not just Transylvania County. Thus, innovative practices should be explored through a pilot program focused on shared housing and roommate registration. Shared housing can offer an immediate and cost-effective solution for individuals seeking affordable living arrangements, especially in high-cost markets. A structured pilot program would help county residents to more efficiently connect with other individuals seeking co-habitants.

In a continued effort to leverage partnerships, the County should coordinate and support efforts with churches and religious organizations to expand affordable housing opportunities. Known as YIGBY (Yes In God's Backyard), this approach taps into the mission-driven assets of faith-based institutions, many of which possess underutilized land that can be transformed into affordable housing. Some of these efforts have already begun to take form. The Brevard-Davidson River Presbyterian Church and the City of Brevard formed a partnership in June 2024 to create affordable housing on a 4.5-acre lot. The County and its partners can build from this momentum that is already underway.

It has become clear that affordable housing conversations are already underway. Continued participation in the regional housing effort with NC Impact will ensure that the County remains aligned with broader regional strategies, benefiting from shared resources, research, and collaborative problem-solving. The County should consider how this strategic plan ties into current efforts being coordinated across the region.

BEST PRACTICES AND CASE STUDIES

North Carolina – Our State, Our Homes

In 2024, Carolina Across 100 announced the Our State, Our Homes initiative. This effort marked an 18-month program to help communities analyze challenges and implement strategies related to affordable housing. Fourteen teams consisting of business, civic, nonprofit, and government entities were selected to participate in the collaborative effort. The Land of Sky Impact Alliance, consisting of the Community Housing Coalition of Madison County, Housing Assistance Corporation, Land of Sky Regional Council, MountainTrue, and Transylvania Government have been selected as one of the fourteen teams. This effort is meant to focus on creating strategic partnerships to positively impact the housing environment across the region.

Additional collaborative efforts supported by Transylvania County government can be found in Appendix IV: County Efforts.

Local Housing Solutions - Facilitating Collaborations Between Cities and Counties

Both cities and counties have a vested interest in facilitating and managing affordable housing efforts. By maintaining this vital infrastructure, these entities can support economic development efforts that retain and attract workers and businesses and can strengthen the local tax base. Local Housing Solutions proposes several opportunities for cities and counties to work better together including engaging in regular and meaningful dialogue about goals and challenges, pooling resources for housing development, using complimentary policy tools such as fees and zoning to support development, and jointly administering housing programs.

The Cuyahoga Land Bank and Cuyahoga County, Ohio, provide a strong example of county government playing a key role in supporting housing development. Cuyahoga County supports the Land Bank by partnering with city governments to acquire tax-delinquent properties and providing a county-wide framework that allows for larger-scale redevelopment opportunities. The County also ensures a stable funding stream by directing all penalties and interest from delinquent taxes to the Land Bank, rather than splitting revenue with municipalities. This approach strengthens neighborhood stabilization efforts across the region, particularly benefiting smaller cities that lack the resources to address foreclosures and property abandonment on their own.

Implementation Matrix

The Implementation Matrix provides a visual representation of the strategic plan categorized by goals. Topics addressed include strategies, timelines, priorities, metrics, steps, and potential implementation partners. A description of each category is included below:

STRATEGY	Actionable strategies that can be taken by Transylvania Housing partners to achieve the outlined goals. These were created through a detailed engagement and research process and are tailored specifically to the County.
TIMELINE	The timeline for various strategies has been broken down into Near (1-3 years), Medium (3-6 years), or Long (6-10 years). The timeline for completion was determined based on several factors, including the complexity of the task, required resources, labor intensity, number of partners involved, and other relevant considerations.
PRIORITY	Strategy priority has been broken down into low, medium, and high. When deciding what strategies would be a higher priority than others, items that were considered include timeline to completion, how difficult it might be to implement certain strategies, and the items that have a higher impact potential on affordable housing for the community.
POTENTIAL METRICS	Metrics include key milestones that demonstrate progress toward strategies set forward. These can be used to help evaluate the quality of the action steps taken.
PARTNERS	The stakeholder engagement process was not only designed to gather insights, but to organize collaborative efforts around various strategies. Strategic implementation partners for various strategies based on the parameters of their work and ability to help execute the proposed strategies. Each organization will have to evaluate if each strategy is something they can and plan to have a role in implementing.

GOAL 1: ENSURE A DIVERSE AND ADEQUATE HOUSING SUPPLY THAT MEETS THE FULL SPECTRUM OF COMMUNITY NEEDS, INCLUDING VARYING HOUSEHOLD SIZES, INCOME LEVELS, AND STAGES OF LIFE.

Strategy	Timeline	Priority	Potential Metrics	Partners
STRATEGY 1.1: IDENTIFY AREAS FOR PLANNED GROWTH AND ESTABLISH MINIMUM DENSITY REQUIREMENTS.	Near (1-3 Years)	High	• Identified development areas • Number of units built on identified plots of land • Number of affordable units developed on identified plots of land	• Local Cities and Municipalities
STRATEGY 1.2: SUPPORT PRESERVATION INITIATIVES AROUND NATURALLY OCCURRING AFFORDABLE HOUSING (NOAH) INVENTORY.	Near (1-3 Years)	Medium	• Number of units moved into a land bank or community land trust (CLT) • Amount of funding allocated to housing rehabilitation programs • Number of affordable homes (at or below 120% AMI) receiving home rehabilitation support	• Local County, Cities, and Municipalities • Local Land Trust • Transylvania Habitat for Humanity • Housing Assistance Corporation • Landlords
STRATEGY 1.3: CONDUCT ANNUAL SURVEY TO MONITOR THE PREVALENCE OF TEMPORARY DWELLINGS (SUCH AS TENTS, RVS, AND OTHER TEMPORARY HOUSING) IN THE COUNTY	Near (1-3 Years	Medium	• Established annual survey to monitor the prevalence of temporary dwellings • Number of units (including types of units) registered annually	• Local Cities and Municipalities • Residents
STRATEGY 1.4: IDENTIFY AND PRIORITIZE PUBLICLY AND PRIVATELY OWNED DEVELOPABLE LAND FOR VARIOUS HOUSING TYPES AND INCOME LEVELS.	Medium (4-6 Years)	High	• Number of publicly owned parcels of land identified • Number of units built on publicly owned land	• Local Cities and Municipalities • Transylvania Economic Alliance Businesses • Nonprofit Organizations • Churches
STRATEGY 1.5: CREATE A PROGRAM TO MONITOR AND IDENTIFY VACANT AND UNDERUTILIZED BUILDINGS (SCHOOLS/ OFFICE SPACE) TO CONVERT INTO WORKFORCE AFFORDABLE HOUSING	Near (1-3 Years)	Medium	• Established program to monitor vacant buildings • Number of vacant and underutilized buildings identified • Number of housing units built from vacant and underutilized buildings	• Businesses • Land of Sky Regional Council • Transylvania Economic Alliance

GOAL 2: PROMOTE THE DEVELOPMENT OF AFFORDABLE HOUSING OPTIONS SPECIFICALLY TAILORED TO SUPPORT THE COUNTY'S EXISTING AND EMERGING WORKFORCE ACROSS ALL INDUSTRY SECTORS.

Strategy	Timeline	Priority	Metrics	Partners
STRATEGY 2.1: EXPLORE INCENTIVES FOR EMPLOYER HOUSING DEVELOPMENTS	Near (1-3 Years)	Medium	• Number of affordable units constructed as a result of the Transylvania County Incentive program • Amount of dollars and/or tax credits distributed for affordable housing developments	• County Government • Businesses • Transylvania Economic Alliance
STRATEGY 2.2: WORK WITH ECONOMIC DEVELOPMENT ENTITIES TO SUPPORT STRATEGIC EXPANSION OF INFRASTRUCTURE TO INCREASE THE FEASIBILITY OF LIHTC DEVELOPMENTS.	Medium (4-6 Years)	Medium	• Amount of dollars distributed, in partnership with economic development organizations, to support expansion of LIHTC-related infrastructure and amenities (proximity to schools, transportation, jobs, groceries, and other community amenities) for housing	• Local County, Cities, and Municipalities • Land of Ski Regional Council • Transylvania County Economic Alliance
STRATEGY 2.3: FACILITATE PARTNERSHIPS WITH FOR-PROFIT AND NONPROFIT AGENCIES SUCH AS VOUCHER PROVIDERS TO FINANCE AFFORDABLE HOUSING DEVELOPMENT	Near (1-3 Years)	High	• Number of voucher dollars converted to support affordable housing developments	• WNC Source
STRATEGY 2.4: EXPLORE THE USE OF ALTERNATIVE FUNDING SOURCES SUCH AS ECONOMIC DEVELOPMENT FINANCING STRATEGIES (E.G. TAX INCREMENT FINANCING, COMMUNITY DEVELOPMENT FINANCE INSTITUTIONS) TO SUPPORT AND STABILIZE AFFORDABLE HOUSING.	Medium (4-6 Years)	Medium	• Number of dollars procured (from specific economic development funding programs) for affordable housing development	• Local Cities and Municipalities • Land of Sky Regional Council • Transylvania County Economic Alliance

GOAL 3: BALANCE THE GROWTH OF THE TOURISM ECONOMY WITH THE HOUSING NEEDS OF ITS WORKFORCE BY ADDRESSING SEASONAL HOUSING SHORTAGES AND THE IMPACTS OF SHORT-TERM RENTALS.

Strategy	Timeline	Priority	Metrics	Partners
STRATEGY 3.1: SEEK PARTNERSHIPS TO SUPPORT THE CREATION OF A NONPROFIT AND FOR-PROFIT FUNDED LOAN FUND TO SUPPORT WORKFORCE HOUSING.	Near (1-3 Years)	High	• Number of for- and non-profit partners • Number of dollars raised through for- and non-profit partners	• Nonprofit Organizations • Transylvania Economic Alliance • Transylvania County Tourism Development Authority • Land of Sky Regional Council • Dogwood Health Trust
STRATEGY 3.2: CONTINUE TO ADVOCATE FOR EXPANDED AND STRATEGIC USES OF OCCUPANCY TAX REVENUE.	Near (1-3 Years)	High	• Adjustment in state policy to expand options for Occupancy Tax Revenue	• Local County, Cities, and Municipalities • Transylvania County Tourism Development Authority • Transylvania Economic Alliance • Land of Sky Regional Council • Residents
STRATEGY 3.3: CONTINUE TO WORK WITH LOCAL GOVERNMENT AND REGIONAL HOUSING EFFORTS TO EXPAND INFRASTRUCTURE TO SUPPORT HOUSING DEVELOPMENT.	Not Applicable – Currently Happening	High	• Dollars invested in infrastructure expansion efforts • Number of new homes connected to infrastructure projects	• Local County, Cities, and Municipalities • Land of Sky Regional Council

GOAL 4: ENHANCE COORDINATED EFFORTS AMONG LOCAL AND REGIONAL GOVERNMENTS, NONPROFITS, AND PRIVATE SECTOR PARTNERS TO GUIDE THE DEVELOPMENT OF EFFECTIVE HOUSING POLICIES AND ADDRESS SHARED BARRIERS TO AFFORDABLE HOUSING.

Strategy	Timeline	Priority	Metrics	Partners
STRATEGY 4.1: CONTINUE TO WORK WITH LOCAL GOVERNMENT AND REGIONAL HOUSING EFFORTS TO EXPAND INFRASTRUCTURE TO SUPPORT HOUSING DEVELOPMENT.	Not applicable – Currently Happening	High	• Dollar amount of infrastructure expansions as a result of local and regional government initiatives • Number of infrastructure projects completed as a result of local and regional government initiatives	• Local County, Cities, and Municipalities • Land of Sky Regional Council
STRATEGY 4.2: COORDINATE WITH COMMUNITY STAKEHOLDERS TO REVIEW AND RESOLVE HEIRS' PROPERTY CHALLENGES FOR AFFORDABLE AND WORKFORCE HOUSING DEVELOPMENT.	Near (1-3 Years)	Medium	• Established program to support Heirs' property owners • Number of Heirs' property owners served	• Local County, Cities, and Municipalities • Pisgah Legal
STRATEGY 4.3: DEPLOY A PUBLIC EDUCATION AND AWARENESS CAMPAIGN ABOUT HOUSING NEEDS, PRACTICAL CHALLENGES, AND OPPORTUNITIES.	Near (1-3 Years)	High	• Number of community input and education meetings held • Number of residents who attended public education meetings	• Local County, Cities, and Municipalities • Land of Sky Regional Council • Residents
STRATEGY 4.4: CREATE A PILOT PROGRAM TO EXPLORE SHARED HOUSING/ ROOMMATE REGISTRATION	Near (1-3 Years)	High	• Number of individuals registered for the roommate registration program • Number of residents connected to housing as a result of the roommate registration program	• Local County, Cities, and Municipalities • Landlords • Residents

Strategy	Timeline	Priority	Metrics	Partners
STRATEGY 4.5: COORDINATE EFFORTS TO WORK WITH CHURCHES AND RELIGIOUS ORGANIZATIONS TO EXPAND AFFORDABLE HOUSING DEVELOPMENTS (YIGBY).	Near (1-3 Years)	Medium	• Number of faith-based organizations contacted about partnership and development opportunities • Number of affordable units developed in partnership with faith-based organizations	• Local County, Cities, and Municipalities • Churches
STRATEGY 4.6: CONTINUE IN THE REGIONAL HOUSING EFFORT WITH NC IMPACT.	Not Applicable-Currently Happening	High	• Outcomes and findings from NC Impact effort	• Local County, Cities, and Municipalities • Land of Sky Regional Council

Findings

Finding 1

Transylvania county's housing mix leans heavily toward single-family homes, which limits opportunities for residents seeking more diverse housing options.

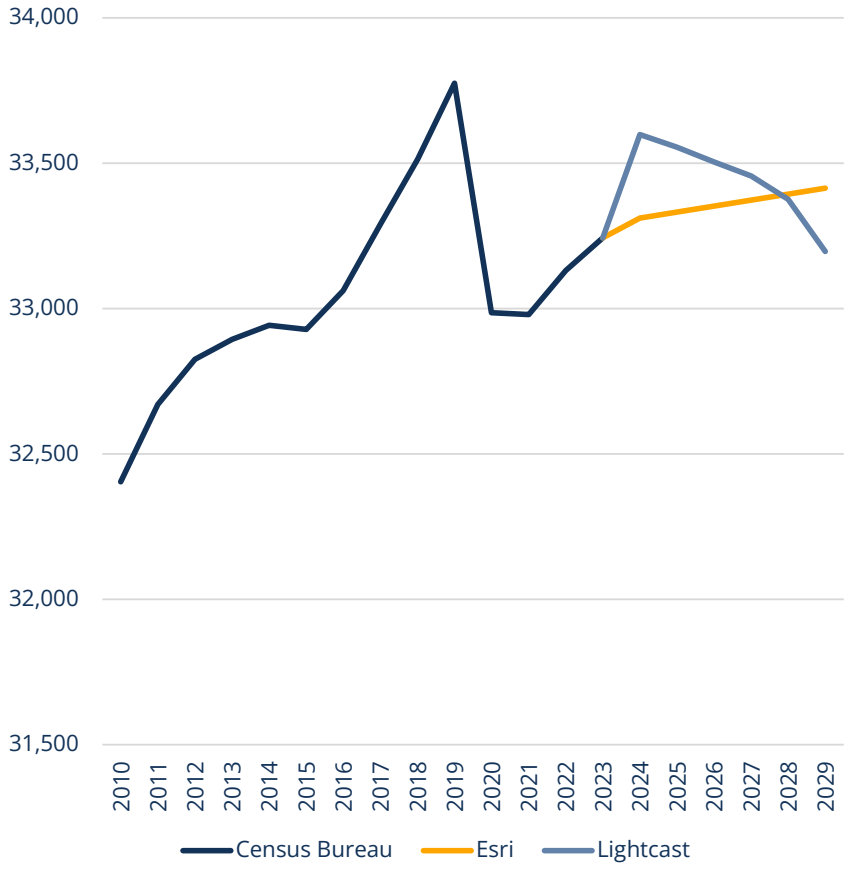
DEMOGRAPHIC TRENDS

Over the past ten years, Transylvania County's population has been relatively stagnant, characterized by a modest 1% increase. While long-term growth projections show conflicting perspectives, the more optimistic view shows a continuation of this trend, expecting a 0.3% increase in population between 2024 and 2029.

Modest population growth in recent years can be primarily attributed to the inbound migration experienced in the county. The impact of this migration on the overall population size is tempered by the natural change in population.

FIGURE 1: POPULATION, 2010 – 2029 (PROJECTED)[1]

Source: American Community Survey 5-Year Estimates, Decennial Census, Esri, Lightcast 2024.4



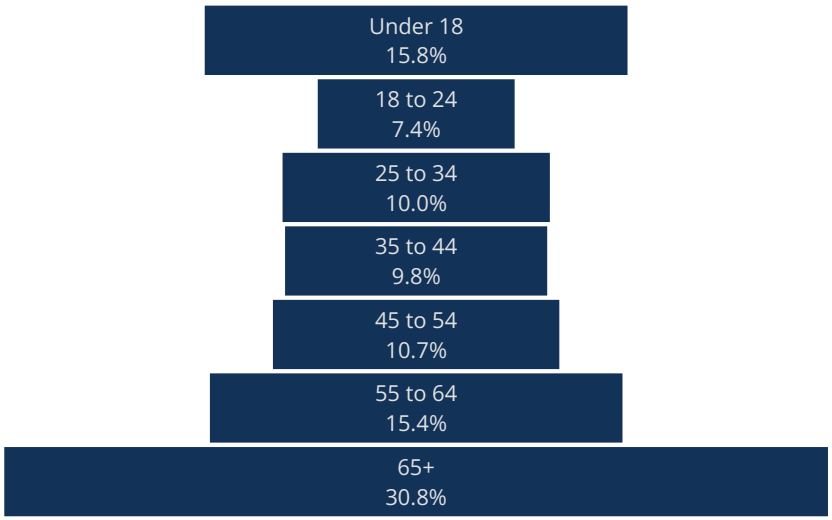
1 2010 to 2019, 2021 to 2023 population estimates from the American Community Survey. 2020 population estimates from the Decennial Census.

TABLE 1: COMPONENTS OF POPULATION CHANGE, APRIL 1, 2020, TO JULY 1, 2023[2]
Source: US Census, Annual and Cumulative Estimates of the Components of Resident Population Change

NATURAL CHANGE	**Births**	**Deaths**	**Gain/Loss**
	792	1,600	-808
NET MIGRATION	**International**	**Domestic**	**Gain/Loss**
	88	1,293	1,381
TOTAL POPULATION CHANGE			**565**

While an aging demographic is the trend nationwide, the percentage of residents over the age of 65 is significantly larger in Transylvania County than state or national averages. In 2023, 30.8% of the County's population was at least 65 years of age (compared to 16.9% in the state and 16.8% across the nation, respectively). This has resulted in an increasing median age, which increased from 49.7 in 2013 to 51.9 in 2023. Based on the age of the current population, the median age is likely to continue to rise.

FIGURE 2: AGE DISTRIBUTION, 2023
Source: American Community Survey 5-Year Estimates



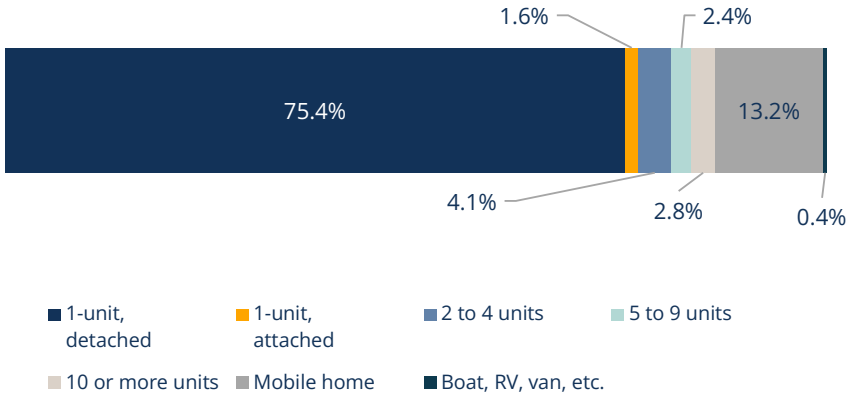
2 Total population change includes a residual, a change in population that cannot be attributed to any specific demographic component of population change. Therefore, net migration and natural change will not sum to the total population change.

As people and populations age, the demands placed on the local housing market tend to shift as well, creating additional need for accessibility and other aging-in-place accommodations. Some communities will also experience a shortage of downsizing options, independent living facilities, or short- and long-term care centers. The aging of the "baby boomer" generation has, for many communities, exposed the need for a wider variety of housing types than recent development patterns have typically produced.

DEVELOPMENT TRENDS

The local housing stock in Transylvania County is predominantly composed of single-family detached homes, representing 75.4% of all housing units in the county.

FIGURE 3: HOUSING UNITS BY UNITS IN STRUCTURE[3]
Source: American Community Survey 5-Year Estimates



Development trends in recent years have reinforced this pattern. Between 2020 and 2023, the number of new single-family homes increased steadily, rising from 117 to 201.

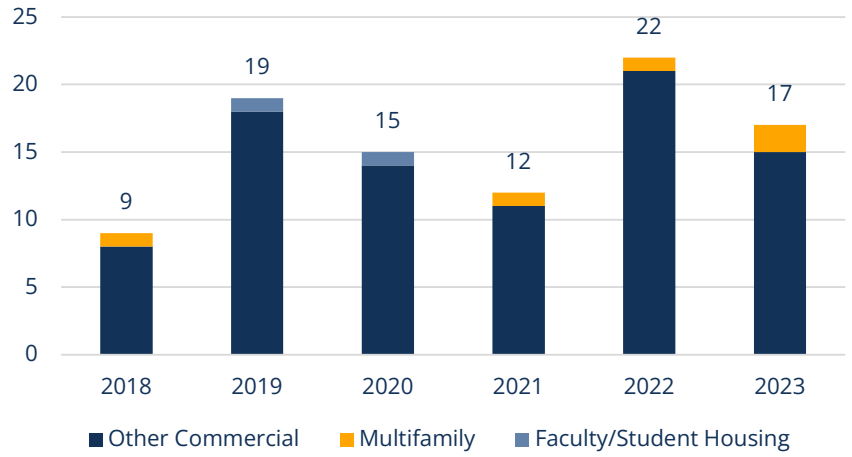
3 One-unit attached units are units separated from adjacent units with a ground-to-roof wall, have separate heating/air conditioning systems, have individual public utilities, and do not have units above or below. Units with units above or below, without a ground-to-roof wall, or with common facilities (attic, basement, heating, plumbing) are not included in the single-family category. Common housing types in this category include townhouses and row houses.

TABLE 2: SINGLE FAMILY RESIDENTIAL PERMITS FOR NEW BUILDS, 2020 TO 2023
Source: Transylvania County Building Permitting and Enforcement Reports

	Permits	New House Value	Average Per House Value
2020	117	$45,933,542	$392,594
2021	177	$98,878,772	$558,637
2022	193	$108,991,347	$564,722
2023	201	$118,174,496	$587,933

While the number of new, single-family homes being developed has been steadily rising, permits for multifamily development have been more intermittent. Of the 94 permits issued for new commercial construction between 2018 and 2023, just five, about 5%, were for multifamily housing development, with two additional permits being for faculty or student housing.

FIGURE 4: NEW COMMERCIAL PERMITS FOR HOUSING BY ISSUE DATE, 2018 TO 2023
Source: Transylvania County Building Permitting and Enforcement Permit Finder; permit analysis by TPMA



Looking at the four-year period for which single-family residential permits were analyzed, a total of 693 permits were issued for new housing construction (commercial and residential). Of those, 99% were for single-family residential construction, reinforcing the current housing mix in Transylvania County.

TABLE 3: PERMITS FOR HOUSING DEVELOPMENT BY ISSUE DATE
Source: Transylvania County Building Permitting and Enforcement Permit Finder (permit analysis by TPMA), Transylvania County Building Permitting and Enforcement Reports

	Faculty/Student Housing	Multifamily	Single-Family Residential
2020	1		117
2021		1	177
2022		1	193
2023		2	201
TOTAL	1	4	688

A look at permitting counts alone may not paint a fully accurate picture, however, as permits could include remodeling efforts on existing homes or the replacement of existing structures. For example, the single permit designated as faculty/student housing refers to the demolition and replacement of old dormitories. Furthermore, multifamily units might appear as a single permit but include dozens of housing units. Still, when accounting for the number of units developed, even if we attribute a percentage of single-family permits to renovations, the number of single-family homes greatly outweighs the number of other types of units developed over this four-year period.

TABLE 4: UNITS/BEDS FOR ISSUED PERMITS, 2020 TO 2023

Source: Transylvania County Building Permitting and Enforcement Permit Finder (permit analysis by TPMA), Transylvania County Building Permitting and Enforcement Reports

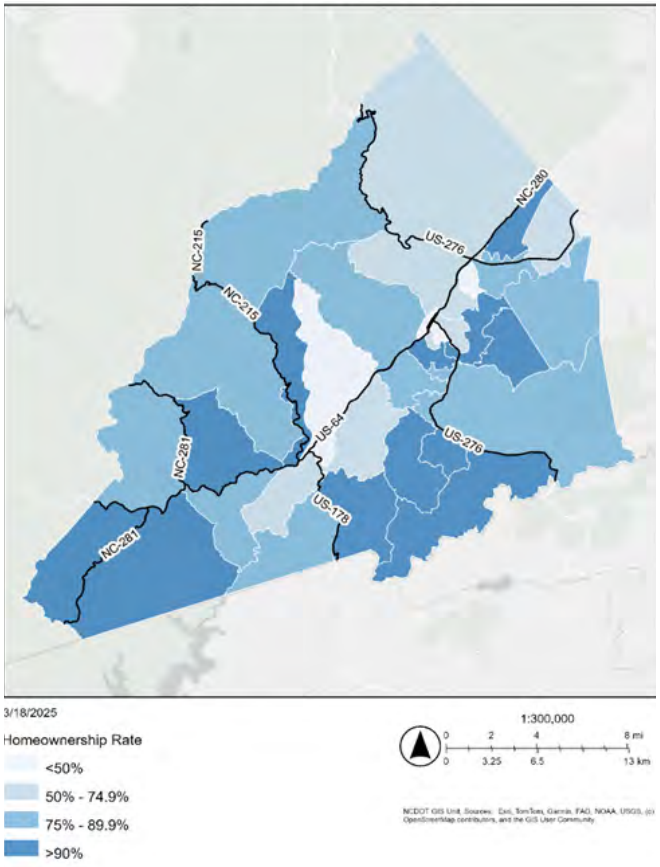
Faculty/Student Housing (beds)	Multifamily Development (units)	Single-family Residential (units)
57 (7.3%)	36 (4.6%)	688 (88.1%)

HOUSING AVAILABILITY AND RENTAL MARKET CONDITIONS

In alignment with the predominance of single-family homes, the majority of households in the county are owner-occupied. Homeowners represent 75% of households in the county, a larger percentage than the state as a whole (66.3% owner-occupied).

While homeownership rates vary throughout the county, the lowest homeownership rates (and therefore, the highest percentage of renters) are around Brevard and Rosman. Many block groups throughout the county have homeownership rates exceeding 90%.

FIGURE 5: HOMEOWNERSHIP RATE BY BLOCK GROUP, 2023
Source: American Community Survey 5-Year Estimates; mapping by TPMA

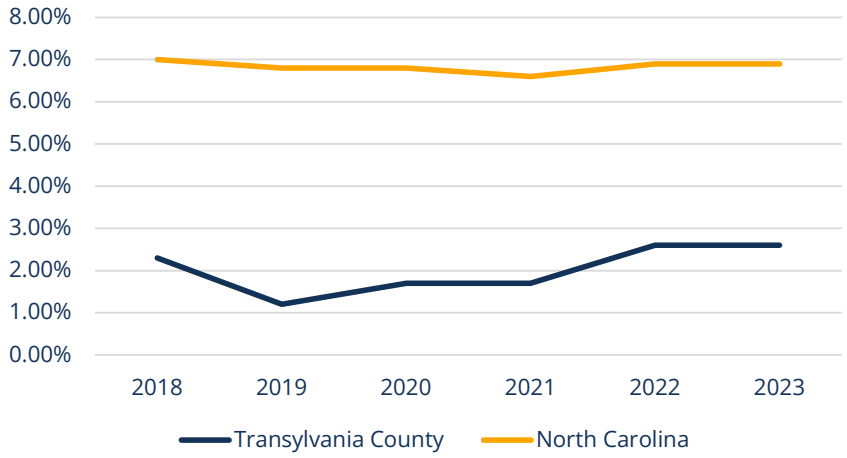


This emphasis on single-family homes and homeownership has influenced rental market conditions. The supply of rental housing in the county is constrained, with rental units representing just 19.5% of the county's total housing stock (including both occupied and vacant units).[4] Statewide, rental units account for 32% of the overall housing stock. While this discrepancy might suggest a lower demand for rental housing in Transylvania County than across the entire state, a look at vacancy rates suggest otherwise.

In real estate, the "natural" vacancy rate (the point at which there is balance between supply and demand, leading to price stability) is commonly thought to be 7% to 8%. However, between 2018 and 2023, the rental vacancy rate in Transylvania County consistently remained below 3%, significantly lower than both the natural vacancy rate and the statewide average (6.9%).

A low vacancy rate often indicates an undersupplied rental market, where limited availability drives up competition and prices. In Transylvania County, this could be the result of a housing mix that has limited housing options beyond single-family homes and is likely contributing to increased rent and affordability challenges. Without a broader range of housing choices, renters are left without affordable or suitable choices to meet their needs.

FIGURE 6: RENTAL VACANCY RATE, 2018 TO 2023
Source: American Community Survey 5-Year Estimates



4 Calculated as the sum of renter-occupied units, vacant year-round units rented but awaiting occupancy, and vacant year-round units available for rent divided by the total housing stock (both occupied and vacant).

Further evidence of these pressures can be seen in the incidence of overcrowding. Overcrowding, defined as having more than one person per room in a housing unit, can be an indicator of limited housing affordability and availability. Between 2018 and 2023, overcrowding among owner-occupied households in the County decreased while it remained steady statewide. However, overcrowding within the County's renter-occupied households more-than-tripled in this period, with the incidence of severe overcrowding jumping from 0.3% of renting households to 4.6%.[5] Over this same five-year period, the incidence of severe overcrowding across the state of North Carolina remained steady at 1.4%.

TABLE 5: OVERCROWDING BY TENURE, 2018 TO 2023
Source: American Community Survey 5-Year Estimates

	Transylvania County				North Carolina			
	Owner-Occupied		Renter-Occupied		Owner-Occupied		Renter-Occupied	
	2018	2023	2018	2023	2018	2023	2018	2023
OVERCROWDED (1.01-1.5 occupants per room)	1.2%	0.9%	1.6%	2.1%	1.0%	1.0%	2.9%	2.6%
SEVERELY OVERCROWDED (1.51+ occupants per room)	0.6%	0.6%	0.3%	4.6%	0.3%	0.3%	1.4%	1.4%
TOTAL	1.9%	1.5%	1.9%	6.7%	1.3%	1.3%	4.3%	4.1%

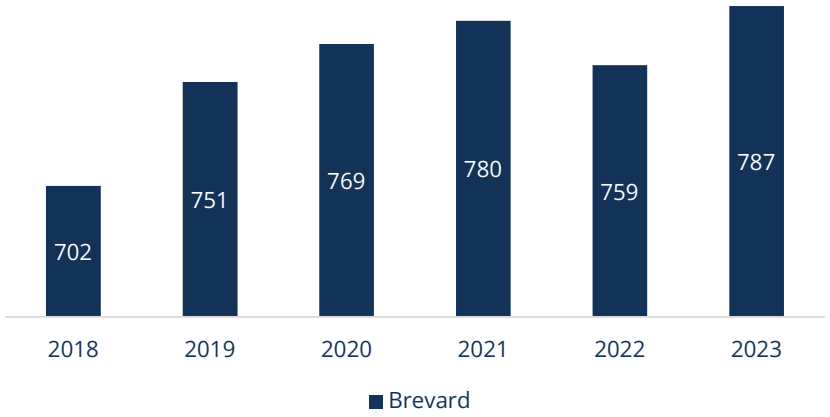
The limited rental supply, low vacancy rates, and increasing overcrowding likely indicate a housing supply that does not offer a sufficient number of rental opportunities to meet demand.

SPECIALIZED HOUSING NEEDS

STUDENTS

Brevard College's rising enrollment further contributes to housing pressures. Between 2018 and 2023, enrollment grew by 12.1%. The vast majority, 99.0% in 2023, take at least one person class, so an increase in enrollment directly impacts the number of students seeking housing.

FIGURE 7: HIGHER EDUCATION ENROLLMENT, BREVARD COLLEGE
Source: Integrated Postsecondary Education Data System, National Center for Education Statistics



Brevard College has four on-campus housing options for students and reports that more than 80% of students live on campus. If 80% of students taking at least some in-person classes live on campus, then, at most, about 155 students would be seeking housing off-campus. If all students have one housemate, then there would be a need for about 78 rental units. While modest, this would account for about 2% of the county's existing rental stock, adding pressure to an already limited rental market. Of course, this does not account for students from the County and neighboring counties who live at home while attending Brevard College.

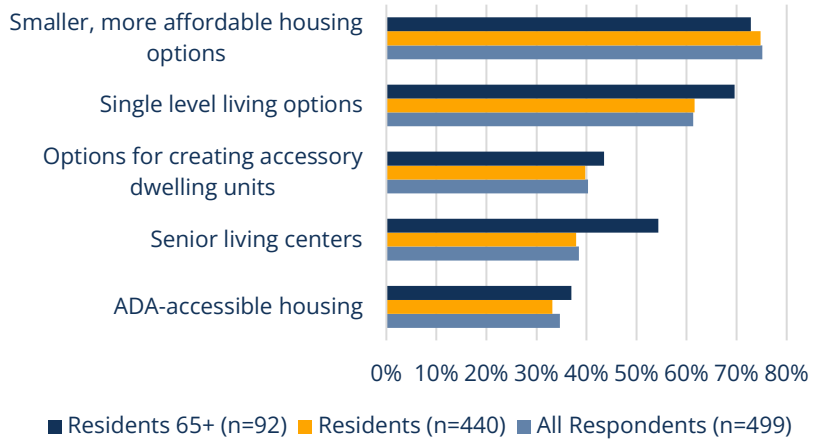
5 More than 1.5 occupants per room.

SENIORS

As was previously discussed, Transylvania County has an aging population, with individuals 65 years or older comprising 30.8% of the population, a percentage that is likely to continue growing over time. Nearly half (48.4%) of households in the county include at least one member who is aged 65 or older, highlighting the importance of housing that supports aging in place.

Results from the public opinion survey show smaller, more affordable housing options as the most commonly identified housing need, to support seniors, followed by single level living options.

FIGURE 8: SENIOR HOUSING NEEDS
Source: Transylvania County Public Opinion Survey

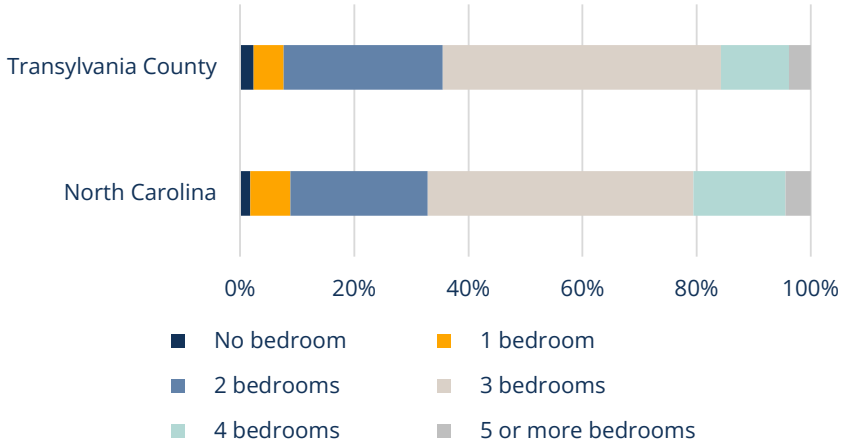


However, the current housing stock may not be aligned with these needs. Data show that just 27.9% of housing units are two bedrooms, while 7.6% are one-bedroom or studio units. This indicates a potential mismatch between the current housing stock and the preferences of older adults, who may be looking to downsize into smaller, more manageable homes. Moreover, many existing homes may not be equipped for aging in place. Only 10.3% of homes in the South Atlantic region are considered "aging-ready"[6] While data specific to Transylvania County are not available, this suggests that there is likely a gap in the county in aging-ready homes, a potential area for improvement.

As the senior population grows, the demand for accessible housing, independent living facilities, and long-term care options will increase. With only 167 nursing home beds and 136 residential care beds available, and more than 10,000 seniors in the county, many may have no choice but to seek housing and care services outside the community. Addressing these gaps will require the development of new housing and care facilities and substantial retrofitting of the existing housing stock to allow seniors to age in place and with dignity.

FIGURE 9: HOUSING UNITS BY NUMBER OF BEDROOMS, 2023

Source: American Community Survey 5-Year Estimates



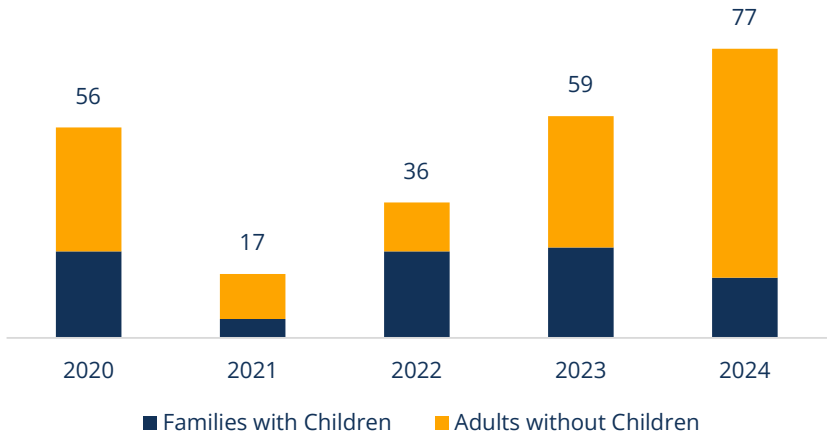
6 Aging-ready" homes are defined as those with a step-free entryway, a bedroom and full bathroom on the first floor, and at least one bathroom accessibility feature.

UNHOUSED INDIVIDUALS

A lack of affordable housing directly contributes to housing instability. Cost-burdened households are more vulnerable to financial shocks, where a single unexpected expense, or missed shift, can lead to missed rent payments, eviction, and, in some cases, homelessness.

Transylvania County has seen an increase in unhoused individuals since 2021, following the same trend seen in the state. By 2024, the number of unhoused individuals in the county rose above pre-pandemic levels. At the time of this report, data are not available from the 2025 Point-in-Time Count and do not reflect the potential impact of recent events, such as Hurricane Helene, which may have exacerbated housing insecurity and increased the number of individuals experiencing homelessness in the region.

FIGURE 10: UNHOUSED INDIVIDUALS, 2020 TO 2024[7]
Source: North Carolina Coalition to End Homelessness Point-in-Time Count Data



FUTURE HOUSING DEMAND

Looking ahead, the projected demand for new housing suggests the county will need an additional 1,542 residential units over the next ten years.

TABLE 6: DEMAND FOR NEW HOUSING UNITS
Source: Esri, American Community Survey 5-Year Estimates, TPMA calculations

	For-Sale	For-Rent	Total
POTENTIAL 10-YEAR HOUSING DEMAND	870	672	1,542
ANNUALIZED	87	67	154

This model does not account for demand from seasonal and second-home owners. Between 2018 and 2023, homes vacant for seasonal, recreation, or occasional use represented 18.6% of the housing stock. Assuming that remains constant over the next ten years, the County would require an additional 352 units to be built, bringing the total potential housing demand to 1,894 over the next ten years, or approximately 189 units per year.

Meeting this demand presents an opportunity to diversify the county's housing stock. New development should prioritize a range of housing types, including smaller units, accessible homes, and a mix of rental and ownership options, to better meet the community's evolving needs.

7 2021 excluded due to the Covid-19 pandemic.

Finding 2

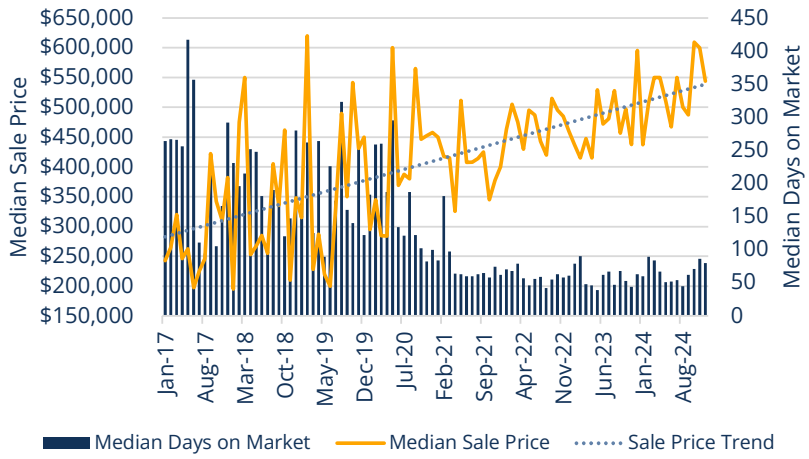
Housing costs are out of line with resident incomes and lower wage jobs in the county.

FOR-SALE HOUSING

Transylvania County's housing market has become increasingly expensive in recent years. Since 2019, home sale prices have risen steadily, reaching a median of $544,000 by December 2024. At this price point, even households earning $100,000 annually would be cost-burdened, highlighting a growing affordability gap for individuals and families looking to buy.

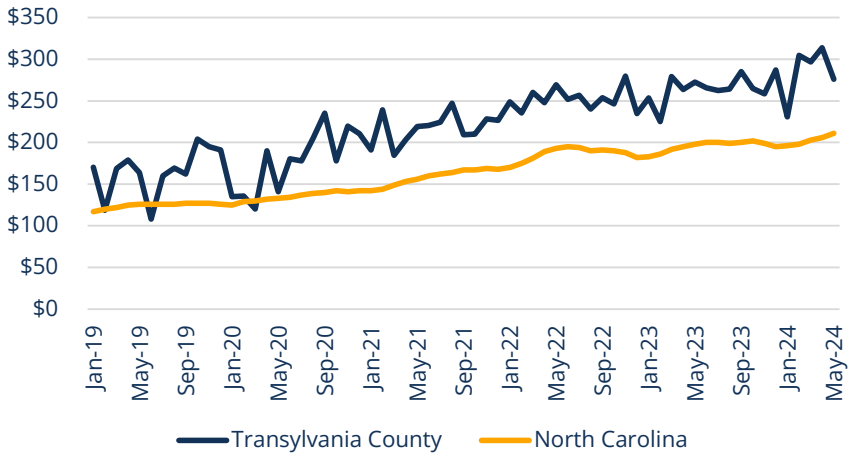
At the same time, homes are selling more quickly, reflecting increased competition in the market. This increased competition further drives up prices, escalating the affordability challenges for residents seeking to become homeowners.

FIGURE 11: MEDIAN SALE PRICE AND DAYS ON MARKET, JANUARY 2019 TO DECEMBER 2024
Source: Redfin Data Center.



The five-year period between 2019 and 2024 saw dramatic increases in demand across the state as North Carolina's population grew faster than almost any other state in the country. This increased demand impacted sale prices, and by the end of 2024, the median price per square foot had risen by 71%. In Transylvania County, these costs rose by an even greater margin, rising nearly 80% over the same period.

FIGURE 12: MEDIAN SALE PRICE PER SQUARE FOOT, JANUARY 2017 TO JANUARY 2024.
Source: Redfin Data Center



Rising interest rates have also reduced homebuyers' purchasing power by increasing borrowing costs. As interest rates climb, homes become, in effect, more expensive, even if sale prices remain the same. For example, a household earning $50,000 per year with a $20,000 down payment could afford a home priced up to $264,348 with a 3% interest rate on a 30-year mortgage.[8] However, at a 7% interest rate, that same household's purchasing power would drop to $184,686, a significant reduction driven solely by higher financing costs.

FIGURE 13: AVERAGE INTEREST RATE FOR A 3-YEAR FIXED RATE MORTGAGE, JANUARY 2017 TO DECEMBER 2024

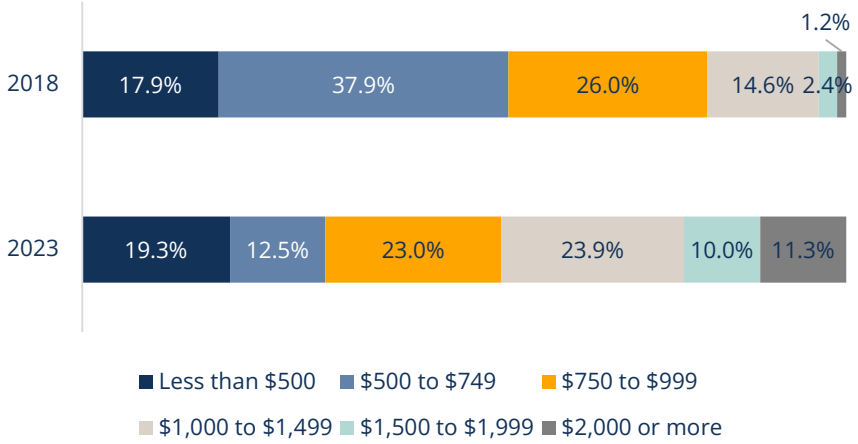
Source: Freddie Mac Primary Mortgage Market Survey

FOR RENT HOUSING

As the cost to purchase and own a home has increased, so has the cost of rental housing. In 2018, more than 50% of rentals in the county cost less than $750 per month, representing 1,593 units. By 2023, that had dropped to 31.8% of rentals, or 983 housing units. Simultaneously, the number of higher-priced units grew substantially. In 2018, just 3.6% of rentals cost $1,500 or more per month, or 103 units. That number grew more than sixfold between 2018 and 2023, to 656 units, or 21.2% of rental units.

FIGURE 14: GROSS RENT, 2018 AND 2023

Source: American Community Survey 5-Year Estimates



8 Includes private mortgage insurance; does not include taxes and insurance. Assumes a maximum monthly housing payment equal to 30% of the monthly income, or $1,250.

INCOME TRENDS

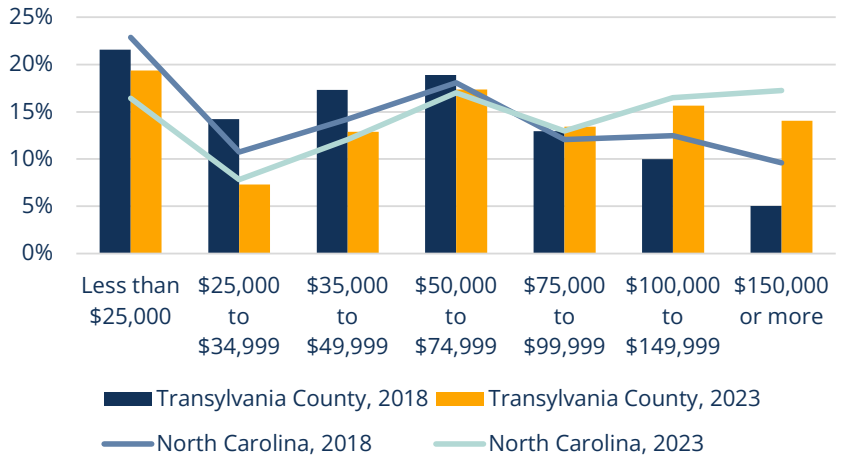
Incomes throughout the county have risen substantially over the past five years. During this period, the median income increased from $46,629 to $64,523, a 38.4% increase. This outpaced the statewide increase of 33.4%, helping to narrow the income gap between Transylvania County and the state median.

TABLE 7: MEDIAN HOUSEHOLD INCOME, 2018 AND 2023
Source: American Community Survey 5-Year Estimates

	2018	2023	% Change
TRANSYLVANIA COUNTY	$46,629	$64,523	38.4%
NORTH CAROLINA	$52,413	$69,904	33.4%

In 2018, 53.1% of Transylvania County households had annual incomes less than $50,000 (compared to 47.8% statewide). By 2023, that number had dropped to 39.5% in the county, and 36.3% in the state as a whole. On the opposite end of the income spectrum, the percentage of households earning $100,000 or more per year increased by 14.7 percentage points, from 15.0% to 29.7%. While there were meaningful increases, household incomes in Transylvania County continue to lag behind the statewide distribution.

FIGURE 15: HOUSEHOLD INCOME DISTRIBUTION, 2018 TO 2023
Source: American Community Survey 5-Year Estimates

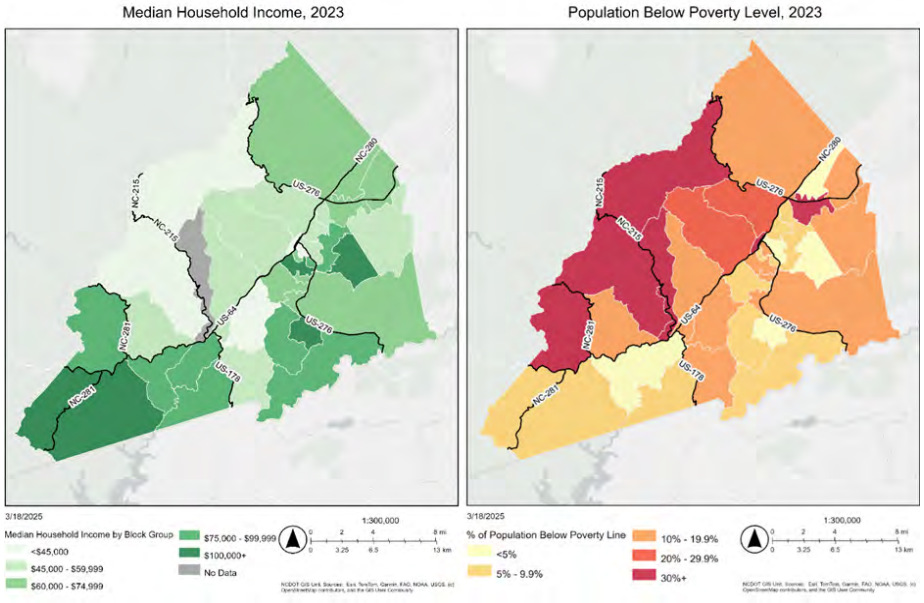


While the county has experienced broad-based income growth in recent years, there is still substantial geographic variation in median household income and poverty levels.

Higher-income, lower-poverty areas are primarily located in the southern and western portion of the county, in subdivisions with amenities, where many of the homes are vacation rentals, second homes, or high-income households. Conversely, lower-income, higher-poverty areas tend to be clustered in the sparsely populated northwestern section of the county, in addition to the areas in and around Brevard and Rosman.

The county is characterized by geographic distribution differences in wealth and poverty; however, there are some areas, such as the north-west area of NC 281 that show higher incomes and higher poverty in the same community.

FIGURE 16: MEDIAN HOUSEHOLD INCOME AND PERCENT OF POPULATION BELOW THE POVERTY LEVEL BY BLOCK GROUP, 2023
Source: American Community Survey 5-Year Estimates; mapping by



Despite the overall economic growth throughout the county, the income gap between owner- and renter-occupied households has grown in recent years. In 2018, the median household income for owner-occupied households was nearly double that for renter-occupied households. Expanding this gap, between 2018 and 2023, owner-occupied households had a 35.6% increase in median household income, greater than the 21.3% increase in median household income for renter-occupied households. As a result of the faster income growth for owner-occupied households, their median household income in 2023 was 2.2 times larger than that of renter-occupied households.

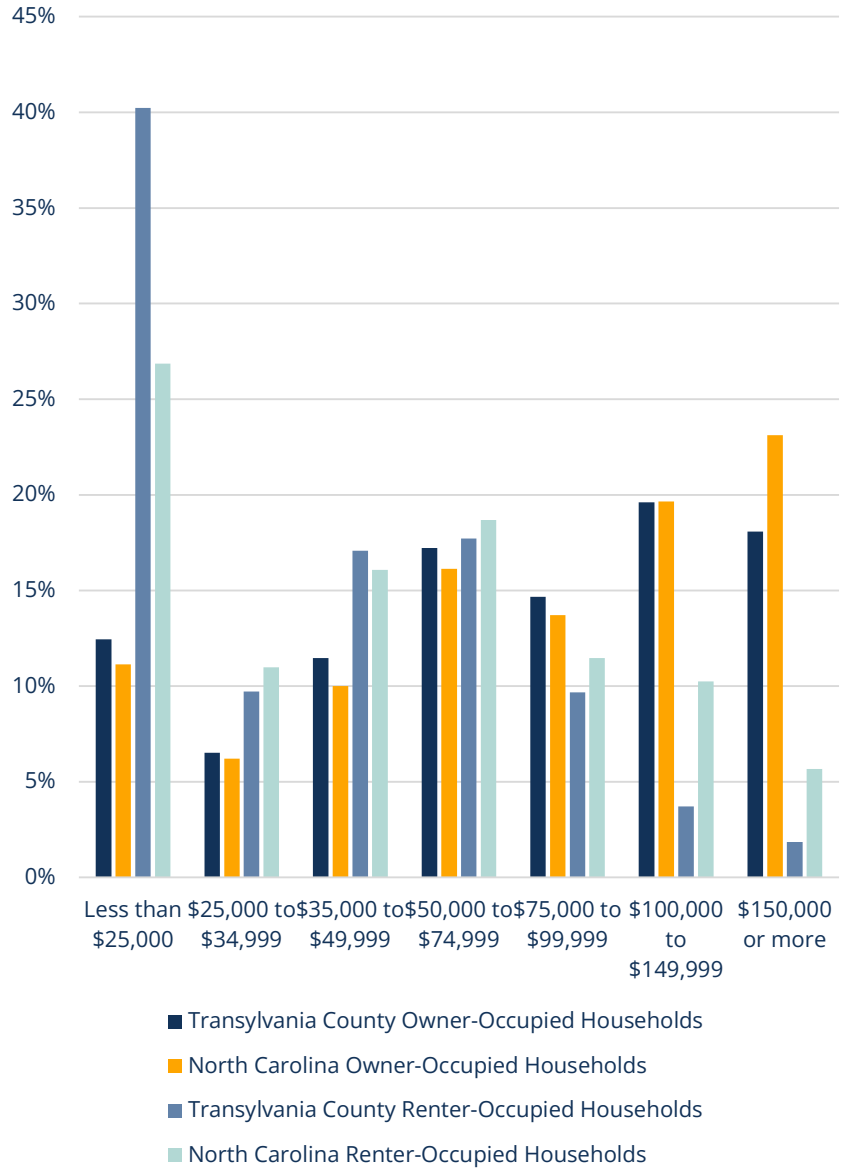
Higher income households are more likely to own their homes, however, there is not data available to gauge whether the income changes are reflective of households moving from renting to owning along with growing incomes.

TABLE 8: CHANGE IN MEDIAN HOUSEHOLD INCOME, 2018 TO 2023
Source: American Community Survey 5-Year Estimates

	Transylvania County		North Carolina	
	2018	2023	2018	2023
OWNER-OCCUPIED HOUSEHOLDS	$57,156 (n=10,846)	$77,486 (n=10,961)	$65,961 (n= 2,548,705)	$86,146 (n=2,778,672)
	35.6%		30.6%	
RENTER-OCCUPIED HOUSEHOLDS	$28,862 (n=3,277)	$35,016 (n=3,629)	$33,968 (n=1,369,892)	$45,970 (n=1,408,252)
	21.3%		35.3%	

Despite the income growth, 40% of renter households in Transylvania County earn less than $25,000 annually, compared to just 12.4% of owner households and 26.9% of renter households statewide. The existing supply of housing that is affordable to residents in these income ranges is minimal, and given the current development landscape, adding new affordable units to meet this demand will be a substantial challenge.

FIGURE 17: HOUSEHOLD INCOME BY TENURE, 2023
Source: American Community Survey 5-Year Estimates



Increases in housing costs in Transylvania County continue to outpace income growth for renter-occupied households. Between 2018 and 2023, the median gross rent increased by 26.3%, while the median household income for renter-occupied households increased by 21.3%. Meanwhile, at the state level, the percentage change in median household income was larger than the change in median monthly housing costs, for both renter and homeowner households.

TABLE 9: PERCENT CHANGE IN HOUSING COSTS AND INCOME BY TENURE, 2018 TO 2023
Source: American Community Survey 5-Year Estimates

	Transylvania County		North Carolina	
	Renter Households	Homeowner Households	Renter Households	Homeowner Households
% CHANGE IN MEDIAN MONTHLY HOUSING COSTS, 2018-2023[9]	26.3%	21.9%	32.5%	21.0%
% CHANGE IN MEDIAN HOUSEHOLD INCOME, 2018-2023	21.3%	35.6%	35.3%	30.6%

9 Median gross rent for renter households; median monthly housing costs for housing units with a mortgage for homeowner households.

COST BURDEN

These issues are evident in the incidence of cost burden. Households are considered cost-burdened if they spend 30% or more of their monthly income on housing costs. Cost-burdened households may be forced to choose between paying for their housing and other necessities, such as food, healthcare, and transportation.

Despite the higher income levels, owner-occupied households had a slight increase in the incidence of cost burden, rising from 18.1% to 18.8%, or nearly 1 in 5 households. Renter-occupied households saw a decrease in overall cost burden and is below the state percentage of 43.7%. However, more than 1 in 3 renter households remains cost burdened.

TABLE 10: COST BURDEN BY TENURE, 2018 TO 2023
Source: American Community Survey 5-Year Estimates

	Transylvania County		North Carolina	
	2018	2023	2018	2023
ALL HOUSEHOLDS	24.4%	23.8%	28.9%	27.2%
OWNER-OCCUPIED	18.1%	18.8%	20.7%	18.8%
RENTER-OCCUPIED	44.9%	38.8%	44.1%	43.7%

Despite the decrease in the overall incidence of cost burden, severe cost burden increased, driven by impacts on renter households. Households that are severely cost-burdened spend 50% or more of their monthly income on housing costs, leaving very limited resources available for their remaining necessities such as food, transportation costs, childcare, etc.

In 2023, about 1 in 4 renter-occupied households are considered severely cost-burdened, up from 18.4% in 2018 and greater than the statewide rate of 21.0%. These figures indicate that, although overall, rental costs relative to incomes may have improved slightly; however, those still facing affordability challenges, the degree to which they are cost-burden has gotten worse.

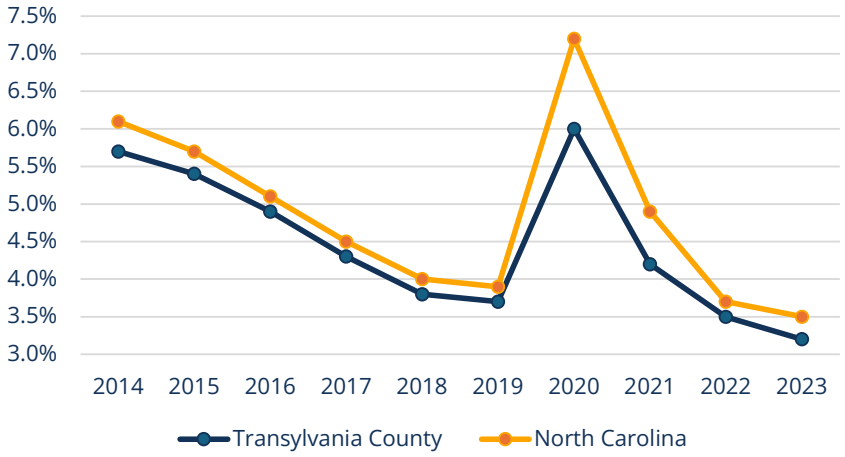
TABLE 11: SEVERE COST BURDEN BY TENURE, 2018 AND 2023
Source: American Community Survey 5-Year Estimates

	Transylvania County		North Carolina	
	2018	2023	2018	2023
ALL HOUSEHOLDS	10.7%	11.7%	12.8%	12.2%
OWNER-OCCUPIED	8.4%	7.1%	8.2%	7.8%
RENTER-OCCUPIED	18.4%	25.6%	21.4%	21.0%

MOST COMMON OCCUPATIONS

Transylvania County experienced steady economic growth between 2018 and 2023, with a 6.4% increase in real gross regional product and a 6.7% rise in employment. In 2022 and 2023, Transylvania County had unemployment rates of 3.5% and 3.2%, respectively, well below the natural rate of unemployment.

FIGURE 18: UNEMPLOYMENT RATE, 2014 – 2023
Source: US BLS



As the economy grows, so does the demand for workers, as reflected in the low unemployment rate. However, many of the most common occupations in the County are service-related jobs that typically offer relatively low wages. In fact, nine of the ten most common occupations have median wages below the 80% income limit for a one-person household, as set by the US Department of Housing and Urban Development (HUD).

To better understand housing challenges for the local workforce, it is important to define "affordable." Housing affordability is defined as housing costs that are no more than 30% of a household's monthly income. For many of Transylvania County's most common occupations, this housing affordability ceiling equates to a monthly housing budget of less than $1,000 for a one-income household or $2,000 for a two-income household. Workers in some occupations, such as cashiers, waiters and waitresses, and housekeepers, can only afford to spend about $750/month on housing-related costs for each income earner.

TABLE 12: MOST COMMON OCCUPATIONS (5-DIGIT SOC) IN TRANSYLVANIA COUNTY BY NUMBER OF JOBS
Source: Lightcast 2024.4

Occupation	2023 Jobs	Median Annual Earnings	Housing Affordability Ceiling
CASHIERS	386	$29,846	$746
RETAIL SALESPERSONS	337	$32,541	$814
WAITERS AND WAITRESSES	237	$24,247	$606
LANDSCAPING AND GROUNDSKEEPING WORKERS	222	$35,411	$885
STOCKERS AND ORDER FILLERS	209	$35,435	$886
JANITORS AND CLEANERS, EXCEPT MAIDS AND HOUSEKEEPING CLEANERS	202	$31,815	$795
COOKS, FAST FOOD	194	$25,116	$628
MAIDS AND HOUSEKEEPING CLEANERS	188	$29,947	$749
COOKS, RESTAURANT	185	$37,029	$926
MAINTENANCE AND REPAIR WORKERS, GENERAL	175	$41,549	$1,039

ESSENTIAL WORKERS

Essential workers are critical to the health, safety, and overall functioning of a community. They include first responders, healthcare workers, educators, and other public service employees whose roles are fundamental to maintaining daily life and emergency response systems.

Earnings data show that the median annual income for nine of the most common essential occupations is below $45,000, limiting affordable housing costs to $1,125 or less per month for a single worker or to $2,250 for a two-income household with both workers earning similar wages. When essential workers cannot find affordable housing locally, it can lead to longer commutes, staffing shortages, and weaker emergency response capabilities.

TABLE 13: ESSENTIAL WORKER OCCUPATIONS AND EARNINGS, TRANSYLVANIA COUNTY

Source: Lightcast 2024.4, North Carolina Compensation for Public School Employees

Occupation	Median Annual Earnings	Housing Affordability Ceiling
EMERGENCY MEDICAL TECHNICIANS	$36,088	$902
FIREFIGHTERS	$30,289	$757
FIRST YEAR TEACHERS[10]	$44,485	$1,112
HOME HEALTH & PERSONAL CARE AIDES	$26,410	$660
LICENSED PRACTICAL & LICENSED VOCATIONAL NURSES	$60,285	$1,507
NURSING ASSISTANTS	$36,161	$904
PARAMEDICS	$41,087	$1,027
POLICE & SHERIFF'S PATROL OFFICERS	$44,597	$1,115
PUBLIC SAFETY TELECOMMUNICATORS	$36,668	$917
REGISTERED NURSES	$79,168	$1,979
TEACHER ASSISTANTS[11]	$44,712	$1,118
TENTH YEAR TEACHERS[12]	$53,545	$1,339

10 No national certification; includes 8.5% local salary supplement.

11 Average of monthly minimum and maximum from the North Carolina State Salary Schedules, FY 2024-2025. Monthly minimum is $2,600 ($31,200 per year); monthly maximum is $4,852 ($58,224 per year).

12 No national certification; includes 8.5% local salary supplement.

AFFORDABLE HOUSING AVAILABILITY

All of the most common occupations, and many essential workers, have median incomes that support a housing budget below or near $1,000 per month (the highest being $1,039). However, affordable rental options at this price point are nearly nonexistent without a second income in the household. Across multiple listing platforms, only one rental unit countywide was listed for less than $1,000 per month, suggesting that many of the single-income households in these occupations would be competing for a single available unit.

Even when expanding the budget to $1,499 per month, which would accommodate some additional essential workers occupations, such as first-year and tenth-year teachers, teacher assistants, and police officers, the number of available rental units increases only marginally, to two units across the entire county. The vast majority of on-market rentals are priced at $1,500 per month or higher, out of reach for the median income for all but two of the most common jobs and essential workers in the county.

TABLE 14: ON-MARKET RENTALS BY PRICE[13]
Source: Realty Websites

	Less than $1,000	$1,000 to $1,499	$1,500 to $1,999	$2,000 to $2,499	$2,500 or more	Total
ZILLOW	0	2	15	3	9	29
APARTMENTS.COM	1	1	6	1	3	12
REALTOR.COM	0	1	6	1	2	10
REDFIN	0	1	5	1	4	11
TRULIA	0	2	15	3	9	29

If workers instead explore homeownership options, they will, again, find that affordable units remain scarce. Assuming a $15,000 down payment and monthly housing costs of $1,000 per month, a buyer would find less than five homes on the market within their affordability range.[14] Even registered nurses, the highest-paid of the essential workers and most common jobs, would find that less than 5% of the available for-sale housing falls within their affordability threshold.[15]

TABLE 15: HOMES FOR SALE BY PRICE[16]
Source: Realty Websites

	Under $150,000	$150,000 - $214,999	$215,000 - $274,999	$275,000 - $339,999	$340,000+
APPROX. MONTHLY COSTS	~$1,000	~$1,000-$1,499	~$1,500-$1,999	~$2,000 - $2,499	$2,500+
ZILLOW	3	3	5	13	239
REALTOR.COM	2	3	5	13	258
REDFIN	2	3	5	12	239

This mismatch between housing costs and wages is evident in the existing affordable housing deficit. An analysis of data from the HUD Comprehensive Affordability Strategy (CHAS) reveals an existing shortfall of more than 3,000 units for households with incomes at or below 80% of the HUD area median family income (HAMFI). This deficit is likely underestimated, given the ongoing increase in housing costs, interest rates, and limited new housing development.

Without targeted efforts to increase the supply of affordable housing, Transylvania County's essential workers, those in the most common occupations, and the workforce at large will continue to face mounting challenges in finding housing within their financial means.

TABLE 16: EXISTING AFFORDABLE HOUSING DEFICIT, 2021[17]
Source: HUD CHAS

	Supply (Units)	Demand (Households)	Surplus/ Deficit
LESS THAN OR EQUAL TO 50% OF HAMFI	1,354	2,530	-1,176
GREATER THAN 50% BUT LESS THAN OR EQUAL TO 80% OF HAMFI	525	2,420	-1,895
TOTAL <=80% HAMFI	1,879	4,950	-3,071

13 As of May 19th, 2025
14 Assuming a one-person household.
15 Assumes a one-person household.

16 Listing counts as of May 20, 2025. Includes mobile homes. Excludes pending/contingent homes.
17 2021 is most recent year available.

Finding 3

Transylvania County's popularity as a tourist destination is limiting access to its existing housing supply.

TOURISM INDUSTRY

Tourism accounts for a significant portion of Transylvania County's economic activity, which is consistent with the region. Nearly 12% of all businesses and 17% of total employment in the County are tied to tourism-related industries.

TABLE 17: TOURISM-RELATED BUSINESSES AND EMPLOYMENT, 2023[18]
Source: US Bureau of Labor Statistics

	Number of Establishments	% of Establishments	Number of Employees	% of Employment
TRANSYLVANIA COUNTY	149	11.8%	1,669	17.3%
BUNCOMBE COUNTY	1,285	9.9%	22,208	16.1%
NORTH CAROLINA	31,718	8.5%	536,321	11.1%

A primary concern for tourism-heavy economies is the imbalance between wages paid in these industries and the high housing costs that are common in these popular destinations. Leisure and hospitality (L&H) industries, for example, tend to have some of the lower-earning jobs in an economy. This trend holds true for Transylvania County where eight of the top ten L&H industries by employment show average annual earnings below $45,000, which is roughly 25% lower than the average earnings per job across all industries in the county ($54,769).

18 "Tourism-related" industries are defined as those that fall into the North American Industry Classification System (NAICS) sectors 71 (Arts, Entertainment, and Recreation) and 72 (Accommodation and Food Services).

TABLE 18: TOP LEISURE AND HOSPITALITY INDUSTRIES, EMPLOYMENT AND EARNINGS, 2023
Source: Lightcast 2024.4

NAICS	Description	2023 Jobs	Avg. Earnings Per Job
722511	Full-Service Restaurants	493	$32,345
722513	Limited-Service Restaurants	301	$23,977
721214	Recreational and Vacation Camps (except Campgrounds)	264	$38,652
721110	Hotels (except Casino Hotels) and Motels	141	$40,699
713910	Golf Courses and Country Clubs	111	$85,808
722515	Snack and Nonalcoholic Beverage Bars	79	$24,762
713940	Fitness and Recreational Sports Centers	72	$22,927
721211	RV (Recreational Vehicle) Parks and Campgrounds	52	$46,842
711510	Independent Artists, Writers, and Performers	51	$36,883
713990	All Other Amusement and Recreation Industries	49	$33,613

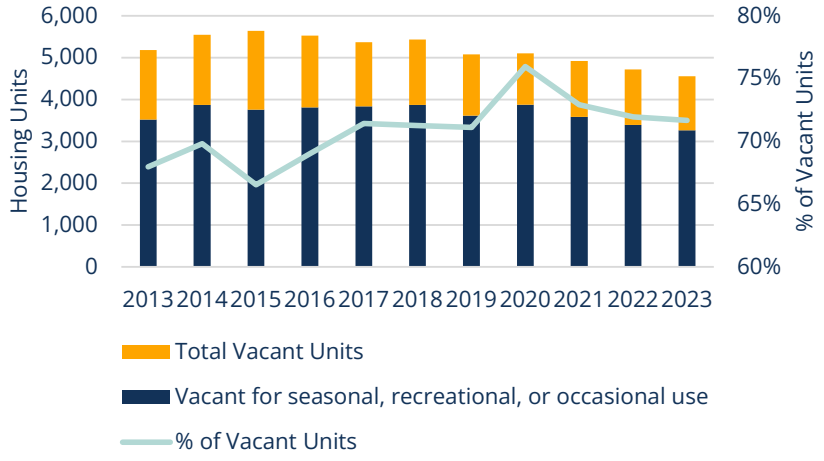
As the previous section indicated, these wages do not align with the cost of housing throughout the county. While housing types and development trends are partially responsible for this imbalance, several other factors are influencing the affordability and availability of housing.

SEASONAL HOUSING AND STRS

One of the contributing factors to the shortage of housing options can be tied to the region's popularity as a tourist destination. Transylvania County is also experiencing another issue common in tourism-heavy markets: the prevalence of seasonal housing, which can have a significant impact on the utilization of a local housing supply.

Seasonal housing, comprised mostly of second homes and short-term rentals (STRs), makes up a significant portion of the existing housing supply throughout the county. In 2023, Transylvania County had approximately 19,147 housing units, of which 4,557 (about 25%) were categorized as "vacant." Nearly 72% of these "vacant" homes were identified as being used for seasonal, recreational, or occasional purposes, commonly referred to as "seasonal units," accounting for over 17% of all housing units in the county.

FIGURE 19: SEASONAL VACANT HOUSING UNITS, 2013 TO 2023[19]
Source: American Community Survey 5-Year Estimates



19 Seasonal vacant housing units defined as those classified as being vacant for "seasonal, recreational or occasional use" by the US Census Bureau.

These percentages put Transylvania County roughly in line with the affluent and heavily-tourism dependent areas in southern Jackson and Macon Counties, in which the seasonal housing comprises over half of all local housing and about a quarter of the entire counties' housing stock. While Transylvania County's overall population is more on par with Jackson and Macon Counties, its seasonally vacant unit count is more in line with Henderson County, which has a population that is roughly 3.5 times Transylvania's population.

TABLE 19: COMPARISON OF SEASONAL VACANT HOUSING UNITS, 2023
Source: American Community Survey 5-Year Estimates

	Units vacant for seasonal, recreational, or occasional use	% of Vacant Housing Stock	% of Total Housing Stock
TRANSYLVANIA	3,266	71.7%	17.1%
BUNCOMBE	5,705	19.3%	4.3%
HAYWOOD	4,991	58.5%	14.1%
HENDERSON	3,364	48.6%	5.9%
JACKSON	6,779	73.5%	24.8%
MACON	7,149	79.6%	26.4%

Seasonal housing and STRs do play an important role in the local economy and generate revenue through the occupancy tax that STR owners pay. However, state law requires that occupancy tax revenues be governed by separate tourism boards and not by local government. It further requires that 2/3 of the revenues from this tax (approximately $1.3 million annually) be used for marketing activities. The remaining funds are required to be used for other tourism-related activities, which Transylvania Tourism Authority dedicates to support staffing and grants in the community for tourism related programs and facilities.[20]

STRs can also contribute to the local economy by adding to the supply of lodging options for tourists, especially in areas where not many hotels or other traditional lodging accommodations exist. Communities in popular tourist destinations often face a difficult balancing act between embracing STRs for their potential economic benefits while also trying to limit the potentially negative impacts they can have local housing markets and costs that result from them occupying a portion of the available housing supply.

Nearly eight percent of Transylvania County's housing stock is being utilized as STRs, which ranks first among neighboring counties; and despite having the fewest number of total housings units, Transylvania County has a higher overall number of STRs than Henderson and Jackson Counties.

TABLE 20: STR PREVALENCE IN TRANSYLVANIA COUNTY AND NEIGHBORING COUNTIES
Source: AirDNA, provided by the Transylvania County Tourism Development Authority and American Community Survey 5-Year Estimates

County	STR Units	Total Housing Units	% of Total Housing Units
TRANSYLVANIA	1,483	19,072	7.8%
BUNCOMBE	5,627	130,081	4.3%
HAYWOOD	2,010	35,051	5.7%
HENDERSON	1,399	56,744	2.5%
JACKSON	1,412	26,967	5.2%
MACON	1,502	26,929	5.6%

During interviews and focus groups, stakeholders indicated frustration with the prevalence of STRs and the impact they are having on housing availability and on housing costs. In communities with limited opportunities to build new housing (see Finding 5), the prevalence of STRs is likely restricting supply to the point of driving up the cost of both the for-sale and for-rent markets.

Regulating STRs has been a heavily debated issue for many tourism-based communities across the country. However, North Carolina state law significantly limits the ability of local governments to restrict short-term rental use. For example, state courts have ruled that requiring the registration of STRs (an important step in maintaining a balance of STRs in the market) violates a state statute prohibiting rental registrations.

20 Two-thirds of the revenue generated by the occupancy tax must be spent "to promote travel and tourism," and the other third must be spent "for tourism-related expenditures", per North Carolina state statutes G.S. 153A-155. Currently, the maximum tax rate in Transylvania County is 6%.

Finding 4

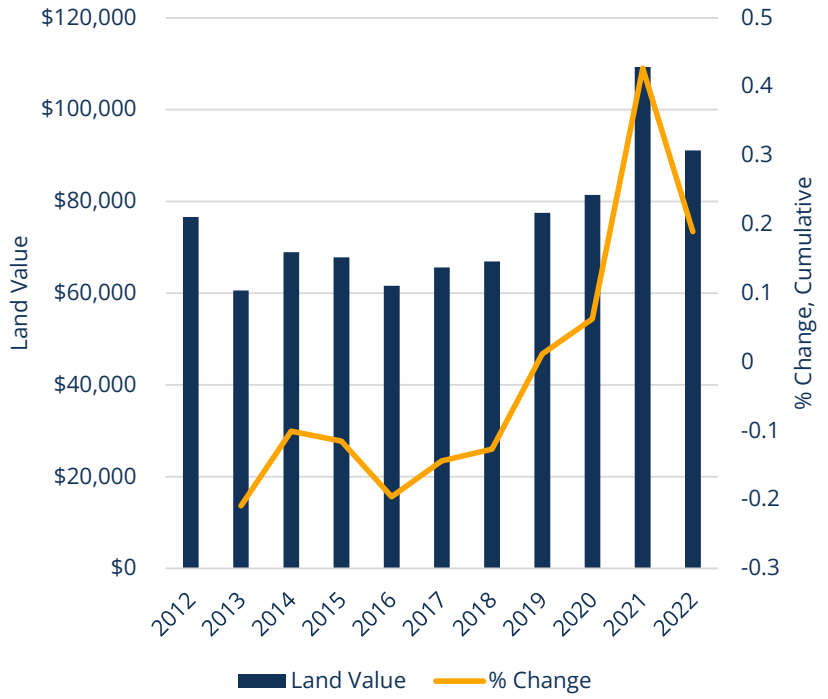
There are a number of practical barriers limiting the county's opportunities to increase, diversify, and improve affordability in the county's housing supply.

DEVELOPMENT AND CONSTRUCTION COSTS

Transylvania County's ability to expand its housing supply is constrained by a combination of rising development costs, limited infrastructure, and physical topography. Since 2020, the overall costs associated with construction inputs, labor, and land have increased. While prices fluctuated prior to the pandemic, recent years have seen significant growth across all three of these primary components of development, contributing to rising housing prices. These increased costs have made it extremely difficult to develop new housing, especially for low- and moderate-income households.

FIGURE 20: ESTIMATED AVERAGE PRICE OF LAND PER ACRE, AS-IS, SINGLE-FAMILY HOMES IN TRANSYLVANIA COUNTY, 2012 TO 2022

Source: Federal Housing Finance Agency Experimental Dataset for the Price of Residential Land[21]

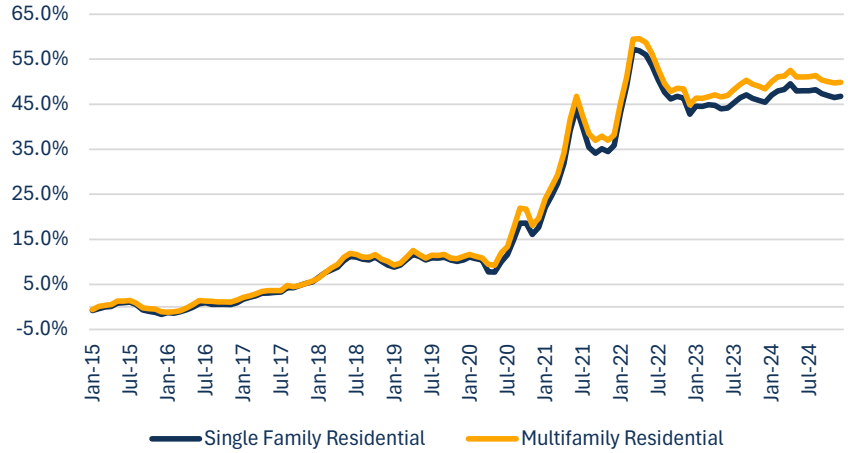


21 https://www.fhfa.gov/research/papers/wp1901

Prior to the Covid-19 pandemic, inputs for construction rose slowly, with the cumulative percent change in prices from January 2015 to January 2020 being 11.7%, or about 2.3% per year. Labor and supply chain disruptions, coupled with increased demand, resulted in price surges. Prices peaked in Quarter 2 of 2022 and have since cooled slightly. However, the prices of construction inputs remain significantly elevated, resulting in higher development costs.

FIGURE 21: CUMULATIVE CHANGE IN THE PRICE OF INPUTS TO NEW SINGLE-FAMILY AND MULTIFAMILY CONSTRUCTION, EXCLUDING CAPITAL INVESTMENT, LABOR, AND IMPORTS

Source: US BLS Series WPUIP231110, WPUIP231120

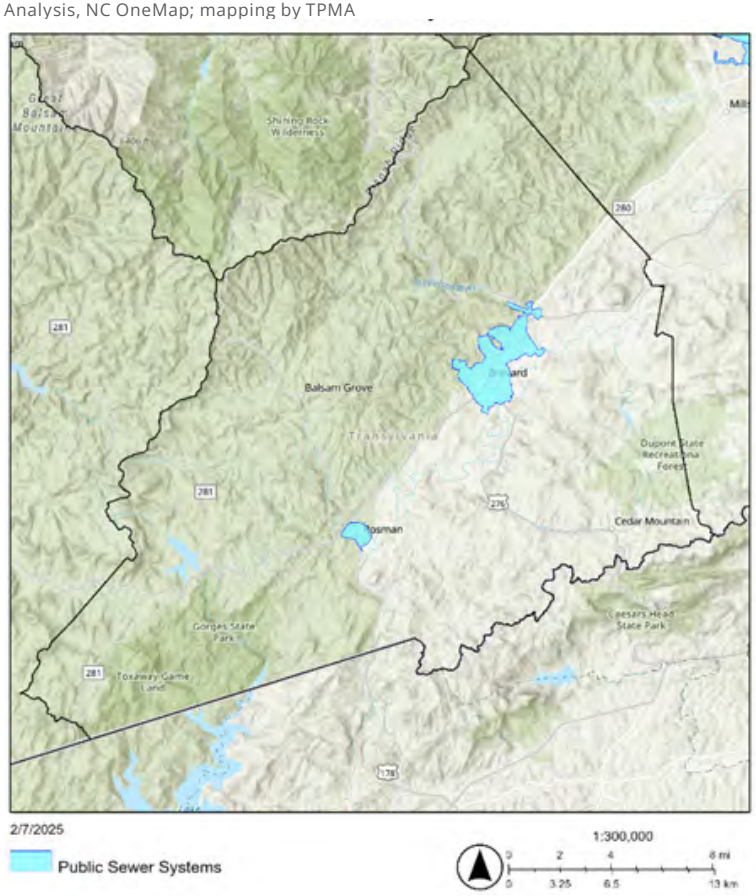


In addition to substantial increases in land and construction costs in recent years, concerns surrounding access to public infrastructure are also being raised by local stakeholders. The lack of adequate water and sewer infrastructure to support new housing has been cited as a barrier to developing additional housing in the county. The existence of this type of infrastructure is a critical factor in the ability to produce housing at a greater density, which itself is necessary to bring down the per unit development costs and potentially improve affordability.

However, a number of recent efforts have sought to help mitigate these obstacles, including the Town of Rosman's Future Water Expansion Project and the US-64 Water and Sewer Project, which expanded infrastructure between Rosman and Brevard to support local economic development. Additional efforts include an infrastructure project to extend water to a major employer, Pisgah Labs, and future plans to further connect water systems between Brevard and Rosman and extend water and sewer to Gallimore Road. Transylvania County is also currently undertaking a watershed study that could secure additional high quality water capacity for the County and support future intake locations for the water systems.

FIGURE 22: PUBLIC SEWER SYSTEMS, TRANSYLVANIA COUNTY

Source: Type A Current Public Sewer Systems, North Carolina Center for Geographic Information and Analysis, NC OneMap; mapping by TPMA



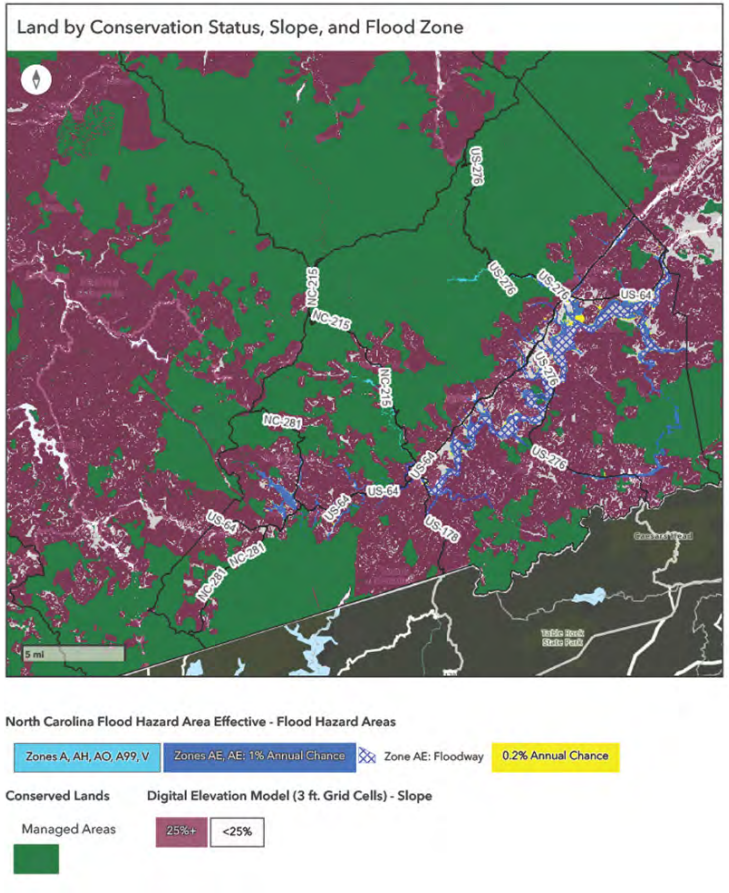
Other efforts have proven unsuccessful, however. Despite gaining support from the County Commission, the City of Brevard has twice been denied funding through HUD's Pathways to Removing Obstacles program to extend water service to underserved neighborhoods. The City and County have been actively pursuing other infrastructure and housing grants as there is also a growing concern that the City of Brevard's wastewater treatment facility is approaching its operational limits. Without expansion, future development could be further constrained.

AVAILABILITY OF DEVELOPABLE LAND

Land availability adds another layer of complexity to housing development in Transylvania County. More than 50% of the county's land is publicly owned and protected from development—much of it in national and state forests, parks, and conservation lands. These natural assets are vital for environmental preservation and tourism, but sharply limit the amount of land available for residential growth.

FIGURE 23: LAND BY CONSERVATION STATUS, SLOPE, AND FLOOD ZONE

Source: North Carolina Department of Commerce, NC OneMap, Land of Sky Regional Council, North Carolina Natural Heritage Program, ArcGIS; mapping by TPMA



The County's mountainous topography places further restrictions on development. Large portions of the land have slopes exceeding 25%, making construction more difficult, expensive, and often impractical. The few relatively flat areas available for development are typically located along the French Broad River and its tributaries, which fall within floodplains. While development is possible in these zones under certain conditions, it requires additional permitting, flood mitigation measures, and higher costs. The recent impact of Hurricane Helene has also raised concerns about the vulnerability of floodplain development.

In September 2024, Hurricane Helene inflicted catastrophic damage to the southwest portion of the state, including Western North Carolina and Transylvania County. On top of taking the life of 250+ individuals, the natural disaster destroyed and damaged thousands of homes, damaged infrastructure, and expanded flood plains, further constricting the scarce developable land across the southeastern part of the county. Compounding the adverse effects of the hurricane, much of the region's dense vegetation was destroyed creating an environment that is conducive to wildfires. For much of the spring season, the region has had to respond to this continued destruction. Transylvania County was specifically impacted by the Table Rock Complex Fire that entered the county from South Carolina. A separate fire in the Pisgah National Forest was contained before reaching the county line.

Finding 5

From the federal and state to the local level, a lack of clarity and coordination around policies are further obstructing efforts to address housing issues.

SHIFTING FUNDING AND POLICY BARRIERS

As of Spring 2025 there is uncertainty about federal and state funding streams that have traditionally been used to support community development. Programs like the Community Development Block Grant (CDBG) and the HOME Investments Partnership Program (HOME) from the Department of Housing and Urban Development (HUD) are potentially facing cutbacks or changes to funding requirements that could lead to changes in how affordable housing is addressed throughout the country.

On December 21, 2024 Congress passed the Disaster Relief Supplemental Appropriations Act, 2025, which provided federal disaster recovery funds for the US Department of Housing and Urban Development (HUD) Community Development Block Grant Disaster Recovery (CDBG-CR) program. HUD allocated approximately $1.4 billion in CDBG-DR funds to the state of North Carolina to address the impacts of Hurricane Helene, based on HUD's calculation of unmet recovery needs. North Carolina Department of Commerce's Division of Community Revitalization has prepared a plan for approval under the direction of Governor Josh Stein to administer the federal CBDG-CR funds and that request has been approved.

The plan must still comply with HUD requirements that dictate categories of usage of the funds including:

- 80% for HUD-Identified Most Impacted and Distressed (MID) areas, which includes Transylvania County
- 70% to benefit low and moderate income (LMI) households
- 60% for owner-occupied housing
- 13.4% for rental housing
- 13.6% for infrastructure
- 13% for mitigation
- 7.8% for economic revitalization

The details of how qualifying communities will be able to access these funds to support housing and infrastructure projects are still determined, but Transylvania County is working with the Land of Sky Council of Governments and the North Carolina Association of County Commissioners to learn about each program and identify potential projects.

Communities that are best suited to adapt to this shifting environment will be those that can maneuver quickly and overcome obstacles. A number of factors are likely to make it difficult for Transylvania County to respond quickly to these changes – and many of them are beyond local control to change.

State policy in North Carolina restricts the ability for counties and municipalities to adopt some solutions being employed elsewhere and defines how funding mechanisms for housing are allocated. The ability for counties to regulate STRs or charged rents, to levy new or differentiated taxes, to flexibly spend revenues or provide gap financing, or to utilize inclusionary zoning or incentivize affordable housing developments through fee waivers are all heavily restricted or outright prohibited by state policy.

To take a single example, Transylvania Tourism Development was able to raise over two million dollars from the Occupancy Tax in Fiscal Year 2021-2022. However, the use of these revenues is restricted by state law to tourism-related activities.[22] Under the current statute, spending to offset the impact that STRs have on the local housing supply is not an allowable tourism-related use.

Transylvania County Commissioners have advocated for the state to consider changes in how TDA funds are used in communities to free up funding to support the impacts tourism can have on housing.

AWARENESS OF HOUSING TOPICS AND POLICY LIMITATIONS

Understanding the political structure of North Carolina and the restrictions that are imposed on the state level for local governments are at the root of stakeholder frustration and resident confusion about housing issues. Public sentiment often shapes the trajectory of decision-making. This can be particularly challenging where gaps persist between what has been achieved, what is realistically possible, and what remains beyond reach due to forces that are not in local control.

Stakeholders have indicated a perceived lack of collaboration among housing stakeholders and service providers. However, there have been collaborative efforts at the local government level to address barriers and challenges in housing such as using public and private grant funds to expand water and sewer infrastructure and using HOME funds to repair existing housing for low-income households.

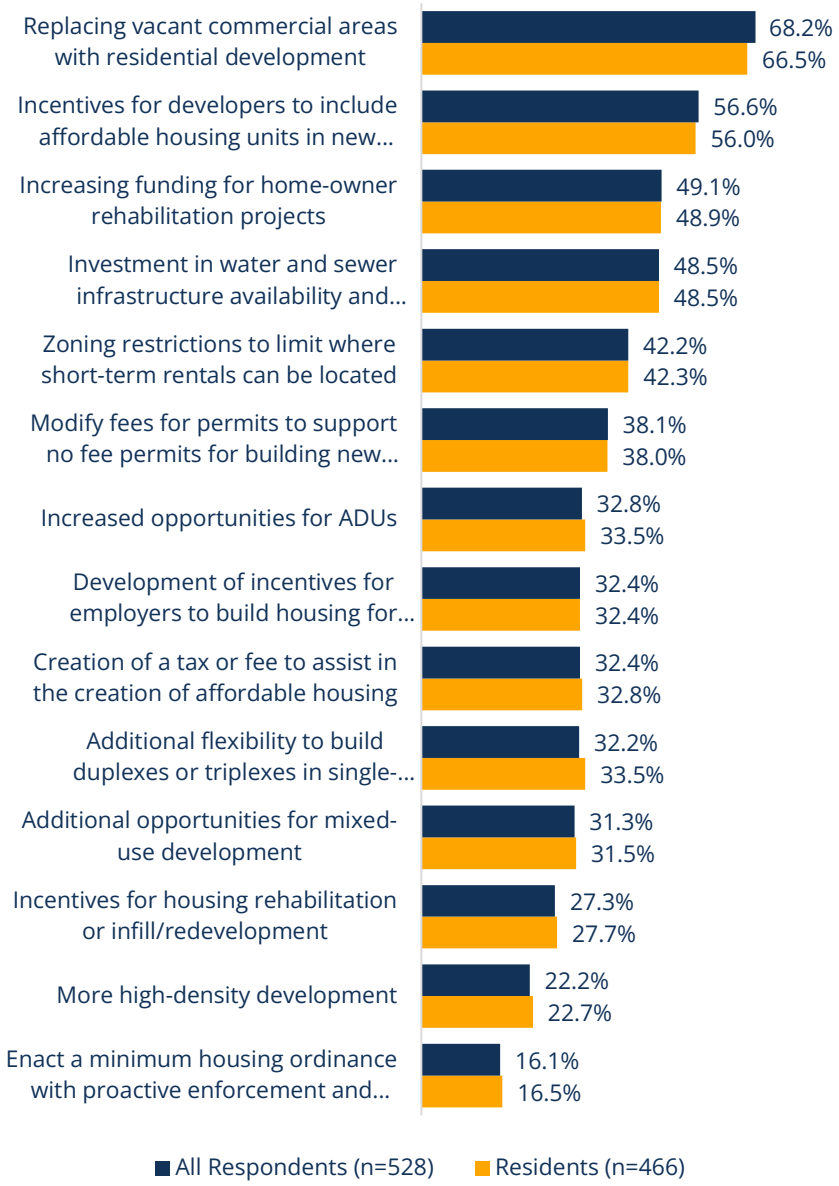
In many cases, stakeholders and residents lack a full understanding of legal constraints placed on local governments resulting from North Carolina's orientation as a Dillon's Rule state, which requires the state to issue specific authorization before for local governments are permitted to adopt certain policies or dedicate funding to certain programs and services.

Comments from focus groups and survey responses indicate a desire for local government to enact policies that are not currently available to them under state statutes. For example, respondents indicated some support for policies such as zoning restrictions, developer incentives, or new taxes that could only be enacted at the local level through a change to state policy (either passed by the state legislature or through a statewide referendum vote to change the State Constitution). As such, frustrations arising from a lack of local action on these issues do not necessarily indicate a lack of regional coordination and should not be directed solely at local governments.

It can also be difficult to ascertain the levels of community support for further development. These topics are complicated and nuanced, and community desires appear mixed. For example, survey respondents indicated both a strong preference for single-family homes and a desire for increased affordability. However, given the limited availability of land and the costs associated with development, increased residential density may be required to bring down the cost to produce a housing unit. Nonetheless, additional multi-family development did not receive high levels of support.

22 North Carolina Counties: Occupancy Taxes - https://www.ncacc.org/wp-content/uploads/2024/01/2024_01_OccupancyTaxes.pdf. This is the most recent data as of this publication.

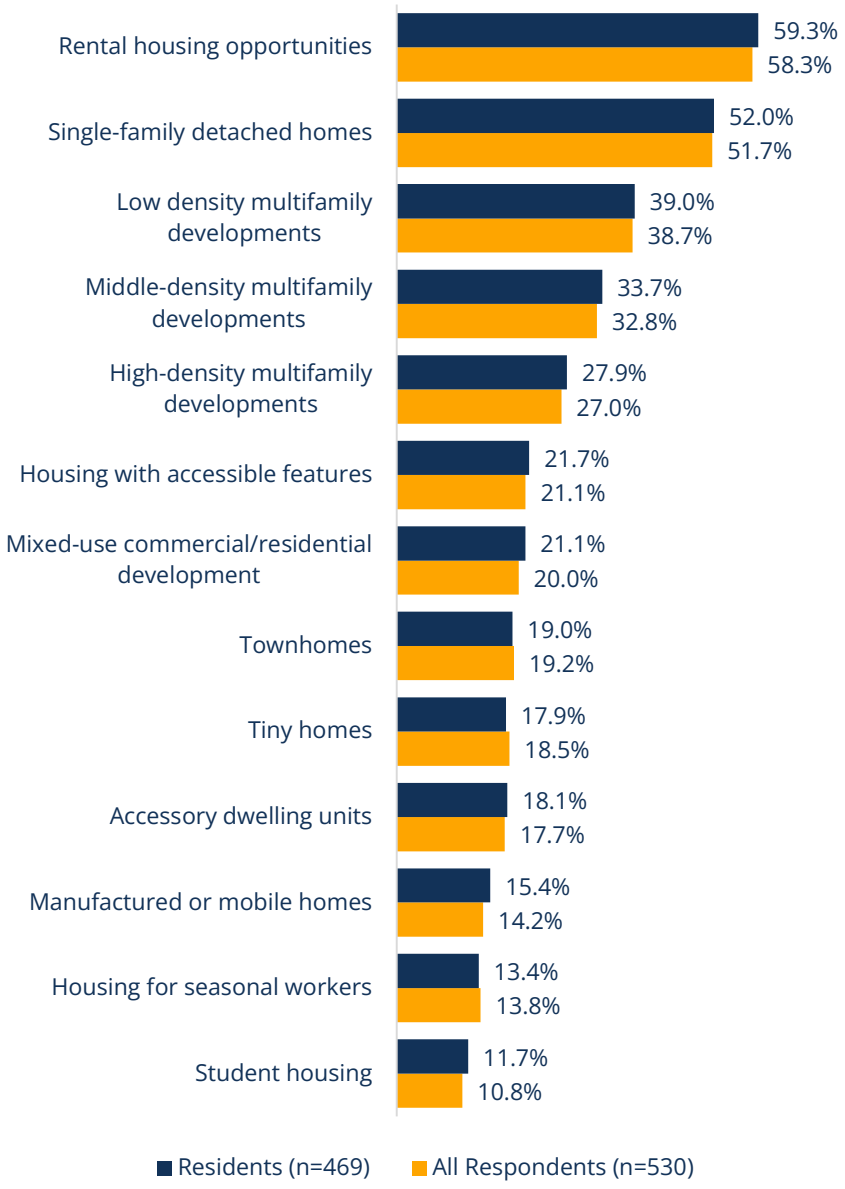
FIGURE 24: HOUSING POLICY SUPPORT
Source: Public Opinion Survey



Replacement of vacant commercial property with residential development received the highest levels of support. While this "adaptive reuse" of commercial structures for residential development could increase the overall supply of housing, the costs associated with this kind of redevelopment are unlikely to lead to more affordable housing without additional subsidy, many of which are not available under the current legal structure.

Many of these policy barriers can be complicated and in many cases residents can be forgiven for not knowing much about them on a detailed level. However, there is further evidence that could speak to a general lack of knowledge about fundamental concepts relating to housing costs and development. For instance, survey respondents simultaneously indicated the importance of broadening the mix of housing types in the county and creating more rental opportunities while simultaneously expressing relative disinterest in adding developments with any kind of density, as even "low-density" multifamily polled at below 40% support.

FIGURE 25: DEVELOPMENT PREFERENCES
Source: Public Opinion Survey



It is difficult to determine whether there is a significant disagreement among residents or if there is a lack of understanding about the causes and effects of housing policy. Either way, the conflicting nature of public opinion presents a major challenge for the community and local governments as they attempt to balance public perception with strategies that are simultaneously effective and permissible within the current legal framework.

HOUSING ECOSYSTEM AND PARTNERSHIPS

Addressing housing affordability is hard. There is no panacea. Communities that are best equipped to make a meaningful impact in this space are typically characterized by a rich ecosystem of diverse and dynamic partnerships that bring together stakeholders from a broad range of public, nonprofit, and private sectors.

Partnerships to address housing needs have begun to develop in and around Transylvania County, some of them in response to the natural disasters that these communities have faced in the last year. However, more collaboration and (perhaps more importantly) coordination will be needed in the face of recovery efforts, potential changes in federal funding, and the policy choices being made at the state level.

In North Carolina, counties and municipalities are granted different policy levers that they can utilize. Non-profit and private sector organizations have their own set of roles they can play to support housing. Given this situation, it becomes critical for all stakeholders to focus efforts on leveraging the abilities of local government, non-profits and private sector in coordination to build solutions for housing in the community. Enhancing coordination across these sectors also opens the door for collective advocacy to identify barriers that are not in local control and speak collectively outside of the County to influence change.

Recently, Transylvania County, along with three other counties and the municipalities in the Land of Sky Council of Government jurisdiction have received a grant through NC Impact to support this kind of effort on a regional basis. This 18-month opportunity allows a regional team of diverse stakeholders to engage with other teams from across North Carolina and with the UNC School of Government to understand the various roles stakeholders can have in housing solutions and to explore successful strategies being employed across the state. The lessons learned are intended to allow the team members to bring back information and resources to their local communities to help facilitate collaboration at the local and regional level around housing needs.

Appendices

Appendix I: Research Methodology

DOCUMENT REVIEW

To gain deeper insights into research conducted for Transylvania County and strategies proposed to move the area toward affordable housing solutions, TPMA conducted an in-depth analysis of existing plans, reports, and related documents. The list of documents includes:

- Buncombe County Housing Needs Assessment from Bowen National Research (no date)
- City of Brevard Affordable Housing Feasibility Analysis from UNC School of Government's Development Finance Initiative (2023)
- City of Brevard Short-Term Rental Survey from Sunny Side Consulting LLC (2022)
- Economic Impact, Jobs, and Housing Analysis of Short-Term Rentals in Brevard/Transylvania County from SmartCity Policy Group (2022)
- Henderson County Housing Needs Assessment from Bowen National Research (no date)
- Ordinance for Amending the City of Brevard Housing Trust Fund (2023)
- Short-Term Rental (STR) Public Comment (2023)
- Short-Term Rental (STR) Task Force Recommended Ordinance Adjustment (2023)
- Transylvania Planning Board's Findings of Fact and Conclusions of Law (2023)
- UNC School of Government's Local Government Tools for Private Affordable Housing (2022)
- Western North Carolina Housing Needs Assessment from Bowen National Research (2021)

QUANTITATIVE RESEARCH

DATA COLLECTION

In addition to document review, this project's discovery phase included a variety of quantitative research sources and methods. For data collection, various national, regional, and local public data sources were utilized in addition to a collection of third-party and proprietary sources. Some of these data sources include:

- U.S. Census Bureau (Census) American Community Survey (ACS) 5-year Estimates
- U.S. Department of Housing and Urban Development (HUD)
- HUD Comprehensive Housing Affordability Strategy (CHAS)
- Esri/ArcGIS Business Analyst
- Lightcast
- Redfin.com
- Costar

HOUSING DEMAND MODEL

TPMA has developed a housing demand model that forecasts demand for new for-sale and for-rent housing units for the next ten years. The customized housing demand model built for this project anticipates demand based on two market segments: new households and existing households

To predict demand from new households, the project team uses five-year projections for the number of households in Transylvania from third-party sources such as Esri. To extrapolate to ten years, the growth rate over the first five years is assumed to remain constant over the next five years.

Every year, some households may choose to move from one home in Transylvania County to a new home within the county. This serves as the basis for demand from existing households. Demand from existing households is calculated using household projections, as discussed above, geographic mobility data, and estimates of demand for new housing.

Finally, the project team assumes that the propensity to own or rent, based on American Community Survey estimates, will remain unchanged over the next ten years. Using this information, the total potential demand for rental and owner-occupied housing is estimated.

WORKFORCE AFFORDABILITY ANALYSIS

To provide insight into housing affordability for workers in Transylvania County, TPMA project team members analyzed earnings associated with the most common jobs and essential occupations. The earnings associated with these occupations were then compared to housing costs in Transylvania County. However, since the comparison of single occupations to overall household incomes and housing costs could be misleading as individual incomes do not necessarily equate to household incomes, the affordability analysis uses the cost of one- and two-bedroom rental units where possible to calculate housing costs for single income-earners.

QUALITATIVE RESEARCH

STAKEHOLDER ENGAGEMENT WORKSHOPS

TPMA collaborated to curate a diverse list of key stakeholders representing government, economic development, realtors, builders, and housing-specific organizations, and community-based organizations. Registration reminders were sent to encourage participation, and materials (including the session agenda and data overview) were sent to registrants in advance. Stakeholder workshops were held in June 2024, with 35 stakeholders attending.

Workshop activities planned were highly interactive, utilizing various methods to ensure each stakeholder had the opportunity to provide robust input. Activities were designed to collect information on the challenges, assets, and opportunities of the housing landscape in Transylvania County. Other activities were aimed at visioning for the future, next steps, collaboration, and accelerating momentum for implementation. Results from these activities were documented, reviewed, and analyzed to find recurring themes across workshop groups.

PUBLIC OPINION SURVEY

To gather information from the public on perceived housing needs and attitudes towards certain housing development efforts, a public opinion survey was developed and distributed to community members. Respondents were asked to answer questions about:

- Household location and demographic information
- Preferences for housing types and amenities
- Levels of support for different types of housing for future housing developments
- Levels of support for potential housing-related policies
- Housing needs of senior residents

The survey was launched in June 2024 and remained open through August 2024. To increase accessibility, the survey was available in both English and Spanish, and paper copies of the survey were available, in addition to the online version. In total, 546 completed surveys were submitted, exceeding the sample size needed for a 95% confidence level with a 5% margin of error. While the use of convenience sampling means the findings may not be fully representative of the broader population, the data collected provides insight into community perspectives.

BUSINESS SURVEY

To understand how businesses may be impacted by the housing ecosystem, TPMA conducted a survey of local businesses from July 2024 through August 2024. Despite outreach to Brevard/Transylvania Chamber of Commerce and re-engagement of stakeholders, the survey received seven submissions. Due to the low number of responses, the project team is unable to make broader inferences from the data.

SUBJECT MATTER EXPERT INTERVIEWS

In a further effort to ensure that document review, data collection, and other desktop research matched the lived experience on the ground, TPMA also facilitated interviews with subject matter experts covering several fields and areas of expertise. Interview subjects included individuals and/or small groups representing:

- Community and Economic Development Organizations
- County Government
- Municipal Governments
- Housing-related Organizations
- Housing Developers (for- and non-profit)
- Policy and Research Organizations
- Major Employers
- Local Realtors
- Property Managers
- Builders Association

Appendix II: Community Engagement

INTRODUCTION

On June 5-6, 2024, Transylvania County held two stakeholder workshops to aid in the development of its comprehensive housing study. Thirty-five (35) stakeholders with backgrounds in local or regional government, housing development, real estate, economic development, and community-based work attended the workshops.

This summary aggregates the feedback collected throughout the workshop sessions. It is worth noting that the summary does not reflect the full extent of the ideas and input received; rather, it is intended to represent significant themes that emerged from the workshop.

METHODOLOGY

Transylvania County Government partnered with TPMA, a national consulting firm, to facilitate the development of a comprehensive housing study. Prior to the key stakeholder workshops, the project team conducted background research, including reviewing existing plans and studies for Transylvania County and the greater western North Carolina region, as well as local and regional housing and economic data.

Stakeholders comprised of individuals, businesses, and organizations with an interest in or influence over the success of the comprehensive housing study. Transylvania County staff and TPMA collaborated to compile a diverse list of key stakeholders representing government, economic development, real estate, construction, housing-specific organizations, and community-based entities. Invitations to the in-person workshops were distributed to stakeholders before the sessions. Registration reminders were then issued to promote participation, and relevant materials (including the session agenda and data overview) were given to registrants before the event.

The planned workshop activities were designed to be highly interactive, employing various approaches to ensure each stakeholder had many opportunities to provide substantive input. Notably, these workshops constitute only one component of the research and outreach conducted for the strategic plan. The information gathered during these sessions will be integrated with other data sources (including interviews, public surveys, business surveys, and data analysis) before finalizing recommendations for the strategic plan.

ACTIVITIES AND RESULTS

VISIONING THEMES

The Question
Participants were asked to write a statement reflecting their vision for the future of housing in Transylvania County.

The Response
While participants developed a wide range of vision statements comprised of several aspects of the future housing landscape in the county, a few themes were presented across the board. These include:

VARIETY AND ACCESSIBILITY OF HOUSING OPTIONS	Many statements emphasize the importance of offering a range of housing types, including single-family homes, duplexes, low-rise apartments, and multi-unit dwellings. This diversity ensures that housing meets the needs and preferences of all community members, including singles, couples, families, and people of various income levels.
AFFORDABILITY AND WORKFORCE HOUSING	Statements highlight the importance of making housing accessible to all income levels, including essential workers like law enforcement, healthcare, fire, city, and county employees. The vision includes affordable options that allow residents to live near their places of employment.
COMMUNITY-CENTERED AND SAFE LIVING ENVIRONMENTS	Many comments focus on creating housing that is not only affordable but also safe, enjoyable, and community-centered. This includes ensuring that housing developments foster a sense of community, with access to critical facilities such as schools, grocery stores, healthcare, and recreational areas.
SUPPORTIVE AND INCLUSIVE HOUSING POLICIES	There is a strong emphasis on creating housing policies and initiatives that support all residents, including those from underrepresented and low-income backgrounds. This includes collaboration between community leaders and organizations to ensure that housing development is inclusive and equitable.
STRATEGIC AND SUSTAINABLE DEVELOPMENT	Several statements envision organized and strategic housing efforts that incorporate green spaces, walkable neighborhoods, and access to public transit. This theme emphasizes the importance of sustainable development that balances density with quality of life and environmental considerations.

RECOMMENDED VISION STATEMENT

Transylvania County is a safe, beautiful, and resilient community where expanded infrastructure and well-established intergovernmental partnerships can ensure diverse housing options and sustainable development practices that provide opportunities for all residents to live in a safe and thriving community.

CHALLENGES

Participants were asked to write down as many housing-related challenges across Transylvania County as possible on sticky notes. They organized these challenges into categories as a group and identified top priorities to address in the following activity. The challenges are listed in order of frequency, from most to least mentioned; however, all identified issues were considered priorities.

FUNDING AND RESOURCES

- Lack of gap funding for housing development
- Lack of developable land
- Economic constraints, including cost of building and general market costs, are high
- Low wages relative to housing costs across the county
- Lack of federal and state support for housing development

POLICIES, ORDINANCES, AND REGULATIONS

- Lack of zoning and inclusionary zoning1
- Short-term rentals vs. long-term rentals
- Excessive development codes
- Policy resistance

INFRASTRUCTURE

- Lack of existing water and sewer infrastructure
- Infrastructure expansion is complicated by flood plains, steep slopes, and other topographical concerns.
- Lack of accessible transportation

COLLABORATION AND CAPACITY BUILDING

- Lack of collaboration among the County and local municipalities
- Political polarization
- Limited capacity of local organizations to work together
- Lack of public and private partnerships
- State and regional support needed for more collaborative efforts

OTHER

- Fear that greater density will change the character of the town
- NIMBY (ism) – “Not in my back yard”2
- Heirs’ property3
- Difficulty creating multi-unit developments due to legal and policy constraints

CURRENT ASSETS

When creating long-term housing solutions, people often focus on existing barriers and challenges. However, there are usually numerous efforts already underway. After establishing vision statements, stakeholders were asked to identify key assets and initiatives currently occurring across the county. These ongoing efforts should be highlighted and considered for support within broader housing initiatives.

ORGANIZATIONS

- Asheville Regional Housing Consortium
- B-T Housing coalition
- City of Brevard
- Dogwood HealthTrust
- Habitat for Humanity
- Housing Assistance Corporation
- Land of Sky Regional Council
- Meadow Fair Haven
- North Carolina Department of Transportation
- Pisgah Legal Services
- Self-Help
- Sharing House
- Transylvania County
- WNC Source

INITIATIVES

- City of Brevard is partnering with DFI school of government, faith organizations, and nonprofits to look for opportunities to create more LMI units
- Housing Coalition and housing working group
- Employer-led involvement, housing developments (Gaia Herbs, Torre Homes)
- The Sharing House's efforts to expand and create more units
- Several faith-based organizations working to address housing issues (including Rosman development for teachers)

RESOURCES

- NCDOT housing relocation assistance where people are forced to relocate due to a transportation project
- Land of Sky and Dogwood Health Trust grants, Self-Help Credit Union loans/support, Lake Toxaway Charities
- Resources provided by various organizations across Transylvania County (see organizations listed above)
- Natural resources and proximity to airport, interstate, and major highways

OPPORTUNITIES

After identifying their key challenges and assets, participants were asked to create opportunity statements to address challenges and build on current assets. They then spent time first independently and then in groups, brainstorming what strategies and actions needed to take advantage of that opportunity.

Participants suggested a range of opportunities to support the comprehensive housing plan for the Transylvania County. Themes included funding strategies, housing development priorities, processes and capacity building, policy changes, and local initiatives. Below is a summary of these themes and the related actions suggested by participants.

FUNDING

- Combine funding resources to systematically build affordable housing projects
- Explore funding opportunities for water/sewer infrastructure upgrades (including potential use of remaining ARPA funds)
- Fund available land to build on
- Obtain financial incentives for private sector to build affordable housing in line of high dollar residences
- Identify the land that is available for housing
- Create a tax for areas of the county that offer utilities infrastructure such that the utilities infrastructure maintenance and potential expansion is supported

HOUSING DEVELOPMENT

- Find and purchase land and reserve for housing projects, conditional zoning/development agreements
- Create multiple types of housing to meet a diversity of needs
- Convert empty commercial buildings to housing
- Repurposing (Ingles/BiLo), blight in community, mixed use;
- Infrastructure creation (w/s) in line with property acquisition
- Expand water and sewer infrastructure
- Use MountainTown Communities for Workforce Housing model
- Convert warehouses to workforce housing
- Permanent Temporary/affordable housing, cottage-style, or duplex/quad
- Make existing land more useable by working the land and grading it to make it useable (slopes/drainage)
- Prioritize sustainable development and protect natural resources

PROCESSES AND CAPACITY BUILDING

- Build a coalition, consensus, and collaborate on a path forward; Form coalition to address housing that is empowered to resolve or improve housing barriers
- Task/empower/form and entity to lead
- Increase community leader collaboration
- Facilitate community's acceptance and engagement to help overcome NIMBY-ism
- Combine resources/funding to get a project off the ground
- Continuum of Housing Needs Plan
- Get the city/county to work together to improve the process for development and to hold to the same set of standards and rules for all, expedite process for developers - time is money

POLICIES

- Establish a water district
- Zone Transylvania County to encourage more housing development
- Pass workforce housing legislation
- Regulate short-term rentals; Decrease non-resident (corporation) owned short-term rentals
- Apply for grants/lobby for funding to help build/remodel housing
- Increase fair market rent
- Add incentives for property owners to allow subsidized housing in existing infrastructure

INITIATIVES

- Housing/wealth building programs "reimbursable nest-egg" portion of rent
- Permanent supportive housing for those with identified mental/physical disabilities who can live on their own with some case work assistance
- Provide incentives for families that are selling their family home lands to sell to people that are going to invest in the strategy of building housing units - affordable income based
- Work with landowners to purchase property at a reasonable price
- Work with building contractors and utilities to reduce the cost to build and install

OTHER

- Quantify the need (how many rentals and for sale housing units are needed, price/cost targets
- Create a public transportation system that supports all areas of the county

ACCELERATING MOMENTUM

Finally, each member of the group chose one of the opportunities and worked to further explore its potential using a matrix worksheet. The worksheet focused on identifying ideals.

- Opportunity: What is the opportunity?
- Outcomes: If we accomplish this, what will the outcome be?
- Steps: What steps should we take? What steps can I take?
  Collaborators: Who should lead and who else should work on this?
- Resources: What resources might help
- Catalysts: What is happening that could boost progress?
- Metrics: How might we measure progress?
- Timeline: How long will it take?
- Difficulty: Is this easy, moderate, or hard?

STAKEHOLDER PLANNING MEETING AND SUBJECT MATTER INTERVIEWS

KEY TOPICS

Following the in-person planning meetings, the project team conducted numerous interviews with local and regional stakeholder groups. These interviews provide an on-the-ground perspective of assets, barriers, and opportunities for the county to work toward expanding housing options for all residents. A bulk of the discussion revolved around several topic areas, including

- Housing Development;
- Funding;
- Support for Unhoused and Low-to-Moderate Income Individuals;
- Regional Collaboration; and
- Current Housing Stock

Included below is a list of common items that were discussed in stakeholder interviews. These topics have been groups by assets, barriers, and opportunities for growth.

HOUSING DEVELOPMENT

ASSETS

- Privately owned land
- Charming community character
- Effective permitting processes, specifically the City of Brevard
- Town of Rosman assessment to expand infrastructure through a capital plan in partnership with Transylvania County

BARRIERS

- Cost to build
- Limited capacity of water and sewer infrastructure
- Topography and terrain
- Ability to revitalize housing due to Heirs' Property
- Lack of publicly owned land that can be used for housing
- Lack of zoning across the county, hindering developers
- 'Not In My Back Yard' (NIMBY) perspectives

OPPORTUNITIES

- Adopting adaptive reuse strategies to construct homes in old commercial buildings
- Land banking to procure more developable land that meets the needs of residents in the area
- Focusing on smaller multi-unit developments to maintain the character of the area but also increase housing density
- Supporting mixed-use and mixed-income housing developments
- Creating pre-approved housing development plans to expedite the building process for developers
- Explore new, creative, and innovative strategies for housing development

FUNDING

ASSETS

- Revenue from Tourism
- Growing Appetite from Some Businesses to Provide Funding Support

BARRIERS

- Ability to Fully Utilize the Community Development Block Grant Programs and the HOME Investment Partnerships Program
- Uncollected Tax Revenue Due to Heirs' Property
- Low taxes compared to the rest of the region
- Low voucher rates set by HUD do not meet the needs of the fair market rate in Transylvania County
- Inadequate supply of rental units and low vacancies
- Utilizing HOME funds surpasses the homeowner applicants' needs due to exceeding the eligibility threshold
- Proximity to amenities (pharmacies, grocery stores, hospitals, etc.) to receive priority for LIHTC applications

OPPORTUNITIES

- Explore additional opportunities to finance housing development, including bonds, tax incentives, utility incentives, tax increment financing (TIFs), community development finance institutions (CDFIs), and more*
- Working with high-wealth philanthropists to develop funding mechanisms for housing
- The county cannot address the housing crisis alone and will need additional support from the federal and state Government

SUPPORT FOR UNHOUSED AND LOW-TO-MODERATE INCOME INDIVIDUALS

ASSETS

- A Strong Network of Grass Roots Organizations Providing Support to Individuals

BARRIERS

- Limited amount of "good paying" jobs
- Housing Choice Vouchers do not support the fair housing market rent
- The Housing Choice Voucher amount is insufficient to meet the needs of renters (would need to be closer to $2,500 or more)

OPPORTUNITIES

- Economic development partners to support the business attraction and retention efforts, particularly those that bring higher wages
- Create a comprehensive Continuum of Care plan
- Developing and supporting a more robust Land Trust model
- Rental and home payment assistance, particularly for low-income residents*

REGIONAL COLLABORATION

ASSETS

- Community engagement sessions, including the Rosenwald listening sessions and the faith and housing summit
- Transylvania County working with housing partners to advocate for increasing vouchers to levels that are closer to actualized rental rates
- Land of Sky Regional Housing Coalition

BARRIERS

- Disconnect among private, governmental, and community-based organizations
- Staff capacity to support new initiatives

OPPORTUNITIES

- Greater accountability and more strategic execution to build on current efforts
- Work with neighboring counties and the greater WNC region to approach housing solutions
- Bringing for-profit organizations into conversations
- Connecting housing experts and service providers to coalitions and collaborative efforts

CURRENT HOUSING STOCK

ASSETS

- Charming neighborhood character and core
- Employers contributing to housing development

BARRIERS

- Number of short-term rentals and the inability to regulate them
- Lack of "traditional lodging" such has hotels to support tourist economy
- Number of residents with multiple homes and vacation homes that remove housing stock from community residents

OPPORTUNITIES

- Create housing to support local workforce, especially essential workers such as educators, law enforcement, firefighters, emergency medical staff
- Available grants, state and federal funding
- Review best practices with from neighboring regions

Appendix III: Public Opinion Survey Results

Transylvania County Affordable Housing Plan Public Opinion Survey Tableau Dashboard

Appendix IV: County Efforts

Transylvania County government has a history of supporting housing efforts across the region. While the list is not comprehensive, it provides insights into obstacles the government has worked to address over the past decade.

2016–2017: Transylvania County submitted comments during HUD's Fair Market Rent (FMR) rulemaking process, highlighting that the FMR established for the County was significantly below actual market rates. Because FMR determines the payment standard for Section 8 vouchers, an underestimated rate limited the amount of rental assistance available. As a result, voucher holders faced significant challenges in securing housing, since the capped rental amounts were below prevailing market rents.

2018: The County elevated concerns about FMRs through its Congressional office and engaged with HUD to better understand the issue. HUD explained that FMR surveys are conducted in urban areas and extrapolated to rural regions, citing limited capacity to expand surveys. To address the gap, the County issued an RFP for a HUD-compliant study, but potential consultants indicated that declining landline usage and limited rental availability would make it difficult to obtain a statistically valid sample.

2019: The County issued an RFP for housing development on County-owned property under a nominal 50-year lease. Only one developer responded, requiring an additional $1 million in supplemental support to make the project feasible. A key barrier identified was the low voucher rate, which undermined project proformas by limiting the rent levels for voucher-eligible tenants.

2020: Transylvania County continued its history of applying for and administering HOME funds to help homeowners with needed repairs. However, many qualifying households required repairs that exceeded HOME program limits. To improve outcomes, the County partnered with the Housing Assistance Corporation (HAC) to increase referrals and align applicants with a broader range of resources.

2020–2021: Federal COVID relief dollars allowed the County to partner with Sharing House on $120,000 in housing support. Given the high level of need, the County and Sharing House applied for a CDBG-CV grant to expand assistance. However, the first-come, first-served application process and extensive documentation requirements placed the County at a disadvantage in securing funds.

2021–2022: The County had previously struggled to advance Low-Income Housing Tax Credit (LIHTC) projects, with multiple proposals failing to secure sufficient points. After Tropical Storm Fred caused damage to more than 120 homes in August 2021, the County successfully requested priority points for LIHTC projects. In 2022, this resulted in approval of the first tax credit development in many years.

2021–Present: Ongoing meetings with developers highlighted challenges in advancing LIHTC projects due to limited land with infrastructure access, especially near grocery stores and pharmacies. Infrastructure capacity is largely confined to Brevard and Rosman, both with aging systems and limited capital planning. To address these constraints, the County secured a $2 million Dogwood Foundation grant for infrastructure assessments, supporting Rosman's capital planning and a study of the Lake Toxaway system, which the Town acquired with plans for expansion. Funds were aligned with County ARPA dollars to design a water and sewer line along US 64, opening opportunities for housing development while also supporting a countywide housing study. A separate grant opportunity later funded the water and sewer line, allowing Dogwood funds to be redirected to strategies identified in the housing plan now underway.

Appendix V: Data Summary

DATA AND RESEARCH SUMMARY

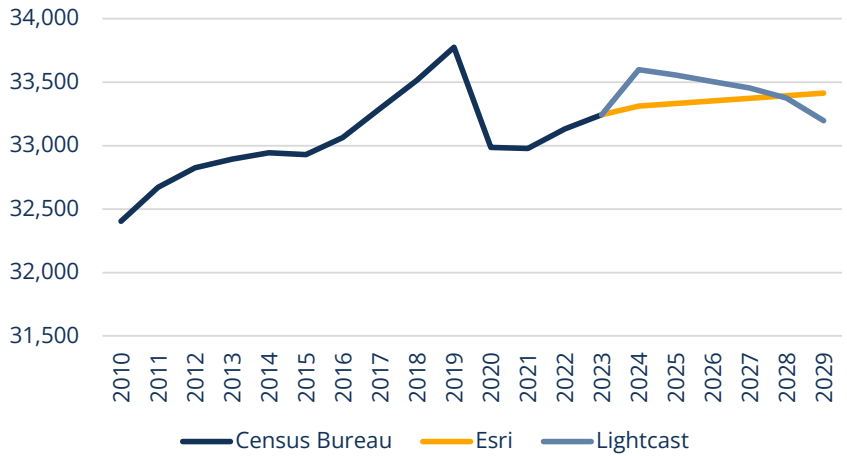
DEMOGRAPHICS

Population and age

Data from the American Community Survey show that Transylvania County experienced slow but steady population growth for the ten years leading up to the COVID-19 pandemic, gaining roughly 1,600 residents from 2010 to 2020 (an increase of just over five percent). However, the 2020 Decennial Census, used as the official population count, reflects less growth than initially estimated. Long-term growth projections vary, with one model predicting that the county's slow but steady population increase will continue, while another anticipates a peak followed by a gradual decline.

FIGURE 26: POPULATION, 2010 – 2029 (PROJECTED)[23]

Source: American Community Survey 5-Year Estimates, Decennial Census, Esri, Lightcast 2024.4



When looking at the peak pandemic years from Spring 2020 to Summer 2023, the county's shifting demographic trends show that the population growth that occurred during this time was primarily due to inbound migration, which brought nearly 1,400 new residents to the county, more than making up for a net loss of roughly 800 residents when comparing local birth and death statistics.

TABLE 21: COMPONENTS OF POPULATION CHANGE, APRIL 1, 2020 TO JULY 1, 2023[24]

Source: US Census, Annual and Cumulative Estimates of the Components of Resident Population Change

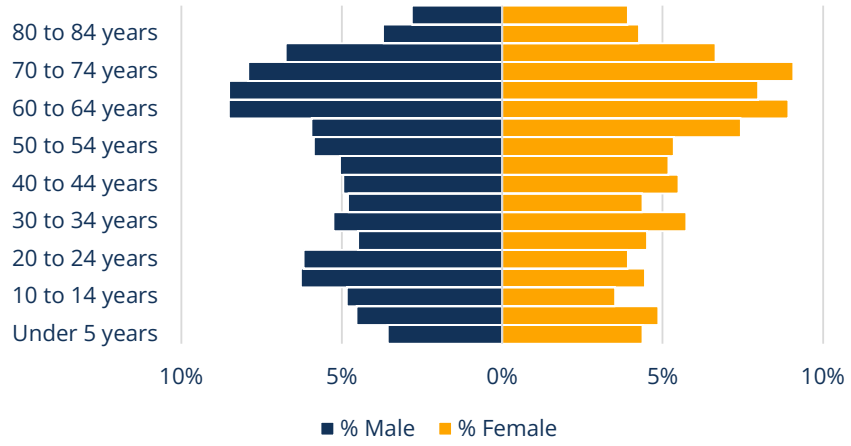
NATURAL CHANGE	**Births**	**Deaths**	**Gain/Loss**
	792	1,600	-808
NET MIGRATION	**International**	**Domestic**	**Gain/Loss**
	88	1,293	1,381
TOTAL POPULATION CHANGE			565

The trend of births trailing behind deaths in the county is to be expected considering the age of the county's population, which is largely made up of individuals well beyond the typical child-bearing years. In 2023, 30.8% of Transylvania residents were over the age of 65 years.

23 2010 to 2019, 2021 to 2023 population estimates from the American Community Survey. 2020 population estimates from the Decennial Census.

24 Total population change includes a residual, a change in population that cannot be attributed to any specific demographic component of population change. Therefore, net migration and natural change will not sum to the total population change.

FIGURE 27: AGE AND GENDER DISTRIBUTION, 2023
Source: American Community Survey 5-Year Estimates



Furthermore, Transylvania County's median age has been steadily increasing, surpassing 50 years by 2023. While these metrics tend to follow in line with national trends and the aging of the "baby boomer" generation, the rate at which the county is aging surpasses estimates for the state of North Carolina and the country and a whole, which are also aging but at a lower rate.

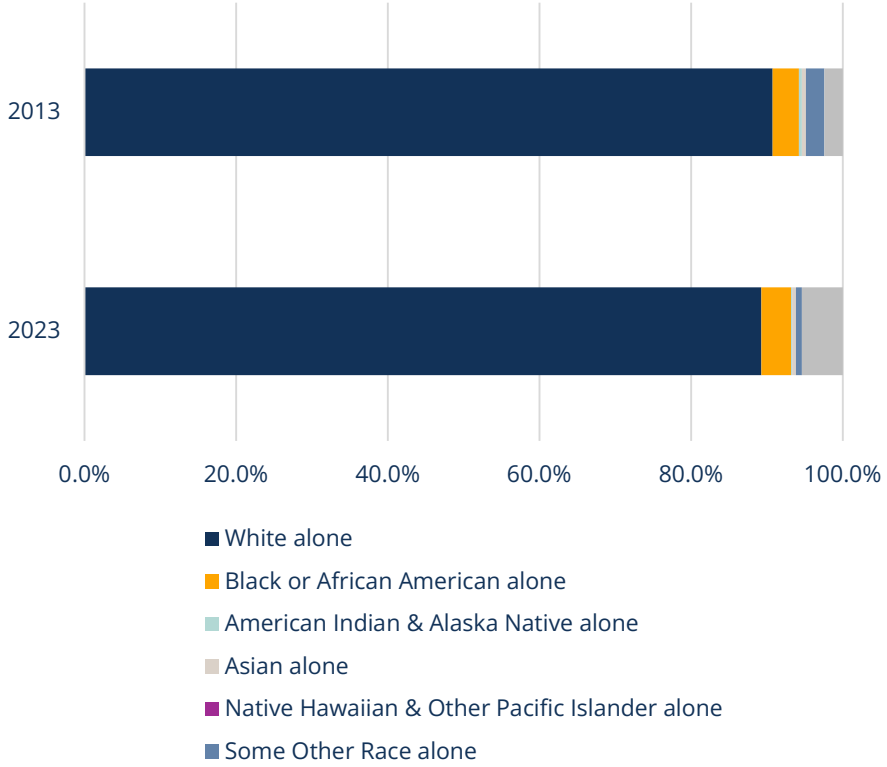
TABLE 22: MEDIAN AGE, 2013 – 2023
Source: American Community Survey 5-Year Estimates

	Transylvania County	North Carolina	United States
2013	49.7	37.6	37.3
2018	50.7	38.6	37.9
2023	51.9	39.1	38.7

Race and Ethnicity

Transylvania County has seen a slight increase in racial diversity, with the percentage of the white population dropping from 90.8% to 89.3% in the ten years 2013 to 2023.

FIGURE 28: TRANSYLVANIA COUNTY BY RACE, 2013 – 2023
Source: American Community Survey 5-Year Estimates



Similarly, there has been a slight increase in ethnic diversity, with the percentage of the population that identifies as Hispanic or Latino increasing from 2.9% to 4.9%.

FIGURE 29: TRANSYLVANIA COUNTY BY ETHNICITY, 2023

Source: American Community Survey 5-Year Estimates

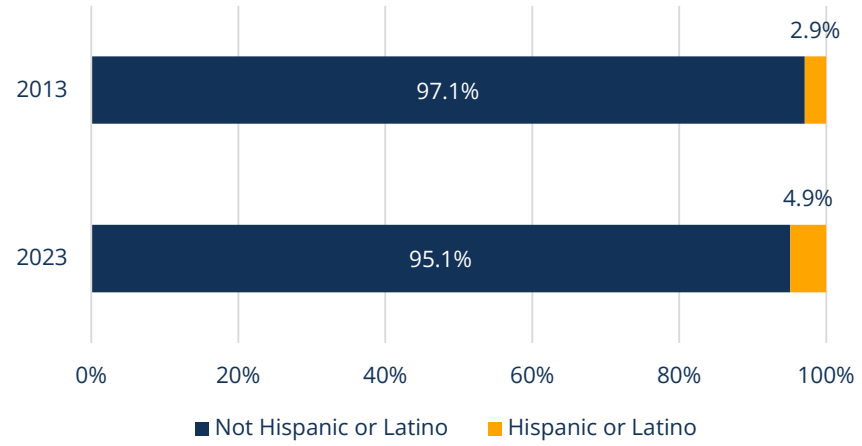
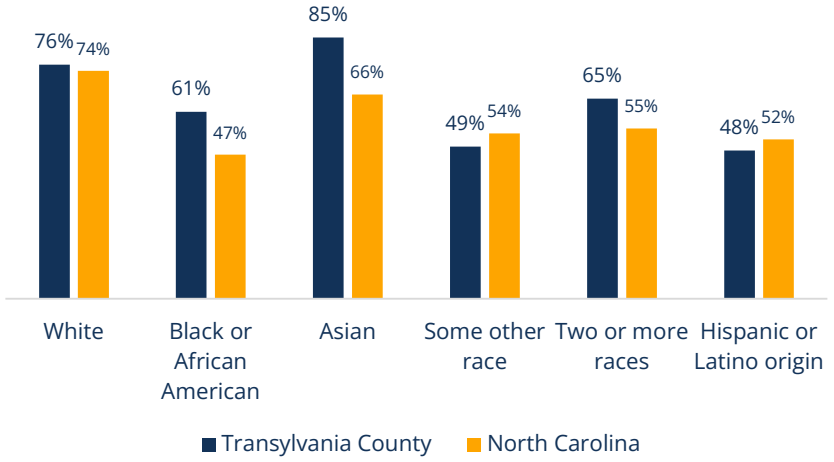


FIGURE 30: HOMEOWNERSHIP BY RACE AND ETHNICITY, 2023

Source: American Community Survey 5-Year Estimates

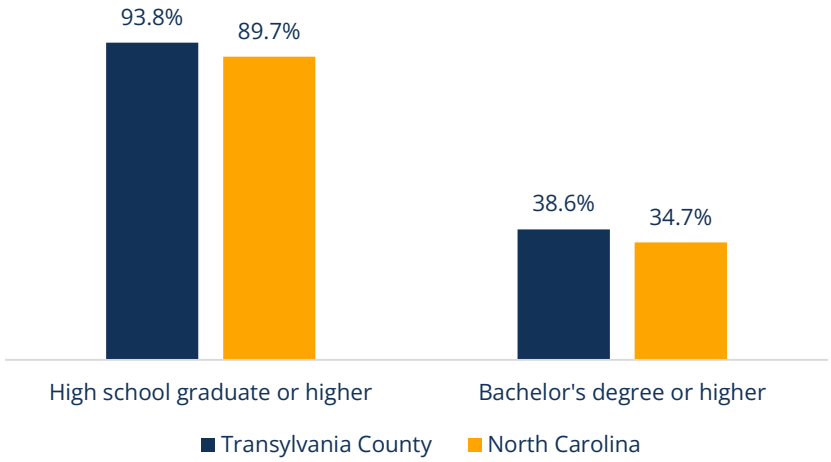


When examining homeownership by race, individuals of Asian descent reflect the highest rates of homeownership, followed by individuals who identify as White, Two or more Races, and Black or African American. Individuals who identify as Some Other Race, and Hispanic or Latino or Latino origin show the lowest rates of homeownership, both below 50%.

Education and Outcomes

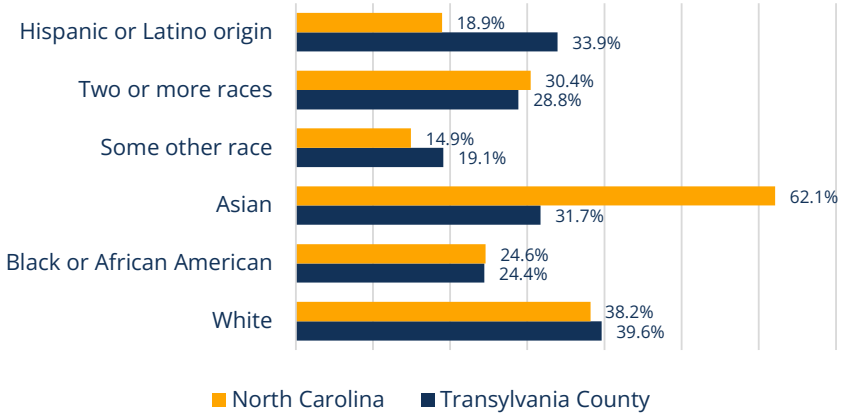
Transylvania County also has overall educational attainment rates higher than the state averages for both high school and bachelor's graduates.

FIGURE 31: EDUCATIONAL ATTAINMENT, POPULATION 25 YEARS AND OVER, 2023
Source: American Community Survey 5-Year Estimates



Educational attainment varies by race and ethnicity. In Transylvania County, White residents have the highest levels of educational attainment, followed by the Hispanic or Latino community.

FIGURE 32: BACHELOR'S DEGREE OR HIGHER BY RACE & ETHNICITY, 2023
Source: American Community Survey 5-Year Estimates



Income and Poverty

Incomes throughout the county have risen substantially over the previous five years, although this increase has been disproportionately realized for owner-occupied households. The increase in renter household incomes, for example, does not correspond to increased affordability for housing. While this phenomenon is roughly in line with trends seen nationally, these increases have not generally kept up with the rise in housing costs for either renters or homeowners, as will be detailed in a later section.

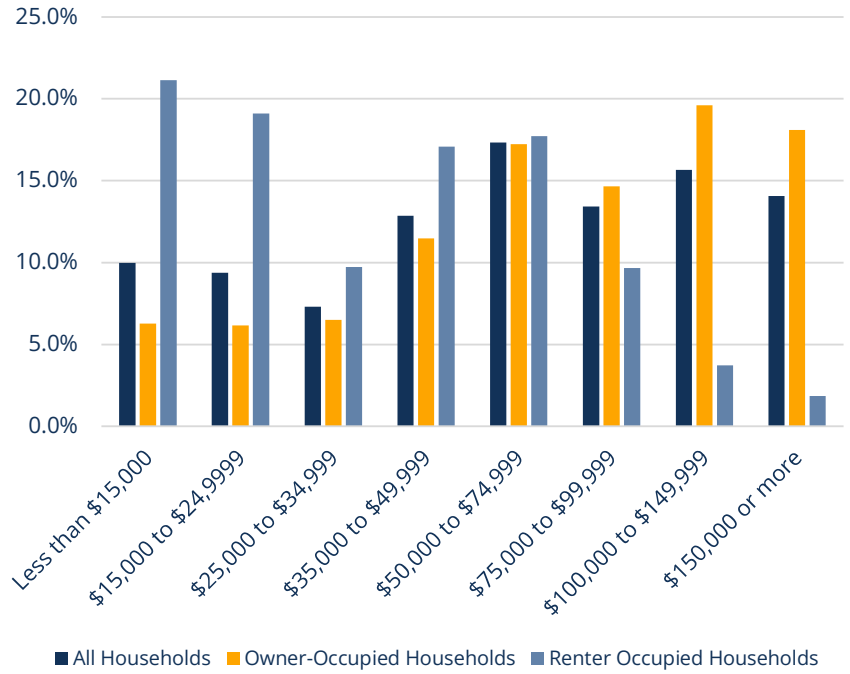
TABLE 23: CHANGE IN MEDIAN HOUSEHOLD INCOME, 2018 TO 2023
Source: American Community Survey 5-Year Estimates

	2018	2023	% Change
ALL HOUSEHOLDS	$46,629 (n=14,123)	$64,523 (n=14,590)	38.4% (3.3%)
OWNER-OCCUPIED HOUSEHOLDS	$57,156 (n=10,846)	$77,486 (n=10,961)	35.6% (1.1%)
RENTER-OCCUPIED HOUSEHOLDS	$28,862 (n=3,277)	$35,016 (n=3,629)	21.3% (10.7%)

There is a significant income disparity between renting households and homeowner households. Roughly two out of every five renter-occupied households earn less than $25,000, putting them below 40% of the county's median. Housing that is affordable for these residents is very difficult to find and potentially even more difficult to build given the current development landscape.

FIGURE 33: HOUSEHOLD INCOME, 2023

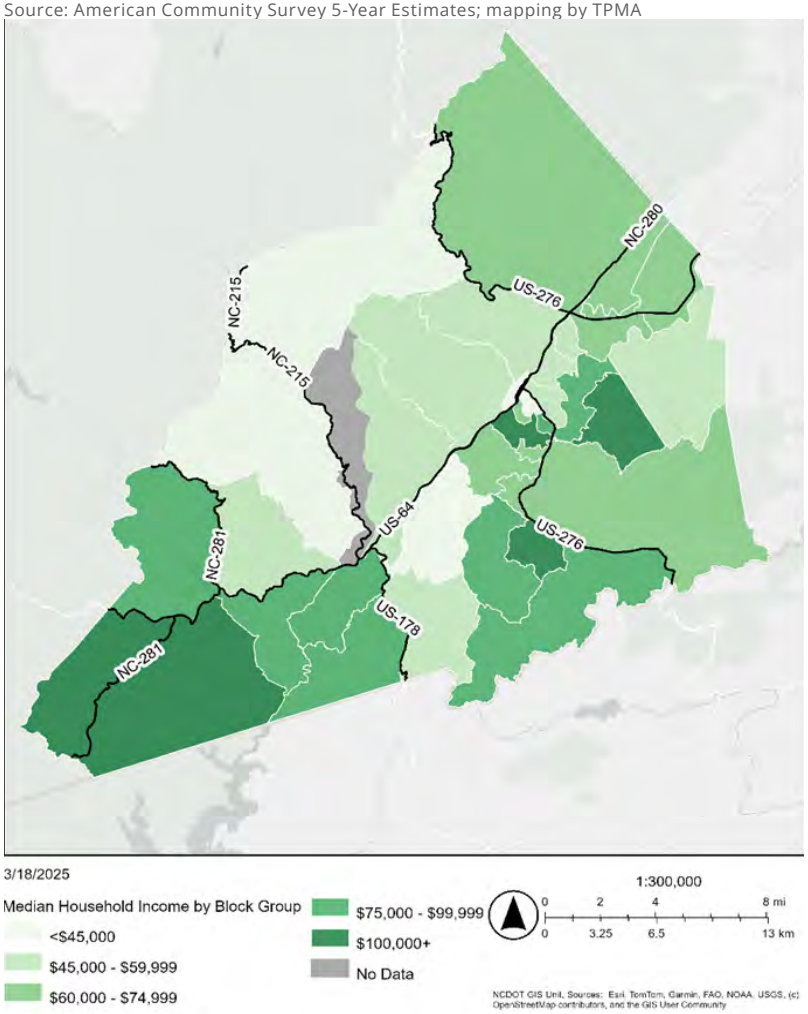
Source: American Community Survey 5-Year Estimates



Many of the areas with higher median incomes are found in the southern part of the county, in subdivisions with amenities, where many of the homes are vacation rentals or second homes for high-income households. The vast majority of the areas with lower median households are in and around Brevard and Rosman, in addition to a sparsely populated block group in the northwestern part of the county.

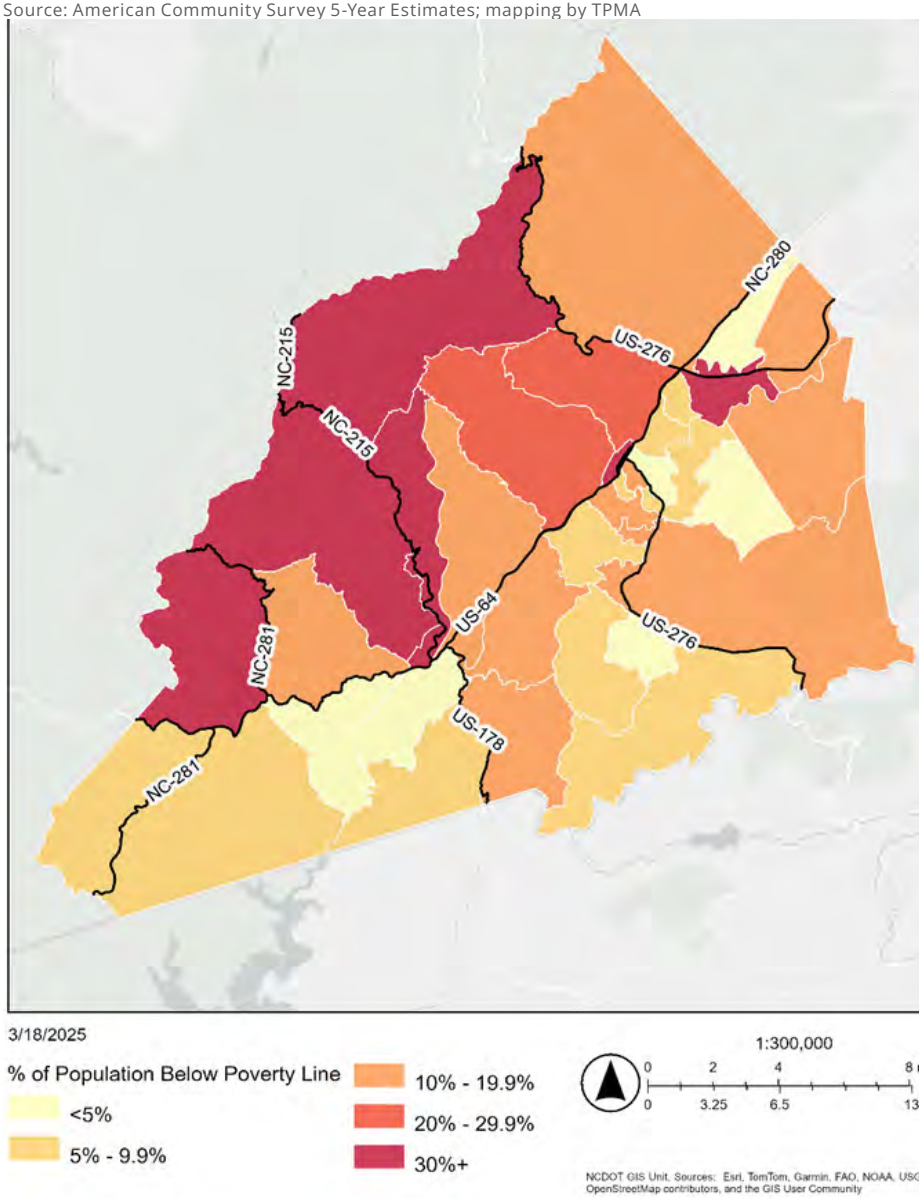
FIGURE 34: MEDIAN HOUSEHOLD INCOME BY BLOCK GROUP, 2023

Source: American Community Survey 5-Year Estimates; mapping by TPMA



The areas with the highest level of poverty are located in the sparsely populated northwestern part of the county, as well as clustered around Brevard and Pisgah Forest. The areas with the lowest poverty rates tend to be clustered in the southern region of the county.

FIGURE 35: POPULATION BELOW THE POVERTY LEVEL BY BLOCK GROUP, 2023
Source: American Community Survey 5-Year Estimates; mapping by TPMA



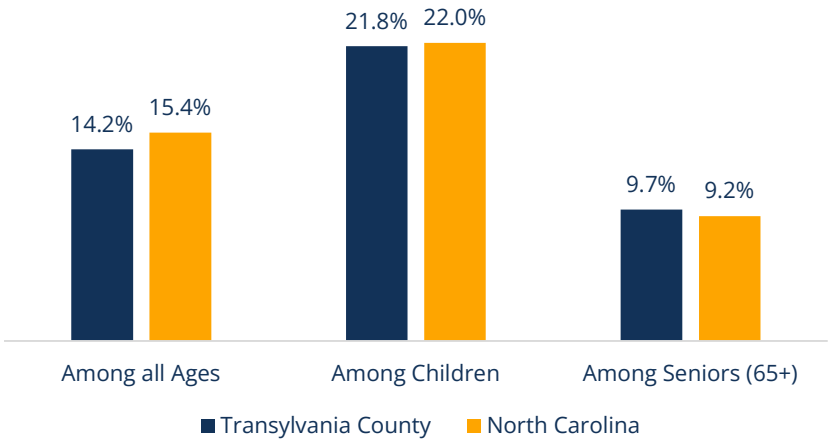
Nearly 30% of all renter households in Transylvania County fall below the federal poverty line, compared to less than 5% of homeowner households.

TABLE 24: PERCENT OF FAMILIES BELOW THE POVERTY LEVEL BY TENURE, 2023
Source: American Community Survey 5-Year Estimates

	Transylvania County	North Carolina
OWNER-OCCUPIED	4.2%	5.1%
RENTER-OCCUPIED	29.1%	21.6%

In communities with a high percentage of senior residents, there is often concern about the ability for income-restricted seniors (e.g., those surviving on Social Security alone) falling below the poverty level. While this is a slightly higher concern in Transylvania County than the state overall due to the higher relative senior population, poverty prevalence is highest for children at both the state and county level. While the county's childhood poverty rate is roughly on par with that of the state, more than 1 in 5 children (or 5,182 children in total) in Transylvania County live below the federal poverty line.

FIGURE 36: POVERTY BY AGE, 2023
Source: American Community Survey 5-Year Estimates



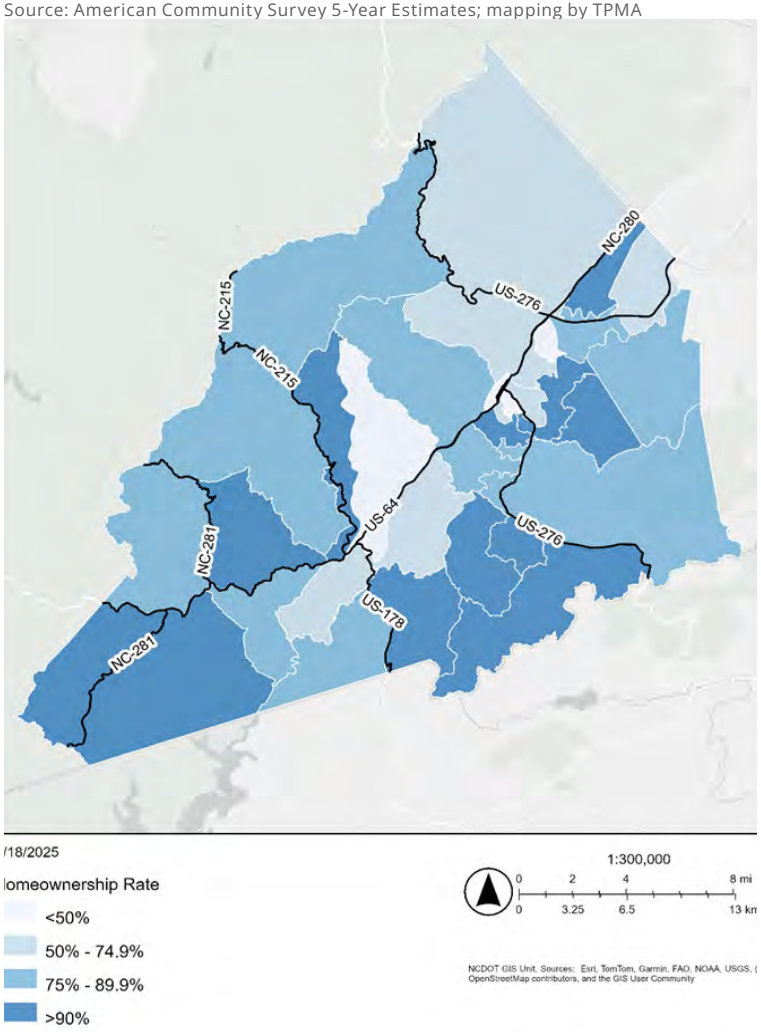
In summary, Transylvania County is characterized by areas with high and low incomes. While income disparity is not uncommon in the U.S. or in North Carolina, the number of people who are surviving on very low incomes is noteworthy and addressing the housing needs of these individuals and families is likely to require a focused and proactive effort.

HOUSING CHARACTERISTICS

HOUSEHOLDS AND TENURE

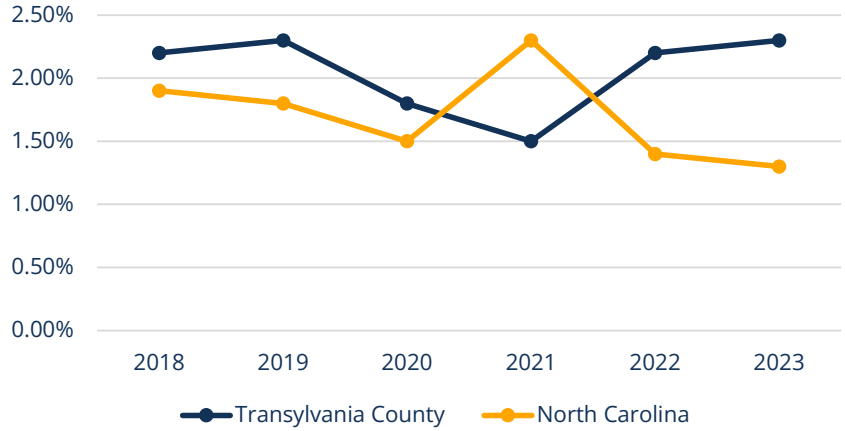
Homeownership rates in Transylvania County are lowest around Brevard and Rosman, with many block groups throughout the county having homeownership rates exceeding 90%.

FIGURE 37: HOMEOWNERSHIP RATE BY BLOCK GROUP, 2023
Source: American Community Survey 5-Year Estimates; mapping by TPMA



Vacancy rates in Transylvania County have remained below 2.5% since at least 2018. The trend of very low vacancy rates is in line with those in many areas of North Carolina, which have been experiencing significant growth in nearly all areas since before the COVID-19 pandemic.

FIGURE 38: HOMEOWNERSHIP VACANCY RATE, 2018 TO 2023
Source: American Community Survey 5-Year Estimates



Rental units make up a smaller percentage of the county's housing stock, representing 19.5% of housing units.[25] Rental vacancy rates, however, are significantly lower than the statewide average over the same period of time. In large part, this is due to the relatively low number of rental and multifamily properties throughout the county. Vacancy rates this low indicate a rental market that is significantly undersupplied and is likely contributing to increased rent and affordability challenges.

25 Calculated as the sum of renter-occupied units, vacant year-round units rented but awaiting occupancy, and vacant year-round units available for rent divided by the total housing stock (both occupied and vacant).

FIGURE 39: RENTAL VACANCY RATE, 2018 TO 2023
Source: American Community Survey 5-Year Estimates

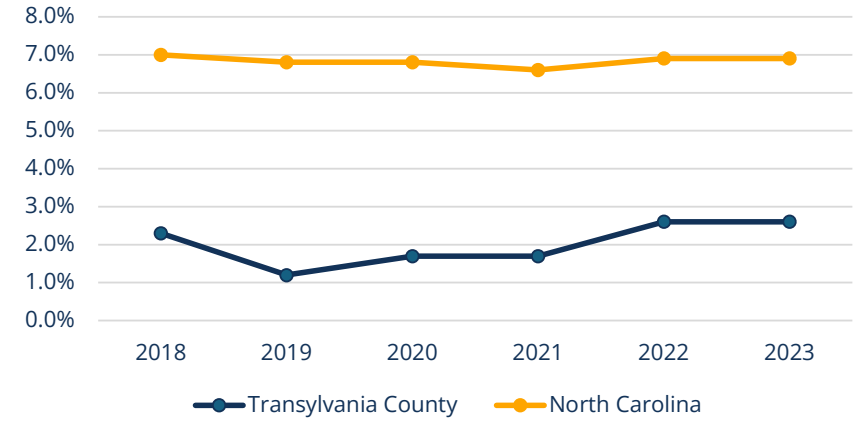
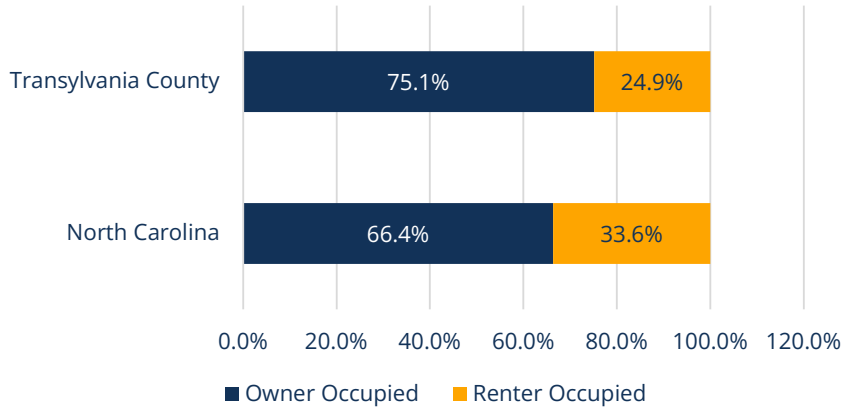


FIGURE 40: HOUSEHOLDS BY TENURE, 2023
Source: American Community Survey 5-Year Estimates



In 2023, the average household in Transylvania County was comprised of 2.2 people. As the population's median age has gone up, the average household size has gone down slightly, dropping from an average of 2.26 in 2013. Family households, which account for about 65% of the households in the county, tend to be larger than nonfamily households. However, these family households have also been trending downward from 2.82 in 2013 to 2.69 in 2023. Nonfamily households, though smaller by comparison, are actually growing larger, with the average family size increasing by .09 people from 2013 to 2023.

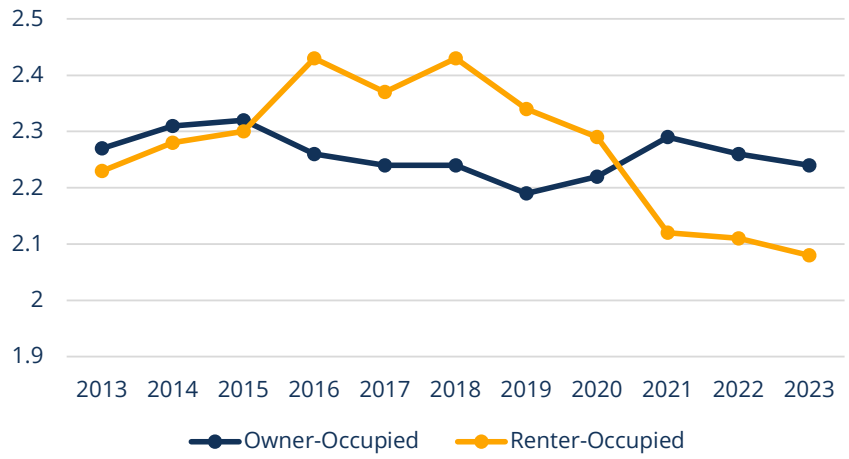
TABLE 25: HOUSEHOLDS COMPOSITION AND SIZE, 2023
Source: American Community Survey 5-Year Estimates

	% of Households	Average Household Size
ALL HOUSEHOLDS		2.2
FAMILY HOUSEHOLDS	64.6%	2.69
NONFAMILY HOUSEHOLDS	35.4%	1.24

Reflective of their County's aging population, 56.8% of households have at least one household member that is at least 60 years of age. On the other end of the age spectrum, 21.1% of households have children living in the household. Comparatively, in the state, 40.4% of households have one member at least 60 years of age, and 29.4% of households have at least one member under 18 years of age.

While the average size of an owner-occupied household has stayed relatively the size of a rental household has fluctuated over the last ten years, there has been some fluctuation in the size of a rental household.

FIGURE 41: HOUSEHOLD SIZE BY TENURE, 2013 TO 2023
Source: American Community Survey 5-Year Estimates



Overcrowding, defined as having more than one person per room in a housing unit, is not a significant issue in Transylvania County. However, the prevalence of severely overcrowded[26] units rose significantly between 2018 and 2023, which stands apart from some of the neighboring counties. It is difficult to ascertain why this shift has occurred, particularly since it corresponds with an overall decrease in household size for renters.

TABLE 26: OVERCROWDING, 2018 TO 2023
Source: American Community Survey 5-Year Estimates

	Transylvania County		Henderson County		Haywood County		North Carolina	
	2018	2023	2018	2023	2018	2023	2018	2023
OVERCROWDED (1.01+ occupants per room)	1.9%	2.8%	2.3%	1.7%	1.6%	0.9%	2.3%	2.3%
SEVERELY OVERCROWDED (1.51+ occupants per room)	0.6%	1.6%	0.9%	0.3%	0.4%	0.5%	0.7%	0.7%

Overcrowding can be an indicator of high housing costs/limited affordability and limited availability. When looking specifically at renter-occupied units, however, the percentage that are severely overcrowded is worth some attention. In 2018, the percentage of renter households that were severely overcrowded was 0.27%. By 2023, that number had jumped to 4.6%.

TABLE 27: OVERCROWDING BY TENURE, 2023
Source: American Community Survey 5-Year Estimates

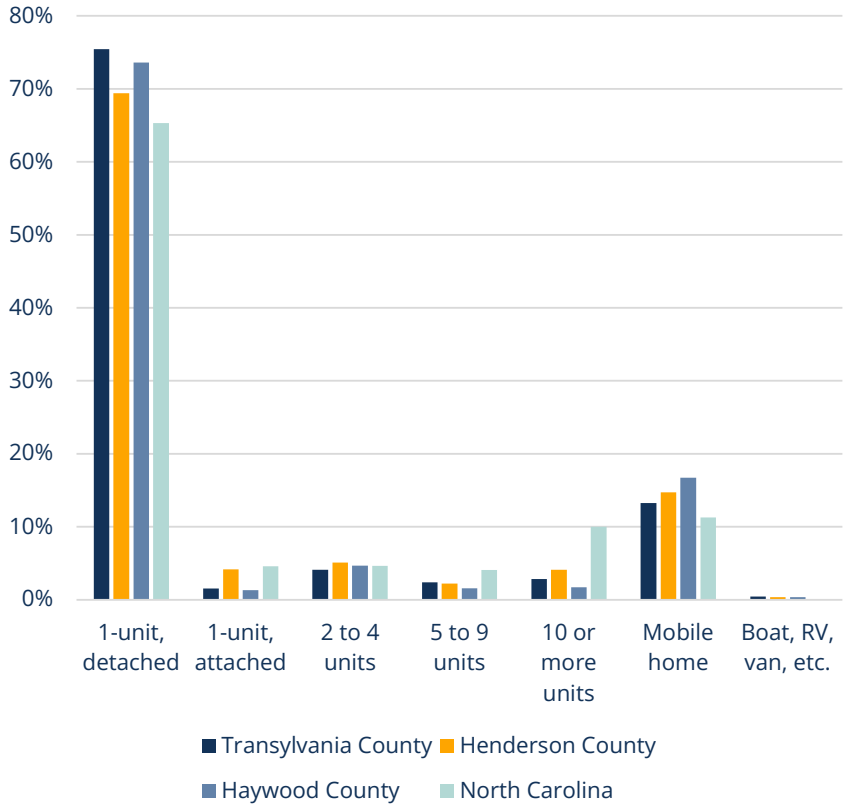
	Owner-Occupied	Renter-Occupied
OVERCROWDED	0.9%	2.1%
SEVERELY OVERCROWDED	0.6%	4.6%

26 More than 1.5 occupants per room.

DEVELOPMENT TRENDS

Transylvania County's housing mix is predominantly composed of single-family detached homes, representing 75.4% of all housing units in the county. As a result, there are limited options for those seeking other housing types.

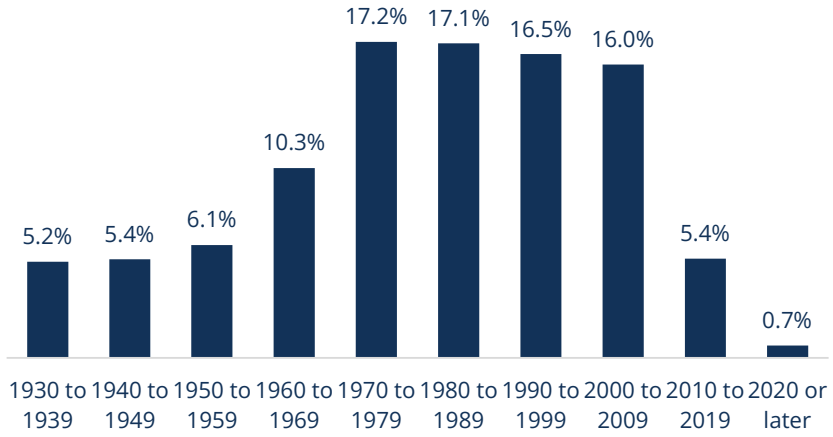
FIGURE 42: HOUSING UNITS BY UNITS IN STRUCTURE[27]
Source: American Community Survey 5-Year Estimates



27 One-unit attached units are units separated from adjacent units with a ground-to-roof wall, have separate heating/air conditioning systems, have individual public utilities, and do not have units above or below. Units with units above or below, without a ground-to-roof wall, or with common facilities (attic, basement, heating, plumbing) are not included in the single-family category. Common housing types in this category include townhouses and row houses.

A large majority (66.8%) of the county's housing stock was built between 1970 and 2009, at which point development trends have dropped significantly. The 2010s showed less development in Transylvania County than any previous decade since the 1950s.

FIGURE 43: HOUSING UNITS BY YEAR BUILT, 2023
Source: American Community Survey 5-Year Estimates



In 2023, single-family residential building permits represented nearly one-third of permits in the county. The predominant permit type was for additions or remodels, important for maximizing the use of the county's existing housing stock. Transylvania County had 138 permits for the development of new single-family housing, representing just under 9% of all building permits.

TABLE 28: SINGLE FAMILY RESIDENTIAL PERMITS BY TYPE
Source: Transylvania County Building Permitting and Enforcement Department 2023 Annual Summary

	City Permits	Percent of City Permits	Unincorporated County Permits	Percent of Unincorporated County Permits
NEW HOUSES	63	9.0%	138	8.9%
ADDITION/ REMODEL	139	19.9%	328	21.1%
MANUFACTURED HOMES	3	0.4%	35	2.3%
TOTAL	205	29.3%	501	32.2%

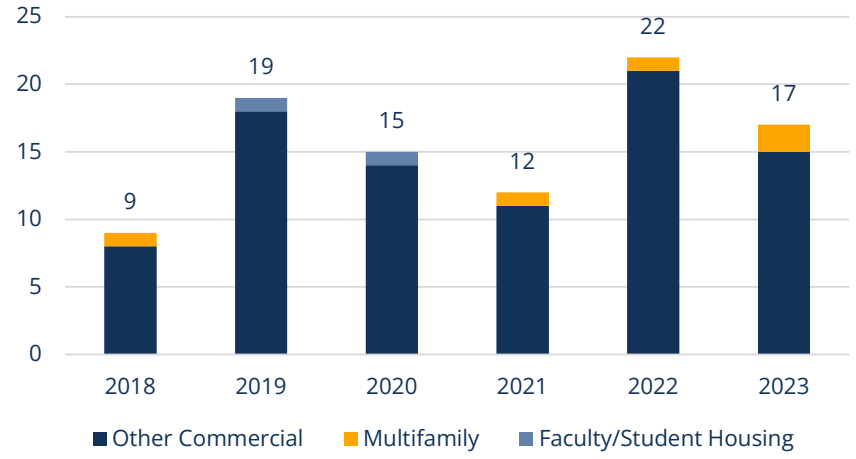
Between 2020 and 2023, the number of permits issued for new single-family homes increased steadily, despite the County having a smaller population from 2021 to 2023 compared to 2020. The growth in permits may be a result of increasing immigration or second-home and short-term rental owners.

TABLE 29: SINGLE FAMILY RESIDENTIAL PERMITS FOR NEW BUILDS, 2020 TO 2023
Source: Transylvania County Building Permitting and Enforcement Reports

	Permits	New House Value	Average Per House Value
2020	117	$45,933,542	$392,594
2021	177	$98,878,772	$558,637
2022	193	$108,991,347	$564,722
2023	201	$118,174,496	$587,933

While single-family housing development has seen steady increases, multifamily development has been more intermittent. Of the 94 permits for new commercial construction between 2018 and 2023, just five, about 5%, were for multifamily housing development. Infrastructure availability remains a challenge to density needed for multi-family housing. Increasing the number of multifamily developments can increase housing diversity and provide more affordable housing options for county residents.

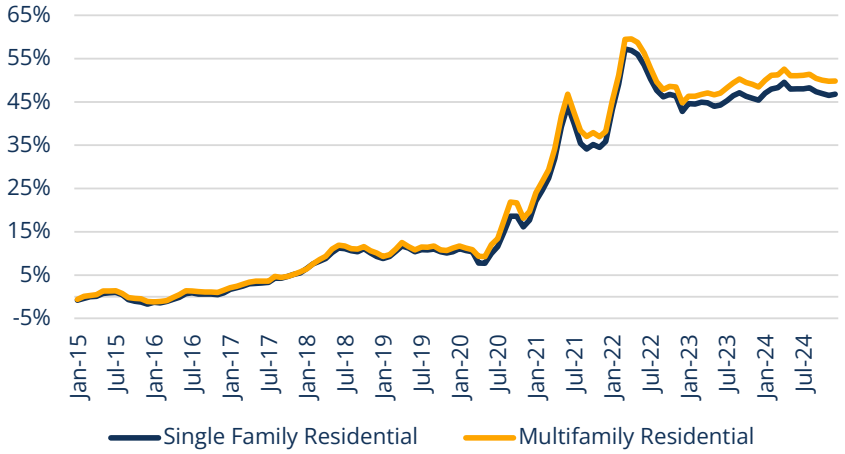
FIGURE 44: NEW COMMERCIAL PERMITS FOR HOUSING BY ISSUE DATE, 2018 TO 2023
Source: Transylvania County Building Permitting and Enforcement Permit Finder; permit analysis by TPMA



CONSTRUCTION COSTS

Prior to the Covid-19 pandemic, inputs for construction rose slowly, with the cumulative percent change in prices from January 2015 to January 2020 being 11.7%, or about 2.3% per year. Labor and supply chain disruptions, coupled with increased demand, resulted in price surges. Prices peaked in Quarter 2 of 2022 and have since cooled slightly. However, the prices of construction inputs still remain significantly elevated, resulting in higher construction prices.

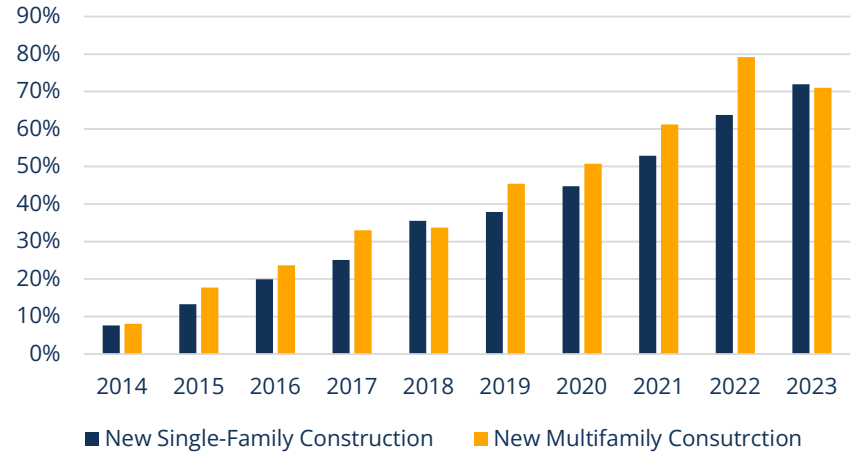
FIGURE 45: CUMULATIVE CHANGE IN THE PRICE OF INPUTS TO NEW SINGLE-FAMILY AND MULTIFAMILY CONSTRUCTION, EXCLUDING CAPITAL INVESTMENT, LABOR, AND IMPORTS
Source: US BLS Series WPUIP231110, WPUIP231120



Wages for the new single-family and multifamily construction industries have risen steadily. Over the same time period, the average earnings per job increased by more than 70%.

FIGURE 46: CUMULATIVE CHANGE IN AVERAGE EARNINGS PER JOB BY INDUSTRY, 2013 TO 2023

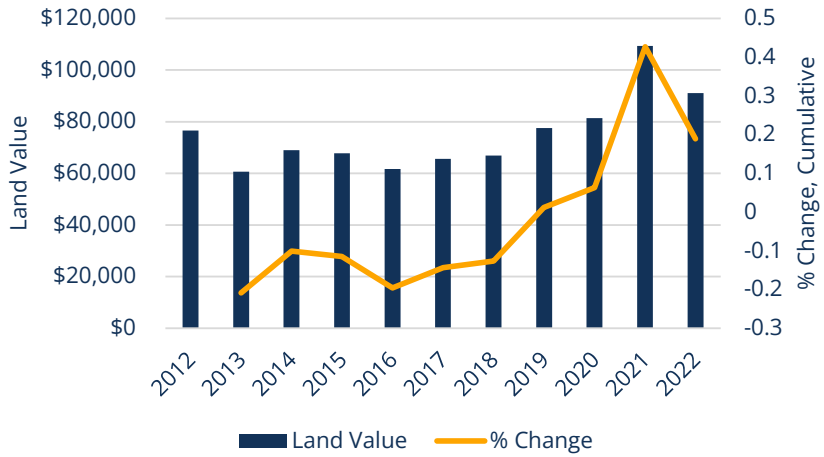
Source: Lightcast 2024.4



Between 2012 and 2018, the average estimated per acre price of land in the county remained mostly stable, with some minor fluctuations. From 2019 to 2021, prices rose by about $30,000. In 2022, the average price decreased by about $20,000, but still remained above the average price prior to the Covid-19 pandemic.

FIGURE 47: ESTIMATED AVERAGE PRICE OF LAND PER ACRE, AS-IS, SINGLE-FAMILY HOMES IN TRANSYLVANIA COUNTY, 2012 TO 2022

Source: Federal Housing Finance Agency Experimental Dataset for the Price of Residential Land[28]



A trend starts to emerge when looking at new construction as three components: construction inputs, labor, and land. While some indicators had price variations prior to 2020, in recent years, all have seen increases. As the requisite parts for new housing development rise, without intervention, new home prices will also continue to rise.

28 https://www.fhfa.gov/research/papers/wp1901

ESTIMATED HOUSING DEMAND

AFFORDABLE HOUSING DEFICIT

Lower-income households in Transylvania County face significant challenges in accessing suitable housing at an affordable price. An analysis of data from the HUD Comprehensive Affordability Strategy shows an existing deficit of more than 3,000 units for households with incomes at or equal to 80% of the HUD area median family income (HAMFI). This deficit is based on 2021 data, the most recently available at the time of this report. However, with increasing construction costs and limited new developments in the county, this likely underrepresents the current deficit.

TABLE 30: EXISTING AFFORDABLE HOUSING DEFICIT, 2021[29]
Source: HUD CHAS

	Supply (Units)	Demand (Households)	Surplus/ Deficit
LESS THAN OR EQUAL TO 50% OF HAMFI	1,354	2,530	-1,176
GREATER THAN 50% BUT LESS THAN OR EQUAL TO 80% OF HAMFI	525	2,420	-1,895
TOTAL <=80% HAMFI	1,879	4,950	-3,071

PROJECTED POTENTIAL DEMAND FOR NEW HOUSING UNITS

An analysis of potential housing demand, from population growth and existing households, as detailed in the Methodology section of this report, estimates demand for an additional 1,542 housing units by 2034. This model only accounts for demand from residential households and does not include demand from seasonal or second homeowners.

TABLE 31: POTENTIAL HOUSING DEMAND
Source: Esri, American Community Survey 5-Year Estimates, TPMA calculations

	For-Sale	For-Rent	Total
POTENTIAL 10-YEAR HOUSING DEMAND	870	672	1,542
ANNUALIZED	87	67	154

Between 2018 and 2023, homes vacant for seasonal, recreation, or occasional use represented 18.6% of the housing stock. If the rate remains the same, and the county wanted to account for that demand, then an additional 352 units would need to be built, bringing the total potential housing demand to 1,894 units over ten years, or approximately 189 units per year.

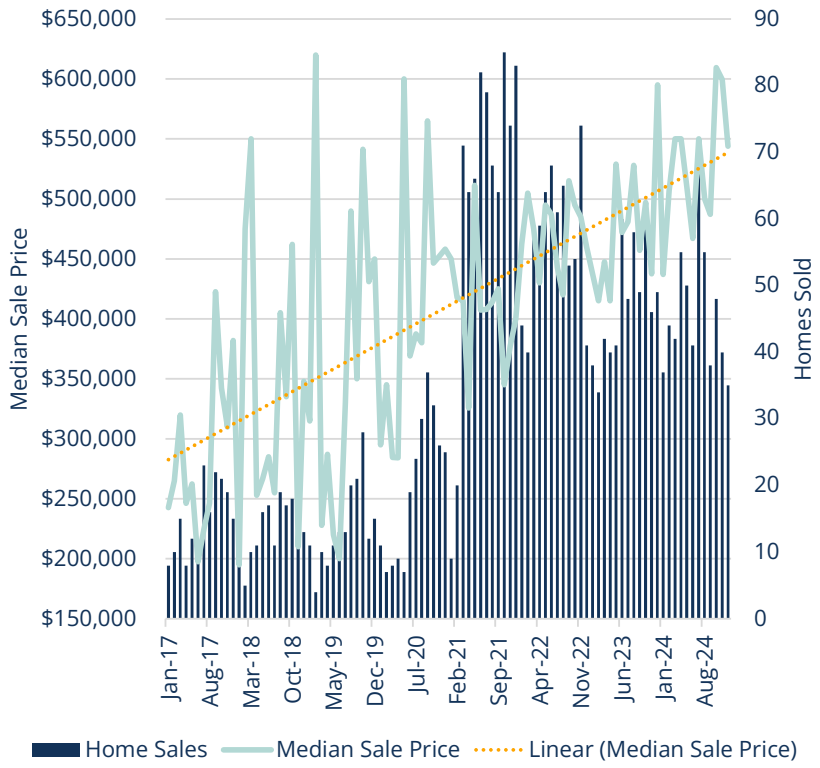
29 2021 is most recent year available.

HOUSING COSTS

FOR-SALE

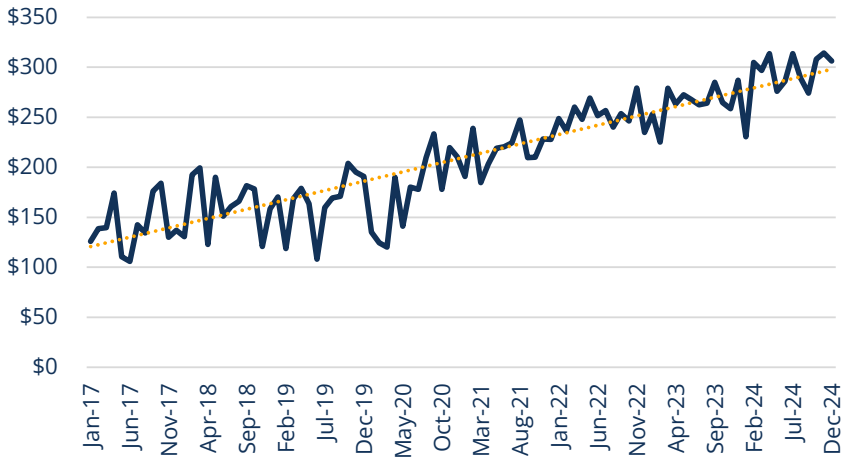
The median sale price for homes in Transylvania County has been trending upwards since 2017. Beginning in 2021, the number of homes sold monthly in the county increased significantly. However, the increased sales volume did not result in reduced sales prices, indicating a highly competitive housing market. As of December 2024, the median sale price was $544,000. This would cause a household income exceeding $100,000 to experience a cost burden, which happens when a household allocates more than 30% of its income to housing costs.

FIGURE 48: NUMBER OF HOMES SOLD AND MEDIAN SALE PRICE, JANUARY 2017 TO DECEMBER 2024
Source: Redfin Data Center.



As the median home sale price has steadily increased in recent years, so has the price per square foot, which increased 83.23% from January 2017 ($125.94) to January 2024 ($230.76).

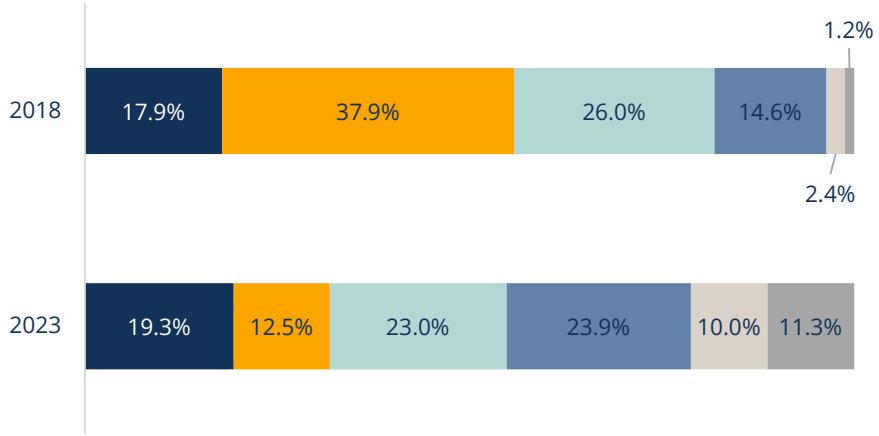
FIGURE 49: MEDIAN SALE PRICE PER SQUARE FOOT, JANUARY 2017 TO DECEMBER 2024
Source: Redfin Data Center.



FOR-RENT

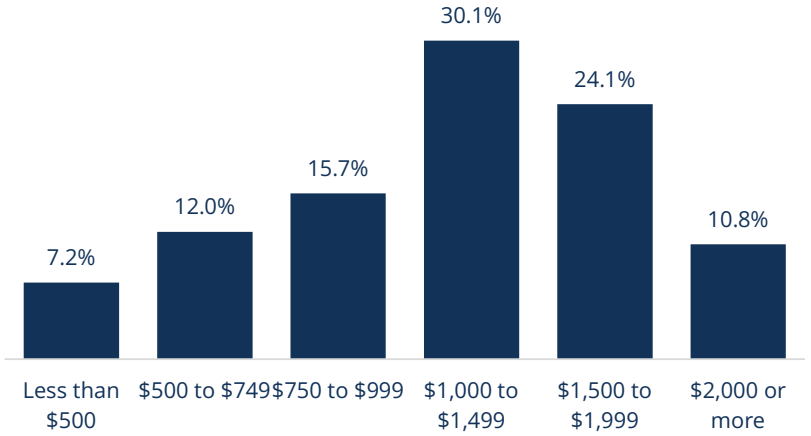
In 2018, the median gross rent, the monthly rent including the cost of utilities, was $720 per month, and more than half of the units in the county had gross rents less than $750 per month. In 2023, that percentage had decreased by over 20 percentage points, to 31.8% of rent-paying units. Simultaneously, the number of higher-price units grew substantially. In 2023, 21.3% of units had gross rents of at least $1,500 per month, compared to just 3.6% in 2018. Moreover, 11.3% of units had rents of $2,000 or more.

FIGURE 50: GROSS RENT, 2018 AND 2023
Source: American Community Survey 5-Year Estimates



While these data show sharp increases in rent, stakeholders indicated during engagement sessions that asking rents were higher than the reported figures. In response, the project team added a survey question about rental costs. Among respondents reporting their contract rent, the median was $1,200 per month, with one-third (33.3%) paying $1,500 or more. However, the limited sample size (n=83) may affect the generalizability of these findings, warranting caution in data interpretation.

FIGURE 51: CONTRACT RENT FOR SURVEY RESPONDENTS, 2023
Source: Transylvania County Community Housing Survey



ECONOMIC CONDITIONS

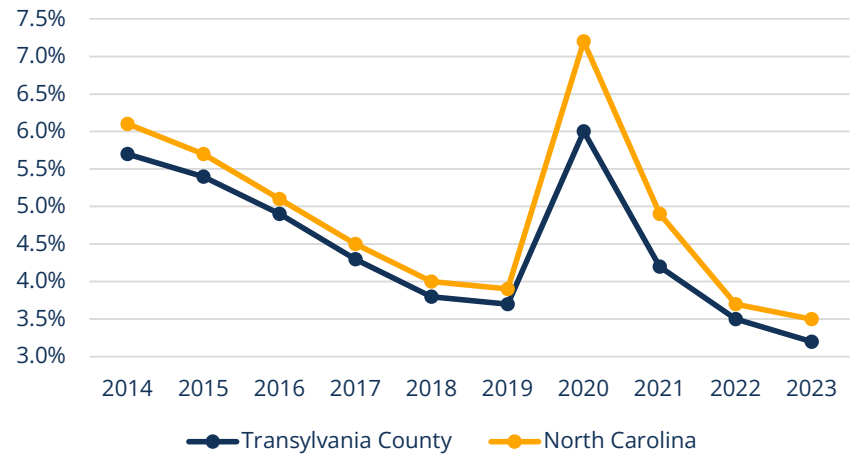
Between 2018 and 2023, Transylvania County saw steady economic growth, resulting in a 6.4% increase in real gross regional product (GRP) and 6.7% increase in employment. As the economy in Transylvania County grows, the demand for both employees and customers will grow, requiring an increase in housing supply.

TABLE 32: CHANGE IN REAL GDP, BUSINESSES, AND EMPLOYMENT, 2018 TO 2023
Source: US BEA, US BLS

	Real GRP (thousands of $)		Establishments		Employment	
	Transylvania County	North Carolina	Transylvania County	North Carolina	Transylvania County	North Carolina
2023	$1,787,759	$638,067,300	1,259	374,991	9,648	4,830,118
% CHANGE, 2018 TO 2023	6.4%	14.6%	39.4%	34.8%	6.7%	9.5%
2018	$1,679,514	$556,573,700	903	278,142	9,043	4,410,791

Between 2014 and 2023, Transylvania County had a lower unemployment rate than the state average. This gap presented the highest disparity during the COVID-19 Pandemic in 2020, where the County was over a full percentage point below the state average.

FIGURE 52: UNEMPLOYMENT RATE, 2014 – 2023
Source: US BLS



INDUSTRY MIX

The County's top five industries, disaggregated by 2-digit NAICS codes, include Retail Trade, Government, Health Care and Social Assistance, Accommodation and Food Services, and Construction. Notably, three of the top ten industries reflect earnings less than the 80% Income Limit ($39,200) for an individual resident set by the US Department of Housing and Urban Development (HUD). Two industries, Retail Trade and Administrative and Support and Waste Management Remediation Services, two growing industries, hover just above the 80% limit.

TABLE 33: TOP INDUSTRIES (2-DIGIT NAICS) BY EMPLOYMENT
Source: Lightcast 2024.4

Description	2018 Jobs	% Change	2023 Jobs	Avg. Earnings Per Job
RETAIL TRADE	1,374	13%	1,548	$42,221
GOVERNMENT	1,557	-1%	1,536	$65,050
HEALTH CARE AND SOCIAL ASSISTANCE	1,584	-5%	1,508	$62,367
ACCOMMODATION AND FOOD SERVICES	1,308	10%	1,439	$33,204
CONSTRUCTION	929	16%	1,075	$56,038
MANUFACTURING	764	3%	790	$67,861
OTHER SERVICES (EXCEPT PUBLIC ADMINISTRATION)	879	-12%	770	$29,896
EDUCATIONAL SERVICES	607	23%	746	$38,751
PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES	448	26%	563	$76,148
ADMINISTRATIVE AND SUPPORT AND WASTE MANAGEMENT AND REMEDIATION SERVICES	438	19%	522	$45,738

While two-digit NAICS codes provide a succinct view, disaggregating the industries into 6-digit NAICS codes provides further insight into the county's economy. Notably, six of the top ten industries reflect earnings less than the 80% Income Limit ($39,200) for a one-person household.

TABLE 34: TOP INDUSTRIES (6-DIGIT NAICS) BY EMPLOYMENT
Source: Lightcast 2024.4

NAICS	Description	2018 Jobs	% Change	2023 Jobs	Avg. Earnings Per Job
903999	Local Government, Excluding Education and Hospitals	588	3%	603	$62,420
903611	Elementary and Secondary Schools (Local Government)	598	-5%	570	$63,722
722511	Full-Service Restaurants	445	11%	493	$32,345
611310	Colleges, Universities, and Professional Schools	412	2%	418	$34,466
445110	Supermarkets and Other Grocery (except Convenience Stores)	375	-4%	359	$33,105
334418	Printed Circuit Assembly (Electronic Assembly) Manufacturing	315	-3%	305	$71,332
722513	Limited-Service Restaurants	318	-5%	301	$23,977
622110	General Medical and Surgical Hospitals	403	-32%	272	$85,564
721214	Recreational and Vacation Camps (except Campgrounds)	217	22%	264	$38,652
813110	Religious Organizations	272	-4%	261	$23,153

TOURISM INDUSTRY

During stakeholder interviews and in-person planning sessions, stakeholders discussed the county's strong tourism-based economy. Data affirmed this, showing that nearly 12% of all businesses and 17% of all employment in Transylvania County are tourism-related, marking this industry cluster an important staple for the regional economy.

TABLE 35: TOURISM-RELATED BUSINESSES AND EMPLOYMENT, 2023[30]
Source: US BLS

	Number of Establishments	% of Establishments	Number of Employees	% of Employment
Transylvania County	149	11.8%	1,669	17.3%
Buncombe County	1,285	9.9%	22,208	16.1%
North Carolina	31,718	8.5%	536,321	11.1%

Looking at the Leisure and Hospitality supersector (NAICS codes 71 and 72), seven of the top ten industries by employment have average annual earnings less than the 80% AMI threshold, as set by HUD.

30 "Tourism-related" industries are defined as those that fall into the North American Industry Classification System (NAICS) sectors 71 (Arts, Entertainment, and Recreation) and 72 (Accommodation and Food Services).

TABLE 36: TOP LEISURE AND HOSPITALITY INDUSTRIES, EMPLOYMENT AND AVERAGE EARNINGS, 2023
Source: Lightcast 2024.4

NAICS	Description	2023 Jobs	Avg. Earnings Per Job
722511	Full-Service Restaurants	493	$32,345
722513	Limited-Service Restaurants	301	$23,977
721214	Recreational and Vacation Camps (except Campgrounds)	264	$38,652
721110	Hotels (except Casino Hotels) and Motels	141	$40,699
713910	Golf Courses and Country Clubs	111	$85,808
722515	Snack and Nonalcoholic Beverage Bars	79	$24,762
713940	Fitness and Recreational Sports Centers	72	$22,927
721211	RV (Recreational Vehicle) Parks and Campgrounds	52	$46,842
711510	Independent Artists, Writers, and Performers	51	$36,883
713990	All Other Amusement and Recreation Industries	49	$33,613

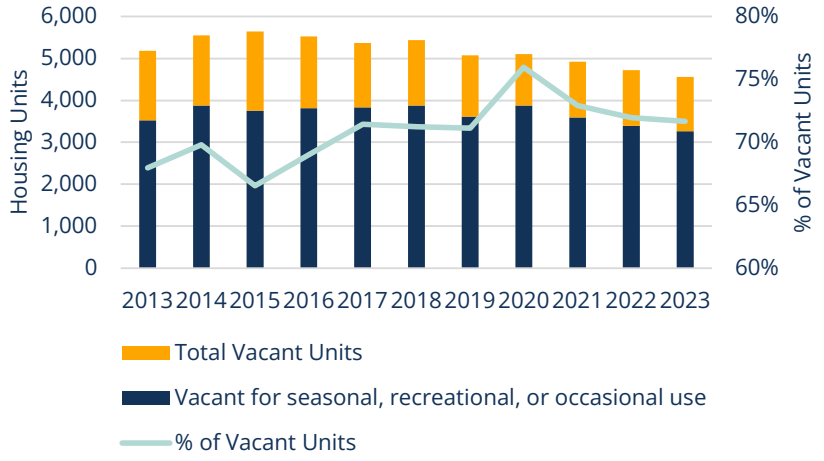
SEASONAL HOUSING AND SHORT-TERM RENTALS

Seasonal housing is a significant factor in the county's housing market. Whether through second homes or short-term rentals, the prevalence of the tourism industry is impacting the availability, types, and uses of the area's housing supply.

For example, there were an estimated 19,147 housing units in Transylvania County in 2023. Of these, 4,557 (roughly 25%) were considered "vacant" by the U.S. Census Bureau. However, a vast majority (nearly 72%) of these "vacant" units were further categorized as "vacant for seasonal, recreational, or occasional use," which are commonly referred to as "seasonal units."[31]

In total, these seasonal units account for just over 17% of the county's entire housing supply (3,266 out of 19,147).

FIGURE 53: SEASONAL VACANT HOUSING UNITS, 2013 TO 2023[32]
Source: American Community Survey 5-Year Estimates



31 https://www.census.gov/library/stories/2023/05/vacant-seasonal-housing.html
32 Seasonal vacant housing units defined as those classified as being vacant for "seasonal, recreational or occasional use" by the US Census Bureau.

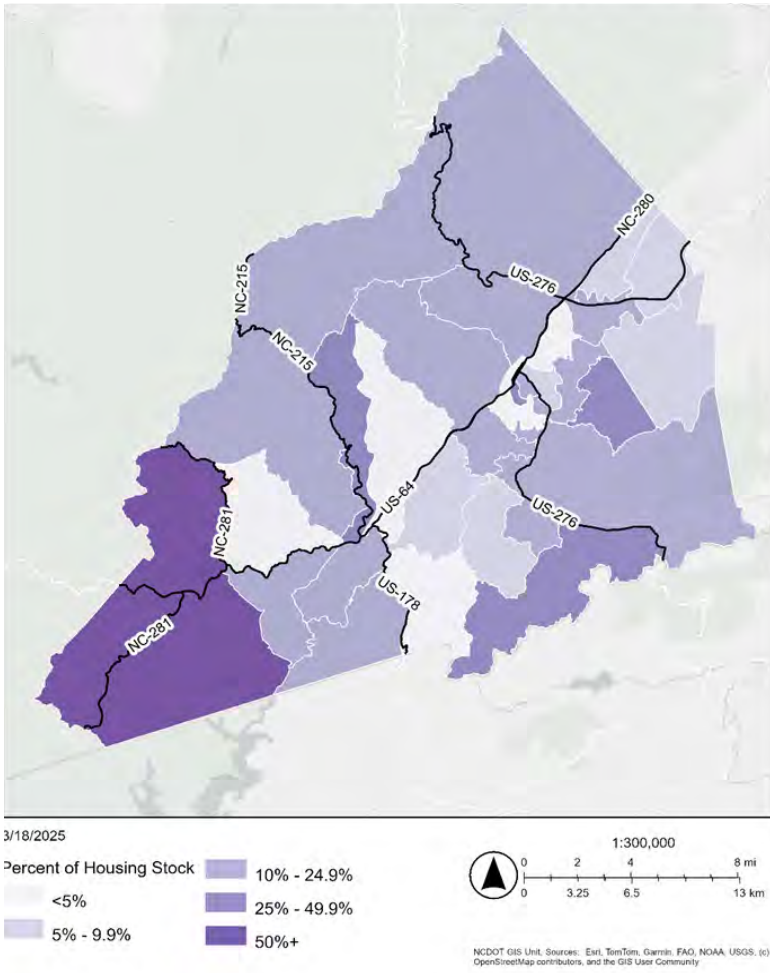
These percentages put roughly in line with the affluent and heavily-tourism dependent areas in southern Jackson and Macon Counties, in which the seasonal housing comprises over half of all local housing and about a quarter of the entire counties' housing stock. While Transylvania County's overall population is more on par with Jackson and Macon Counties', its seasonally vacant unit count is more in line with Henderson County, which has a population that is roughly 3.5 times Transylvania's population.

TABLE 37: COMPARISON OF SEASONAL VACANT HOUSING UNITS, 2023
Source: American Community Survey 5-Year Estimates

	Units vacant for seasonal, recreational, or occasional use	% of Vacant Housing Stock	% of Total Housing Stock
TRANSYLVANIA	3,266	71.7%	17.1%
BUNCOMBE	5,705	19.3%	4.3%
HAYWOOD	4,991	58.5%	14.1%
HENDERSON	3,364	48.6%	5.9%
JACKSON	6,779	73.5%	24.8%
MACON	7,149	79.6%	26.4%

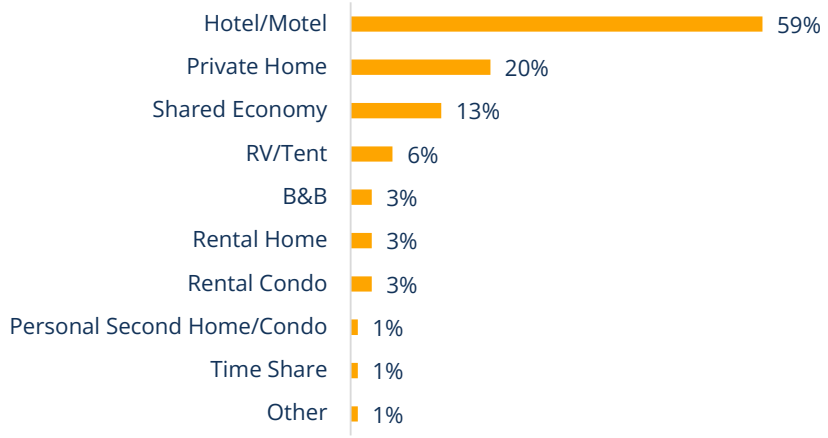
Much like Cashiers and Lake Glenville in Jackson County and Highlands in Macon County, the large number of seasonal homes in Transylvania County is due to the presence of a popular summer destination for very high-income households in the Lake Toxaway Community.

FIGURE 54: HOUSING UNITS VACANT FOR SEASONAL, RECREATIONAL, OR OCCASIONAL USE AS A PERCENTAGE OF TOTAL HOUSING STOCK BY BLOCK GROUP
Source: American Community Survey 5-Year Estimates



A major contributor to the high number of seasonally vacant homes in this general area of North Carolina is the presence of a robust short-term rental (STR) market. While most visitors to North Carolina's large "Mountain Region" still stay at hotels, a significant number (about one-in-five) stay in private homes. While not all of these visitors are staying in STRs, many of them are.

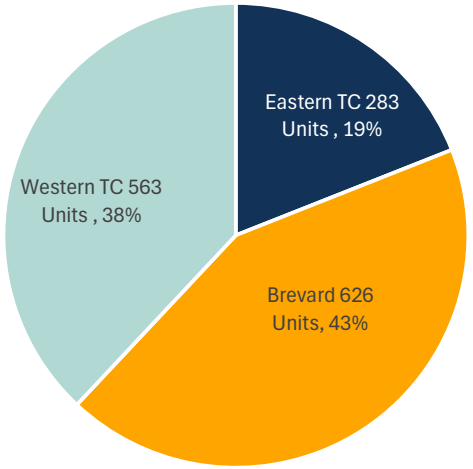
FIGURE 55: ACCOMMODATIONS USED BY MOUNTAIN REGION VISITORS, 2023[33]
Source: 2023 North Carolina Regional Visitor Profile



The City of Brevard is itself a popular tourist destination and offers visitors an estimated 626 STR units for their stay. With nearly as many of these units as there are in Brevard, the STR market in and around Lake Toxaway significantly impacts the distribution of short-term rentals in the county, with nearly as many STRs in the western parts of the county as there are in Brevard.

33 Multiple responses allowed; percentages will not add to 100%

FIGURE 56: SHORT-TERM RENTALS BY LOCATION[34]
Source: AirDNA, provided by the Transylvania County Tourism Development Authority



Transylvania County leads its neighboring counties with the highest ratio of STR units to overall households. Transylvania County also reflects the fewest number of total housings units but has a higher overall number of STRs than Henderson and Jackson Counties.

TABLE 38: STR PREVALENCE IN TRANSYLVANIA COUNTY AND COMPARISON COUNTIES
Source: AirDNA, provided by the Transylvania County Tourism Development Authority and American Community Survey 5-Year Estimates

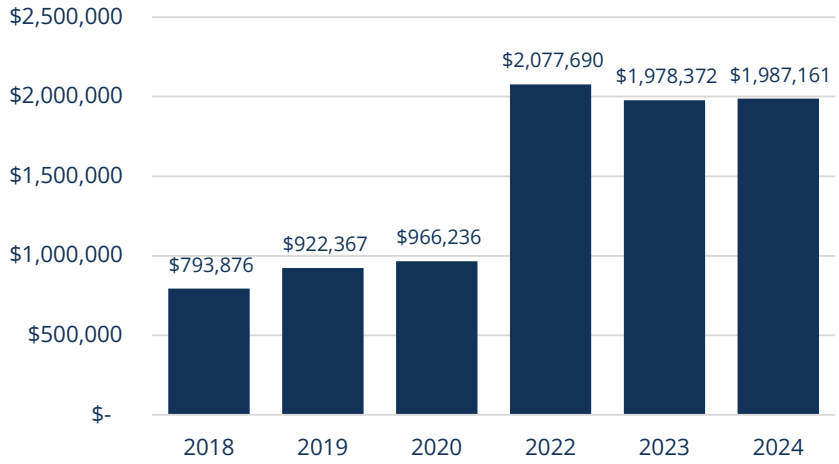
County	STR Units	Total Housing Units	% of Total Housing Units
TRANSYLVANIA	1,483	19,072	7.8%
BUNCOMBE	5,627	130,081	4.3%
HAYWOOD	2,010	35,051	5.7%
HENDERSON	1,399	56,744	2.5%
JACKSON	1,412	26,967	5.2%
MACON	1,502	26,929	5.6%

34 Western Transylvania includes Lake Toxaway, Balsam Grove, Rosman and the portion of Sapphire located in the county. Eastern Transylvania includes Pisgah Forest, Penrose, and Cedar Mountain.

During interviews and focus groups, stakeholders indicated frustration with the prevalence of STRs and the impact they are having on housing availability and on housing costs. While short-term rentals can serve to restrict the availability of the existing housing supply, thereby causing a greater imbalance between supply and demand and causing housing costs to rise, the existence of STRs can also be important contributors to a healthy tourism industry.

Transylvania County is heavily reliant on its tourism industry, as the next section will detail. It is important to note that, like hotels, STRs also pay an occupancy tax. This tax, which was raised from 4% to 5% at the start of 2022, is levied on all rentals of overnight accommodations, including STRs. It is important to note, however, that state law restricts the use of occupancy tax revenues to spending related to tourism marketing (two-thirds of revenue) and tourism activities (remaining one-third of revenue).[35]

FIGURE 57: OCCUPANCY TAX REVENUE[36]
Source: Transylvania County Tourism Development Authority Annual Reports.[37]



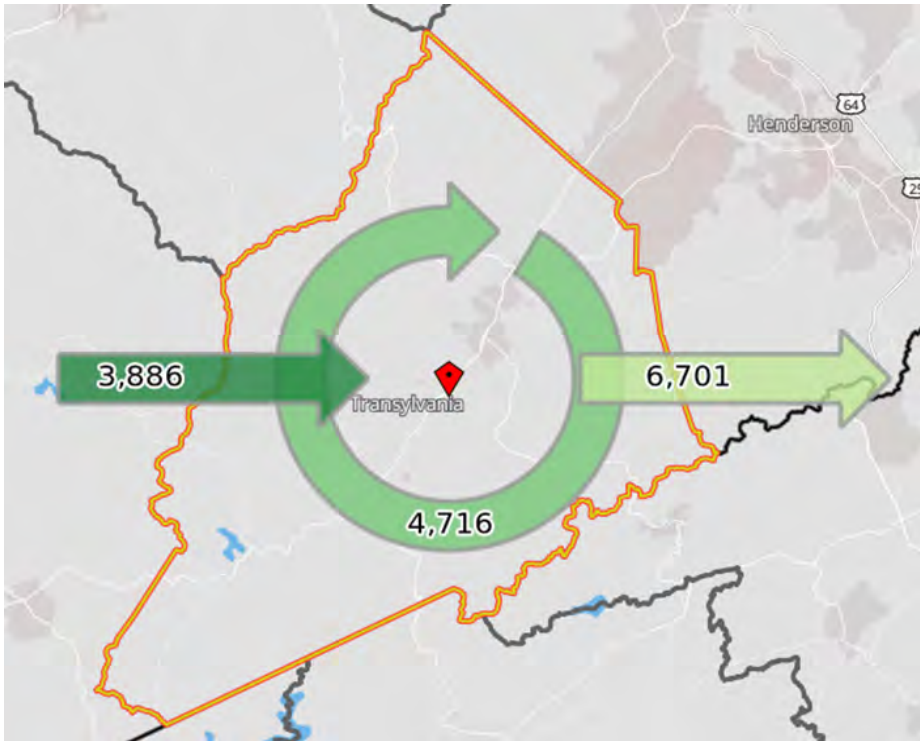
Regulating and monitoring the STR market can be challenging. In 2023, Brevard sought to adjust zoning regulations to ensure that new housing was built with long-term housing as its intended use. However, the state's legislature largely determines the extent to which counties and municipalities can restrict this type of use as evidenced in recent case law.

LABOR MARKET AND WORKFORCE

COMMUTING PATTERNS

In Transylvania County, about 6,701 workers – or about 59% of the resident worker population – find employment outside of the county. About 3,886 workers travel into the county for work but live outside of its borders. The net commuter outflow in the county is 2,816, which means many more workers leave the county for work than travel into it.

FIGURE 58: INFLOW/OUTFLOW ANALYSIS, PRIMARY JOBS, 2022[38]
Source: Census OnTheMap

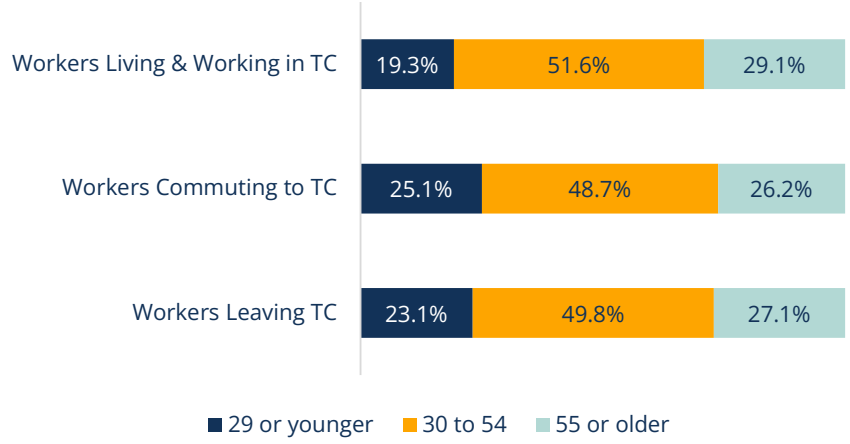


35 https://webservices.ncleg.gov/ViewDocSiteFile/8453
36 No data available for 2021.
37 https://explorebrevard.com/quarterly-reports-to-comissioners/

38 2022 is most recent dataset available.

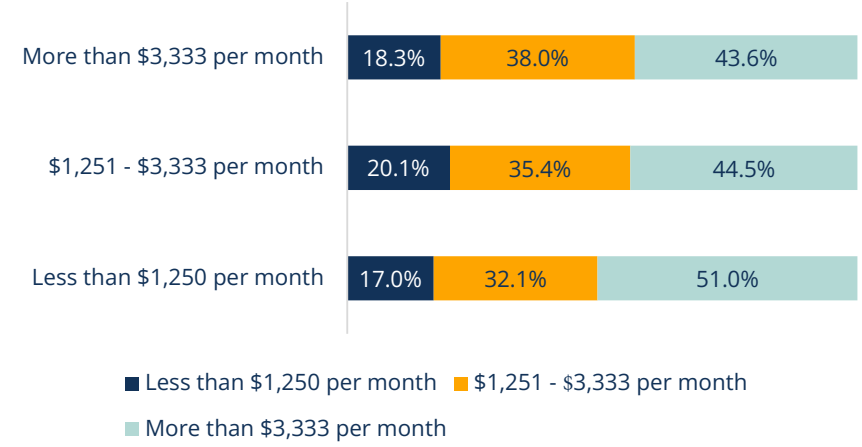
A larger share of the workers who commute into the county are under the age of 30 years than other commuting groups. In addition, a greater share of workers who both live and work in the county are 55 years or older, when compared to other commuting groups.

FIGURE 59: WORKERS BY AGE AND COMMUTING FLOW, 2022
Source: Census OnTheMap



Over 20% of Transylvania's inbound commuters earn less than $1,250 per month while 55% of outbound commuters earn over $3,333 per month. The discrepancy here could result from the availability and cost of housing in the county, which has the highest housing costs in the region.[39] Workers in the lower-earning jobs associated with Transylvania County's top industries may be struggling to find housing that is affordable on those wages. Alternatively, the county's more expensive housing stock may be attracting high-wage earners from nearby job and population centers, such as Asheville (where 9.4% of all Transylvania County workers are employed).[40]

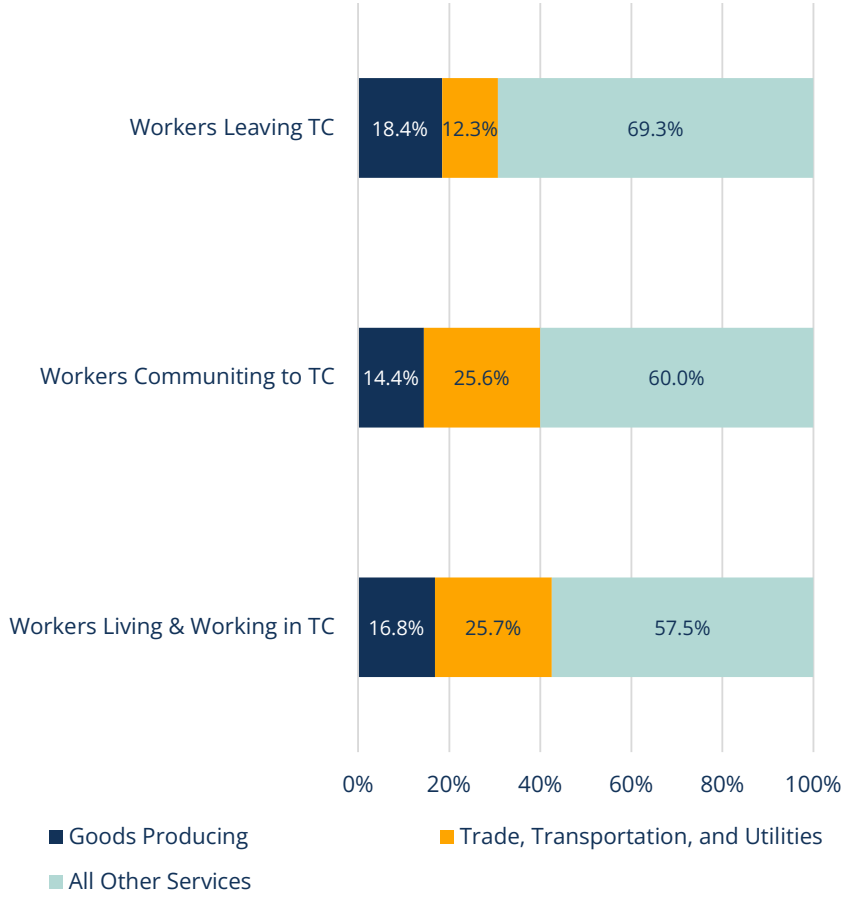
FIGURE 60: WORKERS BY INCOME AND COMMUTING FLOW, 2022
Source: Census OnTheMap



39 2021 Housing Needs Assessment: Western North Carolina. Bowen National Research
40 U.S. Census OnTheMap.

Of the workers who travel into the county for work, roughly one quarter are employed in trade, transportation, or utilities industries. Approximately 14% are employed in a goods-producing industry, and the remainder find employment in some other service-related industry. The industry employment distribution of inbound commuters is similar to that of outbound commuters.

FIGURE 61: WORKERS BY INDUSTRY AND COMMUTING FLOW, 2022
Source: Census OnTheMap



The most common occupations in the county are in line with the top industries and industry clusters from the previous section. Most of the ten most common occupations in the county are related to the tourism industry. In every case, the median annual earnings are below the 80% AMI income limit for a one-person household.

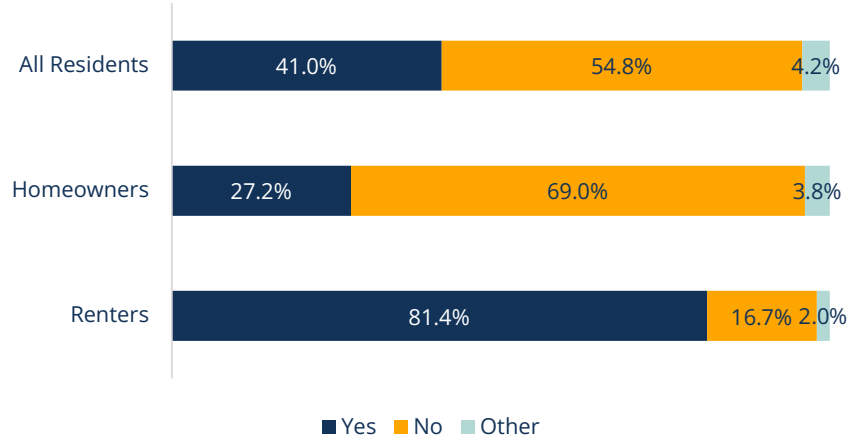
TABLE 39: MOST COMMON OCCUPATIONS (5-DIGIT SOC) IN TRANSYLVANIA COUNTY
Source: Lightcast 2024.4

Occupation	2023 Jobs	Median Annual Earnings
CASHIERS	386	$29,846
RETAIL SALESPERSONS	337	$32,541
WAITERS AND WAITRESSES	237	$24,247
LANDSCAPING AND GROUNDSKEEPING WORKERS	222	$35,411
STOCKERS AND ORDER FILLERS	209	$35,435
JANITORS AND CLEANERS, EXCEPT MAIDS AND HOUSEKEEPING CLEANERS	202	$31,815
COOKS, FAST FOOD	194	$25,116
MAIDS AND HOUSEKEEPING CLEANERS	188	$29,947
COOKS, RESTAURANT	185	$37,029
MAINTENANCE AND REPAIR WORKERS, GENERAL	175	$41,549

HOUSING AFFORDABILITY

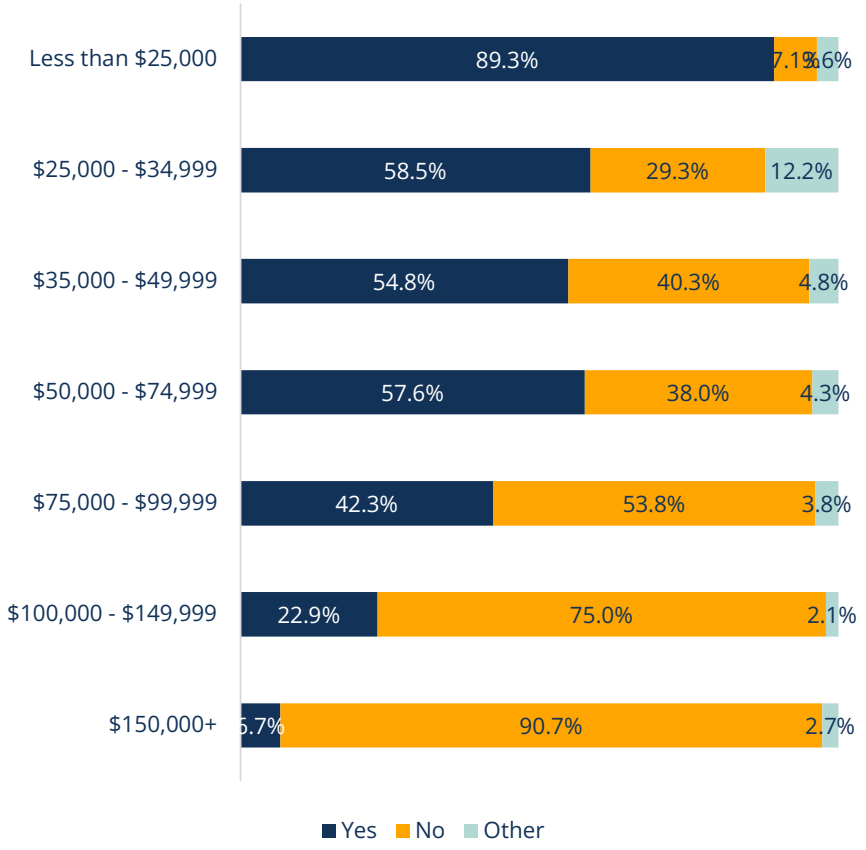
The impact of high housing costs, relative to wages, can be seen through challenges with home affordability. Over 40% of respondents to the Community Housing Survey reported having difficulty affording their housing costs over the past 12 months, including 81.4% of respondents who indicated that they rent their homes.

FIGURE 62: RESIDENT RESPONSES TO "OVER THE PAST TWELVE MONTHS, HAVE YOU HAD DIFFICULTY AFFORDING YOUR HOUSING COSTS?"
Source: Transylvania County Community Housing Survey



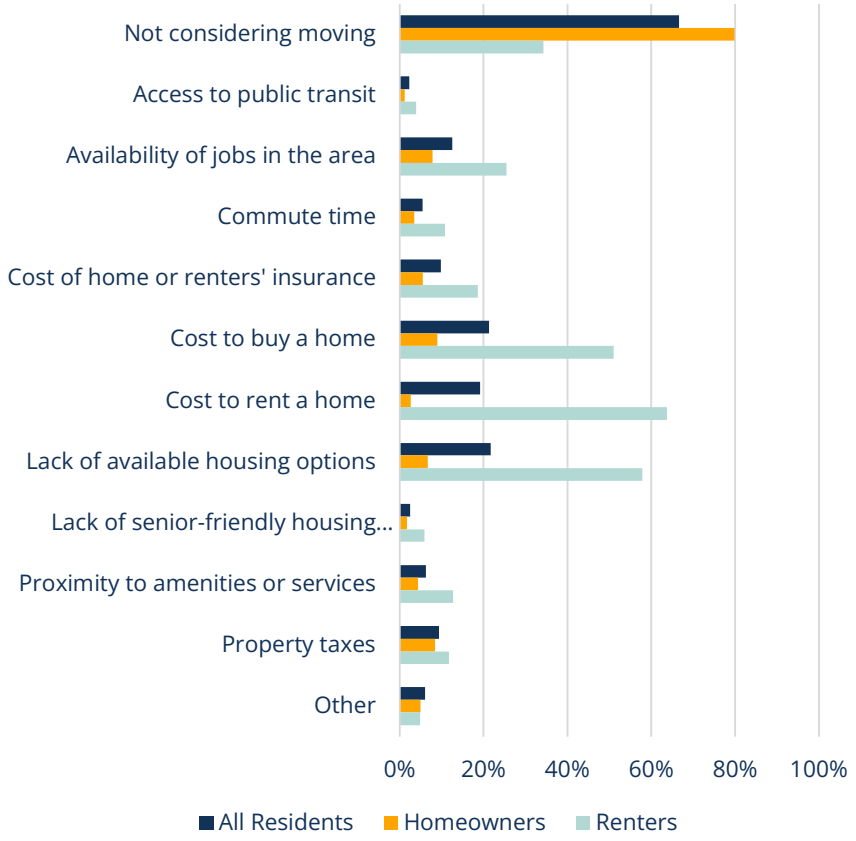
When disaggregated by household income, a higher percentage of lower-income households reported having difficulty affording their housing costs. In each income bracket, until the self-reported household income reaches $75,000 per year, more than 50% of respondents report having difficulty affording their housing costs. Even for those reporting a household income between $100,000 and $149,999, more than $35,000 over the median household income, one in five participants have had difficulty affording their housing costs.

FIGURE 63: RESIDENT RESPONSES TO "OVER THE PAST TWELVE MONTHS, HAVE YOU HAD DIFFICULTY AFFORDING YOUR HOUSING COSTS?" BY TENURE
Source: Transylvania County Community Housing Survey



When asked if they were considering relocating outside of Transylvania County, a significant majority (66%) indicated they were not interested in moving. However, when broken out by tenure, this majority appeared largely comprised of existing homeowners. Only 34% of renters indicated that they had no intention of leaving the county. The remaining renters selected a variety of reasons that they were considering moving, with the most common responses being: the cost to rent a home (63.7%), the lack of available housing options (57.8%), the cost to buy a home (51%), and the availability of jobs in the area (25.5%).

FIGURE 64: REASONS RESIDENTS ARE CONSIDERING LEAVING TRANSYLVANIA COUNTY
Source: Transylvania County Housing Survey 2024



COST BURDEN

The most common reasons that Transylvania County residents are considering leaving the county are related to housing costs. Between 2018 and 2023, the incidence of cost-burden among owner-occupied households remained relatively stable, while the incidence of cost burden among renter-occupied households has decreased since 2018. Despite the decrease, nearly 40% of renter-occupied households remain cost-burdened, meaning they may be forced to choose between paying for their housing costs or other necessities, such as food, healthcare, or transportation.

TABLE 40: COST BURDEN BY TENURE, 2018 TO 2023
Source: American Community Survey 5-Year Estimates

	2018		2023	
	Percent	Count	Percent	Count
ALL HOUSEHOLDS	24.35%	3,439	23.8%	3,467
OWNER-OCCUPIED	18.1%	1,966	18.8%	2,060
RENTER-OCCUPIED	44.9%	1,473	38.8%	1,407

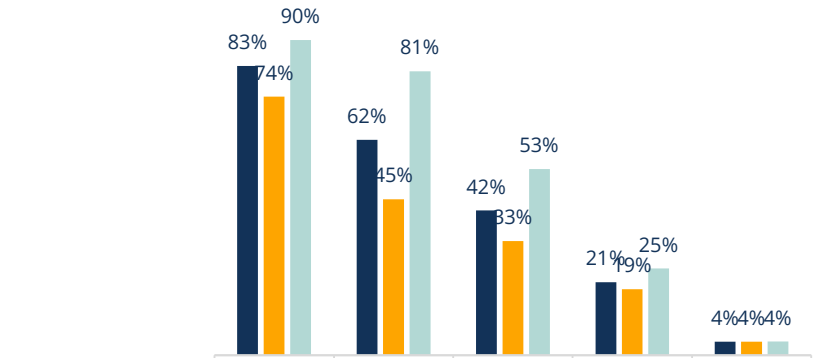
However, while the overall incidence of cost burden decreased from 2018 to 2023, the percentage of households that are severely cost burdened, meaning they spend 50% or more of their monthly household income on housing costs, has increased. When disaggregated by tenure, the effect is mixed. Owner-occupied households had a small decrease, while renter-occupied households have had a significant increase in the incidence of severe cost burden. These figures indicate that if rental costs relative to incomes have improved overall, they have gotten worse for those at the lower end of the income spectrum.

TABLE 41: SEVERE COST BURDEN BY TENURE, 2018 AND 2023
Source: American Community Survey 5-Year Estimates

	2018		2023	
	Transylvania County	North Carolina	Transylvania County	North Carolina
ALL HOUSEHOLDS	10.7%	12.8%	11.7%	12.2%
OWNER-OCCUPIED	8.4%	8.2%	7.1%	7.8%
RENTER-OCCUPIED	18.4%	21.4%	25.6%	21.0%

In fact, more than half of the households earning less than $35,000 per year are experiencing cost burden, with nearly 70% of renter-occupied households earning less than $35,000 per year being cost burdened. While this may seem like a low household income, about 50% of rental households fall into this income bracket, highlighting the affordability challenges faced by a substantial percentage of rental households.

FIGURE 65: COST BURDEN BY HOUSEHOLD INCOME AND TENURE, 2023
Source: American Community Survey 5-Year Estimates



	Less than $20,000	$20,000 to $34,999	$35,000 to $49,999	$50,000 to $74,999	$75,000 or more
All Households	82.9%	61.7%	41.5%	21.0%	3.9%
Owner-Occupied	74.1%	44.7%	32.7%	18.9%	3.9%
Renter-Occupied	90.3%	81.3%	53.4%	24.9%	3.9%

WORKFORCE AFFORDABILITY

To make housing more affordable for the local workforce, it is important to understand what 'affordable' means in Transylvania County. In Table 42, the most common occupations in the County (measured by total employment in 2023) are listed, along with the median annual earnings of a worker in the occupation. The housing affordability ceiling – or the most a worker can afford to spend on housing without being unduly burdened by housing costs – is calculated as 30% of a typical worker's monthly income.

Many of the most common occupations in the County are service-related, and workers in this field earn relatively low wages. For workers of most of the occupations on this list, a rent or mortgage payment cannot exceed $900/month without exceeding HUD's housing cost-burden limit and becoming unaffordable. Workers of some occupations – such as Cashiers, Maids, and Housekeeping Cleaners – can generally only afford to spend about $750/month on housing-related costs.

TABLE 42: HOUSING AFFORDABILITY CEILING FOR MOST COMMON OCCUPATIONS
Source: Lightcast 2024.4, North Carolina Compensation for Public School Employees

Occupation	2023 Jobs	Median Annual Earnings	Housing Affordability Ceiling
CASHIERS	386	$29,846	$746
RETAIL SALESPERSONS	337	$32,541	$814
WAITERS AND WAITRESSES	237	$24,247	$606
LANDSCAPING AND GROUNDSKEEPING WORKERS	222	$35,411	$885
STOCKERS AND ORDER FILLERS	209	$35,435	$886
JANITORS AND CLEANERS, EXCEPT MAIDS AND HOUSEKEEPING CLEANERS	202	$31,815	$795
COOKS, FAST FOOD	194	$25,116	$628
MAIDS AND HOUSEKEEPING CLEANERS	188	$29,947	$749
COOKS, RESTAURANT	185	$37,029	$926
MAINTENANCE AND REPAIR WORKERS, GENERAL	175	$41,549	$1,039

In Table , a specific focus is given to workers in tourism industries. Given the importance of tourism for the Transylvania County economy, an analysis of the wages provided through these industries can illuminate the housing requirements of the workforce. Average earnings per job vary significantly by industry, indicating a demand for a diversity of housing types. While workers in some industries can afford to spend more than $1,000/month on housing-related costs, others would be cost burdened if they spent more than $600/month on the same housing-related costs.

TABLE 43: HOUSING AFFORDABILITY CEILING FOR TOURISM INDUSTRIES
Source: Lightcast 2024.4

Industry	2023 Jobs	Avg. Earnings Per Job	Housing Affordability Ceiling
FULL-SERVICE RESTAURANTS	493	$32,345	$809
LIMITED-SERVICE RESTAURANTS	301	$23,977	$599
RECREATIONAL AND VACATION CAMPS (EXCEPT CAMPGROUNDS)	264	$38,652	$966
HOTELS (EXCEPT CASINO HOTELS) AND MOTELS	141	$40,699	$1,017
GOLF COURSES AND COUNTRY CLUBS	111	$85,808	$2,145
SNACK AND NONALCOHOLIC BEVERAGE BARS	79	$24,762	$619
FITNESS AND RECREATIONAL SPORTS CENTERS	72	$22,927	$573
RV (RECREATIONAL VEHICLE) PARKS AND CAMPGROUNDS	52	$46,842	$1,171
INDEPENDENT ARTISTS, WRITERS, AND PERFORMERS	51	$36,883	$922
ALL OTHER AMUSEMENT AND RECREATION INDUSTRIES	49	$33,613	$840

Next, earnings data for some of the county's essential workers are evaluated. The median annual earnings of nine of the occupations listed below are estimated to be less than $45,000/year. Therefore, the average worker in these occupations can afford to spend – at most – $1,125/month on housing-related costs. Many of those workers – such as Emergency Medical Technicians (EMTs), Firefighters, Nursing Assistants, and Home Health & Personal Care Aides – become cost burdened when their housing-related expenses exceed approximately $900/month.

TABLE 44: ESSENTIAL WORKER OCCUPATIONS AND EARNINGS, TRANSYLVANIA COUNTY
Source: Lightcast 2024.4, North Carolina Compensation for Public School Employees

Occupation	Median Annual Earnings	Housing Affordability Ceiling
EMERGENCY MEDICAL TECHNICIANS	$36,088	$902
FIREFIGHTERS	$30,289	$757
FIRST YEAR TEACHERS[41]	$44,485	$1,112
HOME HEALTH & PERSONAL CARE AIDES	$26,410	$660
LICENSED PRACTICAL & LICENSED VOCATIONAL NURSES	$60,285	$1,507
NURSING ASSISTANTS	$36,161	$904
PARAMEDICS	$41,087	$1,027
POLICE & SHERIFF'S PATROL OFFICERS	$44,597	$1,115
PUBLIC SAFETY TELECOMMUNICATORS	$36,668	$917
REGISTERED NURSES	$79,168	$1,979
TEACHER ASSISTANTS[42]	$44,712	$1,118
TENTH YEAR TEACHERS[43]	$53,545	$1,339

41 No national certification; includes 8.5% local salary supplement.
42 Average of monthly minimum and maximum from the North Carolina State Salary Schedules, FY 2024-2025. Monthly minimum is $2,600 ($31,200 per year); monthly maximum is $4,852 ($58,224 per year).
43 No national certification; includes 8.5% local salary supplement.

HOUSING AVAILABILITY

The availability of rentals by price varies by source. However, regardless of source, the supply of available rental units for less than $1,500 per month is incredibly limited – two in the entire county at the time of this report. The majority of rentals are $2,000 or more per month, requiring a household income of at least $80,000 per year to afford without spending more than 30% of income on rent.

TABLE 45: ON-MARKET RENTALS BY PRICE[44]

	Less than $1,000	$1,000 to $1,499	$1,500 to $1,999	$2,000 or more
ZILLOW	3.2% (1)	3.2% (1)	16.1% (5)	77.4% (24)
APARTMENTS.COM	9.1% (1)	0.0% (0)	27.3% (3)	63.6% (7)
REALTOR.COM	7.1% (1)	0.0% (0)	28.6% (4)	64.3% (9)
REDFIN	0.0% (0)	0.0% (0)	23.1% (3)	76.9% (10)
TRULIA	3.2% (1)	3.2% (1)	16.1% (5)	77.4% (24)

Given that the majority of the most common occupations, tourism-based industries, and essential workers have affordability thresholds less than $1,000 per month, many of these workers (assuming one income per household) would be competing for the one available rental in the county at that price point. This data ultimately reflects a lack of available affordable rental options for workers.

Workers explore homeownership options only to find that affordable units remain scarce. Assuming a $15,000 down payment, workers who can afford to spend $1,000 per month on housing costs would be competing for one available home.45 Even registered nurses, the highest paid of the essential workers, have less than 5% of the for-sale housing stock within their affordability threshold. As with the rental options, the data on for-sale homes reflects a lack of available and affordable homeownership opportunities for workers.

TABLE 46: HOMES FOR SALE BY PRICE[46]

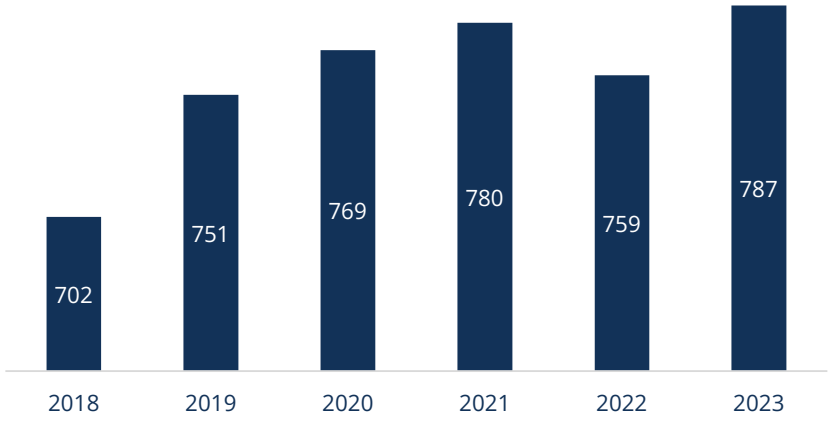
	Under $150,000 (~$1,000 per month)	$150,000 - $214,999 (~$1,000 to $1,499)	$215,000 - $274,999 (~$1,500 to $1,999)	$275,000+ (~$2,000+)
ZILLOW	0.6% (1)	0.6% (1)	3.6% (6)	95.2% (160)
REALTOR.COM	0.6% (1)	0.6% (1)	3.0% (5)	95.7% (157)
REDFIN	0.6% (1)	0.6% (1)	3.0% (5)	95.8% (161)

SPECIAL POPULATIONS

STUDENTS

Higher education enrollment has grown steadily in the county. Between 2018 and 2023, enrollment at Brevard College grew by about 12%.

FIGURE 66: HIGHER EDUCATION ENROLLMENT, BREVARD COLLEGE



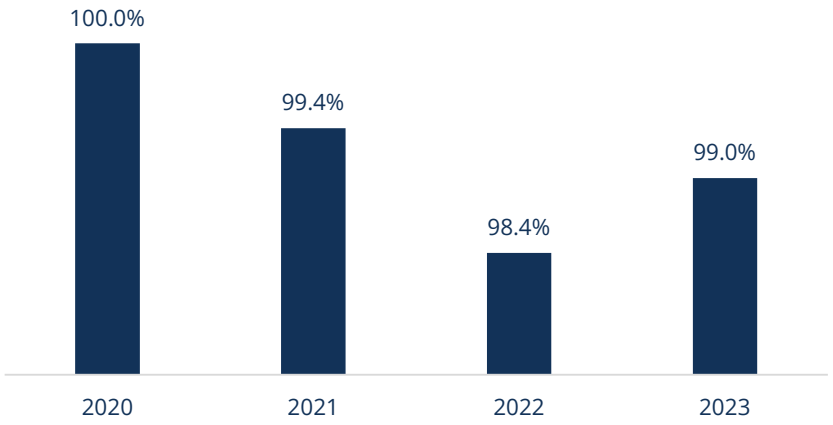
The vast majority of students at Brevard College are enrolled in at least some in-person courses. As a result, an increase in enrollment will result in an increase in housing needs for the students.

44 As of February 4th, 2025

45 Based on monthly affordability ceiling; assumes a 30-year mortgage, 6.81% interest rate (based on the 30 year average from Freddie Mac), a $15,000 down payment, and private mortgage insurance.

46 Includes mobile homes.

FIGURE 67: PERCENT OF STUDENTS ENROLLED IN AT LEAST SOME IN-PERSON COURSES



Brevard College has four on-campus housing options for students, and reports that more than 80% of students live on-campus. Students must be approved to live off-campus and meet certain criteria to qualify, further limiting the number of students who would be living off-campus.

If 80% of students taking at least some in-person classes live on-campus, then, at most, about 155 students would be seeking housing off-campus. If all students have one housemate, then there would be a need for about 78 rental units, about 2% of the county's current rental stock.

SENIORS

With a significant proportion of the population being at least 65 years of age, the county needs to consider how to meet the needs of its aging population. Stakeholders raised concerns about seniors' ability to age in place, emphasizing the need to ensure seniors can age within their communities by providing accessible housing options, such as smaller homes, independent living, and assisted living facilities.

To allow seniors to age in place, homes need aging accessible features – things like a step-free entryway, a first-floor bedroom and bathroom, and handrails or grab bars in the bathroom. While the majority of houses in the South Atlantic region have at least one aging-accessible feature (92.7%), just 10.3% are considered "aging-ready," meaning they have a step-free entryway, a bedroom and full bathroom on the first floor, and at least one bathroom accessibility feature.[47] Compared to the 48.4% of households in Transylvania County with at least one member 65 years and over, this research indicates that the housing stock in Transylvania County is likely ill-equipped to house its aging population and will require significant rehabilitation and retrofitting to allow the county's seniors to age with dignity.

Research shows that 70% of adults 65 years and older will need long-term care during their lifetime. Twenty-eight percent of seniors will need long-term nursing home care and 5% will require residential care (adult care and family care).[48] With 10,247 seniors in the county, and just 167 nursing home beds and 136 residential care beds, many seniors may be forced to leave the county.

TABLE 47: LONG-TERM CARE CAPACITY, TRANSYLVANIA COUNTY
Source: Land of Sky Long-Term Care Housing Directory, North Carolina Division of Health Service Regulation Adult Care Facility Listings, Medicare.Gov

NURSING HOME BEDS	167
ADULT CARE AND FAMILY CARE BEDS	136
INDEPENDENT LIVING UNITS	296

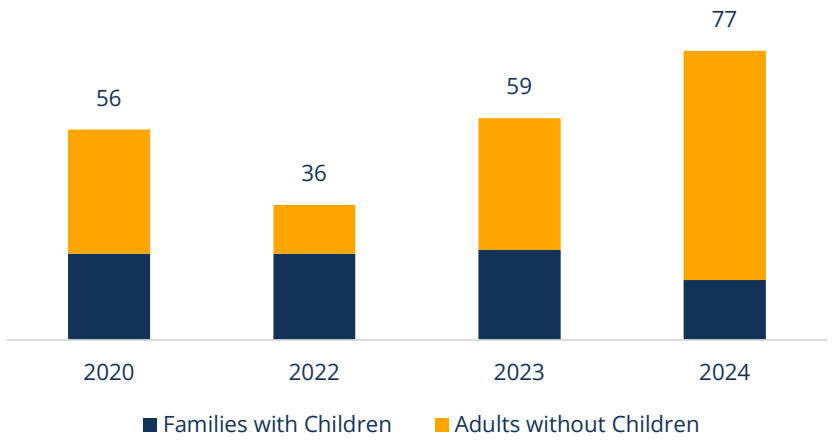
47 Vespa, Jonathan, Jeremy Engelberg, and Wan He U.S. Census Bureau, Old Housing, New Needs: Are U.S. Homes Ready for an Aging Population?, P23-217, U.S. Government Printing Office, Washington, DC, 2020. https://www.census.gov/content/dam/Census/library/publications/2020/demo/p23-217.pdf

48 Assistant Secretary for Planning and Evaluation. (2019). *What is the lifetime risk of needing and receiving long-term services and supports?* https://aspe.hhs.gov/basic-report/what-lifetime-risk-needing-and-receiving-long-term-services-and-supports

UNHOUSED POPULATION

Transylvania County has seen a steady increase in unhoused individuals since 2021. The number of unhoused families with children has been inconsistent over the past five years; however, the number of adults without children saw a steep drop from 2020 to 2021 but has consistently increased since then.[49]

FIGURE 68: UNHOUSED INDIVIDUALS, 2020 TO 2024[50]
Source: North Carolina Coalition to End Homelessness Point-in-Time Count Data



From 2020 to 2024, the number of individuals in emergency shelters remained relatively stable; however, in 2024, Transylvania County saw a sharp increase in unsheltered individuals. As noted in the footnote below, this number does not include residents displaced by Hurricane Helene, as the Point-in-Time count occurs in January.

FIGURE 69: COUNT OF UNHOUSED INDIVIDUALS BY LOCATION
Source: North Carolina Coalition to End Homelessness Point-in-Time Count Data

Year	Emergency Shelter	Transitional Housing	Unsheltered51
2024	32	0	45
2023	32	8	19
2022	33	2	1
2021	10	7	-
2020	38	0	18

As seen in Figure 70, wastewater infrastructure in the county is limited and the City of Brevard wastewater treatment capacity is approaching levels to require expansion to support future growth. To allow for smaller lot sizes or denser developments, infrastructure will need to be expanded. To maximize the impact of future investments, denser development should be prioritized for newly served corridors.

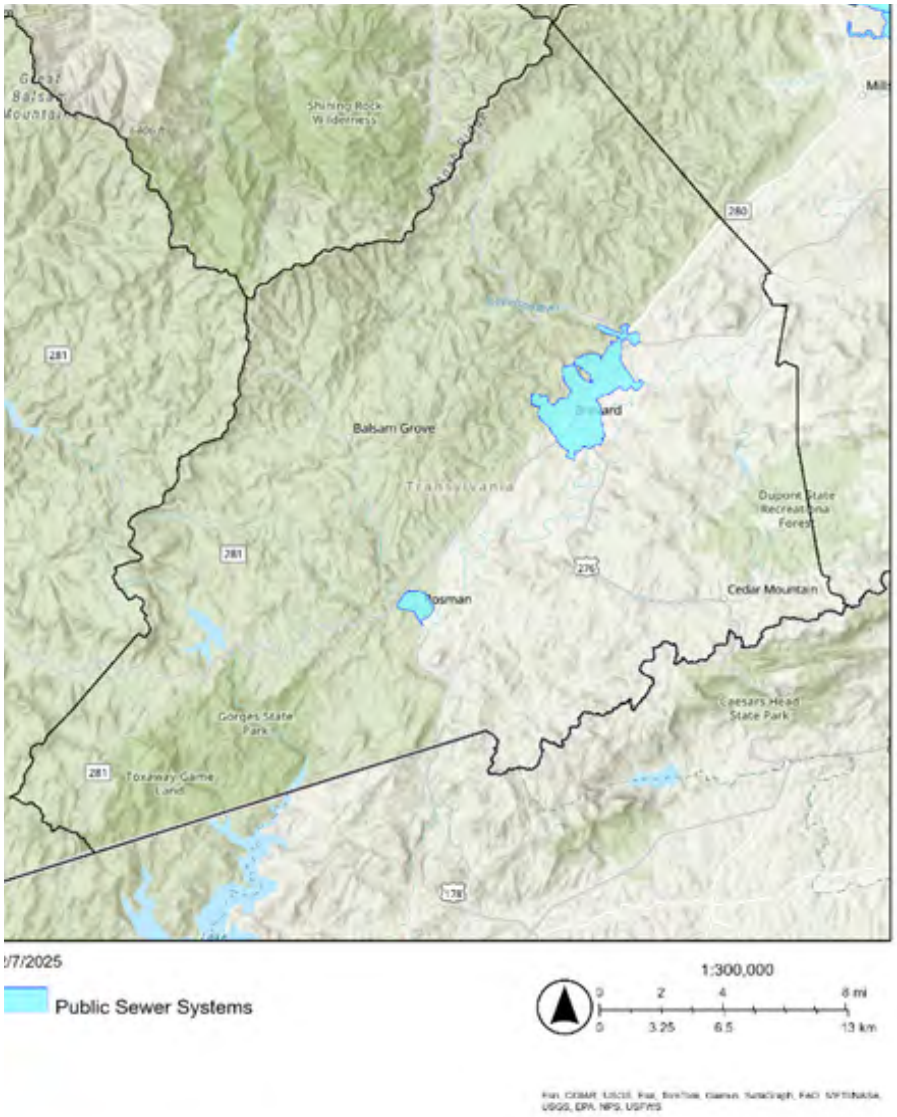
49 Hurricane Helene cause mass destruction across WNC in September 2024 damaging natural landscapes, businesses, and homes. These data do not reflect potential increases in homelessness following Hurricane Helene.

50 No unsheltered count in 2021 due to the Covid-19 pandemic.

51 No unsheltered count in 2021 due to COVID-19 pandemic

FIGURE 70: PUBLIC SEWER SYSTEMS, TRANSYLVANIA COUNTY

Source: Type A Current Public Sewer Systems, North Carolina Center for Geographic Information and Analysis, NC OneMap; mapping by TPMA



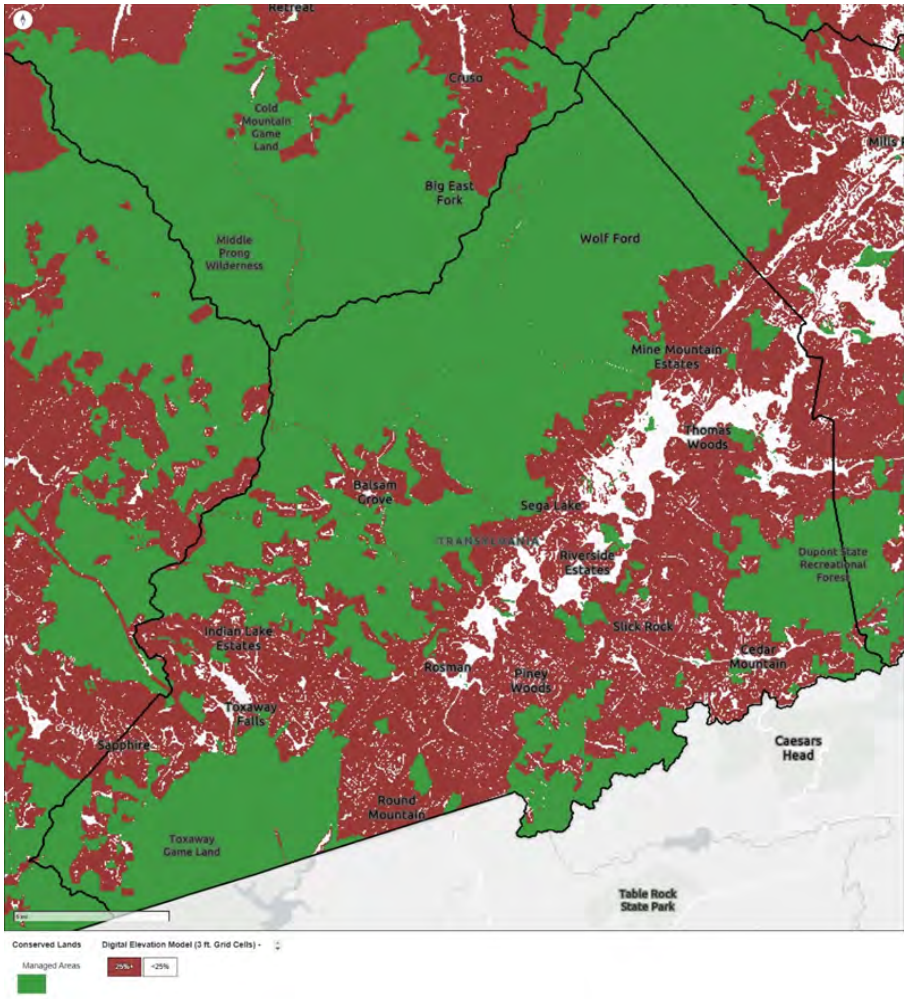
DEVELOPABLE LAND

Over 50% of Transylvania County's land is publicly owned and protected from development.[52] Transylvania County is also home to over 250 waterfalls and 176 named mountains. While these features are often viewed as crucial tourist attractions, they also limit the amount of land the County can develop.

Moreover, the topography of the area further constrains the buildable land. Much of the land in the county has land with slopes of at least 25%. Steeper slopes limit accessibility and increase building costs, making development more challenging.

FIGURE 71: LAND BY CONSERVATION STATUS AND SLOPE

Source: USDA Forest Service, North Carolina Department of Commerce, NC OneMap, Land of Sky Regional Council, North Carolina Natural Heritage Program, ArcGIS; mapping by TPMA



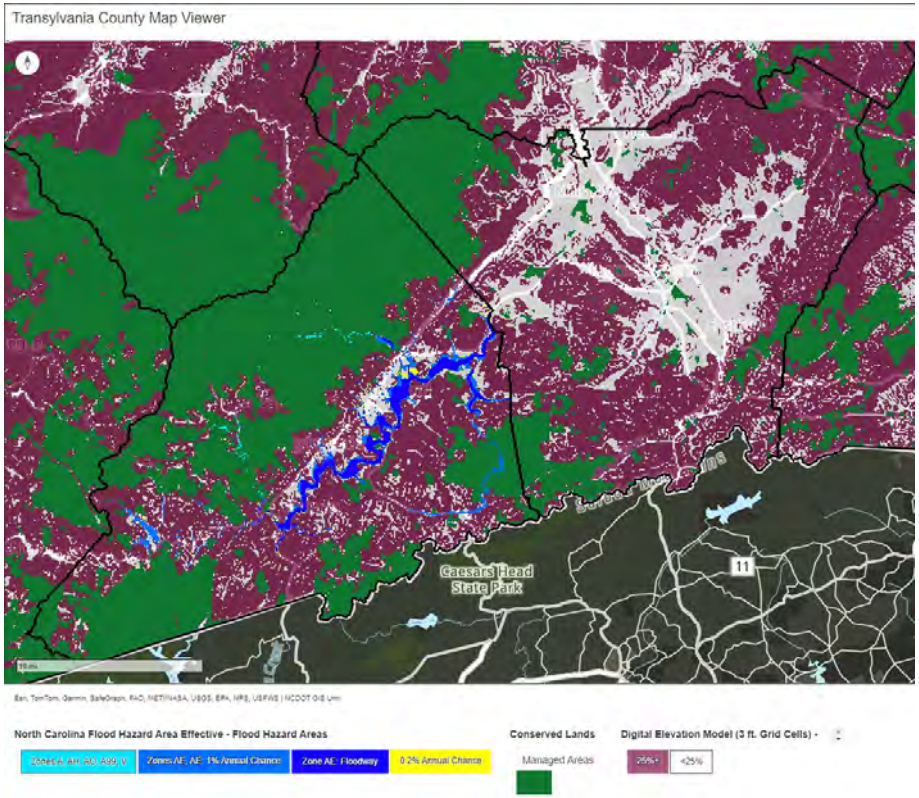
Much of the flat land is alongside the banks of the French Broad River and its tributaries, and therefore, fall within floodplains. This further constrains the county's supply of prime buildable land, and while development may occur within the floodplains under certain conditions, it increases the complexity and cost of projects.[53]

52 https://explorebrevard.com/sustainability

53 https://www.transylvaniacounty.org/sites/default/files/departments/building-and-permitting/docs/Flood%20Damage%20Prevention%20Ordinance%20Rev%206-2021.pdf

FIGURE 72: LAND BY CONSERVATION STATUS, SLOPE, AND FLOOD ZONE

Source: North Carolina Department of Commerce, NC OneMap, Land of Sky Regional Council, North Carolina Natural Heritage Program, ArcGIS; mapping by TPMA



RESEARCH METHODOLOGY

DOCUMENT REVIEW

To gain deeper insights into research conducted for Transylvania County and strategies proposed to move the area toward affordable housing solutions, TPMA conducted an in-depth analysis of existing plans, reports, and related documents. The list of documents includes:

- Buncombe County Housing Needs Assessment from Bowen National Research (no date)
- City of Brevard Affordable Housing Feasibility Analysis from UNC School of Government's Development Finance Initiative (2023)
- City of Brevard Short-Term Rental Survey from Sunny Side Consulting LLC (2022)
- Economic Impact, Jobs, and Housing Analysis of Short-Term Rentals in Brevard/Transylvania County from SmartCity Policy Group (2022)
- Henderson County Housing Needs Assessment from Bowen National Research (no date)
- Ordinance for Amending the City of Brevard Housing Trust Fund (2023)
- Short-Term Rental (STR) Public Comment (2023)
- Short-Term Rental (STR) Task Force Recommended Ordinance Adjustment (2023)
- Transylvania Planning Board's Findings of Fact and Conclusions of Law (2023)
- UNC School of Government's Local Government Tools for Private Affordable Housing (2022)
- Western North Carolina Housing Needs Assessment from Bowen National Research (2021)

QUANTITATIVE RESEARCH

Data Collection

In addition to document review, this project's discovery phase included a variety of quantitative research sources and methods. For data collection, various national, regional, and local public data sources were utilized in addition to a collection of third-party and proprietary sources. Some of these data sources include:

- U.S. Census Bureau (Census) American Community Survey (ACS) 5-year Estimates
- U.S. Department of Housing and Urban Development (HUD)
- HUD Comprehensive Housing Affordability Strategy (CHAS)
- Esri/ArcGIS Business Analyst
- Lightcast
- Redfin.com
- Costar

Housing Demand Model

TPMA has developed a housing demand model that forecasts demand for new for-sale and for-rent housing units for the next ten years. The customized housing demand model built for this project anticipates demand based on two market segments: new households and existing households

To predict demand from new households, the project team uses five-year projections for the number of households in Transylvania from third-party sources such as Esri. To extrapolate to ten years, the growth rate over the first five years is assumed to remain constant over the next five years.

Every year, some households may choose to move from one home in Transylvania County to a new home within the county. This serves as the basis for demand from existing households. Demand from existing households is calculated using household projections, as discussed above, geographic mobility data, and estimates of demand for new housing.

Finally, the project team assumes that the propensity to own or rent, based on American Community Survey estimates, will remain unchanged over the next ten years. Using this information, the total potential demand for rental and owner-occupied housing is estimated.

Workforce Affordability Analysis

To provide insight into housing affordability for workers in Transylvania County, TPMA project team members analyzed earnings associated with the most common jobs and essential occupations. The earnings associated with these occupations were then compared to housing costs in Transylvania County. However, since the comparison of single occupations to overall household incomes and housing costs could be misleading as individual incomes do not necessarily equate to household incomes, the affordability analysis uses the cost of one- and two-bedroom rental units where possible to calculate housing costs for single income-earners.

QUALITATIVE RESEARCH

Stakeholder Engagement Workshops

TPMA collaborated to curate a diverse list of key stakeholders representing government, economic development, realtors, builders, and housing-specific organizations, and community-based organizations. Registration reminders were sent to encourage participation, and materials (including the session agenda and data overview) were sent to registrants in advance. Stakeholder workshops were held in June 2024, with 35 stakeholders attending.

Workshop activities planned were highly interactive, utilizing various methods to ensure each stakeholder had the opportunity to provide robust input. Activities were designed to collect information on the challenges, assets, and opportunities of the housing landscape in Transylvania County. Other activities were aimed at visioning for the future, next steps, collaboration, and accelerating momentum for implementation. Results from these activities were documented, reviewed, and analyzed to find recurring themes across workshop groups.

Public Opinion Survey
To gather information from the public on perceived housing needs and attitudes towards certain housing development efforts, a public opinion survey was developed and distributed to community members. Respondents were asked to answer questions about:

- Household location and demographic information
- Preferences for housing types and amenities
- Levels of support for different types of housing for future housing developments
- Levels of support for potential housing-related policies
- Housing needs of senior residents

The survey was launched in June 2024 and remained open through August 2024. To increase accessibility, the survey was available in both English and Spanish, and paper copies of the survey were available, in addition to the online version. In total, 546 completed surveys were submitted, exceeding the sample size needed for a 95% confidence level with a 5% margin of error. While the use of convenience sampling means the findings may not be fully representative of the broader population, the data collected provides insight into community perspectives.

Business Survey
To understand how businesses may be impacted by the housing ecosystem, TPMA conducted a survey of local businesses from July 2024 through August 2024. Despite outreach to Brevard/Transylvania Chamber of Commerce and re-engagement of stakeholders, the survey received seven submissions. Due to the low number of responses, the project team is unable to make broader inferences from the data.

Subject Matter Expert Interviews
In a further effort to ensure that document review, data collection, and other desktop research matched the lived experience on the ground, TPMA also facilitated interviews with subject matter experts covering several fields and areas of expertise. Interview subjects included individuals and/or small groups representing:

- Community and Economic Development Organizations
- County Government
- Municipal Governments
- Housing-related Organizations
- Housing Developers (for- and non-profit)
- Policy and Research Organizations
- Major Employers
- Local Realtors
- Property Managers
- Builders Association

TRANSYLVANIA
COUNTY
NORTH CAROLINA