



FOCUS GROUP MEETING SERIES

Residential Development and the Lending Community

Brief Meeting Summary

Attendees:

- ❖ Lisa Alexander – Del-co Realty Group
- ❖ Sonya Caldwell – Caldwell Broker
- ❖ Mandy Chapman-Crain – Carolina Moon Realty
- ❖ Michael Dey – Greenville Home Builders Association
- ❖ Len Fletcher – Re/Max
- ❖ Stephanie Gates – Site Design
- ❖ Miller McClintock – C. Dan Joyner
- ❖ Richard Powers – Piedmont Natural Gas
- ❖ Rick Quinn – Quinn & Satterfield Builders and Greenville Home Builders Association
- ❖ Harris Quinn – EnVeritas Group
- ❖ Mike Sell – City of Greer
- ❖ Adair Senn – C. Dan Joyner
- ❖ Donna Smith – C. Dan Joyner
- ❖ Todd Usher – Addison Homes
- ❖ Craig Wunnel – Site Design

Overview:

On September 21, 2016, the project team for Shaping Our Future convened a focus group focusing on residential development and lending to gather information regarding site selection criteria that makes one area – or one type and style of development – more attractive to grow and develop compared to others in the Upstate Region.

A brief presentation by the project team was followed by a group discussion. The presentation can be found at www.ShapingOurFutureUpstateSC.org (in the Community Engagement section).

Prominent Residential Development Trends in the Region

Single family homes are the predominant residential development type in the region. Small lots, mixed-density housing and senior housing are mostly absent in the region. “Trophy homes” continue to develop around the lakes. There has been an increase in the number of rental units over time, but mostly in downtown Greenville and the immediate surrounding area.



Growth Drivers for the Region

Growth drivers represent physical or policy conditions that make one parcel more desirable to develop over others in the region. Meeting participants worked with the project team to identify a comprehensive list of growth drivers and rank their relative importance for influencing residential growth.

A quick review of data collected during the focus group highlighted nearly all of the factors as “considerations” (nice to have, but not required) for attracting future residential development. This result was very different compared to the number of “required” factors identified by focus groups for commercial, office and industrial development interests. This may suggest that residential is the most adaptable and flexible type of development in the region, which explains why homes of various types, sizes and price points are found in so many different areas – urban, suburban and rural – and sometimes a far distance from employment centers and other traditional growth drivers.

Challenges & Opportunities

- ❖ **Neighborhood Opposition** – One of the challenges noted was neighborhood opposition to rezoning and a generally anti-growth sentiment in some places in the region. This is a big challenge in the wealthier inner ring neighborhoods in the City of Greenville. When homebuilders are trying to do something new and innovative – pocket neighborhoods, etc. – they are met with resistance. Additionally no supporters (i.e. anti-sprawl groups) turn out to combat that resistance. Residents don’t realize that this opposition is in fact driving homebuilders interested in infill to revert to building the “sprawl” those same residents say they don’t want. One participant explained that this was in large part what caused the sprawling conditions in Atlanta. It was suggested that the Infill Ordinance in the City of Greenville was not designed with the broader community in mind – rather, it is considered by some participants as more a reflection of the interests of affluent homeowners in the inner ring suburbs of the City of Greenville that have influence with elected officials.
- ❖ **Infrastructure** - There is also the challenge of local governments that cannot pay for infrastructure – all of the upgrades that should be paid for via taxation. Developing closer to the urban core is more expensive so in order to hit the price point home buyers need, builders are forced into unincorporated areas such as Boiling Springs, Inman, etc. A statistic noted was that out of 30,000 building permits issued in South Carolina, 8,000 were served by septic.
- ❖ **Local Zoning and Decision Making Perpetuating Sprawl** - Another challenge is city’s and county’s unwillingness to approve higher density single-family. That has constrained the supply of this development type. This issue is compounded by plans that require large minimum lot sizes. Current zoning won’t allow small enough lots for small homes and “tiny” homes. Additionally, the fact that decision makers often do not follow plans is problematic. It was noted



that zoning that aligns with plans would be preferred over elected officials NOT following plans – the latter is simply too unpredictable.

- ❖ **Housing and Public Transportation Gaps** – There is an affordable housing gap and a shortage of good public transportation to get people without a personal vehicle where they need to go. Residents in lower income areas need better access to education and work opportunities in these areas. There is a big hole in the market for homes under \$250,000 – especially in the most desired places to live.
- ❖ **Schools** – The quality of public schools dictates where much of the housing demand is.
- ❖ **Comparatively Low Congestion** – Though traffic congestion is burdensome in some areas of the Upstate, in comparison to many other parts of the country it is easy enough to get on a main thoroughfare and drive a distance to get where you need to go – so it is easier and can be attractive to live in rural areas at this point (although there is acknowledgement that this situation could change as growth continues and congestion increases).
- ❖ **Millennial Generation Factor** – This huge cohort has not yet come into the market. When they do, they will have a dramatic impact. They will likely want to move out of the central business district, but will not mind being in higher density neighborhoods. Whereas the baby boomers brought “a bit of the country” to the suburbs, the millennials will be more than happy to bring more of the “town” with them. It is critical to have this cohort as a part of the discussion.
- ❖ **Senior Housing Gap** – There is a demand for more unique housing types for seniors in the Upstate – senior housing, low-maintenance townhomes or single-family homes, etc.
- ❖ **Demand for Walkable Neighborhoods** – In some areas such as Greer there is high demand for walkable communities. People are purchasing older, smaller homes (i.e. 1,200 square feet) at a price they can afford and then renovating. Old textile communities provide a great opportunity for redeveloping areas within walkable distance to downtowns and other activity centers.
- ❖ **Mixed-Use Trends** – The region’s central business districts are seeing the most dense, vertical mixed-use development. Communities such as Travelers Rest and Fountain Inn are just beginning to think about “going vertical” and building up their central business districts. The trend in more suburban areas is horizontal mixed-use development (versus vertical).

Announcements:

Meeting participants are encouraged to stay involved in the project! If you are interested in receiving more detailed data collected at this focus group meeting or have other questions about the Shaping Our Future project, please contact Lisa Hallo, Sustainable Communities Program Director, at lhallo@upstateforever.org or (864)250-0500 ext. 33. Thank you for your participation!