

THE IMPACT OF SHALE DEVELOPMENT ON HOUSING IN CARROLL COUNTY

FEBRUARY 2013

Prepared by The Voinovich School of Leadership and Public Affairs



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Leadership and Public Affairs

Acknowledgements

This report was commissioned by a grant from the State of Ohio, through the Ohio Housing Finance Agency and the Ohio Development Services Agency. The views expressed are those of the authors and do not necessarily reflect the official policies or views of the State of Ohio, Ohio Housing Finance Agency or the Ohio Development Services Agency.

Ohio University's Voinovich School of Leadership and Public Affairs wishes to acknowledge the contributions of the following organizations: Coalition on Homelessness and Housing in Ohio, Carroll County Department of Job and Family Services, and Carroll County Senior Citizens' Friendship Center. The Voinovich School would also like to thank the individuals who participated in the focus groups and interviews for their time and the information they provided.

At the Voinovich School, staff members Sara Boyd, Holly Craycraft, Robert Gordon, Kate Leeman, Vlad Pascal, Cindy Poole, Steven Porter and Robin Stewart contributed to the project, as did Graduate Research Assistants Michael Richards and Leslie Westerfelt, and Undergraduate Research Assistant Caroline Snyder.

Suggested Citation:

Boyd, S., Gordon, R., Leeman, K., Pascal, V., Poole, C., Porter, S., and Stewart, R. (2013). *The Impact of Horizontal Shale Well Development on Housing*. Athens, OH: Voinovich School of Leadership and Public Affairs at Ohio University.

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Executive Summary

As horizontal shale well drilling continues to progress in Ohio, communities affected will experience a multitude of impacts ranging from economic to social to environmental. As communities absorb an increase of temporary shale drill site workers and longer-term employees of shale-related businesses, it is anticipated that this growth in population may create a shortage of affordable and available housing for economically disadvantaged residents in Ohio. The Ohio Housing Finance Agency (OHFA) commissioned this study in effort to identify and document existing impact of shale development on housing and homelessness in Ohio. Carroll County was selected as the focus area for this research because current shale development drilling activity has been largely concentrated in this county.

Overall, shale development is impacting housing in Carroll County. When asked about shale's impact on housing, 98% of survey respondents who work in Carroll County reported at least some impact, beyond minimal effects. Most shale workers in Carroll County are temporary drilling workers and require flexible housing options to accommodate their transient work demand. The influx of workers, limited availability of affordable housing in the county for residents, housing per diems provided to temporary workers which enable rental market prices to climb and other factors have led to a strain on the existing housing infrastructure in Carroll County. As a result of these impacts there has been a decrease in the availability of affordable housing options for the county's most vulnerable citizens. Additional analysis would be needed to determine the full magnitude of this impact.

Most shale workers have been able to obtain housing in single home rental units, local hotels, campgrounds or other temporary options. A shortage of rental homes has left moderate- and low-income residents with limited housing options. It was cited that remaining affordable housing options are often substandard and, as a result, there is an increase of families who are "doubling-up" with other family members or friends. Almost all research participants agreed that housing costs have increased substantially, some stating single-family rents have nearly doubled, and these costs are pushing low-income residents out of the market. There were reports of evictions and displacement by landlords as owners increased rental prices to keep pace with the market.

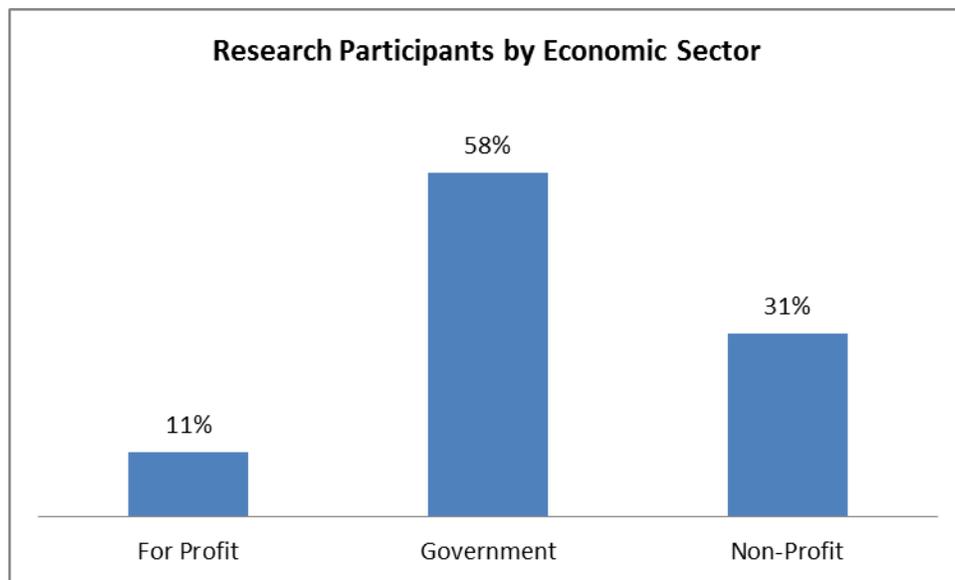
Barriers to address these housing needs predominantly center on high levels of uncertainty regarding the trajectory of shale development. Without knowing how the industry will progress, focus group participants identified the communities' inability to adequately plan for short- and long-term needs. Outside of the county seat there is a lack of water and sewer infrastructure that would need to be addressed for new housing development. It was also determined that communities in Carroll County are reluctant to invest in housing development and infrastructure improvements for a temporary population, which could result in a housing glut. Additionally, there has been active resistance to temporary housing solutions for workers, such as "man camps." An already limited housing and homelessness services infrastructure is further complicating the ability of Carroll County to mitigate the effects of shale development on their community.

Suggestions for mitigating the housing impacts of shale development in Carroll County and throughout the shale region were also compiled, and include:

- ✓ Development of new housing and rehabilitation of dilapidated buildings that would provide short-term shale housing that could be repurposed for other populations after the shale boom. It was forecasted that future housing for elderly residents are in greatest demand.
- ✓ Increased access to tax credits, section 8 vouchers, and further development of housing and homelessness services, to address the immediate needs of Carroll County's low-income population.
- ✓ A regional housing strategy that involves working with the shale industry to better understand the trajectory of shale development in Ohio and respond to emerging issues.
- ✓ Ongoing monitoring of housing impacts as shale development continues in the region. It is expected that housing impacts will vary in magnitude from county to county.

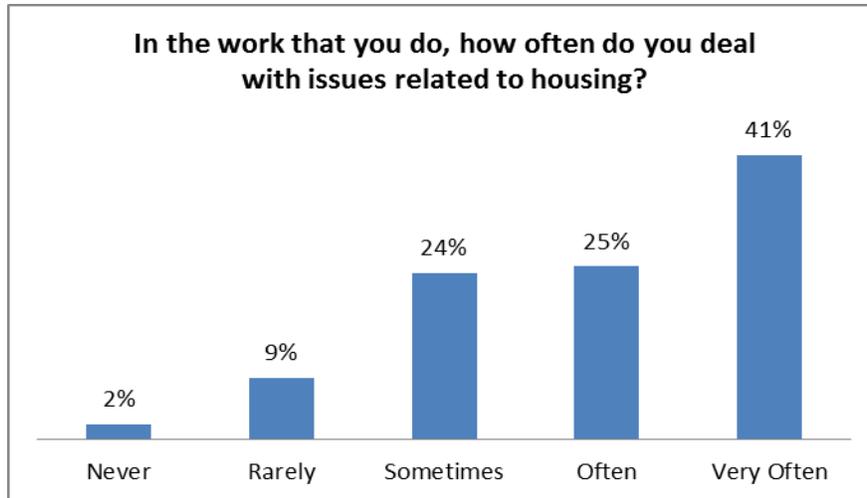
Introduction

In collaboration with the Coalition on Homelessness and Housing in Ohio (COHHIO) and the Carroll County Department of Job and Family Services, Ohio University's Voinovich School staff gathered detailed information regarding the impact of shale development on housing in Carroll County and the surrounding region in November and December, 2012. This information was obtained through four focus groups, four group interviews, and five individual interviews. A total of 65 people participated, including seven individuals from the business sector (11 percent of participants), 20 from nonprofit organizations (31 percent) and 38 representing local or regional government (58 percent).

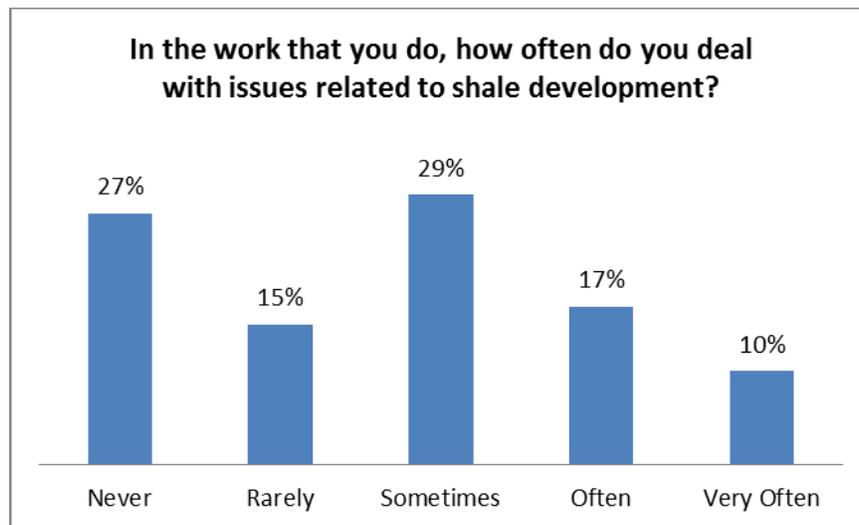


A majority of the business sector participants were real estate agents, rental agents or housing developers. The nonprofit representatives were most often from Metropolitan Housing Authorities, Community Action Agencies or social service organizations. The government-affiliated participants were more diverse, including county commissioners, township trustees and other local elected officials as well as directors and one or more case workers from a range of county or regional agencies focused on economic development or social services.

A majority of participants appear to be well-positioned to speak knowledgeably about the impact of shale development on housing and homelessness. When asked, 90 percent of respondents reported that they at least sometimes deal with issues related to housing in their work, and 66 percent stated that they do so often or very often.



A smaller, but still substantial percentage of respondents (56 percent) reported that they at least sometimes deal with shale development issues in their work, with 27 percent stating that they do so often or very often.



Carroll County was selected as the focus of this research because this region has experienced the most shale development activity in Ohio to date. As of October 2012, 23 wells were already in production, 48 were drilled (or in the process of being drilled) and an additional 87 sites had received permits but not yet begun drilling activity. A majority of research participants (73 percent) report working in Carroll County exclusively or in combination with other local counties, most often Tuscarawas, Harrison, Belmont, Coshocton, Holmes, Jefferson and Columbiana. A majority of the remaining research participants are representatives of housing and homelessness programs in nearby counties. Unless otherwise noted, information contained within the remainder of this section pertains specifically to Carroll County.

Housing in Carroll County Prior to Shale Development

When asked about the housing market in Carroll County prior to shale development, most respondents described it as stable, with an adequate supply of homes for a majority of residents as well as long-term access issues for low-income, elderly, and disabled members of the community. A majority of the housing in the county is characterized as older, single family homes, most in a moderate price range. Although various types of housing exist, the area has relatively few apartment complexes and the availability of so-called “executive,” or higher-end homes, is limited.

Several participants specifically used the term “stable” to describe Carroll County’s pre-shale housing market. One individual with regional knowledge made a point of contrasting this county with some of its neighbors, stating that whereas Jefferson, Harrison, and Belmont have lost significant population in recent decades, “Carroll County’s pretty well been stable for years... a steady, strong little community.” Another commented, “I think before [drilling] started the housing stock adjusted based on what people needed so it was constantly flowing, if we needed more two or three bedroom homes, then more became available. If we needed more singles, more singles became available.” Perhaps because Carroll County has maintained a relatively consistent population, the perception among community members is that Carroll County has long had fewer abandoned houses than other counties in the region.

Prior to shale development, respondents report that there were generally enough homes for sale or rent to meet local demand, making comments such as “Two years ago, I would say that housing was definitely available, it was affordable” and “There was an affordable and adequate supply.” Some even suggested that surplus housing was available, stating “There seemed to be a plethora of ‘For Rent’ signs in this town.” and “Prior to the fracking and the oil and gas, we actually had many houses - rental homes - vacant, to the point where there were a lot of homes in Carrollton itself up for sale.” When asked how Carroll County residents learned of available housing, the most common responses were through the weekly newspaper, word of mouth or a local real estate agent. A smaller number of people mentioned yard signs, the ‘Mr. Thrifty’ publication and online sources such as Facebook and Craigslist.

However, service providers in particular noted that, even prior to shale development, some populations struggled to find housing in this area. There are currently only two affordable housing complexes in the county, and several individuals discussed long-standing challenges faced by low-income residents. As one individual summarized, “The low income or no income folks, they still struggled. We don’t have that many housing complexes so if those were full, they had to be on waiting lists and they even couldn’t afford \$300 or \$400 a month plus utilities.” Service providers participating in a group interview further elaborated:

“Service Provider 1: From my experience, [low-income people] found housing because they had to. Whether they moved in with somebody or there was multi-families occupying, but nothing that is really reasonable that could meet all their needs.

Service Provider 2: It impacted them with the shale being here but before that, like [Service Provider 1] said, they had to do what they had to do, and it didn’t matter what the cost was...

Service Provider 1: So before they just had to make do. Giving up one thing to pay the rent. Giving up the medicine to pay the rent. There really wasn't much of an option. They had to do what they had to do.

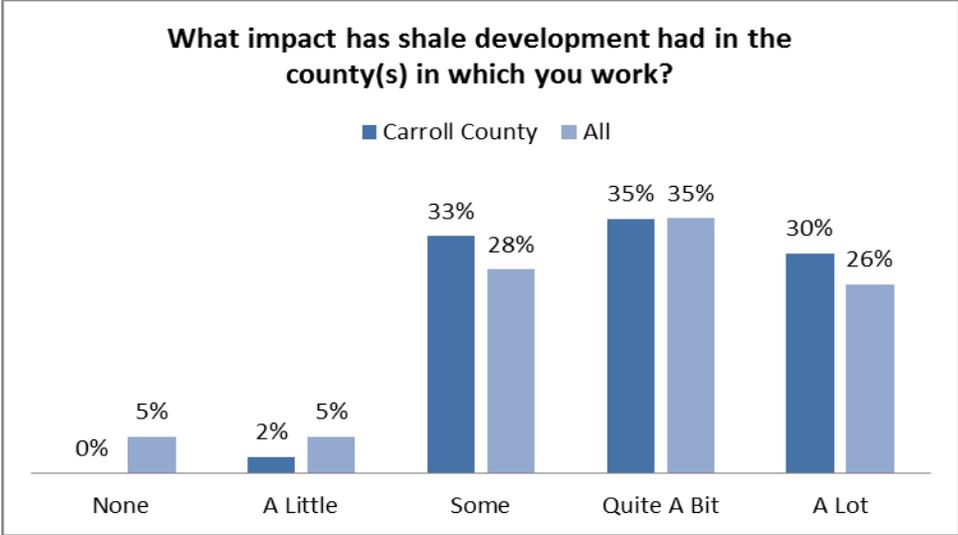
Interviewer: So even before, rents were a little high for folks and there was some doubling up and some sacrificing of things?

Service Provider 3: I think that's the way it's always been because it's such a rural community. A lot of these people do not have the large social security checks because they had low-income jobs. So what they paid into it was not going to get a return or they were farmers. So they didn't have a lot of money to start with. There has always been a need because we have always been poor."

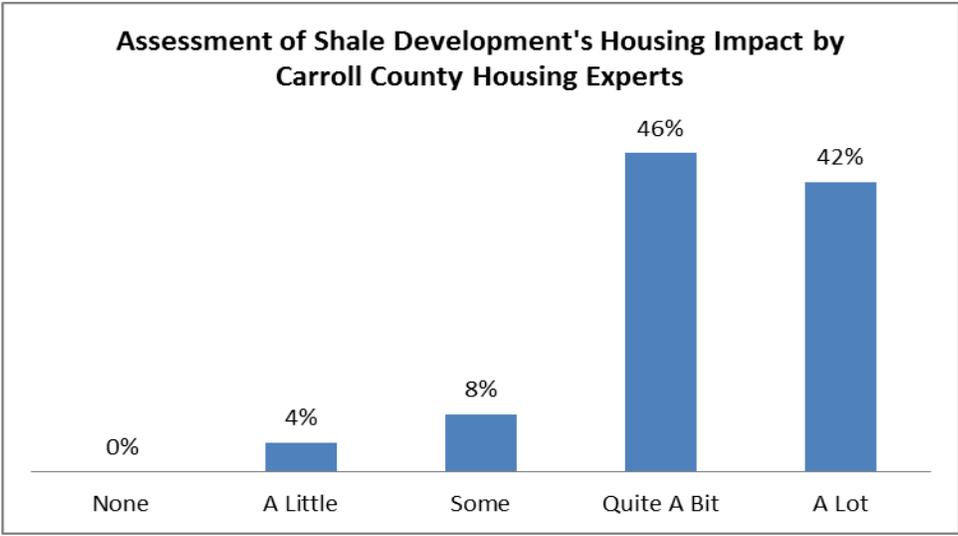
In addition, several participants stated that Carroll County has had a long-standing need for additional housing designed to meet the needs of older and disabled residents. As one participant described it, "one story living without steps, and, you know, something that's ... modern with wider doorways, maybe wheelchair accessible...That's the one thing I think maybe we do lack is some of the senior housing." Similarly, an experienced service provider stated, "Historically, finding any unit for individuals with disabilities would require a variety of supports and has been challenging to say the least." According to feedback received by participants, Carroll County currently has two senior housing complexes, both of which have waiting lists "10 to 15 people long at any one time" and that waiting lists also exist for the county's existing handicap-accessible units.

Shale Development's Impact on Housing in Carroll County

Research participants who work in Carroll County agree that shale development has had an impact on housing, but differ in their assessment of the magnitude of this impact. At the beginning of each focus group and group interview, participants completed a short written survey. One of the questions asked, "Based on your own experience, what impact do you think shale development has had on housing and homelessness in the county or counties in which you work?" and participants were given the following answers from which to choose: none, a little, some, quite a bit, or a lot. Among the 44 respondents who reported working in Carroll County, no one selected "none" and only one person selected "a little." The remaining 43 responses (98 percent) were nearly equally divided between "some" (33 percent), "quite a bit" (35 percent) and "a lot" (30 percent). These results are slightly higher than those obtained from the group as a whole.



Carroll County’s results become even more uniform when restricted to those with expert knowledge of the county’s housing situation (defined as those who report that they “often” or “very often” deal with housing issues as part of their work). Among these 24 Carroll County participants (54 percent of the total), 88 percent assess the impact of shale development on housing to be “quite a bit” or “a lot.”



These results were reinforced by the focus group and interview discussions, during which the vast majority of participants reported changes to the Carroll County housing market that they believed to be the result of shale development activities. Only isolated participants (fewer than five) reported that they had not perceived shale-related changes in housing within this county. Further, when asked, most reported being relatively new to the community and therefore unable to accurately assess change over time.

Housing Utilized by Shale Development Workers

Shale development companies deploy their employees in a manner that seems to influence workers' housing options and decisions. Although companies' policies vary, several focus group participants stated that the most common schedule for shale development workers in Carroll County involves two weeks of twelve-hour work days, during which "all they do is sleep, shower and go to work." This is followed by two weeks off, time which many workers reportedly spend with family and friends in their home state. Workers on this schedule are typically operational service providers involved in drilling activity and other processes located on active sites. Further, companies typically move their employees frequently, often resulting in stays of only a few weeks or months in each community, limiting their ability to commit to long-term housing arrangements. As one focus group participant commented, "They can't look at anything permanent." As a result, the most popular housing options for shale development workers appear to be those that provide the greatest flexibility, such as hotels, campgrounds in which recreational vehicles can be parked and furnished apartments that do not require a year lease or allow for subletting. A few people reported that some seasonal campgrounds are now open year-round to accommodate shale development workers. Others mentioned that local residents have rented out bedrooms for \$100 or \$200 per month or even their driveways, charging workers a small fee to park their camper and use their utilities. Others suggested that a small number of workers are living in trailers parked right at the drilling sites. Regarding these final living arrangements, some concerns were raised about the potential environmental implications of inappropriate waste disposal.

To retain employees with the necessary skills who are also willing to adapt to an unusual work schedule and frequent moves, shale development companies offer highly competitive wages and typically also provide a "per diem" or daily allocation of funds to offset living expenses. Focus group and interview participants expressed differing opinions about how this affected workers' housing choices. Some think that this results in a willingness to pay more for housing, such as one participant who stated, "They don't care what they have to pay. It is irrelevant. If [an apartment] is \$1,500 bucks a month, to them that is cheap." Others suggested that this had the opposite effect, commenting, "They are looking for as cheap as they can get because they get reimbursed, so the cheaper they get [housing], the more money in their pocket." This second opinion is reinforced by several participants who reported shale workers are choosing to commute from communities outside Carroll County that have more amenities, greater housing choices and less expensive rents, such as Canton, New Philadelphia, East Liverpool, Lewisville and Youngstown. As one focus group participant stated, "I have heard gas and oil people say, 'I can't afford to live here...it's cheaper for us to drive 35 minutes.'" Many individuals reported that shale development workers often seek to reduce housing costs by sharing units among multiple workers, who may all live together or alternate every two weeks. "There's bunk house rooms even in town here where there are multiple mattresses laid out in one room... they are two weeks on, two weeks off, they will just move in and out." Finally, a few focus group participants reported rumors that residents of income-restricted affordable housing in the area were subletting rooms and potentially whole units to drilling workers, but no one appeared to have first-hand knowledge of this activity.

Participants expressed differing opinions regarding where shale development executives are choosing to live. Some suggested an increased demand for more expensive housing in Carroll County, such as one

person who stated, “Outside of the village [of Carrollton], there’s a substantial amount of high-end housing. The energy companies are cherry picking and just writing the checks and buying those houses as they become available.” Similarly, a Carroll County real estate agent reported selling shale development executives “what I would consider higher priced homes for our area. One was over \$350,000, which is a very, very high end for our area. The other one was... around \$170,000.” Others suggested that shale development executives are primarily choosing to live in communities with more amenities, as reflected in this comment, “We offered Chesapeake Energy fifty acres at The Lodge to build a complex that they’re building in Louisville right now and they said ‘Thanks but no thanks. Our people want to be around malls, other things, and Carroll County doesn’t have the opportunity to do that.’”

Local Landlords’ Willingness to Rent to Shale Development Workers

Predictably, local landlords appear to vary in their willingness to rent to shale development workers. According to focus group and interview participants, some property owners are reluctant to rent to shale workers, either because they are concerned about renting to strangers, are afraid the property will be damaged or are worried about the loss of adequate, affordable rental options for local residents:

“There are those [landlords] that want families in their house because they feel that maybe they’ll take a little better care of the property. Some of these roughnecks don’t have the best reputation...I know one guy in particular in town told me that he would continue to rent to families only just to make sure that local folks had adequate housing and that was his preference.”

“Some have refused to rent to the gas and oil folks. They have heard reports of what the units look like when they move out and the amount of money they have to put back into the unit, potentially if it is even reusable after that point.”

“The older people that have been renting their homes stay with people from Carroll County because they feel comfortable....[they] are used to, ‘oh, I know your mom and dad, I know your aunt and uncle.’ Whereas a lot of this community... don’t trust new people coming in. I think that is just human nature.”

“A lot of the landlords want to rent to the locals because they’re going to be here forever. These gas guys, they’re temporary, you know, they’re just coming through. So you only lay out that red carpet so much and you depend on your locals for your everyday economy for years and years to come.”

However, research participants suggest that most property owners view renting to the shale development workers as a good business decision, and that they are taking proactive steps to cater to the needs of this population such as offering previously for-sale properties as rentals, providing more furnished units, and not requiring year leases.

“There are some landlords who are, I don’t want to say opportunistic, but who are absolutely going to do whatever they can out of this boom.”

“From a landlord’s standpoint whereas you have local people move in, trash it, leave you high and dry or you have these oil field workers move in and destroy anything, at least you have a corporate person you can complain to. You have a chain you could possibly go through. I know one person who owns multiple properties that is about done renting to local people.”

“Initially when the boom started, and the bigger landlords or the multi-unit landlords were raising their rent, the smaller landlords were saying we don’t agree with that, we want to help the people of the community. And I’ve been hearing that that’s coming to an end. They’re saying we might as well get the additional funds. I’ve also seen some single family homes that were for sale, but that sale has been taken off of the market and they’re turning those houses, three or four bedrooms single family homes, into per diem daily units for folks.

“They’re more accommodating to the people, if they’re trying to make that money. They are more accommodating to the people that might be here for a month or they might be here three months. They’re not saying you have to do a year lease.”

“I know personally several guys that received signing bonuses for their properties for gas and oil, took that money and started investing it in housing or fixing up...again they may be buying share-sell properties, bank repo properties - the cheaper properties that they can put a little bit of money into but actually get pretty good rent and hope that some of these gas and oil guys come in to them.”

Impact on Housing for Local Residents

When asked to describe the impact on housing for local residents, participants most frequently mentioned decreased housing availability, particularly for less expensive rental properties, as well as increased rental prices, higher displacement rates and more frequent sharing of housing among multiple families or generations. Less frequently mentioned were decreased housing quality and an increase in families moving out of the county due to housing-related issues.

Housing Availability

Most focus group and interview participants reported that housing availability has decreased markedly in Carroll County over the last two years. In general, people have noticed that less land and fewer houses are for sale, and the expectation appears to be that this is likely to increase over time. Some attribute this to purchases made by shale development companies or workers, and others suggest that these shortages are largely due to investor speculation and property owners’ decision to rent, rather than sell, unoccupied homes.

“The main thing that I have seen is land is becoming harder to come by.”

“As for buying ground, land...a lot of people don’t want to sell their land because it’s leased or whatever, or the gas and oil company has bought it. You can’t buy an acre to put anything on now. Not even lease to put a mobile home on...If you can’t find a house and you can’t find the land, where are you going to go?”

“We can have an expectation of, the next five years, residential real estate increasing 30 percent - so it is going to affect anybody wanting to buy a house. And it’s gotten crazy enough here and we’re just at the beginning. It has gotten crazy enough, people are going to real estate closings and saying, ‘Take me out and show me what I bought. I’ve never seen it, but it’s in Carroll County and I want to own it.’ I think that is going to drift down into medium income single family houses, where they are just going to pick them off as they become available.”

“People are taking their houses off the market and renting them for a lot of money. When you can rent a two or three bedroom house, even a four bedroom house, for \$1,500 a month, you’re going to take it off the market.”

“Now the housing market is starting to come up too. People are buying them to rent them if they can find them cheap.”

Most participants further asserted that the rental market has become extremely tight in Carroll County, particularly for moderate- and low-income residents. As one service provider stated, “We just can’t house people. It’s not available.” Another described how much availability has changed in recent months, saying “When we were doing the Hope program two years ago in this county, we did not have the trouble finding rentals that I find now. We found places that people could afford. It wasn’t like a 6 month turnover of these people trying to find a place that they can rent and that will pass inspection. It was like two or three weeks and they could find a place. Now they can’t... I have an individual now that has been looking since the program started in July. She’s still not housed.” Although Carroll County has a small number of apartments that are only open to low-income residents, service providers report “there is a huge waiting list” of families hoping to move in, despite the strict income and credit requirements placed on these units.

The lack of low-income housing services in Carroll County (discussed more fully starting on page 23 of this report) makes measuring the extent of this change more difficult. However, it is worth noting that the Metropolitan Housing Authority in an adjacent county reports that at least 40 of their Section 8 housing vouchers (approximately 15 percent of their total allocation) are currently going unused because families are unable to find apartments to rent. According to the MHA Director, “We’re just issuing vouchers and they go out into the community, look for somewhere to go, and we don’t hear from them again.” This is up from fewer than ten vouchers going unused in previous years.

As one Carroll County elected official summarized the situation,

“I think the available supply of housing for low to moderate-income people is shrinking really fast and it is going to continue... We need a strategy, and we need to move forward quickly because it is just going to get worse. We have more drilling permits and more active wells in

Carroll than any other county in the state, and Chesapeake Energy informed us last week their intent by next spring is to double the rig count in this county. Folks have to live somewhere. What happens to the moderate-income person? The person who works at Speedway and they get pushed out of their house and they've got to live in Canton; are they going to drive down here to work at Speedway? I think not. They are going to get a job in Canton. So we are going to warp the whole fabric of the community if we're not careful."

Interestingly, real estate professionals and a few others interviewed for this project had a somewhat different take on the housing situation. Although generally agreeing that land was getting more difficult to buy and low-income families were being pushed out of the market, these individuals suggest that the sale of homes to shale development companies and industry workers has been very limited so far and that, while less abundant, an adequate number of homes are still available for sale or rent in Carroll County for those with sufficient financial resources to pay for them.

Price

Nearly all of the focus group and interview participants reported that housing costs have increased in Carroll County, particularly for land purchases and single family home rentals. Regarding the price of land, several people mentioned that many sellers are keeping the mineral rights to their land and still receiving high prices when they sell, sometimes double what it would have been worth just a couple of years ago. One person described a parcel of land near her home that was being sold this fall without mineral rights and was expected to go for about \$1,200 an acre, but which sold in a bidding war for \$4,100 per acre.

A much larger number of participants commented on the increasing rental rates in Carroll County, although assessments varied regarding the magnitude of these increases. Many individuals reported that rents have nearly doubled, and some described specific instances in which residents received one month's notice that their rent would be increasing by several hundred dollars.

"We help people that are homeless or about to become homeless in finding housing. Before the drilling started we could pretty much find rent reasonable for these people that they could afford, and now, we can't. You're talking large families, they can't afford \$800-900 a month rent plus their utilities."

"We had a family contact our office because they had received a letter from their landlord in the complex - everyone received a letter from their landlord- increasing their rent by \$500 a month.... I think it was going from \$600 to \$1,100 a month. It was nearly doubling ...we see that as an extreme example, but we've seen \$300-\$400 on a regular basis."

"I would say it's increasing in significant increments. Someone who was paying 400 dollars a month, they come and say their landlord wants 650-700 dollars."

"Just three years ago, it was probably 600 or 700 dollars for the house and now they've just about doubled the price to \$1,200 to \$1,500. No low-income family can pay \$1,500."

“Typically, when we would look for clients in the paper [rents] would be \$350-\$450. Now we are looking at \$600, \$800, \$1,500.”

“We’ve seen in our office, landlords that are doubling and tripling the rent.”

“The lower income is who is having the difficulties finding affordable housing because the prices have gone up so if you’re making minimum wage and you’re going to pay a thousand dollars for rent, you can’t do that.”

A small number of participants agreed that rental costs have increased, but suggested a majority of the change is because the cost of rental furniture or utilities is now being built into the price of many units.

“The prices have gone up some on the rentals. But by the time you bear in mind a lot of people want them furnished; a lot of the new people need them furnished because they’re transient workers, they don’t have anything with them, you know? So, they need them furnished. Some of them need utilities included because they just want to pay one bill and be done with it for the month. And when you figure all of that cost in...it’s gone up maybe a little bit, but not as bad as what you would think.”

“There really hasn’t been a total rent increase where they’ve gone from a 400 dollar rent to \$750, but you’re including all of your utilities. There’s a difference there than just being a straight rent increase. I have encouraged people if they’re thinking about renting to the industry to do that, where you’re responsible for the utilities so that they aren’t getting shut off and you have all of those issues. So I’ve seen those recommendations to people who are considering renting to the industry. If you are including your utilities, yes, you can charge more. But I also know some places that are one and two bedroom apartments at a thousand dollars a month without utilities.”

Quality

Several focus group and interview participants reported that, as the price of rental units has increased, some low-income families have resorted to living in places that previously might have been deemed unfit for habitation because that is all they can afford.

“I have seen some really shack-y places that I thought they would probably tear down prior, now they are slapping siding on it, and they are putting a sign right out front.”

I’ve definitely had contact with people who have moved into places knowing that it was a mess. Sometimes ... the [water] well is not working or septic is not working properly and then they come and complain, “This isn’t being done, this isn’t being done.” But at that point, you knew that when you moved in - when you entered that agreement - so there’s nothing that can be done that we can do.”

“I got a complaint last week from a gentleman in Sherrodsville complaining because there was a family of four living in a camper with a dog. I said, ‘Well, what’s wrong with that?’ ... It’s got a roof, it’s got heat, it’s got water.”

“I have a family that is in a disgusting trailer. Disgusting! Cat urine carpets, it’s old, it sat there before she moved in, but it’s \$300 a month... It’s affordable so she can’t move out. I can’t penalize them for that. They don’t have anywhere else to go. They can’t afford anywhere else.”

Displacement and Eviction

Many focus group and interview participants mentioned that there has been an increase in the number of renters being displaced from their residences in the wake of shale development. Sometimes this involves formal eviction proceedings, but more often seems to be an informal process in which landlords may encourage tenants to move by increasing rent, more strictly enforcing rental restrictions or failing to make timely repairs.

“In just this week alone, we’ve had two cases where somebody’s been evicted, they’ve had to move. Both of those families moved to a different county.”

“One of the things I’m noticing with the evictions, a lot of the landlords used to let them go for three or four months, but it’s like one month and they’ll give them an eviction notice to get out. That’s really changed over the last three to four months.”

“What I have heard is that they are not evicting them per se. They don’t want to use the term ‘we evicted you.’ ... They give them notice that by Dec. 1st your rent is going to be this high. Please let me know if you plan to stay, if not you will have to be moving by such and such date.”

“Some say that they feel their landlords are trying to bully them out of those rental units because they know they can get more money and they have landlords that have the properties and know the eviction process, that know that it can’t happen overnight so they are intimidating clients to think that they have to leave. ... I mean, just increasing the rent on someone who can’t afford the 400 dollars, they think that they are being bullied. ‘Why is my rent increasing all of a sudden? They haven’t put a new roof on my unit, they haven’t fixed my unit, they haven’t done any improvements to it, so why is it going up 300 dollars?’”

“We’ve seen it become more and more common... landlords that are locked into the year lease who don’t want to be will find any reason they can to evict or to get out of that lease so that they can raise the rates... The most common that they will try to do is they will not make repairs, there’s some process you have to go through the court to sort of force the landlord to make repairs by escrowing your rent with the court. Most people don’t know that and they won’t follow that process, the landlord will refuse to do it and they’ll not pay the rent and the landlord will evict for failure to pay rent or they’ll refuse rent and allege nonpayment of rent and an eviction complaint.”

A factor contributing to the high rate of tenant displacement appears to be a culture of informal rentals that occur on a month-to-month basis and often do not involve a written lease.

“There are landlords in this area who will not do year leases even upon specific requests by the tenant who has been in this situation in the past and says, ‘I really want a yearly lease’ and that’s just not an option made available to them.”

“A lot of the concern is tenants are not in a lease. They’re in a month to month so their landlords can do what they want with the tenant – it’s not good for them.”

“[My son has] a friend who’s got a couple little kids and just never made that step to buy a place and had lived in the same house for three years,... and the landlord came to them and said - now, they’ve had dogs forever - and came to them and said, “No dogs.” And [they had] no lease, and so they moved and have now bought a place. They’re not, you know, our customers, they’re that next level up of working, young professionals.”

“I have had people call and complain about their rent. It is like, what do I do? There is nothing really I can do. It comes back to the issue that a lot of our [renters], they’ve said, ‘Well, I don’t have a lease.’”

“The clients just leave and feel powerless... if they don’t have a lease, sometimes there is no contractual obligation. They have nothing to fight with.”

The local Department of Job and Family Services reports that they have a small amount of Prevention, Retention and Contingency (PRC) money that can provide up to \$500 for rent if the family provides documentation of an eviction. However, in situations in which the rent has been increased beyond what the family can afford, this only provides a stopgap measure since a household can only receive rental assistance from PRC once every 24 months. Nonetheless, a local PRC case manager reported that they receive daily applications for this type of assistance. When asked specifically about the types of requests received, one case manager reported they are “processing [PRC] applications constantly for some type of housing...we have some car repairs for people who are working but mostly shelter expenses.” It is also worth noting that frequency of assistance under this program was recently decreased from once every twelve months due to budget cuts and that research participants stated some neighboring counties no longer offer PRC assistance at all.

Shared Housing or ‘Doubling Up’

When asked where displaced renters are now living, a few participants mentioned that families have moved out of the county, but a larger number stated that people have been moving in with relatives or friends.

“We see a lot of people, if they can get to Philly [meaning New Philadelphia, Ohio], they are moving to Philly out of this area.”

“I moved in with my sister, I moved in with my mother’...It seems to be happening more often. And it’s just not kids moving back in with parents, it’s parents moving back in with their children.”

“We see a lot of families move in together.”

“These families are living together and because sometimes they’re living together and the stress level gets there, there might be an impact on the abuse, neglect, what happens in the home. And we’ll get that call, then when we get a call we have to address everyone in the household, so we then have two families within the household that we’re dealing with.”

“They couch surf or stay with relatives or stay with friends. So I get a lot of calls, ‘Hey, I am staying with Tom, and Tom says get out by tomorrow.’ So he has to find another place to live. We see a lot of that.”

“Instead of 4 and 5 people in the house, there’s 10 and 12.”

A few service providers reported that they don’t know where their displaced clients are going.

“I have one person that complained to her landlord because in her trailer, where the heating vent was, you could look down in it and see the outside....She had a little guy to take care of and she left. At this point I don’t know where she’s at.”

“They are sort of under the radar now because of their circumstances and now, so where are they? Where are they going? Are we equipped to educate them on where they should be going? If it’s not here, what do you tell them? I mean you don’t say, ‘Live in a tent.’ We ethically can’t do that kind of stuff. That’s really I think a major issue. Are our human services that deal with these populations equipped to deal with our counterparts in other states to say, look you’re going to have to, you gotta go. Let’s begin to set the stage for that. Which I think is the beginning of a horrible scenario. People born and raised here want to stay here but they can’t. That’s sad.”

In the interest of time, most participants were not asked about the impact of shale development on issues other than housing. However, when this topic arose, the most common non-housing impacts mentioned were increased traffic or decreased road safety. Less frequently mentioned were the positive impact on the local economy, increased wait times at local restaurants and bars, a shortage of some types of workers (such as welders), increased demands on certain local officials (such as the county engineer) and increased costs for gas, groceries and other staple items. Most participants report that they know few local residents who have been hired by the shale development companies.

Impact on Specific Populations or Areas within the County

When asked if changes in the housing market have affected some areas of Carroll County more than others, participants were unified in their opinion that it has not, making comments like “It is all over Carroll” or “It is pretty well spread out.” As one person elaborated on this point by saying, “It’s the whole county because the shale development isn’t just in Carroll County anymore. It is in Columbiana, Harrison, Stark, Tuscarawas, but it is more Eastern counties. I think it’s impacted the whole county because Carrollton is in the center and our outside [communities] are next to the other counties, so they’ve been impacted just as much as we have.”

When asked if these changes have had a particular impact on specific populations within the county, participants most often mentioned the elderly and disabled, particularly those who are low-income or living on fixed incomes. As one person stated, “It’s the elderly lady that’s been living there, renting for 50 years and all of a sudden – and she’s on a fixed income, maybe not extreme poverty, but a very fixed income - is now being displaced because of 1,100 dollars a month. I think that’s more what you will see because we do have an older population in this area.” Asking one focus group about impacted populations resulted in the following interchange between two social service providers:

Participant 1: “The seniors and disabled people. There’s so many disabled people that struggle because, once they get disabled, it takes them so long to get something, there is nothing there for them when they’re struggling. They go to Salvation Army, the churches. Sometimes it’s just not enough to make it until they’re approved for their disability.

Interviewer: How long does it take generally?

Participant 2: We’ve seen anything from one to three years.

Participant 1: I think three years usually, sometimes a little longer, not very often.

Participant 2: So there was a need before this shale even came and now it is really bad.

Participant 1: Because our community is poor, their parents or their family can’t help them either. They ask for what they can and their pride makes them so they really don’t want to ask if they don’t have to, but there is a need for it. There are so many handicapped people that don’t have a place or are about to lose their place because they have no income now that they are handicapped. Who knows? Because of a car accident...

Participant 2: And who can float for three years?! I know I couldn’t!

Participant 1: And SSI, they are asking them to live on \$698 a month. That is rent, utilities, and food. It’s not happening.

Participant 2: So a lot of them hit the places where they can go to get food, because they can’t afford to buy the food once they’ve paid the rent and paid the electric.”

Anticipated Duration of Shale Development Activity in Carroll County

When asked to estimate how long shale development activities will continue in Carroll County, research participants provided a diversity of responses:

“I question [claims that the boom will last 15-20 years] because when they do a drill site and they bring in... up to 100 people to drill the well, that is a month or so, and then they are gone. They may move a mile down the road and do another one, but then when the well is in production, there is only a few people there.”

“What I keep hearing is 3 to 5 years, and one of the reasons is we don’t have these midstream companies – midline – whatever you call them – that produce the propane.”

“I think that the boom is going to be 7-8 [years] and that it could be as long as 30 years.”

“I was at a conference just last week and we had... people talking about the shale development and they are saying between 15-20 years.”

“It is great for the production to be ten years, but I think that is a projection if everything goes right and they don’t have any issues. You talk to some of those guys, they tell you they could be here up to 20-30 depending on what they find. If they can get into, what’s that called, the black river tap in. if they can get into that, they’re saying they’re going to be here a long time.”

“If you listen to what the industry has been telling us, we’re looking at a minimum of 20 years of drilling activity.”

Although these estimates vary widely, research participants were generally in agreement that Carroll County is still in the beginning stages of shale development and there is still a great deal of uncertainty regarding how this development will progress over time.

“We’re just still at the very beginning process of this whole issue of development. One of the seminars that I’ve been in the couple weeks, one of the comments was – if this was a ballgame, we’re at the national anthem.”

“What I am being told from energy companies is that in 2013 we are going to see a little more activity and 2014 it is going to go nuts. 2014 is the big hit.”

“We all figure we are just in the early stages.”

“It’s almost like gambling...We don’t know.”

“Depends on how the industry goes in the county.”

“Energy costs are going to play a big role in how long and how hard they’re going to be here.”

See page 17 for a more detailed discussion of the challenges caused by community members’ lack of knowledge regarding the trajectory of future shale development activity.

Knowledge of Existing Efforts to Address Increased Housing Demand in Carroll County

When asked to share what they knew about existing efforts to address housing concerns in Carroll County, most participants said that they were not aware of any, making statements such as “I think everybody is aware it’s a problem. They’re just not exactly sure who takes the lead and what to do about it.” Others had heard about plans that were discussed for a time and then abandoned, particularly related to the development of housing for workers that could later be converted into single family homes. The only ongoing projects that participants were aware of included efforts to develop additional services for the homeless, including a more standardized method for responding to and tracking emergency housing needs, as well as some initial planning that has been done around the idea of establishing a homeless shelter within Carroll County, which was mentioned by several focus group and interview participants. In addition, one person mentioned knowledge of each of the following: discussions about the development of upscale apartment units; efforts to raise HUD’s fair market rate in shale-impacted counties, plans to provide for more long-term RV parking, and discussions about the Carroll County Foundation educating newly wealthy Carroll County residents about philanthropic opportunities to invest locally, some of which could assist with housing. Based on how these activities were discussed, none seemed to have progressed beyond the initial discussion and planning stages in Carroll County. Given the broad representation of Carroll County elected officials, agency representatives and housing experts who participated in this research effort, this is believed to be a relatively accurate reflection of current planning and activity levels related to housing. However, it is possible that confidentiality issues may have prevented some participants from sharing all projects of which they may be aware.

Barriers to Addressing Increased Housing Needs in Carroll County

It may be that the lack of robust plans and activities designed to address Carroll County’s unmet housing needs is the result of barriers to development identified over the course of this research project. These included a high level of uncertainty about the shale development trajectory, lack of adequate land or infrastructure, concerns about the risks of over-building, active resistance to housing development efforts, and an overall lack of affordable housing services within the county.

High Levels of Uncertainty Regarding Shale Development Trajectory

One of the concerns most frequently raised by focus group and interview participants is the overall lack of clarity regarding the future of shale development in Carroll County. Many individuals described how pervasive uncertainty regarding the extent, location and timing of future activity has interfered with both planning and investment related to housing.

“I think it is just such a big unknown that we are reactive rather than proactive. I don’t think anybody knows how to get ahead.”

“We hear things through the grapevine, you know, that there’s going to be more development done here in the area, but until they come to fruition, they’re simply rumors. ...we can’t substantiate any of that.”

“How do you estimate how many people - if we’re in the first part of this ball game - how many people do you estimate are going to come, and who’s going to build or where are you going to find spots to build, to put up housing? And then [what if] it doesn’t happen?”

“If people are going to lay out the big bucks, they are going to want to make sure that this industry is going to be in this area for another 20 years.”

“If there’s a shortage of housing and somebody says ‘You know what, it’s great! We need to build an apartment complex with 80 units.’ Well, that’s a huge cash input and you’re not 100 percent sure it’s going to come. If it does, you’re a hero if it doesn’t then...you’re a zero.”

“Everything is just in a holding pattern. We don’t know if the rumors that we hear will happen or not. If the rumors that we hear happen, we’re probably in trouble (laughs). But if it just comes in slowly, instead of just boom, all at once, we’re holding our own now. So, we’ll see what happens.”

“It has come down to the point where residents of the county don’t trust these big gas and oil companies because they have been fed a line of bull about how they are going to come in and they are going to do this and they are going to do that and then nothing ever materializes.... There is a lot of empty talk.”

Some participants interpreted the lack of current development as an indication that housing developers have already determined that additional residential building in Carroll County would not be profitable.

“If it were worthwhile to build a development with private money, we’d have people knocking on our doors right now. “

“There have been developers in and they’ve looked. So, there hasn’t been anything in their mind.”

However, one elected official suggested that developers may also be stymied by a lack of information:

“I have developers in my office a couple times a week. They all have the same question: what do you need? I hate telling them that I am too dumb to tell them what we need, but that’s the answer! I don’t know...I can’t answer them. I am hoping that you guys [referring to the researchers] come back with a document and say, ‘Based on everyone’s experience in Pennsylvania or wherever, here is what you need to do.’”

Lack of Adequate Land or Infrastructure

Frequent references were made during both the focus groups and interviews to the lack of adequate land for development within Carrollton village limits and the lack of adequate water and sewer access outside village limits.

“The problem for Carrollton is there are no sites. There are very few sites to build on.”

“Part of the problem is the village size and where public services are available. If you’re not in the village where you’re not going to have sewage and water, what they have to pay to put in a septic system...is prohibitive... So they have to be able to hook into the public sewer and water, and there’s not a lot of availability of those sites.”

“There are a lot of areas within the county, Carrollton exclusive, other small townships... Property is available. The systems just aren’t in place.”

“The availability of infrastructure-sewer and water basically. You get beyond the boundaries of Carrollton and you have nothing.”

The competing interests related to this issue are well illustrated by the following interchange that occurred during one of the focus groups:

“Participant 1: Why hasn’t Carrollton annexed some of these places to make Carrollton bigger from all the different areas? I just wonder...”

Participant 2: Well if you draw a circle around Carrollton and you say, ‘Okay, we want to expand outward.’ Say you annex out 43 another mile, out 332 past the school or whatever. The village looks at it, ‘If we take that on, how much revenue are we going to derive from that?’ It’s not like... you’re going to have 300 houses outside the village.

Participant 3: Unless you get 5,000 [population] and become a city.

Participant 2: But then the village has that cost of patrolling and fire protection and all that stuff. And then the village also has [to consider] if they want to run water and sewage to those areas. So the project is going to cost you ten million dollars to run it there but if you break it down, what’s your income stream from hooking those people on? And then the other thing is, if the sewer line runs past your property, you have no choice but to do the hookup. So all of a sudden now you’ve got – first time you talk about annexing outside the village then the people who live outside the village say, ‘If I wanted to live in the village, I would’ve lived in the village. I choose not to.’

Participant 4: It’s about eight to ten thousand to hook into the public sewer and water lines per household isn’t it?

Participant 2: Yeah, plus your monthly fee. So all of a sudden you've got somebody that has their own septic tank and it works fine, and I ask...go ahead and pay me eight or ten thousand dollars and another forty or fifty dollars a month and, by the way, it doesn't do anything for you."

Concerns About the Risks of Over-Building

Many focus group and interview participants also raised concerns that providing a permanent solution (traditional housing development) to what may only be a temporary population increase could eventually result in a housing glut.

"One of my concerns is going to be if we do develop significant amounts of housing, when everybody is gone and we are just pumping and not developing anymore, there is going to be a significant rut in rental housing and then you're going to have landlords that can't rent their units."

"You don't want to end up with this glut of housing 20 years from now in a town going to pot. So you want to have some temporary housing that can move when the crowd moves."

"This boom and bust cycle...I don't know how long we'll be in the boom, but I guess my fear is that we overdevelop the county and then, when we turn the cycle the other way, then we have a lot of empty properties. "

Active Resistance to Housing Development Efforts

Many focus group and interview participants told similar stories about housing developers that met with community resistance in Carroll County.

"They wanted to do a man camp (these man camps are like 4 bedroom homes built in a cluster with common areas) and the village voted that down, not to allow any man camps. How they got away with it, I don't know. Then, the same developer went just outside of town, where it was still the infrastructure of water and sewer and had a proposition to build a few of these and the village came back and said we don't have enough capacity for water and sewer."

"I have been working with a developer who is committed to do more rental units and was basically told, 'We don't need you.'"

"The community, at least the folks I deal with in the community, is adamantly opposed to man camps. We've had two developers in here who were going to develop man camps, and they were cut off at the knees."

"There is a developer who actually went as far as doing plans and spending \$7,000 to do rental units, and walked away from the approval process because he could see he wasn't going to get approval. There were too many road blocks thrown out by local officials."

“We had a developer who wanted to work on some, I don’t know that you want to call it a man camp, but they were looking at bringing in modular housing. There would be four bedrooms, four baths in each house. When this process was over, they were then looking to convert them back to single dwelling houses. And so, the village did not want to work with them. So we haven’t seen much of them since.”

“There was one deal that was already, it was kind of proposed, and I think it was kind of nixed because of all the restrictions and things the village was gonna require the contractor to do, and he said it just wasn't financially feasible.”

It is not clear whether these stories reference multiple developers and projects or only one. However, when asked a general question about community receptivity, one housing developer interviewed for this report responded, “From the community standpoint, everyone we talk to is always receptive, with the exception of Carrollton,” and went on to tell a similar situation to those described above. As one Carroll County elected official summarized, “In my perspective, it’s okay that people stay someplace other than Carroll County and drive here. Hopefully that will prevent some issues for us.”

Research participants offered many different explanations for this resistance. Some expressed the opinion that it stemmed from concerns about having outsiders move into the community and the effects this might have on crime rates and resident safety.

“Carroll County has been fairly closed community and has not wanted outsiders coming in.”

“They talked about putting those housing modular home type situations, renting them to two or three guys. [A co-worker’s] daughter is home after school every day. Things like that, it just brought a lot of awareness that you don’t think of because you live in a small town and you know everybody and I’m not saying that the crime rate has gone up, by any means. I don’t know in that aspect. But, I think it did bring concern. It did make you more aware of, do we really want everybody living here?”

“One person did say that they didn’t want any man camps in the county because it would bring in gambling and prostitution...that probably has something to do with the resistance.”

Others think that the primary concern was that the proposed development was viewed as a man camp, prone to be of poor quality and likely to become an eyesore.

“The place was perceived as a man camp and the village simply said we are not going to extend the sewer, go away and leave us alone. I mean the perception was that this was a man camp, it is going to be a disaster, and we don’t want that here.”

“You got the sheriff yelling about it and then beyond that you’ve got folks saying ‘What the hell is it going to look like 5 years from now?’ and just a negative perception of the community who leaned on the village council and the village council said ‘Alright, you’re not getting water and sewer, see ya.’”

“Part of the reason the village didn’t want to work with them is the site they were going to choose was in the village, and they asked the developer to put the streets in to meet the code of the village and they chose not to. They said, ‘No, we just want to put gravel.’”

“I don’t think... people in Carroll County are interested in developing housing of that type because of exactly what you said, that’s an eyesore.”

Still others suggested that the resistance was the result of one or more local landlords taking steps to protect their business interests.

“[A local landlord] said in an open council meeting, ‘We don’t need temporary housing for these folks’ because he was afraid... he was going to lose rental business if this other group came in and that was one of the reasons also that the village said ‘we don’t need to work with you right now.’”

“I think it was just a little pressure from local businesses saying, ‘You are going to hurt me by approving this.’”

“[It was] even to the extent of one local landlord saying – it was not evident, but it was behind the scenes – existing businesses saying, ‘We can take care of this, we don’t need you. Go away.’”

“A lot of people in this town who already have businesses do not want to let anyone else come in.”

Finally, some participants suggested that the resistance reflected an ambivalent attitude toward the possibility that shale development workers or low-income residents are being priced out of the Carroll County housing market.

“They are not chasing away developers who are putting up ¼ million dollar homes. Again, because the perception is those are people we want.”

“I feel as someone who lives and works in Carroll County... we have to convince our county commissioners that low income housing is needed in this county, because they do not believe it. I have an article on my board over in my office, a commissioner in the newspaper quoted, ‘We do not need low income housing in Carroll County.’ ...That is why I think there is no Metropolitan Housing here - because they don’t want it here... I think they have a stigma of low income people, low income housing. It’s a stigma of that quality of people, and they don’t want it.”

This position was further elaborated on by a group of social service providers participating in a group interview.

“Participant 1: The commissioners do not think we need housing for our people here because they don’t think Carroll County is poor, but they don’t see our clientele that much.

Participant 2: They don't want to see our clientele. It has always been a rural farming community. They don't want any kind of (inaudible) as they would call it.

Participant 1: They are closing their eyes to what's really out there.

Participant 2: I think they hope there is no housing for some of our clientele they will go elsewhere and migrate elsewhere.

Participant 3: Make it somebody else's problem."

Lack of Local Housing and Homelessness Services

Many focus group and interview participants mentioned the lack of housing and homelessness services in Carroll County. Although this situation predates the development of shale activity, it may cause further challenges when attempting to respond to the developing housing shortage, both for individuals seeking assistance as well as for the development of a community response to housing needs. Services mentioned that would be helpful but are not currently present include a Carroll County Metropolitan Housing Authority (MHA) with dedicated Section 8 vouchers, Habitat for Humanity, Legal Aid, and a homeless shelter.

For individuals experiencing a housing emergency, this lack of services presents a significant barrier. Several people mentioned that low-income residents facing eviction or other landlord-tenant issues have limited access to an attorney because the closest Legal Aid office is in Tuscarawas County. Similarly, frequent mention was made of the difficulty finding a shelter bed for Carroll County residents.

"There's no homeless shelter here [in Carroll County]. There is none in Harrison, so all of our people go to Tusc. and they are way overloaded in their shelter."

"We would try to find shelters and [would be told] 'We can't take your people, we don't serve Carroll County, we're too full.' There was just nothing."

"We will get families with domestic violence issues, rent issues, being evicted for some reason, and we have to send them out of county because we have no resources. We are sending them to the Harbor House in New Philly."

Salvation Army can reportedly sometimes provide small amounts of financial assistance, such as contributing a portion of a security deposit or for a single night in a hotel. As one social service provider described it, "You never know when that is or how much. They just seem to sporadically get so much for rent now and then. So we refer them, not knowing if they can really help." Participants reported that other local churches may offer occasional help as well, but primarily focus on assisting their own members. As one participant summarized, "My biggest frustration is when someone comes in and wants help, I don't know what to tell them. I'd like to be able to hand them a sheet of paper or something updated, correct, to say here's a list of what we have who can help you....But there just aren't resources."

Because Carroll County does not have its own MHA, neighboring counties have tried to provide coverage. The Harrison County MHA used to provide management and shared Section 8 vouchers for Carroll County and, more recently, Stark County MHA has stepped in to play a similar role. However, as one MHA Director commented, “Carroll doesn’t have their own Authority and sharing vouchers with surrounding counties, kind of puts them in difficulty. Like I said, [the] voucher list is full.” Even service providers who regularly deal with housing issues seemed unclear regarding the Section 8 services available to Carroll County residents, with some suggesting the responsibility lies with Stark, Harrison, Jefferson or Tuscarawas County, depending upon where in the county the client currently resides. Others reported that recent funding cuts have significantly reduced the surrounding counties’ willingness to assist Carroll residents at all. As one commented, “I give the phone numbers if people ask, so they can call. I don’t give them a sense of hope. I say, this is the phone number, I don’t know if they can help you.”

The shift to a regional Continuum of Care model may further limit Carroll County’s ability to access available funding for housing and homelessness efforts. As one housing expert from a neighboring county described it, “There’s no representation on any kind of continuum in order for [Carroll County] to submit grants, because when you submit a grant for homelessness assistance, you have to have the blessing of a continuum to do that.” Similarly, a Carroll County service provider commented, “I think the problem is that we are just so resource scarce... We have a coalition, the Continuum of Care out of Tusc. County. We don’t heavily participate in that, but we ought to.”

Limitations of State and Federal Funding Programs

In contrast with discussions with housing developers and housing representatives from other counties impacted by shale development, the participants in the Carroll County focus groups and interviews did not generally identify limitations or restrictions of funding sources for housing as a significant barrier to development. This may in part be an indirect result of the lack of housing and homelessness services in the county, since there is no Carroll County MHA or shelter director who would have had personal experience working with these funding streams. The few comments made focused primarily on funding cuts, such as “HUD, that whole area has been cut” or “The programs are in place, they are not funded appropriately.” A few participants also suggested that the inspection process for the Section 8 voucher program also acts as a deterrent to participation for some landlords.

Ideas for Addressing Housing Issues in Carroll County

Most people who participated in focus groups or interviews seem to think that some action should be taken to address housing issues within the county, perhaps by leveraging some of the resources being generated by shale development.

“If you’re going to address the demand that is coming,... it’s about supply. That doesn’t solve everything, but that solves a big problem. Right now, you need more housing because you don’t want to displace others that live here.”

“We need a strategy and we need to move forward quickly, because it is just going to get worse. We have more drilling permits and more active wells in Carroll than any other county in the state, and Chesapeake Energy informed us last week their intent by next spring is to double the rig count in this county. Folks gotta live somewhere.”

“There is an influx of money that hasn’t been here before. Maybe there’s got to be some payback, some pay it forward from those who are profiting a little bit... There’s a lot to happen infrastructure wise. I mean you’ve got water supplies and roads and all the things that come with a growing community that happens overnight. Everybody needs to invest whether you are making it or losing it, it’s all about coming together as one.”

“We need to approach the gas and oil companies directly and say, ‘This is the impact you are having on our community directly, and this is developing into a PR issue for you.’ For good or bad, what kind of assistance can they have? If they are paying the kinds of lease up bonuses and what not that they can, it’s a drop in the bucket of that that would help significantly in developing some low income housing in each of these communities. I think that is certainly one approach that is going right to where the money is directly and saying ‘Help out in this community.’”

“Everyone is going to want their piece of the pie. So you are not going to get private land owners or landlords to...go back and rent to the people [they] used to rent to before this all...it’s a real challenge that somehow they have to be part of the process. You can’t leave them out. I think that is the real challenge is the state and private and other people and energy companies need to be part of that process too and say ‘What is fair?’ so that everyone gets at least a little bit of this.”

Many participants suggested that additional housing units should be developed in Carroll County, although opinions varied regarding the type of accommodation that would be most beneficial to the community. Most frequently, individuals suggested developing affordable housing to meet the needs of the county’s aging population or those with disabilities. Some recommended building units to house shale development workers in the immediate future, with the expectation that they would be converted to housing for the elderly after the boom subsides. Others favored targeting seniors right away, suggesting that shale development workers could live in homes vacated by older Carroll County residents who moved into these new units.

“When all this is died down, years and years from now, with the seniors and baby boomer population exploding, there is not enough nursing homes or senior housing now. There is going to be a severe lack in the future, so plan now and utilize the resources that are going to be in the area to supply needed housing for the future.”

“I have no doubts at all that we could fill a disabled facility in a heartbeat.”

“There is a website that’s been doing studies on the increasing elderly population and the need for housing and there has been some conversation about, is there a strategy in our current situation to build something, some multi-unit...to help gas and oil people that, when they’re gone, could be moved into an assisted living [complex]?...We don’t have any assisted living.”

“Definitely we need this infrastructure for senior citizens and the disabled...Something for rent for those oil and gas that can be used later on for those senior citizens when they leave. That’s definitely something that would tremendously help Carroll County I feel.”

“Senior housing would solve some of that [the housing shortage]....They are going to vacate their homes or vacate existing housing in the community which will make room for others.”

“If we had senior apartments and not necessarily low income, just senior apartments ... Assisted living, where you move from these apartments, where let’s say the husband has a stroke and has to go to assisted living, but he really isn’t disengaged with his community because he is still in the same community, still has the same walking paths and the wife can walk to see him versus having somebody drive her. What that does, is it opens up this other housing which is a house, many bedrooms. It can do a couple of things. It can accommodate the needs of people coming in. It can also become housing for landlords that could then rent homes out to the low-income [population] who would normally have larger families and need more bedrooms.”

A smaller, but still substantial group favored utilizing the Low Income Housing Tax Credit (LIHTC) program to develop more low-income housing, arguing that only the development of more income-restricted units would prevent these residents from being priced out of the Carroll County market.

“One of the things we’ve talked about is approaching developers about developing some rent-restricted, income-restricted housing, tax credit program or something that simply is going to have to go to our folks...At this point, it’s the only thing I can come up with to ensure that we’re not going to get six months in and get a 30-day notice because they can rent it for twice as much.”

“I think [development of low-income housing] is a viable opportunity because it brings the private market in to help do the construction or the investment side, whether it is tax credit or what. If you are able to secure the subsidized rents and as long as you don’t make it a project and you make it a nice housing product, then the community and the residents that live there are going to, long-term, have sustainable housing.”

“The government needs to modify the way they have historically done business to respond to the needs and work more closely with us to get these site-based programs.”

Isolated individuals recommended focusing development efforts on rehabbing existing buildings, or on providing temporary housing options for shale development workers. As mentioned previously, a majority of participants suggest that Carroll County lacks sufficient unused residential properties for the former suggestion or adequate community acceptance of the latter.

“We have two empty buildings that were closed school buildings that someone could probably buy for a dollar each and put in housing.”

“There would be some inventory to rehab to two- and three-party houses, [but] there’s not a lot of houses that would be big enough to split up like that. A lot of the grand old houses that lend themselves to being made into multi apartments, unfortunately, we’ve lost a lot of those older homes like that. They’ve been torn down to make parking lots.”

“Some of the housing has to be temporary. It can’t be permanent. So the idea of a man camp for a large group of those individuals might be [necessary]Lesser restrictions or eliminating some of the stereotypes of what that would look like - it needs to probably occur.”

Several other ideas were suggested that did not directly involve the development of additional housing units. These generally related to establishing new housing-related services in Carroll County or altering existing service parameters, particularly for the Section 8 program and the LIHTC allocation process.

Some focus group and interview participants recommended providing additional housing-related services in Carroll County, including establishing an MHA, aligning with the Continuum of Care, and facilitating access to Legal Aid.

“Carroll County needs to start developing a Metropolitan Housing Authority of their own....It’s very needed in this county.”

“In the short term, a decision has to be made where Carroll County aligns, with the Stark County MHA or this other regional body [the Continuum of Care].”

“Maybe we need one or two days a month that we offer space to Legal Aid, that they come, and it’s your landlord housing issue day.”

Multiple participants mentioned the need to increase the number of housing vouchers, raise the fair market rate paid per voucher or incentivize landlord participation in the program.

“I would like to see more vouchers, more landlords work with HUD to provide those vouchers.”

“If the county commissioners would sign off with community support, HUD would be receptive to listening to a petition to have Carroll County have their own voucher... it would control a certain number of vouchers.”

“Start to do what is easier to do and obviously that is something that could happen - to raise the FMR [fair market rate]”

“The rents are priced at what the market will bear at this time; and HUD just needs to up the vouchers.”

“There should be an incentive to landlords because it’s quite expensive for them to get housing ready for HUD approval. So if the landlords had some type of incentive to upgrade...they are so detailed when they inspect down to if there’s a piece of lint on floor, you don’t pass inspection.”

In addition, a few participants suggested that counties impacted by shale development should receive additional points or other preferential treatment in the LIHTC allocation process.

“Considering the uniqueness of circumstances that are going on here and in some of these other counties....the state just can’t say, ‘We’re just putting out an RFA [request for applications]’ without being mindful of some of what’s happening. That’s the reality. It shouldn’t be a writing contest between counties.”

“These state credit programs are all competitive... I think what needs to be done is the state needs to step in and make it, target, you know, if they would give extra points for projects in this area for that type of housing - senior or otherwise - then you will have developers.”

Finally, a substantial number of participants either did not respond to this question, said they did not know what should be done or suggested that Carroll County needs more information and assistance to develop an effective plan of response. This may in part be due to the lack of housing professionals within the county and the general uncertainty about the trajectory of future shale development in this region, both of which were discussed in some detail earlier in this report. However, it likely also reflects the difficulty of figuring out an appropriate and timely response, particularly given the current availability of resources to address housing issues.

“From a local standpoint, we are just in trouble with everything. It is communication. A lot of people don’t know what is available locally or state, or federal. Even state and federal grant moneys or loan moneys. Sometimes that information isn’t given. It doesn’t come down the pike unless you are conscientious as a government worker and you read every notice that comes through and you scan all the internet sites constantly for available grant monies....A lot of times, unless the commissioners find out about it and put it in the paper, nobody knows what’s available.”

“Pennsylvania is about a year and a half, two years ahead of us. I mean I am going to ask a simple question. Has the state of Pennsylvania or people in Pennsylvania, or OU or others done similar studies?... Obviously, there are people that have been through this. We don’t need to reinvent the wheel.”

“I think there’s some avenue, from a system standpoint, to pull the frontline housing folks together in some kind of cross-training.... I don’t know that the housing folks across the systems

have come to together to look at some kind of cross-system or strategy because housing is a huge issue. We haven't pulled the front line people together to say, 'How are we going to link up with HARTACUS to fill in all the gaps and is there program development that we need to do?'

"I think what the state needs to do is to come in and, not strong arm, but at least work with the local officials, the county officials, the city officials, the village officials, the township officials, etc. and try to incentivize, [saying] 'Look we need to address this and you need to open your doors and arms a little bit and receive some of this, whether it is temporary housing, man camp, whatever you want to call it.'"

Conclusion

This research documented initial findings on the early impact of shale development on housing availability and affordability in Carroll County. The study serves as a foundation for further investigation in Carroll and other counties in the region. In addition, the information compiled may be useful to inform local and state strategy development and assist communities in adapting to this emerging industry.