



CANTON HOUSING MARKET ASSESSMENT

April 3, 2003

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CANTON MINISTRIES
Inez Dixon - Executive Director

MISSISSIPPI HOME CORPORATION

CITY OF CANTON

CERTIFICATION STATEMENT:

I, Robert L. Barber, Sr., AICP, do certify that to the best of my knowledge and belief that:

1. The statements contained herein are true.
2. All information is presented in a manner that is accurate and unbiased.
3. The work was prepared according to the AICP Code of Ethics and Professional Conduct as well as AICP Technical Standards of professional practice.
4. Compensation was not based on a specific finding, professional opinion, or approval by a regulatory body.

Robert L. Barber, Sr., AICP #8048
April 3, 2003

EXECUTIVE SUMMARY

The City of Canton, Mississippi lies in proximity to the Nissan industrial facility scheduled to open for production in 2004. Because the Nissan Plant is expected to create 5200 jobs, the impact on the local housing market is perceived to be significant. This Housing Market Assessment represents an objective analysis of this perceived impact on housing in Canton. The assessment also recommends measures that should be taken by the City of Canton to provide for the impact in a planned manner that will enhance the City's quality of life.

Primary analysis was conducted on Canton's expected share of the jobs created by Nissan, its secondary job creation, and the remaining jobs likely to be created over the next five years. The fundamental assumption of the analysis is that job creation will result in demand for housing and that the resulting housing demand may be distributed geographically based on theoretically equal conditions. This distribution may then be annualized to determine how local land use policies, local housing supply, or quality of life issues may impact the theoretical distribution. Such location factors that are under local control may then be altered to achieve housing and community development goals.

Market forecasts are subject to many variables and assumptions which can result in conditions very different from those forecast. However, given the study parameters and purposes of this market assessment, the study results give a reasonable and reliable assessment of the future housing impact on Canton.

In summary, the analysis identifies over 400 units of future housing unit demand over the next five years as a result of the Nissan plant. The analysis further identifies local policies that serve as barriers to accommodating this demand. The assessment recommends that local officials take the following actions:

1. Make additional acres of land available for market rate and low-moderate income multi-family development
2. Work closely with Canton Ministries and the Mississippi Home Corporation to assure access to appropriate financing for new housing construction and for rehabilitation of existing housing
3. Organize neighborhood associations to help encourage clean, attractive and sound places in which to live.
4. Offer financial counseling services in support of existing homeowners and those seeking to purchase homes.
5. Review the city's zoning code for barriers to development of quality multi-family housing such as poor site development standards or lack of land zoned for such development and amend codes as required.
6. Review the city's zoning code for barriers to redevelopment of infill lots and amend codes as required.
7. Improve and accelerate the city's code enforcement program by aggressively enforcing property maintenance and other nuisance codes.
8. Support Habitat for Humanity by offering resources to replace dilapidated housing with sound units.
9. Implement programs offering financial incentives for housing development, including tax incentives for developers who build affordable housing.
10. Annex land to provide adequate land resources for new development.
11. Aggressively pursue MHCs "Get on Track" program designed to help potential homeowners with credit problems.

What follows this executive summary is the detailed analysis from which these recommendations have been derived.

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I. INTRODUCTION

Canton, Mississippi has the opportunity to capture substantial investment in housing as a result of the Nissan Automobile production facility under construction just south of the City. The Nissan plant will produce a high level of wide ranging investment and have a substantial economic impact on the area. This impact includes investment in new and existing housing to accommodate an expanded labor force and higher incomes. Canton, due to its proximity to the facility, stands to benefit greatly from the expected investment.

However, there are specific barriers within the City of Canton that will inhibit the City's ability to capture the full benefit of the investment being created by Nissan. Canton Ministries, a Community Housing Development Organization, seeks to improve Canton's ability to benefit fully from Nissan's housing and community development impact. One method of achieving this goal is to provide information and recommended initiatives that will facilitate investment and result in an improved existing housing stock and high quality new construction that meets the needs of its clients. This Housing Market Assessment is a substantial effort in carrying out the Housing Mission of Canton Ministries.

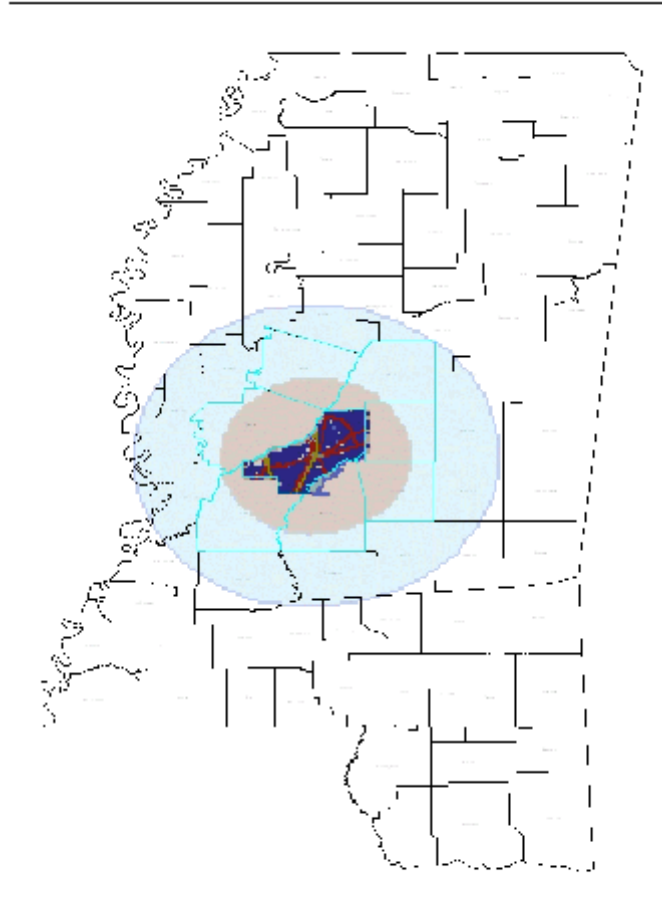
The purpose of this study is to determine the potential impact of Nissan on the Canton Housing Market over the next 5 to 7 years, identify barriers to capturing that investment, and offer strategies that will reduce these barriers and encourage potential investment.

In order to achieve the purpose, the study is divided into four parts. It benchmarks Canton's ideal share of the housing that is anticipated to be created by Nissan. Next it identifies and discusses housing supply issues. Thirdly, it identifies issues and barriers. Finally, the study identifies specific strategies for actions.

II. NISSAN'S HOUSING IMPACT

A. Nissan's Area of Influence

Mississippi Development Authority officials state that the facility will draw a labor force from a sixty mile radius. The primary labor force will come from a thirty mile radius. Map 1 illustrates the area of influence.



**Map 1,
Nissan's Area of Housing Impact**

B. Job Creation

It is assumed that housing impact is a function of job creation. In order to determine specific housing impact in the region, job creation must be forecast within a specific time period. For study purposes, job creation is divided into three categories; Nissan jobs, secondary jobs attributable to Nissan, and other jobs.

Nissan officials have stated that the facility will create 5200 jobs. Secondary jobs are assumed to be created at a rate of 20 percent of the total Nissan jobs specifically for Madison County. Based upon the Mississippi Development Authority forecasts and analysis in the this report it is expected that there will be 1279 jobs created in Madison County over the next 5 years.

C. Job Distribution in the Region

Having established the region of impact and expected level of job creation, jobs may be distributed within the region. In Table A-1 the region of impact is divided into two areas; that within a 30-mile radius of the Nissan Facility and that from a 30 to 60 mile radius, as illustrated in Map 1. The area within a 30-mile radius is expected to draw a proportionately higher percentage of the Nissan employment because of its proximity to the plant. Consequently, the 30-mile radius region which normally contains 72 percent of the civilian labor force is inflated to assume a position of 90 percent. The outlying area, which in the even distribution contains 28 percent of the civilian labor force is reduced to a position of 10 percent. Percentages are then calculated by county and applied to the forecasted job creation to derive at a Nissan-impacted job forecast by county.

TABLE A-1						
Distribution of Projected Employment in the Region By Civilian Labor Force (CLF)						
County	CLF	Share	Nissan Jobs	Sec. Jobs	Other Jobs	Total Jobs
Hinds	131,000	49.4%	2360	472	n/a	2832
Leake	9,440	3.6%	170	34	n/a	204
Madison	38,760	14.6%	698	140	441	1279
Rankin	62,830	23.7%	1132	226	n/a	1358
Scott	13,190	5.0%	238	48	n/a	285
Yazoo	10,030	3.8%	181	36	n/a	217
CLF within 30 Miles	265,250	100.0%				
Even Distribution	72%					
Weighted Distribution	90%					
30 mile Nissan Jobs	4779					
Attalla	8,140	7.9%	41	8	n/a	49
Copiah	11,350	11.1%	57	11	n/a	69
Holms	6,580	6.4%	33	7	40	

2	Humphreys	5,320	5.2%	27	5	n/a	32
2	Issaquena	720	0.7%	4	1	n/a	4
2	Neshoba	16,410	16.0%	83	17	n/a	99
2	Newton	8,540	8.3%	43	9	n/a	52
2	Sharkey	2,630	2.6%	13	3	n/a	16
2	Simpson	10,590	10.3%	53	11	n/a	64
2	Smith	6,080	5.9%	31	6	n/a	37
2	Warren	26,090	25.5%	132	26	n/a	158
	CLV 31-60 miles	102,450					
	Even Distribution	28%					
	Weighted Distribution	10%					
	31-60 Mile Nissan Jobs	517					
	Grand Totals	367,700	100.0%	5296	1054	2644	8994
	Nissan Jobs	5,296	1.4%				
	Secondary	20%					
	Proximity Weight	125%					
	Distance Penalty	35%					

Source: Analysis, Robert L. Barber and Associates

Table A-2 provides a distribution of the jobs forecast by the Mississippi Employment Security Commission for the Jackson MSA. These jobs are distributed by respective county share of the MSA's civilian labor force. The table indicates that Madison County can expect 441 of the 2644 other non Nissan related jobs.

TABLE A-2			
Projected Other Jobs in the Jackson MSA			
Distributed by Civilian Labor Force			
	Projected Other Jobs		2644
1	Hinds	131,000	56.3%
1	Madison	38,760	16.7%
1	Rankin	62,830	27.0%
	CLF	232,590	100.0%

Source: Analysis, Robert L. Barber and Associates

From A-1 and A-2, it can be determined that Madison County should expect at least 1279 new jobs over the next five to seven years. Table A-3 distributes those jobs among the various communities in Madison County. This distribution is weighted to reflect the affordability of housing in the communities outside the City of Madison, which is noted for its high housing costs. It is assumed that one job is equal to one housing unit of demand.

TABLE A-3					
Distribution of Housing Units within Madison County by Population Share					
Projected housing impact is 1279 units from table A-1					
	Pop.	Even Distribution	Even Job Share	Weighted Distribution	W.D. Job Share
Canton	12911	17%	221	32%	409
Flora	1546	2%	26	15%	192
Madison	14692	20%	252	10%	128
Ridgeland	20173	27%	345	18%	230
In co.	25352	34%	434	25%	320
Total	74674	100%	1279	100%	1279
Source.: Analysis, Robert L. Barber and Associates					

D. Projected Housing Demand By Type, Tenure, and Price Category

Based upon studies of other auto plant locations and their impact upon housing demand in nearby communities there is a pattern to the demand. Generally, the current unemployed and underemployed in the civilian work force are absorbed first. Others commute from nearby communities; the length of the commute being directly proportionate to the wage or salary paid. Employees who tire of the commute or begin to feel more secure about their employment often relocate their residence to their place of work. Some may move immediately.

A special Census study of why people move indicates that the highly educated are more likely to move for work-related reasons. For the general population the primary reason for intra county moves is housing related reasons. For inter county moves work-related and housing-related reasons rate about the same (around 30%). Because new workers often “try on” a community, it is important that Canton have sufficient quality rental housing to meet initial demand. Table A-4 projects housing demand created by Nissan by time, tenure and key price points. The also projects housing demand previously identified in the City of Canton Comprehensive Plan. Nissan demand is indicated in parenthesis.

Table A-4				
Projected Housing Demand for Canton				
Projected Pre-Nissan demand = 1373; Projected Nissan Impact = 409.				
Increase attributable to Nissan shown in parenthesis.				
	Time			
	0 to 5 years	6 to 8 years	8 to 10 years	11 to 20 years
Multi-Family	159(150)	58(50)	-	-

S.F. Affordable 75k-125k	300(60)	300(59)	(275) 25	250
S. F. Moderate 125k to 175k	89(15)	89(25)	79(25)	89
Source: Consultant Analysis				

The determination of Nissan generated demand by time period, tenure and price reflected in the table was projected by fitting the average wage to housing affordability. Accordingly, allocating thirty percent of average annual compensation of \$35,000 to housing results in demand for housing in the 105,000 price range. The assumption is then made that multiple family housing demand will be created initially to allow persons to relocating while making housing choices and that higher cost housing will be purchased by dual income households, or households at the higher end of the compensation spectrum.

The determination of other housing demand was evenly distributed across the time spectrum of the Comprehensive Plan and weighted towards the affordable housing category, given current household income in the community.

III.CANTON'S HOUSING MARKET POSITION

A. Characteristics of Existing Supply

The City of Canton has about 4,300 total housing units available, with a little over 4,000 occupied according to the 2000 Census. Approximately 240 units (owner and renter) are vacant, with most of these vacancies being owner tenure. The city has a homeowner vacancy rate of .5%, considerably lower than its counterparts in Madison County and the state of Mississippi as a whole.

Table B-1 Canton, Madison County and Mississippi Housing Characteristics 1990 - 2000						
	Canton		Madison Co.		Mississippi	
	1990	2000	1990	2000	1990	2000
Total H.U.	3,592	4,333	20,761	28,781	1,010,423	1,161,953
Occupied H.U.	3,398	4,093	19,276	27,219	911,374	1,046,434
Vacant Units	194	240	1,485	1,562	99,049	115,519
Owner Tenure	2,185	2,410	12,371	19,288	651,612	756,967
Renter Tenure	1,213	1,683	6,905	7,931	259,762	289,467
Owner Vacancy rate		.5%		1.40%		1.40%
Source: US Bureau of the Census, 1990 and 2000						

While 72% of occupied Mississippi houses and almost 71% of Madison County houses are owner-occupied, only 58.9% of Canton's homes are occupied by owners. Public input indicates that the lack of sufficient incomes and credit problems are primarily to blame for such low homeownership rates. Median household income for those living in Canton is some \$7,000 less than the state and \$22,733 less than Madison County as a whole. This much larger figure for the county represents significant differences in the southern and northern parts of the county in terms of income, housing value, etc. The southern part of the county has been, in more recent years, populated with in-migrants from the Jackson area looking for good schools, safety and quiet, clean communities. This migration

has not (or not yet) stretched to the communities of Canton and Flora, and may not given the Canton School District quality issues.

Table B-2 Selected Housing and Financial Characteristics Canton, Madison County, Mississippi 1990 and 2000						
	Canton		Madison Co.		Mississippi	
	1990	2000	1990	2000	1990	2000
Median Household Income	\$16,772	\$24,237	\$25,887	\$46,970	\$20,136	\$31,330
Median Gross Rent as a % of Income	34.1	26.7	24.9	24.2	27.1	25.0
Median Selected Monthly Owner Costs as a % of HH income (with a mortgage)	24.5	23.2	21.9	18.9	20.8	20.4
Median Value of Housing (\$)	\$40,900	\$53,300	\$66,500	\$117,000	\$45,100	\$64,700
Source: US Bureau of the Census, 1990, 2000						

The City of Canton has a program designed to eliminate substandard housing. The building department surveys the city for obviously dilapidated housing and responds to calls about substandard units.

In addition, the Census Bureau collects data that gives a good picture of the presence of substandard and overcrowded units in a community. Table ___ shows this data for Canton, Madison County and Mississippi.

Table B-3 Comparative Housing Conditions Canton, Madison County, Mississippi							
	Total Occ. Units	Lacking Complete Plumbing Facilities		Lacking Complete Kitchen Facilities		Overcrowded (2.01 PPR)	
Canton	4,088	33	.80	27	.66	70	1.7

Madison Co.	27,219	217	.79	202	.74	140	.51
Mississippi	1,046,434	5,783	.55	7470	.71	3786	.36
Source: US Bureau of the Census, STF 3A files, 2000.							

Although Canton fares a little better with complete kitchen facilities, both Canton and Madison County lag behind the state in complete plumbing facilities and overcrowding. This data does not address other indicators that also show deteriorating and/or dilapidated housing, such as structural issues, broken windows, etc. These are some of the indicators used by the building department to determine the need to condemn houses that are unfit for human habitation and an eyesore.

The answer to substandard and overcrowded housing problems is vigilant enforcement of local and state regulations designed to improve the housing stock. A Neighborhood Improvement Plan such as that used by the City of Tupelo can go a long way in incrementally improving the housing stock of a city. In Tupelo, neighborhoods vote to form associations and to approve inspection of rental and owner housing before it can be rented or sold.

B. Existing Housing Needs for Selected Population Groups (entire section added)

There exist in Canton certain population groups that might experience more difficulty than others in securing home ownership and/or decent housing. These are prospective Nissan employees (due to scarcity of housing), existing renters who are potential home buyers, the elderly (fixed incomes), single mothers, existing renters in overcrowded or substandard units, and existing owners of substandard units. Housing solutions will be suggested for each of these groups.

1. Existing Renters Who Are Potential Homebuyers

As Table B-4 indicates, the City of Canton experiences an abnormally high percentage of those who rent compared to both Madison County as a whole and the State of Mississippi. This is probably due to the younger than average population and lower incomes experienced by some of Canton's residents.

Table B-4 Comparative Tenure Rates Canton, Madison County, Mississippi				
	Owner-Occupied Units		Renter-Occupied Units	
Canton	2,410	58.9%	1,683	41.1%

Madison County	19,288	70.9%	7,931	29.1%
Mississippi	756,967	72.3%	289,467	27.7%
Source: US Census Bureau, Profile of General Demographic Characteristics, 2000.				

A goal to increase homeownership among this group would mean that Canton could experience a percentage point increase in homeowners in excess of 10 percentage points (17%), bringing it close to the state and county averages. A goal of using rental housing as a stepping stone to home ownership would meet community and individual needs. Then, of the 4,093 current housing units plus the 1,373 units estimated as needed by 2020 in the city's comprehensive plan (what is anticipated for accommodate the Nissan workers is calculated separately), 3,766 would be owner-occupied and 1,700 would be renter-occupied. This represents an addition of only 17 additional rental units over a 17 year period. Additional rental units designed primarily for Nissan employees would add another 200 units. Special care can be taken by the City of Canton to ensure that multi-family developers build quality units that add, not detract, from the city's character.

Homeownership is also a reflection of the ability to borrow to purchase a home and credit problems may be hampering some in this effort. It has already been recommended in this report that Canton Ministries and the City of Canton work with the Mississippi Home Corporation to provide credit and homebuying counseling in the community.

2. Single Mothers

As of the 2000 Census there were 1,427 female householders with no husband present in Canton, 34.9% of all households in the city. This compares to 15.6 % in Madison County and 17.3% in the state as a whole. The implications of this high a percentage of single-female households in Canton (60% with children under 18), is that it often takes two incomes to be able to afford market rate housing. The difference between the median income of a married couple and a female householder family in Canton is \$27,429. The gap is even wider if the female householder has children under 18 years of age. Since the problem is often income-related, the primary *housing* solution to this problem with potential homeownership is production of affordable housing or some type of subsidy for those in this group with low incomes. Of course, better job opportunities, job training, and affordable day care can also have an impact on these families' ability to own their own home.

**Table B-5
Family Type in Canton, Madison County and Mississippi**

	Total Households	Married Couple Families		Female Householder	
Canton	4,093	1,327	32.4	1,427	34.9
Madison Co.	27,219	14,139	71.0	4,238	15.6
Mississippi	1,046,434	520,844	49.8	180,705	17.3
Source: US Bureau of the Census, STF 3A files, 2000.					

3. The Elderly

As Canton has a relatively young population (median age is about 3.5 years less than Madison County and the state), it is expected that the percent of those over 65 would be less than for the state and the county as a whole. This is the case. But, despite the lower percentage, Canton, like most other communities, is not spared the realities of a group of people often living on fixed incomes and (currently) shrinking investments for those who have them. A little over 8% of those 65+ in Canton and Madison County were living at or below the poverty level in 2000. This compares to 11% for the state as a whole. Both female and male householders over 65 living alone in Canton are the most vulnerable group when it comes to income, and these people may be the most amenable to some type of congregate housing option. Since the needs for the elderly often exceed just housing needs (medical, social, etc.), this can be a good option.

C. Constraints to the Expansion of Housing Supply

1. Flood plain

Canton has approximately 3,700 acres of land in the city limits in flood plain. Although some of this is available for use, development to local standards in a flood plain is usually more expensive. Canton’s comprehensive plan has determined that there is not sufficient land for projected residential purposes due to the amount of flood plain in the city. Additional land for residences in Canton must come from expansion of the corporate limits as well as creative in-fill development within the city (appropriate demolition, re-subdivision, etc.) and rehabilitation of existing structures where feasible.

2. Supply/Demand of Land and Housing

According to the city’s most recent comprehensive plan the city is approximately 70% built out. With only 30% of land available for development and a major economic development project on its doorstep, Canton certainly needs to review adding land for the additional housing that might be needed.

Table B-6 Summary of Canton's Existing Residential Land Use 2000			
Land Use Category	Units	Acres	Percent of Residential Uses in the City
Low Density Residential	1,644	2,301.95	94.81
Medium Density Residential	9	12.28	.51
Multi-Family Residential	21	29.21	1.20
Manufactured Homes	60	84.38	3.48
Total Residential	1,734	2, 427.82	100.00
Source: CMPDD, Comprehensive Plan for the City of Canton, Mississippi, 2000 (with a 2001 update)			

According to the 2000 Census, the City of Canton has a .5% owner-occupied vacancy rate. This is extremely low, but it has not had a tremendous impact on the median value of housing as might be expected for a city with a low supply of housing. Because Canton is not experiencing the population growth of other cities in the county it is not feeling the pressures of increased housing demand. Madison County in general has been experiencing strong population growth since 1970, primarily the result of in-migration (See population data in Appendix Section B). Canton has not fared as well as either Madison or Ridgeland as it is further away from the primary source of the in-migration, the City of Jackson.

Canton did see an increase in population from 1990 to 2000 that was primarily the result of in-migration. The Nissan plant's location in Madison County is expected to prompt an increase in population, although when this will happen depends upon many factors. These include the number of unemployed and underemployed in the county, how many people will continue to live where they live and commute (Nissan is located right off Interstate 55, which would be an easy commute for Holmes, Yazoo, Hinds, etc. residents), and the availability of affordable housing.

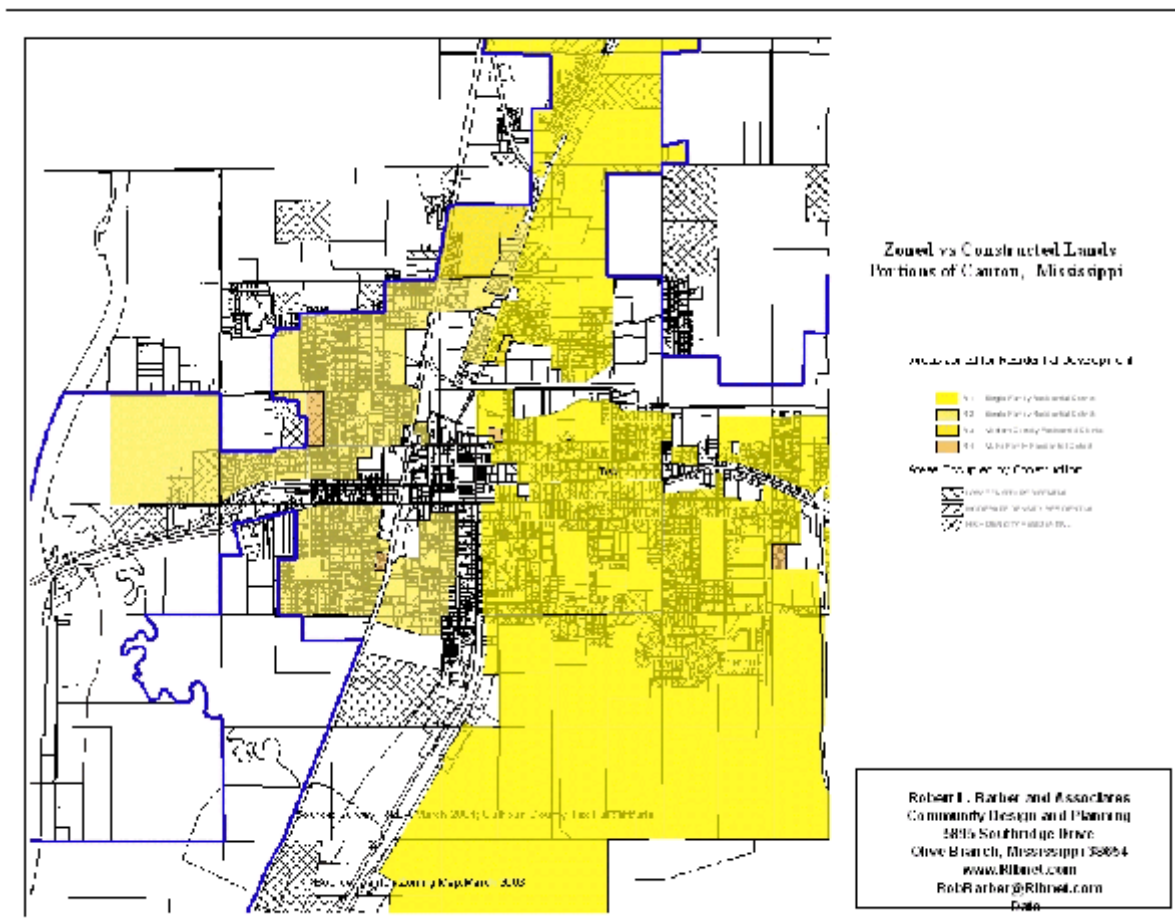
Also, because there has not been a lot of building activity, Canton's housing stock is somewhat older (and smaller) than other cities in the county, contributing to lower median values.

**Table B-7
Number of Condemned Houses
Demolished
City of Canton, 1999-2002**

Year	1999	2000	2001	2002
Canton	9	19	13	8
Source: City of Canton Building Department, 2002.				

Housing supply can also come from redevelopment efforts in a community. Canton’s Building Department reviews housing stock in the city weekly as part of its review of property clean up needs. From these reviews the city follows state statues regarding housing condemnation processes. The city also gets calls from tenants to do inspections of structures and condemnations come from these reviews also. Properties are redeveloped, sometimes by the local Habitat for Humanity group which purchases lots on which condemned buildings once stood, for new housing construction sites.

Clearly, a constraint to multiple family housing construction is the lack of available land zoned for such construction. The map clearly illustrates this constraint on housing supply. The 2000 Comprehensive Plan for the City of Canton set a single policy for multiple family housing stating that



Map 2, Built and Zoned Residential Land

such housing should be located along collector streets. Additional available and vacant land, zoned for multifamily construction will assist in alleviating this concern.

A second issue regarding land supply inappropriate zoning which requires minimum lot sizes greater than the size of many existing vacant lots, particularly in older sections of Canton. This situation, where it exists, could readily be corrected by City action.

3. Value/Affordability

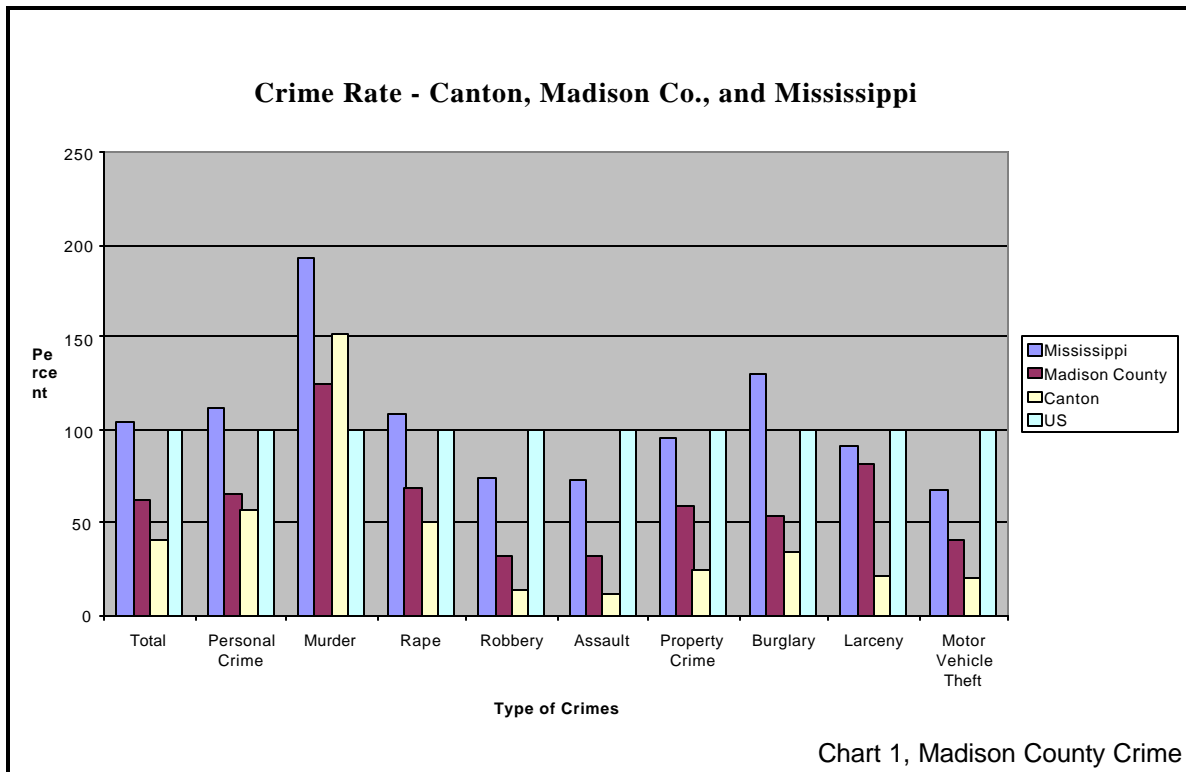
Reported median value of occupied housing in the 2000 Census for cities in Madison County as well as construction value of new residential permits, indicates that the cities of Madison and Ridgeland have considerably higher values than the cities of Canton and Flora. This means that Canton, Flora and areas of unincorporated Madison County could see more opportunity for location of the level of housing that most employees at the Nissan plant could afford.

Table B-8 Comparable Housing Value Madison County and Cities 2000					
	Madison County	Canton	Flora	Madison	Ridgeland
Median Value of Occupied Housing	\$117,000	\$53,300	\$71,400	\$133,900	\$118,300
Source: US Bureau of the Census, 2000.					

Year 2000 Census figures indicate that Madison County residents are staying within the acceptable limits (under 30% of income) for expenditures on housing for both renters and owners. Canton residents, however, are paying a slightly higher percentage of their incomes on housing than their counterparts in Madison County as a whole and in the state on average. Despite the lesser percentage of income required for housing costs, the goal of achieving home ownership for many is still a problem. Over 41% of Canton residents rent, compared to 29% for the county as a whole and almost 28% for the state. According to public input, inability to obtain mortgages due to low incomes, a predominance of households headed by single mothers, and credit problems may be keeping many in the city out of home-ownership status.

4. Crime

Both Madison County and the City of Canton fare well in crime statistics that compare the number of local crimes to a US benchmark of 100. Numbers that fall below 100 mean that the locality or state has numbers of crimes less than the national average. Numbers above 100 means the state or locality has crimes above the national average. Although Mississippi edges above the national average for all crimes, Madison County and Canton are below the US average except for the crime of murder



in which Madison County and Canton exceed the national average.

5. Schools

The City of Canton is at a distinct disadvantage for location of new Nissan workers in the Canton School District because of its lower Accreditation ranking. The city school district is competing directly with the Madison County School District which has a Class 5 Accreditation and significantly more offerings (AP classes, honors classes, higher standardized test scores). Surrounding counties and cities have various accreditation ratings, ranging from a 2 in Yazoo City to a 5 in Rankin and Madison Counties.

Table B-9 Accreditation Levels of Regional School Districts 1999	
District	Accreditation Level

Holmes County	2
Durant City	3
Yazoo County	3
Yazoo City	2
Attala County	3
Kosciusko	4
Hinds County	3
Jackson City	3
Rankin County	5
Scott County	3
Pearl City	4
Madison County	5
Canton City	2
Source: Mississippi Department of Education.	

6. Taxes

Tax rates can have an impact upon people’s willingness to live in a community. Compared to Madison County and other Madison County cities, Canton has significantly higher tax rates than those cities which might be competing most directly with Canton for new residents. School taxes are lower for the Canton Municipal School district but they are offset by higher municipal taxes in the City of Canton.

**Table B-10
Comparative Tax Rates
Jackson and Madison County Cities**

Tax Rate	Canton	Flora	Madison	Ridgeland	Madison County Unincorporated	Jackson
City/Co.	59.41	30.5	29.8	20.03	32.92 (avg.)	56.03
School	39.05	53.55	53.55	53.55	39.05/53.55	75.70
Total	98.46	84.05	83.35	73.58	71.97/86.47	131.73
Source: Madison County Tax Assessor's Office, 2002; City of Jackson, 2002.						

The city of Ridgeland, which has one of the lowest municipal tax rates in the state, appears to be the best value for taxes paid - a class 5 accredited school district and low municipal rates. Jackson has the highest total millage at 131.73 with Canton coming in second at 98.46 mills.

IV. CANTON'S HOUSING AND COMMUNITY DEVELOPMENT ISSUES

A. Identification of Other Community Development Issues

A public meeting was held on November 11, 2002 to determine other issues that would be expected to affect housing investment in Canton. The facilitated discussion include representatives of the general public, the City of Canton, the Canton Housing Authority, Canton Ministries, Housing Developers and the Mississippi Home Corporation.

B. Results of Public Input

Question 1. What specific housing problems have you encountered yourself or heard about in the Canton area?

Not enough "quality" housing - specifically rental housing (maintenance as opposed to construction issues)

Age of housing also contributes to this - makes rehabilitation costs high

Also a problem with owner-occupied housing, too. Elderly on fixed incomes find it difficult to take care of homes.

With rental tenants it can be a lack of education in how to take care of housing.

Neighborhoods are not taking care of property - abandoned cars, etc.

Does the city have a code? Yes Is it enforced? Generally, yes.

Density - A lot people crowded into an area.

Credit problems - Some can't qualify and incomes are too low (correlates with education)

Could be an education issue regarding understanding credit issues, etc.

Cost of development is high - not raw land but improvement costs; people are not willing to pay what it costs to develop the land

Need more qualified to be eligible for programs such as those offered by Ms Home Corp, Mississippi Development Authority (bonuses). Some areas that are eligible are in the flood plain.

Schools in Canton are a real problem in drawing people to the city. High taxes for schools + poor schools could hamper development

Tax structure of Canton - taxes are 2 to 3 times higher than other areas.

City needs to add assessed valuation

Discussion of narrow lots and what to do with them. How are non-conforming lots of record handled by the city?

Question 2. What do you consider an affordable range in housing?

\$80,000 - \$120,000 starting price

For the existing population it is more like \$65,000-\$70,000 (\$15,000-\$18,000 incomes)

Tax credits would help but Madison County is not eligible for the program

Need innovative housing types

To get share of Nissan-driven housing, need attractive area

Question 3. Multi-family housing?

City is not looking for multi-family housing in the city. Has had bad experiences with it in the past. Previous administration was anti-multi-family housing.
Feel home ownership is better
Some investors are interested in making residential lofts in downtown Canton.
Maybe a lower density in multi-family would work. (density regulations + site design)
They have been a breeding ground for crime.
Need some, decent, well-built rentals at market rate.
Need innovation in design of MF housing

Question 4. Is transportation a problem? Is Canton a walkable city? Is that important?

Transportation can be a problem (some knew there was some form of mass transit and others did not)
(Aside) not a lot of mobility in housing - people tend to stay put and not move from house to house.
Availability of utilities could be a problem with development

Question 5. Nissan impact specifically- what were your fears, hopes, etc.

Bad streets
May not hire that many from this area - newcomers may not understand "our way"
Education levels may keep Canton people from being eligible to work at Nissan

Question 6. Anything else?

What about Manufactured housing or modular housing as an option for low-cost housing?
Need to start in the downtown and clean it up then go out from there
Maybe do a lease-to-own program and train people to take care of houses (like Habitat mentor program - maybe service clubs could volunteer)
Mixed lot sizes a problem - need consistency
Neighborhood associations are rare - but a good idea
Issue in the code of being able to sell only one lot a year unless a developer.

V. Recommended Housing and Community Development Strategies

A. Strategies for Canton Ministries

1. Work in conjunctions with city officials to sponsor the organization of formal neighborhood improvement groups and organization
2. Continue to provide housing counseling, homebuyer education and offer future credit counseling
3. Sponsor the formation of a housing roundtable for the various housing providers in the city to share information and monitor progress regarding housing goals

B. Strategies for the City of Canton

1. Review and amend, as appropriate, the zoning code to enhance the ability to develop quality multi-family housing
2. Review and amend, as appropriate, the zoning code for ability to redevelop small infill lots
3. Create a consistent and aggressive code enforcement program, with annual goals and reporting requirements including the acquisition and demolition of abandoned and dilapidated properties as authorized in 21-1-1 of the Mississippi Code
4. Utilize acquisition powers to assemble land and make available to housing resource groups
5. Eliminate restrictions on land sales by individuals
6. Implement financial incentives for housing development, including tax incentives for developers to build affordable housing
7. Annex land to provide adequate land resources for development

C. Strategies Requiring Partnerships

1. Aggressively pursue MHC's "Get on Track" program designed to help potential homeowners with credit problems
2. Create a housing roundtable, designating a lead agency to pursue the specific housing strategies identified in this document
3. Actively partner to provide homebuyer education and credit counseling programs within Canton

D. Potential Housing Supply Solutions for Selected "Need" Groups

1. Nissan Employees

Nissan employees will more than likely require rental housing as "pre" purchase living arrangements. This means that the city will need to invest in a different type of rental housing than has previously been operated in Canton. Nissan employees will demand safe and clean rental housing. It is not expected that these employees will need

subsidies as wages to be paid at the plant are expected to be able to allow incomes capable of home purchase if the right market is available. Credit counseling is increasingly needed by many households regardless of income status. The misuse of credit is often cited as a national problem, exacerbated only by a lack of adequately paying jobs and expensive housing situations.

2. Rental to Homeownership

There is no existing objective data to suggest why there are so many renters compared to homeowners in Canton but public input indicates that it is due to a large percent of single mothers and their low incomes, as well as significant credit worthiness problems. In addition, there is a much lower stock of housing in the city available for purchase than in other communities. Despite low median values, the tight market may keep these few available homes out of reach for some. These groups in particular might benefit from subsidies and assistance with credit issues, such as the “Get on Track” program offered by MHC. Of course, the jobs created by Nissan, if these residents have the education to be trained for them, could go a long way toward solving this problem. Other issues, like affordable day care could also have an impact on these residents’ ability to be stable in a full-time job. General strategies such as aggressive infill development following condemnation (including support for existing programs that work well, like Habitat) and expansion of the city to allow parcels of land large enough for cost efficient development with needed city utilities, combined with subsidy programs and credit counseling could allow this group to move to a more stable home ownership status.

A prime aspect of renting is that it is part of the transition phase to Homeownership. One could look at rental to homeownership like this: renting is equal to freedom as homeownership is equal to marriage. Renting does not mean that a person is tied down to any one location for any length of time. Renting allows the individual to test an area with out long-term commitment, have the flexibility to relocate if necessary and not to worry about the responsibilities that accompany homeownership.

However, those individuals who enter into homeownership are making a long-term commitment. Homeownership is something that is not entered into lightly and is the largest purchase an individual(s) make. Homeownership as apposed to renting requires that the homeowner be responsible for all utilities, home maintenance both interior and exterior. This is why many individuals move towards renting before homeownership.

Apartments – There should be enough adequate “Market Rate” rental housing to accommodate the Nissan workers who are interested in moving into the Canton area to be closer to work. To address the current stigma that is accompanied with multi-family housing certain restrictions or covenants should be in place/mandatory so that multi-family history does not repeat itself.

- (1) Building restrictions/covenant examples
- (2) Require that all newly constructed apartment complexes have adequate insulated wall space between units to minimize the amount of noise from each unit.
- (3) Require that all newly constructed apartment complexes install trash compactors as apposed to dumpsters.
- (4) Most market rate apartment complexes have swimming pools. Some complexes have an adult only swimming pool and then a family swimming pool. Hour restrictions should be set into place as to when the swimming pool(s) are available for use.
- (5) Fencing the apartment complex should be a consideration (wrought iron is attractive); it limits access into the apartment complex and is considered a safety feature for families that have children.
- (6) Playgrounds are an option, however the equipment used for the playground should be built to last and require little maintenance.
- (7) Set certain building appearance restrictions (for example the city of Madison) for all new apartment complexes. An example would be partial brick and vinyl or the use of other exterior surfaces that present an attractive appearance, yet it is easy to maintain.
- (8) Tenant restrictions/covenants
 - (a) No pets or pets within a certain weight limit.
 - (a) Noise restrictions should be in place after certain hours in the evening.
 - (b) Patio/balcony restrictions (house cleaning issues) not to be used as storage
 - (c) Limit of 2 parking spaces are provided per apartment, vehicle information will be provided on application.
 - (d) Long term overnight guest information should be given to the office (car/car tag information)

b. Rental Housing - Rental housing (single family detached) should be made available for those individuals who do not like apartment living yet want the responsibility of homeownership without the long-term commitment. Certain areas of the city could accommodate quality rental housing that offer an option to buy. Theses homes could be blended into areas that currently have a strong owner occupied base.

c. Educational Components for Potential Homeowners

- (1) Housing counseling- Addresses all aspects of housing, whether it is homeownership, rental, transitional or the homeless. Housing counseling is designed to help individuals with their current housing situation. Examples of housing situations could

be an individual who is behind on rent facing eviction or one who is facing foreclosure to an individual who is homeless that is looking to improve their current situation. Housing counselors spend one on one time addressing housing issues that one is facing and works with them until they reach their goals or until help is no longer needed.

- (2) Homebuyer Education- A group activity where by a group is educated on the pros and cons of homeownership. It is an eight (8) hour course designed to take a person from the beginning to the end of the home-buying process. At the end of the homebuyer education class a certificate of completion is presented to the potential homebuyer certifying that they have attended and successfully completed the course. A growing number of loan products offers special features for home buyers who have completed a home buyer education class.
- (3) Credit Counseling – Addresses all aspects of credit repair. Credit counseling begins with a credit assessment to determine the type of assistance an individual(s) will need to address credit problems/repair. Credit counseling consist of assessments, budgeting, credit analysis & repair in helping one attain their credit and financial goals. With the assistance of credit counseling, it will have an impact on one’s ability to obtain a home mortgage.

VI. Appendix

A. Description of Public Meeting Attendance

The public meeting group consisted primarily of Canton residents, but included at least two developers, a housing authority official, and someone representing mobile home interests.

Public Meeting Attendance Roster	
Maureen Simpson	Canton Redevelopment PO Box 192 Canton, Ms 39046
Johnny Barnes	1006 Hwy. 22 W. Canton, Ms 39046
Kattie Anderson	707 Mace St., C-29
Tom Riddell	425 Forest Lake Place Madison, Ms 39110
Stanford Beasley	120 Faith Lane Canton, Ms 39046
William & Clydine James	375 Hart Road Canton, Ms 39046
unintelligible name	Heritage Homes C Canton, Ms 39046
Bryan Caldwell	5600 Keele Street Canton, Ms 39046
Leonard Boordie	501 Northwest Street Canton, Ms 39046
Walter Johnson	1238 Hwy 16 Canton, Ms 39046
Fredia Day	111 E. Semmes St. Canton, Ms 39046
Clinton Davis	1028 Homes Avenue Canton, Ms 39046

B. Sample Multi-Family Design Requirements

Any number of examples of quality design guidelines are available for refinement and adoption. The set below is provided for reference and possible adoption by the city for the production of high quality multiple-family units.

Multiple Family Site Development Regulations

Each site in the Multiple Family District shall be subject to the following site development regulations.

Regulator	Requirement
Minimum Lot Area	4000 square feet
Lot Width	40 feet minimum
Site Area/Unit	3000 square acres
Floor Area Ratio	.1
Building Height	70 feet maximum
Maximum Overall Density(Site)	15.0 units/gross acre

Minimum Building Setbacks*	Single Family Detached	Single Family Attached	All Other Uses
Front Yard	20	20	25
Side Yard	3/8 total	10 feet on yard opposite common wall	10
Rear Yard	20	20	25

* See Additional Regulations below.

Additional Regulations

(1) Site Plan Approval Required:

For any development designated in the (multi family), an overall site development plan and text presenting the information defined in _____ must be submitted and approved by the Planning Commission and governing authority prior to issuance of building permits.

(2) Use of Zero Lot Line in Single-Family Detached in (multi family) District:

Within a common development, one (1) interior side yard may be equal to zero for single-family detached residential use, subject to the following additional regulations:

(a) The side yard opposite to the zero yard must equal at least 10 feet.

(b) The normal side yard setback requirement must be maintained adjacent to any lot with an existing structure not within the common development, or not otherwise designated for zero lot line use.

(c) An easement providing for maintenance of the zero lot line facade is filed with the County Register of Deeds and the County Building Permits Department at the time of application for a building permit.

(3) Single-Family Attached in the (multi family) District:

Single-family attached residential is permitted in this district, subject to the following additional regulation:

- (a) Minimum lot area is six thousand (6,000) square feet for an entire structure and three thousand (3,000) square feet for any one (1) dwelling unit sold individually.
- (b) Minimum lot width shall be sixty (60) feet for an entire structure and thirty (30) feet for any one (1) dwelling unit sold individually.
- (c) The side yard opposite to the common wall must be equal to at least eight (8) feet.

(4) Townhouse/Condominium Residential in the Multiple Family District:

Townhouse/condominium residential is permitted in this district, subject to the following additional regulations:

- (a) A maximum of six (6) townhouse units may be attached in any one (1) townhouse structure.
- (b) The site area per unit for any common townhouse development must equal at least four thousand (4,000) square feet.
- (c) The minimum size for any townhouse lot sold individually shall be fifteen hundred (1,500) square feet.
- (d) The minimum width for any townhouse lot sold individually shall be twenty (20) feet.
- (e) The maximum floor area ratio shall be computed for the entire common development and for each individual lot within the development. A single lot within the common development cannot exceed the maximum floor area ratio of 1.00 (1.00 square feet of building area per one (1) square foot of site/lot area).

- (1) For any two family, townhouse, multi-family, or residential condominium development, an overall Site Development Plan and text presenting the information defined in Paragraph d below must be submitted for approval by the Planning Commission and Governing Authority prior to issuance of building permits.
- (2) The site development plan is intended to demonstrate to the Planning Commission the character and objectives of the proposed development in adequate detail for the Planning Commission to evaluate the effect the proposed development would have on the community, and determine what provisions, if any, should be included as part of the plan and be binding on the use and development of the subject property.
- (3) The filing of a Site Development Plan shall constitute an agreement by the owner and applicant, their heirs, successors, and assigns that if the Development Plan is approved by the Governing Authority, building permits for improvement of such property shall be issued only when in conformance with the binding elements of the site development plan as approved by the Planning Commission and the Governing Authority for said property in question. Such plan shall be

strictly complied with and be enforceable in the same manner as the Zoning District Regulations.

Site Development Plan Elements

- (1) Existing topography, with a contour interval not greater than five (5) feet unless specifically waived by the Planning Commission.
- (2) Vicinity Map with measurements to existing streets.
- (3) Boundary description, including area and bearings and dimensions of all property lines.
- (4) Lot size and location, height, floor area, number of dwelling units, and arrangement of proposed and existing buildings.
- (5) Proposed use of the structures on the subject property.
- (6) Existing tree masses, streams, flood plains, and other natural forces.
- (7) Provisions for general landscaping, screening, buffering, recreational, and open space areas.
- (8) Proposed means of dedication of common open space areas and organizational arrangements for the ownership, maintenance and preservation of common open space.
 - (9) The location, arrangement, and dimensions of:
 - (a) Existing and proposed streets and driveways.
 - (b) Adjacent streets
 - (c) Sidewalks
 - (d) Parking areas, including the number of off-street parking spaces
 - (e) Points of ingress and egress
 - (f) Off-street loading areas-
 - (g) Other vehicular, bicycle, or pedestrian right-of-ways
- (10) Provisions for handling surface water drainage and other utilities information such as proposals for water and sewer service, fire hydrants, street lighting, gas electricity, telephone service, and similar information including location and dimensions.
- (11) Proposed stages of development, if applicable, and the anticipated time required to develop each stage.
- (12) The developer shall also submit sketches of the plan for the entire development, including perspective drawings as necessary, showing the relationship of uses, streets, driveways, parking areas, buildings, open space, the general character of the proposed development and any other necessary plans to insure that their construction shall conform to Hernando County building regulations.
- (13) Relation to the County Comprehensive Plan, land uses in the surrounding area and to the Site Development Plan.

Site Development Plan - Minimum Standards

- (1) Height and Yard Requirements: Front, side, and rear yard requirements, as well as height requirements, are listed on the Chart of Regulations.
- (2) Off-Street Parking: A minimum of two off-street hard surface parking spaces per dwelling unit shall be required.
- (3) Street widths and improvements must conform to the requirement established by the

Governing Authority.

- (4) A minimum total area of 10% of the gross residential area shall be set aside as parks and playgrounds. Of this 10% a maximum of one-half may be covered with water. A maximum of 5% of the area designated to be parks and playgrounds may be covered with structures to be used in the recreational use of the area. Parks and playgrounds must be suitably improved for their intended use but parks and playgrounds containing natural features clearly worthy of preservation may be left unimproved.
- (5) Drainage Provisions: A means of on-site drainage shall be provided to control storm water run-off so that surface waters will be properly disposed of without adversely affecting neighboring properties through erosion, flooding and other drainage problems. Drainage provisions shall be made to the satisfaction and requirements of the County Engineer and the Governing Authority.
- (6) All required improvements are to be installed and maintained by the developer unless other arrangements approved by the Governing Authority are made.
- (7) The Governing Authority may require other special improvements as they are required if they are deemed reasonable and essential.

Site Development Plan - Scope of Planning Commission Review

The Planning Commission shall consider, but not be limited to the following factors in review of the site development plan:

1. The conservation of natural resources on the property proposed for development, including: trees and other living vegetation, steep slopes, water courses, flood plains, soils, air quality, scenic views and historic sites.
2. The provision of safe and efficient vehicular and pedestrian transportation both within the development, and the community.
3. The provision of sufficient open space to meet the needs of the proposed development.
4. The provision of adequate drainage facilities on the subject site in order to prevent drainage problems from occurring on the subject site or within the community.
5. The compatibility of the overall site design (location of buildings, parking lots, screening, general landscaping) and the land use within the existing area and projected future development of the area.
6. The existence and/or provision of adequate community facilities to serve the proposed development (i.e. water, sewerage, schools, streets, etc.).
7. Conformance of the site development plan with the Comprehensive Plan and any other applicable requirements of the Zoning Ordinance.

C. Data Compendium

D. Example Housing Partnership