

Affordable Housing Impact Statement

Land Use Element Change for 16-O-1461

Requirements

Per the requirements of Ordinance 14-O-1614, Affordable Housing Impact Statements shall include a quantitative or numeric section that shall provide numeric estimates of impacts, quantifying numbers of units impacted at certain levels of affordability over the thirty year period following the enactment of the legislation; and a narrative section to provide an explanation of the analyses that led to the estimates.

Where the estimates are derived from existing grant applications or the basis of those estimates are otherwise straightforward, the narrative section shall state as such. Where the proposals being considered require the Office of Housing to draw upon their experience and expertise to come up with a projected impact, the narrative section shall specify what assumptions were used in creating the estimates.

Quantitative/Numeric Section

This legislation, if enacted, is estimated to have a projected impact upon the affordable housing stock of the City of Atlanta over the thirty year period following the enactment of the legislation by:

Adding 0 or decreasing 0 units affordable at 30 or below percent of the City of Atlanta Area Median Income (AMI); and

Adding 0 or decreasing 0 units affordable between 30.01 and 50 percent of AMI; and

Adding 0 or decreasing 0 units affordable at between 50.01 and 80 percent of AMI; and

Adding 20 or decreasing 0 units affordable at over 80 percent of AMI.

Narrative Section

The application for rezoning and a corresponding land use element change seeks to redesignate property located at 610, 614, 628 and 638 Vernon Avenue SE and 972 Berne Street SE from the single family residential land use designation to the low density residential land use designation. There are 5 single-family dwelling units on the properties that would be replaced with 20 small detached and duplex-type for-sale units to promote infill development.

No estimated sales price was provided for the proposed homeownership units, nor for the existing units. Therefore, the affordability of the existing housing stock cannot be determined. However, the affordability of the anticipated units can be estimated using data from the US Department of Housing and Urban Development (HUD) and Zillow, an online housing

marketplace. HUD defines affordable housing for homeownership to be affordable to households when they are purchased at a price that is three times a household's income. Because the applicant anticipates 5 two-bedroom units, 13 three-bedroom units, and 2 four-bedroom units, it is assumed that the homes will house families of 2, 3, and 4, respectively. According to HUD, families of these sizes are in the following AMI categories in the Atlanta Metropolitan Statistical Area (MSA). The corresponding home purchase prices that are affordable to these households are also listed in a corresponding column.

The following table shows home prices that are affordable to households at various percentages of AMI.

Family Size	AMI Category	Household Income	Maximum Affordable Home Purchase Price Based on Percentage of AMI
2	30%	\$16,200	\$48,600
	50%	\$27,000	\$81,000
	80%	\$43,200	\$129,600
3	30%	\$20,160	\$60,480
	50%	\$30,400	\$91,200
	80%	\$48,600	\$145,800
4	30%	\$24,300	\$72,900
	50%	\$33,750	\$101,250
	80%	\$54,000	\$162,000

According to the data provided by Zillow (current as of September of 2016), the average median home value of the 30316 zip code is \$212,300. In the absence of an estimated sales price for the proposed housing units, it is assumed that the homes will be sold for this amount. This means that they will not be affordable to families at or below 80% of AMI. Therefore, 20 housing units will be added that are affordable to families above 80% of AMI.