

Affordable Housing Impact Statement

Land Use Element Change for 18-O-1048/CDP-17-31

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

Narrative Section

The Land Use will be amended from Mixed-Use to High Density Residential for the properties on 864 Huff Road and 875 Earnest Street. The developer will construct 36 multifamily units with live-work space. The site currently contains a fenced gravel parking lot and a vacant building that was once used for commercial purposes. This means that no housing will be lost.

The developer currently plans on 32 two-bedroom units and 4 three-bedroom units. Whether the units will be sold or leased has not yet been determined, but the developer estimates that units would sell for approximately \$800,000 or lease for approximately \$3,000.

The US Department of Housing and Urban Development (HUD) describes affordable rental housing as housing that costs no more than 30% of a household's income. The following table derived from HUD data, shows the affordability of different rents to households at the relevant percentages of AMI.

Family Size	AMI Category	Household Income	Maximum Affordable Rent Based on Percentage of AMI
1	30%	14,650	366
	50%	24,400	610
	80%	39,050	976
2	30%	16,750	5,025
	50%	27,900	698
	80%	44,600	1,115
3	30%	18,850	471
	50%	31,400	785
	80%	50,200	1,255

HUD defines a home as affordable to purchase if it is no more than 3 times a household's annual income. The following table derived from HUD data, shows the affordability of different rents to households at the relevant percentages of AMI.

Family Size	AMI Category	Household Income	Maximum Affordable Home Price Based on Percentage of AMI
1	30%	14,650	43,950
	50%	24,400	73,200
	80%	39,050	117,150
2	30%	16,750	50,250
	50%	27,900	83,700
	80%	44,600	133,800
3	30%	18,850	56,550
	50%	31,400	94,200
	80%	50,200	150,600

As the charts above show, the approximate rent and sales price for the units far exceeds the affordable rents and home purchase prices determined by data from HUD. Therefore, it is

estimated that 36 units of housing will be created that are affordable to households at or above 80% of AMI.