



# INCLUSIONARY ZONING

## Resource Guide

### COMMON TERMS

- AP: Administrative Plan
- AMI: Area Median Income as defined and published by HUD (Housing and Urban Development) for the Atlanta-Sandy Springs-Marietta areas.
- AWHU: Affordable Workforce housing unit.
- Beltline Overlay: The 22-mile-long transit loop around the city of Atlanta; it is roughly ½ mile on either side of the Beltline corridor. This area consists of 45 neighborhoods and 17 NPUs (B, C, D, E, F, G, J, K, L, M, N, S, T, V, W, X, & Y).
- Density Bonus: An incentive used by Inclusionary Housing Programs. It provides for an increase in permitted dwelling units per acre, floor area ratio or height which would mean that more housing units can be constructed on any given site. Some programs allow for increases between 10 and 20% over baseline permitted density in exchange for providing affordable housing.
- Developer/Applicant: The Developer who plans to build rental multi-family units in the Beltline Overlay and Westside districts.
- Development Type: Multi-family dwelling.
- HUD: Housing and Urban Development.
- In-Lieu Fees: The fees that the Developer must pay if the Developer elects to opt-out of IZ. The costs include a one-time base fee, plus a per unit sub-area land cost for each sub-area from which the Developer elects to opt-out.
- IZ: Inclusionary Zoning: A Developer is required to set aside 10% of their proposed units for people earning 60% or less of HUD's AMI for the fiscal year or 15% of their proposed units for people earning 80% or less of HUD's AMI for the current fiscal year.
- IZ Fact Sheet: Inclusionary Zoning fact sheet
- LURA: A Land Use Restrictive Agreement between the City and the Applicant that shall encumber property in a manner that will require the development and active marketing of a percentage of units as affordable workforce housing units.
- Market Rate Unit(s): A residential rental unit that is not an affordable workforce housing unit.
- MSA: Metropolitan Statistical Area.
- NPU: Neighborhood Planning Unit.
- Opt-In: The Developer elects to comply with the IZ requirement by providing the percentage (%) of affordable housing units in the proposed development.
- Opt-Out: The Developer elects not to comply with IZ requirements. By choosing to opt-out, the Developer pays the in-lieu to the City of Atlanta. The in-lieu fee is published annually by the City.
- SOP: Standard Operating Procedure.
- Westside Overlay: The neighborhoods of English Avenue, Ashview Heights, Vine City and the Atlanta University City (AUC). These neighborhoods represent the boundaries of several federal and local initiatives including the Westside Promise Zone, Westside Tax Allocation District and the University Choice Neighborhoods and those that are adjacent to the Beltline overlay district as well as the Mercedes-Benz Stadium.
- Workforce Resident: The person or persons occupying an affordable workforce housing unit earning no more than eighty percent (80%) of the Area Medium Income ("AMI") for the Atlanta-Sandy Springs-Marietta area, as published by HUD or no more than sixty percent (60%) AMI depending on the applicable affordability requirement.

# FREQUENTLY ASKED QUESTIONS

## What is the city of Atlanta's IZ policy?

As an introduction, Atlanta's IZ policy will allow for city employees, (teachers, police, nurses, retail workers and firefighters, for example) to live in and around the Beltline and Westside areas allowing them to benefit from the public investment the city has made in those areas. Additionally, it further ensures that people are not left out as new developments go up around the Beltline and Westside areas. From a Citywide perspective, affordable housing is an issue that is important to Atlanta's growth as a major city, with its proximity to the world's busiest airport and its global position as a major transportation and hub.

The City of Atlanta's IZ policy only covers multi-family housing developments in a portion of the city. Specifically, the Ordinances cover all new multi-family housing developments within one half-mile of the Beltline path, a 22-mile long transit loop around the city and covers new multi-family housing developments near Mercedes-Benz Stadium and the Westside Overlay District.

Developers who desire to develop rental multi-family units in these areas must make 10% of all new units affordable to households at 60% of area median income of HUD's AMI or provide 15% of all new units as affordable to households at 80% of HUD's AMI. (Income Limits Chart is shown at right.)

## Income Limits Chart

%AMI/ Household Size	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
60% AMI	\$33,480	\$38,280	\$43,080	\$47,820	\$51,660	\$55,500	\$59,340	\$63,180
80% AMI	\$44,650	\$51,000	\$57,400	\$63,750	\$68,850	\$73,950	\$79,120	\$84,240
100% AMI	\$55,800	\$63,800	\$71,800	\$79,700	\$86,100	\$92,500	\$98,900	\$105,300
120% AMI	\$66,960	\$76,560	\$86,160	\$95,640	\$103,320	\$111,000	\$118,680	\$126,360

\*HUD AMI for 2019

Based on Atlanta Area Median Income (\$79,700.00) as published by HUD.

The ordinance allows developers to pay an "in-lieu" fee through which the affordable housing obligation is met by paying for development within the same area that the developer opted out by another entity. A separate City Council action on November 20 established a housing trust fund that will receive and reallocate all revenues from these fees. Our current IZ policy is applicable only to new developments for rental units within the Inclusionary Zoning areas, and existing properties that may be undergoing renovations to add ten or more additional units. These additional units would be subject to the IZ policy.

Photo by Aaron Coury



# FREQUENTLY ASKED QUESTIONS

What is Inclusionary Zoning (IZ)?

IZ is an affordable housing tool that links the production of affordable housing to the production of market-rate housing. Most IZ policies/programs require developers who are developing rental units in a specified area(s) to set aside a certain percentage of their housing units for affordable to low- or very-low-income households.

Features of IZ:

- The City of Atlanta's IZ program mandates that developers who wish to build rental multi-family units with ten (10) or more units in the Beltline and Westside districts set aside ten (10%) of their units for individuals or households whose income is 60% or less of AMI (Area Median Income) or fifteen (15%) of their units for individuals or households whose income is 80% or less of AMI.
- The City of Atlanta's IZ program offer developers incentives, such as density bonuses (15% of additional floor area-FAR), reduced minimum parking space requirements, fast track approval, tax abatements, and fee waivers to offset some of the costs associated with providing these affordable housing units.
- IZ is applicable to new and conversion rental multi-family housing projects with ten (10) or more units that are built or converted within the Beltline and/or Westside districts.

How is "Affordable" defined?

Housing is considered affordable if a household pays no more than 30% of its income for housing costs. The issue of affordability affects households who fall with a range of income levels. Low and very low-income residents (the latter being those who earn considerably less than 80% of the area median income) are most severely impacted by the lack of affordable housing, and the Inclusionary Zoning Ordinance is one part of the City of Atlanta's overall housing strategy to address housing needs for low to moderate income residents in the Beltline Overlay District, new developments near the Mercedes-Benz Stadium and the West Side Overlay District.

When did the city of Atlanta's Inclusionary Policy go into effect?

The Inclusionary Zoning Ordinance went into effect on January 29, 2018.

Does the Inclusionary Zoning Ordinance apply to applications prior to the effective date?

No. The Ordinance applies only to those applications for a building permit or land disturbance permit, submitted on or after January 29, 2018.

Are there any exemptions?

There are two exemptions to IZ, first, if a developer has submitted a completed application for a building permit or land disturbance permit, to the Office of Buildings prior to the effective date of the Ordinance (January 29, 2018), they are exempt from the Ordinance.

Second, if a developer has successfully obtained a valid building permit or land disturbance permit before effective date of the Ordinance (January 29, 2018), that project is also exempt from the requirements of this Ordinance.

What is the formula for calculating the actual rent in those required 10 or 15% units at or below AMI?

The rent calculation is based on HUD's current rent standards for bedroom size and occupancy.

What incentives are available to developers?

Developers can choose up to three (3) of the following incentives:

- Increase in density bonus.
- Transfer of development rights.
- No residential minimum parking requirements,
- Reduction in non-residential minimum parking requirements.
- Priority review: SAP applications will be reviewed within twenty-one (21) days.
- Major project status that would allow meeting with department representatives from all departments to identify potential issues to expedite the process.

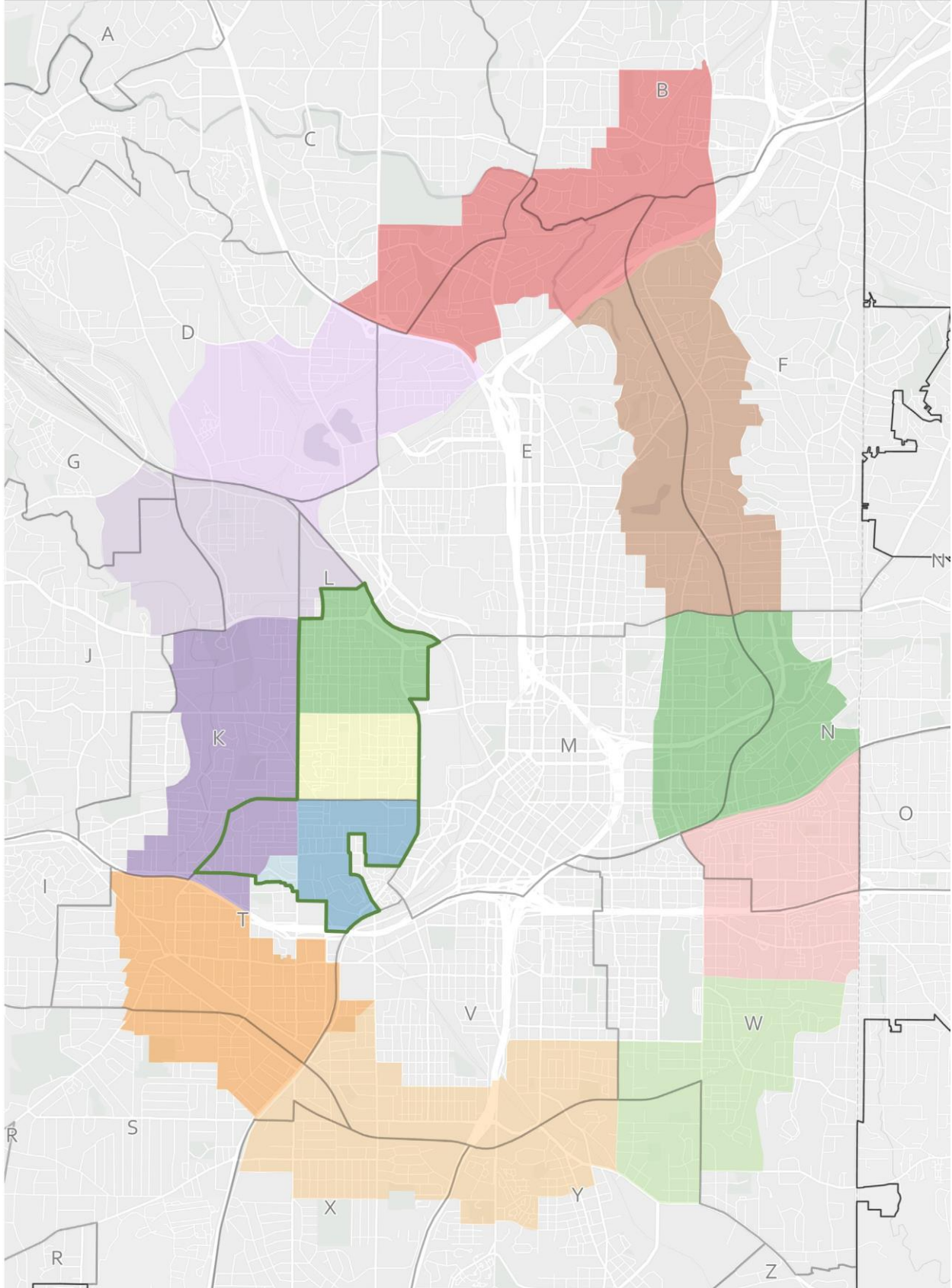
Is the City of Atlanta's IZ applicable to home ownership?

At this time, IZ does not apply to home ownership; however, a committee has been established with ongoing discussions.

Does the Density Bonus for IZ allow a developer to increase the floor height?

The density bonus does not allow an increase in height only a 15% FAR increase above the FAR set by the current zoning district. An increase in height would require a variance.

# BELTLINE INCLUSIONARY ZONING

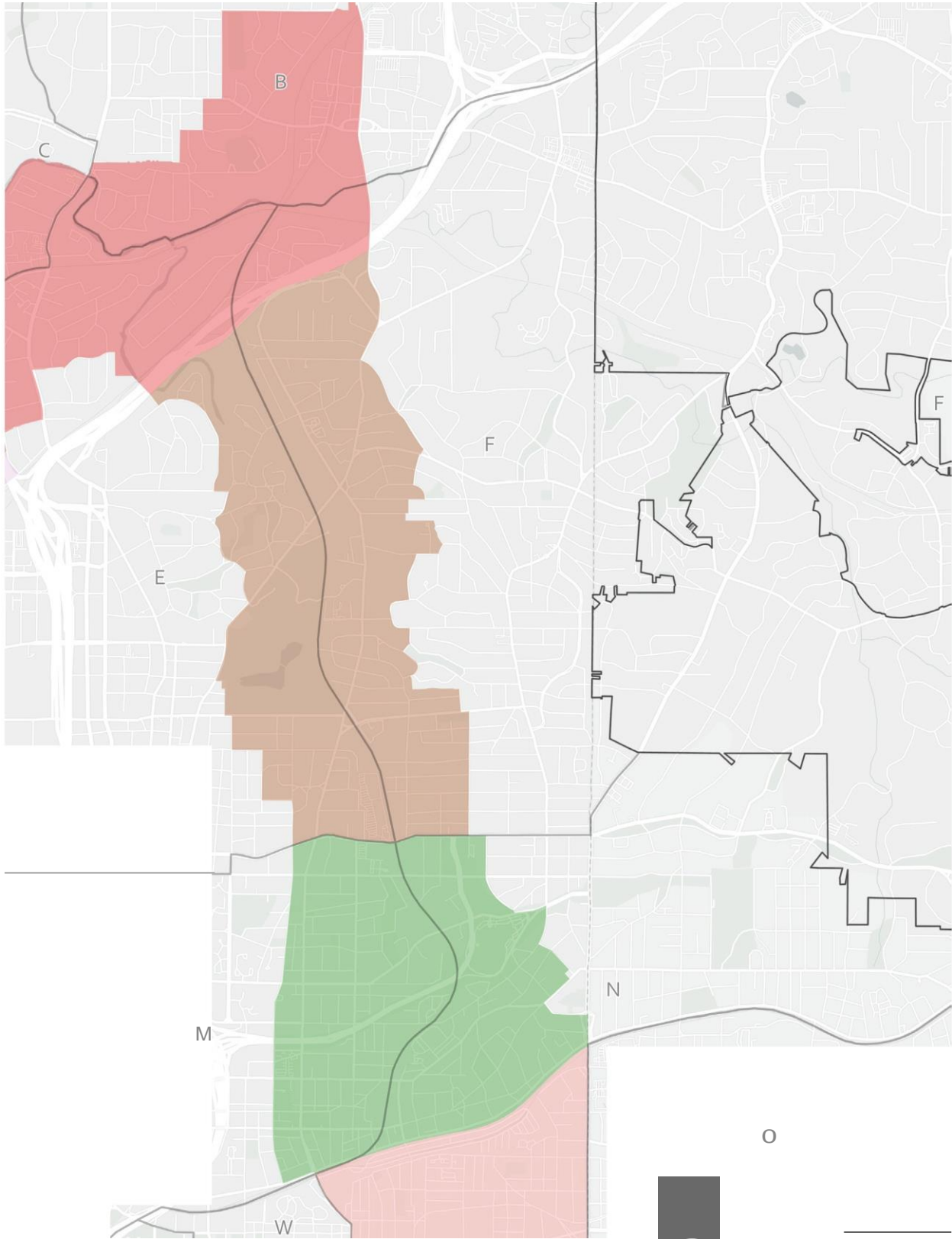


Atlanta City Limits	Atlanta University Center	Peachtree/Collier	Upper Westside/Northside
Westside IZ	Boulevard Crossing	Pittsburgh/Peoplestown	Vine City
Inclusionary Zoning	English Avenue	RDA/Cascade	Virginia Highlands/Ansley
	Freedom Parkway	Simpson/Hollowell	NPU
Ashview Heights	Memorial Drive/ Glenwood	Upper Marietta/Westside Park	



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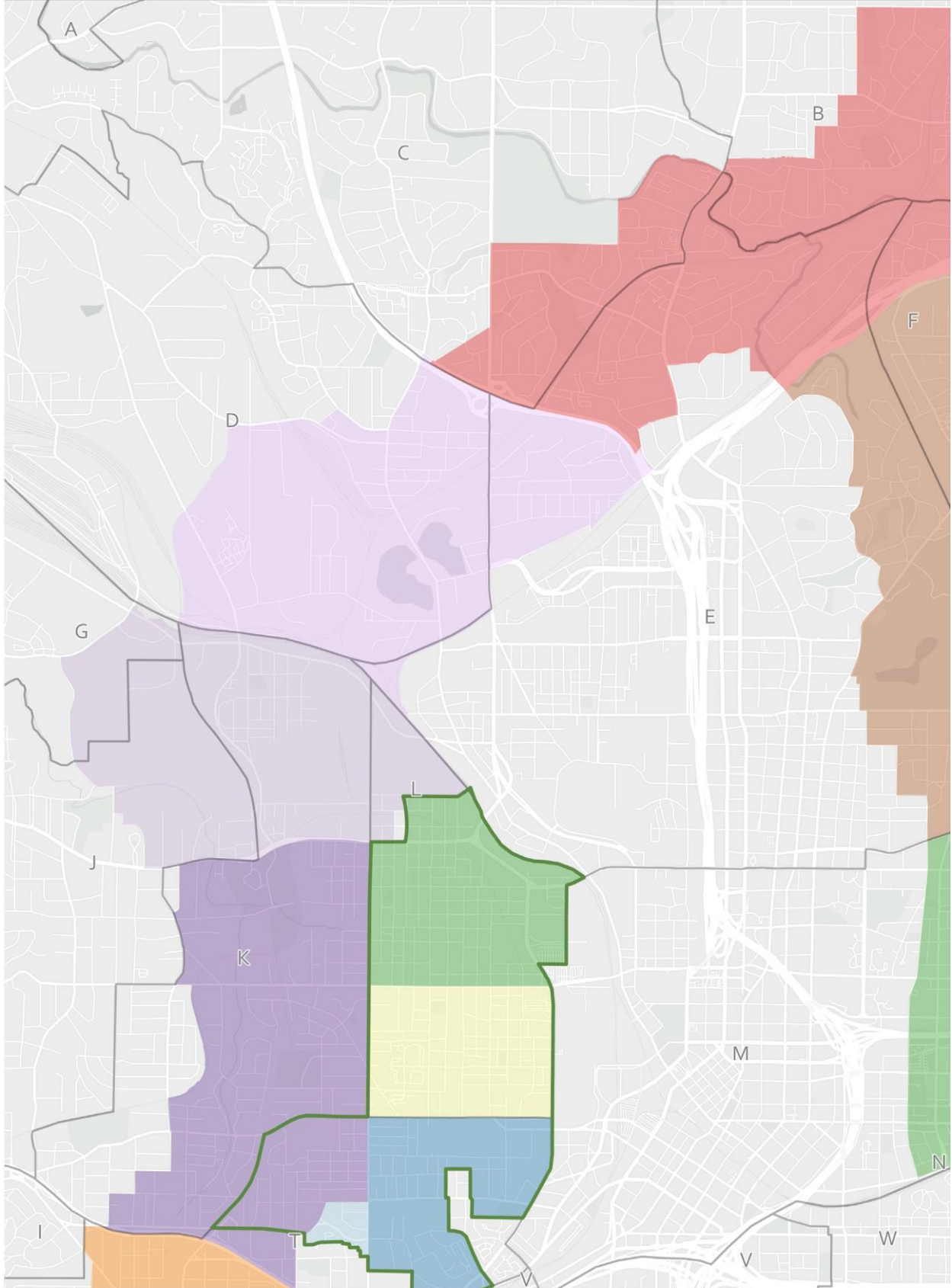
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- Westside IZ
- Atlanta University Center
- Boulevard Crossing
- Peachtree/Collins
- Pittsburgh/Peoples
- Upper Westside/Northside
- Vine City
- Inclusionary Zoning
- Ashview Heights
- Freedom Parkway
- Memorial Drive/ Glenwood
- RDA/Capitol
- Simpson/Hallowell
- Upper Manetta/Westside Park
- NPU
- North Highland/Axlo



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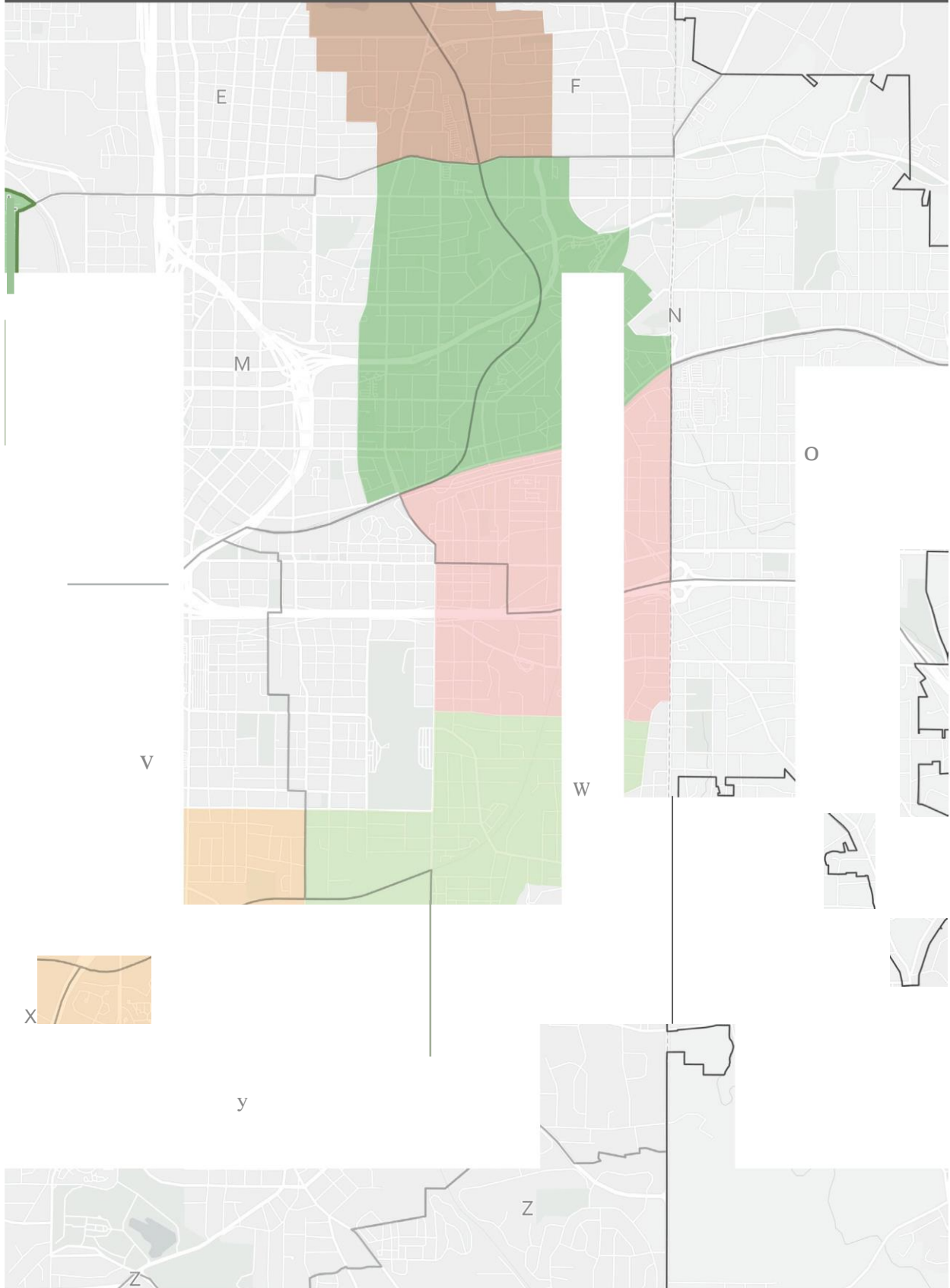


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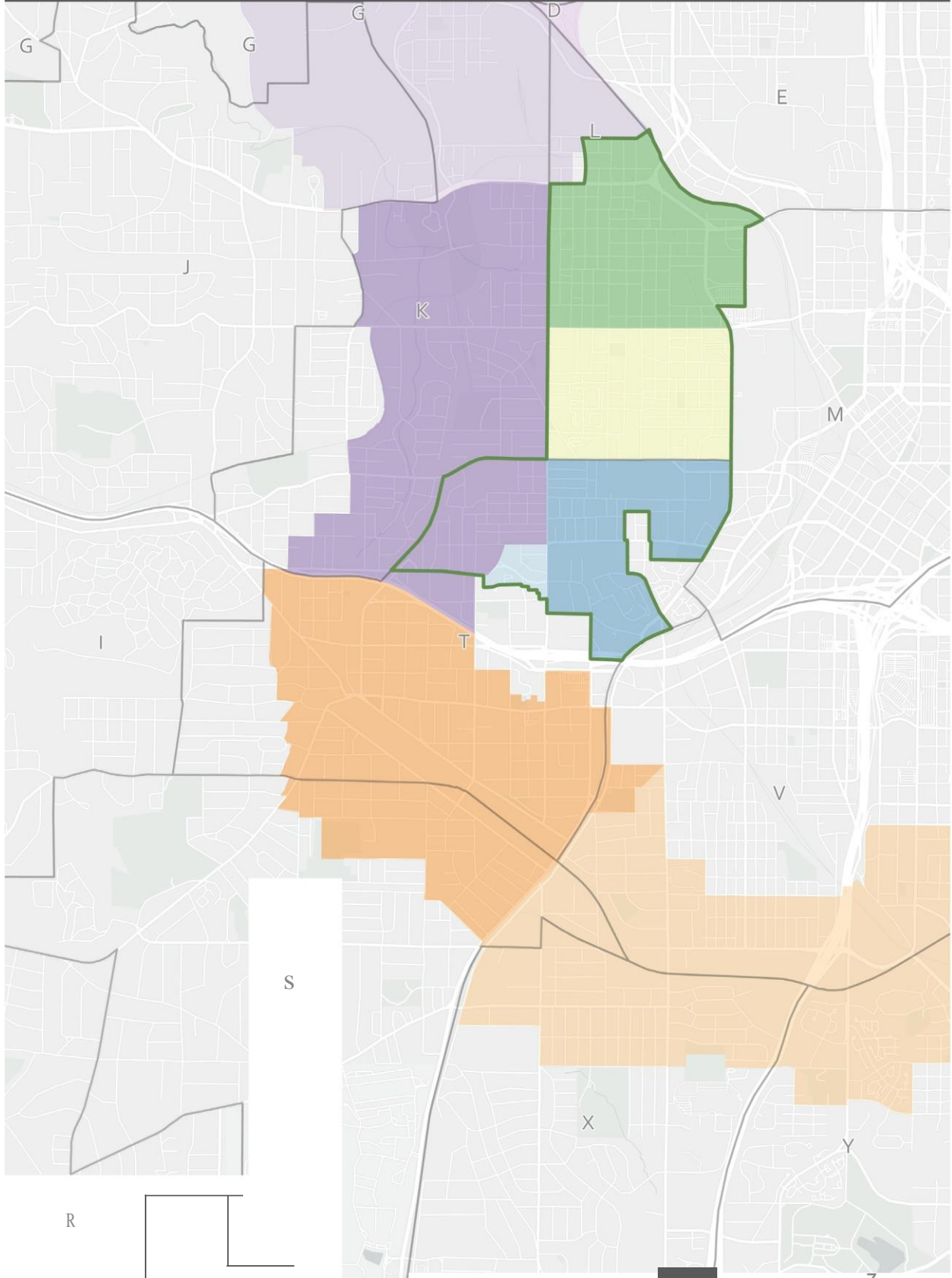


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Upper Westside/Northeast  
Vine City  
Vickram\* Heights/Ancient  
NPU

