



DOUGLASVILLE

Housing Assessment

Prepared by the Atlanta Regional Commission for the
Douglasville Community Development Assistance Program

June 01, 2021

prepared by the



Atlanta Regional Commission

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CHAPTER 1

Introduction



Purpose of Assessment

The City of Douglasville engaged the Atlanta Regional Commission (ARC) to provide technical assistance to provide an in-depth understanding of housing conditions and challenges in Douglasville and recommend strategies to help address those issues.

The project is being undertaken through ARC's Community Development Assistance Program (CDAP). CDAP provides technical assistance to local governments and non-profits across the 10-county metropolitan region to undertake local planning activities that advance the goals of the Atlanta Region's Plan. The report is done in partnership with Georgia Conservancy.

This report is the final deliverable for the project. It provides a summary of data analysis, stakeholder engagement, and recommendations that have been presented to City staff for review and approval, as well as Mayor and City Council. The work for the project is structured to accomplish three major goals:

1. Education: Housing data analysis to inform discussions
2. Discussion: Engage various stakeholders to educate and discuss housing issues and identify housing goals
3. Recommendations: Provide policies and programs to address housing needs

Process of Development

It was important for the information presented in this report to be guided by the citizens of Douglasville and specifically consider Douglasville context in the region when doing so. In order to accomplish this, the process began by analyzing past plans and interviewing a variety of stakeholders to assess the perception of housing opportunities and challenges in the City of Douglasville. The information provided informed the project team about issues and information that needed to be addressed in the data analysis and community conversations and is presented as a summary in the appendix.

A summary of existing housing related data analysis was gathered to develop a comprehensive view of the City of Douglasville housing market. The data analysis included demographic, economic, and housing data for the City of Douglasville as well as comparative analysis with the County, sub-region, and 10-county Atlanta region. As an appendix item, data is presented in three primary areas:

1. Community Profile – Provides a brief overview of essential demographic and economic data that serves as the foundation to understanding Douglasville's housing market.

2. Housing Profile – Examines Douglasville's housing conditions by looking at data relating to available housing stock and cost.
3. Housing Demand Forecast- The analysis estimates annual demand for new housing over the next five years.

Due to the COVID-19 pandemic, all stakeholder engagement was done virtually. Stakeholders were engaged through a number of meetings, including, Advisory Committee meetings, public website, public open house, and City Council retreat. To assist with generating and gathering input on this study, a public website was created using leading community engagement software for government agencies, public input, @ <https://publicinput.com/douglasvillehousing>.

The information collected throughout the process was the foundation of the recommended policy and program seen in this report. The recommendations were presented to the Advisory Committee and City Council for input before being finalized. The recommendations provided need further consideration and prioritization by local government and stakeholders to develop an action plan and implementation steps.

CHAPTER 2

Executive Summary





Downtown Douglasville

Overview

As a historic turn-of-the-century southern railroad town with access to downtown Atlanta 20 miles away, the City of Douglasville has an opportunity to shape, sustain, and leverage growth to preserve its small town charm while creating a destination for residents to live, work, and play. Downtown Douglasville is a highly-valued community amenity, the planned investments for the downtown area provide momentum for the City to attract residents moving to the region and provide a range of housing options. The availability of housing options is critical to the City's economic success and resilience, and City leaders have indicated that housing is a top concern. As the City continues to build on previous planning efforts, the ability to plan and strategically address housing needs will be a key step to success.

The City of Douglasville undertook this Housing Assessment to establish a data-based foundation to understand and meet the needs of the current and future population. The Assessment provides findings

on a wide variety of demographic, housing stock, and housing affordability issues; and provides recommendations, including Best Practices from across the region and state, to help the City move forward in meeting its current and future housing needs.

A diversity of housing is a major contributing factor to a balanced and well-functioning City and in turn, its communities and neighborhoods. As the City continues to grow, it will provide opportunities for Douglasville to diversify the size, price and type of housing available and leverage downtown improvements to attract higher income earners and young professionals. Key challenge areas will include ensuring the quality and safety of existing housing, providing ownership opportunities for moderate- to low-income residents, and the continued development of scalable and appropriate affordable housing options for moderate- and low-income households.

Community Vision

To capture the goals and vision of the community, the project team analyzed past plans and held meetings with local stakeholders and community members. Five past plans completed since 2018 were reviewed and summarized, specifically identifying housing recommendations. Input was summarized and used during advisory committee meetings to guide the recommendations of this study. Through our analysis of input, major guiding principles identified include:

1. Develop new, varied housing stock throughout the City
2. Revitalize downtown by identifying opportunities for additional housing and attracting developers
3. Rezone and add zoning categories that allow for smaller residential lots to improve the mix of housing options
4. Provide public investment in land and housing redevelopment
5. Rehabilitate homes and neighborhoods to make them safe and stable

The guiding principles should be utilized by the City to develop a unified housing vision & specific accountable goals to guide a housing implementation plan.



Mill Village Community Garden Project

Key Findings

A priority for the City of Douglasville was to better understand the community's housing market through data. The report contains the most comprehensive and current data available to provide an accurate picture of the City's current housing market and forecast information to provide a picture of trends expected in the next 5 years. Below is a summary of that information found in the appendix.

Douglasville at a Glance (2019)



Population: 33,052



Median Income:
\$58,560



Poverty rate: 12%



Median Age: 34.90



Total Housing Units:
13,621



Median Housing Cost:
\$178,500



Household Tenure:
5,496 owners



7,179 renters

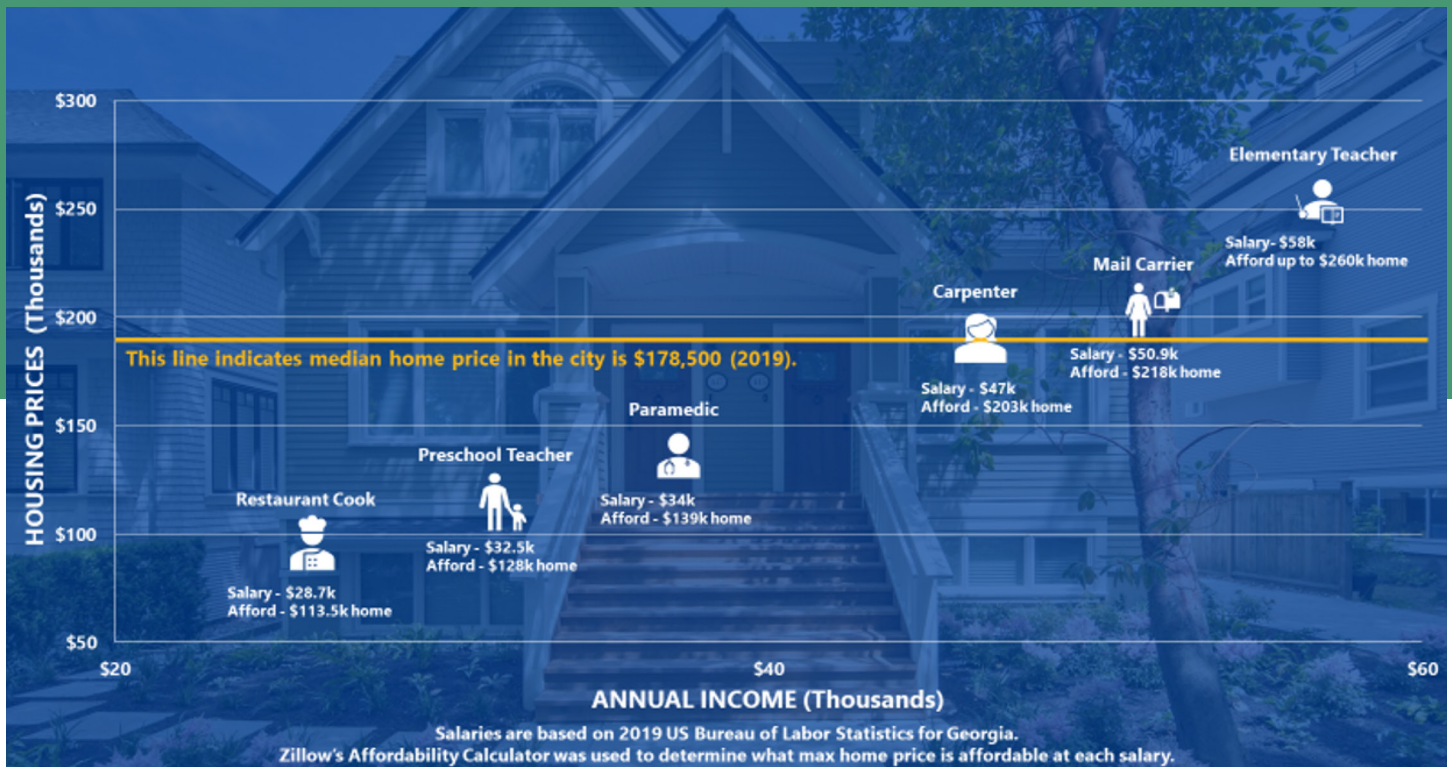
Demographic Profile

The demographic and economic data collected will help to understand what type of housing current Douglasville residents want and can afford in terms of housing costs.

- The City of Douglasville's median household income has continued to increase over time, but not enough to keep up with inflation or the exponential increase in cost of housing in the region. In 2019, Douglasville had 13,621 total households with a median income of \$58,560. Figure 1 illustrates what associated salaries of professional jobs can afford in housing costs.

- The current and projected diversity of Douglasville's age groups will demand a wider range of housing types and sizes (bedrooms per unit) accommodating young families and aging adults.
- Trends indicate high growth in both population and jobs for the City. Planning for housing to accommodate this growth will provide the opportunity for the City to shape and control where and how it takes place.

Figure 1. Home Price and Profession



Source: ARC Image, Zillow Data

Housing Profile

Douglasville is a great place to find a home among middle class families, but has other areas that need to be addressed. An average home in Douglasville was valued around \$196,725 in 2020, a 14.6% increase from \$171,725 in 2018. This significant increase in home value outpaces wage growth, an important factor contributing to household affordability throughout the region and in Douglasville. Meanwhile, there is also a shortage in the supply of homes desirable to the highest earning households in Douglasville (Table 1). The data shows the City of Douglasville housing market trends are:

- Lower-income groups face a deficit of affordable units, both for-sale and rental.
- Middle-income groups, in general, have the most options that fit their budget.
- Higher-income groups also face a deficit of units that are appropriate for their income, so these households are likely to spend less than they can afford to on housing, tightening the market for those with less income.

Tables 1 compares the stock of owner-occupied housing units at various price ranges to the number of Douglasville households with incomes appropriate for those home prices. The tables highlight a housing stock to household income composition mismatch, the red indicates a lack of housing for that income group

A lack of housing supply at higher price points is creating a 'cascading effect', causing high-income households to occupy housing at lower costs than they usually might. This places an increased strain on the supply of housing affordable to middle- and lower-income households, shown in Figure 2.

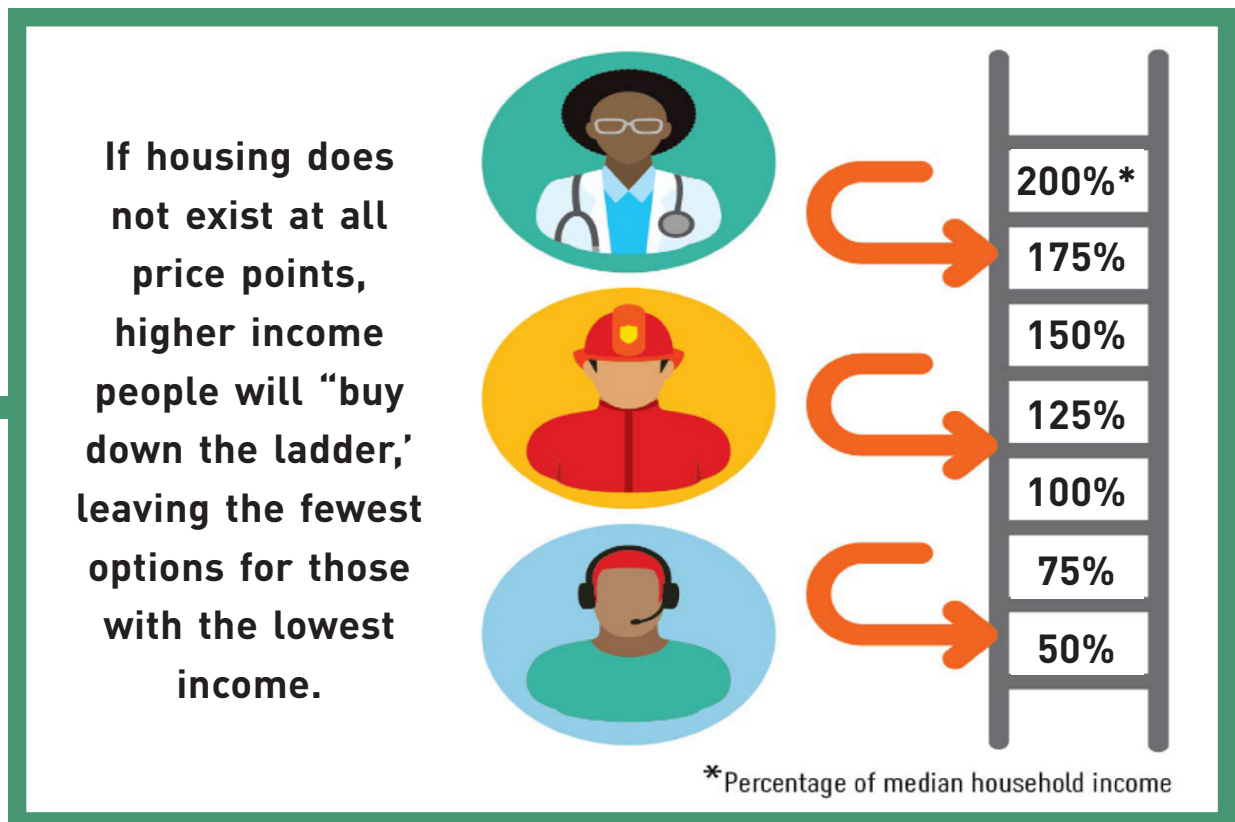
Table 1: Household Incomes Compared to Housing Cost (for Owners)

Income	% of HH in Corresponding Income Bracket	% AMI*	Home Price Ranges (Provided by KB Advisory)	Home Price Ranges (Available through ACS)	% of Owner-Occupied Homes in Corresponding Price Bracket
Up to \$34,999	31.2%	Up to 50%	Up to \$110,000	Up to \$100,000	16.9%
\$35,000 - \$49,999	13.1%	50% - 70%	\$110,000 - \$150,000	\$100,000 - \$150,000	21.2%
\$50,000 - \$74,999	18.8%	70% - 100%	\$150,000 - \$230,000	\$150,000 - \$200,000	23.4%
\$75,000 - \$99,999	11.9%	100% - 150%	\$230,000 - \$310,000	\$200,000 - \$300,000	21.8%
\$100,000 - \$149,999	16.8%	150% - 200%	\$310,000 - \$460,000	\$300,000 - \$400,000	11.2%
\$150,000 and Up	8.1%	200% and Up	\$460,000 and Up	\$400,000 and Up	5.5%

*AMI for the Atlanta-Sandy Springs-Roswell MSA is estimated at \$69,464, using U.S. Census Bureau's American Community Survey Data

Source: ACS S1901 and B25075, 5-yr data, 2019; KB Advisory

Figure 2. Buying Down The Ladder



Source: ARC Image

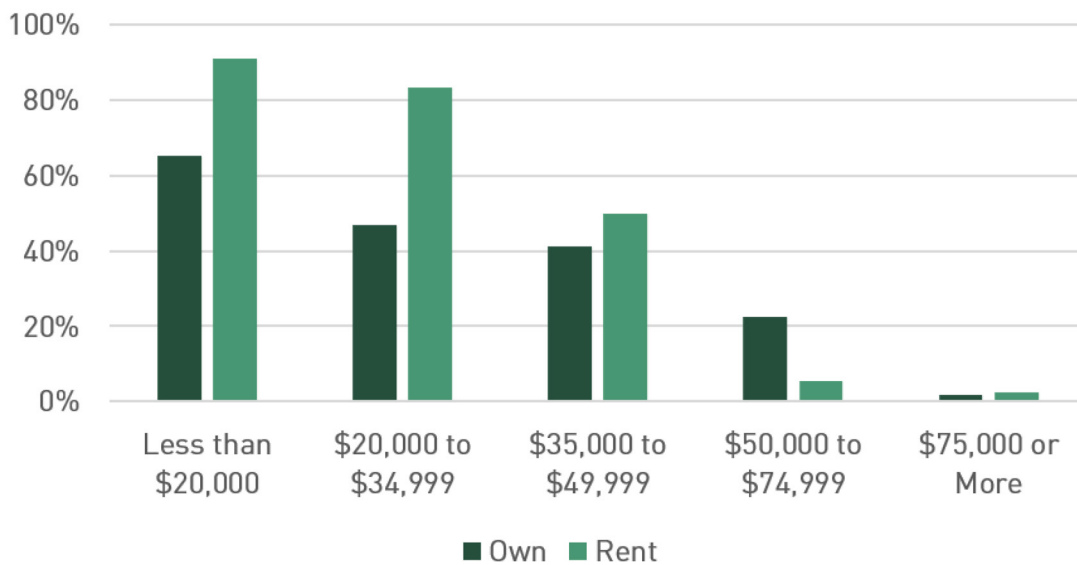
Housing Instability

Douglasville is home to neighborhoods that exist at some noteworthy risk of potential decline in regards to housing quality and housing stability, experiencing an increase in poverty rates, and further shift away from homeownership (see Submarket 7, Map 1) Douglasville has an opportunity to bolster its economy while strengthening and protecting its most vulnerable communities and residents by addressing housing and neighborhood stabilization.

- Douglasville’s average household spends too much on housing
- Douglasville has experienced a significant shift from owner households to renters

While the cost of housing in Douglasville is relatively affordable in the context of the metro Atlanta area, low housing costs are still too high for many residents. Cost of living in Douglasville is affordable for both renting and homeownership households earning in excess of \$75,000 a year; however, in 2018, 4,440 people or 36% of Douglasville’s 12,500 households were found to be spending more than 30% of their income on housing (i.e., housing cost burdened). Predictably, lower-income and renting households are cost burdened at a higher rate than homeowners.

Figure 3: Housing Cost Burden by Tenure and Income



Source: ACS 2019, 5-yr data, B25106

While the cost of housing in Douglasville is relatively affordable in the context of the metro Atlanta area, low housing costs are still too high for many residents. Cost of living in Douglasville is affordable for both renting and homeownership households earning in excess of \$75,000 a year; however, in 2018, 4,440 people or 36% of Douglasville’s 12,500 households were found to be spending more than 30% of their income on housing (i.e., housing cost burdened). Predictably, lower-income and renting households are cost burdened at a higher rate than homeowners.

In addition, Douglasville is experiencing a significant growing contingent of households renting single-family homes. In 2010, 53% of the City’s housing units were

owner occupied. In 2019, that figure had dropped precipitously, to 43% -- the majority of occupied housing units in the Douglasville are now rented.

Effects of the COVID-19 pandemic will exacerbate these factors. The ongoing pandemic and the associated recession will disproportionately impact housing stability for lower- and middle-income households, especially those employed in service industries. Given the City’s high proportion of renter and cost-burdened households, this area is important to monitor and address. As federal eviction and foreclosure moratoria are set to expire in 2021, people still suffering from pandemic-related job losses face heightened risk of losing their housing.

Housing Stock

Douglasville's housing is predominately suburban and rural in character, consisting primarily of single family and older multifamily homes, lacking in diversity of type of housing. About one-third of the City's housing stock is multifamily, but due to this housing stock's age, it is likely to need repairs and maintenance. Also, it is likely not the type of rental to meet the desires of many Douglasville residents, from moderate income millennials and young professionals, to higher income individuals, who may seek housing with more amenities than older housing tends to offer.

Housing Forecast

For Douglasville to meet its forecasted housing demand, it needs to add roughly 140 new units per year between 2021 and 2025. Demand modeling suggests two-thirds of new housing units demanded will be owner occupied, with slightly over 10% of forecasted demand for owner-occupied homes being attached units, like townhomes or condos. One third of new housing demanded is expected to be renter-occupied. One-bedroom units are the most undersupplied housing size and would need the largest increase in new units, although new construction is needed across all sizes.

Summary of Housing Recommendations

The information collected through data, past plan analysis, and stakeholder engagement was the foundation of the policy and program recommendations seen in this report. Recommendations developed fall into three categories: Diversifying available housing, Stabilizing current housing and neighborhoods, and Raising awareness through leadership and communication. Broad and specific strategies are identified; each will be discussed in detail in the body of the report.

1. Diversification of Housing Type, Size, and Price

Douglasville will benefit from increasing the range of housing types, sizes, and price-points available throughout the City to better match the makeup of its residents and households, prepare as the population ages, attract more high income households, and accommodate the needs of its lower- to moderate-income workforce. A balanced approach to housing can be designed based on this community need. Encouraging development of higher-end units alongside lower cost units, larger units alongside smaller units, or for sale alongside rental units can relieve stress on one particular type of housing, such that more opportunities exist for the entire community. Broad strategies to accomplish diversification include:

- Conduct significant work within the zoning and land use policy to align housing priorities, past plans, and

current land use regulations. Zoning tactics should consider allowing for appropriate density, smaller lots and units, and mixed use buildings in appropriate areas. Douglasville should analyze both zoning and building codes to determine their unintended cost to housing development

- Utilize Downtown as a major asset and ideal location for mixed-use and mixed-income housing to facilitate the ability to live, work, and play in the area. Recommendations include conducting a parcel level survey of available buildings or land and rezoning appropriate properties.
- Preserve Douglasville's character, working to promote adaptive reuse of older industrial or commercial buildings for housing

2. Promote Neighborhood and Housing Stability

Douglasville is home to neighborhoods that exist at some noteworthy risk of potential decline in regards to housing quality and housing stability, experiencing an increase in poverty rates, and further shift away from homeownership (see Submarket 7, Map 1). Douglasville has an opportunity to bolster its economy while strengthening and protecting its most vulnerable communities and residents. These issues can be addressed by supporting renovation and rehabilitation of existing homes and providing resources to homeowners and renters. Broad strategies to accomplish stabilization include:

- Develop strategic preservation strategy that identifies properties, resources, and partnerships.
- Provide direct financial and educational resources to owners and renters to increase ownership and stabilize households and neighborhoods including down payment assistance, rehabilitation loans or grants, and education on home buying.
- Coordinate staff and resources, including the creation of both a land bank and land trust to work in partnership to facilitate redevelopment of land.

3. Leadership & Communication Regarding Housing

Dedicated housing leadership and communication tactics can move housing strategies forward and help a community to understand how housing issues impact community success and intersects with almost every other social issue and community outcome, from education and health to employment and public safety. Douglasville City government and elected officials will play a pivotal role in helping to develop new housing and stabilize existing communities by strengthening and improving how housing initiatives are carried out.

- The local government will need to carry out the immediate next steps identified to prioritize housing in the City's future planning and development
- Clearly define and empower a local government entity either existing within the current structure or new, to participate in the implementation of housing strategies and development of housing.
- Create education materials on hot button housing issues
- Create a cross sector housing group, led by the City, to monitor and implement housing related work

Immediate Action Steps

The recommendations raised need further analysis, consideration, and prioritization. For that reason, we suggest immediate next steps include:

1. Identify local government staff person who will lead housing work and their specific responsibilities.
2. Create a cross sector group, similar to that created for Georgia Initiative for Community Housing (GICH) program, led by local government staff to steward, oversee, and implement the recommendations in this report.
3. Expand guiding principles to develop an intentional housing vision and specific accountable goals that will be used to guide a housing implementation plan.
4. Develop an implementation plan that identifies and prioritizes action items, lead partners, and implementation time frame.

CHAPTER 3

Douglasville Housing Recommendations



Recommendation #1: Diversify Housing Stock

Encourage the production of new for-sale and quality rental housing that will broaden housing types available in Douglasville. Particularly, the City stands to benefit from increasing the range of housing types that are suitable for older adults who wish to age in place and housing for higher-income households.

When a City provides a wide variety of housing types, it creates space for the diversity of its residents – enabling people from a range of economic levels, household sizes, and age groups to fit comfortably into their community. Additionally, greater housing stock diversity in a community increases the stability of housing in an area by providing residents with housing better matched to their needs than what might be available in more homogeneous neighborhoods.

Douglasville will benefit from increasing the range of housing types available within City limits and matching housing options to the City's changing demographics. Diversifying its housing stock will enable the City to better match the makeup of its residents to the available housing, prepare for the population to age in the community, and attract more high-income households. Through data analysis and stakeholder engagement, we found that Douglasville is currently experiencing a lack of the following housing types:

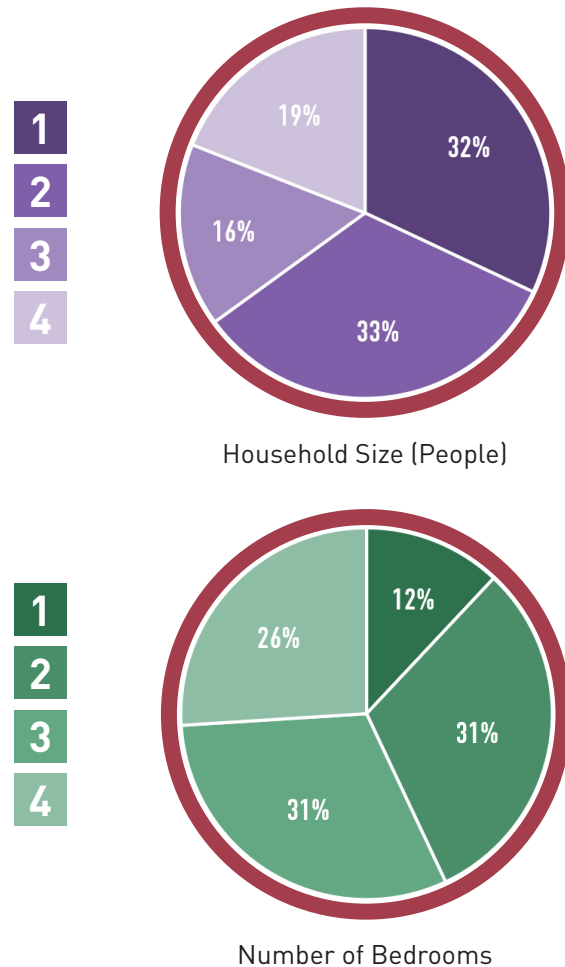
- 'Missing Middle' housing
- Higher-cost, for-sale, single-family housing
- New Multifamily housing
- Senior housing

Missing Middle

Douglasville has a significant household size (how many people live in a housing unit) to housing units size (how many bedrooms are in a housing unit) mismatch, illustrated in Figure 1. While every community can expect some degree of mismatch, it is important to note as an indicator for how a City's housing options reflect the composition of its households. Different households will, of course, have different preferences about what type or size of home is right for them. Looking more closely at mismatch shows where certain options might be lacking for specific types of families.

In Douglasville, a housing-type to household size mismatch is one of the principal factors contributing to the City's need for housing stock diversification.

Figure 4: Housing Mismatch



Source: Esri Business Analyst 2020

Figure 4 illustrates the substantial difference between the number of 1-person households (31% of all households) and the number of 1-bedroom housing units (12% of housing units). We do not intend to prescribe that every housing unit should have one bedroom for each person living in it, although we recognize that the difference in supply of 1-bedroom units and makeup of 1-person households is substantial enough to warrant attention. Framing this mismatch with raw numbers, we find that if every 1-person household in Douglasville wanted a 1-bedroom unit, the City would be short over 2,000 units (ACS, 2018).

It is also worth noting that 57% of the City’s housing stock has three or more bedrooms per unit, while only 38% of households have as many residents. So, that undersupply of single-bedroom units also registers as an apparent oversupply of units with three or more bedrooms, likely causing many Douglasville households – not just one-person households – to acquire and pay for “more house” than they need.

This mismatch can be addressed through the development of what is commonly referred to as missing middle housing. The Missing Middle Housing types provide diverse housing options, such as duplexes, fourplexes, cottage courts, and multiplexes. These house-scale buildings fit seamlessly into existing residential neighborhoods and support walkability, locally-serving retail, and businesses. They provide solutions along a spectrum of affordability to

address the mismatch between the available housing stock and shifting demographics while also addressing the growing demand for walkability. Downtown and surrounding areas should be used as the anchor and focal point for much of this housing type.

Development of missing middle housing types will require zoning amendments that will allow for the conversion of single-family units to duplex, triplex, and quadplex housing where appropriate throughout the City. Not only would this help right-size Douglasville’s housing stock for its changing demographics, but it may also contribute to increasing the affordability of market-rate housing within the City, without decreasing the value of extant housing stock.

New housing demand can be met by a variety of housing types and models, shown in Image 2:

Image 2: Missing middle housing



Source: Missing Middle Housing

Undersupplied Demand for Luxury Housing

Douglasville’s housing stock also exhibits a shortage of larger, for-sale, luxury homes. Interviews initially revealed a perception among stakeholders that luxury housing in Douglasville is undersupplied, and data shows there exists potential demand – coming from current Douglasville residents and potential transplants – for higher cost housing. This undersupply of high-cost housing signifies both a current challenge and a potential opportunity for the City.

Douglasville finds that roughly 5.5% of the City’s housing is valued at \$400,000 or more, according to the Census Bureau, while 8% of the City’s current households earn incomes for which a \$400,000 home is appropriately priced (Table 2). So, there is a small but notable undersupply of high-end homes that could capture greater property taxes and improve the performance of the City’s overall residential market, boosting home values for middle-class families as well.

There is likely demand from existing Douglasville residents as well as from people Douglasville could attract to live within the City for more expensive housing, suitable for higher-income households. Our analysis of home values and household incomes in

Additionally, the undersupply of luxury homes poses a challenge because, although Housing in Douglasville is relatively inexpensive when compared to home prices in the Atlanta region as a whole, undersupply of luxury housing may also contribute to the cascading effect

described earlier, in which high-income households occupy homes at lower costs than they usually might, placing an increased strain on the supply of housing affordable to middle- and lower-income households. Table 2 shows an estimated 2,275 households in Douglasville take home annual incomes of \$100,000 or greater. Constituting about one quarter of the City's households, these higher-income earners have a

restricted stock of housing priced appropriately for their incomes to choose from – only about 17% of the City's owner-occupied housing is valued at \$300,000 or above. This suggests that high-income earners in the City may have to “buy down” the income ladder to acquire housing in Douglasville, which ultimately eats away at the low-cost housing stock appropriate for middle- and lower-income households.

Table 2: All Household Incomes Compared To Cost Of Owner-Occupied Housing

Income	% of HH in Corresponding Income Bracket	% AMI*	Home Price Ranges (Provided by KB Advisory)	Home Price Ranges (Available through ACS)	% of Owner-Occupied Homes in Corresponding Price Bracket
Up to \$34,999	31.2%	Up to 50%	Up to \$110,000	Up to \$100,000	16.9%
\$35,000 - \$49,999	13.1%	50% - 70%	\$110,000 - \$150,000	\$100,000 - \$150,000	21.2%
\$50,000 - \$74,999	18.8%	70% - 100%	\$150,000 - \$230,000	\$150,000 - \$200,000	23.4%
\$75,000 - \$99,999	11.9%	100% - 150%	\$230,000 - \$310,000	\$200,000 - \$300,000	21.8%
\$100,000 - \$149,999	16.8%	150% - 200%	\$310,000 - \$460,000	\$300,000 - \$400,000	11.2%
\$150,000 and Up	8.1%	200% and Up	\$460,000 and Up	\$400,000 and Up	5.5%

*AMI for the Atlanta-Sandy Springs-Roswell MSA is estimated at \$69,464, using U.S. Census Bureau's American Community Survey Data

Source: ACS 2019, 5-yr data, S1901 and B25075; KB Advisory

Table 3: Owner Households' Income Compared to Cost of Owner Occupied Housing

Income	# of HH in Corresponding Income Bracket	% AMI*	Home Price Ranges (Provided by KB Advisory)	Home Price Ranges (Available through ACS)	% of Owner-Occupied Homes in Corresponding Price Bracket
Up to \$34,999	1120	Up to 50%	Up to \$110,000	Up to \$100,000	928
\$35,000 - \$49,999	472	50% - 70%	\$110,000 - \$150,000	\$100,000 - \$150,000	1166
\$50,000 - \$74,999	974	70% - 100%	\$150,000 - \$230,000	\$150,000 - \$200,000	1288
\$75,000 - \$99,999	665	100% - 150%	\$230,000 - \$310,000	\$200,000 - \$300,000	1200
\$100,000 - \$149,999	1412	150% - 200%	\$310,000 - \$460,000	\$300,000 - \$400,000	613
\$150,000 and Up	853	200% and Up	\$460,000 and Up	\$400,000 and Up	301

*AMI for the Atlanta-Sandy Springs-Roswell MSA is estimated at \$69,464, using U.S. Census Bureau's American Community Survey Data

Source: ACS 2019, 5-yr data, S1901 and B25075; KB Advisory

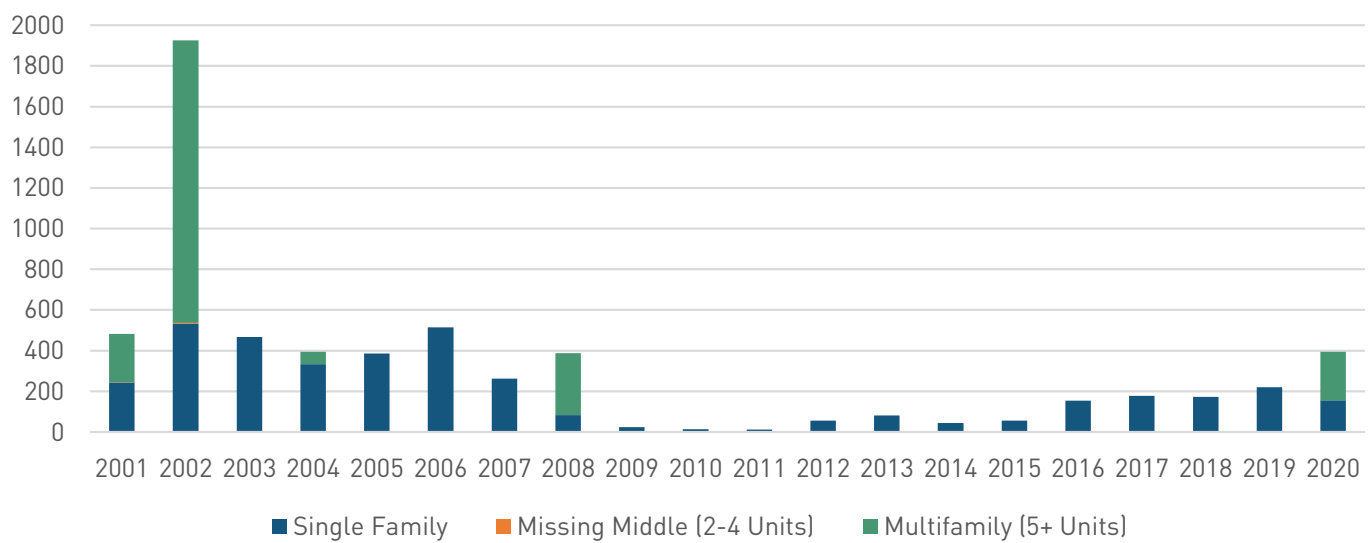
Need for Multifamily

The City’s housing stock would also benefit from an increased supply of multifamily units, for both rent and ownership. In 2001 and 2002, Douglasville permitted the development of over 1,500 multifamily units, and just over another 300 units in 2008 – as a result, roughly one-third of the City’s housing stock is currently multifamily. However, after 2008, the City did not develop any multifamily housing, and no more units were permitted until the latter half of 2020 (SOCDS and City of Douglasville). Meanwhile, the City permitted over 1,100 single-family housing units between 2008 and 2020. In addition, due the multifamily housing stock’s age, it is likely to need repairs and maintenance. Also, it is likely not the type

of rental to meet the needs of many Douglasville residents, from moderate income millennials and young professionals, to higher income individuals.

Considering Douglasville’s housing type to household size mismatch discussed above, the development of multifamily housing provides a straightforward means by which Douglasville can begin to right-size its housing stock for the needs of existing and prospective future households, from moderate income young professionals, to adults living alone, to seniors who wish to age in place without leaving their neighborhoods.

Figure 5. Housing Permits, 2001-2020



Source: SOCDS Building Permits Database

Need for Senior Housing

Like countless other communities throughout the state and the country, Douglasville is home to an aging population, whose housing needs will evolve over the next couple decades as older adults become a larger part of our population. While about 10% of Douglasville’s population was aged 65+ in 2019, another 18% of the current population was between 50-64 years and will join the 65+ cohort in the next 15 years. To accommodate a growing older population, Douglasville will need to ensure that there are a

diversity of accessible and affordable housing options for older residents to age within the community. Some long-term residents may wish to downsize while others may need assistance with modifying their current home or accessing services to stay within their community. The City is actively permitting the development of senior housing to meet some of this need, with 170 new units in early stages of development and another 308 units in varying stages of zoning review.

Recommendations

1. Promote a mixed-use and mixed-income downtown and surrounding area that facilitates the ability to live, work and play in the area.

- a. Conduct a parcel level survey of available buildings or land within downtown that are candidates for redevelopment, historic preservation or mixed-use.
 - i. Create and update searchable inventories of sites available for residential development
- b. Introduce mixed-use and more urban residential formats that require rezoning.
 - i. Create a new High Density Residential zoning district to allow combination of different types of multi-family and small, single-family residential land uses where appropriate, either by right or with restrictions. Including Duplex, Townhouse Condominium, and Multi-Family Residential.
 - ii. Reduce square footage, lot width, lot size, building setback, street width, and off-street parking requirements where appropriate.
 - iii. Remove Industrial zoning near Downtown that could lead to the development of uses out of line with goals, especially on undeveloped parcels.
 - iv. Tie multifamily density bonuses to the provision of bottom-floor retail in mixed-use development; and linking residential density with retail.
 - v. Residential in Commercial districts
- c. Implement recommendations above in the newly funded ARC Livable Communities study, including mixed-use and mixed-income goals
 - i. Analyze zoning changes needed to accomplish housing goals, ie. Developing housing over retail
 - ii. Identify catalytic properties for redevelopment
 - iii. Renovate historic buildings for both housing and retail
 - iv. Evaluate and Incorporate designated lower-income housing units
 - v. Develop examples of capital stacks for lower-income housing

2. Evaluate and develop specific zoning code changes to accomplish housing goals throughout the City.

- a. Evaluate existing zoning and land use by specifically evaluating the ability to increase housing options, type and size, in City of Douglasville.
- b. Update Douglasville's Unified Development Ordinance to introduce changes to zoning and expansion of category characteristics identified in a number of past plans to address housing goals.

- i. Allow appropriate density development by-right within distinct character areas, corridors, & centers
 - ii. Adopt design guidelines and implement regulatory controls by area, zoning districts, or overlays, speaking to specific development characteristics such as site planning, massing, scale, and density.
 - iii. Rezone in accordance with the "Community Character Areas"
 - iv. Require high-quality architectural design and construction for all new public buildings, institutional buildings, and residential and non-residential private developments, reflecting Douglasville's unique community image and character.
- c. Zoning should be used to provide housing choice and increase missing middle options by reducing setbacks, minimum square footage requirements, and allowable housing types.
 - i. Change zoning code to allow property owners in targeted areas to build or renovate duplexes, triplexes, townhomes, and garden style apartments that blend into the character of the neighborhood.
 - ii. Allowing higher density, smaller lots or multi-unit buildings in the Medium Density Residential and High Density Residential zoning districts.
 - iii. Designate transitional areas to accommodate and incorporate medium density and mixed housing types.
 - iv. Establish an "anti-monotony" code for major subdivisions, promoting diversity among housing products, densities, and site development characteristics.
 - v. Relax accessory dwelling unit requirements and expand other types of residential land uses (e.g., duplexes and townhomes) either by-right, with restrictions, or requiring Special Use approval in other residential and commercial zoning districts.

3. Use Historic preservation strategies to develop additional housing while also preserving character of Douglasville

- a. Create a detailed catalog of historical assets that could include housing, commercial, and general landmark designations, specifically in downtown and northside neighborhood.
- b. Promote adaptive reuse of large, older industrial or commercial buildings for housing by proactively rezoning to a multi-family residential zoning dist. This could provide needed housing density and preserve the architectural heritage of a community.

Case Study: Newton County

In recent years, Newton County and its cities have witnessed the transformative potential that comes from investment in varied types of housing. Over the past few decades, county and City leaders—especially in the central cities of Covington and Porterdale—have thought “outside the box” of traditional housing development, encouraging the creation of mixed-income neighborhoods, small-scale infill, and retrofits of historic buildings.

The City of Covington, in particular, has been at the forefront of housing innovation in Newton County. The most prominent example is the mixed-use, mixed-type neighborhood of Clark’s Grove, Phase 2 of which is currently being built out now (May 2021). The neighborhood features a collection of single-family homes—built on small lots or in cottage courts—as well as townhomes and apartments, all of which share Covington’s classic Southern aesthetic.

In addition, the neighborhood includes a modest amount of retail space as well as a community center and pool. When Phase 2 is built out, it will link the neighborhood directly to the Cricket Frog Trail, a recently-completed rails-to-trails project that threads through Covington’s downtown and near the City’s main commercial corridor.

Other small-scale infill projects have been proposed for Covington as well, including converting some of its manor homes into subdivided units, or adding apartments a few short blocks away from its central Square.

Beyond Covington, Porterdale has engaged in transformative retrofit projects. Its historic mill, which sits alongside the Yellow River, has been converted into high-end lofts. Breathing new life into these historic buildings has only reinforced Porterdale’s mill-town charm, adding new housing around its small-footprint single-family and historic duplexes.

Through the creation of these new homes, local leaders have positioned housing as an economic asset, not just for each individual household but for the entire community. Locating housing near services, or creating additional retail space as part of a housing project, encourages neighborhood vibrancy and walkability. Adding units of different types and sizes not only supports families with a range of incomes and preferences, but also increases the cities’ tax value per acre that can then be reinvested in other improvement projects.

Newton’s success comes from a mix of factors. First and foremost, local leaders have championed these ideas, reaching out to community members, business leaders, and developers to discuss the benefits of these housing innovations. Notably, the Covington Housing Authority is a major partner in advancing housing choice, as they used their unique suite of powers to acquire land and construct housing that meets their community’s needs. And those needs are great: the vast majority of CHA’s residents have full-time jobs, but still have trouble finding quality homes that fit within their budget.

Secondly, City and county planning staff have invested time and attention in creating flexible land use and zoning regulations that encourage these housing types. Though the process can be slow, the resulting opportunities can set up communities for sustainable success in the long-term.



Recommendation #2: Promote Neighborhood & Housing Stability

Douglasville needs to protect the City's most vulnerable residents by increasing access to ownership & protecting renters.

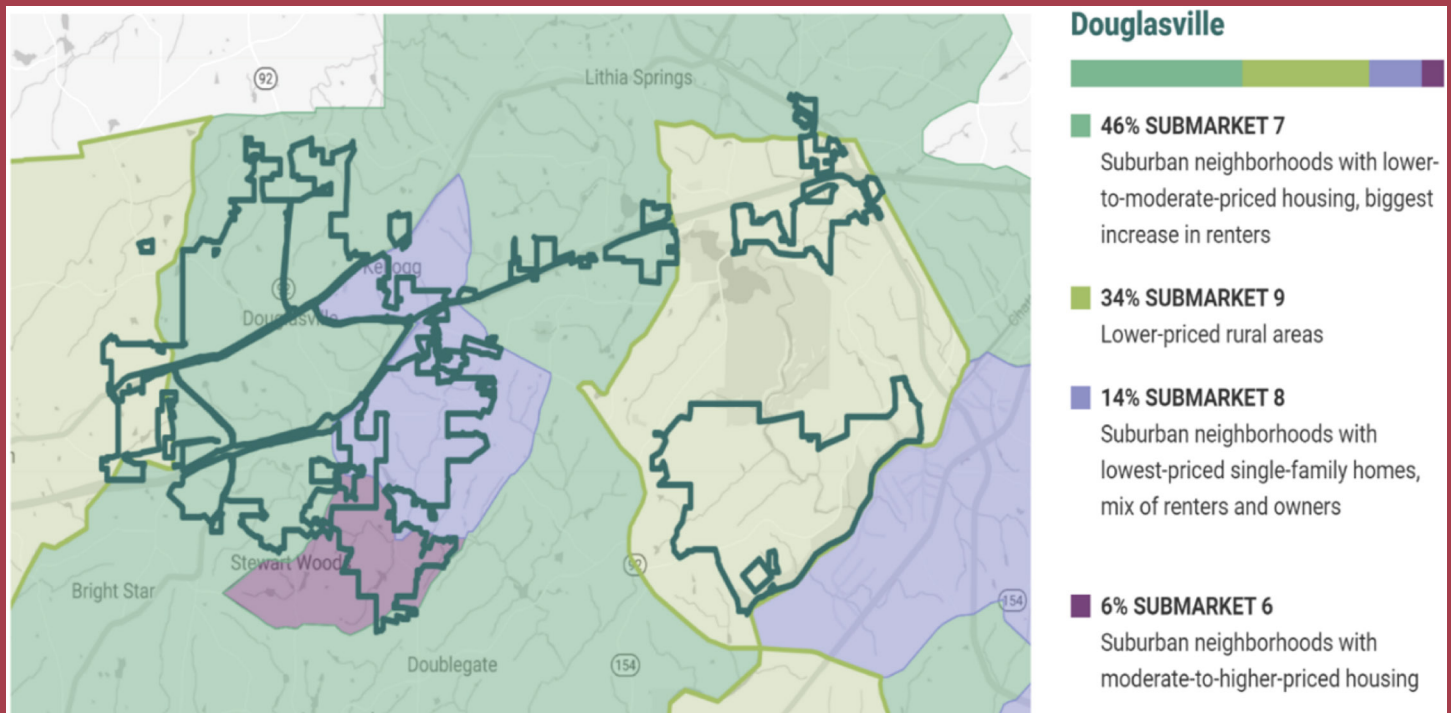
Neighborhood stability is used here to refer to those physical, economic or social features of the neighborhood that are associated with the quality and investment within the community. Housing factors that measure stability are: the quality of homes, the rate of homeownership & cost-burden, property abandonment, and residents' risk of loss of housing through eviction or foreclosure.

Addressing issues of neighborhood and housing stabilization will have a positive effect on Douglasville's

economic success as a City and families' quality of life. Specifically, the neighborhoods in greatest need of stabilization are those surrounding downtown. Turning attention to these neighborhoods can help downtown realize the full potential of its economic investments.

The Atlanta Regional Commission's Metro Atlanta Housing Strategy, identifies four housing submarkets in Douglasville, the largest of which (Submarket 7; see Map 1) is host to neighborhoods at noteworthy risk of potential decline and loss of homeownership.

Map 1: Douglasville Regional Submarkets



Source: metroathhousing.org

More specifically, factors discussed in this report pertaining to neighborhood and household stability points to:

- High rates of housing cost-burden among households earning below the City's median income
- Declining homeownership rates
- Ability to continue to meet housing demand

In addition, COVID-19 pandemic introduces a heightened risk of instability and ultimately eviction for renter households. Economic fallout from the ongoing pandemic will disproportionately impact housing stability for lower- and middle-income households, especially those employed in service industries. Given the City's high proportion of renter and cost-burdened households, this is crucial to monitor and address.

Housing Cost Burden

Throughout the past few decades, across the entire country – Douglasville included – the cost of housing has risen at a rate outpacing growth in wages, rendering housing “less affordable” to people everywhere. Douglasville’s median income is \$53,276, and although household income has continued to increase over time, it has not been enough to keep up with inflation or the sky rocketing cost of housing in the region.

Housing affordability is frequently discussed in terms of whether a household experiences “cost burden.” Housing cost burden occurs when a household pays more than 30% of its income toward the cost of keeping a roof over their head every month. When low- and moderate-income households are cost-burdened, they may struggle to afford necessities, like food, clothing, transportation, and medical care.

Predictably, lower-income and renting households are cost burdened at a higher rate than homeowners. Figure 6 shows the rate of cost-burden for Douglasville

households, broken down by tenure and income. For households earning below the City’s median income (roughly \$53,000 in 2018), cost burden is very common. Roughly one-third of the City’s residents earn less than \$35,000 annually, of whom nearly nine in ten (87%) are burdened by the cost of their housing. Furthermore, over 50% of renters earning between \$35,000 and the City’s median income also experience cost burden.

Older adults (65 and older) and young people (15-24) face housing cost burden at the highest rates in Douglasville, with renters experiencing cost burden at higher rates in both cohorts. Renters 65 and older are cost burdened at a rate of 62%, while renters aged 15-24 are cost burdened at a rate of 57%. Conversely, older homeowners face cost burden at lower rates than their younger counterparts: homeowners aged 25-34 (42%), likely as a result of older homeowners frequently having paid off mortgages.

Figure 6: Cost Burden



Source: ACS B25106, 5-yr data, 2018

Figure 6 also illustrates that housing in Douglasville is very affordable to residents earning more than \$75,000 per year, making it a great place for middle-class families to accrue wealth through homeownership, but it is clearly not affordable for households earning below \$35,000.

The City can focus on stabilizing rents and introducing creative solutions to make housing more affordable to low- and moderate-income households without introducing the potential negative impacts on owners’ investments.

Declining Homeownership Rates

Rate of homeownership is an important marker of housing and neighborhood stability. Not only is homeownership one of the best ways to build long-term wealth, but it also fosters a sense of community and stability vital to growing families and communities.

In Douglasville, between 2010 and 2018, the rate of homeownership dropped from 53% to 43%, marking a swing from majority ownership to rentership. Table 4 outlines how tenure changed, and specifically highlighting that change within single family homes.

Between 2010 and 2018, while the City’s housing stock grew by nearly 1,000 units, the stock of owner-occupied housing actually decreased by nearly 700 units, almost all of which were single-family homes that had converted to renter occupancy.

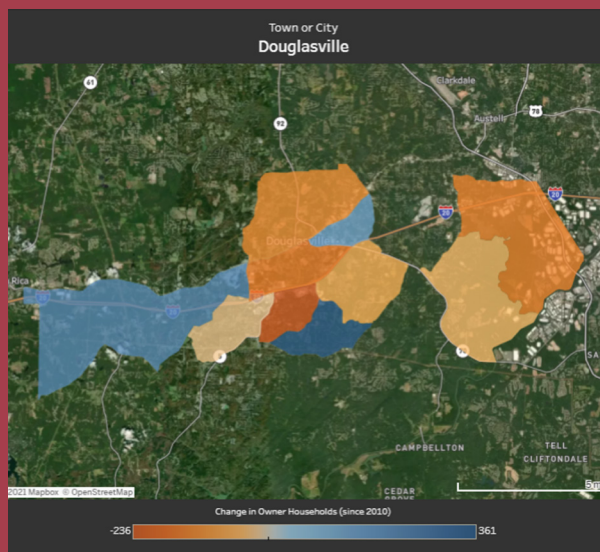
The Metro Atlanta Housing strategy data illustrates where the change in ownership took place, helping to point to the more vulnerable neighborhoods with losses in orange on Map 2.

Table 4: Tenure by Units in Structure

	2010	2019	Change, 2010-2019
Total	11,134	12,675	1,541
Owner-Occupied Housing Units	5,954	5,496	-458
Single-Family Unit	5,655	5,206	-449
Renter-Occupied Housing Units	5,180	7,179	1,999
Single-Family Unit	1,075	1,595	520

Source: ACS 2019, 5-yr data, B25032

Map 2: Change in Ownership



Source: metroatlhousing.org

This information is not to imply that rental housing isn’t a vital part of any community, particularly those with large numbers of lower-income families for whom homeownership may not be a realistic or desirable alternative. While maintaining homeownership is desirable to neighborhood and family stability, policies should focus on both homeowners and a sound rental housing stock, engaging renters fully in these housing conversation.

To identify individual properties in poor or unsafe conditions within neighborhoods experiencing loss of homeownership, the City can replicate the methodology employed in the 2018 Northside Study (pages 30-31).

The City can boost homeownership rates – and, by extension, housing stability – through two key approaches: it can create financial and educational resources to increase access to homeownership opportunities, and it can use programs to keep existing homeowners in their homes.

Meeting Future Housing Demand

A key to preventing housing costs skyrocketing as Douglasville grows is the need to meet future housing demand by continuing to develop enough housing. For Douglasville to meet its forecasted housing demand, it needs to add roughly 140 new units per year between 2021 and 2025 (700 total).

The demand model's outputs are broken down in Table 5.1 Demand modeling suggests two-thirds of new housing units demanded will be owner occupied (95 per year, or 475 over five years), with about ten percent of that demand being for multifamily units.

By satisfying the community's total demand for housing, Douglasville will keep quality, affordable homes in reach for middle class families. However, in order to satisfy the more specific needs related to households' varied incomes & preferences related to type, Douglasville must invest in a variety of housing options.

Table 5. New Demand By Tenure and Type

	Annual	5-Year Target
Total	140	700
New Rental Units	45	225
New Owner Detached	79	395
New Owner Attached	16	80

Source: KB Advisory and ARC

Recommendations

To improve neighborhood stability and prepare for future growth, Douglasville should pursue solutions that alleviate housing cost burden for low-income residents and improve access to homeownership and quality housing. Meanwhile, the City should ensure it continues to permit new housing at a rate that keeps up with population growth.

1. Improve the quality of the City's existing housing supply, including older homes and income-restricted properties

- a. Create preservation catalogs. An important first step is to identify which units to preserve, and if applies include the types of subsidies and rent restrictions that apply to each development and find out when those subsidies are going to expire
- b. Prioritize properties. Once all of the candidate properties for preservation have been identified, communities can begin reaching out to owners to learn about their intentions, and about the physical and capital needs of their respective properties, as well as the timing of the expiration of any housing subsidies. This research can help prioritize limited preservation resources on the properties that are most important to preserve with regards to location and quality.
 - i. Use the recently funded LCI study to determine the economic impact housing stability will have on downtown and help to prioritize properties for redevelopment, identifying catalytic sites.
- c. Develop a package of financial supports available to preserve, including:
 - i. Community HOME Investment Program (CHIP)
 - ii. Community Development Block Grant (CDBG)
 - iii. Low Income Housing Tax Credit (LIHTC) program
 - iv. Tax-exempt multifamily bonds or 501(c)(3) bonds
- d. Consider opportunities to partner with and support the activities of respective Public Housing Authorities in pursuing programs to renovate existing public housing stock as well as support and potentially incentivize landlords who accept housing choice vouchers.
- e. Code enforcement strategies should emphasize proactive solutions rather than reactive solutions, helping to ensure problems are unlikely to arise.
 - i. Hold repeat offenders accountable by enforcing harsher penalties on multiple violations, especially landlords with large holdings.
 - ii. Place special focus on offenses that affect safety and health - like mold, leaks, and structural deficiencies.
 - iii. Increase funding to support code enforcement action and demolition of blighted vacant buildings.
 - iv. Establish a three year goal to reduce non-compliant

- parcels by a certain percentage based on funding.
- v. Require boarding of vacant structures.

2. Create both a community Land Bank & Land Trust to work in partnership to facilitate the redevelopment of underutilized, vacant blighted, tax delinquent properties

- a. A Land Bank is a governmental entity that acquires vacant, abandoned, or tax-delinquent properties and ultimately converts "liabilities into productive assets"
- b. A community land trust is a nonprofit organization that acquires, retains, and manages scattered parcels of land on behalf of the community with the intention of never reselling properties.
 - i. A land trust can renovate and rent or sell a house to new lower-income households while retaining ownership of the land and granting the right to occupy the site through a ground lease.
 - ii. While the goal of a land trust is to have "people build equity from day one and have an ownership stake," there are restrictions placed on the resale value of the home.
 - iii. Coordination between the land banks and land trusts can lower land acquisition costs for rehab homes and lessen the bureaucratic, legal, and market timing challenges.

3. Direct financial and educational resources to owners and renters to increase ownership and stabilize households and neighborhoods

- a. Creation of a Homeowner Rehab program
 - i. Provide financial assistance for emergency repairs, code violations, anticipation of code violations, and exterior repairs guided by design standards to promote safety.
- b. Creation of Rental Rehab program
 - i. Provide rehabilitation grants or low-interest loans to land loads, in addition this could be made on the condition that these units be rented to families with incomes less than 60% of the area median income (AMI).
- c. Provide training programs and financing tools such as down payment and closing cost assistance to increase access to homeownership
 - i. Create a range of resources for households experiencing a housing crisis (unanticipated change in housing costs, eviction, etc.)

Case Study: City of Brunswick

Take a walk around Brunswick and its coastal character is immediately evident. From the vivid storefronts and breezy patios of Newcastle St to the ornate manors of its historic district, it is clear that Brunswick celebrates its history. But in order to maintain that history, Brunswick leaders needed to invest significant time and energy into stabilizing and reinvesting in their community.

Brunswick has experimented with several different methods of neighborhood stabilization that, when implemented together, have served to incrementally strengthen the City.

Local leaders responsible for downtown's health and vitality have taken advantage of grant opportunities, historic preservation, and creative designs that transform existing buildings into modern spaces while keeping their historic character. The retrofit of the iconic Kress & Co building is one such example of what can be achieved when passionate citizens come together with a unified vision. When finished, it will host new loft-style apartments with ground-floor retail right in the heart of downtown.

Change agents in Brunswick also focused their attention on existing homes by helping homeowners improve their facades. Additionally, certain larger

properties were transformed into multi-unit structures that provided new units at affordable rates.

New construction also came to Brunswick, in the form of small, shotgun single-family homes. Though builders kept the floor plans uniform, they adjusted the styles of the homes in response to the market. In Brunswick's manor district, each shotgun house was adorned with Brunswick's signature architectural embellishments; in other neighborhoods, builders kept costs low by simplifying the facades. Inside, each home featured the same quality designs and materials. Simply changing the "look" of each home offered affordable options to those who needed them.

Nearby, Norwich St—a neglected commercial corridor, home to vacant properties and safety concerns—faced different challenges. An overabundance of retail and asphalt had made it an eyesore that was tricky to rehabilitate. Still, local leaders got together and reimagined what the corridor could look like. Plans have focused on creative placemaking, highlighting new kinds of incubator-style retail and streetscape improvements. Some designs even proposed redeveloping abandoned garages and strip malls into picturesque, small-footprint housing units that would be affordable to lower- to middle-income households.



In addition to solutions that focused on design innovations and funding support, the City of Brunswick also partnered with Glynn County to form a Land Bank Authority. Through this governing body, the City can absorb dilapidated properties for redevelopment, furthering the economic revitalization the City has already experienced.

As a community with such an extensive history, Brunswick had several properties they wished to preserve. These special structures proved to be just as instrumental as other, non-historical structures would at stabilizing the well-being of various Brunswick neighborhoods. In many cases, City leaders prioritized redevelopment over demolition, making lemonade out of the lemons that they had.

Recommendation #3: Encourage Leadership & Communication Around Housing Need

Dedicated housing leadership and communication tactics can move housing strategies forward and help a community to understand how housing issues impact community success and intersects with almost every other social issue and community outcome, from education and health to employment and public safety.

There is a general difficulty among the public to see housing as an issue that requires greater attention from policymakers. People often struggle to see the connection between housing, quality communities, and economic success, but public support is necessary to enact policies and establish programs that address housing. This requires employing communications strategies to expand the public discourse on housing needs within the community.

In addition, local government staff, elected officials, and service providers need to provide strong leadership, commitment, and collaboration to improve housing options through meaningful housing policy and finance changes.

Douglasville City government and elected officials will play a pivotal role in helping to develop new housing and stabilize existing communities by strengthening and improving how housing initiatives are carried out. The City, aided by public input, sets local development priorities and allocates public funds to housing and other community development initiatives. A number of the action items proposed in Recommendations #1 and #2 will need leadership of the local government to implement.

Several of the recommendations raised in #1 and #2 need further analysis, consideration, and prioritization. For that reason, we suggest immediate these next steps lead by the local government:

1. Identify local government staff person who will lead housing work & their specific responsibilities.
2. Create a cross sector group, similar to that created for Georgia Initiative for Community Housing (GICH) program, led by local government staff to steward, oversee and implement the recommendations in this report.
3. Expand guiding principles to develop an intentional housing vision and specific accountable goals that will be used to guide an housing implementation plan.
4. Develop an implementation plan that identifies and prioritizes action items, lead partners and implementation time frame.

Recommendations

Leadership and Communication will be key to moving Douglasville housing initiatives forward.

1. The local government needs to take a more active role in identification and development of housing.

- a. Increase capacity of local government staff dedicated to housing issues
- b. Conduct and audit to Identify opportunities for residential development through the identification of surplus or vacant land and buildings, or underutilized properties.
 - i. Create and maintain an inventory of available opportunities with key attributes of available parcels and desired development, making it easier to quickly identify sites that might be good candidates for housing.
 - ii. Identify catalytic sites for mixed use, prepare site for development through demolition, rezoning and master planning and infrastructure improvements
- c. Empower an agency, possible development of a local development authority, to explore the possibility of providing incentives for residential development. This could include:
 - i. Preparing development sites through site clearance, assemblage, or sub-division.
 - ii. Subsidizing infrastructure development, either preemptively or in cooperation with a developer, in locations that are:
 1. Likely to provide a wider-array of housing types
 2. Deemed appropriate by local leadership.
 - iii. Creating leasehold (“bonds-for-title”) agreements with landowners to lower tax and infrastructure burdens to provide time for construction of new developments to take place.
 - iv. Offer surplus or underutilized public property at a discounted price or with access to low-cost financing.
- d. Assistance of local government for housing development can be focused on helping to provide “proof-of-concept” for innovative development, for example residential on top of retail downtown.

e. Seek to create a Public-Private-Philanthropic financial partnership to increase housing production.

- i. Leverage the public sector ability to borrow low-interest money, possibly in partnership with a Local Development Authority.
- f. Create a streamlined zoning and approval process for development of by-right multifamily development with amenities
- g. Use Local Government financing tools
 - i. Community Development Block Grant (CDBG)
 1. CDBG can be used for pre-development, site acquisition, site improvements, property acquisition, property rehabilitation, and first-time home-buyer assistance.
 2. CDBG funds can also be used for other purposes, such as the construction of public facilities, public services, and economic development activities.
 3. At least 70% of CDBG funds must be used for the benefit of low-and moderate-income households.

2. Expand Community understanding of housing issues. It important we find ways to talk about housing in a way that helps people understand shared community goals and illustrate how housing impacts everybody in a community.

- a. Make it easier for developers and the public to understand zoning rules and housing policies
- b. Develop educational materials that address frequently asked questions about housing in Douglasville
- c. Develop educational materials that improve public understanding of available housing options in Douglasville
- d. Use data to increase public understanding of how new development will affect town and school property taxes and services
- e. Encourage participation in community conversations around housing from groups that are less well represented, such as low-income families and renters generally

Case Study: Paulding County

Just a short drive away from Douglasville, neighbor Paulding County knows first-hand the value of planning education.

In the mid-2010s, Paulding County correctly identified that they needed to reassess how they were growing. Like their peer counties on the urban fringe around metro Atlanta, their growth rate was climbing. To accommodate new residents, housing influencers in the county built more and more homes. However, rather than locating these new homes close to existing services (near commercial areas or the downtowns of Dallas and Hiram, Paulding County's two biggest cities), new suburban-style single-family neighborhoods were being surveyed and built farther away, using up more of Paulding County's land.

Though these types of units were in high demand, County officials began to suspect they needed to approach development more proactively by advocating for kinds of development they wanted to see and where they wanted those developments to be built. They began a process to redo their Comprehensive Plan, which included an in-depth Land Use Study led by the Georgia Conservancy.

During this process, it became clear through multiple engagement efforts that the City's infrastructure could

not support the continuous expansion of low-density development taking place. Eventually, the return on investment would be so low that it would cause undue stress on the county's budget. This concerned practitioners and citizens alike, and gave planning staff in the county and its cities the necessary momentum to move forward.

Since then, the County has put significant energy toward educating the populace on different ways to build housing, use land, and encourage economic development. The County has positioned its new Wellness District as a catalytic development that will serve as an anchor for new housing, retail, and jobs. The cities of Dallas and Hiram have similarly looked inward to identify how they can reinvigorate their downtowns. Dallas, in particular, has examined its existing building stock for opportunities to add new housing units at scale with its need.

In summary, Paulding County is an example of a jurisdiction that charted its course, saw they were headed down a financially challenging path—a path lined with unsustainable costs for community services and infrastructure—and course-corrected. And they couldn't have done it without the support and understanding of multiple stakeholders, including partners, practitioners, and the public.



An aerial photograph of a suburban area, showing a mix of residential buildings, parking lots, roads, and green spaces. A prominent multi-lane road with a roundabout runs diagonally across the lower half of the image. A purple rectangular overlay is positioned in the upper left quadrant, containing the word "Appendix" in white, sans-serif font.

Appendix

Community Context

Douglasville's Previous Studies

An essential part of understanding Douglasville's current and future housing needs is to review and evaluate what has been identified as goals and vision relevant to housing for the community's future in recent planning studies. In order to honor that work and the stakeholders engaged, The plans were evaluated through a housing lens and identified any information pertinent to the work. The team reviewed major plans from the past 5 years, including:

- Downtown Master Plan and 10 Year Strategic Plan
- North Side Redevelopment Plan
- Dallas Highway LCI Study
- Douglasville Comprehensive Plan
- Douglas County Community and Economic Development Strategy

Below is a summary of how each of the above plans addressed housing.

Downtown Master Plan and 10-Year Strategic Plan

Vision: Downtown Douglasville should become a place where residents and visitors want to be, and should be comparable to other historic suburban downtowns in the Atlanta region.

This plan was adopted in December 2017 and identified several goals related to economic development, transportation, land use, and arts and culture. There are two housing-related goals:

- Develop new housing that is appropriate for a range of ages and lifestyles to expand the downtown population and increases consumer demand for existing and new businesses (aligns with CDAP recommendation to Diversify Housing Stock)
- Redevelop the former county jail into a recognized downtown anchor with a mix of residential, commercial, and civic uses (aligns with CDAP recommendation to leverage available land for housing development)

The Downtown plan presented here adds 33 units of townhouses, 20 units of quadplexes (5, 2-story buildings with 4 dwelling units apiece), 477 multi-family residential units (227 units in mixed use, 120 units in apartments). To achieve these goals, the Downtown Master Plan proposes the following specific land use and development recommendations:



Downtown Master Plan & 10-Year Strategic Plan Presentation

1.3 Revise the CBD zoning district to allow for greater residential density and encourage smaller lot sizes

- Allow townhomes at 15 units/acre density
- Allow multi-family apartments at 40 units/acre density
- Allow Single Family Homes at 10 units/acre density

1.4 Revise parking regulations for parcels zoned CBD to decrease required parking spaces for multifamily developments, in order to ease development constraints (aligns with CDAP recommendation to facilitate the development of lower-cost housing types)

- At the time, the City's regulations for vehicle parking require all multi-family developments to have 2 spaces per dwelling unit, and an additional space per 4 dwelling units, totaling 2.25 spaces per unit. However, since the City's CBD is limited

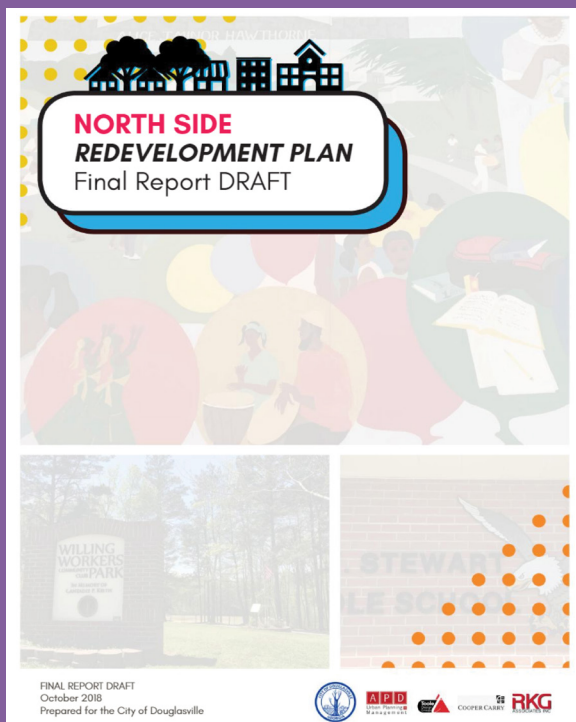
in land area that could be used for parking, it is recommended to amend the guidelines for vehicle parking for all multi-family residences within the CBD to require 1.1 parking spaces per bedroom, instead of 2.25 spaces per unit.

1.5 Revise residential districts in the downtown to encourage smaller lot sizes, reduce setbacks, and exempt properties in the historic district from meeting certain requirements. These updates will create downtown-friendly single-family home and townhome zoning designations

- Evaluate minimum lot area and setbacks for R-6 Apartment/R-6T Townhome
- Reduce minimum lot area requirements for R-2 and R-3 Single Family Detached and R-4 Single Family Detached/Attached

North Side Redevelopment Plan

Vision: The North Side will be a diverse and sustainable community that invites and supports families, singles, seniors, and businesses with local access to amenities that meet residents' and visitors' health, safety, educational, and recreational needs, and with an improved quality of life and unique character that will inspire pride and unity.



North Side Redevelopment Plan Final Report Draft

This plan was adopted in October 2018 and explores strategies for stabilization and revitalization. The plan's recommendations align with the CDAP recommendation to use housing development and coordinated public investments to build stronger economic opportunity and revitalize neighborhoods.

The plan recommends a New Land Use Framework that creates two new land use types that align with CDAP recommendations:

- Historic Residential: Maintain existing historic neighborhoods while encouraging infill development on vacant and underutilized parcels. It is recommended that zoning allow for infill at 8 dwelling units per acre with additional densities available.
- Multifamily: Preserve existing multifamily units; should be regulated to allow for up to 12 dwelling units per acre with additional densities available.

The plan offers several reinforcement strategies to address the high rate of blighted properties:

- Pair strict code enforcement with housing reinvestment strategies to create an incentive for rental landlords to improve their properties while maintaining long-term affordability. These policies consist of financial assistance for emergency repairs, anticipation of code violations, and exterior repairs guided by design standards.
- A blight tax would increase property taxes on blighted properties and subsequently decrease them for a period of time once the property is remediated or redeveloped. Taxes collected through the tax could be repurposed for community development.
- Use tax abatements to freeze property taxes at pre-development level for landlords who reinvest in their property and rent to low-to-moderate income families.
- The authorization of a local land banking public or non-profit entity allows municipalities and counties to acquire blighted and vacant property, clear the title of liens, and bank the property until it is needed by a development entity.

Dallas Highway LCI Study

Vision: Dallas Highway will be a safe, pleasant, pedestrian and bike-friendly corridor that seamlessly connects the North Side's parks, schools, churches, businesses, and residents to Downtown Douglasville, serving as a gateway that establishes the community as a unified 'downtown neighborhood.

This study was completed in June 2019 and sought to reimagine Dallas Highway as a complete street that connects the North Side with Downtown Douglasville. The study focuses more on transportation recommendations but offers some key land use and zoning strategies that align with the CDAP recommendations to *diversify housing stock and to facilitate the development of lower-cost housing types*.

The study recommends land use changes that gradually build up density along Dallas Highway and take into account the development of larger vacant or underdeveloped parcels:

- Suburban Residential: It is recommended that the section of the study area adjacent to the portion of Dallas Highway that will be converted into a

To help encourage development and homeownership, the plan recommends that the City:

- Offer development gap financing and technical expertise to developers
- Provide down payment, closing cost assistance, and training for new homeowners
- Change current density restrictions from "Dwelling Unit Per Acre" (DU/AC) to a "Floor Area Ratio" (FAR). DU/AC cannot differentiate between smaller one-bedroom units and larger 3+ bedroom units and is not as effective in regulating multifamily density as FAR.
- Improve pedestrian connectivity with new single-family zoning designation that would allow townhomes with a requirement for green space and interconnected street grid

The plan includes additional housing in specific areas in the North Side:

- Willing Workers Park: 240 multifamily units, 174 townhomes, 76 single family homes
- Worthan Park: mixed-use development with 160 multifamily units and 40,000 sf of retail
- Chicago/Warren Area: (highest concentration of blighted properties) use land use/zoning strategy to allow for more compact single-family housing

cul-de-sac maintain its existing suburban character, corresponding to the existing R-2 zoning category

- Urban-Residential Village: This character area is currently zoned R-2. It is recommended that the zoning change to R-5 to allow small-lot and attached residential single-family housing. Projects in R-5 would be more feasible if the minimum lot requirement were reduced.
- Mixed Use: Only the CBD zoning category currently allows for a mix of residential and commercial uses. A new zoning designation that reduces setbacks and minimum acreage requirements and allows for commercial, residential, or a mix would promote walkable development.

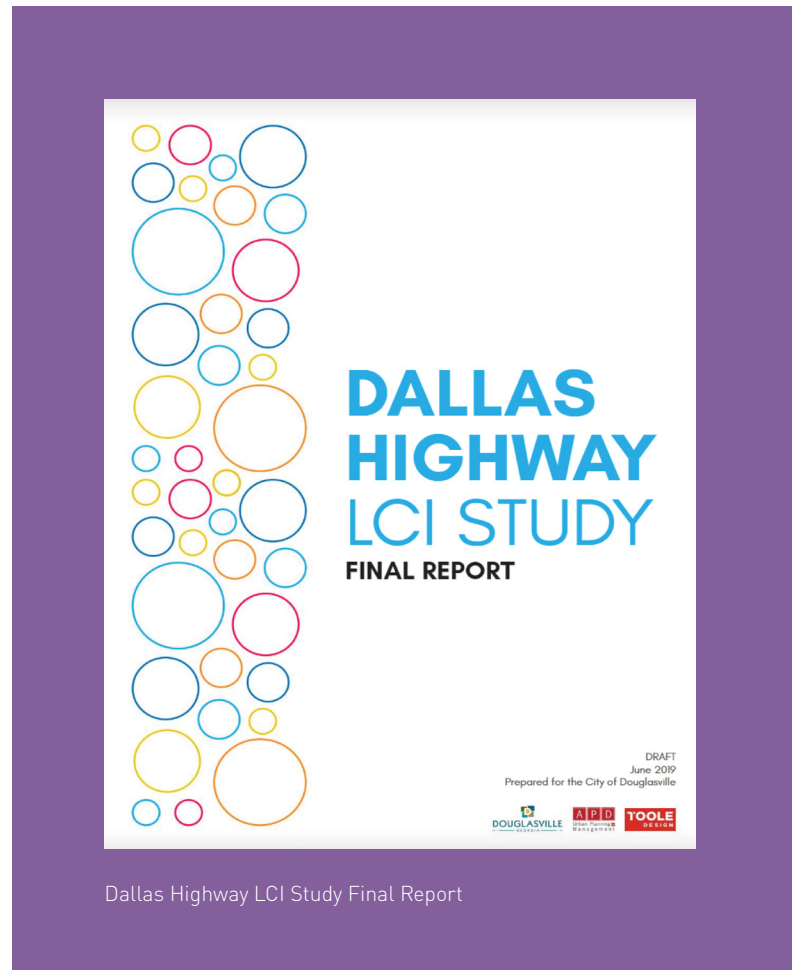
In this study, the North Side is classified into two separate geographic areas to describe different approaches based on the current landscape of each area. The study recommends the following land use and zoning strategies for these areas:

1. Upper North Side:

- a. Rezone all R-2 property to R-5, allowing for smaller lot residential housing and cottage courts, with additional requirements that limit the number of curb cuts.
- b. Rezone existing commercial and residential property in the Mixed Use character area to the CBD zoning category.
- c. Introduce additional public space incentives for the R-5 category that would allow a reduction in the minimum lot size to 4,000 S.F.

2. Historic North Side:

- a. Designate the remaining mill house properties along Dallas Highway as historic and provide funding support for acquiring and renovating these properties.
- b. Rezone all R-2 property to R-5, allowing for smaller lot residential housing and cottage courts.
- c. Rezone existing industrial, commercial, and residential property in the Mixed Use character area to the CBD zoning category.
- d. Introduce a new mixed-use zoning designation which would permit either residential, commercial, or a mix of both, allowing for attached single-family or multifamily projects without a commercial component.



Douglasville Comprehensive Plan

Vision: Douglasville is a unique blend of small-town charm coupled with metropolitan amenities. We offer the ideal environment for startups and small businesses, providing high tech centers and fortune 500 companies the infrastructure for growth. The standard for southern living, Douglasville is the place where innovation meets opportunity. Dedicated to employees, pleasant and responsive to the community and committed to enhancing the quality of life for both visitors and residents alike, Douglasville is the premier City in the nation to live, work, play, and raise a family.

The Douglasville Comprehensive Plan was updated in 2018 and proposes two important character areas that serve as the basis for some housing strategies in the other plans presented here. The two character areas proposed are:

- **Downtown Activity Center:** This area includes the core of downtown Douglasville. The purpose is to maintain a pedestrian-oriented center of the community, including history, culture and business

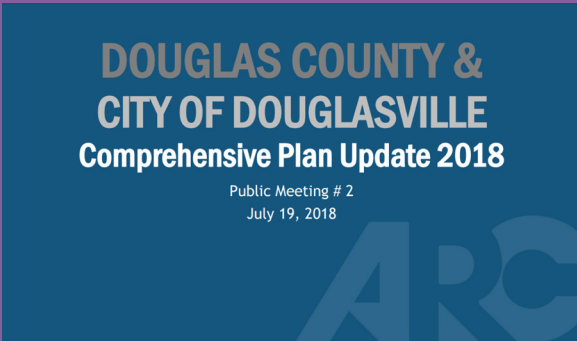
that is attractive to visitors, commuters, and residents. Historic properties will be protected as an asset and rehabilitated when possible, and any new development should blend into the historic fabric of the area. Compatible infill development will focus on providing retail, office, hotels, and residential development targeted to a broad range of income levels. Pedestrian access and open space are encouraged. Streets will be

pedestrian-oriented, with safe crossings, slowed traffic, and attractive amenities.

- Traditional Residential: Located close to downtown, these neighborhoods have an architectural style, lot and street design typical of neighborhoods built before WWII. Homes are located on smaller lots with streets generally laid out on a grid system. There is a diversity of housing types and styles represented. Homes will maintain their original historic features, and historic properties will be identified and protected in a historic district. A well-established tree canopy, pocket parks, and a walkable or bikeable environment also define Traditional Neighborhoods.

The plan also describes key planning and land use actions the City will undertake related to improving housing affordability and availability. These actions focus mostly on reviewing zoning ordinances and codes for greater development flexibility and feasibility:

- Revisit maximum density recommendations found within character area descriptions.
- Identify all parcels in the City that would provide opportunities for flexibility due to unusual shape or undersized lot configuration; develop recommendations for the development of mini-parks for those parcels that absolutely cannot be developed
- Continue to review and revise, as needed other ordinances and codes that relate to housing, such as the building regulations and subdivision regulations, to better meet the needs of current and future citizens.
- Continue to review and revise, as needed, the residential section of the zoning code to allow a greater variety of housing options and a greater flexibility of application
- Apply for funding to provide down payment assistance or homeowner rehabilitation funding to eligible low-income and moderate-income households
- Encourage the development of loft apartment housing in downtown Douglasville as approved in the Zoning Ordinance



Douglasville Comprehensive Plan Report

Summary of Interview Findings

A variety of stakeholders were interviewed to assess the perception of housing opportunities and challenges in the City of Douglasville. The information provided has informed the project team about issues and information that needed to be addressed in the data analysis and community conversations.

Stakeholders interviewed included Douglasville councilpersons and others serving on the project Advisory Committee. One key theme that arose from these conversations is the limited housing specific information that existed to have informed conversation and make data driven decisions. Included in that, was the complication of housing terminology and lack of consistency in the use of terminology that often led to misunderstanding.

Interviewees were asked about housing opportunities for Douglasville, the conversations centered mainly the need to accommodate the needs of Millennials and Executive level employees. Respondents expressed the need and desire to provide growth options for Millennials that included walkable amenities and within that conversation recognized opportunity to develop the green space and vacant areas near downtown.

Regarding housing concerns, topics mentioned included providing housing for seniors and diminishing

housing for households earning between \$80,000 and \$120,000 a year. There is limited understanding of the gaps in senior housing and diverse housing options. People who were interviewed described an emphasis on providing homeownership options and a complementary negative perception of apartments and other rental units.

Other issues brought to light from interviews was that there are important barriers to developing in Douglasville. Stakeholders described bureaucratic barriers; for example, developers regularly apply for permits to build multifamily units appropriate for zoning, but these permits are rarely approved. Another aspect that needs to be explored further is why national developers are not providing the kind of development options that Douglasville is seeking.

There were two other areas that respondents sought to explore further. First, when companies locate in Douglasville, only about 10% of the executives live in the City. Second, stakeholders wanted to have more conversations about the connections between housing and transportation. These conversations are an effort to demonstrate how future housing options should be placed with respect to infrastructure and help improve connectivity in and through the City.

Public Engagement Summary

The Douglasville CDAP team created a website on the PublicInput platform where people who live in and work in Douglasville could express their thoughts on the current housing landscape in the City. Through PublicInput, the general public had the opportunity to answer specific survey questions as well as write in open-ended comments. The site opened to the public on December 2020 and closed in April 2021. PublicInput participants were able to interact with one another by agreeing with or responding to each other's comments. In addition to the PublicInput site,

the CDAP team used the Poll Everywhere platform to ask questions at the Virtual Open House held on February 2, 2021. Both sites asked similar questions regarding whether respondents were renters or owners, what home meant to them, what they saw as the biggest housing concern in Douglasville, and what might be a reason they would move from their home. Respondents were able to choose from a list of options for each question during the Virtual Open House, then could go to the PublicInput site to expand upon their answers and rank their top issues.

Housing Tenure & Reasons to Move

In both surveys, the majority of respondents owned their homes as shown in Figure 7.

At the Virtual Open House, three respondents each chose one of the following reasons for needing to move homes: wanting to downsize, needing more space, and lack of accessibility in current home if they develop mobility impairments. The PublicInput site had more options for reasons to move homes, but respondents chose wanting to downsize or needing more space as the top two reasons. Respondents equally reported needing to move because they were unable to afford mortgage/rent, relocating for a job opportunity, relocating for retirement, or no reason at all (Figures 8a and 8b).

The PublicInput site asked if respondents agreed with the following statement: "I'd like to stay in my current community for as long as possible". Of the 11 people who responded, 10 somewhat or strongly agreed with this statement (Figure 9).

Participation

The PublicInput site had a total of 28 participants between December 2020 and April 2021. These participants provided 34 comments and nine of them subscribed to the site. Between three and 14 respondents answered the questions in the Poll Everywhere from the Open House. Ten of the 11 people who reported their role in the conversation were from government staff (five people), non-profit organizations (3 people), or service providers (2 people).

Figure 7. Do you rent or own a home in Douglasville?

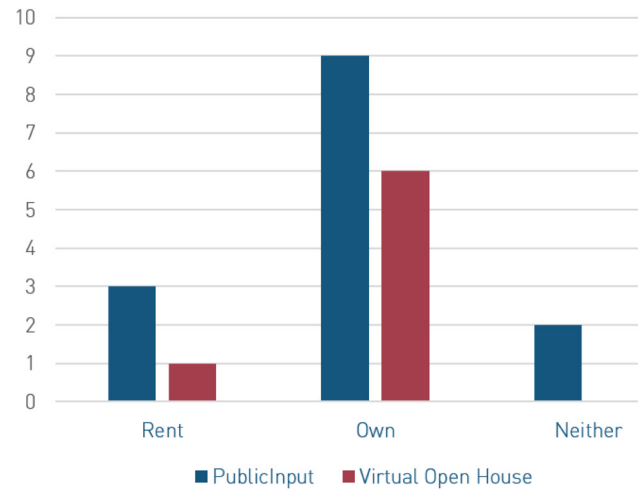


Figure 8a. What do you foresee as the primary reason you may need to move homes? [PublicInput Results]

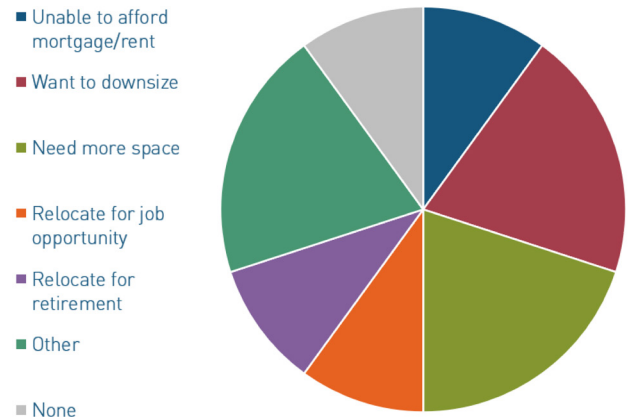
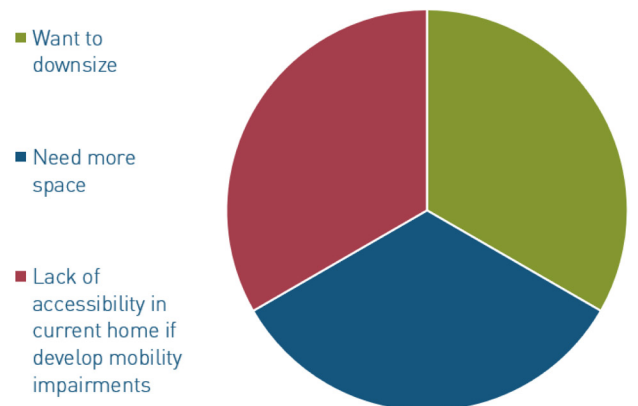


Figure 8b. What do you foresee as the secondary reason you may need to move homes, if any? [Poll Everywhere Results]



Housing Challenges & Opportunities

Figure 9. Do you agree with the following statement? "I'd like to stay in my current community for as long as possible."

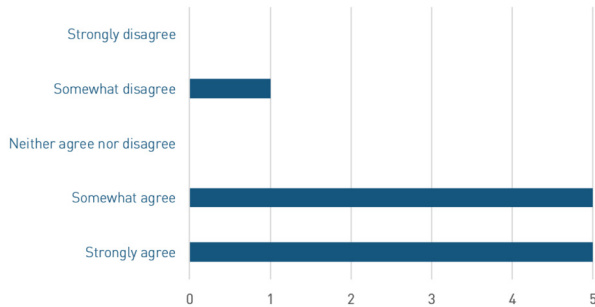


Figure 10. What is the greatest housing concern in Douglasville?



Figure 11. What do you see as the greatest housing opportunity in Douglasville?



At the Virtual Open House, participants were asked what they see as the greatest housing concern (Figure 10) and opportunity (Figure 11) in Douglasville. Respondents equally reported lack of opportunity to live and work in Douglasville and lack of Senior housing as the top two housing concerns in the City. Housing affordability and not enough options for young professionals were also important concerns. More than half of respondents identified providing opportunity to live and work as the greatest housing opportunity in Douglasville. Other opportunities included accommodating Senior housing and providing more housing that is affordable to the current population.

The PublicInput site asked respondents to rank Douglasville's biggest housing challenges. The highest ranked challenge was a lack of affordable housing options, followed by not enough housing types and size options for ownership, then too much rental. The two lowest ranked challenges were lack of senior housing and not enough housing types and size options for renting.

PublicInput users were able to provide open-ended comments regarding Douglasville's biggest housing opportunities. Ten of the fourteen comments mentioned a need for affordable housing. Some respondents noted the missing middle housing, specifically a lack of housing options in the \$150,000 to \$400,000 range and the inability for young people to find a starter home in Douglasville. Respondents also stated a need for affordable options for families on fixed incomes, such as retirees and people with disabilities. One comment recommended accessory dwelling units as an opportunity to meet this need. The comments pointed out an opportunity for building apartments near the mall as a way of drawing more businesses and restaurants to the area. There was also a focus on the opportunity to engage young people starting their careers as well as senior residents in home ownership through outreach and offering smaller homes in shared communities.

Visual Preference Survey

On the PublicInput site, participants were given six options in a visual preference survey and asked which housing type they would like to see in the City. Four (33%) people chose townhomes, while stacked flat, cottage court, and two-family dwelling each received two votes. The least popular choices were walk-up flats and attached (see Figure 12).

The Meaning of “Home”

Participants in both surveys were asked what home means to them. At the Virtual Open House, participants were asked to use one word to describe home. Most respondents replied with “safety” or “security” (four people). Three people used the word “peace”, and an additional three people used similar descriptors like “destress”, “comfort”, and “rest”. One respondent gave a related answer: “a place to go be yourself”. Figure 13 is the word cloud generated from the responses to this question.

Figure 12. Visual Preference Survey

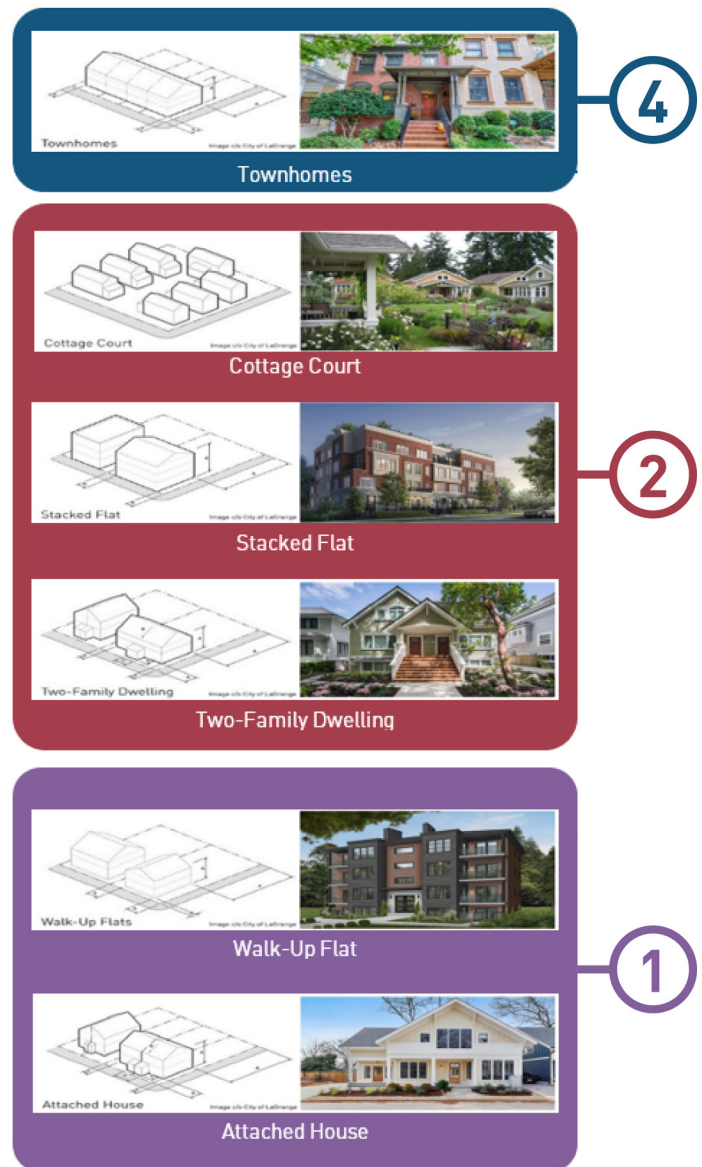


Figure 13. Word cloud from Virtual Open House question: What does home mean to you?



Key Takeaways

Participants in the public engagement portion of this housing study were mainly residents of Douglasville who owned their homes. Most people reported wanting to stay in their current community for as long as possible. When asked what reasons would cause them to move homes, the number of people who reported downsizing was the same as the number of people who reported needing more space. There was wide consensus among respondents that Douglasville needs more variety in housing types for all income levels. A theme that came up throughout the responses was

that there is a need to make homeownership more accessible for young people as well as people who are retired and/or live on fixed incomes. Participants also encouraged new housing types that allowed for smaller homes, including townhouses. When respondents were asked what “home” means to them, they spoke about having safety, comfort, peace, and the ability to connect with those around them. They wanted a place where they could be themselves and still access amenities and other people in their communities.

Douglasville Housing Data Analysis

Community Profile - Demographic and Economic Data

The Community Profile provides a brief overview of essential demographic and economic data that serves as the foundation to understanding Douglasville's housing market.

Key Findings

1. Douglasville's rate of population growth has outpaced the region and County in the past decade and is expected to continue in the future.

Douglasville's population increased by about 3,840 (13.1%) between 2010 and 2018, outpacing Douglas County and the 10-county region during that period. Total households grew by 12.3% during this same period. ARC's population forecast projects information at the County level, which Douglasville is a significant influence on. The County is expected to see its population grow from 142,000 in 2015 to 192,000 in 2050, an increase of nearly 37%. Total employment is expected to increase by a slightly higher rate – nearly 40% – from 50,800 jobs to 70,800 in 2050. While we are unable to determine the exact proportion of the County's growth that will go to Douglasville, historical trends indicate the numbers will be high.

2. Douglasville is diversifying both in terms of race and age composition.

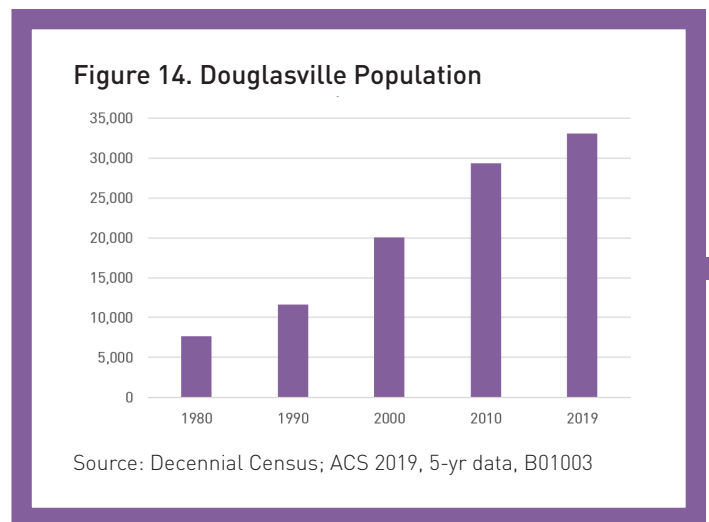
Between 2010 and 2018, Douglasville's population shifted from majority white to black. The City also has a relatively young population, specifically younger middle ages, suggesting it has and will probably retain a fairly large workforce. With yet another large group around the 45-50 age range, pointing to a significant section of the working-age population that is approaching retirement ages. The current and projected diversity of Douglasville's age groups can demand a wide range of housing types and sizes (bedrooms per unit), accommodating young families and aging adults.

3. Despite significant growth in population and jobs, Douglasville has lower household incomes and slightly higher poverty rate in comparison to the region.

Douglasville's 2018 median household income was \$53,276, which is below metro Atlanta's Area Median Income (AMI) of \$69,700 for that year. An estimated 13.5% of the population (4,350 people) in Douglasville live below the poverty line, which is \$24,600 in annual income for a family of 4. Douglasville's poverty rate is marginally higher than that of Douglas County and the 10-county region (13.1% each).

Demographic Analysis

Douglasville has shown steady population growth throughout its history. Figure 14, which displays growth in the City's population since 1980, shows that Douglasville has experienced rather steady population growth throughout its history, with a more explosive decade of growth occurring between 2000 and 2010. Over the course of that decade, the City's population grew by nearly 50%, from 20,065 to 29,373. Between 2010 and 2018, the City's population grew by nearly 4,000 people (an increase of about 13%).



The rate of the City's population growth since 2010 has slightly outpaced the proportional rate of population growth within Douglas County and the 10-county Atlanta region during the same period (Table 6 and Figure 15).

The ARC's population and jobs forecast projects information at the County level, which Douglasville is a significant influence on. Douglas County's projections show a significant amount of growth in both population and jobs, we are unsure about the extent that will go toward Douglasville, but we do know as population and jobs grow, it will further the demand for housing. The County is expected to see its population grow from 142,000 in 2015 to 192,000 in 2050 – an increase of nearly 37%. Total employment is expected to increase by a slightly higher rate – nearly 40% – from 50,800 jobs to 70,800 in 2050.

Figure 16 shows the range of ages by sex of Douglasville’s resident population. With a median age of 34.7 years old, Douglasville has a relatively young population. This is, however, an older median age than the in 2010 (32.8 years), signifying a gradually aging population. In 2018, older adults (65+) comprised less than 10% of the City’s population. The peak toward the younger middle ages of the pyramid suggests that the City has and will probably retain a fairly large workforce. Douglasville is also home to many families with young children, as can be seen toward the bottom of the graph. Another noteworthy group on the graph is around the 45-50 age range, illustrating a significant section of the working-age population that is approaching retirement ages. A population like Douglasville’s will demand a wide range of housing types and sizes (bedrooms per unit).

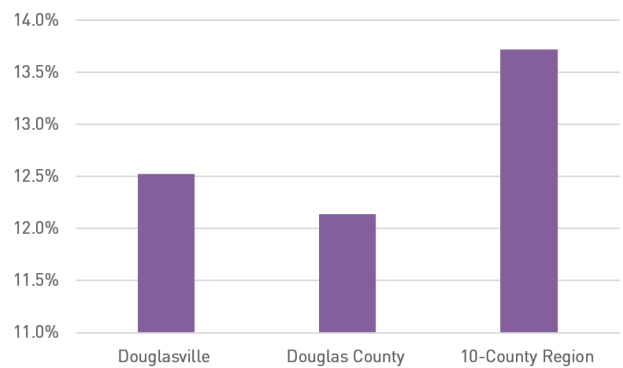
Douglasville has experienced a notable shift in its racial composition since 2010. As seen in Figure 17, the number and proportion of black residents in Douglasville increased during this time period by roughly 10%. Not only did the white population of Douglasville decrease in proportion, but it also decreased in raw number, and was the only race to experience a loss in population within Douglasville between 2010 and 2018. The black and white populations saw a swing of about 10 percentage points during this period. ACS data does not identify very significant changes in the City’s population of other races during this time. The City’s Hispanic population increased by nearly 500 people during this time period.

Table 6. Population Growth, 2010-2018

	Population		Change	
	2010	2019	(#)	(%)
Douglasville	29,373	33,052	3,679	12.5%
Douglas County	127,800	143,316	15,516	12.1%
10-County Region	4,004,212	4,553,532	549,320	13.7%

Source: ACS 2018, 5-yr, Table B01003

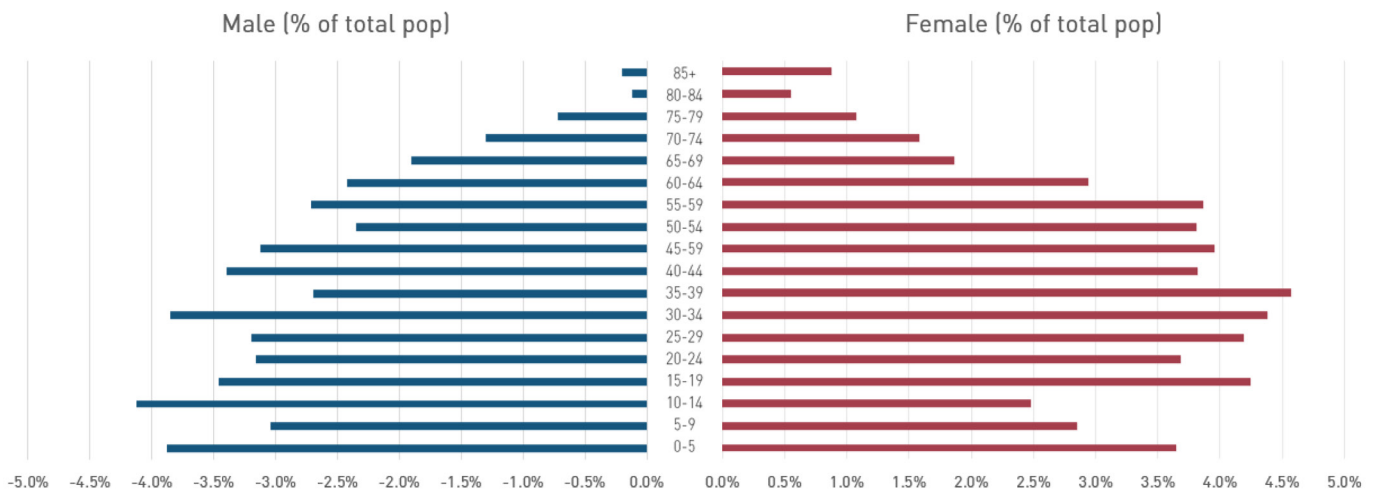
Figure 15. Population Growth, 2010-2019



Source: ACS 2018, 5-yr, Table B01003

Note: American Indian or Alaska Native and Native Hawaiian or Pacific Islander populations are not depicted here because ACS data showed 0% population in both categories.

Figure 16. Population Pyramid, 2019



Source: ACS 2019, 5-year data, B01001

Between 2010 and 2018, Douglasville’s population increased by 13.1% and its number of households increased in similar proportion, by 12.3%. In 2018, Douglasville has 12,501 total households with a median income of \$53,276. Douglasville’s 2018 median household income is below metro Atlanta’s Area Median Income (AMI) of \$69,700 for the same year. An estimated 4,350 people (13.5%) in Douglasville live below the poverty line, which is \$24,600 in annual income for a family of 4. These numbers are important to understand with regard to housing, as the City’s median household income determines what a typical household in Douglasville can afford, while people living below the poverty line need additional resources to maintain housing stability.

The City of Douglasville’s median household income has increased over time, 11.9% between 2010 and 2018, but not enough to keep up with inflation or the sky rocketing cost of housing in the region. According to the Consumer Price Index (CPI), the cost of goods rose by 14.6% between 2010 and 2018. During the same period, housing prices in Douglasville increased by 53% and in the metro area by 45% [Zillow].¹ In sum, Douglasville residents appear to have lost purchasing power between 2010 and 2018.

Table 8 and Figure 18 display household income broken into several bands, and the difference between 2010 and 2018. Douglasville saw an increase in both the count and the share of households earning above \$50,000 dollars per year. There was also an increase in the number of households earning less than \$10,000 per year.

Table 7. Ethnicity

Ethnicity	2010	2018	Change: 2010-2018
Hispanic/Latino (any race)	5.1%	5.9%	0.8%
Not Hispanic	94.9%	94.1%	-0.8%

Source: ACS 2018, 5-yr, Table B03002

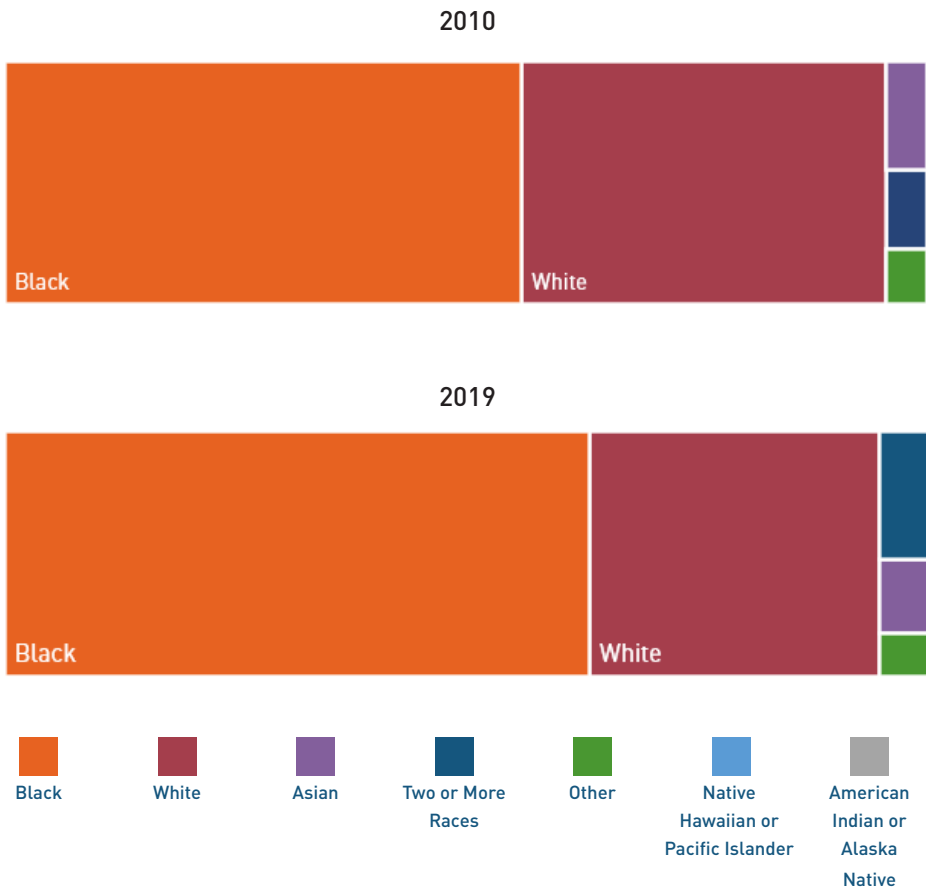
Table 8. Household Income Bands, Raw Count & Percentages

	2010		2019		Change, 2010-2010	
	#	%	#	%	#	\$
Less than \$10,000	913	8.2%	773	6.1%	(140)	-2.1%
\$10,000 to \$24,999	1,726	15.5%	1,914	15.1%	188	-0.4%
\$25,000 to \$34,999	1,425	12.8%	1,268	10.0%	(158)	-2.8%
\$35,000 to \$49,999	1,793	16.1%	1,660	13.1%	(132)	-3.0%
\$50,000 to \$74,999	1,692	15.2%	2,383	18.8%	691	3.6%
\$75,000 to \$99,999	1,325	11.9%	1,508	11.9%	183	0.0%
\$100,000 to \$149,999	1,470	13.2%	2,129	16.8%	660	3.6%
\$150,000 or More	791	7.1%	1,027	8.1%	236	1.0%

Source: ACS 2018, 5-yr, Table S1901

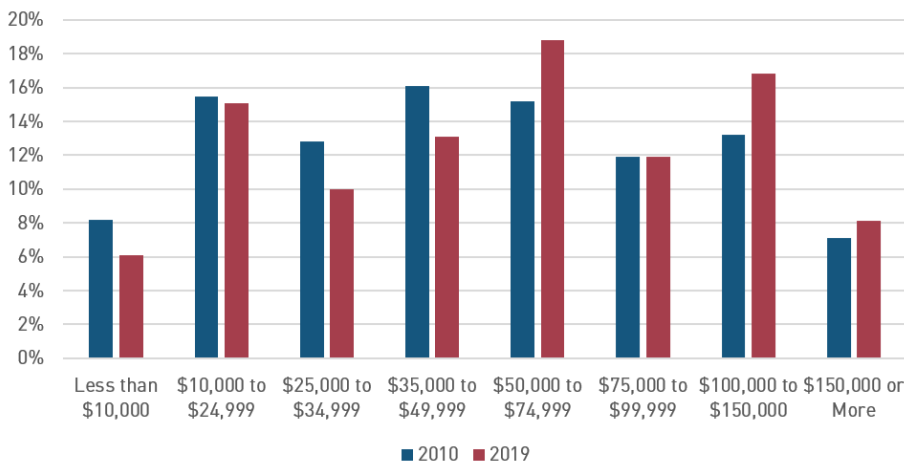
¹ Housing prices here are measured through Zillow’s Home Value Index (ZHVI), which reflects the typical value for homes in the 35th to 65th percentile range for a given area. The Atlanta metro area in this instance is not the 10-county region, but the Atlanta-Sandy Springs-Roswell Metropolitan Statistical Area (MSA)

Figure 17. Racial Composition



Source: ACS 2010 and 2019, 5-year data, B02001

Figure 18. Household Income Bands, 2010 and 2019



Source: ACS 2010 and 2019, 5-year data, S1901

Economic Analysis

Local Economy

Available jobs within a community play a critical role in shaping housing demand and residents' ability to afford a home. According to the Census Bureau, residents of Douglasville occupied over 15,000 jobs in 2017. Figure 19 visualizes the industries most densely occupied by Douglasville residents. The top five industries worked by Douglasville residents in 2017 accounted for over 50% of the City's workforce, with Health Care and Social Assistance being the most common – employing 2,014 residents. The sector in the chart labeled Other is a combination of eight industries which, individually, accounted for fewer than 3% of jobs worked by Douglasville residents.²

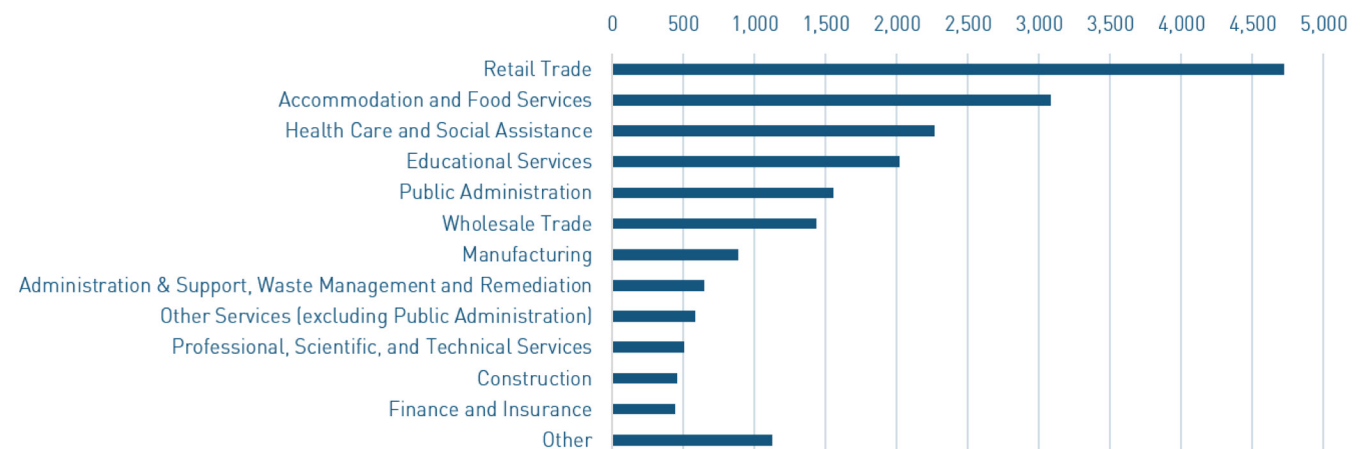
A community's housing market is also heavily influenced by jobs available within its boundaries. Among notable differences between Figure 19 and Figure 20 is that while Douglasville's residents most commonly work in the Health Care and Social Assistance sector, those jobs are only the third most populous sector of jobs located within the City. Meanwhile, Retail Trade and Accommodation and Food Services – service industries on which the COVID-19 pandemic has made the greatest negative impact – are the largest sectors.

Figure 19. Industries and Jobs Occupied by Douglasville Residents



Source: LEHD Origin-Destination Employment Statistics, 2018

Figure 20. Industries and Jobs Located in Douglasville



Source: LEHD Origin-Destination Employment Statistics, 2018

² These industries include Information; Other Services (excluding Public Administration); Management of Companies & Enterprises; Real Estate, Rental & Leasing; Arts, Entertainment, and Recreation; Utilities; Agriculture, Forestry, Fishing & Hunting; and Mining, Quarrying, and Oil & Gas Extraction

Table 9 displays the top 10 employers in Douglasville in 2019, according to the City's Comprehensive Annual Financial Report.

Table 9. Household Income Bands, Raw Count & Percentages

Employer	Employees	Rank	% of Total City Employment
Wellstar Douglas Hospital	900	1	4.1%
Medline	627	2	2.9%
McMaster Carr Supply	600	3	2.7%
Gordon Food Services	509	4	2.3%
American Red Cross	300	5	1.4%
Kehe Distributors	277	6	1.3%
ALP Lighting	120	7	0.5%
Mechadyne	75	8	0.3%
Anderson Distribution	50	9	0.2%
Metro Garage	50	10	0.2%
Total	3508		16%

Source: Douglasville Comprehensive Annual Financial Report, 2019

According to CoStar, the current vacancy rate of office, industrial, and retail real estate are all within their typical ranges, despite pandemic economic conditions. Office real estate vacancy in Douglasville is 5.1 percent, which is fairly low, but still within the typical

range for the City. The City's industrial market is currently at 9.1% vacancy rate and the retail market is at 7.2% vacancy, both of which reside comfortably within the City's usual vacancy rates.

Douglasville was home to roughly 19,600 jobs in 2017, indicating that more jobs exist within City limits than are worked (irrespective of location) by residents of the City (see above). Roughly 4,500 more people commute into Douglasville for work from outside City limits than people commute from Douglasville to work on an average workday (Census OnTheMap, 2017) (Figure 21).

Figure 22 displays the unemployment rate in Douglasville, from 2000, through August of 2020. Prior to the onset of the COVID-19 pandemic, Douglasville's unemployment had steadily dropped from a recession-high 12.9% in 2011 to as low as 3.1% in November of 2019. While long-term unemployment figures remain uncertain following our emergence from the pandemic, Douglasville's pre-pandemic employment figures and growing labor force (Figure 23) signal otherwise positive economic trends. This is further substantiated by the downward trend in Douglasville's poverty rate, which dropped from a high of 18.1% in 2015, to 11.7% in 2019.

Figure 21. Inflow-Outflow Analysis



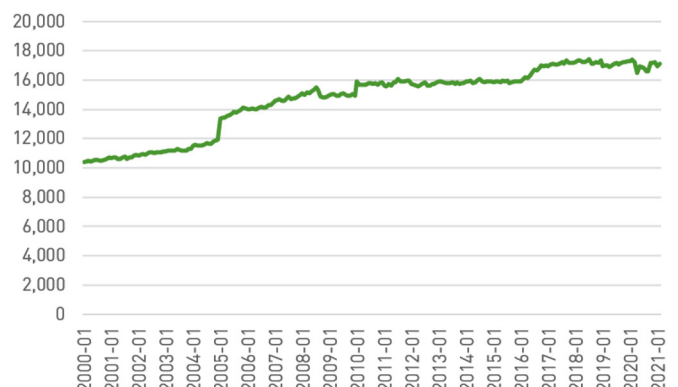
Source: LEHD Origin-Destination Employment Statistics, 2018.

Figure 22. Unemployment Rate in Douglasville



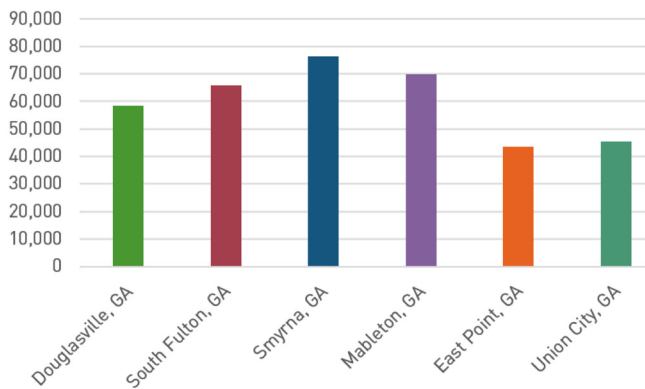
Source: BLS.gov

Figure 23. Labor Force in Douglasville



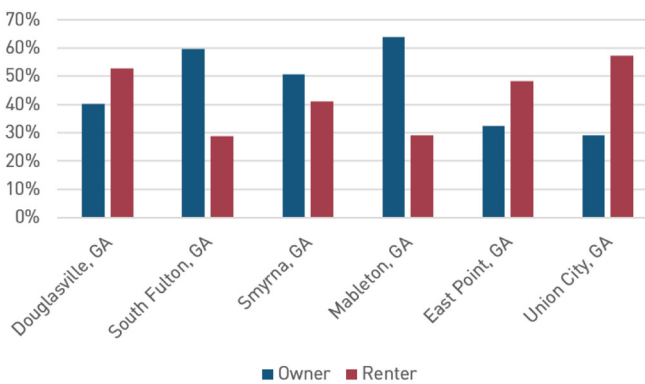
However, Figures 24 and 25, which compare median household incomes between Douglasville and nearby peer cities and homeownership rates among those same cities, suggest that income in Douglasville may be prohibitive to the costs of homeownership. Note that East Point and Union City, like Douglasville, have both lower median household incomes and lower homeownership rates than South Fulton and Smyrna. Douglasville's housing market is further detailed in the following section.

Figure 24. Median Household Income: Douglasville & Nearby Cities



Source: ACS 2019, 5-year data, S1901

Figure 25. Distribution of Housing Units by Tenure



Source: ACS 2019, 5-year data, B25003

Housing Profile

The Housing Profile examines Douglasville's housing conditions by looking at data relating to available housing stock, tenure, cost and affordability.

Key Findings

1. Douglasville's housing stock is predominately suburban and rural in character.

This comprises of both single-family owners and a large, rapidly growing number of single-family renters. The City experienced a significant shift towards greater proportion of renters. The majority of occupied housing units in the City are now rented, after the City saw an 11% increase in renter occupancy between 2010 and 2018. As the vacancy rate in Douglasville halved between 2010 and 2018 (from 14% to 7%), the City's occupied housing transitioned from majority owner-occupied (53 % owner occupied in 2010) to majority renter-occupied, decreasing to 42% owner occupied in 2018. Rentership of single-family detached homes shot up during this time, accounting for more of the newly-rented units than any other housing type, (31%).

2. Average home values have increased at a higher rate compared to the region, but still cost approximately \$50,000 less than the regional average.

Between 2010 and 2020, Douglasville's home values increased by 75%, while the region's increased by 62%. The average home value in Douglasville in 2020 is \$196,725, up from \$171,725 in 2018 and \$112,250 in 2010 (Zillow). In the Atlanta metro area, a typical home value is \$247,000 in 2020, up from \$220,875 in 2018 and \$152,268 in 2010. The significant increase in home value demonstrates the issues contributing to household affordability throughout our region.

3. Within Douglasville there is a scarcity of housing options appropriate for low- and moderately low-income households, as well as higher-income households. More than one-third of all households in the City are cost-burdened, which almost half of all renters experience cost burden.

In 2018, there were about 12,500 occupied households in Douglasville, of those households, 36% (4,440

households) were found to be cost burdened. Predictably, lower-income and renting households are cost burdened at a higher rate than homeowners. 46% of all renting households were cost burdened, while 21% of homeowners were in 2018. A monthly rent affordable to someone earning Douglasville's median income (\$53,276) tops out at about \$1325 per month. Nearly half the rental housing in Douglasville costs between \$1,000 and \$1,499. In order to accommodate residents earning about \$40,000 or less per year, the City needs more rented units that cost under \$1,000 per month.

4. Trends indicate that in order to house Douglasville's low- to moderate-income earners at costs affordable to their incomes, the City may need to diversify its housing stock.

Since the housing crisis, Douglasville's housing market has steadily recovered, resulting in steadily increasing housing costs and an increase in development of new housing, which was stalled between 2008 and 2011 and is significantly less than before the Great Recession. Currently, the City has a healthy supply of vacant developed single-family lots; however, development of missing middle and multifamily housing has lagged behind. In order to affordably house all of the City's residents, it will need to provide options affordable at all income levels.

5. The ongoing pandemic and the attendant recession will disproportionately impact housing stability for lower- and middle-income households, especially those employed in service industries. Given the City's high proportion of renter and cost-burdened households, this area is important to monitor and address.

We are currently working with the County to access eviction-related information to better understand how housing security has been affected by the pandemic.

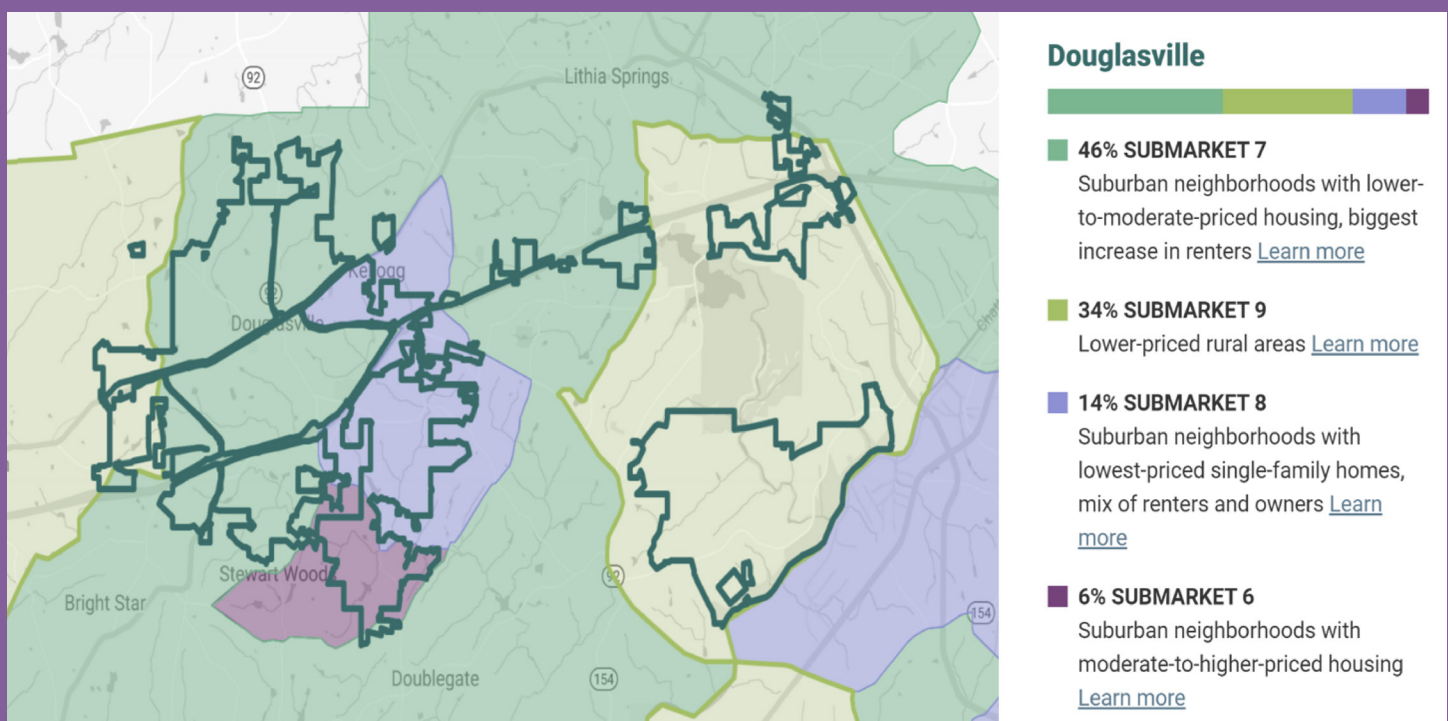
Regional Context

In 2019, the ARC along with many regional partners developed the Metro Atlanta Housing Strategy. ARC has developed the Strategy to provide regional leadership in addressing our housing challenges, engage a broad group of stakeholders and to promote further discussion and implementation of housing strategies around the region. The Strategy is a data-driven, strategic, regional approach. Acknowledging that the region's housing landscape presents a complicated issue, ARC identified 10 "submarkets"

based on housing characteristics such as average sales price, age, type, and size.

Douglasville is home to 4 submarkets, shown in Figure 26, illustrating that Douglasville is made up of mostly lower-priced suburban or rural neighborhoods with both single-family owners and a large, rapidly increasing number of single-family renters. Home sales price has increased, but at a slower rate than the rest of the region.

Figure 26. Metro Atlanta Housing Strategy, Douglasville Submarkets



Source: metroathhousing.org

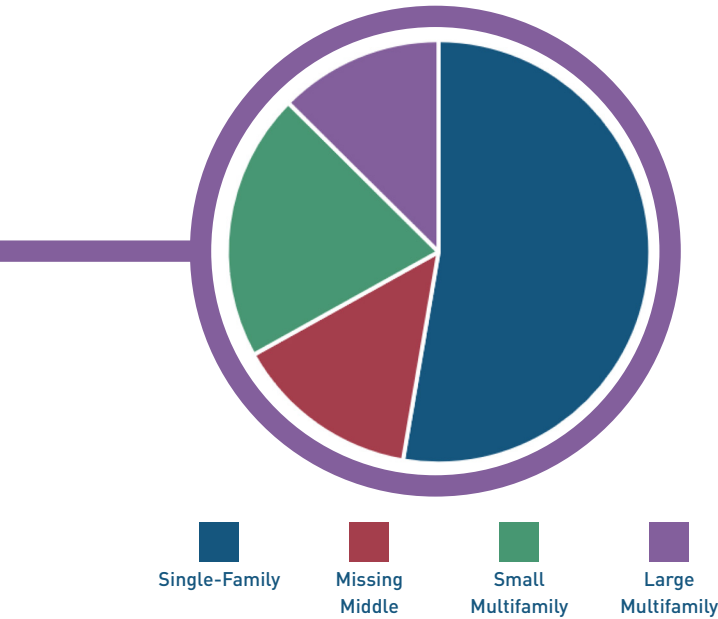
Housing Stock

In 2018, Douglasville had about 13,400 housing units, an increase of about 450 units (or 3.4 % increase) from 2010, majority being single family (53%). Douglasville accounts for 25.8 % of Douglas County's housing stock, in 2018 the County had about 52,500 housing units.

Figure 27 displays the breakdown of Douglasville's housing stock by housing unit type – the kind of structures (single family home, townhouse, apartment,

etc.) that compose the City's housing options. As Figure 28 shows, there is a relatively equal split of non-single-family housing units in the City. Current demographic trends and stakeholder interviews suggest an increasing demand within the City for further diversifying the housing stock to include options in different sizes and structures, which would offer a greater diversity of housing costs as well. Table 10 displays the breakdown of Douglasville's housing stock by housing unit.

Figure 27. Housing Type Categories, 2019



Source: ACS 2019, 5-year data, S2504.

Figure 27 excludes "Other" housing types, such as mobile homes, vans, RVs, etc., which account for about 1% of the City's housing stock.

Douglasville's housing stock is newer compared to both the County and the region. About four fifths of the City's homes have been built since 1980, and 95% have been built since 1960. The region has a greater share of homes built before 1960 -- 10%, compared to Douglasville's 5%. Homes built after 1960 in the region also tend to be slightly older, on average, than those in Douglasville. While 45% of Douglasville's housing stock has been built in the 21st century, only about 28% of the region's housing has been.

Table 10. Total Housing Units and Structure Types

Type	2010	2019
Total Housing Units	12954	13621
1 Unit Detached	7682	7134
1 Unit Attached	450	1005
2 Units	367	267
3-4 Units	567	654
5-19 Units	2369	2778
20 or More Units	1275	1701
Other Housing Types	244	82

Source: ACS 2010 and 2019, 5-year data, B25106

Table 11. Age of Housing Stock

	Douglasville		Douglas County		10-County Region	
	#	%	#	%	#	\$
Built 2010 or after	838	6.6%	2,198	4.5%	102,337	6.2%
Built 2000 - 2009	4,495	35.5%	15,263	31.0%	379,808	23.0%
Built 1980 - 1999	4,448	35.1%	17,404	35.4%	662,253	40.1%
Built 1960 - 1979	2,306	18.2%	11,876	24.1%	356,857	21.6%
Built 1940 - 1959	493	3.9%	2,021	4.1%	107,358	6.5%
Built 1939 or earlier	95	0.7%	425	0.9%	42,265	2.6%

Source: ACS 2019, 5-yr data, S2504

Tenure

Douglasville’s housing occupancy rate is up 7 % from 2010, at 93%, higher than the regional average.

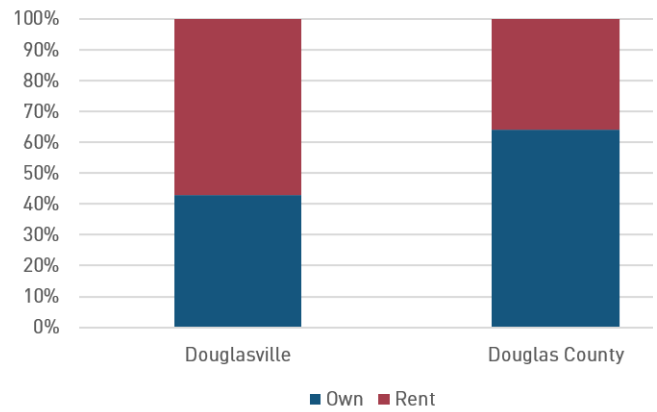
The City’s average household size is 2.58 people. Currently, about 97% of Douglasville’s population lives in traditional housing arrangements, while about 3% occupy group quarters.³ Of Douglasville residents, 83% live in family households, with nearly 17% of the City’s residents arranged in non-family households. Notably, the proportion of residents in Douglasville, as with most places, arranged in non-family households is increasing. This may be due in part to a general increase in housing cost burden, which is being experienced nationwide.

The breakdown of tenure (whether a household rents or owns their house) in Douglasville is quite different from that of the county and the region. Douglasville has experienced a marked shift toward greater proportion of renters, the majority of occupied housing units in the City are now rented, after the City saw an 11% proportional increase in renter occupied units between 2010 and 2019. Table 12 visualizes the stark shift in tenure breakdown for Douglasville between 2010 and 2018. Douglas County experienced a similar shift, although the majority of occupied housing in the county remains owner-occupied (64%). This change could be attributed to the trend in our region and many other cities throughout the Country that occurred after the housing crisis in 2008/2009, which gave way to private investors buying single family homes in distressed neighborhoods and offering them for rent for the foreseeable future.

The City’s shift in renters is very significant when compared to the region as well (Figure 29).

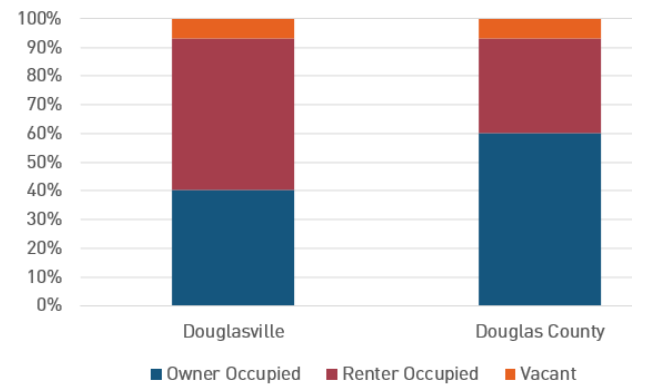
Table 12 outlines the change in tenure by different housing structures from 2010 to 2019. Note again that the raw number of owner-occupied housing units dropped from 2010 to 2019 by 691 units. During the same period, rentership increased across all types of housing structures. As the vacancy rate in Douglasville was halved between 2010 and 2019, rentership of single-family detached homes. It is probable that most people can’t afford homeownership under current market conditions and the City’s large stock of single-family housing is what’s available. A survey of renters’ preference would help identify if renters are occupying single-family homes because they are the most available option, or if single-family rentals are most appropriate to currently renting households in Douglasville.

Figure 28. Tenure of Occupied Units, 2019



Source: ACS 2019, 5-year data, B25003

Figure 29. Occupancy and Tenure of Housing, 2019



Source: ACS 2019, 5-yr, B25002 and B25003

³ “The Census Bureau defines group quarters as “places where people live or stay in a group living arrangement. These places are owned or managed by a third party that provides residents with housing and/or services.” Group quarters may include nursing facilities, in-patient medical facilities, college housing, military quarters, jails, and others. For the full list of recognized group quarters, see this page: <https://2020census.gov/en/conducting-the-count/gq/gqe.html#:~:text=Group%20quarters%20are%20places%20where,facilities%20and%20skilled%20nursing%20facilities>

Table 12. Tenure by Units in Structure

	2010	2019	Change, 2010 - 2019
Total Housing Units	11,134	12,675	1,541
Owner Occupied Housing Units	5,954	5,496	-458
Single-Family Unit	5,655	5,206	-449
Missing Middle (1-4 Units, Attached)	193	245	52
Small Multifamily (5-19 Units)	0	12	12
Large Multifamily (20+ Units)	0	0	0
Other	106	33	-73
Renter Occupied Housing Units	5,180	7,179	1,999
Single-Family Unit	1,075	1,595	520
Missing Middle (1-4 Units, Attached)	1,024	1,527	503
Small Multifamily (5-19 Units)	2,020	2,408	388
Large Multifamily (20+ Units)	1,054	1,649	595
Other	7	0	-7

Source: ACS 2010 and 2019, 5-yr, Table B25032

Housing Cost

Figure 30 displays the shift in home values for Douglasville, Douglas County, and the region over time, as monitored by Zillow’s Home Value Index (ZHVI) between 2006 and the present.⁵ Since its housing market began to recover from the 2008 collapse, in mid-2011, Douglasville’s typical home value has steadily increased by about \$8,500 per year. The average ZHVI for Douglasville in 2020 (January-October) is \$196,725. Douglasville’s home values very closely reflect those of the County and the two track quite consistently with the Atlanta MSA’s average home value over time. Table 13 illustrates, however, that home values in Douglasville are appreciating at a slightly higher rate than those in the region. Note that between 2010 and 2020, home values in the City increased by 75%, while home values across the metro area increased by 62%; while the metro area saw a greater net gain in average home value over the decade, appreciation of the City’s ZHVI is outpacing the metro’s.

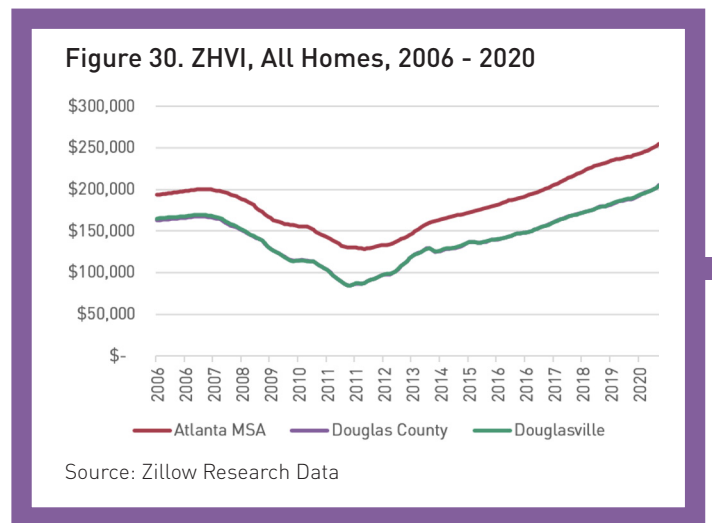


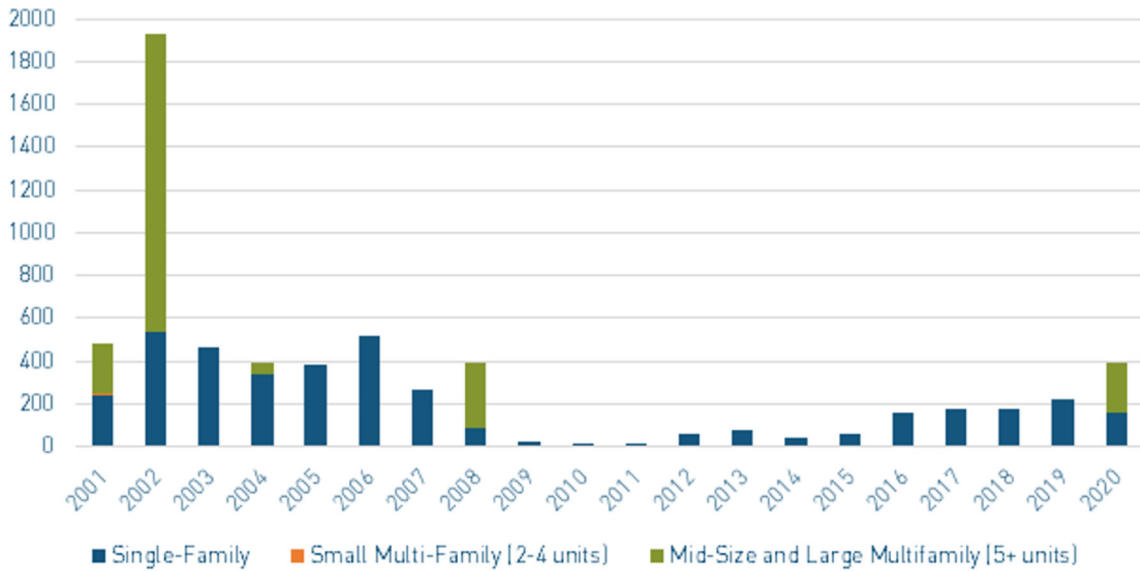
Table 13. Change in Home Value, 2010 - 2020

	ZHVI	ZHVI	% Change (2010-2015)	ZHVI	% Change (2015-2020)	Net Change (2010-2020)	% Change (2010-2020)
Atlanta MSA	\$152,268	\$175,644	15%	\$247,004	41%	\$94,736	62%
Douglas County	\$112,451	\$136,979	22%	\$196,757	44%	\$84,307	75%
Douglasville	\$112,242	\$137,138	22%	\$196,724	43%	\$84,482	75%

Source: Zillow Research Data

⁵Zillow Home Value Index (ZHVI) is a smoothed, seasonally adjusted measure of the typical home value and market changes. It reflects a typical value for homes in the 35th to 65th percentile price range.

Figure 31. Building Permits, 2001-2020



Source: SOCDS Building Permit Database

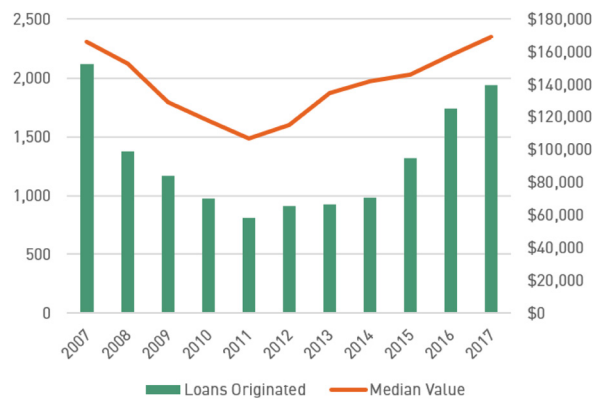
Figures 31 and 32 illustrate housing construction and transaction activity in Douglasville over time, by visualizing permitted housing starts and home loan originations. Similarly to Figure 30, this data demonstrates a steady recovery from the 2008 housing crisis and provides further insight to spending patterns for home-buyers in Douglasville. In figure 31, we see that new housing permits plummet to near-zero from 2009 through 2011, then steadily pick up again through 2019, but the amount is significantly less than before the Great Recession. However, development of missing middle and multifamily housing has significantly lagged behind.

Figure 32 illustrates the quantity and median value for home loan originations in the years 2007-2017 in Douglas County. The county is a useful proxy for the City in this case, as it is the most appropriate geography at which home loan data is publicly available for Douglasville. Because home values in the City and county track each other so closely over time (see Figure 32), it is reasonable to assume that the median home loan value for the City and county are roughly equivalent.⁶ Here, we see again that Douglasville’s housing market is experiencing more buying activity following the financial collapse, and with a rising median home loan value (from \$107,000

in 2011 to \$169,000 in 2017 – an increase of 44%), we can observe a dramatic rise in the cost of living in Douglasville.

Current development trends draw more of the same story out. While the City’s housing market shows a healthy supply of vacant developed single-family lots (293 units, or roughly 18 months of supply in the second quarter of 2020, according to Metrostudy), multifamily development has lagged behind.

Figure 32. Home Loan Originations, Douglas County, 2007 - 2017



Source: consumerfinance.gov, (HMDA)

⁶ We assume that the trajectory of the quantity of home loan originations is similar between the City and county. The total quantity will differ significantly.

Douglasville’s median monthly housing cost for homeowning households with mortgages is \$1,440, while the average gross rent is \$1,053 (American Community Survey, 2018). Figure 33 displays housing costs for residents of Douglasville in 2018, broken down by tenure. Data for homeowners includes only homeowners with mortgages, while data for renters is captured by gross rent. Most renters spend between \$800 and \$1,499 on housing costs each month, while housing costs for homeowners are more evenly distributed. The largest percentage of homeowners spend between \$1,000 and \$1,999 on housing costs monthly. For homeowners without mortgages, the median monthly housing cost is \$426

As the next section illustrates, Douglasville demonstrates a need for housing appropriately priced for its low- to moderate-income residents. The housing types that are not being developed have the potential to provide much needed supply of units more affordable to the average Douglasville resident. Should appreciation of home values continue apace, housing in the City can be expected to grow increasingly unaffordable, and the tenure of occupied housing can be expected to shift further toward rentership..

Figure 33. Monthly Housing Costs by Tenure



Source: ACS 2019. 5-year data, S2503

Housing Affordability

Understanding affordability in relation to changing demographics and housing conditions is a critical element of housing stability in a community, it is important to determine to what extent people living in Douglasville can afford the available housing options.

Housing is typically considered affordable if total housing costs do not exceed 30% of a household’s gross income, a household paying over 30% of its

income toward housing cost is “housing cost burdened”. For the Median income of Douglasville, around \$53,000, the high end of an appropriate cost of housing is about \$1,325 per month. In 2017, over 46% renters and 23% homeowners in Douglasville spent more than 30% of their income on housing. 19% of all households were deemed severely cost burdened – spending more than 50 % of monthly income toward housing costs.

The US Department of Housing and Urban Development (HUD) has created income benchmarks for Federal housing programs based on the concept of Area Median Income (AMI). For the Atlanta-Sandy Springs-Roswell Metropolitan Area the FY 2020 Area Median Income for a family of four is \$82,700; the Area Median Income for a single-person household is \$57,950. Using Zillow’s Home Value Index, we estimate the median home price in Douglasville in 2020 is \$196,725, which means that the cost would usually be unaffordable to households with incomes less than around \$65,000.

According to HUD, households earning below 30 % of the MFI (generally characteristic of the poverty level) are characterized as “extremely low income.” Households earning between 30 and 50 % of the MFI are considered “very low income.” And households earning between 50 and 80 % of MFI are considered “low income.” Households earning above 80 % of MFI are considered “moderate” and “high” income, based on their relationship to the MFI.

Table 14 displays Income bands levels with reference to appropriate rent or home price in order to likely keep housing cost affordable to the household.

In 2018, there were 12,501 occupied households in Douglasville, according to the US Census Bureau’s American Community Survey. Of those households, 36% [4,440 households] were found to be cost burdened.

Predictably, lower-income and renting households are cost burdened at a higher rate than other households. Figure 34 charts the rate of cost burden at different

degrees of severity for renting and owning households, respectively. 46% of all renting households were cost burdened, while 21% of homeownership households were in 2018. Meanwhile, 87% of renting households earning less than \$35,000 a year were cost burdened, and 80% of all households earning less than \$35,000 a year were cost burdened.

While it is important to recognize that homeowners face cost burden at higher rates at incomes equal to or greater than the City’s median, this is likely because homebuying can be an investment, and some homeowners anticipate “growing into” their housing costs. There is, however, a distinct lack of housing at costs affordable to people making less than the median income in Douglasville. The cost burden problem is even more widespread among households earning less than \$35,000 per year (about two-thirds of the City’s median income).

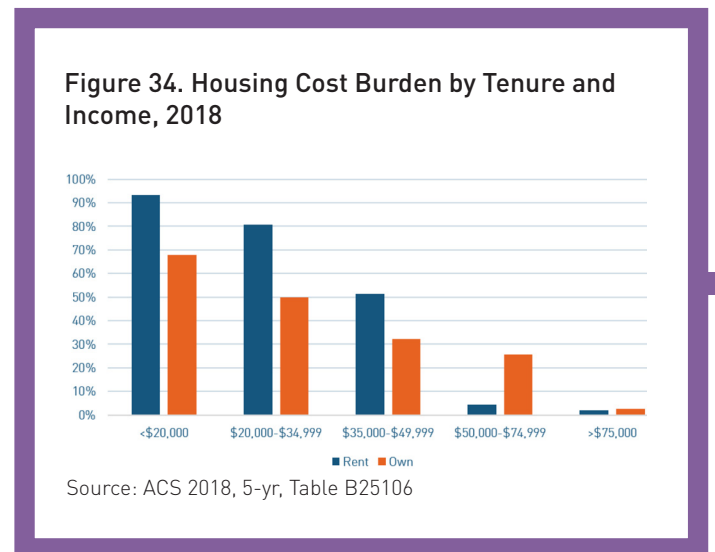


Table 14. Household Income Bands with Reference to Affordability

Household Income	Percent AMI	Affordable Rent Range	Home Price Ranges
Up to \$34,999	Up to 50%	Up to \$875	Up to \$110,000
\$35,000 to \$49,999	50% - 70%	\$875 to \$1,250	\$110,000 - \$150,000
\$50,000 to \$74,999	70% - 100%	\$1,250 to \$1875	\$150,000 - \$230,000
\$75,000 to \$99,999	100% - 150%	\$1,875 to \$2,500	\$230,000 - \$310,000
\$100,000 to \$149,999	150% - 200%	\$2,500 to \$3,750	\$310,000 - \$460,000
\$150,000 and above	200% and Up	\$3,750 and up	\$460,000 and Up

*ACS Data Used to Determine Atlanta MSA Area Median Income using 2018 data

Source: KB Advisory and US Census Bureau (2018)*

Household Evictions

Due to Douglasville's high renter rates it is important we understand eviction rates within the City, unfortunately further analysis will need to be done to understand specifics, but we do know due to the COVID-19 pandemic numbers will only rise.

Prior to the onset of the pandemic, spiking rental rates had become an increasingly insurmountable obstacle for low-income families. In the last decade, rents in our region have increased by 65%, compared to a national average increase of 36%. Making matters worse, unemployment levels have soared, placing as many as 28 million families nationally in immediate jeopardy of eviction - including families in Georgia, which has 16 cities in the top 100 for eviction rates.

After a brief period of moratoriums, Federal, state, and local protections for vulnerable residents impacted

by the COVID pandemic are expiring and courts are beginning to resume eviction proceedings. According to the Atlanta Journal-Constitution, it is estimated that more than 40% of renters in Georgia could be at risk of eviction. The same data suggest that Black and Hispanic communities will be disproportionately affected.

The ARC is currently working to track evictions in Douglasville. Due to technology deficits within the system, these efforts have been stalled. Information we do have is the county-wide count of dispossessory/distress warrant cases filed in the Douglas County Magistrate Court in 2019, totaling 5,969 for the year (based on the Georgia Courts Case Load Report). With an estimated 16,086 renter households in 2019, that means the county had an eviction filing rate of 37%, which is considered very high.

Housing Demand Forecast

The analysis estimates annual demand for new housing over the next five years. The housing demand analysis is based on the existing housing stock within the City and both current and projected demographics. The demand analysis considers existing current household estimates, as well as household growth projections by income & tenure.

Key Findings

1. For Douglasville to meet its forecasted housing demand, it needs to add roughly 140 new units per year between 2021 and 2025.

Demand modeling suggests two-thirds of new housing units demanded will be owner occupied, with slightly over 10% of forecasted demand for owner-occupied homes being multifamily units, like townhomes or condos. One third of new housing demanded is expected to be renter-occupied, although the model does not allow for distinction between housing unit types for renters – multifamily housing units are assumed.

2. One-third of new rental demand over the next five years will come from families seeking options affordable to household incomes below \$50,000.

Demand in Douglasville’s housing market is anticipated to concentrate toward owner-occupancy, with a significant demand for attached housing options – like townhomes, condominiums, duplexes, etc. – which are expected to constitute about one sixth (18%) of new for-ownership demand. That demand for attached homes is expected to concentrate at lower price points, affordable to households earning around the area median income and below.

3. A lack of housing supply at higher price points is creating a ‘cascading effect’, causing high-income households to occupy housing at lower costs than they usually might. This places an increased strain on the supply of housing affordable to middle and lower-income households.

Reduced housing supply appropriate for residents with higher incomes often reduces supply for those at lower income levels, as wealthier households will acquire lower-value housing units if none are available at their respective tier. This trend is present in Douglasville, as there are not enough units available that are appropriately priced for higher income households. This shortage puts further strain on housing appropriate for middle-income tiers, ultimately leading to overwhelming shortages of housing affordable to lower income households, which already suffer from a lack of supply.

4. One-bedroom units are the most undersupplied housing size and would need the largest increase in new units, but new construction is needed across all sizes.

Douglasville is expected to receive even shares of 1-person, 2-person, and 3+-person households; however, there is currently a shortage of units fit for most single-person households. It will be important to “right-size” Douglasville’s housing stock, to better match the size of available housing to the size of Douglasville’s households.

Housing Demand Forecast

Upon reviewing trends in Douglasville’s demographics and housing markets, a housing demand forecast for the City was created, derived from a Douglas County housing demand forecast produced by Bleakly Advisory Group for ARC in 2020.

The housing demand analysis is based on the existing housing stock within the City and both current and projected demographics. The demand analysis considers existing current household estimates, as well as household growth projections by income and tenure.

The model forecasts achievable annual absorption of new for-rent and for-sale housing, with a few important considerations. The model is built using historical demographic and housing-related data in combination with ARC’s population growth forecast. As the historical data is evidentiary of the effects of local policy, the model assumes a preservation of the “status quo” with regard to local policy in order to forecast housing demand. That is to say, if the local policy landscape that affects housing supply and demand in Douglasville remains relatively unchanged over the next five years while population growth continues as projected by ARC’s population growth forecasts, then the below figures present a reliable estimate of absorbable demand for new housing units in the City.

It follows, importantly, that the numbers presented below are not set in stone. Housing supply and demand can be dramatically influenced by local land-use and housing policy. These figures should only be interpreted as the estimated trajectory of the City’s housing demand if current trends continue; it is unknown how trends from the Covid-19 pandemic will influence current trends.

Figure 35 provides an overview of the anticipated demand for new housing in Douglasville by occupancy tenure and housing type. Table 15 provides a tabular breakdown of the data. We estimate that Douglasville’s housing market can absorb roughly 140 new housing units per year, creating a five-year target of 700 new housing units in the City. Two thirds of new housing units demanded will be owner occupied, with slightly over 10% of forecasted demand for owner-occupied homes being multifamily units, like townhomes or condos. One third of new housing demanded is expected to be renter-occupied, although the model does not allow for distinction between housing unit types for renters – multifamily housing units are assumed.

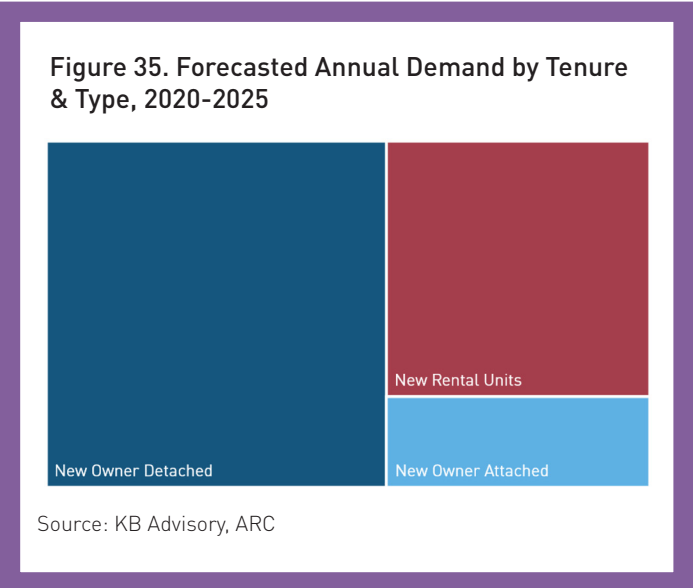


Table 15. New Demand by Tenure and Type, 2020 - 2025

	Annual	5-Year Target
Total	140	700
New Rental Units	45	225
New Owner Detached	79	395
New Owner Attached	16	80

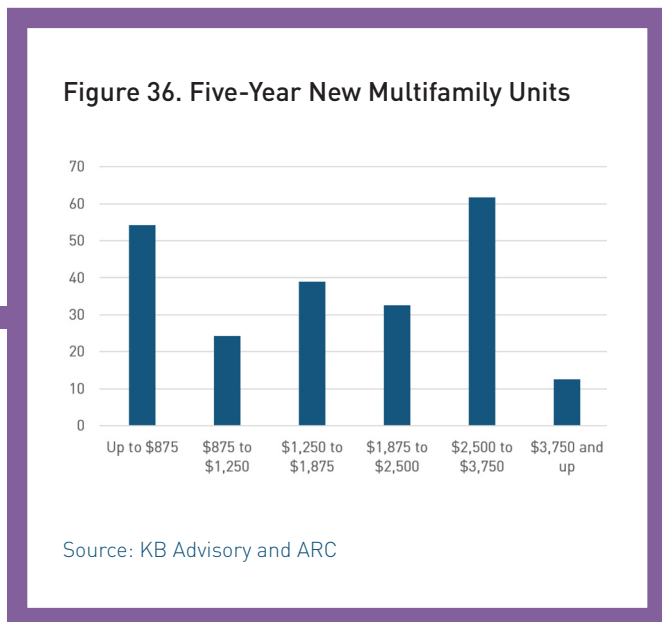
Source: KB Advisory, ARC

Table 16. Rental Market Forecasted Demand

Household Income	Percent AMI*	Affordable Rent Range	Affordable Rent Midpoint	Annual New Multifamily Units	5-Year New Multifamily Units
Up to \$34,999	Up to 50%	Up to \$875	\$425	11	54
\$35,000 to \$49,999	50% - 70%	\$875 to \$1,250	\$1,050	5	24
\$50,000 to \$74,999	70% - 100%	\$1,250 to \$1875	\$1,450	8	39
\$75,000 to \$99,999	100% - 150%	\$1,875 to \$2,500	\$1,825	7	33
\$100,000 to \$149,999	150% - 200%	\$2,500 to \$3,750	\$2,600	12	62
\$150,000 and above	200% and Up	\$3,750 and up	>\$2,600	3	13
Total				45	225

* AMI for the Atlanta-Sandy Springs-Roswell MSA is estimated at \$69,464, using ACS data for 2018, the vintage of data used to produce the demand model

Source: KB Advisory and ARC



The model also allows for prediction of housing demand broken down by income. One third of new rental demand over the next five years will come from families seeking options affordable to household incomes below \$50,000 – which is roughly similar to Douglasville’s current median income of \$53,276. Figure 36 visualizes the estimated absorbable demand for new rented housing at different price points. Table 16 identifies the corresponding incomes to which the graph’s rent ranges are affordable. Breaking demand down by rent ranges in Table 16 we can see that rental demand in Douglasville is anticipated to concentrate toward two key markets – low-cost rented housing and luxury rental. The markets can both respond to Douglasville’s priority to house both aging seniors and young professionals.

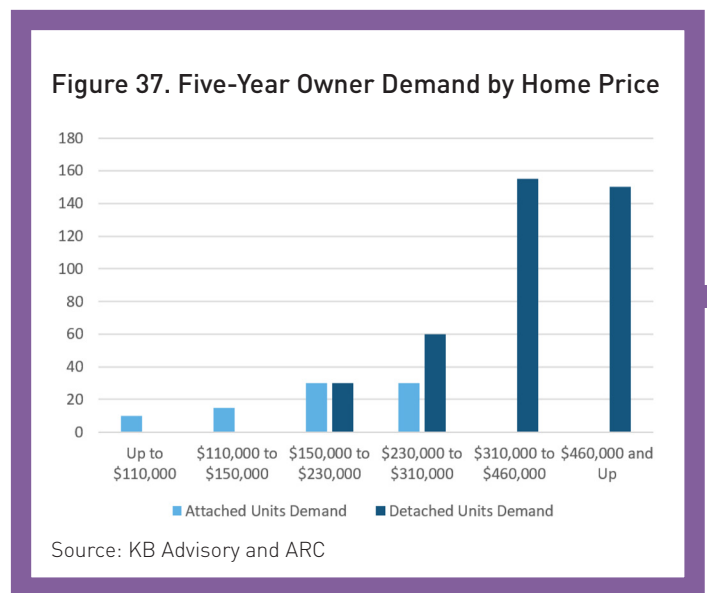
Table 17. Owner Market Forecasted Demand

Household Income	Percent AMI*	Home Price Range	Annual New Demand - Attached	Annual New Demand - Detached	5-Year New Demand - Attached	5-Year New Demand - Detached
Up to \$34,999	Up to 50%	Up to \$110,000	2	0	10	0
\$35,000 to \$49,999	50% - 70%	\$110,000 - \$150,000	3	0	15	0
\$50,000 to \$74,999	70% - 100%	\$150,000 - \$230,000	6	6	30	30
\$75,000 to \$99,999	100% - 150%	\$230,000 - \$310,000	6	12	30	60
\$100,000 to \$149,999	150% - 200%	\$310,000 - \$460,000	0	31	0	155
\$150,000 and above	200% and Up	\$460,000 and Up	0	30	0	150
Total			17	79	85	395
					5-Year Total	480
* AMI for the Atlanta-Sandy Springs-Roswell MSA is estimated at \$69,464, using ACS data for 2018, the vintage of data used to produce the demand model						

Source: KB Advisory and ARC

Table 17 and Figure 37 present similar data, but for owners. Owner-occupied demand is broken into attached and detached housing types.

Demand in Douglasville’s housing market will concentrate toward owner-occupied housing, with the majority of that coming in the form of detached, single-family homes. However, there will also be significant demand for attached housing options – like townhomes, condominiums, duplexes, etc. – which are expected to constitute about one sixth (18%) of new for-ownership demand. It’s also noteworthy that demand for attached homes is expected to concentrate at lower price points, affordable to households earning around the area median income and below.



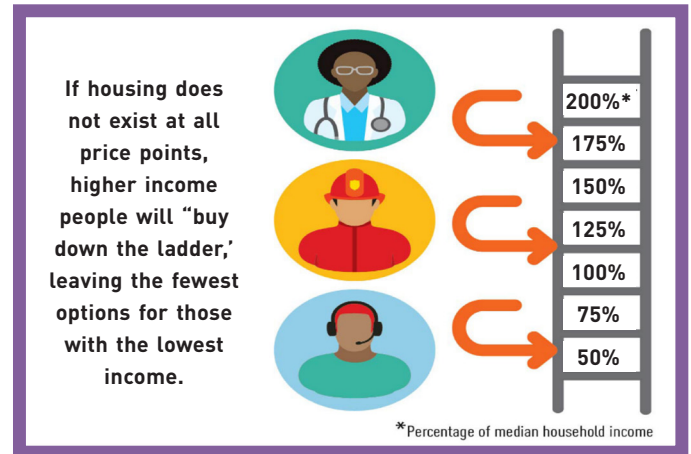
Housing Cost Needs

We also performed an analysis comparing household income levels in Douglasville with monthly housing costs. This analysis utilizes an emerging concept within housing research referring to as “buying down the income ladder” (see Figure 38), which holds that reduced housing supply appropriate for some income levels often reduces supply for lower income levels, as wealthier households will acquire lower-value housing units if none are available at their respective tier.

This trend is present in Douglasville, as there are not enough units available that are appropriately priced for higher income households. This shortage puts further strain on housing appropriate for middle-income tiers, ultimately leading to overwhelming shortages of housing affordable to lower income households, which already suffer from a lack of supply. Douglasville in particular has a larger share of lower-income households than the surrounding county,

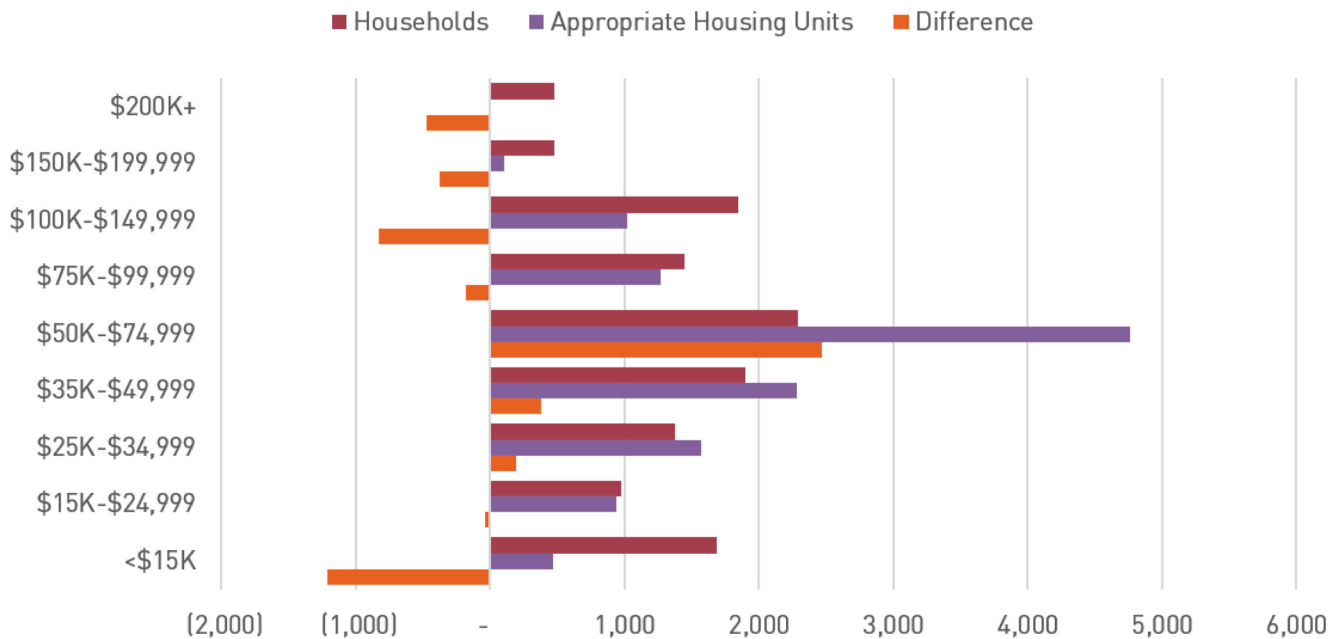
so efforts to increase supply of both market rate and affordable units can alleviate burdens across income ranges.

Figure 38. Buying Down the Ladder



Source: ARC

Figure 39. Douglasville Housing Cost-Supply (Mis)-Match



Source: Esri Business Analyst, 2020

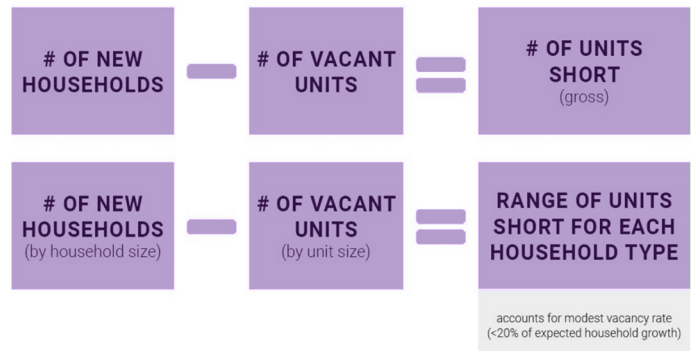
Housing Type Preference

Upon understanding the current conditions of Douglasville’s housing stock and market, we then examined how these might be prepared for the City’s projected household growth. To do this, we compared the number of new households with the City’s existing vacancies, breaking them down by household size and housing unit size (see graphic). The resulting ranges indicate how many more housing units the City may need depending on the preferences of the households it is set to receive.

Overall, Douglasville is expected to receive between 1600-1700 new households by 2024 (ESRI Business Analyst Online, 2019). Currently, there are 890 units vacant in Douglasville, which leaves a shortfall of approximately 800 units total. Dividing these up by household and housing unit sizes yields similar results. Douglasville is expected to receive fairly even

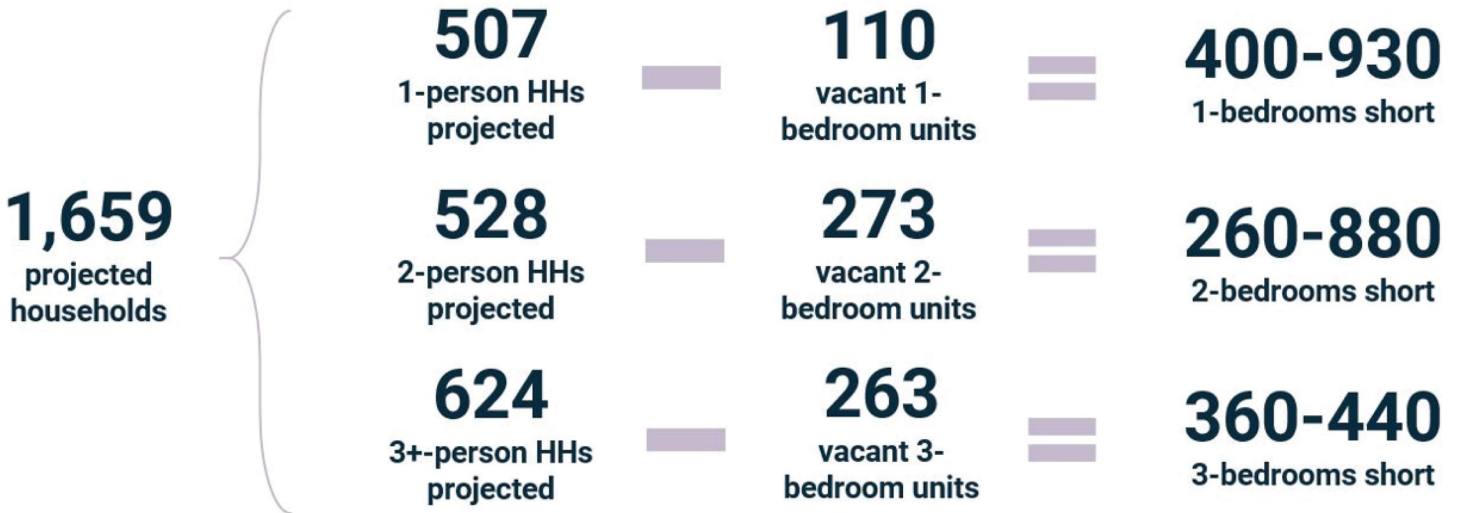
shares of 1-person, 2-person, and 3+ -person households. 1-bedroom units are the most undersupplied housing size and would need the largest increase in new units, but new construction is needed across all sizes.

Figure 40. Gross Housing Need Methodology



Source: Georgia Conservancy

Figure 41. Douglasville Gross Need by Size



Glossary of Housing Terms

Affordable Housing – Housing for which the occupants are paying no more than 30 percent of their income for gross housing costs, including utilities. These households generally have income less than 60 percent of AMI. However, the term has been applied more loosely to cover households with incomes up to 80% of AMI for renters and 100% of AMI for owner households.

Area Median Income – A benchmark which divides income distribution in a given area into two equal parts: one-half earn above this amount and one-half below. Affordable housing eligibility is generally based on income as compared to this benchmark. Area median income figures are calculated by household size by HUD on annual basis for all metropolitan regions of the country and rural areas of states.

Assisted Housing – Any housing development which has received some form of public subsidy from local, state or federal sources, typically to support the creation of affordable housing units.

Down Payment Assistance – A “catch-all” term for a variety of programs designed to help home-buyers purchase a home with fewer out-of-pocket costs. These can include free housing grants, funds towards closing costs, forgivable loans, and 0% non-forgivable loans.

Fair Market Rent (FMR) – The maximum rent which can be charged on a unit to meet either a 60% of AMI or 80% of AMI income maximum for an affordable unit. FMRs are determined annually by HUD and primarily used to determine payment standard amounts for housing assistance voucher programs and other housing assistance payment programs.

Homelessness – When individuals lack a fixed, regular, and adequate nighttime residence.

Households – All the people who occupy a housing unit. A household includes the related family members and all the unrelated people who share the housing unit.

Housing cost burden, owner – Households who pay more than 30 percent of their income for their mortgage and utilities.

Low-Income Housing Tax Credit (LIHTC) – A tax incentive intended to increase the availability of low-income housing. The program provides an income tax credit to owners of newly constructed or substantially rehabilitated low-income rental housing projects. The affordable units are typically focused on 60% of AMI and below. Two levels of LIHTC are offered. The 9% credit is limited to a set amount of credits nationally and allocated by population among the 50 states. It is then competitively awarded by the state housing finance agency, in the case of Georgia it is the Department of Community Affairs, to projects which apply for the designation. Atlanta receives a preference for a portion of these funds each year. The 4% credit is offered on an application basis and is not limited in terms of the number of transactions which can qualify. Because of the deeper subsidy the 9% credit is the LIHTC option preferred by many affordable developers.

Low Income Households – Defined by HUD as those households whose incomes are below the area’s median (do not exceed 80 percent of the median). This measure can be adjusted to account for family size. The US Census Bureau defines as 50% of AMI or less.

Maximum Rents – The highest allowable charge for the rental of an assisted housing unit, calculated based on tenants at the maximum HUD program-eligible income paying no more than 30 percent of their income for housing.

Mixed Income Communities – Housing developments which include diverse types of housing units for people with a range of income levels.

Moderate Income Households – Defined by HUD as those households whose incomes are near the area’s median (80 to 120 percent of the median). This measure can be adjusted to account for family size. US Census Bureau defines as 80% of median.

Non-Family households – Households which consist of people who live alone or who share their residence only with unrelated individuals.

Project-Based Rental Assistance (PBRA) – Housing developments in which the private owners have contracted with HUD to rent some or all of the units to low-income families. This differs from “tenant-based” rental assistance, which can be used to rent any private apartment that meets program guidelines.

Public Housing – Housing provided by a public housing agency chartered in a local community specifically to provide housing for people with low incomes, subsidized by public funds. It comes in a variety of forms owned, sponsored, or administered by a government. Typically, these agencies operate at the City or county level. Most of their operating funding comes from the Public Housing division of HUD.

Renter by Choice – Those who are capable of owning a residence, but choose to rent because of lifestyle choices, the desire for mobility, or downsizing from previously owning a home. These households primarily focus on properties with multiple amenities and luxury rentals.

Rent Burdened Households – Defined by HUD as those households who pay more than 30 percent of their income for housing (rent plus utilities), and may have difficulty affording necessities such as food, clothing, transportation, and medical care.

Renter by Necessity – Those who are not currently capable of owning a residence due to limitations in saving for a down payment on a house, an inability to get approved for a mortgage, or a need to relocate frequently for work, or whose income is too limited to afford homeownership.

Special Needs Population – Service-enriched housing developments for those who have special requirements for their housing. This can include the elderly, persons with physical, mental, or behavioral disabilities, persons with medical needs, and persons with alcohol or drug addictions.

Senior Housing – Housing developments specifically targeted to those 62 (sometimes 55) years or older. These facilities or communities can lawfully refuse to sell or rent dwellings to families with minor children.

Section 8/Housing Vouchers – A HUD program which provides rental assistance to low-income families who are unable to afford market rents through the use of vouchers or certificates. The Section 8 family pays up to 30% of its income in rent and the balance between this amount and the FMR is paid by the local housing authority to the landlord each month.

Underwater Homeowner – When the balance of the mortgage loan is higher than the fair market value of the property. This generally prevents a homeowner from being able to sell or refinance a property. If a homeowner has to move right away, this can lead to a short sale or foreclosure.

Very Low Income Households – Defined by HUD as those households whose incomes are well below the area’s median (do not exceed 50 percent of the median). This measure can be adjusted to account for family size. The US Census Bureau defines as 30% of AMI or less.

Vouchers – The Housing Choice Voucher program is administered by local public housing agencies on behalf of HUD to assist very low-income families, the elderly, and people with disabilities. The agency pays a housing subsidy directly to the landlord; the participant pays the difference between the actual rent charged and the amount subsidized by the program. Participants are responsible for finding their own rental housing unit.

Workforce Housing/Households – Housing for those who earn too much to qualify for affordable housing programs yet cannot afford the average market rate. These households generally have incomes between 60 to 120 percent of AMI.

Zoning Overlay – A zoning district applied over one or more previously established zoning districts, which sets for additional or stricter standards and criteria for the covered properties. These can be used to provide incentive zoning or requirements for affordable housing.

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