

CITY OF ATLANTA, GEORGIA



Analysis of Impediments to Fair Housing Choice

2013

Metro Fair Housing Services, Inc.
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2013 Analysis of Impediments to Fair Housing Choice City of Atlanta, Georgia

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I. INTRODUCTION

Analysis of Impediments Background

The federal Fair Housing Act, 42 U.S.C. § 3608(e)(5), requires the Secretary of the United States Department of Housing and Urban Development (HUD) to administer its housing and urban development programs in a manner to *affirmatively further fair housing* (AFFH). All jurisdictions that are direct HUD-funded recipients of Community Development Program funds are required to conduct an assessment of its barriers to housing choice and develop a plan for overcoming the impediments identified.

Although the AFFH obligation of the jurisdiction arises in connection with the receipt of federal funding, its AFFH obligation is not restricted to the design and operation of HUD-funded programs at the State or local level. The AFFH obligation extends to all housing and housing-related activities in the jurisdictional area whether publicly or privately funded.¹ As HUD set forth in its recent proposed rule on AFFH: The Fair Housing Act not only prohibits discrimination but, in conjunction with other statutes, directs HUD's program participants to take steps proactively to overcome historic patterns of segregation, promote fair housing choice, and foster inclusive communities for all.²

The regulations governing the jurisdiction's Consolidated Plan at 24 C.F.R. § 91.225(a)(1) require a certification by each jurisdiction that it will affirmatively further fair housing (AFFH), which requires: 1) conducting an *analysis to identify impediments to fair housing choice*; 2) taking appropriate action to overcome the effects of any identified impediments; and, 3) maintaining AFFH records reflecting the analysis and the actions in this regard.

The *Analysis of Impediments to Fair Housing Choice* (AI) is a HUD-mandated review of impediments to fair housing choice in the public and private sector. Its submission is a required component of any required Consolidated Plan as implemented every three to five years. See 24 C.F.R. §§ 91.235(c)(4)(PHAs/nonprofits), 91.255(a)(1)(local jurisdictions), 91.325(a)(1)(state jurisdictions), and 91.425(a)(1)(I)(consortiums).

¹24 C.F.R. §§ 1, 4, 6.4, 91.225, and 570.601. See also, U.S. Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity, *Fair Housing Planning Guide*, vol. 1, chapter 1, section 1.2, 1-3 (March 1996).

²78 Fed. Reg. 43710 (July 19, 2013)

The AI involves:

- A review of a jurisdiction's laws, regulations, and administrative policies, procedures and practices;
- An assessment of how those laws, policies and practices affect the location availability and accessibility of housing;
- An assessment of conditions, both public and private, affecting fair housing choices for all protected classes; and,
- An assessment of the availability of affordable and accessible housing.

The HUD *Fair Housing Planning Guide* (March, 1996) states that impediments to fair housing choice are:

- *Any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status, or national origin which restrict housing choices or the availability of housing choices*
- *Any actions, omissions, or decisions which have the effect of restricting housing choices or the availability of housing choices on the basis of race, color, religion, sex, disability, familial status, or national origin.*

According to HUD, the purposes of the AI are to:

- serve as the substantive, logical basis for the Fair Housing Plan;
- provide essential and detailed information to policy makers, administrative staff, housing providers, lenders, and fair housing advocates; and,
- assist in building public support for fair housing efforts both within an entitlement jurisdiction's boundaries and beyond.

An analysis of impediments to fair housing choice is more than a catalog of prohibitive policies or illegal acts. The study must identify those systemic and structural issues that limit the ability of people to take advantage of the full range of housing which should be available to them. To ensure an accurate evaluation of current fair housing conditions, the AI includes a review of demographic and housing market data, relevant legislation, policies and practices affecting fair housing, public education and outreach efforts and a community fair housing survey. The AI provides the City with a viable tool that identifies any existing barriers to fair housing choice and develops an action plan with realistic strategies for mitigating them. The 2013 AI also includes an assessment of the previous impediments found in the 2006 AI and the status of actions taken since 2006 to address those impediments.

Title VIII of the Civil Rights Act of 1968, as amended, 1988, 42 U.S.C. §§ 3601-3619, sets forth the federal Fair Housing Act, which prohibits discrimination in housing on the basis of seven protected characteristics: race, color, national origin, religion, gender, familial status, and disability. The federal Fair Housing Act covers most types of housing including rental housing, home sales, mortgage and home improvement lending, land use and zoning, and insuring and advertising of housing. In some circumstances, the Act exempts owner-occupied buildings with no more than four units, single family housing sold or rented without the use of a real estate agent or broker, housing operated/owned by organizations and private clubs that limit occupancy to members, and housing for older persons.

The State of Georgia has a fair housing law that parallels the federal Fair Housing Act at O.C.G.A. § 8-3-200 *et seq.* The City of Atlanta has a fair housing ordinance that extends the protections against discrimination in fair housing to the same seven characteristics of the federal and state law, but also addresses these protections to the additional characteristics of "domestic relationship status, parental status, sexual orientation, gender identity, and age." ATLANTA GA. CODE § 94-94

Who Conducted the AI

Metro Fair Housing Services, Inc. (Metro), is a private, not-for-profit, corporation dedicated to eliminating housing discrimination in metropolitan Atlanta and promoting equal opportunity in housing throughout the State of Georgia in compliance with federal, state and local fair housing laws. Established in 1974, the civil rights organization is the only private, full-service, fair housing agency in metropolitan Atlanta engaged in Education & Outreach, Intake & Counseling and Enforcement (testing for fair housing law violations and pursuing meritorious claims). Metro's mission is *to promote social justice and eliminate housing and lending inequities for all people, including those with disabilities, through leadership, education and outreach, public policy, advocacy and enforcement.* Metro completed the 2006 AI for the City of Atlanta and has provided cost effective, results-oriented fair housing planning services to multiple jurisdictions throughout Georgia.

Metro's programs are designed to ensure that people are offered the right to select housing of their choice without discrimination based on race, color, national origin, sex (gender), religion, familial status, disability and such other protected characteristics as may be conferred by federal, state or local laws.

Participants in the AI

The Atlanta AI includes input from city officials, residents, stakeholder groups, and key persons involved in the housing and community development industry, and particularly, fair housing. Surveys were utilized to gather information from consumers and various sectors of the housing industry about their experiences and perceptions of housing discrimination and their knowledge of fair housing laws and services. Metro extends its gratitude to the persons previously listed in the acknowledgement. In addition, Metro appreciates and acknowledges the vital input of members of AHAND, the Housing GA Coalition and the Atlanta Regional Forum.

Methodology

Metro's methodology in undertaking the 2013 AI was based on the recommended research and tasks identified by HUD in its *Fair Housing Planning Guide Vol. 1*; recommendations based on HUD's proposed rule on Affirmatively Furthering Fair Housing, 78 C.F.R. 43710; experience in conducting AIs for this and other jurisdictions; and, the documentation furnished by the City's internal and external stakeholders.

Multiple data sources were utilized in the preparation of this AI, generally covering a seven-year period since completion of the 2006 AI. As a result, some data comparisons may appear incongruent due to the lack of relevant, available data. The scope of work included, but was not limited to, the following tasks:

Project Implementation - Metro met with various city officials and the City's project manager, Rodney Milton, Office of Housing, to define contractual responsibilities, establish a work schedule, and review public input opportunities; reviewed impediments found in the 2006 study and actions taken addressing impediments from 2006 to 2013; identified candidates for written key person feedback and interviews; and reviewed the survey instruments developed by Metro based on HUD's Fair Housing Planning Guide.

Community Data Review - Metro reviewed the most recent data/maps available from the U.S. Census, the *American Community Surveys*, the City of Atlanta's 2010-2014 Consolidated Plan and 2011 Comprehensive Development Plan. Data and graphics were also attained from the US2010 program developed by the Russell Sage Foundation and Brown University, the Atlanta Regional Commission, and others in an effort to compile all relevant demographic, economic, employment and housing market information. Metro reviewed lending data from the Home Mortgage Disclosure Act

obtained and processed utilizing Lending Patterns™, a web-based data mining and exploration tool that analyzes massive records from all lenders to produce executive level reports on numerous aspects of mortgage lending in America. Relevant data and opinions were researched in local transportation, employment and sociological studies in addition to national, state and city official websites.

Regulatory Review - Metro collected and analyzed information regarding the city's current development, planning and zoning, housing and land use regulations, policies and programs that influence housing choice; designed and distributed revised *Fair Housing Planning Guide* questionnaires to the Mayor's Office of Constituent Services, Department of Planning and Community Development, and the Atlanta Housing Authority; and met with private developers and various stakeholders for input on regulatory administration.

Compliance Data Review - Metro collected and analyzed available compliance data with local, state and federal fair housing laws, including but not limited to, the federal statutes known as the Home Mortgage Disclosure Act (HMDA), the Fair Housing Act, and the Community Reinvestment Act (CRA). Metro made appropriate Freedom of Information Act requests to HUD and relevant Open Records requests to the Georgia Commission on Equal Opportunity, the Mayor's Office of Constituent Services, the City Office of Code Compliance, the City Office of Solicitor, the Atlanta Legal Aid Society and Georgia Legal Services to further analyze reported fair housing complaints and legal actions involving fair housing laws. Metro conducted 50 tests for fair housing compliance based on the parameters agreed upon in the AI contract.

Direct Surveys - For the period of January, 2013 through September, 2013, Metro directly administered face-to-face Fair Housing Opinion Surveys with city residents and industry stakeholders in addition to online surveys posted on the City's website. The surveys were designed to gauge perceptions of housing discrimination, housing issues effecting the jurisdiction, and knowledge of fair housing laws and resolution options.

Identification and Analysis of Impediments - Metro analyzed its collective findings from the previous project tasks to determine what impediments to fair housing choice currently exist in the City of Atlanta.

Recommendations - Metro reviewed and updated the previous AI's recommendations and developed a recommended Action Plan in collaboration with City officials for addressing the identified impediments.

Funding

Funding for the AI was provided by HUD's 2013 Community Development Block Grant (CDBG) entitlement funds for administrative activities under contract with the City of Atlanta, Department of Planning and Community Development, Office of Housing.

Impediments Identified in 2006 AI

The 2006 AI identified the following impediments to fair housing choice in the City of Atlanta:

- **There is a shortage of available affordable housing: An insufficient number of affordable housing units existed to meet the needs of low-to-moderate income families in both apartment rental and single-family home purchases.**
- **There is a need for more education and awareness about affordable housing, home rehabilitation, and first-time homebuyer programs.**
- **There is a lack of education and outreach to the elderly and low-to-moderate income homeowners regarding fraudulent lending schemes that steal equity and force foreclosures. This effort, as recommended, should be conducted collaboratively with Fulton and DeKalb Counties, respectively as to the City property within each County.**
- **The lack of a local fair housing ordinance that emphasizes availability of housing on an equal basis and to encourage housing choice.**

Summary of Actions Taken Since Completion of 2006 AI

The City increased its housing stock by 38,000 in the decade 2000-2010. With the collapse of the housing market and the ensuing economic recession, a large number of homes fell to vacancy and foreclosure with the stock of vacant housing doubling in the decade. Following the 2006 AI, the City took aggressive steps to address the shortage of affordable housing. Leveraging the resources of the City's public/private partnerships and available funding mechanisms, a total of 6,778 units of affordable housing were developed city-wide from 2006 through 2012 according to the Office of Housing. Of that total, 4,079 were produced with local, non-Federal resources. Federal funds supported 1941 affordable housing units and federal and non-federal down payment assistance supported 758 units. See the chart at p. 90. Of the 6,778 total, a minimum of 282 units were accessible to persons with disabilities. The City

has worked with varying authorities and districts to address homelessness and to revitalize areas of significant importance to the Central Downtown core and within the approved Community Development Impact Areas. Additional accomplishments are more specifically discussed herein under Section III. Recent Housing Accomplishments.

The City has not adopted the comprehensive local Fair Housing Ordinance as proposed in the 2006 AI. See Appendix E. Research of the municipal codes during the 2013 AI process revealed a 1977 ordinance, amended 1983 and 2000, creating a Human Relations Commission authorized to address fair housing protections at ATLANTA GA CODE § 94-36 *et seq.*. The 1977 ordinance was not discovered during the 2006 AI's policy research by Metro. A vehicle for addressing illegal discrimination in public accommodations and private employment, the ordinance provides protections against housing discrimination to the seven protected classes covered under federal and state fair housing laws and extends progressive additional protections to "domestic relationship status, parental status, sexual orientation, gender identity and age" (ATLANTA GA CODE § 94-91 *et seq.*). The code provision asserting fair housing protections at ATLANTA GA CODE § 94-92 is not substantially equivalent to the federal Fair Housing Act and is not a remedy currently enforced in the city. See Appendix F. In accordance with the 2013 AI's action plan, the City will accelerate its efforts to implement and improve the effectiveness of the ordinance.

To address the issues of lack of education, outreach and awareness, the City of Atlanta contracted with Metro utilizing CDBG funding for seven consecutive fiscal years following the completion of the 2006 AI to conduct a Joint Ventures in Fair Housing project, an initiative designed to address identified impediments and to assist the jurisdiction in its mandate to *affirmatively further fair housing*. Aside from innovative approaches to expand the housing choices of its residents through a variety of programs discussed herein, an Education & Outreach strategy was implemented to inform the general public, including community groups, the housing industry (lenders, realtors, developers, property owners, etc.) and special needs populations (such as disability advocacy groups), about the rights and responsibilities conferred by federal and state fair housing laws. Specialized fair housing workshops were designed to educate the participants about fair housing/fair lending laws, how to recognize discriminatory housing/lending practices, and the avenues of redress available to them. The initiative benefits persons who are denied access to the housing of their choice because of their race, color, religion, national origin, sex, disability, or familial status. Specialized trainings for housing providers were

developed to promote compliance with fair housing laws and affirmative marketing requirements.

From January, 2006 through February 28, 2013, Metro conducted approximately 92 workshops and trainings for 2,325 participants in the City of Atlanta on fair housing laws/rights/responsibilities; how to recognize and report housing discrimination; fair lending laws and predatory lending; disability rights/accommodations & modifications; affirmative marketing and related topics. Additionally, Metro's revamped website, newsletter, the *Metro Freedom Righter*, and revised brochures were launched. Approximately 3,200 brochures, newsletters and fair housing information packages were distributed to Atlanta residents in English and Spanish.

The Intake & Counseling initiative was also revised and launched during this period, whereby Metro processed intakes from city residents and assisted them regarding a variety of housing-related issues, primarily landlord/tenant disputes and complaints of housing discrimination. Under the Enforcement initiative Metro investigated individual allegations of housing discrimination (complaint-based testing) and investigated properties to determine compliance with fair housing laws (systemic testing). See Section V, Jurisdiction's Fair Housing Profile.

II. JURISDICTIONAL & COMMUNITY PROFILE

History & Community Structure

Atlanta is located in the northern portion of the State of Georgia and is the capital city. The United States Census Bureau decennial census found that the city population was 420,003 in 2010, a .8 percent increase since the 2000 census and making it the most populous city in Georgia and 40th in the national ranking by population of cities in the United States. The Census estimate from April 1, 2010 to July 1, 2012 indicates a 5.6% increase with an estimated population of 443,775.³

The City of Atlanta has a land area of approximately 133.7 square miles, which totals 85,687 acres. A prominent feature of Atlanta's development pattern is the star-shaped form of commercial and industrial land uses, radiating outward from the central portion of the City. This growth pattern follows natural ridge formations and is further reinforced by the transportation network of rail lines, major streets, freeways, and the Metropolitan Atlanta Rapid Transit Authority (MARTA) transit system.

³ <http://www.census.gov>, 2011 American Community Survey (ACS)

Notable physical characteristics within the City of Atlanta are the rolling, hilly topography, numerous streams, and an extensive 36 percent tree canopy.⁴

Historically, transportation has been a vital component in the development of Atlanta. Railroads became the framework for the City's early development, with the Central Downtown area serving as the original hub, a railroad network that to this day circles the central area and extends out from Downtown to surrounding counties and neighboring states.⁵

In 1821 permanent settlers began moving into former Creek Indian lands that would eventually become metropolitan Atlanta. In 1837 the area became the site for a railroad terminus connecting Georgia with Chattanooga, Tennessee, and with the Chattahoochee and Tennessee Rivers to the west. The area comprising the city was known as "Terminus," with the current downtown Five Points area as the railroad termination point. Atlanta gained its current name in 1845, incorporated in 1847, and was considered the transportation hub of the Southeast by the outbreak of the Civil War in 1861. The City has endured two major fires, losing 70 percent of its buildings in Sherman's infamous March to the Sea in 1864, and 300 acres that burned in 1917 leaving 10,000 homeless.

President Franklin D. Roosevelt dedicated Techwood Homes in 1935, housing which became the nation's first federal public housing project for a White segregated populous. Three years later (1938), University Homes opened as public housing for the Black populous. The idea of project housing originated with Charles F. Palmer, an Atlanta real estate developer, in an effort to rid the City of slums by relying on federal funding.⁶

During the 1960s, Atlanta was a major organizing center of the Civil Rights Movement. While minimal compared to other cities, Atlanta was not completely free of racial strife. Desegregation of the public sphere came in stages, with public transportation desegregated by 1959, the restaurant at Rich's department store by 1961, movie theaters by 1963, and public schools by 1973.⁷

Atlanta is also the origin of Coca Cola, the drink (1886) and the company (1891); Hartsfield-Jackson Atlanta International Airport (1929); Pulitzer Prize winner Margaret Mitchell's "Gone With the Wind" (1937); the Centers for Disease Control and Prevention (CDC, 1946); Nobel Peace Prize recipient, Dr. Martin Luther King, Jr.

⁴ City of Atlanta, 2011 Comprehensive Development Plan (CDP), Sections 7 & 9

⁵ Id. at Section 7

⁶ <http://www.georgiaencyclopedia.org>

⁷ <http://www.wikipedia.org/wiki/Atlanta>, retrieved August 31, 2013.

(1964); Atlanta Braves Hank Aaron's 715th home run (1974); the headquarters of Turner Broadcasting System (TBS, 1975); and, one of the world's largest Aquariums (2005).

Atlanta has hosted the Democratic National Convention (1988), Super Bowl XXVIII (1994), Centennial Olympic Games (1996), Super Bowl XXXIV (2000), the basketball championships for the NCAA Men's Final Four (2002), the NBA All Star Game (2003), the NCAA Women's Final Four (2003), and the NHL All-Star Game (2008). The Atlanta Braves took the National League pennant (1991) and won the World Series in 1995.⁸ Atlanta is home to the Olympic Stadium (now Turner Field), the Atlanta Fulton County Stadium (now the parking lot to Turner Field), Phillips Arena, the Georgia Dome and other lands that support a robust sports industry. An expanded 4,700 acres outside the City limits is currently managed as the Hartsfield-Jackson Atlanta International Airport, one of the nation's busiest air terminals. Direct flights to Europe, South America, and Asia have made metro Atlanta easily accessible to the more than 1,000 international businesses that operate here and the more than 50 countries represented through consulates, trade offices, and chambers of commerce. The City has emerged as a banking center and is the world headquarters for 13 Fortune 500 companies.⁹

Atlanta is also home to major urban, educational institutions such as Georgia Tech, Georgia State University, Spelman College, Morehouse University, and Clark Atlanta University, constituting approximately 719 acres in total land use. Atlanta's 343 parks, nature preserves, and gardens cover 3,622 acres,¹⁰ which amounts to 5.6 percent of the city's total acreage.

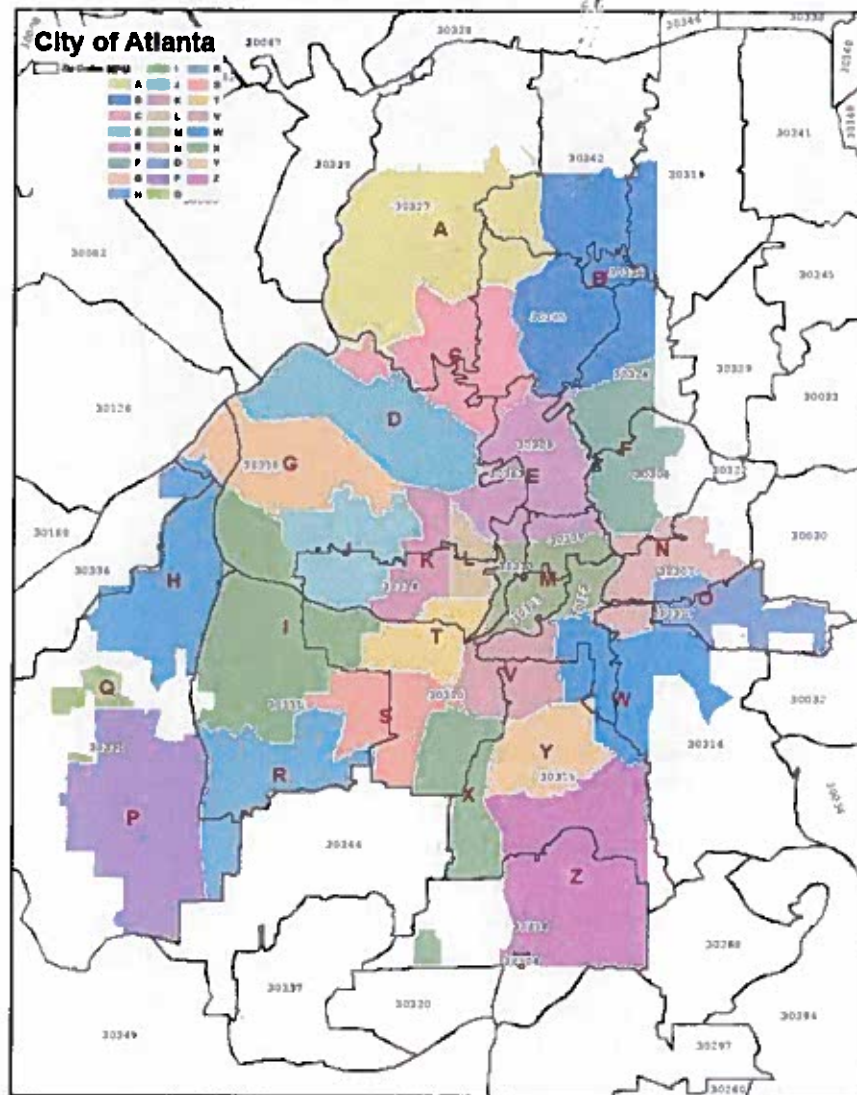
Today, the city is home to more than 200 neighborhoods divided into 27 Neighborhood Planning Units (NPU's) acting as citizen advisory councils that provide input to the City Council. NPU's have some decision-making power over issues such as zoning and land use.¹¹ The northern, central and eastern portions of the city are heavily urbanized with high rises, two universities, and an active cultural district along the infamous "Peachtree Street". Downtown Atlanta's Five Points area still serves as the hub of the City's mass transit rail system (Metropolitan Atlanta Rapid Transit Authority or MARTA) serving the north-south and east-west corridors and connecting with adjoining counties and cities. See following map of NPU's and zip codes.

⁸ <http://www.atlantahistorycenter.com>

⁹ <http://www.atlantaga.gov>

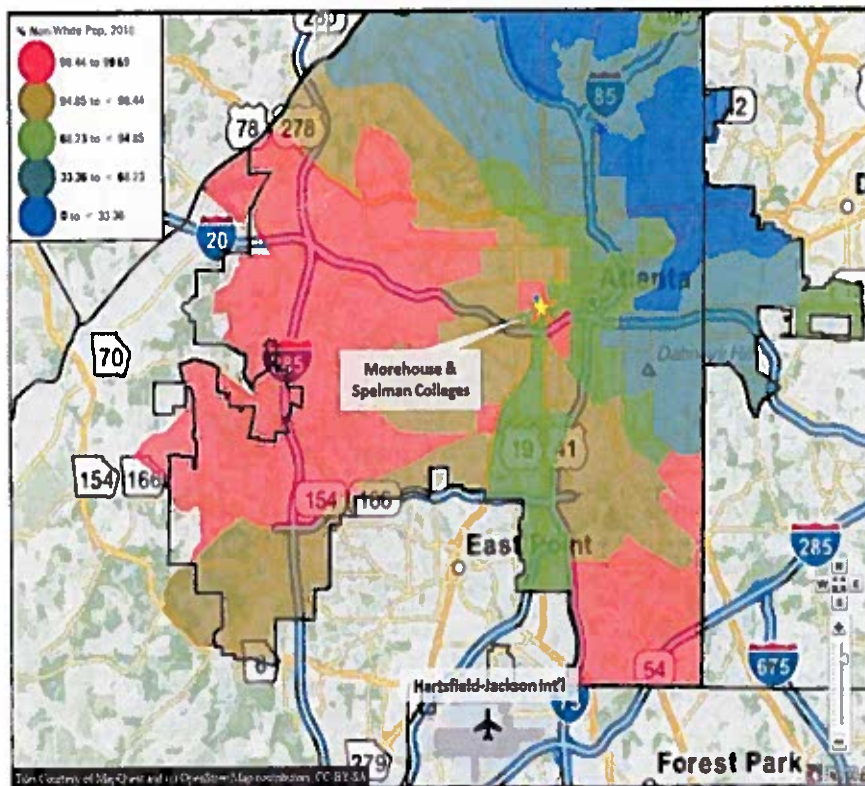
¹⁰ Id.

¹¹ Id.



The City's website and the work of noted author/historian, Larry Keating (*Atlanta: Race, Class and Urban Expansion*, 2001), provide valuable insight into the colorful history of the city. As discussed by Keating and detailed in the map below, the south side and western portions of the City contain the historic Atlanta University Center and remain "hyper-segregated" with primarily Black and Hispanic suburban populations which wrap around the Hartsfield-Jackson International Airport.¹²

¹² Larry Keating, *Atlanta: Race, Class and Urban Expansion*, (Temple Press, 2001)



Source: *Neighborhood Nexus, 2013/U.S. Census*

History & Government Structure

The Atlanta City government is divided into three bodies: the legislative, executive and judicial branches. A 15-member Council serves as the legislative body enacting ordinances and developing policies that serve as operational standards, and establishes the parameters of the City's administrative functions. City departments and day-to-day operations are under the direction of the Mayor, whose office constitutes the executive branch with responsibility for carrying out the laws instituted by the Council. The Municipal Courts, Solicitor and Public Defender make up the judicial branch. See Appendix C, City Organizational Structure.

The City of Atlanta has operated under this standard metropolitan system of government since a 1974 Charter that replaced a Board of Aldermen (elected citywide) with the City Council (elected from 12 individual districts with six at-large posts). A 1996 Charter reduced the representation of Council to 12 districts and three at-large posts. As a municipal governmental unit, the City provides for public safety (police and fire protection), community development (zoning and code enforcement), and other typical city services such as utilities and transportation within its jurisdiction. In addition the City manages the Hartsfield- Jackson Atlanta

International Airport and Boisfeuillet Jones Civic Center. These services are paid for by city taxes, fees and revenues. The city limits spread into two adjoining county governments: the majority of the City is in Fulton County with a smaller eastern portion in DeKalb County. The Counties provide services of a metropolitan nature, such as emergency management and health care services. These are funded by county taxes, which are assessed on all incorporated and unincorporated areas.

The Mayor, President of Council and all Council members are elected to serve four-year terms. The Mayor is not a member of the City Council. The President of Council presides at Council meetings, and it is the President's responsibility to assure the expeditious discharge of public responsibilities and obligations imposed upon the Council by law. The President votes only in case of a tie and steps into the role of Mayor in case of a vacancy or during the disability of the Mayor. The President also appoints standing committees to consider legislation and make recommendations on each item. The Committees then report their actions to the full Council. Approximately 150 pieces of legislation are handled per meeting.¹³

Citizens have the opportunity to appear before a standing committee and to express their views on any piece of legislation. Citizen comments on matters related to zoning changes are heard by the Zoning Review Board which meets once a month and must give public notice of the hearing. In some cases, the Council is required by law to hold a public hearing and must notify the public about the hearing.

After a proposal has been through the committee process, it is voted on by the full Council. A majority vote is needed for adoption. Once adopted, it goes to the Mayor for signature, who must approve or veto the proposal within seven days. If not signed or vetoed within that period, it automatically becomes law. If vetoed, the Council may override with a two-thirds vote.¹⁴

The Mayor appoints a Chief Operating Officer to oversee the operations of the City Departments, including the Department of Planning and Community Development with its traditional offices of planning, housing and buildings. The Mayor also appoints a Chief of Staff who oversees, *inter alia*, three offices impacting housing choice: the Office of Constituent Services, which handles complaints of discrimination and fair housing; the Office of Human Services which provides service coordination, program development and resource mobilization; and the Office of Weed & Seed which facilitates community based, multiagency approaches

¹³ [http:// www.atlantaga.gov](http://www.atlantaga.gov) at City Council

¹⁴ Id.

to law enforcement, crime prevention and neighborhood revitalization and transformation.¹⁵

Atlanta also addresses housing needs under three authorities that are quasi-governmental: The Atlanta Development Authority, also known as Invest Atlanta, the Atlanta Beltline, Inc. and the City's public housing authority, known as the Atlanta Housing Authority.

Intergovernmental units work collaboratively to manage the grants and other special revenue funds available to the City. In 2012, the City had the following grants/funds that, *inter alia*, impact housing: Community Development Fund (to provide for development of viable urban communities); Home Investment Trust Fund (HOME)(to fund the purchase, building and/or rehabilitation of affordable housing); Section 108_Loan Guarantee Program (financing housing rehabilitation); special assessment funds identifying Tax Allocation Districts (TADs) to catalyze investment by financing certain redevelopment activities in underdeveloped or blighted areas; and tax exempt bonds for single and multi-family housing.¹⁶

One of the well-known TADs is the *Atlanta Beltline*, a comprehensive revitalization effort undertaken by the City of Atlanta and noted as one of the largest, most wide-ranging urban redevelopment and mobility projects currently undertaken in the United States. This sustainable project aims to provide a network of public parks, multi-use trails and transit by re-using 22-miles of historic railroad corridors circling downtown and connecting 45 neighborhoods. A form of tax increment financing known as TAD Funding anchors the 25-year financial plan for the *Atlanta Beltline*. Since 2005, the Beltline has received \$120 million from TAD bonds/tax increment financing, and \$179.5 million from private and local government sources, including \$37.5 million donated by private and philanthropic organizations.¹⁷

Population, Race, Ethnicity

Annually on or about September 20th, the U.S. Census Bureau releases the results of the annual American Community Survey (ACS), 1-Year Estimate taken from a series of data based on survey responses collected over the course of the prior calendar year on various socioeconomic, housing and demographic characteristics. The 2011 and 2012 ACS 1 Year Estimate data reveals certain adverse effects that the recent economic condition had on income, poverty, educational attainment and housing in the City of

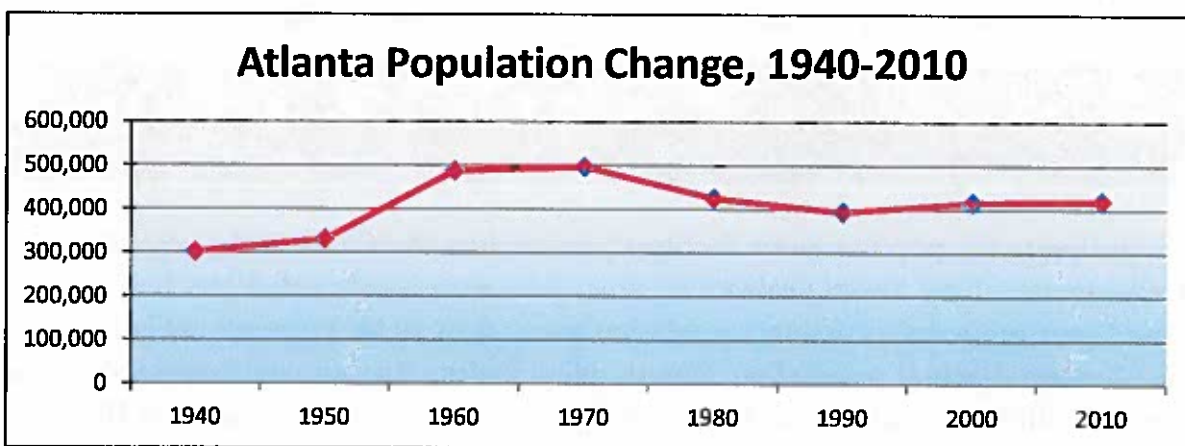
¹⁵ Id. at Mayor's Office

¹⁶ Id.

¹⁷ Id.

Atlanta. The American Community Survey represents the most recent available data from the U.S. Census, providing most of the informational items tracked by the decennial Census. The City of Atlanta's *2011 Comprehensive Development Plan, Consolidated Plan 2010 - 2014*, and relevant *Consolidated Annual Performance and Evaluation Reports (CAPERS)* were largely utilized in the preparation of the *Jurisdictional/Community, Government and Housing Profiles*, in addition to a variety of other data sources, including but not limited to, the 2011 and 2012 ACS 1-Year Estimates, the Atlanta Regional Commission, Atlanta History Center and the official websites for the City of Atlanta, the Mayor's Office, the Atlanta City Council, Invest Atlanta and the Atlanta Housing Authority.

Population, age, race and ethnicity are important demand factors that influence choice and location within local housing markets. According to the U.S. Census comparisons of demographic change show that the City has grown minimally in the six year period from 2006 to 2012 and still has not recovered the 20 percent population loss experienced in the decade 1970-1980. In the 2000 census, Atlanta's total population was 416,474 persons. In the 10 year period between 2000 and 2010, the population grew to 420,003 persons, an increase of .8 percent. The Census estimate from April 1, 2010 to July 1, 2012 indicates a further 5.6 percent increase, with Atlanta's estimated 2012 population at 443,775.¹⁸



Source: U.S. Census, 2011 American Community Survey

For Atlanta these minor increases in total population are in stark contrast to the 19.5 percent increase seen in the Regional cities within a 10-county area during the last decade.

¹⁸ <http://www.census.gov>, 2011 ACS 1 Year Estimate. Note: recent release of the next year's estimate has the population at 444,000 in the 2012 ACS 1 Year Estimate,

Total Population Change 2000-2010

Area	2000	2010	Change	
			Number	Percentage
City of Atlanta	416,474	420,003	3,529	0.80%
All Cities in Region (10 County ARC Region)	1,346,352	1,609,493	263,141	19.50%

Source: U.S. Census

Between 2000 and 2010, while the City of Atlanta gained only 3,805 new residents, total housing units increased an additional 37,648, to a total of 224,573. The effects of the 2007-2010 recessions were devastating to certain parts of the City, resulting in a city-wide vacancy rate of almost 18 percent, compared to 10 percent in 2000. Some areas on the southwest side of Atlanta, however, had 2010 vacancy rates near 50 percent.

According to the 2011 Comprehensive Development Plan, Atlanta's 2000 population of 416,474 was expected to rise by an estimated 226,856 people over the next 30 years, forecasting a population of 643,330 in 2030. The following table identifies the last 2 decennial census counts, 2012 ACS estimate and the City's 2030 projection for the City of Atlanta.

ATLANTA	2000 Census	2010 Census	2012 ACS Estimate	2030 City Projection
Population	416,474	420,003	443,775	643,330
Percent Growth		.8% ^	5.6% ^	48.71% ^

Source: U.S. Census

According to the population projections provided by the City's 2011 Comprehensive Development Plan, these projections must take into account that the forecast was based on a projected 2010 total population increase of 29.31, a growth not realized by the .8 percent actual population growth. Nonetheless, the growth estimated by the City for 2010-2030 indicates an estimated growth to 643,330 with 6.5 percent Hispanic, 57.4 percent non-Hispanic Black and 34.1 percent non-Hispanic White (Hispanic Blacks are double counted, as Black and Hispanic) and 3.3 percent Asian with Other at 5.2 percent.¹⁹

¹⁹ CDP at p.8

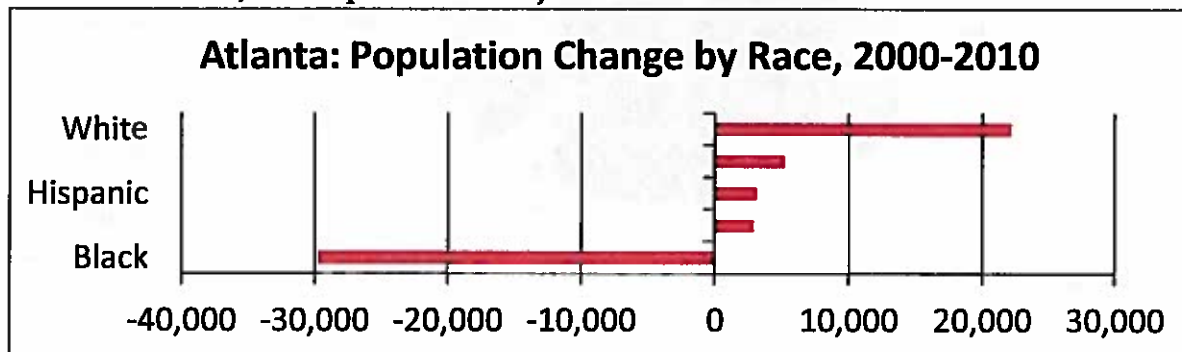
According to the 2012 ACS 1-Year Estimates, the median age in Atlanta was 33.1 years with 18 percent of the population under 18 years and 10 percent 65 years and older; 50 percent were female and 50 percent male.

Due to many reasons, particularly the preference of “Millennials” (those born from the early 1980s to the early 2000s) to live near urban centers, Atlanta has a far greater share of its overall population in the 25-34 age cohort than does the State as a whole.

The City’s age structure shifted in the age/number of children as well – far fewer 5-18 year olds are a share of the total population today than in 2000. This is due to persons aging out of that cohort (those age 5 – 18 in 2000 are age 15-28 in 2010), but their numbers were not replaced either by births or by in-migrations.

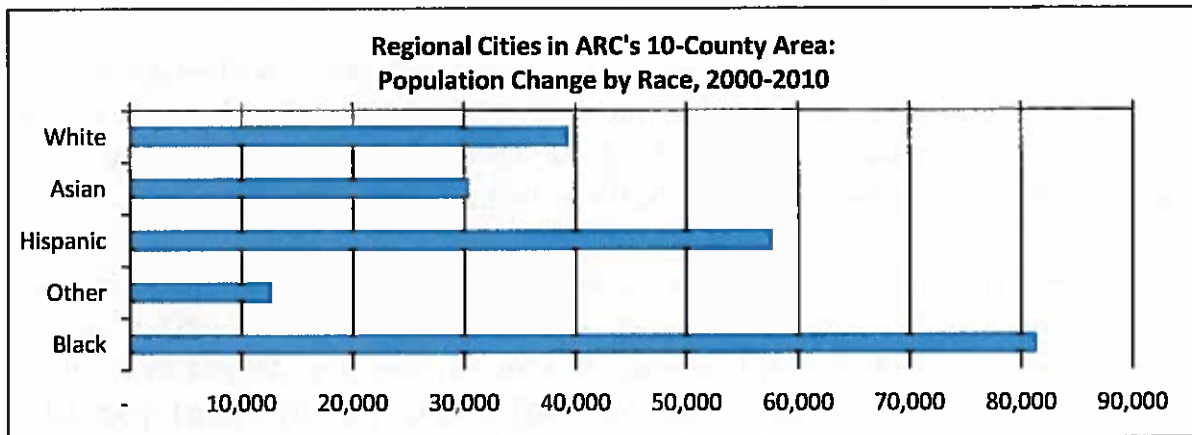
In the 2010 Census, Atlanta was recorded as the nation’s fourth largest majority Black city, and the city has long been known as a center of African American political power, education, and culture. However, African Americans in Atlanta have rapidly suburbanized in recent decades, and from 2000 to 2010, the city's Black population decreased by 31,678 people, shrinking from 61.4 percent of the city’s population in 2000 to 54.0 percent in 2010.

Atlanta has recently undergone a demographic increase in its White population. Between 2000 and 2010, the proportion of Whites in the city's population grew faster than that of any other U.S. city. In that decade, Atlanta's White population grew from 31 percent to 38 percent of the city’s population, an increase of 22,753 people, more than triple the increase that occurred between 1990 and 2000. This indicates a vastly different trend than experienced in other cities evaluated and tracked in the Atlanta Regional Commission’s 10-County planning area. While Atlanta is still majority Black (54%), the overall share of the Atlanta Black population fell by seven percentage-points from 61.4 percent in the decade 2000-2010, reflective of a slight shift in the racial/ethnic profile of the jurisdiction.



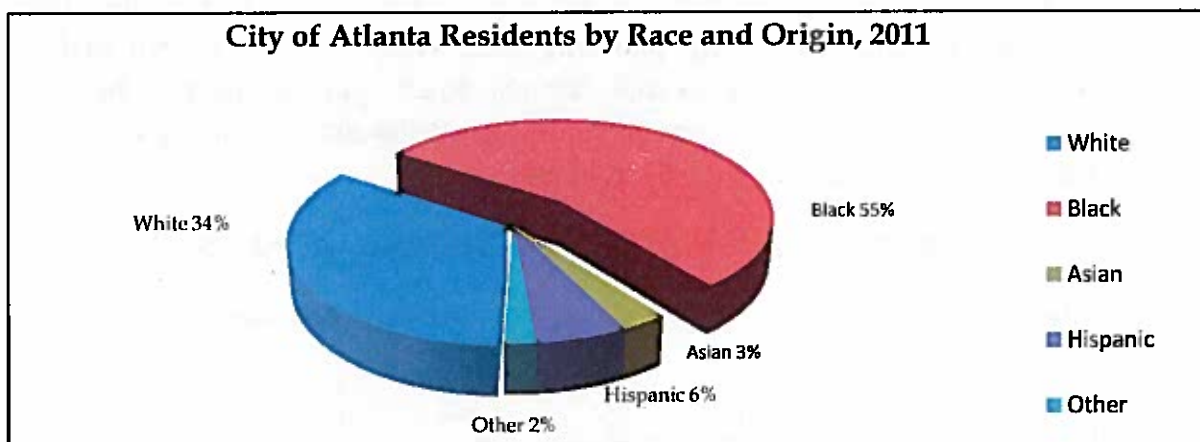
Source: U.S. Census

The Atlantic Magazine reports that the trend noting the change in the dissimilarity index "masks the fact that urban Blacks are becoming more isolated." Further the Atlantic states: "Atlanta, for example, is more integrated than it was 20 years ago, but this is largely because Latinos and Asians have moved into previously White areas. This dynamic is less true in majority-Black neighborhoods, which have actually increased in number."²⁰



Source: *Neighborhood Nexus*

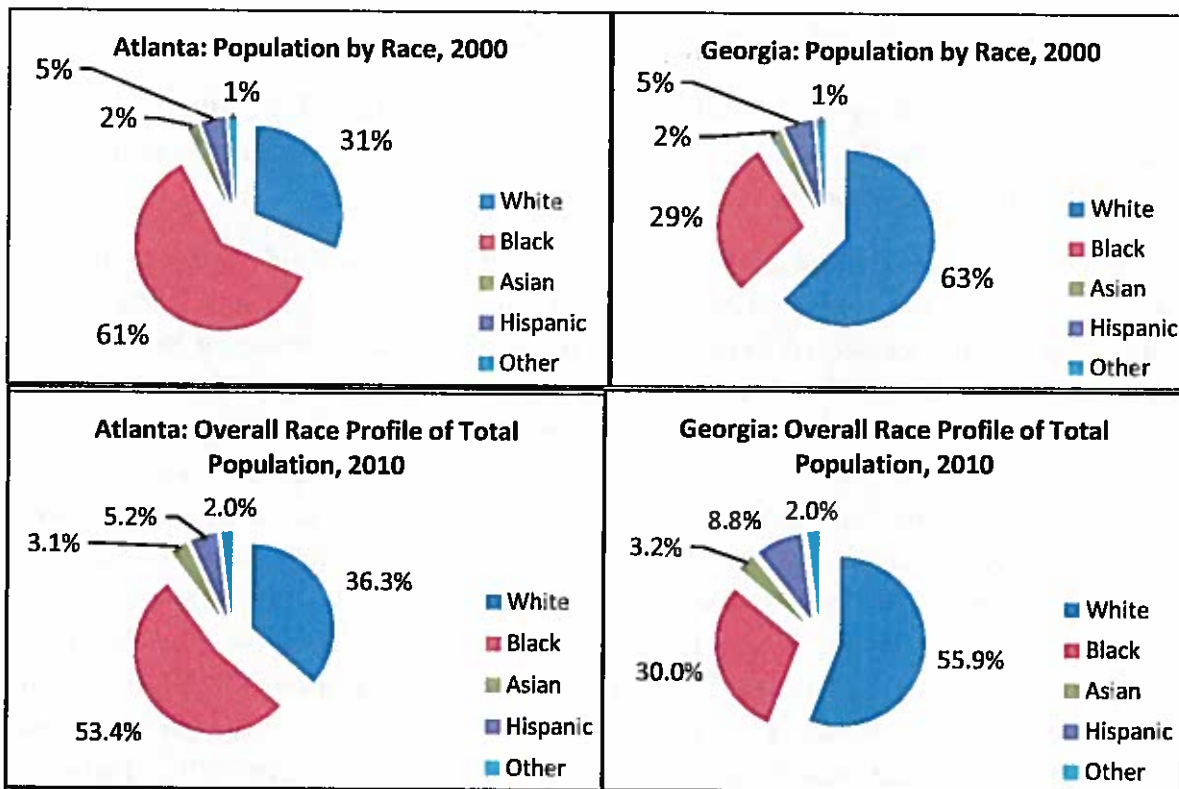
According to the 2011 ACS 1-Year Estimate, for the City population reporting one race alone: 40 percent were White; 55 percent were Black; less than 0.5 percent were American Indian and Alaska Native; 3 percent were Asian; less than 0.5 percent were Native Hawaiian and Other Pacific Islander; and 1 percent were some other race. Six percent of Atlantans were Hispanic. Whites (non-Hispanic) constitute 35 percent of the population. Persons of "other" races (two or more races), constitute 2 percent of the City's residents.



Source: *U.S. Census*

²⁰ Emily Badger, *The Real Cost of Segregation – in 1 Big Chart*, The Atlantic Magazine, Sept. 2013

The following charts show the racial and ethnic composition of the City's residents based on the decennial census.



Source: *Neighborhood Nexus*, 2013

The 2012 ACS estimates the City of Atlanta 2012 population at 444,000 compared to the State of Georgia at 9,919,945, representing a 5.6 percent increase over the city's 2010 census population, compared to a 2.4 percent increase over the state's 2010 population of 9,687,663.

Ninety-one percent of the people living in the City of Atlanta in 2011 were native residents of the United States with 53 percent native Georgians. A total of 9 percent of the people living in the City in 2011 were foreign born. Of that population, 26 percent were naturalized U.S. citizens, and 44 percent entered the country before the year 2000. Among people at least five years old in the 2011 ACS, 12 percent spoke a language other than English at home, of whom 46 percent spoke Spanish; 54 percent spoke some other language; and, 35 percent reported they did not speak English "very well."²¹ Limited English proficiency often places a large percentage of the

²¹ <http://www.census.gov>, 2011 ACS

immigrant population at a disadvantage when seeking employment, contributing to the disparity in income between minorities and Non-Hispanic Whites, which in turn affects their housing choices.

Geographic Segregation of Racial Groups

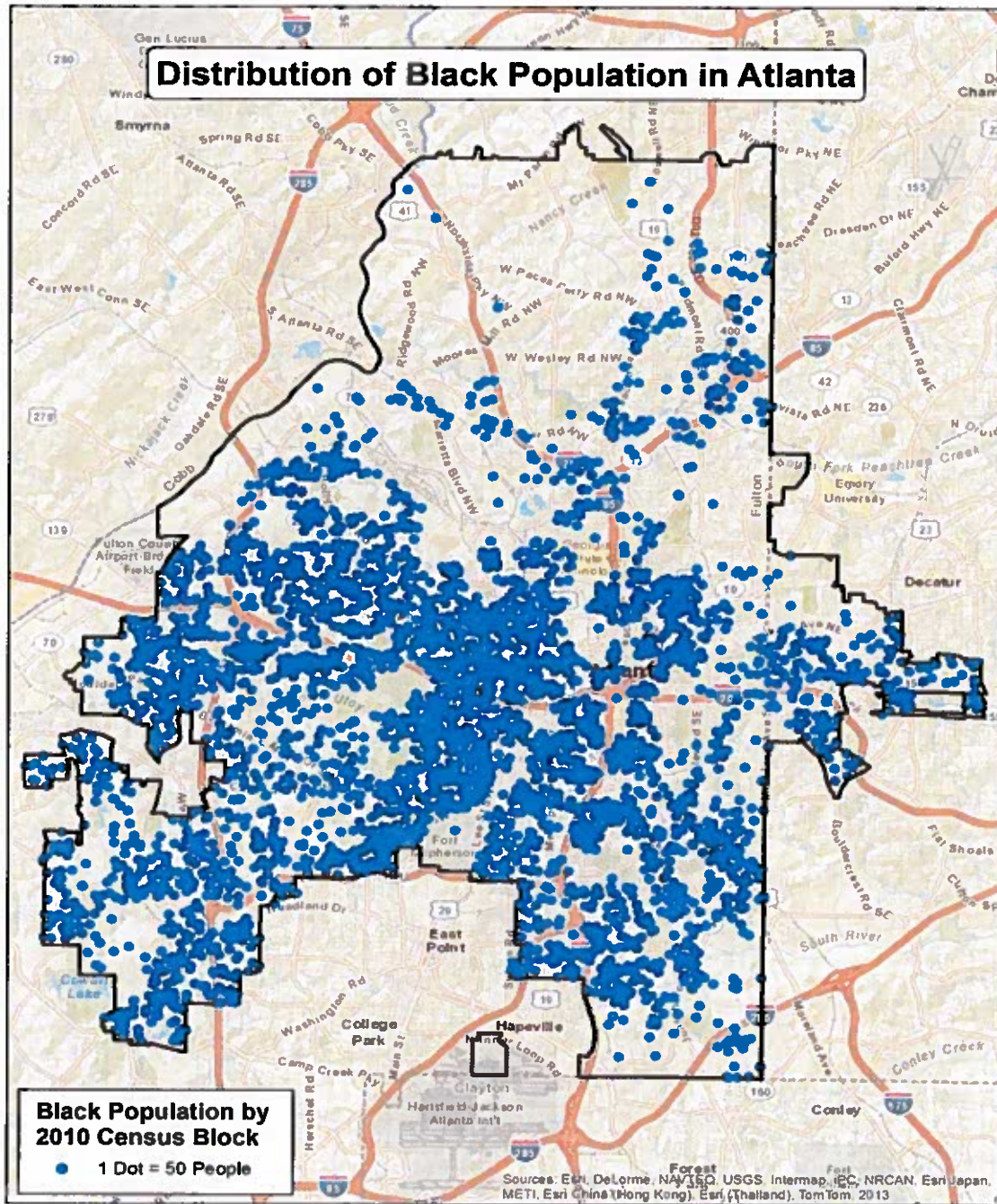
The maps that follow are similar to the mapping found in the City's 2011 Comprehensive Development Plan²² and represent the historical patterns of segregation in the Atlanta area.

According to the following maps from Neighborhood Nexus, few areas of the City have a truly diverse representation of races and ethnicities; Blacks (55% of total population) appear clustered in the south- and southwestern sectors of the city, with high concentrations in the areas of Pittsburg, Mechanicsville, Adair Park, English Avenue and Vine City, neighborhoods with the highest rates of poverty, joblessness and foreclosures. DeKalb Avenue parallel to the east-west rail lines has traditionally been seen as a dividing line if not the more distinct division of the east-west interstate, I-20. Whites are the primary residents of the north and east sectors of the City and the following map shows a line of eastern presence that drops below the DeKalb Avenue dividing line and is evidence of the gentrification of areas known as Kirkwood and Reynoldstown, southern neighborhoods along DeKalb Avenue abutting the historic Inman Park neighborhood. This area was known as the first suburb of Atlanta and experienced its own gentrification 40 years earlier, following the "White flight" of its early residents in the 1960s. Further White movement has been noted with the gentrification of the Glenwood East Atlanta and Grant Park areas.

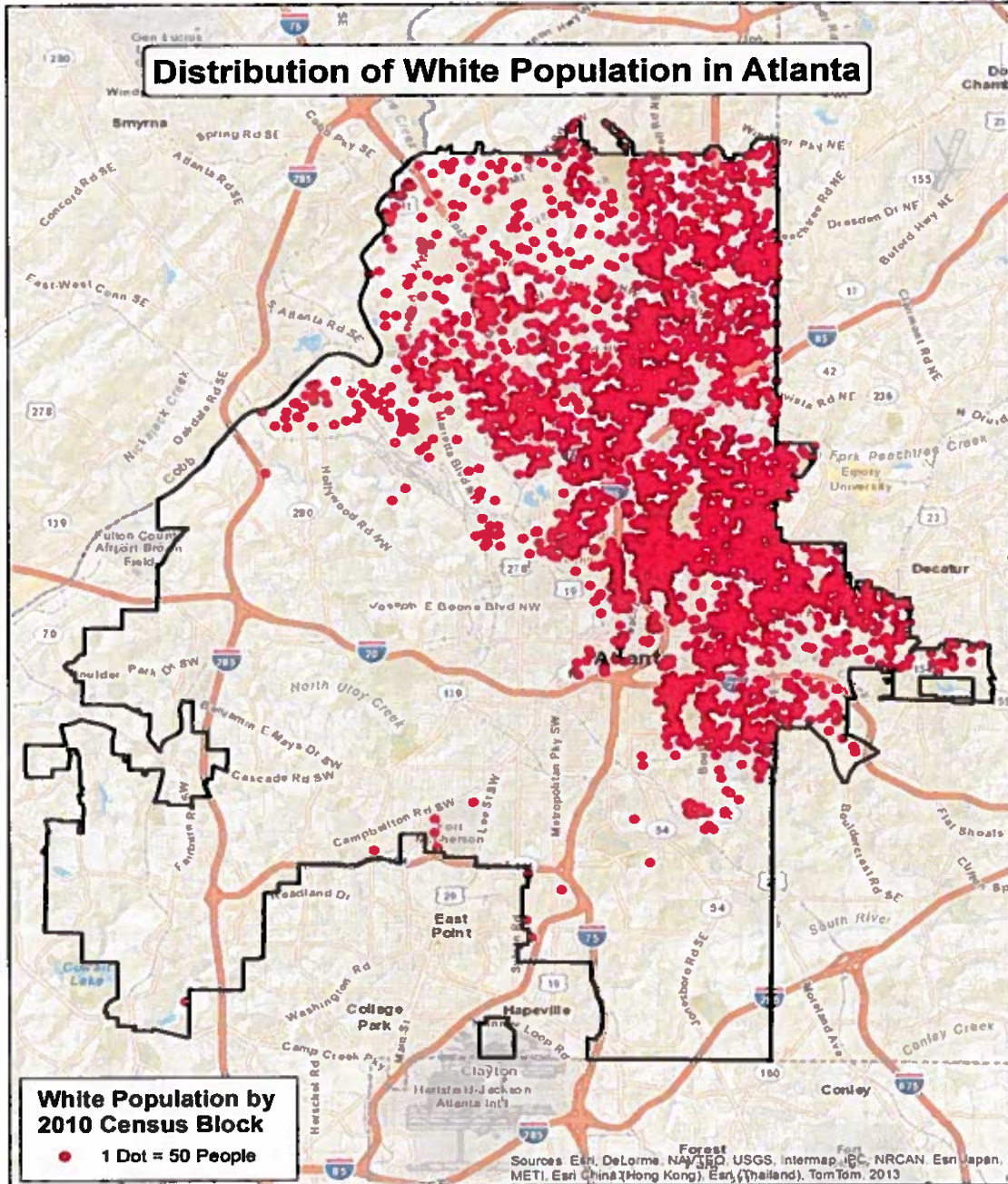
Though dispersed lightly throughout the city, Hispanics (6% of the total population) primarily dominate small sectors of the northeastern and northwestern sectors, with clustered but random presence in the southern portions of the City with the heaviest populations along the north-south interstates (I-75 and I-85) that transect the City. The Asian population (3%) appears concentrated and assimilated primarily in the inner City north and northwest areas of higher density housing and integrated in the primarily White-dominated north sector. Atlanta's racial and ethnic population distributions are illustrated in the maps on the following pages:

²²CDP at pp. 33-36

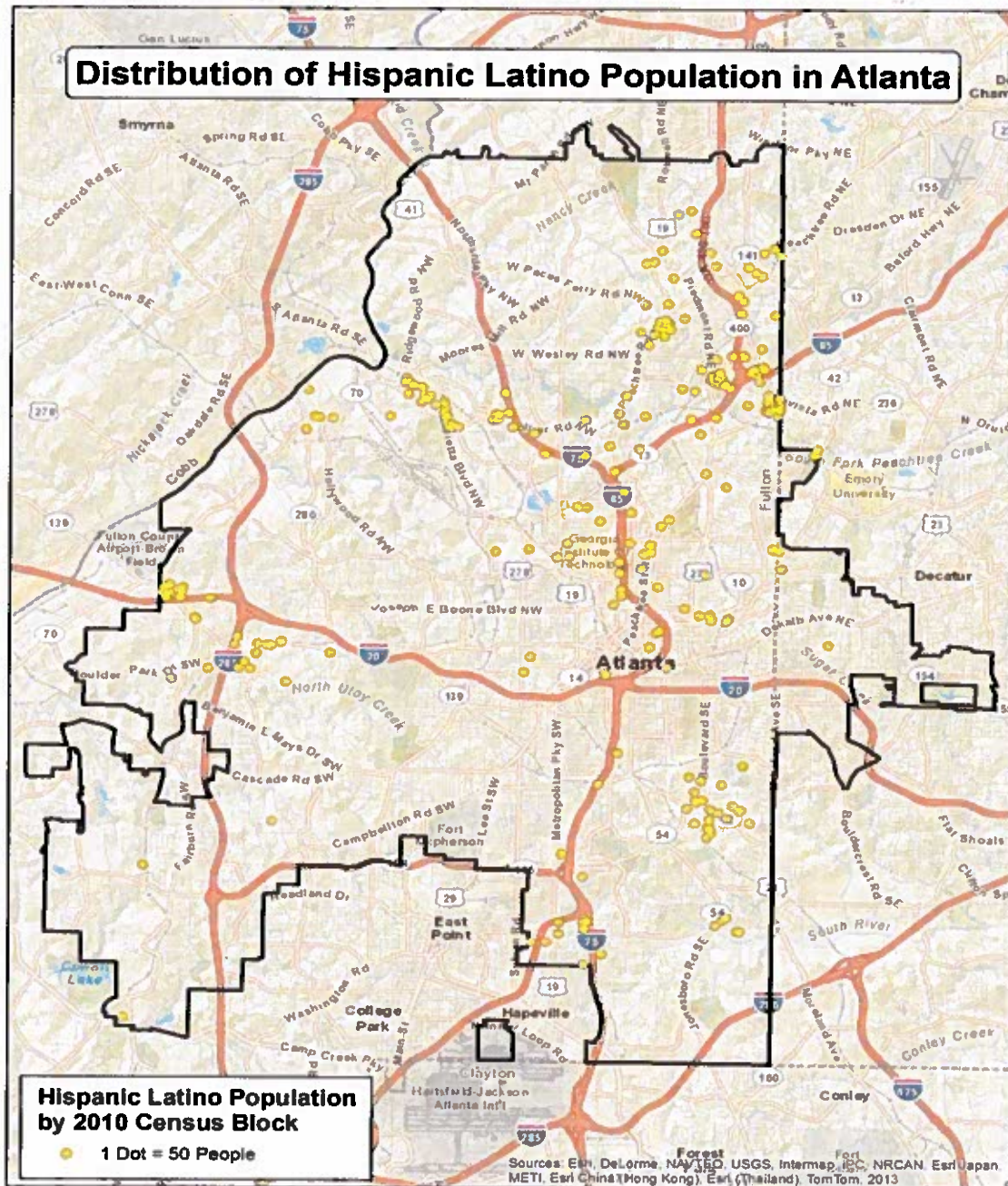
City of Atlanta, Georgia
Where Blacks Live
2010



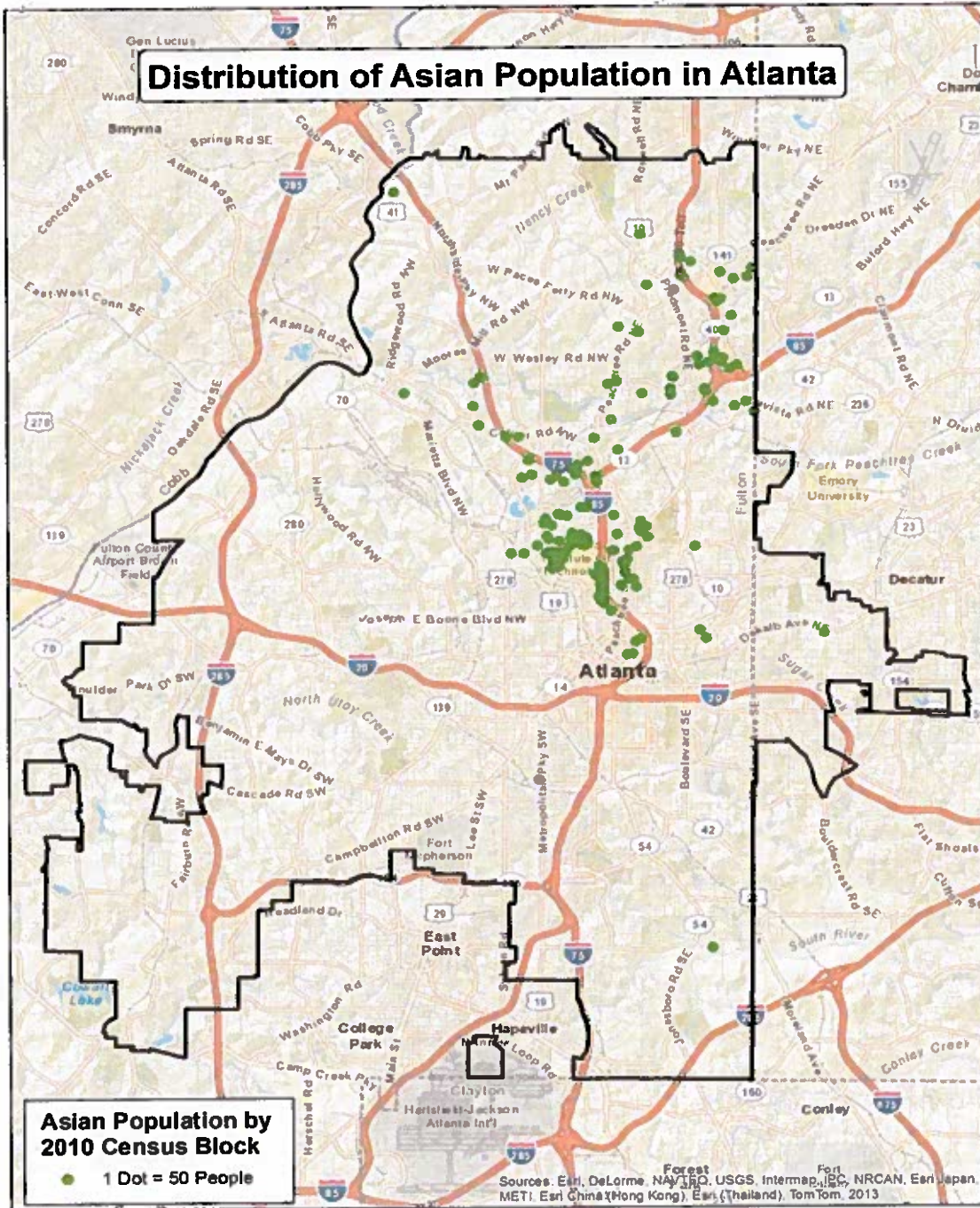
City of Atlanta, Georgia
Where Whites Live
2010

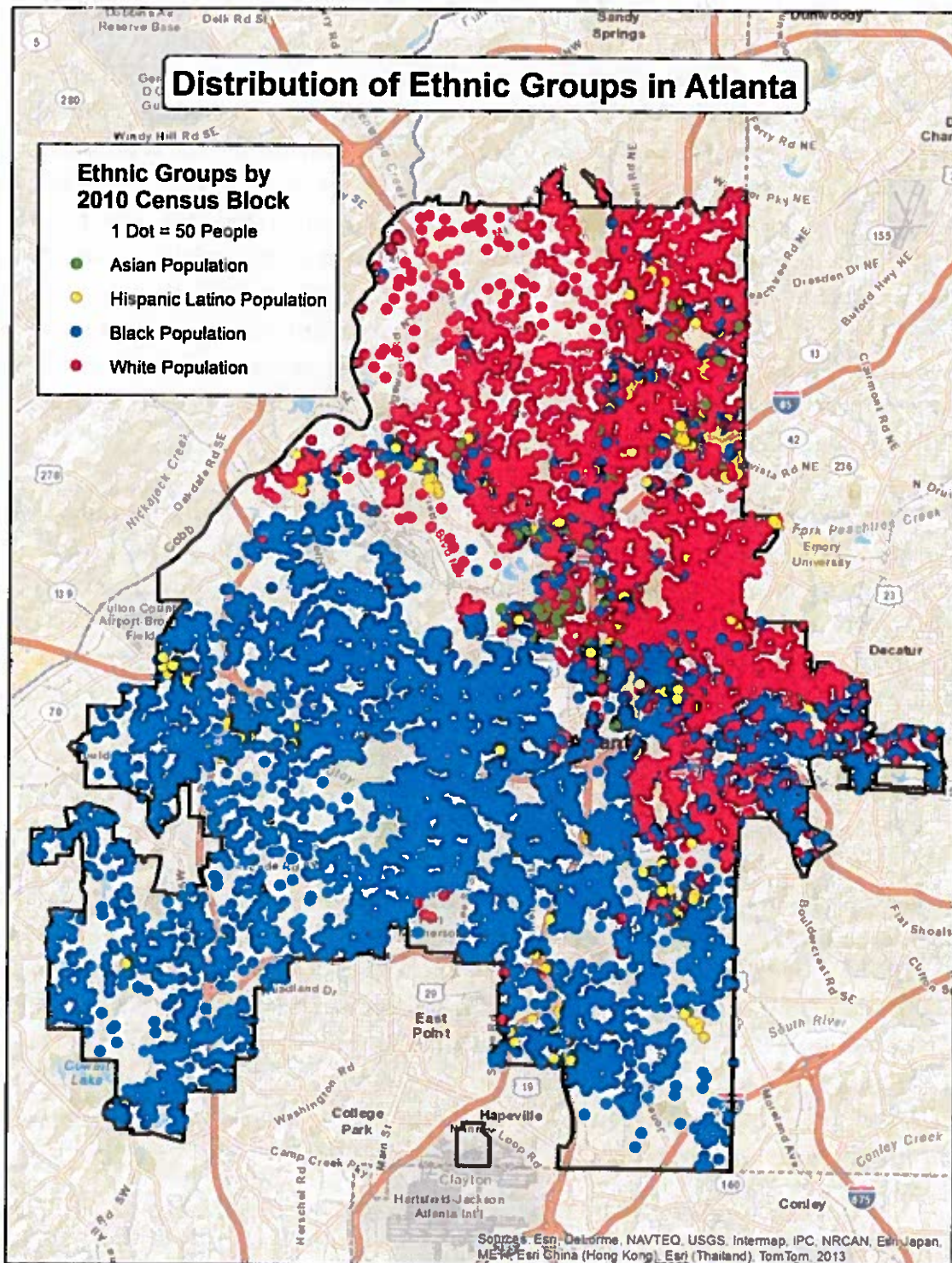


**City of Atlanta, Georgia
Where Hispanics Live
2010**



City of Atlanta, Georgia
 Where Asians Live
 2010





For the past 50 years, the Russell Sage Foundation has sponsored and produced well-respected, authoritative research on trends and changes in U.S. society. The Russell Sage Foundation and Brown University provide analysis of how the racial and ethnic composition of metropolitan areas has shifted and how increasing diversity is experienced at the local level in many neighborhoods, including one report known as the US2010, a research program on changes in American society. Over a two-year span, 14 research teams - 26 researchers total from universities all over the U.S. - analyzed the data on topics that impact all areas of American society. Since the U.S. Census long form has been eliminated, the American Community Survey (ACS) has emerged over the past few years as a major source of information about social and economic changes in American society. The US2010 report authors draw heavily from multiple data sources, including the Decennial Census, the ACS, and other specialized population studies.²³

One tool utilized in measuring levels of segregation is the Dissimilarity Index, which indicates whether one particular group is distributed across census tracts in a metropolitan area in the same way as another group. A high value on an index of dissimilarity indicates that two groups tend to live in different census tracts. For example, a value of 60 is considered very high, indicating that 60 percent of one group would have to move to a different census tract in order for the two groups to be equally distributed.

The US2010 Project report makes two main findings: 1) the slow pace of lowering Black-White segregation has continued and remained steady in decline since 1980, but there is now some identifiable change in the traditional Ghetto Belt cities of the Northeast and Midwest; and 2) the rapidly growing Hispanic and Asian populations (considered less segregated than African Americans) are as segregated today as they were thirty years ago and their growth is creating more intense ethnic enclaves in many parts of the country. The Project further reports that “[l]arge Southern cities provide examples of persistent segregation ... But others have seen improvements and Atlanta is the outstanding example, having experienced more change, though it still falls among the top 25” on the 2010 ranking of Black-White segregation in 50 Metro Areas with the Largest Black Populations in 2010.²⁴

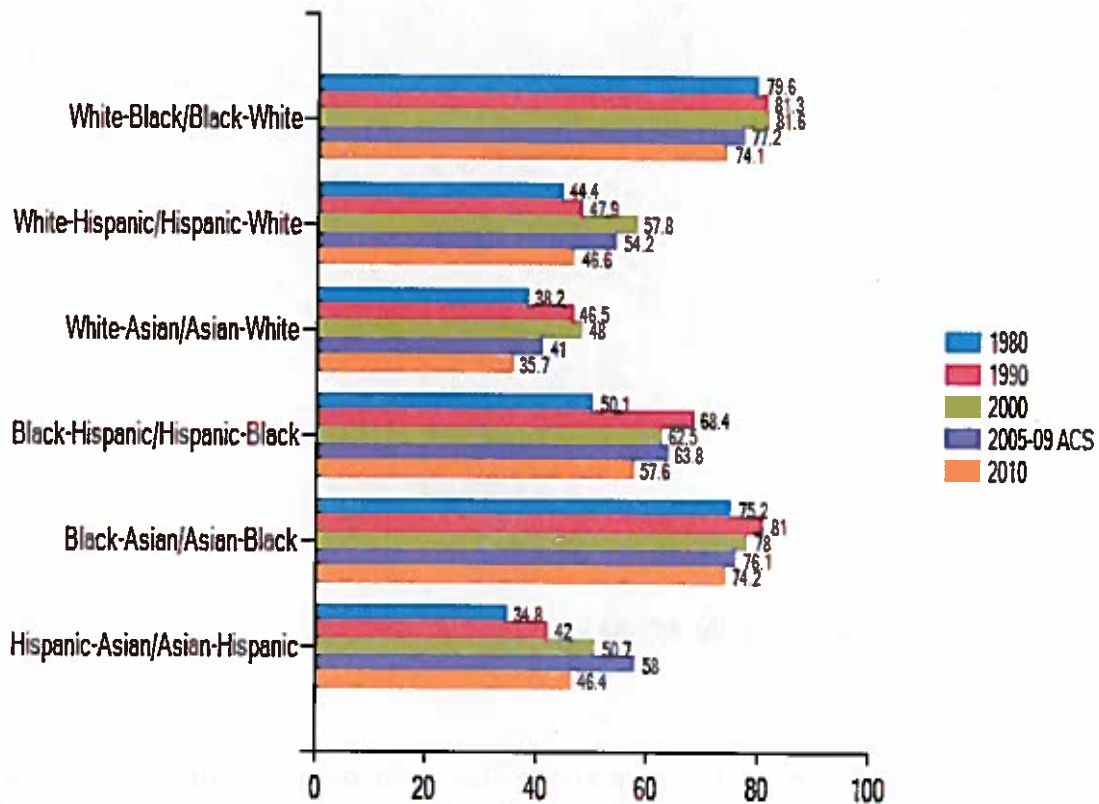
The index assigns values that range from 0 to 100, with a value of 60 or more considered very high, values of 50 to 40 typically considered to be a moderate level of

²³ US2010, a research program on changes in American society will culminate with a book, published by the Russell Sage Foundation.

²⁴ *The Persistence of Segregation in the Metropolis: New Findings from the 2010 Census*, retrieved from <http://www.s4.brown.edu/us2010/Data/Report/report2.pdf>.

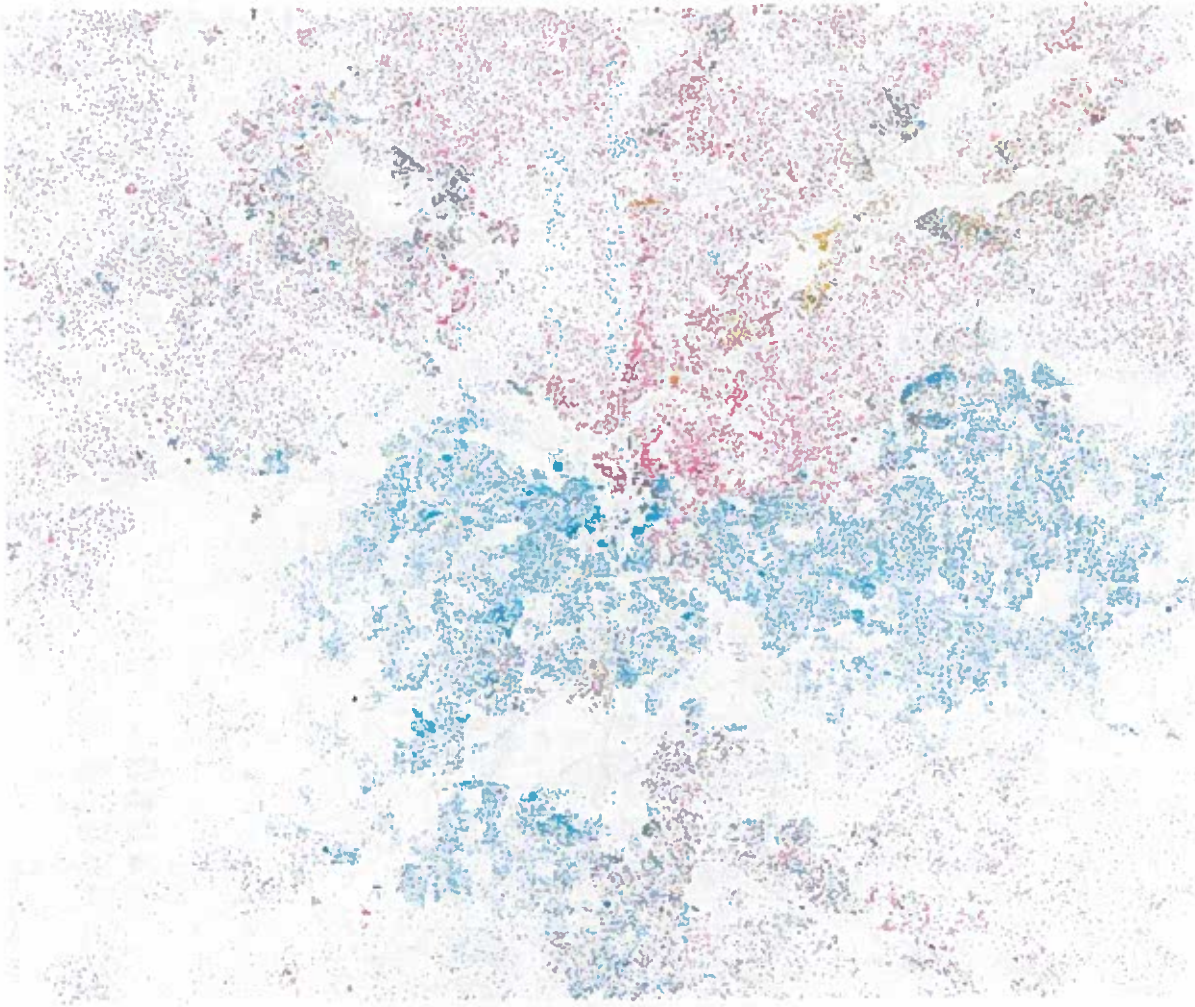
segregation and values of 30 or below considered fairly low levels of segregation. Based on the US2010 report, the Dissimilarity Index for the City of Atlanta shows high levels of segregation for all races within the City. In 2010, White with Black groups showed 74.1 percent dissimilarity in Atlanta. Black with Hispanic dissimilarity was at 57.6 percent. White with Hispanic dissimilarity was at 46.6.²⁵ These significant numbers are provided in the chart below for the period from 1980 to 2010.

Source: US2010 Report – Atlanta Dissimilarity Index
 ©Spatial Structures in the Social Sciences, Brown University



These local segregation trends were highlighted by digital cartographer Eric Fischer in a series of maps based on 2000 census data that illustrate racial segregation and integration in 100 American cities. Data is represented as follows: “Red is White population, Blue is for Black population, Green represents the Asian population and Yellow represents the Hispanic populous with each dot representing 25 people.”

²⁵ <http://www.s4.brown.edu/us2010/segregation2010/city.aspx?cityid=1304000>



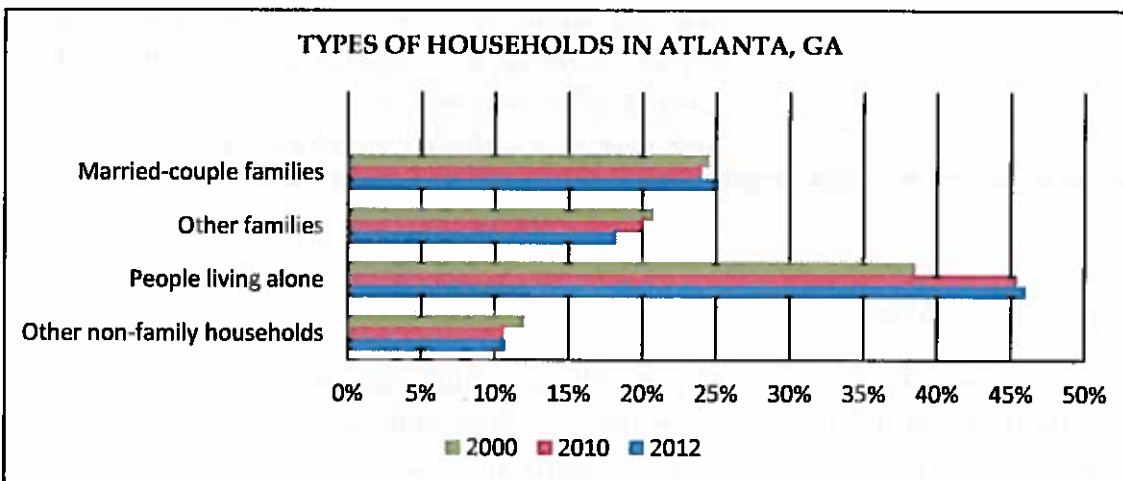
Race and ethnicity: Atlanta By Eric Fischer ★62 22²⁶

Based on the 2000 census, the map above shows Hispanics (yellow dots) clustered in areas like Buford Highway and the Lindberg area in the north and south of Grant Park toward Jonesboro on the south; in the west sector around the Six Flags area and Marietta Street/Bolton Road area generally along the north-south interstate highways (I-75 and I-85). Whites (red) trend to the Northern area (generally north of the east-west divide by I-20) in areas identified as Inman Park, Midtown, Brookwood, and Buckhead. Blacks (blue) populate the areas south of DeKalb Avenue and more predominantly south of I-20, running east to west in neighborhoods like Summerville, Mechanicsville, Pittsburg, Peoplestown, West End and Adair Park.

²⁶ <http://www.flickr.com/photos/walkingsf/4981400669/>

Household Characteristics

According to the U.S. Census, 2012 ACS, there were an estimated 183,000 occupied households in The City of Atlanta with an average household size of 2.3 people (a decrease from the 2010 households of 185,142 with an average of 2.11 people per household, but an increase from the 168,147 households in 2000 averaging 2.3 people). Among the city's 183,000 households, family households represented 43 percent of all households, including: married-couple families (25.1 percent) and other families (18.2 percent, of whom 7 percent were female-headed). Nonfamily households made up 57 percent of all households, including people living alone (46 percent) and those composed of people living in households in which no one was related to the householder (10.7 percent).²⁷



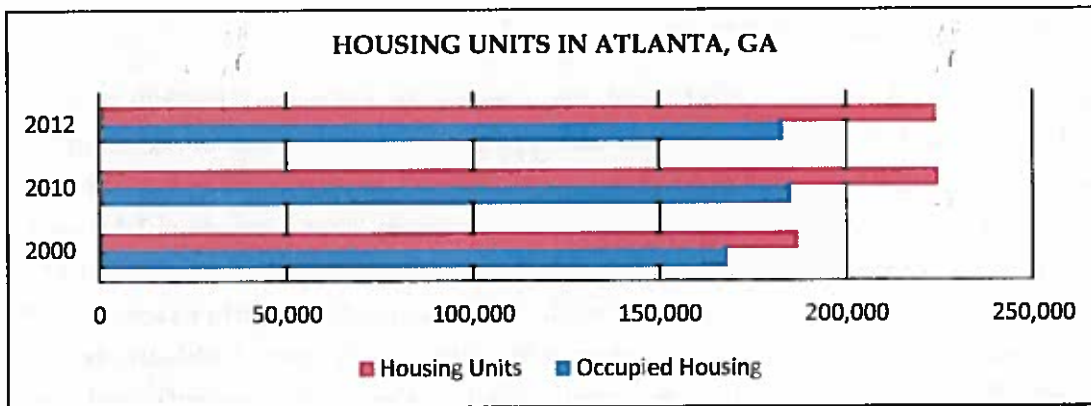
Source: *census.gov*

According to the 2010 Census, there were 185,142 households in City of Atlanta with an average household size of 2.11.²⁸ While the population increased .8 percent in the decennial census, the number of households decreased slightly during the ACS 1 year estimates from data collected in 2011, due primarily to the economic recession and high area foreclosures, and despite an increase in total housing units (186,925 in 2000 increasing to 224,573 in 2010, then falling slightly to 224,000 in 2012).²⁹

²⁷ <http://www.census.gov>, 2012 ACS

²⁸ Id., 2010 Demographic Profile Data (DP-1)

²⁹ <http://www.census.gov>



Fair Housing Implications: *The concentration of Blacks, increase in the Hispanic population and significant numbers of families with children indicate the need for fair housing education and outreach efforts in all languages, particularly English and Spanish.*

Income, Education, Employment

The financial stability and prosperity of Atlanta residents is an important factor that affects their ability to provide for their families and have a quality of life commensurate with their aspirations. Atlanta has experienced a fluctuating economic growth pattern since 2000, subject to the national economic recession and collapsing housing market. Today there are large visual pockets of poverty and an increase in income disparity making the cost of living unaffordable for low- and moderate-income earning households.

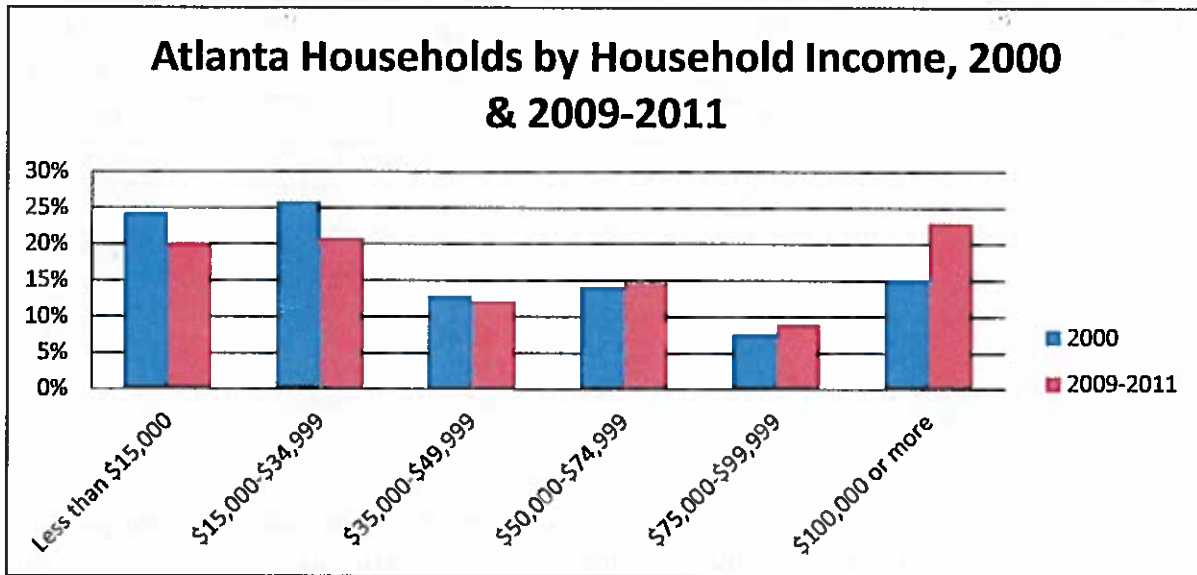
Income Characteristics

According to the 2012 ACS the median income of an Atlanta household was \$46,466 representing a 0.87 percent increase over the 2000 median income of \$40,606. In 2012, 20 percent of households had incomes below \$15,000 and 14 percent had incomes over \$150,000 or more.³⁰

Based on the Decennial Census, between 2000 and 2010 there was significant growth in the higher income category. The percentage of households earning \$100,000 or

³⁰ Id., 2012 ACS

more increased by 7.9 percent in 10 years, while households earning at least \$100,000 constituted 0.87 percent of the total households in the City. Despite this, 20 percent of households earned less than \$15,000 in 2012.



Source: 2000 Census & 2009-2011 American Community Survey

The Area Median Income figure (AMI) is released annually by HUD. It represents the estimated median income for a family of four. Household income is identified according to HUD guidelines as follows:

- **Extremely Low-Income:** Up to 30 percent AMI
- **Very Low-Income:** Between 31 percent and 50 percent AMI
- **Low-Income:** Between 51 percent and 80 percent AMI
- **Neighborhood Stabilization Program (NSP) Guidelines:** Up to 120 AMI

Therefore for federally funded projects, the program guidelines would identify the AMI for Atlanta households whose annual income was \$20,800 or less as Extremely Low Income; the Very Low Income limit would be an annual income not greater than \$34,650; and the Low Income Level would be up to \$55,450. These guidelines are often confusing because HUD uses the standard Metropolitan Statistical Area (MSA) Income calculations which include the wealthier northern sectors of the region such as Marietta, Sandy Springs and others, increasing the Area Median Income for Atlanta based on the census (\$46,466) to the MSA AMI (\$69,300). This raises concerns when developers consider the relevant definition of "affordable", considering that each program uses a separate percentage as qualifying income (with Invest Atlanta's HOME 4.0 program extending funds for households with up to 140 percent AMI).

**Standard Metropolitan Statistical Area for Marietta, Sandy Springs and
City of Atlanta Income Limits (2012)**

Family Size	Extremely Low (<30% AMI)	Very Low (<50% AMI)	Low (<80% AMI)
1 Person	\$14,600	\$24,300	\$38,850
2 Persons	\$16,650	\$27,750	\$44,400
3 Persons	\$18,750	\$31,200	\$49,950
4 Persons	\$20,800	\$34,650	\$55,450
5 Persons	\$22,500	\$37,450	\$59,900
6 Persons	\$24,150	\$40,200	\$64,350
7 Persons	\$25,800	\$43,000	\$68,800
8 Persons	\$27,500	\$45,750	\$73,200

Source: Department of Housing and Urban Development (Based on the 2012 Median Income for Metro Atlanta (\$69,300))

The table below, based on the U.S. Census, provides the median income comparisons by race and ethnicity in the City for 2000 and 2010. Although median household income increased for all three groups, the current income for Black households is 68 percent lower than for White households and more than 50 percent less than Hispanic households.

Median Household Income by Race/Ethnicity in City of Atlanta, 2000 and 2010

	2000	2011	% Change
White Non-Hispanic	\$47,676	\$63,310	32.8%
Black Alone	\$16,562	\$20,517	23.9%
Hispanic	\$30,655	\$41,671	35.9%

Source: U.S. Census 2000; 2009-2011 American Community Survey

The table below shows the poverty rates in the City, the state of Georgia and the United States for 2000 and 2010, according to the U.S. Census. For both the State and the nation, poverty levels increased for all population groups. In Atlanta, the rate minimally decreased for families and children but rose for individuals. The increase in the City can be attributed to the economic recession and collapse of the housing market that severely impacted all the ancillary jobs attached to real estate industry, leaving many jobless. Nationally, poverty rates increased slightly for each category: 1.9 percent for families; 5.3 percent for the population under 18; and, 2.8 percent for

individuals. The poverty rates for all three population groups, however, are much higher in the City of Atlanta when compared to Georgia and the nation.

**Poverty Rates: 2000-2011 for
City of Atlanta, Georgia and United States**

	City of Atlanta		Georgia		United States	
	2000	2011	2000	2011	2000	2011
Families below poverty level	21.3%	21.2%	9.9%	13.7%	9.2%	11.1%
Population under 18 below poverty	38.8%	36.9%	16.7%	24.6%	16.1%	21.4%
Individuals below poverty level	24.4%	25.4%	13.0%	17.8%	12.4%	15.2%

Source: U.S. Census, 2000; 2011 American Community Survey

The following table compares poverty rates by race and ethnicity in the City for 2000 and current conditions (as measured by the 2009-2011 American Community Survey). Although overall poverty rates increased slightly, the table below shows that this slight increase was particularly concentrated in the Hispanic population. Poverty levels increased for Whites (2.4 percent), Blacks (2.4 percent) and Hispanics (5.6 percent) over the ten year period. The table also shows very large income disparities evident from the disproportionately higher poverty rates for Blacks in 2000 (25.5 percent higher than Whites and 8.5 percent higher than Hispanics) and 2010 (25.5 percent higher than Whites and 5.3 percent higher than Hispanics). Poverty rates for Blacks are three-and-a-half times higher than they are for Whites.

Poverty Rates by Ethnicity in City of Atlanta, 2000 and 2011

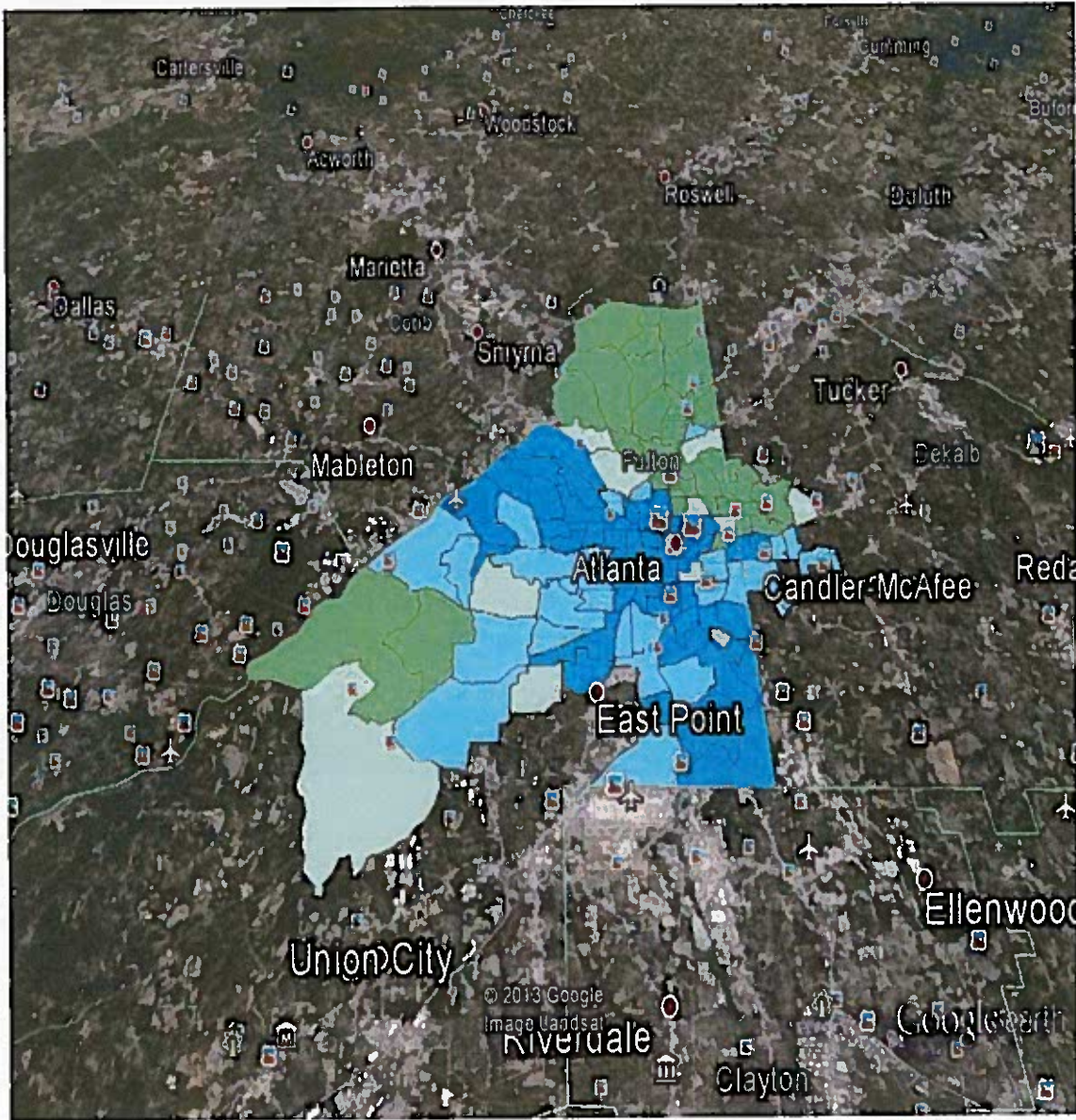
	2000	2011
White Non-Hispanic	7.5%	9.9%
Black Alone	33.0%	35.4%
Hispanic	24.5%	30.1%

Source: U.S. Census 2000; 2009- 2011 American Community Survey

In 2012, the census-based AMI for the City of Atlanta was \$46,466, representing a 0.87 percent increase over the 2000 median income of \$40,606. After improvement between 2000 and 2010, the real median household income rose only slightly by 0.87 percent and the percentage of people with incomes below the poverty level reached 26 percent. Thirty-nine percent of related children under 18 were below the poverty level, compared with 17 percent of people 65 years old and over. Twenty-one percent of all families and 47 percent of families with a female householder and no husband

present had incomes below the poverty level. The Google Map below demonstrates the Atlanta Census Tracts based on Income.

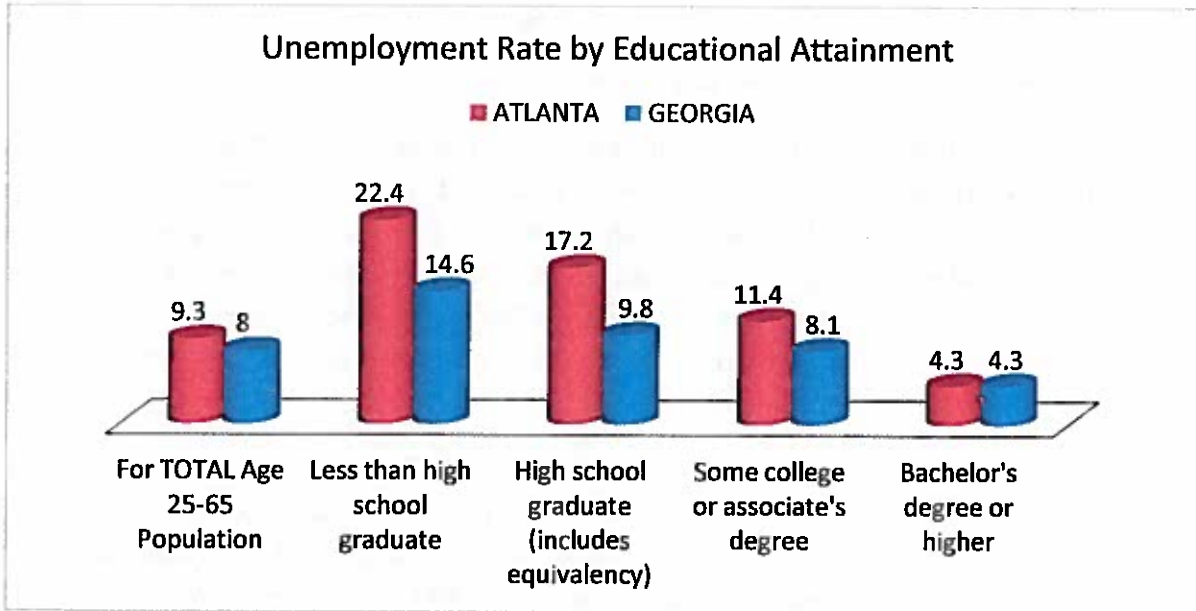
ATLANTA INCOME TRACTS



Key:
Blue -Low Income Light Blue -Moderate Income
Green -Middle Income Light Green -Upper Income

Educational Attainment

One of the most important determinants of financial success and quality of life is educational attainment as it affords residents the likelihood of holding better paying jobs and being able to provide for themselves and their families. Additionally, early education allows for the integration of children and youth into society and provides a pathway for their future development.



Source: 2009-2011 American Community Survey

According to the 2011 ACS, the total school enrollment in Atlanta was 122,000 in 2011: this includes nursery school and kindergarten, 11,000; elementary and high school, 48,000; college and graduate school, 63,000.

The Atlanta Public School System has existed for 141 years and is one of the largest school districts in Georgia, with an active student enrollment of 49,558 as of October, 2012.³¹ Public schools educate approximately 85 percent of children in the city. While the number of youth under the age of 18 decreased by 13 percent between 2000 and 2010, student enrollment in public schools decreased by 15 percent (apart from statistical error in the ACS, the difference may be ascribed either to higher enrollment in private schools or to the fact that the 15 percent figure excludes some high school students aged 18).³²

³¹<http://www.atlantapublicschools.us>

³² Neighborhood Nexus

ATLANTA PUBLIC SCHOOLS ENROLLMENT BY RACE/ETHNICITY

Year	White & Other		Black		Hispanic		Total
	Number	% of Total	Number	% of Total	Number	% of Total	
2000	4,526	7.77	52,066	89.41	1,638	2.81	58,230
2010	7,267	14.59	39,582	79.49	2,947	5.92	49,796
2012	8,208	16.56	38,147	76.97	3,203	6.46	49,558

Source: Ga. Dept. of Education; Note: Includes PreK enrollment

Despite an overall decline in enrollment rates, enrollment among White and Hispanic students has almost doubled since 2000, with decline concentrated in the Black enrollment. According to the Georgia Department of Education, there are no major differences in attendance rates based on gender, but vast differences exist between White and Black attendance rates. During the 2010-2011 school year, 10.8 percent of Black students were absent more than 15 days, compared to 4.3 percent of White students.

Graduation rates are significantly lower for Black and Hispanic students than those of White students. Additionally, the Black and Hispanic student dropout rates are higher than among White students. Approximately 76 percent of White students graduated during the 2010-2011 school year, compared to only 60 percent for Black students and 58 percent for Hispanic students.

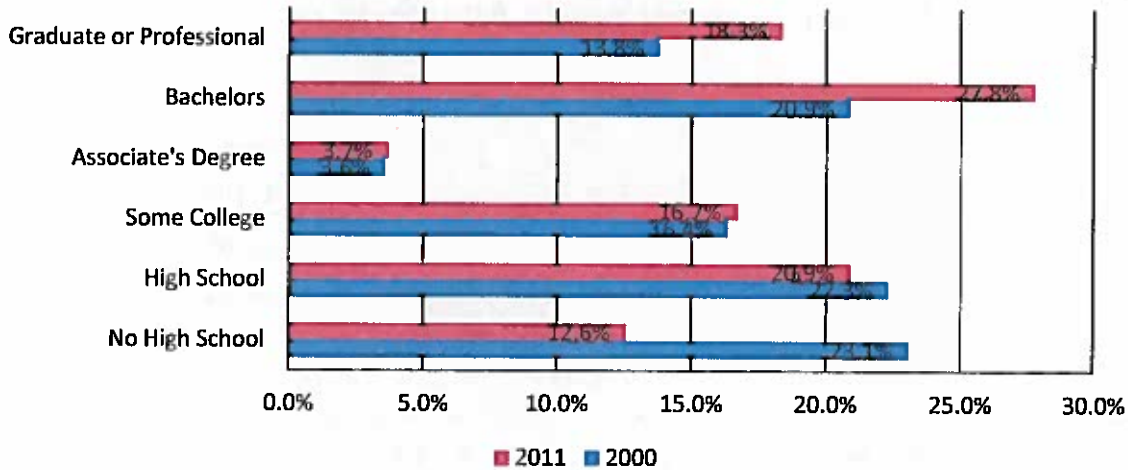
High School Graduation/Dropout Rates by Ethnicity/Race, 2010-2011

	2010-2011 Dropout Rate	2010-2011 Graduation Rate
White, Non-Hispanic	3.0%	75.5%
Black, Non-Hispanic	4.4%	59.8%
Hispanic	4.6%	57.6%

Source: Ga. Dept. of Education, 2010-2011

The decade, 2000 and 2010, indicates a trend of the increasing numbers of college graduates in the City. The number of residents without a high school diploma decreased by more than 10 percentage points, while the percentage of residents (age 25+) with at least a Bachelor's degree increased by 12 percentage points.

Atlanta Residents Ages 25 and Over by Educational Attainment, 2000 & 2011



Source: 2000 U.S. Census; 2011 American Community Survey

Despite the general increase of City residents with postsecondary degrees and given the graduation and dropout rates discussed above, only 26.2 percent of Black residents had Associate’s degrees or above, compared to more than half of White non-Hispanics and 37.3 percent of Hispanics.

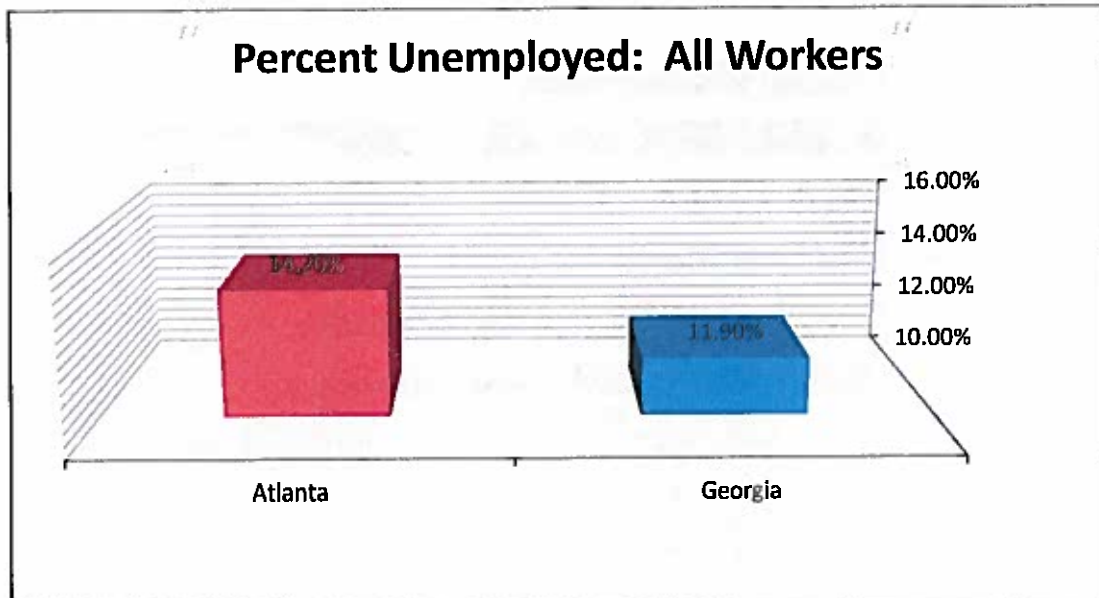
Population with Postsecondary Degrees by Race/Ethnicity, 2000 and 2011

	2000	2011
White Non-Hispanic	71.8%	78.9%
Hispanic	23.1%	37.3%
Black	16.1%	26.2%

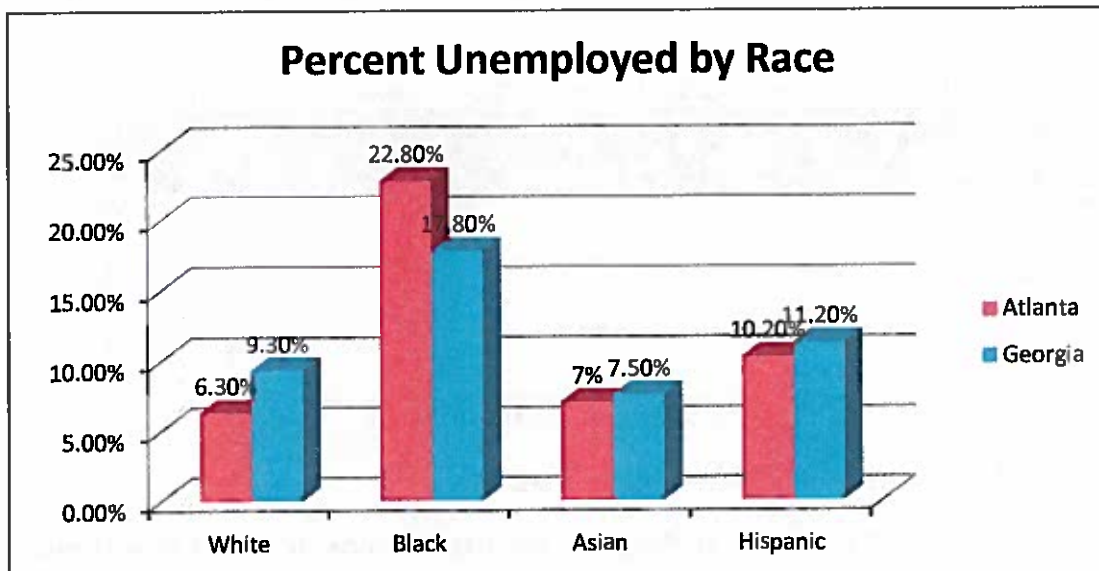
Source: 2000 U.S. Census; 2009-2011 American Community Survey

Employment and Labor Force Participation

Educational attainment is known as the great equalizer. Consider that the percentage of those with a Bachelor’s degree was the same in the City compared to statewide, yet unemployment was higher in the City Atlanta (14.2%) compared to the State (11.9%). This higher percentage of unemployed is driven by dramatic differences between the employment status of Whites and Blacks. Higher rates of unemployment among the City’s Black population drives the higher City unemployment figures, given that the percentage of White, Asian and Hispanic unemployment is lower in the City than it is in the State.

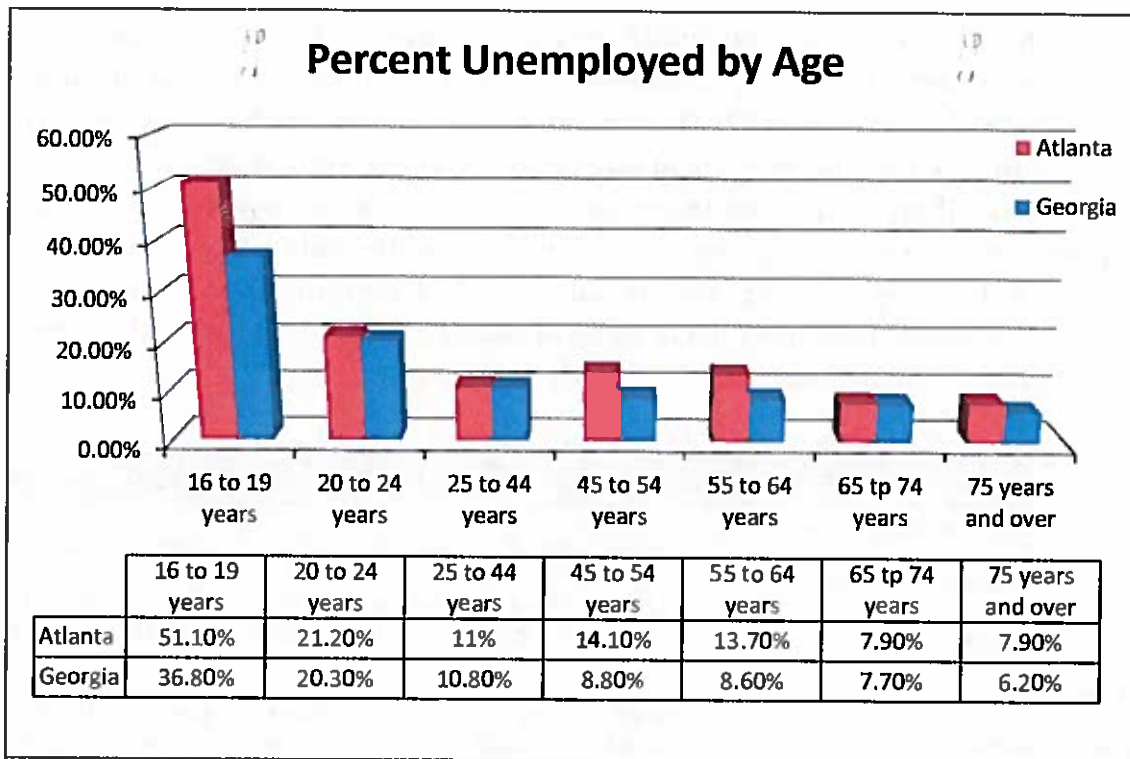


Source: 2010-2012 American Community Survey, 3-Year Estimate



Source: 2010-2012 American Community Survey, 3-Year Estimate

Approximately 51 percent of the labor force, age 16-19, is unemployed in the City of Atlanta, significantly higher than the unemployment rate for 16-19 year-olds in the State (36.8%).



Source: 2010-2012 American Community Survey, 3-Year Estimate

In Atlanta, 56 percent of the population 16 and older was employed in 2012, while 34 percent was not in the labor force. Eighty-one percent of the employed was private wage and salary workers, 14 percent in government service, and 5 percent sole proprietorships. According to the City's data available in the 2011 ACS 1 year estimate, between 2000 and 2010 growth in Atlanta was largely driven by the educational, health care and social assistance industry sectors of the economy.

Atlanta's top industries in 2012 were: Educational services, health care and social assistance, 21.8 percent; Professional, scientific & management (administrative and waste management services), 21.8 percent; Art, entertainment, recreation, accommodation and food services, 11.6 percent; Retail trade, 9.3 percent; and Finance, insurance, real estate and rental/leasing, 7.6 percent.³³

Management, business, science and the arts occupations account for 49.7 percent of employment of civilians 16 years and older in the City. Atlanta's 2012 median annual wage for full-time year-round workers were \$55,090 (males) and \$43,679 (female). Yet half of the workforce in Atlanta earned less than \$32,200 last year.³⁴

³³ <http://www.census.gov>, 2012 ACS

³⁴ Id.

According to the U.S. Census Bureau, (American Community Survey), the number of working age residents in the City considered to be in the labor force increased slightly since the Recession began in 2007. The unemployment rate has increased dramatically since 2007. In fact, the unemployment rate in 2012 was the highest yet seen since the Recession. According to the most recent data from the Georgia Department of Labor, unemployment rates remain higher in the City than in the State or the nation. As of August 2013, the City's unemployment rate was 10.4 percent. Note: the Georgia Department of Labor measures unemployment rates differently than does the Census Bureau; therefore, the two series aren't directly comparable.

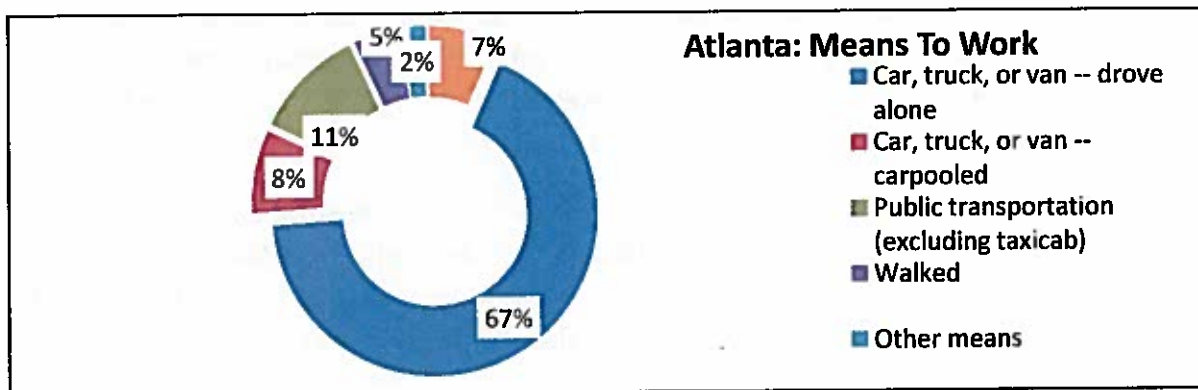
ATLANTA EMPLOYMENT RATES, 2007, 2008, 2009, 2010, 2011, 2012

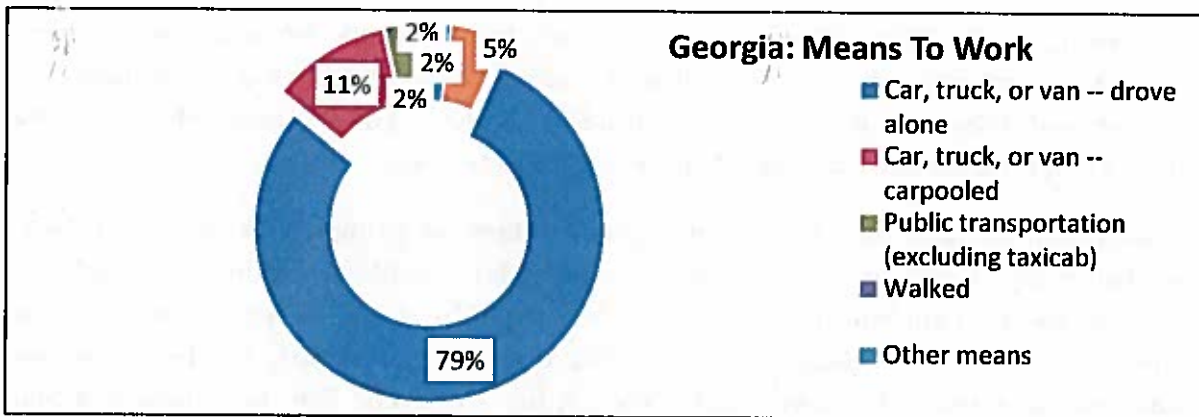
Atlanta	2007	2008	2009	2010	2011	2012
Labor Force (Population 16 years and over)	350,884	371,027	440,855	349,915	359,287	369,919
Employed or in Armed Forces (Number)	212,927	219,962	257,774	192,572	204,185	209,135
Employed or in Armed Forces (Percent)	60.7%	59.3%	58.5%	55.0%	56.8%	56.5%
Unemployed (Number)	21,689	20,375	36,972	33,744	31,076	35,861
Unemployed (Percent)	6.2%	5.5%	8.4%	9.6%	8.6%	9.7%

Source: American Community Survey 2007, 2008, 2009, 2010, 2011, and 2012 1-Year Estimates, U.S. Census Bureau

Transportation and Commuting

With the presence of public rail transportation, Atlantans are much more likely to take public transportation to work than Georgians as a whole.



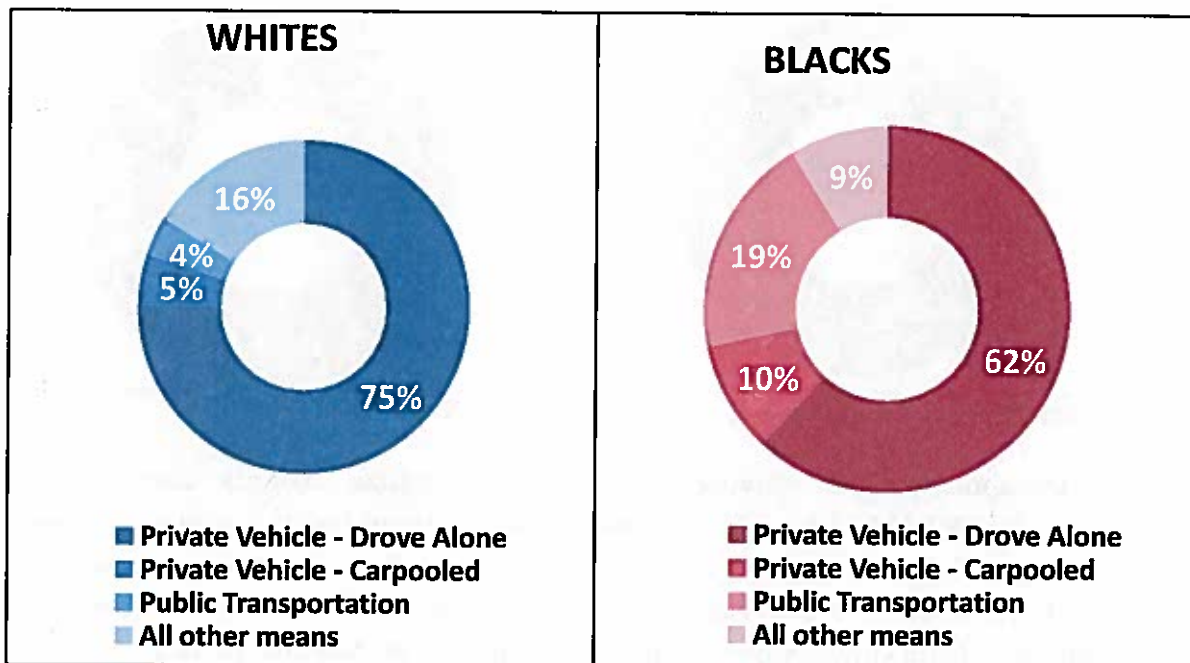


Source: 2009-2011 American Community Survey, Neighborhood Nexus

In the City, 17 percent of all occupied housing units have no vehicles available, compared to only seven percent of housing units in the state as a whole. Additionally, 63 percent of all occupied housing units in the City have one or fewer vehicles available, compare to 41 percent for the State as a whole.

However, there are wide disparities in use of public transportation by race in the City of Atlanta. While 19 percent of Blacks use public transportation to go to work, only four percent of White workers take public transportation.

Atlanta Transportation Modes

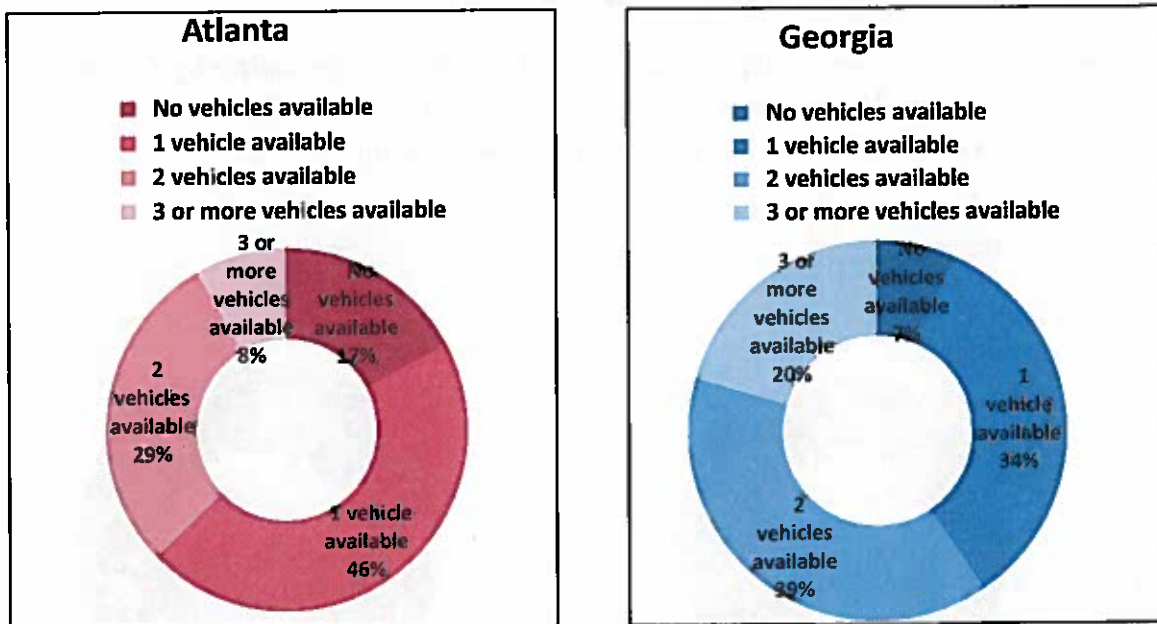


Source: 2009-2011 American Community Survey, Neighborhood Nexus

According to the 2011 ACS, 67 percent of the city's workers drove to work alone in 2011; 8 percent carpooled; 11 percent took public transportation; 4 percent used other means; and, the remaining 4 percent worked at home. Among those who commuted to work, it took them on average 24 minutes to get to work.

Transportation into, out of, and throughout Atlanta is primarily achieved through a well-developed network of roadway transportation corridors. Major state highways traverse the City including well known Peachtree Road and Ponce de Leon Avenue, and three Interstates (I-20, I-75 and I-85) intersect just south of the downtown business area, while the City itself is circled by I-285. The City has numerous State and County roads, several "parkways" and an un-gridded system of arterial surface streets. Seventeen percent of Atlanta's occupied households have no vehicle available.

Number of Vehicles Available to Occupied Household Units



Source: 2009-2011 American Community Survey, Neighborhood Nexus

Public transportation is provided by the Metropolitan Atlanta Rapid Transit Authority (MARTA). Part of a regional transit system for the entire mid-north Georgia region, it is a public authority established in 1971 and operated under Georgia law. MARTA is governed by an eighteen-member board of directors with representation from surrounding counties and the City of Atlanta. MARTA has more than 4,500 employees, is the 9th largest transit system in the U. S. and the largest transit agency in Georgia, serving an average of more than 55,000 passengers a day. The accessible, fully integrated system has 3 transportation modes: bus, rail and

paratransit. With more than 700 buses and 125 bus routes, MARTA buses connect with the MARTA rail which lines running north-south and east-west intersect in downtown Atlanta as the central point of transfer (known as the 5-Points Station). MARTA rail is a 48-mile heavy rail system running at both elevation parallel to major roadways and underground when running inner city; the rail has approximately 350 modern electrically powered rail cars and 38 stations including 28,000 cumulative parking spaces, which provide easy in-town access for bus riders, pedestrians and passengers dropped off and picked up.³⁵

MARTA provides Paratransit Service, known as MARTA Mobility, to eligible persons with disabilities who are unable to board, ride or disembark from an accessible vehicle in MARTA's regular bus or rail services. Service is provided with special lift-equipped vans on a curb-to-curb, shared ride basis. Certified individuals are required to make advance reservations for this service. Same day requests cannot be accommodated. The service is offered on the same days and hours as the regular bus and rail service, but is restricted to the ADA designated service area within Fulton and DeKalb Counties along a 3/4 mile corridor located on each side of all fixed bus routes and in a 3/4 mile radius of each station. The one-way fare is \$4.00 per person. Eligible individuals requiring a Personal Care Attendant that who been authorized by a medical professional may travel with the disabled patron free.³⁶



³⁵ <http://www.itsmarta.com/mobility-guid.aspx>, retrieved on September 16, 2013

³⁶ .Id.

Public transportation in Atlanta is noted as sparse and often not available in the northwest sector and suburban areas.³⁷ In the history of MARTA's development, Larry Keating outlines the political and economic struggles that limited rail service to Black areas and the compromise that has led residents of the northwest sector to have to rely on limited bus service.³⁸ See MARTA bus routes schematic at Appendix G.

Since 2008, the City has worked to address a comprehensive transportation plan via its Connect Atlanta Initiative to insure sustained infrastructure, improve existing transit service, promote sustainable travel modes, untangle hot spots, and guide transportation planning.³⁹

III. HOUSING PROFILE

The City of Atlanta is home to approximately 420,000 people and the majority of those citizens live in single family dwelling units. Recently, multifamily residential units have been growing in popularity due to economic conditions, demographic trends, and a return to urban core living. New multifamily housing is being built near job centers in Buckhead and Midtown, but many of the new housing units near the job centers are too expensive for the workforce those job centers employ. Contrarily, there are many parts of the City that provide access to affordable workforce housing, but those locations tend to be farther away from the job centers and may not be near rail transit or are in areas with limited bus lines.

During the downturn in the economy, the City experienced high levels of unemployment, stagnant or low incomes of its residents, a large number of vacant and/or abandoned properties, diminishing incentives, expiring use terms and disruptions in the housing and the capital markets.

Housing by Tenure

According to the 2010 Census, there were 224,573 housing units in the City of Atlanta. Based on the one-year estimate by 2011 ACS, the 2011 number appears to have slightly decreased to an estimated 221,247 with a margin of error of +/- 5,285 indicating that the estimated 3,326 less units is uncertain and not an accurate reflection of current total housing.⁴⁰

³⁷ Georgia State Univ. Urban Health Initiative, Six Months Post-Relocation: Former Atlanta Public Housing Resident Views and Destination Neighborhood Characteristics, July 29, 2011

³⁸ Keating, Atlanta, Race, Class and Urban Expansion, Temple Univ. Press, 2001

³⁹ CDP at p. 59

⁴⁰ 2012 American Community Survey 1-Year Estimate data released September 20, 2013 indicated a total of 224,000 housing units, with 18% vacancy

While the City of Atlanta added almost 38,000 new housing units in the last decade, 2000 - 2010, its vacancy rate rose from 10 percent in 2000 to almost 18 percent in 2010. The inventory of vacant housing more than doubled during the last decade, increasing from about 19,000 in 2000 to more than 39,000 vacant units in 2010. Of the 185,142 occupied units in 2010, 83,154 were owner-occupied (44.9%) and 101,988 were renter-occupied (55.1%). This reflects a slight increase of the rate of homeownership (up from 43.7% in 2000) and a corresponding decrease in the rental tenure (down from 56.3% in 2000).⁴¹

Evidence of an increasing vacancy is seen when the 2012 ACS 1 Year Estimate indicated a loss of 2,142 units occupied (down to 183,000) with 44 percent owner-occupied and 56 percent renter-occupied, and further that 80 percent of householders of these units had moved in since 2000.⁴²

Change in Housing Units 2000 - 2010

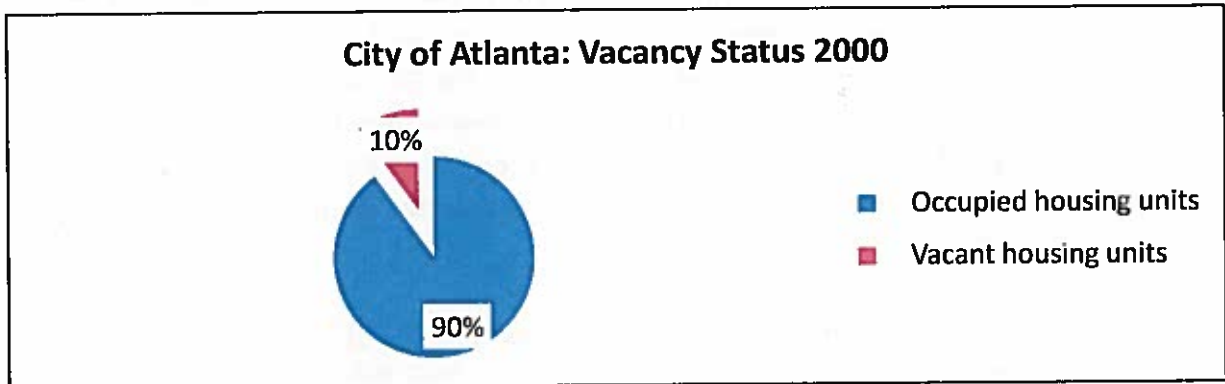
City of Atlanta	2000	2010	Change 2000 - 2010	
Total Housing Units	186,925	224,573	37,648	20.1%
Occupied Housing Units	168,147	185,142	16,995	10.1%
Vacant Housing Units	18,779	39,431	20,653	110.0%
Vacancy Rate	10.0%	17.6%	7.6%	

Source: *Neighborhood Nexus, 2013 based on the U.S. Census*

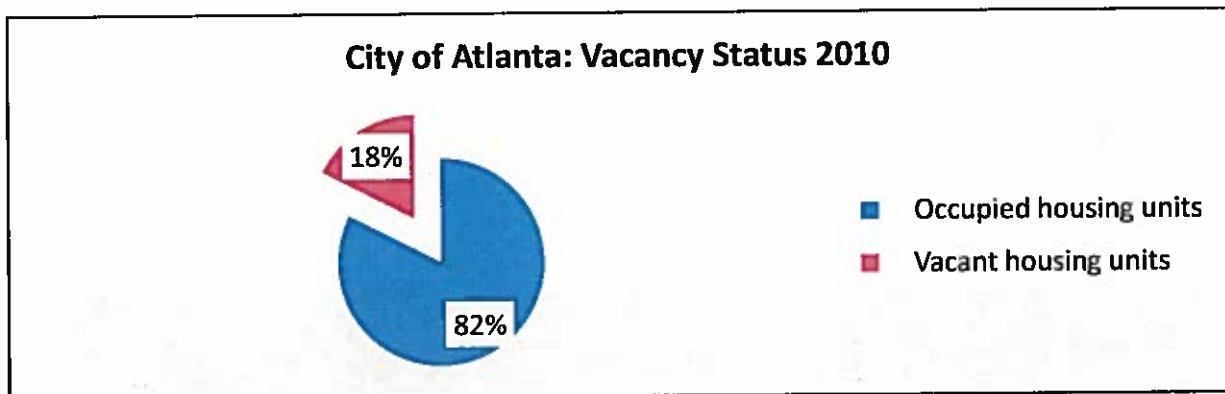
⁴¹ <http://www.census.gov>

⁴² *Id.* at 2012 ACS

DECENNIAL CENSUS CHANGE 2000 -2010



Source: 2000 U.S. Census



Source: 2010 U.S Census, Neighborhood Nexus, 2013

CITY TO STATE COMPARISON OF VACANCY RATES 2010



Source: 2010 U.S Census, Neighborhood Nexus, 2013

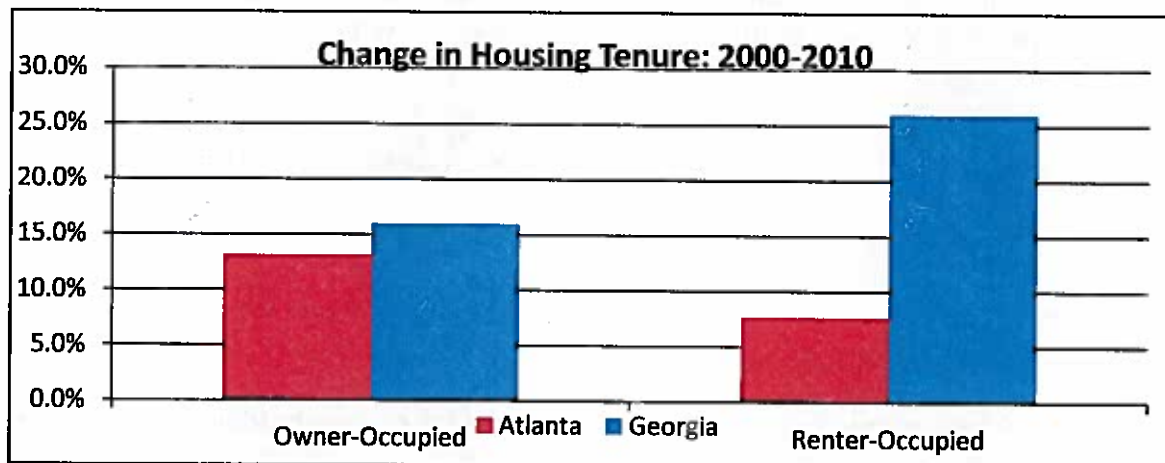
As of 2010 the City of Atlanta had more renter-occupied units (101,988) than owner-occupied units (83,154), in contrast to the State with 2.35 million homeownership units and 1.23 million rental units.

**Changes in Tenure Comparing City and State
2000 - 2010**

	2000		2010		Change, 2000 - 2010			
	Owner	Renter	Owner	Renter	Owner		Renter	
					#	%	#	%
City of Atlanta	73,473	94,674	83,154	101,988	9,681	13.2%	7,314	7.7%
Georgia	2,029,154	977,215	2,354,402	1,231,182	325,248	16.0%	253,967	26.0%

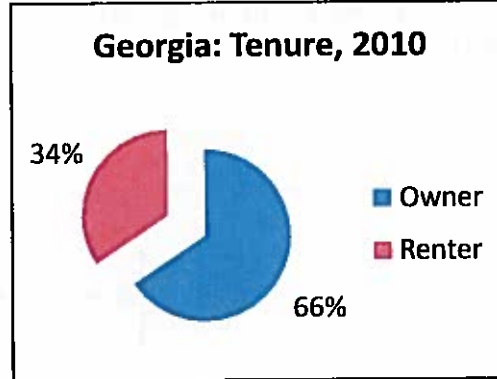
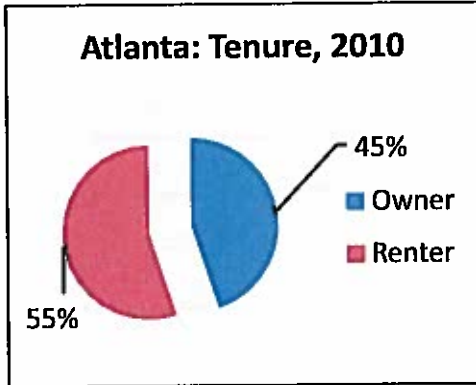
Source: *Neighborhood Nexus, 2013*

Over the decade the City experienced an approximate 13 percent increase in owner-occupied housing compared to an 8 percent increase in rentals, while the State saw a significant increase in renter-occupied units (26%) compared to a 16 percent increase in homeownership.



Source: *2000 & 2010 U.S Census, Neighborhood Nexus, 2013*

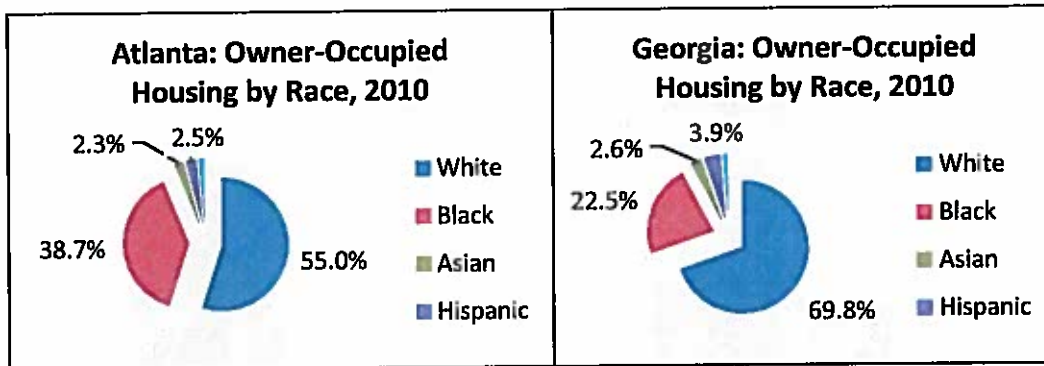
As of 2010 forty-five percent of Atlanta's housing units were owner-occupied, compared to 66 percent of the State's. Fifty-five percent of the City's units were rentals, compared to 34 percent of the State's.



Source: *Neighborhood Nexus*, 2013

Housing Tenure by Race

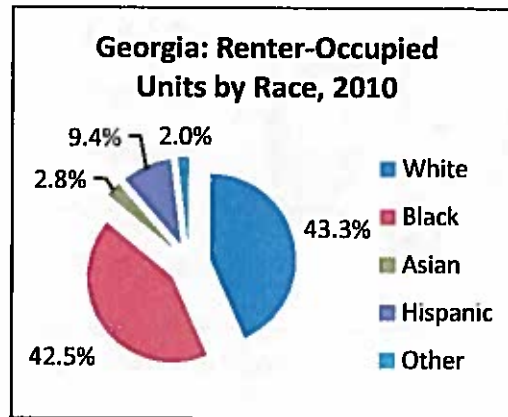
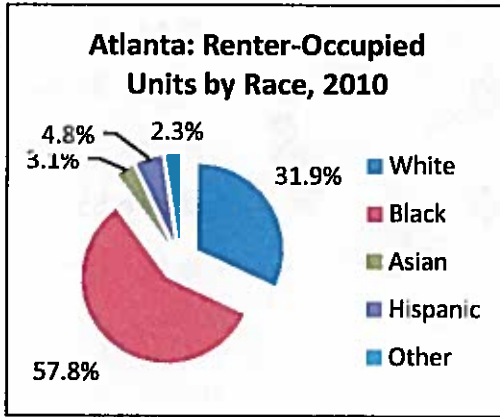
Despite having 53.4 percent Black population, approximately 39 percent of owner-occupied units are owned by Black householders in the City, with Whites at 55 percent, Hispanics 2.5 percent, and Asians 2.3 percent. Similarly, Blacks constitute approximately 30 percent of the state's population while owning 22.5 percent of owner-occupied units, compared to 69.8 percent by Whites, 3.9 percent by Hispanics and 2.6 percent by Asians.



Source: 2009-2011 American Community Survey, *Neighborhood Nexus*, 2013

In terms of renter-occupied units, the race/ethnicity of the householder closely mirrors the overall racial composition in the City, with 57.8 percent Black, 31.9% percent White, 4.8 percent Hispanic and 3.1 percent Asian. In the statewide comparison, while Blacks constitute approximately one-third of the population, renter-occupancy rates

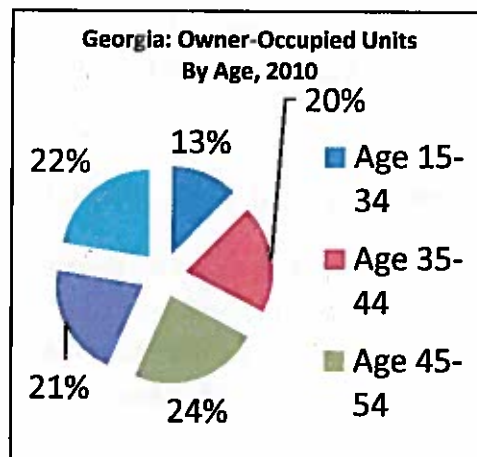
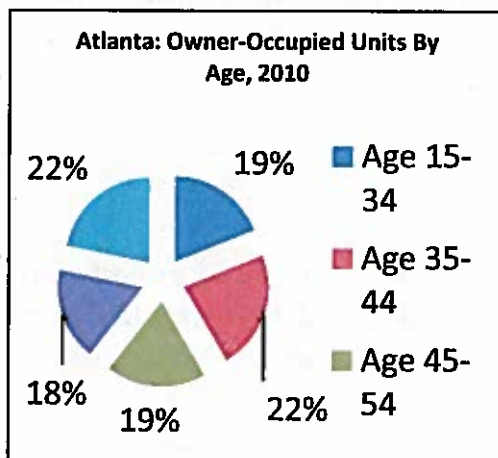
are 42.5 percent, compared to 43.3 percent for Whites, 9.4 percent for Hispanics, and 2.8 percent for Asians.



Source: 2010 U.S Census, Neighborhood Nexus, 2013

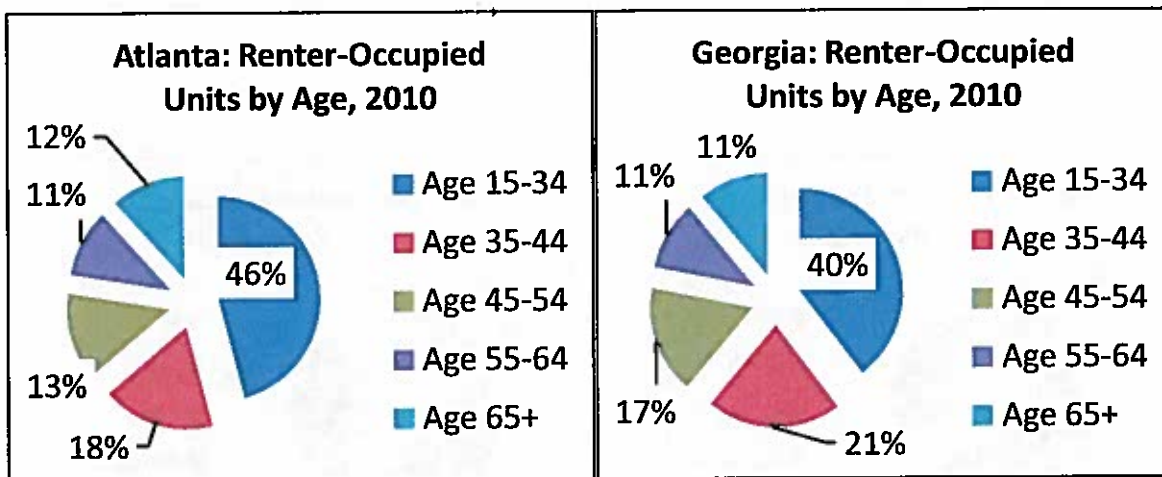
Housing Tenure by Age

Younger cohorts are much more likely to be homeowners in the City of Atlanta than in the State. Approximately 41 percent of all owner-occupied units are headed by someone younger than 45. By statewide comparison, only 33 percent of owner-occupied units are headed by residents under 45.



Source: 2009-2011 American Community Survey, Neighborhood Nexus, 2013

Regarding rental units, the City is similar to the State in terms of age distribution of households, except that a slightly higher percentage of renters are younger than 45 in the City compared to the State.



Source: 2010 U.S Census, *Neighborhood Nexus*, 2013

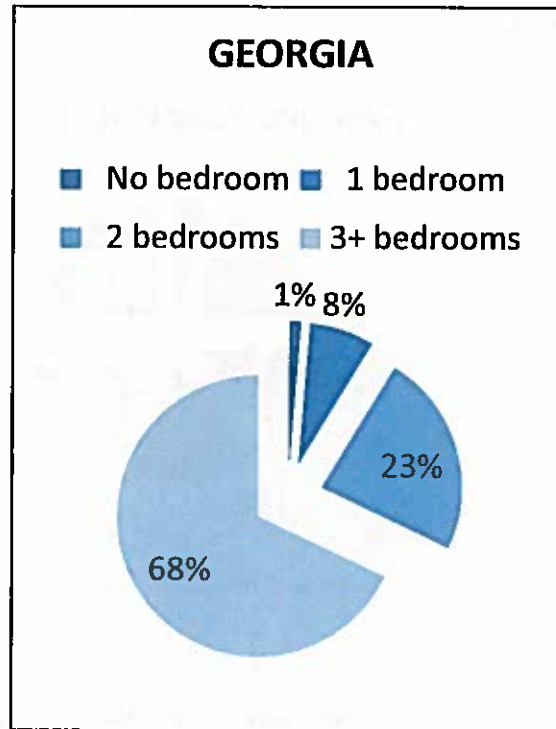
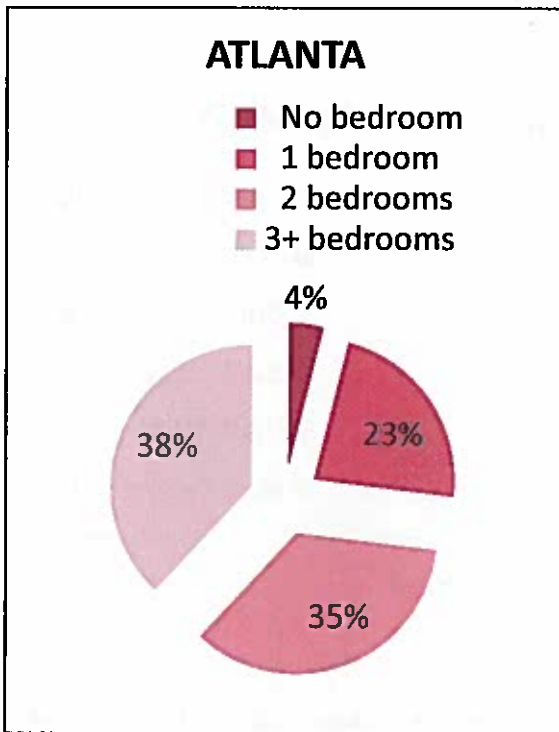
Household Tenure by Income

According to the City's 2011 Comprehensive Development Plan, Atlanta households exhibited a wide range of incomes around the 2008 median area income of \$47,464, asserting that approximately 12 percent of households earn less than \$10,000; approximately 25 percent earn \$10,000 to \$25,000; 37 percent earn \$35,000 to \$100,000; and 24 percent of households earn over \$100,000. Due to the high cost of housing and the extreme affordability gaps, few low-income families can afford to own their home. As a result, middle- to upper-income families make up 80 percent of the homeownership market, while extremely low-, very low- and low-income families account for 50.5 percent of all rental housing in Atlanta.⁴³

Housing Unit Characteristics

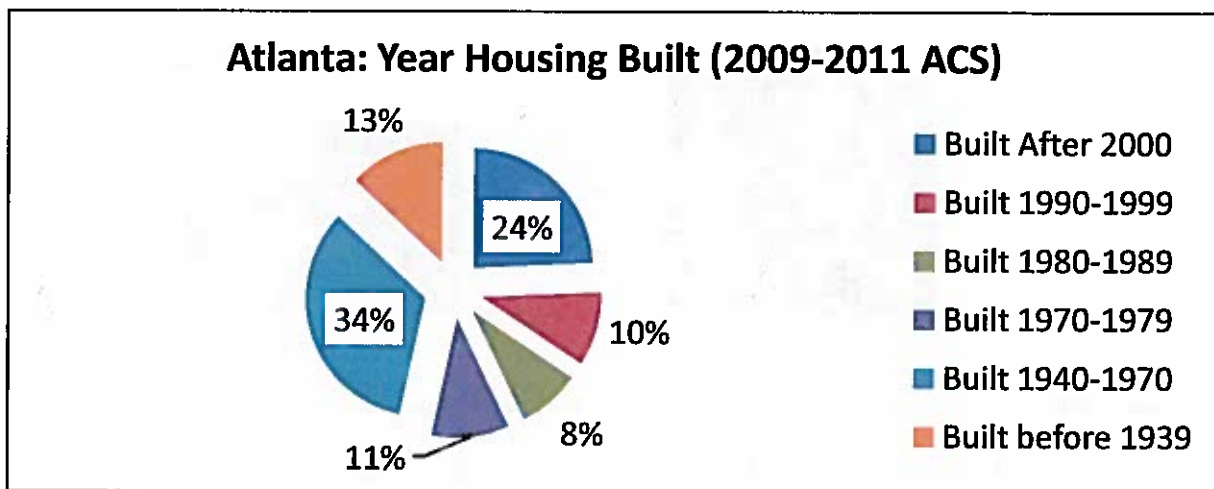
Studios or one-bedroom units (serving solo households) constitute 27 percent of the City's household units, supporting the 46 percent of the population who live alone, compared to 9 percent in the State. Thirty-eight percent of the units in the City have 3+ bedrooms, compared to 68 percent in the State.

⁴³ CDP at p.100



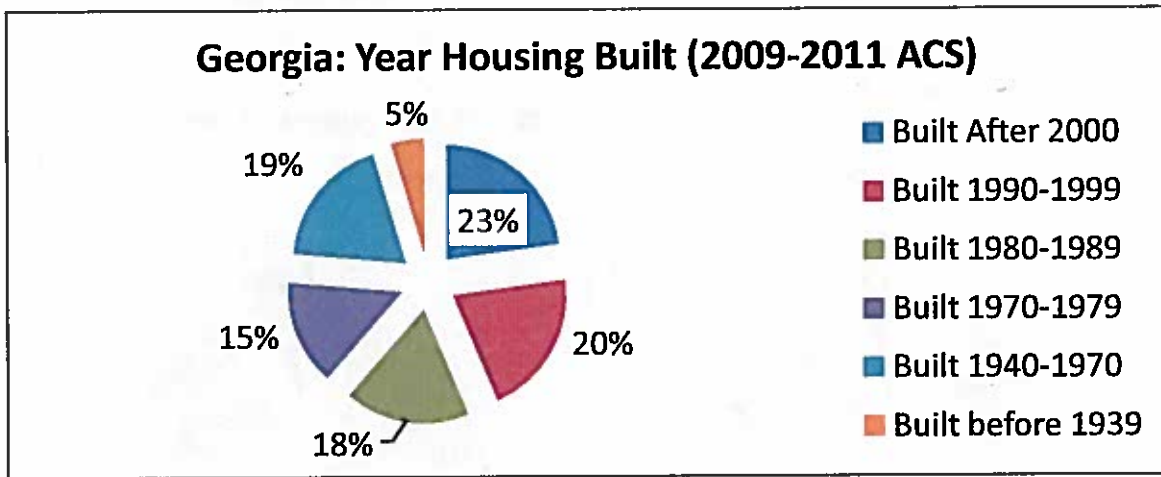
Source: 2009-2011 American Community Survey by Neighborhood Nexus, 2013

The City has a much older housing stock than does the State of Georgia. Approximately 47 percent of all housing units in Atlanta were built before 1970, of which 13 percent were built before 1940, compared to 24 percent built before 1970 of which 5 percent were built before 1940 in the State.



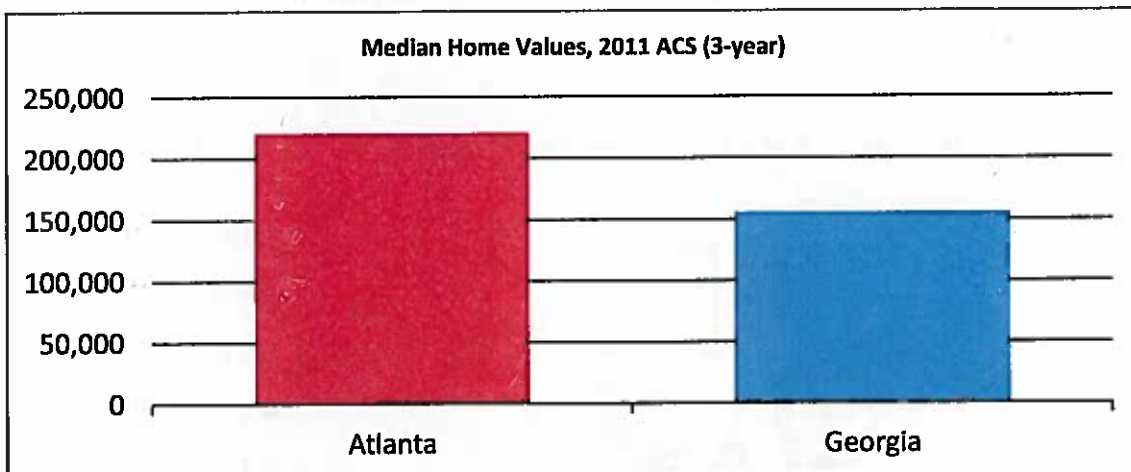
Source: Neighborhood Nexus, 2013

New housing production since 2000 is nearly equal for Atlanta (24 percent) and the State (23%).



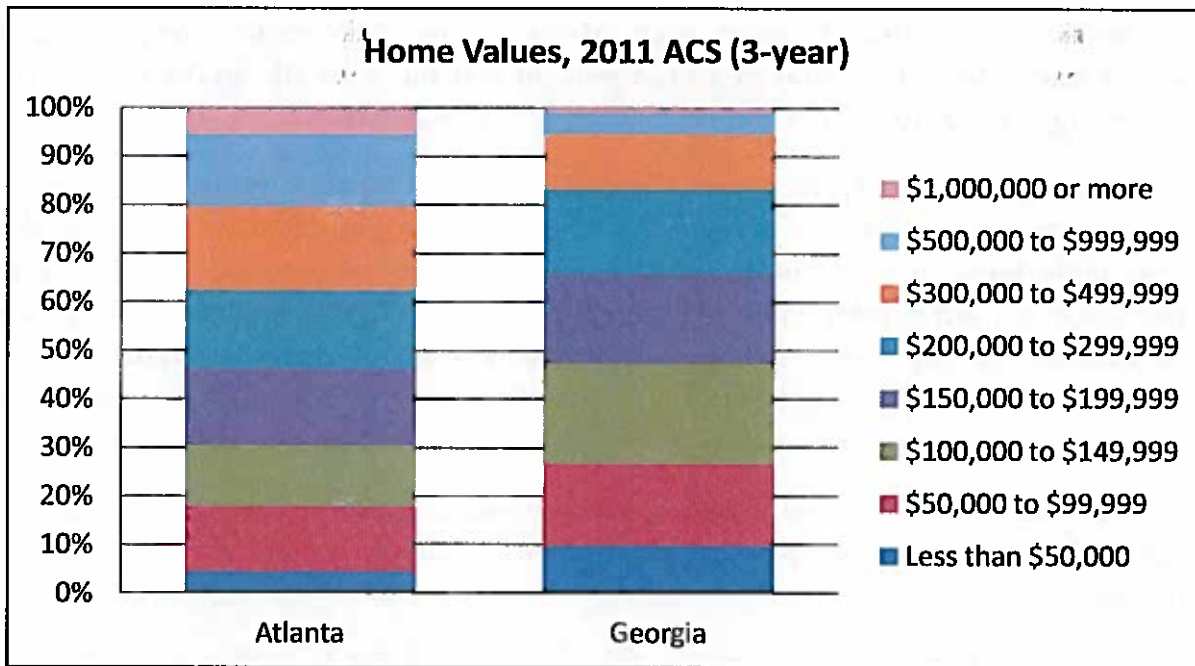
Source: 2009-2011 American Community Survey, Neighborhood Nexus, 2013

The chart below compares the City's and the State's median home values (based on the U.S. Census, 2011 3 Year Estimate), with Atlanta's values significantly higher (approx. \$220,000) than Georgia's (approx. \$151,000).



Source: 2009-2011 American Community Survey, Neighborhood Nexus, 2013

Approximately 20 percent of homes in the City are valued at \$500,000 or greater, compared to 5 percent in the State as a whole. Almost 5 percent of the City's homes are valued at less than \$50,000, compared to 20 percent of the State's homes.



Source: 2009-2011 American Community Survey, Neighborhood Nexus, 2013

Housing Affordability

For purposes of this Analysis, housing affordability refers to the amount which a household can afford to pay for housing. The standard utilized by most governments and lending institutions is that a household should not spend more than 30 percent of their gross monthly income on housing costs. Thus, housing affordability is calculated by applying 30 percent of an individual or family’s income towards household expenses.

According to the City’s 2010-2014 Consolidated Plan, significant characteristics of the housing market have rapidly changed based on the economic recession which began in the second half of 2007. As unemployment rose and banks defaulted with record breaking foreclosures, few sales and little new construction, the City’s housing values declined overall from 14 percent to 20 percent. As detailed in the Consolidated Plan, by 2010 there were thousands of foreclosures and many vacant structures that, though vandalized, remained suitable for rehabilitation.

Initially identifying the subprime lending crisis as the root cause, the Consolidated Plan states that foreclosures in 2010 were due more to the overall slow economy and

the loss of jobs, credit and home sales.⁴⁴ Moreover, only 55 percent of the population age 16 and older was employed and 35 percent was not currently in the labor force according to the 2010 Census and the ACS Survey 1-year estimate.

In the analysis of affordable homeownership, standard lending guidelines (housing payment-to-income ratio of 28 percent-33 percent) are utilized to arrive at the affordable home price. Conventional financing terms are applied (fixed 30-year mortgage with a 5 percent down payment at current average interest rate (4.5%)) with an estimate of taxes and insurance included. Private mortgage insurance (often required if one's down payment is less than 20 percent of the purchase price) and debt ratios are not factored into the housing affordability calculations.

As set forth in the 2011 Comprehensive Development Plan relying on 2008 data, the calculation for housing costs is analyzed based on socio-economic characteristics as follows:

The median household income for the Atlanta MSA in 2008 was \$60,862; yet for the City of Atlanta alone, the median household income was one-fifth lower at \$48,865. Within the population with housing needs, the lower the household income the more likely that household will have cost burdens as it relates to rent, mortgage, and other expenses.⁴⁵

A household earning the area median income (\$46,466 based on 2012 census) in the City can afford \$1,162 in monthly rent & utilities or can purchase a house or condominium between \$125,000 and \$139,398 including taxes & insurance depending on conservative or aggressive loan standards.

An individual earning the median wage (\$43,000 -55,000) in the City of Atlanta can only afford to pay \$1,075 - \$1,375 each month in rent and could purchase a home between \$110,400 and \$144,000 depending on conservative or aggressive loan standards.⁴⁶

While the standard rule of thumb used to be that one could afford to purchase a home three times your income, the high price of property tax and insurance has severely limited a homebuyer's capabilities. Atlanta's property tax draws from three levies: Operating Levy, Bond Levy and Parks Levy. Of the Operating Levy the City takes 21 percent of the property tax with the remaining 79 percent supporting the

⁴⁴ City of Atlanta, 2010-2014 Consolidated Plan, vol. 1 (Nov.2009) at p. 36

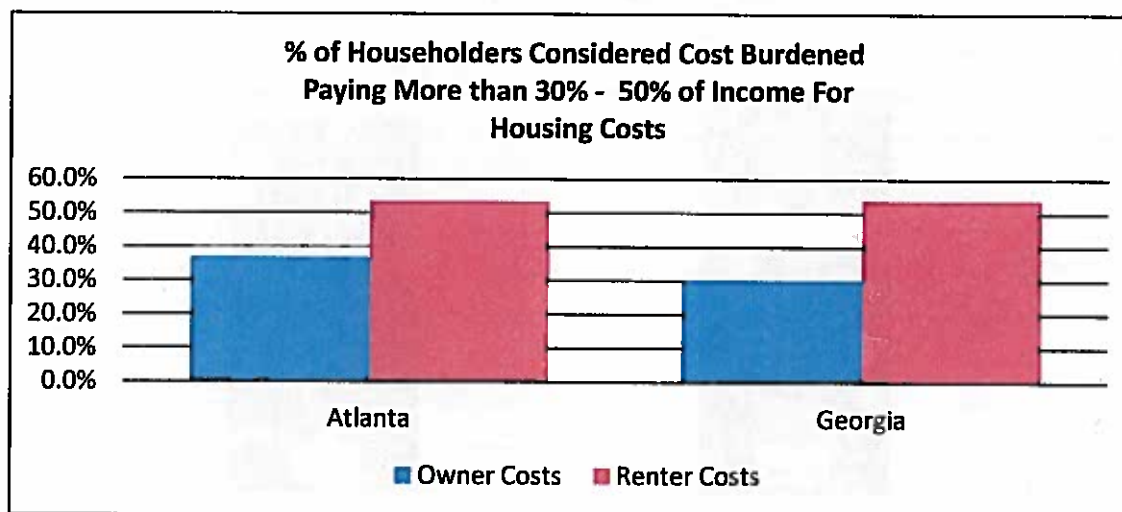
⁴⁵ CDP at p.100

⁴⁶ The above calculations are based on 2.8 and 3 times annual income minus a \$10,000 reduction for tax, insurance and utilities.

Atlanta Public School System (54%), Fulton County (24%) and the State of Georgia (1%). The City of Atlanta had rolled back the property tax rate each year from 2003 – 2007, dropping 18 percent (1.94 mills) since 2002. However, the 7.12 millage rate in 2008 jumped to 10.24 mills in 2009 with no changes since that year. The millage rate is a factor that, when applied to the appraised value of a parcel of property, determines the tax due. A mill equals \$1 of tax for every \$1,000 of value.

More aggressive lending standards or second mortgages could be applied in either scenario to allow the individual or family to qualify for a larger mortgage. However, with the collapse of the subprime lending market and the rise of foreclosures across the nation, lending institutions have tightened their mortgage standards, resulting in less available credit for homeowners. Consequently, all future calculations in this analysis will be based on conservative estimates (housing payment-to-income ratio of 28%). Other variables effecting affordability are interest rates, closing costs, down payment and debt-to-income ratios.

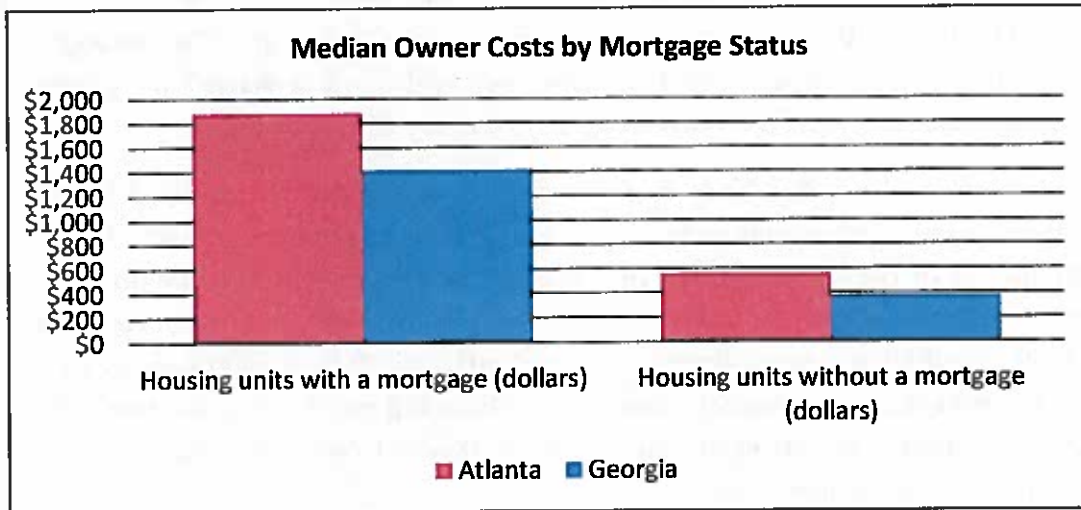
About 36 percent of the City’s homeowners pay more than 30 percent of their income on housing costs, a slightly higher percentage than found in the State (30%). Renters in the City and the State are equally affected, both with significantly higher cost burdens, spending more than 50 percent of their incomes.



Source: 2009-2011 American Community Survey, Neighborhood Nexus, 2013

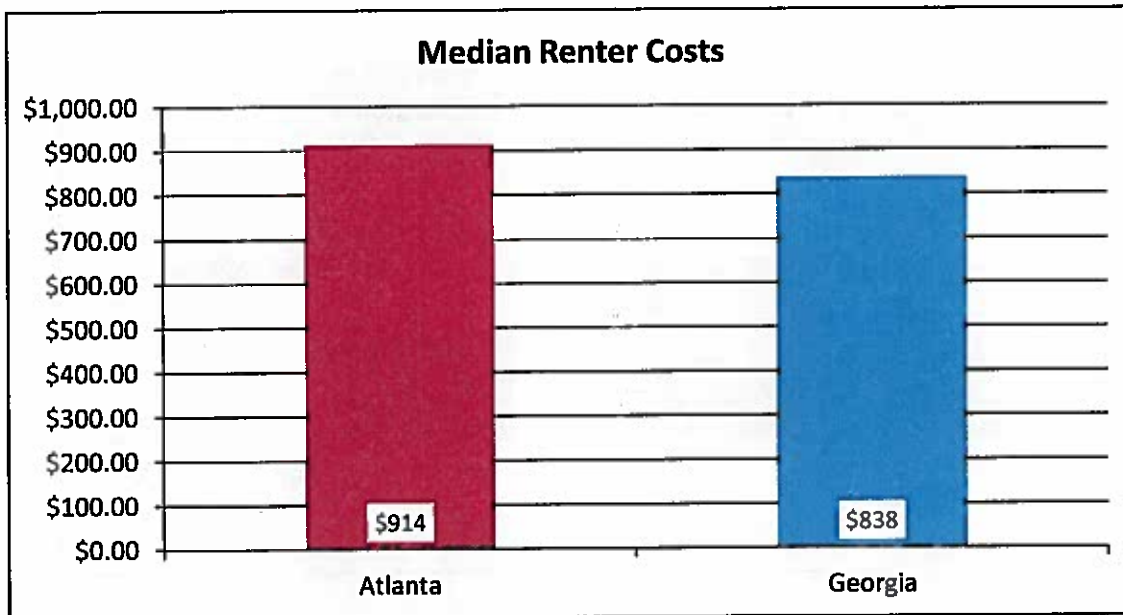
For owners with a mortgage, median housing costs are significantly higher in the City (\$1,800+) than in the State (\$1,400). For owners without a mortgage, those costs are

significantly lower, at approximately \$500+ for City owners and nearly \$400 for State owners.



Source: 2009-2011 American Community Survey, Neighborhood Nexus, 2013

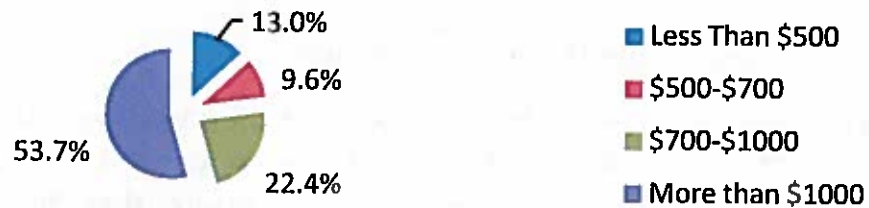
Median renter costs are slightly higher in the City (\$914) than the State (\$838).



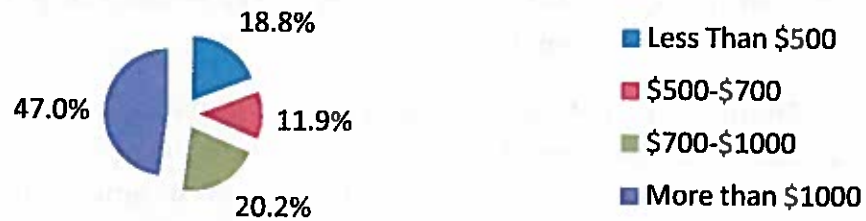
Source: 2009-2011 American Community Survey, Neighborhood Nexus, 2013

Overall for all occupied housing units, 54 percent of Atlanta residents are paying more than \$1,000 per month in housing costs, compared to 47 percent of Georgians.

Atlanta: Monthly Housing Costs, All Occupied Units



Georgia: Monthly Housing Costs, All Occupied Units



Source: 2009-2011 American Community Survey, *Neighborhood Nexus*, 2013

Affordability Gap by Housing Type and Income

In today's market, the subsidy needed, to move-in a family, is far above the amount available through traditional government programs. Further, financial support is now needed to move moderate income families—who are not generally covered under government programs—into homes.

Within the 30 percent rule of thumb, the increase in housing price has increased taxes and insurance and decreased affordability. The estimated taxes and insurance for a median priced single family house⁴⁷ could exceed \$3500 per year. Further, previous lending standards allowed homebuyers to expend up to 50 percent or more of their income on housing costs. Today's stricter regulations have brought about a "credit crunch", and many institutions are following the debt-to-income standard of only 28 percent.

An affordability gap is based on the median sales price for a single family home (\$228,000) and the median rent (\$914/month) in Atlanta.⁴⁸ Conservative lending

⁴⁷ Based on the 2007-2011 estimate of \$228,000 as the median value of owner-occupied housing unit found at <http://quickfacts.census.gov/qfd/states/13/1304000.html>

⁴⁸ <http://census.gov>, 2009-2011 ACS

guidelines (housing payment-to-income ratio of 28%) and conventional financing terms are applied (fixed 30 year mortgage at 4.5% interest with a 5% down payment). Estimated property taxes are derived from the City of Atlanta's 10.24 millage rate; average property insurance rates can be found at www.shopandcomparerates.com.

Supply and Demand Assessment

Georgia is one of the more affordable areas of the country—unlike the high priced markets in Florida, California, Hawaii and New York. Yet, in the City of Atlanta, the median priced single family home is 4.9 times greater than the median income (a normal median home value to median household income ratio should be closer to 3:1). The imbalance between the supply and demand has fluctuated substantially since 2000, with housing values decreasing by 14 percent-20 percent and incomes increasing by only 1.3 percent for all of Atlanta.

Since the Olympics in 1996, home prices had consistently increased within the City. Since the Recession, however, home prices have dropped some 45 percent since 2006. Previously, Atlanta households had benefitted from double-digit appreciation rates on their property. However, according to the market rates tracked by Zillow.com, a real estate web listing service, the median market price of a single family house declined significantly from 2006 to 2012 and showed some stabilization and slight improvement in the examined period of 2013.

Median Single Family Value, City of Atlanta (Aug, 2006 - Aug, 2013)

2006	2007	2008	2009	2010	2011	2012	2013
\$203,000	\$197,700	\$162,000	\$138,600	\$122,600	\$115,800	\$106,800	\$111,600

Source: Zillow.com

As stated above, according to the 2011 ACS, the median value of owner-occupied housing units in the City was \$228,000. Thus, comparing the census estimate to the reported local market value demonstrates the uncertainty in real estate and is reflective of the continuing adverse effects of the recent economic recession.

Cost Burdened

As a result of the supply and demand imbalance, many potential homeowners have been priced out and few can afford current prices. In order to compensate, households are increasingly spending a disproportionate amount of their income on housing. A household is considered "cost-burdened" if more than 30 percent of their income is spent on housing and extremely cost-burdened if more than 50 percent of

their income goes towards housing costs.

According to the 2012 ACS, the median monthly housing cost for mortgaged owners was \$1,719; non-mortgaged owners, \$580; and, renters, \$940. Thirty-five percent of owners with mortgages, 20 percent of owners without mortgages, and 53 percent of renters in Atlanta spent greater than 30 percent of the household income on housing, and are considered cost burdened.

Economic Sustainability

According to the City's 2011 Comprehensive Development Plan, during the current recession Atlanta has lost 44,904 jobs (or 10.6%) since 2007.⁴⁹ Atlanta has experienced the State's biggest increase in cost of living over the past year (2011). The lack of affordable housing options has forced many families to live in inadequate conditions, spend a disproportionate amount of their income on housing costs, and/or commute long distances to and from work. Approximately 46 percent (81,269 households) of the City's population was identified as cost burdened and/or living in overcrowded or other substandard housing conditions.⁵⁰

Summary of Barriers to Affordability

According to the 2010-2014 Consolidated Plan, the following public policies and private market conditions affect affordable housing production in Atlanta:

Value to Income Disparity - Already one of the least affordable markets in the 10 county metropolitan area, the imbalance between Atlanta housing supply and demand has waxed and waned since 2000. Between 2007 and 2012 the market rate of housing values decreased by 14 percent-20 percent and incomes increased by only 1.3 percent for Atlanta over the past decade. Based on the market rate, this still results in a median priced single family home being 2 times greater than the median income.

Loss of Affordable Units - The inventory of affordable housing is uncertain - primarily as a result of market collapse, conversions of rental units to condominiums and deterioration. The high property values experienced until 2007 crashed dramatically with decreasing property values by 2012 of 14 percent-20 percent. Combined with the economic recession and sub-prime lending defaults, the Atlanta housing market has experienced double digit vacancy rates. Further, damage and deterioration often associated with older or less expensive housing has diminished the stock of safe, decent, affordable housing. Reported in the 2010-2014 Consolidated

⁴⁹ CDP at p. 39

⁵⁰ Id. at p. 98

Plan, in 2003, a total of 42,315 units were identified as substandard meaning that the unit does not meet HUD's housing quality standards or the Atlanta housing code. Nearly 1/3 of Atlanta households were identified as either cost burdened, or lack heating, plumbing or adequate kitchen facilities. Another 30,000 units in Atlanta are over 25 years of age, placing them at greater risk of lead paint hazards, deferred maintenance issues, and storm damage.⁵¹

From December 2011 to August, 2012, the City conducted a windshield survey of its residential housing stock which found that based on the exterior conditions concluded that of 125,022 structures surveyed, 78.1% were in good condition with 17.9% fair, 2% poor and 1.1% deteriorated.⁵²

Cost of Development - Land prices had been escalating until the recent recession.⁵³ Atlanta land is at a premium due to the lack of buildable sites and still high acquisition costs. Even in a recovering real estate market it is difficult to locate affordable sites for development and there are few suitable sites of significant size to financially encourage developers of affordable housing to renovate existing units⁵⁴. Further, the high cost of materials and construction make it challenging to build affordable housing without deep government subsidies or profit losses. As a result, developers have primarily built high end, luxury products (which are not affordable to the general population) in the Downtown, Midtown and Buckhead areas over the past decade.

High Cost of Living - The cost of living in Atlanta (housing costs, expenses for food and beverages and gas and transportation) rose significantly as well as property taxes and insurance. As property values increased, so did the property taxes particularly for new home buyers -putting a strain on families who have recently moved or do not qualify for any exemption or cap on property tax increases.

Lack of Incentives - High crime areas with inadequate code enforcement have also been recognized as barriers to affordable housing.⁵⁵ Since the areas available for affordable housing are most often available in poorer areas of the City, these two issues impact the quality of life for any new residents. Further, the subsidies needed in today's marketplace are far above the amount available through traditional government programs. The gap between the actual cost of housing and the amount that most families in the City can afford is extensive. In fact, most low income

⁵¹ 2010-2014 Consolidated Plan, vol. 1 (Nov. 2009) at p. 5

⁵² DPCD website, Strategic Community Investment Report, 2013

⁵³ Id. at p. 40

⁵⁴ Id.

⁵⁵ Id.

families would not qualify to purchase the median priced single family house or condominium.

Government Regulations - Government regulations and requirements play a major role in real estate development. Land use policies and zoning provisions dictate the type and density of housing; permit and code approvals direct project time lines; and impact fees determine price costs. All play a critical role in the affordability of a development. Each policy can either add significantly to construction costs (and subsequently increase housing values) or if utilized correctly, can provide incentives for certain building types (i.e. affordable housing). For example, a barrier may arise where the zoning requirements are strict, i.e., as for supportive housing which must be located with certain distance requirements from each other and must obtain neighborhood support. Such requirements may discourage development in general. Additionally, costly City building requirements exceed the costs of the same building constructed in nearby unincorporated areas and the overall permitting process for any construction are seen as lengthy and complicated.⁵⁶

Private Lending - The infusion of credit during the housing boom spurred the subprime lending market and encouraged aggressive and often unscrupulous lending practices. Low-income families who could not qualify for standard mortgages were the primary victims of predatory lending. As the interest rates on adjustable-rate loans reset, many are having difficulty affording the inflated payments. The result has been a significant increase in the number of foreclosures and contributed to the near 20 percent vacancy rate in today's housing market. According to Equity Depot, foreclosure filings jumped 23 percent between 2007 and 2010 in the City. Since then, filings have declined 35 percent.

Reacting to the rise of foreclosures and the closure of many unregulated mortgage companies, lending institutions have begun to reevaluate risky loans and tighten their lending standards. The Federal Reserve Board noted as early as July, 2007, that 14 percent of domestic banks tightened their lending standards on prime residential mortgages, 40 percent increased standards for nontraditional mortgage products and 56 percent restricted subprime lending. The likely result is less available credit for homeowners. The recent credit squeeze makes it particularly difficult for low-income families to qualify for a mortgage. Further Atlanta still finds that banks, insurance companies and land owners still discriminate based on racial and ethnic characteristics.⁵⁷

⁵⁶ Id.

⁵⁷ Id.

Fair Housing Implications:

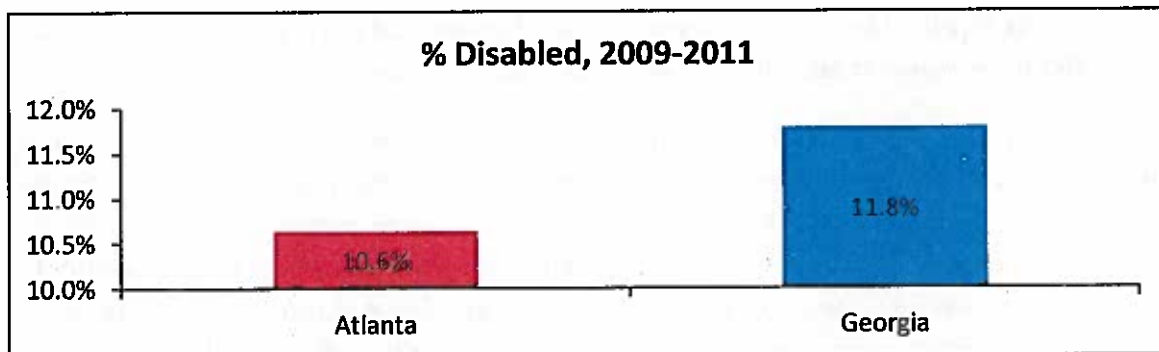
Limited availability of affordable housing allows landlords and owners to be more selective when renting and selling, opening the door to discriminatory housing practices. Publicly funded or subsidized housing opportunities must be affirmatively marketed to ensure availability to residents of all communities.

Housing Needs of Persons with Disabilities

Disability Status

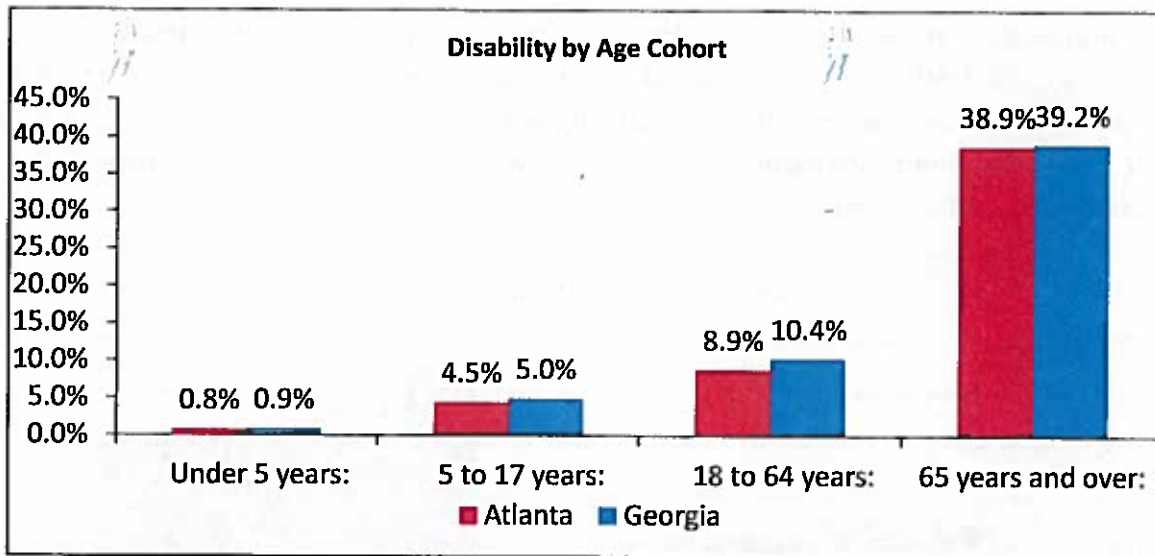
If an AI identifies barriers to affordable housing that are also impediments to fair housing choice, the AI and AFFH narratives within submissions must explain how potential barriers to affordable housing disproportionately impact persons in protected classes.⁵⁸ In addition to the barriers to affordable housing, persons with disabilities are often faced with the difficulty of finding accessible housing.

The City of Atlanta has a lower percentage of its population with some disability (>10.5 percent) than does the State of Georgia (>11.7 percent). Nearly 40 percent of both the City's and State's residents with a disability are 65 years of age and over.



Source: *Neighborhood Nexus*, 2013

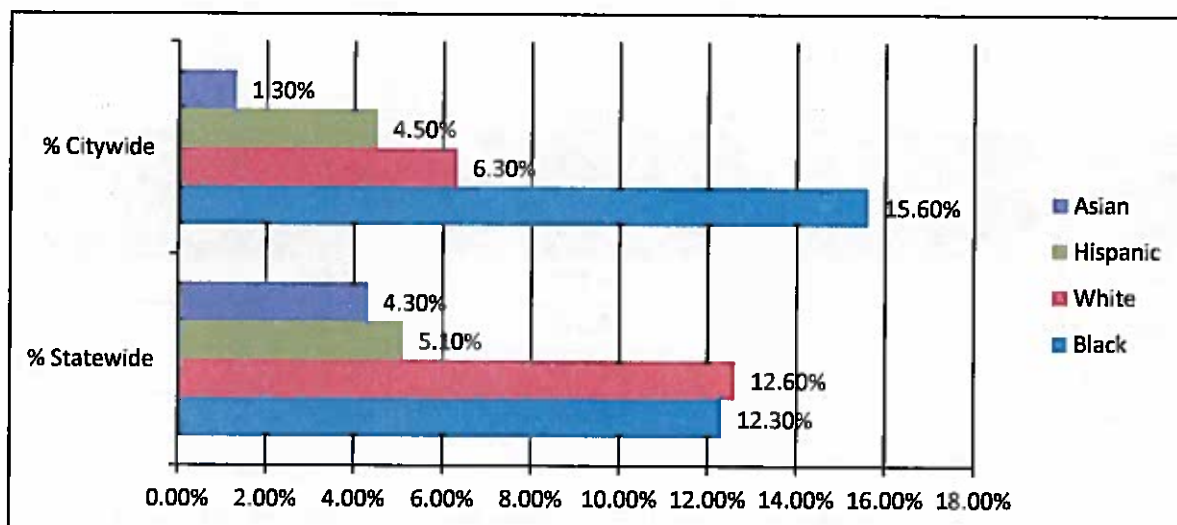
⁵⁸ HUD Letter of Findings of Noncompliance, City of Atlanta, case # 04-12-R002-F, dated July 12, 2012, at p. 11



Source: 2009-2011 American Community Survey

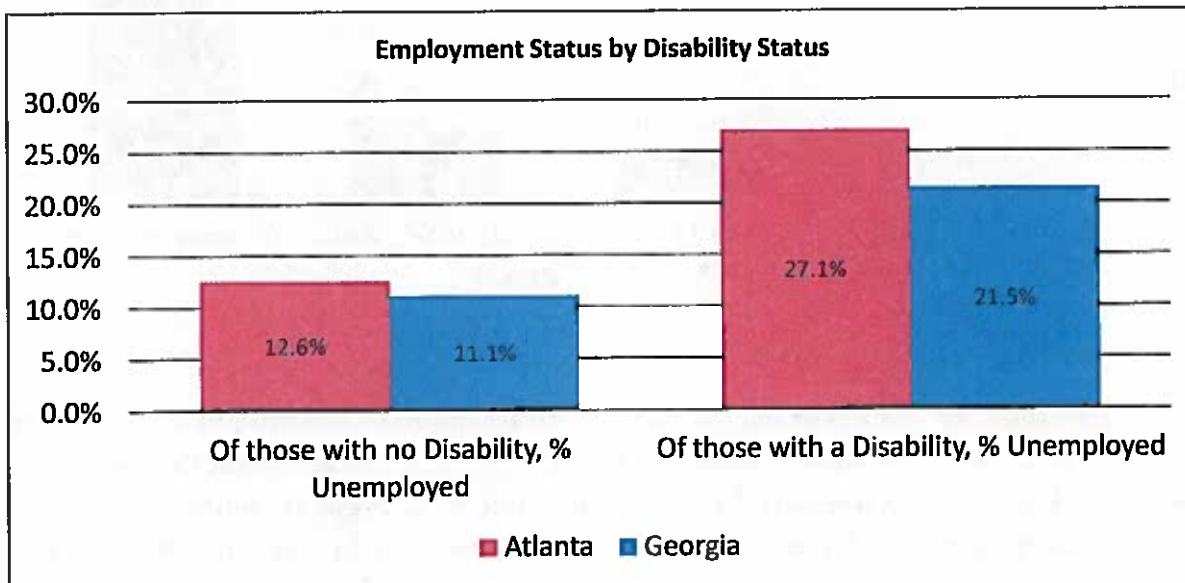
Although the City has lower overall rates of disability than does the State, Blacks are slightly more likely to have a disability in the City (15.6 percent) than they are in the State (12.3 percent). Conversely, Whites in the State of Georgia are more than twice as likely (12.6 percent) to have some disability as they are in the City (6.3 percent). Hispanics with some disability in the City (4.5 percent) is close to the 5.1 percent identified statewide. Asians with some disability are reported at 1.3 percent in the City but have an estimated 4.3 percent statewide.

Disability Percentages by Race In the City compared to the State



Source: 2009-2011 American Community Survey

The percentage of persons unemployed is significantly higher for those with a disability, for both the State and the City, than for those with no disability. Unemployment for persons with no disability is less than 13 percent for both City and State residents. Unemployment among persons with a disability is approximately 27% for Atlantans and 22% for Georgians.



Source: 2009-2011 American Community Survey, Neighborhood Nexus, 2013

According to the 2011 ACS, Atlanta had an estimated 44,346 persons living with disabilities, accounting for 11 percent of the total population, with the greatest percentage affecting elderly persons (39 percent); 3 percent under 18 years of age; 9 percent 18 to 64 years of age. These disabilities range widely in type and severity and may have varying impacts on people's lives.

Age	Total Civilian Noninstitutionalized Population	With a disability	% Disabled
Total	416,839	44,346	11%
under 18 years	81,517	2,641	3%
18 to 64 years	295,656	26,270	9%
65 years and over	39,666	15,435	39%

Source: 2009-2011 American Community Survey

Types of disabilities registered in the U.S. Census include: sensory, physical, mental and self-care. Many individuals may struggle with more than one type of disability.

In Atlanta, a significant number of the disabled population is unemployed and lives below the poverty level. These persons may find it extremely difficult to transcend their poverty. Depending on the severity of the disability, an individual may have trouble maintaining a steady job or place of residence. According to the 2011 American Community Survey, approximately 27 percent of working age persons with disabilities is unemployed. The 2010 - 2014 Consolidated Plan reports an "Out-of-Reach" study conducted by Pelletiere, Wardrip and Crowley (2009) that shows a household in metro Atlanta must earn \$2,927 per month or \$35,120 per year to afford a two-bedroom unit at fair market rent to stay within 30 percent of their income for rent and utilities. However, a single disabled person receiving supplemental security income (SSI) receives about \$674 per month, or \$8,088 per year, and could only afford \$202 a month for rent (to stay within the 30 percent income rule for housing), thus the affordability gap would be \$587 monthly.⁵⁹

In general, it is difficult to quantify the exact housing needs of the disabled population. Many individuals require little or no assistance in maintaining independence. Others require special attention and the care of professionals. With high levels of unemployment and poverty, people with disabilities have decreased buying power and ability to secure their own homes, whether through home ownership or rental. It is essential to ensure the availability of accessible and affordable housing choices for this special needs population (see the discussion under sections *Fair Housing Litigation Filed, Metro Fair Housing Services*, regarding the findings and recommendations of the 2011 public policy report on the housing needs of people with disabilities in the state of Georgia; and, *Public & Assisted Housing* regarding units for disabled persons and the City's progress toward compliance with Section 504 requirements).

Fair Housing Implications:

The significant numbers of persons with disabilities indicate the need for fair housing education and outreach efforts to inform them of their rights and means of redress and the responsibilities of housing providers.

⁵⁹ City of Atlanta, 2010 - 2014 Consolidated Plan, vol. 1 (Nov. 2009), p. 55

Homelessness

According to the 2009 Homeless Census⁶⁰ data, as of January 25, 2009, there were 6,838 homeless persons in the tri-jurisdictional area. Of the 5,987 persons identified in the City of Atlanta, the following are characteristics of homeless individuals and families found:

Male	72%
Female	16%
Children (under 18)	8%

While the majority of homeless are individuals (83%), families with dependent children account for 15 percent of the homeless populations.⁶¹ These families present unique challenges, as children and minors may need additional support when addressing areas of education, mental health, nutrition, and social needs.

Population	Emergency Shelter	Transitional Shelter	Unsheltered	Total
Individuals	2041	1165	2075	5281
Family members	299	377	30	706

Source: 2011 Metro Atlanta Tri-Jurisdictional Collaborative Continuum of Care Homeless Census

Many circumstances force individuals to become homeless. Causes range from substance abuse problems, economic factors, mental illness, domestic violence, unemployment, and other issues. However, those in greatest danger of becoming homeless include extremely low-income households that are already experiencing housing problems. Over the years 2006-2009, the homeless count in the Tri-Jurisdictional census had held steady in the area ranging from 6,557 to 7,019 persons, but with a smaller number reported in 2011.

Assuring that there are an adequate number of facilities to care for the homeless is vital for any metropolitan area. As a homeless person or families progresses from

⁶⁰ A point-in-time census of the homeless populations conducted by Pathways Community Network, under a Tri-Jurisdictional governmental collaboration of Atlanta with DeKalb and Fulton Counties. Although reporting the use of HUD interview forms, the census report does not provide racial or ethnic demographics of the homeless population.

⁶¹ 2011 Metro Atlanta Tri-Jurisdictional Collaborative Continuum of Care Homeless Census, pp.22-25

basic needs (i.e. food, housing, healthcare), they advance into more independent living facilities such as transitional housing and eventually permanent supportive housing. Of the three types of shelters (emergency, transitional, and permanent), permanent housing has been the most successful and is in greatest demand. In 2009, HUD began requiring a counting of permanent supportive housing (PSH). These numbers are not included in the homeless census totals for the Atlanta area, accounting for an additional 1,577 persons. Over half (59%) of PSH beds are occupied by individuals rather than family members (924 individuals/653 family members). As a result, Atlanta appears focused on permanent housing. Identifying the City's inventory in the Consolidated Plan, there were 2,015 shelter beds for individuals and 1,508 for families, 2,060 transitional beds for singles and 1,150 for families with an additional 2,120 permanent supportive housing units for singles and 100 more for families.⁶² The 2011 Homeless Census reported that 802 PSHs had been added to the tri-jurisdictional area since 2009.⁶³

Public & Assisted Housing

The City's 2010-2014 Consolidated Plan summarizes eligibility guidelines, identifies assisted housing inventory and outlines the Atlanta Housing Authority's (Atlanta's Public Housing Agency, or PHA) public and assisted housing programs as outlined herein.

Eligibility Guidelines

Specific eligibility requirements and/or income restrictions for assisted housing are determined by the program used to fund the project. While some developments target special needs populations such as the elderly, homeless or disabled, most housing programs provide assistance to individuals and families earning below 50 percent of the area median income. Each year the U.S. Department of Housing and Urban Development (HUD) determines specific income limitations for extremely low, low and moderate income families based on family size. The chart below illustrates the income limits for Atlanta in 2012.

⁶² City of Atlanta, 2010-2014 Consolidated Plan, vol. 1 (Nov. 2009) p. 9

⁶³ 2011 Metro Atlanta Tri-Jurisdictional Collaborative Continuum of Care Homeless Census, p.32, at <http://www.tri-j.net/clientimages/40236/2011tri-jhomelesscensusreport.pdf>

City of Atlanta Area Income Limits (2012)

Family Size	Extremely Low (<30% AMI)	Very Low (<50% AMI)	Low (<80% AMI)
1 Person	\$14,600	\$24,300	\$38,850
2 Persons	\$16,650	\$27,750	\$44,400
3 Persons	\$18,750	\$31,200	\$49,950
4 Persons	\$20,800	\$34,650	\$55,450
5 Persons	\$22,500	\$37,450	\$59,900
6 Persons	\$24,150	\$40,200	\$64,350
7 Persons	\$25,800	\$43,000	\$68,800
8 Persons	\$27,500	\$45,750	\$73,200

Source: Department of Housing and Urban Development (Based on the 2012 Median Income for Metro Atlanta (\$69,300))

Assisted Rental Housing Inventory

Below are the housing categories served within the assisted housing inventory:

- **Family:** Housing serving the general population (as well as special needs households) with qualifying income.
- **Elderly:** Units designated for those at least 62 years of age (or in some instances, 55 years and older identified as “nearly elderly”).
- **Disabled:** Housing units servicing households where one or more person has a physical or mental disability.
- **Homeless:** Housing assistance for the homeless.

As part of the public housing inventory, the Atlanta Housing Authority (AHA) directly maintains and operates 1,900 units in 13 AHA-owned developments, while administering oversight and monitoring of available public housing in several other programs, with a total of approximately 21,000 housing units. The following table provides an inventory of the number and type of AHA Public Housing and City of Atlanta Assisted Rental Housing available to the low to moderate income residents.