



# **Gwinnett County** **Comprehensive** **Housing Study** **2022**



**March 28, 2022**





## **Gwinnett County Comprehensive Housing Study**

### **Credits and Acknowledgments**

#### **Gwinnett County Board of Commissioners**

- Nicole Love Hendrickson, Chairwoman
- Kirkland Carden, District 1 Commissioner
- Ben Ku, District 2 Commissioner
- Jasper Watkins III, District 3 Commissioner
- Marlene Fosque, District 4 Commissioner

#### **Gwinnett County Planning and Development Staff**

- Susan Canon, Director
- Matthew Dickison, AICP, Assistant Director
- Cyndi Sloan, Planning Division Director

#### **Housing Study Working Group**

- Glenn Stephens, County Administrator
- Maria Woods, Deputy County Administrator
- Roman Dakare, Economic Development Director
- Theresa Cox, Deputy County Attorney

#### **Planning Advisory Committee**

- Erik Osetkowski
- James Pugsley
- Gabrielle Cazeau
- Catherine Long
- Logan Witter
- Rebecca Shelton
- Tai Yi Su
- Rick Reagan
- Srinivas Jalla
- Daniel Piotrowski
- Vince Edwards
- Antonio Liu
- Shannon Candler
- Regina Miller
- Jeremy Vanoy
- Carion Marcelin
- Roman Dakare
- Russell Royal

#### **Housing Study Consultant Team**

##### **KB Advisory Group**

- Geoff Koski, President
- Jonathan Gelber, Vice President & Project Director
- Alex Seidenberg, Project Lead

##### **Pond & Company**

- Eric Lusher, AICP Director of Planning
- Lauren Blaszyk, AICP Project Manager
- Rebecca Hester, Senior Planner
- Johnathan Corona, Planner II

#### **Community Partners**

- City of Auburn
- City of Berkeley Lake
- City of Braselton
- City of Buford
- City of Dacula
- City of Duluth
- City of Grayson
- City of Lawrenceville
- City of Lilburn
- City of Loganville
- City of Norcross
- City of Peachtree Corners
- Town of Rest Haven
- City of Snellville
- City of Sugar Hill
- City of Suwanee
- Braselton CID
- Evermore CID
- Gateway85 CID
- Gwinnett Place CID
- Lilburn CID
- Sugarloaf CID
- Gwinnett County Chamber of Commerce
- Partnership Gwinnett
- Northeast Atlanta Metro Association of Realtors
- Atlanta Apartment Association
- Gwinnett County Public Schools
- Enterprise Community Partners
- Gwinnett Habitat for Humanity
- HomeFirst Gwinnett
- United Way
- Buford Housing Authority
- Gwinnett Housing Corporation
- Lawrenceville Housing Authority

## **Gwinnett County Board of Commissioners**

### **Vision, Mission, & Values**

#### **Vision**

Gwinnett is the preferred community where everyone thrives!

#### **Mission:**

Gwinnett proudly supports our vibrantly connected community by delivering superior services.

#### **Values**

- **Integrity:** We believe in being honest, building trust, and having strong moral principles.
- **Accountability:** We believe in stewardship, transparency, and sustainability.
- **Equity:** We believe in fairness and respect for all.
- **Inclusivity:** We believe in engaging, embracing, and unifying our communities.
- **Innovation:** We believe in continual adaptation of technology, process, and experience.

Table of Contents

<b>Executive Summary</b>	<b>1</b>
<b>Introduction</b>	<b>11</b>
<b>Community Housing Priorities</b>	<b>15</b>
<b>Review of Existing Housing Plans and Policies</b>	<b>23</b>
<b>Trends Driving Housing Demand</b>	<b>37</b>
<b>Baseline Conditions</b>	<b>47</b>
<b>Housing Demand Forecast</b>	<b>109</b>
<b>Housing Gap Analysis</b>	<b>127</b>
<b>Emerging Themes and Strategies</b>	<b>137</b>







# Executive Summary

## Executive Summary

### Housing Study Overview

#### Purpose

The purpose of this Comprehensive Housing Study is to deliver data-driven analysis and findings to decision-makers in Gwinnett County. The 2040 Unified Plan, which provides a blueprint for the county's growth and development over the next two decades, recognized the need to study Gwinnett County's housing inventory and housing needs to guide future planning efforts. Developed in close collaboration with Gwinnett County staff, leadership, and community partners, this study presents a clear picture of current housing assets and future housing needs. It also offers a range of solutions to address the critical housing issues that will challenge Gwinnett in the coming years and decades.

#### Project Process and Oversight

This study was initiated in August 2020. An internal Project Management Team composed of Gwinnett County Planning and Development Department members managed the study process. In addition, an Internal Project Advisory Committee, consisting of members from various County Departments, reviewed draft findings and deliverables.

The Project Management Team and the Project Advisory Committee confirmed three major objectives for this Housing Study, including:

- To identify the essential characteristics of Gwinnett's housing inventory, demographics, and housing needs;
- To deliver data-driven findings regarding housing supply and demand in Gwinnett to the Board of Commissioners; and
- To analyze housing-related data and findings in a way that helps Gwinnett provide safe and diverse housing opportunities to meet the needs of current and future residents.

#### Community Priorities

This Housing Study is the product of extensive coordination with experienced decision-makers and partners in the Gwinnett housing community. The process involved a wide range of perspectives, identifying established community goals, and verifying trends and issues revealed by data and research.

The study team conducted an extensive series of interviews and conversations with a wide range of Gwinnett's housing partners to expand the team's understanding of the supply, demand, management, operations, and regulation of housing in Gwinnett County. These stakeholders included:

- Gwinnett Municipalities and Community Improvement Districts (CIDs);
- Nonprofits and Service Providers;
- Housing Authorities; and
- Community and Business Partners.

#### Review of Existing Housing Plans and Policies

Most of the community housing priorities that shape this study were articulated through the extensive community planning process that resulted in the Gwinnett 2040 Unified Plan. Adopted in February 2019, this plan serves as the County's official Comprehensive Plan. It considers the interrelated nature of several key community elements, including infrastructure, economic development, land use, and housing. The role of housing in the community is a constant thread throughout the Unified Plan. It recognizes that broad changing nationwide trends in the housing marketplace have resulted in a much more complex housing environment, demanding increased attention and resources.

This study also builds upon a strong foundation of planning and visioning studies from Gwinnett's municipalities. It was essential to understand and incorporate the vision and findings of those plans and studies into this housing assessment.

This study also builds upon Gwinnett's municipalities' strong foundation of planning and visioning studies. Plans reviewed include:

- Six Countywide plans, including Gwinnett County's 2040 Unified Plan;
- 14 local comprehensive plans completed between 2018 and 2020; and
- 16 corridor studies, downtown, town center, or small area plans.



## Executive Summary

### Trends Driving Housing Demand

Demand for housing is driven by demographic cycles. Most of the time, decisions to change homes- whether to move out on one's own, buy or rent a new home, or move to a different home- are driven by major life milestones like births, marriages, and graduations.

The Gwinnett County that we see today was largely shaped by the demographic, social, and economic trends that defined American growth in the 1970s, 1980s, and 1990s. Over the last 20 years, the United States has begun to see significant shifts in the trends that drive housing development.

Changes to how people choose to marry and have children, changes to health care and longevity, changes to the workplace and economic environment, and external factors have redefined the way people around the world, and in Gwinnett County, think about housing. The next 20 years of housing will be very different from the last 50.

#### Families

Compared to previous generations, people today are waiting much longer to form family households. They are also more likely than previous generations to choose not to get married or have children. Some of these shifts include:

- **Marriages:** Since 1960, the average age of first marriage in the United States has increased from 20 to nearly 28 years old for women and 23 years old to almost 30 years old for men.
- **Births:** The mean age of mothers in the United States at first birth has increased substantially from 21.5 in 1970 to 27.8 in 2018.

#### Aging

Gwinnett's population is aging. The aging of the large Baby Boomer generation, aged 58 to 76 in 2022, along with improved health and longevity, will have an enormous impact on population distribution. The 2020-2040 population forecast shows that all age groups are going to expand, but that growth will be the most dramatic among older residents, including:

- From 2020 to 2040, the 65+ age group will increase from 11% to 21.5% of Gwinnett's total population.
- The 80+ age group will increase nearly five-fold, from 21,000 to 99,000.

#### The Economy

It is more complicated and difficult than it used to be for people, especially young and lower-income people, to save for down payments and qualify for mortgages. Factors impacting access to home finance include:

- Rapidly increasing home prices since 2011;
- Modest real wage growth for the past 20 years;
- Tighter lending standards; and
- Reduced household savings.

Personal debt in the U.S., led by burgeoning student loan debt, has increased from \$200 billion to \$1.5 trillion in less than 20 years. This debt makes it harder for young people to save for down payments and qualify for mortgages.

#### Housing Supply Challenges

For more than ten years, the United States has not been producing enough housing to meet nationwide demand. This has led to a chronic under-supply of housing nationwide.

These demographic, economic, and consumer shifts have combined to create demand for housing that is fundamentally different from the past.

These shifts in the housing market will be a major consideration in modeling the future demand for housing in Gwinnett. The decisions households and individuals make over the next 20 years are likely to be significantly different than those of past decades.

Gwinnett County will likely see:

- Fewer large, single-family, owner occupied homes;
- More households without children;
- More small households (one or two people);
- More demand for rental homes;
- More interest in towns, mixed-use areas, and walkable development; and
- More demand for affordable and workforce housing.

## Executive Summary

### Baseline Conditions

#### Population

Gwinnett's population has transformed dramatically over the past 50 years. In 1970, Gwinnett had 73,664 residents; today, Gwinnett has 957,062 residents.

#### Employment

In 2020, an estimated 362,650 jobs were located in Gwinnett County. Overall, Gwinnett County's employment sectors are diversified and well-rounded, offering robust opportunities across a wide range of sectors, skill levels, and wages.

#### Housing Growth

Gwinnett County began as a sparsely populated rural community, with an estimated 12,000 housing units in 1960. Next came 40 years of consistent, strong housing growth to accommodate a dramatic surge in population. During the 1970s and 1980s, at the peak of this growth pattern, annual housing growth topped 9%.

Through the 1980s, 1990s, and 2000s, Gwinnett added approximately 8,000 net new housing units each year. This housing boom was disrupted by the 2008 economic recession. The decade of 2010-2020 produced an average of just 3,620 new housing units per year, less than half that of decades prior.

#### Housing Inventory

Gwinnett County currently has 330,583 housing units, including:

- Nearly 230,000 single-family detached homes (69%);
- Over 15,000 (5%) townhomes;
- Over 61,000 (21%) apartments and small multifamily rental units; and
- 8,720 other units, including mobile homes, RVs, senior housing, and other unconventional housing types.

#### Age of Housing

The first generation of Gwinnett's homes are now reaching maturity. Increased demand for homes, combined with diminishing vacant land for new home construction, will accelerate the replacement of obsolete homes in coming decades.

Gwinnett has more than 137,000 housing units that were built before 1990. These units will be more than 50 years old by 2040 and will become ripe for replacement, renovation, or redevelopment over the next 20 years.

#### Housing Costs

Home prices and rental rates have increased 50% since 2010. The past two years have seen particularly sharp increases in both home sale prices and rental rates. Virtually no new housing units are being built that are affordable to households earning \$50,000 or less annually, which represents approximately 1/3 of Gwinnett's households. At the same time, rising prices and low supply of new housing units have made many existing historically lower-cost housing units more expensive and less attainable.

#### Gwinnett Housing Units by Type, 2020

Housing Units by Type	Gwinnett County Total
<b>Single-family</b>	
Single-family	229,607
Townhome	15,351
<b>Multifamily</b>	
Duplex, Triplex, Quadraplex	6,651
Apartment	61,443
Condominium	8,811
<b>Other</b>	
Mobile Home & RV	3,423
Senior & Special Needs	5,297
<b>Total</b>	<b>330,583</b>



## Executive Summary

### Housing Demand Forecast

A housing demand forecast model was developed to understand and forecast the dynamics of Gwinnett County's housing needs over the coming decades.

The housing demand forecast model is based on Gwinnett County's demographic profile which includes data such as mortality, age of householder, household income, housing type, tenure (owner or renter), household size, propensity to move, and other demographic and housing characteristics.

The demand forecast model projects future household growth and housing demand based on a population forecast of 1,425,000 Gwinnett County residents in 2040. This forecast is derived by averaging two population forecast scenarios: The Gwinnett 2040 Unified Plan forecast of 1.56 million in 2040 and a continuation of Gwinnett's average 2000-2020 growth pattern, which places the 2040 population at 1.29 million.

The model predicts that Gwinnett County (including all municipalities) is forecast to experience demand for over 15,000 new or replacement housing units per year, on average, over the next 20 years.

In terms of unit type, this means Gwinnett is forecast to experience average annual demand for:

- Over 8,900 single-family detached homes;
- Nearly 2,800 townhomes; and
- Over 3,300 multifamily housing units.

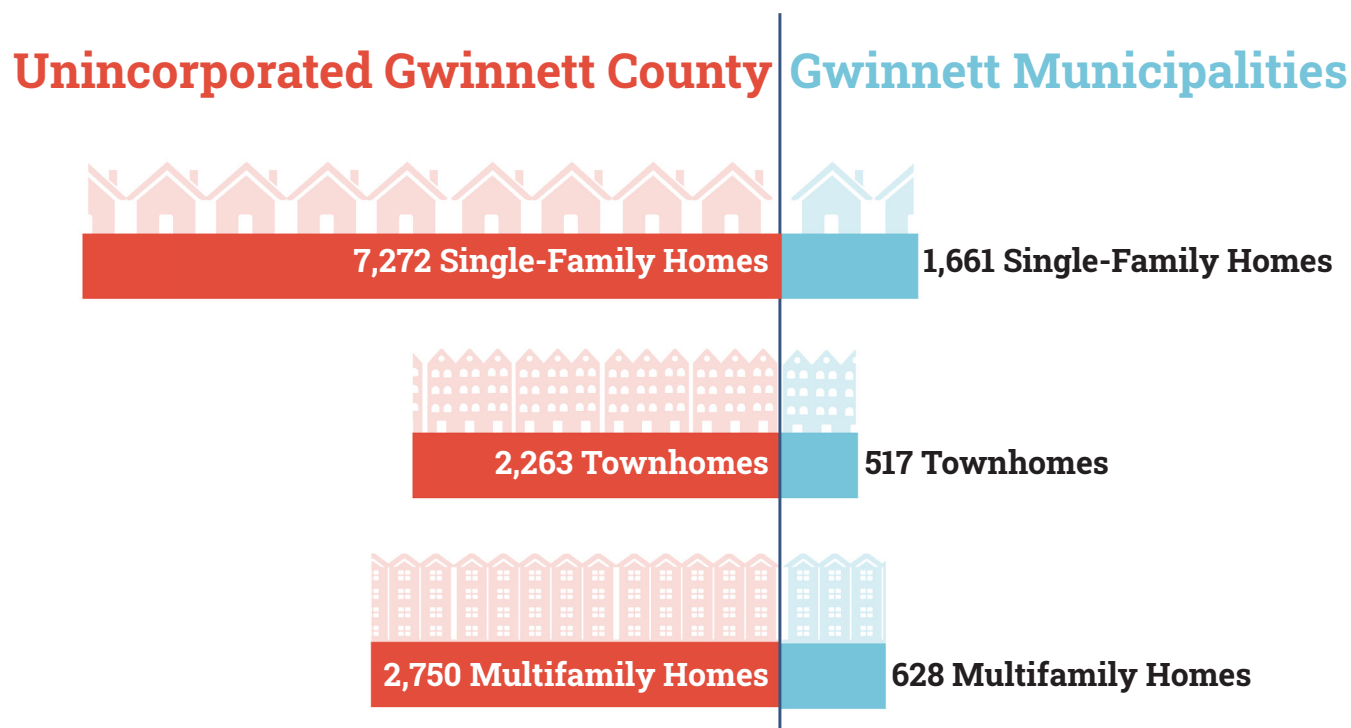
The demand model forecasts that unincorporated Gwinnett County alone will experience an average annual demand for over 12,000 new and replacement housing units.

In terms of unit type, Gwinnett County (including all municipalities) is forecast to experience average annual demand for:

- Over 7,200 single-family detached homes;
- Over 2,200 townhomes; and
- Over 2,700 multifamily housing units.

Based on this forecast, unincorporated Gwinnett County will capture 81% of all Gwinnett County demand.

#### Average Annual Housing Demand: Unincorporated Gwinnett and Gwinnett Municipalities, 2020-2040



## Executive Summary

Overall demand for housing units in Gwinnett County comes from two sources, including:

- **Replacement housing units:** housing units that replace existing units.
- **Net new housing units:** housing units that increase the overall number of housing units in the county.

Counts of **total housing** unit demand in this study include both replacement housing and net new housing units.

The housing demand model forecast of 15,091 total housing units annually in Gwinnett County includes:

- 5,383 replacement housing units (36% of all units) and
- 9,708 net new housing units (64% of all units).

It is essential to track both of these sources of housing demand for the following reasons:

- Most metrics used to count housing units, such as building permits or housing starts, account for all housing units regardless of whether they are replacing an existing unit.
- When planning for the impact of new housing units

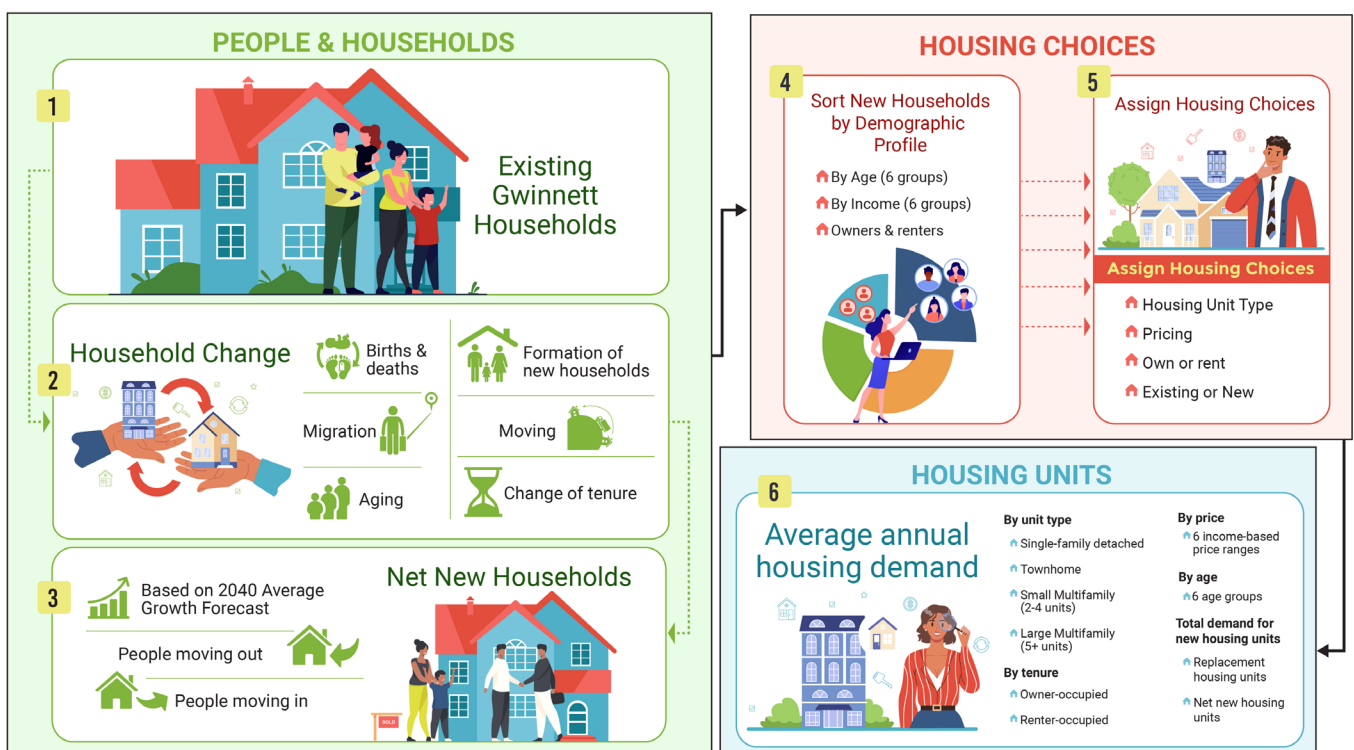
on infrastructure and public services only net new housing units should be considered.

The demand forecast also includes detailed analysis and tables that break down demand by age, income level, household type, and municipality.

### Important Note

- This housing demand forecast does not represent requirements or recommendations that any particular amount of housing should be built or permitted. It is only an analysis of supply and demand based on assumptions.
- This housing demand forecast represents all housing units, not just net new housing units.
- This housing demand forecast is based on recent demographic, social, and economic trends that could change in the near or distant future.
- This housing demand forecast does not consider any new policies or other programs the County might introduce that could impact overall future demand.

### Schematic of the Gwinnett County Housing Demand Model



## Executive Summary

### Housing Gap Analysis

The housing gap analysis considers the difference between housing supply and housing demand. Questions addressed include:

- How many new housing units will likely be built each year (including net new and replacement housing units)?
- What types of housing units will likely be built?
- At what price points will they likely be sold or rented?
- What type and price of housing will be demanded by Gwinnett's future households 2020-2040?

#### Housing Supply

In Gwinnett County, like most of the United States, the supply of new housing has been constrained since 2007. Housing supply in Gwinnett County has dropped from approximately 8,000 housing units per year (annual average over 30 years from 1980 to 2010) to 3,560 units per year. These 3,560 units per year were composed of the following:

- 63% single-family detached homes;
- 15% townhomes; and
- 22% multifamily units.

In terms of affordability, Gwinnett's annual housing supply breaks down as follows:

- 39% priced for higher-income households;
- 59% priced for middle-income households; and
- 2.5% priced for lower-income households.

#### Housing Demand

Based on the forecast model, Gwinnett County can expect to see annual demand for approximately 15,000 new housing units per year (replacement and net new), on average, over the next 20 years.

In terms of unit type, this includes average annual demand for:

- Nearly 9,000 single-family detached homes (59%);
- Nearly 2,800 townhomes (18%); and
- More than 3,300 multifamily units (22%).

In terms of household incomes and housing affordability, annual demand breaks down as follows:

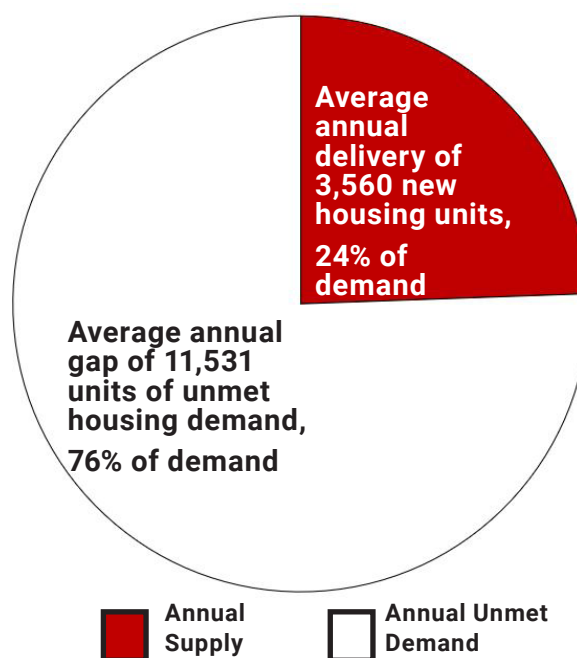
- 40% for higher-income households;
- 32% for middle-income households; and
- 28% for lower-income households.

#### Housing Gap

Gwinnett is showing a significant mismatch between demand for housing and the supply of new housing units delivered.

The demand model predicts that current and future Gwinnett residents would buy or rent over 15,000 new housing units each year if they were provided at attainable prices for those buyers and renters.

Over the past ten years, Gwinnett's housing market has delivered an average of just 3,560 new housing units each year, meeting just 24% of demand.



The gap between demand and supply is most stark in terms of the relationship between household incomes and the pricing of new housing units.

The current housing market is delivering just 2.1% of demand for new housing units that are affordable to households earning \$50,000 (which sell for \$150,000 or less or rent for \$1,250 or less). The housing gap is smaller but still significant for middle, and upper-income households, with 43% of middle-income demand met and 23% of higher-income demand met.

## Executive Summary

### Emerging Themes

Themes emerged from the data, research, analysis, and discussions that make up this Housing Study process. These themes define the housing challenges and opportunities Gwinnett will face over the next 20 years. Managing growth, adapting to housing demand, understanding supply constraints, expanding limited housing choices, and addressing aging housing stock will be the primary housing-related issues of the future. These themes will undoubtedly impact all Gwinnett residents in all areas and phases of life, both now and in the future.

#### Continuing Growth

Gwinnett County will continue to face intense population growth pressure over the next 20 years. The county is expected to grow by an estimated 450,000 new residents by 2040. Even though Gwinnett's growth rate is relatively low compared to the "boom years" between 1970 and 2000, the population growth is just as significant in terms of absolute numbers. The growth of both residents and housing units will add corresponding demand for infrastructure and services.

#### Increased Housing Demand

Gwinnett will see demand for approximately 15,000 new housing units per year over the next ten years. Demand for single-family detached housing will remain strong, particularly for upper-middle and upper-income level households. As land becomes scarcer and more expensive, it will become more difficult for the market to continue to deliver housing based on Gwinnett's historic suburban development patterns.

#### Limited Housing Choices

Changing housing trends, particularly smaller households and lower-income households point toward demand for an increasingly diverse assortment of housing types. In many places in the United States including Gwinnett County, long-standing zoning and land use regulations, building codes, community opposition, economic conditions, and other factors combine to channel housing production into just a few types: single-family detached homes, townhomes, large apartment communities, and senior housing communities. Many housing types, commonly referred to by the collective term "Missing Middle Housing," are not produced in Gwinnett in significant numbers. These housing types could potentially provide a more diverse housing inventory

#### Aging Housing Stock

The rehabilitation and replacement of Gwinnett's aging housing stock is a concern that will become more urgent with time. 35% of future housing demand will come from replacing existing, aging, and potentially physically or economically obsolete housing units. While these units will not necessarily add further demand on County infrastructure and services, they must be accounted for in terms of their impact on planning, zoning, and permitting.

#### Rising Housing Prices and Affordability

Access to and supply of affordable and workforce housing is the single biggest housing issue that Gwinnett faces. Since 2015, costs among all housing types in Gwinnett have risen rapidly. New housing in Gwinnett is priced primarily toward the middle and upper end of the income spectrum. Rising housing costs, and a limited supply of new lower-cost units, have resulted in an acute housing shortage for households earning less than \$50,000 per year. As moderate and lower-income household demand grows in the coming years, and few new lower-cost units are added, access to affordable and workforce housing will become even more limited.

### Strategies

The housing market is complicated and responds to a wide range of economic, fiscal, social, and regulatory stimuli. Some of these stimuli can be influenced or managed locally by Gwinnett County, while most can not. Most national economic and demographic factors are out of the purview of Gwinnett County. Some issues can be improved or influenced by Gwinnett County indirectly through priorities, subsidies, or support programs. Other issues, such as zoning and land-use policy, fall directly under the purview of the County.

The strategies that follow can address the housing issues faced by Gwinnett County. They involve various levels of administrative, financial, and regulatory commitments. These strategies have been deployed successfully by other governments in the United States facing similar housing issues. Gwinnett County elected officials and staff should consider adopting some or all of these strategies to address the issues identified in this study.



## Executive Summary

### Strategies

#### **Strategy 1: Establish Gwinnett County housing goals and priorities.**

- The first step towards defining strategies, policies, and investments to address Gwinnett's housing future is to establish community housing goals and priorities.
- These goals and priorities will set the framework for all subsequent strategies to address the County's future housing opportunities and challenges.

#### **Strategy 1: Support and develop organizational infrastructure.**

- Enhance the number and organization of Gwinnett County staff dedicated to housing issues and programs.
- Organize an inter-jurisdictional countywide housing task force.
- Expand the scope of the Gwinnett Housing Authority.
- Consider refining the scope and focus of the County's existing authorities.

#### **Strategy 2: Review current zoning and land use regulations for potential housing related amendments.**

- Identify and reduce barriers to affordable and "Missing Middle Housing" construction.
- Identify and reduce regulatory and approval barriers to housing development where deemed appropriate through comprehensive planning.

#### **Strategy 3: Leverage public land ownership and development priorities to promote affordable and workforce housing.**

- Explore the use of a land bank or community land trust to promote housing priorities including affordable and workforce housing.
- Leverage public land ownership and regulatory control in major public development initiatives to promote housing priorities.
- Develop programs to incentivize market-rate, workforce, and affordable housing development in strategic locations.
- Prioritize public expenditure on public infrastructure projects that support housing priorities.
- Link public grants, subsidies, and abatements to housing priorities.
- Incentivize housing development in targeted redevelopment areas.

- **Strategy 4: Expand housing affordability to improve access to housing for low and moderate-income households.**
- Identify and address regulatory barriers to affordable housing development.
- Consider waiving fees, expediting permitting processes, or offering density bonuses for projects that support housing priorities.
- Partner with development authorities to implement or incentivize projects that support housing priorities.
- Subsidize and prioritize housing (both market-rate and affordable) in areas where higher intensity development is encouraged.
- Create and fund a housing opportunity bond for programs that expand access to housing.
- Work with the Georgia Initiative for Community Housing (GICH) to develop and manage programs that expand access to housing.
- Provide access to educational resources to help individuals and families manage housing issues and access housing programs and resources.
- Provide grants, loans, TAD funding, or other funding through development authorities for projects that support housing priorities.

#### **Strategy 5: Preserve and maintain Gwinnett's existing affordable and lower-cost housing stock.**

- Identify properties in need of rehabilitation.
- Support rehabilitation of sub-standard housing and provide funding and coordination for rehabilitation programs.
- Enhance code enforcement capacity.

#### **Strategy 6: Sponsor and support housing stability.**

- Assist low-income homebuyers with down payment assistance and closings costs.
- Consider policies to address non-income-based barriers to housing accessibility.
- Increase access to housing for unhoused individuals.
- Monitor the activities of institutional investors in the single-family rental market.
- Monitor extended stay motels and address public safety issues.







CHAPTER

# 1

# INTRODUCTION



## Gwinnett County Comprehensive Housing Study

### Introduction

The purpose of this Comprehensive Housing Study is to deliver data-driven analysis and findings to elected officials and decision-makers in Gwinnett County. The 2040 Unified Plan, which provides a blueprint for Gwinnett's growth and development over the next two decades, recognized the need to study the county's housing inventory and housing needs to guide future planning efforts. Developed in close collaboration with Gwinnett County staff, leadership, and community partners, this plan presents a clear vision of current housing assets and future housing needs. It also offers a range of solutions to address some of the critical housing issues that will challenge Gwinnett in the coming years and decades.

Metropolitan Atlanta has grown rapidly and steadily since the 1970s. This growth appears in new residents, new jobs, new roads and freeways, new stores, restaurants, and shopping centers, and most importantly for this study, new homes and households. Much of this growth has happened so rapidly that it has challenged the region's ability to keep up. The County must plan and manage growth carefully to ensure that the quality of life and public services remain sustainable and equitable.



This Housing Study primarily relies on local and regional growth. However, it also incorporates several complicated and dynamic national and regional trends to forecast future housing needs. In recent years, exploding housing costs have taken center stage in Gwinnett, the Atlanta Region, and nationwide. Home prices in Gwinnett County have increased 22% over the last 12 months alone, while wage growth has not kept pace. Readily developable land in Gwinnett has become scarcer, which contributes to increases in land prices. National economic and fiscal trends and issues also contribute to an unstable and higher-cost housing market. Institutional investors have entered the market for single-family homes and have made the home-buying process much more complex, competitive, and costly for individual buyers.

At the same time, households and lifestyle preferences are changing. People are getting married later, having children later (or not at all), and rethinking the balance and relationship between work and home. Millennials, the largest generation and the generation currently entering the housing market for the first time, are facing rising student debt, a changing job market with more reliance on the "gig economy," and real wages that have not kept up with inflation since the 1970s.



**Gwinnett County Board of Commissioners**



This potent mix of rapidly changing housing market dynamics was already complicated and beset with challenges when this study commenced in mid-2020. Since that time, the global COVID-19 pandemic entered the mix, fundamentally altering much of our economic and social behavior. The pandemic continues to impact the national and global economy and local housing markets in a variety of ways, including volatile construction prices, disturbances in supply chains, labor shortages, and dramatic interruptions in the way we live, work, and engage with our communities. The Atlanta Region saw dramatic job losses at the beginning of the COVID-19 pandemic, which contributed to housing instability and impacted local spending, education, government budgets, and other areas.

Because of this confluence of factors, the spotlight on housing has never been brighter. Housing is inextricably linked to jobs, economic development, public health, educational opportunities, environmental impacts, transportation, the built environment, and a community's overall resilience and strength. The National Institute of Health often cites zip codes as the most significant determinant of health, educational, and income-based outcomes, which underlines the paramount role of housing on neighborhood stability. Housing choices have dramatic systemic impacts: housing choices determine whether someone drives 30 minutes to work or walks 10 minutes. That choice impacts transportation infrastructure, where someone's child attends school, how much pollution exposure a household experiences, and whether families can sleep soundly at night knowing they have a roof over their head.

Housing is an often-overlooked but essential element of our community infrastructure. A healthy housing market is as crucial to the functioning of Gwinnett County as roads, sewer and water connections, electricity, schools, and emergency services. Housing and households are fundamental to these other elements of infrastructure— a community cannot plan for one without planning for the other. Schools depend on the housing stability of their students, just as a family depends on the stability of the local schools to supply education and maintain property values. Maintaining a healthy, functional housing market that is accessible to all Gwinnett County residents is crucial to the present and future of the county. This Comprehensive Housing Study will present the data, analysis, and tools to empower Gwinnett's elected officials, staff, and partners to better understand and address these challenges.





CHAPTER

2

Community  
Housing  
Priorities



## Community Housing Priorities

### Introduction

This Housing Study is the product of extensive coordination with experienced decision-makers and partners in the Gwinnett housing community. This process involved coalescing a wide range of perspectives with established community goals, and verifying trends and issues revealed by data and research.

The results of that process, documented in this chapter, reveal a community that is predictably diverse in its perspectives yet unified on many key priorities. These partners universally recognize the role of housing in producing desirable economic development and quality of life outcomes and the inherent opportunities afforded to residents of the Gwinnett community.

#### **Gwinnett County Housing Study Project Advisory Committee**

- Department of Planning and Development
- Office of Economic Development
- Department of Community Services
- Department of Transportation
- Department of Water Resources
- Department of Financial Services
- Health and Human Services
- Law Department

### Project Advisory Committee

The Gwinnett County Comprehensive Housing Study was developed under the direction and leadership of a Project Advisory Committee (PAC). The PAC actively participated in an advisory role to oversee the study's scope, progress, and results. The PAC included representatives from across Gwinnett County's administrative departments. The participating PAC members represented a range of perspectives that considered the many ways that housing and housing policy interact with all aspects of governance. This collaboration led to a cohesive agreement and understanding of Gwinnett County's goals, visions, and ideal outcomes for this Housing Study.

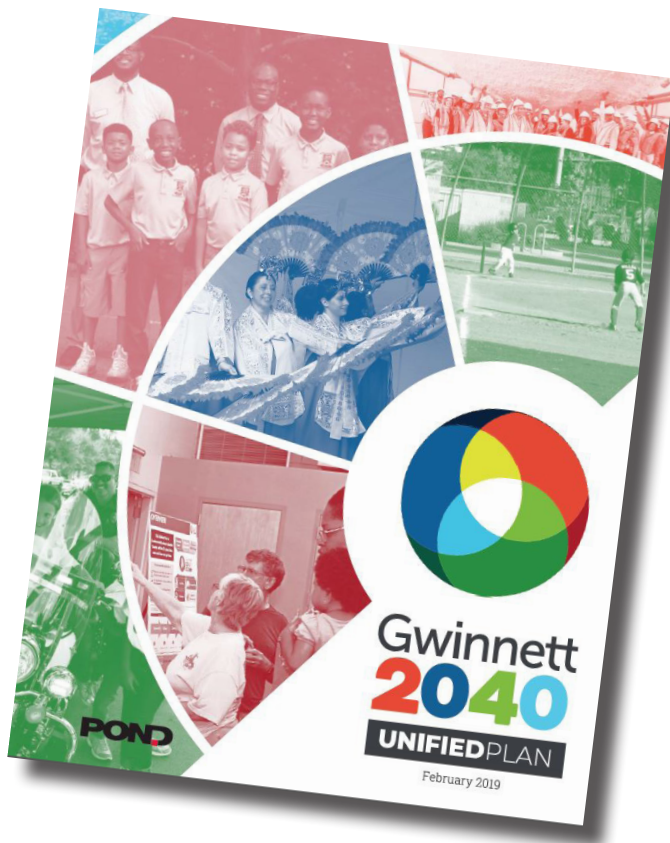
The committee identified several common goals and themes to guide the housing study process:

- Ensure that housing policies, approaches, and solutions are consistent with the Gwinnett 2040 Unified Plan, approved in 2019. This planning process involved comprehensive and extensive public participation that coalesced into a clear and concise set of community-wide values and preferences related to housing;
- Ensure that data and findings related to future housing growth, supply, demand, and conclusions coordinate with public infrastructure planning, funding, and programming;
- Provide housing for a diverse range of households in a way that upholds principles of dignity, equity, and inclusion;
- Manage and accommodate future housing demands and needs, while ensuring the highest quality of life for existing neighborhoods and residents;
- Seek cost-effective strategies to ensure access to safe and accessible housing for all Gwinnett residents.

The PAC reviewed the plan before presenting it to Gwinnett County elected officials. In doing so, the committee acknowledged and confirmed that the study furthers the County's collective vision and goals related to housing.

## Gwinnett 2040 Unified Plan

Most of the community housing priorities that shape this study were articulated through the extensive community planning process that resulted in the Gwinnett 2040 Unified Plan. Adopted in February 2019, this plan serves as the County's official Comprehensive Plan. It considers the interrelated nature of several key community elements, including infrastructure, economic development, land use, and housing. The role of housing in the community is a constant thread throughout the Unified Plan. The 2040 Plan recognizes Gwinnett's increasingly diverse population, the aging of the first waves of single-family homes, and dwindling available land for greenfield development. It also recognizes broad changing nationwide trends in the housing marketplace have resulted in a much more complex housing environment demanding increased attention and resources.



One of the five overall themes that emerged from the Gwinnett 2040 Unified Plan is *"Provide More Housing Choices."*

This simple concept is enhanced by high-level goals that include:

- Promote policies that encourage housing for all income levels and phases of life;
- Expand rehabilitation assistance to homeowners; and
- Expand senior housing options.

The 2040 Unified Plan focuses on the relationships between housing and several other elements of the plan, most notably the Land Use section. This section provides a Future Development Map to identify generalized areas within the Gwinnett County as appropriate for different types of housing, including:

- **Estate Living Areas** focus on preservation of low intensity, typically single-family residential development.
- **Established Neighborhoods** are generally suburban and consisting of mostly single-family residential development.
- **Vibrant Communities** are areas identified specifically for their opportunities to include a broader mix of housing types, income levels, and phases of life due to some combination of redevelopment potential or adjacency to commercial activity areas.
- **Activity Centers** of varying levels of regional, community, or neighborhood importance and intensity that envision areas where mixes of land use types are encouraged.

## Data Verification Interviews

Much of the knowledge and information of how housing works in the County is held by Gwinnett's many public-sector, private-sector, and nonprofit community partners who work in all aspects of housing. The Housing Study team conducted an extensive series of interviews and conversations with a wide range of Gwinnett's housing partners to expand the team's understanding of the supply, demand, management, operations, and regulation of housing in the county. These stakeholders and partners represent four main categories based on their relationship to housing and its implementation in the community, as indicated below:

- Municipalities and Community Improvement Districts (CIDs);
- Nonprofits and Service Providers;
- Housing Authorities; and
- Community and Business Partners.

Through the data validation interview process, several common themes were voiced by multiple organizations from different perspectives. Every organization agreed that:

- Housing demand exceeds housing supply;
- Gwinnett could benefit from more affordable housing;
- Gwinnett could benefit from increased diversity of housing product options;
- Gwinnett's housing market is challenged by aging housing stock; and
- Many challenges could be addressed through changes in public policy and zoning.

Many organizations acknowledged that as Gwinnett becomes increasingly built out and available greenfield development opportunities diminish, it will be necessary to create opportunities for denser housing products to meet current and anticipated demand. The following pages summarize the various challenges and themes discussed with these organizations.

## Municipalities and CIDs

The planning team spoke with representatives from Gwinnett's municipalities (usually the City Manager, the Community Development Director, or both). The team also spoke with Community Improvement Districts (CIDs), who represent some of the county's primary commercial districts. CIDs are organizations funded by local businesses and property owners to provide an additional level of funding, oversight, and investment to enhance the physical, economic, and other characteristics of defined commercial areas. These discussions led to several consistent topics, discussions, and themes related to housing that are further described below.

### Issues Impacting Affordability

Every participant raised the issue of the lack of affordable and workforce housing, unstable pricing, and extreme competition in the housing markets in their communities. Many cited anecdotal cases of new construction homes starting in the \$350,000 price range and selling out quickly. Specific threats to housing stability cited include:

- Rising land costs;
- Rising costs of building materials;
- A shortage of trained construction workers;
- Investors purchasing homes as investment properties with cash competing against local homebuyers who need to rely on mortgage loans;
- Demand exceeding supply; and
- A lack of housing options.

The lack of housing products accessible to workers and residents with average or lower wages threatens economic stability. Several communities also noted that some of their residents perceive a negative connotation with apartments, rental housing, workforce housing, and affordable housing, and will often express concern when such products are proposed. Several respondents posited that "affordable" and "workforce" housing may exist, but they are often older and less desirable housing products.



### More Diverse Housing Stock

Many of the respondents in this group identified a need for a broader range of housing options, including:

- **"Missing Middle Housing"**– housing products that fall between traditional detached single-family homes and mid-rise apartment buildings, which include duplexes, accessory dwelling units, and smaller (fewer than 20 units) apartment buildings and condominiums, and other non-typical (but highly demanded) housing types.
- **Senior Housing**– housing for older residents that have limited options to relocate or downsize and remain in the community.
- **Affordable/Workforce Housing**– while each community had different definitions for what they constituted as “affordable” or “workforce” housing, there was a broad consensus that there is not enough supply of lower-cost housing.

### Permitting and Zoning

Many respondents cited the complicated role that permitting and zoning regulations and processes play in limiting or restricting the supply of housing. While respondents recognize the crucial role regulatory processes play, they also acknowledge that an adequate supply of affordable-priced housing is essential for a sustainable economy as well as for business attraction and retention.

### Young Professionals

Many respondents cited a desire to attract young professionals as a stabilizing economic force in their communities. In many cases, respondents cited planning and redevelopment initiatives, like downtown revitalization and associated amenities, as strategies to make their communities more desirable to young professionals and young families. Several mentioned that housing units and amenities targeted to attract young professionals are appealing to a much broader range of potential residents. Some communities suggested these efforts are often attractive to retirees and empty-nesters who often have more purchasing power than younger households.

### Old versus New

Respondents reported that many longer-term (and older) residents tend to be more skeptical of additional development with particular concern regarding density and multifamily housing. In general, this dynamic appears to play out more often in communities currently experiencing strong housing growth.

### Municipalities and CIDs

- City of Auburn
- City of Berkeley Lake
- City of Braselton
- City of Buford
- City of Dacula
- City of Duluth
- City of Grayson
- City of Lawrenceville
- City of Lilburn
- City of Loganville
- City of Norcross
- City of Peachtree Corners
- Town of Rest Haven
- City of Snellville
- City of Sugar Hill
- City of Suwanee
- Braselton CID
- Evermore CID
- Gateway85 CID
- Gwinnett Place CID
- Lilburn CID
- Sugarloaf CID

## Nonprofits and Service Providers

The Housing Study team met with representatives from community and nonprofit organizations that operate programs to improve access to housing for vulnerable communities. These respondents also highlighted consistent themes outlined below.

### Lack of Affordable Housing

The number one issue cited by the nonprofit and service providers was a lack of affordable housing. According to these organizations, housing prices have increased beyond the range of typical affordable or workforce housing criteria, and new construction cannot provide housing at price points attainable to lower-income households. In addition, some respondents reported that affordable housing developers have been less active in Gwinnett. Instead, they appear to be focusing on surrounding communities with more available and affordable land.

### Aging Housing Stock

Many respondents identified aging housing stock, a form of “naturally occurring” affordable housing, and purpose-built-affordable housing as a significant challenge. Much of this housing stock is prohibitively costly to rehabilitate due to issues such as asbestos, lead paint, cinder block walls, and failing plumbing systems. Several respondents cited code violations in older neighborhoods as a major issue as well.

### Housing Instability and Homelessness

Housing instability and homelessness in Gwinnett is an increasing challenge. Extended stay hotels are emerging as an inherently flawed stop-gap solution. For those suffering from housing instability or homelessness, it is very challenging to escape the cycle of living in an extended stay hotel due to the lack of transitional housing programs and resources that provide stability to address issues that allow people to become self-sufficient.

#### Nonprofits and Service Providers

- Enterprise Community Partners
- Gwinnett Habitat for Humanity
- HomeFirst Gwinnett
- United Way
- Gwinnett County Public Schools
- Gwinnett County Community Services

Other notable, inter-related challenges cited are a lack of reliable transportation to connect to jobs, the high cost of land prices and construction material, and the impact of transient families on local schools.

### Policy and Zoning

Several organizations cited challenges with various development regulations in Gwinnett County and Gwinnett’s municipalities as a deterrent to providing more affordable housing products. For instance, one organization referenced a municipal residential zoning district that requires a minimum of 1,600 square feet of livable spaces with interior garages and brick siding. The concern is that these requirements push the pricing of residential units well beyond an affordable price-point.

Zoning restrictions, such as these, force nonprofits and service providers to rethink approaches to housing services, and seek outside funding for development to make up the affordability gap.

## Housing Authorities and Agencies

The planning team met with Housing Authorities and agencies within Gwinnett County. The following themes emerged from their discussions:

### Maintaining Quality Housing

While Housing Authorities provide quality housing options, they face costly maintenance challenges with older housing stock. These 1950s-style developments are typically cinder block construction with substantial plumbing issues. In most cases, they are costly to rehabilitate and are not compliant with the Americans With Disabilities Act (ADA).

Housing Authority residents tend to prefer single-family homes to newly-built apartment buildings. It was also noted that most applicants for housing authority developments are elderly due to the lack of a pension or savings.

### Demand Exceeds Supply

The wait list for an applicant seeking a unit in a Housing Authority development can be two to three years. Some Housing Authority residents will choose not to participate in changing units because they do not

want to leave their neighborhood. The most significant current need is for low-income, two-to three-bedroom housing units for elderly residents and young families. These organizations cited a need for this housing to be affordable to households with less than \$30,000 in annual income in safe, dignified neighborhoods served by good schools. As previously stated, the lack of supply of affordable housing has forced some households to reside in extended stay hotels and motels. This housing instability becomes a complicated and costly cycle to escape. Half of Gwinnett County's renters are housing cost burdened, putting them at increased threat of homelessness from financial disruptions due to medical, family, or financial emergencies.

#### **Household Income versus Housing Cost**

New construction costs have dramatically increased due to land and material costs, and the uptick in prices results in an inadequate supply of affordable housing. Household income is not keeping pace with housing costs in the county, so people are moving further out of the Atlanta metro region, searching for affordable housing. The current real estate market is pushing out first-time homebuyers. New homeownership and Neighborhood Stabilization Programs help make affordable housing available for purchase to eligible low-to-moderate income homebuyers. Most households applying for these home buying programs earn around 50% AMI (area median income), which is considered very low income.

#### **Immediate and Long-term Housing Needs**

The Housing Authorities are actively working to discontinue the use of 1950s style cinder block housing and instead are moving forward with new developments that match contemporary community expectations (such as recently built craftsman-style homes for the 55+ community). These organizations cited a short-term need to provide for low- and middle-income workforce as Gwinnett's economy continues to bring more employment opportunities.

#### **Housing Authorities and Agencies**

- Buford Housing Authority
- Gwinnett Housing Corporation
- Lawrenceville Housing Authority

#### **Transitional Housing**

The Housing Authorities cited a need for transitional housing programs that provide stability while a household works to resolve whatever issues it needs to address to become more self-sufficient. For example, implementing a short-term rental program of two to three years would help stabilize families to get back on track. In the current housing market, it's a challenge to enter the market based on past evictions, lack of security deposits, or payments owed to a previous landlord. There is also a need for a safer alternative to extended stay hotels to provide emergency housing for 90 days or less, which would help reduce the housing instability cycle.

#### **Gwinnett Housing Authority.**

The Gwinnett Housing Authority is not a traditional project-owning authority that receives funds from the state and federal government, such as the Lawrenceville, Buford, and Norcross Housing Authorities. All of those municipal authorities have full-time paid staff, operate properties, and rely on HUD funds to carry out their mission.

The Gwinnett Housing Authority was created in 1982 as a financing vehicle. It owns no property, receives no County or State funding, and is an independent authority with no oversight from the Gwinnett County Board of Commissioners. It also has no dedicated staff or a physical office. Instead, it is managed by a consulting attorney. Its board is composed of 5 citizens appointed by the Board of Commissioners who serve on a volunteer basis. The Authority's primary mission is to enhance the supply of affordable housing in Gwinnett County by financing private developers who wish to build affordable, multifamily housing. The Authority does this through the issuance of tax-exempt nonrecourse bonds that must be approved by the Board of Commissioners. In exchange for tax-exempt financing, the private developer agrees to restrict the property to be occupied by persons earning below median income. Fees generated from these projects are used by the Housing Authority to issue grants to Gwinnett municipal housing authorities or affiliated nonprofits.

Due to their limited scope, the Gwinnett Housing Authority was not interviewed as part of this process.

## Community and Business Partners

Many businesses rely on the presence of housing units and households as a customer base to sustain their businesses. Therefore, economic development is directly related to housing and affordability. The Housing Study team spoke with the business community to engage individuals and organizations involved with housing development and leasing and meet with those representing the larger business community. The following observations emerged:

### Demand Exceeds Supply

Gwinnett County has a tremendously strong demand for housing from potential residents wanting to move to the county. First-time and traditional buyers are struggling to compete with cash offers from investors who are purchasing properties for the sole purpose of renting. Sales are happening so quickly that cash deals close before properties make it to the market.

### Shifts in Demand

Recent demographic and socioeconomic trends have shifted as younger households marry later and delay having children, reducing or delaying demand for single-family homes.

Respondents identified a need to provide housing at various price points, diversifying the housing product available to potential residents. If local zoning allowed smaller housing units and lot sizes, the private market would likely build these units to meet demand.

### Regulatory Environment

Respondents also cited local zoning regulations as a challenge, stating that developers, particularly those building multifamily or low-income housing, are required to apply for variances or re-zonings, a process that can often take one to two years. High, fluctuating material costs make it challenging to price new housing products, emphasizing the need for the price point of \$200,000 or less.

Additionally, reducing the time for permitting and zoning would help builders deliver housing more efficiently and effectively.

### Lack of Housing Options

As building lots have become more expensive, new developments of multifamily housing promoting a live-work-play experience have been successful in cities with established downtowns. A variety of multifamily, new-construction-assisted living, and townhomes exist in Gwinnett. As the costs of land, building materials, and labor continue to make construction more expensive, a noticeable trend is the development of smaller units with common space amenities but these popular downtown stacked flats are often significantly more costly. Business partners cited the role of restrictions and requirements for aesthetics among factors driving up costs.

Respondents also noted that Gwinnett County needs more housing for seniors. With seniors aging in place longer than before and many choosing not to down-size, the lack of inventory turnover makes it difficult for young families entering the market, particularly for those seeking single-family detached homes.

Alternative housing types such as condominiums and community living, which can be attractive to younger and smaller households, are not as prevalent in Gwinnett County. The development of a wider variety of housing products, beyond large-lot, single-family detached homes, townhomes, and garden apartment communities, may be well-received.

Many respondents also cited a need for housing near activity centers, where local service workers could find housing and reduce their need for transportation to work. Similarly, they also suggested that many Gwinnett residents and prospective residents desire pedestrian-oriented and mixed communities. Providing this level of quality of life is key in recruiting and retaining residents.

### Community and Business Partners

- Gwinnett County Chamber of Commerce
- Partnership Gwinnett
- Northeast Atlanta Metro Association of Realtors
- Atlanta Apartment Association





CHAPTER

# 3

---

## Review of Existing Housing Plans and Policies

## Current Plan Review

### Introduction and Overview of Themes

This study builds upon a strong foundation of planning and visioning studies from Gwinnett County and Gwinnett municipalities. It is essential to understand and incorporate the vision and findings of those plans and studies into this housing assessment.

This chapter is the result of a thorough review of comprehensive plans, transportation plans, transit plans, corridor studies, and downtown, town center, and small area master plans to assess established housing policies throughout Gwinnett County. Such policies and accompanying action items are the product of important planning processes in which community needs and opportunities were considered.

Collectively, Gwinnett County and its municipalities have created 36 plans since 2005, including:

- Six Countywide plans, including Gwinnett County's 2040 Unified Plan;
- 14 local comprehensive plans completed in 2018-2020; and
- Sixteen corridor studies, downtown, town center, or small area plans.

Most of Gwinnett's communities recognize the need to encourage a variety of housing options to meet the needs of the county's growing and diverse population, including housing for young professionals, workforce housing, persons with disabilities/special needs, and senior housing. Plans include redevelopment of existing, aging housing developments, infill housing, and mixed-use developments with residential components as strategies to meet current and future demand. Along with adding a variety of housing, they seek to protect established neighborhoods. Most communities seek to encourage homeownership and address substandard housing through code enforcement and/or state and federal grant opportunities and programs.



## Countywide Plans

### Gwinnett 2040 Unified Plan

Over the past several years, Gwinnett County has embarked on several infrastructure and regulatory plans (as indicated in the list below). The 2040 Unified Plan, adopted by the Board of Commissioners in February 2019, is intended to be an overarching document and plan that demonstrates how these efforts can support each other and acts as a framework for the continued success of Gwinnett County. Similarly, as the Unified Plan addresses the Georgia Department of Community Affairs (DCA) minimum planning standards, there is a focus on how these different plans support the County's overall vision. The other plans incorporated into the Gwinnett 2040 Unified Plan are:

- Destination 2040 Comprehensive Transportation Plan;
- Gwinnett Trails Master Plan;
- Sewer Master Plan 2050;
- Consolidated Plan (Housing); and
- Connect Gwinnett Transit Plan.

The Gwinnett 2040 Unified Plan identifies five themes that act as an overall framework to guide policies. Gwinnett relies on this framework for decision-making related to land use, fiscal health, transportation and infrastructure investments, and community amenities.

The Five Themes are:

1. Maintain Economic Development and Fiscal Health;
2. Foster Redevelopment;
3. Maintain Mobility and Accessibility;
4. Provide More Housing Choices; and
5. Keep Gwinnett a "Preferred Place."

#### Theme 1 – Maintain Economic Development and Fiscal Health

Gwinnett County's rapid population growth lends itself to rapid economic growth, which must be carefully considered to continue trending in a positive direction. Related policies include:

1. Promoting mixed-use, nodal development along major corridors;
2. Encouraging redevelopment of aging retail centers; and
3. Requiring new retail as part of mixed-use developments.

#### Theme 2 – Foster Redevelopment

The Gwinnett 2040 Unified Plan calls attention to areas which would benefit from redevelopment that would diminish substandard, underused, or vacant conditions. Related policies include:

1. Instituting a variety of redevelopment incentives and bonuses throughout the county;
2. Promoting higher intensity development in specific areas designated for mixed-use through rezoning and increasing infrastructure capacity;
3. Using Tax Allocation Districts (TADs);
4. Promoting shared infrastructure facilities; and
5. Allowing corner/neighborhood serving uses in defined residential nodes.

#### Theme 3 – Maintain Mobility and Accessibility

Traffic congestion is a regional issue that is also prevalent in Gwinnett County. Policies reinforced in this theme include supporting the recommendations and policies in the Connect Gwinnett Transit Plan and adopting and promoting land use policies that support recommendations and policies in the Destination 2040 Comprehensive Transportation Plan.

#### Theme 4 – Provide More Housing Choices

Preserving and expanding workforce housing within Gwinnett County through a variety of housing types and price ranges will help achieve the County's goals of reducing congestion and sustaining its economic base. The addition of the Vibrant Communities Character Area to the County's Future Development Map calls for a broad range of housing types to fit all incomes and phases of life.

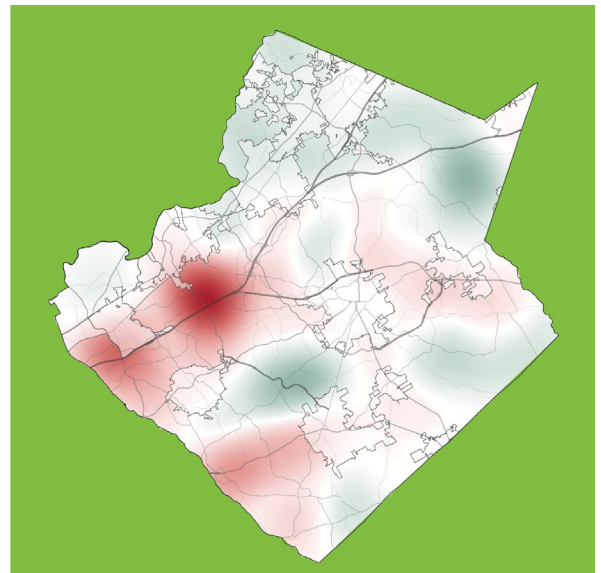
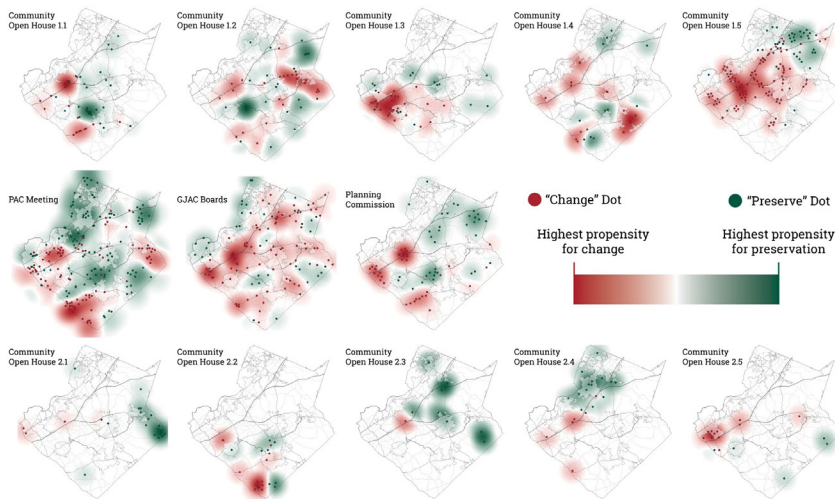
#### Theme 5 – Keep Gwinnett a "Preferred Place"

This theme highlights the continued need for quality-of-life initiatives. The initiatives within this theme include improving walkability and expanding the existing trail network; supporting and promoting four-year colleges; investing in youth enrichment programs; drafting and adopting design guidelines for undeveloped areas and areas ready for redevelopment to ensure high quality aesthetics and the protection of the county's natural environment.

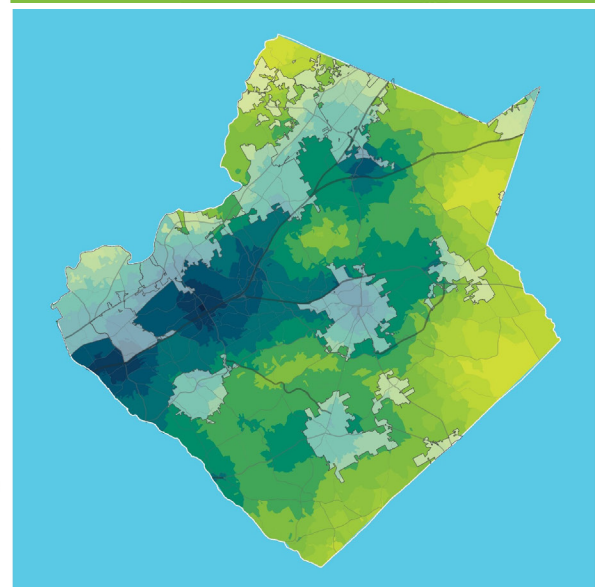
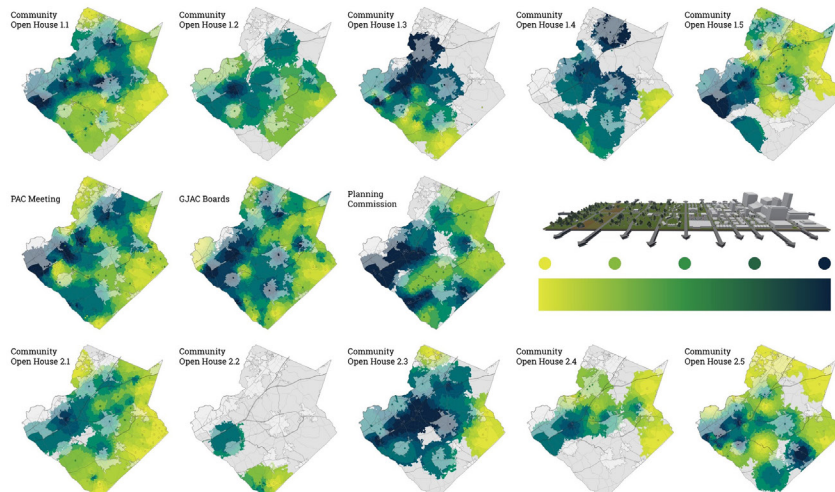
Gwinnett County hosted three rounds of five community open houses throughout the county to ensure coverage for each commission district, for a total of fifteen community open houses throughout the planning process. The community demonstrated a clear consensus about the areas of the county where changes in land use and different scales of urban intensity would be preferred. The resulting maps are shown below. In the top map, areas in red indicate a desire for change while areas in green should be preserved. In the bottom maps, areas of darker green demonstrate preference for more intensive development densities.



### Change and Preserve Preferences



### Urban Scale Preferences



Source: Gwinnett 2040 Unified Plan

## Countywide Plans

### Destination 2040 Comprehensive Transportation Plan

Gwinnett County's Destination 2040 Comprehensive Transportation Plan, adopted in December 2017, articulates the vision for the transportation network to serve current and future needs. A community's transportation network impacts housing patterns and vice versa. As communities urbanize, and housing demand increases, available roadway and transit capacities tend to decrease. As Gwinnett County plans for future growth, transit connectivity and other transportation infrastructure improvements should consider Gwinnett County's housing goals. The framework of the Destination 2040 Plan is established through the following short- and long-range goals:

1. Improve Connectivity;
2. Leverage the County's Transportation System to Improve Economic Vitality and Quality of Life;
3. Improve Safety and Mobility for all People Across All Modes of Travel;
4. Proactively Embrace Future Transportation Opportunities.

### Connect Gwinnett Transit Plan

Adopted by the Board of Commissioners in July 2018, the Connect Gwinnett Transit Plan provides a framework for future transit expansion and improvement in Gwinnett County, including rail and bus service, through 82 major projects. The plan promotes transit-supportive policies which ultimately support the Comprehensive Transportation Plan's efforts to foster mixed-use development and to catalyze regional connections. Both plans acknowledge and encourage a mix of housing. Providing a mix of housing, including higher intensity options, creates the environment needed to support expanded transit in the county as a whole. While the referendum to expand transit in Gwinnett did not pass in November 2020, transit will become a necessity in order to ensure efficient movement of its residents and workers as the county continues to grow.

### Satellite Boulevard to Jimmy Carter Boulevard BRT Study

In partnership with Gateway85 CID, Gwinnett Place CID, Sugarloaf CID, and the Atlanta Regional Commission (ARC), Gwinnett County commissioned the Satellite Boulevard to Jimmy Carter Boulevard Bus Rapid Transit (BRT) Study. This transit improvement would be the first of its kind in the metro Atlanta area. The 15-mile route would run parallel to I-85. The study will ultimately determine station locations and aspirational ideas for development. This newly provided access to transit would encourage transit-oriented development, inducing a mix of housing where it currently does not exist.

## Municipal Comprehensive Plans

### Auburn Comprehensive Plan

Auburn, located on State Route 29 between Winder and Dacula, is in the western corner of Barrow County, with a small portion extending into Gwinnett County. The city maintains a small town feel but is in the path of Atlanta metropolitan growth and is beginning to show signs of transition. The City's Comprehensive Plan process concluded it lacks diversity in housing, and Auburn's overarching goals and policies are to provide a variety of housing options.

Action items include conducting a housing study to identify typologies and location preferences and implementing the Auburn Redevelopment Plan.

### Berkeley Lake Comprehensive Plan

Incorporated in 1956 with its origins as a summer retreat of fishing cottages, Berkeley Lake has grown into a thriving community of permanent homes centered on its 88-acre namesake. The Berkeley Lake Comprehensive Plan does not directly mention the need for housing diversity, but it does reference the goals of the Gwinnett County HUD Consolidated Plan: to provide safe, sanitary, decent, affordable housing to provide a suitable living environment and to expand economic opportunities.

### Buford 2040 Comprehensive Plan

Located south of Lake Lanier on I-985 and straddling the border of Gwinnett and Hall Counties, Buford is Gwinnett's northernmost City. The City of Buford has established community goals in three parts: a vision, priority strategies, and a series of goals and supporting policies. The Buford 2040 Comprehensive Plan vision statement reads: "Preservation of the city's existing neighborhoods and natural and cultural resources, along with visionary economic development, will sustain Buford's legacy as a desirable place to live and do business over time."

Priority Strategies related to housing include the following:

- Continue to invest in the charm and small-town feel of Downtown Buford;
- Encourage a variety of housing types in the community;
- Target growth and redevelopment;
- Promote a variety of housing choices;
- Accommodate our diverse population by supporting

master planned developments that provide a variety of housing types, styles, and price ranges toward the goal of creating "life cycle" housing in the community;

- Continue to coordinate with Gwinnett County on implementing and updating the Consolidated Plan to help preserve safe and affordable housing;
- Encourage the development of housing near and in downtown;
- Ensure new residential development meets high standards of quality;
- Encourage the design and construction of walkable, safe neighborhoods with pleasant, accessible public gathering places.
- Encourage the dedication of adequate space for recreational use in all neighborhoods;
- Facilitate the improvement of existing housing stock;
- Support the elimination of substandard or dilapidated housing in our community through restoration of nuisance abatement to help ensure that quality housing is available for all residents;
- Promote redevelopment of under-used, undeveloped, and declining areas; and
- Target reinvestment in declining, existing neighborhoods to further encourage private sector redevelopment and accommodate future growth.



### Braselton Comprehensive Plan

Braselton is experiencing significant growth pressures and demographic changes due to its location along the I-85 corridor, proximity to three growing metropolitan areas, and the development of the new Northeast Georgia Medical Center campus. The boundaries of the town span four different counties (Hall, Gwinnett, Jackson, and Barrow).

The Braselton Comprehensive Plan identified housing needs, including diversified housing variety to meet demand of young professionals, accommodating those aging in place, and providing options for first-time homebuyers. Opportunities include support for more intense development in the town center with a residential component.

Plan policies pertaining to housing include the following:

- Follow future land use plan in making development decisions;
- Work with housing developers to integrate a variety of residential types within future residential development projects; and
- Work with developers/landowners to help move stalled subdivisions forward or develop strategies to improve their short-term appearance.

### Dacula Comprehensive Plan

Dacula is located in eastern Gwinnett County along Highway 29. The City of Dacula is experiencing an increase in residential subdivision development and the City seeks to create a sense of place and improve the quality of life for its residents by identifying and developing central gathering spaces.

The Dacula Comprehensive Plan encourages redevelopment of declining neighborhoods, mixed-use development in the town center, and identifying housing needs for seniors.

Overarching housing-related goal statements from the plan include:

- We will stimulate infill housing development in existing neighborhoods;
- We will eliminate substandard or dilapidated housing in our community;

- We will create affordable housing opportunities to ensure that all those who work in the community have a viable option to live in the community;
- We will encourage development of housing opportunities that enable residents to live close to their places of employment;
- We will accommodate our diverse population by encouraging a compatible mixture of housing types, densities and costs; and
- We will encourage housing policies, choices and patterns that increase opportunities for people to move into affordable owner-occupied housing.

### Duluth Comprehensive Plan

Duluth is located in western Gwinnett along the Chattahoochee River. The City of Duluth continues to encourage residential density around its downtown to help support local businesses as well as to create a unique and memorable place within Gwinnett County.

Duluth is exploring ways to encourage executive-style housing along Peachtree Industrial Boulevard, where large tracts of land could soon become available for development. The City's goal is to have a mix of size, style, and price of residential options. The focus on executive-style homes is due to many possibilities for multifamily, starter, and mid-life housing but a lack of upper-end possibilities within the city limits.

The community seeks to pursue federal and state assistance to improve substandard housing. The Duluth Comprehensive Plan also aims to implement multifamily housing at larger activity centers.

### Grayson Comprehensive Plan

The City of Grayson is located in southeast Gwinnett County along SR 20. Grayson's Comprehensive Plan directs that redevelopment and new housing in Grayson is to be concentrated around Grayson Parkway and Highway 20.

Community policies regarding housing include the following:

- Grayson should promote mixed-use development with a variety of housing types in areas with vacant properties and areas where redevelopment is feasible.
- Houses should continue to be made available for seniors and disabled persons that contain a single-level with no-step entrances and wide doorways;
- Avoid regulations and practices that would discourage the provision of housing for persons with disabilities;
- Maintain the low-density character of Grayson's existing single-family residential neighborhoods;
- Protect existing residential development from encroachment by incompatible land uses;
- The development of vacant or underutilized land in single-family residential zoning districts must be compatible in terms of existing densities, housing types, and general character;
- Provide opportunities for traditional neighborhood development in locations between Uptown Grayson and established, low density, detached, single-family neighborhoods;
- Residential zoning districts that allow more density will be required to have higher levels of architectural standards than those residential districts that allow less density;
- Limit attached housing to the Uptown Grayson area, preferably as a part of a mixed-use project through stacked flats, "granny flats," or other types of attached houses;
- Freestanding apartments are discouraged as there are numerous apartment complexes around Grayson in the County; and
- Encourage the rehabilitation and upgrade of substandard housing units or encourage their redevelopment where it is not economical or appropriate to renovate such housing units.

### Lawrenceville 2040 Comprehensive Plan

Lawrenceville, in the center of Gwinnett, is the County seat. Over the last few years, the City of Lawrenceville has invested significantly in redevelopment efforts through property acquisition, infrastructure improvements, future planning projects, and strategic studies. The Lawrenceville 2040 Comprehensive Plan analyzes the current housing stock and the trends influencing new developments.

Lawrenceville is focusing on the need to rehabilitate or replace substandard housing, to diversify housing typologies, and maintain the quality of established neighborhoods. These needs could be achieved by attracting local employees to become residents, locating housing near employment centers, and increasing property values for existing homeowners.

The community's housing goals are as follows:

- Facilitate the improvement of housing stock conditions;
- Promote a variety of housing choices; and
- Encourage homeownership.

### Lilburn Comprehensive Plan

Lilburn is made up of 7 square miles along Highway 29 in western Gwinnett County. The City of Lilburn is currently reviewing subdivisions and residential proposals of varying densities to accommodate townhomes, senior housing, and less traditional style single-family lots. The City's Comprehensive Plan calls out the following housing-related issues and opportunities:

- Lilburn's current housing stock is primarily single-family residential homes, largely built in the last quarter of the twentieth century;
- Lilburn should be a community that provides options for people to continue to live in their homes and not be pressured to move because of age, increasing property taxes, or for the sake of new development;
- The city has identified opportunities for higher density and mixed-use development along the US 29 Corridor, which makes up a significant portion of the land in Lilburn. Refined character areas encourage the development of diverse housing

opportunities, while preserving the character of existing neighborhoods; and

- Consistently encourage standards of universal design and/or viable homes concepts in the design and construction of new housing.

### **Loganville Comprehensive Plan**

Situated along US 78, the City of Loganville is part of both Gwinnett and Walton counties. Loganville has experienced significant growth in the past decade, and has recognized the need to redevelop its downtown core into a more vibrant place. The Loganville Comprehensive Plan indicates a need to create an educational program or partnership to boost homeownership.

### **Norcross 2040 Comprehensive Plan**

Norcross is Gwinnett County's gateway from DeKalb County along I-85. The City of Norcross has made strides in providing more housing choices. Newly built mixed-use and townhome developments around the Historic Downtown area have created places to live, work, and play and have been catalysts for similar development throughout the City.

The Norcross 2040 Comprehensive Plan community goals related to housing are as follows:

- Continue to define Norcross' sense of place;
- Continue to strengthen Norcross as a livable, inclusive, and safe environment;
- Ensure that Norcross residents have a variety of attainable, quality housing options; and
- Further the city's tradition of strong leadership and high level of quality services.

These goals include the following policies:

- Accommodate the housing needs of a diverse population by supporting the development of a variety of residential types and densities based on land use patterns;
- Support the construction of workforce housing to help ensure that all those who work in the community have a viable option to live in the community without spending more than a third of their net income on housing costs;

- Protect residential areas through continued, targeted code enforcement;
- Encourage residential development downtown to activate and diversify the area;
- Assist residents in keeping their homes safe and free from hazards;
- Collaborate with other jurisdictions to address affordable housing [and] increase affordable homeownership opportunities;
- Enhance the quality of the aging housing inventory;
- Increase affordable rental housing;
- Address transient housing issues;
- Review of the zoning ordinance for housing implications; and
- Enhance quality of life, community engagement, and the marketability of the City.

### **Peachtree Corners 2040 Comprehensive Plan**

Gwinnett's newest city is located on the westernmost portion of the county along the Chattahoochee River. As the City continues to grow, the Peachtree Corners 2040 Comprehensive Plan guides development using the following vision and goals related to housing:

- Offering a high quality of life for residents;
- Creating a strong sense of community for all;
- Accommodating the best opportunities to live, work, play, and stay;
- Build and strengthen a unified and family-friendly multicultural community; and
- Enable redevelopment and capture high quality new development.

### **Snellville 2040 Comprehensive Plan**

The City of Snellville's top priority is creating a unique and vibrant place for residents and visitors through the development of a Towne Center. The City is also working to update its policy documents and ordinances. One of the City's main strategies is to enhance Snellville's residential neighborhoods while diversifying housing options near the Towne Center. This effort would focus on expanding housing opportunities for young professionals and seniors. The Snellville 2040 Comprehensive Plan's goals include the following:

- Goal 1: Develop initiatives that encourage upkeep and maintenance of housing.
- Goal 2: Ensure housing stock remains affordable.
- Goal 3: Encourage the development of a diversity of housing types.

### **Sugar Hill Comprehensive Plan**

Sugar Hill is in north Gwinnett between Buford and Suwanee. The newly constructed E Center is the cornerstone of Sugar Hill's next generation of downtown development. Private development has begun to respond to the city's catalytic investments, which is projected to attract a large share of the county's population growth over the next 25 years.

Sugar Hill's Comprehensive Plan identifies the following needs:

- Diversify housing stock to include a variety of housing options for residents;
- Address the needs of an aging population;
- Provide special needs housing within Sugar Hill; and
- Limit status quo retail development in favor of appropriate mixed-use development.

Corresponding opportunities include the following:

- Encourage the most intense growth around the downtown area;
- Encourage new experiential/destination retail in walkable nodes along regional corridors;
- Encourage higher density housing along regional corridors (Highway 20, Peachtree Industrial Boulevard, and Buford Highway); and
- Anticipate and encourage infill housing in older neighborhoods.

### **Suwanee Comprehensive Plan**

Town Center is the civic heart of Suwanee for residents and a destination in Gwinnett County. Plans call for the mixed-use environment of Suwanee's Town Center to continue to expand down Buford Highway along the new Buford Highway streetscape and Suwanee Dam Road. A new senior living facility is under construction northwest of Town Center. A second mixed-use project is planned south of Town Center that will include multifamily units with commercial on the ground floor along the new sidewalk on Buford Highway.

Suwanee's Comprehensive Plan's recommendations and strategies related to housing include:

- Medium Density Housing: Explore a new zoning district to address medium density residential districts.
- Accessory Dwelling Units: Explore updating accessory structure regulations.



## LCI and Small Area Plans

The Livable Centers Initiative (LCI) is a federally funded grant program administered by the Atlanta Regional Commission (ARC). It is dedicated to the enhancement of existing and new community centers, and provides a funding source for policy and transportation improvements. Gwinnett County communities have been awarded several LCI grants. Studies that have specific impacts on housing policy are further explained below.

### Forward Buford – 2016 LCI 10 Year Plan Update

The Buford Town Center LCI develops a long-term vision for the City's historic downtown and the adjacent Buford Highway Corridor. The plan promotes a mix of land uses, meaningful placemaking, and multi-modal transportation options. The plan seeks to provide livable communities, balance economic growth, and preserve historic and natural resources.

A major overarching goal of the plan is to "Grow the mix of housing choices in the City, including additional townhouses and senior-oriented options," by accommodating the diverse population with a wide range of housing types and encouraging walkability.

### Envision Duluth LCI Plan 10-Year Update

As a follow-up to its 2001 study, Envision Duluth embraces the City's new Town Green as a catalyst for growth, envisioning a great place to live, work, and play with links to surrounding neighborhoods and amenities. One of the plan's major goals is to "re-examine the role of downtown Duluth in the real estate market, and develop a successful business model for redeveloping underutilized properties in the downtown area and increasing the diversity of residential neighborhoods, shopping, and recreation choices."

The Town Center is designated as a Tax Allocation District (TAD). The City has explored other funding recommendations from the LCI Update to promote diverse housing opportunities, such as low income housing tax credits.

### ACTivate Gwinnett Place Multi-Modal Green Corridor Master Plan

ACTivate Gwinnett Place is a follow up to an LCI completed in 2012 which called for a grand public space, safe and walkable connections, and a vibrant mix of uses. The plan's framework identifies catalytic projects for investment to improve transportation options, connectivity, and livability through greenspaces and bold infrastructure changes. To do so, the plan invites mixed-use investors, creates greater connectivity between commercial centers and public green space, offers multi-modal options with high quality design.

### Buford Highway Corridor Redevelopment Plan, 2010 Update

The City of Duluth places special focus on the Buford Highway Corridor from a transportation and development standpoint. The downtown node and other nodes along the corridor provide opportunities for mixed-use development, creating a more walkable and vibrant corridor.

One of the plans overarching goals is to focus redevelopment in activity centers. This goal pinpoints mixed-use development as a priority to achieve affordable housing.

### Highway 78 Corridor Study, 2005

The Evermore Community Improvement District sought to enhance livability and mobility along the Highway 78 Corridor. The plan addresses economic and transportation trends, and the growing demand for housing in Gwinnett County. The Plan's main housing goals include:

- Protect established single-family neighborhoods;
- Encourage mixed-use development at key nodes; and
- Examine potential initiatives for inclusion of affordable housing.

### **Indian Trail-Lilburn Road LCI Corridor Study**

The Indian Trail-Lilburn Road LCI Corridor Study identifies opportunities for mixed-use development nodes, expanded bike-ped connectivity, and improved transit and vehicular access. The plan recognizes single-family housing along the corridor dominates and seeks to increase the demand for more quality housing.

The land use concept for this plan is careful not to disrupt existing and established residential neighborhoods. Instead it identifies where land use changes could be made to support redevelopment by introducing mixed-use nodes to underscore the diversity of existing housing types. The plan also seeks to address aging in place by providing a mix of housing. The area is already host to apartments and modest single-family homes, addressing a variety of workforce housing needs. One key recommendation is to support new housing choices to encourage households with higher-incomes to locate in this community.

### **Jimmy Carter Boulevard Corridor Study and LCI Update**

A vital gateway into Gwinnett County, the multi-cultural Jimmy Carter Boulevard is planned to transition from an auto-centric land use and transportation focus to a mixed-use corridor. The 2018 Jimmy Carter Boulevard Corridor Study and LCI Update focuses on creating livable, healthy, and inclusive communities. This entails encouraging a range of housing prices and choices to accommodate various incomes and household types. The implementation plan includes the following housing strategies:

- Consider incentives for rehabilitation or production of workforce housing in the Jimmy Carter Boulevard Overlay;
- Include requirements and/or incentives for inclusionary zoning in the Jimmy Carter Boulevard Overlay;
- Establish a recommended mix of unit sizes in new multifamily developments, within the Jimmy Carter Boulevard corridor; and
- Consider allowing smaller lot sizes, smaller minimum building footprints, and accessory dwelling units throughout the study area to encourage a diversity of housing types that provide a range of affordability through design.

### **Downtown Lawrenceville Master Plan Update**

Like other LCIs, the Downtown Lawrenceville Master Plan Update provides a strategy to support mixed-use development and provide a mix of transportation options. The Master Plan pays careful attention to the differing character of each section around the Courthouse Square to ensure walkability and enjoyment.

The plan's concept framework includes updating land use categories to guide a mix of housing in the areas around the square.

### **Norcross (Town Center) LCI**

This LCI study helped plan historic downtown Norcross and create better linkages to the Buford Highway area. This project features corridor improvements, parking improvements, and active living components that will attract new investors and residents while making more public spaces. This plan promotes diverse housing options and increasing economic viability.

### **Park Place Multimodal Mixed-Use Center LCI Study**

This mixed-use focused plan was created around the Stone Mountain Tennis Center for a deeper dive into economic viability and will serve as a focal point of transit service. While the plan has a private investment component, public investment and mixed-use development drive the focus on affordable priced housing.

### **Peachtree Corners LCI**

The Peachtree Corners LCI focuses on land east of Holcomb Bridge Road and West of Medlock Bridge Road. The plan's framework focuses on more than one "town center," a conservation gateway, corridor redevelopment, and an innovation hub. The key housing strategies include:

- Facilitate more housing choices;
- Refresh and redevelop housing; and
- Amenitize and connect housing.

### **Towne Center at Snellville LCI 2019 Update**

The Snellville Towne Center LCI Study focuses on implementing a welcoming and walkable center for activity. Core strategies include focusing on more comfortable places to walk or bike, creating attractive, human-scale spaces, and integrating more diverse housing types. Specific typologies include mixed-use residential, medium density residential, and traditional neighborhood development.

One of the major goals of the plan is to “offer a mix of housing so a diverse group of neighbors can call Towne Center home.” This is intended to make the Towne Center a true downtown. The proposed mix of housing calls for multifamily housing, townhomes, single-family homes, and senior living.

### **Sugar Hill Downtown Master Plan**

The Sugar Hill Downtown Master Plan is a guide for creating a vibrant place connected to neighborhoods. Sugar Hill encourages mixed-income residential neighborhoods, employment, and recreational opportunities. It also seeks to revitalize aging residential areas through redevelopment and infill strategies. Together with improved mobility options and open space, Sugar Hill hopes to create a cohesive downtown.

The Downtown Master Plan outlines an approach to the future of housing. The plan incorporates the local housing study’s recommendations, including:

- Diversify the housing market by closing the gap in the supply of affordable and workforce housing;
- Stabilize existing neighborhoods by bringing current code violators into compliance and adjusting local regulations to improve visual interest;
- Maintain and improve visual appeal by providing development standards that will improve aesthetics of redeveloped land; and
- Address needs of aging and special needs populations by studying the potential need for assisted and independent living.

### **Sugarloaf LCI**

The Sugarloaf LCI is a visionary plan to create a new Downtown for Gwinnett County as a mix of uses that provide users the opportunity to “arrive early and stay late.” Key recommendations include creating a walkable, mixed-use district, add to the established entertainment scene, and to connect the community with a series of pathways and multi-modal transportation options.

### **Suwanee Downtown Master Plan Update**

The City of Suwanee takes things to the next level in this update to its 2009 Master Plan, plan. The program includes a greenway system, public art, and a smart growth model which acknowledges housing at the forefront of an effort to implement mixed-use development patterns and to make the community more walkable.

The plan confirms its consistency with LCI Components by stating, “Housing types and sizes for people of a variety of ages and incomes are projected and recommended by this study. This is accomplished with a mix of apartments, senior housing, townhouses, and single-family residences. No significant expansions of employment are viewed as economically feasible, so while new commercial space is planned, a significant jobs/housing balance will likely remain.”







CHAPTER

# 4

## Trends Driving Housing Demand



## Trends Driving Housing Demand

### Introduction

Demand for housing is driven by demographic cycles. Most of the time, decisions to change homes- whether to move out on one's own, buy or rent a new home, or move to a different home- are driven by major life milestones such as:

- Graduation from high school or college;
- Marriage;
- Children;
- Job or career changes; or
- Retirement.

These demographic and lifestyle changes drive family and social decisions such as the need (or desire) for independence, more or less square footage, a yard, a home office, access to schools, access to jobs, a particular lifestyle, or a community of like-minded neighbors.

These changes also drive economic considerations that define how much money households are willing, or able, to spend to attain the housing and amenities that they desire.

At the same time, supply-side forces are reshaping the housing landscape, as access to land, mortgage and finance trends, transportation policy, and the regulatory environment recast historic housing development patterns that previously favored single-family detached homes in suburbs.



From the invention of the American suburb in the 1940s, the demographic and lifestyle trends that shaped America were largely consistent, driving wave after wave of housing growth and suburbanization in places like Gwinnett.

The Gwinnett County that we see today was largely shaped by the demographic, social, and economic trends that defined American growth in the 1970s, 1980s, and 1990s.

Over the last 20 years, the United States has begun to see significant shifts in the trends that drive this housing development. Changes in the way people choose to marry and have children, changes to health care and longevity, changes to the workplace and economic environment, and external factors have redefined the way people around the world, and in Gwinnett County, think about housing. The next 20 years of housing will be very different from the last 50.

The following pages explain some of demographic and lifestyle trends that are shaping housing in Gwinnett today.



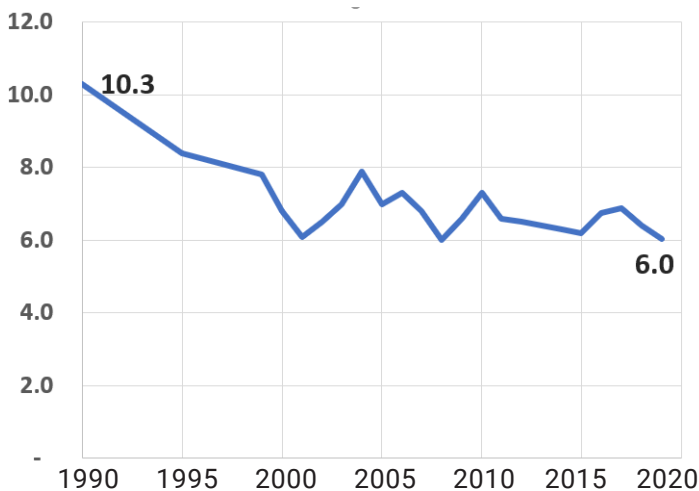
## Trends Driving Housing Demand

**Marriages and Births** Marriages, the birth of children, and growing families are significant drivers for housing demand. Compared to previous generations, people today are waiting much longer to form family households. They are also more likely than previous generations to choose not to get married or have children.

### Marriages

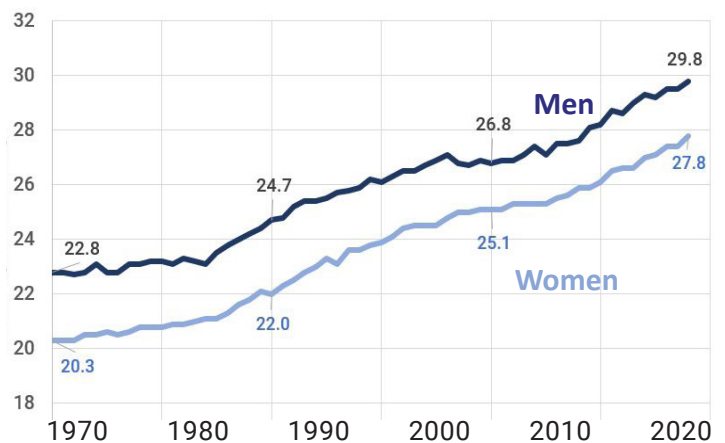
- The marriage rate in Georgia dropped from 10.3 marriages per 1,000 people in 1990 to 6.0 marriages per 1,000 people in 2018.
- Since 1960, the average age of first marriage in the United States has increased from 20 to nearly 28 for women and 23 to nearly 30 for men.

**Marriages per 1,000 People in Georgia, 1990-2020**



Source: U.S. Census

**Average Age of First Marriage in the U.S., 1970-2020.**

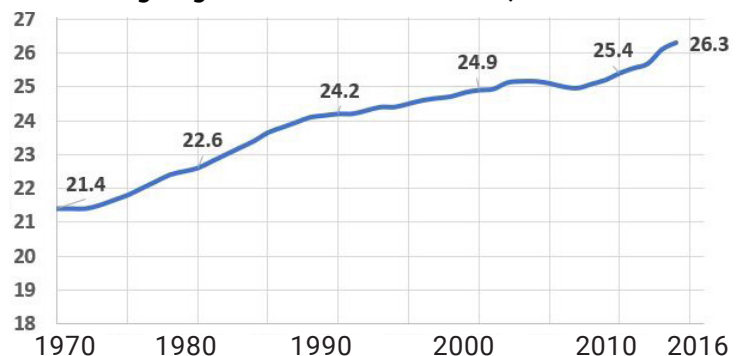


Source: National Vital Statistics System 2019

### Births

- The mean age of mothers at first birth has increased substantially in the United States, from 21.5 years old in 1970 to 27.8 years old in 2018.
- The fertility rate (average number of births per woman) is also declining, from 3.7 births in 1960, to 2.1 in 1990, to 1.7 in 2018.

**Average Age of First-Time Mothers, U.S. 1970-2016**



Source: CDC/NCHS,

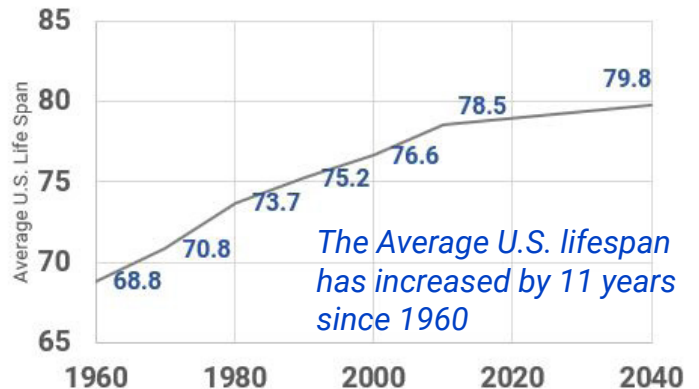
## Trends Driving Housing Demand

### Aging Population

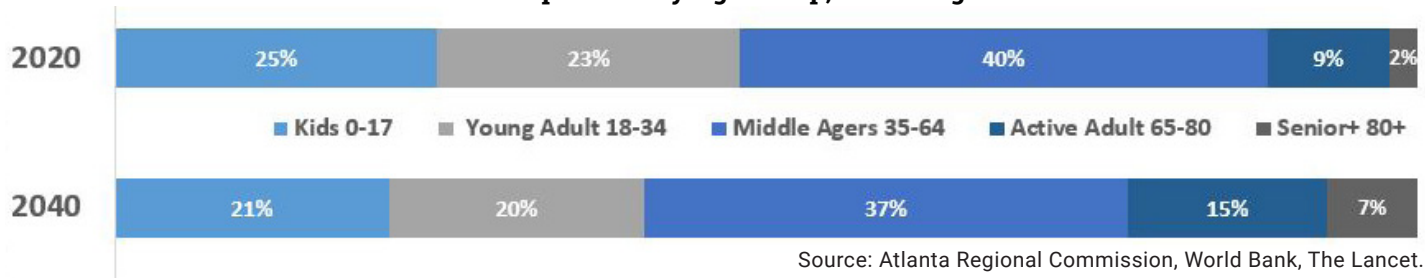
The Baby Boomer generation, those born between 1946 to 1964, are called "boomers" because they proportionally represent one of the largest population groups in the United States. The Baby Boomers, now 58-76 years old, are aging into retirement at the same time that health and life expectancy are also improving. It is leading to a significant increase in the proportion of Gwinnett residents that are older.

- Older residents will become an increasingly larger share of the population over the next 25 years.
- In 2020, 11.5% of Gwinnett County's population was over age 65.
- In 2040, 22.2% of Gwinnett's population is expected be over age 65, according to Atlanta Regional Commission projections.

**U.S. Life Expectancy**



**Gwinnett Population by Age Group, Percentage of Total**



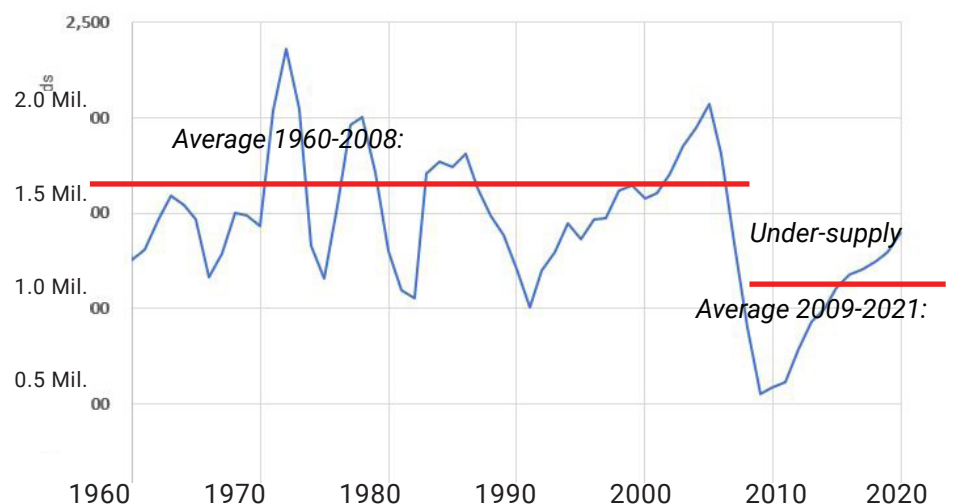
### National Housing Shortage

For at least 12 years, the United States has not produced enough housing to meet nationwide demand.

Most parts of the country have seen housing construction return to less than half of long-term pre-2008 recession supply averages.

A 2020 report by Freddie Mac estimates that the 2008 recession and the disruptions to the housing market caused by COVID-19 have contributed to a national housing shortage of 4 million housing units.

**Monthly Housing Starts, U.S., 1960-2021**





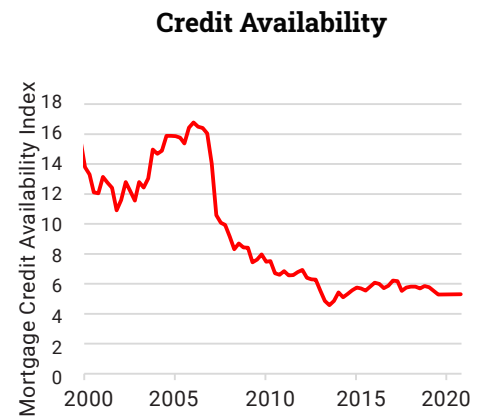
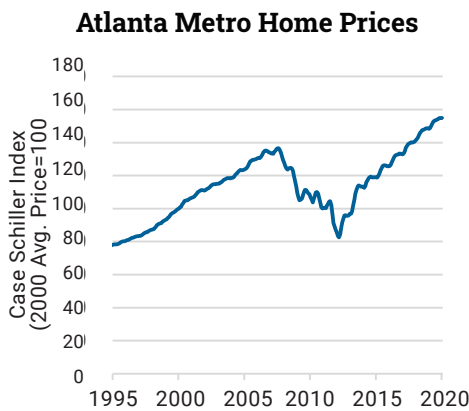
## Trends Driving Housing Demand

### Access to Home Finance

It is more complicated and difficult than it used to be for people, especially young and lower-income people, to save for down payments and qualify for mortgages. Factors impacting access to home finance include:

- Rapidly increasing home prices since 2011;
- Modest real wage growth for the past 20 years;
- Tighter lending standards; and
- Reduced household savings.

These issues have made it harder for people to qualify for a mortgage even though interest rates are at historic lows.

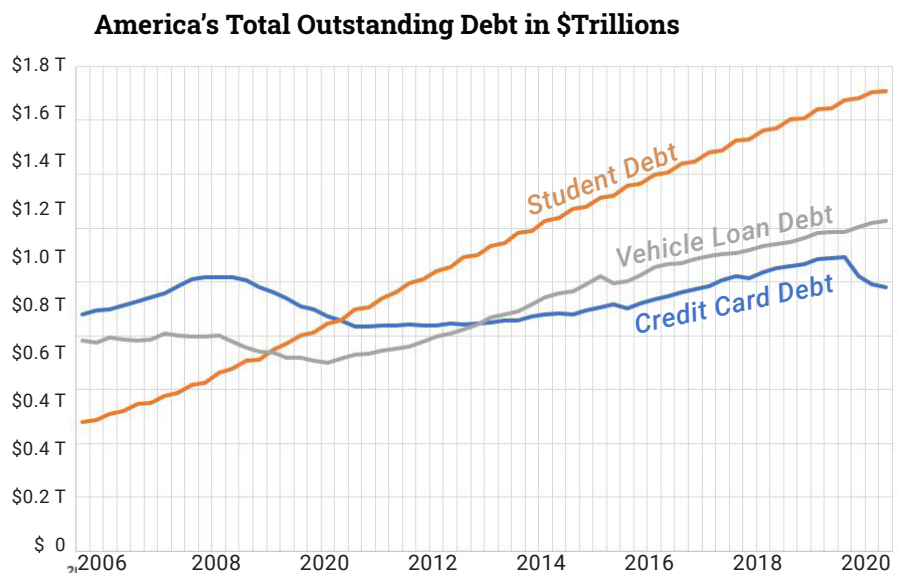


Source: Case Schiller/S&P, BLS, FHFA

### Increasing Debt

Personal debt in the U.S., led by burgeoning student loan debt, has increased from 200 billion to 1.5 trillion in less than 20 years.

This debt makes it harder for young people to save for down payments and qualify for mortgages.



Source: Federal Reserve Bank of St. Louis

## Trends Driving Housing Demand

### Growing Demand for Rental

The share of American households who rent their homes increased from 31% in 2004 to 37% in 2016. Since 2016, falling interest rates, and a gradually increasing supply of new homes started to bring that number down as low as 32%. Recent pandemic-related volatility in housing markets and a shortage of homes has pushed the number up to 34% as of Q1, 2021, and it remains to be seen how consumers and housing markets will react in a post-COVID economic environment. (A 1% change in rental demand represents a shift of 3,000 to 4,000 housing units in Gwinnett County.)

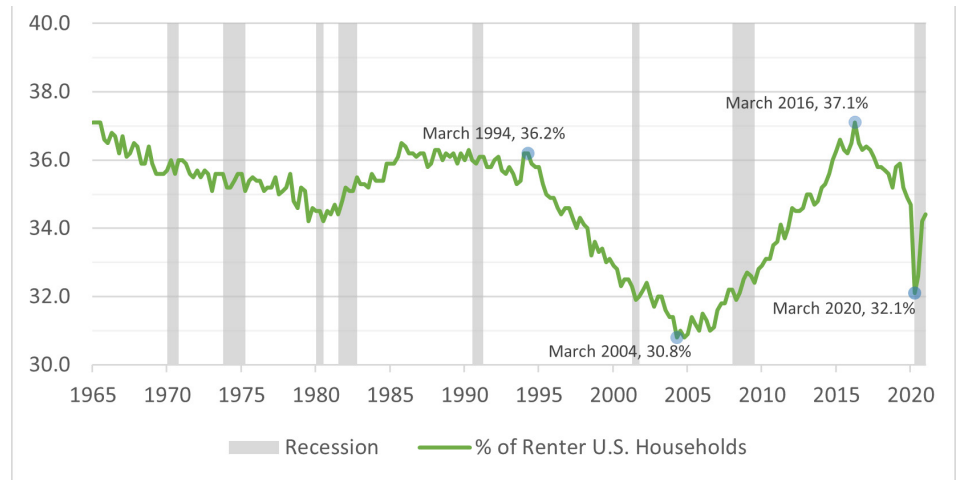
Recent financial and economic trends have limited access to residential finance opportunities, tempering opportunities for homeownership among younger age groups and lower-income households. Furthermore, lifestyle choices, increased interest in mobility, and a reduced need for physical presence in the workplace are driving many younger households to prioritize flexibility and mobility over homeownership.

### Consumer Preferences

Nationwide, households have become more interested in walkable, amenitized residential options such as town centers and mixed-use communities as more of these residential options are built. This is especially true of younger households and retirees. These households are somewhat less likely to seek out (or find) the suburban single-family homes that dominated Gwinnett's housing supply through the 20th century.

Suburban single-family homes are likely to remain the dominant housing type for some time, but even a modest shift in demand (from single-family homes towards other housing types) will represent a significant relative increase in demand for other housing options such as townhomes and multifamily units.

Percent of U.S. Households Who Rent Their Home



Source: Federal Reserve Economic Data



## Trends Driving Housing Demand

### Housing in the Age of COVID-19

The national economy shut down in the spring of 2020 to grapple with the global COVID-19 pandemic, leaving many open questions regarding the future impacts of the virus on all sectors of the economy, including housing markets. The pandemic, and the nation's response to it, led to massive disruptions across all aspects of social and economic life, including jobs and employment, travel patterns, commerce, employment patterns, leisure, and social behavior.

Today, two years into the COVID era, there is still only limited data available to assess the impacts of COVID on housing markets, or to support forecasts of what is to come. In the United States, we have seen many different, and often contradictory, trends, which have disrupted the way people live, the way they earn and spend money, and how they address family and home. Among the most significant housing trends are:

- A growing willingness by employers and employees to separate work from the workplace leads to a significant increase in working from home or virtual offices. Some workers are choosing to relocate to live in lower-cost or more scenic locations.
- There is a reduction in residential and commercial demand for many commercial centers, as residents and businesses feel less need to locate in or near high-density commercial cores.
- Significant job loss in many lower wage industries (such as accommodations, tourism, restaurants, and retail), but not many higher-wage industries, has resulted in vastly different experiences for different sectors of Gwinnett's population and workforce.
- Government intervention to address economic shock, including eviction moratoriums, foreclosure moratoriums, stimulus payments, and programs such as the Paycheck Protection Program (PPP). These programs helped individuals, households, families, and business, but altered fundamental economic trends.
- More young people returning to their family homes due to job loss, virtual work, or the closure of schools and colleges.
- Historic short-term increases in housing prices and rents.
- Loss of consumer confidence as many young people

enter the workforce, begin to seek first homes, and experience a second once-in-a-lifetime economic shock in the space of 12 years (the 2008 Recession and COVID-19)

While many of these trends interact in complicated ways, the overall result has been a steady increase in demand and pricing for homes of all types and a marked resurgence in housing construction, particularly multifamily.

#### Impact on Housing Markets

Nearly two years after the initial disruption of COVID-19 in March 2020, the economy has regained footing even as the virus and its variants continued to cause damage to the nation's public health. Housing markets took a decidedly unique path from shutdown to recovery compared to many other economic sectors and the economy overall. Initial shutdown uncertainty regarding housing demand quickly gave way to demand expansion and a severe lack of housing supply across the nation. This fast-growing demand and supply imbalance continues to significantly impact Gwinnett County's housing market, leading to sharp increases in localized pricing for both for-sale and for-rent homes.

While housing demand has remained strong in Gwinnett throughout the pandemic, fast-rising home prices have further exposed household inequalities. The result is that many families face increasing housing cost burdens that push them behind on housing payments or closer to the verge of eviction or foreclosure.





## Trends Driving Housing Demand

### Housing in the Age of COVID-19

#### For-Sale Housing: Rising Prices and Falling Supply

The COVID-19 pandemic has contributed to severe increases in home prices and rents nationwide. Short-term slowing in homebuilding production, largely due to pandemic-induced supply-chain shocks, pushed new home prices upward. Resale home prices have increased even more appreciably, as demand has increased overall, and buyers who would consider a new home are limited in their choices.

Average home sale prices in Gwinnett County increased by 32% from between 2020 and 2021, from an average sale price of \$280,000 to \$370,000, according to MLS.

#### For Rent Housing: Rising Prices, Falling Vacancy, and Increasing Construction

Gwinnett's steepest yearly multifamily price increase occurred between 2020 and 2021, resulting in a price increase of 22%, or \$286.

According to CoStar, at the end of 2021, "developers are rushing to break ground on new multifamily projects across Atlanta to make the most of the local apartment sector's impressive growth during the current economic recovery. But while construction starts are up, [The metro Atlanta market] continues to show signs of a historically tight housing market, as the metropolitan area boasts a record low vacancy rate and rents have skyrocketed over the past several months."

This blend of COVID-19 and supply-side shocks have caused a significant tightening in Gwinnett's rental housing market, with rents increasing and vacancy rates dropping. Additionally, CoStar notes, "a few suburban areas also stand out for their robust construction pipelines. In particular, fast-growing suburban nodes in Gwinnett County rank as some of the most active areas for apartment construction in the Atlanta region, with the North Gwinnett and outlying Gwinnett neighborhoods combining for roughly 3,000 units underway."

It is too soon to see how many of these trends will play out as COVID-19 and its impacts linger, but it is clear that demand for housing in Gwinnett County remains strong.





## Trends Driving Housing Demand

### How Changing Housing trends will Shape the Future of Gwinnett's Housing

The demographic, economic, and consumer shifts described in the preceding pages combine to create demand for housing that is fundamentally different from the past.

These shifts in the housing market must be a major consideration in modeling the future demand for housing in Gwinnett. The decisions households and individuals make over the next 20 years are likely to be significantly different than those of past decades.

#### Six Ways Today's Housing Demand has Changed

**Less demand for large, single-family, owner-occupied homes**

**More households without children**

**More small households (one or two people)**

**More demand for rental homes**

**More interest in towns, mixed-use areas, and urban walkable development**

**More demand for affordable & workforce housing**







An aerial photograph of a suburban neighborhood. The image shows several houses with different roof colors (brown, grey, blue), green lawns, and mature trees. A paved road runs diagonally from the bottom left towards the top right. Several cars are parked along the street and in driveways. The overall scene is a typical residential area.

CHAPTER

# 5

---

## BASELINE CONDITIONS

## Baseline Conditions

### Introduction

It is essential to understand everything there is to know about Gwinnett's people, jobs, housing supply, and land to understand housing markets and formulate sensible housing policy. It helps us understand the factors that combine to define Gwinnett's housing market, housing inventory, and housing needs today. From this baseline understanding, we can begin to understand how all of these elements might change over the next 20 years and how their interaction will define Gwinnett's future housing needs.

This section examines the following:

- **Demographics:** Information about people and households.
- **Employment:** Information about jobs located in Gwinnett, working people who live in Gwinnett, how they relate, and what the future holds.
- **Supply of Housing:** Information about existing housing units, home pricing, and the supply of new housing units.
- **Land:** Information about much vacant land remains in Gwinnett County today, and how much housing that land could reasonably support.



**Note:** This study which commenced in early 2020, estimated Gwinnett County's 2020 population to be 972,662, based on a blend of resources, including 2019 American Community Survey Estimates, Atlanta Regional Commission estimates and forecasts, population data from Claritas, and population growth models.

In August 2021, the U.S. Census bureau released its latest 2020 decennial census population estimate of 957,062, 1.63% lower than the population estimate used in the study. The release of the 2020 Census estimate occurred after the analysis of this study was substantially complete.



## Baseline Conditions: Demographics

### Population

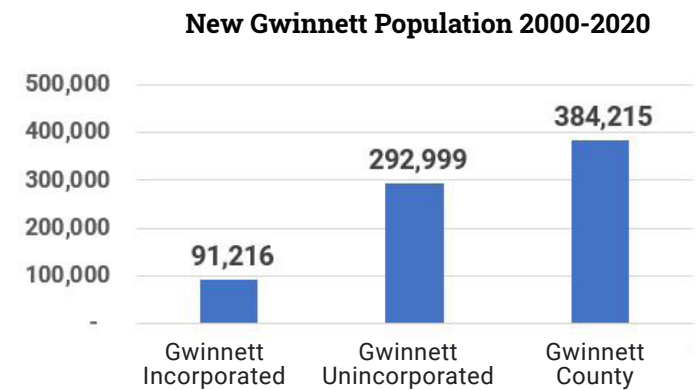
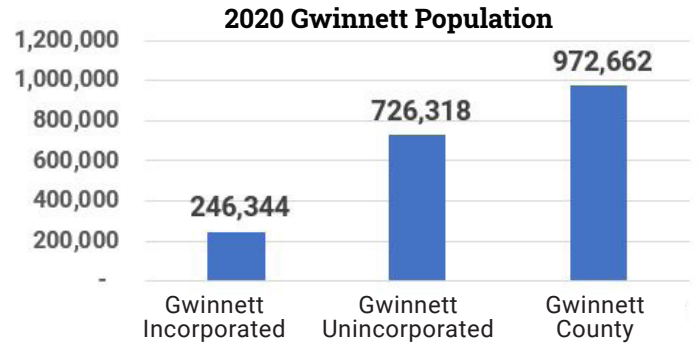
Gwinnett County has transformed dramatically over the past 50 years. In 1970, Gwinnett was largely rural and anchored by several small towns and cities, with a total population of 73,664.

Over the next 30 years, population surged as the county emerged as one of the Atlanta metropolitan area's premiere suburbs, growing to nearly 600,000 residents by 2000. The majority of this growth has occurred in unincorporated portions of the county.

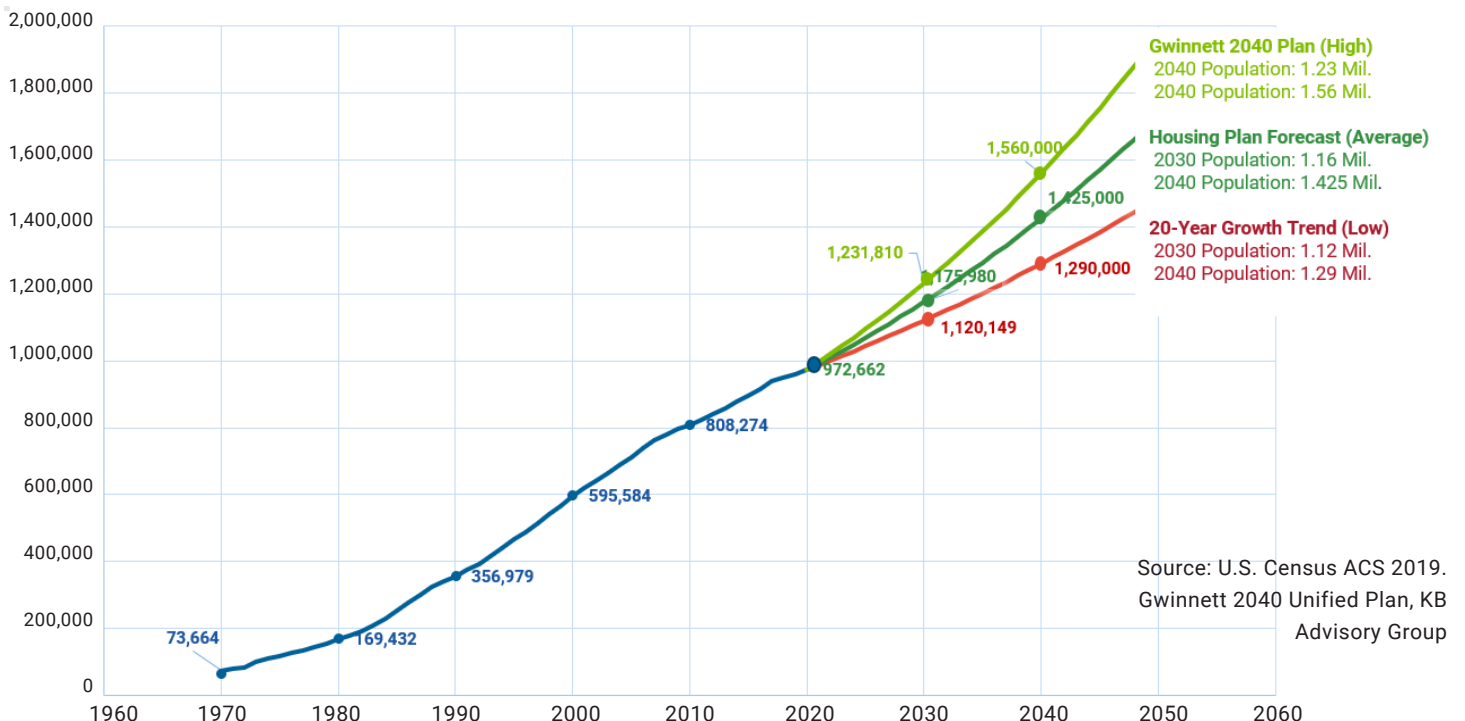
Today, Gwinnett has an estimated 972,662 residents, and 384,215 of those residents have arrived in the last 20 years.

The Gwinnett 2040 Unified Plan, adopted in 2019, projects that Gwinnett's population will grow to 1.56 million by 2040. While a continuation of the growth trend of the past 20 years would place Gwinnett's 2040 population at 1.29 million.

This plan will use the midpoint of those two forecast models as the basis for forecasting population and household growth. This forecast model puts Gwinnett's 2040 population at 1.425 million.



### Gwinnett County Population History and Forecast, 1970-2040

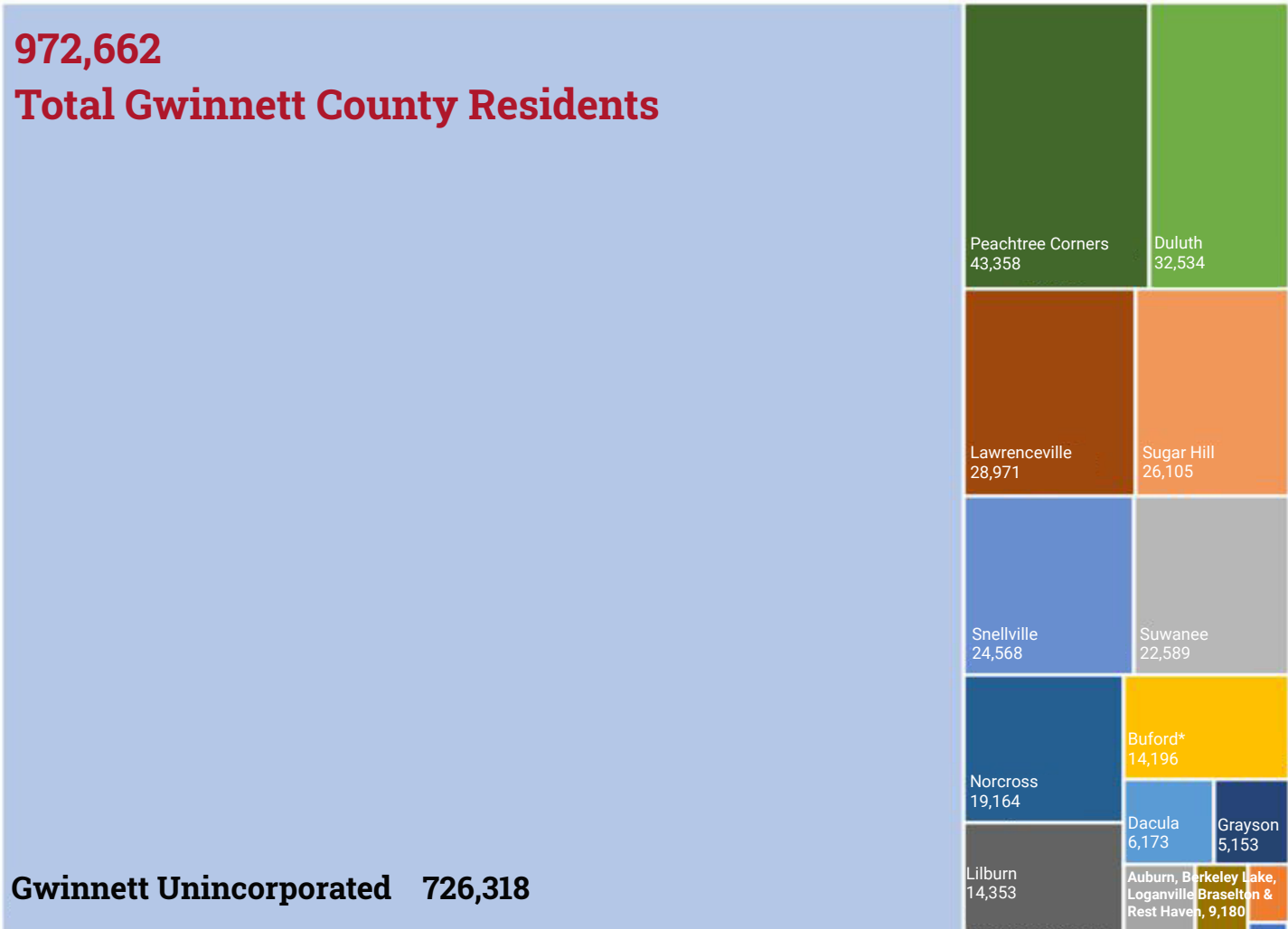


Baseline Conditions: Demographics

Total Population by Municipality

Over 726,000 people, or 75% of Gwinnett County’s total population of 972,000+, reside in unincorporated portions of the county. The remaining approximately 246,000 people, or 25% of the county’s population, live in one of Gwinnett’s 16 incorporated municipalities.

Gwinnett County and its Municipalities: 2020 Estimated Population by Jurisdiction



Source: U.S. Census ACS 2019. KB Advisory Group

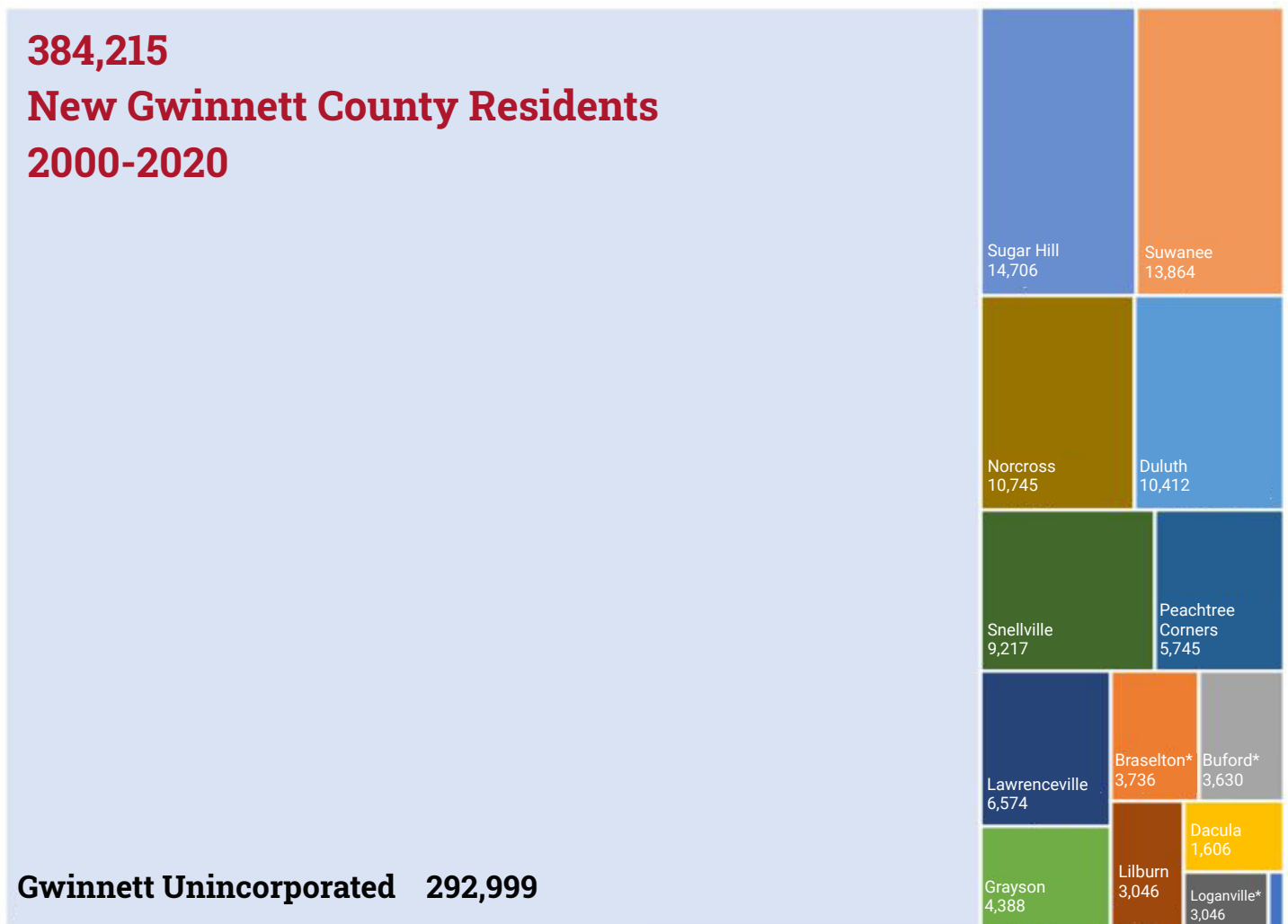
**Baseline Conditions: Demographics****Net New Total Population 2000-2020 by Municipality**

Since 2000, unincorporated areas of Gwinnett County added nearly 293,000 people, while the incorporated municipalities added over 91,000 people.

The City of Peachtree Corners was incorporated in 2012, increasing the size of the county's incorporated population by approximately 37,000 people.

Municipalities adding the most people over the past 20 years are Sugar Hill and Suwanee.

These cities' strong growth of 4-5% annually resembles the growth spurt that the western portions of the county experienced in the 1980s and 1990s, showing how Gwinnett's growth has shifted from the southwest of the county to the northeast and east.

**Gwinnett County and its Municipalities: New Population 2000-2020**

\* Includes only Gwinnett County portion of municipalities in multiple counties

Source: U.S. Census ACS 2019. KB Advisory Group

**Baseline Conditions: Demographics****Households**

In the last 20 years, unincorporated Gwinnett County gained 40,000 more households than the incorporated Gwinnett municipalities. Overall, unincorporated Gwinnett added about 73,300 new households, while the 16 municipalities added approximately 29,000.

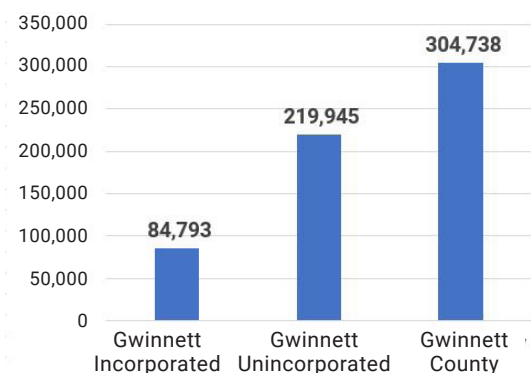
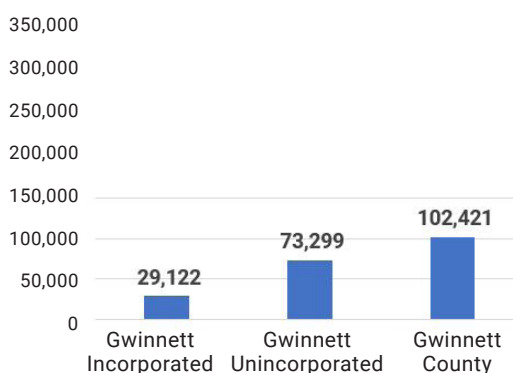
Of Gwinnett's incorporated municipalities, Suwanee added the most households overall since 2000, followed by Sugar Hill and Lawrenceville.

The past two decades marked a period of tremendous growth for Gwinnett County's smaller cities. Norcross and Loganville's households doubled, and Grayson's more than tripled.

**2020 Estimated Households**

	2020 Est	New HH 2000-2020
Auburn*	94	(2)
Berkeley Lake	749	148
Braselton*	1,312	1,221
Buford*	4,400	642
Dacula	1,984	701
Duluth	12,409	3,674
Grayson	1,608	1,332
Lawrenceville	10,259	2,775
Lilburn	4,322	379
Loganville*	987	548
Norcross	5,923	3,279
Peachtree Corners	17,023	2,949
Rest Haven*	7	(33)
Snellville	7,569	2,313
Sugar Hill	8,124	4,120
Suwanee	8,023	5,076
<b>Gwinnett Incorporated</b>	<b>84,793</b>	<b>29,122</b>
<b>Gwinnett Unincorporated</b>	<b>219,945</b>	<b>73,299</b>
<b>Gwinnett County Total</b>	<b>304,738</b>	<b>102,421</b>

\* Includes only Gwinnett County portion of municipalities in multiple counties

**2020 Households****New Households 2000-2020**

Source: U.S. Census ACS 2019. KB Advisory Group



## Baseline Conditions: Demographics

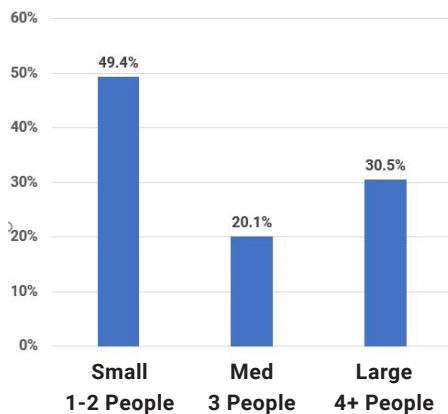
### Households

The size and shape of households has a strong relationship with the size and type of homes in which they prefer to live.

#### Household Size

Small households of just one or two people represent nearly half of households in Gwinnett County.

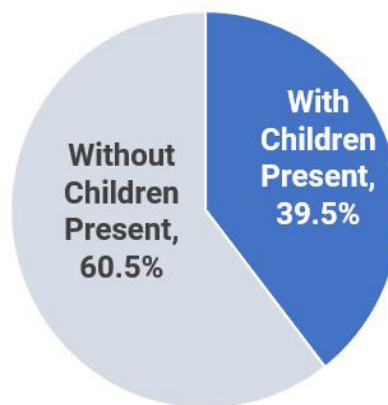
#### Gwinnett County Household Size



#### Children at Home

Less than 40% of households in Gwinnett have children present at home.

#### Households with Children



#### Multi-Generational Homes

17,453 households, or 5.9% of Gwinnett's households, are multi-generational, meaning they include related people from more than two generations.

Multi-generational households have many different forms and often consist of both children and the elderly. Multi-generational households have different needs because of the age diversity of people in the home.



Source: U.S. Census ACS 2019. KB Advisory Group

**Baseline Conditions: Demographics****Household Income**

Gwinnett County's 2019 median household income was \$72,109. Gwinnett County's median household income is over \$3,000 greater than the Atlanta-Sandy Springs-Roswell MSA's median household income. Berkeley Lake has the highest median income of Gwinnett County's municipalities at \$146,000. Rest Haven has the lowest median household income, \$50,417.

**Gwinnett Households by Income Range, 2020**

Household Income Range	Gwinnett County
<b>Lower-income Households (&lt; \$50k)</b>	97,516
<b>Middle-income Households (\$50k - \$100K)</b>	101,782
<b>Higher-income Households (\$100K+)</b>	105,135
<b>Total Households</b>	<b>304,433</b>

**Income Characteristics of Gwinnett County and Gwinnett Municipalities, 2020**

Jurisdiction	Median HH Income 2019	% Lower-income Households (< \$50k)	% Middle-income Households (\$50k - \$100K)	% Higher-income Households (\$100K+)
Auburn*	\$56,941	41%	44%	15%
Berkeley Lake	\$145,625	11%	20%	69%
Braselton*	\$105,096	18%	30%	52%
Buford*	\$59,855	43%	29%	28%
Dacula	\$80,192	23%	51%	26%
Duluth	\$71,220	34%	36%	30%
Grayson	\$111,528	11%	36%	53%
Lawrenceville	\$52,585	48%	33%	19%
Lilburn	\$58,151	42%	32%	26%
Loganville*	\$61,502	41%	33%	26%
Norcross	\$58,236	45%	31%	24%
Peachtree Corners	\$71,149	35%	27%	38%
Rest Haven*	\$50,417	57%	43%	0%
Snellville	\$74,535	31%	41%	28%
Sugar Hill	\$87,090	27%	30%	44%
Suwanee	\$90,436	24%	30%	46%
<b>Gwinnett Incorporated</b>	<b>\$72,448</b>	<b>35%</b>	<b>32%</b>	<b>33%</b>
<b>Gwinnett Unincorporated</b>	<b>\$69,267</b>	<b>31%</b>	<b>34%</b>	<b>35%</b>
<b>Gwinnett County Total</b>	<b>\$72,109</b>	<b>32%</b>	<b>33%</b>	<b>35%</b>

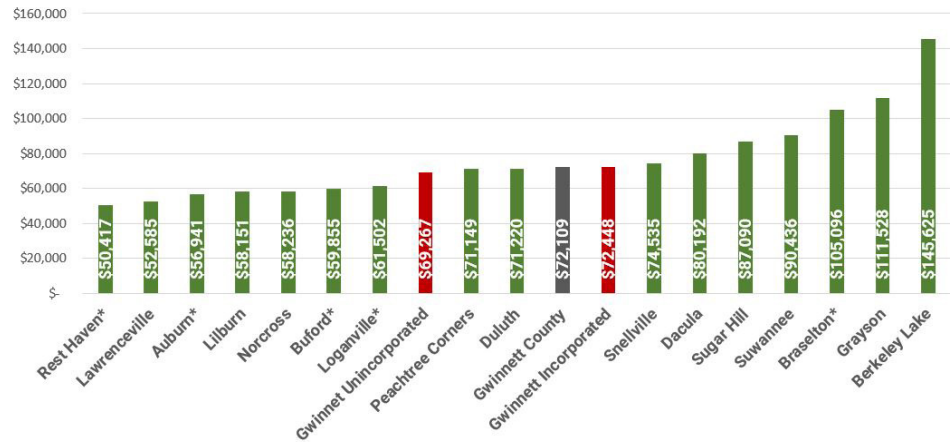
Source: U.S. Census ACS 2019. KB Advisory Group

## Baseline Conditions: Demographics

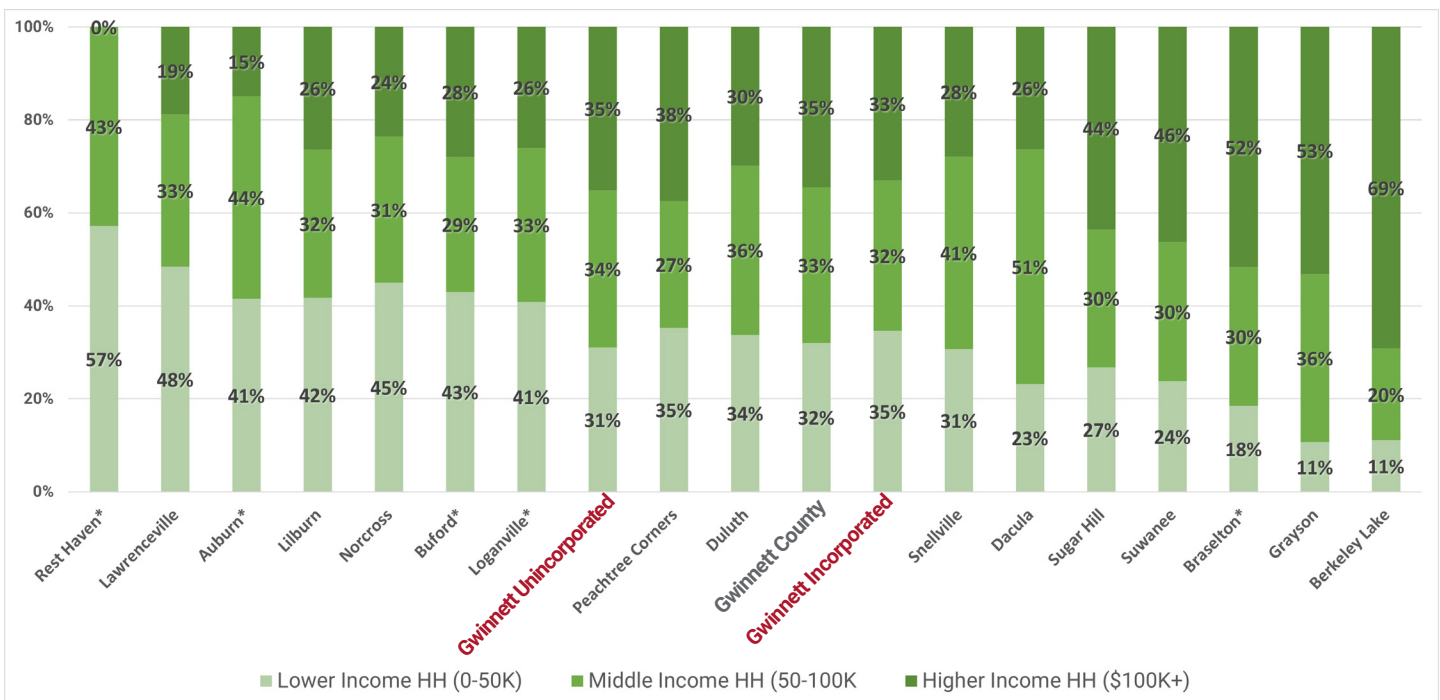
Median household income varies widely across Gwinnett County and its municipalities, from \$50,417 in Rest Haven to \$145,625 in Berkeley Lake.

Similarly, the distribution of households within income groups varies widely across Gwinnett County and its municipalities. While Gwinnett County has roughly even distributions of low, medium and upper income households, some of the municipalities have much stronger income group concentrations, such as Berkeley Lake where 69% of households have incomes over \$100,000.

### Estimated Median Household Income



### Household Income by Income Range



\* Includes only Gwinnett County portion of municipalities in multiple counties

Source: U.S. Census ACS 2019. KB Advisory Group

**Baseline Conditions: Demographics****Poverty**

The Poverty Threshold is a guideline set by the U.S. Census Bureau to define the minimum amount of income individuals or families require to meet basic needs such as food and shelter. The threshold varies based on the number of family members and the number of children.

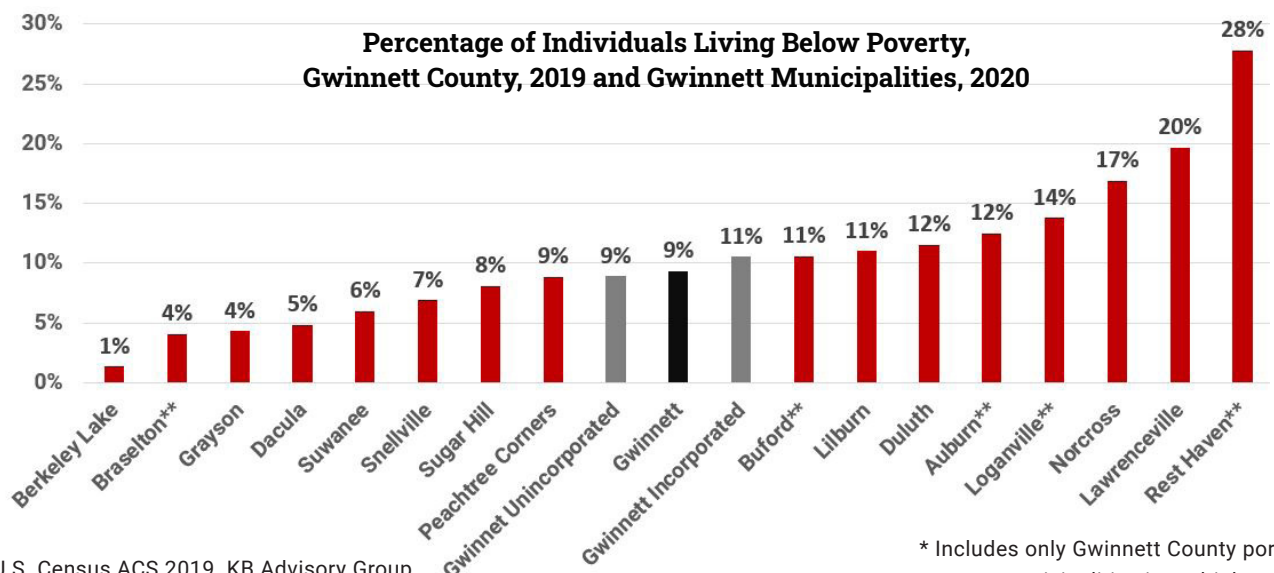
The 2020 Poverty Threshold for a four-person family with two children is \$26,246, while a 3-person family with two children is \$20,852. The same threshold levels apply to all U.S. States.

In Gwinnett County, an estimated 90,458 individuals reported to be living below the poverty line as of 2019. This represents 9% of individuals in Gwinnett County.

Poverty rates in Gwinnett's municipalities vary widely, from 1% in Berkeley Lake to over 20% in Lawrenceville.

**Count and Percentage of Individuals Living Below Poverty, 2019**

Jurisdiction	Individuals living below poverty	% living below poverty
Auburn	36	12%
Berkeley Lake	27	1%
Braselton	161	4%
Buford	1,497	11%
Dacula	299	5%
Duluth	3,762	12%
Grayson	222	4%
Lawrenceville	5,705	20%
Lilburn	1,580	11%
Loganville	398	14%
Norcross	3,237	17%
Peachtree Corners	3,829	9%
Rest Haven	5	28%
Snellville	1,695	7%
Sugar Hill	2,118	8%
Suwanee	1,356	6%
Gwinnett Incorporated	25,927	11%
Gwinnett Unincorporated	64,531	9%
Gwinnett County	90,458	9%



Source: U.S. Census ACS 2019. KB Advisory Group

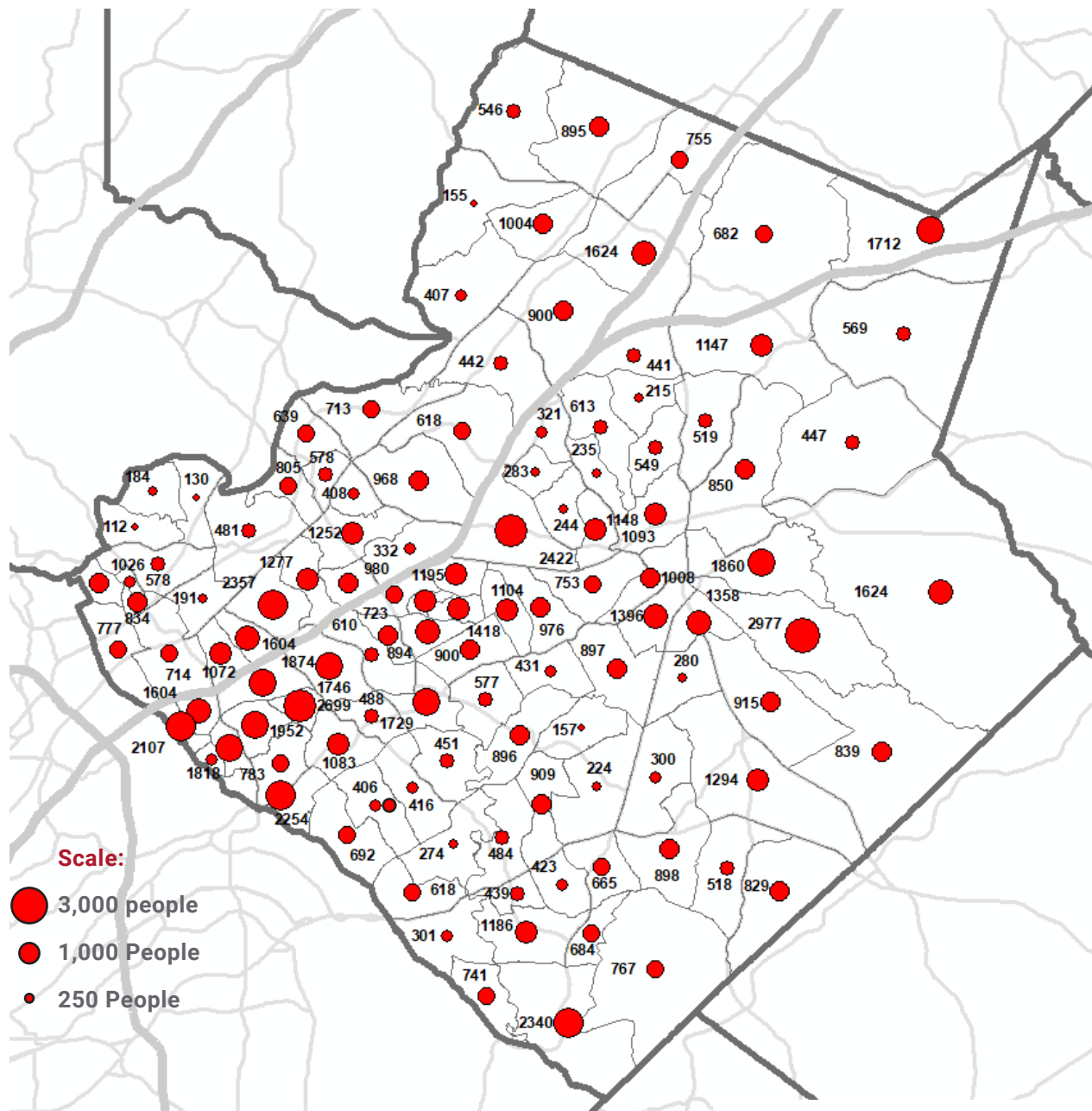
\* Includes only Gwinnett County portion of municipalities in multiple counties



## Baseline Conditions: Demographics

Poverty in Gwinnett is concentrated geographically in the west and center of the county.

**Number of People Living in Poverty by Tract**



Source: U.S. Census ACS 2019. KB Advisory Group

## Baseline Conditions: Demographics

### Age

Gwinnett's population is aging. The aging of the large Baby Boomer generation (58-76 in 2022), along with improved health and longevity, will enormously impact population distribution nationwide. The 2020-2040 population forecast shows that all age groups are going to expand, but that growth will be the most dramatic among the Active Adult group (65-80 in 2020) and the Senior+ (80+) age group.

- From 2020 to 2040, the 65+ age group will increase from 11% to 21.5% of Gwinnett's total population.
- The 80+ age group will increase nearly five-fold, from 21,000 to 99,000.
- The three youngest age groups relative share of Gwinnett's population will each decline by 3% to 4%.

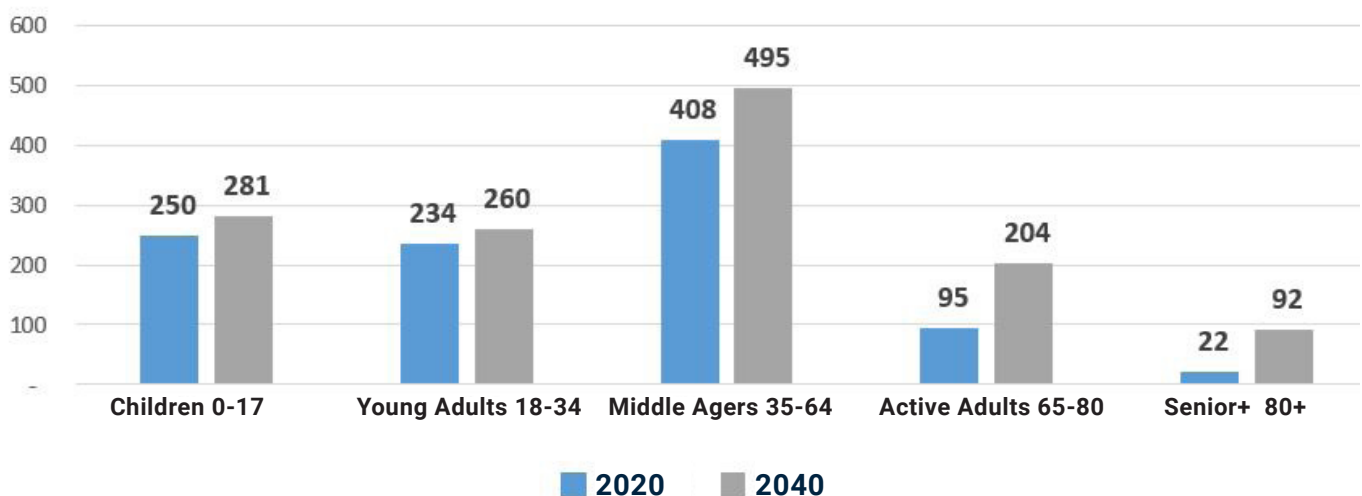
Age is a reliable indicator of future housing demand in that

it is a strong predictor of housing choices and future housing demand, including:

- Many households will choose to age in place, where the household remains in the same house in which they currently live.
- Many will chose to move into a new home that suits the needs of an older household, often a smaller home, a single-story home, an assisted living facility, or other housing that satisfies the physical and social needs of older residents.
- As households move between units, age is a major indicator of likely preferences of tenure or unit type;
- Age is also strongly correlated with household income and housing affordability.

For these reasons, Gwinnett's changing age profile is one of the most important inputs, along with population and household growth, income, and tenure choice, into housing demand forecasting.

**Gwinnett Population by Age Group, in Thousands of People**

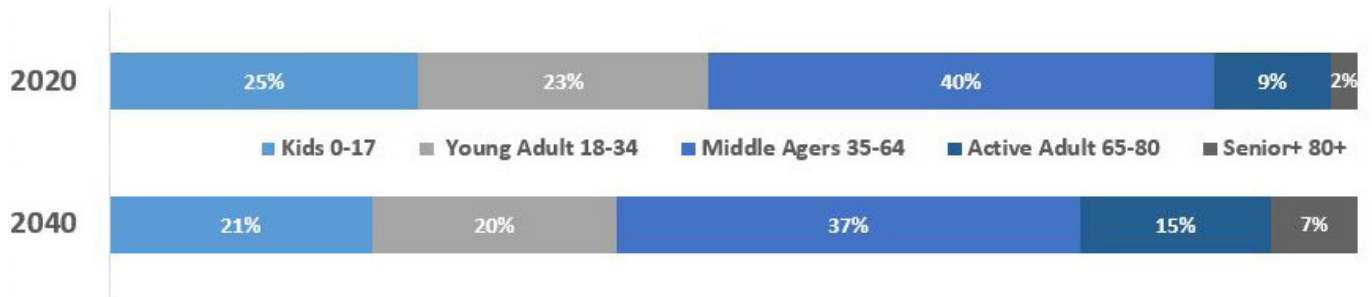


\* Based on the "Average" growth forecast of 1,425,000 in 2040.

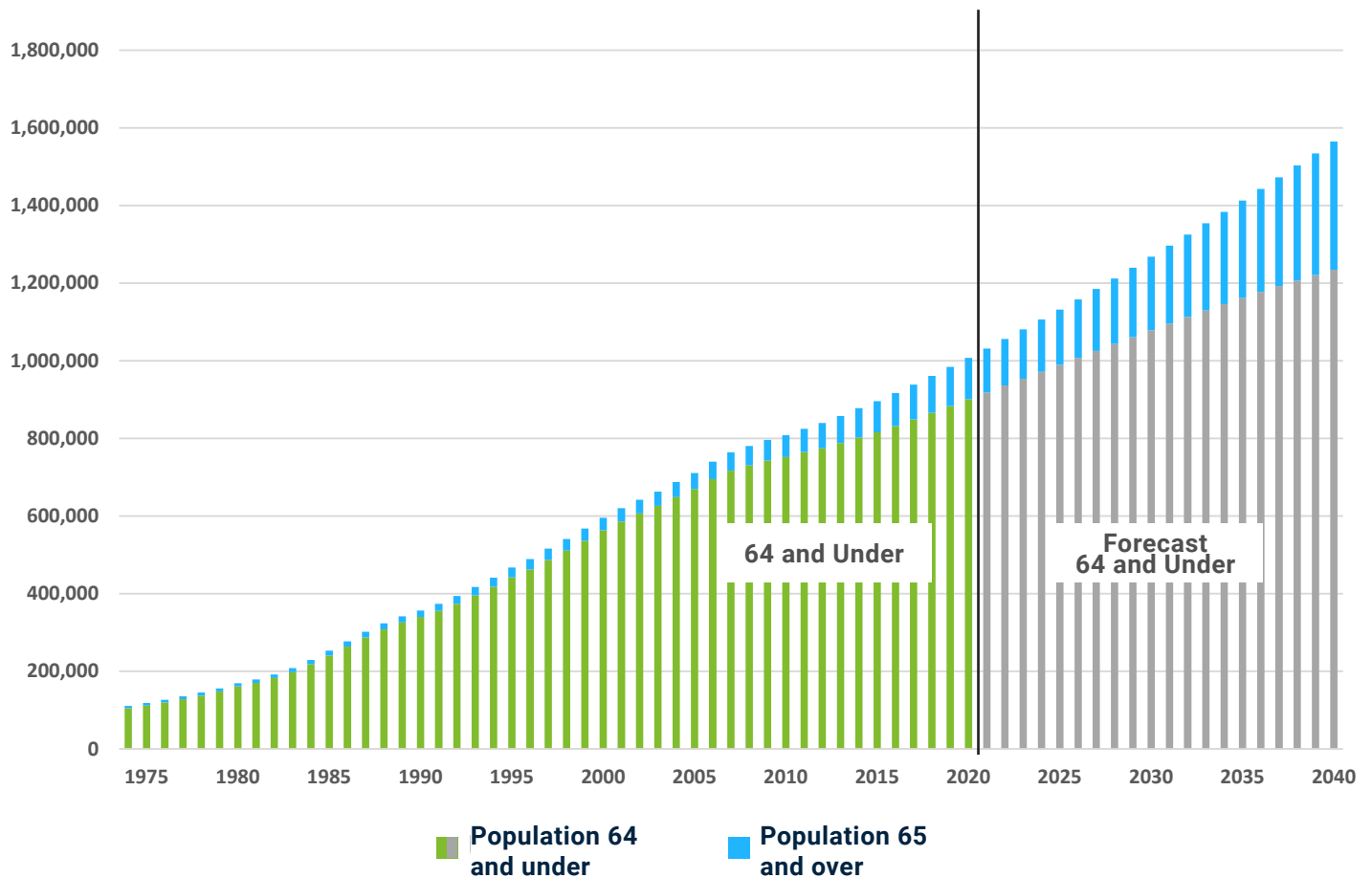
Source: Gwinnett 2040 Plan, Woods & Poole, ARC, KB Advisory Group

## Baseline Conditions: Demographics

**Gwinnett Population by Age Cohort, % of Total**



**Population Aged 65+ Over Time**



Source: Gwinnett 2040 Plan, Woods & Poole, ARC, KB Advisory Group

**Baseline Conditions: Demographics****Age Detailed by Municipality**

The median 2020 age in Gwinnett County was 35.8 years old, slightly younger than the Atlanta regional median age of 36.6.

In Gwinnett's unincorporated areas, where the median age is 34.1, residents tend to be younger than those who live in Gwinnett's municipalities, with a median age of 36.7.

The table below shows the breakout of Gwinnett County's population by age groups and generation. The distribution of Gwinnett's population by age group is relatively consistent throughout the incorporated and unincorporated areas, as well as in the individual cities. This demonstrates that there are few areas in the county that have any particular concentration of any age group, young or old.

One exception is Berkeley Lake, which has a median age of 52 and 39% of residents in the Baby Boomer generation.

**Age Characteristics of Gwinnett County and its Municipalities, 2020**

	Auburn*	Berkeley Lake	Braselton*	Buford*	Dacula	Duluth	Grayson	Lawrence- ville	Lilburn	Logan- ville*
<b>Total All Ages</b>	289	2,006	3,976	14,196	6,173	32,534	5,153	28,971	14,353	2,891
Children 0-17	74	379	1,127	3,800	1,536	7,258	1,337	7,278	4,106	716
Young Adult 18-34	80	267	698	3,087	1,391	7,263	797	8,110	2,948	589
Middle Aged 35-64	108	907	1,609	5,569	2,584	14,244	2,265	10,015	5,674	1,138
Active Adult 65-80	22	387	491	1,265	544	2,992	598	2,456	1,247	320
Older Senior 80+	5	66	51	475	118	777	156	1,112	378	128
<b>By Generation</b>										
Generation Alpha (0-11)	15%	10%	15%	14%	16%	13%	17%	16%	16%	12%
Generation Z (12-25)	17%	13%	20%	21%	17%	16%	19%	18%	18%	20%
Millennials (26-41)	26%	11%	18%	21%	23%	23%	14%	26%	23%	22%
Generation X (42-57)	19%	22%	23%	22%	23%	24%	23%	16%	21%	21%
Baby Boomer (58-76)	19%	39%	20%	17%	17%	20%	22%	19%	17%	17%
Silent Generation (76+)	4%	5%	4%	5%	4%	5%	6%	5%	4%	8%
<b>Median Age</b>	33.9	52.2	36.9	36.4	35.6	39.0	39.9	33.2	36.2	37.4

\* Includes only Gwinnett County portion of municipalities in multiple counties





Norcross	Peachtree Corners	Rest Haven*	Snellville	Sugar Hill	Suwanee	Gwinnett Cities	Gwinnett Unincorporated	Gwinnett County
19,164	43,358	18	24,568	26,105	22,589	<b>246,344</b>	<b>726,318</b>	<b>972,662</b>
6,021	10,120	3	5,145	7,675	5,387	<b>61,962</b>	<b>197,068</b>	<b>259,030</b>
4,799	10,875	10	5,831	4,991	4,850	<b>56,586</b>	<b>164,262</b>	<b>220,848</b>
7,209	16,941	3	9,442	11,365	10,322	<b>99,395</b>	<b>291,116</b>	<b>390,511</b>
919	4,769	2	2,842	1,749	1,877	<b>22,480</b>	<b>59,874</b>	<b>82,354</b>
216	653	-	1,308	325	153	<b>5,921</b>	<b>13,998</b>	<b>19,919</b>
15%	13%	15%	13%	14%	11%	<b>14%</b>	<b>14%</b>	<b>14%</b>
24%	17%	20%	16%	23%	22%	<b>19%</b>	<b>21%</b>	<b>21%</b>
26%	24%	35%	22%	20%	21%	<b>23%</b>	<b>22%</b>	<b>22%</b>
22%	21%	15%	19%	25%	23%	<b>21%</b>	<b>21%</b>	<b>21%</b>
13%	21%	15%	23%	15%	21%	<b>19%</b>	<b>19%</b>	<b>19%</b>
2%	4%	0%	8%	3%	3%	<b>4%</b>	<b>3%</b>	<b>4%</b>
31.1	36.5	27.9	39.3	36.6	37.9	<b>36.7</b>	<b>34.1</b>	<b>35.8</b>

Source: U.S. Census ACS 2019. KB Advisory Group

**Baseline Conditions: Demographics****Demographics Summary Table**

This table presents an overview of select demographics for Gwinnett's 16 municipalities, Gwinnett's unincorporated areas, and the county as a whole.

**2020 Demographic Overview: Gwinnett County and Gwinnett Municipalities**

	Auburn*	Berkeley Lake	Braselton*	Buford*	Dacula	Duluth	Grayson	Lawrence- ville	Lilburn	Logan- ville*
<b>Population</b>										
2000	293	1,695	240	10,566	3,848	22,122	765	22,397	11,307	1,285
2010	302	1,872	1,215	11,916	4,416	26,317	2,384	27,704	11,725	2,279
2020 Estimate	289	2,006	3,976	14,196	6,173	32,534	5,153	28,971	14,353	2,891
New Population 2000-2020	(4)	311	3,736	3,630	2,325	10,412	4,388	6,574	3,046	1,606
Annual Growth 2000-2020	-0.1%	0.8%	15.1%	1.5%	2.4%	1.9%	10.0%	1.3%	1.2%	4.1%
<b>Income</b>										
Median HH Income 2019	\$56,941	\$145,625	\$105,096	\$59,855	\$80,192	\$71,220	\$111,528	\$52,585	\$58,151	\$61,502
Lower-income HH (\$0-\$50K)	41%	11%	18%	43%	23%	34%	11%	48%	42%	41%
Middle-income HH (\$50-\$100K)	44%	20%	30%	29%	51%	36%	36%	33%	32%	33%
Higher-income HH (\$100K+)	15%	69%	52%	28%	26%	30%	53%	19%	26%	26%
% People Living Under Poverty	12%	1%	4%	11%	5%	12%	4%	20%	11%	14%
<b>Age</b>										
Median Age	33.9	52.2	36.9	36.4	35.6	39.0	39.9	33.2	36.2	37.4
<b>Housing and Households</b>										
Households 2000	96	601	91	3,758	1,283	8,735	276	7,484	3,943	439
Households 2010	106	640	427	3,978	1,432	10,469	781	9,109	3,878	826
Households 2020 Estimate	94	749	1,312	4,400	1,984	12,409	1,608	10,259	4,322	987
New HH 2000-2020	(2)	148	1,221	642	701	3,674	1,332	2,775	379	548
HH % Change/YR 2000-2020	0%	1%	14%	1%	2%	2%	9%	2%	0%	4%
Housing Units	99	789	1,381	4,631	2,088	13,062	1,693	10,799	4,549	1,039
% Owners	79%	96%	87%	66%	74%	55%	96%	49%	62%	68%
% Renters	21%	4%	13%	34%	26%	45%	4%	51%	38%	32%

\* Includes only Gwinnett County portion of municipalities in multiple counties

Norcross	Peachtree Corners	Rest Haven*	Snellville	Sugar Hill	Suwanee	Gwinnett Incorporated	Gwinnett Unincorporated	Gwinnett County Total
8,410	36,612	113	15,351	11,399	8,725	155,128	433,319	588,447
9,209	36,943	121	18,276	17,580	14,535	186,795	591,227	778,022
19,164	43,358	18	24,568	26,105	22,589	246,344	726,318	972,662
10,754	6,746	(95)	9,217	14,706	13,864	92,216	292,999	384,215
4.2%	0.8%	-8.8%	2.4%	4.2%	4.9%	2.6%	2.5%	2.5%
\$58,236	\$71,149	\$50,417	\$74,535	\$87,090	\$90,436	\$72,448	\$69,267	\$72,109
45%	35%	57%	31%	27%	24%	35%	31%	32%
31%	27%	43%	41%	30%	30%	32%	34%	33%
24%	38%	0%	28%	44%	46%	33%	35%	35%
17%	9%	26%	7%	8%	6%	11%	9%	9%
31.1	36.5	27.9	39.3	36.6	37.9	36.7	34.1	35.8
2,644	14,074	40	5,256	4,004	2,947	55,671	146,646	202,317
3,370	16,791	36	6,558	5,750	5,254	69,405	190,970	260,375
5,923	17,023	7	7,569	8,124	8,023	84,793	219,945	304,738
3,279	2,949	(33)	2,313	4,120	5,076	29,122	73,299	102,421
4%	2.28%	-8%	2%	4%	5%	4%	1.94%	2%
6,235	17,919	8	7,967	8,551	8,445	89,255	241,328	330,583
50%	54%	24%	77%	79%	74%	63%	68%	67%
50%	46%	76%	23%	21%	26%	37%	32%	33%

Source: U.S. Census ACS 2019. KB Advisory Group

## Baseline Conditions: Employment

### Introduction

Employment is the most important driver of housing demand because jobs are one of most important reasons people move into or out of a community.

A community that is adding jobs will generally create demand for new housing, while a community with declining jobs will generally see a surplus of housing.

It is important to look at employment data in two ways:

- *Employment* refers to jobs that are located in Gwinnett County. Many of the workers who fill those jobs also live in Gwinnett County. The types of jobs available in a community, the forecast growth of those jobs, and the wages those jobs pay are all strong indicators of where new households will want to live and how much money new households might be willing to spend on housing.
- *Workforce* refers to jobs held by working Gwinnett residents. Many, but not all, work at jobs also located in Gwinnett. Understanding the employment patterns of Gwinnett's workforce helps develop a greater understanding of how geographic and wage patterns influence housing choice.



## Baseline Conditions: Employment

### Employment

Gwinnett's total employment is characterized by robust and consistent growth since 2000. Like many counties across the nation, employment suffered substantially due to the Great Recession, but Gwinnett County's recovery passed pre-recession employment levels after seven years.

Gwinnett County's pre-recession employment peaked at 326,000 jobs, followed by a loss of approximately 30,000 jobs during the recession. Since 2009, the number of jobs in the county has steadily increased.

In 2020, the number of jobs located in Gwinnett County was estimated to be 362,650, an all-time high, with little sign of slowing.

Gwinnett County's jobs are well-distributed across all employment sectors, with particular strength in:

- Retail;
- Wholesale transportation and warehousing;
- Professional, information and management; and
- Services industries.

The estimated average salary of a job located in Gwinnett County is \$54,575, assuming full-time (40 hours) employment.

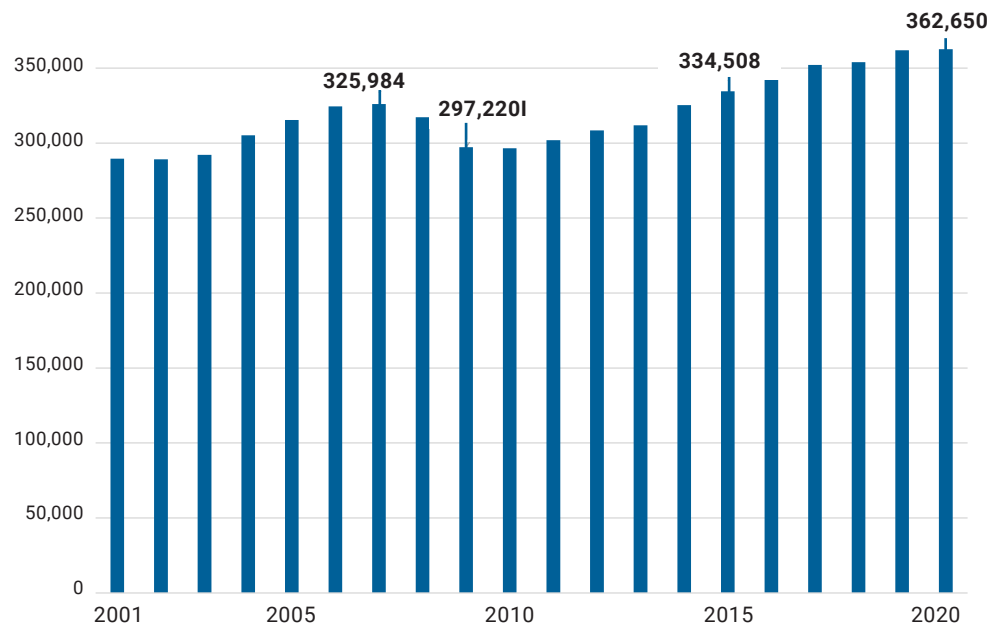
According to U.S. Census Center for Economic Studies (2019):

- 22% of Gwinnett's jobs pay less than \$1,250/month (\$15,000/year);
- 32% of Gwinnett's jobs pay between \$1,251 and \$3,333/month (\$15,000 to \$40,000/year);
- 46% of Gwinnett's jobs pay over \$3,333/month (\$40,000/year).

### Total Estimated Jobs in Gwinnett County: 2001-2020

Employment Sector	Gwinnett Total	% of Gwinnett Jobs	Average Salary Q32020
Agriculture, Mining & Utilities	574	0%	\$71,305
Construction	22,575	6%	\$66,405
Manufacturing	28,231	8%	\$69,297
Wholesale, Transp. & Warehouse	43,840	12%	\$67,432
Retail	53,453	15%	\$37,700
Finance, Insurance & Real Estate	19,748	5%	\$69,030
Professional, Info & Management	48,680	13%	\$95,023
Accommodations & Food Svcs.	32,758	9%	\$19,344
Other Services & Administration	44,455	12%	\$40,634
Education	28,749	8%	\$28,749
Healthcare	32,823	9%	\$48,256
Govt & Pub Adm	6,764	2%	\$43,212
<b>Total 2020 Jobs (Est)</b>	<b>362,650</b>	<b>100%</b>	<b>\$54,575</b>

### Total Estimated Jobs in Gwinnett County: 2001-2020



Source: Bureau of Labor Statistics, US Census Bureau Center for Economic Studies

## Baseline Conditions: Employment

### Employment by Location

In 2020, 202,000 of Gwinnett's 362,650 jobs, or 56%, were located in the county's unincorporated areas.

Municipalities within Gwinnett County held just over 160,000, or 44% of the county's jobs.

Gwinnett County's top municipalities for jobs in 2020 were:

- Peachtree Corners 48,840 jobs
- Lawrenceville 31,048 jobs
- Norcross 17,247 jobs
- Duluth 14,859 jobs

Overall, Gwinnett County's employment sectors are diversified and well-rounded, offering robust opportunities across a wide range of sectors, skill levels, and wage ranges.



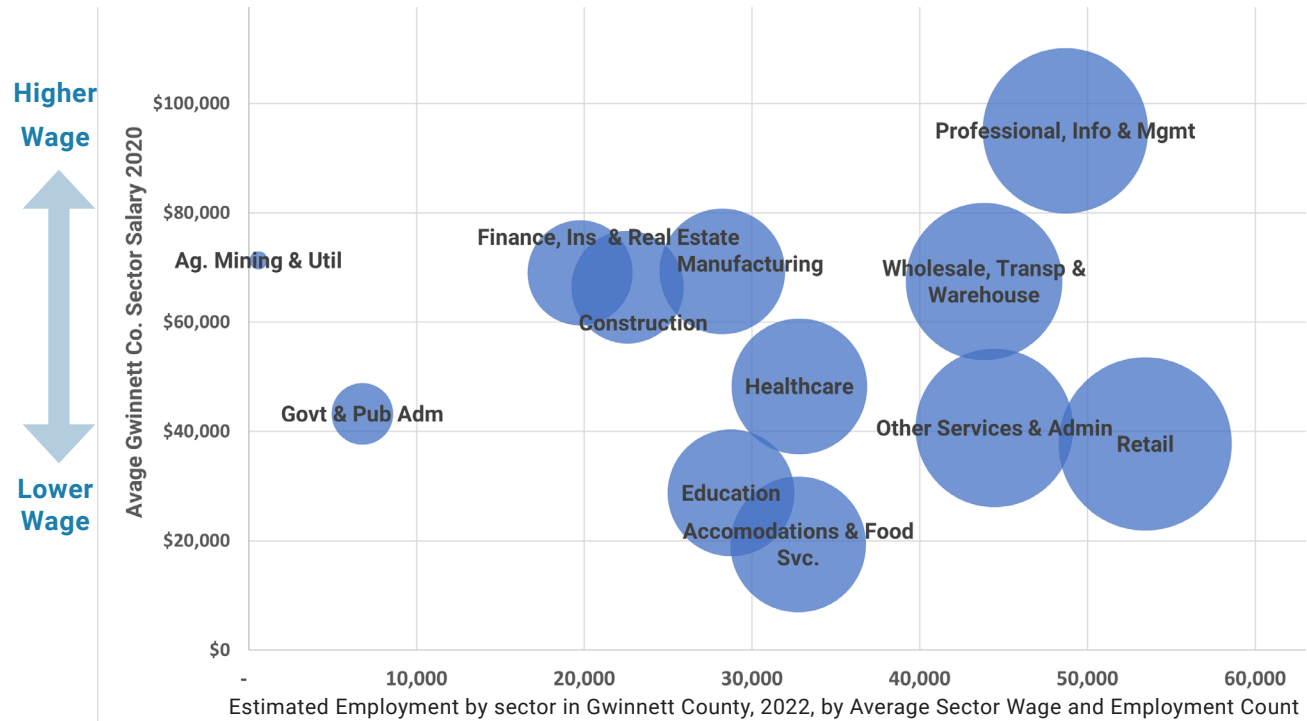
### 2020 Estimated Employment by Sector for Gwinnett County and its Municipalities

Employment Sector	Berkeley				Lawrenceville				
	Auburn*	Lake	Braselton*	Buford*	Dacula	Duluth	Grayson	ville	Lilburn
Ag., Mining & Utilities.	NA	8	-	-	-	15	-	1	8
Construction	NA	186	51	223	41	575	85	1,194	248
Manufacturing	NA	184	8	150	31	1,141	7	2,061	520
Wholesale, Transp. & Warehs.	NA	378	115	4,884	42	1,795	24	1,238	760
Retail	NA	443	21	1,880	271	1,821	79	2,913	309
Finance, Ins & Real Estate	NA	67	20	289	17	782	43	756	409
Professional, Info & Management	NA	98	48	488	106	3,304	49	1,775	1,573
Accommodations & Food Svc.	NA	253	5	2,718	247	1,287	166	1,324	359
Other Services & Admin	NA	147	42	1,114	42	1,331	150	2,647	512
Education	NA	80	2	49	238	803	91	4,613	163
Healthcare	NA	82	26	568	134	1,844	99	7,686	174
Govt & Pub Adm	NA	18	-	99	-	161	2	4,839	3
<b>Total 2020 Jobs (Est)</b>	<100	1,944	339	12,463	1,170	14,859	794	31,048	5,038

\* Includes only Gwinnett County portion of municipalities in multiple counties

## Baseline Conditions: Employment

### Jobs Located in Gwinnett County by Sector and Average Salary (2020)



Loganville	Norcross	Peachtree Corners	Rest Haven*	Snellville	Sugar Hill	Suwanee	Inc. Total	Uninc. Gwinnett	Gwinnett Total	Average Salary Q3 2020
1	12	9	NA	4	1	-	140	433	574	\$ 71,305
89	1,064	2,951	NA	242	744	1,033	9,622	12,953	22,575	\$ 64,896
74	251	3,380	NA	139	677	844	11,215	17,016	28,231	\$ 64,896
78	300	6,731	NA	106	425	1,213	19,245	24,595	43,840	\$ 67,432
342	5,798	5,156	NA	2,752	544	1,252	21,643	31,811	53,453	\$ 37,700
95	616	1,524	NA	245	234	510	6,990	12,759	19,748	\$ 69,030
112	751	10,201	NA	652	406	704	22,230	26,450	48,680	\$ 95,023
221	3,612	3,971	NA	1,471	261	1,106	15,421	17,337	32,758	\$ 19,344
218	932	11,665	NA	594	662	1,768	18,861	25,594	44,455	\$ 40,634
299	1,913	1,898	NA	294	703	1,456	12,534	16,215	28,749	\$ 28,749
140	1,515	965	NA	2,276	544	714	16,774	16,050	32,823	\$ 48,256
20	481	368	NA	98	100	90	5,673	1,091	6,764	\$ 43,212
1,689	17,247	48,820	<100	8,874	5,301	10,690	160,347	202,303	362,650	\$ 54,575

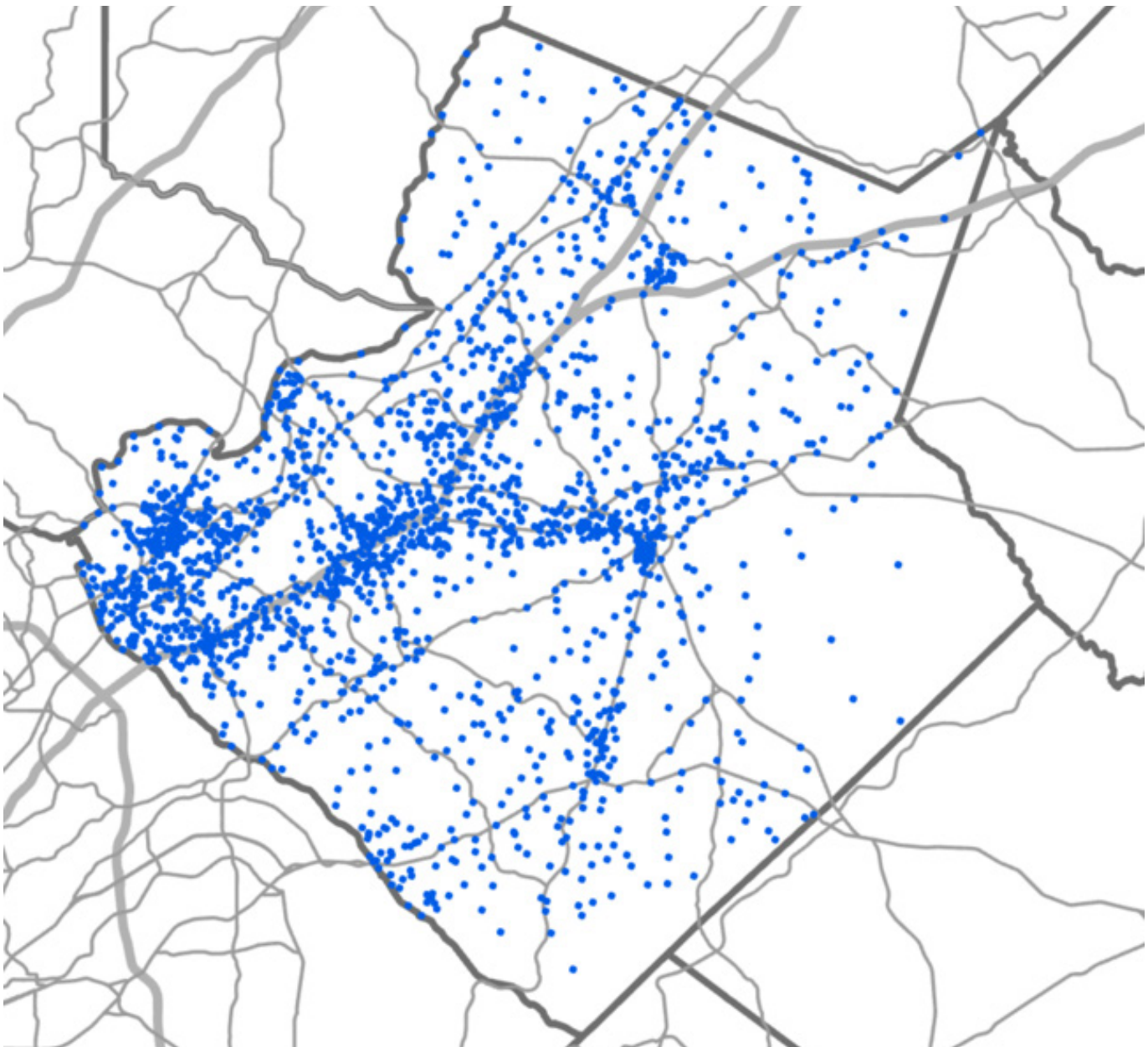
Source: Bureau of Labor Statistics, Atlanta Regional Commission

## Baseline Conditions: Employment

### Employment by Location

Employment in Gwinnett County is concentrated on the western side of the county, and along the I-85 corridor and Highway 316 corridor. Gwinnett County's larger cities, such as, Lawrenceville, Peachtree Corners, and Norcross, also tend to have substantial employment concentrations.

#### Distribution of Jobs in Gwinnett County, 2020, 1 Dot = 200 Jobs



Source: Atlanta Regional Commission



## Baseline Conditions: Employment

### Workforce

Gwinnett County is home to an estimated 436,000 working residents in a wide range of employment sectors:

- Between 2010 and 2020, the employment sector with the strongest growth in Gwinnett was construction, which grew 26%, adding about 4,000 jobs. This correlates with increased demand for development in Gwinnett.
- Over 49,000 Gwinnett workers work in the healthcare field, which increased by 22% since 2010.
- The accommodations and food service and retail sectors gained over 8,700 jobs, an indicator of a growing population typically earning below-average wages.
- Over the last decade, Gwinnett County created thousands of high-paying careers, adding about 5,800 professional, information, and management jobs and 2,100 finance, insurance, and real estate jobs.
- The sectors that experienced negative growth in Gwinnett County between 2010 and 2020

were agriculture, mining, utilities, education, and government and public administration.

- Overall Gwinnett County added 52,540 jobs between 2010 and 2020.

Gwinnett's workforce is well balanced across employment sectors. The past decade has seen substantial employment growth and a broad range of pay, suggesting continuing demand for housing at all price points.

#### 2020 Gwinnett County Workforce by Sector

	2010	2020	Net Change 10-20	% Change 10-20	Avg Salary
Ag. Mining & Utilities	1,725	1,685	(40)	-2%	\$71,305
Construction	15,749	19,787	4,038	26%	\$64,896
Manufacturing	24,640	28,541	3,901	16%	\$64,896
Wholesale, Transp. & Warehouse	41,672	46,167	4,495	11%	\$67,432
Retail	47,386	56,121	8,735	18%	\$37,700
Finance, Ins & Real Estate	25,654	27,846	2,192	9%	\$69,030
Professional, Info & Management	56,032	61,884	5,852	10%	\$95,023
Accommodations & Food Service.	34,548	43,341	8,793	25%	\$19,344
Other Services & Admin	47,366	54,941	7,575	16%	\$40,634
Education	34,792	34,293	(499)	-1%	\$28,749
Healthcare	40,330	49,082	8,752	22%	\$48,256
Govt & Pub Adm	14,179	12,925	(1,254)	-9%	\$43,212
<b>Total 2020 Jobs (Estimated)</b>	<b>384,073</b>	<b>436,613</b>	<b>52,540</b>	<b>140%</b>	<b>\$54,575</b>

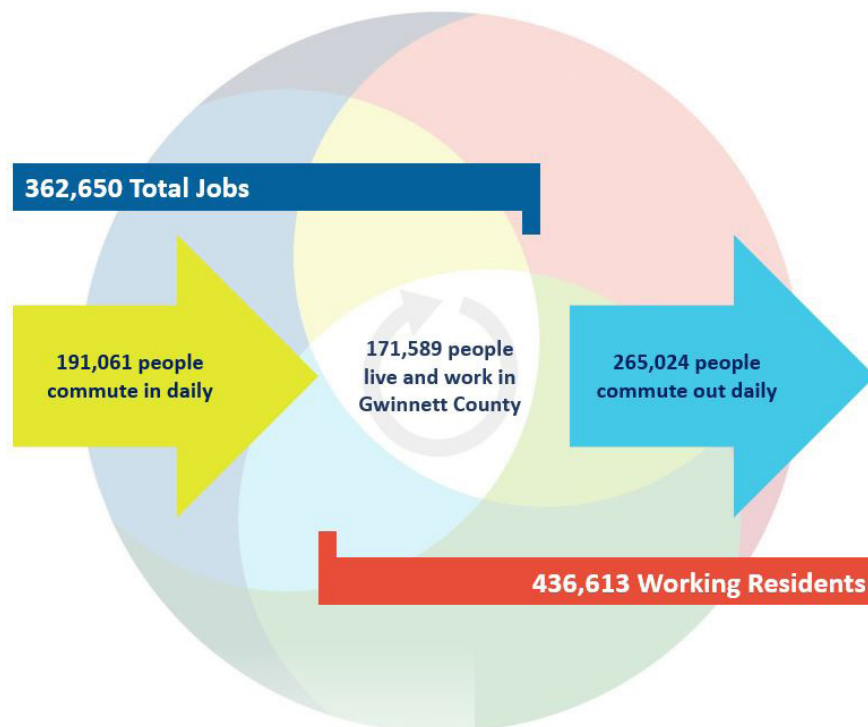
Source: U.S. Census Longitudinal Employer-Household Dynamics 2019, BLS

## Baseline Conditions: Employment

### Workforce Dynamics

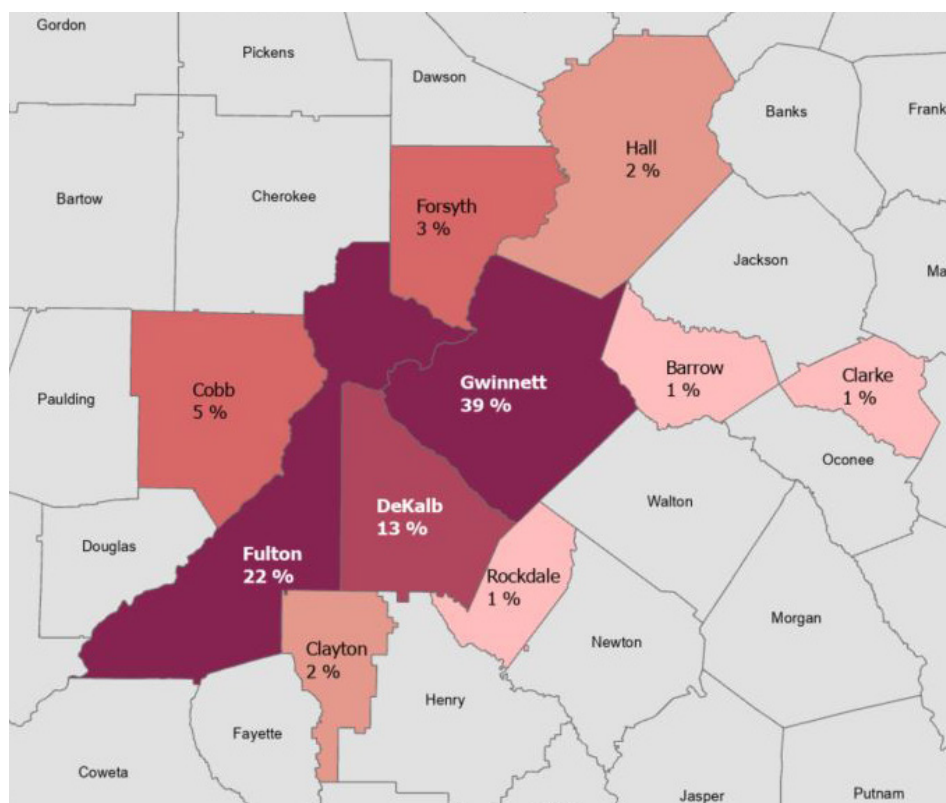
Over 170,000 people, 39% of Gwinnett County's working residents, live and work in the county. The remaining 61%, over 265,000 people, commute to jobs in other counties, while over 191,000 residents of other counties commute to jobs in Gwinnett on a typical day.

22% of Gwinnett's workforce commutes to jobs in Fulton County, while 13% commute to jobs in DeKalb County.



### Where Working Gwinnett Residents Commute to Work, 2019

County	Gwinnett Workers
Gwinnett County	171,589
Fulton County	97,574
DeKalb County	57,157
Cobb County	23,969
Forsyth County	12,415
Hall County	11,365
Clayton County	6,019
Barrow County	3,586
Rockdale County	3,540
Clarke County	3,507
All Other Locations	45,881



Source: U.S. Census Longitudinal Employer-Household Dynamics 2019

## Baseline Conditions: Employment

### Employment Forecast

According to Atlanta Regional Commission employment forecasts, Gwinnett County employment will increase by 13% over the next two decades, meaning over 47,000 new jobs added to Gwinnett County's economy by 2040. From 2000-2020, Gwinnett County employment grew by 27%.

Gwinnett's 16 incorporated municipalities will add about 20,500 jobs over the next 20 years according to ARC's forecast. Peachtree Corners is forecast to gain about 8,200 jobs – the most of any city in Gwinnett County. The cities of Duluth, Lilburn, and Norcross are projected to increase their total jobs by more than 15%, according to ARC's forecast.

#### 2020-2040 Employment Forecast, Gwinnett County and Gwinnett Municipalities

	Jobs 2020	Jobs 2030	Jobs 2040	New '20-'40	% Change '20-'40
Auburn*	<100	<100	<100	<100	
Berkeley Lake	1,944	2,035	2,222	278	14%
Braselton*	339	347	367	28	8%
Buford*	12,463	12,972	13,609	1,146	9%
Dacula	1,170	1,177	1,228	58	5%
Duluth	14,859	15,950	17,478	2,619	18%
Grayson	794	792	810	16	2%
Lawrenceville	31,048	32,398	34,354	3,306	11%
Lilburn	5,038	5,366	5,840	802	16%
Loganville*	1,689	1,712	1,795	106	6%
Norcross	17,247	18,143	19,888	2,641	15%
Peachtree Corners	48,820	51,161	57,058	8,238	17%
Rest Haven*	<100	<100	<100	<100	
Snellville	8,874	9,012	9,272	398	4%
Sugar Hill	5,301	5,394	5,587	286	5%
Suwanee	10,690	10,838	11,325	635	6%
<b>Incorporated Gwinnett</b>	<b>160,276</b>	<b>167,297</b>	<b>180,833</b>	<b>20,557</b>	<b>13%</b>
<b>Unincorporated Gwinnett</b>	<b>202,374</b>	<b>212,473</b>	<b>229,140</b>	<b>26,766</b>	<b>13%</b>
<b>Gwinnett County Total</b>	<b>362,650</b>	<b>379,770</b>	<b>409,973</b>	<b>47,323</b>	<b>13%</b>

\* Includes only Gwinnett County portion of municipalities in multiple counties.

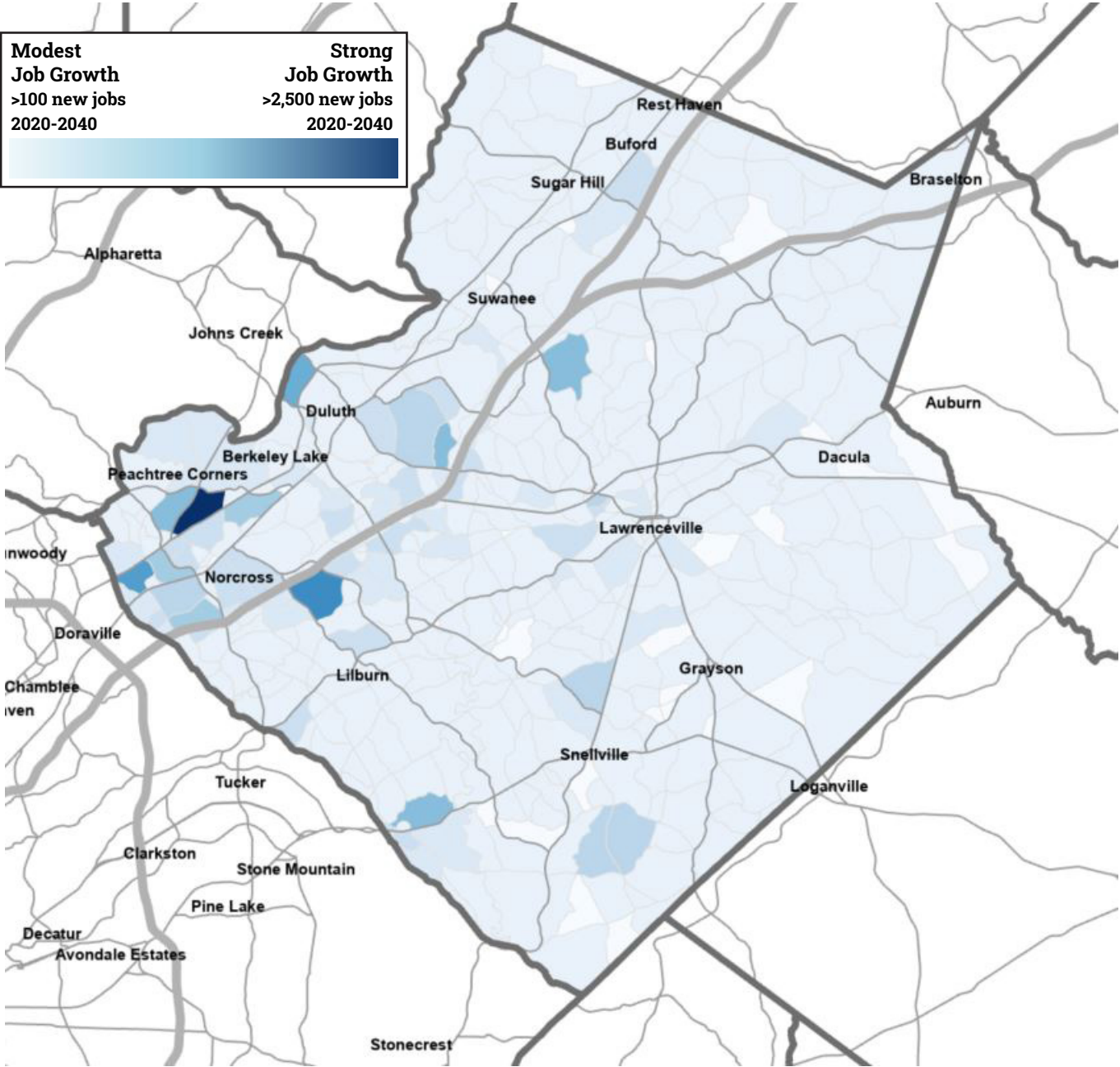
Forecast of municipal-level employment is estimated based on census tract allocation, and is statistically reliable above 100 jobs.

Source: Atlanta Regional Commission , Bureau of Labor Statistics

Baseline Conditions: Employment

Employment Forecast by Census Tract

Map of 2020-2040 Job Growth Forecast, Gwinnett County



Source: Atlanta Regional Commission



## Baseline Conditions: Supply of Housing

### Introduction

Assessing Gwinnett's current inventory of housing is crucial to understanding housing needs. This section considers the following:

- How many housing units does Gwinnett County have right now?
- What type of housing units are they?
- How much do housing units cost to buy or rent?
- What is the condition of these housing units?
- When were these housing units built?
- What development patterns defined Gwinnett's homebuilding in the past? How are those patterns different today?
- Are there geographic patterns to the way housing has been built in Gwinnett?
- What housing trends and patterns can we use as a guideline for forecasting future housing needs?

## Baseline Conditions: Supply of Housing

### Historical Housing Trends

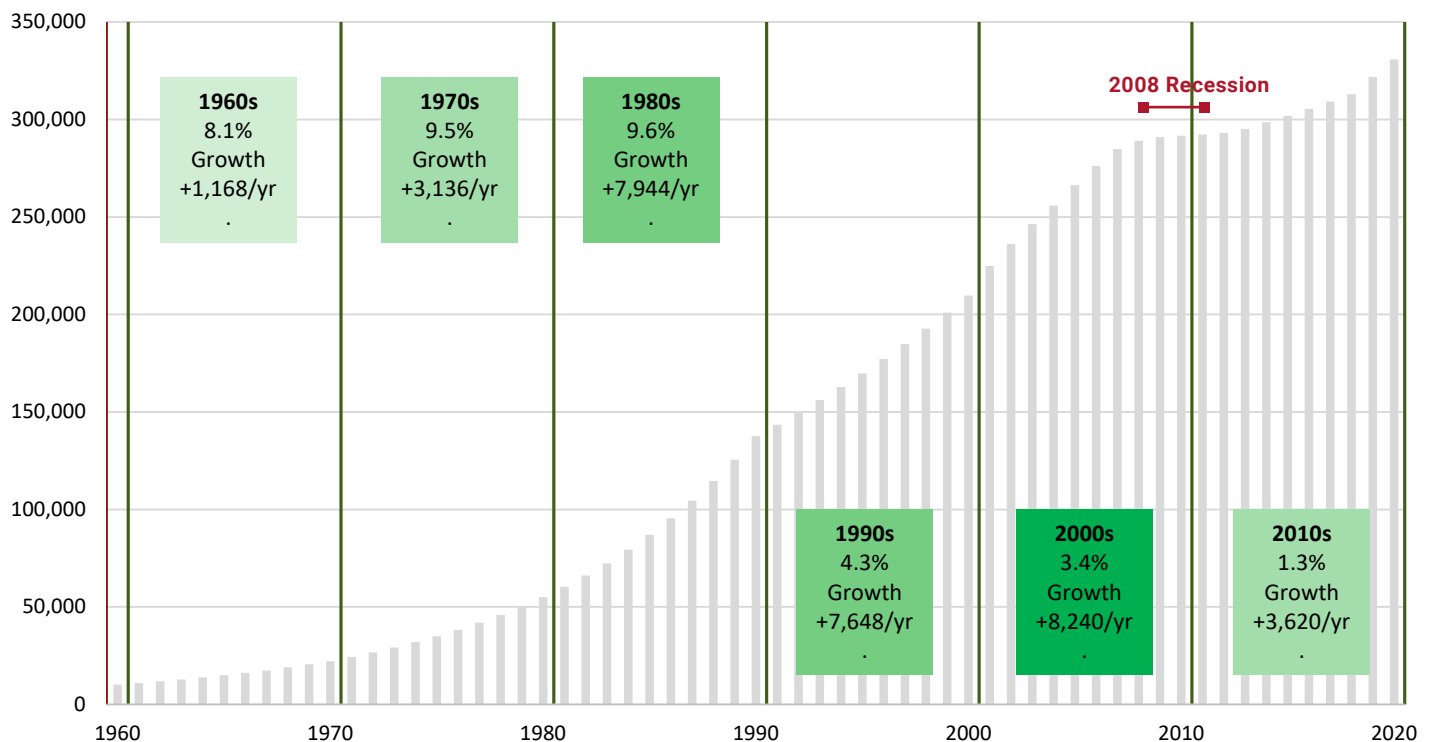
Gwinnett County began as a sparsely populated rural community, with an estimated 12,000 housing units in 1960. The 1970s kicked off nearly 40 years of consistent, strong growth. Gwinnett's housing inventory grew by an average of 9% annually for the next 20 years to accommodate dramatic population growth.

After 1990, housing construction continued at the same robust pace, but the annual growth rate slowed compared to the county's rapidly increasing population base.

The peak period of Gwinnett's housing growth was the 2000s, riding the wave of robust economic growth seen in the late 1990s and early 2000s.

During the recession years of 2008-2011, virtually no new housing was built anywhere in the United States, and housing markets were slow to return to normalcy. As a result, the decade of 2010-2020 produced an average of just 3,620 new housing units per year in Gwinnett County, an annual average supply of homes less than half that of the decades prior.

**Gwinnett County: Total Housing Units by Decade**



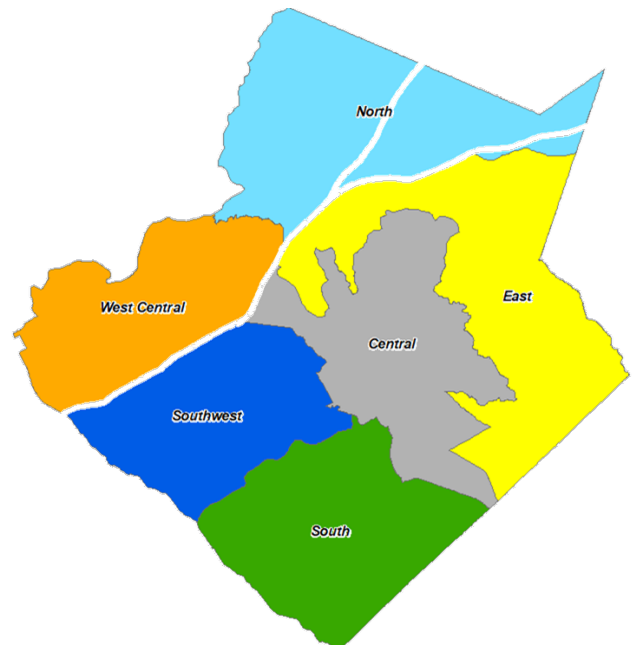
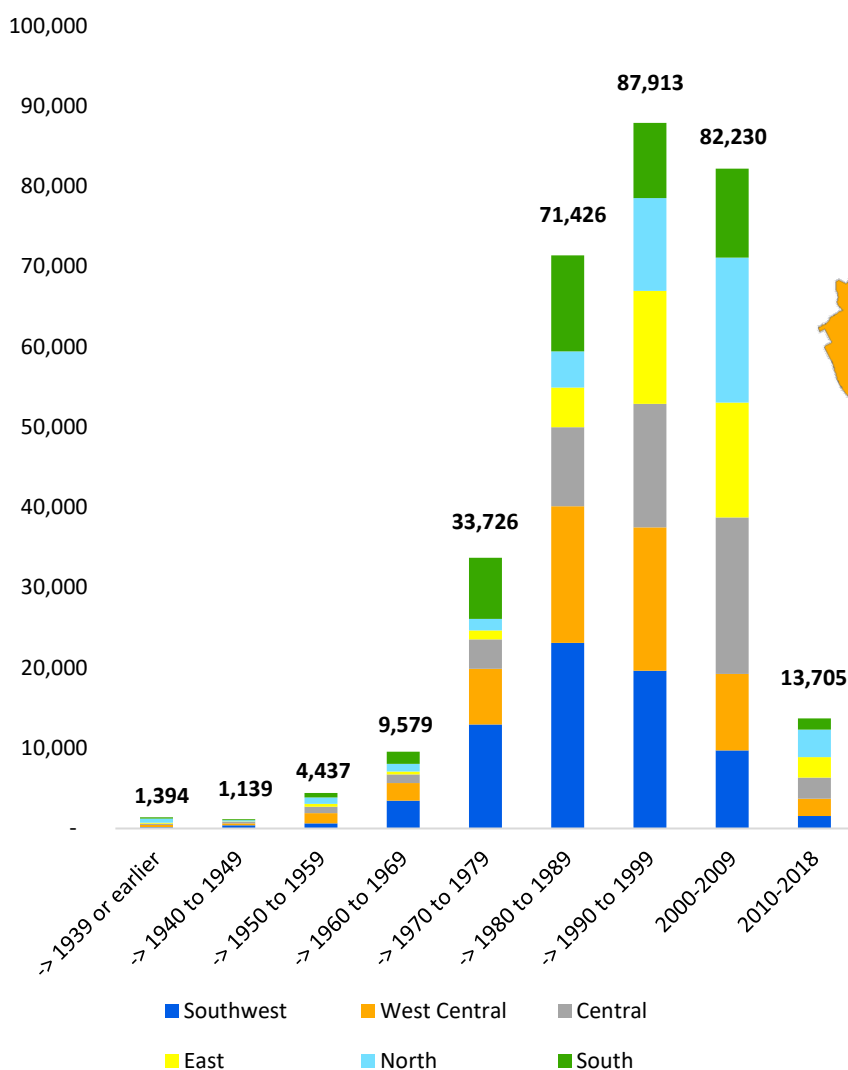
Source: U.S. Census ACS 2019, PUMS Database

Census data illustrates how Gwinnett's development pattern changed over time. Gwinnett's housing boom started in the southwest, closest to Atlanta. The area emerged as a suburban "bedroom community." Much of this housing growth served households working in Atlanta in the 1970s and 1980s.

The west central and central portions of the county, depicted in orange and gray below, experienced strong growth in the 1980s and 1990s. New and expanded freeways and major roads improved Gwinnett's connections with surrounding counties, making access to the county's central parts more direct and efficient.

North and East Gwinnett emerged as hot spots for housing development in the 1990s.

**Housing Units by Decade Built and Location, Gwinnett County, 2021**



PUMA (Public Use Microdata Area) is a U.S. Census geography between County and tract. Gwinnett has 6 PUMA districts.

Source: U.S. Census ACS 2019, PUMS Database



## Baseline Conditions: Supply of Housing

### The Growth of Housing by Era

Gwinnett's residential development history follows a clear pattern.

Gwinnett experienced modest housing growth prior to 1980, concentrated mainly in the western edge of the county and in historic town centers.

Single-family detached homes dominated Gwinnett's early housing growth.

From 1980 to 2000, Gwinnett was one of the nation's fastest-growing counties, with housing growth expanding from early areas of concentration to locations across the entire county.

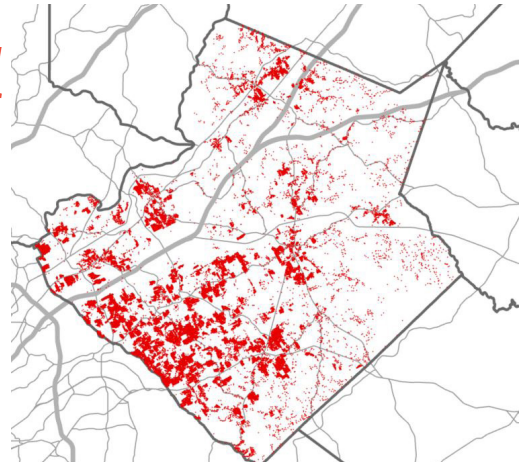
This era also saw strong growth in multifamily units and the introduction of townhomes as a housing option.

Over the past 20 years, the most robust population and household growth occurred in the northern and eastern areas of the county. It is likely to continue into the next decade with new greenfield development. Redevelopment and infill development of aging residential and commercial properties is likely to be strongest in the southwestern areas developed before 1980.

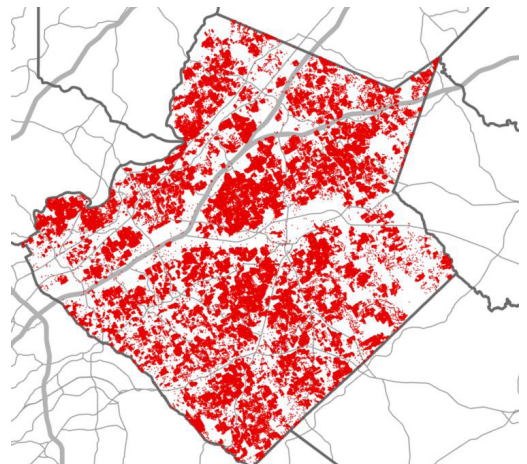
Source: Gwinnett County GIS

#### Single-family Detached Homes

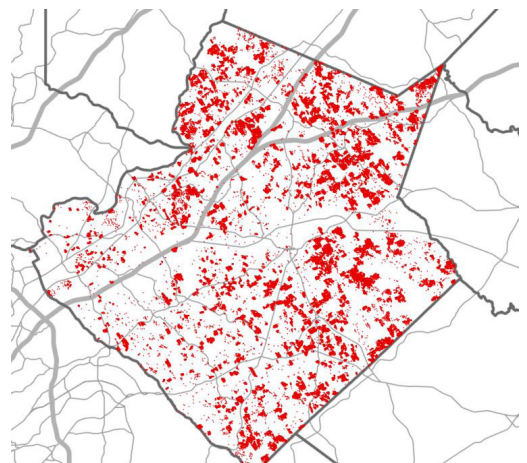
**1979  
and  
Earlier**



**1980-  
1999**



**2000-  
2020**





### Townhomes

1979  
and  
Earlier



1980-  
1999

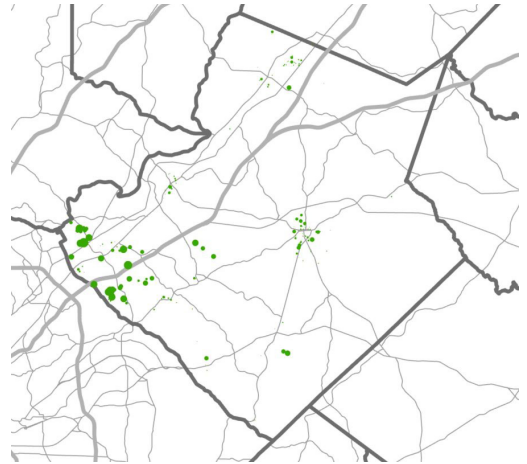


2000-  
2020

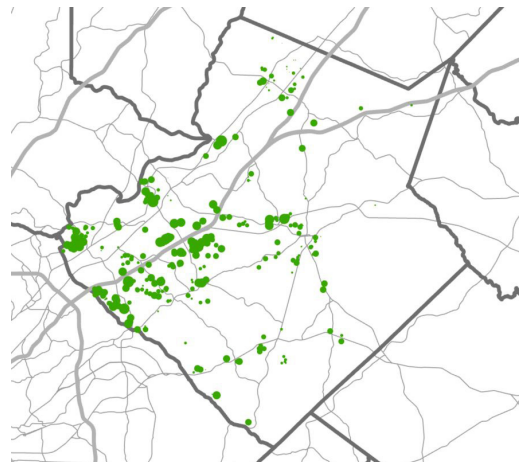


### Multifamily Housing Units

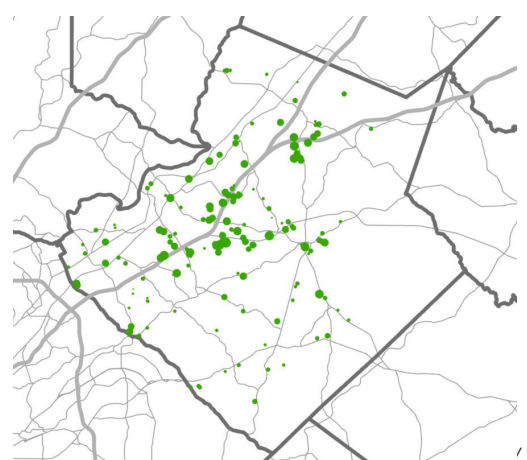
1979  
and  
Earlier



1980-  
1999



2000-  
2020



GIS

## Baseline Conditions: Supply of Housing

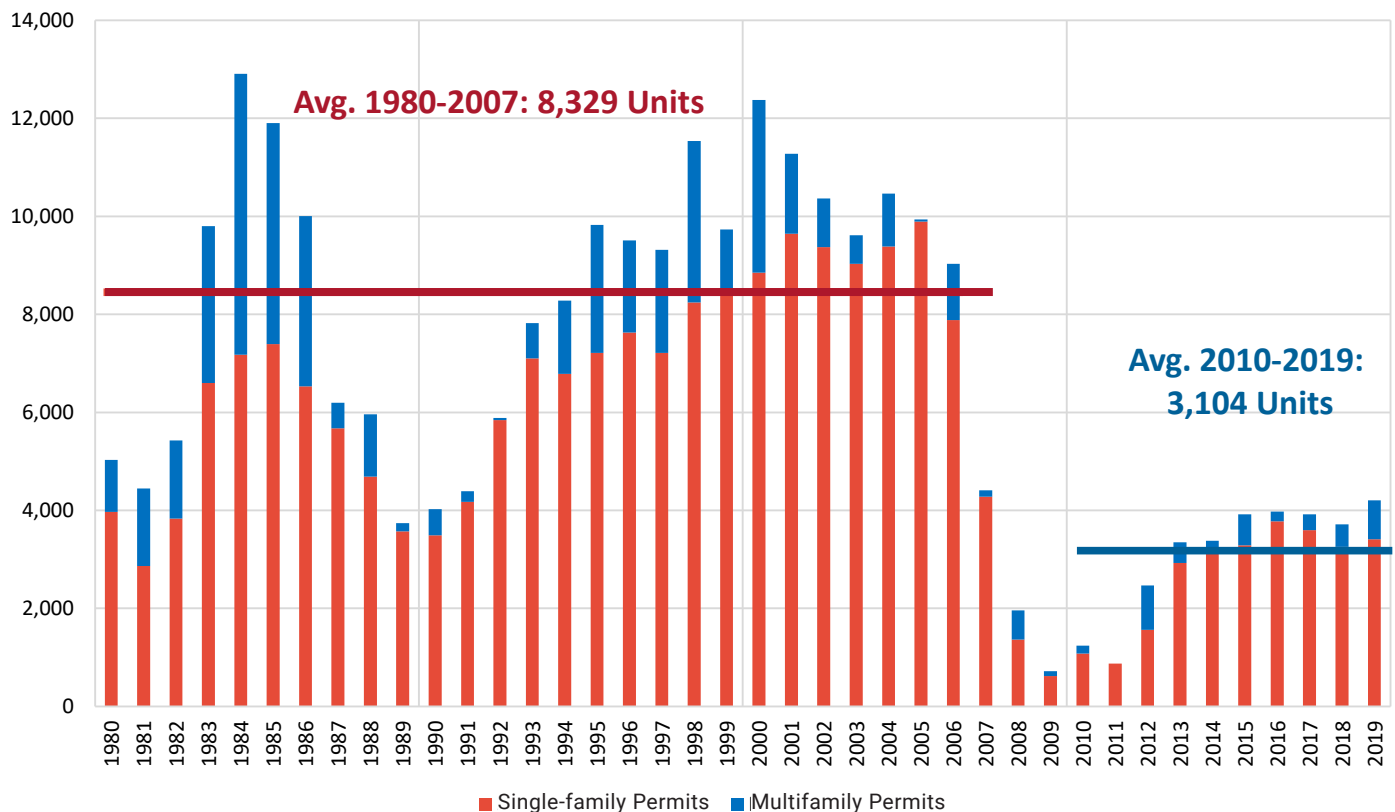
### Residential Building Permit History

From 1980-2007, Gwinnett County and its municipalities issued permits for an average of 8,329 housing units each year.

This long period of solid housing growth came to a sudden halt in 2008, as the global economic recession severely impacted housing markets.

In Gwinnett County, like most of the nation, housing starts have returned to less than half of the pre-recession average. Since 2010, Gwinnett has issued permits for an average of 3,104 units per year; 87% of those permits were for single-family (detached and townhome) units. The number of multifamily units permitted has also steeply declined compared to previous decades.

**Housing Units Permitted by Type, Gwinnett County Total  
(Unincorporated and Municipalities combined) 1980-2019**



Note: Permit issuances do not necessarily correlate with housing starts or housing units delivered.

Source: HUD SOCDS Permit Database

## Baseline Conditions: Supply of Housing

### Housing Inventory

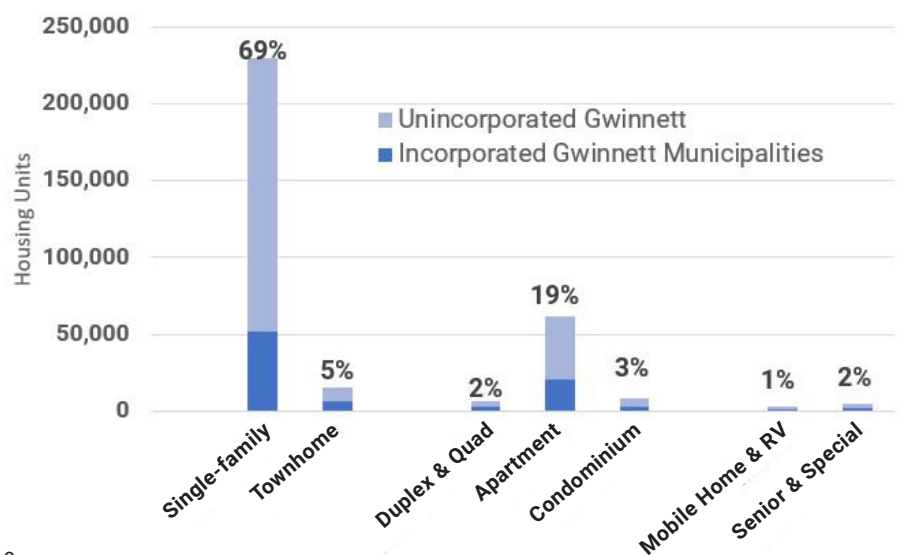
Gwinnett County currently has 330,583 housing units, including:

- Nearly 230,000 housing units are single-family detached homes, representing 69% of Gwinnett County's housing units.
- Over 15,000 are townhomes representing 5% of all housing units.
- Over 68,000 housing units are large and small multifamily rental units, representing 21% of Gwinnett's housing units.
- Mobile homes, RVs, boats, and other unconventional housing types make up the smallest segment of housing units. As Gwinnett became less rural over the decades, the prevalence of these housing types decreased, however; trailers and mobile homes remain a source of affordable housing.

### Gwinnett Housing Units by Type, 2020

Housing Units by Type	Gwinnett Municipalities	Unincorporated Gwinnett	Gwinnett County Total
<b>Single-family</b>			
Single-family	51,862	177,745	229,607
Townhome	7,122	8,229	15,351
<b>Multifamily</b>			
Duplex, Triplex, Quadraplex	2,819	3,832	6,651
Apartment	20,658	40,785	61,443
Condominium	3,241	5,570	8,811
<b>Other</b>			
Mobile	963	2,460	3,423
Senior & Special Needs	2,590	2,707	5,297
<b>Total</b>	<b>89,255</b>	<b>241,328</b>	<b>330,583</b>
People Living in Group Quarters			4,347
Homeless (2019, "Point in Time")			282
Shelter Beds			397

### Gwinnett Housing Units by Type, 2020



Source: U.S. Census ACS 2019, DCA Continuum of Care 2019, HomeFirst Gwinnett, Gwinnett County, KB Advisory Group

## Baseline Conditions: Supply of Housing

### Housing Inventory Overview: Gwinnett County and Gwinnett Municipalities

The table below presents a detailed inventory of housing units in Gwinnett County and Gwinnett municipalities.

#### Housing Inventory Overview: Gwinnett County and Gwinnett Municipalities

Housing Units by Type	Berkeley			Buford*	Dacula	Duluth	Grayson	Lawrence-	
	Auburn*	Lake	Braselton*					ville	Lilburn
Single-family	99	789	1,262	2,832	2,066	5,745	1,462	5,602	3,181
Townhome	-	-	119	59	-	1,997	71	149	372
Duplex-Quadraplex	-	-	-	272	8	112	2	1,054	204
Apartment	-	-	-	651	-	4,567	-	2,782	551
Condo	-	-	-	115	-	394	-	607	-
Mobile	-	-	-	340	14	8	-	168	8
Senior & Special Needs	-	-	-	362	-	239	158	437	233
<b>Total</b>	<b>99</b>	<b>789</b>	<b>1,381</b>	<b>4,631</b>	<b>2,088</b>	<b>13,062</b>	<b>1,693</b>	<b>10,799</b>	<b>4,549</b>

\* Includes only Gwinnett County portion of municipalities in multiple counties



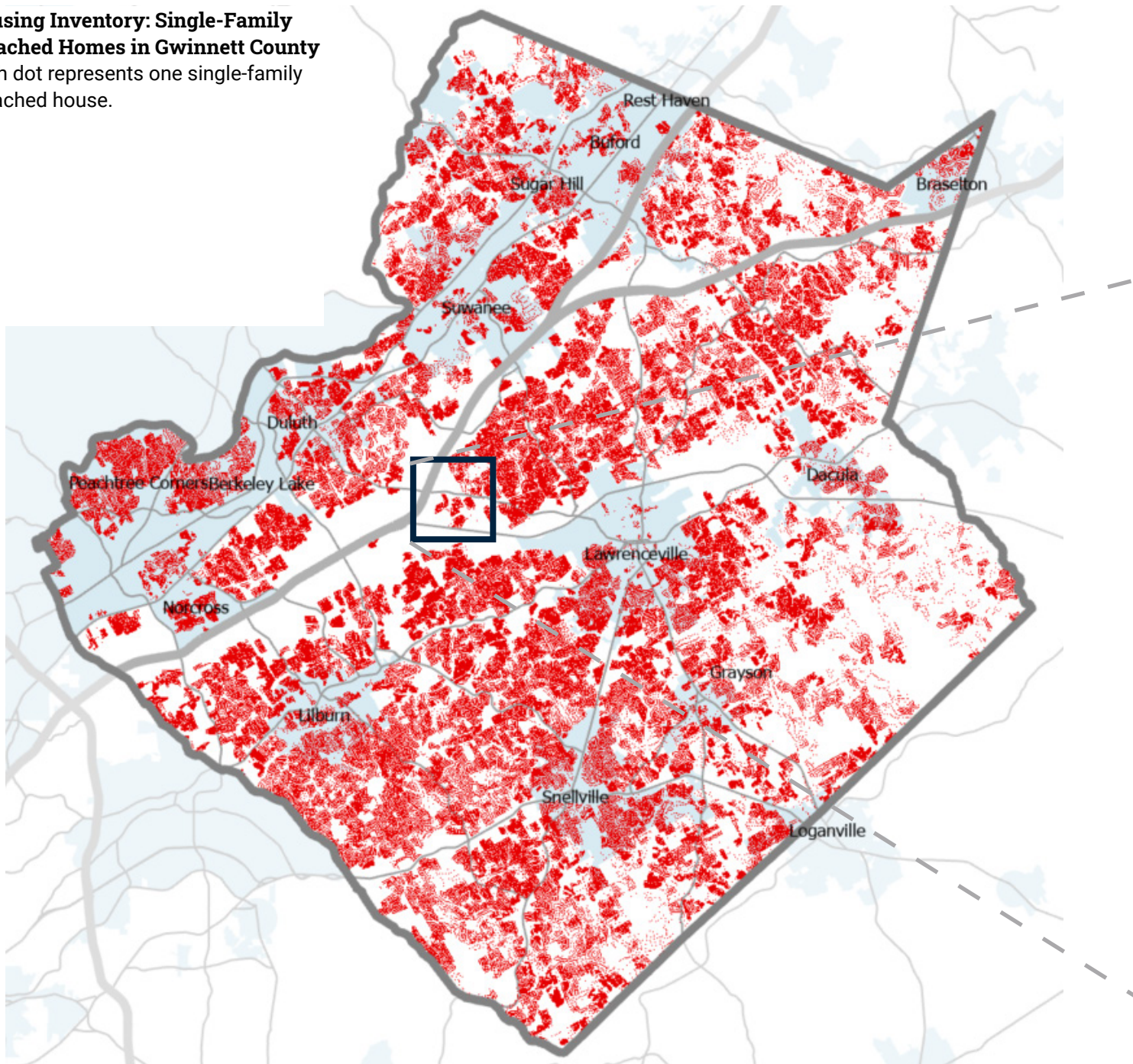
Loganville	Norcross	Peachtree Corners	Rest Haven*	Snellville	Sugar Hill	Suwanee	Incorporated Total	Unincorporated Gwinnett	Gwinnett Total
1,020	2,603	7,488	8	6,639	6,605	4,461	<b>51,862</b>	<b>177,745</b>	<b>229,607</b>
-	982	1,492	-	227	405	1,249	<b>7,122</b>	<b>8,229</b>	<b>15,351</b>
10	401	380	-	295	73	8	<b>2,819</b>	<b>3,832</b>	<b>6,651</b>
-	1,856	7,070	-	71	592	2,518	<b>20,658</b>	<b>40,785</b>	<b>61,443</b>
-	281	1,359	-	108	354	23	<b>3,241</b>	<b>5,570</b>	<b>8,811</b>
9	14	3	-	4	377	18	<b>963</b>	<b>2,460</b>	<b>3,423</b>
-	98	127	-	623	145	168	<b>2,590</b>	<b>2,707</b>	<b>5,297</b>
<b>1,039</b>	<b>6,235</b>	<b>17,919</b>	<b>8</b>	<b>7,967</b>	<b>8,551</b>	<b>8,445</b>	<b>89,255</b>	<b>241,328</b>	<b>330,583</b>

Source: Gwinnett County GIS, KB Advisory Group

**Baseline Conditions: Supply of Housing**

**Housing Inventory: Single-Family Detached Homes**

**Housing Inventory: Single-Family Detached Homes in Gwinnett County**  
Each dot represents one single-family detached house.



Source: Gwinnett County GIS

These maps reflect the 2020 geographic distribution of 229,607 single-family detached homes throughout Gwinnett County.

The enlargement below shows single-family detached homes in the Sugarloaf area.

The volume and arrangement of homes into subdivisions block patterns become visible by zooming in. In contrast, the empty white space illustrates how most land uses other than single-family detached housing is organized tightly into just a handful of commercial corridors.

**Housing Inventory: Single-Family Detached Homes in Gwinnett County**  
Detail: Sugarloaf area.  
Each dot represents one single-family detached house.





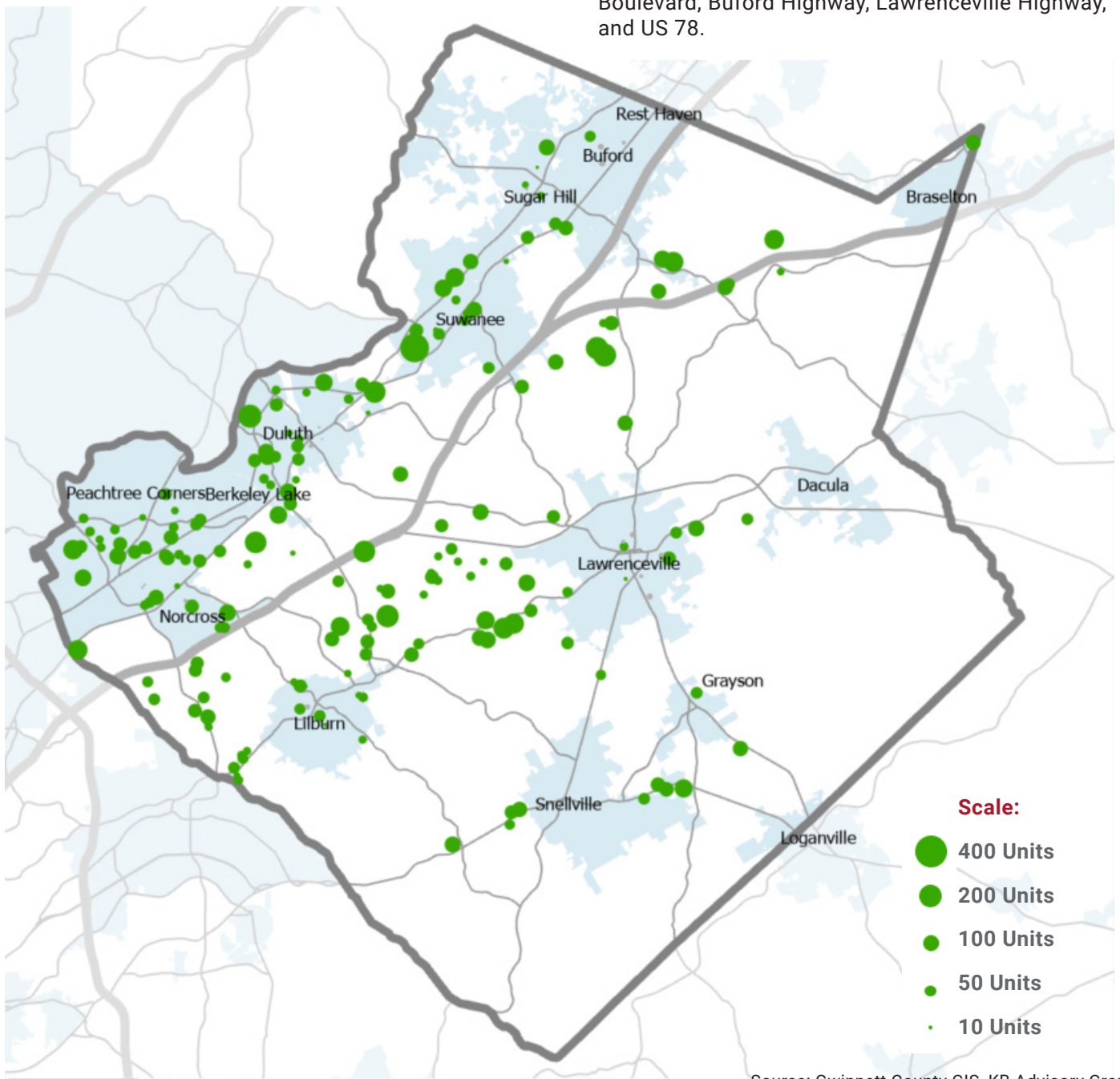
## Baseline Conditions: Supply of Housing

### Housing Inventory: Townhomes

#### Distribution of Townhomes

These two maps illustrate concentrations of townhomes and multifamily housing in Gwinnett County. These housing types generally tend to be located in the center, west, and northwest portions of the county.

Townhomes and multifamily also tend to be clustered along several major transportation corridors, including Interstate 85, Peachtree Industrial Boulevard, Buford Highway, Lawrenceville Highway, and US 78.



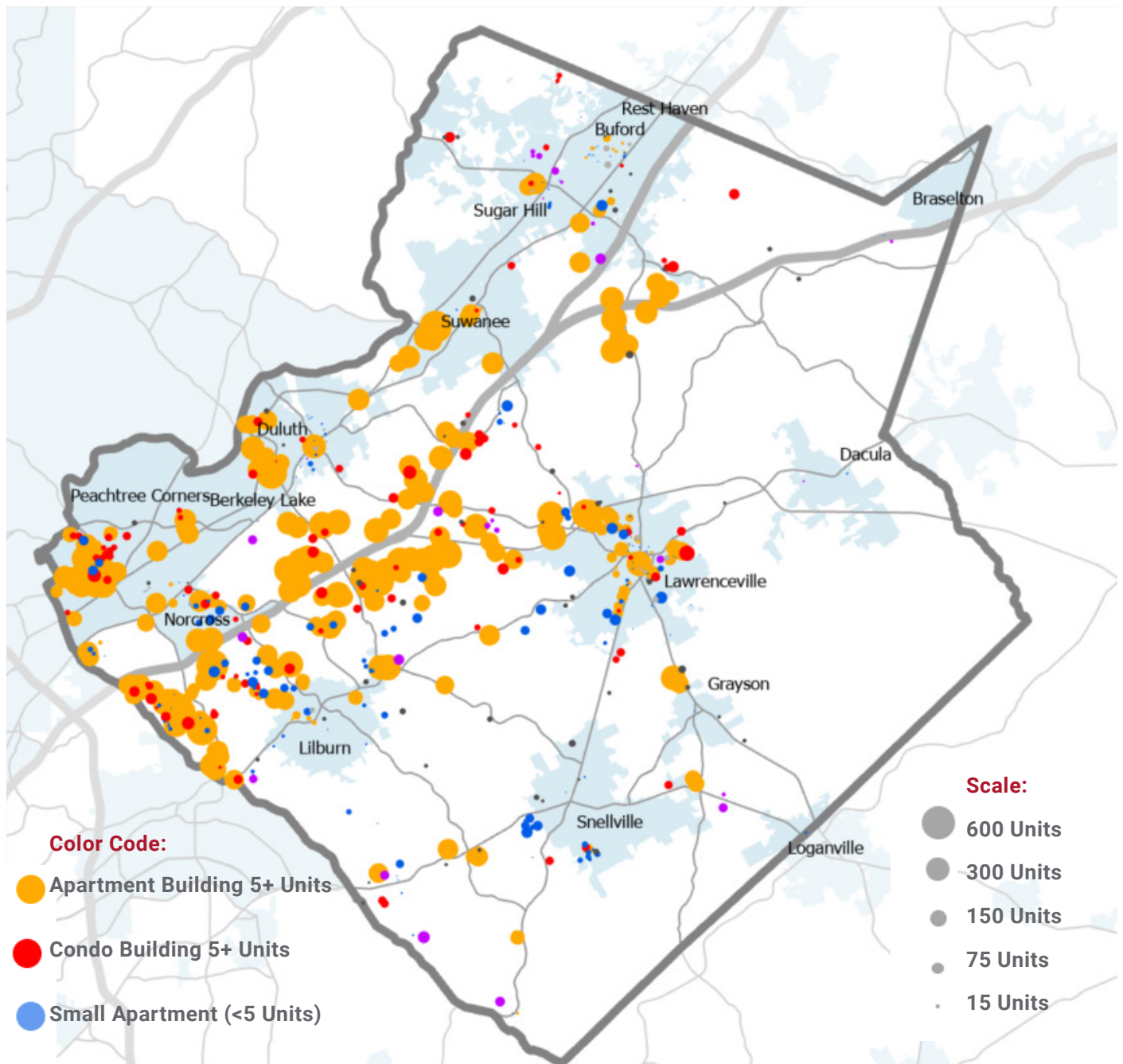
Source: Gwinnett County GIS, KB Advisory Group



## Baseline Conditions: Supply of Housing

### Housing Inventory: Multifamily Housing

#### Distribution of Multifamily Housing



Source: Gwinnett County GIS, KB Advisory Group

Baseline Conditions: Supply of Housing

Age of Housing

More than 137,000 Gwinnett housing units were constructed before 1990 and will be more than 50 years old by 2040.

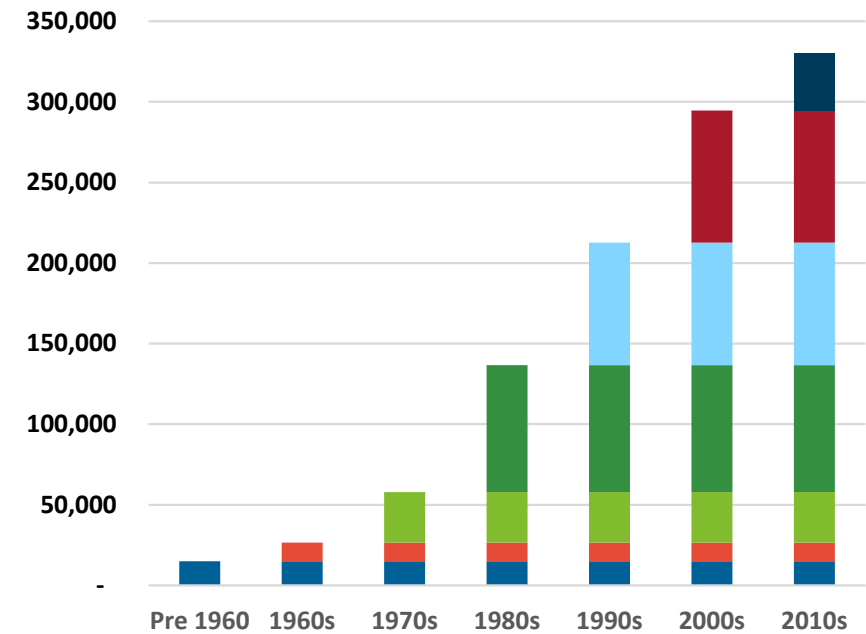
Assuming an average housing lifespan of 50 years, a rapidly increasing number of homes (single-family, townhome, and multifamily) will become ripe for replacement, renovation, or redevelopment over the next 20 years. While some historic structures have very long life spans, most housing units become obsolete in one of two ways:

- **Physical obsolescence** The materials that make up a house or building, such as foundations, walls, framing, pipes, and ducts, begin to degrade and require expensive repair or replacement that exceeds the value of the structure. Alternatively, characteristics of the home’s design, or layout no longer appeal to contemporary buyers or renters.
- **Economic obsolescence** The value or income potential of a housing unit declines to the point that it makes more economic sense to replace it with one (or more) new housing units.

The first generation of Gwinnett’s homes are now reaching maturity. With increased demand for homes and diminishing vacant land for construction, the replacement of obsolete homes will accelerate in the coming decades.

A Sampling of Aging Gwinnett Housing Units

Gwinnett County Total Housing Units by Decade Built



Decade Built	Housing Units Built by Decade	% of Gwinnett Homes	Age in 2020	Age in 2040
Pre 1960	15,048	5%	60	80
1960s	11,606	4%	50	70
1970s	31,160	9%	40	60
1980s	78,933	24%	30	50
1990s	75,992	23%	20	40
2000s	81,874	25%	10	30
2010s	35,970	11%	0	20
Total	330,583	-		

Source: Gwinnett County Tax Assessor



## Baseline Conditions: Supply of Housing

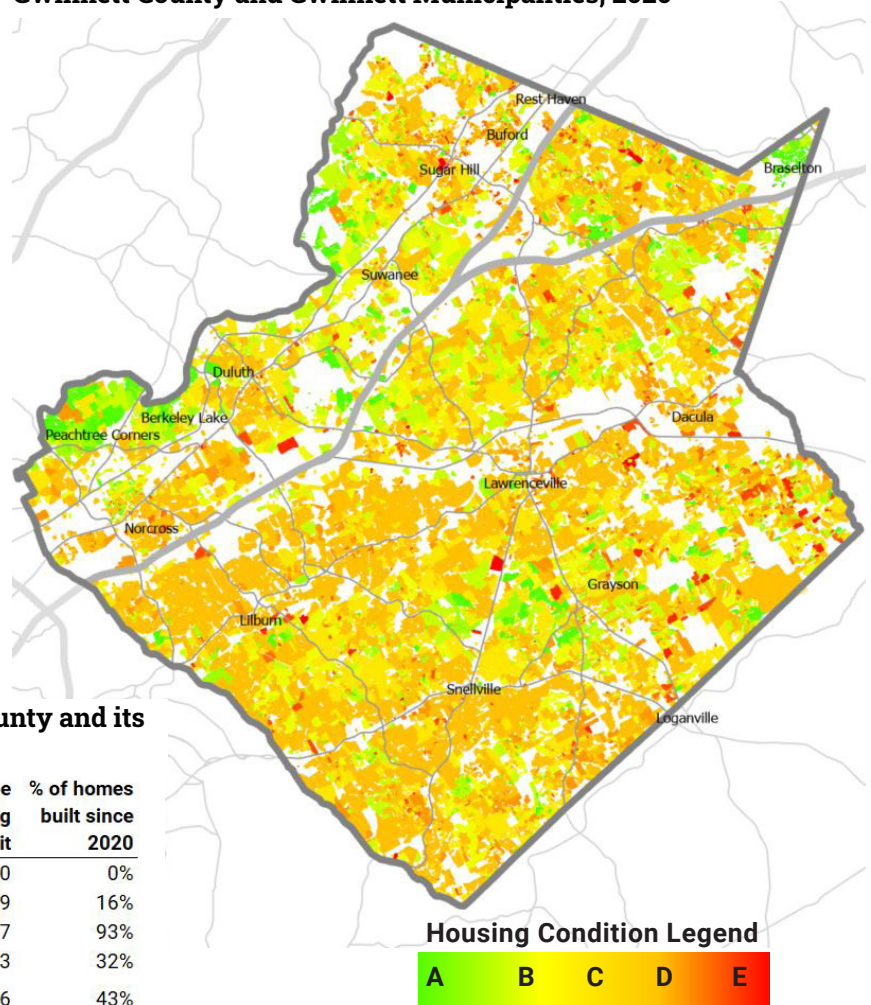
### Condition of Housing

Gwinnett's Tax Assessor grades the physical condition of all residential structures as part of their appraisal process. Inspections and grades are not necessarily 100% accurate or current. However, the reporting provides insight into the general condition of housing units in Gwinnett.

The Gwinnett County Tax Assessor grades structures with scores from A to E, with A being the best condition. On average, 75% of Gwinnett County's housing structures are grade C, 21% grade B, and just 3% are grade A.

The condition of housing units strongly correlates with the age of the housing. Areas that developed early in Gwinnett's history are more likely to receive fair to poor housing condition grades, while more recent developments tend to score higher.

**Map of Condition of Housing Structures by Parcel, Gwinnett County and Gwinnett Municipalities, 2020**



### Condition of Housing Structures, Gwinnett County and its Municipalities, 2020

Municipality	Average age of Housing Unit				% of homes built since 2020	
	D/E	C	B	A		
Auburn*	0%	100%	0%	0%	1990	0%
Berkeley Lake	0%	36%	48%	17%	1989	16%
Braselton*	0%	33%	40%	27%	2007	93%
Buford*	8%	59%	28%	5%	1983	32%
Dacula	2%	98%	0%	0%	1996	43%
Duluth	0%	74%	23%	3%	1994	29%
Grayson	1%	34%	61%	4%	2005	84%
Lawrenceville	0%	91%	9%	0%	1987	28%
Lilburn	0%	82%	15%	3%	1987	18%
Loganville*	0%	99%	0%	0%	2000	47%
Norcross	6%	73%	16%	5%	1989	36%
Peachtree Corners	0%	38%	41%	21%	1987	15%
Rest Haven*	25%	75%	0%	0%	1972	8%
Snellville	0%	85%	15%	0%	1987	24%
Sugar Hill	1%	67%	32%	1%	1999	53%
Suwanee	0%	25%	72%	2%	2001	54%
Incorporated Gwinnett	1%	65%	28%	6%	1992	35%
Unincorporated Gwinnett	0%	79%	19%	2%	1995	42%
Gwinnett County Total	1%	75%	21%	3%	1994	40%

#### Housing Condition Legend



Source: Gwinnett County Tax Assessor



**Baseline Conditions: Supply of Housing****Tenure: Renters and Owners**

Tenure is a demographic term that describes whether households rent or own their housing units. While tenure describes households rather than household units, it is still meaningful to discuss tenure alongside housing supply.

Gwinnett County's households are more likely to own their homes; 67% of housing units in Gwinnett County are owner-occupied, compared to 33% renter-occupied units.

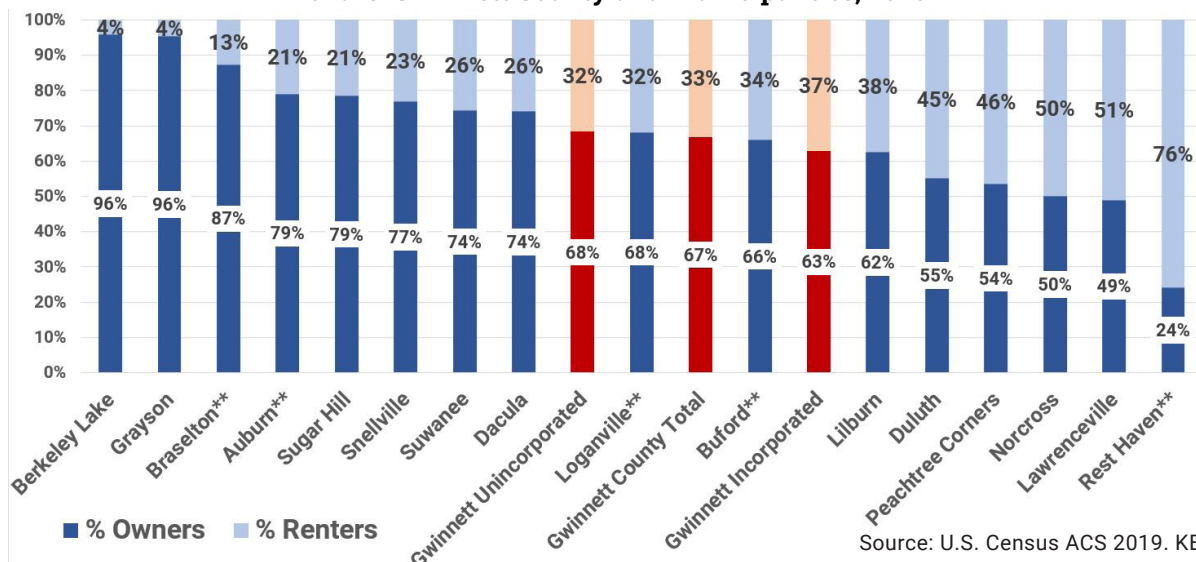
Tenure is closely correlated with household income. Cities with higher median household incomes are more likely to have more owner-occupied households.

Municipalities in Gwinnett County with higher than average homeownership rates include Suwanee, Sugar Hill, Snellville, Dacula, Grayson, Berkeley Lake, and Braselton.

Lawrenceville, Norcross, Peachtree Corners, and Duluth tend to have higher rates of renter-occupied units.

**Tenure: Gwinnett County and Municipalities**

	Owner-Occupied Housing Units	Renter-Occupied Housing Units	Owner %	Renter %
Auburn*	78	21	79%	21%
Berkeley Lake	757	32	96%	4%
Braselton*	1,207	174	87%	13%
Buford*	3,059	1,572	66%	34%
Dacula	1,547	541	74%	26%
Duluth	7,200	5,862	55%	45%
Grayson	1,617	76	96%	4%
Lawrenceville	5,294	5,505	49%	51%
Lilburn	2,843	1,706	62%	38%
Loganville*	709	330	68%	32%
Norcross	3,125	3,110	50%	50%
Peachtree Corners	9,593	8,326	54%	46%
Rest Haven*	2	6	24%	76%
Snellville	6,125	1,842	77%	23%
Sugar Hill	6,717	1,834	79%	21%
Suwanee	6,275	2,170	74%	26%
<b>Gwinnett Incorporated</b>	<b>56,148</b>	<b>33,107</b>	<b>63%</b>	<b>37%</b>
<b>Gwinnett Unincorporated</b>	<b>165,037</b>	<b>76,291</b>	<b>68%</b>	<b>32%</b>
<b>Gwinnett County Total</b>	<b>221,185</b>	<b>109,398</b>	<b>67%</b>	<b>33%</b>

**Tenure: Gwinnett County and Municipalities, 2020**

Source: U.S. Census ACS 2019. KB Advisory Group

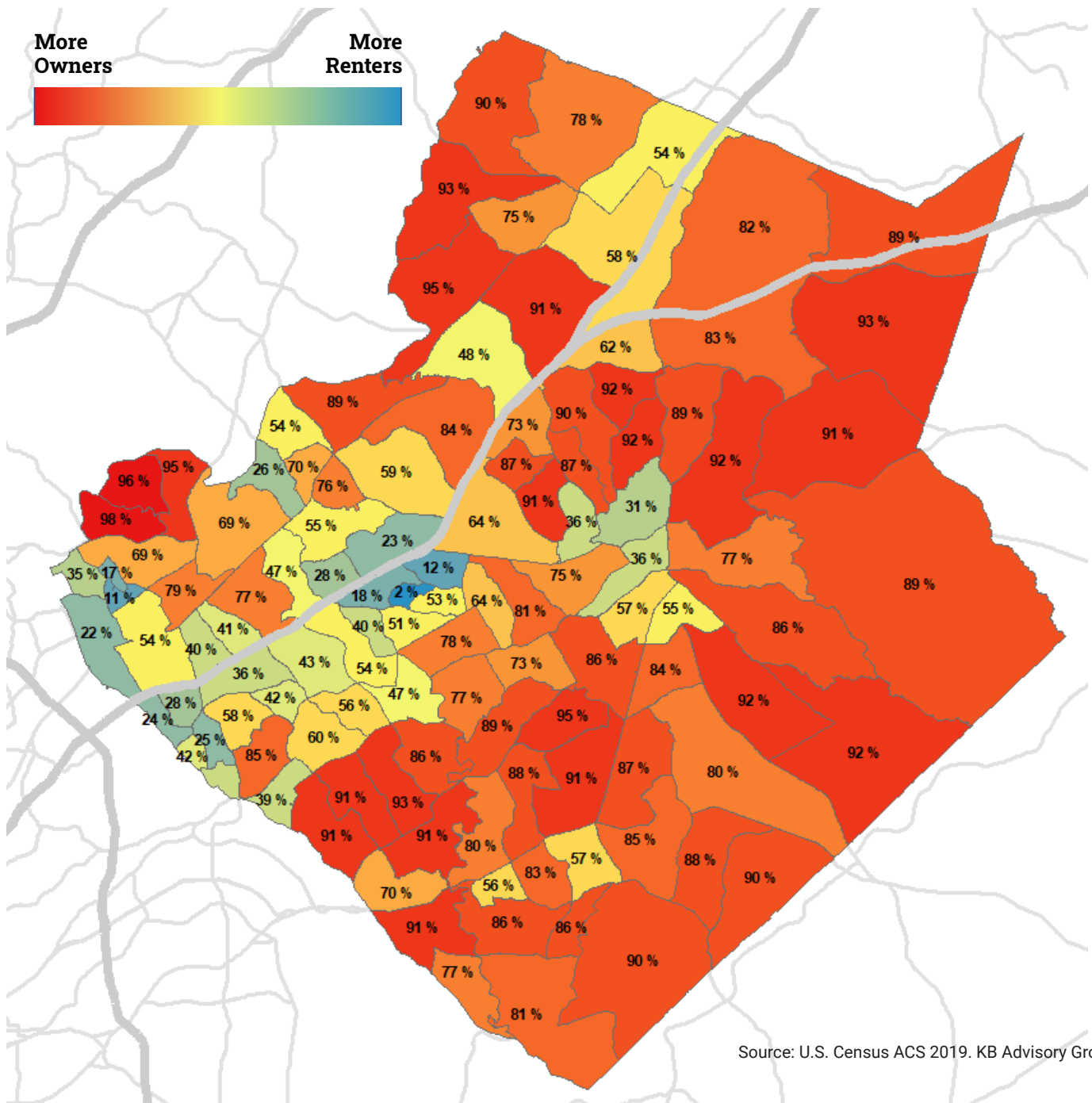


## Baseline Conditions: Supply of Housing

### Tenure: Homeownership Percentage in Gwinnett County by U.S. Census Tracts

This map portrays the geographical distribution of Gwinnett County's housing by tenure. It clearly shows how rental housing is strongly concentrated in the western portions of the county, along the Interstate 85

and Interstate 985 corridors and in Lawrenceville. The distribution of renter households closely correlates with the areas of the county that developed earliest, and the distribution of lower-income households.



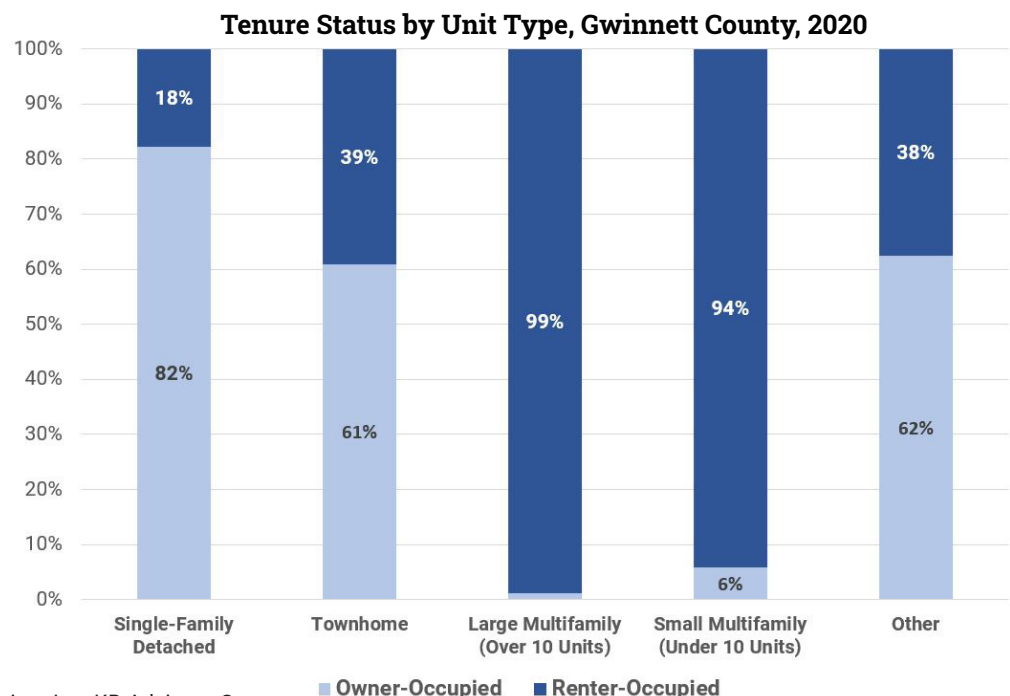
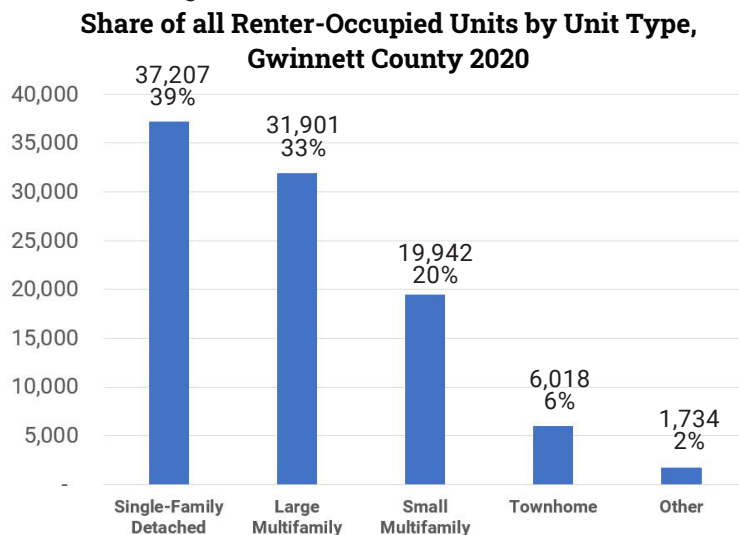
## Baseline Conditions: Supply of Housing

### Tenure: Owners and Renters

Tenure reflects how a home or building owner chooses to utilize that home or building. The tenure of a housing unit can change over time, based on real estate and economic trends, usage agreements such as HOAs, conditional zoning restrictions, or owner preference. Housing units themselves cannot be identified as “rental housing” or “owner housing.”

The relationship between tenure and structure is wide and varied. All of Gwinnett's different types of housing units are occupied by both owners and renters. Similarly, renters occupy all types of housing units, not just apartments.

- 39% of Gwinnett County renters occupy single-family detached homes, meaning that 18% of all single-family homes, or almost one of every five, are renter-occupied.
- 6% of Gwinnett County renters occupy townhomes, however, 39% of Gwinnett townhomes are renter-occupied.
- 53% of Gwinnett County renters live in large and small multifamily buildings, nearly all of which are renter-occupied.
- 2% of Gwinnett County renters occupy mobile homes, trailers, or RVs. 62% of these units are renter-occupied.



Source: U.S. Census ACS 2019, Claritas Inc, KB Advisory Group

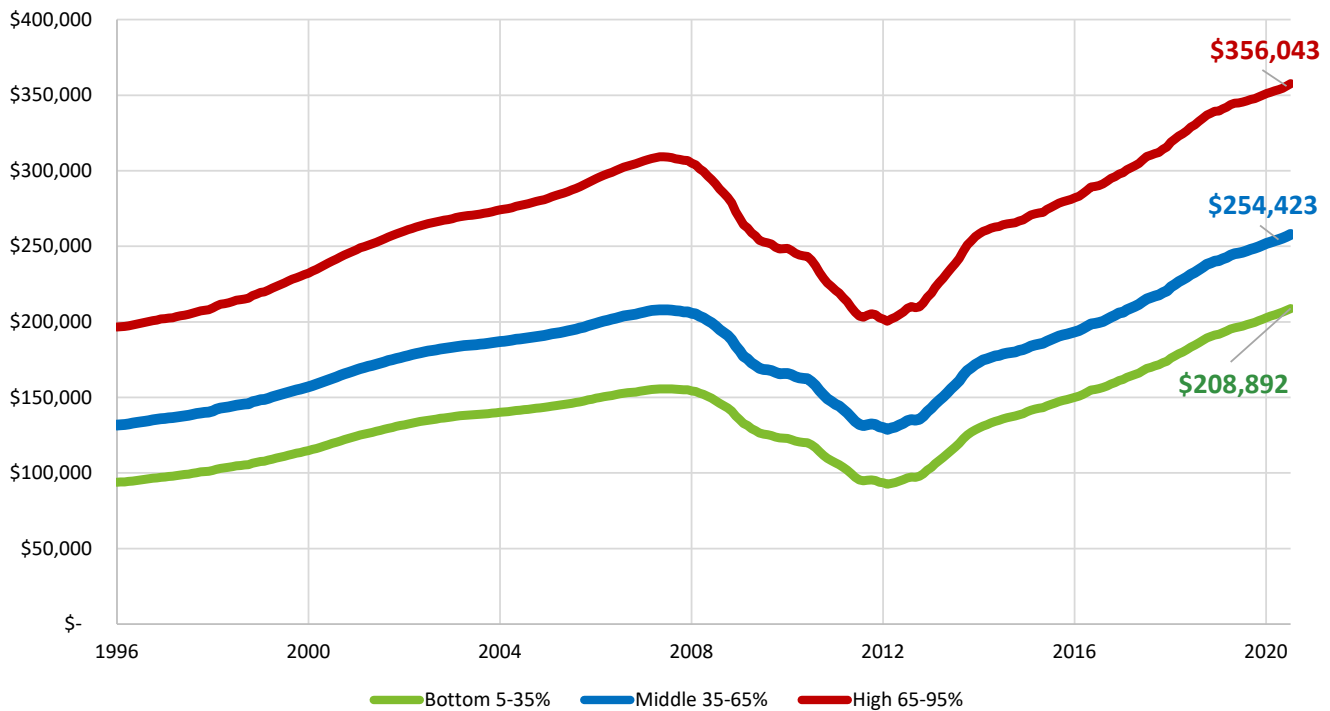
## Baseline Conditions: Supply of Housing

### Housing Costs: For-Sale Home Pricing Trends

The Home Price index presents a simplified view of home sale pricing trends over time. In Gwinnett County, most homes (new and existing) that sold in 2020 were sold between \$208,000 and \$356,000. Pricing at all tiers has increased steeply since 2012, nearly 9% annually. The steep short-term increase appears to be a reversion toward the longer-term mean, which was disrupted by the 2008 recession.

The lower tier average price of \$208,292 represents the price of the average "entry-level" home in Gwinnett County, and roughly one third of all home sales. As a reference point, a \$208,000 home would be considered "attainable" to a household earning \$52,000 to \$70,000, based on the standard rule of thumb that a household is cost burdened when spending more than 30% of their income on housing.

**Home Price Index, Gwinnett, 1996-2020**



**Top Tier: Average of 65-95th percentile"**

**Middle Tier: Average of 35-65th percentile".**

**Lower Tier: Average of 5-35th percentile".**

Index reflects a blend of new & resale homes and single-family detached, townhome & condominium homes..

Source: Zillow Group, Inc. Behind the-consumer-facing website, Zillow provides county and local-level pricing trend data for rental and owner housing based on MLS data and internal data analytics.

## Baseline Conditions: Supply of Housing

### Housing Costs: For-Sale Home Pricing Trends

Gwinnett's new construction single-family homes have grown progressively more expensive. Between 2015 and 2021 the average price of a new single-family detached home increased by over \$110,000. The availability of single-family homes for moderate-income households has also declined.

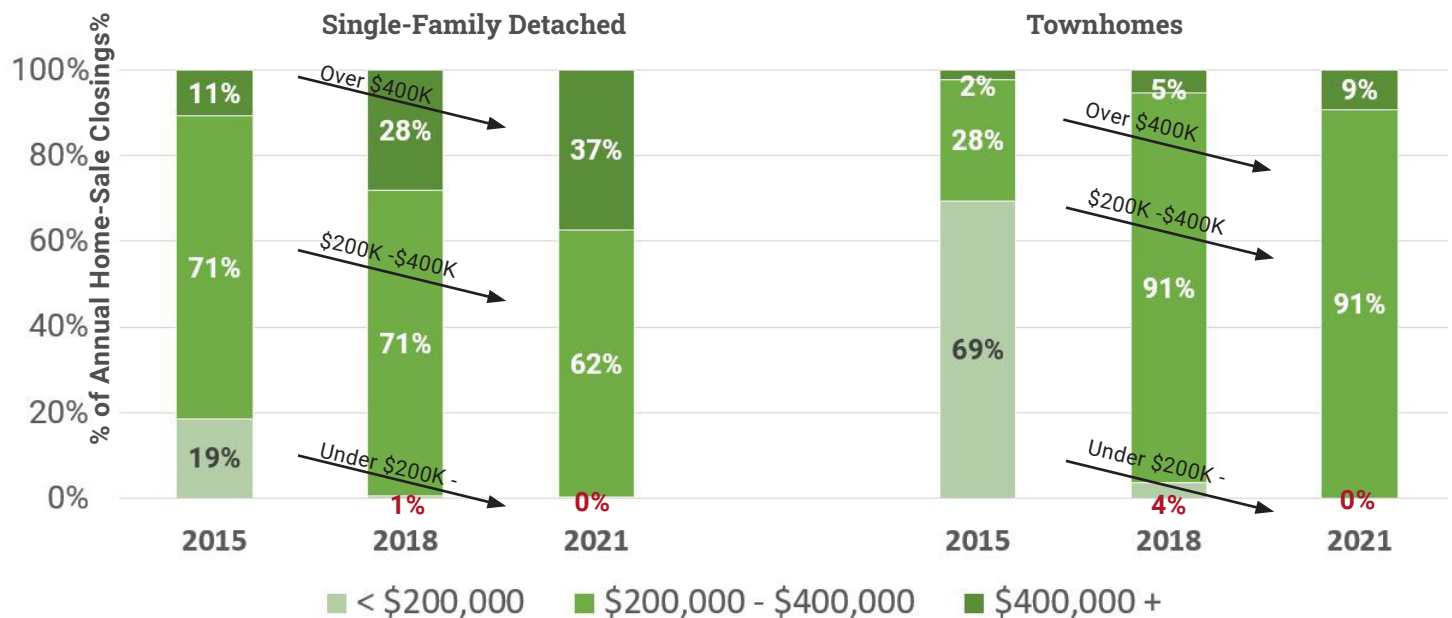
In 2015, new homes selling for under \$200,000 (which would be accessible to households earning up to \$67,000) were readily available in Gwinnett County. In 2015, 19% of new single-family detached home sales and 69% of new townhome sales sold for under \$200,000.

In 2021, new homes (detached and townhome) sold for under \$200,000 were virtually non-existent in Gwinnett County, with just four units sold at that price.

Conversely, homes selling for more than \$400,000, (which would be accessible to households earning over \$133,000) have increased as a share of Gwinnett's housing market.

- Single-family detached homes over \$400,000 went from 11% of home sales in 2015 to 37% of home sales in 2021.
- Townhomes over \$400,000 went from 2% of home sales in 2015 to 9% of home sales in 2021.

**New Construction Home Sales by Price Range, Gwinnett County, 2015-2021**

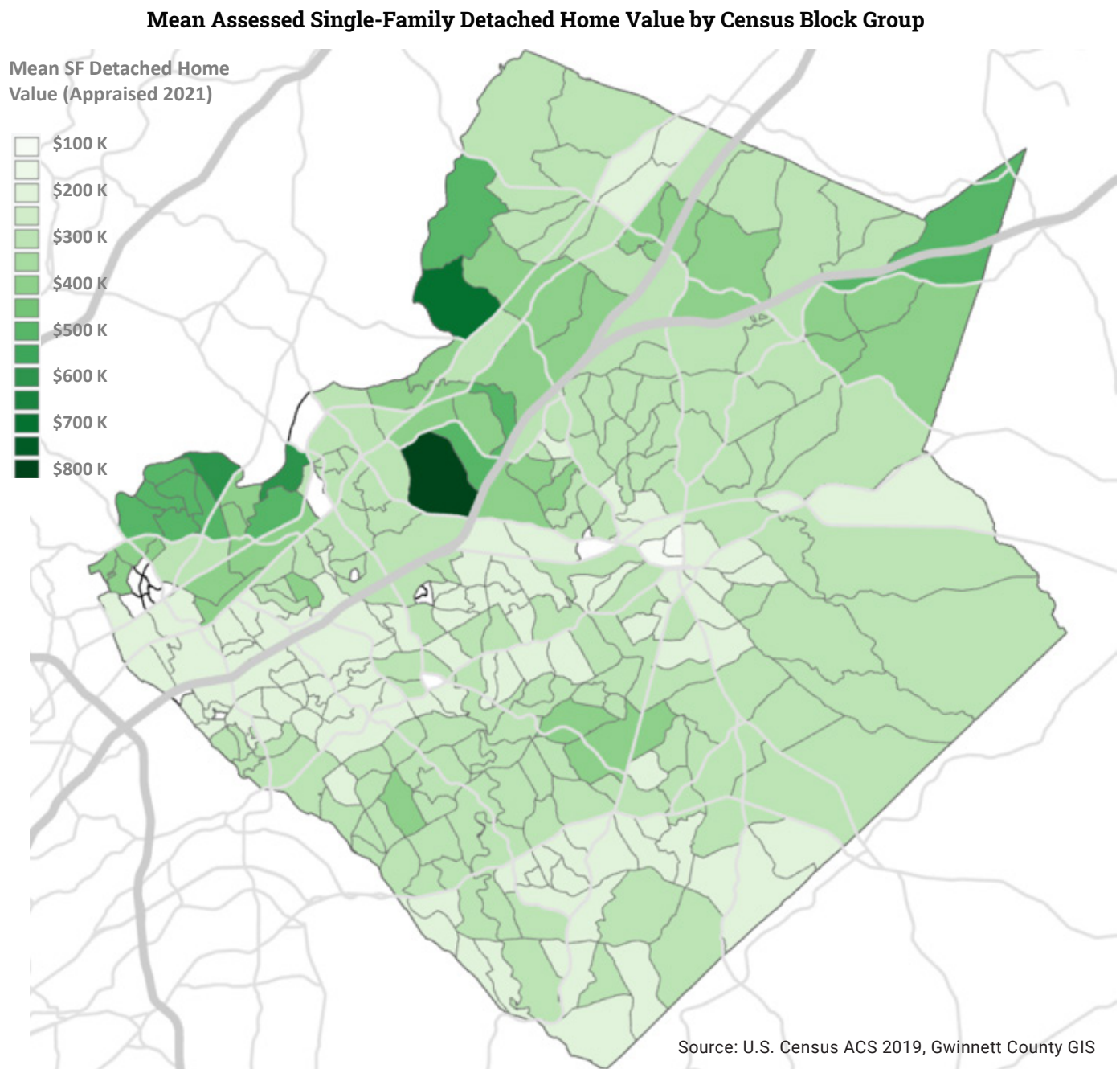


Source: U.S. Census ACS 2019, Smart RE Data, KB Advisory Group



**Baseline Conditions: Supply of Housing****Housing Costs: Single-Family Detached Home Pricing Trends**

This map shows the distribution of Gwinnett County's median, owner-occupied home price by US Census Block Group. Darker colors indicate higher owner-reported home values.



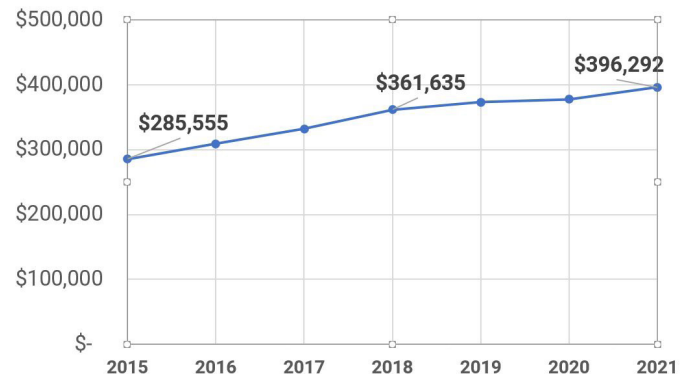
## Baseline Conditions: Supply of Housing

### Housing Costs: Single-family Detached Pricing Trends

Gwinnett County's single-family housing market is strong for sellers, with both the number of home sale closings and average lot price on the rise.

The average cost of a newly constructed detached home in Gwinnett County rose from \$285,000 in 2015 to over \$396,000 in 2021. Over the past six years in Gwinnett County, an average of 2,500 new single-family detached homes were sold each year.

**Average Sale price by Year, New Single-Family Detached Homes, Gwinnett County 2015-2021**

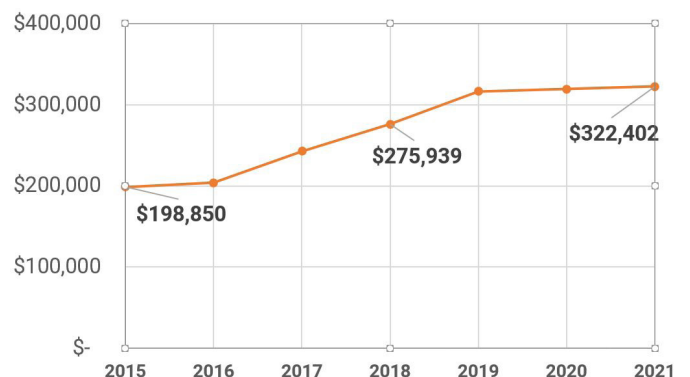


### Housing Costs: Townhome Pricing Trends

Townhomes are rapidly gaining traction as a housing option in Gwinnett County. The smaller building footprint makes their construction and sale more efficient and viable in an era of rapidly increasing land costs. Once thought of as an entry-level or bargain option compared to a single-family detached home, townhomes have rapidly matured into a competitive substitute at the higher end of the housing price spectrum.

The average cost of a newly constructed townhome in Gwinnett County rose from nearly \$199,000 in 2015 to over \$320,000 in 2021. Over the past six years in Gwinnett County, an average of 695 new townhomes were built annually, increasing from 382 units in 2015 to 932 units in 2021. The shift towards more, and higher-priced townhome sales reflects wider market acceptance for a relatively new product type for Gwinnett County.

**Average Sale Price by Year, New Townhomes, Gwinnett County 2015-2021**



Source: Smart RE Data, KB Advisory Group

## Baseline Conditions: Supply of Housing

### Housing Costs: Apartment Pricing Trends

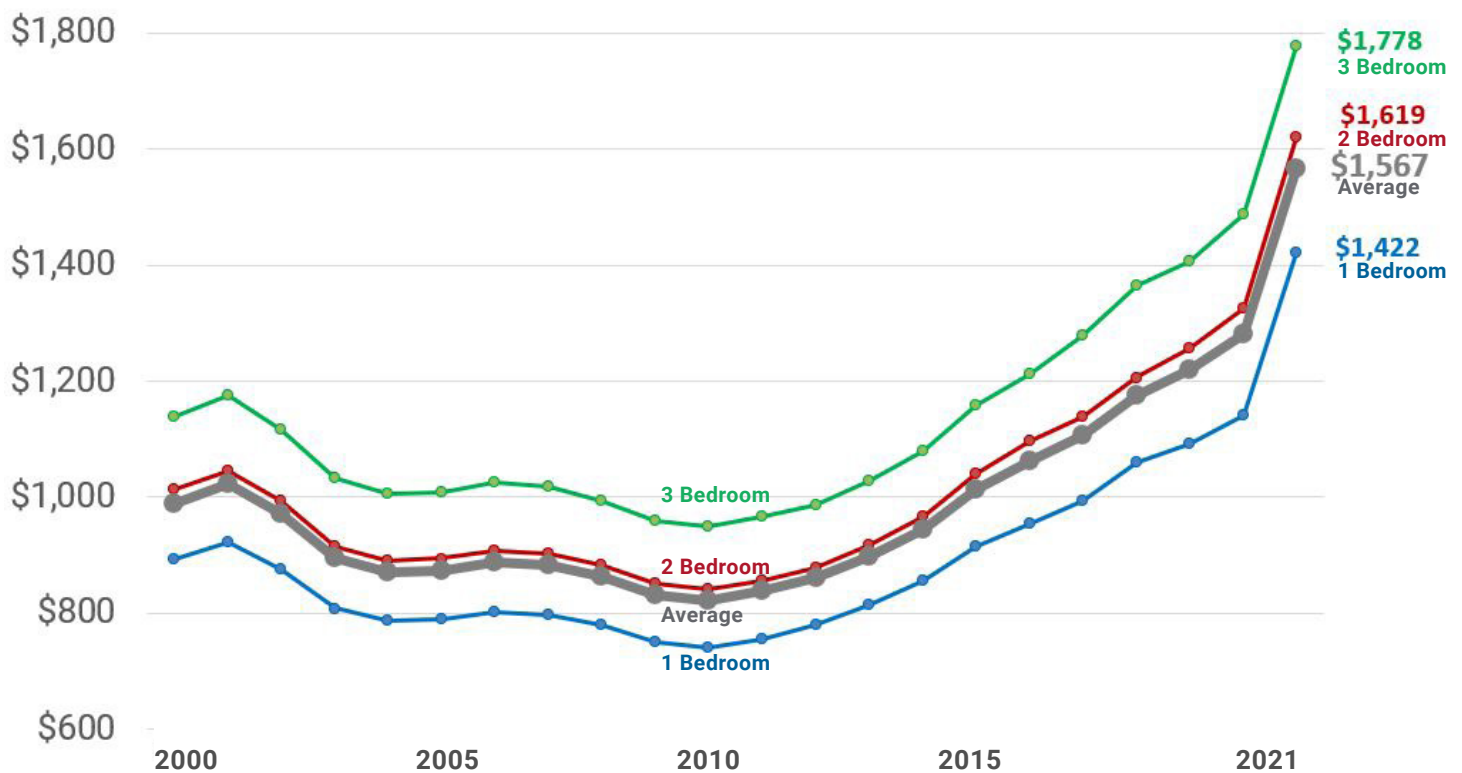
Gwinnett County's average apartment unit rents compare similarly to the greater Atlanta metropolitan area. Gwinnett's average apartment unit rents for \$1,567, while the average rent for a multifamily unit in metro Atlanta is \$1,533 per month.

Gwinnett's steepest yearly multifamily price increase occurred between 2020 and 2021, resulting in a price increase of 22%, or \$286. This is a departure from the multifamily pricing trends of the last decade. In the ten year period prior to 2021 the average multifamily unit rent increased by \$46, or 5% annually.

The monthly rent of a 2-bedroom apartment unit has almost doubled in the last ten years – increasing from \$879 to \$1,619 in 2021.



**Gwinnett County Apartment Rent Trends by Number of Bedrooms**



Source: CoStar, Inc.

## Baseline Conditions: Supply of Housing

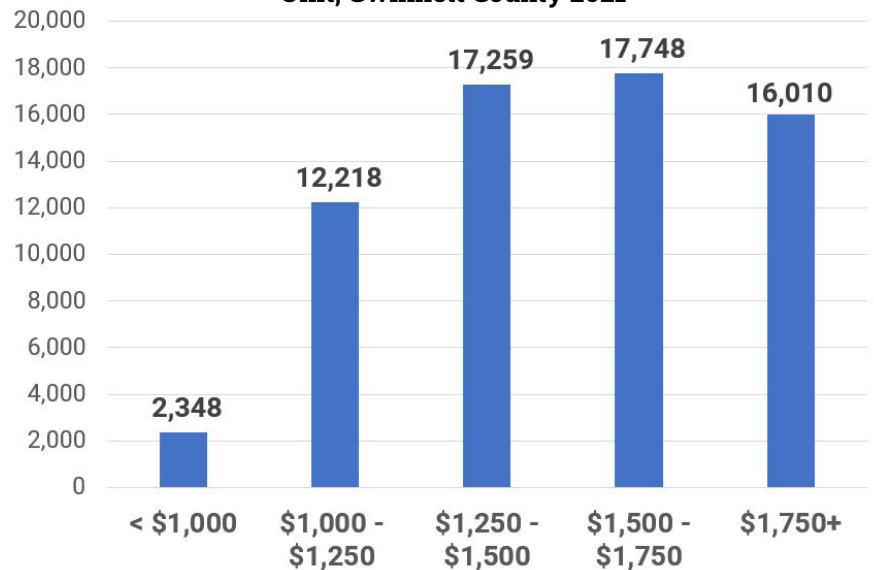
### Housing Costs: Apartment Pricing Trends

#### Existing Apartment Units

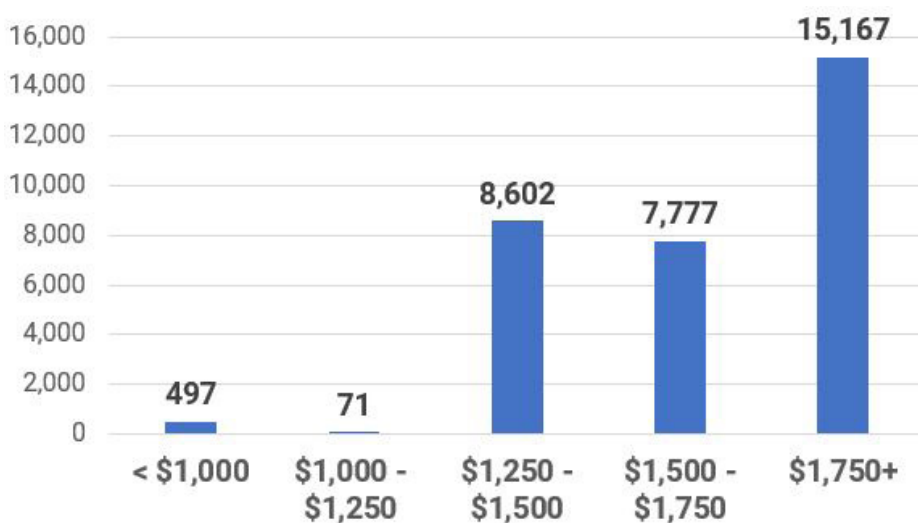
Gwinnett County's rental market provides few opportunities for lower-income renters. 54% of Gwinnett's jobs earn less than \$40,000 per year or an equivalent hourly rate of \$20 per hour.

However, just 3% of Gwinnett's apartments rent for less than \$1,000 a month (attainable to households earning \$40,000 annually or less). 70,000 households, almost a quarter of Gwinnett's households earn less than \$40,000 per year, indicating a significant gap between supply and demand.

**Number of Existing Apartment Units by Average Rent per Unit, Gwinnett County 2021**



**New Apartment Units by Average Rent per Unit, New Units Built 2011-2021 Gwinnett County 2021**



#### New Apartment Units

In the last ten years, development economics have changed in Gwinnett so that we now have higher-rent "luxury" apartments previously seen only in more urban areas. The result has been growth in the number of new units with rents at the upper end of Gwinnett's apartment market.

Nearly 3/4 of the multifamily units built in the last decade have average rents over \$1,500. Newly built multifamily products will likely be even more expensive as the costs for development inputs (land, labor, and materials) increase.

Source: CoStar, KB Advisory Group

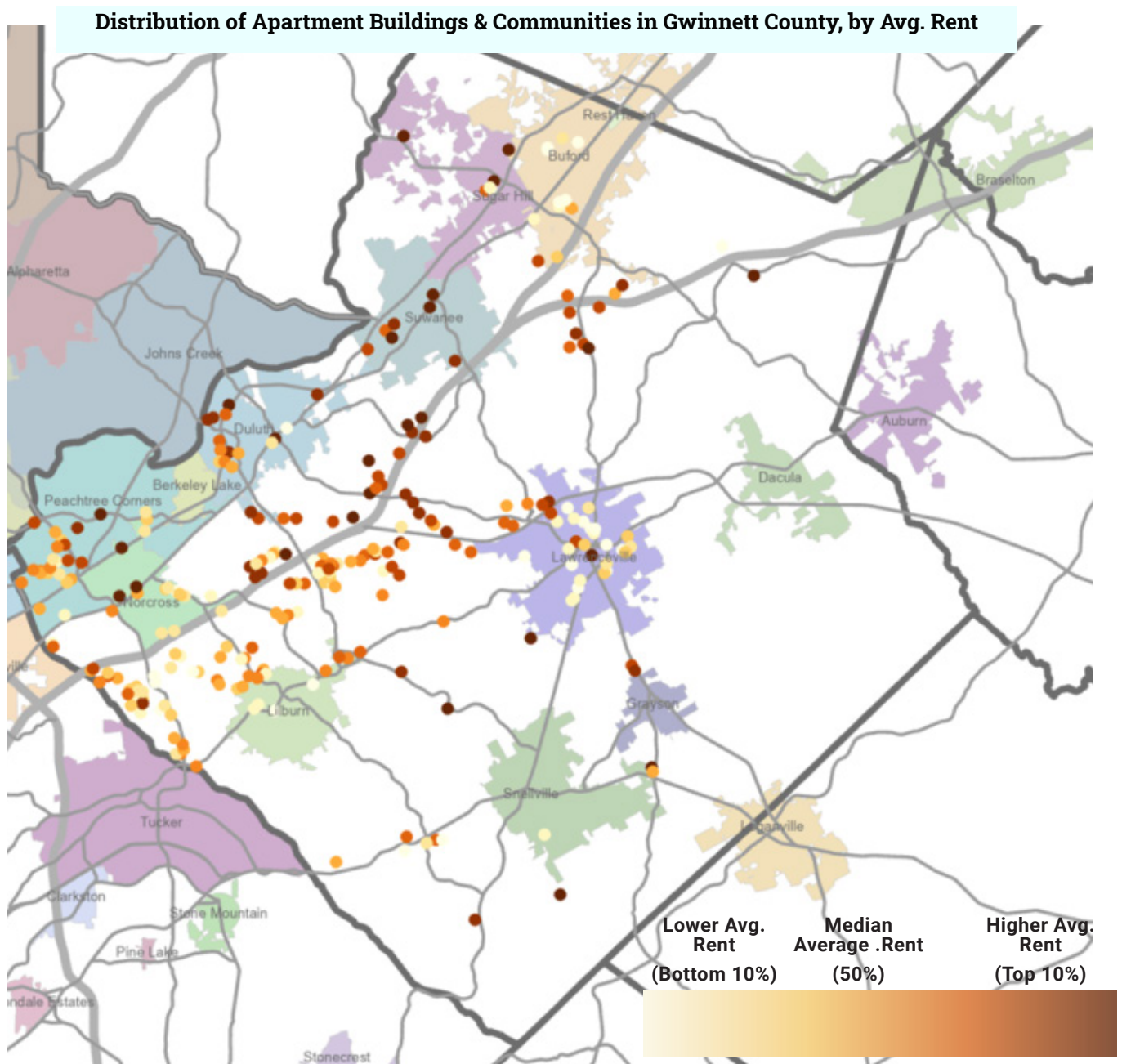


## Baseline Conditions: Supply of Housing

### Housing Costs: Apartment Pricing Trends

This map shows the distribution of apartment communities in Gwinnett County, color-coded by average unit rent.

- Lighter dots represent lower-rent apartment communities.
- Darker dots represent higher-rent apartment communities.



Source: Gwinnett County GIS, CoStar. The dataset includes only those communities tracked by CoStar and excludes very small communities.

## Baseline Conditions: Supply of Housing

### Housing Costs: Rental Home Pricing Trends

Nearly 110,000 households, which represent 33% of Gwinnett's households, rent their homes. Household income is a strong indicator of household tenure, and it also plays a role in determining what type of housing units renters will choose to occupy.

Pricing trends for single-family and townhome rentals are challenging to track and report because of how prevalent individual small-scale "Mom and Pop" landlords are in the single-family rental market. It is possible to estimate prevailing rental rates for these homes using household income and census-reported housing spending.

In general, residents of multifamily rental housing are more likely to come from lower-income households, with 62% of households in multifamily housing households earning less than \$50,000 per year. Townhome and single-family detached home renters tend to be relatively well-distributed across income ranges.

In all housing types occupied by renters, the largest share of renter households comes from the lowest-income group, earning \$35,000 or less annually, which corresponds to an attainable rent of \$875/month or less.

It is also worth noting that a significant number of renter households come from higher-income groups; 19% of single-family renter households and 14% of townhome renters earn more than \$100,000 annually.

The dynamics of renters – how much they spend on rent and what products they choose to rent – are complex. Many renters would prefer to own homes but find homeownership economically or practically out of reach. However, many renter households rent by choice, because renting suits their particular lifestyle or economic situation.



### Gwinnett County Rental Housing Share by Type and Income Range

% of All Renters in Each Housing type by Income Group

HH Income	Est Rent (30%)	SF	Town-home	Small MF	Large MF
Up to \$35K	Up to \$ 875	26%	35%	49%	42%
\$35K-\$50K	\$ 875 - \$ 1,250	14%	17%	20%	20%
\$50K-\$75K	\$ 1,175 - \$ 1,750	22%	16%	19%	22%
\$75K-\$100K	\$ 1,575 - \$ 2,075	19%	18%	6%	8%
\$100K-\$150K	\$ 2,075 - \$ 3,125	14%	11%	4%	6%
\$150K+	\$ 3,125 and up	5%	3%	1%	2%
		<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: U.S. Census, PUMS, KB Advisory Group

## Housing Costs: Affordability

### Fair Market Rents

Fair Market Rents (FMRs) are calculated annually by the Department of Housing and Urban Development (HUD) to represent "the cost to rent a moderately-priced dwelling unit in the local housing market." (HUD definition) HUD's goal in setting Fair Market Rents is to reduce overpayment by federal housing subsidy programs in lower-rent areas by creating a widely recognized standard.

The chart and table to the right show the average Fair Market Rent for Gwinnett County and Georgia. On average, Gwinnett County's Fair Market Rent is higher for every unit type when compared to averages across Georgia. Gwinnett prices are 31% higher, with the highest differentials from studios, one-bedroom units, and two-bedroom units.

### Fair Market Rent

Fair Market Rent	Gwinnett County	Georgia	% Difference
Studio	\$1,115	\$823	35%
One-Bedroom	\$1,141	\$858	33%
Two-Bedroom	\$1,303	\$994	31%
Three-Bedroom	\$1,643	\$1,292	27%
Four-Bedroom	\$2,003	\$1,563	28%

### HUD Housing Wage, Gwinnett County, 2019

Housing Wage	Gwinnett Average
2-BR Fair Market Rent	\$1,303
2-BR Housing Wage	\$25.03
Gwinnett County Minimum Wage	\$ 7.25
Housing Wage Hours @ Min. Wage	138

### Housing Wage

Housing Wage is a metric used to calculate the hourly wage that one would need to get paid (working 40 hours a week) to afford a fair market rate, two-bedroom unit in a particular area.

The minimum wage across Georgia and Gwinnett County is \$7.25/hour, meaning that someone getting paid the minimum wage in Gwinnett County would need to work on average 138 hours per week to afford a fair market rate, two-bedroom unit.

Source: HUD, PUMS, US Census ACS 2019, KB Advisory Group.

## Baseline Conditions: Supply of Housing

## Housing Costs: Affordability

### Cost Burden

In Gwinnett County, just over 95,000 households, or nearly 1/3 of all households are “Cost Burdened,” meaning that they spend more than 30% of household income on housing expenses.

Cost burden is especially acute among lower-income groups and renters:

- 87% of households earning less than \$35,000 are cost burdened.
- 43% of households earning \$35,000-\$75,000 are cost burdened.
- 52% of all renter households are cost burdened.

### Naturally Occurring Affordable Housing

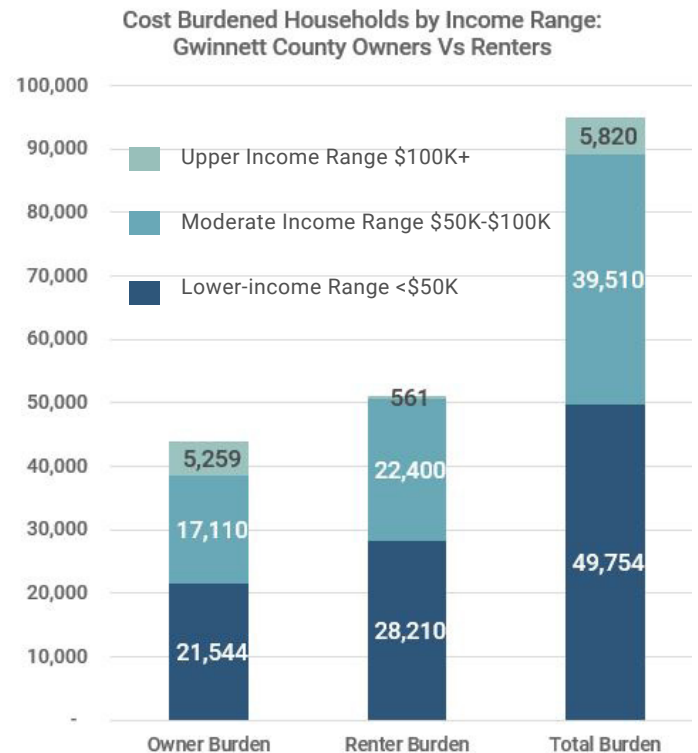
Much of the housing available to Gwinnett's lower-income households is "naturally occurring affordable housing," which refers to housing that is available at lower prices due to its age, condition, or relative lack of amenities, rather than due to support from any public subsidy or funding programs.

The Harvard Joint Center for Housing Studies estimates that up to 75% of America's affordable housing falls into this category.

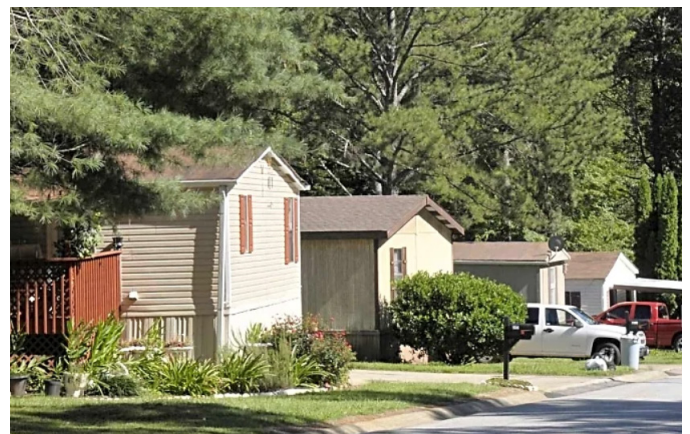
Mobile homes and trailers are a common form of naturally occurring affordable housing in Gwinnett. Gwinnett has an estimated 3,424 trailers, RVs, boats, and mobile homes serving as housing units. 2,460 of those units, or 72%, are in unincorporated Gwinnett County.

Many of these units are in poor or substandard condition; however current zoning and building codes can complicate or hamper efforts to upgrade or replace them. Development pressures and rising land costs increase the possibility that these trailer, RV, and mobile home communities may face redevelopment pressure, potentially reducing the number of available market-rate affordable housing options.

### Cost Burdened Households by Income Range Gwinnett Renters and Owners 2019



Source: HUD, PUMS, US Census ACS 2019, KB Advisory Group.





## Baseline Conditions: Supply of Housing

### Affordability: Extended Stay Hotels

Buying or renting a home can be a complicated process. Households must clear several barriers to entry, such as application fees, credit checks, references, security deposits, rental history references, histories of eviction, foreclosure or bankruptcy, and background checks. These barriers can stand in the way of safe and accessible housing for many individuals and families with income or savings challenges or marginal housing histories.

Lower-cost and extended stay motels have stepped in as a form of de facto affordable housing filling the gap for many of these individuals and families. To secure housing through the traditional private housing market, households must clear several barriers to entry that are often costly or difficult for lower-income populations or those with problematic eviction, criminal or credit histories.

Extended stay motels in Gwinnett County typically lease for \$50-\$100 per night, with discounts for weekly or monthly stays. This can be more expensive on a monthly basis than other, more stable rental options but they rarely involve the additional paperwork, credit checks, and background checks that long-term landlords require. While residents of extended stay motels are thought of as transient, moving frequently between motels with the least expensive rates, this is often not the case in Gwinnett.



Extended stay motels are so deeply ingrained in the de facto affordable housing market that Gwinnett County School buses regularly serve children living at a variety of motels along major commercial corridors. Conversations with County staff confirmed that extended stay motels are often used as a semi-permanent address for families seeking government aid.

Counting the exact number of households living in extended stay motels is not practical, as it is difficult to separate short-term hotel users (such as business travel or tourism) from longer-term residential users, as both categories are transient.

Gwinnett County has approximately 5,000 economy class hotel or motel rooms. Because of the transience of the residents, it is difficult to quantify how many families or individuals stay in Gwinnett extended stay hotels as their primary-source of housing. Many of them work in Gwinnett, participate in County services, or formally count as residents of Gwinnett County, although it is not possible to quantify how many.

It is clear, however, that extended stay motels offer a stop-gap solution to financial and non-financial housing challenges, but do so at a considerable burden to the families and individuals who reside in them. This contributes to overall housing instability in Gwinnett County.



## Baseline Conditions: Supply of Housing

### Institutionally-owned Rental Housing

Over the past five years or so, increasing demand for rental single-family detached homes and townhomes in Gwinnett and nationwide, has driven the emergence of a relatively new housing phenomenon: institutionally-owned pools of rental homes.

Prior to 2008, the single-family rental sector was dominated by small-scale, local landlords. However, in the aftermath of the 2008 housing bubble collapse, recession and foreclosure crisis, the federal government incentivized private investors to purchase foreclosed homes with the expressed goal of rescuing them from foreclosure and disrepair and eventually returning them into the market as rentals or “flips.”

While Real Estate Investment Trusts (REITs) existed long before 2008, the following decade saw REITs enter many markets to “flip” undervalued properties in neighborhoods where foreclosed single-family properties were abundant. In recent years, many REITs have shifted their business model towards purchasing and holding pools of market-rate homes to generate rental income and capture price appreciation. This has been lucrative for REITs, who benefit from economies of scale in the purchase and sale, repair, and property management of these homes.

Gwinnett County has at least 6,800 single-family houses owned by REITs. 93% of those homes are owned by five of the largest REITs in the single-family rental sector, which include:

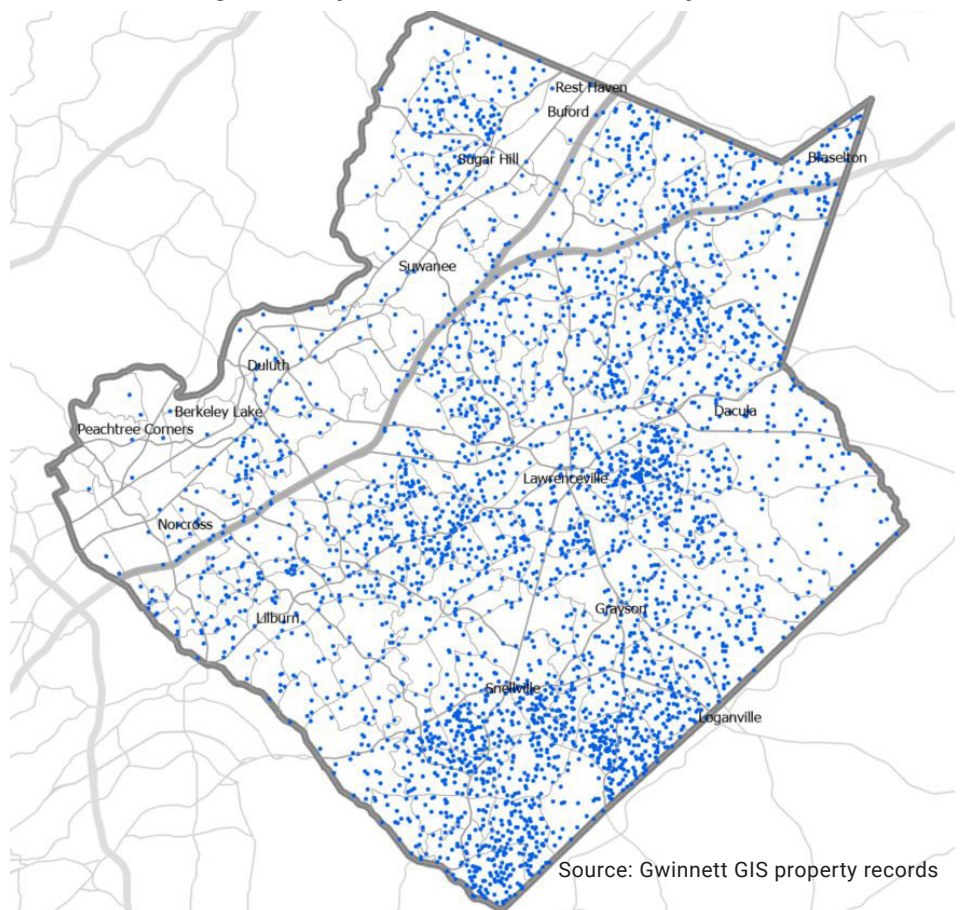
- Invitation Homes (2,300+ units);
- American Homes 4 Rent (1,400+ units);
- Starwood Waypoint Homes (1,100+units);
- Progress Residential (700+ units); and
- Tricon Residential (600+ units).

REIT-owned properties are concentrated in the southern and eastern portions of Gwinnett County and have a median year built of 1996 and a median housing condition grade of C, suggesting that institutional buyers are focusing on older and lower-end homes.

REIT-owned homes represent more than 10% of all single-family homes in some census tracts southern Gwinnett.

Institutional ownership of rental homes is a relatively new phenomenon, and little data exists gauging the broader implications of this trend on local housing markets. One clear impact is that institutional buyers' access to capital gives them a buying advantage over individual home buyers who typically rely on mortgage financing.

**REIT-owned Single-Family Homes in Gwinnett County, 2021**





## Baseline Conditions: Supply of Housing

### "Build-to-Rent" Housing

"Build-to-rent" is another model for single-family rentership that has emerged in Gwinnett County in recent years. Build-to-rent is a residential real estate model that develops and builds single-family housing, attached or detached, with the intended purpose of renting those units through professional property management, instead of selling them, which can occur with single units or entire single-family rental communities. Build-to-rent products have been most active in Sunbelt states where growth is strong and costs of production tend to be lower. Build-to-rent communities often include community amenities and maintenance costs built into the monthly rent.

The drive for the build-to-rent model can be attributed to demand and demographic shifts. As Millennials age and form families they may find single-family homes better suit their needs. But due to the high costs of housing and barriers to homeownership, like wage stagnation and student debt, renting may be the only option. The result is an increase in the demand for a product with more space than traditional multifamily units, that is accessible to households who do not qualify for homeownership, or who are renters by choice.

Two of the more prominent build-to-rent producers in Gwinnett have been ResiBuilt and Parkland Communities. ResiBuilt has four communities in Gwinnett consisting of townhomes and single-family detached products, with rents starting at \$1,970 for a three-bedroom option. Parkland Communities is a residential developer that is active in metropolitan Atlanta. In the past two years they have begun to develop two built-to-rent townhome communities that feature 120 rear-entry stacked townhome units.

Many cities and counties nationwide have tried to regulate build-to-rent development in order to promote homeownership over renter households. This often proves difficult as most jurisdictions have few legal mechanisms to regulate the ownership style of housing. Often these limits are introduced through conditional zoning terms, HOA requirements, or limits in the number of certificates of occupancy for a given parcel.

It is clear that increasing demand for rental housing is what drives the growing prevalence of both the build-to-rent development and REIT-owned rental home models.



## Baseline Conditions: Supply of Housing

### The Cost of Homebuilding

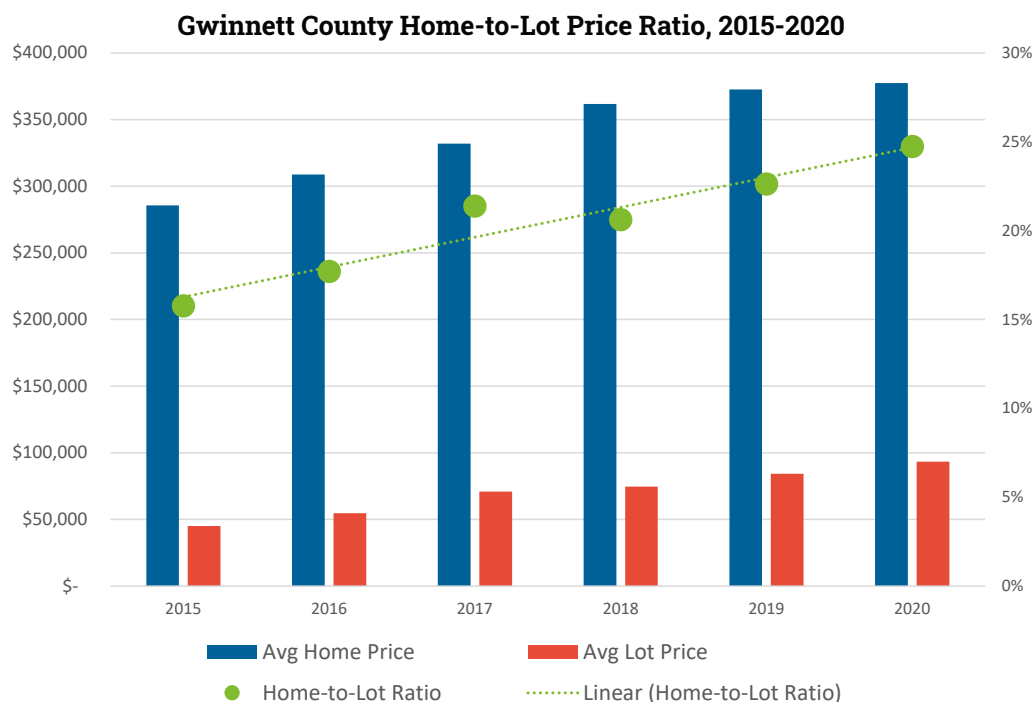
Land, labor, and materials are three of the most significant inputs and determinants of how much housing supply is built and the costs of that housing. In Gwinnett County, as in the rest of the U.S., these costs are increasing rapidly, driving up the cost of home construction, including:

- The average cost of a newly constructed home on a single-family lot increased dramatically, by over \$92,000 between 2015 and 2020.
- Average lot prices for newly built homes increased by over \$48,000, or 120% during the same period, which means that land prices for single-family homes in Gwinnett have more than doubled since 2015.

The increases in land, materials, and labor directly impact or restrict the availability of new housing supply and housing affordability. These development economics result in a relationship where homes built in Gwinnett are rapidly becoming more expensive.

#### Land

Gwinnett County residential land costs have more than doubled since 2015. In 2015, the lot for detached, single-family home construction made up 16% of the total home cost. In 2020 that number increased to 25% or one-fourth of the whole home price. As developable land for single-family detached homes becomes scarcer, we can expect the land price to continue to rise.



Source: Smart RE Data, Inc

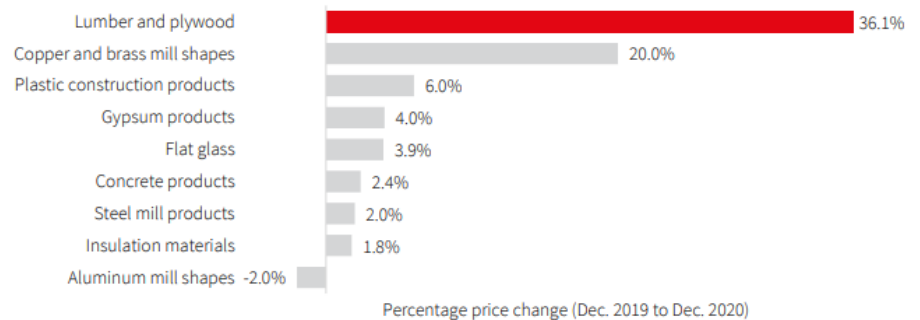


## Materials

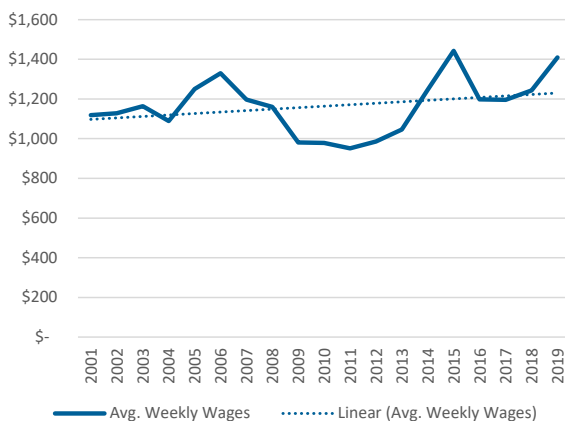
During the past two years, COVID-19 related supply-chain and market issues made the pricing of standard construction materials volatile. Lumber prices have tripled, and the oriented strand board (OSB) prices have increased over 250% since the same time last year. Single-family and multifamily housing is more expensive because these price increases get passed down to the consumer.

The National Association of Homebuilders estimates that increases in new lumber prices add an average of \$35,872 more to the cost of a single-family house and \$12,966 to the cost of a multifamily unit.

**12-Month Change in Construction Material Prices, 12.2019 to 12.2020**



**Avg. Weekly Wage for Residential Construction in Gwinnett County, 2001-2019**



Source: BLS

## Labor

Residential construction markets have been experiencing labor shortages since before the COVID-19 pandemic. There is an increasing gap between the demand for skilled labor and the supply of qualified labor, which increases labor costs.

Baseline Conditions: Land

Supply of Vacant Land

Gwinnett County currently has nearly 24,000 acres of land identified as vacant in county tax records, meaning that it has no structure or designated use.

Most of this vacant land is in small dispersed parcels. Some land, particularly in the eastern areas of the county, is in large contiguous parcels suitable for large-scale or subdivision development.

Some of this land has never been developed, while some has been pre-developed with infrastructure such as roads, water, and sewer. Gwinnett's vacant land also includes parcels where existing buildings have been demolished.

Future housing in Gwinnett County will be built in one of three ways:

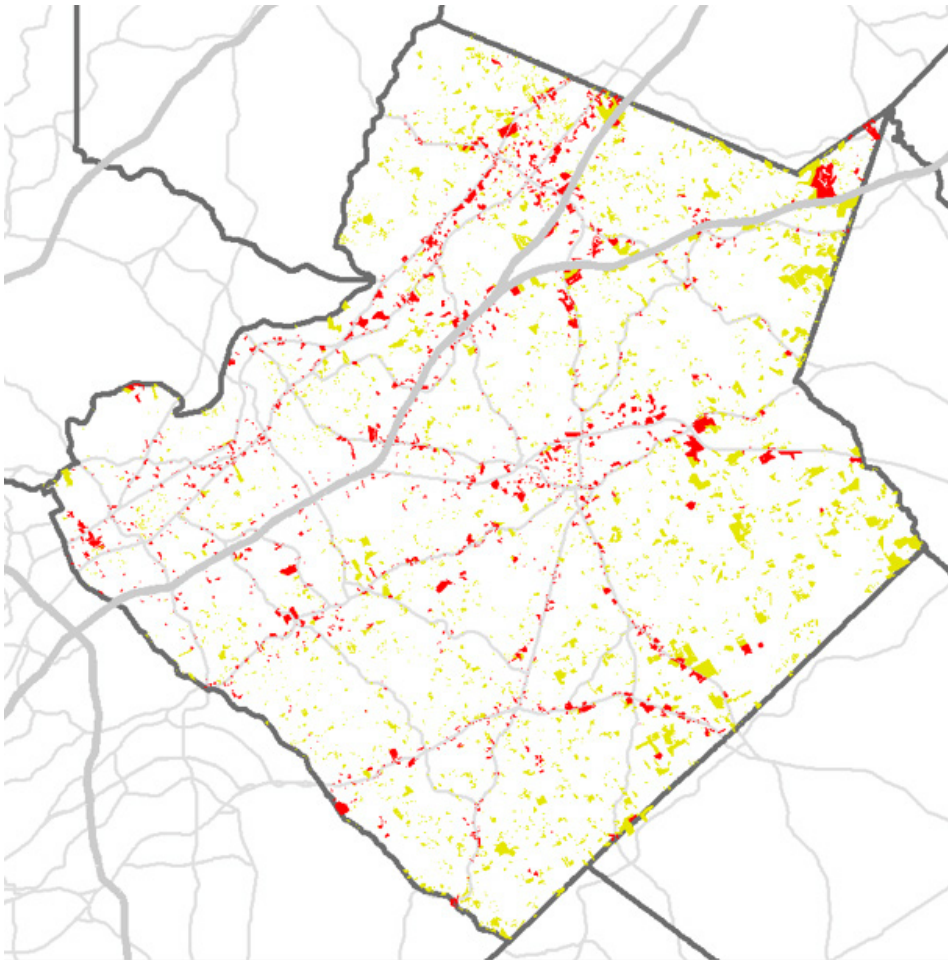
- Development of never-developed vacant parcels (greenfield development);
- Redevelopment of existing obsolete buildings or sites where buildings have been demolished (redevelopment);
- Construction in existing space between existing buildings or intensification of existing uses (infill development).

How much housing could Gwinnett's inventory of nearly 24,000 acres of vacant land potentially support?

While not of Gwinnett's current inventory of vacant land would be appropriate for development, it is useful to understand the theoretical housing capacity of that land. A typical suburban housing density allows for four residential units per acre. If all 24,000 vacant acres were to be devoted 100% to housing construction at four units per acre, that vacant land could support up to 95,400 housing units.

Vacant Land Type	2020 Inventory
Commercial Vacant Land (Red)	8,172 Acres
Residential Vacant Land (Yellow)	15,681 Acres
Total Vacant Land	23,853 Acres
Housing Capacity @ 4 DU/AC	95,412

Gwinnett County Vacant Land, 2021



Source: Gwinnett County GIS, KB Advisory Group

## Baseline Conditions: Key Findings and Conclusions

### Key Takeaways from the Baseline Conditions Assessment

#### Population

Gwinnett's population has transformed dramatically over the past 50 years. In 1970, Gwinnett had 73,664 residents; today, Gwinnett has 957,062 residents.

#### Income

- Gwinnett County has a 2019 median household income of \$71,026, over \$3,000 greater than the Atlanta-Sandy Springs-Roswell MSA's median household income.
- Nearly 1/3 of Gwinnett County's households earn less than \$50,000 a year.
- An estimated 108,000 Gwinnett residents live below the U.S. Government defined poverty threshold, mostly concentrated in the west side of the county.

#### Age

- Gwinnett is graying. The aging Baby Boomer generation, combined with improved health and longevity, will have an enormous impact on population distribution nationwide.
- From 2020 to 2040, the 65+ age group will increase from 11% to 21.5% of Gwinnett's total population.
- The 80+ age group will increase nearly five-fold, from 21,000 to 99,000.

#### Employment

- In 2020, an estimated 362,650 jobs were located in Gwinnett County. Overall, Gwinnett County's employment sectors are diversified and well-rounded, offering robust opportunities across a wide range of sectors, skill levels, and wage ranges.

#### Housing Growth

- Gwinnett County began as a sparsely populated rural community, with an estimated 12,000 housing units in 1960. Next came 40 years of consistent, strong housing growth to accommodate a dramatic surge in population. During the 1970s and 1980s, at the peak of this growth pattern, annual housing growth topped 9%.
- Through the 1980s, 1990s, and 2000s, Gwinnett added approximately 8,000 net new housing units each year. This housing boom was disrupted by the 2008 economic recession. The decade of 2010-2020 produced an average of just 3,620 new housing units per year, less than half that of decades prior.

#### Aging Homes

- The first generation of Gwinnett's homes are now reaching maturity. Increased demand for homes with diminishing vacant land for construction will accelerate the replacement of obsolete homes in the coming decades.
- Gwinnett has more than 137,000 housing units that were built before 1990. These units will all be more than 50 years old by 2040 and will become ripe for replacement, renovation, or redevelopment over the next 20 years.

#### Home Pricing

- Home prices and rental rates have increased 50% since 2010. The past two years have seen particularly sharp increases in both home sale prices and rental rates. Virtually no new housing units are being built that are affordable to households earning \$50,000 or less annually, who represent approximately 1/3 of Gwinnett's households. At the same time, rising prices are making many of the existing lower cost housing units more expensive.

#### Affordability

- 95,000 Gwinnett households, nearly 1/3, are "cost burdened," meaning they spend more than 30% of household income on housing expenses.

#### Housing Construction Costs

- Land, labor, and materials are three of the most significant inputs and determinants of how much housing supply gets built and the costs of that housing. In Gwinnett County, as in the rest of the U.S., these costs are all increasing rapidly, driving up the cost of home construction.







CHAPTER

# 6

---

## Housing Demand Forecast

## Housing Demand Forecast

### Introduction

#### Important Note

The housing demand forecast does not represent requirements or recommendations that any particular amount of housing should be built or permitted. This demand forecast is a benchmark that can be applied to inform discussions related to housing, community service and infrastructure decisions, regulatory decisions, and public policies.

It should also be noted that this demand forecast represents all housing units, not just net new housing units. While 64% of the demand represents net new housing units to Gwinnett County, 36% represents the replacement or conversion of existing housing units, most of which will be aging or approaching physical or economic obsolescence. While this replacement housing will not count towards net new housing units in Gwinnett County, it should be accounted for when considering housing policy and regulatory issues such as permitting and zoning.

Driven by steady population growth and an increasing need to replace or upgrade aging housing units, Gwinnett and its municipalities will experience strong demand for new housing units, of all types and at all price points, over the coming decades.

This section looks closely at the dynamics of Gwinnett's likely future housing demand in anticipation of some key questions:

- How many new housing units will the market support in Gwinnett County?
- What kind of housing units will Gwinnett's households and residents want?
- What sort of home prices or rents will be attainable for Gwinnett's new households?

**"Housing Demand"** means the number of housing units that, if offered at price points accessible and affordable to the full-range of Gwinnett County households, would all be bought or rented in a reasonable period of time.

What happens if there is more demand for housing in Gwinnett County than there are available housing units? That is a complicated question with several possible outcomes:

- Some unmet demand may shift to another less-desired unit type. For example, a household hoping to buy a single-family house may choose to rent an apartment instead.
- Some unmet demand might shift to a less-optimum price category, as households choose housing that costs significantly more or less than they would prefer to pay.
- Housing costs will increase as demand outpaces supply.
- Some unmet demand may shift to other counties, often further away from employment centers or preferred neighborhoods.
- Some households will choose to remain in place in their existing homes despite their desire to move, restricting liquidity in Gwinnett's housing market.
- Some households may try to economize by doubling up, finding roommates, or sharing housing with friends or family in order to be able to afford housing.
- Additional demand may lead to changes in the economic or regulatory environment (such as incentive programs or zoning codes) to influence housing development patterns.



## Housing Demand Forecast

### Housing Demand in Gwinnett County

A housing demand forecast model was developed for this study to understand and forecast the dynamics of Gwinnett County's housing needs over the coming decades.

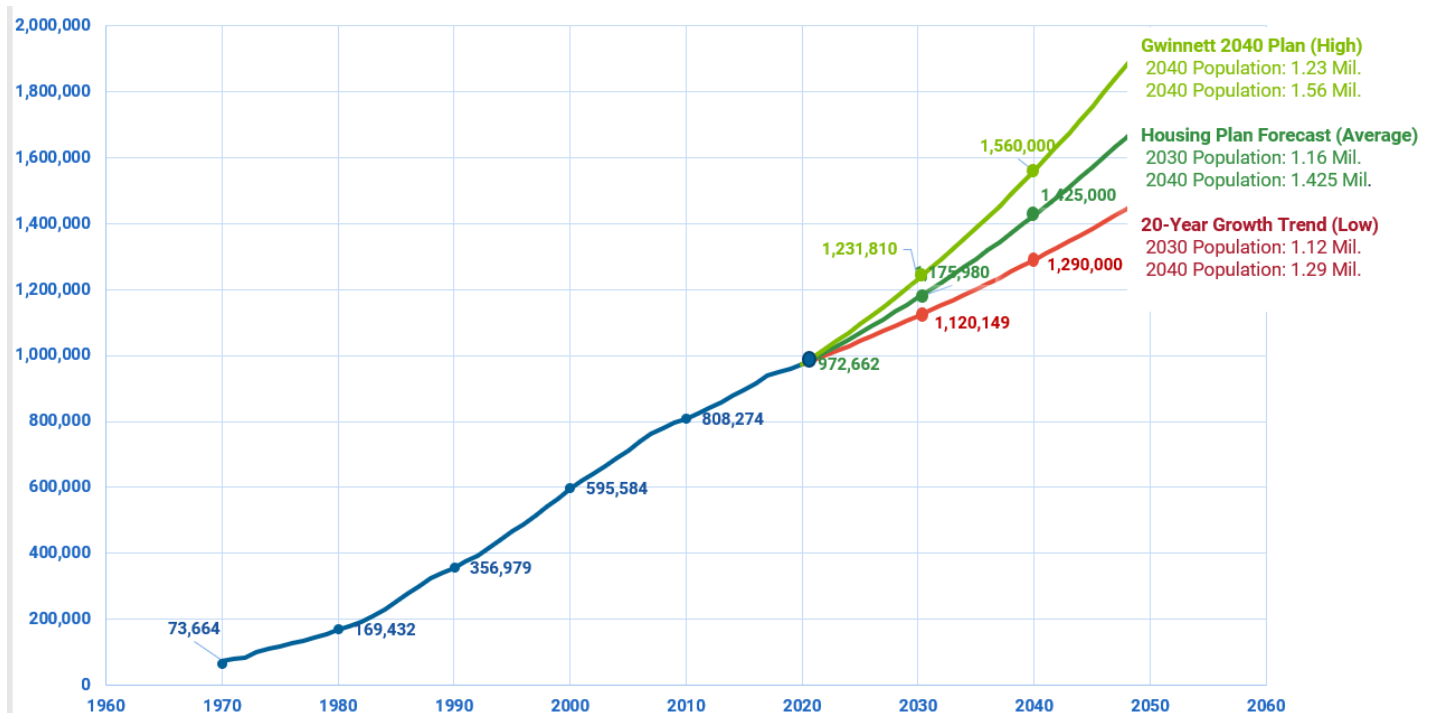
This demand model starts with a baseline model that approximates the current demographic profile of Gwinnett's households. The baseline demographic profile includes data such as mortality, age of householder, household income, housing type, tenure, household size, propensity to move, and other demographic and housing characteristics. This data comes from the U.S. Census's 2019 Public Use Microdata Samples (PUMS) for Gwinnett County, which provide detailed, granular demographic data.

The demand forecast model then projects future household growth and housing demand by averaging two population forecast scenarios:

- The Gwinnett 2040 Unified plan, adopted by the County in 2019, anticipates population growth reaching 1.56 million in 2040. This demand model uses the growth target as a high-end forecast.
- Alternatively, the forecast model also considers a continuation of Gwinnett's average 2000-2020- growth pattern, which places the 2040 population at 1.29 million, as a low-end forecast.

For the sake of clarity, this housing demand model is based on the average of those two forecast models, which anticipates 1,425,000 Gwinnett County residents in 2040. The range between this average forecast and the high and low forecasts is approximately +/- 10%. The baseline householder demographic profile is then projected outward 20-years and modeled to account for household and demographic shifts. The demand model output is averaged 20 years to forecast average annual housing demand.

### Gwinnett County Population Growth History and Forecast 1970-2040



Source: Gwinnett 2040 Unified Plan, Woods & Poole, KBA

## Housing Demand Forecast

### Housing Demand Model 2020-2040

Three modules are utilized to model likely demographic and household dynamics. These modules are explained below.

**1. People and households–** This module starts with a demographic profile of Gwinnett's current population and households. It then models how the baseline population and households will change over time based on demographics and lifestyle trends, including:

- **Birth and death:** People are born and people die. Gwinnett, like many metro Atlanta counties had a net gain of 5,331 more births than deaths in 2021.
- **Migration:** People move in and out of the county. In Gwinnett, more people are moving in due to the region's strong job market and relatively low cost-of-living.
- **Aging-in-place:** Most of Gwinnett's 55-year-olds today will be Gwinnett's 65-year-olds in 2031. Some people will change their housing choices as they age; but many will elect to age in place and stay in their current homes.
- **Formation of new households:** Young people will leave their parents and establish their own households. Marriages, divorces, children growing up, and aging relatives are driving new patterns in household structure.
- **Moving:** People move-in and move-out of housing units. Some change tenure style or housing type during the move. Sometimes they move into an existing home, and sometimes they choose to move to a newly built home.
- **Change of tenure:** As householders' economic and family needs change, they may choose to change the way they pay for housing, from renting to owning or vice-versa.

The output of this module is a profile of net new households in Gwinnett County over 20 years.

The model subdivides Gwinnett's net new households into 72 subcategories based on age, household income, and household tenure derived from detailed current demographic and housing data.

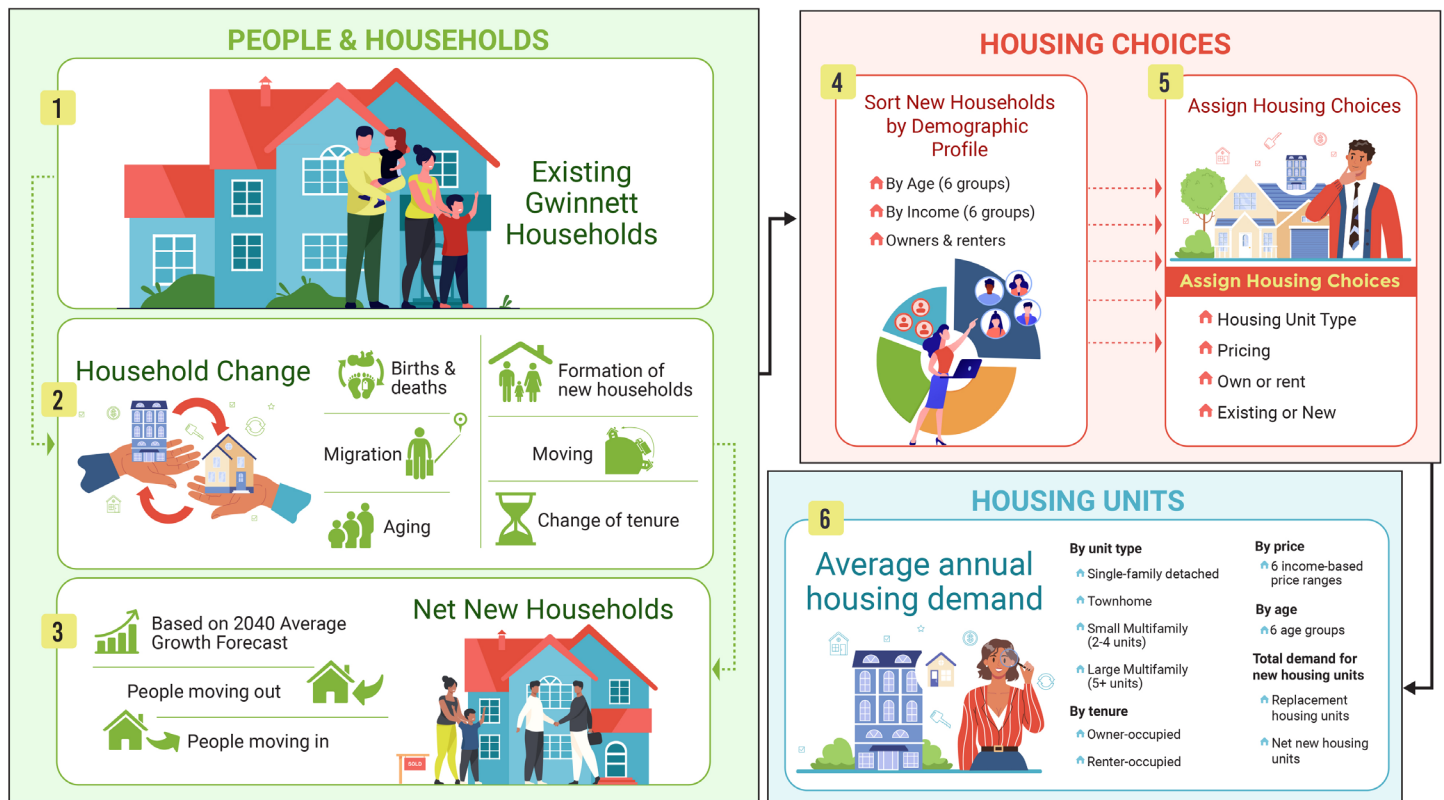
**2. Housing choices–** For each of the 72 demographic profile categories, likely future housing choices are modeled based on current demographic and housing patterns, adjusted to account for geographic development trends within Gwinnett County and global housing trends:

- What types of housing units will they likely prefer?
- How many households will continue their current tenure style and how many will change (i.e. renters becoming owners)?
- How many will move to a different housing unit in a given year?
- Of those that move, how many will seek out a new housing unit versus an existing unit?

**3. Housing Units:** Once the housing choices of the 72 subcategories are modeled, they are recombined to determine total housing demand by type and tenure. Average annual demand is allocated to five basic housing types by renter and owner.



# How the Gwinnett County 2020-2040 Housing Demand Forecast Model Works



## **Housing Demand Forecast**

### **Housing Model Results and Findings**

The Housing Demand Model produces detailed demand forecasts, broken out by geography, housing type, household income, age of householder, and tenure.

#### **Summary Demand Forecast Results:**

- All Gwinnett County
- Unincorporated Gwinnett County
- Gwinnett Municipalities
- New Housing vs. Replacement Housing

#### **Detailed Countywide Demand Forecast: Housing Type vs Household Income**

- All units
- Owner-occupied
- Renter-occupied

#### **Detailed Countywide Demand Forecast: Age of Householder vs Household Income**

- All units
- Owner-occupied
- Renter-occupied

#### **Detailed Countywide Demand Forecast: Housing Type vs Age of Householder**

- All units
- Owner-occupied
- Renter-occupied

## Housing Demand Forecast

### Summary Housing Demand Forecast Results

#### All Gwinnett County

Based on the Housing Demand Forecast Model, Gwinnett County (including unincorporated Gwinnett and all municipalities) can expect to see demand for over 15,000 new housing units per year, on average, over the next 20 years.

In terms of unit type, this means Gwinnett is forecast to experience average annual demand for:

- Over 8,900 single-family detached homes;
- Nearly 2,800 townhomes; and
- Over 3,300 multifamily housing units.

#### Unincorporated Gwinnett County

The demand model forecasts that unincorporated Gwinnett County will experience average annual demand for over 12,000 housing units.

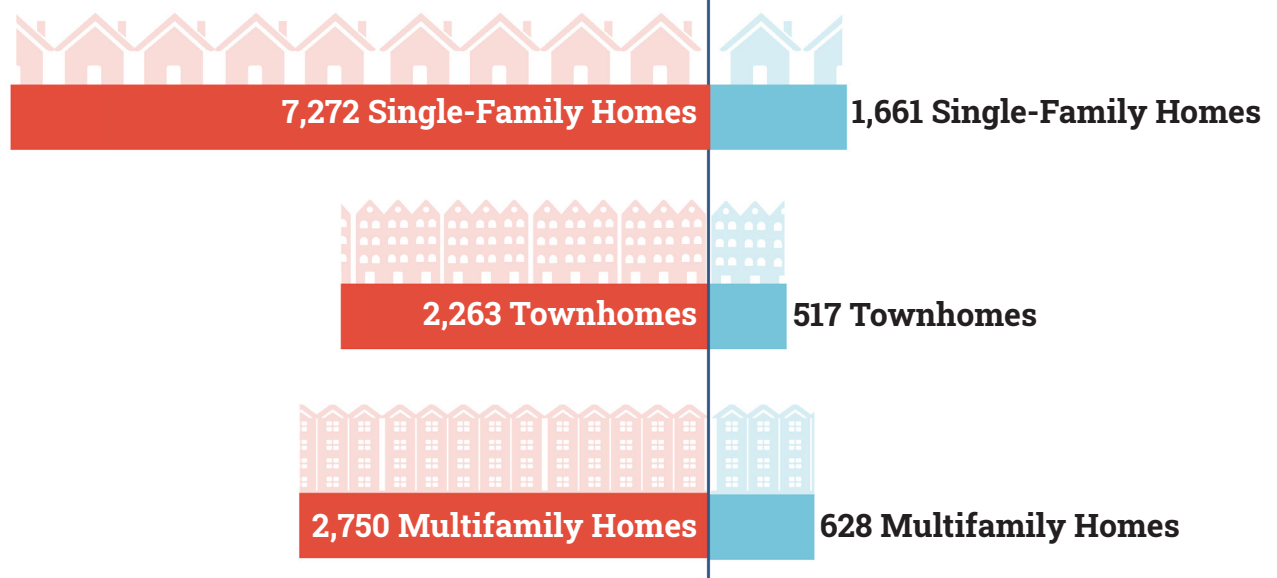
In terms of unit type, this means Gwinnett is forecast to experience average annual demand for:

- Over 7,200 single-family detached homes;
- Over 2,200 townhomes; and
- Over 2,700 multifamily housing units.

Unincorporated Gwinnett County is forecast to capture 81% of all Gwinnett County demand.

#### Average Annual Housing Demand: Unincorporated Gwinnett and Gwinnett Municipalities, 2020-2040

### Unincorporated Gwinnett County      Gwinnett Municipalities



## Housing Demand Forecast

### Summary Housing Demand Forecast Results

#### Housing Demand by Municipality

In the table to the right are details of the distribution of future housing demand among municipalities in Gwinnett's unincorporated area.

This forecast is an estimate, based on an extrapolation of long-term housing trends, that show the general pattern of development in Gwinnett increasing in areas on the northeast, east, and southeast sides of the county.

Currently, these areas of Gwinnett County have a larger share of unincorporated land than the county as a whole, meaning that the unincorporated portion of the county can expect to capture a larger share of countywide housing development than in previous decades.

These estimated detailed forecasts are based on history and trends. Local changes may alter these forecasts, including:

- Annexations and other alterations to jurisdictional boundaries;
- Municipal or County changes to zoning, land use, permitting or code enforcement regulations, or practices; and
- Major development or redevelopment initiatives.

#### Housing Demand Forecast: Average Annual Housing Demand by Housing Type for Gwinnett Municipalities

Jurisdiction	Single-family	Townhome	Multifamily	Total Housing Units
<b>Auburn</b>	<5	<5	<5	<5
<b>Berkeley Lake</b>	12	4	5	21
<b>Braselton</b>	129	40	49	219
<b>Buford</b>	113	35	43	191
<b>Dacula</b>	97	30	37	164
<b>Duluth</b>	123	38	46	207
<b>Grayson</b>	122	38	46	206
<b>Lawrenceville</b>	147	46	56	249
<b>Lilburn</b>	46	14	17	77
<b>Loganville</b>	50	15	19	84
<b>Norcross</b>	57	18	22	97
<b>Peachtree Corners</b>	55	17	20	93
<b>Rest Haven</b>	<5	<5	<5	<5
<b>Snellville</b>	170	53	64	286
<b>Sugar Hill</b>	346	108	130	584
<b>Suwanee</b>	194	61	74	328
<b>Incorporated Total</b>	1,661	517	628	2,806
<b>Unincorporated Gwinnett</b>	7,272	2,263	2,750	12,285
<b>Gwinnett County Total</b>	<b>8,933</b>	<b>2,780</b>	<b>3,378</b>	<b>15,091</b>



## Detailed Demand Forecast: New Housing vs. Replacement Housing

Demand for housing units in Gwinnett County comes from two sources:

- **Replacement housing units** are housing units that replace existing units. The most common form of replacement housing is when an older single-family home is torn down and replaced by a new home. In most cases, the replacement home will be larger and sell or rent at a significantly higher price than the original home. Replacement housing can also refer to older apartments (typically lower-intensity and lower-value buildings) that are demolished and replaced by new housing, often higher-intensity apartments, townhomes, or mixed-use.
- **Net new housing** refers to housing units that increase the overall number of housing units in the county. These include greenfield development, redevelopment of residential uses on non-residential parcels, and, in the case of replacement housing, net new units beyond the number of original units demolished.

Counts of **total housing** unit demand include both replacement housing and net new housing units.

Gwinnett's housing demand model forecasts that Gwinnett will see demand for 15,091 housing units annually. This includes:

- 5,383 replacement housing units (36% of all units) and,
- 9,708 net new housing units (64% of all units).

It is essential to track both of these sources of housing demand:

- Most metrics used to count housing units, such as building permits or housing starts, account for all housing units.
- When planning for the impact of new housing units on infrastructure and public services (such as roads, sewer and water, schools, and social services), only net new housing units should be considered.

### Housing Demand Forecast: Annual Demand for Replacement Housing Units vs. New Housing Units, 2020-2040,

Housing Unit Type		Unincorporated Gwinnett	Gwinnett Municipalities	Gwinnett County	
Replacement Housing Units	Single-Family Detached Homes	3,241	740	3,981	
	Townhomes	414	95	509	
	Multifamily Units	727	166	893	
	<b>Total replacement Units</b>	<b>4,382</b>	<b>1,001</b>	<b>5,383</b>	<b>36%</b>
Net New Housing Units	Single-Family Detached Homes	4,031	921	4,952	
	Townhomes	1,849	422	2,271	
	Multifamily Units	2,023	462	2,485	
	<b>Total Net New Units</b>	<b>7,903</b>	<b>1,805</b>	<b>9,708</b>	<b>64%</b>
Total Housing Units	Single-Family Detached Homes	7,272	1,661	8,933	
	Townhomes	2,263	517	2,780	
	Multifamily homes	2,750	628	3,378	
	<b>Total All Housing Units</b>	<b>12,285</b>	<b>2,806</b>	<b>15,091</b>	<b>100%</b>
		<b>81%</b>	<b>19%</b>	<b>100%</b>	

## Housing Demand Forecast

### Detailed Demand Model Results

The tables on the following pages present detailed results of the Gwinnett County Housing Demand Model.

These tables create a more complete picture of Gwinnett's likely future households. This information enables planners and policymakers to anticipate the characteristics and needs of the individuals and families who will be establishing new households in Gwinnett over the next 20 years. It also helps to define what future housing demand will require in terms of housing unit types, building lots and land. Most importantly, it helps County and local officials plan for the infrastructure, service, and economic impacts of these new housing units, such as school enrollment, emergency and social services, demand for commercial services (such as retail and offices), and public infrastructure.

The three modules of the housing model (housing type, household income, and age of householder) are broken out into three detailed sets of forecasts to provide insight into the characteristics interact.

#### How to Extrapolate Target Housing Prices by Household Income Group

The six household income groupings in the Housing Demand Model can be associated with home pricing ranges that would be considered "affordable" to each household income range. These pricing ranges are based on the "30 percent rule," a standard accepted metric from the United States Federal Housing Administration that states a household should be able to afford up to 30% of gross annual income devoted to housing costs (rent or mortgage payment) before being considered "cost burdened." This means that for each income category, there is a corresponding set of price points of what households can reasonably afford to buy or rent for housing.

#### Estimated Attainable Home Pricing by Income Range

Income Range	Purchase Price	Monthly Rent
Up to \$35K	Up to - \$110,000	Up to \$875
\$35K-\$50K	\$110,000 - \$150,000	\$875 - \$1,250
\$50K-\$75K	\$150,000 - \$230,000	\$1,175 - \$1,750
\$75K-\$100K	\$230,000 - \$310,000	\$1,575 - \$2,075
\$100K-\$150K	\$310,000 - \$460,000	\$2,075 - \$3,125
\$150K+	\$460,000 and up	\$3,125 - and up

For example, households earning \$50,000-\$75,000 can reasonably afford to buy a home priced at \$150,000 to \$230,000 or rent a home priced between \$1,175 and \$1,750 per month. These values are guidelines, and variations in interest rates, down payments, property taxes, expenses and utilities, rental deposits, subsidies, and other housing costs may cause these guidelines to change when applied to specific housing situations.

Detailed demand results include:

#### **Housing Demand by Housing Unit Type vs. Household Income**

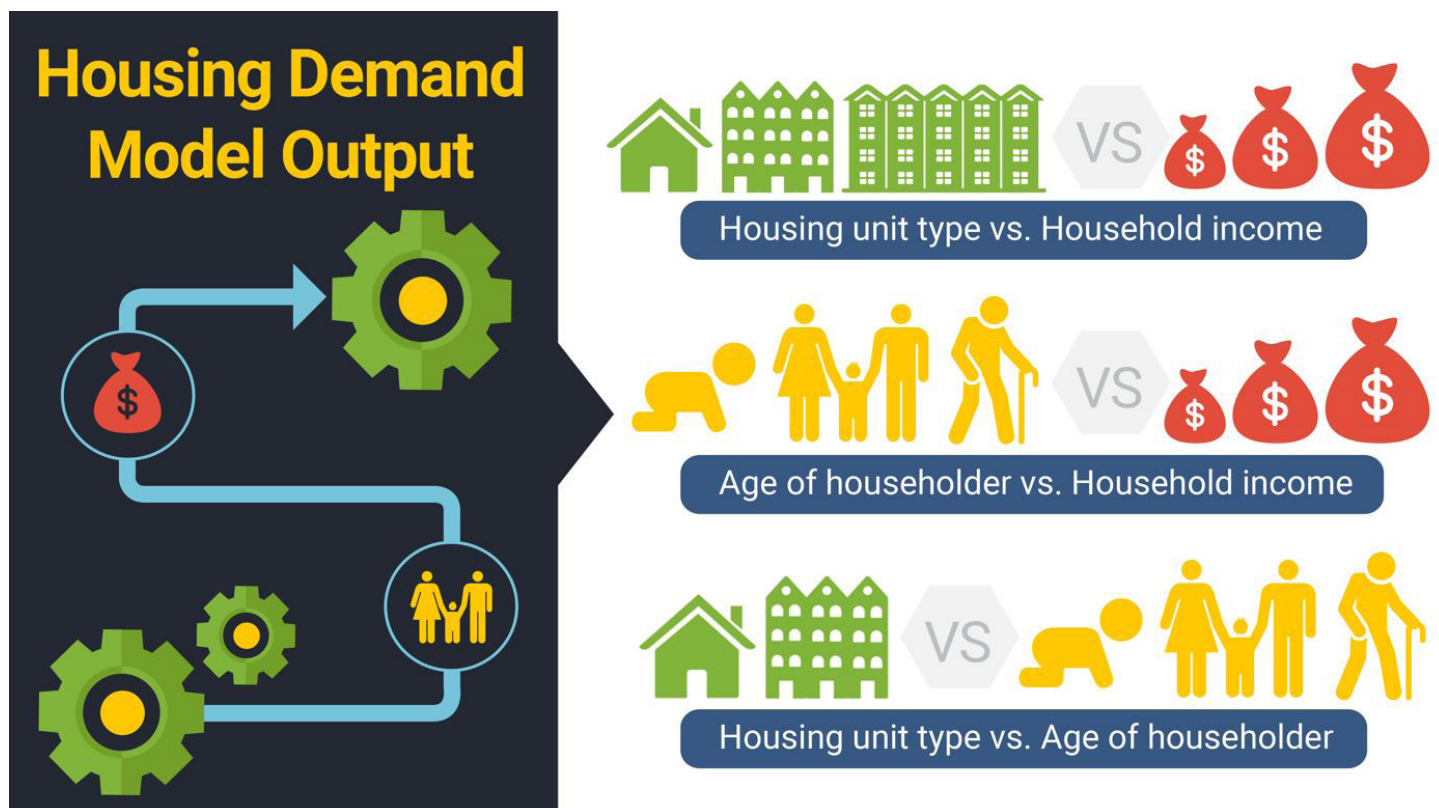
- All Households
- Owner-Occupied Households
- Renter-Occupied Households

#### **Housing Demand by Age of householder vs. Household Income**

- All Households
- Owner-Occupied Households
- Renter-Occupied Households

#### **Housing Demand by Housing Unit Type vs. Age of householder**

- All Households
- Owner-Occupied Households
- Renter-Occupied Households



## Housing Demand Forecast

### Detailed Housing Demand Results: Housing Type vs. Household Income

The tables to the right show the relationship between household income and the type of units that future households will be likely to seek.

In this context, “small multifamily” refers to duplexes, triplexes, and small apartment buildings with four or fewer units. “Large multifamily” refers to multifamily buildings with five or more units per building. Those are typically apartments or condominiums (although Gwinnett County has few condominiums).

The most substantial demand comes from higher-income households interested in single-family units. This is largely because higher-income households are more likely to pay to replace existing aging household units with new homes. It is also because single-family detached housing is currently the dominant housing type in Gwinnett County, and most existing households are accustomed to this form of housing. The model also shows that 28% of future housing demand, or over 4,200 units per year, will come from households earning less than \$50,000 annually.

A higher share of the demand for renter households will come from households earning less than \$50,000, with demand split mostly between single-family homes and apartments. A home considered affordable at this income range would cost less than \$150,000 to buy or less than \$1,250/month to rent.

Current pricing trends are pushing most existing housing units well above those price points, and very few new units are being built at price points attainable to households earning less than \$50,000.



## Housing Type vs. Household Income

### All Housing Units

#### Average Annual Demand by Volume

Total Demand for All Housing		Housing Unit Type				Total
Income Range		SF	TH	Small MF	Large MF	
Up to \$35K		911	574	421	620	2,526
\$35K-\$50K		1,030	295	154	247	1,726
\$50K-\$75K		1,495	393	164	304	2,356
\$75K-\$100K		1,569	393	160	357	2,479
\$100K-\$150K		2,115	602	191	407	3,315
\$150K+		1,813	523	105	248	2,689
<b>Total</b>		<b>8,933</b>	<b>2,780</b>	<b>1,195</b>	<b>2,183</b>	<b>15,091</b>

#### Distribution of Demand by Percentage

% Demand for All Housing		Housing Unit Type				Total
Income Range		SF	TH	Small MF	Large MF	
Up to \$35K		6%	4%	3%	4%	17%
\$35K-\$50K		7%	2%	1%	2%	11%
\$50K-\$75K		10%	3%	1%	2%	16%
\$75K-\$100K		10%	3%	1%	2%	16%
\$100K-\$150K		14%	4%	1%	3%	22%
\$150K+		12%	3%	1%	2%	18%
<b>Total</b>		<b>59%</b>	<b>18%</b>	<b>8%</b>	<b>14%</b>	<b>100%</b>

### Owner Occupied Housing Units

#### Average Annual Demand by Volume

Total Demand for Owner Housing		Housing Unit Type				Total
Income Range	Unit Price Range	SF	TH	Small MF	Large MF	
Up to \$35K	Up to - \$110,000	380	462	62	50	954
\$35K-\$50K	\$110,000 - \$150,000	738	251	34	27	1,050
\$50K-\$75K	\$150,000 - \$230,000	1,051	345	35	29	1,460
\$75K-\$100K	\$230,000 - \$310,000	1,006	283	33	27	1,349
\$100K-\$150K	\$310,000 - \$460,000	1,588	506	58	53	2,205
\$150K+	\$460,000 - And Up	1,513	473	55	57	2,098
<b>Total</b>		<b>6,276</b>	<b>2,320</b>	<b>277</b>	<b>243</b>	<b>9,116</b>

#### Distribution of Demand by Percentage

Total Demand for Owner Housing		Housing Unit Type				Total
Income Range	Unit Price Range	SF	TH	Small MF	Large MF	
Up to \$35K	Up to - \$110,000	4%	5%	1%	1%	10%
\$35K-\$50K	\$110,000 - \$150,000	8%	3%	0%	0%	12%
\$50K-\$75K	\$150,000 - \$230,000	12%	4%	0%	0%	16%
\$75K-\$100K	\$230,000 - \$310,000	11%	3%	0%	0%	15%
\$100K-\$150K	\$310,000 - \$460,000	17%	6%	1%	1%	24%
\$150K+	\$460,000 - And Up	17%	5%	1%	1%	23%
<b>Total</b>		<b>69%</b>	<b>25%</b>	<b>3%</b>	<b>3%</b>	<b>100%</b>

### Renter-Occupied Housing Units

#### Average Annual Demand by Volume

Total Demand for Renter Housing		Housing Unit Type				Total
Income Range	Rent Range	SF	TH	Small MF	Large MF	
Up to \$35K	Up to - \$875	531	112	359	570	1,572
\$35K-\$50K	\$875 - \$1,250	292	44	120	220	676
\$50K-\$75K	\$1,175 - \$1,750	444	48	129	275	896
\$75K-\$100K	\$1,575 - \$2,075	563	110	127	330	1,130
\$100K-\$150K	\$2,075 - \$3,125	527	96	133	354	1,110
\$150K+	\$3,125 - And Up	300	50	50	191	591
<b>Total</b>		<b>2,657</b>	<b>460</b>	<b>918</b>	<b>1,940</b>	<b>5,975</b>

#### Distribution of Demand by Percentage

Total Demand for Renter Housing		Housing Unit Type				Total
Income Range	Rent Range	SF	TH	Small MF	Large MF	
Up to \$35K	Up to - \$875	9%	2%	6%	10%	26%
\$35K-\$50K	\$875 - \$1,250	5%	1%	2%	4%	11%
\$50K-\$75K	\$1,175 - \$1,750	7%	1%	2%	5%	15%
\$75K-\$100K	\$1,575 - \$2,075	9%	2%	2%	6%	19%
\$100K-\$150K	\$2,075 - \$3,125	9%	2%	2%	6%	19%
\$150K+	\$3,125 - And Up	5%	1%	1%	3%	10%
<b>Total</b>		<b>44%</b>	<b>8%</b>	<b>15%</b>	<b>32%</b>	<b>100%</b>

## Housing Demand Forecast

### Detailed Housing Demand Results: Age of Householder vs. Household Income

These tables show the relationship in housing demand between age of householder and household income. Future housing demand is strongest in two demand segments:

- Middle-aged (35-54), upper income households represent 32% of all annual housing demand. These households represent demand for over 4,900 housing units per year.
- Low-to-moderate income households older than age 65 represent a demand for nearly 3,000 housing units per year.

Owner-occupied housing demand is similar to total housing demand, with the two strongest demand segments being:

- Middle-aged (35-54), upper income households who represent 45% of all demand for owner-occupied homes.
- Low-to-moderate-income households above age 65 who represent 28% of all demand for owner-occupied homes.

Rental demand is strongest in three demographic categories:

- Young to middle-aged (24-44) middle and upper income households represent 22% of all rental demand.
- Low-to-moderate income households under 25 represent 10% of all rental demand).
- Very low-income households (<\$35,000) older than 65 (7% of all rental demand).



## Age of Householder vs. Household Income

### All Housing Units

#### Average Annual Demand by Volume

Total Demand for All Housing		Householder Age						Total
Income Range		Under 25	25-34	35-44	45-54	55-64	65+	
Up to \$35K		557	261	286	158	100	1,164	<b>2,526</b>
\$35K-\$50K		232	178	251	149	92	824	<b>1,726</b>
\$50K-\$75K		323	242	383	258	140	1,010	<b>2,356</b>
\$75K-\$100K		192	997	366	205	116	603	<b>2,479</b>
\$100K-\$150K		76	1,013	1,253	1,074	12	-113	<b>3,315</b>
\$150K+		46	608	1,030	1,587	-78	-504	<b>2,689</b>
<b>Total</b>		<b>1,426</b>	<b>3,299</b>	<b>3,569</b>	<b>3,431</b>	<b>382</b>	<b>2,984</b>	<b>15,091</b>

#### Distribution of Demand by Percentage

% Demand for All Housing		Householder Age						Total
Income Range		Under 25	25-34	35-44	45-54	55-64	65+	
Up to \$35K		4%	2%	2%	1%	1%	8%	17%
\$35K-\$50K		2%	1%	2%	1%	1%	5%	11%
\$50K-\$75K		2%	2%	3%	2%	1%	7%	16%
\$75K-\$100K		1%	7%	2%	1%	1%	4%	16%
\$100K-\$150K		1%	7%	8%	7%	0%	-1%	22%
\$150K+		0%	4%	7%	11%	-1%	-3%	18%
<b>Total</b>		<b>9%</b>	<b>22%</b>	<b>24%</b>	<b>23%</b>	<b>3%</b>	<b>20%</b>	<b>100%</b>

### Owner Occupied Housing Units

#### Average Annual Demand by Volume

Total Demand for Owner Housing		Householder Age						Total
Income Range	Unit Price Range	Under 25	25-34	35-44	45-54	55-64	65+	
Up to \$35K	Up to - \$110,000	68	82	36	28	18	722	<b>954</b>
\$35K-\$50K	\$110,000 - \$150,000	17	70	102	69	41	751	<b>1,050</b>
\$50K-\$75K	\$150,000 - \$230,000	29	120	193	134	72	912	<b>1,460</b>
\$75K-\$100K	\$230,000 - \$310,000	21	392	201	115	65	555	<b>1,349</b>
\$100K-\$150K	\$310,000 - \$460,000	6	588	860	888	-10	-127	<b>2,205</b>
\$150K+	\$460,000 - And Up	11	379	905	1,406	-103	-500	<b>2,098</b>
<b>Total</b>		<b>152</b>	<b>1,631</b>	<b>2,297</b>	<b>2,640</b>	<b>83</b>	<b>2,313</b>	<b>9,116</b>

#### Distribution of Demand by Percentage

Total Demand for Owner Housing		Householder Age						Total
Income Range	Unit Price Range	Under 25	25-34	35-44	45-54	55-64	65+	
Up to \$35K	Up to - \$110,000	1%	1%	0%	0%	0%	8%	10%
\$35K-\$50K	\$110,000 - \$150,000	0%	1%	1%	1%	0%	8%	12%
\$50K-\$75K	\$150,000 - \$230,000	0%	1%	2%	1%	1%	10%	16%
\$75K-\$100K	\$230,000 - \$310,000	0%	4%	2%	1%	1%	6%	15%
\$100K-\$150K	\$310,000 - \$460,000	0%	6%	9%	10%	0%	-1%	24%
\$150K+	\$460,000 - And Up	0%	4%	10%	15%	-1%	-5%	23%
<b>Total</b>		<b>2%</b>	<b>18%</b>	<b>25%</b>	<b>29%</b>	<b>1%</b>	<b>25%</b>	<b>100%</b>

### Renter-Occupied Housing Units

#### Average Annual Demand by Volume

Total Demand for Renter Housing		Householder Age						Total
Income Range	Rent Range	Under 25	25-34	35-44	45-54	55-64	65+	
Up to \$35K	Up to - \$875	489	179	250	130	82	442	<b>1,572</b>
\$35K-\$50K	\$875 - \$1,250	215	108	149	80	51	73	<b>676</b>
\$50K-\$75K	\$1,175 - \$1,750	294	122	190	124	68	98	<b>896</b>
\$75K-\$100K	\$1,575 - \$2,075	171	605	165	90	51	48	<b>1,130</b>
\$100K-\$150K	\$2,075 - \$3,125	70	425	393	186	22	14	<b>1,110</b>
\$150K+	\$3,125 - And Up	35	229	125	181	25	-4	<b>591</b>
<b>Total</b>		<b>1,274</b>	<b>1,668</b>	<b>1,272</b>	<b>791</b>	<b>299</b>	<b>671</b>	<b>5,975</b>

#### Distribution of Demand by Percentage

Total Demand for Renter Housing		Householder Age						Total
Income Range	Rent Range	Under 25	25-34	35-44	45-54	55-64	65+	
Up to \$35K	Up to - \$875	8%	3%	4%	2%	1%	7%	26%
\$35K-\$50K	\$875 - \$1,250	4%	2%	2%	1%	1%	1%	11%
\$50K-\$75K	\$1,175 - \$1,750	5%	2%	3%	2%	1%	2%	15%
\$75K-\$100K	\$1,575 - \$2,075	3%	10%	3%	2%	1%	1%	19%
\$100K-\$150K	\$2,075 - \$3,125	1%	7%	7%	3%	0%	0%	19%
\$150K+	\$3,125 - And Up	1%	4%	2%	3%	0%	0%	10%
<b>Total</b>		<b>21%</b>	<b>28%</b>	<b>21%</b>	<b>13%</b>	<b>5%</b>	<b>11%</b>	<b>100%</b>

## Housing Demand Forecast

### Detailed Housing Demand Results: Housing Type vs. Age of Householder

These tables show the relationship between age of a householder and their preferred housing type.

The housing demand model shows a strong preference across all age categories for single-family detached homes, representing demand for nearly 9,000 single-family units per year. Single-family detached homes represent:

- 59% of all housing demand;
- 69% of owner-occupied housing demand; and
- 44% of renter housing demand.

For all housing types, demand is evenly distributed among age groups with the exception of the under 25 age group (which represents a relatively small share of householders) and the 55-64 age group. The 55-64 year old group is virtually absent from the household demand because this age group (AKA "Generation X", currently 42 to 57 years old) makes up the narrowest demographic age band in the county. Over the next decade, Generation X will be moving into the age band currently held by the Baby Boomers, the largest generation group. This will result in a net proportional decline in the 55-64 age category even after accounting for population growth.

The demand for renter-occupied units differs from the owner-occupied unit demand:

- The distribution of demand for renter housing favors younger age groups (younger than 44), representing 71% of rental demand.
- Rental demand shows much stronger preference for multifamily units, representing 47% of renter demand.
- Single-family detached homes are likely to be more popular among renters than multifamily units, representing 44% of rental housing demand.





## Housing Type vs. Age of Householder

### All Housing Units

#### Average Annual Demand by Volume

Total Demand for All Housing	Housing Unit Type				
Householder Age	SF	TH	Small MF	Large MF	Total
Total Under 25	442	133	294	557	1,426
Total 25-34	1,930	523	259	587	3,299
Total 35-44	2,396	582	203	388	3,569
Total 45-54	2,344	663	154	270	3,431
Total 55-64	328	-21	26	49	382
Total 65+	1,493	900	259	332	2,984
<b>Total</b>	<b>8,933</b>	<b>2,780</b>	<b>1,195</b>	<b>2,183</b>	<b>15,091</b>

#### Distribution of Demand by Percentage

% Demand for All Housing	Housing Unit Type				
Householder Age	SF	TH	Small MF	Large MF	Total
Total Under 25	1%	0%	0%	0%	2%
Total 25-34	13%	4%	0%	0%	18%
Total 35-44	19%	5%	1%	1%	25%
Total 45-54	21%	7%	1%	1%	29%
Total 55-64	1%	0%	0%	0%	1%
Total 65+	14%	9%	1%	1%	25%
<b>Total</b>	<b>69%</b>	<b>25%</b>	<b>3%</b>	<b>3%</b>	<b>100%</b>

### Owner Occupied Housing Units

#### Average Annual Demand by Volume

Total Demand for Owner Housing	Housing Unit Type				
Householder Age	SF	TH	Small MF	Large MF	Total
Total Under 25	113	36	2	1	152
Total 25-34	1,179	371	42	39	1,631
Total 35-44	1,701	489	55	52	2,297
Total 45-54	1,894	606	70	70	2,640
Total 55-64	128	-35	-4	-6	83
Total 65+	1,261	853	112	87	2,313
<b>Total</b>	<b>6,276</b>	<b>2,320</b>	<b>277</b>	<b>243</b>	<b>9,116</b>

#### Distribution of Demand by Percentage

Total Demand for Owner Housing	Housing Unit Type				
Householder Age	SF	TH	Small MF	Large MF	Total
Total Under 25	1%	0%	0%	0%	2%
Total 25-34	13%	4%	0%	0%	18%
Total 35-44	19%	5%	1%	1%	25%
Total 45-54	21%	7%	1%	1%	29%
Total 55-64	1%	0%	0%	0%	1%
Total 65+	14%	9%	1%	1%	25%
<b>Total</b>	<b>69%</b>	<b>25%</b>	<b>3%</b>	<b>3%</b>	<b>100%</b>

### Renter-Occupied Housing Units

#### Average Annual Demand by Volume

Total Demand for Renter Housing	Housing Unit Type				
Householder Age	SF	TH	Small MF	Large MF	Total
Total Under 25	329	97	292	556	1,274
Total 25-34	751	152	217	548	1,668
Total 35-44	695	93	148	336	1,272
Total 45-54	450	57	84	200	791
Total 55-64	200	14	30	55	299
Total 65+	232	47	147	245	671
<b>Total</b>	<b>2,657</b>	<b>460</b>	<b>918</b>	<b>1,940</b>	<b>5,975</b>

#### Distribution of Demand by Percentage

Total Demand for Renter Housing	Housing Unit Type				
Householder Age	SF	TH	Small MF	Large MF	Total
Total Under 25	6%	2%	5%	9%	21%
Total 25-34	13%	3%	4%	9%	28%
Total 35-44	12%	2%	2%	6%	21%
Total 45-54	8%	1%	1%	3%	13%
Total 55-64	3%	0%	1%	1%	5%
Total 65+	4%	1%	2%	4%	11%
<b>Total</b>	<b>44%</b>	<b>8%</b>	<b>15%</b>	<b>32%</b>	<b>100%</b>







CHAPTER

7

Housing  
Gap Analysis



## Housing Gap Analysis

### Overview of Housing Gap Analysis: Supply and Demand

This housing gap analysis takes a detailed look at the difference between housing supply and housing demand.

**Housing supply** refers to the new housing units we expect to see built each year in Gwinnett based on current construction patterns, economic trends, and regulatory environment. Supply is an assessment of:

- How many new housing units will get built each year (including net new and replacement housing units)?
- What types of housing units will be built?
- At what price points will they be sold or rented?



**Housing demand** refers to the housing demand forecast as detailed in the previous chapter. Demand is an assessment of:

- How many new households will seek new housing units in Gwinnett County?
- What types of housing units will they prefer to live in?
- What prices or monthly rents will these households be able to pay for housing?

We can compare today's housing supply trends, based on the average number of new housing units built in Gwinnett County over the past ten years, with the demand forecast's model, to better understand the "gap" between supply and demand.

It will illustrate how today's housing market is meeting the needs of today's households, and also how the housing market might need to change to address the household demand of the future.

Note: For clarity, the six household income groups from the Housing Demand Model have been reduced to three income groups for the Housing Gap Analysis:

- Lower-income households (<\$50,000)
- Middle-income households (\$50,000 - \$100,000)
- Higher-income households (\$100,000+)

These three income groups represent roughly equal shares of household distribution in Gwinnett County.



## Housing Gap Analysis

### Housing Supply Overview

In Gwinnett County, like most of the United States, the supply of new housing has been constrained since 2007. The housing supply has dropped from 8,000 units per year, averaged over 30 years (1980-2010), to 3,560 units per year. This is a result of:

- Supply-side market and economic conditions (those that impact builders) such as financial markets, demand fluctuations, and market pricing;
- Demand-side market and economic conditions (those that impact buyers and renters), such as wages, employment, savings, consumer confidence, debt, and access to finance;
- Increasing costs of housing construction inputs (land, materials, labor);
- Local land use and zoning policies; and
- Local and community reaction to development.

Over the past ten years, an average of 3,560 new housing units per year have been built in Gwinnett County. This includes

- 63% single-family detached homes;
- 15% townhomes; and
- 22% multifamily units.

In terms of affordability, the supply breaks down as follows:

- 38.8% for higher-income households;
- 58.7% for middle-income households; and
- 2.5% for lower-income households.

#### Average Annual Supply of New Housing Units, Gwinnett, 2010-2020

Income Range	Single-Family	Townhome	Multifamily	Total
Higher-income >\$100K+	1,192	142	52	1,386
Middle-income \$50-100K	1,041	370	674	2,085
Lower-income <\$50K	7	6	76	89
<b>Total</b>	<b>2,240</b>	<b>518</b>	<b>802</b>	<b>3,560</b>

Source: Smart RE Data, CoStar, KB Advisory Group

## Housing Gap Analysis

### Housing Demand Overview

Based on the Housing Demand Forecast Model, Gwinnett (including unincorporated Gwinnett and all municipalities) can expect to see annual demand for approximately 15,000 new housing units per year, on average, over the next 20 years.

In terms of unit types, this breaks out to average annual demand for:

- Over 8,900 single-family detached homes (59%);
- Nearly 2,800 townhomes (18%); and
- Over 3,300 multifamily units (22%).

In terms of household incomes and housing affordability, this means annual demand breaks down as follows:

- 40% for higher-income households;
- 32% for middle-income households; and
- 28% for lower-income households.

Unincorporated Gwinnett County can expect to receive demand for 12,285 units of the county's annual demand of 15,091 housing units.

- Over 7,200 single-family detached homes;
- Over 2,200 townhomes; and
- Over 2,700 multifamily housing units.

#### Average Annual Demand for New Housing Units, Gwinnett, 2020-2040

Income Range	Single-Family	Townhome	Multifamily	Total
Higher Income >\$100K+	3,928	1,125	951	6,004
Middle-income \$50-100K	3,064	786	985	4,835
Lower-income <\$50K	1,941	869	1,442	4,252
<b>Total</b>	<b>8,933</b>	<b>2,780</b>	<b>3,378</b>	<b>15,091</b>

**Housing Gap Analysis****Housing Gap: All Gwinnett County****Gwinnett County:**

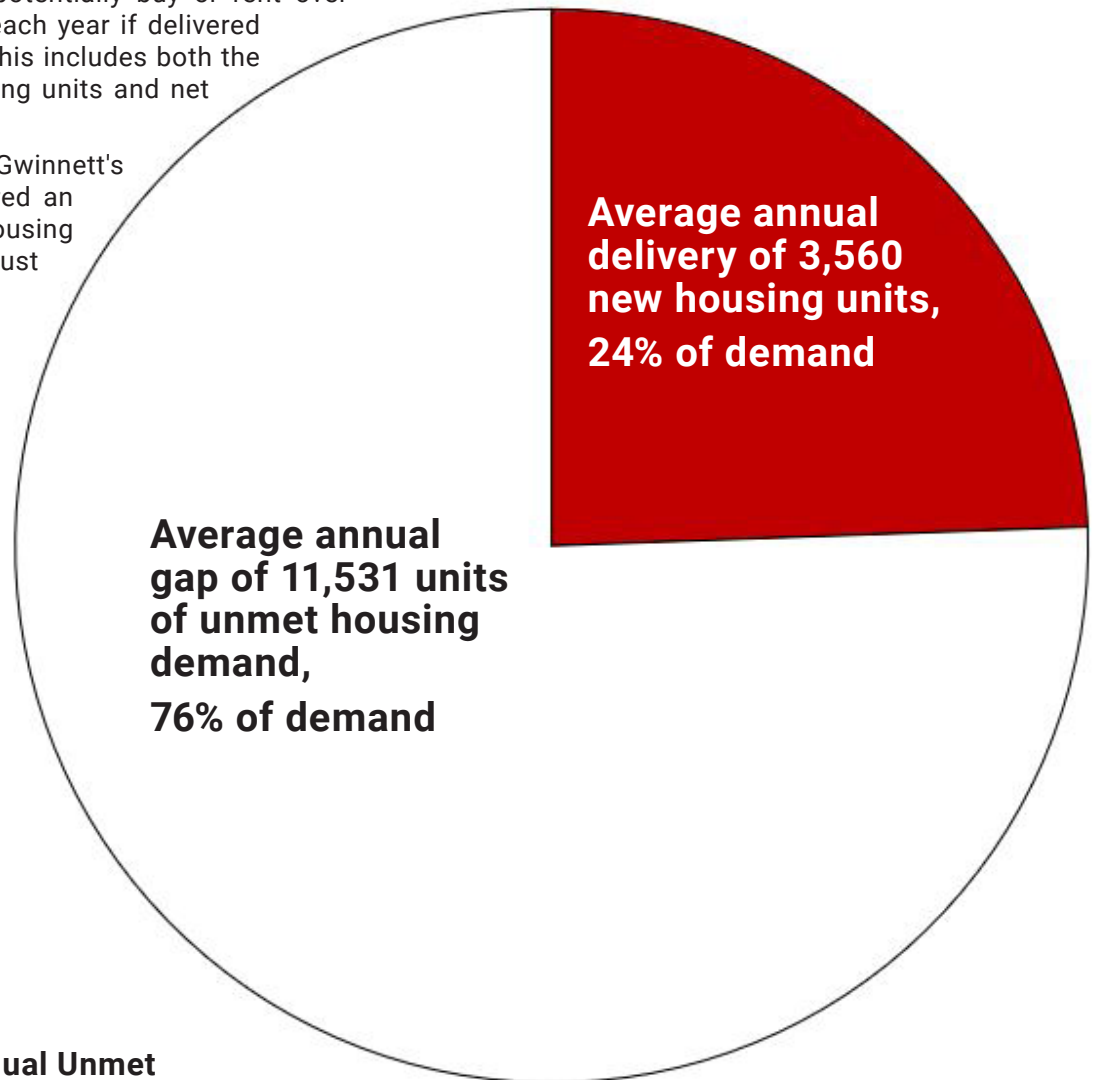
Annual demand for 15,091 new housing units

Annual supply of 3,560 new housing units

Countywide, Gwinnett is showing a significant mismatch between demand for housing and the supply of new housing units delivered.

Gwinnett residents would potentially buy or rent over 15,000 new housing units each year if delivered at attainable price points. This includes both the replacement of aging housing units and net new housing units.

Over the past ten years, Gwinnett's housing market has delivered an average of just 3,560 new housing units each year, meeting just 24% of demand.



**Annual Supply**



**Annual Unmet Demand**

## Housing Gap Analysis

### Housing Gap: All Gwinnett County

#### Unincorporated Gwinnett County:

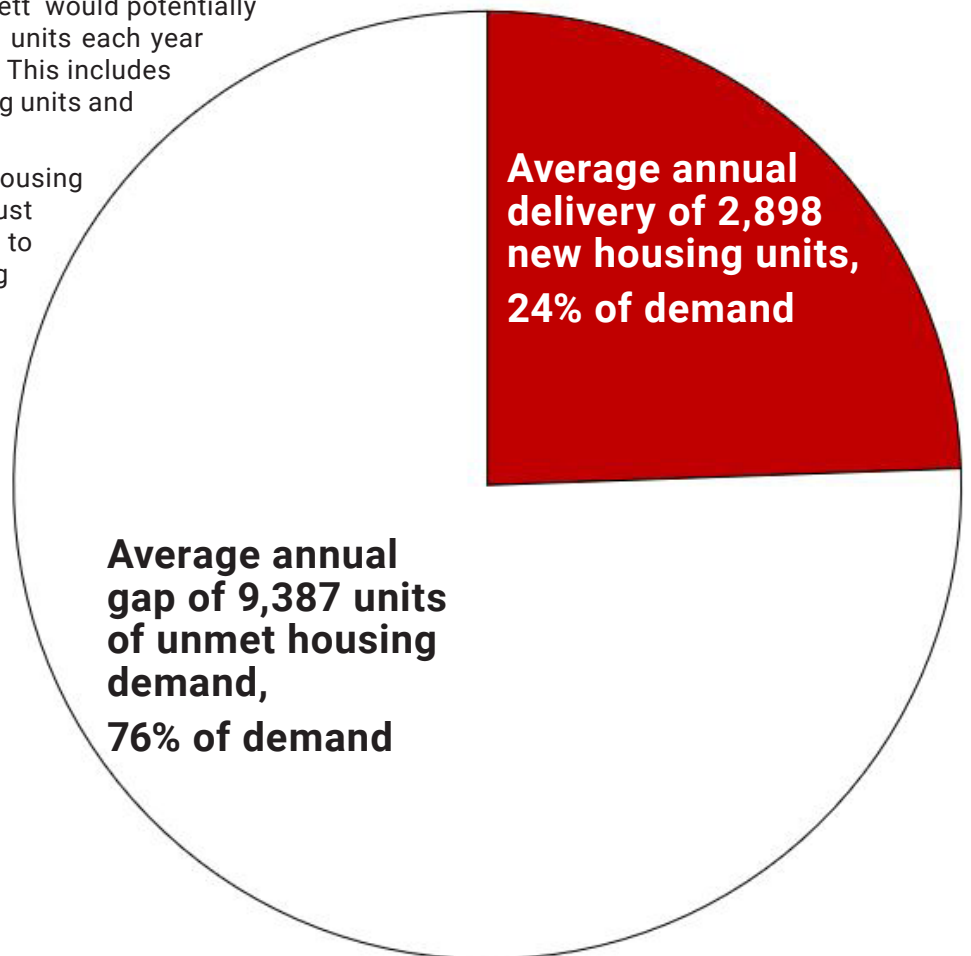
Annual demand for 12,285 new housing units

Annual supply of 2,898 new housing units

Unincorporated Gwinnett County's housing gap is proportionally similar to the full County, with annual demand for over 12,000 housing units compared to a supply of just under 2,900 units.

Households in unincorporated Gwinnett would potentially buy or rent over 12,000 new housing units each year if delivered at attainable price points. This includes both the replacement of aging housing units and net new housing units.

Over the past ten years, Gwinnett's housing market has delivered an average of just 2,898 new housing units each year to unincorporated Gwinnett, meeting just 24% of demand.





## Housing Gap Analysis

### Housing Gap: Gwinnett County by Unit Type

#### All Gwinnett County by Housing Type:

Annual demand for 15,091 new housing units

Annual supply of:

- 2,240 single-family detached homes
- 518 townhomes
- 802 multifamily units

These charts add another dimension to Gwinnett's housing gap, looking at the relationship between supply and demand for specific housing unit types.

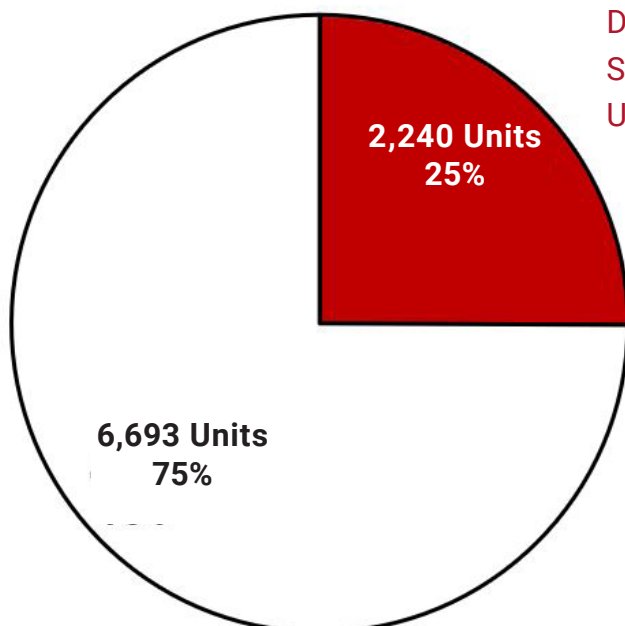
- Single-family detached homes have a gap of over 6,500 homes per year, representing 25% of total demand being met by today's housing market;
- Townhomes have a gap of over 2,000 units per year, representing 19% of total demand being met by today's housing market; and
- Multifamily units have a gap of over 2,500 units per year, representing 24% of total demand being met by today's housing market.

#### Single-Family Detached Homes

Demand = 8,933 Units

Supply = 2,240 Units

Unmet Demand: 75%

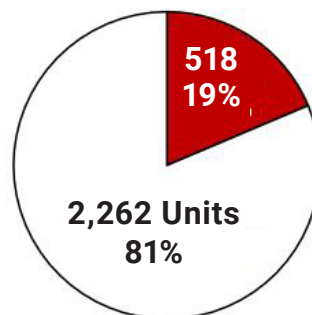


#### Townhomes

Demand = 2,780 Units

Supply = 518 Units

Unmet Demand: 81%

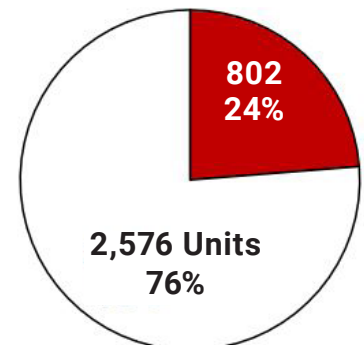


#### Multifamily

Demand = 3,378 Units

Supply = 802 Units

Unmet Demand: 76%



■ Annual Supply

□ Annual Unmet Demand

## Housing Gap Analysis

### Housing Gap: Gwinnett County by Income Group

## All Gwinnett County by Income Group: Annual demand for 15,091 new housing units

The gap between demand and supply is most stark in terms of the relationship between household incomes and the pricing of new housing units.

Very few new housing units are being produced in Gwinnett County that sell or rent at prices attainable to households earning \$50,000 or less, which currently represent nearly 1/3 of Gwinnett County's households. In fact, the current housing market is delivering just 2.1% of demand for new housing units that sell for \$150,000 or less or rent for \$1,250 or less (price points accessible to households earning \$50,000 or less).

This is largely because the cost of housing and housing construction have increased much faster than wages, not just in Gwinnett County, but nationwide. It is difficult to build a housing unit for less than \$240,000 with Gwinnett County's current prevailing land and construction costs.

For middle and upper-income households, the housing gap is smaller but still significant, with 43% of middle-income demand met by supply and 23% of higher-income demand being met by supply.

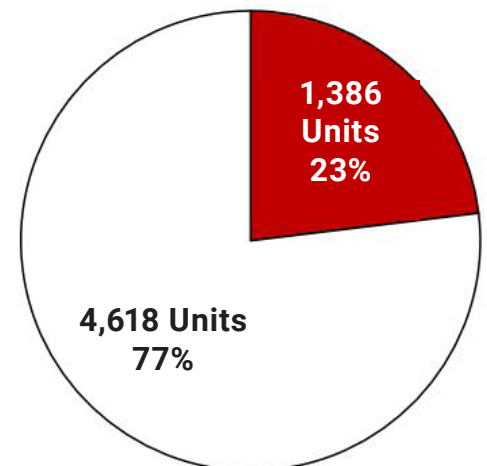
### Homes for Upper-Income Households (\$100,000+)

Demand = 6,004 units

Supply= 1,386 units

23% of demand met

Gap of 4,618 units per year



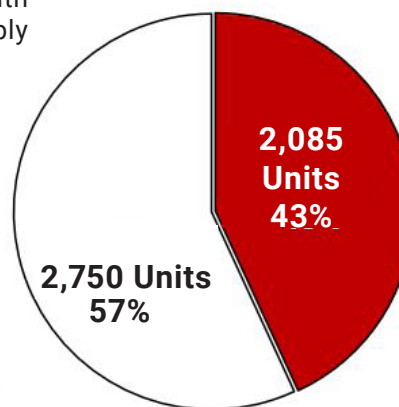
### Homes for Middle-income Households (\$50,000-\$100,000)

Demand = 4,835 units

Supply=2,085 units

43% of demand met

Gap of 2,750 units per year



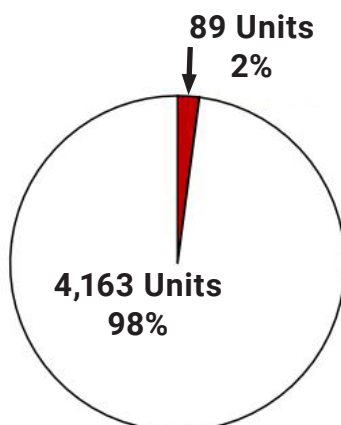
### Homes for Lower-Income Households (Below \$50,000)

Demand = 4,252 units

Supply= 89 units

2% of demand met

Gap of 4,163 units per year



Annual Supply

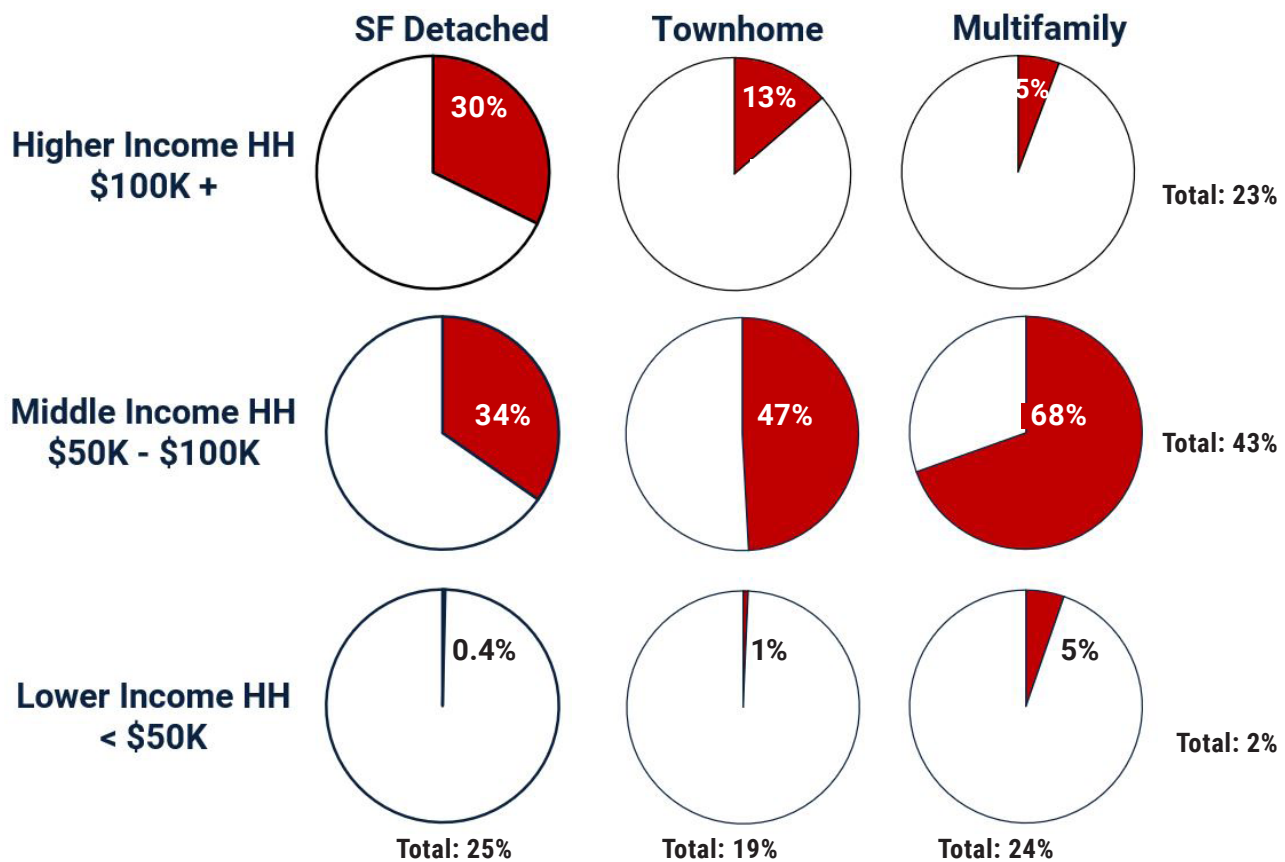
Annual Unmet Demand

## Housing Gap Analysis

### Housing Gap: Gwinnett Housing Type and Income Group

The array of charts below shows an overview of Gwinnett's housing gap by unit type and household income. There is a stark difference in the housing gap among lower-income households (those earning less than \$50,000), across all unit types.

**Percentage of Average Demand Met by Average Annual Supply, by Unit Type and Income Group**



■ Annual Supply   
  Annual Unmet Demand

## Housing Gap Analysis

### Housing Gap: All Gwinnett County Type and Income,

The tables below summarize the housing gap data presented in the previous pages with additional layers of detail showing the relationship between housing supply and housing demand for each individual income group and housing type based on current home pricing trends.

#### Housing Gap: Average Annual Supply and Demand of Housing Units, All Gwinnett County, 2020-2030

##### Average Annual Supply of Housing Units

Income Range	Total Housing Units				Share of all Housing Units				
	SF	TH	MF	Total	% of Total Supply	SF	TH	MF	Total
Higher-income >\$100K+	1,192	142	52	1,386	High >\$100K	33%	4%	1%	39%
Middle-income \$50-100K	1,041	370	674	2,085	Middle >\$50-100K	29%	10%	19%	59%
Lower-income <\$50K	7	6	76	89	Low >\$50K	0.2%	0.2%	2%	3%
<b>Total</b>	<b>2,240</b>	<b>518</b>	<b>802</b>	<b>3,560</b>	<b>Total</b>	<b>63%</b>	<b>15%</b>	<b>23%</b>	<b>100%</b>

##### Average Annual Demand for Housing Units

Income Range	Total Housing Units				Share of all Housing Units				
	SF	TH	MF	Total	% of Total Demand	SF	TH	MF	Total
Higher-income >\$100K+	3,928	1,125	951	6,004	High >\$100K	26%	7%	6%	40%
Middle-income \$50-100K	3,064	786	985	4,835	Middle >\$50-100K	20%	5%	7%	32%
Lower-income <\$50K	1,941	869	1,442	4,252	Low >\$50K	13%	6%	10%	28%
<b>Total</b>	<b>8,933</b>	<b>2,780</b>	<b>3,378</b>	<b>15,091</b>	<b>Total</b>	<b>59%</b>	<b>18%</b>	<b>22%</b>	<b>100%</b>

##### Share of Demand Met

Income Range	Total Housing Units				Share of all Housing Units				
	SF	TH	MF	Total	% of Total Demand	SF	TH	MF	Total
Higher-income >\$100K+	2,736	983	899	4,618	High >\$100K	30%	13%	5%	23%
Middle-income \$50-100K	2,203	416	311	43%	Middle >\$50-100K	34%	47%	68%	43%
Lower-income <\$50K	1,934	863	1,366	2%	Low >\$50K	0.4%	1%	5%	2%
<b>Total</b>	<b>6,639</b>	<b>2,262</b>	<b>2,576</b>	<b>11,531</b>	<b>Total</b>	<b>25%</b>	<b>19%</b>	<b>24%</b>	<b>24%</b>





CHAPTER

# 8

## Emerging Themes and Strategies



## Emerging Themes and Strategies

### Introduction

The previous chapters identified community priorities, studied earlier planning efforts, established trends driving housing demand, analyzed baseline demographics, employment data, and housing inventory, forecast housing demand, and calculated the housing gap in Gwinnett. This chapter incorporates the analysis of the earlier chapters to identify emerging themes and develop a data-driven suite of recommendations.

The emerging themes identified in this chapter will define the housing challenges and opportunities Gwinnett will face over the next 20 years. Managing growth, adapting to housing demand, understanding supply constraints, expanding limited housing choices, and stewarding aging housing stock will be the primary housing-related issues of the future. These themes will undoubtedly impact every Gwinnett resident in all areas and phases of life in the present and the future.

The Housing Study's final step is to develop a toolbox of strategies and approaches Gwinnett might use to address these issues. The range of strategies to address housing-related challenges is broad and diverse. Meaningfully addressing housing-related issues requires a set of solutions that address the emerging themes of the coming 20 years. These evidence-based strategies are drawn from governments across the United States and represent some best-in-class solutions to common housing challenges.



## Emerging Themes

### Continuing Growth

Gwinnett will continue to face intense population growth pressure over the next 20 years. Gwinnett County is expected to grow by an estimated 450,000 new residents by 2040. Even though Gwinnett's growth rate is relatively low compared to the "boom years" between 1970 and 2000, the population growth is just as significant in terms of absolute numbers. In the 1970s Gwinnett County grew at an average rate of 9% or 9,500 new residents a year. By the 2000s, with a population base of 595,600, Gwinnett grew at an average rate of 5% or 24,000 new residents per year. In 2030, with an estimated population base of 1,176,000, Gwinnett is projected to grow at 2% or 25,000 new residents per year.

The growth of both residents and housing units will add corresponding demand for infrastructure and services. For example, a significant portion of Gwinnett County's housing units uses septic tanks instead of sewer. Many local sewer systems have limited capacity for growth. Can Gwinnett's infrastructure handle marginal increases in housing units and population without incurring untenable upgrade costs to its sewer infrastructure? Infrastructure and services will need to be upgraded efficiently and cost-effectively to match the growing population and subsequent growth in housing. Will the property taxes and user fees from new housing be sufficient to pay for these upgrades?



## Emerging Themes

### Housing Demand

Gwinnett will see demand for approximately 15,000 new housing units per year over the next ten years. This demand forecast is much larger than the average annual supply of 3,560 new housing units over the past ten years. Much of that demand for new housing units, 35%, will be the result of the replacement of existing, aging, and potentially physically or economically obsolete housing units. While these units will not necessarily add further stress to County infrastructure and services, they must be accounted for in terms of their impact on planning, zoning, and permitting.

A large majority of new housing demand forecast for Gwinnett will occur in unincorporated Gwinnett County. These portions of the county can expect to see demand for 12,300 units per year– compared to a supply of 2,900 units per year.

Demand for single-family detached housing will remain strong, particularly for upper-middle and upper-income level households. As land becomes scarcer and more expensive, it will become more difficult for the market to continue to deliver housing based on Gwinnett’s historic suburban development patterns (typically four units or fewer per acre). The increasing cost of land alone will push housing at this scale well beyond the price points attainable for middle-income households. One of the fundamental questions to address is whether (and how) to shift continuing strong demand for single-family homes to other development patterns or housing choices. Will that shift be driven by market preference, public policy, or both?



Demand for housing units from older households—especially those 65 and up—will be robust. Like in many parts of the country, Gwinnett’s population of households 65 and up will increase drastically in the next 20 years. From 2020 to 2040, the 65+ age group will increase from 11% to 21.5% of Gwinnett’s total population, and the 80+ age group will grow five-fold over the same period. Many older households choose to age-in-place in larger single-family homes, meaning fewer existing homes will recirculate in the housing market for younger households. These more senior households tend to be smaller, consisting of just one or two people. Homes appropriate for older households characteristically tend to be single-story, have a master bedroom on the main floor, and access to nearby services and healthcare. The most substantial demand from this age group is from lower-income and moderate-income earners (less than \$50,000 annually). Because older households tend to be retired or unable to work, they often rely on fixed-incomes that do not adapt to rising housing costs.



## Emerging Themes

### Supply Constraints

In Gwinnett County, like most of the U.S., new housing supply has been constrained since 2007. Between 1980 and 2007, roughly 8,000 new housing units were produced every year. In the years since the Great Recession, the supply of new housing units slowed drastically to less than half of the long-term average before 2007. Since 2010, Gwinnett has produced an annual average of 3,560 new housing units.

The supply constraint on housing is a result of several factors:

- Supply-side market and economic conditions impact developers and builders, such as the increasing land and labor costs and price volatility of building materials like lumber and gypsum (drywall).
- Demand-side market and economic conditions impact buyers and renters, such as stagnant wages, the pervasiveness of student debt, and the fiscal and economic impacts of the COVID-19 pandemic.
- Local land use and zoning regulations are essential to maintaining community standards. However, they can often restrict homebuilders' ability to deliver the type or quantities of housing units required to address market demand, leading to an imbalanced housing market.
- Local and community responses to development proposals can vary widely depending on the specifics of the development, the location of the development, and larger cultural views and notions regarding development.

The continuation of the current housing development environment and its chronic under-supply of housing will lead to secondary adverse impacts. The most noticeable impact will be sharply increasing home prices and rental rates; as demand increases, but supply does not increase to meet that demand, housing prices will rise. It is the primary mechanism driving today's rising housing prices. Another impact of under-supply is increased road congestion and vehicle-miles-traveled as workers priced out of Gwinnett County commute from further away. Additionally, Gwinnett may face economic development and job recruitment challenges if potential new or expanding employers have difficulty finding housing for their employees.



Emerging Themes

Limited Housing Choices

Changing housing trends, particularly smaller households and lower-income households point toward demand for an increasingly diverse assortment of housing types.

In many places in the United States, including Gwinnett County, long-standing zoning and land use regulations, building codes, community opposition, economic conditions, and other factors combine to channel housing production into just a few types:

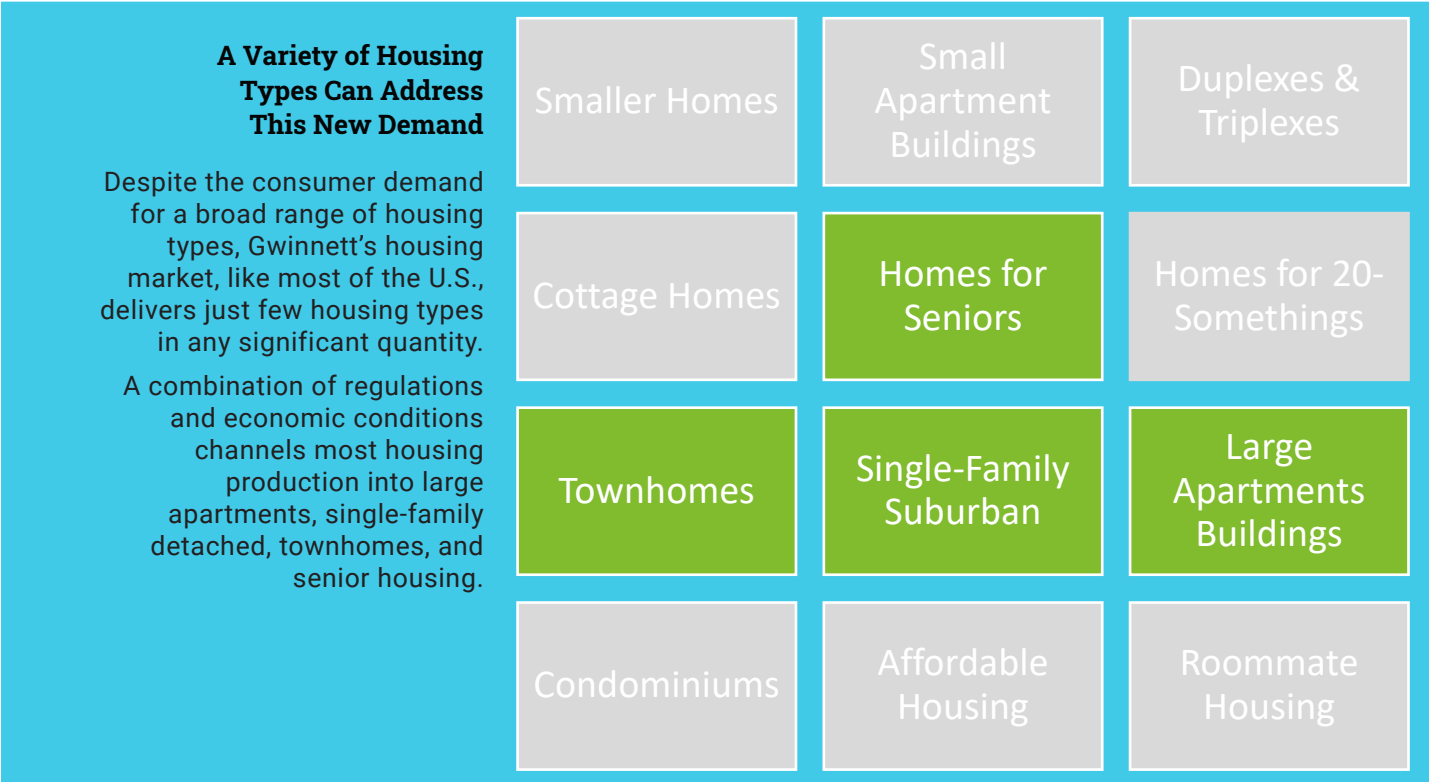
- Single-family detached homes;
- Townhomes;
- Large apartment communities (typically 250+ units),and
- Senior housing communities.

Many housing types, commonly referred to by the collective term "Missing Middle Housing" are not produced in Gwinnett in significant numbers. These housing types,

such as small apartment buildings, duplexes, cottage homes, accessory dwelling units, and other housing types (which flourished prior to the era of modern land use and zoning codes) are not permitted in many Gwinnett County and municipal zoning districts.

While local zoning and building codes are significant factors in shaping housing supply, many factors are outside local authorities' control, such as land prices, wages and employment, real estate economics, financial and insurance factors, and development costs.

When combined, these factors work together to limit the kind of housing built to just a few types, limiting housing choice and making it challenging to provide diverse housing types and price points to meet all demand sectors.



## Emerging Themes

### Aging Housing Stock

The rehabilitation and replacement of Gwinnett's aging housing stock is a concern that will become more urgent with time. The first wave of housing units from Gwinnett's post-1970s housing boom is now at least 50 years old. Gwinnett has over 137,000 housing units built before 1990, which means all those units will be more than 50 years old by 2040. The issue of rehabilitation and replacement has been a low priority because of the relative newness of Gwinnett County as a population center. The need to rehabilitate and replace will increase rapidly in the next two decades to ensure a healthy housing stock. Gwinnett's current all-time high housing prices reduce the incentive for older, obsolete, or substandard housing owners to renovate or redevelop that housing, increasing acquisition costs and generating strong economic returns for substandard housing units.



### Rising Housing Prices and Affordability

Throughout the meetings, interviews, and discussions that were a part of this Housing Study process, a clear consensus emerged among all participants: access to and supply of affordable and workforce housing is the single biggest housing issue that Gwinnett faces.

Two factors are largely responsible for this phenomenon.

- Since 2015, costs among all housing types in Gwinnett have risen rapidly. The average price of a new single-family detached house increased by over \$102,000 or 36%. For a new townhome, the average price increased by over \$125,000 or 63%. And the average multifamily unit rent increased by \$450 a month, or 46%. New housing under construction in Gwinnett's current market is priced primarily toward the middle and upper end of the income spectrum.
- As the cost to deliver a single housing unit has risen to more than \$240,000 per unit, builders have no market-based rationale to deliver affordable or workforce-accessible housing units without public subsidies or other interventions. As a result, Gwinnett has seen an average of just 89 new housing units attainable for low-income households annually.
- Rising housing costs and a limited supply of new lower-cost units have resulted in an acute housing shortage for households earning less than \$50,000. As moderate and lower-income household demand grows in the coming years and few new lower-cost units are added, access to affordable and workforce housing will become even more limited.

## Emerging Themes

### Comprehensive Planning

One consistent theme heard from all participants involved in the production of this study was an appreciation for comprehensive planning. In simple terms, comprehensive planning is crucial to a healthy and sustainable community. Gwinnett County's comprehensive plan (Currently the 2040 Unified Plan) should be actively and consistently used to guide public policy and decision-making.

To accommodate future housing demand while protecting existing neighborhoods and communities, Gwinnett County and its municipalities must plan for growth in appropriate locations through zoning, land use, and comprehensive planning processes. These growth areas must have appropriate services, transportation facilities, and infrastructure to support additional housing. There is broad consensus that Gwinnett County and its municipalities should do this with intentionality and forethought at all levels, not case-by-case.



### The current housing market is volatile and difficult to predict.

The COVID-19 pandemic has contributed to a series of momentous impacts to housing. It has triggered job losses, shifts to working and school from home, and shifted how and where families live. Federal and local eviction moratoria create uncertainty which disproportionately impacts low and moderate-income households.

The home construction supply chain has experienced a prolonged disruption that still impacts the supply and prices of goods. Material costs like lumber, gypsum (drywall), and copper have been volatile. For the last six years, home values and rents have increased rapidly and show few signs of slowing down. Low home vacancy and limited liquidity have led to intense market competition. REITs and hedge funds are disrupting housing markets by outbidding individual buyers and increasing the stock of single-family homes offered for rent.

The most noticeable impact of today's real estate market is sharply rising housing prices and intensified competition for housing.

These factors contribute to an unstable housing market without precedent. The conditions which define the current market environment may persist for years, and it is likely that one or more market corrections over the coming decade will cause dramatic impacts to supply and pricing globally.



## Housing Strategies

### What can Gwinnett County do to address housing issues?

Housing-related issues are complex and dynamic. The scope of solutions to address, manage, and improve housing-related issues can range from local to global.

Housing is complicated and responds to a wide range of economic, fiscal, social, and regulatory stimuli. Some of the effects can be influenced or managed locally by Gwinnett County, while most can not. Wages, monetary policy, birth rates, interest rates, and inflation are all global or national factors out of the purview of Gwinnett County. Some issues, such as federally-funded housing programs, can be improved or influenced by Gwinnett County indirectly through management, subsidies, or support programs. Other issues, such as zoning and land-use policy, fall directly under the purview of County administration, to be addressed through operations, investment, regulation, and direct policy action.

The following pages contain a wide range of strategies that other counties and cities nationwide have successfully used to address housing issues similar to those that Gwinnett County faces. They involve various levels of administrative, financial, and regulatory commitments.

A fundamental question to consider is whether a healthy, diverse, and accessible housing market should be regarded as essential infrastructure fundamental to Gwinnett County, prioritized and funded on the same level as roads, schools, transit, water, and sewer.

A comprehensive Gwinnett County housing policy would utilize varied strategies and approaches to address housing supply issues, such as new construction, preservation, and redevelopment. Such a housing policy could also incorporate subsidies, programmatic infrastructure, and strategic partnerships to help households and consumers overcome economic and practical barriers to housing.

A comprehensive housing strategy will reassess barriers to the provision of market-rate housing accessible to all Gwinnett households and residents, including low and moderate-income households.

Gwinnett's strategy should incorporate federal and state funding sources and programs while also developing new sources of local funding. Gwinnett County will need to deploy a combination of financial, land use, and other programs and policies to meaningfully address housing issues throughout the county.

### Housing Strategy Categories:

- 1. Establish Gwinnett County housing goals and priorities**
- 2. Support and develop organizational infrastructure.**
- 3. Review current zoning and land use regulations for potential housing related amendments.**
- 4. Leverage public land ownership and development priorities to promote affordable and workforce housing.**
- 5. Expand housing affordability to improve access to housing for low- and moderate-income households.**
- 6. Preserve existing lower-cost and affordable housing units.**
- 7. Sponsor and support housing stability.**

Some of the following strategies are drawn from other jurisdictions, and may be limited or unavailable (or less useful) in Gwinnett County depending on state law, limitations or other limiting factors.

## Housing Strategies

### Strategy 1 – Establish Gwinnett County housing goals and priorities

**The previous section identified the themes that will define Gwinnett County's housing challenges and opportunities in the coming years. The first step towards defining strategies, policies, and investments to address Gwinnett's housing future is to establish community housing goals and priorities. These goals and priorities will set the framework for all subsequent strategies to address the County's future housing opportunities and challenges.**

Gwinnett County outlined broad housing goals in the 2040 Unified Plan. One of the five overall themes that emerged from the Gwinnett 2040 Unified Plan is to "Provide More Housing Choices."

This theme is enhanced by high-level goals that include:

- *Promote policies that encourage housing for all income levels and phases of life;*
- *Expand rehabilitation assistance to homeowners; and*
- *Expand senior housing options.*

#### Case Study: Housing Savannah Action Plan, 2020-2021

In 2020, Savannah's Mayor and Aldermen appointed the Housing Savannah Task Force, comprised of a broad coalition of 40 individuals involved in housing, drawn from a wide range of public sector, private sector, and non-profit organizations. The Task Force was directed to identify the City's housing mission and goals and determine action items to help the city address housing in the present and future. The Task Force developed the Housing Savannah Action Plan, which established five high-level goals, each supported by specific action items designed to help achieve those goals.

The City of Savannah is now using this Action Plan as the framework for specific individual actions geared towards achieving those goals.

While this is a strong start, it is important that all involved in shaping Gwinnett County's housing future work together to define these goals in a way that is more clear, targeted, and implementable. A successful set of housing goals and priorities should consider the following questions:

- Which goals are most important and/or most impactful to the community?
- What implementation mechanisms will be used to achieve each goal?
- What step-by-step actions are necessary to achieve each goal?
- What metrics will be used to clearly define each goal or action item?
- What metrics will be used to define or measure success in implementing each goal or action item?
- What type of housing units are necessary to achieve the each goal?
- What types of households or people will be the intended beneficiary or target of each goal?
- Will the goal apply to certain areas of the County, or Gwinnett County as a whole?
- What organizations will be responsible for implementing each action item?
- What will be the estimated costs to implement each action item, and what are potential funding sources?
- How will Gwinnett County monitor the effectiveness of these goals and update them to adapt to changing conditions?

Decision-makers should use this study's findings and policy discussions amongst officials, County staff, and other housing stakeholders to help develop actionable goals and action items. This process could be accomplished in a variety of ways, including internal discussions among elected officials and County staff, appointment of a task force to lead a deliberative process, or further studies and planning processes that could develop local housing priorities and goals. This process can take one or more forms, including decisions to make immediate actions and processes that might require more deliberation.

## Housing Strategies

### Strategy 2: Support and develop organizational infrastructure

**Enhance the number and organization of Gwinnett County staff dedicated to monitoring, addressing, and coordinating housing issues and programs.**

- Much of the work ensuring the County addresses housing goals and priorities lies in the effective administration and management of programs and funding sources. Currently, management and oversight of housing priorities and funding programs are the responsibility of a wide range of County departments, administrative units, municipalities, and nonprofit partners. As one of the largest counties in the United States, with a population approaching one million residents, Gwinnett should consider establishing a dedicated housing department or division to centralize the management, administration, and funding of housing and related programs.

**Organize an inter-jurisdictional countywide housing task force to coordinate and exchange information on housing needs and housing programs.**

- A task force could build capacity and coordinate housing discussions and programs with local nonprofits, government officials, private sector professionals, and housing advocates. A countywide housing task force can provide networking opportunities and share problem-solving solutions from a range of public, private, and nonprofit housing policymakers, administrators, and practitioners.

**Broaden the role and scope of the Gwinnett Housing Authority to develop and administer housing programs.**

- Centralizing housing initiatives under a high-level administrator can streamline housing-related processes and programs. In addition, data collection and analysis under one agency would ensure focus, simplicity and consistency. At present, a widely distributed group of agencies, departments, and organizations handle many tasks related to the management and funding of housing in Gwinnett. A well-staffed public authority specifically empowered to manage and fund housing programs and initiatives could centralize and enhance these efforts while providing additional resources and opportunities to parts of the county without access to housing assistance. Initiatives could range from program coordination to vouchers to direct sponsorship of affordable housing development. A housing authority representing the entire county could also leverage its size and power to compete for a larger share of federal funding for housing.

**Consider refining the scope and focus of the County's existing development and redevelopment authorities,**

- Gwinnett's Development Authorities, Redevelopment Authorities, and Redevelopment Agencies could be restructured or realigned to establish a development authority or similar organization focused on using redevelopment powers to promote housing, particularly workforce and affordable housing.

## Housing Strategies

### Strategy 3: Review current zoning and land use regulations for potential housing related amendments

#### Identify and reduce barriers to affordable and “Missing Middle” housing construction

- Review the UDO to increase flexibility to allow for a wider range of housing types, including “Missing Middle Housing” and accessory dwelling units (ADUs).

#### Identify and reduce regulatory and approval barriers to market-rate, workforce and affordable housing development where deemed appropriate through comprehensive planning.

- Review regulations, codes and ordinances to identify and assess elements (such as minimum unit sizes, lot sizes, setbacks, or construction requirements) that increase the cost of housing construction beyond the reach of low and moderate income households and limit the supply of housing. Consider whether the intent behind each of these elements is consistent with the County's larger housing strategy and goals.
- Review the UDO to create additional areas that allow as-of-right multifamily where appropriate.
- Consider adopting inclusionary zoning policies in appropriate areas experiencing favorable market-rate development conditions to incentivize the development of affordable housing.
- Allow higher-density residential zoning and development as-of-right in areas deemed appropriate through comprehensive planning processes.
- Review the effectiveness of overlay districts and height and density bonuses as development incentives to ensure that they serve their intended purposes.

Many of these issues are currently under review as part of a parallel study to address potential updates to the Unified Development Ordinance (UDO) related to the County's residential zoning districts.



#### What is Inclusionary Zoning?

A growing number of cities [and counties] are using their zoning authority to increase the development of new workforce housing units. The most widely used zoning approach is inclusionary zoning (IZ). Through IZ, cities require or encourage developers to create below-market rental apartments or for-sale homes in connection with the local zoning approval of a proposed market-rate development project. [...]

IZ can be a complicated and controversial policy approach. Complicated because it aspires to harness the ever-changing dynamics of market-rate real estate development to achieve a fixed policy objective. Controversial because it aims to balance often opposing points of view in communities regarding the roles and responsibilities of the private sector to help meet a public need within a free-market economic system.

IZ's complexity and controversy come together around the extent to which the policies are mandatory, voluntary, or somewhere in between—i.e., applying only in certain situations, such as when local zoning is changed for a neighborhood or development project. Wherever a city lands along this continuum, almost all cities offer various types of development incentives that attempt to mitigate or offset the economic impacts the inclusionary policy has on land values and real estate development.

Understanding those effects is important. By definition, IZ is intended to generate a below-market real estate end use—workforce housing units—that the private market on its own would not produce at a given location. IZ may make that site less valuable than it would be if developed to its highest and best use.

*The Economics of Inclusionary Development*

Urban Land Institute: Terwiliger Center for Housing [2016]



## Housing Strategies

### Strategy 4: Leverage public land ownership and development priorities to promote affordable and workforce housing

In many cases, Gwinnett County can promote affordable and workforce housing initiatives using land, assets, programs, funding sources, and processes that are already under the County's control. Most of these strategies require no new funding or legislation. Instead they rely on a coordinated approach to align many of these holdings, assets, and processes with the County's housing priorities.

#### **Explore the use of a land bank to steward and preserve housing affordability.**

- A land bank is a government entity that acquires vacant, abandoned, or tax-delinquent properties and converts them into productive assets. Land banks are created to acquire title to these problem properties, eliminate the liabilities, and transfer the properties to new, responsible owners to achieve outcomes consistent with local priorities. Land banks can work with other entities, such as redevelopment authorities, housing departments, or planning departments utilized to assemble properties for housing programs.

#### **Consider partnering with a community land trust.**

- A community land trust is a nonprofit organization that acquires, retains, and manages land on behalf of the community to steward and preserve affordability. A community land trust maintains ownership of land permanently and leases it to future residents long-term. In return, when the homeowner is ready to sell their home, they agree to restrict resale to another low to moderate-income family. Land trusts ensure the sustainability of affordable housing while also allowing low-income families to gain wealth. The *Atlanta Land Trust* is an local example of a community land trust that works to secure affordable housing.

#### **Leverage major public development initiatives to promote housing outcomes that align with County priorities.**

- Gwinnett County currently has several major redevelopment initiatives in various stages of planning and development. In many of these cases, the County and its affiliated agencies own significant land holdings, are likely to participate in public-private partnerships or invest in public infrastructure. County participation in these initiatives could be leveraged to further County housing policy goals. For example, a key piece of public land could be sold to a housing developer at below-market price with a requirement to include affordable housing units.

#### **Develop programs to incentivize housing development near jobs, transportation centers, and infill areas.**

- These are optimal locations and opportunities to expand the production of a wider variety of housing types in Gwinnett County. Proactively rezoning key parcels and attracting residential and mixed-use projects in targeted areas and along primary and secondary commercial corridors would facilitate the development of more diverse housing types.

#### **Prioritize public expenditure on transit, infrastructure, parks, and school projects in designated residential and mixed-use redevelopment areas.**

- These types of investments can help to catalyze projects that align with County housing priorities and goals. In turn, housing becomes an integral part of a livable community with transit, infrastructure, green space, and schools to provide quality-of-life benefits for all.

#### **Link public grants, subsidies, incentives, Tax Allocation District (TAD) funding, and land transfers to housing priorities.**

- Affordable and workforce housing can be more difficult to finance and build, as investors view these types of development as higher-risk. Gwinnett County could provide gap financing for these projects as a way to mitigate risk and provide a path for development.

#### **Incentivize the redevelopment or infill development of appropriate aging, obsolete, or low-intensity multifamily housing and commercial uses.**

- Redevelopment and infill projects can be more complex than conventional greenfield development. They often involve complicated infrastructure and site issues, and involve higher acquisition costs. Subsidies and regulatory incentives could help tip the balance to make infill development and redevelopment more competitive with greenfield development. Furthermore, redevelopment and infill development focus growth in areas with existing infrastructure.

## Housing Strategies

### Strategy 5: Expand housing affordability to improve access to housing for low and moderate-income households

#### **Smooth the path for multifamily and affordable housing development**

- Market-rate and affordable multifamily housing projects must often pass through complicated entitlement processes, where they frequently face opposition, adding time and uncertainty to an expensive and time-consuming process. Initiatives to streamline the entitlement process for projects that support County housing priorities would reduce the cost to provide affordable and workforce housing and increase the supply of affordable housing.

#### **Consider waiving or reducing development fees, expediting permitting processes, or offering density bonuses.**

- These process-oriented incentives can reduce the financial risk that developers and builders take when undergoing an infill development project. The County could also offer bond-for-title or other financial incentives for residential development, redevelopment, or rehabilitation that aligns with County housing priorities and goals.

#### **Partner with local development authorities.**

- Site assembly is a complicated and time-consuming process. County development authorities could jump-start housing development initiatives by preparing sites for redevelopment through assemblage, subdivision, or site clearance.

#### **Subsidize and prioritize higher-density housing, mixed-use development, and affordable and workforce housing in areas of the county where higher intensity development is encouraged.**

- The Gwinnett 2040 Unified Plan community outreach process identified areas of the county where there is nearly universal support for change and urban-scale development densities tolerated or perhaps even demanded. A wide range of strategies can be used to proactively promote housing development in these areas.

#### **Create and fund a Housing Opportunity Bond to provide gap financing for developers to build affordable housing.**

- Housing Opportunity Bonds function like General

Obligation (G.O.) bonds, but use the funds for housing instead of infrastructure. The funds in a housing opportunity bond can be used for low-interest loans to developers/builders to assist in financing the acquisition, construction, or renovation of affordable housing. A housing opportunity bond could also provide low-cost financing and risk mitigation for affordable housing developers.

#### **Work with Georgia Initiative for Community Housing (GICH) to access technical assistance, additional resources, and funding sources to address housing and affordability needs.**

- GICH helps communities improve their quality of life and economic vitality by developing locally-driven housing and revitalization strategies. In addition to providing resources and technical assistance, GICH can introduce Gwinnett to “cross-community sharing,” where other communities with similar goals share their local obstacles and successes with housing and housing-related issues.

#### **Provide access to educational resources to help lower-income residents access information and advocacy.**

- Educational resources may include information about housing programs, personal finance, credit counseling and housing law. Implement supportive educational programs for residents to learn about and access local, regional, and state auxiliary programming and funds. One of the easiest ways to overcome a family’s barriers to support programs is to help them navigate through government systems, websites, and bureaucracy.

#### **Provide grants, loans, TAD funding, or other gap funding through one of Gwinnett County’s development authorities.**

- Gwinnett County has many existing programs and entities that could help private sector developers bridge funding gaps for projects that support County housing priorities relating to affordable and workforce housing.

## Housing Strategies

### Strategy 6: Preserve and maintain Gwinnett's existing affordable and lower-cost housing stock

#### Survey and identify vulnerable properties in need of rehabilitation.

- Identify small and medium multifamily properties worthy of preservation or rehabilitation based on property characteristics, preservation project feasibility, neighborhood market conditions, and neighborhood access. Existing small and medium multifamily complexes are among the most vital sources of naturally occurring affordable housing in Gwinnett. The rehabilitation and preservation of existing “naturally affordable” housing can cost 30% - 50% less than new construction.

#### Fund, support, and incentivize the rehabilitation of sub-standard, aging, or obsolete housing tied to affordable and workforce housing goals.

- Maintaining naturally occurring affordable housing (NOAH) is necessary to ensure the health of the housing market. The rehabilitation of aging properties can provide residents with a safe, healthy place to live while also maintaining the naturally occurring stock of affordable housing. Many communities provide grants for small-scale housing rehabilitation and facade improvement funded through a Housing Opportunity Bond.

#### Enhance code enforcement to identify and address conditions of blight and substandard housing.

- Identify health and safety hazards to existing housing stock in coordination with a rehabilitation or acquisition agency or a land bank authority. Identifying code violations can be a first step toward future land acquisition with the goal of increasing the supply of low-cost housing. Aggressive and comprehensive code enforcement can identify problem properties and incentivize problem property owners to address issues or sell properties to new owners or an entity such as a land bank.



## Housing Strategies

### Strategy 7: Sponsor and support housing stability

#### **Collaborate with local economic development partners to assist homebuyers with down payment assistance and closing costs.**

- As prices for homes have increased, the housing market has become more complicated and more competitive for first-time homebuyers. The state of Georgia, through the Department of Community Affairs (DCA), along with many other local jurisdictions, have created down-payment assistance programs, using low interest loans (often forgivable) or grants to help first time homebuyers with down payments and closing costs. Attaching residency or income limits to down payment assistance can assist long-time residents and working families stay in the county.

#### **Consider policies to address non-income-based barriers to housing accessibility.**

- Many households face housing insecurity due to issues other than affordability, such as poor credit history, housing voucher acceptance, criminal history, and lack of documentation or permanent address. These non-financial barriers are often overlooked by housing support programs. Households that lack housing stability or find themselves in vulnerable positions are frequently kept out of traditional housing options by these impediments, which are difficult to overcome. Identifying, addressing, and helping households and individuals overcome these barriers can make housing more attainable for families across Gwinnett, although they often can expose housing providers to additional risks and challenges.

#### **Increase access to supportive housing for unhoused individuals through partnerships with government or nonprofit partners.**

- Employ and utilize communication, publicity, and educational tools to ensure housing stability and enhance access to housing legal aid, eviction reform, and foreclosure prevention counseling. Households whose housing stability is frequently under threat have the greatest need for information, education, and support. Over 95,000 households in Gwinnett are cost burdened or spend more than 30% of their income on housing and are at risk of losing their homes pending unforeseen circumstances like lay-offs, family emergencies, or as we've experienced recently, a global pandemic. Ensuring that programs that mitigate or prevent evictions are well funded or partnered with nonprofits can ensure housing stability for tens of thousands of families in Gwinnett.

#### **Monitor the increasing prevalence of real estate investment trusts (REITs) and institutional investors purchasing land in Gwinnett County.**

- REITs own more than 6,800 single-family homes across Gwinnett County. While the impacts of institutional investors controlling a significant share of local rental housing markets are unforeseen, it will be essential to observe and track how REITs hold on single-family property changes .

#### **Monitor the increasing prevalence of extended stay motels as semi-permanent housing and address and enforce public safety issues.**

- Identify, collect data on, and provide services to families that are living in extended stay motels. Extended stay motels are a form of de facto affordable housing in Gwinnett County. They are often the last and only option for housing for those with eviction history, poor credit, lack of financial resources, or criminal history. The most effective ways to remediate the number of families in extended stay motels is to supply affordable housing and to remove non-income-based barriers to housing.









## KB | ADVISORY GROUP

### TERMS and LIMITING CONDITIONS

**Accuracy of Report:** Every reasonable effort has been made to ensure that the data developed in this assignment reflect the most accurate and timely information possible and is believed to be reliable. This consulting assignment was based on estimates, assumptions, and other information developed by KB Advisory Group ("KBA") from its independent research efforts, general industry knowledge, and consultations with the client for this assignment and its representatives. No responsibility is assumed for inaccuracies in reporting by the client, its agents or representatives, or any other data source used in preparing or presenting this study. The research and reports are based on information that is current as of the date of the report.

KBA assumes no responsibility to update the information after the date of the report. The research may contain prospective financial information, estimates, or opinions that represent our view of reasonable expectations at a particular point in time, but such information, estimates, or opinions are not offered as predictions or assurances that a particular outcome will occur. Actual results achieved during the period covered by our prospective analysis may vary from those described in our research and report, and variations may be material. Therefore, no warranty or representation is made by KBA that any of the projected values or results contained in the work product from this assignment will actually be achieved.

**Usage of Report:** The research product may not be used, in whole or in part, in any public or private offering of securities or other similar purposes by the client without first obtaining the prior written consent of KBA.

**Imagery Used in this Document:** If the imagery in this document does not belong to KB Advisory Group, it is licensed from Shutterstock, or drawn from sources of freely usable images such as Flickr Commons, the Gwinnett County Government Facebook Timeline Photos, or Unsplash,. The photos do not represent work designed or completed by KBA. Instead, the publicly available images appear to provide an example or express an idea.



Gwinnett