GWINNETT COUNTY
BOARD OF COMMISSIONERS

75 Langley Drive | Lawrenceville, GA 30046-6935
O: 770.822.7000 | F: 770.822.7097
GwinnettCounty.com

Nicole L. Hendrickson, Chairwoman
Kirkland Dion Carden, District 1
Ben Ku, District 2
Jasper Watkins III, District 3
Marlene M. Fosque, District 4

Official

Informal Briefing Minutes

Tuesday, April 20, 2021 – 10:30 AM

Present: Nicole L. Hendrickson, Kirkland D. Carden, Ben Ku, Marlene M. Fosque
Via Teleconference: Jasper Watkins III

1. Gwinnett Housing Corporation: Housing Development Update
   Lejla Prljaca, Executive Director, Lawrenceville Housing Authority/Chief Executive Officer, Gwinnett Housing Corporation provided an overview of housing issues and opportunities for low and moderate income families in Gwinnett. No official action taken.

Gwinnett Housing Development Bond

By: Lejla Prljaca, Gwinnett Housing Corporation

A Pledge to Build a Beloved Community

DEFINITION
RENTAL
HOME OWNERSHIP
HOUSING INSTABILITY
Gwinnett Housing Landscape

Defining Affordable Housing

It is **NOT**:
a price point
a price range
a type of housing development

It **IS**:
Housing costs

or less of gross monthly income

Affordable housing **IS** a goal for everyone,

not just a specific population.

DEFINITION
RENTAL
HOME OWNERSHIP
HOUSING INSTABILITY
Gwinnett Housing Landscape

RENTS
ARE HIGH

...AND
RISING

Rental
Housing

RENTERS ARE COST
BURDENED

AND CONCENTRATED IN
CERTAIN AREAS OF
GWINNETT

Gwinnett has the highest median rent in the region

Source: US Census

RENTS
ARE HIGH

...AND
RISING

Rental
Housing

RENTERS ARE COST
BURDENED

AND CONCENTRATED IN
CERTAIN AREAS OF
GWINNETT

Atlanta Experienced Greatest Rent Growth Among Major Metros

Source: Zillow Observed Rent Index

RENTS
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Rental
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RENTERS ARE COST
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CERTAIN AREAS OF
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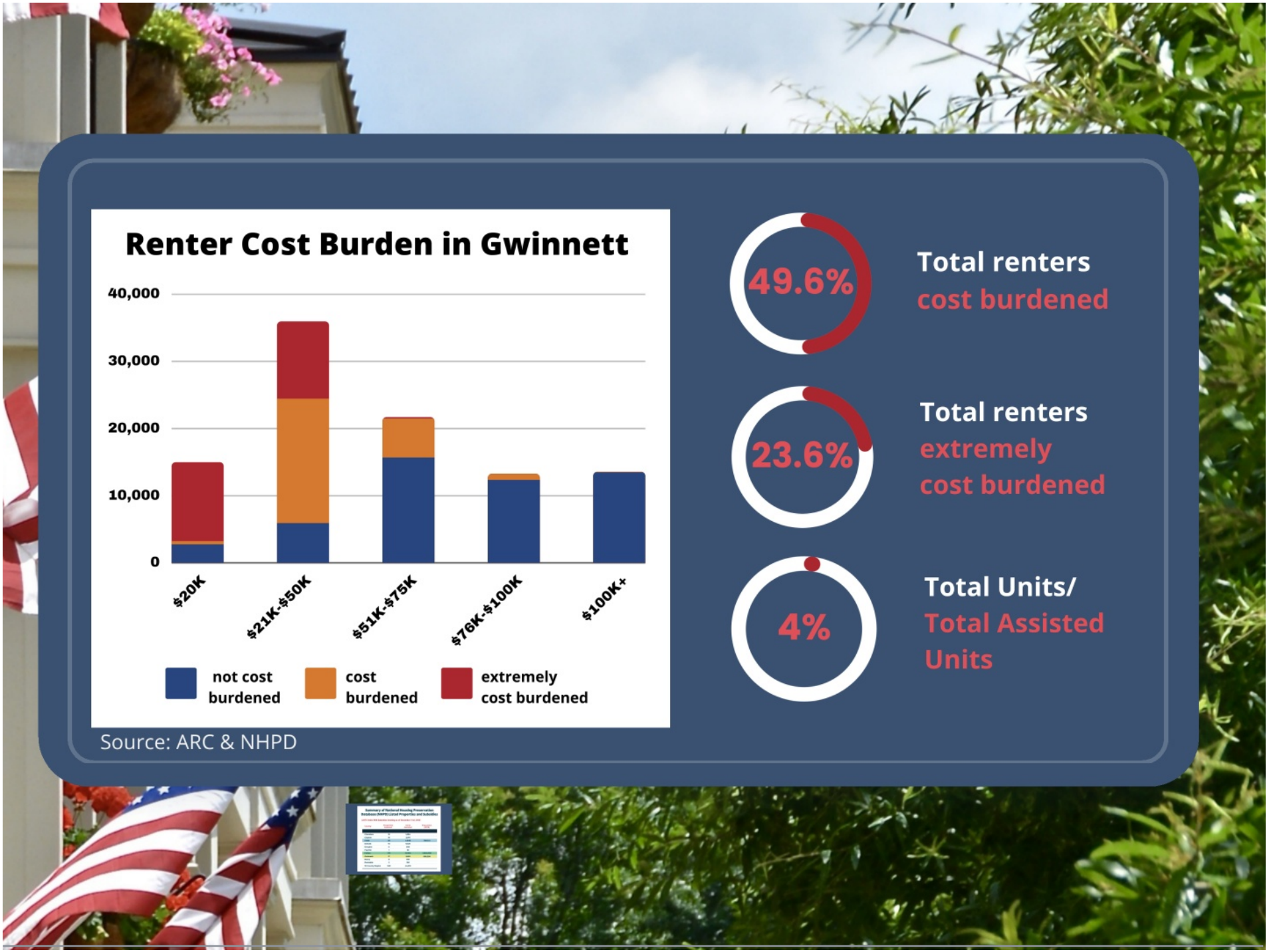

Renter Cost Burden in Gwinnett
40,000
30,000
20,000
10,000
0
$20K
$21K-$50K
$51K-$75K
$76K-$100K
$100K+
not cost burdened
cost burdened
extremely cost burdened
49.6%
Total renters cost burdened
23.6%
Total renters extremely cost burdened
4%
Total Units/ Total Assisted Units
Source: ARC & NHPD

Summary of National Housing Preservation Database (NHPD) Listed Properties and Subsidies

LIHTC Units With Subsidies Existing as of December 31st, 2020

County	Properties Assisted	Units Assisted	Popuation (2019)
Cherokee	10	1,684	
Clayton	19	2,971	
Cobb	40	4,848	760,141
DeKalb	72	9,525	
Douglas	6	509	
Fayette	1	82	
Fulton	173	21,004	1,064,000
Gwinnett	17	2,610	936,250
Henry	9	797	
Rockdale	2	180	
10-County Region	349	44,210	

RENTS
ARE HIGH

...AND
RISING

Rental
Housing

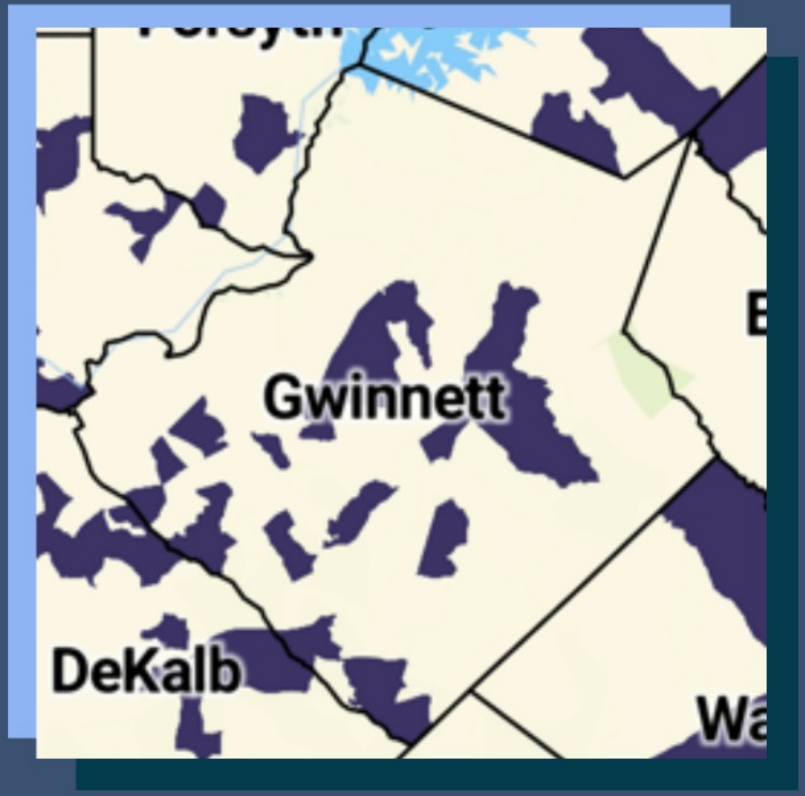
RENTERS ARE COST
BURDENED

AND CONCENTRATED IN
CERTAIN AREAS OF
GWINNETT

Extreme Cost Burden

Highlighted areas are where at least 30% of renters are paying more than half of their income on housing costs.

Source: ARC



DEFINITION
RENTAL
HOME OWNERSHIP
HOUSING INSTABILITY
Gwinnett Housing Landscape

HOME OWNERSHIP

Median Sales Price

Demand vs. Supply

CREATING OPPORTUNITIES

Median Home Sales Price
Year
2015
$187,763
2016
$202,900
2017
$220,000
2018
$240,000
2019
$255,000
2020
$277,500
$0
$100,000
$200,000
$300,000
48%
INCREASE IN MEDIAN SALES PRICE SINCE 2015

HOME OWNERSHIP

Median Sales Price

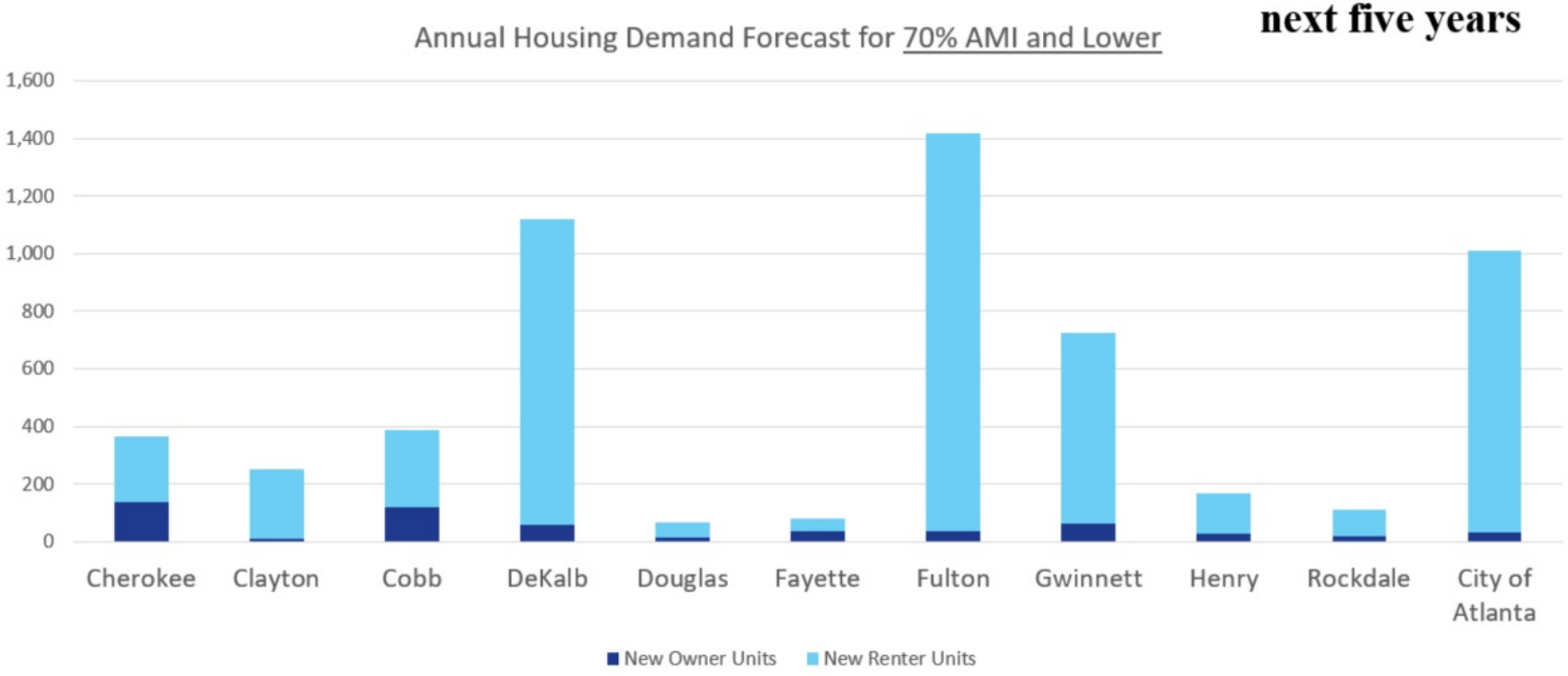
Demand vs. Supply

CREATING OPPORTUNITIES

The Demand... (over next five years)
~4,700 units at this price point needed, ANNUALLY, over next five years
Annual Housing Demand Forecast for 70% AMI and Lower
Cherokee
Clayton
Cobb
DeKalb
Douglas
Fayette
Fulton
Gwinnett
Henry
Rockdale
City of Atlanta
New Owner Units
New Renter Units
Source: KB Advisory Group
The Demand, pt. 2... (over next five years)
~31,000 units at this price point needed, ANNUALLY, over next five years
Annual Housing Demand Forecast for 70% AMI and Higher
Cherokee
Clayton
Cobb
DeKalb
Douglas
Fayette
Fulton
Gwinnett
Henry
Rockdale
City of Atlanta
New Owner Units
New Renter Units
Source: KB Advisory Group
...But Inventory is VERY Low
Housing Inventory (Active Listing Count)
SUPPLY
DEMAND

The Demand… (over next five years)

~4,700 units at this price point needed, ANNUALLY, over next five years



Source: KB Advisory Group

regional impact + local relevance

The Demand, pt. 2… (over next five years)

~31,000 units at this price point needed

Source: KB Advisory Group

The Demand, pt. 2… (over next five years)

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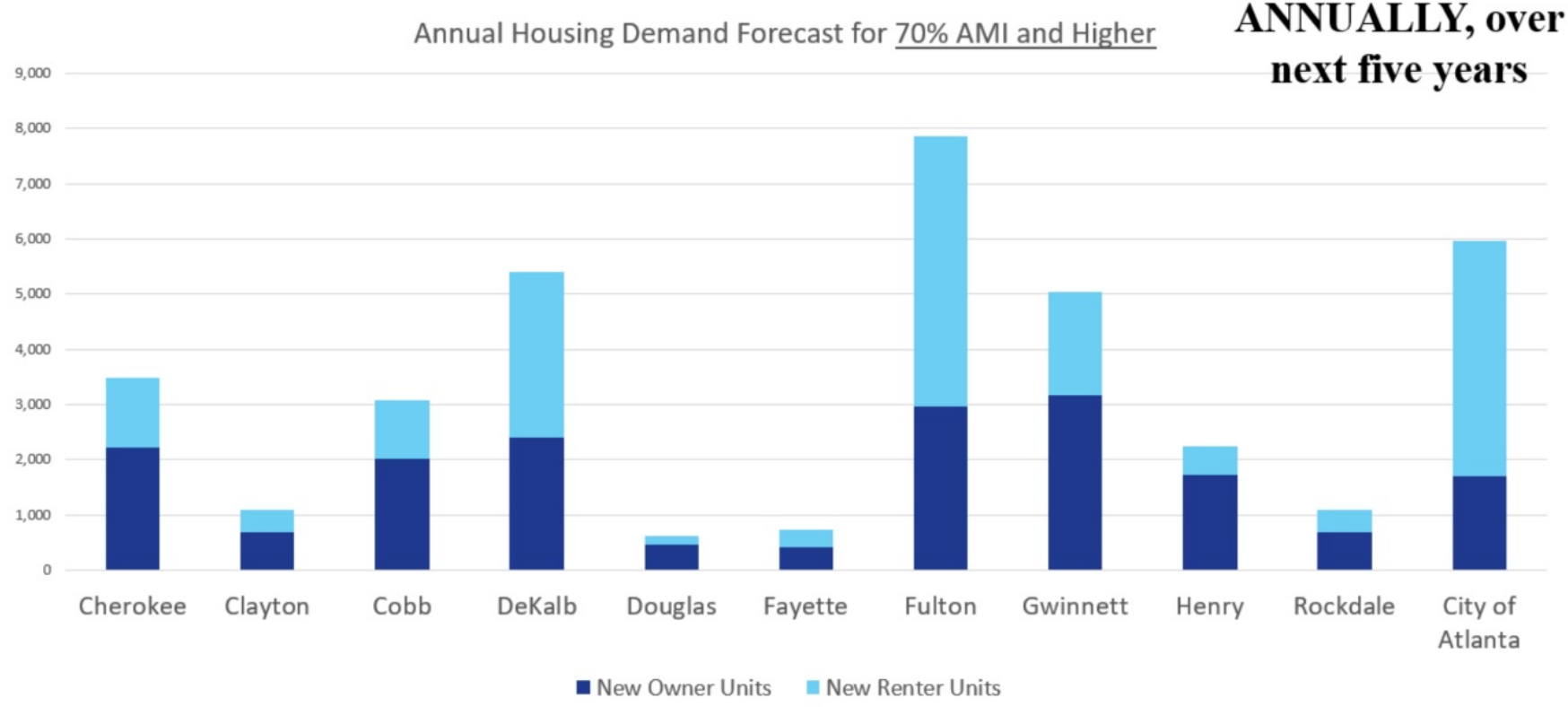

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…But Inventory is VERY Low

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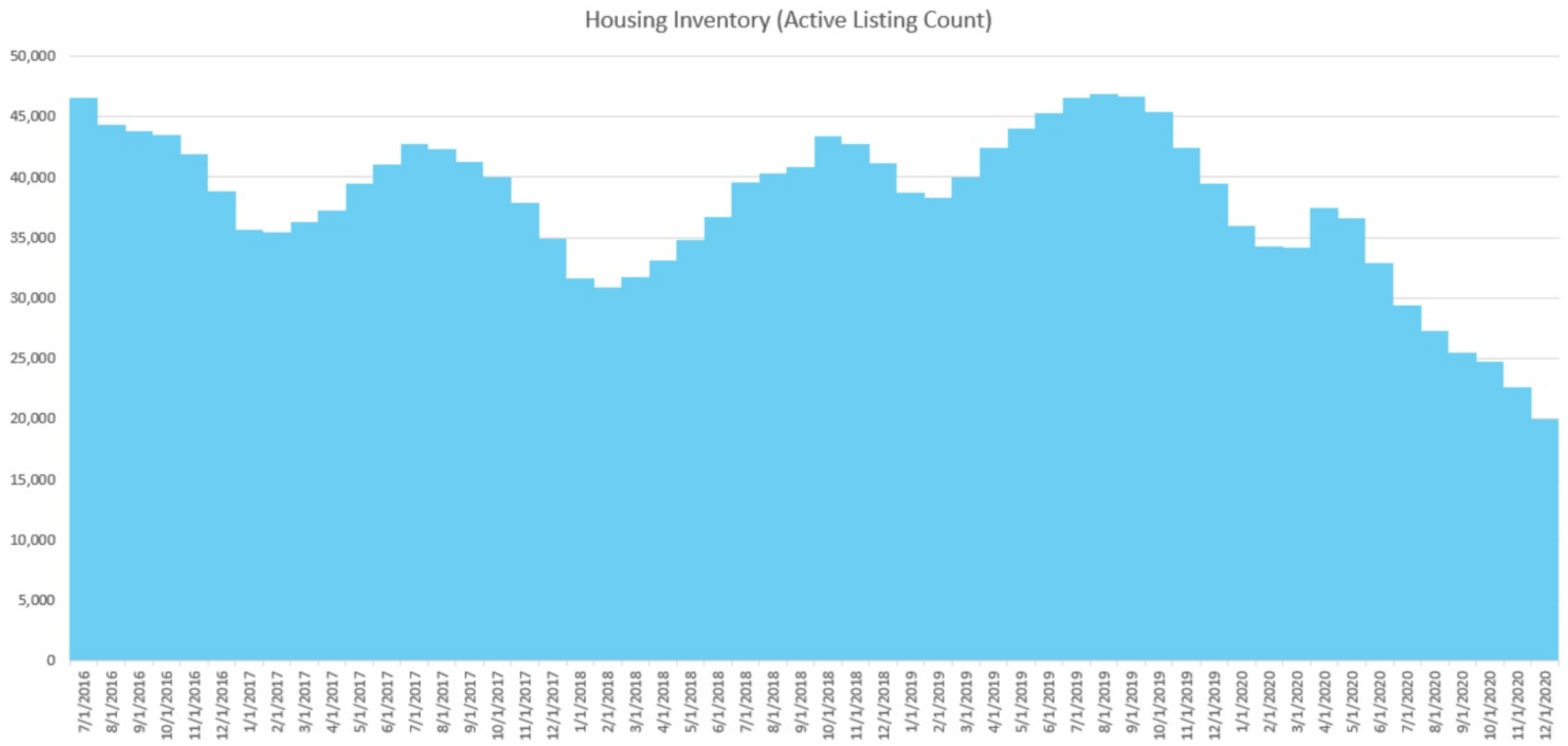
…But Inventory is VERY Low



Source: Realtor.com, Accessed Via FRED

regional impact + local relevance

HOME OWNERSHIP

Median Sales Price

Demand vs. Supply

CREATING OPPORTUNITIES

STATE OF THE CURRENT MARKET
This is a low supply, high demand market. This makes it all the more difficult for first time buyers seeking a slice of the American Dream. Thankful for programs like this that offer an opportunity for homeownership despite odds.
Gina Diggs, Gwinnett Realtor
Gwinnett Housing Corporation
GWINNETT Daily Post
Snellville woman finds Pathway HOME from homelessness to ownership
WELCOME HOME!
Habitat for Humanity Gwinnett
STATE OF THE CURRENT MARKET
On the day that any house is listed that my buyers have looked at, they received 10-12 offers within the first day. As a realtor licensed since 2012 I can attest that there is a severe shortage of entry level priced homes available to purchase for new homebuyers in Gwinnett.
Carla Hair, Gwinnett Realtor

STATE OF THE CURRENT MARKET

"This is a low supply, high demand market. This makes it all the more difficult for first time buyers seeking a slice of the American Dream. Thankful for programs like this that offer an opportunity for homeownership despite odds."

Gina Diggs, Gwinnett Realtor

Gwinnett Housing Corporation

GWINNETT Daily gdp Post

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Snellville woman finds Pathway HOME from homelessness to ownership

Feb 28, 2017 Updated Feb 28, 2017 0

STATE OF THE CURRENT MARKET

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Carla Ham, Gwinnett Realtor

Habitat for Humanity Gwinnett

DEFINITION
RENTAL
HOME OWNERSHIP
HOUSING INSTABILITY
Gwinnett Housing Landscape

84%

of respondents use extended stays as their primary residence

64°

The Atlanta Journal-Constitution

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Living in a motel isn't glamorous; it's a sign that things must change

ONLY ON AJC | June 20, 2019

By Gracie Bonds Staples, The Atlanta Journal-Constitution

The Long Road Home

According to GCPS, there are approximately 2,000 homeless school-aged children in Gwinnett County. Many of the children living in extended stays are not counted.

Gwinnett Housing Development Bond

By: Lejla Prljaca, Gwinnett Housing Corporation

A Pledge to Build a Beloved Community

$50M Housing Development Bond

The bond will fund an aggressive land acquisition strategy and construction gap financing that will support the housing development efforts across the entire housing spectrum.

THE COST

BUDGET IMPACT

TARGETED HOUSEHOLDS

IMPLEMENTATION

Gwinnett County Housing Authority (Georgia)
Taxable Revenue Bonds, Series 2021*

Projections as of April 8, 2021

Assumptions:
1. **$50,000,000 principal amount**
2. **30 years level debt service**

	Taxable AAA Scale	Taxable AAA Scale +0.25%	Taxable AAA Scale +0.50%
Average Annual Debt Service:	**$2.52M**	**$2.61M**	**$2.69M**
Average Rate:	**2.96%**	**3.21%**	**3.46%**

Source: Raymond James Investments

$50M Housing Development Bond

The bond will fund an aggressive land acquisition strategy and construction gap financing that will support the housing development efforts across the entire housing spectrum.

THE COST

BUDGET IMPACT

TARGETED HOUSEHOLDS

IMPLEMENTATION

Impact on the operating budget

0.17%

$50M Housing Development Bond

The bond will fund an aggressive land acquisition strategy and construction gap financing that will support the housing development efforts across the entire housing spectrum.

THE COST

BUDGET IMPACT

TARGETED HOUSEHOLDS

IMPLEMENTATION

Income Eligibility

$442 - $1,100/ week

*Please refer to your handout for a list of industries, jobs and salaries in Gwinnett

$50M Housing Development Bond

The bond will fund an aggressive land acquisition strategy and construction gap financing that will support the housing development efforts across the entire housing spectrum.

THE COST

BUDGET IMPACT

TARGETED HOUSEHOLDS

IMPLEMENTATION

From issuance to product delivery

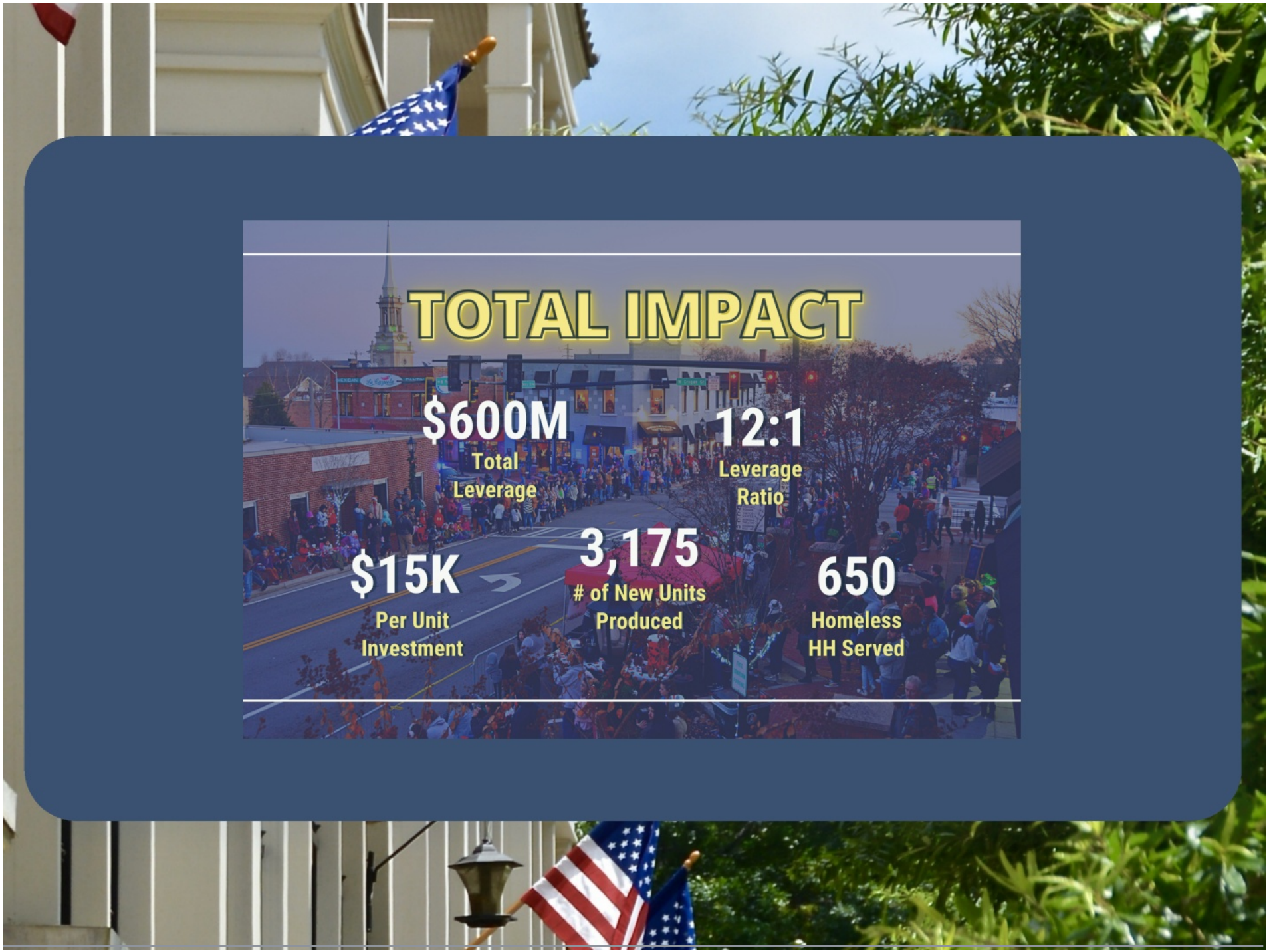
- Gwinnett County Housing Authority issues a taxable revenue bond
- Execute an intergovernmental agreement (IGA) with Gwinnett County Government for guarantees
- Gwinnett County Board of Commissioners (appointees) establish development priorities and criteria
- Gwinnett County Community Development Department/Grants Management Department issues NOFA, prioritizes and forwards to the BoC for approval

Gwinnett Housing Development Bond

By: Lejla Prljaca, Gwinnett Housing Corporation

A Pledge to Build a Beloved Community

TOTAL IMPACT
$600M
Total Leverage
12:1
Leverage Ratio
$15K
Per Unit Investment
3,175
# of New Units Produced
650
Homeless HH Served
NUMBER OF UNITS & LEVERAGE
TOTALS
ECONOMIC IMPACT: HOME OWNERSHIP
ECONOMIC IMPACT: RENTAL
IMPACT ON LOCAL REVENUE*: RENTAL
Extended Stay
$1,600
VS
LIHTC Rent (2bdr)
$1,077
DISCRETIONARY INCOME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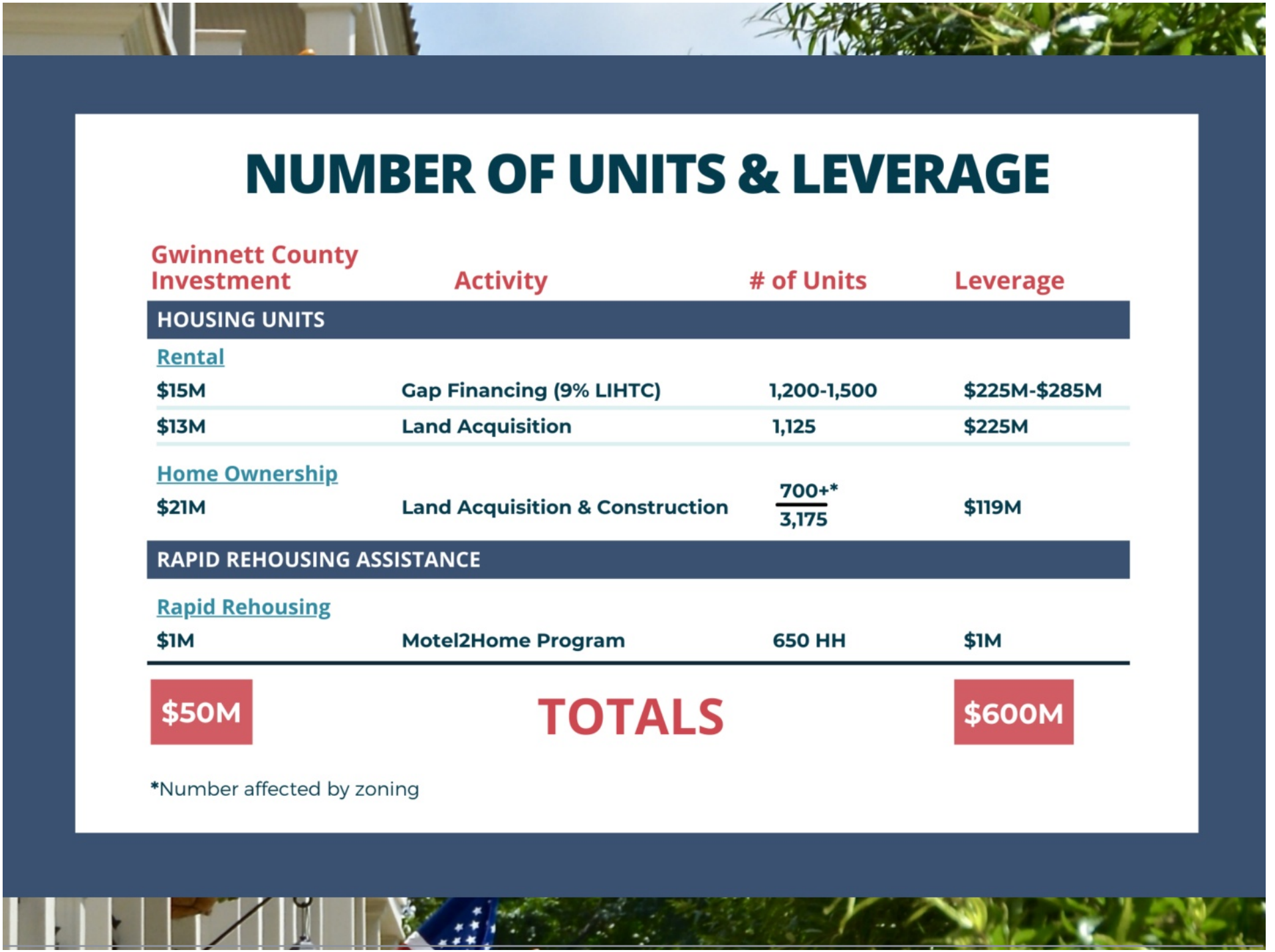


NUMBER OF UNITS & LEVERAGE

Gwinnett County Investment	Activity	# of Units	Leverage
HOUSING UNITS			
Rental			
$15M	Gap Financing (9% LIHTC)	1,200-1,500	$225M-$285M
$13M	Land Acquisition	1,125	$225M
Home Ownership			
$21M	Land Acquisition & Construction	700+* / 3,175	$119M
RAPID REHOUSING ASSISTANCE			
Rapid Rehousing			
$1M	Motel2Home Program	650 HH	$1M

$50M **TOTALS** **$600M**

*Number affected by zoning

ECONOMIC IMPACT: HOME OWNERSHIP

Gwinnett County Investment: 21M

Program: Land Acquisition & Construction

Industry	FT Equiv Jobs	Wages & Salaries	Proprietors	Corporations	Wages & Profits Combo
Construction	1,232	$67,112,500	$27,062,700	$11,875,500	$106,050,700
Manufacturing	259	$13,344,100	$1,175,300	$10,976,700	$25,495,400
Trade Transportation & Warehousing	252	$11,704,700	$1,861,300	$5,440,400	$19,005,700
Finance & Insurance	42	$3,641,400	$88,900	$2,631,300	$6,361,600
Real Estate, Rental & Leasing	14	$902,300	$4,906,300	$1,216,600	$7,025,200
Prof Management/ Admin Servics	147	$9,934,400	$2,774,800	$1,852,200	$14,561,400
Other	126	$6,816,600	$5,022,500	$5,964,000	$17,803,100
All Industries	**2,072**	**$113M**	**$43M**	**$40M**	**$196M**

Source: NAHB

ECONOMIC IMPACT: RENTAL

Gwinnett County Investment	Program	Direct	Ongoing/ Induced	Jobs Created: Direct & Indirect	Jobs Created: Ongoing/ Induced
$15M	Gap Financing for 9% LIHTC Projects	$225M-$285M	$62M-$78M	1,464-1,830	360-450
$13M	Land Acquisition for 4% LIHTC Projects	$225M	$57M	1,342	330
$28M		$450M-$510M	$127M*	2,989*	735*

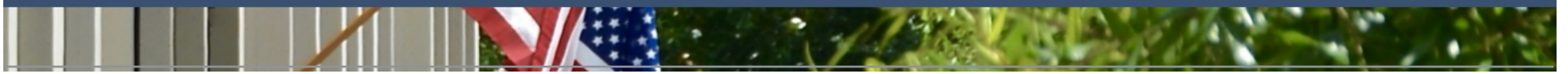
*Average
Source: NAHB

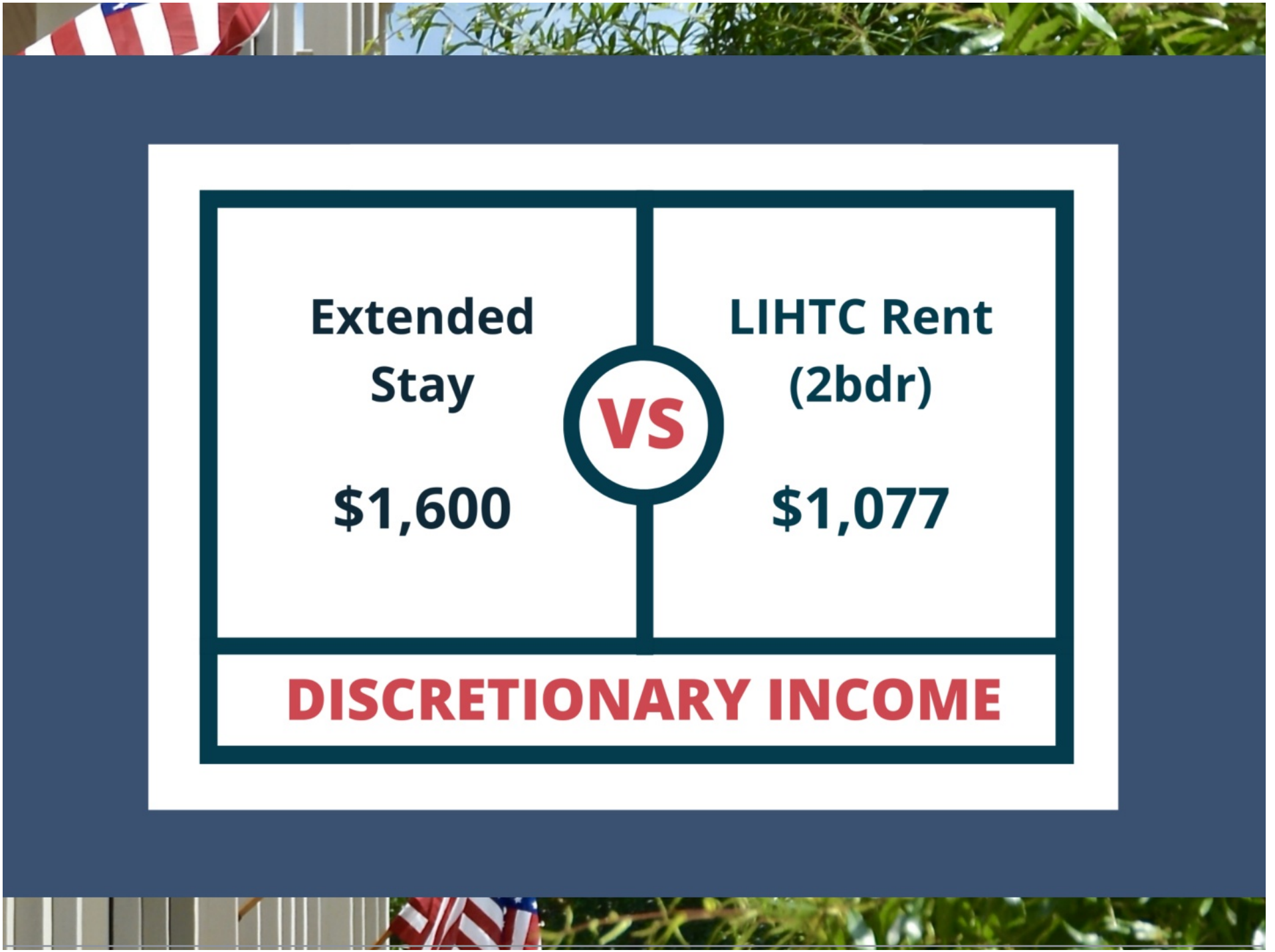
IMPACT ON LOCAL REVENUE*: RENTAL

	100 UNITS	3,175 UNITS
Phase I: Direct and Indirect Impact of Construction Activity	$501,800	$15,555,800
Phase II: Induced Effect of Spending the Income and Taxes from Phase I	$325,100	$10,075,000
Total One-Year Impact: Sum of Phase I & Phase II	$826,800	**$25,630,800**
Phase III: Ongoing, Annual Effect After Occupancy	$441,000	**$13,671,000**

Source: NAHB

*TAXES: business property taxes, residential property taxes, general sales taxes, specfic excise taxes, income taxes, license taxes, other taxes.
*FEES: Residential permit/impact fees, utilities, other government enterprise, hospital charges, transportation charges, education charges, other fees.




Extended Stay
$1,600
VS
LIHTC Rent (2bdr)
$1,077
DISCRETIONARY INCOME

Gwinnett Housing Development Bond

By: Lejla Prljaca, Gwinnett Housing Corporation

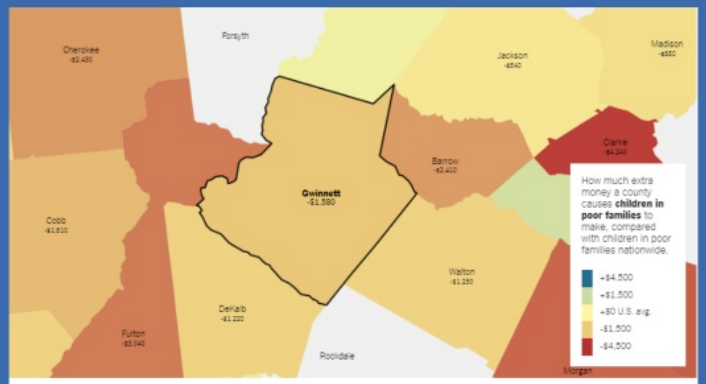
A Pledge to Build a Beloved Community

Fundamental to the concept of the Beloved Community are ***economic*** and ***social*** inclusiveness.

Socio-Economic Mobility

Wealth Building through Home Ownership

The Impacts of Neighborhoods on Intergenerational Mobility
by: Ray Chetty and Nathaniel Hendren

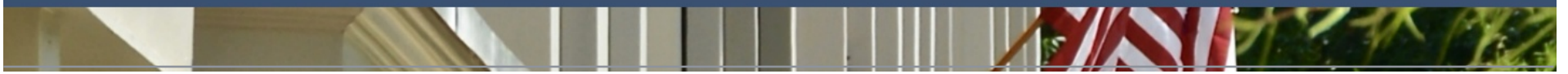


Gwinnett County is very bad for income mobility for children in poor families. It is better than only about 16 percent of counties.

"The broader lesson of our analysis," Mr. Chetty and Mr. Hendren write, "is that social mobility should be tackled at a local level." Ray Chetty

What a Childhood in Gwinnett County Does to Future Income

	For Low Income Kids		For Average Income Kids	
GROUP	INCOME CHG.	NAT. PCT.	INCOME CHG.	NAT. PCT.
All Kids	-$1,580	16%	+$580	46%
Boys	-$3,490	3%	-$920	17%
Girls	+$840	57%	+$2,460	77%
	For High Income Kids		**For Kids in the Top 1%**	
GROUP	INCOME CHG.	NAT. PCT.	INCOME CHG.	NAT. PCT.
All Kids	+$2,750	85%	+$4,310	98%
Boys	+1,830	74%	+$4,030	98%
Girls	+$3,950	89%	+$4,950	93%



How Gwinnett County Ranks Among Places in the Atlanta Area

County	Low Income Boys	Low Income Girls	Average Income Boys	Average Income Girls	High Income Boys	High Income Girls	Top 1% Boys	Top 1% Girls
Fayette	**1st**	**1st**	**1st**	2nd	4th	8th	7th	11th
Paulding	2nd	5th	7th	4th	12th	4th	12th	4th
Henry	3rd	6th	2nd	7th	5th	7th	6th	8th
DeKalb	4th	11th	3rd	13th	2nd	13th	3rd	13th
Walton	5th	10th	4th	8th	7th	3rd	5th	2nd
Dawson	6th	4th	11th	3rd	11th	2nd	11th	3rd
Clayton	7th	13th	6th	15th	8th	15th	9th	14th
Pickens	8th	3rd	13th	5th	14th	5th	15th	7th
Jasper	9th	12th	9th	10th	9th	9th	8th	9th
Douglas	10th	8th	14th	9th	13th	10th	14th	12th
Morgan	11th	15th	8th	14th	6th	11th	4th	6th
Cobb	12th	7th	12th	6th	10th	6th	10th	5th
Fulton	13th	14th	5th	12th	**1st**	12th	**1st**	10th
Gwinnett	14th	2nd	10th	**1st**	3rd	**1st**	2nd	**1st**
Cherokee	15th	9th	15th	11th	15th	14th	13th	15th

Fundamental to the concept of the Beloved Community are ***economic*** and ***social*** inclusiveness.

Socio-Economic Mobility

Wealth Building through Home Ownership

The American Dream

In partnership with Gwinnett County, GHC has played an active role in supporting home ownership and wealth creation for first time home buyers.

Housing Development Bond will enable the local nonprofits to scale their work for larger impact.

Creating Homeownership & Economic Opportunity

GHC Study of Homeowner Savings, Retention & Wealth Creation

GHC IMPACTS: study period 2013-2021

Number of Homebuyers: 47

Average Years Living in Home (of those who've met the 5 year threshold): 6.2

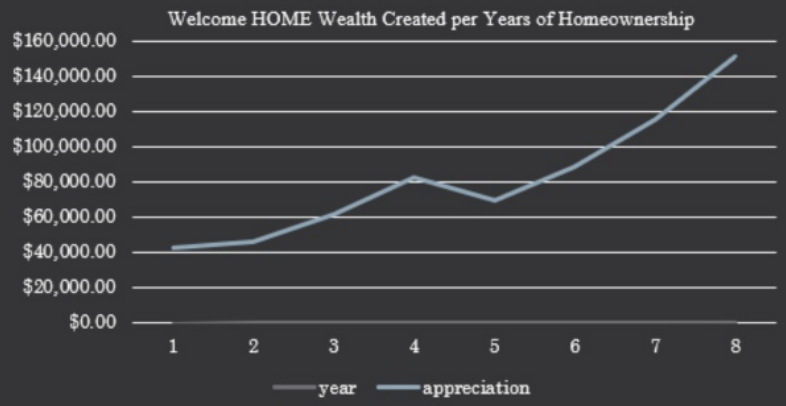
Median List Price (for GHC's Welcome HOME applicants): $124,704

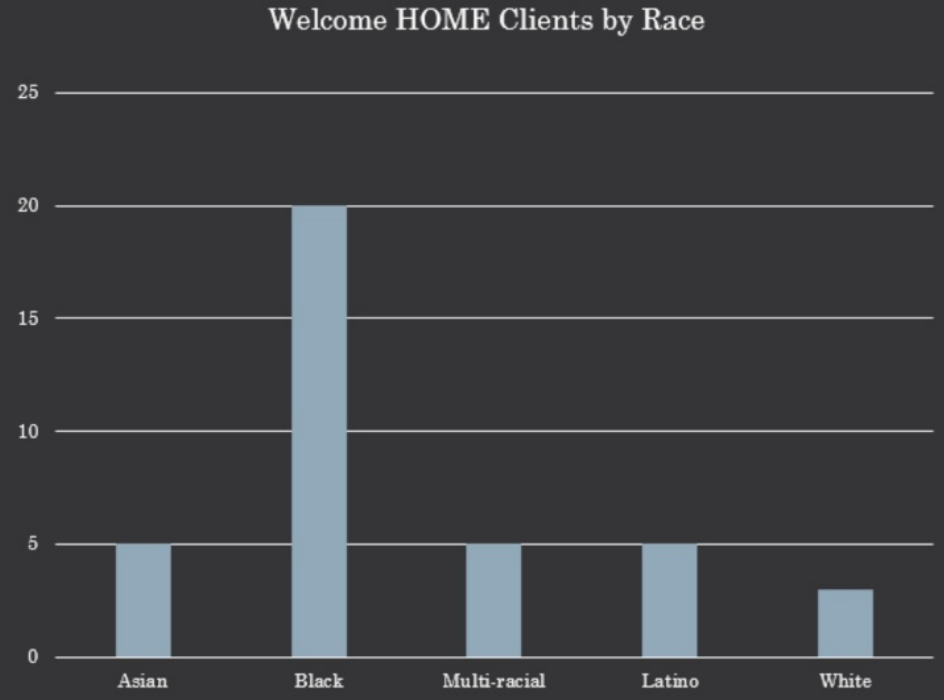
Median Estimated Home Value, 2021: $212,675

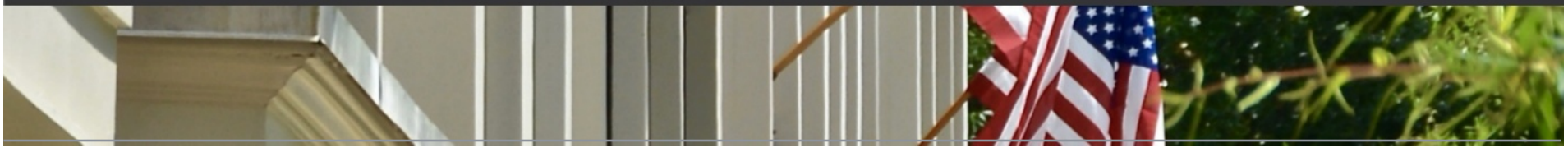
Average Home Price Appreciation: 59%

Average Wealth Created/Family: $85,386

Total Wealth Creation: $4,013,132





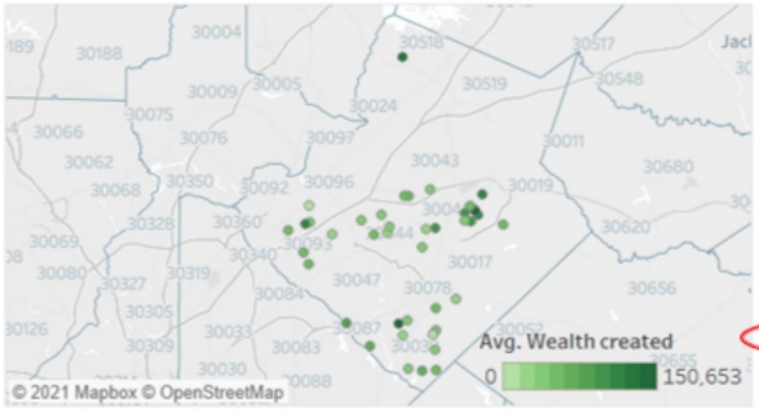


Creating Homeownership & Economic Opportunity

ANDP Study of Homeowner Savings, Retention & Wealth Creation

www.andpi.org/wealth

ANDP IMPACTS: Gwinnett County (study period: 2010-2018)



Number of Homebuyers: 48

Average Years Living in Home: 3.0

Median Purchase Price: $133K

Estimated Home Value, Nov. 2018: $178K

Avg. Home Price Appreciation: 47.7%

Avg. Wealth Created/Family: $57,734

Avg. Wealth for Families 5+ Yrs: $106,360

Total Wealth Creation: $2.7M

Wealth Created per Years of Homeownership

Average Wealth Created by Demographics

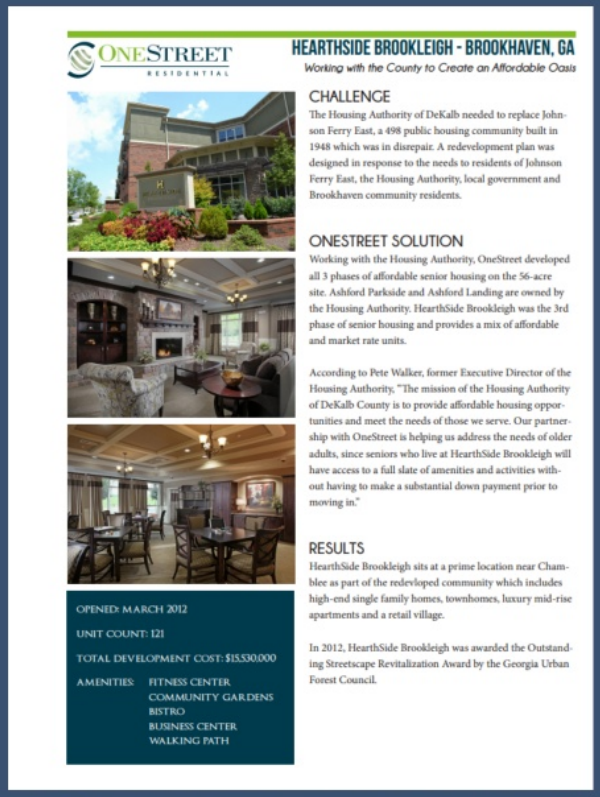
Gwinnett Housing Development Bond

By: Lejla Prljaca, Gwinnett Housing Corporation

A Pledge to Build a Beloved Community

Where do we go from here?

- Assemble a team of county staff & attorneys to work with GHC and other partners to prepare a formal proposal
- Explore creating a Land Bank Authority to assist with the land acquisition
- Explore applying for the Georgia Initiative for Community Housing to incentivize more LIHTC and market rate development



ONESTREET RESIDENTIAL

HEARTHSIDE BROOKLEIGH - BROOKHAVEN, GA

Working with the County to Create an Affordable Oasis

CHALLENGE

The Housing Authority of DeKalb needed to replace Johnson Ferry East, a 498 public housing community built in 1948 which was in disrepair. A redevelopment plan was designed in response to the needs to residents of Johnson Ferry East, the Housing Authority, local government and Brookhaven community residents.

ONESTREET SOLUTION

Working with the Housing Authority, OneStreet developed all 3 phases of affordable senior housing on the 56-acre site. Ashford Parkside and Ashford Landing are owned by the Housing Authority. HearthSide Brookleigh was the 3rd phase of senior housing and provides a mix of affordable and market rate units.

According to Pete Walker, former Executive Director of the Housing Authority, "The mission of the Housing Authority of DeKalb County is to provide affordable housing opportunities and meet the needs of those we serve. Our partnership with OneStreet is helping us address the needs of older adults, since seniors who live at HearthSide Brookleigh will have access to a full slate of amenities and activities without having to make a substantial down payment prior to moving in."

RESULTS

HearthSide Brookleigh sits at a prime location near Chamblee as part of the redevloped community which includes high-end single family homes, townhomes, luxury mid-rise apartments and a retail village.

In 2012, HearthSide Brookleigh was awarded the Outstanding Streetscape Revitalization Award by the Georgia Urban Forest Council.

OPENED: MARCH 2012

UNIT COUNT: 121

TOTAL DEVELOPMENT COST: $15,530,000

AMENITIES: FITNESS CENTER
COMMUNITY GARDENS
BISTRO
BUSINESS CENTER
WALKING PATH

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ONESTREET RESIDENTIAL

HEARTHSIDE BROOKLEIGH - BROOKHAVEN, GA

Working with the County to Create an Affordable Oasis

OPENED: MARCH 2012

UNIT COUNT: 121

TOTAL DEVELOPMENT COST: $15,530,000

AMENITIES:
- FITNESS CENTER
- COMMUNITY GARDENS
- BISTRO
- BUSINESS CENTER
- WALKING PATH

CHALLENGE

The Housing Authority of DeKalb needed to replace Johnson Ferry East, a 498 public housing community built in 1948 which was in disrepair. A redevelopment plan was designed in response to the needs to residents of Johnson Ferry East, the Housing Authority, local government and Brookhaven community residents.

ONESTREET SOLUTION

Working with the Housing Authority, OneStreet developed all 3 phases of affordable senior housing on the 56-acre site. Ashford Parkside and Ashford Landing are owned by the Housing Authority. HearthSide Brookleigh was the 3rd phase of senior housing and provides a mix of affordable and market rate units.

According to Pete Walker, former Executive Director of the Housing Authority, "The mission of the Housing Authority of DeKalb County is to provide affordable housing opportunities and meet the needs of those we serve. Our partnership with OneStreet is helping us address the needs of older adults, since seniors who live at HearthSide Brookleigh will have access to a full slate of amenities and activities without having to make a substantial down payment prior to moving in."

RESULTS

HearthSide Brookleigh sits at a prime location near Chamblee as part of the redevloped community which includes high-end single family homes, townhomes, luxury mid-rise apartments and a retail village.

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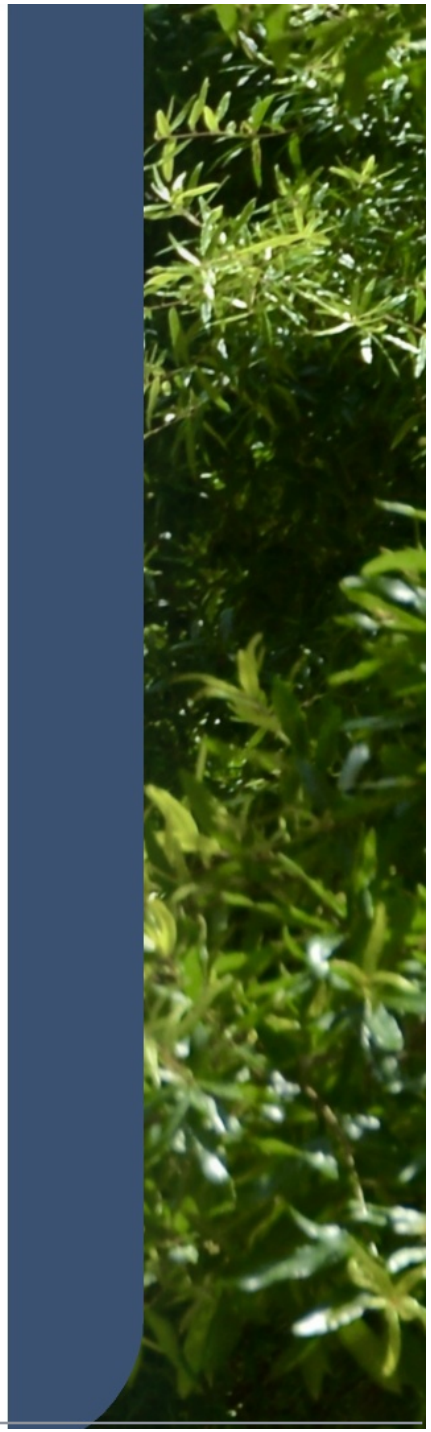

Gwinnett Housing Development Bond

By: Lejla Prljaca, Gwinnett Housing Corporation

A Pledge to Build a Beloved Community

Atlanta Regional Commission
ANDP
Enterprise Community Partners
Gwinnett Habitat for Humanity
Gwinnett Housing Corporation
Gwinnett Legal Aid
Jessica Wang, graphic design
Kutack Rock Law
One Street Residential
Raymond James Investment Banking Company
Urban Land Institute