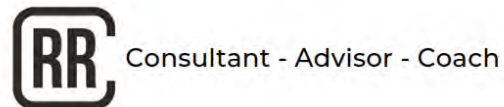


Walton County Housing Study



PREPARED FOR THE
WALTON COUNTY DEVELOPMENT AUTHORITY



Introduction

The Development Authority of Walton County retained Rope Roberts Consulting to conduct a housing study in order to understand the current county-wide housing, to give insights and trends into what housing could be in Walton County, and make recommendations and suggestions to help improve housing in the municipalities and the unincorporated portion of the county.

The county finds itself in a unique position having located a major auto manufacturer as well as having existing industries expand. Because of the increased job creation, Walton County wants to understand where they are today so they can chart a course of where to go in the future in regards to housing.

This report includes the county demographics, the statistics of the housing ownership, housing supply characteristics and the housing demand. This report also includes insights the above information provided the writer and considerations the community should consider in making a housing strategy. It will focus only on the market priced housing and not housing units that are subsidized.



Economic Development and Housing

WALTON COUNTY

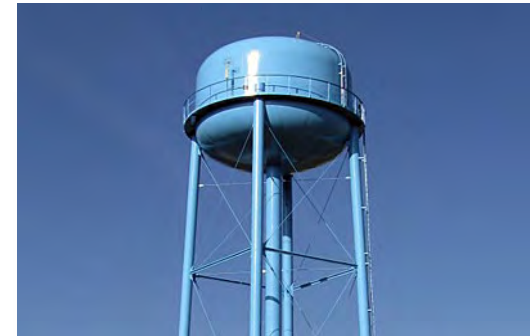
What is important to the prospect?

The Development Authority of Walton County understands that in order to help existing industries grow or to attract new industries, they must have three ingredients: product, infrastructure and workforce. This report focuses on how to retain and attract new talent for ALL jobs and industries in Walton County.

Product



Infrastructure



Workforce

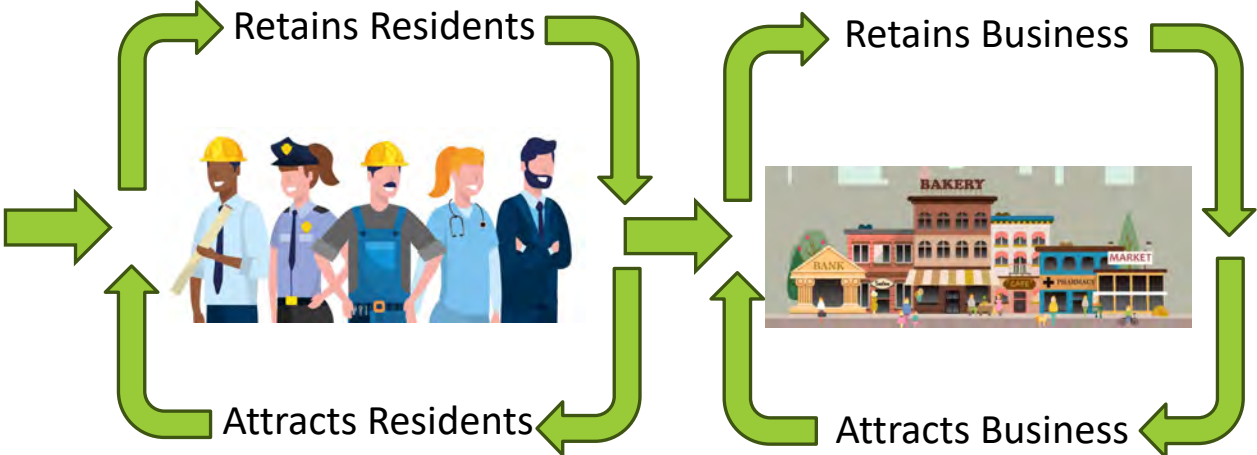


Economic Development Viewpoint on Housing

Across Georgia and the U.S., communities have understood that in order for the businesses and industries in their community to prosper and grow, they must have a pipeline of workers entering their workforce at different points. They have also learned that in order to have the various workers, they must provide housing that is affordable at the level appropriate to what they are being paid.



Your workforce needs housing options that are affordable



Demographic Profile and Trends

WALTON COUNTY DEMOGRAPHICS, HOUSING
CHARACTERISTICS AND TRENDS

Demographic Profile & Trends Overview

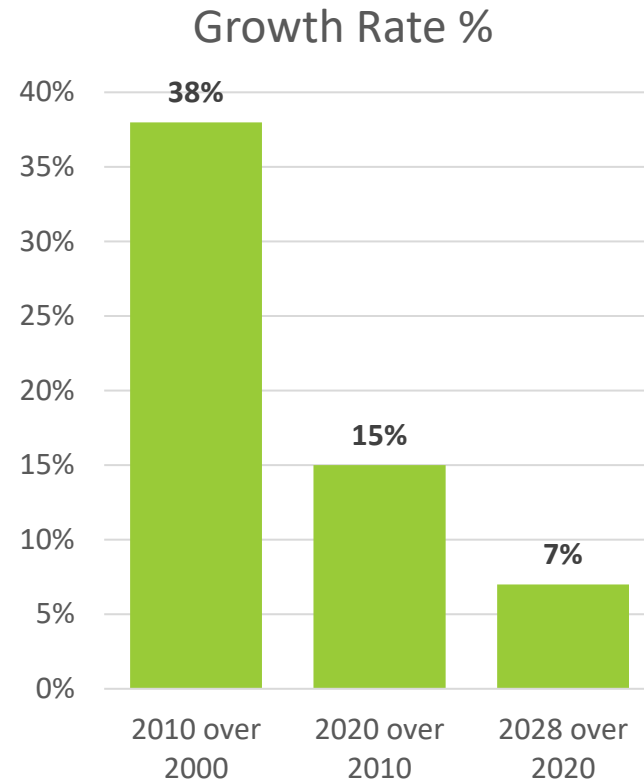
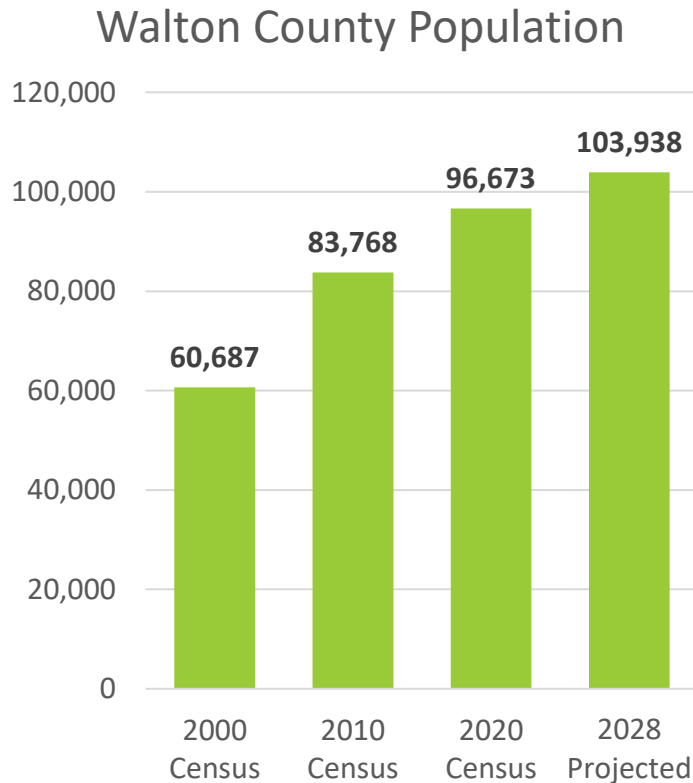
This section provides an overview of Walton County's demographic environment to set the context for the housing study and its recommendations. There are some city charts included. The section includes an overview of population, households and income trends.

Some of the highlights are:

- The county population grew at a greater rate from 2000 to 2010 than from 2010 to 2020. This can be attributed to a proportionally greater number of residential permits being issued during the same period.
- Walton County is projected to grow by 70% in the next 27 years if all current building and housing remains on the same path.
- The number of households with people under 18 years of age has stabilized and plateaued while the number of households with people over 65 has grown 110% in the past 20 years.
- Although the actual number of housing units has grown, the percentage of renters to owners has remained consistently at ratio of 25% to 75% since 2000.

Demographic Trends - Population

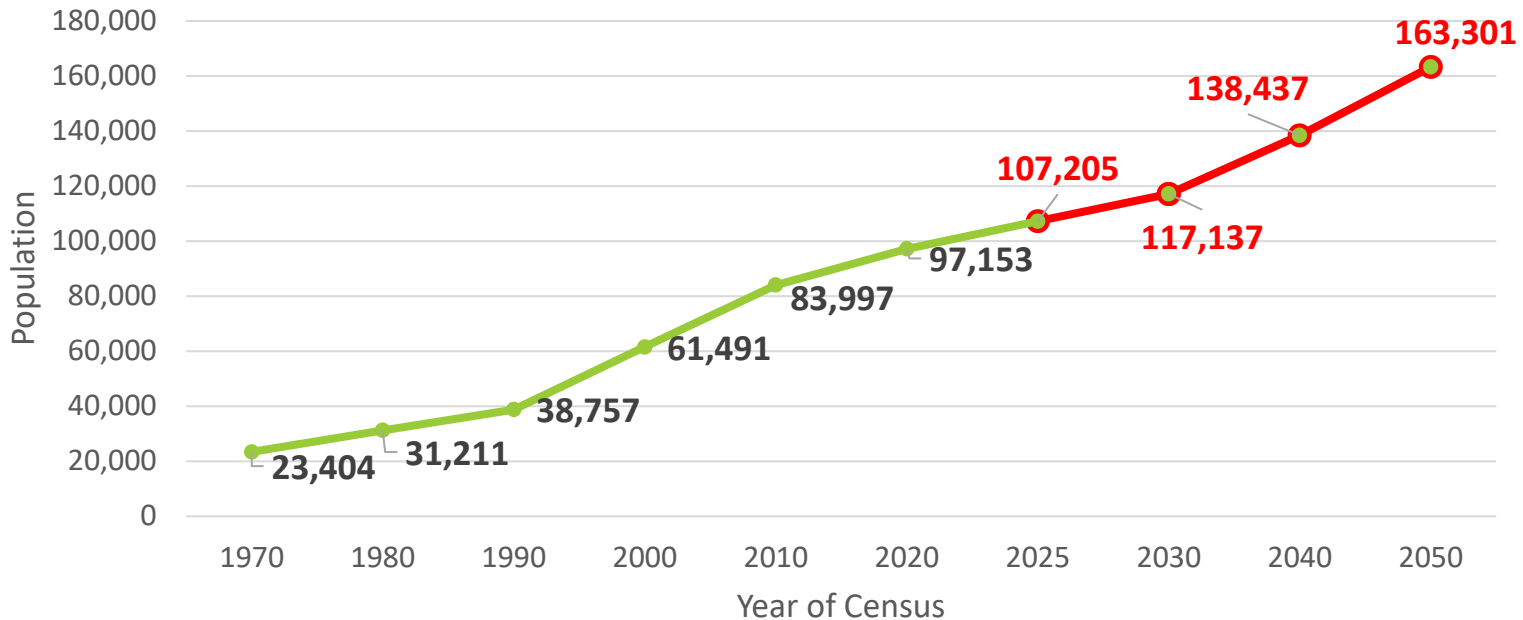
- Walton County's population grew faster from 2000 to 2010 than from 2010 to 2020.
- The growth rate trend for the county as a whole is slowing.



Demographic Trends – Population

- In the past 50 years, Walton County has increased its population by over 300%!
- The projected population of 163,301 is an increase of almost 70% by the year 2050.

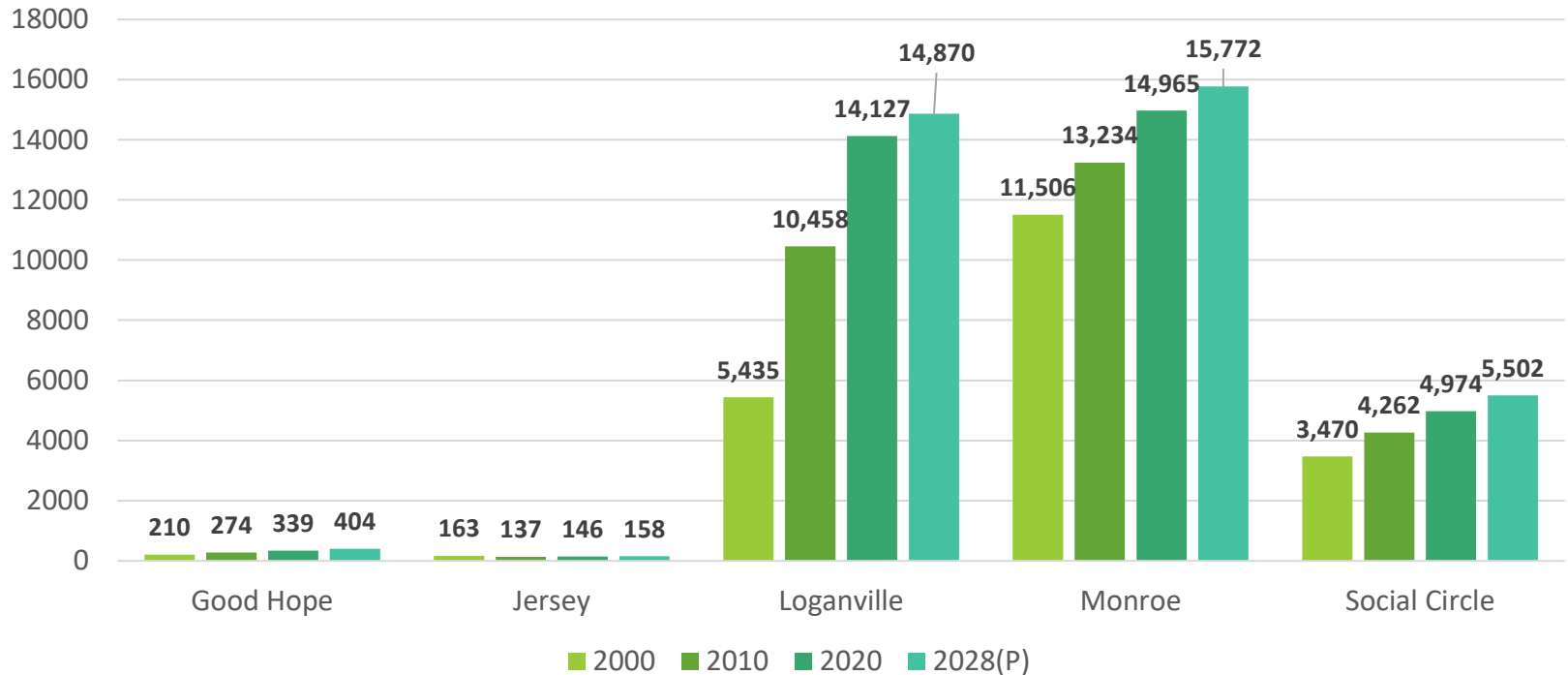
Walton County Population & Projections



Demographic Trends – City Population

- The cities of Walton Co have grown consistently with the exception of Loganville which had a 92% increase from 2000 to 2010.
- The populations of all the cities have consistently remained at 34% of the county population.

Growth of Walton County Cities

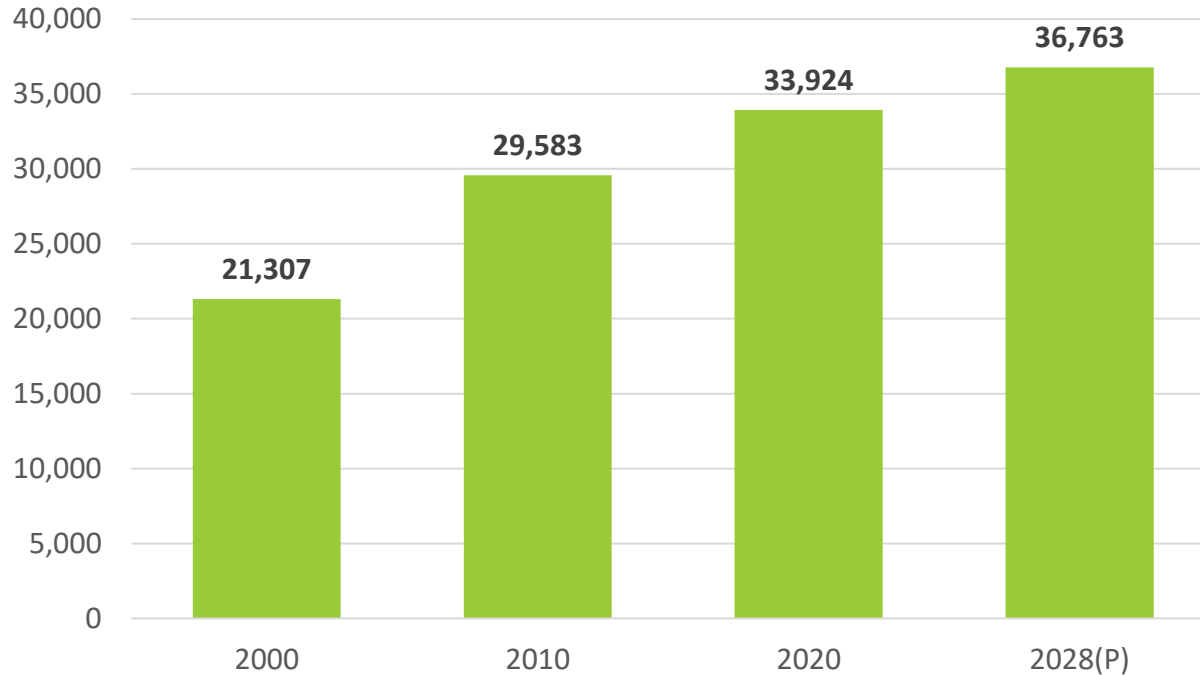




Demographic Trends - Households

- The number of households have grown at the same rate as the population and is not projected to grow dramatically.
-

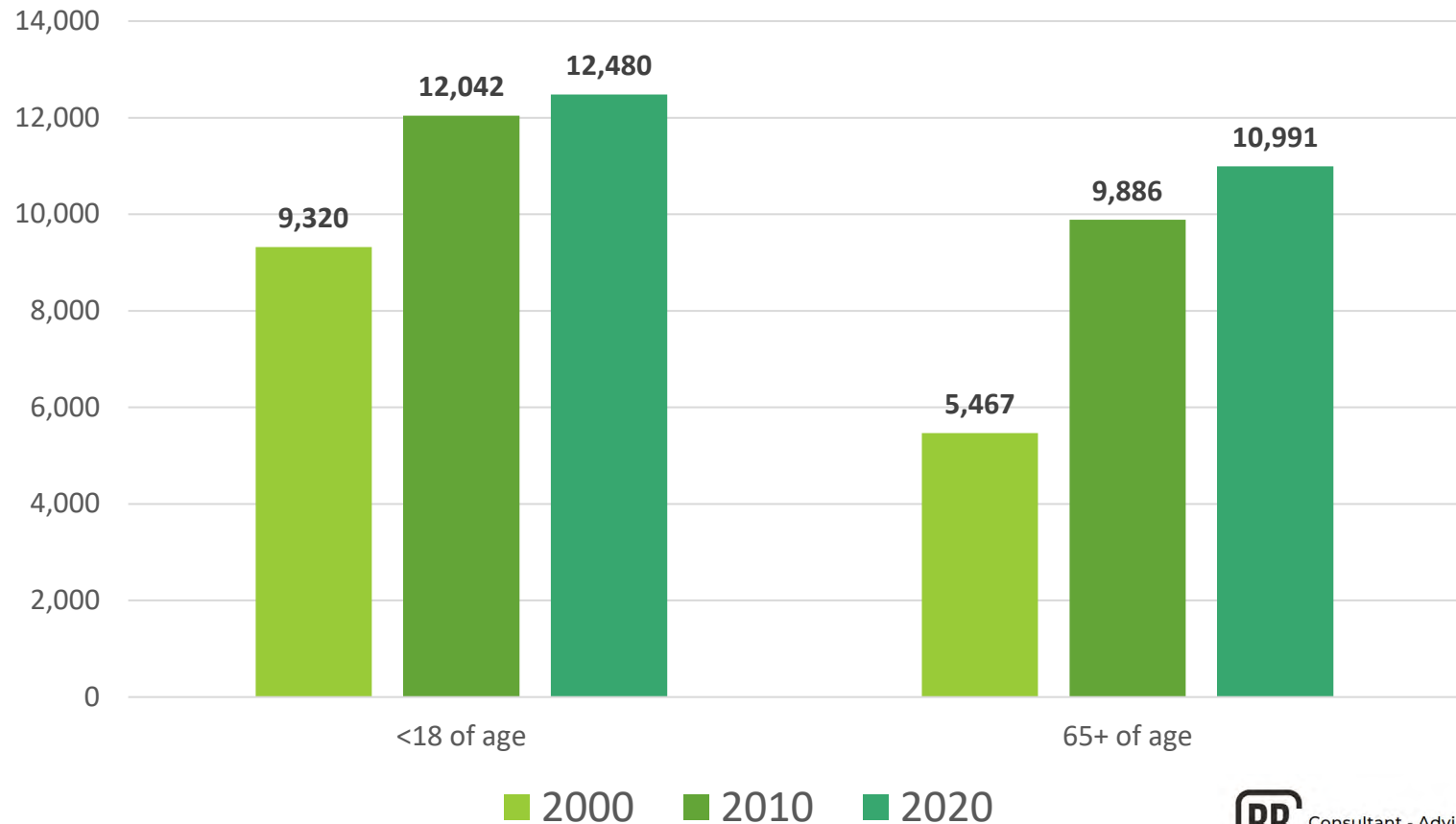
Number of Households in Walton County





Demographic Trends – Households(HHs)

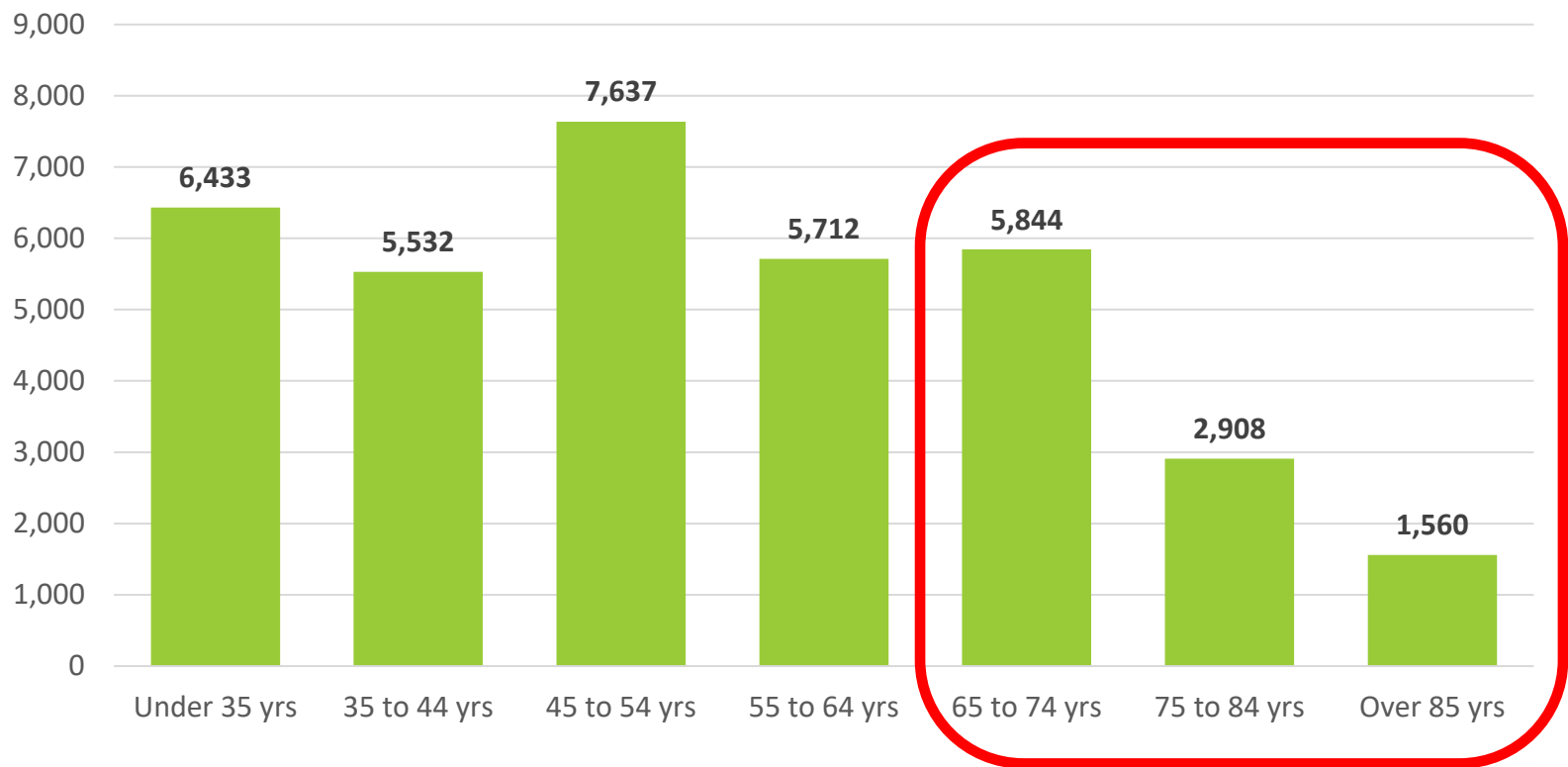
- It is important to look at the bookends of the population in the households. The HHs with people under 18 years old has grown but seems to have plateaued.
- The HHs with people over 65 years old has grown by 100% from 2000 to 2020 with the largest increase of 80% from 2000 to 2010 and 11% increase from 2010-2020.





Demographic Trends – Age of Householder

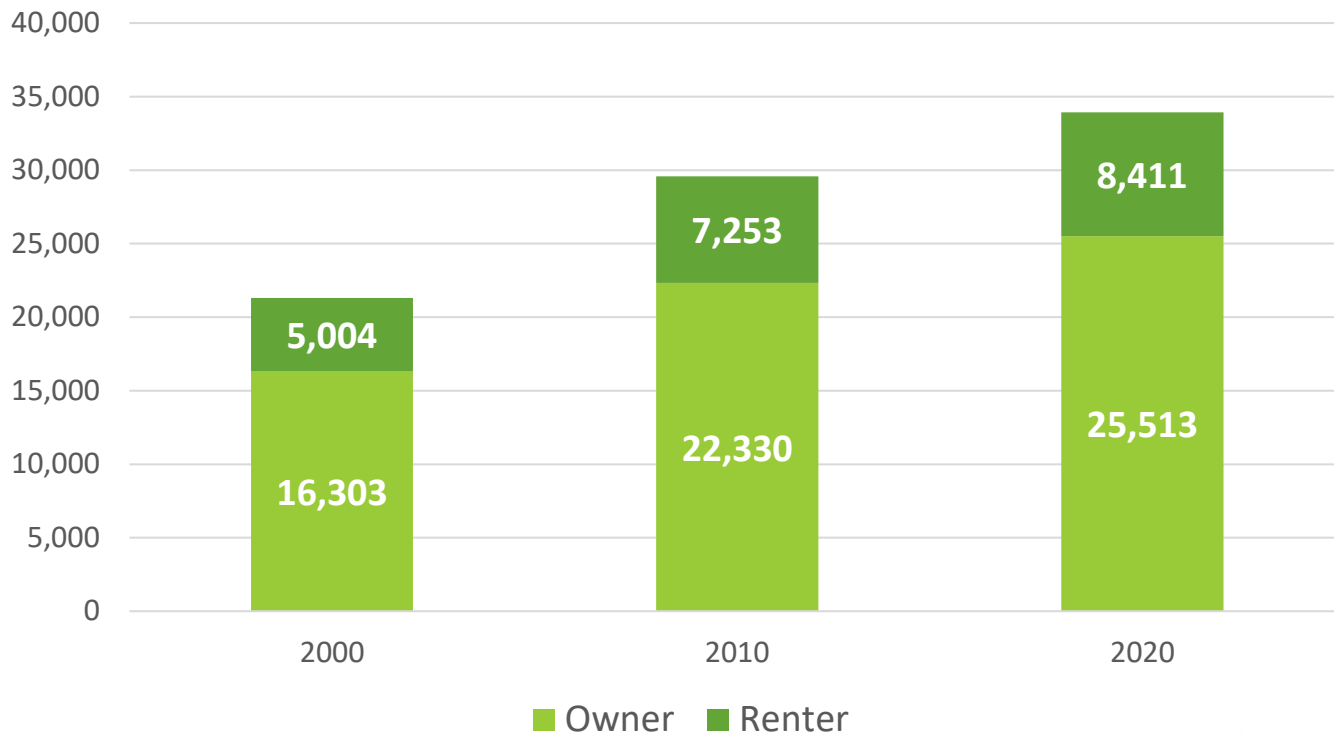
- For the first time in U.S. history, the number of residents aged 65 and older will surpass those aged 18 and younger, with one-fifth of the total population reaching the retirement age of 65.
- In 2021, one-third of householders in Walton County were of age 65 or older.



Demographic Trends – Owner/Renter

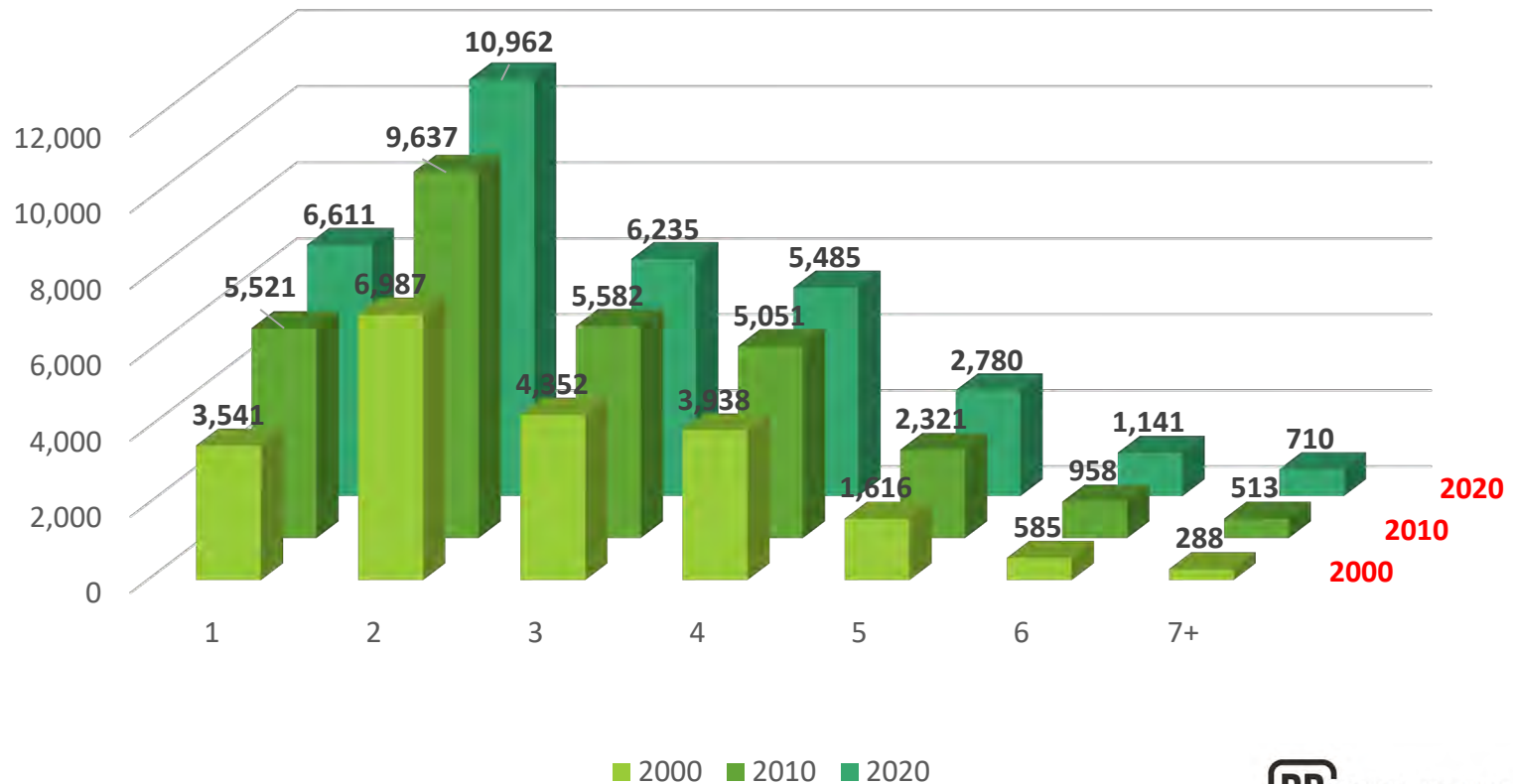
- While the total number of renter occupied units has grown, the percentage of renter occupied units has consistently stayed at 25% of the total occupied units since the year 2000.

Occupied Units – Owner vs Renter



Demographic Trends – Household Size

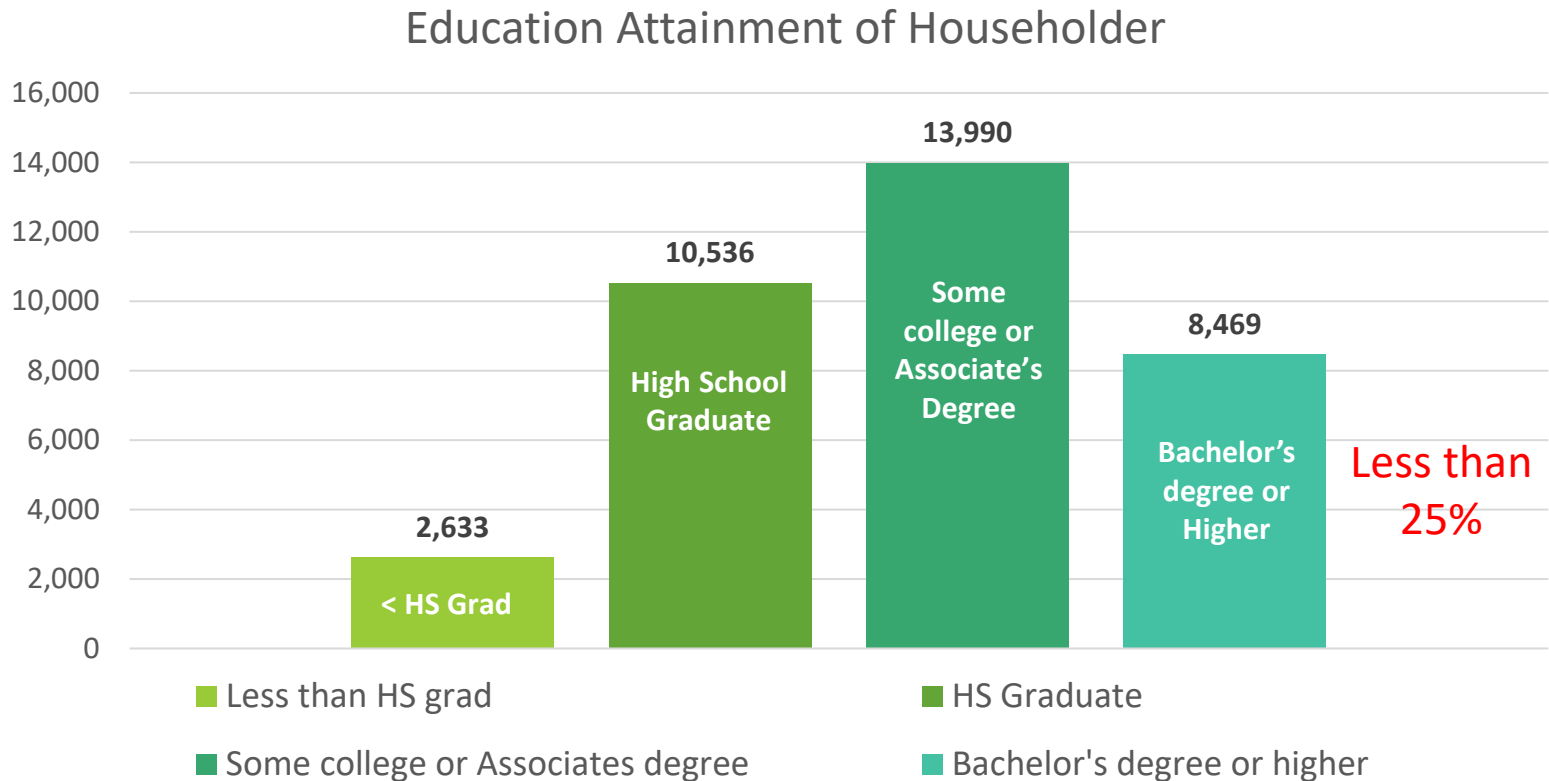
- Household size tells us the number of people living in the housing units. Over the 3 different time points, the numbers for each associated size has increased. This graph shows the demand for housing options that could address the different size households.





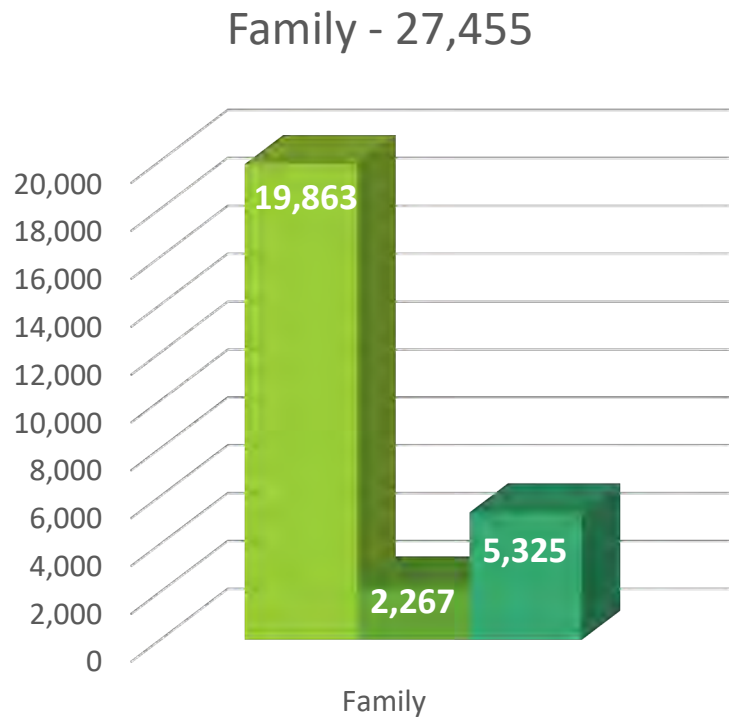
Demographic Trends – Education Level

- In 2021, the education attainment of the majority of the householders were high school graduates or some college/Associate's degree.

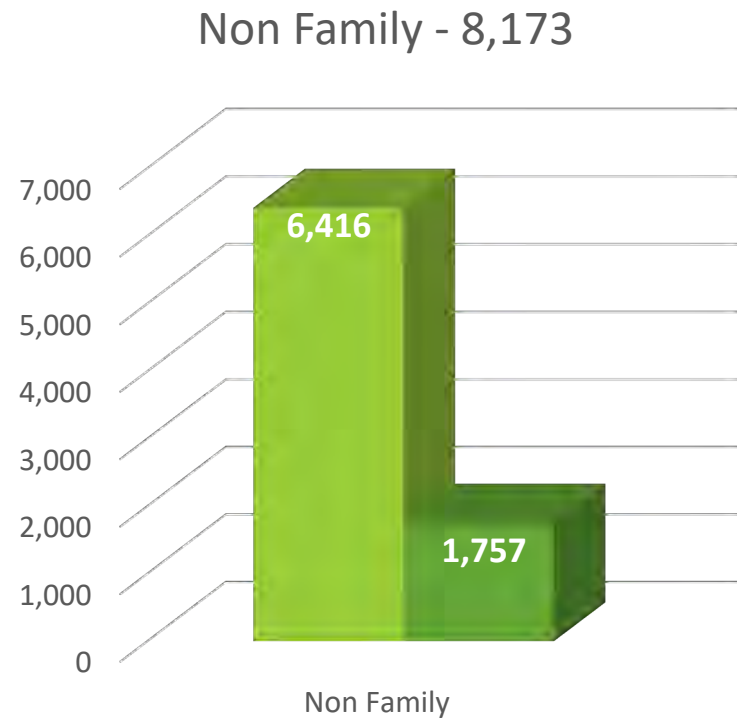


Demographic Trends – Household Types

- The “Family” type of Households is 77% of the total families in Walton County. The Married Couple is 72% of the Family type while the Living Alone is 78% of the Non Family type.



■ Married Couple ■ Male HH ■ Female HH



■ HH Living Alone ■ HH Not Living Alone



Demographic Trends – Annual HH Income

- 33% of the households have an annual income of \$50,000 or less and 49% of the households have an annual income of \$75,000 or less.

Households by Income	2023 Number	2023 Percent	2028 Number	2028 Percent
<\$15,000	2,302	6.5%	1,922	5.2%
\$15,000 - \$24,999	3,661	10.3%	2,869	7.8%
\$25,000 - \$34,999	1,602	4.5%	1,388	3.8%
\$35,000 - \$49,999	3,542	9.9%	3,034	8.3%
\$50,000 - \$74,999	6,405	18.0%	6,118	16.6%
\$75,000 - \$99,999	4,887	13.7%	5,145	14.05
\$100,000 - \$149,999	7,172	20.1%	8,346	22.7%
\$150,000 - \$199,999	3,627	10.2%	4,920	13.4%
\$200,000 +	2,479	6.9%	3,021	8.2%

Handwritten red annotations: A bracket groups the income categories from \$25,000 to \$74,999 with the number 17,512. Another bracket groups the categories from \$75,000 to \$199,999 with the number 18,165.



Demographic Trends – Monthly Housing Costs

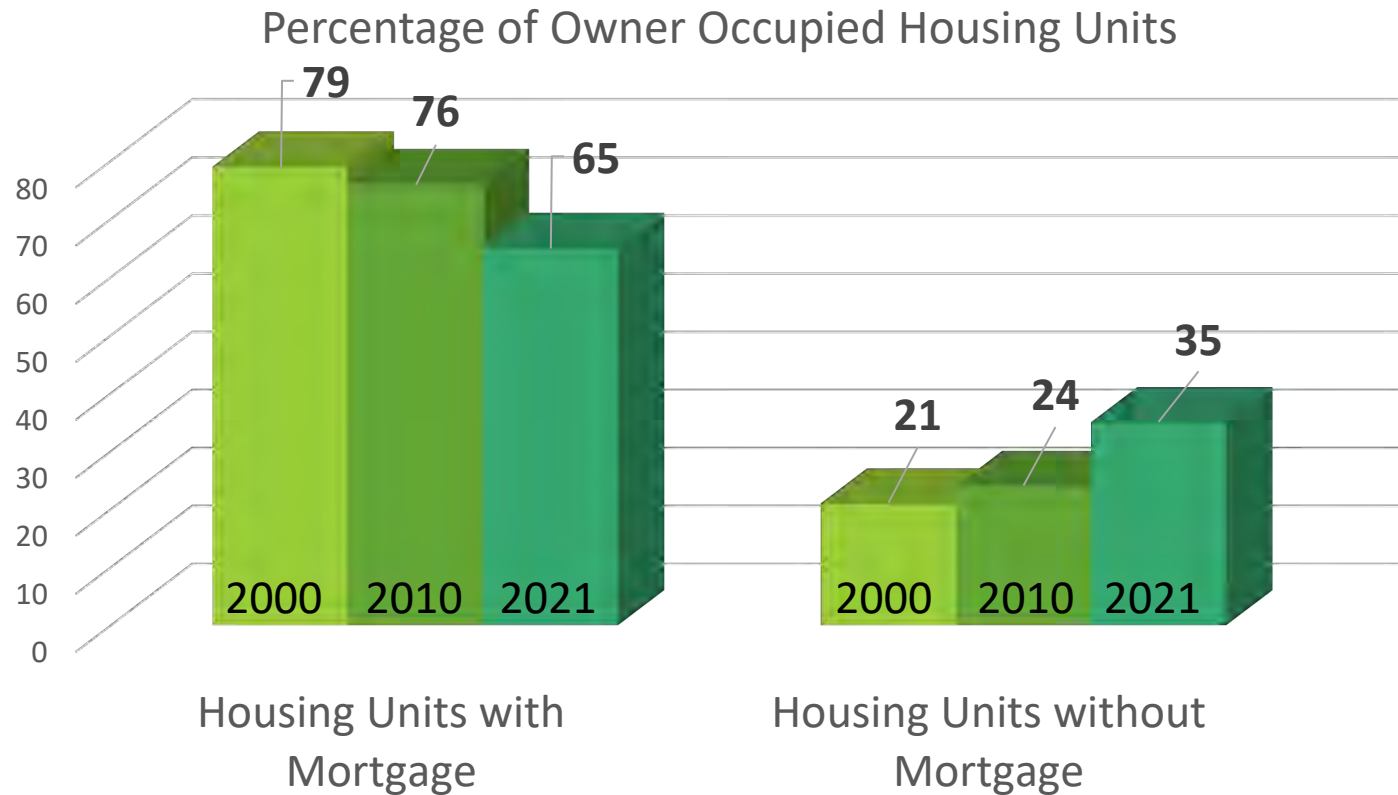
Monthly Housing Cost	2021 Number	2021 Percent
<\$100	110	< 1%
\$100 - \$199	806	2%
\$200 - \$299	1,426	4%
\$300 - \$399	2,550	7%
\$400 - \$499	2,854	8%
\$500 - \$599	1,536	4%
\$600 – \$699	1,346	4%
\$700 – \$799	670	2%
\$800 - \$800	2,303	6%
\$900 - \$999	1,838	5%
\$1,000 - \$1,499	10,145	28%
\$1,500 – \$1,999	4,689	13%
\$2,000 - \$2,999	3,396	10%
\$3,000 +	310	< 1%

- Of the 35,628 occupied housing units in Walton County, this chart shows the breakdown of the monthly housing cost and the associated number of housing units.
- Monthly housing costs of \$1,000 or greater represents 52% of the housing units. Which means that 48% is less than \$1,000 a month.



Demographic Trends – Mortgage

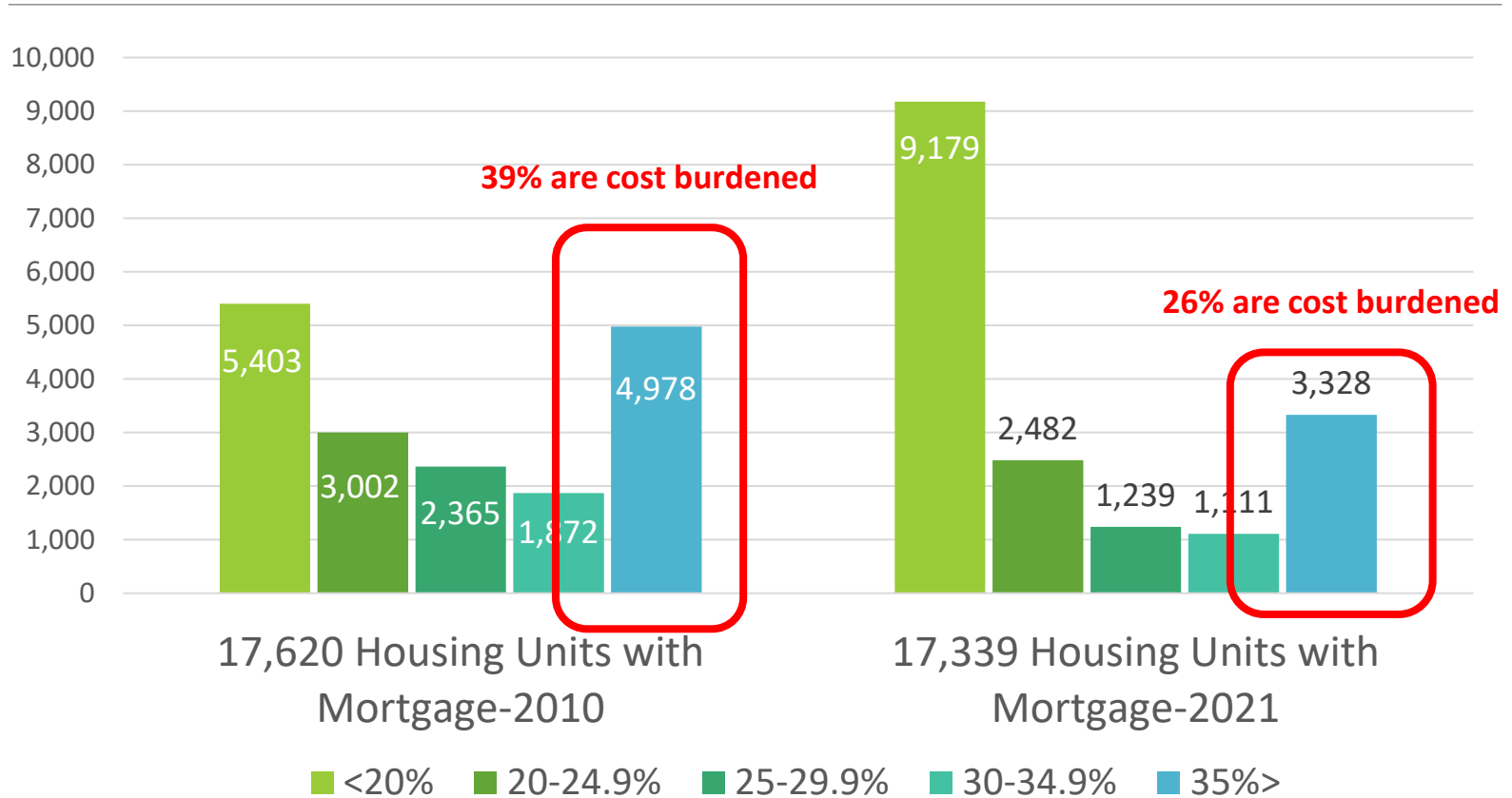
- Housing units with mortgages are decreasing. Mortgages are being paid off and some of the older residents pay cash instead of taking a mortgage.





Demographic Trends – Cost Burdened/Own

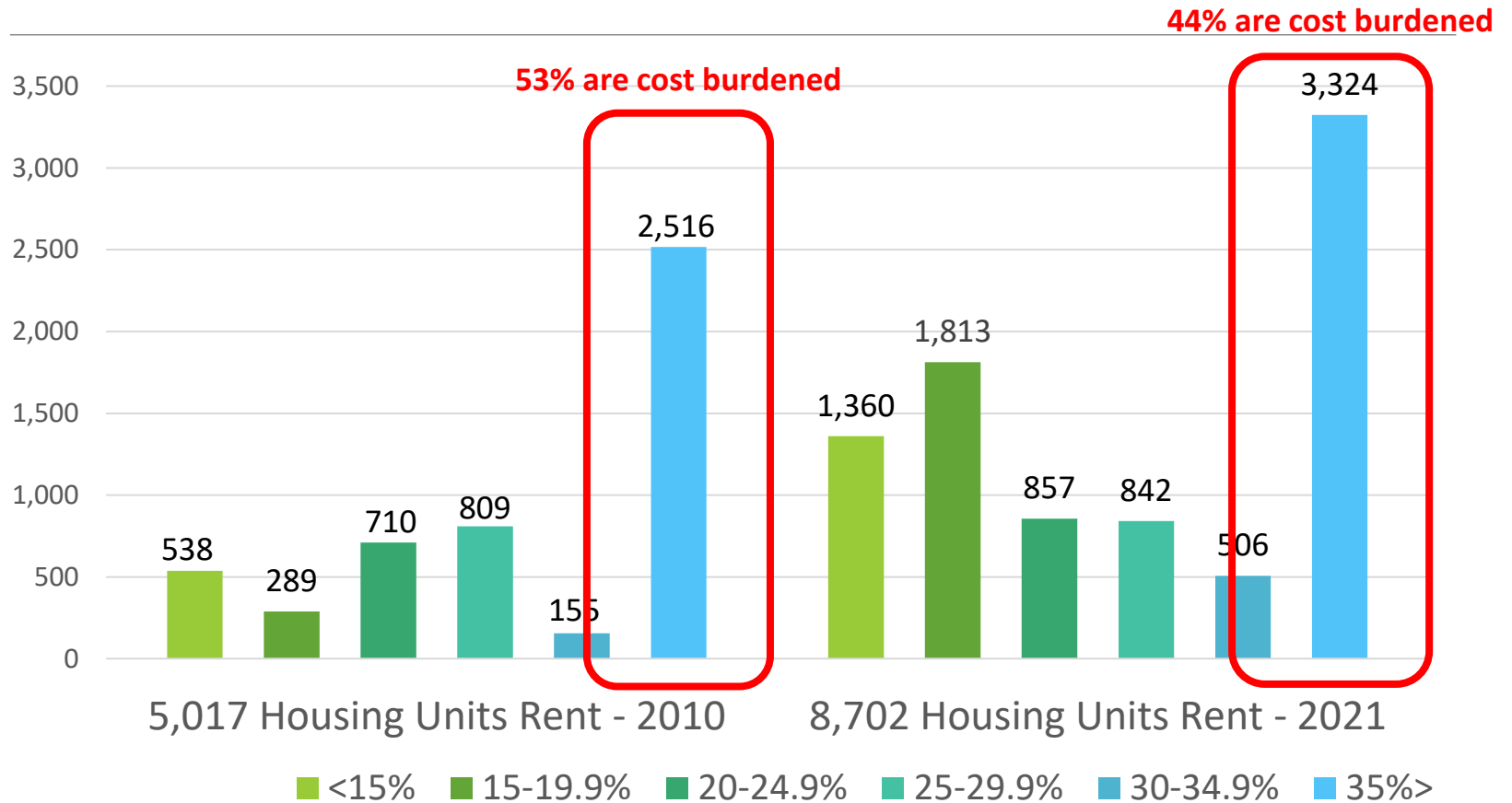
- This chart shows the selected monthly owner costs as a percentage of household income. Those that spend 30% or more on housing are considered cost burdened. Notice: the percentage is trending down.





Demographic Trends – Cost Burdened/Rent

- This chart shows the gross rent as a percentage of household income. Those that spend 30% or more on housing are considered cost burdened. Notice: the percentage is trending down.



Housing Profile and Trends

WALTON COUNTY HOUSING CHARACTERISTICS
AND TRENDS

Housing Profile & Trends Overview

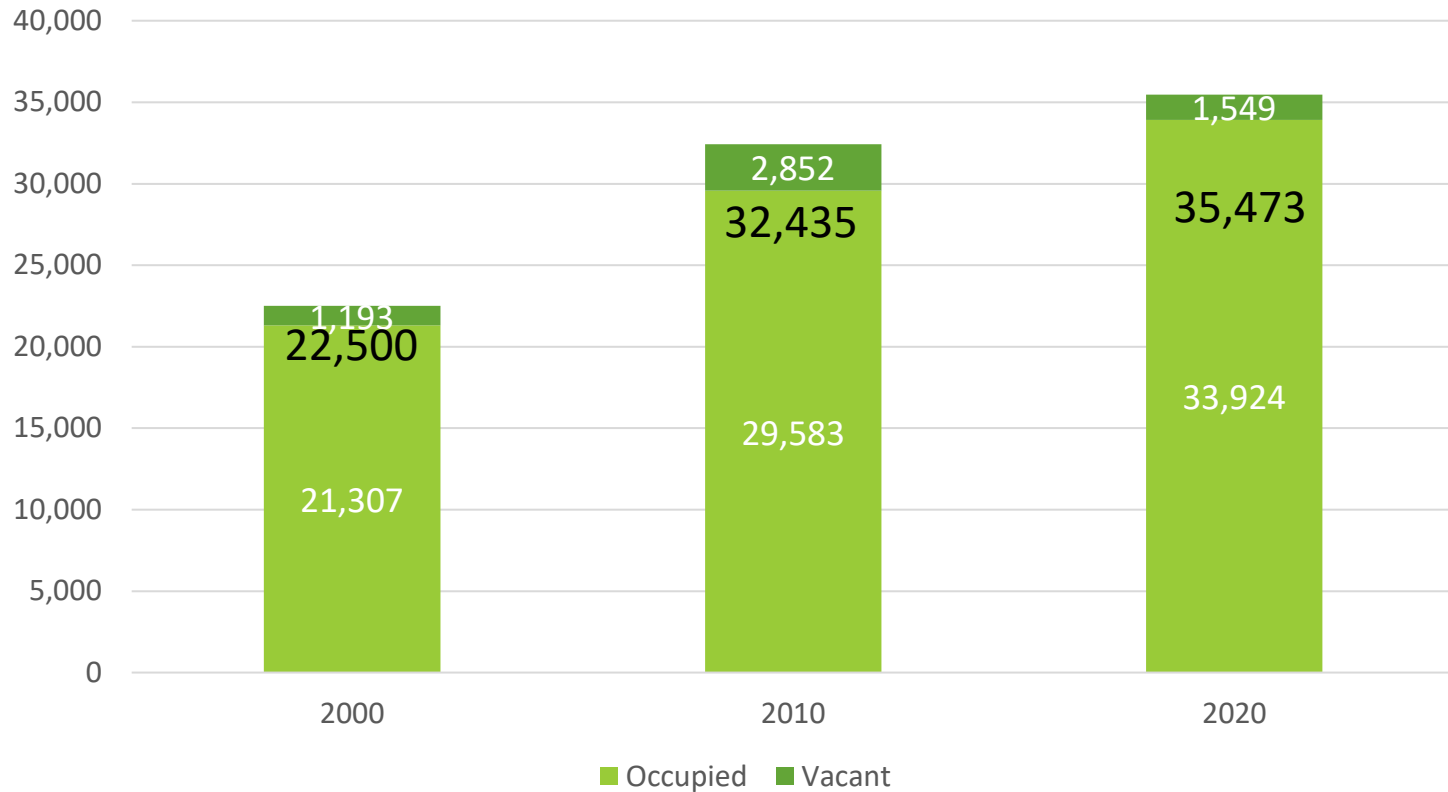
This section provides an overview of Walton County's housing statistics and characteristics to give context for the housing study and its recommendations. There are some city charts included but it is mostly county related. The section includes an overview of housing demographics, supply, household characteristics, income trends and housing demand.

Some of the highlights are:

- In the past 10 years, the population grew by 15% while the available housing units grew by only 9% thereby creating a housing supply gap.
- The number of homes built in the last decade is 75% less than the number built in the previous decade. This also contributes to the housing shortage.
- A vast majority of the existing housing units have 3 bedrooms.
- Of all the owner-occupied housing units, the majority of the units are priced between \$200,000 and \$400,000.
- 80% of the housing units pay \$500-\$1,500 per month which fits with the current household income of the county.
- The single family home makes up 84% of all housing units in Walton County.

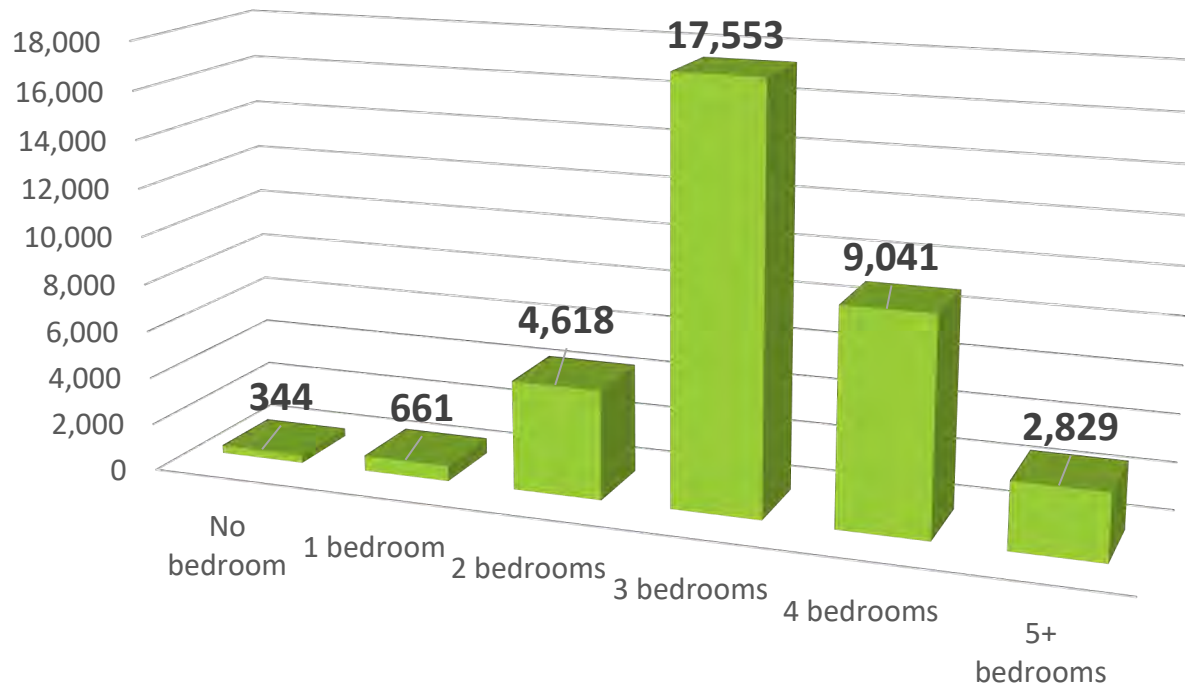
Housing Supply – Housing Units

- The total number of housing units increased by 44% from 2000 – 2010 before the Great Recession. From 2010 to 2020 the housing units increased by only 9% while the population grew by 15% thereby creating a demand for housing in Walton County.



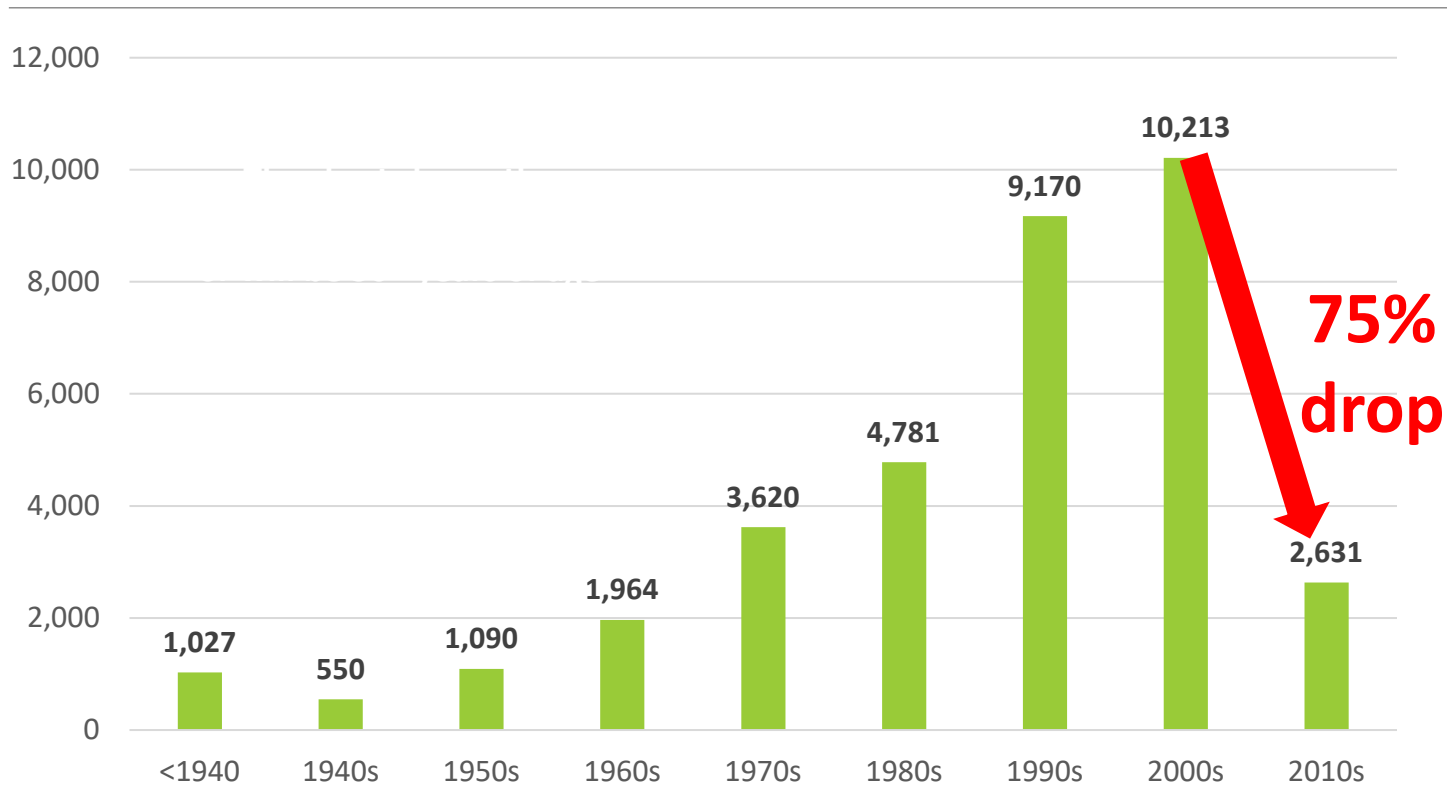
Housing Supply – House Size by Bedroom

- Of all the occupied housing units, this chart shows the number of bedrooms in each unit. The vast majority of the housing units in the Walton County inventory have three bedrooms.



Housing Supply – Age of Structure

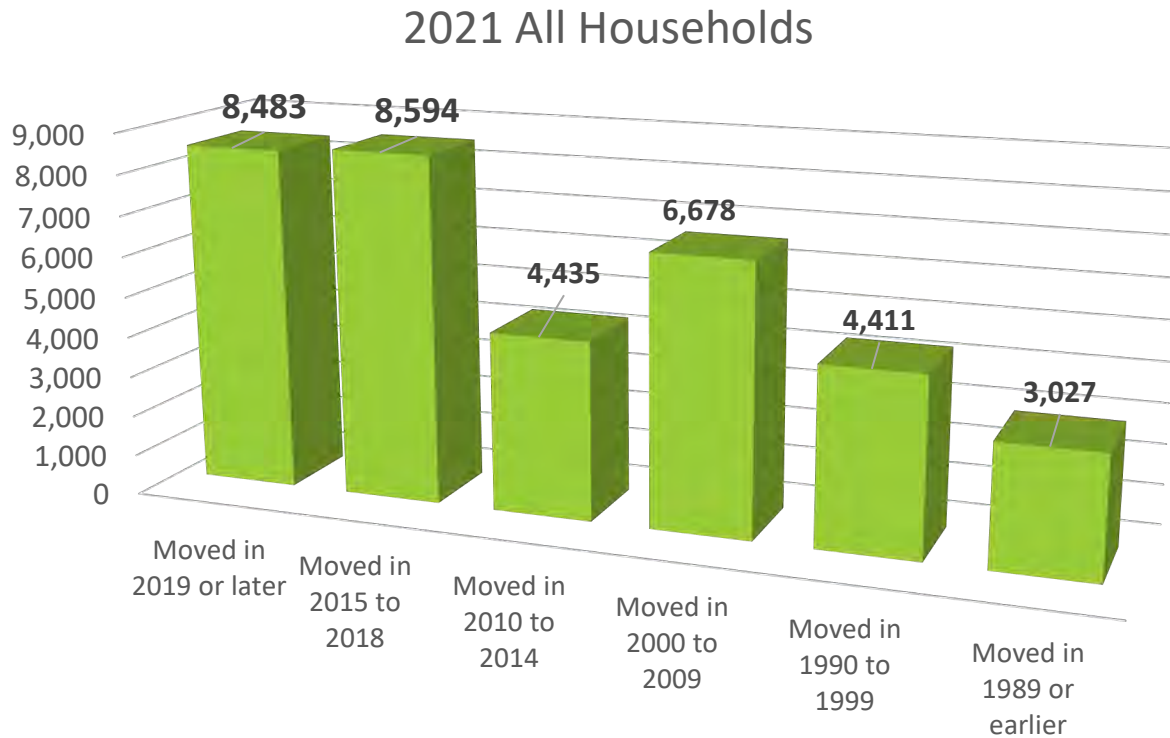
- The number of houses built between 1990 and 2010 makes up 55% of the total number of houses available today.
- The number of homes built in the last decade is 75% less than the number built in the previous decade. This is contributing to the housing shortage.





Housing Supply – Year moved into current unit

- The majority of householders have moved in during the past decade. In 2021, 60% of the householders had lived in their current unit for less than 13 years.

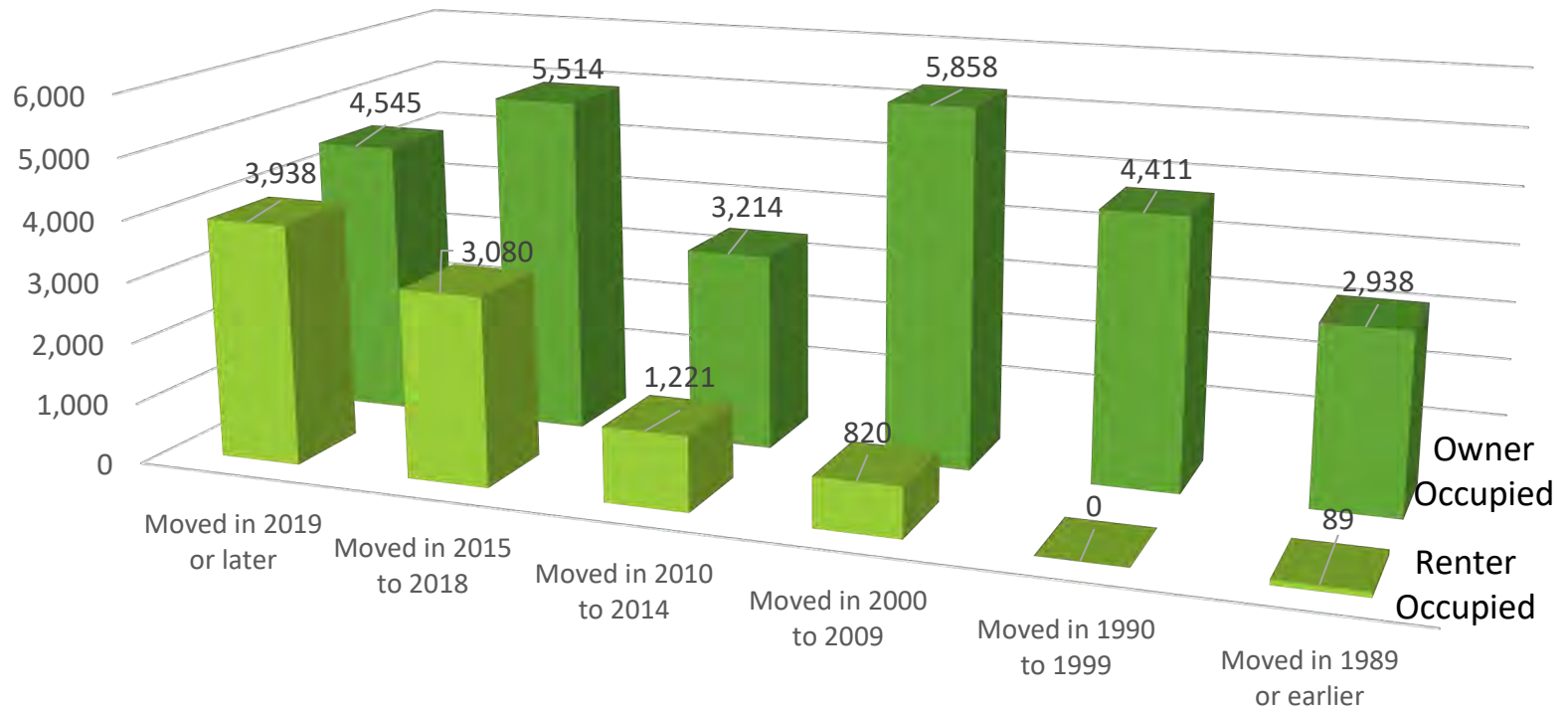




Housing Supply – Year moved in to current unit

- The majority of householders have moved in during the past decade. In 2021, 60% of the householders had lived in their current unit for less than 13 years.
- The majority of householders that moved into Walton County have been owner-occupied.

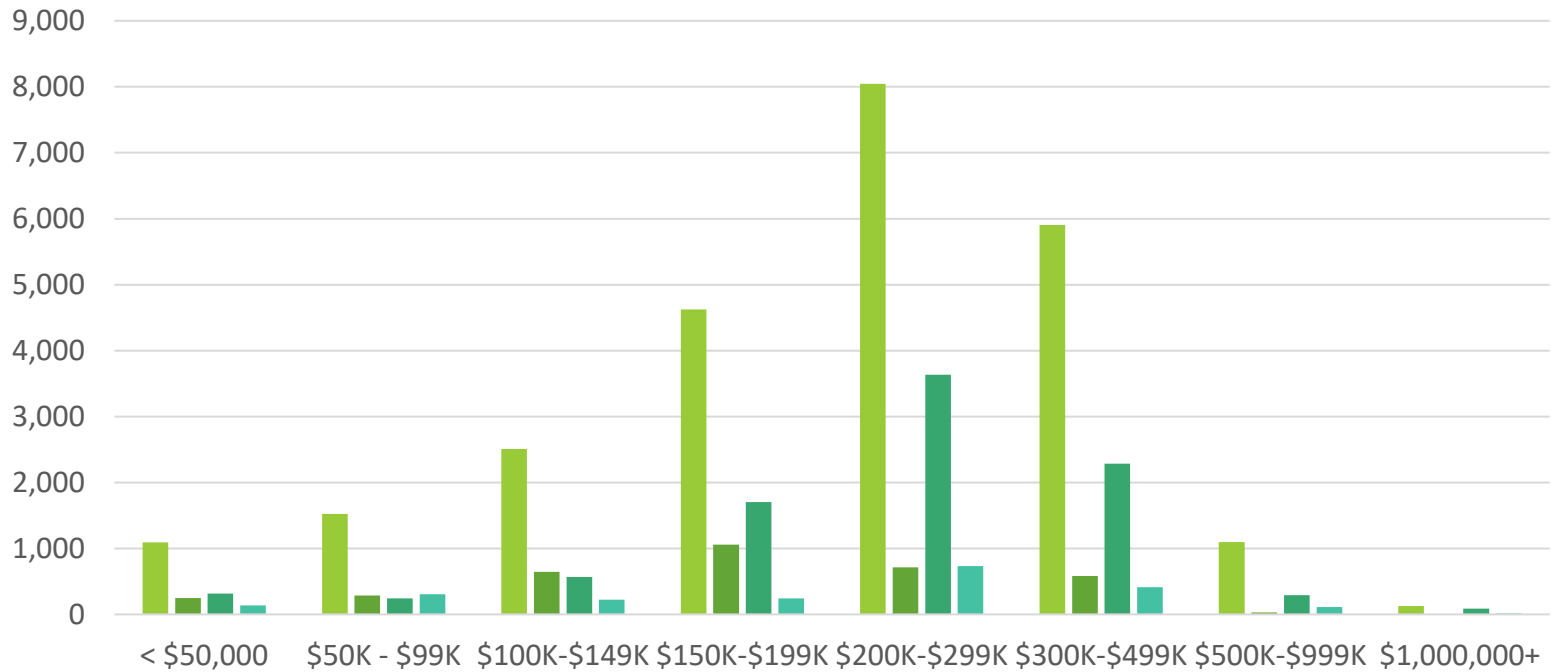
Owner Occupied VS. Renter Occupied



Housing Supply – Home Value

- The value of the majority of the homes financially fits with the household income levels to afford the homes.

Home Value Distribution, by Jurisdiction, 2021



■ Walton County
 ■ Monroe
 ■ Loganville
 ■ Social Circle

Median: \$231,900 \$174,200 \$243,700 \$231,300



Housing Supply – Home Value

- Of all the the owner occupied housing units in 2023, the majority of the units are priced between \$200,000 and \$400,000.

Owner Occupied Housing Units by Value	2023 Number	2023 Percent	2028 Number	2028 Percent
Total	27,348	100.0%	28,619	100.0%
<\$50,000	802	2.9%	764	2.7%
\$50,000 - \$99,000	729	2.7%	695	2.4%
\$100,000 – \$149,999	1,343	4.9%	1,275	4.5%
\$150,000 - \$199,999	3,676	13.4%	3,501	12.2%
\$200,000 - \$249,999	5,098	18.6%	4,914	17.2%
\$250,000 - \$299,999	5,038	18.4%	4,923	17.2%
\$300,000 – 399,999	6,947	25.4%	7,996	27.9%
\$400,000 – \$499,999	1,913	7%	2,225	7.8%
\$500,000 - \$749,999	1,501	5.5%	1,950	6.8%
\$750,000 - \$999,999	175	0.6%	227	0.8%
\$1,000,000 +	126	0.3%	149	0.4%

Housing Supply – Gross Rent

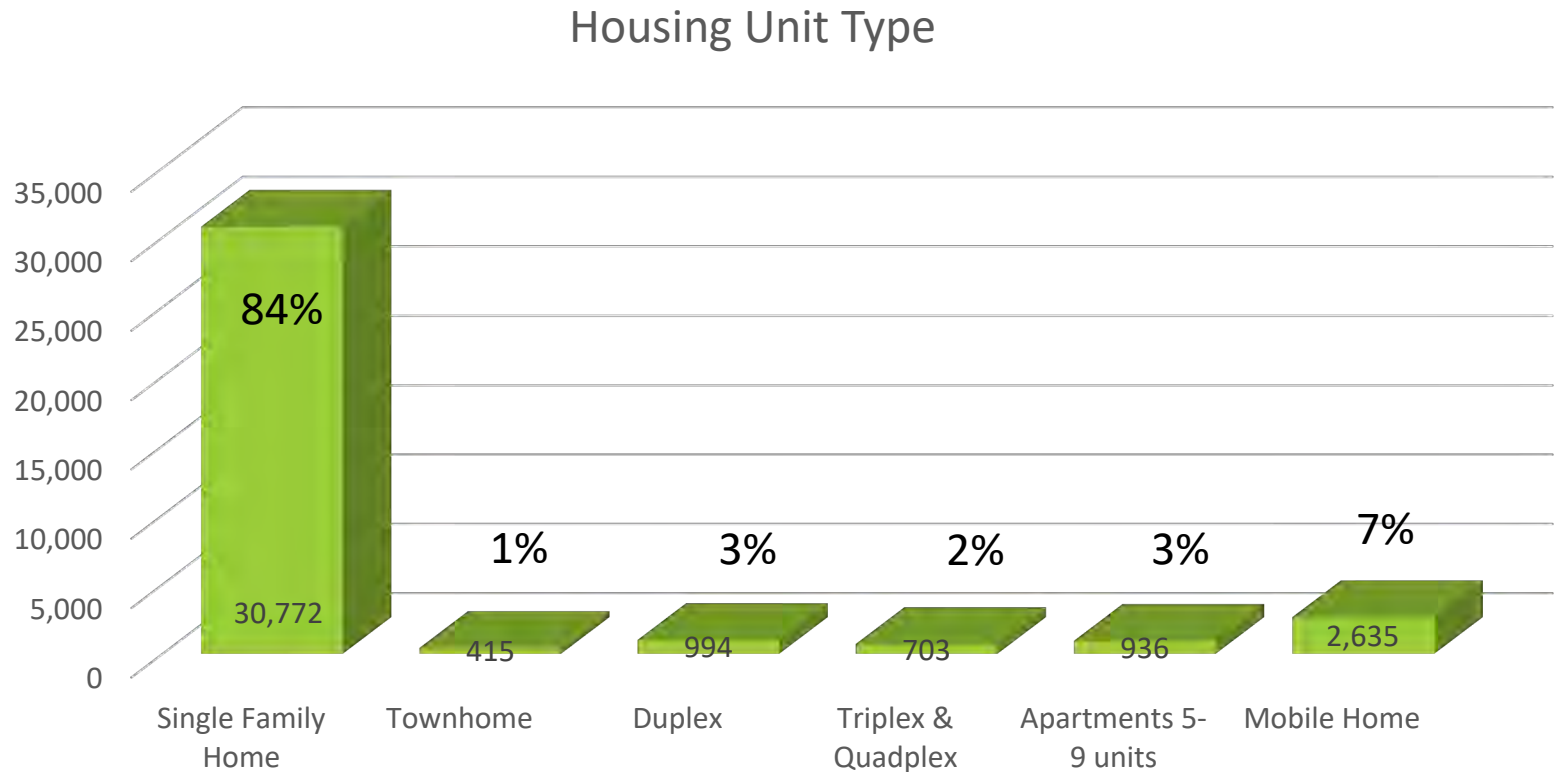
- 80% of the housing units paying rent are in the \$500-\$1500 per month which fits with the household income for those working in Walton County.



Occupied Units Paying Rent	Gross Rent per MO
< \$500	806
\$500 to \$999	2,637
\$1,00 to \$1,499	3,585
\$1,500 to \$1,999	499
\$2,000 to \$2,499	148
\$2,500 to \$2,999	20
\$3,000 >	22

Housing Supply – Type of Housing Units

- The total housing inventory is 35,046 units and has only grown 8% in the past 10 years.
- The dominating house type is Single Family Home.

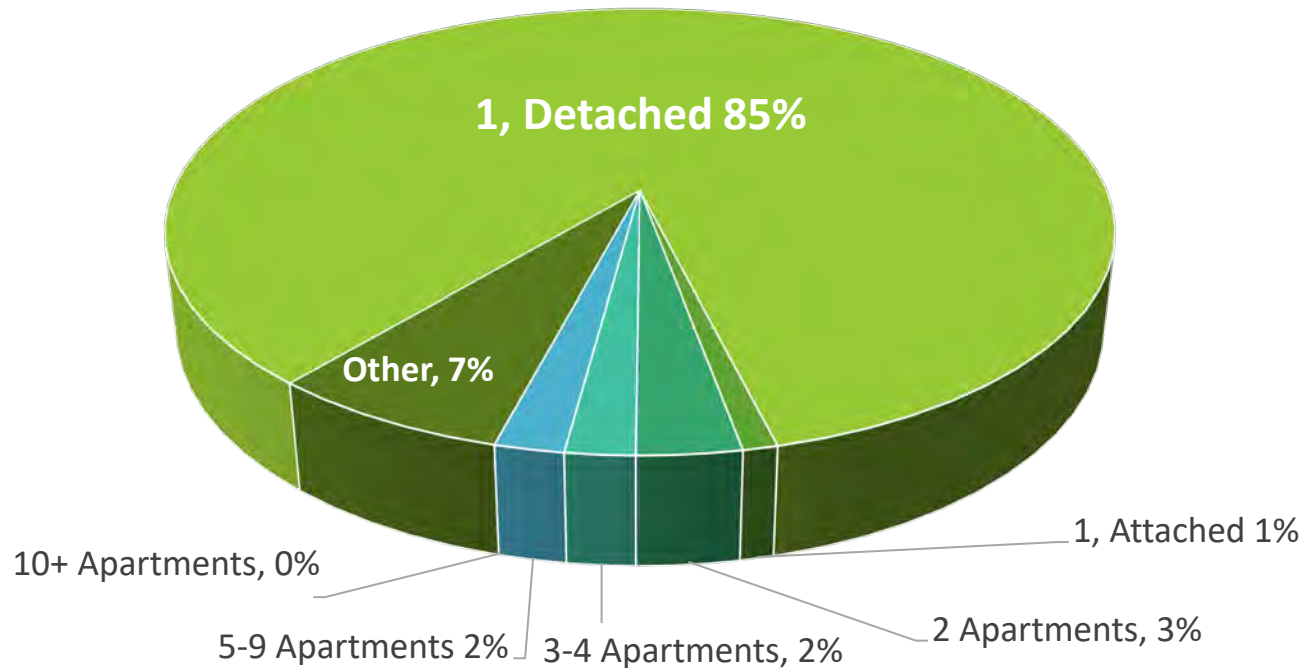




Housing Supply – Housing Type

- Of all the occupied housing units, the majority (85%) are single detached homes.

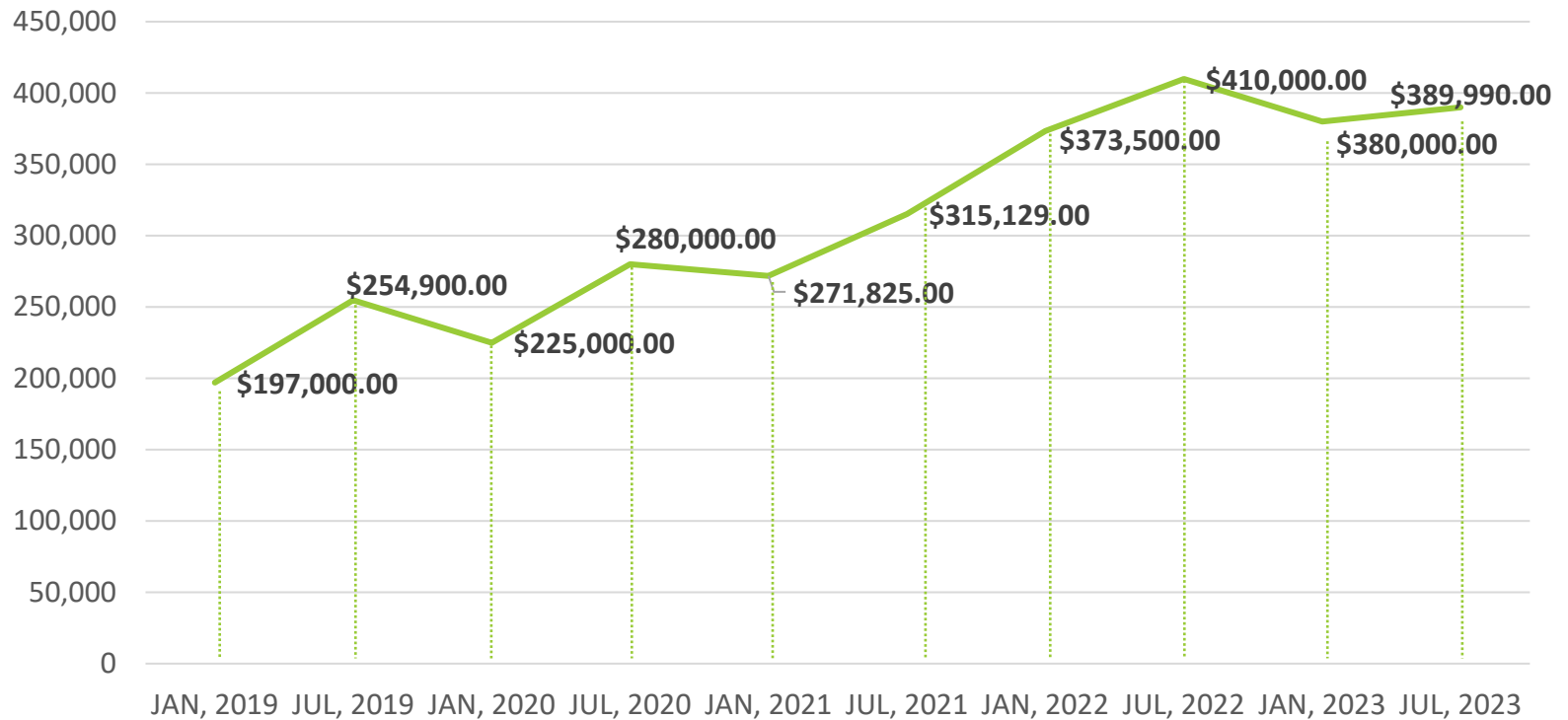
Percentage of Occupied Housing Types



Housing Supply – SFH Home Price

- The median sales price of homes is climbing and the price is beyond the what the Walton Co households can afford to spend.

Median sales price, new SFH detached, past 5 years



Affordability of a Single Family Home

- One-third of Walton County households earn less than \$50,000 annually.
- To purchase a \$200,000 home, a household would need an annual income of \$65,000.
(\$65K x 30% = \$19,500/12=\$1,625)
- In Walton County, the lowest new construction homes are starting in the upper \$200s with the average in the low-mid \$400s.

\$200,000 House 10% down	Monthly Cost
\$180,000 Mortgage @7.25%	\$1,208
Insurance	\$100
Taxes	\$125
PMI	\$85
Utilities	\$100
TOTAL	\$1,618

Cost of Rental Housing

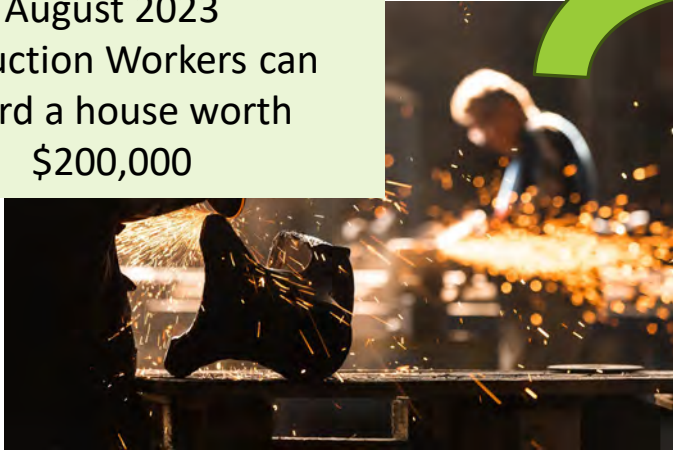
Monthly Rental Amount	Minimum Hourly Earnings	Minimum Annual Earnings
\$500	\$9.62	\$20,000
\$750	\$14.42	\$30,000
\$1,000	\$19.23	\$40,000
\$1,500	\$28.85	\$60,000
\$2,000	\$38.46	\$80,000

Example: \$500/MO X 12 = \$6,000/YR / 30% = \$20,000/YR / 2080 HR = \$ 9.62/HR

FORMULA: Rent/MO X 12 = Annual Total Rent / 30% = Annual Housing Allowance / 2080 hrs. worked per YR = Hourly Rate

Housing Supply – Can we afford to buy?

August 2023
Production Workers can
afford a house worth
\$200,000



August 2023
Median Sales Price
\$386,000



- When we look at what our local industry is paying and we calculate at least a 30% allowance for housing, then we realize that we are not building the homes our graduates and workers can afford.
- *Average hourly wage for production workers in Walton Co = \$23.00*
 $\$23 \times 2080 \text{ hrs.} = \$47,840 \text{ yr./12 mo.} = \$3,987 \times 30\% = \text{\$1,196 mo.}$
- *Average hourly wage for retail workers in Walton Co = \$16.00*
 $\$16 \times 2080 \text{ hrs.} = \$33,280 \text{ yr./12 mo.} = \$2,773 \times 30\% = \text{\$832 mo.}$

Housing Trends – Housing Demand

- The annual growth of Walton County is 3% of the existing housing units from 2023 to 2028. That adds a demand of 2,839 new homes.
- Since 2020, Walton County has added 800 new jobs from existing industry growth.
- In 2021, the electric vehicle manufacturer Rivian announced their plans to build a new manufacturing facility in Social Circle that would employ 7,500+ people. Housing will need to be part of the local support for this new company to succeed.
- In neighboring Newton County, new job growth of 1,415 jobs will continue to put pressure on Walton County for additional homes.

Housing Supply – Building Permits

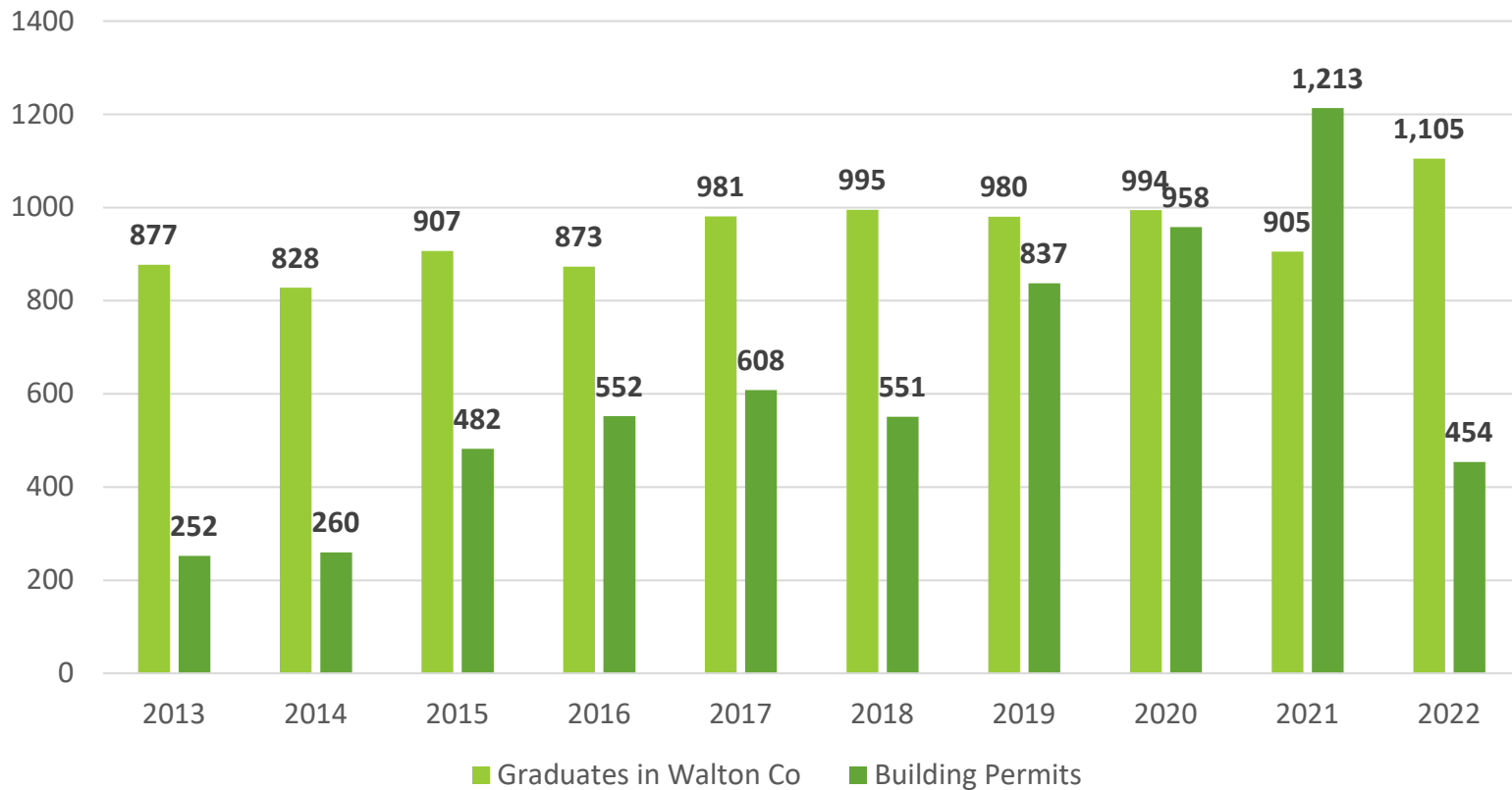
Year	Walton Co	Monroe	Loganville (Gwinnett)	Social Circle	Total Building Permits
2013	180	56	16 (2)	*	252
2014	178	15	67 (8)	*	260
2015	271	87	124 (17)	*	482
2016	331	110	110 (38)	1	552
2017	321	131	141 (43)	15	608
2018	344	123	69 (90)	15	551
2019	486	245	80 (6)	26	837
2020	503	211	111 (0)	133	958
2021	871	132	71 (86)	139	1,213
2022	233	94	119 (46)	8	454



Over the past 10 years, the residential building permits have not kept up with the demand.

Housing Trends – Housing Demand

- The organic demand of public high school graduates alone outpaces the housing supply of new residential permits during the past 10 years.
- The graduating class of 2022 represented a capital investment of over \$143 million by residents.



Housing Trends – Housing Demand

Reasons the housing demand has changed in recent years

Due to construction costs, increased demand for rental units

More small households with one or two people

More households without children

Housing options that fit all budgets

Housing that supports the existing industry's workforce

Walkable communities closer to amenities

Employment Profile and Trends

EMPLOYMENT IN AND AROUND WALTON COUNTY,
SALARIES, JOB SECTORS AND TRENDS

Employment Profile & Trends Overview

This section provides an overview of Walton County's employed workforce. This will show those who work in Walton County, those who commute in and those who commute out, the major industries where people are employed and their annual wages, and the high school graduates and where they go following graduation.

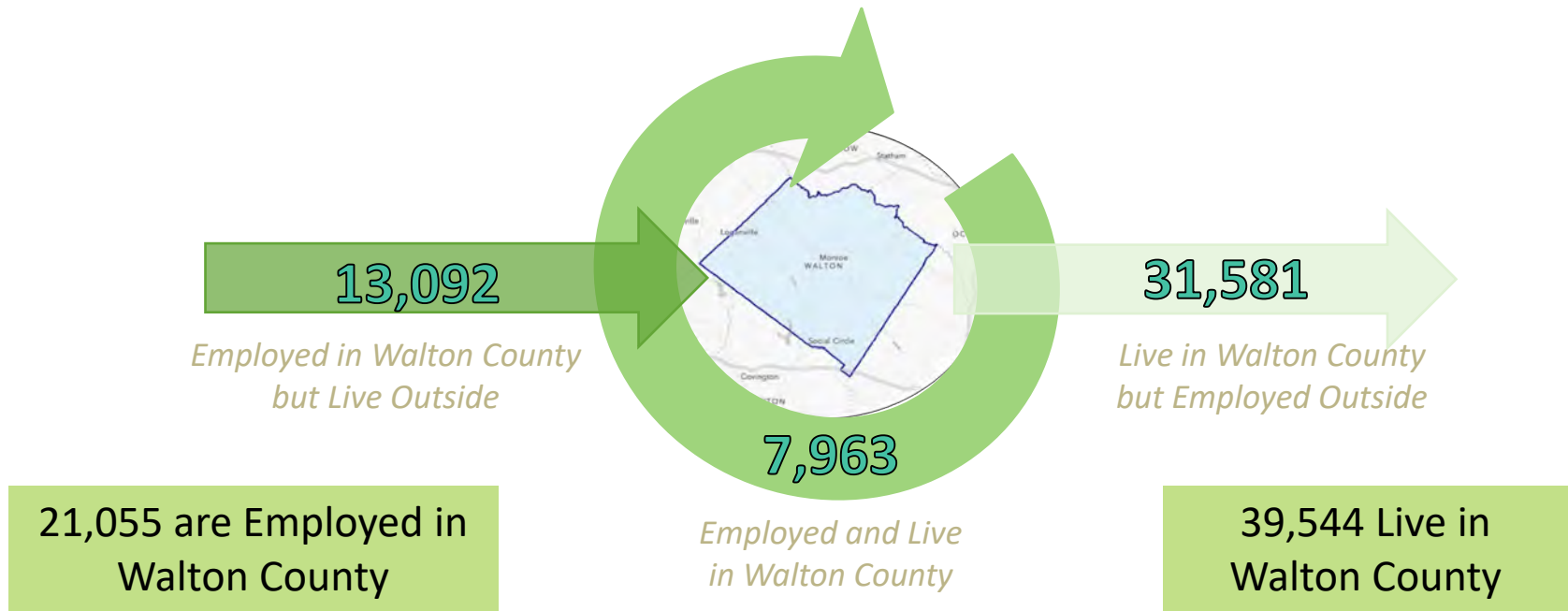
Some of the highlights are:

- Walton County exports 1.5 times more workers than imports to work in the county.
- The top industry segment of those working in the county are in manufacturing and for those residents working or commuting out is retail.
- Concerning educational attainment of the workforce, 55% of the workforce has some college, associate's, bachelor's or higher degree.
- The Walton County school district is the largest employer with over 2,000 employees.
- Within 7 years of high school graduation, 32% of students have earned a post-secondary credential.



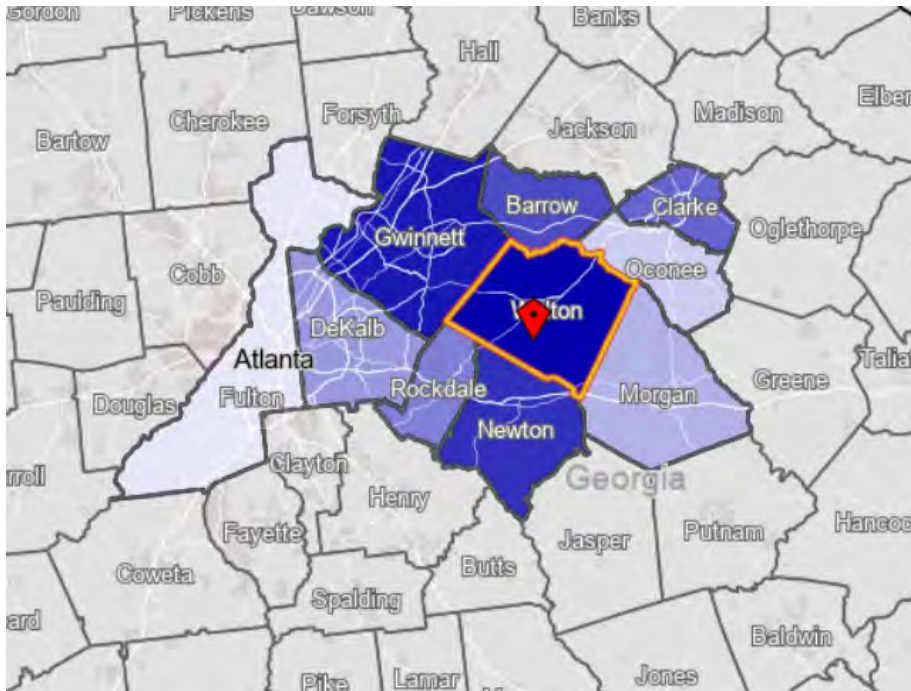
Employment Trends – Inflow/Outflow

- Walton County exports almost 1.5 times more workers outside the county daily than they import to work.



Employment Trends – Inbound Commute

WHERE COUNTY WORKERS LIVE



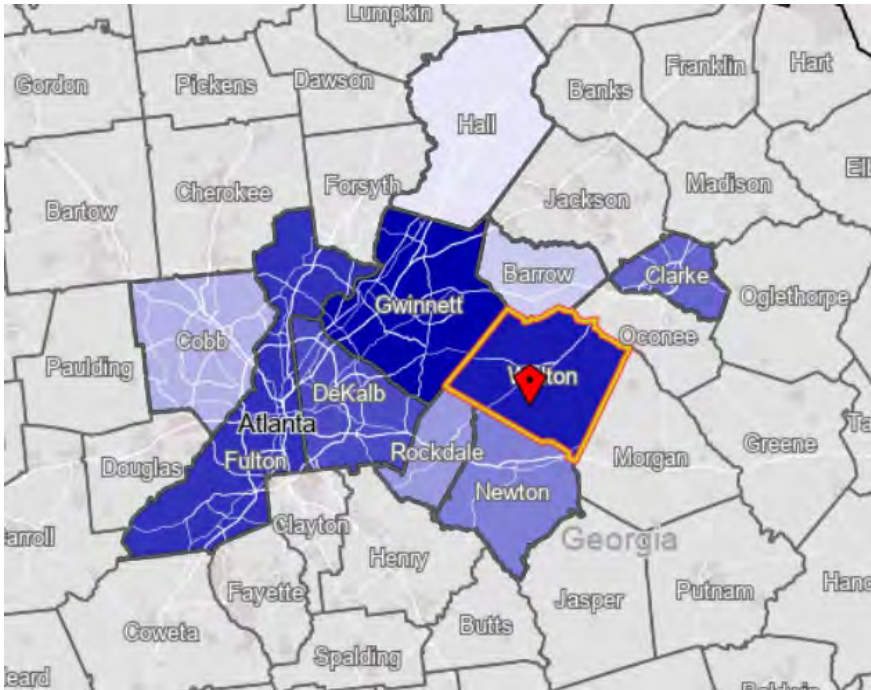
Jobs Counts by Counties Where Workers Live

	Count	Share
Total	21,055	100.0%
Walton County, GA	7,963	37.8%
Gwinnett County, GA	2,525	12.0%
Newton County, GA	1,417	6.7%
Barrow County, GA	901	4.3%
Clarke County, GA	656	3.1%
Rockdale County, GA	604	2.9%
DeKalb County, GA	573	2.7%
Morgan County, GA	430	2.0%
Oconee County, GA	428	2.0%
Fulton County, GA	332	1.6%
All Other Locations	5,226	24.8%

70%
of workers live within a 25-mile commute of
work location in Walton

Employment Trends – Outbound Commute

WHERE RESIDENTS WORK



Jobs Counts by Counties Where Residents Work

	Count	Share
Total	39,544	100.0%
Gwinnett County, GA	9,165	23.2%
Walton County, GA	7,963	20.1%
Fulton County, GA	3,653	9.2%
DeKalb County, GA	3,020	7.6%
Clarke County, GA	1,800	4.6%
Newton County, GA	1,778	4.5%
Rockdale County, GA	1,702	4.3%
Cobb County, GA	1,431	3.6%
Barrow County, GA	1,264	3.2%
Hall County, GA	857	2.2%
All Other Locations	6,911	17.5%

61%

of residents live within 25 miles of their work destination



Employment Trends – Workforce Characteristics

	County Workers	County Residents
	Workers commuting into Walton and living and working in Walton	Workers living in Walton and either working in the county or commuting out
Number of Workers	21,055	39,544
Racial Profile (Top 2)	74% White, 23% Black	77% White, 19% Black
Works 30 – 54 years old	53%	55%
Workers making \$3,333/month or more	42%	49%
Top Industry Segment	Manufacturing – 14%	Retail Trade – 12%
Bachelor Degree or Higher	18%	22%

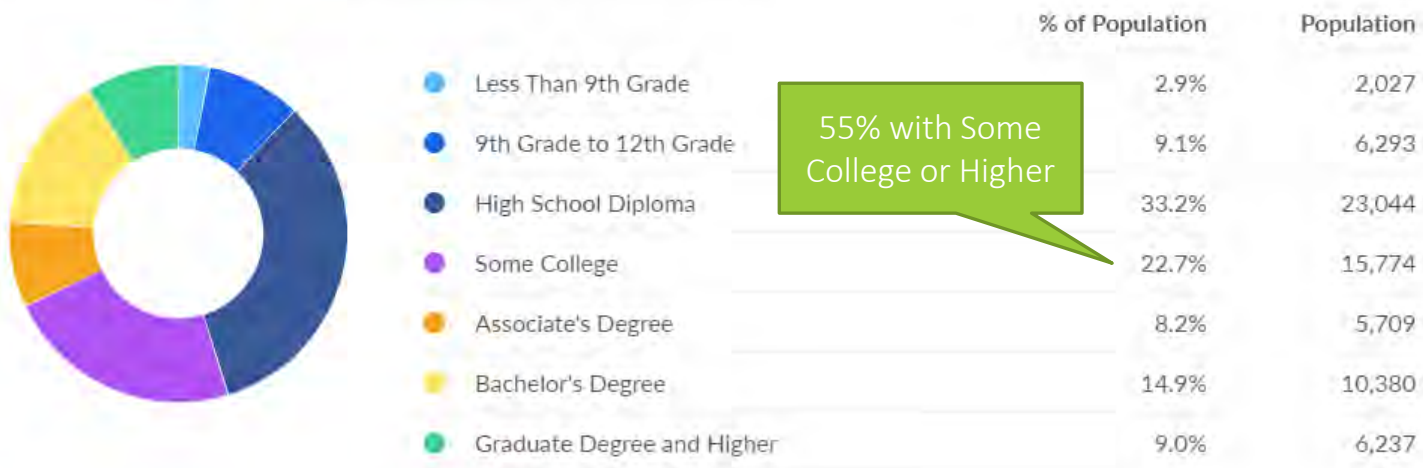
Employment Trends – Occupations

Description	2023 Jobs	2028 Jobs	2023 - 2028 % Change	Median Hourly Earnings	2022 Resident Workers
Management Occupations	1,937	2,192	13%	\$41.02	4,044
Business and Financial Operations Occupations	1,294	1,448	12%	\$30.88	3,617
Computer and Mathematical Occupations	413	473	14%	\$40.82	1,574
Architecture and Engineering Occupations	352	404	15%	\$34.37	748
Life, Physical, and Social Science Occupations	116	131	12%	\$31.22	388
Community and Social Service Occupations	452	525	16%	\$22.90	922
Legal Occupations	153	171	12%	\$32.66	384
Educational Instruction and Library Occupations	1,973	2,105	7%	\$25.28	3,778
Arts, Design, Entertainment, Sports, and Media Occupations	214	238	11%	\$21.48	696
Healthcare Practitioners and Technical Occupations	1,153	1,292	12%	\$32.25	3,089
Healthcare Support Occupations	703	794	13%	\$13.16	1,875
Protective Service Occupations	645	702	9%	\$21.27	1,277
Food Preparation and Serving Related Occupations	2,501	2,750	10%	\$9.95	4,902
Building and Grounds Cleaning and Maintenance Occupations	830	891	7%	\$14.07	1,544
Personal Care and Service Occupations	411	437	6%	\$10.80	1,112
Sales and Related Occupations	2,537	2,691	6%	\$12.67	6,081
Office and Administrative Support Occupations	2,878	3,063	6%	\$17.28	6,976
Farming, Fishing, and Forestry Occupations	137	147	8%	\$12.60	155
Construction and Extraction Occupations	2,500	2,797	12%	\$19.26	3,413
Installation, Maintenance, and Repair Occupations	1,611	1,802	12%	\$21.94	2,830
Production Occupations	2,199	2,417	10%	\$16.49	3,490
Transportation and Material Moving Occupations	3,297	3,707	12%	\$16.93	5,922
Military-only occupations	143	151	5%	\$15.15	276

Walton County Workforce Current Educational Attainment

Educational Attainment

Concerning educational attainment, 14.9% of Walton County, GA residents possess a Bachelor's Degree (5.9% below the national average), and 8.2% hold an Associate's Degree (0.6% below the national average).



Walton County – Top Public & Private Employers

Company	Address	City	Industry	Employees
Walton County School District	200 Double Springs Church Rd	Monroe	Primary and Secondary Education	2,023
Takeda Pharmaceuticals USA Inc.	505 Shire Pkwy	Social Circle	Pharmaceutical Preparations	1,300
Hitachi Astemo Americas Inc.	1000 Unisia Dr	Monroe	Motor Vehicle Parts & Accessories	1,100
Walmart/Food Distribution Center	655 Unisia Dr	Monroe	Department Stores	850
Walton County Government	303 South Hammond Dr.	Monroe	Government	830
Piedmont Walton Hospital	2151 W Spring St	Monroe	Hospitals, General Medical & Surgical	493
CertainTeed	200 Ronthor Dr.	Social Circle	Building products	350
Walmart SuperCenter	4221 Atlanta Hwy	Loganville	Department Stores	350
Walmart SuperCenter	2050 W Spring St	Monroe	Department Stores	327
Standridge Color Corp.	1196 E Hightower Trl	Social Circle	Cyclic Organic Crudes & Intermediates	325
Goodyear Tire & Rubber Co.	1 Wingfoot Way NE	Social Circle	Tire Cord & Fabrics	280
Tucker Door & Trim LLC	650 Highway 83	Monroe	Millwork	280
Kenco Logistic Services/General Mills	1871 Willow Springs Church Rd	Social Circle	Trucking, Except Local	258
Nucor Warehouse Systems	1118 W Spring St	Monroe	Office/Store Fixtures/Shelving, Non-wood	200
Social Circle City Schools	147 Alcova Dr	Social Circle	Primary and Secondary Education	195
Kroger	4753 Atlanta Hwy	Loganville	Grocery Stores	180
Leggett & Platt Bedding Group	1000 L And P Pkwy	Monroe	Mattresses, Foundations, Convertible Beds	160
Immec Inc.	351 Ronthor Dr	Social Circle	Sheet Metal Work	150
Park Place Nursing & Rehab	1865 Bold Springs Rd NW	Monroe	Nursing Care Facilities	150
Walton EMC	842 Highway 78 NW	Monroe	Electric Services	150
George Walton Academy	1 Bulldog Dr	Monroe	Schools, Elementary & Secondary	130
Walton Press Inc.	402 Mayfield Dr	Monroe	Commercial Printing	110
Ingles	4565 Atlanta Hwy	Loganville	Grocery Stores	100

Walton County Largest Industries

Industries with 200 or More Jobs in 2023; NAICS 2 Digit Classification

Description	2023 Jobs	2028 Jobs	2023 - 2028% Change	2022 Wages & Salaries	2022 GRP
Construction	4,286	4,770	11%	\$60,597	\$449,319,670
Government	4,103	4,299	5%	\$50,369	\$312,205,189
Manufacturing	3,431	3,807	11%	\$57,871	\$580,581,283
Retail Trade	3,035	3,082	2%	\$33,563	\$245,616,658
Accommodation and Food Services	2,528	2,813	11%	\$20,298	\$111,439,435
Health Care and Social Assistance	2,451	2,749	12%	\$59,480	\$209,410,034
Transportation and Warehousing	1,767	2,004	13%	\$62,099	\$172,138,809
Wholesale Trade	1,542	1,827	18%	\$84,465	\$334,397,490
Administrative and Support and Waste Management and Remediation Services	1,251	1,417	13%	\$48,271	\$108,889,185
Other Services (except Public Administration)	1,105	1,211	10%	\$30,484	\$72,899,240
Educational Services	630	714	13%	\$25,553	\$20,866,688
Professional, Scientific, and Technical Services	623	684	10%	\$56,158	\$93,604,628
Finance and Insurance	499	523	5%	\$74,907	\$136,057,800
Utilities	303	369	22%	\$88,430	\$154,815,826
Agriculture, Forestry, Fishing and Hunting	237	255	8%	\$36,270	\$27,796,661
Real Estate and Rental and Leasing	204	230	13%	\$49,295	\$119,609,670

Walton County Largest Industries

Industries with 400 or More Jobs in 2023; NAICS 6 Digit Classification

Description	2023 Jobs	2028 Jobs	2023 - 2028% Change	2022 Wages & Salaries	2022 GRP
Elementary and Secondary Schools (Local Government)	2,186	2,298	5%	\$53,453	\$161,497,851
Limited-Service Restaurants	1,371	1,502	10%	\$17,796	\$58,285,685
Local Government, Excluding Education and Hospitals	1,295	1,384	7%	\$49,502	\$98,909,820
Power and Communication Line and Related Structures Construction	961	1,018	6%	\$68,935	\$93,675,251
Full-Service Restaurants	934	1,043	12%	\$23,035	\$40,140,031
General Warehousing and Storage	708	608	(14%)	\$59,637	\$54,071,454
Elementary and Secondary Schools	596	670	13%	\$25,876	\$18,567,193
Plumbing, Heating, and Air-Conditioning Contractors	586	598	2%	\$53,878	\$45,593,339
Warehouse Clubs and Supercenters	547	387	(29%)	\$30,049	\$35,071,704
Landscaping Services	512	551	8%	\$44,224	\$32,426,668
Supermarkets and Other Grocery (except Convenience) Stores	484	499	3%	\$25,077	\$22,721,567
Religious Organizations	475	502	6%	\$16,272	\$8,711,241
Water and Sewer Line and Related Structures Construction	472	649	38%	\$58,061	\$34,148,771
Electrical Contractors and Other Wiring Installation Contractors	452	425	(6%)	\$54,383	\$35,894,226

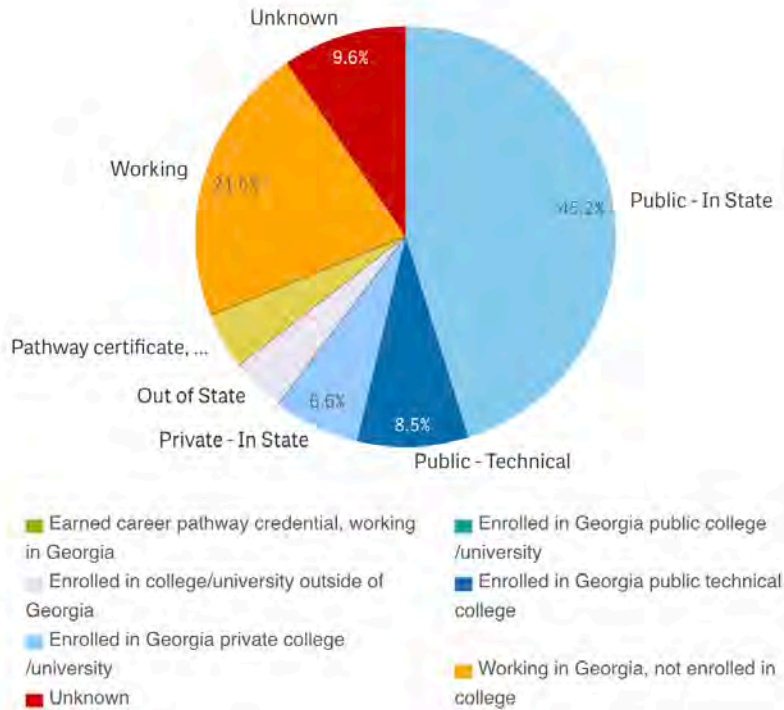


Where do your high school students go following graduation?

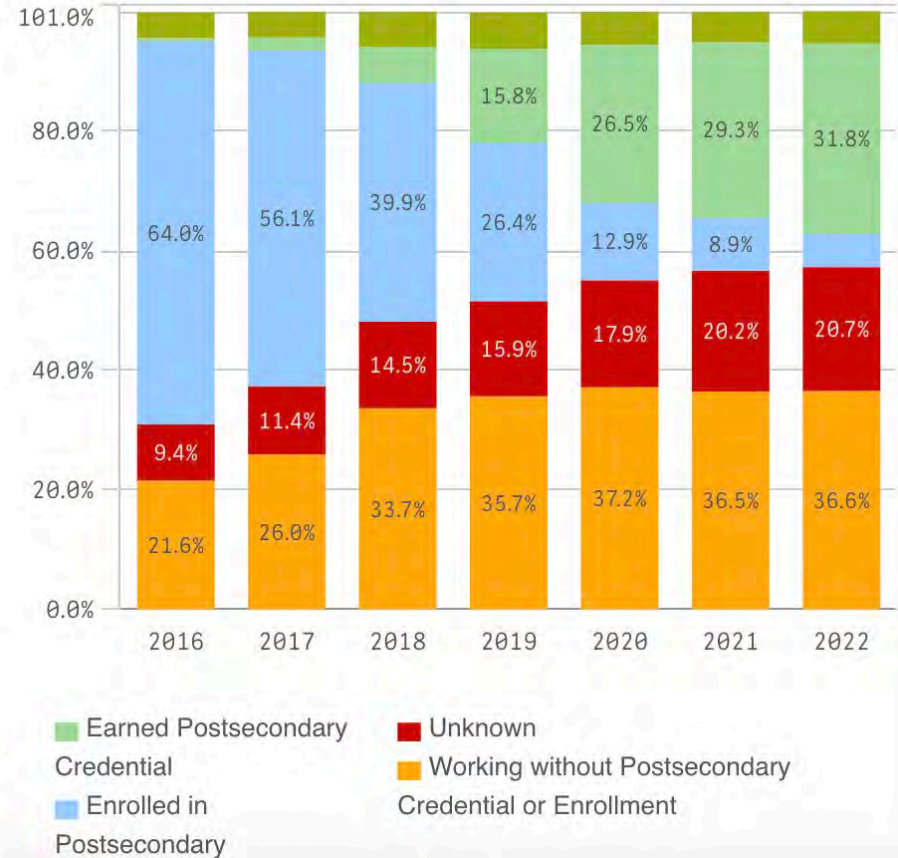
Walton County School System

Graduate Outcomes - Year After High School Graduation

In 2015, 784 students graduated from All Walton County High Schools.



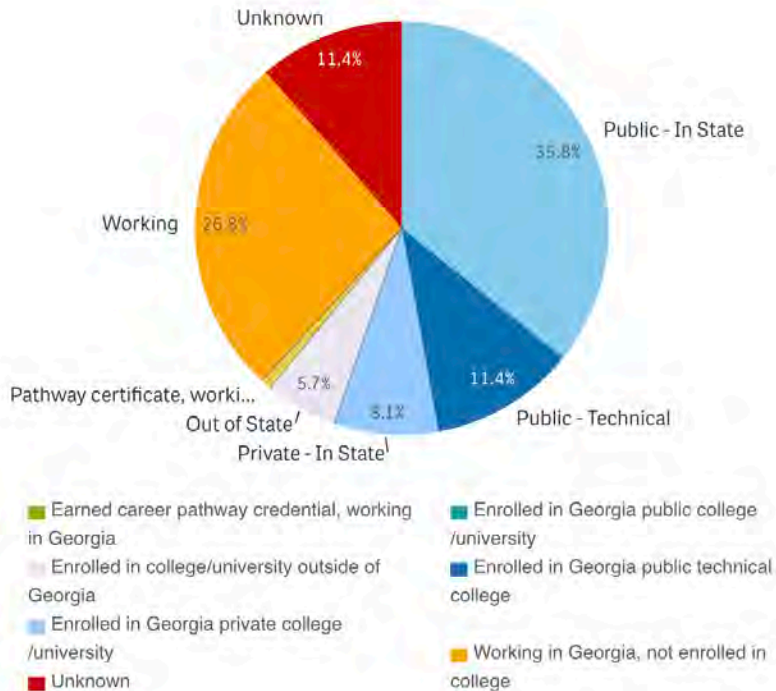
All Walton County High Schools, Class of 2015



Social Circle School System

Graduate Outcomes - Year After High School Graduation

In 2015, 123 students graduated from All Social Circle City High Schools.



All Social Circle City High Schools, Class of 2015



Insights and Recommendations

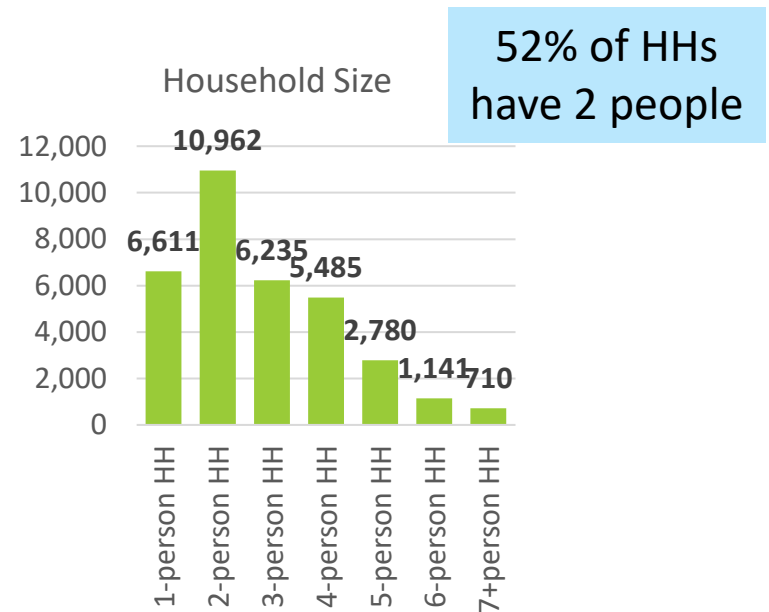
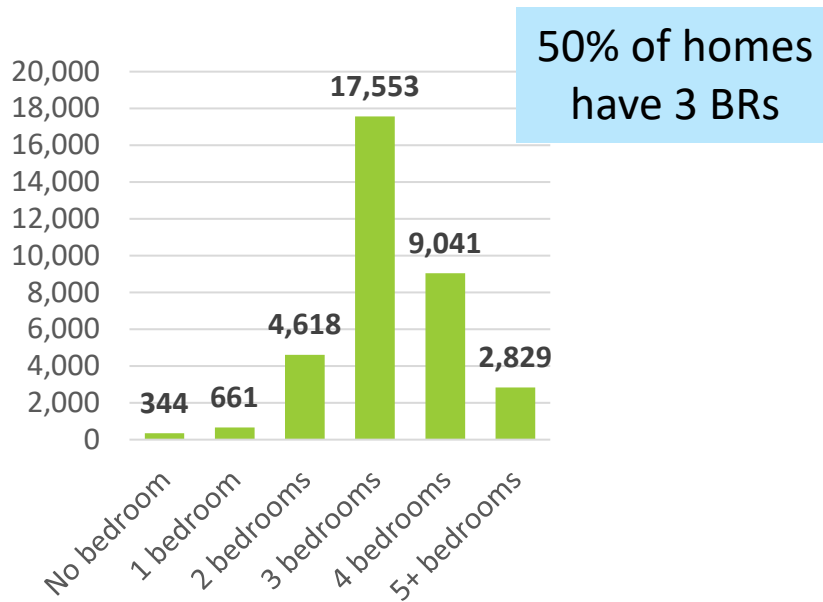
INSIGHTS INTO THE DEMOGRAPHIC INFORMATION
AND WHAT IT MEANS TO ECONOMIC DEVELOPMENT

Insights on Housing

- Located on the east side of Atlanta’s sprawling growth, Walton County offers the options of living in an urban area of one of its five municipalities and the rural charm of its unincorporated area.
- Over the past 23 years, Walton County has had tremendous housing growth which tapered off after the Great Recession. The population growth’s plateauing matched the single family housing construction stagnation.
- Despite the high rating of the Walton County School System, the Social Circle School System and the George Walton Academy, the numbers of households with people under 18 has not grown as it has in the past. From 2000 to 2010 it grew by 30% while from 2010 to 2020 it only grew by 3%. This means the households with children under 18 years of age who moved into the county and have raised their children in the early 2000s are about to enter the “empty nest” phase. If they do not move out to make room for others with children(or new houses are built), then the school systems will see a decline in the future.
- Walton County’s housing product is mostly a three bedroom unit (see next point). This is because of the lack of housing options being built or allowed to be built in the cities and county. While the county is limited due to the septic system requirements, the cities with their infrastructure can allow and encourage builders to build the “missing middle” housing.

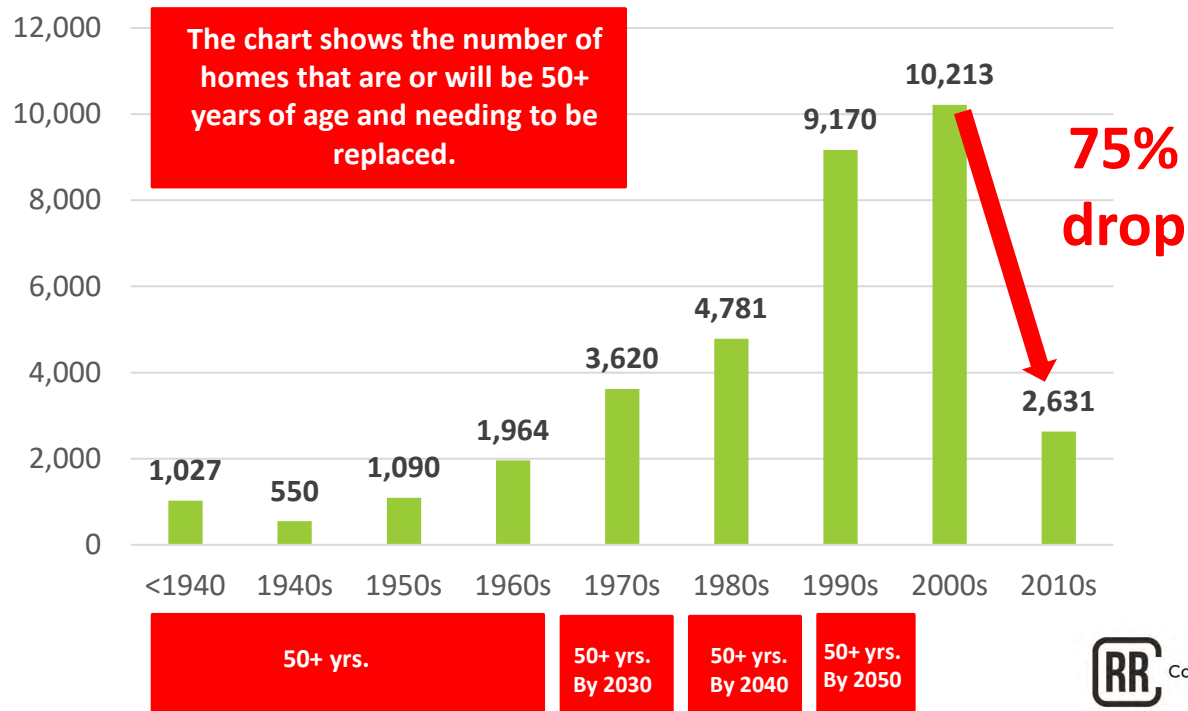
Insights on Housing

- A housing supply mismatch occurs when 50% of the current housing has 3 bedrooms while only 52% of the households have one or two people. The housing supply product is thereby costing residents more in utilities and taxes when they must buy a larger home than they want or need. This is because of the lack of housing options.



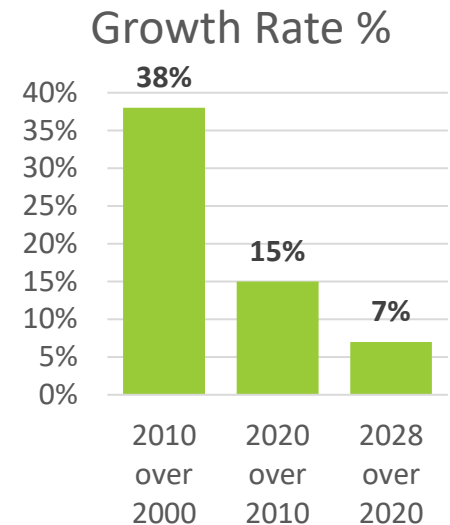
Insights on Housing

- Because there is a lack of new homes being built, the current housing supply will continue to age. This will cause a need to replace the existing homes in the future as well as keep up with the housing demand.



Insights on Housing

- The demand for housing comes from multiple sources. The expected growth in Walton County from 2020 to 2028 is 7%. This is slower than in the 2000s or 2010s.
- Another way to measure housing demand is by measuring the number of students entering the workforce following high school. This organic growth shows about 1,000 students per year graduating and between 22% – 36% entering the workforce annually.
- From an economic development viewpoint, the most common way to measure housing demand is from the new jobs created by existing industries and newly located industries. Since 2020, existing industries has created 800 jobs and newly located industries has created 7,500 jobs.
- With only 2,625 permits being issued in the past 3 years, Walton County is not meeting the demand for new housing to fill the expected growth, the high school graduates and the new jobs by existing and newly located industries.



Insights on Housing

- In August 2023, the median sales price of a home was \$386,000. In the same month, the average hourly salary of a production worker was \$23.00. This will not allow workers to purchase a house valued at \$200,000 without being cost-burdened. This is a mismatch for new workers in the community whose salary does not give them the flexibility to purchase a market priced home.
- The housing dilemma we face today is a combination of high interest rates, high demand and a low supply of housing. "High mortgage rates are clearly taking a toll on builder confidence and consumer demand, as a growing number of buyers are electing to defer a home purchase until long-term rates move lower," Robert Dietz, National Association of Home Builder's chief economist. Why this matters: The immovable force is the millions of millennials hitting their prime child-rearing years and looking for a place to live. The unstoppable object is the Federal Reserve, determined to bring inflation down using the main arrow in its quiver: interest rates. The peak year for births in the ultra-large millennial generation was 1989. That cohort turns 34 this year, an age at which marriage and child-rearing tend to coincide with high demand for square footage. You might call it the "perfect storm" for housing demand. All the while, the builders have backed off building at the level of the 2000s due to the higher interest rate and a desire not to get stuck like the other builders did in 2008.

Recommendations

Increase the Housing Supply

- Increase Walton County's housing supply. Due to the lack of sewer in the unincorporated area of Walton County, the density of housing is dependent on the density allowed with a septic system. This continues to allow developers to purchase land on county maintained roads and develop their homes on lots that resemble bowling alleys so they don't have to build roads. This creates traffic problems in the future and does not allow for interior land to be properly developed.

I recommend the use of the Open Space Conservation (OSC) Preservation "by right" for R-1, A-1, and A-2 zoned land. This is one of the only ways to allow higher density of housing in a non-urban environment. This would allow the developer to know the land can be developed without going through additional rezoning requests thereby saving additional money and time. This would also accomplish having greenspace set aside within the subdivision for community use and creating a "community feel" without being inside a city.

- Increase the urban housing supply in the cities. Other than the typical single family house and the apartment complex, I recommend support of building housing options for people like those found in the "Missing Middle" Housing section. One of the easiest to implement is an Accessory Dwelling Unit (ADU) allowance in a city that has a typical large lot but only one home. The "granny flat" or garage apartment would allow additional space using the existing infrastructure to have additional rental units that could increase housing supply especially for younger people or couples. This also allows the home owner to move to the smaller space and rent the larger home to another family.

Proactively recruit builders who will work with the city to build innovative housing options that fit the character of the town in the places that work the best for the developer and community.

Recommendations

Increase the Housing Supply

- I recommend the cities to utilize building housing on city-owned land that is the product you want for the people who are working in the city. You can either sell this and get it back on the tax roll or maintain to lease it to maintain the rent cap for workers. There is a similar program in Gainesville.
- Utilizing city owned land, apply for the DCA Rural Workforce Housing Grant (see next slide) to provide infrastructure to site and joint venture with a developer to build the housing option that fits to support the local workforce.
- Know and understand the type of housing you want built and invite developers to meet and discuss how to work together toward a common goal. This requires understanding the different housing types that would complement what is currently in the community. (see Educate section)

Educate Walton County leadership on Housing

- I recommend hosting a session for the “Missing Middle” Housing module for developers, elected officials and staff (county & cities), appointed officials and any other interest party to discuss the different types of housing and where they could be built.
- Encourage a housing summit to understand from developers and builders what is needed to build housing that is more affordable for the existing workforce and from the county and cities what they want and how to work together.
- Tour other cities to learn what they have done about their housing. I recommend touring Clarkston, Gainesville and Greenville. By touring The Cottages on Vaughn in Clarkston you will learn of a scalable solution to infill housing. The City of Gainesville has examples of a city-wide housing reclamation program and a private developer who has undertaken putting workforce housing back on the market. The City of Greenville, SC, will offer a look at how housing is centered around the commercial nodes and supports a vibrant downtown.

Rural Workforce Housing Initiative – OneGeorgia Authority at DCA

- \$35.7M in 2023 budget
- Grants for \$250,000- \$2.5 million for infrastructure: water, sewer, road
- An undefined leveraged amount is required
- Sales price \$125,000-\$290,000
- \$10M – not infrastructure, construction financing (\$1M max)
- Housing Study helps your application to show it is part of your plan
- Must be compliant with all state codes in order to apply
- Contact Gina Webb, OneGeorgia Authority Director, at gina.webb@dca.ga.gov for more information

ROPE ROBERTS CONSULTING

Community & Economic Development

roperoberts7@icloud.com

706-949-5140



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Understanding the Housing Dilemma

BUILDING FOR YOUR COMMUNITY'S FUTURE



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Housing Demand by Life Stage



STARTER

<35 yr olds

Apartment, townhouse, condominium, and smaller home/small lot housing.



PEAK

35 - 64 yrs old

Larger homes (including McMansions) on larger lots.



DOWNSIZING

>64 yrs old

Smaller homes on smaller lots and various attached forms.

Data Source:

Arthur C. Nelson, *The Great Senior Short-Sale of Why Policy Inertia Will Start Change Millions of America's Seniors*



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The Housing Ladder

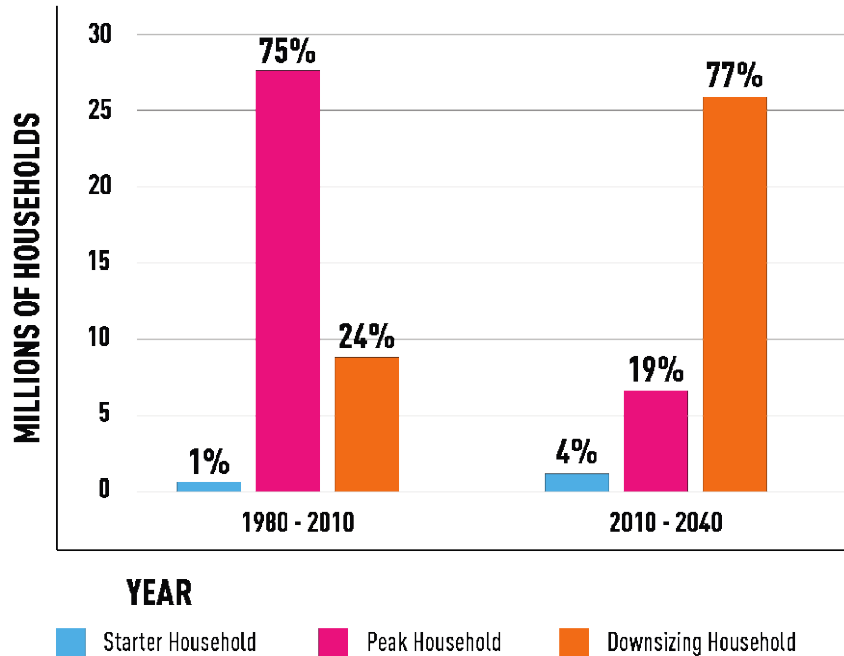


Downsizing home: Very nice but usually smaller; own or rent

Peak home: large home for those with children or want a large home

Starter home: apartments, rental house, small house, duplex, multi-plex, or ADU

Housing Demand by Life Stage



The demand for downsizing households is projected to **far surpass** that for peak households

Data Source:
Arthur C. Nelson, *The Great Senior Shift: Stated Why Policy Inertia Will Start Change Millions of America's Seniors*

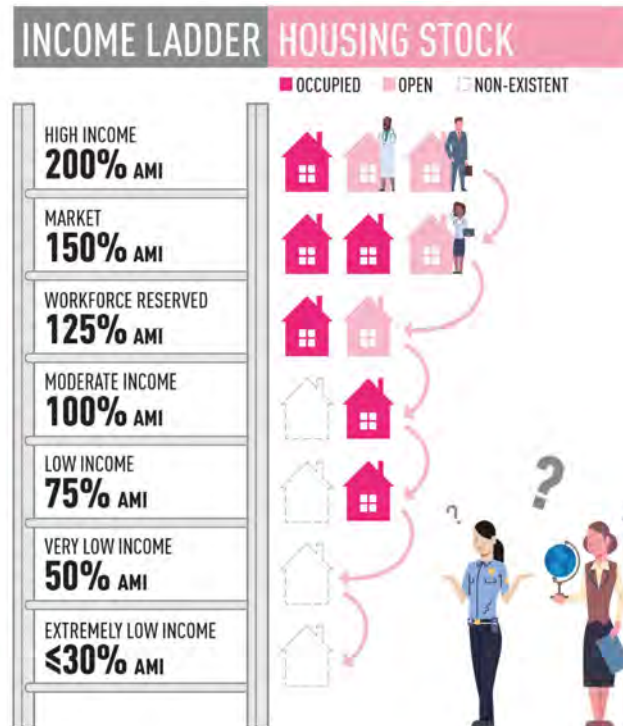
The Housing Ladder

When the housing ladder's supply is empty toward the middle and lower price range, those who can afford to buy can buy whatever they want. This leaves those in the lower income levels without housing options.

**WHEN THERE
AREN'T ENOUGH
HOMES,**

**EVERYBODY
COMPETES FOR
WHAT'S
AVAILABLE.**

- SIGHTLINE INSTITUTE



Missing Middle Housing

A VISUAL EXPLANATION OF THE MISSING MIDDLE
HOUSING



What is Missing Middle Housing?

Missing Middle Housing:

- is a range of multiunit or clustered housing types, compatible in scale with single-family homes (SFH),
- helps meet the growing demand for walkable urban living,
- responds to shifting household demographics, and
- meets the need for more housing choices at different price points.

What is Missing Middle Housing?



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What is Missing Middle Housing?

- We label these housing types “Missing” because we are building very few of these housing types today or have built very few in the past 30—40 years.
- The term “Middle” has two meanings:
 - It represents the middle scale of buildings between SFH and large apartment or condo buildings.
 - As it relates to affordability or attainability, these types historically delivered attainable housing choices to middle-income families without subsidies.

One concept to remember:

MISSING MIDDLE HOUSING IS ABOUT
HOUSE-SCALE BUILDINGS THAT
HAPPEN TO HAVE MORE THAN ONE
UNIT WITHIN THEM.

The Characteristics of Missing Middle Housing

1. Located in a destination walkable context. “What can I walk to?”
2. Lower perceived density.
3. Small building footprints (width & depth of building).
4. Smaller but very livable homes.
5. Live like a single family house.

Missing Middle Housing Examples

EXPLORE THE HOUSING OPTIONS

Examples of the Missing Middle Housing

Duplex: Side-by-side



Alley Loaded



Front Loaded



Examples of the Missing Middle Housing

Duplex: Stacked



Examples of the Missing Middle Housing

Fourplex: Stacked



Examples of the Missing Middle Housing Townhome



Examples of the Missing Middle Housing Cottage Court



Examples of the Missing Middle Housing Multiplex



Examples of the Missing Middle Housing

Live Work



Examples of the Missing Middle Housing Accessory Dwelling Unit (ADU)



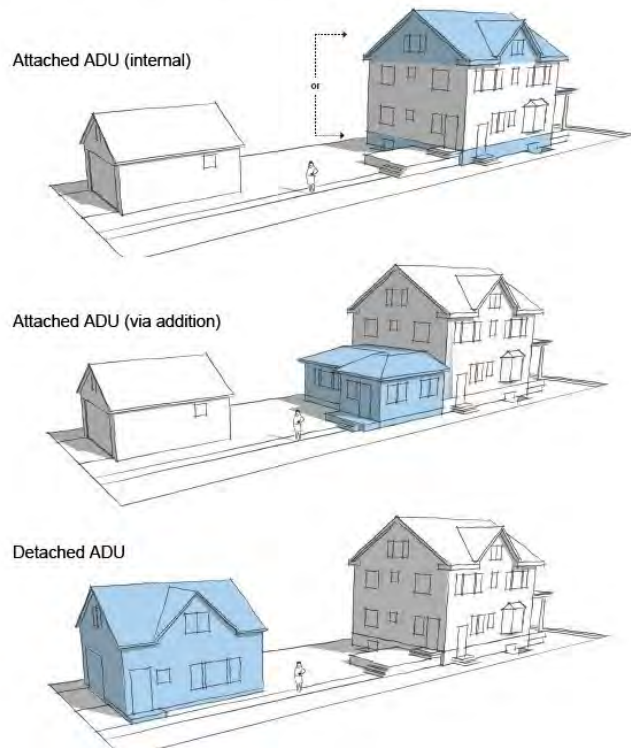
Great resource: The ABCs of ADUs - AARP

Examples of the Missing Middle Housing

Accessory Dwelling Unit (ADU)

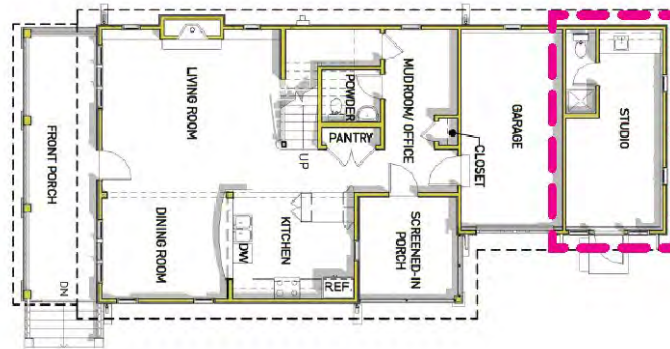
Examples of Accessory Dwelling Units (ADUs)

ADUs in blue; main residence in white



- An accessory dwelling unit (ADU) is a smaller, independent residential dwelling unit located on the same lot as a stand-alone single-family home.
- It can be Internal to the SFH (basement); Attached to the SFH; or detached from the SFH.
- Allowing ADUs in your city is a quick way to offer housing options and utilize the existing city services.

Examples of the Missing Middle Housing Guest Suites



Source: Kronberg Urbanist Architects

- Part of the main structure (attached)
- Cannot have a full kitchen (no stoves)
- May require an interior connection

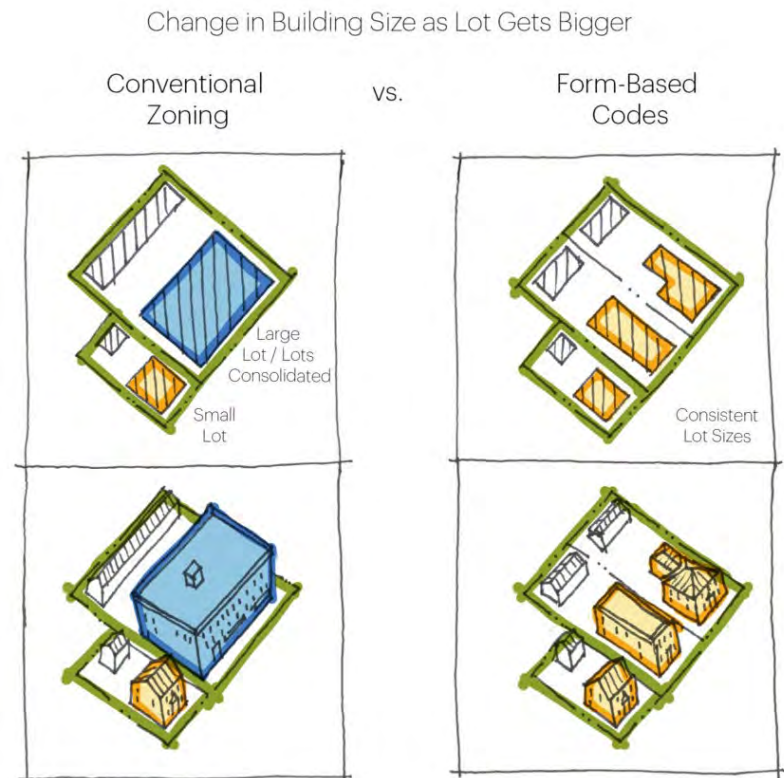
“TODAY THE EFFECT OF SINGLE-FAMILY ZONING IS FAR-REACHING: IT IS ILLEGAL ON 75 PERCENT OF THE RESIDENTIAL LAND IN MANY AMERICAN CITIES TO BUILD ANYTHING OTHER THAN A DETACHED SINGLE-FAMILY HOME.”

“Cities Start to Question an American Ideal: A House with a Yard on Every Lot”. N.Y. Times

Understanding Barriers to Missing Middle Housing

Conventional Zoning doesn't accommodate MMH.

- Regulates by use, separating neighborhoods by type: SFH, multifamily, commercial, etc.
- Opposite effect of mixed-use development
- Often fails to regulate building size and form in proportion to lot sizes, that can lead to awkward relationships between neighboring properties.



Understanding Barriers to Missing Middle Housing

Zoning by Density

- Doesn't work with the "blended densities" found in neighborhoods where MMH thrives and is the same form as SFH.
- Because they include from 2 to 12 units on a lot, MMH buildings often vary dramatically in their densities compared to SFH and not be allowed.
- Density discourages smaller units because developers will get the maximum DU/ac on a lot, not the minimum that is more MMH.
- Density zoning tends to treat all units the same regardless of sq. ft. size which is unfair if impact fees are used.
- Parking requirements impact small-scale infill MMH above 1 space per unit.

A Possible Solution to Building Missing Middle Housing

Zoning by Form Based Codes (FBCs)

- FBCs represent a shift in the way that we regulate the built environment, using physical form rather than a separation of uses as the organizing principal, to create predictable, built results and a high-quality public realm.
- Emphasizes site design, building form and character, streetscape design, and promotion of desired neighborhood vision (compatibility).
- Mix of uses mostly commercial, residential, and in some cases light industrial (live-work-maker communities).
- Reduced travel between uses and encourages walking, biking, complements and supports multiple transit options.
- Parking is screened in garages or behind buildings, lower demand overall.
- Requires plazas, on-site public open spaces, tree-lined streets, waterfront promenades, & greenways.
- Creates a sense of place and with improved health and well-being outcomes.

ROPE ROBERTS CONSULTING

Community & Economic Development

roperoberts7@icloud.com

706-949-5140



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