



Regional Snapshot: ARC Employment Centers: Core Locations for Jobs, *not* for Affordable Housing

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Photo credit: Central Atlanta Progress

Key Points

There is a spatial mismatch of jobs and housing in the metro region.

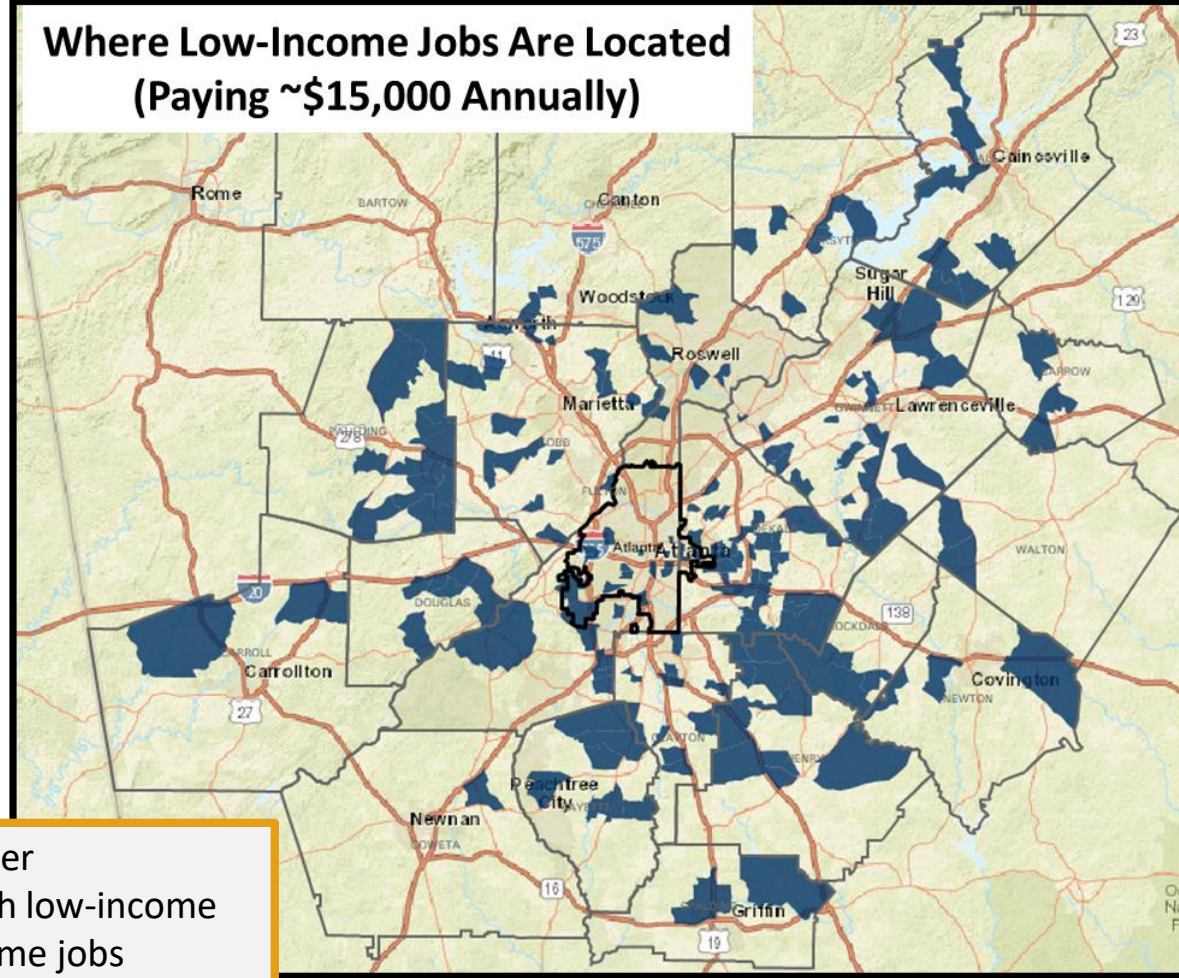
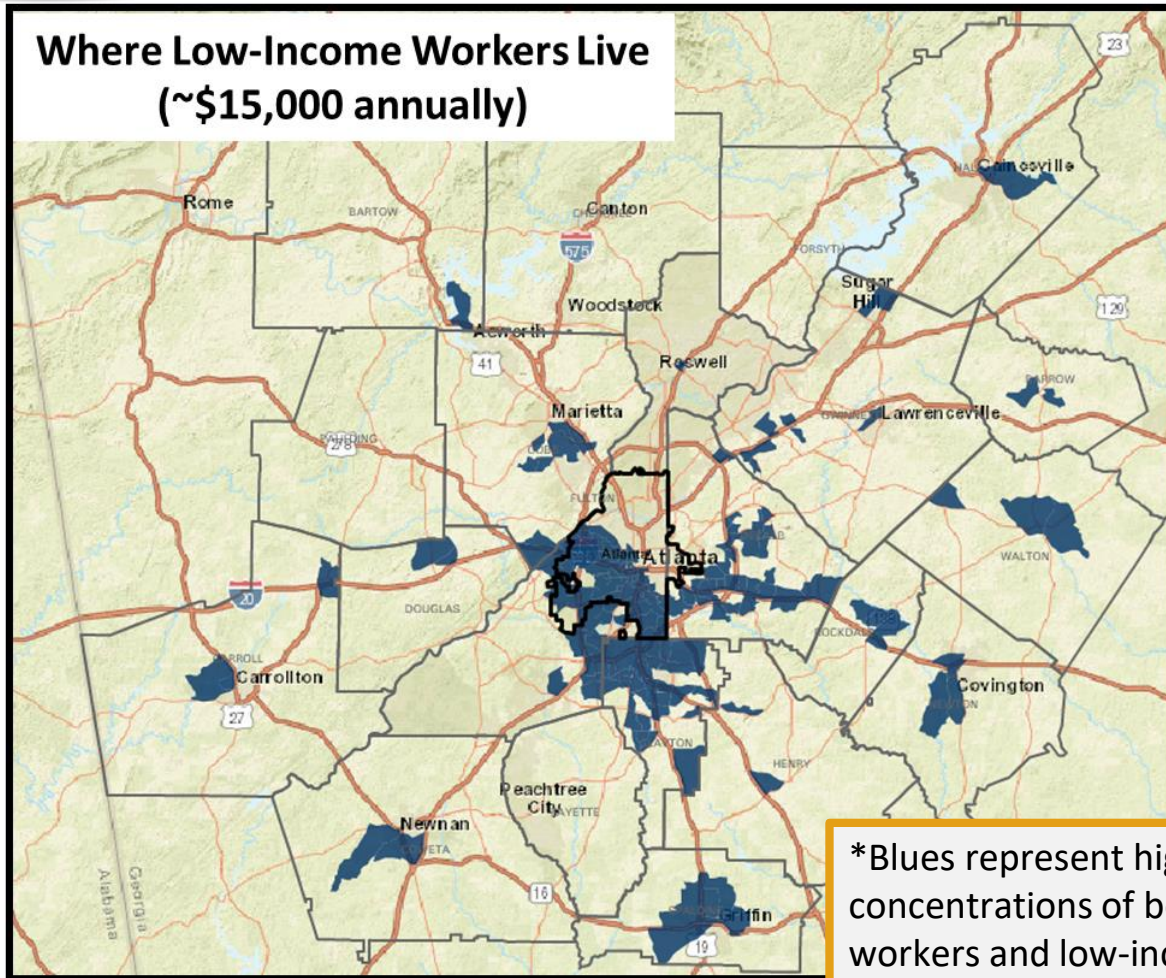
Looking at employment centers, areas defined by The Atlanta Region's Plan, is a good way to explore this mismatch.

Relatively few people live in most of the employment centers, and those that do don't tend to work in those same centers.

For those that do reside in the centers (owners and renters), housing takes larger shares of income than for the average metro resident.

Focusing on recent multifamily data, few affordable units (and very few newer ones) are found in the employment centers, making it difficult for workers (especially low-income workers) to live close to where they work.

A spatial mismatch exists between the location of low-income workers & low-income jobs



*Blues represent higher concentrations of both low-income workers and low-income jobs

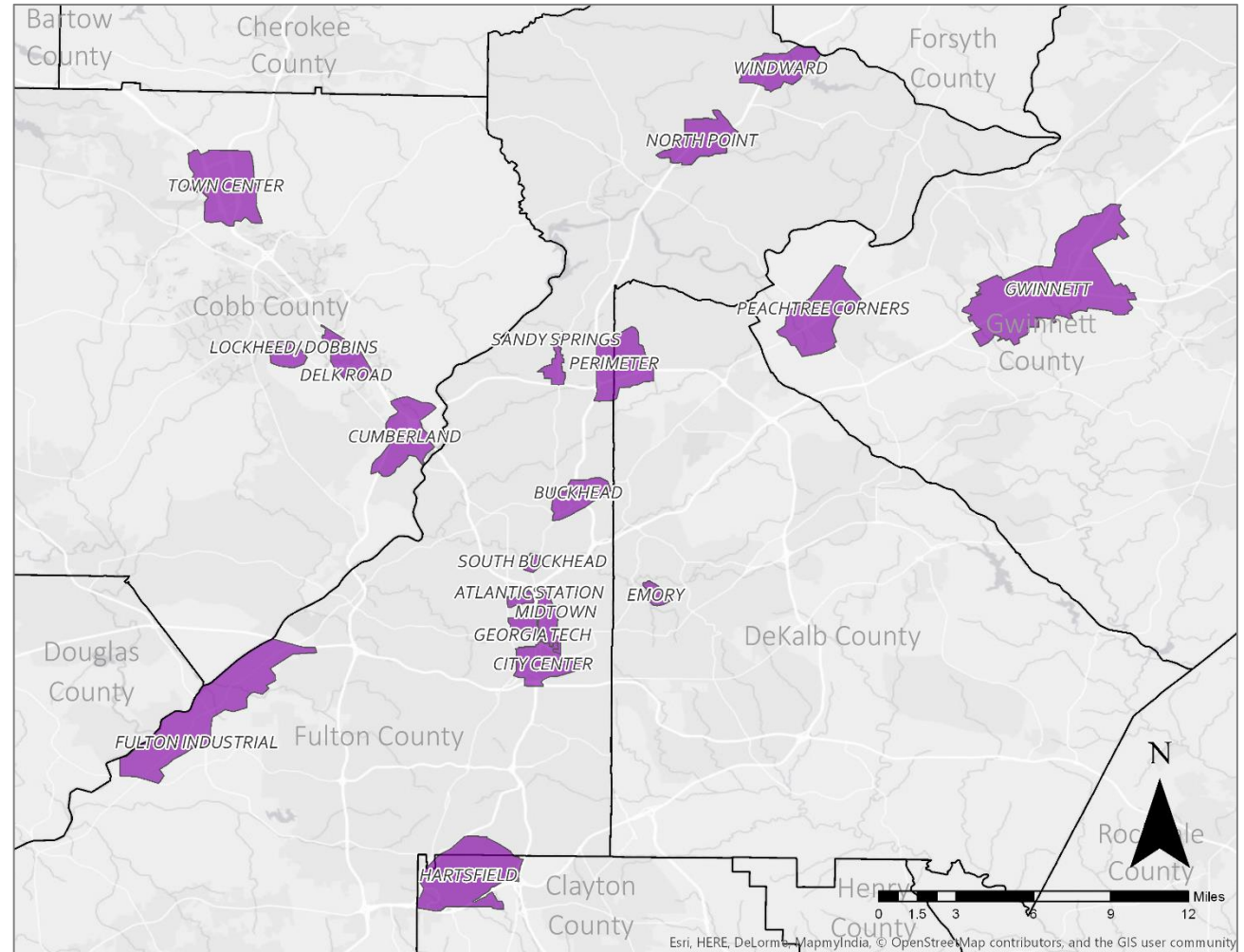
The region's low-income workers are primarily concentrated south of I-20, and in Clayton and Spalding counties, while low-income jobs are more evenly dispersed throughout the region.

How Are Employment Centers Defined?

ARC Employment Centers correspond to the Regional Centers identified in the United Growth Policy Map of the Atlanta's Region Plan.

Regional Centers, shown in purple in the adjacent map, have on average 10,000 jobs or more in an area of 3.25 square miles. As a group, they contain 21 percent of the 29-county metro's jobs in just 0.7 percent of the area. The centers are also hubs for shopping and entertainment. The Plan states that centers should be connected to the regional transportation network with existing or planned high-capacity transit service. **In most cases, these centers have a jobs-housing imbalance,** so per the Plan, housing options should be expanded within their boundaries, especially around existing or planned transit.

For more information on regional centers, including implementation strategies – please visit [The Atlanta's Region Plan interactive guidebook](#)



Select Major Employment Centers' Worker/Resident Composition

Employment Centers	Number of Filled Jobs	Workers Living in the Center	# of Workers Commuting into the Center	Workers Living and Employed in Center	% of Jobs Filled by Workers Living in the Center	% Workers Living in Center Also Working in Center
City Center	101,904	4,965	96,939	804	0.79%	16.2%
Perimeter	88,363	5,822	82,541	951	1.08%	16.3%
Midtown	62,245	9,241	53,004	1,305	2.10%	14.1%
Buckhead	60,489	4,958	55,531	840	1.39%	16.9%
Cumberland	51,841	5,038	46,803	486	0.94%	9.7%
Gwinnett	48,887	13,643	35,244	1,428	2.92%	10.5%

The above table highlights worker and resident composition within select major employment centers. Collectively, **these six centers provide more than 400,000 jobs, about 1/6th of all jobs in the Atlanta MSA, but in only 0.2 percent of its land area.** The City Center has the highest number of total jobs (101,904), but also the lowest percentage of those jobs are filled by workers living within that center (0.79%).

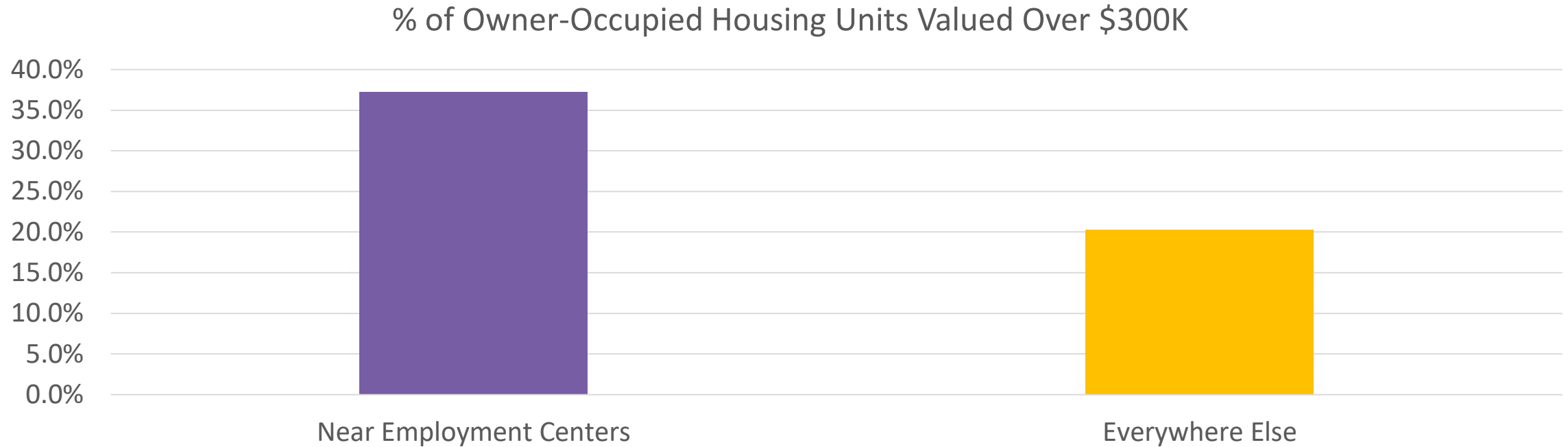
The last column in the table shows the percentage of the workers living in the center who also work in the center. In Buckhead, for example, roughly 5,000 workers live within the center, while 840 also work there, which comes to almost 17 percent of the workers living in Buckhead.

Select Major Employment Centers' Housing Composition and Affordability

Employment Centers	Total Population (2017)	Total Housing Units (2017)	% Owner-Occupied Housing Units (2017)	% Renter-Occupied Housing Units (2017)	% Vacant Housing Units	% of Owners Spending More than 30% of their Income on Housing (2011-2015)	% of Renters Spending More than 30% of their Income on Housing (2011-2015)	Households Spending \$1,000+ per Month on Rent (2011-2015)
Gwinnett	39,194	16,516	29.3%	64.2%	6.5%	52.3%	50.4%	21.2%
Midtown	17,828	13,943	32.3%	53.1%	14.6%	30.2%	30.7%	55.2%
City Center	14,006	7,459	16.7%	60.4%	22.9%	36.8%	46.1%	30.3%
Perimeter	13,339	7,852	25.1%	69.2%	5.6%	39.9%	38.6%	70.7%
Buckhead	12,790	9,190	31.0%	55.0%	13.9%	31.3%	35.9%	78.6%
Cumberland	10,213	6,442	12.7%	78.8%	8.5%	49.1%	32.4%	43.7%
Atlanta MSA	5,806,085	2,340,051	56.6%	34.5%	9.0%	33.5%	48.8%	24.1%

The above table highlights housing composition and affordability (as measured by the percentage of owners and renters spending more than 30 percent of their household income on housing) within select major employment centers. Cells highlighted in orange indicate centers where higher shares of owners and/or renters have affordability challenges exceeding those of the average owner/renter in the Atlanta MSA. For example, **in the Atlanta MSA 33.5 percent of home owners pay more than 30 percent of their household income on housing, compared with 52.3 percent of home owners in the Gwinnett Employment Center.**

Housing Stock More Expensive In and Near Employment Centers



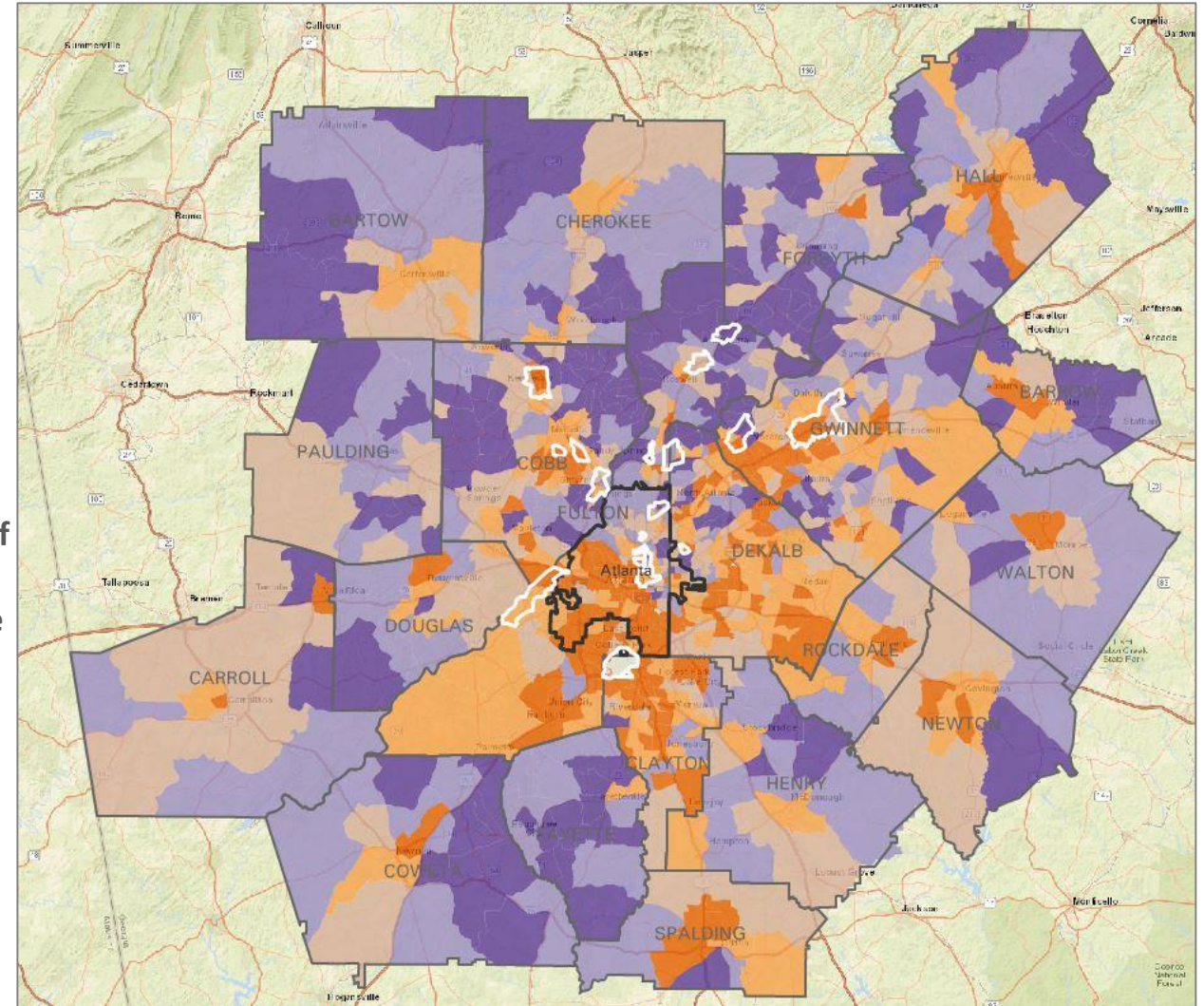
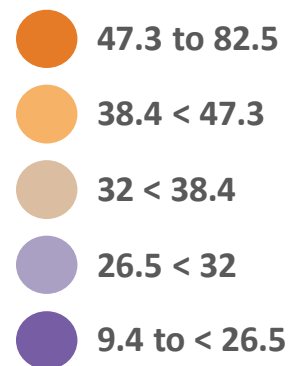
The above chart shows that **37 percent of all owner-occupied homes in or near employment centers are valued above \$300,000**, compared to only 20 percent of owner-occupied homes everywhere else. This demonstrates a location premium for homes near employment centers.

Employment Centers' and Housing Affordability

This map shows the relative affordability for the remaining employment centers within the context of the region. Employment centers (outlined in white) are overlaid on census tracts that display the percentage of owners and renters spending more than 30 percent of their household income on housing costs. **Census tracts in orange are the least affordable, with higher percentages of owners and renters housing costs exceeding 30 percent of household incomes.**

While housing values are generally higher in employment centers located in Cobb and Gwinnett counties, as well as portions of N. Fulton and N. DeKalb, household incomes are also generally higher in these census tracts, therefore housing costs are also generally more attainable for those households. Thus, incomes are a key driver of determining affordability, regardless of housing prices.

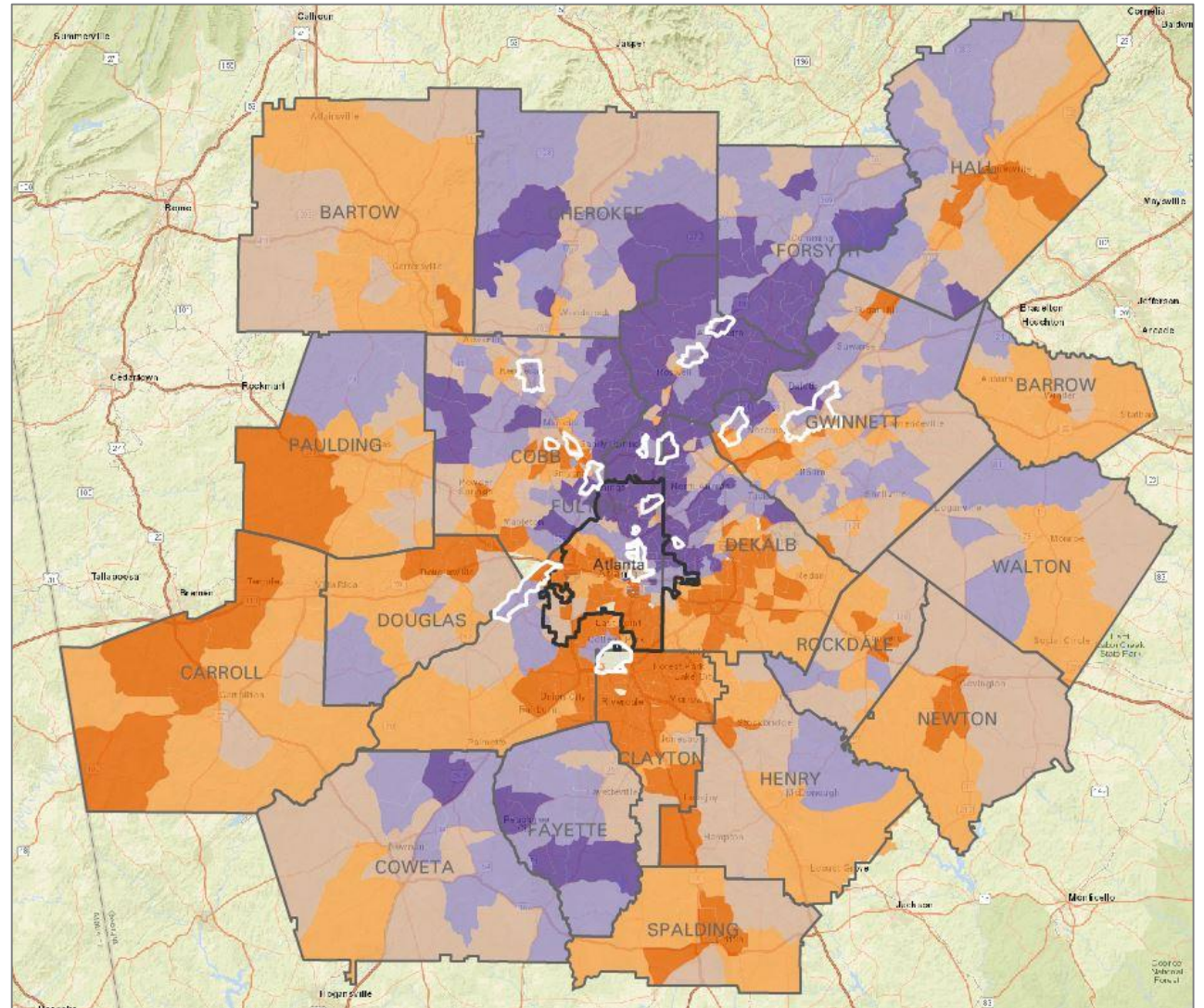
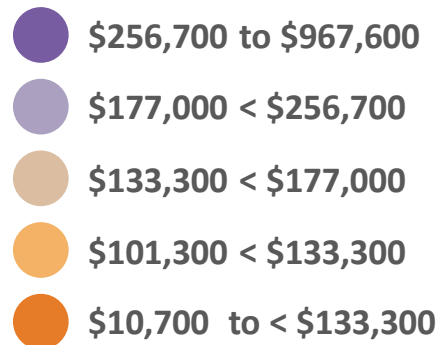
Housing Affordability: % of Housing Costs Exceeding 30% of Household Income



Housing Values Greater Near Major Employment Centers

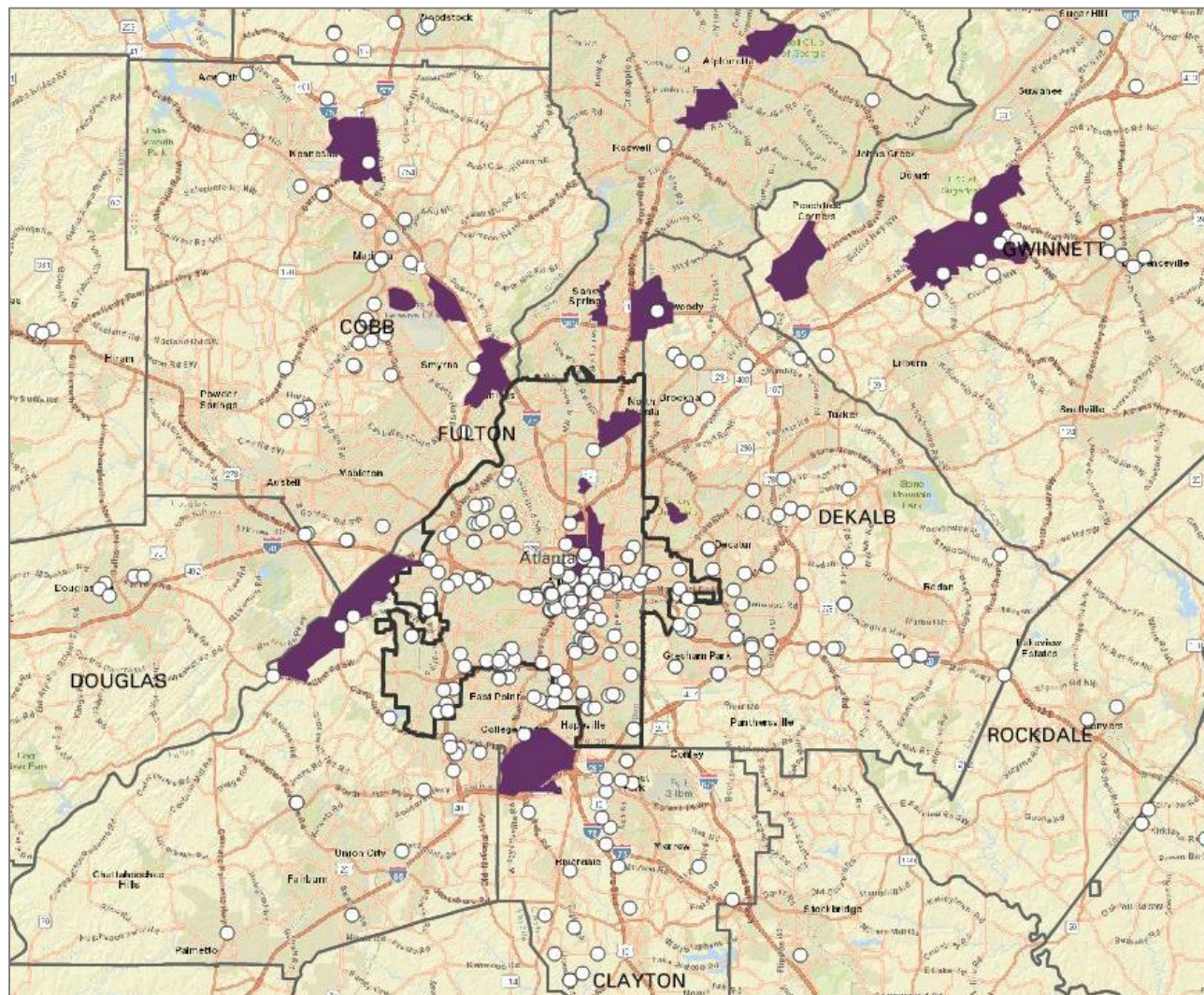
Overall, the highest home prices (orange shading) are primarily concentrated in areas north of I-20, including Cobb and portions of N. Fulton, and N. DeKalb. That is also the location of many of the region's employment centers (outlined in white.) Thus, living close to the region's employment centers is expensive.

Housing Values: Median Value, Owner Occupied Housing Units

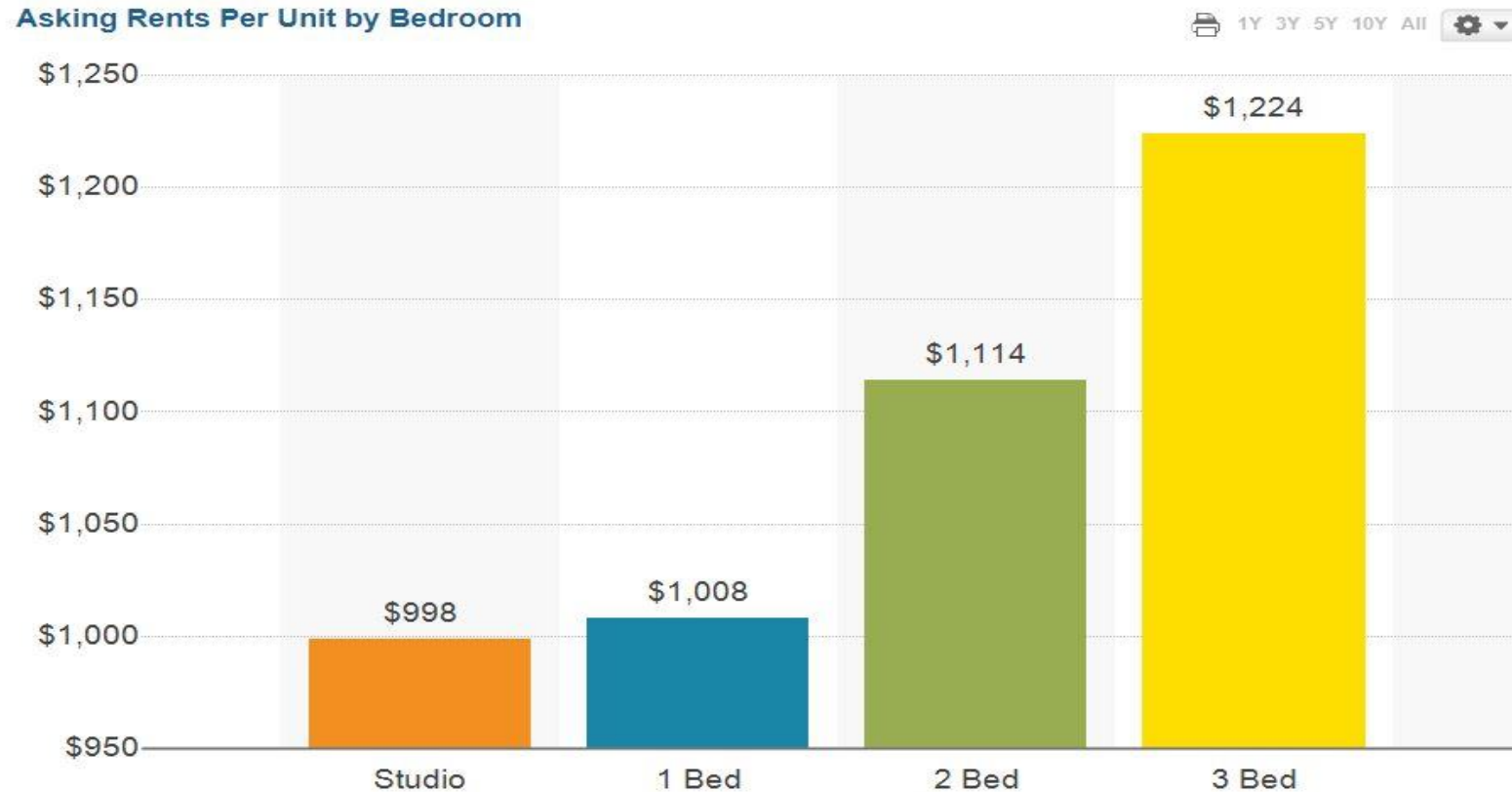


Availability of Subsidized Units is Limited Near Major Employment Centers

This map isolates the major employment centers, shown in purple. The white dots on the map represent where subsidized units are located. **Subsidized units are generally located outside of employment centers, often in high poverty areas.** These high poverty areas also have low levels of opportunity, **making it harder for residents to break the cycle of generational poverty.**



A Quick Look at Rents

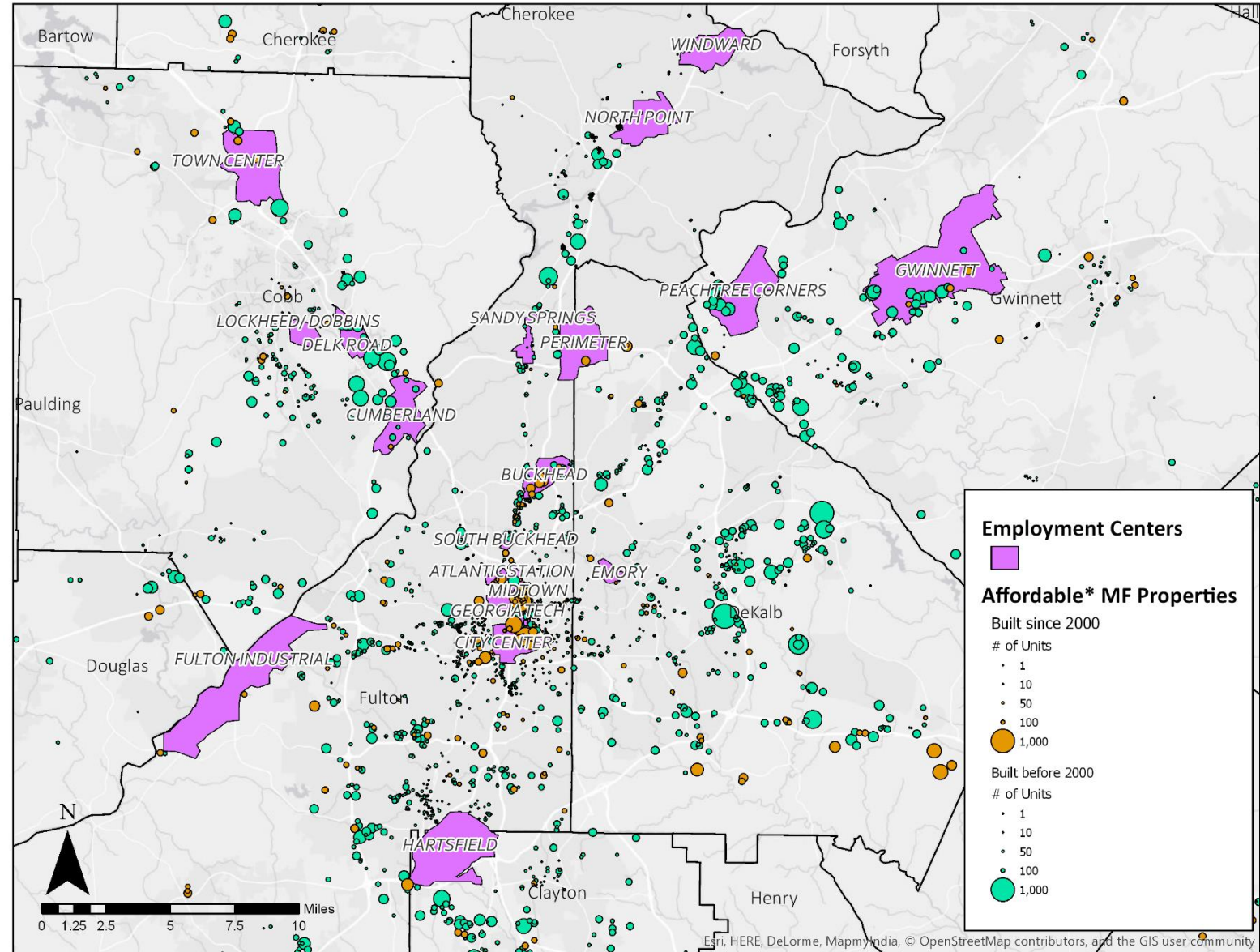


The above chart shows average monthly rents by type of multifamily unit, according to Co-Star. These rent levels, high “on the face”, seem even higher when assessment of affordability enters the picture. Typically, spending 30 percent of household income on housing is considered the affordability threshold. Then, when looking at affordability equal to 60 percent of the 2016 MSA Area Median Income (AMI) of \$67,500, an “affordable” unit comes to roughly \$1,013—essentially equal to the average asking rent for a one-bedroom unit. **Using this criteria, then, a household making about \$40,500 annually could afford a unit (regardless of size) with a rent or mortgage of \$1,013.**

'Affordable' Multifamily Units and Employment Centers

This map shows units renting for less than \$1,013, broken out by year built (before and after 2000). Again, we define 'Affordable' in the Atlanta region as units with a rent equal to or less than \$1,013 per month (which is derived assuming that a household spends no more than 30 percent of income on housing costs, and that household has an annual income of 60 percent of the 2016 MSA Area Median Income, which is roughly \$67,500).

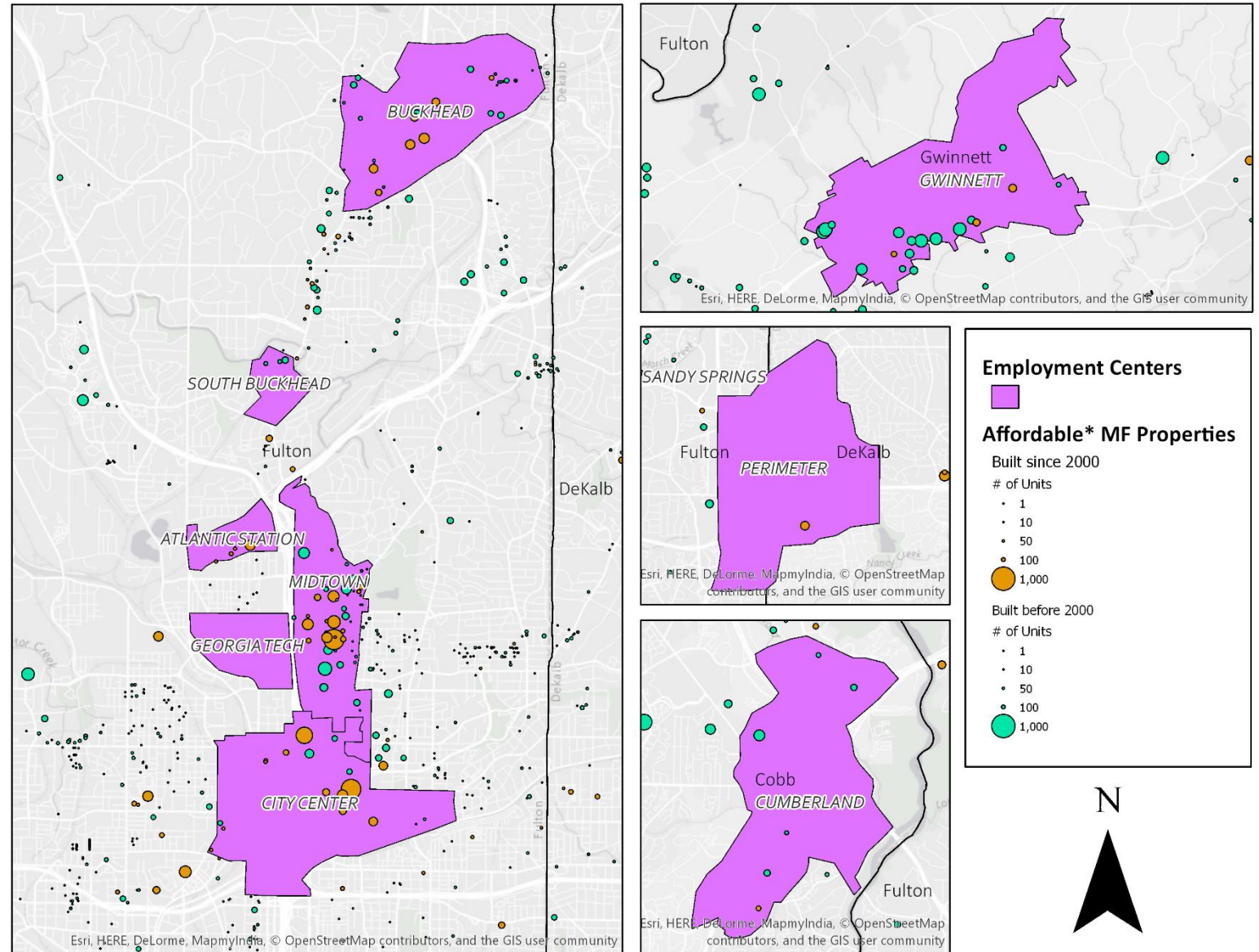
The majority of these 'affordable' multifamily units are in buildings built prior to 2000 (green dots on the map at right). **As the map shows, almost all the employment centers lack properties with affordable units—the scarcity is most pronounced for multifamily units built since 2000.** Some suburban employment centers have almost no newly built affordable multifamily properties.



'Affordable' Multifamily Units and Employment Centers

The maps at right provide close-ups illustrating multifamily affordability conditions in selected major employment centers. Affordability is, again, defined as projects with average rent equal to or less than \$1,013 per month.

While the Buckhead and Downtown areas have some affordable projects built since 2000, the suburban areas shown at the far right have almost no such projects. In the cases of Perimeter and Cumberland, there are almost no affordable projects at all-pre- or post-2000.



Comparing Affordability: Employment Centers to MSA

	All Units ³	Affordable Units	Affordable Share
Employment Centers ¹	68,157	22,385	32.8%
<i>Share of MSA</i>	<i>13.7%</i>	<i>8.6%</i>	
Rest of MSA ²	430,163	239,162	55.6%
MSA Total	498,320	261,547	52.5%

1) *Employment Centers as defined by Unified Growth Policy Map*

2) *MSA less number in Employment Centers*

3) *Defined as units located in projects with an average asking rent per unit of < \$1,013 (equivalent to 30% of 60% Area Median Income, as defined by HUD)*

The above table illustrates the low share of affordable units, across all projects in employment centers. Collectively, all employment centers provide about 68,000 units overall, or roughly 13.7 percent of all units metro-wide. **However, only a third of those units are affordable (based on definition above), compared to over half in projects elsewhere in the region.**

A key point to consider is that these data are for units of all sizes, ranging from studio apartments to 3 BR. We use the same level of affordability, \$1,013, for all. Thus, a single professional making roughly \$40,500 (60 percent of AMI) could afford a studio or 1 BR apartment for that price. But for a family making \$40,500, affordability becomes more strained as larger apartments are naturally more expensive.

Combined Costs of Housing & Transportation Further Complicate Affordability

This map uses HUD's location affordability index data to show what percentage of income a family of four with two commuters earning the median income (roughly \$57,000 in this case) can expect to pay for combined housing and transportation costs if they move to a given census tract within the region.

Areas in orange values represent those areas where the above family scenario would have to pay more than 50 percent of their household income on housing and transportation costs combined. Many of these areas are found in areas further from the metro core, where public transportation is often limited.

The map also shows that **many of the employment centers (in black outline on this map) overlap these orange areas of higher combined costs, despite these areas having reasonably good access to the region's Interstate network.**

