ECONOMIC IMPACT OF HOUSING

Housing creates jobs!

In 2001 housing construction created approximately 200,000 jobs in the state of Georgia.

The construction of every 1,000 single-family generates approximately $79 million in wages.

The construction of every 1,000 multi-family units generates approximately $33 million in wages.

OVERVIEW

Community and economic development are essential to the long-term health of Georgia and her communities. The Georgia Power Company and the Wachovia Foundation have been key partners in those community building efforts through important contributions to the state’s economic development, and through support of the Georgia Initiative for Community Housing, they continue to help Georgia’s communities prepare for a brighter future for their citizens.

The Georgia Initiative for Community Housing (GICH) offers communities a three-year program of collaboration and technical assistance focused on local housing needs. Why the focus on housing? One reason, housing creates jobs.

A report from the National Association of Home Builders found that building 100 new homes creates 257 jobs and 75 jobs every year thereafter in support of those new households. Construction of 100 multifamily units creates 122 jobs and 46 additional jobs thereafter.

Housing is also needed to attract jobs. In a survey done by Area Development Magazine (a site-selection trade publication), 75 percent of respondents said that housing availability was either “important” or “very important” to the site selection process. It has been estimated that one new housing unit is required for every 1.6 new jobs created.

In a growing, thriving state, that translates into a significant demand for all types of new housing. Through their participation in the GICH, the Georgia Power Company and the Wachovia Foundation are helping provide a mechanism for Georgia communities to meet their housing needs.

The Georgia Initiative for Community Housing represents a joint effort of the Georgia Department of Community Affairs (DCA), the Georgia Municipal Association (GMA), and the University of Georgia’s Housing and Demographics Research Center (UGA).

The Georgia Power Company provided primary financial support for the first year’s program, with additional funding provided by the Wachovia Foundation and facilitation support from Georgia EMC. Bringing together the strengths and expertise of all
these great organizations is a special feature of the program.

In its inaugural year, GICH helped six cities launch their housing plans - building local teams and gaining momentum. The six communities chosen were Cartersville, Fort Valley, Sylvester, Thomasville, Valdosta, and Waycross. These communities were chosen based on applications and site visits in the summer of 2004.

SIX UNIQUE CITIES WITH COMMON PROBLEMS

The experiences of these six communities show the value of the GICH team approach, along with the power of local action. From the start, it quickly became apparent that the participants represented six unique communities that shared a number of housing issues.

Shared issues included:

- Substandard housing units
  - Landlord units
  - Homeowners
- Need for
  - Tenant education
  - Home buyer education and financial literacy training
  - Need for quality affordable housing units for purchase and rent
  - Need for a coordinated community approach to housing

Examples of issues that differed among the communities:

- Housing needs of a growing Latino population (Cartersville)
- Focus on neighborhood abutting university (Fort Valley)
- Historic housing stock (Thomasville)
- Recent media attention and community conflict over an area of rental units (Sylvester)
- Concern over large number of Section 8 rentals (Waycross)
- Partner organizations lack capacity to serve the full need of the community (Valdosta)

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FINDING SOLUTIONS — MAKING PROGRESS

In the first eight months of the three-year program, the communities are already showing progress.

**Cartersville** - The Cartersville team is concentrating their efforts in a section of the community that has been designated as the North Towne area. Giving a name to this neighborhood was the first step in the revitalization process because it gave the community a new identity.

Activities in the North Towne area include:

- In the spring, the housing team worked on a Keep Bartow Beautiful (KBB) project, and in the process, began to engage the community in the housing effort.
- Working with an after school program at a local church, the team published brochures about the neighborhood clean-up and recruited neighborhood volunteers through a door to door effort. Team members worked with the neighborhood volunteers on Clean-up Saturday.
- The clean-up effort also included developing an English/Spanish flyer on property maintenance tips. The flyer went out city-wide in utility bills and also served to remind the community of KBB.
- In addition to the clean-up event, Cartersville began their larger housing effort by contacting owners of vacant properties seeking donations of lots for infill construction. They also contacted owners of multiple properties advising them of the project and asking for their input.

The Cartersville team is working on a revitalization plan that will include a number of new local government programs and policies, directed toward neighborhood revitalization and affordable housing. Among the policies likely to be adopted are waving certain permit fees for infill construction and rehabilitation. The Coosa Valley RDC completed a housing inventory focused on the North Towne neighborhood.
Fort Valley — The Fort Valley housing team has concentrated on a series of activities directed toward improving its neighborhoods, while seeking funding for the planned housing rehabilitation. Among its activities:
√ The community held its first annual “Rebuilding Together Day”, utilizing approximately 50 volunteers to renovate 6 homes.
√ That activity was followed by a “City Clean-up Day,” a home buyer fair, four home buyer education classes provided by Fort Valley State University (FVSU).
√ Additionally, the City’s code enforcement board adopted a policy in which the City will provide the labor to remove dilapidated structures, if the owner will pay the disposal tipping fees. Under this policy, 4 structures have been removed, 8 are awaiting demolition, and 25 are in various stages of the process.

The City of Ft. Valley applied for CHIP funding to rehabilitate eight housing units and reconstruct two; FVSU Public Service Center applied for the 2005 HUD Historical Black Colleges & Universities grant to improve the housing in the area surrounding the university. The local housing authority has indicated their intention to apply for the Rural Rental Housing Development Fund program when the RFQ is issued in 2006.

Sylvester — After an initial false start, the community revamped its housing team and began working to sharpen its focus on its housing work plan. In spite of its early problems, the community held a successful “Great Sylvester Clean-up” in the spring and helped sponsor a home buyer’s seminar. The City is working on demolishing dilapidated houses and filing liens; it is also revising its land use and zoning ordinances. Sylvester successfully applied for CDBG funds to help redevelop West Sylvester (phase II of a previously funded CDBG project of street and drainage improvements).

The problems experienced by Sylvester involve issues of community trust and disagreement about the future direction of the community—problems experienced by many communities. By working to overcome these issues, Sylvester may prove to be a model of housing action for other small cities in the state.
**Thomasville** — Thomasville has taken a three-pronged approach to working on its housing activities — (1) policies and programs to address housing needs, (2) “sticks and bricks” activities to build and rehabilitate housing units, and (3) working with low- and moderate-income families and neighborhoods. On the policy and program side, the community is working to establish a land bank with the County. The Thomasville housing team’s building and rehabilitation activities include:

- Habitat for Humanity has completed construction of three houses and has started an additional one, transferring a lot from DASH (the local nonprofit partnership) for that purpose.
- The Landmarks organization completed rehabilitation of four homes owned by elderly persons, as part of the community preservation program. All four homes were located in the neighborhood improvement project (NIP) area.
- The City’s CDBG program has started work on lead abatement.

In terms of community outreach, the third focus of the team, activities have included:

- A community fair was held in the NIP that included a cookout, outreach activities by the Thomasville Fire and Police Departments and information booths. Neighborhood identification signage has also been erected in the NIP area.
- The community has worked with the Southwest Georgia Housing Task Force to develop a training program for home buyer mentors. The Southwest Georgia RDC received funding from DCA for that activity and helped the housing task force develop a marketing plan.
- Additionally, the community is working on a housing resource guide.

**Valdosta** — Valdosta is the largest of the six GICH communities and is also an entitlement city for HUD’s Community Development Block Grant and a participating jurisdiction for the receipt of HUD’s HOME funds. Since its selection to GICH, Valdosta has continued its active housing program with a renewed focus and enthusiasm. Among its many achievements to date in 2005:

- The community held a ground breaking ceremony for The Pines, a 28-unit affordable housing development that will provide an array of support services to families suffering from the effects of substance abuse.
- The local Habitat for Humanity completed four houses in the designated revitalization area and has two more underway.
- The City worked with the Group Workcamp program to bring 400 young people to the community for a week. By donating more than 13,000 volunteer hours, Group Workcamp completed repairs to 51 houses in five days.
The City also began a housing rehabilitation program, working cooperatively with Coastal Plains and the Valdosta Housing Authority.

City staff is working on urban redevelopment plans for four residential and one commercial neighborhood. Completion of these plans will enable the City to work more effectively on the revitalization of these communities.

The community is actively working to provide training and education related to housing. The City hosted a program for local lenders on downpayment programs and mortgage tools available from DCA and the Federal Home Loan Bank. Home buyer education through Project Change has been extremely successful and the community is sponsoring a “People’s Law School” that has covered housing topics, such as tenant rights. Valdosta is also part of DCA’s Dream Cities program, combining the City’s housing funds with DCA’s Dream Georgia program to offer affordable financing to low- and moderate-income home buyers.

Waycross— On the policy front, Waycross is taking steps to create an Urban redevelopment Zone for one of its neighborhoods and is working toward creating a land bank. The City is also working on beautification efforts by creating a tree commission. The City held a clean-up day that collected over 160 tons of trash. The community has held two credit-counseling workshops and is working on a landlord training program. The City is also working to establish ongoing working relationships with neighborhood associations. The housing team has also met with DCA Section 8 staff, as well as legal aid and housing authority representatives, to discuss various local housing issues. As part of its neighborhood revitalization efforts, the City purchased an empty school building for future use as a community center. The local public housing
authority has expressed an interest in actively participating in housing developing, following the model of the Camilla Housing Authority.

**LOOKING TOWARD THE SECOND YEAR**

The GICH partners are pleased with the progress shown by all six communities. In every case, specific actions have been taken to address community housing needs and to position the community to address additional needs in the future. Year Two of the GICH program will provide the communities with two one-day facilitated retreats and ongoing technical assistance. The partners also recognize that funding cycles and development activities are such that even simple housing developments - from concept to concrete - can take one to three years. More challenging developments can take even longer. The steps that each of these communities has taken will position them to have significant housing success stories throughout the course of the three-year GICH program – and beyond!

In the second year, five new communities: Camden County, Dalton/Whitfield, Hall County, Moultrie, and Waynesboro will start the GICH program. These communities will participate in the same type of retreats as the first six communities. In October 2005, UGA was awarded a Rural Community Development Initiative grant from the [U.S. Department of Agriculture Rural Development](https://www.usda.gov) for the GICH program. While this grant is an important recognition of the value of the GICH program and its approach to community development, the USDA funds are generally targeted to offsetting the participation costs of two current GICH communities (Sylvester and Fort Valley) and two new, rural GICH communities (Moultrie and Waynesboro). The continued success of this initiative is closely tied to the continued generous support of one of Georgia's strongest corporate citizens – the Georgia Power Company.

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**Working Together to Make a Difference!**

- 50 Volunteers renovated 6 homes in Fort Valley on “Rebuilding Together Day”
- 400 youth volunteers repaired 51 homes in Valdosta in five days
- Waycross collected 160 tons of trash on clean up day in April
- Sylvester began its work with the “Great Sylvester Clean-up”
- Valdosta broke ground for 28-units of affordable rental housing that will also provide support services to families affected by substance abuse
- The Cartersville team worked with residents of the newly designated North Towne area on community clean-up efforts
- Ft. Valley and Thomasville sponsored home buyer fairs
- The Landmarks organization in Thomasville completed rehabilitation of four homes owned by low-income elders in the historic city