

OUR INVISIBLE NEIGHBORS

Financial Vulnerability in North Fulton

A REPORT BY THE NORTH FULTON POVERTY TASK FORCE



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United Way of
Greater Atlanta in
North Fulton County



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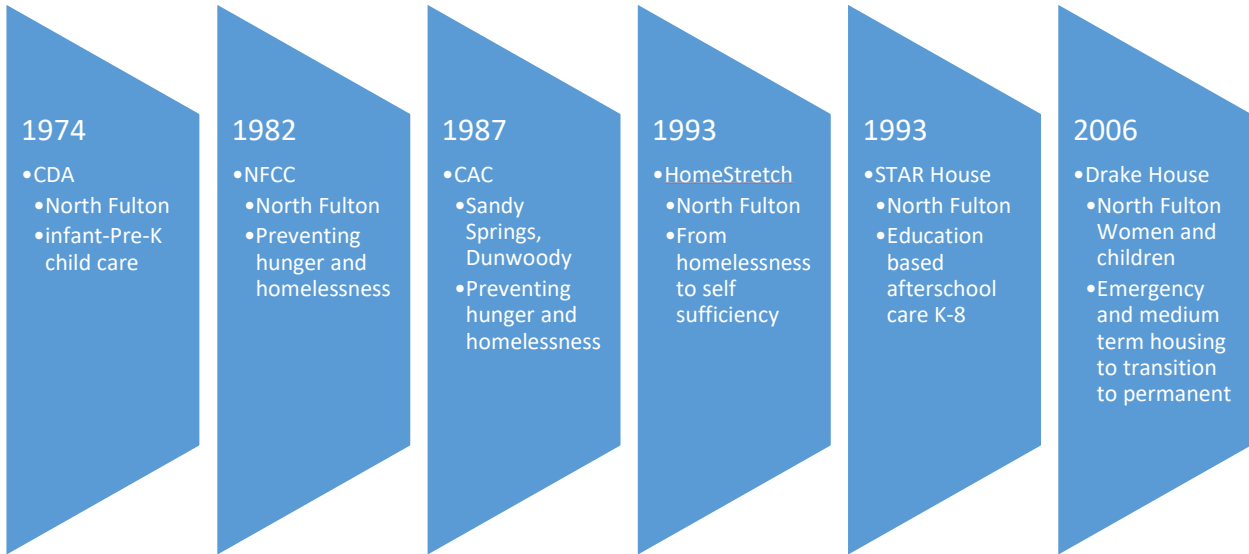
Introduction

This report emerged from an assessment conducted by a team of nonprofits, corporate partners, academics, spiritual leaders and their stakeholders. Independently, and collectively, we recognized a rise in people seeking services. Most notably was an increase temporary housing arrangements following evictions and foreclosures. We realized that our collective capacity couldn't keep up with demand. We needed to find ways engage the broader North Fulton community in a response strategy.

The North Fulton Poverty Task Force was formed in 2014. Several critical actions emerged from this leadership team. Most notably, the Task Force determined that it was critical to establish a benchmark to identify whether the discoveries in North Fulton were anomalies or are factors underpinning this shift a potential threat to the labor market and familial stability or our community. Efforts included outreach to various national agencies whose work was professionally and scientifically confirmed and could serve as a credible sources to examine the shifts in our dynamics in North Fulton.

The report that follows demonstrates that the anecdotal information first seen by independent agencies and policy makers was in fact reality and widespread. What emerged is a series of drivers that impact the creation of financial vulnerability leading to temporary housing solutions and in some cases, to homelessness. Through an economic lens, this is concerning as these residents are our employees, our neighbors and the children attend schools with ours. While NO direct solutions are advanced, this purposeful approach articulates the data discovered and presents a case for rational consideration.

History of North Fulton Nonprofits



The last physical facility built to deal with the growing need in North Fulton County came in June of 2006 when The Drake House opened its doors. Since then, our area, like many suburban locations, has exploded with both wealth and with need. It is notable that The Drake House was a project of Leadership North

Fulton, an affiliate of the Greater North Fulton Chamber of Commerce. Then, as now, it took business, faith and civic leaders, along with non-profits, to find a solution to the emergency shelter gap that existed at the time. Now the need is even greater.

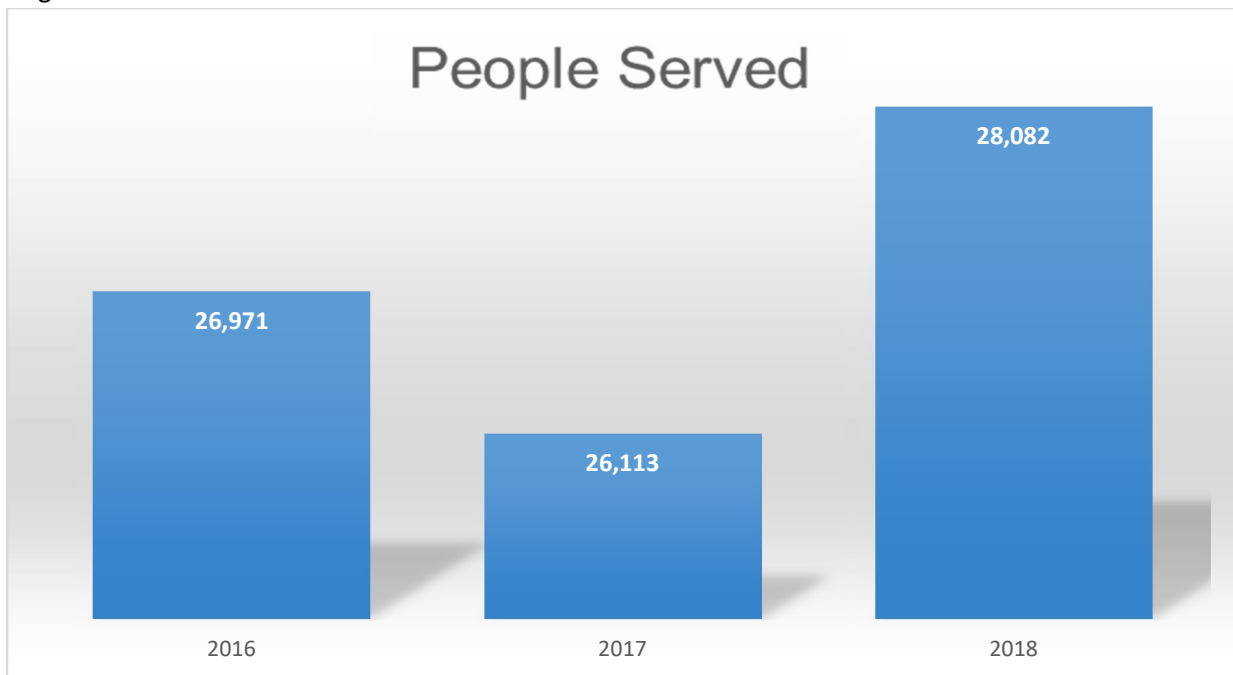
Why This Report & Why Now

The North Fulton Poverty Task Force (NFPTF) was formed in 2014 as a way for community service providers and leaders to better address critical needs of those experiencing poverty. We have been meeting monthly since then and have achieved significant accomplishments.

Most notably:

1. Inventoried and advertised details for area warming shelters; providing these services locally in the winter, 2018
2. Created a well-researched strategic plan to create a homeless assessment center using best practices from world class examples;
3. Successfully advocated for an addition MARTA bus line in 2018 for underserved areas of high need.

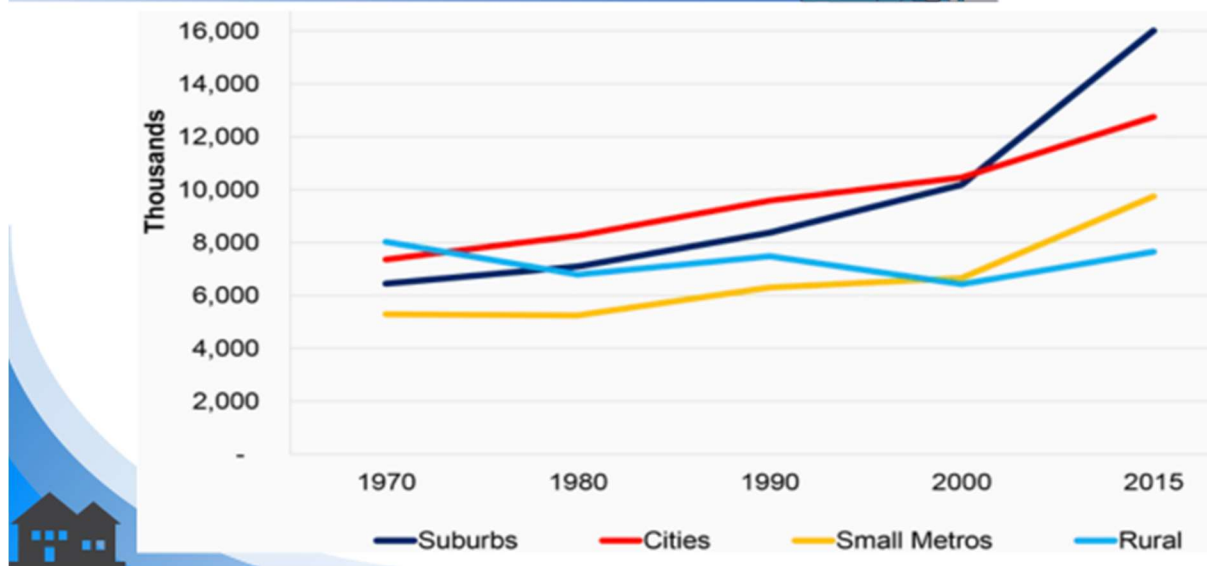
Though these tactical approaches had noticeable impact, they have not been enough to keep up with the larger demand.



Data from 3 NF Charites (Duplication may occur)

The above numbers reflect a growing national problem, underscored by a 2017 report by the Brookings Institution on growing suburban poverty.

It's not just North Fulton



<https://www.brookings.edu/testimonies/the-changing-geography-of-us-poverty/>

While more people in need are showing up in the suburbs, the concentration of service providers remain concentrated in urban areas. The need there is still great. But it is growing faster in our neighborhoods. Much more rapidly than we can successfully accommodate.

The purpose of this report is to shine a light on the breadth and depth of financial vulnerability in our neighborhoods. Once we better understand the problems, we can work together to find actionable solutions.

We need your help to solve this complex problem. Charities and faith communities cannot solve this alone. It will take all sectors in the North Fulton community to fully understand the complexity of the situation so we can begin to tackle the challenges.

We hope that we can find the common ground needed to create neighborhoods where all people can be productive and thrive. To do that, we need civic and business leaders as partners at the table. It is a problem that will require public policy as well as free market solutions.

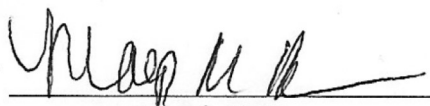
Too many North Fulton companies continue to have unfilled job openings while there are employable people living just down the road. Many are willing to work, but may be underemployed, may not have transportation to get to a job, or may not be able to find affordable childcare to allow them to work.

Solving these problems is in everyone's best interest. When we do, our communities will be stronger, our companies and families will thrive, and our children's futures will be much more stable.

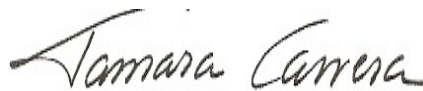
The Vision:

North Fulton is a community where all individuals and families, including the financially vulnerable, have the opportunity to be thriving and contributing citizens

Executive Team Members (some have left their positions but are listed in the role they played):



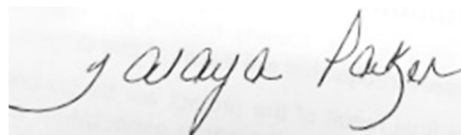
Maggie DeCan
Children's Development Academy



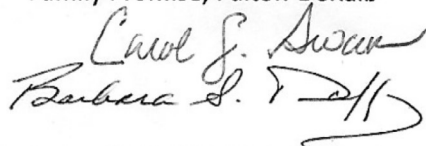
Tamara Carrera
Community Assistance Center



Andrea Brantley
Family Promise, Fulton-DeKalb



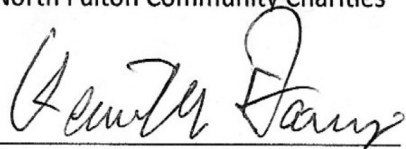
Talaya Parker
Homestretch



Barbara Duffy, Carol Swan
North Fulton Community Charities



Freda Hardage
Northside Hospital



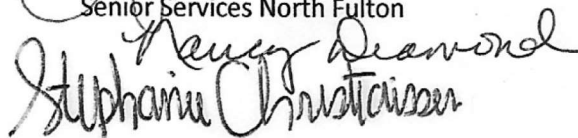
Ken Davis
Renasant Bank




Tanya Morris, Donna McKinney
Senior Services North Fulton



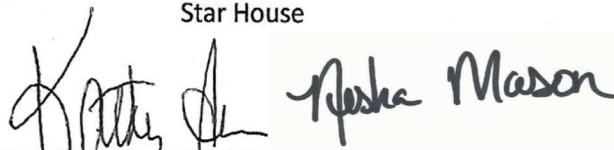
Jack Murphy, Chair
Society of St. Vincent DePaul



Stephanie Christiansen, Nancy Diamond
Star House



Leslie Anderson
Temple Kehillat Chaim



Kathy Swahn, Nisha Mason
The Drake House



Background

FACT THAT MAY SURPRISE YOU

Of the 59 North Fulton neighborhoods we examined, 11 saw a decline in poverty from 2000-2017. Forty-four had increases in poverty. Four of those had double digit growth in poverty. The economy is working well for many. Just not for everyone in North Fulton.

POVERTY IS WORSE THAN YOU MIGHT THINK

We read about poverty numbers and anecdotes almost every day. But we may not think it's a problem in our area.

The traditional way to measure poverty by the federal government is the "poverty threshold." It is a sliding scale based on family size. It provides an estimate of the **minimum income** a person or family would need for food and necessities.

Many of us may believe that these people are OK because of government programs designed to help people in poverty. And these programs do help! However, public assistance programs are not intended to get people out of poverty; they just keep families from falling deeper into need.

One Definition of Poverty

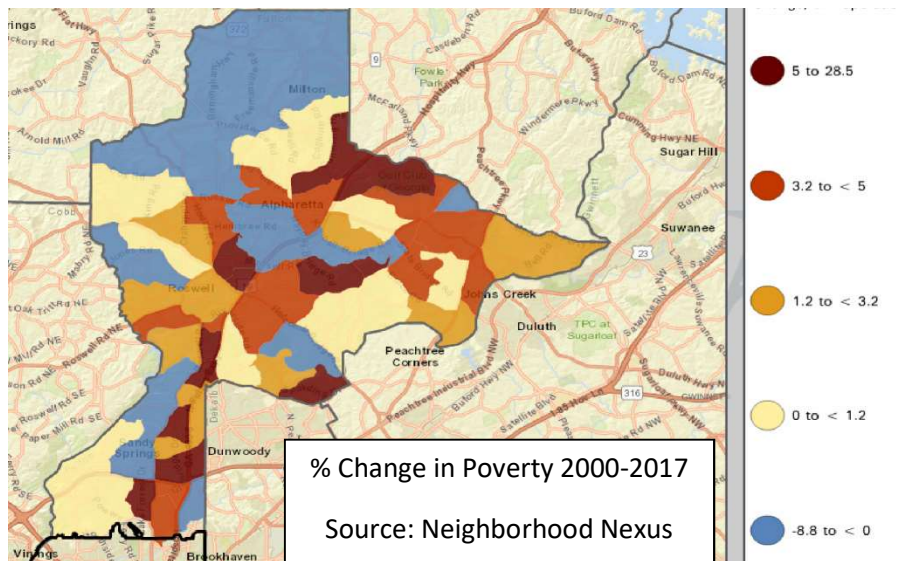
In 2019, a family of 4 earning \$25,750 or less is considered to be in poverty (official poverty thresholds are adjusted by family size). According to the most recent data from the US Census Bureau, there are a little over **30,000** North Fulton neighbors living below the poverty line for their family size. That is about **8%** of our population in North Fulton County.

Growth in Poverty Despite a Good Economy

For the purposes of this study, with the help of the Atlanta Regional Commission, we looked at the 59 neighborhoods (shown as Census Tracts) that comprise North Fulton County.

From 2000 to 2017, eleven of those neighborhoods showed that the number of people living below the official poverty line actually dropped. That is the good news.

However, forty-four neighborhoods experienced growth in poverty during that time period. **Four had double digit poverty growth. The highest saw almost a 30% growth in poverty.** Clearly, the economic boom most of us are experiencing is not working for everyone in North Fulton.



Nationally, the economy is doing well for many. Dig deeper into the numbers and you realize that high net worth households in the area mask a growing problem of inconsistent financial stability. Forty-four

neighborhoods showing a growth in poverty isn't just a statistic. It represents families. These are our invisible neighbors.

An example of this problem can be found in the assessment of the Oak Grove Community in downtown Roswell that was completed in 2000. The prevailing mindset at that time was that poverty did not exist in the area because the surrounding community had an average household income over \$104,000. However, looking beyond the averages, the data showed that this was not the case in 2000. By 2018, poverty had increased even more. In 1990, the poverty level in census tract 144.05 was 8%, today it is 20.3%.

Financial Vulnerability: Income & Jobs

FACT THAT MAY SURPRISE YOU

Eighty-five percent of those seeking help from North Fulton Community Charities (NFCC) are families and individuals who are actively working or have worked within the previous weeks before their visit.

The latest Census data shows that 381,295 people live in North Fulton County. Overall, we have an admirable unemployment rate of 2.6%. However, almost 10,000 residents who could be in the workforce are not employed. Twenty-two neighborhoods have an unemployment rate of over 5%. And in four North Fulton neighborhoods unemployment exceeds 9%. Jobs are certainly the answer for these 10,000 neighbors.

With little time or money to dedicate to increasing their education, many workers remain trapped in low-income jobs. Any unexpected expense creates a financial void in their budget. If these essential workers live in North Fulton County, they are financially vulnerable

There are also "hidden", but real, obstacles to getting and maintaining a job. For example, the small business owner who almost lost two crucial employees around the same time due to child care costs. The business conducts after school and summer programs for children with special needs and both teachers were highly trained specialists in their field. But the high costs of child care caused both new parents to offer their resignations so that they could stay home with their children. The rising costs of child care were just too great.

This small business owner chose to offer a child care stipend rather than lose these valuable employees. A difficult decision for a business of any size. But it truly hits the bottom line harder for entrepreneurs and early stage companies.

Then there is the story by columnist Geoff Smith that recently appeared in the Alpharetta-Roswell Herald. Geoff was at a Roswell restaurant with his family and asked the manager why it took 45 minutes for the meal to be served after they ordered. The manager reported that turnover in the chef position "is so high because none of them can afford to live in North Fulton and they are having to drive an hour to get to work there." (Alpharetta-Roswell Herald, July 4, 2019).

Jobs are certainly an answer. But, as you will see in the Cost of Living numbers below, unless employers are willing or able to pay anywhere between \$13.31-\$34.72 per hour, we are going to need more creative solutions to overcome the obstacles to employment and financial stability in North Fulton County.

The Cost of Living in North Fulton County

FACT THAT MAY SURPRISE YOU

It's significantly more expensive to live in North Fulton County than other parts of the Metro Atlanta area. Our research shows that a family's income must be \$80,000-90,000 to be financially stable in our neighborhoods. Below that, you quickly become financially vulnerable.

Dr. Amy Glasmeir of the Massachusetts Institute of Technology first began tracking a Living Wage for every county in the US in 2004. Her data concludes that a family of four with two working adults and two children-must earn \$64,850 a year to live in the average neighborhood in Fulton County. This means that both wage earners need a total gross income of about \$31.18 an hour to support their family. But, as we will see, our research shows that North Fulton is not comprised of your average neighborhoods.

Here is the breakdown of average costs to live in Fulton County:

Expense	All of Fulton County
Food	\$8,822
Child Care	\$8,306
Medical	\$7,401
Housing	\$12,372
Transportation	\$11,459
Other	\$5,935
Annual taxes	\$10,555
Required annual income before taxes	\$64,850

<http://livingwage.mit.edu/counties/13121>

This does not leave room for savings or putting something away for a rainy day. The "Other" category includes items such as clothing, personal care items, and housekeeping supplies.

A family of four needs an income of \$64,850 to cover the costs of annual living expenses in all of Fulton County. So, where does North Fulton stand in annual income needs?

To drill down on the information, we used data provided by Sperling's Best Places in the United States (<https://www.bestplaces.net/cost-of-living/>). The chart below uses an index to estimate the cost of living in our North Fulton cities. It uses national averages as a baseline. To use the data, think of the "United States" column as \$100. If you look at the "Food & Groceries" row, whatever costs \$100 for the average US household, costs \$926 in the city of Atlanta and other cities in our areas. There is similar consistency when looking at health costs.

	United States	Atlanta	Alpharetta	Johns Creek	Milton	Sandy Springs	Roswell
<u>Overall</u>	100	115.4	137.6	143.1	162.5	153.8	137.6
<u>Food & Groceries</u>	100	92.6	92.6	92.6	92.6	92.6	92.6
<u>Health</u>	100	90.8	90.8	90.8	90.8	90.8	90.8
<u>Housing</u>	100	126.6	202.8	215.2	281.8	257.2	201.8
<u>Median Home Cost</u>	\$219,700	\$261,700	\$389,900	\$414,500	\$539,100	\$504,500	\$394,000
Rent*	100	142.5	167.8	175.6	174.1	197.1	167.4
Indexed Rent Estimate (Per Month)	\$1012*	\$1,442	\$1,698	\$1,493	\$1,762	\$1,995	\$1,694
<u>Utilities</u>	100	103.6	100.8	101	101.7	102.1	101.2
<u>Transportation</u>	100	144	140.3	150.6	144.8	139.4	142.9
<u>Miscellaneous</u>	100	99.8	100.8	99.2	100.7	99.6	99.5

**US average monthly gross rent from US Census, 2017 American Community Survey*

Where you start to see real differentiation are in housing/rent and transportation. That is where financially vulnerably North Fulton families are particularly exposed.

Using these indexed figures, the cost of living in North Fulton is higher than in Atlanta. The “Living Wage”, the wage two parents would need to support a family in North Fulton is roughly \$80,000-90,000 a year.

Of course, individual situations vary. And many factors contribute to the “vulnerability” of each family. For example, if one of the parents’ employers offered child care or transportation supplements, the couple wouldn’t need as much income. But without those supplements, the family is most often living paycheck to paycheck, with little or no “rainy day” fund for illness or emergency expenses.

FACT THAT MAY SURPRISE YOU
 More than 60,000 families are financially vulnerable in North Fulton County

Financial Vulnerability

There are many misconceptions surrounding the classification of financial vulnerability. As a definition, financial vulnerability and poverty *are not synonymous*; however, those living in poverty are, by default, financially vulnerable. **Financial vulnerability** refers to the inability to recover from unexpected financial

shocks, including loss of income or sudden unavoidable expenses. According to the 2018 report on the Economic Well-Being of U.S. Households, 4 in 10 adults in the U.S. state they would have difficulty covering an unexpected expense of \$400, and 12% of adults would be completely unable to pay their current month's bills if they also had to pay that \$400 expense. Even without this hypothetical expense, 17% of adults are expected to sacrifice or forgo payment of some of their bills in the month when the survey was conducted. As for medical expenses, financial hardship is even more acute for the most financially vulnerable. In 2018, 1 in 5 adults had to pay a major, unexpected medical expense, with median costs ranging from \$1k-\$5k. Additionally, 4 out of every 10 of adults with medical expenses in 2018 still have unpaid debt from the bills.

Financial vulnerability, however, isn't restricted to an individual's or family's ability to pay an expense. A family can also be considered financially vulnerable for any of the following reasons:

1. Income is below poverty level.
2. Mortgage or rent consumes more than 30% of the family's income.
3. No health insurance.

All three factors directly tie into financial hardship due to a family's inability to keep up with expenses and accumulate emergency savings.

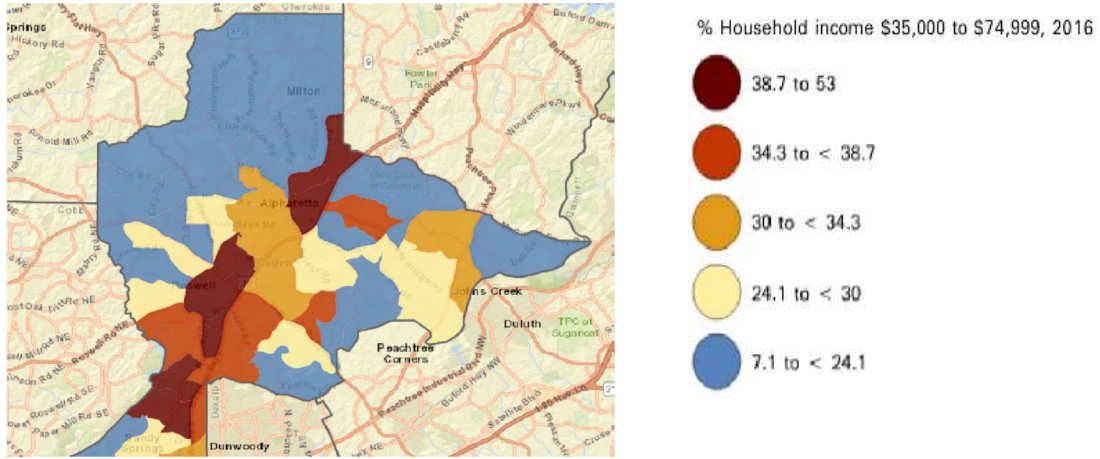
The report on Economic Well-Being also states that 38% of uninsured individuals in the U.S. go without medical treatment just because they are unable to pay for the cost.

In most neighborhoods, it may seem that everyone is doing fine. But many also visit food pantries or seek emergency aid when a medical bill or other expense has tipped them over the financial edge.

Looking at the numbers, there are 24,340 North Fulton household that earn less than \$35,000 annually. Note that this is not individuals. This is households. That income is above the poverty line but not enough to get by in North Fulton without public assistance.

An additional 36,112 households have an annual income of in \$35,000-75,000 a year. In many US communities, \$75,000 a year would put a family in a fairly stable financial position. However, the high costs of housing, food, transportation, and child care, as we will see, mean that many of these families may be just one medical bill away from needing help from one of our community charities.

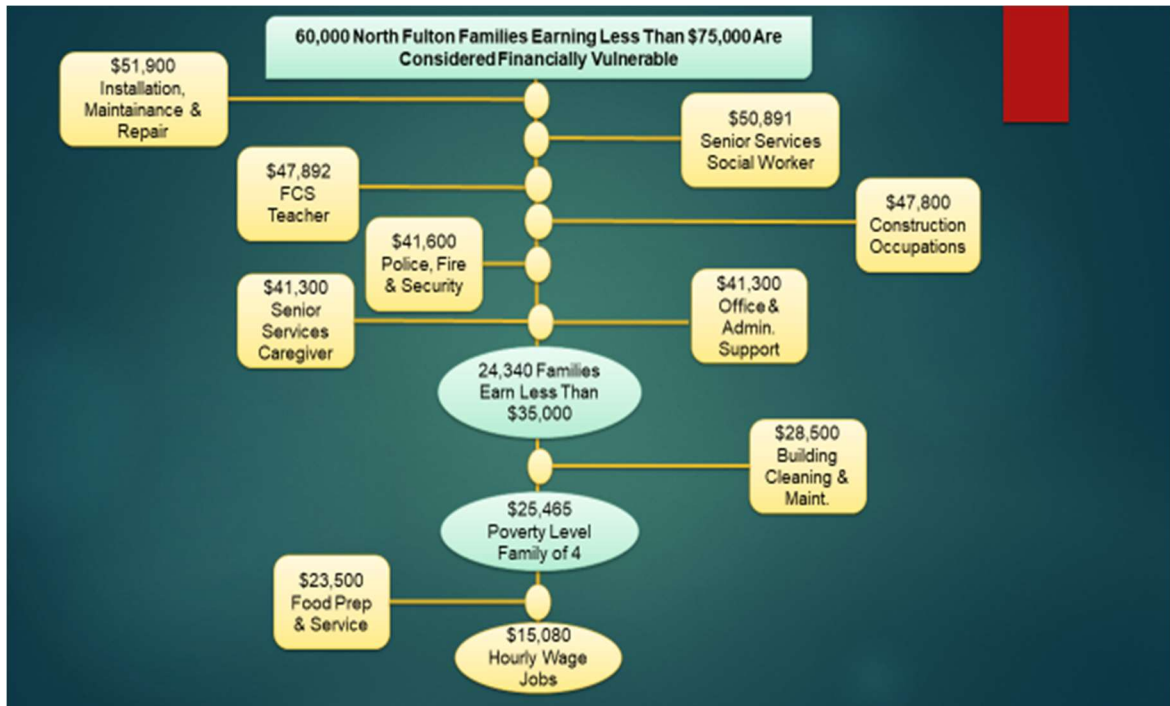
Percentage of households with income \$35,000-74,999



According to a recent article in USA Today:

“The typical American household income was \$57,652 in 2017, more than \$6,000 higher than 2009’s median income of \$51,425. While incomes have risen for many households since the Great Recession, many American families have been left behind over the last decade – mostly in low- and middle-income areas across the US”. (Michael B. Sauter, 24/7 Wall Street Published 6:00 a.m. ET June 8, 2019 <https://www.usatoday.com/story/money/2019/06/08/americas-poorest-towns-low-and-middle-income-families-left-behind/39552791/>)

Wages for select North Fulton County jobs



Sources: www.ziprecruiter.com; Fulton Schools web site, starting salary; Metro Atlanta Chamber, Economic Research; JobsEQ, 2019

From 2002-2015 North Fulton experienced a net increase of 4,703 jobs that pay less than \$21 per hour. US Census Bureau data from 2015 reports that of the 159,571 people who work in our area, 61,003, or 38%, of those earn less than \$21 per hour. If those people are our model family of four and both wage earners are in the upper end of that income rate, they are probably financially stable. However, if income shifts due to a loss of work, a sudden medical diagnosis, if only one income comes close to that number, or if they are a single wage earner with children, they could periodically be in financial trouble. This financial vulnerability increases exponentially the less the family can earn, or the more non-discretionary spending rises.



Single Parent Families

In 2000, about 5.3% of the families living in North Fulton County were headed by a single parent with children in the home. In 2017, that percentage had risen to 7.5%. This group is one of the fastest growing subsets of our neighborhoods.

More importantly, by definition, a single wage earner with children is one of the most financially vulnerable members of our communities. Single parent families continue to be the first or second

demographic population that call on our agencies for help, particularly when the family is led by a single mother. Day care is also a recurring problem for these families. The cost for quality child care is significant compared with average wages of this group. And, when a child is ill, missing work for even a short period of time can tip a family into a crisis.

FACT THAT MAY SURPRISE YOU

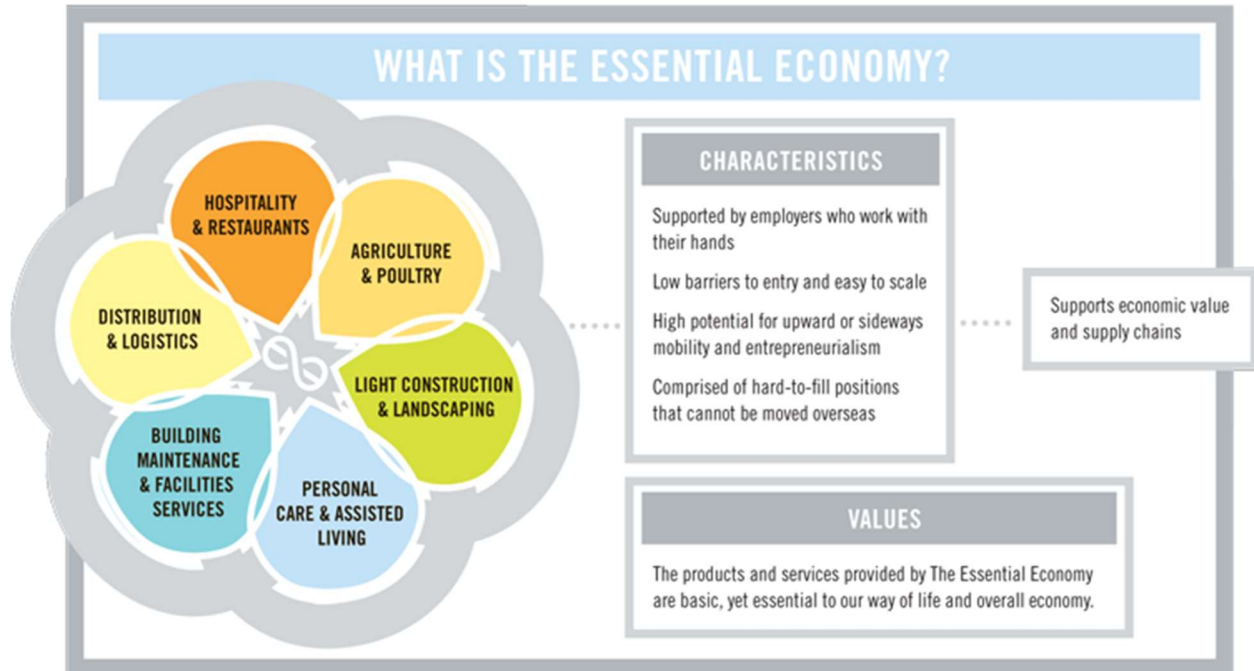
MEDIAN HOUSEHOLD INCOME

North Fulton (Zip Code Selection)	Fulton County (all)	Atlanta- Sandy Springs- Alpharetta, GA MSA	Georgia	USA
\$96,690	\$61,336	\$62,719	\$52,977	\$57,652
<i>Source: JobsEQ, 2019</i>				

Essential Economy Workers

Georgia Tech’s Center for Urban Innovation and the Essential Economy Council has been studying a subset of the workforce they have identified critical to thriving communities. They define it as a segment of workers with low or moderate skills performing mostly hands-on labor, in positions with low entry barriers that are hard to offshore or automate (Essential Economy Council, 2013).

WHAT IS THE ESSENTIAL ECONOMY?



Eighty-six occupations fall into this classification, ranging from cooks, janitors, and landscapers to home healthcare aides and stock clerks. Essential Economy workers are found in six industry sectors: Agriculture & Poultry, Hospitality & Restaurants, Light Construction & Landscaping, Personal Care & Assisted Living, Building Maintenance & Facilities Service, and Distribution & Logistics. Gross annual wages for the Essential Economy in 2016 were \$22,739. On a monthly basis, this annual wage estimate comes to \$1,895/month. (Clark, J., Lodato, T., & Thayer, C. (2018, January, Bringing the Essential Economy Home).

Georgia has seen a 33% increase in job postings since 2014. However, job postings for entry-level positions requiring a bachelor's degree or an associate degree have grown at a faster rate of 59% and 120% respectively. Forty-two percent of Georgians age 25 and older don't have a postsecondary degree. This ranges from a low of 24 percent in Forsyth County to a high of 78 percent in Taliaferro County.

By definition, the workers filling these jobs are essential to our quality of life in North Fulton. However, these workers are increasingly priced out of our neighborhoods. They may double up in area apartments. Or, they come to us for help because these are the financially vulnerable.

Most scenarios lock essential economy workers out of North Fulton's rich and bustling economy. With no way to support themselves on North Fulton's lowest wages, many low-income workers end up leaving their jobs for more long-term sustainable prospects outside of North Fulton. This leads to our community having an acute need to fill some workforce level positions. Though lower-paying jobs are in abundance more than ever before, no one is around long enough to fill them. North Fulton now faces a stark problem. Though low-income jobs are in constant supply, those who would be most willing to fill them cannot sustain themselves in North Fulton. Should this issue continue to accumulate, North Fulton's economic output will not be able to sustain itself. Workforce housing is being replaced by more affluent properties and businesses. The backbone of North Fulton's workforce may break before it can bend. What ways can

we, as a larger community, tackle this issue-not only for those who need it in our community but also for the future of all our North Fulton neighbors?



Financial Vulnerability: Housing

The Impact of Housing on Financial Vulnerability

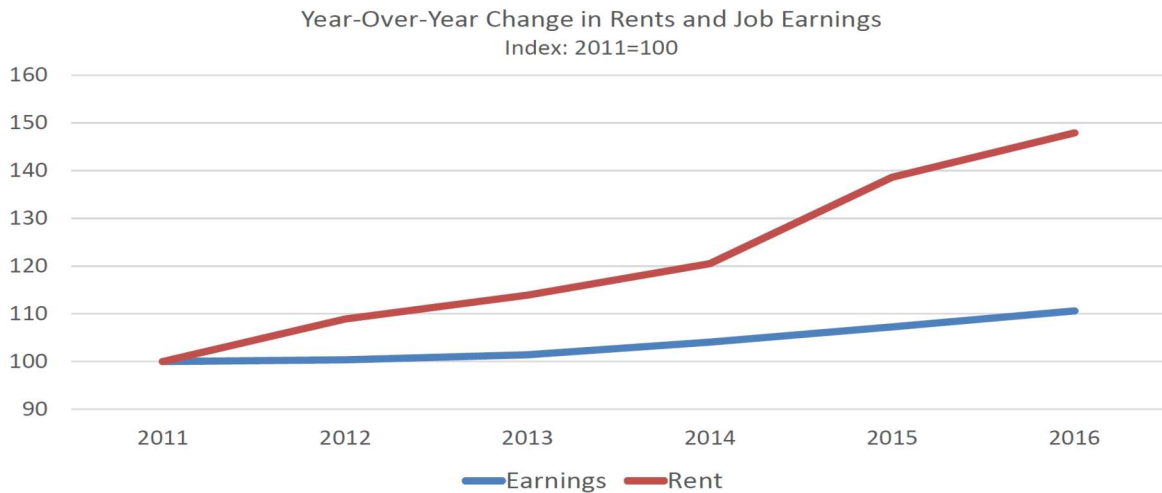
FACT THAT MAY SURPRISE YOU

In the most recent surveys available, there were 3,099 foreclosures and evictions in North Fulton County one year. (Evictions 2016, Foreclosures 2013, source: Neighborhood Nexus).

Shelter is a basic need. If you don't know where you will sleep tonight or how you will pay your mortgage or rent, you can become frozen in fear and focus on little else. You can't do much to improve your situation because you are worried about the immediate need for shelter. For many people facing eviction or foreclosure, they get through the day by putting one foot in front of the other, with little thought for long range planning or goals. Hope is their only asset.

We have discussed income in depth. Wage growth has stagnant over the past 10 years. That has not been the case for housing. Here is a recent chart showing the alarming picture.

Metro Atlanta Rent Increases Are Outpacing Wage Growth



Rents in metro Atlanta increased nearly 48 percent between 2011 and 2016, while wage growth is comparatively stagnant, with earnings increasing just 10 percent over the same time period.



Source: Rainmaker Insights, the U.S. Bureau of Economic Analysis (BEA), and the U.S. Bureau of Labor Statistics (BLS)

It is clear that this is the most glaring and widespread root cause of financial vulnerability in North Fulton County. And at the heart of the rise in rents and mortgages is the price of land. So, what can we do about the problem?

Understanding Affordable Housing

FACT THAT MAY SURPRISE YOU

A North Fulton fire fighter or police officer would need to find an apartment or mortgage of about \$1,040 a month to live close to the job and be considered financially stable. 2018 rents in our area were closer to \$1300 a month.

Common practice by lenders and credit rating companies has been to recommend that 30-35% of a family's monthly income be devoted to shelter, although a mortgage banker did share that the number is creeping up to near 40-45%. But that recommended debt-to-income ratio is a long-standing recommendation:

“As has been well documented, the 30 percent measure was first a 25 percent measure, derived from an old aphorism that one should devote “a week’s wages to a month’s rent,” which, in turn, was based on studies that go back to at least the late 1800s of what typical families spent on housing. The rule of thumb began to find its way into housing policy beginning in the 1930s both as a measure of need and a guide for how much tenants should be expected to pay for housing. The Brooke Amendment to the Housing and Urban Development Act of 1969 codified 25 percent as the payment standard for public housing. In the 1980s Congress increased this figure to 30

percent for most programs as a budget-cutting measure. Since then, 30 percent has been the norm used to define housing affordability.” (<https://shelterforce.org/2017/04/25/defense-30-percent-standard-cases>)

So, affordable housing depends completely on income. The US Department of Housing & Urban Development (HUD) uses the term “house cost burden” to describe anyone paying more than 30% of monthly income for shelter. But a 2014 Bloomberg article reports that the 30% rule using income ratios vastly over-simplifies the problem of affordable housing. The article quotes Frank Nothaft, a Freddie Mac economist, “If your income is \$500,000 a year, you can pay 40% and still have money left. But if your income is \$20,000 a year, it will be hard to make ends meet if you’re paying 30% of your income on rent.”

Obviously, it’s a complicated issue. However, as a general rule, we consider anyone paying more than 30% of their income to be **Financially Vulnerable**.

As we’ve seen, North Fulton median income is \$96,690. If we use the traditional guideline for family spending on housing, 30% of \$96,690 is \$29,007, or \$2,423 per month. Compare those housing costs with the median salaries we listed, and you begin to see the problems that exacerbate financial vulnerability in our area.

If our target monthly rent or mortgage is \$2,423, who will be priced out of North Fulton?

In the earlier chart “**Wages for select North Fulton County jobs**” we listed the starting salaries that teachers, first responders, and service workers earn in our area. If we were to design housing intentionally for those workers, here is what it might look like.

2018 HUD AMI	Two Person, Two Children Maximum Earning	Who Would Qualify	2 Bedroom Rent Costs	North Fulton Open Positions in that Field	North Fulton Unemployment in that Field
100%	\$74,800	Maintenance & Repair Workers Senior Services Social Workers	Market	107 248	3.0% 4.8%
80%	\$59,850	First Responders Construction Workers Administrative Staff	\$1,347	200 228 1,602	5.1% 6.7% 4.5%
60%	\$44,880	Building Maintenance Workers	\$1,011	378	8.1%
50%	\$37,700	Food Service Workers	\$842	951	7.1%
<i>Source: Metro Atlanta Chamber, Economic Research; JobsEQ, 2019</i>					

The first column “2018 HUD AMI” is the Area Median Income established by the US Department of Housing and Urban Development. HUD determines that number on a regional basis.

Affordable housing then, is simply housing that people can afford. If you have a broad array of workers, at all income levels, trying to live closer to their jobs, you need a balance of housing at all income levels. We want our communities to have a good mix of workers, and a solid tax base. So, we need a good mix of housing options. We need options for essential economy workers to fill critical job shortages in our communities. We also need to have both upper end income households to provide a good tax base. Ultimately, a mixture of housing solutions is needed in communities to reduce commuting and other traffic congestion by allowing people to live closer to their jobs. A healthy community includes a healthy mix of housing options.

For the North Fulton community, do we have a good mix of housing options? A drive through a typical neighborhood would reveal a plethora of upper end homes. Yet, we know that the businesses and service industries in North Fulton depend on workers, workers who typically live long distances from their workplaces and who are the typical sources of service delivery for the residents of North Fulton. This trend if persistent and unchecked, will only result in a rise of median housing and rent prices while our surface road congestion continues to grow.

What does Unaffordability look like in North Fulton?

Based on the Southeast Rental Housing Affordability conducted in 2018, over 69% of low-income renter households are considered cost-burdened. We have a shortage of over 1.2 million affordable units that could be utilized if made available in this region. Within the Atlanta-Sandy Springs-Roswell, GA Metropolitan area, there are, on average, only 47 affordable units for every 100 very low income and extremely low-income tenants. That amounts to a deficit of 160,953 units that could be affordable to the workforce within these income brackets.

With this Atlanta metropolitan area having the highest deficit of affordable homes of most major metropolitan statistical areas in the Southeast, many that can secure housing still face extreme levels of cost-burden. With limited affordable housing available, **80%** of extremely low-income and very low-income renter households are either cost-burdened (housing at >30% of income) or extremely cost-burdened (housing at >50% of income). Based on the chart below, cost-burden can be seen to increase as income decreases, but overall, nearly half of all renter households experience some form of cost-burden.

Percent of Renter Households that are Cost-Burdened (Housing at 30% of Income) by Income						
Area	Extremely Low Income 30% AMI or less	Very Low Income 30-50% AMI	Low Income 50-80% AMI	Moderate Income 80-100% AMI	Upper Income More than 120% AMI	All Renter Households
Georgia	73%	82%	54%	14%	3%	45%
Atlanta-Sandy Springs-Roswell, GA Region	77%	86%	51%	13%	2%	45%
<i>*Rental Housing Affordability in the Southeast Report, 2018</i>						

Now more than ever, metro Atlanta residents are seeking affordable housing, but for the most part, the market is not building it to compensate. Why is this the case?

One critical hypothesis is that it all boils down to cost and cost-effectiveness, for both those who build the homes and those who live in them. Based on the Livable Communities Coalition (<https://atlanta.uli.org/>) Working Group on Affordable Housing report in 2018, the present construction cost of roughly \$153k per unit in a low rise apartment requires a minimum rent of \$1300 just for a one-bedroom unit. For a one-bedroom apartment with a deck, that number shoots to \$199k in costs and rent to \$1645. For those at 80% of the AMI, the rent is over \$300-\$600 more than what they can afford at a reasonable level. And for those at 60% of the AMI, the price almost or more than doubles.

Apartment Rates in North Fulton Cities			
City	1BR	2BR	Year Change
Atlanta	\$1,040	\$1,200	2.1%
Roswell	\$1,290	\$1,490	6.3%
Alpharetta	\$1,280	\$1,480	4.4%
Marietta	\$1,180	\$1,370	3.6%
Kennesaw	\$1,230	\$1,420	3.0%
Suwanee	\$1,650	\$1,900	3.6%
<i>*Taken from Apartment List Survey</i>			

A high percentage of residents in the entirety of Georgia forgo buying a home altogether and instead rent homes due to the high prices and high entry prices (in the form of down payment) associated with mortgages. For all of Georgia, 37% of residents are renters. When we focus on Fulton County, that percentage rises to 49% (virtually half) of all residents within the county.

Many factors can underpin these conclusions. Today's workers typically work several jobs to attain a living wage and care for household needs. Yet, landlords must consider simply supply and demand. As single-family zoned land in North Fulton becomes scarcer and more valuable, it creates a log jam for young families, of all income levels, in rental situations. Nationally, rental households have risen from 30% in 2007 to 37% in 2016. In a recent study for the North Point Trade Area, the numbers are more dramatic with 41% to 50% of all households renting (North Point LCI Market Analysis, December 2017). The ideal percentage of renters is generally 28-32%, and Fulton County exceeds this by a considerable margin. In the Community Assistance Center Sandy Springs and surrounding service area, 44% rent and 56% own their dwelling.

It becomes easy then to see the spiral into homelessness given this complex set of factors that both interact and sometime underpin and limit the ability of workers to purchase and the landlord to build towards some reasonable profit margin.

Extended-Stay Hotels-The New Normal

FACT THAT MAY SURPRISE YOU

29% of the extended stay hotel residents in a recent Norcross study were 55 or older.

The dramatic increase of financial vulnerability within our North Fulton communities has directly impacted how our residents view their housing situations. For those who cannot afford the high and rising costs associated with renting, or are alternatively barred from renting due to eviction or poor credit, they turn to extended-stay hotels.

Extended-stay hotels and motels are effectively indefinite lodging without the stay limitations set by most hotel companies. With most extended-stays accepting monthly or weekly rates, hotels sometimes become the most effective option for those living from paycheck to paycheck. According to a recent Live Norcross report on Extended-Stay Hotels, in Norcross (a Gwinnett County city much like other North Fulton cities), over 8 out of every 10 respondents in extended stay hotels indicated that the hotel was their place of residence, while 4 out of 10 of those who answered the survey had been at the extended stay for a year. Of all the respondents, nearly a quarter indicated that they lived in the hotel for three or more years. Of everyone in the survey, 7 out of 10 of the hotel residents had one or more full-time jobs. The cold reality is that, though residents dedicate themselves to full-time jobs, those living in extended-stay hotels aren't paid enough to afford consistent quality permanent housing for their income level. Among those surveyed, only 43% took home more than \$2k per month.



Additionally, there is very little housing security afforded to hotel residents. Since families living in hotels are not afforded the same protections under state law as renters, many households in extended-stay hotels find themselves a night or less away from homelessness if they miss even one payment. Though many extended-stay residents pay as much or more than apartment dwellers, they cannot rent an apartment to avoid this insecurity. Of those surveyed in the Live Norcross report, nearly 1 in 2 of every family or household has experienced homelessness out of their hotel room at least once.

However, if extended-stay residents find themselves paying as much or more than the cost of a rented apartment, what acts as barriers for many of the hotel residents for them to rent?

Credit history and lack of deposit are the biggest contributors. As we have indicated in this report, coming up with the security deposit for many vulnerable families is difficult.

It is also not unusual for families in this situation to have a low credit score because of an eviction on their credit history. Low credit leads to fewer landlords willing to rent out to that individual, and when they do, the rent is either higher than usual or the landlord requires a higher and less affordable security deposit. One eviction means years of recovery just to bounce back, if a person is able to do so at all. And with no means to establish credit faster, individuals and families remain trapped within a cycle of transient housing.

Certain demographics, namely the elderly and seniors, find themselves the most impacted by the scarcity of affordable housing and the subsequent dependency on transient housing. Twenty-nine percent of residents in extended stays are 55 and up and extended-stays function as low-income senior housing for a large portion of the Norcross community. They find themselves priced out of their homes and into extended-stay hotels where they can better handle the cost of living without having to sacrifice their residency within the city they wish to settle. Though extended-stay hotels are meant to be a temporary solution, for many the hotel complexes become their only solution.

United Way of Greater Atlanta reports staggering disparities between employment and housing struggles in North Fulton zip codes. People who visit our local charities consistently demonstrate that they desperately need aid and are willing to work towards stability. According to NFCC's homelessness statistics from 2015-2018, the homeless population seeking help from NFCC has increased from 9% by 2016 to 15.4% by 2018. This past June, NFCC saw 158 homeless households, with 244 family members. Thirty-four of these households were first time applicants.

With rent rates increasing without wage rates rising to compensate, it becomes harder and harder for the working class to compensate for the rising costs. Hotels are becoming, by far, the most accessible option for working-class families who are unable to get past the financial barrier to afford rent deposits in North Fulton.

If a family or individual is unable to afford to live in a rented or owned home, or even pay the weekly rate at extended stay hotels, they are forced into homelessness and the burden of public service grows which in turn affects all the economic contributors in a community. Many North Fulton and Atlanta charities see these types of residents daily in order to offer aid.

Is Not In My Backyard The Reality?

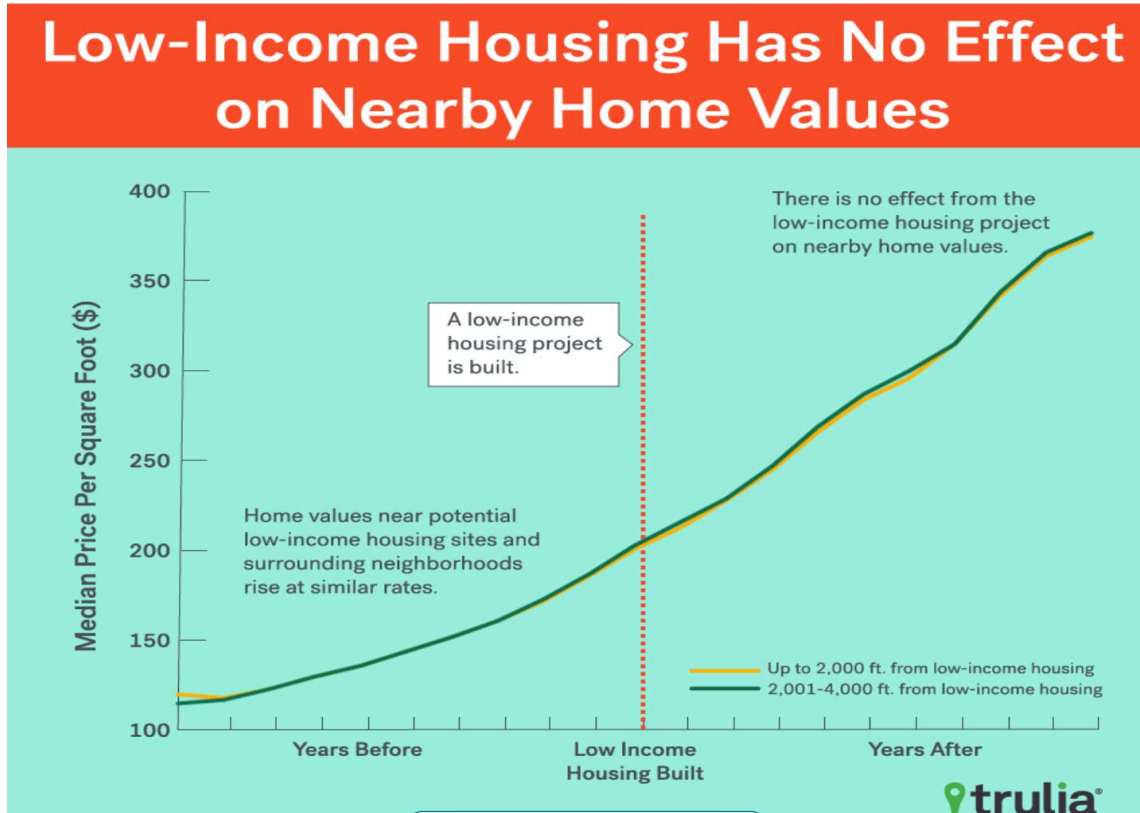
The Norton Agency's report describes affordable housing as something that everyone wants and doesn't want at the same time. This same report states that the homes within a community should mirror its labor base on all levels of income, and housing costs must be able to sustain a reliable workforce.

Consider this, in many North Fulton cities, median prices for rentals continue to rise every year. According to an article by the Alpharetta-Roswell Herald, rising apartment rates in North Fulton and median monthly rates for apartments continue to grow at a pace that many working-class renters cannot afford. Based on the HUD income guidelines, all renters 80% or more below the AMI either struggle or outright cannot afford to rent these homes, and these rents are up by the respective percentage year change listed below. In Alpharetta, the city has recorded its fifth straight month in rent increases since December 2018.

Most of us want housing we can afford. And many of us also want housing nearby that our adult children and grandchildren can afford. In a place like North Fulton, what might that look like? There is a common perception that most residents don't want affordable housing near their neighborhoods. The most

frequently expressed fears are that crime will rise and property values decrease when affordable housing is built. Is that the case?

In a 2017 study, Trulia found that was not the case. “In the nation’s 20 least affordable housing markets, low-income housing built during a 10-year span shows no effect on nearby home values.”



<https://www.trulia.com/blog/trends/low-income-housing/>

Our Children and Our Grandchildren



Millennials already face one of the toughest economic landscapes of any generation since World War II: They work for relatively low pay, and college graduates are saddled with an average of \$30,000 in student debt.

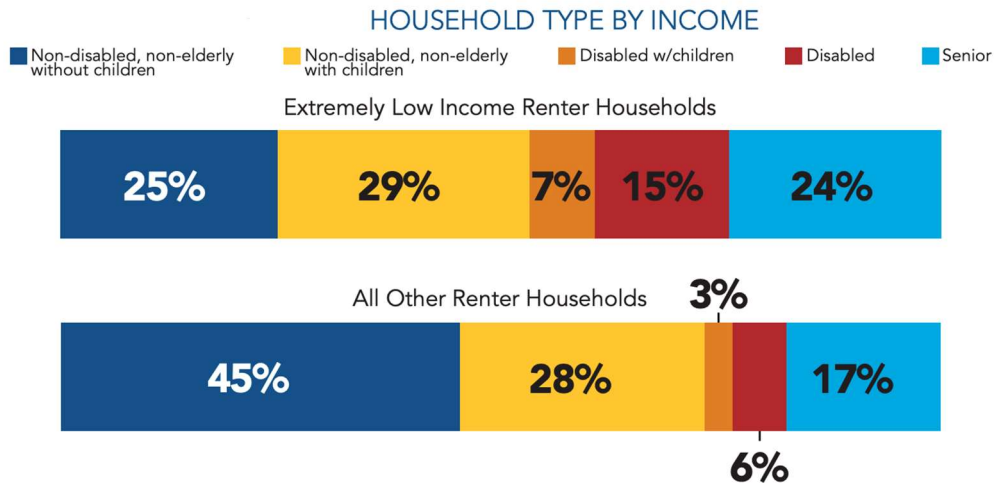
Millennials came of age during the Great Recession. Since then, three-quarters of all new U.S. jobs have paid less than a middle-class income, according to Labor Department data.

These minimum- or lower-wage jobs are the ones that millennials — ages 23-38, born between 1981 and 1996, and the largest generation in the country — are often taking. (<https://www.axios.com/scooter-companies-cities-rules-54bc7d58-e36a-487a-b4b2-3408fd41e7fe.html>)

Special Populations

Households with disabled and elderly residents (especially when the elderly and disabled are the ones who head the household) are most at risk of being extremely low income and are therefore the most at risk of homelessness. According to the Gap Report by the NLIHC, households with special needs due to elderly or disabled family members and households with seniors are far more likely to be extremely low income due to the inability to care for both their family members and seek out work that could support both their family and their extra needs. And for residents in all of Georgia, only 39 affordable homes for every 100 renter households, on average, are actively available for extremely low-income households.





Note: Senior means householder or householder's spouse is at least 62 years of age, regardless of children in the household. Disabled means householder and householder's spouse (if applicable) are younger than 62 and at least one of them has a disability. Source: NLIHC tabulations of 2016 ACS PUMS data.

NATIONAL LOW INCOME HOUSING COALITION

Seniors

FACT THAT MAY SURPRISE YOU

“Each day in the U.S., 10,000 people turn 65. In Georgia, there will be a 315 percent increase in the 85 and older population by 2050.”

GA House of Representatives, Study Committee on the Workforce Shortage and Crisis in Home and Community Based Settings, 2018

There are 40,128 people over the age of 65 living in North Fulton County. In seven neighborhoods, the senior poverty rates exceeds 10%. In one area, more than 21% of those over 65 live in poverty.

Some seniors live comfortably in assisted living quarters that offer a high quality of care and are adequately staffed by well-trained employees. According to a recent series by the AJC, all too many do not have this level of support. A growing number of seniors, in all situations, are financially vulnerable.

There are also many seniors who live on their own, drive to the store and are completely independent. There are 835 North Fulton families with minor children who are led by seniors.

At a recent grand opening of a senior housing project in a neighboring county, two of the residents sang the praises of the beauty and functionality of the facility. Both were complimentary of the friendly staff. And both were thankful for a place that they could afford that allowed them to walk to work as baggers at the local grocery store. If it were not for their new affordable housing, these two seniors would be considered vulnerable.

It is a wonderful accomplishment of our times that many of us are able to work well beyond the traditional retirement age. But it is wonderful only if we do that by choice. Seniors who must work because their prescription or housing costs are rising faster than their retirement benefits are trapped. In all too many cases, they have few members of a support network around them.

Financial Vulnerability: Transportation

FACT THAT MAY SURPRISE YOU

In North Fulton County 6,629 households don't have access to a vehicle

One of the initiatives of the North Fulton Poverty Task Force was to advocate for, and help secure, Route 142, a MARTA bus line that runs from GA 400 east on Holcomb Bridge Road to Spalding Corners. Our data showed that need was great along this corridor.

We rode the route the first week it was in operation and met a woman we'll call Sandra. Sandra was the hostess at a Holcomb Bridge restaurant east of 400, a job she held for a number of years. She began working there when she lived in a complex close enough to walk to work. However, rent increases forced her to move in with her family in Stone Mountain. She loved her job and they loved her, so she took MARTA to and from work each day. Sandra took a bus to the train at Indian Creek and transferred to the red line at Little Five Points to the Mansell Park & Ride. That is where she got the bus, back down 400 to her work. Two hours one way. But she didn't complain. She was just happy she now had a bus to cover the ground she used to walk from 400 to the restaurant.

Transportation is also a huge factor that contributes to the unaffordability crisis within North Fulton, simply because transportation directly determines an individual's ability to work and live where they most desire. For many working-class individuals that seek jobs in North Fulton, most are forced to commute into North Fulton cities just to get to their jobs because they are unable to afford to live within the cities. Based on the previous article by the Alpharetta-Roswell Herald, city leaders in Alpharetta now estimate that 94% of the city's workforce commutes into Alpharetta while only 6% of its employees live in the city. Those that most contribute to the city's infrastructure are unable to glean the most benefit from living and thriving in the city.

According to the Atlanta Regional Commission report on rental housing affordability, when housing and transportation costs are combined for all of metro Atlanta, it consumes over half of the average household income. Based on the Housing and Transportation Affordability Index (H+T Index), the numbers don't get any better for Fulton County. For all of Fulton, the housing and transportation cost percentage of income is still over half. Of all the neighborhoods in Fulton County, only 2% are **location efficient**, which means they are close to jobs and services, have a variety of transportation choices, and allow families to spend less time, energy, and money on transportation.

Generally, those numbers account for all of Fulton County. However, in cities just within North Fulton, these numbers take a turn for the worst. Based on the H+T Index, none of the cities within NFCC's jurisdiction have location-efficient neighborhoods. The percent of location-efficient neighborhoods is virtually zero, and this is reflected by how much housing and transportation cost in North Fulton. In Sandy Springs, the number jumps to 56% of income at the lowest, whereas transportation and housing spikes to 81% of income in Mountain Park.

FACT THAT MAY SURPRISE YOU

Housing and transportation consume 53% of the average Fulton County families' income. In North Fulton cities, the average increases to 56%-81%.

The Housing and Transportation (H+T®) Affordability Index				
Municipality	Housing Costs % Income:	Transportation Costs % Income:	Remaining Income	Total H+T Costs % Income:
Fulton County	32%	21%	47%	53%
Sandy Springs	36%	20%	44%	56%
Roswell	36%	22%	42%	58%
Alpharetta	37%	22%	41%	59%
Milton	49%	24%	27%	73%
Mountain Park	55%	26%	19%	81%
Johns Creek	42%	24%	34%	66%

Yet, statistics only give half the story when it comes to the true reality of unaffordability in the North Fulton area. NFCC, for example, sees thousands of cost-burdened families every month. Take one recent specific case, for example: A John's Creek grocery store manager, earning \$15 an hour grosses \$2400 a month. Rent for her and her two grandchildren is \$1575 a month. More than 65% of her income goes to housing. That leaves \$825 for income tax, utilities, food, transportation, and clothing for her 3-person household. This North Fulton resident is left in a vulnerable position if she's confronted with even moderate unexpected costs.

She could move to more affordable housing. That would disrupt the children's schooling, add to her commute every day, and put one more car on the already congested North Fulton roads and place employment at risk when an emergency occurs to family or to transportation service.

Another example: consider a single mother with two children, working for \$8.50 an hour full-time. With child support her monthly income is roughly \$1700 after taxes. Her rent is a modest \$725 monthly, unusually low for North Fulton. However, that amounts to 42% of her income, a significant housing

burden. After all her fixed costs of \$1655 (food, utilities, transportation, and childcare) she can spend \$43 a month for medical needs, clothing, phone service, school supplies, or other necessities.

For families with these types of expenses, any sort of unexpected expense completely upends their precarious financial situation, largely because of how expensive their housing becomes. And many of these costs are out of the control of those wanting and needing to work in North Fulton.

In our experience dealing with hundreds of people who need help from our charities each week: if your rent has risen faster than your income, you are considered financially vulnerable, regardless of your family income.

Lack of Workforce Housing and mass transit are major contributors to congestion

FACT THAT MAY SURPRISE YOU

There are 315,622 jobs in Sandy Springs, Roswell, Johns Creek, Milton, and Alpharetta. Only 7% of those jobs are filled by residents of that city.

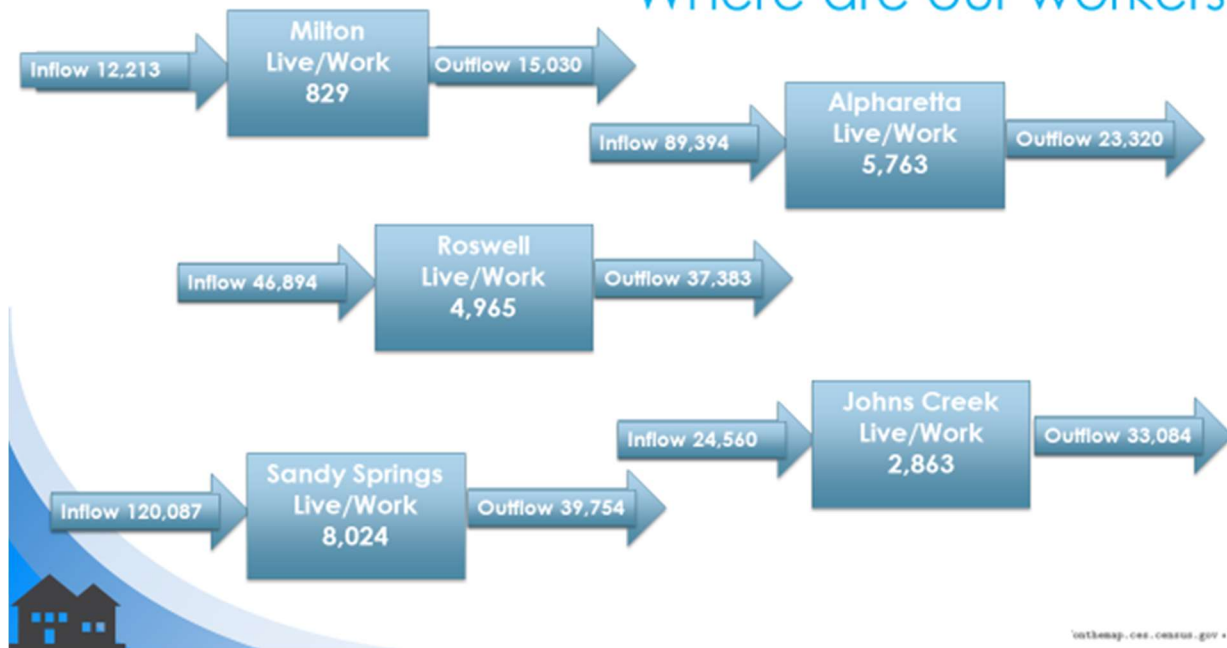
In North Fulton County, we have a transportation challenge. Too many workers cannot afford to live close to job. That impacts all of us. A lack of transit options not only increases our traffic congestions. Most germane to our issue, it also increases commuting costs for those who have no room for more spending.

The purpose of our Task Force work is not to tell the community how to fix its problems. Our approach is to gather as many relevant facts as possible and engage the community in developing solutions. Very few facts tell the story as well as the picture below, which comes from a 2017 US Census report.

Looking at the five largest cities in North Fulton, the chart below shows the number of people who work in jobs in the towns where they live, how many enter the city to fill jobs, and how many leave to jobs in other cities.

For example, 829 people work in jobs in Milton and live in the city limits. While 12, 213 commute to jobs in Milton, 15,030 leave Milton for jobs located elsewhere.

Where are our workers?



As a summary, there are 22,444 jobs in these five North Fulton cities that are filled by residents of that city. These are folks that have the benefit of living close to where they work. There are 293,148 people who commute into these five cities for jobs there. This survey does not indicate the distance those folks travel to come to those jobs. Spend a few moments during rush hour standing on the Roberts Drive Bridge over 400 and you'll frequently see that both north and south bound roads are congested. All told, there are 148,571 people who leave their town for jobs in other cities.

This sets up the conversations for our Summit: how can we increase opportunities for people to afford to live closer to their jobs? How can we develop alternatives to one person driving themselves to their jobs? How can we get more residents of these cities into the local workforce so less of the jobs need to be filled by people from other areas?

These are simple sounding questions. But the answers are complex. And, if we wait for one sector of our communities, such as city and county government, to solve these problems, it will take time. Our viewpoint is that all sectors of the community must agree on facts and find take role in developing solutions. As non-profits, we understand the problems that people face when they are financially vulnerable. We also believe our vision can be shared by all members of our community.

Financial Vulnerability: Child-Well Being



Child Well-Being in North Fulton County

FACT THAT MAY SURPRISE YOU

Almost 40% of Georgia students start school without a high quality early educational experience.

Julie did not know that she had moved in to a school district rated one of the best by U.S. News and World Report when she found an apartment that she could afford. She just knew that she could pay the rent for herself and her 3 young children and that it was near Mansell Road where she could easily access the MARTA system. She was happy to learn that two of her three children would be able to take a bus to school. She also found another family in the apartment complex to take her youngest to one of the few affordable childcare options available.

She breathed a sigh of relief the first day that all of her children were off to school and she could focus on keeping this job that paid \$18.00/hr. or \$37,500 annually. It was not a lot but with the youngest in subsidized childcare and other meager government assistance, she felt safer than she had for many weeks. Julie had left the abusive relationship she had been in and tried to free herself from the violence that she and her children were experiencing.

When her phone rang later in the day, she was surprised to hear that it was her youngest son's school. Apparently, Damon had hit another child and the school needed her to come in and speak with the principal and take him home for the day. She explained that she worked over 20 miles away and could not get there before school was dismissed. Understanding, they agreed to meet before school started the next morning. When she left for the day, she informed her supervisor that she would be late due to a school conference. He looked at her skeptically.

That night when she spoke with Damon about what happened, he said that he was so frustrated that he just snapped and hit another child. From the moment he arrived in school, he felt alone and 'stupid', according to him. All of the other children knew where to put their things when they arrived and what to do next. He told his mom that he felt like he had been plopped down in the middle of dance routine where he was the only one that did not know the moves. He thought the play dough looked delicious but spit it

out after tasting it. He wanted to see if the little tiny scissors would cut his shoelaces. He did not know the lunchroom rules or the limitations on the playground. He was a fish out of water.

The next day Damon's mom would report to the principal's office and hear, for the first time, that her son may have some behavioral issues. Without intervention, Damon may already be on the preschool to prison pipeline filled with boys who did not have the benefit of high quality early education prior to entering kindergarten. Both his lack of opportunity to experience school before kindergarten and his behavior issues, both real and perceived, put him at risk for being able to read by 3rd grade, graduate from high school or attend college. Damon was, at the age of five already exponentially more likely to end up in a Georgia prison cell according to multiple studies and experts.

What Julie and Damon did not know was that Damon is not alone. Nearly 40% of students across the state of Georgia, including Fulton County, start kindergarten without the benefit of any high quality early educational experience. Nestled among some of the best schools in the country, are islands of children without access to high quality, affordable pre-school education. This access must be supported by funding, transportation and hours that enable parents to use the facilities that exist.

Quality Child Care Matters-To the Child, To the Family, and To the Employer

FACT THAT MAY SURPRISE YOU

Research by the Annie E. Casey Foundation found that a child who is not reading on grade level by 3rd grade is 4 times less likely to graduate from high school on time.

At an early workshop for the Atlanta Learn4Life (<https://l4lmetroatlanta.org/>) education collaborative, a former Mayor of Minneapolis offered research on the importance of quality child care. When investigating factors influencing 3rd grade reading scores, a critical milestone in the future of any child, they found that a significant portion of the lowest performing readers attended did not attend regulated child care facilities.

Children are by definition vulnerable. They cannot drive. They cannot care for themselves. They cannot cook for themselves. They cannot get jobs. When you read about children in poverty that's a reflection on their family. As we said children don't earn money.

But to say that the future depends on the children is much more than a cliché. Jobs being filled today are frequently going to people with high school and college diplomas. The student who isn't reading on grade level by 3rd grade is four times less likely to graduate high school by age 19. If that child comes from a family living below the poverty line, their chances of graduating on time are 13 times less likely than the third graders reading on 3rd grade reading level (<https://www.aecf.org/m/resourcedoc/AECF-EarlyWarningConfirmed-2013.pdf#page=7>). More and more research is concluding that significant brain development, the foundation for school preparation and even for third grade reading takes place in the first three years of a child's life.

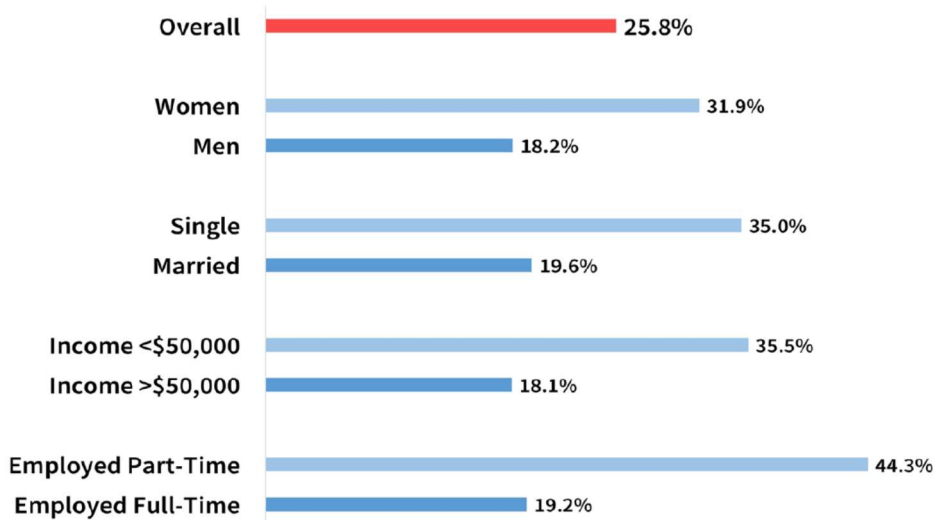
Clearly, getting young children into affordable, quality child care situations is in all of our best interest—particularly to employers who have trouble filling jobs. When parents can afford child care, more can join the workforce today. When that child care include cognitive skill development for early learning, the community gets more high school graduates on time.

GEEARS recently released a study on the impact of child care challenges on employers.

We estimate that child care challenges leading to absenteeism and turnover result in a conservative \$1.75 billion loss in economic activity annually for the state. When parents leave jobs or forgo wages to address child care challenges, their reduced income permeates the state economy. The effects of this loss are distributed among companies of all sizes and across all sectors and revenue levels. <http://geears.org/wp-content/uploads/Opportunities-Lost-Report-FINAL.pdf>

And this chart shows further impact on the employee and the family.

Incidence of Significant Job Change in Family (last 12 months) due to Problems with Child Care



North Fulton Child Care Availability

FACT THAT MAY SURPRISE YOU

Of the 126 North Fulton childcare facilities regulated by the state, only 19 have a quality rating.

The quality rated facilities have a capacity of 2,784 children. The estimated demand for child care in our area is 21,133.

The above statistic reflects research promoted by Georgia Early Education Alliance for Ready Students (<https://geears.org/>), a nonprofit working to get children ages 1-5 healthy and ready for learning.

There are a number of caveats to the data. First, just because a child care center isn't rated, doesn't mean it can't be good for the child. A grandparent watching a grandchild and spending quality time reading to them and expanding their vocabulary every day can't be matched in a group facility. But quality child care should not be that random.

Available Quality Rated Child Care Facilities in North Fulton

Childcare Supply ^{***}

	Facilities	Estimated Capacity
Regulated Plus Full-Time License Exempt	126	13,921
Quality Rated	19	2,784

Source: Reinvestment Fund analysis of Department of Early Care and Learning (DECAL) and Quality Care for Children (QCC) data (June 2018).

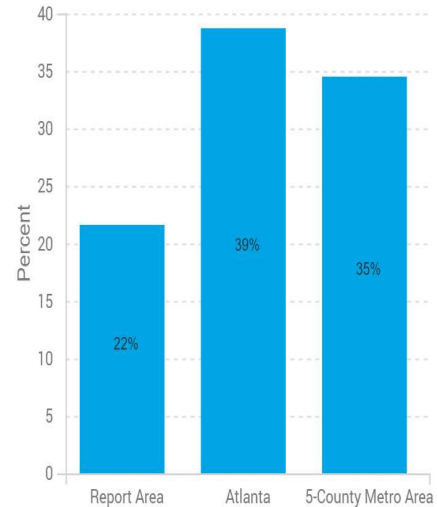
Childcare Demand ^{***}

	Children
Baseline Demand	18,420
Commuter Adjusted Demand	21,133
Maximum Potential Demand	30,444

Source: Reinvestment Fund analysis of Department of Early Care and Learning (DECAL) and Quality Care for Children (QCC) data (June 2018).

Source: Reinvestment Fund analysis of Department of Early Care and Learning (DECAL) and Quality Care for Children (QCC) data (June 2018).

Percent of Licensed Capacity that is Quality Rated ^{***}



***This graph shows the percent of licensed capacity that is quality rated. There are a variety of reasons that a center might not be quality rated. Some centers are not eligible to participate in Quality Rated (e.g. school-based Georgia pre-K), while others are participating but not yet rated. (<https://www.atlaccessmap.org/>)

Clearly, there is a need to expand capacity of quality rated child care in North Fulton County. However, as with all other issues we've discussed, it is complicated. There may be some simple quick fix solutions to child care, such as adding more slots. These will go unfilled, however, if the family can not get their children to the facility because of limited transportation. Or, if they can't afford the fees. This is certainly an area of concern that, if improved, would help employers, families, and our communities.

United Way's Child Well-Being Index

FACT THAT MAY SURPRISE YOU

The 2018 United Way Child Well-Being Index found that 25% more North Fulton children are living in poverty than in 2016.

Atlanta United Way is a national leader in helping to shine a light on neighborhoods in our region needing to focus on poverty and family financial stability. By all indications, North Fulton shouldn't be an area of concern. But it is.

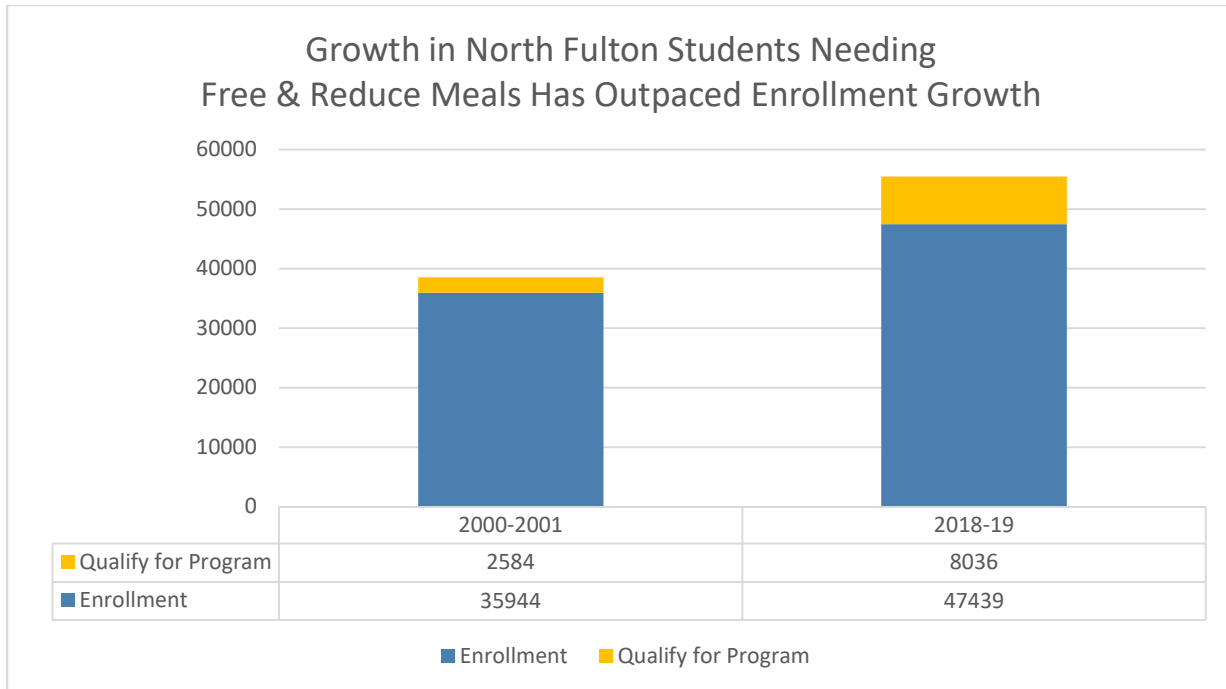
We can take solace that the percentage of children in poverty in North Fulton is less than the percentages in rest of the region-11.4% vs. 24.2%. However, in the entire region, the number of children in poverty rose only slightly (24.1% 2016-24.2% in 2018). In North Fulton County we have seen our numbers skyrocket.

Child Well-Being Index in North Fulton, 2019			
Year	% of children in poverty	% of financially UNSTABLE families	% of families with a housing burden
2016	9.1%	15.1%	30.1%
2018	11.4%	14.4%	28.7%

**United Way Greater Atlanta Website, 2019*

At a recent assembly of faith leaders held by Fulton County Schools, discussions involved the connections between income instability and school performance. Most participants expected to hear about test scores and other academic indicators. Instead, the conversations were among teachers who talked about children who come to school hungry, tired, or stressed and unable to pay attention because their families are facing eviction or who had their power turned off during homework time.

Feeding American research showed that 19% of all children in Fulton County in 2017 were classified as food insecure (we'll discuss this more in the next section). This shows up in our neighborhoods when you look at the number of children who depend on the school nutrition programs for subsidized meals.



As you see in the number above, the percentage of children receiving Free & Reduces meals at North Fulton Schools has more than doubled. That, on its face, is alarming. Just as concerning is the fact that these children may not have access to adequate nutrition during the weekends, summers, or other times when schools aren't in session.

FACT THAT SHOULD DISSAPPOINT YOU

Fulton County Schools reported 619 North Fulton students were homeless last school year. That is 1 of every 10 students in our neighborhood schools.

Financial Vulnerability: Food Insecurity

Food Insecurity - refers to the lack of access to enough food to fully meet basic needs at all times due to lack of financial resources, as defined by the United States Department of Agriculture (USDA):

Low Food Security: People who make changes in the quality or the quantity of their food in order to deal with a limited budget.

Very Low Food Security: People who struggle with having enough food for the household, including cutting back or skipping meals on a frequent basis for both adults and children.

The Atlanta Food Bank reports that in Georgia

1. 16.2% of the people living in Georgia are food insecure.
2. 23.2% of Georgia children live in food insecure households. This is one in every four Georgia children.

3. 17.8% of people living in Georgia are living below the poverty level*.
4. 25.4% of children under 18 years old are living below the poverty level.
5. 10.4% of senior citizens (65 years and over) in Georgia are living below the poverty level.

* The federal poverty level equals an annual income of \$24,250 for a family of four.

FACT THAT SHOULD DISSAPPOINT YOU

The Community Assistance Center reports that 81% of their service households had to choose between food or transportation in the last year.

For all too many North Fulton neighbors, nutritious food has become a discretionary item, chosen after other expenses are paid.

North Fulton is blessed with plentiful sources of healthy food. Residents in other parts of metro Atlanta struggle with “food deserts” and often live more than a mile from retail outlets selling healthy and affordable food. In North Fulton markets and supermarkets provide a wide variety and compete for residents’ business. However, with a growing number of area residents paying over 50% of their income for housing, it is no surprise that food requests are increasing at area Food Pantries. Food requests are usually the first and most immediate request when a family reaches out for help. Lack of transportation frequently complicates being able to access food assistance.

North Fulton Community Charities (NFCC) serves residents north of the Chattahoochee River. In 2018, they gave out food and staple goods 29,246 times to 3,360 households, made up of 7,847 individuals including 3,405 minor children. The food NFCC distributed to over 125 families every day includes nonperishable food collected and donated by our generous community as well as recovered produce, meats and bakery items donated by local grocers, restaurants and gardeners. Residents accessing NFCC’s Food Pantry select their food, toiletries and paper goods via computer, which ensures that they receive what their family needs and eats.

Food assistance is budget relieving and allows residents to stretch their limited funds. Food programs help keep families healthy and are critical to help many families get by each month

One of our local church food pantries this example of need: A family of four visits our church panty each month. They earn a pretty good income for North Fulton but they are still financially vulnerable. They need our pantry to stay in their home, due to \$70,000 in medical bills they incurred when one parent was ill and uninsured. They need our canned goods, cereal and paper goods to continue paying down their debt.

Community Assistance Center

81%
of households report choosing between paying for food or transportation or gas in the past 12 months



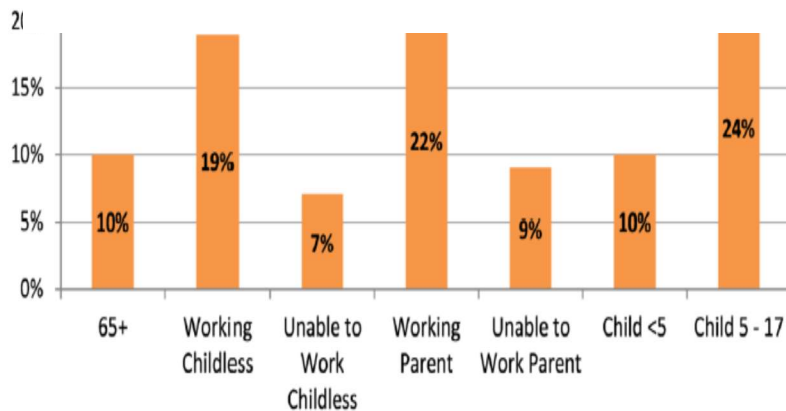
The Community Assistance Center serves the Sandy Springs area. They report 14%, or 19,393 people, are food insecure seniors, individuals, families children and babies.

We have already discussed the rapid rise in school nutrition program recipients in North Fulton. You may be surprised to learn that several schools in our area now have in-house pantries for students in need of food assistance and backpack buddy programs that provide food over weekends.



Seniors are a growing component of those reaching out for food. Rising area rents negatively impact seniors living on fixed budgets. Senior Services North Fulton (SSNF) currently serves 1,600 seniors annually and has 300 enrolled in their Meals on Wheels program. SSNF also partners with NFCC and CAC to deliver food pantry items to homebound seniors. NFCC has seen the number of seniors requesting food increase 29% over the last four years.

Community Assistance Center Food Insecure Segmentation



NFCC and CAC report an increased number of individuals and families requesting food who were already homeless when they reached out for help last year. They may have been evicted and trying to remain in North Fulton by scraping together enough to live week to week in an extended stay hotel. They may be doubled up in overcrowded housing, renting a room or basement for their

family. They may be living in their car, storage unit, or other unsafe place. They may have just become homeless or have been homeless for a month, a year or longer.

Call to Action

This report was assembled over the last year by nonprofit, faith, community, and business leaders with a wealth of experience dealing with people in need. We are experts in that field. Most of us have many years of experience dealing with people in need. We know works and doesn't work to get individuals and families on a path to stability. Many families who receive our rent or mortgage help, job coaching, educational classes and food assistance use these interventions to get back on a path to stability. But that path is getting steeper almost every month.

As we said before in this report, creating a solid foundation for financial stability for all of our neighbors will take more than paying a light bill or teaching a financial skills course. These challenges are treatable. Maybe not solvable, at first. But we can make a dent in the problems.

We can do better. We can make sure that there is an affordable place for low wage workers to live closer to their jobs than they do today. We can develop quality affordable child care approaches that free up capable workers today, while ensuring that their children are ready for school and graduate to productive citizens. We can ensure workers can get to their jobs and that their families are not worried about where their next meal will come from. We can create jobs that provide benefit to local families while creating returns for our communities and our shareholders.

We can do these things if we all know our destination and are rowing in the same direction. But first, we have to get in the boat.

“We are called upon to be architects of the future, not its victims.” R. Buckminster Fuller

How will you help? Please sign up at: <https://ourinvisibleneighbors.org/>.

Resources

What are some cities doing?

The Atlanta Journal Constitution recently ran story published by Washington Post writer Haisten Willis siting an innovative way to decrease the rising costs of land in the construction of new housing. Ground leases, an idea already common practice in Europe and Asia, or even in the US as, the article notes. The concept is that land is purchased and owned, frequently by a non-profit land trust, but the structure is owned by the resident without the often-prohibitive costs of land included. The home owner builds equity and is free to sell the structure when they move. The article quotes Dan Cohen, director of the Chesterfield County, VA Community Enrichment Department, “reaction from neighbors for or against the program has been muted, as most simply don’t realize the involved houses are under a ground lease rather than a traditional fee simple model.” (AJC, Sept 2, 2019)

There are cities across the US that are effectively managing these issues, to include Charlotte/Mecklenburg, NC; Arlington, VA; Denver, CO and others. It is in our best economic interest to tackle these issues head-on. We hope to have your input and ideas in order to affect change!

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