Developing Residual Urban Spaces: Unlocking Potential for Community Development
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STOP MOVING TO ATLANTA
WE FULL
Focused Community Strategies (FCS)

Focused Community Strategies has been partnering with the neighborhood of Historic South Atlanta for 20 years to provide innovative and holistic development. Since 2000, home ownership rates have increased from 10% to 60% with 30% of the neighborhood owned by low-income neighborhoods.
Focused Community Strategies (FCS)

FCS also uses small businesses to meet community needs and neighborhood connections.
We are a place-based design consultancy seeking to create positive change in communities. We root ourselves with the places we work with.
We see the world differently.
Land exists for affordable housing, we just don't see it.
EXCESS BELTLINE R.O.W. PUBLIC

*EXCESS TO HIGH DENSITY SITES*

ID: BLT R.O.W./Freedom Parkway R.O.W.
OWNER: ATL/ GA
ZONE: RG-1, BLT Overlay
SIZE: 5500 sf
The chosen site is adjacent to an existing community development and a communications easement. The communications easement contains an anchor for the support columns of a nearby communications tower. The design strategy was to create a structure that not only celebrates the ecology of the site, but also improves it. The building steps down following topography.

The site is raised to allow for rainwater to infiltrate the ground through bioswales. Therefore, the building is set there in regards to stormwater runoff, so water flows in the same manner as it did before the building. Not only that, the constructed bioswales and wetland allows for greater infiltration than the compacted soil allowed for before.
How do we incentivize equitable development of residual spaces?
Housing diversity and density have been identified as a solutions to spur supply and affordable housing. Atlanta has introduced new zoning policy to loosen restrictions on alternative housing types, such as backyard homes, unlocking developable land. However, there is a lack of incentives and barriers for this land to be developed at any meaningful scale.
This can only happen through collaboration.
Recommendations

Accessory Dwelling Units

Accessory Dwelling Units (ADUs) are increasingly being considered in cities as tools for keeping or introducing affordability into a community. ADUs also give flexibility to homeowners who may want to stay in a neighborhood, but may not need the larger main structure to live in. This is common for those desiring to ‘age in place.’ Historic South Atlanta is an affordable neighborhood for housing and desires to stay that way. With the future BeltLine trail coming into the neighborhood, added built-in affordability will help to stabilize the community’s housing and rental prices.

- **13.1** Work with the City of Atlanta to advocate for the legalization of detached ADUs for R-4 zoning districts.
- **13.2** Work with the City of Atlanta to support future attached ADUs for inclusion within single-family homes in R-4 zoning districts.
- **13.3** Support flexible parking requirements for ADUs so that these uses do not result in increased parking areas where they are not needed.
- **13.4** Work with local community development corporations and similar non-profit organizations to prioritize building ADUs as part of all new single-family home construction in the community.
- **13.5** Work with local community development corporations and similar non-profit organizations to prioritize building ADUs for existing single-family home owners, when the existing single-family lot can accommodate such a use.
What is a backyard home?

A backyard home is an Accessory Dwelling Unit (ADU). It can be known as a backyard cottage, backyard home, in-law unit, or “granny flat.” An ADU is a smaller, second residential unit, typically between 500 and 750 square feet in size constructed on an existing single family lot. We are focused on developing detached ADUs.

For our purposes, ADUs are not tiny homes, described as a transient movement utilizing shelters 350 sf or less.
What is Backyard ATL?

**Backyard ATL** is an affordable housing initiative that provides Atlanta homeowners with backyard space a platform to earn additional income with their property. We are a turnkey solution that takes care of the design, financing and construction of an affordable rental unit on a homeowner’s lot.

What is our process?

Backyard ATL enters into a ground lease with the homeowner. Within this contract:

- Investors receive **cash flow** produced by the rental unit.
- **Homeowner** receives a percentage of revenue generated by the backyard unit on a monthly basis.
What is the business model?

**Backyard ATL** is the conduit for homeowners to find un-tapped passive income in their backyards, and is the conduit for capital partners to find un-tapped investment potential in backyards. Currently, homeowners are only able to finance ADUs through all cash or a HELOC. This is prohibitive in low-moderate income neighborhoods where cash is not available and HELOC terms do not cover the cost of construction. Backyard ATL allows impacts investors and capital partners to invest in a rental unit for no up-front land cost, and homeowners receive passive income through rental revenue for no up front cost to them. As the development sponsor, Backyard ATL earns income through a pro-rate share of cash flow from the rental unit.
A Scalable Solution

We aim to be a leader in scalable development of market-rate affordable homes leveraging ADU zoning. BackyardATL will develop and hold a large portfolio of backyard homes in the metro Atlanta area. Backyard ATL is a scalable, scattered and incremental development strategy that can have a positive impact on Atlanta’s affordability, equity and density.

Our ADUs will be rented in the 80% AMI range (affordable for teachers, policemen, firemen, etc). By focusing on building these in low to moderate income communities, every unit we build effectively can create 2 units of affordable housing through our rental and by lowering the cost of living for the principal residence. Also, we can help raise the tax base in these communities without displacing the front resident, allowing existing residents to reap the benefits of economic development in their neighborhood.

Map of ATL showing single-family lots that currently allow ADUs in red. This represents approximately 60% of all single-family lots in the city.
We can capture **untapped development value** in backyards...

...and we can allow the **community to be shareholders** in this development.
What are the benefits of Backyard ATL?

- Build Equity
- Create Density
- Preserve Character
Where are we at now?

Backyard ATL has generated a relationship with Focused Community Strategies (FCS) in the South Atlanta neighborhood. We are currently working with three separate properties as our proof-of-concept projects. Two properties are owned and rented out by FCS. One property is owned by Tanisha Corporal, a homeowner who received her mortgage through FCS.

Property #1
- Owner: FCS
- ADU: 500 sf (1br/1ba)

Property #2
- Owner: Tanisha Corporal
- ADU: 750 sf (3br/2ba)

Property #3
- Owner: FCS
- ADU: 600 sf (2br/1ba)
NOTES:
- All floors except bathrooms to be hardwood floors (not to exceed $6 per SF)
- Bathroom to have tile (not to exceed $12 per SF)
- All interior walls to be painted gyp.
- All exterior walls to be LP SmartSide siding
- All roofing to be metal roofing

2br2ba_Dog Run
option_750 SF

NOT ISSUED FOR CONSTRUCTION

A101
We are re-thinking how to design for affordability...

- **Short-term rental**
  - $$$ (Airbnb subsidizes long-term rental)

- **Long-term affordable rental**
  - $$$ (Un-tapped development value for capital partners)
  - $$$ (Long-term rental subsidizes homeownership)

- **Long-term affordable ownership**
We are creating a **cultural shift** back to the norm.
**Lessons being learned**

+ Equitable development requires **identifying the problem and its sources**.
+ We need to create policy that **incentivizes** equitable development.
+ Equitable development requires **partnerships and collaboration**.

**Who is making this happen?**

+ Empathetic founders with high technical expertise
+ Strong and empathetic community
+ Local and mission-driven non-profit partners
+ Impact investors with a scalable vision
thank you

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APPENDIX
Affordable Housing Crisis

The Atlanta metro region is the 6th fastest-growing metro in the US. The City of Atlanta itself is growing at 1.5-2%, with around 70,000 new residents since 2010. There is a huge demand for housing in the city.

The mayor’s office has released the One Atlanta Housing Affordability Action Plan, which has a stated goal to “Create or preserve 20,000 affordable units by 2026 and increase overall supply”. The city is also at risk and has come under scrutiny for meeting this demand equitably. At 18:1, the City of Atlanta has the highest income inequality of any city in the United States. Vulnerable populations have become susceptible to Atlanta’s state of rapid urbanization and gentrification, and the City is continuously looking for solutions to address these issues.
Solution: Housing Diversity

As identified by the City of Atlanta, there is a shifting demographic to smaller household sizes. For example, Atlanta’s senior population has grown by over 20% since 2010, twice as much as the United States average. In correlation, these smaller household sizes are not only bearing the brunt of housing expense, but are also being priced out of the market due to lack of supply. Our current housing stock does not represent the diversity of demand.

Over the last two years, the City of Atlanta has introduced new planning policies that support and deregulate the development of diverse housing options. In January 2019, new zoning policy was adopted to allow over 60% of the city to legally develop backyard homes by right. Currently, the city is undergoing an additional phase of zoning re-write with the goal of introducing more supportive policy for backyard homes and other diverse housing options.

data and graphics from Kronberg Wall: Design Over Donuts, Housing Choice (2019)
We are a city that has been driven by racial inequality. How can equitable development and affordable housing improve this gap?

Left: A High-Injury Network for Atlanta by John Saxtion

Right: Household car ownership in Atlanta

SOURCE: Neighborhood Nexus analysis of the Atlanta Regional Commission’s 2012 employment estimates and the U.S. Census Bureau’s 2008-2012 American Community Survey.

Left: Figure 17. Atlanta’s High-Injury Network by block group median percent minority population

Right: Changing the Odds: The Race for Results in Atlanta by The Annie E Casey Foundation
Our Construction Partner

We are partnering with Shell Construction out of Palmetto, GA. Contractor Simon Shell worked closely with AIR Serenbe to construct 500 sf artist homes for their artist-in-residence program. The homes were built from specs off of the $20K house program from Auburn’s Rural Studio, the goal being to build a well-constructed and designed home for $20,000. Though this goal was not met for the AIR Serenbe project, construction numbers were still considerably lower than conventional small home construction while maintaining a high design integrity.