

# GREATER DALTON HOUSING NEEDS ANALYSIS

Believe Greater Dalton | Executive Summary



prepared by:

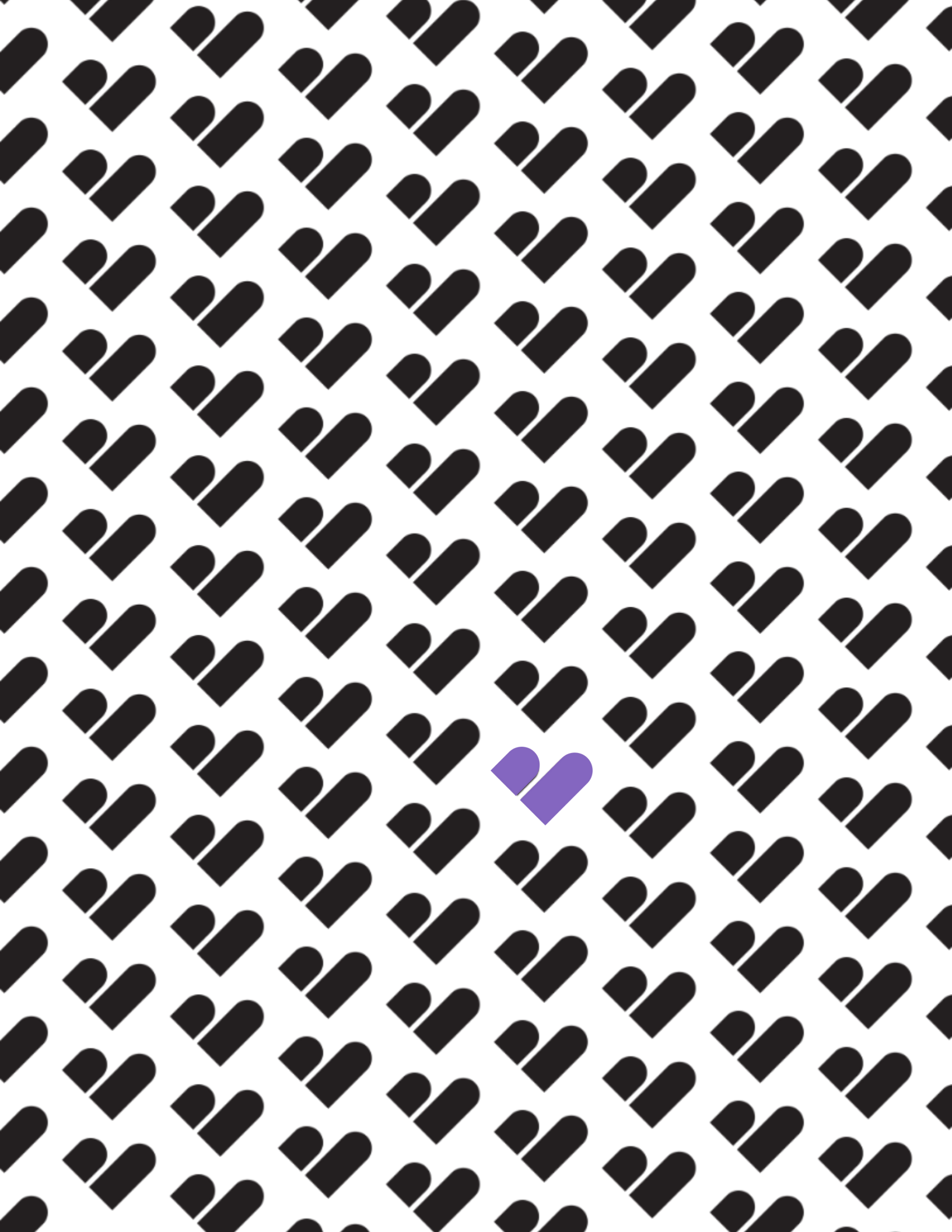


**KB** | ADVISORY GROUP

prepared for:



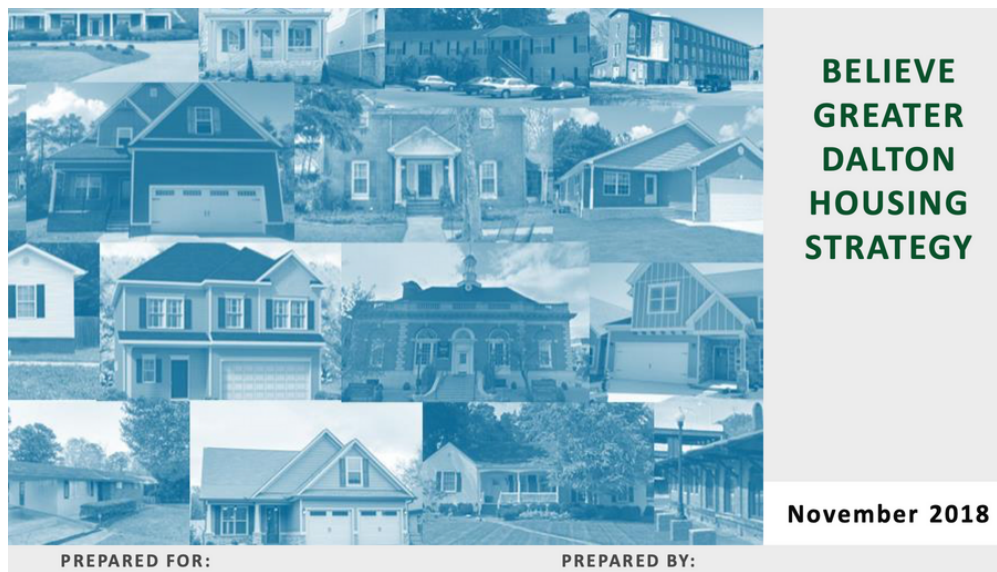
*greater*  
DALTON  
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**The 2018 Believe Greater Dalton Housing Study uncovered that Whitfield County can support 150-160 new construction home sales and 90-100 new construction rental units per year through 2024.**

**Despite the demand, only 18% of Greater Dalton's housing stock was built in the 21st century and there were no new multifamily rental apartments delivered since 2001, compared to 31% in Georgia overall.**

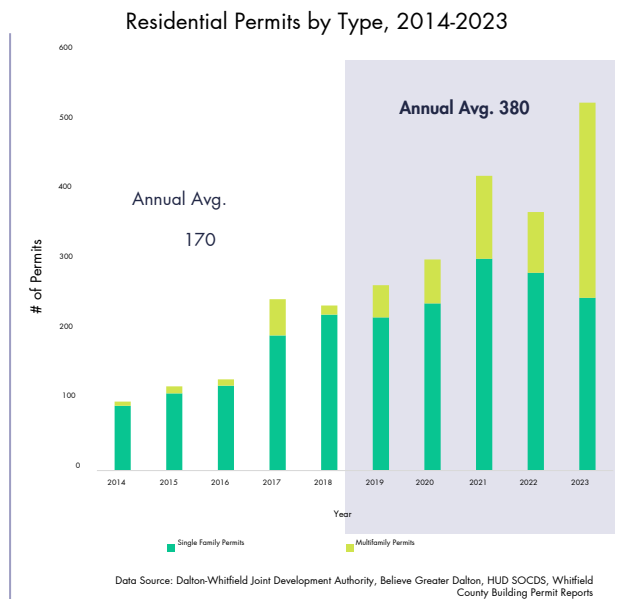
**Key Finding:** Greater Dalton is "losing" potential new residents.



The study identified significant demand for for-sale and rental housing in the Dalton area, but a lack of appropriate supply has led to a stagnant market that often forces potential buyers to seek homes in nearby housing markets.

## The 2018 study recommended four pillars of action:

- 1 Encourage construction of for-sale housing - recommended the creation of a Housing Development Fund and/or a Public Purpose Development Company.
  - \* created the Flooring Capital Development Corporation (FCDC) ✓
- 2 Support renovation and rehabilitation of existing housing stock
- 3 Encourage construction of new, high-quality rental apartments ✓
- 4 Continue to invest in Downtown Dalton



**Recent trends in permitting data that support the demand outlined by the BGD 2018 Housing Study**

**In 2023, Believe Greater Dalton commissioned another housing analysis to observe progress since 2018**

**Here's what the 2023 Housing Needs Analysis shows about Greater Dalton:**

**Housing IS economic development. The future success of economic development in Greater Dalton is contingent on planning for, maintaining, and building new housing.**

**Providing adequate, attainable housing to ALL income levels is key to the stability of Greater Dalton's workforce, economy, and quality of life.**

# greater dalton's housing challenges: **A snapshot**



This is Tim. He grew up in Dalton. He works in Dalton.

But he lives in Calhoun.

Because he couldn't find a house in Dalton, even though he tried.

**Est. Annual Salary: \$100,000**

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**There are three main points to summarize the housing challenges Greater Dalton is facing:**

- 1 **AGE**
- 2 **ACCESS/AFFORDABILITY**
- 3 **CONCENTRATED SEGMENTS**

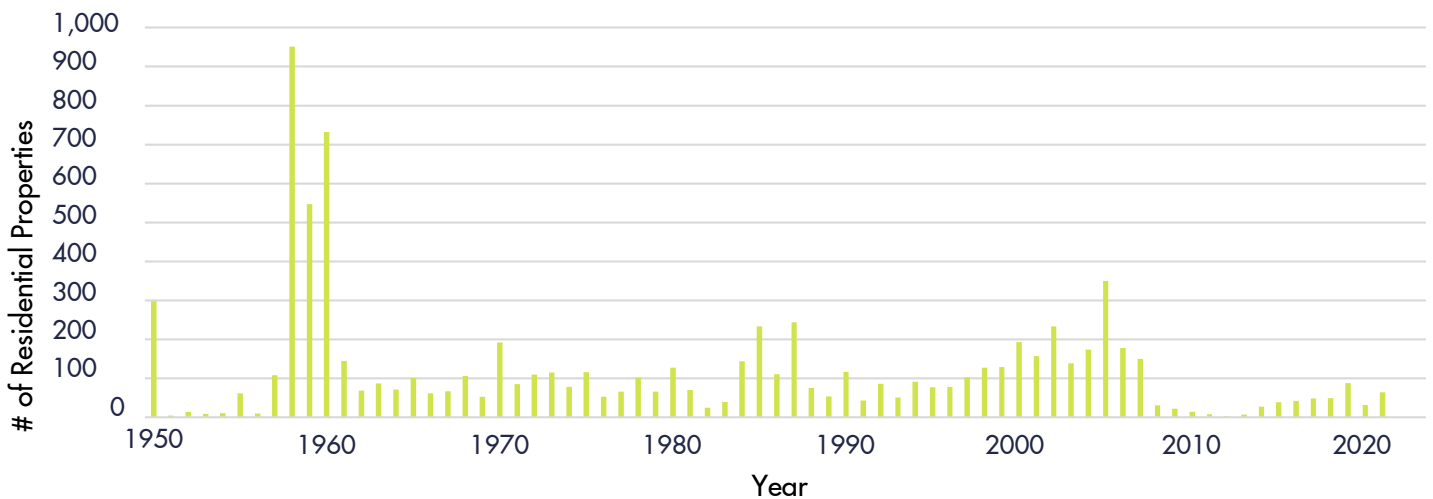
# 1. AGE

Greater Dalton's most significant residential booms were in the late 50s and early 60s and the 2000s preceding the Great Recession



**2 out of every 3 Residential buildings in the City of Dalton are more than 40 years old.**

Residential Properties by Year Built



Data Source: Whitfield County Tax Assessor

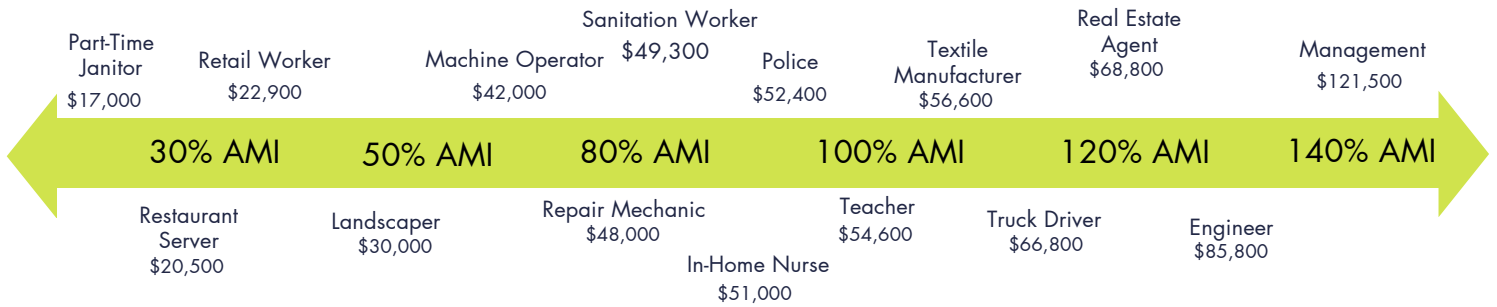
# 2. ACCESS/AFFORDABILITY

*greater dalton's housing challenges*

Rental and for-sale prices in Greater Dalton have increased substantially since 2020, making it difficult for many households to make rent or get on the path toward homeownership.

Providing adequate, attainable housing to **all** income levels is key to the stability of Greater Dalton's workforce, economy, and quality of life.

Greater Dalton Area Median Income (AMI) Spectrum



Typically, it is recommended that a household spend no more than 30% of their income on housing costs.

**\$240** increase in Avg. Greater Dalton rents since 2020

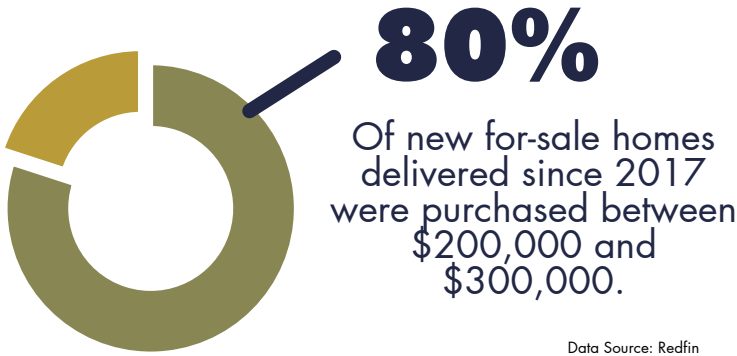
**2 out of every 5** Greater Dalton renters are cost-burdened

**\$67,000** increase in Avg. Greater Dalton for sale homes in 2020



# 3. CONCENTRATED SEGMENTS

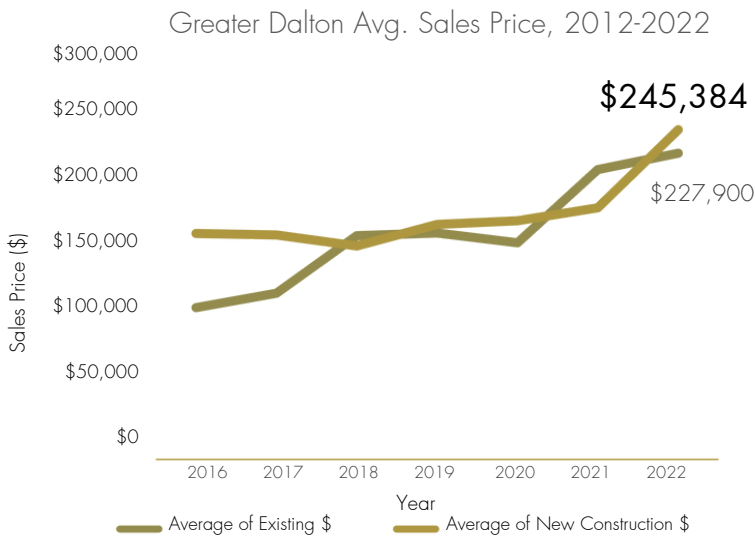
The majority of new homes sold in the last 5 years cost between \$200-300K (80%). **The concentration at this price point leaves gaps at the higher and lower ends of the market.**



Data Source: Redfin

One of the key conclusions from this study's demand analysis is the large segment of demand from households earning more than \$100K annually.

To convince these residents to stay and attract prospective residents, the market demands homes at price points greater than \$300K.



Data Source: Redfin

Well-functioning housing markets provide new units that command price premiums, but in Greater Dalton both new and existing homes sell for nearly identical prices.

We have room for larger homes on larger lots outside of the city, and room for smaller, denser homes walkable to shopping and restaurants through infill development opportunities in the city limits.



**The greatest housing need in Greater Dalton over the next five years is a combination of workforce and affordable housing along with higher-end for-sale options.**



# our demographics:

## 3,166

new residents added to Greater Dalton community since 2010



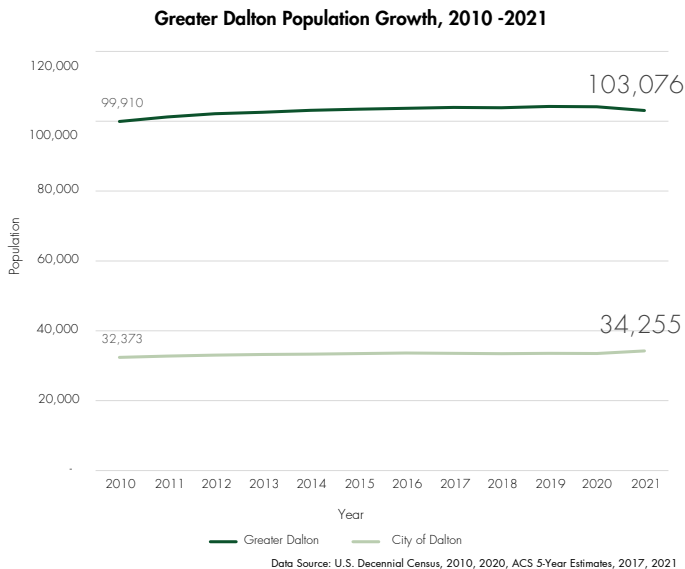
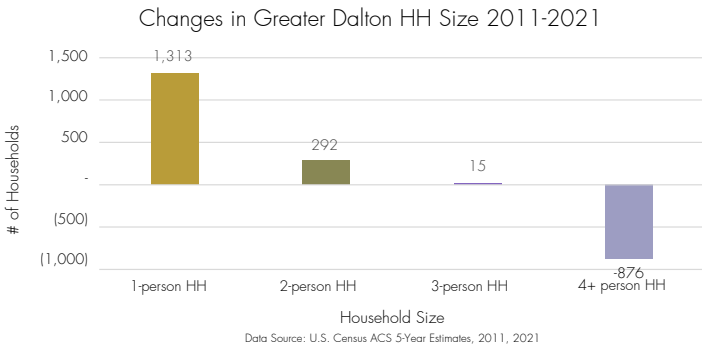
Households without children increased by 2,300+



Households with children declined by 1,500+

### Major takeaways from the data:

- Homeowners are well below cost-burdened, spending about 20% of their income on housing. But 2 out of 5 renters are cost-burdened, leading to instability for families and children who cannot afford their rent at 30% or more of their income.
- The only age group to experience a net increase in homeownership since 2011 were households between 55-65 and over 65, yet we have had no new age-restricted housing options produced and none are in the development pipeline.



**Households with children are decreasing, which supports the idea that the housing shortage is impacting our economic and civic growth.**

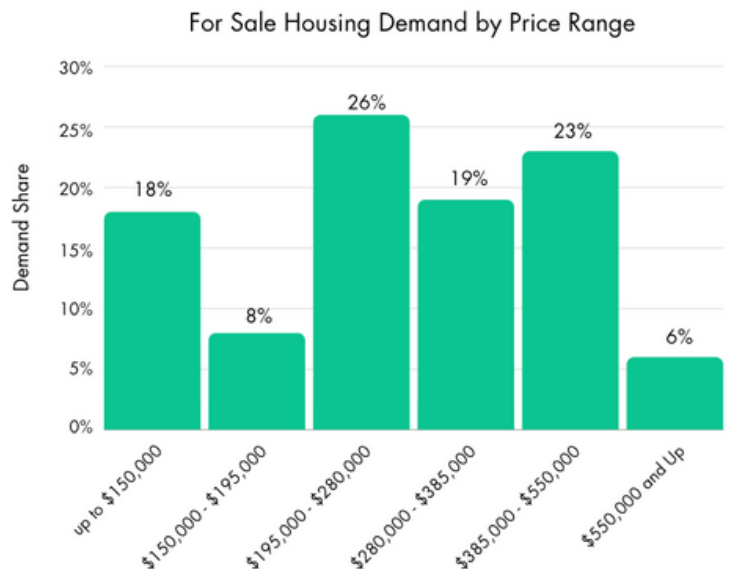
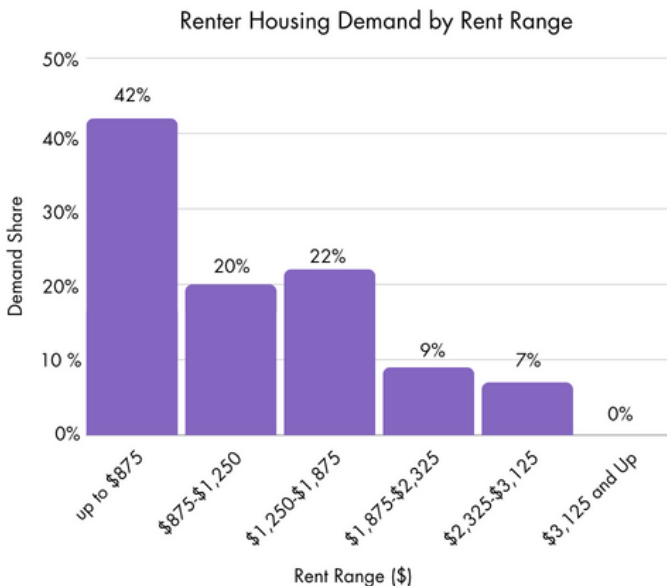
# greater dalton's housing demand: **A 5 Year Picture**

**"Housing Demand"** is the number of housing units that, if offered at price points accessible and affordable to the **full range** of Greater Dalton's households, would all be absorbed at a rate commensurate with typical market conditions.

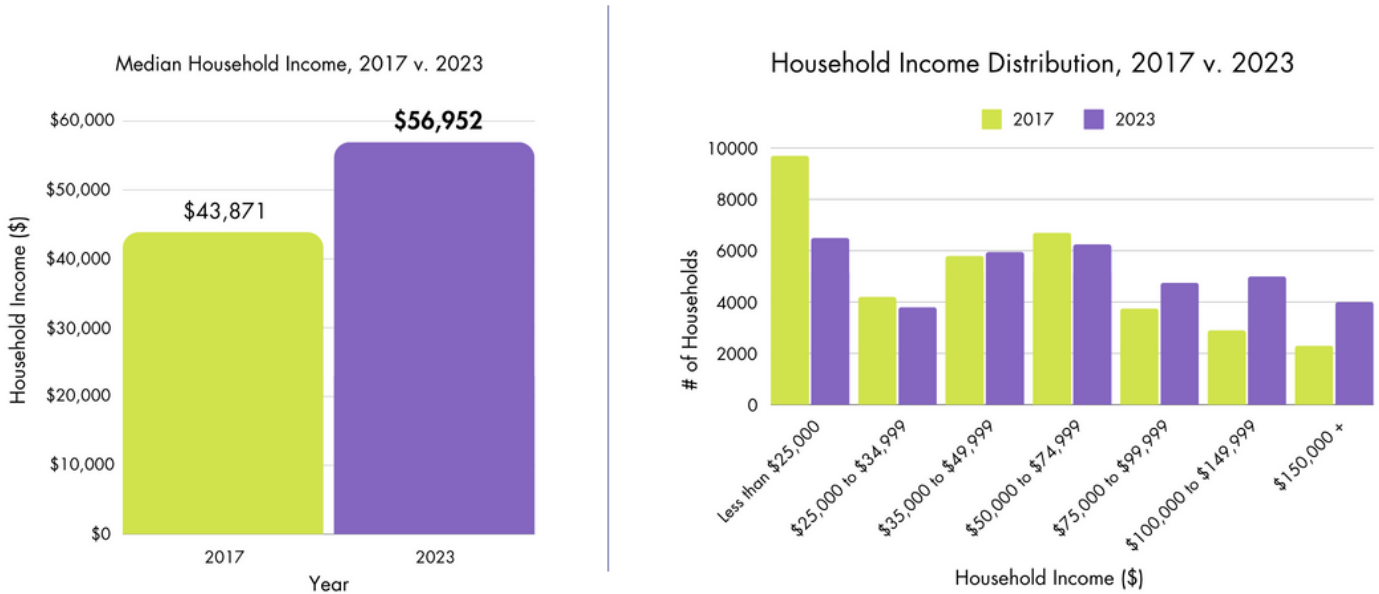
What happens if housing demand is *NOT* met?

- The most critical consequence: families, households, employees, and future companies choose to go elsewhere
- Some households will forgo moving, and others will move into a house or price point that is not preferred or ideal for their situation

**We have made great strides in development since 2018, but we have the market potential to deliver between 1200 and 1500 new residential units over the next 5 years to grow our population.**



# Where our needs are trending, according to the 2023 Housing Study...



Data Source: U.S. Census ACS 5-Year Estimates, 2017, Claritas 2023

**The increase in Greater Dalton's median household income supports the conclusion that Believe Greater Dalton's focus for the next 5 years should be on increased housing supply for the upper and lower ends of the income distribution.**

## 5 year Rental Housing Demand

550-650 rental units

- Workforce and affordable multifamily must be introduced into the market
- 145-180 Single-Family Detached
- 40-50 Townhomes
- 140-175 Small Multifamily (no more than 10 units per structure)

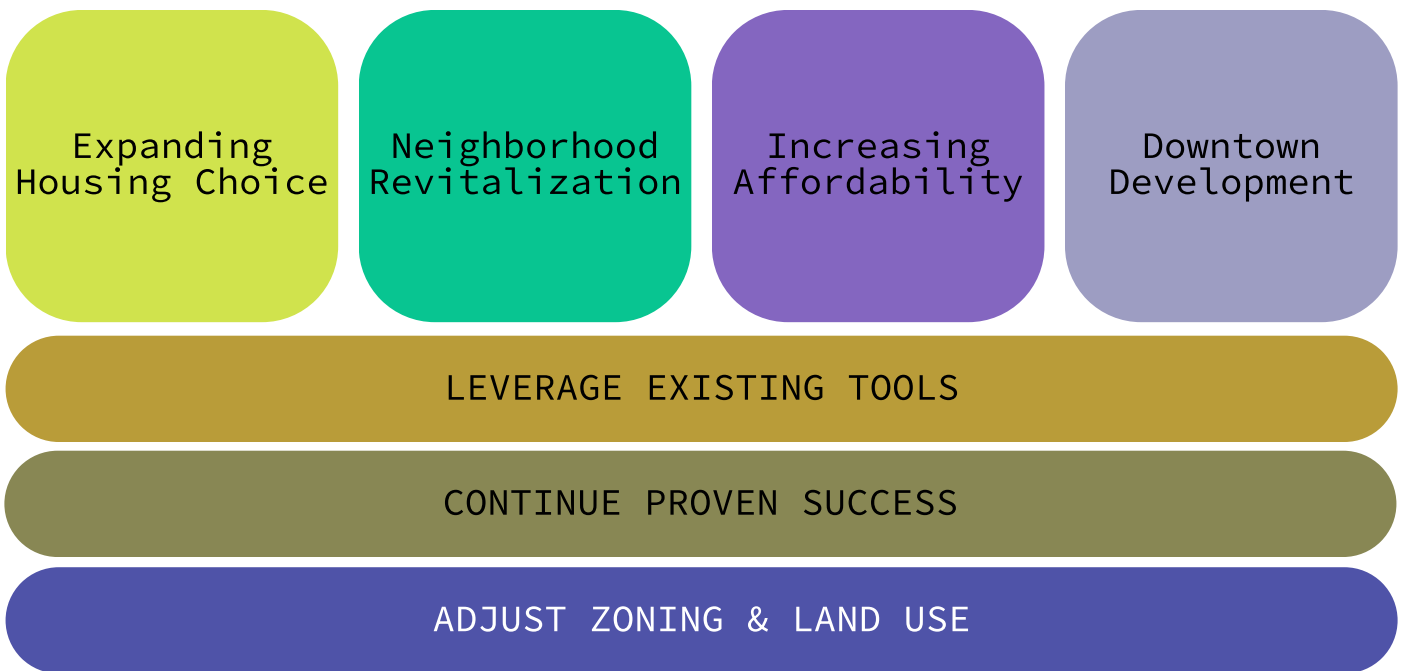
## 5 year For Sale Housing Demand

650-850 for-sale units with significant demand at the upper-middle and upper end

- 400-500 Single-Family Detached
- 100-125 Townhomes
- 120-150 Small Multifamily
- 30-35 Large Multifamily

# How does Greater Dalton meet this housing demand?

Throughout the research and analysis, four strategic themes emerged as the essential points for targeted strategies and recommendations: Expanding Housing Choice, Neighborhood Revitalization, Increasing Affordability, and Downtown Development.



## Three types of strategies can be utilized to best address the above four themes.

1. **Leverage Existing Tools:** Flooring Capital Development Corporation (FCDC), the Dalton-Whitfield Land Bank Authority, the Dalton Housing Authority, and the Downtown Dalton Development Authority (DDDA).
2. **Continue Proven Successes:** code enforcement and tax allocation districts.
3. **Adjust Zoning & Land Use:** emphasize the importance of downtown development.

# Strategies for leveraging existing tools:

## Flooring Capital Development Corporation (FCDC)

1

Identify and select an Executive Director for the organization

2

Establish "goalposts" and "buy-in" for strategic goals from funders and the community.

3

Coordinate with public, philanthropic, and private partners to leverage capital for specific properties the FCDC wants to engage.

## Dalton-Whitfield Land Bank Authority (LBA)

1

A specific and targeted geographic scope.

2

A set of specific and targeted priorities.

3

Tangible expectations for desired outcomes and solutions.

## Dalton Housing Authority (DHA)

1

DHA should undergo a strategic planning process including its board, funders, & staff

2

Examine funding sources and consider additional opportunities

3

Consolidate, sell, develop, or redevelop new affordable housing

## Downtown Dalton Development Authority (DDDA)

1

DDDA should undergo a strategic planning process including its board, funders, & staff

2

Partner with the City and other organizations to establish priorities for action

3

Examine funding sources and consider additional opportunities

**In the last five years, we have moved the needle on satisfying previously identified demand from the 2018 study, but the updated analysis reveals significant recommendations for Greater Dalton's continued growth.**

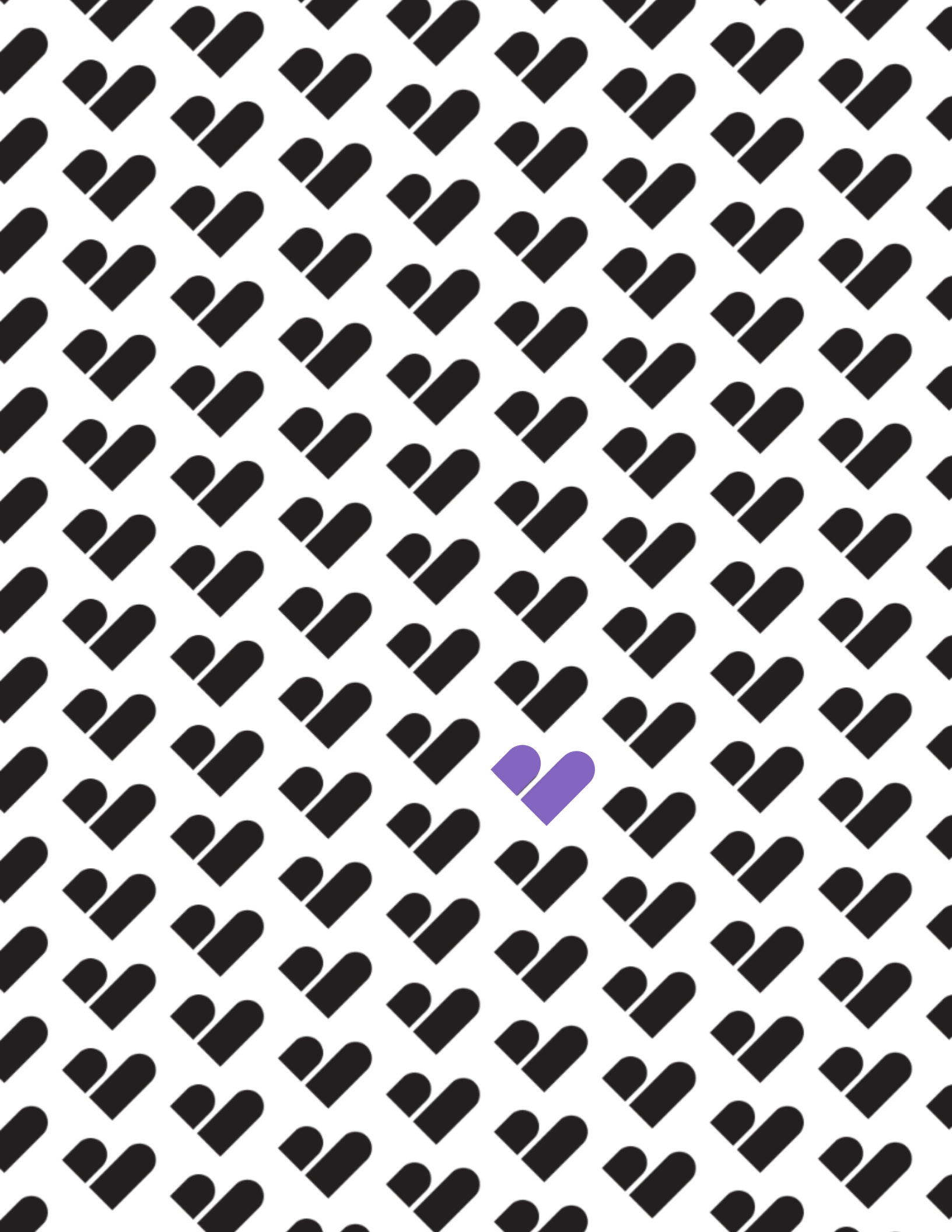
**Our strategy is to focus on AGE, ACCESS, and AFFORDABILITY for Greater Dalton to offer housing options so current and future residents can create a life and career here.**



Believe Greater Dalton's mission is to connect research and vision with resources and partners for better work, life, and play in Greater Dalton. The work of the housing strategy is critical to the mission.

We are all working for Greater Dalton to become the envy of North Georgia. Providing adequate, attainable housing for ALL income levels is key to the stability of Greater Dalton's workforce, economy, and quality of life.

Thank you for your time and support of Believe's initiatives.



connecting research and vision  
with resources and partners for  
better work, life, and play in  
greater dalton!



**Allyson Coker**  
**Executive Director**  
**Believe Greater Dalton**