

Report from the Smyrna Housing Authority For the Smyrna City Council Committee of the Whole Meeting  
Tim Christie, Chair

**History of the Smyrna Housing Authority** – see attached document

Terminology:

- a. “Affordable”, “Low-income” or “Subsidized” housing.
- b. “Mixed Income” Housing (Authority focus) - These programs provide either tax-exempt financing or tax credit equity (and sometimes both) to developers of multi-family housing in exchange for rental rates on some percentage of the units at levels affordable by families at various maximum income levels (at time of initial rental).
- c. “Public benefit” housing: in public safety employees, general government employees, schoolteachers and people who work in the various classes of services such as restaurant employees being able to find housing in Smyrna.
- d. “Workforce” housing. A relatively new (to Georgia anyway) means of providing this type of housing is incentivizing existing apartment owners to change their rental policies to take their properties from “open market” properties to properties whose unit rents enable mixed levels of family incomes (public safety, school, general city employees and service industry families to find quality apartment housing through property tax abatement.

**Private Enterprise and Regulatory Agreement (“PERA”)** structure

Some positives are:

- This isn’t new construction, so the preservation can be enacted quickly.
- The units can be spread into various parts of town (may avoid concentration).
- These are existing housing complexes, so there is no new land use issues/permitting.
- The Authority has some control/input on the income restriction mix (# of units at each % of AMI).
- The developers have generally agreed to fund after-school tutoring programs (~\$50,000/yr.)
- The Authority does generate some income from an upfront payment, a payment upon future sale of the property and a small percentage of the normal tax revenues.
- There is some possibility that City employees may be able to use these units but there are Fair Housing Act rules that make giving outright priority to a particular type of tenant difficult.

Some challenges are:

- Is the complex already renting to tenants in the targeting income ranges? If so, this isn’t really new “mixed-income” housing, we have just labeled it as such. However, this would put a permanent restriction for the life of the agreement. It is hard to get income information from existing tenants if you didn’t require it at the time of the original lease. So, it is hard to know existing tenant income levels and by extension to say definitively the makeup of the rent rolls at present.
- Even though we generally arrange for payments to the Authority (see #6 above) the City loses the tax revenues they are currently receiving on the property.