



# BELIEVE GREATER DALTON HOUSING STRATEGY

November 2018

PREPARED FOR:

PREPARED BY:



# BELIEVE GREATER DALTON HOUSING STRATEGY

## INTRODUCTION

In 2017 the Greater Dalton Chamber and its partners unveiled Believe Greater Dalton, an economic framework for the Dalton area's future.

Believe Greater Dalton set forth six strategic priorities, including the goal to **pursue a competitive and diverse housing stock** as a means of:

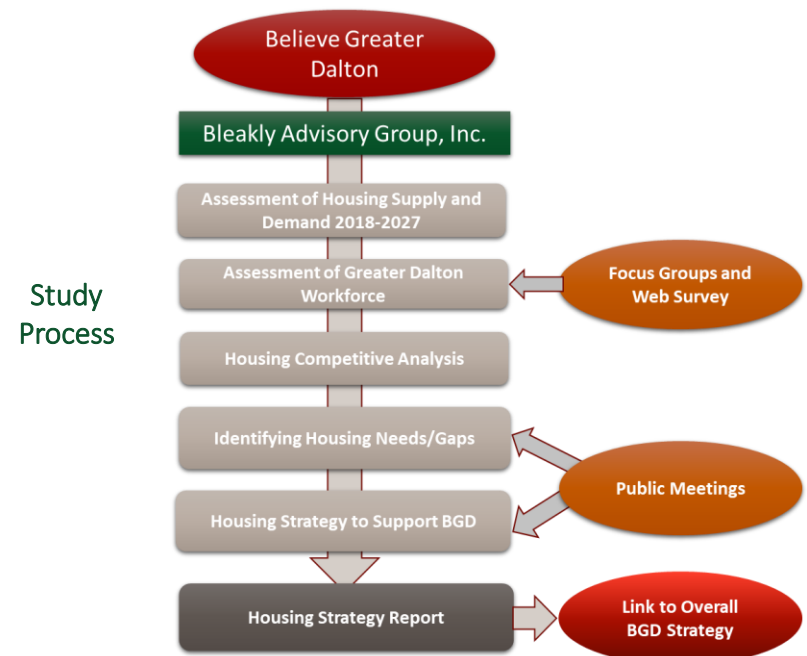
- Aiding talent attraction and retention,
- Appealing to a broad range of potential residents,
- Encouraging more workers to live in the immediate area, and
- Increasing local vitality and quality-of-place.

This initiative led to the commission of this study: the **Believe Greater Dalton Housing Strategy**, with the goal to examine the local and regional housing market and develop an approach to achieving the housing goals set forth in the Believe Greater Dalton plan.

To complete this work, Bleakly Advisory Group was guided by the Believe Greater Dalton Housing Advisory Committee, co-chaired by Todd Harrison of Hamilton Medical Center and Melanie Suggs of Greenwood Development.

Bleakly Advisory Group gathered a wide range of primary and secondary data on Dalton/Whitfield County demographic, economic, and housing real estate trends to provide input into the analysis for this project. In the process Bleakly interviewed hundreds of stakeholders in key segments of the community, and conducted an online survey that garnered over two thousand individual responses.

Bleakly Advisory Group greatly appreciates the time and effort of all that participated in this process. Geoff Koski, president of Bleakly Advisory Group, directed this work.



# REPORT CONTENTS

- Key Findings
- Housing Supply Assessment
- Commuter Opportunity
- Potential Market Absorption
- Recommendations
- Appendix
  - Dalton Market Profile
  - Survey and Focus Group Responses

# KEY FINDINGS

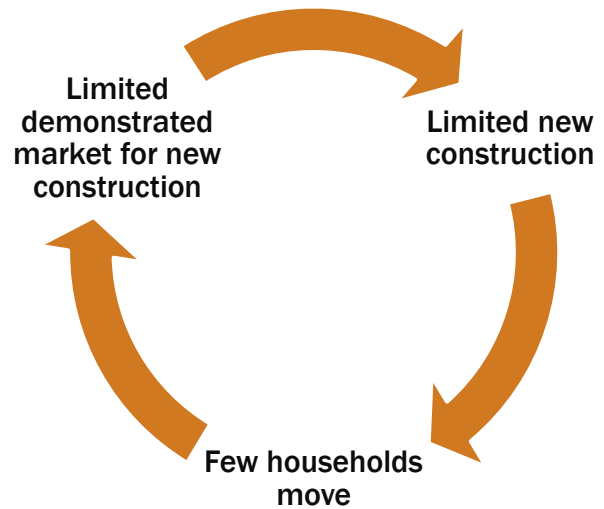


# KEY FINDINGS

## THE GREATER DALTON HOUSING MARKET HAS BEEN STAGNANT FOR A DECADE

- Dalton/Whitfield County faces a problem that is fundamentally about a **lack of housing supply**.
  - The market today is characterized by a reinforcing cycle of limited housing options and limited home value appreciation.
  - This study has identified significant demand for additional for-sale and rental housing in the Dalton area.
  - Thus, in order to reverse the stagnant market cycle local policy and action is needed that encourages:
    - new, market-rate construction, both rental and for-sale, and
    - renovation of existing housing stock.

### The Current Market: A Negatively Reinforcing Cycle



*Greater Dalton Housing Market:  
A large supply of lower-priced houses, which are often not marketable to a wide range of buyers, and an under supply of houses that are marketable, particularly to meet a growing middle-income demand.*

# KEY FINDINGS

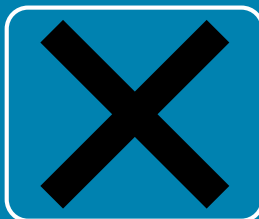
Dalton/Whitfield County generally lacks an appropriate amount of three key components of a healthy housing market:



Existing Homes on the Market



New Construction



The Right Home for the Right Price



# KEY FINDINGS

## SUPPLY/DEMAND MISMATCH

- The lack of supply, and corresponding mismatch between supply and demand, leads to:
  - Potential new residents not able to find viable housing options.
  - Mid-to-high-income home seekers able to choose lower-priced houses or, often, unable to find appropriate housing and forced into other nearby housing markets.
  - Home pricing muted because of lack of middle-income housing, as middle-income commuter households choose to live elsewhere.
  - Lower-income home seekers unable to compete with mid-to-high-income households for quality housing, even when they can afford it.
  - Renters looking to buy and homeowners looking to upgrade having few options available.
  - “Renters by choice” not finding local communities with the amenities they seek and forced into other nearby housing markets.
  - Home renovations having little return on investment.

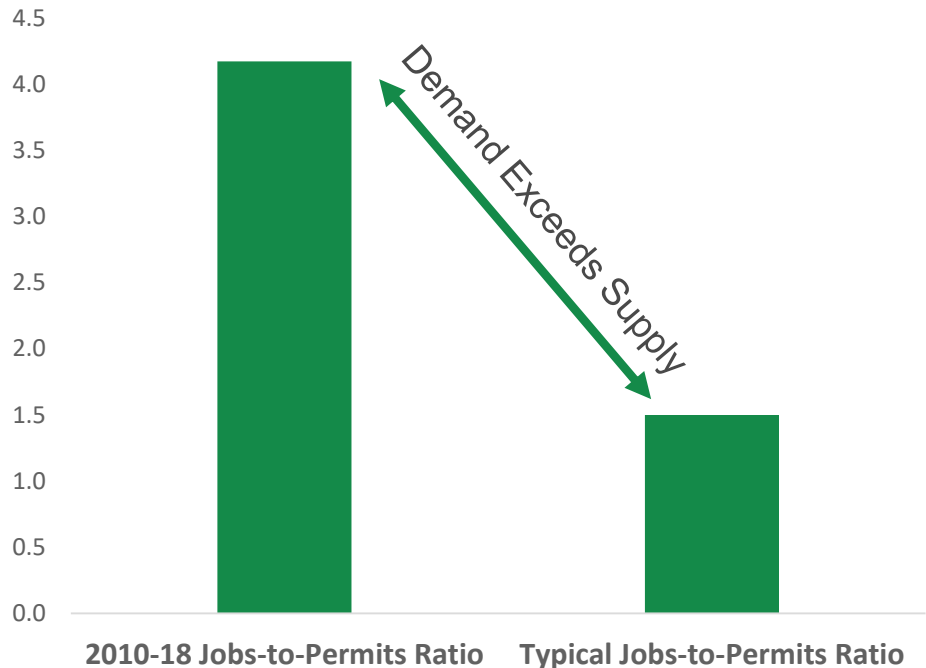


# KEY FINDINGS

## LACK OF NEW CONSTRUCTION

- In Whitfield County, the lack of new construction has meant the demand for housing (derived from employment growth) has significantly outpaced the supply of housing (based on building permits).
  - A balanced jobs-to-housing ratio is typically 1.5 jobs to 1 permit.
  - Since 2010 the county has created 3,287 net new jobs but only issued 788 housing permits. (Typically, not all permits will lead to a new housing unit).
  - This suggests likely pent-up demand for new housing.

Whitfield Co. Jobs-to-Housing Assessment, 2010-2018



Whitfield Co. 2010-2018	
Job Growth	<b>3,287</b>
Building Permits	<b>788</b>
2010-18 Jobs-to-Permits Ratio	<b>4.2</b>
Typical Jobs-to-Permits Ratio	<b>1.5</b>

Source: US Census, HUD SOCDs

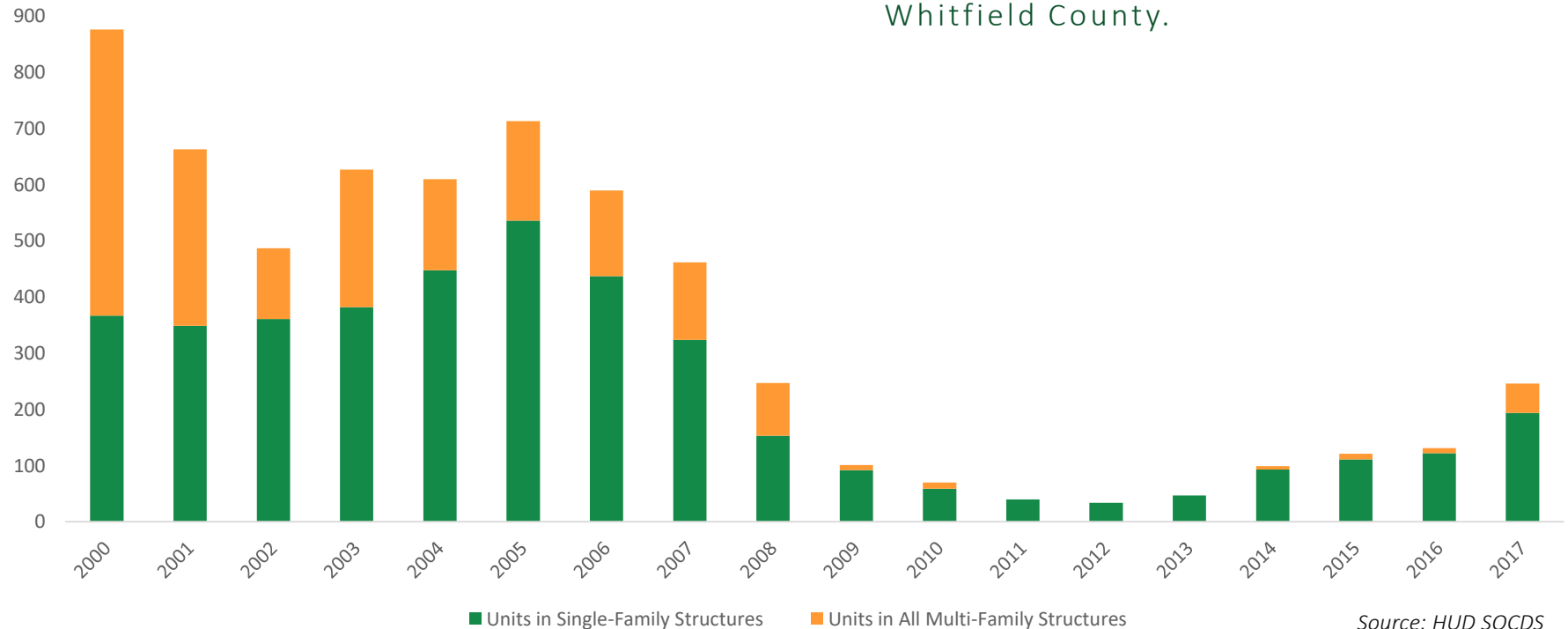


# KEY FINDINGS

## LACK OF NEW CONSTRUCTION

- Housing options are limited because of the lack of new construction of both single-family and multifamily homes over the past decade.
- Building permit issuance has been slowly increasing since the Great Recession, but is still well below pre-Recession levels.
- This has led to a lack of new housing supply even as jobs have returned to Whitfield County.

Whitfield Co. Housing Permits, 2000-2017



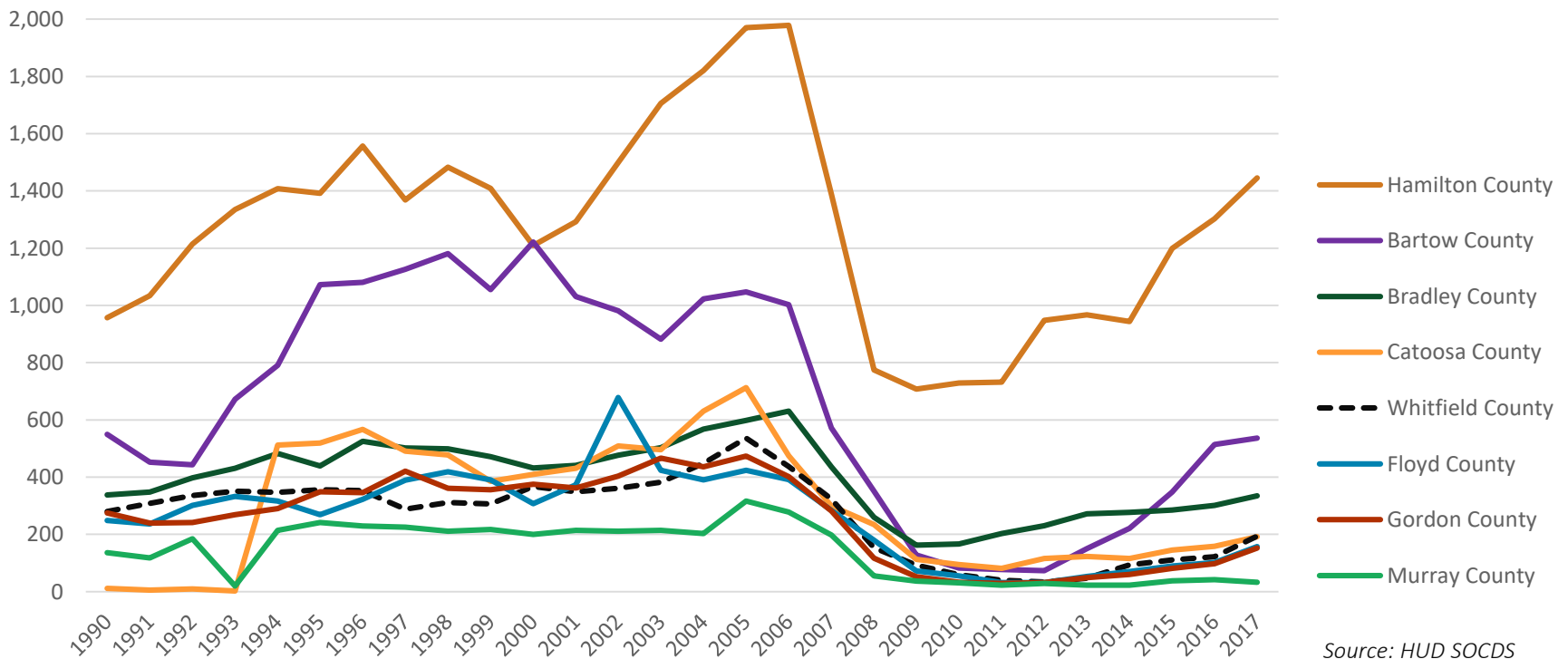
Source: HUD SOCDs

# KEY FINDINGS

## LACK OF NEW CONSTRUCTION

- New construction in Whitfield County has not rebounded in the same way that construction in Hamilton or Bartow Counties have. Whitfield County and its immediate neighbors are experiencing similar levels of permitting today, and have tracked similarly since the recession.

Single-Family Permitting by County



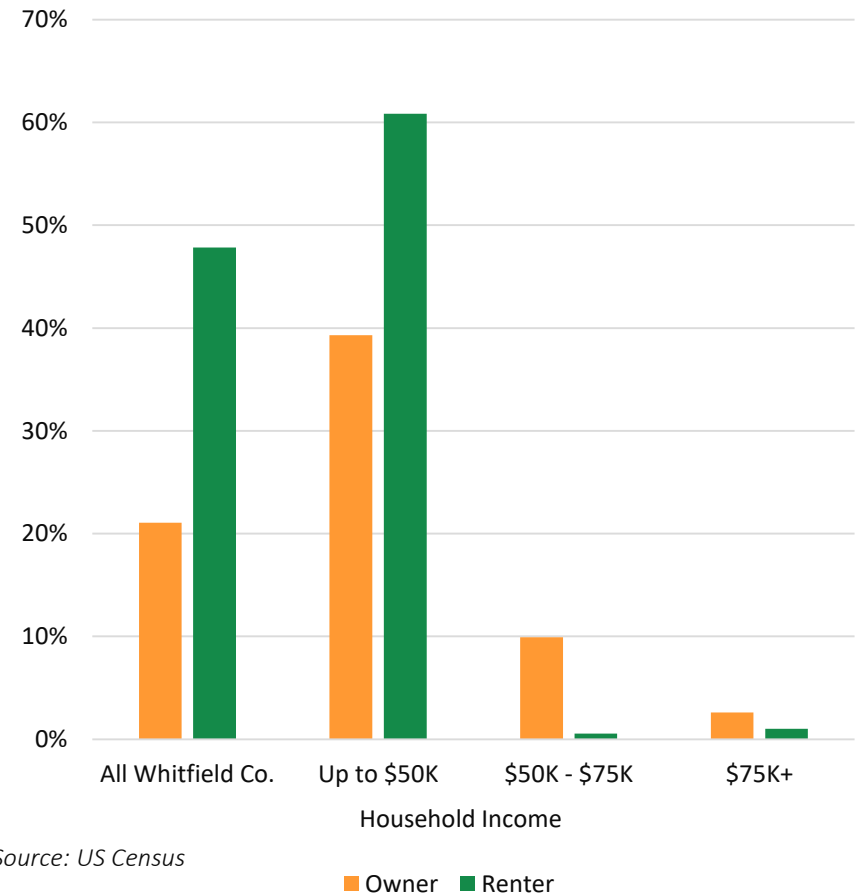
Source: HUD SOCDs

# KEY FINDINGS

## LACK OF THE RIGHT HOME FOR THE RIGHT PRICE

- The financial burden of the lack of appropriate housing supply falls on lower income households, particularly renters.
- A household is considered housing **cost-burdened** when 30% or more of its monthly gross income is dedicated to housing.
  - Those whose housing costs exceed 30% are likely to struggle to pay for other basic needs, forcing difficult trade-offs.
- Over 60% of Whitfield renters with household incomes below \$50K are cost-burdened, compared to only 2% of renters with incomes above \$50K. A similar, but not as dramatic, situation is also present for owners.
- While many higher income households find desirable local housing options, others seek more appropriate housing elsewhere.

Households that Spend More than 30% of Income on Housing Costs



Source: US Census

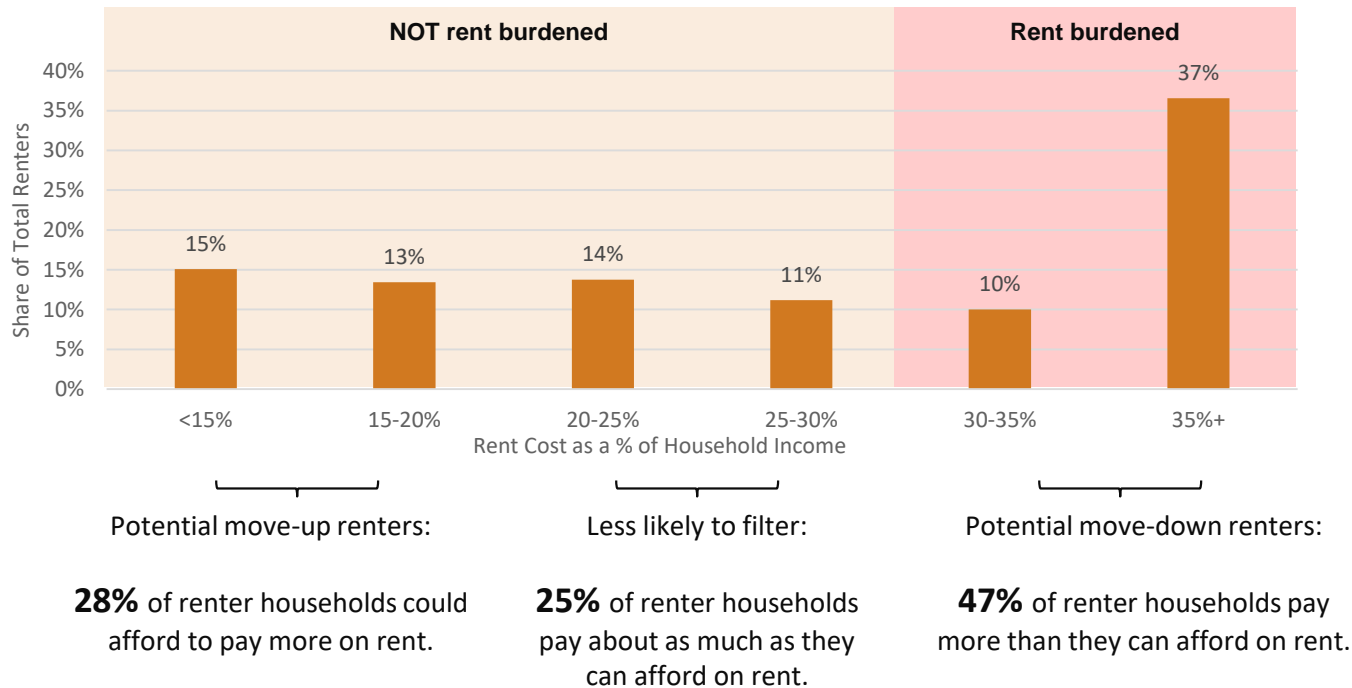
Source: US Census

# KEY FINDINGS

## MANY HOUSEHOLDS LIVING BELOW THEIR MEANS

- 28% of renters pay less than 20% of their income on rent in Dalton, suggesting they:
  - could afford to “trade up” to nicer unit given the option, and
  - doing so could allow households that are currently rent burdened to filter into lower-cost units that they vacate, creating greater efficiency in the local rental market.

### Whitfield County Renter Cost Burden



Source: US Census

# KEY FINDINGS

## AVERAGE WEEKLY WAGES

- Without appropriate new housing options, higher wage earners in Dalton often choose to live outside of the county.

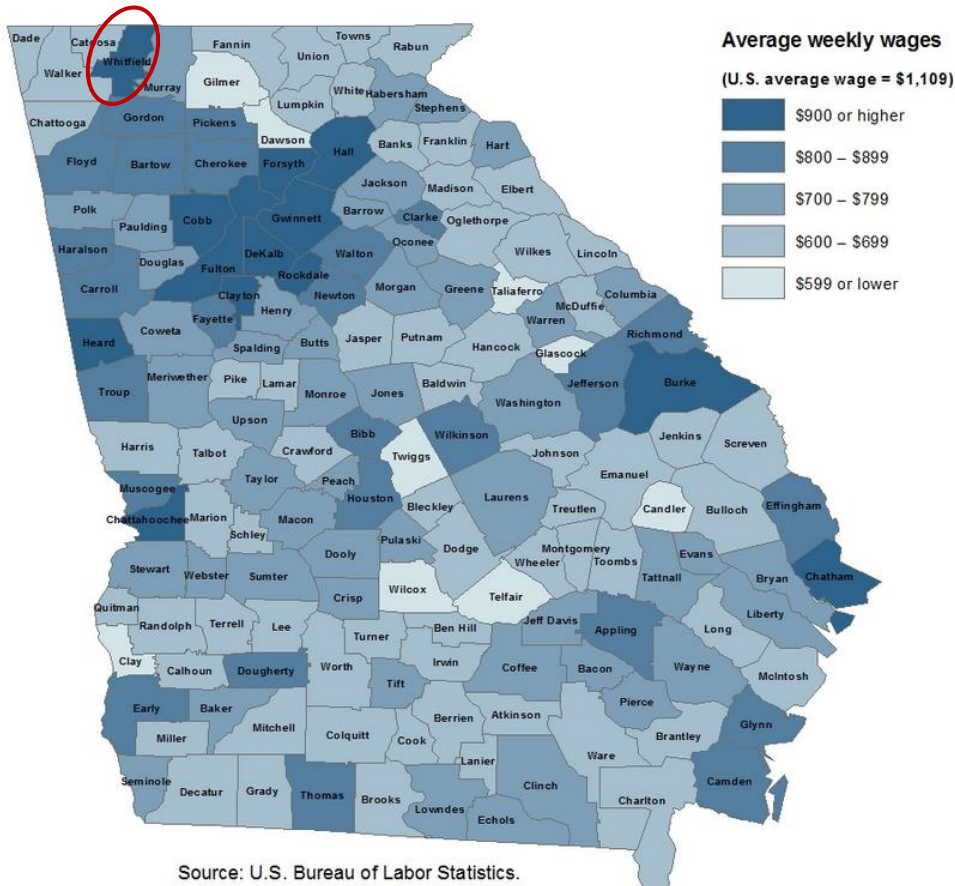
- The county is in the 94th percentile for wages in Georgia, but only 62nd percentile for incomes.

- Average weekly wages:

- 159 Georgia counties (4Q 2017)
  - 9: below \$600
  - 64: \$600 to \$699
  - 48: \$700 to \$799
  - 25: \$800 to \$899
  - 13: above \$900 (Whitfield Avg. Weekly Wage: \$931)

- Whitfield County

- Employees: 55,735
  - Average Annual Wage: \$48,412 (Georgia: \$53,404)
  - Whitfield State Ranking: # 10
- Households: 35,597
  - Median Household Income: \$48,945 (Georgia: \$55,296)
  - State Ranking: #61



*A wider variety of new housing options in Dalton/Whitfield Co. is possible due to the prevalence of higher income jobs in the county.*

# KEY FINDINGS

## LOW TURNOVER RATES

- Turnover rates—the frequency with which people move—are low among both owners and renters in Whitfield County.
- Interviews and analysis for this study suggest that, despite demand present, there are currently **few better local alternatives for households to move to**, whether move-up households, move-down empty-nester households, etc.
- Turnover is approximately 16% among renters overall, equivalent to moving once every six years—in line with the national average.
- However, **turnover among renters in professionally managed apartment complexes is half the national average.**
- Thus, renter turnover is not in line with what would be expected in a competitive apartment market, pointing to **a lack of desirable apartment supply in the area.**

# 1.2%

of Whitfield County **homeowners move** annually – nearly **half the national average turnover rate** of 2.2%.

# 16%

of Whitfield County renters move annually. This is in line with the national average of 15%; however...

# 23%

...of Whitfield County **renters in apartment buildings move** annually. That's **less than half the national apartment turnover rate** of 54%.

*Source: PUMS, U.S. Census, National Center for Housing Management*



# KEY FINDINGS

## LACK OF THE RIGHT HOME FOR THE RIGHT PRICE

- Typically in today's housing market, young professionals who are not ready to buy homes seek amenity-rich developments close to attractive destinations.
- Most of Dalton's rental housing is in single-family homes and small, older apartment complexes.
- Renters who desire highly-amenitized conventional apartment dwellings are forced to look elsewhere.

*"When comparing to other like cities the cost of apartments is high for the older & not very well maintained apartments we have."*

--Survey Response

# 65%

Of survey respondents who **rent outside Whitfield County** said **"availability of housing which met my needs"** was a key factor in choosing where to live.

# 58%

Of survey respondents who **rent outside Whitfield County** identified **"nearby retail, restaurants, nightlife, or other desired amenities"** as influencing their decision.

# KEY FINDINGS

## LACK OF THE RIGHT HOME FOR THE RIGHT PRICE

- The homes that are on the for-sale market often need extensive renovation.
  - Even homes that seem affordable for middle-income families become unaffordable once renovation costs are factored in.
- Buyers can purchase newer and larger homes for a lower price outside of Whitfield County.

*“We can not find any [for-sale housing] in Dalton that does not need to be completely remodeled or costs a fortune. There does not seem to be very much in-between.”*

--Survey Response

# 51%

Of all survey respondents who **live outside Whitfield County** said **“availability of housing which met my needs”** was a key factor in choosing where to live.

# 29%

Of survey respondents who **live outside Whitfield County** said they chose not to live in Whitfield due to **“lack of the type of housing I want.”**

# KEY FINDINGS

## RESULT – THE MARKET IS STUCK

- Because of the tight rental and for-sale market, people move less often than they would like and settle for housing that doesn't meet their needs.
  - Home price is influenced more by supply than by quality. This means that the market does not reward renovation activity in the form of higher home values.
  - These quality issues, combined with the overall tightness in the market, exacerbate the scarcity of move-in ready homes.
  - When potential buyers cannot find the kind of home they want in Dalton, they find appropriate options elsewhere in the region.

*“People here hold on to what they have because there is anxiety about what else they can find—even if they aren't thrilled with it.”*

--Focus group participant

# 50-60%

More home sales that would occur in Whitfield County annually if homeowners moved at the national rate.

*Source: Bleakly Advisory Group, based on PUMS data, U.S. Census*

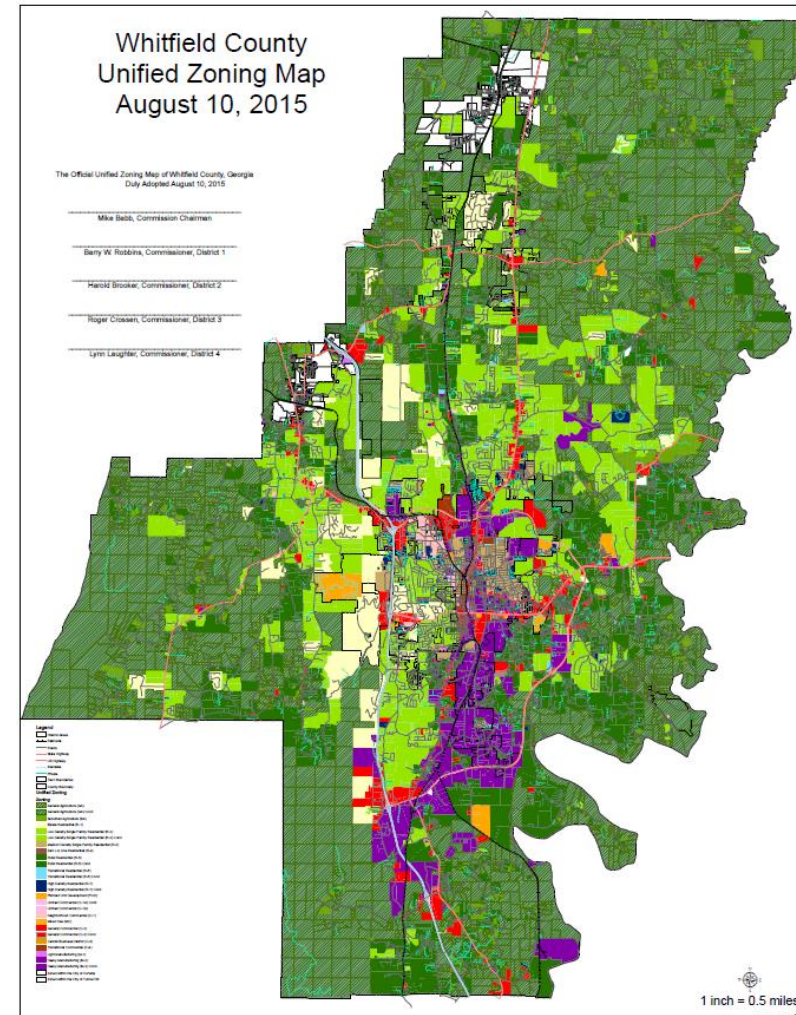
# KEY FINDINGS

## ZONING TOOLS ARE IN PLACE

- Upon review of:
  - Whitfield County zoning code
  - Whitfield County zoning maps
  - Zoning code and maps of comparable nearby communities, particularly Ringgold, GA

Whitfield County appears to generally have the zoning tools to support housing development and redevelopment throughout the county and the city of Dalton.

- Although additional zoning categories/allowances could help allow for additional housing production.
- For example:
  - Zoning regulations that allow for smaller lot sizes and accessory dwelling units in denser areas of Dalton and key nodes in the county.
  - More permissive zoning downtown and at key nodes to allow for a flexible mix of residential and commercial uses and/or 100% multi-story residential buildings.



# KEY FINDINGS

## ZONING TOOLS ARE IN PLACE

### Possible steps to better use zoning-related tools to induce new housing:

- Pre-emptively rezone targeted development areas to higher-density uses.
  - This is especially true of areas downtown, where Central Business District zoning calls for “limited residential uses.”
  - Rezoning portions in/near downtown for higher-density residential or mixed-uses could increase the ability of attracting developers by limiting the need for a long entitlement process.
  - Create higher-density by-right multifamily zones. Current density allows for maximum 20 units per acre. Multifamily developers may need up to 35 units per acre to maximize potential and create walkable projects.
  - Simultaneously work to ensure infrastructure is in place to attract development to targeted areas. Many higher-density requirements are predicated upon inclusion of city sewer infrastructure.
- It is possible that friction in the rezoning and conditional use process, not necessarily related to the overall parcel zoning, may exist and could thus prohibit development in some cases.

# HOUSING SUPPLY ASSESSMENT



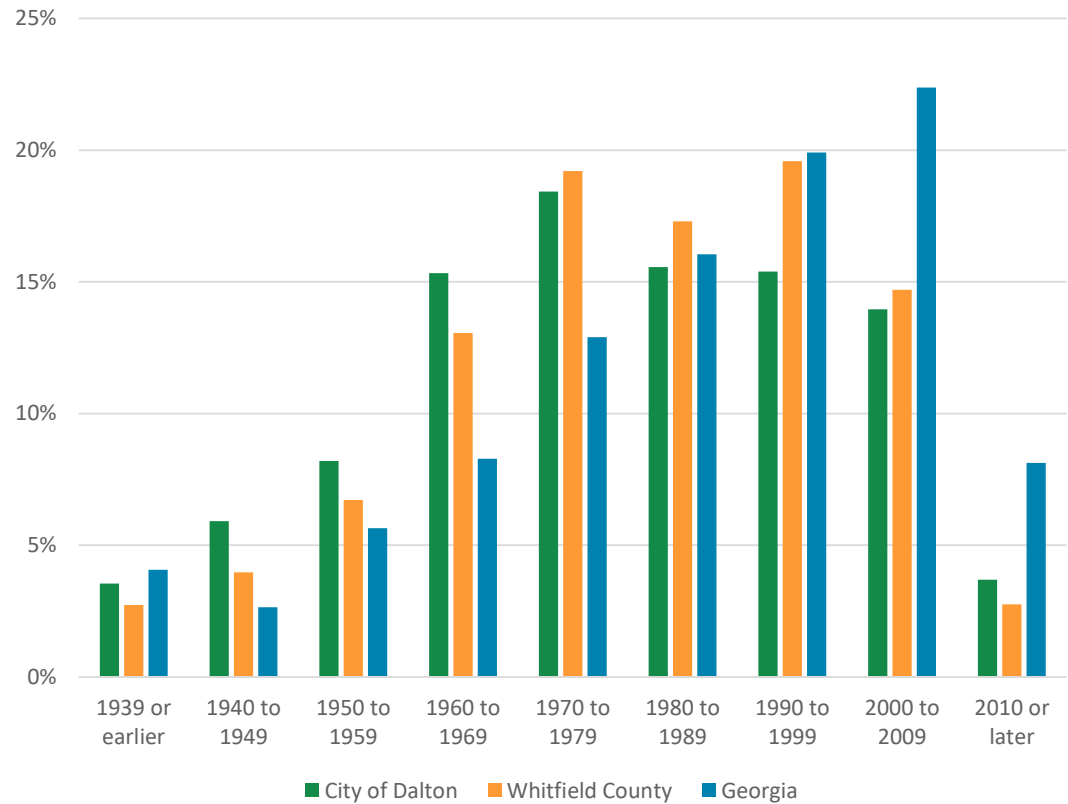


# HOUSING ASSESSMENT

## AGE OF HOUSING

- Housing stock in Dalton tends to be older than the overall average in Whitfield County.
- Only 18% of Dalton housing stock was built in the 21<sup>st</sup> century, compared to 31% in the state overall.

Year Housing Built



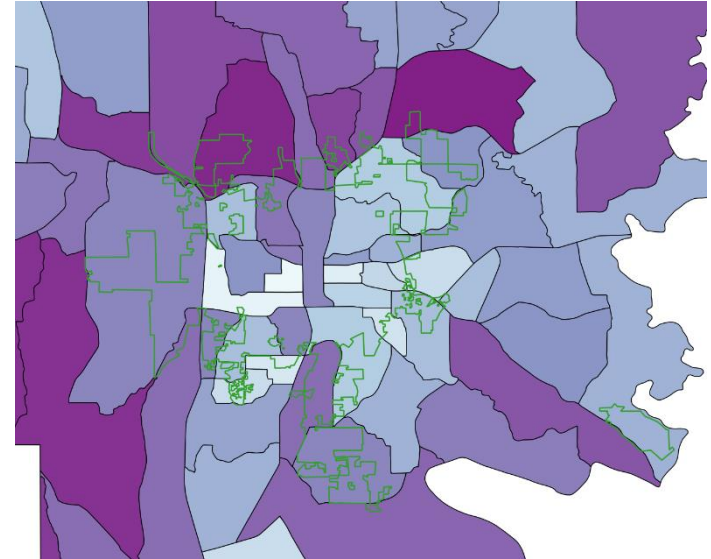
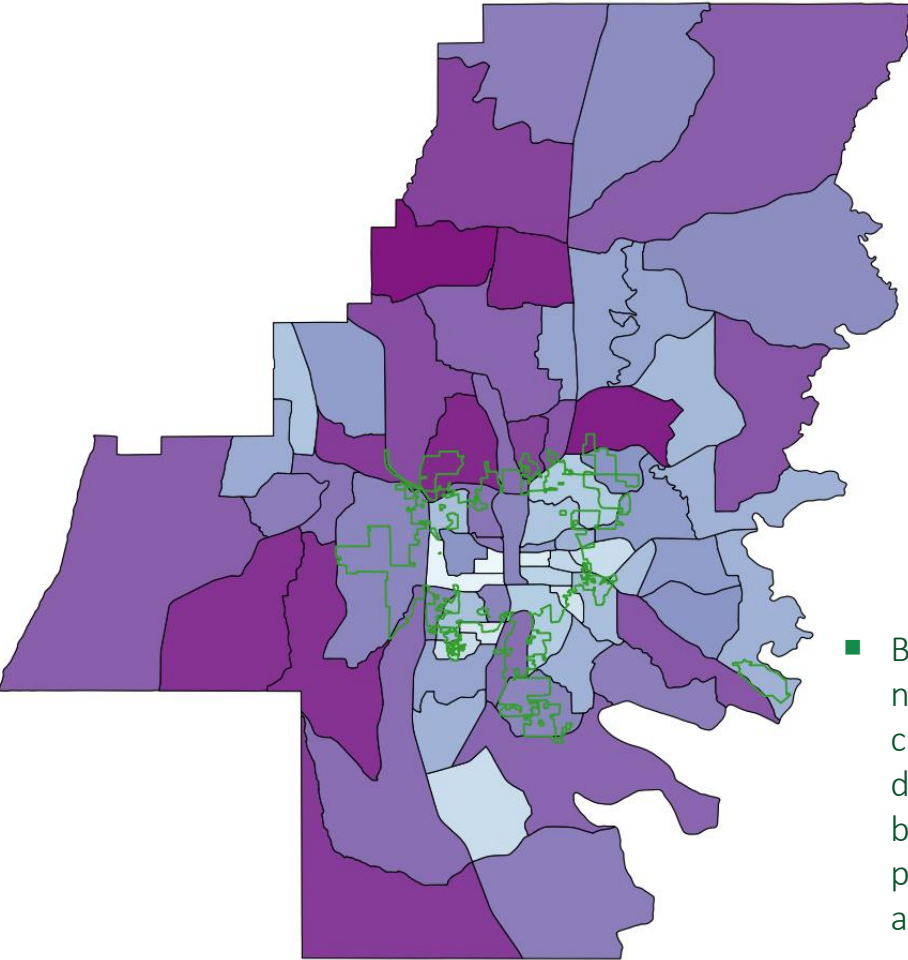
Source: Envirionics Analytics

# HOUSING ASSESSMENT

## MEDIAN YEAR HOME BUILT BY CENSUS BLOCK GROUP

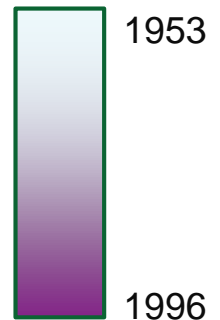
Whitfield County

Dalton (City Limits = Green Outline)



- Because many areas in Dalton are nearly “built-out,” to improve the current housing stock infill development opportunities should be identified and cultivated, particularly those near downtown and other activity nodes.

Key  
Median Year Home Built



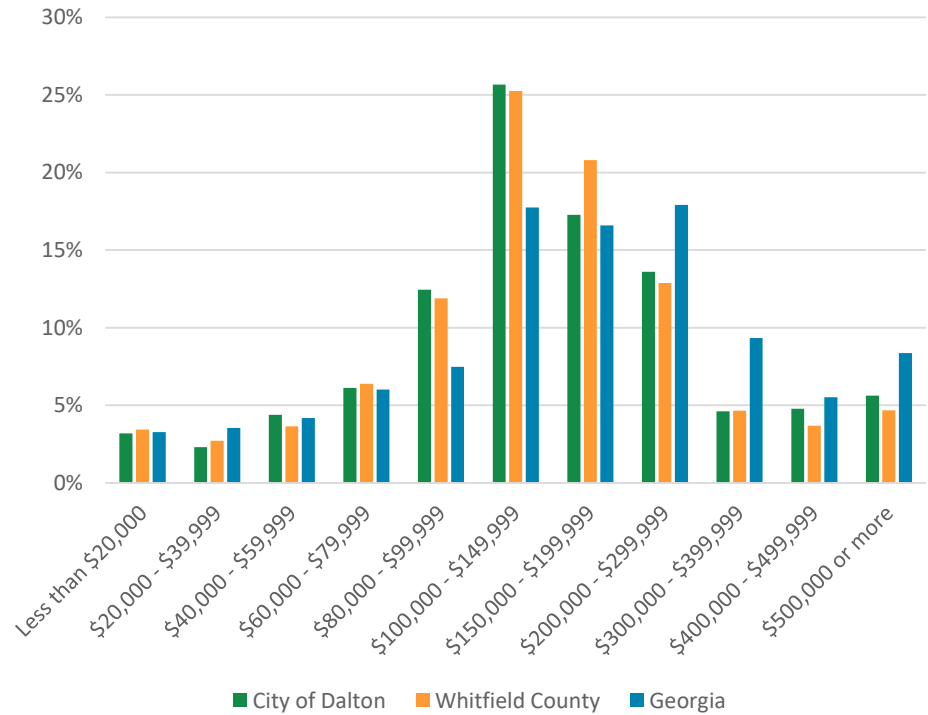
Source: Bleakly Advisory Group based on data from US Census

# HOUSING ASSESSMENT

## HOUSING VALUE

- Owner-occupied home values in Dalton are slightly lower than the county overall, but significantly below the state median.
- The largest number of homes are valued between \$100,000-\$150,000.

Owner-Occupied Housing Units by Value

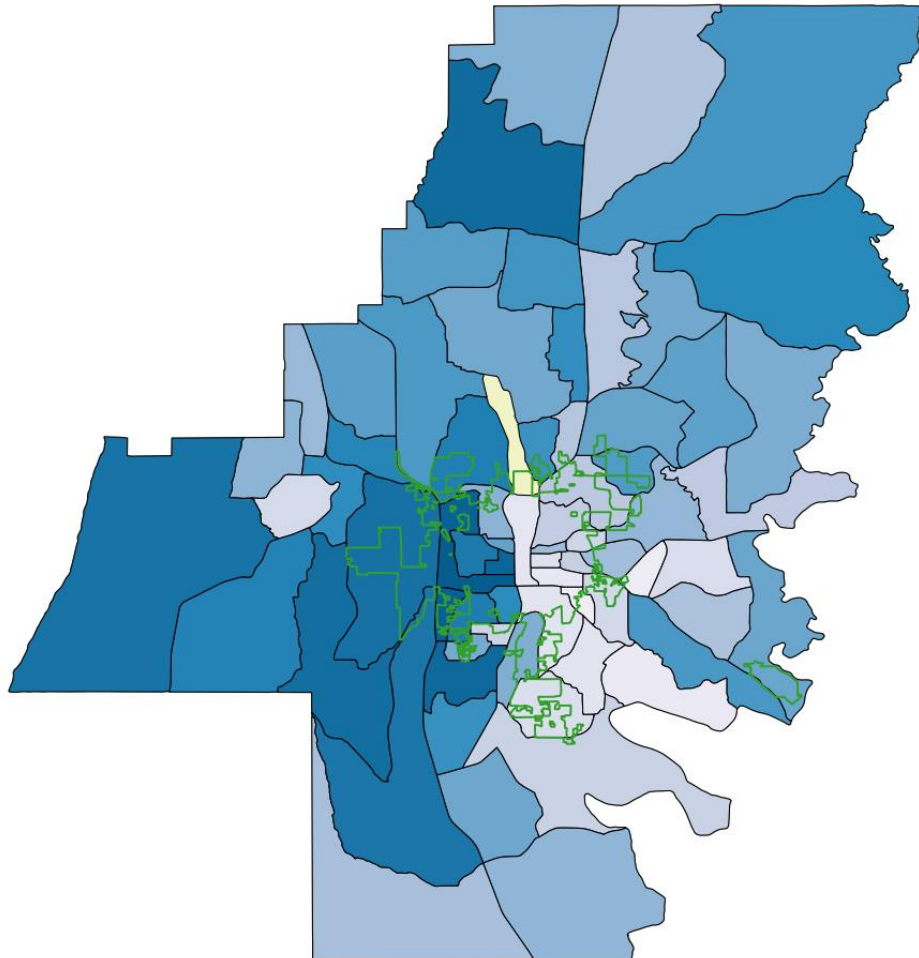


Source: Environics Analytics

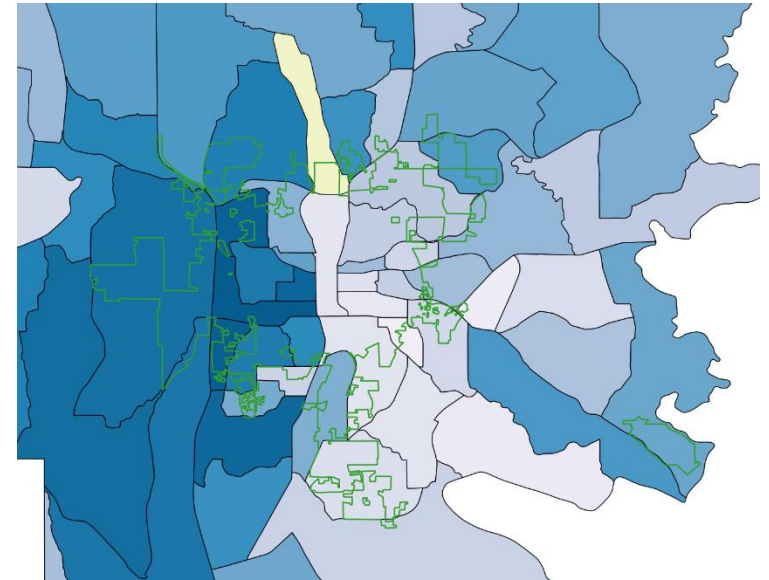
# HOUSING ASSESSMENT

## MEDIAN VALUE OF OWNER-OCCUPIED HOME BY CENSUS BLOCK GROUP

Whitfield County



Dalton (City Limits = Green Outline)



### Median Housing Value

#### ■ City of Dalton

■ \$140,778

#### ■ Whitfield County

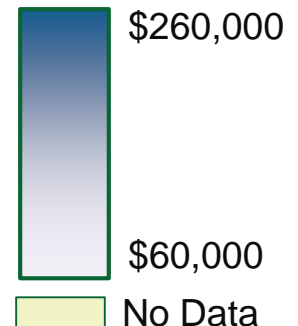
■ \$142,842

#### ■ Georgia

■ \$172,202

### Key

Value of Owner-Occupied Home



Source: Bleakly Advisory Group based on data from US Census

# HOUSING ASSESSMENT

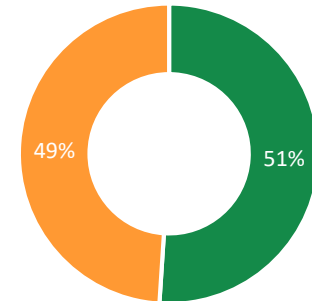
## HOUSING TENURE: OWNER / RENTER

- The proportion of renter housing is higher in Dalton as compared to the county and the state overall.
- Whitfield has over twice as many occupied rental homes than does Dalton.
- City of Dalton
  - Housing Units, Owner-Occupied: 6,139
  - Housing Units, Renter-Occupied: 5,890
- Whitfield County
  - Housing Units, Owner-Occupied: 23,261
  - Housing Units, Renter-Occupied: 12,336

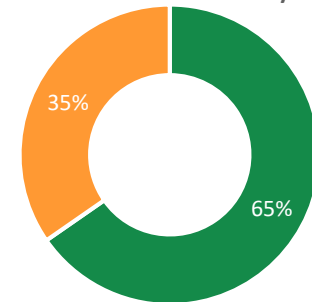
Source: Environics Analytics

### Tenure of Occ. Housing Units

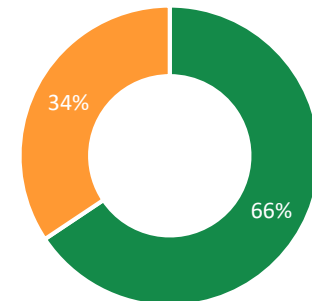
City of Dalton



Whitfield County



Georgia



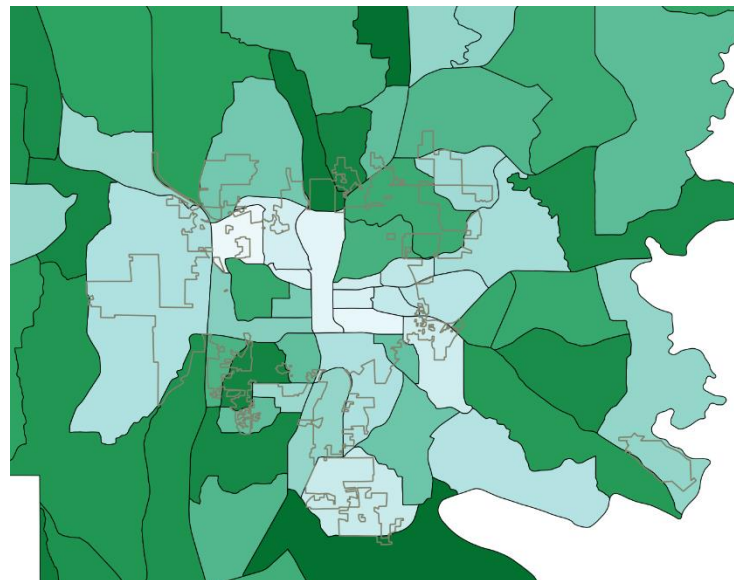
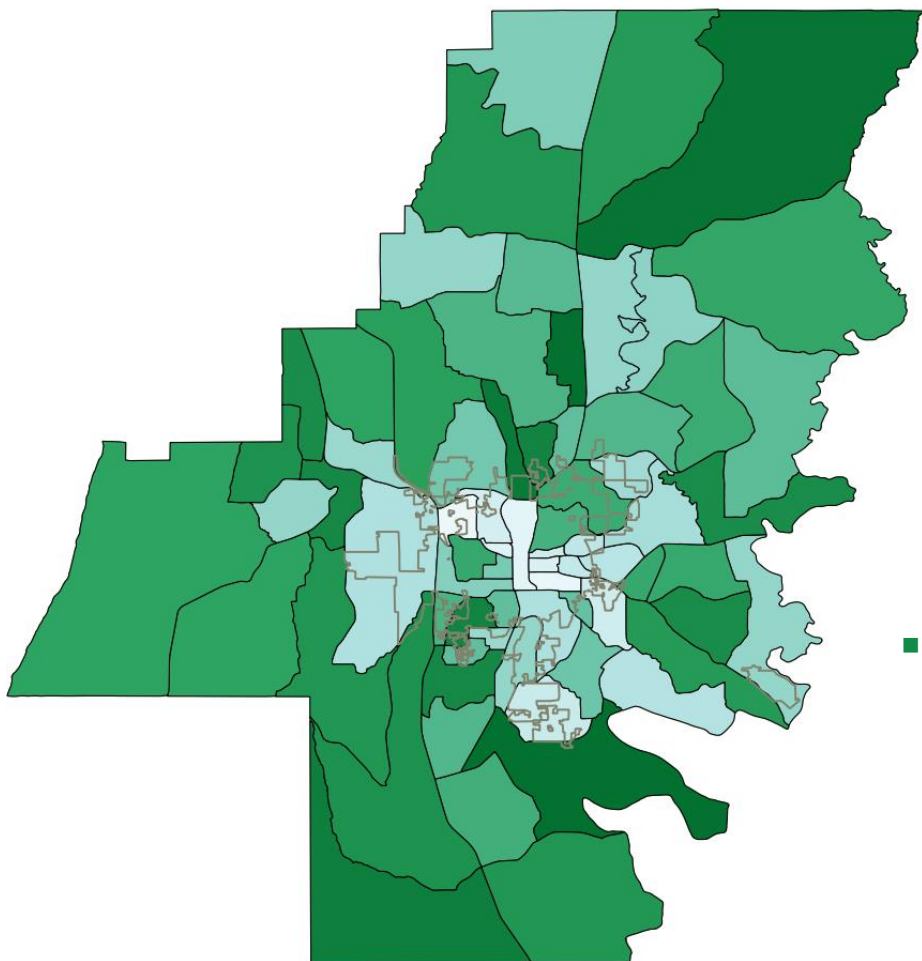
■ Owner Occupied ■ Renter Occupied

# HOUSING ASSESSMENT

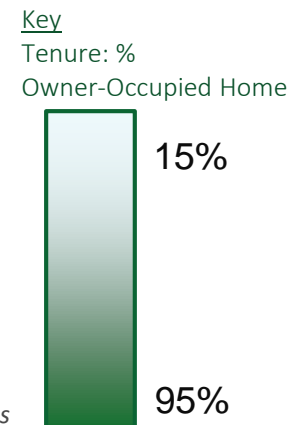
## TENURE (% OWNER-OCCUPIED) BY CENSUS BLOCK GROUP

Whitfield County

Dalton (City Limits = Gray Outline)



- Because Whitfield has over twice as many occupied rental homes (in absolute numbers) than does Dalton, this points to an opportunity to provide various types of additional rental options in both the city and the county.



Source: Bleakly Advisory Group based on data from US Census

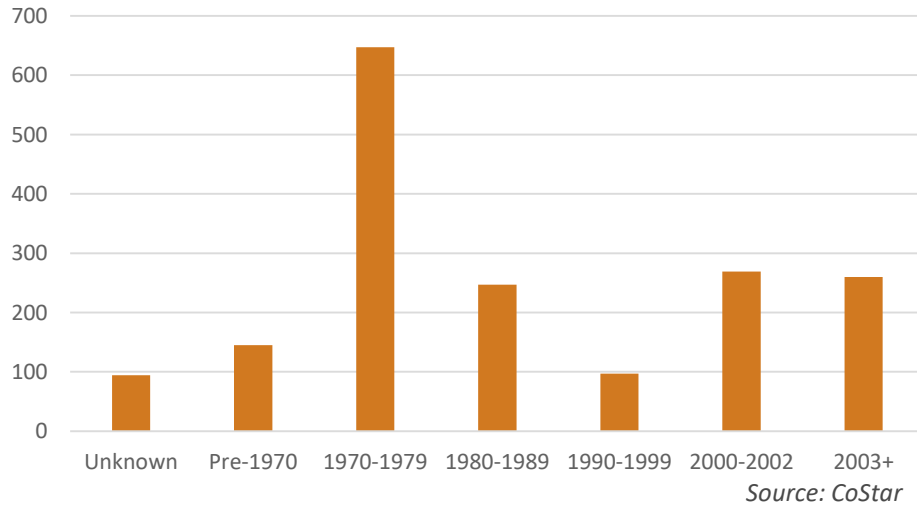


# HOUSING ASSESSMENT

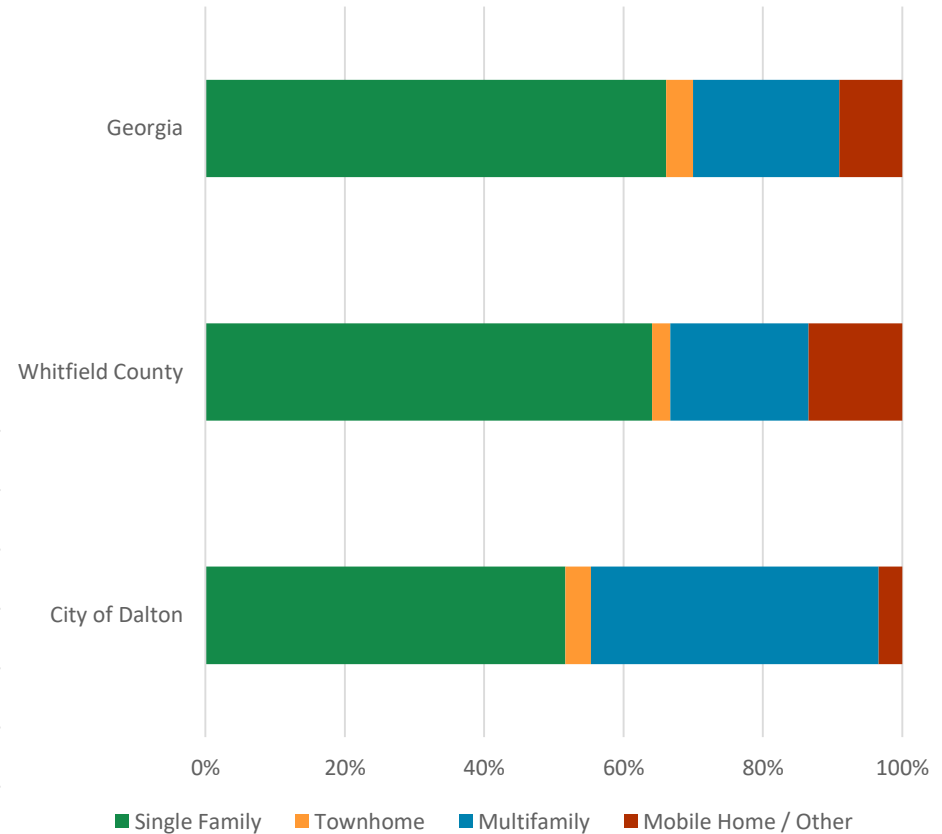
## HOUSING TYPES

- Dalton has a significantly higher proportion of multifamily housing (41%) than Whitfield County overall (20%).
- Over half the county's apartment stock was built in the 1970s and 80s.

Conventional Rental Apartment Stock by Age



Housing Units by Type, 2018



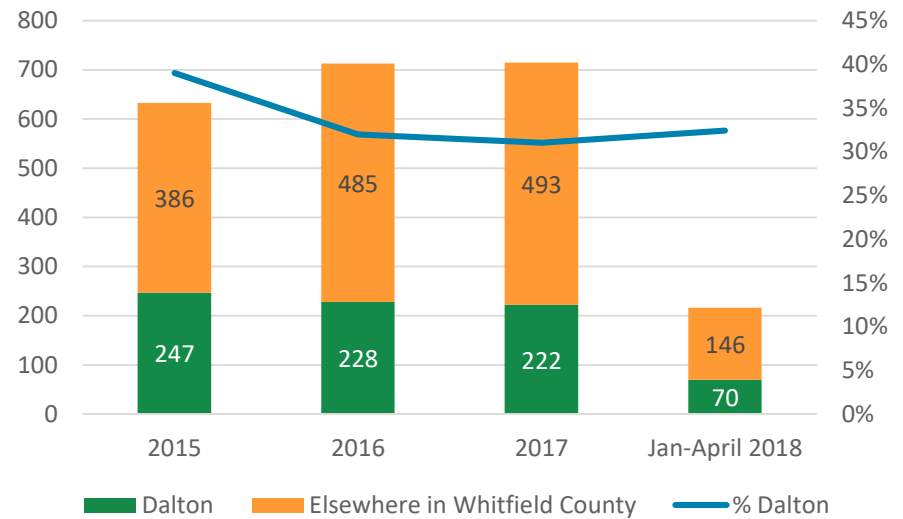
Source: Envirionics Analytics

# EXISTING HOUSING SUPPLY

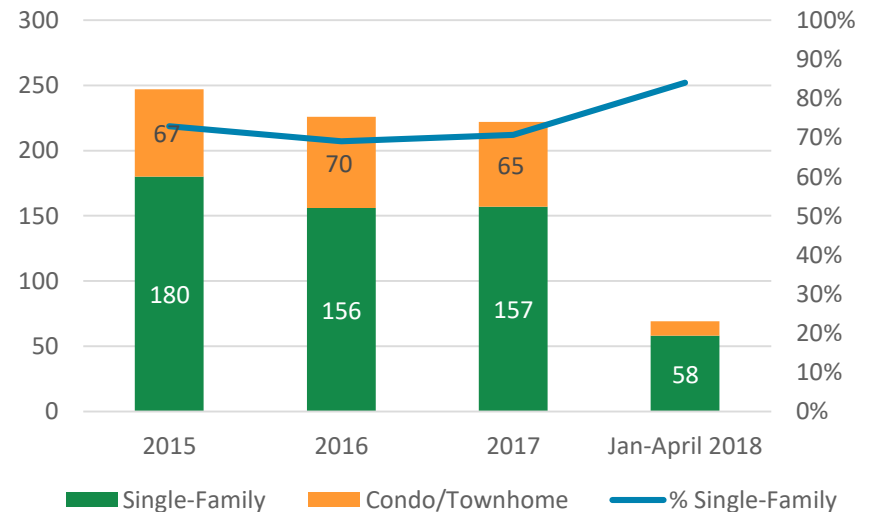
## FOR-SALE

- Whitfield County sees 700-750 home sales per year, and approximately one-third are in the city limits.
- Two-thirds of sales in Dalton proper have been single-family homes in recent years.

Total Sales by Jurisdiction



Sales by Type in Dalton



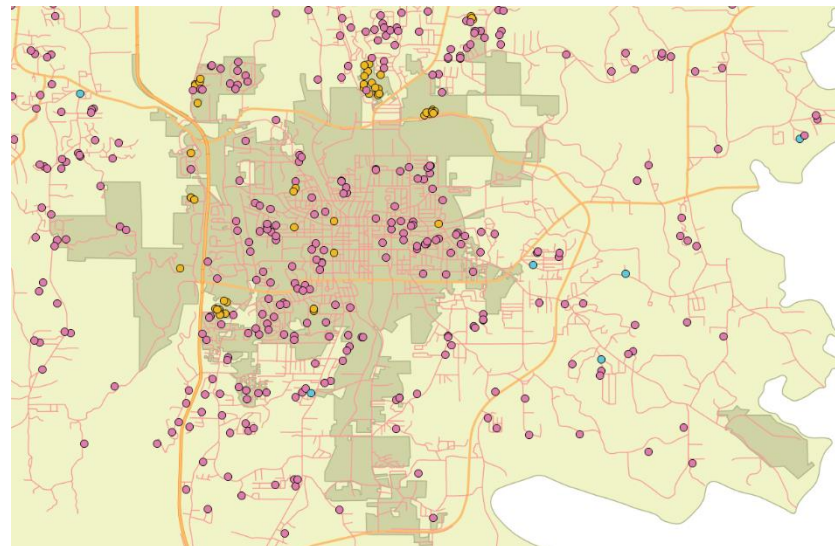
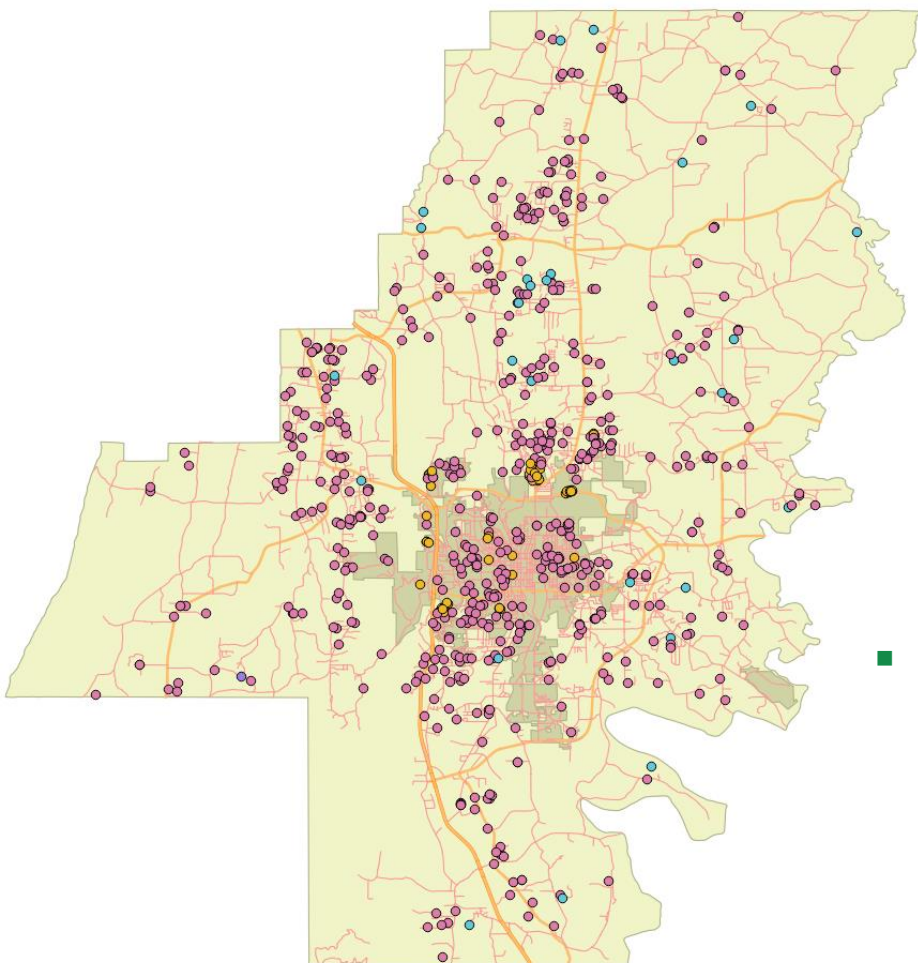
Source: MLS

# EXISTING HOUSING SUPPLY

## 2017 ALL HOME SALES BY TYPE

Whitfield County

Dalton (City Limits = Gray Outline)



- The majority of home sales in Whitfield County and the City of Dalton are single-family detached. Dalton also has some condo and townhome sales.

Key

Home Type

- Single Family
- Condo/Townhome
- Mobile Home

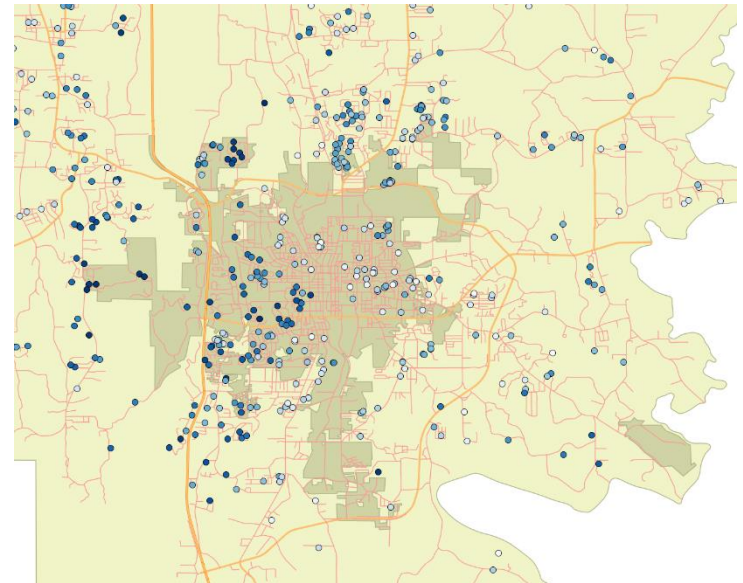
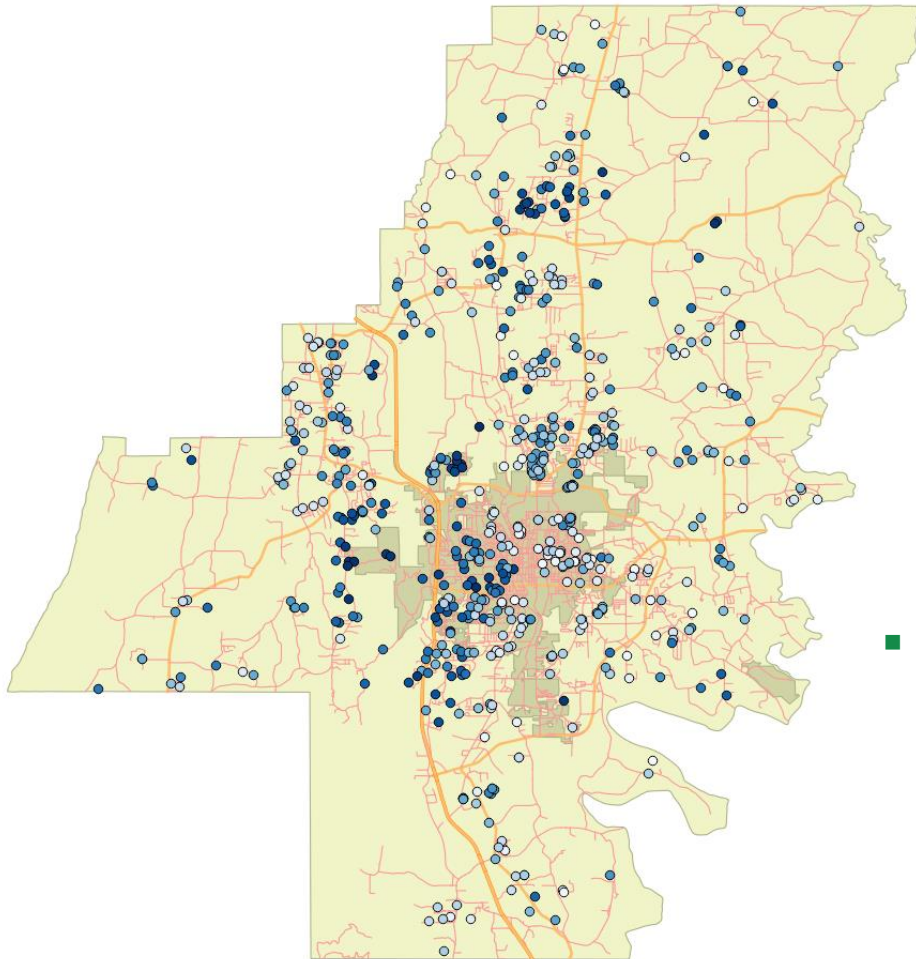
Source: Bleakly Advisory Group based on data from MLS

# EXISTING HOUSING SUPPLY

## 2017 ALL HOME SALES BY PRICE

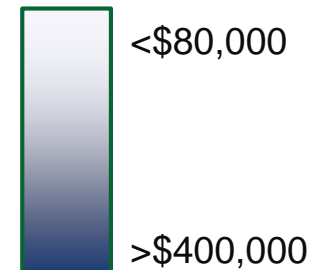
Whitfield County

Dalton (City Limits = Gray Outline)



- Higher-priced home sales are generally clustered in southwest Dalton, Whitfield County just west of the City of Dalton, and Whitfield County just east of the City of Varnell.

Key  
Sale Price



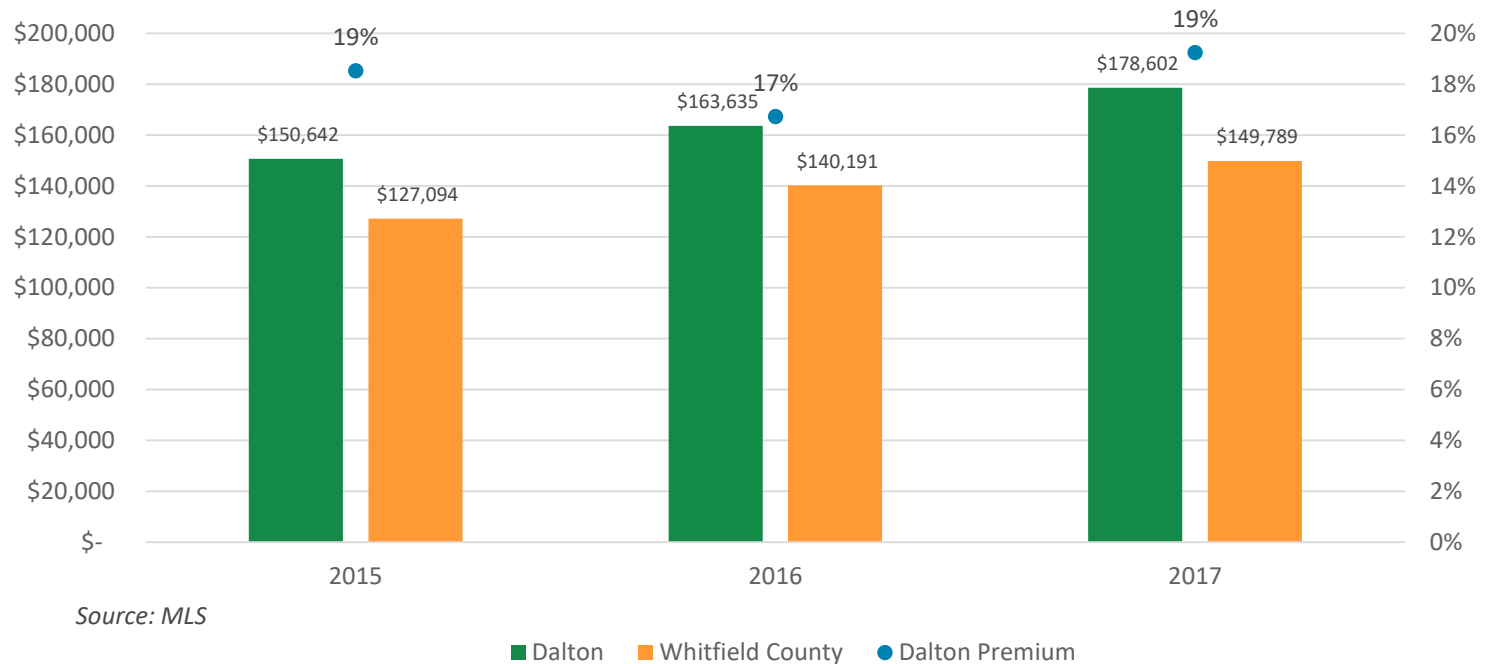
● Home Sold

Source: Bleakly Advisory Group based on data from MLS

# EXISTING HOUSING SUPPLY FOR-SALE

- The average single-family home in Dalton sells for approximately 20% more than the average home in overall Whitfield County.

Average Single-Family Pricing

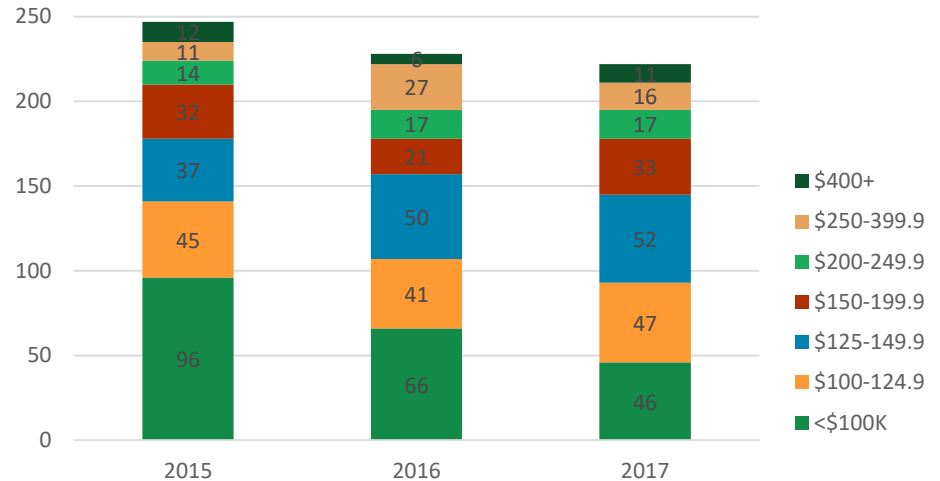


# EXISTING HOUSING SUPPLY

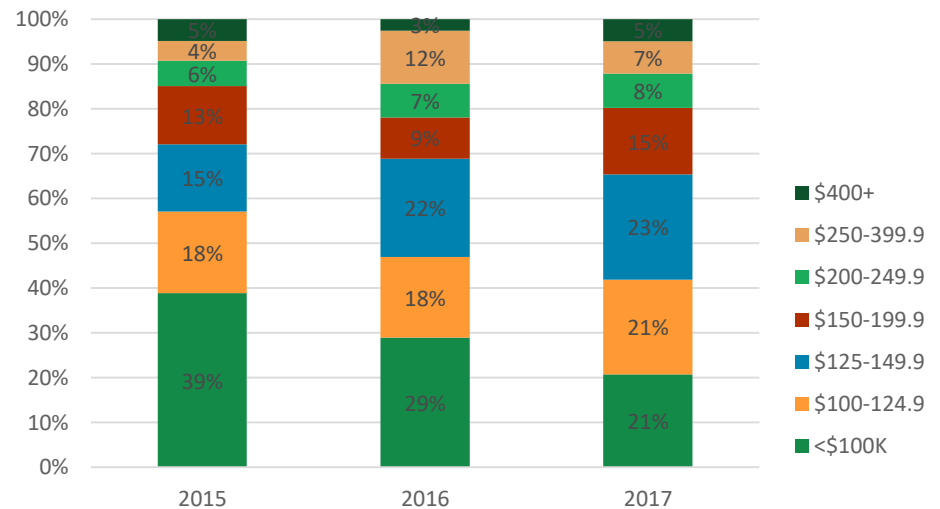
## FOR-SALE

- In 2017, 65% of sales were priced below \$200,000.
- Since 2015, the share of homes priced between \$150,000-\$200,000—the meat of the market—has grown the most.
- Meanwhile, the proportion of sales under \$100,000 has declined in recent years as the local market has recovered from the recession.

# Dalton Sales by Price Point



% Dalton Sales by Price Point



Source: MLS

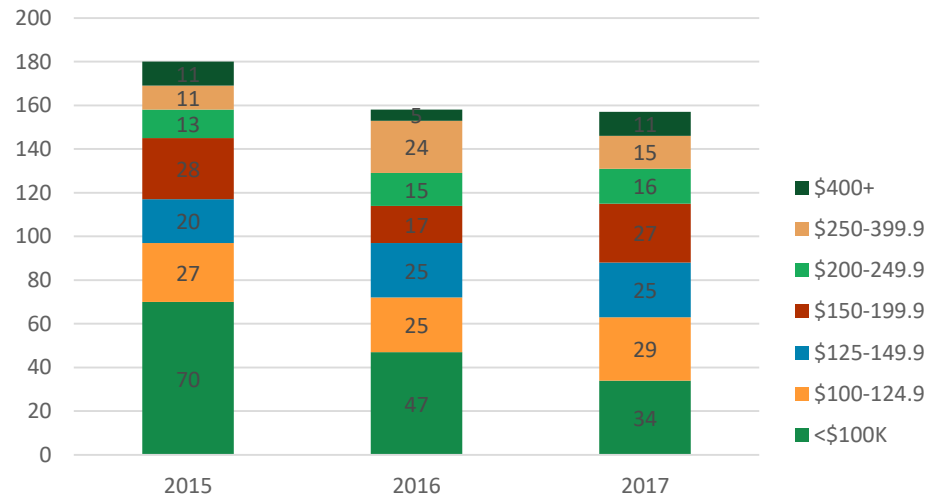


# EXISTING HOUSING SUPPLY

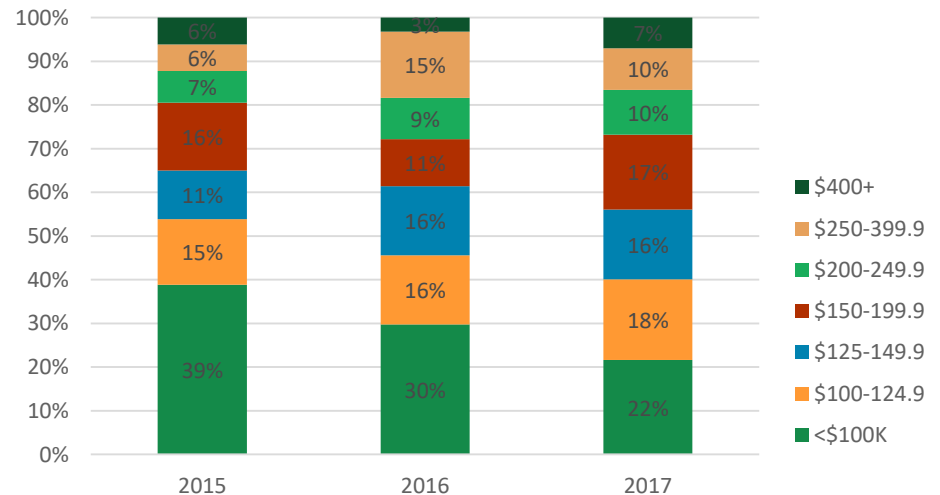
## FOR-SALE

- In 2017, 56% of single-family sales were priced below \$200,000.
- Sales are fairly evenly distributed across the entire spectrum of price points.
  - This conceals the reality that homes below \$250,000 often need extensive renovation and are not at the quality associated with that price in other areas of the region.

# Dalton Single-Family Sales by Price Point



% Dalton Single-Family Sales by Price Point



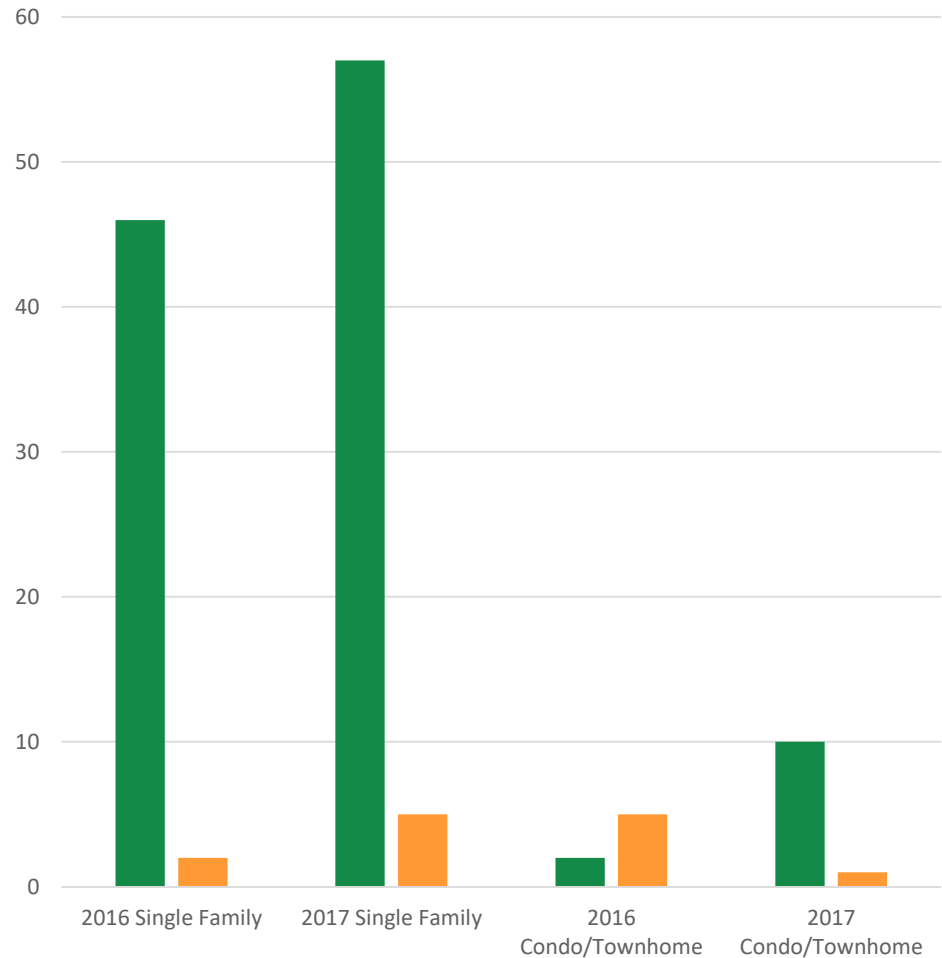
Source: MLS

# EXISTING HOUSING SUPPLY

## NEW CONSTRUCTION FOR-SALE

- In 2017, Whitfield Co. saw a total of 73 new construction home sales.
  - 62 Single-family
  - 11 Condo/Townhome
  - Overall Avg.: \$152,037
- In 2016, Whitfield Co. saw of total of 55 new construction home sales.
  - 48 Single-family
  - 7 Condo/Townhome
  - Overall Avg.: \$147, 951

Whitfield Co. New Home Sales by Price Point, 2016 & 2017



Source: MLS

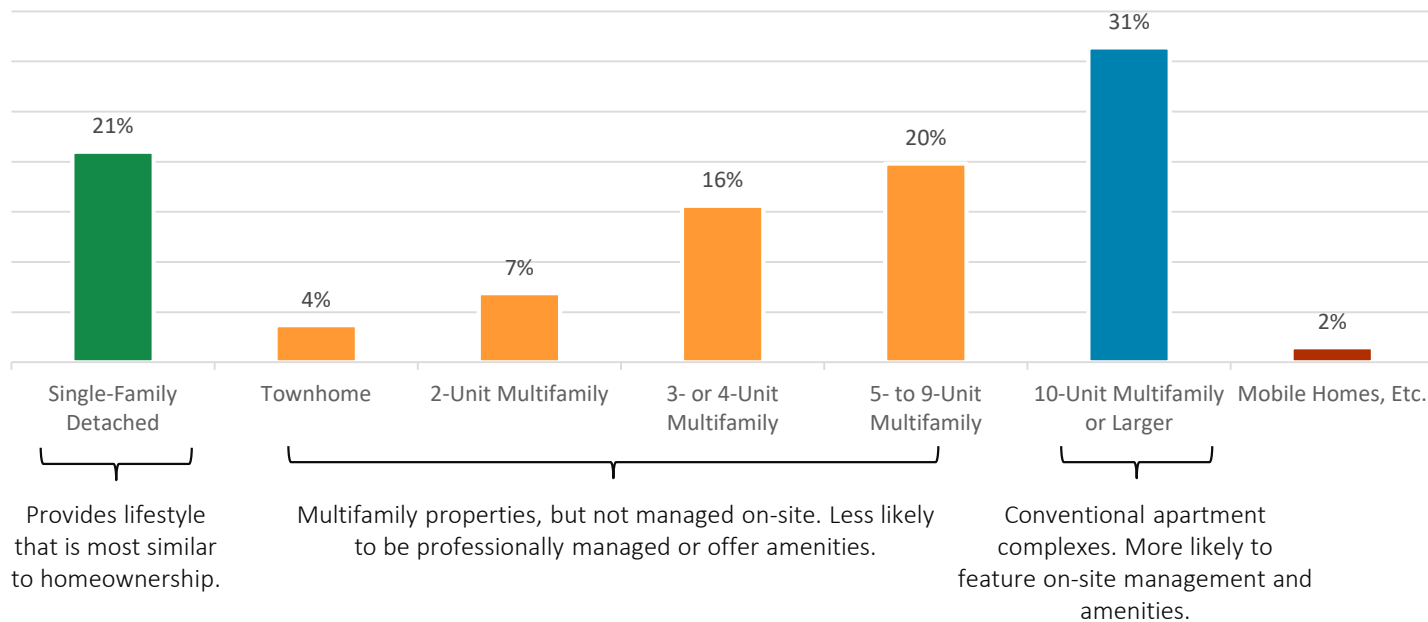
■ <\$200,000 ■ >\$200,000

# EXISTING HOUSING SUPPLY

## DALTON RENTAL SHADOW MARKET

- The shadow market refers to properties that are listed for rent individually, typically by a landlord that owns only one or a small number of properties, rather than by an apartment management company. These are “one-off” listings. Dalton’s shadow market is larger than its conventional apartment market. Single-family homes represent 21% of all rental housing in the city, and smaller attached products represent another 47%.

Dalton Renter-Occupied Housing Units (ACS, 2016 5-Year)

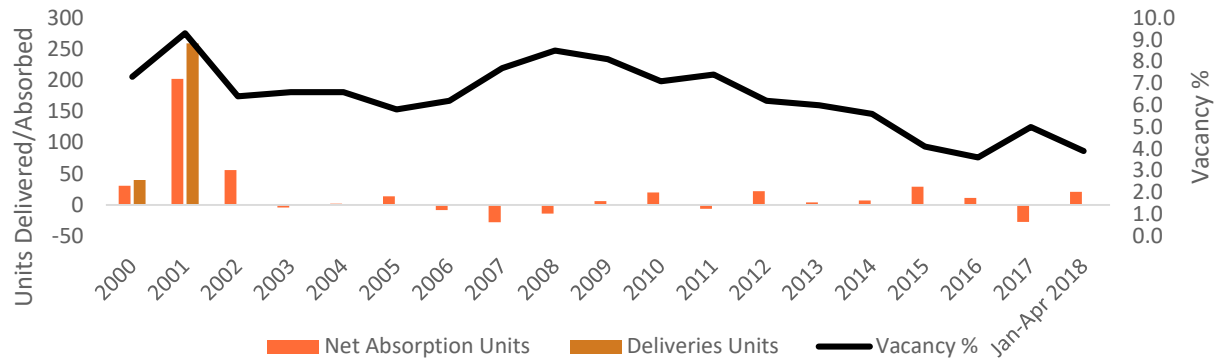


# EXISTING HOUSING SUPPLY

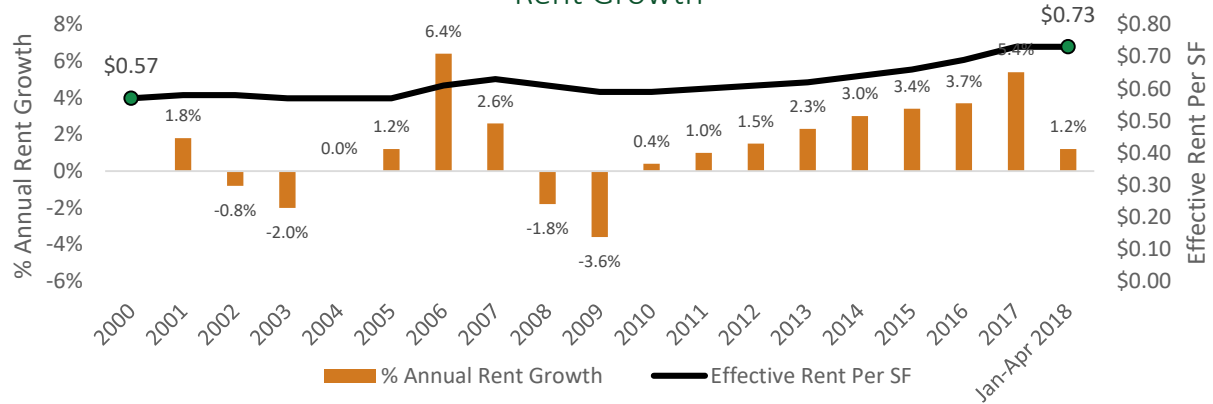
- Whitfield had a glut of deliveries in 2001 that market has been slowly working off; however, the market has stayed below the healthy 5% vacancy threshold since 2016.
- Lack of new alternatives plus household growth means that even as these units age (and do not renovate), they are asking more rent.
- Rate of rent growth is increasing each year, from 0.4% in 2010 to 5.4% last year. 3.0%+ since 2014.
- Because of the tight market and lack of new supply, people are settling for lower quality properties than they would like or could afford. Over 40% of the multifamily market is Class C properties.

## Whitfield County

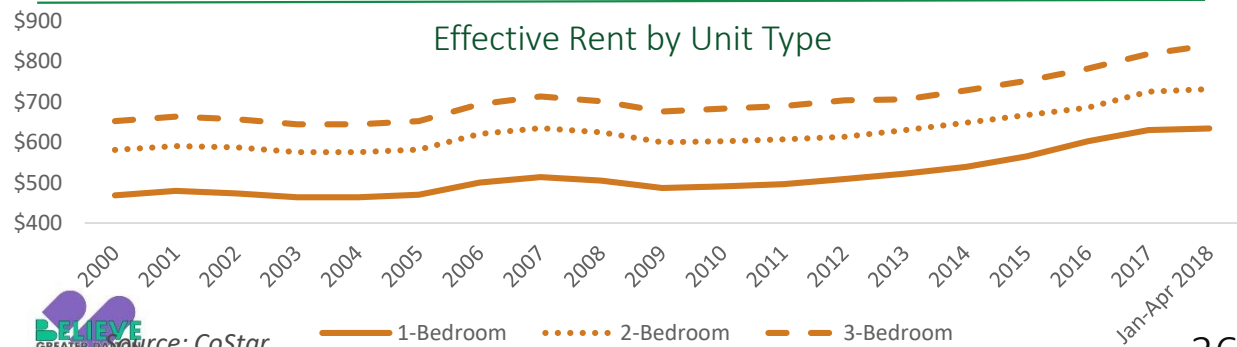
### Multifamily Apartment Deliveries, Absorption, and Vacancy



### Rent Growth



### Effective Rent by Unit Type



# KEY FINDINGS

## HOUSING OPTIONS FOR A BUDGET OF \$150,000

While there are some new homes in Dalton for under \$150,000, they are very small. There is a tradeoff between size and level of finish in Dalton.

	Small, New Home in Dalton	Dated, Existing Home in Dalton	Entry-Level New Home in Catoosa or Bartow County	2-Bedroom Apartment in Suburban Chattanooga
	 	 	 	 
Square Feet	1,200 - 1,400	Avg. 2,000	1,500 - 1,700	1,100 - 1,200
Typical Home Price	\$100,000 - \$140,000	Avg. \$145,000	\$150,000+ base price, plus HOA fees	\$1,100 - 1,350 / month
Price per Square Foot	\$85 - \$100	Avg. \$75	\$95 - \$110	\$1.00
Level of Finish	New	Dated	New	Updated
Structure	Vinyl, front load garage	1950s Ranch	Vinyl, front load garage	2000s garden apartment
Location	Individual infill lots	Established neighborhood	< 40 lot builder subdivision	Eastern Chattanooga suburbs near I-75
Shared amenities	None	None	Clubhouse and pool	Clubhouse and pool, fitness center, on-site management
Commute to Dalton	< 15 min	< 15 min	20 - 45 min	35 - 45 min

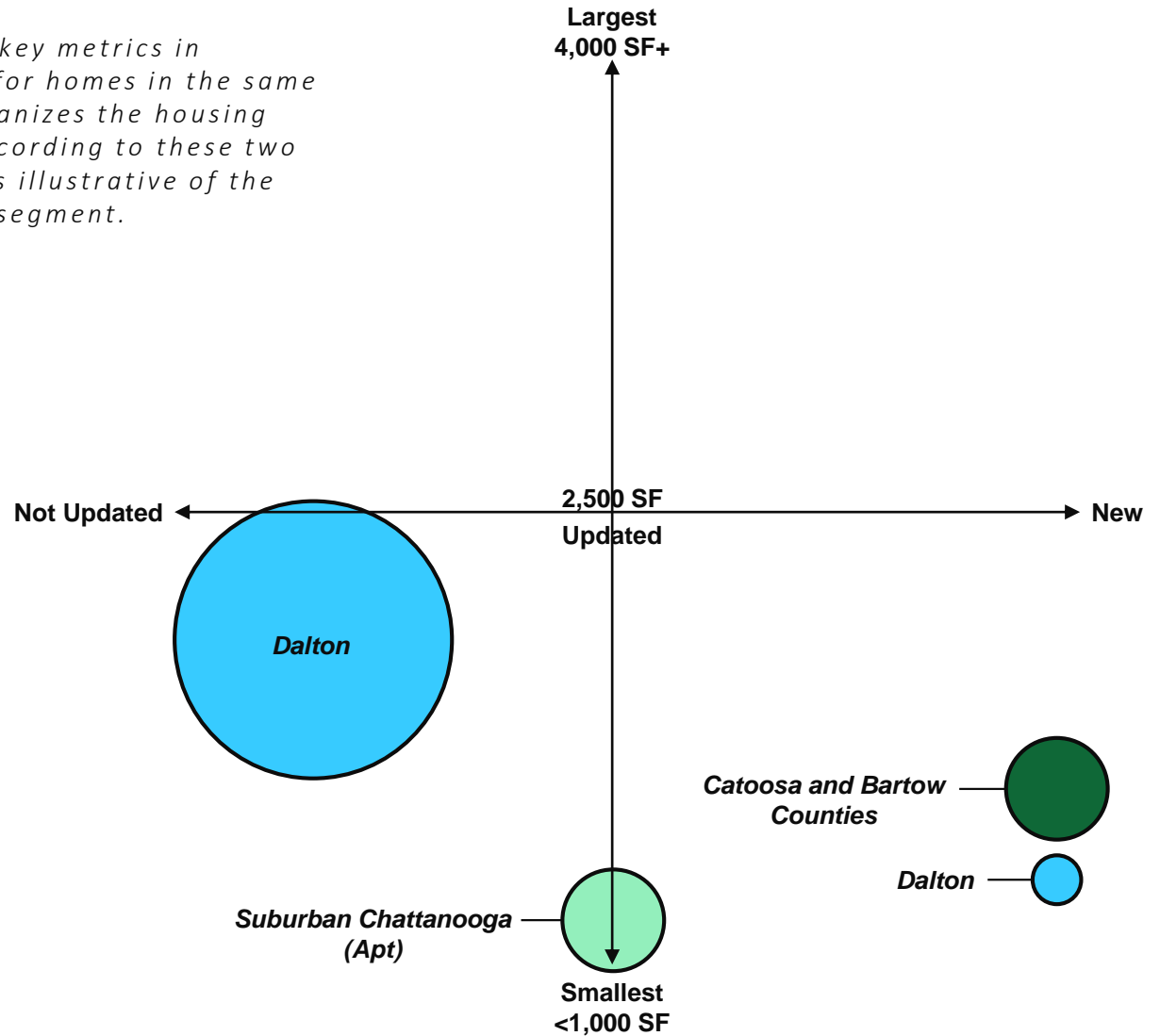
# KEY FINDINGS

## HOUSING OPTIONS FOR A BUDGET OF \$150,000

Home size and home age are two key metrics in comparing the value proposition for homes in the same price range. The grid at right organizes the housing options on the preceding page according to these two factors. The size of each bubble is illustrative of the number of homes in each market segment.

- Dalton has the most options for a household with a \$150,000 budget, but these homes often require potentially costly upgrades. This may not be a good value when the same buyer can also afford a new, move-in ready home in a neighboring county.
- Dalton must therefore identify other selling propositions besides price point to attract these buyers, such as proximity to work, a vibrant downtown, and outdoor amenities.

Source: Bleakly Advisory Group



# KEY FINDINGS

## HOUSING OPTIONS FOR A BUDGET OF \$250,000

For the same price of an existing home in Dalton, buyers can get a newer home in a neighboring county.

	Updated Home in Dalton	Top-of-the-Line New Home in Ringgold or Adairsville	New Home in Dalton	Base Model New Home in Suburban Chattanooga
	 	 		
Square Feet	2,000 - 2,800	2,250	2,500	2,100
Typical Home Price	\$200,000 - \$270,000	\$240,000, plus HOA fees	\$265,000	Starting at \$270,000, plus HOA fees
Price per Square Foot	\$95 - \$100	\$105	\$100 - \$110	\$130
Level of Finish	Partially updated	New (with upgrades)	New	New (base package)
Structure	1950 - 2000 brick	Partial brick, side-entry garage	Stone and vinyl, front load garage	Partial brick, side-entry garage
Location	Established neighborhood	< 40 lot builder subdivision	< 40 lot builder subdivision	Master planned community
Shared amenities	None	Clubhouse and pool	None	Clubhouse and pool
Commute to Dalton	< 15 min	20 - 35 min	< 15 min	35 - 45 min

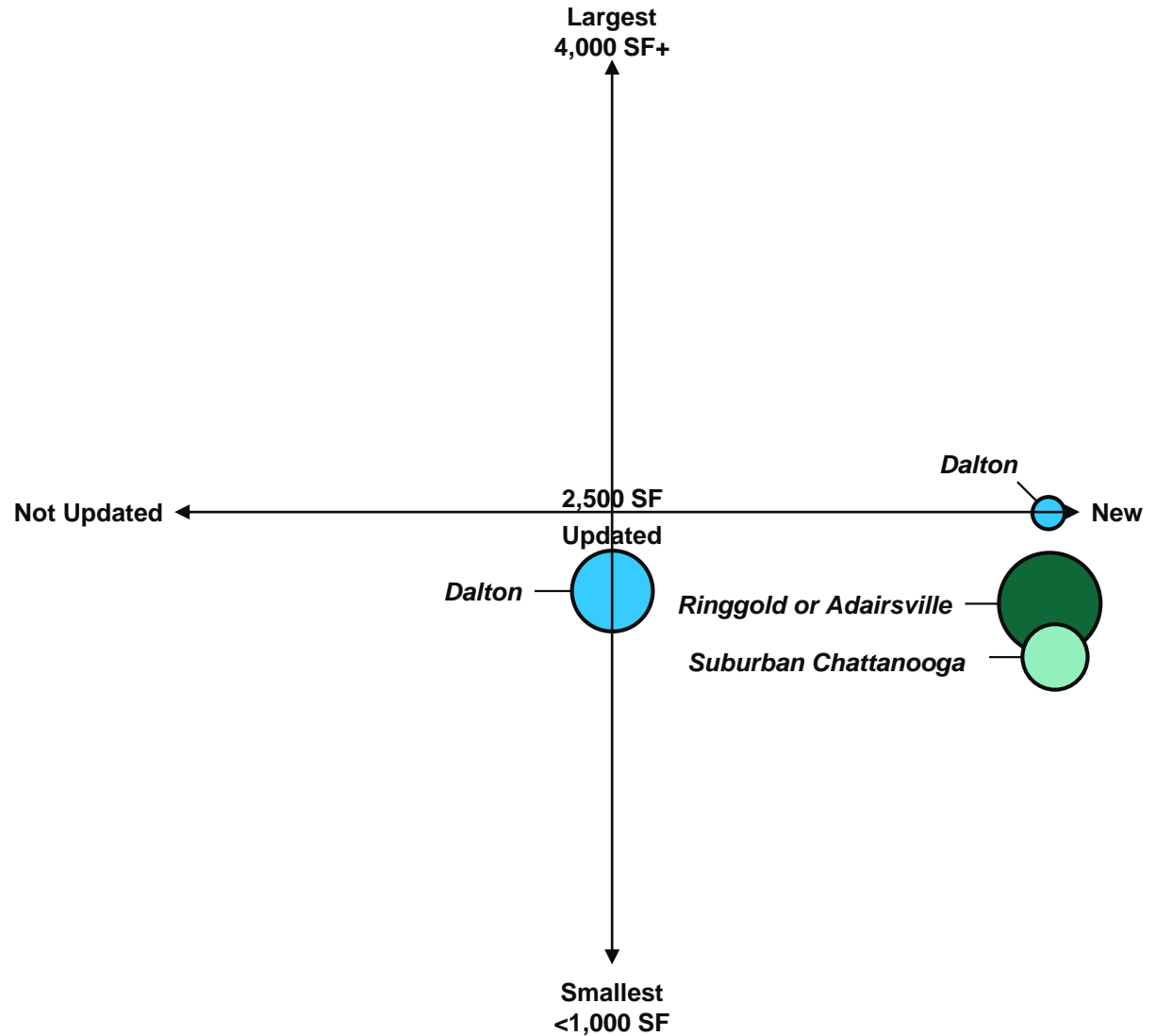


# KEY FINDINGS

## HOUSING OPTIONS FOR A BUDGET OF \$250,000

- Dalton also has fewer “move-in ready” (i.e., updated or new) housing options at the \$250,000 price level.
- For the same price as an updated home in Dalton, buyers can afford a high-end new home in Ringgold or Adairsville, or even potentially a base-model new home in suburban Chattanooga.
- These findings re-emphasize the need for a value proposition predicated on more than just price.

Source: Bleakly Advisory Group



# KEY FINDINGS

## HOUSING OPTIONS FOR A BUDGET OF \$450,000

At this price point, buyers have more options in Whitfield County. At the same time, they can also afford more options that are well located to the larger cities of Chattanooga and Atlanta.

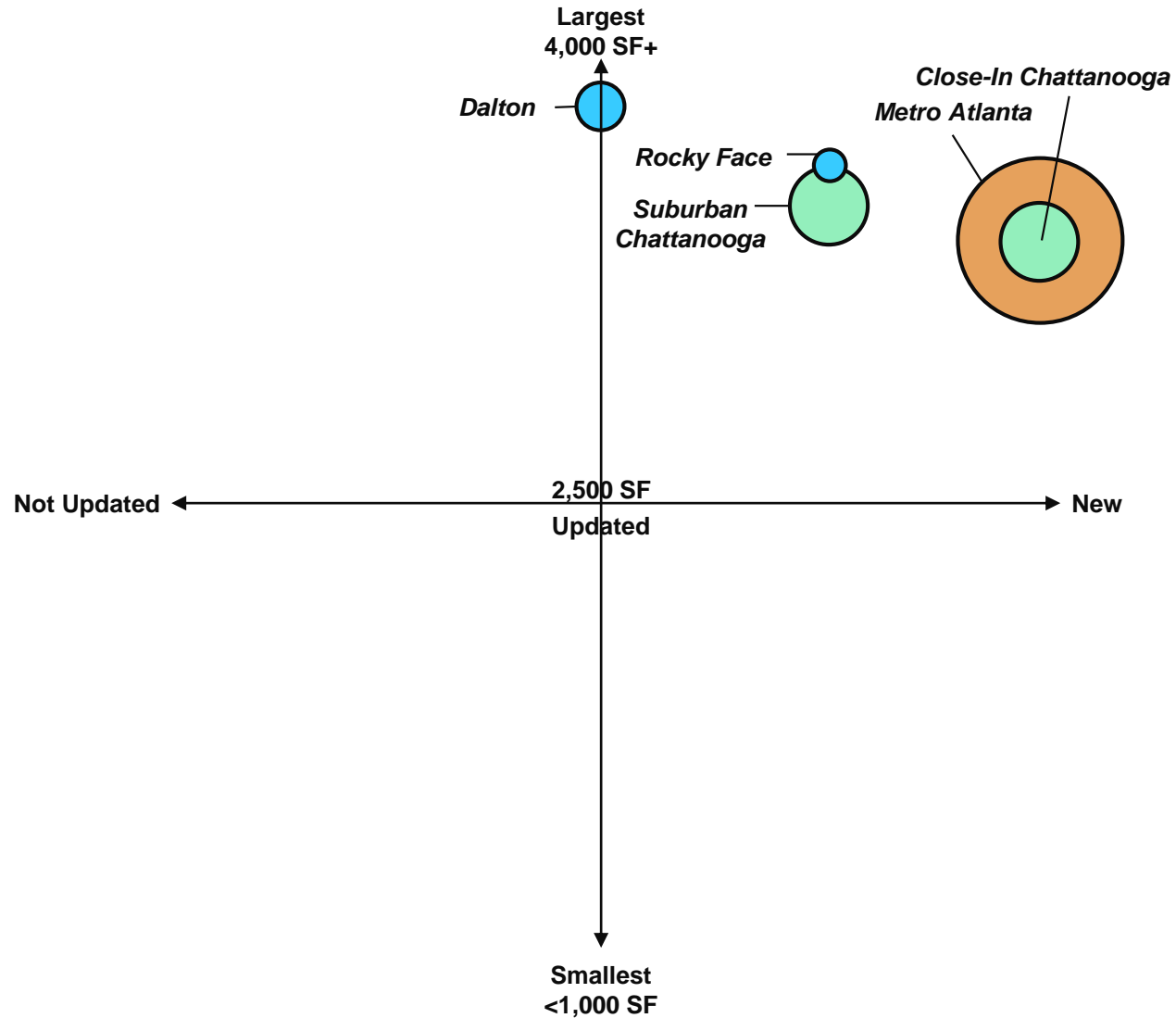
	Golf Club Living in Rocky Face	Large-Lot Estate Home in Dalton	Golf Club Living in Chattanooga	High-End New Home in Metro Atlanta	New Home in Close-In Chattanooga
					
Square Feet	3,000+	4,000 - 5,000	3,000 - 5,000	3,000 - 4,100	3,000 - 4,000
Typical Home Price	\$460,000+, plus club fees	\$475,000+	\$375,000 - \$795,000, plus club fees	\$400,000+, plus HOA fees	\$400,000 - \$550,000
Price per Square Foot	\$105 - \$140	\$100	\$110 - \$160	\$110 - \$135	\$130 - \$160
Level of Finish	Custom	Updated	Custom	New (with upgrades)	New or total gut renovation
Structure/Lot	1988 - 2000s large lot estate home	1950 - 2000s large lot estate home	1990 - 2000s medium lot estate home	Medium lot	Medium infill lot, historic character
Location	Farm Golf Club	Adjacent to Rocky Face Mountain	Council Fire Golf Club (TN-GA state line)	West Cobb County	Riverview neighborhood, Chattanooga
Shared amenities	Golf/country club	None	Golf/country club	Clubhouse, pool, tennis	None
Commute to Dalton	20 min	< 15 min	30 min	60 min	40 - 55 min

# KEY FINDINGS

## HOUSING OPTIONS FOR A BUDGET OF \$450,000

- Dalton has a comparatively strong selection of housing options for high-end estate homes.
- However, many of these homes have custom finishes that are very taste-specific and less appealing to a broad base of buyers than the conventional new product being offered at this price in Atlanta or Chattanooga.
- Again, this points to the need for a value proposition that includes amenities, job proximity, and other factors beyond the price and features of the housing stock itself.

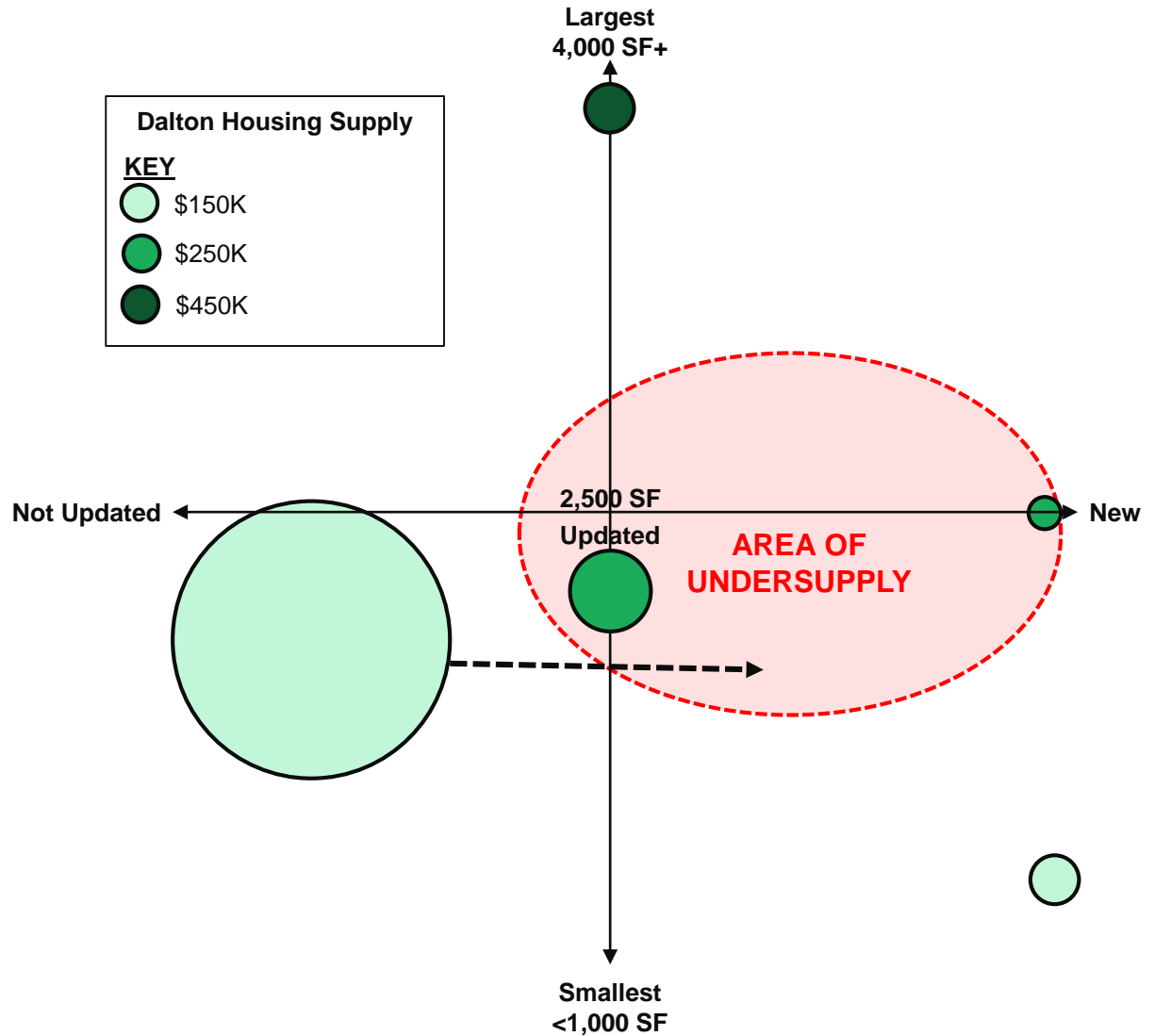
Source: Bleakly Advisory Group



# KEY FINDINGS

## DALTON OVERALL FOR-SALE MARKET SUMMARY

- Combining all of the major market for-sale housing segments in Dalton yields the matrix at right.
- The dashed area in red highlights a key undersupplied segment of Dalton's housing market. Specifically, there is an opportunity to add more housing in Dalton/Whitfield County with the following characteristics:
  - Updated or new
  - 1,800 SF to 3,000 SF
  - \$150,000 to \$300,000
- This can be accomplished through a combination of new construction and incentivizing the renovation of existing, non-updated homes as shown by the dashed arrow.



Source: Bleakly Advisory Group

# KEY FINDINGS

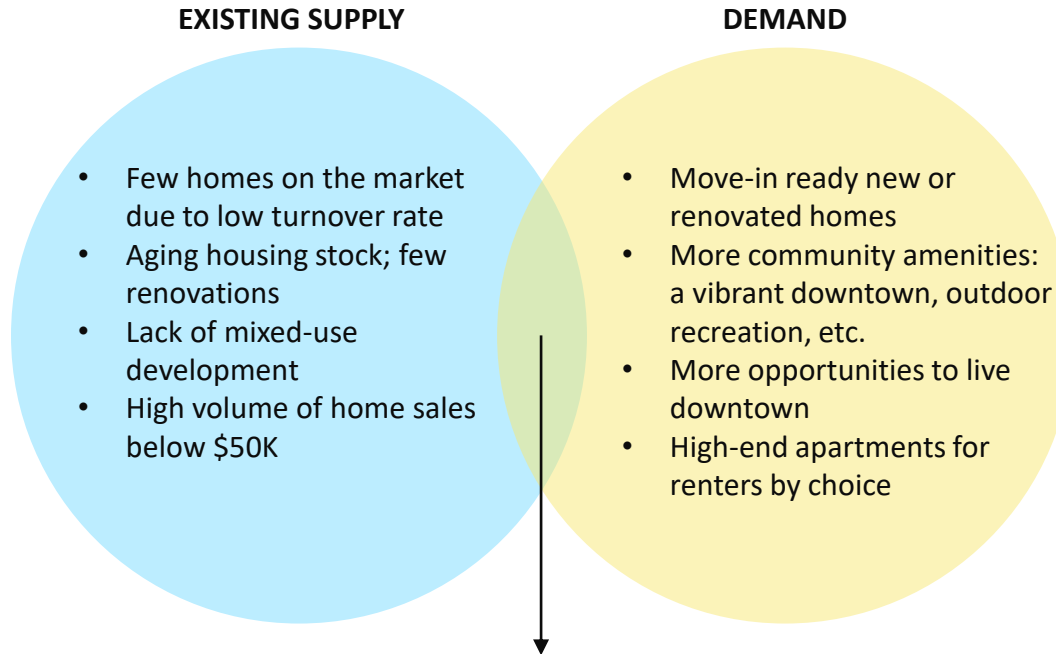
## DALTON RENTAL MARKET TYPOLOGIES

Dalton has none of the type of rental options that attract young professionals into the community.

	Conventional		Historic	Shadow Market	
	Garden Apartments, Built 1970-1985	Garden Apartments, Built 2000-2002	Historic Renovated/ Loft Apartments	Single-Family Shadow Market	Multifamily Shadow Market
Exterior					
Property Examples	Legacy of Dalton, Stone Ridge, Dalton Village	Park Place, Park Murray, Excalibur Village	Crown Mill Village	n/a	n/a
Location	Scattered site	I-75	Historic core	Scattered site	Scattered site
Year Built	1970-1985	2000-2001	1880-1900	Variable, typically pre-2000	Variable, typically the oldest rental type
Unit Count	50 - 100	30 - 80	66	1	< 10
Unit Mix	30% 1 BR 50% 2 BR 20% 3 BR	15% 1 BR 85% 2 BR	85% 1 BR 15% 2 BR	Variable	Variable
Property-Wide Average Rent	\$500 - \$850	\$650 - \$850	\$800	\$800+	Variable, typically the lowest cost type
Property-Wide Average \$/SF	\$0.60 - \$0.90	\$0.70 - \$0.95	\$0.85	Up to \$0.85; dependent on quality	Typically < \$0.70
Typical Amenities	Sport courts, pool, playground, on-site leasing/mgmt office	Sport courts, pool, playground, on-site leasing/mgmt office	Adjacent to retail	Private yard	None

# KEY FINDINGS

## DALTON OVERALL HOUSING MARKET OPPORTUNITY



### MARKET OPPORTUNITY:



#### FOR-SALE: 150 - 160 NEW UNITS PER YEAR

- **40% @ <\$200K:** meet this demand through renovation activity, especially of homes priced <\$50K today
- **60% @ \$200K+:** meet this demand through new construction



#### RENTAL: 200 NEW UNITS PER YEAR

- **55% @ <\$875/month:** meet this demand through renovation activity and/or LIHTC/affordable development
- **45% for >\$875/month:** meet this high-end demand through new construction (roughly 1 market-rate apartment community every 3-5 years)

Source: Bleakly Advisory Group

# EXISTING HOUSING SUPPLY

## THE HOMEBUILDER MARKET

- Because of the lack of appropriate levels of new construction homes at an array of price points, Whitfield County has too few local homebuilders.
- Homebuilders in nearby markets such as Chattanooga and Atlanta will need to be convinced of the market opportunity.

Builders Active Currently				
	Community Name	City	Product Type(s)	Base Price/Rent Range
Greenwood Developers	Villas at Nob North	Cohutta	For-Sale Detached	Low \$200,000s+
	Orchard Place	Dalton	Attached Condos	\$160,000+
Barrett Properties	Belk Redevelopment	Dalton	Apartments	\$825 (1B)
Smith Douglas Homes	Woody Farms	Adairsville	Single-Family Detached	\$159,000 - \$235,000
Emerson Properties, LLC	The Vineyard	Ringgold	Single-Family Detached	\$190,000+
	Stonebrooke	Ringgold	Single-Family Detached	\$119,000+
Charles Williams REIC	RiverPoint Luxury Apartments	Rome	Apartments	\$850 (studio) - \$1,525 (3B)



Greenwood Developers - Villas at Nob North



Smith Douglas Homes - Woody Farms



Emerson Properties - The Vineyard



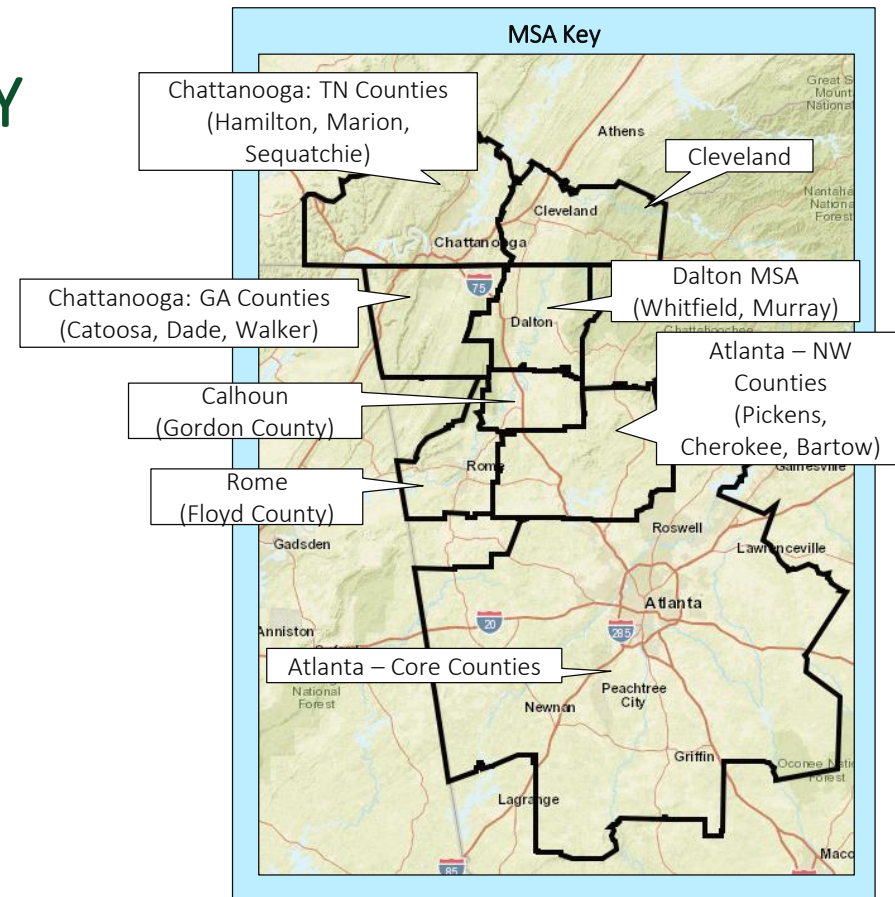
# COMMUTER OPPORTUNITY



# COMMUTER OPPORTUNITY

- Whitfield County has the opportunity to unlock additional housing demand by attracting more new employees to live in the county.
- Currently, 50% of Whitfield County workers earning more than \$40,000 per year live outside the Dalton MSA.
  - Forty percent live in Whitfield County; the remaining 10% live in Murray County. Among Whitfield County workers at all incomes, that share rises slightly: 55% of Whitfield County workers live in the Dalton MSA.

Source: U.S. Census OnTheMap, 2016 data



Where Whitfield County Workers Earning >\$40K Live, by MSA

MSA of Residence	#	%
Dalton MSA		
Whitfield County	7,623	40%
Murray County	1,946	10%
Chattanooga MSA - GA Counties	2,242	12%
Atlanta MSA - Core Counties	1,727	9%
Calhoun MSA	1,389	7%
Chattanooga MSA - TN Counties	1,026	5%
Cleveland MSA	642	3%
Rome MSA	351	2%
Atlanta MSA - Northwest Counties	405	2%
Other	1,761	9%
<b>Total</b>	<b>19,112</b>	<b>100%</b>

# COMMUTER OPPORTUNITY

- The commute share is comparable to similar communities, but opportunity exists to capture a larger percentage of new employees with improved options in the housing market.

## Commuter Capture in Similar Regions

MSA	Counties Included	All Workers		Workers Earning >\$40K	
		Live/Work in Same MSA		Live/Work in Same MSA	
Dalton	Whitfield, Murray	54.9%	30,325	50.1%	9,569
Rome	Floyd	53.0%	18,587	52.7%	6,825
Valdosta	Brooks, Echols, Lanier, Lowndes	55.9%	27,177	59.4%	7,537
Calhoun	Gordon	44.3%	8,122	43.1%	2,540

Source: U.S. Census OnTheMap, 2016 data

# COMMUTER OPPORTUNITY

- The share of local employees working in the Good Producing and Service Sectors that also live in the county is greater than Trade, Transport, and Utilities employees that also live in the county.

## Whitfield Co. Overall

- 58,267 Employed in the Selection Area
  - **44%** Employed and Living in the Selection Area
- 43,613 Living in the Selection Area
  - **58%** Living and Employed in the Selection Area

## Employees by Sector:

### Goods Producing

- 22,697 Employed in the Selection Area
  - **48%** Employed and Living in the Selection Area
- 16,216 Living in the Selection Area
  - **67%** Living and Employed in the Selection Area

### Trade, Transport, & Utilities

- 15,050 Employed in the Selection Area
  - **30%** Employed and Living in the Selection Area
- 9,065 Living in the Selection Area
  - **50%** Living and Employed in the Selection Area

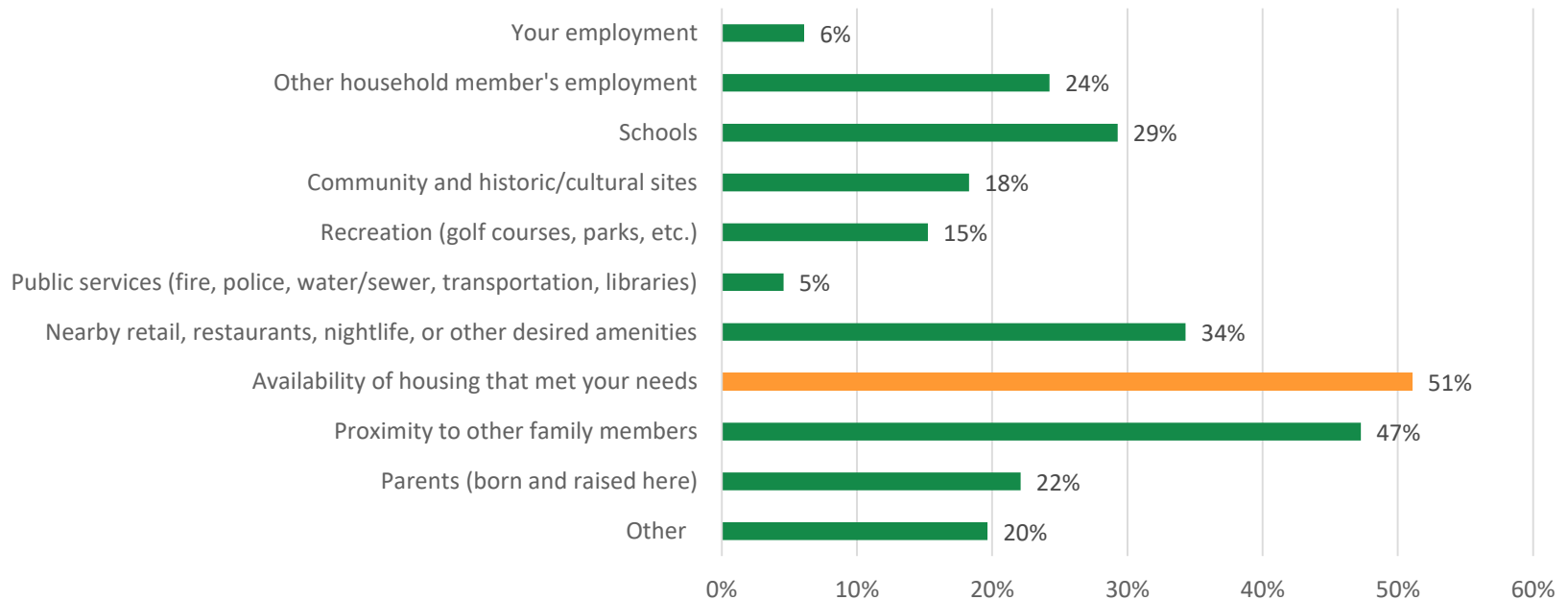
### All Other Services

- 20,520 Employed in the Selection Area
  - **49%** Employed and Living in the Selection Area
- 9,974 Living in the Selection Area
  - **54%** Living and Employed in the Selection Area

# COMMUTER OPPORTUNITY

- Over 700 people who responded to a survey for this study work in Whitfield County but live elsewhere. Their responses highlighted housing as a top reason for not living where they work.
- Survey results also highlight the importance of amenities for capturing more workers as residents.

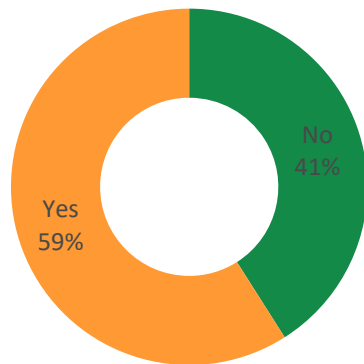
**If you live OUTSIDE of Dalton and/or Whitfield County, please select your top three reasons for choosing to live in your location:**



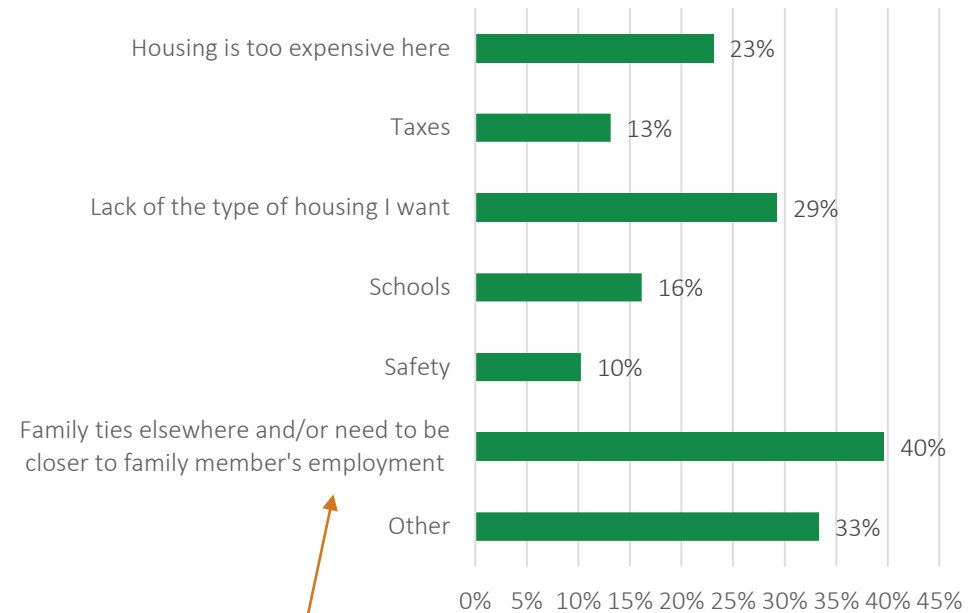
# COMMUTER OPPORTUNITY

- The survey also asked commuters who work but don't live locally whether they would consider ever moving to Whitfield County; 59% said yes.

**If the reason for living outside of Dalton and/or Whitfield County changed, would you consider moving here?**



**If you live OUTSIDE of Dalton and/or Whitfield County, why do you live OUTSIDE of Dalton and/or Whitfield County? (choose all that apply)**



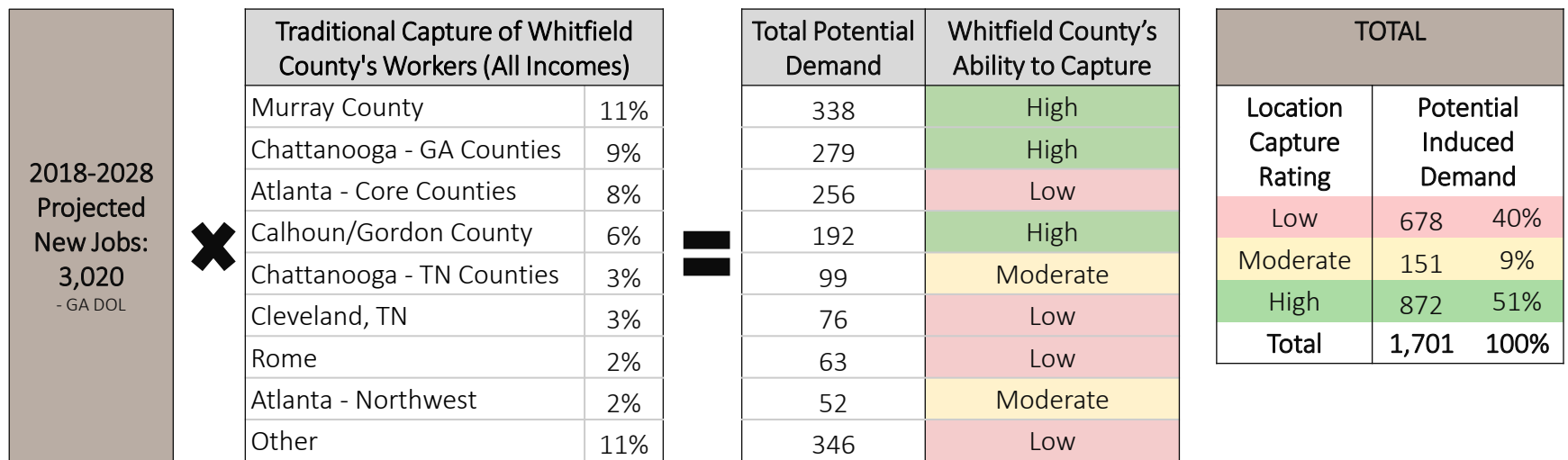
Whitfield County will likely never be competitive among these households, but can be competitive for the others.



# COMMUTER OPPORTUNITY

- Whitfield County could be a competitive option for approximately 60% of the worker households it “loses out on” today.
- This means 1,700 additional households could consider living here over the next 10 years, given the option.

## Illustrative Potential Future Housing Demand Scenario Based on Projected Employment Growth

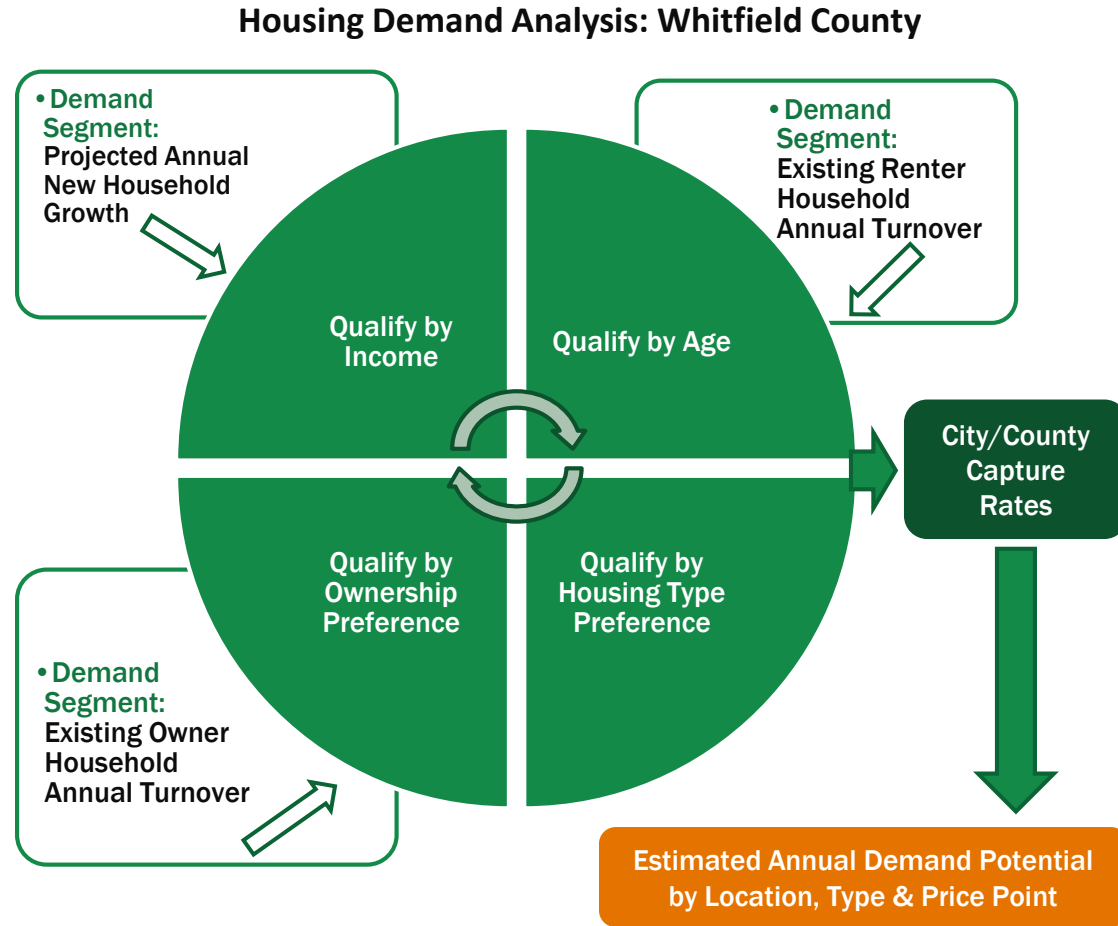


# POTENTIAL MARKET ABSORPTION



# POTENTIAL HOUSING DEMAND ANALYSIS

- Housing demand originates from **three consumer buyer segments**:
  - new households moving to the county
  - current owner households in turnover
  - current renter households in turnover
- As diagrammed at right, the analysis employed for this study qualified the three segments for Whitfield County by income levels, tenure, annual turnover, preference to buy or rent new, and preference to buy or rent detached or attached homes.



# POTENTIAL HOUSING DEMAND ANALYSIS

- Demand from local resident turnover and continued expected residential growth under the status quo is approximately 6.5x more than potential induced commuter demand.
  - Recommendation: Focus near-term efforts on retention.
- It is easier to keep existing residents than to convince non-residents to move.
- Moreover, the policies and actions that make residents more likely to stay in Whitfield County are also those that will make commuters more likely to consider coming to live in Whitfield County.
- As a result, the commuter demand problem could solve itself as the needs and desires of existing residents are met and more options and amenities are introduced into the market.

	Demand Pool: Income-Qualified Households That Would <i>Consider</i> New Construction In Whitfield County When They Move
Demand Pool	% of Total Demand Pool
Baseline Existing and New Whitfield County Owners	50%
Baseline Existing and New Whitfield County Renters	35%
Potential Additional Induced Demand from Commuters	15%
<b>Total</b>	<b>100%</b>

# POTENTIAL MARKET ABSORPTION FOR-SALE NEW CONSTRUCTION

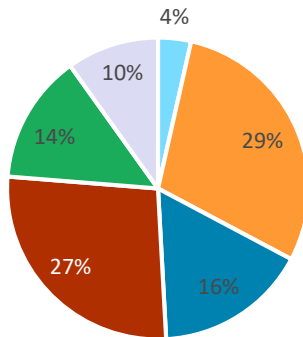
- Whitfield County can support approximately 150 - 160 new construction home sales annually on average through 2024, assuming local employment growth continues.

Average Annual New Construction For-Sale Absorption Potential, 2019-2024

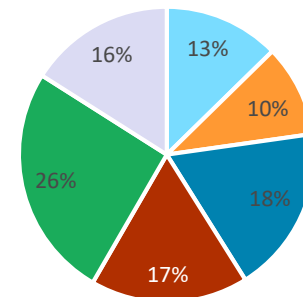


- The opportunity to activate the full market potential is to offer new home products attractive to target market audiences of all ages and housing affordability.

Est. Age of Potential Whitfield New Construction Homebuyer



Est. Price Distribution of Potential Whitfield New Home Construction



■ Under 25  
 ■ 25-34  
 ■ 35-44  
 ■ 45-54  
 ■ 55-64  
 ■ 65+

■ Up to \$100K  
 ■ \$100K to \$150K  
 ■ \$150K to \$250K  
■ \$250K to \$300K  
 ■ \$300K to \$450K  
 ■ \$450 and up

Source: Bleakly Advisory Group analysis based on data from Claritas, American Community Survey, PUMS

# TARGET MARKETS

## FOR-SALE NEW CONSTRUCTION

- The deepest market segments are households under age 35 with incomes of \$50,000-\$100,000, as well as households age 45-54 who earn over \$75,000.

Whitfield County Demand Pool for New For-Sale Homes by Age and Income

Household Income	Affordable Price Range	Midpoint Price	Under 25	25-34	35-44	45-54	55-64	65+	Total
Up to \$35K	Up to \$100K		0%	5%	1%	2%	1%	4%	13%
\$35K-\$50K	\$100K to \$150K	\$125,000	0%	5%	1%	1%	1%	1%	10%
\$50K-\$75K	\$150K to \$250K	\$200,000	1%	7%	2%	4%	2%	2%	18%
\$75K-\$100K	\$250K to \$300K	\$275,000	1%	5%	3%	5%	2%	1%	17%
\$100K-\$150K	\$300K to \$450K	\$375,000	0%	4%	4%	11%	5%	1%	26%
\$150K+	\$450 and up		0%	5%	5%	4%	2%	2%	16%
<b>Total</b>			4%	29%	16%	27%	14%	10%	

Source: Bleakly Advisory Group analysis based on data from Claritas, American Community Survey 2015-2016 PUMS

### First-time Buyers



Typically young professional couples with growing families or dual-income with no kids (DINKS). These buyers are seeking to establish roots in a new economical home.

### Move-up Buyers



Typically families with school-age children seeking higher-quality and/or larger new for-sale home.






Nearly 60% of the demand for new construction for-sale homes in Whitfield is driven by higher-income households that could afford homes priced greater than \$250,000.

Production volume of homes in this price range is very limited currently in Whitfield County, particularly in locations with community amenities.



# POTENTIAL MARKET ABSORPTION

## FOR-SALE NEW CONSTRUCTION, 2019-2024

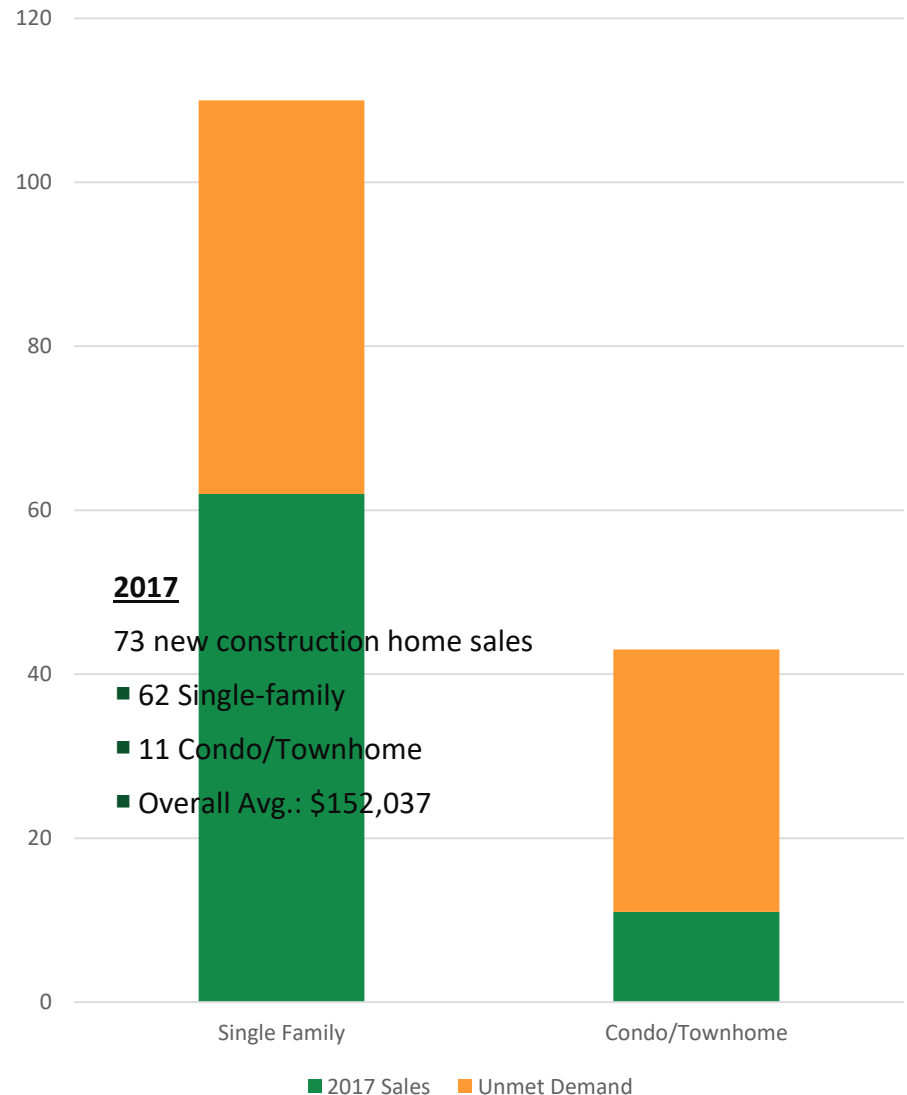
Avg. Annual Potential For-Sale	Dalton	Greater Dalton/Whitfield
New Single-family	33 	77 
New Attached Single-family (Townhome / Duplex / Etc.)	16 	18 
New Condominium	9 	
<b>TOTAL AVERAGE ANNUAL ABSORPTION POTENTIAL</b>	<b>59</b>	<b>95</b>

A healthy Dalton/Whitfield housing market will offer new construction homes in various formats and locations.

The distribution of city/county potential is based on historical trends and could evolve based on future development patterns.

# POTENTIAL MARKET ABSORPTION

- The 73 new construction Whitfield Co. home sales in 2017 averaged \$152,000.
- The statistical demand analysis conducted for this study reveals the potential to sell 153 new homes annually throughout the county, including the city of Dalton.
- To actualize the demand potential, a greater array of new home price points should be offered in various settings.
- We estimate, based on the current and future demographics of the county, that nearly 60% of the demand potential is for new homes priced above \$200,000. However, in 2017 less than 10% of new construction home sales were priced in that range.
- The opportunity for home builders and developers is to find locations, home products, and development orientations that will attract buyers at price points above \$200,000.



# POTENTIAL MARKET ABSORPTION FOR-RENT NEW CONSTRUCTION

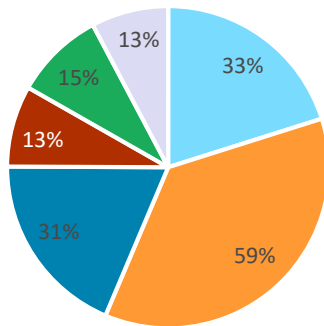
- Whitfield County can support approximately 90 - 100 market-rate\* new construction rental units annually on average through 2024, assuming local employment growth continues.
- Additionally, there is potential to absorb a similar number of new affordable\* rental units annually.

Average Annual New Market-Rate For-Rent Absorption Potential, 2019-2024

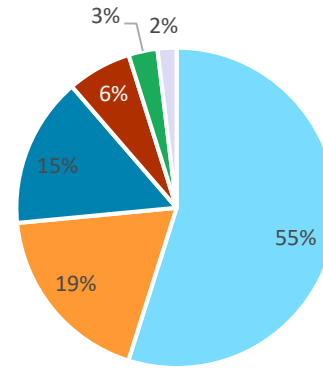


\* Market-rate units are those attainable by households with incomes greater than \$35K. Affordable units are defined here as those units in which households with incomes of \$35K and below can rent with 30% or less of income going toward housing costs.

Est. Age of Potential Whitfield New Unit Renter



Est. Monthly Rent Distribution of Potential Whitfield New Units









■ Under 25 ■ 25-34 ■ 35-44 ■ 45-54 ■ 55-64 ■ 65+

■ Up to \$875 ■ \$875 - \$1,250 ■ \$1,250 - \$1,875  
 ■ \$1,875 - \$2,500 ■ \$2,500 - \$3,750 ■ \$3,750 and up

Source: Bleakly Advisory Group analysis based on data from Claritas, American Community Survey, PUMS

# POTENTIAL MARKET ABSORPTION FOR-RENT NEW CONSTRUCTION, 2019-2024

Avg. Annual Potential For-Rent	Dalton	Greater Dalton/Whitfield
<b>New Multifamily Garden</b>	<b>28</b> 	<b>28</b> 
<b>New Multifamily Walkable</b>	<b>20</b> 	<b>4</b> 
<b>New Attached Single-Family (Townhome / Duplex / Etc.)</b>	<b>9</b> 	<b>6</b> 
<b>TOTAL AVERAGE ANNUAL ABSORPTION POTENTIAL*</b>	<b>57</b>	<b>38</b>

A healthy Dalton/Whitfield housing market will offer new construction homes in various formats and locations.

The distribution of city/county potential is based on historical trends and could evolve based on future development patterns.

\* Does not include likely additional potential for subsidized affordable and senior-oriented units

# TARGET MARKETS

## FOR-RENT NEW CONSTRUCTION

- The deepest non-affordable market segment is households under age 35 with incomes of \$35,000-\$75,000.

Whitfield County Demand Pool for New Rental Apartments by Age and Income

Household Income	Affordable Rent Range	Midpoint Rent	Under 25	25-34	35-44	45-54	55-64	65+	Total
Up to \$35K	Up to \$875	\$425	12%	18%	11%	3%	5%	5%	55%
\$35K-\$50K	\$875-\$1,250	\$1,050	3%	7%	3%	2%	2%	1%	19%
\$50K-\$75K	\$1,250-\$1,875	\$1,450	3%	6%	3%	2%	2%	0%	15%
\$75K-\$100K	\$1,875-\$2,500	\$1,825	2%	3%	1%	1%	0%	0%	6%
\$100K-\$150K	\$2,500-\$3,500	\$2,600	0%	1%	0%	1%	0%	0%	3%
\$150K+	\$3,500-And Up	>\$2,600	0%	1%	1%	0%	0%	0%	2%
Total			20%	36%	19%	8%	9%	8%	

Source: Bleakly Advisory Group analysis based on data from Clarkes, American Community Survey 2015-2016 PUMS

### Young Professionals



Not ready to buy, but earn enough to choose a high-end apartment.

Unit preferences: studio, 1-bedroom

### Mature Professional “Renters by Choice”



Prefer the convenience and flexibility of renting. Want the level of quality of for-sale, but none of the hassle.

Unit preferences: 1-bedroom, 2-bedroom

Over 25% of the demand for new rental units in Whitfield is driven by higher-income households that could afford monthly rents greater than \$1,250. A large proportion of these current local renters are spending less than 20% on housing costs and could afford more.

# TARGET MARKETS

## HOUSING PREFERENCES BY MARKET SEGMENT

■ This matrix details the major categories of buyers and renters in turnover in the market today.

	Below-Market Renters	Young Professionals	Young Families	Middle-Age Families	Middle-Age Singles and Couples	Empty Nesters
Age	All	22-34	25-35	35-55	35-55	55+
Income	<\$35,000	\$35,000+	\$50,000+	\$60,000+	\$60,000+	\$70,000+ or retired
Spending constraints	<ul style="list-style-type: none"> <li>Limited savings</li> </ul>	<ul style="list-style-type: none"> <li>College debt</li> </ul>	<ul style="list-style-type: none"> <li>College debt</li> <li>Childcare costs</li> </ul>	<ul style="list-style-type: none"> <li>Saving for college</li> </ul>	<ul style="list-style-type: none"> <li>Variable</li> </ul>	<ul style="list-style-type: none"> <li>Saving for retirement</li> </ul>
Household composition	<ul style="list-style-type: none"> <li>Singles</li> <li>Couples</li> <li>Families</li> </ul>	<ul style="list-style-type: none"> <li>Singles</li> <li>Couples</li> <li>Roommates</li> </ul>	<ul style="list-style-type: none"> <li>“Pre-families”</li> <li>Singles and couples who just had their first kid</li> </ul>	<ul style="list-style-type: none"> <li>Singles and couples with 1+ kids</li> </ul>	<ul style="list-style-type: none"> <li>Mostly singles</li> <li>May have kids on part-time basis</li> </ul>	<ul style="list-style-type: none"> <li>Couples</li> </ul>
Moving because...	<ul style="list-style-type: none"> <li>Looking for better quality or management</li> </ul>	<ul style="list-style-type: none"> <li>Graduated college</li> <li>Moving in with significant other</li> </ul>	<ul style="list-style-type: none"> <li>Need more space</li> <li>Buying first home</li> </ul>	<ul style="list-style-type: none"> <li>Need more space</li> <li>Kids entering grade school</li> </ul>	<ul style="list-style-type: none"> <li>Major life change (divorce, job change, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>Downsizing</li> </ul>
What they look for in a housing unit	<ul style="list-style-type: none"> <li>Affordability trumps other preferences</li> <li>Accepts housing vouchers</li> <li>Standard level of finish in a well-maintained unit</li> </ul>	<ul style="list-style-type: none"> <li>Willing to sacrifice space for a more amenitized building or “cool” location</li> <li>Low maintenance, on-site management</li> </ul>	<ul style="list-style-type: none"> <li>Some space for their family to grow, but may also plan to move again before 2<sup>nd</sup> kid or grade school</li> <li>A small yard</li> </ul>	<ul style="list-style-type: none"> <li>Single-family home with a yard</li> <li>Upgraded finishes compared to first home purchase</li> <li>A “forever home” where they can stay a while</li> </ul>	<ul style="list-style-type: none"> <li>If moving from an apartment: an upgraded version of the apartment they lived in as a young professional</li> <li>If moving from a house: comparable level of finish</li> </ul>	<ul style="list-style-type: none"> <li>Low maintenance without sacrificing the quality they have come to expect (large closets, master suite, etc.)</li> <li>Want to downsize without being cramped</li> </ul>
What they look for in a community/ neighborhood	<ul style="list-style-type: none"> <li>Safe neighborhood</li> <li>Transit proximity</li> </ul>	<ul style="list-style-type: none"> <li>Shops, restaurants, etc. entertainment options within walking distance</li> <li>Apartment amenities (pool, gym, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>Other young families</li> <li>A good place to raise a child, but do not want to give up proximity to shops and restaurants</li> </ul>	<ul style="list-style-type: none"> <li>Safe neighborhood</li> <li>Good schools</li> </ul>	<ul style="list-style-type: none"> <li>Value convenience and proximity—to work, children, and shops and restaurants</li> </ul>	<ul style="list-style-type: none"> <li>Close to grandkids and/or other couples like them</li> </ul>



# TARGET MARKETS

## HOUSING PREFERENCES BY MARKET SEGMENT

- This matrix shows the types of housing units each market segment is most likely to consider.

		Below-Market Renters	Young Professionals	Young Families	Middle-Age Families	Middle-Age Singles and Couples	Empty Nesters
	# of Bedrooms	1+	Studio, 1, or 2	2-3	3+	1, 1 w/ den, or 2	1 w/ den, 2, or 2 w/ den
Rental	Apartment	✓	✓			✓	✓
	Townhome	✓		✓		✓	✓
	Single-Family Detached	✓		✓			
For-Sale	Condo					✓	✓
	Townhome					✓	✓
	Small-Lot Detached			✓			✓
	Medium- to Large-Lot Detached				✓		



# POTENTIAL HOUSING INDUSTRY ECONOMIC IMPACT

- Home building generates substantial local economic activity, including new income and jobs for residents, and additional revenue for local governments.
- We estimate that currently the homebuilding industry in Whitfield Co. has a combined \$6.3 million direct impact on the local economy, and supports approximately 70 jobs.
- However, if the housing market were to actualize the potential demand described above, the housing industry's direct impact on the Whitfield economy could grow to \$23.4 million in direct impact and support 250 jobs. \* This economic impact analysis is based on data and methodology from the National Associations of Home Builders, supplemented by local data.

Whitfield Co. Annual For-Sale Homebuilding Economic Impact					
<b>Current</b>	<b>Average Home Price</b>	<b>Annual Sales</b>			
	\$152,037	73			
<b>Direct Impact:</b>	<b>Local Income</b>	<b>Business Owners' Income</b>	<b>Local Wages and Salaries</b>	<b>Local Taxes</b>	<b>Local Jobs Supported</b>
	\$5,638,639	\$1,916,376	\$3,722,293	\$632,009	70
<b>Future Potential</b>	<b>Average Home Price</b>	<b>Annual Sales</b>			
	\$243,750	153			
<b>Direct Impact:</b>	<b>Local Income</b>	<b>Business Owners' Income</b>	<b>Local Wages and Salaries</b>	<b>Local Taxes</b>	<b>Local Jobs Supported</b>
	\$18,946,902	\$6,439,388	\$12,507,613	\$2,123,672	234
<b>Impact Potential</b>	<b>\$13,308,263</b>	<b>\$4,523,012</b>	<b>\$8,785,320</b>	<b>\$1,491,663</b>	<b>164</b>
Whitfield Co. Annual Rental Homebuilding Economic Impact					
<b>Current</b>	<b>Average Unit Value</b>	<b>Annual Deliveries</b>			
	\$0	0			
<b>Direct Impact:</b>					
	\$0	\$0	\$0	\$0	-
<b>Future Potential</b>	<b>Average Unit Value</b>	<b>Annual Deliveries</b>			
	\$145,000	95			
<b>Direct Impact:</b>	<b>Local Income</b>	<b>Business Owners' Income</b>	<b>Local Wages and Salaries</b>	<b>Local Taxes</b>	<b>Local Jobs Supported</b>
	\$7,033,135	\$2,612,975	\$4,420,065	\$1,614,620	86
<b>Impact Potential</b>	<b>\$7,033,135</b>	<b>\$2,612,975</b>	<b>\$4,420,065</b>	<b>\$1,614,620</b>	<b>86</b>

Whitfield Co. Annual Homebuilding Economic Impact Potential					
<b>Direct Impact:</b>	<b>Local Income</b>	<b>Business Owners' Income</b>	<b>Local Wages and Salaries</b>	<b>Local Taxes</b>	<b>Local Jobs Supported</b>
	<b>\$20,341,398</b>	<b>\$7,135,987</b>	<b>\$13,205,385</b>	<b>\$3,106,283</b>	<b>250</b>

# POTENTIAL HOUSING INDUSTRY ECONOMIC IMPACT

## WHITFIELD COUNTY

- The estimated potential annual direct impact of building 153 single-family homes with an average price of \$243,750 in Whitfield Co. includes:
  - \$18.9 million in local income,
  - \$8.8 million in taxes and other revenue for local governments, and
  - 234 local jobs.
- The estimated potential annual direct impact of building 95 multifamily homes with an average value of \$145,000/unit in Whitfield Co. includes:
  - \$7.0 million in local income,
  - \$1.6 million in taxes and other revenue for local governments, and
  - 86 local jobs.

National Association of Home Builders

### The Economic Impact of Home Building in a Typical Local Area

#### Income, Jobs, and Taxes Generated



*\* This economic impact analysis is based on data and methodology from the National Associations of Home Builders, supplemented by local data.*

# POTENTIAL HOUSING INDUSTRY ECONOMIC IMPACT

## WHITFIELD COUNTY



**2017**

\$6.3 million direct impact on the local economy

70 jobs



**2024**

\$23.4 million direct impact

250 jobs



# BELIEVE GREATER DALTON HOUSING STRATEGY

- As noted above, the homebuilding industry in Whitfield Co. currently has a combined \$6.3 million direct impact on the local economy, and supports approximately 70 jobs, with the potential to grow to \$23.4 million in direct impact, supporting 250 jobs.
- Thus, with an expanded housing market and homebuilding industry, including building additional for-sale and rental apartments in Whitfield County, there is an opportunity to create an additional \$17.2 million in direct economic impact annually in the local economy, including an additional 180 jobs.

*\* This economic impact analysis is based on data and methodology from the National Associations of Home Builders, supplemented by local data.*

## EXPANDED WHITFIELD CO. HOUSING INDUSTRY POTENTIAL ADDITIONAL ANNUAL DIRECT IMPACTS



**\$17.2 million**



**180 jobs**

# POTENTIAL NEW HOUSING ECONOMIC IMPACT

- As the Greater Dalton housing market actualizes the potential demand described above, the new residents who will occupy the new local homes will have a beneficial impact on other parts of the economy and community.
- As shown at right, the new housing units created in Dalton and Whitfield County will induce new local population and household growth. This growth will lead to additional property taxes being paid to local governments and schools, equaling over \$2 million over five years.

Potential New Households (Annual)	
Single-Family	80
MultiFamily	95
<b>Total</b>	<b>175</b>
Potential New Population (Annual)	
Single-Family (@ 2.5/HH)	200
MultiFamily (@ 1.5/HH)	143
<b>Total</b>	<b>343</b>
<i>Sources: Bleakly Advisory Group Housing Demand Analysis, US Census, Claritas</i>	
Average Housing Unit Value	
<b>MultiFamily</b>	<b>\$145,000</b>
Local Property Tax/Unit	\$1,800
County (9.329 mils)	\$800
City (3.456 mils)	\$296
Schools (8.2 mils)	\$703
<b>Single-Family</b>	<b>\$243,750</b>
Local Property Tax/Unit	\$3,226
County (9.329 mils)	\$1,434
City (3.456 mils)	\$531
Schools (8.2 mils)	\$1,260
<i>Sources: Bleakly Advisory Group Housing Demand Analysis, Whitfield County Board of Tax Assessors</i>	
Household Retail Spending	
2018 Total Whitfield HH Spending	\$1,530,521,669
2018 Total Whitfield HH	35,597
Avg. Retail Spending Per HH	\$42,996
Potential Annual New HH	175
Potential New Annual Retail Spending	\$7,524,266
Retail Square Feet Support	27361
<i>Sources: Bleakly Advisory Group Housing Demand Analysis, US Census, Claritas, ICSC</i>	
New Local Charitable Giving	
Typical Combined HH Income	\$65,000 - \$75,000
% Income Spent on Charitable Giving	2.9%
Potential Annual New HH	175
% Local Giving	67%
Potential Annual Giving from New HH	\$236,952
<i>Sources: Bleakly Advisory Group Housing Demand Analysis, The National Center for Charitable Statistics</i>	

# POTENTIAL NEW HOUSING ECONOMIC IMPACT

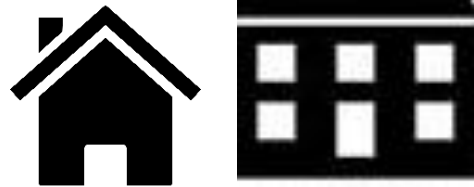
- Additionally, new households to the area will bring additional retail spending (\$38 million over five years) that can support nearly 140,000 square feet of retail business. While some of this retail spending will inevitably occur outside of Whitfield, new households will add support for additional retail in Dalton and the rest of the county.
- Based on charitable giving trends in Georgia, the new residents have the potential to donate over \$1 million to local charities, including houses of worship.

## Cumulative Potential over 5 Years

New Population (5 Year Total)	1,713
New Households (5 Year Total)	875
Typical Combined HH Income	\$65,000 - \$75,000
Total New Property Tax	\$2,145,122
<i>New City Property Tax</i>	\$353,278
<i>New County Property Tax</i>	\$953,626
<i>New School Property Tax</i>	\$838,218
New HH Spending Potential	\$37,621,329
Support for Retail Square Feet	136,805
New Local Charitable Giving	\$1,184,759

*\* Bleakly Advisory Group analysis based on data from the US Census, Claritas, Whitfield County Board of Tax Assessors, ICSC, and The National Center for Charitable Statistics*

# POTENTIAL NEW HOUSING 5-YEAR ECONOMIC IMPACT



875 Households 1,700 Population



\$2.1 Million Property Taxes Paid

*\$1.3 Million to City & County*

*\$840,000 to Schools*

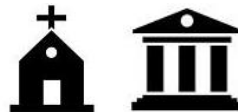


\$37.6 Million Spending Potential

*136,000 Square Feet of Retail*



\$1.2 Million Local Charitable Giving





# RECOMMENDATIONS



# RECOMMENDATIONS

- Aggressive action is needed to improve the Greater Dalton housing market.
- To do so, local leaders can work with community partners by seeking to advance:

## Four Pillars of Action



# RECOMMENDATIONS

## The Playbook

- Identify priority redevelopment and greenfield sites that are large enough to attract the interest of experienced sophisticated developers. Specific property examples are included later in this section of the report.
- Apply zoning policies that allow for unique and differentiated housing types that allow for market segmentation.
- **Market/develop residential development sites in the same way that industrial sites are marketed.**
  - Outreach to local, Chattanooga, and Atlanta developers/builders.
  - The tools afforded Georgia’s Local Government Authorities are commonly used in some jurisdictions to incentivize housing and other developments deemed worthy for the advancement of the community.
  - Local Government Authorities should use their tools to incentivize new housing to help provide “proof-of-concept” for innovative development. **Once new housing concepts have been proven successful, the need for incentives for subsequent development will likely become less necessary.**
  - The Dalton-Whitfield County Joint Development Authority and the Downtown Dalton Development Authority, particularly, can serve as key agents in inciting new housing.

Encourage  
construction of  
for-sale  
housing

# RECOMMENDATIONS

Encourage  
construction of  
for-sale  
housing

## The Playbook

- The Downtown Development Authority and the Dalton-Whitfield County Joint Development Authority should explore the possibility of providing incentives for residential development.

This could include:

- Preparing development sites through site clearance, assemblage, or subdivision.
- Subsidizing infrastructure development, either preemptively or in cooperation with a developer.
- Creating leasehold agreements with landowners to lower tax and infrastructure burdens to provide time for construction of new developments to take place.

# RECOMMENDATIONS

## The Playbook

- Local Government Authorities

According to the UGA Carl Vinson Institute of Government:

*In Georgia, local development authorities are used as key financing mechanisms to further economic development initiatives within a community. This is accomplished through development of land . . . and delivery of state and local incentives.*

*Local incentives may include infrastructure upgrades and improvements, but often include ad valorem tax incentives.*

*A direct waiver of ad valorem taxes would be illegal under the Georgia Constitution, as well as under basic principles of uniformity of taxation and equal protection of the laws.*

*Because the Georgia Constitution prohibits the public sector from conferring a gift or gratuity on the private sector, if state grant money is available for a particular project, the development authority would serve as the conduit for the funds.*

Encourage  
construction of  
for-sale  
housing

# RECOMMENDATIONS

## The Playbook

- Local Government Authorities (continued)

- According to the Carl Vinson Institute of Government:

*Development authorities often provide property tax and other incentives through a “**bonds-for-title**” (or “bond-lease”) structure. This structure is necessary because Georgia is a “transaction” state, meaning that generally speaking, no property tax abatements or property tax incentives are allowed without a transaction.*

*Under the bonds-for-title structure, a leasehold estate is created when the authority enters into a bond transaction agreement with the private developer of real property. The authority then issues bonds to acquire or construct the project at which time the private developer conveys fee simple title to property to the authority.*

*The passing of title then enables the authority to provide ad valorem tax savings and possibly obtain state grants and local incentives for the company. However, even though title to the project is held by the development authority during the lease term, the project is typically overseen and controlled by the company.*

*Under the bonds-for-title structure, the authority is able to pass title back to the company without violating the Gratuities Clause of the Georgia Constitution. This is due to the fact that the rent stream coupled with the purchase option equates to the company acquiring the property for value.*

Encourage  
construction of  
for-sale  
housing

# RECOMMENDATIONS

Encourage  
construction of  
for-sale  
housing

## The Playbook

- **Housing Development Fund**
  - Public /Private Partnership
  - Local private sector contributes up to 50% equity in the fund
    - \$5 million minimum. \$10 million for high impact.
    - Return expectations:
      - Moderate return on investment
      - High return on community
  - Leverage the public sector ability to borrow low-interest money, possibly in partnership with a Local Development Authority.
  - Should identify narrow objectives. Could identify specific projects.
  - Could be packaged with TAD incentives to create robust financing for catalytic projects.
  - Could evolve into on-going quasi-governmental development company along the lines of Chattanooga's River City Company.



# RECOMMENDATIONS

Encourage  
construction of  
for-sale  
housing

## The Playbook

- **Public Purpose Development Company**
  - River City Company was created as a private non-profit in 1986 to implement a 20-year blueprint for Chattanooga's riverfront and downtown development, originally capitalized with \$12 million from local foundations and financial institutions.
  - By working with local government, the private sector and the philanthropic sector, River City Company supports and helps to develop specific real estate projects in Downtown Chattanooga.

# RECOMMENDATIONS

## The Playbook

### ■ Other Potential Tools

- Examine **zoning regulations** that allow for smaller lot sizes and accessory dwelling units in denser areas of Dalton and key nodes in the county.
- Streamline permitting and inspections processes to expedite progress and eliminate local delays.
- Work to identify unused manufacturing sites near the city core that may be suitable for redevelopment.
  - There are likely opportunities to seek **Area-Wide Planning (AWP) Grants** through the EPA.
- Engage all local utility entities as economic development partners to explore avenues to lessen the burden of infrastructure costs as part of new housing/mixed-use development.

Encourage  
construction of  
for-sale  
housing

# RECOMMENDATIONS

Support  
renovation and  
rehabilitation  
of existing  
housing stock

## The Playbook

- Encourage renovation activity so that homeowners can enjoy a higher quality-of-life in their current home, realize the value of their investment upon sale, and increase the number of move-in ready homes in the market.
- Focus on targeted areas, such as the homes surrounding the Mill Village or the Green Hat, to maximize the impact of neighborhood rehabilitation.

# RECOMMENDATIONS

## The Playbook

- Activate the **Dalton-Whitfield Land Bank Authority with Land Trust** partnership.
  - A land bank as a governmental entity that acquires vacant, abandoned, or tax-delinquent properties and ultimately converts “liabilities into productive assets.”
  - A **community land trust** is a nonprofit organization that acquires, retains, and manages scattered parcels of land on behalf of the community with the intention of never reselling properties.

- A land trust can renovate and rent or sell a house to new lower-income households while retaining ownership of the land and granting the right to occupy the site through a ground lease.
- While the goal of a land trust is to have “people build equity from day one and have an ownership stake,” there are restrictions placed on the resale value of the home.
- Coordination between the land banks and land trusts can lower land acquisition costs for rehab homes and lessen the bureaucratic, legal, and market timing challenges.

Modified from: *Proactive Preservation of Unsubsidized Affordable Housing in Emerging Markets* by Matt Schreiber, Harvard Graduate School of Design

Support  
renovation and  
rehabilitation  
of existing  
housing stock

# RECOMMENDATIONS

Support  
renovation and  
rehabilitation  
of existing  
housing stock

## The Playbook

- **Community Land Trusts**
  - Can help establish pathways for renters to enter homeownership.
- **Lease-purchase programs**
  - Purchases or develops a property and structures a long-term lease for a prospective buyer. Leases can vary in length from 3+ years.
  - Provide opportunity for the tenant to purchase the property.
  - Could be part of a Land Trust mission, and typically involve a mission-driven developer, community-based organization, or private corporation.

Modified from: *Proactive Preservation of Unsubsidized Affordable Housing in Emerging Markets* by Matt Schreiber, Harvard Graduate School of Design

## ■ **Low-interest Rehabilitation Financing Program**

- Some large cities are undertaking bond projects with money funding housing opportunities, including home rehabilitation.
- Grants and loans to homeowners.
- Could be done through a low-interest revolving loan fund.

# RECOMMENDATIONS

Encourage construction of new, high quality rental apartments

## The Playbook

- Create opportunity for the “renters by choice,” often young professionals and couples, whose spending power could grow Dalton’s economy.
- **Supporting professionals in developing ties to Dalton will encourage them to buy homes in the city in the future.**
- Leverage the potential for synergies between apartment development and retail development by incentivizing multifamily near priority mixed-use retail nodes, particularly downtown, the Crown Mill area, and key nodes in the county.
- Encourage creation of multifamily rental development in Downtown Dalton.
- Create zoning regulations that allow multifamily and mixed use development along commercial corridors and other nodes outside of downtown Dalton.
- Streamline the entitlement process for development of highly-amenitized apartment development.

# RECOMMENDATIONS

Encourage construction of new, high quality rental apartments

## The Playbook

- Identify key nodes outside of downtown, and in the county, for quality multifamily and mixed-use development.
- **Activate the TAD to activate housing production.**
  - Tax Allocation District #2 is intended to support infill development along East Walnut Avenue, Walnut Square Mall, and other properties nearby. TAD #2 possess opportunities to reoccupy or reposition vacant space, accommodate additional out-parcel development, or introduce residential uses.



# RECOMMENDATIONS

Encourage construction of new, high quality rental apartments

## The Playbook

- Existing occupancy levels and retail sales are likely to continue to decline in TAD #2, resulting in increased leakage of resident retail spending to Chattanooga-based competitors and fewer sales tax revenues available for Whitfield County and its municipalities.
- The use of TAD funds to prevent such a scenario would require a relatively modest investment of incremental property taxes in order to avert what are likely to be much larger losses in sales tax revenues if no incentives are provided.
- 40 acres of mall, or nearby, property could be redeveloped over time, largely by introducing multifamily residential into the land use mix.

# RECOMMENDATIONS

## CONTINUE TO INVEST IN DOWNTOWN DALTON

Continue to  
invest in  
Downtown  
Dalton

### The Playbook

- Having a vibrant downtown is an asset and catalyst for the county-wide housing market, because a majority of home buyers and renters desire downtown amenities nearby, even if they live elsewhere.
- Encourage mixed-use development in the downtown core.
- Incentivize adaptive reuse downtown through streamlining approval processes.
- Implement the Green Hat Plan and/or the upcoming UGA Downtown Master Plan.

Downtown Dalton generates 2.7% of the City's taxes on just 1.8% of the City's land.

- 216 properties and 43.5 acres located within the City's Central Business District create an average of more than **\$1.85 million per acre** in total appraised value.
- In contrast:
  - 360 properties and 958 acres that are classified as "Heavy Manufacturing" (Zoned M-2) create an average of \$171,100 per acre in total appraised value.
  - This is only 9% of the downtown real estate tax base on a per-acre basis.
  - 762.5 acres of "General Commercial" (C2) property are valued at an average of \$276,500/acre.

# RECOMMENDATIONS

## CONTINUE TO INVEST IN DOWNTOWN DALTON

Continue to  
invest in  
Downtown  
Dalton

### The Playbook

- Because of downtown's regional significance, it will also be important to invest in connectivity to downtown with public walking, hiking, and bicycling infrastructure so that its impact extends beyond downtown.
- Consider a **Complete Streets** approach for transportation gateways to downtown.
  - Complete Streets integrate **people and place** in the planning, design, construction, operation, and maintenance of transportation networks. This helps to ensure streets are safe for people of all ages and abilities, balance the needs of different modes, and support local land uses, economies, cultures, and natural environments. (National Complete Streets Coalition)

# RECOMMENDATIONS

## CONTINUE TO INVEST IN DOWNTOWN DALTON

Continue to  
invest in  
Downtown  
Dalton

### The Playbook

- **Activate the TAD to activate housing production.**
  - Tax Allocation District #1 is intended to support individual “catalyst” adaptive re-use and infill projects within Dalton’s Central Business District.
  - TAD #1 could be a significant inducement to assist in attracting qualified developers for these properties.
  - The availability of TAD financing can be leveraged to enable a higher density, quality, and/or value of new construction than would otherwise be possible absent of the TAD.

# RECOMMENDATIONS

## The Playbook

- To attract and retain local households, and attract new housing development, it will be important to provide “experiences” for a wide range of locals and visitors. Amenities can help.
- While sufficient demand exists to grow additional housing development, demand still needs to be proven to additional builders and lenders who can impact the amount of new supply.
  - New amenities, including shops and restaurants, parks, recreation areas, and historic/cultural attractions help generate “buzz” and energy about Dalton among residents and workers.
- This excitement helps move the market—giving residents and commuters more reasons to live in Dalton, and getting the attention of builders and lenders in the process.
  - Amenities can help convince potential investors of a location’s possibilities for success.



# RECOMMENDATIONS

## FOUR AREAS TO BE ADDRESSED BY BOTH PUBLIC AND PRIVATE SECTORS

### Four Pillars of Action



Encourage construction of for-sale housing



Support renovation and rehabilitation of existing housing stock



Encourage construction of new, high quality rental apartments



Continue to invest in Downtown Dalton

### The Playbook

#### ■ Use Approved Redevelopment Powers (TAD)

- TAD funds should be used strategically to leverage other funding sources where possible and to incentivize private investments in housing that create new taxable digest.
- The intent is to employ TAD proceeds as available and necessary to make site development financially feasible and to attract the types of end-users that would positively impact the redevelopment area, Dalton, and the regional economy.
- TAD proceeds should be used to supplement private equity and debt financing and reduce overall development costs in order to make proposed projects financially feasible.
- TAD proceeds should be applied to address on- and off-site development costs, including demolition costs or other internal infrastructure, as well as to help reduce building construction costs to levels that can be supported by prevailing market rents.

# RECOMMENDATIONS

## FOUR AREAS TO BE ADDRESSED BY BOTH PUBLIC AND PRIVATE SECTORS

### Four Pillars of Action



Encourage construction of for-sale housing



Support renovation and rehabilitation of existing housing stock



Encourage construction of new, high quality rental apartments



Continue to invest in Downtown Dalton

### The Playbook

#### ■ Use Approved Redevelopment Powers (TAD)

- TAD proceeds may include:
  - supporting on- and off-site development (including buildings, access, signage, site preparation, utility improvements and any environmental remediation to support redevelopment),
  - paying for desired public amenities that cannot otherwise be afforded based on prevailing rents,
  - reimbursing developers for the added cost of building demolition and remediation of greyfield sites, and
  - funding potential incentives to attract high quality end-users.



# RECOMMENDATIONS

## OTHER POTENTIAL SOURCES OF HOUSING DEVELOPMENT FUNDS

### Land Acquisition Funds

The creation of land acquisition funds to support housing development has been a growing trend in cities around the nation.

These funds can be used to acquire sites for future development of housing or to acquire and preserve existing affordable housing before land and property values increase.

Doing this ensures that the economics of development, jobs and community goals are addressed.

The Charlotte, NC city council appropriated \$5 million to the South Corridor Land Acquisition Fund to purchase land near planned transit stations along its South Corridor Light Rail.

Using money from the fund and other sources, the city purchased 17 acres of land for \$9.2 million.

The planned project includes 80 affordable housing units, which will be built by the Charlotte Mecklenburg Housing Partnership, as well as 820 market-rate housing units, retail space, a hotel, and park land.

### Community Development Block Grant (CDBG)

CDBG can be used for pre-development, site acquisition, site improvements, property acquisition, property rehabilitation, and first-time homebuyer assistance.

CDBG funds can also be used for other purposes, such as the construction of public facilities, public services, and economic development activities.

At least 70% of CDBG funds must be used for the benefit of low- and moderate-income households.

# RECOMMENDATIONS

## Four Pillars of Action



Encourage construction of for-sale housing



Support renovation and rehabilitation of existing housing stock



Encourage construction of new, high quality rental apartments



Continue to invest in Downtown Dalton

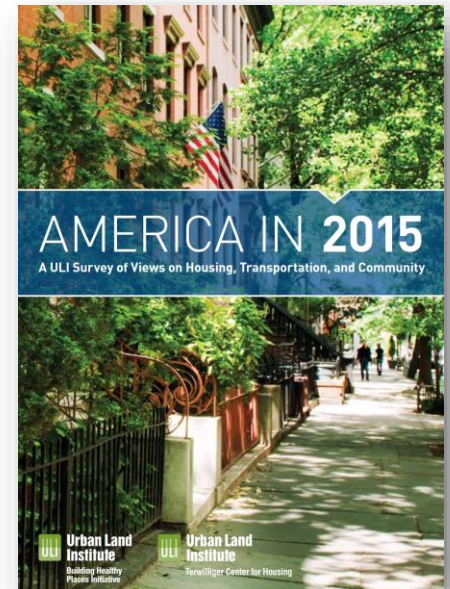
### The Playbook

- Encourage compact mixed-use development at higher, but still appropriate, densities.

### Nationwide:

- **70%** of people place a high value on **walkability** when choosing a new community.
- **61%** would accept a **smaller home** in exchange for a shorter commute.
- **54%** of Americans **prefer** three or more community **attributes** associated with **compact development**.

Source: America in 2015: A ULI Survey



# COMPACT WALKABLE DEVELOPMENT VALUE PROPOSITION

## Four Pillars of Action



Encourage construction of for-sale housing



Support renovation and rehabilitation of existing housing stock



Encourage construction of new, high quality rental apartments



Continue to invest in Downtown Dalton

## The Playbook

- Encourage compact mixed-use development at higher, but still appropriate densities.



## CASE STUDY:

Downtown Woodstock, GA & The Outlet Shoppes at Atlanta



# COMPACT WALKABLE DEVELOPMENT VALUE PROPOSITION



Walkable  
Downtown  
District

## Downtown Woodstock

- 16.2 Acres
- 150 Parcels
- 3.4 Acre Park
- Commercial District



Outlet  
Center

## The Outlet Shoppes at Atlanta

- 48.8 Acres
- 370,000 SF
- 1,781 Parking Spaces



# COMPACT WALKABLE DEVELOPMENT VALUE PROPOSITION



Walkable  
Downtown  
District

Downtown Woodstock

Taxable Value:

- \$23,627,960
  - \$1,460,409/Acre
- Property Tax/Acre:
- \$31,000



Outlet  
Center

The Outlet Shoppes at  
Atlanta

Taxable Value:

- \$13,381,648
  - \$274,158/Acre
- Property Tax/Acre
- \$6,000

# RECOMMENDATIONS

## POTENTIAL GEOGRAPHIC AREAS TO CONSIDER FOR NEW HOUSING

- The following illustrative examples of potential locations for both single-family and multifamily housing development are intended to further clarify specific opportunities for various types of development.
- While likely opportunities, these examples are not intended to convey the only locations for suggested new development in the city and/or county.
- These locations were chosen because one or more attributes make them likely desirable for development, particularly land availability, nearby infrastructure in place, and/or the opportunity to use a Tax Allocation District (TAD) to enhance their viability.





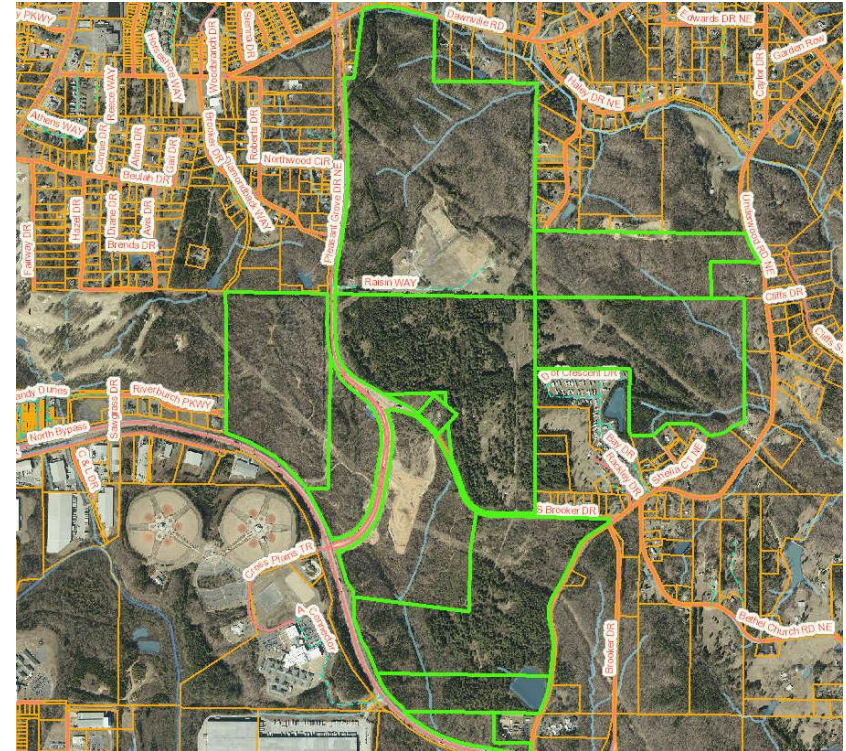


# RECOMMENDATIONS

## POTENTIAL GEOGRAPHIC AREAS TO CONSIDER FOR NEW HOUSING

### ■ North Bypass

- The undeveloped parcels outlined in green at right constitute 585 acres and are quality candidates for a large-scale development because of their desirable location, nearby amenities and infrastructure, and the fact that they are adjacent and undeveloped.
- 252 acres are City-owned. It is assumed that the old landfill site is clear for residential development, but if issues exist, some of this land can be used for non-residential development as part of a larger project.
- City ownership provides opportunities to enhance prospects through public-private partnerships that could collaborate to assemble, entitle, and provide infrastructure on some portion of these parcels to attract an experienced developer capable of a large-scale project.



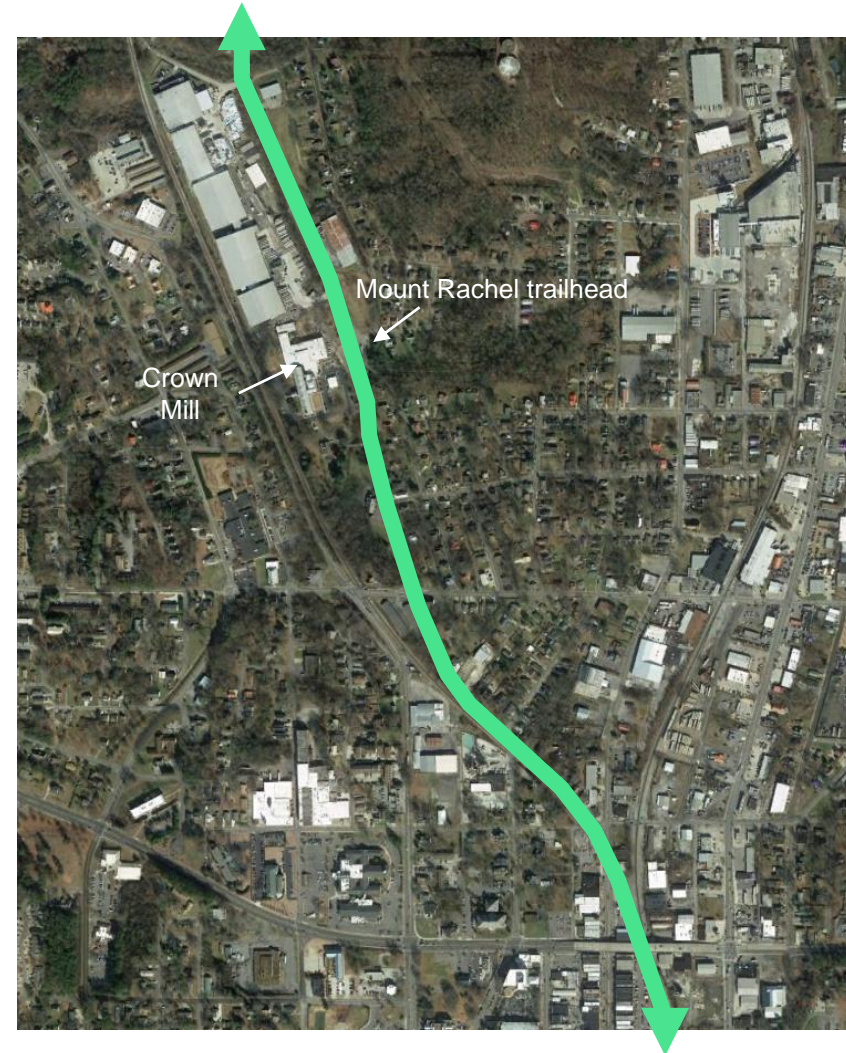
- This envisioned project provides an opportunity for development that could attract households who currently do not find housing to meet their needs by providing unique housing typologies currently not found locally, such as those often part of a **master-planned, walkable, single-family community with amenities.**

# RECOMMENDATIONS

## POTENTIAL GEOGRAPHIC AREAS TO CONSIDER FOR NEW HOUSING

### ■ Chattanooga Avenue

- Turning Chattanooga Avenue into a **Complete Street** with a high-quality multi-use trail to connect downtown with the Crown Mill adaptive reuse development and further to Haig Mill would contribute to the local vitality and quality of life, and enhance the already present opportunities for infill housing along the corridor.
- This project would tie into the trailhead of the Mount Rachel Trail and Mill Creek River Walk.



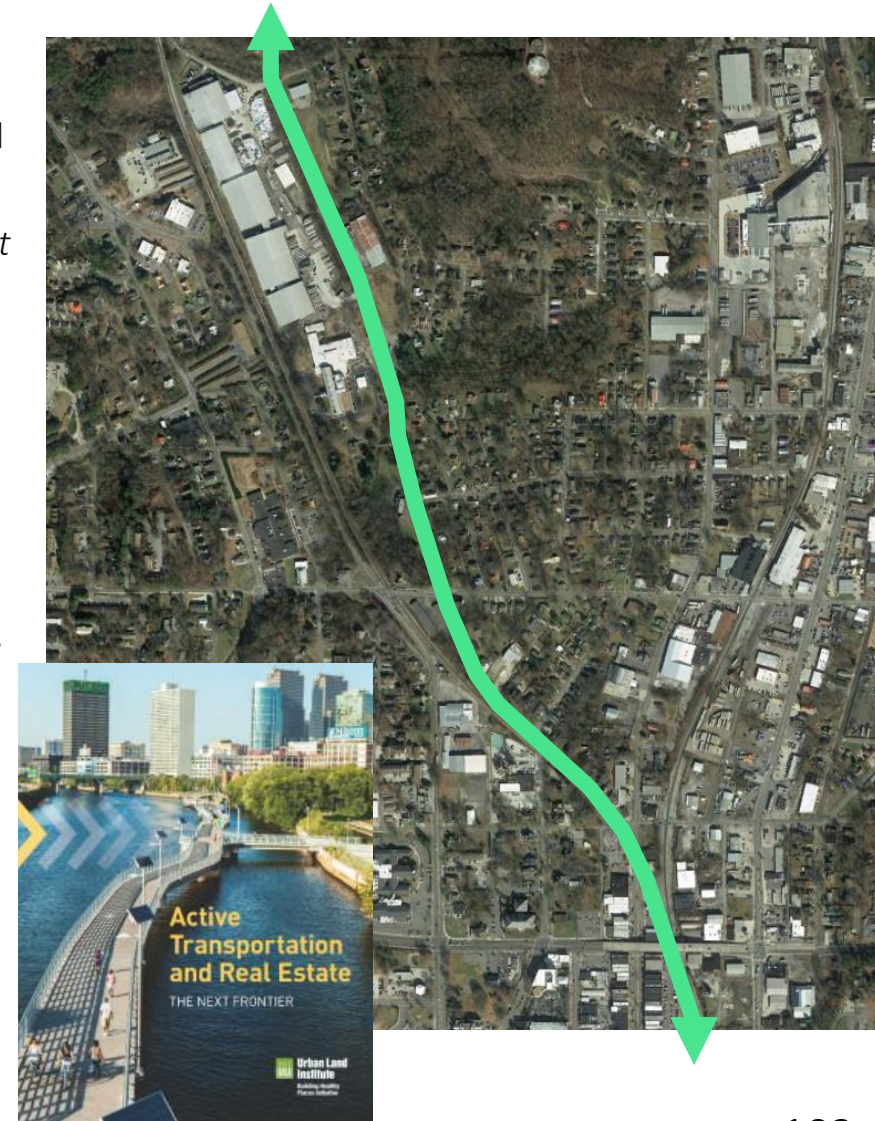


# RECOMMENDATIONS

## POTENTIAL GEOGRAPHIC AREAS TO CONSIDER FOR NEW HOUSING

### ■ Chattanooga Avenue

- A recent Urban Land Institute (ULI) reports finds “active transportation” projects, a.k.a., “trail-oriented development”:
  - *takes advantage of and leverages infrastructure that supports active ways of getting around. . .*
  - *helps position real estate projects and communities in a marketplace that increasingly values active transportation. . .*
  - *there is evidence of a correlation between access to active transportation facilities and increased property values. . . direct access to trails and bike lanes can have a positive impact on property values.*
  - *A reciprocal relationship exists between the private and public sectors in terms of maximizing investments in active transportation.*
  - *Developers are benefiting from access to sought-after locations that are close to publicly financed active transportation routes, but they are also making direct investments in active transportation by helping to finance improvements to the systems.*



# RECOMMENDATIONS

## POTENTIAL GEOGRAPHIC AREAS TO CONSIDER FOR NEW HOUSING

### ■ Downtown

- The parcels outlined in green at right provide “catalyst” opportunities for innovative mixed-use/multifamily development that can introduce new housing into downtown.
- The parcel at **Waugh and Thorton** is City-owned and provides an opportunity to enhance quality development prospects through a public-private partnership that could collaborate on an incentive package, likely with the use of the TAD #1, to help a developer ensure the economics of the development and provide a “proof-of-concept” by demonstrating the ability to achieve the elevated unit pricing necessary for new construction.





# RECOMMENDATIONS

## POTENTIAL GEOGRAPHIC AREAS TO CONSIDER FOR NEW HOUSING

### ■ Downtown

- The parcel at **Crawford and Pentz** is an illustrative example of a single underutilized parcel that could provide an opportunity for a higher intensity multistory use, more fitting for a downtown.
- It is likely that incentives, possibly in the form of TAD financing, can be leveraged to enable a developer to purchase this property and create a higher-quality project than would otherwise be possible.
- Like the City-owned parcel to the north, a public-private partnership could help provide “proof-of-concept” by demonstrating the ability to achieve the elevated unit pricing necessary for new construction.





# RECOMMENDATIONS

## POTENTIAL GEOGRAPHIC AREAS TO CONSIDER FOR NEW HOUSING

### ■ Mall Area

- The parcels outlined in green at right provide potential “catalyst” opportunities for innovative mixed-use/mixed-income development that can introduce new multifamily housing outside of downtown and within TAD #2.
- As noted earlier, 40 acres of mall, or nearby, property could be redeveloped over time, largely by introducing multifamily residential into the land use mix.
- Adding 325,000 square feet (300 +/- apartment units) would bring over \$25 million in additional real property tax increment to the East Walnut Avenue corridor.



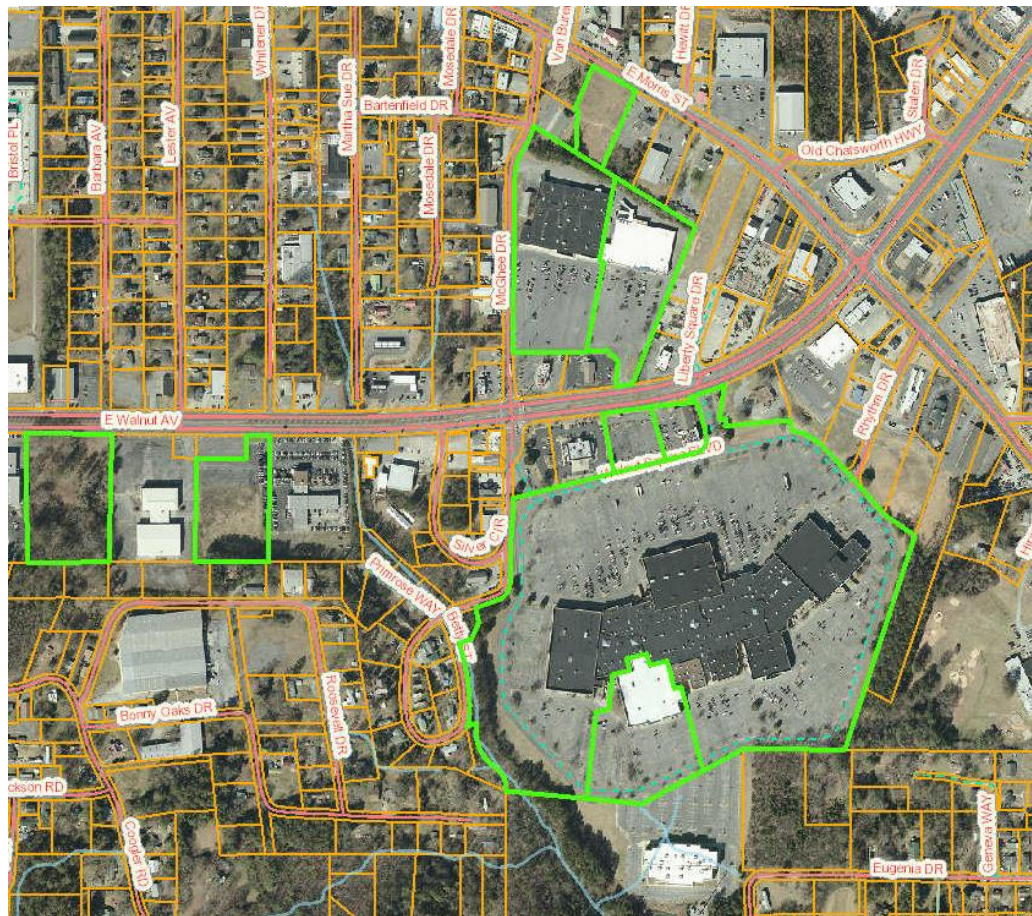


# RECOMMENDATIONS

## POTENTIAL GEOGRAPHIC AREAS TO CONSIDER FOR NEW HOUSING

### ■ Mall Area

- To ensure the future long-term success of East Walnut Avenue real estate, it will be necessary for the public and private sectors to participate in redevelopment initiatives.
- Because the retail environment in this area is likely to never regain its former prominence, and because retail uses are likely overbuilt, the public sector should be aggressive in seizing opportunities to “upzone” parcels in this area to allow for residential uses.
- It is likely that this area lacks sufficient demand for market-rate multifamily housing. However, because the area has the potential to become further blighted with vacant retail it is in the best interest of the public sector to assert its land use and development incentive powers to accelerate residential development in the area.





# BELIEVE GREATER DALTON HOUSING STRATEGY

- The following matrix highlights key potential activities noted in this study that can help to spur additional new housing development in the Greater Dalton area.
- The recommended responsible party for each action corresponds with the most likely local entity, or entities, to bring about the action but other entities may play a role or take the lead.

Action	Responsible Party
<b>Organization / Funding</b>	
Establish a single point of accountability who helps to set priorities and coordinates with the entities that influence production and preservation of housing.	Believe Greater Dalton
Establish a Public Purpose Development Company and/or Housing Development Fund.	Believe Greater Dalton
Activate the Dalton-Whitfield Land Bank Authority and create a Community Land Trust to work in partnership to help residential properties re-enter and remain in the marketplace.	City of Dalton, Whitfield County
Engage all local utility entities as economic development partners to explore avenues to lessen the burden of infrastructure costs as part of new housing/mixed-use development.	Downtown Dalton Development Authority, Dalton-Whitfield County Joint Development Authority
Utilize SPLOST funding to implement the “Green Hat Plan” as outlined in the UGA Downtown Master Plan.	City of Dalton, Whitfield County, Community Partners

# BELIEVE GREATER DALTON HOUSING STRATEGY

Action	Responsible Party
<b>Zoning / Permitting / Regulations</b>	
Establish defined development criteria and standards before regulations are implemented.	City of Dalton, Whitfield County
Institute zoning and code enforcement regulations that allow higher-density multifamily and mixed use development along commercial corridors and other nodes outside of downtown Dalton.	City of Dalton, Whitfield County
Apply zoning and code enforcement policies that allow for unique and differentiated housing types that allow for market segmentation.	City of Dalton, Whitfield County
Streamline permitting and inspections processes to expedite progress and eliminate local delays.	City of Dalton, Whitfield County, Local Utilities
<b>Site Identification</b>	
Identify priority redevelopment and greenfield sites that are large enough to attract the interest of experienced developers.	Downtown Dalton Development Authority, Dalton-Whitfield County Joint Development Authority / Local Real Estate Professionals
Acquire and hold development land and subsequently attract private sector developers with incentives.	Downtown Dalton Development Authority, Dalton-Whitfield County Joint Development Authority, City of Dalton, Whitfield Co.
Prepare downtown development sites through site clearance, assemblage, or subdivision.	City of Dalton, Downtown Dalton Development Authority
Identify unused commercial/industrial sites near the city core that may be suitable for residential redevelopment. Determine opportunities for Area-Wide Planning (AWP) Grants through the EPA.	Downtown Dalton Development Authority, Dalton-Whitfield County Joint Development Authority, City of Dalton, Whitfield County

# BELIEVE GREATER DALTON HOUSING STRATEGY

Action	Responsible Party
<b>Incentives</b>	
Modify local TAD policy to emphasize the creation of new housing as part of greenfield development, as well as redevelopment.	City of Dalton, Dalton-Whitfield County Joint Development Authority
Place Georgia’s Redevelopment Powers Law question on the November 2019 ballot to allow county citizens to vote for the use of TAD incentives for future county development projects.	Whitfield County
Incentivize adaptive reuse of attractive downtown buildings through streamlining entitlement/approval processes and assistance with exploring the use of historic tax credits.	City of Dalton, Whitfield County, Downtown Dalton Development Authority
Determine most attractive incentive package for downtown development in concert with the completed UGA Downtown Master Plan. Could include subsidizing development infrastructure, either preemptively or in cooperation with a developer, modifying entitlement requirements, and/or creating leasehold agreements with landowners.	City of Dalton, Whitfield County, Downtown Dalton Development Authority
Initiate, expand, and/or aggregate low-interest rehabilitation financing program and/or lease-purchase programs, and promote their use, to assist homeowners, investors, and developers in determining programs that can best assist them.	City of Dalton, Whitfield County, Downtown Dalton Development Authority, Dalton-Whitfield County Joint Development Authority
Explore the use of additional incentives for housing including Land Acquisition Funds, Community Development Block Grant (CDBG), etc.	City of Dalton, Whitfield County, Downtown Dalton Development Authority, Dalton-Whitfield County Joint Development Authority

# APPENDIX

## MARKET PROFILE

### SURVEY RESULTS



# DALTON MARKET PROFILE

## POPULATION & HOUSEHOLD GROWTH

- Annual population growth from 2000-2018 in the City of Dalton (1.3%) was only slightly below the state average (1.4%).
- Population growth in Dalton is projected to slow, falling to 0.7% forecasted annual growth from 2018-2023.
- The City of Dalton is currently forecasted to capture 46% of new household growth in Whitfield over the next five years.
- Bleakly projects Whitfield County will experience 0.5% annual household growth over the next 10 years.
  - This represents a slight uptick in annual growth in line with an improving economy after several years of flat household growth since 2010.

Population	City of Dalton	Whitfield County	Georgia
2000 Census	28,315	83,524	8,186,491
2010 Census	33,128	102,599	9,687,653
2018 Estimate	35,442	105,248	10,467,269
2023 Projection	36,766	108,626	10,993,562
Avg. Annual Growth 2000-2018	1.3%	1.3%	1.4%
Avg. Annual Growth (Fcst) 2018-2023	0.7%	0.6%	1.0%
New Population 2000-2018	7,127	21,724	2,280,778

Households	City of Dalton	Whitfield County	Georgia
2000 Census	9,879	29,389	3,006,377
2010 Census	11,214	35,180	3,585,584
2018 Estimate	12,029	35,597	3,891,635
2023 Projection	12,475	36,568	4,096,007
CAGR Growth 2000-2018	1.1%	1.1%	1.4%
CAGR (Fcst) 2018-2023	0.7%	0.5%	1.0%
New Households 2018-2023	446	971	204,372
2018 Est. Average Household Size	2.87	2.93	2.62

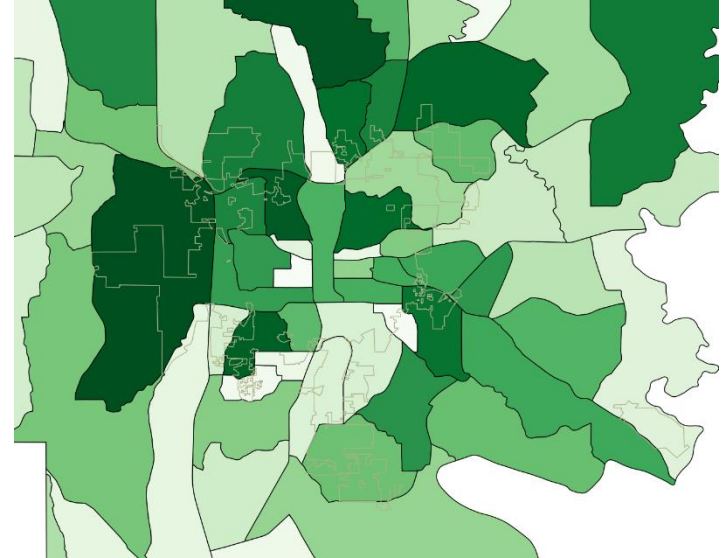
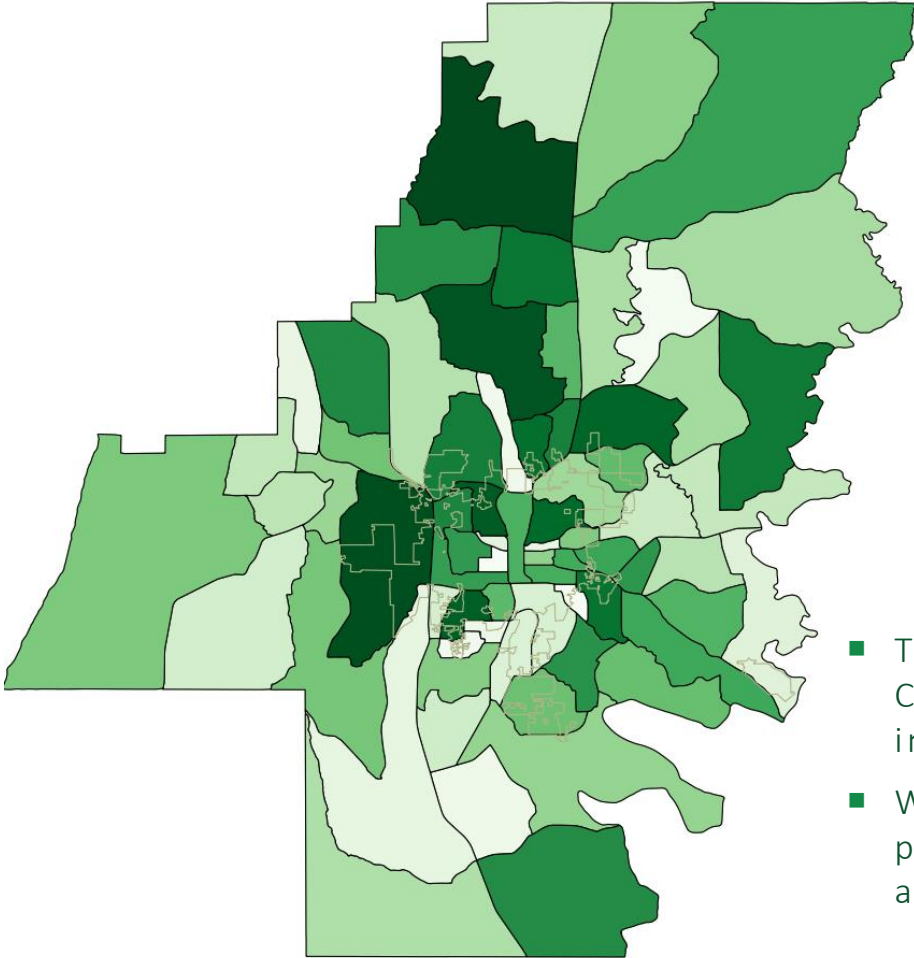
Source: Environics Analytics

# DALTON MARKET PROFILE

## POPULATION BY CENSUS BLOCK GROUP

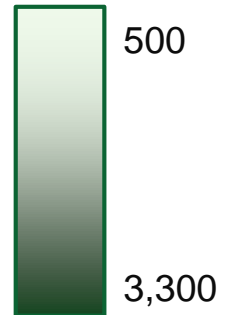
Whitfield County

Dalton (City Limits = Gray Outline)



- The population in Whitfield County is concentrated in incorporated areas.
- Within the City of Dalton, population is higher in the north and west areas of the city.

Key  
Population in Census  
Block Group



Source: Bleakly Advisory Group based on data from US Census

# DALTON MARKET PROFILE

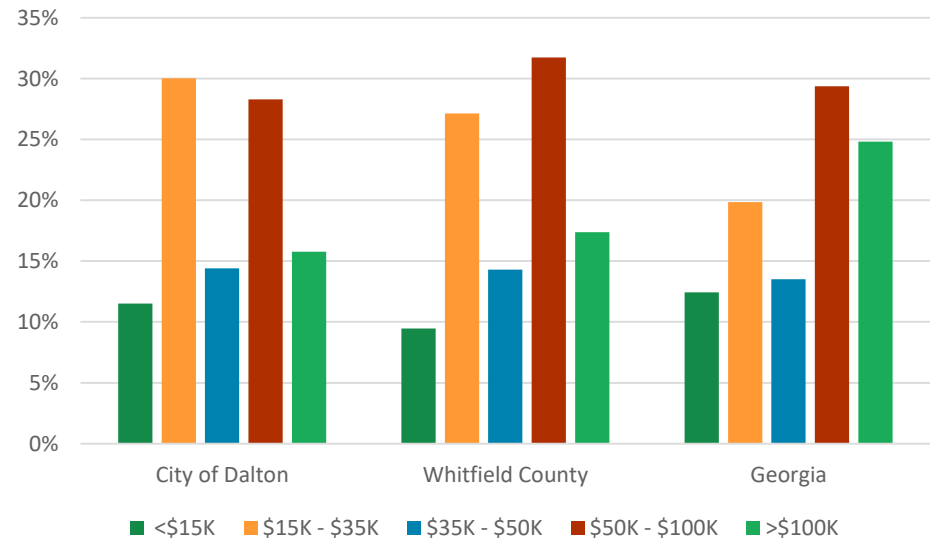
## RESIDENT INCOME

- 42% of Dalton households have incomes below \$35,000, contributing to a median household income that is 22% lower than the state median.
- Residents in Whitfield County have a slightly higher median income (\$48,945) than in the City of Dalton (\$43,106).

### 2018 Median Household Income

- **City of Dalton**
  - \$43,106
- **Whitfield County**
  - \$48,945
- **Georgia**
  - \$55,296

Households by Income, 2018



Source: Environics Analytics

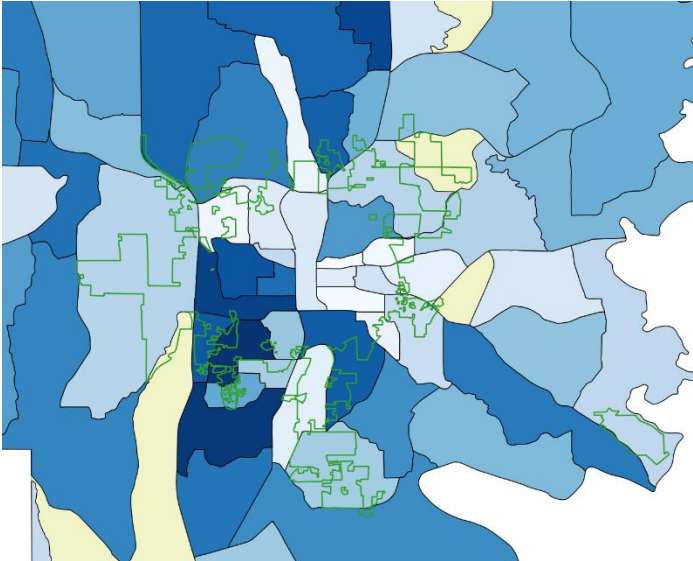
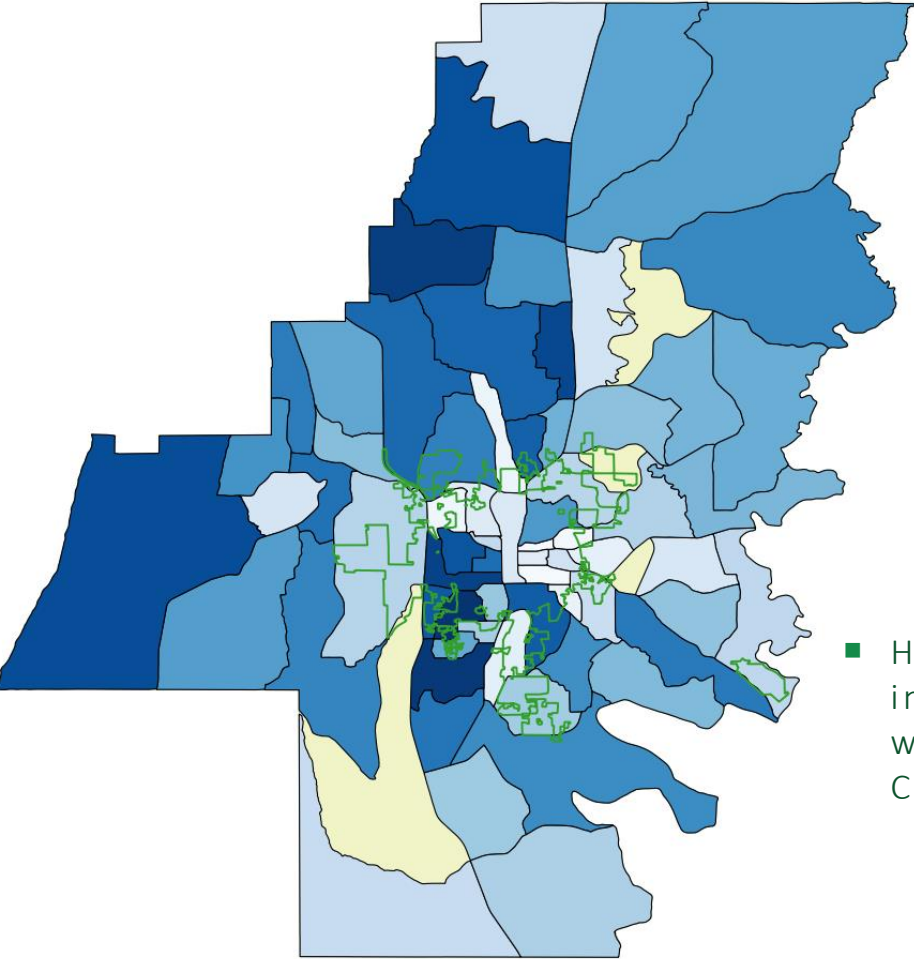


# HOUSING ASSESSMENT

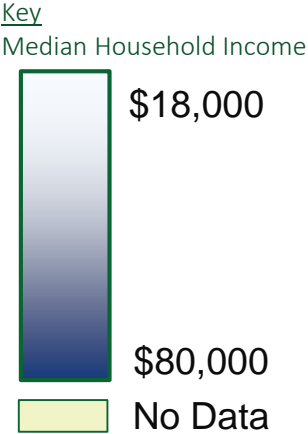
## MEDIAN HOUSEHOLD INCOME BY CENSUS BLOCK GROUP

Whitfield County

Dalton (City Limits = Green Outline)



■ Household incomes are higher in southwest Dalton and the western portion of Whitfield County.



Source: Bleakly Advisory Group based on data from US Census

# DALTON MARKET PROFILE

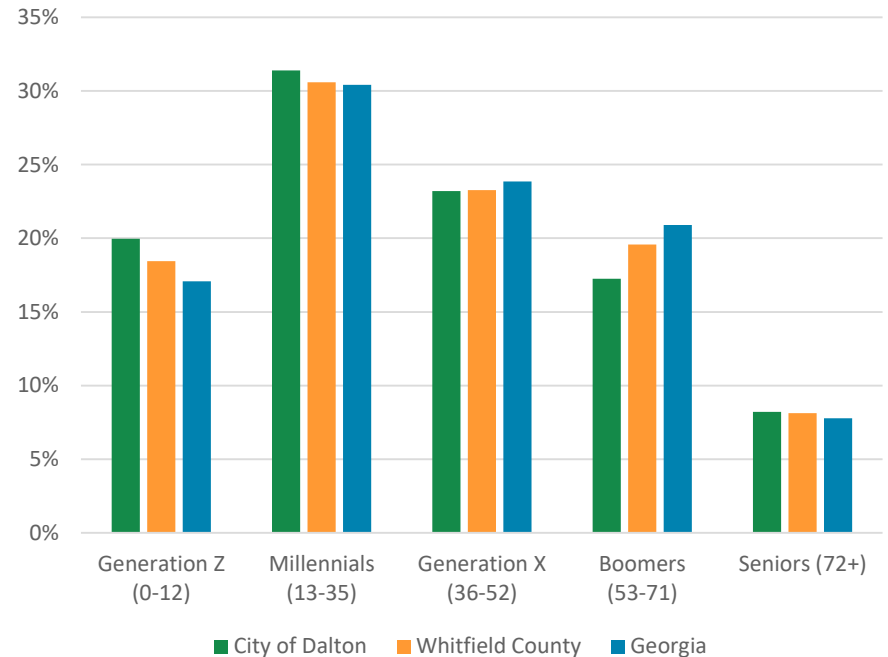
## RESIDENT AGE

- On average, residents in the City of Dalton tend to be significantly younger (34.0) than elsewhere in the state (36.9).
  - Whitfield County residents are also younger than the state overall, at a median age of 35.7.

### 2018 Est. Median Age

- City of Dalton
  - 34.0
- Whitfield County
  - 35.7
- Georgia
  - 36.9

Population by Age, 2018



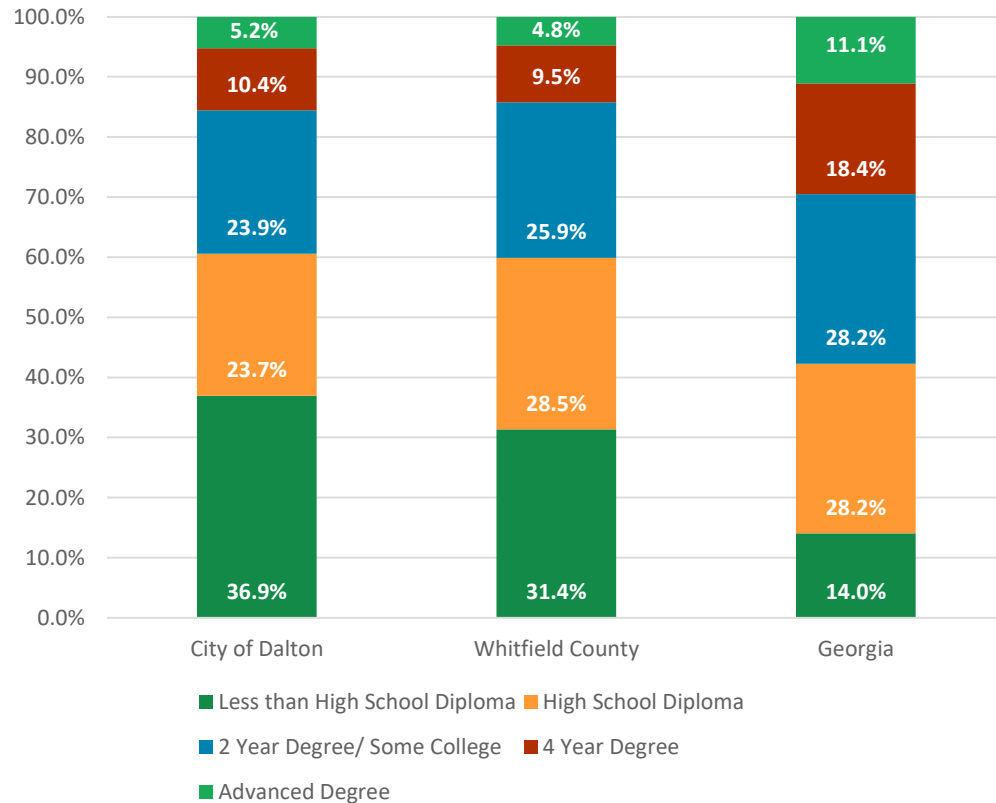
Source: Environics Analytics

# DALTON MARKET PROFILE

## RESIDENT EDUCATIONAL ATTAINMENT

- Only 15.6% of Dalton residents have a 4-year college degree or higher, compared with a state-wide average of 29.5%.
- 36.9% of Dalton residents over the age of 25 have not completed a high school diploma, more than double the state average.

Educational Attainment, 2018



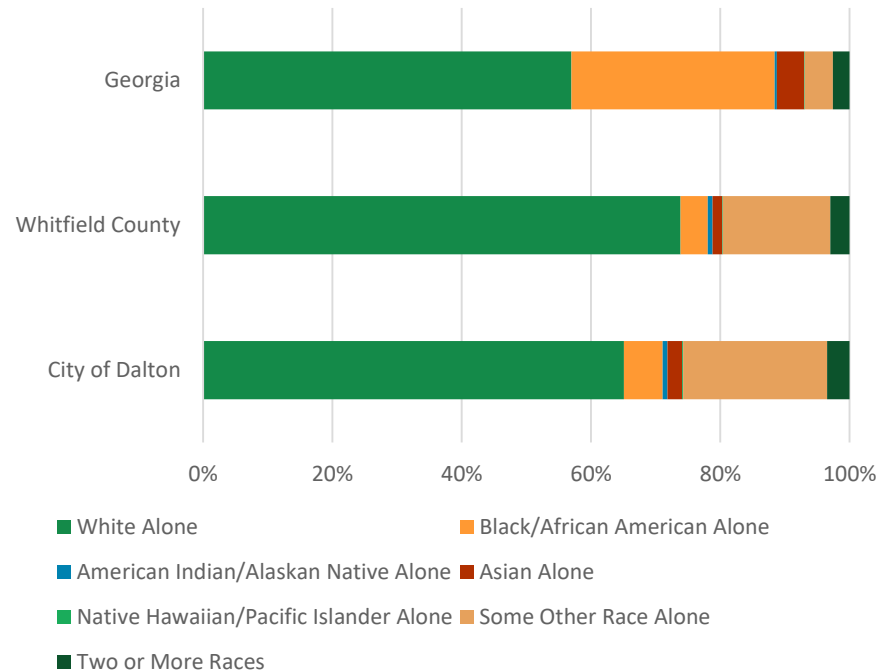
\*Residents over age 25  
Source: Environics Analytics

# DALTON MARKET PROFILE

## RESIDENT RACE/ETHNICITY

- 65% of Dalton residents classify as “White Alone” compared to 74% of Whitfield County residents.
- 48% of Dalton residents identify as “Hispanic/Latino,” many of whom are represented in the 22% of Dalton residents who classify as “Some Other Race Alone.”
- Whitfield County has a higher percentage of white residents at 74%, and a lower percentage, 35%, who identify as Hispanic or Latino.

Population by Race, 2018



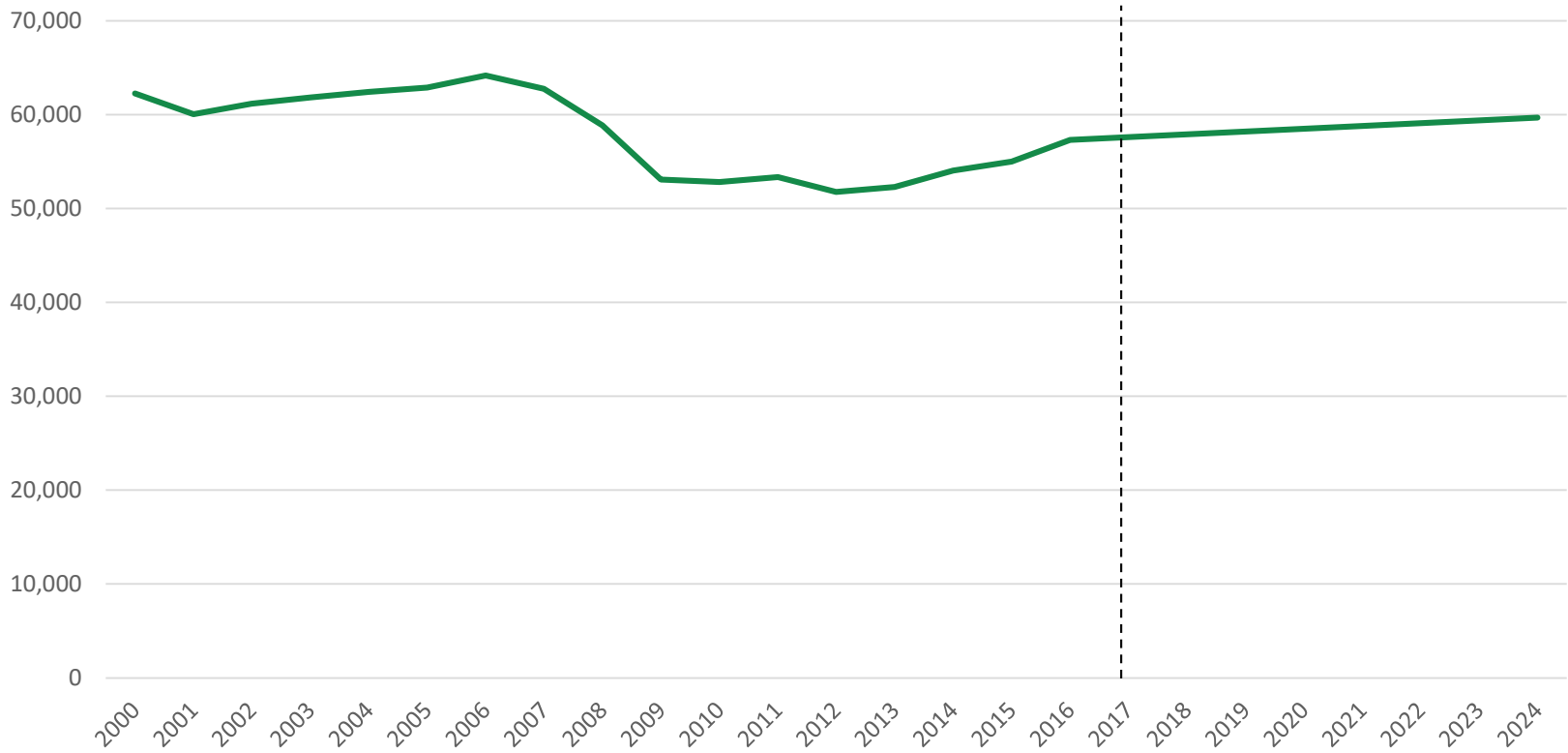
Source: Environics Analytics

# DALTON MARKET PROFILE

## EMPLOYMENT FORECAST

- Whitfield County is projected to add approximately 1,800 new jobs by 2024, a 0.51% average annual growth rate.

Whitfield County Employment, 2000-2024



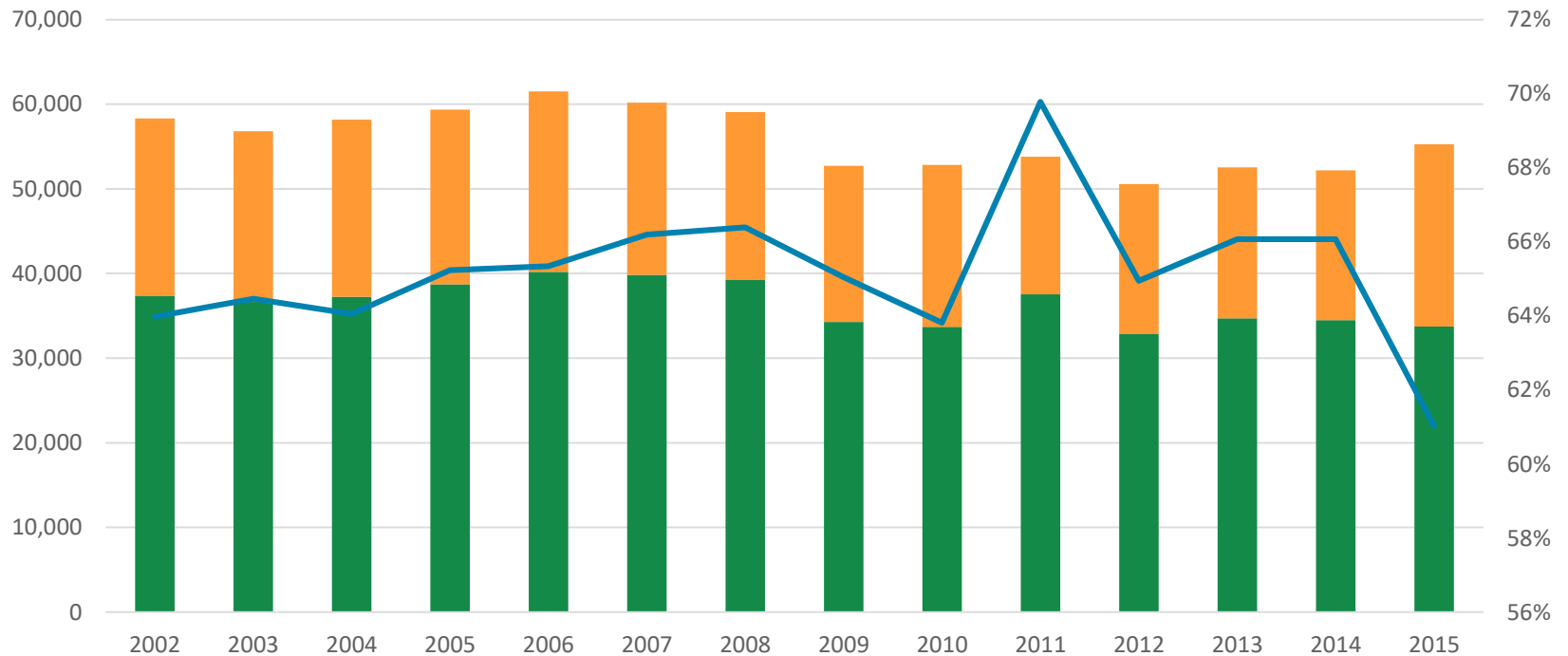
Source: Georgia Department of Labor

# DALTON MARKET PROFILE

## CITY VS. COUNTY EMPLOYMENT OVER TIME

- Employment in Whitfield County has begun to recover the jobs lost in the Great Recession.
- County employment has increased since 2012, reaching over 55,000 employees in 2015, but employment in the City of Dalton had yet to rebound as of 2015.

Total Jobs in Whitfield County, 2002-2015



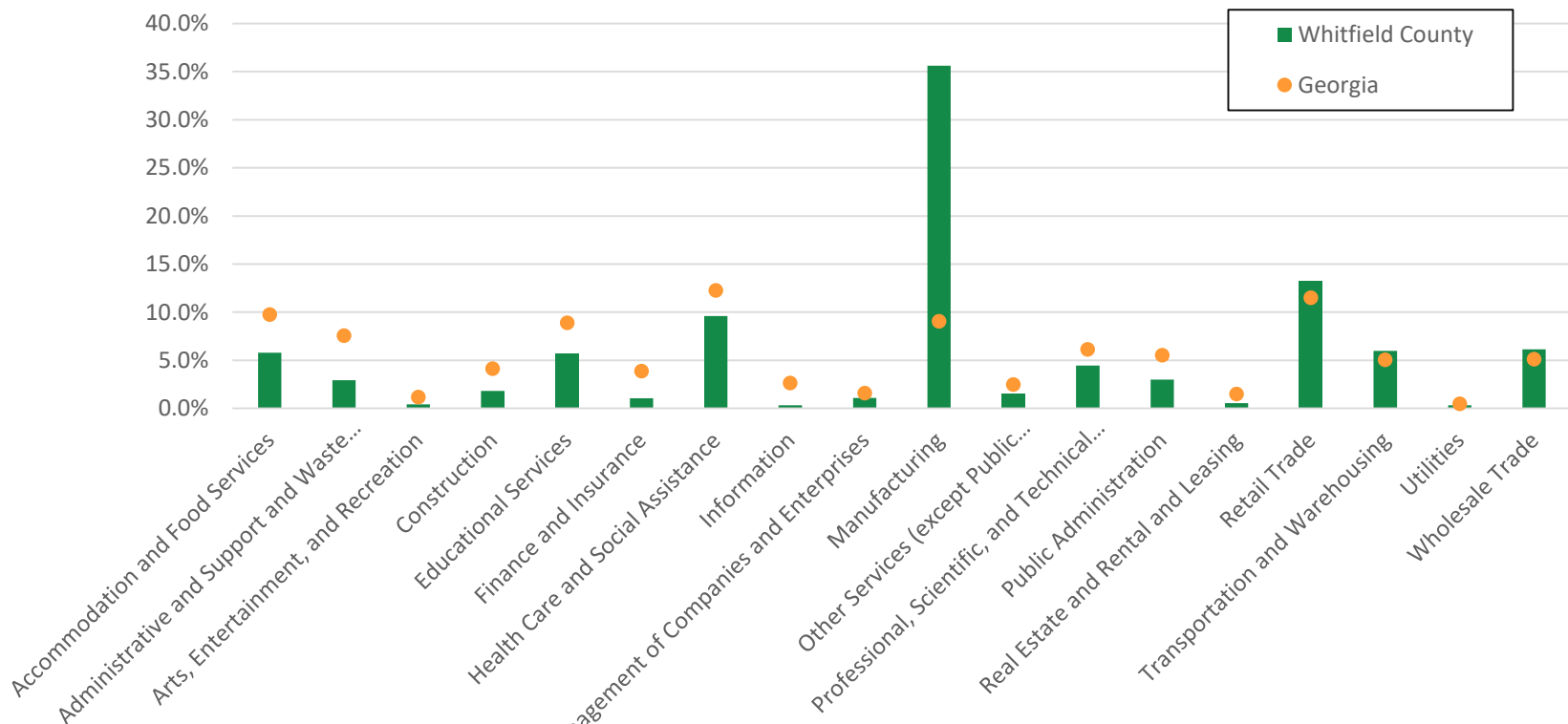
Source: US Census

# DALTON MARKET PROFILE

## EMPLOYMENT BY INDUSTRY TODAY

- Manufacturing is the largest industry in Whitfield County and comprises a much larger share of the local economy than it does for the Georgia economy overall.

Whitfield County Employment, 2016



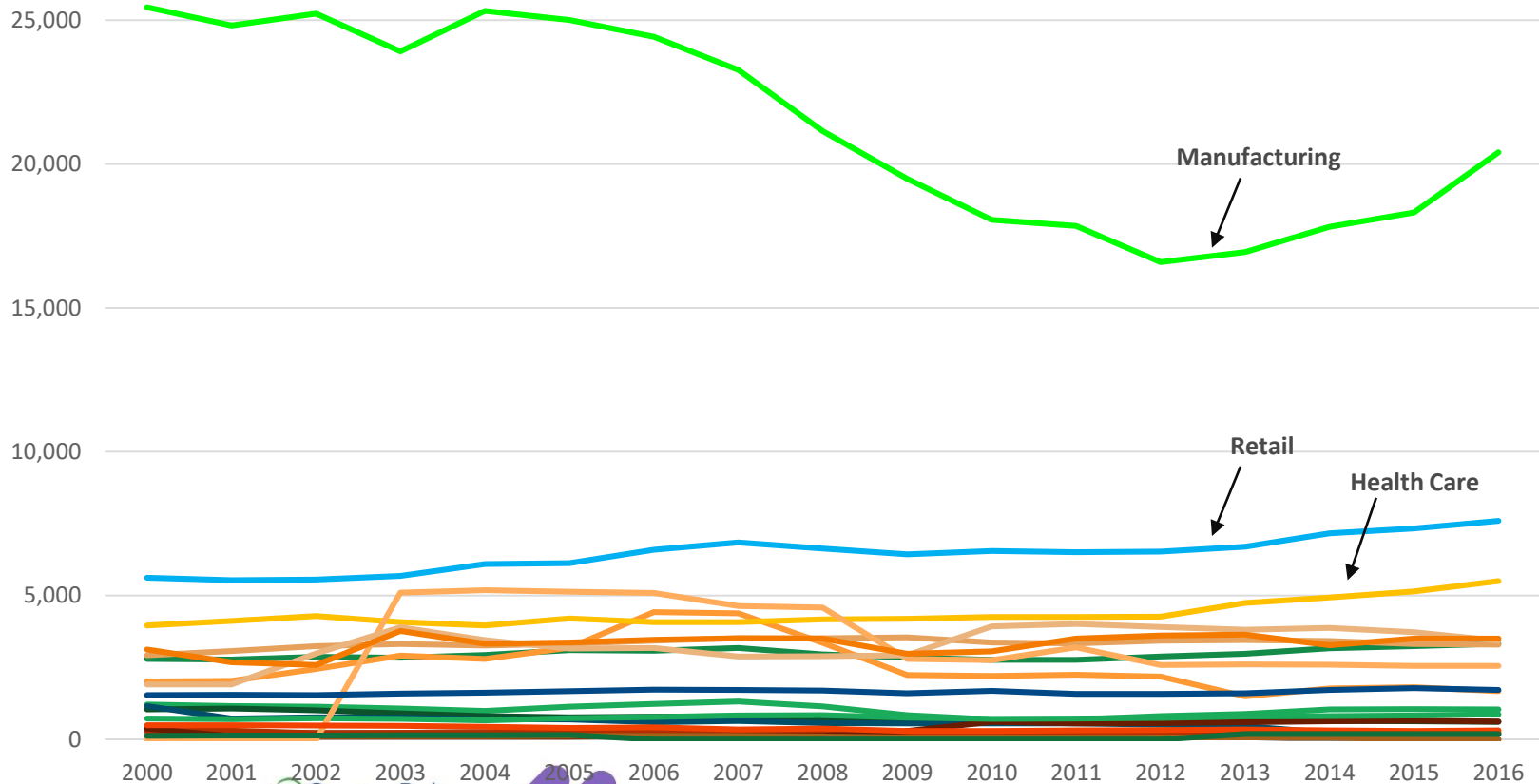


# DALTON MARKET PROFILE

## EMPLOYMENT BY INDUSTRY OVER TIME

- Manufacturing has long been the dominant industry in Whitfield County, but it employs fewer people today than it did before the Great Recession.

Whitfield County Employment by Industry Sector



# SURVEY AND FOCUS GROUP RESPONSES

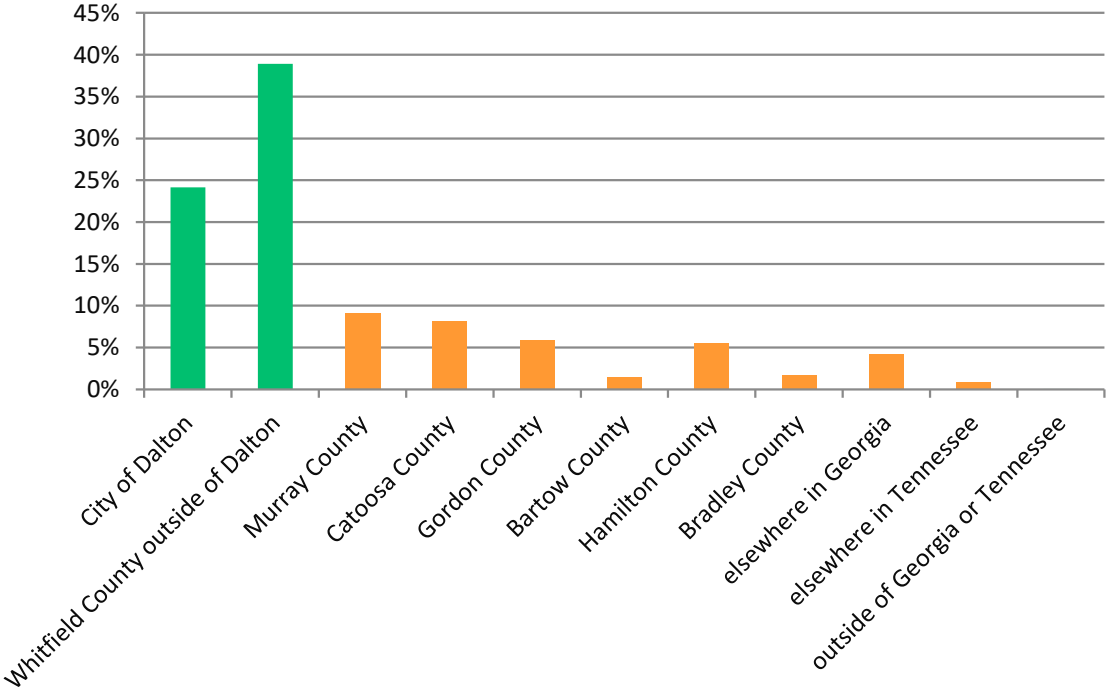


# SURVEY INSIGHTS

Bleakly Advisory Group undertook an online survey of City of Dalton employees.

Of the more than 2,000 responses, 24% came from people living in the City and an additional 29% of respondents lived elsewhere in Whitfield County.

Do you live in:



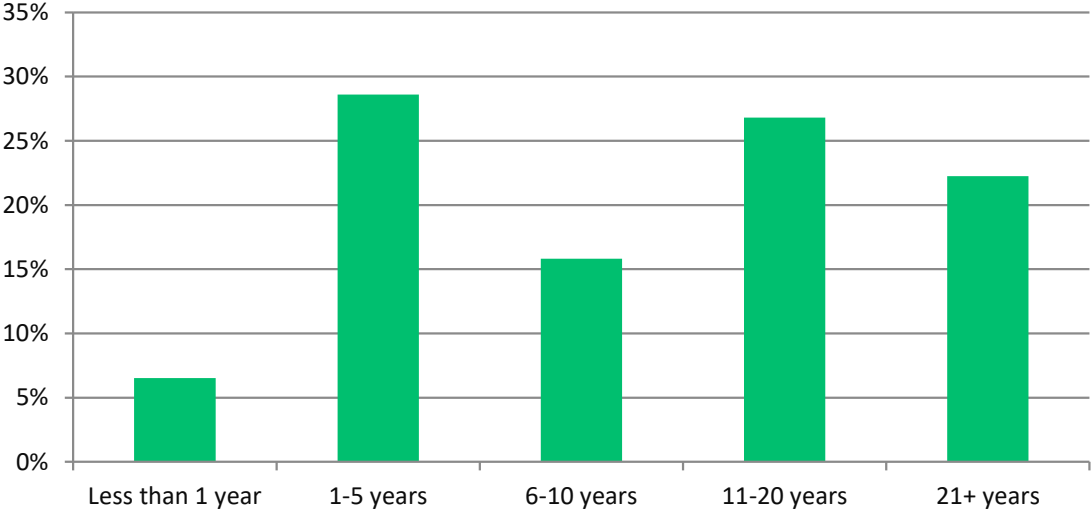
\*Survey responses were gathered from 565 unique IP addresses. This may be due to the system setups of large employers assigning duplicate IP addresses to multiple computers passing through the same firewall, as well as shared computers.

# SURVEY INSIGHTS

Of those respondents who live IN Dalton or Whitfield County:

- Almost 50% have lived in the same location for more than 10 years.

### How long have you lived in your current location?

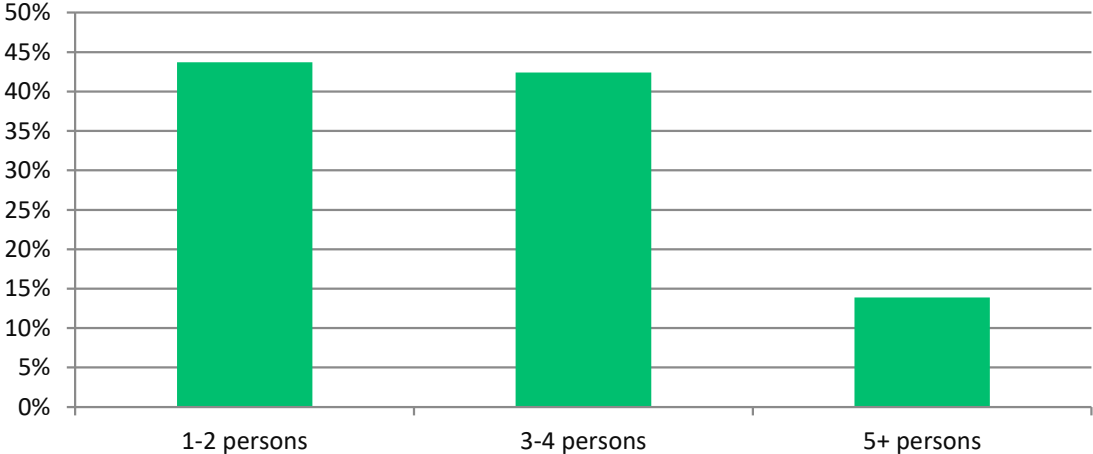


# SURVEY INSIGHTS

Of those respondents who live IN Dalton or Whitfield County:

- Households generally range from 1 to 4 persons.

How many people currently live in your household (including yourself and children):

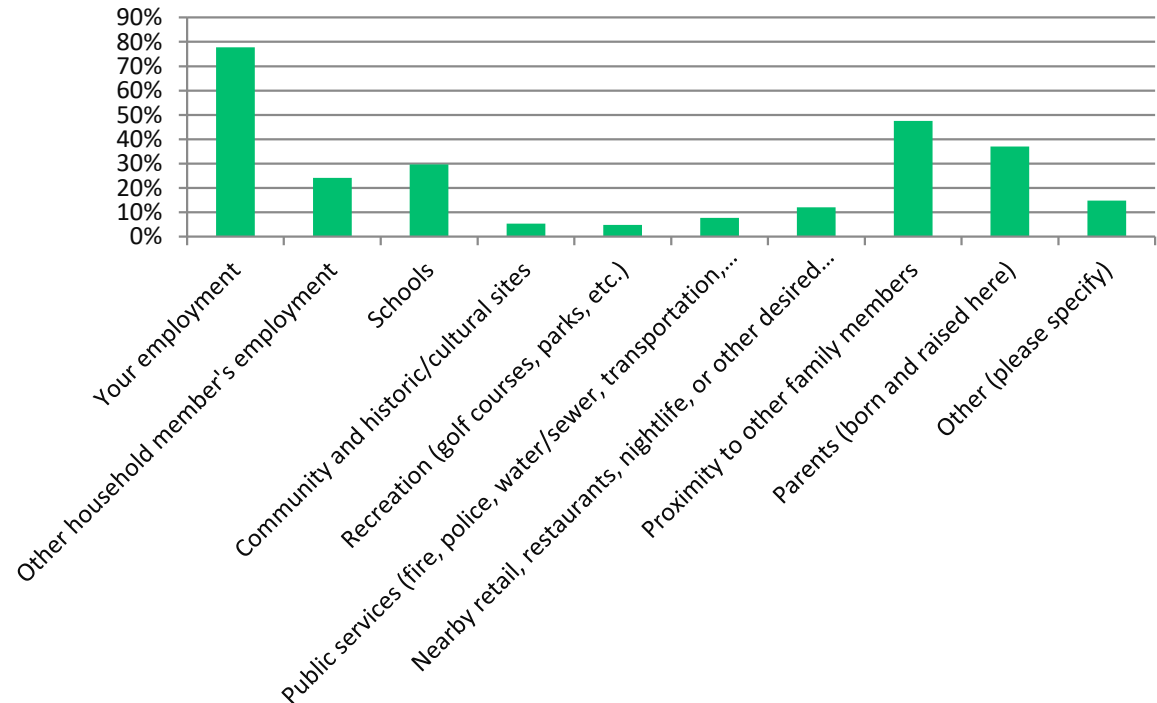


# SURVEY INSIGHTS

Of those respondents who live IN Dalton or Whitfield County:

- The top reason for choosing Dalton/Whitfield County was proximity to employment.
- The next most popular reason was proximity to other family members.
- Community cultural sites, recreation, and public services ranked low in the results.

If you live IN Dalton and/or Whitfield County, please select your top three reasons for choosing to live in your location:

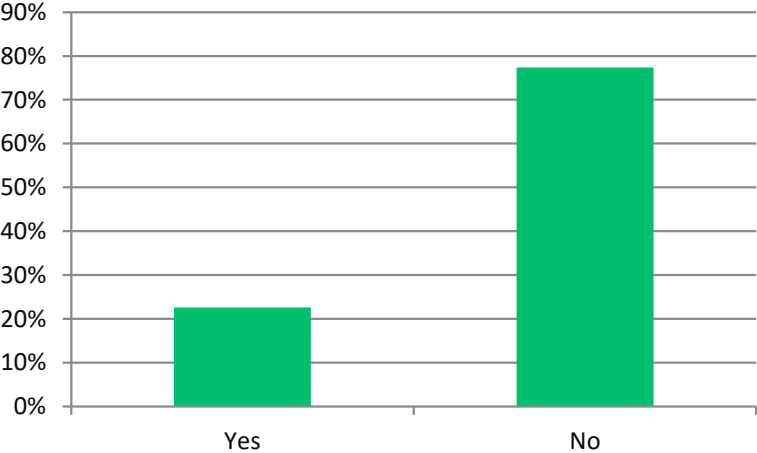


# SURVEY INSIGHTS

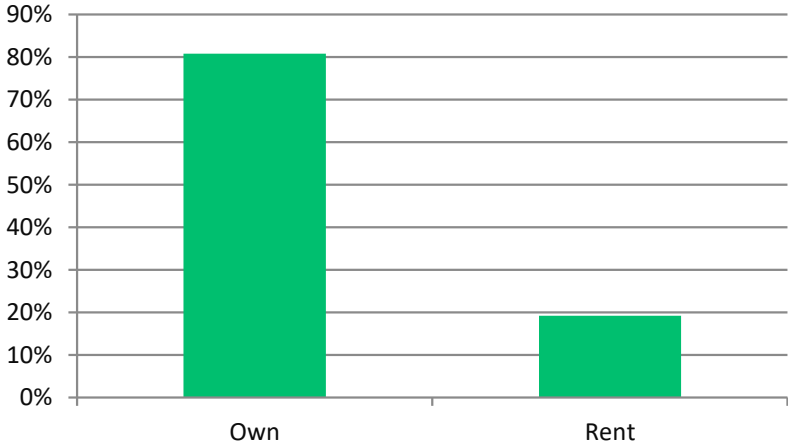
Of those respondents who live IN Dalton or Whitfield County:

- Only 23% plan to change residence in the next 12-18 months.
- Of those, 80% plan to purchase their next home.

Do you plan to change residence in the next 12-18 months?



If you plan to change residence in the next 12-18 months, do you plan to own or rent?



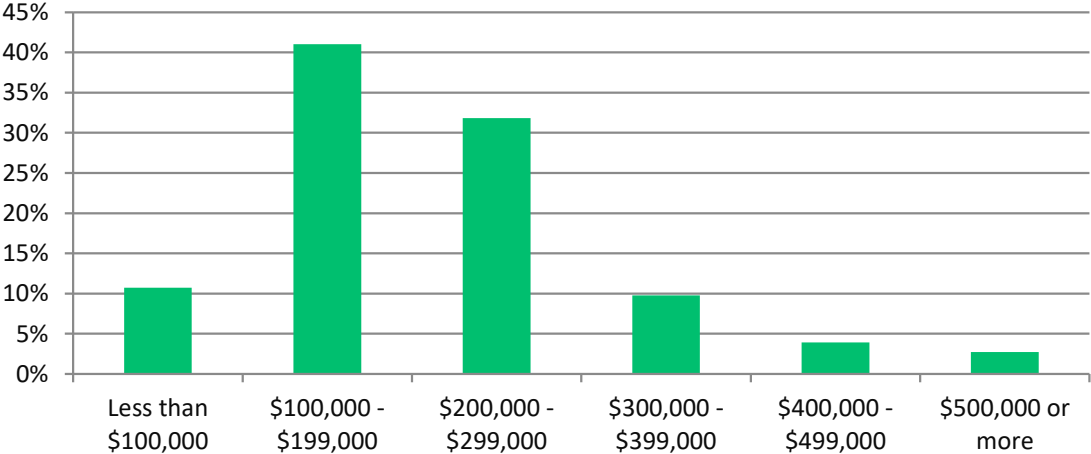


# SURVEY INSIGHTS

Of those respondents who live IN Dalton or Whitfield County:

- Of those who are likely to buy a home in the next 12-18 months:
  - 41% plan to spend \$100-199,000
  - 32% plan to spend \$200-299,000

If you are likely to buy a home in the next 12-18 months, in which price range would you likely purchase?

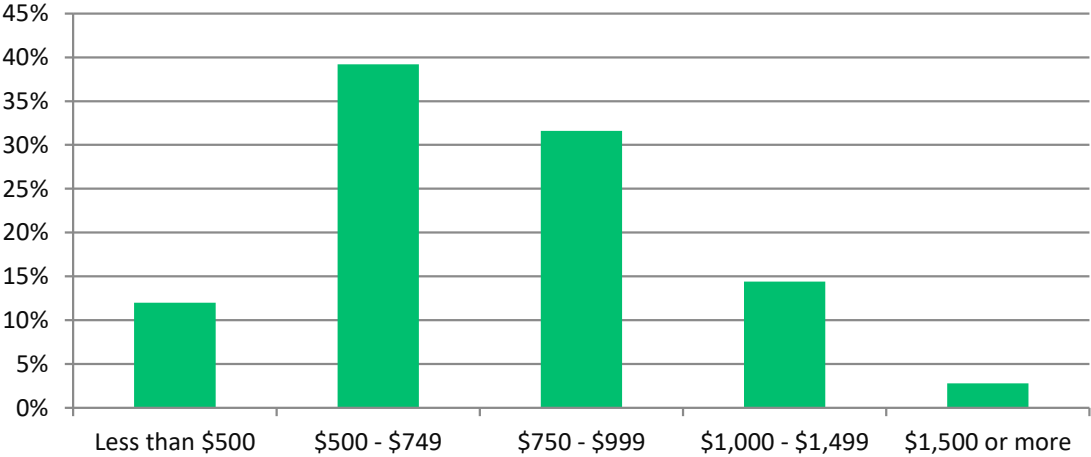


# SURVEY INSIGHTS

Of those respondents who live IN Dalton or Whitfield County:

- Of those who are likely to rent a home in the next 12-18 months:
  - 39% plan to spend \$500 - \$749/month
  - 32% plan to spend \$750 - \$999/month

If you are likely to rent a home in the next 12-18 months, in which price range would you likely pay for rent each month?

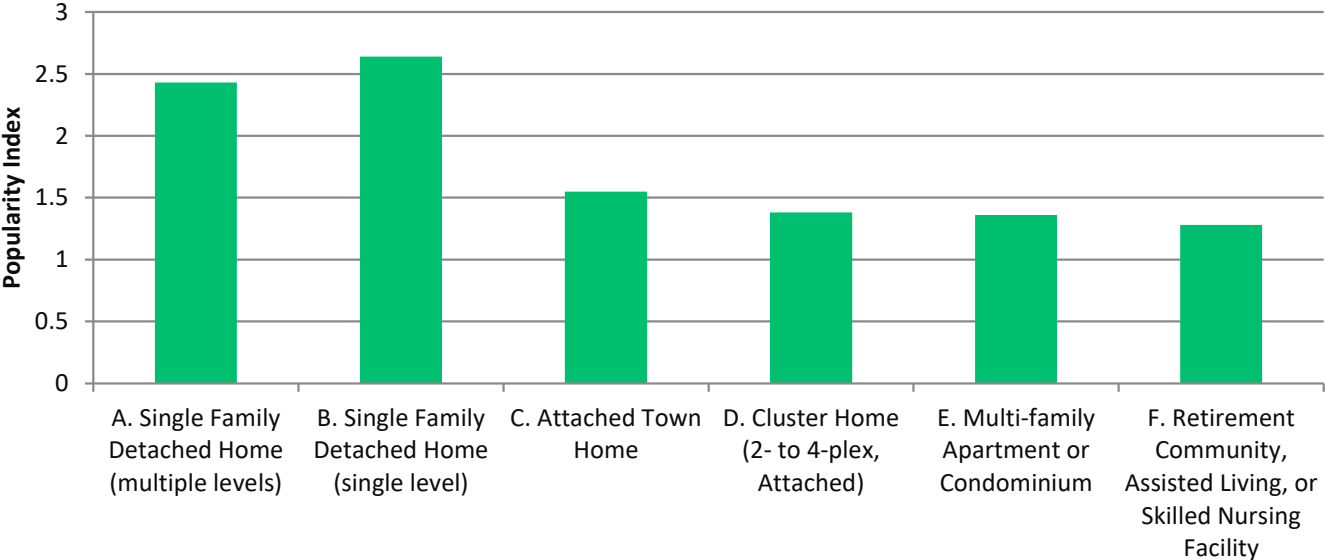


# SURVEY INSIGHTS

Of those respondents who live IN Dalton or Whitfield County:

- Single-family detached homes were the most popular housing type.

Please select the degree to which you may consider another housing type if these options were available within the Dalton and/or Whitfield Co. community.



# SURVEY INSIGHTS

We also heard from respondents who live IN Dalton or Whitfield County:

*What would you most like to see in housing options offered in Dalton?*

- More neighborhoods with community facilities, such as pools and sports courts/fields.
- Affordable starter homes.
- We are currently looking for a home to purchase and houses within our price range (\$150,000-\$210,000) are not frequently available and the ones that are go very quickly.
- Upscale homes for those wanting to downsize, new subdivisions for young families, redevelopment close to downtown for young adults/married couples moving to Dalton.
- Homes that are reasonably priced. Houses in Dalton (not Whitfield County) are extremely overpriced.
- \*Smaller, mid-range priced houses with a community pool. \*Some of the old mill houses re-done and updated. \*Craftsman style houses with walking and bike paths.

*Do you have any other comments for us as we continue this project?*

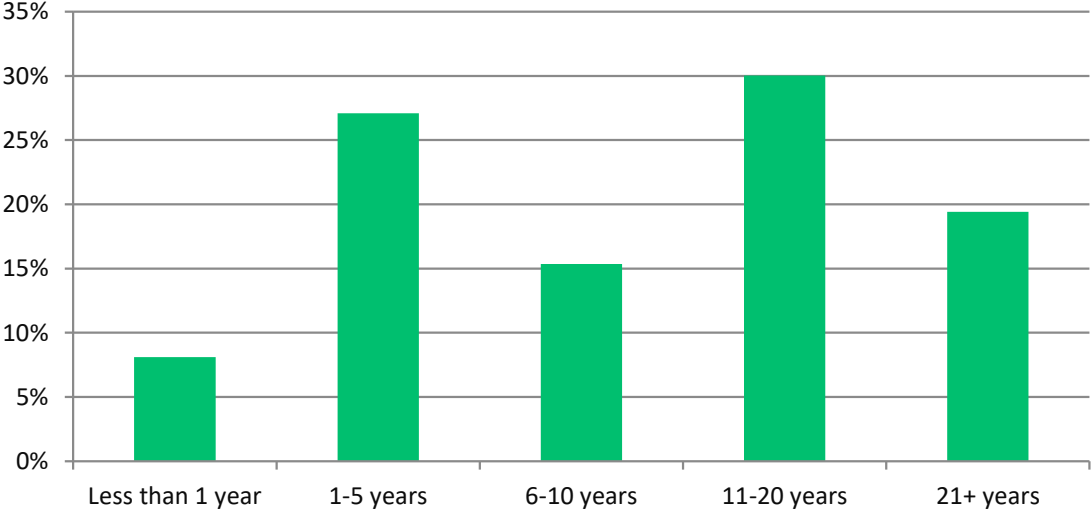
- There seems to be a lack of affordable starter homes. I have two sons in their twenties and it is hard for them to find anything affordable as they are just starting their working careers.
- House in downtown Dalton (w/in the city limits) are overpriced.
- I love this area and feel blessed to have grown up here and raise my kids here. But if I am being honest to be able to find a home that fits my family and budget. I have started looking at surrounding counties and considering paying tuition to keep my kids in there current schools.
- Love the Crown Mill project! Keep up the great work!
- Dalton needs more condos, but not on the bypass/Cleveland Hwy, etc. New housing should be downtown, or in neighborhoods adjacent to downtown. But those developments should be downtown style and not suburban style. Small buildings, not sprawling suburban like complexes.
- The housing isn't the problem. Dalton just doesn't really have much for people in their 20s.

# SURVEY INSIGHTS

Of those respondents who live OUTSIDE Dalton or Whitfield County:

- Almost 50% have lived in the same location for more than 10 years.

### How long have you lived in your current location?

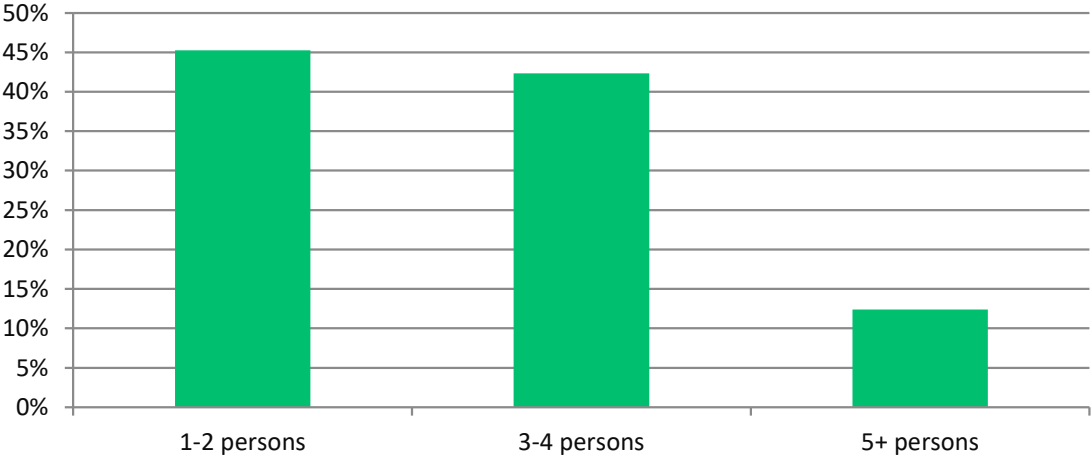


# SURVEY INSIGHTS

Of those respondents who live OUTSIDE Dalton or Whitfield County:

- Households generally range from 1-4 persons.

How many people currently live in your household (including yourself and children):



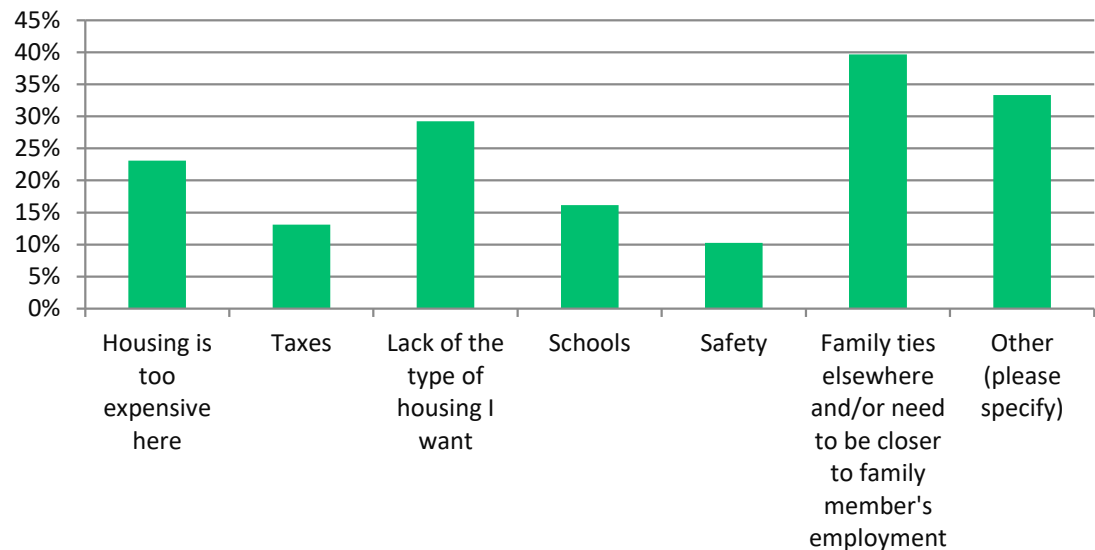


# SURVEY INSIGHTS

Of those respondents who live OUTSIDE Dalton or Whitfield County:

- The top reasons for choosing to live outside of Dalton/Whitfield County were:
  - Family ties elsewhere
  - Lack of the type of housing desired
  - Cost of housing in Dalton/Whitfield
- “Other” responses included:
  - Lack of entertainment, restaurant, and retail options
  - Location near Chattanooga
  - Sense of community
  - Desire to live in a more rural area

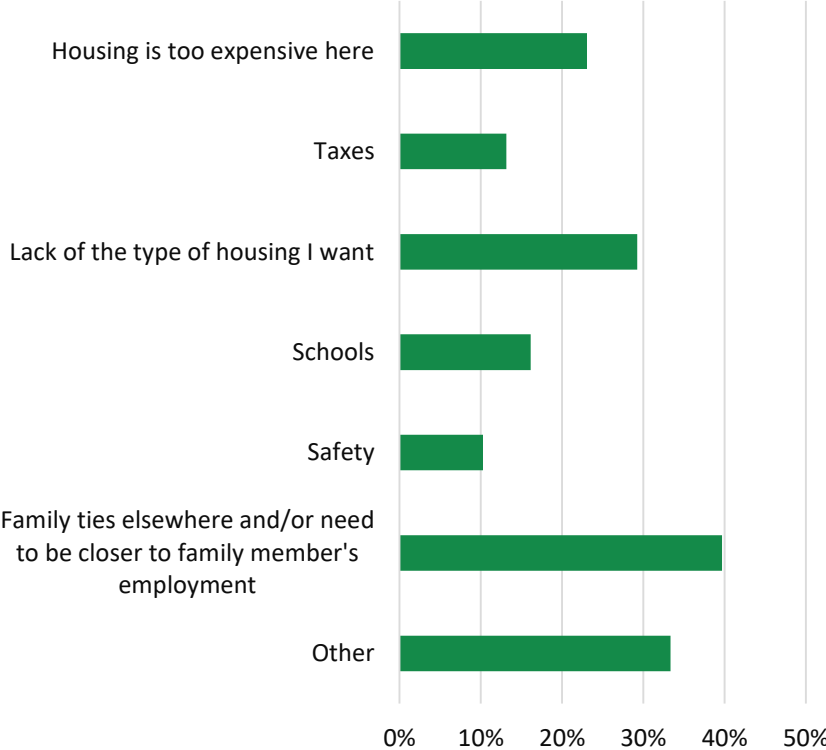
If you live OUTSIDE of Dalton and/or Whitfield County, why do you live OUTSIDE of Dalton and/or Whitfield County? (choose all that apply)



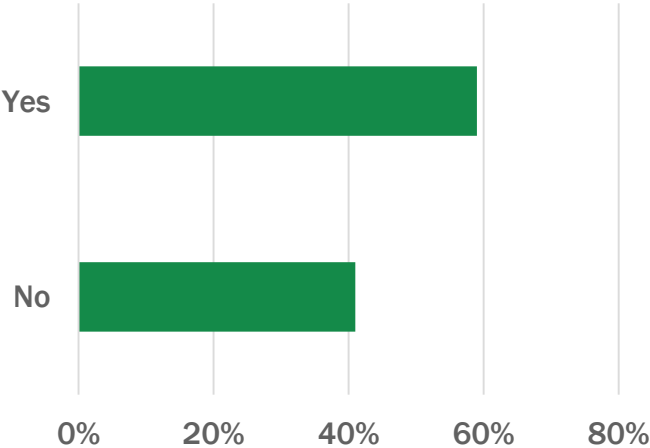
# SURVEY INSIGHTS

Of those respondents who live OUTSIDE Dalton or Whitfield County:

If you live OUTSIDE of Dalton and/or Whitfield County, why do you live OUTSIDE of Dalton and/or Whitfield County? (choose all that apply)



If the reason for living outside of Dalton and/or Whitfield County changed, would you consider moving here?

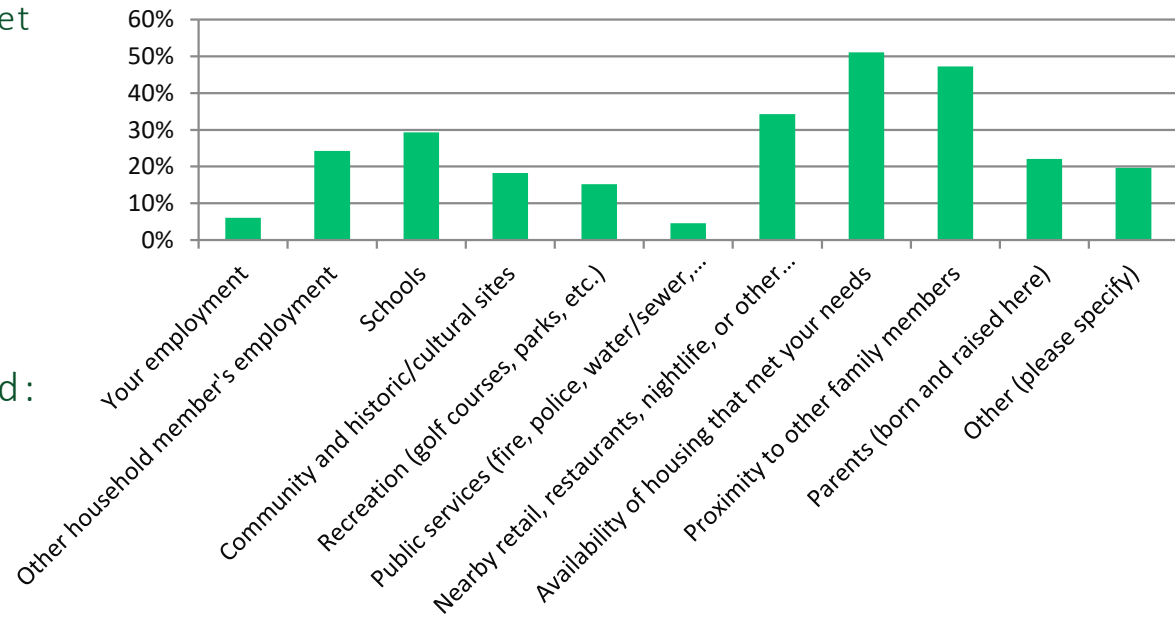


# SURVEY INSIGHTS

Of those respondents who live OUTSIDE Dalton or Whitfield County:

- The top reasons those who live outside Dalton/Whitfield choose their current location:
  - Availability of housing that met their needs
  - Proximity to other family members
  - Nearby retail, restaurants, nightlife, or other desired amenities
- “Other” responses included:
  - Housing costs
  - Taxes
  - Rural location
  - Proximity to church

If you live OUTSIDE of Dalton and/or Whitfield County, please select your top three reasons for choosing to live in your location:

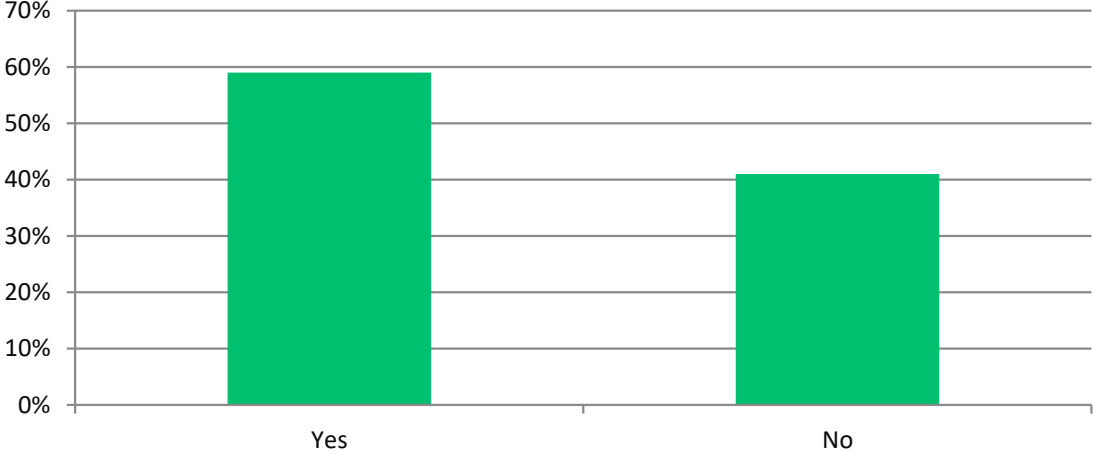


# SURVEY INSIGHTS

Of those respondents who live OUTSIDE Dalton or Whitfield County:

- 59% would consider moving to Dalton/Whitfield County if improvements were made to the reasons they chose another location.

If the reason for living outside of Dalton and/or Whitfield County changed, would you consider moving here?

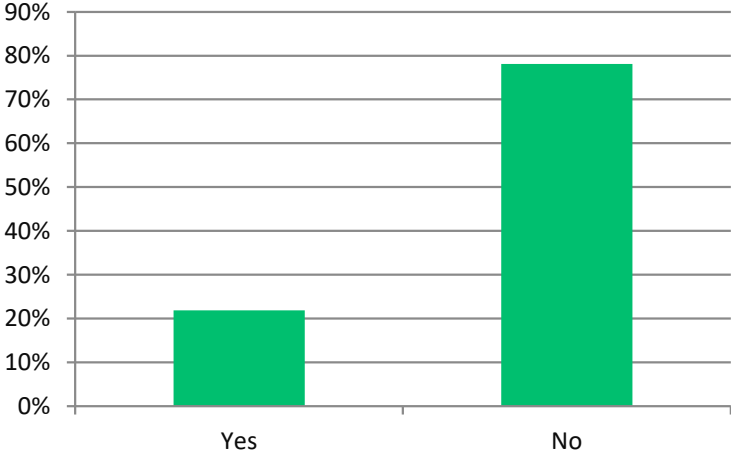


# SURVEY INSIGHTS

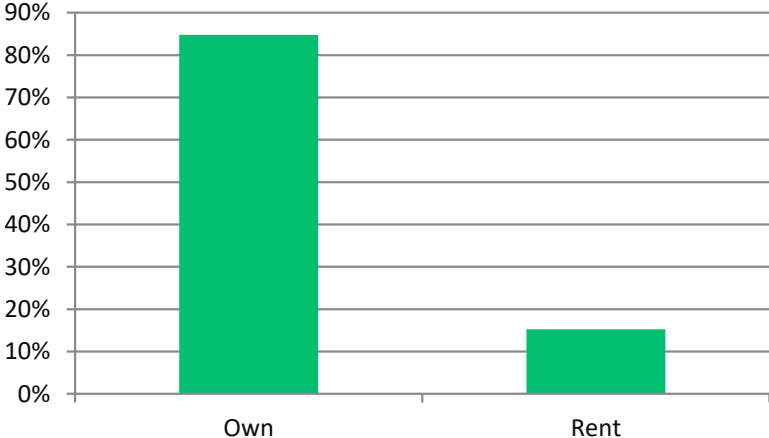
Of those respondents who live OUTSIDE Dalton or Whitfield County:

- Only 22% plan to change residence in the next 12-18 months.
- Of those, 85% plan to purchase their next home.

Do you plan to change residence in the next 12-18 months?



If you plan to change residence in the next 12-18 months, do you plan to own or rent?

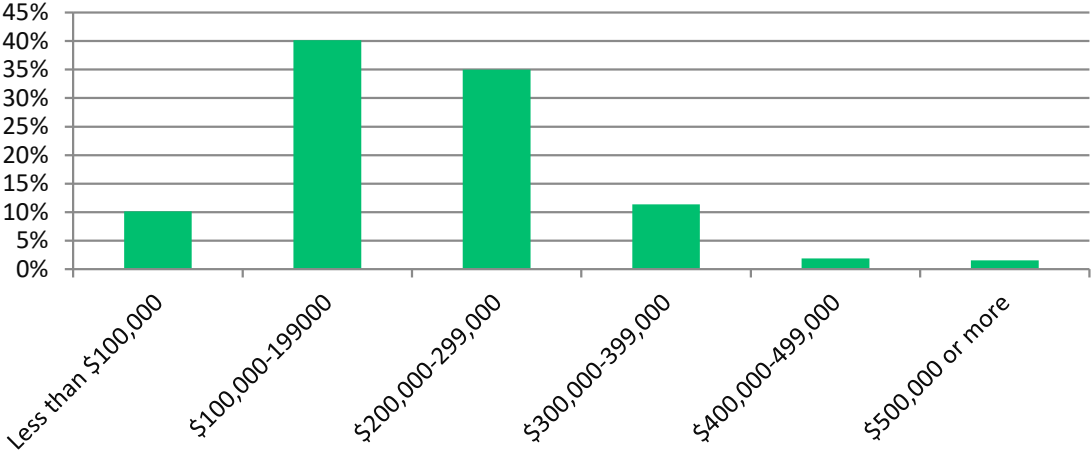


# SURVEY INSIGHTS

Of those respondents who live OUTSIDE Dalton or Whitfield County:

- Of those who plan to purchase a home in the next 12-18 months:
  - 40% plan to spend \$100-199,000
  - 35% plan to spend \$200-299,000

If you are likely to buy a home in the next 12-18 months, in which price range would you likely purchase?



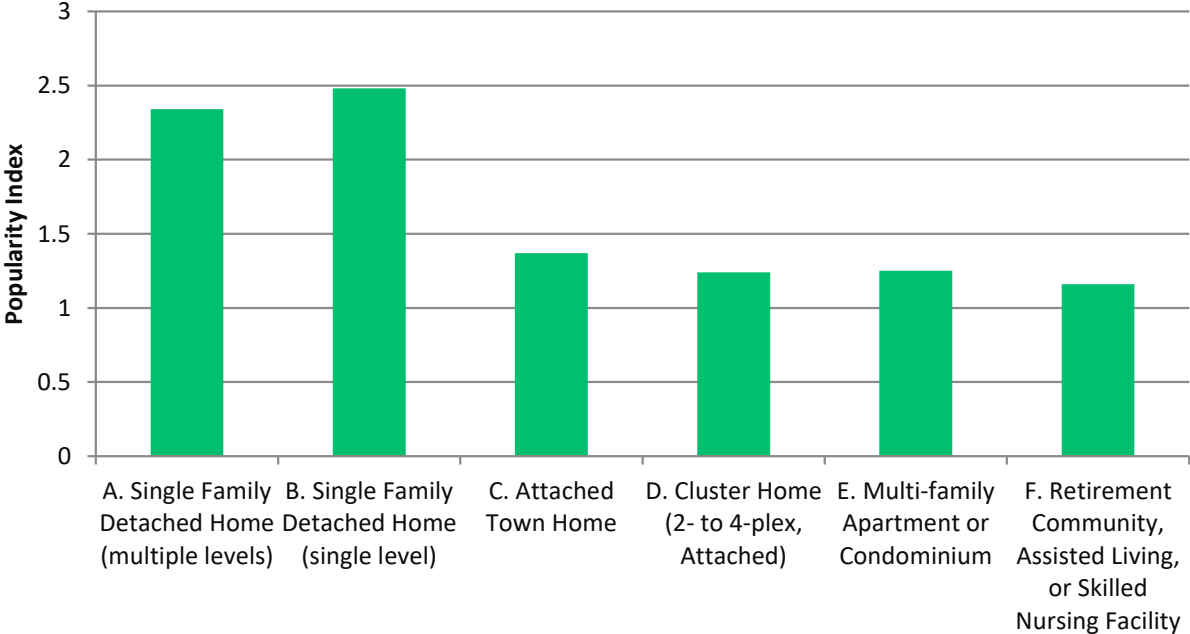


# SURVEY INSIGHTS

Of those respondents who live OUTSIDE Dalton or Whitfield County:

- Single-family detached homes were the most popular housing type.

Please select the degree to which you may consider another housing type if these options were available within the Dalton and/or Whitfield Co. community.



# SURVEY INSIGHTS

We also heard from respondents who live OUTSIDE Dalton or Whitfield County:

*What would you most like to see in housing options offered in Dalton?*

- New houses, new neighborhoods, close enough to the downtown Dalton area.
- More neighbors similar to the Ooltewah area in Hamilton County, TN.
- Luxury apartments (pool, workout facility, etc.).
- Acreage.
- Things seem fine now.
- Some quality apartments.
- More Options at a reasonable price point.
- Gated community with amenities including pool / gym. Newer development with craftsman style homes. Preferably on larger lots!
- New construction, thoughtful floor plans, small lots with nearby neighbors, quality construction materials.
- Cute communities close to town. examples would be Whisper Creek in Windstone.

*Do you have any other comments for us as we continue this project?*

- Change perception from industrial town.
- More shopping, restaurants, and entertainment options would also help.
- Keep up the good work!
- Many Dalton residents travel outside of Dalton to meet their attraction needs, food, shopping, and entertainment.
- Housing is the least of Dalton's problems - it will never appealed the young professionals who can commute from Chattanooga, and those who cannot afford to commute from Chattanooga desperately need the public transit that Dalton lacks.
- I also do not want to buy an old house and have to renovate it.
- More entertainment and social areas are needed. Especially areas that are open right after work.
- It would be good to have some sort of city ordinance for homeowners to keep their homes from falling into disrepair, building/adding to existing buildings, etc, maintaining lawns, and keeping junk/trash picked up.

# FOCUS GROUP INSIGHTS

Bleakly Advisory Group spoke to four focus groups of Dalton employees:

- Employees at Shaw
- Realtors
- Employees at Mohawk
- Future Leaders

## We heard:

Pros	Cons	Ideas for Improvement
-positive changes over past 5 years	-apartments are old	-more housing downtown (for renters, buyers and different incomes)
-schools are good	-lack of social scene to facilitate connections	-more options for activities after 10pm
-downtown is evolving into destination	-tension between community goals and individual property rights	-upscale rental options
-Latino entrepreneurs	-Dalton Utilities...particularly sewer hook up charges as a barrier	-group to purchase and invest in big area (renovations and new build) to spark change. The "Green Hat" would be a good choice.
-rent is lower than Chattanooga	-lack of inventory, lack of price ranges	-build on heritage of Railroad, female entrepreneurs, and carpet
-Brewery	-few dog friendly rental options	-Dalton College to offer Art Major
-good outdoor activities- if you know about them	-not an easy community to infiltrate	-build on the "other side of mountain"
-good option for those with kids	-lack of food shopping options	-fenced dog park downtown
-becoming more walkable/bikeable	-doesn't market itself well	-rebrand old Milltown
-active United Way	-feeling of empty industrial gives unsafe perception	-more shops downtown
-Crown Mill	-no art/design degrees at Dalton State and that is what the carpet industry hires	-more daycares, maybe within carpet firms
-Jobs @ Dalton State, Hospital, Carpet firms	-old generation is negative about change and diversity	-55+ active living complex
-live music downtown	-tension between city and county	-Sidewalks and Streetlights
-many who left for Chattanooga are wanting to move back	-It isn't Chattanooga (lacks its vibrancy, diversity, activities)	-Court outside investors/developers

▶ Bleakly Advisory Group, Inc. is an Atlanta, Georgia based market and economic consulting firm

- ▶ Founded in 2001
- ▶ Six member professional team

▶ Our practice covers six areas in both public and private sectors:

- ▶ Market Analysis
- ▶ Real Estate Economics
- ▶ Development Consulting
- ▶ Financial Analysis
- ▶ Incentives & Public Finance
- ▶ Housing Analysis



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# TERMS AND CONDITIONS

- **Accuracy of Report:** Every reasonable effort has been made to ensure that the data developed in this assignment reflects the most accurate and timely information possible and is believed to be reliable. This consulting assignment is based on estimates, assumptions and other information developed by Bleakly Advisory Group (“BAG”) from its independent research efforts, general industry knowledge and consultations with the client for this assignment and its representatives. No responsibility is assumed for inaccuracies in reporting by the client, its agents or representatives or any other data source used in preparing or presenting this study. The research and reports is based on information that is current as of the date of the report. BAG assumes no responsibility to update the information after the date of the report. The research may contain prospective financial information, estimates or opinions that represent our view of reasonable expectations at a particular point in time, but such information, estimates or opinions are not offered as assurances that a particular outcome will occur. Actual results achieved during the period covered by our prospective analysis may vary from those described on our research and report and variations may be material. Therefore, no warranty or representation is made by BAG that any of the projected values or results contained in the work product from this assignment will actually be achieved.
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