

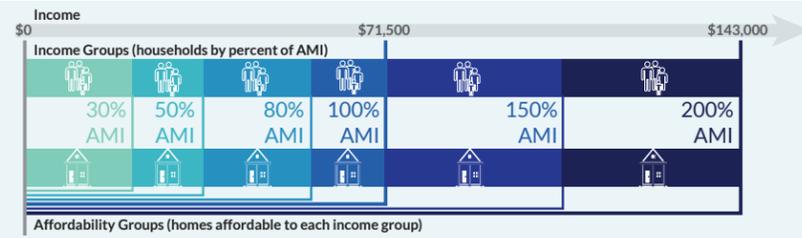
Affordability Gaps

About the Affordability Gap Analysis

Louisville's Area Median Income (AMI) in 2018 was \$71,500 for a family of four. Families with income below this amount have less housing choice because there are fewer housing units that they can afford.

The chart to the right shows six income groups in relation to Louisville's AMI. Homes are *affordable* to an income group if they cost no more than 30% of the group's income. For example, homes in the **50% AMI** affordability group cost 30% of a **50% AMI** household's income.

But a higher income gives families more choice to spend less of that income on housing, so each income group can also afford homes in lower affordability groups: for example, households in the **50% AMI** income group can also afford homes in the **30% AMI** affordability group. A home may be *affordable* but not *available* to an income group if it is occupied by a family who could afford a more expensive home.



The Affordability Gaps for each market area show where there is a shortage of *affordable* and *available* homes for each income group. Citywide, there is a shortage of houses *affordable* and *available* to families in income groups below **100% AMI**.

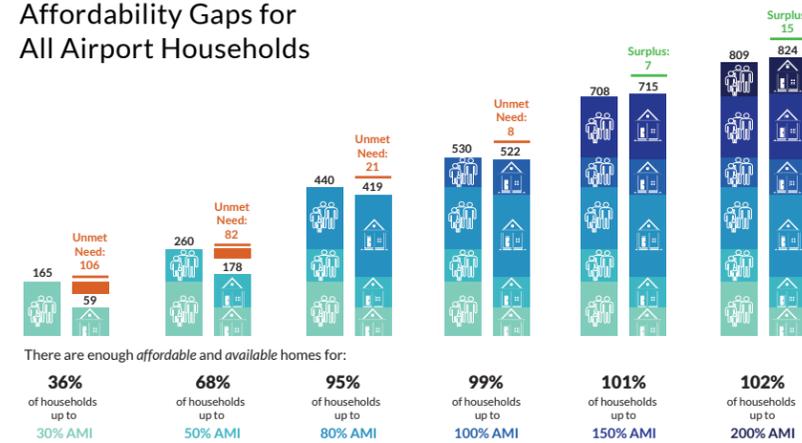
In the Affordability Gap figures below, the **Unmet Need** numbers estimate the total number of additional units that would be needed to close the affordability gap for each income group. Because these numbers are estimates based on sample data, the unmet need for renters and for owners together may not add up to the total unmet need.

Less than a quarter of families in Airport earn **50% AMI** or less, but there are even fewer homes affordable to these low-income families.

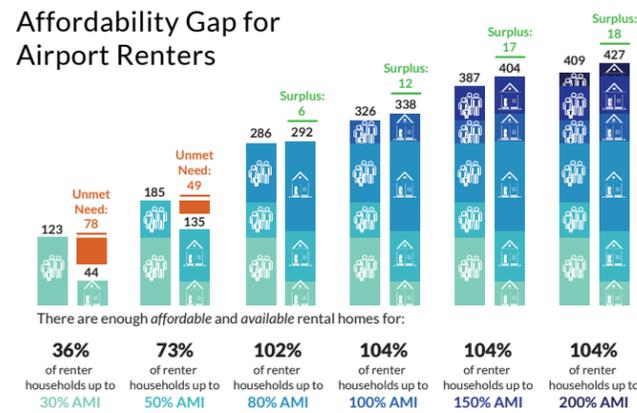
Airport does not have enough affordable and available homes for an estimated 106 of its 30% AMI families and 82 of its 50% AMI families.

This shortage of affordable and available units increases the risk of housing cost burden among Airport families whose income is below **50% AMI**.

Affordability Gaps for All Airport Households

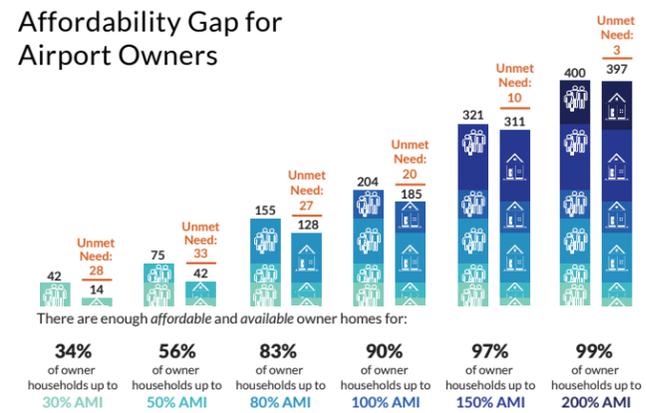


Affordability Gap for Airport Renters



Nearly a third of Airport's renters are in the **30% AMI** income groups, but only ten percent of homes are affordable and available to them. The shortage creates a gap for **50% AMI** families as well.

Affordability Gap for Airport Owners



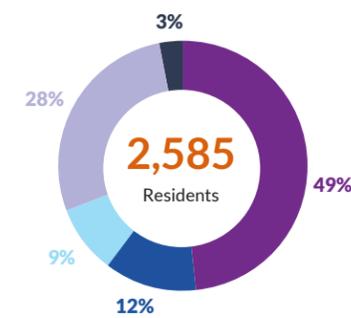
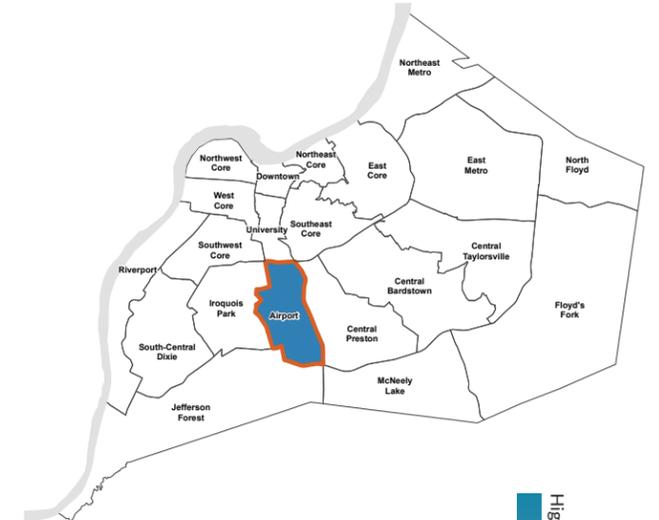
There are very few owners with income below **50% AMI** in Airport, but the market area's supply of homes meets the needs of only a fraction of these low-income owners.

Louisville Housing Needs Assessment - Housing Market Area Profiles

AIRPORT

Urban Neighborhoods: Southland Park, Highland Park

Census tracts: 91.03, 119.01, 9801



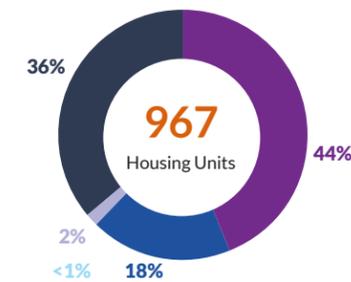
Race & Ethnicity

- White
- Black/African American
- Asian
- Latinx
- Other

Median Household Income

\$29,538

Louisville Median **\$50,099**



Housing Type

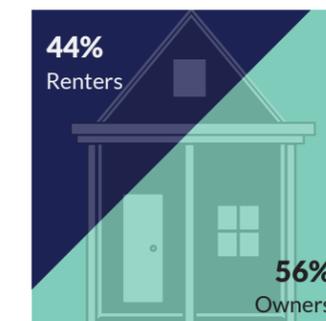
- Single Family Detached (425)
- Multifamily (177)
- Single Family Attached (2)
- Duplex (15)
- Manufactured (348)

Cost Burden



Households who spend **more than 30%** and **more than 50%** of income on housing

Tenure



Median Gross Rent

\$616

Louisville Median **\$770**



Median Home Value

\$52,190

Louisville Median **\$174,400**



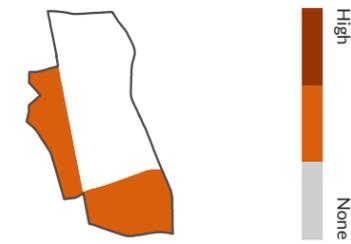
Airport has very few housing units and residents, but its access to key resources is relatively low. There has been minimal residential construction in the past four years, and a significant portion of the housing stock is in mobile homes. There are no affordable assisted units. Relative to the city as a whole, the demographic makeup of the market area is racially and ethnically diverse.

Residents in Airport are fairly well distributed across the low- and moderate-income spectrum; the majority earn 150% of AMI or less. The median rent and housing value are significantly lower than the median in Louisville, but the median household income is lower as well. Rates of cost burden are higher than Louisville's rates. Rates of homeownership are especially low for the lowest income households. Housing strategies should focus on leveraging the market area's proximity to jobs, especially those in or near the airport itself, to create high quality, affordable housing opportunities for workers.

Potential Strategies

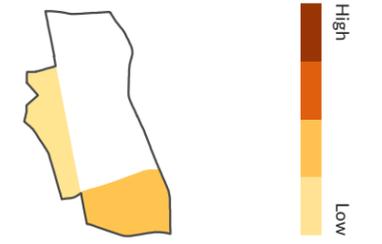
- Provide code lien amnesty and housing rehabilitation to low-income homeowners and to buyers of houses from the Landbank Authority.
- Allow financing of a Renter Equity Program under LAHTF to allow tenants to build equity while renting a unit.
- Adopt a proactive systematic code enforcement program for rentals.
- Foster the establishment of Employer-Assisted Homebuyer Programs.
- Dedicate a funding source to sustain affordable housing initiatives and extend the period of affordability on housing projects that are financed with LMG or LAHTF funds to a maximum period that is commensurate with other funding sources on the project.
- Make ground leases on City-owned land available for the development of private market-rate and affordable housing units.
- Reduce parking requirements for affordable housing developments located in close proximity to public transit.
- Require visitability accessibility standards on all new homes.
- Establish a Cool Roofs, Cool Asphalt, & Tree Planting pilot program.
- Partner with a community lender to provide working capital loans to people of color and women who provide construction services.

Vulnerability to Displacement

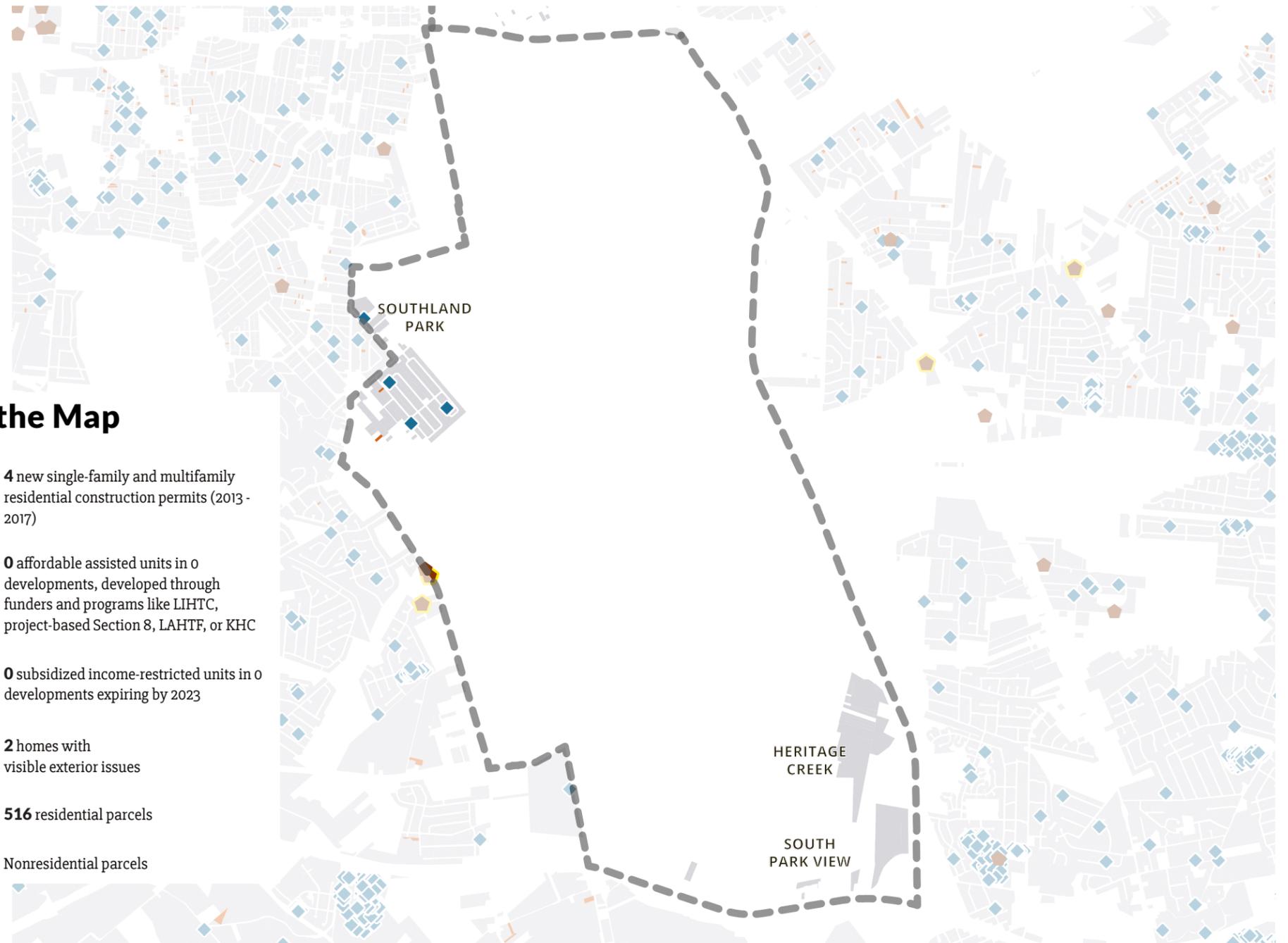


All Airport neighborhoods have **moderate vulnerability** to residential displacement due to development pressure.

Neighborhood Opportunity



Airport residents have **relatively low access** to key resources like jobs, stable housing, transit, and health hazard mitigation.



On the Map

- ◆ 4 new single-family and multifamily residential construction permits (2013 - 2017)
- ▮ 0 affordable assisted units in 0 developments, developed through funders and programs like LIHTC, project-based Section 8, LAHTF, or KHC
- ▮ 0 subsidized income-restricted units in 0 developments expiring by 2023
- 2 homes with visible exterior issues
- 516 residential parcels
- Nonresidential parcels