

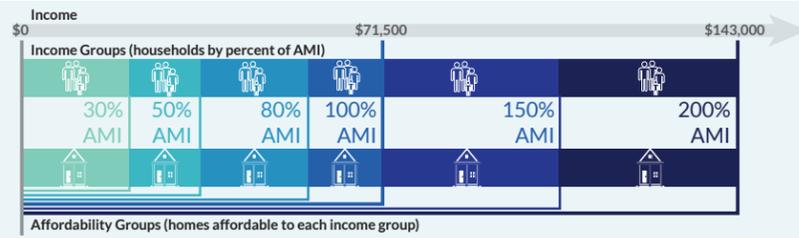
# Affordability Gaps

## 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**.

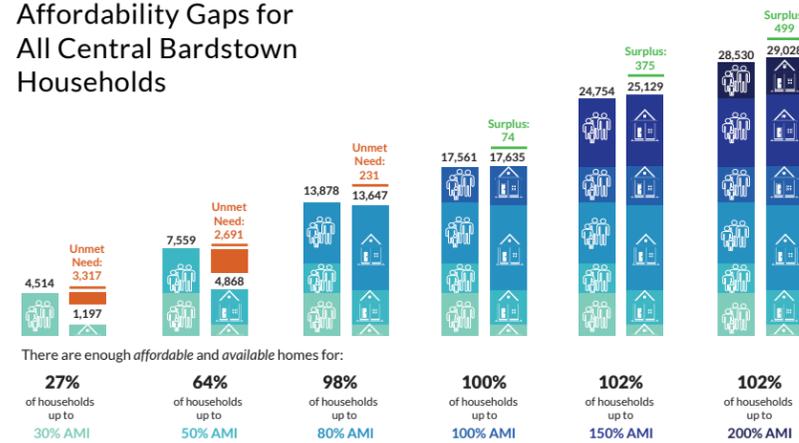
In the Affordability Gap figures below, the **Unmet Need** numbers estimate the total number of additional units that would be needed to close the affordability gap for each income group. Because these numbers are estimates based on sample data, the unmet need for renters and for owners together may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

A little over a quarter of families in Central Bardstown earn **50% AMI** or less, but only 16 percent of homes are affordable to these low-income families.

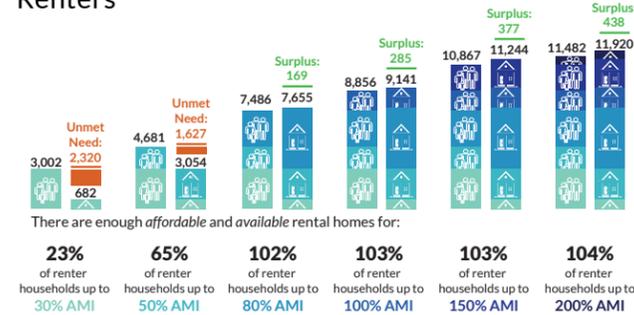
**Central Bardstown does not have enough affordable and available homes for an estimated 3,317 of its 30% AMI families and 2,691 of its 50% AMI families.**

This shortage of affordable and available units makes it difficult for Louisville families whose income is below **50% AMI** to find a home in Central Bardstown.

## Affordability Gaps for All Central Bardstown Households

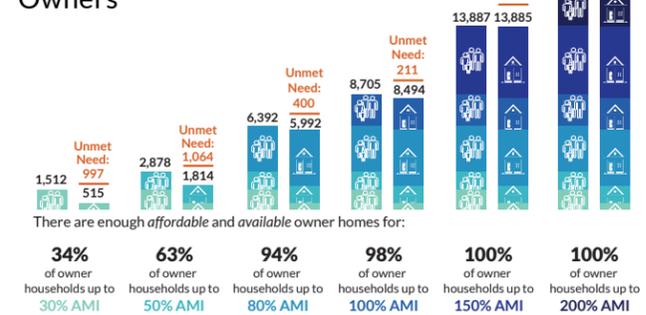


## Affordability Gap for Central Bardstown Renters



Central Bardstown's renters tend to be in the lowest income groups, but the housing stock leaves a significant affordability gap for **30% AMI** and **50% AMI** renters.

## Affordability Gap for Central Bardstown Owners



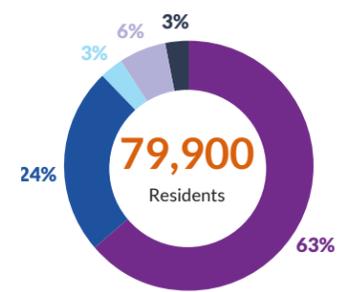
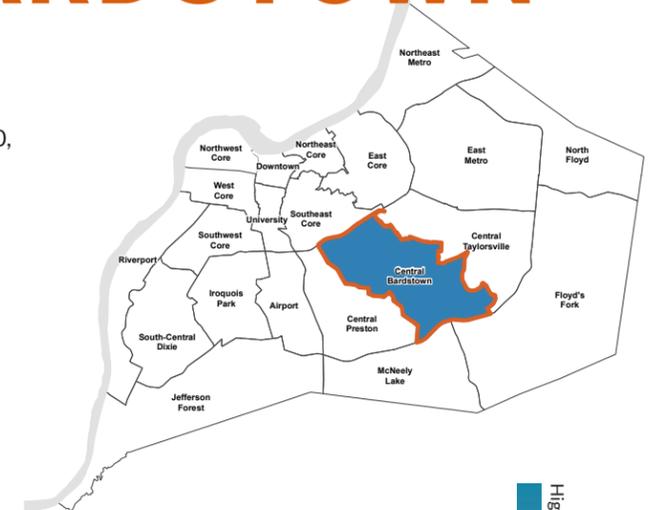
There are few owners with income below **50% AMI** in Central Bardstown, but the market area's supply of homes meets the needs of only a fraction of these low-income owners.

# Louisville Housing Needs Assessment - Housing Market Area Profiles

## CENTRAL BARDSTOWN

Urban Neighborhoods: Bon Air, Klondike, Bashford Manor

Census tracts: 109.01, 110.02, 110.03, 110.05, 111.09, 111.10, 111.13, 111.14, 112, 113.01, 113.02, 115.06, 115.08, 115.09, 115.15, 115.16, 115.19



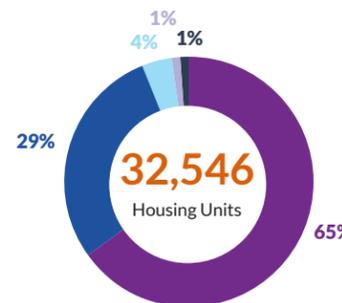
### Race & Ethnicity

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

### Median Household Income

**\$52,123**

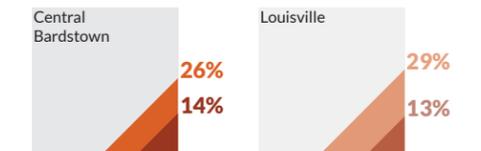
Louisville Median **\$50,099**



### Housing Type

- Single Family Detached (21,040)
- Multifamily (9,516)
- Single Family Attached (1,410)
- Duplex (330)
- Manufactured (250)

### Cost Burden



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

### Tenure



### Median Gross Rent

**\$772**

Louisville Median **\$770**



### Median Home Value

**\$149,478**

Louisville Median **\$174,400**



**Central Bardstown** has relatively high access to key resources and few homes in need of repair, though low opportunity and houses with exterior problems are more common in the northwest of the market area. There has been plentiful residential construction in the past four years, especially in the area's southern half. Affordable assisted units are primarily located near Bardstown Road, and 16 percent of these units will lose their period of affordability within the next five years without intervention.

Central Bardstown is notable for its relatively diverse mix of income groups and racial/ethnic groups. The median rent and housing value are comparable to the median in Louisville, but the rate of cost burden is slightly lower than the citywide rate. However, there is a significant housing affordability gap for the lowest-income households in Central Bardstown, especially low-income renters. Housing strategies should focus on leveraging the market area's active housing market to protect and promote the ability for diverse residents to thrive in Central Bardstown.

## Potential Strategies

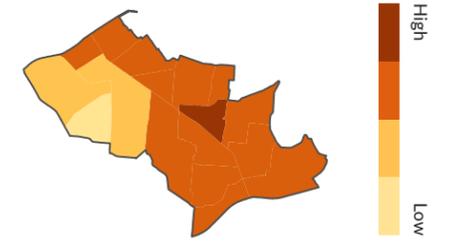
- Dedicate a funding source to sustain affordable housing initiatives.
- Make ground leases on city-owned land available for private development through long-term leases for the construction of market-rate and affordable housing units.
- Provide code lien amnesty and housing rehabilitation to low-income homeowners and to buyers of houses from the Landbank Authority.
- Allow financing of Renter Equity Programs.
- Foster the establishment of Employer-Assisted Homebuyer Programs.
- Establish a Landlord Mitigation Fund for LMHA's Housing Choice Voucher Program that covers lengthy vacancies or extensive damages caused by renters.
- Expand the use of the Low Income Housing Tax Credit Program through a Mixed-Income Initiative.
- Use an Exclusionary Taxing Program for developers who create a specified number of affordable units within a market-rate development to spur the creation of new affordable units.
- Use an inclusionary housing ordinance that requires a specified percentage of units to be made available as affordable in exchange for increased density.
- 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.
- Require visitability accessibility standards on all new homes.

### Vulnerability to Displacement



Most of Central Bardstown has **no vulnerability** to residential displacement due to development pressure, though there is some vulnerability near Bashford Manor.

### Neighborhood Opportunity



Most Central Bardstown residents have **relatively high access** to key resources like jobs, stable housing, transit, and health hazard mitigation.

## On the Map

- ◆ **2,322** new single-family and multifamily residential construction permits (2013 - 2017)
- **567** affordable assisted units in 18 developments, developed through funders and programs like LIHTC, project-based Section 8, LAHTF, or KHC
- ⬠ **92** subsidized income-restricted units in 4 developments expiring by 2023
- **42** homes with visible exterior issues
- **24,055** residential parcels
- Nonresidential parcels

