

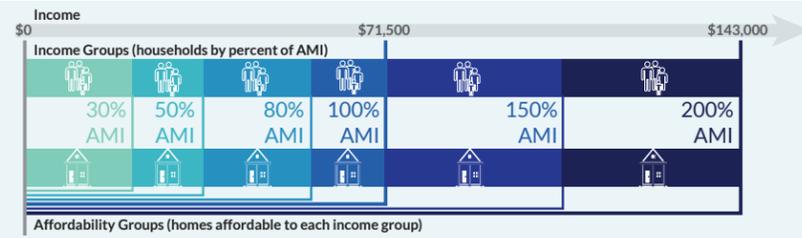
Affordability Gaps

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**.

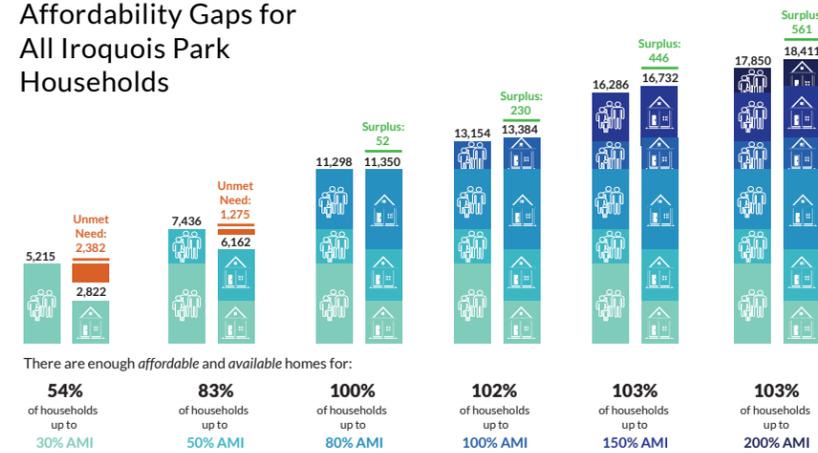
In the Affordability Gap figures below, the **Unmet Need** numbers estimate the total number of additional units that would be needed to close the affordability gap for each income group. Because these numbers are estimates based on sample data, the unmet need for renters and for owners together may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

Almost 30 percent of all families in Iroquois Park earn **30% AMI** or less, but only 15 percent of all homes are affordable and available to these families.

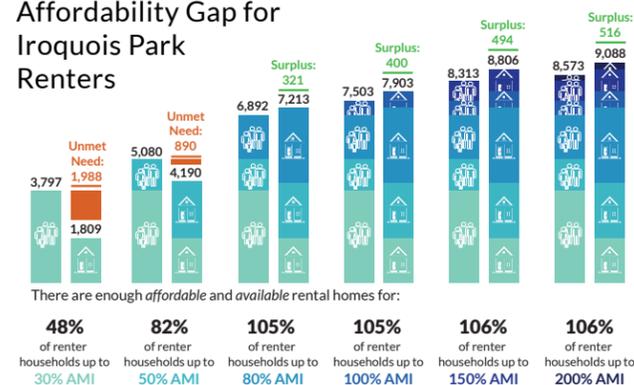
This shortage of affordable and available units for the lowest income group creates an affordability gap that also impacts **50% AMI** households.

Iroquois Park does not have enough affordable and available homes for an estimated 2,382 of its 30% AMI families and 1,275 of its 50% AMI families.

Affordability Gaps for All Iroquois Park Households

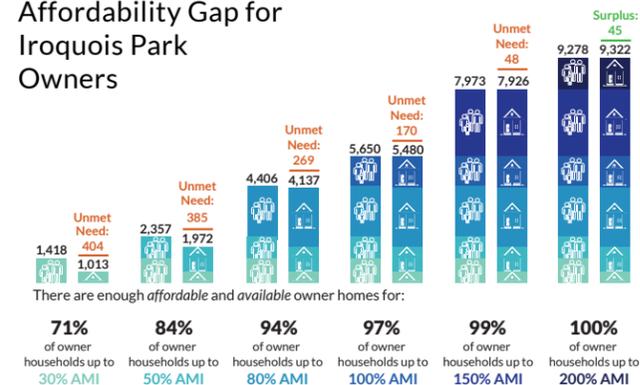


Affordability Gap for Iroquois Park Renters



Almost 60 percent of Iroquois Park renters earn **50% AMI** or less, but the affordability gap is most significant for renters in the two lowest income groups.

Affordability Gap for Iroquois Park Owners



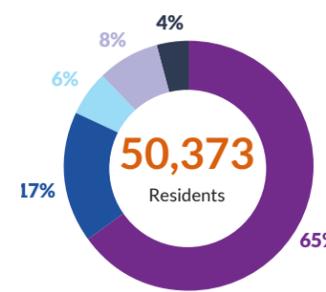
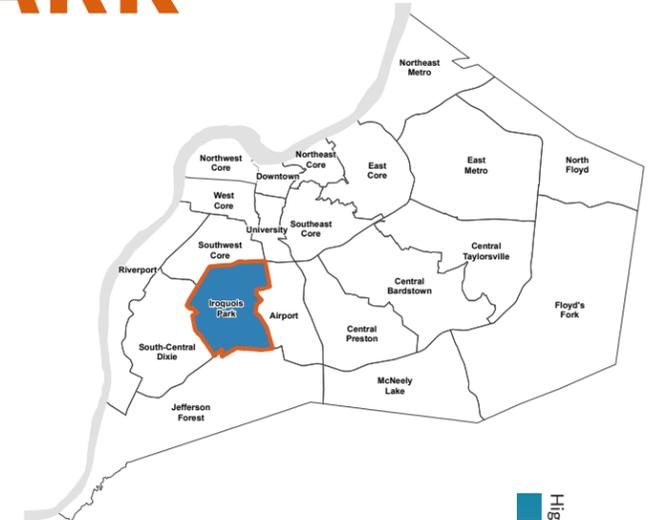
Though there is a slight affordability gap in almost every income group, the affordability gap for owners in Iroquois Park is generally smaller than it is in most of Louisville's market areas.

Louisville Housing Needs Assessment - Housing Market Area Profiles

IROQUOIS PARK

Urban Neighborhoods: Beechmont, Hazelwood, Cloverleaf, Southside, Iroquois, Kenwood Hill, Auberdale

Census tracts: 43.02, 44, 45, 46, 56, 90, 91.05, 91.06, 122.02, 122.04, 123.01, 123.02



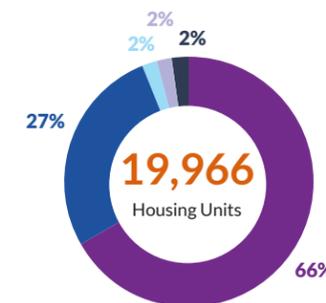
Race & Ethnicity

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

Median Household Income

\$41,856

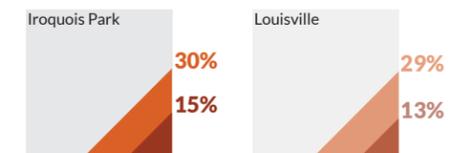
Louisville Median **\$50,099**



Housing Type

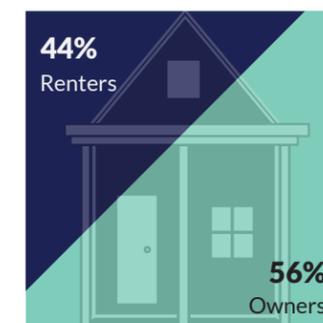
- Single Family Detached (13,175)
- Multifamily (5,366)
- Single Family Attached (483)
- Duplex (497)
- Manufactured (445)

Cost Burden



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

Tenure



Median Gross Rent

\$729

Louisville Median **\$770**



Median Home Value

\$123,657

Louisville Median **\$174,400**



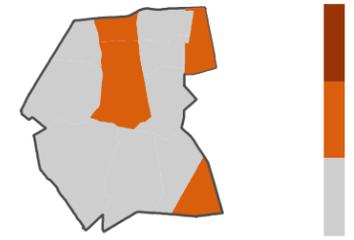
Iroquois Park has decent access to key resources and a relatively low proportion of homes in need of repair. There has been a moderate amount of residential construction in the past four years, especially in Hazelwood and on the west side of the market area. There are relatively few affordable assisted units, and 15 percent of them will lose their period of affordability within the next five years without intervention.

Iroquois Park's median rent and housing value are slightly lower than the Louisville median, resulting in a relatively diverse mix of household incomes; the market area's median income is just under that of the city. The cost burden rate is slightly above Louisville's rate. However, there remains a housing affordability gap for the lowest-income households in Iroquois Park, particularly renters. Housing strategies should seek to amplify the diversity of the market area by creating new affordable opportunities while bolstering quality of life for current residents.

Potential Strategies

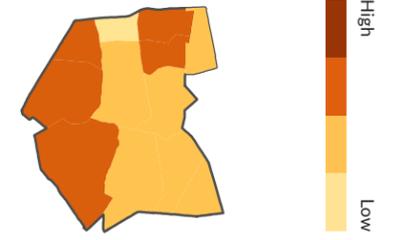
- Freeze real estate property taxes for long-term homeowners and continue to advocate for an end to the sale of delinquent tax bills.
- Provide code lien amnesty and housing rehabilitation to low-income homeowners and to buyers of houses from the Landbank Authority.
- Allow financing of Renter Equity Programs.
- Foster the establishment of Employer-Assisted Homebuyer Programs.
- Work with partner organizations to provide a combination mortgage/rehabilitation product for homes requiring improvements.
- 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

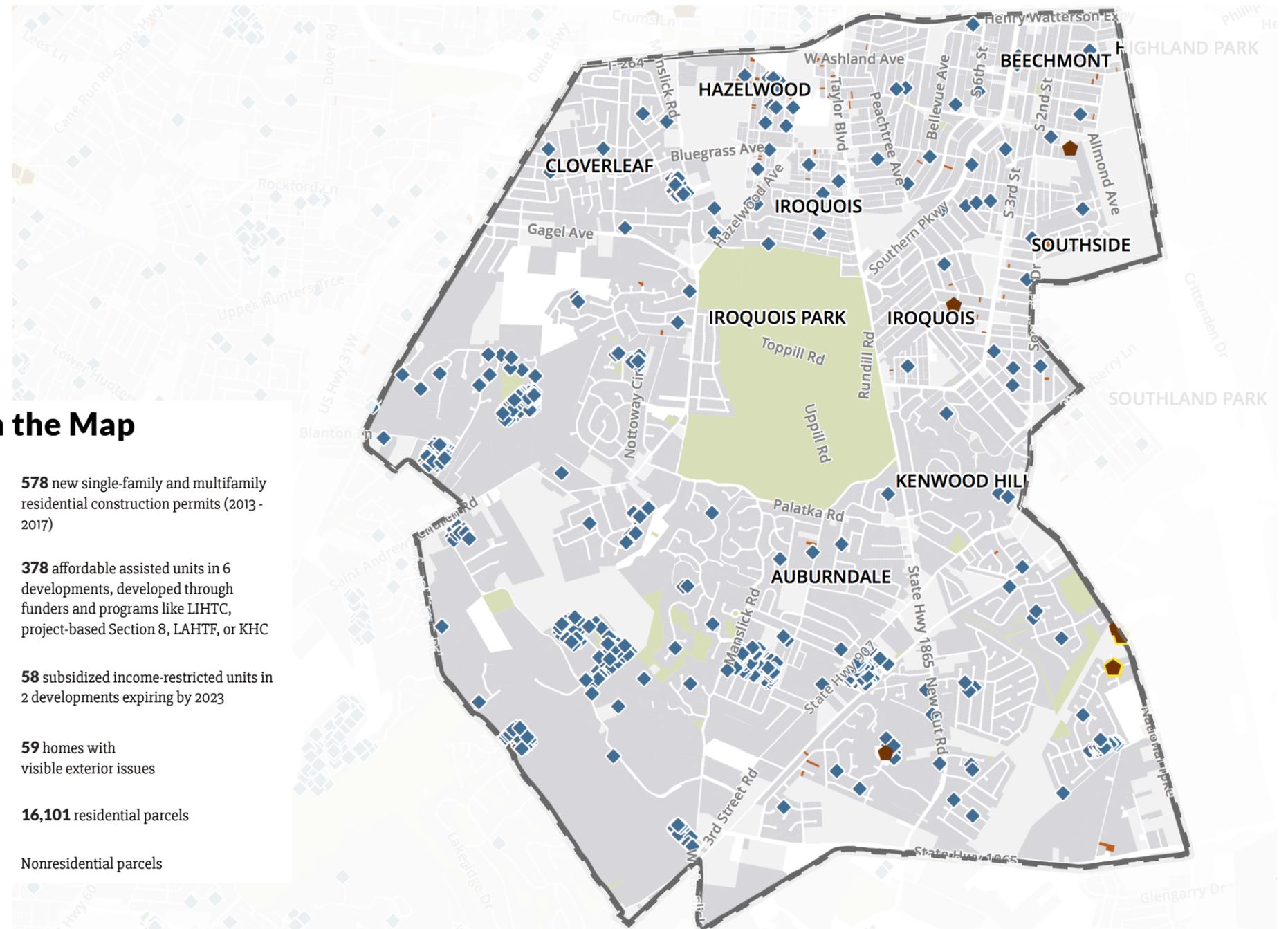


Some parts of Iroquois Park, including Hazelwood, Iroquois, and Beechmont, have **moderate vulnerability** to residential displacement due to development pressure.

Neighborhood Opportunity



Iroquois Park residents have **low to moderate access** to key resources like jobs, stable housing, transit, and health hazard mitigation.



On the Map

- ◆ **578** new single-family and multifamily residential construction permits (2013 - 2017)
- ◆ **378** affordable assisted units in 6 developments, developed through funders and programs like LIHTC, project-based Section 8, LAHTF, or KHC
- ◆ **58** subsidized income-restricted units in 2 developments expiring by 2023
- ◆ **59** homes with visible exterior issues
- ◆ **16,101** residential parcels
- ◆ Nonresidential parcels