

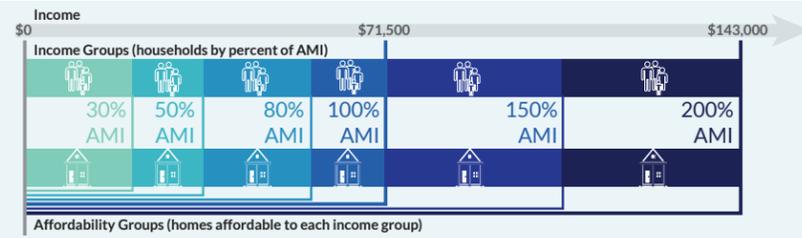
# Affordability Gaps

## 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**.

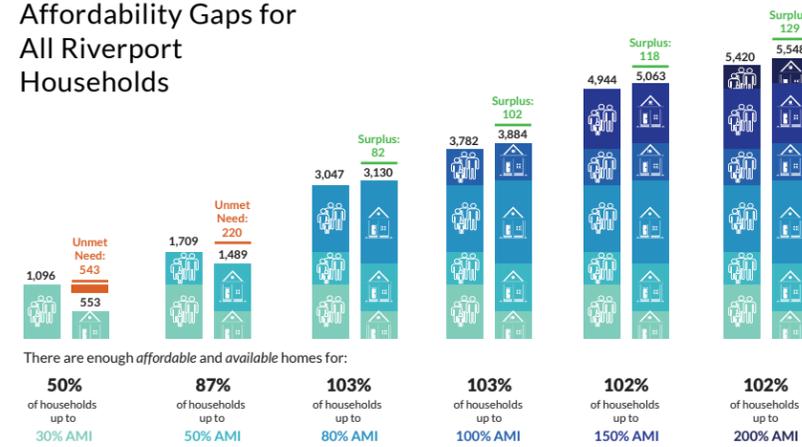
In the Affordability Gap figures below, the **Unmet Need** numbers estimate the total number of additional units that would be needed to close the affordability gap for each income group. Because these numbers are estimates based on sample data, the unmet need for renters and for owners together may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

Around 20 percent of all families in Riverport earn **30% AMI** or less, but less than ten percent of all homes are affordable and available to these families.

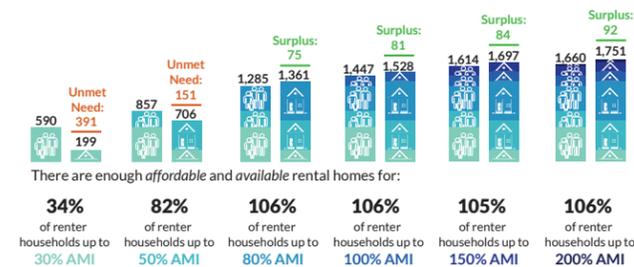
This shortage of affordable and available units for the lowest income group creates an affordability gap that also impacts **50% AMI** households.

**Riverport does not have enough affordable and available homes for an estimated 543 of its 30% AMI families and 220 of its 50% AMI families.**

## Affordability Gaps for All Riverport Households

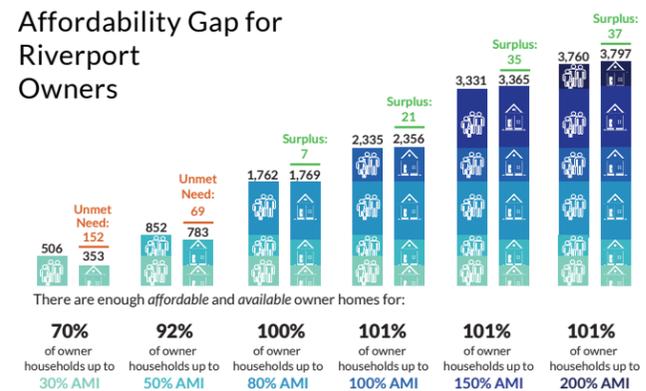


## Affordability Gap for Riverport Renters



There are relatively few renters in Riverport, but about half earn **50% AMI** or less. The housing stock falls short of meeting the needs of renters in the two lowest income groups.

## Affordability Gap for Riverport Owners

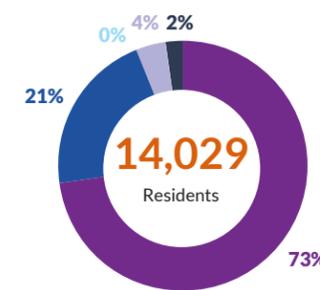
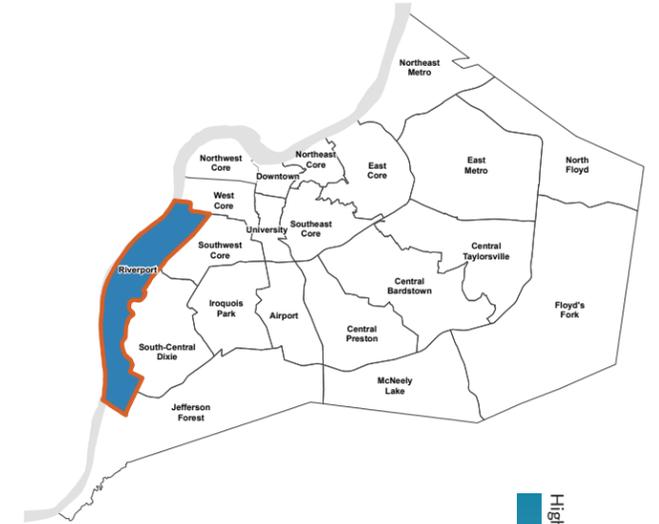


The housing supply meets demand fairly well for Riverport owners, though there remains a notable affordability gap for the lowest income homeowners.

# Louisville Housing Needs Assessment - Housing Market Area Profiles

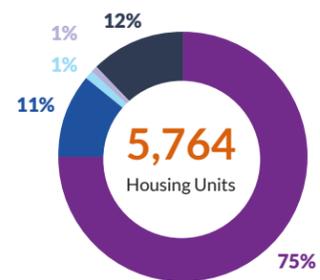
## RIVERPORT

Census tracts: 121.03, 127.02, 127.03



### Race & Ethnicity

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



### Housing Type

- Single Family Detached (4,339)
- Multifamily (646)
- Single Family Attached (31)
- Duplex (85)
- Manufactured (663)

### Median Household Income

**\$44,513**

Louisville Median  
**\$50,099**



### Cost Burden

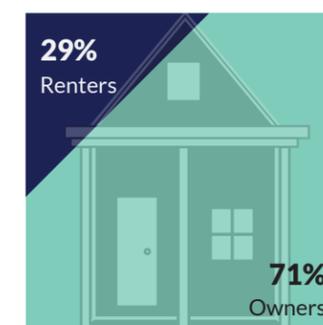


Households who spend **more than 30%** and **more than 50%** of income on housing

### Median Gross Rent

**\$733**

Louisville Median  
**\$770**



### Median Home Value

**\$103,717**

Louisville Median  
**\$174,400**



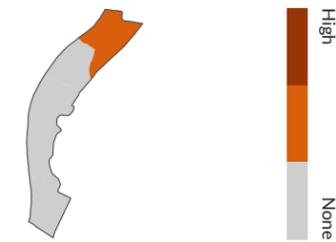
**Riverport** has relatively low access to key resources and a moderate amount of homes in need of repair or demolition. Residential construction in the past four years has been particularly concentrated along Cane Run Road. Nearly half of the market area's affordable assisted units, which are also located along Cane Run Road, will lose their period of affordability within the next five years without intervention.

Riverport households are fairly well distributed across the income spectrum. The median gross rent is slightly lower than Louisville's median, and the median home value is much lower than that of Louisville. A relatively high proportion of the housing stock is in mobile homes. The rate of cost burden is lower in Riverport than in the city as a whole, and the market area's housing affordability gaps are relatively small. 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

- 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.
- 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



Most of Riverport has **no vulnerability** to residential displacement due to development pressure, with some moderate vulnerability closer to the downtown.

### Neighborhood Opportunity



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

