

THE WORKER AND THE MUNICIPALITY: BARRIERS IN HOUSING FOR
WORKFORCE RURAL RESIDENTS

BY

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(Under the Direction of Stephen J. Ramos)

ABSTRACT

This research focuses on the integration of workforce housing in the city of Madison, Georgia, and how the city works to break down barriers in their housing stock using state, private, and federal resources. The questions addressed with this research are: why is affordable housing so hard for rural workforce individuals to obtain, and how can opportunities for workforce housing be created?

Using case studies and an examination of publicly available housing resources, it is discovered through this research that housing in rural areas is hard to obtain because there is a lack of housing stock that is affordable, safe, and decent.

Opportunities for rural workforce housing creation can come from engaging the public, changing zoning, using different funding sources, and being mindful of available space in rural areas.

INDEX WORDS: Rural, Workforce Housing, Affordable Housing, Missing Middle, Housing Stock, Government, Funding

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DEDICATION

Dedicated to my parents, my brothers, Grandma and Granddaddy PetePete, my uncles, my partner, my committee, the City of Madison, and the ones who remind me of why I am doing this.

I pray everyone has a roof over their head when they sleep at night.

TABLE OF CONTENTS

ACKNOWLEDGEMENTS	iv
LIST OF TABLES	vii
LIST OF FIGURES	viii
CHAPTER	
1 INTRODUCTION AND LITERATURE REVIEW	1
i. Purpose of The Study	1
ii. The Right to Housing	2
iii. The Financialization of Housing	7
iv. A History of Workforce Housing	10
v. What is Workforce Housing?	15
vi. Differentiating Rural Georgia from Urban Georgia	17
vii. Case Studies.....	18
2 STUDY AREA	23
3 METHODOLOGY	29
4 FINDINGS.....	30
i. The Issue at Hand	30
1. Building Social Capital	31
2. Changes to Zoning	36
3. Absence of Developable Land.....	40
4. Lack of Funding	42
5 CONCLUSION	53

i.	Discussion	53
ii.	Further Considerations	55
BIBLIOGRAPHY		57

LIST OF TABLES

	PAGE
Table 1	51

LIST OF FIGURES

	PAGE
Figure 1	24
Figure 2	26
Figure 3	27

CHAPTER 1

INTRODUCTION & LITERATURE REVIEW

Purpose of the Study

Access to affordable, accessible, and safe housing has decreased across the United States, and this is seen especially in rural areas. In a report done by the Housing Assistance Council, approximately 25 million of the 116 million occupied housing units in the United States are in rural areas. Of this 25 million, 1.5 million are considered moderately or severely substandard, and on top of this, 50% of rural residents are considered to be cost burdened by their housing, meaning that they have housing expenses that are more than half of their income ¹.

As the population of the United States rapidly diversifies along the lines of age, income, and race, it is becoming a glaring problem that housing stock has not kept pace with demographic changes, and many areas are long overdue for the development of affordable workforce housing. The need for housing outside of detached single-family homes has created a demand that is much greater than the supply in most areas across the country. This demand becomes even more pronounced in rural spaces across the United States.

There are unique issues in the housing crisis in rural versus urban areas. Homeownership rates in rural areas are much higher than those in urban areas, and the tenure of homeownership is much higher, but in rural areas, there is little land left for further development, and rent as well as home prices continue to skyrocket as wages remain stagnant. In rural areas, residents have a higher rate of their housing expenses being more than a third of their income, and they suffer from wages that are often much lower than those in urban areas. There is also little room for

¹ National Rural Housing Coalition. "Housing Need in Rural America."

anything outside of homeownership in these areas, as rental options are slim, or even nonexistent². In this paper, both rental and owned homes will be discussed, but both types of dwelling have their advantages and disadvantages. The key point being communicated with this paper is that scarcity exists in all housing types in rural areas.

For this thesis, affordable housing in rural areas is the focus, but the lack of access to affordable housing exists in all populations. To understand and grasp this issue, the literature review must begin by looking at what is causing the lack of affordable home construction, and why this issue is so concentrated in rural areas. Then, solutions must be found for those issues through the various avenues provided both by the government as well as other agencies to create access to housing for all income levels.

The Right to Housing

Maslow's Hierarchy of Needs, a commonly used tool by psychologists, was created in 1943 by psychologist Abraham Maslow. This hierarchy, often depicted as a pyramid, this hierarchy lists our basic needs as humans, with the ones most needed for survival on the bottom. Food, water, and shelter are listed as some of our most basic needs on that bottom level, and safety is just one tier up³. While shelter does not have to be a house, many people would relate the human need for shelter to some kind of secure dwelling, and pair that with the safety of knowing that you will not be forcibly removed from your home. Some individuals have taken this even further, and stated that humans have a right to housing, and a right to adequate housing, within this.

² Housing Assistance Council. "Housing in Rural America."

³ Trivedi, Anjanaben J. "Maslow's Hierarchy of Needs - Theory of Human Motivation." *International Journal of Research in all Subjects in Multi Languages* 7, no. 6 (June 2019): 38-41.

There have been numerous references to the right to housing in the U.S., such as Franklin Roosevelt’s “Second Bill of Rights,” where he includes the right to a decent home in 1944⁴. Following this, the United States created the Universal Declaration of Human Rights (UDHR), a declaration that acknowledges an adequate standard of living as another human right. Since then, almost every state in the United States has created some form of acknowledgement of the rights associated with adequate housing.

The right to housing is a right that is recognized by the United Nations as well, and there are a few freedoms they highlight as a part of this right. They are as follows:

- A. “Protection against forced evictions and the arbitrary destruction and demolition of one’s home;
- B. The right to be free from arbitrary interference with one’s home, privacy, and family; and
- C. The right to choose one’s residence, to determine where to live and to freedom of movement.”⁵

A large part of the UN’s focus is on adequate housing, and there are a few rights that come with their definition of adequate housing. They are:

- A. “Security of tenure: Housing is not adequate if its occupants do not have a degree of tenure security which guarantees legal protection against forced evictions, harassment, and other threats.

⁴ Tars, Eric. “Chapter 1: Introduction.” In *Advocates’ Guide 2020: A Primer on Federal Affordable Housing & Community Development Programs*, 12-15. Washington, D.C.: National Low Income Housing Coalition, 2020.

⁵ United Nations. “The human right to adequate housing - Special Rapporteur on the right to adequate housing.”

- B. Availability of services, materials, facilities, and infrastructure: Housing is not adequate if its occupants do not have safe drinking water, adequate sanitation, energy for cooking, heating, lighting, food storage or refuse disposal.
- C. Affordability: Housing is not adequate if its cost threatens or compromises the occupants' enjoyment of other human rights.
- D. Habitability: Housing is not adequate if it does not guarantee physical safety or provide adequate space, as well as protection against the cold, damp, heat, rain, wind, other threats to health and structural hazards.
- E. Accessibility: Housing is not adequate if the specific needs of disadvantaged and marginalized groups are not taken into account.
- F. Location: Housing is not adequate if it is cut off from employment opportunities, health-care services, schools, childcare centres, and other social facilities, or if located in polluted or dangerous areas.
- G. Cultural adequacy: Housing is not adequate if it does not respect and take into account the expression of cultural identity.”⁶

While all these pillars play a role in rural areas, the underlined rights are most threatened when it comes to adequate housing in rural Georgia.

Starting with affordability, it is a widespread issue that people are unable to afford housing almost anywhere in the United States. This problem is exacerbated in rural areas due to their lack of stock and investment from developers who build affordable workforce housing. People in rural spaces are often more cost burdened than those in urban areas, leaving them with

⁶ United Nations. “The human right to adequate housing - Special Rapporteur on the right to adequate housing.”

less money for other needs or wants, such as childcare or healthcare⁷. When affordable housing is created or found, it can often be at risk of being lost just as quickly, which goes with the security of tenure. Manufactured homes, often called mobile homes, are a common type of affordable housing in rural areas. In America, there are over 2.3 million households in mobile home parks (often referred to as trailer parks)⁸. Many mobile home parks are closing across the U.S. due to their large usages of land that could be repurposed for homes or apartments with much higher density and more revenue. Many people in these parks worry about where they will go if this occurs in their places of residence, because mobile homes are a popular source of affordable housing in rural areas⁹.

Next, an adequate home must be accessible. As the populations in rural areas also become older, there is a concern among residents about how they will age, and where they will go when their homes become unnavigable. Rural areas also struggle with their access to infrastructure. The U.S. Department of Transportation states that 68 % of roads in the U.S. run through rural areas, but they have the most issues with road maintenance. There is a lack of variety when it comes to transportation choice, and with one in three rural Americans living with a disability, the importance of transportation choice to access needed facilities becomes extra imperative¹⁰. The Federal Communications Commission found that 14.5 million people in the U.S. struggle with access to broadband internet, and many of these people live in rural areas across the country¹¹. 30% of the housing units in the U.S. without hot or cold-water access are in

⁷ Housing Assistance Council. "Housing in Rural America."

⁸ Housing Assistance Council. "Housing in Rural America."

⁹ Housing Assistance Council. "Housing in Rural America."

¹⁰ U.S. Department of Transportation. "The Critical Role of Rural Communities in the U.S. Transportation System."

¹¹ Federal Communications Commission. "Fourteenth Broadband Deployment Report." January 19, 2021

rural small towns¹². Infrastructure in rural areas makes the development of housing challenging because people who are dependent on certain types of infrastructure may have to move away from their rural homes to gain access to what they need.

Location ties heavily into access. The United Nations states that housing is not adequate if the housing cuts off opportunities for childcare (often called childcare deserts, which occur in 63% of rural census tracts)¹³, employment, and healthcare (the U.S. estimates a shortage of over 20,000 physicians in rural areas)¹⁴. Access to these services is a huge issue across rural America, and it is valid to consider them when developing housing, but that is not to say that people who live further away from these things do not deserve housing. The focus should be on how rural towns can ensure that these services are provided in their areas in tandem with affordable housing.

Finally, cultural adequacy is another part of rural housing. Rural towns commonly maintain historic building stock, and pride themselves on “small town character.” When housing is developed in cities, the visuals and aesthetics often look vastly different from how it would look in a rural town. Maintaining a small-town feel is especially important to the residents of rural areas, and it can be a reason affordable housing measures get curbed. In Athens, a larger city in Georgia but one surrounded by many smaller rural municipalities, the Board of Commissioners often faces criticism from residents and local news stations for their lack of

¹² National Rural Housing Coalition. “Housing Need in Rural America.”

¹³ National Advisory Committee on Rural Health and Human Services. *Childcare Need and Availability in Rural Areas: Policy Brief and Recommendations to the Secretary*. NACRHHS, 2023.

¹⁴ Nielson, Marci, Darrin D’Agostino, and Paula Gregory. “. Addressing Rural Health Challenges Head On.” *Mo Med* 114, no. 5 (Sep-Oct 2017): 363-366.

approval of affordable housing units¹⁵, and this is a common story across rural America. While there can be many reasons for why a housing development does not pass a commission vote, appearance and density are often two reasons.

The right to adequate housing is limited in the U.S. due to the commodification and financialization of housing. When housing becomes commodified, the rights associated with it take a back seat, as the price tag attached to it becomes more important than someone's access to one of their basic human rights and needs.

The Financialization of Housing

With the arrival of the second World War, and America's economy being one that thrives on wartime economics, making housing a commodity meant a boom in the consumer sector. By making housing a commodity, President Herbert Hoover was able to make all the things needed in a home a commodity as well as well. With an increase in the number of homes, came an increase in the need for refrigerators, vacuum cleaners, and washing machines. There are all things that needed workers to manufacture them and people to buy them, funding the American economy. Paired with the invention of the automobile and its rapid production and distribution in the early 20th century, higher class workers no longer had to reside where they worked, and it became a race to invest in neighborhoods outside of the city¹⁶. The perfect formula for the financialization of housing emerged, along with the creation of the suburbs.

To understand financialization, commodification must first be understood.

Commodification occurs when the money/value of something becomes more important than its

¹⁵ Dowd, Chris. "Commissioners Hear Criticism Over Lack of Action on Affordable Housing." Flagpole. October 22, 2022

¹⁶ Madden, David, and Peter Marcuse. *In Defense of Housing: The Politics of Crisis*. London: Verso, 2016.

need. This occurs in housing often, where the real estate market takes over in an area. When the value of shelter, safety, and security, things that are seemingly priceless, have a price determined by landlords, real estate agents, developers, banks, and bureaucrats, it can create issues in access to a need, and led to that need becoming a luxury. When this happens, access to a home becomes based on one's ability to pay for the home, which then clashes with the right to housing, as one's ability to pay their home expenses might disappear, but they still need a home. David Madden states that “the ability to pay is unequal, while the need for a place to live is universal”¹⁷. In our current century, there is no alternative to commodified housing in the United States.

Financialization occurs when a common good is turned into a commodity and becomes a vessel for investment and the holding of wealth, instead of a necessity^{18 19}. Financialization is an exacerbated form of commodification, and part of why this is so harmful is the fact that it forces those who own their homes to depend on the appreciation in value of their homes and the land in order to achieve their own sense of financial security²⁰, which can then pit homeowners and those seeking homeownership or those in rental properties against each other, when they are actually in the same battle to achieve safe, decent, and affordable housing.

There are also a few economic conditions that are created when financialization occurs. The following is a breakdown of each of those conditions and how they relate to affordable housing. First is diminishing returns, which occurs when the money invested in a good is more

¹⁷ Madden, David, and Peter Marcuse. *In Defense of Housing: The Politics of Crisis*. London: Verso, 2016.

¹⁸ United Nations. “The human right to adequate housing - Special Rapporteur on the right to adequate housing.”

¹⁹ Madden, David, and Peter Marcuse. *In Defense of Housing: The Politics of Crisis*. London: Verso, 2016.

²⁰ Fu, Samantha, and Gabi Velasco. *Decommodification and Its Role in Advancing Housing Justice*. Washington D.C., The Urban Institute, 2023

than what greater than what is returned. This happens often over a certain amount of time, as production costs may go up, and other market factors begin to affect a good. To relate it back to housing, if there are too many single-family homes built in an area that needs more than one housing option, there will be diminishing returns as single-family homes go unoccupied. While many homes do not go unoccupied in rural Georgia, in a tight housing market they typically get purchased and turned into rental properties. This also creates an increase in the demand for variable housing types as it becomes scarcer since individuals with no interest in living in a single-family home possess fewer options²¹. Typical kinds of missing housing types, like duplexes and small apartment homes, are not commonly available in rural spaces, pushing individuals out of their desired areas for residence and creating a higher cost in rental units. Frederick does admit that it can be hard to know exactly what mix of housing diversity an area needs, but it is the responsibility of the representatives in rural towns to find what that mix looks like based on the needs of their community.

Redundancy is the availability of substitutes in the market²². Applied to housing, if there is too much of one type of housing (single family units for example), and there is not an adequate substitute (i.e., duplexes, apartment homes), it pushes away a potential homebuyer or renter. The reverse can also be true, in that if there is not enough single-family housing in an area where that is what the consumers desire, it can lead to friction in the market and the migration of individuals outside of the area, with scarcity driving the price for a home higher.

²¹ Frederick, Chad. "Economic Sustainability and 'Missing Middle Housing: Associations between Housing Stock Diversity and Unemployment in Mid-Size U.S. Cities. Economic Development and Inequality: The Role of Cities and Regions"

²² Frederick, Chad. "Economic Sustainability and 'Missing Middle Housing: Associations between Housing Stock Diversity and Unemployment in Mid-Size U.S. Cities. Economic Development and Inequality: The Role of Cities and Regions"

The last issue raised by Frederick is modularity, which is how difficult it is for an entity to adapt to changing values and conditions in the population²³. This is less of an issue in urban areas and more commonly an issue in less dense, rural areas that do not offer the variety a city gives in housing choice. As the desire for more housing options expands across the U.S., rural communities are the slowest to change due to the historical lack of investment.

A History of Workforce Housing

Early origins for workforce housing in the U.S. could be traced to sharecropping following the freeing of slaves with the Emancipation Proclamation of 1865. Sharecropping did exist before slavery ended, but when many slaves across the southeastern United States were freed, local land use resorted to sharecropping as it was one of the few places formerly enslaved persons could find employment as well as housing. Sharecropping occurs when a tenant uses the land they reside on to yield a product as payment to a landlord. Landowners in the southern United States would often have rents and/ or crop yields, and landlords would closely watch the activities of tenants to ensure proper yields and quality of the land²⁴. One of the major drawbacks of this system is that while it did provide people with a place to work and live in a system that they were familiar with, it left workers without a way to earn a higher wage due to the restrictions. When landowners decided to remove sharecroppers from their land, the tenants were forced to move into cities for work as well as housing,

The first instance of federal public housing in the U.S. was 16,000 units created by the U.S. Shipping Board and the U.S. Housing Corporation built in 1918. These units were for war

²³ Frederick, Chad. "Economic Sustainability and 'Missing Middle Housing: Associations between Housing Stock Diversity and Unemployment in Mid-Size U.S. Cities. Economic Development and Inequality: The Role of Cities and Regions"

²⁴ Reid, Joseph D. "Sharecropping in History and Theory." *Agricultural History* 49, no. 2 (1975): 426-40.

workers, and at the end of the first World War, they were sold to the private market²⁵. This is not an uncommon end for public housing, as this phenomenon still happens today when public housing becomes substandard and gets sold into the private market. Following the first World War, the United States fell into the Great Depression, and the federal government saw that it was time to intervene with housing again. President Herber Hoover called for a conference on Home Building and Homeownership in 1931 at the start of the depression and began a system of using federally supervised banks to increase access to home loans for lower-middle class and impoverished Americans. This created the Emergency Relief and Construction Act of 1932, which then led to the creation of the Reconstruction Finance Corporation, which made loans to private companies for the construction of homes and other infrastructure needed for the public good²⁶. A few other policies created include the National Housing Act of 1934 which created the Federal Housing Administration (FHA) which still administers home loans today, and the Federal Savings and Loan Insurance Corporation (FSLIC), which dissolved in 1989 to become the Federal Deposit Insurance Corporation (FDIC), which protects those using banks from unreasonable restrictions and insures the money that is placed in those banks. Then came the Wagner-Steagall Housing Act of 1937 (also known as the Housing Act of 1937), which allocated over \$500 Million dollars for the construction of public housing²⁷. The last bit of robust legislation dedicated to housing to come out of this period was the Housing Act of 1949, which created Urban Renewal Plans, which will be described later.

²⁵ Bergeron, Emily.” Adequate Housing Is a Human Right.” *Human Rights Magazine* 44, No 2: Housing (October 2019).

²⁶ Bergeron, Emily.” Adequate Housing Is a Human Right.” *Human Rights Magazine* 44, No 2: Housing (October 2019).

²⁷ Bergeron, Emily.” Adequate Housing Is a Human Right.” *Human Rights Magazine* 44, No 2: Housing (October 2019).

Another type of workforce housing that emerged during this period was the company town. Prosperous industries would develop housing units for their employees. These existed well before the Great Depression, but they increased in quantity due to the need for housing and labor. This housing was not created to benefit workers, as the main purpose of it was to observe the workers and reduce conflicts with the home that may have affected labor. Workers were constantly being observed, and the threat of eviction paired with the loss of employment restricted the freedoms workers felt they had²⁸. The goal was to create a workforce that was loyal to their employers and reduce their ability to fight against improper work conditions as well as housing rights. One of the most famous towns like this is Hershey, Pennsylvania, where the popular chocolate brand was manufactured. Hershey met its end in 1937, when the creator cut jobs and wages while maintaining the same rent prices, and the workers revolted, requiring federal troops to come in to break up the fighting²⁹.

As workers are often tied to unions, it is fair to note that unions have also played an interesting role in the existence of workforce housing. The American Federation of Labor and Congress of Industrial Organizations (often shortened to AFL-CIO) is one such union that uses its funds to invest in various housing and commercial projects that “promote homeownership for working class people” to achieve the “American dream of decent housing”³⁰. Both systems ensured housing for low-income workers, but following the war, a new class of workers emerged that desired housing as well.

²⁸ Madden, David, and Peter Marcuse. *In Defense of Housing: The Politics of Crisis*. London: Verso, 2016.

²⁹ Nix, Elizabeth. “5 Famous Company Towns.” History.com. October 7, 2014.

³⁰ Herod, Andrew. “From Workers in the City to Workers’ Cities? New Solidarities and Spatial Strategies in an Urban Age”. doi. 10.7591/9781501708060-013, 2017.

Debated to be one of the first suburbs in America, Levittown, created by William Levitt and his brothers, stood as a beacon of affordable homeownership to veterans returning from the second World War. Many residents of Levittown used their G.I. Bills, given to them through the Servicemen's Readjustment Act of 1944, to purchase homes in Levittown and similar suburbs that popped up across the country. This was a partnership of the government and a private developer, much like other programs known today. Like many developments that were supported by the government, there was a political drawback from Levittown. Levitt himself is quoted saying "No man who owns his own home and lot can be a Communist, he has too much to do"³¹. This is reflective of the anti-communist and anti-socialist mindsets that were occurring in the legislature of the United States at the time (a movement known as McCarthyism), and following the first World War, it was imperative that the country prove it was a strong capitalist nation, despite the fact that Levittown was a government subsidized development, and the homes were sold for between \$8,000 and \$10,000 (which would be around \$116,000 today with current inflation rates), a much lower rate than many other homes at the time³². This is a home price many municipalities could not get anywhere near today without the assistance of subsidies.

On top of being a breeding ground for capitalist ideas, Levittown was also a reminder of the continued barriers Americans of color faced when attempting to gain homeownership. Levitt barred black and brown people from owning homes in Levittown, citing that ownership from black and brown veterans would drive down property values. When asked about his discriminatory actions, Levitt stated that: "As a Jew, I have no room in my mind or heart for

³¹ Galyean, Crystal. "Levittown: The Imperfect Rise of the American Suburbs." U.S. History Scene. April 10, 2015.

³² Galyean, Crystal. "Levittown: The Imperfect Rise of the American Suburbs." U.S. History Scene. April 10, 2015.

racial prejudice. But I have come to know that if we sell one house to a Negro family, then 90 or 95% of our white customers will not buy into the community. This is their attitude, not ours. As a company, our position is simply this: We can solve a housing problem, or we can try to solve a racial problem, but we cannot combine the two”³³.

Historically, black Americans and other minority groups have been barred from having access to the same opportunities as their white counterparts when it comes to homeownership and access to housing, much like the opportunities in Levittown. With the creation of the Homeowners Loan Act of 1933, the Homeowners’ Loan Corporation (HOLC) was created and from that came “Residential Security Maps”, which is now referred to as redlining, the act of denying mortgages to black Americans and other minorities and driving down their property values. This, paired with the Jim Crow laws of the south, led to the disparities in generational wealth seen today for many minority groups in the United States. 72% of white households own their homes today, compared to only 47% of minority households³⁴.

Residential security maps were used to keep white, wealthy homeowners prosperous, while adding covenants banning the sale of homes to African Americans in highly subsidized neighborhoods, because their presence would have brought the prices of the home and neighborhood down. To make things worse, the Housing Act of 1949 gave local governments the power to condemn blighted neighborhoods and use eminent domain to sell public land to private developers at a reduced rate. While these tools were intended to stimulate growth, they led to the displacement of over 300,000 people, who were predominately black and brown Americans,

³³ Galyean, Crystal. “Levittown: The Imperfect Rise of the American Suburbs.” U.S. History Scene. April 10, 2015.

³⁴ Herman, Alexander. “In Nearly Every State, People of Color are Less Likely to Own Homes Compared to White Households.” Joint Center for Housing Studies. February 8, 2023.

between the late fifties and early sixties³⁵. There were attempts to rectify this with the passing of the Civil Rights Act of 1964, as well as the Community Reinvestment Act of 1977, but many Americans of color still struggle with homeownership today.

The boom in the economy due to World War II as well as the government's participation in housing affordability, led to the emergence of the “American Dream”, and the emergence of high rates of homeownership³⁶. The American Dream is an idea that anyone, from any background can rise from the position they were born into, stating that even the poorest of laborers can become millionaires with hard work and dedication. Access to the freedom to create a better quality of life is a key point of the American Dream, and homeownership ties into this freedom³⁷. From the 1950s to the 1980s, homeownership rose to 60% of Americans, a right that was previously only afforded to the wealthy, or those who built their own homes³⁸.

What is Workforce Housing?

Now that a baseline understanding of what housing looked like before the 21st century has been established, an understanding can be built for what exactly workforce housing is currently. It is difficult to find the origin of the term “workforce housing,” but it is commonly agreed to have been coined during the 20th century in response to rapidly increasing home prices³⁹. More recently, the term has seen a resurgence following the COVID-19 pandemic. In

³⁵ Bergeron, Emily.” Adequate Housing Is a Human Right.” *Human Rights Magazine* 44, No 2: Housing (October 2019).

³⁶ Fu, Samantha, and Gabi Velasco. *Decommodification and Its Role in Advancing Housing Justice*. Washington D.C., The Urban Institute, 2023

³⁷ Samuel, Lawrence R. “The American Dream: a bibliographic review.” *The Hedgehog Review* 15, no. 2 (2013): 57+.

³⁸ Madden, David, and Peter Marcuse. *In Defense of Housing: The Politics of Crisis*. London: Verso, 2016.

³⁹ Urban Land Institute. *Priced Out: Persistence of the Workforce Housing Gap in the Washington, D.C., Metro Area*. Washington D.C.: Urban Land Institute, 2009.

2024, the term “workforce housing” has evolved as the new descriptor of lower to middle-income housing. Other popular terms include missing middle, affordable housing, and income-based housing.

Workforce housing is defined by the Urban Land Institute as “housing for people making 60% to 120% of area median income”⁴⁰. Anne Sweaney defines workforce housing as “suitable single-family and multi-family housing that is decent and affordable to individuals and families earning an annual income between minimum wage and \$60,000”⁴¹. One of the issues that arises with the term workforce housing is that it has created a classist divide between the attitudes of various service workers. Many cities pushing for workforce housing state that it will house nurses, police officers, and teachers, all professions that are seen as respected and needed, yet cities seem to overlook other vital workforce positions that also deserve safe and decent housing, like food service and retail workers. These workers are also imperative to the operations of many communities, and bring services that are needed for the smooth function of one’s day-to-day life. This ties into the influence public opinion can have on the development of housing, as the stigma around the word “affordable” can potentially tank an entire housing development.

A diverse workforce requires a diverse housing stock, and this is where the issue of affordable housing becomes paramount. Workers range in so many ways, from background, to wage, to interest, and expectations of the area they live in⁴². Workforce housing has become

⁴⁰ Urban Land Institute. *Priced Out: Persistence of the Workforce Housing Gap in the Washington, D.C., Metro Area*. Washington D.C.: Urban Land Institute, 2009.

⁴¹ Anne L. Sweaney, Kelly S. Manley, Jorge H. Atilas, Douglas C. Bachtel, Brenda J. Cude, Mick G. Ragsdale, Thomas F. Rodgers, Karen L. Tinsley, Janet S. Valente & Gladys G. Shelton. “Rural Workforce Housing: Perceived Barriers and Incentives for Development, Housing and Society,” *Housing and Society* 31, no. 1 (2004): 15-28.

⁴² Frederick, Chad. “Economic Sustainability and ‘Missing Middle Housing: Associations between Housing Stock Diversity and Unemployment in Mid-Size U.S. Cities. Economic Development and Inequality: The Role of Cities and Regions”

unavailable because the diversity of housing stock has drastically decreased in the 21st century. The most common type of housing built now are single family homes, and second to that are large apartment homes. There are very few duplexes, townhomes, and cottage courts being built. This type of housing is commonly referred to as “missing middle” housing, where single family homes and skyscraping apartment buildings are on opposite sides of a spectrum, and the housing models that would fall in between those types are not present. MissingMiddleHousing.com states that missing middle housing can support walkability, provide a range of affordability, and are a useful tool in increasing housing access and affordability without changing the community’s physical character”⁴³.

Differentiating Rural Georgia from Urban Georgia

The U.S. Census Bureau is broad with their definition of “rural”, stating that a rural area is anywhere not in an urban area. This is too broad for the topics of this paper, so for the purposes of this study “rural” will be defined as any area with a population of less than 6,000 people, not within the limits of a major municipality. Rural areas also include reservations that indigenous tribes reside on, and while this paper does not cover the issues individuals on reservations face, many of their issues are even more intensive.

Andrew Herod speaks on how important it is to understand geography and spatial differences when it comes to the struggles between the worker and the municipal environment, as there can be a multitude of issues that are unique to each individual community ⁴⁴. This point is also emphasized by Chad Fredrick, who addresses the fact that large adjacent cities must be

⁴³ Missing Middle Housing. “The Types.”

⁴⁴ Herod, Andrew. “From Workers in the City to Workers’ Cities? New Solidarities and Spatial Strategies in an Urban Age”. doi. 10.7591/9781501708060-013, 2017.

considered by smaller jurisdictions, even if they have no direct ties⁴⁵. This perfectly encapsulates the rural spaces that surround Atlanta. While this paper is not about Atlanta, there is no denying the impact that the metropolis has on the rural spaces near the city. The City of Madison, my area of focus and study, is one such place. Many of the small rural towns that surround large cities are feeling the pressures of urbanization as these cities expand outward and bring in more development, leaving less land for housing. With all this development, there comes the pressing question: where are the employees housed? And if the wages of these jobs are not adequate to meet the housing market, what does affordable workforce housing look like for these employees?

Anne Sweaney speaks to how some employees struggle with finding employment in rural areas due to the declining population and loss of a skilled workforce as workers get older or move away from rural area⁴⁶. This is reminiscent of a phenomenon commonly referred to as the “brain drain,” where young workers abandon their rural hometowns for more urban areas, leaving the community in a talent deficit. There are many reasons why this happens, but the lack of affordable housing in rural areas is one of these reasons.

Case Studies

To see what other rural areas were doing to fix their struggles with affordable housing, a standard was set to acquire case studies and examples. First, rural towns with populations less than 6,000 residents were selected to be reviewed. Then, from those towns, their proximity to a large city was considered. For towns not close to a city, their proximity to a major transportation

Frederick, Chad. “Economic Sustainability and ‘Missing Middle Housing: Associations between Housing Stock Diversity and Unemployment in Mid-Size U.S. Cities. Economic Development and Inequality: The Role of Cities and Regions.” 2022.

⁴⁶ Anne L. Sweaney, Kelly S. Manley, Jorge H. Atilas, Douglas C. Bachtel, Brenda J. Cude, Mick G. Ragsdale, Thomas F. Rodgers, Karen L. Tinsley, Janet S. Valente & Gladys G. Shelton. “Rural Workforce Housing: Perceived Barriers and Incentives for Development, Housing and Society,” *Housing and Society* 31, no. 1 (2004): 15-28.

system (i.e. Interstate Highway 75) was selected, as this would be a rapid way for people to come in and out of the city if they choose to commute. Last, each town had their comprehensive plan, a document that states the goals and aspirations of the town within a certain time span, reviewed for comments on goals surrounding affordable housing development, including their struggles and their plans to resolve them. The towns chosen are detailed below.

1. Cape Charles, Virginia

Cape Charles is a small town in Virginia with a population of almost 1,200 people⁴⁷. The population is primarily composed of elderly individuals, and the area is known for its tourism, with almost 30% of the housing stock being seasonal as a result. The town is less than an hour from Virginia Beach, a popular tourism destination, as well as Norfolk, another large city in Virginia.

In their comprehensive plan, Cape Charles identifies that one of its key issues with retaining the younger families needed to stabilize the population is a lack of diversity in its housing stock, as well as affordability⁴⁸.

Methods for fixing these issues with housing stock included adding an Accessory Dwelling Unit ordinance in 2019, reviewing zoning to see potential barriers to different housing styles, and reviewing the potential to participate in the Housing Choice Voucher Program and the Low Income Housing Tax Credit Program. They also discuss making sure they distribute information related to USDA funding programs with residents through their website and other places residents may seek information on affordable housing⁴⁹.

⁴⁷ United States Census. “Cape Charles town, Virginia.”

⁴⁸ Town of Cape Charles. *Comprehensive Plan*. Virginia: Town of Cape Charles, 2022.

⁴⁹ Town of Cape Charles. *Comprehensive Plan*. Virginia: Town of Cape Charles, 2022.

2. Adel, Georgia

Adel is a small town in southern Georgia with a population of 5,617 residents⁵⁰. It is a 30-minute drive from Tifton, Georgia, where the University of Georgia hosts a campus. Adel is just under a 2-hour drive from Macon, one of the largest cities in South Georgia, and an hour from the Florida-Georgia state line. Their comprehensive plan covers using Community Block Development Grants to improve access to affordable housing, and an Urban Renewal Plan with a zoning review to find opportunities for housing development⁵¹. They also discuss working on inclusionary zoning, land banking, and leveraging resources from the Georgia Initiative for Community Housing.

3. Ravenel, South Carolina

Ravenel is a small town in South Carolina and is a suburb of Charleston with a population of 2,542⁵². The city has an even mix of single-family homes and mobile homes, which their planners believe point to an issue with access to affordable homes. Their comprehensive plan discusses amending their zoning code, reviewing resources from the Department of Housing and Urban Development for funding the development of variable housing types, and addressing blight through Urban Renewal Plans as a solution⁵³.

After reviewing each of the comprehensive plans for these towns, multiple common themes were identified. First, zoning is a large barrier for the development of affordable housing, as it was mentioned extensively in the plan for each town. All the case studies talked about a

⁵⁰ United States Census Bureau. “QuickFacts Adel city, Georgia.”

⁵¹ Cook County and the Cities of Adel, Cecil, Lenox, and Sparks. *2020 Joint Comprehensive Plan Update*. Georgia: Cook County, 2020.

⁵² United States Census Bureau. “Total Population in Ravenel town, South Carolina.”

⁵³ Town of Ravenel. *Ravenel 2020*. South Carolina: Town of Ravenel, 2020.

planned review of multifamily and single-family zoning designations, and what restrictions exist in their ordinances that are barring the development of affordable housing units.

Next, each of the towns covered issues with funding as another reason affordable housing is not being constructed. It takes a substantial amount of money to build a home, and even more money to make that home accessible to someone who is unable to afford it at market price. All the towns discussed looking into some kind of local or federal funding for subsidizing the development of affordable housing in their area. Many of the case studies also stated that purchasing more land might be expensive, and investigated how they can use Urban Renewal Plans to cure issues with blight, and find land for development, indicating that some of these areas might be struggling with a lack of developable land.

Last, each plan was written to reflect the feelings expressed by residents on how they felt about the state of housing in their community. Public input and opinion are a large part of planning in rural areas, and it is even more important that the feelings of the public are expressed in the plan for a town, or there will be little buy-in from the residents. Cape Charles had some of the highest rates of public engagement, which is common for older areas, but each town took care to reflect public comments in their respective plans, and address many of them in their workable solutions/fixes, which demonstrates how important public participation in the development of housing is. The study area selected for this research is one area where public participation is especially pertinent in the planning process.

After a review of the study area and the methodology used to gain a baseline understanding of the affordable housing crisis in rural America, causations of the housing crisis, and potential solutions to those causes, will be shared, followed by a discussion of what is currently happening on the governmental level.

This thesis was inspired by the difficulties of finding affordable housing in a rural town. Decades of disinvestment and misled governmental action has led to the housing crisis that exists in places like the city of Madison. By reviewing what other rural areas are dealing with and how they plan to resolve it, and collecting resources from nonprofits and government agencies, this paper will provide a framework for communities struggling with the same issues around affordable housing, and conclude with some recommendations for the city of Madison. The major takeaway from this thesis is that collaboration on all levels is key in attempting to make a dent in the need for affordable housing.

CHAPTER 2

STUDY AREA

Madison was established in 1809 and is named after President James Madison. Madison was established as a stagecoach stop for wealthy elites and expanded as a primary place of residence for local farmer's families. Madison prides itself on its history of philosophy as well as American pride and values, and in the modern era also prides itself on its smart and reliable growth to retain its small-town character⁵⁴. Madison is less than an hour drive to the heart of Atlanta, which makes it a popular spot for commuters and those looking to retire away from the city. Madison boasts one of the best school systems in Georgia, ranked 11th in the state with all its public schools receiving As or even A+s and a high school graduation rate of 94%⁵⁵. On their website, Madison states that they are a strongly built and intentional city, with high remarks for tourism and historic character coming from the contributions of its citizens and government personnel. The community touts itself as a “a vibrant, viable, and safe community in which to live, work, and raise their families”⁵⁶.

Development in Madison, like most small towns, has been slow in most ways. Economic development is gradual and centered around the Downtown area, as well as industrial and commercial corridors on the city's edges. As for residential development, Madison is composed of many small, pocket neighborhoods which all have their own identities. These neighborhoods can be seen in Figure 1.

⁵⁴ City of Madison. “History.”

⁵⁵ U.S. News and World Report. “Morgan County.”

⁵⁶ Madison, Georgia. “About Madison.”

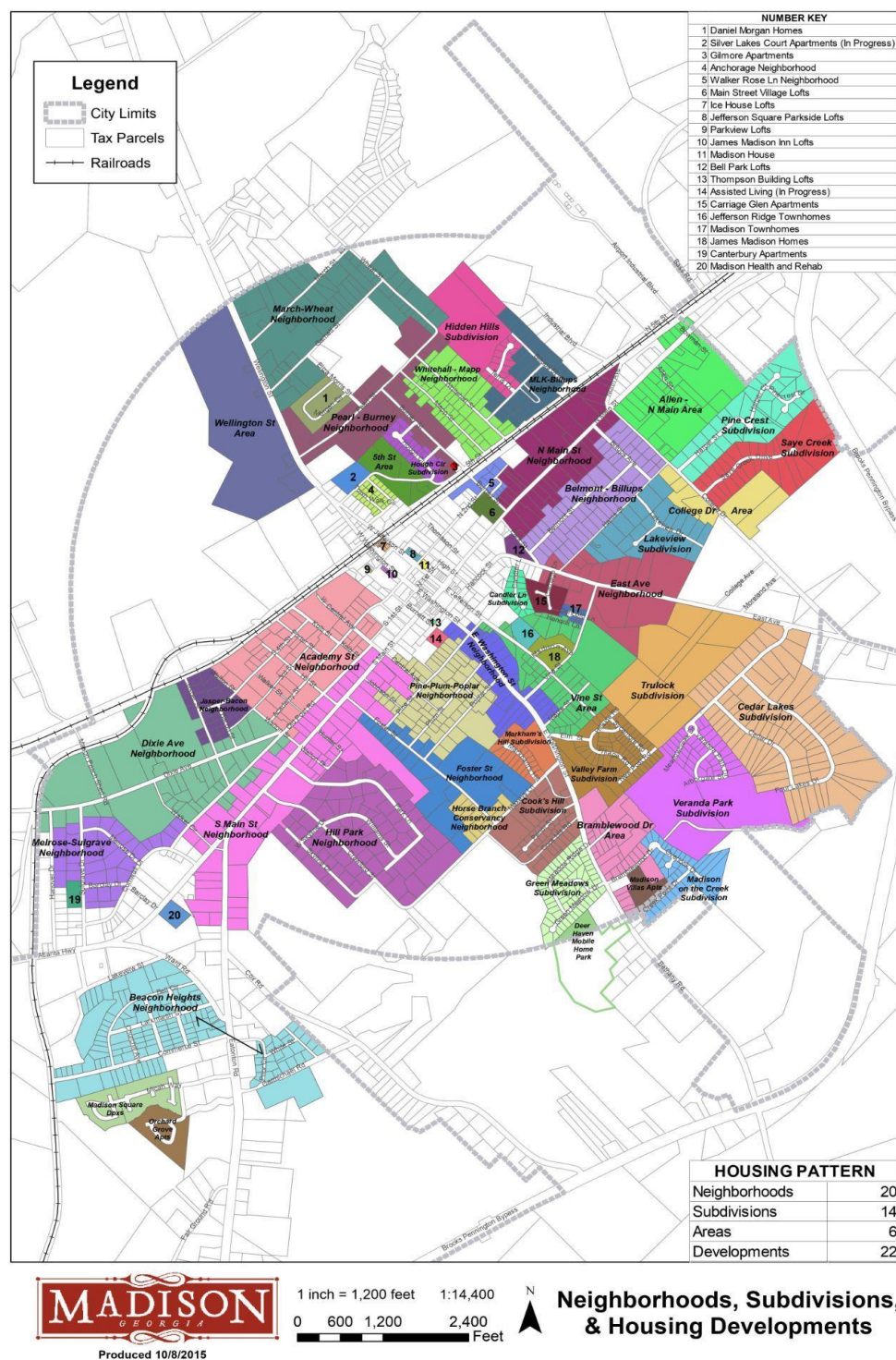


Figure 1

At the time of this research, Madison has participated in four main projects centered around affordable housing and has more in the planning stage. This includes two Community

Home Improvement Program (CHIP) grants; the development of Canaan Crossing, which is a townhome development based in an underserved community; the beginning of Carmichael Commons, a single-family rental development; and Prior Farms, a single-family home development based on increasing homeownership. Three later developments are funded in part with the Low-Income Housing Tax Credit (LIHTC) Program, and one program is a recipient of HOME funds. All these developments can be seen in Figure 2 as home starts between 2022 and 2023. Madison also has a high amount of land zoned for residential development, which can be seen in Figure 3, but much of this land has already been developed.

The City of Madison’s most recent comprehensive plan outlines many of the desires of the city, as well as comments from public forums about what the residents want to see most. A few highlights of this comprehensive plan include:

- “Improve understanding of housing choices and housing needs in the city.
- Encourage housing options addressing the elderly and special needs populations.
- Lack of smaller-sized homes for ‘singles, newlyweds, empty-nesters, and down-sizers’ and availability of non-single family options: townhomes, apartments, etc.
- Identified lack of affordable and workforce housing as priority ‘fixer;’ lack of construction of middle-class subdivisions as a conundrum; and homelessness as an item for further study.
- For affordable or workforce markets, single-family housing is not viable, unless built by non-profit or subsidized.”⁵⁷

⁵⁷ City of Madison. *Comprehensive Plan*. Georgia: City of Madison, 2019

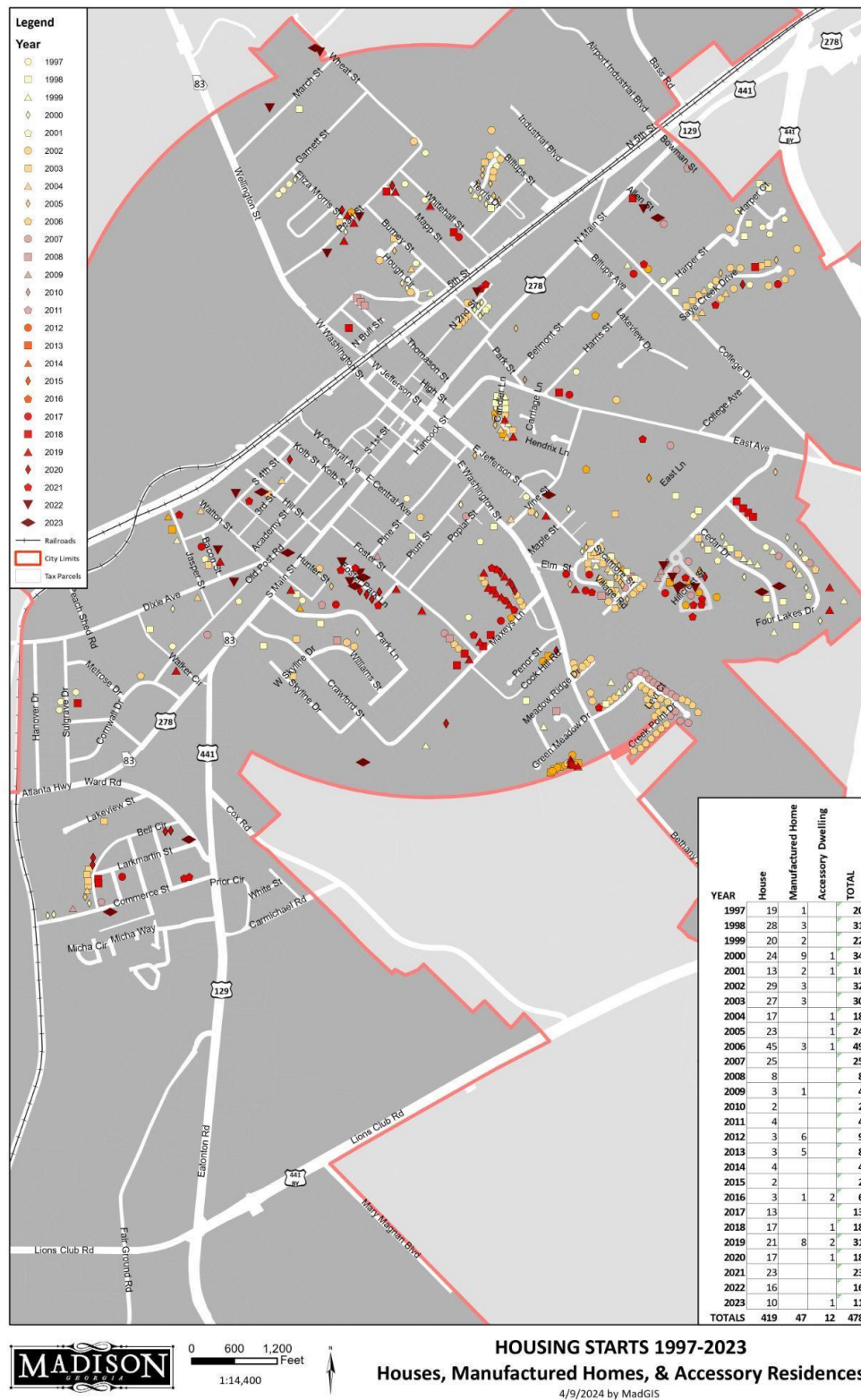


Figure 2

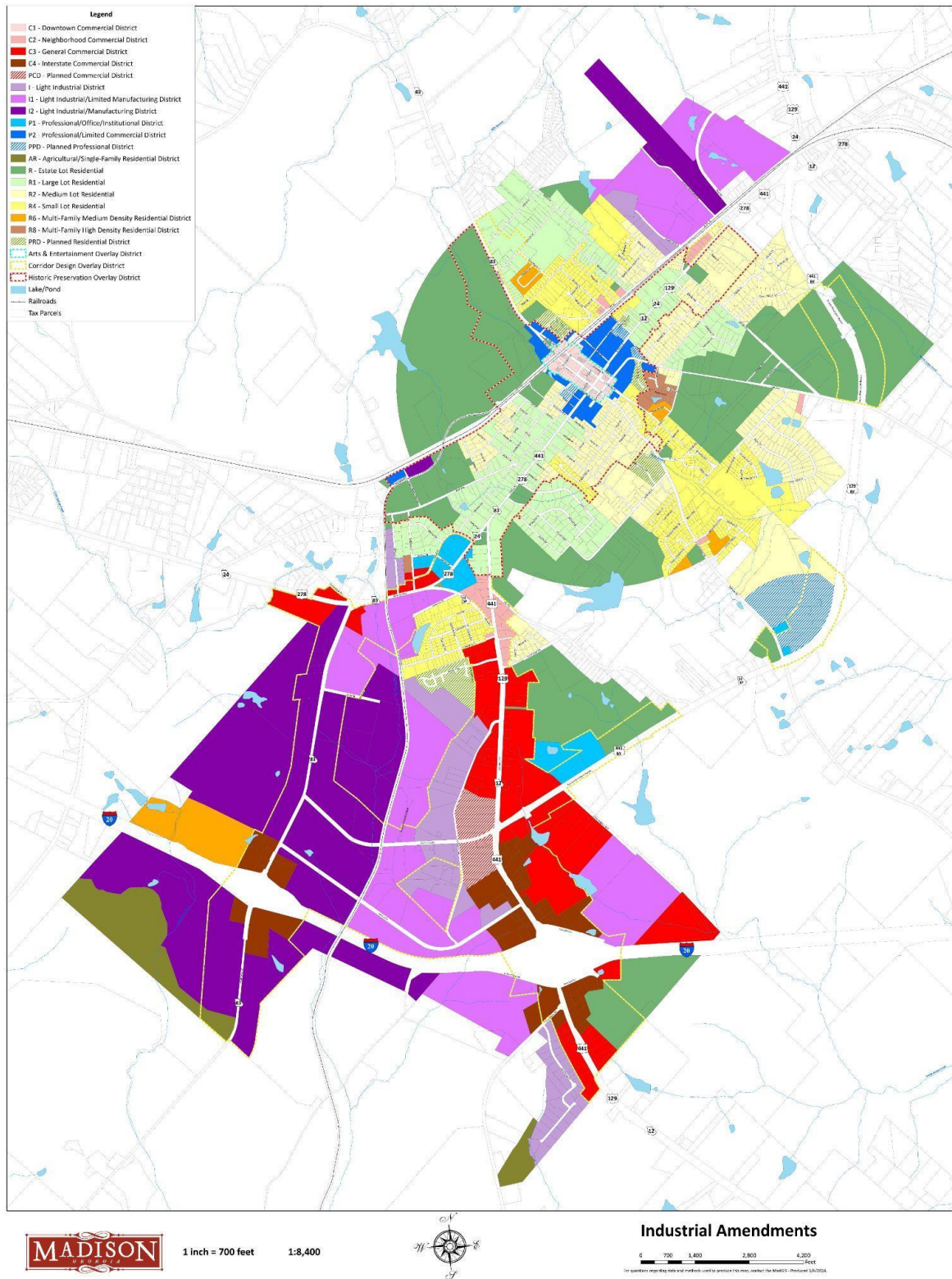


Figure 3

The City of Madison was chosen as the study area because it shares many of the same characteristics of rural towns across the United States, such as a small population (less than 5,000), an aging resident base, and a strong desire to build community for its residents. It also suffers from issues due to its proximity to a major city (Atlanta) and has a comprehensive plan that extensively lays out the desires of its community and intentions to meet those desires. All these qualities make it an ideal place to study rural workforce housing, and to research the actions taken by the city to mediate its issues with affordable workforce housing.

Much like the case studies in the beginning, Madison has determined that zoning, lack of developable space, and funding are all issues for why affordable housing is not being built in the city. Planners in Madison have taken a proactive part in finding ways to solve these issues and gain the much-needed sources of affordable housing in the city.

CHAPTER 3

METHODOLOGY

The methodology for finding possible causes of the rural housing crisis, and solutions to those causes include data analysis and examination of publicly available housing resources, such as the website for the U.S. Department of Housing and Urban Development, the Georgia Department of Community Affairs, the United States Department of Agriculture, and the Georgia Initiative for Community Housing. A review was also done of peer reviewed reports and descriptions of the issues affecting affordable housing at all city sizes and income levels, with a further examination of how those apply to rural areas. Finally, a review of reports from nonprofits and governmental agencies, (i.e. Habitat for Humanity), and boards that work in affordable rural housing, (i.e. National Rural Housing Coalition), was completed.

Query searches were done across all major search engines for affordable workforce housing resources, as well as the main websites for federal resources such as HUD.gov, USA.gov, and Georgia.gov. Databases were searched for current numbers on the funding of government programs related to affordable housing.

After finding the sources and most significant issues in relation to affordable rural workforce housing, research was done into those issues to find the root of the problem, and then identify viable solutions. The methodology ends with a synthesis of the contributing factors of the affordable workforce housing crisis, and solutions to those factors.

CHAPTER 4

FINDINGS

The Issue at Hand

Much of this study's research points to one common issue: the demand for housing looks very diversified, and this does not match the stock that is currently available. The American Planning Association states that one third of homes in America are composed of one person, and by 2030, one in five Americans will be over the age of sixty-five, and this number is anticipated to rise due to the baby boom generation⁵⁸. Between 2019 and 2022, home prices across America increased by 43%, while wages increased by only 7%. These statistics point towards a demand for smaller, more accessible, and more affordable housing, but the current market does not reflect this demand. Currently, there is no state in the U.S. where someone can afford to live based on minimum wage, and this is only expected to get worse. While this is commonly thought to only be an issue in cities, 30% of rural residents cannot afford their housing, including half of all rural renters⁵⁹.

There are several factors that have contributed to this change in the landscape of housing, and a number of factors that created the gap in housing affordability. From the 1940's to the early 1990s, housing was seen as relatively affordable and related to the cost of living. Things like the 30-year mortgage made home ownership accessible to people of all income levels. By the late 1990s and early 2000s, incomes became less relative to the cost of living, and the need

⁵⁸ Woock, Kati. "5 Practical Zoning Hacks for Missing Middle Housing." *Planning Magazine*. March 21, 2022.

⁵⁹ Madden, David, and Peter Marcuse. *In Defense of Housing: The Politics of Crisis*. London: Verso, 2016.

for housing, especially for workforce individuals, grew as home prices began to increase. This issue was further exacerbated by the Housing Market Crash of 2008, caused by predatory lending practices. Homes stopped being produced all together in some areas, and since 2008 the construction of homes has lagged behind the need for housing⁶⁰. Add into this issue the need for varying housing types, and one of the main hurdles for rural workforce housing emerges.

After researching and reviewing the resources regarding the City of Madison and other small rural towns, four barriers to rural workforce housing development were found. These are social capital, zoning, geography/lack of land, and funding. Each issue will be defined and potential solutions to those issues and how communities that are dealing with them can be offered. This list begins with social capital because it can be one of the most powerful tools for affordable housing development that represents its community.

Building Social Capital

Social capital is the network of relationships that exist in a place, and the ways in which citizens interact with each other in that space. Many people associate rural areas with a high amount of social capital, and while this is often a good thing, it can also be a detriment⁶¹. Attitudes towards affordable housing, especially public housing, have not always been positive, and conflicts often emerge between homeowners and renters about land use and property values.

A large part of improving public attitude towards affordable housing must start with the entities trying to implement the housing policies. It also must arise from residents of rural towns.

⁶⁰ Turner, Sonyia. "Student Corner: What Exactly is Workforce Housing and Why is it Important?" *University of North Carolina at Chapel Hill: Community and Economic Development in North Carolina and Beyond*. CED Program Interns and Students. July 12, 2018.

⁶¹ Debertin, D.L and Stephan J. Goetz. "Social Capital Formation in Rural, Urban and Suburban Communities." University of Kentucky Department of Agricultural Economics: Staff Papers (October 2013)

The Not in My Backyard (shorted to NIMBY) movement has led to neighborhoods of people resistant to the creation of affordable workforce housing due to the stigmas attached to it⁶². A lot has been done to shift this mindset, like reminding people that teachers, firefighters, and police officers also live in these affordable housing neighborhoods. There is also conflict between homeowners and renters, as some homeowners will fight the construction of affordable housing units due to the possible changes in land use and zoning. Many homeowners see these changes as potential losses in their property values (going back to the commodification of housing mentioned in the intro)⁶³. Overall, more work must be done to retract decades of negativity tied to affordable housing developments. Getting rural residents to agree with the sentiments of the right to housing movement could be difficult, as it may impact property values, but it is not impossible, as rural areas also pride themselves on the keen sense of community and looking out for one another that exist within them. If this community pride could be tapped into to ensure everyone has access to a home, the right to housing could take off in rural areas and become even more integrated into the fabrics of these communities.

In Georgia, rural areas face an eviction rate of almost 10.3%, a number even higher than some metropolitan areas⁶⁴. The threat of eviction looming over a family's head does not ensure their right to housing, or ensure safety and security. Some of the ways to best support the right to housing and keep people in their homes include universal housing vouchers, rent control, and

⁶² Fu, Samantha, and Gabi Velasco. *Decommodification and Its Role in Advancing Housing Justice*. Washington D.C., The Urban Institute, 2023

⁶³ Fu, Samantha, and Gabi Velasco. *Decommodification and Its Role in Advancing Housing Justice*. Washington D.C., The Urban Institute, 2023

⁶⁴ Garnham, Juan P., Carl Gershenson and Matthew Desmond. "More than 200,000 rural families face eviction every year." Eviction Lab. February 28, 2024.

ensuring homeless persons are not threatened with jail time for their lack of housing⁶⁵. All of these methods are controversial to some, require government intervention in the housing market, and may have an impact on home values. There is a lot that can be done by municipalities to educate residents on the methods of ensuring affordable housing, and making sure residents know they are not a detriment. One of the most important things a municipality can do is get a grasp on the housing issues their community may be facing. Going back to the issue of diminishing returns from the introduction, comprehensive plans (a document created by many jurisdictions that list the goals of that area on topics of economic development, transportation, greenspace, and housing) offer an opportunity for towns to seek public input and see how much missing middle housing their community needs.

Housing is one of the more common issues, but it can also reveal issues with things like childcare, transportation, and access. This can be done through housing surveys, observational studies, or hosting public forums. Some strategies for community building also include town halls, celebration days, and seminars from the elected body. There are also partner organizations that can help with this public perception and opinion. They are broken down below.

1. Georgia Initiative for Community Housing (GICH)

Started in 2004, the Georgia Initiative for Community Housing is a program from the University of Georgia that is focused on capacity building in leadership and housing knowledge. GICH also focuses on getting resources from the Georgia Department of Community Affairs into the hands of communities that are struggling with affordable housing. The City of Madison joined GICH in 2014, at the height of when the community was facing issues with affordable

⁶⁵ Tars, Eric. "Chapter 1: Introduction." In *Advocates' Guide 2020: A Primer on Federal Affordable Housing & Community Development Programs*, 12-15. Washington, D.C.: National Low Income Housing Coalition, 2020.

housing. The team was stacked with representatives from the Board of Education, county officials, and many volunteer citizens. Since joining, their Council of Commissioners has approved the development of over one hundred units of affordable housing, and Madison has developed them in a way most residents have little issue with, all with help from the tools given to them by GICH.

In 2017, the city of Madison became a graduate of the GICH program and have continued their dedication to being a GICH community and building access to affordable housing. Each year, Madison and other GICH communities reapply to certify themselves as GICH communities with evidence that they have a plan for housing and are still working towards creating and maintaining affordable housing by attending workshops and trainings dedicated to the topic of housing.

One of the things that makes GICH so unique is that it is a University of Georgia program. The logo of a university loved by residents of the entire state of Georgia makes it much more engaging of a program. People are more receptive and willing to be engaged with the topics at hand if black and red, the signature colors of the University of Georgia, are in the conversation, and GICH further extends state and institutional pride.

2. Habitat for Humanity

Habitat for Humanity is a faith-based organization that uses volunteer labor and donations to build homes at a reduced cost to the occupier. The organization went international in 1976, and since then they have opened branches in all fifty states and seventy-six countries. They have helped over fifty-six million people gain access to housing across the world⁶⁶. In Madison, Habitat is focused on homeownership, and while they are only able to build 1-2 homes

⁶⁶ Habitat for Humanity. Habitat's History.

per year, their access and pull in the community as an organization based in faith helps to ensure that a family in Madison who is struggling with housing overcomes that barrier to safe, decent, and sanitary housing.

3. Local Housing Boards and Commissions

The Housing Opportunity Commission of the City of Madison adheres to a Work Plan with strategies for battling the issues Madison faces when it comes to the availability of housing and housing education for all income ranges, ages, and ability. This board also runs and upholds Madison’s GICH team, furthering their connection to the community and the state. The mission statement of their board is as follows:

“Promote and advocate for the use of strategies to stabilize, revitalize, and connect established neighborhoods and support the sustainable development of the community through innovative residential development, specifically of workforce and lifelong housing options.”⁶⁷.

There are many other organizations in Madison that are a part of the vital work to expand housing access and knowledge in the region, such as the Northeast Georgia Regional Commission (NEGRC). NEGRC also provides services such as the development of comprehensive plans, and helping smaller towns who may not have a planning staff with the community engagement aspects of government⁶⁸.

Changes to Zoning

⁶⁷ City of Madison. *Comprehensive Plan*. Georgia: City of Madison, 2019

⁶⁸ Northeast Georgia Regional Commission. “Planning.”

Before the emergence of zoning, land allocation and use were decided by case rulings related to tort law and nuisance law⁶⁹. Cities decided that they needed more coherent ways to decide where things in the city would go and how the city would be laid out, so they created zoning and ordinances. Zoning is defined by the Merriam-Webster Dictionary as “the act or process of partitioning a city, town, or borough into zones reserved for different purposes”⁷⁰. Zoning is now used in most jurisdictions across the United States to guide development and determine how cities will expand. While zoning has good intentions and applications, it has become a tool that can hinder the development of unique housing opportunities and can also be weaponized for gentrification and disparity in the quality of neighborhoods. A New York Times article found that in 2019, 75% of the residential land in America was zoned for single-family detached homes, banning the construction of anything besides single-family homes⁷¹ for most of the residential land in the U.S.

One of the key changes to zoning noticed by municipalities is a need for mixed use zoning. Andrew Herod gives an example of when zoning was used to protect housing for workers. In the 1980’s garment workers in New York were worried about losing their homes in the lofts above their factories as businesses attempted to expand. Utilizing their union and their voices, the workers were able to get the city to create a “Special District” (most like Special Use permitting and Inclusionary Zoning) that allowed them to have housing in these upstairs lofts⁷². This is a commonly used tactic now in areas zoned as mixed-use such as downtown districts, and

⁶⁹ Bergeron, Emily.” Adequate Housing Is a Human Right.” *Human Rights Magazine* 44, No 2: Housing (October 2019).

⁷⁰ Merriam-Webster. “Zoning.”

⁷¹ Woock, Kati. “5 Practical Zoning Hacks for Missing Middle Housing.” *Planning Magazine*. March 21, 2022.”

⁷² Herod, Andrew. “From Workers in the City to Workers’ Cities? New Solidarities and Spatial Strategies in an Urban Age”. doi. 10.7591/9781501708060-013, 2017.

like the 1980s, it is a terrific way to increase density in central resources zones like downtowns, while not necessarily building homes on land that could be utilized for other things. Inclusionary zoning often uses the Area Median Income (AMI) for an area to determine how much rent should be charged for an affordable housing unit. While this is often the best and most accessible measure for many areas, it can become a setback when it ties in areas that are much more affluent and wealthier. Large subdivisions with half a million-dollar homes next to a low-income housing neighborhood, all covered by an inclusionary zoning ordinance, pulls the AMI much higher than what it needs to be to be affordable for the people it is attempting to target⁷³. This can be mediated by planners being mindful of the boundaries they draw for these zoning designations, and knowing the areas they are trying to assist on a personal level to know the range of incomes in their municipality.

Madison has zoning for mixed use in its downtown and has multiple lofts in the area. While almost none of the lofts are affordable, many small rural towns are working on reinvesting in their downtowns, and mixed-use zoning is a workable solution to integrate housing options while gaining buy-in from the community. Residents enjoy being within walking distance of their favorite things, and zoning like this allows proximity to resources and amenities, and removes the need for a vehicle, something many single-family home developments require.

Another possible solution is to decrease the required lot acreage and lower the required square footage for homes on those lots. When municipalities require huge lot sizes for homes, they can create barriers for smaller, more affordable home construction. By reducing the required lot acreage for different zoning districts, small rural towns can invite homes with smaller

⁷³ Madden, David, and Peter Marcuse. *In Defense of Housing: The Politics of Crisis*. London: Verso, 2016.

footprints, which can be better suited for emerging professionals, or those looking to age in place outside of large homes. In Madison, the smallest lot size is .25 acres, and the largest is two acres⁷⁴. This is progressive for a rural area, as many are still stuck with minimum acre lots in their zoning.

Often referred to as “missing-middle” housing, there is a need for smaller, multi-family units across the United States as people discover that living in large-scale luxury homes is not accessible, or the desired type of dwelling for everyone⁷⁵. Things like duplexes, quadplexes, and small dwelling units are disappearing or not being built, and there is less housing diversity in rural areas as a result. A large part of the small-town character that rural Georgia loves is that homes are big and detached and apartments that are small and less visible. Large-scale and densely-populated apartment complexes like what you would see in Atlanta are not often welcomed in these places, and with the disappearance of smaller home options, people are being pushed out of their rural hometowns because they have nowhere else to go when oversized detached single-family units are the only option. Zoning causes many of these hurdles for workforce housing because it forces homes to be built in a way that is not conducive with housing diversity⁷⁶. This is often the paradox seen in rural communities that desire variable housing options, but have a negative stereotype associated with anything that is not a traditional single-family home. In some areas, poor zoning reinforces these negative stereotypes, and does not leave room for creative solutions to this issue.

⁷⁴ City of Madison. *Zoning Ordinance*. Georgia: City of Madison, 2019

⁷⁵ Garcia, David., Alameldin, Muhammad., Metcalf, Ben., Fulton, William. “Unlocking the Potential of Missing Middle Housing.” 2022.

⁷⁶ Ortiz, Selena E., and Bobbie L. Johannes. “Building the case for housing policy: Understanding public beliefs about housing affordability as a key social determinant of health.” *SSM Population Health* 6, (December 2018): 63-71. doi: 10.1016/j.ssmph. 2018.08.008

It is mentioned often in the comprehensive plan for the City of Madison that residents desire single-family, detached homes as the preferred style⁷⁷. In the comprehensive plan, there are comments made on the lack of smaller housing, and a desire for a variety of housing options. One comment even mentions staying away from “McMansions,” which is a term given to large single-family homes that pop up in mass produced suburbs, often meant for wealthy and upper middle-class individuals. This phenomenon is an issue in Atlanta, and that issue has begun to spread outside of the city and infiltrate smaller rural communities.

One final solution would be to expand house types. This includes a move for more areas to accept accessory dwelling units (ADU). Accessory dwelling units are smaller structures located typically on the same lot as a single-family home. They can be attached or detached and create another form of dwelling for residents. They are commonly thought of as mother-in-law suites or granny flats⁷⁸. Key benefits have become recognized in ADUS across the country as they create opportunities to offer age-in-place strategies for seniors to stay close to family and add variety to the types of housing in areas already developed⁷⁹. Allowing homeowners to offer their extra dwelling units and other parts of their homes as rental units not only gives them another source of income but it also offers housing opportunity⁸⁰. These options will also encourage various age ranges of residents, as younger and older residents on both ends of the homebuyer spectrum seek smaller units either for cost or for aging-in-place.

Absence of Developable Land

⁷⁷ City of Madison. *Comprehensive Plan*. Georgia: City of Madison, 2019.

⁷⁸ American Planning Association. “Accessory Dwelling Units.”

⁷⁹ American Planning Association. “Accessory Dwelling Units.”

⁸⁰ Garcia, David., Alameldin, Muhammad., Metcalf, Ben., Fulton, William. “Unlocking the Potential of Missing Middle Housing.” 2022.

Space and land are becoming increasingly sparse in the rural areas surrounding Metro Atlanta. While growth and development offer benefits, decreasing quantities of land forces communities to become creative in how to balance the economic needs of an area with housing.

One of the things that is highly apparent in rural spaces around Metro Atlanta is the lack of verticality (i.e., tall buildings). Most jurisdictions have height ordinances in place to restrict the height of buildings within their boundary for both commercial and residential construction. In rural areas, these height ordinances for buildings are typically shorter. In Madison, the height ordinance is a maximum of thirty-five feet, or three stories. While this does preserve the appearance of rural character, it also hinders how much multi-family housing can be constructed within a green space. Quadplexes (dwellings with two ground units, and two more units on top) can range from 5,000 square feet to 11,000 square feet⁸¹, but if cities could expand them just two stories higher, they could house even more people. There is already a shortage of housing across the country, and builders are often unwilling to build on a small scale because there is a smaller return on the investment. If cities could get a few more housing units out of each development by going up instead of out, they could encourage builders to build smaller scale multi-family housing options like four or five story apartments, and still retain rural character.

1. Urban Renewal Plans

The last part of this section is the strategic use of Urban Renewal Plans (URPs). Created with the passing of the Housing Act of 1954, urban renewal plans can be used to cure blight and bring prosperity to underserved locations, if well executed. They can also cause gentrification and lead to even more displacement when they are not done mindfully. Gentrification occurs when land, typically owned by lower income people or minorities, is purchased, or taken and

⁸¹ Missing Middle Housing. “Fourplex: Stacked.”

resold/developed at a price point that pushes the original residents of an area out of their homes. When URPs first became a tool for municipalities, many of them did not seem concerned with using the funds for clearance and the construction of up-to-date affordable housing, but more invested in clearing areas near key business districts and redeveloping that land for better profit⁸². URPs allow for slum and blight clearance, but what is defined as slum and blight is too broad in some areas to protect homeowners and renters who find their source of affordable workforce housing in less maintained areas⁸³, such as the trailer parks that were mentioned earlier. They can also be used to reclaim land that is not being used for future housing development opportunities, but again, this needs to be done strategically and thoughtfully to not displace residents.

In Madison, they have executed their most recent URP in their downtown district to resolve blight and infrastructure issues without displacing neighborhoods. By pairing their URP with programs like the Community Home Improvement Program grant as well as investment from the city and local banks, Madison has been able to fix an area viewed as blighted with their URP, and not cause gentrification and displacement⁸⁴. This area also includes multiple historically black neighborhoods, and those neighborhoods and residents still reside there today.

Lack of Funding

The first federal use of funding for housing in rural communities was The Bankhead-Jones Farm Tenant Act of 1937. This act gave the U.S. Department of Agriculture the

⁸² Madden, David, and Peter Marcuse. *In Defense of Housing: The Politics of Crisis*. London: Verso, 2016.

⁸³ U.S. Department of Housing and Urban Development. "Major Legislation on Housing and Urban Development Enacted Since 1932."

⁸⁴ Madison, Georgia. "Urban Renewal."

authorization to provide loans to farmers for housing⁸⁵. This authorization was strengthened by the Housing Act of 1949, and further amended in 1960, to include homes not directly on farms and to encompass single-family and multi-family developments⁸⁶. Following this, the legislature later passed The Housing and Community Development Act of 1974. This act created the Housing Choice Voucher Program (previously referred to as Section 8 but has been given a new name due to the negative connotations associated with the phrase Section 8), and the Community Development Block Grant (CDBG) program. Other programs to come out of legislation like this include the HOME Investment Partnerships Program (HOME) and the Homeownership and Opportunity for People Everywhere (HOPE) program^{87 88}. In 1977, Congress enacted the Community Reinvestment Act (CRA) with hope that banks would help meet the credit needs of low to moderate income customers in their communities⁸⁹. All these programs share the common goal of incentivizing the private sector to assist with the creation of affordable workforce housing by subsidizing the cost associated with housing.

The price of building a home has become more expensive, and this price will continue to increase. This rising cost leads to a scarcity of homes, which continues to drive up costs. One of the ways to reduce home costs is to offer subsidies and funding for developers and cities who are

⁸⁵ Scally, Corianne Payton, and David Lipsetz. “New Public Data Available on USDA Rural Housing Service’s Single-Family and Multifamily Programs.” *Cityscape* 19, no. 1 (2017): 295–304.

⁸⁶ Scally, Corianne Payton, and David Lipsetz. “New Public Data Available on USDA Rural Housing Service’s Single-Family and Multifamily Programs.” *Cityscape* 19, no. 1 (2017): 295–304.

⁸⁷ Turner, Sonyia. “Student Corner: What Exactly is Workforce Housing and Why is it Important?” *University of North Carolina at Chapel Hill: Community and Economic Development in North Carolina and Beyond*. CED Program Interns and Students. July 12, 2018.

⁸⁸ Popkin, Susan J., Bruce Katz, Mary K. Cunningham, Karen D. Brown, Jeremy Gustafson, and Margery Austin Turner. *A Decade of HOPE VI: Research Findings and Policy Challenges*. Washington D.C., The Urban Institute, 2004.

⁸⁹ Office of the Comptroller of the Currency. “Community Reinvestment Act.”

developing affordable workforce housing. However, there is a lack of funding available and a lack of knowledge of how to access these funds.

This lack of funding goes for potential and current homeowners as well as developers of affordable workforce housing. Developers have no interest in building affordable housing because it brings in smaller profit yields, and their return on market rate housing is more substantial. Programs like LIHTC, USDA, and other similar efforts provide financial incentives for developers to build affordable workforce housing.

Another barrier to funding, but mainly for individuals, is the history many minorities have with credit. This can be due to discrimination, and a lack of cultural knowledge, such as how to utilize credit in ways that are insured by the government⁹⁰. Predatory lending practices due to redlining target minorities trying for their chances at the “American Dream,” creating a distrust of banks and loaning services. Things like variable interest rates, interest-only loans, and NINJA (“no income, no job, no assets”) loans all became popular among people of color and tanked their credit while stripping them of their opportunities for generational wealth⁹¹. This has led to higher rates of renting among people of color, which leaves them vulnerable to their landlords, and unable to find secure housing⁹². Initiatives such as the Community Reinvestment Act have attempted to rectify this wrong but work still needs to be done to repair the relationship many minorities have with banks.

⁹⁰ Anne L. Sweaney, Kelly S. Manley, Jorge H. Atilas, Douglas C. Bachtel, Brenda J. Cude, Mick G. Ragsdale, Thomas F. Rodgers, Karen L. Tinsley, Janet S. Valente & Gladys G. Shelton. “Rural Workforce Housing: Perceived Barriers and Incentives for Development, Housing and Society,” *Housing and Society* 31, no. 1 (2004): 15-28.

⁹¹ Madden, David, and Peter Marcuse. *In Defense of Housing: The Politics of Crisis*. London: Verso, 2016.

⁹² Fu, Samantha, and Gabi Velasco. *Decommodification and Its Role in Advancing Housing Justice*. Washington D.C., The Urban Institute, 2023

The largest sources of funding, either from banks or equity firms, have not been the most receptive to funding the development of workforce housing for individuals of low or middle income. These investments are seen as riskier, and the profit margin would be much smaller than that of market rate housing⁹³. Funding provided by the state and the federal government is meant to take some of the risk out of investment in housing and encourage local investment by entities who may not be willing or able to take the risk for affordability, which is where the Community Reinvestment Act originates. However, banking institutions are not as common in rural areas. This can also lead to a few barriers, such as higher interest rates, larger down payments, and shorter loan terms⁹⁴ due to a lack of competition.

Five major funding opportunities will be reviewed in this paper, but this list is not exhaustive. There are grants arising from local, state, and federal agencies more frequently to address the increasing need for workforce housing and spur the construction of affordable housing across the country.

1. Low Income Housing Tax Credit Program

Commonly referred to as LIHTC, the Low Income Tax Credit program began in 1986 as a way for the federal government to subsidize the cost of construction in the affordable home development market⁹⁵. The program was not initially popular, because the benefits were too

⁹³ Garcia, David., Alameldin, Muhammad., Metcalf, Ben., Fulton, William. “Unlocking the Potential of Missing Middle Housing.” 2022.

⁹⁴ Anne L. Sweaney, Kelly S. Manley, Jorge H. Atilas, Douglas C. Bachtel, Brenda J. Cude, Mick G. Ragsdale, Thomas F. Rodgers, Karen L. Tinsley, Janet S. Valente & Gladys G. Shelton. “Rural Workforce Housing: Perceived Barriers and Incentives for Development, Housing and Society,” *Housing and Society* 31, no. 1 (2004): 15-28.

⁹⁵ Scally, Corianne Payton, and David Lipsetz. “New Public Data Available on USDA Rural Housing Service’s Single-Family and Multifamily Programs.” *Cityscape* 19, no. 1 (2017): 295–304.

minimal and did not provide enough of a subsidy for developers to consider it⁹⁶. Over time, the federal government began to expand the benefits, and it has become more popular in recent years. Additionally, a few states have echoed the efforts of this federal program by offering a mirror state tax credit to leverage the construction of affordable workforce housing. Georgia is one of the states that participates in this program.

LIHTC works by supplying private investors with a federal income tax credit with the expectation that they will invest in affordable housing. These credits can be used to build new properties, renovate existing structures, and acquire the needed land and buildings for housing⁹⁷. Developers could originally only get forty-five cents for every dollar when the program was created, which was marginal in the cost they would lose by lowering rents. In the late 1990s, this credit increased in value to 80 cents per dollar, which is a much better margin, and the fees associated with selling the credits also decreased. This increase in credit increased the program's visibility and access, and the number of units built using LIHTC credits grew exponentially. LIHTC can be used in communities of any size and demographic, and it is especially beneficial in rural communities. Between 1992 and 2002, around 9,000 and 12,000 units were produced annually by LIHTC in rural spaces⁹⁸.

Applicants can get either 9% tax credits or 4%, and each percentage comes with different award processes and benefits⁹⁹. The main requirement of LIHTC is that the units remain

⁹⁶ Kirk McClure. "The low-income housing tax credit program goes mainstream and moves to the suburbs." *Housing Policy Debate* 17, no. 3 (2006): 419-446.

⁹⁷ Scally, Corianne P., Amanda Gold, and Nicole DuBois. *The Low-Income Housing Tax Credit: How It Works and Who It Serves*. Washington D.C.: Urban Institute, 2018.

⁹⁸ Kirk McClure. "The low-income housing tax credit program goes mainstream and moves to the suburbs." *Housing Policy Debate* 17, no. 3 (2006): 419-446.

⁹⁹ Scally, Corianne P., Amanda Gold, and Nicole DuBois. *The Low-Income Housing Tax Credit: How It Works and Who It Serves*. Washington D.C.: Urban Institute, 2018.

affordable for at least 30 years after completion. This has caused some issues, as some lawmakers move to extend or shorten this duration. In many states, longer periods already exist¹⁰⁰.

The City of Madison has had four developments that utilize LIHTC. One finished product that has been successful in offering an affordable home option for senior residents, and another for families. Two more are currently under construction, and both are intended for families or those seeking small dwellings. The two projects are vastly different (multi-family versus single-family), showing the range of housing types that can be executed with LIHTC funding.

2. United States Department of Agriculture (USDA) Grants and Loans

The Rural Housing Service, originally entitled the “Farmers Home Administration,” is now in charge of administering and upholding the Housing Act of 1949 in rural communities. This service also expands knowledge of the programs that can be can utilized for the development of housing, on and off farms. This service is managed by the United States Department of Agriculture, which administers several grants and loans for homes in rural areas for residents of low to moderate income. Their programs are also meant for the elderly and people with disabilities.

a. Single Family Housing Direct Home Loans & Single-Family Housing Guaranteed Loan Program (502 Loans)

The 502 Direct Loan Program assists applicants with their home loan payment to reduce their chances of being evicted or foreclosed. The requirements for the Single-Family Housing Direct Home Loans include:

¹⁰⁰ Scally, Corianne P., Amanda Gold, and Nicole DuBois. *The Low-Income Housing Tax Credit: How It Works and Who It Serves*. Washington D.C.: Urban Institute, 2018.

- “Be without decent, safe, and sanitary housing
- Be unable to obtain a loan from other resources on terms and conditions that can reasonably be expected to meet
- Agree to occupy the property as your primary residence
- Have the legal capacity to incur a loan obligation
- Meet citizenship or eligible noncitizen requirements
- Not be suspended or debarred from participation in federal programs”¹⁰¹

b. Single Family Housing Repair Loans & Grants (504 Loans)

The 504 Home Repair Program gives homeowners the chance to upgrade their homes and make them accessible. To qualify for the loan (or grants for elderly individuals), the requirements are:

- “Be the homeowner and occupy the house
- Be unable to obtain affordable credit elsewhere
- Have a household income that does not exceed the very low limit by county
- For grants, be age 62 or older”¹⁰²

The city of Madison shares information about these loan programs through their website and physical locations across the city like City Hall, the Health Department, and the planning and zoning office.

3. Georgia Department of Community Affairs (DCA) Grants and Loans

The Georgia Department of Community Affairs was created in 1977 to ensure three core operations: “safe and affordable housing, local government assistance, and community and

¹⁰¹ USDA Rural Development. “Single Family Housing Direct Home Loans.”

¹⁰² USDA Rural Development. “Single Family Housing Repair Loans & Grants in Georgia.”

economic development”¹⁰³. Since its creation, the DCA has helped countless counties and towns in Georgia gain access to opportunities in affordable housing through grants and training. They also work with the Georgia Initiative for Community Housing.

a. Community Housing Investment Program (CHIP)

The Community Home Investment Program is a grant given to local governments to rehabilitate homes that may be substandard, which retains a unit of affordable housing, while alleviating the cost of fixing a home on the homeowner. The grant is often used for accessibility fixes such as ramps and roll in showers, but it is also used for mediating issues with lead paint and home foundation.

The City of Madison has been awarded two rounds of Community Home Investment Program funding, which it has used to mediate eight homes from condemnation and make them more accessible for aging residents.

b. Community Development Block Grant (CDBG)

The Community Development Block Grant (CDBG) program provides funding for communities to build housing and develop opportunities for economic advancement. They are often used for the acquirement of land, as well as rehabilitation and infrastructure developments¹⁰⁴. The city of Madison has received one CDBG grant and used it to rehabilitate homes to a safe and sanitary standard.

4. Land Trust and Land Banks

While sometimes the terms land trust and land bank are used interchangeably, they are different entities and serve different niches related to lowering the cost of home construction.

¹⁰³ Georgia Department of Community Affairs. “About DCA.”

¹⁰⁴ U.S. Department of Housing and Urban Development. “Community Development Block Grant Program.”

Land banks (often called redevelopment authorities) are organizations that acquire land and hold it for a certain amount of time for redevelopment. They also can take properties that are delinquent on taxes and get them back on roll to fund the services of the municipalities they are in. Land banks have become increasingly popular in recent years due to the issue of heirs' property because they can be used to clear home title¹⁰⁵. They can also stabilize property values by acquiring and remedying blighted property, leading to decreased code enforcement issues.

The major difference between land trusts and land banks is that land banks are temporary, and land trusts are typically permanent¹⁰⁶, but they can be used in tandem to retain affordable housing and protect communities from blight; and in rural communities both can be used to combat encroaching urban development in diverse ways.

Initiated in the 50s and 60s by black southern revolutionaries in an attempt to retain black farms¹⁰⁷, land trust are organizations that use legal tools like restrictive deed covenants and conservation easements to preserve the value of land for a community¹⁰⁸. Ownership of the transferable development rights (TDRs) is transferred to the land trust, while the homeowner still possesses the land and structures on it. While trust is a part of the name, some of these organizations are not a trust in the traditional definition, but more so act as nonprofits in benefit of their community. Land trust can exist to protect agricultural lands, restrict development, and ease the cost burden on homeowners¹⁰⁹. One of the keyways land trusts help with affordable

¹⁰⁵ Center for Community Progress. "What is a Land Bank?" June 15, 2023.

¹⁰⁶ Center for Community Progress. "What is a Land Bank?" June 15, 2023.

¹⁰⁷ Spicer, Jason S., Lindsay Stephens, and Anna Kramer. "Oranges Are Not the Only Fruit: The Publicly Owned Variety of Community Land Trust." *Journal of Planning Education and Research*, (September 2022)

¹⁰⁸ Stone, Emily. "Legal Issues with Land Trusts: What is a Land Trust?" December 19, 2023.

¹⁰⁹ Stone, Emily. "Legal Issues with Land Trusts: What is a Land Trust?" December 19, 2023.

workforce housing is by pulling the cost of housing down by removing the price of land from the home, as the homeowners would be leasing the land, and the land would not have to be financed.

Another large appeal of land trusts is that they create affordable housing without the need of heavy government interaction or cooperation between multiple entities¹¹⁰. In 2021, 1,300 land trusts conserved over sixty-one million acres across the United States¹¹¹. Athens Land Trust (ALT) is one of those land trusts, with over 20,463 acres protected across Georgia¹¹²¹¹³. It was created in 1994 by Skipper StipeMaas and Nancy Stangle, who found it difficult to balance preserving green spaces with building affordable housing¹¹⁴. ALT is based out of Athens, Georgia, but they mentor communities all over northern Georgia with affordable workforce housing development. They have worked for the last two decades to retain affordable housing in Athens as the city rapidly changes due to the pressure of the University of Georgia's growing enrollment rates. ALT does more than just operate a land trust, as they also run a successful community garden network¹¹⁵, and build homes and rental properties for those of moderate to low income¹¹⁶.

5. Community Reinvestment Act Credits

Created in 1977 in an attempt to rectify the damage done by redlining, the Community Reinvestment Act (CRA), and the credits associated with it encourage banks to invest in

¹¹⁰ Spicer, Jason S., Lindsay Stephens, and Anna Kramer. "Oranges Are Not the Only Fruit: The Publicly Owned Variety of Community Land Trust." *Journal of Planning Education and Research*, (September 2022)

¹¹¹ Beckman, Caroline M., Mele Wheaton, Nik Sawe, and Nicole M. Ardoin. "Incorporating justice, equity, and access priorities into land trusts' conservation efforts." *Biological Conservation* 279 (February 2023).

¹¹² Land Trust Alliance. Athens Land Trust.

¹¹³ Athens Land Trust. Our Impact.

¹¹⁴ Athens Land Trust. About.

¹¹⁵ Athens Land Trust. Community Agriculture.

¹¹⁶ Athens Land Trust. Affordable Housing.

communities with low to moderate credit. CRA credits are managed and issued through the Office of the Comptroller of the Currency, a government agency under that treasury that regulates all banks in the U.S..¹¹⁷ Banks often participate in the CRA program to receive mergers and acquisitions, but they must meet standards based on the demographics of their area for how many loans they are giving out and how much credit assistance they are offering to not be barred from certain activities¹¹⁸.

The Office of the Comptroller keeps track of the loan amounts and frequency of CRA credits used in banks depending on their population size. In 2022, 77.5% of the loans given out in rural areas from the CRA program were for \$100,000 or less. This can be seen in Table one¹¹⁹. This indicates two possible issues: rural areas are underutilizing the CRA program; or the banks are giving out smaller loans in these areas. This could be due to a number of factors, but it comes down to a need for small rural governments to tap into these funds for possible affordable housing development, and for more small-town banks to use their credits fully.

¹¹⁷ Office of the Comptroller of the Currency. “Community Reinvestment Act.”

¹¹⁸ Office of the Comptroller of the Currency. “Community Reinvestment Act.”

¹¹⁹ Office of the Comptroller of the Currency. “Community Reinvestment Act.”

Table 1

CRA National Aggregate Table 2-3

PAGE: 1 OF 2

Number of small loans to farms, grouped by neighborhood characteristics and distributed by amount of lending, 2022

Characteristics of neighborhood	MEMO Share of U.S. population (percent) Population	Number of loans, by size category (dollars)								MEMO Number of loans to farms with revenues of \$1 million or less		
		100,000 or less		100,001 to 250,000		More than 250,000 to 1 million		All				
		Percent	MEMO Percent of small farm loans	Percent	MEMO Percent of small farm loans	Percent	MEMO Percent of small farm loans	Total	Percent	MEMO Percent of small farm loans	Total	MEMO Percent of small farm loans
Location												
Principal City	38.8	85.6	9.1	8.1	5.7	6.2	6.6	17,693	100.0	8.5	10,976	62.0
Suburban	47.6	83.0	33.8	10.1	27.3	6.9	28.2	67,921	100.0	32.6	39,743	58.5
Rural	13.6	77.5	57.1	13.7	67.0	8.8	65.2	122,702	100.0	58.9	71,426	58.2
Subtotal	100.0	80.0	100.0	12.1	100.0	8.0	100.0	208,316	100.0	100.0	122,145	58.6
Tract not known	0.0	99.0	0.9	0.6	0.0	0.4	0.0	1,574	100.0	0.7	751	47.7
Total	100.0	80.1	—	12.0	—	7.9	—	209,890	100.0	—	122,896	58.6
Area Income												
Low (less than 50)												
Principal City	4.0	90.6	0.2	6.5	0.1	2.9	0.1	445	100.0	0.2	287	64.5
Suburban	1.5	82.3	0.2	10.7	0.2	7.0	0.2	441	100.0	0.2	259	58.7
Rural	0.2	80.5	0.2	13.0	0.2	6.5	0.2	431	100.0	0.2	235	54.5
Total	5.7	84.5	0.7	10.0	0.5	5.5	0.4	1,317	100.0	0.6	781	59.3
Moderate (50 to 79)												
Principal City	10.2	88.4	1.2	6.0	0.5	5.5	0.7	2,249	100.0	1.1	1,394	62.0
Suburban	9.3	84.7	4.9	9.5	3.7	5.8	3.4	9,712	100.0	4.7	5,602	57.7
Rural	2.3	79.9	5.2	12.2	5.2	7.9	5.1	10,770	100.0	5.2	6,331	58.8
Total	21.8	82.8	11.3	10.4	9.5	6.7	9.2	22,731	100.0	10.9	13,327	58.6
Middle (80 to 119)												
Principal City	12.5	83.7	3.6	9.6	2.7	6.7	2.9	7,204	100.0	3.5	4,440	61.6
Suburban	21.4	81.2	20.7	11.1	18.9	7.6	19.6	42,551	100.0	20.4	24,665	58.0
Rural	8.3	77.1	42.4	14.0	51.1	8.9	49.3	91,572	100.0	44.0	53,438	58.4
Total	42.3	78.7	66.7	12.9	72.7	8.4	71.8	141,327	100.0	67.8	82,543	58.4
Upper (120 or more)												
Principal City	11.3	86.2	4.0	7.6	2.3	6.2	2.9	7,658	100.0	3.7	4,769	62.3
Suburban	15.1	86.9	7.9	7.6	4.5	5.5	5.0	15,066	100.0	7.2	9,138	60.7
Rural	2.7	78.0	9.3	13.2	10.4	8.8	10.5	19,781	100.0	9.5	11,355	57.4
Total	29.1	82.7	21.1	10.2	17.2	7.2	18.4	42,505	100.0	20.4	25,262	59.4
Income not reported												
Principal City	0.7	89.8	0.1	4.4	0.0	5.8	0.0	137	100.0	0.1	86	62.8
Suburban	0.3	87.4	0.1	8.6	0.1	4.0	0.0	151	100.0	0.1	79	52.3
Rural	0.1	82.3	0.1	10.6	0.1	7.1	0.1	141	100.0	0.1	64	45.4
Total	1.1	86.5	0.2	7.9	0.1	5.6	0.1	429	100.0	0.2	229	53.4
Subtotal	100.0	80.0	100.0	12.1	100.0	8.0	100.0	208,316	100.0	100.0	122,145	58.6
Tract not known	0.0	99.0	0.9	0.6	0.0	0.4	0.0	1,574	100.0	0.7	751	47.7
Total	100.0	80.1	—	12.0	—	7.9	—	209,890	100.0	—	122,896	58.6

All methods of reinvestment and affordable housing development have their rewards, as well as drawbacks, but many areas have a plethora of tools to begin with from their local, state, and federal governments to ensure housing in some form exists for their workforce. Each of these tools has benefits when used independently, but real change can come from the usage of these programs in tandem.

CHAPTER 5

CONCLUSION

Discussion

Strides to fix the housing crisis in Georgia are already underway. In 2023, the Governor of Georgia announced the creation of the Rural Workforce Housing Initiative (RWHI), a program to assist with the cost of infrastructure to create rural workforce housing. The first round of this housing grant's recipients was announced in January of 2024¹²⁰, and new rounds come out every few months. Some of the awardees include the Stephens County Development Authority, who is using the RWHI Grant to build infrastructure to support 318 new housing units near an industrial park. The City of Colquitt, a small town in southwest Georgia, used the grant to create and support over ninety units of affordable housing. Douglas Coffee County is using their grant to build sixty-five new homes near large employers in southeast Georgia¹²¹. All these cities share small, rural characteristics, but they can develop in a way that best supports them due to funding efforts provided by the state.

In October of 2023, the Office of the Comptroller of Currency issued more restrictions on the CRA program to ensure banks were participating, and reinvesting in the development of the communities they were stationed in. The last changes made to the CRA program were in 1995, so many legislators believe changes were long overdue. These changes include more tests to make sure banks are hitting their expected performance, and a new system to keep track of bank

¹²⁰ Governor Brian Kemp Office of the Governor. "Gov. Kemp Announces First Grant Recipients of the Rural Workforce Housing Initiative." 8 September, 2023.

¹²¹ Governor Brian Kemp Office of the Governor. "Gov. Kemp Announces First Grant Recipients of the Rural Workforce Housing Initiative." 8 September, 2023.

contributions that is accessible to the public¹²². These changes will assist in holding banks accountable for the part they have played in the barriers of wealth building for Americans of color and ensure that communities have a reliable source of funding for projects that put them in the right direction when it comes to development, especially in the realm of affordable housing.

Governmental action and funding in other states has also been heading in the right direction. Between 2019 and 2021, multiple metropolitan cities such as New York and Seattle poured over a million dollars into the creation of community land trusts. This is an action that will hopefully be reflected onto rural communities¹²³.

In Madison, multiple strides have been made to mediate the rural workforce housing issues with the findings expressed in this paper. Madison is a GICH community, they utilize funding from the state and federal government, and they work diligently to reverse the harmful stereotypes placed on affordable housing through town halls. Madison possesses a planning staff that is proactive and progressive when it comes to zoning and the usage of urban renewal plans. Madison still struggles with its lack of available developable land, so recommendations for the city include to expand their URPs in the positive way they have done in the past, and to consider changes to height ordinances and lot sizes for single and multi-family homes.

The lack of knowledge on the causes of the rural workforce housing crisis, and how rural areas can mediate this issue led to the creation of this thesis. This research's purpose was to be a resource to rural communities across the United States. By pulling together the resources

¹²² Office of the Comptroller of the Currency. "Community Reinvestment Act: Interagency Final Rulemaking to Implement the CRA." October 24, 2023.

¹²³ Fu, Samantha, and Gabi Velasco. *Decommodification and Its Role in Advancing Housing Justice*. Washington D.C., The Urban Institute, 2023

available from nonprofits, local organizations, and the state and federal government, a guide for rural affordable housing development has been created with this paper.

Affordable housing in rural areas is hard to obtain because there is a lack of it that is affordable, safe, and decent. Opportunities for rural workforce housing creation can come from engaging the public to change their mindset around affordable housing, changes in zoning to allow for housing diversity, the usage of different funding sources, and mindfulness of the usable space in rural areas. The housing crisis in rural areas has not been created by accident. It is the result of decades of disinvestment and misuse of government power that barred people of color from affordable housing. Throughout this thesis, there has been a focus on governmental action as it relates to housing. Affordable housing does not have to come from the government, but it is one of the insurable ways housings can be created with current market conditions. Actions taken by local governments and funding provided by the federal or state government are key in solving the housing crisis.

All the resources mentioned are current and can be reformed and applied to many communities, it is about finding the solution that is the best fit for the local community affected. Whether you are from a county reaching one million residents in the next decade, or a county celebrating finally hitting 5,000 residents, everyone deserves to have a roof over their head, and access to a place they can call home that is safe, secure, and most importantly, affordable.

Further Considerations

There are many more studies that would need to be done to even begin to have a full grasp on this issue surrounding the sparseness of housing in rural Georgia. To start, more studies need to be done into why housing costs are more burdensome in rural areas. Is it the distance

from employment? Is it the lower wages of workers in rural areas? Does the rate of homeownership being higher in rural areas play a role in this?

Next, more research needs to be done on how the rapidly aging populations in rural towns will play a role in the demand for multi-family housing developments in the future, as senior care also gets more expensive. Single Room Occupancy (SRO) units have become popular in urban areas like Seattle and New York, but how would these units translate to less populous, rural spaces like Madison? Is this something rural residents are willing to consider, and how can it be adapted to fit the visuals commonly associated with small-town character?

The issues surrounding rural workforce housing are much more complex than just five issues. While this list is not exhaustive and does not even begin to scratch the surface of the housing crisis in rural Georgia, it does provide tools that can be used separately, or in tandem, for small towns to resolve their housing crisis in a way that best suits their populations and their needs.

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