CHAPTER 1

CONTEXT

>> Introduction
>> Study Area
>> Market Overview
The focus of the Master Plan is to identify placemaking, transportation, and quality of life improvements that will refine and build upon community strengths as Buckhead continues its transformation from an employment and retail destination into a mature urban center. Over the last two decades, the Buckhead Community Improvement District and Livable Buckhead, along with many partners, have invested in mobility improvements, streetscapes, green spaces, public safety, and other transportation and quality of life initiatives to make Buckhead one of the Southeast’s most dynamic activity centers.

While progress has been made, Buckhead remains in transition as demographics shift and new development occurs. Further investments in access, connectivity, placemaking, and green space are needed to extend the character and quality of the district’s core areas throughout the Buckhead Community Improvement District. BUCKHEAD REDEFINED seeks to build upon the momentum of the last 15 years to provide the vision and implementable strategies necessary to guide the district’s continued success for the next 15 years.

Chapter 1 provides an overview of the BUCKHEAD REDefined study area, concurrent studies and how they informed the overall plan, and a market analysis of the community changes over the last 15 years.

As part of the 15-Year LCI Master Plan Update, BUCKHEAD REDefined incorporated two additional, simultaneous planning efforts. To promote district-wide collaboration and minimize redundancy and public confusion, the Lenox Road Scoping Study and public engagement efforts for the Park Over GA400 concept plan were combined under the BUCKHEAD REDefined brand. The Lenox Road Scoping Study, led by Stantec, focused on mobility and urban design enhancements along Lenox Road while public engagement related to the Park Over GA400 provided insight into the public’s ideas related to the park concept and other potential green spaces needed throughout Buckhead.

BUCKHEAD REDefined Components

PARK OVER 400
BUCKHEAD REDefined
LENOX RD. CORRIDOR STUDY

BUCKHEAD REDefined is a 15-Year Update to The Buckhead Action Plan, a 2001 Livable Centers Initiative Study.

Chapter 1: Context

INTRODUCTION

BUCKHEAD REDefined is a 15-Year Update to The Buckhead Action Plan, a 2001 Livable Centers Initiative Study.

Chapter 1: Context

Introduction
The BUCKHEAD REdefined study area follows the Buckhead CID boundary and includes Buckhead’s major commercial, office, and retail nodes. The geography of the study area is generally defined by the following streets:

- Old Ivy Road to the North
- Peachtree-Dunwoody Road / Roxboro Road to the East
- Rumson Road and Pharr Road to the South
- Chatham Road to the West

The map to the right highlights the study area boundary purple, as well as the concurrent planning initiatives: Lenox Road Scoping Study and Park Over GA400.

Note: For ease of viewing, the study area map is rotated approximately 30 degrees.
The Buckhead CID received funding from the Atlanta Regional Commission to support a feasibility study of pedestrian, bicycle and roadway improvements along Lenox Road to explore how best to improve the function and appearance of the corridor for all current and future users. Four projects were identified for the effort:

- Pedestrian enhancements between East Paces Ferry and Peachtree Road
- Reimagined ramps at Monarch Drive
- Intersection improvements at Lenox and Peachtree Roads
- Reconfigured interchange at GA400
The introduction of GA400 provided greater vehicular access in and out of Buckhead, but also created a physical barrier dividing the East and West sides of the community. With the desire to reconnect Buckhead, the viability of a public space atop GA400 is under study to create a signature park that connects pedestrian and bicycle paths across the freeway, and provides the central gathering space that Buckhead currently lacks. The park is envisioned as a model for the multimodal future of Atlanta, improving walkability and access to the MARTA transit station. Community consensus has been favorable toward the concept with over 80% of survey respondents in favor of the proposed park. Further development of the concept, including the funding strategy and park governance recommendations are underway.
A MARKET ANALYSIS WAS COMPLETED LOOKING AT CURRENT TRENDS WITHIN BOTH GREATER BUCKHEAD AND THE STUDY AREA TO BETTER UNDERSTAND THE IMPACTS OF RECENT CHANGES.

Over 12,000 residents call the Buckhead Core home. Post-Great Recession rental apartment demand has brought an influx of new residential units and residents, as the area’s population has grown by nearly 1,500 since 2010. Most additions have been in the higher-priced market segment with rents averaging over $2,000 per month for units built since 2013.

While this growth in residential options in the Buckhead Core has added to the urban vibrancy of the district, challenges in sustaining the growth and quality of the district for residents, employees, newcomers, and visitors remain. A summary of the housing challenges and proposed solutions are outlined on the following page.

Employment within the Buckhead Core has out paced residential growth in the last decade. This imbalance has exacerbated the jobs-to-housing ratio that has afflicted the area for years. Today, many employees lack attainable options to live near their place of employment. Their commutes contribute to traffic congestion in the Buckhead Core.

Nearly 40% of the Buckhead Core’s estimated 68,500 employees work in industry sectors with average incomes of less $50,000. However, only approximately 3,500 apartment units are available in the Buckhead Core with rents at or below $1,500/month.

Private market-rate housing development will continue to provide the greatest number of new residential units in the area, adding units with average prices exceeding $1,500/month. Land and development costs often guide this luxury pricing. However, demand also exists for units at lower rates. To meet demand and expand housing options across a broader range of household incomes in the Buckhead Core a multipronged approach is needed.

While additional study of the housing issues in the Buckhead Core is needed, the LCI planning team offers the following ideas for consideration:

• Employment-assisted housing program
• Preservation of affordable senior housing
• Support additional transit oriented development (TOD), both in and beyond the Buckhead Core
• Micro-units, or studio apartments, to help provide attainable units if Buckhead improves last mile connectivity and transit accessibility throughout the district
JOBS
While the multifamily rental inventory in the Buckhead Core has grown over the past four years, it has not kept pace with the area’s robust employment growth. As a result, the number of jobs per household has increased to 10.1 jobs per household within the Study Area. This ratio of employees to residents in the Buckhead Core is effectively unchanged from a decade prior.

<table>
<thead>
<tr>
<th>JOBS PER HOUSEHOLD</th>
<th>GREATER BUCKHEAD</th>
<th>STUDY AREA</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2.8</td>
<td>10.1</td>
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</table>

98% EMPLOYED IN THE STUDY AREA BUT LIVING ELSEWHERE

TRAFFIC
The imbalance between employment and nearby residential options contribute to area traffic congestion, as commuters are limited in their opportunity to live near their place of employment. In fact, less than 2% of Buckhead Core employees live within the area. While some Buckhead employees commute to work via MARTA, the majority drive alone and contribute to the vehicular gridlock of major thoroughfares.


HOUSEHOLD
The growing demand for multifamily housing in the Buckhead Core, and throughout the city, has allowed for additional units to be successfully absorbed into the marketplace. Rental multifamily unit absorption, both citywide and in the Buckhead Core, is at levels similar to the pre-recession peak of multifamily condominium development.

<table>
<thead>
<tr>
<th>HOUSEHOLDS</th>
<th>GREATER BUCKHEAD</th>
<th>BUCKHEAD CORE</th>
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<tbody>
<tr>
<td></td>
<td>46,472</td>
<td>7,536</td>
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<table>
<thead>
<tr>
<th>HOUSEHOLDS</th>
<th>RENTER OCCUPIED</th>
<th>OWNER OCCUPIED</th>
<th>VACANT HOUSING</th>
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<tbody>
<tr>
<td>GREATER BUCKHEAD</td>
<td>22%</td>
<td>48%</td>
<td>30%</td>
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<tr>
<td>BUCKHEAD CORE</td>
<td>14%</td>
<td>32%</td>
<td>54%</td>
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</table>

CHAPTER 1: CONTEXT
HOUSING GAP ANALYSIS

JOB GROWTH
Study area employment has grown by more than 10,000 jobs since the Great Recession, to over 65,000 total jobs.
Overall occupancy of multifamily inventory stands above 92% across all price points. The 5,000 units priced $1,000-$2,000/month serve an important role in housing middle income households. These units are essential for a comprehensive housing mix. However, the available rental housing options in the Buckhead Core are far from offering a mix that is attainable to all area employees. At the high end, approximately 2,000 units are priced above $2,000, whereas approximately 35,000 of Buckhead Core employees work in employment sectors with average incomes that would provide affordability for these higher priced units. Certainly, many of these employees would not necessarily be interested in renting an apartment in Buckhead, but even factoring in likely housing decisions for these employees, the supply of residential units lags demand. However, as new supply enters the marketplace nearly all new units are expected to be affordable to only those in higher income brackets. The Buckhead Core apartment market is inadequate to meet the demands of service sector employees and other workers with monthly rent affordability below $1,000/month. As shown below, 18,000 Buckhead Core workers are employed in the retail, hotel, and food sectors. The average income for retail workers in Fulton County is currently $23,000/year according to the Georgia Department of Labor and $35,000/year for hotel and food workers. In either case, a single-person household making these incomes can only afford rents below $1,000/month, assuming no more than 30% of income is spent on housing. Again, not all households would necessarily choose to rent a Buckhead apartment if available and many may be part of households with multiple incomes. But with only one apartment affordable to every 18 service sector employees in the Buckhead Core, opportunities for these workers to live near their place of employment are rare. Market dynamics provide additional barriers to attainable housing for all workers in the Buckhead Core. The area has emerged as one of the most sought-after housing markets in the Southeast. As demand increases and supply struggles to keep pace, prices will inevitably increase. Further, the price of land and construction costs conspire to place barriers to adding housing across all income affordabilities. Solutions for providing housing to the large service sector employment in the Buckhead Core are difficult. Nevertheless, as housing prices continue to increase and incomes remain relatively stagnant, the solutions become ever more elusive. With that, problems such as traffic congestion are compounded.

Based on data from Georgia Dept. of Labor, ARC, US Census

<table>
<thead>
<tr>
<th>EMPLOYMENT SECTOR</th>
<th>ESTIMATED NUMBER OF EMPLOYEES</th>
<th>ESTIMATED AVERAGE ANNUAL INCOME</th>
<th>MONTHLY RENT AFFORDABILITY</th>
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<tbody>
<tr>
<td>Finance/Insurance</td>
<td>13,410</td>
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<tr>
<td>Professional/Scientific/Tech</td>
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<td>$130,000</td>
<td>$3,575</td>
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<td>Retail Trade</td>
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<td>$22,828</td>
<td>$628</td>
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<tr>
<td>Hotel/ Food Service</td>
<td>8,103</td>
<td>$35,360</td>
<td>$972</td>
</tr>
<tr>
<td>Other</td>
<td>23,511</td>
<td>$82,368</td>
<td>$2,265</td>
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</tbody>
</table>

*Based on data from Georgia Dept. of Labor, ARC, US Census*
CHAPTER 1: CONTEXT

WHO LIVES HERE?

The market segmentation suggests that “Uptown Individuals” make up 73% of the study area’s population and 53% of Greater Buckhead’s population.

- Intelligent: best educated market
- Hard-working: highest rate of labor force participation
- Averse to: traditional commitments of marriage + home ownership
- Generous to social causes
- Open to new experiences and places
- Partial to city life and high-rise apartments

Greater Buckhead

Study Area

- 73% Uptown Individuals
- 18% Middle Ground
- 7% Senior Styles
- 2% Upscale Avenues

- 16% Age 30-54
- 23% Age 29 or younger
- 61% Age 55 or older

WHO WORKS HERE?

Population

Buckhead attracts well-paid millennials and generation-X, who comprise more than 50% of the Buckhead CID’s population. Baby Boomers have garnered more than their fair share of the population growth since 2010. Buckhead residents’ incomes are greater than the City of Atlanta overall in every age cohort.

Age of Workers

The workforce in Buckhead is fairly young, with more than 80% of the workers aged 29 to 54.

Types of Jobs

(2016 employer vs. labor force distribution) 50% of all Buckhead residents work in four employment sectors. Of these, Professional, Tech, Finance are the most high-paying, sought-after jobs.

Employment Age Distribution

Based on data from ESRI, provided by Atlanta Regional Commission