

1 CITY OF COLLEGE PARK
2 MAYOR AND CITY COUNCIL
3 WORKSHOP SESSION
4 JANUARY 17, 2023
5

6 MINUTES
7

8 Present: Mayor Bianca Motley Broom; Councilmen Ambrose Clay, Joe Carn, Ken Allen
9 and Roderick Gay; Interim City Manager Jackson Myers; City Attorney Winston
10 Denmark; City Clerk Shavala Ames

11 Absent: None

12 Mayor Motley Broom called the workshop session to order at 5:00 p.m.

13 [Councilman Carn was not present at the beginning of the meeting]

14 **ACTION:** Councilman Clay moved to take up executive session to discuss personnel at
15 5:01p.m., seconded by Councilman Allen and motion carried. (voted by those
16 present)
17

18 Executive Session ended at 5:53 p.m.

19 Workshop Session reconvened at 6:01 p.m. [All elected officials were present]

20 **1. Discussion by the City of College Park lobbyist Don Bolia of Peachtree Government**
21 **Relations to discuss the 2023 Georgia Legislative Session.**
22

23 Don Bolia said good evening and thank you for the opportunity to be here. We wanted to have a
24 quick presentation of what's going on in the legislature. As you know, we've had some big
25 changes that have occurred in the House and Senate. The Senate just announced their committee
26 chairmanships late last week and the House announced their committee chairmanships today, so
27 we're wrapping our arms around those changes. Hopefully you're getting our weekly reports and
28 you should have gotten two by now. Every Friday you'll get a regular report we share with staff.
29 The House we also had some big changes. As many of you know former speaker David Ralston
30 passed away and the interim speaker is Jan Jones. There were elections for the speaker on
31 January 9th of this year. The House elected John Burns by acclamation and the Senate elected
32 their President Pro-Tem by acclamation. I think that's a good sign at the willingness to work
33 together. Hopefully that's the beginning of some great partnerships between both sides of the
34 aisle in the House and Senate. The College Park delegations also changed. Every 10 years with
35 redistricting, the general assembly must redraw every House and Senate map and because of that,
36 it also changes who represent portions of College Park. We have a fantastic delegation; we had a
37 meeting late last year and they had a chance to visit. Almost everyone in the delegation came by.
38 I'm excited about the delegation and they're already engaged on College Park issues. We picked

39 a day to visit with them, February 15th at the Capitol at noon. We're going to have a luncheon
40 and we've invited them to come by. We'll be coordinating with Jackson Myers and your staff on
41 what to present to them at that meeting. We're excited about the delegation and I think there
42 there's gonna be some great opportunities.

43 I know a lot of you want to talk about the Senior Exemption Bill. We have been in discussions
44 with Representative Kim Schofield and Senator Sonya Halpern about carrying those bills in the
45 House and Senate. Kim Schofield has taken the lead on that and she has presented our draft bill
46 that you all approved to legislative council. We're just waiting for them to prepare the bill, and as
47 soon as they do, her intention is to drop the bill and have that bill ready for discussion. It is a
48 local bill so that means it's not subjective to crossover day. One thing to note, we're on a very
49 aggressive legislative schedule. We simply have to pass the House and Senate prior to March
50 29th of this year.

51 Jackson Myers has brought this to our attention through your fire department and your folks that
52 work at EMS, the state has a law that prevents you from doing non-emergency transportation.
53 You can do emergency transportation but you cannot do non-emergency. This is something that I
54 know is an issue for your folks. They do have folks that could be transported but aren't
55 necessarily in an emergency situation but would need to be taken to a hospital, and they have to
56 wait for a state approved ambulance service to carry them. Sometimes that ties up your EMS
57 folks waiting at their home or place of business or wherever they received that 9-1-1 call until
58 that official state transport can be provided. I've been in discussions with representatives at the
59 Georgia Firemen's Association. This is an issue that they actually have been looking at for many
60 years; but the folks who have those state contracts, who do non-emergency transportation, are
61 going to push back on that type of change. Mr. Myers, I don't know if you want to discuss that at
62 all.

63 Interim City Manager Jackson Myers said we met with our representatives and we talked about
64 this. Grady is our provider and for Grady to get down the interstate or Highway 29, it takes a
65 long time to get here. Then they have to turn around and get them back to the trauma center and
66 we only have one trauma center now in our region. I think it's very important for our citizens and
67 our citizens' health. It's a very important project that we need to push forward.

68 Mayor Motley Broom said based upon the conversation that we had at the hometown connection
69 with our representatives, I know that GMA is looking closely at this issue as well. I think
70 they've reached out to Fire Chief Elmore to discuss it later on this week at Cities United on
71 Sunday. It's not just an issue for us in the South Fulton region, this actually is a concern in many
72 areas of the state. I think we're poised to at least have some substantive discussions on it whereas
73 in the past, it may not have necessarily been the case.

74 Don Bolia said I think you have the resources that you can transport those folks.

75 Councilman Carn said in regard to the EMS situation, our state representative Roger Bruce, are
76 you familiar with what's going on in the South Region and what he's proposing?

77 Don Bolia said no, I'm not sir.

78 Councilman Carn said that's why I'm glad you're here. As you know, the ambulatory response
79 times, they're beyond unacceptable, they're dangerous. In a lot of cases, life or death conditions
80 obviously we can transport, but if you're counting on Grady to come, you could be a goner. The
81 City of South Fulton approached Representative Bruce about dropping a bill giving them the
82 option to select their own ambulatory service, which is a change up from the regional mandate.
83 When I heard about this, I thought this is something that we would probably be interested in as
84 well. If he gets any traction on it, which he thinks he's got some support across the aisle right
85 now with it, but, if he were to give South Fulton what they wanted, he can't turn around and give
86 East Point one, give College Park one and etc. He said if he had a second option, it is to get one
87 for the south region due to the fact of the two hospitals closing which would help fuel the
88 justification for this bill. We would have to do it together in a certain region within a certain mile
89 radius and we all would have to chip in for one. He said it would have to be one and we attach
90 on to it to buy in. You probably want to touch base with Roger Bruce because he said he's going
91 to look at dropping the bill for them.

92 Don Bolia said I will definitely do that and let you know.

93 Councilman Carn said if there's interest in us having an option, I don't want to be presumptuous
94 and I'm assuming we're interested in an option, right Mayor?

95 Mayor Motley Broom said you probably need a little bit more data.

96 Don Bolia said I wanted to talk about some bills that we've talked about in the past. I know the
97 Mayor has taken a lot of effort to look at this build to rent issue. I know it hit the south hard with
98 a lot of investors coming in, buying homes and then renting them out. We suspect there will be
99 more legislation similar to what we've seen in the past that preempts local governments from
100 regulating these types of businesses. We'll be watching that very closely. We have met with
101 some folks that were on the study committee. We suspect that this bill will be coming up and
102 very likely could receive a vote out of the committee and it could very well have a vote in the
103 House. The other one is permit fee restrictions and we're hearing this a lot. The legislature is
104 looking at restricting what kinds of permits and fees you can charge and that's something that all
105 cities and all counties have to look at very closely. We're working directly with them and we
106 meet on a weekly basis with the folks from ACCG as well as the folks from GMA when we're
107 down to the Capitol. They're certainly leading the efforts on both of these types of legislation.

108 Councilman Clay said I think you've hit right on the biggest concerns that I have. We're losing an
109 opportunity for homeownership. We're losing an opportunity to have citizens that have skin in
110 the game. They can rotate through apartments and the people that are winning are the big
111 investors with the REIT that are funding these. I think it's absolutely critical that we get the
112 legislature to understand that. I know where the lobbyists have got to be but so I'm good with
113 what you recommended. I'm also concerned with the time to transport and what we need is
114 another regional emergency care facility trauma level. I would make an argument that we need
115 one on the south side. I can think of a really good place to put it and I'm dead serious about that.
116 I think there is an opportunity where there's property and you're central location that's proximity
117 to major transportation corridors where you avoid a lot of the downtown connector issues when

118 you have to do transport. That would be the additional item that I would add on to the other part
119 that you already have.

120 Councilman Carn said thank you Don for coming and good update. If someone could just email
121 it to me so I could pull it up on my phone. Just this presentation that'd be great. The Homestead
122 Act, we got this thing covered now and this is correct?

123 Don Bolia said we're just waiting for legislative council to produce their version and once they
124 do we'll share it with your attorneys and certainly everyone on Mayor and Council to make sure
125 everyone has a chance to read it; and then if everyone signs off on it we can move on it pretty
126 quickly.

127 Councilman Carn said this one in packet starting on page 8, is this it? What exactly is this?

128 Don Bolia said your attorney may want to address that. They did a fantastic job of drafting this
129 legislation and working with counsel.

130 City Attorney Winston Denmark said the council approved the draft that we prepared and we
131 submitted it to legislative council. We kind of went around, and around with Mr. Morelli on
132 some issues. I think now he has clear direction from Representative Schofield to move forward
133 along the lines that we've prepared it. We'll see what he produces but what you're looking at is
134 what we prepared. We don't know what's going to come out of the office of legislative council.
135 We'll read it line by meticulous line to make sure that it's consistent with what this council
136 approves.

137 Councilman Carn said so they may make a few tweaks but this is basically it. I saw a small issue
138 on packet page 11, you might want to take a look at as I might got it mixed up. Packet page 11,
139 the fifth line down, superintendent shall conduct that election on the fourth Tuesday in May
140 2022. Obviously that date's wrong.

141 Don Bolia said it's one of the election dates that the secretary of states allows the dates to be.

142 Mayor Motley Broom said it the wrong year.

143 Councilman Carn said let's just make sure that's one that we can catch that. Last thing, the last
144 time we had a meeting with our delegation this entire city council was purposely not invited and
145 I do not believe that was an accident. I don't want to see that happen again.

146 Don Bolia said yes sir and that's why we made sure I announced the date today.

147 Councilman Carn said I hear the announcement and I hear we have a flyer. I saw it so I guess
148 that's progress.

149 Councilman Allen said first of all thank you very much for you and your staff. You hit a couple
150 of my items, the emergency care transportation is so important to the south side, especially
151 somebody my age who could have a heart attack right now and it'll take me forever to get to
152 Piedmont during traffic or to Emory downtown. The investors buying whole subdivisions to rent
153 out and we sat here one night and heard citizens after citizens come up and say please, we've had

154 enough. I think you're getting the point on both of those so just thank you very much and stay
155 with those two items.

156 Councilman Gay said I hope that we have a good session. The only thing and I hear a lot about is
157 rent control. That's been a big issue in my Ward. I know Georgia is not a rent control state but
158 keep your ears open if there's any legislators that's starting to talk about that.

159 Mr. Bolia said I haven't heard anything about that but we'll definitely be watching that
160 discussion.

161 Mayor Motley Broom said Mr. Bolia, I know one of the things that GMA has talked about is
162 design standards and the likelihood that we'll see some legislation surrounding that. Could you
163 talk about it a little bit?

164 Mr. Bolia said absolutely. You're seeing a lot of folks in the industry whether it's vinyl siding or
165 whatever that they don't want their specific designs being prohibited by local government. The
166 solution always is to go to the general assembly and say what we ought to do is eliminate the
167 design standards or lower them to the lowest possible denominator so that they're very minimal
168 design standards. The argument is that design standards only increase the cost of that home and
169 we're trying to make homeownership easier, but the reality is that if you see the studies that
170 GMA has done, design standard generally only represent about five percent of the cost of the
171 home. It doesn't really have a huge effect if you minimize or eliminate the ability for cities to
172 regulate and put in design standards. I think we're going to see it come up again but I do think
173 there is a significant group of folks that would will push back on that because the end of the day
174 there's 600 cities 159 counties.

175 Mayor Motley Broom said 537.

176 Mr. Bolia said 537? I just round up, but each one would like to have their own type of look and
177 feel for their community and it's almost impossible to legislate a statewide bill to mandate that.
178 But, I can see some legislators pushing for very minimal design standards which would make it
179 very difficult for you to mandate the look and feel that you're trying to get here in College Park.

180 Mayor Motley Broom said I think with the elevation of Speaker Burns, we're probably going to
181 see some movement on truck weights on our roads as well. So we probably need to be prepared
182 for that as well.

183 Mr. Bolia said seems like we have a bill like that every year.

184 Mayor Motley Broom said Thank you so much, appreciate your time, and have a great evening.

185
186 **2. Presentation regarding Housing Issues by John Hunt, Founder & President of**
187 **MarketNsight.**
188

189 John Hunt of Marketnsight said good evening. Thank you very much City Council for having me
190 to talk about a subject which is a passion for us, housing. More importantly workforce and

191 affordable housing and how to get back to that. It's been very difficult over the last decade really
192 and so I would like to give you an overview of what we see in terms of the state of housing in
193 Atlanta. With the short time I have, I was going to delve into College Park but whatever you see
194 on the Atlanta level is going to be echoed in College Park and probably all of the 38 cities that
195 are in the Southeast. So, the obvious question, is there a housing shortage and why do I even
196 bring that up? In the industry, we know there's a massive shortage. If you're not in the industry,
197 which is most people in this country, you may not think there's a shortage of housing. It's a
198 massive problem and it's been a problem for a while. There was a housing shortage before the
199 pandemic began and so after the last Great Recession where we all got burned, we spent a decade
200 of under building and under developing in this country that I think is not even questionable. By
201 the time we ended up before the pandemic we were already at a shortage of housing. The
202 pandemic happened miraculously and we had a housing boom which nobody thought would
203 happen during a pandemic. What happened is that the pandemic made the housing boom even
204 worse. So after we had the pandemic housing boom that basically drained all of our inventory of
205 the system. Now, we're at interest rates between six and seven percent and now we're seeing the
206 housing demand drop. Is that going to change the fact that we have a shortage? I think the
207 opposite is true that the current market conditions are going to make the housing shortage even
208 worse. One example of that is one of our national builders who are based here in Atlanta, Pulte,
209 made an announcement at the end of last year that system-wide they were stopping development
210 and cutting and running on about 11,000 lots nationwide. That's not just Pulte, that's a lot of
211 builders and a lot of developers. Also, a lot of our customers are banks and they're also pulling
212 back.

213 [Referring to presentation] When you hear people talk about the fact that we're four to six
214 million homes short in terms of inventory, what you're seeing is housing starts in the bars on the
215 left and total U.S population is on the line on the right. Before the Great Recession and what had
216 been true for forever is that housing starts, and this includes for sale and for rent, they tracked
217 exactly with population growth. That relationship broke when we had the Great Recession. It fell
218 apart and we've never recovered in the decade plus. If we can advance, you can see that the
219 population has never gone down whether they're coming in from outer space or across the border
220 or they're being born here. We have more people here than we've ever had before and yet
221 housing is not kept up. The total deficit is massive and that's where you get the number that you
222 hear nationally that we're between four to six million short.

223 We do 38 cities in the Southeast, they all look pretty much the same in this chart. What I want
224 you to understand is that the pandemic housing boom started before the pandemic. The inventory
225 line dropping from October of 2019 to February just before the pandemic happened, we were
226 accelerating housing demand before the pandemic. Why? Our research shows that after a decade
227 of being absent, who used to be the biggest home buyer in this country percentage-wise came
228 back and that was the millennial. So after a decade of growing up and getting a job, becoming
229 dueling to no kids, and paying off student debt, they kicked in 2019 in a big way. That started
230 pre-pandemic, so we dropped to below a three months of supply. Obviously, the pandemic shut
231 the economy down on purpose, then as soon as we open the economy back up in May of 2020,
232 we got right back on that same plane. Now we added to the demand of pre-pandemic which was

233 the millennials who needed an office in the house or school room or to get out of town or bigger
234 space. That took us to levels of supply in this country that we've never seen. If you look at May
235 in a 12-month period from May of 2020 to May of 2021, we went from 2.5 months of supply to
236 0.7. We've never been at 0.7 ever, you might as well say zero. You can see that we had a normal
237 seasonal market that we haven't had in a while from May 2021 to the end of the year. We had a
238 little bit of a seasonal bump. Then we went back down seasonally and as you pick up in June of
239 2022 you see inventory increasing. Why did that happen? Interest rates, but they didn't explode.
240 There were a lot of people in this country that thought as soon as rates went above four, five or
241 six, that inventory would flood the market and that's not what happened. As a matter of fact,
242 we're showing more seasonality than just rates rising because of interest rates. We're still at two
243 months of supply on this chart, which is ridiculously low compared to what we consider normal.
244 The most recent data that we have for the end of December is that we've dropped back down to
245 1.8 months of supply in a normal seasonal fashion. All of that tells you, we have a housing
246 shortage and it's not just a shortage across the board, it is a shortage in particular price points.
247 Inventory today is still at forty percent below the total number of homes for sale, new and resale
248 combined. The number to take us back to six months of supply on top of the inventory that exists
249 is 66,000 units. That's not my opinion, my opinion doesn't matter, that's math. If you have 66,000
250 additional units, they would be gone in a twelve-month assumption period. We have a massive
251 shortage in my opinion and again I'll say it's not just across all price points.

252 So here's the problem, we're only going to put about 13,000 lots on the ground for new
253 construction and in the next 12 months that's our forecast based on what we think is happening.
254 That doesn't touch the 66,000 deficit. You have to have help from the resale side and the reason
255 we're not seeing people list their homes on the resale side is its twofold. If you go back before
256 interest rates went up, we still had nobody listing their homes. Why, with prices at an all-time
257 high, boomers and empty nesters were not taking advantage of listing their homes in wholesale
258 and taking advantage of those prices and moving. You have to have somewhere to move to and
259 we didn't. So now that interest rates are at 6-7%, we're not going to give up our 3-3.5%
260 mortgage rate even if we found a place that's perfect. So inventory is going to continue to suffer.
261 I think though what we're witnessing is on the workforce and affordable housing side of the
262 market. We're witnessing an all-out war being waged on housing affordability in our country and
263 it is coming from everywhere.

264 Our current zoning is part of it. It's also price increases, it's also labor, and it's also supply chain
265 issues. As we talk across the country, if all of those things disappear tomorrow, if labor was free,
266 lumber was free, and you had all of the demand you wanted with a two percent interest rate, you
267 still couldn't build a house affordably in this city. Our zoning is based on the way the world was
268 20 or 30 years ago. We just need to catch. I also think that our zoning is boring, unimaginative,
269 and exclusionary in a lot of cases. If you go back 20 or 30 years ago, I will use me as an
270 example, I was pushing 40. I was part of the biggest consumer group in the country at that point
271 and I had four kids going into high, middle, and elementary school. I needed a single family
272 detached house on a big lot in a good school district. Me and everybody else in the country. Our
273 zoning reflected that at that point and that was okay, but 20 to 30 years later that changed. The
274 world today has changed dramatically. I'm no longer 40. All my kids are gone and I don't need

275 the house where I raised them over the last 20-30 years. I don't need a single family detached
276 home on a big lot, a good school district, which unfortunately is where our zoning is still stuck.
277 If I had something to choose from other than that, I might move but I don't. So, today the world
278 is the barbell. The two biggest consumer groups are the millennials. They just kicked in 2019 in
279 a big way. They're now the biggest consumer group and we still have me, the retirees. Boomer
280 are the second biggest consumer group. So the smallest consumer group in this country is made
281 up of the single-family, school-driven buyer who most of our zoning is focused on. When I tell
282 city councils and county commissions, this is not a problem for you, this is good for you. These
283 two opposite ends of the barbell are everybody's dreams. These people are on both ends of the
284 spectrum in terms of age, they have lots of money. Why do they have lots of money? Because,
285 they have no kids. If you have kids you're broke. We want these people in our communities to
286 spend money in our wonderful downtowns. They're entertainment oriented and the location is the
287 amenity, it's not the school district. It's the location and the square footage is also secondary.

288 The two biggest consumer groups in this country are languishing with not enough product for
289 them to buy because we're focused on the middle. For the last 30 years in this country we built
290 single family detached, on a big lot in a good school district. It's not that you don't concentrate on
291 them but we've got a lot of options for them in terms of resale. All those homes have been built
292 for the last 20 and 30 years. Now we need products for the Millennials and the Boomers to buy
293 and we need that because those Boomers need to sell their homes which releases inventory in the
294 system, which is how we get more inventory. It's a vicious cycle.

295 We've got the two biggest consumer groups in the country converging in the middle in terms of
296 square footage. What were offering in this country, is not just based on zoning, it's based on
297 builders being stuck in their old ways as well. You've got to offer them a product that they will
298 buy. Not just rent but also buy. I think the middle is missing. So what is the missing middle?
299 That's actually a term in this country that seems new but it's an old concept. Middle housing is
300 the way we lived in this country prior to when we created zoning about a hundred years ago.
301 This is how we lived before zoning came into being. It's the duplexes, fourplexes, bungalows,
302 quartz, mansions apartments that are no bigger than a large house but they're not a monolithic
303 apartment complex. They're integrated throughout most walkable pre-1940's neighborhoods.
304 They're integrated to blocks with primarily single-family homes and provide diverse housing
305 choices and generate enough density to support transit and locally serving commercial amenities.

306 If you look at this diagram, missing middles, for the most part, is our zoning today is extremely
307 polar. We zone detaching a family, we skip all that stuff in the middle that we built 100 years
308 ago and then we shift to apartments or condos. All that stuff in the middle, we haven't talked
309 about in about 100 years. I think that's where we're missing the opportunity. That's the
310 neighborhoods that we love and we covet and we want to live in. Here's a missing middle in
311 Grant Park. You can find it in Buckhead, Marietta or anywhere in the older pre-1940's
312 neighborhoods. Grant Park is a highly desirable neighborhood with very high retail resale values.
313 I actually took these pictures and right next door it looks like a single family home but how many
314 doors do you see. Somebody owns the one on the left and right next door somebody rents it. You
315 can't do that. You can't combine ownership and rental in the same location. Yes, you can. We've

316 been doing it for hundreds of years. You got a doctor or a lawyer living in the single family
317 home next to the person that teaches his kids in school. By the way, maybe somebody bought
318 that duplex and rented out the other half. That's how you build wealth in this country. We've got
319 to change the way we think about walkable neighborhoods that combine multiple price points.

320 Many communities across the country, city councils and county commissions are beginning to
321 say hey this makes sense, because what we don't want is the monolithic. The two biggest
322 demographics groups in the country want more diverse products. If you maintain the look of a
323 neighborhood with buildings that are no bigger than a single-family home or even a large single-
324 family home, you can have as much as 40 dwelling units an acre. Do you know what the typical
325 density is for a town home? It isn't 40, it's 18 to 20. I like this better than the town home and you
326 have a higher density. Apartments have a much higher density of 100 units per acre that might be
327 a condo. This is an option that a lot of city councils are taking a look at. That is the way we used
328 to live and I think needs to be part of the conversation. It's not the only answer to affordability
329 but it's certainly part of it.

330 We did a study for a local builder who built 14-foot-wide townhomes and we've never done that
331 in Atlanta. They didn't think it would work and so they actually went down to a warehouse a
332 couple exits down from this community and they built all three floors on the warehouse to tour
333 people because they didn't think anybody would buy it. It was the only thing that sold in the
334 community. They had 14-foot-wide townhomes, 24 foot wide townhomes which is a standard
335 product and single family attached. It sold because they thought outside the box. They made
336 density not look like density. Nobody ever asked about the width because they designed them
337 properly. You may have read the news articles about South Park Cottages. I think it is cutting
338 edge. I think it's hitting the point and I hope that we do more of this. The price point is \$190,000
339 to \$230,000. That's affordable but it's not a 3,000 square foot house. They're 750, 400, or 800
340 square feet is livable to a lot of people because a lot of people pay \$2,000 a month today for a
341 500 square foot studio apartment.

342 City councils across the country have approved tiny homes because an apartment is nothing more
343 than tiny homes stacked on top of each other. We're renting 400-800 square foot apartments and
344 we've approved those all over. Why can't we sell them to people? I think that's what we want,
345 more homeowners and that's why I think this is an example. If you look at the price per square
346 foot on this product and I think they're all sold out, they are \$500 a square foot. It's the most
347 expensive product probably in Atlanta but it makes sense. The execution is just perfect here, I
348 love it. You can do micro communities like this, you can do mansion apartments, you can do
349 condos. Condo is a bad word in this town because the last recession, we had condos go under.
350 Guess what, in the last recession everybody went under. It's time to bring condos back.

351 Mayor Motley Broom said I really appreciate it Mr. Hunt. I appreciate you being here. I've seen
352 you present twice to GMA and I just thought you need to come and talk to our council just to get
353 us thinking about some of these issues and we are very grateful for your time.

354 Councilman Clay said first off, who do you represent.

355 Mr. Hunt said I have no dog in any hunt. We do feasibility studies for cities, counties, builders,
356 developers, realtors, and banks. The same answer we give a bank on the same piece of dirt is the
357 same answer we're going to give the city or the county.

358 Councilman Clay said we have a lot of rental in College Park. We have REIT's that would just
359 love to come in and build a subdivision and rent out all the homes. Freestanding homes, the
360 kinds that you're saying are effectively inefficient and could be done a lot better but they want to
361 rent them. These homes that you're talking about are they rental or are they purchased?

362 Mr. Hunt said I know that you don't want any rentals. Unfortunately the way we zone today and
363 the cost associated with building and developing makes, most people not able to afford to buy
364 homes. So unless we fix the zoning issues and all the other issues, you're going to have rentals.
365 In the country today, about 40 percent are rentals and 60 percent are owners. I think you're
366 always going to have a percentage of people that need to rent and a percentage that need to own
367 and that's going to differ by area. You already have a lot of rentals here, so you want to make
368 sure that you have opportunities for people to buy. I think there are a lot of people that would
369 like to own a thousand to twelve hundred square feet as opposed to rent it and probably could. I
370 think those make for great citizens. You know your city and you want to make sure it fits for
371 you. Just creating the opportunity for people to be able to own a product that's affordable to them
372 means we got to go back to the drawing board and think about what do we allow them to build
373 that they buy, not just rent.

374 Councilman Clay said I'm not a real estate person. Supply and demand I understand but the thing
375 that bothers me, if we have this shortage of houses, where are all these people living now?
376 They're not on the street, I mean we have a number of people on the street but I don't think that
377 accounts for anywhere near what you're talking about.

378 Mr. Hunt said you know people make do. We've got multi-generational and we've got an
379 increase in multi-generational households. We've got kids who are still living in their parent's
380 basements. I hope mine don't come back but you have to do what you have to do. My numbers
381 are based on industry metrics that we've been using since time began, which are six months of
382 supply. We've got other ways but that's why I showed you the population growth. The population
383 growth has never gone down but housing is never capped up.

384 Councilman Clay said that's what you're really saying is that it's not that we have a shortage of
385 housing, we have a shortage of housing that people would like to have.

386 Mr. Hunt said yes. I think we need to produce what they want and we're behind on that.

387 Councilman Clay said one of the things I am most worried about is the tendency to move people
388 into housing that is rental. To take away the ability to build wealth because for many people the
389 only thing that they have to build wealth, is their home. There's a whole lot of people, I
390 mentioned the REIT's, and they don't care about that. They want to make the biggest return on
391 their investment for their investors and they don't live here.

392 Mr. Hunt said they don't have to live but they also provide a service to people who can't afford to
393 buy because we don't build the right product. It all works hand in hand. You have to create

394 something that they can afford and they may choose not to rent. I think that's where the missing
395 link is. I agree with you. That's why I mentioned the duplex, in the old days somebody would
396 buy a duplex. They built wealth by renting out the second half. That's illegal today in this
397 country.

398 Councilman Clay said last question. What do I say to the person like myself and a number of
399 other people who have a house with a certain value in it? I bought it because I like having a yard
400 around me and I don't want somebody carving up the house next door into rental of two, three,
401 four, because I like having a little space in between me and density. What do you say to these
402 people?

403 Mr. Hunt said I think because we have zoned that way for the last 40 years, there's plenty of
404 opportunity for the people who want that and that's fine that they want that to find those places to
405 live. What we don't have is the opposite of that and I'm not saying take older subdivisions and
406 divide them up. I'm saying take in new development. Now the failed office space, which is not
407 going to stop because people live and work from anywhere, we should be thinking about redoing
408 that as housing. That's a great idea to take all of that failed retail and failed office space. It's
409 already dense and make it even less dense than it already is. So, I think there are plenty of
410 opportunities to do both. You don't take what we had and redo it because we did what we've
411 done for 40 years. There's plenty of that product on the ground and you don't stop doing that
412 where it makes sense to do that.

413 Councilman Carn said great presentation by the way. I understand what Ambrose is saying with
414 some of our neighborhoods. They're set in stone and a lot of people come in and look to buy
415 based on a lack of variety which is what they want. How would you rate our zoning in terms of
416 for new developments?

417 Mr. Hunt said College Park, specifically I do not have enough information. You have the first
418 largest micro community in the country that is black developed and crowdfunded by the way. I
419 think that's pretty amazing.

420 Councilman Carn said I'd love for you to take a look at our zoning. Property values are
421 increasing and a lot of folks say well you should be happy about that. But if you're 55 or over,
422 your property value increases doesn't do you a lot of good because you're never going to move or
423 sell it. Your value goes up and you have to pay additional property taxes. Everyone says well
424 look on the bright side, look how much your home is worth now. It's something you never can
425 cash but you could pass it down to your kids. It's a blessing and a curse in terms of what we're
426 dealing with. The current conditions are going to make things worse. My youngest daughter
427 Kelly and her husband moved out to Spalding County and they've got a nice house and a huge
428 yard. You talk about that 30-year mortgage and the death of 30-year mortgages. A traditional
429 30-year mortgage, Wells Fargo got out of the business there in terms of residential and the
430 correspondent lenders because they're saying these folks will never make 30 years. They're
431 gonna re-up that thing two or three times within 30 years and keep making a killing off of it.
432 They're betting on the comment of these kids that will never pay a 30-year mortgage off because

433 they think holding the job for three years is a long career. With Wells Fargo pulling out, is it
434 because they know 35 and under aren't long-termers in the 30-year mortgage?

435 Mr. Hunt said that's a good question. I don't have enough information to know that. When the
436 opportunity arose to refinance, people took advantage of it. If you didn't refinance at 2.7%, there
437 was a reason you didn't. I think a lot of those people chose to go from a 30-year to 20 or 15,
438 which I think is a very smart business decision. I don't have the facts to say that, but if I could
439 have refinanced from a 4% to a 2.7%, I would have taken 10 years off the mortgage. When you
440 look at the credit scores today for those Millennials who are buying homes versus what they
441 were unfortunately back in 2005-2007, if you had a 520 credit score, we'd put you in a house but
442 that's not the case today. I'm confident in that part of the system not failing.

443 Councilman Carn said we've been very flexible in some of the zoning like the mini-lot sizes.
444 We've been pretty flexible as everybody doesn't want a large lawn to maintain. Changing our
445 zoning plan to building what folks would like or make, that's impossible. The tiny homes is a
446 testament to flexibility. We're not just all old grumpy guys and don't want to change anything.
447 But, a lot of the neighborhoods are set in stone and they don't want much of anything to change.
448 A lot of the times we hear hey, we want a disruptive free lifestyle. That means for the AirBnB's,
449 who's coming in this weekend? Who's running their duplex? I get that but new stuff I definitely
450 think it is a good idea. Can you elaborate, for the older generation, the location is the amenity.
451 Explain that to me and how we can promote.

452 Mr. Hunt said you have it here. The whole point of today's 60-year-old is not what 1980's 50
453 year old was. We're healthier and live longer. We don't like to be put out the pasture. It's that age
454 when you kick your last kid out of the house and every night's a party. You like to party probably
455 more than the Millennials do. You might not want that that product that is targeted to age
456 restriction. Maybe an age group of 60 plus that is extremely comfortable. Living closer to the
457 airport access, great restaurants, and other amenities like hospitals. The time it takes you to get
458 there, that's very important as well. I think those amenities are some of the most successful
459 communities we've seen in Atlanta. I could send these to you, but they have been in areas of
460 Cobb and Gwinnett that you would consider not great in terms of school test scores but they're
461 close and you have a higher density. So who's, buying there is typically the two ends of the
462 barbell. It's the dual income no kid millennial and the young empty nester between the ages of
463 50-60 who still likes to party as well and likes to be where the action is. That's the demographic
464 group that we haven't caught up with yet.

465 Councilman Carn said you touched on the missing middle a few times in the presentation. I like
466 the concept for new housing and new subdivisions. I call that specialty housing or boutique
467 housing. I'm open-minded enough to understand we got to change what the young people are
468 looking at and what they want. I mean there's a generation gap up here as you can see. I guess
469 I'm somewhere in the middle more or less but I can see both sides of it pretty clearly. I'll say in
470 terms of converting some of the things that we have, we're a hospitality city and we have 36
471 hotels and motels. Hotels are great and we got a lot of tourism obviously with the airport and
472 everything else that we have in our location. Most of the motels are okay but some of the motels
473 I got my eye on and not in a good way, if you know what I mean. We're looking at making some

474 major changes in terms of upping the standards. I heard after COVID that a lot of communities
475 lost 10 to 20 percent of their hotels. But, they were innovative communities thinking of ways to
476 refurbish those. There are several motels that I think, and I'm just being honest, have failed as
477 motels in this city. I'd like us to see a feasibility study converting motels into student and senior
478 housing. That's an opportunity here and it's something that would clean up the purpose of some
479 of them that we got now.

480 Mr. Hunt said it's a lot easier to convert a hotel or a strip mall than a town center mall. We're
481 going to figure out what to do with those malls as they're not going to last as they are. That's a
482 big undertaking and that's going to take a lot of money and a lot of time, but I think cherry
483 picking stuff like what you just talked about is absolutely appropriate and needed with the
484 housing deficit that we have.

485 Councilman Allen said thank you very much for your presentation. It makes us think we do need
486 to be more flexible and to look at different situations. I don't know if the younger generation are
487 looking for yards. I keep hearing that the younger generation will move and change jobs 12 to 15
488 times. Do they really want to have yards in your studies? Are the younger generation looking for
489 yards or are they looking for places they could stay for a short time, make it their own and move
490 out? What are you seeing?

491 Mr. Hunt said it's all the above. You still have a percentage that as you mentioned, grow up, get
492 married and move to Spalding County and love that life. That's how we mitigate price, we move
493 further out which we're doing. The second way you mitigate prices, you build a higher density
494 closer to the end that makes sense. You have to accommodate both of those things but I would
495 again say that for that open yard type house, we built hundreds and hundreds of thousands maybe
496 millions of them over the last 30 years. I think we've got to catch up on the other side of it which
497 is the folks who over the last decade watched their parents lose their home and maybe go
498 bankrupt in the last downturn. A lot of those kids including some of mine, do not see housing in
499 the same way that we do, as an investment. They see it as an expense. They do not want to go
500 through what we went through.

501 Councilman Allen said my generation wanted to own homes. I've heard a lot of people talk about
502 I'll never have my home paid for now, so I don't worry about it. That was our big thing, to be
503 able to own your own home. You mentioned that you had a bigger house with kids and people
504 are looking for smaller locations, town homes and condos. Then you hear senior saying, gosh
505 there's a lot of stairs to go up one or two or three stories. Are you seeing a lot of levels?

506 Mr. Hunt said yes. We're totally missing that market. If you think about it, in Atlanta some of the
507 best-selling communities are big master plan age-restricted communities that cater to single level
508 living. But those are very big communities with massive amenities and I think that's what kind of
509 steals the headlines. Not everybody wants to live in that type of a community. You might want to
510 stay because those are usually far out. The biggest one right now is in Jackson County called
511 Twin Lakes. It's a culture community and you got to go that far out to be able to build a thirty
512 thousand square foot club house. It doesn't make monetary sense if it goes around but you've got
513 tons of people in that age group that don't want to go that far out.

514 Councilman Allen said I hear you talking about flexibility and needing to look at different
515 locations, different situations. I worry about the low-income people. Are they going to be able to
516 afford the houses? They're going up to three hundred thousand or four hundred thousand. A lot
517 of the city workers cannot even afford those.

518 Councilman Gay said when you said that South Park was sold out, are you basing that on MLS
519 listings that's been published?

520 Mr. Hunt said no. I'm basing it on news I've read.

521 Councilman Gay said FYI, there are no MLS listings on that property.

522 Mr. Hunt said if they're pre-sold there wouldn't be. They sold them all before they had a chance
523 to be listed.

524 Councilman Gay said someone sent this to me but they were saying that when you talk about
525 using our homes to generate wealth, in a 650 square foot home at \$250,000, the monthly
526 payment is approximately \$1,629. The total interest is approximately \$336,732. You will pay
527 \$586,000 in 20 years. I would like to know is that in your opinion of how we to generate wealth?

528 Mr. Hunt said I don't think it's the only way. I think that if you're paying \$1,600 a month for that
529 house, you'd be paying \$2,200 to rent that house. I'd own it for \$1,600 and I'm going to make
530 money when I sell it 10 years from now. All homes are going to go up in value not all the time
531 but over the last 50 years, all homes have gone up in value. Even though we had a bust in a
532 bubble in the last 20 years. If you straighten out the last 50 years, people get a lot of wealth from
533 their homes. Whether it's a 3,000 square foot house or it's a 6,000. You already sell a lot of
534 houses that are a thousand square feet. It's just product that was built 100 years ago. That's all
535 people can afford. Well, why don't we replace that housing stock? It needs to be renewed and
536 that's part of how you do it, you build a smaller product. 100 years ago it was a bungalow, 40
537 years ago it was a brick ranch that I grew up in with no garage, 1,600 square feet with one
538 bathroom and three bedrooms. I think we can do better with 1,600 square feet today. I know we
539 can, people just don't have the option to buy new because we won't build it. Thank you very
540 much. I appreciate it. Very good questions, I was very challenged.

541 Mayor Motley Broom said Mr. Hunt thank you so much.

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CITY OF COLLEGE PARK

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Bianca Motley Broom, Mayor

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ATTEST:

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Shavala Ames, City Clerk