

**AREA OF INFLUENCE (AOI) GUIDEBOOK
FOR NON-EXPEDITED REVIEWS**

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DATA REQUIREMENTS

Table 1 summarizes the types of data required by the three provisions of Rule Subsection 3-103.A.7 to complete the analyses.

**Table 1
Essential Data Requirements for
Non-Expedited Review Criteria 3-103.A.7**

Non-Expedited Criterion 3-103.A.7	Proposed DRI		AOI	
	Detailed Data for Employment	Detailed Data for Housing	Detailed Data for Employment	Detailed Data for Housing
Proposed DRIs That Are Predominantly Employment: (a. and b. shall be applied)				
a. Mix of uses (employment and housing)	Assess characteristics of workers	Assess housing opportunities in the DRI for workers working in the DRI		
b. Employees in the DRI	Assess characteristics of workers			Data on opportunity to live in AOI
Proposed DRIs That Are Predominantly Residential (a. and c. must be applied)				
a. Mix of uses (employment and housing)	Assess characteristics of workers	Assess housing opportunities in the DRI for workers working in the DRI		
c. Resident workers (employees who are residents) of the DRI	Assess characteristics of workers		Detailed Data for Employment	
Proposed DRIs That Are Exclusively Employment (b. must be applied)				
b. Employees in the DRI	Assess characteristics of workers			Data on opportunity to live in AOI
Proposed DRIs That are Exclusively Residential (c. shall be applied)				
c. Resident workers (employees who are residents) of the DRI	Assess characteristics of workers		Detailed Data for Employment	

METHOD OF DETERMINING DRI CLASSIFICATION

The DRI analyst should classify the DRI according to one of the four types of DRIs:

- (1) Predominantly employment.
- (2) Predominantly residential.
- (3) Exclusively employment.
- (4) Exclusively residential.

“Exclusive” means that the entire DRI will be composed of a single-function land use (e.g., a single-family subdivision or a light industrial development). “Predominant” refers to DRIs containing more than one use but where one land use (residence or employment) dominates the land use mix. In cases where the proposed DRI contains a mix of employment and residences, the DRI analysts must determine whether the DRI is “predominantly employment” or “predominantly residential.”

- Step 1. Estimate the labor force residing in the DRI. Determine the number of housing units to be constructed in the proposed DRI. Assume 100% occupancy of housing units. Multiply the number of housing units (households) by 1.5 workers per household (generally representative of national, state, and metropolitan trends in the number of workers per household), to determine the total number of residents of the proposed DRI who are in the labor force.
- Step 2. Estimate employment in the DRI. Determine the number of jobs projected to be in the DRI. This can be done by determining the amount of non-residential building space (gross square feet) and then dividing that number by an acceptable standard of square footage per worker (e.g., 300 feet per office worker and 500 feet per retail worker).
- Step 3. Compare the estimates of labor force of the proposed DRI and the number of jobs in the DRI to determine whether it is “predominantly residential” or “predominantly employment.” The DRI analyst should compare the number of residents of the proposed DRI who work with the number of jobs (employment) in the proposed DRI. If the number of residents of the DRI who work (i.e., the proposed DRI’s estimated labor force) is greater than the number of jobs in the DRI, the proposed DRI is considered “predominantly residential.” If the number of jobs (employment) in the proposed DRI exceeds the number of residents of the DRI who work, the proposed DRI is considered “predominantly employment.”

The analysis of the extent to which a proposed DRI meets GRTA's criteria should be done on the portion (employment or residence) of the proposed DRI that will have the greatest off-site impact. By establishing the classification of "predominantly residential" or "predominantly employment," GRTA staff ensures that proposed DRIs will be evaluated against the most appropriate standard in GRTA's Rules.

UNITS OF GEOGRAPHY AND DATA

To facilitate an understanding of GRTA's non-expedited review criteria, the DRI analyst should begin by thinking in terms of the two different geographical areas:

- The area of the proposed DRI.
- The area of influence (AOI).

Data are required to be collected for one or both of these units of geography, depending on which (one or more) of the three non-expedited rule subsections applies to the proposed DRI.

Proposed DRI

The boundary of the proposed DRI is the property boundary of the proposed development. Non-expedited DRI review criteria require a detailed analysis of certain characteristics of land uses within the proposed DRI. Data for the proposed DRI are hypothetical (proposed), and so no "real" data exist; all data are generated by the developer based on the types of land uses proposed in the DRI.

The DRI non-expedited review criteria of GRTA's rules introduce the following considerations (paraphrased):

- The affordability of housing units in the proposed DRI in relation to the incomes of workers who are employed within the DRI (Rule Subsection 3-103.A.7.a).
- The opportunity for workers who are employed in the proposed DRI to live within the AOI (Rule Subsection 3-103.A.7.b).

- The opportunity and likelihood of residents of the proposed DRI (those who are workers) to work in the AOI (Rule Subsection 3-103.A.7.c).

Area of Influence (AOI)

Two non-expedited review criteria (Rule Subsections 3-103.A.7.b and 3-103.A.7.c) in GRTA's rules make reference to an Area of Influence (AOI). As defined in GRTA's rules, an "area of influence" (AOI) is "an area located within six (6) road miles from a parcel which is proposed to be developed as a DRI."

Data for the AOI are "real" data that approximate existing conditions. Data apply to existing development characteristics (e.g., housing units) and are available from the U.S. Census Bureau and other sources.

MATCHING DATA TO THE GEOGRAPHY OF THE AOI

Because the AOI is a unique geographic area that will be different for every DRI, the data that need to be collected for the AOI are not readily compiled by any data source. The data must be collected specifically for the proposed DRI. No other unit of geography for which various required data are available provides an ideal match to an AOI boundary.

Despite the inability to exactly match an AOI boundary with the spatial geography for which relevant data are reported, there are subunits of geography that can be used to approximate conditions in the AOI boundary.

- Census Block Groups
- Traffic Analysis Zones (TAZs)
- User-Defined Areas

Census Block Groups

The census block group is the appropriate unit of geography from which to define an AOI and for which to collect data for AOI analyses. It is preferred over the splitting of census tracts. Collecting data by census block groups is more time consuming than collecting data by census tract, but it

does not involve as massive a data set as using census blocks (the smallest geographic unit of analysis). When the data for variables to be investigated are provided by the Census, and the census tract does not lie wholly within the rule-defined 6-mile AOI, the census block group is the preferred unit of analysis for defining AOIs. However, when a census tract is wholly within the AOI, disaggregation of data to the census block group level is unnecessary.

Traffic Analysis Zones (TAZs)

The U.S. Census Bureau also provides data by traffic analysis zone (TAZ), and such data are also available from transportation modeling data sets such as those used by the Atlanta Regional Commission. It is a desirable unit of geography to use in defining AOIs and collecting data for AOIs, because the area within a given TAZ is small enough to provide a reasonably reliable match to the boundaries of an AOI. The TAZ unit of geography has an advantage over census block groups in that public agencies such as the Atlanta Regional Commission tend to provide basic data (e.g., households) more frequently (i.e., for intermediate years between censuses) than for the decennial census. Furthermore, employment is a variable that is not fully and directly accounted for in decennial census data, and hence for employment statistics, TAZ data may be the only source available at the desired unit of geography. In addition, using TAZ data may provide some possibilities for defining trip lengths (distances) that the Census would not provide. Hence, TAZs can be used as the unit of analysis to draw AOIs and collect employment data in the AOI (Section 3-103.A.7.c).

User-Defined Areas

Private data companies also have the ability to provide data for virtually any user-defined radius, including a 6-mile area that would approximate the GRTA-defined AOI. Since that user-defined radius drawn by a private data company is likely to use census block groups, using data from a reputable private data provider is an acceptable method for purposes of complying with required AOI analyses.

CRITERION FOR MIX OF USES (RULE SUBSECTION 3-103.A.7.a)

When Used

If an applicant selects the non-expedited review process, and the proposed DRI is “predominantly employment,” or “predominantly residential,” this criterion shall apply. If the proposed DRI is “exclusively employment” or “exclusively residential,” however, this criterion will not apply, because there is no mix of uses. This criterion shall not be considered an exclusive determining factor on whether the DRI satisfies AOI non-expedited review criteria, unless it has a projected employment of 200 persons or more.

Overview

For criterion 3-103.A.7.a., the central task is to compare the characteristics of workers in the DRI with the housing opportunities in the DRI. The analyst must determine:

Does the DRI contain a mix of uses which are reasonably anticipated to contribute to a balancing of land uses such that it would be affordable for at least ten percent (10%) of the persons who are reasonably anticipated to be employed in the proposed DRI to have an opportunity to reside within the DRI (Rule Subsection 3-103.A.7.a).

Step-By-Step Description of Method

Step 1. Determine employment-generating land uses in the DRI. Show in Table 1.1, Column 1.

Assumptions (the analyst must document any assumptions made):

- The analyst can assume that residential uses do not employ workers (generate employment). While this may not technically be true for an apartment complex (e.g., manager, maintenance worker, etc.), the contribution of residential uses to total employment is such that it can be omitted from the analysis.

**Table 1.1
Employment, Salary, and Affordable Housing Payment by Occupation**

1	2	3	4	5	6
Type of Land Use in the DRI	Type of Occupation	Number of Employees in DRI	Monthly Employee Salary (\$)	Monthly Household Salary (\$) (1.5 times the employee salary)	Affordable Monthly Housing Payment for Household (\$) (30% of Monthly Household Salary)
General Office	Executive/Manager		\$6,300	\$9,450	\$2,835
	Technical occupation		\$4,000	\$6,000	\$1,800
	Office and administrative support		\$2,300	\$3,450	\$1,035
	Computer occupations		\$4,900	\$7,350	\$2,205
	Finance, insurance, real estate		\$4,200	\$6,300	\$1,890
	Construction		\$3,000	\$4,500	\$1,350
Medical Office	Doctor		\$8,300	\$12,450	\$3,735
	Healthcare practitioner		\$3,900	\$5,850	\$1,755
	Healthcare support		\$1,800	\$2,700	\$810
Retail	Manager/sales head		\$2,500	\$3,750	\$1,125
	Sales staff/clerk		\$1,700	\$2,550	\$765
Restaurant	Restaurant manager		\$2,500	\$3,750	\$1,125
	Restaurant staff (food preparation and serving)		\$1,400	\$2,100	\$630
Service	Service Manager		\$3,200	\$4,800	\$1,440
	Personal Service Establishment		\$2,200	\$3,300	\$990
Industry	Manufacturing		\$3,600	\$5,400	\$1,620
Other Uses			\$3,000	\$4,500	\$1,350
Total Employees in the DRI			---	---	---

Source: Compiled by Jerry Weitz & Associates, Inc., 2002 from the following sources: U.S. Department of Labor, Bureau of Labor Statistics. 2000. 2000 Metropolitan Area Occupational Employment and Wage Estimates, Atlanta, GA MSA. http://www.bls.gov/oes/2000/oes_0520.htm. Georgia Department of Labor, *Wages by Industry*, 3rd Quarter 2000. In University of Georgia, Housing and Demographics Research Center, Department of Housing and Consumer Economics, College of Family and Consumer Sciences. September 2001. *Workforce Housing in Georgia*. Atlanta: Georgia Department of Community Affairs.

- As an alternative to the above assumption, the applicant could assume that up to 5% of the single-family residences provided in the DRI will have workers who work at home (resident workers in home occupations).

Determine the employment-generating land uses in the DRI. The number of jobs is estimated based on the types of land uses. The applicant must show (Table 1.1, Column 1) which employment-generating land uses are included in the proposed DRI, and what types of occupations will exist in the DRI (Table 1.1, Column 2). Table 1.1 provides a preferred format for presentation of data to meet this criterion.

Step 2. Determine the number of employees (workers) in the DRI by type of land use and occupation.

DRI applicants do not know but must estimate the occupations of employees that will work in the DRI. Provide an estimate of the number of employees in the proposed DRI. This is done by estimating the proposed square footages of buildings by type of non-residential land use (typically office and retail) in the DRI. Divide the square footage of non-residential floor area by an accepted average square footage per worker for the subject land use, to determine employment for that use. To aid in determining average square footages for each worker by type of nonresidential land use, consult Data Table A, Column 5. Input employment data in Table 1.1, Column 3.

Data Table A
Employment Per Square Foot of Establishment

1	2	3	4	5
Type of Employer	Average Number of Employees Per Establishment, metropolitan Atlanta MSA, 1997	Average Size of Establishment (Sq. ft) from <u>Trip Generation</u>	Estimated Average Employment per Establishment (from <u>Trip Generation</u> or based on Atlanta MSA census data)	Estimated Number of Employees Per Square Feet of Establishment
Retail Trade (general) (commercial)	15.1	7,500	15	1 per 500
Specialty Retail Center	--	28,000	50	1 per 560
Discount Superstore	--	110,000	150	1 per 733
Home Improvement Superstore	--	90,000	100	1 per 900
Food services	21.7	5,000	20	1 per 250
Quality Restaurant	--	9,000	20	1 per 450
High Turnover Restaurant	--	6,000	20	1 per 300
Fast Food Restaurant with Drive-Through	--	4,000	20	1 per 200
Bank	--	4,000	16	1 per 250
Supermarket	54.0	45,000	150	1 per 300
Drug store	14.1	11,000	14	1 per 785
Clothing store	9.7	5,000	10	1 per 500
Gasoline stations and convenience stores	6.4	1,000	6	1 per 150
Office – Corporate Headquarters	--	250,000	900	1 per 277
General Office		--	9	1 per 300
Professional Services	8.9			1 per 300
Health Care Services	11.8			1 per 250
Computer Services	10.7			
General Light Industrial	--	350,000	1200	1 per 300
Industrial Park	--	450,000	900	1 per 500

Sources: Average Number of Employees per Establishment calculated from the U.S. Bureau of Census, 1997 Economic Census, Summary Statistics, figures for the Atlanta, GA, Metropolitan Statistical Area. Average size of establishment estimated based on data in Trip Generation (ITE 1997).

Step 3. Input monthly salary levels for the jobs by occupation (Table 1.1, Column 4), the monthly incomes of households assuming 1.5 workers per household (Table 1.1, Column 5); and the maximum amount of income that should be spent on housing, which is 30% of each household's monthly salary (Table 1.1, Column 6) (Note: these numbers are already shown in Table 1.1).

Table 1.1 provides wage data by occupation recommended for use by DRI applicants. Analysts can use the data in Table 1.1, Columns 4, 5, and 6 in their own applications. Alternatively, if more accurate project-specific information is available, it should be presented in a manner similar to the format of Table 1.1.

Households vary according to the number of workers (no workers, one worker, two workers, etc.). As a general rule of thumb, the DRI analyst can assume that there is an average of 1.5 workers per household. As shown in Table 1.1, Column 5, multiplying the income of each worker's occupational salary by 1.5 yields an average income of a household. This assumption substantially simplifies the method and amount of analysis necessary to conduct the analysis.

Step 4. Compile the household income data from Step 3 into household income ranges that will match monthly housing cost data from the U.S. Census SF3. Input into Table 1.2, Column 1.

Table 1.2 is the preferred format for presenting these data for Step 4 and subsequent steps. Table 1.2, Column 1 provides monthly dollar ranges that will match census data (use these numbers).

Step 5. Input the number of households living in the DRI by monthly dollar range into Table 1.2, Column 2.

Assume that each worker working in the DRI forms a separate household (i.e., the number of employees and the number of households are the same).

Table 1.2
Number of Households and Housing Units in the DRI
By Range of Monthly Income

1	2	3	4
Range of Monthly Income For Housing	Number of Households With Workers Working in the DRI	Number of Housing Units in the DRI (owner and renter combined)	Difference in the Number of Housing Units and the Number of Households With One or More Workers in the DRI
\$499 or less			
\$500 to \$599			
\$600 to \$699			
\$700 to \$799			
\$800 to \$899			
\$900 to \$999			
\$1,000 to \$1,249			
\$1,250 to \$1,499			
\$1,500 to \$1,999			
\$2,000 or more			
Total			

Step 6. Determine the number of housing units that are projected to be available in the DRI by range of monthly cost (mortgage or rent). Input into Table 1.2, Column 3.

Note that this method does not require a disaggregation of housing unit data by tenure (owner-occupied versus renter-occupied).

Step 7. Compare the number of households for each monthly dollar range in the DRI with the total number of housing units available in that dollar range in the DRI. Input the data in Table 1.2, Column 4. Determine the difference and summarize the data results.

Table 1.3 provides a preferred format for presenting a summary analysis.

Table 1.3
Summary Analysis of Criterion 3-103.A.7.a

	Number of Households in the DRI That Can Afford Housing in the DRI	Number of Housing Units in the DRI	Numerical Difference in the Number of Housing Units in the DRI and the Number of Households That Can Afford Housing in the DRI	Percentage of Total Households in the DRI That Can Afford Housing in the Proposed DRI
Total				

Step 8. Answer the question: Are at least 10% of the housing units to be provided in the DRI affordable to the households with one or more workers employed within the DRI?

Decision Rule: If 10% or more of the housing units in the proposed DRI are affordable to households in the DRI, then the DRI application meets this criterion.

Decision Rule: If less than 10% of the housing units in the proposed DRI are affordable to households in the DRI, then the DRI application fails to meet this criterion for non-expedited review.

What to Do if the Proposed DRI Satisfies Criterion 3-103.A.7.a

If a DRI analyst shows through empirical data, as outlined in the method above, that the proposed DRI satisfies the 10% decision rule, the analysis satisfies one of two criteria. The DRI analyst, having completed this analysis, must then turn attention to the next AOI analysis:

- For “predominantly employment” DRIs, the analyst should then satisfy the non-expedited rule criterion 3-103.A.7.b (opportunities for workers of the proposed DRI to live in the AOI).
- For “predominantly residential” DRIs, the analyst should then satisfy the non-expedited rule criterion 3-103.A.7.c (opportunities for residents of the proposed DRI to work in the AOI).

What to Do if the Proposed DRI Fails Criterion 3-103.A.7.a

For “predominantly residential” and “predominantly employment” DRIs, a failure to meet this criterion generally implies that there is a severe imbalance of land uses which will result in the DRI generating more vehicle trips than desirable.

Faced with a finding that a proposed DRI fails this criterion, the DRI analyst should identify changes to the land use mix that would be needed to satisfy the criterion (there is an opportunity to change the land use mix so that the proposed DRI will satisfy this criteria). Of course, the developer may not want to change the land use mix.

Example: Can 10% of the persons projected to work in the DRI also afford housing (i.e., have an opportunity to reside) in the DRI? Consider a situation where employment in the DRI is 200 persons and the DRI analyst finds that only 15 of those employees working in the DRI can afford housing in the DRI (7.5% of the total workers/jobs in the DRI).

If an analysis of criterion 3-103.A.7.a shows that the proposed DRI does not meet the criterion, there are generally two options available to the developer if he or she chooses to consider modifying the land use mix of the proposed DRI:

(1) Reduce the total number of jobs. Reducing the total number of jobs in the proposed DRI might increase the percentage of persons working in the DRI who can afford to live the DRI. To continue with the above example, if the employment in the DRI is reduced from 200 to 150, and 15 employees can still afford housing in the proposed DRI, then the DRI application meets criterion 3-103.A.7.a.

(2) Increase the number of households (workers) who can afford to live in the DRI by adding to or changing the housing mix proposed in the DRI. The number of households who can afford to live in the DRI can be increased by increasing the number of less expensive housing units (with monthly rents or mortgages that match the buying/renting power of the working households) in the land use mix. The increase in number of less expensive housing units can be accomplished either by adding more affordable units to the housing component already proposed, or by reducing the mortgage or rental market price (e.g., by building smaller units or providing units with less

amenities that will reduce prices and rents) of some of the housing units already proposed in the DRI.

Considering the objective of reducing vehicle trips and vehicle miles traveled, either of these two options is satisfactory.

CRITERION FOR OPPORTUNITIES FOR WORKERS OF THE DRI TO LIVE IN THE AOI (RULE SUBSECTION 3-103.A.7.b)

When Used

If an applicant selects the non-expedited review process, and the proposed DRI is “predominantly employment” or “exclusively employment,” this criterion shall apply.

Overview

For criterion 3-103.A.7.b., the central task is to compare the characteristics of workers in the DRI with housing opportunities in the AOI, to determine whether:

The DRI is located in an Area of Influence where the proposed DRI is reasonably anticipated to contribute to a balancing of land uses within the Area of Influence such that twenty-five percent (25%) of the persons who are reasonably anticipated to be employed in the proposed DRI have the opportunity to live within the Area of Influence (Rule Subsection 3-103.A.7.b).

Step-By-Step Description of Method

So as not to be redundant, the description of this method begins with Step 6. For guidance on how to complete Steps 1-5, see the method described earlier for Rule Subsection 3-103.A.7.a.

Step 6. Determine the number of owner-occupied housing units in the AOI by selected monthly costs. Show in Column 2 of Table 2.1.

Table 2.1 is the preferred method of presenting data for the costs of housing in the AOI. The Census provides data for “housing units with a mortgage” and “housing units without a mortgage.” The source for this information is the U.S. Census Bureau, 2000 Census, SF 3, Table H.98, “Mortgage Status and Selected Monthly Owner Costs for All Owner-Occupied Housing Units” (<http://factfinder.census.gov>). The DRI analyst should combine these data into Column 2 of Table 2.1 to show owner-occupied housing units in the AOI (with a mortgage and without a mortgage, combined). Note that disaggregating whether a mortgage exists or not is not essential to the analysis. The data must be compiled to match the monthly income categories used by the Census and that will match data in Step 3 (Column 1 of Table 2.1), which represents a collapsing together of certain monthly cost ranges provided in the original 2000 census data.

Table 2.1
Selected Monthly Costs
For All Occupied Housing Units in the AOI
(illustrative of any one jurisdiction or AOI)

1	2	3	4
Monthly Dollar Range	Owner-Occupied Housing Units in the AOI	Renter-Occupied Housing Units in the AOI	Total Occupied Housing Units in the AOI
\$499 or less			
\$500 to \$599			
\$600 to \$699			
\$700 to \$799			
\$800 to \$899			
\$900 to \$999			
\$1,000 to \$1,249			
\$1,250 to \$1,499			
\$1,500 to \$1,999			
\$2,000 or more			
Total, All Occupied Housing Units			

Source: U.S. Census Bureau, 2000 Census, SF 3. Table H.98, “Mortgage Status and Selected Monthly Owner Costs for All Owner-Occupied Housing Units,” and Table H.54, “Contract Rent: Specified Renter-Occupied Housing Units” (<http://factfinder.census.gov>).

Step 7. Determine the number of renter-occupied housing units in the AOI by selected monthly costs. Show in Column 3 of Table 2.1.

The source for this information is the U.S. Census Bureau, 2000 Census, SF 3, Table H.54, “Contract Rent: Specified Renter-Occupied Housing Units” (<http://factfinder.census.gov>). Housing units with “no cash rent” (as shown in the Census) are excluded from the table above. This step

also involves a collapsing together of certain cash rent ranges provided in the original 2000 census data to fit the classifications in Table 2.1.

Step 8. Add the owner-occupied housing units and renter-occupied housing units to show the total occupied housing units in the AOI by selected monthly costs. Show in Column 4 of Table 2.1.

Step 9. Construct comparison Table 2.2 (the preferred method of presenting summary data). Show the number of total occupied housing units by monthly costs in the AOI (Column 4 of Table 2.1 in Column 2 of Table 2.2). Show the number of households that have one or more workers who work in the DRI (from steps 1 and 2) in Column 3 of Table 2.2. Compare data in Columns 3 and 4 of Table 2.1, determine the differences, and show the results in Column 4 of Table 2.2.

**Table 2.2
Comparison of Monthly Household Incomes of Households
With One or More Workers in the AOI
With Monthly Costs of Housing Units in the AOI**

1	2	3	4
Monthly \$ Range	Total Occupied Housing Units in the AOI	Number of Households With One or More Workers Working in the DRI	Difference Between the Number of Occupied Housing Units in the AOI and the Number of Households With One or More Workers Working in the DRI
\$499 or less			
\$500 to \$599			
\$600 to \$699			
\$700 to \$799			
\$800 to \$899			
\$900 to \$999			
\$1,000 to \$1,249			
\$1,250 to \$1,499			
\$1,500 to \$1,999			
\$2,000 or more			
Total			

Step 10. Answer the Question: Do 25% of the persons (households) employed in the proposed DRI have the opportunity to live within the AOI?

From Table 2.2, calculate the percentage of households with one or more workers working in the proposed DRI that can afford to live in the AOI.

Decision Rule: If 25% or more of the households with one or more workers in the proposed DRI can afford to live in the AOI, then the DRI application meets this criterion.

Decision Rule: If less than 25% of the households with one or more workers in the proposed DRI cannot afford to live in the AOI, then the DRI application fails to meet this criterion.

What to Do if the Proposed DRI Satisfies Criterion 3-103.A.7.b

If a DRI analyst shows through empirical data, as outlined in the method above, that the proposed DRI satisfies the 25% decision rule, he or she has satisfied this non-expedited review criterion.

What to Do if the Proposed DRI Fails Criterion 3-103.A.7.b

For “predominantly employment” DRIs, a failure to meet this criterion generally implies that there is a severe imbalance of land uses which will result in the DRI generating more vehicle trips than desirable. The large number of employees will increase the number of vehicle trips longer than 6 miles (i.e., they will have lengths extending beyond the AOI), because the vast majority of workers working in the DRI will be unable to find affordable housing within the AOI.

Faced with a finding that a proposed DRI fails this criterion, the DRI analyst should identify changes to the land use mix that would be needed to satisfy the criterion (there is an opportunity to change the land use mix so that the proposed DRI will satisfy this criteria). Of course, the developer may not want to change the land use mix.

Example: Can 25% of the persons working in the DRI also afford housing (i.e., have an opportunity to reside) in the AOI? Consider a situation where employment in the DRI is 2000 persons and the DRI analyst finds that only 350 of those employees (households) working in the DRI can afford housing in the AOI (17.5% of the total workers/jobs in the DRI).

If an analysis of criterion 3-103.A.7.b shows that the proposed DRI does not meet the criterion, there are generally two options available to the developer if he or she chooses to consider modifying the land use mix of the proposed DRI:

(1) Reduce the total number of jobs. Reducing the total number of jobs in the proposed DRI might increase the percentage of persons working in the DRI who can afford to live in the AOI. To continue with the above example, if the employment in the DRI is reduced from 2,000 to 1,400, and 350 employees (25% of the total) can still afford housing in the AOI, then the DRI application meets criterion 3-103.A.7.b.

(2) Increase the number of households (workers) who can afford to live in the DRI by adding to or changing the housing mix proposed in the DRI. The number of households who can afford to live in the DRI (part of the AOI) can be increased by increasing the number of affordable housing units (with monthly rents or mortgages that match the buying/renting power of the working households) in the land use mix. The increase in number of affordable housing units can be accomplished either by adding more affordable units to the housing component already proposed (if any), or by reducing the mortgage or rental market price (e.g., by building smaller units or providing units with less amenities that will reduce prices and rents) of some of the housing units already proposed in the DRI.

Considering the objective of reducing vehicle trips and vehicle miles traveled, either of these two options is considered satisfactory.

CRITERION FOR THE DRI'S RESIDENTS TO WORK IN THE AOI (RULE SUBSECTION 3-103.A.7.c.)

When Used

If an applicant selects the non-expedited review process, and the proposed DRI is “predominantly residential,” or “exclusively residential,” this criterion shall apply.

Overview

For criterion 3-103.A.7.c., the central task is to compare the characteristics of residents of the DRI who work (i.e., the labor force residing in the DRI) with employment opportunities in the AOI.

The DRI is located in an Area of Influence with employment opportunities which are such that at least twenty-five percent (25%) of the persons who are reasonably anticipated to live in the proposed DRI and are reasonably expected to be employed have an opportunity to find employment appropriate to the persons' qualifications and experience within the Area of Influence (Rule Subsection 3-103.A.7.c).

Step-By-Step Description of Method

Step 1. Determine the total number of housing units to be provided in the DRI. This will yield a number of households.

Assume that each housing unit will be occupied (i.e., 1 housing unit = 1 household) in the DRI. The number of housing units proposed in the DRI is available from the development applicant.

Step 2. Estimate the number of residents of the DRI who work (civilian labor force participation).

Assume a worker-per-household ratio of 1.5. Multiply the number of households by 1.5 to determine an estimated number of workers who are likely to reside in the proposed DRI (i.e., determine the DRI's resident labor force).

Step 3. Determine the probable occupations (or qualifications and experience) of residents of the proposed DRI who work.

Assume that the occupations of the residents will be in direct proportion (similar to) those occupations of the resident workers in the county. That is, the residents drawn to the proposed DRI's living opportunities will be representative of workers in the rest of the county.

Step 4. Estimate the number of jobs in the AOI and determine employment by occupation (or qualifications and experience) in the AOI.

Employment data in the AOI must be estimated from county data and, if it exists, municipal employment data (some data are available on the number of jobs within municipalities of 2,500 or more from the Economic Censuses). Such data are normally collected for “industry” but not occupation. TAZ data, such as that supplied by the Atlanta Regional Commission provides data by industry (but not occupation). Generally, the lack of data to complete this step severely limits this criteria’s applicability.

Step 5. Compare the occupations (or qualifications and experience) of residents of the proposed DRI who work, by occupation, with the number of jobs in the AOI, by occupation.

This step is difficult to complete given a lack of small-area employment by occupation data.

Step 6. Answer the Question: Do 25% or more of the residents of the DRI who are employable (i.e., in the labor force) have the opportunity to work within the AOI?

Decision Rule: If 25% or more of the residents of the DRI who are employable (i.e., in the labor force) have the opportunity to work within the AOI, then the DRI application meets this criterion.

Decision Rule: If less than 25% of the residents of the DRI who are employable (i.e., in the labor force) have the opportunity to work within the AOI, then the DRI application fails to meet this criterion.

Reliable data are difficult to obtain to determine compliance with this Rule Subsection. DRI analysts can collect data for the county or municipality and apply this method, or they can provide a more qualitative (rather than empirical) assessment of this criterion. An alternative benchmark or method is provided in the following subsection, which can be used to judge the appropriateness of an exclusively residential or predominantly residential DRI.

ALTERNATIVE TO RULE SUBSECTION 3-103.A.7.c: JOBS-HOUSING UNIT RATIO

DRI applicants may provide data, or GRTA staff may ask to consider, the overall numerical balance of jobs and housing in the AOI after the addition of the DRI (and any existing approved uses in the

AOI). Specifically, a jobs-housing unit ratio can be calculated, which may help to inform the task. To calculate the jobs-housing unit ratio for the AOI, one needs to know the total number of jobs and the total number of housing units in the AOI. Note that calculating a jobs-housing unit ratio is challenging in that reliable employment data for small area geographies are not readily available.

If a jobs-housing unit ratio is calculated for the AOI *before* development of the DRI, and a separate calculation of the AOI including the DRI is done, then this enables an empirical demonstration of whether the proposed DRI is positively or negatively contributing to jobs-housing balance in the AOI. If the exclusively or predominantly residential DRI (if constructed as proposed) results in an improvement of the jobs-housing unit ratio in the AOI, the proposed DRI would help the AOI move toward, rather than away from, a balance. While calculating the jobs-to-housing unit ratio of the AOI before the DRI and with the DRI can provide an empirical benchmark, further qualitative analysis is necessary to enlighten the relationships of worker skills and job opportunities. DRI analysts can consider a ratio of 1.5 jobs to 1 housing unit to be balanced, and some analysts accept ratios between 1.3 : 1 and 1.7 : 1 as balanced. Without qualitative analysis, a jobs-housing unit ratio can mask actual imbalances with regard to work skills and job opportunities, or housing availability and worker incomes, which the GRTA standard is much better designed to discover.

Table 3.1 demonstrates how an applicant can use the jobs-housing unit ratio to determine whether a proposed DRI would positively or negatively contribute to jobs-housing balance in the AOI.

Table 3.1
Analysis of Jobs-Housing Unit Ratios
In the AOI Before and After the DRI
(numbers are hypothetical for illustrative purposes)

Variable	AOI before the DRI	Data for the Proposed DRI	Total in the AOI After Including the DRI
Jobs – Existing	10,000	100	10,100
Jobs – Existing Approved Uses (AOI)	1,000	--	1,000
Total Jobs	11,000	--	11,100
Housing Units	6,000	700	6,700
Housing Units – Existing Approved Uses (AOI)	2,000	--	2,000
Total Housing Units	8,000	700	8,700
Jobs-to-Housing Units Ratio	1.375 : 1	0.14 : 1	1.276 : 1
Desirable Jobs-Housing Unit Ratio	1.5 jobs:1 housing unit		1.5 jobs:1 housing unit

If the jobs-housing unit ratio, including the DRI, is smaller than the ratio of the AOI prior to the DRI (as shown in the example above), then the DRI would make a negative contribution to the jobs-housing unit balance in the AOI. This would signify that the DRI would be contributing to a greater imbalance of jobs to housing units in the AOI. Hence, it could be concluded based on some empirical evidence that the proposed DRI is “not reasonably anticipated to contribute to a balancing of land uses within the Area of Influence,” thus failing to comply with the intent of GRTA’s rules.

On the other hand, if the jobs-housing unit ratio, including the DRI, is larger than the ratio of the AOI prior to the DRI, then the DRI would make a positive contribution to the jobs-housing unit balance in the AOI. This would signify that the DRI would be helping to bring the AOI closer into balance. In such an instance, it could be concluded based on some empirical evidence that the proposed DRI is “reasonably anticipated to contribute to a balancing of land uses within the Area of Influence,” thus complying with the intent of GRTA’s rules (if not demonstrating compliance with Rule Subsection 3-103.A.7.c, for which reliable data are difficult to obtain).

What to Do if the Proposed DRI Satisfies This Alternative Criterion

If a DRI analyst shows through empirical data, as outlined in the method above, that the proposed DRI will contribute to an improvement of the jobs-housing unit ratio (balance) in the AOI, then the non-expedited review criterion is satisfied.

What to Do if the Proposed DRI Fails This Alternative Criterion

If an analysis of the jobs-housing unit ratio (an alternative criterion to 3-103.A.7.c, which is difficult to measure) shows that the proposed DRI would not improve the jobs-housing unit ratio for the AOI, there are generally two options available to the developer if he or she chooses to consider modifying the land use mix of the proposed DRI:

(1) Reduce the total number of housing units. Reducing the total number of housing units in the proposed DRI might increase the resulting ratio of jobs to housing units in the AOI. However, it appears unlikely that a reduction of the number of housing units, however large, might result in a lowering of the AOI’s jobs-housing unit ratio or that such a reduction would be acceptable to the developer.

(2) Increase the number of jobs in the DRI appropriate for persons who live in the DRI by adding to or changing the employment mix proposed in the DRI. The number of jobs in the DRI (part of the AOI) can be increased by adding employment uses to the land use mix.

It appears that the most likely method of mitigating the impact of a predominantly residential DRI in an AOI that has a less-than-desirable number of jobs (i.e., an imbalance or a less than ideal jobs-to-housing unit ratio), will be the second option, to increase the number of jobs in the DRI. Since adding employment uses to a predominantly residential DRI might not be expected to significantly alter the jobs-housing unit ratio in the AOI, the DRI analyst should focus attention on determining and describing the extent to which the jobs that will be provided in the DRI match the needs of the DRI's residents (i.e., Rule Criterion 3-103.A.7.a).