Revisiting the Economic Impact of Low-Income Housing Tax Credits in Georgia

A Study on Behalf of the

Georgia Affordable Housing Coalition

by the

Center for Housing and Community Research, College of Family and Consumer Sciences

Department of Agricultural and Applied Economics

at

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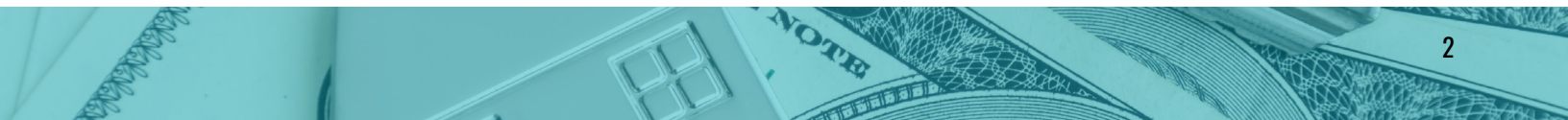
Contents



Executive Summary

People with low and moderate incomes are finding it harder to find a place to live in Georgia and in the nation. There's not enough housing that they can afford, and the cost of that housing is rising. As of 2019, Georgia had a shortfall of 118,338 housing units, making it the tenth worst state in the country in this category.[1] That deficit is nearly double, with a 216,577-unit shortfall for households making half of the area median income (AMI) or below.[2] To afford a typical two-bedroom rental unit in Georgia, a person had to make an average hourly wage of $20.97.[3] Almost half of all renter households in Georgia face housing cost burden, meaning they pay more than 30% of their income on rent[4]. Waiting lists for housing with affordable rents are exceptionally long. Housing prices are increasing mainly because not enough of low and moderate income housing is being produced.[5]

The Low-Income Housing Tax Credit program (LIHTC) is designed to help meet this need. LIHTC generates capital that allows market-quality housing to be built at affordable rents by replacing debt with equity, allowing lower rents for residents and tax credits for investors. This capital is especially important within rural and small metro area markets, where local conditions, capacity, and resources are often insufficient for developing affordable housing without LIHTC.[6] LIHTC is the largest and single most important source of equity for workforce rental housing in the U.S.[7]

As its name suggests, LIHTC carries a cost to the state of Georgia. Because developers of this type of housing are given tax credits, the state misses out on collecting those taxes. However, while the state may miss out on tax revenue, the impact of these LIHTC developments create financial gain in other sectors of the economy across the state. This study examines the economic impact of LIHTC in Georgia from 2001 to 2019. It examined expenditures made for the development and construction phases of a sample of 16 LIHTC developments put into service over the last few years, and measures the incremental economic impact of both construction and ongoing annual operation of these properties. We applied the average per unit impact of the sample developments to all (4%) LIHTC units brought into service since the state LIHTC program was launched.

Key findings:

For every net $1 dollar of state income tax lost to LIHTC, **an additional $5.79 of economic activity was created**, on average.

These developments from the state **4% LIHTC program account for 4,284 new jobs per year, on average.** If LIHTC were eliminated, Georgia could lose nearly 4,300 jobs per year. This figure is conservative, because it includes only the related construction and construction-related jobs created from 2001 to 2019.

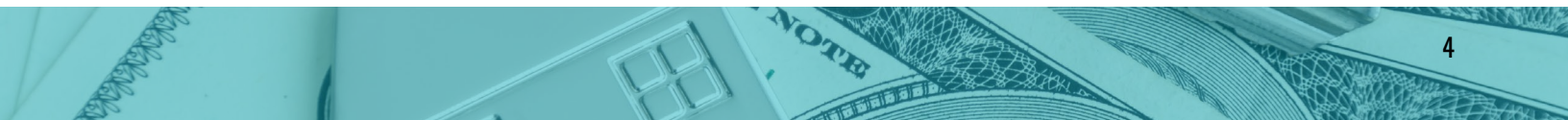
LIHTC developments benefit people across Georgia, with the highest concentration of developments in the south Atlanta metropolitan area.

Construction and operations of this housing created (or will create over the life of these developments) between **2001 and 2019 a total economic impact of $12.03 billion (2019 dollars) for Georgia.**

Tax credits issued to 4% LIHTC developments for the years 2001 to 2019 **led to the construction of 40,997 units of affordable housing, with a total of over 93,000 when adding the 9% LIHTC developments.**

Proportionally, more new LIHTC developments were created in rural, non-metropolitan areas between 2001-2019.

Overall, the cost of LIHTC is more than offset by the return generated. LIHTC benefits Georgia in significant, measurable ways: the economic impact of these developments in dollars and jobs, new tax revenues, and thousands of jobs. For low and moderate income tenants, living in a LIHTC unit frees up hundreds of dollars which otherwise would be spent on rent; these dollars are then spent in the local economy. Beyond the numbers is the improved quality of life for hundreds of Georgians who make their homes in these new developments.



Introduction

The purpose of this research project is to document the annual economic impact of the State of Georgia's Low-Income Housing Tax Credit program (LIHTC), which has been in place since 2001. This updates the 2006 study conducted by researchers from two University of Georgia (UGA) groups: the Center for Housing and Community Research (previously the Housing and Demographics Research Center) and the Department of Agricultural and Applied Economics.

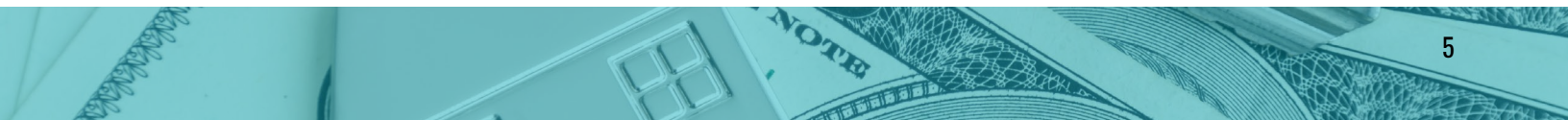
The purpose of this research project is to **document the annual economic impact of the State of Georgia's Low-Income Housing Tax Credit program (LIHTC)**, which has been in place since 2001.

This study extends the previous research through 2019 and included a sample of 16 developments across the state of Georgia. The sample includes a mix of new construction and rehabilitation developments, and developments targeted to serve families and senior citizens.

Georgia LIHTC in a National Context

Housing that is affordable for households earning, on average, less than 60% of the local area median income does not generate enough profit to attract investors and developers. LIHTC is a federally legislated program designed to make this type of housing attractive to them and increase the nation's supply. The program was created through the Tax Reform Act of 1986 as an incentive to private developers and investors to provide housing affordable to low- and moderate-income households. Unlike federal housing subsidies, LIHTC gives investors a dollar-for-dollar reduction in their federal tax liability. The amount of tax credits vary by development cost and location as well as the proportion of units designated for low-income households. A LIHTC development thus provides a boost of "new dollars" or economic activity that would not otherwise occur within the local economy.

LIHTC has achieved success in production and operations, responsible for nearly a quarter of all US multi-family rental housing produced between 1990 and 2016.[8] The program has supported new rental housing development and rehabilitation in urban areas with high land costs and in rural areas, where household incomes fall short of the rent that would have to be imposed to cover construction and operating costs. LIHTC supports 12.6 percent of the multifamily market across the country, but that support increases to 40.1 percent in rural persistent-poverty counties.[9] LIHTC properties typically have few vacancies, lease-up quickly, and have lower debt service payments compared to market rate rental housing.[10] For low and moderate income tenants, living in a LIHTC unit frees up hundreds of dollars in rent each month, which they spend in the local economy.[11] [12] LIHTC renters are also protected from rent increases based on market conditions.



In 2000, Georgia enacted legislation (Georgia H.B.272 State Tax Credit Bill) that provided a housing tax credit program that mirrors the federal LIHTC. Like the federal program, the Georgia housing tax credit is designed to increase and preserve the supply of rental housing for low- to-moderate income households, lower the debt required to finance the development of housing to allow for more affordable rents, and provide high-quality, privately developed affordable housing with government compliance and oversight. The state legislation was designed to incentivize production in areas outside of Atlanta and more rural areas of the state, which face greater challenges in financing and attracting housing development. Without the state LIHTC support, the development of this important source of affordable housing would not be economically feasible.

LIHTC Development Financing

Federal and state LIHTC programs leverage tax credits to provide a crucial source of equity needed to build affordable housing. Tax credits bring private capital, allowing developers to take on less debt, which in turn results in lower rents. The equity from the tax credit is insufficient to close the gap between development costs and the income from rent that is affordable for the low-to-moderate income workforce. LIHTC developments require multiple sources of funding.[13] Developers must raise additional financing from other sources, including taking on debt, to complete construction. Thus, without the 4% state LIHTC program, it is reasonable to assume that there would be fewer developments and projects would require higher rents, which may not be affordable to the low-and-moderate income workforce.

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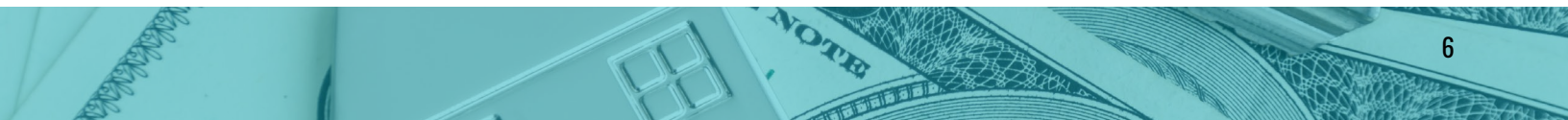
LIHTC has two types of credits: 9% and 4%. The credit type refers to the size of the tax credit that can be taken annually over 10 years. The two credit types are similar in that they are used for new construction, rehabilitation, or refinancing of rental properties and have the same income eligibility and affordability requirements. However, they have different award processes, benefits for investors, and financing structures.[14]

The 9% federal credit is typically used for new construction and is designed to subsidize 70 percent of the development costs. The 9% credits are allocated to states each year, and awarded through a competitive application process based on criteria established through the state's Qualified Allocation Plan.



The 4% state credits are typically used for rehabilitation developments that use at least 50% in federal tax-exempt bonds. These credits are intended to subsidize 30 percent of the development costs. Until 2021, the 4% credits could be taken automatically, rather than through a competitive process, for developments with tax-exempt bond financing.[15] In Georgia, the allocation of 4% credits is now determined through a competitive process.

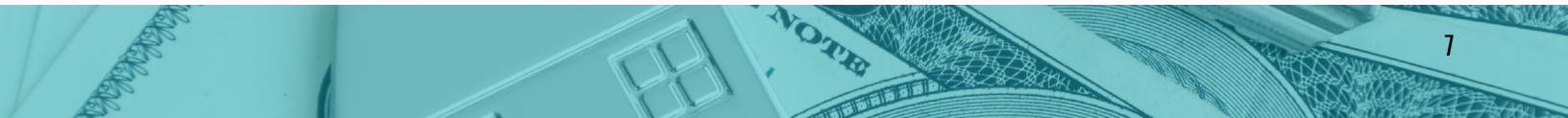
Measuring LIHTC Impact

LIHTC housing development represents new demand in the region where it is constructed which has a ripple effect through the region's economic sectors that can be measured via economic multipliers. The impacted region is defined as the county where the construction occurs and contiguous counties. These counties are included because the commuting and spending patterns commonly spill over a host county's borders, especially in Georgia where counties are geographically small.

For this study, we assume that when a LIHTC development is completed and leased-up, the tenants vacated less desirable local housing. Most had been paying for utilities and certain other monthly expenses, just as they do in the new LIHTC development. Therefore, "new dollars" from the operations of a LIHTC development are from those expenses that are also new, i.e. the expenses associated with the development's management office, maintenance operations, and business services.[a]

This study looks only at the economic impact of 4% LIHTC developments to isolate the impact of the state credit. Without the state tax credits, 4% tax exempt bond projects would not be economically viable and would essentially disappear from the state of Georgia. The 9% projects may create similar jobs and other economic activity, but because some 9% units could be developed without state credits, the contributions of 9% production was not included in the report. Consequently, the numbers provided in the study are conservative estimates.

a Because of the construction or rehab that has taken place, the LIHTC development represents higher-value real estate, so we assume that certain expenses, such as property insurance, will triple. Therefore, 66% of those expenses will be considered new dollars.



Trends in Georgia LIHTC Units by Year

Between 2001 and 2021[b] in Georgia, the 9% and 4% LIHTC added more than 95,000 affordable rental units to the state's housing stock through the development of more than 1,000 developments.

Over 20 years, 703 developments totaling 54,812 units were constructed using 9% credits. Another 321 developments totaling 40,997 units were constructed using the 4% credits. In all, 1,024 developments representing 95,809 units were financed through both credits.

Table 1 provides an overview of the total number of developments and units that were financed by the 9% and 4% credits between 2001-2021. Numbers for the 4% developments and units include only those that have been constructed and placed into service. The total developments and unit numbers for the 9% credit program represent those that have been funded and may include properties that are currently under construction.

Table 1: Georgia 9% & 4% LIHTC Developments 2001-2021

Total 9% Developments	**Total 9% Units**	**% of Total** (9% developments)	**Total 4% Developments**	**Total 4% Units**	**% of Total** (4% developments)
703	54,812	56	321	40,997	44

The 9% credits produced the majority of affordable housing properties and units throughout the period (382 more developments and 13,815 more units than the 4% program). However, the 4% credits produced a higher number of units per property (roughly 128 units to 78 units). This suggests that the 4% program funded larger affordable housing developments than the 9% program.

Figure 1 displays the total number of 9% and 4% developments each year between 2001 and 2021[c]. The numbers of 9% developments remained relatively consistent during this period except for 2006 and 2007, when it rose to 50 and 44 developments respectively.

The 4% developments showed greater volatility. In the first several years of the 2000s, the number of these developments were well above the program's average. Between 2003 and 2010, this type of development declined significantly. The only significant spike in construction that occurred during this period took place in 2011, when a total of 39 developments were financed through the 4% credits. Between 2017 and 2019, there was sharp decrease in affordable housing developments funded this way.

b The analysis and mapping of units and developments includes data provided by the Department of Community Affairs for 2001-2021. This data does not indicate whether the 9% credits have been placed into service and therefore be slightly inflated for 2020. The economic analysis includes only developments and units put in service between 2001-2019.

c The economic impact analysis only goes through 2019 because at the time of this study there were no 4% tax credit developments placed into service after this year, at the time data were collected.

Figure 1: Total LIHTC Developments by Type 2001-2021

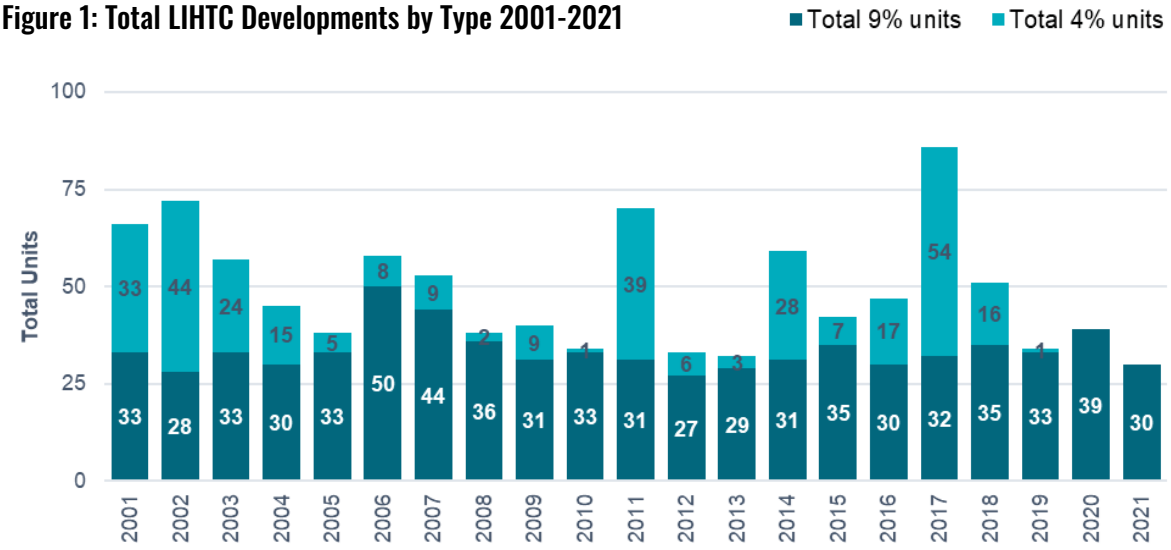
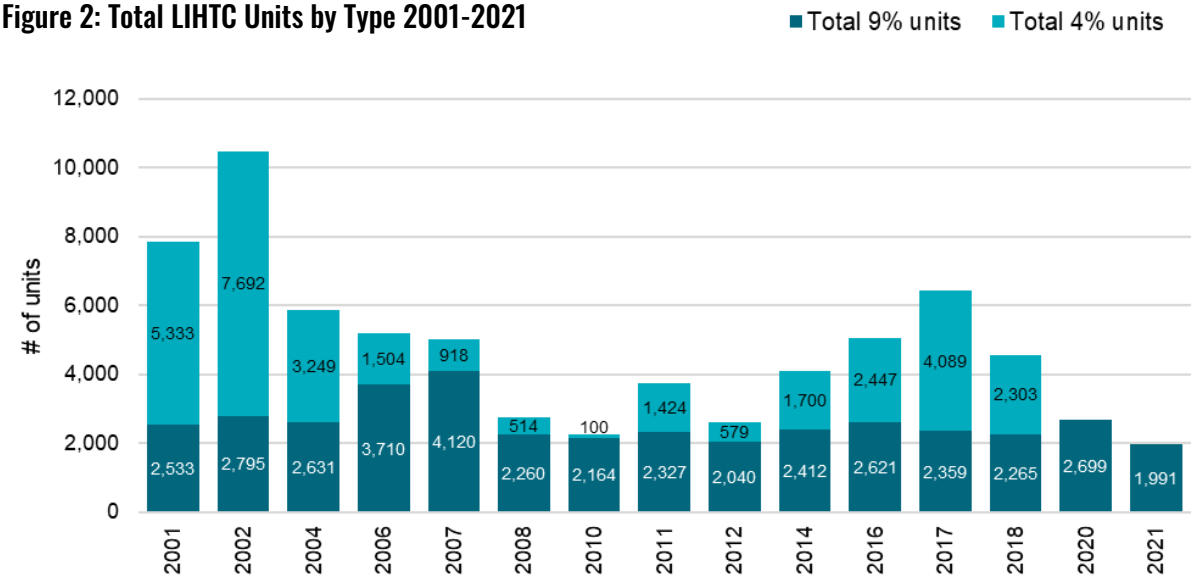


Figure 2 represents the total number of units constructed by each tax credit program between 2001-2021. Similar to Figure 1, the 9% units showed relatively little variation. The greatest number of units financed by 9% credits in one year was 4,120 in 2007; the fewest were 1,991 in 2019.

In the first four years of the 2000s, the 4% credits financed the construction of far more housing units than the 9% program: Between 2001-2004 there were a total of 21,662 units financed by 4% credits and 10,820 units financed through 9% credits, a difference of 10,842 housing units.

Figure 2: Total LIHTC Units by Type 2001-2021



However, the number of 4% units steadily declined between 2002 and 2010, ultimately reaching its lowest production in 2010 with only 100 units. Since that year, 4% units increased steadily through 2016 before dropping to 249 total units in 2019.

Trends in Georgia LIHTC Units by Location

During the period covered by this study, LIHTC developments were dispersed widely throughout the state, inside and outside of major metropolitan regions. The 9% and 4% programs followed similar distribution patterns of urban and rural developments. Tables 2 and 3 display the total numbers of 9% and 4% tax credit developments and units in relation to the Atlanta metro, other metro, and non-metro regions of the state.

Table 2: Total LIHTC Developments by Location

Location	Total 9%	(%) 9%	Total 4%	(%) 4%	Total	% Total
Atlanta Metro	246	35.0	156	48.6	402	39.3
Other Metro	194	27.6	85	26.5	279	27.2
Non-Metro	263	37.4	80	24.9	343	33.5
Total	**703**	**100.0**	**321**	**100.0**	**1024**	**100.0**

Table 3: LIHTC Units by Location

Location	Total 9% units	(%) 9% units	Total 4% units	(%) 4% units	Total units	% Total
Atlanta Metro	23,685	45.3	26,807	65.4	50,465	54.1
Other Metro	14,419	27.6	6,373	15.5	20,792	22.3
Non-Metro	14,202	27.2	7,817	19.1	22,019	23.6
Total	**52,279**[d]	**100**	**40,997**	**100**	**93,276**	**100**

Overall, roughly 66.4% of all tax credit developments, representing more than 80% of all units, constructed between 2001-2021 were located within a metropolitan area. This includes developments in Albany, Athens, Gainesville, Macon and Savannah. Of the LIHTC properties located in metro areas, 65.4% were in the metro-Atlanta region.

Nearly one-fourth (23.6%) of all units constructed during this period were in non-metropolitan areas. Regarding total developments, the 9% tax credit program funded the construction of more developments in non-metro regions of the state (54.8%) than it did in the Atlanta metro area (45.3%).

The majority of units created by both the 9% and 4% credits were located in the Atlanta metro area. Each program produced the fewest numbers of units in non-metro areas, where the scale of housing developments is much smaller than in Atlanta and other metro areas. However, relative to the proportion of the rural population, there are more LIHTC developments and units in non-metro areas.

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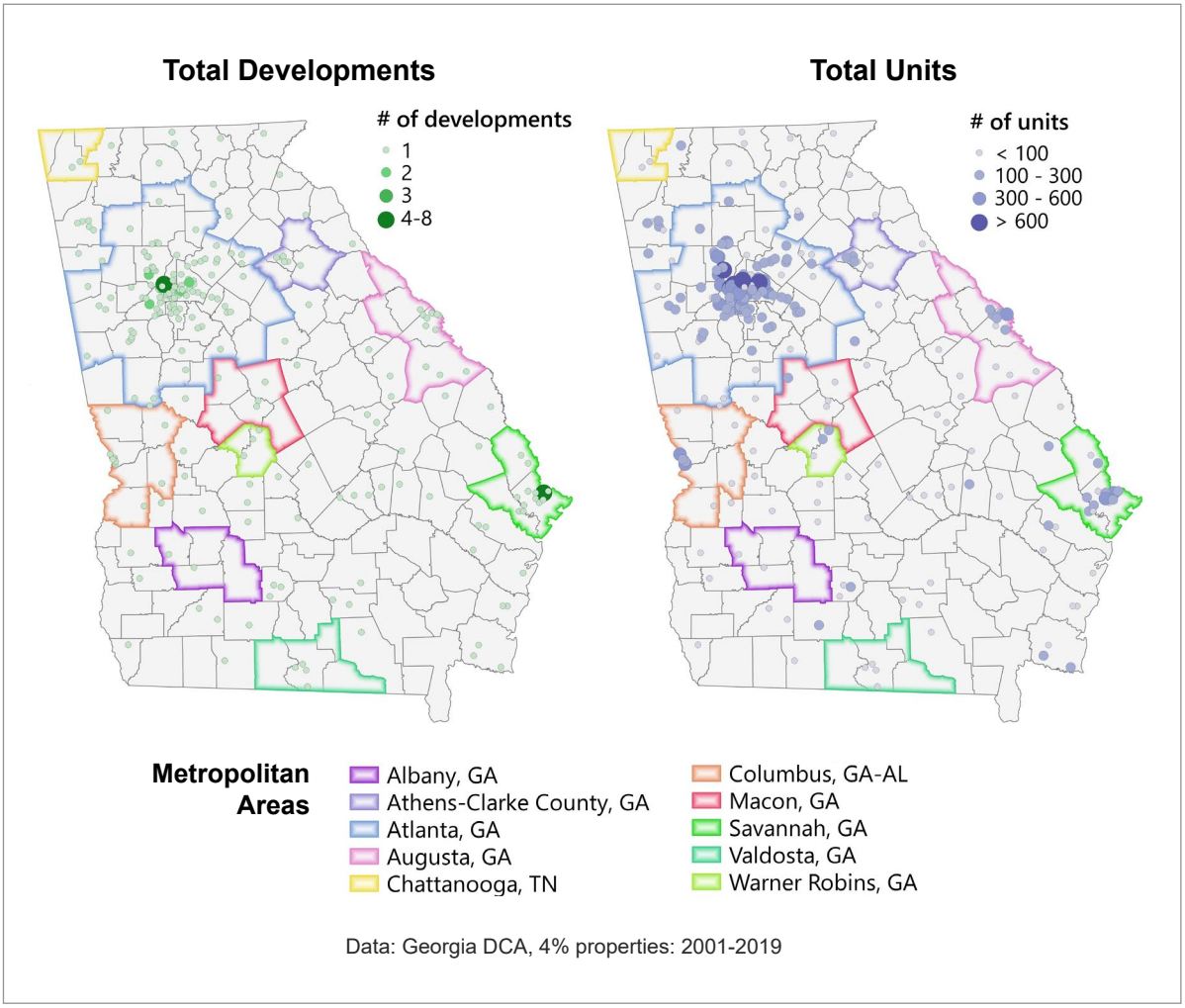
d Although the total number of units financed through the 9% tax credit program is known, data on the exact number of units in each property for the year 2001 for each geographic location was not available. Therefore, the total number of 9% units reflected in Table 3 is 2,533 units fewer than the numbers presented in Table 1.

Maps of LIHTC Developments and Units

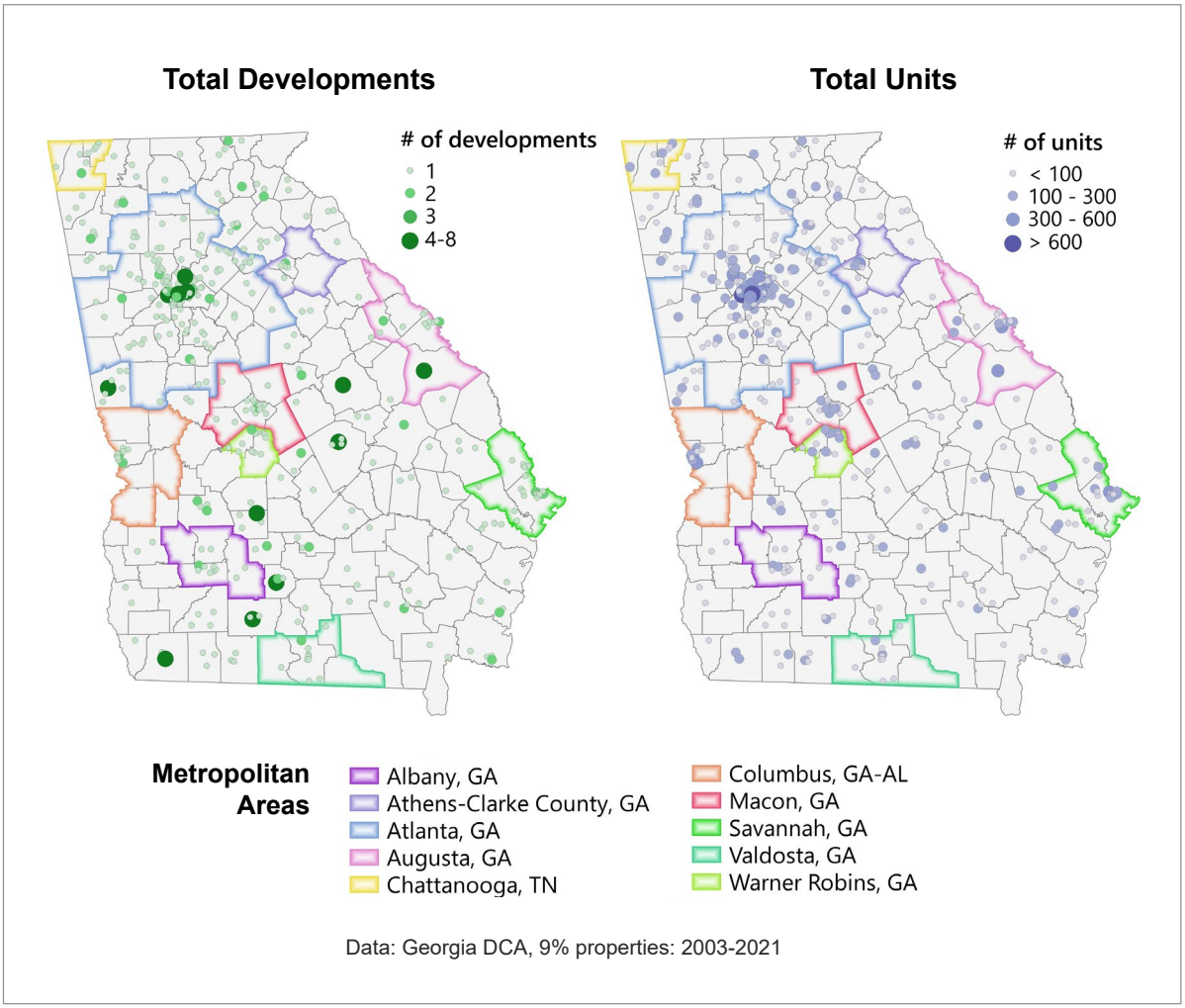
For the mapping aspect of data visualization, we used data provided by Georgia Department of Community Affairs (DCA) for both 9% (n=642[e]) and 4% (n=321) developments. The final dataset was geocoded based on development address using ESRI's ArcGIS API, and accuracy was manually verified. The census tract and county of each of these listed developments was identified using boundary files obtained from the U.S. Census. For mapping purposes, boundaries were displayed for the nine major metropolitan statistical areas present in the state: Albany, Athens-Clarke County, Atlanta, Augusta, Chattanooga (TN), Columbus, Macon, Savannah, Valdosta, and Warner-Robbins.

Figure 3: LIHTC Developments and Units (4% Properties)



e The number of 9% developments in this dataset is lower because it only includes properties from 2003-2021. This difference does not affect the distribution displayed in the maps.

Figure 4: LIHTC Developments and Units (9% Properties)



Figures 3 and 4 display the distribution of 4% and 9% developments and units throughout the state. The maps on the left show county level developments and the maps on the right side show the total number of units. As this figure shows, LIHTC developments are broadly distributed throughout the state but most highly concentrated in the south Atlanta metropolitan area. Unit totals are higher in the Atlanta metro area and smaller metro areas in the state. This is consistent with development of larger unit properties in urban areas, while rural, non-metropolitan areas tend to have smaller-unit developments.

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Direct, Indirect, and Induced Effects of Georgia LIHTC Development

In the regions of LIHTC development, people and businesses benefit by more than just the dollar value of the new construction. The construction businesses affect other businesses that sell supplies, while those businesses similarly impact others down the supply chain. Economists refer to the initial economic activity as the direct effect, and the subsequent ripples as indirect and induced effects. The total economic effect of expenditures related to the new spending is the sum of direct, indirect, and induced effects.[16]

Direct effects are the amount of the increased purchase of anything used to manufacture or produce the final goods and services purchased by construction businesses.

Indirect effects refer to the value of anything used by firms which produce additional goods and services related to construction spending – the business-to-business effects.

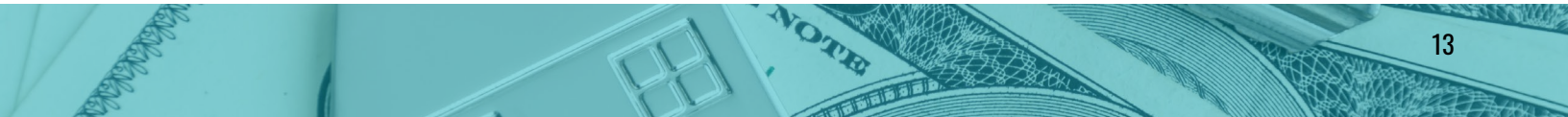
Induced effects result from direct and indirect effects of construction spending. Induced effects relate to people that receive added income as a result of local spending by the firms and plants which are impacted by the direct and indirect effects of construction spending. By demanding more goods and services, they increase production and sales.

Typically, the total effects are between 0.5 to 2 times more than what the construction businesses originally spent in the local economy. This is referred to as the economic multiplier. The direct, indirect, and induced effects are estimated by input-output analysis.

Input-Output Analysis of Construction Spending

For regional and community economic analysis, input-output (I-O) analysis has a long history among the most widely accepted methods.[17] It consists of a system of linear equations which describe the linkages among production sectors in a given economy. To fit the question at hand, the I-O model used in this study was generated by the IMPLAN economic analysis system,[f] chosen for its capacity to customize a tailor-made I-O model for any group of counties or states.[18] To model the economic effects, the IMPLAN system contains 546 industrial sector categories that can account for any variety of new purchase patterns. The system calculates the direct, indirect, and induced impacts of construction spending or other final demand vectors, while linkages between industries in the local economy determine the employment, personal income, value added, and total output impacts.[19]

f For more information on the IMPLAN modeling process, visit IMPLAN.com.

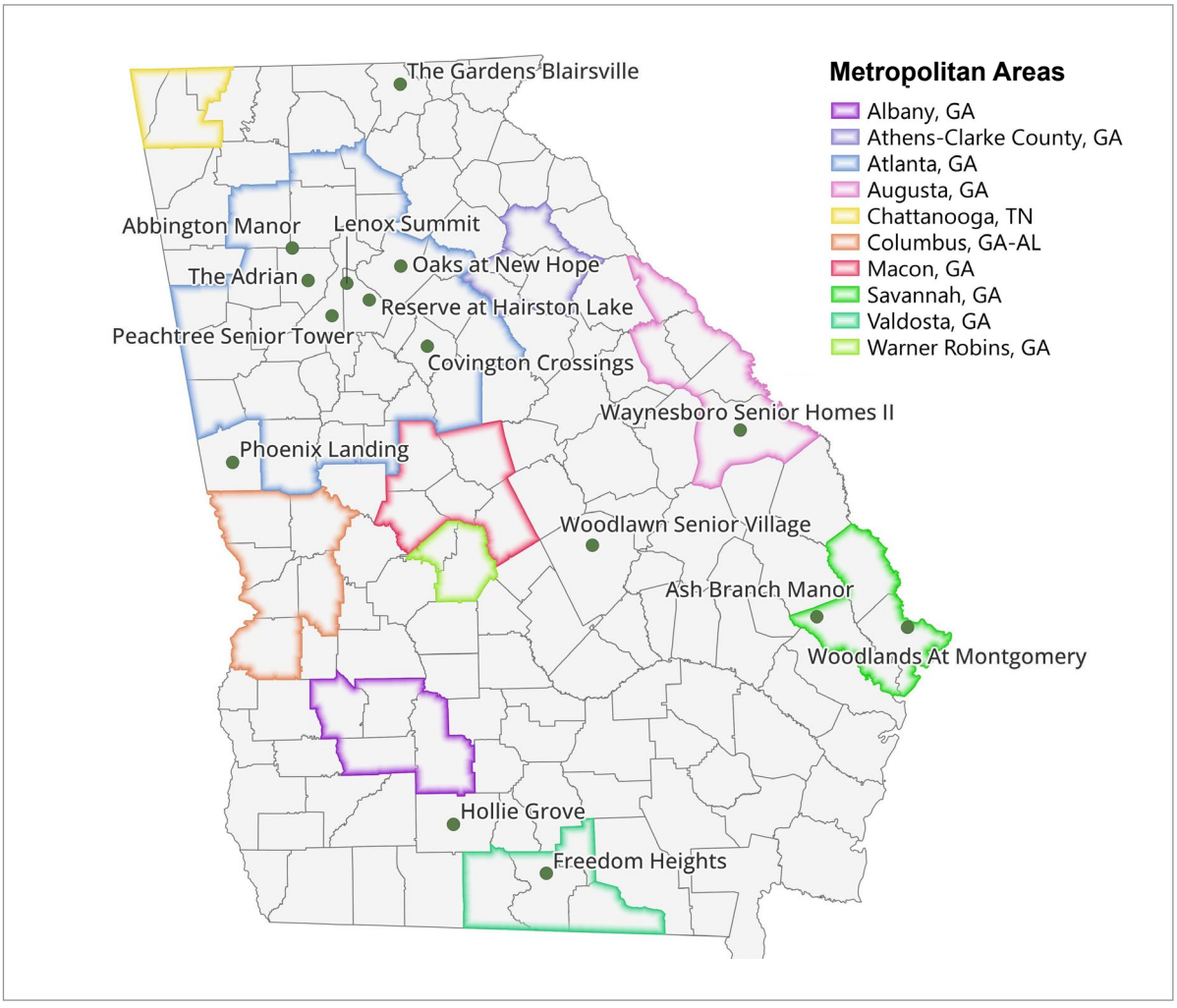


Description of Data for 16 LIHTC Sample Developments

Consistent with the 2006 study, this study obtained data on construction-related and operating expenses for the 16 LIHTC sample developments throughout Georgia, as shown in Table 4 and Figure 4. This sample contains 121 rental units per development on average[g]. Construction-related and annual operations data were obtained from each development's official cost certification documents filed with the Department of Community Affairs (DCA).

Table 1 summarizes the cost items as direct impacts, which for most developments will be equal to the sum of the cost items as reported in the cost certifications. There can be exceptions. For example, few rural counties have specialized businesses such as architectural services, which would be provided by a business located outside the development's region; those dollars are lost from the localized impacts, both direct and indirect.

Figure 5: Sample LIHTC Developments



g According to the documentation.

Table 4 reports the direct and total impacts for the construction phase and the annual operations, for each development and the overall average for the 16 developments. The total impact is the sum of direct, indirect and induced impacts. The direct impacts from construction averaged about $16.8 million, while the impacts from annual operations of the developments averaged about $5.7 million.

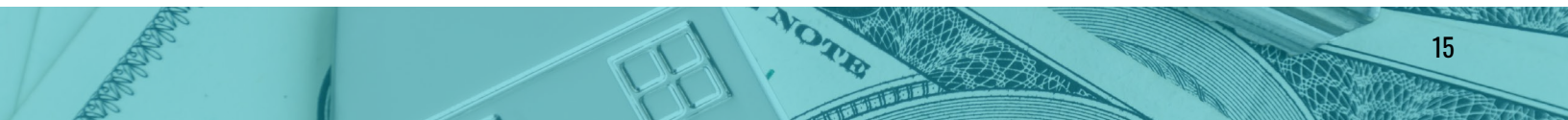
To make these two figures comparable, the annual operating costs are reported in present value terms, discounted at 3.5 percent over 20 years.h Annual operating costs include those items over and above what tenants had likely paid in their previous dwellings (primarily the cost of operating the development's office and its building services).

Table 4. Direct and Total Economic Impacts for 16 LIHTC Developments, 2019 dollars

LIHTC Development	Location	Number of Units	Construction Direct Impact	Construction Total Impact	Annual Operating Direct Impact*	Annual Operating Total Impact
Abbington Manor	Acworth, Cobb Co	92	$17,583,496	$28,197,788	$3,863,400	$5,998,347
Ash Branch Manor	Pembroke, Bryan Co	70	$12,047,583	$19,613,965	$3,951,105	$6,056,789
Breakers at Trion	Trion, Chattooga Co	68	$11,228,318	$16,490,788	$2,355,976	$3,364,998
Covington Crossings	Covington, Newton Co	198	$38,610,819	$57,293,636	$7,923,841	$11,951,147
Freedom Heights	Valdosta, Lowndes Co	88	$14,098,646	$21,853,508	$3,672,457	$5,239,676
Hollie Grove	Moultrie, Colquitt Co	48	$7,859,844	$11,622,822	$1,822,300	$2,783,594
Lenox Summit	Brookhaven, DeKalb Co	209	$17,385,166	$29,676,655	$9,164,300	$13,677,871
Oaks at New Hope	Lawrenceville, Gwinnett Co	139	$14,244,743	$25,458,197	$7,448,706	$11,527,213
Peachtree Senior Tower	Atlanta, Fulton Co	196	$19,106,854	$35,826,654	$15,055,867	$25,925,032
Phoenix Landing	LaGrange, Troup Co	76	$12,089,123	$17,511,497	$3,013,271	$4,252,324
Reserve at Hairston Lake	Stone Mountain, DeKalb Co	170	$18,679,406	$32,269,028	$6,871,541	$10,443,969
The Adrian	Marietta, Cobb Co	175	$24,942,160	$40,156,633	$7,844,479	$11,680,877
The Gardens Blairsville	Blairsville, Union Co	72	$11,983,723	$17,875,821	$4,113,453	$5,984,241
Waynesboro Senior Homes II	Waynesboro, Burke Co	43	$9,298,267	$12,174,595	$2,011,226	$2,872,909
Woodlands At Montgomery	Savannah, Chatham Co	246	$35,760,866	$57,761,799	$9,749,439	$15,335,161
Woodlawn Senior Village	Dublin, Laurens Co	48	$3,755,699	$5,407,721	$1,672,047	$2,293,549
Average		**121**	**$16,792,170**	**$26,824,444**	**$5,658,338**	**$8,711,731**

**Annual operating costs converted to present values, discounted at 3.5% over 20 years.*

h This rate was chosen to reflect expected long-term government bond rates, a common choice for the appropriate discount factor. The first year of construction and annual operations are presented in 2019 dollars; the subsequent annual operations are discounted to present values over the next 20 years.



The categories from the cost certifications are listed in Table A1, found in Appendix A of this report. These cost categories are aligned with the relevant IMPLAN sector to which each cost item has been assigned. Assignments were made consistent with the 2006 study, adapted to IMPLAN system updates, and consistent with descriptions in the 2017 North *American Industry Standard Classification System*.[20]

Most assignments are straightforward. Note that a major cost category, land purchase, is heavily discounted. Within an input-output model, the purchase of land does not represent an economic event per se because no purchases of supplies are involved in producing land. Only transaction costs are considered by the model, and thus 8 percent of the value of the land purchase was assigned to the real estate sector.

The input-output model also distributes the direct impacts of a sector to specific supporting sectors. For example, most construction costs are assigned to the Construction of New Multifamily Residential Structures sector. When the construction workers live and work inside the regional economy, the model shows that restaurants, hotels, and retail businesses are indirectly impacted.

Results of the Input-Output Analysis

Table 4 reports how each development has impacted the economic output of its regional economy (the value of a region's production of goods and services). Total impacts are the sum of direct, indirect and induced impacts. The tables in Appendix B contain the details of each of the 16 development impacts, for regional economic output and other indicators of economic performance. From Table 4, the average total impact from construction of a development was about $26.8 million, and from the annual operating costs there was about $8.4 million total impact, in present value terms. LIHTC developments have a significant economic impact on local economies.

Table 5 reports the impacts in terms of employment. It indicates that the average development employed 172.2 people (including both full- and part-time) directly, which led to an overall increase of 240.5 jobs in the local economy. By comparison, job generation from the developments' annual operations is smaller, with four or five jobs on average.

The average development employed **172.2 people** (including both full- and part-time) directly, which led to **an overall increase of 240.5 jobs in the local economy.**

Table 5. Employment Impacts from 16 LIHTC Developments (in numbers of new jobs)					
LIHTC Development	**Location**	**Const.**	**Const. Employment Total Impact**	**Annual Operations Employment, Direct Impact**	**Annual Operations**
Abbington Manor	Acworth, Cobb Co	140.9	204.1	1.6	2.4
Ash Branch Manor	Pembroke, Bryan Co	145.8	200.5	2.0	3.4
Breakers at Trion	Trion, Chattooga Co	161.6	202.0	2.4	3.1
Covington Crossings	Covington, Newton Co	511.0	665.3	9.4	14.3
Freedom Heights	Valdosta, Lowndes Co	148.0	206.7	2.4	3.4
Hollie Grove	Moultrie, Colquitt Co	112.9	142.1	1.8	2.4
Lenox Summit	Brookhaven, DeKalb Co	115.5	189.0	6.0	9.2
Oaks at New Hope	Lawrenceville, Gwinnett Co	99.7	164.0	3.6	5.6
Peachtree Senior Tower	Atlanta, Fulton Co	141.0	239.4	4.3	7.4
Phoenix Landing	LaGrange, Troup Co	147.0	188.9	2.7	3.6
Reserve at Hairston Lake	Stone Mountain, DeKalb Co	147.6	227.7	3.3	5.1
The Adrian	Marietta, Cobb Co	196.7	286.3	3.3	5.1
The Gardens Blairsville	Blairsville, Union Co	176.8	224.9	2.8	4.0
Waynesboro Senior Homes II	Waynesboro, Burke Co	69.5	89.9	1.0	1.3
Woodlands At Montgomery	Savannah, Chatham Co	394.3	555.8	7.8	12.2
Woodlawn Senior Village	Dublin, Laurens Co	47.1	60.8	1.2	1.6
Average		**172.2**	**240.5**	**3.5**	**5.3**

Tax Implications of Georgia LIHTC Developments

Table 6 addresses the state and local tax implications of the LIHTC developments[i]. On average, each development increased state and local tax revenues by an estimated $842,398 from construction activity and $421,080 from annual operations, in present value terms, discounted over 20 years. The average total tax impact from an LIHTC development was nearly $1.3 million, before considering the tax credits.

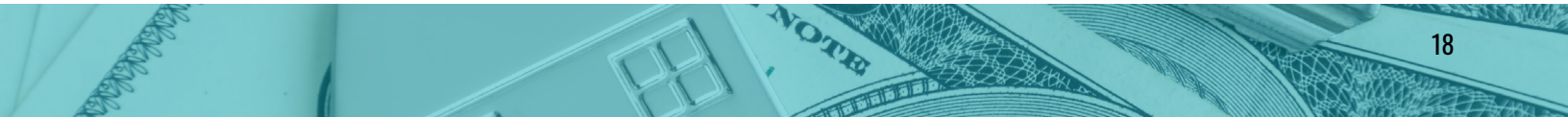
i Calculated via a subroutine within the IMPLAN system to generate estimates of the fiscal impacts.

On average, the state and local governments collected about 17 cents in new taxes for every one dollar of tax credit issued. This figure takes into account the time frame through construction and approximately 20 years of annual operations. While not completely covering the cost of the program, these new taxes serve to offset the overall cost of the program. Also important: the vast majority of these taxes are paid in the first one or two years of a development's life, i.e. during the construction phase, while the tax credits are spread over a 10-year period. Thus the state experiences a net surplus in the short run; in the first few years of a development, the state may actually collect more taxes than it gives away in credits.

Table 6. Tax Implications for 16 LIHTC developments, 2019 dollars

LIHTC Development	Location	Const. Tax Impacts	Annual Operations Tax Impacts (a)	Total Tax Impacts	Approved Tax Credit	Net Present Value of Tax Credits (b)
Abbington Manor	Acworth, Cobb Co	$796,538	$218,852	$1,015,391	$916,987	$6,870,084
Ash Branch Manor	Pembroke, Bryan Co	$701,640	$317,968	$1,019,609	$834,098	$6,148,917
Breakers at Trion	Trion, Chattooga Co	$564,977	$264,278	$829,255	$850,000	$6,478,029
Covington Crossings	Covington, Newton Co	$1,918,099	$743,675	$2,661,774	$1,462,655	$9,902,273
Freedom Heights	Valdosta, Lowndes Co	$770,369	$323,790	$1,094,159	$784,177	$5,644,458
Hollie Grove	Moultrie, Colquitt Co	$411,494	$227,324	$638,818	$575,850	$4,309,961
Lenox Summit	Brookhaven, DeKalb Co	$839,468	$550,494	$1,389,962	$1,004,339	$7,235,806
Oaks at New Hope	Lawrenceville, Gwinnett Co	$741,499	$451,516	$1,193,015	$946,970	$6,942.403
Peachtree Senior Tower	Atlanta, Fulton Co	$1,105,513	$991,750	$2,097,262	$814,586	$4,879,727
Phoenix Landing	LaGrange, Troup Co	$503,982	$345,661	$849,642	$688,035	$5,060,652
Reserve at Hairston Lake	Stone Mountain, DeKalb Co	$932,248	$411,607	$1,343,854	$902,912	$6,413,722
The Adrian	Marietta, Cobb Co	$1,143,273	$439,961	$1,583,234	$895,146	$6,106,504
The Gardens Blairsville	Blairsville, Union Co	$499,031	$382,825	$881,857	$839,206	$6,328,366
Waynesboro Senior Homes II	Waynesboro, Burke Co	$294,467	$141,739	$436,206	$553,885	$4,326.502
Woodlands At Montgomery	Savannah, Chatham Co	$2,079,013	$762,819	$2,841,832	$1,044,765	$6,124,482
Woodlawn Senior Village	Dublin, Laurens Co	$176,753	$163,015	$339,768	$375,000	$2,882,409
Average		**$842,398**	**$421,080**	**$1,263,477**	**$843,038**	**$5,978,393**

(a) Present value terms, discounted at 3.5% over 20 years with first year in nominal terms (2019 dollars).
(b) Present value terms, discounted at 3.5% over 10 years with first year in nominal terms (2019 dollars).



Projected Georgia LIHTC Impact Statewide

To conservatively estimate the statewide impact of LIHTC in Georgia, this study (like the 2006 study) counts as new dollars the 4% tax-exempt bond developments that would potentially disappear without the state tax credits. **Therefore, this study extrapolated the results of the 16 sample developments to the entirety of 4% tax-exempt bond developments built in Georgia since LIHTC began in Georgia.**

There were 40,997 units constructed in Georgia from 2001 through 2019 under the LIHTC program.[j] Multiplying that number by the average impact per unit from the 16 developments in this sample yields an estimate of the LIHTC total economic impact from construction effects (direct, indirect, and induced) of between $22.1 million and $1.7 billion per year[k] during the 2001 to 2019 period (in 2019 dollars), accumulating more than $9 billion overall. The present value of the annual operations impact for these years adds up to an additional $2.9 billion. Adjusting the figures for current dollars of each year, the total construction effects range from $19.2 million to $1.2 billion, and annual operations sum of $2.4 billion. These impacts are summarized in Table 7 along with job impact estimates. Collectively, these figures provide an estimate of funds generated by LIHTC developments, or that may be generated throughout the life of the developments as put into service, a present value economic impact of $12.03 billion (2019 dollars) or $9.7 billion adjusting for annual inflation specific to each year.

From 2001 to 2019, LIHTC generated $5.79 of new economic impact in Georgia, on average, for every $1.00 dollar in net tax credits allocated. This figure varied by development from a low of $2.67 to a high of $12.65 per dollar of net tax credit, depending on the magnitude of the development and underlying economic structure within the locality. The state LIHTC has also generated an average of 4,284 jobs per year, directly or indirectly through the construction of the units. Economic impact and jobs are consequential effects of LIHTC developments on the Georgia economy.

There were **40,997 units constructed** in Georgia from 2001 through 2019 under the 4% LIHTC program.

From 2001 to 2019, **4% LIHTC generated $5.79 of new economic impact in Georgia**, on average, for every $1.00 dollar in net tax credits allocated.

The estimate of funds generated by LIHTC developments represent a **present value economic impact of $12.03 billion (2019 dollars) or $9.7 billion adjusting for annual inflation specific to each year.**

j Based on documentation provided by DCA documenting the number of 4% developments that are currently in service, but excluding those for which LIHTC is allocated but development is not yet in service.
k Dependent upon the number of units brought into service during a particular year.

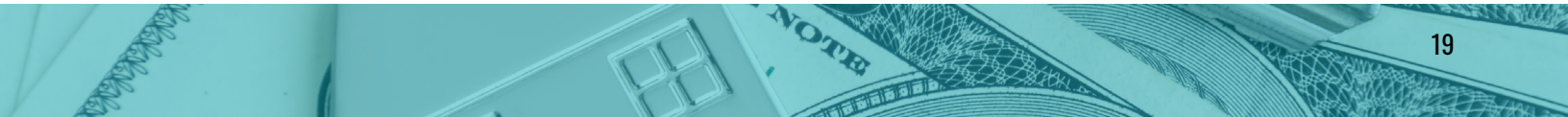


Table 7. Statewide Projections for Economic Impacts of 4% LIHTC, 2019 dollars, in millions

Year	Total Construction Impact	Total Operating Impact	Total Construction Impact (Nominal by Year)*	Total Operating Impact (Nominal by Year)*	Total 4% Jobs Impact**	No. of LIHTC In-service units
2001	$1,181.1	$383.6	$821.6	$266.8	10,587	5,333
2002	$1,703.5	$553.2	$1,198.5	$389.2	15,270	7,692
2003	$1,193.2	$387.5	$861.3	$279.7	10,696	5,388
2004	$719.5	$233.7	$529.4	$171.9	6,450	3,249
2005	$279.9	$90.9	$212.1	$68.9	2,509	1,264
2006	$333.1	$108.2	$262.4	$85.2	2,986	1,504
2007	$203.3	$66.0	$163.5	$53.1	1,822	918
2008	$113.8	$37.0	$95.5	$31.0	1,020	514

**Average impact per unit adjusted to reflect current dollars for the indicated year. Based on US Bureau of Labor Statistics CPI Inflation Calculator comparing January of indicated year to January of 2019.*

*** Jobs impact number is from construction impacts only. There is a much lower number of jobs created on an ongoing basis related to annual operations.*

Economic Impact of Georgia 4% LIHTC Developments Summary

Utilizing input-output methodology, this study updated LIHTC's economic impact on local areas of Georgia. By offering state tax credits that match federal tax credits on a dollar-for-dollar basis, LIHTC strongly encourages and facilitates the construction of higher quality affordable housing for Georgia residents who would otherwise be left to choose between living in substandard housing or forced to pay too much of their income on rent. The study assumes that these developments would not be built without the tax credit program because the economic returns to the development would be too low to secure financing.

This study found that LIHTC has generated substantial economic impacts for local economies in Georgia: these developments have produced, or will produce from their ongoing operations, a total economic impact within Georgia of more than $ 12.0 billion (2019 dollars). The program is also generating an annual average of more than

These developments have produced, or will produce from their ongoing operations, a **total economic impact within Georgia of more than $ 12.0 billion** (2019 dollars).

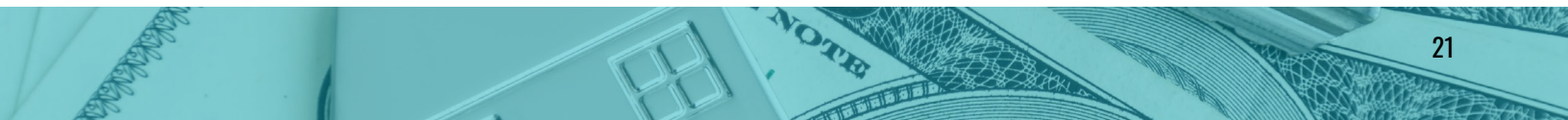
4,284 jobs from the construction phase of the developments and related products and services.

On average, the total economic impact of each LIHTC development is about 1.7 times the total development cost spending on construction. For example, if $10 million were spent to build an LIHTC development, the host county and surrounding counties would experience an economic impact of about $17 million over the life of the development as construction workers spend their money and the people who sold services and supplies to the LIHTC development spend that money locally. Each development also produce more than 245 jobs, full- and part-time, on average for the local economy. These impacts were compared to the tax credits allocated. On average, $5.79 of economic impact is created for every $1.00 in net tax credits allocated.

The state program is also **generating an annual average of more than 4,284 jobs** from the construction phase of the developments and related products and services.

On average the state and local governments collected about 17 cents in new taxes for every dollar of tax credit, significantly reducing the overall cost of the program. Because most of these taxes are paid in the first one or two years of a development's life, while the tax credits are spread over ten years, the state may collect more in taxes than it gives away in credits in the first few years of a development.

Overall, the economic impact of these developments in dollars and jobs, plus the partial offsetting of the cost by new tax revenues from that impact, generates a return to the state for the cost of the program. **Billions of dollars and thousands of jobs are being generated through the LIHTC, along with much-needed housing for Georgians who now live in these developments.**



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Appendix A

Table A1. Assignment of Cost Categories to IMPLAN sectors

COST CERTIFICATION BUDGET ITEMS	CORRESPONDING IMPLAN SECTOR
PRE-DEVELOPMENT COSTS	
Property Appraisal	Other Real Estate
Market Study	Management Consulting Services
Environmental Report(s)	Environmental and other technical consulting
Soil Borings	Architectural, engineering, and related services
Boundary & Topographical Survey	Architectural, engineering, and related services
Zoning/Site Plan Fees	Other state government enterprises
Physical Needs assessment/GLE plan review	Architectural, engineering, and related services
Misc. Development Costs	Other Real Estate
ACQUISITION	
Land	Other Real Estate (8%)
Site Preparation/Demolition	Construction of new multifamily residential structures
Acquisition Legal Fees (if existing structures)	Legal Services
Existing Structures	Other Real Estate (8%)
LAND IMPROVEMENTS	
Site Construction (On-site)	Construction of new multifamily residential structures
Site Construction (Off-site)	Construction of other new nonresidential structures
STRUCTURES	
Residential Structures – New Construction/Rehab	Construction of new multifamily residential structures
Accessory Structures – New Construction/Rehab	Construction of other new nonresidential structures
CONTRACTOR SERVICES	
Builder Profit	Construction of new multifamily residential structures
Builder Overhead	Construction of new multifamily residential structures
General Requirements	Construction of new multifamily residential structures
CONSTRUCTION PERIOD FINANCING	
Construction/Bridge Loan Fee and Interest	Nondepository credit intermediation and related
Construction Legal Fees	Legal services
Construction Insurance	Insurance carriers, except direct life
Construction Period Inspection Fees	Architectural, engineering, and related services
Construction Period Real Estate Taxes	Other local government enterprises
Title and Recording Fees	Other local government enterprises
Payment and Performance Bonds	Nondepository credit intermediation and related
Mortgage Insurance Premium (MIP)	Nondepository credit intermediation and related

PROFESSIONAL SERVICES	
Architectural Fee - Design	Architectural, engineering, and related services
Architectural Fee - Supervision	Architectural, engineering, and related services
Green Building Consultant Fee	Environmental and other technical consulting services
Bldg. Prog. Certification/Accessibility Inspections	Environmental and other technical consulting services
Construction Materials Testing	Environmental and other technical consulting services
Engineering	Architectural, engineering, and related services
Real Estate Attorney	Legal services
Accounting	Accounting, tax prep., bookkeeping & payroll services
As-Built Survey	Architectural, engineering, and related services
LOCAL GOVERNMENT FEES	
Building Permits	Other local government enterprises
Impact Fees	Other local government enterprises
Water Tap Fees	Other local government enterprises
Sewer Tap Fees	Other local government enterprises
PERMANENT FINANCING FEES	
Permanent Loan Fees	Nondepository credit intermediation and related
Permanent Loan Legal Fees	Legal services
Title and Recording Fees	Other local government enterprises
Bond Issuance Premium	Nondepository credit intermediation and related
Cost of Tax-Exempt Bond Issuance	Insurance agencies, brokerages, and related activities
DCA-RELATED COSTS	
DCA Pre-Application, Waiver, Pre-Approval Fees	Other state government enterprises
Tax Credit Application Fee	Other state government enterprises
LIHTC Allocation Processing Fee	Other state government enterprises
LIHTC Compliance Monitoring Fee	Other state government enterprises
EQUITY COSTS	
Partnership Organization Fees	Legal services
Tax Credit Legal Opinion	Legal services
Syndicator Legal Fees	Legal services
DEVELOPER'S FEE	
Developer's Overhead	Management of companies and enterprises
Consultant's Fee	Management consulting services
Developer's Profit	Management of companies and enterprises
START-UP AND RESERVES	
Marketing	Management consulting services
Rent-Up Reserves	Nondepository credit intermediation and related
Operating Deficit Reserve:	Nondepository credit intermediation and related
Replacement Reserve	Nondepository credit intermediation and related
Furniture, Fixtures and Equipment	Retail - Furniture and home furnishings stores
OTHER COSTS	
Relocation	Truck Transportation
Georgia Power Energy Improvements (Fees)	Electric Power Generation

Appendix B

Table B1. Direct, Indirect and Induced Impacts from Abbington Manor on Cobb County and Five Surrounding Counties, 2019 dollars.

Impacts from Construction

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	140.9 jobs	$11,617,420	$13,618,350	$17,067,336
Indirect	19.2 jobs	$1,380,180	$2,299,730	$3,824,342
Induced	43.9 jobs	$2,482,360	$4,579,767	$7,306,110
Total	204.1 jobs	$15,479,960	$20,497,847	$28,197,788
Multiplier (Total/Direct)	1.45	1.33	1.51	1.65

State and Local Tax Impact: $796,538; Economic Impact per $1 net tax loss: $4.98

Impacts from Annual Operations

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	1.6 jobs	$45,481	$195,921	$271,833
Indirect	0.5 jobs	$32,452	$53,410	$94,901
Induced	0.3 jobs	$13,923	$25,736	$41,044
Total	2.5 jobs	$91,856	$275,067	$407,778
Multiplier (Total/Direct)	1.54	2.02	1.40	1.50

State and Local Tax Impact: $15,399

Table B2. Direct, Indirect and Induced Impacts from Ash Branch Manor on Bryan County and Five Surrounding Counties, 2019 dollars.

Impacts from Construction

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	145.8 jobs	$7,164,790	$8,463,775	$11,937,265
Indirect	17.7 jobs	$782,440	$1,382,887	$2,672,288
Induced	37.0 jobs	$1,462,252	$2,902,746	$5,004,412
Total	200.5 jobs	$9,409,482	$12,749,408	$19,613,965
Multiplier (Total/Direct)	1.38	1.31	1.51	1.64

State and Local Tax Impact: $701,640; Economic Impact per $1 net tax loss: $4.17

Impacts from Annual Operations

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	2.0 jobs	$28,499	$181,485	$278,004
Indirect	0.9 jobs	$24,855	$42,125	$100,278
Induced	0.4 jobs	$9,778	$19,414	$33,469
Total	3.3 jobs	$63,131	$243,025	$411,751
Multiplier (Total/Direct)	1.66	2.22	1.34	1.48

State and Local Tax Impact: $22,373

Table B3. Direct, Indirect and Induced Impacts from Abbington Manor from Breakers at Trion on Chattooga County and Three Surrounding Counties, 2019 dollars.

Impacts from Construction

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	161.6 jobs	$6,210,662	$7,071,492	$11,135,719
Indirect	17.2 jobs	$547,421	$999,983	$2,204,951
Induced	23.3 jobs	$849,188	$1,743,238	$3,150,119
Total	202.0 jobs	$7,607,270	$9,814,714	$16,490,788
Multiplier (Total/Direct)	1.25	1.22	1.39	1.48

State and Local Tax Impact: $564,977; Economic Impact per $1 net tax loss: $3.07

Impacts from Annual Operations

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	2.4 jobs	$26,732.76	$88,067.71	$165,769.00
Indirect	0.5 jobs	$10,611.57	$18,599.92	$46,473.12
Induced	0.2 jobs	$4,452.38	$9,137.82	$16,516.24
Total	3.1 jobs	$41,796.71	$115,805.45	$228,758.35
Multiplier (Total/Direct)	1.30	1.56	1.31	1.38

State and Local Tax Impact: $18,595

Table B4. Direct, Indirect and Induced Impacts from Abbington Manor from Covington Crossings on Newton County and Six Surrounding Counties, 2019 dollars.

Impacts from Construction

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	511.0 jobs	$22,379,404	$26,382,918	$38,101,290
Indirect	59.9 jobs	$1,975,890	$3,548,151	$7,752,032
Induced	94.4 jobs	$2,870,665	$6,151,911	$11,440,314
Total	665.3 jobs	$27,225,958	$36,082,979	$57,293,637
Multiplier (Total/Direct)	1.30	1.22	1.37	1.50

State and Local Tax Impact: $1,918,099; Economic Impact per $1 net tax loss: $6.99

Impacts from Annual Operations

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	9.4 jobs	$63,273.97	$342,301.27	$557,530.00
Indirect	3.8 jobs	$43,830.63	$73,717.63	$207,579.98
Induced	1.1 jobs	$11,881.06	$25,466.21	$47,349.52
Total	14.3 jobs	$118,985.65	$441,485.11	$812,459.50
Multiplier (Total/Direct)	1.52	1.88	1.29	1.46

State and Local Tax Impact: $52,326

Table B5. Direct, Indirect and Induced Impacts from Freedom Heights on Lowndes County and Five Surrounding Counties, 2019 dollars.

Impacts from Construction

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	148.0 jobs	$8,153,854	$9,792,817	$14,065,965
Indirect	21.3 jobs	$806,782	$1,471,404	$3,059,900
Induced	37.3 jobs	$1,185,703	$2,660,941	$4,727,643
Total	206.7 jobs	$10,146,339	$13,925,163	$21,853,508
Multiplier (Total/Direct)	1.40	1.24	1.42	1.55

State and Local Tax Impact: $770,369; Economic Impact per $1 net tax loss: $4.80

Impacts from Annual Operations

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	2.4 jobs	$28,908.59	$166,624.13	$258,398.00
Indirect	0.7 jobs	$16,780.98	$30,041.28	$73,579.91
Induced	0.3 jobs	$6,075.89	$13,633.53	$24,224.23
Total	3.4 jobs	$51,765.46	$210,298.94	$356,202.14
Multiplier (Total/Direct)	1.41	1.79	1.26	1.38

State and Local Tax Impact: $22,782

Table B6. Direct, Indirect and Induced Impacts from Hollie Grove on Colquitt County and Six Surrounding Counties, 2019 dollars.

Impacts from Construction

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	112.9 jobs	$4,308,308	$5,052,218	$7,783,340
Indirect	12.1 jobs	$427,405	$778,053	$1,632,916
Induced	17.1 jobs	$575,593	$1,194,897	$2,206,566
Total	142.1 jobs	$5,311,307	$7,025,167	$11,622,822
Multiplier (Total/Direct)	1.26	1.23	1.39	1.49

State and Local Tax Impact: $411,494; Economic Impact per $1 net tax loss: $3.34

Impacts from Annual Operations

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	1.8 jobs	$18,854.34	$67,775.40	$128,219.00
Indirect	0.5 jobs	$10,617.22	$18,448.28	$47,480.00
Induced	0.2 jobs	$3,530.96	$7,329.06	$13,534.49
Total	2.4 jobs	$33,002.53	$93,552.74	$189,233.49
Multiplier (Total/Direct)	1.37	1.75	1.38	1.48

State and Local Tax Impact: $15,995

Table B7. Direct, Indirect and Induced Impacts from Lenox Summit on DeKalb County and Five Surrounding Counties, 2019 dollars.

Impacts from Construction

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	115.5 jobs	$9,178,879	$11,944,793	$16,725,777
Indirect	30.1 jobs	$2,025,223	$3,418,484	$5,923,139
Induced	43.4 jobs	$2,334,272	$4,323,799	$7,027,738
Total	189.0 jobs	$13,538,374	$19,687,076	$29,676,655
Multiplier (Total/Direct)	1.64	1.47	1.65	1.77

State and Local Tax Impact: $839,468; Economic Impact per $1 net tax loss: $5.99

Impacts from Annual Operations

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	6.0 jobs	$84,137.58	$488,937.76	$644,810.00
Indirect	2.0 jobs	$65,103.99	$107,720.70	$195,056.55
Induced	1.2 jobs	$29,850.68	$55,363.94	$89,978.58
Total	9.2 jobs	$179,092.24	$652,022.40	$929,845.12
Multiplier (Total/Direct)	1.54	2.13	1.33	1.44

State and Local Tax Impact: $38,733

Table B8. Direct, Indirect and Induced Impacts from Oaks at New Hope on Gwinnett County and Six Surrounding Counties, 2019 dollars.

Impacts from Construction

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	99.7 jobs	$8,163,134	$10,002,387	$14,018,636
Indirect	24.9 jobs	$1,717,975	$2,897,171	$5,009,064
Induced	39.4 jobs	$2,140,255	$3,958,084	$6,430,497
Total	164.0 jobs	$12,021,365	$16,857,642	$25,458,197
Multiplier (Total/Direct)	1.65	1.47	1.69	1.82

State and Local Tax Impact: $741,499; Economic Impact per $1 net tax loss: $5.33

Impacts from Annual Operations

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	3.6 jobs	$76,004	$383,888	$524,099
Indirect	1.2 jobs	$58,223	$96,707	$174,527
Induced	0.8 jobs	$28,270	$52,332	$85,014
Total	5.6 jobs	$162,496	$532,927	$783,640
Multiplier (Total/Direct)	1.56	2.14	1.39	1.50

State and Local Tax Impact: $31,769

Table B9. Direct, Indirect and Induced Impacts from Peachtree Senior Tower on Fulton County and Ten Surrounding Counties, 2019 dollars.

Impacts from Construction

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	141.0 jobs	$11,500,391	$13,976,890	$19,080,770
Indirect	33.0 jobs	$2,154,258	$3,612,896	$6,263,596
Induced	65.3 jobs	$3,432,255	$6,379,502	$10,482,287
Total	239.4 jobs	$17,086,904	$23,969,289	$35,826,654
Multiplier (Total/Direct)	1.70	1.49	1.71	1.88

State and Local Tax Impact: $1,105,513; Economic Impact per $1 net tax loss: $12.65

Impacts from Annual Operations

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	4.3 jobs	$163,963	$711,683	$1,059,347
Indirect	1.9 jobs	$148,662	$250,187	$466,306
Induced	1.2 jobs	$77,464	$144,121	$236,775
Total	7.4 jobs	$390,088	$1,105,991	$1,762,428
Multiplier (Total/Direct)	1.73	2.38	1.55	1.66

State and Local Tax Impact: $69,781

Table B10. Direct, Indirect and Induced Impacts from Phoenix Landing on Troup County and Four Surrounding Counties, 2019 dollars.

Impacts from Construction

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	147.0 jobs	$7,080,900	$8,223,320	$12,039,853
Indirect	16.4 jobs	$567,529	$1,020,458	$2,174,517
Induced	25.5 jobs	$865,445	$1,795,610	$3,297,128
Total	188.9 jobs	$8,513,874	$11,039,388	$17,511,497
Multiplier (Total/Direct)	1.28	1.20	1.34	1.45

State and Local Tax Impact: $503,982; Economic Impact per $1 net tax loss: $4.30

Impacts from Annual Operations

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	2.7 jobs	$25,043.27	$120,503.92	$212,017.00
Indirect	0.7 jobs	$14,121.03	$24,738.28	$60,876.11
Induced	0.2 jobs	$4,247.62	$8,814.48	$16,187.19
Total	3.6 jobs	$43,411.92	$154,056.68	$289,080.31
Multiplier (Total/Direct)	1.34	1.73	1.28	1.36

State and Local Tax Impact: $24,321

Table B11. Direct, Indirect and Induced Impacts from Reserve at Hairston on DeKalb County and Five Surrounding Counties, 2019 dollars.

Impacts from Construction

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	147.6 jobs	$11,398,726	$13,695,663	$18,379,542
Indirect	28.0 jobs	$1,904,969	$3,200,631	$5,466,710
Induced	52.1 jobs	$2,798,406	$5,181,989	$8,422,776
Total	227.7 jobs	$16,102,100	$22,078,283	$32,269,028
Multiplier (Total/Direct)	1.54	1.41	1.61	1.76

State and Local Tax Impact: $932,248; Economic Impact per $1 net tax loss: $6.66

Impacts from Annual Operations

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	3.3 jobs	$63,479.59	$359,841.57	$483,489.00
Indirect	1.2 jobs	$51,824.34	$86,471.12	$156,964.26
Induced	0.7 jobs	$23,072.29	$42,791.52	$69,545.70
Total	5.1 jobs	$138,376.22	$489,104.21	$709,998.96
Multiplier (Total/Direct)	1.57	2.18	1.36	1.47

State and Local Tax Impact: $28,961

Table B12. Direct, Indirect and Induced Impacts from The Adrian on Cobb County and Five Surrounding Counties, 2019 dollars.

Impacts from Construction

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	196.7 jobs	$16,412,314	$19,334,021	$24,277,733
Indirect	27.5 jobs	$2,000,335	$3,331,326	$5,548,856
Induced	62.1 jobs	$3,509,627	$6,475,346	$10,330,043
Total	286.3 jobs	$21,922,275	$29,140,694	$40,156,633
Multiplier (Total/Direct)	1.46	1.34	1.51	1.65

State and Local Tax Impact: $1,143,273; Economic Impact per $1 net tax loss: $8.49

Impacts from Annual Operations

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	3.3 jobs	$76,331.70	$413,985.41	$551,946.00
Indirect	1.2 jobs	$57,750.05	$96,947.56	$171,417.08
Induced	0.6 jobs	$23,991.81	$44,344.69	$70,723.01
Total	5.1 jobs	$158,073.56	$555,277.66	$794,086.09
Multiplier (Total/Direct)	1.55	2.07	1.34	1.44

State and Local Tax Impact: $30,956

Table B13. Direct, Indirect and Induced Impacts from The Gardens Blairsville on Union County and Four Surrounding Counties, 2019 dollars.

Impacts from Construction

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	176.8 jobs	$6,474,540	$7,481,697	$11,957,073
Indirect	19.7 jobs	$639,112	$1,108,827	$2,553,128
Induced	28.5 jobs	$799,124	$1,771,347	$3,365,620
Total	224.9 jobs	$7,912,776	$10,361,871	$17,875,821
Multiplier (Total/Direct)	1.27	1.22	1.38	1.49

State and Local Tax Impact: $499,031; Economic Impact per $1 net tax loss: $3.77

Impacts from Annual Operations

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	2.8 jobs	$46,902.09	$164,306.06	$289,427.00
Indirect	0.8 jobs	$17,893.38	$30,813.41	$85,350.59
Induced	0.4 jobs	$7,605.74	$16,860.81	$32,041.41
Total	4.0 jobs	$72,401.21	$211,980.28	$406,819.00
Multiplier (Total/Direct)	1.43	1.54	1.29	1.41

State and Local Tax Impact: $26,936

Table B14. Direct, Indirect and Induced Impacts from Waynesboro Senior Homes II on Burke County and Five Surrounding Counties, 2019 dollars.

Impacts from Construction

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	69.5 jobs	$6,006,008	$7,229,609	$9,184,698
Indirect	7.3 jobs	$348,514	$631,764	$1,209,468
Induced	13.1 jobs	$525,878	$1,029,496	$1,780,429
Total	89.9 jobs	$6,880,400	$8,890,869	$12,174,595
Multiplier (Total/Direct)	1.29	1.15	1.23	1.33

State and Local Tax Impact: $294,467; Economic Impact per $1 net tax loss: $3.48

Impacts from Annual Operations

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	1.0 jobs	$21,648.05	$86,116.45	$141,512.00
Indirect	0.3 jobs	$11,723.72	$20,248.68	$43,024.73
Induced	0.1 jobs	$3,181.14	$6,227.47	$10,768.58
Total	1.3 jobs	$36,552.92	$112,592.60	$195,305.31
Multiplier (Total/Direct)	1.40	1.69	1.31	1.38

State and Local Tax Impact: $9,973

Table B15. Direct, Indirect and Induced Impacts from Woodlands at Montgomery on Chatham County and Two Surrounding Counties, 2019 dollars.

Impacts from Construction

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	394.3 jobs	$21,059,444	$25,224,270	$34,841,674
Indirect	50.2 jobs	$2,321,543	$4,029,403	$7,645,711
Induced	111.4 jobs	$4,608,903	$8,929,859	$15,274,413
Total	555.8 jobs	$27,989,890	$38,183,532	$57,761,799
Multiplier (Total/Direct)	1.41	1.33	1.51	1.66

State and Local Tax Impact: $2,079,013; Economic Impact per $1 net tax loss: $11.94

Impacts from Annual Operations

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	7.8 jobs	$107,297.34	$432,664.46	$685,981.00
Indirect	2.8 jobs	$66,134.55	$111,006.85	$243,961.57
Induced	1.6 jobs	$33,956.93	$65,813.55	$112,567.98
Total	12.2 jobs	$207,388.82	$609,484.86	$1,042,510.54
Multiplier (Total/Direct)	1.56	1.93	1.41	1.52

State and Local Tax Impact: $53,673

Table B16. Direct, Indirect and Induced Impacts from Woodlawn Senior Village on Laurens County and Six Surrounding Counties, 2019 dollars.

Impacts from Construction

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	47.1 jobs	$1,878,919	$2,235,787	$3,696,992
Indirect	6.6 jobs	$191,804	$359,509	$828,846
Induced	7.1 jobs	$208,187	$464,310	$881,883
Total	60.8 jobs	$2,278,909	$3,059,605	$5,407,721
Multiplier (Total/Direct)	1.29	1.21	1.37	1.46

State and Local Tax Impact: $176,753; Economic Impact per $1 net tax loss: $2.67

Impacts from Annual Operations

	Economic Indicator			
	Employment	**Labor Income**	**Value Added**	**Total Output**
Direct	1.2 jobs	$15,793.63	$68,192.33	$117,647.00
Indirect	0.3 jobs	$6,070.80	$11,368.86	$29,270.14
Induced	0.1 jobs	$2,126.37	$4,739.48	$9,002.23
Total	1.6 jobs	$23,990.80	$84,300.67	$155,919.38
Multiplier (Total/Direct)	1.30	1.52	1.24	1.33

State and Local Tax Impact: $11,470