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Exhibit A Executive Summary

The Fulton County Department of Community Development (DCD), in partnership with MicroLife Institute (MicroLife), proposes an innovative approach to address the critical need for affordable housing in Fulton County. Cottages on Cochran represents the first of many planned developments to provide high-quality, affordable housing options for low- to moderate-income residents while simultaneously fostering sustainable growth and community resilience. This project includes thoughtful site selection, an innovative funding mechanism, community engagement, and regulatory reform to overcome barriers to affordable housing production.

The Cottages on Cochran will be a pocket neighborhood of 18 small, 2- and 3-bedroom homes located in Union City, Georgia, featuring family-friendly amenities such as a community garden, playground, and/or dog park. Each home will be sustainably designed, incorporating energy-efficient appliances, renewable energy sources, and climate-resilient landscaping. Once completed, the homes will be owner-occupied and governed by a Homeowners Association (HOA) to maintain long-term affordability and community integrity.

This proposal includes a unique, self-sustaining funding model designed to create a perpetual stream of resources for future affordable housing projects. Revenue generated from the sale of homes within the Cottages on Cochran will be reinvested into a housing seed fund, providing capital for the next development. This innovative approach reduces reliance on traditional funding sources and ensures a continuous cycle of affordable housing production.

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Exhibit B Threshold Requirements and Other Submission Requirements

Fulton County Department of Community Development (DCD) meets the threshold requirements to apply for this PRO Housing funding.

1. DCD has no outstanding civil rights matters.
2. DCD will submit this application before the stated deadline.
3. DCD is an eligible applicant: County Government
4. DCD is submitting only one application.

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Exhibit C Need

i. Progress and commitment to overcoming local barriers.

a. Improved laws, regulations, or land use local policies. Fulton County is committed to working with its city partners to enact improved laws, regulations, and land use policies to promote affordable housing throughout the county. Implementation of multi-home cottage projects, like the Cottages on Cochran, will require updated ordinances that allow for more homesites per acre, smaller rooms, and increased parking. A first-of-its kind within Fulton, Cottages on Cochran will serve as an example to develop similar pocket communities in additional cities throughout the county. *(i) City Ordinances.* The targeted plot of land along Cochran Road is within Union City which adopted the Cottage Court ordinance in August 2024. Updates include adding cottage homes and cottage home courts to the list of approved multi-family dwellings; stating the maximum density for cottage home court shall be nine units per acre and increasing other multi-family developments to eighteen units per acre; ensuring the rear yard setback at 10 feet and the side yard setback at 6 feet; and allowing height up to 27 feet. *(ii) Rezoning.* Cochran Road is currently zoned for commercial use. DCD and MicroLife have petitioned Union City for rezoning from commercial to residential. The rezoning process involves a series of public hearings which are the Community Zoning Information Meeting (September 18, 2024), Planning and Zoning Commission (October 28, 2024), and Mayor and Council Meeting (November 19, 2024). All meetings are in-person and attendance is mandatory.

b. Other actions to overcome barriers. *(i) Housing Strategy.* The Cottage Court model has been validated as a successful housing strategy in neighboring Dekalb County. MicroLife built a community of 8 cottages on half an acre boasting sustainable design (Mitsubishi heating and cooling systems, solar panels, and pervious walkways and parking spaces), edible and regenerative landscaping (native plants, pollinator habitats), common areas (firepit, picnic tables, pergola), and nested houses that promote privacy without sacrificing windows and skylights. The project began in 2017 with zoning changes led by MicroLife in partnership with the City of Clarkston, site development in 2019, and construction in 2020. To date, all 8 cottages have been purchased and are owner-occupied with zero turnover. Lessons learned from developing this neighborhood, including updates in city ordinances and zoning, are readily applied to the Cottage Court project in Fulton. *(ii) Financing Future Developments.* Through the implementation of this PRO Housing project, and an unprecedented partnership between DCD and MicroLife, this initial funding pool for Cottage Court will continue to develop additional affordable housing communities throughout the county. As the current land owner, DCD will lease the land along Cochran Road to MicroLife for a nominal fee (e.g., \$1.00) to develop into a cottage home neighborhood. Revenue generated from home sales will be used to create a pool of funds to develop the next community in Fulton County, and so on. Many cities within Fulton County have expressed an interest in developing similar neighborhoods (please see attached Cooperative Agreements). Through this initial project, Fulton will develop many more affordable housing units in areas of high need. *(iii) Maintaining Affordability.* Cottages on Cochran will be governed by a Homeowner Association (HOA) that

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will ensure owner occupation, limit short-term rentals, and create guidelines around home resales. Such covenants will prevent real estate investors and “house flippers” from driving up costs.

c. Acute need. Fulton County qualifies as a priority geography for this application. A 2023 study commissioned by Urban Land Institute (ULI) Atlanta found that 32% of Fulton households are considered cost-burdened, spending more than 30% of their income on housing. Economic and racial disparities significantly affect housing affordability as a large portion of cost-burdened households are from non-white communities, particularly African American households. Home prices have outpaced wage growth, making homeownership increasingly unaffordable for many residents. The median home price in Fulton County rose from \$541,547 in 2017 to \$695,083 in 2021, representing a 28% increase, attributed to increased construction costs and the rising prices of land. There are no zip codes in Fulton County in which a household with 80% Area Median Income (AMI) can purchase a home at the median home price. Fulton households earning 30% AMI would require an additional \$300,000 to purchase a median-priced home and avoid being cost-burdened. Even for households earning 120% AMI, an additional \$30,000 would be needed. Renters in Fulton County are also suffering as the fair market rate of a 2 bedroom unit is \$1,844, but the monthly rent affordable at 30% AMI is \$800.¹ There is a lack of diverse housing types throughout the county which exacerbates the affordability crisis. From 2017 to 2021, there was a decrease of 20,000 units in the supply of “missing middle” housing types in Fulton County (i.e., duplexes, triplexes, and small apartment buildings). Only 502 subsidized new affordable rental units were added during the same time period.

d. Key barriers still exist. There are significant limitations in available funding and subsidies to support affordable housing development. The existing funding mechanisms, such as Low-Income Housing Tax Credits (LIHTC), often do not meet the full cost of development, especially in high-cost areas like Fulton County. The Cottages on Cochran project will address this barrier by reinvesting profits into additional affordable housing communities throughout the county, creating a sustainable pool of funds that perpetuates more housing. Community opposition, often termed “Not In My Backyard” (NIMBYism), also presents a barrier to affordable housing development and is sometimes demonstrated through legal challenges, public protests, or pressure on local governments to block or delay affordable housing projects. NIMBYism can create an unwelcoming environment for developers, reducing the attractiveness of investing in affordable housing. Cottages on Cochran will leverage MicroLife’s previous successes to engage the community through regular community meetings and public forums, providing high-quality renderings and photographs of other similar neighborhoods, as well as in-person tours of MicroLife’s existing cottage community in Clarkston. Community engagement will address the values and concerns of residents and provide education on the need for and benefits of adding affordable housing in Fulton County.

¹ National Low Income Housing Coalition. 2024 Georgia Report. Retrieved from: https://nlihc.org/sites/default/files/oor/2024_OOR-georgia.pdf

Exhibit D Soundness of Approach

i. Vision.

Fulton County Department of Community Development (DCD), in partnership with MicroLife Institute (MicroLife), proposes to construct the Cottages on Cochran, a pocket neighborhood of 18, 2- and 3-bedroom small homes, ranging in size from 760 square feet to 1,436 square feet, on a parcel of land owned by DCD in Union City, Georgia. Each unit will have a standard kitchen, living room, and dining area, along with a room-sized front porch to promote interactions among neighbors. The site will be family friendly with amenities including a community garden, kids playground, and/or a dog park. Once completed, the homes will be owner-occupied and governed by a Homeowners Association to protect long term affordability and community integrity. Revenue generated from initial home sales will be reinvested to create a perpetual stream of funding for DCD, in partnership with MicroLife, to develop additional affordable housing pocket communities throughout Fulton County. That is, funding the Cottages on Cochran will result in an unlimited number of similar developments throughout Fulton County as all revenue from future home sales will also be reinvested. This project has the support of Union City and other Fulton municipalities in desperate need of additional affordable units to alleviate the “missing middle” housing crisis.

a. Proposed activities

Cottages on Cochran, and other affordable housing communities developed by the subsequent seed fund created from the sale of Cottages, falls under the CDBG national objective: benefiting low- and moderate-income persons. Detailed information about each activity is presented in the narrative below.

Planning and Policy Activities.

1. Developing housing plans, community development strategies, and zoning and land use policies to encourage multifamily development and access to affordable housing.

Barriers addressed: Affordable housing production; NIMBYism; Laws, regulations, and land use policies.

Timeframe of expected benefit: Immediate, and ongoing

DCD proposes implementing this unique approach, in partnership with MicroLife, to develop the pilot program at the Cottages on Cochran and to create a sustainable model for creating affordable housing throughout the county. MicroLife has worked with Fulton County to determine a vision for housing change, beginning with Cottages on Cochran, and it will work with the county and municipalities to determine the next best location for similar pocket communities. DCD and MicroLife will work together to develop affordable housing best practices, including targeting improved outcomes for low- and moderate-income individuals and families. DCD and MicroLife will work community by community while consistently taking a high-level view to ensure that all development activities are part of the cohesive plan to meet the affordable housing needs of the

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county as a whole. MicroLife will conduct housing assessments in individual municipalities, working with the county to prioritize communities and locations. Housing assessments will start with county and community input to achieve a housing diagnosis. MicroLife will determine what community would like to see or learn, and primary areas of interest for the study. Each housing assessment will consider the existing housing stock, area demographics, household size, area median income, existing and projected population, cost of living, schools, transit and transportation, density, walkability, recreation and amenities, and anything else of interest to communities. MicroLife reviews comprehensive plans to identify the community's housing goals that face challenges due to existing zoning laws that may prevent the development and growth of the community. MicroLife then conducts capital assessments (cultural, environmental, financial, human, physical, political, and social capitals in the community). After capital assessments, MicroLife assesses the tax revenue being generated by different types of housing in the community.

The final step of the housing assessment is to determine location of jobs, where the workforce lives, and how citizens commute to work. It will be important to consider any actual or potential employer relocations or new locations in the county in the years to come, which will allow the county to remain incredibly competitive from an economic development standpoint. Once the housing assessment is complete and approved by the county and appropriate stakeholders, MicroLife will engage with community champions willing to commit to change. MicroLife will develop tailored education and training for champions about housing choice, community engagement, and potential roadblocks and how to address them.

Next, MicroLife and champions will work to engage and educate the community to share the results of the housing study and offer policy change solutions that will incentivize builders to develop the types of housing the community needs. MicroLife will listen to community feedback and offer further strategies for community members to be engaged in the ongoing process.

MicroLife will use the results of the housing assessments and community feedback to determine which policies need to be reviewed, amended, or added and ensure that the proposed policy change incentivizes builders to develop the types of housing the community needs. From there, MicroLife will initiate the project with a team of local developers, architects, builders, contractors, and community champions, with preference given to small and minority-owned firms and contractors who are representative of the communities where the project is located. MicroLife will leverage its existing projects and those under development to create on-site learning opportunities to continue to promote change in housing policy and development throughout the county. Public tours, presentations, and individual project websites demonstrate the importance and impact of abundant housing and housing choice throughout the county.

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Cottage home communities developed through this funding will be aligned with the needs of residents, municipalities, and the county. Site selection will be intentional, ensuring that housing is close to transit, services, and amenities and will incorporate design elements that are responsive to the needs of residents.

2. Developing proposals to reduce or eliminate requirements related to parking, building height lot coverage, setbacks, minimum unit size, minimum lot size, floor area ratio, and other common land use controls.

Barriers Addressed: Affordable housing production; Laws, regulations, and land use policies.

Timeframe of Expected Benefit: Immediate, and ongoing

MicroLife has much experience working with local departments to reduce or eliminate requirements that may impede the development of pocket communities. In its flagship development, the Cottages on Vaughan, MicroLife worked with Clarkston City to create and adopt new ordinances that allow for the construction of affordable housing, which now serves as a template for adoption in Union City for development of the Cottages on Cochran. In August 2024, Union City approved the Cottage Court ordinance which facilitates the production of affordable housing along Cochran Road.

3. Developing proposals to rezone to allow multifamily development including housing in light industrial zones.

Barriers Addressed: Affordable housing production; Laws, regulations, and land use policies.

Timeframe of Expected Benefit: Immediate, and ongoing

Through the development of each affordable housing community, MicroLife will assess zoning restrictions and petition for change as needed. Cochran Road is currently zoned commercial. DCD and MicroLife have filed all necessary paperwork and are working to change the zoning to residential. This process will be completed as needed for each future pocket neighborhood to effectively address land usage policies that prohibit the production of affordable housing.

4. Creating affordable housing planning resources for member jurisdictions.

Barriers Addressed: Affordable housing production; NIMBYism; Laws, regulations, and land use policies.

Timeframe of Expected Benefit: At least twice per year

DCD and MicroLife will meet with Fulton County municipalities at least twice per year to provide updates on development, engage with stakeholders, identify housing needs, and provide planning resources to help constituents develop actionable and affordable housing production plans. By witnessing firsthand, in real-time, the results in one community, other municipalities will be incentivized to make similar zoning and housing code changes to accommodate the production of cottage home communities, thus expediting the overall process.

5. Providing affordable housing developers a first look at government properties.

Barriers Addressed: Affordable housing production

Timeframe of Expected Benefit: Immediate, and ongoing

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DCD has established an MOU with MicroLife to advance the development of affordable housing communities across Fulton County. This MOU represents a formal partnership aimed at leveraging the strengths and resources of both organizations to address the critical need for affordable housing. By combining DCD's expertise in urban planning and community development with MicroLife's innovative approach to micro living, this collaboration aims to create sustainable, high-quality housing solutions that are accessible to low- to medium-income residents throughout the county.

Founded in 2016, MicroLife is dedicated to strengthening communities by creating housing diversity and housing choice through the principles of micro living and effective and sustainable utilization of space. The organization pursues its mission through development, community engagement and education, advocacy, research, and policy advising. MicroLife promotes the benefits of smaller, more efficient living spaces that reduce environmental footprints, lower utility costs, and foster a sense of community among residents. Through its educational initiatives and advocacy efforts, MicroLife aims to shift public perceptions and demonstrate the viability and desirability of micro living as a solution to housing shortages and affordability challenges.

Under the terms of the MOU, MicroLife is granted a "first look" opportunity at government-owned properties that may be suitable for conversion into multifamily housing or dense single-family housing. This provision allows MicroLife to identify and assess potential sites for affordable housing developments ahead of other entities, accelerating the process of site selection and acquisition. By focusing on government properties, the partnership aims to minimize acquisition costs, maximize the use of underutilized public land, and expedite the development timeline. This collaboration between DCD and MicroLife is designed to foster a replicable model for affordable housing development, one that can be scaled across Fulton County to meet the growing demand for high-quality, affordable homes.

6. Developing proposals to reform building codes to facilitate more affordable housing or reduce construction costs.

Barriers Addressed: Laws, regulations, and land use policies.

Timeframe of Expected Benefit: Immediate, and ongoing

DCD and MicroLife are committed to working with its city partners to improve building codes to promote affordable housing throughout the county. For example, full two-story framing is less expensive than story-and-a-half framing. As such, height restrictions drive up construction costs. Working city-by-city, MicroLife will review current building codes and work with municipalities to improve or adopt new codes that support the development of affordable housing, including the pocket communities proposed herein.

7. Developing proposals to harmonize land-use policies or building codes among adjoining municipalities and facilitate consistent regional development standards that streamline housing development.

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Barriers Addressed: Affordable housing production; NIMBYism; Laws, regulations, and land use policies.

Timeframe of Expected Benefit: Within first 12 months of award

Fulton County consists of 15 municipalities, many of which are already under formal agreements with DCD for the advancement of affordable housing. Please see attached agreements. All municipalities will be invited to participate in a stakeholder group that will meet at least twice per year, spearheaded by DCD with support from MicroLife. Meetings will engage housing leaders to promote the production of affordable housing, including creation of pocket communities. DCD and MicroLife will provide updates on development and share best practices to remove and/or improve laws and regulations that may impede or restrict the creation of affordable housing. Municipal leaders will be invited to learn on-site at MicroLife's existing developments, viewing the housing structures and amenities, speaking with residents about their experiences, and understanding the economic impact of affordable housing. This side-by-side learning, in real time, will promote and expedite the adoption of new or improved land usage, zoning, and building ordinances.

Development Activities

1. Financing the construction of affordable housing.

Barriers Addressed: Affordable housing production

Timeframe of Expected Benefit: Immediate, and ongoing

MicroLife will serve as the project developer and will hire local builders and contractors to create each affordable community, with preference given to local, women- and minority-owned, small businesses. Pocket neighborhoods are naturally affordable, spatially efficient, connect communities, and enable walkability. The Cottages on Cochran, the first in a series of affordable communities, will be developed on a 2.16 acre lot owned by DCD. The land will be leased to MicroLife for a nominal fee (i.e. \$1.00). Please see attached renderings that demonstrate the style and quality of homes to be developed, along with community amenities.

In total, the community will have 18 detached cottages, 9 on each side of a shared parking lot. There will be twelve 2 bedroom/2.5 bathroom cottages; four 2 bedroom/1 bathroom cottages; and two 3 bedroom/2 bathroom cottages. Homes will range in square footage, from 760 sq. ft to 14366 sq. ft. Each home will have a standard kitchen, dining area, and living room, along with a room-sized front porch. Each side (set of 9 homes) will have its own central pavilion with an outdoor kitchen to encourage interactions among neighbors, and a flexible amenity zone to be determined by the residents. Sample amenities include a community garden, playground, water feature, and dog park. Most circulation within the neighborhood will be pedestrian-focused with permeable walking paths connecting the cottages among trees and landscaping to establish a beautiful place for residents to enjoy the outdoors. Parking will be clustered in a single lot with some landscaping to break up the pavement with accessible walk pathways to the units. Please see attached renders.

The table below outlines the site statistics.

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Item	Floor Plan (sq. ft.)	Total
2 Bed/1 Bath Cottage	960	4
2 Bed/2.5 Bath Cottage	760	12
3 Bed/2 Bath Cottage	1436	2
18 Spot Parking Lot (Paved)	6,485	2
12x24 Shared Pavilion	288	2
24x24 Patio	576	2

The front setback to the property line will be 16.5 feet, the rear setback to the South will be 15.5', the side setback to the West will be 7 feet. The minimum lot size for each home is 1,512 square feet.

2. Acquisition of land or real property for the development of affordable housing.

Barriers Addressed: Affordable housing production

Timeframe of Expected Benefit: Within 24 months of award

As revenue is generated from the sale of homes within the Cottages on Cochran, these funds will be strategically reinvested to support the development of subsequent pocket communities, as determined by DCD in collaboration with municipal stakeholders and MicroLife. This reinvestment strategy ensures a sustainable approach to expanding affordable housing options by utilizing proceeds from one project to finance the next, creating a continuous cycle of development and growth.

DCD and MicroLife will collaborate closely to identify land parcels that meet a stringent set of criteria necessary for the creation of affordable housing communities. These criteria include, but are not limited to, accessibility to public transportation, proximity to employment opportunities, schools, healthcare, and other essential services. By selecting the sites that offer convenient access to these amenities, this partnership aims to enhance the quality of life for all residents, ensuring they are well-connected to the resources needed for daily living and long-term success.

The context and character of the surrounding neighborhood will also be considered to ensure that the proposed housing development can be seamlessly incorporated. The sites are accessed for access to infrastructure, including water, power, and sewage access. The present state of each site, including the grading, potential flood plains, and location of existing trees is seriously considered. Sites that require minimal work to be suitable for building are favored to maximize cost and timeline of development.

Preference will be given to parcels that are already owned or can be easily acquired by DCD and/or local municipalities, as this approach reduces acquisition costs and expedites the development process. By targeting land that is readily available, the initiative can more efficiently allocate resources toward the construction of high-quality, affordable homes. This strategy also encourages collaboration between DCD, local governments, and community stakeholders, fostering a shared

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commitment to expanding affordable housing and addressing local housing needs in a thoughtful, coordinated manner.

Infrastructure Activities

1. Installing infrastructure improvements necessary for the development of affordable housing.

Barriers Addressed: Affordable housing production; NIMBYism

Timeframe of Expected Benefit: Within 6 months of award

The Cottages on Cochran project will require infrastructure development to ensure safe and efficient access for all residents, visitors, and service providers entering and exiting the community. A critical component of this infrastructure development is the widening of the Cochran Road corridor, necessary to accommodate two lanes of traffic, thereby improving traffic flow and reducing congestion. This expansion will also include the addition of shoulders to enhance safety for vehicles, particularly in emergencies or for passing. The inclusion of a dedicated sidewalk along Cochran Road is essential to promote pedestrian safety, including bus stop safety, and encourage walkability within the community. These improvements are not only vital for the Cottages on Cochran but will also set a precedent for future cottage home communities in Fulton County. By implementing such infrastructure enhancements, communities will be safe, accessible, and pedestrian-friendly.

2. Investing in neighborhood amenities that benefit low-and-moderate income residents such as parks or sidewalks.

Barriers Addressed: Affordable housing production; NIMBYism

Timeframe of Expected Benefit: Within 24 months of award

The Cottages on Cochran community will be built with shared amenity and courtyard space on each side of the community. That is, there will be two shared amenity spaces in the community, each situated near the outdoor patio/pavilion with kitchen, and easily accessible from each unit. MicroLife initially proposes that residents choose from the following available amenities; however, additional suggestions from residents will be considered and incorporated: (1) Raised garden beds - shared community garden to grow herbs, vegetables, and other edible plants. A shared community garden offers numerous benefits including a shared sense of community by providing a common space where residents can connect, collaborate, and build relationships. The garden also promotes sustainable and healthy living by enabling residents to grow their own fresh produce, reducing the carbon footprint, and encouraging outdoor activity that improves both physical and mental health. Additionally, a community raised bed garden enhances the aesthetic appeal of the development, creating a tranquil environment, and supports mental wellbeing by offering an organic space for relaxation and social engagement. (2) Kids playground - if enough families utilize the unit mix and bring children into the community, a playground area would create a fenced-in play space with playground equipment for children and families to enjoy. A playground would also attract additional families to the community. A playground area offers a safe and dedicated space for physical activity, creativity, and social interaction. (3) Dog park - A dog park is a highly beneficial amenity for developments catering to pet owners. It provides a safe, enclosed

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area where dogs can exercise, play, and socialize off-leash, promoting their physical health and behavioral wellbeing. This amenity also reduces the strain on other shared outdoor areas, including pet waste management, helping maintain a clean and pleasant environment throughout the community. (4) Water feature - a water feature, such as a small pond, fountain, or waterfall, serves as a tranquil and visually appealing amenity. It enhances the aesthetic value of the community and offers benefits to mental and emotional wellbeing.

Preservation Activities

1. Establishing an affordable housing preservation seed fund.

Barriers Addressed: Affordable housing production

Timeframe of Expected Benefit: Immediate, and ongoing

As revenue is generated from the sale of homes within the Cottages on Cochran, these funds will be strategically reinvested to support the development of subsequent pocket communities, as determined by DCD in collaboration with municipal stakeholders and MicroLife. This innovative reinvestment strategy effectively creates a self-sustaining housing seed fund, where proceeds from one project are directly utilized to finance the next, establishing a continuous cycle of development and growth.

This model addresses a critical gap in affordable housing financing by reducing reliance on traditional funding sources, such as government grants or private investments, which can often be uncertain, competitive, or limited in scope. Instead, the revenue generated from home sales provides a renewable source of capital that can be quickly mobilized for future projects. This approach allows for greater flexibility and responsiveness to community needs as funds can be allocated to new developments in areas with the highest demand or greatest potential impact.

Moreover, this self-replenishing fund promotes long-term sustainability in affordable housing production by ensuring a steady pipeline of new projects. By reinvesting revenues locally, the strategy helps to stabilize neighborhoods, support local economics, and maintain affordability over time. It also allows DCD and MicroLife to take a proactive role in shaping the growth and character of communities, fostering diverse, inclusive, and economically vibrant neighborhoods.

b. Proposal address key barriers.

1. Increasing affordable housing production - This proposal focuses on expanding the production of affordable housing through an innovative, self-sustaining funding model. By reinvesting proceeds from the sales of homes within the Cottages on Cochran into future affordable housing projects, DCD creates a continuous funding cycle that reduces reliance on traditional funding sources. This approach ensures that capital is always available to finance new developments, allowing for a steady pipeline of affordable housing. The success of MicroLife's flagship development, the Cottages on Vaughan, demonstrates the potential effectiveness of this approach.

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2. *Combating NIMBYism (not in my backyard) attitudes* - DCD and MicroLife's plan includes comprehensive community engagement and education strategies to address NIMBYism, a significant barrier to affordable housing development. MicroLife will work closely with local residents, community groups, and municipal leaders to build support of pocket neighborhoods through transparent communication, inclusive planning processes, and awareness campaigns that highlight the benefits of these developments. Community members will be encouraged to visit other MicroLife communities to get a firsthand look at the visual aesthetic and functionality of such developments. By involving community members early in the planning stages and actively addressing their concerns, DCD and MicroLife will reduce opposition and foster a shared sense of ownership over new housing initiatives.

3. *Reforming laws, regulations, and land use policies* - The construction of the Cottages on Cochran, and subsequent communities funded through this initiative, seeks to reform restrictive laws, regulations, and land use policies that currently inhibit affordable housing production in Fulton County. MicroLife and DCD will collaborate with municipal stakeholders to advocate for changes such as allowing high-density developments, reducing minimum lot size and square footage requirements, easing parking mandates, and promoting mixed-use zoning or rezoning. These reforms will enable a broader range of housing types. MicroLife has demonstrated its ability to update housing ordinances through the development of Cottages on Vaughan, along with additional efforts in both Jackson County and Toombs County, Georgia, and now these ordinances serve as a template for easy-adoption by other municipalities.

This proposal aligns with ongoing local initiatives to remove regulatory and procedural barriers to affordable housing production. Working in tandem with local government efforts, DCD and MicroLife will help streamline processes, reform outdated policies, and build community support. Importantly, this approach promotes homeownership and helps residents build wealth through equity. Communities will be governed by HOA policies which restrict or limit rental units, ensuring long-term affordability and owner-occupancy.

c. Similar efforts and lessons learned.

The proposed Cottages on Cochran, along with other subsequent developments, build on the demonstrated successes and lessons learned from MicroLife's flagship development – the Cottages on Vaughan. The Vaughan development is in Clarkston in adjacent Dekalb County, the most diverse square mile in America. This pocket neighborhood contains eight homes and is situated on a half-acre lot one block away from downtown Clarkston. It includes eight micro-cottages under 500 square feet, a common green space for gathering, and climate-conscious development features such as solar panels and edible, regenerative landscaping. MicroLife worked with Clarkston's then-mayor to identify changes needed in its cottage court ordinance, and the city of Clarkston approved the update which now serves as a template for adoption by future municipalities, including Union City in Fulton County.

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The Cottages on Vaughan was financed by Citizens Trust Bank rather than through grants or government funding. With an interest list of over 1,500 people, all eight homes were sold in record time, almost immediately upon hitting the market in 2021, for an average price of \$175,000. Since then, all 8 original homeowners remain and property values have increased over 35%.

Development of the Cottages on Vaughan identified the following key design characteristics for successful and sustainable micro living:

1. Layers of separation - From the pathways, to the gardens, to the front door, each gives a small layer of separation to what is common space and what is private. Each layer is built to create a transition to give homes a balance of public and private space while allowing expression and personal touches.
2. Nested houses - The cottages have open and closed sides so that neighboring homes “nest” together. The open side has large windows facing its side yard, while the closed side has high windows and skylights to bring in ample light while preserving privacy. The result is that neighbors cannot peer into one another’s living space.
3. Parking - Parking is designed to encourage interaction with the neighborhood by locating the lot on the exterior of the site, requiring guests to walk through the shared common area upon arrival.
4. Common Areas - The Vaughan development boasts three common areas: the firepit, modular picnic tables, and a pergola. The houses are all designed to face these common areas and encourage neighbors to interact.
5. Room-sized front porches - The large porches are welcoming and face common areas to encourage outdoor access and community interaction.
6. Regenerative landscaping and productive urban landscapes - Across the development are fruits and vegetables that feed the community and replenish the soil and an abundance of native plants and pollinator habitats to support biodiversity.
7. Sustainable design - Each cottage was built to last including efficient and sustainable Mitsubishi heating and cooling systems, solar panels, and pervious walkways and parking spaces.

In completing the Cottages on Vaughan, MicroLife learned firsthand the challenges of building affordable housing while navigating local zoning policies. The following are key learnings from this flagship community which must be considered when promoting affordable housing:

1. Cost - With the high cost of multi-family land, cottage housing is generally only practical in single family zoning but can be developed on larger scales through planned use developments where allowable.
2. Incentives - For builders that want to undertake cottage development, as opposed to building single family houses as the zoning would allow, cottage development has to be an equal if not better business proposition. A cottage ordinance and its accompanying processes must not be so restrictive that they tend to make single family construction a better option.

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3. Administrative Process - Approval processes should not be so difficult that developers do not pursue. Administrative Conditional Use Permit is recommended.

4. Meeting a neighborhood need and aging in place - Cottage housing provides a way for people to give up their large houses but stay in their neighborhood. Cottages allow empty-nesters, seniors, and singles to get equity out of their large house but still have a detached home in a comfortable setting near friends and family.

5. Redefining density - All units are not created equally. Measuring densities by units per acres or by minimum lot sizes may foster a misperception of cottage housing. For cottages, it is more helpful to think of: (i) Floor area ratio (FAR). By measuring the total floor area of a cottage development against the parcel size, cottages will likely have a smaller impact than the single family homes that would be allowed in the zone. (ii) Population. A cottage development will likely have the same or fewer people than the single family homes that could be built on the site. (iii) Cars and traffic. A cottage development that attracts a mix of singles and couples will have no more cars than a group of houses.

6. Design guidelines and review - Rather than codifying all parameters of cottage development, jurisdictions should consider a more informal approach of design guidelines and design review. These processes, which should be handled administratively, allow a developer and city to work together to craft a development that meets community needs and works well with the site and the target market.

7. Codes and regulations impact affordability - Although cottages are small, they are not necessarily inexpensive to build as they include all of the most expensive rooms of a house (kitchen, bathrooms) as well as heating, ventilation, and other systems. It can be expensive to do construction work in the tight spaces of a cottage cluster. Nevertheless, they have the ability to sell at modest prices. Some requirements, however, will affect the cost and the ability of a developer to build an affordable cottage cluster: (i) Full two-story framing is less expensive than story-and-a-half framing. Height restrictions can drive up construction costs. (ii) Excessive setbacks, separations, and parking requirements can use land that could otherwise accommodate more cottages or common buildings. (iii) If impact fees, permit fees, and utility hookup fees are based on single family housing, they may be unreasonably high.

8. Utilities and storm water - It would be ideal for the water utility to provide a single water meter. The HOA could install sub-meters and collect water and sewer fees from residents. The storm water runoff from cottages is about the same as the equivalent single family development and should be treated the same.

9. Parking requirements - The following parking requirements are ideal for cottage development: (i) Dwellings under 900 square feet: 1 space per unit. (ii) Dwellings between 901-1500 square feet: 1.5 spaces per unit. (iii) Dwellings over 1500 square feet: 2 spaces per unit.

d. Complements existing planning initiatives.

The Cottages on Cochran, and future developments funded through this initiative, directly supports DCD's vision for addressing homelessness and the housing affordability crisis in Fulton County

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by creating a sustainable, community-driven model for affordable housing development. This project aligns with DCD's goal of expanding housing options that are both affordable and accessible to low- and moderate-income residents.

The Cottages on Cochran is designed as a pocket community of small, affordable homes that can be quickly and efficiently built on underutilized land. By offering housing units at lower costs, this development directly contributes to increasing the supply of affordable housing in Fulton County, a critical component of DCD's strategy to address the county's affordability crisis.

This project utilizes an innovative funding model that reinvests the revenue generated from home sales back into the development of additional affordable housing projects. This self-sustaining approach supports DCD's vision by creating a renewable funding source that can be used to support future projects aimed at increasing affordability. As more homes are sold, the proceeds provide the capital needed to develop the next pocket community, thereby creating a continuous cycle of affordable housing production. This reinvestment strategy also supports the development of diverse housing types throughout Fulton County, essential for responding to the changing demands and emerging needs within the community.

This plan actively contributes to the simplification and harmonization of land-use regulations across multiple municipalities in Fulton County. DCD and MicroLife will advocate for regulatory reforms that create consistent, streamlined standards for affordable housing development. Such an approach would promote uniformity in zoning regulations, permitting processes, and land use controls to reduce barriers to developers and ensure more predictable, efficient development timelines. Anti-displacement strategies are built into each community's plan, focusing on inclusive community engagement and ensuring that local residents are actively involved in the planning processes and that their concerns are addressed. HOAs ensure a cap on rental units, promoting continuous affordability without rental price gouging. New communities will be developed with easy access to public transit, jobs, public service, community amenities, and other essential services. By selecting locations that enhance accessibility, residents benefit from reduced transportation costs and commuting times along with an overall improvement in quality of life. This proposal aligns with job creation and retention efforts by fostering local economic development and supporting workforce stability. The construction and development of new affordable housing projects, like the Cottages on Cochran, generate direct local employment opportunities in the building trades, real estate, and related sectors. By ensuring that affordable housing is located near job centers and transit options, the project reduces barriers for low- to moderate-income residents to access employment opportunities, thereby supporting workforce retention. Stable, affordable housing allows residents to remain in the community and continue contributing to the local economy.

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e. Environmental risk.

The most significant environmental risk facing Fulton County is the increased frequency and severity of extreme weather events including flooding, heat waves, and storms which are exacerbated by climate change. These risks pose serious threats to both architectures and the health and wellbeing of residents, particularly those in low-lying areas or in neighborhoods lacking sufficient green space and storm water management systems. This proposal aims to efficiently promote community resilience by integrating a range of sustainable and energy-efficient features that address these environmental risks:

1. Green infrastructure and storm water management - To mitigate the risks of flooding and manage storm water effectively, each pocket community includes permeable pavements to help absorb and filter rainwater, reducing runoff and minimizing the impact on local drainage systems. The addition of native plants that require less water and maintenance also enhances solid retention and prevents erosion. Planting shade trees and creating green spaces (community gardens and parks), will also help lower surface temperatures, improve air quality, and provide cooler outdoor areas for residents.
2. Energy-efficient building design and materials - MicroLife prioritizes energy efficiency to reduce operational costs and environmental impact. Each unit is equipped with energy efficient appliances (e.g., Mitsubishi heating and cooling systems) and insulated windows.
3. Renewable energy sources - Where feasible, cottage home communities will include the installation of renewable energy systems such as solar panels to reduce reliance on fossil fuels, lower utility costs for residents, and contribute to reduction in greenhouse gas emissions.

f. Potential roadblocks.

This unique partnership between DCD and MicroLife, and the innovative reinvestment strategy to produce a continual stream of funding for future developments, aims to address many of the key barriers to affordable housing production across Fulton County; however, several potential roadblocks could impede implementation as planned. For example, securing suitable and affordable land for housing development could present a challenge. Many areas of Fulton County have high real estate values or limited availability of undeveloped parcels. Acquiring land at a reasonable cost is crucial for keeping housing affordable, but competition from private developers can drive up prices. As a counteracting strategy, MicroLife will have a “first look” at government-owned or underutilized properties for new developments. Additionally, the municipal stakeholders group will help identify and target parcels that meet the criteria for affordable housing. Secondly, there are always roadblocks related to zoning and land use regulations. To navigate these difficulties, DCD and MicroLife will secure buy-in from municipal stakeholders first, through engagement and ongoing education, resulting in smoother administrative processes.

ii. Geographic Scope.

The Cottages on Cochran will be built in Union City; however, the reinvestment vehicle and subsequent affordable housing developments created through the home sales of this initial

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community will have a transformative impact across Fulton County. DCD aims to expand access to affordable housing across diverse areas, enhancing economic mobility, fostering inclusivity, and promoting equitable growth throughout the county. This project will target high-opportunity areas, those close to essential amenities such as schools, employment, public transportation, healthcare, and recreational spaces, which often offer greater economic and social opportunities for residents including access to better paying jobs, quality education, and healthier environments. Over time, living in a high-opportunity area can boost educational attainment, increase lifetime earnings, and reduce exposure to crime, breaking generational cycles of poverty and justice involvement. Fostering diverse, inclusive communities counteracts patterns of segregation and exclusions that have historically marginalized low-income populations.

iii. Key Stakeholders

DCD in partnership with MicroLife will create two main groups of stakeholders to guide the development of affordable pocket communities throughout Fulton County:

1. Municipal Stakeholders - Fulton County includes 15 different municipalities, many of which already have formal agreements with DCD. Please see attached agreements. DCD, in collaboration with MicroLife, will convene municipal stakeholders at least twice annually to share progress on the initial and all subsequent developments, provide education on the benefits of community-oriented micro living, gather feedback and address concerns, and any other necessary actions to promote adoption of affordable housing best practices. The municipal stakeholder group will help identify government-owned and/or underutilized land optimal for pocket community development.
2. Community Member Stakeholders - Before breaking ground at the Cottages on Cochran, and all other future developments, DCD and MicroLife will conduct outreach in the community to engage stakeholders, solicit feedback on the proposed design, and help guide architectural and community decisions. For example, in preparation for this PRO Housing application, DCD posted the narrative components on its website for public review and comment. Additionally, DCD and MicroLife hosted a virtual townhall meeting, publicized throughout the county, to present the Cottages on Cochran site plan and receive feedback from attendees. As a developer of attainable housing, MicroLife has been highly involved in the preparation of this proposal, providing unique insights and lessons learned from similar developments.

iv. Alignment with requirements to affirmatively further fair housing.

Cottages on Cochran, and future affordable housing communities developed through the resulting seed fund, promotes inclusive, equitable, and accessible housing opportunities across diverse communities in Fulton County. The municipal stakeholders group will work with DCD and MicroLife to identify and prioritize high-opportunity land as potential sites for future pocket neighborhoods. Adding to the supply of affordable housing, this proposal addresses existing disparities in housing access and ensures residents have equal access to high-quality homes. Site plans emphasize mixed-income developments to further HUD's objective of reducing segregation and promoting balanced living patterns.

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v. Budget and Timeline.

DCD requests a total of \$6,254,742 for the development and construction of the Cottages on Cochran, which will kickstart a continuous reinvestment strategy to build many more affordable housing communities throughout the county.

Site Development		
<i>Item</i>	<i>Description</i>	<i>Cost</i>
Land	Owned by Fulton County and leased to MicroLife	--
Utility connections	Cost per unit = \$7,500	\$135,000
Widening Cochran Road	Infrastructure development	\$250,000
Grading and Foundations	Cost per unit = \$10,000	\$180,000
Storm water management/rain garden		\$80,000
Parking lot and sidewalks	Cost per unit = \$10,000	\$180,000
Landscaping, Amenities		\$200,000
SITE DEVELOPMENT TOTAL		\$1,025,000

Construction		
<i>Item</i>	<i>Description</i>	<i>Cost</i>
2 Bedroom/1 Bathroom Cottages	\$125 per sq ft x 850 sq ft per unit x 4 units Cost per unit= \$106,250	\$425,000
2 Bedroom/ 2 Bathroom Cottages	\$135 per sq ft x 1100 sq ft x 12 units Cost per unit = \$148,500	\$1,782,000
3 Bedroom/ 2 Bathroom Cottages	\$130 per sq ft x 1400 sq ft x 2 units Cost per unit = \$182,000	\$364,000
Solar Panels	\$17,500 per home x 18	\$315,000
CONSTRUCTION TOTAL		\$2,886,000

Soft Costs Budget	
<i>Item</i>	<i>Cost</i>
Builder Fee (15%)	\$586,650
Survey and arborist work	\$10,000
Site closing and title	\$3,500
Engineering/GeoTech	\$15,000
Architecture and landscape design	\$15,000
Rezoning process	\$10,000
Subdivision process	\$3,000
HOA formation and covenants (legal)	\$10,000
Permitting	\$29,877
SOFT COST TOTAL	\$683,027

Additional Contingency (10% of all project costs)	\$459,403
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MicroLife Developer and Project Manager - Staff Budget					
<i>Personnel</i>	<i>Description</i>	<i>Salary</i>	<i>Fringe</i>	<i>Annual</i>	<i>Total</i>
Program Manager	Responsible for the overall direction of Cottages on Cochran and each future development; coordinates community engagement and education; oversees RFP process for builders and contractors; responsible for all reporting requirements to Fulton County and HUD	\$80,000	\$20,000	1.0 FTE \$100,000	\$500,000
Community Engagement Specialist	Reports to Program Director; conducts outreach and education throughout Fulton County; convenes community stakeholder meetings and provides regular updates; Responsible for both quantitative and qualitative feedback; hosts tours of MicroLife’s existing developments to educate municipal leaders and citizens; ensures all developments meet the expressed needs and desires of the citizens	\$60,000	\$12,000	1.0 FTE \$72,000	\$360,000
Director of Development	Responsible for the overall development of each affordable housing site	\$100,000	\$20,000	0.5 FTE \$60,000	\$300,000
Admin Specialist	Attends all meetings and provides meaningful notes and action items; ensures consistent communication among all program partners; reviews and edits all internal and external communication including reports, community education materials, etc.	\$50,000	\$10,000	1.0 FTE \$60,000	\$300,000
Executive Director	Maintains ongoing communication with Fulton County, municipal partners, and government agencies responsible for zoning and housing ordinances	\$125,000	\$25,000	0.10 FTE \$15,000	\$75,000
STAFF TOTAL				\$353,500	\$1,535,000

MicroLife Developer and Project Manager - Pre-Development Budget		
<i>Item</i>	<i>Description</i>	<i>Total</i>
Evaluation	Zoning analysis and site assessment; \$80,000 per site x 3 sites	\$240,000
Due Diligence	Survey, civil, environmental, traffic; \$3,000 per site x 3 sites	\$9,000
PRE-DEVELOPMENT TOTAL		\$249,000

MicroLife Developer and Project Manager - Other Expenses		
<i>Item</i>	<i>Description</i>	<i>Total</i>
Office supplies	Paper, ink, pens, pencils, clipboards, envelopes, printing fees, flyers, educational materials, flyers, pamphlets, etc.	\$10,000
Technology	Computers, cell phones, hotspots for all project personnel (\$200 per month x 60 months x 3.5 FTE)	\$42,000
Mileage	\$0.67 per mile x 100 miles per week x 260 weeks	\$17,420
OTHER EXPENSES TOTAL		\$69,420

Budget Summary	
Site Development	\$1,025,000
Construction	\$2,886,000
Soft Costs	\$683,027
Additional Contingency	\$459,403
MicroLife Personnel	\$1,535,000
MicroLife Pre-Development	\$249,000
MicroLife Other Expenses	\$69,420
TOTAL	\$6,906,850

The table below identifies the timeline for the 5- year grant period.

Activity	Organization	Q1	Q2	Q3	Q4	Y2	Y3	Y4	Y5
Establish MOU/agreement between MicroLife and DCD to govern the award partnership	DCD	X							
Hire all necessary program staff	MicroLife	X							
Convene municipal stakeholder group	DCD & MicroLife		X		X	X	X	X	X
Identify land site for 2 nd cottage community	DCD & MicroLife			X					
Convene Cochran Road community member stakeholders	MicroLife		X	X	X	X			
Choose Cochran Road amenities based on community feedback	MicroLife			X					
Cochran Road infrastructure development	MicroLife		X						
Cochran Road Construction	MicroLife		X	X	X	X			

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Cochran Road homes sold and reinvested into 2 nd site					X	X			
Convene 2 nd site community member stakeholders	MicroLife				X	X	X		
Choose 2 nd site amenities based on community feedback	MicroLife					X			
2 nd Site Pre-Development	MicroLife					X			
2 nd Site infrastructure development	MicroLife					X			
2 nd Site Construction	MicroLife					X	X	X	
Identify land site for 3 rd cottage community	DCD & MicroLife						X		
2 nd site homes sold and reinvested into 3 rd site	MicroLife						X	X	
Convene 3 rd site community member stakeholders	MicroLife						X	X	X
Choose 3 rd site amenities based on community feedback	MicroLife							X	
3 rd Site Pre-Development	MicroLife							X	
3 rd Site infrastructure development	MicroLife							X	
3 rd Site Construction	MicroLife							X	X
Identify land for 4 th cottage community	DCD & MicroLife								X
3 rd site homes sold and reinvested into 4 th site	MicroLife								X

DCD, in partnership with MicroLife, will ensure that the Cottages on Cochran and all future developments are cost-effective, aligned with industry standards, and appropriate for the scope of development. MicroLife will utilize a competitive bidding processes to select local builders and contractors, with a preference for women- and minority-owned small businesses. This processes will ensure high-quality workmanship at the best possible price, promoting cost efficiency while supporting the local economy. MicroLife will leverage its established relationships and insights from previous projects to streamline construction practices, avoid pitfalls, and reduce costs. MicroLife will adhere to industry standards for sustainable construction, incorporating energy-efficient materials and techniques where possible. These elements not only contribute to long-term sustainability but also reduce operational costs for residents, further increasing affordability. DCD and MicroLife will work closely with municipal leaders and government stakeholders to reform zoning laws, permitting processes, and building codes when necessary, reducing regulatory burdens and delays that can otherwise drive up housing costs. DCD and MicroLife will maintain rigorous development oversight, utilizing best practices in project management to ensure that all activities stay on budget and on schedule. MicroLife will conduct transparent financial reporting,

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regular audits, and ongoing cost-benefit analyses to identify areas where efficiencies can be improved.

Cottages on Cochran Site Plan















