

HB 400

The Community Housing Options Increase Cost Efficiency (CHOICE) Act

2025 – 2026 Session

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Summary

HB 400 – The Community Housing Options Increase Cost Efficiency (CHOICE) Act

The Community Housing Options Increase Cost Efficiency Act (CHOICE Act) is aimed at incentivizing local governments to adopt zoning and land use policies that are seen to promote affordable housing within their respective jurisdictions. While participation is not required, local governments attaining certain designations by passing certain zoning/land use ordinances will receive preferential treatment in applying for state DCA, GEFA, LMIG and Federal Recreational Trails Program grants and loans over those local governments which do not.

The below incentive schematics are only applicable to counties that have a population of at least 50,000 and a median income of more than \$115,000. They apply to cities with a population of at least 6,500 and a median income of \$115,000. These preferential treatments do not apply to counties and cities not meeting these thresholds.

DCA Designations

Dependent upon the adoption of affordable housing policies that are stipulated in this bill, local governments can be designated by the Department of Community Affairs as a:

- Workforce and home ownership leader – to be eligible, a city or county must adopt, by ordinance or resolution, at least 20 qualifying policies of which at least two are tier 1 policies, at least three are tier 2 policies, and at least one is a tier 3 policy.
- Workforce housing ready expert – to be eligible, a city or county must adopt, by ordinance or resolution, at least 15 qualifying policies of which at least two are tier 1 policies, at least three are tier 2 policies, and at least one is a tier 3 policy.
- Workforce housing ready community – to be eligible, a city or county must adopt, by ordinance or resolution, at least ten qualifying policies of which at least two are tier 1 policies, at least three are tier 2 policies, and at least one is a tier 3 policy.

Incentives for State Loans and Grants, Based on Designation

For all DCA-administered grant and loan programs, priority first goes to communities designated as a workforce and home ownership leader, then to a workforce housing ready expert, then to a workforce housing ready community over eligible communities that have not received any of the above designations.

For the federal recreational trails program: priority first goes to a workforce and home ownership leader, then a workforce housing ready expert, then a workforce ready housing community over eligible communities that have not received any of the above designations.

For the Georgia Department of Transportation's Local Maintenance and Improvement Grant (LMIG) program: no funding matches shall be required of any county or city that has been certified by DCA as a workforce and home ownership leader.

For all Georgia Environmental Finance Authority (GEFA) grants and loans, priority first goes to a workforce and home ownership leader, then a workforce housing ready expert, then a workforce ready housing community over eligible communities that have not received any of the above designations.

Any other state agency considering a grant or loan application may inquire from DCA whether a county or city has been certified by the department, and then utilize the above preferential schematics in providing grants or loans.

Such preferential schematics cannot occur if doing so would be contrary to the purposes of the any of the above grant or loan programs or would conflict with any provision of general law, the Georgia Constitution, or any applicable federal law or regulation."

Once certified by DCA, counties and cities must, every five years, verify in writing to the department that the requisite number of qualifying policies as still in effect.

Tiers of Local Government Qualifying Policies to Achieve DCA Designations

'Tier 1 policy' means a policy that:

- (A) Imposes a minimum heated square footage requirement for residential dwellings of 1,200 square feet or less in at least 50 percent of the area of the jurisdiction zoned for residential use;
- (B) Imposes a minimum heated square footage requirement for residential dwellings of 1,200 square feet or less in all of the area of the jurisdiction that is zoned for residential use;
- (C) Permits the construction of a duplex on any parcel of land where the construction of a single-family home is permitted;
- (D) Imposes a minimum lot size requirement for land that is zoned for residential use that is no greater than:
 - (i) The minimum lot size required by the rules and regulations of the Department of Health for lots with on-site, nonpublic sewage management systems;
 - (ii) The minimum lot size required to comply with the requirements of Code Section 12-5-134 for lots with private water wells; and
 - (iii) One-half acre for lots with access to public water supply and public sewage management systems;
- (E) Permits the use of all building materials that meet the standards of the International Residential Code in the construction of new residential dwellings; or
- (F) Permits the construction of an accessory dwelling unit on any parcel of land where a single-family home exists.

‘Tier 2 policy’ means a policy that:

- (A) Commissions a housing study to determine the need for the construction of single-family homes and multifamily structures within the jurisdiction;
- (B) Permits the construction of townhomes in any area that is zoned for single-family residential use;
- (C) Permits the construction of cottage courtyards in any area that is zoned for single-family residential use;
- (D) Permits the creation of residential subdivisions with flag lots;
- (E) Reduces the minimum road frontage requirements applicable to residential lots;
- (F) Permits the construction of small multifamily structures in any area that is zoned for residential use;
- (G) Permits the construction of higher density housing facilities in areas that are served by public transit and that are near places of employment, higher education facilities, and other appropriate population centers, as determined by the governing body of the jurisdiction;
- (H) Permits the construction of multifamily structures or mixed use developments in all areas zoned for commercial use; or
- (I) Permits the use of single-stair construction in multifamily structures with up to five stories.

‘Tier 3 policy’ means a policy that:

- (A)(i) Imposes a minimum parking requirement of no more than one parking space per residential dwelling unit for multifamily structures that are not served by public transit; and
- (ii) Imposes no minimum parking requirements for multifamily structures that are served by public transit;
- (B) Supports community land trusts that secure land for affordable housing developments and that allow participation from community residents in the decision-making process of such land trust;
- (C) Applies the International Residential Code to residential buildings that contain no more than four individual residential dwelling units;
- (D) Imposes no setback requirements on residential dwellings or decreases the minimum setback requirements applicable to residential dwellings by at least 25 percent;
- (E) Imposes no height restrictions on residential and commercial structures or increases the height restrictions applicable to residential and commercial structures by at least 25 percent;
- (F) Imposes no density limits on areas zoned for residential or commercial use or increases the density limits applicable to areas zoned for residential or commercial use by at least 25 percent;
- (G) Imposes processing time limits on applications for building permits;
- (H) Reduces any permit or regulatory fee applicable to the construction of accessory dwelling units or multifamily structures by at least 25 percent;
- (I) Establishes an online platform for the submission and processing of building permit applications; or

(J) Commissions a study to assess whether the current permit or regulatory fees applicable to the construction of residential dwellings reflect the cost incurred by the jurisdiction in processing such permit applications or carrying out such regulatory procedures.

‘Tier 4 policy’ means a policy that:

- (A) Permits the construction of multifamily residential structures in any area that is zoned for residential use;
- (B) Establishes measurable goals for the construction of affordable housing based on projected population growth and regional job creation;
- (C) Imposes no maximum lot coverage applicable to residential dwellings or increases the maximum lot coverage applicable to residential dwellings by at least 25 percent;
- (D) Does not require the creation of a homeowners' association, property owners' association, or condominium owners' association for any new residential development;
- (E) Streamlines the process of approving minor changes to construction plans for residential developments;
- (F) Creates or joins a local land bank pursuant to Article 6 of Chapter 4 of Title 48;
- (G) Encourages the collaboration with neighboring counties and municipal corporations and nonprofit organizations in addressing regional housing needs; or
- (H) Creates a public-private partnership with local businesses to reduce the land acquisition costs on housing developments.