



MANAGING THE ESSENTIAL LINK: AFFORDABLE HOUSING & ECONOMIC DEVELOPMENT

**Ernestine W. Garey
Senior Advisor to the CEO
Atlanta Housing Authority
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ATLANTA STATS

ATLANTA

- #1 for Black Owned Businesses
- #3 for Business Friendliness
- #3 for Largest Collection of Fortune 500 HQ
- #5 for Most Educated Metropolitan Area

INCREDIBLE CITY FOR BUSINESS

- Strong Business Infrastructure
- Busiest Airport and Great Logistics
- Financially Healthy City
- Business Center of the Southeast

WONDERFUL PLACE TO LIVE

- Talented Workforce
- Diverse Housing Options
- Great Quality of Life
- Easiest City to Recruit Executives

AFFORDABLE HOUSING TOOLKIT

**Inclusionary
Zoning**

**Choice
Neighborhood
Grant**

**Tax
Allocation
District
Financing**

**Tax Exempt
Bonds/LIHTC**

**Lease
Purchase
Bonds**

**Housing
Opportunity
Bonds**

AFFORDABLE HOUSING TOOLKIT

- Inclusionary Zoning
 - Importance of Political Will
 - Now mandatory in Atlanta for publicly subsidized rental developments
 - 15% of units affordable to 80% of area median income (AMI); or 10% affordable at 60% of AMI
- Choice Neighborhood Grant –HUD grants to cities to transform public housing projects and deconcentrate poverty. Atlanta received \$30m; leveraging another \$395million
 - Housing
 - People
 - Neighborhood



AFFORDABLE HOUSING TOOLKIT

- Tax Allocation District Financing – Incentivizes redevelopment in underdeveloped or blighted areas.
 - Property tax revenues for the city are frozen at the base year when TAD is created
 - Increase in tax increment used to support debt service on the bonds issued for projects
 - Supports the development of affordable housing, community centers, new infill and anchor projects, greenspace amenities
 - Bond proceeds must be spent on qualified redevelopment costs
- Tax Exempt Bonds
 - Multifamily housing revenue bonds issued and loaned to developers for acquisition/rehabilitation or new construction
 - Often combined with 4% Low Income Housing Tax Credits
 - Either 20% of units must be affordable to persons at 50% of AMI; or 40% of the units must be affordable to 60% of AMI

AFFORDABLE HOUSING TOOLKIT

- Lease Purchase Bond Program
 - Development Authority takes title to the property at closing for a ten year period
 - Taxes are paid beginning year 1 at 50% which increases to 100% in year 11
 - Developer commits to make 10% of the units affordable as workforce housing for residents at or below 80% of the AMI for 10 year period.
- Housing Opportunity Bonds – \$40 million in taxable bonds issued; Debt service paid by City of Atlanta General Fund
 - Downpayment Assistance
 - Second Mortgage Loans
 - Acquisition/Land Assemblage Financing
 - Owner Occupied Rehabilitation
 - Single Family Construction Loans

MODEL FOR SUCCESS: SCHOLARS LANDING

- Atlanta Choice Neighborhoods
 - Atlanta University Center
 - Ashview Heights
 - Vine City
- Housing Redevelopment
 - Former University Homes Public Housing Project
 - HUD Funding \$ 30,000,000
 - Leveraged Dollars \$395,000,000
 - Total Investment \$425,000,000
 - 455 Mixed Income Rental Units
 - For Sale Townhomes
- People Development – Improve lives and build self sufficiency through health, education and workforce initiatives
- Neighborhood Revitalization – Implement programs to stabilize neighborhoods



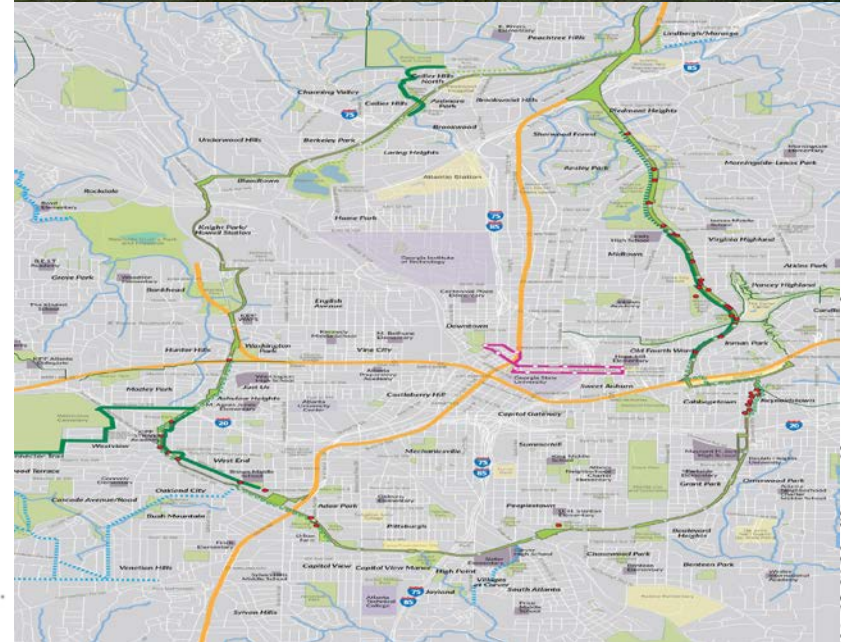
POST CENTENNIAL APARTMENTS

- Downtown Rental Development
Developer : Post Properties
 - Total Units 438
 - Total Cost \$97,350,000
- Overlooks Centennial Olympic Park and downtown cultural attractions; close to mass transit
- Workforce Units
 - 10% at 80% area median income
 - Affordable rents start at \$955 vs \$1,166 for studio
- Affordable Housing Incentives
 - Tax Allocation District Funds - \$4.3 million grant
 - Lease Purchase Bonds - property tax savings over 10 years \$4.35 million



LOFTS AT REYNOLDSTOWN CROSSING

- Atlanta BeltLine – largest urban redevelopment project in nation
 - BeltLine TAD created 2005
 - \$4.8 billion total cost
 - 22 mile loop of parks, trails, transit and affordable housing along old rail corridor
- Lofts at Reynoldstown Crossing
 - Failed condo development acquired and completed in 2011
 - 29 total 2 bdr/2 bath units
 - 28 affordable units awarded through public drawing (includes 3 Community Land Trust units)
- 2011 Sales Price \$150,000
 - TAD subsidies provided \$64,000 in soft second mortgages
 - Total mortgage payments under \$1,000
- Amenities- swimming pool, fitness center, and a community rooftop deck



THE END

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**Ernestine W. Garey
Atlanta Housing Authority
Ernestine.Garey@atlantahousing.org**