

The Atlanta Development Authority

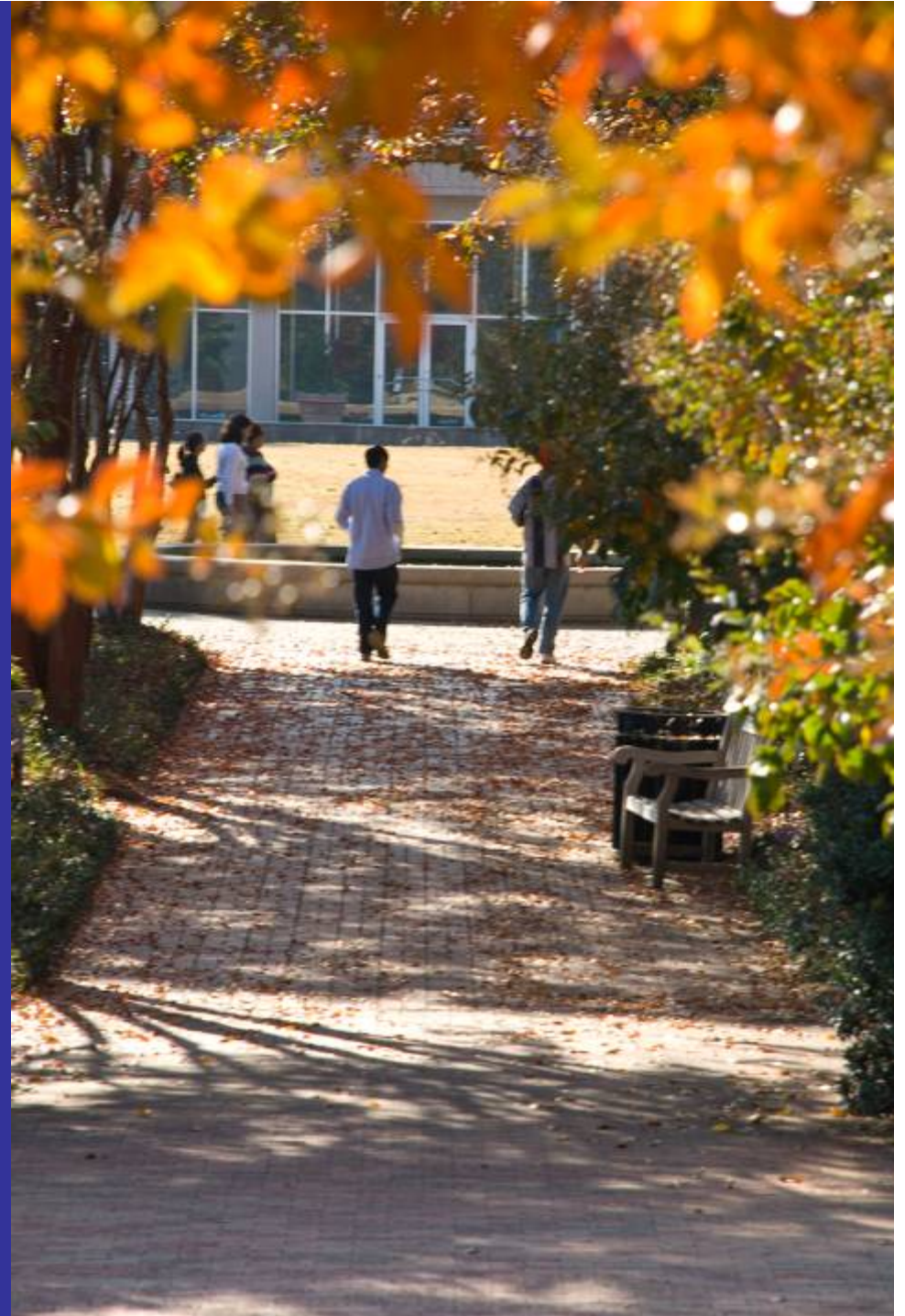


Presentation to Finance Exec Committee

May 3, 2011

ADA's Mission

- The official economic development agent for the City.
- Its mission is to
 - retain and create jobs citywide
 - preserve affordable housing
 - support redevelopment in underserved areas
- ADA's core competency is real estate finance.



3 Operating Departments

**Commerce &
Entrepreneurship**



**Housing
Finance
(URFA)**



**Tax
Allocation
Districts &
New Markets**



These key departments are supported by legal, finance & administration and marketing staff, employed at ADA.

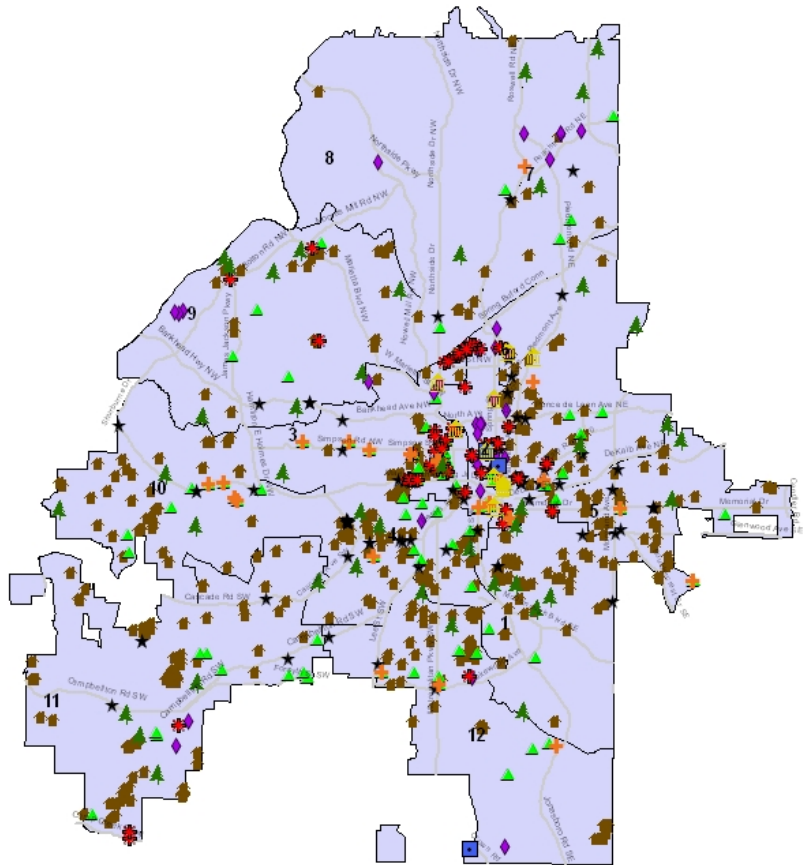
10 Year Return on Investment

- The Atlanta Development Authority helped spur a total of **\$5.4 billion** in real estate investment and business activity by leveraging **\$1.9 billion** in local, state and federal incentives.
- For every \$1 of public investment deployed by the ADA, it sparked \$2 by the private sector.
- ADA helped bring **\$3.5 billion** of private sector investment into the City of Atlanta.

Impact of Ten Years of Economic Development

- 13,000 jobs created or retained
- Over 500 acres of parks or trails acquired
- 412 supportive housing units produced
- 328 new assessment beds for the homeless
- 10,400 housing units created or preserved
- 82 small businesses financed
- 834 new home owners

City Wide Results



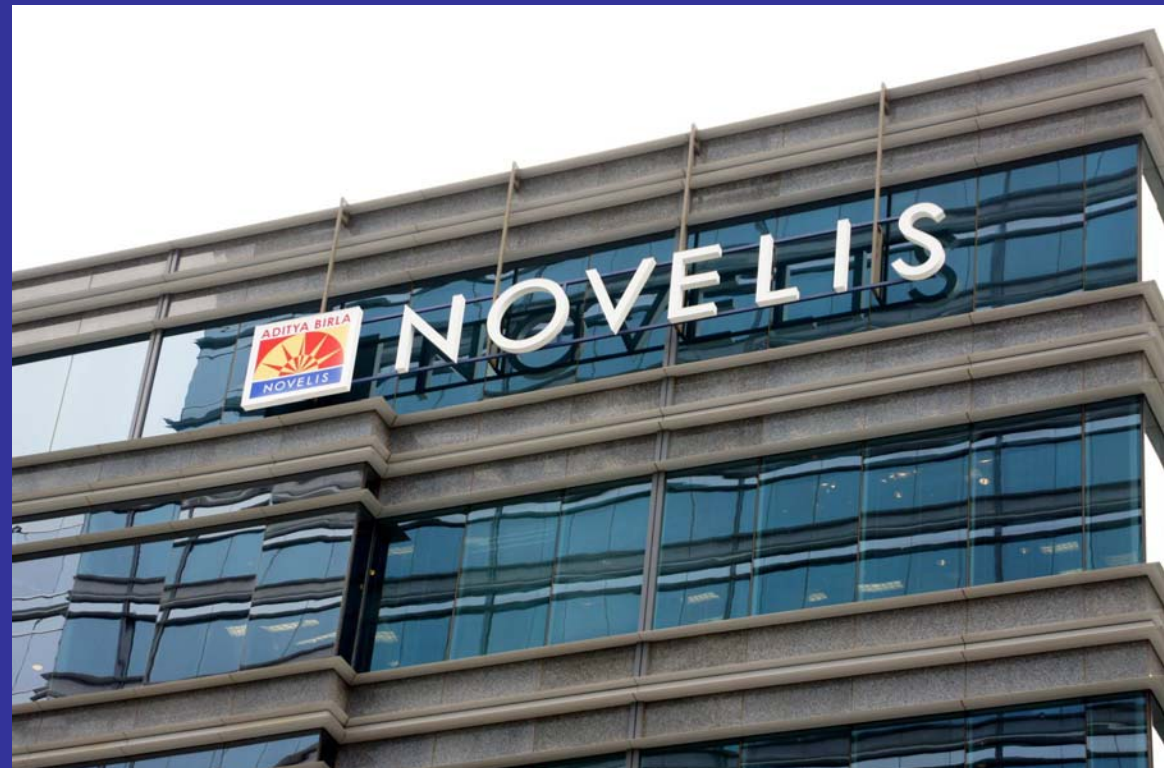
Legend

-  501c3 Bonds
-  Parks and Green Space
-  Supportive housing
-  New Markets Tax Credits
-  TAD Projects
-  Business Relocations
-  Small Businesses
-  Multi-Family Rental
-  Single Family Homes
-  Major Roads
-  Council Districts

Business Attraction in 2010

8 company wins, 516 jobs

- Novelis
- Perkins + Will
- Sony Ericsson
- Everest College
- Screen Gems
- Exploring
- Sepmag
- Airvector



International Business Attraction 1,300 Jobs Since 2007

- ADA has been successful in recruiting several high profile foreign firms
- Over \$132 million in new capital investment
- These firms include:
 - Wipro (India)
 - Invesco (Bermuda)
 - Kemira (Finland)
 - Toyoko Inn (Japan)
 - Metaboli (France)
 - Samsung (Japan)
 - Pirelli (Italy)
 - Chinamex (China)
 - Brazilian Consulate

6 Small Biz Loans in 2010 Disbursed \$295,000



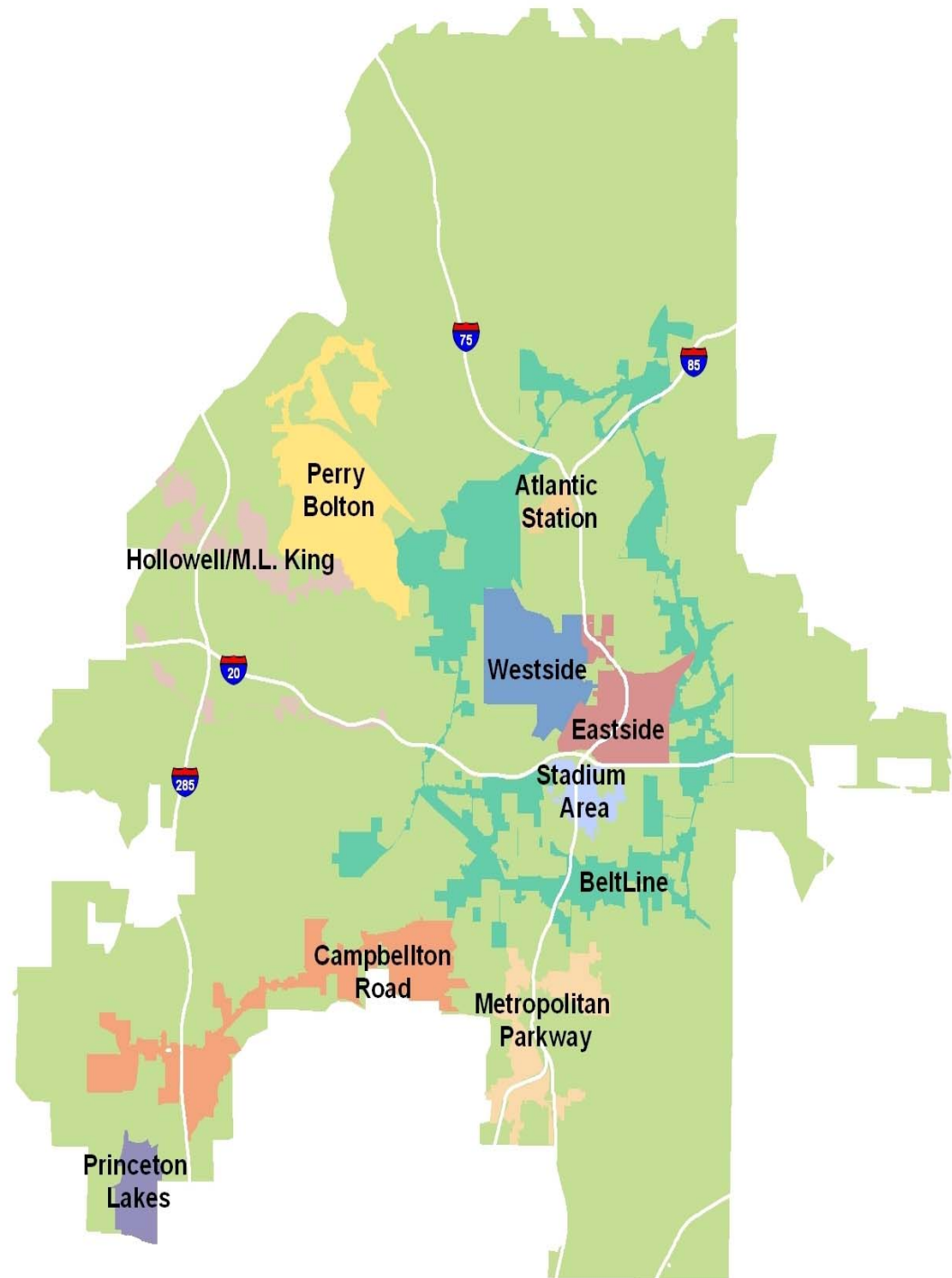
Rainey Manufacturing, in the Kirkwood neighborhood

Tax Allocation Districts Spur \$3 Billion in Revitalization

- Over \$550 million in TAD bonds have spurred over \$3 billion in capital investment since 2001
- Reversed low/no growth trends
- 25% average annual growth rate in TAD districts vs 7% citywide
- Increased sales tax revenue
- Decreased crime and blight



Ten TADs



Inaugural Commercial TAD Transactions



- Everest College at Greenbriar Mall
- Screen Gems at Lakewood Fairgrounds

Federal New Market Tax Credits



- 200 Peachtree (formerly Macy's building), \$12 million in tax credits to create a new special events facility
- Georgia Aquarium Dolphin Tales Gallery, \$25 million in tax credits

Housing Opportunity Bond Success

- 658 closings since 2007
- \$12 million in down-payment subsidies disbursed
- Targeted to teachers, police, firefighters, nurses, government workers, office managers, etc.
 - \$146,000 median purchase price
 - \$46,300 average income
 - Typical monthly payment is \$1,050.00*
 - 40% of buyers had incomes at or below 60% AMI

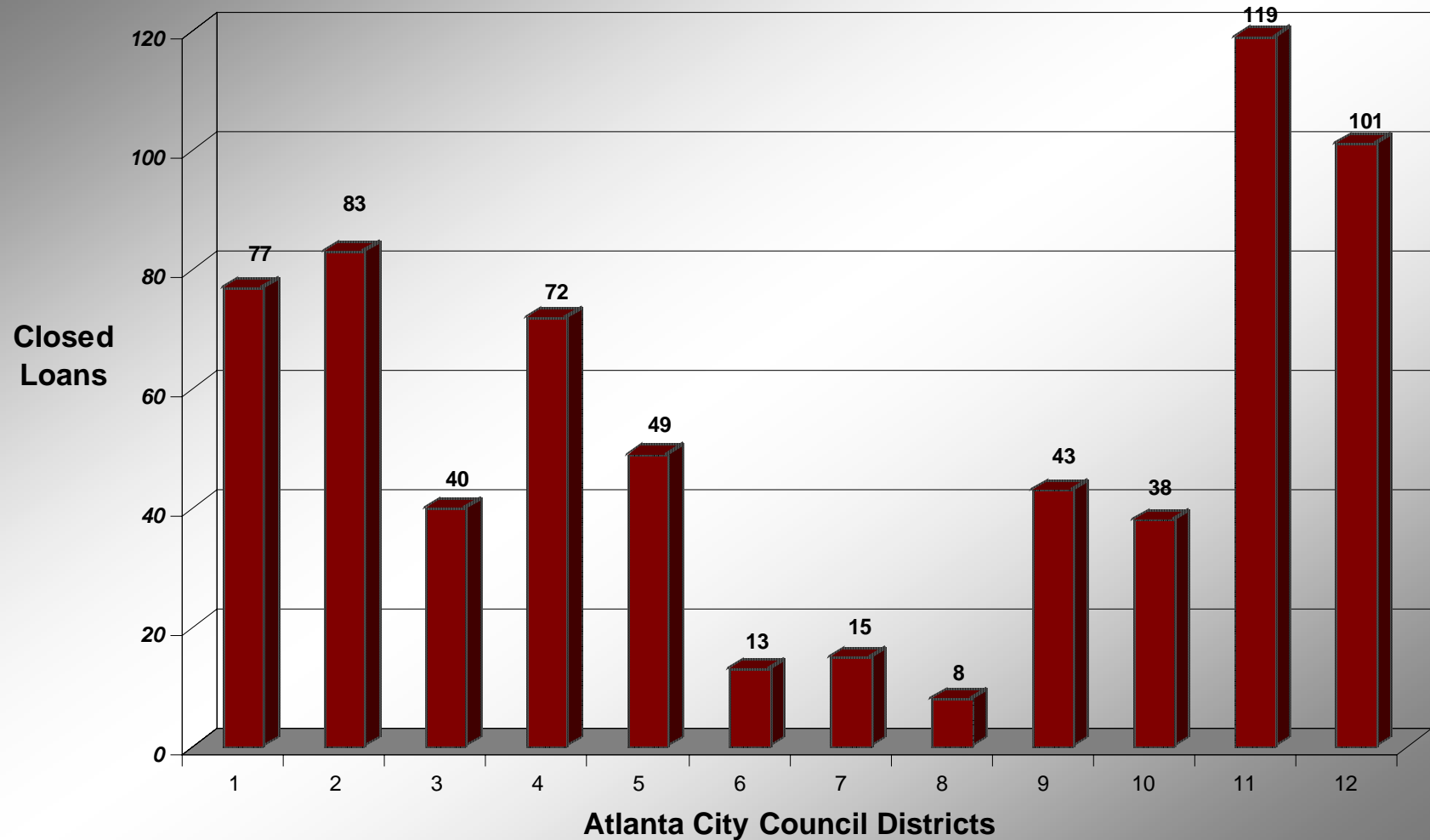


Teacher closes on her new condo at Oakland Park

* Includes PITI and assumes loan amount \$127K, 30 yr fixed, 5%.

Home Ownership by Council District

HOME ATLANTA: WHERE ARE THEY BUYING??



Creation & Preservation of Affordable Rental Housing

- 37 rental projects financed since 2000
- \$706 million in construction
- \$474 million in multifamily tax-exempt bonds used
- 7,294 total units, 61% affordable



Amal Heights on Pryor Rd, 192 units

Homelessness Opportunity Bonds

\$22 million expended

Goal: To eradicate homelessness and build self-sufficiency

- Provided grants for capital improvements
- 740 total units (412 supportive housing units and 328 assessment beds)
- Supportive services include job readiness training, counseling and financial literacy
- 5 automated, self-cleaning public toilets installed

Homeless Opportunity Bond Projects

- 1250 Donnelly Avenue
- Ashton Browns Mill
- Atlanta Gardens
- City of Refuge Phase I
- City of Refuge Phase II
- Columbia at Sylvan Hills
- Columbia Tower
- Gates Park Crossing #1
- Gates Park Crossing #2
- Gateway Center
- Making A Way
- Martin Manor
- Public Toilets (5)
- Quest Village
- Seven Courts
- The Life Exchange Center
- The Safety Net
- Trinity Hall
- Villas of Hope
- Vineyard Court

Acquired over 500 acres of Parks & Greenspace, since 2005



Four Corners Park

With \$1.9 million in support, ADA can deliver on FY 2012 goals

- Create 1,150 new jobs through business retention, expansion and attraction.
- Stabilize neighborhoods through rehabilitation and preservation of 2,700 units of existing housing stock.
- Incentivize \$600 million in catalytic projects that advance the city's economic recovery and position Atlanta for future success.

Commerce & Entrepreneurship Programs and Activities

- Business Retention
- Business Recruitment
- International Recruitment
- Opportunity Zone promotion and marketing
- Urban Agriculture Program
- Healthy Fresh Food Initiative
- Business Marketing Trips
- Innovation Crescent
- SBA's e-200 Program
- Advisory Committee for Int'l Affairs (ACIR)
- Business Improvement Loan Fund
- Phoenix Fund
- Opportunity Loan Fund
- Empowerment Zone Revolving Loan Fund
- ML King Façade Program
- Atlanta Brownfield Revolving Loan Fund
- Atlanta Brownfield Area-Wide Planning Grant
- Atlanta Urban Enterprise Zone

With \$1.5 million in support, RIF 6-7 staff members

- Small business lending team at ADA eliminated
- Reduced marketing, financial and legal services
- Programs returned to the city
 - Brownfield Revolving Loan Fund Program
 - 4 small business lending programs
 - Small business loan servicing (84 loans)
 - All associated marketing, accounting and legal services

With \$1.0 million in support, ADA RIF 10-12 staff members

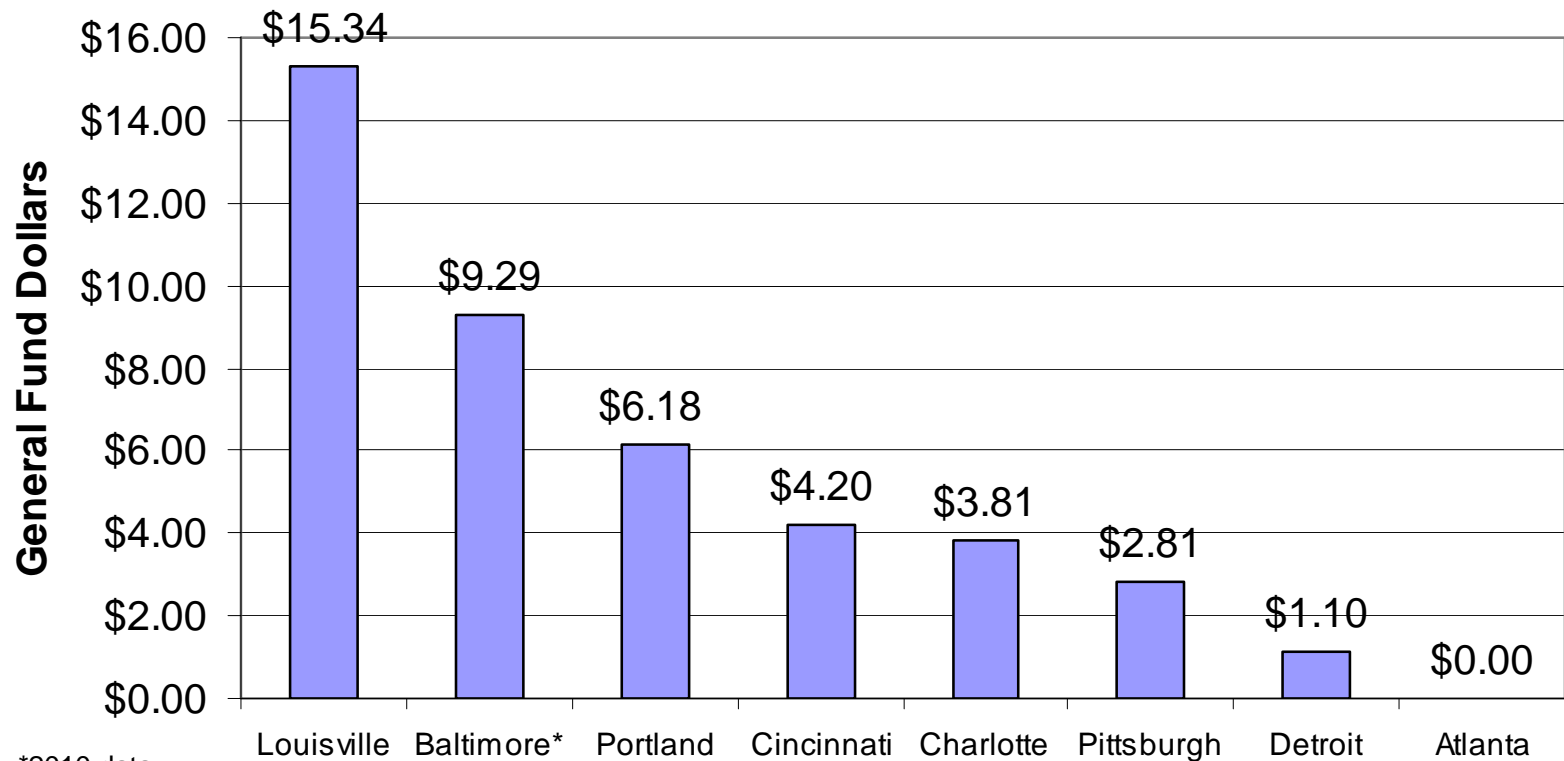
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 - ***Reduced business retention activity***
 - ***Reduced international relations activity***

Programs and Activities Maintained at \$1 million Funding

- Some Business Retention Activity
- Business Recruitment (at a reduced level)
- Opportunity Zone promotion and marketing
- Marketing, finance and legal services (at reduced level)

Peer City Spending

City Investment Per Capita in Economic Development (2009)



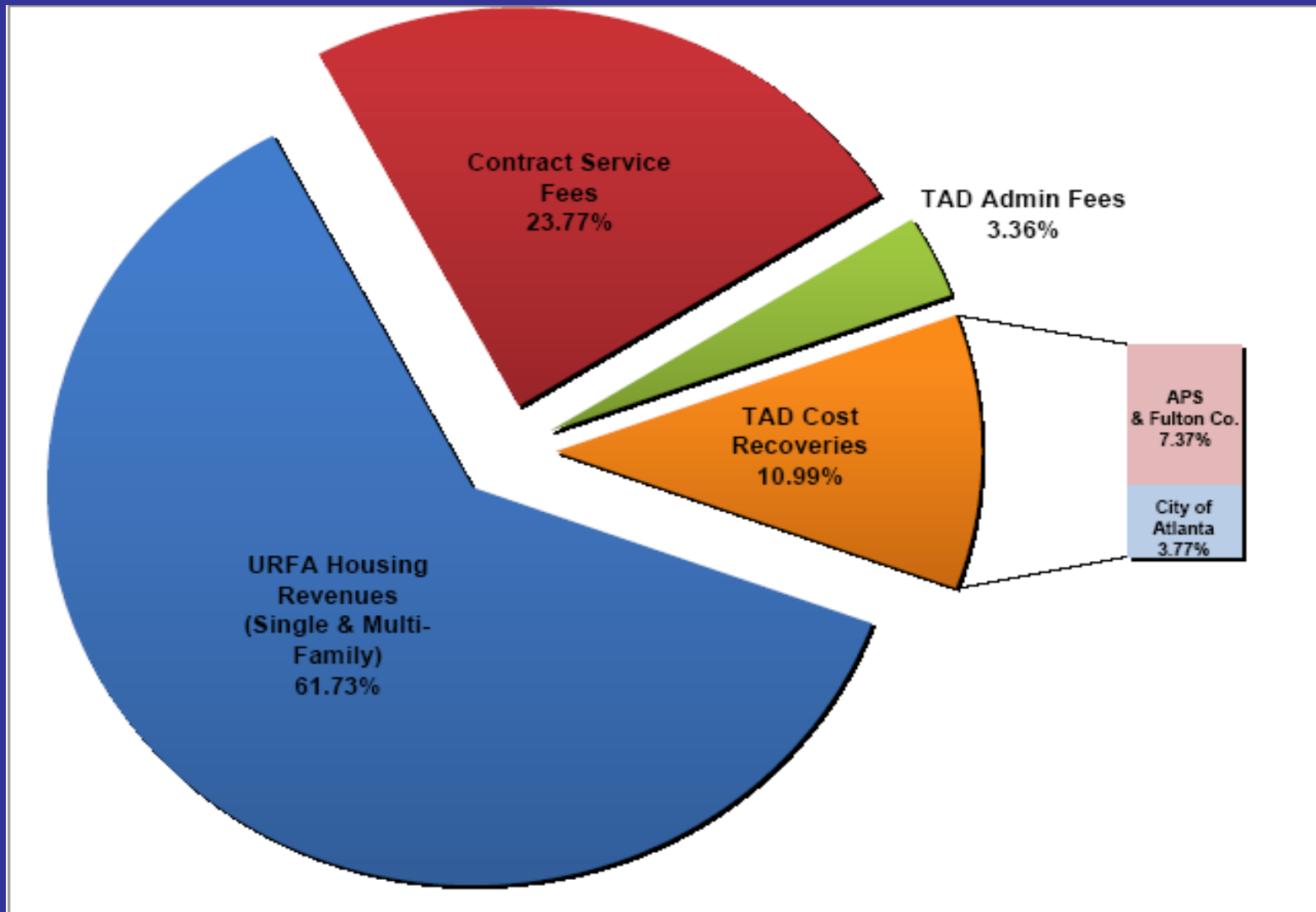
*2010 data

Per Capita Scenarios

- **\$1.9 million = \$ 4.52 per capita**
- **\$1.5 million = \$ 3.57 per capita**
- **\$1 million = \$ 2.38 per capita**

Revenue Mix

\$5.8 million (9 months, YTD 3/31/11)



Explore Other Revenue Sources

- Car Rental Tax
 - Pursuant to O.C.G.A. Section 48-13-90, revenue from this tax can be made available for the purpose of “promoting industry, trade, commerce and tourism.”
 - Directly aligns with the purposes for which ADA was created.
 - Could be used to bridge the gap.

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