



Volume 4, Issue 8

August 2008

What's Inside

- Atlanta's Affordable Housing Initiative Receives a Boost
- Samsung Expands Wireless Research Facility at Georgia Tech
- How do TADs Support the Education of Georgia's Children?
- Atlanta's Vital Signs: Population Growth
- Neighborhood of the Month: Garden Hills
- Upcoming Economic Development Events

Atlanta's Affordable Housing Initiative Receives a Boost

The Atlanta Development Authority will begin accepting applications from multifamily developers wishing to access federal HOME* dollars. The city has allocated \$1.5 million of HOME funds to ADA to provide loans for the acquisition, construction and/or rehabilitation of rental housing units. HOME is a federally funded program that assists in the production and preservation of affordable housing for low- to moderate-income families and individuals.

Recognizing a shortage of housing stock for Atlanta's middle class, a critical goal set forth in the mayor's Economic Development Plan was to directly influence the production of 10,000 units of affordable housing by 2009 through city-sponsored financial incentive programs. Since 2005, the city has added over 3,500 affordable units. "The city has invested in affordable workforce housing over the past several years," Mayor Franklin said. "Clearly, we have a long way to go, but through continuous focus and innovation we are moving the needle."

Rental projects may receive up to \$750,000 in low-interest loans under this program. Ernestine Garey, Director of Housing Finance for ADA, says these dollars could provide the last layer of funding needed to make a transaction work during this challenging economic climate. "These loans are at very flexible terms and will help developers attract conventional financing, which has become significantly more difficult to obtain as lenders today are adopting more stringent underwriting criteria," Garey said.

This program expands the financial toolkit offered by ADA to affordable housing developers. Other multifamily products offered by ADA include tax exempt bond financing, housing opportunity bond loans, and Community Housing Development Organizations specific loans. Each financial product has different rules and regulations. In addition, ADA influences the production of affordable housing through its tax allocation district (TAD) program. To encourage home ownership, they also offer several down-payment assistance programs for homebuyers seeking to move out of rental and into ownership.

For eligibility requirements, details and to download the application, visit <http://www.atlantada.com/buildDev/HOMEmultifamilyFinancing.jsp>.

* A COMMUNITY DEVELOPMENT PROJECT OF THE CITY OF ATLANTA funded by a grant from the U.S. Department of Housing and Urban Development through the Housing and Community Development Act of 1974.

Samsung Expands Wireless Research Facility at Georgia Tech

(continued on p. 2)

Samsung Electro-Mechanics Co. has significantly increased its research presence in Atlanta, opening a new wireless-technology laboratory and expanding its working relationship with the Georgia Institute of Technology.

The new Samsung facility houses 5,400 square feet of laboratory and office space focused on research and development of mixed-signal integrated circuits, primarily for use in wireless applications.. The new center is located close to its Georgia Tech research partner, the Georgia Electronic Design Center (GEDC), which is headquartered in the Technology Square Research Building.



The Samsung Design Center first opened in 2005 in the Technology Square Research Building. It has now grown to more than 50 full- and part-time employees, and Samsung has announced its intention to have 100 full-time and 50 part-time people working for the center within two years.

"The Samsung project is a prime example of the importance of the city's and the Atlanta Development Authority's focus on strong, long-term economic development partnerships," said Shirley Franklin, mayor of Atlanta. "ADA has been a partner with Georgia Tech since the inception of Technology Square and maintains a great working relationship with the Georgia Department of Economic Development, the Georgia Electronic Design Center and the Georgia Tech Enterprise Innovation Institute."

Innovations developed by researchers at the Atlanta-based design center are expected to impact a broad spectrum of Samsung's worldwide product offerings, according to company executives. Samsung's former space in the Technology Square Research Building will continue to be used by GEDC for work related to Samsung's research interests.

"We are delighted that Samsung is increasing its research profile here," said Joy Laskar, director of GEDC. "We expect this partnership between Samsung and GEDC to continue to develop key new technologies in cognitive radio and other important wireless fields."

How do TADs Support the Education of Georgia's Children?

A school in a blighted area generally will not improve unless the area surrounding it improves first. Tax Allocation Districts are a national best practice in providing gap financing for redevelopment projects in slow- or no-growth areas. TADs can attract investment to areas that have high concentrations of poverty and help bring life back to these communities. Children in such communities tend to perform better in school after redevelopment due to several factors:

- a stronger mix of households of varying incomes
- increased diversity and cultural awareness
- greater parental involvement in schools
- decreased crime in communities where kids live
- more positive role models in the community
- better nutrition from new retailers and food stores that follow the increase in households and disposable income

Before choosing to participate in a TAD, school districts in Georgia negotiate specific benefits that assist them in building the capacity to educate more kids or increase the quality of education. Here are some examples of such arrangements:

- In Atlanta's downtown Westside TAD, Atlanta Public Schools received \$5 million for the construction of Centennial Place Elementary, a top-performing school built on the site of the former Techwood Homes just south of Georgia Tech's campus and Coca-Cola's headquarters, plus \$2 million for other capital costs and related facilities.
- In Atlanta's downtown Eastside TAD, an agreement was reached to provide APS students with work-based experience. APS receives 5.5% of net bond proceeds from every bond issuance for capital-cost improvements to schools and other facilities. To date, APS has been allocated \$1.9 million from the 2005 Eastside TAD bond issue.
- Development fees for Cherokee County Schools were forgiven as part of the City of Holly Springs New Town Center TAD.
- Retailers located within East Point's Camp Creek Marketplace TAD entered into employment training arrangements with Fulton County School System.

In the BeltLine TAD, Atlanta Public Schools stands to gain:

- Up to \$10 million for the construction of recreational facilities or athletic fields at school sites within the BeltLine redevelopment area.
- Subsidized or free transit rides for APS students.
- Payments totaling \$150 million for educational programming paid in \$7.5-million annual installments in years 6 through 25 of the life of the TAD.
- Preferences in the use of the TAD bond-funded BeltLine Affordable Housing Trust Fund for the benefit of educators and staff employed by APS.

As of February 2008, local boards of education have been restricted from participating in TADs in Georgia. We hope this is only temporary, for the sake of economic development. It is up to voters to decide in November if school boards should have the choice to opt in and participate in TADs. Vote yes to authorize local school boards of education to use tax funds for redevelopment purposes and programs and ensure that your local school district will have the option to partner in a TAD with your city and county to improve communities surrounding your schools.

Atlanta's Vital Signs: Population Growth

The U.S. Census Bureau estimates the City of Atlanta has population of 519,145 people as of July 1, 2007, a 4.1% increase from July 2006. The City added 20,623 residents during that year for the seventh-largest absolute gain in the nation. Between April 2000 and July 2007, the City's population grew by 24.2%, adding 101,039 people. This numerical gain ranks Atlanta no. 8 in population growth during that seven-year period.

So what makes this City's population grow?

1. Demographics

The white and Hispanic populations in the city are increasing while the African American population is decreasing. From 1990 to 2006, whites increased 25.8% (42,585) and Hispanics by 71.2% (18,566). African Americans decreased 7.2% (-17,749) as illustrated in the chart to the right. As a result, the population percentages follow the trend as well. In 2006 whites made up 37.2% of the Atlanta population, compared to 31.0% in 1990. Hispanic percentages increased from 1.9% in 1990 to 5.9% in 2006. The percentage of African-Americans in the city decreased from 67.1% in 1990 to 55.7% in 2006 (Source: U.S. Census Bureau). Young, highly educated and creative people are leaving the West Coast and the rust belt states and moving to places such as Atlanta with plentiful jobs, affordable housing, culture and diversity. Because of long commutes and wanting to be near the culture core, people are leaving the suburbs and moving to the city center. These are generally higher-income empty nester households.

2. Migration of Retirees ("The Halback Effect")

Retirees from the Northeast often first move to Florida, discover the fit is not quite right and then move "halfway" back North, to states like Georgia, North Carolina, and Tennessee. More immigrants (permanent residents who are not US citizens) are settling inland (i.e. Atlanta) rather than in coastal regions for jobs and an affordable cost of living.

3. A Thriving and Vibrant Community

Atlanta was ranked the no. 1 best city for relocating singles in 2007 by Mobility magazine. According to Forbes.com, in November 2007 Atlanta came in at no. 10 on the list of most affordable places to live. Arts organizations here have been recognized with Tony and Grammy awards, among others, and restaurants across the metro area are grabbing the attention of gourmants and national food magazines. With many major professional sports teams in town and multiple marquee attractions, Atlanta has something for everybody.

4. Big and Growing College Town

Metro Atlanta ranks no. 7 nationally in degrees earned at the bachelor level or higher (35,803), no. 3 in African-American enrollment (47,548), and no. 5 in university research (\$1.01 billion, compared to Raleigh-Durham, which ranks no. 7 at \$989 million) according to a recent study by the Atlanta Regional Council for Higher Education.

5. Convention and Tourism

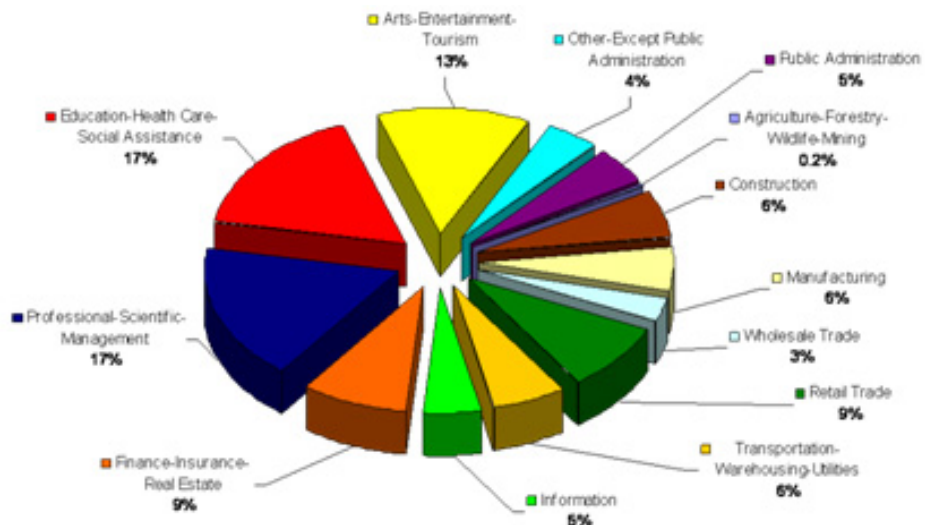
35 million people visit metro Atlanta annually. Tourism direct spending in 2006 was \$11.4 billion, a 12% increase over 2005. Overnight leisure visitors increased 10.7% to 13 million in 2006, pumping \$792 million into Atlanta's economy. Atlanta will host the BIO International convention in 2009 and in 2010 open the Center for Civil & Human Rights.

6. Strong Business Environment

- No. 1 Most Wired City, Forbes.com, Jan. 2008
- No. 2 Top state business climate, Site Selection magazine, Nov. 2007
- No. 4 Best city for jobs, Forbes.com, Jan. 2008
- Atlanta Airport is the busiest in the world, with 89 million passengers and 994,466 flights in 2007
- Atlanta has 2,000 international companies as well as consulates, trade offices or bilateral chambers of commerce
- representing 65 countries

7. Industry Mix

Atlanta's industry mix is diverse. Such diversity attracts foreign investments like Wipro Technologies of India (1,000 jobs) and INVESCO of London, which is moving its headquarters to Atlanta (150 jobs). Domestically, Cousins Properties, a national commercial developer, relocated its headquarters to downtown Atlanta, creating 175 jobs, and Legal Sea Foods, a Boston-based restaurant chain, will soon open its first restaurant in Atlanta, creating 100 jobs. The chart below shows how Atlanta's working population breaks down by industry:



Neighborhood of the Month: Garden Hills

Atlanta's Garden Hills is an early 20th-century planned residential neighborhood situated between Piedmont and Peachtree Roads in Buckhead, roughly bordered to the north and south by Pharr Road and East Wesley Road. Local lawyer P. C. McDuffie developed the original Garden Hills neighborhood plan in the 1920s under the auspices of the Garden Hills Company real estate firm, which he founded in 1925. The neighborhood comprises single-family homes, apartments, parks, a church and a centrally located pool. The neighborhood's oldest streets were designated as a historic district by the City of Atlanta in 1987.

Also located in Garden Hills are Garden Hills Elementary School and the Atlanta International School (previously North Fulton High School), both of which are on the National Register of Historic Places. The former, built in 1938, is a stand-out among Atlanta Public Schools' elementaries: Garden Hills was the first Atlanta public primary school, and the first school in the state of Georgia, to earn the International Baccalaureate Primary Years Program authorization in 2006. The IB PYP aims to develop international perspectives among students and cultivate an awareness of and sensitivity to the points of view of people in other parts of the world.

Garden Hills has reliably been a stable, upper-middle income residential neighborhood since its founding. Its homes are generally one or two-story houses built in styles ranging from Georgian, Tudor and Spanish Revival to Craftsman. With excellent public education, a range of community amenities and its central location, it's easy to see why Garden Hills is one of Atlanta's most desirable neighborhoods.

Upcoming Economic Development Events

August 9, **Mechanicsville Neighborhood Family Reunion.** Rosa Burney Park/Dunbar Community Center. Parade at 8:30 a.m., events start at 11 a.m. For more information, contact Sharon Collins at (678) 334-5129.

August 14 & 28, **Atlanta Renewal Community Tax Incentive Lunch & Learn.** 12 p.m., Atlanta Renewal Community office, 34 Peachtree St., Suite 2360. Sessions provide free details and guidance on unique tax credits and deductions owners and investors may use to reduce tax payments. Reservations are required for each session. To reserve a space and lunch, call 404-522-3970.

August 16, **Pittsburgh Neighborhood Reunion.** Pittman Park. For schedule information contact LaShawn Hoffman at (404) 522-9331.

August 27, **Small Business Monthly Information Session.** 5 p.m. at the offices of the Atlanta Development Authority. To RSVP, send an e-mail to cbrackett@atlantada.com or call (404) 614-8295.

September 24, **Small Business Monthly Information Session.** 5 p.m. at the offices of the Atlanta Development Authority. To RSVP, send an e-mail to cbrackett@atlantada.com or call (404) 614-8295.

September 29-30, **Multigenerational Communities for Healthy Aging Symposium.** Federal Reserve Bank Building, 1000 Peachtree St. N.E., Atlanta. Registration \$195 on or before August 30, \$245 after August 30.

October 19-22, **IEDC Annual Conference: The Next Billion - Mobility, Flexibility, Agility, Livability.** Hyatt Regency Atlanta. For more information visit www.iedconline.org.

October 29, **Small Business Monthly Information Session.** 5 p.m. at the offices of the Atlanta Development Authority. To RSVP, send an e-mail to cbrackett@atlantada.com or call (404) 614-8295.

October 30, **2008 Business Growth Expo.** 7 a.m. - 2:30p.m., Cobb Galleria Centre. For more information or to register online visit <http://atlanta.bizjournals.com/atlanta/event/431>.

November 6, **2008 Downtown Development Day.** Marriott Atlanta Marquis, 265 Peachtree Center Avenue. For more information visit www.atlantadowntown.com

This Newsletter published by the Atlanta Development Authority

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