

# Annual Report 2010



ADA

Atlanta Development Authority

## A Message from the Mayor



Over the past year, I have charged my administration with focusing on regional solutions that not only create jobs today, but chart the course for a prosperous and sustainable Atlanta tomorrow. The Atlanta Development Authority sits squarely at that intersection.

Regional partnerships demonstrate to the outside world that Atlanta is speaking with one voice and is serious about solving critical issues that have the potential to impede the growth of our city, region and state. History offers a strong lesson on this point. When John Adams sailed to Europe in 1779 to negotiate commerce and trade agreements on behalf of a newly independent America, European governments refused to recognize his authority over foreign trade. His efforts were futile, since America's 13 sovereign states continued to act in their own best interests. America had no singular voice overseas until the states agreed to become part of something

bigger than themselves and ratified the U.S. Constitution nine years later.

As it was then, in today's global economy, one municipality acting alone has less power than the combined forces of counties and cities. As we move forward, regions speaking with one voice will achieve the greatest success. When handing the city a \$47million check to help build the Atlanta Streetcar, U.S. Secretary of Transportation Ray LaHood said the city won the grant because "Atlanta has shown to have its act together," a reference to our ability to partner regionally for transportation solutions.

The prosperity of metropolitan Atlanta and the State of Georgia is also inextricably linked to our city's ability to build and foster commerce and trade relationships with governments and businesses in China, Brazil, India, Canada and the European Union. In 2010, we negotiated a memorandum of understanding with the Arabian Gulf nation of Bahrain and welcomed hundreds of international business leaders and heads of state from around the world to events such as the Sister Cities Economic Development Global Partnership Forum, the Americas Competitiveness Forum IV and the 2010 Environmental Trade Mission.

Strategically deploying public finance incentive tools such as Tax Increment Financing, Multifamily Tax-Exempt Bonds and Opportunity Zones to rebuild disadvantaged communities is another area in which the ADA has shown considerable leadership and demonstrated success. In 2010, ADA leveraged several federal programs such as New Markets Tax Credits, the New Issue Bond Program and Federal Recovery Zone Facility Bonds to improve the lives and experiences of Atlanta residents and visitors. ADA works with countless partners from around the state to solve critical issues around jobs, affordable housing and redevelopment of underserved communities.

I am proud to serve as chair of the Atlanta Development Authority board, whose mission is strongly connected to the growth and success of the city. I wish to thank my fellow board members for their dedication, the staff at ADA for their passion and professionalism and our economic development partners around the state for being a part of a team that makes great things happen for the City of Atlanta.

Kasim Reed

A handwritten signature in black ink, appearing to read 'Kasim Reed'. The signature is fluid and cursive, with a large, sweeping flourish at the end.

Mayor, City of Atlanta

## A Message from the President

2010 was a very challenging year for the Atlanta Development Authority. As the economy slowly rebounded, we steadfastly steered our ship into the wind and produced some amazing results.

With goals that included spurring capital investment, growing jobs and preserving affordable housing, we were able to generate \$304 million in total capital investment by leveraging \$92 million in local and federal public incentives. These investments, combined with our eight business attraction wins, resulted in 1,390 new jobs.

The housing finance team shifted its focus in 2010 from financing new housing developments to preserving our existing housing stock and restabilizing Atlanta neighborhoods hardest hit by the foreclosure crisis. Utilizing \$19 million in multifamily tax-exempt bonds, we were successful in financing the redevelopment of two apartment complexes, enhancing living conditions for almost 400 families.



The offer of downpayment assistance was the ADA incentive that drove the success of our homeownership program, helping 175 families to realize dreams as first-time homebuyers. Many of these purchases were previously foreclosed homes that are once again generating property tax revenues for the city.

We watched as the commercial real estate market came to a virtual standstill in 2010. However, through the use of \$37 million in New Markets Tax Credits, we were able to help finance the redevelopment of the former Macy's department store along Atlanta's signature boulevard, Peachtree Street, and facilitated the financing of one of Atlanta's coming attractions, the AT&T Dolphin Tales Gallery at the Georgia Aquarium.

A renewed focus on two neighborhoods adjacent to the Atlanta University Center and just west of Downtown's tourism district, Vine City and English Avenue, spawned five community redevelopment projects through the use of \$2.9 million in grants from the Westside Tax Allocation District neighborhood fund. The year ended with the exciting announcement that Walmart would locate a new store at Historic Westside Village along Martin Luther King Jr. Drive, bringing groceries, fresh produce, a money center and a pharmacy to the neighborhood and aiding the area's transformation into a healthy, thriving community where people choose to live, work and study.

We continue to work with our city, state and federal partners to augment our business incentive toolkit, recognizing the importance of collaboration to attract quality jobs for Atlanta's residents and graduating students.

Atlanta's future is bright, and our dynamic staff and dedicated board enthusiastically embrace the opportunities that lie ahead.

Ernestine Garey

A handwritten signature in black ink, appearing to read 'Ernestine Garey', written in a cursive style.

Interim President, Atlanta Development Authority



## Job Creation

ADA's sales and marketing efforts in 2010 resulted in eight business attraction wins, projected to add 516 new jobs and retain 291 jobs in the city. ADA's Commerce and Entrepreneurship team participated in several strategic business development mission trips with its economic development partners, which include the Metro Atlanta Chamber, the Innovation Crescent Regional Partnership and the Georgia Department of Economic Development. These trips took ADA to India, Boston, BIO Chicago and the Corenet Global Summit in New Orleans. With a pipeline at the end of the year of more than 80 domestic and international business prospects, the outlook for job growth in 2011 is even better.

Company	Industry	Jobs Retained	Jobs Added	Total Jobs
Novelis	Aluminum Products	90	135	225
Perkins + Will	Architecture	201	21	222
Sony Ericsson	Technology	-	180	180
Everest College	Higher Education	-	95	95
EUE / Screen Gems	Film/Television	-	30	30
Exploring	Flooring/Trade Shows	-	30	30
Sepmag	Life Science	-	5	5
Airvector	Filtration Equipment	-	20	20
		<b>291</b>	<b>516</b>	<b>807</b>

## New Business Incentive Tools

- Federal Recovery Zone Facility Bonds – ADA deployed \$10 million for the construction/renovation of a building on Peachtree Street to serve as the new headquarters for Perkins + Will, an architectural firm.
- Recovery Zone Economic Development Bonds – ADA assisted the city in creating the Atlanta Urban Redevelopment Agency in order to utilize the city's allocation of Federal Recovery Zone Economic Development Bonds. ADA manages and staffs the agency. \$23 million was deployed to be used for transit and infrastructure projects (including \$10 million for the Atlanta Streetcar project).
- Opportunity Zone – ADA partnered with the city's planning department to create the Urban Redevelopment Plan (adopted by city council 12/6/10), allowing ADA to apply to the state for the creation of 33 Opportunity Zones.



## Expanding Small Business

The focus on organic job growth has never been stronger at ADA. In 2010, ADA assisted six small businesses with their expansion plans, disbursing a total of \$295,000 in loans. Ten loan applications that were received in the fourth quarter of 2010 are currently undergoing credit evaluation. Ten more 2010 applicants were declined and six withdrew. The companies that did receive assistance include four restaurants, a manufacturer of medical apparel and a business incubator. Four of these are existing businesses and two are startups.

Business	Location	Total Investment	Loan Amount	Loan Product
Der Biergarten	Downtown	\$400,000	\$100,000	Opportunity Loan Fund
Arby's	Downtown	\$246,263	\$75,000	Phoenix Loan Fund
Subway	Castleberry Hill	\$150,000	\$50,000	Business Improvement Loan Fund
Soul Vegetarian South	West End	\$50,000	\$50,000	Business Improvement Loan Fund
Rainey Manufacturing	Kirkwood	\$10,000	\$10,000	Business Improvement Loan Fund
Vertical Properties	Kirkwood	\$10,000	\$10,000	Business Improvement Loan Fund
		<b>\$866,263</b>	<b>\$295,000</b>	



Rainey Manufacturing



Arby's at CNN Center



Der Biergarten  
Photo courtesy PWP Studios

## Revitalization and Commercial Investment

### Tax Allocation District Transactions

Over the past 10 years, a financing tool known locally as tax allocation districts (and elsewhere as tax increment financing) has proven to be extremely effective in redevelopment. Property values in Atlanta's TADs have risen an average of 25 percent annually versus only 7 percent citywide over the same period. Atlanta's ten tax allocation districts encompass more than 15,000 acres and have a tax digest value in 2010 of \$3.8 billion, 13.4 percent of the city's entire tax digest.

As a result of the recession and credit crisis, there were no major TAD transactions (more than \$10 million) within the city's ten districts in 2010. Two midsize TAD transactions, however, were initiated in 2010 and are expected to close in 2011: Screen Gems, a film production studio, is located in the Metropolitan Parkway TAD; and Everest College is located at Greenbriar Mall in the Campbellton Road TAD. These inaugural Commercial Corridor TAD transactions are projected to receive a total of \$1.7 million in TAD funding, attract more than \$12.4 million in private investment and create more than 400 jobs.

A considerable amount of economic activity in 2010 occurred in the Westside TAD adjacent to the Atlanta University Center. ADA provided a total of \$225,000 in small business loans to three restaurants located in the Westside TAD: Arby's, Subway and Der Biergarten. One of the most exciting events occurred in December 2010 as Walmart announced it would open a new 80,000-square-foot store in Vine City.

The following projects in the Vine City and English Avenue communities received \$2.9 million in grant funding from the Westside TAD Neighborhood Fund in 2010:

Westside TAD Transactions	Total Investment	Public Investment
Hagar Civilization Training Missionary Phase III	\$1,750,000	\$823,109
International Brotherhood of Police Officers Headquarters	\$1,200,000	\$300,000
Vine City Plaza II Phase I	\$1,100,000	\$500,000
Westside Village Public Improvement Project	\$725,000	\$725,000
Quest Resource and Workforce Development Center	\$585,000	\$584,103
	\$5,360,000	\$2,932,212

In other TAD-related news, the city successfully paid down \$1,060,000 in Series 2006 Princeton Lakes TAD bonds utilizing excess tax increment and interest earnings, accelerating the payoff of the bonds and increasing the likelihood of being able to dissolve the district earlier than originally planned. This would result in a tax revenue windfall to the city and Fulton County. Wall Street also recognized ADA and the city for its sound investment portfolio with a bond rating for a previously unrated TAD transaction. Series 2005 Eastside TAD bonds were awarded an A-/Stable long-term rating by Standard & Poor's based on the strength of annual debt service.

### New Markets Tax Credits Transactions

Imagine Downtown, Inc., a community development entity wholly owned by the Atlanta Development Authority, was awarded \$80 million in New Markets Tax Credits from the U.S. Department of the Treasury in 2007 and 2008. The NMTC program is a federal program designed to spur capital investment and job creation in underserved markets. To date, IDI has closed three major NMTC transactions totaling \$67 million and deployed 84 percent of its federal allocation.

In 2010, ADA's New Markets team leveraged \$155 million in private investment with the use of \$37 million in NMTC allocation. With the renovation of the old Macy's building along Peachtree Street, 150,000 square feet of vacant retail and event space was brought back online. A few blocks away at the Georgia Aquarium, the world's largest fish tank made plans to get even bigger with the addition of the AT&T Dolphin Tales Gallery, expected to open in spring 2011.

Downtown NMTC Transactions	Total Investment	NMTC Funding	Commercial/Retail Space	Direct Jobs
200 Peachtree	\$35 million	\$12 million	150,000 sf	500
AT&T Dolphin Tales Gallery	\$120 million	\$25 million	84,000 sf	328
	\$155 million	\$37 million	234,000 sf	828



200 Peachtree  
Photo courtesy Shari Zellers



Georgia Aquarium's AT&T Dolphin Tales Gallery expansion  
Photo courtesy Georgia Aquarium

## Preserving Affordable Housing

The mission of the housing finance division shifted in 2010 from building new developments to preserving existing affordable housing and restabilizing neighborhoods hardest hit by the foreclosure crisis. Vacant properties are a real threat to communities. Not only do they decrease property values, they create an environment that fosters crime. ADA has worked hard to decrease vacancies by helping developers renovate abandoned or dilapidated apartment buildings and by helping renters become homeowners.

### Multifamily Rental Renovation

In 2010, the housing finance team of ADA closed \$19 million in multifamily tax-exempt bonds, thereby preserving 356 units of affordable housing. The two multifamily affordable housing transactions in 2010 include:

**Amal Heights** — This 192-unit multifamily rental project received \$9.3 million in URFA tax-exempt bonds. Located along Pryor Road, it will bring a total of \$19.7 million in new capital investment to the area.

**Flipper Temple** — This 163-unit multifamily rental project received \$9.6 million in URFA tax-exempt bonds. Located in the Scott's Crossing neighborhood in northwest Atlanta, it will bring almost \$21 million of new capital investment to the area. The units are mostly 2- and 3-bedroom units reserved for low- to moderate-income families.

### Increasing homeownership

In 2010, ADA helped make homeownership a reality for 175 families by providing \$3.6 million in downpayment assistance to homebuyers purchasing within incorporated Atlanta. While a few buyers purchased newly constructed residences, 85 percent purchased an existing home, townhouse or condo. Many buyers purchased homes in foreclosure, which has helped the city reduce its glut of vacant homes.

2010 Homeownership Statistics:

175	Single-family home closings
\$146,000	Average home purchase price
\$3.6 million	Downpayment subsidies disbursed
\$19 million	First mortgage dollars disbursed via the New Issue Bond Program, a federal stimulus program



Amal Heights



## Sustainability

### Green Commerce

Atlanta hosted the 2010 Environmental Trade Mission, which focused on: clean water and waste water treatment systems; innovative solid waste management; green and sustainable building products and practices; and clean energy products, services and technologies. ADA arranged for 20 companies from Canada, Germany, Switzerland and the U.S. to meet with pre-screened end-users and buyers from both the public and private sectors over a three-day period in Atlanta.

### Community Supported Agriculture

The Truly Living Well Natural Urban Farm, located on Wheat Street, is a four-acre farm in the middle of the city being developed by acclaimed farm-to-table advocate Rashid Nuri, president of Truly Living Well. TLW creates unique urban farms that meet the fresh food needs of families in the local community. The objective is to bring nutritionally rich, freshly picked produce to local residents through this community supported agriculture project. Upon completion in spring 2011, this revenue-producing farm will have 58 raised beds for growing vegetables, more than 150 newly planted trees and plants, a greenhouse and aquaponics. ADA assisted TLW with site selection and is working to establish an urban agriculture revolving loan fund.



Four Corners Park

Truly Living Well Natural Urban Farm

### Brownfield Remediation

ADA partnered with the city to attract nearly \$2 million in various U.S. EPA Brownfield Program grant funds that included a \$175,000 grant from the EPA for citywide brownfield planning and assessment. The ADA is using a \$500,000 loan from the EPA Brownfield Revolving Loan Fund to finance the environmental cleanup of portions of the Atlanta BeltLine East Side Trail. Other remediation projects are currently being evaluated to determine which will receive the remaining loan funds. ADA will apply in 2011 for additional revolving loan funds to expand its brownfield program.

### Parks and Trails

In 2010, ADA, in concert with the City of Atlanta, completed land acquisition for Four Corners Park, which is being expanded as an Atlanta BeltLine park. ADA acquired four additional segments of the Southwest Atlanta BeltLine Connector Trail, which will link the main Atlanta BeltLine corridor to John A. White Park. ADA also acquired greenspace that will expand the Old Adamsville Park, which has been renovated to serve as a city emergency center.

### Atlanta BeltLine

The Atlanta BeltLine is the most comprehensive economic development effort ever undertaken in the City of Atlanta and among the largest sustainable redevelopment projects in the nation. It will shape the way Atlanta and the surrounding region grow over the next several decades through significant investments in transit, trails, parks, affordable housing and long-term land use and transportation planning. In 2010 the Atlanta BeltLine completed 10 percent of the permanent trail system and opened seven miles of the Atlanta BeltLine corridor to the public as interim trails; substantially progressed construction on four major new parks that will open in 2011; and graduated the first class of the Atlanta BeltLine Greenspace Job Training program with the Atlanta Workforce Development Agency, placing nearly 30 individuals in jobs.

## Regional Partnerships

### International Business Development

Hundreds of international business leaders and heads of state from around the world came to Atlanta to attend local events that included the Sister Cities Economic Development Global Partnership Forum, the Americas Competitiveness Forum IV and the 2010 Environmental Trade Mission. Organizers included CIFAL Atlanta, the Metro Atlanta Chamber, the U.S. Department of Commerce and ADA. In addition, the Mayor's Office and ADA hosted the Bahrain Economic Development Board, which led to a signed agreement to strengthen economic ties between Atlanta and the Arabian Gulf nation of Bahrain.

### Georgia Forward

ADA is an active participant in an organized effort called Georgia Forward, which aims to bridge the many divides that separate Georgians of various backgrounds and forge a common vision for the state. Leaders throughout the state of Georgia recognize the need to come together in order to compete on the global stage. Issues addressed through this initiative include job growth, transportation, water and public education.

### Atlanta Streetcar

By working in tandem with other agencies, government groups and elected officials, Atlanta was able to win the largest Tiger II grant in the United States. The city of Atlanta was awarded a \$47 million grant by the U.S. Department of Transportation in 2010 for the construction of the Atlanta Streetcar. In helping the city create the Atlanta Urban Redevelopment Agency and closing \$23 million in Recovery Zone Economic Development Bonds, ADA helped the city identify \$10 million to commit to the Streetcar project. This significant demonstration of support for the project by the city helped win the grant.

### Multimodal Station

The Georgia Department of Transportation is the lead agency on design and construction of the long awaited multimodal passenger terminal – Atlanta's version of New York City's Grand Central Station. The station location is proposed for downtown Atlanta, and it will link several modes of transportation that travel throughout the entire state, including train, bus and mass transit. This requires regional cooperation to ensure the station will work for all transportation service providers, nearby stakeholders and users. Because the proposed station site sits within the Westside tax allocation district, ADA is taking part in the process by participating in a technical panel.

### Military Base Redevelopment

Fort McPherson, a prime piece of real estate in southwest Atlanta in the Campbellton Road tax allocation district, will close on September 15, 2011, and management, control and ownership of the facility will transfer from the U.S. Army to the McPherson Implementing Local Redevelopment Authority (MILRA). The 488-acre site will be redeveloped into a mixed-use community with a focus on bio research and technology jobs. The master plan for redevelopment has been completed. ADA partners with MILRA through a services agreement, identifying funding for redevelopment and finding new commercial tenants.



## Financial Statements

ADA is a component unit of the city of Atlanta. Below are audited financial statements for the fiscal year ending June 30, 2010, that present the combined financial data for the Atlanta Development Authority, Urban Residential Finance Authority (including all its component units) and the Downtown Development Authority. The audit was performed by Mauldin and Jenkins.

### Statement of Net Assets Proprietary Funds FY Ending June 30, 2010

<b>Assets</b>	<b>Total</b>
<b>Current assets:</b>	
Cash and cash equivalents	\$ 8,800,494
Restricted cash	9,691,551
Investment in direct financing leases with the City of Atlanta, current portion	592,098
Investment in real estate	674,413
Other receivables	757,998
Prepaid items	383,219
Due from other funds	406,839
Due from the City of Atlanta, current portion of long-term debt	840,434
Due from the City of Atlanta	190,000
Due from Atlanta Housing Opportunity, Inc. – current portion of long-term debt	1,245,114
Due from component units	115,304
Due from the U.S. Department of the Treasury	2,189,222
Total current assets	<u>25,886,686</u>
<b>Noncurrent assets:</b>	
Investment in direct financing leases with the City of Atlanta	62,799,108
Due from the City of Atlanta	18,520,000
Due from Atlanta Housing Opportunity, Inc.	30,645,389
Due from others	2,049,548
Loans receivable	4,281,837
Other receivables	10,917
Investment in real estate	1,219,862
Investment in development projects	214,397
Capital assets, nondepreciable	68,517,450
Capital assets, net of depreciation	3,939,087
Prepaid rent	2,152,083
Bond issuance costs, net of amortization	1,446,627
Advances for development costs	867,456
Advances to other funds	1,906,918
Advances to component units	264,921
Other assets	1,525
Total noncurrent assets	<u>198,837,125</u>
Total assets	<u>224,723,811</u>
<b>Liabilities</b>	
<b>Current liabilities:</b>	
Accounts payable	887,642
Bonds, notes and loans payable, current portion	10,890,901
Capital leases payable, current	85,460
Accrued interest payable	1,425,405
Line of credit payable	2,189,222
Unearned revenue	1,468,121
Pollution remediation liability, current portion	450,000
Funds held in escrow	4,889
Other payables	1,750,382
Due to other funds	406,839
Total current liabilities	<u>19,558,861</u>
<b>Noncurrent liabilities:</b>	
Capital leases payable	131,722
Line of credit payable	950,000
Unearned revenue	2,123,109
Pollution remediation liability	2,050,000
Other payables	1,017,225
Due to others	1,281,520
Advances from other funds	1,906,918
Bonds, notes and loans payable	117,768,904
Total noncurrent liabilities	<u>127,229,398</u>
Total liabilities	<u>146,788,259</u>
<b>Net Assets (Deficit)</b>	
Invested in capital assets, net of related debt	59,296,751
Restricted for debt services	7,142,080
Restricted for grant programs	9,461,639
Unrestricted	2,035,082
Total net assets	<u>\$ 77,935,552</u>

**Statement of Revenues, Expenses and Changes in Fund Net Assets  
Proprietary Funds  
FY Ending June 30, 2010**

	<b>Total</b>
Operating revenues:	
Interest income	\$ 116,367
Service, administration and loan fees	12,828,933
Developer fees	768,028
Rental income	316,382
Income received from the City of Atlanta for debt service interest payment	3,896,640
Other revenue	1,728,139
Total operating revenues	19,654,489
Operating expenses:	
Development costs	111,216
Interest on bonds, notes and loans	6,198,365
Program expenses	2,295,558
Economic development	1,904,531
Depreciation and amortization	245,835
General and administrative	7,174,772
Other	47,134
Total operating expenses	17,977,411
Operating income (loss)	1,677,078
Net payment of residual bond proceeds to the City of Atlanta	(22,364)
Transfers in	222,299
Transfers out	(222,299)
Change in net assets	1,654,714
Net assets at beginning of year	76,280,838
Net assets at end of year	\$ 77,935,552

**Statement of Cash Flows  
Proprietary Funds  
FY Ending June 30, 2010**

	<b>Total</b>
<b>Cash flows from operating activities:</b>	
Receipts from customers and grantors	\$ 9,850,337
Receipts from City of Atlanta to cover interest expense on revenue bonds issued on behalf of the City of Atlanta for Atlanta Housing Opportunity, Inc.	1,824,330
Receipts from third parties (rental income)	407,112
Receipts of funds from the City of Atlanta for debt service payment	3,896,640
Receipts of interest on loans and bank accounts	116,329
Payment to component units	(60,866)
Miscellaneous receipts	1,540,901
Receipts of developer fees	867,400
Advances paid/received from Atlanta Development Authority	-
Advances to affiliates for development costs	(867,456)
Payments from Atlanta Housing Opportunity Inc.	285,942
Payments to/from Atlanta Development Authority	-
Payments to suppliers	(3,446,150)
Payments to employees	(3,870,885)
Payments for interest	(2,486,948)
Payments for programs	(3,954,320)
Other	233,129
Net cash provided by (used in) operating activities	4,335,495

## Statement of Cash Flows (continued)

	<b>Total</b>
<b>Cash flows from noncapital financing activities:</b>	
Repayment on bond principal related to revenue bonds issued on behalf of the City of Atlanta in previous years	(6,065,000)
Funds received on direct financing lease with City of Atlanta	6,547,997
Net payment of residual bond proceeds to the City of Atlanta	(22,364)
Transfers in	222,299
Transfers out	(222,299)
Line of credit proceeds	-
Net cash provided by (used in) noncapital financing activities	460,633
<b>Cash flows from capital financing activities:</b>	
Acquisition and construction of capital assets	(562,340)
Repayment on construction loans	(986,728)
Proceeds from construction loans	948,631
Proceeds from commercial loans	1,250,000
Repayment of bonds, notes, and loan principal	(2,183,320)
Proceeds from capital leases	101,019
Principal payment for capital lease	(65,444)
Payments for interest	(2,832,369)
Net cash provided by (used in) capital financing activities	(4,330,551)
Net increase (decrease) in cash and cash equivalents	465,577
Cash and cash equivalents at beginning of year	18,026,468
Cash and cash equivalents at end of year	\$ 18,492,045
<b>Reconciliation to Statement of Net Assets:</b>	
Cash and cash equivalents	\$ 8,800,494
Restricted cash	9,691,551
	\$ 18,492,045
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>	
Operating income (loss)	\$ 1,677,078
<b>Adjustment to reconcile operating income (loss) to net cash provided by (used in) operating activities:</b>	
Depreciation and amortization	245,835
Interest payments reported in operating income (loss)	2,907,803
<b>(Increase) decrease in:</b>	
Other receivables	132,394
Advances for development costs	(867,456)
Advances to/from other funds	(334,222)
Due from others	(1,281,520)
Loans receivable	(1,706,708)
Investment in joint venture	766,858
Investment in real estate	47,000
Investment in development projects	(1,424,735)
Prepaid items	125,052
Due from Atlanta Housing Opportunity, Inc.	1,310,894
Due from the City of Atlanta	(190,000)
Due from (to) component units	(828,894)
Due from (to) other funds	505,694
Other assets	28,431
<b>Increase (decrease) in:</b>	
Accounts payable and accrued expenses	866,108
Funds held in escrow	3,774
Due to primary government	(220,134)
Due to others	1,281,520
Advance from primary government	48,662
Due to Atlanta Housing Opportunity, Inc.	-
Other payables	602,545
Unearned revenue	639,516
Net cash provided by (used in) operating activities	\$ 4,335,495
<b>Non-cash operating activities</b>	
Allowance adjustment for doubtful receivables	\$ 1,904,531
Loss on impairment	47,000
<b>Non-cash capital financing activities</b>	
Initiation of Capital leases	101,019

## Atlanta Development Authority Board of Directors

Mayor Kasim Reed  
Anna K. Foote  
Constance Barkley-Lewis  
Emma Darnell  
J. C. Love, III, Esq.  
Joseph A. Brown  
Joyce Sheperd  
Julian Bene  
LaChandra Butler Burks



The Atlanta Development Authority is the official economic development agency for the city of Atlanta. ADA represents intown Atlanta, which has a population of 541,000 and growing. ADA is a research-based economic development organization focused on residential, business and investment growth in the city. For more information about the Atlanta Development Authority, visit us online at [www.atlantada.com](http://www.atlantada.com).

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**ADA**



**Atlanta Development Authority**