

**ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA**

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT**

June 30, 2021

CERTIFIED PUBLIC ACCOUNTANTS

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**ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA**

June 30, 2021

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Report	1 – 3
Management's Discussion and Analysis (Unaudited)	4 – 8
Basic Financial Statements	
Government-wide Financial Statements:	
Statement of Net Position	9
Statement of Activities	10
Fund Financial Statements:	
Statement of Net Position – Proprietary Funds	11 - 12
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds	13
Statement of Cash Flows - Proprietary Funds	14 - 15
Component Unit Financial Statements:	
Combining Statement of Net Position – Component Units	16
Combining Statement of Activities – Component Units	17
Notes to Financial Statements	18 – 40

INDEPENDENT AUDITORS' REPORT

**The Board of Directors of
The Atlanta Development Authority, d/b/a Invest Atlanta
Atlanta, Georgia**

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **The Atlanta Development Authority, d/b/a Invest Atlanta** ("Invest Atlanta"), a component unit of the City of Atlanta, Georgia, as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Invest Atlanta's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of ADA/CAU Partners, Inc.; Imagine Downtown Managing Member 2007 QEI, LLC; and Atlanta Emerging Markets, Inc. which together represent 21%, 18% and 22%, respectively, of the assets, net position (deficit), and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for ADA/CAU Partners, Inc.; Imagine Downtown Managing Member 2007 QEI, LLC; and Atlanta Emerging Markets, Inc. is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of Invest Atlanta's discretely presented component units, ADA/CAU Partners, Inc.; Imagine Downtown Managing Member 2007 QEI, LLC; and Atlanta Emerging Markets, Inc. were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of The Atlanta Development Authority, d/b/a Invest Atlanta as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

Based on the report of other auditors, the accompanying financial statements of ADA/CAU Partners, Inc., which represents 10%, 25% and 17%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units, have been prepared assuming that ADA/CAU Partners, Inc. will continue as a going concern. As discussed in Note 11 to the financial statements, ADA/CAU Partners, Inc. has suffered recurring losses from operations that raise substantial doubt about its ability to continue as a going concern. Management's plans in regard to this matter are also described in Note 11. The financial statements of ADA/CAU Partners, Inc. do not include any adjustments that might result from the outcome of this uncertainty. Also noted in Note 11, Invest Atlanta has no responsibility to fund or contribute any monies to ADA/CAU Partners, Inc. Our opinions are not modified with respect to this matter.

Other Matters

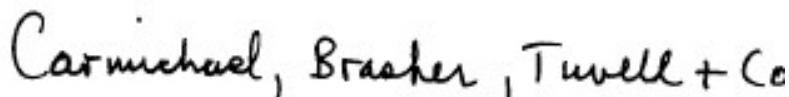
Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4-9 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2021 on our consideration of Invest Atlanta's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Invest Atlanta's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Invest Atlanta's internal control over financial reporting and compliance.

CARMICHAEL, BRASHER, TUVELL & CO, PC

A handwritten signature in black ink that reads "Carmichael, Brasher, Tuvell + Co". The script is cursive and somewhat informal.

Atlanta, Georgia
December 8, 2021

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2021

This section of The Atlanta Development Authority d/b/a Invest Atlanta's ("Invest Atlanta") annual financial report presents our discussion and analysis of Invest Atlanta's financial performance during the fiscal year ended June 30, 2021. Please read it in conjunction with the financial statements and accompanying notes.

Fiscal Year 2021 Selected Financial Highlights (Proprietary Funds)

- Invest Atlanta's current assets decreased approximately \$11.4 million. The decrease is primarily attributed to:
 - A decrease in restricted cash related to program expenses for housing and homeless opportunity projects.
- Total non-current assets decreased \$11.6 million. This is due primarily to:
 - A decrease of approximately \$9.2 million due from the City of Atlanta related to the TSPLOST bond.
- Current liabilities decreased \$5.4 million primarily due to decreases in current debt service obligations.
- Invest Atlanta's assets and deferred outflows of resources related to business-type activities exceeded its liabilities and deferred inflows of resources at the close of the fiscal year ended June 30, 2021, by approximately \$190.9 million (*net position*). Of this amount, \$114 million is invested in capital assets (net of related debt), approximately \$106 million is restricted by bond or grant agreement for programs or debt service. This results in the unrestricted net position being a negative \$29.3 million.
- The Administrative Fund is used primarily to account for the operating activities of Invest Atlanta. This Fund reports an operating loss for the fiscal year ended June 30, 2021, of \$5.1 million compared to an operating loss of approximately \$6.7 million for the fiscal year ended June 30, 2020. The change relates predominately to the intergovernmental revenue and expenses from the City of Atlanta related to the prior year bond issuances.

Overview of the Financial Statements

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of Invest Atlanta's finances, including information related to its component units.

The *statement of net position* presents information on all of Invest Atlanta's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between these reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Invest Atlanta is improving or deteriorating.

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
MANAGEMENT’S DISCUSSION AND ANALYSIS
June 30, 2021

The *statement of activities* presents information showing how Invest Atlanta’s net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements include Invest Atlanta itself (known as the *primary government*) as well as legally separate entities that are so intertwined with Invest Atlanta that they are treated as part of the primary government. These include the Urban Residential Finance Authority (“URFA”) and the Downtown Development Authority (“DDA”). In addition, the government-wide financial statements also include legally separate entities for which the Authority is financially accountable: Atlanta Belt Line, Inc. (“ABLI”); Inner City Development Corporation; ADA/CAU Partners, Inc.; Pryor Road/Lakewood, LLC; Imagine Downtown, Inc., d/b/a Atlanta Emerging Markets, Inc.; and Imagine Downtown Managing Member 2007 QEI, LLC (collectively known as *component units*). Financial information for these component units is reported separately from the financial information presented for the primary government itself. As required by the Governmental Accounting Standards Board, the presentation of the activities of URFA in these statements includes the activity and balances of its component units without distinguishing between them. The breakout of that activity can be found in separately prepared financial statements of URFA.

The government-wide financial statements can be found on pages 10 and 11 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The accompanying statements include five funds, one for each of the three intertwined entities, including Invest Atlanta, URFA, and DDA and two for Invest Atlanta’s grants and restricted programs. These funds are used to report the same functions presented as business-type activities in the government-wide financial statements, but show the activity in greater detail, presenting the activity of each of the five funds and also presenting cash flow information.

The basic proprietary fund financial statements can be found on pages 12-15 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 18-40 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of an entity’s financial position. In the case of Invest Atlanta as the primary government, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by approximately \$190.9 million at the close of fiscal year 2021.

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2021

A significant portion of Invest Atlanta's net position represents the net investments in capital assets (net of related debt). Restricted net position primarily relates to the net position created by the accumulation of resources to provide for the debt service on bonds, Invest Atlanta and URFA's participation in various loan programs as well as DDA's net position related to its debt service and net position restricted for redevelopment.

Summary of Invest Atlanta's Net Position
June 30, 2021, and June 30, 2020
Proprietary Funds

		2021		2020
Assets				
Current assets	\$	128,151,557	\$	139,564,953
Capital assets		114,313,022		108,976,596
Other non-current assets		333,643,479		350,618,930
Total Assets		576,108,058		599,160,479
Deferred outflows of resources		1,037,752		1,215,862
Liabilities				
Current liabilities		33,729,134		39,179,095
Long-term liabilities		351,643,701		376,657,150
Total liabilities		385,372,835		415,836,245
Deferred inflows of resources		781,790		883,778
Net Position				
Net investment in capital assets		114,313,022		108,028,033
Restricted		106,052,076		124,764,838
Unrestricted		(29,373,915)		(49,136,553)
Total net position	\$	190,991,183	\$	183,656,318

Invest Atlanta's total assets decreased \$23 million. The decrease is primarily attributed to debt service and housing and homeless opportunity program payments.

Invest Atlanta's total net position related to business type activities increased approximately \$7.3 million during the fiscal year ended June 30, 2021. Total net position reflects the Administrative Fund, Grants and Restricted Program Fund, Phoenix Loan Fund, and the blended component units of URFA and DDA.

**ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2021**

**Summary of Changes in Invest Atlanta's Net Position
Fiscal Years Ended June 30, 2021, and June 30, 2020
Proprietary Funds**

		2021		2020
Revenues				
Program revenues:				
Charges for services	\$	15,123,849	\$	10,934,461
Capital contributions		5,582,888		13,651,994
Operating grants		36,129,945		50,601,240
General revenues:				
Interest income		143,815		882,229
Other		5,259,678		838,613
Total revenues		62,240,175		76,908,537
Expenses:				
Economic development		54,905,312		44,357,022
Total expenses		54,905,312		44,357,022
Changes in net position		7,334,863		32,551,515
Net position, beginning of fiscal year		183,656,318		151,104,803
Net position, end of fiscal year	\$	190,991,183	\$	183,656,318

Charges for services and operating grants accounted for 88% of the total revenues of Invest Atlanta for the fiscal year ended June 30, 2021. This revenue includes income from intergovernmental agreements (primarily related to agreements to repay Invest Atlanta issued debt), development properties held, service fees, loan fees, and funding received from various sources to provide loans/grants for those programs Invest Atlanta administers (primarily as reported in the Grants and Restricted Program Fund). Additionally, during the fiscal year ended June 30, 2021, Invest Atlanta received a capital contribution of land, with a carrying value of approximately \$5.5 million, from Atlanta Belt Line Inc., a discretely presented component unit.

Revenue decreased approximately \$14.6 million from the prior fiscal year primarily due to the amount received from the City of Atlanta related to the issuance of AURA bonds (\$25 million) in 2020 plus additional revenue from the CARES Act in 2021.

Total expenses increased \$10.5 million from the prior fiscal year which is primarily related to CARES Act expenses of \$22M less a decrease in debt service expenses in 2021.

Capital Asset and Debt Administration (Primary Government)

Capital assets. The investment in capital assets includes land, buildings and improvements, furniture and equipment, and leasehold improvements. Capital asset balances of Invest Atlanta at June 30, 2021, and June 30, 2020, are as follows:

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2021

		June 30, 2021		June 30, 2020
Land	\$	113,121,911	\$	107,531,019
Buildings and improvements		745,971		745,971
Leasehold improvements		1,088,226		1,088,226
Furniture and equipment		1,510,355		1,481,170
Gross capital assets		116,466,463		110,847,386
Less: accumulated depreciation		(1,917,980)		(1,870,790)
Net Capital Assets	\$	114,548,483	\$	108,976,596

For more information on capital assets, see Note 4 to the financial statements.

Debt administration. Long term obligations of Invest Atlanta are reported in the Statement of Net Position. For the fiscal year ended June 30, 2021, activity is summarized as follows:

Primary Government	June 30, 2020	Additions	Reductions	June 30, 2021
Bonds payable, 2015 Stadium Bonds	\$211,450,000	\$-	\$(4,625,000)	\$206,825,000
Premium, 2015 Stadium Bonds	17,078,255	-	(1,137,750)	15,940,505
Bonds payable, 2017 Housing Bonds	23,545,000	-	(1,105,000)	22,440,000
Bonds payable, 2017 TSPLOST	22,000,000	-	(12,500,000)	9,500,000
Bonds Payable, 2017 A HOP	53,130,000	-	(3,675,000)	49,455,000
Bonds payable, 2010 DDA Revenue Bonds	12,175,000	-	(1,370,000)	10,805,000
Bonds Payable, 2017 DDA Revenue Bonds	13,195,000	-	(855,000)	12,340,000
Premium, 2017 DDA Revenue Bonds	1,493,235	-	(218,743)	1,274,492
Bonds payable, 2019 DDA Revenue Bonds	25,000,000	-	(1,015,000)	23,985,000
Bonds payable, 2021 Housing Bonds	-	594,300	-	594,300
Loans payable to the City of Atlanta	3,666,252	-	-	3,666,252
Total Primary government	\$382,732,742	\$594,300	\$(26,501,493)	\$356,825,549

For more information on long term debt, see Note 5 to the financial statements.

Invest Atlanta (including URFA and DDA) issues a significant amount of conduit debt. In accordance with GASB standards, conduit debt is not included in Invest Atlanta's Statement of Net Position but is disclosed in Note 6 to the financial statements. These liabilities are not included in the financial statements as they are limited obligations of Invest Atlanta (including URFA and DDA) issued on behalf of a third-party developer who is responsible for their repayment.

Requests for Information

This financial report is designed to provide a general overview of Invest Atlanta's finances. Questions concerning any of the information provided in this report, or requests for additional information, should be addressed to the Chief Financial Officer, 133 Peachtree Street, NE, Suite 2900, Atlanta, GA 30303.

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
STATEMENT OF NET POSITION
June 30, 2021

	Business-type Activities	Component Units
Assets		
Current assets:		
Cash and cash equivalents	\$ 24,536,800	\$ 13,194,635
Restricted cash and cash equivalents	89,613,044	4,535,977
Other receivables	3,519,947	7,545,309
Prepaid items	126,263	112,309
Due from other governments	-	-
Due from the BeltLine Tax Allocation District	-	-
Due from the Atlanta BeltLine Partnership	-	-
Due from component units	2,176,415	-
Due from the City of Atlanta, current portion	4,301,924	-
Due from Atlanta Housing Opportunity, Inc., current portion	3,877,163	-
Total current assets	<u>128,151,557</u>	<u>25,388,229</u>
Noncurrent assets:		
Due from the City of Atlanta	271,865,944	-
Due from Atlanta Housing Opportunity, Inc.	46,299,300	-
Loans receivable, net of allowance	4,503,029	-
Other receivable, net of allowance	3,098,882	-
Real estate held for development	-	200,869
Other assets - development projects	8,470,624	449,106
Capital assets, nondepreciable	113,114,906	220,481,840
Capital assets, net of depreciation	1,198,116	20,233,492
Advances to component units	-	11,710,027
Other assets	-	4,678,358
Total noncurrent assets	<u>448,550,801</u>	<u>257,753,691</u>
Total assets	<u>576,702,357</u>	<u>283,141,921</u>
Deferred Outflows of Resources		
Deferred loss on bond refunding	<u>1,037,752</u>	<u>-</u>
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	1,805,952	10,379,456
Bonds, notes, and loans payable, current portion	22,450,000	5,534,314
Accrued interest payable	7,212,061	4,474,085
Unearned revenue	1,755,175	1,115,381
Funds held in escrow	60,308	-
Due to primary government	-	2,176,415
Due to City of Atlanta	172,678	-
Due to Atlanta Housing Opportunity, Inc.	272,959	-
Due to the BeltLine Tax Allocation District	-	1,008,825
Other liabilities	-	11,000
Total current liabilities	<u>33,729,134</u>	<u>24,699,476</u>
Noncurrent liabilities:		
Advances from component units	-	12,106,520
Advances from the City of Atlanta Tax Allocation Districts	7,682,587	-
Loan payable to the City of Atlanta	-	24,000,000
Due to others	6,916,530	-
Accrued rent	891,426	731,367
Unearned revenue	2,371,908	3,546,344
Bonds, notes and loans payable	334,375,549	74,052,026
Total noncurrent liabilities	<u>352,238,001</u>	<u>114,436,257</u>
Total liabilities	<u>385,967,135</u>	<u>139,135,733</u>
Deferred Inflows of Resources		
Deferred gain on bond refunding	<u>781,790</u>	<u>-</u>
Net Position		
Net investment in capital assets	114,313,022	135,053,178
Restricted for debt service	31,110,159	4,473,436
Restricted for programs	74,941,917	-
Unrestricted (deficit)	(29,373,915)	4,479,574
Total net position	<u>\$ 190,991,183</u>	<u>\$ 144,006,188</u>

See the accompanying notes to the financial statements.

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
STATEMENT OF ACTIVITIES
June 30, 2021

	Program Revenues				Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Capital Grants and Contributions	Operating Grants and Contributions	Business-type Activities	Component Units
Functions/Programs:						
Primary government:						
Business-type activities:						
Economic development	\$ 54,905,312	\$ 15,123,849	\$ 5,582,888	\$ 36,129,945	\$ 1,931,370	
Total primary government activities	<u>\$ 54,905,312</u>	<u>\$ 15,123,849</u>	<u>\$ 5,582,888</u>	<u>\$ 36,129,945</u>	<u>1,931,370</u>	
Component units:						
Inner City Development Corporation	\$ 646	\$ -	\$ -	\$ -		\$ (646)
Atlanta BeltLine, Inc.	16,295,403	600,627	34,882,573	10,769,621		29,957,418
ADA/CAU Partners, Inc.	9,942,986	701,315	-	-		(9,241,671)
Pryor Road/Lakewood, LLC	-	-	-	-		-
Imagine Downtown Managing Member						
2007 QEI, LLC	176,443	1,933,507	-	-		1,757,064
Atlanta Emerging Markets, Inc.	1,022,849	9,568	-	-		(1,013,281)
Total component unit activities	<u>\$ 27,438,327</u>	<u>\$ 3,245,017</u>	<u>\$ 34,882,573</u>	<u>\$ 10,769,621</u>		<u>21,458,884</u>
General revenues:						
Interest income					143,815	165,847
Miscellaneous revenue					<u>5,259,678</u>	<u>981,236</u>
Total general revenues					<u>5,403,493</u>	<u>1,147,083</u>
Change in net position					7,334,863	22,605,967
Dividends						(100,000)
Net position – beginning of fiscal year					<u>183,656,318</u>	<u>121,500,222</u>
Net position – ending of fiscal year					<u>\$ 190,991,183</u>	<u>\$ 144,006,188</u>

See the accompanying notes to the financial statements.

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
June 30, 2021

	Business-type Activities - Enterprise Funds						
						Nonmajor Fund	
	Administrative Fund	Grants and Restricted Program Fund	Cares Assistance & Economic Relief	Urban Residential Finance Authority	Downtown Development Authority	Phoenix Loan Fund	Total
Assets							
Current assets:							
Cash and cash equivalents	\$ 3,322,941	\$ 7,482,451	\$ -	\$ 8,698,257	\$ 4,880,560	\$ 152,592	\$ 24,536,800
Restricted cash and cash equivalents	62,975,203	-	-	2,523,362	24,114,478	-	89,613,044
Other receivables	2,286,029	-	-	1,233,918	-	-	3,519,947
Prepaid items	121,826	-	-	4,437	-	-	126,263
Due from other funds	249,204	204,684	-	-	41,422	-	495,310
Due from component units	2,176,415	-	-	-	-	-	2,176,415
Due from the City of Atlanta, current portion	1,182,462	-	-	-	3,119,462	-	4,301,924
Due from Atlanta Housing Opportunity, Inc., current portion	-	-	-	-	-	-	-
	-	-	-	3,877,163	-	-	3,877,163
Total current assets	72,314,081	7,687,134	-	16,337,137	32,155,923	152,592	128,646,867
Noncurrent assets:							
Due from the City of Atlanta	227,755,830	-	-	-	44,110,114	-	271,865,944
Due from Atlanta Housing Opportunity, Inc.	-	-	-	46,299,300	-	-	46,299,300
Loans receivable, net of allowance	-	1,324,396	-	2,618,169	-	560,464	4,503,029
Other receivables, net of allowance	-	1,290,150	-	1,808,732	-	-	3,098,882
Other assets - development projects	8,457,007	-	-	13,617	-	-	8,470,624
Capital assets, nondepreciable	113,114,906	-	-	-	-	-	113,114,906
Capital assets, net of depreciation	680,601	-	-	517,515	-	-	1,198,116
Advances to other funds	1,501,088	532,626	-	-	-	-	2,033,715
Total noncurrent assets	351,509,433	3,147,172	-	51,257,333	44,110,114	560,464	450,584,515
Total assets	423,823,513	10,834,307	-	67,594,470	76,266,037	713,056	579,231,382
Deferred Outflows of Resources							
Deferred loss on bond refunding	-	-	-	-	1,037,752	-	1,037,752

See the accompanying notes to the financial statements.

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
June 30, 2021

Liabilities							
Current liabilities:							
Accounts payable	708,589	34,229	-	190,099	203,087	891	1,136,894
Bonds, notes, and loans payable, current portion	15,390,000	-	-	3,750,000	3,310,000	-	22,450,000
Accrued interest payable	6,694,495	-	-	127,163	390,402	-	7,212,061
Accrued liabilities	669,058	-	-	-	-	-	669,058
Unearned revenue	1,324	-	-	1,753,851	-	-	1,755,175
Funds held in escrow	51,600	-	-	8,708	-	-	60,308
Due to other funds	204,684	17,657	-	272,969	-	-	495,310
Due to Atlanta Housing Opportunity, Inc.	-	-	-	272,959	-	-	272,959
Due to City of Atlanta	159,673	-	-	13,006	-	-	172,678
Total current liabilities	23,879,422	51,886	-	6,388,756	3,903,489	891	34,224,444
Noncurrent liabilities:							
Accrued rent	891,426	-	-	-	-	-	891,426
Unearned revenue	2,371,908	-	-	-	-	-	2,371,908
Due to others	-	-	-	6,916,530	-	-	6,916,530
Advances from the City of Atlanta Tax Allocation Districts	7,682,587	-	-	-	-	-	7,682,587
Advances from other funds	532,626	-	-	-	1,501,088	-	2,033,715
Bonds, notes, and loans payable	242,981,757	-	-	46,299,300	45,094,492	-	334,375,549
Total noncurrent liabilities	254,460,305	-	-	53,215,830	46,595,580	-	354,271,716
Total liabilities	278,339,727	51,886	-	59,604,587	50,499,069	891	388,496,160
Deferred Inflows of Resources							
Deferred gain on bond refunding	-	-	-	781,790	-	-	781,790
Net Position							
Net investment in capital assets	113,795,507	-	-	517,515	-	-	114,313,022
Restricted for debt service	31,110,159	-	-	-	-	-	31,110,159
Restricted for programs	31,865,044	10,782,421	-	7,467,809	24,114,478	712,164	74,941,917
Unrestricted (deficit)	(31,286,924)	-	-	(777,231)	2,690,241	-	(29,373,915)
Total net position	\$ 145,483,786	\$ 10,782,421	\$ -	\$ 7,208,093	\$ 26,804,719	\$ 712,164	\$ 190,991,183

See the accompanying notes to the financial statements.

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION- PROPRIETARY FUNDS
June 30, 2021

	Business-type Activities - Enterprise Funds					Nonmajor Fund	
	Administrative Fund	Grants and Restricted Program Fund	Cares Assistance & Economic Relief	Urban Residential Finance Authority	Downtown Development Authority	Phoenix Loan Fund	Total
Operating revenues:							
Service, administration, and loan fees	\$ 7,729,218	\$ 3,587,683	\$ -	\$ 3,791,626	\$ -	\$ 7,294	\$ 15,115,821
Developer fees	-	-	-	-	-	-	-
Rental income	-	-	-	8,029	-	-	8,029
Income received from others for debt service payments	7,600,847	-	-	1,555,190	1,924,065	-	11,080,102
Intergovernmental revenue	3,049,843	-	22,000,000	-	-	-	25,049,843
Other revenue	33,337	18,818	-	540,857	4,666,666	-	5,259,678
Total operating revenues	18,413,244	3,606,501	22,000,000	5,895,702	6,590,731	7,294	56,513,473
Operating expenses:							
Interest on bonds, notes, and loans	10,238,076	-	-	1,555,190	1,801,565	-	13,594,831
Program expenses	-	686,901	19,899,989	-	1,511,043	7,952	22,105,884
Economic development	21,991	-	-	461,014	-	-	483,005
Intergovernmental - transportation	645,070	-	-	-	-	-	645,070
Intergovernmental - stadium	-	-	-	-	-	-	-
Depreciation and amortization	256,994	-	-	-	-	-	256,994
General and administrative	12,435,313	121,112	2,100,011	3,122,295	37,551	3,245	17,819,527
Total operating expenses	23,597,445	808,012	22,000,000	5,138,499	3,350,159	11,197	54,905,312
Operating income (loss)	(5,184,200)	2,798,489	-	757,203	3,240,572	(3,903)	1,608,161
Non-operating revenues (expenses):							
Interest income	132,134	11,472	-	-	209	-	143,815
Total non-operating operating revenues	132,134	11,472	-	-	209	-	143,815
Capital contribution	5,582,888	-	-	-	-	-	5,582,888
Change in net position	530,821	2,809,961	-	757,203	3,240,781	(3,903)	7,334,863
Net position (deficit) at beginning of fiscal year	144,952,965	7,972,459	-	6,450,890	23,563,938	716,068	183,656,318
Net position at end of fiscal year	\$ 145,483,786	\$ 10,782,421	\$ -	\$ 7,208,093	\$ 26,804,719	\$ 712,164	\$ 190,991,183

See the accompanying notes to the financial statements.

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS
June 30, 2021

	Business-type Activities - Enterprise Funds						Total
	Administrative Fund	Grants and Restricted Program Fund	Cares Assistance & Economic Relief	Urban Residential Finance Authority	Downtown Development Authority	Phoenix Loan Fund - Nonmajor Fund	
Cash flows from operating activities:							
Receipts from customers and grantors	\$ 6,161,961	\$ 2,475,233	\$ -	\$ 4,503,858	\$ 8,182,596	\$ -	\$ 21,323,647
Receipts from third parties (rental income)	-	-	-	-	-	-	-
Receipts from other governments	10,510,594	-	22,000,000	-	-	-	32,510,594
Receipts of interest on loans	-	-	-	8,029	203,087	7,294	218,409
Miscellaneous receipts	33,337	18,818	-	540,857	-	-	593,012
Receipts of developer fees	-	-	-	-	-	-	-
Payments to/from other funds	(2,059,245)	(19,363)	-	200,884	(41,422)	-	(1,919,147)
Payments to suppliers	(6,731,490)	-	(1,827,545)	(3,033,088)	(11,551)	-	(11,603,674)
Payments to employees	(5,599,177)	-	(272,466)	-	-	-	(5,871,643)
Payments for programs	(667,062)	(802,244)	(19,899,989)	(460,968)	(1,551,675)	81,519	(23,300,418)
Net cash provided by (used in) operating activities	1,648,919	1,672,444	-	1,759,571	6,781,035	88,813	11,950,781
Cash flows from noncapital financing activities:							
Receipts from the City of Atlanta to cover debt service on revenue bonds issued on behalf of the City of Atlanta	7,600,847	-	-	4,641,737	2,047,313	-	14,289,897
Proceeds from issuance of bonds	-	-	-	594,300	-	-	594,300
Paid bond issuance costs	-	-	-	-	(26,000)	-	(26,000)
Payment of bond proceeds to AHOI for programs	-	-	-	(3,675,000)	-	-	(3,675,000)
Payments for interest	(10,339,664)	-	-	(1,561,036)	(1,802,063)	-	(13,702,763)
Repayment on bond principal related to revenue bonds issued on behalf of the City of Atlanta	(19,367,750)	-	-	-	(3,458,743)	-	(22,826,493)
Repayment of advances to other funds	10,936	(16,435)	-	-	5,500	-	-
Repayment of advances to the City of Atlanta	-	-	-	-	-	-	-
Tax Allocation Districts	13,951	-	-	-	-	-	13,951
Net cash provided by (used in) noncapital financing activities	(22,081,680)	(16,435)	-	0	(3,233,993)	-	(25,332,108)
Cash flows from capital financing activities:							
Purchase of capital assets	(29,185)	-	-	-	-	-	(29,185)
Net cash used in capital financing activities	(29,185)	-	-	-	-	-	(29,185)
Cash flows from investing activities:							
Receipts of interest on bank accounts	132,134	11,474	-	-	209	-	143,817
Net cash provided by investing activities	132,134	11,474	-	-	209	-	143,817
Net increase (decrease) in cash and cash equivalents	(20,329,813)	1,667,483	-	1,759,571	3,547,251	88,813	(13,266,695)
Cash and cash equivalents at beginning of fiscal year	86,627,957	5,814,967	-	9,462,048	25,447,787	63,779	127,416,538
Cash and cash equivalents at end of fiscal year	\$ 66,298,144	\$ 7,482,450	\$ -	\$ 11,221,619	\$ 28,995,038	\$ 152,592	\$ 114,149,843
Reconciliation to Statement of Net Position:							
Cash and cash equivalents	\$ 3,322,941	\$ 7,482,451	\$ -	\$ 8,698,257	\$ 4,880,560	\$ 152,592	\$ 24,536,800
Restricted cash and cash equivalents	62,975,203	-	-	2,523,362	24,114,478	-	89,613,044
	\$ 66,298,144	\$ 7,482,451	\$ -	\$ 11,221,619	\$ 28,995,038	\$ 152,592	\$ 114,149,844

See the accompanying notes to the financial statements.

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS
June 30, 2021

Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:								
Operating income (loss)	\$ (5,184,200)	\$ 2,798,489	\$ -	\$ 757,203	\$ 3,240,572	\$ (3,903)	\$ 1,608,161	
Adjustment to reconcile operating income (loss) to net cash provided by (used in) operating activities:								
Depreciation and amortization expenses, net	256,994	-	-	(83,336)	(40,632)	-	133,026	
Interest receipts reported in operating income (loss)	(7,600,847)	-	-	(1,555,190)	-	-	(9,156,037)	
Interest payments reported in operating income (loss)	10,238,076	-	-	1,555,190	1,801,565	-	13,594,831	
Receipts for debt service reported in operating income (loss)	-	-	-	-	(1,924,065)	-	(1,924,065)	
Bond issuance costs reported in operating income (loss)	-	-	-	-	26,000	-	26,000	
(Increase) decrease in:								
Other receivables	(351,588)	156,286	-	214,440	-	-	19,138	
Loans receivable	-	335,213	-	26,583	-	94,323	456,119	
Other assets - development projects	-	-	-	46	-	-	46	
Prepaid items and other assets	79,141	(1,290,150)	-	(3,624)	-	-	(1,214,632)	
Due from (to) other funds	(2,059,245)	(19,363)	-	200,884	(41,422)	-	(1,919,147)	
Due from (to) the City of Atlanta	7,460,752	-	-	-	3,515,930	-	10,976,682	
Increase (decrease) in:								
Accounts payable and accrued expenses	42,797	5,769	-	164,113	203,087	(1,607)	414,158	
Funds held in escrow	-	-	-	(749)	-	-	(749)	
Accrued rent	(166,972)	-	-	-	-	-	(166,972)	
Other payables	(17,292)	-	-	12,053	-	-	(5,239)	
Unearned revenue	(1,048,696)	(313,799)	-	471,957	-	-	(890,538)	
Net cash provided by (used in) operating activities	<u>\$ 1,648,919</u>	<u>\$ 1,672,444</u>	<u>\$ -</u>	<u>\$ 1,759,571</u>	<u>\$ 6,781,035</u>	<u>\$ 88,813</u>	<u>\$ 11,950,782</u>	
Non-cash capital financing activities:								
Capital contribution	\$ 5,582,888	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,582,888	

See the accompanying notes to the financial statements.

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
COMBINING STATEMENT OF NET POSITION – COMPONENT UNITS
June 30, 2021

	Inner City Development Corporation	Atlanta BeltLine, Inc.	ADA/CAU Partners, Inc.	Pryor Road/ Lakewood, LLC	Atlanta Emerging Markets Managing Member, LLC	Atlanta Emerging Markets, Inc.	Total Component Units
Assets							
Current assets:							
Cash and cash equivalents	\$ 165,566	\$ 3,626,978	\$ 57,307	\$ -	\$ 7,263,912	\$ 2,080,872	\$ 13,194,635
Restricted cash and cash equivalents	-	4,473,436	62,541	-	-	-	4,535,977
Prepaid items	-	82,767	29,542	-	-	-	112,309
Accounts receivable	-	6,875,885	7,391	-	209,796	452,237	7,545,309
Due from other governments	-	-	-	-	-	-	-
Due from the Atlanta BeltLine Partnership	-	-	-	-	-	-	-
Due from the City of Atlanta	-	-	-	-	-	-	-
Due from the BeltLine Tax Allocation District	-	-	-	-	-	-	-
Total current assets	165,566	15,059,066	156,781	-	7,473,708	2,533,109	25,388,229
Noncurrent assets:							
Capital assets, nondepreciable	-	220,481,840	-	-	-	-	220,481,840
Capital assets, net of depreciation	-	851,437	19,382,055	-	-	-	20,233,492
Real estate held for development	200,869	-	-	-	-	-	200,869
Other assets - development projects	-	-	-	-	17,776	431,330	449,106
Advances to component units	-	-	-	-	11,710,027	-	11,710,027
Other assets	-	-	2,045	-	-	4,676,313	4,678,358
Total noncurrent assets	200,869	221,333,277	19,384,100	-	11,727,803	5,107,643	257,753,691
Total assets	366,434	236,392,343	19,540,881	-	19,201,511	7,640,752	283,141,921
Liabilities							
Current liabilities:							
Accounts payable and accrued liabilities	-	8,720,469	1,214,902	-	168,530	275,555	10,379,456
Bonds, notes, and loans payable, current portion	-	4,139,314	1,395,000	-	-	-	5,534,314
Accrued interest payable	-	-	4,474,085	-	-	-	4,474,085
Unearned revenue	-	-	-	-	1,115,381	-	1,115,381
Due to the BeltLine Tax Allocation District	-	1,008,825	-	-	-	-	1,008,825
Due to the primary government	601	2,175,814	-	-	-	-	2,176,415
Other liabilities	-	11,000	-	-	-	-	11,000
Total current liabilities	601	16,055,422	7,083,987	-	1,283,911	275,555	24,699,476
Noncurrent liabilities:							
Advances from component units	-	-	-	-	-	12,106,520	12,106,520
Loan payable to the City of Atlanta	-	24,000,000	-	-	-	-	24,000,000
Bonds, notes and loans payable	-	22,823,369	51,128,657	-	-	100,000	74,052,026
Accrued rent	-	731,367	-	-	-	-	731,367
Unearned revenue, long term	-	112,736	-	-	3,433,608	-	3,546,344
Total noncurrent liabilities	-	47,667,472	51,128,657	-	3,433,608	12,206,520	114,436,257
Total liabilities	601	63,722,894	58,212,644	-	4,717,519	12,482,075	139,135,733
Net Position (Deficit)							
Net investment in capital assets	-	168,194,780	(33,141,602)	-	-	-	135,053,178
Restricted for debt service	-	4,473,436	-	-	-	-	4,473,436
Unrestricted (deficit)	365,833	1,233	(5,530,161)	-	14,483,992	(4,841,323)	4,479,574
Total net position (deficit)	\$ 365,833	\$ 172,669,449	\$ (38,671,763)	\$ -	\$ 14,483,992	\$ (4,841,323)	\$ 144,006,188

See the accompanying notes to the financial statements.

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
COMBINING STATEMENT OF ACTIVITIES – COMPONENT UNITS
June 30, 2021

	Program Revenues				Net (Expense) Revenue and Changes in Net Position						
	Expenses	Charges for Services	Capital Grants and Contributions	Operating Grants and Contributions	Inner City Development Corporation	Atlanta BeltLine, Inc.	ADA/CAU Partners, Inc.	Pryor Road/Lakewood, LLC	Atlanta Emerging Markets Managing Member, LLC	Atlanta Emerging Markets, Inc.	Total Component Units
Functions/ Programs:											
Component units:											
Inner City Development Corporation	\$ 646	\$ -	\$ -	\$ -	\$ (646)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (646)
Atlanta BeltLine, Inc.	16,295,403	600,627	34,882,573	10,769,621	-	29,957,418	-	-	-	-	29,957,418
ADA/CAU Partners, Inc.	9,942,986	701,315	-	-	-	-	(9,241,671)	-	-	-	(9,241,671)
Pryor Road/Lakewood, LLC	-	-	-	-	-	-	-	-	-	-	-
Atlanta Emerging Markets Managing Member, LLC	176,443	1,933,507	-	-	-	-	-	-	1,757,064	-	1,757,064
Atlanta Emerging Markets, Inc.	1,022,849	9,568	-	-	-	-	-	-	-	(1,013,281)	(1,013,281)
Total component unit activities	<u>\$ 27,438,327</u>	<u>\$ 3,245,017</u>	<u>\$ 34,882,573</u>	<u>\$ 10,769,621</u>	<u>(646)</u>	<u>29,957,418</u>	<u>(9,241,671)</u>	<u>-</u>	<u>1,757,064</u>	<u>(1,013,281)</u>	<u>21,458,884</u>
General revenues:											
Forgiveness of debt							981,236				981,236
Interest income					-	19,463	-	-	793	145,591	165,847
Total general revenues					-	19,463	981,236	-	793	145,591	1,147,083
Changes in net position					(646)	29,976,881	(8,260,435)	-	1,757,857	(867,690)	22,605,967
Dividends					-	-	-	-	-	(100,000)	(100,000)
Net position (deficit) – beginning of fiscal year					366,480	142,692,568	(30,411,328)	-	12,726,135	(3,873,633)	121,500,222
Net position (deficit) – ending of fiscal year					<u>\$ 365,833</u>	<u>\$ 172,669,449</u>	<u>\$ (38,671,763)</u>	<u>\$ -</u>	<u>\$ 14,483,992</u>	<u>\$ (4,841,323)</u>	<u>\$ 144,006,188</u>

See the accompanying notes to the financial statements.

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

(1) Summary of Significant Accounting Policies

(a) The Financial Reporting Entity

In 1997, the Atlanta Development Authority was created by the City of Atlanta, Georgia (the “City”) as the official economic development agency for the City. The Atlanta Development Authority is currently doing business under the name Invest Atlanta (“Invest Atlanta”). Invest Atlanta is comprised of a combination of several economic development and financing entities which have been included in Invest Atlanta’s financial statements as blended component units in conformity with accounting principles generally accepted in the United States of America, as set forth in Governmental Accounting Standards Board (“GASB”) Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*:

The Urban Residential Finance Authority (“URFA”) of the City of Atlanta, Georgia was created pursuant to the Urban Residential Finance Authorities Act for Large Municipalities and commenced activities in 1979. Within the City of Atlanta, URFA is authorized to assist in providing financing for the construction or rehabilitation of single-family and multi-family residential housing and to provide funds to be used as down payment assistance for families within certain income limitations. URFA’s Board of Directors is substantially the same as the Board of Directors of Invest Atlanta and it has a financial benefit and burden relationship with Invest Atlanta. As a result, URFA is a blended component unit of Invest Atlanta. URFA financial statements also include Lakewood Hills, Inc.; GP URFA Sexton, Inc.; Sylvan Hills Development LLC; and Toby Sexton Development, LLC. Each of the preceding entities is a discretely presented component unit of URFA and each has a year ending December 31. Balances for each of the discretely presented component units of URFA are shown in this report as of their year ending date.

The Downtown Development Authority (“DDA”) was created to promote the revitalization and redevelopment of the City by financing projects that will promote the general welfare of the City of Atlanta and provide trade, commerce, industry, and employment opportunities within the City. DDA’s Board of Directors is substantially the same as the Board of Directors of Invest Atlanta and it has a financial benefit and burden relationship with Invest Atlanta. As a result, DDA is a blended component unit of Invest Atlanta. DDA financial statements also include the Atlanta Urban Redevelopment Agency (“AURA”) which was created to issue Recovery Zone Economic Development Bonds and with those bond proceeds, provide financing for certain economic development projects within the Atlanta Urban Redevelopment Area as determined by the City of Atlanta. AURA is considered to be a blended component unit of DDA as the governing body for both DDA and the AURA are identical.

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

(a) *The Financial Reporting Entity (Continued)*

The component unit column in the government-wide financial statements includes the Inner City Development Corporation; Atlanta BeltLine Inc.; ADA/CAU Partners, Inc.; Pryor Road/Lakewood, LLC; Imagine Downtown Managing Member 2007 QEI, LLC; and Imagine Downtown, Inc., d/b/a Atlanta Emerging Markets, Inc. They are each reported in a separate column to emphasize they are legally separate from Invest Atlanta. Each of these component units is accounted for using the guidance applicable to proprietary funds.

The Inner City Development Corporation (“ICDC”) was created to acquire land and develop the Historic Westside Village area. The Board of Directors of ICDC is appointed by the Board of Directors of Invest Atlanta and the assets of ICDC are legally entitled to revert to Invest Atlanta. ICDC and its component unit have a December 31 year-end.

Atlanta Belt Line, Inc. (“ABI”) was incorporated in 2006 to act as implementation agent for Invest Atlanta with respect to the Atlanta Belt Line Project (the “Belt Line”). The majority of ABI’s Board of Directors are appointed by Invest Atlanta and it has a financial benefit and burden relationship with Invest Atlanta. ABI includes its component units, Chester Avenue Lofts, LLC and Green Miles Investment, LLC.

ADA/CAU Partners, Inc. was created to construct college dormitories on the campus of Clark Atlanta University. The Board of Directors of ADA/CAU Partners, Inc. is appointed by the Board of Directors of Invest Atlanta, who can also impose their will on the ADA/CAU Partners, Inc. by removal of board members at any time. This entity follows the accounting standards promulgated by the Financial Accounting Standards Board.

Pryor Road/Lakewood, LLC is wholly owned by Invest Atlanta and was created to purchase and develop real property along Pryor Road in Atlanta. As the sole member of the limited liability corporation, Invest Atlanta controls the activity of Pryor Road/Lakewood, LLC. Pryor Road/Lakewood, LLC has a December 31 year-end.

Imagine Downtown Managing Member 2007 QEI, LLC (“IDMM”), is a Georgia limited liability company that was formed to serve directly, or indirectly, as a manager and member of Imagine Downtown, Inc.’s (“IDI”) assemblage of entities which include IDI 1-2007, 2-2007, and 3-2007 Managing Member, LLC. IDMM was formed to serve directly, or indirectly, as a manager and member of each of the IDI entities, which are subsidiary qualified Community Development Entities (“subsidiary CDE”). Invest Atlanta owns 100% of Imagine Downtown Managing Member 2007 QEI, LLC and Imagine Downtown Managing Member 2007 QEI, LLC owns 100% of each IDI entity. As the sole member of the limited liability corporation, Invest Atlanta controls the activity of IDMM, which has a December 31 year-end.

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

(a) The Financial Reporting Entity (Continued)

Imagine Downtown, Inc., d/b/a Atlanta Emerging Markets, Inc. was created in 2005 to serve and provide investment capital for low-income communities or low-income persons. Imagine Downtown, Inc., d/b/a Atlanta Emerging Markets, Inc.'s primary activity is making qualified loans to, or qualified investments in, active low-income businesses. As the sole owner of Imagine Downtown, Inc., Invest Atlanta controls the activity of Imagine Downtown, Inc. which has a December 31 year-end.

Separate financial statements or financial information on these component units may be obtained from the Chief Financial Officer, Invest Atlanta at 133 Peachtree Street, NE, Suite 2900, Atlanta, GA 30303. Management has considered the criteria set forth in Governmental Accounting Standards Board (GASB) Codification of Governmental Accounting and Financial Reporting Standards, Section 2100, *Defining the Financial Reporting Entity*. Based upon the application of the above criteria, the City of Atlanta, Georgia has determined Invest Atlanta to be a component unit of the City.

(b) Government-wide and Fund Financial Statements, Measurement Focus, and Basis of Accounting

Invest Atlanta presents government-wide financial statements which are prepared using the accrual basis of accounting and the economic resources measurement focus. Government-wide financial statements (i.e. the statement of net position and the statement of activities) do not provide information by fund. Net position in the statement of net position is distinguished between amounts invested in capital assets (net of any related debt), amounts that are restricted for use by third parties or outside requirements, and amounts that are unrestricted.

The statement of activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers who purchase, use, or benefit from the services provided by a given function or segment and include interest income on loans provided for economic development and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Unrestricted interest income on investments and other items not properly included among program revenues are reported as general revenues.

In addition to the government-wide financial statements, Invest Atlanta has prepared separate financial statements for proprietary funds. These fund financial statements also use the accrual basis of accounting and the economic resources measurement focus.

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

(b) Government-wide and Fund Financial Statements, Measurement Focus, and Basis of Accounting (continued)

Under the economic resources measurement focus and the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Interest income and service, administration, and loan fees are recognized as revenue when earned regardless of when the cash is received. Grants and similar intergovernmental items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Expenses are recorded when a liability is incurred.

(c) Financial Statement Presentation

Invest Atlanta reports the following major enterprise funds:

Administrative Fund – This fund is used to account for all economic development and administrative activity of Invest Atlanta except those financed with grants. This fund includes all personnel, office, and administrative costs of Invest Atlanta.

Grants and Restricted Program Fund – This fund is used to account for most activity of Invest Atlanta that is restricted for grant activities.

CARES Act Fund- This fund is used for all Federal CARES Act activity of Invest Atlanta.

Urban Residential Finance Authority – These statements are used to account for all economic development activity of the blended component unit - URFA.

Downtown Development Authority – These statements are used to account for all economic development activity of the blended component unit - DDA.

Invest Atlanta reports the following non-major enterprise funds:

Phoenix Loan Fund- This fund is used to account for activity of Invest Atlanta that is restricted for the Phoenix Loan Program.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements.

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

(c) Financial Statement Presentation (Continued)

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the proprietary fund's principal ongoing operations. The principal operating revenue of each of Invest Atlanta's enterprise funds is interest income on loans outstanding; service, administration, and loan fees; and other activity surrounding economic development within the City including the development of property. Operating expenses for the enterprise funds include direct general and administrative expenses of administering the economic development programs. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is Invest Atlanta's policy to use restricted resources first, then unrestricted resources as they are needed.

(d) Cash, Cash Equivalents, and Investments

For the purposes of the statement of cash flows, Invest Atlanta considers the following to be cash equivalents: all short-term investment securities with original maturities of three months or less, local government investment pools, repurchase agreements, money market accounts, and investment agreements under which funds can be withdrawn at any time without penalty. State statutes authorize Invest Atlanta to invest in obligations of any state; obligations of any political subdivision of any state; certificates of deposit or time deposits of any national state bank or savings and loan which have deposits insured by the FDIC or FSLIC; prime bankers acceptances; repurchase agreements; and the Local Government Investment Pool of the State of Georgia ("Georgia Fund 1"). Certain proceeds of revenue bonds, as well as certain resources set aside for their repayment or other specific purposes are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants or by the purpose of certain agreements with other parties.

(e) Loans Receivable

Loans receivable are stated at their unpaid principal balance, less any loan discounts. The discounts are amortized using a method approximating a level yield over the estimated average life of the loans.

(f) Real Estate Held for Development

Real estate held for development consist of property stated at aggregate cost. Cost includes the purchase price of the land and development costs.

(g) Other Assets - Development Projects

Other assets - development projects represent Invest Atlanta's acquisition and improvement of properties in anticipation of either private or public development of the property. These are recorded at cost.

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

(h) Capital Assets

Capital assets are stated at cost. Depreciation on capital assets is calculated on the straight-line method over the estimated useful lives as follows:

Leasehold improvements	29 years
Furniture and Equipment	3-5 years
Building and improvements	40 years

(i) Income Taxes

Invest Atlanta's income is exempt from federal income taxes pursuant to Section 115 of the Internal Revenue Code.

(j) Deferred Outflows of Resources and Deferred Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense) until then. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until then. The Authority has one type of deferred outflow and deferred inflow, a deferred charge on refunding resulting from the difference in carrying value of the refunded debt and its reacquisition price. This deferred gain or loss will be amortized over the shorter life of the refunded or refunding bonds.

(k) Cost Allocations

The Administrative Fund pays most administrative costs, primarily personnel and related costs, for the blended component units, primarily URFA. These reimbursements to the Administrative Fund are considered expenses of the reimbursing fund and reductions of expenses of the Administrative Fund.

(l) Use of Estimates

In the normal course of business, Invest Atlanta management has made a number of estimates and assumptions relating to the reporting of assets, deferred outflows of resources, liabilities, and the deferred inflows of resources, the disclosure of contingent assets and liabilities and the reported amounts of revenues and expenses to prepare the financial statements in conformity with accounting principles generally accepted in the United States of America. Actual results could differ from these estimates.

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

(2) Deposits and Investments

Credit Risk. Invest Atlanta is authorized to invest in obligations or investments as determined by its Board of Directors, subject to any agreement with bondholders and with applicable law. State statutes authorize Invest Atlanta to invest in obligations of any state; obligations of any political subdivision of any state; certificates of deposit or time deposits of any national state bank or savings and loan which have deposits insured by the FDIC or FSLIC; prime banker's acceptances; repurchase agreements; and the Local Government Investment Pool of the State of Georgia ("Georgia Fund 1"). As of June 30, 2021, Invest Atlanta's investment in the Morgan Stanley Treasury, Government Advisory, and Government Services Mutual Funds were rated AAAM and the Wells Fargo Treasury Money Market Fund and Fidelity Money Market Treasury Mutual Funds were both also rated AAAM.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates may adversely affect an investment's fair value. Since the price of a bond fluctuates with market interest rates, the risk that an investor faces is that the price of the bonds in a portfolio will decline if market interest rates rise. At June 30, 2021, interest rate risk is reported in the following table as "Weighted Average Maturity (WAM)" for each of the applicable investment classifications.

At June 30, 2021, Invest Atlanta had the following investments, which are classified as cash equivalents:

Investment	WAM	Fair Value
Morgan Stanley Treasury Advisory Mutual Fund	32 days	\$4,714,448
Morgan Stanley Government Advisory Mutual Fund	33 days	27,908,363
Morgan Stanley Government Serv. Mutual Fund	33 days	15,582,325
Wells Fargo Treasury Money Market Fund	45 days	10,202,689
Fidelity Money Mkt Treasury Portfolio Mutual Fund - Class I	40 days	890,949
Total		\$59,298,774

Fair Value Measurements. Invest Atlanta categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. Invest Atlanta has the following recurring fair value measurements as of June 30, 2021:

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

(2) Deposits and Investments (Continued)

Investment	Level 1			Fair Value
Morgan Stanley Treasury Advisory Mutual Fund	\$4,714,448	\$ -	\$ -	\$4,714,448
Morgan Stanley Government Advisory Mutual Fund	27,908,363	-	-	27,908,363
Morgan Stanley Government Serv. Mutual Fund	15,582,325	-	-	15,582,325
Wells Fargo Treasury Money Market Fund	10,202,689	-	-	10,202,689
Fidelity Money Mkt Treasury Portfolio Mutual Fund - Class I	890,949	-	-	890,949
Total	\$59,298,774	\$ -	\$ -	\$59,298,774

The mutual funds classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those investments.

Custodial Credit Risk-Deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. Government, or bonds of public authorities, counties, or municipalities or for financial institutions to participate in the state sponsored secure deposit collateral program. As of June 30, 2021, Invest Atlanta had no bank balances exposed to custodial credit risk.

(3) Intergovernmental Receivable with the City of Atlanta

The Government Center Parking Deck was placed into operation in January 2008. The land and related building of the parking deck was leased to the City of Atlanta in a lease that qualified as a capital lease. The lease payments from the City of Atlanta equaled the debt service payments on the DDA's Series 2006 Revenue Bonds. During the year ended June 30, 2017, the liability for the Series 2006 Bonds and the related receivable from the City of Atlanta were transferred from DDA to AURA, a blended component unit of DDA. Subsequently, AURA refunded the Series 2006 Bonds with the Series 2017 AURA Bonds and title to the Parking Deck was transferred to the City. As discussed in Note 5, the City of Atlanta entered into an intergovernmental agreement with AURA and pledged to make all debt service payments on the Series 2017 Bonds. As a result, AURA has recorded an intergovernmental receivable from the City for the full amount of the Series 2017 Bonds. At June 30, 2021, the balance of this receivable was \$12,340,000 plus \$45,904 in accrued interest.

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

(3) Intergovernmental Receivable with the City of Atlanta (Continued)

On October 28, 2010, AURA issued \$22,775,000 of Taxable Recovery Zone Economic Development Bonds (Series 2010) on behalf of the City of Atlanta to finance the costs of implementing the Urban Redevelopment Plan including certain costs in connection with (1) the acquisition, rehabilitation, and improvement of real property and buildings; (2) certain public transportation projects in the Urban Redevelopment Area; and (3) the acquisition and construction and installation of other related improvements of the Urban Redevelopment Plan. The principal and interest on the Series 2010 Bonds are special limited obligations of AURA and shall be payable solely from moneys payable to AURA by the City of Atlanta (see Note 5 for revenue bonds payable disclosure) under an intergovernmental arrangement. As of June 30, 2021, a net receivable of \$10,833,151 is recorded by AURA as an intergovernmental receivable from the City of Atlanta.

On October 17, 2019, the Agency issued \$25,000,000 of Taxable Revenue Bonds (Series 2019) on behalf of the City of Atlanta to finance the costs of acquiring, constructing and equipping two currently vacant buildings for use by various departments of parks and recreation and any other City department, governmental agency or other tenant. The principal and interest on the Series 2019 Bonds are special limited obligations of the Agency and shall be payable solely from moneys payable to the Agency by the City of Atlanta (see Note 4 for revenue bonds payable disclosure) under an intergovernmental arrangement. As of June 30, 2021, a net receivable of \$24,010,521 is recorded by the Agency as an intergovernmental receivable from the City of Atlanta.

On September 21, 2017, Invest Atlanta issued \$25,700,000 of Taxable Revenue Bonds (Homeless Opportunity Project), Series 2017, for the purpose of financing the acquisition, renovation, installation, and equipping of certain capital costs and related administrative and other expenses associated with emergency shelter, permanent housing and transportation projects. Under an intergovernmental agreement with the City of Atlanta, all principal and interest payments are payable solely and only from the City's pledge to make debt service payments. As of June 30, 2021, a net receivable of \$22,440,000 plus \$57,461 for accrued interest is recorded by Invest Atlanta as an intergovernmental receivable from the City of Atlanta.

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

(3) Intergovernmental Receivable with the City of Atlanta (Continued)

On May 8, 2015, Invest Atlanta issued \$167,530,000 of Revenue Bonds (New Downtown Atlanta Stadium Project), Senior Lien Series 2015A-1; \$16,740,000 of Revenue Bonds (New Downtown Atlanta Stadium Project), Senior Lien Taxable Series 2015A-2; and \$40,385,000 of Revenue Bonds (New Downtown Atlanta Stadium Project), Second Lien Series 2015B, collectively the Stadium Bonds. The Stadium Bonds were issued to provide funds to finance the development, construction and equipping of a new operable roof, state-of-the-art multi-purpose stadium to replace the Georgia Dome facility in the City and to be located and constructed on land that is owned or controlled by the Georgia World Congress Center Authority (an unrelated entity). Invest Atlanta will not own any interest in the new stadium. The Stadium Bonds are special and limited obligations of Invest Atlanta and the City payable solely from reserve accounts created with Stadium Bond proceeds (held by Invest Atlanta and classified as restricted for debt service) and payments received under a Funding Agreement between Invest Atlanta and the City. The Funding Agreement related to the Stadium Bonds was signed at the same time as the Stadium Bonds were issued and requires the City to remit 39.3% of the net amounts received by the City from hotel/motel taxes to Invest Atlanta.

These payments are required to be spent for the payments of principal and interest on the Stadium Bonds or to restore any and all reserve funds established by the Trust Indenture related to the Stadium Bonds. It is the intention of the Funding Agreement that the hotel/motel tax collections will be sufficient to repay the principal and interest on the Stadium Bonds. An intergovernmental receivable from the City has been recorded by Invest Atlanta for the principal amount due on the Stadium Bonds, and as of June 30, 2021, an amount of \$206,440,830 is recorded by Invest Atlanta as being due from the City of Atlanta (see Note 5 for revenue bonds payable disclosure).

On December 4, 2017, Invest Atlanta issued \$47,000,000 of Revenue Bonds (BeltLine TSPLOST Project), Series 2017, for the purpose of financing the acquisition and installation of lighting and security systems and the acquisition of critical right-of-way to complete the loop circumscribing the Atlanta BeltLine. Under an intergovernmental agreement with the City of Atlanta, all principal and interest payments are payable solely and only from the City's receipts from an imposed transportation sales tax (TSPLOST). As of June 30, 2021, a net receivable of \$0 is recorded by Invest Atlanta as an intergovernmental receivable from the City of Atlanta.

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

(4) Capital Assets

Capital assets activity for the fiscal year ended June 30, 2021 consists of the following:

	June 30, 2020	Additions	Deletions	June 30, 2021
Invest Atlanta Administrative Fund				
Capital assets not being depreciated:				
Land	\$107,532,019	\$ 5,589,892	\$ -	\$113,121,911
Total capital assets, not being depreciated	107,532,019	5,589,892	-	113,121,911
Capital assets being depreciated:				
Leasehold improvements	1,088,226	-	-	1,088,226
Furniture and equipment	1,481,170	29,185	-	1,510,355
Total capital assets being depreciated	2,569,396	29,185	-	2,598,581
Accumulated depreciation:				
Leasehold improvements	(576,192)	(87,904)	-	(664,096)
Furniture and equipment	(1,084,794)	(169,090)	-	(1,253,884)
Capital assets net of depreciation	908,410	(227,809)	-	680,601
Net capital assets	\$108,440,429	5,362,083	-	\$113,802,512

	June 30, 2020	Additions	Deletions	June 30, 2021
Urban Residential Finance Authority				
Capital assets being depreciated:				
Buildings and improvements	\$745,971	\$ -	\$ -	\$745,971
Total capital assets being depreciated	745,971	-	-	745,971
Accumulated depreciation:				
Buildings and improvements	(209,804)	(18,652)	-	(228,456)
Capital assets net of depreciation	536,137	(18,652)	-	517,515
Net capital assets	\$536,137	\$(18,652)	\$ -	\$517,515
Total primary government				
Capital assets not being depreciated:				
Land	\$107,532,019	\$ 5,582,887	\$ -	\$113,114,906
Total capital assets, not being depreciated	107,532,019	5,582,887	-	113,114,906
Capital assets being depreciated:				
Leasehold improvements	1,088,226	-	-	1,088,226
Building and improvements	745,971			745,971
Furniture and equipment	1,481,170	29,185	-	1,510,355
Total capital assets being depreciated	3,315,367	29,185	-	3,344,552
Accumulated depreciation:				
Leasehold improvements	(576,192)	(87,904)	-	(664,096)
Building and improvements	(209,804)	(18,652)		(228,456)
Furniture and equipment	(1,084,794)	(169,090)	-	(1,253,884)
Capital assets net of depreciation	1,444,577	(246,461)	-	1,198,116
Net capital assets	\$108,976,596	\$ 5,365,611	\$ -	\$114,313,022

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

(4) Capital Assets (continued)

Capital assets activity for the discretely presented component units for the fiscal year ended June 30, 2021 consists of the following:

	June 30, 2020	Additions	Deletions	June 30, 2021
Capital assets not being depreciated:				
Construction in progress	\$169,809,274	\$56,255,454	\$(5,582,888)	\$220,481,840
Total capital assets, not being depreciated	169,809,274	56,255,454	(5,582,888)	220,481,840
Capital assets being depreciated:				
Leasehold improvements	1,449,764	-	-	1,449,764
Furniture and equipment	3,294,531	91,267	(27,655)	3,358,143
Buildings and improvements	38,620,198	552	-	38,620,750
Land improvements	3,270,833	-	-	3,270,833
Total capital assets being depreciated	46,635,326	-	-	46,635,326
Less accumulated depreciation	(24,773,728)	(1,719,052)	26,782	(26,465,998)
Total capital assets being depreciated, net of accumulated depreciation	21,861,598	(1,627,233)	(873)	20,233,492
Net capital assets	\$191,670,872	\$56,628,221	\$(5,583,761)	\$240,715,332

(5) Long-term Liabilities

Activity for the bonds, notes, loans payable, and other long-term liabilities for the fiscal year ended June 30, 2021 consists of the following:

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

(5) Long-term Liabilities (Continued)

	June 30, 2020	Additions	Reductions	June 30, 2021	Due Within One Fiscal Year
Primary government					
Bonds payable, 2017 Series Housing Opportunity Program	\$23,545,000	\$ -	\$(1,105,000)	\$22,440,000	\$1,125,000
Bonds payable, 2017A Series Housing Opportunity Program	53,130,000	-	(3,675,000)	49,455,000	3,750,000
Bonds payable, 2021 Series Housing Opportunity Program	-	594,300	-	594,300	-
Bonds payable, 2010 Series AURA Bonds	12,175,000	-	(1,370,000)	10,805,000	1,415,000
Bonds payable, 2017 Series AURA Bonds	13,195,000	-	(855,000)	12,340,000	885,000
Unamortized premium on 2017 Series AURA Bonds	1,493,235	-	(218,743)	1,274,492	-
Bonds payable, 2019 Series AURA Bonds	25,000,000	-	(1,015,000)	23,985,000	1,010,000
Bonds payable, 2015 Series Stadium Bonds	211,450,000	-	(4,625,000)	206,825,000	4,765,000
Unamortized premium on 2015 Series Stadium Bonds	17,078,255	-	(1,137,750)	15,940,505-	-
Bonds payable, 2017 Series TSPLOST Bonds	22,000,000	-	(12,500,000)	9,500,000	9,500,000
Loan payable to the City of Atlanta, secured by SIP land sale revenue	2,134,720	-	-	2,134,720	-
Loan payable to the City of Atlanta, secured by SIP land sale revenue	271,532	-	-	271,532	-
Loan payable to the City of Atlanta, secured by SIP land sale revenue	1,260,000	-	-	1,260,000	-
Total primary government	\$382,732,742	\$594,300	\$(26,501,493)	\$356,825,549	\$22,450,000
Component units					
Bonds payable, 2004 Clark Atlanta University project	\$47,217,741	\$5,305,916	\$ -	\$52,523,657	\$1,395,000
Loan payable to the City of Atlanta	24,000,000	-	-	24,000,000	-
Note payable	-	20,480,000	-	20,480,000	1,000,000
Note payable	9,430,395	-	(2,947,712)	6,482,683	3,139,314
Note payable	-	100,000	-	100,000	-
Total component units	\$80,648,136	\$25,885,916	\$(2,947,712)	\$103,586,340	\$5,534,314

On September 21, 2017, Invest Atlanta issued \$25,700,000 of Taxable Revenue Bonds (Homeless Opportunity Project), Series 2017, for the purpose of financing the acquisition, renovation, installation, and equipping of certain capital costs and related administrative and other expenses associated with emergency shelter, permanent housing and transportation projects. Under an intergovernmental agreement with the City of Atlanta, all principal and interest payments are payable solely and only from the City's pledge to make debt service payments. Interest on the bonds is payable semiannually on June 1 and December 1 of each fiscal year, with interest rates ranging from 1.50% to 3.6%. The bonds mature on December 1, 2036. The balance due on the Series 2017 Bonds at June 30, 2021 is \$22,440,000.

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

(5) Long-term Liabilities (continued)

Primary Government

On April 21, 2017, URFA issued \$63,685,000 of Georgia Taxable Revenue Bonds (Housing Opportunity Program), Series 2017A, for the purpose of refunding the Series 2007A bonds and loaning the remaining proceeds from the sale of the bonds to AHOI. AHOI will use the additional bond proceeds to make loans to finance single-family and multi-family housing purchases in the City of Atlanta. The City of Atlanta has guaranteed that it will make payments sufficient in time and amount to enable AHOI to pay the principal and interest on the Series 2017A bonds, with the guarantee lasting the full term of the debt. Interest on the 2018A bonds is payable semiannually on June 1 and December 1 of each fiscal year, with interest rates ranging from 1.25% to 3.839%. The bonds mature on December 1, 2036. At June 30, 2020, the outstanding principal balance of the Series 2017A bonds was \$49,455,000. Also at June 30, 2021, an amount of \$49,582,163 is recorded as being due from AHOI, including accrued interest receivable.

On March 4, 2021, URFA issued up to \$50,000,000 of Georgia Taxable Draw-Down Revenue Bonds (Housing Opportunity Program), Series 2021 for the purpose of providing proceeds from the sale of the bonds to AHOI from which loans will be made to finance single-family housing and multi-family housing in the City and to provide land assemblage for such purposes. The City of Atlanta has guaranteed that it will make payments sufficient in time and amount to enable AHOI to pay the principal and interest on the bonds, with the guarantee lasting the full term of the debt. AHOI is not required to repay the City for any portion of these payments. As discussed in Note 4, a receivable has been recorded from the City for the full amount of payments due on the outstanding Series 2021 bonds. Interest on the Series 2021 bonds is payable monthly on the 1st day of each month, with an interest rate of 1.05%. The bonds mature on March 4, 2026. At June 30, 2021, the balance of the Series 2021 bonds was \$594,300. The intergovernmental agreement between URFA and AHOI calls for repayments of the loan to mirror those of the bonds. At June 30, 2021, an amount of \$594,300 is recorded as being due from AHOI.

On October 28, 2010, AURA issued \$22,775,000 of Taxable Recovery Zone Economic Development Bonds (Series 2010). The Series 2010 Bonds were used to finance the costs of implementing the Urban Redevelopment Plan including certain costs in connection with (1) the acquisition, rehabilitation, and improvement of real property and buildings; (2) certain public transportation projects in the Urban Redevelopment Area; and (3) the acquisition and construction and installation of other related improvements of the Urban Redevelopment Plan. Commencing on January 1, 2011, interest is due semiannually on January 1 and July 1 of each fiscal year with a fixed interest rate of 5.37%. Under an intergovernmental agreement with the City of Atlanta, all principal and interest payments are payable solely and only from the City's pledge to make debt service payments. AURA has recorded a receivable from the City of Atlanta for all future debt service payments. Additionally, approximately 45% of each interest payment is subsidized by the Federal Government under the Build America Bonds and Recovery Zone Bonds. The Series 2010 Bonds mature on January 1, 2028. The balance due on the Series 2010 Bonds at June 30, 2021 is \$10,805,000.

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

(5) Long-term Liabilities (continued)

Primary Government (continued)

On April 20, 2017, AURA issued \$15,605,000 Revenue Refunding Bonds (Series 2018) for the purpose of refunding all outstanding Series 2006A and 2006B Bonds discussed above. The principal on the Series 2017 Bonds is due annually on December 1 until maturity on December 1, 2031 and interest is due semiannually on June 1 and December 1. Under an intergovernmental agreement with the City of Atlanta, all principal and interest payments are secured solely from the City's pledge to make the required debt service payments. AURA has recorded a receivable from the City of Atlanta for all future debt service payments. The balance due on the Series 2017 Bonds at June 30, 2021 is \$12,340,000.

On October 17, 2019, the Agency issued \$25,000,000 of Taxable Revenue Bonds (Series 2019). The Series 2019 bonds were used to finance the costs of acquiring, constructing and equipping two currently vacant buildings for use by various departments of parks and recreation and any other City department, governmental agency or other tenant. Commencing on June 1, 2020, interest is due semiannually on June 1 and December 1 of each fiscal year with an average interest rate of 2.94%. Under an intergovernmental agreement with the City of Atlanta, all principal and interest payments are payable solely and only from the City's pledge to make debt service payments. The Agency has recorded a receivable from the City of Atlanta for all future debt service payments. The Series 2019 Bonds mature on December 1, 2039. The balance due on the Series 2019 Bonds at June 30, 2021 is \$23,985,000.

On May 8, 2015, Invest Atlanta issued \$167,530,000 of Revenue Bonds (New Downtown Atlanta Stadium Project), Senior Lien Series 2015A-1; \$16,740,000 of Revenue Bonds (New Downtown Atlanta Stadium Project), Senior Lien Taxable Series 2015A-2; and \$40,385,000 of Revenue Bonds (New Downtown Atlanta Stadium Project), Second Lien Series 2015B, collectively the Stadium Bonds with a total issuance of \$224,655,000. The Stadium Bonds were issued to provide funds to finance the development, construction and equipping of a new operable roof, state-of-the-art multi-purpose stadium to replace the Georgia Dome facility in the City and to be located and constructed on land that is owned or controlled by the Georgia World Congress Center Authority (an unrelated entity). Invest Atlanta will not own any interest in the new stadium. The Stadium Bonds are special and limited obligations of Invest Atlanta and the City payable solely from reserve accounts created with Stadium Bond proceeds (held by Invest Atlanta and classified as restricted for debt service) and payments received under a Funding Agreement between Invest Atlanta and the City.

The Funding Agreement related to the Stadium Bonds was signed at the same time as the Stadium Bonds were issued and requires the City to remit 39.3% of the net amounts received by the City from hotel/motel taxes to Invest Atlanta. These payments are required to be spent for the payments of principal and interest on the Stadium Bonds or to restore any and all reserve funds established by the Trust Indenture related to the Stadium Bonds. It is the intention of the Funding Agreement that the hotel/motel tax collections will be sufficient to repay the principal and interest on the Stadium Bonds and an intergovernmental receivable from the City has been recorded by Invest Atlanta, originally for the principal amount due on the Stadium Bonds.

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

(5) Long-term Liabilities (continued)

Primary Government (continued)

Interest on the Stadium Bonds is due semiannually on January 1 and July 1 of each fiscal year with varying interest rates ranging from 1.41% to 5%. Principal amounts are paid on July 1 of each fiscal year when due. The 20015A-2 bonds mature in 2021, whereas the 2015A-1 and Series 2015B bonds mature in 2044. The collective balance due on the Stadium Bonds at June 30, 2021 is \$206,829,000.

On December 4, 2017, Invest Atlanta issued \$47,000,000 of Revenue Bonds (Belt Line TSPLOST Project), Series 2017, for the purpose of financing the acquisition and installation of lighting and security systems and the acquisition of critical right-of-way to complete the loop circumscribing the Atlanta Belt Line. Under an intergovernmental agreement with the City of Atlanta, all principal and interest payments are payable solely and only from the City's receipts from an imposed transportation sales tax (TSPLOST). Interest on the bonds is payable semiannually on June 1 and December 1 of each fiscal year, with interest rates ranging from 2.92%. The bonds mature on December 1, 2021. The balance due on the Series 2018 Bonds at June 30, 2021 is \$9,500,000.

AERC, a component unit of Invest Atlanta, was dissolved during the fiscal year ended June 30, 2015. All obligations, including three loans payable to the City, were assumed by Invest Atlanta. The loans payable to the City related to the purchase of development land held for sale which is reported by Invest Atlanta as an investment in development projects. The loan agreements call for repayment of the loans upon sale of the land at SIP. The loans were due to be repaid no later than March 1, 1998, with accrued and unpaid interest capped at specific amounts. As a result of the cap, interest expense has not been accrued on these notes during their remaining terms. As no significant land sales occurred from 2002 through 2019, no payments were made on the notes. Management is currently marketing the properties for sale. At June 30, 2021, the balance due on these loans is \$3,666,252.

In 2012, Invest Atlanta entered into a line of credit agreement with Wells Fargo Bank. The line of credit has a limit of \$1,000,000 and matured on June 22, 2019. The line of credit was renewed, effective September 1, 2019, for a one-year term. As of June 30, 2021, there was no outstanding balance on the line of credit.

Component Units

ADA/CAU Partners, Inc.

ADA/CAU Partners, Inc. refinanced its Series 2001A and 2001B Bonds with a loan payable in the aggregate amount of \$51,900,000 funded with proceeds from the issuance of student housing revenue bonds, Series 2004A and 2004B. As discussed in Note 11, ADA/CAU Partners, Inc. depleted its debt service reserve and borrowed funds from the bond insurer (ACA Financial Guaranty Corporation) to make debt service payments during the fiscal years ended June 30, 2021, 2020, 2019, 2018, 2016, 2015 and 2014. These amounts borrowed from the bond insurer were paid off by the bond holder (EMET Real Estate Strategy II, LP) on April 26, 2021 and are added to the bonds payable. At June 30, 2021, the balance due on the bonds (including the bond premium and amounts due to the bond holder) is \$52,523,657.

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

(5) Long-term Liabilities (continued)
Component Units (Continued)

Atlanta BeltLine, Inc. ("ABI")

In 2007, ABI entered into an agreement with a consortium of financial institutions to receive \$29,429,900 of interim funding for the implementation of the 2007 BeltLine Projects in which this debt was guaranteed by the City of Atlanta. Interest only is payable semi-annually. For a period of 24 months commencing April 17, 2010, the loan was to accrue interest at a daily rate of LIBOR + .75%. However, due to a downgrade of the City of Atlanta's debt rating, the interest rate changed in accordance with the original loan agreement to a daily rate of LIBOR + .85%. This rate is effective until the notes mature on September 17, 2022 and October 17, 2022. Commencing on September 17, 2010, principal will be due in annual installments until the notes mature. As of June 30, 2021, the outstanding balance on the notes payable is \$6,482,683.

In 2007, ABI and the City of Atlanta entered into an intergovernmental agreement for the Clear Creek Project. The Clear Creek Project will result in the construction of a storm water retention pond and infrastructure improvements for sewer basin relief. The City of Atlanta contributed \$30 million to ABI for the estimated cost to complete the project. During fiscal year 2010, ABI returned \$5 million of the unspent project dollars to the City and during fiscal year 2013, ABI returned \$1 million of the unspent project dollars to the City. Thus, the City has only provided up to \$24 million for the Clear Creek Project. Upon completion, both the project and any portion of the \$24 million not expended by ABI will revert back to the City of Atlanta in order to satisfy this obligation. This amount has no maturity date, nor is interest charged. All costs associated with the Clear Creek Project are being accounted for as construction in process. At June 30, 2021, total project costs to date totaled \$23,981,596.

Debt Service Requirements

Annual principal and interest requirements for the bonds payable are set forth below (dollar amounts in thousands):

Bonds of Invest Atlanta			
	Principal	Interest	Total
Fiscal Year Ending June 30:			
2022	\$15,390	\$10,963	\$26,353
2023	6,105	10,580	16,685
2024	6,385	10,298	16,683
2025	6,675	10,002	16,677
2026-2030	38,150	45,158	83,308
2031-2035	47,500	35,604	83,104
2036-2040	53,940	23,440	77,380
2041-2045	64,620	8,743	73,363
Totals	238,765	\$154,788	\$393,553
Plus Premiums	15,940		
Net Bonds Payable	\$254,705		

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

(5) Long-term Liabilities (continued)

Debt Service Requirements (continued)

Annual principal and interest requirements for the bonds payable are set forth below (dollar amounts in the thousands):

Bonds & Notes of DDA			
	Principal	Interest	Total
Fiscal Year Ending June 30:			
2022	\$3,310	\$1,757	\$5,067
2023	3,410	1,626	5,036
2024	3,520	1,489	5,009
2025	3,615	1,348	4,963
2026-2030	16,420	4,361	20,781
2031-2035	9,275	1,823	11,098
2036-2040	7,580	641	8,221
Totals	\$47,130	\$13,045	\$60,175
Plus Premiums	1,274		
Net Bonds Payable	\$48,404		

Bonds of URFA			
	Principal	Interest	Total
Fiscal Year Ending June 30:			
2022	\$3,750	\$1,486	\$5,236
2023	3,835	1,400	5,235
2024	3,935	1,304	5,239
2025	4,040	1,197	5,237
2026-2030	16,965	4,245	21,210
2031-2035	11,630	2,128	13,758
2036-2037	5,300	206	6,100
Totals	\$49,455	\$11,966	\$62,015

Bonds of Component Units			
	Principal	Interest	Total
Fiscal Year Ending June 30:			
2022	\$1,395	\$2,462	\$3,857
2023	1,480	2,375	3,855
2024	1,575	2,282	3,857
2025	1,670	2,184	3,854
2026-2030	10,030	9,247	19,277
2031-2035	13,485	5,791	19,276
2036-2037	10,460	1,094	11,554
Totals	\$40,095	\$25,436	\$65,531
Plus Premiums	289		
Less: Debt issuance costs	(710)		
Plus amounts due to bond issuer	12,850		
Net Bonds Payable	\$52,523		

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

(5) Long-term Liabilities (continued)
Debt Service Requirements (continued)

Notes Payable of ABI			
	Principal	Interest	Total
Fiscal Year Ending June 30:			
2022	\$3,139	\$109	\$3,248
2023	3,343	-	3,343
Totals	\$6,482	\$109	\$6,591

All loans and notes payable to the City of Atlanta (previously owed by AERC) are required to be paid only when certain events occur, such as land sales or program income; therefore, no debt service requirement schedules are presented.

(6) Conduit Debt

URFA, DDA, and Invest Atlanta issue private activity tax exempt and taxable revenue bonds to private sector entities for projects located within the Atlanta city limits. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans or promissory notes. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private sector entity served by the bond issuance. Invest Atlanta is not obligated in any manner for repayment of the bonds and does not report these as liabilities in the accompanying financial statements. At June 30, 2021, the aggregate principal amounts of bond issued as conduit debt were:

Entity	Balance
Invest Atlanta	\$2,018,567,550
URFA	399,030,204

As the balance of conduit debt issued by DDA, at the time of the implementation of GASB Interpretation No. 2 in 1996, was not determinable, the amount disclosed above for DDA represents the aggregate original issue amount of the bonds issued as conduit debt.

(7) Operating Lease

Invest Atlanta has entered into an operating lease for the rental of office space for its operations. The lease contains a provision for free rent for the first two years of the thirteen year lease and also contains rent escalations in future years. The lease began December 1, 2012. Future minimum rental payments on this lease as of June 30, 2021 are as follows:

Fiscal Year Ending June 30,	Rental Amount
2022	\$472,325
2023	485,260
2024	498,569
2025	512,252
2026	215,841
Total	\$2,184,247

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

(7) Operating Lease (Continued)

During the fiscal year ended June 30, 2021, payments of \$459,686 were made; however, only \$225,671 of rent was expensed with the remaining amounts reducing rent previously accrued and expensed in order to evenly charge rent over the full term of the lease.

(8) Inter-fund Balances and Transfers

All inter-fund balances were for payments made or received on behalf of each respective fund or component unit which had not been reimbursed at fiscal year-end. At June 30, 2021, Invest Atlanta's Administrative Fund owed \$166,096 to Grants and Restricted Program Fund primarily in connection with the Business Improvement Loan Fund (BILF) and Economic Opportunity Fund (EOF) programs and the Grants and Restricted Program Fund owed Invest Atlanta \$17,657 primarily in connection with the Empowerment Zone (EZ) Program, which are expected to be repaid within one fiscal year. Also at June 30, 2021, URFA owed Invest Atlanta's Administrative Fund \$177,151.

At June 30, 2021, the Invest Atlanta Administrative Fund was owed \$600 from a component unit, the Inner City Development Corporation.

As of fiscal year-end, Imagine Downtown, Inc., d/b/a Atlanta Emerging Markets, Inc., a component unit of Invest Atlanta, has a deficit of \$4,841,323 which Invest Atlanta has agreed, if deemed necessary, to cover any major operating shortfalls the entity may have.

Component units of URFA are included in the URFA Fund in the financial statements. Construction of the Lakewood Hills development was financed with construction loans. During the fiscal year ended June 30, 2015, the balance of these loans was paid by URFA and the amount paid by URFA on behalf of Lakewood Hills, Inc. was added to amounts due to URFA, which is included as due to others in the statement of net position in the URFA Fund as an allowance for the full amount was recorded by URFA. These amounts, with a balance of \$4,234,971, will be repaid with net proceeds from the sale of condominium units.

On January 15, 2009, Lakewood Hills, Inc. obtained a loan in the amount of \$986,728 from Invest Atlanta to pay down a construction loan with Sun Trust Bank. The loan bears interest at a variable rate and matures on January 15, 2019. The loan is to be repaid with net proceeds from the sale of condominium units, with the entire balance and any unpaid accrued interest due becoming immediately payable upon the first to occur of the sale of the last unit or the maturity date. As of fiscal year-end, the loan due to Invest Atlanta was \$948,563 which is included as due to others in the statement of net position. The amount is reported as due to others as Invest Atlanta has reported an allowance for this amount as uncollectible and thus no receivable is reported.

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

(9) Pension Plans

Invest Atlanta offers two different qualified tax deferred defined contribution retirement plans to its employees, both of which are administered by Mission Square Retirement, formerly known as International City/County Management Association Retirement Corp (“ICMA-RC”). The first plan operates under section 457(b) of the Internal Revenue Code, and allows employees to contribute a certain percentage of their pay each year (up to the federal maximum limits). Invest Atlanta does not match contributions to the section 457(b) defined contribution plan.

Because Invest Atlanta does not participate in the federal social security system, it is required by law to establish a “public employee retirement system” (“PERS”) to take the place of its otherwise mandatory contributions to the federal social security system. Establishing a PERS requires by law that Invest Atlanta contribute a minimum of 7.25% of base pay for all eligible employees to a qualified retirement plan. Invest Atlanta has met this requirement by establishing a second retirement plan which operates under section 401(a) of the Internal Revenue Code and is wholly funded by employer contributions which are made based on a percentage of eligible compensation for all full time employees of Invest Atlanta who are over 21 years of age. Invest Atlanta has elected to contribute more to the Plan than the required legal minimum. For the fiscal year ended June 30, 2021, Invest Atlanta contributions to the 401(a) plan totaled \$824,086. Employees cannot contribute directly to the 401(a) defined contribution plan.

Together the 457(b) plan and 401(a) plan are referred to as the Plans. Investments in both Plans are self-directed by the employee and each employee vests in both Plans immediately upon hire. The benefit provisions, including the amount of the employer contribution that is in excess of the legal minimum, and contribution requirements may be amended at any time by the President or the Board of Directors of Invest Atlanta.

(10) Contingencies

Invest Atlanta participated in a number of federal financial assistance programs in prior fiscal years. These programs are subject to independent financial and compliance audits by grantor agencies. The amount, if any, of expenses which may be disallowed by the granting agencies cannot be determined at this time, although Invest Atlanta expects such amounts, if any, to be immaterial.

Invest Atlanta is subject to various legal proceedings and claims which arise in the ordinary course of its business. In the opinion of management, based on the advice of legal counsel, the amount of ultimate liability and/or gain with respect to these actions will not materially affect the financial position or results of operations of Invest Atlanta.

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

(11) Going Concern Consideration

ADA/CAU Partners, Inc. (the “Company”), which is a component unit of Invest Atlanta, has experienced significant operating deficits as a result of difficult market conditions. Due to the nature of the project, if a unit is not leased at the beginning of the school year, it remains vacant the entire year which has a considerable effect on operations. The Company depleted its debt service reserve and borrowed funds from the bond insurer (ACA Financial Guaranty Corporation) to make debt service payments during each of the ten years ended June 30, 2021. These amounts borrowed from the bond insurer were paid off by the bondholder (EMET Real Estate Strategy II, LP) on April 26, 2021 and are added to the bonds payable. Management of the Company can provide no assurance that the operations will improve, therefore, substantial doubt continues to exist regarding the Company’s ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Invest Atlanta, nor the City of Atlanta, have any financial responsibility to fund any shortfalls for operations or debt service obligations.

(12) Contractual Commitments

For the fiscal year ended June 30, 2021, ABI had several active construction projects related to various Atlanta Belt Line construction projects. At fiscal year-end, ABI’s contractual commitments with contractors were \$11,306,364.

(13) Transfer of Assets to the City of Atlanta – Atlanta BeltLine, Inc.

Atlanta BeltLine, Inc. (discretely presented component unit of Invest Atlanta) is Invest Atlanta’s implementation agent of the Atlanta BeltLine Project (the “Project”). The ultimate objective is that ownership of all capital improvements made by ABI related to the Project will be transferred to the City of Atlanta as the improvements are completed. At fiscal year-end, the balance of those assets, which are currently in process, and expected to be transferred to the City of Atlanta at a future date is \$220,481,840. The transfer of assets is expected to occur once projects have been completed and the City of Atlanta formally accepts ownership. For the fiscal year ended, June 30, 2021, ABI did not transfer any capital assets to the City of Atlanta, but did transfer ownership of capital assets with a carrying value of \$5,582,888 to Invest Atlanta.

(14) Federal CARES Act Fund

In response to the severe economic hardships caused by the COVID-19 pandemic, the Atlanta Development Authority launched four new distinctive relief programs, The Business Continuity Loan Fund, the Strength in Beauty Fund, the CreATL Relief Fund, and the Resurgence Grant Fund.

ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

(14) Federal CARES Act Fund (Continued)

The Resurgence Grant fund and The Business Continuity Loan Fund is supported by the Federal CARES Act and provided grants to businesses to cover up to \$40,000 of business expenses made to continue operations during the pandemic such as plexiglass installation or modifying interior space for social distancing. Resurgence grant recipients also were eligible for \$10,000 of technical assistance such as legal or marketing support to help adapt to COVID-19 requirements.

The Resurgence Grant program and the Business Continuity Loan Program received combined funding of \$22,000,000 from the Federal CARES Act during Fiscal Year 2021. \$19,899,989 of the CARES Act funding was used for the Resurgence Grant & Business Continuity Loan Program expenditures. \$2,100,011 of the CARES Act funding was used for General & Administrative expenditures related to the Resurgence Grant Program.