

Invest Atlanta

Tax Allocation District Predevelopment Loan Program

PROGRAM GUIDELINES

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INTRODUCTION

Invest Atlanta's Predevelopment Loan Program (PLP) provides low-interest financing for eligible predevelopment activities **to property owners within the Beltline*, Campbellton Road, Perry Bolton, Eastside and Westside Tax Allocation Districts.**

Invest Atlanta is committed to responsibly utilizing the resources, economic incentives, programs and financial tools available to increase sustainable, living-wage jobs, affordable housing, and reduce income and wealth gaps across racial and social-economic lines; and help ensure all Atlanta neighborhoods and residents have access to the services and amenities they need to thrive.

Predevelopment work and analysis is necessary to bring projects to a level of financing viability but securing capital for preconstruction activities may present an obstacle for legacy property owners, small non-profits, and emerging, local developers. The PLP aims to alleviate predevelopment challenges with low-cost financing, thereby expediting and expanding development activity for catalytic and neighborhood-scale affordable housing, commercial, and mixed-use projects.

INVEST ATLANTA

The Atlanta Development Authority d/b/a "Invest Atlanta" is created and exists under and by virtue of the Georgia Development Authorities Law. It was activated by a resolution of the City of Atlanta Council and currently operates as a public body corporate and politic and instrumentality of the State of Georgia. Invest Atlanta was established to promote the revitalization and growth of the city and serves as the city's redevelopment agency pursuant to the Redevelopment Powers Law, for the purpose of implementing redevelopment initiatives within the city's ten Tax Allocation Districts (TADs). Invest Atlanta is an Equal-Opportunity Employer.

THE PROGRAM

Applicant Eligibility

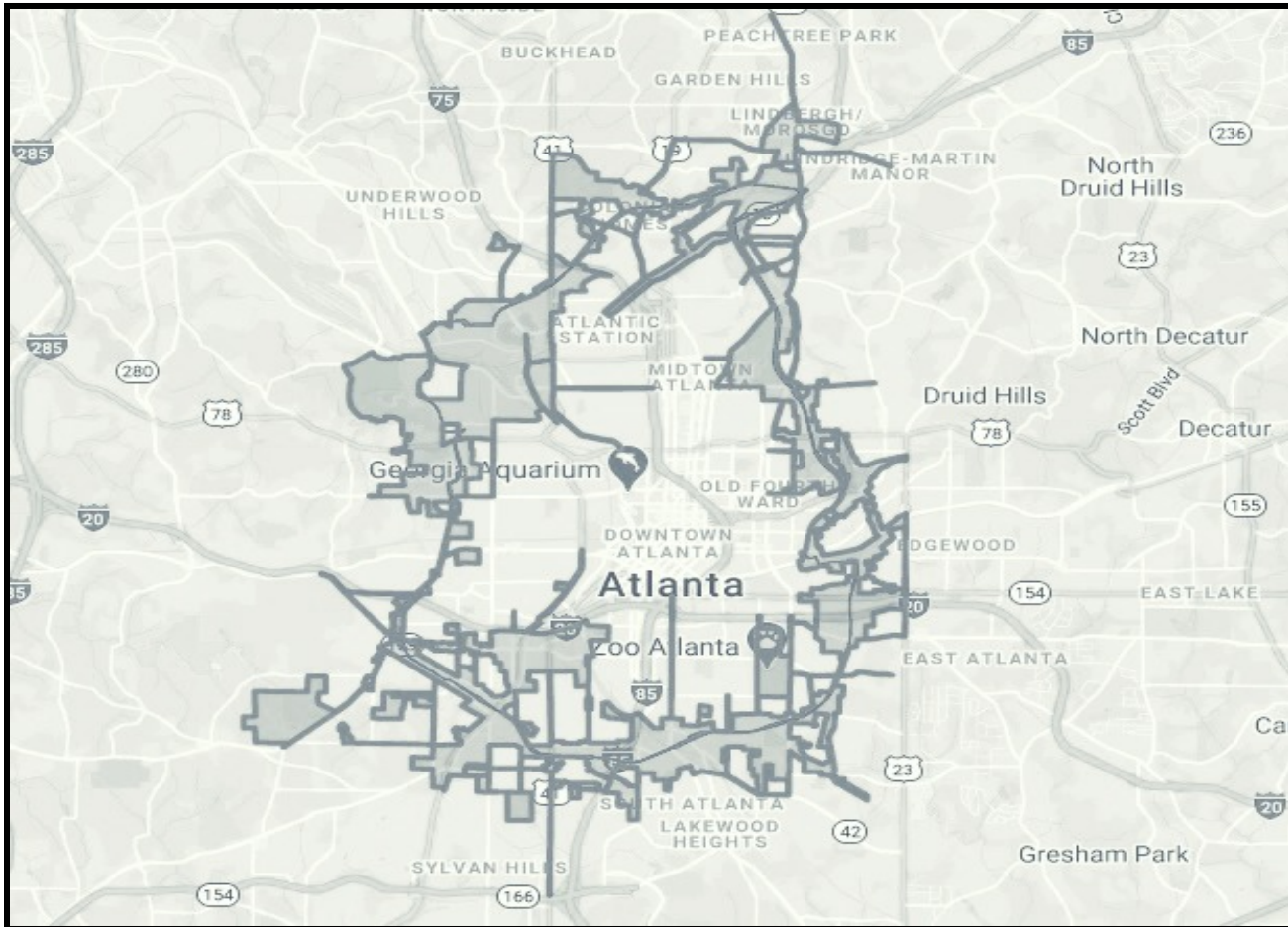
Property owners within the Beltline*, Campbellton Road, Perry Bolton, Eastside and Westside TADs boundaries are eligible for PLP funds if they own and plan to develop, renovate or rehabilitate the following:

- a. Ten (10) or more multifamily units;
- b. Three (3) or more single-family units;
- c. 7,500 square feet or more of commercial space; or
- d. Unimproved land of an acre or more (with plans to develop for affordable housing and/or commercial)

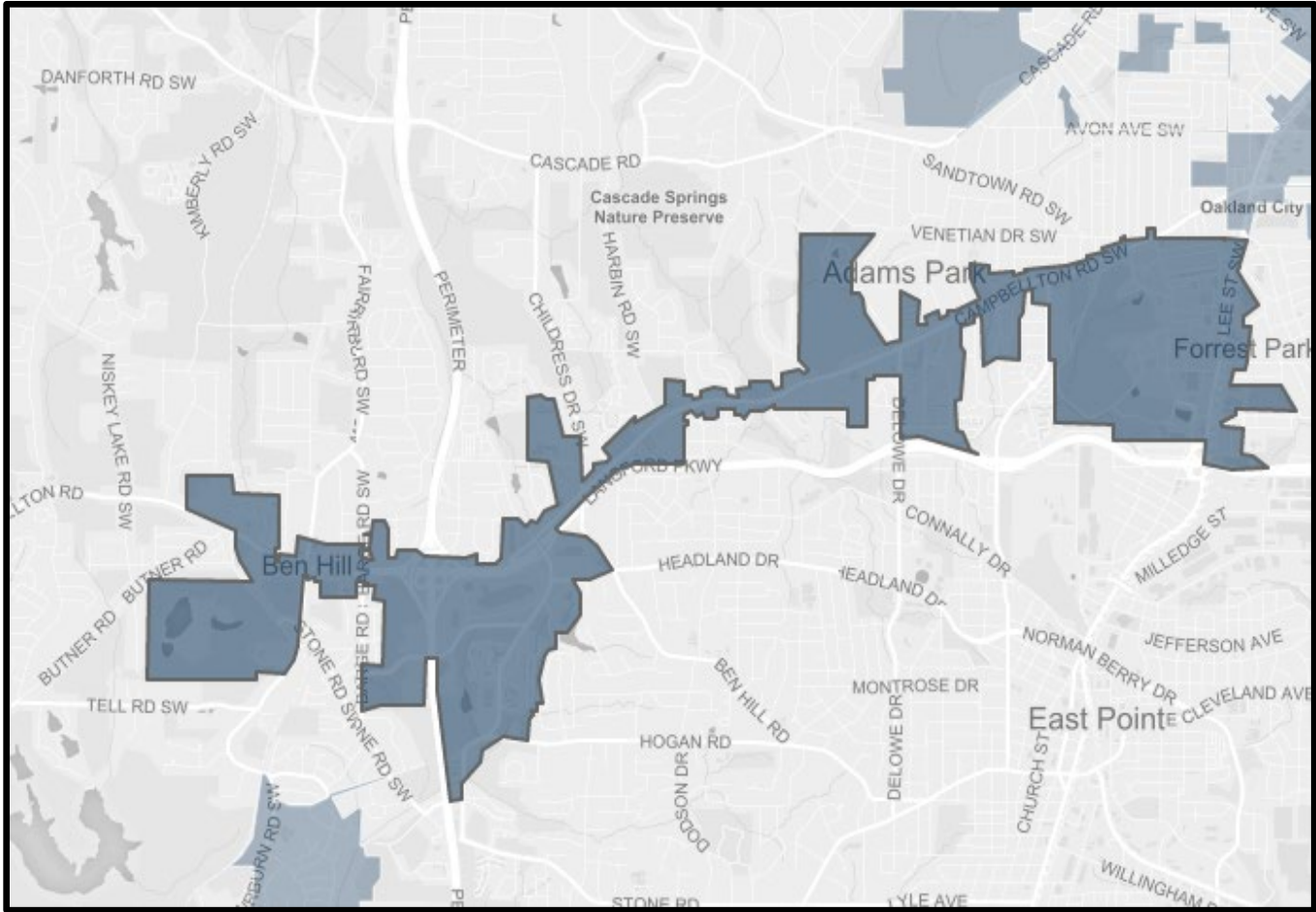
***The Beltline Predevelopment Loan Program is only available for residential development. Solely commercial & non-residential projects are ineligible.**

Note: Properties under contract for acquisition are not currently eligible for PLP funds. Projects already under construction are ineligible.

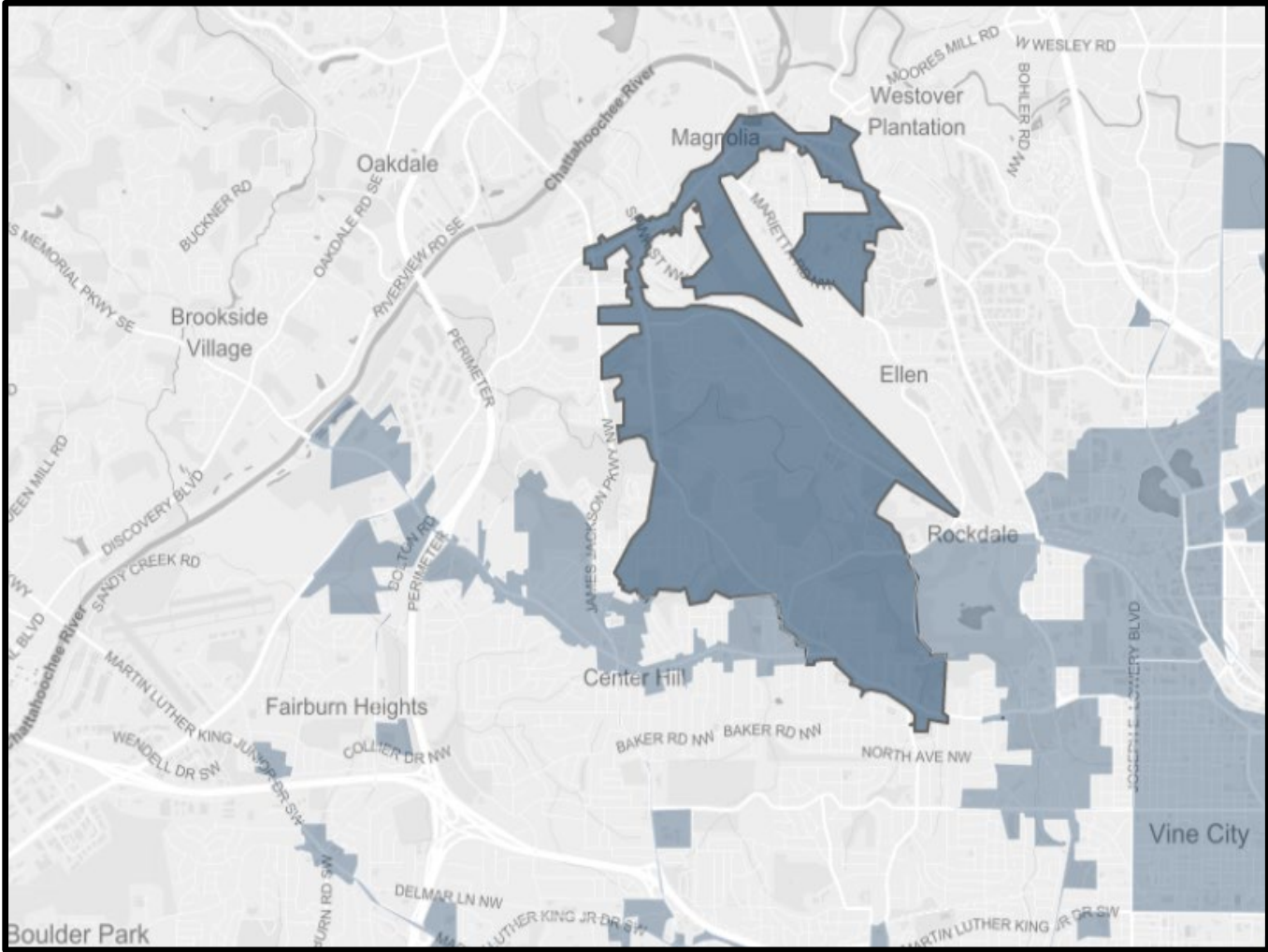
Beltline TAD



Campbellton Road TAD



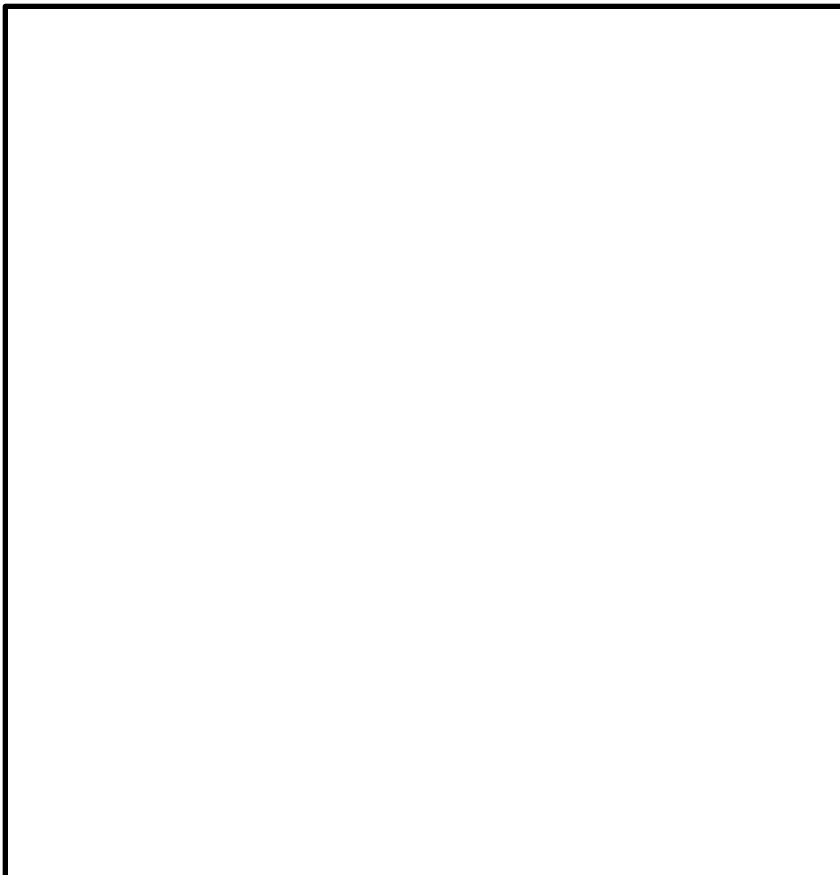
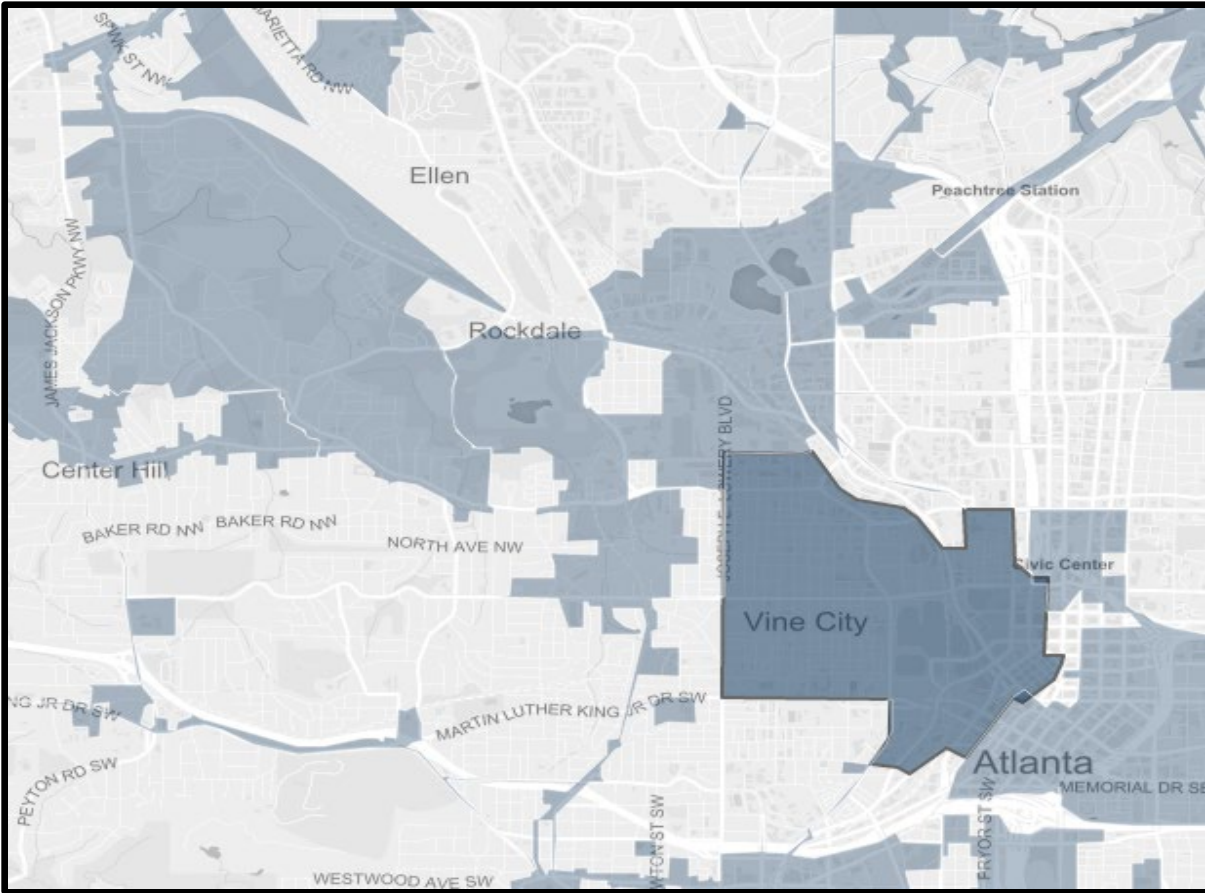
Perry Bolton TAD



Eastside TAD



Westside TAD



Terms and Conditions

- A. All Applications and supporting materials as well as correspondence become property of Invest Atlanta when received. Any proprietary information contained in the Application should be so indicated. However, a general indication that the entire contents of the Application, or a major portion of the Application, is proprietary will not be honored.
- B. All applicable Federal and State of Georgia laws, City and Fulton County ordinances, licenses and regulations of all agencies having jurisdiction shall apply to the Respondents throughout and incorporated herein.
- C. Professionals requiring special licenses must be licensed in the State of Georgia and shall be responsible for those portions of the work as may be required by law.
- D. No application shall be accepted from, and no contract will be awarded to, any person, firm, or corporation that (i) is in arrears to Invest Atlanta or the City with respect to any debt, (ii) is in default with respect to any obligation to Invest Atlanta or the City, or (iii) is deemed irresponsible or unreliable by Invest Atlanta. If requested, the respondents shall be required to submit satisfactory evidence that they have the necessary financial resources to provide the proposed services.
- E. Applicants shall provide the information and affidavits required for compliance with the immigration requirements of E-Verify and SAVE (See Exhibit B).
 - i. E-Verify. Applicant must comply with the Illegal Immigration Reform and Enforcement Act, O.C.G.A. §13-10-90, et seq. All services physically performed within the State of Georgia must be accompanied by proof of your registration with the E-Verify Program, as well as verification of your continuing and future participation in the E-Verify program established by the United States Department of Homeland Security. A completed E-Verify Contractor Affidavit must be submitted to Invest Atlanta. To the extent there are subcontractors working on this contract, you are responsible for obtaining a fully signed and notarized subcontractor affidavit from those firms with whom you have entered into sub-contracts. In turn, should there be second tier subcontractors on this project, you must require the subcontractors to obtain E-Verify Affidavits from those second-tier subcontractors.
 - ii. SAVE Affidavit. In addition to E-Verify, Invest Atlanta is required by the SAVE (Systematic Alien Verification for Entitlements) Program to verify the status of anyone who applies for a public benefit from Invest Atlanta. Benefits are defined by state statute, O.C.G.A. §50-36-1, by federal statute, 8 U.S.C. §1611 and 8 U.S.C. §1621, and by the Office of the Attorney General of Georgia. Contracts with Invest Atlanta are considered "public benefits." Any applicant obtaining a public benefit must show a secure and verifiable document and complete the attached SAVE Affidavit. Acceptable documents have been identified by the Office of the Attorney General. Those lists may be found at: <http://law.ga.gov>.
- F. All final grant awards are subject to approval at the discretion of the Invest Atlanta Board of Directors. Invest Atlanta reserves the right to reject any and all applications, to request additional information from some or all applicants, to waive or modify stated application requirements specific to the circumstances of a project, amend/modify the application and the process itself, or to discontinue the process at any time.

SAVE AFFIDAVIT IN ACCORDANCE WITH O.C.G.A §50-36-1(e)(2)

**INVEST ATLANTA AFFIDAVIT
VERIFYING STATUS FOR RECEIPT OF PUBLIC BENEFIT**

By executing this affidavit under oath, as an applicant for a contract with Invest Atlanta, or other public benefit as provided by O.C.G.A. §50-36-1, and determined by the Attorney General of Georgia in accordance therewith, I state the following with respect to my application for a public benefit from Invest Atlanta:

For: _____.

[Name of natural person applying on behalf of individual, business, corporation, partnership, or other private entity]

1) _____ I am a United States Citizen

OR

2) _____ I am a legal permanent resident 18 years of age or older or

OR

3) _____ I am an otherwise qualified alien or non-immigrant under the Federal Immigration and Nationality Act 18 years of age or older and lawfully present in the United States.

All non-citizens must provide their Alien Registration Number below.

Alien Registration number for non-citizens

The undersigned applicant also hereby verifies that he or she has provided at least one secure and verifiable document as required by O.C.G.A. §50-36-1(e)(1) with this Affidavit. **The secure and verifiable document provided with this affidavit is:**

In making the above representation under oath, I understand that any person who knowingly and willfully makes a false, fictitious, or fraudulent statement or representation in an affidavit shall be guilty of a violation of O.C.G.A. §16-10-20, and face criminal penalties as allowed by such criminal statute

Signature of Applicant

Date:

Printed Name:

Sworn to and subscribed before me

This _____ day of _____, 202__

Notary Public

My commission expires:

PLP Eligible Activities and Guidelines

| | | | | |
|-----------------------------|----------------------------|------------------------|-------------------|----------------------|
| • Architectural fees | • Engineering fees | • Legal/Insurance fees | • Appraisal | • Market study |
| • Physical needs assessment | • Environmental assessment | • Title and survey | • Consultant Fees | • Marketing expenses |

| GUIDELINES | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Eligible Areas | The following City of Atlanta Tax Allocation Districts: Eastside, Campbellton Road, Perry Bolton, BeltLine* and Westside |
| Eligible Projects [Minimum project size: a. Ten (10) or more multifamily units; b. Three (3) or more single-family units; c. 7,500 square feet or more of commercial space] | <ul style="list-style-type: none"> • Mixed-Income Affordable Housing: <ul style="list-style-type: none"> ○ New Multifamily Rental with 20% of Units @ \leq 60% AMI ○ Rehab/ Multifamily Rental with 20% of Units @ \leq 60% AMI ○ New or Rehab Single-Family For-Sale with 20% @ \leq 120% AMI • New or Renovated Commercial or Mixed-Use with the greater of 10% or 1,000 sf set aside as Attainable Commercial Space (defined in Project Evaluation Criteria) for multi-tenant developments: <ul style="list-style-type: none"> ○ Retail, including grocery ○ Office <p>*The Beltline Predevelopment Loan Program is only available for residential development. Commercial & non-residential projects are ineligible</p> |
| Affordability | <ul style="list-style-type: none"> • Affordable Multifamily Rental – Minimum of 15 years of Affordability • Affordable Single-Family For-Sale – Minimum of 10 years of Affordability • Attainable Commercial Space – Minimum 5 years |
| Evidence of Site Control | Fee Simple Title or Ground Lease |
| Recourse | <ul style="list-style-type: none"> • Full Recourse to Borrower Entity • Personal Guaranties of Project Sponsor on case-by-case basis |
| Loan Amount | <ul style="list-style-type: none"> • Up to \$250,000*** <p>***Smaller projects within the Westside Neighborhood (Vine City and English Avenue) Boundary with less than 7,500 square feet and/or on less than one acre are eligible for loans up to \$50,000.</p> |
| Loan-To-Cost | \leq 70% of Predevelopment Budget |
| Loan Term | \leq 24 months |
| Non-Refundable Application Fee | \$1,000.00 (\$500.00 for Non-Profits) |

| | |
|---------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Interest Rate | Up to 5.00% (Up to 3.00% for Non-Profits) |
| Prepayment Penalty | N/A |
| Repayment | Earlier of Construction/Permanent Financing or Loan Maturity |
| Conversion Options | At repayment, Lender may elect to convert all or portion into: <ul style="list-style-type: none"> • Subordinated Debt • Mezzanine Debt • Limited Partner Equity • Deferred Forgivable Debt (Non-Profits only) |

PROJECT EVALUATION CRITERIA

1. Applicant Qualifications & Experience

The following will be taken into consideration when evaluating the applicant:

- a. Qualifications of proposed development team, including owner, developer (or development consultant), project manager, and any professional services providers (if known);
- b. Use of certified firms, including Minority Business Enterprise, Female Business Enterprise, and Disadvantaged Business Enterprises (local or federal) who are proposed to perform commercially useful functions for the development team, if known;
- c. Project proposal as a joint venture opportunity for an emerging developer and/or legacy property owner; and
- a. Two (2) years of financials of applicant or principle sponsoring entity and incorporating documents for non-profits with relevant board documents evidencing stable leadership and oversight.

2. Project Readiness & Financial Feasibility

Understanding that projects seeking PLP funds will be in various stages, applicants should provide the following:

- a. Documented evidence of site ownership (deed/ground lease);
- b. Identified/committed financial sources through letters, term sheets, or loan agreements, if available; and
- c. Proposed project schedule indicating timeline for loan repayment.

3. Community Benefit and Project Impact

Projects that meet the following goals will be prioritized:

- a. Reduction of vacancy and obsolescence: Directly activates and/or reuses vacant or obsolete buildings and parking lots or indirectly contributes to the repositioning of the neighborhood to compete more effectively within the city, thus, attracting and

retaining new or existing tenants.

- b. Transit-orientation: Leverages proximity to MARTA transit stations, bus stops, and/or future Atlanta Streetcar locations (see Atlanta Streetcar System Plan), as well as supports the use of existing and planned bike lanes/paths to promote alternative transportation modes and reduce transportation costs for local households and businesses.
- c. Affordability: Provides workforce or affordable housing (meets or exceeds the affordability requirement) or provides a plan to set aside Attainable Commercial Space (space offered at lease rates which are at least 20% less than the published CoStar sub-market reports and/or market data for the appropriate TAD area in which the project is located) to support small/local businesses, non-profits, arts, or other community organizations. Currently occupied commercial buildings should provide a plan for preserving space and affordability for existing tenants.

The following community goals will also be taken into consideration when evaluating applications:

- d. Architecture and urban design: Project will contribute to significant visual improvement of the exterior of the existing or future buildings and surrounding neighborhood by applying best practices in urban design and placemaking.
- e. Sustainability: Project will contribute to the sustainability of the city by applying best practices in sustainable site design and green building. This includes meeting or exceeding program-required green building certification, as well as inclusion of unique or innovative green building design, such as green roofs, solar panels, etc. and sustainable best management practices, such as green stormwater infrastructure and pedestrian/bicycle accessibility.
- f. Public access/amenities: Project will allow non-tenants and/or public to use or interact with property through community gathering spaces, meeting rooms, event facilities, gardens, patios, etc.
- g. Diversified goods, fresh food access, and community services: Project will provide new retail goods (healthy foods/general merchandise/soft goods), community services (health/education/arts/social services, etc.), and/or dining options.

FEE STRUCTURE

Once the application is submitted (\$1000 non-refundable application fee required / \$500 non-refundable application fee for not-for-profits), the program continues as follows:

LOAN APPROVAL PROCESS

- 1) Project Evaluation
- 2) Presentation to Invest Atlanta Board of Directors TAD Subcommittee
- 3) Presentation to Invest Atlanta Board of Directors
- 4) Negotiation and Execution of Loan Agreement

APPLICATION SUBMISSION

1. Register in Neighborly

Neighborly Portal: <https://portal.neighborlysoftware.com/INVESTATLANTA/Participant>

When you access the Portal for the first time, you'll need to Register your account by clicking on the Register link. The registration process will create a username (which is your email address) and password that will be used for future logins. The email address you choose will also be used for system emails/notifications, so it is recommended to use your primary email address. For security purposes, the system will validate that you own the registered email address by sending an email with a validation link.

2. Complete & Submit Preliminary Questionnaire

After logging into Neighborly, select 'Development Incentives Application' and complete the preliminary questionnaire. Upon receiving a completed questionnaire, Invest Atlanta project managers will review and contact you with additional questions. If the project is determined to be eligible for a funding program, you will be granted access to the development incentives application.

3. Complete & Submit a Development Incentives Application

Upon receipt of an application, Invest Atlanta staff will review the application for content and completeness. After a fully complete application has been reviewed for consistency with Invest Atlanta and programmatic goals, staff will analyze and evaluate the project. The project manager will contact you with any additional questions and to provide a timeline overview.

INQUIRIES

All inquiries regarding the Eastside TAD Predevelopment Program guidelines or application must be received in writing via email. Questions must be submitted to:

Jennifer Fine
VP, Planning and Strategic Initiatives
Invest Atlanta
jfine@investatlanta.com