

**DOWNTOWN DEVELOPMENT AUTHORITY**  
(A Component Unit of the Atlanta Development Authority)

Basic Financial Statements

June 30, 2009

(With Independent Auditor's Report Thereon)

**DOWNTOWN DEVELOPMENT AUTHORITY**  
(A Component Unit of the Atlanta Development Authority)

June 30, 2009

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## INDEPENDENT AUDITOR'S REPORT

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**The Board of Directors of the  
Downtown Development Authority  
Atlanta, Georgia**

We have audited the accompanying basic financial statements of the **Downtown Development Authority** (the "Authority"), a component unit of the Atlanta Development Authority, as of and for the year ended June 30, 2009. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of the Downtown Development Authority as of June 30, 2009, and the changes in its financial position and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 17, 2009 on our consideration of the Authority'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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The management's discussion and analysis (on pages 3 through 6) is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

*Mauldin & Jenkins, LLC*

Atlanta, Georgia  
November 17, 2009

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**(A Component Unit of the Atlanta Development Authority)**  
**Management's Discussion and Analysis (Unaudited)**  
**June 30, 2009**

This section of the Downtown Development Authority ("DDA" or "the Authority") annual financial report presents our discussion and analysis of DDA's financial performance during the fiscal year ended June 30, 2009. Please read it in conjunction with the financial statements and accompanying notes.

**Fiscal Year 2009 Selected Financial Highlights**

- The assets of the Authority increased approximately \$52.9 million for the fiscal year ended June 30, 2009. The increase is primarily associated with an approximately \$48 million net receivable from the City of Atlanta related to the 2009 refunding revenue bonds (Underground Atlanta project).
- The liabilities of the Authority increased approximately \$55 million for the fiscal year ended June 30, 2009 primarily related to the issuance of approximately \$52.8 million 2009 refunding revenue bonds (Underground Atlanta project).
- The Authority's total net assets decreased approximately \$2.1 million during the fiscal year ended June 30, 2009. The majority of this decrease is related to the approximately \$1.8 million net benefit to the City of Atlanta for the 2009 refunding revenue bonds (Underground Atlanta project).

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements consist of three components: management's discussion and analysis (this section), government-wide financial statements, and notes to the financial statements.

**Financial statements.** The *statement of net assets* presents information on all of the Authority's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The *statement of revenues, expenses, and changes in fund net assets* presents information showing how the Authority's net assets changed during the most recent fiscal year. All changes in net assets 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 financial statements can be found on pages 7-9 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 financial statements. The notes to the financial statements can be found on pages 10-15 of this report.

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**(A Component Unit of the Atlanta Development Authority)**  
**Management's Discussion and Analysis (Unaudited)**  
**June 30, 2009**

**Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of an entity's financial position. In the case of the Authority, assets exceeded liabilities by approximately \$1.2 million at the close of the fiscal year ended June 30, 2009. A summary of the net assets is presented below.

**Summary of the Downtown Development Authority's Net Assets**  
**June 30, 2009 and June 30, 2008**

	<b>2009</b>	<b>2008</b>
Assets:		
Current assets	\$ 5,798,873	\$ 843,945
Capital assets	2,671,882	2,832,015
Other non-current assets	73,161,535	25,079,622
Total assets	81,632,290	28,755,582
Liabilities:		
Long-term liabilities	74,480,324	23,652,317
Other liabilities	5,931,383	1,779,636
Total liabilities	80,411,707	25,431,953
Net assets:		
Invested in capital assets, net of related debt	(6,481,948)	853,652
Unrestricted	7,702,531	2,469,977
Total net assets	\$ 1,220,583	\$ 3,323,629

The Authority's total assets equal approximately \$81.6 million for the year ended June 30, 2009. The assets primarily consist of the investments in direct financing leases to the City of Atlanta of the Government Center Parking Deck and Underground Atlanta project (86%), restricted cash relating to the Parking Deck and Underground Atlanta projects (6%), the Block Building Leasehold Improvements (3%), and DDA Prepaid rent (3%).

The Authority's total liabilities equal approximately \$80.4 million for the year ended June 30, 2009. The liabilities consist primarily of bonds payable (98%) relating to the 2006 revenue bonds (Government Center Parking Deck) and the 2009 refunding revenue bonds (Underground Atlanta project).

The Authority's net assets decreased approximately \$2.1 million during the fiscal year ended June 30, 2009. A summary of that change is presented as follows:

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**(A Component Unit of the Atlanta Development Authority)**  
**Management's Discussion and Analysis (Unaudited)**  
**June 30, 2009**

**Summary of Changes in the Downtown Development Authority's Net Assets**  
**Fiscal years ended June 30, 2009 and June 30, 2008**

	<u>2009</u>	<u>2008</u>
Revenues:		
Bond administrative fees	\$ 183,210	\$ 684,520
Rental income	4,275	1,182
Interest income	1,144,281	2,327,686
Total revenues	<u>1,331,766</u>	<u>3,013,388</u>
Expenses:		
Interest	1,396,680	2,884,956
Depreciation and amortization	267,010	206,531
General and administrative	141,956	143,616
Total expenses	<u>1,805,646</u>	<u>3,235,103</u>
Net payment of bond proceeds to the City of Atlanta	(1,832,940)	-
Payments from Atlanta Development Authority	203,774	222,299
Increase (decrease) in net assets	(2,103,046)	584
Net assets, beginning of year	<u>3,323,629</u>	<u>3,323,045</u>
Net assets, end of year	<u>\$ 1,220,583</u>	<u>\$ 3,323,629</u>

The Authority's revenues primarily consist of interest income (86%) and bond administrative fees (14%). The Authority's expenses primarily consist of the following items: depreciation and amortization related to the leasehold improvements and deferred issuance costs (15%), general and administrative expenses (8%), and interest expense (77%).

**Capital Asset and Debt Administration**

**Capital assets.** The Authority's investment in capital assets as of June 30, 2009, amounts to approximately \$2.7 million (net of accumulated depreciation). The investment in capital assets includes leasehold improvements, furniture, and equipment. See Note 5 to the financial statements for more information on capital assets.

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**(A Component Unit of the Atlanta Development Authority)**  
**Management's Discussion and Analysis (Unaudited)**  
**June 30, 2009**

**Downtown Development Authority's Capital Assets**

Capital asset balances of the Authority at June 30, 2009 are as follows:

Leasehold improvements	\$ 3,491,247
Furniture and equipment	760,050
Total capital assets being depreciated	<u>4,251,297</u>
Less: accumulated depreciation	<u>(1,579,415)</u>
Net capital assets	<u><u>\$ 2,671,882</u></u>

**Long Term Debt.** At the end of the fiscal year, the Authority had total bonded debt outstanding of approximately \$79.1 million. The Authority's debt increased approximately \$54.7 million during the current fiscal year primarily as a result of the issuance of approximately \$52.8 million in 2009 refunding revenue bonds (Underground Atlanta project). See Note 6 to the financial statements for more information.

The Authority issues a significant amount of conduit debt which is not included in the Authority's Statement of Net Assets but is disclosed in Note 7 to the financial statements. These liabilities are not included in the financial statements as they are limited obligations of the Authority issued on behalf of third parties who are primarily responsible for their repayment.

Activity for long term obligations of the Authority for the year ended June 30, 2009, which are reported in the Statement of Net Assets, is summarized as follows:

**Downtown Development Authority's Outstanding Debt**

	<u>June, 30</u> <u>2008</u>	<u>Additions</u>	<u>Reductions</u>	<u>June, 30</u> <u>2009</u>
<b>Primary government:</b>				
Bonds payable, 1999 DDA	\$ 1,107,051	\$ -	\$ (160,141)	\$ 946,910
Bonds payable, 2006 DDA	23,294,638	-	(582,723)	22,727,361
Bonds payable, 2009 DDA	<u>-</u>	<u>55,487,244</u>	<u>(98,921)</u>	<u>55,418,763</u>
Total primary government	<u><u>\$ 24,401,689</u></u>	<u><u>\$ 55,487,244</u></u>	<u><u>\$ (841,785)</u></u>	<u><u>\$ 79,093,034</u></u>

**Requests for Information**

This financial report is designed to provide a general overview of the Authority'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, 86 Pryor Street SW, Suite 300, Atlanta, GA 30303.

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**(A Component Unit of the Atlanta Development Authority)**  
**Statement of Net Assets**  
**June 30, 2009**

<b>Assets</b>	
Current assets:	
Cash and cash equivalents	\$ 7,985
Restricted cash and cash equivalents	5,108,107
Investment in direct financing lease with the City of Atlanta, current portion	572,998
Prepaid rent, current portion	109,783
Total current assets	5,798,873
Noncurrent assets:	
Capital assets, net of accumulated depreciation	2,671,882
Investment in direct financing lease with the City of Atlanta	69,366,206
Prepaid rent	2,236,479
Bond issuance costs, net of amortization	1,558,850
Total noncurrent assets	75,833,417
Total assets	81,632,290
<b>Liabilities</b>	
Current liabilities:	
Accounts payable	12,737
Accrued interest payable	396,243
Bonds payable, current portion	5,522,403
Total current liabilities	5,931,383
Noncurrent liabilities:	
Advances from the Atlanta Development Authority	909,693
Bonds payable	73,570,631
Total noncurrent liabilities	74,480,324
Total liabilities	80,411,707
<b>Net Assets</b>	
Invested in capital assets, net of related debt	(6,481,948)
Unrestricted	7,702,531
Total net assets	\$ 1,220,583

**See the accompanying notes to the financial statements.**

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**(A Component Unit of the Atlanta Development Authority)**  
**Statement of Revenues, Expenses, and**  
**Changes in Fund Net Assets**  
**Year Ended June 30, 2009**

Operating revenues:	
Bond administrative fees	\$ 183,210
Rental income	4,275
Interest income	1,144,281
Total operating revenues	1,331,766
Operating expenses:	
Interest on bonds	1,396,680
Depreciation and amortization	267,010
General and administrative	141,956
Total operating expenses	1,805,646
Operating loss	(473,880)
Non-operating expenses:	
Net payment of bond proceeds to the City of Atlanta	(1,832,940)
Payment from the Atlanta Development Authority	203,774
Change in net assets	(2,103,046)
Net assets at beginning of year	3,323,629
Net assets at end of year	\$ 1,220,583

**See the accompanying notes to the financial statements.**

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**(A Component Unit of the Atlanta Development Authority)**  
**Statement of Cash Flows**  
**Year Ended June 30, 2009**

<b>Cash flows from operating activities:</b>	
Payments to suppliers	\$ (144,437)
Receipts from third parties (bond administrative fees)	183,210
Receipts of interest on loans	1,144,281
Other	4,275
	<hr/>
Net cash provided by operating activities	1,187,329
<b>Cash flows from noncapital financing activities:</b>	
Proceeds from refunding of revenue bonds	52,790,000
Net payoff of the City of Atlanta revenue bonds	(47,427,546)
Payment from the Atlanta Development Authority	203,774
	<hr/>
Net cash provided by noncapital financing activities	5,566,228
<b>Cash flows from capital and related financing activities:</b>	
Payments for interest	(1,088,465)
Repayment of bond principal	(735,141)
	<hr/>
Net cash used by capital financing activities	(1,823,606)
	<hr/>
Net increase in cash and cash equivalents	4,929,951
Cash and cash equivalents at beginning of year	186,141
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Cash and cash equivalents at end of year	\$ 5,116,092
	<hr/> <hr/>
Reconciliation to Statement of Net Assets:	
Unrestricted	\$ 7,985
Restricted	5,108,107
	<hr/>
	\$ 5,116,092
	<hr/> <hr/>
<b>Reconciliation of operating loss to net cash provided by operating activities:</b>	
Operating loss	\$ (473,880)
Adjustment to reconcile operating loss to net cash provided by operating activities:	
Depreciation and amortization	267,010
Interest payments reported in operating expenses	1,396,680
Change in assets and liabilities:	
(Increase) decrease in:	
Prepaid rent	83,294
Increase (decrease) in:	
Accounts payable	(68,450)
Advances from the Atlanta Development Authority	(17,325)
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Net cash provided by operating activities	\$ 1,187,329
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See the accompanying notes to the financial statements.

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**(A Component Unit of the Atlanta Development Authority)**  
**Notes to Financial Statements**  
**June 30, 2009**

**(1) Summary of Significant Accounting Policies**

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

The Downtown Development Authority ( “DDA” or “the Authority”) was created to promote the revitalization and redevelopment of the City of Atlanta’s central business district.

In 1997, the City created a new umbrella economic development agency, the Atlanta Development Authority ( “ADA”), which combined several existing economic development entities including DDA. Accordingly, DDA is considered to be a blended component unit of ADA and its financial statements are included in the ADA financial statements.

**(b) *Measurement Focus, Basis of Accounting, and Financial Statement Presentation***

The financial statements are reported using 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. Expenses are recorded when a liability is incurred.

Private-sector standards of accounting and financial reporting issued prior to November 30, 1989, generally are followed in the financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB). Governments also have the option of following subsequent private-sector guidance subject to this same limitation. The DDA has elected not to follow subsequent private-sector guidance.

Proprietary funds distinguish operating revenues and expenses from nonoperating 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 DDA is interest income and other miscellaneous activity. Operating expenses for the enterprise fund include direct general and administrative expenses of DDA. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. When both restricted and unrestricted resources are available for use, it is DDA’s policy to use restricted resources first, then unrestricted resources as they are needed.

**(c) *Cash and Cash Equivalents***

For the purposes of the statement of cash flows, DDA considers 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 to be cash equivalents. Certain proceeds of revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**(A Component Unit of the Atlanta Development Authority)**  
**Notes to Financial Statements**  
**June 30, 2009**

**(1) Summary of Significant Accounting Policies (Continued)**

**(d) 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:

Buildings	26 years
Leasehold improvements	29 years
Furniture and equipment	3-5 years

Interest is capitalized during construction periods on proprietary fund assets financed with bonded debt. The amount of interest to be capitalized for debt with tax-exempt interest is calculated by offsetting interest expense incurred from the date of the borrowing until completion of projects with interest earned on invested proceeds over the same period. The amount of interest to be capitalized for debt with taxable interest is calculated at the average borrowing rate applied to costs incurred during the construction period. As of June 30, 2009, there were no uncompleted projects and therefore, no interest to capitalize.

**(e) Use of Estimates**

DDA management has made a number of estimates and assumptions relating to the reporting of assets and liabilities, 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. Actual results could differ from these estimates.

**(2) Prepaid Rent**

In 1999, DDA signed a thirty-eight (38) year operating lease to rent the Block building for \$3,200,000. DDA paid the entire amount due under the lease at the time of signing. Also, in 2007, DDA signed a thirty (30) year operating lease for expansion of office space in the Block building under the terms of that lease, rent was prepaid through December 31, 2011. As of June 30, 2009, the remaining prepaid rent balance is \$2,346,262.

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**(A Component Unit of the Atlanta Development Authority)**  
**Notes to Financial Statements**  
**June 30, 2009**

**(3) Deposits and Investments**

- (a) Credit Risk.* DDA 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. As of June 30, 2009, DDA did not have any investments other than deposits with financial institutions.
- (b) 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. As of June 30, 2009, DDA had no bank balances that were exposed to custodial credit risk.

**(4) Investment in Direct Financing Lease with the City of Atlanta**

The Government Center Parking Deck was placed into operations in January 2008. The land and related building of the deck was leased to the City of Atlanta in a lease that qualifies as a capital lease. The lease payments from the City of Atlanta equal the debt service payments on the Series 2006 Revenue Bonds (see Note 6 for revenue bonds payable disclosure). As of June 30, 2009, the investment in direct financing lease in relation to the Government Center Parking Deck is \$21,874,204.

In 2009, DDA issued \$52,790,000 in Refunding Revenue Bonds (Series 2009) on behalf of the City of Atlanta to pay off or refund the City's 2002 Series Underground Atlanta Project Revenue Bonds. The principal and interest on the Series 2009 Revenue Bonds are special limited obligations of DDA and shall be payable solely from moneys payable to DDA by the City of Atlanta (see Note 5 for revenue bonds payable disclosure) under a capital lease arrangement for the Underground Parking Deck. As of June 30, 2009, a net receivable of \$48,065,000 is recorded by the Downtown Development Authority as an investment in direct financing lease with the City of Atlanta with the difference (\$4,725,000) between the total outstanding Series 2009 revenue bonds and the receivable being money transferred by the City of Atlanta to DDA's trust account for future debt service payments.

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**(A Component Unit of the Atlanta Development Authority)**  
**Notes to Financial Statements**  
**June 30, 2009**

**(5) Capital Assets**

Capital assets activity for the year ended June 30, 2009 consists of the following:

	<u>June 30, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2009</u>
Capital assets being depreciated:				
Furniture and equipment	\$ 760,050	\$ -	\$ -	\$ 760,050
Leasehold improvements	<u>3,491,247</u>	<u>-</u>	<u>-</u>	<u>3,491,247</u>
Total capital assets being depreciated	<u>4,251,297</u>	<u>-</u>	<u>-</u>	<u>4,251,297</u>
Less accumulated depreciation				
Furniture and equipment	(567,795)	(39,745)	-	(607,540)
Leasehold improvements	<u>(851,487)</u>	<u>(120,388)</u>	<u>-</u>	<u>(971,875)</u>
Total accumulated depreciation	<u>(1,419,282)</u>	<u>(160,133)</u>	<u>-</u>	<u>(1,579,415)</u>
Net capital assets	<u>\$ 2,832,015</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,671,882</u>

**(6) Revenue Bonds Payable**

In 1999, the Authority issued \$2,400,000 of Series 1999 Downtown Development Authority Revenue Bonds for renovations and leasehold improvements of office space. Principal and interest payments are payable monthly until the bonds mature in 2014, and the Bonds carry an interest rate of 4.6%. The balance due on these bonds at June 30, 2009 is \$946,909. Bond issuance costs of \$35,500 are amortized using the straight line method, which is not materially different from using the effective interest method.

In 2006, the Authority issued \$23,480,000 of Revenue Bonds (\$17,990,000, Series 2006A, and \$5,490,000, Series 2006B) for the purpose of acquiring land and building a five-story parking facility. Interest is due semiannually on June 1, and December 1 of each year, with varying interest rates ranging from 4% to 5%. Principal payments are due annually and the bonds mature in 2034. The balance due on these bonds at June 30, 2009 is \$22,905,000. This facility is currently being leased to the City of Atlanta with the lease payments equal to the debt service payments on the bonds. Bond issuance costs of \$943,921 are amortized using the straight line method, which is not materially different from using the effective interest method.

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**(A Component Unit of the Atlanta Development Authority)**  
**Notes to Financial Statements**  
**June 30, 2009**

**(6) Revenue Bonds Payable (Continued)**

In 2009, the Authority issued \$52,790,000 of refunding revenue bonds (\$44,975,000, Series 2009A, and \$7,815,000, Series 2009B). The Series 2009A bonds were used to refund the principal of the City of Atlanta Series 2002, Variable Rate Refunding Revenue Bonds (Underground Atlanta Project). The Series 2009B bonds were issued for the purpose of paying (a) the termination fee in connection with an interest rate swap relating to the City of Atlanta's Series 2002 Bonds, (b) accrued interest on the City of Atlanta's Series 2002 Bonds, and (c) the costs of issuance of the Series 2009 Bonds. Commencing on July 1, 2009, interest is due semiannually on January 1 and July 1 of each year with varying interest rates ranging from 2% to 5%. The 2009A bonds mature in 2016, whereas the 2009B bonds mature in 2010. The balance due on these bonds at June 30, 2009 is \$52,790,000. The Authority has recorded a receivable from the City of Atlanta for all future debt service payments. Bond issuance costs of \$841,941 are being amortized using the effective interest method.

Activity for the bonds payable for the year ended June 30, 2009 consists of the following:

	<u>June 30, 2008</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2009</u>	<u>Amount Due Within One Year</u>
<b>Primary government:</b>					
Bonds payable, 1999 Downtown					
Development Authority Revenue Bonds	\$ 1,107,051	\$ -	\$ 160,141	\$ 946,910	\$ 197,403
Bonds payable, 2006 Downtown					
Development Authority Revenue Bonds	23,480,000	-	575,000	22,905,000	600,000
Discount on 2006 Revenue Bonds	(185,362)	-	7,723	(177,639)	-
Bonds payable, 2009 Downtown					
Development Authority Refunding Revenue Bonds	-	52,790,000	-	52,790,000	4,725,000
Discount on 2009 Refunding Revenue Bonds	-	(226,935)	15,220	(211,715)	-
Unamortized Bond Premium	-	2,924,179	83,701	2,840,478	-
<b>Total primary government</b>	<u>\$ 24,401,689</u>	<u>\$ 55,487,244</u>	<u>\$ 841,785</u>	<u>\$ 79,093,034</u>	<u>\$ 5,522,403</u>

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**(A Component Unit of the Atlanta Development Authority)**  
**Notes to Financial Statements**  
**June 30, 2009**

**(6) Revenue Bonds Payable (Continued)**

*Debt Service Requirements*

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending June 30:			
2010	\$ 5,522	\$ 2,491	\$ 8,013
2011	6,786	3,165	9,951
2012	7,040	2,912	9,952
2013	7,364	2,591	9,955
2014	7,666	2,221	9,887
2015 - 2019	26,590	5,851	32,441
2020 - 2024	4,945	3,145	8,090
2025 - 2029	6,210	1,885	8,095
2030 - 2032	4,520	341	4,861
Totals	<u>76,643</u>	<u>\$ 24,602</u>	<u>\$ 101,245</u>
Plus premium on Downtown Development Authority	2,840		
Less discount on Downtown Development Authority	(390)		
Total outstanding debt	<u>\$ 79,093</u>		

**(7) Conduit Debt**

DDA issues private activity tax exempt and taxable revenue bonds to private sector entities for projects located within the city limits of Atlanta. The bonds are secured by the property financed and are payable solely from payments received on the underlying promissory notes. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. DDA 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, 2009, the aggregate principal amounts of bonds issued by DDA as conduit debt were \$247,718,400.