

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**(A component Unit of The Atlanta Development Authority,**  
**d/b/a Invest Atlanta)**

**FINANCIAL STATEMENTS**  
**AND**  
**INDEPENDENT AUDITORS' REPORT**

**June 30, 2024**

CERTIFIED PUBLIC ACCOUNTANTS

**Carmichael**  
**Brasher Tuvell**  
**& Company**

DUNWOODY EXCHANGE  
1647 MOUNT VERNON ROAD  
ATLANTA, GA 30338

678/443-9200  
Facsimile 678/443-9700  
[www.cbtcpa.com](http://www.cbtcpa.com)

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**(A Component Unit of The Atlanta Development Authority,**  
**d/b/a Invest Atlanta)**

**June 30, 2024**

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**TABLE OF CONTENTS**

	<u>Page</u>
<b>Independent Auditors' Report</b>	1 - 3
<b>Management's Discussion and Analysis</b>	4 - 7
<b>Basic Financial Statements</b>	
Government-wide Financial Statements:	
Statement of Net Position	8
Statement of Activities	9
Fund Financial Statements:	
Statement of Net Position – Proprietary Funds	10
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds	11
Statement of Cash Flows – Proprietary Funds	12
<b>Notes to Financial Statements</b>	13 – 21

**INDEPENDENT AUDITORS' REPORT**

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

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the accompanying financial statements of the business-type activities and each major fund of the **Downtown Development Authority** (the "Authority"), a component unit of The Atlanta Development Authority, d/b/a Invest Atlanta, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and each major fund of the Downtown Development Authority as of June 30, 2024, 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.

***Basis for Opinions***

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Responsibilities of Management 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; and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 6 be presented to supplement the basic financial statements. Such information is the responsibility of management, 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 6, 2024 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 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 the Authority'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 the Authority's internal control over financial reporting and compliance.

CARMICHAEL, BRASHER, TUVELL & CO, PC

*Carmichael, Brasher, Tuvell + Co., P.C.*

Atlanta, Georgia  
December 6, 2024

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**D/B/A INVEST ATLANTA**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS**  
**June 30, 2024**

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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, 2024. Please read it in conjunction with the financial statements and accompanying notes.

**Fiscal Year 2024 Selected Financial Highlights**

- The assets of the Authority increased approximately \$33.8 million for the fiscal year ended June 30, 2024.
- The liabilities of the Authority increased approximately \$19.2 million for the fiscal year ended June 30, 2024. The increase is primarily related an increase in bonds payable.

**Overview of the Financial Statements**

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

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

The *statement of net position* presents information on all of the Authority’s assets, deferred outflows of resources, and liabilities, 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 the Authority is improving or deteriorating.

The *statement of activities* presents information showing how the Authority’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 can be found on pages 8 and 9 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 two funds, one for the administrative fund and another for the blended component unit of the Authority. 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 funds and presenting cash flow information. The fund financial statements can be found on pages 10-12 of this report.

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**D/B/A INVEST ATLANTA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**June 30, 2024**

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**Notes to the financial statements.** The notes provide additional information essential to a full understanding of the data provided in the financial statements. The notes to the financial statements can be found on pages 13-21 of this report.

**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 the Authority, assets and deferred outflows of resources were more than liabilities by approximately \$97.3 million at the close of the fiscal year ended June 30, 2024. A summary of the net position is presented below.

**Summary of Authority's Business-type Activities Net Position**  
**June 30, 2024, and June 30, 2023**

	<b>2024</b>	<b>2023</b>
Assets:		
Current assets	\$ 108,569,688	\$ 97,866,567
Other non-current assets	<u>151,669,077</u>	<u>128,573,055</u>
Total assets	260,238,765	226,439,622
Deferred outflows of resources	570,750	714,709
Liabilities:		
Long-term liabilities	151,883,513	130,639,017
Other liabilities	<u>11,650,715</u>	<u>10,828,162</u>
Total liabilities	163,534,228	141,467,179
Net Position (deficit):		
Restricted for redevelopment programs	85,712,297	82,997,568
Unrestricted	<u>11,562,990</u>	<u>2,689,584</u>
Total Net position (deficit)	\$ 97,275,287	\$ 85,687,152

The Authority's total assets equal approximately \$260.2 million as of the fiscal year ended June 30, 2024. The assets primarily consist of intergovernmental receivables from the City of Atlanta (58%) and restricted cash related to the AURA Bonds (both for debt service and programs) (42%).

The Authority's total liabilities equal approximately 163.5 million as of the fiscal year ended June 30, 2024. The liabilities consist primarily of bonds payable (93%) related to the AURA bonds.

The liabilities increase is primarily related to an increase in bonds payable.

**DOWNTOWN DEVELOPMENT AUTHORITY  
D/B/A INVEST ATLANTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2024**

**Summary of Changes in the Authority's Net Position  
Fiscal Years Ended June 30, 2024, and June 30, 2023**

	2024	2023
<b>Revenues</b>		
Subsidy income received from the City of Atlanta	\$ 35,978,648	\$ 7,864,929
Parking garage income	920,695	493,867
Other income	<u>14,062,499</u>	<u>2,736,097</u>
Total revenues	50,961,842	11,094,893
<b>Expenses:</b>		
Interest expense	5,483,525	4,840,574
General and administrative	<u>33,890,182</u>	<u>13,030,698</u>
Total expenses	<u>39,373,707</u>	<u>17,871,272</u>
Increase (decrease) in net position	11,588,135	(6,776,379)
Net position (deficit), beginning of fiscal year	<u>85,687,152</u>	<u>92,463,531</u>
Net position (deficit), end of fiscal year	\$ 97,275,287	\$ 85,678,152

The Authority's revenues primarily consist of income received from the City of Atlanta for the program funding and bond issuance and debt service payments related to certain bond issuances (71%) and parking garage income (2%). Compared to the prior fiscal year, income received from the City of Atlanta for bond issuance and debt service payments related to certain bond issuances increased by 357%, while parking garage income increased by 86%. Total revenues rose by 359%. The Authority's expenses primarily consist of the following items: interest expense which increased by \$642,951 as a result of the increased debt service requirements and general and administrative expenses increased \$20,859,484.

**Debt Administration**

At the end of the current fiscal year, the Authority had total long-term debt outstanding of approximately \$153 million. The Authority's debt reflects a net increase of approximately \$19 million during the current fiscal year primarily as a result of new debt and the principal payments in fiscal year 2024. See Note 4 to the financial statements for more information including the bond premium.

Activity for long term obligations of the Authority for the fiscal year ended June 30, 2024, which are reported in the Statement of Net Position, is summarized as follows:

<b>Primary Government</b>	<b>June 30, 2023</b>	<b>Additions</b>	<b>Reductions</b>	<b>June 30, 2024</b>
Bonds payable, 2010 AURA	\$ 7,935,000	\$ 0	\$(1,500,000)	\$ 6,435,000
Bonds payable, 2017 AURA	10,530,000	0	(970,000)	9,560,000
Bonds payable, 2019 AURA	21,945,000	0	(1,050,000)	20,895,000
Bonds payable, 2021 AURA	93,355,000	0	(1,985,000)	91,370,000
Draw Down Gulch Entrp. Zone	100,000	0	0	100,000
Bonds payable, 2024 AURA	<u>0</u>	<u>24,825,000</u>	<u>0</u>	<u>24,825,000</u>
Total primary government	\$133,865,000	\$24,825,000	\$(5,505,000)	\$153,185,000

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**D/B/A INVEST ATLANTA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**June 30, 2024**

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**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, 133 Peachtree Street, NE, Suite 2900, Atlanta, GA 30303.

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**(A Component Unit of The Atlanta Development Authority,**  
**d/b/a Invest Atlanta)**  
**STATEMENT OF NET POSITION**  
**June 30, 2024**

	<b>Business-type Activities</b>
<b>Assets</b>	
Current assets:	
Cash and cash equivalents	\$ 14,946,182
Restricted cash and cash equivalents	85,712,297
Due from Urban Residential Finance Authority	-
Intergovernmental receivable from the City of Atlanta, current portion	7,911,209
Total current assets	108,569,688
Noncurrent assets:	
Due from the City of Atlanta	151,669,077
Total noncurrent assets	151,669,077
Total assets	260,238,765
<b>Deferred Outflows of Resources</b>	
Deferred loss on bond refunding	570,750
<b>Liabilities</b>	
Current liabilities:	
Accounts payable and accrued liabilities	2,558,661
Bonds and notes payable, current portion	6,385,000
Accrued interest payable	2,707,054
Total current liabilities	11,650,715
Noncurrent liabilities:	
Advances from Invest Atlanta	1,501,329
Bonds payable, noncurrent portion	150,382,184
Total noncurrent liabilities	151,883,513
Total liabilities	163,534,228
<b>Net Position</b>	
Restricted for programs	85,712,297
Unrestricted (deficit)	11,562,990
Total net position	\$ 97,275,287

See the accompanying notes to the financial statements.

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**(A Component Unit of The Atlanta Development Authority,**  
**d/b/a Invest Atlanta)**  
**STATEMENT OF ACTIVITIES**  
**Fiscal Year Ended June 30, 2024**

	<b>Program Revenues</b>			<b>Net (Expense) Revenue and Changes in Net Position</b>
<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Business-type Activities</b>	
Functions/Programs:				
Primary government:				
Business-type activities:				
Economic development	\$ 39,373,707	\$ 920,695	\$ 46,242,205	\$ 7,789,193
Total primary government activities	\$ 39,373,707	\$ 920,695	\$ 46,242,205	7,789,193
General revenues:				
Interest income				3,798,942
Total general revenues				3,798,942
		Change in net position		11,588,135
		Dividends		-
		Net position – beginning of fiscal year		85,687,152
		Net position – ending of fiscal year		\$ 97,275,287

See the accompanying notes to the financial statements.

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**(A Component Unit of The Atlanta Development Authority,**  
**d/b/a Invest Atlanta)**

**STATEMENT OF NET POSITION - PROPRIETARY FUNDS**  
**June 30, 2024**

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Administrative Fund</b>	<b>Atlanta Urban Redevelopment Agency</b>	<b>Total</b>
<b>Assets</b>			
Current assets:			
Cash and cash equivalents	\$ 14,946,182	\$ -	\$ 14,946,182
Restricted cash and cash equivalents	-	85,712,297	85,712,297
Due from Urban Residential Finance Authority	-	-	-
Intergovernmental receivable from the City of Atlanta, current portion	529	7,910,680	7,911,209
Total current assets	<u>14,946,711</u>	<u>93,622,977</u>	<u>108,569,688</u>
Noncurrent assets:			
Intergovernmental receivable from the City of Atlanta	100,000	151,569,077	151,669,077
Total noncurrent assets	<u>100,000</u>	<u>151,569,077</u>	<u>151,669,077</u>
Total assets	<u>15,046,711</u>	<u>245,192,054</u>	<u>260,238,765</u>
<b>Deferred Outflows of Resources</b>			
Deferred loss on bond refunding	-	570,750	570,750
<b>Liabilities</b>			
Current liabilities:			
Accounts payable and accrued expenses	2,558,661	-	2,558,661
Bonds and notes payable, current portion	-	6,385,000	6,385,000
Accrued interest payable	529	2,706,525	2,707,054
Total current liabilities	<u>2,559,190</u>	<u>9,091,525</u>	<u>11,650,715</u>
Noncurrent liabilities:			
Advances from Invest Atlanta	1,501,088	241	1,501,329
Bonds payable, noncurrent portion	100,000	150,282,184	150,382,184
Total noncurrent liabilities	<u>1,601,088</u>	<u>150,282,425</u>	<u>151,883,513</u>
Total liabilities	<u>4,160,278</u>	<u>159,373,950</u>	<u>163,534,228</u>
<b>Deferred Inflows of Resources</b>			
Deferred gain on bond refunding	-	-	-
<b>Net Position</b>			
Restricted for redevelopment programs	-	85,712,297	85,712,297
Unrestricted (deficit)	10,886,433	676,557	11,562,990
Total net position	<u>\$ 10,886,433</u>	<u>\$ 86,388,854</u>	<u>\$ 97,275,287</u>

See the accompanying notes to the financial statements.

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**(A Component Unit of The Atlanta Development Authority,**  
**d/b/a Invest Atlanta)**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**Fiscal Year Ended June 30, 2024**

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Administrative Fund</u>	<u>Atlanta Urban Redevelopment Agency</u>	<u>Total</u>
<b>Operating revenues:</b>			
Parking garage income	\$ -	\$ 920,695	\$ 920,695
Subsidy income for debt service payments	-	35,978,648	35,978,648
Other income	10,260,436	3,121	10,263,557
Total operating revenues	<u>10,260,436</u>	<u>36,902,464</u>	<u>47,162,900</u>
<b>Operating expenses:</b>			
Interest expense	14,826	5,468,699	5,483,525
General and administrative	2,540,142	31,350,040	33,890,182
Total operating expenses	<u>2,554,968</u>	<u>36,818,739</u>	<u>39,373,707</u>
Operating income (loss)	<u>7,705,468</u>	<u>83,725</u>	<u>7,789,193</u>
<b>Non-operating revenues (expenses):</b>			
Interest income	-	3,798,942	3,798,942
Total non-operating operating revenues	<u>-</u>	<u>3,798,942</u>	<u>3,798,942</u>
Change in net position	7,705,468	3,882,667	11,588,135
<b>Net position (deficit) at beginning of fiscal year</b>	<u>3,180,965</u>	<u>82,506,187</u>	<u>85,687,152</u>
<b>Net position at end of fiscal year</b>	<u>\$ 10,886,433</u>	<u>\$ 86,388,854</u>	<u>\$ 97,275,287</u>

See the accompanying notes to the financial statements.

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**(A Component Unit of The Atlanta Development Authority,**  
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**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS**  
**Fiscal Year Ended June 30, 2024**

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Administrative Fund</b>	<b>Atlanta Urban Redevelopment Agency</b>	<b>Total</b>
<b>Cash flows from operating activities:</b>			
Receipts from third parties	\$ 10,260,436	\$ 923,816	\$ 11,184,252
Receipts from City of Atlanta	(490,958)	-	(490,958)
Receipts from Invest Atlanta	-	66	66
Payments to suppliers	(2,540,142)	(31,587,214)	(34,127,356)
Net cash provided by (used in) operating activities	7,229,336	(30,663,332)	(23,433,996)
<b>Cash flows from noncapital financing activities:</b>			
Principal reduction of Recovery Zone bonds	-	(5,712,170)	(5,712,170)
Paid bond issuance costs	-	-	-
Payments for interest on bonds	(23,527)	(4,680,612)	(4,704,139)
Proceeds from issuance of Redevelopment Agency Taxable bonds	-	27,736,600	27,736,600
Receipt of funds from others to subsidize debt service payments	-	12,235,301	12,235,301
Net cash provided by (used in) noncapital financing activities	(23,527)	29,579,119	29,555,592
<b>Cash flows from investing activities:</b>			
Receipts of interest on bank accounts	-	3,798,942	3,798,942
Net cash provided by investing activities	-	3,798,942	3,798,942
Net increase (decrease) in cash and cash equivalents	7,205,809	2,714,729	9,920,538
Cash and cash equivalents at beginning of fiscal year	7,740,373	82,997,568	90,737,941
Cash and cash equivalents at end of fiscal year	\$ 14,946,182	\$ 85,712,297	\$ 100,658,479
Reconciliation to Statement of Net Position:			
Cash and cash equivalents	\$ 14,946,182	\$ -	\$ 14,946,182
Restricted cash and cash equivalents	-	85,712,297	85,712,297
	\$ 14,946,182	\$ 85,712,297	\$ 100,658,479
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>			
Operating income (loss)	\$ 7,705,468	\$ 83,725	\$ 7,789,193
Adjustment to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Amortization of deferred loss on refunding in operating income (loss)	-	143,959	143,959
Amortization of bond premium in operating income (loss)	-	(176,801)	(176,801)
Advances from Invest Atlanta	-	66	66
Advances to Urban Residential Finance Authority	-	-	-
Accounts payable and accrued expenses	(490,958)	(204,332)	(695,290)
Bond issuance costs reported in operating income (loss)	-	-	-
Interest payments reported in operating income (loss)	14,826	5,468,699	5,483,525
Receipts for debt service reported in operating income (loss)	-	(35,978,648)	(35,978,648)
Net cash provided by (used in) operating activities	\$ 7,229,336	\$ (30,663,332)	\$ (23,433,996)

See the accompanying notes to the financial statements.

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**(A Component Unit of The Atlanta Development Authority,**  
**d/b/a Invest Atlanta)**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

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**(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, d/b/a Invest Atlanta (“Invest Atlanta”), which combined several existing economic development entities including DDA. Accordingly, DDA is considered to be a blended component unit of Invest Atlanta and its financial statements are included in the Invest Atlanta financial statements.

The Atlanta Urban Redevelopment Agency (“Agency”) 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. The Agency is considered to be a blended component unit of DDA as the governing body for both the DDA and the Agency are identical, the DDA is able to impose its will on the Agency, and management of the DDA has operational responsibility for the activities of the Agency. Separate financial information for this component unit may be obtained from the Chief Financial Officer, Invest Atlanta at 133 Peachtree Street, NE, Suite 2900, Atlanta, Georgia 30303.

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

The Authority 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 that are invested in capital assets, restricted for use by third parties or outside requirements, and unrestricted.

The statement of activities demonstrates the degree to which direct expenses of a given function or segment is 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.

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**(A Component Unit of The Atlanta Development Authority,**  
**d/b/a Invest Atlanta)**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

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

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. 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 items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The Authority reports the following major enterprise funds:

Administrative Fund – The Administrative Fund is used to record the receipt of income not directly pledged to the repayment of specific notes, bonds, or grant programs and the payment of expenses related to the Authority’s programmatic and administrative functions.

Atlanta Urban Redevelopment Agency – This fund is used to account for the financing of certain economic development projects within the Atlanta Urban Redevelopment Area as determined by the City of Atlanta.

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

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 DDA and the Agency are parking garage and rental income, funds received from the City of Atlanta to cover debt service requirements, interest income, and other miscellaneous activity. Operating expenses for the enterprise funds include direct rent expense, interest expense, and general and administrative expenses. 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 the Authority’s policy to use restricted resources first, then unrestricted resources as they are needed.

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**(A Component Unit of The Atlanta Development Authority,**  
**d/b/a Invest Atlanta)**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

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***(d) Cash, Cash Equivalents, and Investments***

For the purposes of the statement of cash flows, the Authority considers all short-term investment securities with original maturities of three months or less, local government investment pools, repurchase agreements, money market funds, and investment agreements under which funds can be withdrawn at any time without penalty to be cash equivalents. These cash equivalents are stated at fair value. Certain proceeds of revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants.

***(e) Deferred Outflows 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. The Authority has one type of deferred outflow, a deferred charge (loss) on refunding resulting from the difference in carrying value of the refunded debt and its reacquisition price. This deferred loss will be amortized over the shorter life of the refunded or refunding bonds.

***(f) Use of Estimates***

The Authority’s management has made a number of estimates and assumptions relating to the reporting of assets, deferred outflows of resources, 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) Deposits and Investments**

***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. State statutes authorize DDA to invest in obligations of the state of Georgia or other states; obligations issued by the U.S. Government; obligations fully insured or guaranteed by the U.S. Government or by a government agency of the United States; obligations of any corporation of the U.S. Government; prime banker’s acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the state of Georgia. As of June 30, 2024, DDA’s investment in the Fidelity Money Market Treasury Mutual Funds were rated AAA.

At June 30, 2024, DDA had the following investments, which are classified as cash equivalents:

Investment	WAM	Fair Value
Fidelity Money Mkt Treasury Mutual Fund - Class I	40 days	\$970,737

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**(A Component Unit of The Atlanta Development Authority,**  
**d/b/a Invest Atlanta)**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

---

**(2) Deposits and Investments (Continued)**

**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, 2024, interest rate risk is reported in the above table as “Weighted Average Maturity (WAM)” for each of the applicable investment classifications.

**Fair Value Measurements.** DDA 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. DDA has the following recurring fair value measurements as of June 30, 2024:

Investment	Level 1	Level 2	Level 3	Fair Value
Fidelity Money Mkt Treasury Mutual Fund - Class I	\$970,737	\$-	\$-	\$970,737

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, 2024, DDA 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 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 Series 2006 Revenue Bonds. During the year ended June 30, 2017, the liability for the 2006 Bonds and the related receivable from the City of Atlanta were transferred from the Authority to the Agency. Subsequently, the Agency refunded the Series 2006 Bonds with the Series 2017 Revenue Refunding Bonds and title to the Parking Deck was transferred to the City. As discussed in Note 4, the City of Atlanta entered into an intergovernmental agreement with the Agency and pledged to make all debt service payments on the Series 2017 Revenue Refunding Bonds. As a result, the Agency has recorded an intergovernmental receivable from the City for the full amount of the Series 2017 Bonds. At June 30, 2024, the balance of this receivable was \$9,596,638 plus \$36,638 in accrued interest.

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**(A Component Unit of The Atlanta Development Authority,**  
**d/b/a Invest Atlanta)**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

---

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

On October 28, 2010, the Agency 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 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, 2024, a net receivable of \$6,423,797 is recorded by the Agency 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 departments, governmental agencies or other tenants. 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, 2024, a net receivable of \$20,944,464 is recorded by the Agency as an intergovernmental receivable from the City of Atlanta.

On November 1, 2021, the Agency issued \$1,250,000,000 of Master Draw-Down Infrastructure Revenue Bonds (Series 2021) on behalf of the City of Atlanta to finance revitalization and redevelopment the central business district of the city, known as the Gulch Enterprise Zone Project. The principal and interest on the Series 2021 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, 2024, a net receivable of \$100,000 is recorded by the Agency as an intergovernmental receivable from the City of Atlanta.

On December 1, 2021, the Agency issued \$95,090,000 of Taxable Revenue Bonds (Series 2021) on behalf of the City of Atlanta to finance the completion of the 22-mile BeltLine trail corridor. The principal and interest on the Series 2021 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, 2024, a net receivable of \$92,993,563 is recorded by the Agency as an intergovernmental receivable from the City of Atlanta.

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**(A Component Unit of The Atlanta Development Authority,**  
**d/b/a Invest Atlanta)**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

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

On March 21, 2024, AURA issued \$30,000,000 of Taxable Revenue Bonds (Series 2024) on behalf of the City of Atlanta to finance the costs of acquiring, constructing, renovating and equipping certain municipal improvement projects for public buildings and public facilities located within the urban redevelopment area, including (1) electrical, plumbing and elevator repairs, exterior lighting upgrades and HVAC and AV equipment improvements, (2) Non-emergency customer relationship management system upgrades, (3) Renovations to the human resources department offices, and (4) Elevator modernization and HVAC, lighting and security improvements to certain city facilities and department offices. The principal and interest on the Series 2024 Bonds are special limited obligations of AURA and shall be payable solely from monies payable to AURA by the City of Atlanta (see Note 4 for revenue bonds payable disclosure) under an intergovernmental arrangement. As of June 30, 2024, a net receivable of \$24,825,000 is recorded by the Agency as an intergovernmental receivable from the City of Atlanta.

**(4) Revenue Bonds and Notes Payable**

On October 28, 2010, the Agency 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. The Agency 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, 2024 is \$6,435,000.

On April 20, 2017, the Agency issued \$15,605,000 Revenue Refunding Bonds (Series 2017) for the purpose of refunding all outstanding Series 2006A and 2006B Bonds. 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. The Agency 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, 2024 is \$ 9,560,000.

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**(A Component Unit of The Atlanta Development Authority,**  
**d/b/a Invest Atlanta)**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

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**(4) Revenue Bonds and Notes Payable (Continued)**

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 departments, governmental agencies or other tenants. 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, 2024 is \$20,895,000.

On November 1, 2021, the Agency issued \$1,250,000,000 of Master Draw-Down Infrastructure Revenue Bonds. The Gulch draw-down bonds will be used to finance revitalization and redevelopment the central business district of the city, known as the Gulch Enterprise Zone Project. 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 balance due on the Gulch draw-down Bonds at June 30, 2024 is \$100,000.

On December 1, 2021, the Agency issued \$95,090,000 of Taxable Revenue Bonds (Series 2021). The Series 2021 bonds were used to finance the completion of the 22-mile BeltLine trail corridor. Commencing on July 1, 2022, interest is due semiannually on July 1 and January 1 of each fiscal year with an average interest rate of 3.37%. 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. The Agency has recorded a receivable from the City of Atlanta for all future debt service payments. The Series 2021 Bonds mature on July 1, 2051. The balance due on the Series 2021 Bonds at June 30, 2024 is \$91,370,000.

On March 21, 2024, the Agency issued \$30,000,000 of Taxable Revenue Bonds (Series 2024) on behalf of the City of Atlanta to finance the costs of acquiring, constructing, renovating and equipping certain municipal improvement projects for public buildings and public facilities located within the urban redevelopment area. The principal and interest on the Series 2021 Bonds are special limited obligations of the Agency and shall be payable solely from monies payable to the Agency by the City of Atlanta under an intergovernmental arrangement. As of June 30, 2024, the balance due on the Series 2021 Bonds is \$24,825,000.

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**(A Component Unit of The Atlanta Development Authority,**  
**d/b/a Invest Atlanta)**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**(4) Revenue Bonds and Notes Payable (Continued)**

Activity for the bonds payable for the fiscal year ended June 30, 2024 consists of the following:

	June 30, 2023	Additions	Reductions	June 30, 2024	Due Within One Fiscal Year
<b>Primary government</b>					
Bonds payable, 2010 AURA Taxable Bonds	\$7,935,000	\$ -	\$1,500,000	\$ 6,435,000	\$1,540,000
Bonds payable, 2017 AURA Taxable Refunding Bonds	10,530,000	-	970,000	9,560,000	1,005,000
Premium on 2017 Bonds	877,754	-	176,800	700,954	-
Bonds payable, 2019 AURA Taxable Bonds	21,945,000	-	1,050,000	20,895,000	1,070,000
Draw down Gulch enterprise Zone Project series 2021	100,000		-	100,000	-
Bonds payable, 2021 AURA Beltline completion project	93,355,000	-	1,985,000	91,370,000	2,030,000
Bonds payable, 2024 AURA Taxable Bonds	-	24,825,000	-	24,825,000	740,000
Premium on 2024 Bonds		2,911,600	30,370	2,881,230	-
Total primary government	\$134,742,754	\$27,736,600	\$5,712,170	\$156,767,184	\$6,385,000

***Debt Service Requirements***

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

<b>Bonds &amp; Notes of DDA</b>			
Fiscal Year Ending June 30:	Principal	Interest	Total
2025	6,385	5,419	11,804
2026	6,580	5,593	12,173
2027	6,800	5,341	12,141
2028	7,025	5,073	12,098
2029	5,545	4,789	10,334
2030-2034	27,950	20,046	47,996
2035-2039	28,770	16,185	44,955
2040-2044	27,885	10,810	38,695
2045-2049	21,265	5,055	26,320
2050-2052	14,880	880	15,760
Totals	153,085	79,189	232,274
Plus Premiums	3,582		
Net Bonds Payable	156,667		

**(5) Advances and Payments from Invest Atlanta**

At June 30, 2024, DDA owes the Atlanta Development Authority's Administrative Fund \$1,501,088, and \$ 241 which was not expected to be repaid within one fiscal year, but will be repaid in future years.

**DOWNTOWN DEVELOPMENT AUTHORITY**  
**(A Component Unit of The Atlanta Development Authority,**  
**d/b/a Invest Atlanta)**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

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**(6) Conduit Debt**

The Authority 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 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. The Authority is not obligated in any manner for repayment of the bonds and does not report these as liabilities in the accompanying financial statements. The aggregate principal amounts outstanding as of June, 30, 2024 for conduit debt issued by the Authority was \$3,757,748.

**(7) Subsequent Events**

The Authority has evaluated subsequent events that have occurred up through December 6, 2024, the date of issuance of these financial statements. No material subsequent events have occurred since June 30, 2024 that required recognition or disclosure in these financial statements.