

A RESOLUTION COMMUNITY DEVELOPMENT AND HUMAN RESOURCES

A RESOLUTION APPROVING POLICIES AND BUDGET RELATING TO THE AFFORDABLE HOUSING TRUST FUND OF THE BELTLINE TAX ALLOCATION DISTRICT OF THE CITY OF ATLANTA; AND OTHER RELATED MATTERS

WHEREAS, the City Council of the City of Atlanta, Georgia (the “City”), by Ordinance 05-O-1733, adopted on November 7, 2005, and approved by the Mayor on November 9, 2005, created the City of Atlanta Tax Allocation District Number Six – BeltLine (the “BeltLine TAD”), defined the BeltLine Redevelopment Plan (the “Redevelopment Plan”), established the intent to issue bonds secured by tax increment derived in the BeltLine TAD for the redevelopment therein consistent with the Redevelopment Plan and authorized the Authority to act as the redevelopment agency for the City in connection with the BeltLine TAD;

WHEREAS, the City Council of the City, by Ordinance 06-O-1568, adopted on July 17, 2006, and approved by the Mayor of the City on July 18, 2006, approved certain projects or phases of projects to implement the Redevelopment Plan;

WHEREAS, pursuant to Ordinance 05-O-1733, a portion of the Series 2008 Bond proceeds must be used to fund affordable housing within the BeltLine TAD area and 15% of the net bond proceeds of each BeltLine TAD bond issue shall be set aside in the BeltLine Affordable Housing Trust Fund (the “Trust Fund”);

WHEREAS, pursuant to Section 11 of Ordinance 05-O-1733, policies and program components relating to the BeltLine Affordable Housing Trust Fund have been developed (the “Trust Fund Policy”), which Trust Fund Policy is attached hereto as Exhibit A and incorporated herein by reference;

WHEREAS, Atlanta BeltLine, Inc (“ABI”) has been formed by the Atlanta Development Authority to perform certain of the Authority’s redevelopment agency responsibilities for the City with respect to the BeltLine TAD and in accordance the Redevelopment Plan;

WHEREAS, in order to provide for the proper administration of the Trust Fund, also set forth on Exhibit A attached hereto is an administration budget for the Trust Fund (the “Budget”).

THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA HEREBY RESOLVES that the Trust Fund Policy and Budget as indicated in Exhibit A are approved and adopted by reference.

BE IT FURTHER RESOLVED THAT all resolutions or parts thereof with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

BELTLINE AFFORDABLE HOUSING TRUST FUND

TRUST FUND POLICIES		APPROXIMATE BUDGET
PROGRAM COMPONENT		
1	<p>Grants to developers of rental housing enforced by a Land Use Restriction agreement</p> <ul style="list-style-type: none"> ➤ 60% of area median income ("AMI") eligibility cap for affordable units funded by Trust Fund ➤ A minimum of 15% of all units in each development must be affordable ➤ Require a minimum 15 year affordability period 	\$4,643,921
2	<p>The Trust Fund will allocate subsidies to developers that commit to building affordable for sale units.</p> <ul style="list-style-type: none"> ➤ The subsidy will be passed on to eligible homebuyers in the form of a deferred second mortgage. ➤ 100% of AMI eligibility cap for one or two person households; 115% of AMI cap for three or more persons ➤ A minimum of 15% of all units in each development must be affordable ➤ 2nd mortgage forgiven after 15 yrs; principal + share of gain due during years 1-9; prin. only yrs 10-15 ➤ HUD 203(B) purchase price limit 	\$1,600,000
3	<p>Grants to CHDOs enforced by a Land Use Restriction Agreement</p> <ul style="list-style-type: none"> ➤ 60% of AMI eligibility cap for affordable units funded by Trust Fund ➤ A minimum of 15% of all units in each development must be affordable ➤ Require a minimum 15 year affordability period 	\$1,342,990
4	<p>The Trust Fund will allocate subsidies to CHDOs that commit to building affordable for sale units.</p> <ul style="list-style-type: none"> ➤ The subsidy will be passed on to eligible homebuyers in the form of a deferred second mortgage ➤ 100% of AMI eligibility cap for one or two person households; 115% of AMI cap for three or more persons ➤ A minimum of 15% of all units in each development must be affordable ➤ 2nd mortgage forgiven after 15 yrs; principal + share of gain due during years 1-9; prin. only yrs 10-15 	\$2,500,000
5	<p>Assistance will be provided in the form of a deferred second mortgage loan.</p> <ul style="list-style-type: none"> ➤ 0% interest ➤ 100% of AMI eligibility cap for one or two person households; 115% of AMI cap for three or more persons ➤ 2nd mortgage forgiven after 15 yrs; principal + share of gain due during years 1-9; prin. only yrs 10-15 ➤ Best efforts will be made for six months to target households between 60 - 80% of AMI ➤ Provide exclusive marketing to City of Atlanta, Fulton County, Atlanta Public School employees and BeltLine neighborhood residents for first three months of the program. ➤ HUD 203(B) purchase price limit 	\$1,000,000
6	<p>Funds available for property acquisition for rental affordable housing development within the Beltline TAD</p> <p>Developers will execute a Land Use Restriction Agreement which outlines affordability restrictions.</p>	
7	<p>Funds available for property acquisition for single family affordable housing development. Developers to execute a Development Agreement and will transfer this grant to homebuyers in the form of a deferred second mortgage.</p>	\$1,000,000
	<i>SUBTOTAL</i>	\$13,429,901
	Funds Trust Fund Program Administration for three years	\$ 900,000
	TOTAL	\$14,329,901

OTHER GENERAL POLICIES:

- 20% of Trust Fund Program dollars will be reserved for CHDO's.
- Program funds not expended within 12 months may be reallocated to other components to insure that 100% of bonds proceeds meet spend down requirements.
- Approved projects must balance cost and quality; meet or exceed local building standards; be comparable in size and quality to similar market rate units within the same development; be mixed income; and contain units affordable to the City's lower income citizens.
- Developments must meet "Barrier Free" requirements as defined by City of Atlanta ordinance.
- Developments must have environmentally sustainable components.