November 1, 2010

Councilmember Joyce Sheperd  
Chair, Community Development / Human Resources Committee  
Atlanta City Hall  
55 Trinity Avenue  
Atlanta, GA 30303

Dear Councilmember Sheperd,

Thank you for requesting an opinion from the BeltLine Affordable Housing Advisory Board (BAHAB) regarding the Letter of Intent for sale of the City Hall East property to Jamestown Properties. The issue of concern within the LOI is the request to City Council by the purchaser, for a one-time exemption from the policies which govern the BeltLine Affordable Housing Trust Fund (BAHTF). The exemption will allow the use of BAHTF funding to subsidize the development of rental units only for households earning up to 80% of the area median income (AMI), as opposed to those earning 60% AMI. Jamestown proposes to provide 20% of the planned rental units at 80% AMI, as opposed to 15% of the units at 60% AMI, although it is unclear at this time how many of the total proposed units would be rental and how many for-sale.

BAHAB supports the LOI contingent upon the following:

1) That from the tax increment generated by this project, an amount in addition to the normal 15% reserved for the BAHTF be added to the BAHTF to support the development of future affordable units up to 60% AMI households. This amount shall not be less than the amount required to subsidize the correct number of 60% AMI units within the City Hall East redevelopment, according to the BAHTF guidelines.

2) That the additional amount be reserved for use in the same BeltLine area as the City Hall East property, sub-areas 5 or 6.

There was not a quorum of BAHAB members to vote on this motion, but the vote was unanimous.

Sincerely,

Kate Little  
Chair, Beltline Affordable Housing Advisory Board
June 8, 2011

Mr. Brian M. Leary
President and CEO
Atlanta Beltline, Inc.
86 Pryor Street, Suite 200
Atlanta, GA 30303

Dear Mr. Leary,

As you know, last November the BeltLine Affordable Housing Advisory Board (BAHAB) voted conditionally to approve a certain one-time exemption from the affordable housing policies which govern the use of the BeltLine Affordable Housing Trust Fund (BAHTF), as they applied to the proposed redevelopment of City Hall East by Jamestown Properties. The exemption will allow for the use of BAHTF funding to subsidize the development of affordable rental units only for households earning up to 80% of the area median income (AMI), as opposed to per the governing policies, which provide for those earning 60%AMI. Jamestown proposes to create 20% of the planned rental units at 80%AMI. The BAHTF policies normally call for 15% of the units to be accessible to households earning 60%AMI.

Key BAHAB concerns remain that as the BeltLine develops, it must do so equitably and practically, by 1) providing housing for low-income households which are most likely to be transit dependent, 2) creating economic opportunity through access to transit mobility for low-income families, and 3) ensuring housing affordability to low-income households all around the BeltLine. Recognizing that the proposal for City Hall East diverges from these principles, BAHAB agreed to support the proposed agreement with Jamestown contingent upon the following:

1) that from the next bond issuance, an amount in addition to the normal 15% reserved for the BAHTF be added to the BAHTF to support the development of future affordable units for households earning up to 60% AMI. This amount shall be equal to the total amount required to subsidize the correct number of 60% AMI units in the City Hall East redevelopment, that would have otherwise been required by the BAHTF policies.

2) That the additional amount be reserved for use in the same Beltline area as the City Hall East property, sub-areas 5 and 6.

The intent is for this additional contribution to create needed housing for households earning 60% AMI or less in that area of the BeltLine, as would have been done if not for the exemption. We also request that the additional amount be tracked separately over time to ensure intended implementation. To date, this conditional agreement has not yet been formally committed to the public record. This letter is a request for ABI and the Atlanta Development Authority to finalize the agreement by officially adopting the above contingencies and providing for their execution in the five-year plan. Thank you for responding to the concerns of this Board, and we look forward to an ongoing productive partnership with ABI in the BeltLine’s future affordable housing development.

Sincerely,

Kate S. Little, President
Beltline Affordable Housing Advisory Board

Andy Schneggenburger, Secretary
Beltline Affordable Housing Advisory Board
MEMORANDUM

October 8, 2013

RE: Ponce City Market – BAHTF $2,080,000 Grant

To: Beltline Affordable Housing Advisory Board (BAHAB)

From: Granvel Tate, Neighborhood Revitalization Manager, Invest Atlanta

The purpose of this memo is to provide background information on the $2,080,000 BAHTF grant provided to Jamestown, L.P. for the redevelopment of the property formerly known as City Hall East into the mixed use development now identified as Ponce City Market ("PCM").

- A total of 52 affordable units are reserved by the developer in consideration of the BAHTF grant. The unit breakdown is as follows:

<table>
<thead>
<tr>
<th>Unit Type</th>
<th># of Units</th>
<th>SF</th>
<th>5 Year Fixed Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Studio</td>
<td>9</td>
<td>575-705</td>
<td>$998</td>
</tr>
<tr>
<td>1BR/1BA</td>
<td>11</td>
<td>655-1060</td>
<td>$999</td>
</tr>
<tr>
<td>1BR/1BA + den</td>
<td>8</td>
<td>655-1030</td>
<td>$1,400</td>
</tr>
<tr>
<td>1BR/1BA + den</td>
<td>8</td>
<td>1020-1310</td>
<td>$1,400</td>
</tr>
<tr>
<td>2BR/2BA</td>
<td>7</td>
<td>1215-1460</td>
<td>$1,575</td>
</tr>
<tr>
<td>2BR/2BA</td>
<td>8</td>
<td>1265-1520</td>
<td>$1,735</td>
</tr>
<tr>
<td>3BR/2BA</td>
<td>1</td>
<td>1570-1790</td>
<td>$2,000</td>
</tr>
</tbody>
</table>

- The affordable units constitute 20% of the 259 units to be developed at PCM.

- All 52 units will be affordable to households earning 80% of AMI ($53,040 for FY2013), not adjusted for family size. Rental rates are not capped on the affordable units after the first five years.

- The $2,080,000 in BAHTF funding is structured as a grant thus requiring no repayment of funds.

With kindest regards,

[Signature]
Granvel Tate
Neighborhood Revitalization Manager
Dear

As Chair of the Beltline Affordable Housing Advisory Board (BAHAB), I offer this letter to document the Board’s concern with the terms and conditions for the investment of Beltline Affordable Trust Fund (BAHTF) dollars in the PROJECT NAME, as well as in the process used to finalize the investment.

In TIMEFRAME, BAHAB was asked to consider supporting an investment of BAHTF dollars for PROJECT that included exceptions to the approved BAHTF Investment policy adopted by the city of Atlanta. After significant discussion, BAHAB approved the following investment structure in an effort to support the completion of a project of significant importance to the City and early Beltline development efforts:

RECOMMENDED INVESTMENT AS APPROVED

Our support was conditioned on an agreement which would provide

CONDITIONS AS APPROVED

additional amount

After the investment of BAHTF dollars was consummated, it came to our attention that the final terms of conditions were not aligned with our recommendation and that the investment was in significant non-compliance with BAHTF policies intended to provide affordable housing to projects receiving Trust Fund support.

As constructed the final investment

FINAL INVESTMENT CONDITIONS IN NON-COMPLIANCE

BAHAB is familiar with the fluidity and flexibility sometimes required to close real estate development deals. However, we are more than concerned with the way the affordable housing subsidy was used to support this development, the fact that final decisions were made without any input from BAHAB, and the failure to honor our role and responsibility in the expenditure of BAHTF dollars.

BAHAB respectfully requests a written explanation of the process followed in determining the final investment of dollars so that we can work with all responsible parties to ensure BAHAB is adequately positioned in the future to fulfill our obligation to protect the investment of Trust Fund dollars for the purpose of providing affordable housing consistent with the policies and intent of the BAHTF.

Sincerely,

William H. McFarland
Chair, Beltline Affordable Housing Trust Fund

CC: APPROPRIATE PARTIES AT BELTLINE< INVEST ATLANTA AND CITY
January 27, 2014

Mr. Paul Morris, President & CEO
Atlanta Beltline, Inc.
86 Pryor Street, Suite 300
Atlanta, GA 30303

RE: Investment of Beltline Affordable Housing Trust Fund Dollars in Ponce City Market

Dear Mr. Morris,

As Chair of the Beltline Affordable Housing Advisory Board (BAHAB), I offer this letter to document the Board’s concern with the final terms and conditions for the investment of Beltline Affordable Trust Fund (BAHTF) dollars provided to Jamestown, L.P. for the Ponce City Market (“PCM”) mixed use development.

In response to a request from ABI, Invest Atlanta (then the Atlanta Development Authority) and the City of Atlanta, BAHAB agreed to support an investment of BAHTF dollars in the PCM project to subsidize rental units, numbering 20% of total planned units, affordable to residents earning 80% of Area Median Income (AMI), an exception to the approved policy which restricts investment of BAHTF dollars to development where a minimum of 15% of planned rental units are affordable at 60% of AMI.

BAHAB’s support of the investment, made in an effort to assist in the completion of a project of significant importance to the City and early Beltline development efforts, was conditioned on an agreement that the Trust Fund would receive additional bond proceeds - over and above the mandated 15% reserve - equal to the amount of funding required to subsidize 15% of the units at PCM at 60% AMI from the next bond issuance, and that the additional proceeds would be restricted for use in sub areas 5 and 6.

It is our understanding that, although it is the policy of Invest Atlanta to cap rents at 35% of total household income, the final terms and conditions for the BAHTF investment did not include a cap on the percentage of total income a tenant could pay for housing when determining rent levels affordable at 80% of AMI.

Any real definition of affordability includes a limit on housing cost as a percentage of total household income; it is a fallacy to pretend that any investment subsidizes reasonable affordability without such protection. Most two and three bedroom units at PCM are affordable at 80% of AMI - if a family pays from 39% to 45% of their monthly income on rent alone.

BAHAB is now aware that the legislation establishing policy for BAHTF investment failed to adequately define affordability. As such, BAHAB intends to officially request that the City of Atlanta consider legislation to amend the definition of affordability, in relation to the investment of BAHTF dollars, to include language stating that households should pay no more than 30% of total household income for all housing cost, consistent with prevailing federal housing law and policy. This legislation would ensure that our scarce trust fund dollars subsidize true housing affordability.
In addition, per our June 8th 2011 letter to ABI, we are renewing our request that ABI and Invest Atlanta formally document acceptance of the terms of our conditional support, including a calculation of the amount of additional bond proceeds expected.

It is our hope that you will support BAHAB’s efforts to fulfill our obligation to protect the Investment of Trust Fund dollars for the purpose of providing affordable housing consistent with the policies and intent of the BAHABTF. We would like to meet with you and appropriate parties from Invest Atlanta to discuss further and determine next steps.

Sincerely,

William H. McFarland
Chair, Beltline Affordable Housing Trust Fund

CC: Brian McGowan, CEO/President, Invest Atlanta
    Ernestine Gary, Invest Atlanta
    James Alexander, ABI
Beltline Affordable Housing Advisory Board

February 21, 2014

Mr. Brian McGowan, CEO/President
Invest Atlanta
133 Peachtree Street, NE, Suite 2900
Atlanta, Georgia 30303

RE: Investment of Beltline Affordable Housing Trust Fund Dollars in Ponce City Market

Dear Mr. McGowan,

As Chair of the Beltline Affordable Housing Advisory Board (BAHAB), I offer this letter to document the Board’s concern with the final terms and conditions for the investment of Beltline Affordable Trust Fund (BAHTF) dollars provided to Jamestown, L.P. for the Ponce City Market ("PCM") mixed use development.

In response to a request from Atlanta Beltline, Inc. (ABI), Invest Atlanta (then the Atlanta Development Authority) and the City of Atlanta, BAHAB agreed to support an investment of BAHTF dollars in the PCM project to subsidize rental units, numbering 20% of total planned units, affordable to residents earning 80% of Area Median Income (AMI), an exception to the approved policy which restricts investment of BAHTF dollars to development where a minimum of 15% of planned rental units are affordable at 60% of AMI.

BAHAB’s support of the investment, made in an effort to assist in the completion of a project of significant importance to the City and early Beltline development efforts, was conditioned on an agreement that the Trust Fund would receive additional bond proceeds - over and above the mandated 15% reserve - equal to the amount of funding required to subsidize 15% of the units at PCM at 60% AMI from the next bond issuance, and that the additional proceeds would be restricted for use in sub areas 5 and 6.

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Please be advised that per our June 8, 2011 letter to ABI (see attached), we are renewing our request that ABI and Invest Atlanta formally document acceptance of the terms of our conditional support, including a calculation of the amount of additional bond proceeds expected.

It is our hope that you will support BAHAB’s efforts to fulfill our obligation to protect the investment of Trust Fund dollars for the purpose of providing affordable housing consistent with the policies and intent of the BAHTF. We would like to meet with you and appropriate parties from ABI to discuss further and determine next steps.

I can be reached at wmmcornell@bellsouth.net or by phone at 404-790-6607. Please direct any written correspondence in care of ABI. Thank you.

Sincerely,

William H. McFarland
Chair, Beltline Affordable Housing Trust Fund

CC: Paul Morris, President & CEO, Atlanta Beltline, Inc.
Ernestine Gary, Invest Atlanta
James Alexander, ABI