

# 2011

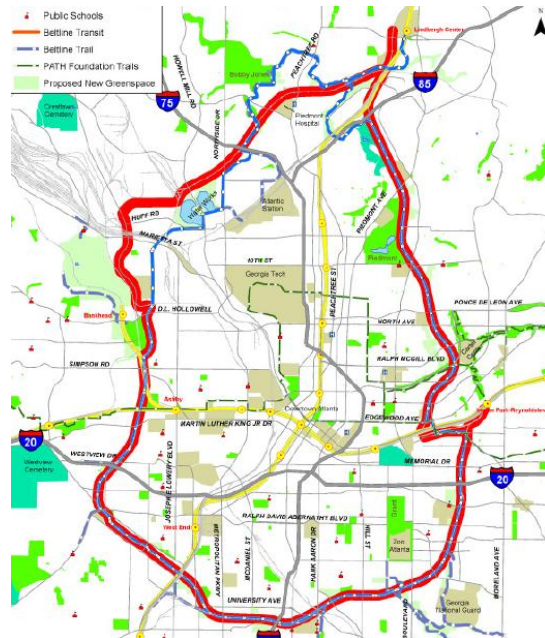
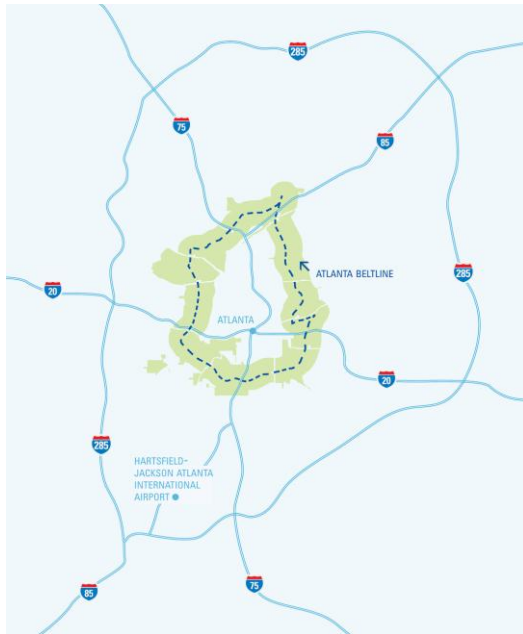
## ALTC Overview



ATLANTA LAND TRUST COLLABORATIVE

## Atlanta Land Trust Collaborative (ALTC) Mission

The Atlanta Land Trust Collaborative (ALTC) is vital to achieve Atlanta’s current and future affordable housing needs, as well as diminishing the negative impacts of gentrification and displacement due to new redevelopment initiatives within existing underserved neighborhoods of the City’s urban core. The Atlanta BeltLine is one of the most comprehensive economic development efforts ever undertaken in the City, and the largest, most wide-ranging urban redevelopment project in the country. With a 25-year project horizon, the Atlanta BeltLine will combine green-space, trails, transit/integrated transportation, and new mixed-use development along 22 miles of historic rail segments that encircle the urban core. The Atlanta BeltLine will touch and link 45 separate neighborhoods in the City.



One of the outcomes of this level of sustained public attention and investment will be to attract private investment to Atlanta BeltLine neighborhoods. While in many ways this will be a boon for those neighborhoods that have been ignored by private capital for decades, history tells us that it is also likely to lead to speculation, rapidly increasing land and property values, gentrification and displacement.<sup>1</sup> However, unlike most large-scale urban redevelopment projects, the organizations behind the Atlanta BeltLine are committed to addressing issues of gentrification at the front-end of the process, not at the back-end. In fact, the City, Fulton County and the other governmental stakeholders in the Atlanta BeltLine, have specifically allocated funding for and mandated the development of affordable housing from the proceeds of tax allocation bonds issued by the City for this project.<sup>2</sup> The formation of the ALTC and local CLT’s in Atlanta BeltLine neighborhoods are expected to

<sup>1</sup> Statistics gathered by ADA and the City indicate that increases in property values inside of the City’s tax allocation districts (redevelopment areas), such as the Atlanta BeltLine, far outpace the rate of growth in property values in areas outside of tax allocation districts.

<sup>2</sup> This requirement is set forth in the legislation and intergovernmental agreements creating/approving the Atlanta BeltLine and/or memorializing the various governmental parties’ participation in the Atlanta BeltLine. Under Georgia law, the tax allocation bonds issued by the City are supported by the increase or growth in the generally applicable property taxes collected within the Atlanta BeltLine.

extend the impact of existing sources of public investment in affordable housing creation, which are available for property located within the Atlanta BeltLine project's area of operation, including bond financing, the BeltLine Affordable Housing Trust Fund, ADA's home-ownership programs, as well as "CDBG" and "HOME" funds. In addition, as part of its mission to acquire and return tax delinquent properties to productive use, the Fulton County/City of Atlanta Land Bank Authority (Land Bank Authority) is currently working in partnership with the ALTC to implement a city-wide REO land acquisition strategy to be used for affordable housing development. The ALTC's role as a "Central Server" supporting the development of local Community Land Trusts is a critical component of a broad based, local government initiative to increase quality housing options for low and moderate income Atlanta families.

ALTC strategic goals:

1. **create a favorable climate** for CLT development, leading advocacy efforts to revise and implement new local public policies favorable to CLTs;
2. **perform the stewardship functions** of a CLT in neighborhoods where the local capacity does not exist to carry out these functions;
3. **spur the formation** of at least two CLTs within the next three years

## History

In 2008, under the leadership of The Atlanta BeltLine Partnership, the Atlanta Housing Association of Neighborhood-based Developers (AHAND) and the Annie E. Casey Foundation—Atlanta Civic Site, the ALTC was developed through the collective efforts of more than 30 public, private, nonprofit and community organizations and leading national experts. The ALTC was created in 2009 to address affordable housing needs for neighborhoods at risk of gentrification and displacement due to the Atlanta Beltline redevelopment activities. The ALTC was formed by a collective 2.5 year effort and serves to (i) promote the development of CLTs in Atlanta BeltLine neighborhoods and others around the City and (ii) galvanize and distribute housing resources and funds to ensure permanently sustainable affordable housing throughout the City. Tony Pickett serves as the ALTC's executive director, leading efforts to maintain affordability in neighborhoods adjacent to the Atlanta BeltLine and other areas. He has more than 20 years of experience with implementation of large scale urban redevelopment projects, including participation in strategic planning work for the creation of the Beltline Tax Allocation District during his previous employment as the Atlanta Housing Authority Director of Real Estate Strategy and Development. The ALTC supports the new Pittsburgh and Reynoldstown neighborhood CLT programs, which will develop permanently affordable homes beginning in 2011. The ALTC also leads a local multi-agency Policy Working Group, including participation by the Atlanta Development Authority, Atlanta Beltline, Inc. and the City of Atlanta Bureau of Housing to coordinate efforts to support newly created Atlanta CLTs and develop/test new regulatory guidelines based on national best practices for permanent affordability.

## Programs

The ALTC and Atlanta BeltLine, Inc. (ABI) have targeted a demonstration program to create affordable housing units with long-term affordability and in-residence police officers, teachers, or artists. The program requires the modification of guidelines for approximately \$2.9M in BeltLine Affordable Housing Trust Fund (BAHTF) mortgage revenue bonds. Negotiations to stabilize or acquire vacant housing units along the Atlanta BeltLine and convert them into long-term affordable housing have been initiated. The ALTC and ABI partnership targets achieving sales of three to ten subsidized existing units to low/moderate income buyers, using CLT deed restrictions or ground leases, resale formula and/or 20 year automatically renewable deed restrictions determined by unit type (condo, single family detached, etc...). The units with long-term affordability will be deeply subsidized reserved for police officers, teachers, and artists. We expect this will increase the presence of public service professionals that create a more complete and connected community. . The ALTC will assume the

long term stewardship for affordable housing sold under this program. All closings must occur on or before April 2012 or the \$2.9M will be recaptured due to Tax Increment Financing bond expenditure obligations. This approach is unprecedented in the City of Atlanta, and significant technical assistance is required to structure the program and complete the CLT home sales in advance of the April 2012 expenditure deadline. **If successful, this ALTC/Atlanta Beltline CLT demonstration program model could be expanded with approved changes to the existing BAHTF policies for planned future Atlanta Beltline tax increment financing bond issues.** Through these bond issues, a total of approximately \$240 million of Beltline Tax Allocation District (TAD) funds are planned to be set aside into an affordable housing trust fund over a 25 year period. This commitment is estimated to create as many as 5,600 new affordable and workforce housing units inside the Atlanta BeltLine area, the most significant investment in affordable and workforce housing in Atlanta's history. The formation of the ALTC and local CLTs in Atlanta BeltLine neighborhoods will extend the impact of existing sources of public investment in the project, including dollars from the City and ADA. Units developed with the support of these sources that are put into a CLT will remain affordable in perpetuity, thus retaining the impact of these subsidies far beyond their traditional 15-30 year time horizon.

### **ALTC Service Area**

The ALTC currently defines our service area as the entire City of Atlanta consisting of 242 neighborhoods as officially defined by the City. The "neighborhoods" are a mix of

- traditional neighborhoods
- subdivisions or groups of subdivisions
- public housing projects
- core areas such as Downtown and Midtown

The ALTC and ABI will give priority to serving the 45 Atlanta Beltline adjacent neighborhoods to both preserve existing affordability and mitigate potential displacement of existing low and moderate income families.

### **ALTC Community Partners**

The ALTC enjoys a wide variety of local and national partners including but not limited to:

- The Beltline Partnership
- Atlanta BeltLine, Inc.
- Atlanta Development Authority
- City of Atlanta Bureau of Housing
- Fulton County/City of Atlanta Land Bank Authority
- Pittsburgh Community Improvement Association
- Sustainable Neighborhood Development Strategies, Inc.
- Resources for Residents and Communities
- Central Atlanta Progress
- Atlanta Regional Commission
- Livable Communities Coalition
- Partnership for Southern Equity
- Georgia Stand-Up
- NCB Capital Impact
- Home Depot Foundation
- National CLT Network
- Ford Foundation
- Annie E. Casey Foundation – Atlanta Civic Site
- Enterprise Community Partners
- Wells Fargo
- United Way
- Atlanta Housing Association of Neighborhood Based Developers

### **ALTC Goals**

The ALTC currently has no homes in its portfolio. However the unique "Central Server" model developed as part of the ALTC formation process has resulted in the creation of a series of demonstration projects by our partners in Pittsburgh and Reynoldstown which are projected to create approximately 23 to 26 new CLT housing units in 2011. The Atlanta BeltLine has agreed to fully support the ALTC in its efforts to demonstrate the success

of CLT housing in Atlanta with the use of BAHTF subsidy to create additional permanently affordable homeownership units occupied on or before April of 2012.

The ALTC is now working with the Cornerstone Partnership and the National CLT Network to produce a model for Transit Oriented Development/CLT Housing policy and implementation. The model will be applied to future Atlanta BeltLine affordable housing efforts and replicated in other planned Atlanta transit projects such as the **\$72M Downtown Atlanta Streetcar route**, which has been funded by the U.S. DOT and will pass through the heart of the M.L. King Historic District. The planned downtown Atlanta Multimodal Transit Passenger terminal regional transportation hub is also a focus for the ALTC, transforming the existing MARTA rail hub and the companion **87 acre Green Line redevelopment masterplan** for mainly vacant existing land in downtown Atlanta, including approximately 1,350 new housing units, could also utilize the CLT housing model developed by this TA project. Atlanta contains a significant number of historically underserved African American neighborhoods with a large percentage of low income working households near the downtown central business district and along the southern and western arc of the Atlanta BeltLine redevelopment initiative. Those neighborhoods are arguably at the greatest risk for gentrification and displacement due to rapidly escalating land and housing values resulting from planned Atlanta BeltLine quality of life improvements.



**Proposed Atlanta Streetcar**



**Proposed Green Line Redevelopment**

## Community Need

According to the November 2006 Atlanta Affordable Workforce Housing Task Force Report, over 75% of Atlanta households earn less than \$80,000 per year. In addition, 50% of working households in Atlanta earn \$18,000 - \$80,000 a year. Many of these households require assistance to rent or own housing inside the City limits, near jobs, public transportation options, critical social services and desirable amenities. The scale of the City's active redevelopment initiatives, such as the BeltLine, the historic trend of housing costs outpacing the earnings of working families including the governmental "workforce", will resume and become exacerbated after the local real estate market rebounds. The ALTC fills a critical void in how affordable housing is created and sustained in the City of Atlanta. A number of existing families of affordable housing developments along the BeltLine are facing the expiration of their homes affordability based on terms of the original development financing. In 1995 the Telephone Factory Loft rental development was approved for ADA bond financing and the ADA required a fifth of the project's 65 units be made available for people earning half the area median income, which in 2010 was roughly \$25,000 a year. Currently a number of artists who rent a 1,000-square-foot studio for little more than \$500 a month are living and working in the historic building. The roster of past tenants has included an Emmy-winning video documentarian, a former ultimate fighting champion, photographers, performance artists, actors, painters, musicians and even circus performers. The building owners plan to gradually raise rents to match market rates, which could start around \$1,000 a month for a 1,000-square-foot space. In May of 2011, those unable to pay the potential higher rents and whose leases have ended will have to leave their homes.

The success of the ALTC is critical to the success of the Atlanta Beltline, as well as other mixed-income, affordable housing initiatives pursued by the City and its partners at ADA. A significant consensus of Atlanta's affordable housing policy makers and have agreed to support the creation of the ALTC. They support the ALTC's focus on long-term affordability, development of alternative financing models for both rental and owner-occupied housing, and its commitment to neighborhoods impacted by the Atlanta BeltLine, as well as communities throughout the City of Atlanta, through its dedication to building and nurturing local CLTs. We are all committed to a large scale implementation of the CLT model in Atlanta, using ALTC as the primary focus of the effort. In December 2010, the City, ADA, LBA and ABI all signed a formal letter supporting the 501(c) 3 designation of the ALTC as a vehicle to reduce the burdens of local government, ameliorating community deterioration and providing safe, decent and affordable housing to persons who may be otherwise locked out of the economic mainstream.

### A. Major Funders:

- NCB Capital Impact
- Home Depot Foundation
- Ford Foundation
- Wells Fargo
- United Way

**B. Board Members/Leadership Team:**

**Atlanta Land Trust Collaborative Board of Directors List**

<b><u>Name</u></b>	<b><u>Position</u></b>	<b><u>Sector</u></b>	<b><u>Organization/Position</u></b>
1. Valarie Wilson	Chair	Nonprofit	Executive Director Atlanta BeltLine Partnership
2. Terri Lee	Vice-Chair	<i>Public/Private</i>	Assistant Planning Commissioner City of Atlanta
3. April Anderson	Treasurer	Neighborhood	President, Beecher Donnelly Community Ass. V.P., SunTrust Robinson Humphrey, Inc.
4. Natalie Keiser	Secretary	Nonprofit	Chief of Staff Resources for Residents and Communities
5. Chris Norman		<i>Public/Private</i>	Executive Director Fulton County/City of Atlanta Land Bank Authority
6. Ernestine Garey		<i>Public/Private</i>	Interim President Atlanta Development Authority
7. LaShawn Hoffman		Neighborhood	Chief Executive Officer Pittsburgh Community Improvement Association
8. Reverend Darrell Elligan		Nonprofit	President, Concerned Black Clergy Pastor, True Light Baptist Church
9. Mike Baldwin		Public/Private	V.P., SunTrust

### C. Current Initiatives

The operational business plan now in progress will also include the long term impacts, staffing needs and resources required for ALTC active projects and programs in development:

1. **Affordable Housing Policy revisions** - Coordinate with ADA, COA, ABI and Land Bank Authority policy to emphasize CLT usage for long term affordability.
2. **Affordable Housing and Transit Oriented Development Policy/Program linkage** - Examine innovative solutions for use in Atlanta ie: Denver TOD Acquisition fund Pool, Atlanta Streetcar workforce residential development, Downtown Multi-modal Passenger Terminal workforce residential development, MARTA rail station workforce residential development.
3. **Pittsburgh CLT program support** - 31 CLT rehabilitated homes for lease/purchase 2011 -2013.
4. **Reynoldstown CLT program support** - 13 new construction CLT homes for sale 2011-2012.
5. **Atlanta BeltLine Buyer-Driven Subsidy Program** - 8-10 Shared Equity Deed Restricted residential units sold in 2011.
6. **Weaver PRM internet based CLT project management software implementation** - providing a common data platform for use by ALTC and its sponsored neighborhood CLT partners.
7. **Neighborhood Life Cycle interactive data model development** - forecasting tool to determine neighborhood redevelopment project impact on local communities.