SANDY SPRINGS
GEORGIA

CITY COUNCIL AGENDA ITEM

TO: Mayor & City Council **DATE:** February 13, 2012

FROM: John McDonough, City Manager

AGENDA ITEM: Resolution to Support the Rehabilitation of Affordable Housing Units for Older Persons on Property Located at 144 Allen Road

MEETING DATE: For Submission onto the February 21, 2012, City Council Regular Meeting Agenda

BACKGROUND INFORMATION: (Attach additional pages if necessary)

See attached:

Memorandum
Resolution
Support Documents

APPROVAL BY CITY MANAGER: JM *APPROVED*

_____ *NOT APPROVED*

PLACED ON AGENDA FOR: 2/21/12

CITY ATTORNEY APPROVAL REQUIRED: (✓) *YES* ( ) *NO*

CITY ATTORNEY APPROVAL: _____

REMARKS:

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To: John McDonough, City Manager

From: Angela Parker, Director of Community Development

Date: February 14, 2012 for submission onto the February 21, 2012 City Council Regular Meeting Agenda

Agenda Item: **Resolution to Support the Rehabilitation of Affordable Housing Units for Older Persons on Property Located at 144 Allen Road**

CMO (City Manager's Office) Recommendation:
APPROVAL of a resolution in support of the application by the Housing Authority of Fulton County and the Benoit Group, LLC for low income housing tax credits.

Background:
In April 2011, the Mayor and City Council considered the same resolution to support the Housing Authority's proposal. At this time, the Georgia Department of Community Affairs has requested that the Housing Authority, as it moves forward with its project, obtain a current resolution and letter of support from the City.

Allen Road Senior I will consist of approximately 2.26 acres and is currently zoned A-L (Apartment Limited District) pursuant to zoning case Z81-0129. The rehabilitation will be of housing for older persons at 144 Allen Road and will include up to one hundred (100) units for residents fifty-five (55) years of age and older.

Discussion:
The 2011 allocation plan for tax credits towards developments of the type described herein gives additional consideration to any financing application which has the support of the official governing body of the jurisdiction in which the development is located, and such consideration significantly increases the likelihood of the project becoming a reality.

At this time, staff is recommending that the Mayor and City Council support the developer's application for Qualified Allocation Plan tax credit assistance.

Enclosure(s)
Proposed Resolution
Letter of Support to Housing Authority of Fulton County
Letter of Support to Georgia Department of Community Affairs Office of Affordable Housing
Fulton County Resolution

RESOLUTION NO. _____

Reading: February 21, 2012

STATE OF GEORGIA
COUNTY OF FULTON

A RESOLUTION TO SUPPORT THE REHABILITATION OF AFFORDABLE HOUSING UNITS FOR OLDER PERSONS ON PROPERTY LOCATED AT 144 ALLEN ROAD

WHEREAS, the governing authority of the City of Sandy Springs, Fulton County, Georgia has been informed by the Housing Authority of Fulton County, as Owner, a public body corporate and politic, duly organized and validly existing pursuant to the Constitution and laws of the State of Georgia (the "Authority"), and The Benoit Group, LLC (the "Developer"), an Atlanta, Georgia based for-profit organization, that it is seeking low income housing tax credits as an integral part of the financing package for rehabilitation of up to 100 housing units for older persons, located at 144 Allen Road, Sandy Springs, Georgia 30328, said project known as "The Allen Road Community"; and

WHEREAS, it is estimated by the Developer that the planning, design, and construction of The Allen Road Community will require expenditures currently estimated at $7 million; and

WHEREAS, The Allen Road Community will consist of approximately 2.26 acres and is currently zoned A-L (Apartment Limited District) conditional pursuant to zoning case Z81-0129; and

WHEREAS, the City understands that the proposed project is conditioned upon approval by U.S. Department of Housing and Urban Development ("HUD") of the Authority's disposition application; and

WHEREAS, the 2011 allocation plan for tax credits towards developments of the type described herein gives additional consideration to any financing application which has the support of the official governing body of the jurisdiction in which the development is located, and such consideration significantly increases the likelihood of the project becoming a reality; and

WHEREAS, the City of Sandy Springs understands that the rehabilitation will be of housing for older persons of the Allen Road Community and will include the following proposals, as presented by the Developer:

1. That the estimated cost will be approximately $50,000 per unit;
2. That a number of amenities and supportive services have been incorporated into the development. Services include planned social and recreational activities, semi-monthly arts and crafts classes, computer training, and exercise classes.

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Sandy Springs, Georgia, and it is hereby resolved, only for the purposes of the Authority's and the Developer's Application for Georgia Department of Community Affairs Qualified Allocation Plan tax credit assistance, by the authority of the same, that:

The City Council of the City of Sandy Springs, Georgia will support, to the extent allowed by state and local laws, including full compliance with all applicable zoning and land use regulations, the rehabilitation of The Allen Road Community as proposed by the Housing Authority of Fulton County, as Authority, and The Benoit Group, LLC, as Developer, as housing for older persons. This support is provided for the project as outlined and shall not constitute

endorsement or approval of the development entity and its capacity to develop the property as outlined.

RESOLVED this the 21st day of April, 2012.

Approved:

Attest:

Eva Galambos, Mayor

Michael Casey, City Clerk

(Seal)

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February 21, 2012

Ms. Falecia Stewart
Executive Director
Housing Authority of Fulton County
4273 Wendell Drive, SW
Atlanta, GA 30336

Re: Proposed Disposition of Selected Housing Authority property located at the Allen Road Public Housing Community located at 144 Allen Road, Atlanta (within the incorporated boundaries of the City of Sandy Springs) Georgia ("Property")

Dear Ms. Stewart:

The Mayor's Office has consulted with the Housing Authority of Fulton County ("Authority") regarding the proposed disposition of the above-referenced Property and supports submission of an application for approval of this disposition to the United States Department of Housing and Urban Development ("HUD").

The City of Sandy Springs understands the Authority's decision to dispose of the Property consisting of a total of 100 residential units [(98) ninety eight-(1) one bedroom units and (2) two-(2) two bedroom units] with common areas and associated amenities. The Property has become functionally obsolete and no longer provides viable affordable housing to the residents of Fulton County. Thus, it is the intent of Authority to seek permission from HUD to remove the Property through disposition from the Annual Contributions Contract (ACC) and thereby deregulate their use, and to redevelop the Property into a new modern mixed finance community to serve elderly residents of North Fulton County.

If you need further assistance, please contact my office.

Sincerely,

Eva Galambos, PhD
Mayor, City of Sandy Springs

7840 Roswell Road, Building 500 • Sandy Springs, Georgia 30350 • 770.730.5600 • 770.393.0244 fax • www.sandyspringsga.org

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February 21, 2012

Office of Affordable Housing
Georgia Department of Community Affairs
60 Executive Park South, N.E.
Atlanta, Georgia 30329-2231

RE: Allen Road Senior
144 Allen Road NE #617
Atlanta, GA 30328-48911

Dear Sir or Madam:

The Benoit Group, LLC, the developer of the referenced proposed development, has notified the City of Sandy Springs of its intention to develop and to apply to the Georgia Department of Community Affairs (DCA) for Low Income Housing Tax Credit (Credit) and/or financing through the HOME Investment Partnerships Program (HOME) for the development of units affordable to low income residents.

The purpose of this letter is to convey our understanding of the details of the project, as stipulated in the State of Georgia's 2012 Qualified Allocation Plan. The details are as follows:

Project Name:	Allen Road Senior I
Project Address and/or Lot Number:	144 Allen Road NE #617 Atlanta, GA 30328
Owner/Developer Name:	Owner: Fulton County Housing Authority Developer: The Benoit Group, LLC
Owner/Developer Address:	Owner: 4273 Wendell Drive, SW Atlanta, GA 30336 Developer: Premier Plaza One; 5605 Glenridge Drive, Suite 100, Atlanta, GA 30342
Total Number of Units:	up to 100 units
Total Number of Units Set Aside for Low Income Residents:	up to 90
Project Type (New Construction/Rehabilitation):	Rehabilitation
Tenancy (Family/Elderly/Special Needs):	Elderly (55 and older)

I hereby certify that I am the chief elected official of this jurisdiction, or the person duly authorized to speak on behalf of the elected person or body constituting the government of this jurisdiction, as specified in the attached copy of the charter or bylaws of the governmental body. In this capacity, I hereby state that the Sandy Springs City Council:

___ Opposes the proposed development as presented.
___ Is unopposed to the proposed development as presented.
_X_ Supports the proposed development as presented, as evidenced by the attached resolution of support.

Finally, I understand that I will also be notified by DCA when the Owner/Developer submits its application for Credit and/or HOME funding, and be given 30 days to provide additional comments on the application.

Sincerely,

Eva Galambos, Ph.D.
Mayor, City of Sandy Springs

Attachments: Copy of Local Charter or Bylaws Authorizing Signer
Resolution of Support

Prepared for the Regular Meeting of
the Board of Commissioners to be held
Thursday, March 17, 2011

DISPOSITION OF THE ALLEN ROAD PUBLIC HOUSING COMMUNITY

ITEM NO: FY2011-009

To consider and approve the disposition by the Housing Authority of Fulton County, Georgia (the "Authority") the property known as the Allen Road Public Housing Community located at 144 Allen Road, Atlanta, Fulton County, Georgia (the "Property").

BACKGROUND:

The Authority owns a 100 unit apartment property known as the Allen Road Public Housing Community ("Allen Road"). The purchase of the property was funded by the United States Department of Housing and Urban Development ("HUD), and is designated as "public housing". Constructed in 1984, the property is a single high-rise building consisting of a total of 100 residential units [(98) ninety eight-(1) one bedroom units and (2) two- (2) two bedroom units] with common areas and associated amenities. Allen Road is within the incorporated boundaries of the newly created City of Sandy Springs. Currently there are 57 (fifty-seven) parking spaces with the entire site consisting of approximately 3.68 acres of land. The Property continues to be funded through the Annual Contributions Contract (ACC), in exchange for a commitment from the Authority to maintain those units for low-income use under the system of rules that governs federally funded public housing. However, Allen Road is functionally obsolete and no longer provides viable affordable housing to the residents of Fulton County. Thus, it is the intent of HAFC to redevelop the property into a new modern mixed finance community to serve elderly residents of North Fulton County. In order to do so, the authority will seek permission from HUD to remove the Property through disposition from the ACC and thereby deregulate their use.

RESOLUTION:

WHEREAS, the Authority believes it is in the best interest of the Authority to begin the disposition process with HUD to dispose of the Property; and

WHEREAS, the Authority seeks the approval of the Authority's Board of Commissioners (the "Board") to begin the process of disposition of the Property; and

WHEREAS, the final disposition of the Property will not be completed without the final approval of the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF FULTON COUNTY:

Considers and approves the Authority moving forward with the application process for the disposition of the Allen Road Public Housing Community located at 144 Allen Road, Atlanta, Fulton County, Georgia, with the final resolution of support of the application to be entered upon completion of the stated application process.

BE IT RESOLVED THIS 17th DAY OF MARCH, 2011

Robert J. Engstrom, Chair