

**AN ORDINANCE
BY COUNCILMEMBER ANDRE DICKENS
AS SUBSTITUTED BY
FULL COUNCIL**

AN ORDINANCE TO AMEND CITY OF ATLANTA CODE OF ORDINANCES SECTION 54-1, ENTITLED AFFORDABLE HOUSING, TO ADD A NEW SUB-PARAGRAPH (C), SO AS TO REQUIRE ANY MULTI-FAMILY RESIDENTIAL PROPERTY THAT RECEIVES A GRANT, INCENTIVE, OR SUBSIDY INVOLVING A DEVELOPMENT AUTHORITY DOING BUSINESS IN THE CITY OF ATLANTA TO INCLUDE AFFORDABLE HOUSING DURING THE TERM OF THE GRANT, INCENTIVE, OR SUBSIDY; SO AS TO SET ASIDE FIFTEEN PERCENT (15%) OF THE TOTAL RESIDENTIAL UNITS FOR LEASE TO HOUSEHOLDS EARNING NO MORE THAN EIGHTY PERCENT (80%) OF AREA MEDIAN INCOME, OR TEN PERCENT (10%) OF THE TOTAL RESIDENTIAL UNITS FOR LEASE TO HOUSEHOLDS EARNING NO MORE THAN SIXTY PERCENT (60%) OF AREA MEDIAN INCOME, AS APPROVED BY THE DEVELOPMENT AUTHORITY, WITH RENT CAPPED AT NO MORE THAN THIRTY PERCENT (30%) OF MONTHLY GROSS INCOME; AND FOR OTHER PURPOSES.

WHEREAS, the City of Atlanta (the “City”) welcomes new persons to live and work in the City, and as a result the City’s Comprehensive Development Plan recognizes that many developed areas of the City are experiencing or are anticipated to experience residential development and redevelopment; and

WHEREAS, the City’s Comprehensive Development Plan recognizes that the diminishing supply of land within the City will also lead to the redevelopment of existing residential structures or the purchase of existing structures for demolition and building of new structures thereon; and

WHEREAS, the City’s Comprehensive Development Plan recognizes that within neighborhoods, a broad range of housing types and price levels can bring people of diverse ages, races, and incomes into daily interaction, strengthening the personal and civic bonds essential to an authentic community; therefore, it is in the best interest of the City that its workforce have as many tools at its disposal to be able to afford to live in the City and have a full range of housing options; and

WHEREAS, housing policies of the City’s Comprehensive Development Plan include promoting opportunities for mixed-income housing developments throughout the City and promoting housing affordability in order to minimize the number of households that must pay more than 30 percent of their income in rent or mortgage payments; said policies are aimed at the

City's goal to encourage the development and preservation of mixed-income residential areas; and

WHEREAS, pursuant to Ordinance 14-O-1614 adopted November 16, 2015 and approved by operation of law on November 25, 2015, affordable housing impact statements are required, effective July 1, 2016, to be attached to all proposed legislation that, if enacted, is estimated to have an impact on the affordable housing stock of the City; and

WHEREAS, the Atlanta Development Authority, doing business as Invest Atlanta ("Invest Atlanta"), is the City of Atlanta's economic development agency and is tasked with overseeing economic development programs including tax allocation districts, grants, revenue bond financing, and tax incentive programs that spur economic development in the City and support the development of multifamily rental housing affordable to the City's workforce; and

WHEREAS, Invest Atlanta requires multi-family residential developments to set aside on-site affordable housing units as a condition of any public grant, subsidy and/or incentive provided to such development; and

WHEREAS, it is the intent of this ordinance to require that any multi-family residential property that receives a grant, incentive, or subsidy from a development authority doing business in the City shall include affordable housing, as set forth herein, during the term of the grant, incentive or subsidy; and

WHEREAS, Section 1-102(c)(42) of the City Charter authorizes the City to regulate land use by the adoption of zoning ordinances, planning ordinances, and other regulatory ordinances; and

WHEREAS, Section 1-102(b) of the City Charter provides that the City shall have all powers necessary and proper to promote the safety, health, peace, and general welfare of the City and its inhabitants.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA, HEREBY ORDAINS:

Section 1: City Code Section 54-1 entitled "Affordable Housing" is hereby amended to add a new subparagraph (c) to read:

(c) *Mandatory Affordable Housing for publicly subsidized multi-family residential property.* Any multi-family residential property that receives a grant, incentive, or subsidy through a sale lease-back or other written agreement involving a development authority doing business in the City of Atlanta shall include affordable housing, as approved by the development authority from one of the two tiers set forth in the definition of affordable housing below, during the term of the grant, incentive or subsidy. The affordable housing units shall be similar in construction and appearance (e.g., square footage, type and brand of appliances, materials used for countertops, flooring, etc.) to

the market rate units and shall not be in isolated areas in the development, but shall be interspersed among market rate units. No certificate of occupancy shall be issued for such property until the applicant provides an executed affordable housing land use restriction agreement in substantially the form promulgated by the office of housing for recordation.

As used herein, “*Affordable housing*” means:

(1) at least fifteen percent (15%) of the total residential units shall be leased to households (excluding student households) having an income, as certified by the prospective tenant(s), at the time of execution of the applicable lease agreement that does not exceed 80% of the area median income (“AMI”) for the family size having the same number of persons as the subject household for the Atlanta-Sandy Springs-Marietta, Georgia Department of Housing and Urban Development (“HUD”) Metro Fair Market Rent Area (as published by HUD as of the date of the tenant’s application). The monthly rent amount (including utilities and mandatory fees) for each affordable housing unit shall be no more than thirty percent (30%) of the household’s monthly gross income as published periodically by HUD; or

(2) at least ten percent (10%) of the total residential units shall be leased to households (excluding student households) having an income, as certified by the prospective tenant(s), at the time of execution of the applicable lease agreement that does not exceed sixty percent (60%) of the AMI for the family size having the same number of persons as the subject household for the Atlanta-Sandy Springs-Marietta, Georgia HUD Metro Fair Market Rent Area (as published by HUD as of the date of the tenant’s application). The monthly rent amount (including utilities and mandatory fees) for each affordable housing unit shall be no more than thirty percent (30%) of the household’s monthly gross income as published periodically by HUD.

Section 2: This ordinance shall become effective in accordance with City Charter Sec. 2-403. This ordinance shall be applicable to any development induced, as evidenced by adoption of an inducement resolution, with the development authority on or after July 1, 2016. Notwithstanding the foregoing, City Code Sec. 54-1(c) shall not apply to any project where the developer, purchaser or other party has purchased or leased, is under contract, or is in ongoing negotiations to acquire or lease the property or a portion thereof, in connection with a response to a request for proposals (a “RFP”) issued prior to June 30, 2016 by the City of Atlanta, Atlanta Fulton County Recreation Authority, Fulton County Development Authority, DeKalb County Development Authority d/b/a Decide DeKalb, or the Atlanta Development Authority d/b/a Invest Atlanta or any of its affiliated authorities; provided that the RFP, the response to such RFP, the purchase and sale agreement, the development agreement or other similar document includes an affordable housing provision. Notwithstanding the foregoing, if either of the parties terminates negotiations, the project shall be required to comply with City Code Sec. 54-1(c).

