

**AN ORDINANCE BY COUNCILMEMBERS MICHAEL JULIAN BOND, KEISHA LANCE BOTTOMS, C. T. MARTIN, CARLA SMITH, KWANZA HALL, ANDRE DICKENS AND IVORY LEE YOUNG, JR., TO AMEND THE CITY OF ATLANTA, GEORGIA CODE OF ORDINANCES, PART I (CHARTER AND RELATED LAWS), CHAPTER 2 (ADMINISTRATION), ARTICLE X (PROCUREMENT AND REAL ESTATE CODE), DIVISION 14 (REAL ESTATE), SUBDIVISION III (SALE AND DISPOSITION), SECTION 2-1571 (METHODS), BY ADDING A NEW SUBSECTION (A)(S), (HOMESTEADING PROGRAM, CONSTITUTING A SIGNIFICANT PUBLIC BENEFIT); AND TO ADD A NEW SECTION 2-1580 (SURPLUS PROPERTY AFFORDABLE HOUSING PROCEDURES); AND FOR OTHER PURPOSES.(THIS LEGISLATION IS A DUAL REFERRED ITEM AND WILL BE FORWARDED TO FINANCE/EXECUTIVE COMMITTEE PENDING COMMUNITY DEVELOPMENT/HUMAN SERVICES COMMITTEE RECOMMENDATION.)**

WHEREAS, the City of Atlanta continues to experience an acute and growing affordable housing shortage that is causing great concern to many of the city's residents; and

WHEREAS, Atlanta's extremely low-income families, or families making thirty percent or less of the Area Median Income, have the greatest unmet needs, by several measures; and

WHEREAS, the City of Atlanta has in recent years been moving to dispose of several surplus real properties; and

WHEREAS, the City still possesses over 1,400 parcels, according to the most recent inventory; and while it is estimated one-third of these parcels are parks or serve other public purposes, there are several hundred remaining parcels that may not be serving a public purpose and may potentially be considered for future disposition; and

WHEREAS, cities and counties across the country have adopted policies to use surplus properties to develop affordable housing, where feasible; and

WHEREAS, national organizations such as the National Housing Conference and Center for Housing Policy have advocated for a surplus property a policy as a best practice for meeting a local government's unmet affordable housing needs; and

WHEREAS, the City of Atlanta recognizes that one of the greatest challenges in developing affordable housing, especially for extremely low-income families, is the land acquisition cost; and

WHEREAS, the City of Atlanta desires to adopt this best practice in order to produce units affordable to extremely low-income families; and will accomplish this by removing land acquisition costs for housing developers, thus making it more feasible to develop the units; and

WHEREAS, the State of Georgia has enabled cities to dispose of real surplus property outside of a sealed bidding process for the purpose of "homesteading programs."

NOW, THEREFORE BE IT ORDAINED BY THE CITY OF ATLANTA, GEORGIA AS FOLLOWS:

Section 1:

That Part 1 (Charter and Related Laws), Chapter 2 (Administration), Article X (Procurement and Real Estate Code), Division 14 (Real Estate), Subdivision III (Sale and Disposition), Section 2-1571 (Methods), be amended to add a new subsection (a)(5) (Homesteading Program to Create Affordable Housing Constituting Significant Public Benefit), as follows:

(5) Homesteading Program to Create Affordable Housing Constituting a Significant Public Benefit

Any city-owned real property that is deemed surplus and is deemed feasible for use as affordable housing shall be sold for one dollar to a Pre-Qualified Nonprofit Developer, a nonprofit developer, or a for-profit housing developer for the purpose of developing new affordable housing units or rehabilitating existing affordable housing units, affordable to extremely low-income families, which shall remain affordable for at least fifty years, as provided in section 2-1580.

Section 2:

That Part 1 (Charter and Related Laws), Chapter 2 (Administration), Article X (Procurement and Real Estate Code), Division 14 (Real Estate), Subdivision III (Sale and Disposition), be amended to add a new Section 2-1580 (Surplus Property Affordable Housing Procedures), as follows

2-1580 Surplus Property Affordable Housing Procedures

- a. The Chief Financial Officer, prior to disposing of any real property owned by the City of Atlanta, shall send a list of properties that are deemed surplus to the city's Office of Housing.
- b. The Office of Housing shall have thirty days to review the list of proposed properties to see whether any are feasible for use as affordable housing, meaning that (1) the property is large enough and of an appropriate shape for the development of one or more housing units; (2) that utilities such water, gas, and electricity would be available to one or more new housing units at the site; and (3) that the current zoning of the parcel allows for residential uses. The Office of Housing shall submit a report to the Chief Financial Officer identifying any and all properties for which affordable housing units are feasible.

c. The Office of Housing shall maintain a list of Pre-Qualified Non-profit Developers that shall be updated at least annually. In order to be Pre-Qualified, a non-profit organization must submit:

1. documentation of their tax exempt status with the Internal Revenue Service;
2. documentation of their current/active status with the Georgia Secretary of State or other state corporations division;
3. a copy of the organization's Articles of Incorporation, showing that one of their primary purposes is to develop affordable housing;
4. a statement from the organization that they have the organizational and financial capacity to develop or rehabilitate affordable housing; and
5. documentation that they have previously completed at least one project producing one or more units of affordable housing through new construction or rehabilitation.

d. Upon determining which surplus properties, if any, are feasible for use as affordable housing, the Office of Housing shall send an email notification to all Pre-Qualified Non-profit

Developers providing them with a sixty day period to respond with a proposal to produce or rehabilitate housing units on the surplus property.

e. To be eligible to purchase the property, the Pre-Qualified Non-profit Developer must commit to renting the properties at rates affordable to extremely low-income families, or selling the properties to extremely low-income families, meaning households who make at or below thirty percent of the Area Median Income.

f. The Office of Housing shall have thirty days from the close of the sixty day notice period to receive and consider any and all proposals that are submitted by Pre-Qualified Non-profit Developers.

g. If one Pre-Qualified Non-profit Developer proposes to produce the required affordable housing units, then the Office of Housing shall select that organization to carry out the proposed project. If more than one organization proposes to produce the required affordable housing units, then the Office of Housing shall select the proposal that produces the most extremely low income affordable units. If more than one organization proposes the same amount of extremely-low income units, then the Office of Housing shall select the organization among those who are tied with the highest proposed amount, to receive the property, by way of lottery.

h. If no Pre-Qualified Non-profit Developer responds to the Office of Housing within the sixty day notice period, the Office of Housing shall make the same parcels available for one dollar to for-profit developers or non-profit developers not on the Pre-Qualified list, given that the same requirements for affordable housing shall continue to apply.

i. The city's Law Department shall prepare any and all appropriate Covenants to be filed with Fulton County or DeKalb County to accompany any sale of parcels pursuant to this section, requiring that rental housing units remain affordable to extremely low-income families for at least fifty years and placing appropriate limits on homeowners re-selling their owner-occupied homes for full market-rate.

J. Upon execution of an appropriate Covenant, the Chief Financial Officer shall sell any surplus properties deemed feasible for affordable housing to a Pre-Qualified Non-Profit Developer, non-profit developer, or for-profit developer that has been selected by the Office of Housing, for consideration in the amount of one dollar per parcel.

Section 3:

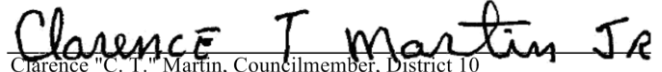
Except as otherwise provided, the provisions of Sections 1 and 2 are effective as of the date of adoption of this legislation.

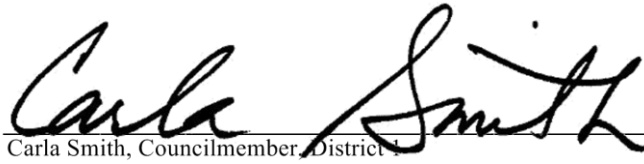
CITY COUNCIL  
ATLANTA, GEORGIA

17-O-1463

SPONSOR SIGNATURES

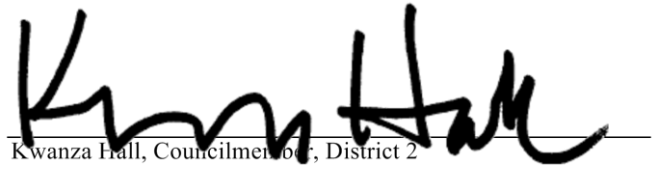
  
Andre Dickens, Councilmember Post 3 At-Large

  
Clarence "C. T." Martin, Councilmember, District 10

  
Carla Smith, Councilmember, District 5

  
Ivory Lee Young Jr., Councilmember, District 3

  
Keisha Lance Bottoms, Councilmember, District 11

  
Kwanza Hall, Councilmember, District 2

  
Michael Julian Bond, Councilmember, Post 1 At-Large

CITY COUNCIL  
ATLANTA, GEORGIA

17-O-1463

AN ORDINANCE BY COUNCILMEMBERS MICHAEL JULIAN BOND, KEISHA LANCE BOTTOMS, C. T. MARTIN, CARLA SMITH, KWANZA HALL, ANDRE DICKENS AND IVORY LEE YOUNG, JR., TO AMEND THE CITY OF ATLANTA, GEORGIA CODE OF ORDINANCES, PART I (CHARTER AND RELATED LAWS), CHAPTER 2 (ADMINISTRATION), ARTICLE X (PROCUREMENT AND REAL ESTATE CODE), DIVISION 14 (REAL ESTATE), SUBDIVISION III (SALE AND DISPOSITION), SECTION 2-1571 (METHODS), BY ADDING A NEW SUBSECTION (A)(S), (HOMESTEADING PROGRAM, CONSTITUTING A SIGNIFICANT PUBLIC BENEFIT); AND TO ADD A NEW SECTION 2-1580 (SURPLUS PROPERTY AFFORDABLE HOUSING PROCEDURES); AND FOR OTHER PURPOSES.(THIS LEGISLATION IS A DUAL REFERRED ITEM AND WILL BE FORWARDED TO FINANCE/EXECUTIVE COMMITTEE PENDING COMMUNITY DEVELOPMENT/HUMAN SERVICES COMMITTEE RECOMMENDATION.)

**Workflow List:**

Clerk of Council	Completed	07/18/2017 2:39 PM
Atlanta City Council	Completed	07/17/2017 1:00 PM
Community Development & Human Services Committee	Pending	07/25/2017 12:30 PM
Finance/Executive Committee	Pending	07/26/2017 1:00 PM
Atlanta City Council	Pending	08/21/2017 1:00 PM
Mayor's Office	Pending	

**HISTORY:**

07/17/17                                      Atlanta City Council                                      REFERRED WITHOUT OBJECTION

**REFERRED TO FINANCE/EXECUTIVE COMMITTEE WITHOUT OBJECTION**

<b>RESULT:</b>	<b>REFERRED WITHOUT OBJECTION</b>	<b>Next: 7/26/2017 1:00 PM</b>
----------------	-----------------------------------	--------------------------------

AN ORDINANCE BY COUNCILMEMBERS MICHAEL JULIAN BOND, KEISHA LANCE BOTTOMS, C. T. MARTIN, CARLA SMITH, KWANZA HALL, ANDRE DICKENS AND IVORY LEE YOUNG, JR., TO AMEND THE CITY OF ATLANTA, GEORGIA CODE OF ORDINANCES, PART I (CHARTER AND RELATED LAWS), CHAPTER 2 (ADMINISTRATION), ARTICLE X (PROCUREMENT AND REAL ESTATE CODE), DIVISION 14 (REAL ESTATE), SUBDIVISION III (SALE AND DISPOSITION), SECTION 2-1571 (METHODS), BY ADDING A NEW SUBSECTION (a)(S), (HOMESTEADING PROGRAM, CONSTITUTING A SIGNIFICANT PUBLIC BENEFIT); AND TO ADD A NEW SECTION 2-1580 (SURPLUS PROPERTY AFFORDABLE HOUSING PROCEDURES); AND FOR OTHER PURPOSES.

Certified by Presiding Officer	Certified by Clerk
<p>Mayor's Action</p> <p><i>See Authentication Page Attachment</i></p>	