



## MEMORANDUM

**TO:** AH Board of Commissioners  
The Housing Authority of the City of Atlanta, Georgia

**FROM:** Brandon Riddick-Seals  
Interim President & Chief Executive Officer

**DATE:** March 27, 2019

**SUBJECT:** RESOLUTION AH-1 (THE HOUSING AUTHORITY OF THE CITY OF ATLANTA, GEORGIA SEEKS APPROVAL AND AUTHORIZATION OF THE BOARD OF COMMISSIONERS TO (I) ACCEPT THE RECONCILED ON-SITE AND OFF-SITE JOINT APPRAISED VALUES OF CARVER, HARRIS, CAPITOL AND GRADY PROPERTIES PREPARED AND AGREED TO BY PRITCHETT, BALL & WISE, INC.; EVERSON, HUBER & ASSOCIATES, LC; AND SOUTHEASTERN CONSULTING GROUP AND (II) APPROVE AND CONSUMMATE THE TRANSFER AND CONVEYANCES OF THE CARVER, HARRIS, CAPITOL AND GRADY PROPERTIES AS PROPOSED IN ACCORDANCE WITH THE AMENDED REVITALIZATION AGREEMENTS AND OPTION AGREEMENTS)

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### Executive Summary

- 1) Effective September 16, 2011, The Housing Authority of the City of Atlanta, Georgia (“AH”) executed amendments to the Revitalization Agreements (“Amendments”) and Options to Purchase Real Property with Carver Redevelopment, LLC, Grady Redevelopment, LLC, Harris Redevelopment, LLC, and Capital Gateway, LLC (collectively, the “Developer Entities”).
- 2) On November 3, 2016, the Developer Entities gave written notice to AHA of the Developer Entities intent to exercise certain options to purchase certain undeveloped land both the original footprints of the former Carver, Harris, Capitol and Grady Homes public housing sites (“On-Site Properties”) and off-site parcels acquired near the On-Site Properties (“Off-Site Properties”) (together, “Further Leveraged Properties”).
- 3) The AH Staff are presenting Resolution REG-8 for Board approval for the conveyance of the On-Site Properties and Off-Site Further Leveraged Properties to to-be-formed entities jointly owned by the Developer Entities and affiliates of AH.

### **Summary of Terms**

Property:	On-Site Properties and Off-Site Properties Further Leveraged Properties as defined above
Option Exercised:	Right to Purchase of Fee Simple Interest in On-Site and Off-Site Properties
Joint Appraised Value per Amendments:	\$28,497,937
Current Fair Market Value per Pritchett Ball & Wise:	\$62,450,000
Restrictions on Development Type:	None
Terms:	Purchase money financing from AH with three (3) term

### **Conclusion**

AH recommends the Board of Commissioners authorize AH to consummate the conveyance of fee simple interest in the On-Site Properties and Off-Site Properties to the to-be-formed entities jointly owned by the Developer Entities and certain AH affiliates and to submit a disposition application to the United States Department of Housing and Urban Development.

### **Attachments:**

1. November 3, 2016 Option Exercise Letters for Carver Homes<sup>1</sup>
2. September 16, 2011 Revitalization Agreement Amendment for Carver Homes<sup>2</sup>
3. Option Agreement for Carver Homes<sup>3</sup>
4. Restricted Value Joint Appraisal Summary Pages
5. Fair Market Value Appraisal Summary Pages
6. Signed Reconciled Restricted Joint Appraisal Letter

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<sup>1</sup> Because the agreements for Carver Homes is substantively the same as the agreements for Harris, Capitol and Grady Homes, for convenience we have only attached copies of the agreements related to Carver Homes.

<sup>2</sup> *Ibid.*

<sup>3</sup> *Ibid.*