



# ATHENS-CLARKE COUNTY, GEORGIA OFFICE OF THE ATTORNEY

---

TO: Mayor and Commissioners and Managers

FROM: Judd Drake

DATE: September 26, 2019

RE: EXECUTIVE SUMMARY—Memorandum of Understanding for the North Athens Downtown Development Project

The Mayor and Commission are considering entering into a Memorandum of Understanding between the Unified Government of Athens-Clarke County, Georgia (“ACC”) and the Athens Housing Authority (“AHA”) related to the North Athens Downtown Development Project (the “North Athens Project”). The Attorney’s Office has prepared this Executive Summary for the purposes of providing information related to the North Athens Project and summarizing the Memorandum of Understanding.

ACC’s SPLOST 2020 (“SPLOST 2020”) to be voted in the referendum on November 5, 2019 (the “Referendum”) includes a budgeted amount of \$44,500,000 for Project No. 02, the Athens-Clarke County Affordable Housing Project. The Affordable Housing Project would provide SPLOST funding support for a range of affordable, public, or workforce housing sub-project options in Athens-Clarke County, including, but not limited to, multi-family and single-family developments or redevelopments, which may include associated commercial and retail components of mixed-use developments, which options may include, but not be limited to, ownership of affordable housing, construction of public infrastructure (for example, public roads, public sidewalks, waterlines, sewer lines and storm water facilities) to support such housing options, and partnerships with affordable housing providers and investors, public and private, for development and redevelopment of affordable housing, including mixed-income, mixed-use developments or redevelopments that may include affordable or public multi-family rental units and homeownership opportunities.

If the Referendum passes, ACC intends to use approximately \$39,000,000 from the SPLOST Affordable Housing Project budget to support the North Athens Project, which would consist of the renovation or redevelopment of the approximately 12-acre site now including 190 apartment units, known as Bethel Midtown Village or Bethel Church Homes (“Bethel Village”), as part of a mixed-use/mixed income development and that may include adjacent tracts and uses, including, but not limited to, a community health facility.

It is contemplated that the renovation or redevelopment of Bethel Village will follow the general model of the Columbia/Brookside Development which consists of a master planned, mixed-income community redevelopment at the site of the former Jack R. Wells community that includes residences dedicated for seniors ages 55 and above and classic apartment and townhome

residences for families. Redevelopment would include at least as many fully affordable residential units as currently present, along with a continuum of units at other levels of affordability. The current Bethel Village contains very aged and underperforming housing and is very much in need of renovation, redevelopment, revitalization or transformation in order to provide a safe, healthy and sustainable environment for affordable housing.

It is the intention of ACC and AHA that the North Athens Project introduce a mixture of housing types, land uses and density in the North Athens area together with connecting streets and infrastructure, which would foster a wider and more optimal range of redevelopment options in the North Athens area by replacing and possibly increasing the number of affordable housing units with higher quality units, creating a mixed-income and mixed-use development on the existing site and surrounding parcels, improving the quality of management of the affordable housing units, and improving development opportunities in this north downtown location.

If the Referendum passes, ACC intends to provide its support for the North Athens Project through the terms of an intergovernmental agreement to be later developed and entered into between ACC and AHA (the “Intergovernmental Agreement”).

ACC and AHA are entering into the Memorandum of Understanding for the purposes of evidencing their current understanding of the manner in which SPLOST 2020 funds will support the North Athens Project. The Memorandum of Understanding is non-binding, and no binding agreement will be entered into until the Intergovernmental Agreement is prepared and put into place by both parties.

Pursuant to the Memorandum of Understanding, if the Referendum passes, ACC would provide from SPLOST 2020 Affordable Housing Project budget approximately \$39,000,000 toward governmentally-owned components of the North Athens Project or infrastructure supporting such Project. The balance of budgeted funds from the SPLOST 2020 Project would be reserved for other consistent affordable housing initiatives. The Memorandum of Understanding specifies that funding for the North Athens Project may take the form of direct expenditures by ACC, for example for public ACC infrastructure such as streets, curbing, sidewalks, lighting, utilities, public parking facilities, parks, recreation facilities and other public facilities. Such funding may also take the form of funds provided by the Intergovernmental Agreement to AHA to expend in accordance with the terms of the Intergovernmental Agreement and applicable law in providing or in support of providing affordable housing as part of the North Athens Project, which may include but not be limited to, for example, interests in land, public parking and investment in affordable housing facilities.

The Memorandum of Understanding provides that ACC and the AHA intend to cooperate in the development of further and more specific plans for the North Athens Project and, if the Referendum passes, to prepare the Intergovernmental Agreement to govern the same. Both ACC and AHA intend that the Intergovernmental Agreement describe the respective roles of ACC and AHA in the North Athens Project and describe the uses of the SPLOST 2020 funds allocated to the North Athens Project.

The Memorandum of Understanding also provides that ACC and AHA intend that the Intergovernmental Agreement retain in ACC the rights of ACC to approve and supervise the use of SPLOST 2020 funding provided to AHA. In addition, the Memorandum of Understanding specifies that the design and implementation of the North Athens Project will involve the officials of ACC and the citizenry.

## MEMORANDUM OF UNDERSTANDING

This MEMORANDUM OF UNDERSTANDING is entered into by and between the UNIFIED GOVERNMENT OF ATHENS-CLARKE COUNTY, GEORGIA (“ACC”) and the ATHENS HOUSING AUTHORITY (“AHA”).

**WHEREAS**, ACC’s SPLOST 2020 (“SPLOST 2020”) to be voted in the referendum on November 5, 2019 (the “Referendum”) includes a budgeted amount of \$44,500,000 for Project No. 02, the Athens-Clarke County Affordable Housing Project; and

**WHEREAS**, said Affordable Housing Project would provide funding support for a range of affordable, public, or workforce housing sub-project options in Athens-Clarke County, including, but not limited to, multi-family and single-family developments or redevelopments, which may include associated commercial and retail components of mixed-use developments, which options may include, but not be limited to, ownership of affordable housing, construction of public infrastructure (for example, public roads, public sidewalks, waterlines, sewer lines and storm water facilities) to support such housing options, and partnerships with affordable housing providers and investors, public and private, for development and redevelopment of affordable housing, including mixed-income, mixed-use developments or redevelopments that may include affordable or public multi-family rental units and homeownership opportunities; and

**WHEREAS**, if the Referendum passes, ACC intends to use approximately \$39,000,000 from the SPLOST Affordable Housing Project budget to support the North Athens Downtown Development Project (the “North Athens Project”), which would consist of the renovation or redevelopment of the approximately 12-acre site now including 190 apartment units, known as Bethel Midtown Village or Bethel Church Homes (“Bethel Village”), as part of a mixed-use/mixed income development and that may include adjacent tracts and uses, including, but not limited to, a community health facility; and

**WHEREAS**, it is contemplated that the renovation or redevelopment of Bethel Village will follow the general model of the Columbia/Brookside Development which consists of a master planned, mixed-income community redevelopment at the site of the former Jack R. Wells community that includes residences dedicated for seniors ages 55 and above and classic apartment and townhome residences for families; and

**WHEREAS**, redevelopment would include at least as many fully affordable residential units as currently present, along with a continuum of units at other levels of affordability; and

**WHEREAS**, the current Bethel Village contains very aged and underperforming housing and is very much in need of renovation, redevelopment, revitalization or transformation in order to provide a safe, healthy and sustainable environment for affordable housing; and

**WHEREAS**, it is the intention of ACC and AHA that the North Athens Project introduce a mixture of housing types, land uses and density in the North Athens area together with connecting streets and infrastructure, which would foster a wider and more optimal range of redevelopment

options in the North Athens area by replacing and possibly increasing the number of affordable housing units with higher quality units, creating a mixed-income and mixed-use development on the existing site and surrounding parcels, improving the quality of management of the affordable housing units, and improving development opportunities in this north downtown location; and

**WHEREAS**, if the Referendum passes, ACC intends to provide its support for the North Athens Project through the terms of an intergovernmental agreement to be later developed and entered into by and between ACC and AHA (the “Intergovernmental Agreement”).

**NOW, THEREFORE**, ACC and AHA enter into this Memorandum of Understanding to evidence their current understanding of the manner in which SPLOST 2020 funds will support the North Athens Project, each of ACC and AHA acknowledging that this Memorandum of Understanding is non-binding and that no binding agreement will be entered into until the Intergovernmental Agreement is prepared and put into place by both parties.

1. If the Referendum passes, ACC would provide from SPLOST 2020 Affordable Housing Project budget approximately \$39,000,000 toward governmentally-owned components of the North Athens Project or infrastructure supporting such Project. The balance of budgeted funds from the SPLOST 2020 Project would be reserved for other consistent affordable housing initiatives. The funding for the North Athens Project may take the form of direct expenditures by ACC, for example for public ACC infrastructure such as streets, curbing, sidewalks, lighting, utilities, public parking facilities, parks, recreation facilities and other public facilities. Such funding may also take the form of funds provided by the Intergovernmental Agreement to AHA to expend in accordance with the terms of the Intergovernmental Agreement and applicable law in providing or in support of providing affordable housing as part of the North Athens Project, which may include but not be limited to, for example, interests in land, public parking and investment in affordable housing facilities.

2. ACC and AHA intend to cooperate in the development of further and more specific plans for the North Athens Project and, if the Referendum passes, to prepare the Intergovernmental Agreement to govern the same. Both ACC and AHA intend that the Intergovernmental Agreement describe the respective roles of ACC and AHA in the North Athens Project and describe the uses of the SPLOST 2020 funds allocated to this Project.

3. ACC and AHA intend that the Intergovernmental Agreement retain in ACC the rights of ACC to approve and supervise the use of SPLOST 2020 funding provided to AHA. The design and implementation of the North Athens Project will involve the officials of ACC and the citizenry. The Intergovernmental Agreement would require that SPLOST 2020 funding for the North Athens Project be expended in accordance with law and, in the judgment of ACC, for the public good and general welfare of the people of Athens-Clarke County.

[Execution on Following Page]

**IN WITNESS WHEREOF**, this Memorandum of Understanding is entered into by and between ACC and AHA this \_\_\_\_\_ of September, 2019.

**UNIFIED GOVERNMENT OF  
ATHENS-CLARKE COUNTY,  
GEORGIA**

By: \_\_\_\_\_  
Mayor

**ATHENS HOUSING AUTHORITY**

By: \_\_\_\_\_  
Title: