



OFFICE OF COMMUNITY PLANNING
AND DEVELOPMENT

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-7000

SEP 02 2011

The Honorable Kasim Reed
Mayor of Atlanta
55 Trinity Avenue
Atlanta, GA 30335-0300

Dear Mayor Reed:

I am pleased to inform you of the Department of Housing and Urban Development's final determination that the *Fort McPherson Redevelopment Plan and HUD Submission*, dated September 20, 2007, with supplemental information dated February 6, March 11, November 10, December 8 and 19, 2008, and January 18, 2011, (the Plan) complies with the requirements of the Base Closure Community Redevelopment and Homeless Assistance Act of 1994 (the Act), 10 U.S.C. §2687 note, as amended and its implementing regulations found at 24 CFR Part 586. The Local Redevelopment Authority (LRA) may move forward with implementing the reuse plan, which focuses on economic redevelopment and includes the no-cost homeless assistance conveyance of base property as outlined in the developers agreement and legally binding agreements accompanying the plan. The basis for HUD's determination is discussed below.


HUD determined that the Plan appropriately balanced the needs of the communities in the vicinity of the installation for economic redevelopment and other development with the needs of the homeless in the community. The need for homeless assistance in Atlanta is great. The 2006 Tri-jurisdictional Continuum of Care application indicates an unmet need for 1120 beds: 380 emergency shelter beds, 110 transitional housing beds, and 630 permanent housing beds. The Legally Binding Agreements (LBAs) provide for 97 units of transitional housing, 244 units of permanent housing, and office space to operate the programs and provide supportive services. The need for economic redevelopment is also great. Atlanta shares the economic hardships currently affecting the nation and the closure of the base involves a direct loss of 4,141 military and civilian jobs. The reuse plan primarily focuses on economic development, which will gainfully employ many of the displaced workers, while accommodating the requests of seven representatives of the homeless. The plan calls for a mixed use development strategy that envisions housing, including housing and supportive services for homeless persons, and economic redevelopment. The LRA incorporated most of the viable and eligible NOIs into the reuse plan and there is no requirement in the statute or regulations to incorporate every NOI received.

Under the Act, the purpose of HUD's review of base closure plans is to make certain enumerated determinations "...with respect to the expressed interest and requests of representatives of the homeless..." 10 U.S.C. 2687 note (b)(7)(H)(i). The LRA initially received 22 NOIs. In the first round of evaluation, the LRA rejected seven NOIs for lack of capacity to implement the project proposed. HUD concurs with the LRA's assessment and notes five of the seven NOIs rejected for capacity were also ineligible for homeless assistance conveyances because the NOIs did not meet the primary benefit test. To be eligible for a no-cost homeless assistance conveyance, the

overwhelming intent and plan must be for homeless assistance. The conveyance is not available for general relief of the poor, no matter how noble the cause. Where the intent is to serve homeless, but there is a small, but unintentional possible use by non-homeless, that is not sufficient cause to find the NOI ineligible for a homeless assistance transfer. However, where the intent is to serve poor people, some of whom or even most of whom are not homeless, that NOI is not eligible for a homeless conveyance. Of the remaining 15 NOIs, 4 were withdrawn by the ROHs and the LRA proposed to accommodate the remaining 10. HUD advised the LRA that three of the NOIs also did not meet the primary benefit test. One ROH revised its LBA to restrict the use of the property for homeless assistance, but two ROHs did not. They are the East Point Community Action Team and the Sullivan Center. HUD does not support the use of a homeless assistance conveyance to these organizations.

Congratulations on your success in effectively carrying out the military base reuse planning process. I wish you continued success in implementing the Fort McPherson reuse plan. HUD stands ready to assist you in your efforts. If the Department can provide any further service please contact Ms. Mary Presley, Director, Office of Community Planning and Development, U.S. Department of Housing and Urban Development, 40 Marietta Street, Five Points Plaza, Atlanta, Georgia 30303-2812. Ms. Presley may be reached at (678) 732-2545 or at Mary.D.Presley@hud.gov.

Sincerely,



Mark Johnston
Deputy Assistant Secretary
for Special Needs

cc:

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