BASE REALIGNMENT AND CLOSURE

Community Profile

November 2009

Fort McPherson, Georgia

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Closure at a Glance

Local Redevelopment Authority (LRA):
McPherson Planning Local Redevelopment Authority

Geographic area affected by closing:
Cities of Atlanta and East Point, Metro Atlanta area, County of Fulton

Population of affected area (before closure):
5 million in Metro Area – 500,000 within the city limits of Atlanta

Total Acres to be Disposed:
487 acres

Estimated Job Loss Impact:

Jobs Lost		
Military Personnel	Active	1,757
	Reserve	1,124
	Total	2,2881
Civilian Personnel	Total	2,204
Contractors	Total	746

Source: U. S. Army FY 2008 data

Economic Adjustment Challenges

- Facility is not a natural location for office development and not as attractive for retail compared to established business activity centers in Midtown.
- Access to the Metropolitan Atlanta Rapid Transit Authority (MARTA) is an amenity, but there is little connectivity to major transportation networks for this relatively isolated site. It is not a natural location for industrial development.
- Performance of the West Atlanta submarket does not warrant a large addition of space.
- State and local government will need to establish a bioscience anchor to create demand for development in this area.
- Residential absorption is low and the surrounding area is low density. Condominium development has not occurred.

Key Reuse Planning & Property Disposal Milestones

5/09/06	Federal Surplus Determination
9/25/06	LRA Homeless Outreach Completed
9/21/07	Reuse Plan Received by Department of Housing and Urban Development (HUD)/Military Service
9/09/09	Implementing LRA Established
Pending	HUD Determination on Submission
5/09	National Environmental Policy Act (NEPA) Disposal Decision

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Organization

The McPherson Planning Local Redevelopment Authority (MPLRA), Inc. (a nonprofit corporation) was formed to reduce the burden on government and promote the public welfare by assuming – on behalf of the Cities of Atlanta and East Point and Fulton County, Georgia – the responsibility and authority for planning the reuse and economic development of the real estate and other assets presently comprising Fort McPherson, Georgia. The MPLRA consists of voting members representing the City of Atlanta (five); the City of East Point (three); Fulton County (two); and the State of Georgia (one).

Since its creation on December 14, 2005, the MPLRA has actively pursued its mission to identify the needs and wishes of the stakeholder communities and prepared a comprehensive land-use plan for Fort McPherson. Community outreach was a critical component of this mission. Through an outreach strategy that engaged community members and stakeholders in the development of the Reuse Plan, the MPLRA was able to provide the public with early, ongoing, and meaningful opportunities for involvement in the planning process and timely contact was maintained with the government agencies and other key stakeholders. A mandatory "screening" process was also administered that required the MPLRA to solicit Notices of Interest (NOI) from homeless providers and state and local governments for consideration as a part of the overall plan.

The McPherson Implementing Local Redevelopment Authority (MILRA) was established on September 9, 2009, by executive order of the Governor. The MILRA Board of Directors consists of 11 - 15 voting members, the majority of which come from the City of Atlanta. In addition, the Governor will select a voting member to represent the State of Georgia. With the exception of the member selected by the Governor, the members are appointed by the Governor from a list of nominees submitted by the governing authorities of any county and the mayor of any municipality in which Fort McPherson is located and the mayor of any municipality which abuts Fort McPherson. The initial Board members represent the City of Atlanta (six); the City of East Point (two); Fulton County (two), and the Governor's appointee (one). In addition to the voting members, there are nine ex-officio members of the Board.

Reuse Plan/Other Studies

Fort McPherson, a 488-acre installation located in southwest Atlanta, was selected to close under the 2005 round of Base Realignment and Closure (BRAC). The reuse plan was completed in September 2007. Fort McPherson is the seventh largest employer in Atlanta. The State of Georgia, through the MILRA, is seeking an Economic Development Conveyance (EDC) of an approximately 165-acre parcel envisioned as a Life Sciences Crossroads Center. It is estimated that the Center will require multi-million dollar commitments in researchers, technology, training, and facilities over the next ten years by public and private partners. The MILRA believes that Tax Allocation District (TAD) funding is essential to finance infrastructure and development of the property.

The Center would focus on the next generation of vaccines and serve as the hub of research and development with spokes to the state's research universities and their scientific talent. The Center will contain 2.4 million square feet of office and lab space and more than 1,000 units of high density residential space in a campus-style environment. The plan also calls for a Main Street development. A historic area around the parade ground will be developed for residential, commercial, and public uses to include restaurants, office space, galleries, and boutique lodging. The exclusive Staff Row homes will be preserved and used for single-family housing or other complementary uses. The centerpiece of the development will be a Linear Park that wraps around the entire property from station to station on the MARTA. This green space will be dominated by old-growth trees, paths, bike trails, and a 30-acre event space which will be the new home for special events and festivals.

The MPLRA prepared an Operating and Infrastructure Analysis which consisted of:

- An analysis of all of the factors relating to the operation, rehabilitation, and capital improvement of the 488-acre Fort McPherson facility as set out in the Outreach and Land Use Plan

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- An analysis of the cost effectiveness of demolition, potential for reuse, water system improvements, sewer system improvements, storm system improvements, cost to construct new systems, asbestos removal costs, costs of bringing existing buildings up to current code and marketability, retrofitting to meet the Americans with Disabilities Act requirements, road improvements, road access, new roads, landscaping, environmental, and other considerations of placing military facilities into use by the private sector
- A review and analysis of existing infrastructure to determine whether it would be possible to reuse such infrastructure
- A recommendation to the MPLRA on the need to either replace or modify such infrastructure.

The MPLRA also contracted for the preparation of a Business Plan which will incorporate the analysis and data from all marketing districts provided in the Operating and Infrastructure Analysis report and provide additional data and analysis to complement and supplement a final EDC application to the U. S. Army to purchase the parcel, at fair market value, as determined in the Business Plan.

Final transfer in 2012 will require an agreement to orchestrate the disposition of identified parcels and establish development agreements for public sale to private developers as well as provide for value enhancements and homeless accommodation, phasing, environmental cleanup issues, developer selection, and enforcement. The MPLRA is currently preparing the necessary applications and documents and is taking preliminary steps to address rezoning of the property.

Homeless Submission

The Fort McPherson HUD application was completed in September 2007 and submitted for HUD approval. The MILRA anticipates approval of the HUD application as it is contingent upon the establishment of the MILRA.

The Process

Regarding the initial outreach to homeless providers, the MPLRA requested a list of providers from HUD. Additional information was secured from the Tri-Jurisdictional Collaborative. An orientation meeting was held in September 2006 to review the base closing process, the regulations regarding transfer of property to homeless providers, and the next steps in evaluating the NOI and the capacity of the providers. The Regional Commission on Homelessness was selected to coordinate these efforts. In April 2007, the first of four meetings was held with the homeless assistance providers. Of the 22 who applied in Fall 2006, 14 attended at least one meeting of the Homeless Services Provider Working Group. Of these, 11 were selected for inclusion in this proposal.

The planning process had three goals:

1. Involve the homeless assistance providers in the development of the project criteria and priorities
2. Develop the criteria by which the providers and their NOIs would be evaluated regarding their potential participation in the project
3. Create a collaborative effort that would use the assets of the providers to develop a comprehensive and effective approach that meets the needs of the homeless

The Homeless Assistance Transfer Agreements can be summarized as follows:

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Overview of Approved Projects

Aspect	Overview
Total Units and Persons Affected	286 Units On-Site + 125 Units Off-Site = 411 Units of Inclusive Community Housing 662 Homeless Individuals and Families
Nonprofit Services to Meet Inclusive Community Needs	• Supportive and Transitional Housing – Site A: CHRIS Kids (Youth) 16 units off-site – Site D: Jerusalem House, Genesis, Travelers Aid (Women/Youth/Families) 190 units – Site E: Progressive Redevelopment, Inc. (Single men) 80 units on-site – Site TBD: Progressive Redevelopment, Inc. (Single men) 125 units off-site • Clinic Services – Site B: Saint Joseph's/CAPN (Health Care Clinics Serving Adults, Children and Youth) • Office Space for Providers of Supportive Services – Site C: Genesis (Child Care) – Site F: Traveler's Aid/Samaritan House (Employment Readiness Training)
Not Approved	• PRI mixed-use project (10 acres, 15 units designated for the homeless) • East Point Action Team (7 units - Assistance to youth coming out of State custody) • Sullivan Center (10 units - Services to people in crisis)
Units Redistributed	Genesis (Scattered Site) 4 permanent units added Traveler's Aid (Scattered Site) 6 permanent units added Jerusalem House (Scattered Site) 6 permanent units added PRI (Hope House) absorbs Sullivan Center's 10 units

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Figure 1: Homeless Assistance Transfer Agreements

HUD's review of this final version of the application is complete. We anticipate approval with the recognition by the Office of Economic Adjustment (OEA) of the MILRA during the last quarter of the 2009 calendar year.

Community Outreach

The homeless assistance project, as a part of the overall redevelopment plan, was presented at public hearings and charrettes. The first round was held in March 2007 and a second round the following month. The meetings provided the community an opportunity to visualize the future of the site and respond to the scenarios that were developed after each stage of input. In June, a public meeting was held that focused exclusively on the plan for the homeless services. The draft application was placed on the MPLRA website and discs were distributed at public sites, such as libraries, for public comment. The final draft of the application was finished for the final public hearing, which was presented in September 2007.

The MPLRA solicited NOIs from homeless services providers, for real property determined to be surplus by the U.S. Department of Defense. A listing of surplus property at Fort McPherson was published by the U.S. Department of the Army in the Federal Register in May 2006. Homeless service providers and other interested parties were given the opportunity to submit NOIs to the MPLRA.

Two separate workshops were held at the offices of the MPLRA during August and September 2006 and included an overview of the base redevelopment planning process, a tour of the installation, information on any land-use constraints known at the time, and information on the NOI process. The MPLRA received 22 NOIs. The Healthy Community and Quality of Life Advisory Committee (a subcommittee of the MPLRA) was tasked with analyzing homeless interests and making recommendations to the MPLRA on the homeless provider component.

Case studies in other base closure communities show that homeless providers requesting Public Benefit Conveyances (PBC) must select their own leadership and organize themselves in order to "speak with one voice" and have the capacity to enter into a legally-binding agreement with the LRA. It is understood that all participants will not be successful in their request for property. In order for the MPLRA to successfully screen these requests and make planning decisions, it is critical that the Atlanta homeless providers seeking PBCs organize, communicate, and work with each other.

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There was extended debate over the level of homeless assistance between the various subcommittees, the City, and the MPLRA. A compromise was reached that excluded the use of the large barracks/dormitories on the facility for the homeless and a $25 million cash equivalent was agreed upon.

Implementation and Partnering Strategies

The base challenges addressed by the McPherson Planning LRA and facing the McPherson Implementing LRA are:

- Community Acceptance of the Reuse Plan
- Balancing the Reuse Plan with City/Community Desire
- Balancing Economic Development with a Strong Homeless Advocacy
- Creating an Implementation Authority
- State Support of – and Participation in – the Bioscience Park
- Obtaining Matching Funds in a Depressed Economy
- Securing Atlanta Public Schools Participation in TAD Funding
- Securing a Win-Win Scenario through an EDC from the U.S. Department of the Army
- Securing Zoning for the Facility to Match the Reuse Plan
- Responding to the Demands of Community Advocacy Groups
- Responding to Environmental Challenges

Community Acceptance of the Reuse Plan

A few decades ago, the City of Atlanta created neighborhood advocacy groups called Neighborhood Planning Units (NPUs) that meet once a month and address local issues. Although these NPUs are advisory in nature, they have strong political clout and can slow local developments and initiatives. Also, local politicians may challenge and interrupt progress until a path through their respective offices has been established. MPLRA staff effectively solved this problem (although 100% approval is never achieved) by repeatedly attending the NPU meetings and giving frequent briefings to the elected officials. The MPLRA shared information to keep them informed. Community acceptance was gained with a combination of NPU attendance coupled with informing and responding to elected officials at over a dozen well-attended public meetings.

Balancing the Reuse Plan with City/Community Desires

This problem arose as a misunderstanding about the role of the MPLRA. All of the activities of the MPLRA mimic those of a developer within the City attempting to plan, rezone, and develop property. The commissioners of various city agencies and other officials did not understand that the role of the MPLRA is to respond to the desires of the community and to put together a Reuse Plan for a specific purpose. It was explained to these agencies that: the MPLRA was not dictating density levels for the new development, only predicting what the market would demand; the MPLRA was not in the process of zoning the property; and, the MPLRA was not preventing the use of the property for event space, in fact, the plan was to transfer all park space to the City. Once these roles were explained, the City officials were on board.

Balancing Economic Development with a Strong Homeless Advocacy

As discussed earlier, the City homeless advocacy groups made a strong effort to gain control of the large barracks/dormitory structures on the facility. It took a strong push-back from the Reuse and Design Subcommittee of the Board and a cash-equivalent compromise floated by the Mayor to resolve the issue.

Creating an Implementation Authority

The first effort to create an Implementation Authority in 2007 was not successful. State legislation failed in the house because the appropriate legislators had not been briefed or brought into the process. It seemed to be an innocent oversight, but one can easily understand the position of the affected legislators. A panel from the MPLRA, the City, and the Governor's office was assembled to redo the process in 2008 and began by engaging the appropriate legislators

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to receive their input. The legislators offered input in the form of board participation and additional community benefits. The participation was agreed upon by both parties, but an impasse was reached on the benefits. A particular legislator wanted guaranteed benefits in the legislation and the panel was not willing (and perhaps legally restricted) from mandating those benefits. A legislative maneuver was used by the panel that threatened to bypass the individual legislator, and a compromise was reached that included softer language to address the legislator's requests. The legislation passed and an executive order created the MILRA in September 2009.

State Support of – and Participation in – the Bioscience Park

This effort is just beginning, but is important. Communication between the universities and state government is key. The MPLRA had a good network with the Board of Regents (BOR) of the University System of Georgia and a unanimous resolution was recently passed supporting the establishment of a Bioscience Park at Fort McPherson. The Georgia Research Alliance is a good partner in this effort and is coordinating with the BOR through a Steering Committee. The local Georgia bioscience support group is actively assisting our effort. The latest action was the distribution of building data to the various vice presidents and professors, at each university, to analyze how the facility might address specific needs of their departments. The individual universities are often parochial and need examples of the advantages of a common site to collaborate.

Obtaining Matching Funds in a Depressed Economy

This is always a problem. Local governments want to help, but the recession has forced many to furlough or lay off workers to balance their budgets. The MPLRA has received no funding from the State of Georgia since July 2008. The City of Atlanta has been generous in its support. Otherwise, the MPLRA would have no funds to match the OEA funding. The decision by OEA to increase the level of funding for legal expenses was an important benefit at the right time.

Securing Atlanta Public Schools Participation in TAD Funding

This is a critical challenge for the overall funding of the project. TAD is identical to Tax Increment Financing Districts in other states. The School District Increment for this project is one-half of the total funds available. School Board members have been resistant to supporting TAD projects in the past. However, there is hope that this project will attract their participation.

Securing a Win-Win Scenario through an EDC from the U.S. Army

It is believed that this phase will be a critical step for success. The strategy is to ask for the Bioscience Park parcel at no or low cost in exchange for the MILRA support of the public sale of the outlying properties under a development agreement. The MILRA would offer political support and complementary zoning.

Securing Zoning for the Facility to Match the Reuse Plan

With the financial support of OEA, the MILRA will be able to begin the zoning process immediately, but it is always an involved and difficult political exercise.

Responding to the Demands of Community Advocacy Groups for Additional Benefits

This is a continuation of the initial efforts of a local legislator to create additional benefits for the local community out of the redevelopment of Fort McPherson. A labor-union supported group called Georgia-Standup will likely assert to the need for a community benefits agreement with the MILRA that addresses a broad range of community needs such as school improvements, local hiring, gentrification, displacement, and other concerns. Currently, the MILRA legislation states only that it will encourage and facilitate job training and housing rehabilitation programs for residents surrounding Fort McPherson.

Responding to Environmental Challenges

The community is only engaged in environmental remediation to the extent that the Restoration Advisory Board meetings are regularly attended. The Georgia Environmental Protection Division (EPD) has focused on Fort Gillem. The EPD has not met to discuss Fort McPherson for a long period of time. The overall plan for the EDC and transfer is to include some public benefit options. Parks and event space will likely be transferred to the City of Atlanta and perhaps some other properties, but the final decision has not been made. The City of Atlanta initially requested the park and the historic district under a PBC and the Georgia Department of Transportation requested the creek bed area

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within the park for stream mitigation. Also, the State of Georgia requested the Bioscience Park parcel. All of these requests and options will be addressed in our EDC Application.

Successes/Lessons Learned

Many of our successes have been discussed above; however, additional thoughts include:

Participate and Respond: It is important to pay attention to the needs and desires of the community and stakeholders. Respond honestly to their questions and return their phone calls. Accept as many requests to speak publicly as possible.

Build a Database of Contacts: Build a list of e-mail addresses to disseminate facts and information quickly.

Involve Homeless Providers in the Selection Process: Do not make judgments on the quality and capabilities of homeless providers in a vacuum. It is important to organize these providers into working groups with a facilitator and to encourage them to police and evaluate each other in the process of making the final selection. The same process applies to other stakeholders.

Create Stewardship: Select capable people, with no personal agendas, to serve on redevelopment authorities to ensure every decision is based on what is best for the community and the property, not a political agenda. Include all stakeholders, even if they are not legally entitled to be included.

Hire a Capable and Professional Staff: Hire a staff with a strong background in real estate and government. Even if the LRA is considering an overall contract with a master developer, knowledge of real estate is essential for the protection of the community interests.

Retain a good law firm: Good legal support was needed from planning through the completion of redevelopment.

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