Case Study: Atlanta's $300 million public/ philanthropic housing impact fund

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ABOUT THE AUTHORS

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His work contributed in a small way to efforts like Atlanta's formation of the Urban Development Corporation (AUDC), development of catalytic housing funds, and asset-backed redevelopment strategies. A former mayor and U.S. Congressman, Ben brings practical experience and a collaborative, behind-the-scenes approach to helping cities translate ambitious goals into implementable solutions.

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NOWAK METRO FINANCE LAB AT DREXEL UNIVERSITY

The Nowak Metro Finance Lab was founded in 2018 to help cities identify and implement innovative strategies to leverage public assets and fund public infrastructure for public benefit, with a focus on supporting inclusive and equitable growth. The Lab honors the legacy of Jeremy Nowak, the widely respected urban thought leader and practitioner.

PUTTING ASSETS TO WORK

Putting Assets to Work (PAW) is a national incubator that helps state and local governments transform underutilized public properties into assets that generate long-term public value. Through data-driven analysis, innovative financial approaches and project structuring, PAW supports efforts to advance housing, infrastructure, revenue, and other community priorities.

Cover Photo: Aerial view of Atlanta, GA
Photo Credit: Chrishaun Byrom

EXECUTIVE SUMMARY

Atlanta's housing affordability challenges demanded a new approach — one that moved beyond reliance on traditional subsidies like the Low-Income Housing Tax Credit (LIHTC). In 2023, the City of Atlanta and its partners launched a $300 million affordable housing initiative designed to scale solutions through an unprecedented blend of public, philanthropic, and private capital.

The initiative combined a $100 million Housing Opportunity Bond — the largest in Atlanta's history — with a $200 million philanthropic commitment led and spearheaded by the Community Foundation for Greater Atlanta (CFGA). Together, these resources formed an integrated platform to finance the production, preservation, and protection of affordable housing across the city.

Innovative financial tools underpin the strategy: low-cost mezzanine financing through the Housing Production Fund, flexible acquisition and rehabilitation support through the Preservation and Homeownership Fund, strategic land banking through the Land Acquisition Fund, and impact-driven philanthropic investments through CFGA's TogetherATL and GoATL funds. By structuring these investments carefully across the capital spectrum — from grants to concessionary loans to preferred equity investments to program-related investments (PRIs) — Atlanta created new pathways to advance affordability at scale.

Early outcomes are promising: as of early 2025, the City's comprehensive efforts had delivered or completed more than 6,600 units of affordable housing, with $45 million in subsidies from the Housing Opportunity Bond,[1] while CFGA had supported over 3,300 affordable homes.[2] Flagship projects include the rehabilitation of 729 Bonaventure into permanent supportive housing, the redevelopment of 1200 New Town Circle, the Midtown Fire Station redevelopment, and the preservation of naturally occurring affordable housing (NOAH) units throughout Atlanta.

Atlanta's experience offers key lessons: the importance of public asset intermediaries like the Atlanta Urban Development Corporation (AUDC), the value of cross-sector partnerships, the power of philanthropic leadership aligned with impact investing goals, and the necessity of flexible financial tools to bridge gaps traditional markets cannot fill. While local conditions vary, Atlanta's model demonstrates that cities with strategic public assets, strong philanthropic ecosystems, and a commitment to cross-sector collaboration can meaningfully accelerate affordable housing solutions.

The following sections provide additional detail on the structure of the $300 million initiative, the innovative tools deployed, early project outcomes, and key lessons for replication.

INTRODUCTION

Cities across the country are grappling with rising housing costs and shrinking supplies of affordable homes — and Atlanta is no exception. While many cities continue to rely primarily on federal subsidy programs, Atlanta recognized that meeting its growing affordability challenges would require a fundamentally new approach to assembling capital at scale.

In May 2023, Mayor Andre Dickens and the CFGA jointly announced a groundbreaking $300 million commitment to accelerate affordable housing production, combining $200 million in philanthropic investment from the CFGA with $100 million from the City's Housing Opportunity Bond program. "Affordable housing has been central in my Administration, and today's announcement is a gamechanger in our ability to have projects keep pace with a rapidly evolving market[3]," Dickens said.

The collaborative initiative reflects a larger shift underway in Atlanta — a move to blend public, philanthropic, and private capital in new ways to stretch existing resources farther, reduce reliance on fully subscribed federal programs, and deliver affordable housing at a scale and speed necessary to meet community needs.

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1 City of Atlanta Affordable Housing Tracker. Note: housing unit count includes units delivered/completed using all identified subsidies, not only the Housing Opportunity Bond.

2 Community Foundation for Greater Atlanta. Note: units supported by both the City of Atlanta and CFGA may be included in both counts.

3 Community Foundation for Greater Atlanta, "First-of-its-kind Atlanta program boosts affordable housing efforts with $200 million," May 2, 2023, https://cfgreateratlanta.org/2023/05/02/first-of-its-kind-atlanta-program/.

BACKGROUND

Facing rising housing costs, growing demand for affordable housing, and limited availability of traditional subsidies like the Low-Income Housing Tax Credit (LIHTC), the City of Atlanta recognized the need for a new, locally driven capital strategy. An analysis by the Atlanta Regional Commission revealed that between 2018 and 2023, the metro area lost over 230,000 low- to moderately priced housing units, intensifying the housing crisis in the region.[4] In 2022, Mayor Andre Dickens committed the city to an ambitious goal: building or preserving 20,000 affordable housing units by 2030. However, the city's existing tools, including LIHTC, were insufficient on their own to meet this goal. The LIHTC program, while instrumental, is subject to annual volume caps and was fully subscribed each year, limiting its capacity to support new projects. City estimates indicated that, even with aggressive utilization of existing programs, only about 15,000 affordable units could be delivered by 2030, leaving a shortfall of 5,000 units.[5]

Having fully utilized traditional sources of subsidy like LIHTC, the City of Atlanta and its local partners – Atlanta Housing, Invest Atlanta, the Community Foundation for Greater Atlanta, among many others – set out to raise and organize local resources to achieve the 20,000-unit goal.

In May 2023, the City and CFGA announced a landmark $300 million commitment to affordable housing, combining $200 million in philanthropic investment with $100 million from the City's Housing Opportunity Bond (HOB) program. This unprecedented partnership created a new model for leveraging public, philanthropic, and private capital together to drive affordable housing production at a scale not previously possible.

For more information on how these efforts connect to broader city initiatives, see the companion case studies on the formation of the Atlanta Urban Development Corporation (AUDC) and the redevelopment of Fire Station 15.

This case study explores how the City and its partners structured these funds, deployed new financing tools, and created a model for affordable housing investment that other cities can adapt to meet their own housing challenges.

$200 MILLION PHILANTHROPIC COMMITMENT

Seeking to align its efforts and balance sheet with the city's goal of increasing the supply of affordable housing and build off its success in the Atlanta Affordable Housing Fund (AAHF), CFGA announced a $200 million commitment to affordable housing in May 2023. This historic commitment includes $100 million towards the TogetherATL Affordable Housing Fund, a grant capital pool dedicated to supporting deeper and longer term housing affordability and $100 million towards the GoATL Affordable Housing Fund, an impact investment fund providing low cost loans and preferred equity investments to both for-profit and nonprofit developers. CFGA's investment is the largest philanthropic commitment to affordable housing in Atlanta's history and reflects a growing recognition that public resources alone are not sufficient to meet the city's housing needs. New models of private and philanthropic partnership will be essential to addressing the scale of the challenge.

CFGA's commitment adds a mix of no- to low-cost capital to the city's affordable housing capital toolkit and aims to support 5,000 affordable units. As of early 2025, CFGA had raised $151 million of the $200 million goal, deployed over $120 million, supporting the creation or preservation of more than 4,500 units.[6]

Sources, structure, and uses of funds

Sources: Anchoring the effort with a $10 million commitment of its own philanthropic resources CFGA's housing efforts were accelerated by a $100 million contribution from the Robert W. Woodruff Foundation ($75 million) and Joseph B. Whitehead Foundation ($25 million). In February 2023, Truist committed $14 million in low-cost debt to CFGA.[7]

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[4] Axios Atlanta, "Metro Atlanta has lost over 230,000 affordable housing units in five years," Axios, March 17, 2025, https://www.axios.com/local/atlanta/2025/03/17/affordable-housing-atlanta-region.

[5] Atlanta Civic Circle, "Atlanta plans to embrace 'European-style social housing' to meet affordable housing needs," July 3, 2023, https://atlantaciviccircle.org/2023/07/03/atlanta-launching-urban-development-corporation/.

[6] CGFA update, February 2025

[7] https://cfgreateratlanta.org/2023/02/06/15-million-impact-investment-from-truist/

Other major contributors include Wells Fargo Bank, Fifth Third Bank, JP Morgan Chase, Enterprise Community Partners, Bank of America and other private philanthropic partners. Together, this coalition of funders is helping to scale affordable housing production and preservation efforts citywide.

Structure: CFGA has allocated the $200 million equally across two funds: the GoATL Affordable Housing Fund and the TogetherATL Affordable Housing Fund. Together, these resources form an integrated strategy to advance housing affordability across the entire continuum of need, from new construction to preservation, from rental support to homeownership. The partnership reflects an intentional effort to stretch existing public dollars farther, unlock new philanthropic capital, and deploy financing tools that work together to deliver community-wide impact.

GoATL Affordable Housing Fund: low-cost, flexible debt

The GoATL Affordable Housing Fund ($100mm) is designed as a social impact fund, providing concessionary capital to nonprofit and for-profit developers and projects. As an "impact first" fund, it provides concessionary capital seeking a modest return.

GoATL provides debt to address capital stack gaps for projects with significant affordability commitments. Check sizes range from $1 million to $5 million, or $30-40 thousand per affordable unit. GoATL loans generally include a 15-year term at a 3-6.5% cost of capital and require that units be affordable to households earning 80% or below of Area Median Income (AMI).

TogetherATL Affordable Housing Fund: "last-in" capital

The TogetherATL Affordable Housing Fund provides grants and 0% conditional loans to nonprofit developers to extend and deepen affordability and make possible projects that otherwise would not happen. As "last in" capital, TogetherATL funds complete capital stacks for projects where a gap remains for projects to pencil.

TogetherATL provides 0% conditional loans for nonprofit developer projects with a projected affordability period of at least 65 years. Loans can constitute up to 25% of total project costs, with an estimated commitment of $30-50,000 per affordable unit. "Last money" grants of $100,000 to $500,000 also help to complete capital stacks for nonprofit, mission-driven developers.

No- and low-cost capital from CFGA's funds help to address critical need in housing projects' capital stacks.

Example projects (philanthropic commitment)

Early investments through CFGA's TogetherATL and GoATL funds demonstrate how flexible, mission-driven capital can close critical financing gaps, deepen affordability, and support long-term preservation and community revitalization. CFGA's housing impact funds have supported the full range of project types, from single-family home acquisition to large-scale rehabilitations offering supportive housing.

729 Bonaventure: significant investment for deep affordability

729 Bonaventure is a 23-unit multifamily property in the Virginia-Highland section of Atlanta. Originally constructed in 1930 and renovated to modern standards in 2023, the property was acquired by Partners for HOME, Inc. and Atlantica Properties in 2024 to provide permanent supportive housing to residents, with all units designated affordable at 30% AMI. The approximately $5 million acquisition was financed through a combination of public investment from the City's Housing Opportunity Bond program[8] and a line of credit from CFGA's TogetherATL Affordable Housing Fund, with CFGA funds providing a bridge loan to accelerate property acquisition.[9] The bridge loan will ultimately be taken out with proceeds from the Housing Opportunity Bond. By layering public and philanthropic capital, the project was able to achieve deep affordability and provide stable, service-enriched housing for some of Atlanta's most vulnerable residents.

[8] Invest Atlanta, "Invest Atlanta Board Approves Over $95 Million in Financing for Affordable Housing," February 2023, https://www.investatlanta.com/impact-insights/invest-atlanta-board-approves-over-95-million-in-financing-for-affordable-housing.

[9] Partners for HOME, "Partners for HOME Announces Opening of 729 Bonaventure Avenue," LinkedIn, October 24, 2024, https://www.linkedin.com/posts/partners-for-home_partnersforhome-atlantarapidhousing-endhomelessness-activity-7269824355482624000-VqZV.; TogetherATL 2024 Year-End Housing Report

Scattered site single-family with Atlanta Neighborhood Development Partnership

Flexible capital has proved critical for Atlanta Neighborhood Development Partnership (ANDP) to acquire, rehabilitate, and preserve scattered site single family homes offering naturally occurring affordable housing (NOAH) in gentrifying areas across Atlanta.

CFGA's TogetherATL Fund provided a $5 million zero-percent interest loan, enabling ANDP to move quickly in competitive markets. $4 million of the loan will be repaid to the Fund, with the remainder forgivable at maturity at discretion of the Fund.[10]

Over time, ANDP aims to convert half of the properties to affordable homeownership. ANDP's scattered site portfolio addresses a critical need for family-size units, with most of the properties having three or more bedrooms.

The project will preserve affordability for families at a range of income levels, with approximately one quarter of rentals expected to be occupied by Housing Choice Voucher holders.

TogetherATL Funds complement ANDP's other capital sources for its scattered site portfolio, including $2 million in 2021 Housing Opportunity Bond Funds managed by Invest Atlanta.

New construction for senior housing in the Westside[11]

GoATL is providing $1.53 million in construction-to-permanent gap financing for Quest Community Development's Residences at Holly Hills, a 40-unit development for income-restricted seniors in Grove Park. Quest intends to make all units affordable at 30% AMI, with 31 units designated for Housing Choice Rental Assistance recipients.

GoATL Funds addressed a critical gap remaining after contributions from federal, state, and local sources. Georgia's Department of Community Affairs provided approximately $3 million in state-administered National Housing Trust Fund debt and $2.2 million in HOME and state funds for a construction-to-permanent loan. Additional state funding of $5.3 million came from the Georgia Office of Planning and Budget, while the City of Atlanta contributed $1.5 million in grant funds.

Source	Amount
GoATL Construction-to-Permanent Loan	$1,530,000
GA DCA HOME Loan	$2,152,730
GA DCA NHTF Loan	$2,983,151
GA OPB– ARP Funds	$5,329,474
Grants	$2,910,001
Total	**$14,905,356**

GoATL's investment ensures that Holly Hills units will be affordable for at least 30 years.

Large-scale supportive housing rehabilitating landmark Westside property

$4.7 million in TogetherATL grant funds are helping to fill gaps in the complex capital stack underpinning Heritage Village at Westlake, a 102-unit supportive housing development by Quest Community Development and Columbia Residential.

The project will rehabilitate the landmark Waluhaje Hotel and Apartments in Atlanta's Westside. Opened in 1951, the hotel's ballroom famously hosted iconic jazz performers like Duke Ellington, Billie Holliday, and Dizzy Gillespie. In 1967, the building was converted into the Atlanta American Job Corps headquarters, where workforce development programming was provided until the center relocated in 2017.

[10] TogetherATL 2024 Year-End Housing Report. Community Foundation for Greater Atlanta.

[11] GoATL Affordable Housing Fund Impact Report 2024. Community Foundation for Greater Atlanta.

Upon completion, Heritage Village will provide supportive housing for veterans, people facing homelessness, and young adults aging out of the foster care system. In addition to its residential uses, the community will also feature job and life skills training, an entrepreneurship incubator, and a community health clinic. The site's 6.8 acres also provide space for future expansion.

All units will be affordable at 30% AMI under Atlanta Housing's HomeFlex program.

The $40+ million project layers funds from more than 10 sources, including Atlanta Housing, Westside Future Fund, philanthropic funds, and CDFI debt, among others. The project represents Atlanta Housing's first development financed with the use of New Markets Tax Credits.

$100 MILLION PUBLIC COMMITMENT

To complement the $200 million philanthropic investment, the City of Atlanta issued a new $100 million Housing Opportunity Bond (HOB) in 2023 — the largest affordable housing bond issuance in the city's history. The HOB proceeds are structured into three targeted programs designed to address key barriers across the housing continuum:

- Multifamily preservation: Offers below-market financing to support the acquisition, rehabilitation, and stabilization of naturally occurring affordable housing (NOAH)
- Public land development:
  - Housing Production Fund (HPF): A $38 million fund providing low-cost mezzanine loans for the construction of new mixed-income and affordable rental projects. HPF loans typically serve as subordinate debt, helping to bridge financing gaps without relying on scarce tax credits. HPF represents a major innovation in Atlanta's housing finance toolkit, offering public-sector "equity-like" capital to catalyze development.
  - Public land infrastructure: $15 million in bond proceeds support horizontal infrastructure improvements on publicly-owned land, addressing a critical gap to redeveloping city land for higher and better use as housing.
- Multifamily loans: Provides gap financing for multifamily affordable housing projects, including LIHTC projects, without which projects would not pencil. As the costs of capital and construction increased in 2022-23, these funds proved especially significant.

Together, these programs form a comprehensive strategy to address Atlanta's housing needs across the full continuum — from production to preservation to land banking. The Housing Opportunity Bond reflects Atlanta's broader shift toward innovative, locally controlled tools that integrate public, philanthropic, and private resources to deliver affordable housing at scale.

The bond issuance was the fourth debt issuance under the HOB program, following issuances in 2007, 2017, and 2021. Under the HOB program, the Urban Residential Finance Authority (URFA) of Atlanta issues debt, the proceeds of which are loaned to Atlanta Housing Opportunity, Inc. (AHOI), a nonprofit subsidiary of Atlanta Housing. AHOI uses proceeds of the loans to implement the Housing Opportunity Program as a revolving loan fund, while the City of Atlanta funds debt service and program administration payments. The appendix to this case study provides an overview of the program structure and history.

2023 Issuance

The 2023 issuance further expanded the HOB program. Approved by City Council as Ordinance 23-O-1227 and enacted into law in June 2023, the 2023 HOB program issuance expanded the program to $100 million. Like the 2021 issuance, the 2023 series was designed as a direct purchase draw-bond purchased by JPMorgan Chase. Originally slated to mature in March 2025, the bond was later extended to mature in March 2026. At maturity, a takeout bond authorized by URFA will refinance the draw-bond debt. Annual principal and interest payments from the City of Atlanta on the takeout bond are capped at $12 million per year.

The 2023 issuance authorized new uses of HOB proceeds, allocating $53 million to support affordable housing projects on publicly owned land. HOB funds were used to create the Housing Production Fund (HPF), a $38 million mezzanine debt fund for affordable housing developments on public land. It also allocated $15 million to Atlanta Housing for infrastructure and site preparation on publicly owned land.

The full allocation of the 2023 Housing Opportunity Bond issuance follows:[12]

Program Components	*Program Descriptions*	*Funding*
Multifamily Preservation	*Safe and Secure Housing Initiative*	$15mm
	Multifamily Preservation Fund to rehabilitate and renovate existing multifamily properties. Fund will be leveraged with public and private capital to support the acquisition, rehabilitation, and stabilization of eligible existing multifamily properties.	
Public Land Development	*Housing Production Fund*	$38mm
	Financing to nonprofit and for-profit multifamily developers offering affordable rental housing units on publicly owned land or as part of a project owned in part by a public agency. Funds will be leveraged with conventional financing to construct new mixed-income rental housing units that will serve households at up to 80% AMI, with a focus on households at or below 60% AMI.	
	Public Land Infrastructure	$15mm
	Fund to support development of horizontal infrastructure on fully or partially publicly owned land. Eligible uses include but are not limited to utilities, streets, and stormwater management facilities. These funds may be deployed as grants or loans on a case-by-case basis.	
Multifamily Loans	*Multifamily Gap Financing Program*	$29mm
	Financing to address gaps in multifamily developments offering affordable rental housing units including those applying for 4% and 9% Low Income Housing Tax Credits (LIHTC), as well as non-LIHTC projects. Loan amounts and terms will be dictated by project type, needs, and scale of additional public benefits, with lower interest rates available to projects that propose to achieve deeper affordability.	
Program Administration	*Program Administration and Cost of Issuance*	$3mm

Overview of 2023 Housing Opportunity Bond allocations. Source: Atlanta City Council.

Programs funded by the 2023 HOB issuance expanded on and complemented earlier HOB-funded initiatives, including down payment assistance, owner-occupied housing rehabilitation, direct land acquisition, and loan participations for land assemblage by affordable housing developers.

Housing Production Fund

The $38 million HPF, financed by the 2023 HOB, provides flexible, equity-like debt for developers of projects on public land, subject to affordability requirements. HPF financing addresses a difficult-to-fill financing gap by offering subordinate mezzanine financing.

The HPF helps to finance "capitalizable pre-development costs and the acquisition, construction, and renovation of multifamily housing that is subject to a ground lease, joint venture or other arrangement with AUDC." At least 30% of units in HPF-supported projects must be occupied by or set aside for households at 80% AMI or below, with larger loans designated for projects with deeper affordability targets. HPF loans may finance a maximum of 30% of allowable construction costs.

[12] Atlanta City Council. https://atlantacityga.iqm2.com/Citizens/Detail_LegiFile.aspx?Frame=&MeetingID=3873&MediaPosition=76673.035&ID=32586&CssClass=

ELIGIBLE USES	NON-ELIGIBLE USES
PRE-DEVELOPMENT STAGE	
• Appraisal	• Developer Fees
• Market Study	• Operating Expenses
• Environmental Study	• Internet Expense
• Survey/Title	• Legal Fees
• Geotechnical Study	• Insurance Fees
• Architectural Services	• Consultant Fees
• Engineering Services	• Marketing/Sales Expense
• Site Acquisition	• Financing Costs
• Physical Needs Assessment	• Professional Services
DEVELOPMENT STAGE	• Long-term management and operational fees
• Hard Cost	
• Landscaping/hardscape	
• Infrastructure work	
• Site preparation (ie grading, excavation and fencing)	
• Building Permits	
• Environmental remediation	
• Utility connections	

Eligible uses for HPF loans (source: Invest Atlanta)

The Housing Opportunity Bond reflects Atlanta's broader shift toward using local tools to address its housing affordability crisis, stretching public dollars farther by integrating them with philanthropic and private capital sources.

Example Projects (Public Commitment)

Investments from the City's $100 million Housing Opportunity Bond (HOB) are already delivering tangible results, supporting affordable housing production, preservation, and homeownership opportunities across Atlanta:

Midtown Fire Station Redevelopment (Housing Production Fund)

HPF financing is supporting the redevelopment of Atlanta Fire Rescue Department Station 15 in Midtown, transforming a valuable, underutilized city site into a new mixed-income residential tower while preserving and upgrading critical public safety infrastructure onsite. The project demonstrates how public assets can be repositioned creatively to achieve multiple goals — housing affordability, civic infrastructure investment, and land value optimization. For a detailed case study on the Midtown Fire Station redevelopment, see the companion article, Redevelopment of Fire Station 15 in Midtown Atlanta.

The Proctor (Housing Production Fund)

The Proctor, a 137-unit Class A mixed-income luxury building in Atlanta's English Avenue neighborhood, will dedicate 41 units for participants of the Housing Choice Voucher program with a minimum 30-year affordability period. The Proctor received $6.5 million in AUDC HPF loans, made possible by a ground lease arrangement with AUDC. Other financing included $26 million from Goldman Sachs, $14 million from Basis Investment Group, $4.1 million in an Atlanta Housing Co-Investment Loan, and $3.2 million in Tax Allocation District funds.

Mall West End (Housing Production Fund)

The Mall West End redevelopment received $5 million in HPF loans. The project will include 120,000 square feet of retail, 893 mixed-income housing units, student housing, medical office space, and a hotel.

1200 New Town Circle Redevelopment (Housing Production Fund)

The first investment from the Housing Production Fund (HPF) supported the redevelopment of 1200 New Town Circle, in partnership with the Atlanta Urban Development Corporation (AUDC). Located adjacent to the Thomasville Heights neighborhood, the project involves the transformation of a vacant, city-owned site into a new mixed-income residential community. The HPF's low-cost mezzanine financing closed critical capital stack gaps, enabling the delivery of deeply affordable rental units without relying solely on federal tax credits.

These projects complement other HOB-funded initiatives, which draw on the HOB's revolving loan pool funded from previous issuances. For example, Preservation and Homeownership Fund projects, financed by the 2021 HOB issuance, aim to expand the supply and availability of affordable single family homes:

Southwest Atlanta NOAH Acquisition (Preservation and Homeownership Fund)

Through the Preservation and Homeownership Fund, the City helped finance the acquisition and rehabilitation of more than 200 naturally occurring affordable housing (NOAH) units in Southwest Atlanta. These investments preserved affordability for existing residents in neighborhoods facing increasing market pressure, ensuring that families earning below 80% of Area Median Income (AMI) could remain in their communities.

Down Payment Assistance for First-Time Homebuyers (Preservation and Homeownership Fund)

More than 300 low- and moderate-income households have received down payment assistance through the Preservation and Homeownership Fund, enabling them to purchase their first homes in Atlanta. This investment supports wealth-building, neighborhood stabilization, and long-term affordability for working families across the city.

BRAIDING AND BLENDING: HOW THE FUNDING SOURCES WORK TOGETHER

Together, the $300 million in public and philanthropic commitments form an integrated strategy to advance housing affordability across the entire continuum of need, from new construction to preservation, from rental support to homeownership. By combining flexible philanthropic capital with public bond financing, the City of Atlanta and its partners created a more resilient and adaptive funding model that stretches public dollars farther, unlocks new private investment, and ensures that a broader range of projects can move forward.

Although the $200 million philanthropic commitment and the $100 million Housing Opportunity Bond are managed by separate entities — the Community Foundation for Greater Atlanta (CFGA) and the City of Atlanta, respectively — they are intentionally aligned through shared goals, collaborative planning, and regular coordination between public and philanthropic partners. CFGA's philanthropic investments are governed by its internal investment committee and programmatic staff, while the City's Housing Opportunity Bond funds are administered through City agencies such as Invest Atlanta, subject to City Council oversight and bond compliance requirements.

While each funding stream maintains its own independent approval and governance processes, strategic alignment between CFGA leadership, City housing officials, and development partners ensures that the two sources complement one another in practice. For example, philanthropic capital from CFGA can serve as flexible gap financing for projects leveraging City bond funds, or philanthropic investments can extend affordability terms beyond what traditional public funding alone would support.

The combined effect is a blended capital model that deploys a diverse set of financial tools — grants, loans, bond proceeds, and land investments — in a coordinated way to drive affordable housing production and preservation at a scale not previously possible through conventional funding strategies alone.

LESSONS LEARNED AND TRANSFERABILITY

Atlanta's experience in structuring and deploying its $300 million affordable housing initiative offers several important lessons for cities seeking to unlock new pathways for affordable housing production and preservation.

Lessons Learned

- Managing Capital Stack Complexity:

  Blending public, philanthropic, and private capital at this scale inevitably introduced complexity in project capital stacks. Managing different risk tolerances, return expectations, and timelines across sectors requires sustained coordination. Long-term ownership strategies — such as joint ventures and ground leases — and the involvement of public-interest intermediaries like the Atlanta Urban Development Corporation (AUDC) have been critical to ensuring that affordability goals remain protected across the lifecycle of projects. For more on the role of public asset intermediaries, see the companion case study on the formation of AUDC and the concept of a Municipal Property Advisor.

- Importance of an Experienced Intermediary:

  Government agencies, philanthropic investors, and private developers often operate with different assumptions, incentives, and timelines. Without experienced intermediaries to bridge these gaps, projects can stall or fail to achieve public benefit objectives. AUDC's leadership in project structuring and entitlement navigation has been instrumental in aligning public and private interests. Other cities may consider forming similar public asset intermediaries or contracting specialized Municipal Property Advisors to help manage these dynamics.

- Philanthropic Leadership, Impact Investing, and PRIs:

  The Community Foundation for Greater Atlanta's leadership in organizing a broad philanthropic coalition was a decisive factor in the initiative's success. Recognizing that grants alone would be insufficient to meet the scale of the housing challenge, CFGA mobilized impact capital — including low-interest loans and preferred equity investments — from foundations and donor-advised funds.

  Philanthropic donors are increasingly drawn to impact investments because they allow capital to be recycled and leveraged, generating lasting community outcomes while preserving the ability to redeploy funds in the future. These vehicles also offer donors the ability to align their investments with their social missions, achieving "mission returns" alongside modest financial returns.

  Managing this complexity requires a sophisticated intermediary. CFGA's GoATL Affordable Housing Fund and TogetherATL Affordable Housing Fund provide structured platforms where donors can entrust capital to experienced managers, who underwrite projects, monitor affordability covenants, and ensure that investments are targeted toward outcomes donors care about — such as deep affordability, wealth-building opportunities, and community stabilization. By centralizing underwriting and impact reporting, CFGA offers donors both confidence in stewardship and tangible, measurable results.

- Innovative Financial Tools:

  Atlanta's deployment of tools such as low-cost mezzanine financing through the Housing Production Fund (HPF), strategic use of Housing Opportunity Bonds, and creative public land utilization demonstrates how nontraditional structures can unlock projects that would otherwise be financially infeasible. Flexible, mission-driven capital — including PRIs, below-market-rate loans, and subordinated public investments — was essential to multiplying the impact of each dollar invested. For more on how these tools are used together to create a financially viable project, see the companion article, Redevelopment of Fire Station 15 in Midtown Atlanta.

- Policy Insights:

  Several policy and structuring insights emerged as key success factors:

  - Long-term ground leases and joint venture structures ensure public goals endure beyond initial project development.
  - Cross-sector partnerships allow for better risk distribution and resilience against market fluctuations.
  - Building a financing stack across a spectrum of capital — from fully philanthropic grants, to PRIs and concessionary debt, to market-rate equity — allows projects to absorb shocks and remain financially

viable over time.

Conditions for Replicability

Cities considering replication should assess their local conditions carefully. Key enabling factors include:

- A strong inventory of public land assets that can be leveraged for affordable housing.
- A robust philanthropic and CDFI ecosystem willing to make impact investments and program-related investments (PRIs).
- Public sector willingness to create and seed flexible revolving loan funds that operate at market edges.
- Capacity to establish or partner with experienced intermediaries who can manage cross-sector collaboration, increase project pipeline readiness, and buffer affordable housing initiatives from political micromanagement and short-term pressures.

Atlanta's experience demonstrates that while assembling a blended capital stack is challenging, doing so can dramatically accelerate affordable housing production and unlock new models of sustainable, inclusive growth.

CONCLUSION

Atlanta's $300 million affordable housing strategy — combining public bonds, philanthropic investments, and innovative financing structures — represents a bold reimagining of how cities can mobilize resources to address complex housing challenges. Rather than relying solely on traditional subsidies, Atlanta built a flexible, blended capital platform that leverages public land, philanthropic leadership, impact investments, and creative policy tools to deliver affordable housing at scale.

The initiative demonstrates that meaningful progress requires not only financial resources, but also structural innovations: dedicated intermediaries like AUDC to align interests across sectors, new capital products like low-cost mezzanine debt, and new governance models that protect public goals over time. It also highlights the essential role that philanthropic and mission-driven investors can play when they deploy flexible, risk-tolerant capital intentionally alongside public funding.

Atlanta's experience offers a roadmap for other cities: where strong leadership, cross-sector collaboration, creative financial tools, and sustained focus are combined, transformational housing outcomes are possible. While local conditions vary, the core principles behind Atlanta's success — blending capital sources, building intermediaries, protecting long-term affordability, and aligning incentives across sectors — are widely transferable. As cities nationwide grapple with housing shortages and affordability crises, Atlanta's model shows that with the right partners and the right structures, the barriers to scale can be overcome — and inclusive, equitable growth can be within reach.

APPENDIX: BACKGROUND ON THE HOUSING OPPORTUNITY BOND PROGRAM

The 2023 Housing Opportunity Bond issuance built from previous program iterations in 2007, 2017, and 2021. This section provides additional context on the program's structure and previous bond issuances.

2007 issuance: The HOB program was initially authorized in 2007 by City Council and Mayor Shirley Franklin to issue up to $75 million in bonds. The initial issuance by the Urban Residential Finance Authority (URFA) of Atlanta of the Housing Opportunity Program Series 2007A Taxable Revenue Bonds raised $35 million from the municipal debt markets. Proceeds served of the were loaned to Atlanta Housing Opportunity, Inc. (AHOI), a nonprofit subsidiary of Atlanta Housing established for the express purpose of operating the Housing Opportunity Program. Loans to AHOI were used to for three purposes:

› Finance, in part, affordable single family and multifamily housing units
› Acquire land for future sale for affordable housing
› Grant funds to Atlanta Housing for various public improvement costs

The cost of capital for the Series 2007A bonds was approximately 5.8%, with the city paying a maximum of $2.8 million in annual debt service.[13] The 2007 bonds helped finance more than 2,200 affordable units and left $40 million remaining in debt authority from the city's initial authorization.[14]

Subsequent issuances: Atlanta would go on to issue two subsequent Housing Opportunity Bonds in 2017 and 2021. The 2017 issuance refunded outstanding 2007 series bonds and utilized the remaining $40 million in debt authority from the 2007 issuance. Proceeds from the 2017 issuance funded "homeowner renovations, multifamily loans, single family loans, nonprofit development loans and land assemblage for affordable and workforce housing development."[15] Along with the 2007 bonds, the 2017 bonds financed more than 3,600 units and leveraged more than $470 million in additional investment.[16]

2007A &2017A HOUSING OPPORTUNITY BOND RESULTS as of DECEMBER 2020

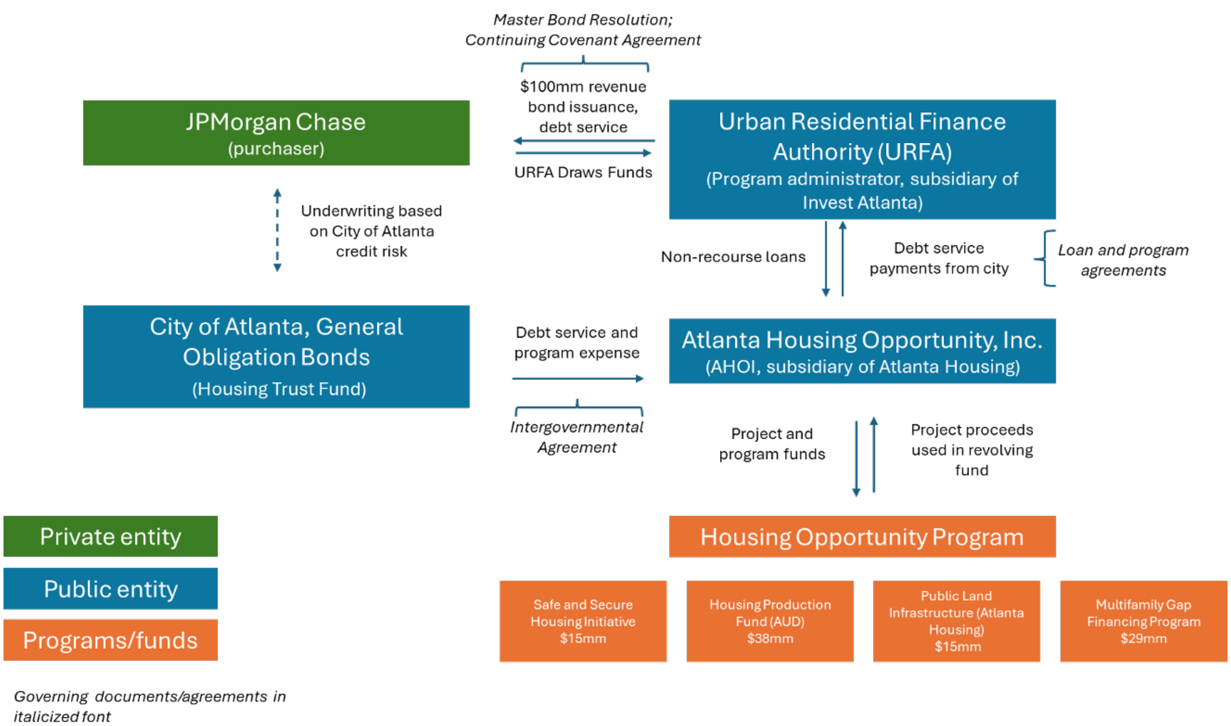
Components	Funds Expended	Funds Leveraged	Affordable Units
Down Payment Assistance	$16,170,032	$121,873,388	927
Multifamily Loans	$14,911,000	$221,859,580	1,755
AHA Hope VI Infrastructure Fund	$7,500,000	$44,010,000	325
Land Assemblage Financing Fund	$6,088,000	$33,000,000	--
Direct Land Acquistion	$3,000	--	--
Community Housing Dev. Organization Loans	$971,301	$1,250,609	16
Owner Occupied Rehab	$9,610,000	$0	335
Non-profit Set Aside	$3,740,000	$48,968,130	301
Single Family Developer Loans	$450,000	$2,013,870	9
Program Administration & Cost of Issuance	$14,597,215	NA	NA
Totals	**$74,740,548**	**$472,975,070**	**$3,668**

Figure 01. Results from 2007 and 2017 HOBs (Source: Invest Atlanta)

[13] Saporta Report. https://saportareport.com/atlanta-housing-bond-investors-may-buy-but-at-what-price-for-city-taxpayers/sections/reports/david/
[14] Invest Atlanta. https://www.investatlanta.com/impact-insights/newly-closed-housing-opportunity-bonds-to-fund-affordable-housing-initiatives
[15] Press Release. Atlanta City Council. https://citycouncil.atlantaga.gov/Home/Components/News/News/64/175
[16] 2021 Housing Opportunity Bond Program Fact Sheet.

The 2021 issuance revised and expanded the Housing Opportunity Program in size and scope. The $50 million issuance exceeded previous editions in volume and dedicated funds for the first time for the acquisition, construction, and rehabilitation for permanent supportive housing set aside for families making 50% AMI or below.[17] The 2021 issuance was also designed as a direct purchase "draw-bond", functioning like a line of credit by only accruing interest on funds drawn down and used from the amount issued. JPMorgan Chase served as the initial purchaser of the bonds, with rates tied to the Secured Overnight Financing Rate (SOFR) (previously the London Interbank Offered Rate [LIBOR]) and adjusted for the City of Atlanta's credit risk rating.

Housing Opportunity Bond Program Structure



[17] 2021 Housing Opportunity Bond Program Fact Sheet.