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Via Hand Delivery and Certified Mail, Return Receipt Requested

The Honorable Kasim Reed
Mayor's Office
City of Atlanta
55 Trinity Avenue, S.W.
Suite 2400
Atlanta, Georgia 30303

Re: Sale of "Underground" and Abandonment of Plaza Way and Portions of Lower Alabama Street, Upper Alabama Street, Lower Pryor Street, and Upper Pryor Street

Dear Mayor Reed:

This firm represents the Atlanta Downtown Neighborhood Association, Inc. ("**ADNA**"). Since 1996, ADNA has worked to strengthen the downtown community for its residents, businesses, and visitors, building a vibrant neighborhood in the heart of the city through its nonprofit leadership, advocacy, social activities, communication, and education.

As you are aware, the Downtown Development Authority of the City of Atlanta, Georgia ("**DDA**"), is currently under contract to sell the development commonly referred to as Underground Atlanta ("**Underground**") to WLA Enterprises, Inc., a South Carolina corporation ("**WLA**"), pursuant to that certain Purchase and Sale Agreement dated December 5, 2014. Please let this letter serve as notice that the City's actions in abandoning certain property in pursuit of this sale, as well as the City's failure to adopt a revised urban redevelopment plan, violate clear provisions of Georgia law, as well as the City's own ordinances and regulations.

Pursuant to Ordinance No. 15-O-1011, the City of Atlanta, Georgia (the "**City**") authorized you to transfer certain parcels and air rights held by the City to DDA for their inclusion in the contemplated sale of Underground to WLA (the "**City Property**"). In doing so, Ordinance No. 15-O-1011 purportedly complied with the requirements of O.C.G.A. § 36-61-1 *et seq.* (the "**Urban Redevelopment Act**"), by transferring the City Property in accordance with the "'urban redevelopment plan' as set forth in the Amended and Restated Underground Atlanta Urban Redevelopment Plan" dated April 7, 1986 . . ." (the "**Redevelopment Plan**").

The Urban Redevelopment Act specifically provides that:

> No municipality or county shall exercise any of the powers conferred upon municipalities and counties by this chapter until after its local governing body has adopted a resolution finding that:
>
> (1) One or more pockets of blight exist in such municipality or county; and
>
> (2) The rehabilitation, conservation, or redevelopment, or a combination thereof, of such area or areas is necessary in the interest of the public health, safety, morals, or welfare of the residents of the municipality or county. See, O.C.G.A. § 36-61-5.

While it is undisputed that Underground has at various times been a "pocket of blight," as defined in the Urban Redevelopment Act, the Redevelopment Plan was adopted in 1986 and resulted in a revitalization of Underground for much of the 1990s. As such, it is beyond question that the conditions that gave rise to the Redevelopment Plan are not the conditions found at Underground today. This is evident by the City's decision to amend the Redevelopment Plan in 2000 by the passage of Resolution No. 00-R-0971 (the "**Amended Redevelopment Plan**"). However, the Amended Redevelopment Plan only amended the Detailed Land Use Descriptions for Block C and Block D of the Redevelopment Plan, thereby retaining a majority of the findings and uses identified in the Redevelopment Plan.

It is ADNA's understanding that the City is operating under the assumption that the Amended Redevelopment Plan satisfies the Urban Redevelopment Act's requirement that a redevelopment plan be adopted following a public hearing and after advertisement of the proposed plan in connection with the sale of Underground to WLA. This position is inapposite with clear statutory limits on the City's redevelopment powers.

Though the Urban Redevelopment Act contemplates amendments and changes to an existing redevelopment plan, O.C.G.A. § 36-61-7(e) specifically notes that "[a]ny proposed modification **which will substantially change the urban redevelopment plan** as previously approved by the local governing body **shall be subject to the requirements of this Code section, including the requirement of a public hearing, before it may be approved.**"

The Urban Redevelopment Act further provides that the City's sale of Underground, through the use of the DDA, "may only be made after the approval of the urban redevelopment plan . . . [and that t]he purchasers or leases and their successors and assigns **shall be obligated to devote such real property only to the uses specified in the urban redevelopment plan** . . . ." See, O.C.G.A. § 36-61-10(a).

Here, the City need only to look at WLA's Proposal to Purchase & Redevelop Underground Atlanta to determine that the intended development and uses of Underground are inconsistent with, and not limited to the uses set forth in the Amended Redevelopment Plan. Specifically, the Amended Redevelopment Plan calls for Underground "to be redeveloped as a 'festival marketplace,' characterized by specialty retail, dining and entertainment, all of high

quality. **Physical redevelopment is to be accomplished principally through rehabilitation and reuse of existing structures, since much of the potential for development as a festival marketplace lies in the unique physical setting**." The Amended Redevelopment Plan also calls for the below viaduct level to be "rehabilitated for specialty retail and entertainment . . . ."

However, the Proposal to Purchase & Redevelop Underground Atlanta notes that "much of the 'overground' portions of Underground Atlanta would be demolished to make way for our plans . . . ." The Proposal to Purchase & Redevelop Underground Atlanta also provides that the below viaduct uses would not consist of specialty retail and entertainment, but rather "art/creative space, to smaller loft type office spaces . . . ." A simple review of the mock drawings of the development shows that the development will not be limited only to the uses identified in the Amended Redevelopment Plan, and show a clear departure from the uses and structures identified in the Amended Redevelopment Plan.

As such, the City's decision to transfer title to Underground to the DDA and to subsequently allow the DDA to convey the same to WLA without first modifying the Amended Redevelopment Plan and holding the required public hearing on the same is a clear violation of the Urban Redevelopment Act.

Moreover, in what can only be seen as an effort to avoid public comment, and perhaps political pressures from the abutting property owners, the City has failed to adhere to the applicable ordinances regarding the City's decision to abandon Plaza Way and Portions of Lower Alabama Street, Upper Alabama Street, Lower Pryor Street, and Upper Pryor Street (the "**Public Right-of-Way**"). Instead, the City, acting through the City Council, has attempted to sidestep the notice and procedural requirements associated with abandoning property as set forth in Section 138-9 of the Code of Ordinances of the City of Atlanta, Georgia (the "**Code**").

Despite recognizing that Section 138-9 of the Code governed the abandonment of the Public Right-of-Way, the City purportedly waived the provisions of Section 138-9 through the passage of Ordinance No. 16-O-1611 (the "**Ordinance**"). In doing so, the City turned what would otherwise be a normal abandonment into a private, closed door affair, and as a result deprived the public and the abutting property owners of the Public Right-of-Way of an opportunity to petition their elected officials, and perhaps more egregious, deprived them of the opportunity to obtain title to their pro-rata share of the Public Right-of-Way in accordance with Section 138-9(g) and (i).

The Code does not authorize the City Council or the City to waive or excuse any procedure set forth for abandoning property. In fact, Section 138-9 provides that "[a]n ordinance cannot be considered until the provisions contained in this section have been fulfilled." Section 138-9 further provides that "[a]ll legislation related to street abandonments shall originate in the city utilities committee as a committee paper."

The Code does not carve out exceptions for street abandonments proposed by a "Personal Paper" sponsored by a Councilmember. Nor does any other provision of the Code empower or authorize the City Council to circumvent Section 138-9 upon the mere re-packaging of abandonment legislation into a "Personal Paper" sponsored by a Councilmember. As such, the

Ordinance should not have been considered by the City, adopted by the City Council, or approved by you.

The City may only abandon the Public Right-of-Way under Section 138-9. No exceptions to Section 138-9 exist under the City of Atlanta Charter or any provision of the Code. As such, the abandonment of the Public Right-of-Way should have only occurred following notice to all abutting property owners, notifying them of the right to respond to the proposed abandonment. See, Section 138-9(b). Following such Notice, the Commissioner of Public Works is required to evaluate the abandonment and determine if the Public Right-of-Way "is no longer necessary as a public right-of-way and whether the petition for a street abandonment can be accommodated." Id. Only after these requirements are met can the Commissioner of Public Works "submit an abandonment ordinance to the council for consideration." See, Section 138-9(c). The City's attempt to sidestep these requirements clearly violate the Code, are ultra vires, and must be reversed and overturned.

As such, ADNA demands that the City immediately and without delay, honor and enforce Section 138-9 with regard to the proposed abandonment of the Public Right-of-Way and that:

1. The City Council revoke and rescind the Ordinance;
2. The City follow the procedures established in Section 138-9, including provisions allowing abutting property owners thirty (30) days to respond the Petition, and provide the required notification to the applicable NPU and affected governmental department and agencies;
3. The City require a new appraisal of the property to be abandoned consistent with Section 138-9;
4. The City require the Commissioner of Public Works, or his designee, to evaluate and determine the necessity of the property to be abandoned as a public right-of-way and whether the contemplated abandonment can be accommodated after having provided prior notice and received input from the abutting property owners and persons or groups affected by the contemplated abandonment;
5. If the Commissioner of Public Works deems that the public right-of-way is not necessary and the abandonment can be accomplished, allow the Commissioner of Public Works to propose an abandonment ordinance for the City Council's consideration; and,
6. The City Council adhere to the notice and hearing requirements of Section 138-9 in considering the abandonment ordinance proposed by the Commissioner of Public Works prior to holding a new vote to consider the same.

Moreover, as the City's actions also violate the Urban Redevelopment Act, ADNA demands that the City:

1. Temporarily, and immediately suspend the sale of Underground to WLA;
2. Adopt and approve an amended and updated urban redevelopment plan in accordance with the Urban Redevelopment Act; and,
3. Make such plan available for public inspection and comment and a public

hearing as is set forth in same.

As noted above, ADNA exists to serve the downtown Atlanta community. As such, ADNA welcomes the revitalization of Underground. However, the City's decision to push this matter through without proper notification and via closed door meetings in an effort to avoid public comment from the surrounding property owners is disturbing. As such, we hope this letter will provide you and the City an opportunity to correct these issues so that this matter may be considered in accordance with the Code and Georgia law. Simply put, ADNA does not wish to prevent the redevelopment of Underground, but ADNA insists that such redevelopment occur in accordance with all applicable laws and regulations.

Please note that unless we receive notice from your office that the City will comply with the demands set forth herein within five (5) days of your receipt of this correspondence, my clients will pursue legal action, including the filing of a lawsuit to seek injunctive relief regarding the same.

I look forward to your prompt response.

Sincerely,

Christopher L. Collier

CLC/etb

cc: The Downtown Development Authority of the City of Atlanta, Georgia
The Honorable Ceasar C. Mitchell, President, Atlanta City Council
The Honorable Carla Smith, Councilmember, Atlanta City Council, District 1
The Honorable Kwanza Hall, Councilmember, Atlanta City Council, District 2
The Honorable Ivory Lee Young, Councilmember, Atlanta City Council, District 3
The Honorable Cleta Winslow, Councilmember, Atlanta City Council, District 4
The Honorable Natalyn M. Archinbong, Councilmember, Atlanta City Council, District 5
The Honorable Alex Wan, Councilmember, Atlanta City Council, District 6
The Honorable Howard Shook, Councilmember, Atlanta City Council, District 7
The Honorable Yolanda Adrean, Councilmember, Atlanta City Council, District 8
The Honorable Felicia Moore, Councilmember, Atlanta City Council, District 9
The Honorable C.T. Martin, Councilmember, Atlanta City Council, District 10
The Honorable Keisha Bottoms, Councilmember, Atlanta City Council, District 11
The Honorable Joyce Sheperd, Councilmember, Atlanta City Council, District 12
The Honorable Michael Julian Bond, Councilmember, Atlanta City Council, Post 1, At Large
The Honorable Mary Norwood, Councilmember, Atlanta City Council, Post 2, At-Large
The Honorable Andre Dickens, Councilmember, Atlanta City Council, Post 3, At-Large
WLA Enterprises, Inc.
Cathy Hampton, Esq., City Attorney