



FEASIBILITY STUDY OF 3965 ROOSEVELT HIGHWAY

Urban Land Institute – Center for Leadership
Mini-TAP

May 10, 2011

CLIENT INTRODUCTION

- Atlanta Mission (formerly, Atlanta Union Mission)

- *Established in 1938, the ministry provides emergency shelter, residential discipleship, job attainment, and transitional housing to more than 950 homeless men, women and children daily.*



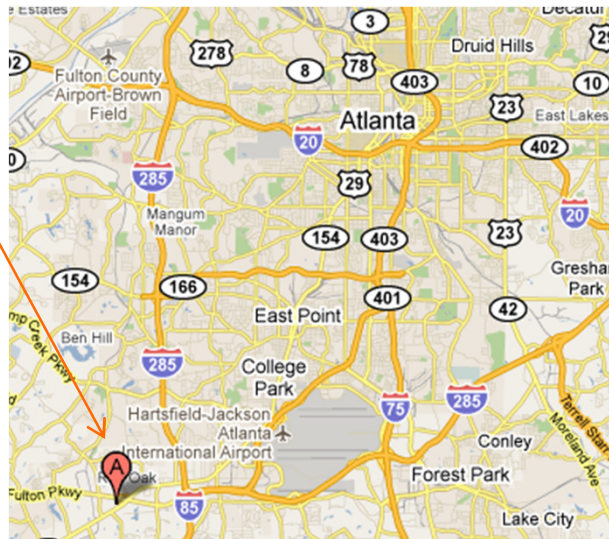
- Wellspring Living

- *Wellspring Living's mission is to confront the issue of childhood sexual abuse and exploitation through advocacy, education and treatment programs for girls and women.*



PROJECT BACKGROUND

- Atlanta Mission owns property at 3965 Roosevelt Highway

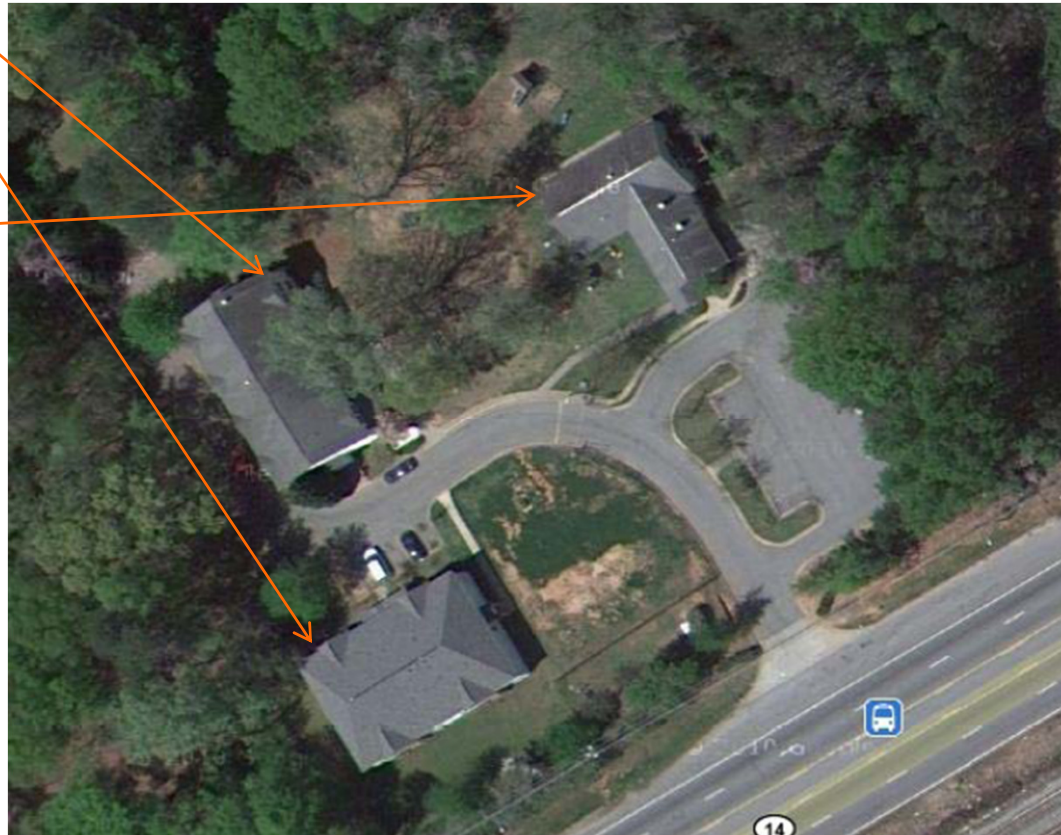


- Clients are considering a partnership whereby Wellspring Living would use the property for a transitional housing and education facility for its clients, but first they wanted to make sure that the property would be suitable for that purpose



EXISTING IMPROVEMENTS – 3 BUILDINGS

- Wieland Building
- 2nd Mile Building
- School Building



EXISTING IMPROVEMENTS





PROJECT SCOPE

- Submarket Study
- Zoning Study
- Valuation Study
- Conclusions & Recommendations

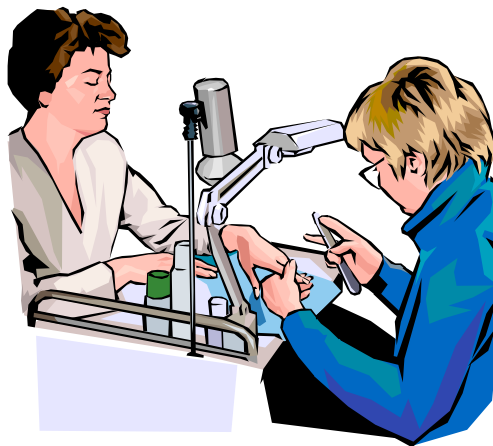
SUBMARKET: COMMUNITY CENTERS

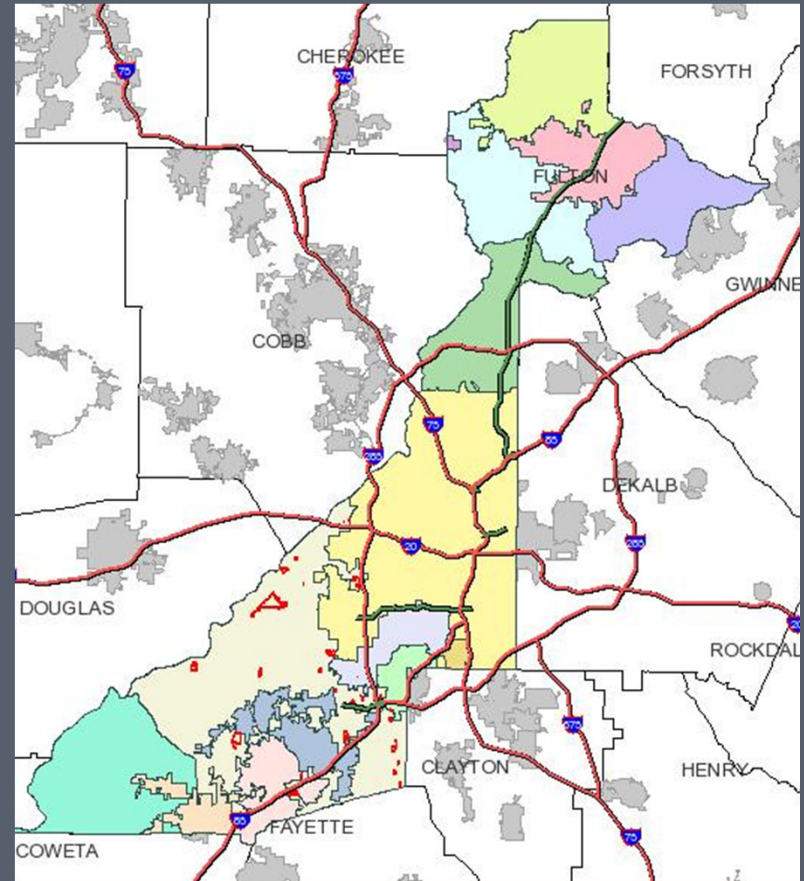
- Siloam Church International
- Jesse Draper Boys & Girls Club
- Etris Community Center (senior center)



SUBMARKET: HIGHER LEARNING CENTERS

- United Medical and Business Institute
 - Medical Assisting and Medical Administration
- Atlanta Technical College
 - Cosmetology
 - Barbering
 - Culinary Arts





ZONING STUDY

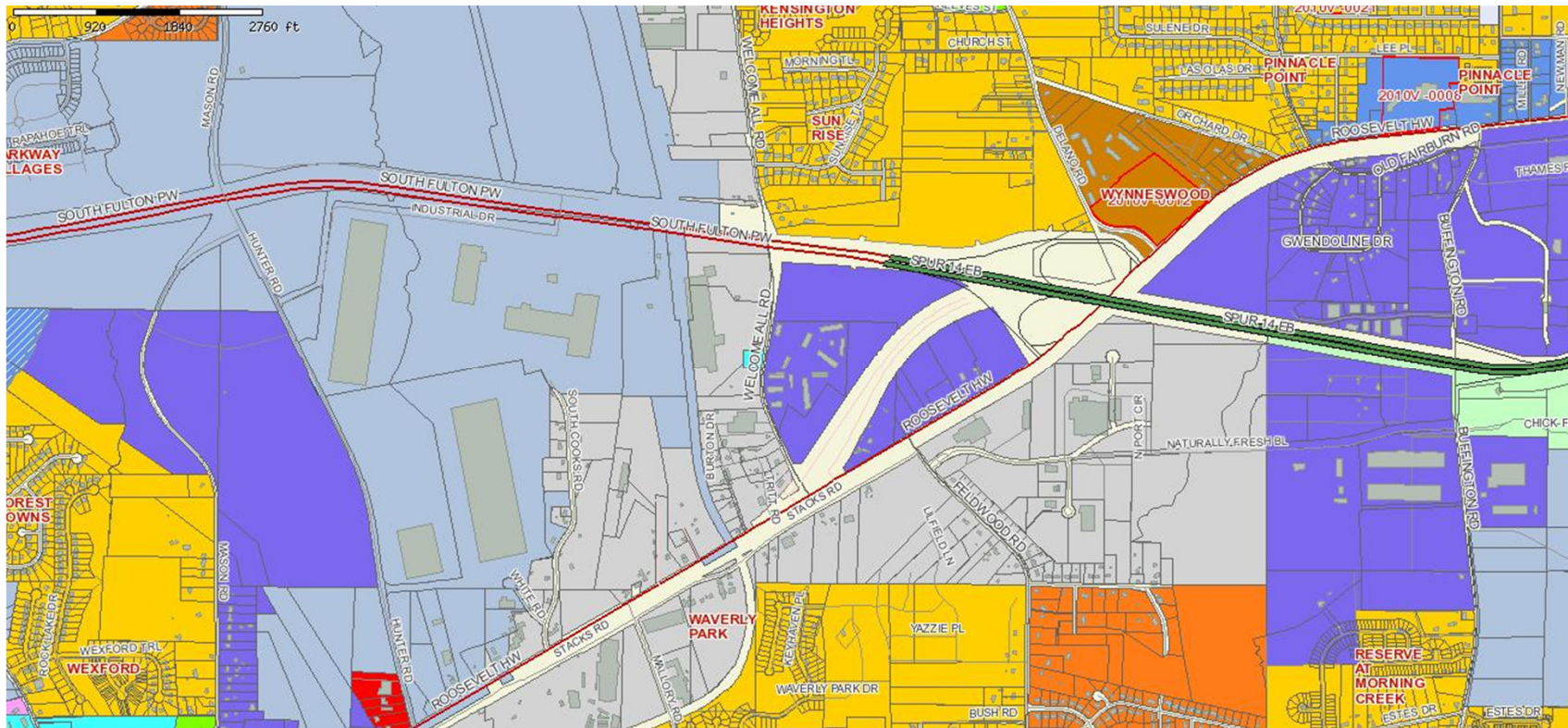
- Current Zoning
- Special Use Permit
- Future Use Findings

ZONING: WELLSPRING'S PROPOSED USE

- Wellspring's use is likely permitted under the existing Special Use Permit
- Residents – limited to 300
 - Transitional housing OK
 - Kitchenettes in units could pose a problem
- On-Site Education
 - Ok for residents
 - Nonresidents receiving benefit? Might need modification to special use permit
- Horses
 - 1 horse per fenced acre
 - Barn located 100 feet from property line



2025 Future Land Use Plan





VALUATION ANALYSIS & RECOMMENDATIONS

- Method
- Assumptions & Conclusions
- What Next?

VALUATION: ASSUMPTIONS & CONCLUSION

- Property must be re-zoned to Industrial to attract a developer
- Assumptions
 - 25% land footprint, or 72,000 SF with an estimated net operating income of \$210,852
 - \$4.00/SF annual rental (\$288,000) on a modified gross rental basis
 - Total Costs: \$8,316,643
- Developer will need a minimum 8% return
- Return under this evaluation is: 2.54%
- Implications → Not sufficient to attract a developer to the site



EXISTING IMPROVEMENTS: CARRYING COSTS

- \$62,600 Annually:
 - Property Insurance: \$3,200
 - Liability Insurance: \$2,000
 - Property Management: \$18,600
 - Property Taxes: \$0
 - Utilities: \$38,800
- 501(c)(3) Status
 - Implications of changing ownership
 - Implications of changing use



WHAT NEXT?

- Community Partnerships
 - Schools
 - Churches
- Atlanta Mission-Wellspring Operational Agreement



Wellspring
LIVING™





QUESTIONS & DISCUSSION

- **Team Members**

- Shea Campbell – CB Richard Ellis
- Christine Norstadt – Friese Legal, LLC
- Philip Rodbell – Selig Enterprises, Inc.
- James Talley – Atlanta Housing Authority
- Simon Tuohy – Urban Realty Partners