

YEAR IN REVIEW '08

ATLANTA REGIONAL COMMISSION 2008 ANNUAL REPORT

SINCE 2000, THE ATLANTA REGION HAS GAINED ONE MILLION NEW RESIDENTS, surpassing any other city in the U.S. Forbes magazine just named the Atlanta area among the top 10 places to retire in America. And, our region was just ranked 37th in the Global Cities Index – meaning out of all the places in the world to live, there are only 36 places considered better than metro Atlanta. We're working on becoming number one.

But, just as our country and the world, for that matter, faces some of the most challenging economic times of our lives, the Atlanta region, too, is feeling the effects.

Despite exceptional growth earlier this decade, this year building permits are down more than 50 percent. This is in stark contrast to 2005, when our region led the nation in new building permits.

It is not just the precipitated pullback in real estate development activity that has added to a decline in overall employment. We've seen major job losses in businesses throughout the region. At 6.9 percent, our region's unemployment rate is now slightly higher than the national rate of 6.7 percent.

Metro Atlanta is, however, showing amazing strength in the face of unprecedented challenges. It avoided the worst of the extreme housing bubble and bust, and was not affected as severely as most U.S. regions. While our region ranked 20th in foreclosures, this region is the 9th largest metro area. Many smaller areas have been hit much harder. And, our foreclosure rate over the last year has dropped dramatically.

According to the S&P/Case-Shiller index of September 30, home prices in metro Atlanta have declined an average of 8 percent, compared to some 20 percent in major metros across the country since the height of the bubble. And, home prices in metro Atlanta have actually stabilized during the past six months. In contrast, average home values in Phoenix, Arizona, have plummeted more than 35 percent.

Fortunately, the strength of our region's economy lies in its diversity. Because of this, the Atlanta region is poised to take advantage of global opportunities. Signature companies headquartered here, like Coca-Cola, Delta and UPS, along with many others, know the benefits of proximity to the world's busiest airport and the growing Port of Savannah.

Increasingly, Atlanta's future is tied to the rest of the world and to our peer cities in the southeast United States. Metro Atlanta sits in the center of an emerging southeast economic powerhouse, the Piedmont Atlantic Megaregion. The megaregion concept allows us to leverage our assets to create opportunities that might not be available, otherwise.

Through its Fifty Forward initiative, the Atlanta Regional Commission is working to create a vision and plan for our region's long-term success and sustainability. As we look 50 years into the future, it is critical that we plan for adequate water supplies, transportation enhancements, livable communities, a prepared workforce and a strong economy to insure metro Atlanta's success.

While our region has suffered some temporary setbacks, we are fundamentally strong and poised to remain the economic engine of the Southeast. But, we can't rely on our past success, alone.

Pursuing new funding for transportation solutions is now critical. Managing and conserving our precious water resources is more vital than ever. And, continuing to develop this region in a sustainable manner will be pivotal to maintaining the Atlanta region's attractiveness as an economic and cultural center.

We must continue to work together and make the kind of bold decisions that have brought us to a position of strength and that can put us on a firm foundation for the future.



Sam Olens
Chairman



Charles Krautler
Director

Moving Our Region Forward



Even as the number of commuters on metro Atlanta's roadways dipped in 2008, the task of congestion relief and meeting the region's transportation needs continued. Cooperation, though, is helping to meet the challenge.

In 2008, ARC continued work on an historic Memorandum of Understanding it signed with the **Georgia Regional Transportation Authority** and the **Georgia Department of Transportation** to reinforce the commitment of the three agencies to work more closely with one another on a more mobile and less congested metro region. The document calls for a regional transportation investment strategy for transportation planning that targets congestion and mobility and may lead to an overhaul of project selection and prioritization processes.

RideSmart, a program of ARC in cooperation with the **Georgia Department of Transportation** and the **Federal Highway Administration**, partnered with **MARTA** to share additional transit information with commuters to better plan their transit trips. Due

in part to record-high gas prices last summer and an economic downturn, more people in the region were seeking alternatives to driving alone. RideSmart served nearly 50,000 people across the state, provided commuting information to 66,500 unique visitors through MyRideSmart.com and assisted more than 12,500 commuters through its regional 24-hour telephone hotline. It also worked with service partners to provide more than 2,500 rides through the regional Guaranteed Ride Home program.

ARC's Transportation Planning Division continued its assistance to counties in reviewing and updating their Comprehensive Transportation Plans, including the launch of the planning process in Fayette and Rockdale counties. It also furthered its work with the **Transit Planning Board**, which in 2008 developed and unveiled Concept 3, a \$50 billion, 25-year plan to build light rail, streetcars, commuter rail, bus rapid transit and bus operations throughout the region.

In 2008, the **Association of Metropolitan Planning Organizations** awarded ARC its National Award for Outstanding Technical Merit in Metropolitan Transportation Planning. The honor was presented to ARC for its Freight Mobility Plan, a nearly two-year study analyzing the movement of freight into and within the 20-county metro area with an eye on improving mobility and safety. ARC also launched the development of the Regional Strategic Truck Route Master Plan to further understand freight-related travel patterns and draft a regional truck route network.

But, some of the challenges facing the region's transportation planning were spelled out in "Breaking Ground in 2007," which analyzed the progress made on all projects with funding commitments scheduled in FY 2007. The report, which found that 41 percent of project phases across the region advanced, hopes to encourage project implementation rates through increasing the accountability and transparency of public agencies.

Safeguarding Our Sustainability



The region celebrated the 35th anniversary of the **Metropolitan River Protection Act** in 2008, a hallmark that calls attention to the lifeblood of the area—84 miles of the Chattahoochee River that runs through it—at a time when a drought lingers and Lake Lanier continues to experience historic lows.

ARC made the case for river protection in 1972 with the development and adoption of the Chattahoochee Corridor Plan, which the General Assembly turned into the Metropolitan River Protection Act the following year. The law safeguards a 2,000-foot corridor on both sides of the river from Buford Dam to South Fulton County. The measure helps protect water quality of the river and public water supplies while preventing activities that would contribute to floods and flood damage.

The **Metropolitan North Georgia Water Planning District**, staffed by ARC, continues the work of overseeing the region's water supplies through the 61 water systems, 92 cities and 15 counties that make up the District. In 2008, the District completed the technical

work on revisions to its three integrated water resource plans, the first major updates since the District was created in 2003.

Long before the multi-year drought in North Georgia came to dominate discussions about water, the District put in place a host of aggressive long-term water conservation measures that continued in 2008. Those efforts include conservation pricing, rebates for replacing older, inefficient toilets by 24 water providers and distributing more than 38,000 brochures on pollution prevention and water conservation, public workshops and seminars and an essay contest for middle school students.

ARC continues to provide leadership and coordinate the responses of local governments to the legal proceedings between Georgia, Florida and Alabama over the allocation of water from the Alabama-Coosa-Tallapoosa and Apalachicola-Chattahoochee-Flint basins.

ARC also launched the Green Communities Certification program to foster greater environmental stewardship through recognizing local governments that invest in sustainability programs. It's the first regional "green" certification program in the country and looks to spotlight communities for work in areas including green building, energy efficiency, greenspace and tree planting, recycling and innovation.

Promoting Smart Growth Pays Dividends



As the growth of the Atlanta region surpassed four million in 2008, ARC's Land Use Division continued to provide technical assistance to local governments, review local comprehensive plans and Developments of Regional Impact (DRIs), as well as work in partnership with regional organizations to promote quality growth.

One of ARC's most successful programs for advancing quality communities is the Livable Centers Initiative (LCI). During 2008 ARC received a national Smart Growth Achievement award from the **U.S. Environmental Protection Agency** (EPA). The LCI program has also been designated to receive an award in spring of 2009 from the **American Planning Association's** (APA) National Planning Excellence Award for Program Implementation. EPA cited the program's innovative approach to expanding economic opportunity while protecting public health and the environment. The LCI program, adopted by ARC in 1999, has allocated more than \$141 million in planning and transportation funds to 94 distinct areas in the Atlanta region. Three cities and

one county received LCI grants totaling \$396,000 in 2008; six additional communities received \$220,000 in grants to supplement their existing LCI efforts. ARC also assists local governments with LCI project management through coordination with Georgia DOT permitting and approval of federal regulatory requirements.

At its annual State of the Region breakfast, ARC recognized three trend-setting developments with the 10th annual Developments of Excellence Awards, which are presented in conjunction with the **Livable Communities Coalition**. The projects include **Oakland Park** and **Sovereign** in the City of Atlanta and **Davis Oaks** in DeKalb County. To mark the program's 10th anniversary, the first-ever Visionary Award was presented to Blueprint Midtown by the **Midtown Alliance** for its innovative and community-designed vision to guide quality development in Midtown Atlanta.

Large-scale developments, projects that are likely to have an impact beyond the borders of the host local government, are reviewed by ARC as DRIs. In 2008, ARC reviewed 42 projects, compared to 73 a year earlier, 62 in 2006 and 41 in 2005.

As the region welcomes scores of new residents in the coming years, housing issues must be addressed. ARC hosts the quarterly Atlanta Regional Housing Forums, in collaboration with nearly a dozen community partners, to explore and initiate new strategies for providing more housing choices for the future. ARC has worked closely with the Atlanta Neighborhood Development Partnership (ANDP) to provide new data and resources for housing planning.

ARC has begun preparation for a major update to the Regional Development Plan (RDP) and Regional Transportation Plan (RTP) starting in 2009.

Supporting Strong Governance and Leadership Development



Building stronger communities by providing area governments and leaders with a broad range of value-added services and programs is the focus of ARC's Local Government Services Division.

ARC helps cities and counties optimize their performance and enhance their service delivery to residents by assisting in critical areas including management and operations, human resources and community planning. In 2008, ARC's Community Choices program helped 10 cities with a broad range of technical services to promote and enhance quality growth and conducted pay and classification studies for five cities.

Appointed planning and elected officials, as well as city and county planning staff, are faced with an enormous responsibility to help guide the development and future of their communities. Through its Community Planning Academy, ARC offered courses and workshops last year to nearly 200 people on topics ranging from community design guidelines to green communities.

ARC's Local Government Training Institute and its Management Development Program both provide a range of offerings for all levels of local government staff. Another 200 people took advantage of training programs on topics such as Moving Your Community from Good to Great, Managing Employee Performance Challenges and Succeeding as a Supervisor.

There is no substitute for strong leadership in building great regions. ARC has long placed leadership as a high priority through two of its signature programs, the Regional Leadership Institute (RLI) and the LINK exchange program.

In 2008, ARC's six-day RLI program led a diverse group of civic, government and business leaders in an exploration of regional planning, problem-solving and community building. National and regional experts addressed diverse topics including the ingredients of a successful region, community collaboration, transportation, land use and economic and social trends. To date, more than 1,000 regional citizens have graduated from the RLI program. The LINK (Leadership, Involvement, Networking and Knowledge) exchange program took more than 100 regional leaders to Denver, Colorado in 2008 to explore common issues and exchange ideas about pressing regional challenges. 2008 marked the 10th anniversary of this leadership initiative.

Building a Strong Workforce



As the administrator for the **Atlanta Regional Workforce Board (ARWB)**, ARC provides workforce solutions for dislocated workers, low-income adults and youth as well as businesses. Services are provided through a network of seven Career Resource Centers in Cherokee, Clayton, Douglas, Fayette Gwinnett, Henry and Rockdale counties.

As the economy stumbled during 2008, the number of job seekers turning to ARC for assistance increased. During 2008, 46,346 individuals visited ARWB Career Resource Centers seeking assistance with their job search, resume writing and taking advantage of workshops. Over 1,200 were enrolled in advanced services, qualifying for assistance with job training funded through the Workforce Investment Act. The Clayton Career Resource Center moved to new space during 2008. The new facility includes 21 customer work stations that job-seekers can use to research job openings, write their resumes and explore career options.

ARC has been a lead partner in the adoption of the state's Work Ready program in metro Atlanta. With a \$500,000 grant from the **Governor's Office of Workforce Development**, ARC is helping counties become certified Work Ready communities. Work Ready teams in each county are putting strategies in place to improve high school graduation rates and encourage workers to earn Work Ready certificates.

ARC also represents workforce development in a multi-disciplinary team that is guiding the emergence of the **Innovation Crescent**, a 13-county area extending from metro Atlanta to Athens, as the hub of the life sciences industry in the state. More than 270 private companies in the life sciences industry with more than \$8 billion in annual product sales are located within the Innovation Crescent. ARC has partnered with **Georgia Bio** and the **Georgia Department of Education** to develop career pathways and negotiate agreements between high schools, technical colleges and universities to assure progression in bioscience through the education system. The goal is to prepare workers and students for careers in science, technology and engineering. The **Center for Education Integrating Science, Mathematics and Computing at Georgia Tech** has joined the team in an additional proposal to U.S. Department of Labor for \$2 million to develop career pathways for youth and adults beginning with robotics academies and leading into manufacturing, engineering and bioscience careers.

ARC continues to provide rapid response to plant closings and layoffs. During 2008, ARC staff worked with 150 companies, helping over 10,000 employees in the automotive, construction, airline, financial services, logistics, service and manufacturing sectors with their resumes, career counseling and other services that will enable them to re-enter the workforce.

Supporting Senior Quality of Life



The challenges of providing for the region's senior population, which is expected to triple by 2030, continue to grow. But as the designated Area Agency on Aging for more than three decades, ARC continues to look to the future to plan for ways to meet the needs of the region's older adults.

ARC's Aging Services Division expanded the Lifelong Communities initiative to all 10 counties in the region in 2008. The program focuses on promoting housing and transportation options, encouraging healthy lifestyles and expanding access and information services. Work groups in each county are implementing strategies to make their communities more "age friendly" and to address gaps in services.

In 2008, thousands of older adults received flu shots and other services at 45 events held by ARC and its county-based partners through the Sickness Prevention Achieved through Regional Collaboration (SPARC) program. Included were Vote & Vax events which provided flu vaccinations at polling places during the election.

The rapid growth in the older adult population demands new and diverse housing options, transportation alternatives and community designs that promote active living. Land use policy and development patterns in many communities, however, do not provide the choices that current and future older adults need to live healthy, independent lives. ARC is bringing aging, health, transportation and other experts together with the internationally recognized town planning and architecture firm **Duany, Plater-Zyberk & Company (DPZ)** to develop design concepts for five sites in the Atlanta region that show what age-friendly communities really look like. The plans will integrate a mix of uses and incomes in walkable environments that meet the needs of the growing older adult population while at the same time attracting people of all ages.

In its role as the Area Agency on Aging, ARC contracts with 10-county based aging programs and some dozen specialized agencies to implement the Area Plan on Aging. In 2008, ARC awarded contracts for \$9,957,482 to county-based agencies for home-delivered and congregate meals, adult day health, transportation programs and other services. Local agencies match those funds. Resources for specialized aging programs totaled \$4,980,185 in 2008. ARC's ongoing services also include a one-stop source for information about more than 22,000 aging services statewide as well as counseling about federal, state and private programs such as Medicare, Medicaid and prescription drug programs.

ATLANTA REGIONAL COMMISSION 2008 FUNDING

FUNDING FOR ARC'S PROGRAMS & ACTIVITIES COMES FROM A VARIETY OF SOURCES.

Constituent local governments contribute \$1 per resident annually for ARC operations. Additional funding comes from grants from federal and state agencies and from private sources. These grants, primarily for set purposes specified by the grantor, support the annual work program of ARC. Each year, approximately half of ARC receipts are returned to the local governments as subgrants and participant payments.

Estimated receipts for 2008 are \$49,267,099, an increase of \$655,303, or a 1.34 percent increase from 2007. Expenditures increased by .88 percent, for an estimated total of \$49,049,362 in 2008.

Receipts and expenditures for 2008 are preliminary estimates, subject to adjustment after year-end close-out and audit.

The preliminary ARC ending Fund Balance is the difference between the Commission's assets and liabilities reported in the governmental fund.

Financial Comparisons (Governmental Funds)

	2008 Estimated	2007 Actual	2006 Actual
Revenues			
Regional Appropriations	\$ 4,051,400	\$ 3,947,400	\$ 3,835,700
State RDC	0	0	0
Investments	144,141	224,617	158,074
Grant Revenue	43,006,162	42,293,318	40,457,628
Other	1,346	12,715	5,854
In-Kind	2,064,050	2,133,746	2,105,362
TOTAL	\$49,267,099	\$48,611,796	\$46,562,618
Expenses			
Salaries	8,037,392	7,597,833	7,397,708
Benefits	4,117,957	4,392,685	4,220,975
Travel	195,604	194,959	215,910
Equipment	199,944	150,092	161,398
Supplies	78,843	69,726	74,362
Contracts	30,236,996	29,907,528	28,733,901
Capital Outlay	73,301	84,118	31,873
Other	4,045,275	4,090,364	3,269,304
In-Kind	2,064,050	2,133,746	2,105,361
TOTAL	\$49,049,362	\$48,621,051	\$46,210,792
Net	217,737	-9,255	351,826
Interfund Transfers	-105,422	11,174	-125,960
Net change	112,315	1,919	225,866
Fund Balance	\$6,197,440	\$ 6,085,125	\$ 6,083,206