

1 **RESOLUTION CONSENTING TO THE INCLUSION OF CERTAIN**
2 **FULTON COUNTY TAXES IN THE COMPUTATION OF THE TAX**
3 **ALLOCATION INCREMENT FOR THE CITY OF ATLANTA TAX**
4 **ALLOCATION DISTRICT NUMBER SIX – BELTLINE**
5 **REDEVELOPMENT AREA; AND FOR OTHER PURPOSES**
6

7 **WHEREAS**, the Council of the City of Atlanta (the City), by ordinance on
8 November 7, 2005 (the “City Ordinance”), approved and adopted the Beltline
9 Redevelopment Plan (the “Redevelopment Plan”) and established Tax Allocation District
10 Number Six – Beltline (the “Beltline TAD”) within the incorporated portion of Fulton
11 County, Georgia (the “County”) in the area of the City as shown in the City Ordinance
12 (the “Redevelopment Area”), a copy of which is attached hereto as Exhibit “A”; and
13

14 **WHEREAS**, the City Ordinance provides that the Beltline TAD was created
15 pursuant to the City’s redevelopment powers as authorized by the Redevelopment Powers
16 Law, O.C.G.A. Section 36-44-1, et seq., and will become effective on December 31,
17 2005; and
18

19 **WHEREAS**, the City is duly authorized to provide for the creation of the Beltline
20 TAD and the County has relied upon said representation; and
21

22 **WHEREAS**, pursuant to O.C.G.A. Section 36-44-4(a), the City has designated
23 the Atlanta Development Authority as its redevelopment agency for purposes of
24 implementing the Redevelopment Plan for the Beltline TAD; and
25

26 **WHEREAS**, the City made certain findings with respect to the Redevelopment
27 Area, including the following:
28

- 29 a) the Redevelopment Area has not been subject to growth and development
30 through private enterprise and would not reasonably be anticipated to be
31 developed without the approval of the Redevelopment Plan; and
32
- 33 b) the improvement of the Redevelopment Area is likely to enhance the value
34 of a substantial portion of the real property in the District; and
35

36 **WHEREAS**, the City Ordinance provides that the City intends to authorize the
37 issuance of tax allocation bonds and other obligations as may be necessary to implement
38 provisions of the Redevelopment Plan; and
39

40 **WHEREAS**, the Redevelopment Powers Law provides that County ad valorem
41 property taxes derived from a municipal tax allocation district may be included in the
42 computation of tax allocation increments of the district if the governing body of the
43 County consents to such inclusion by resolution; and
44

1 **WHEREAS**, it is in the best interest of the citizens of the County that the County
2 participate in the Beltline TAD so as to maximize its value and therefore maximize the
3 redevelopment potential of the Redevelopment Area; and
4

5 **WHEREAS**, the Board of Commissioners now wishes to consent to inclusion of
6 County ad valorem taxes in the computation of the tax allocation increment of the
7 Beltline TAD;
8

9 **NOW, THEREFORE, BE IT RESOLVED**, that the Board of Commissioners of
10 Fulton County, Georgia, as permitted by the Redevelopment Powers Law, does hereby
11 consent to inclusion of County ad valorem taxes on real property within the Beltline TAD
12 in the computation of the tax allocation increment for the Beltline TAD, subject to the
13 conditions set forth below.
14

15 **BE IT FURTHER RESOLVED**, that before any tax allocation bonds are issued
16 and before any of the positive tax allocation increments attributable to the millage rate
17 imposed by the Fulton County Board of Commissioners are used, the City, the
18 Redevelopment Agency, and the Fulton County Board of Commissioners shall have
19 entered into an Intergovernmental Agreement relating to the Beltline TAD, which
20 Intergovernmental Agreement shall contain, at a minimum, the following provisions
21 which are conditions precedent to the County's consent described in the previous
22 paragraph of this Resolution:
23

24 1. **Term of Agreement and Covered Bonds.** Fulton County's participation
25 in the Beltline TAD shall be for a twenty-five year period, commencing
26 December 31, 2005 and ending December 31, 2030, after which time no
27 additional Redevelopment Costs shall be incurred, and no additional
28 County tax increments shall be paid to the TAD special fund.
29 Additionally, the County's tax increments pledged above may not be used
30 as security or payment for tax allocation bonds in a total par amount of
31 more than \$1,700,000,000.00 (hereinafter the "Covered Bonds");
32 provided, however, that in the event no Covered Bonds have been issued
33 prior to December 31, 2008, the County's consent contained in this
34 Resolution shall be void and of no further effect, and all funds in the TAD
35 special fund attributable to County tax increments shall immediately be
36 repaid to the County.
37

38 2. **Work Plan, Financial Statements and Reports.** The Redevelopment
39 Agency shall develop a work plan for implementing the Beltline projects
40 with proposed budgets for the initial one, three and five year time periods
41 of the TAD. Among other things, the work plan shall explain how the
42 components of the Beltline project work together and reinforce each other
43 in an optimal manner. On June 30, 2006 or 60 days prior to the first bond
44 issuance, the work plan shall be presented to the Board of Commissioners
45 for review. The Redevelopment Agency shall provide updates to the
46 Board of Commissioners at least twice per year on the status of the

1 implementation of the work plan. At year end of each year that the
2 Beltline TAD is in existence and prior to each bond issuance, the
3 Redevelopment Agency shall provide a report on the financial status of the
4 TAD, including a detail of any tax increments collected but not used as
5 payment for or pledge against any existing TAD bond issuances. The
6 Redevelopment Agency shall fund an independent review of the work
7 plan.
8

9 3. **Workforce Housing.** The Redevelopment Agency shall ensure that TAD
10 bond proceeds are used, in part, to fund affordable housing within the
11 Beltline Redevelopment Area. To achieve this goal, the Redevelopment
12 Agency shall set aside 15% of the net proceeds of each TAD bond
13 issuance in a separate fund to be entitled “the Beltline Affordable Housing
14 Trust Fund” that shall be solely used for the purpose of creating affordable
15 housing within the Beltline Redevelopment Area. It is the expectation and
16 goal of the County that the Beltline Affordable Housing Trust Fund shall
17 be used to develop at least 5,600 units of affordable housing within the
18 Beltline Redevelopment Area. Prior to the first issuance of tax allocation
19 bonds, the Redevelopment Agency shall establish policies and goals
20 related to the use of the Beltline Affordable Housing Trust Fund proceeds.
21 Such goals and policies shall include the formation of a Beltline
22 Affordable Housing Advisory Board, which shall include, among others,
23 representatives of established Atlanta affordable housing organizations,
24 including community development organizations. In addition, the
25 Advisory Board shall include representatives designated by Fulton County
26 in accordance with the provisions of Section 5 below. On each
27 anniversary of the effective date of the TAD, the Redevelopment Agency
28 shall provide the County with a report describing, for each development
29 receiving TAD funds or TAD bond proceeds, 1) the total number of
30 residential units developed; 2) the total number of residential units
31 occupied; 3) the total number of affordable units developed; 4) the total
32 number of affordable units occupied; and 5) presentation of an inventory
33 of the affordable housing units developed by geographic location within
34 the Beltline TAD.
35

36 4. **Excess Increments.** In the event that the Beltline TAD recognizes any
37 increment in excess of that amount required to provide for debt service
38 and coverage on the Covered Bonds, and where such funds are not
39 anticipated in future bond issuances (the “excess increment”), the portion
40 of the excess increment attributable to Fulton County ad valorem taxes
41 shall revert and be paid to the County’s General Fund.
42

43 5. **Representation on Boards and Committees.** Pursuant to the City
44 Ordinance, the Redevelopment Agency will establish a Beltline Advisory
45 Committee and a Beltline Affordable Housing Advisory Board. Fulton
46 County shall appoint representatives to the Committee and Advisory

1 Board, and the number of such representatives shall be in the same
2 proportion as the County's share of the total increment generated within
3 the TAD. In the event that the City or its Redevelopment Agency forms a
4 separate entity to implement the Beltline Project, the County shall appoint
5 a representative to the Board of such entity, assuming such Board of
6 Directors shall have no more than nine representatives. In the event that
7 such Board of Directors contains more than nine representatives, the
8 County shall be permitted to appoint another representative or
9 representatives in the same proportion accordingly.

10
11 6. **Annual Financial Reporting.** The City or its Redevelopment Agency
12 shall provide to the Board of Commissioners comprehensive annual
13 financial reports regarding the amount and use of positive tax allocation
14 increments within the TAD for each calendar year the TAD remains in
15 existence, and a copy of the annual audit of the Redevelopment Agency,
16 on or about June 30 of each calendar year commencing June 30, 2006.

17
18 7. **Excess Funds to Fulton County.** Any funds remaining in the Beltline
19 TAD special fund after all redevelopment costs and tax allocation bonds
20 of the district have been paid or provided for shall be paid over to the
21 County in proportion to the total contribution the County made to the
22 special fund.

23
24 8. **Urban Enterprise Zones.** No new Urban Enterprise Zones (UEZ) shall
25 be created within the geographic area of the Beltline TAD during the
26 existence of the TAD.

27
28 9. **Investment in Public Library Facilities.** The City and the
29 Redevelopment Agency shall require that a sum of \$27 million shall be
30 paid to the Atlanta-Fulton County Public Library System capital
31 improvement program (CIP) account from the tax allocation increments
32 collected by the Beltline TAD, upon the schedule set forth herein, as a
33 Payment in Lieu of Taxes (the "PILOT Payment"), and shall not be used
34 for operational expenses of the system. These PILOT Payments shall be
35 invested in library construction projects system-wide as determined by the
36 Library Facilities Master Plan, or as may be recommended by the System
37 Board of Trustees. These PILOT Payments shall be made to Fulton
38 County out of the tax allocation increments available after the payment of
39 the TAD annual bond payments. The City or the Redevelopment Agency
40 shall only issue bonds in an amount to ensure that sufficient tax allocation
41 increments shall remain after the payment of the TAD annual bond
42 payments, in order to make the PILOT Payments to Fulton County as
43 scheduled. In the event that in years six through twenty-five the City or
44 the Redevelopment Agency fails to make the scheduled PILOT Payments
45 to Fulton County in whole or in part, any such unpaid balance shall accrue
46 with interest. The City or the Redevelopment Agency shall not issue any

1 new tax allocation bonds, notes or other obligations for which tax
2 allocation increment is pledged in the Beltline TAD, until it has paid such
3 unpaid balance plus accrual with interest to Fulton County. In addition,
4 after the payment of outstanding bonds, any and all positive tax increment
5 accrued during the period of suspended bond issuance shall be used to
6 satisfy the outstanding balance plus accrual with interest to Fulton County.
7 If at any time the deficit owed to Fulton County reaches \$2.7 million in a
8 two year period, such accumulation of deficit shall constitute a material
9 breach of the Intergovernmental Agreement by the City and the
10 Redevelopment Agency. The PILOT Payments shall be made to Fulton
11 County as follows:

12
13 (a) No PILOT Payments during years one through five.

14
15 (b) One million three hundred and fifty thousand (\$1,350,000)
16 dollars per year during years six through twenty-five.

17
18 10. **Cap on Administrative Fees.** In the event that costs of administration
19 exceed 2% of the bond proceeds, no portion of the County's tax increment
20 shall be used to fund the administrative costs in excess of 2%.

21
22 11. **Notification of Special Conditions.** The City shall promptly notify
23 Fulton County in writing of any special conditions, stipulations or
24 requirements imposed at any time by any other taxing authority
25 participating in the TAD (e.g., either the City or the School Board),
26 whether imposed in connection with the initial creation of the TAD or at
27 any time or from time to time thereafter.

28
29 12. **Economic Incentive Fund.** Through the establishment of an "Economic
30 Incentives Fund", the City or its Redevelopment Agency shall ensure that
31 the portion of the TAD bond proceeds which are used to encourage private
32 development are used in those sections of the Beltline Redevelopment
33 Area that historically have experienced unemployment, poverty or little or
34 no commercial, retail or residential growth or investment. The Economic
35 Incentives Fund shall be used to encourage private development solely in
36 those portions of the TAD that qualify as Community Development
37 Reinvestment Areas.

38
39 13. **Reimbursement of Costs Incurred to Fulton County.** The City or its
40 Redevelopment Agency shall reimburse the County's reasonable
41 transaction costs relating to the TAD, including but not limited to legal,
42 consulting and other fees and expenses, including such fees incurred by
43 the Tax Assessors' office, relating to the processing of this Resolution or
44 any future consents or approvals. Such reasonable costs shall be
45 immediately reimbursed from the first available proceeds of tax allocation
46 bonds or positive tax allocation increments.

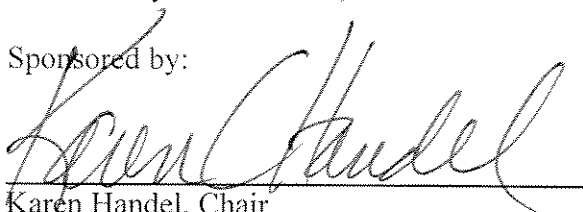
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2 **BE IT FURTHER RESOLVED**, that all resolutions and parts of resolutions in
3 conflict with this resolution are hereby rescinded to the extent of such conflict.
4

5 **BE IT FURTHER RESOLVED**, that the Chairman of the Fulton County Board
6 of Commissioners is hereby authorized to execute and deliver an Intergovernmental
7 Agreement relating to the Beltline TAD for and on behalf of the Fulton County Board of
8 Commissioners, and the Clerk of the Fulton County Board of Commissioners is hereby
9 authorized to attest the same and affix the seal of the Fulton County Board of
10 Commissioners thereto, provided that the conditions precedent described above have
11 been met and are embodied in the Intergovernmental Agreement in all material respects,
12 and the execution of such Intergovernmental Agreement by the Chairman and Clerk of
13 the Fulton County Board of Commissioners, as herein authorized, shall be conclusive
14 evidence of such approval.
15

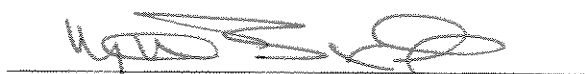
16 **BE IT FURTHER RESOLVED**, that if any of the above Conditions Precedent
17 to the effectiveness of this consent resolution shall not take place, this consent resolution
18 shall be null and void and such resolution shall have no force or effect whatsoever.
19

20 **SO PASSED AND ADOPTED**, this 21st day of December, 2005.
21

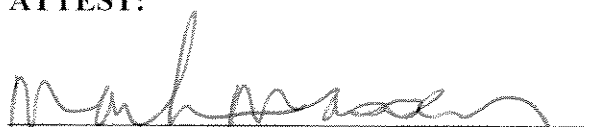
22 Sponsored by:

23
24 
25

26 Karen Handel, Chair
27 District 1, At-Large
28

29
30 
31 Nancy Boxill, Commissioner
32 District 6
33

34 **ATTEST:**

35
36 
37 Mark Massey, Clerk to the Commission
38

39 **APPROVED AS TO FORM:**

40
41 
42 Overtis Hicks Brantley, County Attorney
43
44

45 (ITEM # 05-1497 AGS 12, 21, 05
46 RECESS MEETING