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MEMORANDUM

To: Mayor and Council
From: Warren Hutmacher, City Manager
Date: April 28, 2011
Subject: **Redevelopment Powers Law Ballot Question Discussion**

The Georgia General Assembly passed legislation this passed session (HB 195 – Rep. Tom Taylor) that enables the City of Dunwoody to place a referendum on the ballot in 2011 or 2012 (for any election date allowed by law) that would authorize the City to utilize the State of Georgia “Redevelopment Powers Law (RPL)”.

The RPL is a section of state law that empowers local governments to revitalize areas of a community that are need of redevelopment. The law has been used in Georgia over the past few decades to create incentives for development in areas that have been difficult to attract good development. The main component of the RPL are tax allocation districts.

Tax allocation Districts (TAD) are a mechanism that allows a city to designate a geographic area as a redevelopment zone. The incremental growth of tax revenue in the zone from the time the zone is created can be pledged to pay for redevelopment and infrastructure costs to promote a project that otherwise would not be financially feasible. These pledges of funds can be on a cash basis or could be in the form of a revenue bond. These bonds are non-recourse to the City. If the County government and/or the School board agree to participate in the TAD, the amount of money generated for projects can be significant.

Dunwoody has a few areas that would qualify under this law and could benefit greatly from its use.

The City Council, by resolution (attached) requested that this bill be passed this session. The question before the City Council is whether or not to place the referendum on the ballot in November 2011 or at a later election date no later than November 2012.

The language in the ballot referendum would read as follows:

“Shall the Act be approved which authorizes the City of Dunwoody to exercise redevelopment powers under the 'Redevelopment Powers Law,' as it may be amended from time to time?”

**STATE OF GEORGIA
CITY OF DUNWOODY**

RESOLUTION 2011-02-04

A RESOLUTION REQUESTING THAT DURING THE 2011 SESSION OF THE GEORGIA GENERAL ASSEMBLY THAT LOCAL LEGISLATION BE ENACTED TO AUTHORIZE THE CITY OF DUNWOODY TO EXERCISE AUTHORITY UNDER THE GEORGIA REDEVELOPMENT POWERS LAW; AND FOR OTHER PURPOSES.

Whereas, Article IX, Section II, Paragraph VII of the Georgia Constitution empowers the General Assembly to grant counties and municipalities the authority to undertake redevelopment programs, which may include the issuance of "tax allocation bonds," subject to local voter approval of that power.

Whereas, consequently, in 1985 the Georgia General Assembly enacted the "Redevelopment Powers Law," codified as O.C.G.A. §36-44-1, et seq, which gives local governments the authority to create "tax allocation districts," encompassing "economically and socially depressed areas"; and

Whereas, the Redevelopment Powers Law provides for the exercise of redevelopment powers, the adoption of redevelopment plans, and the creation of tax allocation districts by counties and municipalities in the State of Georgia; and

Whereas, such legislation grants local governments additional powers to form more effective partnerships with private enterprise to overcome economic limitations that impede or prohibit redevelopment of less desirable areas; and

Whereas, in order to exercise the redevelopment powers provided in such legislation, a local law must be adopted by the Georgia General Assembly and a majority of those voting in a special election must indicate their approval thereto; and

Whereas, the City of Dunwoody contains at least one economically depressed area in need of redevelopment and encouragement of such redevelopment is deemed in the best interest of the citizens of Dunwoody.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Council of the City of Dunwoody that the State legislators representing the City of Dunwoody are hereby requested to introduce and have passed local legislation authorizing the City to exercise all redevelopment and other powers under Chapter 44 of Title 36 of the Official Code of Georgia Annotated, the "Redevelopment Powers Law", as amended, and authorizing the calling of an election as provided in such law for the citizens of Dunwoody to approve or disapprove such act.

BE IT FURTHER RESOLVED that the City Clerk is authorized and directed to immediately transmit a certified copy of this resolution to Representatives Tom Taylor and Elena Parent and Senator Fran Millar, and that the elected and appointed officials of the City are authorized to pursue prompt passage of such legislation in the 2011 session of the Georgia General Assembly.

SO RESOLVED AND EFFECTIVE, this the 4th day of February, 2011.

#G.3.

**STATE OF GEORGIA
CITY OF DUNWOODY**

RESOLUTION 2011-02-04

Approved:

Ken Wright, Mayor

Attest:

Sharon Lowery, City Clerk
Seal