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MEMORANDUM

To: Mayor and City Council

From: Michael Starling, Director of Economic Development

Date: 1/11/2021

Subject: **Economic Development Incentive Policy**

BACKGROUND

The City of Dunwoody does not have an Economic Development Incentive Policy in place. This has been a conscious decision to rely on our low cost of real estate and the Development Authority to provide tax abatements when needed to encourage the establishment of new businesses. However, we are entering uncharted territory for office development due to COVID-19 and added incentives from the City can make a difference for large office users.

The Economic Development Incentive Policy will be focused on office users that lease large amounts of office space and employ large numbers of workers. The proposed Economic Development Incentive Policy will include the following parameters:

1. Result in the location, expansion or retention of a business within the City of Dunwoody;
2. The project is competitive between Dunwoody and another community;
3. Creates five hundred (500) or more full-time positions working at a business located within the City;
4. Lease or purchase 100,000 square feet or more of commercial (office) space;
5. Sign a lease for at least a 10-year term or purchase the facility; and
6. Provide new capital investment equal to or in excess of \$4.0 million in Furniture, Fixtures or Equipment.

The Economic Development Incentives to be offered under this policy will include:

1. Expedited Permitting Process. The City may expedite the permitting process required for a new business location or expansion.
2. Waiver of Business and Occupation Taxes. The City may waive 50% of applicable business license taxes assessed pursuant to the Dunwoody Code of Ordinances up to the sum of \$50,000 on an annual basis. This waiver may be for a period of up to ten (10) years.

RECOMMENDED ACTION

Staff will present the Economic Development Incentive Policy at the 1/25/2021 Council Meeting.