

Decatur, Georgia

Tax Allocation District Financing Procedures and Policies

Adopted June 21, 2021



TAX ALLOCATION DISTRICT FINANCING PROCEDURES AND POLICIES

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1.0 Introduction

The City of Decatur, following local legislation enacted by the Georgia Legislature and voter approval in a City-wide referendum, adopted a resolution on December 21, 2015, exercising powers granted by the Redevelopment Powers Law, which is found at O.C.G.A. § 36-44-1 *et seq.* Under Georgia's Redevelopment Powers Law, Tax Allocation Districts (TADs) offer opportunities for Georgia cities and counties to support desired development in blighted or depressed areas within their jurisdictions. TADs enable local governments to reinvest the resulting incremental property tax revenues from new developments into the projects themselves or into supportive public improvements. TAD increments may be used to reduce the cost to replace or upgrade deficient public infrastructure, to assemble properties for redevelopment, or to defray other costs as needed to make redevelopment economically feasible.

The Decatur City Commission retains responsibility as redevelopment agent exercising its powers under the Redevelopment Powers Law, including issuing TAD bonds or other sources of funding and approving the specific uses of future tax increments generated within its tax allocation districts. As part of their responsibility, the City Commission has established TAD Financing Procedures and Policies and may expand upon these policies and recommend additional guidelines for applicants. The Decatur City Commission has assigned to the City Manager and/or their designee(s) responsibility for evaluating requests to receive TAD funding support and making recommendations to the City Commission regarding such requests. This document outlines the procedures established by the Decatur City Commission to:

- 1) Encourage private sector redevelopment projects within existing and future TADs;
- 2) Provide policy guidelines for TAD funding assistance;
- 3) Advise prospective applicants on the required documents, including an application form, and process for submittal;
- 4) Establish an application review process;
- 5) Outline project evaluation criteria; and

2.0 Applicability

The TAD Financing Procedures and Policies apply to tax allocation districts created and formally adopted by the Decatur City Commission (the City). The City established Tax Allocation District #1: East Decatur in December 2015 for the purpose of encouraging private investment within this area of the City.

The City of Decatur Tax Allocation District #1: East Decatur is designed to capture the tax digest growth of future investment within the redevelopment area and use the funds to help provide infrastructure improvements. The TAD provides the opportunity for the City of Decatur to leverage this reinvestment through targeted public improvements that will implement the vision set forth in the 2003 Livable Centers Initiative (LCI) planning study for East Decatur, the 2010 and 2020 Decatur Strategic Plans, a 2015 Master Plan update, as well as other plans completed over the course of the past decade. The area of the East Decatur TAD at inception was characterized by a large number of vacant buildings, industrial uses and vast parking lots lacking adequate sidewalks and green spaces, with opportunities for redevelopment of underutilized vacant or obsolete buildings and surface parking lots. Recent development in the East Decatur TAD has yielded the opportunity for new commercial and residential development.

The City has the authority to establish additional TADs in the future, to which the TAD Financing Procedures and Policies would become applicable.

2.1 Terms and Conditions

- A. All approved TAD funding requests are distributed on a reimbursement basis and must include the appropriate documentation evidencing eligible capital costs have been incurred. The Georgia Redevelopment Powers Law (O.C.G.A. TITLE 36 Chapter 44) states that eligible uses of funds include:
 - i. Capital costs, including the costs incurred or estimated to be incurred for the construction of public works or improvements, new buildings, structures, and fixtures; the renovation, rehabilitation, reconstruction, remodeling, repair, demolition, alteration, or expansion of existing buildings, structures, and fixtures; the acquisition of equipment; and the clearing and grading of land;
 - ii. Professional service costs, including those costs incurred for architectural, planning, engineering, financial, marketing, and legal advice and services;

- iii. Real property assembly costs.
- B. All Applications and supporting materials as well as correspondence become property of City of Decatur when received. Any confidential and/or proprietary information contained in the Application should be so indicated. However, a general indication that the entire contents of the Application, or a major portion of the Application, is proprietary will not be honored. Applicants are advised that the City is subject to and has every intent to comply fully with the Georgia Open Records Act, O.C.G.A. § 50-18-70 et seq. As such, information that the applicant may consider confidential and/or proprietary may still be subject to disclosure by the City. Disclosure is governed by the standards set forth in the Open Records Act, not by the applicant's characterization of information as confidential, proprietary and/or not subject to public disclosure.
- C. All applicable Federal and State of Georgia laws, City of Decatur ordinances, and licenses and regulations of all agencies having jurisdiction shall apply to the applicants throughout and, to the extent not addressed herein, are specifically incorporated as applicable.
- D. Professionals requiring special licenses must be licensed in the State of Georgia and shall be responsible for those portions of the work as may be required by law.
- E. No application shall be accepted from, and no TAD funding will be awarded to, any person, firm, or corporation that:
- i. Owes taxes, fees, assessments or other amounts to the City of Decatur, that are due and payable, including, but not limited to, ad valorem taxes, sanitation fees, storm water utility fees, business license fees, occupation taxes, and alcoholic beverage license fees;
 - ii. Is in default with respect to any obligation to the City of Decatur, The Decatur Development Authority, the Decatur Downtown Development Authority, the City of Decatur Public Facilities Authority, or the Urban Redevelopment Agency of the City of Decatur, including, but not limited to, any contractual obligation or any obligation arising out of any zoning approval, conditional use permit, or other conditional approval; or
 - iii. Is in violation of any provision of the Unified Development Ordinance with respect to a project that is under construction within the City.

- F. No TAD funding will be awarded with respect to any proposed project for which a Resolution of Support has not been adopted by the Decatur Development Authority (DDA).

- G. The City Manager and/or their designee(s) reserves the right to reject any and all applications, to request additional information from some or all applicants, to waive or modify stated application requirements specific to the circumstances of a project, and/or to discontinue the application process at any time.

3.0 Application Process

All final funding awards are subject to approval by the Decatur City Commission with recommendation from the City Manager and/or their designee(s). Applications for funding are accepted on an “open” or “rolling” basis. Thus, there is no submission deadline unless otherwise stated. The process for awarding TAD funding includes the following steps:

1. Pre-application conferences and preliminary evaluation of project and funding request by City staff.
2. Request and receipt of a resolution of support for project from the Decatur Downtown Development Authority or Decatur Development Authority, as applicable.
3. Application for TAD Funding and supporting documents submission to the City Manager, including any applicable application fees (See City’s Fee Schedule).
4. Negotiation of draft TAD Development Agreement.
5. Presentation and recommendation to the Decatur City Commission.
6. If approved by Decatur City Commission, Execution of final TAD Development Agreement.

The application procedure for processing TAD funding requests are detailed as follows:

3.1 Pre-Application Conferences

Prior to submitting an application to the City Manager, a prospective applicant must confer with the Zoning Administrator who shall review the proposed development project to determine whether such development meets the applicable codes of the Decatur Unified Development Ordinance (UDO).

After conferring with the Zoning Administrator, a prospective applicant must confer with the Planning and Economic Development Director who shall review the proposed request for TAD funding to determine whether the project and funding request meet the minimum requirements for TAD funding. The applicant shall submit initial project and financial information for review and advise prospective applicant concerning the upper limit of eligible project assistance and the project’s general conformance with the City’s adopted TAD policies and procedures. The

Planning and Economic Development Director will communicate the prospect's interest to the City Manager in the event that a formal submittal is made for TAD funding assistance.

The purpose of pre-application conferences will be to advise prospective applicants early in the process concerning the realistic range of TAD funding assistance that they may be eligible to receive and to help screen projects that clearly do not conform with City policy. The intent is to provide all interested parties with an initial evaluation and response before requiring them to invest the time and expense needed to complete a written application and meet with the City Manager and/or their designee(s). Regardless of findings during the pre-application conferences, prospective applicants may still have the opportunity to apply for TAD assistance should that prospect desire to complete an application.

3.2 Resolution in Support from the DDDA/DDA

After conferring with Zoning Administrator and the Planning and Economic Development Director, the prospective applicant may proceed with the process by requesting a resolution in support of the proposed development project from the Decatur Downtown Development Authority (DDDA) or the Decatur Development Authority (DDA), as applicable. The role of the DDDA/DDA is limited to the powers as described in Section 11.1.7. of the UDO, and such review by the DDDA/DDA shall exclude the review of the TAD funding request. The Executive Director of the DDDA/DDA will advise the prospective applicant of this separate process.

3.3 Application Submission

Upon receiving a resolution of support from the DDDA/DDA, the prospective applicant may proceed with preparation of a formal application for TAD funding. **(The format of the Application is provided with this document as Attachment A).** A fillable PDF of the Application for TAD Funding can be found on the City of Decatur website at <https://www.decaturga.com/forms>.

Applications must be submitted electronically via email or file sharing service via DropBox, Google Drive, etc., depending on application size, in PDF and Excel formats. Applications should include all identified components, including a completed application, all required supporting documentation, and the application fee (to be submitted via wire, please contact for wiring instructions). Please address applications to:

Name: Andrea Arnold
Title: City Manager, City of Decatur
Physical Address: 509 N. McDonough Street, Decatur, GA 30030
Mailing Address: P.O. Box 220, Decatur, GA 30031
Email: Andrea.Arnold@decaturga.com

3.4 Analysis by City Manager

Upon review of the Application for TAD Funding, the City Manager make take one of the following actions:

- A. Require the Applicant to prepare/submit additional information; or
- B. Recommend approval or denial of the request.

Should the City Manager require additional information from the Applicant before recommending approval or denial of the Application, the proposal will be further screened to verify justification for the requested funding including:

- I. Additional information needed to make a recommendation including but not limited to:
 - a. Additional project details;
 - b. Verification of experience, qualifications, and financial capacity to complete the project;
- II. Economic justification/need for public financing and participation;
 - a. Anticipated project benefits, such as outlined in the policy guidelines for evaluating project funding requests;
 - b. Potential project issues, including but not limited to:
 - i. Adverse neighborhood impacts;
 - ii. Project risk; and/or
 - iii. Other;
- III. As part of this additional review, the Applicant may be expected to submit a more detailed financial pro forma justifying the requested use of TAD funds. If after this second level of review the Applicant is still interested, this proposal will be reevaluated by the City Manager and/or their designee(s) for action.

3.5 Report of Recommendation

The City Manager and/or their designee(s) will issue a report of its findings to the City Commission, either with a recommendation for approval or notification that the Application has been recommended for denial. In the event that the Application is recommended for approval, the City Manager and/or their designee(s) will recommend additional terms and conditions to the City Commission as may be appropriate. At minimum, the City Manager and/or their designee(s) report shall recommend a specific TAD funding amount, a description of the recommended uses for the funding, a financial justification for the request, and an explanation of how the applicable tax allocation district and the City are expected to realize substantial public benefits as a result of the funding assistance.

As a general practice, the City Manager and/or their designee(s) report will be placed on the next scheduled meeting of the Decatur City Commission, subject to agenda preparation deadlines and the agenda setting discretion of the City Manager and Mayor. In the event of a positive recommendation, the City Commission shall retain all rights as the City's Redevelopment Agent for the TAD to conduct its own due diligence, schedule other meetings with the Applicant and solicit public input as necessary and appropriate before voting on the Application. In the event that the City Manager and/or their designee(s) recommends denial, the City Commission may, if it disagrees with that recommendation, request reconsideration of the Application and/or engage in negotiations with the City Manager and/or their designee(s) to reach agreement on a set of terms and conditions that may be supported by all parties.

It shall be the policy and objective of the City of Decatur to encourage redevelopment initiatives and to work constructively with property owners and developers who are interested in making positive investments within Decatur's TADs. The City will make good faith efforts to expedite the above procedures and render a relatively quick decision on completed Applications for TAD funding assistance. While recognizing that some proposals will be more complex and require more extensive study than others, City staff shall strive to complete preliminary reviews within two weeks of receiving initial inquiries from interested parties. The City Manager and/or their designee(s) shall be expected to render a decision and report its recommendations within 60 days of receiving the Resolution of Support from the DDA and a completed Application for TAD Funding, and it shall be the goal of the Decatur City Commission to act within a maximum of 60 days of receiving the City Manager and/or their designee(s) report.

Apart from this procedure, the City has developed general policy guidelines to define minimum project qualifications, public objectives and priorities for the investment of TAD funds. These criteria serve as a consistent standard for evaluating project proposals, both within existing TADs and in any new districts that may be created in the future.

4.0 Guidelines for Evaluating Requests

The City of Decatur will accept development proposals that serve to revitalize redevelopment areas within the City. It is the City's policy to evaluate all unsolicited requests for TAD funding and to support those requests, which are (a) economically justified; (b) well-conceived and capable of being implemented with reasonable levels of public support; and (c) serve to advance the City's overall redevelopment goals and objectives.

4.1 Objectives

The following policy establishes guidelines for the City Manager and/or their designee(s) in evaluating applications for TAD funding, based on the following general factors:

- A. The purposes/uses for the requested TAD financing and the consistency of those purposes with the Redevelopment Powers Law, City redevelopment objectives and the applicable TAD Redevelopment Plan;
- B. The overall amount and timing of tax increment to be generated by the project;
- C. The Applicant's demonstrated financial need for TAD funding assistance based on standard pro forma evaluation criteria (i.e., the "but for" test); and
- D. Resulting project benefits and return on the public's investment.

4.2 Redevelopment Purposes

At the least, the City will only consider applications for TAD funding for purposes/uses that are consistent with the definition of "redevelopment" as defined in Georgia Redevelopment Powers Law (O.C.G.A 36-44-3(5)). These eligible purposes/uses include:

- A. Public works and utilities;
- B. Telecommunications and infrastructure;
- C. Street/streetscapes, curb, and sidewalk improvements;
- D. Storm water management;
- E. Sewer expansion and repair;
- F. Bridge construction and repair;
- G. Parks and open space amenities;
- H. Public art;
- I. Arts and cultural facilities;
- J. Transit facilities and public parking structures;

- K. Traffic control;
- L. Pedestrian amenities and safety improvements;
- M. Site preparation and related fees.

In addition, applications must be consistent with eligible uses of TAD proceeds described in the applicable TAD Redevelopment Plan.

4.3 Eligibility Requirements

The following requirements are used to evaluate a Project's eligibility for TAD funding:

- A. Projects shall have a minimum project size of \$7.5 million;
- B. A minimum financial equity commitment of 10% of project costs is required;
- C. Project shall be located within the boundaries of an established City of Decatur TAD;
- D. Project shall generate new property taxes through an increase in the taxable assessed value of the property;
- E. Evidence of the applicant's control of the property shall be provided through either a recorded deed, contract/option, or ground lease;
- F. Applicant must demonstrate that the project as proposed would not happen but for the TAD grant assistance;
- G. Project must meet all requirements as indicated in the UDO.

The City Manager and/or their designee(s) will evaluate each project on its own merit to determine the appropriate financial need and financial merit. At its discretion, the City Manager and/or their designee(s) will provide a recommendation on whether the requested amount should be increased or decreased, depending on a variety of factors, including but not limited to financial need, community impact, and tax increment generation. In addition, all final funding awards are subject to approval by the City Commission.

4.4 Tax Increment Generated by the Project

It is the City Manager and/or their designee(s) policy to ensure that any project that receives a TAD contribution, is "self-financing" to the extent possible. In the context of TAD funding assistance, self-financing means that the project generates sufficient future property tax increment to pay back the TAD funding over a period of time, which enables the City to

reimburse approved redevelopment expenses through “pay as you go” incentives or grants, or to recoup the associated debt service obligations incurred as a result of issuing a TAD bond, the specific financing details of which are outlined in the Development Agreement issued upon Application approval by the City Commission. It is also the City’s policy to favor projects that propose to use TAD funds to finance supportive improvements to surrounding public infrastructure and amenities, over those that simply use TAD proceeds to defray construction costs or improve financial returns to the developer. Although the City may consider proposals that are not self-financing as defined above, such proposals must offer other extraordinary benefits to justify such contributions.

In addition to the overall amount of tax increment generated in proportion to cost, the City Manager and/or their designee(s) shall consider the overall market/financial feasibility and perceived level of risk associated with the proposed development plan, as well as the demonstrated qualifications and experience of the Applicant to execute the project as proposed. For projects that are highly complex or have a high level of development risk, the City may request supporting documentation in the form of feasibility studies and/or appraisals to support the application.

4.5 Project Economics

Applicants for TAD funding assistance must demonstrate financial need for such assistance based on reasonable pro forma projections of costs, revenues and expected profits, i.e., must meet the “but for” test as established in the Redevelopment Powers Law. Potential legitimate needs for TAD funding assistance to overcome poor development economics may include but not be limited to:

- A. High cost of site acquisition, assembly, demolition, or remediation due to the nature of the proposed redevelopment site;
- B. Inadequate public infrastructure that must be rebuilt or enhanced at the developer’s expense in order to support the proposed use;
- C. The inclusion of project amenities/enhancements that offer a public benefit but cannot be supported by the project’s economics; or
- D. The need to incur above-average construction costs in order to successfully market units, or to satisfy the City’s desire to encourage high quality housing construction in redevelopment areas.

Before approving TAD funding requests, the City shall require Applicant to submit a sufficiently detailed financial pro forma to enable staff and/or the City's consultants to evaluate the project's overall development economics and anticipated profit margins, using reasonable and defensible assumptions. If, in the City's opinion, the project has the potential to exceed pro forma expectations and achieve profits in excess of 20%, the City may choose to recommend approval contingent on the Applicant's agreement to share "excess profits" or return a percentage of contributed TAD funding at the completion of the project if actual performance exceeds pro forma projections, which will be set forth in the TAD Development Agreement.

4.6 Project Benefits and Return on Public Investment

In addition to purposes/uses that are consistent with State Law, the City Manager and/or their designee(s) and the Decatur City Commission will give added consideration to investments of TAD funds which achieve redevelopment goals and objectives that have been established in the applicable TAD Redevelopment Plan and by the City of Decatur. These goals/objectives include but are not necessarily limited to:

- A. Increasing the percentage and affordability levels of affordable rental housing, thereby adding a greater percentage or lower AMI levels than indicated in the City of Decatur Mandatory Inclusionary Housing Ordinance;
- B. Increasing the supply of affordable ownership housing within the City limits;
- C. Increasing the supply and quality of available housing products for the elderly;
- D. Revitalizing any declining or under-utilized commercial corridors;
- E. Creating new jobs;
- F. Utilizing sustainability measures above what is required per City of Decatur Code;
- G. Creating attractive and walkable developments with access to public transportation and green space;
- H. Reducing service cost impacts/burdens on City Schools and the City of Decatur;
- I. Projected tax revenue generated from commercial properties within the tax allocation district.

5.0 Project Evaluation Criteria

The City Manager and/or their designee(s) will make their recommendation regarding TAD funding for a project based on their review and scoring of the Project Evaluation criteria below, and any special or project-specific conditions relating to a specific application. Its decision will be based on an assessment of the overall conformance of proposed funding requests across the full range of these evaluation factors rather than any one factor or criteria. In addition to meeting the statutory and project requirements, applications will be closely evaluated on the following criteria:

Developer Qualifications and Experience (20 Percent)

- A. Qualified development team;
- B. Demonstrated experience developing similar product types of a similar scale;
- C. Track record demonstrating ability to leverage owner equity, debt, and/or other private investment.

Project Readiness and Financial Feasibility (20 Percent)

- A. Documented evidence of site control (contract/deed/ground lease);
- B. Entitlement progress (neighborhood support/zoning compliance/DDA review/permits);
- C. Detailed architectural drawings (project renderings; building elevations) and detailed construction cost estimates (hard cost bids from two separate general contractors);
- D. Identified/committed financial sources through documented evidence of signed Letters of Intent (LOIs) or term sheets from debt/equity sources, loan agreements, or applicant cash reserves for non-TAD funded portion of project;
- E. Demonstrated inability to raise requested funding amount toward the project from traditional sources of private financing;
- F. Demonstrated financial feasibility of project through evidence of positive financial return (after TAD funding assistance); and
- G. Identified tenants.

Project Impact and Community Revitalization (60 Percent)

- A. Tax generation: directly increases the property tax base in the TAD, as well as supports new sales and/or lodging tax collection in the City.
- B. Job creation: generates construction jobs and permanent employment that supports local business, arts/culture, and shopping and dining options,

- C. Residential housing creation for mixed-income and/or senior communities: This includes meeting or exceeding City or program required mandatory inclusionary housing guidelines;
- D. Reduction of vacancy and obsolescence: Directly activates and/or reuses vacant or obsolete buildings and parking lots or indirectly contributes to activating the TAD in Decatur and the surrounding neighborhoods; thus, attracting and retaining new or existing tenants.
- E. Transit-orientation: leverages proximity to MARTA transit stations, bus stops, as well as supports the use of existing and planned bike lanes/paths to promote alternative transportation modes and reduce transportation costs for local households and businesses.
- F. Architecture and urban design: Contributes to significant visual improvement of the exterior of the existing or future buildings and surrounding neighborhood by applying best practices in urban design and placemaking. This includes exemplary or contextual architectural features, beautification of public realm (landscaping/streetscaping, lighting, water features, public art, etc.), and activated ground floor uses.
- G. Sustainability: contributes to the sustainability of the City by applying best practices in sustainable site design and green building. This includes meeting or exceeding City or program required green building certification, as well as inclusion of unique or innovative green building design, such as green roofs, solar panels, etc. and sustainable best management practices (BMPs), such as green stormwater infrastructure and pedestrian/bicycle accessibility.
- H. Community Benefit (50 percent of Project Impact & Revitalization):
 - I. Provides direct benefits to the community (beyond those listed above), including but not limited to one or more of the following:
 - II. Affordability: Provides workforce or affordable housing (meets or exceeds the workforce housing requirement) or provides a set aside for discounted commercial rents (from the listed building rents) to support small/local businesses, non-profits, arts, or other community organizations
 - III. Public access/amenities: Provides ability for non-tenants and/or public to use or interact with property through community gathering spaces, meeting rooms, event facilities, gardens, patios, etc.
 - IV. Diversified goods and community services: Provides new retail goods (healthy foods/general merchandise/soft goods), community services

(health/education/arts/social services, etc.), and/or dining options during peak and nonpeak hours.

- V. Other: Provides other identified direct community benefits.

6.0 Attachment A: Application Form

**CITY OF DECATUR
APPLICATION FOR TAD FUNDING**

PART I: APPLICANT INFORMATION

A. PROJECT NAME & TAD FUNDING AMOUNT REQUESTED

Project Name:

TAD District:

Amount Requested:

B. APPLICANT CONTACT INFORMATION

Name:

Address:

City/State/Zip:

Phone:

Fax:

Email:

Contact Name & Title:

Ownership Interest:

C. PROPERTY OWNER CONTACT INFORMATION

Name:

Address:

City/State/Zip:

Phone:

Fax:

Email:

- D. LEGAL FORM OR OWNERSHIP** (i.e. Individual, Corporation, Partnership, LLC, etc.)
In separate attachment, provide the names, addresses, phone numbers and email addresses for all major partners, JV or limited partners, or other project participants. Also indicate the ownership interest of each development participant listed under this item. As well, include the names and contact information for additional current property owners not listed above.

PART II: THE DEVELOPMENT PROFESSIONAL TEAM

A. PROJECT ARCHITECT:

Company Name:

Primary Contact Name:

Address:

Phone:

Email:

B. CIVIL/TRAFFIC ENGINEER:

Company Name:

Primary Contact Name:

Address:

Phone:

Email:

C. CONTRACTOR:

Company Name:

Primary Contact Name:

Address:

Phone:

Email:

D. PROPERTY MANAGER (IF APPLICABLE):

Company Name:

Primary Contact Name:

Address:

Phone:

Email:

E. DEVELOPER'S ATTORNEY:

Company Name:

Primary Contact Name:

Address:

Phone:

Email:

F. OTHER:

Company Name:

Primary Contact Name:

Address:

Phone:

Email:

Role:

PART III: GENERAL PROJECT INFORMATION

A. GENERAL PROJECT DESCRIPTION

Tax Parcel(s):

Location/Address:

Zoning:

Existing Use(s):

Current Taxable Value:

Current City of Decatur Assessed Value (50%)

Current City of Decatur Real Property Tax Bills:

City:

City Schools of Decatur:

Current DeKalb County Assessed Value (40%)

Current DeKalb County Real Property Tax:

Bill: DeKalb County:

Estimated Existing Total Population Residing Within Development Site:

Estimated City of Decatur Public School Enrollment Residing Within Development Site:

Proposed Demolition of Existing Structures (If applicable, describe the amount of existing building SF and current uses of buildings to be demolished. Include the number of existing total and occupied dwelling unit(s):

Permanent job Creation/Retention Associated with Development (if Applicable):

Estimated Annual Property Taxes Generated:

City:

County:

Schools:

B. PROJECT (USE) MIX:

	# UNITS	Building Area (SF)	% OF Building Area
Residential			
Retail			
Office			
Other:			
Parking Structures (Spaces)			
TOTAL			

1) Construction Type (New Construction, Rehab, Conversion, etc.):

C. RESIDENTIAL DETAIL (IF APPLICABLE):

1) Ownership Housing Unit Mix:

	# Units	Size Range (SF)	Average SF	Average Sale Price
Studio				
1 Bedroom				
2 Bedroom				
3 Bedroom				
4+ Bedroom				
TOTAL				

2) Rental Housing Unit Mix

	# Units	Size Range (SF)	Average SF	Average Lease Price
Studio				
1 Bedroom				
2 Bedroom				
3 Bedroom				
4+ Bedroom				
TOTAL				

D. DESCRIBE PLANNED UNIT FEATURES, FINISHES & AMENITIES (PROVIDE VISUALS IF AVAILABLE AS ATTACHMENT):

E. DESCRIBE PLANNED PROJECT AMENITIES (RECREATIONAL AMENITIES, OPEN SPACE, ETC.):

F. NONRESIDENTIAL DETAIL (IF APPLICABLE):

	# Units	Size Range (SF)	Average SF	Avg. Sale (\$/SF)	Avg Lease (\$/SF)
Office					
Retail					
Other					
TOTAL					

G. ESTIMATED PROJECT COMPLETION (END) VALUE:

(Estimate the total sell out value of the project. Include a value estimate for any buildings retained by the developer)

H. DESCRIBE THE AMOUNT AND PROPOSED USE OF TAD FUNDS AND ITEMIZE THE DISTRIBUTION OF THOSE COSTS:

TAD AMOUNT REQUESTED:

DISTRIBUTION OF TAD FUNDS:

I. SUPPORTING DOCUMENTS TO BE SUBMITTED:

1. Existing Conditions Photo
2. Location & Project Boundary Maps
3. Conceptual Site Plan (if unavailable, provide an estimated delivery for a site plan)
4. Project Architectural Rendering or Conceptual Elevation Drawings (if applicable).
5. Confirmation of Resolution of Support for the project from the Decatur Development Authority (DDA).

PART IV: PROJECT ECONOMICS

A. FINANCING SOURCES

	Applicable?	Financing Amount	% of Total Cost
Conventional Debt			
Government Loans (Describe)			
State/Federal Grants (List Sources)			
Tax Credits			
Other Debt			
Contributed Equity			
Other Sources			
TAD Funding Request			
TOTAL			

- B. EQUITY** - Describe the amount and source(s) of developer’s equity to be supplied to the development.
- C. ESTIMATED FINANCING TERMS** - Estimate interest rates / costs of debt financing to be used.
- D. DISCOUNTED CASH FLOW ANALYSIS** - Submit a Cash Flow Analysis reflecting the period from start-up through construction, stabilization, and total sell out. If a portion of the property is to be retained by the Applicant, provide an estimate of the residual value of the retained property. (The Applicant may use its own pro forma or use a template supplied by the City staff).
- E. CONSTRUCTION COST ESTIMATES** - Include in the development pro forma a detailed estimate of all construction hard and soft costs. Any costs associated with proposed uses of TAD funds as described above should be itemized separately for verification.
- F. INCOME PROJECTIONS FROM SALES & LEASING ACTIVITY** - Provide detailed revenue estimates from sales and leasing activity. If space is to be leased and retained in the Applicant’s ownership after completion, include stabilized occupancy and lease rate projections. If space is to be sold, include projected absorption rates, unit price appreciation, and related assumptions.
- G. MARKET EVIDENCE** - Describe the sources of comparable sales/leases and/or other market evidence relied upon as basis for the proposed prices and absorption rates indicated above.
- H. ROI** - Calculate projected returns on equity to be provided by the developer, with and without the requested TAD contribution. If more than one investor is contributing equity to the project, calculate ROI to individual investment entities.

PART V: SITE CONTROL, ZONING & SCHEDULE

- A.** Provide evidence of site control in the form of copies of deed(s), contracts for purchase, land lease agreement, etc.
- B.** Indicate the requested zoning designation(s) for the project site:
- C.** Is the site currently zoned for its intended use(s)? If no, describe the timeline for obtaining zoning approvals.
- D.** Have all required site plan approvals and/or variances been obtained? If no, describe the timeline for obtaining the plan and/or variance approvals.
- E.** Provide a copy of findings from the Phase 1 Environmental report. If a Phase 1 Environmental report has not been prepared, provide a timeline for submitting the report.
- F.** Include a project construction schedule that describes the time frames and estimated milestones for acquiring financing, completing plans and specifications, permitting, and construction. The construction schedule should identify target dates for the following major milestones:
 - I.** Obtain Financing Commitments
 - II.** Detailed (Final) Site Plan Approval
 - III.** Real Estate Closing Date (if applicable)
 - IV.** Construction Start Date
 - V.** Estimated Completion Date
 - VI.** Target Date for First Units Sold or Leased

PART VI: CERTIFICATIONS

The undersigned Applicant hereby certifies to the best of their knowledge and belief, that the information in this application is true, correct, and complete. The undersigned further represents that they have the authority to bind the Applicant to this warranty of truthfulness and completeness of the application.

The Applicant further acknowledges having read all applicable sections of the City of Decatur Policies and Procedures governing the disposition of requests for TAD funding assistance. The Applicant understands and agrees to abide by all provisions of applicable Georgia statutes, as well as all program policies, rules and guidelines established by the City of Decatur.

APPLICANT SIGNATURE:

Applicant's Authorized Signature:

Printed Name:

Date:

Title:

WITNESS SIGNATURE:

Witness Signature:

Printed Name:

Date:

Title:

**A RESOLUTION ESTABLISHING
THE TAX ALLOCATION DISTRICT
FINANCING PROCEDURES AND POLICIES**

WHEREAS, on December 21, 2015, the Decatur City Commission adopted Tax Allocation District 1: East Decatur Redevelopment Plan pursuant to the Georgia Redevelopment Powers Law (O.C.G.A. § 36-44-1 et seq); and

WHEREAS, the Decatur City Commission is committed to the success of the redevelopment plan within its current Tax Allocation District (TAD) and any future TADs; and

WHEREAS, the City of Decatur will consider applications for TAD financing for purposes or uses that are consistent with the definition of “redevelopment” as defined in the Georgia Redevelopment Powers Law [O.C.G.A. § 36-44-3(5)]; and

WHEREAS, eligible purposes or uses of redevelopment as defined in the Georgia Redevelopment Powers Law [O.C.G.A. § 36-44-3(5)] include, but are not limited to, public works and utilities; telecommunications infrastructure; street/streetscape, curb and sidewalk improvements; storm water management; sewer expansion and repair; bridge construction and repair; parks and open space amenities; public art; arts and cultural facilities; transit facilities and public parking structures; traffic control; pedestrian amenities and safety improvements; and site preparation and related fees; and

WHEREAS, to ensure appropriate use of TAD funds by redevelopment projects within existing and future TADs, the City Commission wishes to establish policies and procedures to advise prospective applicants on required documents, create an application form and process for submittal, establish an application review process, and outline project evaluation criteria, which are attached herein as Exhibit A; and

WHEREAS, the City Commission wishes to amend the City of Decatur consolidated fee schedule adopted by the City Commission to include a non-refundable TAD Funding application fee in order to recover costs expanded by the City associated with said request; and

WHEREAS, said application fee shall be \$2,500.00 for funding requests up to \$500,000.00, \$5,000.00 for funding requests between \$500,001 and \$1,000,000.00, and an additional \$1,000.00 shall be added to the base application fee for requests over the first \$1,000,000.00 and for each increment of \$1,000,000.00 thereafter; and

NOW, THEREFORE, BE IT RESOLVED THAT the governing body of the City of Decatur hereby establishes the City of Decatur Tax Allocation District (TAD) Financing Procedures and Policies and amends the City of Decatur consolidated fee schedule.

BE IT FURTHER RESOLVED, and it is hereby resolved, that this resolution is adopted this 21st day of June, 2021.

DECATUR CITY COMMISSION

Mayor

ATTEST:

City Clerk

EXHIBIT A