

**THE UNIFIED GOVERNMENT OF ATHENS-CLARKE COUNTY
COMMISSION AGENDA ITEM**

SUBJECT: Amendments to West Broad/Hawthorne Area Tax Allocation District Boundaries

DATE: ~~December 22, 2023~~ January 26, 2024

BUDGET INFORMATION:

REVENUES: N/A

EXPENSES: N/A

ANNUAL:

CAPITAL:

OTHER:

FUNDING SOURCE:

COMMISSION ACTION REQUESTED ON: February 6, 2024

PURPOSE:

To request the Mayor and Commission approve, deny or modify amendments to the West Broad / Hawthorne Area Tax Allocation District (TAD) boundaries to include parcels from the Beechwood Shopping Center, Sycamore Drive, and the University Oaks Apartment Complex (**Attachment #1**).

HISTORY:

1. In 1985, the State of Georgia General Assembly adopted the Redevelopment Powers Law, authorizing the local government to exercise redevelopment powers.
2. In 2006, the voters of Athens-Clarke County approved a referendum to allow ACCGov the right to exercise redevelopment powers under the "Redevelopment Powers Law" (O.C.G.A. 36-44). These redevelopment powers allow the creation of Tax Allocation Districts (TADs) within Athens-Clarke County.
3. In July 2013, the Downtown Athens Master Plan was developed independently through the Athens Downtown Development Authority as a comprehensive development plan for downtown Athens for the next 18 to 20 years. The plan strongly recommended the establishment of a Tax Allocation District in the east end of Downtown where there is potential for considerable infill that will accomplish the goal of connecting the downtown core to the connecting river. It also stated that a TAD is needed both to encourage the appropriate urban density and to build the added infrastructure required to support it.

4. On June 5, 2018, the Mayor and Commission (M&C) approved the 2018 Comprehensive Plan during regular session. This plan included a land use goal to develop incentives to reuse existing development before new development in greenfield properties, including TADs.
5. On March 20, 2019, Attorney Dan McRae discussed tax allocation districts at the Mayor & Commission work session.
6. On May 7, 2019, Mayor Girtz requested during M&C regular session the Planning Commission to develop policies and practices that will encourage mixed-income development across zones allowing for single family and multi-family residential units, including public infrastructure cost participation with inclusion of affordable units, along with identified sources of funding, such as Tax Allocation Districts, and other funds.
7. On October 3, 2019, Attorney Dan McRae and ACCGov Manager Williams discussed the proposed tax allocation districts at the Clarke County School District Board meeting, seeking their support and participation.
8. On October 8, 2019, at their regularly scheduled work session, the M&C reviewed the proposed tax allocation district boundaries. Two proposed tax allocation districts were presented: Newton Bridge and the Downtown River District. The proposed Newton Bridge Tax Allocation District extended along Newton Bridge Road from the North Oconee River near Holland Youth Sports Complex and encompassed areas along Chase Street and Barber Street near Tracy Street. The proposed Downtown River District Tax Allocation District included parcels on Danielsville Road near Nowhere Road, the east section of the downtown core, and extended to parcels on Oconee Street and Wilkerson Street. The M&C directed that the boundaries of the Downtown River District be expanded to include river access and extend closer to the bypass, as well as include Bethel Homes and areas along North Avenue.
9. On October 22, 2019, the M&C received draft redevelopment plans for the Newton Bridge and Downtown River District tax allocation districts at a Special Called Session.
10. On October 29, 2019, a public hearing was held pursuant to O.C.G.A. Section 36-44-7(b) to obtain citizen input and comments regarding the formulation and adoption of redevelopment plans for the Newton Bridge and Downtown River District tax allocation districts. Mayor Girtz explained his decision to remove consideration of a resolution to adopt the two redevelopment plans off the November 5, 2019 agenda in favor of revisiting the process in 2020 to allow more time for public input and Commissioner consideration.
11. On May 26, 2020, at a special called work session, tax allocation districts were discussed and six prospective redevelopment areas were presented to Mayor & Commission for initial consideration and further discussion.

12. On June 26, 2020, public input began on the proposed redevelopment areas. Residents were asked to identify projects they would like to see funded through TAD funds in and around the proposed areas. The public input application allowed residents to select a parcel and provide comment on that specific area. A media release was distributed to announce the public input period through various channels, including through social media, Nextdoor, the main page of the website, and through an email newsletter to Economic Development Department subscribers. Staff also reached out to request assistance from the Neighborhood Leaders in informing neighborhoods about the public comment period.
13. On July 2, 2020, a simplified form was created and added to the TAD webpage after staff received concerns that the online tool was not working reliably. The simplified form did not require residents to select a parcel before providing input.
14. On July 6, 2020, staff extended the public input period through July 16 to attempt to gain additional responses.
15. On July 9, 2020, at the regularly scheduled worksession, staff presented M&C with data for each redevelopment area based on evaluation criteria. Staff took descriptions provided for each prospective redevelopment area and created polygons to provide a basis for initial analysis. Most residential zoned properties were excluded from the polygons, where possible and based on M&C feedback. Redevelopment areas were evaluated based on the following categories:
 - Underdeveloped parcels;
 - Mixed-use development activity;
 - Recent development activity;
 - CCSD-owned property locations;
 - Proximity to Opportunity Zones;
 - Percentage of the tax digest; and
 - Nuisance property cases.

M&C further requested the public input period be extended through July 31, 2020.

16. On July 20, 2020, the Oconee Rivers Greenway Commission held a meeting that discussed the proposed redevelopment areas.
17. On July 22, 2020, staff contacted the Chamber of Commerce and Federation of Neighborhoods for assistance with dissemination of the survey for additional public input.
18. On August 24, 2020, Manager Williams presented an overview of tax allocation districts (TADs) and the six proposed redevelopment areas at the joint meeting of the Mayor & Commission and the Clarke County School District Board.

19. On September 1, 2020, Mayor & Commission voted to approve six redevelopment areas and associated tax allocation district boundaries and goals. Those goals included:
 - a. Public Infrastructure Needs;
 - b. Housing Opportunities;
 - c. Economic Development Partnership Opportunities; and
 - d. CCSD and Youth Development.
20. On November 4, 2020, Manager Williams and Attorney Dan McCrae presented the draft redevelopment plans to the Mayor and Commission at a special-called meeting.
21. On November 5, 2020, Manager Williams and Attorney Dan McCrae presented the draft redevelopment plans and associated draft school impact analyses to the Clarke County School District Board (CCSD) at their regularly scheduled work session.
22. On November 9, 2020, a public hearing was held pursuant to O.C.G.A. Section 36-44-7(b) to obtain citizen input and comments regarding the formulation and adoption of the six redevelopment plans.
 - a. No public input was given for TAD #1.
 - b. No public input was given for TAD #2.
 - c. No public input was given for TAD #3.
 - d. 7 residents spoke in support of TAD #4.
 - e. 2 residents spoke in support of TAD #5.
 - f. 1 resident spoke in support of TAD #6.
23. On November 10, 2020, the Mayor & Commission adopted the redevelopment plans during a special called session.
24. On December 31, 2020, the six TADs were created.
25. In February 2021, the Georgia Department of Revenue certified the tax allocation increment base for each of the six TADs.
26. On October 24, 2023, Mayor Girtz received a request to expand the boundaries of the West Broad/Hawthorne Area TAD to include parcels from the Beechwood Shopping Center. The request states that stormwater and traffic improvements, pedestrian accessibility, greenspaces, and housing densification are items that will be addressed if the parcels are added to the TAD. Mayor Girtz directed Manager Williams to bring forth an agenda item for these purposes.
27. On January 26, 2024, Mayor Girtz received a request to expand the boundaries of the West Broad/Hawthorne Area TAD to include parcels from the Beechwood Shopping Center. The request states that stormwater and traffic improvements, pedestrian accessibility, greenspaces, and housing densification are items that will be addressed if the parcels are

added to the TAD. Mayor Girtz directed Manager Williams to bring forth an agenda item for these purposes.

28.

FACTS & ISSUES:

1. A Tax Allocation District (TAD) is an area in which redevelopment costs are financed by using the positive incremental increases in property taxes generated by resulting new development in the area. When a TAD is created, the Georgia Department of Revenue sets the baseline value for the district. Any growth in the property tax revenues resulting from increases in property values above the base values are collected in a special fund and used for redevelopment costs in the TAD.
2. The Redevelopment Powers Law provides that the tax increment generated from increases in property taxes must be spent within the district. The school district must consent to commit their portion of the future property tax increments to the TAD by formal approval of the redevelopment plan, in order to use their increment for the intended purposes.
3. The redevelopment plan also required the submittal of a school system impact analysis to CCSD to advise on any impact the TAD may have on their student enrollment.
4. The boundaries of tax allocation districts must be contiguous, and the Redevelopment Powers Law limits communities to including a maximum of 10% of the community's tax digest in all TADs it creates.
5. Currently, the total value of the approved TADs account for 5.41% of the 2023 net taxable digest.
6. The requested parcels to be added consist of the Beechwood Shopping Center, the right-of-way to Jack Pine Ln., the University Oaks Apartment Complex, the Flats at 235 Apartment Complex and the Cascades on the River Apartment Complex (Attachment #2: List of Parcels).
7. If the above parcels are added into the W. Broad/Hawthorne Area TAD, the increment base for the W.Broad/Hawthorne Area TAD will be reset to the current value. This will then have the TADs accounting for 6.01% of the total net taxable digest.
8. If approved, staff will notify the TAD Attorney to begin amending the redevelopment plan for the West Broad/Hawthorne Area TAD to include the identified parcels and reach out to a third party consultant to conduct a new school impact analysis. Once the amendment is completed, a public hearing will be held and the amended redevelopment plan will return to the Mayor and Commission for adoption. Once the amended Redevelopment Plan is adopted, the GA Department of Revenue will recertify the base increment for the West Broad/Hawthorne Area TAD.

9. This recommendation is consistent with the following Mayor and Commission Strategic Goals:

- Quality, Stable, Affordable Housing for All
- Safely Move Around Athens
- Built and Natural Infrastructure


OPTIONS:

1. Mayor and Commission approve amendments to the West Broad / Hawthorne Area Tax Allocation District (TAD) boundaries to include parcels from the Beechwood Shopping Center, Sycamore Drive, and the University Oaks Apartment Complex.
2. Mayor and Commission disapprove amendments to the West Broad / Hawthorne Area Tax Allocation District (TAD) boundaries to include parcels from the Beechwood Shopping Center, Sycamore Drive, and the University Oaks Apartment Complex
3. Mayor and Commission defined option.

DEPARTMENT RECOMMENDED ACTION: Option #1

DEPARTMENT: Economic Development

Prepared by: Caitlin Dye



Ilka McConnell, Economic
Development, Director

December 23, 2023
Date:

ADMINISTRATIVE COMMENTS:

ADMINISTRATIVE RECOMMENDATION: Option #1



Devin H. Wilf
Manager

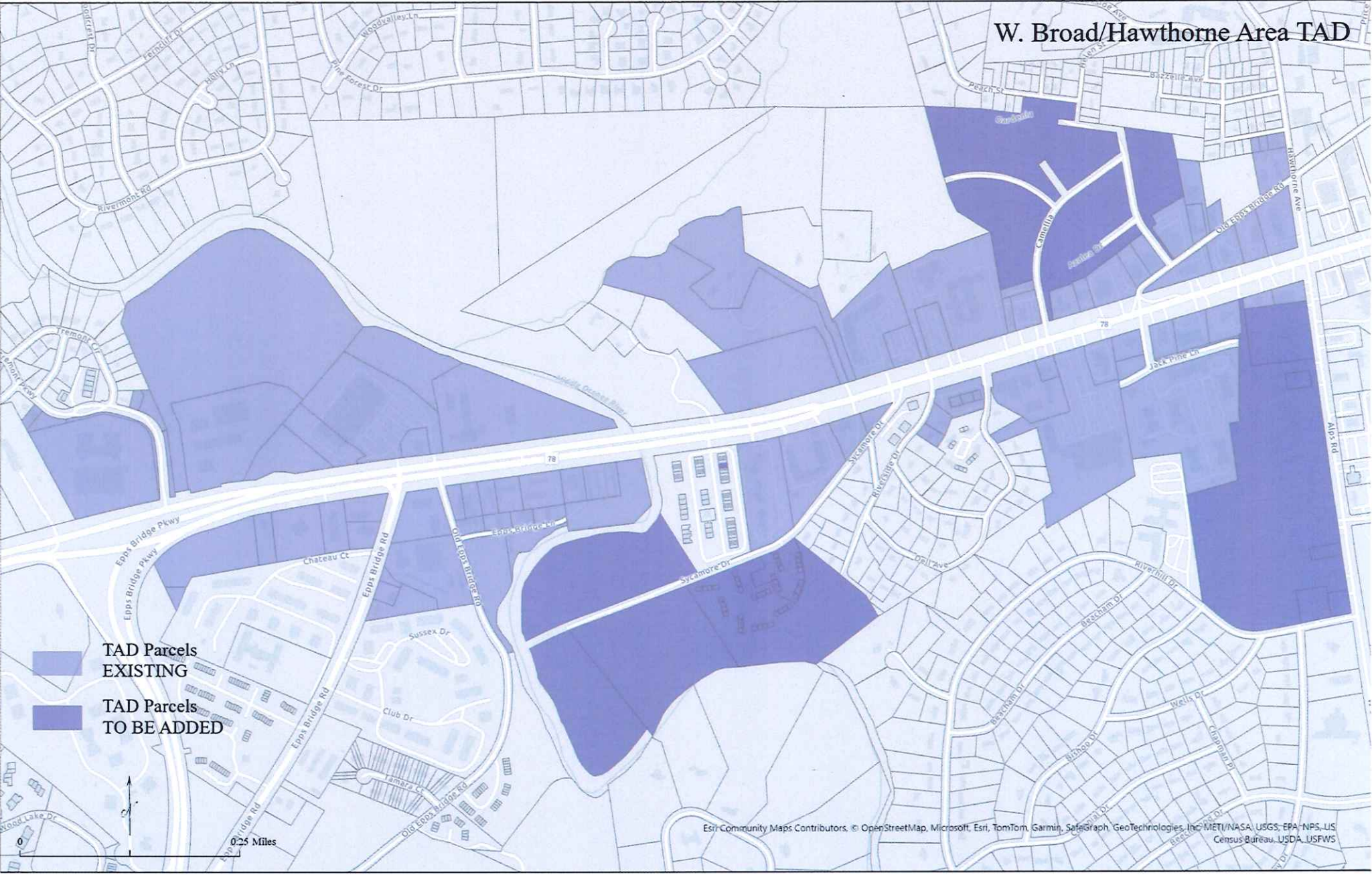
January 11, 2024
Date:

ATTACHMENTS:

Attachment #1: Draft West Broad/Hawthorne Area TAD Map with Additions

Attachment #2: List of Parcels

W. Broad/Hawthorne Area TAD



 TAD Parcels EXISTING
 TAD Parcels TO BE ADDED

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List of Parcels to be added:

- 121 011
- 121D2 A003
- 122C3 A002
- 122C3 A003
- 122C3 A003A
- 122C3 A003B
- 123 013
- 123B1 B023
- 124A1 A001
- 124A1 A002
- 123B1 B003
- 123B1 B003A
- 123B3 A001
- 123B3 A002
- 123B3 A003
- 123B3 A004
- 123B3 A005
- 123B3 A006
- 123B3 A007
- 123B3 A008
- 123B3 B009
- 123B3 B010
- 123B3 B011
- 123B3 B012
- 123B3 B013
- 123B3 B014
- 123B3 B015
- 123B3 B016
- 123B3 C017
- 123B3 C019
- 123B3 C021
- 123B3 C022
- 123B3 C023
- 123B3 C024
- 123B3 D025
- 123B3 D027
- 123B3 D029
- 123B3 D030
- 123B3 D031
- 123B3 D032
- 123B3 E033
- 123B3 E034
- 123B3 E035
- 123B3 E036
- 123B3 E037
- 123B3 E038
- 123B3 E039
- 123B3 E040
- 123B3 F041
- 123B3 F042
- 123B3 F043
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- 123B3 I071
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- 123B3 J077
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- 123B3 J079
- 123B3 J080
- 123B3 K081
- 123B3 K082
- 123B3 K083
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- 123B3 K085
- 123B3 K086
- 123B3 K087
- 123B3 K088