

DEKALB COUNTY

ITEM NO.

BOARD OF COMMISSIONERS

HEARING TYPE

Action

BUSINESS AGENDA / MINUTES

MEETING DATE: December 30, 2004

ACTION TYPE

Resolution

SUBJECT: Authorizing Guidelines for the Implementation of Tax Allocation Districts

DEPARTMENT: Economic Development

PUBLIC HEARING: NO

ATTACHMENT: YES

24

PAGES:

INFORMATION CONTACT: Maria Mullins/Michael Starling

PHONE NUMBER: 404-687-2742

PURPOSE:

To consider approval of the attached resolution authorizing guidelines for the implementation of Tax Allocation Districts.

NEED/IMPACT:

The Tax Allocation District Policy & Guidelines prescribe procedures and criteria for the Board of Commissioners, the Office of Economic Development and the Tax Assessors' Office to follow when making decisions approving or disapproving requests for Tax Allocation District projects.

RECOMMENDATION(S):

To approve and adopt the guidelines for the implementation of Tax Allocation Districts and authorize the CEO to execute all necessary documents.

RESOLUTION

A RESOLUTION BY THE BOARD OF COMMISSIONERS OF DEKALB COUNTY TO CREATE THE AVONDALE MALL/COLUMBIA DRIVE REDEVELOPMENT AREA AND TAX ALLOCATION DISTRICT NUMBER TWO – AVONDALE MALL/COLUMBIA DRIVE; TO DESIGNATE THE BOUNDARIES OF THE REDEVELOPMENT AREA; TO ESTABLISH THE TAX INCREMENT BASE AND ADOPT A REDEVELOPMENT PLAN FOR THE AREA; TO CREATE A TAX ALLOCATION DISTRICT WITHIN THE REDEVELOPMENT AREA AND TO DEFINE THE BOUNDARIES THEREOF; TO ESTABLISH THE INTENT TO ISSUE AND SELL TAX ALLOCATION BONDS NECESSARY TO EFFECTUATE THE REDEVELOPMENT OF THE REDEVELOPMENT AREA; TO AUTHORIZE THE BOARD OF COMMISSIONERS TO ACT AS THE REDEVELOPMENT AGENCY TO IMPLEMENT THE PROVISIONS OF THE REDEVELOPMENT PLAN PURSUANT TO THE STATE REDEVELOPMENT POWERS LAW

WHEREAS, the Redevelopment Powers Law (O.C.G.A. 36-44-1 et seq.) provides for the exercise of redevelopment powers and the creation of redevelopment plans and tax allocation districts by counties and municipalities in the State of Georgia; and

WHEREAS, the purpose of the Redevelopment Powers Law is to improve economic and social conditions within economically and socially depressed urban areas that contribute to or cause unemployment, limit tax resources of counties and municipalities while creating a greater demand for government services, and have a deleterious effect upon the public health, safety, morals, and welfare; and

WHEREAS, it is in the public interest of DeKalb County that the Redevelopment Powers Law be exercised to enable public-private partnerships to improve economic and social conditions in certain areas of DeKalb County in order to abate or eliminate deleterious effects of its current depressed state; and

WHEREAS, the Commission recognizes that portions of Memorial Drive around Avondale Mall (hereinafter the “Avondale Mall/Columbia Drive Redevelopment Area”) are economically and socially depressed and that under-performance and disinvestments that have occurred in that area must be reversed in order to ensure the economic health of the County; and

WHEREAS, a Redevelopment Plan has been prepared for the Avondale Mall/Columbia Drive Redevelopment Area in accordance with the requirements of O.C.G.A. § 36-44-3, presented to the Board of Commissioners of DeKalb County in accordance with O.C.G.A. § 36-44-7, and a public hearing has been held in accordance with O.C.G.A. § 36-44-7; and

WHEREAS, the Commission of DeKalb County desires to adopt the Avondale Mall/Columbia Drive Redevelopment Plan and create Tax Allocation District Number Two – Avondale Mall/Columbia Drive; and

WHEREAS, the County intends to issue and sell Tax Allocation Bonds to effectuate the redevelopment contemplated in the Redevelopment Plan, which Tax Allocation Bonds will be secured by all of the positive tax allocation increment generated within the District.

NOW, THEREFORE, BE IT RESOLVED by the governing authority of DeKalb County, Georgia, that:

Section 1. DeKalb County hereby declares that the Avondale Mall/Columbia Drive Redevelopment Area has not been subject to growth and development through private enterprise and would not reasonably be anticipated to be developed without the approval of the Redevelopment Plan.

Section 2. DeKalb County declares that the improvement of the Avondale Mall/Columbia Drive Redevelopment Area is likely to enhance the value of a substantial portion of other real property in the area.

Section 3. DeKalb County hereby creates the Avondale Mall/Columbia Drive Redevelopment Area and Tax Allocation District Number Two – Avondale Mall/Columbia Drive, and designates the boundaries of the area as indicated in the Avondale Mall/Columbia Drive Redevelopment Plan attached to this Resolution as Exhibit A and incorporated herein by reference.

Section 4. DeKalb County adopts the attached Avondale Mall/Columbia Drive Redevelopment Plan (hereinafter “Redevelopment Plan”) as the Redevelopment Plan for the aforesaid area.

Section 5. Tax Allocation District Number Two – Avondale Mall/Columbia Drive is hereby created as of December 31, 2004, and shall continue in existence for twenty-five years thereafter, or until all redevelopment costs, including financing costs, are paid in full.

Section 6. DeKalb County hereby establishes the estimated Tax Allocation Increment Base of \$15,519,758. The property taxes to be used for computing tax allocation increments are specified in the attached Redevelopment Plan and incorporated herein by reference.

<Add designation of BOC as redevelopment agency?

In any event, section numbers are off.>

Section 8. DeKalb County intends to authorize the issuance of Tax Allocation Bonds as may be necessary to implement provisions of the Redevelopment Plan as adopted by the Commission and approved by the CEO.

Section 9. DeKalb County authorizes the use of the proceeds of tax allocation bonds for any and all eligible uses, including but not limited to costs of issuance of the tax allocation bonds; capital costs of public improvements, including streets, sidewalks, and streetscapes; water, sanitary sewer, and storm sewer facilities; public parks and trails; roads, bridges, and utilities; parking facilities; professional services costs, including fees for architectural,

engineering, and environmental services; and such other uses deemed necessary pursuant to provisions of the Redevelopment Plan and the Redevelopment Powers Law.

Section 10. All resolutions and parts of resolutions in conflict with this resolution are hereby rescinded to the extent of any such conflict.

ADOPTED by the DeKalb County Board of Commissioners, this ____ day of _____, 2004.

BURRELL ELLIS
Presiding Officer
Board of Commissioners
DeKalb County, Georgia

APPROVED by the Chief Executive Officer of DeKalb County this ____ day of _____, 2004.

VERNON JONES
Chief Executive Officer
DeKalb County, Georgia

ATTEST:

MICHAEL J. BELL
Ex-Officio Clerk
Board of Commissioners and
Chief Executive Officer
DeKalb County, Georgia

APPROVED AS TO FORM:

APPROVED AS TO SUBSTANCE:

VIVIANE ERNSTES
County Attorney
DeKalb County, Georgia

MARIA M. MULLINS
Director, DeKalb County
Office of Economic Development

Avondale Mall/Columbia Drive Redevelopment Plan & Tax Allocation District



**Prepared by
DeKalb County Office of Economic Development**

December 2004

Avondale Mall/Columbia Drive Redevelopment Plan

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Avondale Mall/Columbia Drive Tax Allocation Bond District

Introduction

Goals and Objectives

Memorial Drive, which runs between the state capital in downtown Atlanta and Stone Mountain in east DeKalb County, is in need of economic revitalization. The county has been working on plans to launch redevelopment efforts along an eight-mile corridor from Candler Road in the west to Stone Mountain in the east for a number of years. The County would like to revive the drive with an appropriate mix of housing, businesses, government offices and cultural, educational and entertainment facilities.

Redevelopment has been focused on identifying key activity centers in which revitalization can be targeted. These impacts are to occur in mixed-use activity centers strategically located in the corridor to either take advantage of existing centers of activity, or spur redevelopment in location determined to be most economically viable in the long-term. These sustainable activity centers would act as anchors for the corridor, creating positive economic and physical impacts in the corridor that will positively impact the entire corridor and surrounding area.

The proposed Tax Allocation District is located at the intersection of Memorial Drive and Columbia Drive in central DeKalb County. The Avondale Mall/Columbia Drive intersection is a critical piece of the overall redevelopment effort for Memorial Drive. DeKalb County proposes the creation of the Avondale Mall/Columbia Drive Tax Allocation District for the following reasons:

- Make possible the redevelopment of under-utilized real estate located at Avondale Mall.
- To overcome constraints to development generated by obsolete commercial developments.
- Lay the framework for mixed-use developments with a mix of housing, retail and commercial development.
- Provide the basis for enhanced property and sales tax revenues for the County, School System and State.
- Act as a catalyst to attract private, market-based commercial development along the Memorial Drive corridor.
- Encourage additional, taxable development on the perimeter of the redevelopment area.

Tax Allocation Districts

A Tax Allocation District (TAD) is a tool used to publicly finance redevelopment activities in underdeveloped or blighted areas. A tax allocation district derives its funding from the increase in the area's ad valorem taxes levied by the county and school system if such use of the area's ad valorem taxes is approved by the governing bodies of the county and the school system. These revenues are placed in a special redevelopment fund for the area and are used to directly pay for the redevelopment costs or to issue bonds to pay for redevelopment costs.

TADs, also known as Tax Increment Financing (TIF) are authorized in Georgia under the Redevelopment Powers Law, Title 36. The TIF began in California in the early 1950s and has recently seen a dramatic increase in the rate of use throughout the United States. TADs are relatively low-risk for governments in that they are not considered public debt and only require payment if redevelopment occurs. They rely on an increase in the tax base, not on general funds, to pay for infrastructure and other improvements necessary to revitalize depressed areas.

Key Findings

Avondale Mall/Columbia Drive Area Context

Memorial Drive and Columbia Drive bisect the study area. Memorial Drive extends east-west from Stone Mountain through the study area and continues all the way to East Point. Columbia Drive extends north-south from Decatur through the study area and continues to Flat Shoals Parkway in south DeKalb County. The redevelopment area straddles the City of Avondale line but is completely contained within DeKalb County. The Redevelopment Area is primarily occupied by underutilized retail developments with large amounts of surface parking. The most significant development is the former Avondale Mall. The Mall structure is located at an angle within the interior of the site and is set back significantly from Memorial Drive. The site is adjacent to Avondale High School and a single-family neighborhood to the north.

The intersection of Memorial Drive and Columbia Drive is representative of commercial strip development of the mid 1960s and 1970s. At that time, Memorial Drive was a regional destination for shoppers. In 2004, only one quality retail center, Belvedere Plaza, remains as a viable retail center at the intersection.



Avondale Mall

The mall consists of approximately 350,000 square feet and includes three two-story connected buildings and a large auditorium. The mall site is 23.6 acres with over 1900 parking spaces. The site is 1.5 miles from the Avondale and Kensington MARTA stations, 2 miles from I-285, 3 miles from I-20 and 5 miles from downtown Atlanta.



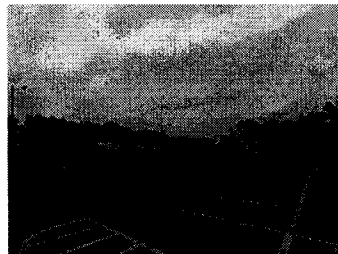
Avondale Square

Avondale Square is a 61,250 square foot strip shopping center directly across the street from Avondale Mall with direct access to Memorial Drive and Midway Road. The center was built in 1964. The site has excellent access and visibility from Memorial Drive which provides significant potential for redevelopment geared toward local serving retail and restaurant uses.



Avondale Crossing

Avondale Crossing is a 116,000 square foot strip shopping center located off Columbia Drive directly behind Belvedere Plaza. The center was built in 1975 and sits on 9.3 acres. The site does not have direct access or visibility from Memorial Drive which reduces its viability for retail only success.



1747 Columbia Drive

This site consist of a strip shopping center of 42,000 square feet on 13.7 acres. The site was developed in 1960 as a neighborhood serving retail center. At this time, it houses a number of night clubs and discount retailers. The area is surrounded by single-family neighborhoods and has seen new attached residential development. The site is removed from Memorial Drive which reduces its viability for retail only development.

Existing Conditions

Prior to examining the trends and opportunities in and around the Avondale Mall/Columbia Drive study area, it is critical to understand the larger-scale economic and demographic trends occurring in the Atlanta region and the U.S. overall. These trends, particularly the demographic shifts, create the opportunities and situation by which redevelopment at Avondale Mall can occur. These trends are summarized below:

National Trends

- Aging baby boomers are becoming empty nesters and are seeking a greater ease of lifestyle and shorter commutes;

- Young Gen-X'ers are seeking lifestyle alternatives to those of their parents, preferring urban locations over more suburban ones;
- Strong growth in single-person and couple households with no children;
- Dwindling leisure time and a need and desire for shorter commutes;
- An increased desire for a sense of place and community, something that is often difficult to establish in more recently developed suburban locations; and
- Strong evidence of a preference for housing units and neighborhoods with character.

Local Trends

- Increasing acceptance of attached for-sale housing as a viable lifestyle product as well as a price-alternative housing choice to single-family detached homes;
- Rising land and housing prices, particularly in the most popular areas of intown Atlanta, such as Midtown, Buckhead, Virginia-Highlands and Decatur, creating opportunities for somewhat more affordable, yet proximate areas to revitalize;
- Increasing traffic congestion and lengthening commute times;
- Greater importance on residing closer to regional transportation systems, both freeway and mass transportation;
- Increasing in-migration of residents from other larger cities, many of which are more densely developed, seeking residential products and lifestyles comparable to their previous homes; and
- Increasing interest in residing in more "urban" or pedestrian settings, estimated by previous RCLCo consumer research to be up to 33% of market demand.

Against these larger trends, an examination of the study area's key strengths and challenges is necessary to understand potential development and redevelopment opportunities. While these strengths form the building blocks for economic redevelopment, there are several key challenges that must be addressed in order to maximize these opportunities. These challenges include the unattractiveness and perception of disinvestments along Memorial Drive; the width of the Memorial Drive corridor and the inhospitable nature of the corridor for pedestrian activity; and the over-supply of conventional retail space in the corridor and in central DeKalb County overall.

Study Area Demographics

Residential development along and around the Memorial Drive / Columbia Drive area can largely be characterized as aging single-family neighborhoods and older rental multifamily apartment complexes. The vast majority of single-family for-sale housing in the area is older, affordable, resale housing. Almost 75% of the resale market is below \$160,000, with more than 40% of existing home sales occurring below \$100,000. Home prices have remained relatively constant in the area, although some price appreciation has occurred in the past several years.

Households in the area are generally modest, with 60% of households earning less than \$50,000 annually (equating to monthly rents of \$975 and home prices of \$125,000). DeKalb County features approximately 47% of its households in these income brackets. Incomes increase as you head east along the Memorial Drive corridor. Given the

demographic trends occurring regionally, which include a return to the inner-city and increased importance in proximity to regional transportation systems, higher-income households are increasingly locating inside of the Perimeter. Maximizing opportunities to capitalize on the diversity of the redevelopment area, as well as the trends positively impacting new household demand along and around the Memorial Drive corridor, are key considerations for the revitalization of the redevelopment area.

Market Opportunities

Given its distance from the interstate, lack of regional access and limited MARTA access, redevelopment of this activity node would likely be locally-oriented rather than regional. Most significant opportunities include a mix of rental and for-sale residential, locally serving retail and potential local serving office.

The Memorial Drive corridor is comprised of aging shopping centers and apartment communities with little sense of place or location. The following summarizes the key conclusions from the Memorial Drive Economic Development Strategic Plan and the Avondale Mall/Columbia Drive Redevelopment Plan:

Retail:

- Memorial Drive is characterized by high vacancies, low rents, low sales per square foot (16% below average);
- An estimated oversupply of more than 800,000 square feet of space currently exists;
- Much of the space in the corridor is outdated and not designed to fit today's retail market.

For Sale Residential

- New detached and attached for-sale residential development occurring around and inside of I-285;
- These new projects are attracting a mix of in town move-outs and some suburban move-ins;
- Move-outs are seeking price-alternatives to other closer-in locations.

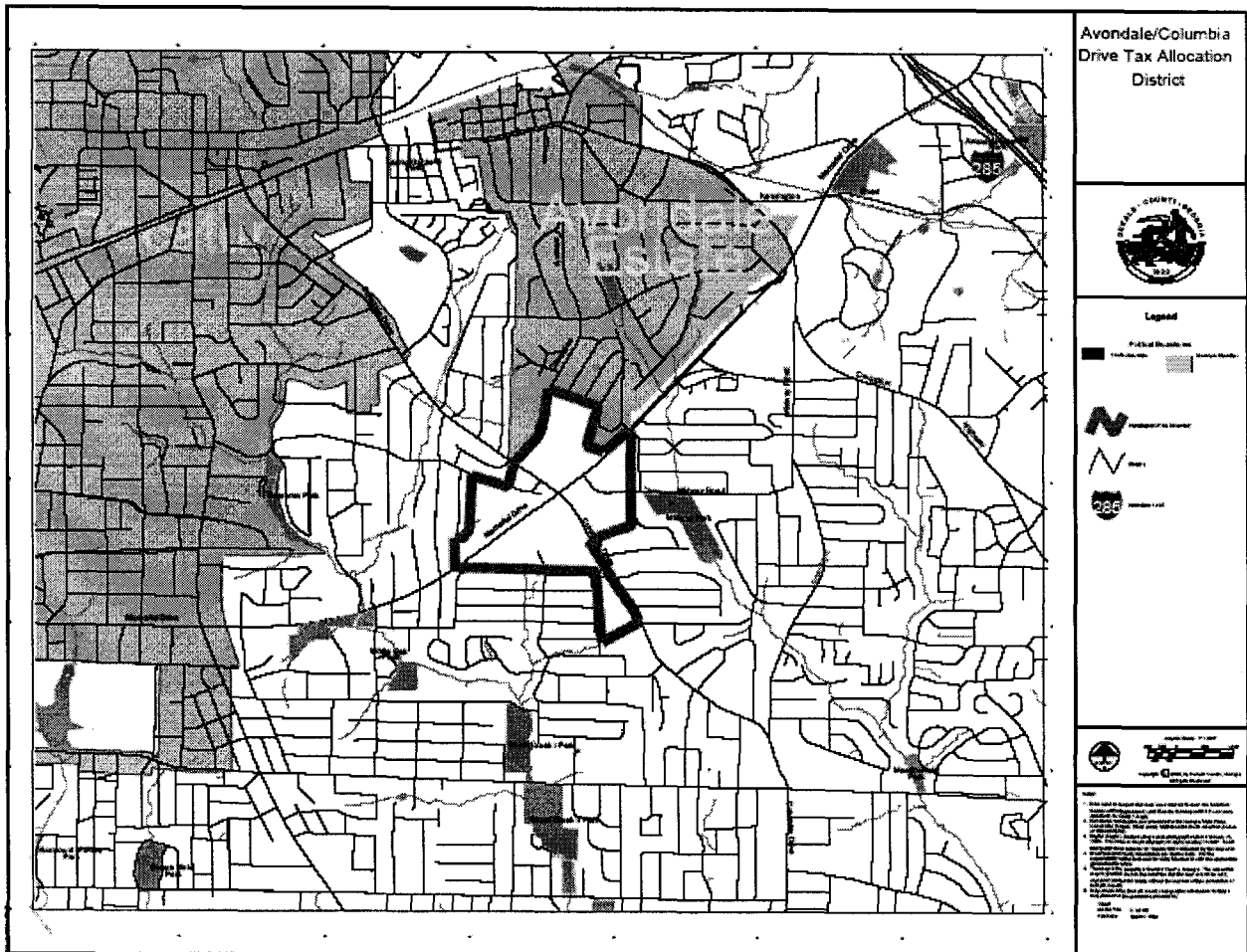
Rental Residential

- The corridor is typified by aging rental apartment communities in various states of maintenance;
- Occupancies are high in the corridor;
- Demand for rental apartments in the corridor could be significant with development of newer product to attract younger, cutting-edge renters.

Office

- Office in the corridor is not a major land use and is largely confined to locally-oriented services, including medical, attorneys, insurance and real estate office, etc.

Proposed TAD Boundary



Why a Tax Allocation District for Avondale Mall/Columbia Drive

The Redevelopment Powers Law enumerates a wide range of conditions within a community that provide the basis for creating a Tax Allocation District. These conditions relate generally to obsolescence and/or lack of maintenance of public and private investments, imbalance in investment patterns, building obsolescence, inadequacy of circulation system, and lack of appropriate housing.

Over the past several decades, the Atlanta region, and specifically DeKalb County, has experienced almost continuous outward residential and commercial growth. Strips of retail development, such as Memorial Drive, have developed to service surrounding communities and regional populations. As this sprawl has continued outward however, older commercial areas, many of which lack the character and design for long-term sustainability, have fallen out of favor, with newer commercial development occurring further out. The zoning policies in developing suburban areas have allowed retailers to

easily abandon current locations in favor of newer, larger and more suitable retail centers further out.

Exacerbating these problems is the short “life” in which much of today’s real estate is built. Most retail centers are developed with an anticipated life of approximately 20 years. Financing for these centers emphasizes immediate short-term returns, and typically assumes the sale of a retail center within 5 to 7 years, at which time the initial investor’s return is achieved. This places a greater emphasis on immediate profit and discourages the creation of high-quality sustainable places that will continue to increase in value over time, returning a greater long-term profit while providing smaller short-term gains. Without substantial improvement, these aging retail centers continue to change hands over time, typically being purchased by owners with less and less interest in financial wherewithal to improve or even maintain these centers. It is the combination of these factors that has created a number of declining retail corridors throughout DeKalb County and the region, including Memorial Drive. Revitalizing these older commercial corridors has become a major issue.

While the Avondale Mall/Columbia Drive area exhibits a variety of negative characteristics in regard to quality development opportunities, its potential for success once it overcomes these impediments is great. Because of its convenient location to Avondale Estates and Decatur, and its potential growing trade area, the Redevelopment Area can support significant quality growth.

Redevelopment Concept Plan

The objective of the Avondale Mall/Columbia Drive TAD is to generate a dedicated funding source to ultimately leverage private resources that will facilitate the redevelopment of critical economic activity nodes at and around the Memorial Drive/Columbia Drive intersection. The Redevelopment Concept Plan is a compilation of proposed redevelopment scenarios for critical properties within the district designed to create a more pedestrian friendly and integrated community. These locations were identified by using the following criteria:

- Existing sources of activity; or
- Larger retail centers, currently struggling economically, that are adjacent to significant amounts of higher density housing.

In general, the proposed developments encourage increased mixed-use density in the heart of the redevelopment area surrounding Avondale Mall and reduced densities of development moving towards the periphery and the surrounding single-family residential areas. Redevelopment should create activity centers that are:

- Pedestrian-oriented;
- Feature a mix of land uses;
- Strongly connected to surrounding residential areas;
- Provide a central focal point and create a sense of place; and
- Sustainable, creating long-term value.

Avondale Mall Mixed-Use Concept

An outdated regional retail center, Avondale Mall closed on December 31, 2001. With more than 360,000 square feet, the building is considered too small to be viable as a regional mall. The site is largely covered by surface parking, with several small retail out parcels located on the periphery. The site benefits from strong incomes and development pressures to the north in Decatur and Avondale Estates, revitalization to the west in East Lake and revitalization efforts to the east around the Kensington MARTA Station. One quality retail center, Belvedere Plaza, is located diagonally across Memorial Drive from the mall and represents one of the strongest retail centers in the corridor.

The entire 23.6 acre Avondale Mall site along with two out-parcels would be developed as a mixed-used development that will allow people to live, work and play all within a pedestrian-oriented area. The goal of the plan is to develop a central area with a compact form that encourages pedestrian activity and makes the area desirable to shoppers, residents and workers whom currently avoid the area. The development would provide a density buffer between the higher-density uses proposed for the heart of the redevelopment area and the single-family neighborhoods and school that are adjacent.

The development scenario includes:

- 30,000 square feet of local serving retail
- 10,000 square feet of office space
- 80 rental residential units
- 150 for sale residential units

Avondale Square Mixed-Use Concept

Avondale Square is a 61,250 square foot strip shopping center directly across the street from Avondale Mall with direct access to Memorial Drive and Midway Road. The center was built in 1964 and sits on 9.5 acres. The site has excellent access and visibility from Memorial Drive which provides significant potential for redevelopment geared toward local serving retail and restaurant uses. These uses will be pushed towards the front of the property with residential uses acting as a buffer to the surrounding neighborhoods.

The development scenario includes:

- 30,000 square feet of retail
- 200 rental residential units
- 50 for sale townhomes

Avondale Crossing Mixed-Use Concept

Avondale Crossing is 116,000 square foot strip shopping center located off Columbia Drive directly behind Belvedere Plaza. The center was built in 1975 and sits on 9.3 acres. The site does not have direct access or visibility from Memorial Drive which

reduces its viability for retail only success. The area is surrounded to the south by single-family neighborhoods.

The development scenario includes:

- 15,000 square feet of retail
- 350 rental residential units

1747 Columbia Drive Mixed-Use Concept

This site consists of a strip shopping center of 42,000 square feet on 13.7 acres. The site was developed in 1960 as a neighborhood serving retail center. At this time, it houses a number of night clubs and discount retailers.

The site is removed from Memorial Drive and is not very large both of which make continued use as a retail development challenging at best. A positive for redevelopment is the concentration of rental properties, single-family neighborhoods and new attached residential development in the area.

The development scenario includes:

- 10,000 square feet of retail
- 250 rental residential units
- 100 for sale townhomes

Avondale Mall TAD Bonding Calculation

	Appraised	Assessed	Tax (estimate)
Base Tax	\$39,561,295	\$15,824,518	\$608,611

Planned Development *(Based on Hypothetical Development Scenario)*

		Appraised	Assessed	Tax (estimate)
Avondale Mall				
Retail	30,000 s.f. *	\$1,500,000	\$600,000	\$23,076
Office	10,000 s.f. **	\$700,000	\$280,000	\$10,769
For Rent Residential	80 units ***	\$6,000,000	\$2,400,000	\$92,304
For Sale Residential	150 units ****	\$37,500,000	\$15,000,000	\$348,450
Sub Total		\$45,700,000	\$18,280,000	\$474,599
Avondale Square				
Retail	30,000 s.f. *	\$1,500,000	\$600,000	\$23,076
For Rent Residential	200 units ***	\$15,000,000	\$6,000,000	\$230,760
For Sale Residential	50 units ****	\$12,500,000	\$5,000,000	\$116,150
Sub Total		\$29,000,000	\$11,600,000	\$369,986
Avondale Crossing				
Retail	15,000 s.f. *	\$750,000	\$300,000	\$11,538
For Rent Residential	350 units ***	\$26,250,000	\$10,500,000	\$403,830
For Sale Residential	0 units ****	\$0	\$0	\$0
Sub Total		\$27,000,000	\$10,800,000	\$415,368
1747 Columbia Drive				
Retail	10,000 s.f. *	\$500,000	\$200,000	\$7,692
For Rent Residential	250 units ***	\$18,750,000	\$7,500,000	\$288,450
For Sale Residential	100 units ****	\$25,000,000	\$10,000,000	\$232,300
Sub Total		\$44,250,000	\$17,700,000	\$528,442
Total		\$145,950,000	\$58,380,000	\$1,788,395

Contractual Relationships

Pursuant to O.C.G.A 36-44-3(a), the DeKalb County Commission will act as the redevelopment agency and will exercise the redevelopment powers as needed to implement the Plan. In doing so, the Commission may conduct the following activities and enter into the following contracts:

1. Coordinate implementation activities with other participants in the Redevelopment Plan and their respective development and planning entities.
2. Enter into a contract with a public or private agency to conduct (either directly or by subcontracting for services) standard predevelopment activities, including, but not limited to, site analysis, environmental analysis, development planning, market analysis, financial feasibility studies, preliminary design, zoning compliance, facilities inspections, and overall analysis of compatibility of proposed development projects with the Comprehensive Plan and the Redevelopment Plan.
3. Enter into development agreements with a public or private agency for the purpose of soliciting appropriate development projects, obtaining financing, and obtaining other forms of private investment to implement the Redevelopment Plan.
4. As a public-private venture, the Board of Commissioners will enter into intergovernmental agreements as needed.
5. Enter into a contract with a public or private agency for marketing the redevelopment area among developers, capital sources, and the general public.
6. Coordinate public improvement planning and construction with the appropriate County departments.
7. Enter into negotiations with property owners and real estate developers within the redevelopment area for the purpose of acquiring land and property for redevelopment in accordance with the Redevelopment Plan.
8. Prepare economic and financial analyses, project-specific feasibility studies and assessments of tax base increments in support of the issuance of tax allocation bonds by the County.
9. Enter into contracts with qualified vendors for the provision of professional and other services required in qualifying and issuing the bonds, managing and disbursing the TAD funds, as well as in design, feasibility, project management, legal, engineering, and other services required for implementation of the Redevelopment Plan.
10. Perform other duties as necessary to implement the Redevelopment Plan

Relocation Plans

As currently foreseen, minimal relocation is anticipated within the Redevelopment Area. If there is relocation of existing businesses or residents, such relocation expenses may be provided for under all applicable Federal, State and local guidelines if public funds are used for property acquisition and such sources of funds require relocation benefits to be offered to tenants and users for relocation.

Zoning and Land-Use Compatibility

No land use activities will be undertaken under this plan that are not in full compliance with DeKalb County land use policies and regulations. A new Pedestrian Community District zoning category will provide additional controls over urban design issues.

Historic Property

No property designated as a historic property under the Georgia Historic Preservation Act or eligible for listing on the National Register of Historic Places will be substantially altered in any way.

Creation and Termination Dates

It is proposed that the Avondale Mall/Columbia Drive Tax Allocation District be designated by DeKalb County on December 31, 2004. It is proposed that the Tax Allocation District remain in existence for a period of no greater than twenty-five years, terminating on December 31, 2028.

The TAD area includes Avondale High School, Avondale Mall, Avondale Square Shopping Center, Columbia Village Shopping Center, Avondale Crossing Shopping Center, and Belvedere Plaza Shopping Center.

Estimate of Redevelopment Costs

Redevelopment costs for the Avondale Mall Tax Allocation Bond District fall into several categories that respond to the deficiencies in public investment identified earlier in this plan and seek to stimulate private investment:

- Engineering, design, site preparation and permitting
- Utilities and traffic signals
- Transportation and pedestrian improvements
- Parking infrastructure
- Public spaces
- Land Assemblage

The total cost for implementing the public infrastructure projects discussed in the Redevelopment plan estimated at between \$6,000,000 and \$20,000,000. These estimates are subject to revision as the Redevelopment Plan is implemented and verified by the market.

Estimated Tax Allocation Base

The redevelopment area defined in this Redevelopment Plan has a current fair market value of **\$39,561,295** and an assessed value of **\$15,824,518** in 2004 according to the tax records of DeKalb County. Pursuant to the Redevelopment Powers Law, upon adoption of this Redevelopment Plan and formation of the tax allocation district, the County will request that the Commissioner of Revenue of the State of Georgia, certify the tax base for 2004, the base year of the tax allocation district.

This tax base will be increased by the private investment stimulated by the implementation of the Redevelopment Plan and the issuance of tax allocation bonds. In addition, this redevelopment is intended to stimulate other development in the district and lead to an overall increase in property values as the Redevelopment Plan is implemented. Upon completion of the Redevelopment Plan, the district is projected to have a fair market value of **\$ 185,511,295** and an assessed value of **\$74,204,518**.

As provided in the Redevelopment Powers Law, the taxes that will be included in the Tax Increment Base for the Tax Allocation District are based on the following millage rates:

DeKalb County	15.48
DeKalb County Board of Education	22.98
Total	38.46

Total Number of Parcels	101
Total Appraised Value:	\$39,561,295
Total Assessed Value:	\$15,824,518
DeKalb County Total Assessed Value:	\$50,000,000,000
Percentage of County:	.08 %

Property Taxes collected within district to serve as base are $\$15,824,518 \times .03846 = \$608,611$.

Tax Allocation Bond Issue

Amount of Bond Issue

Upon adoption of this Redevelopment Plan, DeKalb County proposes to issue tax allocation bonds in one or more series in amounts to range from \$1,500,000 to \$16,000,000.

Term and Rate of Bond Issue

The Redevelopment Powers law provides that tax allocation bonds may bear a term no longer than 30 years. For estimation purposes, a bond term of 25 years has been

assumed in this Redevelopment Plan. It is expected that the bonds will bear interest at a fixed rate and that the interest will be tax exempt. The actual rate will be determined at the time of bond issuance based on general conditions within the bond market. The redevelopment plan is using a seven percent (7.25%) rate for estimation purposes.

Estimates of Tax Increment For the Period Covered by the Bond Issue

The positive tax allocation increment for the period covered by the term of the bond is estimated to range from \$100,000 to \$1,800,000 annually, based upon the assumptions contained within this Redevelopment Plan as well as 2% compounding assessed value inflation rate. The actual amount will depend upon the pace at which the Redevelopment Plan is implemented and the redevelopment activities and other economic factors on the tax base in the district as a whole.

The bonds will be secured by the positive tax allocation increment from eligible ad valorem taxes levied by DeKalb County for operating expenses, including the amount levied by DeKalb County for the DeKalb County Board of Education, to the extent approved by the DeKalb County Board of Education. Tax revenues collected by the County Tax Commissioner will be deposited into a Special Fund account. The Redevelopment Agency will have the authority to disperse funds for ongoing expenses related to the TAD and any bond obligations.

Appendices

Appendix A – Proposed TAD Boundary Map

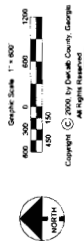
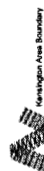
Appendix B – List of Tax Parcel ID Numbers

Appendix C – Projected Bonding Calculation

Avondale/Columbia Drive Tax Allocation District

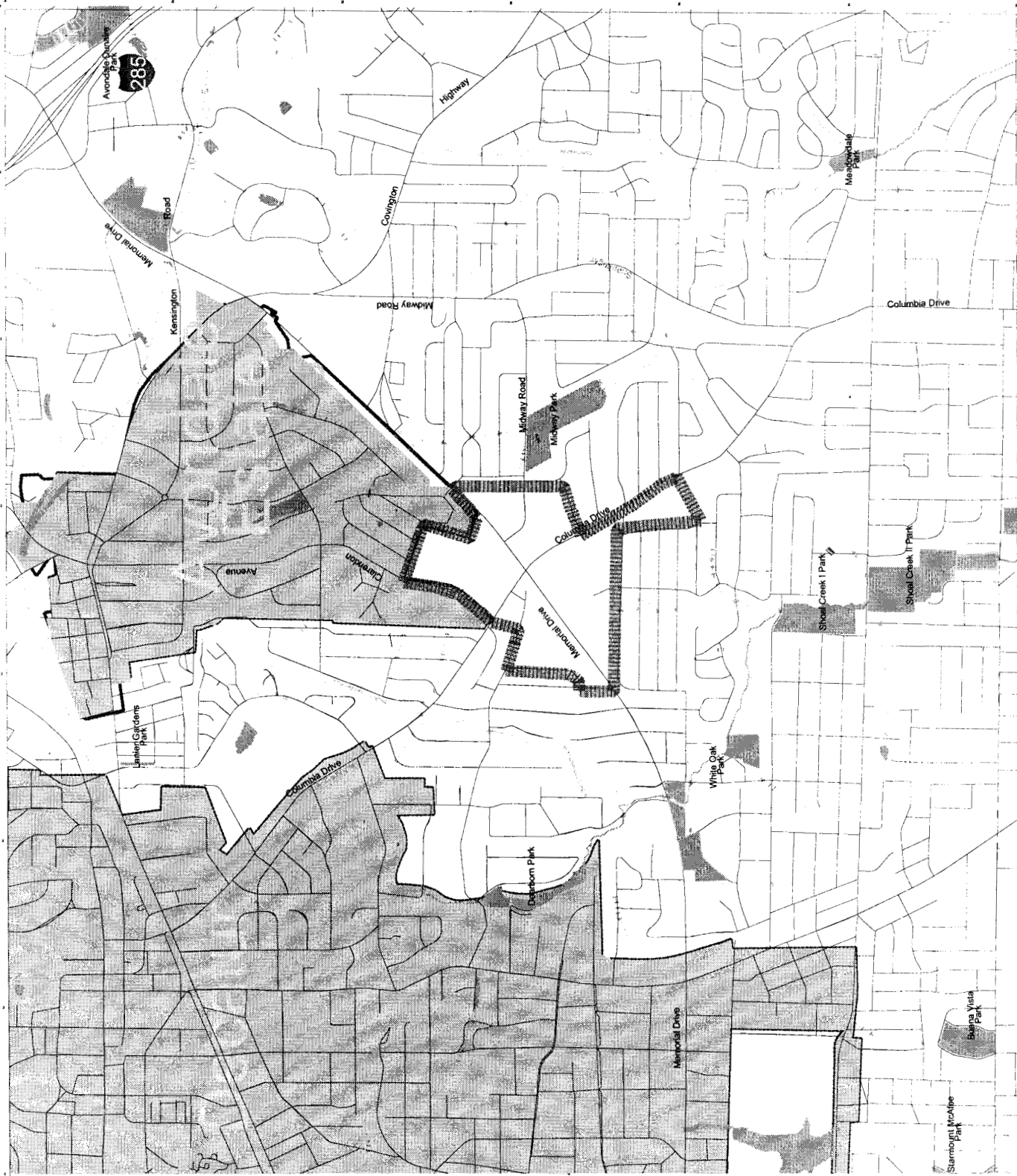


Legend



Notes:
 1. Data used to prepare this map was supplied to me by the Atlanta Society of Professional Surveyors and Engineers (ASPS) for the City of Atlanta.
 2. Horizontal boundaries are indicated by the Georgia State Plane of 1983 (NAD83).
 3. 1985: The value of the photography is approximately 1:8000. Last updated 1985.
 4. Municipal and county boundaries are approximate as the boundaries are not clearly defined on the map.
 5. The map is the property of DeKalb County, Georgia. The use of the map is restricted to the purpose for which it was prepared.
 6. Map prepared by DeKalb County Geographic Information Systems Department for the Planning Department.

Check:
 Date: 10/10/2006
 Author: [illegible]



15 200 01 001	15 201 11 016	15 217 04 021
15 200 01 002	15 201 11 017	15 217 04 022
15 200 01 004	15 201 11 018	15 217 04 023
15 200 01 005	15 201 11 019	15 217 04 024
15 200 01 008	15 201 11 020	15 217 12 001
15 200 01 009	15 201 12 001	15 217 12 002
15 200 01 010	15 201 12 002	15 217 12 003
15 200 02 001	15 201 12 003	
15 200 02 001	15 201 12 004	
15 200 02 002	15 201 12 005	
15 200 02 002	15 201 12 006	
15 200 02 004	15 201 12 007	
15 200 02 005	15 201 12 008	
15 200 02 008	15 201 12 009	
15 200 02 009	15 201 12 010	
15 200 02 010	15 201 12 011	
15 200 02 032	15 201 12 012	
15 200 02 034	15 201 12 013	
15 200 02 035	15 201 12 014	
15 200 02 036	15 201 12 020	
15 200 02 037	15 201 12 021	
15 200 02 038	15 201 12 022	
15 200 02 039	15 201 12 023	
15 200 02 040	15 201 12 024	
15 200 02 041	15 201 12 025	
15 200 05 012	15 201 12 026	
15 200 05 013	15 201 12 027	
15 200 05 014	15 201 12 028	
15 200 05 015	15 201 12 029	
15 200 05 016	15 201 12 030	
15 200 05 017	15 201 12 031	
15 200 05 018	15 201 12 033	
15 200 05 019	15 217 02 001	
15 200 05 020	15 217 02 010	
15 200 05 021	15 217 02 011	
15 200 05 022	15 217 03 001	
15 200 05 023	15 217 03 002	
15 200 05 024	15 217 03 003	
15 200 05 025	15 217 03 007	
15 200 14 001	15 217 03 008	
15 200 14 002	15 217 03 009	
15 200 14 005	15 217 04 002	
15 200 14 022	15 217 04 003	
15 201 11 003	15 217 04 004	
15 201 11 009	15 217 04 018	
15 201 11 010	15 217 04 019	
15 201 11 015	15 217 04 020	

Avalonville Mall TAD Bonding Calculation

Appraised	Assessed	Tax (estimate)
\$39,561,295	\$15,824,518	\$608,611

Base Tax

Planned Development (Based on Hypothetical Development Scenario)

Appraised	Assessed	Tax (estimate)
\$23,076	\$600,000	\$10,769
\$92,304	\$2,400,000	\$348,450
\$474,599	\$18,280,000	\$474,599

Avalonville Mall

Retail
Office

30,000 s.f. *
10,000 s.f. **

\$1,500,000
\$700,000

\$600,000
\$280,000

\$23,076
\$10,769

For Rent Residential
For Sale Residential

80 units ***
150 units ****

\$6,000,000
\$37,500,000

\$2,400,000
\$15,000,000

\$92,304
\$348,450

Sub Total

Avalonville Square

Retail
For Rent Residential

30,000 s.f. *
200 units ***

\$1,500,000
\$15,000,000

\$600,000
\$6,000,000

\$23,076
\$230,760

For Sale Residential
Sub Total

50 units ****

\$12,500,000

\$5,000,000

\$116,150

Avalonville Crossing

Retail
For Rent Residential

15,000 s.f. *
350 units ***

\$750,000
\$26,250,000

\$300,000
\$10,500,000

\$11,538
\$403,830

For Sale Residential
Sub Total

units ****

\$0

\$0

\$0

1747 Columbia Drive

Retail
For Rent Residential

10,000 s.f. *
250 units ***

\$500,000
\$18,750,000

\$200,000
\$7,500,000

\$7,692
\$288,450

For Sale Residential
Sub Total

100 units ****

\$25,000,000

\$10,000,000

\$232,300

Total

\$145,950,000

\$58,380,000

\$1,788,395

Projected Gross Bond Funds

\$15,978,365

Bonding Capacity

New Property Tax Revenue

\$1,788,395

Debt Service Charge

1.25

Net Available for Debt Service

\$1,430,716

Debt Service Constant (7.25%, 25 years)

0.08775

Projected Bond Funds

\$16,304,454

Less 2% Transaction Fee

\$15,978,365

* Retail value is estimated at \$50.00 per s.f.
** Office value is estimated at \$70.00 per s.f.
*** Rental units costing \$100,000 to construct estimated to be appraised at \$75,000
**** Owner occupied average appraised value is \$250,000 for 2,000 s.f. (assumed that they will be subject to Homestead exemption and therefore exempt from the county portion of taxes)

Tax Estimate is based on 2004 millage rate of 38.46