RESOLUTION CONSENTING TO THE INCLUSION OF CERTAIN
FULTON COUNTY TAXES IN THE COMPUTATION OF THE TAX
ALLOCATION INCREMENT FOR THE CITY OF ATLANTA TAX
ALLOCATION DISTRICT NUMBER SIX – BELTLINE
REDEVELOPMENT AREA; AND FOR OTHER PURPOSES

WHEREAS, the Council of the City of Atlanta (the City), by ordinance on
November 7, 2005 (the “City Ordinance”), approved and adopted the Beltline
Redevelopment Plan (the “Redevelopment Plan”) and established Tax Allocation District
Number Six – Beltline (the “Beltline TAD”) within the incorporated portion of Fulton
County, Georgia (the “County”) in the area of the City as shown in the City Ordinance
(the “Redevelopment Area”), a copy of which is attached hereto as Exhibit “A”; and

WHEREAS, the City Ordinance provides that the Beltline TAD was created
pursuant to the City’s redevelopment powers as authorized by the Redevelopment Powers
Law, O.C.G.A. Section 36-44-1, et seq., and will become effective on December 31,
2005; and

WHEREAS, the City is duly authorized to provide for the creation of the Beltline
TAD and the County has relied upon said representation; and

WHEREAS, pursuant to O.C.G.A. Section 36-44-4(a), the City has designated
the Atlanta Development Authority as its redevelopment agency for purposes of
implementing the Redevelopment Plan for the Beltline TAD; and

WHEREAS, the City made certain findings with respect to the Redevelopment
Area, including the following:

a) the 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; and

b) the improvement of the Redevelopment Area is likely to enhance the value
of a substantial portion of the real property in the District; and

WHEREAS, the City Ordinance provides that the City intends to authorize the
issuance of tax allocation bonds and other obligations as may be necessary to implement
provisions of the Redevelopment Plan; and

WHEREAS, the Redevelopment Powers Law provides that County ad valorem
property taxes derived from a municipal tax allocation district may be included in the
computation of tax allocation increments of the district if the governing body of the
County consents to such inclusion by resolution; and
WHEREAS, it is in the best interest of the citizens of the County that the County participate in the Beltline TAD so as to maximize its value and therefore maximize the redevelopment potential of the Redevelopment Area; and

WHEREAS, the Board of Commissioners now wishes to consent to inclusion of County ad valorem taxes in the computation of the tax allocation increment of the Beltline TAD;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of Fulton County, Georgia, as permitted by the Redevelopment Powers Law, does hereby consent to inclusion of County ad valorem taxes on real property within the Beltline TAD in the computation of the tax allocation increment for the Beltline TAD, subject to the conditions set forth below.

BE IT FURTHER RESOLVED, that before any tax allocation bonds are issued and before any of the positive tax allocation increments attributable to the millage rate imposed by the Fulton County Board of Commissioners are used, the City, the Redevelopment Agency, and the Fulton County Board of Commissioners shall have entered into an Intergovernmental Agreement relating to the Beltline TAD, which Intergovernmental Agreement shall contain, at a minimum, the following provisions which are conditions precedent to the County’s consent described in the previous paragraph of this Resolution:

1. **Term of Agreement and Covered Bonds.** Fulton County’s participation in the Beltline TAD shall be for a twenty-five year period, commencing December 31, 2005 and ending December 31, 2030, after which time no additional Redevelopment Costs shall be incurred, and no additional County tax increments shall be paid to the TAD special fund. Additionally, the County’s tax increments pledged above may not be used as security or payment for tax allocation bonds in a total par amount of more than $1,700,000,000.00 (hereinafter the “Covered Bonds”); provided, however, that in the event no Covered Bonds have been issued prior to December 31, 2008, the County’s consent contained in this Resolution shall be void and of no further effect, and all funds in the TAD special fund attributable to County tax increments shall immediately be repaid to the County.

2. **Work Plan, Financial Statements and Reports.** The Redevelopment Agency shall develop a work plan for implementing the Beltline projects with proposed budgets for the initial one, three and five year time periods of the TAD. Among other things, the work plan shall explain how the components of the Beltline project work together and reinforce each other in an optimal manner. On June 30, 2006 or 60 days prior to the first bond issuance, the work plan shall be presented to the Board of Commissioners for review. The Redevelopment Agency shall provide updates to the Board of Commissioners at least twice per year on the status of the
implementation of the work plan. At year end of each year that the
Beltline TAD is in existence and prior to each bond issuance, the
Redevelopment Agency shall provide a report on the financial status of the
TAD, including a detail of any tax increments collected but not used as
payment for or pledge against any existing TAD bond issuances. The
Redevelopment Agency shall fund an independent review of the work
plan.

3. **Workforce Housing.** The Redevelopment Agency shall ensure that TAD
bond proceeds are used, in part, to fund affordable housing within the
Beltline Redevelopment Area. To achieve this goal, the Redevelopment
Agency shall set aside 15% of the net proceeds of each TAD bond
issuance in a separate fund to be entitled “the Beltline Affordable Housing
Trust Fund” that shall be solely used for the purpose of creating affordable
housing within the Beltline Redevelopment Area. It is the expectation and
goal of the County that the Beltline Affordable Housing Trust Fund shall
be used to develop at least 5,600 units of affordable housing within the
Beltline Redevelopment Area. Prior to the first issuance of tax allocation
bonds, the Redevelopment Agency shall establish policies and goals
related to the use of the Beltline Affordable Housing Trust Fund proceeds.
Such goals and policies shall include the formation of a Beltline
Affordable Housing Advisory Board, which shall include, among others,
representatives of established Atlanta affordable housing organizations,
including community development organizations. In addition, the
Advisory Board shall include representatives designated by Fulton County
in accordance with the provisions of Section 5 below. On each
anniversary of the effective date of the TAD, the Redevelopment Agency
shall provide the County with a report describing, for each development
receiving TAD funds or TAD bond proceeds, 1) the total number of
residential units developed; 2) the total number of residential units
occupied; 3) the total number of affordable units developed; 4) the total
number of affordable units occupied; and 5) presentation of an inventory
of the affordable housing units developed by geographic location within
the Beltline TAD.

4. **Excess Increments.** In the event that the Beltline TAD recognizes any
increment in excess of that amount required to provide for debt service
and coverage on the Covered Bonds, and where such funds are not
anticipated in future bond issuances (the “excess increment”), the portion
of the excess increment attributable to Fulton County ad valorem taxes
shall revert and be paid to the County’s General Fund.

5. **Representation on Boards and Committees.** Pursuant to the City
Ordinance, the Redevelopment Agency will establish a Beltline Advisory
Committee and a Beltline Affordable Housing Advisory Board. Fulton
County shall appoint representatives to the Committee and Advisory
Board, and the number of such representatives shall be in the same proportion as the County’s share of the total increment generated within the TAD. In the event that the City or its Redevelopment Agency forms a separate entity to implement the Beltline Project, the County shall appoint a representative to the Board of such entity, assuming such Board of Directors shall have no more than nine representatives. In the event that such Board of Directors contains more than nine representatives, the County shall be permitted to appoint another representative or representatives in the same proportion accordingly.

6. **Annual Financial Reporting.** The City or its Redevelopment Agency shall provide to the Board of Commissioners comprehensive annual financial reports regarding the amount and use of positive tax allocation increments within the TAD for each calendar year the TAD remains in existence, and a copy of the annual audit of the Redevelopment Agency, on or about June 30 of each calendar year commencing June 30, 2006.

7. **Excess Funds to Fulton County.** Any funds remaining in the Beltline TAD special fund after all redevelopment costs and tax allocation bonds of the district have been paid or provided for shall be paid over to the County in proportion to the total contribution the County made to the special fund.

8. **Urban Enterprise Zones.** No new Urban Enterprise Zones (UEZ) shall be created within the geographic area of the Beltline TAD during the existence of the TAD.

9. **Investment in Public Library Facilities.** The City and the Redevelopment Agency shall require that a sum of $27 million shall be paid to the Atlanta-Fulton County Public Library System capital improvement program (CIP) account from the tax allocation increments collected by the Beltline TAD, upon the schedule set forth herein, as a Payment in Lieu of Taxes (the “PILOT Payment”), and shall not be used for operational expenses of the system. These PILOT Payments shall be invested in library construction projects system-wide as determined by the Library Facilities Master Plan, or as may be recommended by the System Board of Trustees. These PILOT Payments shall be made to Fulton County out of the tax allocation increments available after the payment of the TAD annual bond payments. The City or the Redevelopment Agency shall only issue bonds in an amount to ensure that sufficient tax allocation increments shall remain after the payment of the TAD annual bond payments, in order to make the PILOT Payments to Fulton County as scheduled. In the event that in years six through twenty-five the City or the Redevelopment Agency fails to make the scheduled PILOT Payments to Fulton County in whole or in part, any such unpaid balance shall accrue with interest. The City or the Redevelopment Agency shall not issue any
new tax allocation bonds, notes or other obligations for which tax allocation increment is pledged in the Beltline TAD, until it has paid such unpaid balance plus accrual with interest to Fulton County. In addition, after the payment of outstanding bonds, any and all positive tax increment accrued during the period of suspended bond issuance shall be used to satisfy the outstanding balance plus accrual with interest to Fulton County. If at any time the deficit owed to Fulton County reaches $2.7 million in a two year period, such accumulation of deficit shall constitute a material breach of the Intergovernmental Agreement by the City and the Redevelopment Agency. The PILOT Payments shall be made to Fulton County as follows:

(a) No PILOT Payments during years one through five.

(b) One million three hundred and fifty thousand ($1,350,000) dollars per year during years six through twenty-five.

10. **Cap on Administrative Fees.** In the event that costs of administration exceed 2% of the bond proceeds, no portion of the County’s tax increment shall be used to fund the administrative costs in excess of 2%.

11. **Notification of Special Conditions.** The City shall promptly notify Fulton County in writing of any special conditions, stipulations or requirements imposed at any time by any other taxing authority participating in the TAD (e.g., either the City or the School Board), whether imposed in connection with the initial creation of the TAD or at any time or from time to time thereafter.

12. **Economic Incentive Fund.** Through the establishment of an “Economic Incentives Fund”, the City or its Redevelopment Agency shall ensure that the portion of the TAD bond proceeds which are used to encourage private development are used in those sections of the Beltline Redevelopment Area that historically have experienced unemployment, poverty or little or no commercial, retail or residential growth or investment. The Economic Incentives Fund shall be used to encourage private development solely in those portions of the TAD that qualify as Community Development Reinvestment Areas.

13. **Reimbursement of Costs Incurred to Fulton County.** The City or its Redevelopment Agency shall reimburse the County’s reasonable transaction costs relating to the TAD, including but not limited to legal, consulting and other fees and expenses, including such fees incurred by the Tax Assessors’ office, relating to the processing of this Resolution or any future consents or approvals. Such reasonable costs shall be immediately reimbursed from the first available proceeds of tax allocation bonds or positive tax allocation increments.
BE IT FURTHER RESOLVED, that all resolutions and parts of resolutions in conflict with this resolution are hereby rescinded to the extent of such conflict.

BE IT FURTHER RESOLVED, that the Chairman of the Fulton County Board of Commissioners is hereby authorized to execute and deliver an Intergovernmental Agreement relating to the Beltline TAD for and on behalf of the Fulton County Board of Commissioners, and the Clerk of the Fulton County Board of Commissioners is hereby authorized to attest the same and affix the seal of the Fulton County Board of Commissioners thereto, provided that the conditions precedent described above have been met and are embodied in the Intergovernmental Agreement in all material respects, and the execution of such Intergovernmental Agreement by the Chairman and Clerk of the Fulton County Board of Commissioners, as herein authorized, shall be conclusive evidence of such approval.

BE IT FURTHER RESOLVED, that if any of the above Conditions Precedent to the effectiveness of this consent resolution shall not take place, this consent resolution shall be null and void and such resolution shall have no force or effect whatsoever.

SO PASSED AND ADOPTED, this 21st day of December, 2005.

Sponsored by:

Karen Handel, Chair
District 1, At-Large

Nancy Boxill, Commissioner
District 6

ATTEST:

Mark Massey, Clerk to the Commission

APPROVED AS TO FORM:

Overtis Hicks Brantley, County Attorney

ITEM 05-1497  REC 12.31.05
RECESS MEETING