

Memo from Councilmember Jan Smith, Post 2, City of Flowery Branch

December 5, 2007

Vote in opposition of Resolution 07-035 – Creation of FB Old Town & Commercial Gateways Redevelopment Area and Tax Allocation District.

My vote in opposition of this resolution today is for many reasons. While I am not opposed to the creation of a TAD, as approved by the majority of voters on September 18, 2007 (myself included), I am opposed to the plan presented to the Council on November 7, 2007. This is the plan referred to in Resolution 07-035.

When the council was first presented with the idea of a TAD in early 2006 it was for improvement of the area referred to as Old Town. A five to ten year TAD would be created for the purpose of revitalizing this portion of Flowery Branch. The TAD would be created to bring much needed replacement of water and sewer lines; street and sidewalk improvements; new or remodeled housing; along with redevelopment of vacant commercial properties. Redevelopment of this area would not create much, if any, increase in the school population. The Zoning Ordinance was adopted with the needs of this area specifically addressed, and the Comprehensive Land Use Plan also identified this area for redevelopment. This is what I, as a council member, had agreed to when the city manager was to approach the county, school district and legislature for their preliminary approval.

The plan that was presented to the council is substantially different than the above scope of the TAD.

I have basically 6 areas of the TAD plan that are areas of concern.

1. This plan does not meet the needs of the above referenced needs of Old Town.
2. The sewer plant expansion will provide sewer service outside the city limits, at the same time not provide sewer to areas inside the city limits that are in need of sewer service.
3. Inclusion of a large parcel of land already zoned for residential, about 400 homes with the potential of bringing in several hundred children into the school district.
4. The length of time of the TAD. The plan calls for a 25 to 30 year TAD, vs the 5 to 10 year TAD as first discussed. I believe it unreasonable of the city to ask the county and the school board to agree to forgo county and school tax revenue for this length of time. This TAD has the estimated potential incremental tax revenue of \$1.15 million annually.
5. TAD funds management. The city council will oversee the funds management or may appoint a non-elected board for the creation of a redevelopment agency. The question of eminent domain powers remains open, along with council member(s) who own property in the TAD district supervising how funds are spent in the TAD district.
6. Expenditures of TAD funds to repay developers to write down redevelopment project costs, \$850,000. In this TAD plan, Old Town is to received a mere \$400,000 more than what would be allowed for developer reimbursement. \$1,250,000 of TAD proceeds is stated in the plan to be used for all traffic, parking, and streetscape improvements done in Old Town. For perspective, the cost of 1 block of streetscape improvements currently under construction on Main is just under \$500,000.

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