01-O-1568

AN ORDINANCE

BY COUNCILMEMBER DOUG ALEXANDER

AN ORDINANCE TO EXTEND THE APPLICATION OF THE RETAIL INCENTIVE TAX-EXEMPT ZONE PROGRAM FOR AN ADDITIONAL FOUR YEARS BY EXTENDING THE EXEMPTIONS AND AVAILABILITY OF EXEMPTIONS FROM THE APPLICATION OF CHAPTER 30, SECTIONS 30-51 THROUGH 30-85 PERTAINING TO THE LEVY, ASSESSMENT AND COLLECTION OF AN OCCUPATION TAX, IN ACCORDANCE WITH THE LAWS OF THE STATE OF GEORGIA; TO AMEND PRE-EXISTING ORDINANCES; TO REPEAL AND REPLACE CONFLICTING ORDINANCES; AND FOR OTHER PURPOSES.

WHEREAS, the urban development and tourism market trends suggest that the downtown area as well as certain other areas in the City of Atlanta are underserved by retail merchants and will support clean, safe and attractive retail centers; and

WHEREAS a lack of significant levels of retail activity in certain areas contributes to overall economic decline in the City and the City has adopted certain commercial enterprise zone programs in order to stimulate commercial development; and

WHEREAS the State of Georgia recognizes that municipalities desire to encourage or support such goals and in Section 48-13-10(f) of the Official Code of Georgia provides specific authority allowing local governments to provide an exemption from business or occupation taxes for the purpose of developing, attracting, encouraging or maintaining selected types of businesses; and

WHEREAS, to further stimulate economic activity in accord with this authorization, the City Council amended Chapter 30, Article III, of the Code of Ordinances of the City of Atlanta, Georgia, by adding Chapter 30, Article III, Division 2, Sections 30-100 through 30-119 which created retail incentive tax-exempt zones in certain areas of the City and provided criteria for the creation of future retail incentive tax-exempt zones; and

WHEREAS the retail incentive tax-exempt zone program had a sunset provision which would end the time when such zones could be created and which limited the number of years when the exemption and/or reduction of business taxes would be allowed; and

WHEREAS the high cost of commercial space still leaves those retailers who have located their businesses in the central business district often unable to afford the additional staff to expand the hours of the business and thus contribute to the development of a 24 hour street life in the downtown area; and

WHEREAS the redevelopment or growth of certain areas of the city will be increased or sustained by the promotion of retail or mixed-use including retail and the availability of increased retail shopping opportunities which will provide additional amenities to encourage and support intown or downtown residential housing; and

WHEREAS in order to continue to encourage persons providing retail shopping opportunities to locate or continue their presence in those areas of the city presently underserved by retail uses or mixed-use including retail, the City desires to extend the application of the retail incentive tax zone program for an additional four years;

THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA HEREBY ORDAINS AS FOLLOWS:

SECTION 1: That Chapter 30, Article III, Section 106 of the Code of Ordinances of the City of Atlanta, Georgia, as amended (the "Atlanta City Code") is hereby amended by adding a new subsection to be codified as subsection (c) which shall read as follows:

(c) The exemption provided to the areas listed in subsection (b) of this Section 106 is extended for a period of four years which begins on January 1, 2004 and ends on December 31, 2007.

so that Section 106 shall read as follows:

Sec. 30-106 Creation of Retail Incentive Tax-exempt Zones.

(a) The criteria for the designation of an area of the city as a retail incentive tax-exempt zone is as follows::

1. The area is presently a functional commercial district where more than 50% of the area has served the retail market for more than 10 years;

2. The retail infrastructure is already in place (also known as "second generation retail");

3. A strong crime reduction program or strategy is in place;

4. the area has strong retail market potential combining easy accessibility, high traffic count and favorable demographics;

5 designation as a retail incentive tax-exempt zone will reinforce and upgrade

retail activity within the designated area;

6. the area meets the requirements for locations which are presently eligible for other economic development programs made available through the City (including but not limited to: the Facade Improvement Program; the Business Improvement Loan Fund Program; Enterprise Zone; Empowerment Zone).

(b) Based on the criteria set forth in subsection (a), the following areas are declared retail incentive tax-exempt zones for the tax years 1998 - 2003.

(1) Fairlie-Poplar/Macy's area;

(2) Auburn Avenue / Edgewood;

(3) COPA;

(4) Empowerment Zone;

(5) MLK/Ashby/ James P. Brawley/ Fair St./Mason Turner;;

(6) Metropolitan Parkway Redevelopment Corridor;

(7) Underground Atlanta;

(8) All Mixed-use Residential and Commercial Urban Enterprise Zones;

(9) Bankhead MARTA Station

(10) DeFoor's Ferry/ Marietta Blvd.

(11) Marietta Rd./Bankhead Highway

(12) Chapel Rd./Bankhead Hwy./Simpson Rd.

(13) Anderson Avenue to Martin Luther King Jr. Drive, to Fulton Industrial Boulevard

(14) East Atlanta;

(15) Kirkwood;

(16) Edgewood;

(17) East Lake.

(c) The exemption provided to the areas listed in subsection (b) of this Section 105 is extended for a period of four years which begins on January 1, 2004 and ends on December 31, 2007.

SECTION 2: That Chapter 30, Article III, Section 107 of the Atlanta City Code is hereby amended by striking the words "sixth tax year" and replacing said word with the words "**tenth tax year**" (bold text for ease of reading; the text is not to made bold when the ordinance is compiled) and adding a clause at the end of the final sentence which reads "**provided however that in no case shall any business have its business taxes exempted or reduced for more than ten years**" so that Section 107 shall read as follows:

Sec. 30-107. Duration of existence of retail incentive tax-exempt zones.

(a) The status of an area as a retail incentive tax-exempt zone shall expire at the end of the **tenth tax year** after such area is declared to be a retail incentive tax-exempt zone, unless such status is extended by ordinance. A location which qualifies for any exemption provided in this division for any of the tax years in which an area is a retail incentive tax exempt zone shall be entitled to the full term of tax exempt or tax reduced years provided for that location elsewhere in this division **provided however that in no case shall any business have its business taxes exempted or reduced for more than ten years.**

SECTION 3: That this Ordinance shall become effective 30 days after it is signed by the Mayor or as otherwise provided in the City Charter and shall repeal and replace conflicting ordinances.