

# DeKalb County Opportunity Zone Designation and Urban Redevelopment Plan

DeKalb County Office of Economic Development



# Redevelopment Basics

## Georgia's Urban Redevelopment Law (O.C.G.A. 36-61-8)

- 3 Steps
  - Resolution of Necessity
  - Prepare the Urban Redevelopment Plan and hold a public hearing
  - Adopt the Urban Redevelopment Plan

# Purpose of Legislation

- To amend DeKalb County's Urban Redevelopment Plan (URP)
- To increase the boundaries of DeKalb's URP area
- To authorize an Opportunity Zone application for a job creation tax incentive from the state

# Urban Redevelopment Objectives

- Rehabilitate contaminated or blighted properties
- Guide land bank activities
- Stabilize neighborhood communities and local housing markets
- Leverage relevant benefits within the URA for economic growth and stability
- Identify site opportunities that will draw jobs and businesses
- Coordinate administration of loans, funds, incentives, and other financial resources
- Grow the county's resources, services, and facilities
- Build and strengthen partnerships among community organizations and businesses
- Provide a more connected and integrated physical environment that links home, work, entertainment and recreation destinations
- Foster collaboration within and among local governmental agencies

# Proposed Boundary for the URA

- How was the boundary for the amended URA determined?
  - The new boundary is a data-driven boundary
  - Census Tract Block Groups with 15% or greater poverty (and adjacent block groups) were added to the existing boundary
  - The entire existing URA is included in the new boundary
- Why was the boundary amended?
  - To include additional areas in the county in need of redevelopment
  - To provide a larger portion of the county with access to state job creation incentives available within an URP area
  - To apply for Georgia Opportunity Zone designation

# Implementation Strategies

- Land and Community Development
  - DeKalb Regional Land Bank
  - EPA Brownfields Program
  - Neighborhood Stabilization Program
  - Community Development Block Grants
- Economic and Workforce Development
  - Enterprise Zones
  - Tax Allocation Districts
  - Community Improvement Districts
  - Workforce Development Programs
  - Opportunity Zones

# What is an Opportunity Zone?

- A State of Georgia redevelopment tool which provides incentives for job creation
- Employers creating 2 or more jobs will receive \$3,500/job/year for 5 years towards income tax and state withholding
- The lowest job creation threshold of any job tax credit program
- Provides for businesses of any nature to qualify

# New Jobs Must Meet Three Criteria

- Must be permanent full-time jobs working a minimum of 35 hours per week
- Must pay in excess of the lowest average wage of any county in the state
- Must be offered health insurance upon employment, although the employer is not required to pay for such insurance

# Examples

- Small Business ABC expands their business and creates 10 new jobs in a DeKalb County Opportunity Zone
  - 10 Jobs \* \$3,500 \* 5 Years = \$175,000 in Tax Credits
- Company XYZ relocates their corporate headquarters from New York to a DeKalb County Opportunity Zone creating 500 jobs
  - 500 Jobs \* \$3,500 \* 5 Years = \$8,750,000 in Tax Credits

# Where are the Initial Opportunity Zones Located?

- The Office of Economic Development identified 15 initial commercial and industrial areas meeting state criteria for OZ designation:

- Bouldercrest
- Panthersville
- Wesley Chapel
- Snapfinger Woods
- Lithonia Industrial
- Stonecrest
- Rock Mountain
- Tilson

- Stone Mountain
- Royal Atlanta
- I-85
- Kensington
- Zonalite
- Montreal Industrial
- Ponce de Leon

## What is the Timeline?

- The Opportunity Zone is a state designation and has no financial cost to DeKalb County
- The Office of Economic Development intends to file an application by the end of the Q2 2013
- The Georgia Department of Community Affairs requests 45-60 days for application review before granting the first OZs

For additional information, contact:

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