

Planning Group 1

Meeting Notes: Work Session 2
Feb. 20, 2007

Co-Chair: John Kieffer
Co-Chair: Eric Duncan
Facilitator: Michele Vangilder

Eric Duncan opened the meeting with this agenda:

7:00	15 mins	Recap of quality of life discussion
7:15	15 mins	Additional nominees for quality of life indicators/ <i>dot vote</i>
7:30	60 mins	Discussion: What kind of process should establish quality of life indicators in the future and track results? Who would track this and how would we address problems? <i>Frame alternatives.</i>
8:30	60 mins	Discussion: Can growth be an asset for quality of life? If so, how? <i>Frame community expectations/ potential policies.</i>
9:30	30 mins	Discussion: Frame three <u>big, visionary</u> ideas for managing/improving transportation so that additional growth does not harm quality of life. Citizen Idea Readers: What did the citizens suggest? <i>Frame ideas.</i>

As it turned out, we did not complete the final portion of the agenda (the transportation discussion). The group felt that, given progress in this meeting, it could adequately address that question in Work Session 3.

The meeting began with a recap of the quality of life discussion and research reports of the Feb. 6 work session. In the Feb. 6 session, Eric said, the group indicated three important things:

- That it supported the idea that had come from the fall vision sessions that Cumming-Forsyth County citizens would support using improvements in quality of life as a sign of progress. That is, when citizens think of progress in their community, they naturally think of quality-of-life improvements.
- Based on research discussed in Work Session 1, that it believes quality of life can be quantified and tracked. In Session 1, information gatherers brought several examples of national efforts to identify the “best places to live,” based on indicators or data that measure quality of life indicators. One of those reports is sponsored by Money magazine.

- That it believes such indicators or data can be identified and measured objectively in Cumming-Forsyth County.

Otis White, a consultant at Civic Strategies, Inc., told the group he felt it was time, given these broad agreements, to move along to other important discussions. But before doing so, he suggested the group look at some common quality of life areas (used in surveys by Money magazine and others) and rank the ones group members felt were most relevant to Cumming-Forsyth County.

Before the meeting co-chairs Eric Duncan and John Kieffer printed 13 commonly used quality of life indicators on cardboard sheets, which were posted on a wall. Eric asked if anyone had additional areas to suggest. Three more areas were added.

Otis then asked the group members to use colored dots to indicate the five areas that they thought were the most relevant to Cumming-Forsyth County. Here is their ranking (with the number of dots in parentheses):

- Transportation/mobility (14)
- Education (13)
- Healthcare availability and quality (12)
- Low crime/community safety (12)
- Family Life Quality (10)
- Master Plan (10)
- Population/density (10)
- Arts and leisure (10)
- “Planned Image” (7)
- Environment/air quality/water quality/weather/climate (6)
- Parks/green space (6)
- Taxes/governmental efficiency (5)
- Employment/Job Sustainability (5)
- Cost of Living/Income (4)
- Volunteerism (3)
- Town Center/community center (1)

Otis said he thought this ranking would be very helpful in setting quality of life indicators for Cumming-Forsyth County.

But that led to an important discussion: Who should set quality of life indicators? And how should they set them?

This is important, Otis said, because if the quality of life effort is to have broad support, it must begin with a process citizens have faith in. Therefore, he asked the group to suggest some ways of appointing/selecting a group that could:

1. Select the quality of life areas that the community would agree are important. (Over time, Otis said, these areas might change.)

2. Decide how to track these quality of life areas (i.e., which specific sets of numbers to use).
3. Publicize the results (good and bad).
4. Possibly convene decision-makers to address areas where the community is falling behind.

For these things to happen, Otis said, the group must be selected in a way that “feels right” to Forsyth citizens.

The group offered three general alternatives:

- Chamber of Commerce selects the quality of life group.
- The quality of life group is jointly appointed by a number of important governments or non-profits, such as:
 - Chamber of Commerce
 - School Board
 - City government
 - County government
- The quality of life group is an independent non-profit, whose board members are chosen in some way that involves the community.

The actual research could be managed in a number of ways, including hiring an outside expert. But the areas should be selected by the quality of life group, based on what Cumming-Forsyth County citizens feel is important.

Otis said he would like the group to think carefully about this question – and discuss it among themselves, if they care to – so group members can make a tentative recommendation at the next Work Session on March 15.

In the meantime, Otis asked the group for some ideas about how the quality of life group (however it is selected or appointed) should do its work, so the results are legitimate and logical. Here are some suggestions offered by group members:

- Get lots of people involved in setting the quality of life areas and specific indicators.
- Circulate drafts of the annual report on quality of life, so numerous people can review the numbers before they’re published.
 - This would allow people to spot errors or suggest better data.
- Appoint a representative advisory board to advise the quality of life group on its data-gathering work.

The last hour of the work session was spent discussing a difficult but important topic for Cumming-Forsyth County: How can future growth be managed so it actually improves the quality of life of Cumming-Forsyth County citizens?

This is an important discussion, Otis said, because growth has divided the Cumming-Forsyth County for years. Instituting a widely supported process of measuring quality of

life will help, Otis went on, because it will give citizens a factual basis for understanding what is happening (i.e., “Are we improving or falling behind ... and exactly where are we improving or declining?”).

But to make real progress, the community has to see ways in which growth and quality of life can both be accommodated. So this group needs to make some recommendations, he added.

Given the sensitive nature of the discussion, Otis offered some ground rules:

- Try to keep the input positive. Let’s not turn this into a debate.
- While we can think of ways in which growth has a negative impact, frame your comments around how growth can have a positive impact on our community.

The central question, he said is: How can we turn growth to the benefit of our community?

Here are some ideas that group members offered:

- Mold growth with good planning and zoning
- Preserve green space as we build
- Use the tax base from growth to pay for quality of life improvements
- Insist that growth be self-sustaining (pays for itself over the long haul)
- Make sure it is well-rounded:
 - Smart growth
 - Includes employment
 - Includes conveniences, so we don’t have to leave to shop, work, etc.
- Seek certain types of growth that aren’t already here – economic/business growth rather than residential growth
 - Create incentives for commercial development rather than residential
- Ask the question: Are we offering tax incentives now that bring the kind of growth we really don’t want/need (i.e., more residential)? If so, change the incentives.
- Focus on growth that keeps sales tax revenues in the county (i.e., retail)
- How can we help large landowners who have no plans to develop? How can we incentivize them to conserve their land?
- Conversely, how can we reward large landowners who might want to develop their land for commercial uses rather than residential?
 - Idea: Create a “business land trust” that buys undeveloped land in places where commercial land uses could be developed later on.
 - Could be financed by government, to be sold later (at a profit) to commercial developers.
- Consider: a tax-allocation district or community-improvement district to make physical enhancements in some areas (such as downtown Cumming)
- Consider increases in property tax millage rates that are dedicated to specific purposes and quality of life improvements
 - Example: a millage rate increase for buying/developing parks and playgrounds

- Develop other business incentives

Homework:

James McCoy volunteered to find objective information about Forsyth County taxes and how they compare with other counties. Specifically:

- How various land uses are taxed (residential, industrial, commercial, etc.).
- The “costs” of various land uses (i.e., how much residents “cost” the county in additional services, vs. how much businesses “cost” the county – and how much these land uses return in taxes, on average).

James also offered to provide a brief description on how business land trusts are structured in other communities – and how one might work for Forsyth County.

Incentives and Taxation

Cumming and Forsyth County operates under a highly competitive tax and incentive structure. Forsyth County can boast the lowest millage rate in the metro Atlanta area and the City of Cumming does not access any additional property tax. This competitive advantage continues to attract business and industry to the community, evident in the fact that over 20 national and international companies have located their corporate headquarters in Cumming and Forsyth County.

Cumming and Forsyth County is allowed, under powers granted by the State of Georgia, to afford new and expanding business and industry certain taxation incentives through the use of local development authorities. The community has three such authorities at its disposal in the Cumming Downtown Development Authority, the Development Authority of Forsyth County and the Lanier Joint Development Authority.

By partnering with the Development Authority of Forsyth County, the City, County and Chamber of Commerce have a marketing tool with which to attract business and industry. The Development Authority of Forsyth County is a seven member Statutory Authority operating under the regulatory control of the Forsyth County Board of Commissioners. By utilizing the State of Georgia's Industrial Revenue Bond process, the Authority can partner with new business and industry to make locating to Cumming and Forsyth County even more affordable.

Industrial Revenue Bonds can be administered in the form of taxable and tax-free financing. Tax-free bond financing up to \$10 million is currently available under federal tax laws with an additional \$10 million in options to the company totaling \$20 million. Interest rates are usually lower than other sources. Taxable bonds are a more flexible alternative and are available. Variable and fixed rates are offered up to 20-year terms, but a maximum of 15-year terms are preferred in most cases. Local development authorities do not operate in place of a banking institution and a company must still seek out lending partners.

The community has yet another development tool at its disposal and that is the Lanier Joint Development Authority. Regional partnerships are rewarded in the State of Georgia in the form of additional job tax credits for companies hiring new employees. Forsyth County's participation with neighboring Hall County in the Lanier Joint Development Authority raises the per job tax credits afforded to expanding and newly located companies to \$1,250. This program is administered by the Georgia Department of Community Affairs.

Other programs administered by the State of Georgia in partnership with Cumming and Forsyth County include:

- Investment Tax Credits
- Optional Investment Tax Credits
- Headquarters Tax Credit
- Research & Development Tax Credit
- Retraining Tax Credit
- Child Care Tax Credit
- Small Business [fast growth] Tax Credits

Economic Development Community Incentive Comparison
Metro Atlanta Region
2-21-07

- COBB COUNTY
 - 10-Year Abatement starting with 100% and decreasing by 10% each subsequent year
 - \$10,000,000 to \$12,000,000 minimum capital requirements
 - Minimum of 25 new jobs

- FULTON COUNTY
 - 10-Year Abatement starting with 100% and decreasing by 10% each subsequent year
 - Case-by-case analysis of minimum capital requirements and minimum new jobs

- DEKALB COUNTY
 - 10-Year Abatement starting with 65% and decreasing by 6.5% each subsequent year
 - Case-by-case analysis of minimum capital requirements and minimum new jobs

- CLAYTON COUNTY
 - 10-Year Abatement starting with 50% and decreasing by 5% each subsequent year
 - \$3,000,000 minimum capital requirement
 - Case-by-case analysis depending on number, quality and pay of jobs created

- HALL COUNTY
 - 5-year Abatement, 20% per year – will extend to 10 years for special project
 - \$5,000,000 minimum capital requirement
 - No minimum number of jobs
 - Case-by-case analysis

- BARROW COUNTY
 - 7-Year Abatement starting with 95% and decreasing by 5% each subsequent year until the 5th year (55%); 6th year (45%); 7th year (20%)
 - \$1,000,000 minimum capital requirement
 - Case-by-case analysis depending on number, quality and pay of jobs created

- WALTON COUNTY
 - 10-Year Abatement with a negotiable amount
 - \$7,000,000 minimum capital requirement
 - Minimum of 50 new jobs

- CHEROKEE COUNTY
 - 5-Year Abatement, 20% per year
 - Case-by-case analysis for possible 10-year abatement

- DAWSON COUNTY
 - Case-by-case analysis

Current Forsyth County Incentive Policy

- \$10 million minimum capital requirement
- 5 Or 10 year abatement period up to 25%
- 20% sliding scale cap for \$20 million or more investment
- Waive fees starting at \$5 million (50%)
- 10% increase on fee waiver for every 1% increase
- 100% fee waiver over \$10 million in investment

** Operating on a case by case basis by default over the past several years

Forsyth County 2005
Millage Rate Comparison

Build. Grow. Succeed.



CUMMING-FORSYTH COUNTY
CHAMBER OF COMMERCE

Residential

Location	Tax Rate in Mills		Tax on \$200,000 Home
Forsyth County	22.630	80	\$1,810
City of Alpharetta	41.232	80	\$3,299
City of Roswell	40.32	80	\$3,226
Fulton County	34.232	80	\$2,739
City of Atlanta	41.989	80	\$3,359
Gwinnett County/Duluth	32.270	80	\$2,582
Cobb County	29.870	80	\$2,390
DeKalb County	38.710	80	\$3,097
Cherokee County	26.839	80	\$2,147
City of Woodstock	31.213	80	\$2,497
Dawson County	22.434	80	\$1,795
City of Canton	24.340	80	\$1,947
Hall County	17.291	80	\$1,383

Business Investment

Location	Tax Rate in Mills		Tax on \$10 Million Investment
Forsyth County	22.630	4000	\$90,520
Fayette County	30.88	4000	\$123,520
City of Alpharetta	41.232	4000	\$164,928
City of Roswell	40.32	4000	\$161,276
Fulton County	34.232	4000	\$136,928
City of Atlanta	41.989	4000	\$167,956
Gwinnett County/Duluth	32.270	4000	\$129,080
Cobb County	29.870	4000	\$119,480
Dekalb County	38.710	4000	\$154,840
Cherokee County	26.839	4000	\$107,356
Woodstock	31.213	4000	\$124,852

Millage Rates	1996	1997	1998	2004	2005
County Bond	0	0	0	0.49	0.466
County Fire	1	1	1	1.65	1.581
County (Incorporated)	2.95	2.95	2.95	4.18	4
School M&O	14.9	14.9	15.4	15.5	14.708
School Bond	2.95	2.45	2.45	1.98	1.878
State of Georgia	0.25	0.25	0.25	0.25	0.25
Total County	22.2	21.7	22.05	24.05	22.883

Based on '05 Millage Rate