

Avondale Estates Business Association

December 12th, 2023

Avondale Board of Mayor and Commissioners

City Hall

21 North Avondale Plaza

Avondale Estates, Georgia 30002

Dear Residents, Property Owners, and Community Members,

We are writing to you with a sense of urgency, and determination in response to the proposed establishment of the Special Service District (SSD) in Avondale Estates. As stakeholders invested in the growth and well-being of our city, we stand united and firmly opposed to the implementation of this district.

There are many reasons why this tax not only is illogical but is also inequitable. The initial narrative presented by the City Manager, Patrick Bryant, on August 31st was to allocate funds solely for the Town Green. On October 11th at a BOMC meeting, the City Manager said “the projected revenue in this budget contemplates the establishment of an SSD at 3 mills for the entirety of the downtown for the express purpose of the Town Green.” Since our initial letter to the BOMC, other purposes have been put forth, including covering the reduced revenue generated by police fines due to new policing policy. Also, reasoning has been provided that the funds would be used for future unnamed capital projects. Currently, the resolution includes the ambiguous language of “funding infrastructure improvements within the Downtown Business District.” The money can be used for hard costs or soft costs. This shift in purpose only raises concerns about the transparency and accountability of this proposed district.

The amount of money the BOMC has identified that would be collected with this tax is \$275,000 for the first year and would likely increase over time. There are currently no Business District projects that have been identified to specifically begin in 2024 that are currently unfunded, so why are we imposing this tax at this time?” Commissioner Lionel Laratte mentioned in the last meeting. Another question arises: Are there really no alternative ideas for funding \$275,000?

As for the inequitable nature of this singled-out SSD tax district, there is a sentiment that businesses “haven’t been paying their fair share” said a BOMC member recently. At the November 29th meeting Brian Fisher said “If it were up to me, I’d raise the millage rate 2 or 3 times what we’re suggesting, I’m tired of the residents paying for improvements in the commercial district” *. This is contrary to the truth and by this logic should we be suggesting an SSD be established around the lake and lakefront residences? Perhaps one around the residential parks or Northwoods? The fact is, the business district has been paying the same millage rate as the residential side. Where are the funds that the business district has already paid?

Currently, the business district property owners pay the same millage rate that the residential property tax owners pay thus making a fair share across the hedges. With the onset of the Town Green, the reinvigoration of the downtown, and the highly sought after residential homes, home values have increased and thus property taxes have increased. Owner operators, such as The Lost Druid and Little Tree Arts Studio have felt the same pain as the residential owners. Property owners that are not operators typically pass along the increase of property taxes (but not the increase in equity) to the tenants through triple net leases.

There’s a noticeable sentiment among residents regarding their reluctance to financially contribute to enhancing the commercial district. Over time, the vast majority of allocated funds has predominantly favored the residential side of town. A simple drive through the residential areas showcases meticulous grooming around the park, the lake, impeccably maintained sidewalks, and pristine streets. Contrarily, a brief tour through the commercial district starkly highlights the disparities in maintenance and what has evidently been overlooked for decades.

During the November 8th work session Lisa Shortell said “The residents cannot afford tax lawyers like the people in the commercial area”*. This is simply not true. At that very same BOMC meeting it was announced that the residents of Avondale Estates have the highest incomes in the state per capita. Many property owners, both commercial and residential, use lawyers to negotiate the tax fees and many tax attorneys do not charge fees but collect a percent of savings.

When looking at the lion’s share of burden, it’s hard to understand why the BOMC wants small business to bear this. Large developments, such as the Jade Apartments and the Willis enjoy tax abatements, as does the Department of Juvenile Justice. Will the retail businesses that inhabit the new “Dale” on the Town Green also enjoy these abatements, while existing, long-term business pay for the Town Green infrastructure?

In contemplating the potential impact on our community, it's essential to acknowledge that the collective population of Avondale Estates could reasonably bear a slightly higher tax burden if necessary for the city's development. This is a matter of equitable distribution and responsible fiscal management rather than burdening a specific subset of our community, especially considering the disparity in the financial capabilities of our residents.

Moreover, the imposition of the SSD poses a threat to the inclusive and harmonious nature of our community pitting residential and business against each other and **WE DON'T WANT THAT!** We strongly believe that any proposed changes affecting the financial landscape of Avondale Estates should be subject to

- comprehensive community discussions,
- transparent decision-making processes,
- responsible spending and fiscal control,
- and a thorough exploration of alternative funding models.

Contrary to some BOMC statements, many Residents also oppose the SSD.

In conclusion, we urge all stakeholders to reconsider and oppose the establishment of the SSD in its current form. Businesses and property owners need to have their voices heard and valued in this discussion. Let us unite to explore alternative solutions that prioritize the fair distribution of financial responsibilities and maintain the integrity and solidarity of Avondale Estates.

VOTE NO on SSD.

Sincerely,

The Avondale Estates Business Association

* (these comments and quotes in this letter are paraphrased since three meetings where the SSD was mentioned or discussed are not published on the city website for review. (8-31-2023, 11-8-2023, & 11-29-2023))