

Avondale Estates Business Association

November 7, 2023

Avondale Board of Mayor and Commissioners
City Hall
21 North Avondale Plaza
Avondale Estates, Georgia 30002

Dear Members of the Board of Mayor and Commissioners:

We write to you today as Avondale Estates property owners, tenants, small business owners, and, for many of us, as residents. Together, we are the businesses that have shaped our downtown: the coffee shops, breweries, artists' studios, architectural firms, bike shops, photographers, music stores, and restaurants—many of which have been pillars of our community for years and have made substantial investments in Avondale. We are the businesses that have made Avondale a thriving, award-winning destination.

We would first like to express our wholehearted support for the growth and development that our city has witnessed in the past few years. We understand that much of Avondale's progress has been the direct outcome of very hard work by Avondale's public servants, working in tandem with us—your local businesses. We thank you for all you have done to make Avondale a dynamic, and economically vibrant community.

With that in mind, we write today to express our genuine and firm opposition to the proposed special service district (SSD). We believe that the SSD will negatively impact our businesses, residents, and the overall vibrancy of our community. We believe it will hinder rather than help our collective goals. We take issue with the SSD for the following reasons:

1. The SSD will increase our tax burden. The introduction of the SSD will create a considerable financial strain for the businesses that have played a pivotal role in shaping the character of Avondale. This burden would be shouldered by both property owners and tenants, affecting the full range of our beloved Avondale establishments.

2. The increased tax is unfair and divisive. The town green is a vital public venue where the entire city converges to celebrate various events throughout the year. The town green is used by *everyone*. It unites our community, and its costs should be collectively funded by all residents, rather than burdening only a select few with a separate tax.

3. Our businesses do not benefit financially from the existence of the town green. We disagree with one of the city's basic rationales for the SSD: that our businesses financially benefit from the town green, and therefore we should pay an additional tax for its existence. We struggle to see how businesses as many as five—and even as few as two—blocks away from the town green benefit financially from the town green. In fact, in many small Atlanta suburbs,

events held near downtown businesses actually decrease attendance to nearby restaurants and retail establishments. (And even if you disagree with us here, see reasons four and five.)

4. Our property tax assessments already reflect increases in property values from downtown development. Another argument for the SSD is that the commercial district properties have and will increase in value due to the nearby town green. Therefore, the reasoning goes, the increased tax is justified. But this would effectively tax us double, as our property tax assessments factor in property value increases due to any kind of nearby development. Imposing an additional tax through an SSD would be an unfair and illogical additional burden.

5. Any deficiency in commercial tax revenue is attributable to the vacant, Brownfield-designated, and/or underdeveloped properties occupying our commercial district. There has been some discussion that the downtown properties and businesses fail to pay their fair share in taxes, which would justify the SSD. This is simply not true. Some commercial property taxes in the district have increased by more than 100% in the past several years. Meanwhile, 30% (a conservative estimate) of our commercial district sits unoccupied, unused, and unimproved.

6. If the park has increased the value of property within the commercial district, then it has equally increased the value of the residential district. Businesses such as Wild Heaven, Arepa Mia, Pine Street Market, Little Tree, Olive and Pine, Little Cottage, Lost Druid, My Parents Basement, Oakhurst reality Partners, The Willis, and others have increased the property values of the commercial and residential properties. To single out and increase the millage rate in only the commercial district puts the tax burden on those who have invested the most and contributed the most to the overall improvement of the city.

We kindly request that you reconsider the proposal and explore alternative methods to finance the town green. We are willing to work with you to find common ground and develop a sustainable plan that benefits all residents and businesses alike.

We suggest that you either: (1) raise the millage rate across the whole city to cover the cost of any and all city expenditures, including the town green; or (2) consider imposing a vacancy tax on the aforementioned undeveloped and/or underused properties occupying our commercial district.

We feel the first option would be the most equitable solution, especially in light of the city's recent decrease of the millage rate.

Sincerely,

AEBA

Businesses that formally support this letter:

- Spectrum Performance
- Little Cottage Brewery
- Garage Door Studios
- Fiber Parts
- My Parents Basement
- Finders Keepers, Inc
- Anne Clarke
- Brown Mfg. Company
- Little Tree Arts Studio
- Hemp Haven
- House of Chiropractic
- Kafenio Avondale
- Second Life Upscale Resale
- Humanizing Medicine
- Taylor'd BBQ
- The Lost Druid
- RPC Management (121 Center St)
- Banjo Coffee
- The Stratford Pub
- Oakhurst Realty Partners
- Purple Corkscrew
- Skips Chicago Dogs
- Pine Street Market
- W. Jay George Design