



## Public Service Committee

Meeting Date: February 28, 2023

### Updates to the Harrisburg-West End Enterprise Zone Ordinance and Opportunity Zone Boundaries

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<b>Department:</b>	Planning & Development
<b>Presenter:</b>	Director Carla Delaney or Department Designee
<b>Caption:</b>	Motion to approve updates to the Harrisburg Enterprise Zoning Ordinance and the proposed updated list of parcels for the Harrisburg Opportunity Zone.
<b>Background:</b>	Enterprise Zones are a tool that allows local governments to offer exemptions and reductions in local property tax, occupational tax, regulatory fees and other local fees for redevelopment in a specified area.

Opportunity Zones (OZ) are designated to local governments by the state. Local governments which undertake redevelopment and revitalization efforts in certain older commercial and industrial areas can now qualify those areas for the State's maximum job tax credit of \$3,500 per job. The incentive, which is available for new or existing businesses that create two or more jobs, is a Job Tax Credit which can be taken against the business's Georgia income tax liability and payroll withholding tax.

The Enterprise Zone was approved in 2021 at the local level. Since that time, the Georgia Department of Community Affairs (DCA) has provided Planning & Development with guidance on the size of the boundaries, statistical data, and updates to the Enterprise Ordinance language.

<b>Analysis:</b>	The proposed updates to the Enterprise Zone Ordinance now incorporate more statistical data and addresses three of the five criteria being suffered: Pervasive Poverty, High Unemployment Rate, Underdevelopment, General Distress and General Blight. An updated format to the Harrisburg Enterprise Zone Ordinance is included.
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The Opportunity Zone previously approved in 2011 included over 2,200 parcels; the resubmission in 2021 attempted to keep 95% of those parcels. Many of the parcels included were residential and therefore not eligible for OZ benefits. DCA advised that a more targeted approach with an emphasis on commercially zoned parcels and a tighter boundary would be ideal.

<b>Financial Impact:</b>	Businesses within the Opportunity Zone may apply for a state tax credit for new jobs created and maintained.
<b>Alternatives:</b>	N/A
<b>Recommendation:</b>	Motion to approve updates to the Harrisburg- West End Enterprise Zone and revised parcel list for the Opportunity Zone resubmission to DCA.
<b>Funds are available in the following accounts:</b>	N/A
<b><u>REVIEWED AND APPROVED BY:</u></b>	N/A