

**Columbus Consolidated Government
Council Meeting Agenda Item**

TO: Mayor and Councilors

AGENDA SUBJECT: **Enterprise Zone: SUNSOUTH PROPERTIES LLC, 1301 Victory Drive**

AGENDA SUMMARY: Approval is requested for SUNSOUTH PROPERTIES LLC to receive ad valorem tax abatements (with the exclusion of school and general obligation debt levies) as specified under the Enterprise Zone Employment Act. The proposed expansion meets the minimum requirements as established under the Georgia Enterprise Zone Employment Act of 1997 and Ordinance 98-30. The abatements are to begin 1/1/2024

INITIATED BY: **Planning Department**

Recommendation: Approval is requested for SUNSOUTH PROPERTIES LLC to receive ad valorem tax abatements (with the exclusion of school and general obligation debt levies) as specified under the Enterprise Zone employment Act. The proposed expansion meets the minimum requirements as established under the Georgia Enterprise Zone Employment Act of 1997 and Ordinance 98-30. The abatements are to begin 1/1/2024

Background: The construction of a new facility for agriculture and industrial equipment retail and service at 1301 Victory Drive will take place within the boundaries of the Columbus Business Development Center (Enterprise Zone). The applicant has requested to receive tax abatements on all ad valorem taxes (with the exclusion of school and general debt obligation levies) for an approximately \$7,000,000 investment in land, buildings, machinery, and equipment. The project has been approved for financing by SmartBank.

Analysis: SUNSOUTH PROPERTIES LLC will hire employees and maintain at least 5 (estimated total of 8) new jobs as required by the Enterprise Zone Employment Act, prior to the tax abatement period. They plan to maintain 8 jobs overall with hiring based on qualifications with 1 position being qualified as a low to moderate income resident.

Financial Consideration: SUNSOUTH PROPERTIES LLC will be investing approximately \$7,000,000 into the project and will create and maintain 8 full time jobs over the period. They will also be constructing on a vacant parcel of land with improvements scheduled to be completed by 11/1/2023.

Projected Annual Fiscal Impact Statement: For the SUNSOUTH PROPERTIES LLC property the city will forfeit \$47,812 per year for the first 5 years due to the proposed abatement. School and other taxes will not be affected. Job Growth and improvements made to the properties can offset the loss in property taxes.

Legal Considerations: The application has been reviewed and meets or will meet the requirements per the Enterprise Zone Employment Act of 1997 prior to receiving tax abatements.

Recommendations/Actions: Approve the resolution for SUNSOUTH PROPERTIES LLC to receive property tax abatements through the Columbus Business Development Center per ordinance #98-30

A RESOLUTION

NO.

A RESOLUTION AUTHORIZING APPROVAL OF THE REQUEST FOR SUNSOUTH PROPERTIES LLC., A NEW STORE LOCATED AT 1301 VICTORY DRIVE, TO RECEIVE TAX ABATEMENTS UNDER THE STATE OF GEORGIA ENTERPRISE ZONE ACT.

WHEREAS, Sunsouth Properties, LLC at 1301 Victory Dr is located within the boundaries of the Columbus Business Development Center (Enterprise Zone); and,

WHEREAS, Sunsouth Properties, LLC is building a new location, purchasing land, buildings and machinery and equipment at their 1301 Victory Dr location in the amount of \$7,000,000.00; and,

WHEREAS, the project meets the Enterprise Zone business type criteria; and,

WHEREAS, Sunsouth Properties, LLC reports that they will create at least 5 jobs (approximately 8 jobs) at this particular location prior to the tax abatement period, and maintain the 5 jobs (net) during the full length of the tax abatement period in order to provide additional economic stimulus to the area; and,

WHEREAS, Sunsouth Properties, LLC will provide operating statements, income and expense information, as well as before and after photographs to the Board of Tax Assessors at the stage of completion as of the January 1 valuation date as set by Georgia code; and,

WHEREAS, the project will incorporate and maintain the landscape requirement for the duration of the tax exemption period, as established by local Ordinance #98-30.

NOW, THEREFORE, THE COUNCIL OF COLUMBUS, GEORGIA, HEREBY RESOLVES AS FOLLOWS:

That the Council of the Consolidated Government of Columbus hereby authorizes and approves Sunsouth Properties, LLC, located at 1301 Victory Drive, to receive abatement of taxes as allowed by law under the Enterprise Zone Employment Act of the State of Georgia. Sunsouth Properties, LLC shall comply with the listed requirements in order to receive those tax abatements:

1.

Sunsouth Properties, LLC will show proof to The Board of Tax Assessors every year that they are maintaining those five (5) new jobs required under the Enterprise Zone Employment Act. Failure to maintain those new jobs will result in the termination of the tax abatements.

2.

The Board of Tax Assessors also requires recipients to provide notice of the status of the project as of January 1 of each year in order to grant the abatement. This information enables the Board to value the property at the stage of completion as of the January 1 valuation date as set by Georgia code. The Board would need to know when the project is considered completed.

3.

The project will incorporate and maintain the landscape requirement, for the duration of the tax exemption period, as established by local ordinance# 98-30. The applicant shall also be required to follow any additional requirements as determined by the City.

4.

Facade enhancement shall be approved by the City official prior to the granting of the tax abatements.

Introduced at a regular meeting of the Council of Columbus, Georgia, held the _____ day of _____ 2023, and adopted at said meeting by the affirmative vote of _____ members of said Council.

- Councilor Allen voting _____.
- Councilor Barnes voting _____.
- Councilor Cogle voting _____.
- Councilor Crabb voting _____.
- Councilor Davis voting _____.
- Councilor Huff voting _____.
- Councilor Garrett voting _____.
- Councilor House voting _____.
- Councilor Thomas voting _____.
- Councilor Tucker voting _____.

Sandra Davis, Clerk of Council

Skip Henderson, Mayor