CITY OF STONE MOUNTAIN DOWNTOWN DEVELOPMENT AUTHORITY
A MAIN STREET CITY

***DDA Agenda Item***

**Meeting Date: November 19, 2026**

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**Agenda Item: Information and Discussion Regarding Blighted Property Tax Revenues, Distribution, and Permitted Uses**

**Agenda Summary:**

Discussion and review of the City of Stone Mountain's Community Redevelopment Tax Incentive Program, established under Chapter 5, Article VI, Division 12 of the City Code, and the treatment and permitted use of increased ad valorem tax revenues collected from properties officially designated as blighted.

The following sections are relevant to the discussion:

- **Section 5-431 – Purpose:** Establishes the City's objective of addressing and eradicating conditions of slum and blight and encouraging community redevelopment.
- **Section 5-432 – Definitions:** Defines blighted property and community redevelopment, including activities and projects necessary or incidental to the redevelopment or revitalization of designated areas.
- **Section 5-433 – Levy of Increased Ad Valorem Tax on Blighted Real Property:**
    - Subsection (a): Establishes the increased property tax applicable to properties officially designated as blighted.
    - Subsection (b): Addresses when the increased tax is applied and the circumstances under which a property may qualify for a reduced rate.

**Section 5-433(c)** specifically requires that all increased tax revenues collected from designated blighted properties be segregated by the City Manager within the General Fund's Department 030 line item for nuisance abatement and used only for community redevelopment purposes.

The ordinance identifies the following eligible uses, including but not limited to:

1. **Building and Structure Abatement:** Defraying the costs of the City's program to close, repair, or demolish buildings and structures that are unfit for human habitation.
2. **Land Acquisition:** Acquisition of property for community redevelopment purposes.
3. **Land Clearing:** Clearing property to facilitate redevelopment and eliminate blighted conditions.

4. **Slum and Blight Eradication:** Costs associated with addressing and eliminating officially identified slum and blighted conditions.
5. **Other Community Redevelopment Activities:** Additional activities, projects, or services that qualify as community redevelopment under Section 5-432, including activities necessary or incidental to redevelopment or revitalization of a designated redevelopment area.

- **Section 5-434 – Official Identification of Property Maintained in Blighted Condition:** Establishes the inspection, documentation, notification, and hearing procedures required before a property can be officially designated as blighted and subject to increased taxation.
- **Section 5-435 – Remediation or Redevelopment to Remove Designation of Blighted Condition:** Addresses the requirements for property owners to remediate blighted conditions and have the designation removed.

**Action:** Information and discussion only. No formal action requested.

**Reference:** City of Stone Mountain Code of Ordinances, Chapter 5, Article VI, Division 12, Sections 5-431 through 5-435