



City of Stone Mountain
875 Main Street
Stone Mountain, GA 30083

STAFF ANALYSIS AND REPORT

To: City of Stone Mountain Mayor & City Council

From: Richard Edwards, AICP

Subject: Proposed Text Amendments to Chapter 5, Article 6, Division 12 – Community Redevelopment Tax Incentive Program.

Date: November 6, 2024

Purpose:

The purpose of this staff report and analysis is to present the proposed text amendments to Chapter 5, Article 6, Division 12 – Community Redevelopment Tax Incentive Program to provide further guidance on how to best manage blighted properties within the City of Stone Mountain.

Background:

The Community Development Tax Incentive Program was adopted by the Stone Mountain City Council in November of 2021 to provide regulations on how to manage blighted properties. Staff has reviewed several different Community Development Tax Incentive Programs from around the state to provide these updates to this ordinance.

Attachments:

1. Ordinance to amend the Code of Ordinances
2. Redlines of Article III and V of Appendix A – Zoning

AN ORDINANCE BY THE MAYOR AND CITY COUNCIL OF THE CITY OF STONE MOUNTAIN, GEORGIA TO AMEND CHAPTER 5, ARTICLE VI, DIVISION 12 – COMMUNITY REDEVELOPMENT TAX INCENTIVE PROGRAM IF THE CITY’S CODE OF ORDINANCES

WHEREAS, pursuant to its Charter and other laws of the State of Georgia, the City of Stone Mountain, Georgia (the “City”), has the power to adopt reasonable ordinances, resolutions and regulations for the protection and preservation of the public health, safety and welfare of its citizens; and

WHEREAS, section 36-35-3 of the Official Code of Georgia Annotated (O.C.G.A.) provides cities the power to adopt clearly reasonable ordinances, resolutions or regulations relating to the cities’ property and affairs; and

WHEREAS, the existence of blighted property increase the burden of the state and local government by increasing the need for government services; and

WHEREAS, the City desires to amend the community redevelopment tax incentive program to rehabilitate blighted property as authorized by O.C.G.A. § 41-2-12, et seq., and Article IX, Section II, of the 1983 Constitution of the State of Georgia to aid in the decrease of government services; and

WHEREAS, the amendments contained herein would benefit the health, safety, morals, and welfare of the citizens of the City of Stone Mountain, Georgia.

NOW THEREFORE, it is hereby ordained by the governing authority of the City of Stone Mountain as follows:

SECTION 1. The Code of Ordinances of the City of Stone Mountain, Georgia, is hereby amended to include the revisions as set out in Exhibit A, attached hereto and incorporated herein by this reference.

SECTION 2. All ordinances, parts of ordinances, or regulations in conflict herewith are hereby repealed.

SECTION 3. This Ordinance shall become effective upon its adoption.

SECTION 4. This Ordinance was proposed by Council Member _____ with a motion to adopt. Thereafter, the motion was seconded by Council Member _____. ____ Council Members voted in favor of the motion and ____ Council Members voted against the motion.

SO ORDAINED this ____ day of _____, 2024.

Attest:

City Clerk

Beverly Jones, Mayor

Approved as to form: _____
City Attorney

PART II - CODE OF ORDINANCES
Chapter 5 - BUILDING AND PROPERTY REGULATIONS
ARTICLE VI. - PROPERTY MAINTENANCE
DIVISION 12. COMMUNITY REDEVELOPMENT TAX INCENTIVE PROGRAM

DIVISION 12. COMMUNITY REDEVELOPMENT TAX INCENTIVE PROGRAM

Sec. 5-431. Purpose.

- (a) The existence of real property that is maintained in a blighted condition increases the costs to city budgets by increasing the need for government services, including but not limited to social services, public safety services and code enforcement services. Rehabilitation of blighted property decreases this need for such government services.
- (b) In furtherance of its objective to eradicate conditions of slum and blight within the city, this mayor and council in exercise of the powers granted to municipal corporations in O.C.G.A. tit. 36, ch. 61, Urban Redevelopment, has designated and continues to designate those areas of the city where conditions of slum and blight are found or are likely to spread.
- (c) In recognition of the need for enhanced governmental services and in order to encourage private property owners to maintain their real property and the buildings, structures and improvement thereon in good condition and repair, and as an incentive to encourage community redevelopment, a community redevelopment tax incentive program is hereby established as authorized by Article IX, Section II, Paragraph VII(d) of the 1983 Constitution of the State of Georgia.

(Ord. No. 2021-09, § 1(Exh. A), 11-4-21)

Sec. 5-432. Definitions

As used in this article, the following terms shall have the meanings indicated:

Blighted property, blighted, or blight means any urbanized or developed property that:

Presents two or more of the following conditions:

Uninhabitable, unsafe, or abandoned structures including but not limited to boarded-up structures; or
Inadequate provisions for ventilation, light, air, or sanitation; or

An imminent harm to life or other property caused by fire, flood, hurricane, tornado, earthquake, storm, or other natural catastrophe that the governor has declared a state of emergency under the state law or has certified the need for disaster assistance under federal law; provided, however, this designation shall not apply to property unless the relevant public agency has given notice in writing to the property owner regarding specific harm caused by the property and the owner has failed to take reasonable measures to remedy the harm; or

A site identified by the Federal Environmental Protection Agency as a superfund site pursuant to 42 U.S.C. Section 9601, et seq. or environmental contamination to the extent that requires remedial investigation or a feasibility study; or

Repeated illegal activity on the individual property of which the property owner knew or should have known; or

The maintenance of the property is below state, county, or municipal codes for at least three (3) months ~~one year~~ after written notice of the code violation to its owner; and

Is conducive to ill health, transmission of disease, infant mortality or crime in the immediate proximity of the property.

Property that is subject to frequent property maintenance or environmental code citations.

Property shall not be deemed blighted solely because of aesthetic conditions.

Property shall not be deemed blighted for the purpose of any increase of ad valorem taxation under this division if the property is a dwelling house which is being used as a primary residence of one (1) or more persons.

Boarded-up structure means a structure that has its doors, windows, or other openings covered with boards or secured in another way.

Building inspector means a certified inspector possessing the requisite qualifications to determine minimal code compliance.

Building official means a person authorized to enforce provisions of the technical construction codes.

Community redevelopment means any activity, project, or service necessary or incidental to achieving the redevelopment or revitalization of a redevelopment area or portion thereof designated for redevelopment through any urban redevelopment plan that may be adopted by the city or through local ordinances relating to the repair, closing, and demolition of buildings and structures unfit for human habitation.

Governing authority means the mayor and council of the City of Stone Mountain, a Georgia Municipal Corporation.

Millage or millage rate means the levy, in mills, that is established by the governing authority for purposes of financing, in whole or in part, the levying jurisdiction's general fund expenses for the fiscal year.

Person means an individual, corporation, partnership, business or nonprofit entity, association, joint-stock company, business trust, joint venture, commercial entity, public corporation, unincorporated association, estate, trust, trustee in bankruptcy, receiver, fiduciary,, or other legal representative or commercial entity.

Public officer means the city manager or such officer or employee of the city as designated by the city manager to perform the duties and responsibilities hereafter set forth in this article.

Structure means anything constructed or erected which has, or the use of which requires, permanent or temporary location on or in the ground, or which is attached to something having a permanent location on the ground, including, but not limited to, the following: buildings, gazebos, signs, billboards, tennis courts, radio and television antennae and satellite dishes (including supporting towers), swimming pools, light fixtures, walls, fences and steps.

(Ord. No. 2021-09, § 1(Exh. A), 11-4-21)

Sec. 5-433. Levy of increase ad valorem tax on blighted real property.

- (a) There is hereby levied on all real property within the city that has been officially identified as maintained in a blighted condition an increased ad valorem tax by applying a factor of ~~ten (10)~~~~six (6)~~ to the millage rate applied to the property, so that such property shall be taxed at a higher millage rate generally applied in the municipality, or as may otherwise be provided by general law; provided, however, real property on which there is situated a dwelling house which is being occupied as the primary residence of one (1) or more persons shall not be subject to official identification as maintained in a blighted condition and shall not be subject to increased taxation.-

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- (b) Such increased ad valorem tax shall be applied and reflected in the next tax bill rendered following official designation of a real property as blighted; provided, however, if a property owner resolves the blighted condition of such owner's property to the city's satisfaction (in accordance with the provisions of section 5-435) at least sixty (60) days prior to the preparation of the first tax bill following such official designation of such real property as blighted, the property shall be eligible for the decrease of the tax rate as provided in section 5-436 in the first tax bill rendered following official designation of such real property as blighted.
- (c) Revenues generated from the increased ad valorem tax imposed on properties designated as maintained in a blighted condition shall, upon receipt, be segregated by the city manager as designated within the General Fund's department 030 line item for the abatement of nuisances and used only for community redevelopment purposes, including but not limited to defraying the cost of the city's program to close, repair, or demolish unfit buildings and structures, land acquisition and clearing, and costs associated with the eradication of duly-identified slum and blight.

(Ord. No. 2021-09, § 1(Exh. A), 11-4-21)

Sec. 5-434. Official identification of property maintained in blighted condition.

- (a) In order for a parcel of real property to be officially designated as maintained in a blighted condition and subject to increased taxation, the following steps must be completed:
- (1) An inspection must be performed on the parcel of property. In order for an inspection to be performed:
 - a. A request may be made by the public officer or by at least five (5)~~seven (7)~~ residents of the city (each living in a different household from the others) for inspection of a parcel of property, said inspection to be based on the criteria as delineated by further resolution or ordinance of the city council; or
 - b. The public officer may cause a survey of existing conditions to be performed, or may refer to any such survey conducted or finalized within the previous five (5) years, to locate or identify any parcels that may be in a blighted condition and for which a full inspection should be conducted to determine if that parcel of property meets the criteria set out in this article for designation as being maintained in a blighted condition.
 - (2) A written inspection report of the findings for any parcel of property inspected pursuant to subsection (1) above shall be prepared and submitted to the public officer. Where feasible, photographs of the conditions found to exist on the property on the date of inspections shall be made and will supplement the inspection report. Where compliance with minimum construction, housing, occupancy, fire and life safety codes in effect within the city are in question, the inspection shall be conducted by a certified inspector possessing the requisite qualifications to determine minimal code compliance.
 - (3) Following completion of the inspection report, the public official will review the report and supporting documents for findings and recommendations by the building official in determining that the property identified meets the definition of blighted area as defined under this article. The public officer shall make a determination, in writing, that a property is maintained in a blighted condition, as defined by this article, and is subject to increased taxation.
 - (4) The public officer shall cause a written notice of his/her determination that the real property at issue is being maintained in a blighted condition to be served upon the person(s) shown on the most recent tax digest of DeKalb County as responsible for payment of ad valorem taxes assessed thereon and parties in interest; provided, however, where through the existence of reasonable diligence it becomes known to the public officer that real property has been sold or conveyed since publication of the most recent tax digest, written notice shall be given to the person(s) known or reasonably believed to then own the

property or be chargeable with the payment of ad valorem taxes thereon, at the best address available. Service in the manner set forth at O.C.G.A. § 41-2-12 shall constitute sufficient notice to the subject property owner or person chargeable with the payment of ad valorem taxes for purpose of this section, except that posting of the notice on the property will not be required.

- (b) The written notice given to the person(s) chargeable with the payment of ad valorem taxes and parties in interest shall notify such person and parties in interest of the public officer's determination that the real property is being maintained in a blighted condition and shall advise such person and parties in interest of the hours and location at which the person may inspect and copy the public officer's determination and any supporting documentation. Persons and parties in interest notified that the real property of which the person(s) is chargeable with the payment of ad valorem taxes shall have thirty (30) days from the receipt of notice in which to request hearing before the city's municipal court. Written request for hearing shall be filed with the public officer. Upon receipt of a request for hearing, the public officer shall notify the city manager (if the duties of public officer as defined under this article have been delegated by the city manager to some other officer or employee of the city), the municipal court clerk and the city clerk.
- (c) Within thirty (30) days of the receipt of a request for hearing, the municipal court clerk shall set a date, time and location for the hearing and shall give at least ten (10) business days' notice to the person(s) and/or parties in interest requesting the hearing and the public officer. Hearings may be continued one (1) time upon request of any party, for good cause.
- (d) At the hearing, the public officer shall have the burden of demonstrating by a preponderance of the evidence that the subject property is maintained in a blighted condition, as defined by this article. Upon hearing from the public officer and/or their witnesses and the person(s) or parties in interest requesting the hearing and/or their witnesses, the municipal court judge shall make a determination either affirming or reversing the determination of the public officer. The determination shall be in writing and copies thereof shall be served on the parties by certified mail or statutory overnight delivery. The determination by the municipal court judge shall be deemed final. If the municipal court judge affirms the determination of the public officer, a copy of such determination shall be served upon the city clerk. The city clerk will thereafter coordinate with the Tax Commissioner of DeKalb County regarding the imposition of the increased ad valorem tax against the subject property beginning on the next regular tax bill rendered on behalf of the city.
- (e) Persons aggrieved by the determination of the municipal court affirming the determination of the public officer may appeal the decision by petitioning the Superior Court of DeKalb County for a writ of certiorari, within thirty (30) days of issuance of the municipal court's written determination.

(Ord. No. 2021-09, § 1(Exh. A), 11-4-21)

Sec. 5-435. Remediation or redevelopment to remove designation of blighted condition.

- (a) A property owner or person(s) who is chargeable with the payment of ad valorem taxes on real property that has been officially designated pursuant to this article as property maintained in a blighted condition may petition the public officer to lift the designation, upon proof of compliance with the following:
 - (1) Completion of work required under a plan of remedial action or redevelopment approved by the city's building official and public officer that addresses the conditions of blight found to exist on or within the property, including compliance with all applicable minimum codes; or
 - (2) Completion of work required under a court order entered in a proceeding brought pursuant to Chapter 5, Article VI. Property Maintenance, Division 9. Nuisance Abatement Procedures of the Code of Stone Mountain, Georgia; and

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- (3) Any outstanding ad valorem taxes (state, school, county and city, including the increased tax pursuant to this article) and governmental liens due and payable on the subject property have been satisfied in full.
- (b) Before action on a petition to lift the designation, the public officer shall cause the property to be thoroughly inspected by a building inspector and fire inspector, who by written inspection report, shall certify that all requisite work has been performed to applicable code in a workmanlike manner, in accordance with the specifications of the plan of remedial action or redevelopment, or applicable court order. Upon finding required work to be satisfactorily performed, the public officer shall issue a written determination that the real property is no longer maintained in a blighted condition. Copies of this determination shall be served upon the person(s) chargeable with the payment of ad valorem taxes, and upon the city clerk who shall communicate such updated status to the Tax Commissioner of DeKalb County. All fees associated with inspections shall be the responsibility of the property owner.
- (c) All plans for remedial action or redevelopment shall be in writing, signed by the person(s) chargeable with the payment of ad valorem taxes on the real property and the building official and the public officer and shall contain the following:
- (1) The plan shall be consistent with the city's comprehensive plan and all laws and ordinances governing the subject property and shall conform to any urban redevelopment plan adopted for that area.
 - (2) The plan shall set forth in reasonable detail the requirements for repair, closure, demolition, or restoration of existing structures, in accordance with minimal statewide codes; where structures are demolished, the plan shall include provisions for debris removal, stabilization and landscaping of the property.
 - (3) On parcels of five (5) acres or greater, the plan shall address the relationship to local objectives respecting land uses, improved traffic, public transportation, public utilities, recreational and community facilities, and other public improvements.
 - (4) The plan shall contain verifiable funding sources that will be used to complete its requirements and show the feasibility thereof; and
 - (5) The plan shall contain a timetable for completion of required work.
- (6) Any outstanding ad valorem taxes (state, school, county, and city, including the increased tax pursuant to this article) and governmental liens due and payable on the property must be satisfied in full.

(Ord. No. 2021-09, § 1(Exh. A), 11-4-21)

Sec. 5-436. Decreased rate of taxation to be applied after successful remedial action or redevelopment of blighted property.

- (a) Real property which has had its designation as maintained in a blighted condition removed by the public officer, shall be eligible for a decrease in the rate of city ad valorem taxation by applying a factor of 0.5 to the city millage rate applied to the property, so that such property shall be taxed at a lower millage rate than the millage rate generally applied in the municipality or otherwise provided by general law; such decreased rate of taxation shall be applied beginning with the next tax bill rendered following removal of official designation of a real property as blighted. The decreased rate of taxation may be given in successive years, depending on the amount of cost expended by the person(s) chargeable with payment of ad valorem taxes on the property to satisfy its remediation or redevelopment, with every twenty-five thousand dollars (\$25,000.00) or portion thereof equaling one (1) year of tax reduction; provided, however, that no property shall be entitled to reduction in city ad valorem taxes for more than three (3) successive years.

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- (b) In order to claim entitlement for a decreased rate of taxation, the person(s) chargeable with payment of ad valorem taxes on the property shall submit a notarized affidavit to the public officer, supported by receipts or other evidence of payment, of the amount expended.

(Ord. No. 2021-09, § 1(Exh. A), 11-4-21)

Sec. 5-437. Duty of city clerk to provide notice to county tax commissioner.

- (a) It shall be the duty of the public officer to notify the DeKalb County Tax Commissioner in writing as to designation or removal of designation of a specific property as maintained in a blighted condition. Such notice shall identify the specific property by street, address and tax map, land lot and tax parcel number, as assigned by the DeKalb County Tax Assessor's Office. The public officer shall cooperate with the Tax Commissioner to assure accurate tax billing of those properties subject to increase or reduced ad valorem taxation under this article.

(Ord. No. 2021-09, § 1(Exh. A), 11-4-21)

Secs. 5-438—5-440. Reserved.