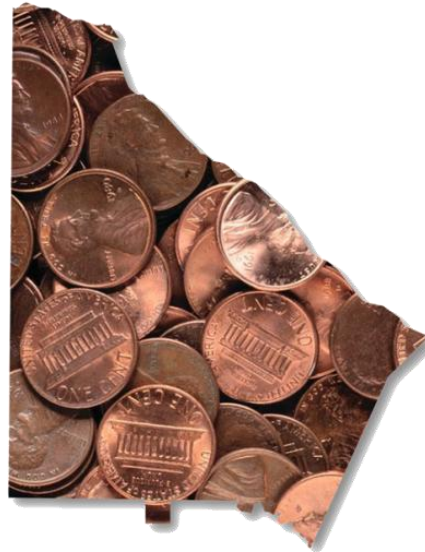




DeKalb County SPLOST and E-HOST

Presentation to DeKalb Chamber of Commerce



DEKALB COUNTY
SPLOST 2016

Luz Borrero
Deputy Chief Operating Officer for Development
March 15, 2016

Overview

- In 2015, the Legislature approved H. B. 215, enabling DeKalb County to raise funds necessary for capital projects (transportation and other infrastructure) through a Special Purpose Local Option Sales Tax (SPLOST).
- The bill also permits DeKalb County to approve an Equalized HOST that applies 100% of its proceeds to property tax relief for unincorporated, and city taxes.
 - **To be enacted both SPLOST and Equalized HOST must be approved by voter referendum; if either one is not approved, the status quo prevails**
 - **The County is preparing to hold the referendum on November 8, 2016**



Critical Milestones

- April 4th, 2016: Initiate educational program
- May 15, 2016: Complete IGAs with municipalities
- May 17, 2016: Present recommended list to the Board of Commissioners for review and discussion
- June 28th, 2016: Board of Commissioners Approval of SPLOST referendum and projects list
- July 11th, 2016: Educational Program to include approved projects lists
- November 8th, 2016: SPLOST and E-HOST referendum vote

With approval of SPLOST DeKalb County would remain competitive

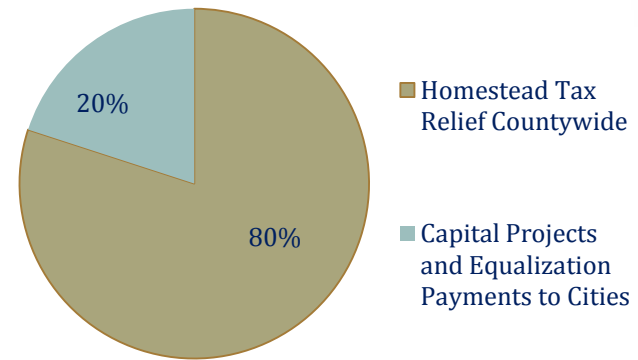
- If the SPLOST is approved, DeKalb's sales tax will be 8%, equal to Clayton County and the City of Atlanta, but higher than Cobb County, Gwinnett County, and Fulton County (excluding the City of Atlanta)
- The SPLOST is projected to generate approximately \$544 million countywide in a five-year period
- A SPLOST would enable DeKalb County to invest in infrastructure improvement projects, including, but not limited to:
 - Road resurfacing
 - Transportation Projects, including sidewalks
 - Public safety facilities and hardware
 - Parks and recreation facilities
 - Libraries



Current Homestead Option Sales Tax (HOST)

- HOST was approved by DeKalb County voters in 1997.
 - 80% for property tax relief
 - 20% for capital projects
- Rockdale County and DeKalb are the only counties with a HOST.
- Georgia counties traditionally utilized funding for capital improvements through a Special Purpose Option Sales Tax (SPLOST) and property tax relief through a Local Option Sales Tax (LOST).
- HOST generates approximately \$100 million each year depending on the level of sales, at least 80% of which must be used to subsidize county property taxes on homesteads, while no more than 20% may be dedicated to capital improvement projects in unincorporated areas and equalization payments to the cities in DeKalb County.

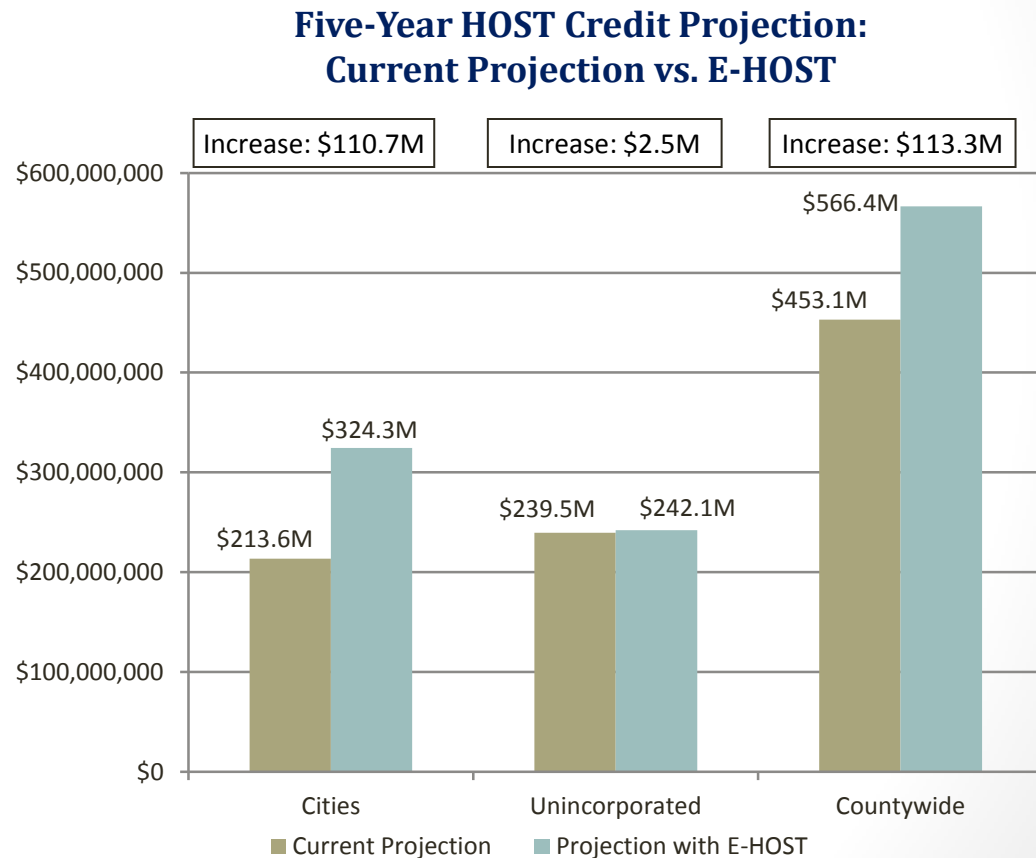
HOST Revenue Allocation



HB 215 enables voters to reform DeKalb's HOST through a referendum to allocate 100% of HOST revenue to subsidize county and city property taxes on homesteads. This new, reformed HOST is known as an Equalized Homestead Option Sales Tax, or E-HOST.

Five-year projections show the increases to homeowner tax relief with E-HOST

- If approved, E-HOST is projected to generate \$566.4 million in homestead tax credits over the next five years
- Increases to tax relief:
 - + \$113.3 million countywide
 - + \$110.7 million for cities
 - + \$2.5 million for unincorporated DeKalb
- This disparity is attributable to the equalization of HOST, which takes funding that is currently transferred to municipalities, and diverts it to property tax credits for city taxes



Forecast shows the increase to property tax relief in each district with E-HOST over five years

Projected Property Tax Relief Increase with E-HOST for 2017-2021

Tax District	Credits received with HOST	Credits received with EHOST	Net Increase
Atlanta	\$25,002,170	\$46,992,606	+ \$21,990,437
Avondale Estates	\$5,275,771	\$7,002,151	+ \$1,726,380
Brookhaven	\$56,448,660	\$80,294,415	+ \$23,845,755
Chamblee	\$11,334,149	\$15,875,762	+ \$4,541,613
Clarkston	\$736,969	\$1,001,102	+ \$264,133
Decatur	\$24,372,480	\$44,890,270	+ \$20,517,790
Doraville	\$2,339,879	\$3,327,681	+ \$987,801
Dunwoody	\$52,880,834	\$75,109,018	+ \$22,228,183
Lithonia	\$85,746	\$122,583	+ \$36,837
Pine Lake	\$399,473	\$529,195	+ \$129,722
Stone Mountain	\$856,962	\$1,339,847	+ \$482,885
Tucker	\$33,852,957	\$47,849,863	+ \$13,996,906
Unincorporated	\$239,597,375	\$242,144,789	+ \$2,547,414
<i>All Cities</i>	<i>\$213,586,051</i>	<i>\$324,334,493</i>	<i>+ \$110,748,442</i>
<i>Countywide</i>	<i>\$453,183,426</i>	<i>\$566,479,282</i>	<i>+ \$113,295,856</i>

This table compares projections for each area of how much property tax relief would be received under the current HOST law (Credits received with HOST) and projections of property tax relief if SPLOST and E-HOST are approved (Credits received with E-HOST). This is a five-year cumulative forecast.

***Note: All calculations are estimates that are highly sensitive to changes in millage rates, population, or number of parcels. The projections listed are subject to change.**

Forecast shows projected increase to tax credit for homeowners by parcel for each district in 2017 with E-HOST

Projected Net Increase to Per Parcel Tax Relief with E-HOST in 2017

Tax District	Number of parcels in 2015	Projected net increase on overall homestead tax credits in 2017	Net credit increase per parcel in 2017
Atlanta	8,051	+ \$4,502,834	+ \$559
Avondale	1,221	+ \$383,391	+ \$313
Brookhaven	9,787	+ \$4,404,707	+ \$450
Chamblee	3,597	+ \$877,311	+ \$243
Clarkston	612	+ \$70,351	+ \$114
Decatur	5,580	+ \$4,449,758	+ \$797
Doraville	1,362	+ \$195,461	+ \$143
Dunwoody	10,301	+ \$4,081,792	+ \$396
Lithonia	190	+ \$11,013	+ \$57
Pine Lake	228	+ \$36,659	+ \$160
Stone Mountain	1,011	+ \$127,593	+ \$126
Tucker	10,842	+ \$2,519,109	+ \$232
<i>Unincorporated</i>	89,715	+ \$550,510	+ \$6
<i>All Cities</i>	52,782	+ \$21,659,986	+ \$410

This table divides the estimated 2017 net increase of the potential E-HOST on homestead tax credits by the 2015 number of homesteaded parcels in each area to yield an average impact per parcel on HOST tax credits (Net credit impact per parcel in 2017). This forecast uses 2015 data for number of parcels as it is the most recent and accurate parcel data.

***Note: All calculations are estimates that are highly sensitive to changes in millage rates, population, or number of parcels. The projections listed are subject to change.**

Five-year projections show the increase in capital funding with SPLOST

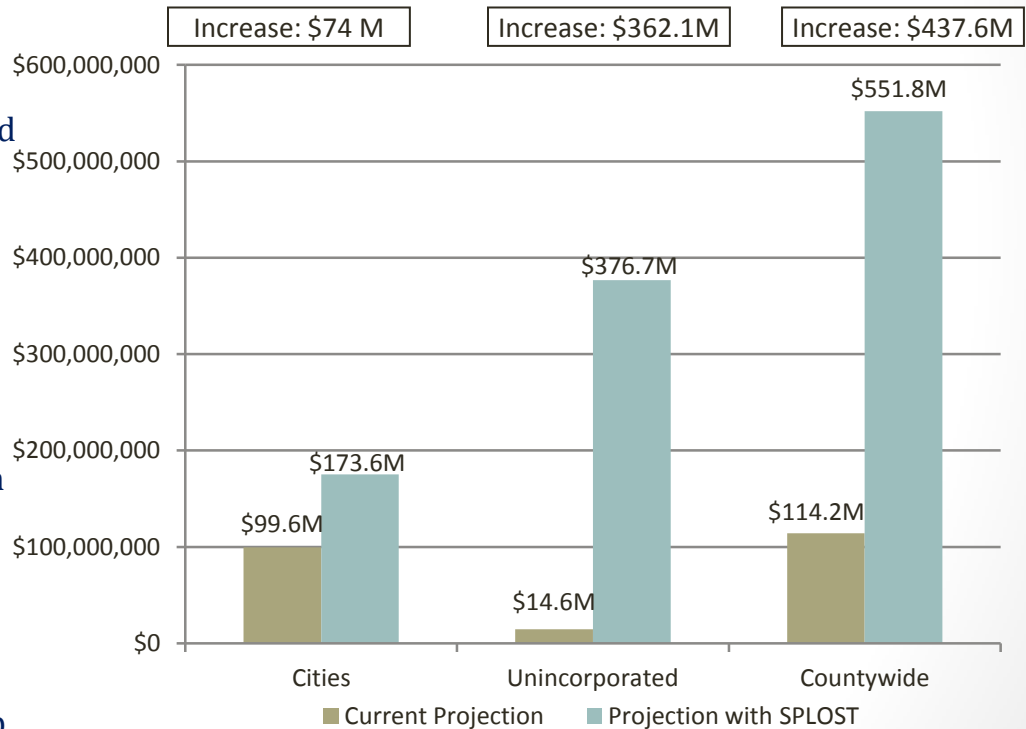
Approval of SPLOST and Equalized HOST is projected to generate approximately \$551.8 million countywide in a five-year period.

- HOST is projected to generate a total of \$114.2 million over the next five years for capital projects in unincorporated areas and transfers to cities
- DeKalb's cities are projected to receive \$173.6 million in the first five years of SPLOST, \$74 million more than current HOST projections.
- With SPLOST, unincorporated DeKalb County is projected to receive \$376.7 million in the first five years, \$362.1 million more than current HOST projections.

Current projections include:

- HOST funding currently allocated to capital projects in unincorporated areas and transfers to cities that will accrue to DeKalb County and its municipalities over the next five years through HOST if SPLOST and E-HOST are not adopted.

**Five-Year Capital Funding Projection:
Current Projection vs. SPLOST**



SPLOST forecast shows capital funding for County and municipalities over five years

Projected capital funding for DeKalb County and DeKalb municipalities for 2017-2021

Tax District	Capital funding with HOST	Capital funding with SPLOST	Net Impact
Avondale Estates	\$1,750,979	\$2,783,760	\$1,032,782
Brookhaven	\$28,042,883	\$40,951,058	\$12,908,175
Chamblee	\$5,170,239	\$20,094,488	\$14,924,250
Clarkston	\$206,990	\$10,818,061	\$10,611,071
Decatur	\$19,964,561	\$16,308,208	-\$3,656,353
Doraville	\$1,096,823	\$9,748,984	\$8,652,161
Dunwoody	\$26,270,438	\$38,492,597	\$12,222,158
Lithonia	\$22,252	\$1,600,704	\$1,578,452
Pine Lake	\$92,479	\$607,336	\$514,856
Stone Mountain	\$365,882	\$4,827,070	\$4,461,188
Tucker	\$16,616,533	\$27,457,392	\$10,840,859
Unincorporated	\$14,627,628	\$378,189,533	\$363,561,905
<i>All Cities</i>	\$99,600,058	\$173,689,658	\$74,089,600
<i>Countywide</i>	\$114,227,686	\$551,879,190	\$437,651,505

This table shows the amount of capital funding currently projected to be received from HOST and capital funding projected to be received if SPLOST and E-HOST are approved (Capital funding from SPLOST). The net impact is the difference between the two projected funding amounts. This is a five-year cumulative forecast. ***Note: All calculations are estimates that are highly sensitive to changes in millage rates, population, or number of parcels. The projections listed are subject to change.**

The Public Input Process is underway with countywide Survey and Citizen Advisory Committee meetings to develop project lists

Survey and Analysis conducted by Georgia State University Research Team

- Data collection completed. Results will be delivered by March 21st
- Over 1,000 participants providing statistically valid sample of county-wide residents

CAC formed with appointees from each district

- Supported by a consulting team from Sycamore Consulting, Kimley Horn, and Rosser
- ALL meetings are open to the public
- Meeting minutes and presentations are available on website after meetings take place

SPLOST Citizens' Advisory Committee Members

Markus Butts, Interim CEO
 David Sjoquist, Interim CEO
 Robert Miller, District 1
 Gordon Kenna, District 2
 Alice Bussey, District 3
 Terry Brantley, District 4
 Willie Lewis, District 5
 John Keys, District 6
 Bruce McMillan, District 7

SPLOST Citizen Advisory Committee Schedule	
Date	Meeting Topic
January 27 th	Orientation
February 17 th	Projects Overview
February 24 th	Roads and Drainage Project List
March 2 nd	Transportation Project List
March 9 th	Library Services Project List
March 16 th	Recreation, Parks, and Cultural Affairs Project List
March 23 rd	Police and Fire Services Project Lists
March 30 th	IT and Facilities Project Lists
April 16 th	Open Session
April 20 th	Draft Recommended Project List
April 27 th	Finalize Recommended Project List

County Departments' Unrestricted Project Lists reviewed by Citizen Advisory Committee

Departments specified capital funding needs in unrestricted project lists informed by County plans

Citizen Advisory Committee developed proposed criteria for project's evaluation

- Opportunity for Funding Partnerships
- Benefits Historically Underserved Areas
- Improves Quality of Life or impacts safety/welfare
- Included in an Approved County Plan
- Highly Impactful/Moves the Needle
- Creates Return on Investment or Economic Opportunity
- Implementable within 5 Years

Proposed Projects and Estimated Costs*

Department	Number of Projects	Total Amount	Percent of Total Cost	Maximum Project Cost	Minimum Project Cost	Average Cost Per Project
Fire & Rescue	4	\$90,590,000	13.25%	\$38,740,000	\$1,250,000	\$22,647,500
Libraries	19	\$65,375,000	9.56%	\$12,500,000	\$225,000	\$3,440,789
Recreation, Parks, & Cultural Affairs	10	\$74,000,000	10.83%	\$21,500,000	\$1,000,000	\$7,400,000
Police Services	12	\$57,800,000	8.46%	\$25,000,000	\$1,000,000	\$4,816,667
Transportation	43	\$88,380,000	12.93%	\$8,000,000	\$200,000	\$2,055,349
Innovation & Technology	10	\$27,550,000	4.03%	\$18,000,000	\$250,000	\$2,755,000
County Facilities	31	\$104,704,484	15.32%	\$70,000,000	\$12,000	\$3,377,564
Roads & Drainage	1,499	\$175,125,500	25.62%	\$1,513,000	\$8,500	\$116,828
TOTAL	1,628	\$683,524,984	100%			

*updated 3/9/16

Roads and Drainage presented its project list to the SPLOST Citizen Advisory Committee on Feb 24, 2016

- Total # of Projects considered: 1,499
- Total Investment to Implement all Projects: \$175,125,500
- Priority Projects: Address the existing backlog

Project Type	Investment
County-wide Roads Resurfacing - 417 miles backlog	\$175,125,500

** Prioritization Method: All streets in DeKalb County are rated using an objective methodology. Streets in the worst condition that pose the greatest risk to resident safety and property are resurfaced first. All streets are rated according to a scale from 0 to 60, with 60 being the worst. All roads on the backlog are rated 30 and above.*

Libraries project list was discussed on March 9, 2016 and provided opportunities for partnerships



- Total # of Projects Considered: 19
- Total Investment to Implement all Projects: \$73,375,000
- Top priority projects:

Project Type	Investment	County Plans
System-Wide Investment in Books and Materials	\$7,500,000	Library Strategic Plan
Integrated Library System (ILS) & Radio Frequency Identification (RFID) Conversion Project	\$1,200,000	Library Technology Plan
Decatur Library and Parking Deck Renovation	\$22,500,000	Library Facilities Master Plan
Total of Priority Projects	\$31,200,000	

** Prioritization Method: These three projects are all included in planning documents used by Library Administration and the Board of Trustees. Each project touches a different service area and will positively impact patrons on a county-wide basis.*



Education Program aims to share information about SPLOST and E-HOST with stakeholders

Website: www.DeKalbSPLOST.com

- Provides Citizen Advisory Committee meeting dates and past meeting materials
- A vehicle for input from residents and businesses via email: splostcomments@dekalbcountyga.gov
- Answers to frequently asked questions about SPLOST and E-HOST
- Financial projections for property tax relief and capital funding
- Links to Department project lists and an interactive web map with all projects
- Access to County Plans including the Comprehensive Transportation Plan, the Economic Development Strategic Plan and LCIs

Education materials and other efforts:

- Brochure with information about SPLOST and E-HOST is under production
- Information sessions with stakeholders and organizational partners
- Education to County employees
- Coordination with cities

SPLOST
Special Purpose Local Option Sales Tax

DeKalb County
SPLOST 2016

I WANT TO:

Quick Links:
BOARD OF COMMISSIONERS
BOC AGENDA
DOTV
ECONOMIC DEVELOPMENT
EMERGENCY AFTER HRS SERVICE NUMBERS
FIRE RESCUE
JOB OPPORTUNITIES
OFFICE OF SENIOR AFFAIRS
ONLINE PAYMENTS
PLANNING & SUSTAINABILITY
POLICE DEPARTMENT
PORTER SANFORD ARTS CENTER
PROPERTY APPRAISAL DEPARTMENT
PURCHASING & CONTRACTING
RECREATION, PARKS & CULTURAL AFFAIRS
TAX COMMISSIONER

DeKalb County - SPLOST

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HB 215
SPLOST FAQs
HOST & E-HOST FAQs
Forecast of SPLOST and E-HOST Proceeds
County Plans
SPLOST Project Lists
Map of Proposed Projects
Citizen Advisory Committee Members
Citizen Advisory Committee Meeting Schedule & Materials
Public Comment

DeKalb County SPLOST

DeKalb County now eligible to enact a SPLOST

During the 2015 legislative session, the Georgia General Assembly approved House Bill 215, which allows DeKalb County residents to decide through a referendum to adopt a Special Purpose Local Option Sales Tax (SPLOST) that will fund capital projects, and to reform the existing Homestead Option Sales Tax (HOST) to create an Equalized HOST (E-HOST) that would provide additional property tax relief to taxpayers. To read House Bill 215, CLICK [HERE](#)

A DeKalb County SPLOST will provide dedicated funding for capital projects

A SPLOST is a 1% sales tax. The revenue from a SPLOST is exclusively dedicated to capital improvement projects, such as transportation improvements, road resurfacing, facility improvements, sewer or expanded

Intergovernmental Agreements (IGAs) with cities are desirable to leverage funding and establish a six-year SPLOST

IGAs are not Required, but highly desirable

- DeKalb County is seeking the opportunity to create IGAs with each municipality in order to leverage mutual investment opportunities and extend the period to a six-year SPLOST.

Scope of IGAs would be Narrow

- The proposed IGAs between the County and each municipality would address:
 - **Formula established in HB 215 (funding on a per capita basis according to decennial census) provides for the distribution of SPLOST funding to all municipalities**
 - **Optional: Agree to cost-sharing approach for projects that cross county and city boundaries or that reside entirely within municipal boundaries (Libraries, Fire Stations, or Transportation projects)**

Mayors invited to two informational meetings

- October 5th, 2015
 - Initial Discussion of SPLOST and E-HOST legislation
- March 2nd, 2016
 - Agreement on formal County requests for cities' Resolutions in support of SPLOST
 - Agreement on follow-up meetings to discuss specific IGA elements

Next Steps

- Continue Projects List presentations to CAC
- City resolutions supporting SPLOST and follow up meetings to establish IGA's
- Publication and presentation of survey results and analysis to BOC and stakeholders
- Continue education program with informational meetings about SPLOST and E-HOST referendum and proposed projects

Thank You!

www.DeKalbsplost.com

