

REPORT NO. 08/09-0113

Resolution

Atlanta Board of Education

Atlanta



Georgia

June 8, 2009

A RESOLUTION AMENDING PRIOR RESOLUTIONS OF THE ATLANTA BOARD OF EDUCATION PROVIDING CONSENT FOR THE INCLUSION OF CERTAIN TAX REVENUE IN THE COMPUTATION OF THE TAX ALLOCATION INCREMENTS FOR THE CITY OF ATLANTA TAX ALLOCATION DISTRICTS NUMBER THREE - PERRY BOLTON AND NUMBER SIX - BELTLINE; AND FOR OTHER PURPOSES

WHEREAS, on or about December 9, 2002, the Atlanta Board of Education approved Report No. 02/03-0118, a Resolution providing its consent for the inclusion of Atlanta Board of Education ad valorem taxes on real property within the Perry Bolton TAD in the computation of the tax allocation increment for the Perry/Bolton TAD pursuant to the then existing Redevelopment Powers Law; and

WHEREAS, on or about December 12, 2005, the Atlanta Board of Education approved Report No. 05/06-0107, a Resolution providing its consent for the inclusion of the positive tax allocation increments derived from the educational ad valorem property tax millage rate established by the Board and levied by Fulton County in the computation of the positive tax allocation increment for Tax Allocation District Number Six – BeltLine pursuant to the then existing Redevelopment Powers Law; and

WHEREAS, on or about February 11, 2008, the Georgia Supreme Court of Georgia declared unconstitutional the use of school tax revenue in tax allocation districts in which bonds have not been validated and issued; and

WHEREAS, on or about April 3, 2009, the Georgia General Assembly passed House Bill 63 which promulgated a new Redevelopment Powers Law and provided for its retroactive application to all TADs in which a school district previously consented to participate unless the school district opted out of participation in the TAD prior to the effective date of House Bill 63; and

WHEREAS, on April 13, 2009, the Atlanta Board of Education approved Report No. 08/09-0108, a Resolution amending the effective dates of the Atlanta Public Schools' participation in the Perry Bolton and BeltLine Tax Allocation Districts (Report No. 02/03-0118 and Report No. 05/06-0107) to the date that the Redevelopment Powers Law, House Bill 63 is signed into law, unless the Atlanta Public Schools' staff negotiate a resolution to the retroactive use of Atlanta Public Schools' ad valorem tax revenues in the Perry Bolton and BeltLine TADs that is approved by the Board of Education no later than the June 2009 legislative meeting; and

WHEREAS, the parties have reached a mutual agreement on the use of the retroactive ad valorem tax revenues in the Perry Bolton and BeltLine TADs as well as other modifications to the Intergovernmental Agreements governing these TADs;

NOW, THEREFORE LET IT BE RESOLVED, by the Atlanta Board of Education and it is hereby resolved by the authority of the same that the Chairman and Vice Chairman of the Atlanta Board of Education is hereby authorized to execute and deliver Revised Intergovernmental Agreements relating to the Perry Bolton and BeltLine Tax Allocation Districts for and on behalf of the Atlanta Board of

Education, and the Secretary or Assistant Secretary of the Atlanta Board of Education is hereby authorized to attest the same and affix the seal of the Atlanta Board of Education thereto, such Revised Intergovernmental Agreements shall contain the following revisions:

Perry Bolton Tax Allocation District

1. The Atlanta Development Authority (ADA) will release all retroactive tax increment to the Atlanta Public Schools (APS) for its general purposes, which amounts to approximately \$6,000,000;
2. The period of time for the pledge of school district tax increment to secure Perry Bolton TAD bond issue will be extended to December 31, 2015, however, additional time up to December 31, 2017, may be provided contingent upon APS and Perry Bolton TAD splitting the increment accrued beginning January 1, 2011 (50% to the TAD and 50% to APS) until the first bond issuance or the window for such issuance closes on December 31, 2017;
3. The deadline for entry into an agreement with the Atlanta Housing Authority for the donation of land for a school as contemplated in this Board's Resolution, Report No. 02/03-0118, will be December 31, 2015;
4. All other terms and conditions of the Intergovernmental Agreement effective as of the 1st day of January, 2004 shall remain the same.

BeltLine Tax Allocation District

1. The Atlanta Development Authority (ADA) will release all retroactive tax increment to APS for its general purposes, which amounts to approximately \$12,000,000;
2. ADA may retain \$6,000,000 of the retroactive tax increment for use by the BeltLine TAD, for BeltLine TAD purposes, with repayment to APS by ADA as set forth in the ADA's June 4, 2009 letter and attachment;
3. APS will receive payments in lieu of taxes (PILOT) as set forth in the ADA's June 4, 2009 letter and attachment;
4. The statutory interest rate shall apply to any unpaid PILOT payment balance except the \$6,000,000 retroactive tax increment as described in number 2 above, and except as to the repayment of the deferred PILOT payments described in number 3 above;
5. The deadline for the provision of land for an athletic or recreational facility will be extended to December 31, 2009;
6. ADA may use the prospective school district increment to secure new BeltLine TAD bonds or to refund the City of Atlanta BeltLine TAD bonds, Series 2008.
7. All other terms and conditions of the Intergovernmental Agreement effective December 31, 2005 shall remain the same.

FURTHER RESOLVED THAT, all agreements between the parties and all revisions to Perry Bolton and BeltLine Intergovernmental Agreements are subject to the outcome of pending litigation regarding the use of APS school tax increment for tax allocation districts.

IN WITNESS WHEREOF, the Atlanta Board of Education has duly adopted this Resolution and has caused its duly authorized officials to execute and deliver this Resolution on this 8th day of June, 2009.

LaChandra Butler Burks, Chair
Atlanta Board of Education