

MEMORANDUM

To: Mayor and City Council

From: Michael Smith, Public Works Director

Date: July 11, 2016

Subject: **Discussion of Special Purpose Local Option Sales Tax (SPLOST) Projects (Michael Smith)**

BACKGROUND

As discussed at the May 9th meeting of the city council, DeKalb County is proposing a 1% Special Purpose Local Option Sales Tax (SPLOST) to be used for capital projects. The enabling state law (HB 215) stipulates that the revenue generated by the SPLOST would be distributed between the county and cities proportionally based on population and that the tax would be levied for five years unless all of the cities and county enter into an Intergovernmental Agreement (IGA) to extend it to six years. The projected revenue for Dunwoody is expected to be approximately \$7 million annually. This would replace the capital funding currently received through the Homestead Option Sales Tax (HOST) which would be dedicated to a 100% credit on the county's property tax millage.

DISCUSSION

The county has requested that each city consider the following action items:

1. Provide a city project list to be included in the resolution to be presented to the Board of Commissioners on July 19th.

Staff recommends allocating 100% of Dunwoody's SPLOST proceeds to transportation projects. These projects would include but not be limited to paving, intersection improvements, sidewalk and pedestrian improvements and multi-use paths identified in existing city work plans.

2. Indicate which population estimates should be used for allocation of the revenue between cities and the county.

Two population estimates and corresponding revenue projections have been forth for consideration by the cities and county as shown in the attachment titled "SPLOST Funding to Municipalities". The table on the left in the document is based on Atlanta Regional Commission's population estimates for 2015 while the table on the right is based on the 2010 census. The state law states that the tax shall be divided based on the most recent decennial census unless altered by an intergovernmental agreement between the county and all the cities. Supporting the 2010 census numbers would increase the revenue projection for Dunwoody by \$250,000 but would not preclude another city from entering into an IGA with the county to alter the allocation between that city and the county. Such agreements would not change Dunwoody's allocation.

3. Approve the attached IGA between the city and county that would allow the SPLOST to be levied for 6 years versus 5.



Interim Chief Executive Officer
Lee May

Board of Commissioners

District 1
Nancy Jester

District 2
Jeff Rader

District 3
Larry Johnson

District 4
Sharon Barnes Sutton

District 5
Mereda Davis Johnson

District 6
Kathie Gannon

District 7
Vacant

June 8, 2016

The Honorable Dennis Shortal
Mayor of the City of Dunwoody
City of Dunwoody
41 Perimeter Center East, Suite 250
Dunwoody, GA 30346

Re: DeKalb County Special Purpose Local Option Sales Tax (SPLOST)
and Equalized Homestead Option Sales Tax (E-HOST)

Dear Mayor Shortal:

As you know, House Bill 215 authorized DeKalb County to levy a one percent County Special Purpose Local Option Sales Tax (SPLOST) and to reform the existing Homestead Option Sales Tax (HOST) to dedicate one hundred percent of HOST proceeds to tax relief via an Equalized HOST (E-HOST).

DeKalb County has been preparing for and is considering placing on a referendum the SPLOST and E-HOST questions before its County voters on the November 8, 2016 ballot. To initiate the discussion of the SPLOST and E-HOST initiative I held two meetings with Mayor's and County Managers on October 5th, 2015 and March 2nd, 2016.

House Bill 215 is not absolutely clear on whether another meeting is required since SPLOST proceeds in DeKalb County will be distributed by the Georgia Department of Revenue on a strict per capita basis, instead of the distribution formula used by other Counties. However, the County Attorney has advised the County's Governing Authority to schedule a meeting in accordance with the requirements of O.C.G.A. § 48-8-110 et seq.

In accordance with this requirement, the DeKalb County Governing Authority has scheduled a meeting and invites the governing authorities of all municipalities located within DeKalb County (excluding the City of Atlanta) to attend. The meeting will be conducted on Tuesday, June 21, 2016 at 2:00 p.m. in the Manuel Maloof Center Auditorium located at 1300 Commerce Drive, Decatur, Georgia. The purpose of the meeting will be to provide the governing authorities of the County and each qualified municipality the opportunity to discuss the implementation of the SPLOST and E-HOST and possible projects, including those planned by the County and the Municipalities for inclusion in the proposed SPLOST referendum.

While the County understands that the qualified municipalities have not agreed to enter into an Intergovernmental Agreement with the County regarding this SPLOST, a draft agreement is attached to this letter as Exhibit I for your review.

Finally, the County has been advised that each City's projects should be included in the Resolution adopted by the Governing Authority calling for the question to be placed on the ballot to avoid potential legal challenges. As the County intends to place these SPLOST and E-HOST questions on the November 8th, 2016 ballot, the Governing Authority aspires to approve the Resolution at its June 28th, 2016 Commission meeting. To that end, I have also attached the draft resolution as Exhibit 2 for your review.

Exhibit 1 and 2 are drafts and not final versions of the various documents. I am reviewing the Exhibits as are members of the County's Board of Commissioners. I anticipate revisions and creation of final documents after the issues are discussed and resolved by the Cities and the County.

This meeting is being advertised in compliance with open meetings laws, and I recommend that each City consults with your own legal counsel to determine if you need to advertise as well.

I greatly appreciate your consideration of this request. Please let us know of your intent to attend by sending an e-mail to VMilligan@dekalbcountyga.gov. I look forward to your participation in this meeting. If you have any questions or comments, please do not hesitate to contact me.

Sincerely,



Lee May, Interim CEO

cc: Members, Board of Commissioners
Members, City Council
Zachary Williams, Executive Assistant and COO
O.V. Brantley, County Attorney
City Attorneys
Luz Borrero, Deputy COO for Development
Antwyn Brown, Chief of Staff to the Board of Commissioners

Attachments:

Exhibit 1, Draft Intergovernmental Agreement
Exhibit 2, Draft Resolution

July 8, 2016

INTERGOVERNMENTAL AGREEMENT FOR THE USE AND DISTRIBUTION OF PROCEEDS FROM THE ONE PERCENT SPECIAL PURPOSE LOCAL OPTION SALES TAX

THIS AGREEMENT is made and entered this the ____ day of _____, 2016 by and between DeKalb County, a political subdivision of the State of Georgia (hereinafter the “County”), and the City of Avondale Estates, the City of Brookhaven, the City of Chamblee, the City of Clarkston, the City of Decatur, the City of Doraville, the City of Dunwoody, the City of Lithonia, the City of Pine Lake, the City of Stone Mountain, and the City of Tucker, municipal corporations of the State of Georgia (hereinafter collectively the “Municipalities” and, individually, as the context requires, “Municipality”). This Agreement does not include the portion of the City of Atlanta located in DeKalb County, which is specifically excluded from the levy and receipt of SPLOST proceeds at this time pursuant to O.C.G.A. § 48-8-109.5(f).

WITNESSETH:

WHEREAS, the parties to this Agreement consist of the County and the Municipalities wholly located in DeKalb County as required by O.C.G.A. § 48-8-109.5(e); and

WHEREAS, the parties anticipate that the DeKalb County Governing Authority will approve and sign a resolution requesting the DeKalb County Board of Registrations and Elections to call a Referendum on the issue of the imposition of a Special Purpose Local Option Sales Tax (the “SPLOST”) and an Equalized Homestead Option Sales Tax (the “EHOST”); and

WHEREAS, O.C.G.A. § 48-8-110 et seq. (the “Act”), authorizes the levy of a one percent County Special Purpose Local Option Sales Tax (the “SPLOST”) for the purpose of financing capital outlay projects, as that term is defined and described by the Act (“capital outlay projects” or “projects”), for the use and benefit of the County and qualified municipalities within the County; and

WHEREAS, the County and Municipalities met to discuss possible projects for inclusion in the SPLOST referendum on the 21st day of June, 2016; and

WHEREAS, the County and the Municipalities have reviewed O.C.G.A. § 48-8-109.5(e) and agreed upon a method to request the State Revenue Commissioner for the Georgia Department of Revenue (“Revenue Commissioner”) to strictly divide the SPLOST proceeds so that payments to the County and the Municipalities account for annexations and new cities created after the most recent decennial census; and

WHEREAS, the County and the Municipalities are authorized to enter into this Agreement by Georgia law, specifically including Article IX, Section III, Paragraph 1 of the Constitution of the State of Georgia and O.C.G.A. § 48-8-109.5(e).

NOW, THEREFORE, in consideration of the mutual promises and understandings made in this Agreement, and for other good and valuable consideration, the County and the Municipalities consent and agree as follows:

Section 1. Projects

- (A) All capital outlay projects, to be funded in whole or in part from County SPLOST proceeds, are listed in Exhibit A, which is attached hereto and made part of this Agreement.
- (B) The capital outlay projects, to be funded in whole or in part from the Municipalities' SPLOST proceeds, are listed in Exhibit B, which is attached hereto and made part of this Agreement.

Section 2. Representations and mutual covenants

- (A) The County makes the following representations and warranties which may be specifically relied upon by all parties as a basis for entering this Agreement:
 - (i) The County is a political subdivision duly created and organized under the Constitution of the State of Georgia; and
 - (ii) The governing authority of the County is duly authorized to execute, deliver and perform this Agreement; and
 - (iii) This Agreement is a valid, binding, and enforceable obligation of the County; and
 - (iv) The County will take all actions necessary to call an election to be held in all voting precincts in the County on the 8th day of November, 2016, for the purpose of submitting to the voters of the County for their approval, the question of whether or not a SPLOST shall be imposed on all sales and uses within the special district of DeKalb County for a period of six (6) years, commencing on the 1st day of April, 2017, to raise an estimated \$665,632,923.00 to be used for funding the projects specified in Exhibit A and Exhibit B; and
 - (v) Each County project funded by SPLOST proceeds shall be maintained as a public facility and in public ownership.
- (B) Each of the Municipalities, on its own behalf, makes the following representations and warranties, which may be specifically relied upon by all parties as a basis for entering this Agreement:
 - (i) The Municipality is a municipal corporation duly created and organized under the Laws of the State of Georgia; and
 - (ii) The governing authority of the Municipality is duly authorized to execute, deliver and perform this Agreement; and
 - (iii) This Agreement is a valid, binding, and enforceable obligation of the Municipality; and

July 8, 2016

- (iv) The Municipality is a qualified municipality as defined in O.C.G.A. § 48-8-110 (4); and
 - (v) The Municipality is located entirely within the geographic boundaries of the special tax district created in the County; and
 - (vi) Each Municipality's projects funded by SPLOST proceeds shall be maintained as public facilities and in public ownership.
- (C) It is the intention of the County and Municipalities to comply in all applicable respects with O.C.G.A. §§ 48-8-109.1 *et seq.* and 48-8-110 *et seq.* and all provisions of this Agreement shall be construed in light of the applicable provisions found in O.C.G.A. §§ 48-8-109.1 *et seq.* and 48-8-110 *et seq.*
- (D) The County and Municipalities agree to promptly proceed with the acquisition, construction, equipping, installation, and execution of the projects specified in Exhibit A and Exhibit B of this Agreement, or any other capital outlay projects as defined and authorized under O.C.G.A. §§ 48-8-109.1 *et seq.* and 48-8-110 *et seq.* that are approved for such purposes hereafter.
- (E) The County and the Municipalities agree to maintain thorough and accurate records concerning their respective receipt and expenditure of SPLOST proceeds.

Section 3. Conditions Precedent

- (A) The obligations of the County and Municipalities pursuant to this Agreement are conditioned upon the adoption of a resolution of the County calling for the imposition of the EHOST and SPLOST in accordance with the provisions of O.C.G.A. § 48-8-109.1 *et seq.* and O.C.G.A. § 48-8-110 *et seq.*
- (B) This Agreement is further conditioned upon the approval of the proposed imposition of the EHOST and SPLOST by the voters of the County in a referendum to be held in accordance with the provisions of O.C.G.A. § 48-8-109.1 *et seq.* and O.C.G.A. § 48-8-110 *et seq.*
- (C) This Agreement is further conditioned upon the collecting of the SPLOST revenues by the Revenue Commissioner and transferring same to the County and Municipalities in conformity with the requirements of O.C.G.A. § 48-8-109.1 *et seq.* and O.C.G.A. § 48-8-110 *et seq.*

Section 4. Effective Date and Term of the Tax

The SPLOST, subject to approval in an election to be held on November 8, 2016, shall continue for a period of six (6) years with collections beginning on April 1, 2017 or the date the state revenue commissioner specifies as the collection start date.

Section 5. Effective Date and Term of this Agreement

This Agreement shall commence upon the date of its execution and shall terminate upon the later of:

- (i) The official declaration by the DeKalb County Board of Registration and Elections of the failure of the election described in this Agreement;
- (ii) The expenditure by the County and all of the Municipalities of the last dollar of money collected from the Special Purpose Local Option Sales Tax after the expiration of the Special Purpose Local Option Sales Tax; or
- (iii) The completion of all projects described in Exhibit A and Exhibit B or approved for development with SPLOST proceeds hereafter.

Section 6. County SPLOST Fund; Separate Accounts; No Commingling

- (A) A special fund or account shall be created by the County and designated as the 2016 DeKalb County Special Purpose Local Option Sales Tax Fund (“SPLOST Fund”). The County shall select a local bank which shall act as a depository and custodian of the SPLOST Fund upon such terms and conditions as may be acceptable to the County.
- (B) Each Municipality shall create a special fund to be designated as the 2016 “*municipality name*” Special Purpose Local Option Sales Tax Fund. Each municipality shall select a local bank which shall act as a depository and custodian of the SPLOST proceeds received by each Municipality upon such terms and conditions as may be acceptable to the Municipality.
- (C) All SPLOST proceeds shall be maintained by the County and each Municipality in the separate accounts or funds established pursuant to this Section. SPLOST proceeds shall not be commingled with other funds of the County or Municipalities and shall be used exclusively for the purposes detailed in this Agreement. No funds other than SPLOST proceeds and accrued interest shall be placed in such funds or accounts.

Section 7. Procedure for Disbursement of SPLOST Proceeds

- (A) Pursuant to O.C.G.A. § 48-8-115, proceeds of the SPLOST shall be collected by

July 8, 2016

the Revenue Commissioner and one percent (1%) of the amount of the SPLOST proceeds collected beginning April 1, 2017 shall be paid into the general fund of the state treasury in order to defray the costs of administration.

- (B) The remaining ninety-nine percent (99%) of the amount collected from the SPLOST (the “SPLOST proceeds”) beginning April 1, 2017 shall be distributed to the County and each Municipality by the Revenue Commissioner pursuant to the percentages set forth below and the parties agree that such percentages shall remain unchanged until the expiration of this six (6) year Special Purpose Option Sales Tax:

Avondale Estates	0.50%
Brookhaven	7.71%
Chamblee	4.19%
Clarkston	1.81%
Decatur	3.26%
Doraville	1.62%
Dunwoody	7.24%
Lithonia	0.30%
Pine Lake	0.11%
Stone Mountain	0.91%
Tucker (see subsection (E) below)	4.95%
Unincorporated-DeKalb	67.40%

The above-described distribution percentages shall be set forth in a Tax Certificate of Distribution, the form of which is attached hereto as Exhibit C, to be forwarded to the Revenue Commissioner at a date and time of his/her choosing. In the event of an annexation of previously unincorporated areas of the County by a Municipality or in the event of the creation and voter approval of a new City, the County agrees to fund and develop projects within such areas in the same manner, at the same rate and subject to the same standards of priority as similar projects are funded and developed at that time in the unincorporated area of the County.

- (C) Upon receipt by the County or Municipality of SPLOST proceeds collected by the Revenue Commissioner, the County and each Municipality shall immediately deposit said proceeds in a separate fund established by each government entity in accordance with Section 6 of this Agreement. The monies in each SPLOST fund shall be held and applied to the cost of acquiring, constructing, installing, and executing, which includes project management, oversight auditing, and reporting, the County’s and the Municipalities’

respective capital outlay projects listed in Exhibit A and Exhibit B.

- (D) Should any Municipality cease to exist as a legal entity before all funds are distributed under this Agreement, that Municipality's share of the funds subsequent to dissolution shall be paid to the County as part of the County's share unless an Act of the Georgia General Assembly makes the defunct Municipality part of another successor municipality. If such an act is passed, the defunct Municipality's share shall be paid to the successor Municipality in addition to all other funds to which the successor Municipality would otherwise be entitled.
- (E) Pursuant to O.C.G.A. § 48-8-109.5(e) if the services of maintaining roads, streets, sidewalks and bicycle paths are provided by the County to any Municipality created after May 4, 2015, the County shall receive that Municipality's share of the SPLOST proceeds, unless and until such time as that Municipality takes over such services. On the date the services are performed by that Municipality, that Municipality may begin to receive SPLOST proceeds in an amount to be determined in a separate Agreement between that Municipality and the County or as allowed by applicable state law. The City of Tucker was incorporated after May 4, 2015, and currently does not maintain the roads, streets, sidewalks, and bicycle paths within its respective territorial boundaries and relies upon the County for such maintenance. As set forth in O.C.G.A. § 48-8-109.5 (e), at this time, the City of Tucker is not currently qualified to receive such distribution referenced directly above in subsection (B) and such distribution shall instead be made to DeKalb County. The City of Tucker and DeKalb County intend to negotiate in good faith a subsequent separate Agreement governing the construction of Tucker Projects with the percentage of SPLOST proceeds attributable to the City of Tucker as described directly above in subsection (B).

Section 8. Expenses

The County shall be responsible for the cost of holding the SPLOST election.

Section 9. Audits

During the term of this Agreement, the distribution and use of all SPLOST proceeds deposited in the SPLOST Fund and each Municipal SPLOST fund shall be audited in accordance with O.C.G.A. § 48-8-121 (a)(2) by the County's Auditor for the County projects and by each Municipality's auditor for the respective Municipality's projects. The County and each Municipality receiving SPLOST proceeds shall be responsible for the cost of their respective audits.

July 8, 2016

Section 10. Notices

All notices, consents, waivers, directions, requests or other instruments or communications provided for under this Agreement shall be deemed properly given when delivered personally or sent by registered or certified United States mail, postage prepaid to the following addresses. The parties agree to give each other non-binding duplicate email notice. Future changes in address shall be effective upon written notice being given by the City to the County Executive Assistant or by the County to the City Manager via certified first class U.S. mail, return receipt requested.

DeKalb County:

Chief Executive Officer
Executive Assistant
DeKalb County, Georgia
1300 Commerce Drive
Decatur, Georgia 30030

With a copy to:

County Attorney
DeKalb County, Georgia
1300 Commerce Drive
Decatur, Georgia 30030

City of Decatur:

City Manager
City of Decatur
509 N. McDonough Street
Decatur, Georgia 30030

With copy to:

City Attorney
City of Decatur
509 N. McDonough Street
Decatur, Georgia 30030

City of Pine Lake

City Administrator
City of Pine Lake
P.O. Box 1325
Pine Lake, Georgia 30072

With copy to:

City Attorney
City of Pine Lake
P. O. Box 1325
Pine Lake, Georgia 30072

City of Brookhaven

City Manager
City of Brookhaven
4362 Peachtree Road
Brookhaven, Georgia 30339

With copy to:

City Attorney
City of Brookhaven
4362 Peachtree Road
Brookhaven, Georgia 30339

City of Dunwoody

City Manager
City of Dunwoody, Georgia
41 Perimeter Center East
Suite 250
Dunwoody, Georgia 30346

With copy to:

City Attorney
City of Dunwoody, Georgia
41 Perimeter Center East
Suite 350
Dunwoody, Georgia 30346

City of Doraville

City Manager
City of Doraville, Georgia
3725 Park Avenue
Doraville, Georgia 30340

With a copy to:

City Attorney
City of Doraville, Georgia

July 8, 2016

3725 Park Avenue
Doraville, Georgia 30340

[The respective attorneys for the parties are authorized to insert correct titles and addresses for all remaining parties in this section in the final agreement to be executed by the parties.]

Section 11. Entire Agreement

This Agreement, including any attachments or exhibits, constitutes all of the understandings and agreements existing between the County and the Municipalities with respect to distribution and use of the proceeds from the Special Purpose Local Option Sales Tax. Furthermore, this Agreement supersedes all prior agreements, negotiations and communications of whatever type, whether written or oral, between the parties hereto with respect to distribution and use of said SPLOST. No representation oral or written not incorporated in this Agreement shall be binding upon the County or the Municipalities.

Section 12. Amendments

This Agreement shall not be amended or modified except by agreement in writing executed by the County and the Municipalities.

Section 13. Severability, Non-Waiver, Applicable Law, and Enforceability

If a court of competent jurisdiction renders any provision of this Agreement (or portion of a provision) to be invalid or otherwise unenforceable, that provision or portion of the provision will be severed and the remainder of this Agreement will continue in full force and effect as if the invalid provision or portion of the provision were not part of this Agreement. No action taken pursuant to this Agreement should be deemed to constitute a waiver of compliance with any representation, warranty, covenant or agreement contained in this Agreement and will not operate or be construed as a waiver of any subsequent breach, whether of a similar or dissimilar nature. This Agreement is governed by the laws of the State of Georgia without regard to conflicts of law principles thereof. Should any provision of this Agreement require judicial interpretation, it is agreed that the arbitrator or court interpreting or construing the same shall not apply a presumption that the terms hereof shall be more strictly construed against one party by reason of the rule of construction that a document is to be construed more strictly against the party who itself or through its agent prepared the same, it being agreed that the agents of all parties have participated in the preparation hereof.

Section 14. Compliance with Law

During the term of this Agreement, the County and each Municipality shall comply with all State law applicable to the use of the SPLOST proceeds, specifically including O.C.G.A. § 48-8-110, et seq.

Section 15. Dispute Resolution

Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

- (A) Claims shall be heard by a single arbitrator, unless the claim amount exceeds \$500,000, in which case the dispute shall be heard by a panel of three arbitrators. Where the claim is to be heard by single arbitrator, the arbitrator shall be selected pursuant to the list process provided for in the Commercial Arbitration Rules unless the parties to the arbitration are able to select an arbitrator independently by mutual agreement. The arbitrator shall be a lawyer with at least 10 years of active practice in commercial law and/or local government law. Where the claim is to be heard by a panel of three arbitrators, selection shall occur as follows. Within 15 days after the commencement of arbitration, the city or cities party to the arbitration shall select one person to act as arbitrator and the County shall select one person to act as an arbitrator. The two selected arbitrators shall then select a third arbitrator within ten days of their appointment. If the arbitrators selected by the parties are unable or fail to agree upon the third arbitrator, the third arbitrator shall be selected by the American Arbitration Association. This third arbitrator shall be a former judge in the State or Superior Courts of Georgia or a former federal district judge.
- (B) The arbitration shall be governed by the laws of the State of Georgia.
- (C) The standard provisions of the Commercial Rules shall apply.
- (D) Arbitrators will have the authority to allocate the costs of the arbitration process among the parties, but will only have the authority to allocate attorneys' fees if a particular law permits them to do so, specifically including O.C.G.A. § 9-15-14.
- (E) The award of the arbitrators shall be accompanied by a written opinion that includes express findings of fact and conclusions of law.

Section 16. No Consent to Breach

No consent or waiver, express or implied, by any party to this Agreement, to any breach of any covenant, condition or duty of another party shall be construed as a consent to or waiver of any future breach of the same.

Section 17. Counterparts

This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

July 8, 2016

IN WITNESS WHEREOF, the County and the Municipalities acting through their duly authorized agents have caused this Agreement to be signed, sealed and delivered for final execution by the County on the date indicated herein.

[Signatures on remaining pages]

DEKALB COUNTY, GEORGIA

(SEAL)

LEE MAY
Interim Chief Executive Officer

ATTEST:

BARBARA NORWOOD SANDERS, CCC
Clerk to the Board of Commissioners
and Chief Executive Officer

APPROVED AS TO SUBSTANCE:

**APPROVED AS TO FORM AND
LEGAL VALIDITY:**

ZACHARY WILLIAMS
Chief Operating Officer

O.V. BRANTLEY
County Attorney

July 8, 2016

CITY OF _____, GEORGIA

Attest:

_____(SEAL)

Mayor

Municipal Clerk

APPROVED AS TO SUBSTANCE:

**APPROVED AS TO FORM AND
LEGAL VALIDITY:**

City Manager

City Attorney

CITY OF _____, GEORGIA

Attest:

_____(SEAL)

Mayor

Municipal Clerk

APPROVED AS TO SUBSTANCE:

**APPROVED AS TO FORM
AND LEGAL VALIDITY:**

City Manager

City Attorney

July 8, 2016

CITY OF _____, GEORGIA

Attest:

_____(SEAL)

Mayor

Municipal Clerk

APPROVED AS TO SUBSTANCE:

**APPROVED AS TO FORM
AND LEGAL VALIDITY:**

City Manager

City Attorney

CITY OF _____, GEORGIA

Attest:

_____(SEAL)

Mayor

Municipal Clerk

APPROVED AS TO SUBSTANCE:

**APPROVED AS TO FORM
AND LEGAL VALIDITY:**

City Manager

City Attorney

July 8, 2016

CITY OF _____, GEORGIA

Attest:

_____(SEAL)

Mayor

Municipal Clerk

APPROVED AS TO SUBSTANCE:

**APPROVED AS TO FORM
AND LEGAL VALIDITY:**

City Manager

City Attorney

CITY OF _____, GEORGIA

Attest:

_____(SEAL)

Mayor

Municipal Clerk

APPROVED AS TO SUBSTANCE:

**APPROVED AS TO FORM
AND LEGAL VALIDITY:**

City Manager

City Attorney

July 8, 2016

CITY OF _____, GEORGIA

Attest:

_____(SEAL)

Mayor

Municipal Clerk

APPROVED AS TO SUBSTANCE:

**APPROVED AS TO FORM
AND LEGAL VALIDITY:**

City Manager

City Attorney

CITY OF _____, GEORGIA

Attest:

_____(SEAL)

Mayor

Municipal Clerk

APPROVED AS TO SUBSTANCE:

**APPROVED AS TO FORM
AND LEGAL VALIDITY:**

City Manager

City Attorney

July 8, 2016

CITY OF _____, GEORGIA

Attest:

_____(SEAL)

Mayor

Municipal Clerk

APPROVED AS TO SUBSTANCE:

**APPROVED AS TO FORM
AND LEGAL VALIDITY:**

City Manager

City Attorney

CITY OF _____, GEORGIA

Attest:

_____(SEAL)

Mayor

Municipal Clerk

APPROVED AS TO SUBSTANCE:

**APPROVED AS TO FORM
AND LEGAL VALIDITY:**

City Manager

City Attorney

CITY OF _____, GEORGIA

Attest:

_____ (SEAL)

Mayor

Municipal Clerk

APPROVED AS TO SUBSTANCE:

**APPROVED AS TO FORM
AND LEGAL VALIDITY:**

City Manager

City Attorney

#16.

EXHIBIT "A"

EXHIBIT "B"

EXHIBIT "C"

**SPECIAL PURPOSE LOCAL OPTION SALES AND USE TAX
CERTIFICATE OF DISTRIBUTION
UNDER EQUALIZED HOMESTEAD OPTION SALES TAX**

TO: State Revenue Commissioner

Pursuant to O.C.G.A. § 48-8-109.5(e) of Part 2 of Article 2A of Chapter 8 Of Title 48 of the Official Code of Georgia Annotated, the "Equalized Homestead Option Sales Tax Act of 2015", relating to the distribution of proceeds of the tax under Part 1 of Article 3 of said chapter, the County Special Purpose Local Option Sales & Use Tax, the governing authorities for DeKalb County and all municipalities located within the special district coterminous with the boundaries of DeKalb County, except that portion of the City of Atlanta in DeKalb County, hereby certify that the proceeds of the combination county/city special purpose local option sales and use tax generated in such district shall be strictly divided in the following percentage amounts as determined by the attached intergovernmental agreement between the parties named below. Such proceeds shall be distributed by the State Revenue Commissioner as follows:

City of Avondale Estates, Georgia shall receive _____ %

City of Brookhaven, Georgia shall receive _____ %

City of Chamblee, Georgia shall receive _____ %

City of Clarkston, Georgia shall receive _____ %

City of Decatur, Georgia shall receive _____ %

City of Doraville, Georgia shall receive _____ %

City of Dunwoody, Georgia shall receive _____ %

City of Lithonia, Georgia shall receive _____ %

City of Pine Lake, Georgia shall receive _____ %

City of Stone Mountain, Georgia shall receive _____ %

County of DeKalb, Georgia shall receive _____ %
on behalf of the City of Tucker for SPLOST projects within the City

County of DeKalb, Georgia shall receive _____ %

This certificate shall continue in effect until _____.

By executing this schedule the county and municipalities, acting through their respective governing officers, represent that all municipalities lying wholly in the tax jurisdiction are either municipalities incorporated prior to May 4, 2015, or, are municipalities incorporated after May 4, 2015 which maintain the roads, streets, sidewalks, and bicycle paths within their respective territorial boundaries as provided in

O.C.G.A. § 48-8-109.5 (e), and thus are qualified to receive distribution from the proceeds of the tax, except for the City of Tucker. The City of Tucker was incorporated after May 4, 2015, and currently does not maintain the roads, streets, sidewalks, and bicycle paths within its respective territorial boundaries and relies upon the county governing authority for such maintenance. As set forth in O.C.G.A. § 48-8-109.5 (e), at this time, the City of Tucker is not currently qualified to receive such distribution and such distribution shall instead be made to DeKalb County. As required by O.C.G.A. § 48-8-109.5(f), this certificate specifically excludes that portion of the City of Atlanta located in DeKalb County.

Executed on behalf of the governing authorities of the county and municipalities located wholly within the special district of DeKalb County, this _____ day of _____ 20 ____.

MAYOR OF THE CITY OF

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MAYOR OF THE CITY OF

MAYOR OF THE CITY OF

CHIEF EXECUTIVE OFFICER
DeKalb County, Georgia

**STATE OF GEORGIA
CITY OF DUNWOODY**

RESOLUTION 2016-XX-XX

A RESOLUTION OF THE CITY OF DUNWOODY, GEORGIA MAYOR AND CITY COUNCIL, TO ACQUIESCE TO DEKALB COUNTY SUSPENDING THE CURRENT HOMESTEAD OPTION SALES AND USE TAX AND LEVY AN EQUALIZED HOMESTEAD OPTION SALES AND USE TAX; TO AGREE WITH DEKALB COUNTY TO IMPOSE A ONE PERCENT SPECIAL PURPOSE LOCAL OPTION SALES AND USE TAX; SPECIFY THE PURPOSES FOR WHICH THE PROCEEDS OF SUCH TAXES ARE TO BE USED; AGREE TO HAVE DEKALB COUNTY REQUEST THE ELECTION SUPERINTENDENT TO CALL AN ELECTION OF THE VOTERS OF DEKALB COUNTY TO APPROVE THE IMPOSITION OF SUCH SALES AND USE TAXES; APPROVE THE FORM OF BALLOT TO BE USED IN SAID ELECTIONS; AND FOR OTHER PURPOSES.

WHEREAS, Part 2 of Article 2A of Chapter 8 of Title 48 of the Official Code of Georgia Annotated allows suspension of the homestead option sales and use tax authorized by O.C.G.A. § 48-8-102 (the "HOST") and replacement of such tax with the imposition of an equalized homestead option sales and use tax (the "EHOST") for the purpose of reducing the ad valorem property tax millage rates levied by DeKalb County and DeKalb municipalities on homestead properties; and

WHEREAS, Part 1 of Article 3 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated authorizes the imposition of a county one percent sales and use tax (the "SPLOST") for the purpose, inter alia, of financing certain county and municipal capital outlay projects which include those set forth herein; and

WHEREAS, pursuant to O.C.G.A. § 48-8-109.2 the referendum election to determine whether to impose an EHOST must be held in conjunction with the referendum election to approve a SPLOST and unless both sales and use taxes are approved, neither shall become effective and HOST will continue without interruption; and

WHEREAS, the Mayor and City Council of the City of Dunwoody, Georgia (the "City") has determined that it is in the best interest of the citizens of the City, Georgia to suspend HOST and impose an EHOST to apply 100% of the proceeds collected from the tax to reduce ad valorem property tax millage rates and that it is further in the best interest of the City to impose a one percent SPLOST in a special district within the County to raise funds for the purpose of funding certain Municipal capital outlay projects, described in Exhibit A, attached hereto (the "Projects"); and

WHEREAS, the City has entered into an intergovernmental agreement with DeKalb County and other DeKalb Municipalities for the purpose of delineating the method of distribution of the proceeds of the SPLOST and the delineation of the Projects that will be funded as a result; and

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Dunwoody, Georgia, as follows:

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A. Assuming the questions of imposing a County EHOST and SPLOST are approved by the voters of the special district in the election hereinafter referred to, the Mayor and City Council hereby Resolve to authorize the imposition of a one percent (1%) equalized homestead option sales and use tax levied for the purposes allowed by state law and as specified in O.C.G.A. §48-8-109.1 *et seq.*

B. Assuming the questions of imposing a County EHOST and SPLOST are approved by the voters of the special district in the election hereinafter referred to, the Mayor and City Council hereby Resolve that the SPLOST shall be imposed for the term, purposes and costs as follows:

1. In order to finance the cost of the Projects, a SPLOST in the amount of one percent (1%) on all sales and uses in the City is to be levied and collected within the City as provided in Part 1 of Article 3 of Chapter 8 of Title 48 of the Official Code of Georgia.
2. Proceeds of such tax are to be used to fund the cost of the Projects. The Projects consist of those attached hereto as Exhibit A, along with the cost estimate of said Projects.
3. Proceeds of the SPLOST shall be distributed according to the provisions of O.C.G.A. § 48-8-109.5(e) and (f). Because of annexations and new cities coming into existence after any decennial census, the County and the Municipalities have agreed on an Intergovernmental Agreement to account for changes in population between each decennial census. The City agrees to the imposition of the SPLOST period of no less than five (5) and no more than six (6) years.

C. General Obligation Debt.

1. The City is hereby authorized to issue general obligation debt (the "Debt"), for the City Projects secured by the proceeds of the SPLOST, in a maximum aggregate principal amount of \$_____. The Proceeds of the Debt, if issued, shall be used to pay a portion of the costs of the Projects, and the costs of issuing the Debt. The Debt shall bear interest from the date of issuance of the Debt or from such other date as may be designated by the City prior to the issuance of the Debt, at a rate(s) to be determined in a supplemental resolution to be adopted by the City prior to the issuance of the debt, which rate shall not exceed ___% per annum. The amount of principal to be paid in each year during the life of the Debt shall be as follows:

<u>Year</u>	<u>Amount</u>
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- 2. The proceeds of the Debt shall be deposited by the City in separate funds or accounts. The SPLOST proceeds received in any year pursuant to the imposition of such tax, shall first be used for paying debt service requirements on the Debt for any such year before such proceeds are applied to any of the Projects authorized above. Proceeds of the SPLOST not required to be deposited in the separate fund in any year for the payment of principal and interest on the Debt coming due in the current year shall be deposited in a separate fund to be maintained by the City and applied towards funding the City Projects to the extent such projects have not been funded with debt proceeds.
- 3. Any brochures, listings, or other advertisements issued by the City or by any other person, firm, corporation or association with the knowledge and consent of the Mayor and City Council, shall be deemed to be a statement of intention of the City concerning the use of the proceeds of the Debt, and such statement of intention shall be binding upon the Mayor and City Council in the expenditure of such Debt or interest received from such Debt to the extent provided in Section 36-82-1 of the Official Code of Georgia Annotated.

D. Call for the Election; Ballot Form; Notice.

- 1. The City Council hereby authorizes on its behalf for DeKalb County to request the Board of Elections to call an election in all voting precincts in the County on the 8th day of November, 2016, for the purpose of submitting to the qualified voters of the County the questions set forth in paragraphs 2 and 3 below.
- 2. The ballots to be used in the EHOST and SPLOST referendum election will be written or printed thereon substantially the following:

NOTICE TO ELECTORS: Unless **BOTH** the equalized homestead option sales and use tax (EHOST) **AND** the special purpose local option sales and use tax (SPLOST) are approved, then neither sales and use tax shall become effective.

<input type="checkbox"/> YES	Shall an equalized homestead option sales and use tax be levied and the regular homestead option sales and use tax be suspended within the special district within DeKalb County for the purposes of reducing the ad valorem property tax millage rates levied by the County and municipal governments on homestead properties?
<input type="checkbox"/> NO	

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<input type="checkbox"/> YES	Shall a special 1 percent sales and use tax be imposed in the special district of DeKalb County for a period of time not to exceed six (6) years and for the raising of an estimated amount of [<i>\$661,000,000.00 for five years or \$793,000,000.00 for six years</i>] for the purpose of funding capital improvement projects related to [<i>All City and County projects to be included herein</i>]
<input type="checkbox"/> NO	

If imposition of the taxes are approved by more than one-half of the voters, such vote shall also constitute approval of the issuance of general obligation debt of the City of Dunwoody in the principal amount of \$_____ for the above Projects, to pay capitalized interest incident thereto, and to pay expenses incident to accomplishing the foregoing.

- E. The City Clerk is hereby authorized and directed to deliver a copy of the resolution to DeKalb County, along with the listing of the Projects and all other documentation necessary for effectuation of the Election Call.
- F. The proper officers and agents of the City are hereby authorized to take any and all further actions as may be required in connection with the imposition of the EHOST and SPLOST.

SO RESOLVED AND EFFECTIVE, This ____ day of _____, 2016.

Approved By:

Dennis L. Shortal, Mayor

ATTEST:

Sharon Lowery, City Clerk

Seal