



Fulton County Board of Commissioners
Agenda Item Summary

17-0521

BOC Meeting Date
6/21/2017

Requesting Agency
Economic Development

Commission Districts Affected
All Districts

Requested Action *(Identify appropriate Action or Motion, purpose, cost, timeframe, etc.)*
Presentation of Strategic initiatives and update on the 2016 GASB 77 compliance.

Requirement for Board Action *(Cite specific Board policy, statute or code requirement)*
No requirement for the BOC.

Is this Item related to a Strategic Priority Area? *(If yes, note strategic priority area below)*
Yes All People have economic opportunities

Is this a purchasing item?
No

Summary & Background	<i>(First sentence includes Agency recommendation. Provide an executive summary of the action that gives an overview of the relevant details for the item.)</i>
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Scope of Work: Select Fulton, the economic development arm of Fulton County will give a presentation to the Board of Commissioners on its strategic initiatives and update on the 2016 GASB 77 compliance.

Contract & Compliance Information	<i>(Provide Contractor and Subcontractor details.)</i>
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Agency Director Approval		County Manager's Approval
Typed Name and Title	Phone	
Signature	Date	

Revised 03/12/09 (Previous versions are obsolete)

Agency Director Approval		County Manager's Approval
Typed Name and Title	Phone	
Signature	Date	

Revised 03/12/09 (Previous versions are obsolete)

Solicitation Information	NON-MFBE	MBE	FBE	TOTAL
No. Bid Notices Sent:				
No. Bids Received:				
Total Contract Value	.			
Total M/FBE Values	.			
Total Prime Value	.			
Fiscal Impact / Funding Source	(Include projected cost, approved budget amount and account number, source of funds, and any future funding requirements.)			
.				
Exhibits Attached	(Provide copies of originals, number exhibits consecutively, and label all exhibits in the upper right corner.)			
Source of Additional Information	(Type Name, Title, Agency and Phone)			

Agency Director Approval		County Manager's Approval
Typed Name and Title	Phone	
Signature	Date	

Procurement**Contract Attached:**

.

Previous Contracts:

.

Solicitation Number:

.

Submitting Agency:

.

Staff Contact:

.

Contact Phone:

.

Description:.**FINANCIAL SUMMARY****Total Contract Value:**

Original Approved Amount: .

Previous Adjustments: .

This Request: .

TOTAL: .

MBE/FBE Participation:

Amount: . %: .

Amount: . %: .

Amount: . %: .

Amount: . %: .

Grant Information Summary:

Amount Requested: .

Match Required: .

Start Date: .

End Date: .

Match Account \$: .

☐

Cash

☐

In-Kind

☐

Approval to Award

☐

Apply & Accept

Funding Line 1:

.

Funding Line 2:

.

Funding Line 3:

.

Funding Line 4:

.

KEY CONTRACT TERMS**Start Date:**

.

End Date:

.

Cost Adjustment:

.

Renewal/Extension Terms:

.

ROUTING & APPROVALS

(Do not edit below this line)

X	Originating Department:	Kirkland, Sabrina	Date: 6/13/2017
.	County Attorney:	.	Date: .
.	Purchasing/Contract Compliance:	.	Date: .
.	Finance/Budget Analyst/Grants Admin:	.	Date: .
.	Grants Management:	.	Date: .
X	County Manager:	Anderson, Dick	Date: 6/14/2017



ALVIN "AL" P. NASH

CEO,
Select Fulton



DISCUSSION TOPICS



Select Fulton Update



GASB 77 Overview



Economic Impact Highlights



Future State of Select Fulton



WE ARE SELECT FULTON



Priority Strategic Objectives

- The number and size of businesses in the county is growing
- The perception of the business climate is improving
- Most people are working, and they are earning more
- The workforce skills of residents are increasing

FY 2017 Outlook

Steps to achieve priority objectives include:

- Attracting a diversity of jobs
- Capitalizing on strategic alliances
- Focusing on workforce development

3



Select Fulton Update



17-0521

FULTON LEADS TOP COUNTIES (2016)



FULTON COUNTY IS HOME TO THE **LARGEST CONCENTRATION** OF **OFFICE, INDUSTRIAL AND RETAIL** REAL ESTATE IN **GEORGIA**

Business

9 HQ's

3rd Largest
Concentration
in U.S. by County

FORTUNE
500
2016

OFFICE



151M
Sq Ft

INDUSTRIAL



145M
Sq Ft

RETAIL



72M
Sq Ft

Community

2016 PROPERTY VALUES

\$50B

1. Fulton County

\$27B

2. Gwinnett County

\$27B

3. Cobb County

Fulton County Workers

1/3

JOBS



ATL
MSA

1/2

WAGES

4



Select Fulton Update

FY 2016 HIGHLIGHTS

► Project Spotlights



South
Fulton

- Investment:
\$20M
- Jobs created:
500

Honeywell

Atlanta

- Investment:
\$19M
- Jobs created:
800



Atlanta

- Investment:
\$400M
- Jobs created:
1,250



Atlanta

- Investment:
\$214M
- Jobs created:
100

Sysco™

South
Fulton

- Investment:
\$56M
- Jobs created:
100

► Strategic Partnerships

- Engagement with EY
- Workforce Development

► New Programs

- E-commerce Freeport
Tax Exemption



5



Select Fulton Update

17-0521

EXECUTIVE SUMMARY



In April 2015, the Governmental Accounting Standards Board issued Statement 77, which requires all governments to disclose the tax revenue forgone associated with tax abatement agreements

In June 2016, DAFC engaged EY to assist with GASB 77 compliance and economic impact of DAFC projects

DAFC & EY worked in collaboration with the County Manager's office, Chief Strategist Office, Finance Department, Assessor's Office, and other impacted stakeholders

DAFC led a significant coordination effort with municipalities and CIDs to ensure streamlined and uniform reporting across the County



EXECUTIVE SUMMARY



Results For 56 Active Incentive Projects Show Overall Growth In The Tax Base For Fiscal Year 2016

30,165 jobs

- New And Retained Jobs Committed

\$5.1 billion

- Planned Capital Investment (Last 10 Years)

\$5.2M

- In New Property Tax Revenues After All Abatements

\$2.7M

- Net Public Sector Benefit



GASB 77 – TAX ABATEMENT DISCLOSURES

- ▶ The Governmental Accounting Standards Board (GASB) issued Statement 77, which requires disclosures about a government's tax abatement agreements
- ▶ What is a "Tax Abatement"?

Programs Impacted In Fulton County

Taxable Bond Deals	Enterprise Zones	Rehabilitated Historic Properties	Tax Allocation Districts (in limited instances)
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- ▶ Why do we do Tax Abatements?



GASB 77 — A Proactive Response

DAFC: Community Leader and First Responder



► GASB 77 Milestones



- Economic Impact Report
- Overview of Positive Impact

9



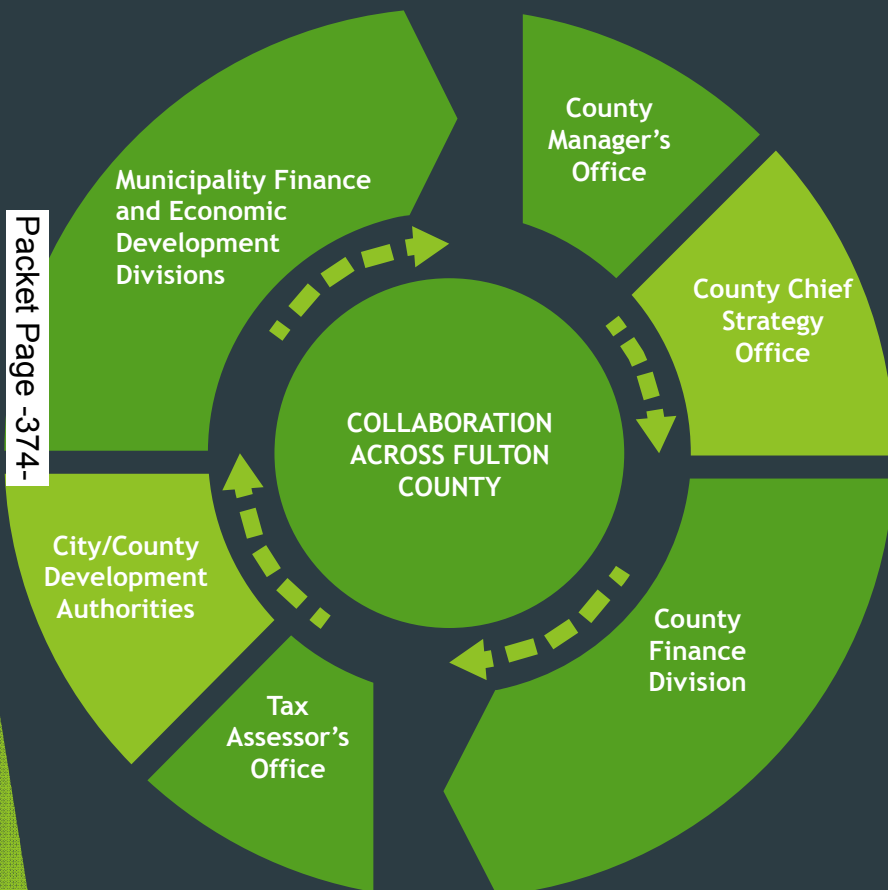
GASB 77 Overview



17-0521



COLLABORATION ACROSS FULTON COUNTY



Touchpoints / Work Sessions

Municipalities / CIDs:	> 15
County Manager's Office:	> 2
County Finance Dept.:	> 3
Tax Assessor's Office:	> 4
Development Authority of Fulton County:	> 10

10



GASB 77 Overview



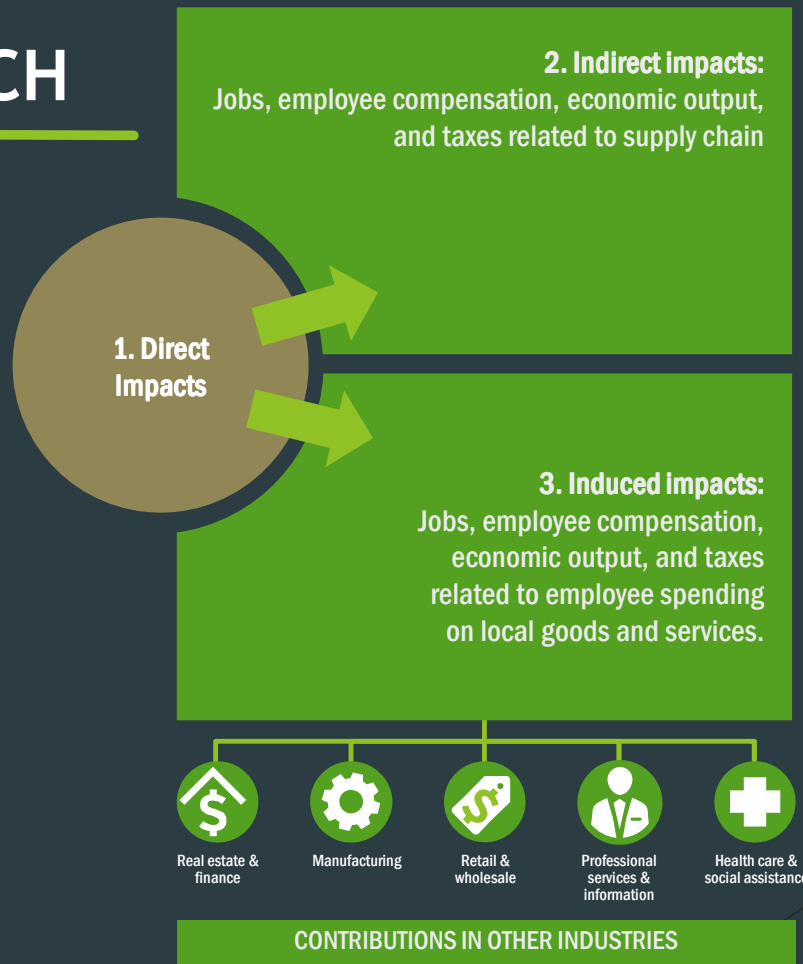
ECONOMIC APPROACH

Results are for projects *actively* receiving a property tax abatement in 2016

These projects invested in Fulton County within the past 10 years

Total contributions consist of:

- Direct impacts - stem from projects
- Indirect impacts - suppliers
- Induced impacts - consumption related



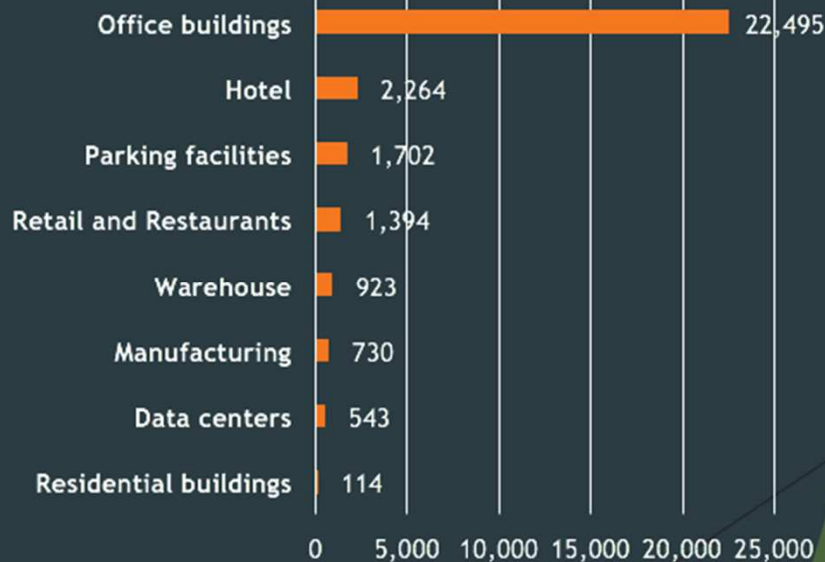
DIRECT CAPITAL INVESTMENT AND JOB COMMITMENTS - 56 Active Projects



Capital investment
by active abatement projects
Total: \$5.1 billion



Job commitments
by active abatement projects
Total: 30,165



12

Source: DAFC MOUs



Economic Impact Highlights



SUMMARY OF TOTAL ECONOMIC CONTRIBUTIONS IN 2016 ACTIVE ABATEMENT PROJECTS



Type of property	Total employment (actual)	Total labor income (\$M)	Total economic output (\$M)
Office buildings	35,963	\$3,259	\$5,945
Retail and Restaurants	1,651	\$77	\$92
Manufacturing	4,360	\$426	\$1,845
Apartments	170	\$8	\$46
Data centers	1,383	\$120	\$320
Parking facilities	2,017	\$60	\$97
Hotel	3,082	\$142	\$396
Warehouse	1,314	\$68	\$164
Total all projects	49,940	\$4,160	\$8,905

- ▶ **Total employment:** Full- and part-time jobs, which includes the 30,165 direct jobs.
- ▶ **Total labor income:** Wage and benefits paid to employees
- ▶ **Total economic output:** Typically measured as the sales of a company

Source: EY analysis using data provided by DAFC on agreements; 2015 IMPLAN model of Fulton County

13

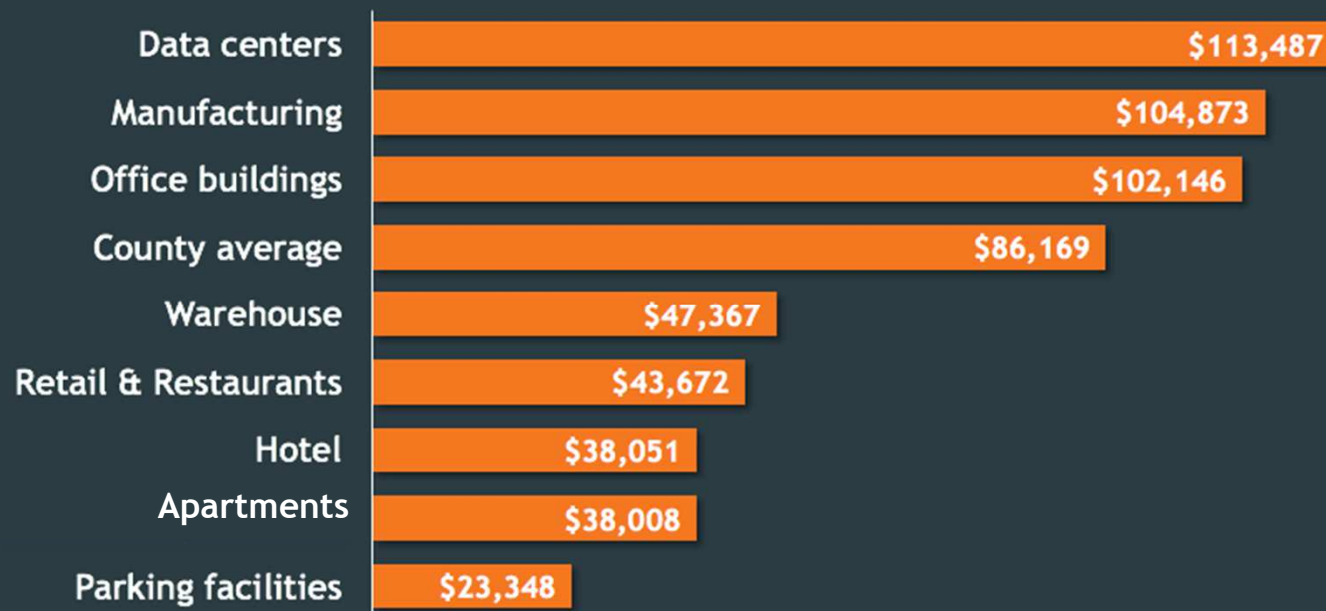


Economic Impact Highlight



17-0521

AVERAGE COMPENSATION BY TYPE OF PROJECT RECEIVING AN ABATEMENT IN 2016

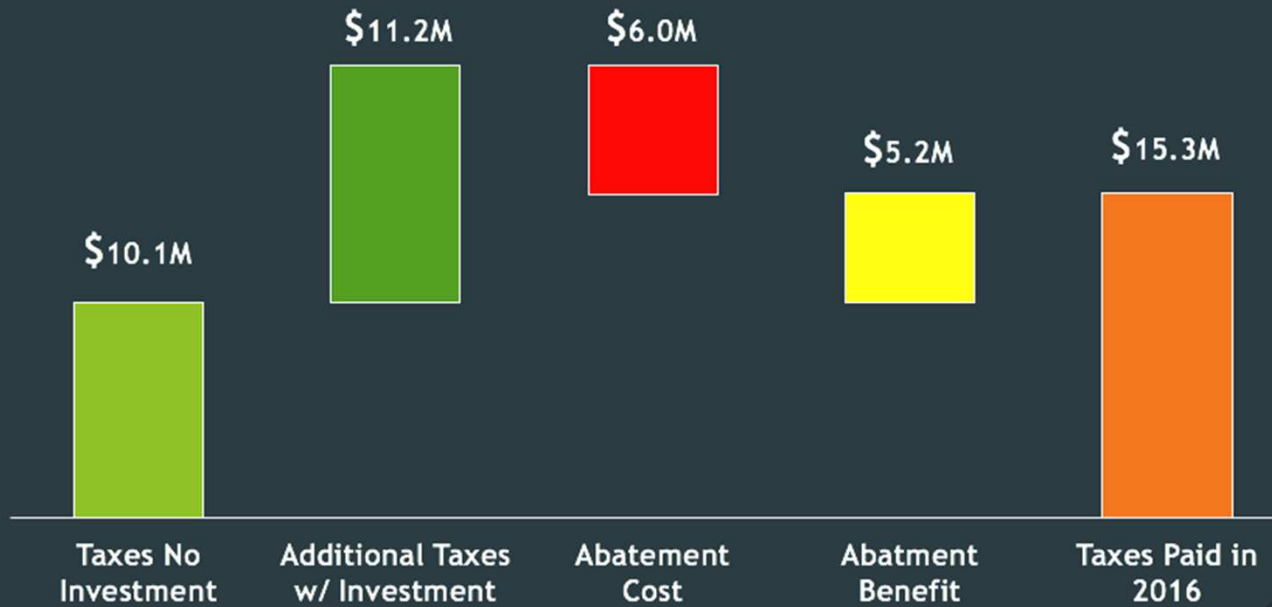


Source: Average compensation by project type is from the 2015 IMPLAN model of Fulton County. County average compensation is from BLS QCEW wages plus 20% for benefits.



NET NEW PROPERTY TAXES FOR FULTON COUNTY IN 2016

Net new property taxes due to active abatements in 2016: \$5.2M



15

Source: EY analysis using Fulton County Assessor data on property parcels receiving an abatement in 2016

Economic Impact Highlight



17-0521

OTHER FULTON COUNTY TAX IMPACTS - ALL ACTIVITY (DIRECT, INDIRECT, INDUCED)



Taxable bond projects (direct):

Project property taxes due to additional investment: \$11.2M

Worker property taxes: \$9.3M

Sales taxes: \$1.3M

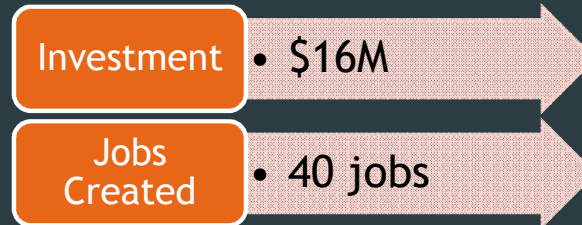
Indirect and induced activity:

Property: \$11.5M

Sales: \$0.7M



PROJECT SAMPLES



17



Economic Impact Highlight

FUTURE STATE OF SELECT FULTON: SEIZING THE OPPORTUNITIES



Packet Page -382-



FUTURE GROWTH

Challenges



Workforce
Development



Redevelopment
/
Under-
development



Infrastructure



Opportunities

Select Fulton - Office of Workforce
Development Partnership

Connect Fulton Business to
Fulton Educators

6 Strategic Corridors Identified

Support/Promote Area for
Growth

TSPLOST

Expand Fiber Connectivity

