A RESOLUTION ESTABLISHING A POLICY OF THE FULTON COUNTY BOARD OF COMMISSIONERS REGARDING PARTICIPATION IN TAX ALLOCATION DISTRICTS; DECLARING THE BOARD'S OPPOSITION TO THE PROPOSED EXTENSION OF EXISTING CITY OF ATLANTA TAX ALLOCATION DISTRICTS; AND FOR OTHER PURPOSES.

WHEREAS, Article IX, Section II, Paragraph VII of the Constitution of Georgia and O.C.G.A. § 36-44-1, et seq., authorize political subdivisions to establish and participate in tax allocation districts for the limited purpose of promoting redevelopment and economic development in areas that would not otherwise attract private investment; and

WHEREAS, the Board of Commissioners is the governing authority of Fulton County, serving over one million residents and bearing the constitutional obligation to fund courts, public safety, public health, elections, behavioral health, senior services, and other mandated governmental functions; and

WHEREAS, the Board of Commissioners recognizes that tax allocation districts were designed as a time-limited economic development tool to encourage redevelopment, stimulate investment, and revitalize underdeveloped areas, with the legislative intent that upon expiration of each district, the accumulated growth in the property tax base would be returned in full to the participating taxing jurisdictions to fund public services; and

WHEREAS, the Board of Commissioners finds that while judicious use of tax allocation districts may promote economic development, the diversion of tax revenue to specific districts and away from the general fund may also adversely affect the County's fiscal flexibility and ability to meet is ongoing governmental obligations; and

WHEREAS, the Atlanta City Council voted on June 15, 2026 to approve the Neighborhood Reinvestment Initiative ("NRI"), legislation that proposes to extend six of the City of Atlanta's eight active tax allocation districts for thirty (30) additional years through 2056, with an estimated $5 billion to $7 billion in property tax increment revenue to be administered by Invest Atlanta for development projects; and

WHEREAS, full implementation of the NRI and any extension of the City of Atlanta's tax allocation districts requires the separate affirmative approval of the Fulton County Board of Commissioners, and the Board of Commissioners has not provided such approval and hereby declines to do so for the reasons set forth herein; and

WHEREAS, O.C.G.A. § 36-44-17 expressly prohibits the creation of a tax allocation district when the total current taxable value of property within the proposed district, together with the total current taxable value of property within all existing tax allocation districts, exceeds ten percent (10%) of the total current taxable value of all taxable property within the operational area of the creating political subdivision; and

WHEREAS, the June 2026 report of the Atlanta City Auditor confirms that the assessed value of property within the City of Atlanta's existing tax allocation districts currently represents approximately sixteen percent (16%) of the City's total taxable property base — exceeding by more than fifty percent the ten percent (10%) statutory ceiling — and the City of Atlanta has itself acknowledged that it cannot lawfully create new tax allocation districts for this very reason; and

WHEREAS, pursuant to O.C.G.A. §§ 36-44-3(15) and 36-44-10, upon the creation of a tax allocation district — including, to the extent provided by law, an extension or re-creation of a tax allocation district — the redevelopment agency must apply to the state revenue commissioner for a determination of the tax allocation increment base using taxable property values as of the creation date, and pursuant to O.C.G.A. § 36-44-8, a redevelopment plan adopted by resolution must specify the estimated tax allocation increment base; and

WHEREAS, the Georgia Office of Legislative Counsel has issued a formal legal opinion, transmitted by letter dated April 8, 2026 to the Atlanta City Council, Fulton County Board of Commissioners, and Atlanta Public Schools Board of Education, concluding that the extension of an existing tax allocation district's timeline constitutes the creation of a new district that is subject to all statutory requirements of O.C.G.A. Title 36, Chapter 44, including the requirement to reset the tax increment baseline to current assessed property values; and

WHEREAS, if the City of Atlanta extends its tax allocation districts without resetting the tax increment baselines to current assessed values as required by state law, Fulton County would be deprived of up to Eighty-Five Million Dollars ($85,000,000) annually in property tax revenue that state statute provides should not be diverted to the districts; and

WHEREAS, the NRI legislation approved by Atlanta City Council on June 15, 2026 does not contain binding, project-specific redevelopment plans with enforceable commitments, and members of the Atlanta City Council acknowledged before the vote that the ordinance "does not contain redevelopment plans" and "does not contain clear project lists," meaning any consent by Fulton County would constitute an open-ended, thirty-year financial commitment without legally binding assurance as to how Fulton County's contributed increment will be spent; and

WHEREAS, the total property tax increment diverted from all participating jurisdictions across Atlanta's tax allocation districts grew from approximately Sixty-Six

Million Nine Hundred Thousand Dollars ($66,900,000) in 2012 to approximately Two Hundred Forty Million Five Hundred Thousand Dollars ($240,500,000) in 2025, producing a cumulative fourteen-year increment of approximately One Billion Seven Hundred Million Dollars ($1,700,000,000) across all jurisdictions; and

WHEREAS, Fulton County's annual contribution of property tax increment to Atlanta's tax allocation districts grew by approximately two hundred thirty-two percent (232%) between 2012 and 2025, reaching approximately Fifty-Three Million Five Hundred Thousand Dollars ($53,500,000) in fiscal year 2025 alone, with a cumulative thirteen-year County contribution of approximately Four Hundred Thirteen Million Dollars ($413,000,000) in property tax revenue diverted from County services; and

WHEREAS, property taxes are the primary source of revenue for Fulton County Government, with taxes collected by the Tax Commissioner constituting approximately eighty-five percent (85%) of Fulton County's total General Fund revenues; unlike the City of Atlanta and Atlanta Public Schools, which benefit from multiple sales tax revenue streams, Fulton County operates at the statutory maximum for local sales taxes permitted under Georgia law and has no alternative revenue source with which to compensate for property tax increment diverted to tax allocation districts; and

WHEREAS, Fulton County faces legally mandated unfunded obligations that directly compete with TAD-diverted revenue, including more than Fifty Million Dollars ($50,000,000) budgeted in 2026 for compliance with a federal consent decree related to the operation of the Fulton County Jail, a One Billion One Hundred Million Dollar ($1,100,000,000) capital program to construct a new 1,800 bed facility and renovate existing jail facilities, and Three Hundred Million ($300,000,000) to a planned South Fulton County hospital in partnership with Grady Memorial Hospital; and

WHEREAS, property taxpayers throughout Fulton County — including residents and businesses in fifteen municipalities and unincorporated areas who reside outside any tax allocation district — have effectively subsidized redevelopment within Atlanta's tax allocation districts for as many as thirty years through either higher effective tax burdens or reduced service levels, and sound fiscal policy and basic equity require that these taxpayers now begin to benefit directly from the accumulated growth in assessed values that their long-term subsidies helped to generate; and

WHEREAS, the June 2026 Atlanta City Auditor's report finds that approximately ninety-one percent (91%) of the cumulative increase in assessed value across all Atlanta tax allocation districts is concentrated in only three districts — the BeltLine, Eastside, and Westside — which serve predominantly higher-income areas, while the four corridor districts established specifically to serve lower-income communities (Campbellton Road, Hollowell/Martin Luther King Jr., Metropolitan Parkway, and Stadium Neighborhoods) have generated comparatively minimal increment and been assessed as only partially complete after nearly twenty years of operation; and

WHEREAS, independent research, including a 2023 study by the Partnership for Southern Equity, has found that Atlanta's existing tax allocation districts have caused displacement of lower-income and minority residents rather than sustained benefit to those communities, and the Board of Commissioners finds that extending the districts for thirty additional years under the same structural framework — without enforceable antidisplacement guarantees legally binding on Fulton County — risks repeating and amplifying these harmful outcomes at greater public expense; and

WHEREAS, the proposed NRI would channel Fulton County property tax increment through Invest Atlanta, a quasi-governmental entity whose nine-member board of directors is chaired by the Mayor of the City of Atlanta — an elected official of a separate government in which most Fulton County taxpayers have no vote — creating a structural governance conflict in which an official of the City of Atlanta would exercise effective control over the use of Fulton County property tax revenues; and

WHEREAS, Atlanta Public Schools contributes approximately fifty percent (50%) of all tax allocation district increment revenue, Fulton County contributes approximately twenty-five percent (25%), and the City of Atlanta contributes approximately twenty-five percent (25%); the Atlanta Board of Education has not committed to participating in the proposed extensions, and without APS participation, the total revenue available to the NRI would be reduced from an estimated $5–7 billion to approximately $1.375 billion, making the plan financially dependent on a contribution that has not been secured; and

WHEREAS, the June 2026 Atlanta City Auditor's report confirms that all but one of Atlanta's remaining active tax allocation districts hold sufficient fund balances to retire their existing bond obligations in full without extension, with the BeltLine TAD alone holding a fund balance of approximately Two Hundred Twenty-Five Million Seven Hundred Thousand Dollars ($225,700,000) against outstanding debt of only Sixty-Three Million Five Hundred Thousand Dollars ($63,500,000), demonstrating that the existing districts are capable of an orderly, fiscally sound wind-down without extension; and

WHEREAS, Fulton County already participates in twelve (12) tax allocation districts, with its final existing participation commitment not expected to conclude until 2045, a multi-decade diversion of County property tax revenue that already substantially limits the County's fiscal capacity; and

WHEREAS, the Board of Commissioners finds that prudent fiscal stewardship of public resources, equal service obligations to all Fulton County residents across fifteen municipalities and unincorporated areas, compliance with federal court mandates, the requirements of Georgia law, and the long-term financial health of Fulton County Government collectively require the Board to decline participation in any extension, re-creation, or effective continuation of the City of Atlanta's tax allocation districts beyond their current expiration dates on the terms proposed by the City of Atlanta.

NOW, THEREFORE, BE IT RESOLVED, that the Fulton County Board of Commissioners hereby formally opposes the proposed extension of the City of Atlanta's tax allocation districts on the terms approved by the Atlanta City Council on June 15, 2026, and the Board of Commissioners declines to provide Fulton County's consent to any extended, re-created, or continued City of Atlanta tax allocation district.

BE IT FURTHER RESOLVED, that the Board of Commissioners finds that the proposed extension is inconsistent with the requirements of O.C.G.A. Title 36, Chapter 44, including O.C.G.A. §§ 36-44-3(15), 36-44-8, 36-44-10, and 36-44-17, because: (i) the assessed value of property within the City of Atlanta's existing tax allocation districts already exceeds ten percent (10%) of the City's total taxable property base; (ii) an extension constitutes the creation of a new district requiring a reset of all tax increment baselines to current assessed property values; (iii) no project-specific redevelopment plan has been adopted specifying the updated tax allocation increment base as required by O.C.G.A. § 36-44-8; and (iv) proceeding without baseline reset would unlawfully deprive Fulton County of up to Eighty-Five Million Dollars ($85,000,000) annually in property tax revenue.

BE IT FURTHER RESOLVED, that the Board of Commissioners will not consent to participation in any newly created, extended, or re-created tax allocation district unless and until: (a) the tax allocation increment base has been determined using taxable property values on the actual creation or extension date, consistent with O.C.G.A. §§ 36-44-3(15) and 36-44-10; (b) the total current taxable assessed value of all existing and proposed tax allocation districts does not exceed ten percent (10%) of the creating political subdivision's total taxable property base, consistent with O.C.G.A. § 36-44-17; (c) a detailed, project-specific redevelopment plan specifying measurable, time-bound objectives and the updated tax allocation increment base is adopted by resolution consistent with O.C.G.A. § 36-44-8; (d) Fulton County's annual increment contribution is subject to an enforceable cap; and (e) Fulton County is granted independent audit rights over the administration of all TAD funds to which the County contributes.

BE IT FURTHER RESOLVED, that participation in any newly created, extended, or re-created tax allocation district shall require an affirmative supermajority vote of at least five (5) members of the Board of Commissioners, notwithstanding any current County rule, resolution, or ordinance including Fulton County Code § 101-65, in recognition of the extraordinary long-term fiscal commitment that such participation entails.

BE IT FURTHER RESOLVED, that the Board of Commissioners hereby directs the County Manager and County Attorney to: (a) monitor all proceedings before the Atlanta City Council, the Atlanta Board of Education, and Invest Atlanta relating to the NRI and any tax allocation district extensions; (b) take all lawful steps necessary to protect Fulton County's legal rights and financial interests; and (c) pursue all available legal remedies, including filing legal challenges, if the City of Atlanta proceeds to extend its tax allocation districts without Fulton County's affirmative consent or in violation of O.C.G.A. Title 36, Chapter 44.

BE IT FURTHER RESOLVED, that the Board of Commissioners hereby demands the prompt return to the Fulton County General Fund of all property tax increment from any tax allocation district that has closed, is closing, or in which the Board has declined to authorize continued County participation, and directs the County Attorney to pursue all available remedies to secure the timely return of such funds.

BE IT FURTHER RESOLVED, that the County Manager in conjunction with the Finance Department and County Attorney shall conduct an annual review of all active tax allocation district participations to evaluate whether continued participation remains consistent with state law, any existing formal intergovernmental and tax allocation district agreement(s), the County's long-term financial interests and ability to meet its constitutional obligations, and shall publish a written report of such findings to the Board of Commissioners no later than March 31 of each year.

BE IT FURTHER RESOLVED, that nothing in this Resolution shall be construed as opposition to legitimate economic development or neighborhood revitalization efforts in the City of Atlanta or elsewhere in Fulton County; rather, the Board of Commissioners affirms that its constitutional obligations to all Fulton County residents — including legally mandated federal consent decree compliance, capital infrastructure needs, and equal service delivery across fifteen municipalities and unincorporated areas — must take precedence over the extension of a tax increment financing mechanism that has diverted more than Four Hundred Thirteen Million Dollars ($413,000,000) in County property tax revenue over the past thirteen years.

BE IT FINALLY RESOLVED, that this Resolution shall become effective upon adoption by the Fulton County Board of Commissioners and shall be transmitted to the Mayor of the City of Atlanta, the Atlanta City Council, the Atlanta Board of Education, the Georgia Attorney General, and the State Revenue Commissioner as the official policy of Fulton County, Georgia.

PASSED AND ADOPTED by the Board of Commissioners of Fulton County, Georgia this __________ day of ________________________, 2026.

FULTON COUNTY BOARD OF COMMISSIONERS

SPONSORED BY:

____
Bob Ellis, Commissioner
(District 2)

CO-SPONSORED BY:

____
Khadijah Abdur-Rahman, Vice Chair
(District 6)

ATTEST:

____
Tonya R. Grier, Clerk to the Commission

APPROVED AS TO FORM:

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Y. Soo Jo, County Attorney