



Development Authority of Fulton County

Fiscal Year '21 Report

DISCUSSION TOPICS



About the DAFC



GASB 77 FY 2021 Report



Economic Impact Summary

About the DAFC



PRO BUSINESS –

THE DAFC DELIVERS INNOVATIVE SERVICES CONNECTING QUALIFIED PROJECTS WITH TAXABLE AND TAX-EXEMPT BOND FINANCING AND A DIVERSITY OF TARGETED ECONOMIC DEVELOPMENT SERVICES.

PRO COMMUNITY –

DAFC INCENTIVIZED PROJECTS BRING COMMUNITY BENEFITS LIKE ROADWAY AND PEDESTRIAN SAFETY IMPROVEMENTS, BETTER ACCESS TO AFFORDABLE HOUSING AND RETAIL OPTIONS, ENVIRONMENTAL REMEDIATION, AND CAREER TRAINING OPPORTUNITIES

DAFC's Mission:

To stimulate quality economic development in Fulton County by expanding and diversifying the tax base, providing quality jobs, retaining existing businesses and sustaining quality of life for residents throughout Fulton County.



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

Rehabilitated
Historic Properties

Enterprise Zones



GASB 77 FY2021 Report



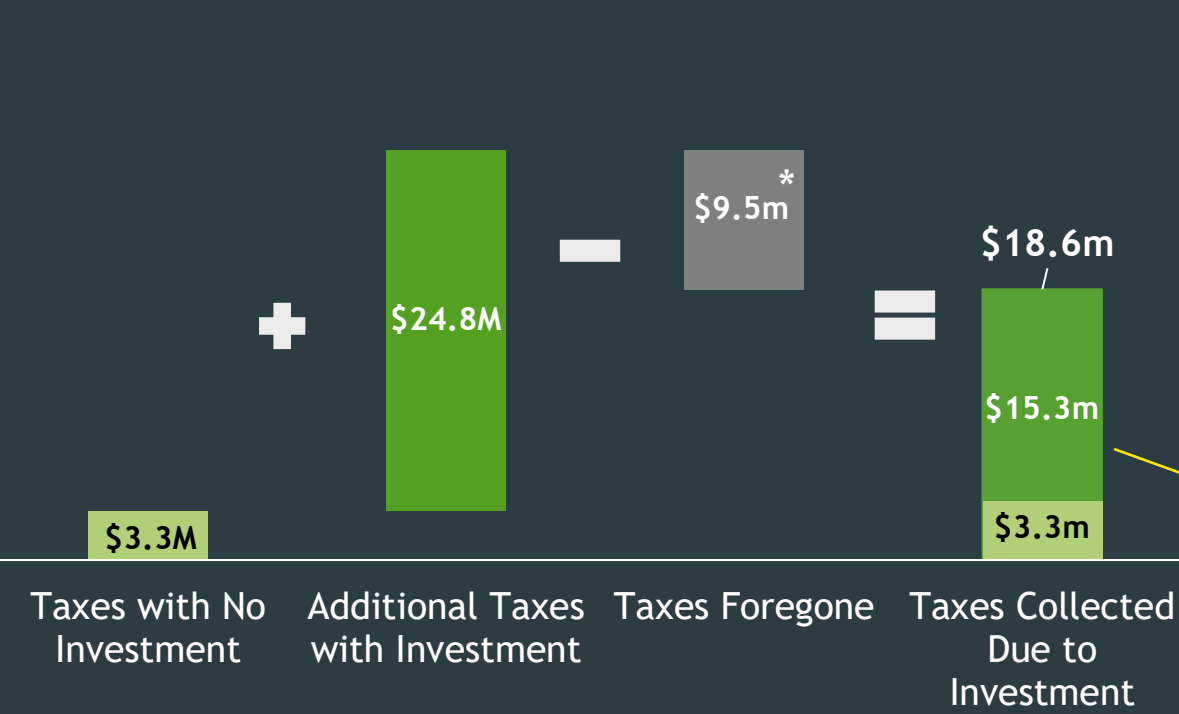
- **GASB 77 FY2021 Financial Reporting Update**
 - Engagement with EY
 - Sixth year of GASB 77 compliance
 - Continued coordination with 15 municipalities, Tax Assessors Office, and Finance Division
- **Beyond GASB**
 - 2021 Economic Impact Analysis of DAFC projects
 - Net New Revenue Impact Analyses and Reporting
 - Fulton County, City of Atlanta, APS and FCSD
- **Transparent Evaluation Process**
 - ROI Model
 - Hurdle Rate
 - Deal Review Packages



NET NEW PROPERTY TAXES FOR FULTON COUNTY IN 2021



Net new 2021 property taxes due to active incentive projects approved over a 10-year period: \$15.3M



Taxes pre-investment: \$3.3m
Plus Additional taxes due to investment: \$24.8m
Less Tax incentives: \$9.5m
Equals 2021 taxes paid: \$18.6m
Less Taxes pre-investment of \$3.3m
Equals 2021 Net benefit of \$15.3m

*\$9.5M of incentives represents 1.4% of the total property tax base, based on the 2020 CAFR of total property taxes collected

Source: EY analysis using Fulton County Board of Assessors data on property parcels receiving an incentive in 2021

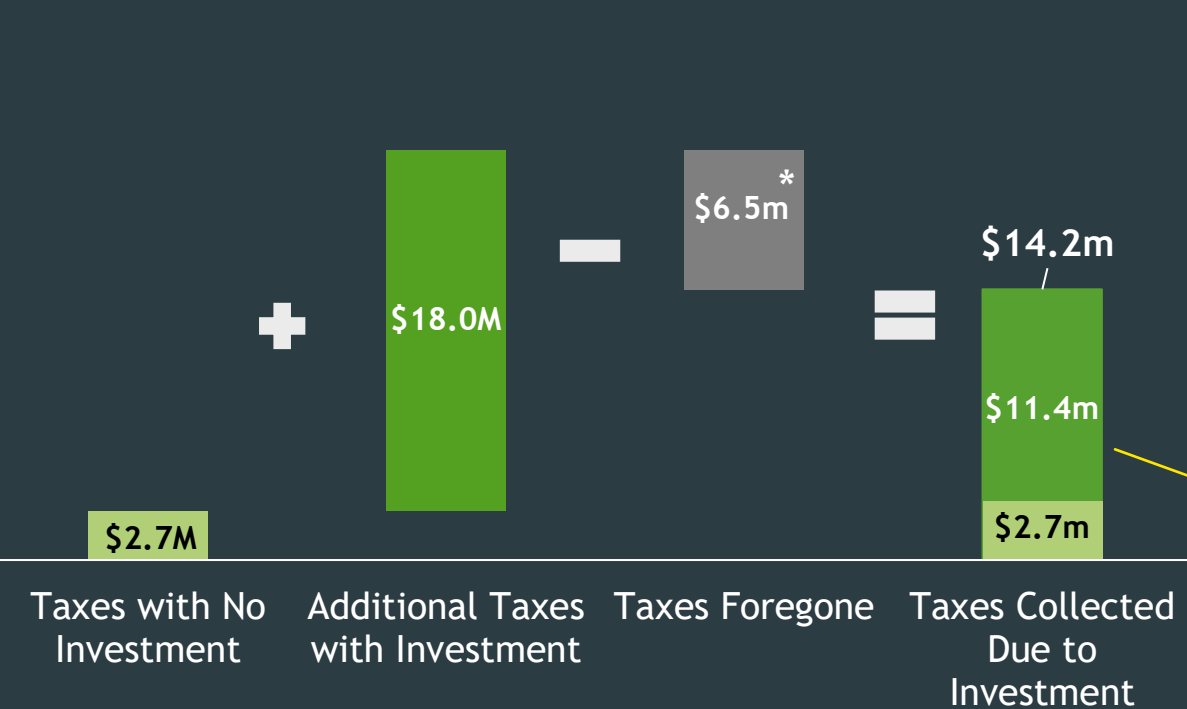
Note: Figures may not sum due to rounding.



NET NEW PROPERTY TAXES FOR FULTON COUNTY SCHOOL DISTRICT IN 2021



Net new 2021 property taxes due to active incentive projects approved over a 10-year period: \$11.4M



Taxes pre-investment: \$2.7m
Plus Additional taxes due to investment: \$18.0m
Less Tax incentives: \$6.5m
Equals 2021 taxes paid: \$14.2m
Less Taxes pre-investment of \$2.7m
Equals 2021 Net benefit of \$11.4m

*\$6.5M of incentives represents .097% of the total property tax base, based on the 2020 CAFR of total property taxes collected

Source: EY analysis using Fulton County Board of Assessors data on property parcels receiving an incentive in 2021

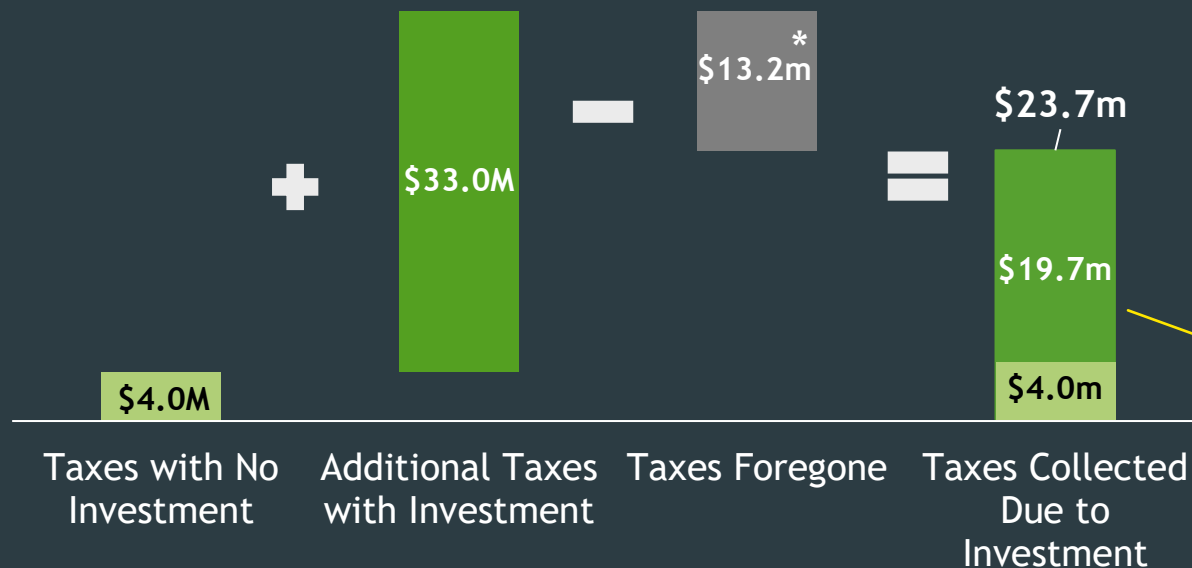
Note: Figures may not sum due to rounding.



NET NEW PROPERTY TAXES FOR ATLANTA PUBLIC SCHOOLS IN 2021



Net new 2021 property taxes due to active incentive projects approved over a 10-year period: \$19.7M



Taxes pre-investment: \$4.0m
Plus Additional taxes due to investment: \$33.0m
Less Tax incentives: \$13.2m
Equals 2021 taxes paid: \$23.7m
Less Taxes pre-investment of \$4.0m
Equals 2021 Net benefit of \$19.7m

Net
Incentive
Benefit:
\$19.7M

*\$13.2M of incentives represents 2.0% of the total property tax base, based on the 2020 CAFR of total property taxes collected

Source: EY analysis using Fulton County Board of Assessors data on property parcels receiving an incentive in 2021

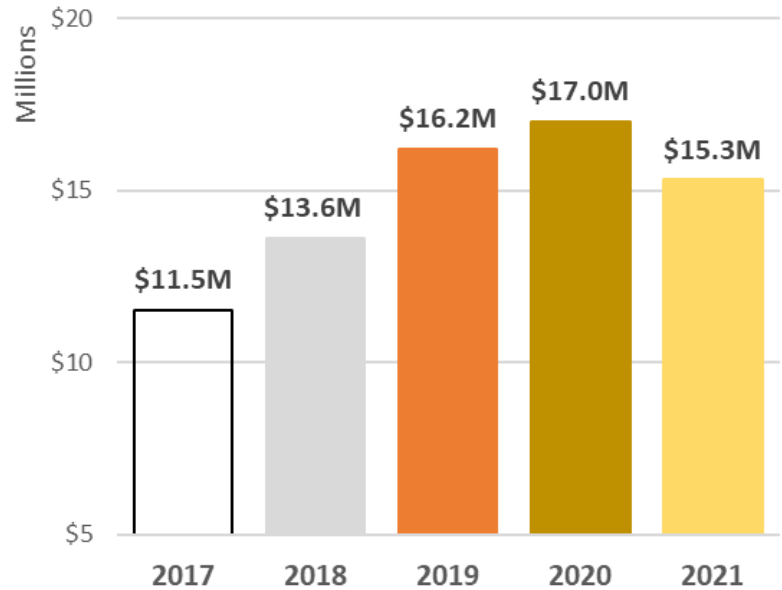
Note: Figures may not sum due to rounding.



FIVE YEAR SNAPSHOT



Net Incremental Ad Valorem Tax
Benefit to Fulton County over 5 Years



	CY2017	CY2018	CY2019	CY2020	CY2021
# of Active Projects	62	72	88	101	121
Job Commitments	29,380	28,952	31,296	31,849	32,746
Capital Expenditures (billions)	\$5.3	\$6.1	\$7.3	\$7.6	\$8.6
Total Incentives Received (millions)	\$6.6	\$9.1	\$10.2	\$9.5	\$9.5
Net Ad Valorem Tax Benefit (millions)	\$11.5	\$13.6	\$16.2	\$17.0	\$15.3

Note: Figures may be slightly off due to rounding

- Net tax benefit has been trending upward until this year



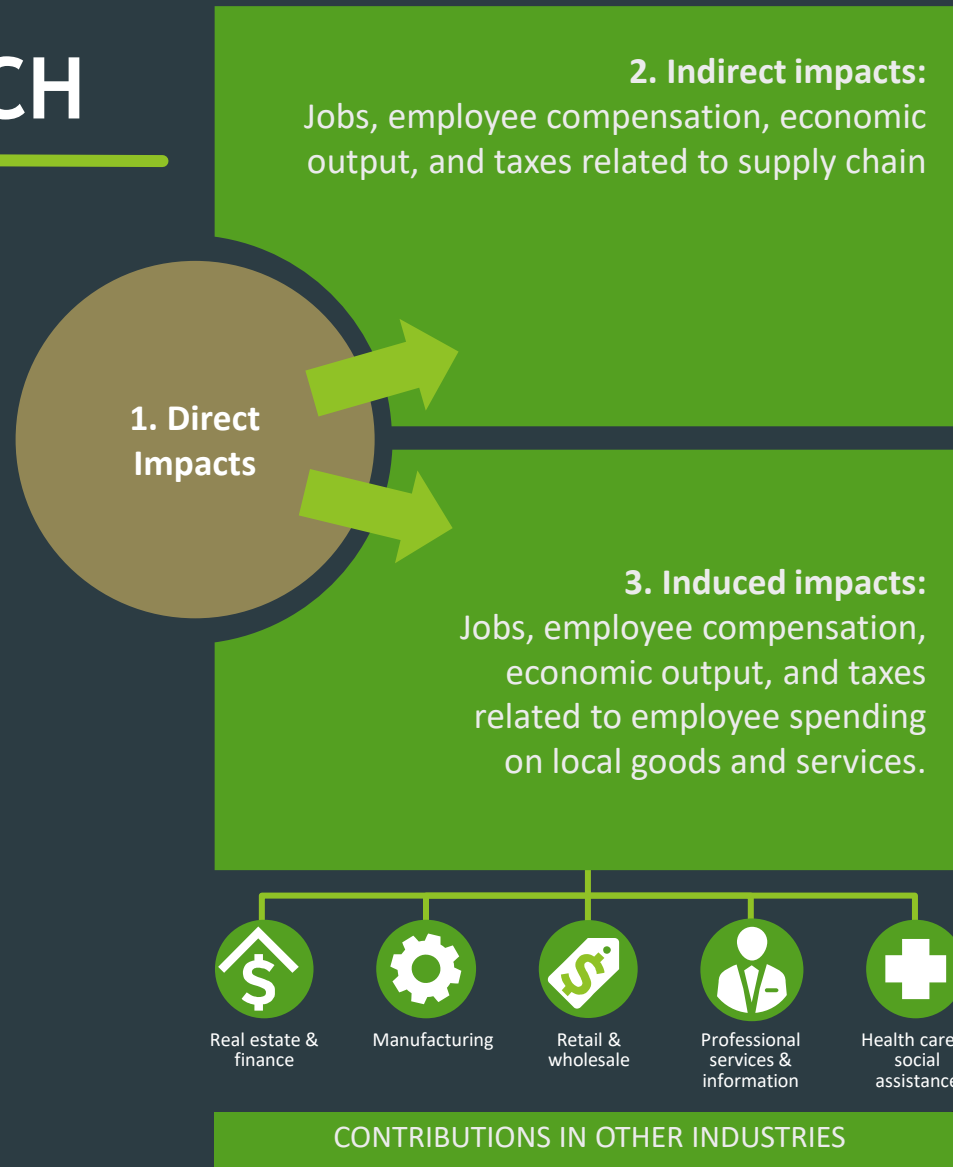
ECONOMIC APPROACH

Results are for projects *actively* receiving a property tax incentive in 2021

These projects invested in Fulton County within the past 10 years

Total contributions consist of:

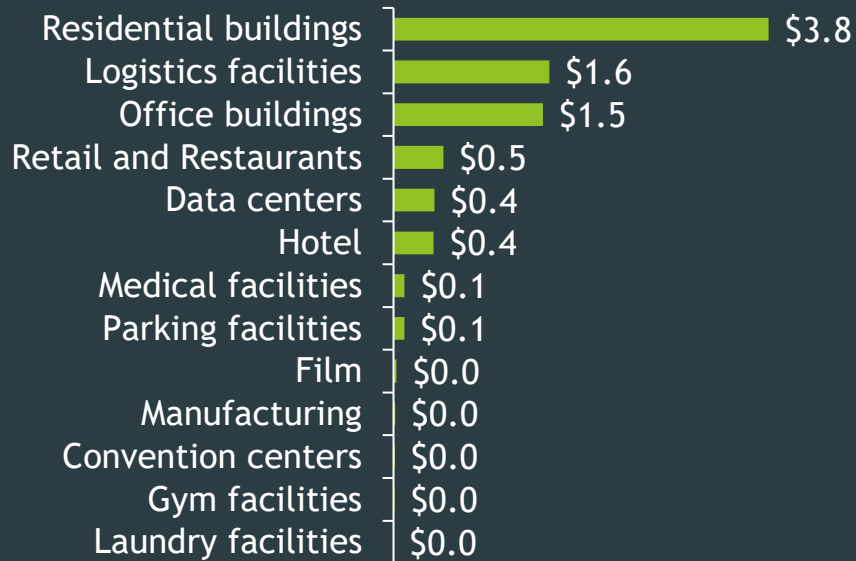
- Direct impacts - stem from projects
- Indirect impacts - suppliers
- Induced impacts - consumption related



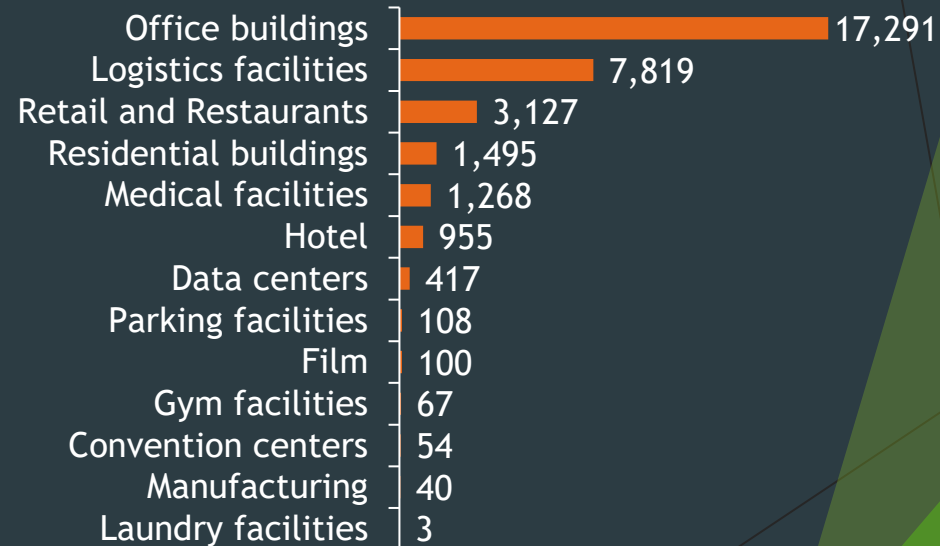
DIRECT CAPITAL INVESTMENT AND JOB COMMITMENTS - 121 projects* with an active incentive in 2021



Capital investment
by active incentive projects
Total: \$8.6 billion



Job commitments
by active incentive projects
Total: 32,746



* Projects approved during the past 10 years

Source: DAFC MOAs



SUMMARY OF 2021 TOTAL ECONOMIC CONTRIBUTIONS OF ACTIVE INCENTIVE PROJECTS

(Projects approved during prior 10-year period)



Type of property	Total economic impacts <i>(Direct, indirect, and induced)</i>		
	Jobs	Labor income (\$M)	Economic output (\$M)
Office buildings	27,336	\$2,879	\$4,662
Warehouse	10,793	\$556	\$1,348
Retail and Restaurants	3,931	\$200	\$409
Residential buildings	2,677	\$136	\$648
Data centers	1,371	\$141	\$440
Hotel	1,255	\$66	\$176
Medical Facilities	763	\$65	\$148
Film	192	\$15	\$52
Parking facilities	126	\$4	\$9
Gym facilities	79	\$2	\$6
Convention centers	72	\$4	\$10
Manufacturing	57	\$4	\$11
Laundry facilities	4	\$0.1	\$0.1
Total all projects	48,657	\$4,073	\$7,918

- ▶ **Total employment:** Full- and part-time jobs, which includes the 32,746 direct jobs.
- ▶ **Total labor income:** Wage and benefits paid to employees
- ▶ **Total economic output:** Typically measured as the sales of a company

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FUTURE FOCUSED



- Developer collaboration in underserved areas
- Quality workforce and affordable housing
- Community benefits