

STATE OF GEORGIA  
COUNTY OF HENRY  
CITY OF STOCKBRIDGE

RESOLUTION NO. R13-570

**A RESOLUTION ADOPTING AN ECONOMIC INCENTIVES PROGRAM;  
AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY  
TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION, AUTHORIZING  
THE CITY CLERK TO ATTEST SIGNATURES AND AFFIX THE OFFICIAL  
SEAL OF THE CITY, AS NECESSARY, PROVIDING FOR SEVERABILITY,  
REPEALING INCONSISTENT RESOLUTIONS, PROVIDING FOR AN  
EFFECTIVE DATE OF THIS RESOLUTION, AND FOR OTHER PURPOSES.**

WHEREAS, the City of Stockbridge ("City") is a municipal corporation located within Henry County, Georgia duly organized and existing under the laws of the State of Georgia and is charged with providing public services to residents located within the corporate limits of the City; and

WHEREAS, building a strong and stable economic base through industrial and commercial development is very important to the future of all citizens of the City of Stockbridge; and

WHEREAS, having an established, well-coordinated program to attract new economic growth is critical to ensuring that the tax burden associated with providing public services and facilities to our current and future population does not create an undue burden on the City's residential and agricultural property owners; and

WHEREAS, with more than 15,000 economic development organizations nationally, the competition for new investment and quality jobs is more intense than ever before, and economic incentives are increasingly a deciding factor in a company's final location decision; and

WHEREAS, the purpose of the Stockbridge Economic Incentives Program (SEIP) is to ensure the competitiveness of the City in the attraction of new or expanded investment in the community; and

WHEREAS, it is the intention of this plan that the City will create, induce, and retain investment that would likely not otherwise occur without the benefit of these incentives, and;

WHEREAS, the proposed SEIP has been reviewed and approved by the Stockbridge Downtown Development Authority; and

WHEREAS, after due consideration, the City wishes to adopt the attached Stockbridge Economic Incentive Program, and finds that adopting said Program promotes economic development in the City and the general welfare of City taxpayers, and is in the best interests of the City.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF STOCKBRIDGE HEREBY RESOLVES AS FOLLOWS;

Section 1. **Approval** - The City Council of the City of Stockbridge hereby adopts the attached Stockbridge Economic Incentives Program (Attachment "A") to be utilized by the City and its Downtown Development Authority as a means for attracting and retaining businesses within the City.

Section 2. **Approval of Execution** - The Mayor is hereby authorized to sign all documents necessary to effectuate this Resolution.

Section 3. **Documents** - The City Clerk is authorized to execute, attest to, and seal any documents which may be necessary to effectuate this Resolution, subject to approval as to form by the City Attorney.

Section 4. **Severability** - To the extent any portion of this Resolution is declared to be invalid, unenforceable, or non-binding, that shall not affect the remaining portions of this Resolution.

Section 5. **Repeal of Conflicting Provisions** - All City resolutions inconsistent with this Resolution are hereby repealed.

Section 6. **Effective Date** - This Resolution shall be effective on the date of its approval by the City Council and Mayor as provided in the City Charter.

SO RESOLVED, this the 9th day of December, 2013.

**CITY OF STOCKBRIDGE, GEORGIA**

Mark A. Alarcon  
MARK A. ALARCON, MAYOR

ATTEST:

Rhonda A. Blackmon  
RHONDA A. BLACKMON, CITY CLERK

APPROVED AS TO FORM:

William J. Linkous, III  
WILLIAM J. LINKOUS, III, CITY ATTORNEY  
6898.00001/910694v1

**ATTACHMENT 'A'**  
**STOCKBRIDGE ECONOMIC INCENTIVES PROGRAM (SEIP)**

Building a strong and stable economic base through industrial and commercial development is very important to the future of all citizens of Stockbridge (the City). Without a well-coordinated program to attract new economic growth, much of the tax burden for providing public services and facilities to meet the needs of future population growth will continue to be felt by the City's residential and agricultural property owners. The Stockbridge City Council and Mayor have adopted as one of the City's chief goals to promote continued growth in the tax digest through a more effective promotion of industrial and commercial development and subsequent commissions have continued to support this goal, and to support commercial and industrial development in the City generally. Therefore, a priority of Stockbridge's economic development program is to substantially increase the tax base and more evenly spread the tax burden among residents, agriculture and businesses.

During 2013 the City re-activated its Downtown Development Authority and granted it powers of urban redevelopment. The City's Downtown Development Authority is the primary economic development vehicle for the City's downtown area. The role of the City's Downtown Development Authority (the "Authority") includes facilitating new development activity and the expansion and/or retention of existing business in the Stockbridge downtown area.

With more than 15,000 economic development organizations nationally, the competition for new investment and quality jobs is more intense than ever before, and economic incentives are increasingly a deciding factor in a company's final location decision. The purpose of the Stockbridge Economic Incentives Program (HCEIP) is to facilitate the mission of the Authority by ensuring the competitiveness of the City in the attraction of new or expanded investment in the downtown area community. It is the intention of this plan that the City, and the Authority, create, induce and retain investment that would likely not otherwise occur without the benefit of these incentives. The end result of implementation of this policy should be the creation and/or the retention of significant economic activity that rewards the City at a level exceeding the cost of the incentives provided.

The SEIP emphasizes and facilitates attracting and growing businesses which complement existing industries, assisting in the growth and diversification of Stockbridge's economic base, and providing enhanced employment opportunities for unemployed and underemployed residents with salary and benefits at rates higher than the current City average. The Program promotes the City's planning and environmental goals, and seeks to attract good corporate citizens. The SEIP recognizes the value of our established businesses and ensures that all incentives are also available to expanding local businesses meeting Program guidelines. The SEIP also encourages cooperation between the City and Henry County in mutual economic development efforts.

**Section 1: Definitions**

The following words, terms and phrases, when used in this plan, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

*"Bonds for Title"* shall mean a transaction in which legal title to property is vested in the Stockbridge Downtown Development Authority (SDDA) for a period of time while the property

is developed by the Authority to the prospect's specifications, using the proceeds of a revenue bond issued by the SDA, and then the property is leased to the prospect. Taxes are generally *initially* assessed based upon the value of the lease rather than the value of the underlying property, until title is ultimately conveyed to the prospect (generally when the bond is paid off).

*Comprehensive Plan* means the 2030 Joint Henry County/Cities Comprehensive Plan: A Policy Guide as the same may be developed and amended from time to time by the City Council; or any subsequent Comprehensive Plan, regardless of its title, which replaces said Plan, and is adopted by the City Council.

*Development incentive district* means a targeted geographic area defined in the comprehensive plan for economic development incentives as approved by the City Council after recommendations from the Stockbridge Downtown Development Authority.

*Economic impact requirement* means that a target business shall generate sufficient City governmental revenues to meet or exceed the financial value of incentives. Sufficient governmental revenue is further defined in the Stockbridge Assistance Guidelines.

*Investment assistance* shall refer to revenue bond financing intended to carry out the mission of the Stockbridge Downtown Development Authority to facilitate development opportunities within the City.

*Rehabilitation* shall mean projects where the existing structure and the value of the proposed improvement exceeds the value of the land by a substantial level.

*Target Business* means a preferred Company or Prospect type as identified by standard industrial classification codes (SIC) or the North American Industrial Classification System (NAICS) codes under the incentives plan, as addressed in the Preferred Projects Guidelines or a special impact project of such magnitude as may be identified by the City Council after recommendations by the Stockbridge Downtown Development Authority.

## **Section 2: Duties of Stockbridge Downtown Development Authority under SEIP**

- a. The Stockbridge Downtown Development Authority is a statutorily created entity with the purpose of assisting new and existing projects and businesses (Company or Prospect) so as to revitalize the Stockbridge Downtown Development Area, in part by encouraging companies to make a profitable investment in a new location or to expand its current facilities resulting in significant economic investment, development and growth in the Stockbridge Downtown Development Area.
- b. In carrying out the specific objectives of the SEIP, the Stockbridge Downtown Development Authority shall:
  - (1) Authorize specific incentives for targeted businesses in accordance with the economic incentives plan with the concurrence of the Mayor or, in his/her absence, the Mayor Pro Tem of the City Council, and/or the City Manager for the purpose of expedited processing. In the event of

extraordinary projects and/or proposed incentives, the concurrence of the City Council will be sought;

- (2) Periodically seek input from the following entities regarding the practical operation of, and possible need for amendment to this Stockbridge Economic Incentives Program to provide for quality, controlled growth, retention, redevelopment, and rehabilitation of targeted City businesses in the Downtown Development Area:
  - (a) the Henry County Board of Commissioners;
  - (b) the City of Hampton;
  - (c) the City of Locust Grove;
  - (d) the City of McDonough;
  - (e) the Henry County Chamber of Commerce;
  - (f) the Henry County Board of Education;
  - (g) the Stockbridge/Henry County Zoning Advisory Board;
  - (h) the Henry County Water and Sewerage Authority;
  - (i) the Henry County Board of Tax Assessors; and
  - (j) the Henry County Council for Quality Growth.
- (3) Develop, from time to time, for the City Council's consideration and adoption, proposed geographic Development Incentive Districts, Tax Allocation Districts and/or other appropriate vehicles; and
- (4) Report, not less than annually an analysis of the economic impact of entities to which incentives have been provided.

### **Section 3: Eligibility for Incentives**

At a minimum, a target business shall meet the following criteria to qualify for economic incentives:

- a. Will add *or* retain at least 25 full time jobs during the period of economic assistance and will have a documented annual economic impact of \$500,000 to the City; and
- b. Provide evidence of financial solvency such that it can demonstrate an ability to meet the economic impact requirement as set forth in subsection (a) of this section and otherwise fulfill its commitment hereunder; and
- c. Enter into a written contractual agreement that outlines incentives offered to the business and a guideline for the recapture or reimbursement should the terms of the contract be violated by the target business; and

- d. Additionally, incentives may be offered for projects proposing to redevelop abandoned sites *or* for the retention and/or expansion of existing business within the City provided that extraordinary projects and/or proposed incentives shall require the concurrence of the City Council.

Projects or businesses meeting these criteria will, on a case by case basis, be considered for favorable incentive treatment. Special consideration may be given for those projects that do not necessarily meet the minimum requirements set forth in this Section, but that will contribute significantly to the Stockbridge community, based upon an objective cost/benefit analysis. The SDDA may adopt, from time to time, subject to the approval of the City Council, a methodology consistent with this policy to be utilized as a guideline for such cost/benefit analysis.

#### **Section 4: Preferred Projects Guidelines**

The following are characteristics of preferred projects which will merit the most favorable consideration under this economic incentives program (order of listing does not indicate priority).

- Corporate activities including national and/ or regional headquarters and operations or support facilities.
- Information and technology-intensive services.
- Improved employment opportunities for local residents.
- High environmental quality, with full regulatory compliance and disclosure.
- High capital investment in buildings and equipment.
- High investment in human resources and/ or skills training.
- Low demand on public services and infrastructure.
- High compatibility with existing businesses.
- Positive record of corporate citizenship.
- Positive record or corporate intent to substantially invest in the community.
- High **levels** of taxable inventory.

These characteristics of preferred projects are intended to be used only as guidelines. **Each proposed project is subject to objective individual review and analysis to determine whether the benefits to be received by the City will be greater than the costs associated with the investment assistance offered.** The ideal project will benefit both the City and the company. Additionally, a project that is deemed to be slightly deficient in one or more area(s) may still be favorably viewed by the Authority if it possesses one or more exceptional qualities based upon an objective cost/benefit analysis.

## **Section 5: General Categories of Incentives**

Subject to the restrictions otherwise set forth herein or in other applicable law, the general categories of incentives which may be offered to a target Company or Prospect qualifying for the SEIP include the following:

- (a) Reduction or waiver of Plan review fees
- (b) Caps on business license fees
- (c) Freeport tax exemption
- (d) Applicable designated geographic districts
- (e) Caps on building permit fees
- (f) Georgia Job Tax Credit Program (O.C.G.A. §§ 48-7-40, 48-7-40.1 and 3662-5.1)
- (g) Expedited development plan review and processing of building permits
- (h) "Bonds for Title" (for an appropriately qualified and properly structured transaction, as authorized by the Henry County Board of Tax Assessors.)
- (i) Other incentives as appropriate

The City Council may, in its sole discretion, set an annual financial guideline or target each year in regard to such incentives, after consultation with the Stockbridge Downtown Development Authority.

## **Section 6: Eligibility for waiver of Development Impact Fees**

In addition to the general categories of incentives set forth above, any applicable municipal or county development fees may be waived in full or in part for a Target Business that not only meets the criteria under Sections 3 and 4 above but is also determined to create "extraordinary economic development and employment growth" under the criteria contained in this Section below.

For the purpose of waiver of development impact fees, "extraordinary economic development and employment growth" shall be defined in the following manner and will be considered for the most favorable investment assistance measures. This definition is not all-inclusive and, as stated in the Preferred Project Guidelines herein, each project is subject to individual review and analysis to determine whether the benefits to be received by the City will be greater than the costs associated with the investment assistance offered. In addition to the benefit to the City and the Company, each project will be subject to a review of its solvency and its past and current financial status.

"Extraordinary economic development and employment growth" will include those Projects which exhibit some of the following characteristics:

- A commercial or retail project

- Include at least \$5 million in private capital investment in land, buildings, or equipment; and
- Will create at least 50 new full time jobs paying at least 100% of the average wage for the county as established by the Georgia Department of Labor during the period of investment assistance; and
- Will create or retain at least 10 exempt managerial and/or professional and/or senior executive jobs during the period of investment assistance.

Such waiver of a development impact fee, in whole or in part, must be approved by the City Council, with the recognition that the amount of the waived impact fee must be reimbursed in the applicable development impact fee account from an appropriate revenue source other than the development impact fees.

While the Henry County Water and Sewerage Authority's impact fees for water and sewerage are not subject to waiver or abatement, a company approved by the City Council for the waiver of development impact fees may be eligible to negotiate a structured payment of the water and sewerage impact fees with the Authority.

Nothing herein shall be construed to limit the ability of the City to enter into an agreement or arrangement described in O.C.G.A. 36-71-7, which permits certain credits against an impact fee for, among other things, the construction of system improvements not related to the project.

**Section 7: Special Small Business Incentives**

Small businesses or projects which do not meet the employment or economic requirements otherwise set forth herein, may otherwise qualify for limited small business training, education, promotion and/or development grants or assistance pursuant to criteria that may be established and modified by the Stockbridge Downtown Development Authority from time to time, provided that:

- (a) The Company or Project otherwise substantively meets 1) the general intent of this Program, 2) any specific **requirements** for such assistance as the Authority may establish from time to time, and 3) such documentation requirements as the Authority may establish from time to time.
- (b) Management of the Company and/or Project shall successfully complete a Small Business Development Course or Program as required from time to time by the Stockbridge Downtown Development Authority.

The City Council may, in its sole discretion, set an annual financial guideline or target each year in regard to such incentives, after consultation with the Stockbridge Downtown Development Authority.

**Section 8: Incentive recapture provision and Reimbursement of Investment Assistance Upon Failure to Meet Criteria**

The City will offer investment assistance or incentives to projects which, after thorough analysis, are determined to meet or exceed the criteria set forth in this policy. This assistance is predicated upon the project meeting and maintaining specified standards during the assistance period. Should any incentive offered pursuant to this, or any other Program, be determined to be illegal, unenforceable or invalid, then the recipient, or his successors, heirs or assigns, agrees to promptly reimburse the City. Any applicant that receives or participates in any incentive offered under this article agrees not to relocate outside of the City or to voluntarily seek to be de-annexed out of the City without the consent of the Stockbridge City Council for the period for which the incentive is granted. Failure to abide and comply with the requirements of assistance set forth in any agreement relating to the specific Project shall require the project receiving investment assistance to reimburse the City according to the terms of that agreement.

**Section 9: Confidentiality of Investment Assistance Negotiations and Related Proceedings**

The Stockbridge Downtown Development Authority and the Stockbridge City Council shall pledge to honor the confidentiality of the project's business information while, at all times acting in accordance with relevant Open Meetings and Open Records laws. Conversely, the project and its representatives shall pledge to honor the confidentiality of negotiations and related proceedings and maintain the confidentiality of the City's proposal.