

Senate Bill 334

By: Senators Zamarripa of the 36th, Reed of the 35th, Tate of the 38th and Fort of the 39th

AS PASSED SENATE

**A BILL TO BE ENTITLED
AN ACT**

1 To amend the "Atlanta Urban Enterprise Zone Act," approved March 24, 1988 (Ga. L. 1988,
2 p. 4164), as amended, particularly by an Act approved April 20, 1998 (Ga. L. 1998, p. 4493),
3 so as to change criteria for the designation of urban enterprise zones; to repeal conflicting
4 laws; and for other purposes.

5 **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

6 **SECTION 1.**

7 The "Atlanta Urban Enterprise Zone Act," approved March 24, 1988 (Ga. L. 1988, p. 4164),
8 as amended, particularly by an Act approved April 20, 1998 (Ga. L. 1998, p. 4493), is
9 amended by striking Section 5, which reads as follows:

10 **"SECTION 5.**

11 (a) In order to be designated as an enterprise zone, a nominated area shall meet at least three
12 of the four criteria specified in subsections (b), (c), (d), and (e) of this section. In determining
13 whether an area suffers from poverty, unemployment, or general distress, the governing body
14 shall use data from the most current United States decennial census and from other
15 information published by the Federal Bureau of the Census, the Federal Bureau of Labor
16 Statistics, and the Georgia Department of Labor. In determining whether an area suffers from
17 underdevelopment, the governing body shall use the data specified in subsection (e) of this
18 Code section. The data shall be comparable in point or period of time and methodology
19 employed.

20 (b) Pervasive poverty shall be evidenced by showing that poverty is widespread throughout
21 the nominated area and shall be established by using the following criteria:

22 (1) The poverty rate shall be determined from the data in Table P121 contained in Census
23 of Population and Housing, 1990: Summary Tape File 3A, on CD-ROM (Georgia),
24 prepared by the U.S. Bureau of Census (1992);

1 (2) For each census geographic block group within the nominated area, the ratio of
2 income to poverty level for at least 20 percent of the residents shall be less than 1.0;

3 (3) In at least 50 percent of the census geographic block groups within the nominated
4 area, the ratio of income to poverty level for at least 30 percent of the residents shall be
5 less than 1.0;

6 (4) Census geographic block groups with no population shall be treated as having a
7 poverty rate which meets the standards of paragraph (2) of this subsection but shall be
8 treated as having a zero poverty rate for the purpose of applying paragraph (3) of this
9 subsection; and

10 (5) All parcels of a nominated area must abut and may not contain a noncontiguous
11 parcel, unless such nonabutting parcel qualifies separately under the criteria set forth
12 under paragraphs (2) and (3) of this subsection.

13 (c) Unemployment shall be evidenced by the use of data published by the Office of Labor
14 Information Systems of the Georgia Department of Labor indicating that the average rate of
15 unemployment for the nominated area for the preceding calendar year is at least 10 percent
16 higher than the average rate of unemployment for the state or by evidence of adverse
17 economic conditions brought about by significant job dislocation within the nominated area
18 such as the closing of a manufacturing plant or federal facility.

19 (d) General distress shall be evidenced by adverse conditions within the nominated area
20 other than those of pervasive poverty and unemployment. Examples of such adverse
21 conditions include, but are not limited to, a high incidence of crime, abandoned or
22 dilapidated structures, deteriorated infrastructure, and substantial population decline.

23 (e) Underdevelopment shall be evidenced by data indicating development activities, or the
24 lack thereof, through land disturbance permits, business license fees, building permits,
25 development fees, or other similar data indicating that the level of development in the
26 nominated area is at least 20 percent lower than development activity within the local
27 governing body's jurisdiction.

28 (f) An existing commercial, industrial, residential, mixed-use commercial and industrial, or
29 mixed-use residential and commercial purposes zone may be amended to add additional land
30 to the zone, provided that:

31 (1) The area to be added complies with the requirements of subsection (a) of this section;
32 and

33 (2) Notwithstanding the date of expansion of the existing zone, the schedule of
34 abatements for the area added to the existing zone shall coincide with the schedule of
35 abatements for the existing zone."

36 And inserting in its place thereof the following:

1 "SECTION 5.

2 (a) Two types of geographic methods may be used for determining whether a nominated
 3 property or area is eligible for urban enterprise zone designation within the Atlanta City
 4 Limits: 1) the 'automatic eligibility method'; and 2) the 'site-specific eligibility method.' The
 5 'automatic eligibility method' shall consist of first verifying that a nominated property or area
 6 is not located within an approved tax allocation district, then identifying the geographic
 7 boundaries of said nominated property or area as being located within one of the six
 8 commercial corridors that are listed below, which were identified as being 'EDP Priority
 9 Areas' by the City of Atlanta's adopted 'New Century Economic Development
 10 Plan—Version Zero.Five (0.5)' (August 2004), and whose geographic boundaries are
 11 delineated by the attached map comprising Exhibit 'A,' which was prepared by the City of
 12 Atlanta Bureau of Planning in December 2004. Any subsequent modifications to the map
 13 representing the geographic boundaries of these EDP Priority Areas, any name changes, or
 14 any subsequent creation of separate maps delineating the boundaries of each individual EDP
 15 Priority Area, shall, for legal and operational purposes, replace or be used in addition to the
 16 attached map, and shall not require an amendment to this Act. However, any deletions of
 17 entire EDP Priority Areas, or additions of new ones, shall, in fact, require an amendment to
 18 this Act. To eliminate possible complications in calculating tax abatements that a property
 19 owner of an approved enterprise zone may be entitled to, under the automatic eligibility
 20 method, a nominated property or area must be completely, rather than partially, located
 21 within the boundaries of one of the six identified EDP Priority Areas.

22 'EDP Priority Areas' Which Shall Be Automatically Eligible For Urban Enterprise Zone
 23 Designation:

- 24 1. Donald Lee Hollowell Parkway.
- 25 2. Simpson Road.
- 26 3. Campbellton Road.
- 27 4. Memorial Drive.
- 28 5. Jonesboro Road.
- 29 6. 'Stadium Neighborhoods' (consisting of several neighborhoods south of Downtown
 30 Atlanta).

31 (b) The 'site-specific eligibility method' shall require a nominated property or site to meet
 32 at least three of five possible locational criteria that are specified in subsections (c), (d), (e),
 33 (f), and (g) of this section. In determining whether an area suffers from poverty or
 34 unemployment, the governing body shall use data from the most current United States
 35 decennial census and from other information published by the Federal Bureau of the Census,
 36 the Federal Bureau of Labor Statistics, and the Georgia Department of Labor. In determining
 37 whether an area suffers from general distress or underdevelopment, the governing body shall

1 use the data that are specified in subsection (f) of this Code section. The data shall be
2 comparable in point or period of time, as well as the methodology that is utilized.

3 (c) The first locational criterion to be met under the site-specific eligibility method shall be
4 'pervasive poverty.' Pervasive poverty shall be evidenced by showing that poverty is
5 widespread throughout the nominated area and shall be established by using the following
6 criteria:

7 (1) The poverty rate shall be determined from the data on poverty contained in Census
8 of Population and Housing, 2000: on CD-ROM (Georgia), prepared by the U.S. Bureau
9 of Census;

10 (2) For each census geographic block group within the nominated area, the ratio of
11 income to poverty level for at least 20 percent of the residents shall be less than 1.0;

12 (3) In at least 50 percent of the census geographic block groups within the nominated
13 area, the ratio of income to poverty level for at least 30 percent of the residents shall be
14 less than 1.0;

15 (4) Census geographic block groups with no population shall be treated as having a
16 poverty rate which meets the standards of paragraph (2) of this subsection but shall be
17 treated as having a zero poverty rate for the purpose of applying paragraph (3) of this
18 subsection; and

19 (5) All parcels of a nominated area must abut and may not contain a noncontiguous
20 parcel, unless such nonabutting parcel qualifies separately under the criteria set forth
21 under paragraphs (2) and (3) of this subsection.

22 (d) The second locational criterion to be met under the site-specific eligibility method shall
23 be 'unemployment.' Unemployment shall be evidenced by the use of data published by the
24 Office of Labor Information Systems of the Georgia Department of Labor indicating that the
25 average rate of unemployment for the nominated area for the preceding calendar year is at
26 least year 10 percent higher than the average rate of unemployment for this state or by
27 evidence of adverse economic conditions brought about by significant job dislocation within
28 the nominated area such as the closing of a manufacturing plant or federal facility.

29 (e) The third locational criterion to be met under the site-specific eligibility method shall be
30 'general distress.' General distress shall be evidenced by adverse conditions within the
31 nominated area other than those of pervasive poverty and unemployment. Examples of such
32 adverse conditions include, but are not limited to, a high incidence of crime, abandoned or
33 dilapidated structures, deteriorated infrastructure, and substantial population decline.

34 (f) The fourth locational criterion to be met under the site-specific eligibility method shall
35 be 'underdevelopment.' Underdevelopment shall be evidenced by data indicating
36 development activities, or the lack thereof, through land disturbance permits, business license
37 fees, building permits, development fees, or other similar data indicating that the level of

1 development in the nominated area is at least 20 percent lower than development activity
2 within the local governing body's jurisdiction.

3 (g) The fifth locational criterion to be met under the site-specific eligibility method shall be
4 'general blight.' General blight shall be evidenced by data indicating that a nominated
5 property or area is located within the boundaries of an identified urban redevelopment area,
6 for which an urban redevelopment plan has been officially adopted by the affected governing
7 body.

8 (h) The fact that a nominated property or area has been determined to meet the tests of urban
9 enterprise zone eligibility by either of the two methods that are described above does not, in
10 itself, grant or convey urban enterprise zone designation upon said nominated property or
11 area. Rather, an ordinance to award urban enterprise zone designation to a nominated
12 property or area must be officially introduced and adopted by the Atlanta City Council after
13 an applicant has formally applied for urban enterprise zone designation through the Bureau
14 of Planning.

15 (i) An existing commercial, industrial, residential, mixed-use commercial and industrial, or
16 mixed-use residential and commercial purposes zone may be amended to add additional land
17 to the zone, provided that:

18 (1) The area to be added complies with the requirements of subsection (a) of this section;
19 and

20 (2) Notwithstanding the date of expansion of the existing zone, the schedule of
21 abatements for the area added to the existing zone shall coincide with the schedule of
22 abatements for the existing zone."

23 **SECTION 2.**

24 All laws and parts of laws in conflict with this Act are repealed.