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Montie Robinson, Sr.
Todd Wilson



CITY MANAGER
Stan Brown

CITY CLERK
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NEWS ARTICLE: Gainesville Times on February 9, 2014

Local redevelopment program under state review

Area governments wanting to eventually spruce up “blighted” areas through a state tax-incentive program might have to put their plans on hold awhile.

Gretchen Corbin, commissioner of the Georgia Department of Community Affairs, has informed officials she is reviewing the “opportunity zone” program and all pending applications.

In a Dec. 10 letter to Oakwood Mayor Lamar Scroggs, she said she’s conducting the review to ensure that the state “designates the most appropriate redevelopment areas, while acting in the most fiscally responsible manner.”

Corbin, appointed by Gov. Nathan Deal to the post Aug. 1, went on to say, “I appreciate your patience during this time period of review.”

Through the program, local governments can target certain distressed areas for redevelopment and revitalization by offering a tax credit of up to \$3,500 per job created in the zone. The incentive is available for new or existing businesses that create two or more jobs, according to the DCA website, www.dca.state.ga.us.

“The Opportunity Zone program is undergoing a review at the present time, basically to make sure that its goal of addressing redevelopment is being met in the most effective way and that it will continue to be a fiscally responsible program,” DCA spokeswoman Alison Tyrer said.

Applications now in the pipeline “are active, and DCA will stay in touch with these communities as the review proceeds,” Tyrer said.

She didn’t know how many applications are pending, nor did she have a time frame for the review process to be completed.

By legislative action last year, the Georgia Department of Economic Development also got involved in the process.

“We are just an additional person that would review and approve the applications that are provided to us by DCA,” said Stefanie Paupeck, spokeswoman for the department. “DCA manages the process.”

Gainesville, Flowery Branch and Oakwood filed applications last year for the state designation.

For his part, Oakwood City Manager Stan Brown said he would like to hear a “yes” or “no” from the state in a timely way.

“If you spend, in our case \$9,000, on a plan and application under a program that’s valid, I think we deserve an answer,” he said. “We have no choice but to be patient, but we’ve obligated some local money to try to do this under a program that was ... and still is in existence.”

Oakwood’s proposed opportunity zone features 104 parcels on 416 acres across the city, including around Mundy Mill near Interstate 985 and McEver Road at Flat Creek Road.

Flowery Branch City Council voted in September to adopt a redevelopment plan, seeking to declare 67 land parcels part of an opportunity zone.

And Gainesville City Council, working with Hall County government officials, voted in June to seek approval for its West Gainesville-Hall County Opportunity Zone, which comprises 805 acres and 409 tracts around the Lakeshore Mall, Atlanta Highway and Browns Bridge Road and within Industrial Park West.

“We’re hoping soon for a favorable response,” Community Development Director Rusty Ligon said. “We see this as a very beneficial economic development tool to have in place to attract business and industry.”

Gainesville has a downtown/midtown opportunity zone that was created in 2010. Ligon said the process to approval for that zone took 2-3 months.

Tim Evans, the Greater Hall Chamber of Commerce’s vice president of economic development, said he appreciates the governments’ efforts in seeking the status.

“I think it speaks to them doing some proactive things, to help turn around some blighted areas,” he said. “We’re hopeful it will go forward ... but we’ll have to be patient and wait for (the review) to finish.”

DOCUMENTS

Read Georgia Department of
Community Affairs Gretchen Corbin’s
letter to Oakwood Mayor Lamar
Scroggs

Nathan Deal
Governor



Georgia™
Department of
Community Affairs

Gretchen Corbin
Commissioner

December 10, 2013

The Honorable Mayor H. Lamar Scroggs
Mayor, City of Oakwood
P.O. Box 99
Oakwood, GA 30566

RE: Opportunity Zone application review

Dear Mayor Scroggs:

I wanted to thank you for your Opportunity Zone application, and wanted to reach out to you to let you know that your application is in the pipeline for consideration. As you are aware, the Opportunity Zone program was intended to encourage redevelopment in areas with true blighted conditions. And with the designation, a state withholding tax credit is provided to qualified businesses within the designated zone.

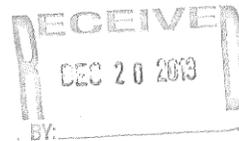
To ensure that the Department of Community Affairs designates the most appropriate redevelopment areas, while acting in the most fiscally responsible manner, I am reviewing the program and all applications. The Department of Community Affairs appreciates your application and I appreciate your patience during this time period of review. If you or any community representatives would like to discuss your application at greater length, please feel free to give me a call at 404-679-0585.

Sincerely yours,



Gretchen Corbin
Commissioner

cc: Jonathan Gelber



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