

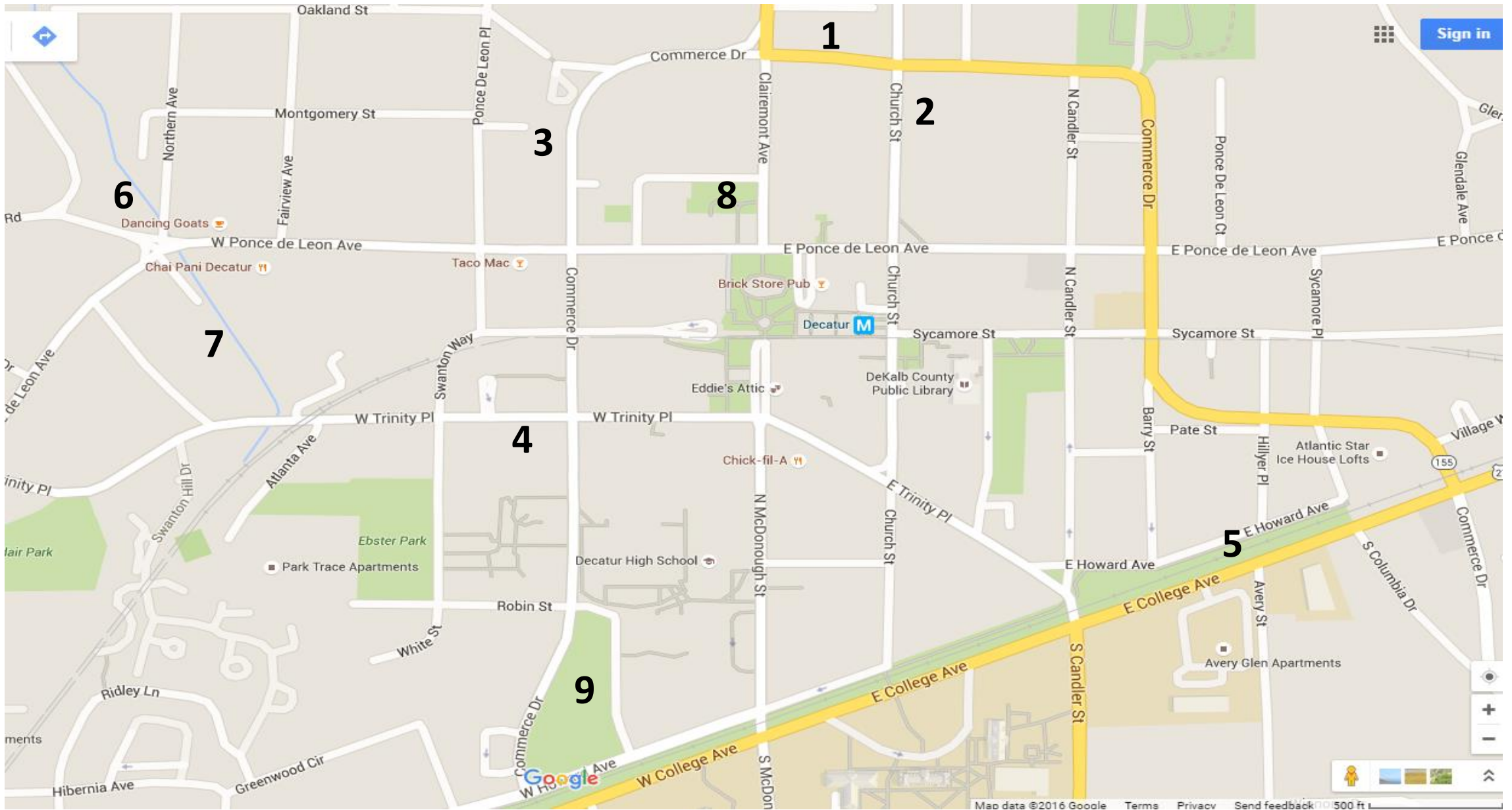


NOW OR NEVER !



Decatur Residents for a Downtown Park
Decatur City Commission
May 16, 2016

There Are Few Potential Downtown Park Sites



Potential Downtown Park Sites

1. McDonald's & Las Brasas site. On one of the City's plans as a potential site for a park and has been put forth a couple of times in response to our advocacy for a downtown park. The chief drawback of the site is that it is on the wrong side of Commerce, which is a difficult road to cross. The site also has busy streets on three sides and is further from most of the existing condos and apartments. The heavy traffic reduces visitors' experience and is likely to deter families with small children from visiting. If you pursue this option, I would recommend trying to divert the state route to the north of the site by reopening Williams Street.
2. Selig site. More than one acre with good visibility on Church, which is less busy with slower speeds south of Commerce. The developer has shown drawings of residential on site, which contributed to our sense of urgency for getting the City to commit to acquiring land for a Downtown Park.
3. Fidelity Bank and Parking Lot. This 1-acre site could make a good park. It is across Commerce from most multi-family residential and would benefit from a safe, mid-block crossing (there already is a ton of jaywalking here). It also is further from Renaissance and Town Square Condominiums. Visibility is good. There might be use challenges associated with the topography and building on north end of site.
4. Decatur Housing Authority Site. Nearly three acres of undeveloped land. Topography is good. Location is biggest drawback, as it has institutional uses on three sides, which would limit positive effect of adjacent property values. Also, two of the institutional uses are non-residential (DeKalb County Offices, Ebster), and Decatur High School also is institutional.
5. East Howard Railroad Track. Envisioned as an art park space by former Planning Director Amanda Thompson, which would be an excellent use of the site. Its narrow configuration would preclude the incorporation of most amenities.
6. First Christian Church Toy Park. Privately owned; well-suited as a playspace for children. Part of it is within the stream buffer zone. The City should acquire an option to acquire an easement or title to the property at some point in the future in order to preserve existing use. Financial pressures may cause the church to sell.
7. Post Office Site. There is an excellent opportunity to create a linear park with trail as part of any redevelopment of the Post Office. My understanding is that the Post Office lease is coming up soon. The City should revisit its stream buffer and setback requirements, which currently are 25'. Combining the buffer requirements with a slightly enhance stream setback requirement effectively would require the development of a park when the site is redeveloped. All you would need to do is add a trail. From a location perspective, this site is at the perimeter of Downtown, with most multi-family residential not within a ¼-mile walk.
8. Hampton Inn Site. Slated to be developed into a Hampton Inn this year, the 1-acre site is the biggest concentration of trees and grass downtown. It is not very visible from the road, which means that people would feel less safe in the park. Dumpsters, loading dock and other uses supporting the Emory building were relocated.
9. Former DHS Community Garden. Now a parking lot. DHS will incorporate a smaller garden into the redevelopment. Will be internal to the site, limiting public value.

There are Many Park Funding Options

1. Tax Increment Financing *(like TAD created for East Decatur Station)*
2. Park Impact Fee *(City announced at January DDN meeting that it is exploring)*
3. Leveraging concessions from developers
4. Sell current assets
5. Repurpose existing public land (streets & parking lots)
6. Open space and stormwater banking
7. Transfer of Development Rights
8. Private funding
9. Collaborate with governmental partners (CSD, DHA)
10. General obligation bond/property taxes
11. Hotel-Motel Tax

Tax Increment Financing (Tax Allocation District)

1. Defines a geographic area in which to operate.
2. Growth in the tax digest within that geographic area is set aside as “increment” that can only be spent within the tax allocation district. T.A.D. money only can be spent on capital improvements.
3. City, County and Schools may separately or jointly create a T.A.D.
4. As the annual increment grows, the governing agency (likely the Decatur Development Authority) can bond against it.
5. The sooner a T.A.D. is created, the greater the increment.
6. Atlanta created a T.A.D. to fund trails and parks along the BeltLine. The City of Decatur created a T.A.D. for East Decatur Station.
7. If the T.A.D. created parkland, City Schools of Decatur would be more likely to support, as it would reduce the amount of land where residential development could increase enrollment.

Park Impact Fees

1. Impact fees are charged as part of the permitting process for new developments.
2. Impact fees are used to build infrastructure to meet demand caused by or increased by the new development.
3. The State of Georgia authorizes local governments to charge impact fees for parks, transportation and public safety.
4. Impact fees are fairly common; the City of Atlanta has been using them for decades.
5. Academic research shows that impact fees have the effect of decreasing the value of undeveloped or underdeveloped land, resulting in land speculators bearing their cost.
6. City of Decatur has begun exploring the creation of impact fees.

Leveraging Concessions from Developers

1. Any time a developer needs a variance, the local government has leverage for getting the developer to make additional investments in the area around the proposed development.
2. Local governments also can take the initiative of proposing to waive certain requirements in exchange for certain actions by the developers. For example, a city would waive open space requirements if the developer donated or sold below cost part of its land for creation of a public park.
3. Similarly, Decatur allowed the Artisan Condominium to exceed the City's height requirement in exchange for creating additional affordable housing with the development.

Sell Current Assets

1. Local governments can raise short-term revenue by selling underperforming assets.
2. Selling underperforming assets not only yields a one-time infusion of capital, it increases property tax revenue and eliminates any annual expenditures invested in the asset.
3. The City of Atlanta sold City Hall East, Underground Atlanta and the Civic Center.
4. Selling the Civic Center will net the City more than \$10 million, eliminate annual expenditures of \$400,000+, get the property on the tax rolls and attract hundreds of millions of dollars in private investment.
5. The Decatur Conference Center may be an opportunity.

Decatur Conference Center

Is subject to a 24-year lease with Courtyard Marriott

Sits on 1.3 acres of land and pays no taxes

Generates no rental income until 2024

Is allocated \$150,000+ annually in the City's budget

Conference Center Operational Profit & Loss

status quo vs. sale to private owner

	CURRENT	IF SOLD
LEASE	\$72,000/YEAR ¹	\$0
HOTEL/MOTEL TAX	(\$158,000)/YEAR	\$0
CITY TAXES	\$0	\$21,000/YEAR ²
DDA TAXES	\$0	\$800/YEAR
INSURANCE	???	\$0
STAFF TIME	???	NONE
FREE SPACE	24 HOURS/MONTH	NONE
ANNUAL REVENUE	(\$86,000)	\$21,800
24-YEAR TOTAL	(\$2,829,000)	\$545,000 ³

¹ City will begin receiving rent in 2024, once it has reimbursed the Marriott for capital investment in the facility.

² Taxes assume valuation of \$3.5 million based on current assessment plus adjustment to land value

³ Does not include any revenue from sale of building.

NOTE: Not official City data. However, all data is based on documentation provided by the City.

Repurpose Existing Public Land

1. Best local example is the Decatur Square, created in part by eliminating roads.
2. City-owned parking lots can be transitioned into parks or public plazas.



Open Space and Stormwater Banking

1. Governments often require developers to mitigate the impact of their developments by detaining stormwater on site, creating open space or mitigating destruction of wetlands.
2. It is common practice for organizations to work with the government to restore wetlands and create a wetlands mitigation bank. When a developer destroys wetlands, they can buy share in the mitigation bank to meet regulatory requirements.
3. Organizations also can build a large stormwater detention facility and then allow developers to buy capacity in the facility. Decatur has made such an investment in the vault under Ebster Field.
4. The City could amend its open space requirement to allow the creation of an open space mitigation bank, then build a park to start the bank. Likely would require initial capital investment.

Transfer of Development Rights

1. Governments can allow developers to exceed height, setback and density requirements at one site in exchange for ceding the right to develop a second site (usually by granting the government an easement).
2. TDRs generally have sending and receiving district, where a property owner would sell development rights from a sending district to a developer who wanted denser development than would normally be allowed in the receiving district.
3. The development of Chattahoochee Hill Country in South Fulton County is a prominent example of the use of TDRs in metro Atlanta.
4. The City could build a park to serve as a “sending” district, designating other areas that could receive the development rights.
5. Likely would require an initial capital investment to create park.

Private Funding

1. Centennial Olympic Park was built almost exclusively with private funds.
2. The Piedmont Park Conservancy has raised \$66 million for capital investments in the park.
3. There are significant barriers to raising private funds to create a Downtown Decatur Park
 - Foundations generally do not give money to cities. Woodlands is a nonprofit operating (and liable for) the facility.
 - Decatur is perceived as a wealthy community not in need of private investment for what foundations see as a core City function.
 - Decatur is sufficiently distant from Downtown that it is not seen as part of Atlanta or significantly impacting the regional brand.
 - The general foundation model is for a nonprofit to raise funds to improve an existing public asset. For this to happen, the City of Decatur will have to own the asset before a foundation would invest.
4. There is some opportunity to raise private funds to build a park once the land is acquired.

Collaborate with governmental partners (CSD, DHA)

Sister governments may partner on joint use of land or a facility, or joint development and operation of a park or facility.

1. The City of Atlanta and the Atlanta Housing Authority often partner to get trail easements on AHA property or for the AHA to incorporate parks into their developments.
2. As part of its redevelopment of the Edgewood Candler Park Station, MARTA is to create a park that the City would maintain.
3. The City of Atlanta and Atlanta Public Schools have joint use agreements for several facilities.
4. There is system-wide coordination in New York City where schools become public playgrounds when the schools are not in operation.
5. There already is some coordination between Active Living and CSD.

General obligation bond/property taxes

1. Cities, counties and states frequently put park bond referenda on the ballot to get voter approval for land acquisition and park improvements; the great majority easily pass.
2. Nearly 1,000 jurisdictions at the state, county, and local levels held open-space referenda between 1998 and 2003, and approximately 80% of these initiatives passed, raising over \$21 billion for openspace conservation.
3. The City of Atlanta imposes a 0.5 millage Park Improvement Fee on as part of its property tax. Revenue from the Park Improvement Fee is dedicated to capital improvements in parks. The City can and does bond against the Park Improvement Fee.

Hotel-Motel Tax

1. The Hotel-Motel tax can be spent on programs and capital improvements that drive tourism.
2. The City of Atlanta has used the tax to help fund the new Falcons stadium, renovation of Phillips Arena and the Jazz Festival.
3. To the extent that a new Downtown Park would facilitate the possible expansion of existing festivals, especially the Atlanta Book Festival and the Arts Festival, acquiring land for and building the park would be legal uses of the hotel-motel tax.
4. If the City were to sell the Conference Center, it could redirect the \$158,000 annually allocated to the Conference Center to the creation of a downtown park.
5. Governments may bond against the hotel-motel tax.

RECOMMENDATIONS

1. Immediately begin conversations with owners of the few undeveloped properties downtown, prioritizing sites based on location, accessibility and safety.
2. Sell the Decatur Conference Center and put the revenue into a parkland acquisition account that will meet short-term land acquisition needs to address Decatur's Park Deficit.
3. To the extent possible, direct newly available hotel-motel tax revenue to creating the new park.
4. Continue efforts to create a park impact fee; institute the fee quickly to capture as much near-term development as possible. Creates permanent, longer-term funding for parks.
5. Create a parks and greenspace master plan for the City to guide future expenditures.
6. Use other funding streams creatively as opportunities arise.



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