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**CITY COUNCIL AGENDA ITEM**

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**TO:** Mayor & City Council

**DATE:** July 1, 2011

**FROM:** John McDonough, City Manager

**AGENDA ITEM:** Consideration of an Economic Development Incentive Policy

**MEETING DATE:** For Submission onto the July 12, 2011, City Council Regular Meeting Agenda

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*BACKGROUND INFORMATION: (Attach additional pages if necessary)*

See attached:

Memorandum  
Material

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APPROVAL BY CITY MANAGER:   gjm   APPROVED

\_\_\_\_\_ NOT APPROVED

PLACED ON AGENDA FOR:   7/12/2011  

CITY ATTORNEY APPROVAL REQUIRED: (  ) YES (  ) NO

CITY ATTORNEY APPROVAL:   [Signature]  

REMARKS:



TO: Mayor and City Council

FROM: John McDonough, City Manager

DATE: July 1, 2011 for submission on the Agenda of the July 12, 2011 City Council Meeting

ITEM: Recommendation to adopt an Economic Development Policy

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### **Discussion**

Businesses often choose to locate or expand in communities based upon the incentives offered to them. While the City has taken steps to reduce business occupation taxes as an incentive for businesses, an Economic Development Policy will provide a formalized process for encouraging businesses to locate or expand in Sandy Springs.

### **Alternatives**

Council could choose not to adopt the draft Economic Development Policy, leaving the City without a method for incentivizing businesses to relocate or expand their presence in Sandy Springs.

### **Attachment**

1. Draft Economic Development Policy

*City  
Manager*



## City of Sandy Springs Economic Development Incentive Policy

In an effort to create a business friendly atmosphere in the city, the following policy proposes to adopt minimum thresholds for the development of an economic incentive package for businesses relocating or expanding within the boundaries of the Sandy Springs, GA.

As such, minimum thresholds established to qualify for the city's economic incentive package are defined as follows:

**Job Creation:** *Create 16 or more full time positions working at a business located within the City of Sandy Springs.*

**Capital Investment:** *Provide new capital investment equal to or in excess of \$1.0 million for a business relocating or expanding in the City of Sandy Springs. Note: Capital investment must be in new construction, an addition to an existing facility or tenant upfit improvements.*

Businesses meeting both of these criteria when relocating or expanding existing operations in the City of Sandy Springs will qualify for the city's economic incentive package, which includes:

### 1. Expedited Permitting Process

The City of Sandy Springs will expedite the permitting process required for business location or expansion. Our Community Development Department is experienced with fast-tracking permit approvals and will insure that a prospective business will have a personal representative assigned to act as their advocate, insuring that they are talking to the right people at the right time, saving additional time and money for the business.

### 2. Waiver of Permit/Impact Fees

The City will waive all building permit fees associated with the business relocation/expansion including all fees associated with new construction, plan review and tenant finishes. Additionally, businesses relocating to the city that meet the threshold criteria defined above will also be exempt from impact fees assessed per Section 107 of the Code of the City of Sandy Springs (Impact Fee Ordinance).

### 3. Waiver of Business Occupational Tax

The City will waive applicable business license taxes up to the sum of \$75,000 annually for qualifying businesses that meet the established criteria listed above. This waiver may be for up to three years depending upon the total capital investment and jobs created. This incentive is available twice in a ten-year period. (See table below).

	Tier I	Tier II	Tier III
Number of New Jobs Created	15 - 26	26 - 99	100+
Amount of Capital Investment	\$1 million	\$1.01 million to \$5 million	\$5 million +
Business Occupant Tax Waiver	1 year	2 years	3 years