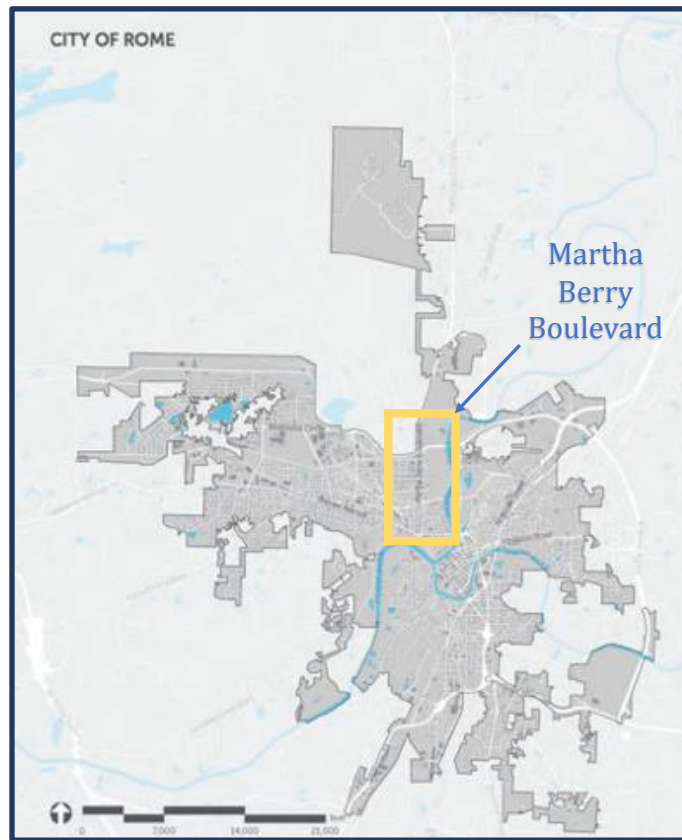


CITY OF ROME
REDEVELOPMENT PLAN:
MARTHA BERRY BOULEVARD CORRIDOR
TAX ALLOCATION DISTRICT #5



May 2022

Prepared for:
City of Rome, Georgia



Prepared by:



DRAFT



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EXECUTIVE SUMMARY

Overview

The Redevelopment Plan for the Martha Berry Boulevard Corridor

This document presents the rationale, boundaries, fiscal data, and proposed projects that could result from the formation of the City of Rome Tax Allocation District #5. Tax allocation districts (TADs) are Georgia's version of tax increment financing. Tax increment financing (TIF) is a redevelopment funding mechanism that reinvests the future taxes from real estate development back into a project as an incentive to attract new private investment into an area. The intent of proposing TAD #5 in the Martha Berry Boulevard Corridor is to enable the City to support redevelopment projects that collectively would have a large positive economic impact on this commercial corridor by redeveloping deteriorating or underutilized parcels into commercial, residential and mixed-use projects. Leadership in the preparation of this plan was provided by the City of Rome. This redevelopment plan was prepared by KB Advisory Group, Inc. (KBAG) in conformance with the provisions of Georgia Redevelopment Powers Law (O.C.G.A. Title 36 Chapter 44) which governs the creation of the Tax Allocation Districts (TADs) in the state.

This Tax Allocation District (TAD) is located along the Martha Berry Boulevard (US Highway 27) near downtown Rome, Georgia. The TAD's southern boundary is the intersection of West 9th Street and Martha Berry Boulevard. On its west side, the TAD extends north up to the 1800 block of Martha Berry Boulevard. On its east side, the TAD extends north from the intersection of North 5th Avenue and West 12th Street up to the intersection of Charlton Street NW and Martha Berry Boulevard.

There are over 50 existing structures with a combined square footage in excess of 185,625 SF within the TAD, with 1970 as the median construction year¹. This acreage estimate does not include streets, rights of way and other land for which no assessment records are available.

TAD #5: Martha Berry Boulevard Corridor would incorporate 41 parcels over 131.83 acres. The properties in TAD #5 currently have a fair market value of \$26,447,883 and a taxable digest of \$9,601,735.

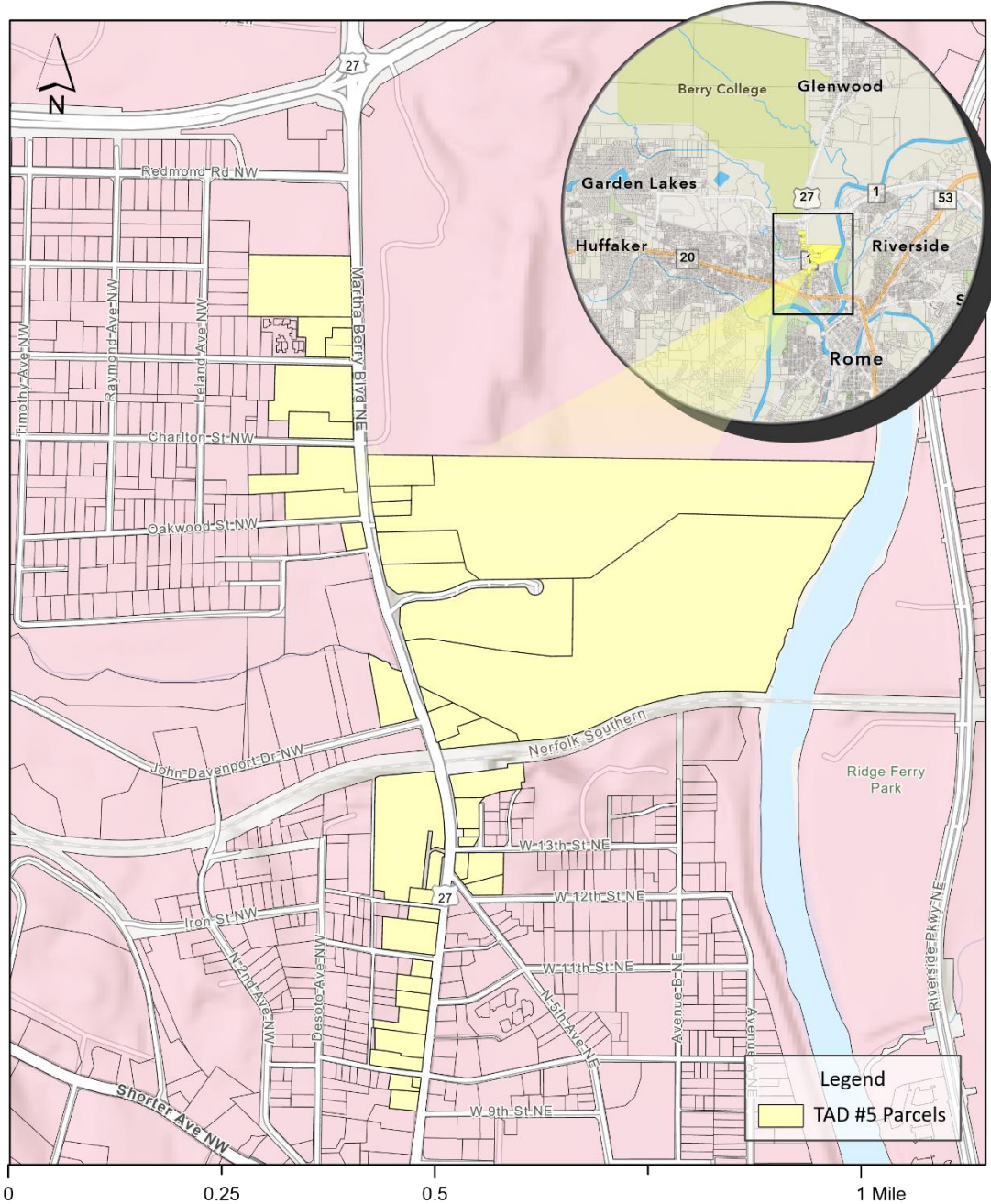
The combined value of the properties in the TAD represents less than 1% of the City's tax digest, well under the 10% maximum limit for TADs in the City as required by Georgia's Redevelopment Powers Law.

The City of Rome Redevelopment Plan for the Martha Berry Boulevard Corridor envisions potential redevelopment within the TAD area. The Plan reflects community objectives in the area over the next decade. These objectives and other desirable development characteristics were identified in:

- The Rome-Floyd Cave Spring 2040 Comprehensive Plan
- Input gathered by KB Advisory Group from the district leadership representatives.

¹ Data on building age, square footage and number of structures from the City of Rome parcel map, CoStar, LoopNet, and RealtyTrac. Data was unavailable for some parcels.

PROPOSED REDEVELOPMENT AREA FOR TAX ALLOCATION DISTRICT #5
MARTHA BERRY BOULEVARD CORRIDOR



Source: KB Advisory Group



PARCELS INCLUDED IN TAD #5: MARTHA BERRY BOULEVARD CORRIDOR						
Parcel Number	Owner	Description	Zoning	Acres	Fair Market Value	Assessed Value
West Side of Corridor						
I13W034	LOWDEN DOSS HOLDINGS LLC	Glenwood Apartments of Rome	C3	5.47	\$1,998,571	\$799,428
I13W037	LALI, INC	Rome Motel	C3	1.22	\$559,031	\$223,612
I13W035	CHENG CHI CHANG & HANN CHENG	Cheng Rome	C3	0.34	\$388,503	\$155,401
I13W036	LALI, INC	Rome Motel & Leasing Office	C3	0.29	\$365,922	\$146,369
I13W165	BARTLEY SAMMY O	Apria Healthcare	C3	3.60	\$1,165,000	\$466,000
I13W167	NW GEORGIA HOUSING	Patton Partnership, LLC	E1	1.32	\$287,360	\$0
I13W255	HARDY INVESTMENTS LLC	1609 Martha Berry Blvd	C3	3.11	\$1,400,000	\$560,000
I13W269	BIG SPOON HOLDINGS LLC	4 Oakwood Street	C3	1.77	\$953,028	\$381,211
I13W270	STOREY WEYMAN L 1/2 & ALLISON MICHELLE	Exxon Station	C3	1.00	\$952,235	\$380,894
J13Y543	MARTIN LARRY C ADMIN	Carmart	C3	1.32	\$765,180	\$306,072
J13Y258	KIM KYIM & KYUMG S. KIM	Sumo Japanese Steak House	C3	7.10	\$1,034,193	\$413,677
J13Y254	HODGE THURMAN DENNIS JR	Lincare	C3	0.36	\$455,513	\$182,205
J13Y253	HOSPITAL AUTHORITY OF FLOYD COUNTY	1207 Ave C	E1	0.38	\$481,912	\$0
J13Y249	JAY JALARAM LLC	Royal Inn	C3	1.47	\$1,263,792	\$505,517
J13Y248	NAMAHI CORP	Berry Food Mart	C3	0.30	\$351,521	\$140,608
J13Y244	NAMAHI CORP	Seven Hills Inn	C3	0.48	\$1,259,091	\$503,636
J13Y243	KEENE JAMES W & ELLEN P	Proctor-Keene Chiropractic	C3	0.49	\$618,747	\$247,499
J13Y238	LEGACY PIZZA INC	Pizza Hut	C3	0.78	\$1,029,640	\$411,856
J13Y237	PAY RIGHT LLC	1013 Martha Berry Blvd	C3	1.07	\$1,047,374	\$418,950
J13Y235	JKM INVESTMENTS	1000 Avenue D	C3	0.67	\$270,000	\$108,000
J13Y228	ELROD JAMES A JR	907 Avenue C	C3	0.07	\$87,728	\$35,091
J13Y229	ELROD UPHOLSTERY AND GLASS	905 Avenue C	C3	0.32	\$331,005	\$132,402
J13Y227	ELROD JAMES A JR & MARY	903 Avenue C	C3	0.40	\$415,714	\$166,286
East Side of Corridor						
J13X026	CKRUPTA LLC	Sunrise Inn & Suites	C3	2.00	\$1,011,501	\$404,600
J13X027	GREATER COMMUNITY BANK	Rome Women's Health	C3	1.00	\$370,000	\$148,000
J13X028	GREATER ROME BANK	1600 Martha Berry Blvd	C3	1.00	\$270,000	\$108,000
J13X029	GREATER ROME BANK	1490 Martha Berry Blvd	C3	2.00	\$1,818,459	\$727,384
J13X029A	GREATER ROME BANK	MARTHA BERRY BLVD	C3	2.00	\$245,670	\$98,268
J13X029B	US POST OFFICE	US Post Office	E1	9.00	\$1,157,820	\$0
J13X030	Trustees of the Oak Hill Church	1500 Martha Berry Blvd	E2	30.91	\$309,100	\$0
J13Y540	CITY OF ROME LAND	Little Dry Creek Land East of MB	E1	44.30	\$166,125	\$0
J13Y542	WILLIAMS CHARLES S SR	Pawn	C3	0.31	\$166,291	\$66,516
J13Y541	SINGH SARABJEET	Hi Tech Fuel	C3	0.87	\$1,182,025	\$472,810
J13Y541A	SHIVA LODGING INC	Fair Bridge Inn	C3	1.25	\$1,475,485	\$590,194
J13Y260	KNIGHT SETH C JR	Land	C3	1.00	\$40,580	\$16,232
J13Y277	KNIGHT SETH C JR	Land	C3	1.00	\$34,898	\$13,959
J13Y278	ST JAMES AFRICAN METHODIST	Church	E1	0.11	\$19,528	\$0
J13Y279	ST JAMES CHURCH	Church	E2	0.00	\$21,700	\$0
J13Y307	MARTIN LARRY C AS PLAN ADMIN	1250 Martha Berry	C3	0.25	\$148,230	\$59,292
J13Y306	FORD MIKE	1208 North 5th	C3	1.00	\$171,935	\$68,774
J13Y308	WHITENER BILLY F	1200 North 5th	C3	0.50	\$357,476	\$142,990
Total TAD #5 Martha Berry Boulevard Corridor Parcels (Count: 41)				131.83	\$26,447,883	\$9,601,735

WHY THE PROPOSED TAX ALLOCATION DISTRICT #5 QUALIFIES AS A TAD

The City of Rome has the authority to exercise all redevelopment and other powers authorized or granted municipalities pursuant to the Redevelopment Powers Law (Chapter 44 of Title 36 of the O.C.G.A.), as approved by Rome voters by referendum in 2005.

The TAD #5 Martha Berry Boulevard Corridor qualifies as a TADs under five specific sections of the Redevelopment Powers Law:

- A (i, ii) – The presence of structures...that by reasons of...obsolescence...are detrimental to the public health, safety, morals or welfare; the presence of a predominant number of substandard, vacant or deteriorating structures;
- A (v) – The existence of conditions...that substantially impair the sound growth of the community;
- B (i) – The area includes locations with the “presence of structures or buildings that are 40 years old or older with no historical significance;”
- B (iii) – This area includes a “predominance of structures or buildings of relatively low value.”

More detailed justification under each of these provisions appears in the full report, which follows this summary.

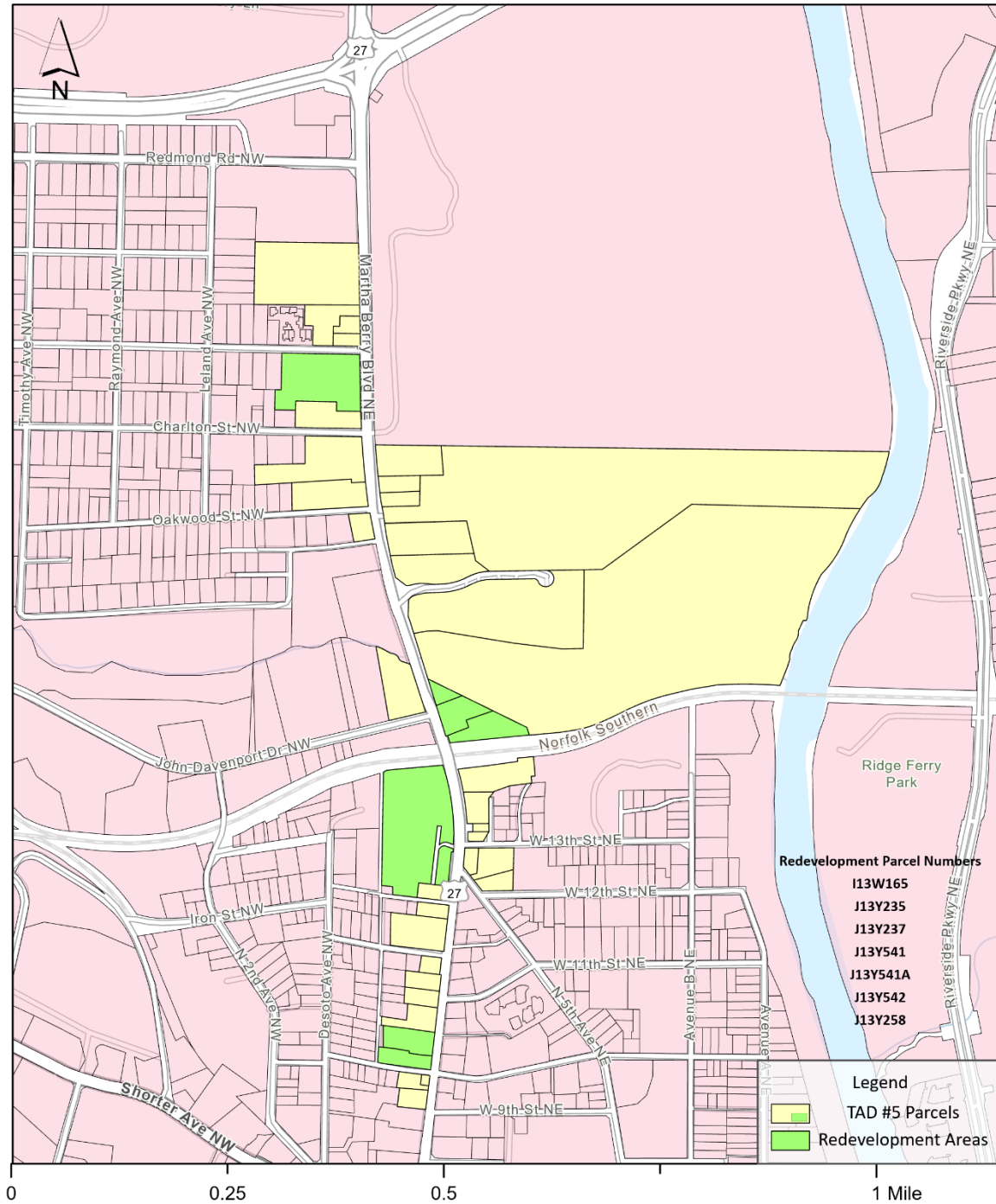
TAD funding can be used to offset the cost of infrastructure and redevelopment of several underutilized and deteriorating areas of the corridor. This report proposes redevelopment on several of the parcels and gives an overview of what types of proposals are justified given the size and zoning of each suggested parcel. Redevelopment costs that may be offset by the use of TAD funds are as follows:

- Grading and site preparation costs;
- Creation of internal roadways and circulation costs incurred by redevelopment on larger parcels;
- Upscaling sewer, water and detention capacity for new developments;
- Greening of redevelopment sites through landscaping, establishing sidewalks and streetscape;
- Flood remediation measures may be necessary in several parcels located in flood zones as indicated in the Redevelopment Plan. A portion of the proposed TAD #5 is located within an AE flood area as identified on the City of Rome parcel map. These sites have a 0.2 PCT Annual Chance of Flood, and construction in these areas may be subject to provisions listed in the Rome, GA Code of Ordinances.

PROPOSED REDEVELOPMENT PROJECTS

At this stage of redevelopment planning, no official site or building cost estimates have been submitted to the City for the potential projects in the TAD. Absent of having construction cost estimates, KB Advisory Group prepared representative taxable value estimates for seven parcels within the proposed redevelopment area, showing the distribution of office, commercial and residential development by land use. The Comprehensive Plan also provides implementation strategies for future development in the TAD area. The hypothetical redevelopment projects outlined in this plan also conform to these strategies.

Martha Berry Boulevard Corridor Redevelopment Parcels



Source: KB Advisory Group



Estimated Martha Berry Blvd. Redevelopment Value		
	Total Value	
Acreage	14.52	
Base Value Assessed	\$2,536,147	
Potential Development	Total Units/SF	Total Value
Residential (Units)		
Townhomes (@ \$200,000/unit)	12	\$2,400,000
Multifamily (@ \$130,000/unit)	50	\$6,500,000
Commercial (SF)		
Office (@ \$138/sf)	125,000	\$ 17,250,000
Retail (@ \$110/sf)	75,000	\$ 8,250,000
Total Development Value	\$34,400,000	
Taxable Value of Development	\$13,760,000	

Based on 2021 property values and construction costs, this level of potential development over the coming decade in TAD #5 would represent \$34.4 million in new market value. The redevelopment parcels currently have a tax value of \$2.5 million dollars. The development has a projected tax value of \$13.8 million, which creates \$11.3 million in new incremental tax value.

The primary method of financing development within TAD #5 will be through private equity and debt. TAD proceeds would be used to supplement private financing and reduce overall development costs in order to make the projects financially feasible. TAD proceeds would be applied to address off-site development costs and/or reduce the cost of constructing access roads and internal infrastructure.

POTENTIAL TAD REVENUES AND BONDING CAPACITY

The law requires that Redevelopment Plans estimate “redevelopment costs to be incurred or made during the course of implementing the plan.” Estimating potential costs first requires estimating the amount of revenues which may be realistically generated from successful implementation of the plan. Once estimated, available revenues can be assigned to eligible cost items. The vast majority of the cost of developing the proposed Martha Berry Boulevard Corridor will be privately financed and paid for through land sales and profits from building construction. However, existing values for developed commercial sites in the Rome market are not sufficient to cover “extraordinary” cost items that are necessary to prepare the sites for development and make the necessary traffic and circulation improvements, as well as upgrade existing infrastructure to serve an estimated 200,000 sq. feet of commercial space and 62 residential units.

As shown below, the properties in the proposed TAD have a current taxable value of \$9,601,735. The development of the proposed “Redevelopment Areas” would result in the growth in \$13,760,000 in new Taxable Value from redevelopment. Net of the base valuation of \$2,536,147,

the incremental growth in the redevelopment parcels in TAD #5 at build-out is estimated to be \$11,233,853; a fourfold increase in the base value of these redevelopment parcels.

In addition to the redevelopment parcels, the remainder of TAD #5 is projected to grow over time. When applying average growth over the past ten years for both the City of Rome and the existing Rome TADs, a growth rate of 2.85% is projected for TAD #5². The projected new taxable value of this area after Year 15 is \$28,021,658. This represents an increase (increment) of \$18,419,923 over the area's current taxable real estate value.

By applying the M&O millage rate for the City of Rome, Rome City Schools and Floyd County it appears that the increase in property values in all of TAD #5 will generate approximately \$701,000 in additional (incremental) property taxes annually after a 15-year build-out. This is the critical property tax increment that will then be available for investment back into the TAD for qualified projects.

TAD #5 MARTHA BERRY BLVD: TAD Revenue / Financing	
Fair Market Value of TAD#5 at Build-Out	\$70,054,146
Taxable Value of TAD#5 at Build-Out	\$28,021,658
TAD Base Taxable Value	\$9,601,735
Incremental Value of New Development	\$18,419,923
2021 Millage Rates (M&O Only)	
City of Rome	0.009977
Rome City Schools	0.018200
Floyd County	<u>0.009880</u>
Total TAD Millage Rate	0.038057
Annual Property Tax increment at Build-Out	\$700,001
Potential TAD Proceeds to Development	
Pay As You Go Property Tax Rebate 10 Years	\$7,010,070
Pay As You Go Property Tax Rebate 15 Years	\$10,515,105
Pay As You Go Property Tax Rebate 20 Years	\$14,020,140
Pay As You Go Property Tax Rebate 25 Years	\$17,525,175
TAD Bond Financed	
Debt Coverage Ratio	120%
Bondable Property Tax Amount	\$560,806
Semi-Annual Payment	\$280,403
Estimated TAD Bond for 25 Years at 5.5%	\$7,071,335
Issuance Costs @3%	\$212,140
Capitalized Interest for 24 Months	\$836,887
Net TAD Proceeds for Distribution	\$6,022,308

Source: KB Advisory Group, Floyd County Board of Assessors

² Georgia Department of Revenue M&O Tax Digests, 2009 to 2019



KB Advisory Group estimated the amount of proceeds this revenue stream could leverage using the following financing assumptions:

- **Tax Exempt Bond** – We estimated a total of \$7.5 million in TAD bond debt could be issued and the total potential proceeds available to the developer would be \$6.4 million at build-out.
- **PAY-AS-YOU-GO (PAYGO) Financing** – Based on an appreciated value, this would represent TAD proceeds of \$7.0 million over a ten-year period, \$10.5 million over a 15-year build-out period, \$14.0 million over a 20-year period, or \$17.5 million over a 25-year build-out period.

PROPOSED USES OF TAD PROCEEDS

Priorities for the use of TAD proceeds will evolve as project planning proceeds, more detailed site development budgets are prepared, and actual costs become better known. The intent is to employ TAD proceeds as available and necessary to make site development financially feasible and to attract the types of end-users that would positively impact the redevelopment area, the city and the regional economy.

Uses of TAD proceeds may include (a) supporting on- and off-site development (including access roads, site preparation, grading and remediation to support redevelopment); (b) parking and internal circulation, landscaping and signage; (c) water & sewer, storm drainage and other utilities; and (d) traffic mitigation.

Proposed Uses of TAD #5 Proceeds		
Potential Expenditure	Est. Allocation	Total Funds
1. Site preparation, grading, remediation	40%	\$2,408,923
2. Parking, internal circulation, landscaping, lighting	20%	\$1,204,462
3. Water & sewer, storm drainage, other utilities	32%	\$1,927,139
4. Traffic mitigation, signalization, intersections	8%	\$481,785
Total TAD Funding	100%	\$6,022,308

Source: KB Advisory Group



SCHOOL DISTRICT IMPACTS

The economic impacts to the Rome City Schools from participating in TAD #5: Martha Berry Boulevard Corridor are as follows:

1. Currently, the entire TAD #5 redevelopment area generates only \$174,752 per year in property taxes levied on real estate for the Rome City Schools. Annual real estate taxes associated with the base value of the TAD would continue to flow to the School District’s general fund, during the period of the TAD.
2. Redevelopment in the TAD #5 parcel areas indicated will add approximately 15 new school children over a 15-year build-out period, based on the projection of 62 residential unit additions to the TAD #5 area.
3. There are no Rome City School District facilities located inside the TAD #5 boundaries. However, schools in the broader area would benefit from the improvement of surrounding properties and the economic results of the redevelopment of the Martha Berry Boulevard Corridor.
4. Rome City Schools will generate an average of \$239,554 annually during the TAD financing period in base real estate taxes and over \$264,000 in ESPLOST upon the build-out of the proposed redevelopment in TAD #5 should generate.

Thus, the potential gains to the Rome City Schools as a result of participating in TAD #5 will be substantially net positive due to the future growth in its tax digest and ESPLOST revenues, with only moderate impacts on the demand for school services.

BENEFITS OF TAD #5: MARTHA BERRY BOULEVARD CORRIDOR

In conclusion, the creation of TAD #5 could leverage \$34.4 million in new investment over 15 years from the four potential redevelopment projects. This future development, along with the growth of the value of the overall TAD, would increase the current \$10.58 million taxable digest value of the TAD by an additional \$20.2 million. This would result in approximately \$767,594 in new annual property tax receipts from real estate and personal property tax receipts when the Martha Berry Boulevard Corridor is fully built out. The proposed 200,000 square feet of commercial development and 62 units of housing will create more than 400 new jobs with an annual payroll of \$10.2 million.

Summary of TAD #5: Martha Berry Boulevard Corridor Benefits at Build-Out	
Value of potential redevelopment projects Martha Berry Boulevard	\$34,400,000
Additional Ad Valorem Tax Digest	\$427,146
Additional Personal Property Tax Digest	\$1,428,000
Estimated Real Estate Tax Increments	\$273,861
Estimated Sales Tax Benefits	\$1,071,000
Estimated New Jobs Created	405
Estimated New Payroll Created	\$10,204,700

The following redevelopment plan for TAD #5 explains the plan’s findings in detail.



Introduction

This plan presents the rationale, boundaries, fiscal data and proposed projects that could result from the City of Rome, Tax Allocation District #5: Martha Berry Boulevard Corridor. This plan was prepared in conformance with the provisions of Georgia Redevelopment Powers Law (O.C.G.A. Title 36 Chapter 44) which governs the creation of the Tax Allocation Districts (TADs) in the state. This plan was prepared by KB Advisory Group (KBAG), and direction and input during the preparation of this plan was provided by the City of Rome.

The purpose of the proposed TAD is to support redevelopment of the Martha Berry Boulevard Corridor, a highly travelled, urban corridor in Rome. In addition to potentially providing funds for important public infrastructure initiatives within the corridor, the TAD will potentially enable landowners and/or real estate developers to overcome deficient infrastructure, demolition, off-site costs and other impediments to redevelopment that have made improvements of these properties economically infeasible to date.

The purpose of this redevelopment plan is to outline a strategy to leverage tax increments from the prospective redevelopment projects in this corridor to both offset high site development costs and make needed public improvements to support new construction. By using the City’s redevelopment powers, the intent of this plan is to achieve better-quality, higher value development resulting in a much shorter development timeline than would be feasible absent the proposed TAD.

Required information to support the creation of Tax Allocation Districts in Georgia is outlined in the text box at right. This redevelopment plan follows the general outline. Section headings followed by a letter in parenthesis [e.g. (A)] refer to the relevant section in Georgia Code Chapter 36, Title 44, § 3(9) that defines the required contents of redevelopment plans.

OVERVIEW OF TAX ALLOCATION DISTRICTS

Tax allocation districts are Georgia’s version of tax increment financing. Tax increment financing is a redevelopment funding mechanism that reinvests the future taxes from real estate development back into a project as an incentive to attract new private investment into an area. As described by the Council of Development Finance Agencies . . .

Definition and Contents of a Redevelopment Plan

Sec. 36-44-3(9) of the Redevelopment Powers Law defines a redevelopment plan as “a written plan of development for a redevelopment area or a designated portion thereof which:”

- (A) Specifies the boundaries of the proposed redevelopment area;
- (B) Explains the grounds for a finding by the local legislative body that the redevelopment area on the whole has not been subject to growth and development through private enterprise and would not reasonably be anticipated to be developed without the approval of the redevelopment plan;
- (C) Explains proposed uses after redevelopment of real property;
- (D) Describes proposed redevelopment projects and explains the proposed method of financing;
- (E) Describes any contracts, agreements, or other instruments which are proposed to be entered into for the purpose of implementing the plan;
- (F) Describes the type of relocation payments proposed to be authorized, if any;
- (G) Includes a statement that the proposed redevelopment plan conforms to the local comprehensive plan, master plan, zoning ordinance, and building codes of the political subdivision;
- (H) Estimates redevelopment costs to be incurred or made during the course of implementing the redevelopment plan;
- (I) Recites the last known assessed valuation of the redevelopment area and estimates the assessed valuation after redevelopment;

(Continued on next page)



(www.cdfa.net), TIF was created and first used in California in 1952. Hundreds of TIF districts have helped spur urban redevelopment in cities across the country. Today, 49 states and the District of Columbia use some form of tax increment financing.

In 1985, the Georgia General Assembly authorized Georgia’s tax increment financing called Tax Allocation Districts (TADs). The purpose of a Georgia tax allocation district is similar to tax increment financing in other states. It uses the increased property taxes generated by new development in a designated redevelopment area to finance costs related to the development such as building construction, demolition, public infrastructure, land acquisition, relocation, utilities, debt service, and planning costs. Other costs it might cover include:

- Sewer expansion and repair
- Storm drainage
- Street construction and expansion
- Water supply
- Other Utilities (electric, fiber optic, etc.)
- Park improvements
- Landscaping
- Bridge construction and repair
- Curb and sidewalk work
- Grading and earthwork
- Traffic control
- Lighting
- Signage

Cities and counties throughout Georgia have created TADs to stimulate significant new construction and renovation or rehabilitation in underdeveloped or blighted areas. Nearly 80 Georgia cities and counties have either created or are considering establishing TADs in their communities. A TAD offers local governments the opportunity to promote worthwhile redevelopment projects that would otherwise not be financially viable or are located in areas which would otherwise be unattractive to private investment.

Since their active use in Georgia, which began in 1999, tax allocation districts such as Atlantic Station (Midtown Atlanta) and Camp Creek Marketplace (East Point), have demonstrated the economic benefits that TADs can generate. These benefits include:

- **A stronger economic base**—TAD incentives can attract private development that would not otherwise have occurred absent the District designation.

Sec. 36-44-3(9) continued:

- (J) States that if any property to be redeveloped is defined or eligible to be defined as a historic property, such historic property will not be substantially altered in any way that is inconsistent with technical standards for rehabilitation; or demolished unless feasibility for reuse has been fully evaluated;
- (K) Specifies the proposed effective dates for the creation and termination of the TAD;
- (L) Contains a map specifying the boundaries of the proposed TAD and showing existing uses and conditions of real property;
- (M) Calculates the estimated tax allocation increment base of the proposed TAD;
- (N) Specifies ad valorem property taxes to be used for computing tax allocation increments, supported by a required resolution;
- (O) Specifies the amount of the proposed tax allocation bond issue or other financing and the term and assumed interest rate for such financing;
- (P) Estimates positive tax allocation increments for the period covered by the term of the proposed tax allocation bonds or other financing;
- (Q) Specifies the property proposed to be pledged for payment or security for payment of tax allocation bonds;
- (R) Includes a school system impact analysis if the plan proposes to include in the tax allocation increment, ad valorem taxes levied by a board of education; and
- (S) Includes such other information as may be required by resolution of the political subdivision whose area of operation includes the proposed redevelopment area.

- **The halo effect**—Several Georgia TAD's have generated significant new investment in areas surrounding the TAD as well as within the tax allocation districts, further expanding positive economic impacts to the host taxing jurisdictions.
- **No impact on current tax revenues**—Redevelopment is effectively promoted without tapping into existing general governmental revenues or levying special assessments on property owners.
- **Expands the local tax base**—By stimulating economic activity, TAD's expand the local tax digest, create additional demand for retail sales, and, as a result, local sales taxes.
- **Is self-financing**—TADs are self-financing since they are funded by the increased tax revenues from new development within the district.
- **High leverage**—Typically, TAD funds represent between 5-15% of project costs, leveraging 7 to 20 times their private investment value.

In summary, a tax allocation district is a financing mechanism that can be used to pay for public infrastructure or reduce private development costs, to make an underutilized area attractive to private investment and development, at no additional cost to local taxpayers. Establishing a TAD does not create a tax increase for either the community or property owners within the district. Nor does a TAD reduce tax revenues to the community below levels that existed at the time the district was certified. In many cases, TADs can increase general fund revenues from new business personal property taxes, added county sales taxes, hotel/motel taxes, business license fees, and other revenues that are not pledged for redevelopment purposes and would not otherwise occur.

PURPOSE AND VISION FOR THE PROPOSED TAX ALLOCATION DISTRICTS

The proposed Martha Berry Boulevard Corridor Tax Allocation District #5 will utilize tax increment funding to encourage redevelopment projects to help bring the corridor in line with the goals outlined in the Rome-Floyd Cave Springs 2040 Comprehensive Plan.

Specifically, the redevelopment of the TAD corridor is intended to:

- Strengthen the City's commercial corridor by strategically encouraging infill redevelopment, creating new residential, commercial and mixed-use nodes and expanding/upgrading existing nodes. The purpose of these efforts is to better serve local consumers and attract new retail spending, revitalizing these spaces for new and existing residents and commercial entities;
- Transition under-utilized properties in this prime commercial corridor to higher value uses;
- Encourage job creation while improving physical conditions in under-performing sections of the City;
- In doing so, encourage reinvestment in established, older residential neighborhoods that are surrounded by commercial and industrial land uses;
- Use the tool of tax increment financing to achieve higher-quality, higher valued development within the corridor.

The opportunity for the City of Rome to selectively use the funding mechanism of TADs to leverage private reinvestment through targeted initiatives that will help to make the redevelopment of key

sites and catalyst projects financially feasible. In a redevelopment area that encompasses a large geography with many individual tax parcels, not every property is blighted and not every parcel will be redeveloped over time. Over time, however, the area encompassed by and surrounding this TAD can be positively impacted by the cumulative effects of multiple individual investments.

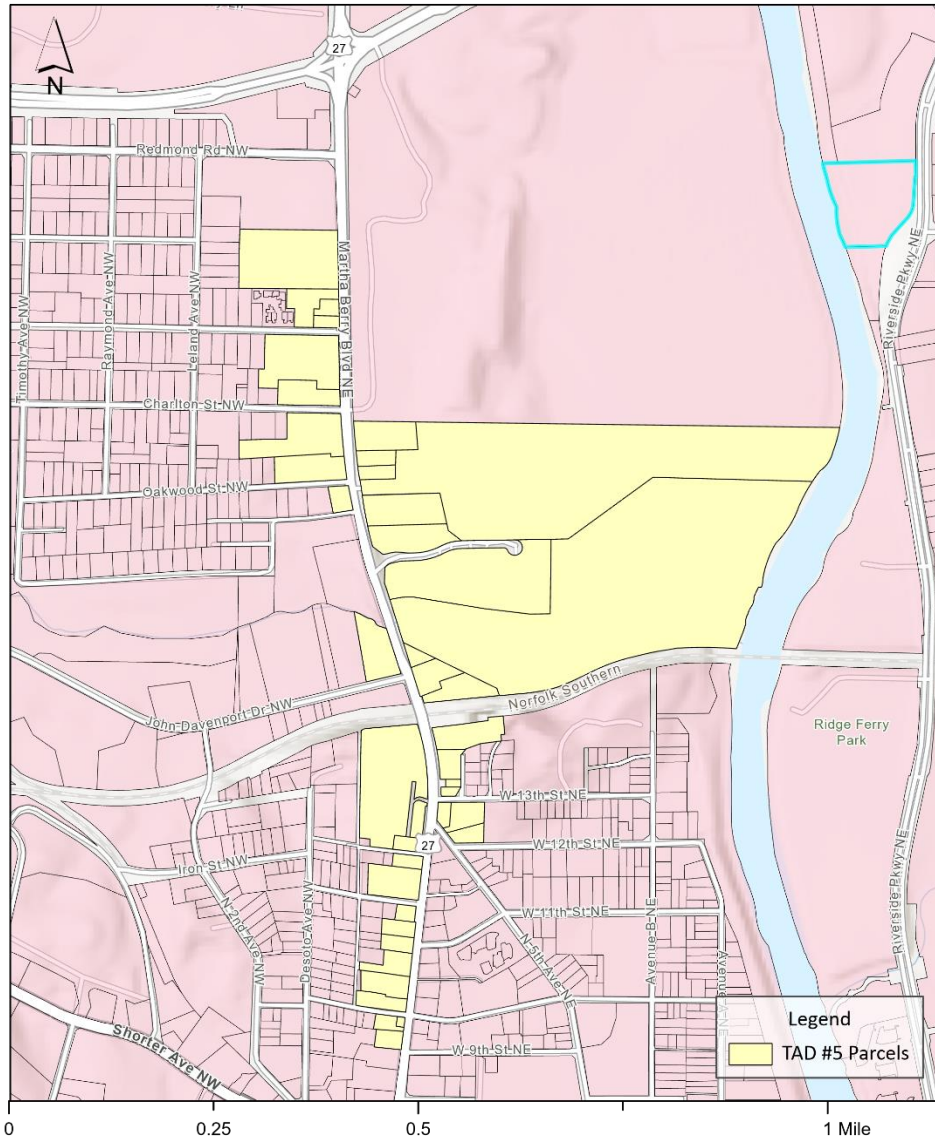
This plan is intended to help the City implement a long-term market-driven redevelopment strategy for areas that have played key roles in establishing Rome as one of Georgia's leading cities.

GEOGRAPHIC BOUNDARIES OF THE PROPOSED REDEVELOPMENT AREA (A)

TAD #5: MARTHA BERRY BOULEVARD CORRIDOR

The map below shows the proposed boundaries for TAD #5. The Redevelopment Area includes 41 properties covering approximately 132 acres for the combined tax parcels³

**PROPOSED REDEVELOPMENT AREA FOR TAX ALLOCATION DISTRICT #5
MARTHA BERRY BOULEVARD CORRIDOR**



Source: KB Advisory Group

³ This acreage estimate does not include streets, right of way and other land for which no assessment records are available.



PARCELS INCLUDED IN TAD #5: MARTHA BERRY BOULEVARD CORRIDOR						
Parcel Number	Owner	Description	Zoning	Acres	Fair Market Value	Assessed Value
West Side of Corridor						
I13W034	LOWDEN DOSS HOLDINGS LLC	Glenwood Apartments of Rome	C3	5.47	\$1,998,571	\$799,428
I13W037	LALJI, INC	Rome Motel	C3	1.22	\$559,031	\$223,612
I13W035	CHENG CHI CHANG & HANN CHENG	Cheng Rome	C3	0.34	\$388,503	\$155,401
I13W036	LALJI, INC	Rome Motel & Leasing Office	C3	0.29	\$365,922	\$146,369
I13W165	BARTLEY SAMMY O	Apria Healthcare	C3	3.60	\$1,165,000	\$466,000
I13W167	NW GEORGIA HOUSING	Patton Partnership, LLC	E1	1.32	\$287,360	\$0
I13W255	HARDY INVESTMENTS LLC	1609 Martha Berry Blvd	C3	3.11	\$1,400,000	\$560,000
I13W269	BIG SPOON HOLDINGS LLC	4 Oakwood Street	C3	1.77	\$953,028	\$381,211
I13W270	STOREY WEYMAN L 1/2 & ALLISON MICHELLE	Exxon Station	C3	1.00	\$952,235	\$380,894
J13Y543	MARTIN LARRY C ADMIN	Carmart	C3	1.32	\$765,180	\$306,072
J13Y258	KIM KYIM & KYUMG S. KIM	Sumo Japanese Steak House	C3	7.10	\$1,034,193	\$413,677
J13Y254	HODGE THURMAN DENNIS JR	Lincare	C3	0.36	\$455,513	\$182,205
J13Y253	HOSPITAL AUTHORITY OF FLOYD COUNTY	1207 Ave C	E1	0.38	\$481,912	\$0
J13Y249	JAY JALARAM LLC	Royal Inn	C3	1.47	\$1,263,792	\$505,517
J13Y248	NAMAHI CORP	Berry Food Mart	C3	0.30	\$351,521	\$140,608
J13Y244	NAMAHI CORP	Seven Hills Inn	C3	0.48	\$1,259,091	\$503,636
J13Y243	KEENE JAMES W & ELLEN P	Proctor-Keene Chiropractic	C3	0.49	\$618,747	\$247,499
J13Y238	LEGACY PIZZA INC	Pizza Hut	C3	0.78	\$1,029,640	\$411,856
J13Y237	PAY RIGHT LLC	1013 Martha Berry Blvd	C3	1.07	\$1,047,374	\$418,950
J13Y235	JKM INVESTMENTS	1000 Avenue D	C3	0.67	\$270,000	\$108,000
J13Y228	ELROD JAMES A JR	907 Avenue C	C3	0.07	\$87,728	\$35,091
J13Y229	ELROD UPHOLSTERY AND GLASS	905 Avenue C	C3	0.32	\$331,005	\$132,402
J13Y227	ELROD JAMES A JR & MARY	903 Avenue C	C3	0.40	\$415,714	\$166,286
East Side of Corridor						
J13X026	CKRUPTA LLC	Sunrise Inn & Suites	C3	2.00	\$1,011,501	\$404,600
J13X027	GREATER COMMUNITY BANK	Rome Women's Health	C3	1.00	\$370,000	\$148,000
J13X028	GREATER ROME BANK	1600 Martha Berry Blvd	C3	1.00	\$270,000	\$108,000
J13X029	GREATER ROME BANK	1490 Martha Berry Blvd	C3	2.00	\$1,818,459	\$727,384
J13X029A	GREATER ROME BANK	MARTHA BERRY BLVD	C3	2.00	\$245,670	\$98,268
J13X029B	US POST OFFICE	US Post Office	E1	9.00	\$1,157,820	\$0
J13X030	Trustees of the Oak Hill Church	1500 Martha Berry Blvd	E2	30.91	\$309,100	\$0
J13Y540	CITY OF ROME LAND	Little Dry Creek Land East of MB	E1	44.30	\$166,125	\$0
J13Y542	WILLIAMS CHARLES S SR	Pawn	C3	0.31	\$166,291	\$66,516
J13Y541	SINGH SARABJEET	Hi Tech Fuel	C3	0.87	\$1,182,025	\$472,810
J13Y541A	SHIVA LODGING INC	Fair Bridge Inn	C3	1.25	\$1,475,485	\$590,194
J13Y260	KNIGHT SETH C JR	Land	C3	1.00	\$40,580	\$16,232
J13Y277	KNIGHT SETH C JR	Land	C3	1.00	\$34,898	\$13,959
J13Y278	ST JAMES AFRICAN METHODIST	Church	E1	0.11	\$19,528	\$0
J13Y279	ST JAMES CHURCH	Church	E2	0.00	\$21,700	\$0
J13Y307	MARTIN LARRY C AS PLAN ADMIN	1250 Martha Berry	C3	0.25	\$148,230	\$59,292
J13Y306	FORD MIKE	1208 North 5th	C3	1.00	\$171,935	\$68,774
J13Y308	WHITENER BILLY F	1200 North 5th	C3	0.50	\$357,476	\$142,990
Total TAD #5 Martha Berry Boulevard Corridor Parcels (Count: 41)				131.83	\$26,447,883	\$9,601,735



LIST OF BOUNDARIES:

This Tax Allocation District (TAD) is located on the west side of Martha Berry Boulevard (US Highway 27). The TAD’s southern boundary is the intersection of West 9th Street and Martha Berry Boulevard. On its west side, the TAD extends north up to the 1800 block of Martha Berry Boulevard. On its east side, the TAD extends north from the intersection of North 5th Avenue and West 12th Street up to the intersection of Charlton Street NW and Martha Berry Boulevard.

TAD #5: Martha Berry Boulevard Corridor	
Number of Parcels	41
Total Acres	131.83
Taxable Acres	45.83
2021 Appraised (Fair Market) Value	\$26,447,883
Fair Market Value / Acre	\$200,621
2021 Taxable (40%) Value	\$10,579,153
Taxable Value / Taxable Acre	\$230,835
Number of Assessed Buildings / Structures	38
Median Year Built	1970
<i>Source: KBAG, Floyd County Board of Assessors, Costar</i>	

This area would incorporate a total of 41 parcels. It would include an area of 131.83 acres. The properties in TAD #5 have a fair market value of \$26.4 million and a taxable value of \$10.6 million. This represents approximately 0.69% of the City’s tax digest. As of March 2022, Rome’s four existing TADS represent approximately 2.8% of the City’s tax digest. The addition of TAD #5 will increase the TAD share of Rome’s overall tax digest to about 3.5%, well under the 10% minimum limit for all TADs in the City, as required by Georgia’s Redevelopment Powers Law.

Through the creation of the City of Rome Tax Allocation District #5, the City would dedicate a portion of future ad-valorem taxes to be invested in the area to make the redevelopment of the commercial and residential/mixed-use parcels financially feasible. The successful redevelopment of the Martha Berry Boulevard Corridor would, in turn, generate tax revenues from the redevelopment, and resulting in the increased value of nearby properties. The development of this corridor would generate significant fiscal benefits for the City of Rome and the Rome City Schools, as well as provide employment opportunities for Rome area residents.

GROUNDS FOR EXERCISE OF REDEVELOPMENT POWERS (B)

Tax Allocation Districts (TAD) are authorized in Georgia under the Redevelopment Powers Law, O.C.G.A. Title 36, Chapter 44. In 2009, the Redevelopment Powers Law was amended, with the following definition of a “redevelopment area.”

‘Redevelopment area’ means an urbanized area as determined by current data from the US Bureau of the Census or an area presently served by sewer that qualifies as a ‘blighted or distressed area’, a ‘deteriorating area,’ or an ‘area with inadequate infrastructure’ as follows:

- (A) A ‘blighted or distressed area’ is an area that is experiencing one of more conditions of blight as evidenced by:**
- (i) The presence of structures, buildings, or improvements that by reason of dilapidation; deterioration; age; obsolescence; inadequate provision for ventilation, light, air, sanitation, or open space; overcrowding; conditions which endanger life or property by fire or other causes; or any combination of such factors, are conducive to ill health, transmission of disease, infant mortality, high unemployment, juvenile delinquency, or crime and are detrimental to the public health, safety, morals, or welfare;
 - (ii) The presence of a predominant number of substandard, vacant, deteriorated, or deteriorating structures, the predominance of a defective or inadequate street layout, or transportation facilities; or faulty lot layout in relation to size, accessibility, or usefulness;
 - (iii) Evidence of pervasive poverty, defined as being greater than 10 percent of the population in the area as determined by current data from the U.S. Bureau of the Census, and an unemployment rate that is 10 percent higher than the state average;
 - (iv) Adverse effects of airport or transportation related noise or environmental contamination or degradation or other adverse environmental factors that the political subdivision has determined to be impairing the redevelopment of the area; or
 - (v) The existence of conditions through any combination of the foregoing that substantially impair the sound growth of the community and retard the provision of housing accommodations or employment opportunities;
- (B) A ‘deteriorating area’ is an area that is experiencing physical or economic decline or stagnation as evidenced by two or more of the following:**
- (i) The presence of a substantial number of structures or buildings that are 40 years old or older and have no historic significance;
 - (ii) High commercial or residential vacancies compared to the political subdivision as a whole;
 - (iii) The predominance of structures or buildings of relatively low value compared to the value of structures or buildings in the surrounding vicinity or significantly slower growth in the property tax digest than is occurring in the political subdivision as a whole;
 - (iv) Declining or stagnant rents or sales prices compared to the political subdivision as a whole;
 - (v) In areas where housing exists at present or is determined by the political subdivision to be appropriate after redevelopment, there exists a shortage of safe, decent housing that is not substandard and that is affordable for persons of low and moderate income; or
 - (vi) Deteriorating or inadequate utility, transportation, or transit infrastructure; and
- (C) An ‘area with inadequate infrastructure’ means an area characterized by:**
- (i) Deteriorating or inadequate parking, roadways, bridges, pedestrian access, or public transportation or transit facilities incapable of handling the volume of traffic into or through the area, either at present or following redevelopment; or
 - (ii) Deteriorating or inadequate utility infrastructure either at present or following redevelopment.

WHY THE PROPOSED REDEVELOPMENT AREAS QUALIFY UNDER THE REDEVELOPMENT POWERS LAW

The City of Rome has the authority to exercise all redevelopment and other powers authorized or granted municipalities pursuant to the Redevelopment Powers Law (Chapter 44 of Title 36 of the O.C.G.A.), as approved by Rome voters by referendum in 2005.

The TAD #5 Martha Berry Boulevard Corridor meets the statutory definition of Redevelopment Areas under five specific provisions of the Redevelopment Powers Law. These provisions are not equally applicable or prevalent throughout the entire corridor area, but clearly meet the intent of the statute. These relevant sections are as follows:

- A (i, ii) – The presence of structures...that by reasons of...obsolescence...are detrimental to the public health, safety, morals or welfare; the presence of a predominant number of substandard, vacant or deteriorating structures;

- A (v) – The existence of conditions...that substantially impair the sound growth of the community;
- B (i) – The area includes locations with the “presence of structures or buildings that are 40 years old or older with no historical significance;”
- B (iii) – This area includes a “predominance of structures or buildings of relatively low value;”

Justification for the designation of the redevelopment area is presented in the following section. To analyze the conditions necessary to qualify the redevelopment area under sections A and B, data was collected to determine the level of undeveloped or deteriorating structures, as well as structures of a lower value than the greater political subdivision.

BLIGHTED OR DISTRESSED AREA, DETERIORATING AREA

The Martha Berry Boulevard corridor meets the definition of both a “**blighted or distressed area**” as an area that is experiencing one or more conditions of blight as evidenced by:

- A(i) Age and obsolescence of buildings; and*
- A(ii) substandard or deteriorating structures;*
- A(v) conditions that impair the sound growth of the community;*

and the definition of a “**deteriorating area**” which is an area that is experiencing physical or economic decline or stagnation as evidenced by:

- B(i) The presence of a substantial number of buildings 40 years old or older; and*
- B(iii) the predominance of structures or buildings of relatively low value compared to the value of structures or buildings in the surrounding vicinity.*

JUSTIFICATION FOR REDEVELOPMENT OF TAD #5: AGE AND OBSOLESCENCE OF BUILDINGS

- A(i) Age and obsolescence of buildings; and***
- B(i) The presence of a substantial number of buildings 40 years old or older; and***

The redevelopment area exhibits a significant number of older, lower value buildings that contribute to the “presence of structures, buildings, or improvements that by reason of...age [and] obsolescence...are detrimental to the public health [and] safety...” based on findings as reported by real estate organizations, data from the Floyd County Board of Assessors, and public records.

The corridor contains a mix of older retail establishments and hotels, with several empty parcels of land and vacant structures. Information on the age of the buildings in the Martha Berry Boulevard Corridor was taken from reliable real estate databases including Costar, Zillow and RealtyTrac. This data indicates a high percentage of buildings 40+ years of age, with only a small percentage built between 2010 and 2020.

- 59.4% of parcels with structures in the proposed TAD area (with available data on building age) contain buildings built before 1980.
- 5.26% of parcels with structures in the proposed TAD area (with available data on building age) contain buildings built from 2010 to 2020.

Building Age Martha Berry Boulevard Corridor	
Total number of parcels Martha Berry Boulevard Proposed TAD	41
Number of parcels with building / structure	38
Number of parcels with building/structure and available data on building age	32
Number of parcels, determined by available data, with building 40+ years of age	19
Percent of parcels, determined by available data, with building 40+ years of age	59.4%

Source: City of Rome, Costar, RealtyTrac, Zillow

The photos of buildings below, taken on November 8, 2020, show several of the older buildings along the Martha Berry Boulevard Corridor.



Source: BAG



JUSTIFICATION FOR REDEVELOPMENT OF TAD #5: LOW BUILDING VALUE, DETERIORATING STRUCTURES THAT IMPAIR SOUND GROWTH OF COMMUNITY

- A(ii) substandard or deteriorating structures;*
- A(v) conditions that impair the sound growth of the community;*
- B(iii) the predominance of structures or buildings of relatively low value compared to the value of structures or buildings in the surrounding vicinity.*

Building value was also assessed in the Martha Berry Corridor as a measure of deteriorating buildings of lower value that could impair sound growth in this corridor. The value of the parcels along the Martha Berry Boulevard Corridor in the boundaries of the proposed TAD #5 were compared to all parcels within a one-mile radius of the corridor. Findings indicate a large percent of the buildings in the Martha Berry Corridor are not only older but are also of significantly lower value than the surrounding area.

- **46.3% of parcels have lower Fair Market Values than all parcels within a 1-mile radius of Martha Berry Boulevard.**

Fair Market Value Comparison Parcels in Martha Berry Blvd Corridor to Parcels in In 1-Mile Radius	
Parcels within 1-mile radius	3,508
Average Fair Market Value (FMV)	\$375,530
Parcels in Martha Berry Boulevard	41
Number of parcels below average FMV	19
Percent of Martha Berry Blvd parcels below FMV of parcels in 1-mile radius	46.3%
Average Fair Market Value of parcels below FMV of parcels in 1-mile radius	\$211,319

Source: KB Advisory Group, Floyd County Board of Assessors, City of Rome

There are over 3,500 parcels located within a 1-mile radius of the Martha Berry Boulevard Corridor, and these have an average fair market value of \$375,530 according to 2020 records from the Floyd County Board of Assessors. In comparison, almost half of the parcels in the Martha Berry Boulevard Corridor fall below this average fair market value. Of the 41 parcels in this proposed TAD area, 19 are valued below this average fair market value. The average fair market value of the 19 parcels is \$211,319 which is over \$150,000 below the average fair market value within a mile of the corridor.

Photos below indicate both older hotels and buildings, as well as vacant and deteriorating structures.



Source: KB Advisory Group

PROPOSED REDEVELOPMENT PROJECTS I AND METHOD OF FINANCE (D)

At this stage of redevelopment planning, no official site or building construction cost estimates have been submitted to the City for any of the potential projects in the proposed TAD. Absent of having construction cost estimates, KB Advisory Group prepared representative taxable value estimates of proposed redevelopment programs, showing the distribution of commercial and residential development by land use. Assessed values are based on construction costs.

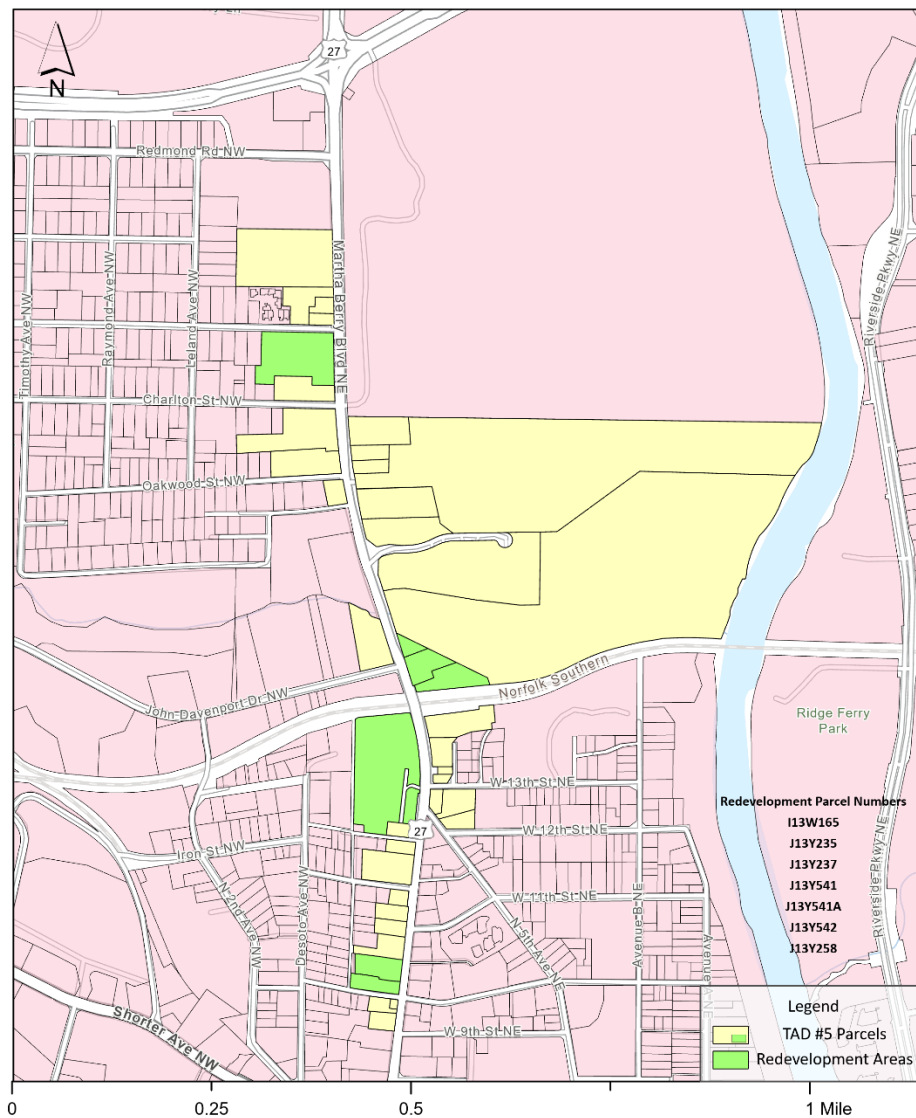
The Redevelopment Plan for TAD #5: Martha Berry Boulevard Corridor, envisions various potential redevelopment within the TAD area that reflect community objectives as the type of development they would like to see in the respective areas over the next decade. Potential redevelopment of parcels in the proposed TAD #5 have the opportunity to meet the intent and uses of the Rome-Floyd Cave Springs 2040 Comprehensive Plan by:

- Creating infill development on vacant sites or under-utilized sites;
- Distribution of affordably priced homes throughout the region;
- Creating residential developments that offer a mix of housing types; and
- Improving sidewalk and street appearance, as well as reducing congestion along the corridor by driveway consolidation between parking lots.

This Redevelopment Plan envisions various potential catalyst redevelopment projects within the TAD area that reflect community objectives identified in the aforementioned comprehensive plan. The potential redevelopment projects illustrate the scope and scale of feasible potential redevelopment in the TAD area. These should be seen as illustrative for the purposes of modeling feasible redevelopment potential within the TAD boundaries.

It is anticipated that the potential hypothetical projects used in the modeling would require up to a decade or more to reach build out and the density and distribution of land uses are subject to change as market conditions evolve. Should the overall scale of the redevelopment occur in the district as shown in the analysis, the City of Rome will have the ability to capture future tax increment to help fund public infrastructure initiatives in the district. The potential redevelopment projects along the Martha Berry Boulevard Corridor, for illustrative purposes, are shown in green below:

Martha Berry Boulevard Corridor Redevelopment Parcels



Source: KB Advisory Group, City of Rome



The hypothetical potential catalyst redevelopment projects in the TAD areas, which are summarized below, illustrate the scope of feasible potential redevelopment in this TAD area. These development estimates should be seen as illustrative for the purposes of modeling feasible redevelopment potential within the redevelopment area boundaries.

TAD#5: Martha Berry Boulevard Corridor Redevelopment Projects

KB Advisory Group identified four potential redevelopment projects identified as the type of hypothetical development that could occur in TAD #5:

- 1711 Martha Berry Boulevard: current location of Apria Healthcare
- 1330, 1326 and 1318 Martha Berry Boulevard: current location of Floyd County Pawn, Hi-Tech Fuel and the Fair Bridge Inn
- 1301 Martha Berry Boulevard: current location of Sumo Japanese Steak House
- 1013 Martha Berry Boulevard and 1000 Ave D: current location of a vacant building and side lot

These four redevelopments could result in the following development in TAD #5 over the next decade:

- 50 mixed-use residential units
- 12 townhomes
- 125,000 SF of office space
- 75,000 SF of retail space

Martha Berry Boulevard Corridor Potential Redevelopments

MARTHA BERRY BOULEVARD CORRIDOR DEVELOPMENT PLAN									
	1711 Martha Berry Boulevard		1330, 1326, 1318 Martha Berry Blvd		1301 Martha Berry Boulevard		1013 Martha Berry Blvd & 1000 Ave D		Total Value
Acreage	3.60		2.43		7.10		1.74		14.87
Base Value Assessed	\$1,165,000		\$2,905,426		\$1,034,193		\$1,317,374		\$6,421,993
Potential Development	Units/SF	Value	Units/SF	Value	Units/SF	Value	Units/SF	Value	Total Units/SF Total Value
Residential (Units)									
Townhomes (@ \$200,000/unit)	-	-	-	-	12	\$2,400,000	-	-	12 \$2,400,000
Multi-Family (@ \$130,000/unit)	50	\$6,500,000	-	-	-	-	-	-	50 \$6,500,000
Commercial (SF)									
Office (@ \$138/sf)	-	-	-	-	75,000	\$10,350,000	50,000	\$6,900,000	125,000 \$17,250,000
Retail (@ \$110/sf)	-	-	50,000	\$5,500,000	25,000	\$2,750,000	-	-	75,000 \$8,250,000
Total Development Value									\$34,400,000

Source: KB Advisory Group



Estimated Martha Berry Blvd. Redevelopment Value		
		Total Value
Acreage		14.52
Base Value Assessed		\$2,536,147
Potential Development	Total Units/SF	Total Value
Residential (Units)		
Townhomes (@ \$200,000/unit)	12	\$2,400,000
Multifamily (@ \$130,000/unit)	50	\$6,500,000
Commercial (SF)		
Office (@ \$138/sf)	125,000	\$ 17,250,000
Retail (@ \$110/sf)	75,000	\$ 8,250,000
Total Development Value		\$34,400,000
Taxable Value of Development		\$13,760,000

Source: KB Advisory Group, Floyd County Board of Assessors

Based on the 2021 property value and construction costs, this level of redevelopment on the select parcels in TAD #5 would represent \$34.4 million in new market value and, as shown in the chart below, support up to \$3.5 million in net TAD bond proceeds that would be available for redevelopment in the TAD. Additionally, the projected growth in taxable value of the other parcels is projected to support up to \$3.2 million in net TAD bond proceeds based on an annual increase in property values of 2.85% in the TAD⁴.

Martha Berry Boulevard Corridor Potential TAD Bonding Proceeds

TAD #5 MARTHA BERRY BLVD CORRIDOR	Redevelopment Parcels	All Other TAD #5 Parcels	Total TAD #5 Parcels
Fair Market Value of TAD#5 about Build-Out	\$34,400,000	\$35,654,146	\$70,054,146
Taxable Value of TAD#5 at Build-Out/25 Year Growth Proj	\$13,760,000	\$14,261,658	\$28,021,658
TAD Base Taxable Value	\$2,536,147	\$7,065,588	\$9,601,735
Incremental Value of Projected Growth / New Developme Property Taxes @ 0.038057	\$11,223,853 \$427,146	\$7,196,070 \$273,861	\$18,419,923 \$701,007
Potential TAD Proceeds to Development			
Pay As You Go Property Tax Rebate 10 Years	\$4,271,462	\$2,738,608	\$7,010,070
Pay As You Go Property Tax Rebate 15 Years	\$6,407,192	\$4,107,913	\$10,515,105
Pay As You Go Property Tax Rebate 20 Years	\$8,542,923	\$5,477,217	\$14,020,140
Pay As You Go Property Tax Rebate 25 Years	\$10,678,654	\$6,846,521	\$17,525,175
TAD Bond Financed			
Debt Coverage Ratio	120%	120%	120%
Bondable Property Tax Amount	\$341,717	\$219,089	\$560,806
Semi-Annual Payment	\$170,858	\$109,544	\$280,403
Estimated TAD Bond for 25 Years at 5.5%	\$4,113,947	\$2,957,387	\$7,071,335
Issuance Costs @3%	\$123,418	\$88,722	\$212,140
Capitalized Interest for 24 Months	\$486,074	\$350,813	\$836,887
Net TAD Proceeds for Distribution	\$3,504,455	\$2,517,853	\$6,022,308

Source: KB Advisory Group, Floyd County Board of Assessors

Future land uses on the remaining TAD acreage could include residential for-sale, apartments, commercial infill or mixed-use. It is anticipated that the method of development financing of the projects within the TAD will be through private equity and debt. TAD proceeds would be applied to address the cost of construction street connections and other public infrastructure, as well as site preparation and stormwater management. Forecasts of potential TAD proceeds and their potential for public bonding purposes are detailed above.

⁴ Growth projections based on data from: Georgia Department of Revenue M&O Tax Digests, 2009 to 2019

CONTRACTURAL RELATIONSHIPS (E)

Pursuant to O.C.G.A. §34-44-3(a), the Rome City Commission will act as the redevelopment agent and will exercise redevelopment powers as needed to implement this plan. In doing so, the Commission, either directly or through its designee, may conduct or delegate the following activities and enter into the following contracts:

1. Coordinate implementation activities with other major participants in the redevelopment plan and their respective development and planning entities involved in implementing this redevelopment plan.
2. Enter into development agreements with private developers to construct infrastructure and vertical developments to implement the redevelopment plan.
3. Negotiate and enter into commercial financing agreements and intergovernmental agreements as needed.
4. Coordinate public improvement planning, design and construction among local government and State agencies and departments.
5. Prepare (either directly or through subcontract to other appropriate entities) economic and financial analyses, project-specific feasibility studies, and assessments of tax base increments in support of the issuance of tax allocation bonds or other forms of financing by the City.
6. The City will enter into contractual relationships with qualified vendors as needed for the provision of professional and other services required in qualifying and issuing the bonds or other forms of financing, including, but not limited to, legal, underwriting, financial analysis, and other related services.
7. The City will perform other duties as necessary to implement the redevelopment plan.

RELOCATION PLANS (F)

The sites for the development of the Martha Berry Boulevard Corridor contain no existing residences or businesses which will need to be relocated. However, if at any time in the life of TAD #5, relocation of any firms or residences is required, relocation expenses may be provided for under all applicable federal, state, and local guidelines.

ZONING AND LAND USE COMPATIBILITY (G)

The proposed redevelopment plan conforms to the Rome-Floyd Cave Springs 2040 Comprehensive Plan and the zoning codes for the City of Rome.

Currently, 67% of the parcels in the Martha Berry Boulevard Corridor TAD #5 are zoned Community Commercial, 16% are zoned Heavy Commercial, 5% are zoned Multifamily Residential and 7% are zoned Office-Industrial.

Zoning Description	Totals	
Multifamily Residential (M-U)	2	5%
Community Commercial (C-C)	29	67%
Heavy Commercial (H-C)	7	16%
Office-Industrial (O-I)	3	7%

Source: KB Advisory Group based on Floyd County GIS, December 2021

TAD #5 Redevelopment Area: Existing Zoning
(boundary outlined in red)



Source: Rome-Floyd Cave Springs 2040 Comprehensive Plan

The redevelopment parcels are predominately zoned as the City’s Community Commercial (C-C) (pink), Multifamily Residential (M-R) (brown), Heavy Commercial (H-C) (orange), and Office Industrial (O-I) (blue). An overview of the zoning, take from the City or Rome’s Unified Land Development Code, is as follows:

Rome GA Code of Ordinances (2020) Unified Land Development Code, Article 3.3: Zoning Districts:

C-C Community Commercial (1) The C-C Community Commercial District is established to provide a location for a full-range of retail and office development serving the general needs of the community. The C-C District is considered inappropriate for heavier commercial uses that border on being more “light industrial” in nature, and thus more appropriate for the H-C or L-I District. (2) It is the intent of the C-C District to promote a streetscape that encourages buildings to be moved forward adjacent to the front yard setback line and the edge of the required landscape improvements. This site design improves the benefits derived from the required landscaping and the overall image of the commercial corridor.

M-R Multi-Family-Residential (1) The M-R Multifamily Residential District is established to provide a location for attached units with densities of 10-14 units per acre. Multifamily development includes duplexes, triplexes, apartments of 4 units or more, townhomes, condominiums, and manufactured home parks. The M-R district is designed for areas served by publicly provided sanitary sewer. (2) The M-R District is intended to accommodate higher density attached residential development that blends easily with nearby single-family units. M-R District developments such as duplexes, triplexes, town homes, and low-density apartment complexes are considered appropriate in proximity to the S-R and T-R residential districts, if effectively sited, landscaped, buffered, and adequate provisions for access and open space are made. (3) A wide range of multifamily densities and dwelling types may also be appropriate in large-scale mixed-use developments or as a residential re-use option in obsolete commercial centers. (4) Manufactured home parks are allowed as an M-R District use with restrictions, but are not considered appropriate options in proximity to a single-family subdivision development or as re-use options for commercial properties. (5) A residential cluster option is a use allowed by Special Use Permit with restrictions in the M-R District, but must meet all development standards and criteria for a multifamily residential development.

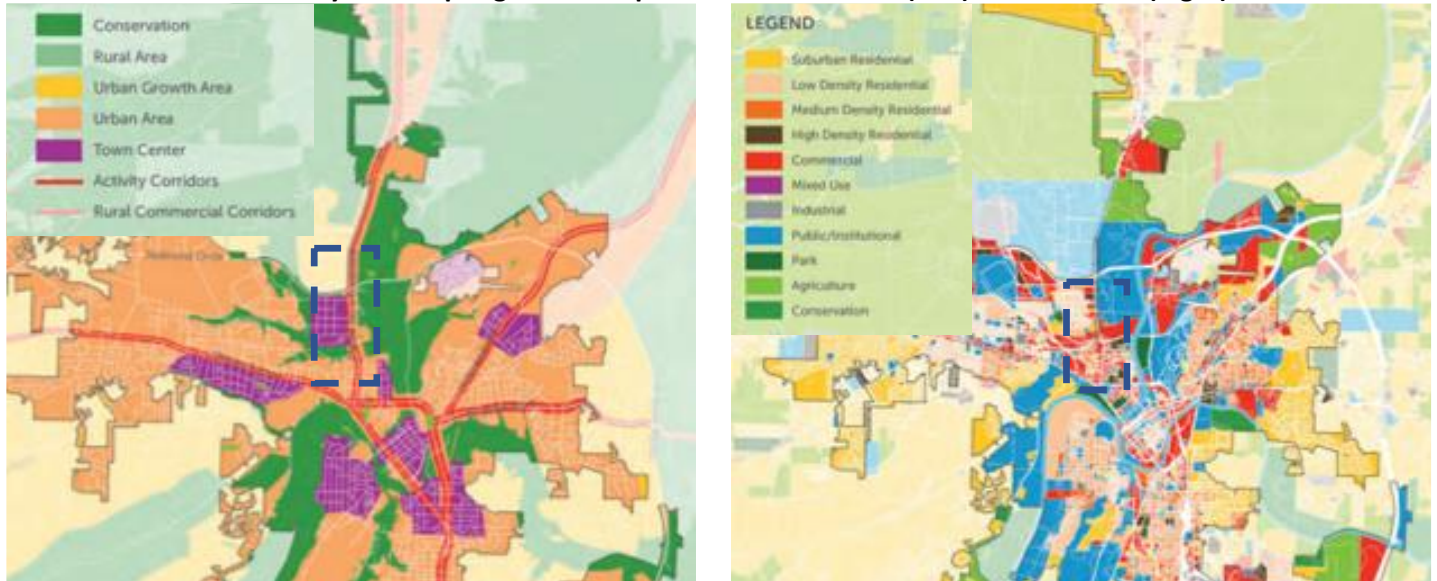
H-C Heavy Commercial (1) The H-C Heavy Commercial District is established to provide for the sales and service of commercial uses that are not considered as compatible with traditional retail sales and services allowed in the C-C District. (2) Uses within the H-C District border on being more “light industrial” in nature. These are uses such as major car repair or service, auto painting and body shops, construction contractors, large trucks, manufactured home, boat or heavy equipment sales, and retail home improvement stores with outside storage, etc.

O-I Office Institutional (1) The O-I Office Institutional District is established to provide for both private and public administrative and professional offices and on sites greater than those permitted in the N-O-C District. (2) The O-I District is established to provide for institutional uses such as hospitals, clinics, churches, schools, cemeteries, etc., occurring in the more densely developed areas of Rome-Floyd County (the S-R and T-R zoning districts). This is due to the potential for conflicts between the institutional uses and densely developed residential neighborhoods. (3) Within this district the sale, wholesale, storage or processing of merchandise is not permitted, except as accessory uses to the primary O-I uses. Areas zoned to this classification are not intended to be commercial or industrial centers. (4) The district is intended primarily to be located along major streets, but it can also be located in an area dominated by institutions such as a college where a wide range of land uses is required.

The 2018 Rome-Floyd Cave Spring 2040 Comprehensive Plan identifies the TAD #5 Redevelopment Area as follows:

- **Character Area:** Urban with Activity Corridor Overlay, with Town Center in the northwestern portion of the proposed TAD.
- **Land Use:** Commercial; Low Density and High Density Residential

2018 Rome-Floyd Cave Spring 2040 Comp Plan Character Area (Left) and Land Use (Right)



Source: Rome-Floyd Cave Springs 2040 Comprehensive Plan

The Rome-Floyd Cave Springs Comprehensive Plan lists the Martha Berry Corridor as a Gateway Corridor surrounded by commercial, institutional and low-density residential. Within a portion of the proposed Martha Berry Boulevard Corridor TAD area is a “Town Center” Character Area that may benefit from TAD funds to reach its full potential. Policy suggestions include the encouragement of adaptive reuse of vacant or under-used buildings for residential, commercial or mixed-use projects. The plan indicates that Martha Berry Boulevard is a highly travelled corridor with between 20,000 to 30,000 vehicles utilizing this roadway daily. The corridor is also one of the most dangerous for traffic accidents and could benefit from “safety measures to reduce the overall crash rate.”

EXISTING USES OF REAL PROPERTY IN THE PROPOSED TAD (L)

The parcels along the proposed Martha Berry Boulevard Corridor TAD are a mix of older buildings, commercial entities such as car lots and gas stations, older hotels and motels, several restaurants, vacant land and a residential apartment complex. The majority of the buildings in the corridor (59.4%) were built prior to 1980, and nearly 50% of the parcels in the TAD are of lower value than parcels in the surrounding one-mile area.

Examples of Buildings & Land Along the Martha Berry Boulevard Corridor



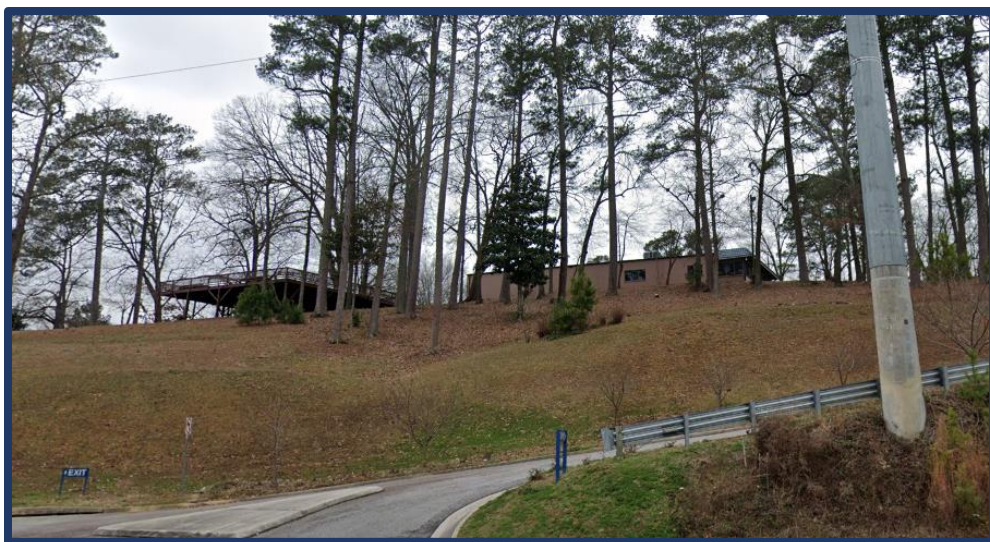
Source: KB Advisory Group

Four Hypothetical Redevelopment Parcel Areas in the Proposed Martha Berry TAD #5

Redevelopment opportunities exist along the corridor, and several examples are illustrated below.

Potential Redevelopment of 1301 Martha Berry Boulevard

Parcel J13Y258 Existing Land Use:
Restaurant on 7-acres of underutilized land.



Potential Redevelopment Projections		
	1301 Martha Berry Boulevard	
Acreage		7.00
Base Value Assessed		\$1,034,193
Potential Development	Units/SF	Value
Residential (Units)		
Townhomes (@ \$200,000/unit)	12	\$2,400,000
Multi-Family (@ \$130,000/unit)		
Commercial (SF)		
Office (@ \$138/sf)	75,000	\$10,350,000
Retail (@ \$110/sf)	25,000	\$2,750,000
Total Development Value		\$15,500,000

Source: KBAG, Floyd County Board of Assessors

Potential Redevelopment of 1711 Martha Berry Boulevard

Parcel I13W165 Existing Land Use:
Health Care building with large, underutilized parking lot, 3.6 acres.

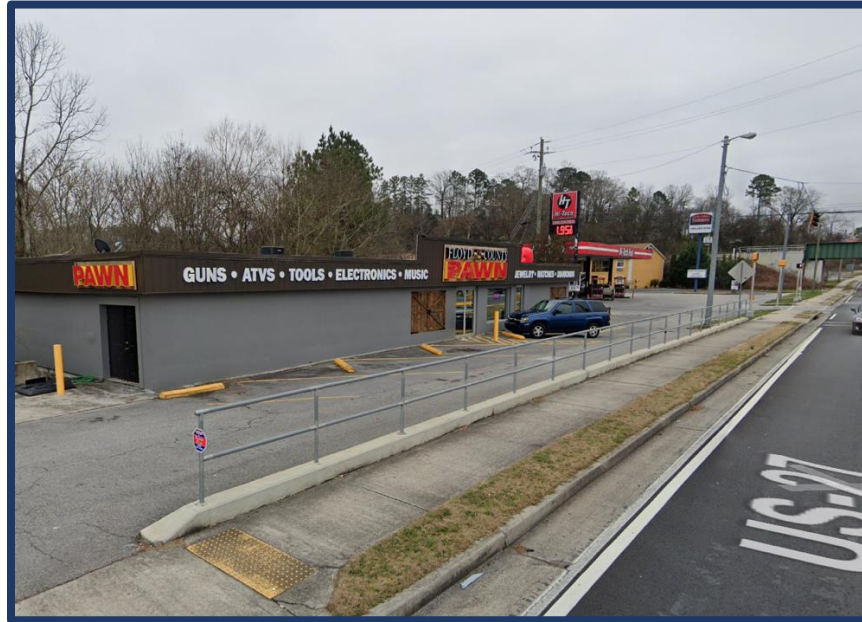


Potential Redevelopment Projections		
	1711 Martha Berry Boulevard	
Acreage		3.60
Base Value Assessed		\$488,864
Potential Development	Units/SF	Value
Residential (Units)		
Townhomes (@ \$200,000/unit)		
Multi-Family (@ \$130,000/unit)	50	\$6,500,000
Commercial (SF)		
Office (@ \$138/sf)		
Retail (@ \$110/sf)		
Total Development Value		\$6,500,000

Source: KBAG, Floyd County Board of Assessors

Potential Redevelopment of 1330, 1326 and 1318 Martha Berry Boulevard

Parcels J13Y542, J13Y541, J13Y541A:
Pawn shop, motel and gas station.



Potential Redevelopment Projections		
	1330, 1326 and 1318 Martha Berry Blvd	
Acreage		2.43
Base Value Assessed		\$2,905,426
Potential Development	Units/SF	Value
Residential (Units)		
Townhomes (@ \$200,000/unit)		
Multi-Family (@ \$130,000/unit)		
Commercial (SF)		
Office (@ \$138/sf)		
Retail (@ \$110/sf)	50,000	\$5,500,000
Total Development Value		\$5,500,000

Source: KBAG, Floyd County Board of Assessors

Potential Redevelopment of 1013 Martha Berry Boulevard and 1000 Ave D

Parcels J13Y237, J13Y235:
Vacant corner lot



Potential Redevelopment Projections		
1013 Martha Berry Blvd & 1000 Ave D		
Acreage		1.74
Base Value Assessed		\$1,317,374
Potential Development	Units/SF	Value
Residential (Units)		
Townhomes (@ \$200,000/unit)		
Multi-Family (@ \$130,000/unit)		
Commercial (SF)		
Office (@ \$138/sf)	50,000	\$6,900,000
Retail (@ \$110/sf)		
Total Development Value		\$6,900,000

Source: KBAG, Floyd County Board of Assessors



ESTIMATED REDEVELOPMENT COSTS/METHOD OF FINANCING (H)

The law required that Redevelopment Plans estimate “redevelopment costs to be incurred or made during the course of implementing the plan.” Estimating potential costs first requires estimating the amount of revenues which may be realistically generated from successful implementation of the plan. Once estimated, available revenues can be assigned to eligible cost items. The vast majority of the cost of developing the proposed parcels along the Martha Berry Boulevard Corridor will be privately financed or paid for through land sale and profits from building construction. However, existing values for developed commercial and residential sites in the Rome market are not sufficient to cover “extraordinary” cost items that are necessary to provide site preparation and make the necessary traffic and circulation improvements, as well as upgrade and extend utility infrastructure to serve an estimated 200,000 square feet of commercial and 62 units of residential potential future development in this TAD area.

The following estimates of the bond revenues from the potential redevelopment projects in the Martha Berry Boulevard Corridor TAD #5 assuming that both the Rome City Schools and Floyd County will pledge their M&O millage to the TAD redevelopment effort.

TAD #5 MARTHA BERRY BLVD: TAD Revenue / Financing	
Fair Market Value of TAD#5 at Build-Out	\$70,054,146
Taxable Value of TAD#5 at Build-Out	\$28,021,658
TAD Base Taxable Value	\$9,601,735
Incremental Value of New Development	\$18,419,923
2021 Millage Rates (M&O Only)	
City of Rome	0.009977
Rome City Schools	0.018200
Floyd County	<u>0.009880</u>
Total TAD Millage Rate	0.038057
Potential TAD Proceeds to Development	
Pay As You Go Property Tax Rebate 10 Years	\$7,010,070
Pay As You Go Property Tax Rebate 15 Years	\$10,515,105
Pay As You Go Property Tax Rebate 20 Years	\$14,020,140
Pay As You Go Property Tax Rebate 25 Years	\$17,525,175
TAD Bond Financed	
Debt Coverage Ratio	120%
Bondable Property Tax Amount	\$560,806
Semi-Annual Payment	\$280,403
Estimated TAD Bond for 25 Years at 5.5%	\$7,071,335
Issuance Costs @3%	\$212,140
Capitalized Interest for 24 Months	\$836,887
Net TAD Proceeds for Distribution	\$6,022,308

Source: KB Advisory Group, Floyd County Board of Assessors

Based on this growth in the tax increment from TAD #5 and from the hypothetical redevelopment parcel increment increases, we have estimated the amount of TAD financing that could be supported. Two financing alternatives are illustrated: the first approach assumes that the City of Rome issues tax exempt debt for 25 years based on the incremental property taxes which are paid into the Special Fund each year. The second approach assumes that the City of Rome and the developer enter into a Pay-As-You-Go (PAY-GO) financing approach. Under this approach the developer would receive an amount equal to the incremental taxes they pay into the special fund for the property taxes from the special fund each year for a specified period – we have modeled a ten year, fifteen-year, twenty-year and twenty-five-year approach for illustrative purposes.

KB Advisory Group estimated the amount of proceeds this revenue stream could leverage using the following financing assumptions:

- **Tax Exempt Bond** – A TAD bond is assumed to be issued in 2022 or 2023, in order to provide funding which may be needed to support site preparation, road and infrastructure extensions and internal circulation. This bond is assumed to have a 25-year term, 1.20 debt coverage ratio, and 5.5% interest rate. Calculations assume that the first two years of interest payments and one-year debt service reserve would be capitalized into the bond. We have also assumed a 3.0% issuance cost to cover any loan fees and potential reimbursements the City may wish to recover. Under this financing approach the total bond amount financed would be approximately \$7.1 million and the total potential proceeds available to invest in the development would be approximately \$6.0 million.
- **PAY-AS-YOU-GO (PAYGO) Financing** – Under this second approach, it is assumed that a qualified project would receive the amount of incremental property taxes, estimated to be \$700,100 at build-out, from the TAD Special Fund after project property taxes have been paid on an annual basis. Based on an appreciated value, this would represent TAD proceeds of \$7.0 million over a ten-year period, \$10.5 million over a 15-year build-out period, \$14.0 million over a 20-year period, or \$17.5 million over a 25-year build-out period from the PAY-GO approach. The developer would have the option to either finance these future payments with their debt and equity lenders or self-finance the future stream of payments.

Utilizing alternative terms, interest rates and debt coverage ratios would also produce differing estimates of bonding potential. The preceding estimates are intended to be representative and conservative. Any number of realistic alternative scenarios could also be modeled and could easily produce results which vary by a factor of 25% or more depending on future market conditions or whether the City provided a credit enhancement to secure and lower interest rate.

PROPOSED REDEVELOPMENT COSTS (USES OF TAD PROCEEDS)

Priorities for the use of TAD proceeds would evolve as project planning proceeds, more detailed site development budgets are prepared, and actual costs become better known. The intent is to employ TAD proceeds as available and necessary to make site development



financially feasible and to attract the types of end-users that would positively impact the redevelopment area and the regional economy.

The existing infrastructure in the Martha Berry Boulevard Corridor redevelopment area is inadequate to support the community’s full vision for the area. Having a TAD in place will help fund infrastructure improvements necessary to improve the transportation network (streets and sidewalks), site preparation for potential development projects, and provide necessary traffic mitigation and stormwater management for future development.

Proposed Uses of TAD #5 Proceeds		
Potential Expenditure	Estimated Allocation	Total Funds
1. Site preparation, grading, remediation	40%	\$2,567,658
2. Parking, internal circulation, landscaping, lighting	20%	\$1,283,829
3. Water & sewer, storm drainage, other utilities	32%	\$2,054,126
4. Traffic mitigation, signalization, intersections	8%	\$513,532
Total TAD Funding	100%	\$6,419,145

Source: KB Advisory Group

The Martha Berry Boulevard Corridor TAD has many parcels with potential redevelopment opportunity. Numerous combinations of equally reasonable inputs and assumptions could be applied to produce different results based on the redevelopment projects intended for this area. This report sets an achievable expectation for the TAD’s future financial performance, which is intended to help the City make current and future decisions.

ASSESSED VALUATION FOR TAD (I)

The redevelopment area for City of Rome Tax Allocation District #5 – Martha Berry Boulevard Corridor, as defined in this Redevelopment Plan has an estimated current full market value of \$26,447,883 and a taxable assessed (40% digest) value of \$9,601,735 according to Floyd County tax assessment records.

City of Rome TAD #5: Martha Berry Boulevard Corridor, as defined in this Redevelopment Plan, includes 41 tax parcels and 131.83 acres within those parcels. Within this proposed TAD, 8 parcels are tax-exempt.

The maximum percentage of a taxing jurisdiction’s total digest that can be placed in TADs is capped at 10% by the Georgia Redevelopment Powers Law. The taxable digest within the proposed TAD represents only 0.69% of Rome’s 2021 digest of \$1,387,704,791. In total, Rome’s TADs #1-#5 stand at 3.5% of Rome’s overall tax digest. Thus, approval of the TAD will leave the city with considerable flexibility to create other TADs if so desired.

Pursuant to the Redevelopment Powers Law, upon adoption of the Redevelopment Plan and the creation of the tax allocation district, the City will request that the Commissioner of Revenue of the State of Georgia certify the tax base for December 31, 2020, the base year of the proposed TAD.

The tax base is expected to increase in the future through the private investment stimulated by the implementation of the redevelopment plan and the reinvestment of TAD increments



back into the project. Upon build out as presented in this plan, the TAD is projected to have a taxable value of \$28.2 million.

City of Rome TAD #5 Potential Future Taxable Value	
	Taxable Value
Fair Market Value of TAD #5 Parcels at Build-Out	\$70,054,146
Taxable / Assessed Value of TAD #5 Parcels (@ 40%)	\$28,021,658
Existing Value of Parcels in the TAD Redevelopment Area	\$9,601,735
Incremental Taxable / Assessed Value Created by Redevelopment of TAD #5	\$18,419,923

Source: BAG, Floyd County Board of Assessors

HISTORIC PROPERTY WITHIN BOUNDARIES OF TAD (J)

The redevelopment area does not contain any historic buildings or sites with historic character nor are any properties listed on the National Register of Historic Places.

CREATION & TERMINATION DATES FOR TAD (K)

The Martha Berry Boulevard Corridor Tax Allocation District will be created effective December 31, 2020. The Redevelopment Powers Law provides that the district will be in existence until all redevelopment costs, including debt service, are paid in full. For presentation purposes this report has based most calculations on a 25-year term. However, the term of the proposed TAD could extend 25 to 30 years.

TAX ALLOCATION INCREMENT BASE (M)

On or before December 31, 2020, the City of Rome, acting as the redevelopment agent, will apply to the State Revenue Commissioner for a determination of the tax allocation increment base of the proposed tax allocation district.

The base is estimated as follows:

Tax Allocation District #5: Martha Berry Boulevard Corridor	
Number of Parcels	41
Total Acres	131.83
2021 Appraised (Fair Market) Value	\$26,447,883
2021 Taxable (40%) Value	\$9,601,735
Rome City Tax Digest	\$ 1,387,704,791
TAD #5 as Percent of Rome City Tax Digest	0.692%

Source: BAG, Floyd County Board of Assessors

Property Taxes Collected Within Tax District to Serve as Base

$Total\ Taxable\ (\$9,601,735) \times Usable\ (M\&O)\ Millage\ (0.038057) = \$365,413$
--



PROPERTY TAXES FOR COMPUTING TAX ALLOCATION INCREMENTS (N)

As provided in the Redevelopment Powers Law, the taxes that will be included in the tax increment base for the tax allocation district are based on the following authorized general fund millage rates:

2021 M&O Millage Rates *	
City of Rome	9.977
Rome City Schools	18.200
Floyd County	9.880
Total Millage Rate	38.057

Source: Georgia Department of Revenue

Creation of the tax allocation district will not affect any existing or planned business improvement districts created within the boundaries of the redevelopment area.

TAX ALLOCATION BOND ISSUES (O, P, Q)

AMOUNT OF BOND ISSUE

Upon adoption of this Redevelopment Plan, the City of Rome will enter into agreements with owners or developers with the agreement that they receive reimbursement of some portion of future incremental ad valorem taxes generated by new development, to be used for re-investment in the property. At this time, the City of Rome could obtain bond financing to implement this plan, or could elect to operate the district on a “Pay-As-You-Go” basis. The City would retain the ability to consider a wide range of financing options in the TAD including bond financing, bank loans, or other financing approaches which are typical in TAD transactions within the State of Georgia.

TERM OF BOND ISSUE OR ISSUES

The term of the agreement will be no longer than 30 years.

RATE OF BOND ISSUE

As noted above, the City of Rome can obtain financing either by:

- (a) seek fixed-rate tax exempt bonds;
- (b) obtain comparable forms of commercial financing as available, or;
- (c) enter into a development agreement to remit certain tax allocation increments to the master developer, to enable the developer to secure commercial financing or make improvements on a pay-as-you-go basis.

Should financing be sought in the future, the actual rate, terms and issuance costs would be determined at the time of issuance based upon general market conditions, anticipated development within the TAD, assessed taxable property values and federal tax law considerations. The City also reserves the right to consider other potential financing options including other commercial financing to support future projects, as appropriate.



PROPERTY PROPOSED TO BE PLEDGED FOR PAYMENT OF TAX ALLOCATION INCREMENTS FINANCING

Bonds or pay-as-you-go agreements will be secured by the positive tax allocation increment from eligible ad valorem taxes levied for these purposes. The actual amount of collected tax increments will depend upon the pace at which the Redevelopment Plan is implemented and the impact of the redevelopment activities and other economic factors on the tax base in the TAD as a whole. The City of Rome also reserves the flexibility to pledge ad valorem tax increments on business personal property to the TAD.

SCHOOL SYSTEM IMPACT ANALYSIS (R)

Georgia’s Redevelopment Powers Law, which governs the operation of tax allocation districts in the State, was amended during the 2009 legislative session to include a new provision under section 36-44-3(9)(R) for preparation of a “School System Impact Analysis”. This section presents the school impacts of the City of Rome Tax Allocation District #5: Martha Berry Boulevard Corridor in order to address the requirements of this portion of the Redevelopment Powers Law.

THE CURRENT VALUE OF THE MARTHA BERRY BOULEVARD CORRIDOR TAD VERSUS THE FLOYD COUNTY SCHOOLS TAX DIGEST

The current taxable digest for the Martha Berry Boulevard Corridor TAD #5 is estimated to be \$9,601,735, which provides an annual contribution of \$174,752 to the Rome City Schools. According to the Georgia Department of Revenue, the current M&O tax digest for the Rome City School District is \$1.367 Billion. Thus, the proposed TAD is 0.77% of the School District’s total tax digest and the annual tax contribution to the Rome City Schools.

TAD Digest as a Percent of Rome City School District	
Taxing Jurisdiction	Net Taxable M&O Digest
TAD #5: Martha Berry Boulevard Corridor	\$ 9,601,735
2021 Rome Independent City School Digest	\$ 1,368,474,281
TAD #5 Taxable Digest as a Percent	0.7016%

Source: BAG, Georgia Department of Revenue, Floyd County Board of Assessors

The amount of ad valorem school taxes collected from the properties in the designated TAD, as determined by the tax assessor on December 31, 2020, will continue to flow to the Rome City School District throughout the operation of the TAD.

The TAD Special Fund will only receive any additional property taxes collected above the 2020 base amount to support redevelopment in TAD #5.



Estimated Number of Public School Students from TAD #5

The hypothetical redevelopment plan for the Martha Berry Boulevard Corridor calls for creating 62 housing units, of which approximately 50 will be rental housing. The remainder will be for-sale townhomes. The following table shows an estimate of the number of school-age children.

TAD #5 School Age Children Estimates	
Housing Units Added	62
Residents Added associated with Units	146
School age children added	19

Source: KB Advisory Group

As shown above, over the build-out of the Martha Berry Boulevard Corridor development, there will be an estimated 146 new residents in the housing created.

Using demographic multipliers developed by the Center for Urban Policy Research of Rutgers University for the State of Georgia from special detailed runs of U.S. Census data, we have estimated the number of school-age children added to the TAD area at build-out. As shown below, there will be an estimated 14 school-age children living in TAD #5 by the end of the build-out period and attending Rome City Schools.

TAD #5: Estimates of Population and School Aged Children from Development of Martha Berry Blvd					
Unit Type	Units at Build-Out	Population Multiplier	Estimated Population	School Age Children Multiplier	School Aged Children at Build-Out
Townhomes	12	2.6	31	0.16	5
Multi-family rentals	50				
1-bedroom	25	2.0	50	0.08	4
2-bedroom	25	2.6	65	0.16	10
Total	62		146		19
79.3% of Floyd County children attend public school (Source: ACS 5 Year Est. 2020)					79.3%
Public School Students					15

Source: KB Advisory Group CUPR, Rutgers University, Fannie Mae Foundation, ACS 2020

Local School Educational Costs Associated with the Martha Berry Boulevard Corridor TAD

Based on the projected number of school-age children potentially added to TAD #5, we have estimated the local school costs associated with educating these children. As shown below, an analysis of the Rome City Schools budget indicates that the school system derives \$3,701 per-pupil from local property taxes. This is the local share of educational costs that must be raised from property taxes on new development. The balance of total educational cost per pupil comes from a mix of other revenues from state and federal sources.

Number of Students	6,452
Annual Property Taxes (Levied 2021)	\$23,879,876
Rome City School Taxes per Student	\$3,701

Based on this per-pupil revenue estimate, the 15 public school students will have a local educational cost of \$55,517.



The Location of School Facilities within the Redevelopment Area

There are no Rome City School facilities located inside the TAD #5 boundary. However, the potential for additional retail and commercial employers and potential job opportunities associated with the redevelopment of the Martha Berry Boulevard Corridor should have a positive impact on area schools.

Proposed Redevelopment in TAD #5: Martha Berry Boulevard Corridor

As detailed earlier in this plan, the proposed Tax Allocation District will support the development of the Martha Berry Boulevard Corridor on sites that are currently vacant and underutilized. Build-out could reach more than 200,000 SF of commercial retail and office space, and 62 units of housing. At completion, it could employ over 400 workers by 2035.

Projection of Average Value of New Residential Property in TAD #5

Current tax collections in the proposed Tax Allocation District, including Rome City Schools, are \$365,413. New residential property is proposed in TAD #5. As indicated in the chart below and based on the forecast of new units created, new residential property tax amounts for TAD #5 are estimated at \$135,483 annually at build-out. The average value of new residential property taxes is approximately \$2,185 per unit.

Property Description	Units/SF	Dollar Value Per Unit	FMV	Assessed Value
Housing				
Townhomes (100,500 SF)	12	\$200,000	\$2,400,000	\$960,000
Multi Family (300,000 SF)	50	\$130,000	\$6,500,000	\$2,600,000
Total Proposed Residential Housing	62			\$3,560,000
2019 M&O Millage Rates				
City of Rome				0.009977
Rome Independent City Schools				0.018200
Floyd County				0.009880
Total Millage Rate				0.038057
Property Taxes from Residential Development in TAD #5				
City of Rome				\$35,518
Rome Independent City Schools				\$64,792
Floyd County				\$35,173
Total New Residential Property Taxes				\$135,483

Source: BAG, Georgia Department of Revenue

Estimate of School District Revenue Impacts from Development in TAD #5

Currently, the 132-acre Martha Berry Boulevard Corridor TAD parcels generate roughly \$174,752 per year in property taxes levied on real estate for the school system. **These annual real estate taxes associated with the base value of the TAD would continue to flow to the school district's general fund throughout the operation of the TAD, as would current and future personal property taxes levied on business furnishings, inventories, and equipment.**



The value of commercial and industrial personal property throughout the City of Rome averages 35% of commercial and industrial real estate value; given the significant residential component of the TAD we have assumed a personal property ratio of 15%. At build-out, the digest value of the commercial personal property could exceed \$3.6 million and generate an additional \$64,792 in personal property taxes for the school district each year – significantly increasing its revenue from TAD #5 from personal property each year.

Also, the new proposed commercial retail and office development in the Martha Berry Boulevard Corridor TAD will generate additional sales taxes for the Rome City School District during years in which a special purpose local option sales tax for educational purposes (ESPLOST) is in effect. At completion, this annual revenue from sales in the Martha Berry Boulevard Corridor TAD will generate approximately \$264,000 in ESPLOST revenue annually.

The following table estimates total annual School District revenues from the development of the Martha Berry Boulevard Corridor TAD, at build-out, which is forecast to occur between 2030 and 2035, and include real estate digest from the base value of the TAD, plus personal property and sales taxes. By foregoing incremental future real estate taxes from a currently underdeveloped vacant site, the Rome City School District could receive roughly \$503,544 per year in combined tax revenues from the above sources. After the TAD is dissolved, the School District would receive an additional \$293,544 in annual property taxes on real estate that was pledged to the TAD.

Estimated Taxes to the Rome Independent City Schools at Build Out of TAD #5	
Revenues to Rome Independent City Schools from TAD #5	
Property Taxes	
Base Taxable Value of TAD #5	\$9,601,735
Rome Independent City Schools Millage	0.018200
Annual Property Taxes to Rome City Schools	\$174,752
Personal Property Value of TAD 5	\$3,560,000
Rome Independent City Schools Millage	0.018200
Annual Personal Property Taxes to Rome City Schools	\$64,792
Total Annual Property Taxes to Rome City Schools	\$239,544

ESPLOST Revenue to Rome Independent Schools	
Proposed Martha Berry Redevelopment Retail SF	200,000
Estimated Retail Sales per SF	\$220
Estimated Total Retail Sales Martha Berry Redevelopment Projects	\$44,000,000
Estimated Net New Sales at 60%	\$26,400,000
ESPLOST Revenue to Rome Independent Schools	\$264,000
Total Annual Property and Sales Taxes to Rome City Schools	\$503,544
Total Property and Sales Taxes for 10 Years	\$5,035,436

Source: KBAG, Georgia Department of Revenue, Floyd County Board of Assessors



The chart below summarizes total annual payments to the School District from its participation in TAD #5 after the TAD dissolves.

25-YEAR FINANCIAL IMPACT TO ROME CITY SCHOOLS WITH AND WITHOUT TAD	
Property Taxes from Existing Properties within TAD	\$365,413
Tax Revenues to Rome Independent Schools without TAD	\$174,752
Tax Revenues to Rome Independent Schools with TAD	\$503,544
Net Benefit to Rome Independent Schools from TAD	\$328,792

Source: KBAG

CONCLUSION REGARDING SCHOOL SYSTEM IMPACTS

The economic impacts to the Rome City Schools from participating in TAD #5: Martha Berry Boulevard Corridor are as follows:

8. Currently, the entire TAD #5 redevelopment area generates only \$174,752 per year in property taxes levied on real estate for the Rome City Schools. This amount represents 0.75% of the Rome City School digest. Annual real estate taxes associated with the base value of the TAD would continue to flow to the School District’s general fund, during the period of the TAD.
9. Redevelopment in the TAD #5 parcel areas indicated will add approximately 15 new public-school children over the 15-year build-out period, based on the projection of 62 residential unit additions to the TAD #5 area.
10. There are no Rome City School District facilities located inside the TAD #5 boundaries. However, schools in the broader area would benefit from the improvement of surrounding properties and the economic results of the redevelopment of the Martha Berry Boulevard Corridor.
11. At build-out, the proposed redevelopment in TAD #5 should generate an average of \$239,554 annually during the TAD financing period in base real estate taxes and over \$264,000 in ESPLOST revenues to the Rome City Schools.

Thus, the potential gains to the Rome City Schools as a result of participating in TAD #5 will be substantially net positive due to the future growth in its tax digest and ESPLOST revenues, with only moderate impacts on the demand for school services.

SUMMARY – CONCLUSION: IMPACTS OF THE MARTHA BERRY BLVD CORRIDOR TAD

In conclusion, the creation of TAD #5 could leverage \$34.4 million in new investment over 15 years from the four potential hypothetical redevelopment projects. This future development, along with the growth of the value of the overall TAD, would increase the current \$2.5 million taxable digest value of the TAD by an additional \$11.3 million. This would result in approximately \$700,000 in new annual property tax receipts from real estate and personal property tax receipts when the Martha Berry Boulevard Corridor is fully built out. The proposed 200,000 square feet of



commercial development and 62 units of housing will create more than 400 new jobs with an annual payroll of \$10.2 million.

Summary of TAD #5: Martha Berry Boulevard Corridor Benefits at Build-Out	
Value of potential redevelopment projects Martha Berry Boulevard	\$34,400,000
Additional Ad Valorem Tax Digest	\$427,146
Additional Personal Property Tax Digest	\$1,428,000
Estimated Real Estate Tax Increments	\$701,007
Estimated Sales Tax Benefits	\$1,071,000
Estimated New Jobs Created	405
Estimated New Payroll Created	\$10,204,700



APPENDICES

APPENDIX A. LIST OF TAX PARCEL ID NUMBERS (PROPERTIES WITHIN THE TAD)

PARCELS INCLUDED IN TAD #5: MARTHA BERRY BOULEVARD CORRIDOR						
Parcel Number	Owner	Description	Zoning	Acres	Fair Market Value	Assessed Value
West Side of Corridor						
J13W034	LOWDEN DOSS HOLDINGS LLC	Glenwood Apartments of Rome	C3	5.47	\$1,998,571	\$799,428
J13W037	LALJI, INC	Rome Motel	C3	1.22	\$559,031	\$223,612
J13W035	CHENG CHI CHANG & HANN CHENG	Cheng Rome	C3	0.34	\$388,503	\$155,401
J13W036	LALJI, INC	Rome Motel & Leasing Office	C3	0.29	\$365,922	\$146,369
J13W165	BARTLEY SAMMY O	Apria Healthcare	C3	3.60	\$1,165,000	\$466,000
J13W167	NW GEORGIA HOUSING	Patton Partnership, LLC	E1	1.32	\$287,360	\$114,944
J13W255	HARDY INVESTMENTS LLC	1609 Martha Berry Blvd	C3	3.11	\$1,400,000	\$560,000
J13W269	BIG SPOON HOLDINGS LLC	4 Oakwood Street	C3	1.77	\$953,028	\$381,211
J13W270	STOREY WEYMAN L 1/2 & ALLISON MICHELLE	Exxon Station	C3	1.00	\$952,235	\$380,894
J13Y543	MARTIN LARRY C ADMIN	Carmart	C3	1.32	\$765,180	\$306,072
J13Y258	KIM KYIM & KYUMG S. KIM	Sumo Japanese Steak House	C3	7.10	\$1,034,193	\$413,677
J13Y254	HODGE THURMAN DENNIS JR	Lincare	C3	0.36	\$455,513	\$182,205
J13Y253	HOSPITAL AUTHORITY OF FLOYD COUNTY	1207 Ave C	E1	0.38	\$481,912	\$192,765
J13Y249	JAY JALARAM LLC	Royal Inn	C3	1.47	\$1,263,792	\$505,517
J13Y248	NAMAHI CORP	Berry Food Mart	C3	0.30	\$351,521	\$140,608
J13Y244	NAMAHI CORP	Seven Hills Inn	C3	0.48	\$1,259,091	\$503,636
J13Y243	KEENE JAMES W & ELLEN P	Proctor-Keene Chiropractic	C3	0.49	\$618,747	\$247,499
J13Y238	LEGACY PIZZA INC	Pizza Hut	C3	0.78	\$1,029,640	\$411,856
J13Y237	PAY RIGHT LLC	1013 Martha Berry Blvd	C3	1.07	\$1,047,374	\$418,950
J13Y235	JKM INVESTMENTS	1000 Avenue D	C3	0.67	\$270,000	\$108,000
J13Y228	ELROD JAMES A JR	907 Avenue C	C3	0.07	\$87,728	\$35,091
J13Y229	ELROD UPHOLSTERY AND GLASS	905 Avenue C	C3	0.32	\$331,005	\$132,402
J13Y227	ELROD JAMES A JR & MARY	903 Avenue C	C3	0.40	\$415,714	\$166,286
East Side of Corridor						
J13X026	CKRUPTA LLC	Sunrise Inn & Suites	C3	2.00	\$1,011,501	\$404,600
J13X027	GREATER COMMUNITY BANK	Rome Women's Health	C3	1.00	\$370,000	\$148,000
J13X028	GREATER ROME BANK	1600 Martha Berry Blvd	C3	1.00	\$270,000	\$108,000
J13X029	GREATER ROME BANK	1490 Martha Berry Blvd	C3	2.00	\$1,818,459	\$727,384
J13X029A	GREATER ROME BANK	MARTHA BERRY BLVD	C3	2.00	\$245,670	\$98,268
J13X029B	US POST OFFICE	US Post Office	E1	9.00	\$1,157,820	\$463,128
J13X030	Trustees of the Oak Hill Church	1500 Martha Berry Blvd	E2	30.91	\$309,100	\$123,640
J13Y540	CITY OF ROME LAND	Little Dry Creek Land East of MB	E1	44.30	\$166,125	\$66,450
J13Y542	WILLIAMS CHARLES S SR	Pawn	C3	0.31	\$166,291	\$66,516
J13Y541	SINGH SARABJEET	Hi Tech Fuel	C3	0.87	\$1,182,025	\$472,810
J13Y541A	SHIVA LODGING INC	Fair Bridge Inn	C3	1.25	\$1,475,485	\$590,194
J13Y260	KNIGHT SETH C JR	Land	C3	1.00	\$40,580	\$16,232
J13Y277	KNIGHT SETH C JR	Land	C3	1.00	\$34,898	\$13,959
J13Y278	ST JAMES AFRICAN METHODIST	Church	E1	0.11	\$19,528	\$7,811
J13Y279	ST JAMES CHURCH	Church	E2	0.00	\$21,700	\$8,680
J13Y307	MARTIN LARRY C AS PLAN ADMIN	1250 Martha Berry	C3	0.25	\$148,230	\$59,292
J13Y306	FORD MIKE	1208 North 5th	C3	1.00	\$171,935	\$68,774
J13Y308	WHITENER BILLY F	1200 North 5th	C3	0.50	\$357,476	\$142,990
Total TAD #5 Martha Berry Boulevard Corridor Parcels (Count: 41)				131.83	\$26,447,883	\$10,579,153

APPENDIX B. ROME CITY COMMISSION



Jamie Doss
Commissioner - Ward
Two



Sundai Stevenson
Commissioner - Ward
One



Wendy Davis
Commissioner - Ward
Two



Randy Quick
Commissioner - Ward
Two



**William "Bill"
Collins**
Mayor - Ward Three



Craig McDaniel
Mayor Pro Tem -
Ward Three



Jim Bojo
Commissioner - Ward
One



Bonney Askew
Commissioner - Ward
Three



Mark Cochran
Commissioner - Ward
One

APPENDIX C. FLOYD COUNTY BOARD OF COMMISSIONERS



Larry Maxey
Post Four



Allison Watters
Vice Chair, Post 3



Rhonda Wallace
Post One



Wright Bagby
The Chair, Post 2



Scotty Hancock
Post Five

Jamie McCord
County Manager

APPENDIX D. ROME CITY SCHOOLS, BOARD OF EDUCATION

Faith Collins



Chair

Jill Fisher



Vice-Chair

Melissa Davis



Board Member

Elaina Beeman



Board Member

Will Byington



Board Member

Alvin L. Jackson



Board Member

John Uldrick



Board Member

Louis Byars



Superintendent