

DRAFT

ECONOMIC AND FISCAL IMPACT ANALYSIS OF THE FULTON INDUSTRIAL DISTRICT



BleaklyAdvisoryGroup

AUGUST 2018

PURPOSE

This report examines the Fulton Industrial District and its economic and fiscal impact on the jurisdictions and municipalities to which it contributes:

- Fulton County,
- Fulton County Schools,
- The City of South Fulton,
- The City of Atlanta,
- Atlanta Public Schools, and
- The State of Georgia.

The report considers both:

- **Economic impact**—which measures economic activity, both direct and indirect.
- **Fiscal impact**—which compares the public revenues generated by the area to the cost of providing government services to the area.

The Fulton Industrial District:

- The Fulton Industrial District is a nine square mile area centered along the Fulton Industrial Boulevard corridor on the Southwest side of the Metro Atlanta region. On the north, it is bounded by I-285, by the Chattahoochee River on the west, Campbellton Road to the south, and by Camp Creek Boulevard and residential neighborhoods to the east.
- The FID is intersected by I-20, giving the district immediate access to two of the region's significant interstates for trucking.
- The Fulton Industrial District is the only unincorporated area in Fulton County, abutting the City of Atlanta, the City of South Fulton, and Douglas County.

The Fulton Industrial Boulevard Community Improvement District (CID):

- The Boulevard Improvement District is a self-taxing organization that focuses on funding public infrastructure, spearheading beautification projects, and promoting economic development in a specific district. CID membership includes most, though not all, of the commercial parcels in the Fulton Industrial District, as well as a number of parcels in the City of South Fulton, outside of the district.

BLEAKLY ADVISORY GROUP

ECONOMIC IMPACT ANALYSIS OF THE BOULEVARD IMPROVEMENT DISTRICT (BID)

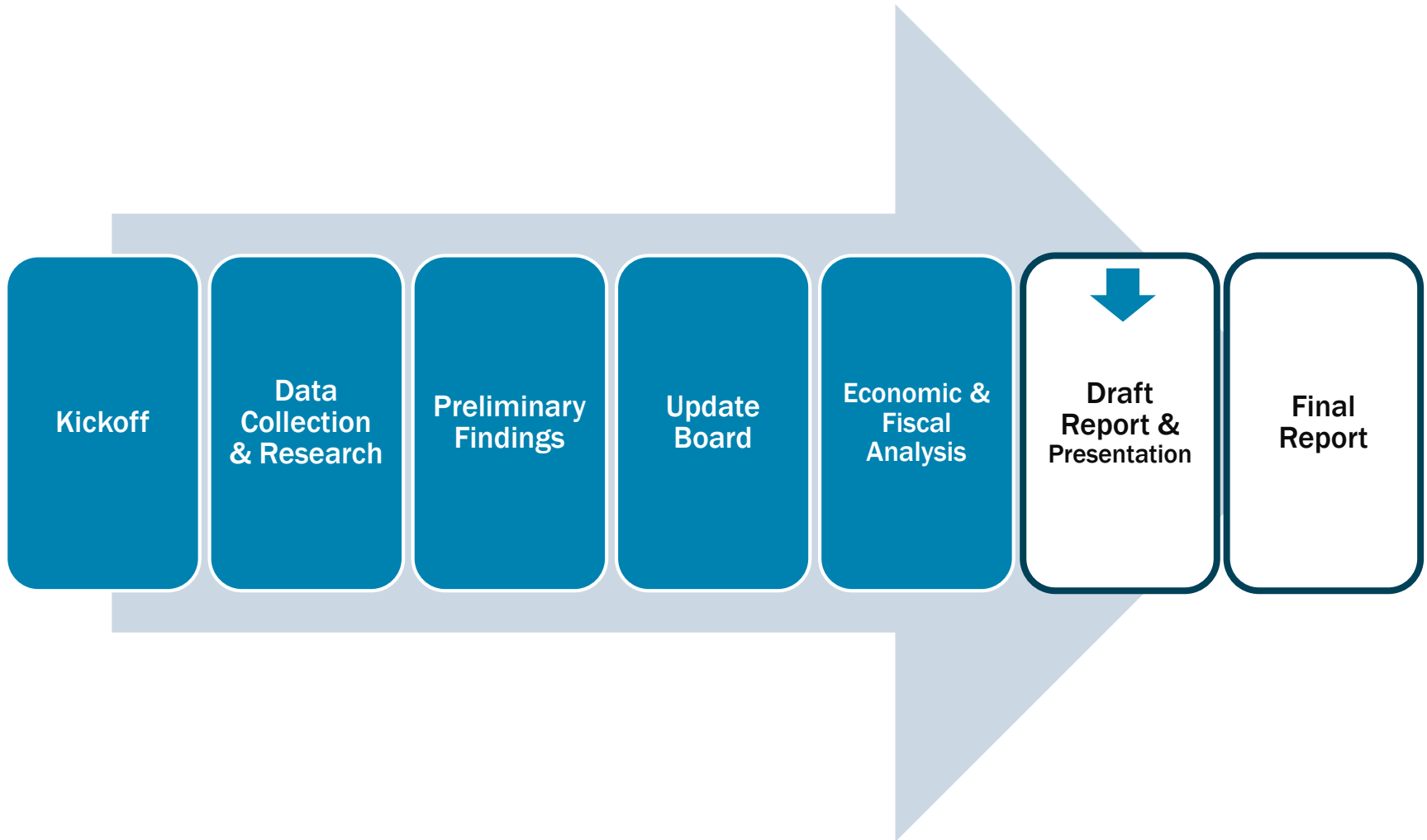
Bleakly Advisory Group, Inc. is an Atlanta-based real estate and economic development consulting firm, founded in 2001.

- We provide development advisory services to public and private sector clients throughout Georgia and the Southeast.
- Our practice covers six areas in both public and private sectors.
- We have prepared similar studies for:
 - Cumberland CID
 - Buckhead CID
 - Midtown Alliance
 - Central Atlanta Progress
 - Gwinnett Place CID
 - Gateway 85 CID
 - Georgia Aquarium.



STATUS & SCHEDULE

ECONOMIC IMPACT ANALYSIS OF THE BOULEVARD IMPROVEMENT DISTRICT (BID)



EXECUTIVE SUMMARY

EMPLOYMENT

Fulton Industrial District:

- The Fulton Industrial District has an estimated 22,147 jobs as of June 2018.
- The Fulton Industrial District has an estimated 2018 payroll of \$1.8 billion.
- The Fulton Industrial District represents just 2.4% of the Fulton County's land area, yet it represents:
 - 28,065 jobs or 3.2 % of all jobs in the county.
 - 20% of the county's manufacturing jobs.
 - 16% of the county's wholesale jobs.
 - 13% of the county's manufacturing jobs
 - 2,179 jobs per square mile.

Fulton Industrial Area of Influence (AOI):

- The FID Area of Influence has 28,065 jobs.
- The FID Area of Influence has an estimated 2018 payroll of \$2.4 billion.
- The FID Area of Influence is home to over 1,000 companies, producing over \$11.5 billion in annual sales.



EXECUTIVE SUMMARY

ECONOMIC IMPACTS

The Fulton Industrial District and Area of Influence have a significant impact on the Metro Atlanta economy, both in terms of the direct employment and sales that occur within the region, as well as indirect and induced impacts generated by that activity.

- The Fulton Industrial District AOI's 1,000+ businesses directly employ over 28,000 people. This employment activity induces an additional 41,000 jobs, leading to total employment effects of **69,000 jobs** regionally.
 - The combined **direct payroll in 2018 is estimated to be \$2.37 billion**, indicating an **average wage of nearly \$84,500** across all industries.
- Business activity in the Fulton Industrial District AOI will generate a direct contribution of \$15.3 million in 2018, inducing additional indirect impact of \$15.8 million, for a **total economic output of \$31.1 million**.
- The FID has a high concentration of jobs in manufacturing, high-tech services, and logistics. These sectors tend to have high multiplier effects, both in terms of the number of indirect jobs generated and the average payroll in the impacted sob sectors.
 - The FID AOI's impact on **Gross Regional Product (GRP)** is more than **\$18.8 billion**.

The FIB Area of Influence on the Metro Atlanta's Gross Regional Product: \$18.8 billion

Economic Impact of the Fulton Industrial District and the FIB Area of Influence On the Metro-Atlanta Economy

	Fulton Industrial District	FIB Area of Influence
Employment		
Direct Employment	22,147	28,065
Indirect & Induced Employment	31,924	40,978
Total Employment Effects	54,071	69,042
Output		
Direct Contribution to Final Demand (\$Bil)	\$11.0	\$15.3
Indirect & Induced Economic Impacts	\$11.5	\$15.8
Total Economic Output	\$22.5	\$31.1
Gross Regional Product (GRP)/Value Added		
Direct Industry Contribution to Final Demand	\$11.0	\$15.3
Indirect & Induced Economic Impacts	\$2.5	\$3.6
Total Impact on GRP	\$13.5	\$18.8

Output (Sales) obtained based on Gwinnett Place AOI Geometry input to 3-Digit NAICS Report from Environics Analytics.

EXECUTIVE SUMMARY

BUILDINGS AND LAND IN THE FULTON INDUSTRIAL DISTRICT

The FID has 45 Million square feet (SF) of commercial real estate, while the FID Area of Influence has 53.1 million SF.

- The District has 42.1 million SF of industrial space, which represents 28% of Fulton County's total industrial space.
- The FID Area of Influence has 49.6 million SF, 33% of Fulton County's industrial space.
- 11.6 million SF of new space is under construction or proposed.
 - 8.5 million SF of industrial space is proposed or under construction in the FID.
 - 2.1 million SF proposed or under construction in the Area of Influence, outside of the District.
- There are currently six major development projects proposed or under construction in the Fulton Industrial District Area of Influence.
 - Collectively, once complete, these projects will represent:
 - **3,338,512 SF** of new Class A & B industrial space.
 - Up to 5,500 additional jobs.
- The total assessed property tax digest (including real estate and personal property) of the Fulton Industrial Boulevard Area of Influence is **\$873 million**, of which **\$694 million** is in the Fulton Industrial District, **\$72 million** is in the City of Atlanta, and **\$108 million** is in the City of South Fulton.

EXECUTIVE SUMMARY

PUBLIC REVENUES FROM THE FULTON INDUSTRIAL DISTRICT

The Fulton Industrial District generates substantial public revenues:

- The FID AOI generated an estimated **\$159 million** annually in property taxes, sales taxes, hotel/motel taxes, transportation taxes, licenses and fees, and income taxes in 2017.
 - Fulton County receive an estimated **\$18.2 million** in 2017.
 - Fulton County Schools received an estimated **\$12.4 million** in 2017.
 - The State of Georgia received an estimated **\$124 million** from taxes generated by business activity within the Fulton Industrial District Area of Influence in 2017.

Total Estimated Public Revenues from the FIB Area of Influence, 2018

Summary: Annual Local Taxes from Fulton Industrial AOI	Total Generated by FID	To Fulton County	To Fulton Schools	To MARTA & Transp.	To State of GA	To City of South Fulton	To City of Atlanta & Atl. Schools
Property taxes	\$29.0	\$14.5	\$11.2			\$0.6	\$1.8
Sales Taxes	\$5.9	\$0.7	\$0.7	\$1.3	\$3.1		\$0.04
Auto Title taxes	\$1.2	\$0.1	\$0.3		\$0.5		
Hotel Occupancy Taxes	\$3.0	\$0.9	\$0.1	\$0.2	\$1.8		
Licenses and Permits	\$2.0	\$2.0					
Income Tax	\$118.6				\$118.6		
Total Public Revenues	\$159.6	\$18.2	\$12.4	\$1.5	\$123.9	\$0.6	\$1.8

Source: BAG

EXECUTIVE SUMMARY

FISCAL ANALYSIS

The Fulton Industrial District generates substantially more revenue for the County and Schools than it consumes in services:

- Fulton County receives **\$18.2 million in revenue** annually from the Fulton Industrial District AOI, while the total cost to provide County services to the District are estimated to be \$7.2 million, resulting in a **net surplus of \$11.1 million to Fulton County**.
- Fulton County Schools receives over **\$12.4 million in revenues** (property tax & E-SPLOST) from the Fulton Industrial District AOI, while the local share of education costs for the estimated 220 school-aged children living in the District is estimated to be \$2.3 million, resulting in a **net surplus of \$10.1 million to Fulton County Schools**.
- Overall, the Fulton Industrial District generates a **net fiscal surplus of \$30.6 million** to Fulton County and Fulton County Schools combined each year.

Fulton Industrial District Net Fiscal Impacts (In \$ millions)		
Fulton County Fiscal Impacts		
County revenues from FID	\$	18.2
County costs to service FID	\$	7.2
Net Fiscal Impact of FID	\$	11.1
Revenue/Cost Ratio		2.5 to 1
Fulton Schools Fiscal Impacts		
Fulton Schools revenues from FID	\$	12.4
Fulton Schools costs to service FID	\$	2.3
Net Fiscal Impact of FID	\$	10.1
Fiscal Impact Ratio		5.4 to 1
Combined (Fulton County & Schools) Fiscal Impacts		
Combined revenues from FID	\$	30.6
County costs to service FID	\$	9.5
Net Fiscal Impact of FID	\$	21.2
Fiscal Impact Ratio		3.2 to 1

Source: Fulton County Budget 2018, Fulton County Schools 2018 Budget, BAG Revenue Estimates

The Fulton Industrial District contributes \$3.20 in local revenues to Fulton County and Fulton County Schools for every \$1.00 worth of services received.

EXECUTIVE SUMMARY

BOULEVARD IMPROVEMENT DISTRICT IMPACTS

The Fulton Industrial Boulevard Improvement District (CID) is a self-taxing district organized in 2010, comprising over 550 industrial properties.

- The CID is dedicated to enhancing the economic vitality of Fulton Industrial Boulevard by strengthening the area's role as the center of Atlanta's regional industrial and logistics hub.
- The FIB CID collected \$1.2 million in revenue from participating members in 2017, in addition to \$1 million in grants. This funding went towards a variety of initiatives, studies, and capital projects within the district.
- Over the Last 5 years, the members of the Boulevard Community District have contributed \$5.5 million to fund improvements and reinvestment in the Fulton Industrial District.
- In addition, the CID has leveraged \$8.7 million in grants and matching funds for projects to improve the district. This funding has been invested in:
 - \$1.7 million for public safety
 - \$1.6 million for landscaping and beautification
 - \$4.5 million for roads, intersections, and bridges
 - \$290,000 for economic development activities including outreach, public relations, marketing and branding, plans, and studies.



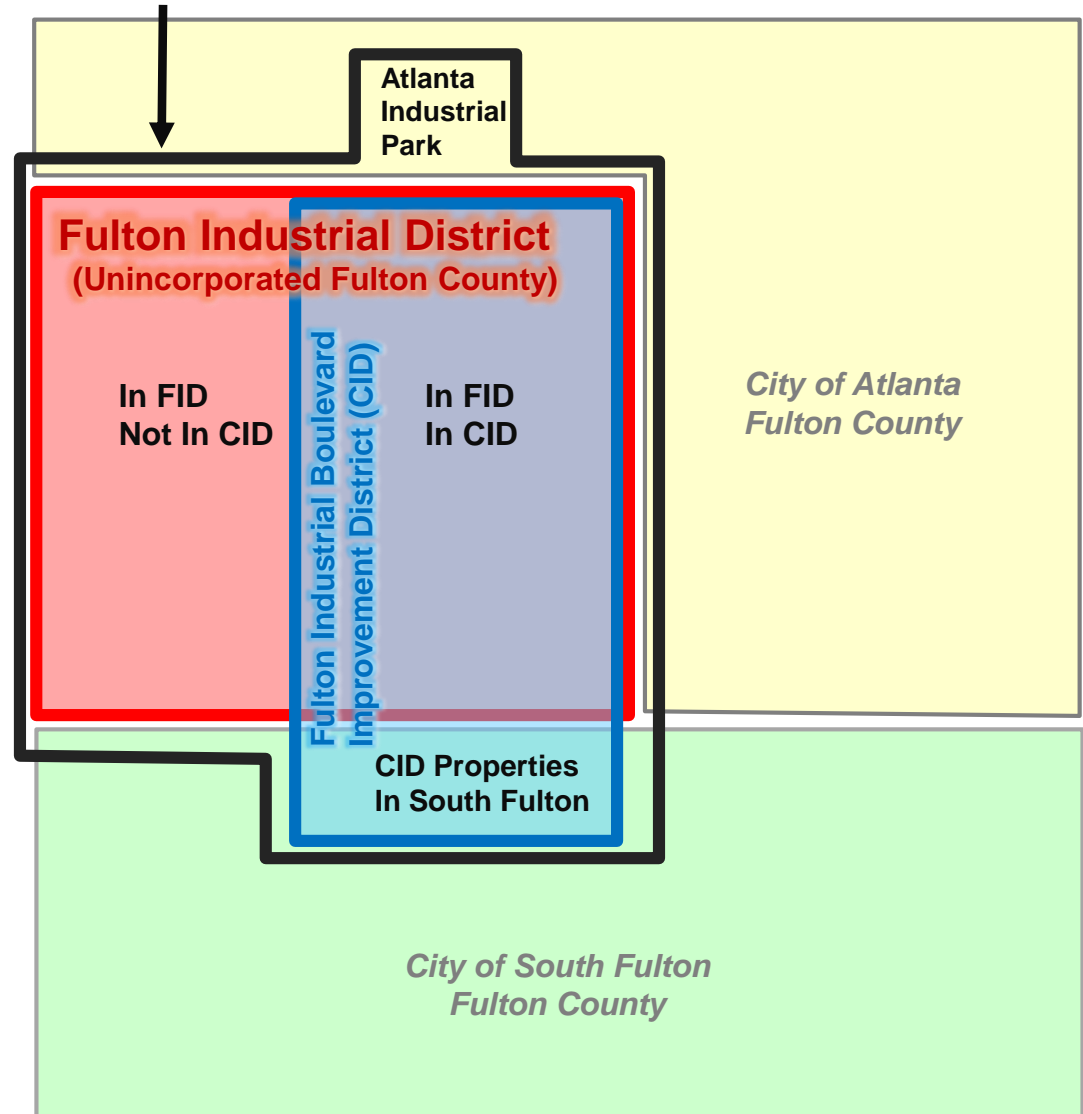
GEOGRAPHY

THE FULTON INDUSTRIAL DISTRICT AND THE AREA OF INFLUENCE

This analysis looks at the economic and fiscal impacts of the Fulton Industrial District and its *Area of Influence*.

- The Area of Influence (AOI) includes the formally designated Fulton Industrial District (Unincorporated Fulton County) along with two additional areas that operate as part of the district's economic ecosystem:
 - Atlanta Industrial Park, in the City of Atlanta.
 - Industrial areas in the City of South Fulton adjacent to the FID where a substantial number of parcels participate in the Fulton Industrial Community Improvement District.

FID Area of Influence (FID-AOI)



GEOGRAPHY

THE FULTON INDUSTRIAL DISTRICT DISTRICT AND THE AREA OF INFLUENCE

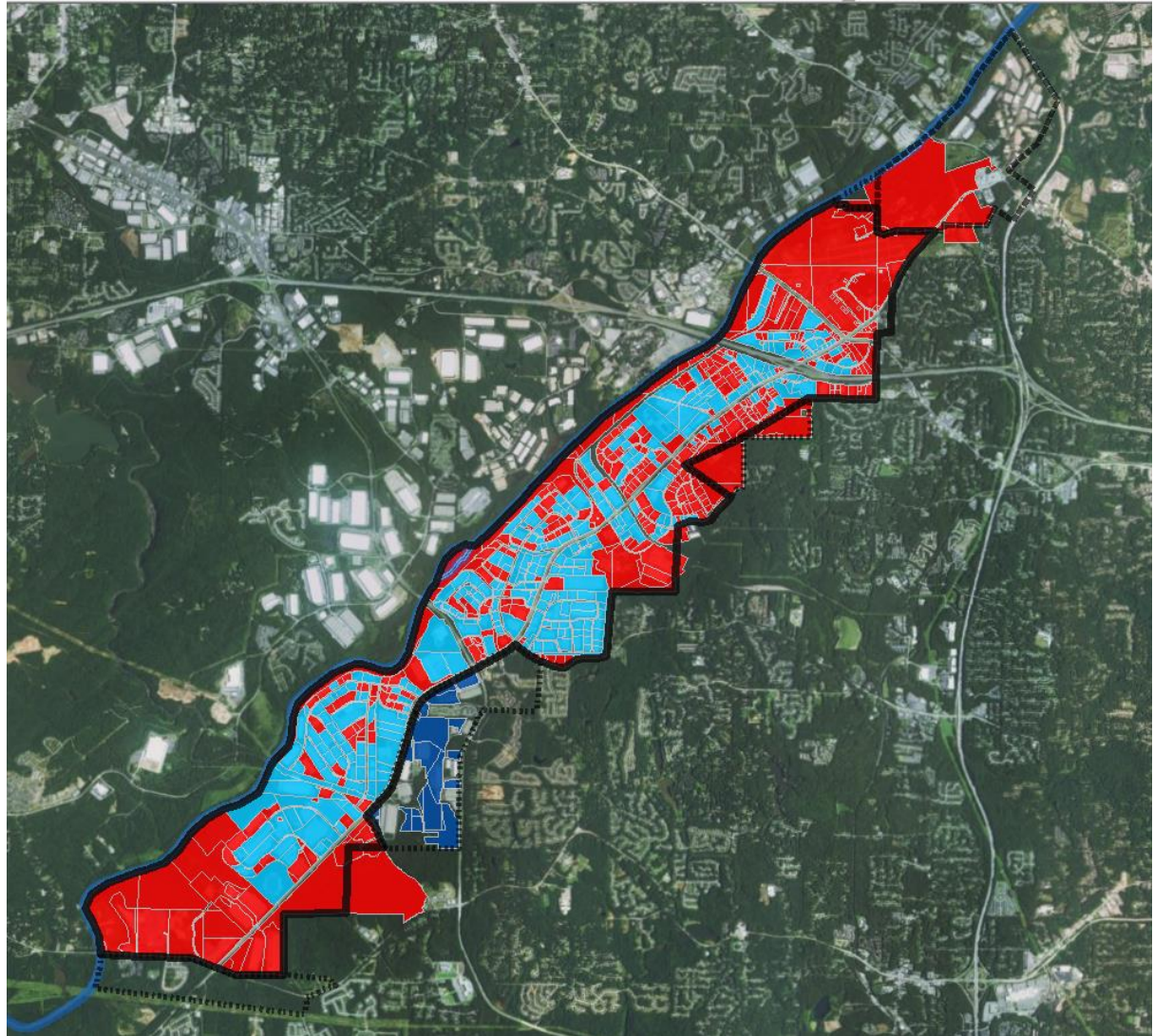
- Fulton Industrial District

- Red or Light Blue

- Area of Influence

- Boulevard CID

- Light Blue (In FID) or Dark Blue (In South Fulton)



METHODOLOGY

INPUTS TO THE ECONOMIC & FISCAL ANALYSIS

Economic and fiscal impact is defined by a number of factors:

- Jobs:

- Number of jobs and companies
- Total economic output (sales & revenue)
- Wages and payroll

- People:

- Residents
- Visitors
- School-age children

- Buildings and land:

- Value of the buildings, land, and property

- Commerce:

- Retail activity
- Spending on lodging

- Revenue Streams:

- Various ways that the jobs, people, buildings, land, and commerce in the district generate public revenues

- Property taxes
- Sales taxes
- Income taxes
- Other taxes
- Permits & fees

- Service Costs:

- Cost to provide public services to the residents, workers, business, land, and buildings in the district

- General government
- Fire protection
- Police and public safety
- Roads, bridges, and transportation
- Public works, water and sewer
- Social services
- Other services

JOBS AND BUSINESSES

EMPLOYMENT

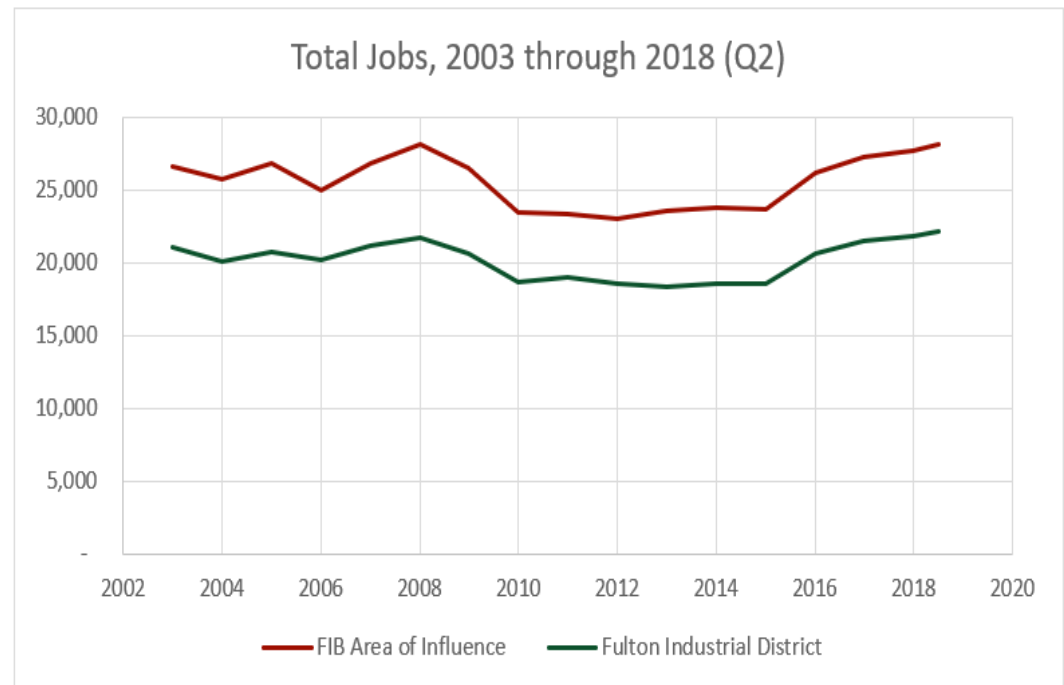
ECONOMIC IMPACT ANALYSIS OF THE BOULEVARD IMPROVEMENT DISTRICT (BID)

The Fulton Industrial District has an estimated 22,147 jobs as of June 2018.

- The Fulton Industrial District has an estimated 2018 payroll of \$1.8 billion.

The FIB Area of Influence has 28,065 jobs.

- The FID Area of Influence has an estimated 2018 payroll of \$2.4 billion.
- The FID Area of Influence has over 1,000 Companies, producing over \$11.5 Billion in annual sales.



Source: US Census Longitudinal Employer Dynamics, US Bureau of Labor Statistics, Georgia Department of Labor, Environics Analytics.

EMPLOYMENT

EMPLOYMENT BY SECTOR

The Fulton Industrial District represents just 2.4% of the Fulton County's land area, yet it represents:

- 28,065 jobs, or 3.2 % of all jobs in the county.
- 20% of the county's manufacturing jobs.
- 16% of the county's wholesale jobs.
- 13% of the county's manufacturing jobs.
- 2,179 jobs per square mile.

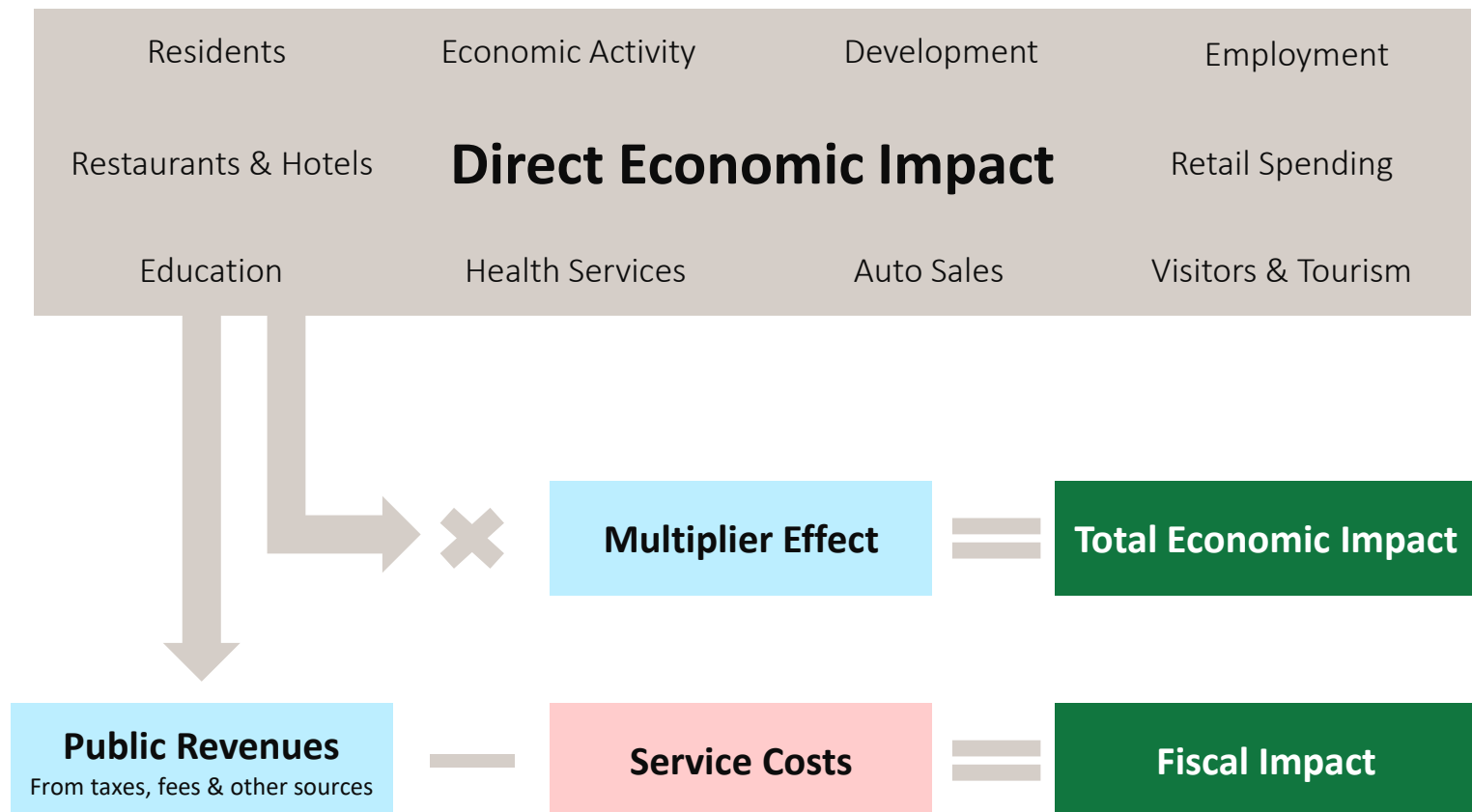
	Fulton Industrial District	Fulton Industrial Area of Influence	Fulton County	FID-AOI Share of County
Jobs by Sector (Est. June 2018)				
Area (Square Miles)	9	13	534	2.4%
Ag., Forestry, Fishing	-	-	235	0.0%
Mining, Quarrying, Oil and Gas	-	-	191	0.0%
Utilities	18	18	3,775	0.5%
Construction	637	974	17,546	5.6%
Manufacturing	4,725	6,111	30,162	20.3%
Wholesale Trade	5,054	7,484	47,952	15.6%
Retail Trade	685	1,084	63,986	1.7%
Transportation and Warehousing	7,035	7,419	58,091	12.8%
Information	142	143	53,282	0.3%
Finance and Insurance	35	35	60,865	0.1%
Real Estate	421	487	21,932	2.2%
Prof, Sci, and Tech. Svcs	682	699	111,753	0.6%
Management	246	274	23,063	1.2%
Admin. & Support	792	1,171	78,724	1.5%
Educational Services	135	163	49,992	0.3%
Health Care and Social Assistance	18	67	89,078	0.1%
Arts, Ent, and Rec	20	27	13,338	0.2%
Accommodation and Food	271	542	74,251	0.7%
Other Services (Excl Pub Admin.)	705	841	22,242	3.8%
Public Administration	525	525	49,756	1.1%
Total	22,147	28,065	870,214	3.2%

Source: US Census Longitudinal Employer Dynamics, US Bureau of Labor Statistics, Georgia Department of Labor, Environics Analytics.

ECONOMIC IMPACTS

ECONOMIC AND FISCAL IMPACT METHODOLOGY

THE APPROACH USED TO MEASURE THE ECONOMIC AND FISCAL IMPACTS OF FULTON INDUSTRIAL DISTRICT:



ECONOMIC IMPACT METHODOLOGY

Economic Impact Analysis examines how investments in a program project or series of projects affect the economy of a given area. The area studied in an EIA can be a specific site or defined geography, a city, county, multi-county region, state, or national economy. When focused at a regional state or national level, EIAs will usually focus on measuring the following types of impacts from the economic activity.

- **Output:** The estimated change in the total annual sales of all goods and services produced in the region.
- **Gross Regional Product:** The change in final value of all goods and services produced within the region. A component of output, GRP measures only the locally-generated, or “value-added” portion of total sales.
- **Employment:** The total number of jobs supported by the economic activity measured, including direct, indirect, and induced employment, often referred to as “multiplier effects”.
- **Earnings:** The total compensation paid because of changing economic activity, including wages, salaries, and proprietors’ income.
- Calculation of the total economic impacts are made using the Regional Input Output Modeling System (RIMS II) developed by the U.S. Department of Commerce, Bureau of Economic Analysis. All multipliers used in the analysis were taken from *RIMS II Multipliers (2007/2015) Table 1.5 Total Multipliers for Output, Earnings, Employment and Value Added by Detailed Industry (Type II)* for the Atlanta–Sandy Springs–Roswell, GA Metropolitan Statistical Area.

ECONOMIC IMPACTS

The Fulton Industrial District and AOI have a significant impact on the Metro Atlanta economy, both in terms of the direct employment and sales that occur within the area, as well as indirect and induced impacts generated by that activity.

- The Fulton Industrial District's 1,000+ businesses directly employ 28,068 people in 2018. This activity will induce an additional 41,000 jobs, leading to total employment effects of **69,000 jobs** regionally.
 - The combined **direct payroll in 2018 is estimated to be \$2.37 billion**, indicating an **average wage of nearly \$84,500** across all industries.
- Business activity in the Fulton Industrial District's AOI will generate a direct contribution of \$15.3 million in 2018, inducing additional indirect impact of \$15.8 million, for a **total economic output of \$31.1 million**.
- The FID has a high concentration of jobs in manufacturing, high-tech services and logistics. These sectors tend to have high multiplier effects, both in terms of the number of indirect jobs generated, and the average payroll in the impacted sob sectors. The FID-AOI's impact on **Gross Regional Produce (GRP)** is more than **\$18.8 billion**.

The FIB Area of Influence on the Metro Atlanta's Gross Regional Product: \$18.8 billion

Economic Impact of the Fulton Industrial District and the FIB Area of Influence On the Metro-Atlanta Economy		
	Fulton Industrial District	FIB Area of Influence
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Total Employment Effects	54,071	69,042
Output		
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Gross Regional Product (GRP)/Value Added		
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Total Impact on GRP	\$13.5	\$18.8

Source: US Census, BLS & ARC, RIMS II Economic Impact on State of GA 2017 Direct Output (Sales) obtained based on Gwinnett Place AOI Geometry input to 3-Digit NAICS Report from Environics Analytics.

BUILDINGS & LAND

BUILDINGS AND LAND

ECONOMIC IMPACT ANALYSIS OF THE BOULEVARD IMPROVEMENT DISTRICT (BID)

Real Estate Inventory:

- The Fulton Industrial District has 45.0 Million SF of commercial real estate,
 - FIB Area of Influence has 53.1 million SF.
- The Fulton Industrial District has 42.1 million SF of industrial space,
 - Represents 28% of Fulton County's industrial space.
 - Area of Influence has 49.6 million SF, 33% of Fulton County's Industrial space.
- 11.6 million SF of new space is under construction or proposed in the Area of Influence.
 - 8.5 million SF of industrial space is proposed or under construction in FID.
 - 2.1 million SF proposed or under construction in the Area of Influence outside of the District.

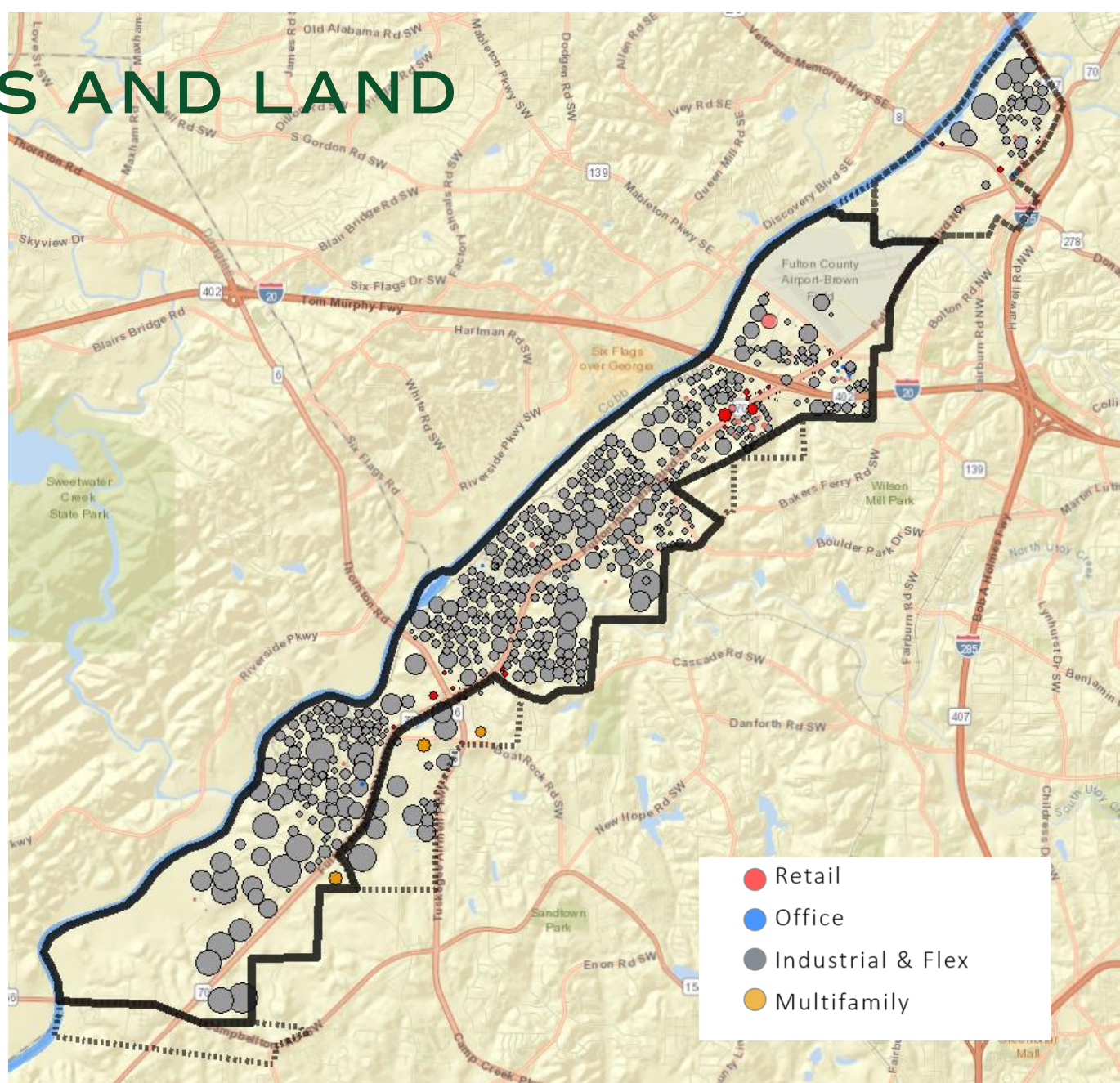
Fulton Industrial District and FID-AOI Real Estate Inventory, 2018

Existing Building Type Use	FIB District Buildings SF		Total AOI Buildings SF	
Flex	29	922,953	35	1,056,000
Health	-	-	-	-
Hospitality	11	554,318	11	554,318
Industrial	518	42,142,946	571	49,582,577
Multifamily	4	809,147	6	1,286,517
Office	10	117,571	15	184,050
Retail	50	321,743	58	360,617
Specialty	2	129,772	4	156,619
Total	682	44,998,450	789	53,180,698

BUILDINGS AND LAND

DISTRIBUTION OF REAL ESTATE INVENTORY BY LAND USE TYPE:

The Fulton Industrial district is dominated by Industrial and Flex-Industrial buildings.



BUILDINGS AND LAND

PLANNED AND PROPOSED DEVELOPMENTS

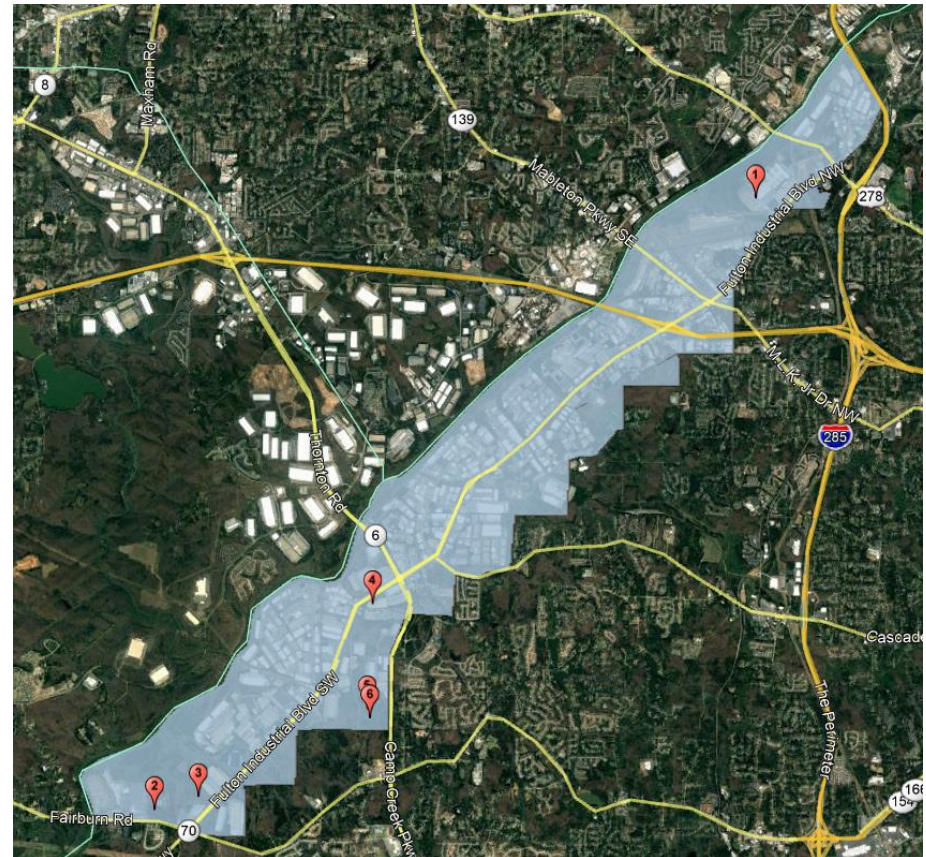
There are currently six major development projects proposed or under construction in the Fulton Industrial District AOI.

1. UPS Distribution Facility
2. Campbellton Road facility
3. Fulton Industrial Boulevard facility
4. 105 Lakeview Ct Building 3
5. 5900 Plummer Road
6. 6000 Plummer Road

Collectively, once complete, these projects will represent:

- 3,338,512 SF of new Class A & B industrial space.
- Up to 5,500 additional jobs.

Under Construction, Planned and Proposed Major Buildings in the FID.



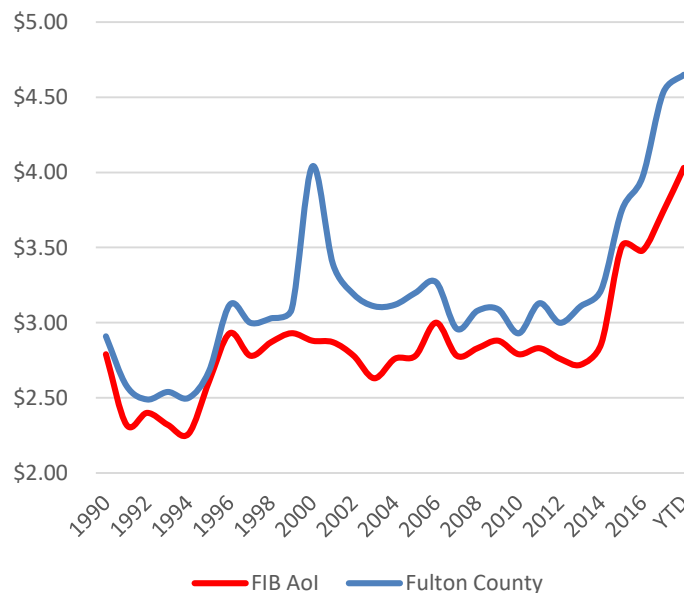
Source: CoStar, Inc., Boulevard Improvement District.

BUILDINGS AND LAND

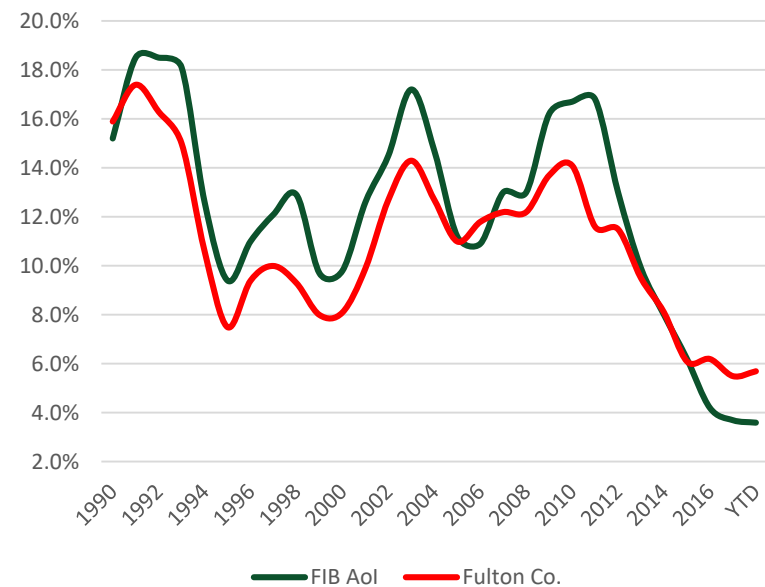
ECONOMIC IMPACT ANALYSIS OF THE BOULEVARD IMPROVEMENT DISTRICT (BID)

- Real estate conditions in the Fulton Industrial District are steadily improving, largely thanks to continued public investment in services and capital projects in the area by Fulton County and the Boulevard CID.
- Average rents are increasing as average vacancy is declining.

Total Average Industrial Rents, 1990 - 2018



Industrial Vacancy Rates, 1990 - 2018

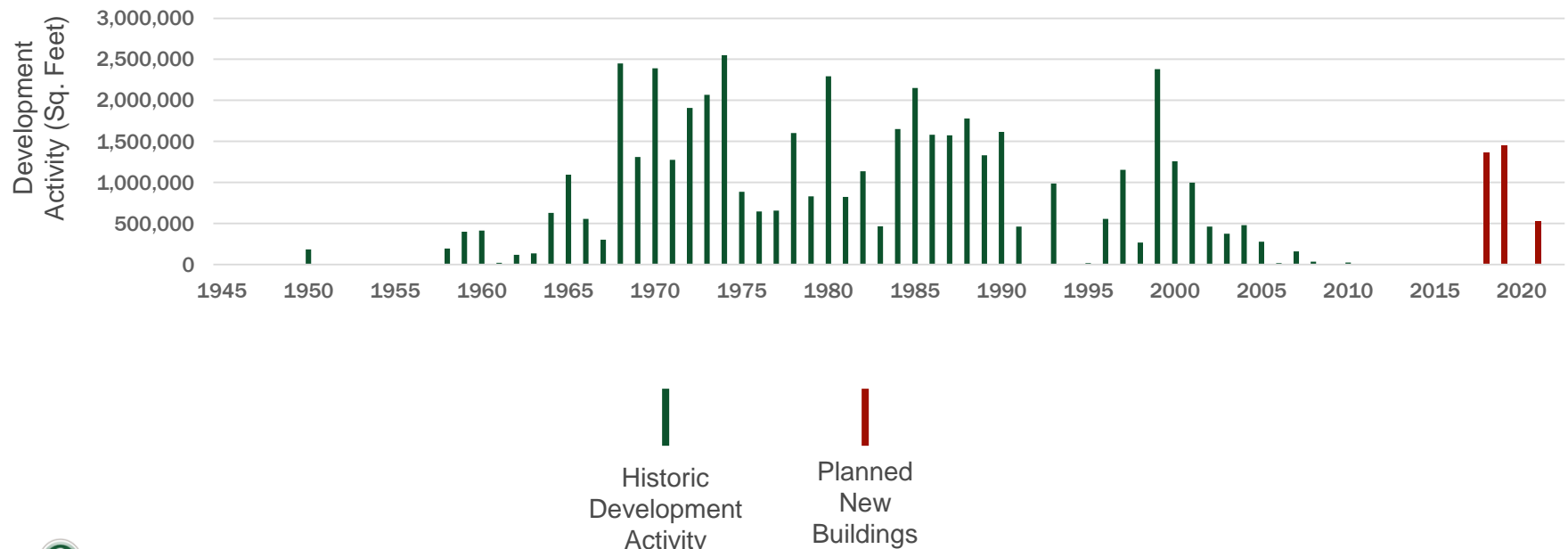


BUILDINGS AND LAND

ECONOMIC IMPACT ANALYSIS OF THE BOULEVARD IMPROVEMENT DISTRICT (BID)

- Private investment in the district has returned after 15 years of low activity.
- 94% of the FID's real estate inventory was built before 2000, but based on new projects currently under construction or in the planning phase, it is clear that investment and development are back.

Commercial Real Estate Construction in the Fulton Industrial Corridor, by SF & Year 1945-2021



REVENUES AND FISCAL IMPACTS

LOCAL REVENUES

PROPERTY TAXES

The Fulton Industrial Area of Influence contains a significant concentration of valuable real estate.

- The market value of real estate in the Fulton Industrial District Area of Influence is \$1.65 Billion, with a taxable value (40%) of \$660 million.
- In addition to the real estate, properties in the FID AOI have an estimated assessed value of \$212 million in taxable personal property, inventory, fixtures and equipment.
- The total assessed property tax digest (including real estate and personal property) of the Fulton Industrial Boulevard Area of Influence is \$873 million, of which:
 - \$694 million is in the Fulton Industrial District,
 - \$72 million is in the City of Atlanta, and
 - \$108 million is in the City of South Fulton.

Property Tax Digest (in millions), 2017

Jurisdiction	Fulton Industrial District		AOI-City of Atlanta		AOI-South Fulton	Total FID AOI
Est RE Market Value	\$	1,312.2	\$	135.8	\$ 204.0	\$ 1,652.0
Est RE Tax Digest	\$	524.9	\$	54.3	\$ 81.6	\$ 660.8
Est Personal Property Digest	\$	168.7	\$	17.5	\$ 26.2	\$ 212.4
Total Tax Digest	\$	693.6	\$	71.8	\$ 107.8	\$ 873.2

Source: Fulton County GIS, Georgia DOR Consolidated tax Digests 2017

LOCAL REVENUES

PROPERTY TAXES

- The Fulton Industrial District alone generated **\$23.6 million** in combined property taxes to Fulton County, the cities of South Fulton and Atlanta, Fulton County Schools, and Atlanta public Schools.
- The FID Area of Influence, which includes industrial areas adjacent to the Fulton Industrial District, generated **\$29.0 million** in property taxes.

Property Taxes Generated by FID and FID-AOI, 2017

Jurisdiction Tax Dist Code	FID Total	FID &AOI Total
Est RE Market Value	\$ 1,312,212,050	\$ 1,651,993,925
Est RE Tax Digest	\$ 524,884,820	\$ 660,797,570
Est Personal Property Digest	\$ 168,693,150	\$ 212,374,257
Total Tax Digest	\$ 693,577,970	\$ 873,171,827

Property taxes Paid 2017	Millage	FID Total	FID &AOI Total
Fulton Operating	0.01038	\$ 5,448,304	\$ 6,859,079
Fulton Bonds	0.00025	\$ 131,221	\$ 165,199
Fulton Ind. Dist. Fund.	0.01400	\$ 7,432,369	\$ 7,432,369
Total Fulton County	0.01063	\$ 13,011,895	\$ 14,456,647
South Fulton City Oper	0.00715	\$ -	\$ 583,299
Fulton Schools	0.01855	\$ 9,734,514	\$ 11,247,714
Fulton Industrial CID	0.00400	\$ 863,521	\$ 902,418
		\$ -	\$ -
Atlanta General, Bond & Parl	0.01082	\$ -	\$ 587,754
Atlanta Schools	0.02174	\$ -	\$ 1,180,939
Total Property Taxes Paid 2017		\$ 23,609,929	\$ 28,958,771

Source: Bleakly Advisory Group, Fulton County Assessor. Assumptions: 2017 property tax values from Fulton Tax Assessor. Late 2017 Tax rates (post S. Fulton incorporation) Continuation of Late 2017 Fulton Ind. SSD, South Fulton Gen, and Atlanta GEN millage rates. Fulton Ind. SSD Discontinued after FID annexation. Atlanta scenario assumes FID joins Atlanta School District.

LOCAL REVENUES


RETAIL SALES & SALES TAXES

- While the Fulton Industrial District is primarily industrial, it also includes a significant retail component.
- The district has approximately 350,000 of retail space which generated an estimated \$76 million in retail sales in 2018.

Total Annual Estimated Fulton Industrial Boulevard Retail Sales (Excluding Vehicle Sales) 2017



Gas Stations,
\$24.8 million



Motor Vehicle &
Parts Dealers,
\$18.8 million



Building Material &
Garden Supplies,
\$15.6 million



Other Retailers,
\$15.2 million



Food Services &
Drinking, \$9.4
million



Food &
Beverage,
\$15.2 million



Clothing &
Clothing
Accessories,
\$1.7 million



Health &
Personal
Care, \$2.7
million



General
Merchandise,
\$1.6 million

LOCAL REVENUES

RETAIL SALES & SALES TAXES

The district has approximately 350,000 SF of retail space that generates an estimated \$76 million in retail sales each year.

- These retail sales generate an estimated \$5.9 million in local sales taxes:
 - \$744,000 to Fulton County,
 - \$744,000 to Fulton Schools E-SPLOST,
 - \$1.3 Million to MARTA and regional transportation funding,
 - \$3.1 million to the State of Georgia,
 - \$38,000 to the City of Atlanta.

- Much of this spending is derived from visitors passing through the district on interstate 20, and is thus “imported” into the county.

- Interstate 20 handles approximately 172,000 cars and trucks daily east of the interchange with Fulton Industrial Boulevard and 150,000 west of the interchange, indicating that approximately 22,000 vehicles exit onto the Fulton Industrial Boulevard interchange.

Estimated Sales Taxes generated in the FIB-AOI, 2017

Sales Taxes	Total Generated by FID-AOI	
Total Est Retail Sales in AOI (Less Vehicles)	\$	76,343,278
4% State Sales tax	\$	3,053,731
1% MARTA	\$	763,433
0.75% Fulton Transportation	\$	572,575
1% Fulton County LOST	\$	763,433
1% Fulton Schools E-LOST	\$	763,433
Total Sales taxes	\$	5,916,604

LOCAL REVENUES

VEHICLE SALES & AD VALOREM TAXES

Car and truck dealers in the Fulton Industrial District sell an estimated \$17.37 million worth of new and used vehicles each year.

- Through the state's Title Ad-Valorem Tax (TAVT) program, these sales generate significant public revenues at the time of purchase through a 7% sales tax.
- This tax revenue is split between the State of Georgia (41%) and the state in which the vehicle will be registered (59%).

- Assuming that 60% of vehicles sold in the Fulton Industrial District will be registered in Fulton County, that represents:

- \$147,000 to Fulton County,
- \$295,000 to Fulton Schools,
- \$502,000 to the State of Georgia.

* The local share of TAVT is allocated to be shared between Counties, schools and cities based on a complicated formula. For this exercise, we are simplifying the formula to assign 1/3 to Fulton County and 2/3 to Fulton Schools.



LOCAL REVENUES

HOTEL-MOTEL OCCUPANCY TAXES

The Fulton Industrial District has 10 hotels and motels with a total of 1,021 rooms.

- At an average occupancy rate of 71%, these hotels generate an estimated annual revenue of \$11 million annually.
- Sales taxes, hotel-motel occupancy taxes and the state hotel-motel room fee generate public revenues of:
 - \$885,000 to Fulton County,
 - \$111,000 to Fulton Schools E-SPLOST,
 - \$193,000 for MARTA and regional transportation, and
 - \$1.8 million to the State of Georgia.



Source: Environics Analytics, Georgia Department of Revenue, Expedia.Com, BAG

LOCAL REVENUES

STATE INCOME TAX

The largest single flow of public revenues derived from economic activity in the Fulton Industrial District Area of Influence is income tax.

- The FID AOI has over 1,000 companies with an estimated 28,0065 employees in total.
- Collectively, the payroll generated by these employees is estimated to be \$2.37 million.
- At a conservative estimate of state income tax rate of 5%, these employees would pay \$119 million in income taxes to the State of Georgia.



Source: Environics Analytics, Georgia DOR,

FISCAL IMPACT

REVENUE SUMMARY

The Fulton Industrial District generates substantial public revenues.

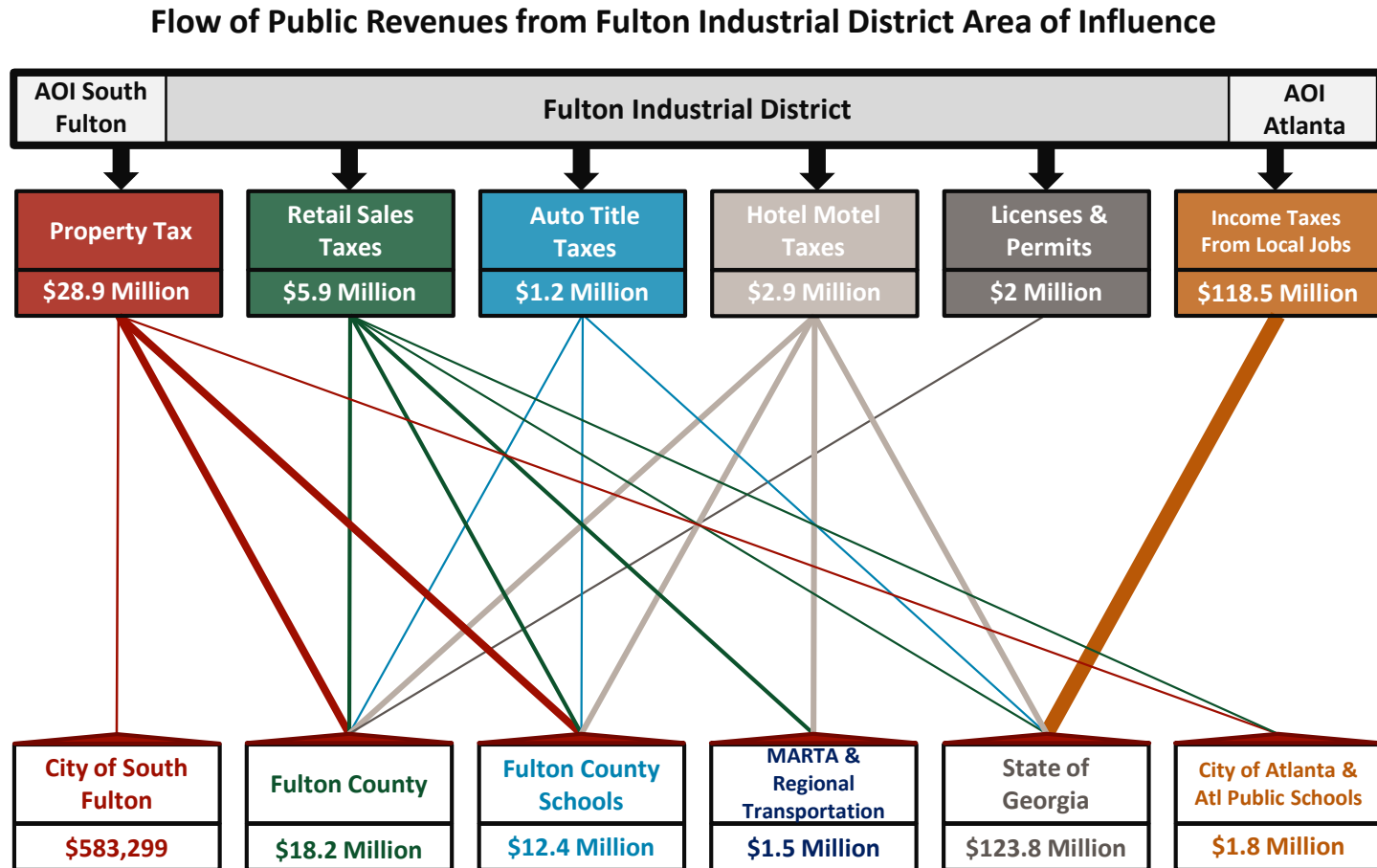
- The FID-AOI generated an estimated **\$159 million** annually in property taxes, sales taxes, hotel/motel taxes, transportation taxes, licenses and fees, and income taxes in 2017.
 - Fulton County receive an estimated **\$18.2 million** in 2017.
 - Fulton County Schools received an estimated **\$12.4 million** in 2017.
 - The State of Georgia received an estimated **\$124 million** from taxes generated by business activity within the Fulton Industrial District Area of Influence in 2017.

Total Estimated Public Revenues from the FIB Area of Influence, 2018

Summary: Annual Local Taxes from Fulton Industrial AOI	Total Generated by FID	To Fulton County	To Fulton Schools	To MARTA & Transp.	To State of GA	To City of South Fulton	To City of Atlanta & Atl. Schools
Property taxes	\$29.0	\$14.5	\$11.2			\$0.6	\$1.8
Sales Taxes	\$5.9	\$0.7	\$0.7	\$1.3	\$3.1		\$0.04
Auto Title taxes	\$1.2	\$0.1	\$0.3		\$0.5		
Hotel Occupancy Taxes	\$3.0	\$0.9	\$0.1	\$0.2	\$1.8		
Licenses and Permits	\$2.0	\$2.0					
Income Tax	\$118.6				\$118.6		
Total Public Revenues	\$159.6	\$18.2	\$12.4	\$1.5	\$123.9	\$0.6	\$1.8

Source: BAG

REVENUE FLOWS FROM THE FULTON INDUSTRIAL DISTRICT AOI



Source: BAG

FISCAL IMPACT: SERVICE COSTS

ESTIMATED COST OF FULTON COUNTY SERVICES

The Fulton Industrial District generates revenues for Fulton County well in excess of the costs required to provide county services for the district's businesses and residents.

- Estimates of local service costs for all appropriated funds in Fulton County's 2018 budget were allocated to commercial and residential uses by using the proportional valuation method for fiscal impact analysis, which allocates local service cost in each budget category between residential and commercial uses based on their proportion in

the tax digest, and the estimated allocated use of that expenditure category by commercial and industrial users.

- This leads to a per capita service cost per resident and per employee service cost based on the population and total number of employees in Fulton County.
- Using this widely accepted fiscal impact methodology, the estimated total cost of providing County services to the Fulton Industrial District is estimated to be **\$7.2 million** annually.

Total Estimated Fulton Service Costs for FIB-AOI, 2018

Budget Priority Area	FY2018 Budget	Allocation by Category		2018 Budget by Category	
		Residential	Commercial	Residential	Commercial
Culture & Recreation	\$ 51,682,587	85%	15%	\$ 43,930,199	\$ 7,752,388
Economic Opportunity	\$ 6,655,658	25%	75%	\$ 1,663,915	\$ 4,991,744
Healthy	\$ 254,409,211	90%	10%	\$ 228,968,290	\$ 25,440,921
Safety	\$ 287,749,179	65%	35%	\$ 187,036,966	\$ 100,712,213
Self Sufficiency	\$ 47,845,009	90%	10%	\$ 43,060,508	\$ 4,784,501
Trust Government	\$ 241,897,895	50%	50%	\$ 120,948,948	\$ 120,948,948
Total	\$ 890,239,539	70%	30%	\$ 625,608,825	\$ 264,630,714
Fulton County Population (Res) or Jobs (Com)				1,044,957	870,214
FY2018 Expenditure per Population/Job				\$ 598.69	\$ 304.10
Fulton Industrial District Population (Res) or Jobs (Com)				1,314	21,017
Est. Cost to service Fulton Industrial District				\$ 786,683	\$ 6,391,237
Total Est. Cost to Service Fulton Industrial District					\$ 7,177,920

Note: This methodology presents an estimate of Fulton County Service Costs for the Fulton Industrial District Area of Influence based on county-wide service costs allocated by household and employment unit costs. Actual Fulton County budgeting practices are much more complex due to the special unincorporated status of the Fulton Industrial District, the Fulton County Fund, service agreements with the City of South Fulton, and temporary transfers between various County Funds and accounts. For a detailed explanation of service costs on the Fulton Industrial District, see Fulton County's 2018 Adopted Budget P. 147-150.

Source: BAG, Fulton County 2018 Adopted Budget, EnviroNics Analytics, GDL

FISCAL IMPACT: SERVICE COSTS

ESTIMATED COST OF FULTON COUNTY SCHOOLS

Fulton County Schools’ total 2018 budget forecasts expenditures of \$1.44 billion dollars, of which an estimated \$983 million, or 66%, will be sourced from local funds, primarily property tax. This represents locally-sourced expenditures per student of \$10,158 per student in 2018.

- Currently, the Fulton Industrial District is home to an estimated 220 school-aged children (Age 5-18).
- Based on the local cost-per-student of \$10,158 and assuming 100% of school-aged children in the district attend Fulton County schools, the local share of the total estimated cost to educate the Fulton Industrial District’s school-aged children will be \$2.23 million.

Total Estimated Fulton Schools Costs for FID, 2018

2018 Revenue (All Funds)	\$	1,353,792,573
2018 Revenue from property taxes	\$	813,111,519
2018 Revenue from other local sources	\$	78,317,276
2018 Revenue all local sources	\$	891,428,795
% of Revenue from all local sources		66%
Expenditures 2018 (All Funds)	\$	1,493,505,578
Exptnditures attributable to local funds	\$	983,425,308
Students	\$	96,813
Local revenue/student	\$	9,208
Local expenditures/student	\$	10,158
School Aged Children in FID-AOI	\$	220
Local Cost to educate FID Students	\$	2,234,757

Source: Fulton County Schools 2018 Budget

NET FISCAL IMPACT OF FULTON INDUSTRIAL DISTRICT

The Fulton Industrial District generates substantially more revenue for the County and Schools than it consumes in services:

- Fulton County receives **\$18.2 million in revenue** annually from the Fulton Industrial District AOI, while the total cost to provide County services to the District are estimated to be \$7.2 million, resulting in a **net surplus of \$11.1 million to Fulton County**.
- Fulton County Schools receives over **\$12.4 million in revenues** (property tax & E-SPLOST) from the Fulton Industrial District AOI, while the local share of education costs for the estimated 220 school-aged children living in the District is estimated to be \$2.3 million, resulting in a **net surplus of \$10.1 million to Fulton County Schools**.
- Overall, the Fulton Industrial District generates a **net fiscal surplus of \$30.6 million to Fulton County and Fulton County Schools combined each year**.

Fulton Industrial District Net Fiscal Impacts (In \$ millions)		
Fulton County Fiscal Impacts		
County revenues from FID	\$	18.2
County costs to service FID	\$	7.2
Net Fiscal Impact of FID	\$	11.1
Revenue/Cost Ratio		2.5 to 1
Fulton Schools Fiscal Impacts		
Fulton Schools revenues from FID	\$	12.4
Fulton Schools costs to service FID	\$	2.3
Net Fiscal Impact of FID	\$	10.1
Fiscal Impact Ratio		5.4 to 1
Combined (Fulton County & Schools) Fiscal Impacts		
Combined revenues from FID	\$	30.6
County costs to service FID	\$	9.5
Net Fiscal Impact of FID	\$	21.2
Fiscal Impact Ratio		3.2 to 1

Source: Fulton County Budget 2018, Fulton County Schools 2018 Budget, BAG Revenue Estimates

The Fulton Industrial District contributes \$3.20 in local revenues to Fulton County and Fulton County Schools for every \$1.00 worth of services received.

THE VALUE OF CID INVESTMENT

BOULEVARD IMPROVEMENT DISTRICT IMPACTS

The Fulton Industrial Boulevard Improvement District (CID) is a self-taxing district organized in 2010, comprising over 550 industrial properties.

- The CID is dedicated to enhancing the economic vitality of Fulton Industrial Boulevard by strengthening the area's role as the center of Atlanta's regional industrial and logistics hub.
- The FIB CID collected \$1.2 million in revenue from participating members in 2017, in addition to \$1 million in grants. This funding went towards a variety of initiatives, studies, and capital projects within the district.



BOULEVARD IMPROVEMENT DISTRICT IMPACTS

Key Accomplishments of the Past Five Years include:

- Completion of the Fulton Industrial Master Plan in 2013, enabling the district to apply for a wider variety of funding opportunities and establishing a vision for a more competitive corridor.
- Relocation of key Fulton County services and staff to offices on the FIB, including Environment & Community Development, Public Works, Transportation, Police and Fire departments, and offices for Fulton County Commission Districts 5 & 7.
- The CID also funds and/or manages a wide variety of improvement operations, research, and economic development activities:
 - Community patrols & security enhancements,
 - Transportation Enhancement and improvement projects
 - Community wayfinding and branding
 - Marketing and advocacy
 - Research and studies.

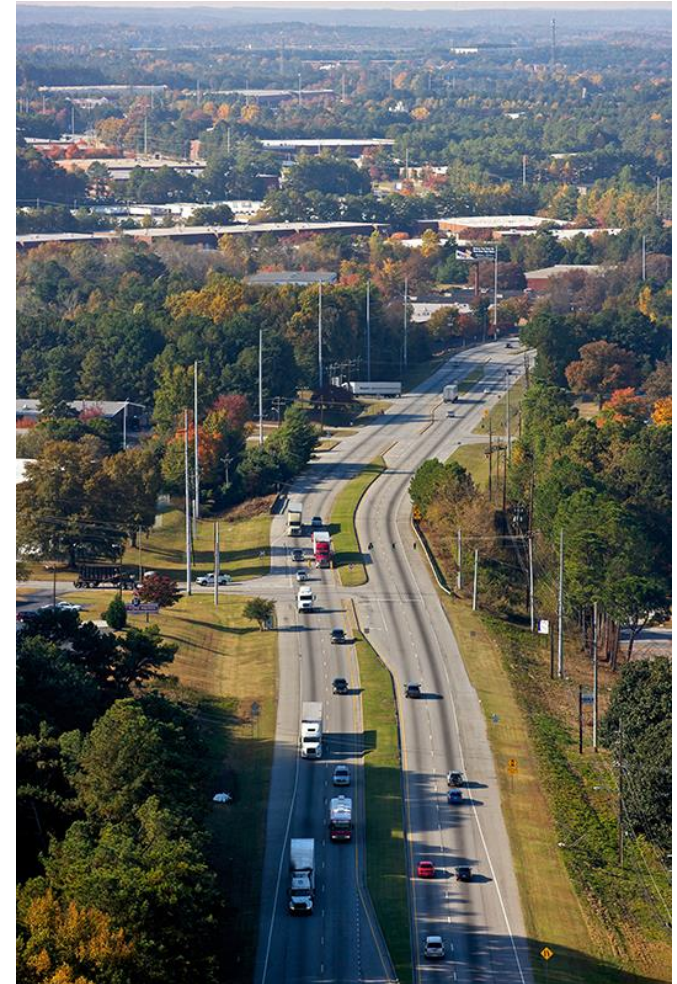


Image Source: Boulevard CID

BOULEVARD IMPROVEMENT DISTRICT IMPACTS

Over the Last 5 years, the members of the Boulevard Community District have contributed \$5.5 million to fund improvements and reinvestment in the Fulton Industrial District.

- In addition, the CID has leveraged \$8.7 million in grants and matching funds for projects to improve the District. This funding has been invested in:
 - \$1.7 million for Public Safety
 - 1.6 million for landscaping and beautification
 - \$4.5 million for roads, intersections, and bridges
 - \$290,000 for economic development activities including outreach, public relations, marketing and branding, plans, and studies.

Public Investments by the Boulevard Improvement District 2013-2018

Investment Category	2013	2014	2015	2016	2017	2018*	Total	Average
Public Safety	\$248,000	\$266,167	\$285,000	\$290,000	\$340,000	\$360,680	\$1,789,847	\$298,308
Landscaping Maintenance	\$245,000	\$252,892	\$300,000	\$255,267	\$257,907	\$262,309	\$1,573,375	\$262,229
Transportation Infrastructure	\$38,500	\$12,800	\$649,736	\$632,388	\$1,508,618	\$1,704,618	\$4,546,660	\$757,777
Economic Development	\$66,000	\$32,000	\$18,000	\$48,000	\$83,000	\$43,000	\$290,000	\$48,333
Total Expenditures	\$599,513	\$565,873	\$1,254,751	\$1,227,671	\$2,191,542	\$2,370,607	\$8,199,882	\$1,366,647
Other Investment								
Grants	\$80,000	\$0	\$460,000	\$0	\$1,000,000	\$0	\$0	\$256,667
Funding from Other Sources	\$0	\$0	\$200,000	\$5,500,000	\$0	\$200,000	\$0	\$983,333
Total Local Spending from BID	\$679,513	\$565,873	\$1,914,751	\$6,727,671	\$3,191,542	\$2,570,607	\$8,199,882	\$2,606,647

Source: Fulton Industrial Boulevard Improvement District (CID)

DATA APPENDIX

PROPERTY TAX REVENUE

THE FULTON INDUSTRIAL DISTRICT GENERATED OVER \$41 MILLION IN PROPERTY TAX IN 2017

The Fulton District alone generated \$34.5 million in combined property taxes to Fulton County, The Cities of South Fulton and Atlanta, Fulton County Schools and Atlanta public Schools.

The Area of Influence, which includes industrial areas adjacent to the Fulton Industrial District, generated \$41.3 million.

Jurisdiction Tax Dist Code	FID- Not in CID 70	FID- In CID 70D	AOI-Atlanta 5 & 5S	AOI-SF 55	AOI SF-CID 55D	FID Total	FID &AOI Total
Est RE Market Value	\$ 599,807,400	\$ 712,404,650	\$ 135,802,600	\$ 171,889,175	\$ 32,090,100	\$ 1,312,212,050	\$ 1,651,993,925
Est RE Tax Digest	\$ 239,922,960	\$ 284,961,860	\$ 54,321,040	\$ 68,755,670	\$ 12,836,040	\$ 524,884,820	\$ 660,797,570
Est Personal Property Digest	\$ 77,109,031	\$ 91,584,119	\$ 17,458,282	\$ 22,097,439	\$ 4,125,385	\$ 168,693,150	\$ 212,374,257
Total Tax Digest	\$ 317,031,991	\$ 376,545,979	\$ 71,779,322	\$ 90,853,109	\$ 16,961,425	\$ 693,577,970	\$ 873,171,827

Property taxes Paid 2017	Millage							FID Total	FID &AOI Total						
Fulton Operating	0.01038	\$	2,490,400	\$	2,957,904	\$	563,852	\$	713,684	\$	133,238	\$	5,448,304	\$	6,859,079
Fulton Bonds	0.00025	\$	59,981	\$	71,240	\$	13,580	\$	17,189	\$	3,209	\$	131,221	\$	165,199
Fulton Industrial SSD	0.01216	\$	2,917,463	\$	3,465,136	\$	-	\$	-	\$	-	\$	6,382,599	\$	6,382,599
Total Fulton County	0.01063	\$	5,467,844	\$	6,494,281	\$	577,433	\$	730,873	\$	136,447	\$	11,962,125	\$	13,406,878
South Fulton City Oper	0.00715	\$	-	\$	-	\$	-	\$	491,534	\$	91,765	\$	-	\$	583,299
Fulton Schools	0.01855	\$	4,449,611	\$	5,284,903	\$	-	\$	1,275,143	\$	238,057	\$	9,734,514	\$	11,247,714
Fulton Industrial CID	0.00400	\$	-	\$	863,521	\$	-	\$	-	\$	38,897	\$	863,521	\$	902,418
												\$	-	\$	-
Atlanta General, Bond & Par	0.01082	\$	-	\$	-	\$	587,754	\$	-	\$	-	\$	-	\$	587,754
Atlanta Schools	0.02174	\$	-	\$	-	\$	1,180,939	\$	-	\$	-	\$	-	\$	1,180,939
Total Property Taxes Paid 2017		\$	9,917,455	\$	12,642,704	\$	2,346,126	\$	2,497,550	\$	505,166	\$	34,522,285	\$	41,315,879

Source: Bleakly Advisory Group, Fulton County Assessor. Assumptions: 2017 property tax values from Fulton Tax Assessor. Late 2017 Tax rates (post S. Fulton incorporation) Continuation of Late 2017 Fulton Ind. SSD, South Fulton Gen, and Atlanta GEN millage rates. Fulton Ind. SSD Discontinued after FID annexation. Atlanta scenario assumes FID joins Atlanta School District.