

# City Referenda Voter Information Night

**VOTE**  
**NOV 3rd**



***dekalbSTRONG.com***

April 16, 2015

# HOW DID WE GET HERE?

**In 2002, the Georgia Assembly changed policies regarding new cities**

- No longer required that local legislators support new cities. Now a single legislator can sponsor a cityhood bill. Any self appointed person can propose a city.
- This process is open to abuse and has yielded absurd results that don't recognize community lines

# EFFECTS ON DEKALB COUNTY?

- **Previous new cities have not improved corruption problems in DeKalb County.**
- **Real measures were put into place this session to make meaningful reforms. They need to be given time to work.**
- **Effects on remaining, unincorporated areas has not been sufficiently studied.**

# THE EFFECTS OF FRAGMENTED GOVERNMENT

## **A Study by the Organization for Economic Co-operation and Development (OECD) reveals**

- Money spent on fines, fees, increased taxes, etc is then not available for economically productive spending.
- Fragmented government can reduce economic growth by as much as 50%

### **Productivity falls**

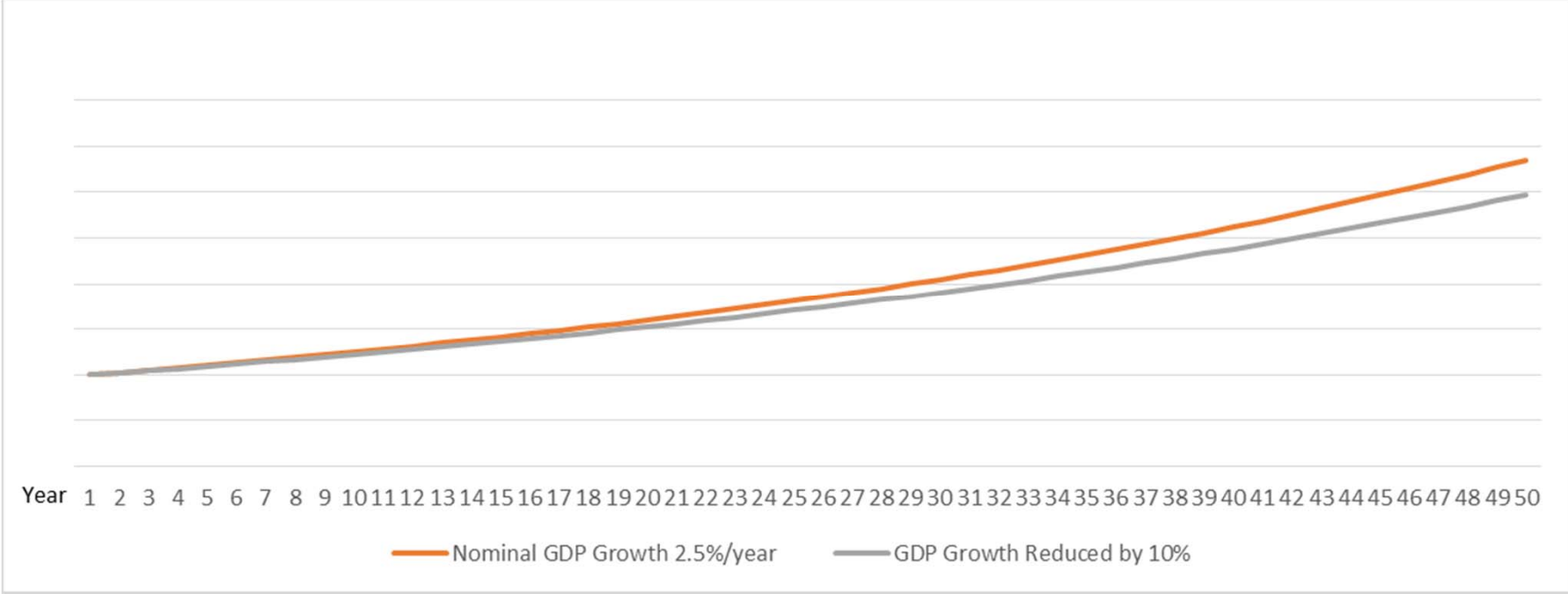
- Economies don't end at municipal borders.
- Services are not coordinated

### **Cities compete instead of cooperate**

\*oecd.org "The Metropolitan Century"

# WHAT HAPPENS WHEN WE REDUCE ECONOMIC GROWTH?

It's a legacy we leave to our children and grandchildren



# CONSOLIDATION

**Consolidating the governments of cities and counties is the new trend. Not creating new cities.**

**Government efficiency and delivery of services increased.**

**Economic productivity of a region is enhanced**

**Industries consolidate as they mature. Why doesn't government do the same?**

**It does!**

# CONSOLIDATED GOVERNMENTS

**According to the National League of Cities there are now 40 U.S. Cities/Counties that have been consolidated in some form. Including 7 within the State of Georgia:**

- County of Clarke (City of Athens)
- County of Chattahoochee (City of Cusseta)
- County of Echols (City of Statenville)
- County of Muscogee (City of Columbus)
- County of Richmond (City of Augusta)
- County of Quitman (City of Georgetown)
- County of Webster (City of Preston)

# PROPERTY TAX BASICS

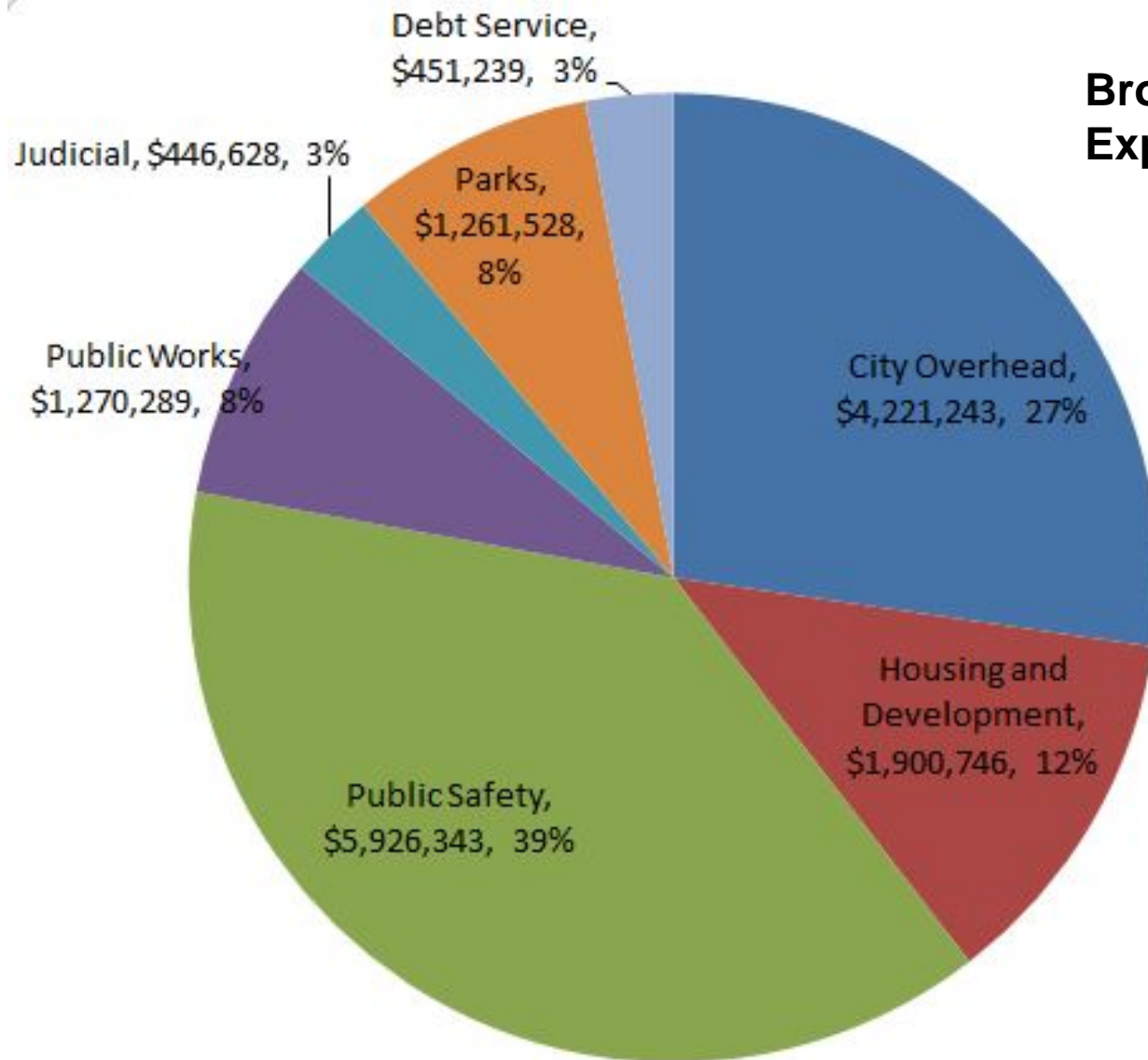
- **A city's viability depends largely on their mix of residential and commercial.**
- **Cities draw their lines trying to maximize their commercial and minimize residential.**
- **These lines are not based on existing community lines**



# PROPERTY DISTRIBUTION

	Population	Commercial Value
LaVista Hills	75,606	\$1,954,587,289
Tucker	28,319	\$ 685,075,365
Greenhaven	295,006	\$2,003,960,020
Druid Hills	8,133	\$1,084,722,153

# SMALL CITY BUDGETS



**Brookhaven Actual Expenditures, 2014**



# OVERHEAD COSTS

<b>Mayor and Council</b>	<b>\$219,368</b>
<b>City Manager</b>	<b>\$723,028</b>
<b>City Clerk</b>	<b>\$206,766</b>
<b>General Administration</b>	<b>\$1,845,106</b>
<b>Legal</b>	<b>\$566,116</b>
<b>IT</b>	<b>\$536,949</b>
<b>Communications</b>	<b>\$123,910</b>
<b>Debt Service</b>	<b>\$451,239</b>

# CITY TAX BURDENS

**All cities in DeKalb County over ten years old pay more in taxes than unincorporated areas. Why does this happen?**

- Inefficiency of smaller bureaucracy
- Demographic shifts
- The tendency of governments to grow

# TAXES ARE MORE THAN MILLAGE!

**Your millage rate can go down and  
your tax burden can go up.**

- **Loss of HOST credits**
- **Additional sales tax for all of  
DeKalb**
- **Cities charge new franchise fees,  
get more of their budgets in fines**

# EFFECT ON ECONOMIC DEVELOPMENT

- **Economic development is done by entrepreneurs and businessmen, not governments**
- **Businesses bear a disproportionate share of the costs of a near government**
- **Often must deal with more regulatory burdens**
- **Research shows that fragmented governments undermines economies**

# EFFECT ON SCHOOLS

- **LaVista Hills does not protect current attendance zones**
- **Creation of LaVista Hills increases the chances of Atlanta annexing Druid Hills High School**

# OPPORTUNITIES FOR CORRUPTION

- **New cities have struggled with the same corruption problems the county has**
- **There is less media scrutiny and voter attention**



# SOLUTIONS

- **A study commission has been formed trying to improve what everyone acknowledges is a broken process**
- **More citizen engagement with DeKalb County is working, and needs to be continued**