

Proposed City of DeKalb Feasibility Study - Facts vs. Hype



Who Conducted The Feasibility Study?

The Carl Vinson Institute at the University of Georgia (CVIOG) conducted the study in 2014. The initial study was for the proposed city by Concerned Citizens for Cityhood in South DeKalb. In the past seven years, cityhood supporters have used to study as a marketing tool using the names of Greenhaven, Imagine Greenhaven, and now city of DeKalb. The cityhood name keeps changing, but the Feasibility Study remains unchanged. The Feasibility Study is not part of Georgia law that would govern how a municipality legally functions.

Purpose of the Feasibility Study

Cityhood proponents use the study as proof that a new city would be financially sustainable. Promoters use this document to justify creating a new city. Note: The Feasibility Study is not what the General Assembly votes on to approve or deny a city's creation. The separate **Charter** document represents the actual bill used by legislators that becomes law, and is the legal guide for how a municipality operates. Newly created cities of South Fulton and Stonecrest elected officials have been in court over Charter disputes.

FACT: The following statements from the CVIOG Feasibility Study indicate red flags regarding the economic stability of a new city and the weight taxpayers should give to its validity.

- (1) *"...Proposed Greenhaven's primary weakness –its **economic vulnerability**" ...*
- (2) *"We were unable to identify another city of similar size to the proposed City of South DeKalb that provides only planning and zoning, code enforcement, and parks and recreation services."*
- (3) *"While it is our hope that this report assists with the public consideration of a potential municipal incorporation, **it should not be construed to constitute a position either for or against the establishment of a City of South DeKalb by the Carl Vinson Institute of Government (CVIOG).**"*

FACT: Feasibility Study Age: The data contained in this report is seven (7) years old and does take into consideration changes affecting its accuracy (e.g. COVID-19, census data, redistricting, and annexations).

FACT: Limited Services: Study identified only three (3) services: Code Enforcement, Development, and Parks and Recreation. A new city will be required to **buy** additional services from DeKalb County Government or private vendors.

The City of Stonecrest contracted with Jacobs Engineering (formerly CH2MHILL) for \$16 million to run all city operations for five years. The Feasibility Study contains no financial estimates as to how much a new city would pay for these types of additional services, nor would adding services be determined by the residents of a new city.

FACT: Service Offering: DeKalb County Government currently offers 43 services including police, fire, and EMS. A new city would pay the County or contractor to provide. Taxpayers now pay for these services. On a contractual basis with DeKalb County, a proposed new city residential and business property owners will

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continue to pay DeKalb County taxes and service fees for all **municipal (city) services** currently provided by DeKalb County.

FACT: Taxes Implications: Within the proposed city boundaries, only 3% of tax parcels are commercial/industrial; the percent of residential property parcels is 95%. This means that any city tax increases will be borne by residential property owners. DeKalb County is legally required (by state law) to provide service delivery functions. New city residential and business property owners will continue to be responsible for paying taxes and service fees of DeKalb County and the new city.

FACT: Employee Pensions: Every new city in DeKalb County has opted out of the County's legacy pension system, leaving the County with the financial burden of contributing to the fund. Supporters of the cityhood view this as a benefit to the city, while ignoring the benefit they received from employees who provide services including the existing infrastructure (e.g. Sanitation, Roads and Drainage, Libraries, Community Development, etc.), and provided all services to stakeholders. Employees deserve pension compensation upon retirement.

FACT: Budget: The proposed city of DeKalb would create second largest city in the state of Georgia. (the City of Atlanta is the largest). A comparison of budgets for City of Atlanta, DeKalb County (unincorporated), and a new city shows that there will be no \$27 million surplus, and in fact, the operating budget of \$45 million is unrealistic.

Supporters for the proposed city of DeKalb published a list as to how they plan to use the surplus. With no public safety services, one planned expenditure is \$6 million or 22% of the surplus for neighborhood computers (in partnership with the DeKalb County School District. a service currently offered by DeKalb County libraries.

This is an indication of misplaced priorities when the DeKalb County School District has implemented a mobile program to bring computers to neighborhoods. The school budget is over \$2 billion vs. \$45 budget for the proposed city. Voters just approved an E-SPLOST for over \$500 million. Financially, the school system is better positioned to fund these services. Additionally, DeKalb County Library Department offers these services within communities. Those seeking to create a municipality have misplaced priorities by allocating 22% of the proposed surplus to duplicate services. This is just one example of what we can expect from governing in the city of DeKalb

*Our position: DeKalb County, as a governing entity, best serves the needs of all DeKalb County taxpayers (businesses, residents, renters, etc.) without an extra layer of government. The County is not perfect, but we should work collectively to make it what we desire it to be. **There is nothing new proposed by the cityhood effort that the County does not currently provide.** In fact, the proposed city of DeKalb offers minimal services and would inherit the same demographics and issues facing the County today.*

Concerned Citizens in Opposition to Greenhaven
Neighbors Against Greenhaven (N.A.G.)

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