



## **SPOTLIGHT ON SPLOST “PAYING OFF EXISTING DEBT”**

Over the course of the next 12 weeks in preparation for the upcoming SPLOST vote on Tuesday, November 3<sup>rd</sup>, the City of Griffin, City of Sunny Side, City of Orchard Hill, and Spalding County will be providing weekly spotlights on SPLOST projects. The intention of these weekly articles is to provide the citizens of our cities and county with a factual account of the projects proposed. Future spotlights will include: Public Safety, Animal Shelter, Aquatics Center, Library, Recreation, etc. This week OUR spotlight project is paying off existing debt.

On November 1, 2007, the City of Griffin issued two notes to purchase One Griffin Center. At that time Wachovia Bank was operating a small branch out of the ground floor of the three story building and a law firm and a couple of other small offices were located in the six story office building, with 70% of the building vacant. City offices were spread out all over town with several spaces being rented by the city. Griffin’s main City Hall was located in an old automobile dealership building with water damage, asbestos and mold problems. The City of Griffin was able to consolidate all their administrative offices under one roof, cancel leases on spaces being leased for offsite offices, and eventually found that the offices previously occupied by the City were not worth the investment to renovate and sell. Also, new life was breathed into the most prominent building in downtown and traffic and vibrancy was brought back to the core downtown area.

The purchase of One Griffin Center and adjacent parking deck was \$4.1 million, with a taxable note of \$3,580,195 and a tax exempt note of \$519,085. On November 1, 2016, the City will have a balloon payment due of \$2,609,923.30 plus a payment of \$166,693.77 for a total due November 1, 2016 of \$2,776,617.07. The City is asking voters to consider bonding this payoff through SPLOST proceeds to alleviate this debt from the general fund expense. Semi-annual payments of \$166,693 equates to approximately 2/3 mill of city property tax. The payoff of \$2,776,617 equates to just over 5 mills of city property tax.

Forward thinking County Commissioners purchased the Cooks Shopping Center in 2000 to provide much needed space for County programs and services and the center is now home to the Senior Center, Parks & Recreation Department, Athletic Hall of Fame, Veteran’s Services, Cooperative Extension and 4H, Board of Elections and early voting. In 1999, the County constructed a new Correctional Institution and expanded our inmate work details to include contracts with the City of Griffin and adjacent counties. The long awaited Station 7 – L.B. Norton Fire Station - was



constructed in 2009 and greatly increased our response time in the western portion of the county. Four new fire trucks were purchased in 2007 and a replacement truck in 2014 to keep our fleet operating at top performance protecting all citizens of the County.

Spalding County will be looking to pay off General Fund projects to include the Spalding County Correctional Institute for \$1,055,000, Oxford Square (Cooks Shopping Center) \$690,000, and Senior Center Equipment \$57,982. Fire District projects would include paying off the LB Norton Fire Station at \$506,099, and five (5) Fire Trucks totaling \$400,550.

The yearly principal and interest payments on these projects are \$503,000 in the General Fund and \$511,000 in the Fire District Fund. Freeing up the County budgets from these yearly payments will allow Commissioners to pass any savings on to our citizens through a tax reduction. As an example for a \$100,000 fair market value home in the City of Griffin, the property owner would notice a \$14.06 reduction; and in Unincorporated Spalding County, that same fair market value homeowner would notice a \$35.43 reduction. The difference in these amounts is because the unincorporated residents pay a Fire District Tax annually that the City of Griffin residents do not.

For additional questions or comments please contact Spalding County at 770-467-4232 or the City of Griffin at 770-229-6408.

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