



FOR IMMEDIATE RELEASE

May 3, 2019

UNION CITY MAYOR & COUNCIL CONTINUE INVESTIGATING HOMESTEAD EXEMPTION OPTIONS

On behalf of the City of Union City, we extend our thanks and greetings! We as a collective Council are very focused on following the most practical process to continue providing the level of services this City has been afforded over these many years. As homeowners and property taxpayers, this body is in total agreement that it is time we move towards additional local tax relief with the potential inception of a positive "Homestead Exemption" for homeowners. While this option has been under serious ongoing analysis for several budget cycles, at the request of this Council, it just hasn't met the criteria to make this happen due to many factors that would cause extreme consequences in our deployment of City services, the numerical strength in all departments, and the robust financial health we have worked so hard to solidify. If we are to move forward with this initiative, we ask that our residents are prepared to get a better understanding of the role property taxes play as a driver for the operations of any City's financial stability and well-being.

Property taxes are a large revenue source for Union City and are pivotal in funding major services. The City has offered local property tax exemptions to our seniors 65 years of age and older since 2009 and will continue considering offering a homestead exemption to all homeowners. The process of creating a homestead exemption requires an in-depth thorough analysis of our tax digest. The Union City financial leadership team is currently conducting this process, however; this is not an overnight process. It is a very tedious process that must be given careful, calculated, and cautious thought which takes a great deal of strategic timing. There are many factors to consider when conducting this type of analysis. One of the main factors to consider is being able to not only maintain but increase services throughout the entire City.

Offering this opportunity to all of us that are homeowners is not done in one meeting. This is a procedural step of processes that has to go through all of the required legal steps for approval as mandated by Georgia Law. We would like to make certain to set our base year at a positive value. As values continue to rise, they will rise on all of the "non-homesteaded" parcels by no more than the CPI (Consumer Price Index) or 3%. This gives us some basis or a starting point to move forward with this opportunity. However, this also implores us to be strategic and realistic. Many municipalities have made the decision to offer the homestead exemption before us. There are three remaining cities in Fulton County, and we are one of the three. The respective cities that have already instituted a homestead exemption have an extremely strong commercial base to make up the short fall should they blow a hole in their budgets. That's where we would like to be, but we don't have that benefit. Part of the goal is to eventually get there, so again we urge patience and caution.

One of the major considerations and priorities for this Council is to have a safer community for our residents. Property taxes help fund all of our service driven departments which includes Police, Fire, Code Enforcement, Parks, and Public Services, just to name a few. We must continue to provide the necessary safety equipment and tools required for these men and women to do their jobs to serve and protect while minimizing harm, or tragedy. Consideration of this priority is key to a successful analysis. We must also consider the fact that we have been under a temporary tax collection order for the past two tax years and making a decision of this magnitude without a certified digest would not be the most prudent decision to make at this time. We are still working with the values we currently have, however; this is a factor that must be considered. We understand the request for basic "UC Homestead Exemption" assistance and will continue working diligently to determine if this is something that can be done without causing derelict economic consequences. We must be careful to consider all factors without sacrificing services to our community. Thanks for your patience as we move towards continued progress.

Respectfully,

Mayor & City Council
City of Union City