

As we get set to vote on the acquisition of property, I want to start by indicating that there is nothing that can be done to stop this. As the expression goes, the bullet has left the gun. Due to the nature of executive sessions and the need to discuss these types of issues behind closed doors, this is the first opportunity I have had to publicly debate the procurement of these new properties.

Let me begin by talking about the only positive I can see from this real estate deal, this has a short term budget benefit. By purchasing these buildings with SPLOST dollars, we have removed the burden of paying the lease from our General Fund. During these times of increased downward revenue pressure the short term relief is a small blessing. However, the city now assumes the maintenance costs on two very old buildings, the loss of tax revenue on a commercial building, the increased cost of utilities above our pro rata share, and increased insurance costs for the city. So while we receive a short term budget assistance from the SPLOST, this purchase will cost the taxpayers of the city in the long term.

Now let's move on to the more grim nature of the purchase and my feelings on why this is illegal. In a legal opinion published in October 2007, the Assistant State Attorney General noted that "the Georgia Supreme Court has had occasion to construe the statutory provision set", which says "that proceeds received from the tax authorized" by O.C.G.A. 48-8-111 "shall be used... exclusively for the purpose or purposes specified in the resolution or ordinance call for the imposition of the" SPLOST tax. And "in each case, the court strictly construed the statutory language with regard to the permissible uses of SPLOST funds." (Official Opinion 2007-5)