

REDLIGHT THE GULCH STATEMENT ON SUPREME COURT GULCH EZ BOND RULING

The court today in affirming the City's deal with developer CIM purposefully avoided key issues in order to vote in the deal's favor. Among other things, the Presiding Justice in oral argument recognized that the Gulch infrastructure fee was a tax and that breaches the tax uniformity clause of the Georgia Constitution, by setting a special tax in one part of the city without a referendum. The case also represents a clear violation of the Gratuities Clause of the Georgia Constitution, in the form of a direct public subsidy of private business to the tune of \$1.25 billion. The Supreme Court affirmatively knows this transaction is unconstitutional, yet the Court invented ways to avoid applying settled provisions of the Georgia Constitution to the undisputed facts. This is an unprecedented, results-oriented decision in Georgia, and clearly represents a level of judicial activism never seen before in this State. Any Georgia Supreme Court prior to 2010 would have unanimously reversed the trial court.

We believe we were right to intervene in the Gulch deal because it diverts \$1.25 billion of sales tax revenue plus \$625million of property tax from public services to a private developer. Tax money needs to pay for schools, public health and other services - not for billionaires' real estate speculation. The current state and City budget crises make this glaringly apparent. Just last week, the state slashed a billion dollars from education as well as reducing funding for public health in the midst of a pandemic. Budget cuts hurt lower-income residents the worst and deepen inequality in Atlanta.

It is extremely disappointing that the court went out of its way to avoid giving the public the benefit of the Georgia constitution's protections against government and corporate overreach.

Our challenge to the property tax diversion in the Gulch deal is still before the courts. We have strong legal arguments in these TAD cases and we will continue to pursue them for the sake of social justice.