Community Improvement District, Cumberland, GA

The Cumberland Community Improvement District (CID) is a public-private assessment district in northwest Atlanta. One of the largest, fastest-growing submarkets in the Southeast, it is the headquarters of the Atlanta Braves and many Fortune 500 corporations. The CID is also an upscale cultural and entertainment hub, and its 27,000 residents enjoy expansive green spaces and miles of trails.

Need and Indicative Solution

In the late 1980s, business leaders were interested in improving access to highways in Cobb County's emerging Cumberland submarket and created Georgia's first CID. A CID is a mechanism that lets local commercial property owners advance public infrastructure projects that enhance property values and create a greater sense of community. The founders also wanted a master plan for the area, so they went a step further and created one for the CID.

Voters had passed the amendment providing for CIDs several years earlier, in 1984, based on Article 9, Section VII of the Georgia Constitution. Local legislation, however, was also required to establish the CID.

<u>Cumberland CID</u>

Formed in 1988, the CID includes 190 commercial owners who represent a third of the land and account for 60 percent of its \$6.1 billion value. Its expanded master plan includes new road and transit infrastructure improvements, streetscapes and beautification projects, bicycle and walking trails, alternate commute programs and services, and community planning. Each project is chosen, designed, and constructed with the community in mind, increasing the area's accessibility and attracting more retail and other amenities.

To realize the master plan, the CID leverages private investments. Instead of entirely financing new projects, it only pays for their preliminary engineering and design. Federal, State, or county construction money is used to complete the projects, which are ready to go as soon as the funds become available. This saves the CID and municipalities time and money while accelerating community needs. Thanks to this effective public-private partnership with Federal agencies and Georgia and Cobb County governments, to date the CID has leveraged more than \$140 million into an estimated \$2.5 billion in area improvements.

Commercial property owners within the Cumberland area fund the CID by paying an additional five mills (\$5 for every \$1,000 of property value) of property taxes. Cobb County collects the taxes and distributes those funds to the CID, which currently receives \$6.1 million annually. Between 1988 and 2019, the Cumberland CID committed approximately \$140 million of the business community's own money to a multitude of local area improvements.



As for expenditures, in 2017, for example, the total amount was \$6.5 million. This went toward plans and studies (5 percent), operating expenses (6 percent), support programs (18 percent), and capital projects and community programs (71 percent).

Measurable Success

The 6.5 square mile CID makes a 5.4 percent economic impact on Georgia and a 36 percent economic impact on Cobb County. The projected revenue from 2018 to 2024 is \$46.5 million and, from inception to 2024 (the end of the CID term), it is \$180 million. A total of \$188 million has been collected in assessments from inception through 2017.

Along with five Fortune 500 companies, the CID has 1.8 million square feet of office space with five Class A offices, 2,050 multifamily residential units, 500 square feet of retail, 1,400 new hotel rooms, and 1.3 million square feet of exempt development. It provides 65,200 jobs and has 16,000 households and 27,000 residents—many of whom are millennials. In the next 15 years, it will provide 76,000 jobs and have 25,000 households with 38,000 residents.

One billion and a half dollars in commercial property value has been added to the community since 1988, for a value just under \$3 billion today, and another billion and a half is projected over the next decade. With residential property value added in, the total community assets exceed \$4.4 billion.

Other achievements of the CID include: creating a five-mile loop road encircling the major interchanges; interchange construction and widening; providing direct access from the interstates to area office parks; bridge reconstruction and widening of the main thoroughfare; 38 miles of multi-use trails for safely connecting pedestrians, cyclists, and other users along busy corridors; 13 miles of streetscape treatments on select primary and secondary roadways; corridor widening and improvements; decorative gateway signs; landscape installation and maintenance of almost 20 linear miles of area roadways; and transit planning and community master planning to assist Cobb County with long-term growth challenges.

The CID contains 840 acres of green space, which is the same as New York City's Central Park, and 20 percent more than any other market in Atlanta. It also has 38 miles of greenway and open trails, with 60 more miles planned or proposed—representing \$100 million in community value. Future pedestrian amenities include pedestrian bridges, new trails, and bike sharing.

The CID benefits not only businesses and residents, but the entire county. Businesses have a variety of accessible commercial real estate options and a top workforce, residents have a thriving community and can work for leading companies, and the CID's enhanced growth and prosperity increase Cobb County's revenue and prestige.



Sources:

<u>Cumberland Community Improvement District</u>

<u>Cumberland Community Improvement District – Cumberland Submarket QuickFacts</u>

<u>Cumberland Community Improvement District – Partners</u>

<u>Investopedia – Millage Rate</u>