



Community Improvement Districts, Georgia

Georgia, known as the Peach State, has a humid, subtropical climate and diverse landscape ranging from coastal beaches to the Blue Ridge Mountains. Atlanta, the capital, is its most populous city and has the world's busiest airport. The State is headquarters for 17 Fortune 500 and 26 Fortune 1,000 companies. Since 2016, Georgia has had more feature film productions than California. It also has a strong tourism industry, with Stone Mountain Park as the premier destination.

Georgia Community Improvement Districts (CIDs) Background

Throughout the late 1960s and 1970s, metro Atlanta was expanding rapidly. New suburban commercial centers, along with a newly completed freeway system, was causing severe traffic congestion and noise problems. Accessibility became a major concern for local businesses in these areas, especially around the Cumberland Mall in Cobb County. At the time, property owners relied on business owner associations to support needed improvements, but they often did not raise enough revenue to directly fund projects or provide sufficient matching funds for State or Federal grants.

In 1982, a local developer and prominent property owner, John Williams, began looking for an answer. He collaborated with State Rep. Joe Mack Wilson, a native of Cobb County who helped champion the Downtown Marietta Development Authority. They modeled their solution, Community Improvement Districts (CIDs), on Business Improvement Districts (BIDs) in Virginia and development authorities in Georgia. CIDs are special purpose, autonomous, nonprofit, public-private partnerships with the power to self-tax industrial and commercial property owners within their districts and pool those funds for public improvement projects.

Williams and Wilson galvanized local business owners around their solution and, in 1984, CIDs were submitted as a Georgia constitutional amendment. The following year, the creation of CIDs was incorporated into the Georgia Constitution.

Community Improvement Districts (CIDs)

In 1988, the State legislature passed the enabling act for Cobb County CIDs. Cumberland became the first CID in the State and is still active. Today, Georgia has more than 25 active CIDs, with most clustered in or near metro Atlanta.

Along with providing infrastructure planning and management, largely focused on transportation, CIDs can offer the same services as BIDs. For instance, along with managing the concept, design, and preliminary engineering for capital-intensive projects like road building or improvements, pedestrian bridge building, traffic signalization, and sidewalk and trail construction, CIDs can offer services that enhance the community. The Downtown Atlanta CIDs, for example, are helping create a dynamic city plaza; infusing the neighborhood with light, art,



and cultural programming; addressing homelessness; and planting 1.5 million daffodils to represent the children who died during the Holocaust.

To create a CID, there must be an enabling act by the city or county where it is located. A petition must be signed by a majority of property owners representing at least 75 percent of the property value and a map must be drawn up of the proposed district. After these are presented to the city or county, a resolution can be passed approving the creation of the CID. The Atlanta Downtown Improvement District, for example, was formed in 1996 following an intensive campaign to gain the support of property owners. Over 50 percent of the property owners in a 120-block area, representing over 80 percent of the property value, signed affidavits supporting its creation. The CID was approved by the Atlanta City Council, mayor, and Fulton County Tax Commissioner.

Once a CID is approved, it forms a board of directors. These are elected by the CID, but at least one member must be appointed by the city or county and, in a few instances, the entire board must be appointed. The board sets the fees. Usually between three and five mills (\$3 to \$5 per \$1,000 of appraised property value), fees are collected with regular property tax payments and the tax commissioner sends them to the CID. Single-family and multifamily residential properties, as well as tax-exempt properties, are exempt from CID fees.

CIDs can also use local, State, and national funding, such as special-purpose local-option sales tax and State grants. For example, while the Cumberland CID pays for preliminary engineering and design, it uses Federal, State, or county construction money to complete projects. This has allowed it to leverage more than \$100 million into an estimated \$500 million in area improvements—including enhancing road and transit infrastructure, beautifying streetscapes, creating bicycle and walking trails, and implementing alternative commuter programs and services. In this same way, Atlanta’s CIDs have leveraged approximately \$1.5 billion into more than \$5 billion in public safety programs, traffic mitigation projects, and new parks and greenspace. CIDs can also issue bonds, but this has never been done in Georgia.

Each CID is created for six years and at the end of that period property owners can vote to continue it for another six years. For instance, when the term for the Downtown Atlanta CID was about to expire in 2002, a reauthorization vote was met with overwhelming approval and included an expansion. A CID can also be dissolved, although this has never happened in Georgia.

Measurable Success

The 6.5-square-mile Cumberland 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 was collected in assessments from inception through 2017.

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 and 38,000 residents. A 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.

The impact is further illustrated by a study of three capital infrastructure projects in the Perimeter Community Improvement Districts (PCIDs) on the northern edge of Atlanta proper. The first project, focusing on cost savings to drivers, will increase output, gross regional product, and personal income by more than \$6 million and create 67 new jobs in the first 10 years. The second project, redesigning an interchange to improve traffic efficiency and safety, is expected to produce an estimated 2,110 jobs, \$16 million in income effects, and more than \$30 million in value added over 10 years. The third project, increasing access and shifting traffic patterns on a major interchange, was cited as a reason a global auto company and major U.S. insurance company relocated their corporate headquarters within the PCIDs—creating an estimated added value of more than \$90 million and bringing in 3,715 new jobs in the first 10 years.

By improving infrastructure and quality of life, CIDs are revitalizing cities and increasingly influencing development and economic growth in Georgia. Thanks to the individualized improvement strategies within each district, they also are preserving and strengthening the unique character of communities.

Resources:

[Explore Georgia - Homepage](#)

[Cumberland CID - About](#)

[Atlanta Downtown - New Report Examines Landscape of Georgia's Community Improvement Districts](#)

[Nickel Works Consulting - Community Improvement District](#)

[Upper Westside ATL - New CIDs Accelerate Metro Atlanta Economic Development](#)

[Center for State and Local Finance - What You Need to Know About Georgia's Community Improvement Districts](#)

[Center for State and Local Finance - Rarely Used Economic Development Tool Offers Benefits to Cities](#)

[Center for State and Local Finance - Georgia State University CIDs Original Article](#)

[City of Atlanta - Atlanta Community Improvement Districts](#)

[Atlanta Council for Quality Growth - Metro Atlanta CIDs](#)

[The Perimeter Community Improvement Districts \(PCIDs\) - Homepage](#)

[Atlanta Business Chronicle - Georgia's Community Improvement Districts: A Study](#)

[Cumberland CID - Homepage](#)

[Center for State and Finance—CIDs background](#)

