

Does the Road Lead to a CID ?

*Urban Land Institute Center for Leadership mTAP
for*

Clifton Community Partnership

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Executive Summary

In the last 25 years, metro Atlanta neighborhoods have been using community improvement districts (CIDs) to help fund transportation and infrastructure improvements. The self-taxing districts have proven to be successful and efficient at building consensus and funding transportation improvements, in an era when government funding is stretched thin.

The area around Emory University, the Centers for Disease Control and DeKalb Medical Center – what some are calling the center of health in Atlanta – is a thriving employment center. As a hub for health research and healthcare, it attracts students, researchers, doctors and patients, and has an international reputation as a leader in health fields. Because of this, thousands of people come into the area on a daily basis to work, study or get healthcare. However, because of that, and like much of metro Atlanta, daily traffic congestion is an issue. And, the district is likely one of the largest employment areas not directly served by an interstate or a MARTA rail connection. It is ripe for a transportation solution.

For 16 communities in metro Atlanta, the creation of a CID has resulted in a dedicated pool of funds from the tax base earmarked for infrastructure improvement projects, from bike lanes to interchanges to streetcars to landscaping and signage. For example, for the area's oldest CID, Cumberland, \$100 million in revenue has been leveraged to pay for more than 60 projects totaling \$500 million. At a time when governments have more demands and fewer resources, CIDs are playing a critical role in Atlanta's infrastructure by filling the gaps left by cash-strapped governments.

One of the limitations on forming a CID, however, is that only certain kinds of property owners pay in, leaving others out that may be major stakeholders in the district. Residential property owners do not pay into CIDs, nor do nonprofit or governmental property owners who are typically not subject to property taxes.

For this reason, the question for the Clifton Corridor becomes: Is a CID the most appropriate mechanism for funding transportation improvements in the Clifton Corridor area under existing Georgia law? Would forming a CID be possible, and if so, beneficial for an area that counts among its major property owners nonprofits and governmental organizations, like Emory, DeKalb Medical Center and CDC? What district boundaries would yield a useful amount of CID revenue to make meaningful transportation improvements?

In our research report, we delve into those and other questions. We explain the following:

- Why a CID is likely the best mechanism under Georgia law for achieving transportation improvements within the Clifton Corridor
- Best practices for setting up a CID
- Potential boundaries for a CID in the area studied
- Target gross income for the CID

Our key findings include the following:

- To be effective, CIDs should generate a minimum of \$1 million per year.
- A CID is most effective when its mission is created at start-up and when the property owners who opt-in have a shared mission and values.
- A shared identity is crucial to the success of a CID.
- Start-up costs are necessary to getting property owners to sign on initially to a CID.
- 50 percent of property owners, representing 75 percent of the district's value, must sign on to form a CID.
- Start-up costs range from \$100,000 to \$200,000, possibly more. Typically a core group of property owners funds costs for the start up.



A Clear Vision

When interviewing CID experts in the metro Atlanta region about important tips for groups seeking to formulate a CID, our team heard each person stress, over and over again, the essential nature of *"a clear vision"*.

Clifton Community Partnership's vision is to enhance the quality of life within the Clifton Road corridor and surrounding area by fostering initiatives within the built environment that energize neighborhoods and allow residents and users to live locally, walk anywhere, and commute creatively. CCP's efforts are aimed at creating a vibrant, healthy environment with a sense of place through progressive urban design, beautifully landscaped streets, safe and walkable pedestrian ways, a variety of activity centers, and active community engagement. CCP's website declares in its vision "there will be the sense that this is the place to be".

With an eye toward a vibrant, livable future, CCP and Emory University engaged the firm Goody Clancy to conduct visioning sessions, develop urban design guidelines, and identify potential improvements for the Clifton Corridor area in 2006. Goody Clancy's findings were published in a report titled "Clifton Corridor Urban Design Guidelines" in 2008. Recommendations in the report were the product not only of Goody Clancy's professional expertise, but they evolved through a collaborative process of community participation and civic engagement.

In his introductory letter to the report, Emory's Michael Mandl explained the collaborative process and the resulting product by stating, "This initiative provided many occasions for neighbors to assemble and begin discussions about how our community should evolve in the most beneficial way...hundreds of neighbors, civic leaders, business owners, and Emory stakeholders contributed to the final set of Guidelines. [The] document outlines what aspects of our community are "sacred" and should be preserved – and what aspects are dated, underutilized, and do not contribute sufficiently to the public good." Should CCP decide to pursue the creation of a CID, it is exactly this type of collaborative process and work product that will help the team communicate goals and ideas to the stakeholders, build consensus around a common vision, and garner commitments to participation in the CID.

While the Urban Design Guidelines report provides a solid foundation and framework for addressing community infrastructure improvements over the long-term and serves as a planning tool for continued conversation, CCP should also consider identifying potential project priorities and formulating a clear work plan to communicate specific short- to medium-term goals and intended improvements. This work plan will prove useful in conversations with commercial property owners and other potential contributors/members regarding CID formation. According to Malaika Rivers, Executive Director of Cumberland CID, an organization aspiring to create a CID "needs a clear vision and a work plan that prioritizes projects and includes what the CID aspires to achieve, but not necessarily how they plan to achieve or implement the projects in the work plan."

In commissioning the Urban Design Guidelines study, CCP has already taken a step out of the starting gate. To continue down the road to CID formation, it will take a continued commitment to CCP's mission "to bring neighbors, businesses, institutions and civic partners to develop a vision for the future and to work together on implementation". An engaged community, coupled with a clear vision, will help carry CCP over the finish line.



Definitions

Community Improvement District (CID) is a defined area of non-residential properties, whose land owners pay an additional tax in order to fund projects within the district's boundaries. The CID is often funded primarily through the tax but also can draw on other public and private funding streams. CIDs may go by other names, such as business improvement area (BIA), business improvement district (BID), business revitalization zone (BRZ), special services area (SSA), or special improvement district (SID). In Georgia, they are usually called CIDs.

In Georgia, CIDs are allowed to provide the following services:

- (1) Street and road construction and maintenance, including curbs, sidewalks, street lights, and devices to control the flow of traffic on streets and roads.
- (2) Parks and recreational areas and facilities.
- (3) Storm water and sewage collection and disposal systems.
- (4) Development, storage, treatment, purification, and distribution of water.
- (5) Public transportation.
- (6) Terminal and dock facilities and parking facilities.
- (7) Other services and facilities as provided for by general law.

CIDs also are uniquely able to leverage available resources that individual property owners cannot on their own. For example, grant funds acquired by the city or county for special programs and/or incentives such as tax abatements can be made available to assist businesses or to recruit new business.

Throughout the world CIDs are challenging and re-shaping traditional assumptions of public management—its promises and performance—at the most local of government levels, the neighborhood and town center. Key to this metamorphosis is the concept and application of public-private partnerships that merge public and private management technologies, public entrepreneurship, and social capital. This merger forges a distinctive form of public management—public-private partnership management—an expertise within public administration that brings

together the knowledge and skills of business, government, planning, and community development in a collaborative manner and achieves a form of citizen-driven governance. When we look world-wide, the CID model is becoming a mainstream policy and management tool for local governments in collaboration with their business districts to apply entrepreneurship, social capital, and the management of public-private partnerships at the heart of community revitalization and development.

How is a CID created?

The General Assembly may create a CID by local legislation. The creation of a CID is conditioned on approval of the municipal government if the CID would be entirely within the municipality and approval from both the municipal government and the county government if the CID would be partially in the incorporated area and partially within the unincorporated area. Additionally, the creation of a CID is contingent on receiving the written consent of a majority of the owners of the real property within the CID that would be subject to CID taxes, fees and assessments, as well as the owners of the real property within the CID that constitutes 75 percent or more by value of all real property within the CID which will be subject to CID taxes, fees and assessments.

Tax Increment Financing (TIF) is a general method to use future gains in taxes to subsidize current improvements, which are projected to create the conditions for said gains. The completion of a public or private project often results in an increase in the value of surrounding real estate, which generates additional tax revenue. Sales-tax revenue may also increase, and jobs may be added, all substantiating the use of funds although these factors and their multipliers usually do not influence the structure of TIF. TIFs and/or related value capture strategies are used around the world.



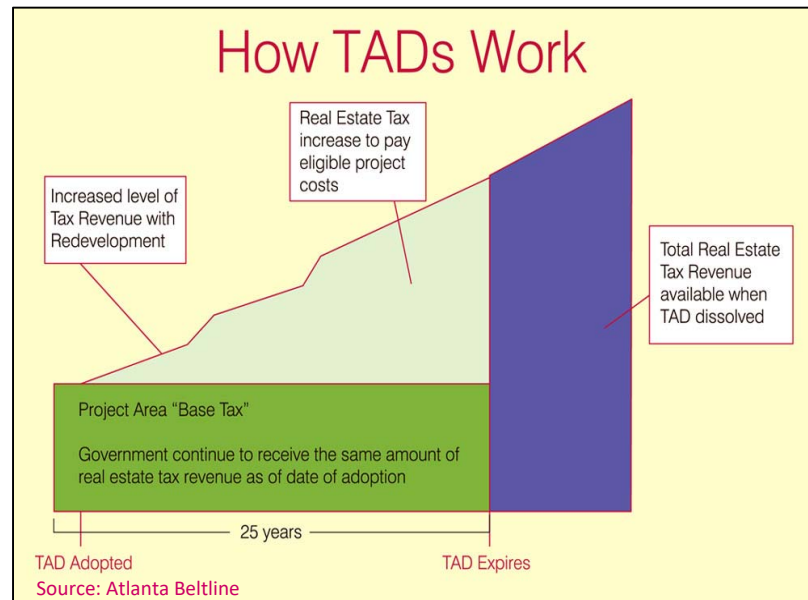
Definitions cont.

When using a TAD, a city designates a specific geographic area that has the potential for redevelopment, but which typically suffers from blight or other “economically or socially distressed” conditions. As public improvements and private development take place in the area, the taxable value of property in the TAD increases. The city collects the total revenues, putting the increase in revenues as a result of new development into a special fund to pay off the bonds that financed the public improvements, while the remainder goes back into the city's general fund. The TAD is dissolved when the bonds have been retired and any other public financing has been repaid. If the cost of basic services increases, with a TAD (and TIF) in place, the result is a revenue shortfall that has to be paid from sources other than tax revenues of the TIF district.

Georgia's Redevelopment Powers Law, which allows TIF to be used, must first be made applicable to a particular city or county by the passage of a local law by the Georgia General Assembly and its approval by a special election in the city or county to be affected. The city or county will then designate an area or areas for redevelopment, not to exceed 10 percent of the tax digest, as a Tax Allocation District (TAD). Certain procedures must be followed in order to establish such a district, including a public hearing, the adoption of a redevelopment plan and the approval of the plan by the city council or county commission. Once a tax allocation district is in place, the city or county may issue tax allocation bonds for the purpose of paying redevelopment costs related to projects located within the TAD. These tax allocation bonds are payable from the incremental increase in tax revenues and can be qualified to pay interest exempt from federal and Georgia income taxes. Tax allocation bonds are not considered general obligations of the city or county but may be secured by a lien on the improvements financed by the bonds.

What is tax allocation increment?

Tax allocation increment is the difference between the amount of property tax revenue generated when the TAD is established (aka. the base year) and the amount of property tax revenue generated after the TAD designation. When a TAD is created, the State Department of Revenue sets the base value for the district. Any growth in property tax revenues resulting from increases in property values above the base value are collected in a special fund and used for redevelopment costs in the TAD. Only property taxes generated by the incremental increase in the values of these properties are available for use by the TAD.



Self-taxing District Options in Georgia: Which is Best for CCP?

When we explored the options for the Clifton Corridor and Western DeKalb in terms of how to create more options for infrastructure improvements, we found that under Georgia law, there really are few options. We interviewed one of the top experts on tax districts, Sharon Gay at McKenna Long & Aldridge, who helped to write Georgia's law on tax allocation districts (TAD), also commonly referred to as tax increment financing (TIF) districts around the country. She let us know that the two types of districts have different purposes, are created differently and lead to different results.

TADs, said Gay, are a financing tool and in that model, the government maintains control of the decisions over the use of the funds. The same is true of special tax districts created to fund specific developments (i.e. Cobb County's tax that will fund the new Braves stadium). CIDs are a self-taxing district that can enter into debt that is guaranteed by future tax revenue. As a CID, which has a self-governing board, decisions are made by the commercial property owners.

Based on the examples that we studied – specific CIDs as well as TADs in metro Atlanta – we concluded that the professed goals of the Client for this area are consistent with the spirit and purpose of a CID, which is better suited to meet the Client's needs, specifically paving the way for transportation and infrastructure improvements along the Clifton Corridor and proposed Clifton MARTA extension.



Major Stakeholders

The epicenter for the Clifton Community Partnership is the intersection of Clifton Road and Houston Mill Road. In close proximity, there are a few key stakeholders who have the most to gain from improvements to the corridor.

Commercial Property Owners

The commercial property owners within the Clifton region are cumulatively the largest group owners with the most to gain. Revenue generated from their tenants and their properties relies upon the availability of their resources to the public at large. If not accessible, their properties will suffer. It is up to the commercial property owners to band together and initiate the movement to create the CID. It will be key to identify the common rallying point for all of the commercial property owners that will be involved because if they are all working towards different missions and pulling on different ends of the rope, the district will go nowhere.

Emory University

Emory University is at the heart of the Clifton Community Partnership and provides employment for more than 22,000 people, including both full-time and contract employees. These employees face tremendous transportation issues navigating the narrow two-lane arteries linking Emory University to the surrounding highways, rail, and communities. As the largest institution at the center of the geographic region, Emory University has the most to gain, and resources available, including a \$6 billion endowment.

Emory Healthcare

Emory Healthcare is the largest and most comprehensive health system in Georgia and it employs more than 14,000 employees. It is headquartered at Emory Hospital located on Clifton Road. Emory Healthcare faces many of the same transportation challenges as the university, in addition to needing access, such as public transportation and parking for its employees and patients.

Centers for Disease Control

The Centers for Disease Control has more than 9,000 full-time employees and 5,000 contractors, totaling 14,000 people. Having undergone numerous renovations, the Centers continue to grow, which is making employees' safe and efficient commute increasingly difficult. As the Centers work through the design development of their next expansion (450,000 SF and a 1,600 space parking deck) the future impact of 650 new employees, remains to be seen. If CDC continues to offer free parking to employees, this may exasperate congestion beyond its tipping point and set Clifton Road into gridlock.

DeKalb Medical

Despite being roughly three miles from the center for the CCP, DeKalb Medical Center feels the same pains that Emory feels. They desire improvements for the future, have contributed to the Medline LCI study, and should be on the list of potential participants for a possible CID.

Atlanta VA Medical Center

The Atlanta VA Medical Center is directly adjacent to the Emory Campus, but it can be as much as a 15-minute drive if traffic conditions warrant. This is a substantial complex that generates a large quantity of traffic and would be a strong beneficiary of traffic improvements to the region. When it comes to major stakeholders, the VA Medical Center is a clear participant in the discussion.

Local Residents

The local residents have the most intimate connection to the traffic problems surrounding CCP. While employees can head home at the end of the day, residents must deal with the influx of people around the clock. While residents don't vote on how to spend CID funds, they also aren't asked to contribute. Still, many work locally and will benefit from improvements made by a CID, including better pedestrian access.



Major Stakeholders cont.

Employees

Employees flood the CCP on a daily basis, going to Emory University, the CDC, and area hospitals, in addition to other businesses. As traffic in the area continues to worsen, some employees may opt to look for jobs elsewhere, requiring businesses to increase compensation or benefits in efforts to keep their trained staff. This could eventually create a hardship for the businesses and the region and may contribute to the future decline of the area.

DeKalb County and State of Georgia

The reputation of the county, and to some extent the state, will be enhanced by any infrastructure improvements that are made in the CCP. The district's employers are already considered innovative and groundbreaking – Emory, CDC, DeKalb Medical to name a few. So to have a more progressive transportation infrastructure would enhance the area's existing reputation, which could attract more investment and economic interest.



Opportunities and Challenges

Opportunities

Forming a CID is a great opportunity for an area like the Clifton Corridor and western DeKalb County. The unique pool of funds created by a CID can be invested in improvements determined by the CID members to be the highest priority. With major gaps between infrastructure needs and available funding, CIDs generate revenue to get projects done that would not likely get funded by government entities in the current era of tax dollars being stretched thin. The funds raised by a CID may be leveraged to attract local, state and federal funds as well as nonprofit grants. Therefore, the impact of CID revenue goes far beyond the amount of revenue generated.

Control is another opportunity afforded by the legal mechanism of a CID. Per Sharon Gay, Attorney with McKenna, Long and Aldridge, “the advantage of a CID is its self-governing board that makes its own rules and spending decisions” rather than being subject to the decisions of government entities who would otherwise be controlling tax revenue under other taxing mechanisms, such as a TAD or TSPLOST.

CIDs also help form an identity for an area, which can become a unifying call to action. To form a CID, a coalition of interested parties creates a vision, mission and purpose to convince others that joining the CID is in everyone’s best interest.

One of the strengths of a CID – over a general business alliance or chamber – is that because there is assurance of a steady base of self-taxed revenue, the group making up the CID is not as likely to disband after a year or two. This is partly because the revenue collected through taxes creates a unique self-interest and desire on the part of commercial property owners to remain involved in how those funds will be used. As the taxes are assessed annually by the tax commissioner, this taxing mechanism makes CIDs very stable organizations that can have lasting impact year after year.

Expert J. Lynn Rainey said that people tend to stay engaged when their own tax money is on the line. Rainey, an attorney with Rainey & Phillips, helped create 14 CIDs, starting with the state’s original improvement district, Cumberland, 25 years ago. He described the strengths of CIDs as follows:

- “You have business decisions being made as opposed to emotional decisions (in part because there are no residential property owners involved in the CID.”
- “It works better than a community association because it’s a tax – something

the tax commissioner collects. Once it’s formed, people can’t drop in and out, so you have to pay the taxes. So you have a reliable stream of revenue, and you can plan.”

- “With a retail association or other membership association, you may have it this year, but not next year. People lose interest in it.”

Challenges

Political boundaries

To create a CID, a core group of business owners must get engaged and the local government must be fairly stable. Based on our interviews, we found that an area that is changing its political boundaries can be harder to organize. Emory Morsberger, founder of Morsberger Revitalization which specializes in helping create CIDs in metro Atlanta, said that while he was trying to create a CID he dubbed “University Triangle” – which would have connected Mercer University to Oglethorpe University to Emory University – debate over creating new cities in that area spooked property owners and made them less likely to commit to forming a self-taxing district.

Common identity and Buy-In

Other challenges include choosing an area that has a common identity, creating consensus among property owners about which improvements they want and getting 50 percent of the property owners – representing 75 percent of the value – to sign up to tax themselves. Morsberger said that it can be a very difficult task, which is why having a strong foundation of property owners that champion the vision of the CID and rally the district at the beginning is crucial to its formation. We discuss this more in the best practices for forming a CID.

Property types

CIDs are formed by nonresidential property owners agreeing to tax themselves for the betterment of their community. Because nonprofits and governmental entities do not pay property taxes, in an area like the one we studied, that poses unique issues. So, one of the challenges is finding ways these non-property tax paying entities – who also are large users of the infrastructure – can get involved financially or in other ways. We will go into some of those solutions later in the report, as several CIDs have found ways to include those property types in different ways.



Analysis and Findings: Major Assumptions

For the purposes of this analysis, the ULI mTAP team made certain assumptions:

- Our analysis aims to create an area that would generate \$1 million in CID revenue, not including nonprofits or governmental entities. This assumption was based on our research which leads us to believe the \$1 million revenue threshold creates the most impact. Actual revenue goals for the CID would be based on operating budgets and projects planned.
- We wanted to create a district that included the Clifton Corridor, CDC, Emory University, area hospitals and beyond. Given that the area is full of non-property tax paying entities, we looked for additional properties that might more readily identify with the healthcare employment centers. One of our assumptions is that the CID district boundaries could extend toward the 85-North corridor at Druid Hills, including Executive Park, as well as diagonally toward DeKalb Medical and Your DeKalb Farmer's Market. We have made a vast assumption that this area will identify with the Clifton Corridor and the employment centers there.



- We stopped short of including downtown Decatur, as we felt like City of Decatur has a strong and distinct identity and might not identify with the Clifton Corridor/Western DeKalb.
- We assumed for this report that one of the key questions we were answering is whether nonprofits or governmental entities could contribute voluntarily. Several ways we discovered include:
 - These entities may make voluntary contributions either to a CID (for example, the General Services Administration voluntarily contributes to the Atlanta Downtown Improvement District) or to a 501(c)-3 business alliance associated with a CID (for example, the non-profit hospitals in the Perimeter CIDs area donate to the Perimeter Business Alliance)
 - Other ways these groups can contribute include offering in-kind support such as debt underwriting, office space, staff and administrative support, donating right of way, etc.



Analysis and Findings: Property Valuation Methodology

Property Valuation Methodology

The proposed CID boundary encompasses pockets of commercial real estate connected only via local transportation arteries. In order to gain an understanding of the value of each of these commercial nodes, we needed a method to analyze them individually, as well as to gather comprehensive data. Numerous conversations revealed that comprehensive data was not available through the tax commissioner's office for less than \$1,000 so we searched for alternative methods. We soon found that a combination of analyzing individual tax assessments within each node and calculating combined values based upon the acreage of the commercial real estate to be the most viable method.

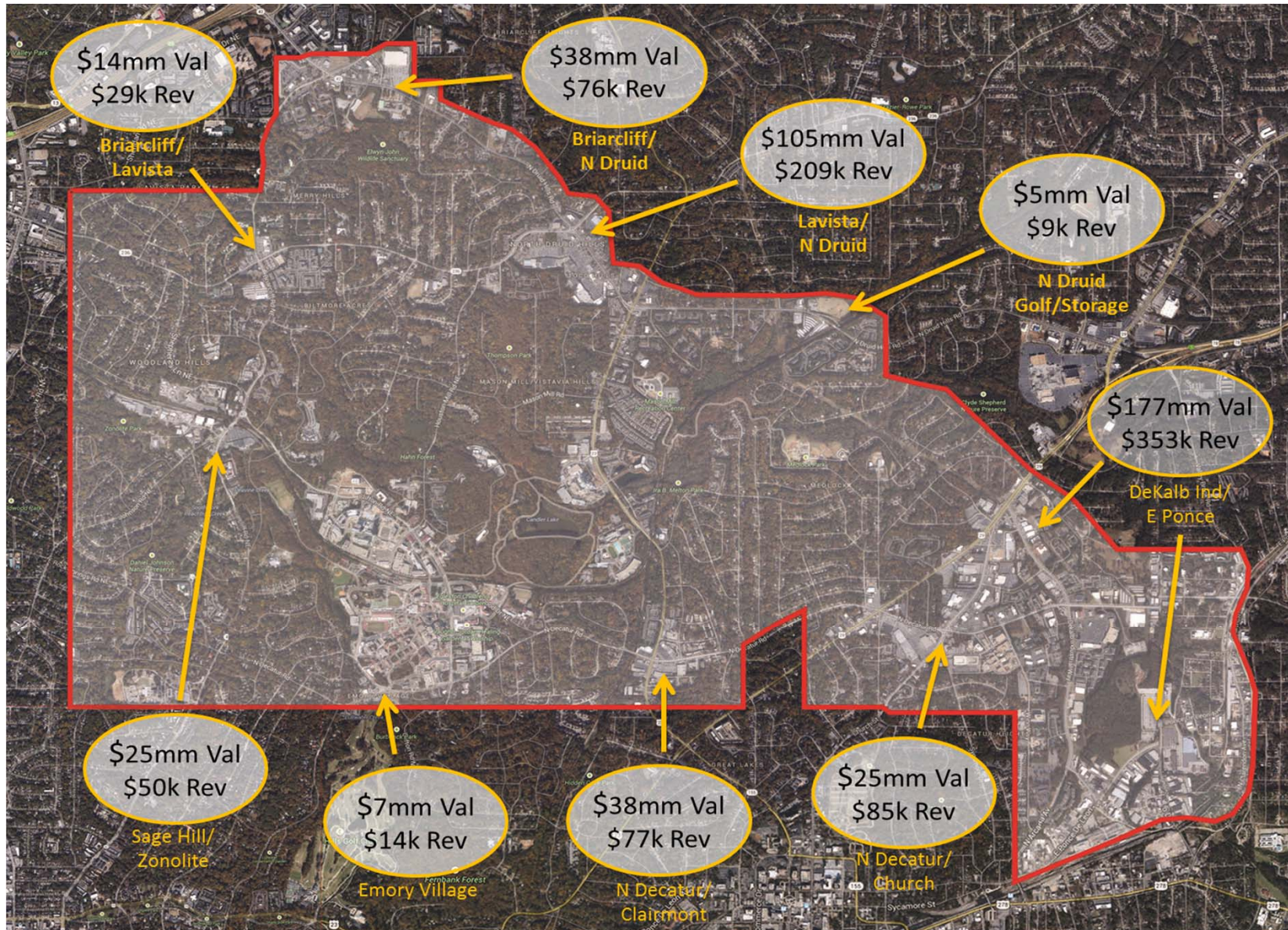
After downloading the tax maps for each of the areas, we scaled the tax maps in a Computer Aided Design (CAD) software and measured the acreage of the commercial real estate within each commercial node. We then downloaded the tax assessment reports for properties within these commercial nodes recording the property Owner, PIN#, Value, Assessed Value, and Acreage. Using these values, we calculated the property value/acre as well as the estimated tax for both the three mil and five mil tax rates. We were able to pull all of the tax assessments within some of the commercial nodes while in others we worked with a strong representative sample of the properties. Within these other areas, we used the calculated Value/Acre along with the measured acreage to arrive at the estimated property value. The estimated tax was then derived from the estimated property value.

Our initial CID boundary was delineated on the East side by the DeKalb Medical complex, but was stretched to include the industrial area surrounding the Your DeKalb Farmers Market after a progress meeting with our client, the Clifton Community Partnership. This industrial area included a substantial number of properties as well as a large area of land. Here we selected the properties that we felt to be the most representative properties in the area and downloaded the corresponding tax assessments. This provided a sizable sample set of data on which to estimate the Value/Acre. We then discounted the total commercial property acreage by 25 percent due to the margin of error. We feel that this is a safe estimate for the tax revenue generated by this area.

The sum of the estimated tax for all nine of the commercial nodes is roughly \$900,000. This is based upon a five mil tax rate and excludes donations from the larger nonprofit or tax exempt institutions such as Emory, Emory Healthcare, Centers for Disease Control, Children's Health Care of Atlanta, Atlanta VA Medical Center, and DeKalb Medical. A preferred reference point for the donations would be based upon the property value of the institutions, but due to the subjective nature of donations, we omitted any dollar amounts that might be generated. These donations would be over and above the \$900,000 estimated from the tax paying commercial property owners.



Analysis and Findings: Property Valuation Map



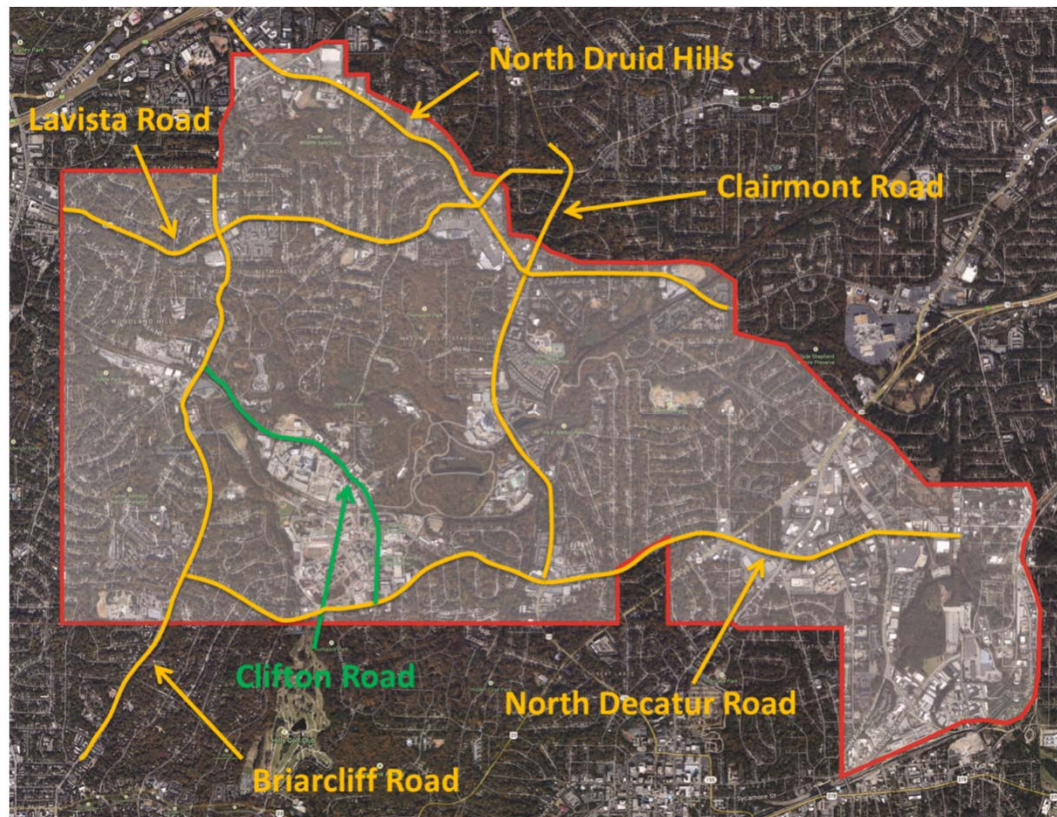
Analysis and Findings: Possible CID Boundary Delineation

Possible CID Boundary Delineation

We have assembled a possible CID boundary that includes the nine commercial nodes that we analyzed and is 9.7 square miles comprising 6,250 acres. This is not a recommended boundary, but rather a comprehensive delineation of what we feel to be viable options as contributing areas.

The boundary shown in red is bounded on the western side by Fulton County. We initially planned on including the Cheshire Bridge/Lavista Road

Shopping Center, but during our interviews we learned of the complications created by having CID districts span multiple counties. The boundary continues south before heading in an easterly direction just south of the Emory Briarcliff Campus. The boundary then continues along the northern edge of the City of Decatur before reaching the industrial district near East Ponce and DeKalb Industrial Way. Once encompassing this area and heading north, the boundary picks up the Gram Slam golf complex and storage facility while heading northwest towards Toco Hills. The boundary then captures the Briarcliff and North Druid Hills intersection before closing the loop along the Fulton and DeKalb county border.



Analysis and Findings: Largest Property Owners

Largest Property Owners

As described in the Best Practices section the success of forming a CID largely hinges on **leadership and financial support** most often originating from those with larger investments in the community. Additionally, these owners will likely be shaping the vision that is packaged to “sell” the rest of the potential constituents of the future CID. The list on the next page highlights the top 15 property owners with the proposed CID area drawn from the data provided in the Tax Analysis Calculation section.

Property Owners **	Location / Area	Property Value	Contribution Level at 5.0 Mills	% Ownership of Proposed CID Area
Toco Hills, Inc.	N Druid/Briarcliff	\$ 32,230,800	\$ 64,462	7.15%
Branch North Decatur Associate	N Druid/Briarcliff	\$ 14,500,000	\$ 29,000	3.22%
Regency Retail Partnership LP	N Druid/Briarcliff	\$ 13,000,000	\$ 26,000	2.88%
Suburban Partners, LLC	N Decatur/Church	\$ 12,515,830	\$ 25,032	2.78%
GP Govt Properties	N Decatur/DeKalb Ind/E Ponce	\$ 9,800,000	\$ 19,600	2.17%
ZONOLITE	Briardiff/Clifton/Zonolite	\$ 9,560,600	\$ 19,121	2.12%
Federated Department Stores	N Druid/Briarcliff	\$ 9,350,000	\$ 18,700	2.07%
Decatur Church Properties	N Decatur/DeKalb Ind/E Ponce	\$ 8,774,600	\$ 17,549	1.95%
Car Gil GA LLC	N Decatur/Church	\$ 8,401,400	\$ 16,803	1.86%
Arnold Foundation Inc	Lavista/N Druid	\$ 8,006,200	\$ 16,012	1.78%
Plant Improvement Company Inc	Briardiff/Clifton/Zonolite	\$ 7,723,600	\$ 15,447	1.71%
Asbury atlanta BM LLC	N Decatur/Church	\$ 7,110,800	\$ 14,222	1.58%
Coventry Limited	N Decatur/DeKalb Ind/E Ponce	\$ 6,664,000	\$ 13,328	1.48%
Emory Commons Partnership	N Decatur/Clairmont	\$ 6,205,300	\$ 12,411	1.38%
Greyhound Real Estate	Lavista/N Druid	\$ 5,896,500	\$ 11,793	1.31%

** Property Owner Names may include multiple assets with like or related entities



Analysis and Findings: Multi-Jurisdictional Issues



Cities and counties

Many CIDs in metro Atlanta face multi-jurisdictional issues. Two examples include the Perimeter CIDs, which are in two counties and three cities in 4 square miles, and the Braselton CID, which is in three counties, Gwinnett, Hall and Barrow, and the Town of Braselton. These CIDs and others like them face complexities and certain legal hurdles that CIDs within single jurisdictions don't face. "It's very, very complex," said Perimeter CIDs Executive Director Yvonne Williams. Still, the CIDs in these examples have found ways to deal with the complexities in order to achieve the established CID goals. In multijurisdictional districts, a strong common vision becomes of even greater significance.

Perimeter CIDs

Williams said the Perimeter CIDs solved some of the issues by creating two different districts, each with the own boards – one for DeKalb County and one for Fulton County (which is why the name of her organization is Perimeter CIDs – plural). She said when projects are selected they must create specific memoranda of understanding. Said Williams, "We are authorized to spend money only within those jurisdictions, so we need to set up an intergovernmental agreement if it [a project] crosses jurisdictions. We make an ongoing commitment to research, external affairs and to keep people in the loop."

Braselton CID

In the case of Braselton, the CID was created with a very specific goal in mind – namely, to create a wide trail called "LifePath" to be used by golf carts, cyclists, runners and others to connect Chateau Elan with commercial areas. J. Lynn Rainey, an attorney with Rainey & Phillips, helped create 14 CIDs, starting with the state's original improvement district, Cumberland, 25 years ago. He said the Braselton CID took out a 10-year loan from a bank, which it is paying off with 10 years of revenue. "It's a very lean and mean organization. It's really just a financial mechanism for that one project," said Rainey.

Check the law

Rainey added that multijurisdictional issues "create a challenge but are workable." He serves as general counsel for several CIDs, including Perimeter. He recommends checking on what state law provides before setting up a CID. For example, he said there's at least one act governing CID creation in the City of Atlanta and two that govern DeKalb County, which would affect any CID created in the Clifton Corridor/West DeKalb. Checking state law is an important step in forming a CID, he says.

In an area like Clifton Corridor, there's a potential to include areas within the city of Atlanta as well as unincorporated DeKalb County. The founders of a potential CID in this area will need to keep multijurisdictional issues in mind, as well as the reasons the state constitution was changed to allow for the formation of CIDs.

Georgia Constitution

In Article IX, Section VII of the Georgia Constitution, a constitutional basis is created for forming a CID. The section stipulates that the General Assembly may through local laws create CIDs in any county or municipality, and that multiple CIDs in a county or municipality.

CIDs may be formed to provide any one or more of the following governmental services and facilities:

- (1) Street and road construction and maintenance, including curbs, sidewalks, street lights, and devices to control the flow of traffic on streets and roads.
- (2) Parks and recreational areas and facilities.
- (3) Storm water and sewage collection and disposal systems.
- (4) Development, storage, treatment, purification, and distribution of water.
- (5) Public transportation.
- (6) Terminal and dock facilities and parking facilities.
- (7) Other services and facilities as provided for by general law.

Analysis and Findings: Involving Nonprofits & Government Agencies

Nonprofits

We found two ways in which nonprofits can participate in a CID or a business alliance associated with a CID.

- Nonprofits can make a voluntary contribution of money, right of way, services or other to the CID. That amount will be set by the nonprofit. The nonprofit will not be able to have a board seat on the CID, as only tax-paying members get those seat, unless they fill a seat appointed by a governmental entity.
- Nonprofits can make voluntary contributions to a 501(c)(3) business alliance that supports a CID. The amount will be set by the nonprofit. In this case, the nonprofit would be able to have a seat on the business alliance board.
- **Examples:**
 - The hospitals in the Perimeter CIDs participate in the business alliance, and sometimes donate right of way or other in-kind items or services to the CID.s

Government Agencies

Similar to nonprofits, government agencies can make voluntary contributions as follows:

- Government agencies may make a voluntary contribution of money, right of way, services or other to the CID. That amount will be set by the government agency. The agency will not be able to have a board seat on the CID, as only tax-paying members get those seat, unless they fill a seat appointed by a governmental entity.
- Government agencies can make voluntary contributions to a 501(c)(3) business alliance that supports a CID. The amount will be set by the government agencies. In this case, the government agency would be able to have a seat on the business alliance board.
- **Examples:**
 - General Services Administration participates in the Atlanta Downtown Improvement District CID.
 - Federal Reserve Bank participates in the Midtown Alliance – business association.



Analysis and Findings: Establishing the CID Area

Experts we interviewed recommended several guidelines for establishing a CID area. First, we'll describe best practices, then we'll discuss how we determined the area in this project.

Shared Identity

One best practice mentioned by most experts interviewed is the importance of creating a district that has (or will have) a shared identity. The CID board is likely to be made up of area property owners, as well as appointees from the cities or counties involved. This board must be able to select projects that everyone agrees upon, as well as rally other resources around the project, so a shared identity and shared goals are crucial to the success of the CID.

In this project, we had long discussions about what the best area would be for a CID. As we talked to experts, it became clear that CID boundaries are best determined by figuring out the CID mission and goals and then determining how much revenue needs to be created to achieve those goals. Still, experts disagreed about the best ways to start a CID. We offer two scenarios here:

Go big or go home

Davis Fox in the office of DeKalb County Commissioner Kathy Gannon suggested that to have the greatest impact, a CID must generate about \$1 million in revenue per year. He said he's currently looking into forming a CID that would run from Stonecrest mall to Campbell Road along I-20. "For a CID to be effective, you need at least \$1 million a year to cover overhead, administration, etc.," said Fox. He gave specific reasons why, including:

- Overhead can be up 10 percent per year, or more if large projects are being managed. The point is that a CID doesn't want to spend most of its revenues towards overhead.
- The CID must generate enough revenue to pay for qualified professional staff that will be writing and issuing RFPs, selecting projects, engineers, contractors and others, as well as managing the projects, including negotiating for right-of-way, etc.

- If a CID's budget is small, there are fewer funds to achieve its goals, as well as less money on hand to help attract grants, federal, state and local funding.
- More revenue means more impact: "It gets back to how effective you'll be when you bring in a bigger group of people – how do you show common value, i.e. creating an identity, transportation improvements, or crime prevention. The challenge is that the priority would shift depending on the size of the group."

Based on Fox's assumptions, our group set \$1 million as the revenue goal for a Clifton Corridor/West DeKalb CID. Fox said that to create \$1 million in CID funding would require about \$500 million worth of property value that would self-tax at a millage rate of 5 mils. The area also must be contiguous.

Start small then grow

A second point of view is that CIDs can start small and still have an impact. Emory Morsberger, a Gwinnett developer who founded a firm that now specializes in creating and managing CIDs across metro Atlanta, said he's seen CIDs be very successful with small amounts of funds. "The Lilburn CID has \$150,000 in annual gross income," said Morsberger. "They got a \$1 million grant last year. You leverage the money you get into grants. Set the goal of what you want to accomplish, then figure out how to do it." Morsberger said CID boundaries may be expanded over time, so sometimes, starting small is a way to help build a coalition and show what can be achieved, which therefore creates more interest in joining the CID.

Morsberger spearheaded the creation of CIDs in Stone Mountain, Duluth and the Highway 78 (Gwinnett) corridor. He has held positions including founder, chairman or executive director and continues to help found CIDs. In addition, he created a firm that helps create and manage CIDs, for a fee.



Analysis and Findings : CID Boundary Options: Option A

Scenario A

In Scenario A, we looked at a very large district that spans from N. Druid Hills on one side to Your DeKalb Farmer's Market on the other. As stated in our assumptions, we wanted to see if we could create an area that would generate \$1 million in CID revenue, not including nonprofits or governmental entities. A major assumption we are making is that areas beyond CDC/Emory/DeKalb Medical might identify with these healthcare employment centers and opt-in to the tax. We avoided including the city of Decatur in the study area due to its unique identity.

Scenario A is the basis for our property tax analysis. It's a very large area that would generate approximately \$1 million annually, before any voluntary contributions from Emory, CDC or other entities are made.

District Identity: Choosing a name

This large area would create the kind of seed money needed to fund infrastructure improvements and attract grants. However, key considerations for CID founders to keep in mind are they would need to formulate a clear vision, as well give the district a name everyone in the district could identify with.

Choosing a name is crucial to how people will perceive the CID, and it also underscores how difficult creating an identity can be for an area that does not currently have a shared identity. A lot of thought will need to be put into what to name this CID and what its boundaries will be. The mission and scope also will be important, as creating a consensus among this large group of property owners will be difficult without a strong vision going into it. Sample district names we brainstormed include:

- MedLine CID
- Clifton CID
- Clifton-West DeKalb CID
- Briarcliff CID
- Health Corridor CID

Rally around MARTA Extension?

One project that could be a rallying call for the large area studied is the proposed **MARTA Clifton Corridor** rail spur. One idea that could gain traction is to use that project as the primary focus for forming the CID and to be the recipient of funds generated. That would be similar to how the **Braselton CID** was formed for the unique purpose of building the **LifePath** trail. Such a focused project could help create a name and an identity for the district and establish a purpose property owners could rally around.

It's important to understand, however, that rail is one of the most expensive infrastructure projects, so it could take years for a CID to show impact if that is the only project it is focused on. There are precedents for it however. **Central Atlanta Progress/Atlanta Downtown Improvement District** successfully spearheaded the **Atlanta Streetcar** initiative. Funds from CAP/ADID helped get a federal grant and helped get a local match from the city of Atlanta to study then begin construction on a streetcar route. This new streetcar system is set to begin service in the summer of 2014.

Atlanta Streetcar

The City of Atlanta was awarded \$47.6 million to fund the East-West route of the Atlanta Streetcar through the federal TIGER Grant program, designed to help upgrade transportation networks. The total cost of the project is \$69.2 million, with capital match contributions from the City of Atlanta (\$15.6 million) and ADID (\$6 million) as part of a total contribution from ADID of \$20 million over 20 years.

It is possible that a focused Clifton CID could create enough funds to seed the MARTA rail spur effort in some form.



Analysis and Findings: CID Boundary Options: Option B

Scenario B

Another scenario is to create a CID in a much smaller area that has more limited goals. In this scenario, the size of the district would be more limited, possibly just along the current Clifton Corridor near Emory/CDC and nearby arteries. In this scenario, the CID could create a smaller list of less ambitious projects, to be funded with CID income. Emory Morsberger and others say they've seen positive results from CID's with smaller budgets. Beautification and signage projects lend themselves to these smaller budgets.

South Fulton CID

The South Fulton CID, for example, is working with local jurisdictions to generate funding for an Interchange Modification Report for the SR 74/I-85 Interchange. To date the CID has raised \$95,000 from the CID, Fayette County, City of Peachtree City and City of Fairburn for that effort. This more limited scope for a CID can yield effective and noticeable results.



Best Practices for Creating a CID and Running a CID

Best Practices for Creating a CID

We have learned that there are a few best practices when creating a CID.

1. There must be a vision for the future of the district that the stakeholders can identify with.
2. The process should be initiated by a core group of property owners that demand change; change that is not being provided through the typical tax digest collected by the local jurisdiction.
3. The core group of founders or property owners should contribute seed capital to give the project legs. The exact quantity determined by the level of volunteering offered by the founders vs. hiring paid consultants to help with the formation of the district.
4. Overhead costs can use significant resources and the budget must be planned carefully in advance. If the CID is not run by an outside entity such as a business district, volunteers or through other means, then administrative salaries can consume a large portion of a small CID's revenue.
5. Projects must be identified up front and a budget prepared to determine the CID area required to fund the proposed projects.
6. They must have a common program or project around which property owners can rally; a mutual benefit to be derived from the revenue of the proposed CID.
7. It helps to have a large property owner or other organization that can contribute in the early stages.
8. It also helps for the beginning phases to be driven by a founder who is perceived as trustworthy and respected, and who has the best interest of the area in mind, rather than by an all-powerful entity which could be perceived as self-serving.
9. It would be much easier to create a CID using fewer property owners, but 50 percent of the vote and 75 percent of the value must still be captured. Recruit the larger property owners first.
10. Once a core group of property owners are obtained, the district delineation must be strategically placed to capture the amount of revenue needed to achieve the stated goals and position the boundary for future growth.

Best Practices for Running a CID

We have also learned about some best practices when running a CID.

1. Projects can be funded with differing amounts of leverage depending on the type of project.
 - a. Road improvements can typically be funded at 80 percent via federal and state grants
 - b. Trails and streetscape enhancements can typically be funded at 50 percent via grants
 - c. Beautiful Initiatives will typically receive no federal or state grants
2. The CID must determine whether the priority for the programs or projects is to get funding from other sources or to complete them on a tighter timeframe, because grant writing and getting approvals from government entities can add years to a project schedule



EXHIBITS





1. What is the Clifton Corridor Transportation Management Association's (CCTMA)'s defined purpose and defined boundary?

- The CCTMA's goal is to improve air quality and transportation within the 3 mile radius center around the intersection of Clifton Road and Houston Mill Road.
- The CCTMA partners with The Clean Air Campaign, Atlanta Regional Commission's RideSmart program, as well as other TMAs to address transportation concerns and air quality by promoting alternative forms of transportation.

2. What is the CCTMA's budget and how do you receive funding?

- The CCTMA receives funding via voluntary dues from associations that desire membership. This is the best method for us due to the organizations around here that utilize federal funds; we cannot require them to pay in. The CCTMA collects approximately \$125k per year in membership dues.

3. What programs are you funding with this revenue?

- The largest program is vanpooling. It takes a some real coordination to get people together to create a new van pool of 8-12 people, but once one is started, the average life of each individual van pool is 5-7 years. The Clifton Corridor needs the catalyst that the CCTMA provides in order to jump start these vanpools.
- Another program is the Cliff shuttle that provides transportation between MARTA's Decatur station and Clifton Road – serving Clairmont and North Decatur as well. The CCTMA owns one bus to run this route, but coordinate with other providers such as MARTA, GRTA Xpress, Atlantic Station Shuttle, and others (to provide more shuttle service).

4. What transportation improvements have you identified as the greatest need?

- Widening the two-lane roads in the Clifton Corridor is the greatest need. The issue with this is that the right of way is so narrow, additional improvements can't take place without additional land. Even simply widening the pavement would allow traffic to move faster and that would be a huge benefit. What is really needed are 8' wide dedicated bike lanes separated from vehicular traffic. This would be a significant catalyst for alternative transportation, consistent with the CCTMA's goals.

5. Assuming that a potential CID might not generate a large amount of revenue, what economical transportation improvements would provide the best return?

- One of the important components of transportation that is missing is the last connection between MARTA/bus stops and the final destination. This is a deterrent from using alternative transportation and the fix is additional sidewalks and paths. Sidewalks are the cheapest improvement that would really benefit the transportation cycle. In many areas there simply isn't enough room to construct a sidewalk, and again, additional right of way is necessary.



1. Given your work with the DeKalb County Commission, the Medline idea and the Alliance to Improve Emory Village, have you ever looked into forming a CID and what were your findings?

- For a CID to be effective, you need at least \$1 million a year to cover overhead, administration, etc. You need staff to write RFPs, pick engineering and construction firms. So to get \$1 million in net proceeds for the CID, you need \$300-400 million worth of property value (and that can't include apartments, hospitals, the CDC, Emory U., etc.). A CID can raise up to 5 mils. There's also a rule about the properties within a CID being contiguous, so to be viable, you'd have to draw the lines around a reasonable amount of property. We're trying to do a CID from Stonecrest Mall to Campbell Road along I-20 East (but we didn't look too far into the CID idea for Emory yet).

2. Would it be feasible to bring in these different property nodes?

- Gets back to how effective you'll be when you bring in a bigger group of people – how do you show common value, i.e. fighting crime or graffiti removal. The challenge is that the priority would shift depending on the size of the group.

3. What do you think the area's most pressing needs are?

- There are no obvious critical problems that are hurting business. It's one of the most stable markets (in the region), surrounded by high-income neighborhoods. The infrastructure is fine. Ingress/egress of workers might be an issue but there's the Clif shuttle. CDC is working on a master plan which will include a 1,200-space parking deck, where workers will park for free. It's not the office buildings but the parking decks that induces the next wave of traffic. If you don't have the parking spaces, they won't drive. It's that simple. And it's free parking! The worst thing Atlanta has is free parking. The neighborhood wants to ask the CDC to make it a paid lot to discourage single use car trips.

4. Do the hospitals and university parking decks charge for parking?

- Emory and the hospitals charge for visitor parking, but often not for employee parking because many of the employees don't make a lot of income.

5. What conclusions do you draw from this?

- If you got people to contribute the parking proceeds, it could be a way to finance transit (i.e. tax owners through a surcharge). In Atlanta, it would generate enough income on a regular basis to fund a street car system.

6. What are the plans for transit here?

- Plans call for MARTA stops at Sage Hill and Rainbow shopping centers, DeKalb Medical Center and Suburban Plaza. There's also a comprehensive plan that calls for making Toco Hills a "town center," which would be very dense and a concentrated development. Office use is sort of limited to medical in this area. This is the area's largest jobs center with no MARTA or interstate serving it. Emory's issues include: 1) it's hard to get there, 2) service workers can't live in nearby neighborhoods because they are too expensive, 3) yet Emory's interest in is in relieving traffic congestion.

7. We heard that you are working on a "Medline" LCI – tell us about that.

- It's the area around DeKalb Medical. We want to take all the old "gray lots" – basically the old car dealerships, to encourage development.

8. What should the CID be called if it is formed? Is the "Emory" name a good one?

- The question is what would people rally around? The name falls out of the community interest and/or a unique problem they are all trying to solve.

9. What areas would you include in a CID?

- Look at: DeKalb Medical, Zonolite Road (it might be redeveloped, owned by Clyde Sheppard), and the areas along the proposed Clifton MARTA route.

10. Any final thoughts?

- We have a huge problem in this country right now when it comes to paying for transportation. Everyone knows that transit won't pay for itself, but roads don't pay for themselves either.



1. Tell us the difference between a TAD and a CID.

Tax Allocation District (TAD)

- Most powerful tool
- Redevelopment power for areas in economic decline or areas with inadequate infrastructure
- Allows local governments to create a special district to collect incremental property tax from all development after the creation of the TAD
- TAD is a financing instrument, but all decision are made by local government
- Heavily based on future development

Community Improvement District (CID)

- Self-taxing district- no criteria other than non-residential, non-tax-exempt
- Local act
- Sharon did local act for unincorporated DeKalb Co.
- GA Constitution allows CID to enter into debt, the security for the debt is the guaranteed future taxes
- Advantage of CID is its self-governing board, makes own rules

2. Could a fee be levied on the tax-exempt properties (a fee rather than a tax)?

- Federally owned entity (CDC) could not be subject to a fee
- MIGHT be able to levy fee on non-profit (Emory)
- Self-taxing district- no criteria other than non-residential, non-tax-exempt
- PILOT – Payment in Lieu of Taxes – could be useful concept for CCP
- In cases where property is owned by Gov/Non-taxable entity, but property is leased to non-exempt entities- a PILOT could be paid by leaseholder
- PILOT is not as bondable as tax – not as reliable a source of income for securing debt

3. Core Question: Can they (CCP/Emory) tax themselves?

- Sharon thinks NO.
- Public works typically paid out of public revenue (taxes and fees)

4. What is the instrument that collects the money? How much money is needed to solve their problems? What are the exact goals of CCP?

- CCP funding light rail is unrealistic. CCP funding roundabouts, pedestrian improvements more realistic.
- What percentage of the land in Clifton Corridor is taxable?
- Ex. If 40% of properties are taxable- could form CID and then (state) non-taxable entities could make annual payments (up to 5 mills, reduced rate) to the CID
- Federal/CDC is off limits from a tax perspective

5. What is the preferred approach?

Clifton CID with voluntary members

- Voluntary members sign 10-year agreement to pay membership fees/ PILOT
- Only recourse for non-payment is contractual
- The only improvements this could pay for would be items that could be covered by cash flow over 12-18 month period
- CID has self-governing board- make rules (advantage of CID)
- What is mechanism for collecting delinquent CID taxes?
- Bond issuances: Short-term or long-term (typ. 15-35 years)
- Risk is in coverage ratio: \$1.30-\$1.40 taxes required for every \$1.00 in debt service
- For moderate projects – more likely to borrow from bank for 18-24 months

6. What is an alternative approach?

CCP organizes themselves as a self-governing non-profit (i.e. CCP, Inc.)

- Everyone along corridor (inc. Emory) joins through membership and pays an annual fee/monthly fee
- CCP, Inc. can contract with county to do improvement work or the county can allow CCP, Inc to do work
- Could borrow money against membership fee but it is not guaranteed- not as secure as tax because it is a voluntary payment
- Emory could agree to secure the debt (as opposed to make a voluntary assessment)
- Non-profit could be structured so that ownership/control is proportional Hard to establish basis on non-taxable entities in Dekalb because their properties are not assessed
- Non-profit could provide match to funds (i.e. LCI & other grants)
- Lower revenue than first approach, purely membership idea

7. What about apartment complexes? Can they be included?

- Apartment complexes (i.e. Gables, Post) – not taxable because used residentially
- Mixed use complexes such as Emory Point are taxable on leaseholder at lower rate.

8. How do you determine boundaries?

- Draw CID boundary where CCP wants to spend the money.
- Need to work within existing GA law of self-help
- Approach is a little backwards: Need to first come up with a plan and then figure out how to pay for it. Not the other way around.



1. *What is the best process for forming a CID? Any tips for a new organization trying to form a CID?*
 1. You must have a common goal/mission/values
 2. Get property owners to sign on and figure out goals and budget (Educated, trust-worthy people need to put these together)
 3. Get politicians involved
 4. Get tax commissioner involved to certify it and get on board to support you
 5. It requires vision and coordination, team work and integrity. People won't sign up if they think you will leave them behind.
2. *How are you handling areas with a lot of non-property tax payers? (i.e. hospitals, universities, nonprofits, government facilities?)*
 - Nonprofits and governments can voluntarily sign up for a CID
 - There's a growing movement out of Perimeter and Buford Highway to get apartments to pay in. The Clifton Corridor is the center of the health (Atlanta's healthcare industry – CDC, Emory, etc.) and yet the roads are littered, there are no sidewalks, it's unattractive, etc.
 - \$1 million x 5 mills = \$2,000 in extra property taxes
3. *Are you finding any of them willing to make voluntary contributions?*
 - General Services Administration downtown is paying into the Central Atlanta Progress/ADID CID.
 - The GSA contributes to about 100 CIDs around the country.
 - Federal Reserve Bank contributes to Midtown Alliance
4. *How do you calculate what they should pay?*
 - What is a non-profit like Emory willing to pay? I think it's generally between \$100,000 and \$300,000/year.
 - If Emory University isn't going to invest and support then it's a waste of time.
 - Emory will do what's best for Emory, and this CID is best for Emory.
5. *Tell us about your idea for a "University CID" – where would it go to, from? How would it work?*
 - It was called the "University Triangle" and included Emory, Oglethorpe and Mercer. I think that corridor should identify itself as the "center of health." But there were two problems: 1. They were looking at creating the city of Eastside on the Eastside of I-85, and that spooked property owners. They wouldn't sign up for a CID if they don't know what jurisdiction they would be in.; and 2. The city of Doraville was dysfunctional.
6. *What are you finding is the break-even point for a CID to be effective?*
 - The Stone Mountain CID has \$280M in property values, and generates \$560,000/year for the CID budget.
 - As an example, Lilburn has \$150,000 in annual gross income. They got a \$1 million grant last year. You leverage the money you get into grants.
 - Set the goal of what you want to accomplish, then figure out how to do it.
7. *Why are you working on these CIDs? What is your motivation? Incentive?*
 - I have created a sales force to help create CIDs. It's my line of business.
8. *How much in seed money is needed to fund the creating of a CID (i.e. getting property owners to sign up?)*
 - \$100,000 to \$200,000 typically. Then you hire a sales force like mine to go around and get the property owners to sign the form.



1. *Tell us about your role on the CID – aren't you with two of them? How did you get involved?*
 - I represent 14 CIDs. Cumberland was first one created – it's 25 years old. I was involved at the beginning. Then town center wanted to create one, then Sam Massell called and wanted to do one in Buckhead... so it's gone on from there. I've got CIDs in Fulton, DeKalb, Gwinnett, Cobb.
 - The city of Braselton straddles 4 counties, Braselton CID straddles 3 counties
 - They created it for a singular project: to create a wide trail called the Life Path to be used for golf carts to connect Chateau Elan with commercial areas. (They got a 10-year loan from a bank and they are paying it off with 10 years of revenue. A very lean and mean organization. Really just a financial mechanism for that one project.)
 - It just depends on the area, what the local needs are ... that really guides the local board's decision.
2. *We understand that the Perimeter Center CID is actually comprised of 2 different legal entities, due to the geographic territory of the CID existing in two different counties. What were some major obstacles during the formation of the CIDs? What challenges have you experienced operating as two separate entities with one mission?*
 - Does create a challenge but workable. There is an Atlanta CID act, but you'd be forming it under a DeKalb county CID act. But there's more than one CID act in DeKalb County.
 - Stone Mountain CID was formed under the act of 2008.
 - Only provides for CIDs being formed in unincorporated DeKalb County. Provided there's one that allows for CIDs in unincorporated and incorporated (parts of the county). Probably includes the part of city of Atlanta in DeKalb Co
 - A 3rd CID act. Perimeter CID formed under a different act that listed parcels (because of county line going down the middle, made 2 CIDs – on Fulton/DeKalb sides)
 - Created an administrative unit they both pay half of
 - Separate boards, separate attorneys, boards typically meet together but take separate votes
 - Circulator study/streetlight timing study, etc., they just look at it as benefiting all
3. *How do they split up revenue?*
 - What really helps is the tax revenue generated is about the same
 - From an administrative standpoint, less expensive to share, than hire separate staff
4. *How are mixed-use properties counted on the tax rolls? i.e. if they have residential and retail, do they pay in? How is it calculated?*
 - Separate tax ID #'s, so the retail part can be taxed by CID
5. *Are voluntary donations on a contractual basis? If so, what is the "contract" like for them? is it year by year?*
 - Yes, they can voluntarily contribute, out of concern that their money is being spent in a wise way
 - Prefer that if they're going to contribute to governmental infrastructure, do it thru CID as opposed to writing a check to the county.
 - Those donations would provide some tax deductibility.
 - The Federal Reserve Bank in Midtown CID has voluntarily donated.
 - Hospitals in the Perimeter made some contributions
 - Not sure how conversations initiated/on what basis they've agreed
 - Doesn't translate to leadership on the CID
 - Persons who serve on the board must contribute to the CID
 - Appointees don't have to be tax payers...
 - Under DeKalb county, 2 board members appointed by DeKalb county
 - They're voting each year on what the millage rate is going to be
 - Those able to pay the tax set the tax rate at what is reasonable
 - So doesn't go beyond their appetite
6. *Who decides who is on the CID board?*
 - Elected by the commercial property owners, from those who are paying the CID tax
 - Each property has electors who are the ones eligible to serve on the board
 - Each governmental entity has appointees as well (usually one or two)
7. *Emory tax exempt status—how would they pay in?*
 - Some may think it doesn't seem fair they don't pay property taxes given that Emory University has a huge endowment and uses the public infrastructure in the area
 - I'm not sure if there are other parallel taxes they pay that could otherwise be steered to a CID. I'm assuming not, that Emory and spreading campus are exempt, as well as CDC
 - Residential use properties don't get taxed either, so that development Emory Point, would not be taxed (except retail portion)
 - Even though they are a commercial enterprise, apartment complex-type properties that are residential use don't get taxed.
 - Hotels do pay the property taxes.

J. Lynn Rainey cont.

8. What are some of the challenges of creating CIDs?

- You need to get a majority of property owners that represent 75% of the value to sign a written consent to create the CID
- As you could imagine ... someone asks you how would you like to raise your taxes? Sign here
- CPOs must have a vision of what they're going to do once they raise the money
- Property owners don't consent to do it because they want to help the government to pay for roads and that kind of thing; Reason they agree to pay to do it... property owners, not necessarily retail business.
- They're motivation is how does this protect or enhance value of my property through improvements in the infrastructure that aren't going to get done otherwise.
- Everyone's strapped
- County/city government certainly are strapped
- They can't afford politically to concentrate tax money from all over the country in one little area
- But they help those who help themselves
- Generate enough revenue to be able to kick start projects
- Perhaps raise money for the concept plan or to design a project in the hope there will be matching funds avail from GDOT, ARC, SRTA, to actually construct the project, though in recent times CIDs have spent more money than in earlier years in paying things for acquisition of row and construction as well
- Define improvements they want to make
- As far as creation of it is concerned, no government entity has really been the driving force behind creating a CID. You're not going to get a county economic development director to convince commercial property owners to do it. They might get conversation going.
- But essentially what you need is about a dozen CPOs who would be subject to the tax and have gotten together and said this is what we need to accomplish, why we need to do it, and it's in our best interest in to do it. I'm willing to pay if you're willing to pay.
- Peer to peer
- Then hire someone to organize it to get written consents
- Need that core group that is committed to it and understand that vision

- Usually the larger property owners who get it. Smaller ones have a difficult time justifying it in their own minds
- Usually reach that 75% value before you reach majority of CPOs

9. Can you tell us more about those organizations that are nonprofit tax exempt status and don't pay property taxes?

- Midtown Alliance: has the Midtown CID and the Alliance. Alliance is paid to admin the CID
- Midtown Alliance is a 501 (c)3
- May be helpful to create a nonprofit that would stand alongside of it
- Best practices: pick up little things you've done in other areas...
- Best practices are as varied as types of things CIDs do
- You have business decisions being made as opposed to emotional decisions (i.e. no residential folks on the board)
- Another reason it works better than a community association: It's taxes, something the commissioner collects, once its formed, people can't drop in and out, so you have to pay the taxes. So you have a reliable stream of revenue, where you can plan.
- With a retail association or other membership association, you may have it this year, but not next year. People lose interest in it.





1. *What is your annual budget?*
 - About \$5 million per year.
2. *We understand your CID funding has leveraged investments from other sources. Can you tell us how much your CID has raised, and how much it then leveraged?*
 - In its 25 year history, the Cumberland CID has collected \$100 million of the business community's money through taxes and leveraged it into half a billion dollars in roads, streetscapes, trails, commuter services, and more.
3. *Have you seen significant growth in tax revenues based on improvements implemented?*
 - Commercial real estate assets within Cumberland CID when the CID was created 25 years ago were \$1.2 billion. After 25 years, commercial real estate assets within the CID were \$2.7 billion, representing 220 percent growth. Tax revenues are reflective of this increase in commercial real estate value.
4. *What types of improvements have you been able to implement relative to different budget allocations?*
 - Over its 25 year history, the Cumberland CID has completed 62 projects (32 road improvements, 24 trails and streetscape enhancements, and 6 beautification initiatives)
 - Road Improvements are usually completed with a 1-to-5 leverage. Many grants and matching funds are available for road improvements.
 - For trails, bike paths, and streetscapes, there are not as many grants available, so the CID typically puts in 50 percent of the money and is able to raise 50 percent of the funds through grants and other matching funds.
 - Typically, beautification projects (i.e. landscaping, signage not tied to another project) are entirely funded by the CID, without grants or matching funds.
 - When evaluating funding sources, the CID must ask whether it places more value or time or money. Cumberland CID's model is to be shovel-ready for every project, having secured all funding prior to project implementation. Seeking Federal funding for a project often tacks years on to a development schedule.
5. *What were some obstacles during the process of creating the CID?*
 - During the process of forming the CID, the organization needs a champion that commercial and business owners see as a credible peer and that they know and respect. Having a private champion is critical.
 - The CID needs quality people on staff or as advisors/consultants (i.e. engineers) to understand and design a project. You have to know what you're doing if you are going to be successful.
 - Deciding how to staff the CID is key. Cumberland CID has four project managers that handle a large portfolio of projects, but has a stable of consultants (i.e. project managers, designers, engineers, etc.). For the Clifton CID, would Emory be involved in staffing the CID? Cumberland CID is fully staffed by the Cobb County Chamber and the CID pays administrative fees to the Chamber. As another example, my understanding is that Perimeter is its own business entity and fully staffs itself.
6. *Any tips for a new organization trying to form a CID?*
 - Need a clear vision. Also need a work plan that includes what the CID aspires to achieve, but not necessarily how they plan to achieve/ implement the projects in the work plan.
 - Prioritize the projects.
 - Try not to have someone within the organization constantly acting as a fundraiser. The CID needs to have some assurance regarding a stable revenue stream.
 - Foster political relationships, especially with the county(ies).
7. *What forms of funding have you leveraged? Debt? Matching funds? Grants? Etc.*
 - Cumberland CID has not leveraged debt, but has secured many other forms of financing. Through the Atlanta Regional Commission, the CID has obtained TIP funding, and LCI funding. Through Georgia, the Cumberland CID has obtained GTIB grants. Through the county, the CID has received SPLOST funds.
8. *Does your CID have any authority to issue bond debt? Or, if you do get debt, how does it work?*
 - Cumberland CID has the authority to issue bond debt, but does not do it.
9. *Do you have any voluntary contributions (i.e. payees who don't have to pay in but opt to... i.e. nonprofits or governmental institutions)?*
 - Cumberland CID does not receive any voluntary contributions. However, Perimeter CID receives voluntary contributions from hospitals. Perimeter may be a good case study for the CCP project based on its structure. Due to its geographic presence in two counties (DeKalb and Fulton), the Perimeter CID is actually structured as two CIDs that are two separate entities with two separate governing boards. With hospitals paying in voluntary contributions, there may be another 501-type organization layered into its structure.
10. *Is it a normal provision for a CID to adjust the millage rate periodically or on annual basis?*
 - The millage for all CIDs gets set annually. The county sets a millage rate limit. Each CID can re-evaluate their millage rate annually, within the county limit.



1. *Tell us about your role on the CID – aren't you with two of them?*
 - The purpose is to bring multiple jurisdictions together. We have the CIDs in the two counties, plus the Perimeter Business Alliance.
 - Have board of trustees of more corporate people, kind of like Midtown Alliance
 - Our subject is competitiveness, beyond economic development
 - Looking at joint government funding, competitive policy towards (our area)
2. *With those who voluntarily donate, how does that work? How do you calculate what they pay? What is the "contract" like for them? Is it year by year? Is there a contract?*
 - Northside Hospital supports the Alliance and provides sponsorship money to help with events
 - Sponsorships of different events from them, helped us with transit programs within our transportation management authority (TMA), to get employees to use van pools.
 - Reached out to Piedmont Hospital, Children's Healthcare of Atlanta, St. Joseph's Hospital, but no monetary contributions yet
 - There was a project in Dunwoody, needed right of way in property to put improvements of streetscapes, lighting, cross walks, etc. for which Northside provided the right of way to count towards part of that project
 - Donations are offered according to what we're doing, whatever their interest is along that corridor
 - No contracts
 - Done on a case by case basis
3. *What is it like to have so many cities/counties in your district?*
 - It's very very complex
 - We have 2 counties, 3 cities in 4 square miles
 - We have to be very strategic in our partnerships and what we bring to bring to the table
 - We are a giant income generator, tax base, employment center, etc.
 - High level relationships we've developed to engage all of those partners
 - Our legislature set up 2 CIDs, one in Fulton/one in DeKalb
 - City representatives on the others
4. *How do you figure out who deserves a seat on the board?*
 - Who is appointed as a board member is designated by the legislation
5. *How do you prioritize projects throughout the CID area? In your case, how do you determine which part of the funds are spent in which jurisdictions?*
 - Authorized to spend money only within those jurisdictions
 - Set up an intergovernmental agreement if it crosses jurisdictions
 - Ongoing commitment to research, external affairs, to keep people in the loop
 - Have quality discussion
6. *What kind of projects are you working on?*
 - All kinds of stuff
 - Mainly transportation mobility
 - Access
 - Building live work play walkability scale towards connective of projects
 - System of project that work together from 400
 - New opportunity to build trailways and pathways
 - When we started 15 years ago, had low-hanging grants for sidewalks, intersections, off duty cops for traffic control
 - Now massive agenda: \$150M put into the ground, leveraged with about \$30M of the CID money to continue to be competitive
 - We've been climbing a big mountain for 15 years
 - I believe we're going to continue to be growing
7. *You've been involved in several of these -- any tips for a new organization trying to form a CID?*
 - I was the formation direction, built the company
 - In theory, you really need to have your homework done
 - A lot of preparation before you incorporate a CID
 - A lot of research on parcels, commitment of people to want to join
 - Have a way to get a biz plan moving pretty quickly
 - People don't want to be taxed... so need to have a bottom line
 - Pick very good projects that can be done quickly and support the mission

Exhibits: Property Valuation Calculations

Location/Area	Parcel Name	Owner	Parcel #	Land/Bldg Value	Assessed Value	3 Mills Tax	5 Mills Tax	Acreage	Value/Ac
North Druid Hills Road/Briarcliff Target		Federated Department Stores	1815201044	\$ 9,350,000	\$ 3,740,000	\$ 11,220	\$ 18,700		
Briarcliff Road		Retail Centers Ltd	1815201052	\$ 2,007,000	\$ 802,800	\$ 2,408	\$ 4,014		
		Scarlett and Associates	1815201045	\$ 1,051,000	\$ 420,400	\$ 1,261	\$ 2,102		
		Tuggle R S	1815201051	\$ 259,800	\$ 103,920	\$ 312	\$ 520		
		Scarlett and Associates	1815201042	\$ 549,200	\$ 219,680	\$ 659	\$ 1,086		
		Scarlett and Associates	1815201047	\$ 342,700	\$ 137,080	\$ 411	\$ 685		
		C & A Properties, Inc	1815201048	\$ 830,000	\$ 332,000	\$ 996	\$ 1,660		
		Restaurant Services Co	1815201043	\$ 858,300	\$ 343,320	\$ 1,030	\$ 1,717		
		Scarlett and Associates	1815201046	\$ 660,000	\$ 264,000	\$ 792	\$ 1,320		
		Scarlett and Associates	1815201001	\$ 45,500	\$ 18,200	\$ 55	\$ 91		
		Regency Retail Partnership LP	1815301002	\$ 13,000,000	\$ 5,200,000	\$ 15,600	\$ 26,000		
		Pak and Sac Enterprises	1815301004	\$ 670,000	\$ 268,000	\$ 804	\$ 1,340		
		Tuggle Roy S Jr	1815304006	\$ 1,330,500	\$ 532,200	\$ 1,597	\$ 2,661		
		QuikTrip Corporation	1815304003	\$ 70,500	\$ 28,200	\$ 85	\$ 141		
	Boston Market	Port Pad Land Partners LP	1815304009	\$ 880,400	\$ 352,160	\$ 1,056	\$ 1,761		
		Tuggle Ralph W Under Will	1815304007	\$ 1,600,000	\$ 640,000	\$ 1,920	\$ 3,200		
		North Druid YC LLC	1815306001	\$ 810,200	\$ 324,080	\$ 972	\$ 1,620		
		Columbia Druid Hills, LLC	1815306004	\$ 1,059,800	\$ 423,920	\$ 1,272	\$ 2,120		
		MLG Atlanta, LLC	1815306005	\$ 2,078,500	\$ 831,400	\$ 2,494	\$ 4,157		
		Chik Fil A Real estate	181530701	\$ 551,700	\$ 220,680	\$ 662	\$ 1,103		
				\$ 38,005,100	\$ 15,202,040	\$ 45,606	\$ 76,010	50.5	\$ 752,576
North Druid Hills Road/Briarcliff Road				Subtotal Estimated Value	\$ 38,005,100	Estimated Tax	\$ 76,010	50.5	
Lavista Road/Briarcliff Road	Whole Foods	Whole Foods Market Group Inc	1810904001	\$ 3,600,000	\$ 1,146,840	\$ 3,441	\$ 5,734	3.17	\$ 1,135,647
	Briarcliff Shopping Center	Idlewood Properties Inc	1810905008	\$ 2,867,100	\$ 1,146,840	\$ 3,441	\$ 5,734	3.6	\$ 796,417
	Public Storage	Storage Trust Properties LP	1810903021	\$ 1,740,601	\$ 696,240	\$ 2,089	\$ 3,481	2.92	\$ 596,096
				\$ 8,207,701	\$ 2,989,920	\$ 8,970	\$ 14,950	9.69	\$ 847,028
Lavista Road/Briarcliff Road				Subtotal Estimated Value	\$ 14,314,773	Estimated Tax	\$ 28,630	16.9	
Lavista Road/North Druid Hills Road	Toco Hills Kroger	Greyhound Real Estate	1811103030	\$ 5,896,500	\$ 2,358,600	\$ 7,076	\$ 11,793		
	Toco Hills Shopping Center	Toco Hill Inc	1811103003	\$ 15,521,300	\$ 6,208,520	\$ 18,626	\$ 31,043		
	Toco Hills - Pikes	Arnold Foundation Inc	1811103036	\$ 1,624,700	\$ 649,880	\$ 1,950	\$ 3,249		
	Toco Hills - Brewsters	Arnold Foundation Inc	1811103035	\$ 636,700	\$ 254,680	\$ 764	\$ 1,273		
	Toco Hills - Chilis	Arnold Foundation Inc	1811103034	\$ 1,189,800	\$ 475,920	\$ 1,428	\$ 2,380		
	Toco Hills - Outback	Arnold Foundation Inc	1811103033	\$ 1,202,100	\$ 480,840	\$ 1,443	\$ 2,404		
	Toco Hills - Blockbuster	Arnold Foundation Inc	1811103032	\$ 1,057,200	\$ 422,880	\$ 1,269	\$ 2,114		
	Toco Hills		1811103005	\$ 233,600	\$ 93,440	\$ 280	\$ 467		
	Toco Hills - First National Bank	First National Bank of Atlanta	1811103026	\$ 795,800	\$ 318,320	\$ 955	\$ 1,592		
	LA Fitness - N Druid and Lavista	Four Way Realty	1811104001	\$ 4,008,200	\$ 1,603,280	\$ 4,810	\$ 8,016		
	Caribou and Einsteins	Manhattan NDH Properties LLC	1811104007	\$ 750,800	\$ 300,320	\$ 901	\$ 1,502		
		Frosty Acres CA LLC	1811104008	\$ 1,081,300	\$ 432,520	\$ 1,298	\$ 2,163		
		Toco Hills (E&A) LLC	1811103023	\$ 7,380,000	\$ 2,952,000	\$ 8,856	\$ 14,760		
		Toco Hills (E&A) LLC	1811103001	\$ 7,057,800	\$ 2,823,120	\$ 8,469	\$ 14,116		
		Twenty-Nine Sixty Three North C	1811103017	\$ 902,500	\$ 361,000	\$ 1,083	\$ 1,805		
		Northern Realty LLC	1811103019	\$ 850,400	\$ 340,160	\$ 1,020	\$ 1,701		
		Huckleberry Properties	1811103018	\$ 450,000	\$ 180,000	\$ 540	\$ 900		
		Toco Hills Inc	1811103024	\$ 32,100	\$ 12,840	\$ 39	\$ 64		
		ARNOLD LEILA LOUISE CHAR RE BI	1811103028	\$ 2,480,300	\$ 992,120	\$ 2,976	\$ 4,961		
		Arnold Foundation Inc	1811103029	\$ 2,295,700	\$ 918,280	\$ 2,755	\$ 4,591		
		Pefines George	1811104009	\$ 187,100	\$ 74,840	\$ 225	\$ 374		
		Toco Medical LLC	1811104006	\$ 1,494,300	\$ 597,720	\$ 1,793	\$ 2,989		
		Suburban Partners LLC	1811104011	\$ 790,000	\$ 316,000	\$ 948	\$ 1,580		
		PNC Bank	1811104002	\$ 1,579,500	\$ 631,800	\$ 1,895	\$ 3,159		
		Tocos Hills Inc - Station F	1811104004	\$ 745,300	\$ 298,120	\$ 894	\$ 1,491		
		First States Investors 4000B	1811104005	\$ 1,255,800	\$ 502,320	\$ 1,507	\$ 2,512		
		Druid Hills Land LLC	1811102038	\$ 441,700	\$ 176,680	\$ 530	\$ 883		
		Glenridge Toco Hills LLC	1811105018	\$ 1,800,000	\$ 720,000	\$ 2,160	\$ 3,600		
				\$ 7,380,000	\$ 2,952,000	\$ 8,856	\$ 14,760		
				\$ 71,120,500	\$ 28,448,200	\$ 85,345	\$ 142,241	50.3	\$ 1,413,926
Lavista Road/North Druid Hills Road				Subtotal Estimated Value	\$ 104,630,557	Estimated Tax	\$ 209,261	74	

Exhibits: Property Valuation Calculations cont.

Location/Area	Parcel Name	Owner	Parcel #	Land/Bldg Value	Assessed Value	3 Mills Tax	5 Mills Tax	Acres	Value/Ac
Briardiff Road/	Sage Hill Shopping Center	Plant Improvement Company Inc	1805703001	\$ 7,723,600	\$ 3,089,440	\$ 9,268	\$ 15,447	7	\$ 1,103,371
Clifton Road/	Zonolite Rd café	Zonolite Road Properties	1810704047	\$ 2,334,500	\$ 933,800	\$ 2,801	\$ 4,669		
Zonolite Road		Sustainables LLC	1810704048	\$ 798,700	\$ 319,480	\$ 958	\$ 1,597		
		Zonolite Road Properties II	1810704049	\$ 682,400	\$ 272,960	\$ 819	\$ 1,365		
		Zonolite Road Properties III	1810704046	\$ 1,056,800	\$ 422,720	\$ 1,268	\$ 2,114		
		1155 ZONOLITE ROAD LLC (Industrial)	1810704045	\$ 325,100	\$ 130,040	\$ 390	\$ 650	9	\$ 679,056
		Waller Printing Co Inc	1810704041	\$ 177,100	\$ 70,840	\$ 213	\$ 354		
		POULOS EUGENIA V (Industrial)	1810704005	\$ 127,900	\$ 51,160	\$ 153	\$ 256		
		ZONOLITE REAL ESTATE I LLC (Industrial)	1810704034	\$ 117,800	\$ 47,120	\$ 141	\$ 236		
		STERN AN STERN (Industrial)	1810704033	\$ 259,300	\$ 103,720	\$ 311	\$ 519		
		ZONOLITE REAL ESTATE I LLC (Industrial)	1810704004	\$ 231,900	\$ 92,760	\$ 278	\$ 464		
		DALON DEVELOPMENT LLC	1810704053	\$ 300,000	\$ 120,000	\$ 360	\$ 600		
		MIRMARKA LLC	1810704006	\$ 444,400	\$ 177,760	\$ 533	\$ 889		
		SUNTRUST BANK	1810715042	\$ 586,700	\$ 234,680	\$ 704	\$ 1,173	2.6	\$ 910,192
		REEVE JAMES JR (Industrial)	1810715052	\$ 287,500	\$ 115,000	\$ 345	\$ 575		
		VANOVER JOHN C TRUSTEE	1810715051	\$ 454,300	\$ 181,720	\$ 545	\$ 909		
		BAC HOLDINGS LLP (Industrial)	1810715050	\$ 293,600	\$ 117,440	\$ 352	\$ 587		
		WALLER PRINTING CO INC	1810714040	\$ 8,200	\$ 3,280	\$ 10	\$ 16		
		POULOS EUGENIA V (Industrial)	1810714039	\$ 5,600	\$ 2,240	\$ 7	\$ 11		
		REEVE JAMES JR	1810714038	\$ 88,100	\$ 35,240	\$ 106	\$ 176	4	\$ 1,646,475
		DELONG FAMILY PARTNERSHIP LLC	1810714036	\$ 618,100	\$ 247,240	\$ 742	\$ 1,236		
		STANFORD BETH F	1810714035	\$ 728,700	\$ 291,480	\$ 874	\$ 1,457		
		ZONOLITE ROAD STORAGE LLC	1810714031	\$ 5,137,200	\$ 2,054,880	\$ 6,165	\$ 10,274		
				\$ 22,787,500	\$ 9,115,000	\$ 27,345	\$ 45,575	22.6	\$ 1,008,296
Briardiff Road/Clifton Road/Zonolite Road Subtotal Estimated Value				\$ 25,106,582	Estimated Tax		\$ 50,213	24.9	
North Decatur Road/	Emory Village	WINDHOLZ HUNTER AND ASSOCI	1500308001	\$ 89,600	\$ 35,840	\$ 108	\$ 179		
Oxford Road	Emory Village	WINDHOLZ HUNTER AND ASSOCI	1600308002	\$ 161,500	\$ 64,600	\$ 194	\$ 323		
	Emory Village	D A B Associates	1700308004	\$ 170,000	\$ 68,000	\$ 204	\$ 340		
	Emory Village	D A B Associates	1800308005	\$ 345,000	\$ 138,000	\$ 414	\$ 690		
	Emory Village		1900308006	\$ 206,800	\$ 82,720	\$ 248	\$ 414	2.8	\$ 886,150
	Emory Village	Emory Village Associates	1800308007	\$ 696,800	\$ 278,720	\$ 836	\$ 1,394		
	Emory Village		1900308008	\$ 255,000	\$ 102,000	\$ 306	\$ 510		
	Emory Village		2000308009	\$ 307,120	\$ 122,848	\$ 369	\$ 614		
	Emory Village	COWABUNGAFOUR LLC	1800308003	\$ 249,400	\$ 99,760	\$ 299	\$ 499		
				\$ 2,481,220	\$ 992,488	\$ 2,977	\$ 4,962	2.8	\$ 886,150
North Decatur Road/Oxford Road Subtotal Estimated Value				\$ 6,823,355	Estimated Tax		\$ 13,647	7.7	
North Decatur Road/	Rainbow Foods S/C	Idlewood Properties Inc	1805109003	\$ 2,804,000	\$ 1,121,600	\$ 3,365	\$ 5,608	3.6	\$ 823,528
Clairmont Road			1805109002	\$ 160,700	\$ 64,280	\$ 193	\$ 321		
			1805108050	\$ 370,000	\$ 148,000	\$ 444	\$ 740		
	Publix Shopping Center	Emory Commons Partnership	1805108051	\$ 6,205,300	\$ 2,482,120	\$ 7,446	\$ 12,411	5.2	\$ 1,264,481
			1805108016	\$ 2,022,000	\$ 808,800	\$ 2,426	\$ 4,044		
			1805108020	\$ 411,700	\$ 164,680	\$ 494	\$ 823		
			1805108021	\$ 4,204,800	\$ 1,681,920	\$ 5,046	\$ 8,410	4.4	\$ 1,677,114
			1805108038	\$ 409,800	\$ 163,920	\$ 492	\$ 820		
			1805108024	\$ 331,000	\$ 132,400	\$ 397	\$ 662		
			1805105001	\$ 2,683,600	\$ 1,073,440	\$ 3,220	\$ 5,367	2	\$ 1,341,800
			1805107012	\$ 1,855,700	\$ 742,280	\$ 2,227	\$ 3,711		
			1805107016	\$ 1,646,900	\$ 658,760	\$ 1,976	\$ 3,294		
			1805107005	\$ 1,179,500	\$ 471,800	\$ 1,415	\$ 2,359		
			1805107007	\$ 150,100	\$ 60,040	\$ 180	\$ 300	8.9	\$ 1,019,270
			1805107008	\$ 575,100	\$ 230,040	\$ 690	\$ 1,150		
			1805107010	\$ 3,274,800	\$ 1,309,920	\$ 3,930	\$ 6,550		
			1805107026	\$ 389,400	\$ 155,760	\$ 467	\$ 779		
			1805108041	\$ 1,688,000	\$ 675,200	\$ 2,026	\$ 3,376		
			1805108048	\$ 159,000	\$ 63,600	\$ 191	\$ 318		
			1805108005	\$ 1,602,600	\$ 641,040	\$ 1,923	\$ 3,205	4.1	\$ 1,350,585
			1805108060	\$ 1,281,900	\$ 512,760	\$ 1,538	\$ 2,564		
			1805108047	\$ 805,900	\$ 322,360	\$ 967	\$ 1,612		
				\$ 34,211,800	\$ 13,684,720	\$ 41,054	\$ 68,424	28.2	\$ 1,213,184
North Decatur Road/Clairmont Road Subtotal Estimated Value				\$ 38,336,627	Estimated Tax		\$ 76,673	31.6	

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Exhibits: Valuation Calculations

Exhibits: Report - CIDs: Models of Excellence in the Metro Region

Community Improvement Districts: Models of Excellence in the Metro Region from the Council for Quality Growth

Written by:

James Touchton - Manager, Policy and Government Affairs
Alex Hebdon - Policy Analyst
Council for Quality Growth

The Centers of Influence and Infrastructure

Over the past 25 years, Community Improvement Districts (CIDs) have emerged as significant centers of influence in the Metro Atlanta region. By utilizing self-imposed tax revenues from commercial businesses within their districts they are dramatically changing their communities in many ways. From bold new infrastructure improvements to traffic mitigation, private security and the transformation of commercial streets into pedestrian friendly corridors to the creation of new parks, trails and greenspace, CIDs are enhancing the *urban* and suburban landscape. These have improved the standard of living throughout the region and will continue to do so at a rapid pace, as evidenced by recent history.

However, the history of this transformation is surprisingly short, starting only in 1985, when then-State Representative Johnny Isakson and then-State Senator Roy Barnes pushed state legislation to allow for the creation of CIDs. The first CID was the Cumberland CID which formed in 1988 and just celebrated its 25th anniversary. Fifteen more have been formed since then, with the youngest, Tucker, coming into existence only a few short months ago.

Among other things, CIDs leverage private dollars to create public ventures. They return control to stakeholders, improve the quality of life in their districts and dramatically strengthen their tax base.

Major corporations have taken notice of the impact of CIDs and have specifically chosen to locate or expand in areas supported by CIDs. Numerous notable companies such as:

- Cox Enterprises
- GE Energy,
- Home Depot
- Jacoby Development
- State Farm,
- Bluelinx and
- UPS

have all publicly cited the influence and importance of CIDs in their relocation or expansion decisions.

The CID structure is unique. While the board members are elected by the property owners, they serve as volunteers. Moreover, since the property owners pay additional taxes to fund CIDs, you could say that the Board members actually pay for the right to serve. They are truly dedicated stakeholders committed to making decisions that are in the best interest of the assets and the communities that they represent.

The Council would like to recognize each CID for working to make the Metro Region a better place to live, work and play by highlighting just a few of the contributions that each has brought to the region.

Cumberland CID:

Formed in 1988, the Cumberland CID is the oldest CID in Georgia. Over the past 25 years, it has leveraged \$100 million in investments to generate an estimated \$500 million in returns in the form of critical infrastructure spending through 60 capital improvement projects and is home to major corporations such as The Home Depot and The Weather Channel, among others.



Exhibits: Report - CIDs: Models of Excellence in the Metro Region cont.

These notable projects include the \$300 million Cumberland Boulevard loop road and Kennedy Interchange and the \$53 million US 41 Bridge replacement, road widening & trail which will open in 2014. It has also recently attracted The Atlanta Braves to the CID, with plans to build a brand new ballpark by Opening Day 2017. What is even more astounding is that the CID's economic impact totals 5.4% of the state's economy and 33% of the economy of Cobb County.

Central Atlanta Progress/Atlanta Downtown Improvement District

The Atlanta Downtown Improvement District was founded next in 1996 by Central Atlanta Progress, and is transforming the Downtown region through projects like the Atlanta Streetcar, scheduled to go into operation in April 2014; the Traffic Signal Systems Upgrades and Operations Program; and the Atlanta Better Buildings Challenge, a program designed to reduce water and energy usage by up to 20% in the Downtown area. Another major success is the announcement that in 2014, both the College Football Hall of Fame and the National Center for Civil and Human Rights will open downtown.

Town Center Area CID

Since 1997, the Metro Region's 3rd CID, the Town Center Area CID, has leveraged \$30 million of CID investment into \$133 million worth of valuable improvements in the district. Home to Kennesaw State University and McCollum Airport, some of the CID's key projects include the \$27 million Big Shanty Connector (which was completed last year) and the \$24 million Skip Spann Connector (which broke ground this year).



Exhibits: Report - CIDs: Models of Excellence in the Metro Region cont.

Buckhead CID

The Buckhead CID was created next in 1999. Through projects such as the Peachtree Complete Street Transformation; the construction of the \$24 million GA 400/MARTA Pedestrian Bridge; and the creation of the \$10 million PATH400 Greenway Trail, the CID is making great strides to enhance the walkability of Buckhead, while also providing opportunities for workers and citizens to utilize alternative forms of transportation. In this way, it continues to fulfill its mission of transforming Buckhead into a more walkable, livable urban environment.

South Fulton

Created in 1999, the South Fulton CID has raised approximately \$5 million in property tax revenues to date. Two major projects currently supported by the CID are improvements to the Interchange between State Route 74 and 1-85 and the Oakley Industrial Boulevard Upgrades, expected to break ground in the very near future.

Perimeter

Since their formation in 1999, the Perimeter CIDs have focused on improving traffic conditions in the Perimeter area, leveraging \$114.4 million for these projects, totaling \$145.5 million in value. In a district that is home to 5,000 companies, including UPS and Newell Rubbermaid, these investments have been crucial to ongoing development. Projects like the Ashford-Dunwoody Diverging Diamond Interchange - the first constructed in Georgia - and the Hammond Half-Diamond Interchange, have improved safety and eased congestion. Furthermore, the Perimeter Traffic Operations Program (PTOP) has saved 233,680 hours of travel time and saves 160,290 gallons of gas every year. PCIDs' commitment to programs like PTOPTOP has earned them the U.S. Environmental Protection Agency's designation as a Best Workplaces for Commuters District.

Midtown Alliance

Midtown Alliance created its own CID- the Midtown Improvement District- in 2000, and it continues to transform Midtown Atlanta into a vibrant inclusive community with a special focus on environmental sustainability. Since its founding, the MID has raised \$71 million in tax revenue, investing more than \$65 million to fund projects valued at \$405 million in total. Notable project successes include: the installation of 14 miles of new streetscapes, the construction of the new 14th Street Bridge and streetscape enhancements, and the design of the 15th Street Arts District Plaza. In 2012, Midtown Alliance also embarked on a strategic plan to establish Midtown as the South's first urban eco-district.

North Fulton

Celebrating its 10th anniversary this year, the North Fulton CID has invested over \$15 million to fund projects valued at over \$78 million. This year, the North Fulton CID completed all of the Tier 1 priority projects that had been identified by their initial "Blueprint North Fulton" master plan. A new Blueprint 2.0 master plan is currently being completed, which will guide the North Fulton CID's transportation priorities and infrastructure investments over the next 7-10 years. The CID also recently completed a triple-left-turn lane from Mansell Rd. onto North Point Parkway, improving traffic flow in the North Point Mall area and alleviating a regional bottleneck for Ga. 400 commuters traveling northbound.

Evermore CID

The first CID in Gwinnett County, the Evermore CID continues its strong commitment to fostering growth and development along the U.S. 78 corridor. The Evermore CID has invested in notable projects, such as the completion of the \$66 million redesign of U.S. Highway 78, the Hewatt to Parkwood Parallel Access Street and the \$2 million McGee Cambridge Alignment project.



Exhibits: Report - CIDs: Models of Excellence in the Metro Region cont.

Gwinnett Place CID

Gwinnett Place CID encompasses the center of commerce in Gwinnett County, and is making substantial progress towards providing necessary transportation and infrastructure improvements. With projects such as the construction of Gwinnett County's first Diverging Diamond Interchange at Pleasant Hill Road over 1-85, and the installation of miles of new sidewalks, streetscape elements and landscaping along Satellite Boulevard, Pleasant Hill Road and other roadways, they are surely succeeding. As a matter of fact, every \$1.00 invested by the Gwinnett Place CID in transportation infrastructure projects is yielding a nearly \$8.00 return on investment. CID community patrols have also led to a 49% decrease in tracked crime incidents, and a 56% decrease in area traffic accidents, since 2007.

Gwinnett Village CID

Gwinnett citizens scored another boost with the creation of Gwinnett's third CID, Gwinnett Village, in 2006. It is a commercial hub offering incredible development and growth opportunities, with over 5,000 businesses employing over 60,000 workers within the CID and commercial property values over \$1 billion. Notable CID projects include the DOI at Jimmy Carter Boulevard and 1-85, scheduled for completion in mid-2014, and the Norcross to Lilburn Multi-Use Trail, which will connect the historic downtowns of Norcross and Lilburn as well as connecting to a regional trail network.

Lilburn CID

In just three years, the Lilburn CID has invested \$575,000 and secured over \$5 million in leveraged funds to promote its goal to serve as the catalyst for development and improvement in Greater Lilburn. Projects supported by the Lilburn CID include the Main Street Realignment into the heart of Lilburn and the Monthly Landscape & Maintenance Program. In 2014, the CID will also roll out a Comprehensive Security Program, in partnership with the City of Lilburn.

Boulevard CID

Since its establishment in 2010, the Boulevard CID has invested over \$1.6 million into needed strategic planning and improvements. The CID recently completed a Master Plan for the district, and is currently seeking funding for future transportation projects to transform this old industrial corridor into a vibrant commercial hub.

Braselton CID

Though the smallest CID in the Metro Region, the Braselton CID is making great strides to enhance the connectivity of Braselton. In just three years, the CID has leveraged \$900,000 in funds for construction of the "Braselton Lifepath", which will enhance the walkability of the area, and revitalize and differentiate the business district within the CID by improving its connection to surrounding residential areas.

Stone Mountain CID

The Stone Mountain CID was only created two years ago, but has shown its value by leveraging \$5 million to promote economic development, increase public safety and fix broken infrastructure. A key success for the CID has been the creation and modernization of the region's best located Logistics Center.

Tucker CID

Tucker CID is the newest member of the CID family. We look forward to reporting its success at next year's CID Recognition Event.



Exhibits: Report - CIDs: Models of Excellence in the Metro Region cont.

Conclusion

These 16 CIDs, with over \$1.7 billion in investments, have relieved congestion on our roadways, improved the safety of residents and employees, and provided parks for our enjoyment and recreation. They have encouraged environmental sustainability and the use of alternative modes of transportation. They have provided bike and pedestrian pathways, and helped to foster a sense of community. They are bringing jobs to our communities and serving as a catalyst for economic growth. They are truly the centers of influence, knitting the Metro Region together by engaging communities in their own development. Without their influence and efforts, the Metro Region would not be what it is today, and the Council for Quality Growth would like to commend each and every CID for the lasting impact they are making on our communities and on our state.



Client Engagement Letter

mTAP Project Overview

The Center for Leadership, a program of the Urban Land Institute's Atlanta District Council (ULI Atlanta), would like to thank the Clifton Community Partnership for sponsoring a Mini-Technical Assistance Program (mTAP). As part of its purpose, ULI Atlanta and the Center for Leadership provide advisory services in order to improve communities and promote responsible land use and development.

Clifton Community Partnership wishes to obtain advice and recommendations from ULI Atlanta on the following:

- The scope of work for this project is to investigate the various forms of associations, districts, or other organizations that could be used to generate or collect funds for pedestrian, traffic, or other infrastructure improvements in and around the Clifton Road corridor, and potentially a several mile radius from there.
- The Clifton Community Partnership's objective is to improve access for bicycles, buses, pedestrians, cars and other modes of transportation to and through the corridor through funds raised via a vehicle, to be determined. That funding vehicle could be a Community Improvement District (CID), Tax Allocation District (TAD), or other self-imposed taxing district. This involves identifying the most viable combination of A) geographic region, B) legal structure for the district, C) stakeholders to back the project, and D) tax base.
- The non-profit entities that exist along the Clifton Road corridor will not be expected to make financial contributions to the CID.
- The specific questions to be addressed are 1) What legal structures are available that can be used to accomplish local revenue generation?, 2) What is the most appropriate geographic region to support each of these structures that is in reasonable proximity to the Clifton Community Partnership?, 3) Given the predominance of non-profit institutions in the Clifton Corridor, is there an adequate tax base to support the creation of a new district?
- A detailed report in PDF format will be presented to the Clifton Community Partnership detailing the options uncovered during the investigation. A recommendation also will be made regarding what is perceived to be the most viable option to achieve the aforementioned goals.



ULI Atlanta Technical Assistance Panel

What is a TAP?

Technical Assistance Panels (TAPs) provide expert, multidisciplinary advice to local governments, public agencies and non-profit organizations facing complex land use and real estate issues in the Atlanta region, consisting of Georgia, Alabama and Eastern Tennessee. Drawing from our seasoned professional membership base, ULI Atlanta offers objective and responsible guidance on a variety of land use and real estate issues ranging from site-specific projects to public policy questions.

Technical Assistance Panels (TAPs) are part of the ULI Advisory Services program. TAPs were designed to be run and implemented by District Councils, the local chapters of ULI. Panelists for these one- to two-day work sessions are selected from the District Council's membership to address land use challenges that require local knowledge to resolve.

As with other Advisory Services panels, the scope of the work is defined by the sponsor. An objective team of seasoned professionals forms the panel, and its recommendations often build upon the community's existing accomplishments. As always, the outcome is of the high quality for which ULI is known.

Who are the Panelists?

A TAP consists of unpaid volunteers from the 1,000 ULI members in the Atlanta District Council chosen specifically for each assignment. Panelists usually include at least one for-profit or non-profit developer, designer and/or planner, market and/or financial analyst, and a regulatory expert. Panelists with a potential conflict of interest will be deferred for other client opportunities.

What are the Deliverables?

Findings are delivered in a PowerPoint presentation at the end of each 1 to 1.5 day-long panel, along with a final report of recommendations.

What is the Application Process?

Clients can apply to the TAPs program at any time. After receiving an application, members of the TAP committee will arrange an initial meeting to understand and refine the assignment and objectives as well as identify key issues. Decisions on whether the committee can accept the panel assignment will be determined shortly after the initial meeting.

How Much will it Cost?

There is a minimum fee of \$10,000.

How Much Lead Time is Necessary?

A three- to four-month lead time is necessary to provide sufficient time to assemble the best available panel members, compile briefing materials and plan for the logistics of the TAP program. ULI Atlanta charges a fee for each of its panels to cover associated costs and staff time.

Why Choose ULI Atlanta?

ULI Atlanta can deliver honest, unbiased answers to our clients' questions. We are uniquely positioned with the flexibility to swiftly formulate, manage and implement on-call dynamic Technical Assistance Panels on a relatively short notice. In addition, our experienced panelists are prepared to address both location-specific and larger high level public policy analysis, providing the client with a unique and comprehensive review. To learn more about the TAP program or to request an application, please contact ULI Atlanta (770) 951-8500 or barbra.bowers@uli.org.



Team Bios



Renee Hartley
AIA, LEED BD + C

Registered Architect
Associate, tvsdesign

2700 Promenade, 1230 Peachtree St. NE
Atlanta, GA 30309
(404) 946-6831

rhartley@tvsdesign.com

Renee Hartley has over eight years of experience as an architect working on both privately- and publicly-funded large-scale, urban buildings and developments. As an Associate at tvsdesign, Renee is involved in all facets of the design and construction process. While she currently works in tvsdesign's public assembly market segment, Renee's diverse portfolio includes both domestic and international projects across multiple segments, including mixed-use developments, hospitality, corporate workplace, and cultural arts projects.

Her most recently completed project is Music City Center, a 2 million square-foot, \$415-million publicly-funded convention center located in downtown Nashville that is on track to attain LEED Silver certification. Renee's extensive involvement in project management and construction administration on Music City Center included managing the efforts of the design team and consultants; working closely with the Owner and Construction Management team to resolve construction issues and mitigate financial impacts of construction costs; and serving as a key contact for communication and negotiation between multiple stakeholders to create appropriate solutions while satisfying a range of objectives and priorities.

Renee strives to exercise her design acumen to uphold an ethical and civic responsibility to create developments, buildings, and spaces that enhance the urban environment and help sustain thriving, healthy places and communities. Prior to joining tvsdesign, Renee worked for over three years in public accounting, providing tax and audit consulting and compliance services, as well as in operations for a consulting organization. Renee holds a Master of Architecture from Georgia Tech and a B.S. in Accounting from Virginia Tech.



Scott Greenfield

Vice President of Development
Novare Group

817 West Peachtree Street, Suite 400
Atlanta, GA 30360
(404) 961-7175

sgreenfield@novaregroup.com

Scott Greenfield is Vice President of Development at Novare Group and is responsible for development and project management of the company's SkyHouse portfolio of mixed-use high-rise rental communities. Scott's current focus is on the development of Novare's Texas portfolio consisting of nearly 1,000 units with project costs over \$200M. Scott previously spent two and half years serving as a third-party asset manager for ST Residential and its Atlanta assets, aiding in the disposition of 1,400 for-sale condominiums valued at \$390M.

Prior to joining Novare Group, Scott was a Vice President of Development & Operations at Wood Partners, where he was actively involved in the acquisition, development, financing and/or disposition of over 1,300 residential multi-family and mixed-use assets valued at \$350M. He also aided in the formation of Wood Partners' Advisory Services Group equipped to provide asset management services to REO and distressed assets. Scott received his Bachelors of Science in Business Administration with a major in Finance from the Warrington College of Business Administration at the University of Florida.



Team Bios

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Rachel Tobin

**Public Relations
Commercial Real Estate Accounts
Jackson Spalding**

1100 Peachtree Street, Suite 900
Atlanta, GA 30309
(404) 724-2501

rtobin@jacksonspalding.com

Rachel is a veteran journalist and seasoned communications professional whose bright mind and natural curiosity have landed her plum assignments, reporting awards and a multitude of friends and admirers. She joined our firm in 2011 after more than a decade as a top Atlanta journalist.

She was a reporter for *The Atlanta Journal-Constitution* for nearly four years, covering the rise and fall of the commercial real estate industry amidst the back-drop of the recession. She also covered UPS/logistics and Home Depot/retail. Before that, Rachel covered the aviation and hospitality beats for the *Atlanta Business Chronicle*, where she won five national Capital Reporter and Editor awards, including first place for reports on business and airline legislation at the state Capitol. Rachel earned a Bachelor of Arts in Political Science from the University of California at San Diego, where she graduated summa cum laude. She later earned a Masters in Communication from Georgia State University, a degree that was completely financed through scholarships and undergraduate teaching assignments. Today she serves on the boards of Central Atlanta Progress, GSU's Rialto Center for the Arts and the Atlanta Press Club.

Rachel was reared in Marin County, Calif., but has a world view honed from cross-cultural immersion. She spent her junior year of high school with a host family in the Dominican Republic and her junior year of college in Paris at the prestigious Institute d'Etudes Politiques. She is fluent in Spanish, French and Portuguese.



David White

**Project Manager/Associate
Robertson Loia Roof, PC**

3460 Preston Ridge Road, Suite 275
Alpharetta, GA 30076
(770) 674-2600

david.p.white@live.com

David White works as an Associate for Robertson Loia Roof, P.C. where he is a project manager for the design of diverse product types including retail, office, institutional, and hospitality. He is responsible for land entitlements, design, regulatory compliance, and the risk mitigation for these developments. He has contributed to more than 100 projects totaling more than \$300 million in construction costs and numerous projects with Energy Star certification. Some of his recent projects include Atlanta Motorsports Park – the first green motorsports park – in Dawsonville, Georgia, and the Wescott Center, a retail development and 57 parcel assemblage requiring various entitlements. He has taken a leadership role in business process development and in serving on finance and IT/infrastructure teams.

David also invests in residential real estate as a principal where he is responsible for acquisitions, capital sourcing, value-add improvements, marketing, leasing, and asset management.

David graduated from Virginia Tech with a B.S. in Civil Engineering and a minor in mathematics. He has an M.B.A. from Emory University – Goizueta Business School with concentrations in Finance and Organization & Management where he graduated Beta Gamma Sigma. He is a registered Professional Engineer with licensure in eight (8) states as well as a LEED AP.

David is married to Laura White and they have two active children named Isabel-Ia and David Peyton II.



Team Bios

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Yvette Bowden

*mTAP Team Advisor
ULI Center for Leadership*

Yvette Bowden was most recently President & CEO of Piedmont Park Conservancy, the 501c3 nonprofit partner of the City of Atlanta engaged in the enhancement, maintenance and protection of Piedmont Park since 1989. Yvette Bowden joined Piedmont Park Conservancy as their President & CEO in May of 2008 through January 2014 and was responsible for the general management of Atlanta's most-visited free amenity – Piedmont Park, implementation of a \$72M expansion effort which will add 53 acres to the Park, and development of the organization's strategy.

Prior to joining PPC, Yvette was the Executive Director of The Giving Tree, a Decatur, Georgia-based nonprofit seeking a permanent adoption solution for children trapped in foster care. In addition, Yvette has over 15 years of private sector experience including successful stints as President of the ING Foundation, Vice President of Community Relations and Inclusion for ING Americas, Director of Diversity and People Services for United Airlines and in-house counsel for both United Technologies Corporation and The Readers Digest Association, Inc. She received her Bachelors and Business and Juris Doctorate degrees from Pace University in New York. Outside of work, Yvette has long championed the arts and children through her community volunteerism.

Yvette is a graduate of the Urban Land Institute Center for Leadership Class of 2013.