

For Your Information

Atlanta's Economic Growth Through Special Districts

By Lauri Strauss
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It is the responsibility of state and city governments to provide support and resources to their constituents and communities. Sometimes, the communities need more support than their local government can provide to further their economic development. In these situations, special “districts” can be a useful tool. Below are the main types of districts around Metro Atlanta and the state.

Community Improvement Districts – CIDs are designated areas where local businesses are committed to help fund government services to improve the community. Improvements include building and maintaining city streets and parks, maintaining water and sewage systems, and improving public transportation. CIDs are authorized by the City of Atlanta. To get city approval, at least 50 percent of the businesses in the District need to agree to pay increased taxes for community improvements. CIDs have their own boards and governance and many work with their local government to coordinate District improvements. CIDs also may be referred to as Business Improvement Districts (BIDs). According to Georgia State University, Atlanta currently has 25 CIDs in the Metro Atlanta area, including the Cumberland area, Midtown and the West End. You'll find information for some of the CIDs on the City of Atlanta [website](#).

Special District/Special Purpose District/Special Services District – SDs are entities created for a limited, special purpose as a way to provide economic support or economic development in a specific area. SDs may have a single focus, such as managing hospitals, libraries, and airports, or they may be multi-focus overseeing parks, community development and local sewer and water supply. Local government leaders create their SDs and determine the specific rules and guidelines for them. SDs may provide support to a newly developed community, or they may assist communities that are already established but need additional support or services. SDs are a way for a local government to generate additional income through taxes or by issuing bonds to support the needs of the district. The Beltline is one of Atlanta's newest SDs, approved in March 2021 to provide additional funding to complete the project for a multi-use trail. There are thousands of special districts around the country. Many of them are defined on the U.S. Census Bureau [website](#).

Tax Allocation District – TADs are designated areas where revenue collected from property taxes is used for specified improvements in that District. TADs are usually areas that are not fully developed or need revitalizing, but funding isn't available to make the improvements. All TADs must be approved by the local government, and the government must approve the proposed improvements for the District. Once a TAD is created, the city can sell bonds to

For Your Information

generate revenue to fund the development in the district. The increased value in property taxes as a result of the new development is used to help pay off the bonds. TADs also may be called Tax Increment Financing (TIFs). Some of Atlanta's current TADs include the Westside, the neighborhood around Mercedes-Benz Stadium and the Atlanta Beltline. You'll find more information on Atlanta's TADs on Invest Atlanta's [website](#).

Resources used for this article and more information on Georgia's special districts:

[Atlanta Beltline: City of Atlanta Approves Funding to Complete Atlanta Beltline Multi-Use Trail Special Service District](#)

[City of Atlanta, GA: Community Improvement Districts](#)

[City of Atlanta, GA: Tax Allocation District](#)

[Georgia Municipal Association: Georgia's Community Improvement Districts](#)

[Georgia State University: What You Need to Know About Georgia's Community Improvement Districts](#)

[Gwinnett County: Community Improvement Districts](#)

[Invest Atlanta: Supporting Vibrant, Growing Communities](#)

[U.S. Census Bureau: Are There Special Districts in Your Hometown?](#)

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