

Revitalization hopes return, TADs reset

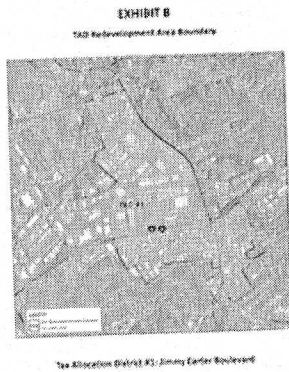
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Tax allocation districts



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A rebounding economy is reigniting revitalization hopes in Gwinnett leaders.

In 2009, just months after officials set up tax allocation districts to spur new projects in some of the county's struggling business districts, the bottom fell out of the economy, and property values began a drastic decline.

Because TADs — the financing tool used to create the popular Atlantic Station out of an old steel mill site in Atlanta — use a projected increase in property tax revenues that comes from increased value, the recession cut short any possibility of using the tool.

Now, though, officials believe that the economy has tipped and property values will begin to increase in 2014.

To take advantage of the lower value and expected increase, commissioners voted last week to re-set the county's five TADs.

"While I anticipate that they will be used very carefully, Tax Allocation Districts are one tool that can be helpful in encouraging redevelopment," Commission Chairwoman Charlotte Nash said. "At Tuesday's meeting, the Board's took actions necessary to maintain the viability of TADs for the areas where they already existed. With the economy headed back in a positive direction, Gwinnett's TADs will be an added incentive for business investment in those areas."

Chuck Warbington, executive director of the Gwinnett Village Community Improvement District, the western Gwinnett area where two of the TADs are located, said developers have said they wouldn't consider a big redevelopment project without the financing tool.

After years of talk, he added, officials expect work to begin in 2014 on a major project at OFS along Jimmy Carter Boulevard, thanks to the resetting of the district there.

He said TADs simply "level the playing field" with greenfield development, and act as a kind of impact fee to help pay for the infrastructure improvements.

"Having these in place will ensure a bright future for the Norcross community," Warbington said.

In the past four years, the tax allocation districts in Gwinnett saw a dip of between 14 percent and 32 percent in tax value. That would have meant a project would have to increase property values by millions just to return to the level were the TAD was set, before reaping any benefits in financing the infrastructure improvements needed for the job.

Warbington said local business owners are glad to see the value up to date, after such an upheaval in the economy.

"The CID's Board of Directors recognizes TADs as one of the most powerful economic development tools to help boost revitalization of Gwinnett's central business district at Gwinnett Place," said Gwinnett Place CID Director Joe Allen. "Across the nation, tax increment financing has been a success-driven tool for transforming communities and effectively enabling targeted redevelopment. From our discussions with area property owners interested in positive development in the greater Gwinnett Place area, they tell us that the Gwinnett Place TAD can help them catalyze projects that provide jobs and services which will ultimately improve the quality of life for all Gwinnett resident."

In the Evermore Community Improvement District, where TADs are set in the Park Place area and at Lake Lucerne, officials said the move primes the corridor to take advantage of the improvement in the economy.

"We look forward to, yet another tool to incentivize the development of the Evermore Community Improvement District", said Chris Garner, a local business owner who chairs the CID's board of directors. "The commitment and vision of the Gwinnett County Commission and the Gwinnett County Planning and Development Department has provided an opportunity for further growth and development."