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Renewal tool given sales pitch

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LAWRENCEVILLE — Officials are hoping to educate voters on a new way to pay for revitalization, but first they needed a little lesson themselves. The idea, called tax allocation districts, helped create the trendy Atlantic Station community in Atlanta, but voters still have to approve a referendum before Gwinnett can take advantage of it.

With the vote set for November, government staff invited attorney Sharon Gay to explain the intricacies to commissioners and other officials Tuesday. "It's not a simple concept, and there are a lot of misconceptions about it," said Gay, who works for the law firm McKenna Long & Aldridge and helped with the Atlantic Station project and others.

She said many people often mistake the concept for a tax increase, but instead the government earmarks funds for revitalization that would come from the expected rise in property values after the redevelopment takes place.

The taxes aren't abated or increased, but the excess revenues are simply set aside for the revitalization costs.

"You're basically earmarking future revenue that you don't have today, and probably won't without the revitalization," she said. In Atlanta, "the house prices started skyrocketing when Atlantic Station was still a hole in the ground."

The election is still three months away, but the turnout at the commission briefing indicates that at least the officials are on board with the new tool to revitalize the county.

About 50 officials, including people from all three of the county's community improvement districts and five cities, attended the hearing.

"There is a lot of interest," Gwinnett Chairman Charles Bannister said.

"There's a huge benefit to be had with no cost."

A vote on the concept in Cherokee County failed a couple of weeks ago, so Sen. Curt Thompson said some people may be concerned about Gwinnett's prospects. That could account for the large crowd, he said.

"For those folks who want infrastructure improvements, it's the only way to avoid a tax increase," said Thompson, who sponsored the legislation for

Gwinnett. "You always want to have as educated a public as possible." Tom Anderson, a local attorney who has agreed to head a campaign to get the referendum passed, said he believes the tool could bring new life to Gwinnett's older communities along Jimmy Carter Boulevard or near Gwinnett Place Mall.

"We've got areas that really need to be redeveloped," he said. "We're going to try to get the information out there."

November's vote would only give the county the authority to use the financing idea. Before it is implemented, commissioners would have to choose a specific location and create a redevelopment plan. Gay said that step usually occurs after a developer is on board for a specific project. The county would also have to convince the school board to free up the education portion of the sales tax, she said.

Cities would have to have separate legislation in the General Assembly and individual referendums before they can use the tool.