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Tuesday, February 26, 2008

CIDs fund tax district lobbyist

By Arielle Kass Staff Writer

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DULUTH - Local community improvement districts want to make sure every possible redevelopment option is available to them.

So they're ponying up the cash to get their voices heard in the state legislature in the coming month.

Monday, the Gwinnett Place CID elected to spend \$12,500 so former Secretary of State Lewis Massey can lobby on behalf of tax allocation districts, a redevelopment mechanism dealt a blow earlier this month when the state Supreme Court ruled school funds cannot be used for noneducational purposes.

The Gwinnett Village CID is spending \$15,000 for the effort and the Evermore CID will discuss the possibility of funding Massey's lobbying in a meeting Wednesday.

The tax allocation districts would use increased property taxes for schools, cities and counties gained by redevelopment to pay for infrastructure improvements in the areas.

But because property taxes paid to the county school system account for 60 percent of all property taxes in Gwinnett, the decision would significantly increase the amount of time it would take to pay back infrastructure improvements on projects funded by the mechanism. That takes much of the power away from the districts, local leaders said.

The CIDs and others are hoping to pass a constitutional amendment through the legislature that would allow school districts the option of participating in tax allocation districts. Both House and Senate proposals have been put forward, and Massey said he expects one of them to win out by the end of March.

The districts can currently be created in nine local cities, but not in unincorporated Gwinnett County, where voters defeated the issue by a small margin. A referendum to allow the districts is expected to be on the ballot again in July.

Massey said the lobbying effort is necessary because unless the rule is passed this year, tax allocation districts would likely be unable to function with school board money until 2011.

"The additional support will help us make a better case, a broader case why it should pass," he said.

Joe Allen, the director of the Gwinnett Place CID, said while there are no districts in the works for the area at the moment, the mechanism is important for the future of the CID.

He said without the districts, redeveloping areas that need stormwater overhaul or other infrastructure improvements may be cost prohibitive.

Because the CID cannot spend its money to campaign for the districts' approval once it is on the ballot, Allen said he thought it was appropriate to spend the money to make sure the option is available to voters.

"This is a tool that we cannot allow to fall by the wayside," Allen said. "I see the need for it in our redevelopment areas. It's not going to happen today, but I'm going to plan for tomorrow."

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