Central Atlanta Progress
Atlanta Downtown Improvement District

MIDTOWN
Improvement District

BUCKHEAD
Community Improvement District

THE ECONOMIC AND FISCAL IMPACTS OF ATLANTA'S PEACHTREE CORRIDOR

EXECUTIVE SUMMARY

BleaklyAdvisoryGroup

DECEMBER 5, 2014

THE PEACHTREE CORRIDOR

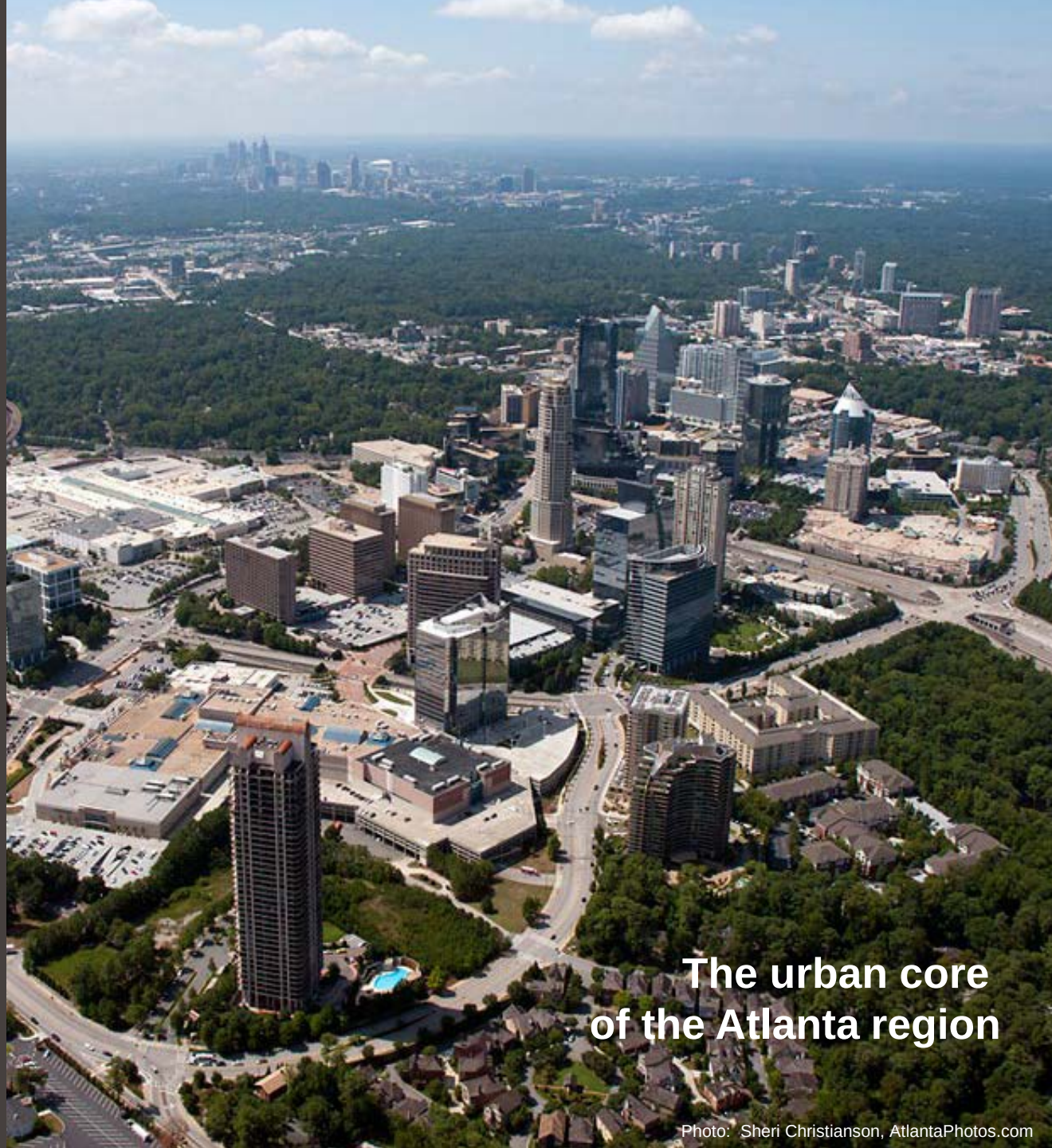
The Peachtree Corridor is the region's economic engine.

A repository of its history; its seat of governance and learning, home to the creative class; the digerati; industries of the mind.

It is where the pulse of arts and entertainment beats the strongest; it is a tourist mecca and a retail powerhouse.

It is where the region comes to work, to live, to play, to learn and to be stimulated.

It is Atlanta's place to be urbane.

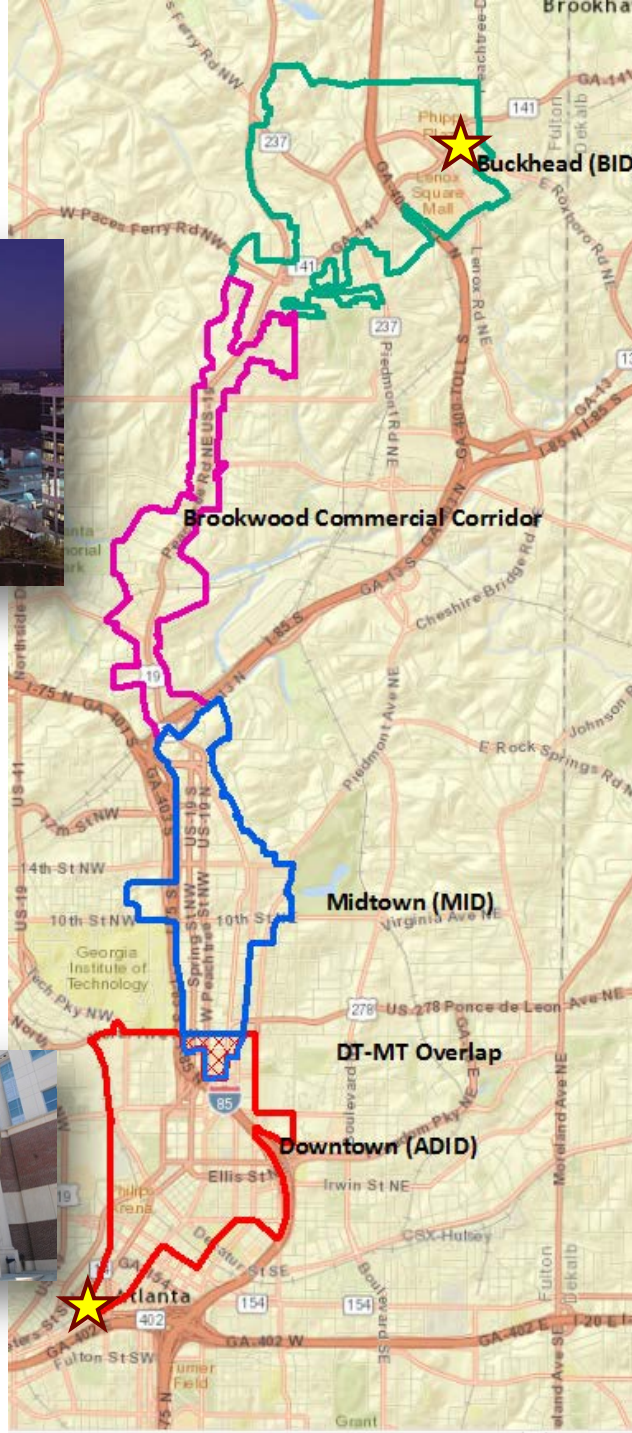


The urban core of the Atlanta region

Photo: Sheri Christianson, AtlantaPhotos.com

THE PEACHTREE CORRIDOR

- 8.5 miles end-to-end
  - North End: Phipps Plaza or Pinnacle Building
  - South End: Municipal Court
- It includes three CIDs:
  - The Atlanta Downtown Improvement District (ADID)
  - Midtown Improvement District (MID)
  - Buckhead Community Improvement District (BCID)



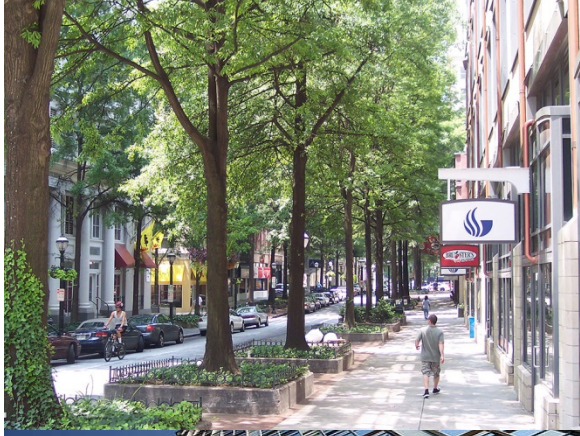
ATLANTA'S URBAN CORE

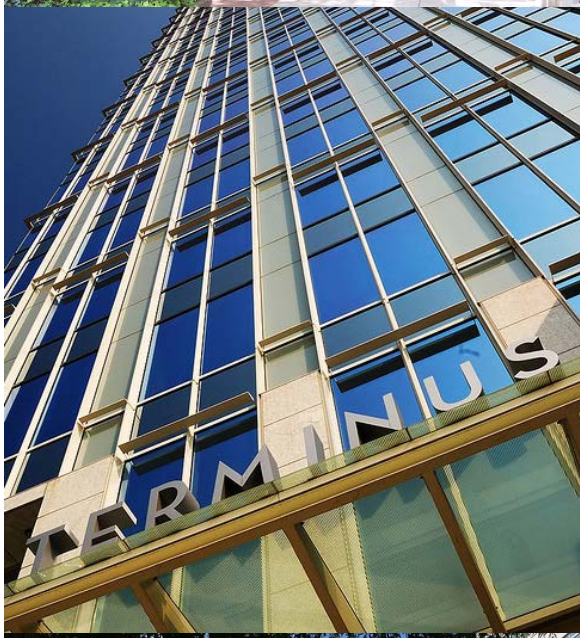
- The Peachtree Corridor contains

  just **3.7%** of Atlanta's land

ON THAT 3.7%:
VALUE

- **$21** billion in real estate value
- **37%** of the City's total real estate value
- The average value of an acre in the Peachtree Corridor, $6.7 million, is **10** times the city-wide average.





Photos: Mike Cloey

ON THAT 3.7%: ASSETS

- **121 million SF** of commercial real estate in the Corridor
- **$5.5 billion** of new construction in pipeline
  - 80 new projects planned or in development
  - 4.8 million SF of new office
  - 1,600 new hotel rooms
  - 14,600 new apartments and condos
  - 25,200 annual construction jobs

Photo: Pickard Chilton

ON THAT 3.7%:
JOBS

- 58% of all jobs in the City
  - 241,300 people work there every day
- Home to the creative class and industries of the mind
  - 70% of the city's jobs in professional, science, technology
- 52,900 new jobs to be added over the next decade

Photo: Turner Broadcasting

Photo: Joeff Davis . Creative Loafing

Photo: CNN

Photo: Perkins + Will

ON THAT 3.7%: RESIDENTS

- 48,900 people live in the Corridor
  - 10% of the City's population
- Millennials and Gen X dominate
  - 68% of all residents
- Incomes are substantial
  - $71,700 (1.7 times the City median)
- Small, young households with few children
  - 90% of households 1 or 2 persons
  - Only 8% with children

Photo: Sevapo. flickr.com

ON THAT 3.7%: VISITORS

- 28 million visitors annually come to over 50 attractions:
  - Recreation
  - Professional and College Sports
  - Museums and Cultural Attractions
  - Live music and theatre
  - Meeting and conventions

- 5.6 million overnight hotel guests

Photos: Creative Loafing

Photos, Ga Tech, Jennifer Wilson

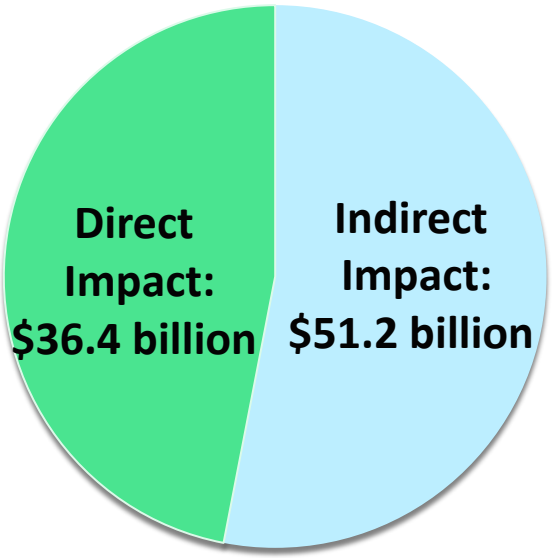
ON THAT 3.7%:
EDUCATION AND HEALTH

- 10 institution of higher education
  - Anchored by Georgia Tech and Georgia State University
  - 56,600 students enrolled, spending $692 million annually
- Six major hospitals with 2,200 beds
  - 27,000 health care jobs

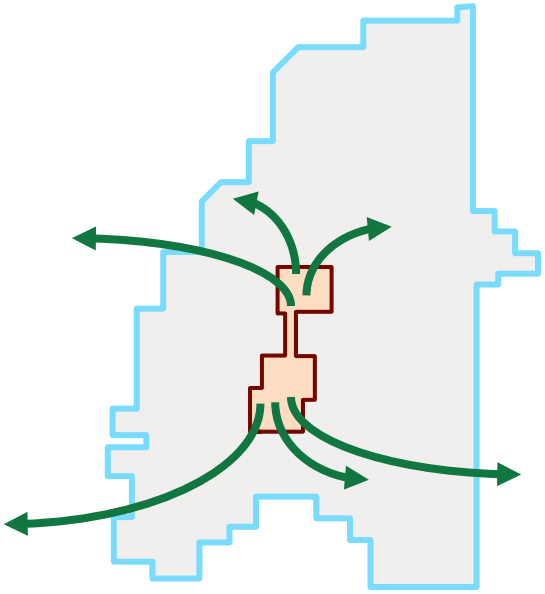
Photo: Walls360.com

ON THAT 3.7%: ECONOMIC ACTIVITY

- **$36.4 billion** in direct economic activity
  - Stimulates **$51.2 billion** in indirect and induced activity
- **$87.6 billion** in total economic activity in the Corridor
- **580,182** total jobs supported by the Corridor
  - **241,200** direct, **338,900** indirect



$87.6 billion in total economic activity



ON THAT 3.7%:
FISCAL SURPLUS

- What is fiscal impact analysis?
  - Compare an area's **local governmental revenues** versus the **cost of providing governmental services**. Which is greater?
  - Government's "cash on cash" return

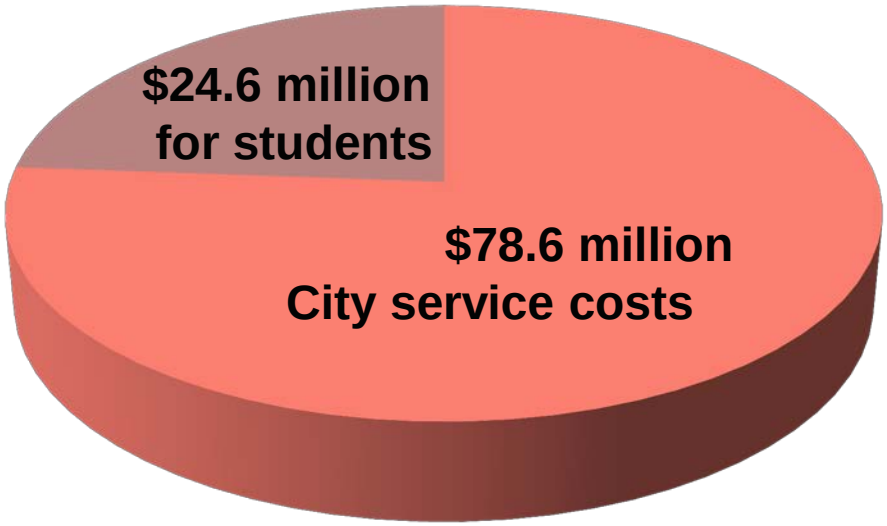
ON THAT 3.7%: PUBLIC REVENUE

- Peachtree Corridor generates **$322.4 million** annually in
  - Property taxes, sales taxes, hotel taxes, occupation taxes
- **$160.8 million** to the City
  - 29% of its General Fund budget
- **$161.6 million** to Atlanta Public Schools
  - 27% of operating budget in 2014; 40% of property and sales taxes

Photos: AFD, APS

ON THAT 3.7%:
MODEST SERVICE DEMAND

- **$78.6 million in** Atlanta city service costs in Corridor
  - Largest sectors public safety, general government
- **$24.6 million** to educate 2,950 local students for APS
- **$103.2 million** in total local service costs in Corridor



$103 million
Total Service Demand

ON THAT 3.7%:
NET SURPLUS FOR CITY AND SCHOOLS

- City of Atlanta

  $161 million in revenue

  - $79 million in costs

  $82 million net surplus

- Atlanta Public Schools:

  $162 million in revenue

  - $25 million in costs

  $137 million surplus

- City and APS receive a **combined $219 million in surplus** revenues annually
  - These funds support city services in neighborhoods throughout the city
  - Equal to 33% of APS's property tax revenue
  - Equal to 20% of Atlanta's property tax revenue

CORRIDOR REVENUES TO THE STATE OF GEORGIA

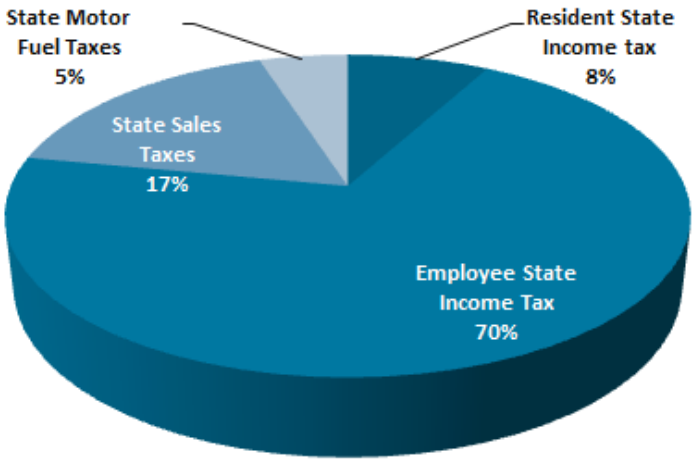
- Economic activity in the Peachtree Corridor generates $1 billion in personal income, sales and gas taxes for the State of Georgia each year.
- This represents **7%** of the $15 billion collected by the State from these sources each year.
  - The largest percentage of the Peachtree Corridor's state taxes come from income taxes paid by employees, 70%
  - State sales taxes represent another 17%
  - Resident income taxes and motor fuel taxes are the remainder, 13%

STATE REVENUES FROM THE PEACHTREE CORRIDOR

Revenue Source		Annual Amount
Resident State Income Tax	$	86,044,460
Employee State Income Tax	$	721,894,800
State Sales Taxes	$	175,209,748
State Motor Fuel Taxes	$	45,519,887
Total	$	1,028,668,896

Source: BAG

The source of$1 billion in State taxes Collected in the Peachtree Corridor



HOW THE THREE CID'S IMPACT THE CORRIDOR

- Collectively the three CIDs have a substantial impact on the Peachtree Corridor in a number of significant ways:
  - **Additional Revenues** —through the tax assessments paid by members which are reinvested in the Corridor
  - **Special Initiatives** --These funds are used to support a wide range of capital improvements and vital programs in the Corridor
  - **Leverage Funding** --the tax assessments are used to leverage additional funding for the Corridor from other sources
  - **Promoting Transit** –the CIDs play a vital role in fostering the use of transit-- MARTA, Cobb and Gwinnett Transit—the Atlanta Streetcar and "the buc" community shuttle bus-- in the Corridor
  - **Safety and Hospitality --**the presence of the Ambassador Force and Midtown Blue on the street enhances safety and hospitality in the Corridor

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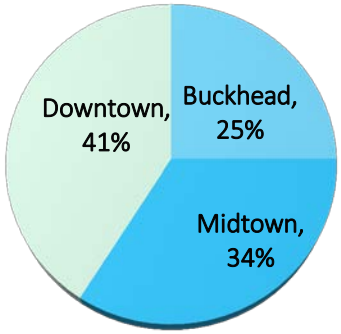
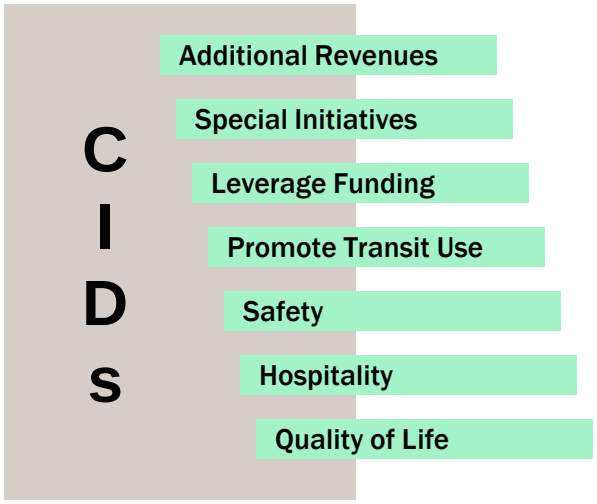
BENEFITS TO THE CORRIDOR FROM THE CIDS

Three CIDs generated $111 million of investment in the corridor from 2009-2014





- **Additional Revenues**—**$111 million** in special assessments generated since 2009--$18 million per year invested in Corridor
- **Special Initiatives** —Unique benefits include: enhanced streetscapes, restaurant weeks, beautification, signage, street cleaning, Atlanta Streetcar, improving the public realm
- **Leverage Funding** —CIDs have leveraged a wide range of funding from other sources to invest in the Corridor
- **Promoting Transit** —over 105,000 transit passes issued annual for MARTA, Gwinnett and Cobb Transit; "The Bbuc" a community shuttle, the Atlanta Streetcar
- **Safety & Hospitality** —the Ambassador Force and Midtown Blue provide 149,000 person hours of additional "eyes on the street" promoting safety and hospitality

The economic impact of the Peachtree Corridor is substantial and multidimensional.

It is the region's largest employment center.

It is increasingly becoming the vibrant new home of for those seeking an urban lifestyle.

It is the epicenter of our region's most forward looking companies, universities and research.

It is the heart of our cultural, entertainment and retail sectors.

It is a major generator of local revenues which support local services citywide and for our schools.

The Peachtree Corridor is the Atlanta region's $87 billion economic engine.

Photo: Kevin C.. Rose

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