

## The Neighborhood Reinvestment Initiative:

Making Atlanta the Best Place to Raise a Child by Leveraging A New Generation of Tax Allocation Districts



## **Our North Star:**

Make Atlanta the Best Place to Raise a Child

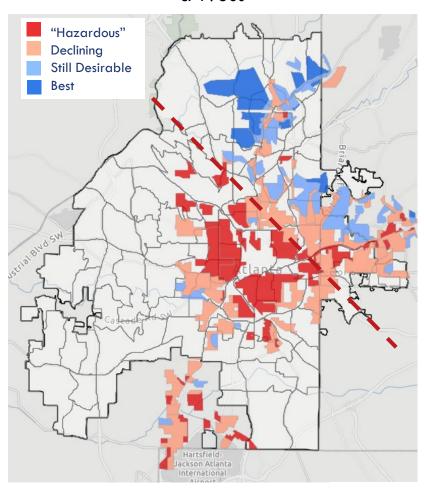
## A TALE OF TWO CITIES

Atlanta's Historic Disparities and Current Conditions

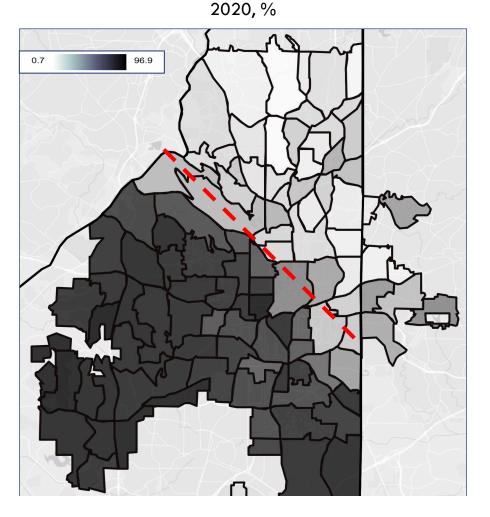
## Atlanta ranks last in economic mobility: Decades of Policy-Making Have Created Segregated Pockets of Opportunity

#### **Redlined Districts**

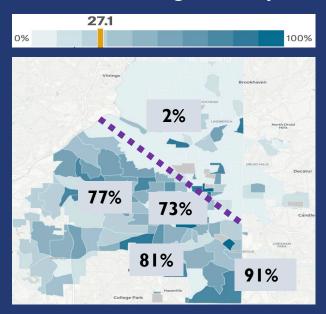
c. 1930s



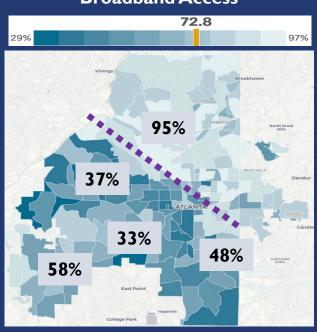
#### Black Population



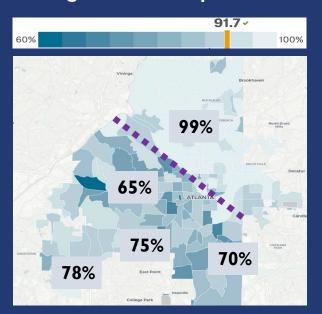
#### **Children Living in Poverty**



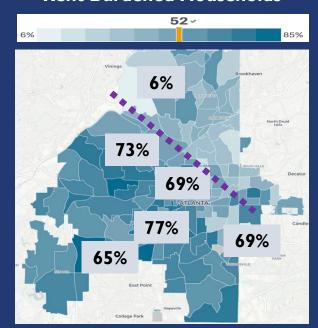
#### **Broadband Access**



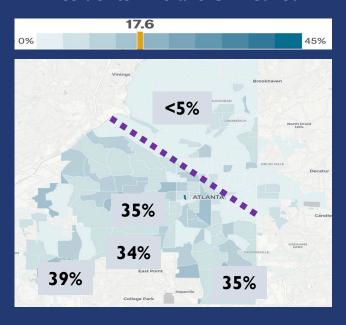
#### **High School Completion**



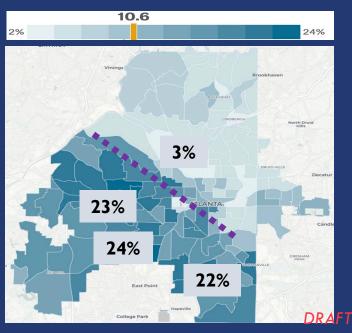
#### **Rent Burdened Households**



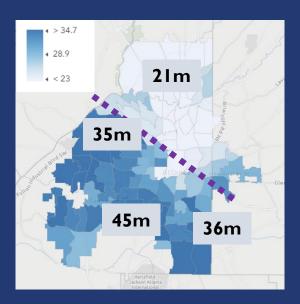
#### Residents who are Uninsured



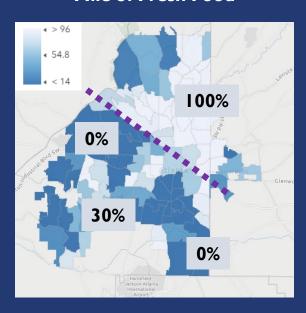
#### **Residents with Diabetes**



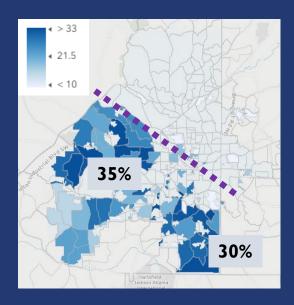
#### **Average Daily Commute Times**



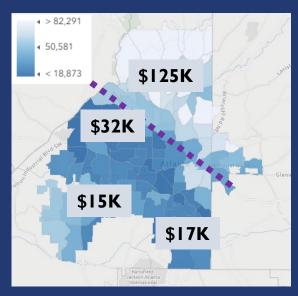
People in Poverty Living within I
Mile of Fresh Food



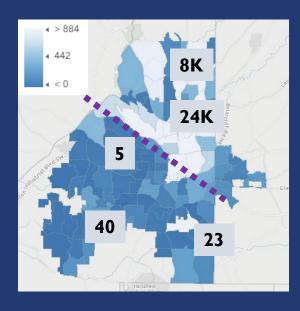
#### **Families Receiving SNAP\***



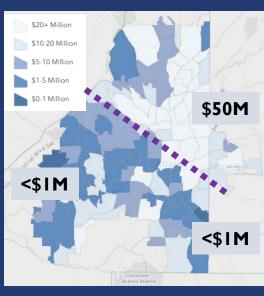
**Median Household Income** 



#### **Industries with Office Jobs**

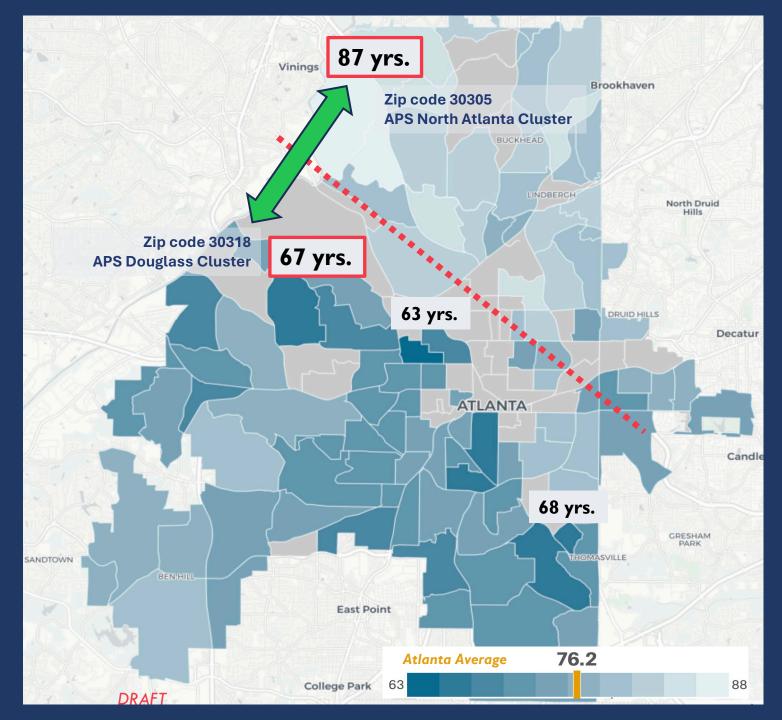


#### Small Business Revenue



There is a direct connection between the negative health, economic, and social outcomes experienced by those living in South and West Atlanta and the decades of public policies designed to foster segregation.

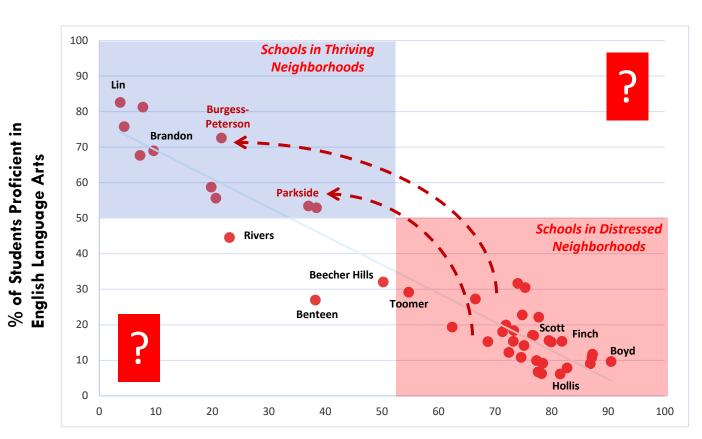
Just 7 miles separate
Atlantans' who live 20
years longer than their
neighbors.



## School performance and neighborhood health are inextricably linked.

Although there is almost a perfect correlation between neighborhood conditions and school performance among Atlanta Public Schools (APS) elementary schools, <u>low-income students living in healthy neighborhoods perform substantially better.</u>

- APS operates some of the highest performing schools in the state. The differentiating factor is geography – and everything tied to it.
- A school never outperforms its neighborhood health. As a neighborhood's health improves, school performance rises, even for low-income students.
- If we want to improve our students' futures, we have to look beyond what takes place in the classroom.



% of Students Qualified for SNAP or Other Federal Assistance

Source: Georgia Department of Education (2023)

## OUR COMPREHENSIVE RESPONSE

The Neighborhood Reinvestment Initiative

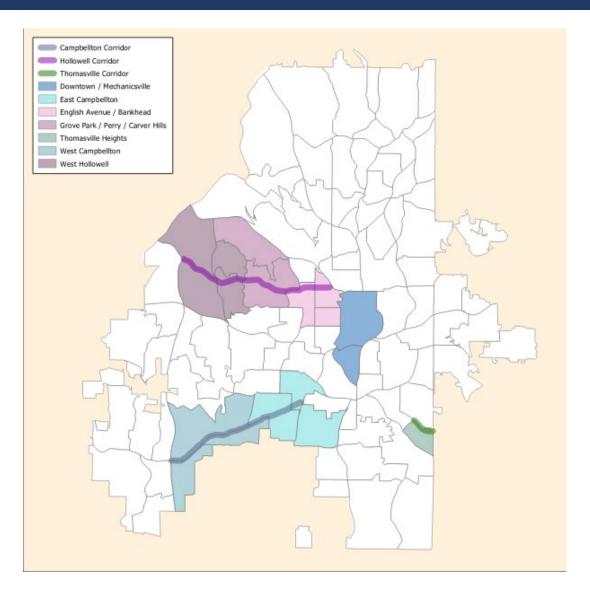
## A Comprehensive Strategy:



These challenges impact all our jurisdictions, and we are ready to reverse these cycles of disinvestment through a new whole-neighborhood strategy.

Starting in seven priority neighborhoods, we will concentrate and braid resources into the building blocks of healthy neighborhoods—both investments in people and place.

To accelerate the place-based work, we must extend our Tax Allocation Districts to reduce the equity gaps facing our City.



# The Mayor's NRI applies proven models to our most disinvested places.

#### Why these neighborhoods first?

- Active resident leadership
- Sizable public and private assets
- Adjacency to leverageable market conditions
- Share poor outcomes, linked to environmental conditions
- Geographic distribution that helps catalyze citywide improvements

We've been meeting with community members for three years in our priority neighborhoods to shape our project lists, prioritize next steps, and build neighborhood capacity to lead this work.



## This Work is Getting Results Citywide

189 Owner-Occupied Rehab grants issued since 2022

**4,740** Households helped by the HHC in 2024

APS achieves highest graduation rates in their history

Homicides (\*YTD from '22)

44%

12K+ units of affordable housing

**587** Households received eviction diversion funds

**\$30M** invested in youth services and nonprofits

Violent Crime (\*YTD from '22)

**₹** 31%

Historic **AAA** Credit Rating

On Track to accept 455 recipients into Anti-Displacement Tax Fund in 2025 30K+ youth impacted through ATL Year of the Youth

Youth Crime

56% during ATL

Year of the Youth

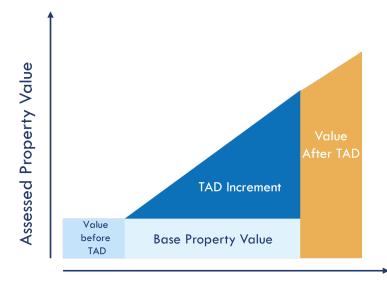
## A BRIEF REVIEW OF TADS

A History of reinvestment

## Brief Explainer: How TADs Work

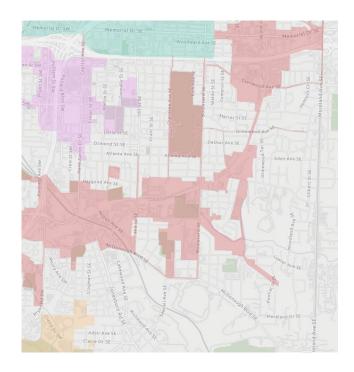
Tax Allocation Districts (or TADs) are set geographic areas that are created by local jurisdictions.

When a TAD is created, the base tax value is frozen and as investments are made in the community and tax revenue increases, that revenue stays in that community for reinvestment.



TADs keep your tax dollars local and fund things like new parks, housing, and infrastructure.

Much of SE Atlanta resides within or is adjacent to a TAD, particularly the Beltline TAD.



Time

# TADs Can Be Our Engine To Supporting Healthy Neighborhoods

#### TADs Contain or Surround:

- **87%** of the schools with >30% mobility
- 68% of the census tracts with low to no fresh food access
- 100% of the ten highest neighborhoods of family poverty

We have the capacity to change the trajectory of these families by surrounding our neighborhoods with investments through the TADs.



## While Some TADs Have Seen Success, The Work Isn't Finished

The communities within TADs are vulnerable to market forces that would rapidly accelerate displacement of existing residents. We must maintain a tool to preserve affordability, while encouraging the investment these communities deserve.



Some neighborhoods
within TADs are
experiencing a vacancy
rate of triple the
Citywide average



Downtown commercial properties face a vacancy of 33%



8,000 existing affordable units on Campbellton are at risk of aging or turnover



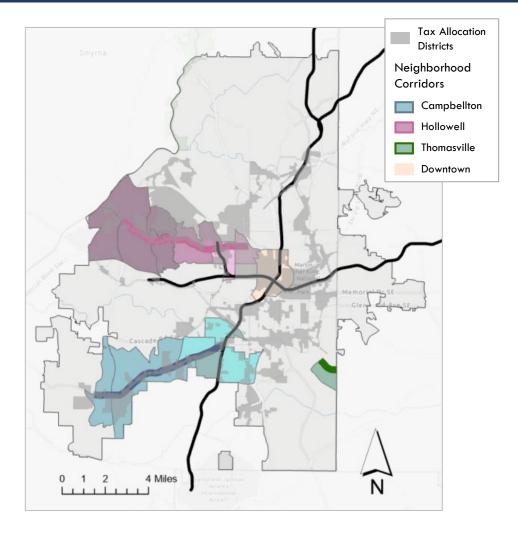
21% of the Beltline TAD is in an Opportunity Zone, meaning communities are still vulnerable to rapid development and displacement

### What makes TADs work well?

#### TADs work best when there is alignment of key factors:

- All jurisdictions participate, maximizing the available funding
- <u>Early bonds fund large</u>, catalytic projects up front to spur future growth
- A clear project list and implementation plan guide efforts proactively
- An organizing body oversees and manages the implementation to create accountability

Without all of these components in place, TADs often struggle to create a cycle of strong development and instead fund modest, one-off projects at a smaller scale.



**Existing TADs** overlaid with Priority Neighborhood Corridors

DRAFT TAD STRATEGY | 17

# The Mayor's First Term Saw Historic Investments in Housing through TAD Dollars

In the last four years alone, TADs funded things like a new fire station on the Westside, small business improvement grants, new streetscape improvements in Sweet Auburn, two <u>new</u> municipal grocery stores, and **35** new housing projects.

**\$78 million**Funded TAD Projects

74%
Of TAD Funding
Supported Affordable
Housing

### **55 Projects**

Funded and
Delivered/Under
Development

| FUNDING TYPE                    | INVESTMENT   | EXAMPLES  |
|---------------------------------|--------------|---|
| Affordable<br>Housing           | \$58,146,700 | Englewood Phase II, Skyline<br>Apartments, Ralph David House  |
| Food & Health                   | \$2,500,000  | Azalea Fresh Markets, Municipal<br>Market Improvements  |
| Nonprofit Facilities            | \$3,000,000  | City of Refuge Transformation Center,<br>Nat'l Center for Civil & Human Rights,<br>Georgia Works HQ |
| Public Realm & Safety           | \$11,214,200 | New Fire Station, Sweet Auburn<br>Infrastructure  |
| Small Business<br>and Mixed-Use | \$3,783,000  | BE on Edgewood, Small Business<br>Improv. Grants  |

## A NEW GENERATION OF TADS

Leveraging Investment for Neighborhood Health

## A TAD Extension would mean catalytic investments Citywide

If extended, we've identified approximately \$5.5 billion worth of investments the TADs could contribute to projects citywide. This once-in-a-generation opportunity is one of our most significant tools to achieve the Mayor's vision to create healthy, whole neighborhoods.

#### Projects include:



\$1.38B – Affordable Housing projects, both single- and multi-family developments



\$1.5B – <u>Trails and Greenspace</u>, including TrailsATL Master Plan projects and park expansion/creation



\$170M - Supporting Health Centers, Recreation, and Grocery citywide



**\$81M** – <u>Public Infrastructure</u>, like sidewalks, stormwater, and safe streets



**\$88M** – Reserved for Small Business and Commercial Redevelopment



\$1.9B - Expanded Transit Networks, like Southside transit

### What This Would Mean for Southeast Atlanta

As the Southside Beltline is completed, we must ensure it catalyzes new amenities without displacement. A TAD Extension would mean we could lock in affordable and mixed-income housing, create safer and more connected transit routes, and bring more economic activity to Southside communities.







### What About Areas Not in a TAD?

We are also exploring how some TAD revenue could be piloted, or returned, back to the City if it's not needed for TAD projects and used elsewhere around the City where needed. This potential NRI Trust Fund could fund similar community development projects in other under-resourced areas not served by a TAD.

There are several public tools we can continue to leverage to meet the needs of areas not within TADs.

#### This includes resources like:

- General Revenue Bonds
- Infrastructure Bonds
- Low-Income Housing Tax Credits (LIHTC)
- MARTA money
- Low-Interest Loans from Invest Atlanta
- Special Services Districts (SSD)
- General Fund ongoing support

### What Makes this Next Generation of TADs Different

We recognize that TADs have not always delivered on the promises made to communities and even accelerated displacement in some areas. We've learned from the past are committed to these strategies to make TADs work for even more families:



#### **COMMUNITY INPUT**

The communities are being continuously engaged to shape what projects happen in their neighborhoods.



## COMPREHENSIVE STRATEGY

TADs are not our only tool for community development, but will be embedded within a larger strategy for whole neighborhood health.



## ANTI-DISPLACEMENT PROGRAMS

We're prioritizing preserving legacy residents every step of the way through a comprehensive suite of tools.

# Our New TAD Strategy Takes Lessons Learned to Combat Displacement from Past Mistakes

We acknowledge that TAD efforts in the past have been reactive and should've placed increased urgency on affordable housing and anti-displacement efforts. We've learned from those mistakes and now with a new generation of TADs, we can control our own destiny to shape who benefits from new investment and amenities.

We have already begun and will continue to build out a robust toolkit to address displacement:

**Stabilization** — Programs like Anti-Displacement Tax Relief Funds, Down Payment Assistance, Owner-Occupied Rehab to stabilize existing residents

Owning Land – When we own the land, we can shape what is built and the pace of development

**Increasing Supply** — A pipeline of permanently affordable units for new and existing residents to access

**Local Vision** — Priorities set by historical neighborhood plans and work is guided by neighborhood-led working groups We will work with communities to establish binding community benefits agreements to ensure execution and accountability.

### What TADs Are NOT

Only Benefiting Developers

Tax Increases

Accelerating gentrification

Taking money from schools

Opaque or Secretive

All housing projects funded through a TAD have affordability requirements. In fact, because of TADs, we have 6,000 additional units of affordable housing that we would not otherwise have.

TADs do not raise taxes. The millage rate remains unchanged whether or not you live within a TAD. TADs actually decrease the strain on the general fund by uplifting aging and distressed areas.

We have learned lessons from TAD investments in the past and will be layering our antidisplacement programs within our TAD geographies. Without the TADs, we are forfeiting one of our biggest tools to lock in affordability.

revenue that would not have existed for any jurisdiction. Our strategy is centered around investing in projects that support healthy neighborhoods for children and families.

All TAD projects must be approved by the Invest Atlanta board, including representatives from all three jurisdictions. All meetings are open to the public and frequent reporting to elected bodies are also public record.

## All of Atlanta Benefits from a Successful TAD Strategy

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Even if they don't live in a TAD, everyone will see and feel the benefits of successful TAD investments. TADs increase access to opportunity, lower negative outcomes like crime, and free more City resources to focus on more communities across Atlanta.



Creates Amenities Benefiting the Entire City

## THE OPPORTUNITY BEFORE US

Our Best Chance at Equity

# Amidst Federal Uncertainty and Cutbacks, Local Government Must Be Prepared to Stand in the Gap

As the federal government continues to make unprecedented cuts in programs our residents rely on, local governments must work together to pool resources for our shared challenges.

To make the investments that actually prevent poor outcomes, we must work upstream, and TADs remain one of our best tools to do that.

METRO ATLANTA

Facing federal funding cuts, Atlanta Housing shrinks budget by \$80.6M

Authority's \$453.3 million budget for the fiscal year 2026 is a 15% reduction

Atlanta Beltline loses wifi grant after federal cuts

Georgia parents and advocates decry proposed federal cut to child care grant for parents in school

Atlanta food bank says it's losing \$15 million after federal cuts

## The Cost of Doing Nothing: A Future Without TADs

If we were to lose a tool like the TADs, we expose ourselves to serious risk of limited options to combat external stresses to our City. A few scenarios are possible:

## 1. Limited to No Investment Happens

The status quo continues.
Communities that are in desperate need of services, amenities, and new development remain waiting for their turn to see reinvestment.

## 2. Market ForcesDictate Development

Private or public development occurs that catalyze unmitigated growth and public entities have little ability to slow displacement or preserve neighborhood identity.

#### or

# 3. TADs are fully leveraged to work alongside communities and their goals

TADs are deployed to work in service of a neighborhood's development goals and are paired with stabilization programs to protect against the forces driving displacement.



## Thank you!



cenglish@atlantaga.gov

