Bikes or books? What does Atlanta support more?

By Carmen Carrion

Over the past year or two if you have been living in Atlanta, you have probably heard the phrase “Atlanta BeltLine” often. As an avid cyclist and an urban transportation supporter, I have been involved with the BeltLine for the last three years. The BeltLine was first conceived as a 1999 masters thesis by Georgia Tech student Ryan Gravel; the BeltLine evolved from an idea to a grassroots campaign of local citizens and civic leaders into a robust new vision of an Atlanta dedicated to an integrated approach to transportation, land use, greenspace, and sustainable growth.

The construction and completion of the BeltLine is due to several funding sources: grants, private investors, and the Tax Allocation District (TAD). The district covers more than 6,500 acres of the city and is projected to generate $1.7 billion over the next 25 years. The TAD funds the largest portion of the 25 year financial plan for the Atlanta Beltline. The TAD was established in 2005 and includes tax increments from the City of Atlanta, Fulton County, and Atlanta Public Schools. Since 2005, the Atlanta BeltLine has received $120 million from TAD bonds/tax increment, and $179.5 million from private and local government sources including $37.5 million donated by private and philanthropic organizations. Importantly, TAD financing does not require a tax increase. It is a means of using future tax funds to pay for investment in the Atlanta BeltLine now. The Beltline TAD is unique in that its increment or revenue is primarily spent on infrastructure as opposed to developer incentives. When the TAD expires in 2030, Atlanta, Fulton County and Atlanta Public Schools (APS) will receive the entire tax base spurred by the Beltline project. Officials estimate the 2030 tax base will be $20 billion higher than 2005 levels.

In the end, the BeltLine TAD did eventually begin missing payments to APS. The first missed payment was of 1.95 million dollars in January 2013, which affected 60,000 APS students. These missed payments to APS reflect how tax collections for the urban renewal project haven’t yet made expectations. Many of these financial setbacks can be correlated to the recession. Countless BeltLine backers blame bad timing for the failure to live up to the deal so far. The project began just before the recession took hold, disturbing development and cutting property values.

Now the question remains - how can the BeltLine not default on any more payments? What kinds of solutions can the city create to make all parties involved satisfied? Can the BeltLine pay APS back in smaller increments but with more interest? Can the BeltLine apply for more grants and other funding sources so that TAD is not the main source of paying APS back?

As you can see every solution involves finding more money, which in today’s world is a struggle. Fortunately, for the BeltLine when the TAD contract was written in 2005 it states that the BeltLine has 6 years to pay its debts in full until APS can take the city to court.

In the end we can only hope that the BeltLine generates more money so that it can pay APS on time. Until then this is a difficult situation to tease apart. We all want the BeltLine to stay open and for construction to continue but we do not want to negatively affect the lives of APS students.

Carmen Angelica Carrion, is native of Fayetteville Georgia and received her B.S. in Biology from the Georgia of Institute of Technology in 2008. She further pursued a M.S at Georgia Tech in Biology with a concentration in Bio-psychology which she completed in 2010. She is currently a 3rd year Educational Psychology doctoral student with an anticipated graduation date of Spring 2016. Carmen is a second year intern at the Captain Planet Foundation, a nonprofit environmental educational organization supported by the Ted Turner Foundation. Furthermore, she is the current president for the Doctoral Student Association- Educational
Psychology, Special Education, and Communicative Disorders (DSA- ESC). She is a graduate student member in the professional organization American Psychology Association (APA) Division 15- Educational Psychology and Division 34- Environmental Psychology. Carmen joined the Urban Fellows program because of her interest in urban education. She is especially interested in how urban public schools inform our youth about the natural world and sustainability.