



City of Perry

Proposed Community Improvement District (CID)

In working to improve the General Courtney Hodges Boulevard corridor, a critical community thoroughfare and business district, the City of Perry is interested in working with area businesses in creating a Community Improvement District (CID). CIDs are a progressive public-private partnership where commercial property owners in the district voluntarily pay additional property taxes which are dedicated directly to the improvement of their district. The funds that are raised are then leveraged to expedite district projects as determined by those who paid the tax. The result of these improvements, which can range from infrastructure to marketing, is an enhanced, more competitive business district and increased property values within the district and adjacent areas.

The proposed City of Perry CID is shown on the attached map. Extending from downtown Perry to the Perry Welcome Center, the proposed CID includes **122 non-residential parcels** with a total taxable value of **\$12,351,663**. Once elected, the CID board would decide on a millage rate to be levied in the district. As an example of possible revenues to be generated please see the below chart:

City of Perry CID Annual Revenue Estimates*

Estimated Annual CID Revenues	Millage Rate			
	0.5 mills	1 mill	1.5 mills	2 mills
	\$61,758	\$123,517	\$185,275	\$247,033

*Estimates based on 2015 data provided by the Houston County Board of Tax Assessors

It is important to keep in mind that CID revenues are CID revenues. They cannot be utilized outside of the district and how the revenues are utilized is up to the CID members only. With these revenues, the CID will be able to provide one or more of the following governmental services or improvements:

- 1) Street and road construction and maintenance, including curb, sidewalks, street lights, traffic control devices, etc.
- 2) Parks and recreational areas and facilities.
- 3) Storm water and sewage collection and disposal systems.
- 4) Public transportation.
- 5) Terminal and dock facilities and parking facilities.
- 6) Such other services and facilities as may be provided for by general law (e.g. signage, lighting, marketing, landscaping, security, social services, etc.).

Essentially, the CID can provide for nearly anything its members may need! The Perry community, through the *Strategic Plan and Implementation Program 2014 – 2024* (Implementation Item 4C) has determined this project to be a top priority and the City of Perry will stand behind the CID and support their efforts however possible. The health and vibrancy of the General Courtney Hodges Boulevard corridor is critical to the overall health and vibrancy of our entire community and the proposed CID can work towards these efforts.

The next few pages provide some general information on CIDs. Should you have any questions or require any further information please contact Robert Smith, Economic Development Director with the City of Perry, at (478) 988-2757 or via email at robert.smith@perry-ga.gov.

1) What is a community improvement district (CID)?

A CID is created when the commercial interests in a portion of the community (district) decide to come together for their mutual betterment and agree to tax themselves in order to provide for improvements or services in the district. A self-taxing district, ad valorem taxes are levied within the district through an elected CID board which is made up of the commercial property owners within the district. The CID board also oversees the use of these revenues and the completion of district project.

2) How are we able to create a CID?

The *Georgia Constitution, Article IX, Section VII* allows for the creation of CIDs. A CID is created through state enabling legislation and a vote by the majority of the commercial property owners in the defined district. It takes the agreement of a simple majority of the commercial property owners within the district to create a CID. In addition, it is required that this simple majority of owners must represent at least 75% of the taxable value of the commercial property located within the proposed CID.

3) What is the tax within the CID expected to be? Is there a limit to the tax that can be assessed?

CIDs are funded by a self-imposed and self-regulated ad valorem real estate tax on commercial properties within the district. The tax will consist of additional mills being paid by the commercial property owners. It is up to the discretion of the CID Board (elected by CID property owners) to set the CID tax. A mill is equal to 1/10th of 1% of the assessed value of the property. So, a one mill tax levied on a property valued at \$100,000 would equate to \$100 annually.

4) What can the CID do with the tax revenues that are generated?

In general, the revenues may fund road work, curbs, sidewalks, lighting, traffic devices or improvements, parks and recreational areas, water and sewer projects, district services, etc.

5) How does the CID work?

Commercial property owners agree to assess themselves additional ad-valorem real estate taxes in order to address issues in their district. That money is collected by the Houston County Tax Commissioner and then returned directly to the district. Once returned, the CID Board will determine projects to be completed. Remember, CIDs operate based on the needs and desires of the district members.

6) Will the CID have dedicated staff?

The City of Perry Department of Economic Development will staff the CID.

7) What are the benefits of a CID?

Beyond being able to complete important projects outside the purview of the local government, the CID is expected to enhance the economic environment within the district, making it more marketable, more pedestrian friendly, and more aesthetically pleasing. According to a July 2007 study completed by the Furman Center for Real Estate & Urban Policy out of New York University, CIDs have a significant positive

impact on commercial property values within the district shown by, on average, an approximate 15% increase the value of said properties.¹ Further, services provided in a CID are more responsive and “go above and beyond to produce greater results faster than those provided by local government through general taxation”.²

CIDs across Georgia have shown the ability to foster positive economic and community growth:

Braselton CID - Braselton, GA (<http://braseltonlifepath.com/city-of-braselton/>)

The Braselton CID was formed in 2004 with the goal of funding the Braselton LifePath, a 1.7 mile 10 foot wide multi-use path in a key commercial corridor. Beyond the revenues from the 5 mills levied in the district, additional funds were leveraged from the Georgia Department of Transportation (GDOT). Already completed, LifePath has proven to be an incredibly beneficial quality of life amenity through enhanced connectivity. The community expects to extend the project beyond its initial scope and also is planning to add enhanced pedestrian lighting in the district. In addition, the CID hosts community events such as annual festivals and scavenger hunts.

Valdosta CID – Valdosta, GA

Established in 2000, the Valdosta CID was a principal catalyst in the redevelopment of the 26 block downtown Valdosta area. Utilizing revenues generated from a 10 mill tax levy the CID was able to provide funding for a \$12 million streetscape project. Originally planned with a 20 year life, the CID was retired after only 12 years due to its success. New investment, increased property values, and general business growth are the results of this effort.

Red Top CID – Emerson, GA (<http://redtopcid.org/>)

The Red Top CID is a smaller-scale CID with annual revenues of approximately \$75,000. The entire impetus for its creation was to promote economic development in a specific area adjacent to I-75 and business leaders in the area liked the idea of self-governance. Specifically, transportation infrastructure enhancements such as road extensions, interchange improvements, and safety improvements are being developed to promote enhanced mobility. GDOT and Bartow County have provided funding assistance.

CIDs are one of the most powerful public-private tools that can revitalize business districts and re-energize entire communities. Taking a geographically defined district in which commercial property owners vote to impose additional ad valorem real estate taxes, these stakeholders are able to “chart their own course” by determining how the revenues will be spent to benefit their immediate area. CIDs allow community leaders and the actual property owners to determine what is needed for an area's economic growth and lasting vitality and it is our hope that the property owners within the General Courtney Hodges Boulevard area will choose to take advantage of this tool.

For more information:

<http://law.justia.com/constitution/georgia/conart9.html>

<http://www.georgiacitiesfoundation.org/Resources.aspx?CNID=28756>

¹ Furman Center Policy Brief, Furman Center for Real Estate & Urban Policy, New York University, July 2007

² Houstoun, Jr., 2005