



Central Atlanta Progress
Atlanta Downtown Improvement District

MIDTOWN
Improvement District



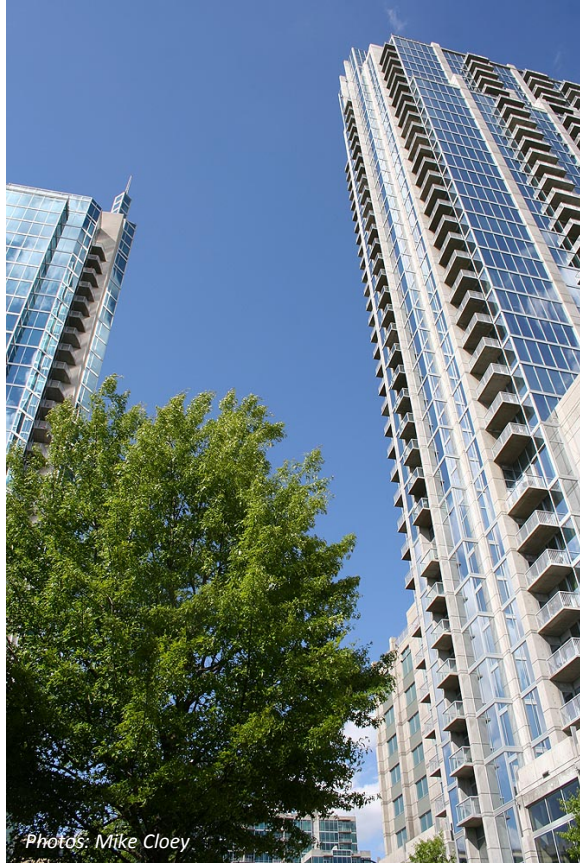
THE ECONOMIC AND FISCAL IMPACTS OF ATLANTA'S PEACHTREE CORRIDOR



Bleakly Advisory Group

DECEMBER 5, 2014

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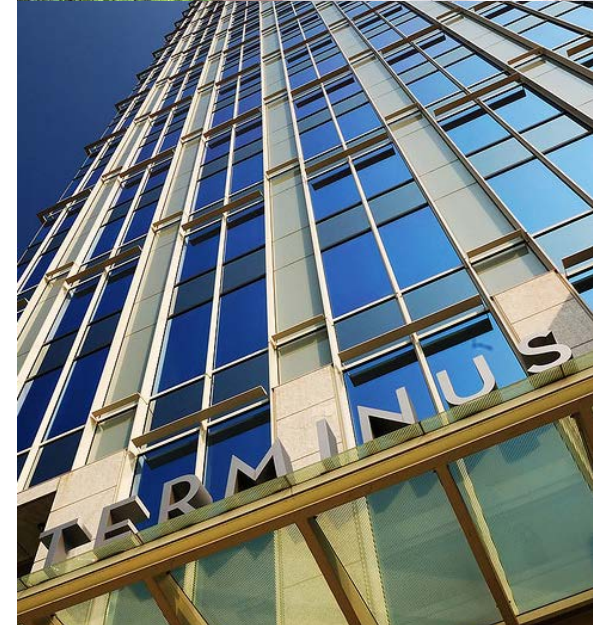


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- Purpose of Report
- Defining the Peachtree Corridor
- 1: Economic and Fiscal Impacts of the Peachtree Corridor
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PURPOSE

- This analysis examines the economic and fiscal impact of the Peachtree Corridor, the most vibrant urban district in the City of Atlanta. The Peachtree Corridor extends from the south side of Downtown, through Midtown and Buckhead, to Peachtree-Dunwoody Road on the north.
- The **Peachtree Corridor** encompasses three Community Improvement Districts (CID's):
 - The Atlanta **Downtown** Improvement District;
 - The **Midtown** Improvement District; and
 - The **Buckhead** Community Improvement District.
- This report examines the **economic** and **fiscal impact** of Peachtree corridor and its impact to the economy of the City of Atlanta and the state of Georgia.
 - **Economic impact** measures economic activity, both direct and indirect.
 - **Fiscal impact** compares the public revenues generated to the cost of government services.

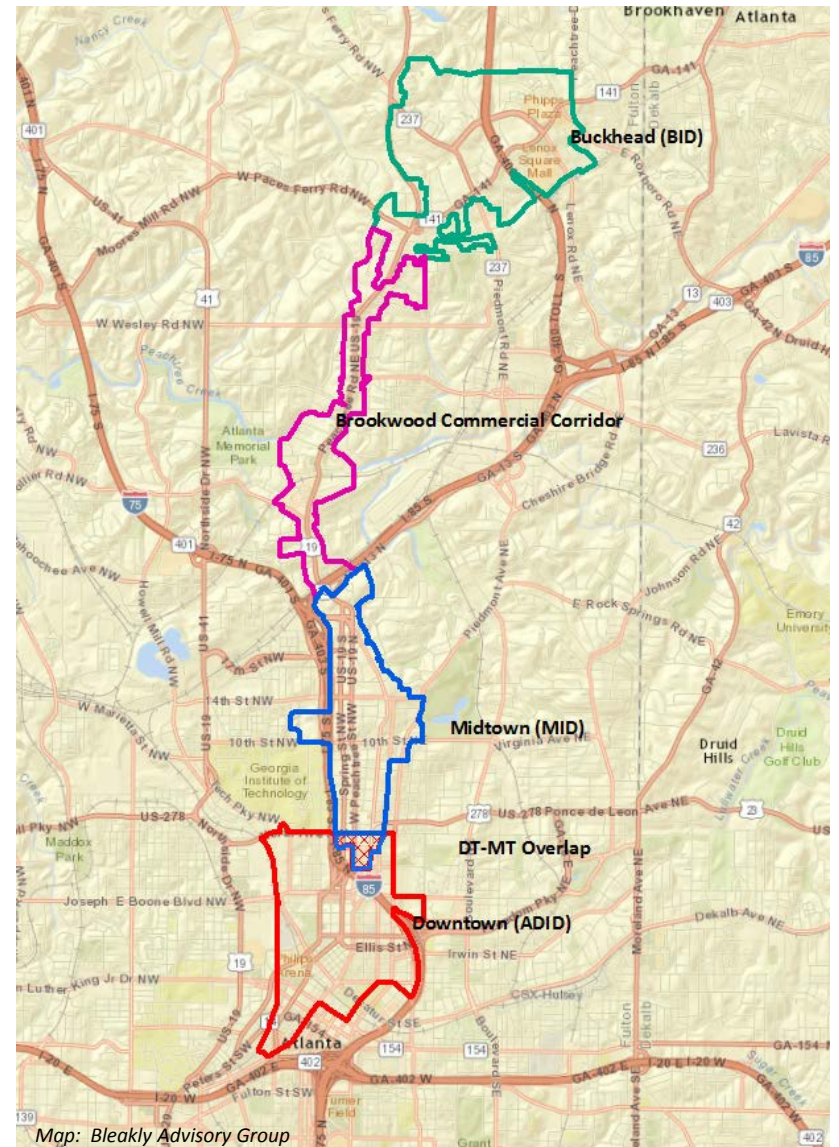


DEFINING THE PEACHTREE CORRIDOR

■ Defining the Boundaries

The Peachtree Corridor is defined in this analysis by the combination of four areas:

- The Atlanta Downtown Improvement District (ADID) affiliated with Central Atlanta Progress, Inc.
 - The Midtown Improvement District (MID), affiliated with Midtown Alliance, Inc.
 - The Buckhead Community Improvement District (BCID)
 - The Brookwood Commercial Corridor, linking Midtown to Buckhead.
- The 8.4-mile Peachtree Corridor is the urban core of Atlanta.

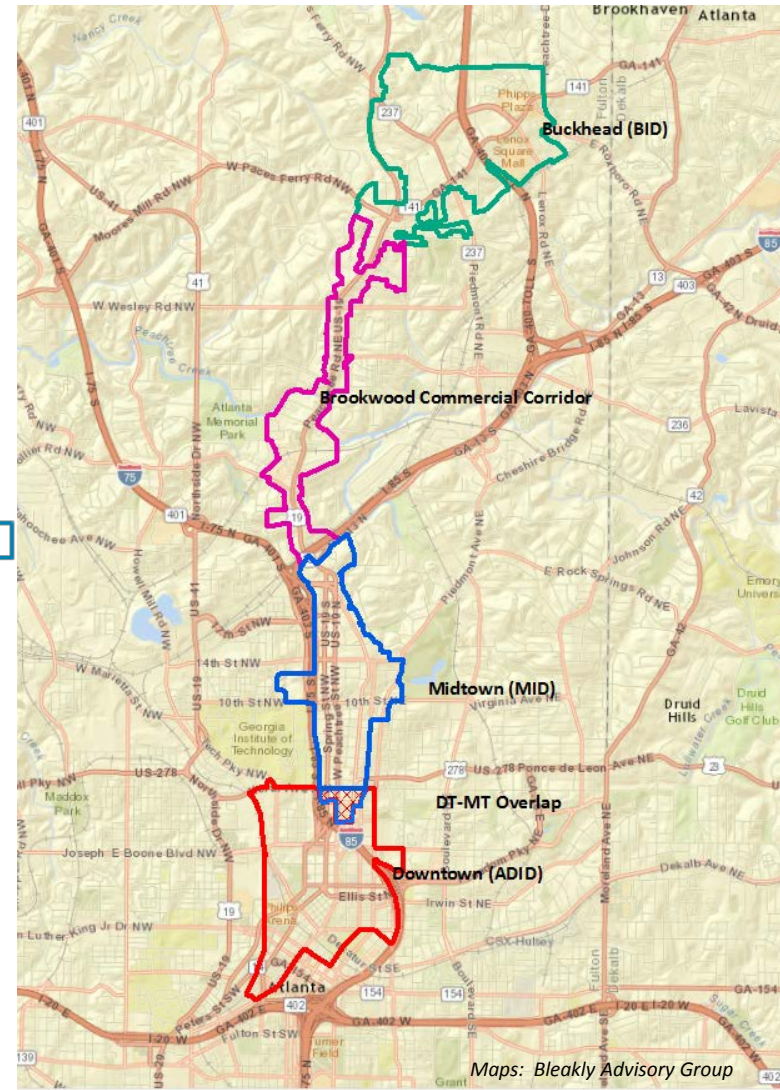
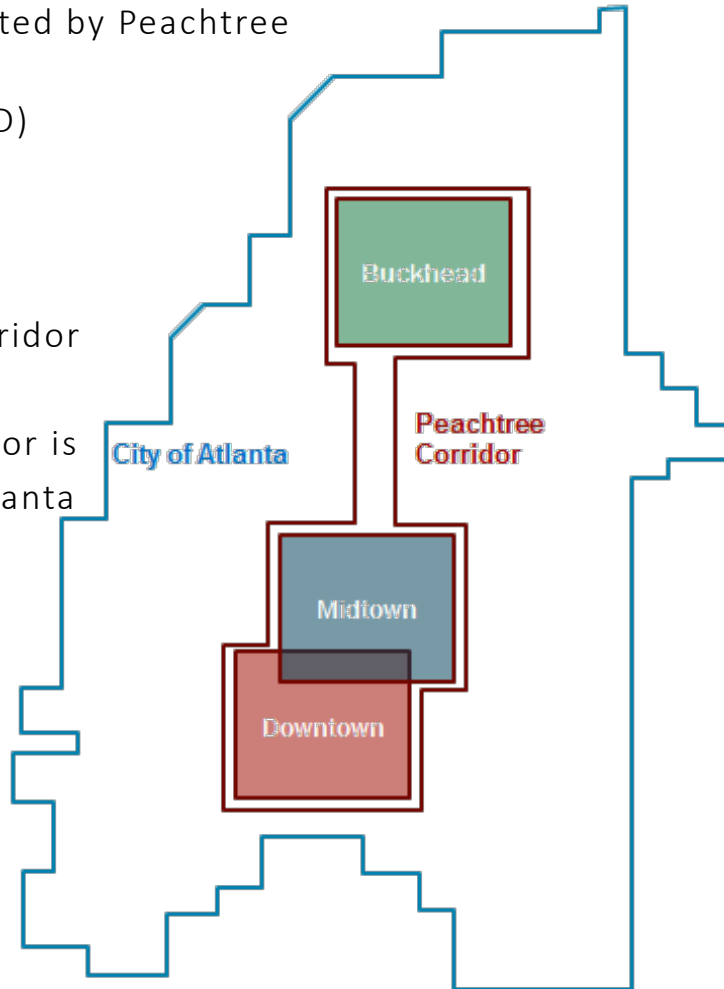


METHODOLOGY

Geography

The Peachtree Corridor is comprised of four areas connected by Peachtree Street/Road:

- Downtown (ADID)
 - Midtown (MID)
 - Buckhead BCID)
 - Brookwood Commercial Corridor
- All of the Corridor is in the city of Atlanta



SECTION I:
**THE ECONOMIC AND
FISCAL IMPACTS OF THE
PEACHTREE CORRIDOR**



ECONOMIC SNAPSHOT: PEACHTREE CORRIDOR

People

- 48,900 Number of residents in the Peachtree Corridor
- 4.9 : 1 Ratio of jobs to residents in the Corridor— a major job center
- 3.2% Annual population growth rate since 2000, 5 times that of Atlanta
- 68% Residents who are Millennials or Generation X
- \$71,700 Household median income, 172% of city median
- 90% Households with just one or two people
- 92% Households with no children

Visitors

- 28 mil. Annual visitors to Peachtree Corridor attractions
- 5.6 mil. Overnight guests staying in Peachtree Corridor hotels

Housing

- 33,300 Housing units in the Corridor, 14% of city inventory
- \$289,500 Median new home sales price, \$198,200 citywide
- 81% Households in multi-family buildings

Medical/ Higher Education

- 2,181 Beds in six major hospitals
- 10 Institutions of higher education
- \$4.4 bil. Economic impact from higher educational institutions
- 36,500 Jobs supported by spending from higher educational institutions
- \$692 mil. Annual spending from students of higher educational institutions



ECONOMIC SNAPSHOT: PEACHTREE CORRIDOR

Area

- 3.7% Percentage of Atlanta's land area that is in the Peachtree Corridor
- 37% Percentage of Atlanta's real estate value that is in the Peachtree Corridor

Tax Digest

- \$21 bil. Total market value of real estate in the Corridor
- \$6.7 mil. Average value per-acre of the Corridor versus \$675,000 citywide (9.9x greater)
- 32% Percentage of Atlanta's Tax Digest (assessed) in the Peachtree Corridor

Real Estate & Development Pipeline

- 121 mil. SF of commercial space currently in the Peachtree Corridor
- \$5.5 bil. Value of new construction currently planned for development
- 4.8 mil. SF of office space in the development pipeline
- 1,576 Hotel rooms in the development pipeline
- 14,553 Apartments & condominiums in the development pipeline

Jobs

- 241,300 Number of jobs in the Peachtree Corridor
- 52,900 New jobs expected in the Peachtree Corridor over the next 10 years
- 97% Percentage of Corridor workers who commute in from outside every day
- 58% Percentage of Atlanta's total jobs in the Peachtree Corridor
- 70% Percentage of Atlanta's professional, science & tech jobs in the Corridor



ECONOMIC SNAPSHOT: PEACHTREE CORRIDOR

Economic Impact

The Peachtree Corridor supports 580,182 jobs and generates \$88 billion in total economic impact annually.

Economic Impacts	Peachtree Corridor
Estimated Direct Jobs 2014	241,275
Indirect & Induced Jobs	338,908
Total Employment Effect	580,182
Direct Industry Contribution to Final Demand	\$ 36.4 billion
Indirect/Induced Economic Impacts	\$ 51.2 billion
Total Economic Output	\$ 87.6 billion

Fiscal Impact

- \$322 million In taxes to the City and APS generated annually by the Peachtree Corridor
- \$103 million Estimated local public service costs for the Peachtree Corridor
- \$219 million In fiscal surplus to the City and APS is generated annually by the Corridor



EMPLOYMENT

2014 Jobs: Peachtree Corridor vs. City & State

- The Peachtree Corridor is the dominant employment center in the city and the state. It is home to:
 - 58% of Atlanta's jobs
 - 6% of Georgia's jobs
 - An unmatched mix of technical professional, governmental and creative class jobs in the City and Georgia
 - A broad range of jobs across the skill and wage spectrum

	2014 Jobs			2014 PT corridor share of:	
	Peachtree Corridor	Atlanta	Georgia	Atlanta Jobs	State Jobs
Total All Jobs	241,275	416,524	3,774,436	58%	6%
Prof. Sci & Tech.	39,881	50,894	235,331	78%	17%
Public Administration	32,102	42,042	209,490	76%	15%
Health Care	28,716	43,019	458,478	67%	6%
Accommodation and Food	23,650	43,228	324,298	55%	7%
Finance and Insurance	21,316	26,239	159,669	81%	13%
Information	17,799	24,446	108,402	73%	16%
Admin & Support	16,434	30,245	263,217	54%	6%
Retail Trade	10,886	26,775	434,216	41%	3%
Education	9,778	34,242	380,373	29%	3%
Other Services	8,481	13,578	93,988	62%	9%
Arts & Entertainment	6,005	8,854	38,024	68%	16%
Real Estate	5,832	10,458	56,783	56%	10%
Manufacturing	5,568	14,494	369,635	38%	2%
Management	5,102	7,309	58,769	70%	9%
Wholesale Trade	4,359	16,261	208,769	27%	2%
Utilities	2,575	3,020	20,408	85%	13%
Construction	2,006	8,910	150,440	23%	1%
Transp & Warehouse	746	12,427	177,861	6%	0%
Mining	28	33	4,741	84%	1%
Ag & Forestry	11	52	21,544	20%	0%

Source: US Census & BLS
 2014 estimates based on 2011 local area estimates by-employment sector, adjusted to reflect 2011-2014 city-wide BLS Atlanta employment growth.

EMPLOYMENT

■ Forecasted Job Growth

Peachtree Corridor

Sector	2014 Jobs	Net Change Previous 10 Yrs	Fcst New Jobs Next 10 Years	% Change Next 10 Years
Prof. Sci & Tech.	39,881	4,549	11,111	28%
Public Administration	32,102	16,578	5,339	17%
Health Care	28,716	8,131	2,121	7%
Accommodation and Food	23,650	1,129	3,503	15%
Finance and Insurance	21,316	1,402	7,531	35%
Information	17,799	(5,527)	2,593	15%
Admin & Support	16,434	1,775	6,364	39%
Retail Trade	10,886	437	842	8%
Education	9,778	1,504	1,348	14%
Other Services	8,481	598	3,479	41%
Arts & Entertainment	6,005	1,681	2,578	43%
Real Estate	5,832	436	4,210	72%
Manufacturing	5,568	(1,522)	60	1%
Management	5,102	(3,599)	692	14%
Wholesale Trade	4,359	508	725	17%
Utilities	2,575	1,475	(17)	-1%
Construction	2,006	(310)	252	13%
Transp & Warehouse	746	70	160	21%
Mining	28	(10)	-	0%
Ag & Forestry	11	(744)	2	17%
Total	241,275	28,561 #	52,894	22%

Source: US Census, BLS & ARC
 2014 estimates based on 2011 local area estimates by-employment sector, adjusted to reflect 2011-2014 city-wide BLS Atlanta employment growth.
 10-year forecast use ARC superdistricts forecasts by sector applied to 2014 estimates.

Based on ARC Forecasts, the Peachtree Corridor can expect 52,894 net new jobs over the next ten years, an increase of 22% over current job levels.

Most new jobs expected in:

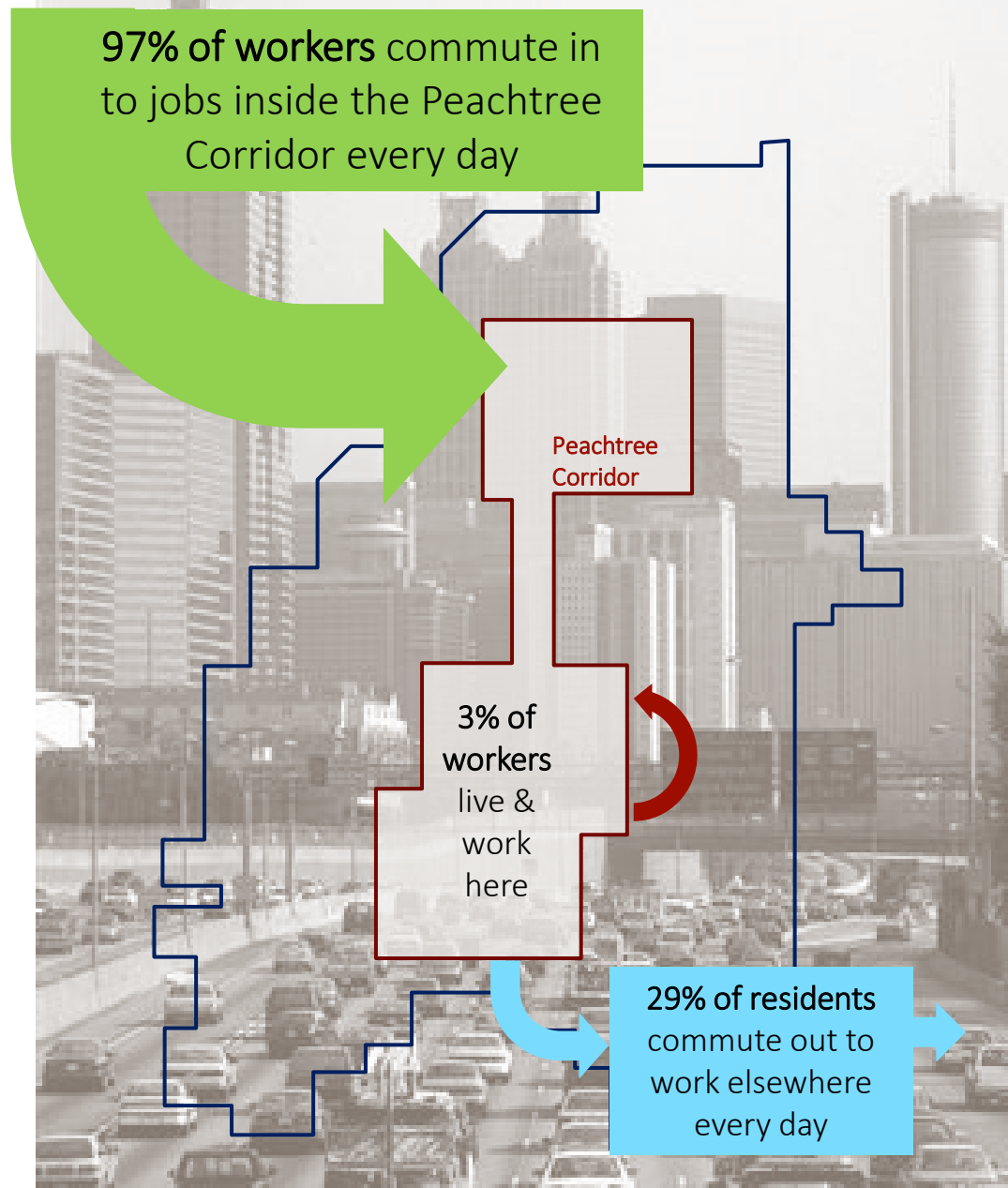
- Professional, Science & Technology
- Finance and Insurance
- Administration and Support
- Public Administration

COMMUTING PATTERNS

The Peachtree Corridor is a job center with relatively few residents. There are 241,000 jobs in the Corridor but only 48,900 residents—a ratio of 5 jobs for each resident in the Corridor.

- The Peachtree Corridor represents just 3.7% of the city's land yet it is home to 58% of the city's jobs.
- 97% of the Peachtree Corridor's workers, commute into the area from outside every day.
- 29% of the Peachtree Corridor's working residents also work in the Corridor.

Source: US Census & BLS



DEMOGRAPHICS: RESIDENTS

Population & Households

- The Peachtree Corridor has 48,900 residents in 2014— 11% of the city’s population
- The Peachtree Corridor’s population grew five times as fast as Atlanta’s from 2000-2014
- The Corridor is projected to add an additional 5,600 residents by 2019
- There are 27,300 households in the Peachtree Corridor, with an average size of 1.54 persons (excluding those in group quarters)
- Households will grow at a faster pace than population— they will continue to get smaller.

	Peachtree Corridor	City of Atlanta	Atlanta Metro
Population			
2000 Census	31,542	418,156	4,263,447
2010 Census	43,008	420,003	5,286,728
2014 Estimate	48,896	455,895	5,574,225
2019 Projection	54,489	494,612	5,928,836
CAGR Growth 2000-2014	3.2%	0.6%	1.9%
CAGR (Fcst) 2014-2019	2.2%	1.6%	1.2%

	Peachtree Corridor	City of Atlanta	Atlanta Metro
Households			
2000 Census	16,873	169,050	1,559,711
2010 Census	23,683	185,484	1,943,885
2014 Estimate	27,273	205,413	2,056,364
2019 Projection	31,083	227,399	2,194,526
CAGR Growth 2000-2014	3.5%	1.4%	2.0%
CAGR (Fcst) 2014-2019	2.6%	2.1%	1.3%
2014 Est. Avg. Household Size	1.54	2.06	2.67

Source: Nielsen, Bleakly



Photo: Mike Cloey

DEMOGRAPHICS: RESIDENTS

Generational Trends

- Generation X (age 30-49) and Millennials (age 10-29) dominate the population of the Peachtree Corridor.
- Baby Boomers (age 50-68) are roughly one in five residents
- There are relatively fewer Digitals (age 0-9) in the Corridor, due to the greater number of smaller childless households
- The median age of the Corridor's residents, at 35.1 years, is slightly older than city-wide.

Generation	Peachtree Corridor		City of Atlanta		Atlanta Metro	
Digitals (0-9)	5%		12%		14%	
Millennials (10-29)	29%		28%		27%	
Generation X (30-49)	39%		33%		30%	
Boomers (50-68)	18%		19%		21%	
Silent (69-84)	7%		7%		7%	
Greatest (85+)	2%		1%		1%	
Children (0-17)	4,268	9%	89,601	20%	1,422,482	26%
Seniors (65+)	5,566	11%	49,143	11%	581,929	10%
Median Age	35.1		34.1		35.8	

Source: Nielsen, Bleakly



Photo: Joeff Davis . Creative Loafing

DEMOGRAPHICS: RESIDENTS

Income

- Resident incomes in the Peachtree Corridor are substantial. The median household income is \$71,700, which is 172% of the citywide median of \$41,600 and higher than the Atlanta metro median of \$52,500
- Fewer households in the Corridor have low and moderate incomes of \$35,000 or less— 33% versus 45% citywide
- Middle-income and higher households dominate in the Corridor, at 67% versus 55% citywide.

Household Income	Peachtree Corridor		City of Atlanta		Atlanta Metro	
2014 Est. Median HH Income	\$71,703		\$41,605		\$52,533	
% of MSA Median Income	172%		79%		100%	
Households by Income						
HH with income >\$15,000	4,791	18%	48,403	24%	266,304	13%
HH with income \$15K - \$35K	4,123	15%	44,043	21%	429,949	21%
HH with income \$35K - \$100K	10,321	38%	71,048	35%	915,324	45%
HH with income > \$100K	8,039	29%	41,919	20%	444,787	22%
2014 Families Below Poverty	8%		22%		12%	

Source: Nielsen, Bleakly



Photo: dj venus/flickr.com

DEMOGRAPHICS: RESIDENTS

Household Characteristics

- Households in the Peachtree Corridor tend to be very small, few are families with children.
- 62% of households in the Corridor are singles, which is significantly higher than the 46% citywide
 - 90% of Corridor households are just one or two people versus 74% citywide
 - Just 8% of households in the Peachtree Corridor have any children present, versus 22% citywide and 38% in the metro
 - 76% of all households in the Corridor are non-family households, comprised of one or more unrelated individuals, versus 57% in the city and 32% regionally.

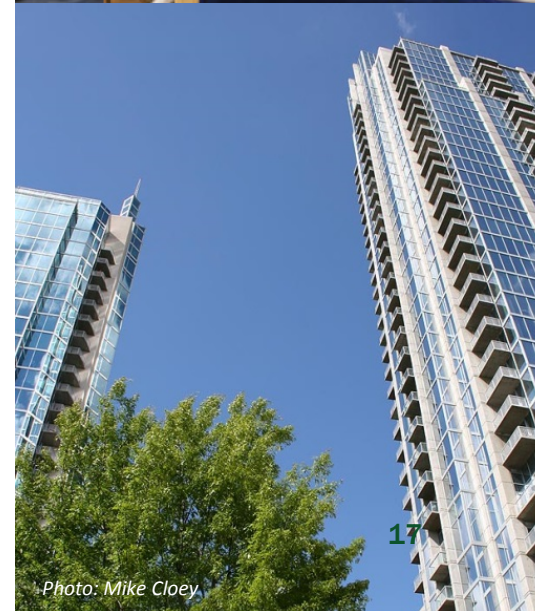
Household Characteristics	Peachtree Corridor		City of Atlanta		Atlanta Metro	
Est. Households	27,273		205,413		2,056,364	
Small Households (1 or 2 people)	24,555	90%	152,464	74%	1,144,949	56%
Large Households (5+)	371	1%	13,290	6%	252,811	12%
Households with Children	2,295	8%	45,320	22%	782,809	38%
Households without Children	24,978	92%	160,093	78%	1,273,555	62%
Non-Family Households	20,607	76%	118,042	57%	659,672	32%
2014 Est. Average Household Size	1.7		2.1		2.7	



Source: W Atlanta Residences

HOUSING

- There is a unique and rapidly expanding housing inventory in the Peachtree Corridor:
 - 33,300 housing units in the Corridor, which is 14% of the city's total housing inventory
 - Rapid Growth— 32% of the Corridor's housing units have been built since 2000, compared to 17% citywide
 - Roughly an equal balance of owner and rental units in Corridor (44% owners, 56% renters) parallels the city
 - Median owner-occupied housing values are high: \$289,500 in Corridor versus \$198,200 citywide
 - More high value units — 23% of Corridor units are worth \$500,000+ versus 17% citywide
 - multi-family dominates— 81% of units in structures with 5+ units, versus 49% citywide
 - Single family-detached houses represent only 9% of homes in the Corridor.



HOUSING

■ Housing Characteristics

Housing Characteristics	Peachtree Corridor		City of Atlanta		Atlanta Metro	
Tenure of Occupied Units						
% Owners	44%		44%		66%	
% Renters	56%		56%		34%	
Total Housing Units	33,310		245,047		2,291,681	
2014 Est. Owner-Occ. Home Value	\$289,526		\$198,230		\$171,573	
Median age of unit (years)	25		40		24	
Type of Housing						
1 Unit Detached (SF)	3,155	9%	93,572	38%	1,522,424	66%
1 Unit Attached (TH)	1,822	5%	12,828	5%	117,013	5%
Small Multi-Family (2-4 Units/Bldg.)	1,314	4%	18,353	7%	93,124	4%
Lg Multi-Family (5+ Units/Bldg.)	26,943	81%	118,963	49%	487,600	21%

Source: Nielsen, Bleakly



RETAIL POTENTIAL IN CORRIDOR

RETAIL POTENTIAL IN THE PEACHTREE CORRIDOR			
		2014	2019
Resident			
Resident Households		27,273	36,655
Retail Potential/Household	\$	45,105	\$ 52,289
Retail Potential/HH	\$	1,230,148,665	\$ 1,916,655,389
Potential Capture @ 50%	\$	615,074,333	\$ 958,327,694
Employees			
Number of Employees		241,275	242,089
Estimated Income /Employee	\$	68,000	\$ 78,831
Estimated Retail Potential/Employee	\$	47,600	\$ 55,181
Estimated Retail Potential	\$	11,484,690,000	\$ 13,358,821,065
Retail Potential at Workplace (15%)	\$	1,722,703,500	\$ 2,003,823,160
Hotel Guests			
Number of Overnight Guests		5,490,119	5,880,478
Daily Retail and Services/Guest	\$	211	\$ 245
Retail Potential Hotel Guests	\$	1,158,415,109	\$ 1,438,405,081
University Students			
Higher Ed. Enrollment		53,636	59,000
Retail Spending Per Student	\$12,400	\$	14,375
Student Retail Spending	\$	692,851,776	\$ 848,119,163
Student Local Retail Spending (25%)	\$	173,212,944	\$ 212,029,791
Total Retail Potential	\$	4,284,480,218	\$5,570,913,420
Estimated Retail Sales in Corridor	\$	3,469,685,310	4,107,088,143
Retail Opportunity	\$	814,794,908	\$1,463,825,277

The Corridor is unique in the variety of sources of retail demand it attracts-- from residents, employees, visitors and university students.

- \$4.3 billion in total retail potential in 2014
- The greatest retail potential is from employees — \$1.7 billion
- \$3.5 billion in estimated retail sales
- \$815 million of retail opportunity
- Over the next five years its retail potential will grow to \$5.8 billion
- The retail opportunity could increase to \$1.7 billion.

Source: ACVB, Selig Center, Nielsen, Bleakly



VISITORS

- The Peachtree Corridor is the most visited destination in the Atlanta region due to the diversity and appeal of its varied offerings. Attendance at major attractions, sporting events, concerts, retail centers and public parks exceeds 28 million visits annually.
 - The Corridor is home to several professional sports franchises
 - College Athletics
 - Georgia Tech, Georgia State, NCAA Tournaments, SEC Championship games, Chick-fil-A Bowl, etc.
 - Convention/Meeting Visitors
 - 470,000 convention delegates and another 530,000 attendees at other events at the GWCC
 - Major Performance Venues
 - Phillips Arena, The Fox Theater, Woodruff Arts Center, Tabernacle
 - Major Museums and Cultural Venues:
 - Georgia Aquarium, High Museum, World of Coca Cola
 - Overnight Visitors:
 - An estimated 5.5 million visitors stay in hotels in the Peachtree Corridor annually.



VISITORS

- The varied attractions in the Peachtree Corridor generate an estimated 28.4 million visits per year.
- It is the home to the largest concentration of the Atlanta region's venues for:
 - Sports
 - Culture
 - Business Travel
 - Arts
 - Entertainment
- Hotels in the Corridor accommodate 5.6 million guests annually.

Estimated Visitors per Year	
Hotel Visitors	
Number of Hotels	62
Room Inventory	16,631
Occupied Rooms	3,997,666
Guests per Room	1.4
Total Guests	5,596,733
Visitation	
Major Attractions	
Georgia Aquarium	2,100,000
World of Coca Cola	1,100,000
CNN Tour	300,000
College Hall of Fame (projected)	450,000
Center for Civil and Human Rights (projected)	350,000
Woodruff Arts Center (High Mus./Symphony, Theaters)	1,400,000
Fox Theatre*	750,000
Atlanta Botanical Gardens	350,000
Center for Puppetry Arts	320,000
Margaret Mitchell House	28,700
Ferst Center for the Arts*	85,000
Atlanta History Center	169,300
Museum of Design Atlanta (MODA)*	25,000
Georgia World Congress Center	1,100,000
Sports/Performance Venues	
Georgia Dome*	1,200,000
Phillips Arena	1,600,000
Urban Parks	
Centennial Olympic Park	3,000,000
Piedmont Park	3,100,000
Retail	
Lenox Square Mall*	7,500,000
Phipps Plaza*	3,500,000
Total Visitation	28,428,000
* consultant's estimate	

Corridor



Photos: Creative Loafing



MEDICAL

■ Hospitals

- The Peachtree Corridor is home to over 27,000 healthcare jobs, generating \$1.2 billion in direct economic output.
- Six major hospitals, with 2,181 beds, are in or adjacent to the Peachtree Corridor.

Hospital Name	CID	Staffed Beds
Grady Memorial Hospital	Downtown*	931
Children's Healthcare at Hughes Spalding	Downtown*	82
Emory University Hospital Midtown	Downtown/Midtown	431
Kindred Hospital - Atlanta	Midtown*	70
Shepherd Center	Midtown*	152
Piedmont Atlanta Hospital	Midtown*	515
Total		2,181

Source: American Hospital Directory

* Outside of, but adjacent to MID Boundary



HIGHER EDUCATION

Peachtree Corridor Educational Institutions

The Peachtree Corridor is home to a wide range of educational institutions:

- Georgia Tech
- Georgia State University
- Savannah College of Art & Design
- Westwood College
- John Marshall Law School
- GSU-Robinson College of Business, Buckhead
- American InterContinental University
- Herzing University
- UGA Terry College of Business
- Recording Connection Audio Institute



HIGHER EDUCATION

The economic impact of educational institutions in the Corridor is substantial, and dominated by Georgia Tech and Georgia State:

- **Enrollment:** 56,636
- **Total Spending:** \$2.7 billion
- **Indirect/Induced Spending:** \$1.8 billion
- **Total Economic Impact:** \$4.4 billion
- **Multiplier effect:** for every \$100 of direct spending, \$45 of other spending occurs in the Georgia economy
- **Total Employment Impact:** 36,499 jobs
- **Student Spending:** \$692 million, or \$12,000+ per student.

Source: Bleakly, Selig Center for Business Growth "The Economic Impact of University System of Georgia Institutions on their Regional Economies in FY 2012", 2013



ECONOMIC IMPACTS OF MAJOR EDUCATIONAL INSTITUTIONS

	Georgia Tech	Georgia State	Other Institutions*
Enrollment (fall 2013)	21,471	32,165	3,000
Initial Spending			
Personnel Services	\$ 698,906,314	\$ 353,097,643	
Operating Expenses	\$ 562,840,562	\$ 242,236,270	
Student Spending	\$ 267,108,552	\$ 391,543,224	\$ 34,200,000
Total Initial Spending	\$ 1,528,855,428	\$ 986,877,137	\$ 140,711,419
Total Output Impact			
Indirect/Induced	\$ 1,043,792,573	\$ 641,830,808	\$ 70,355,710
Multiplier	1.45	1.54	1.5
Per Student Spending	\$ 12,440	\$ 12,173	\$ 11,400
Total Employment Impacts	20,869	13,710	1,920
On-Campus Jobs	6,941	3,431	538
Off-Campus Jobs	13,928	10,279	1,382



TAX BASE (2014)

The Peachtree Corridor contains the highest value real estate in the City of Atlanta:

- The market value of real and personal property in the Peachtree Corridor is \$21.2 billion, which is 37% of the total market value of the city as a whole.
- The market value of an average acre* of the Corridor is \$6.7 million, compared to \$675,000/acre citywide— ten times greater.
- The Corridor represents 32% of the city’s Tax Digest (assessed value)— \$6.6 billion of the total \$20.7 billion.

- This is true even though the Corridor contains the greatest concentration of tax exempt properties in the city.

Value (in \$ Millions)	Peachtree Corridor	City of Atlanta
Appraised Value (Market)	\$ 21,225	\$ 57,228
Less Exemptions	\$ (3,872)	\$ (5,437)
Taxable Value (Market)	\$ 17,353	\$ 51,792
Net Tax Digest (40%)	\$ 6,635	\$ 20,717
% of City's Value	37%	100%
% of District Exempt	18%	10%
Size (Acres)	3,145	84,736
% of City Land	3.7%	100.0%
% of Georgia Land	0.008%	0.2%

* Gross acreage, includes public right-of way

Source: Fulton County GIS, Fulton County Tax Assessor

REAL ESTATE INVENTORY

Peachtree Corridor Commercial Real Estate

Peachtree Corridor	Existing Bldgs.	Existing SF
Office	508	67,212,656
<i>Class A</i>	102	44,396,418
<i>Other Office</i>	406	22,816,238
Retail	567	17,165,543
<i>General</i>	478	5,720,331
<i>Shopping Ctr.</i>	79	3,417,860
<i>Mall</i>	6	2,723,981
<i>Mart (Wholesale)</i>	4	5,303,371
Flex & Industrial	42	1,034,669
Health Care	12	1,504,539
Hospitality	69	16,369,858
Sports & Ent.	7	2,182,515
Specialty	160	15,378,183
Total	1,365	120,847,963

- The Peachtree Corridor is the regional hub of commercial real estate:
 - It is home to over 121 million SF of commercial real estate—the largest concentration in the Atlanta region.
 - There is 67 million SF of office space, with 4 million SF more in the development pipeline.
 - The Corridor is also the dominant regional retail location with 17 million SF.
 - It also is a regional hub for hotels with 16 million SF and special purpose facilities like stadiums, museums, convention and meeting space and healthcare facilities.
 - The Corridor is the most dense and varied commercial area in the Atlanta region .

* Proposed buildings are supplied by CoStar. They are currently being corroborated with information from the BID/CID's and independent research.

Source: CoStar, Inc. Bleakly, CIDs

REAL ESTATE INVENTORY

■ Rental Apartment Inventory

Apartments	Building or Community	Units	Avg Rent/ SF	Avg Rent/ Unit
Peachtree Corridor	203	29,625	\$1.68	\$1,426
Class A	45	12,097	\$1.79	\$1,807
Class B	78	13,645	\$1.49	\$1,289
Class C	80	3,883	\$2.16	\$1,081

The Peachtree Corridor contains a large inventory of rental housing, typically in larger apartment developments:

- There are 203 rental apartment complexes in the Corridor
 - They contain 29,625 units
- The average rent in the existing inventory is \$1.68 PSF, new projects in the pipeline are planning rents in excess of \$2.00 PSF, some substantially higher.
- The older Class B and Class C inventory is gradually being replaced by one of the newer projects in the development pipeline.

Source: CoStar, Inc. Bleakly



Photo: Mike Cloey

DEVELOPMENT PIPELINE

- Currently 80 new buildings are in the development “pipeline” (planned or under construction) in the Peachtree Corridor:
 - An estimated \$5.5 billion of new construction
 - 4.8 Million SF of office space
 - 1,576 hotel rooms
 - 14,553 apartments and condominium units
 - 267,000 SF of mixed-use retail
- This construction is expected to generate:
 - 25,200 annual construction jobs
 - \$1.25 billion in construction payroll
 - \$1.6 billion in local spending
 - \$191 million in public revenues from sales taxes, permits, and fees.

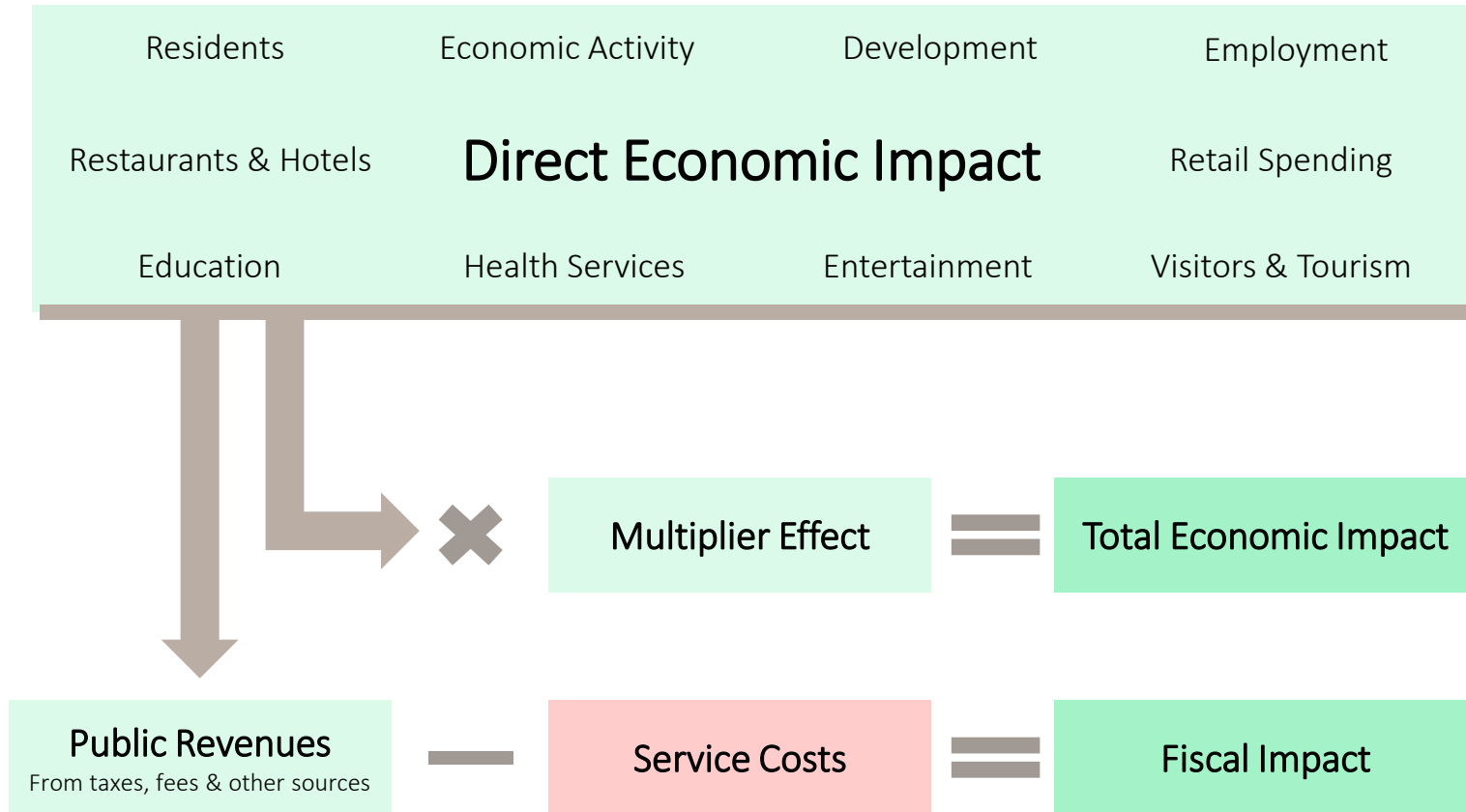
Source: CoStar, Inc. Bleakly, ADID, MID, BID



Photo: Atlanta Skyrise Blog/Kevin Greico

ECONOMIC AND FISCAL IMPACT METHODOLOGY

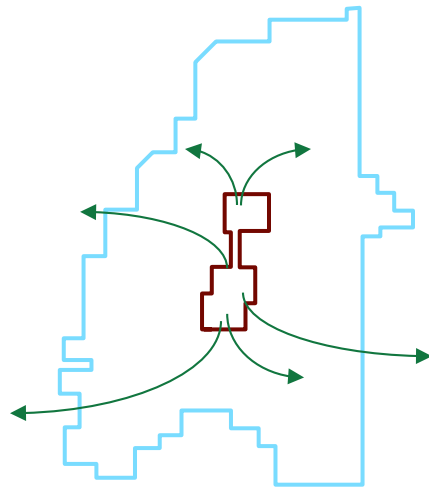
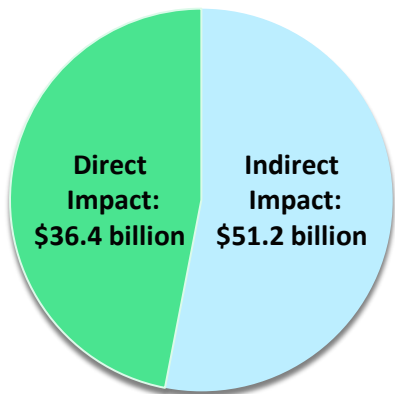
- The approach used to measure the economic and fiscal impacts of the Peachtree Corridor:



ECONOMIC IMPACT

Economic Impact of the Corridor

- The Peachtree Corridor's 241,275 direct jobs support a total of 580,180 jobs.
- The total direct economic output of the Corridor is \$36.4 billion annually.
- This direct economic output stimulates an additional \$51.2 billion indirect and induced economic activity.
- The total economic output of the Corridor is **\$87.6 billion**.



Source: US Census, BLS & ARC, RIMS II Economic Impact on State of GA
Impact s reflect 2010 dollars

Economic Impacts	Peachtree Corridor
Estimated Direct Jobs 2014	241,275
Indirect & Induced Jobs	338,905
Total Employment Effect	580,180
Direct Industry Contribution to Final Demand	\$ 36.4 billion
Indirect/Induced Economic Impacts	\$ 51.2 billion
Total Economic Output	\$ 87.6 billion

FISCAL IMPACT: LOCAL PUBLIC REVENUES FROM THE CORRIDOR

ESTIMATED LOCAL PUBLIC REVENUES FROM PEACHTREE CORRIDOR

Property Taxes

Assessed Value of the Peachtree Corridor	\$	6,635,000,000
City Property Taxes @ .010050	\$	66,681,750
Atlanta Public Schools @ .021740	\$	144,244,900
Subtotal Annual Property Tax	\$	210,926,650

Sales Taxes

Retail Space (SF)		11,862,172
Occupied Retail Space		10,675,955
Estimated Retail Sales @\$325/SF	\$	3,469,685,310
Estimated Hotel Revenue Subject to Sales Taxes	\$	671,558,399
Attraction/Sports/Concert Ticket Sales	\$	239,000,000
Estimated Taxable Sales	\$	4,141,243,709
Local Option Sales Tax @ 43% of 1%	\$	17,807,348
MOST Sales Tax @1%	\$	41,412,437
Educational Local Option Sales Tax @ 42% of 1%	\$	17,393,224
Subtotal Annual Sales Taxes	\$	76,613,009

Hotel Motel Tax

Estimated Occupied Hotel Rooms		3,921,509
Estimated Room Revenue	\$	537,246,719
Hotel/Motel Tax @ 8%	\$	42,979,738
Atlanta Portion of Hotel Motel Tax	\$	10,744,934

Business Occupation Tax

Average Tax Per Employee City of Atlanta	\$	100.25
Employees in the Peachtree Corridor		241,275
Estimated Business Occupation Tax in Corridor	\$	24,187,819

Annual Local Taxes from the Peachtree Corridor	\$	322,472,412
City of Atlanta	\$	160,834,288
Atlanta Public Schools	\$	161,638,124

The Peachtree Corridor generates substantial revenues for the City of Atlanta and Atlanta Public Schools

- The Corridor generates an estimated \$322 million annually in property taxes, sales taxes, hotel/motel taxes and business occupation taxes for the City and Atlanta Public Schools.
- The city receives \$160 million from these four taxes from the Peachtree Corridor annually— 29% of its general fund budget.
- Atlanta Public Schools receives \$162 million annual from property and sales taxes— 27% of its annual budget.
- Retail, hotels restaurants, attractions, sporting events and concerts contribute over \$76.6 million in sales taxes to the City and Atlanta Public Schools
- More than half of the City's occupation tax at \$24.2 million is generated in the Peachtree Corridor.

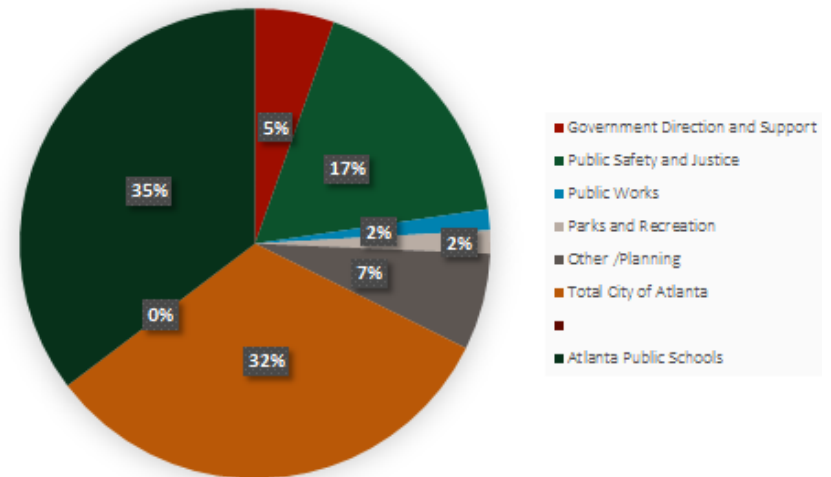
Source: City of Atlanta Budget, APS Budget, BAG

FISCAL IMPACT: PUBLIC SERVICE COSTS IN THE CORRIDOR

Estimates of local public service costs for City of Atlanta and APS allocated to the Peachtree Corridor:

- The City of Atlanta’s General Fund pays for key public services in the city—public safety, public works, etc.
- Four revenue sources cover 60% of General Fund costs—property, sales, hotel/motel and business (occupation) taxes.
- Estimates of local service costs in the Peachtree Corridor by major budget category were made by considering the demand for these services citywide and in the Corridor.
- The cost of providing local public services in the Peachtree Corridor is estimated to be \$79 million annually.
- The cost of providing K-12 schooling for the 2,954 children living in the Peachtree Corridor is estimated to be \$25 million annually.
- The total local public service costs in the Corridor (city and schools) is \$103 million annually.

Atlanta Government Service Expenses



General Fund	2014 Budgeted Cost	Percent	Proportion P,S,H,B taxes*	Allocation to PC	Allocation %
Government Direction and Support	\$ 91,539,507	17%	\$ 54,923,704	\$ 17,026,348	31%
Public Safety and Justice	\$ 289,928,265	53%	\$ 173,956,959	\$ 33,051,822	19%
Public Works	\$ 24,390,447	4%	\$ 14,634,268	\$ 4,536,623	31%
Parks and Recreation	\$ 26,853,981	5%	\$ 16,112,389	\$ 1,772,363	11%
Other /Planning	\$ 112,065,637	21%	\$ 67,239,382	\$ 22,188,996	33%
Total City of Atlanta	\$ 544,777,837	100%	\$ 326,866,702	\$ 78,576,153	14%
Atlanta Public Schools	\$ 595,000,000	100%	\$ 410,000,000	\$ 24,600,000	6%
Total Local Costs (City and APS)				\$ 103,176,153	

* Property, Sales, Hotel/Motel and Business Taxes

NET FISCAL IMPACT OF THE CORRIDOR

The Peachtree Corridor generates substantially more revenue for the City of Atlanta government and public schools than it consumes in public services:

- The City of Atlanta receives over **\$161 million** in revenues annually from the Peachtree Corridor, while local service costs are estimated at **\$79 million**, resulting in a net surplus of **\$82 million** to the City— equal to 25% of the City’s General Fund raised from the four key taxes.
- The Atlanta Public Schools receive **\$162 million** in revenues from the Corridor, while education costs for children living in the corridor are estimated at **\$25 million**, resulting in a net surplus to APS of **\$137 million**. This represents 34% of the total revenues generated locally by APS annually.
- The Peachtree Corridor generates a net fiscal surplus of **\$219 million** to the City and Schools combined each year.
- The Peachtree Corridor is the fiscal engine of the City of Atlanta, generating surplus revenues to support services citywide.

PEACHTREE CORRIDOR NET FISCAL IMPACTS	
City of Atlanta Revenues	\$ 160,834,288
Service Costs	\$ (78,576,153)
Net Fiscal Impact	\$ 82,258,136
Atlanta Public Schools Revenues	\$ 161,638,124
Service Costs	\$ (24,600,000)
Net Fiscal Impact	\$ 137,038,124
City/APS Revenues	\$ 322,472,412
Service Costs	\$ (103,176,153)
Net Fiscal Impact	\$ 219,296,259

Source: City of Atlanta Budget, APS Budget, BAG

SECTION 5:
**REVENUES TO THE
STATE OF GEORGIA
FROM THE PEACHTREE
CORRIDOR**



CORRIDOR REVENUES TO THE STATE OF GEORGIA

GEORGIA PERSONAL INCOME, SALES AND GAS TAXES FROM THE PEACHTREE CORRIDOR* Peachtree Corridor

Residents	
Households	27,273
Median Income	\$ 71,703
Taxable Income	\$ 57,362
Total Household Taxable Income	\$ 1,564,444,735
State Income Tax	\$ 86,044,460
Employees	
Employees	241,275
Median Income	\$ 68,000
Taxable Income	\$ 54,400
Total Employee Taxable Income	\$ 13,125,360,000
State Income Tax	\$ 721,894,800
Retail Sales	
At Retail Outlets	\$ 3,469,685,310
At Hotels	\$ 671,558,399
Admissions at Attractions	\$ 239,000,000
Total Retail Sales	\$ 4,380,243,709
State Sales Taxes	\$ 175,209,748
Motor Fuel Excise and Sales Tax	
Households	27,273
Estimated Vehicles	18,000
Employees	\$ 241,275
Estimated Vehicles	207,497
Total Vehicles	225,497
Average annual gallons consumed	625
Total gallons consumed	\$ 140,935,425
Average annual fuel cost*	\$ 2,031
Total Cost of Fuel	\$ 457,983,757
State excise tax @ \$.1930/gallon	\$ 27,200,537
State sales tax on fuel \$.04 %	\$ 18,319,350
Total State Motor Fuel Taxes	\$ 45,519,887
Revenue from Income, Sales and Motor Fuel Taxes	\$ 1,028,668,896
State Revenue From Income, Sales and Motor Fuel Taxes	\$ 15,051,507,900
Percent of Tax Revenues from Peachtree Corridor	7%

* Peachtree Corridor totals are greater than the three areas combined due to the inclusion of an additional area along Peachtree Road connecting Buckhead to Midtown.

** Based on 12,500 annual miles, 20 MPG/\$3.20/Gallon

Source: Georgia Dept. of Revenue/BAG

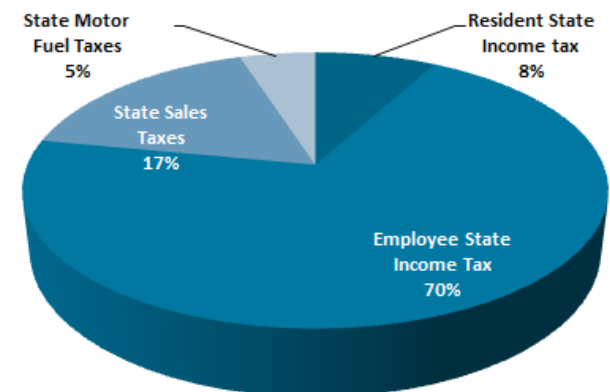
STATE REVENUES FROM THE PEACHTREE CORRIDOR

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

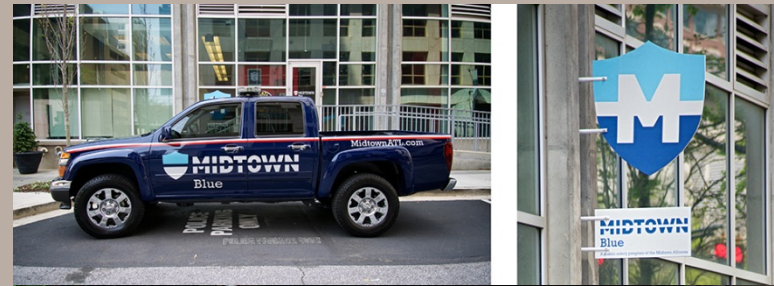
Source: BAG

- The Peachtree Corridor generates **\$1 Billion** in income, sales and gas taxes for Georgia each year.
- 7% of total State revenues from these sources
- Employee income tax 70% of total

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



SECTION 6:
ECONOMIC IMPACTS
FROM THE THREE CIDS



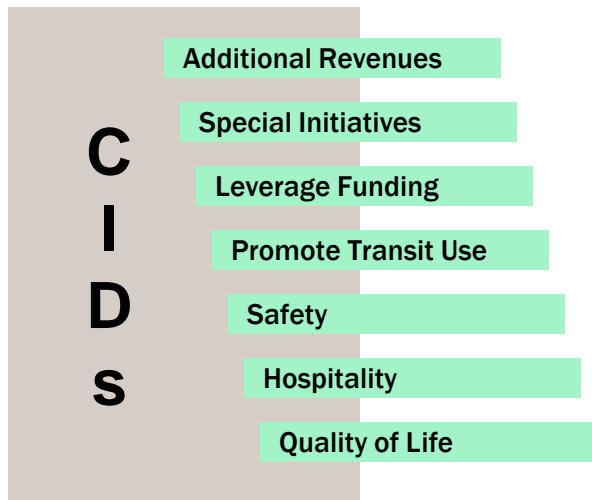
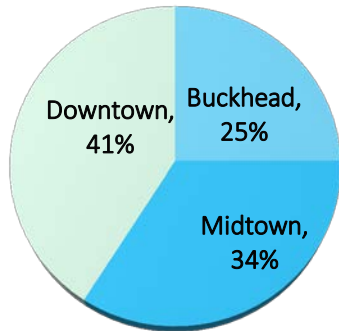
HOW THE THREE CID'S IMPACT THE CORRIDOR

- 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



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

APPENDIX:



DATA SOURCES & METHODOLOGY

■ Community Improvement Districts

- CAP/ADID
- Midtown Alliance/MID
- Buckhead CID

■ Data Sources:

- US Census 2012 American Community Survey
- US Census Center for Economic Studies
 - Longitudinal Employer Household Dynamics
- Nielsen, Inc.
 - A national demographic and economic data firm.
- US Bureau of Labor Statistics
- Georgia Department of Labor
- Fulton County GIS
- Fulton County Assessor
- CoStar, Inc.
- Atlanta Regional Commission

■ Demographic data

- Based primarily on data from Nielsen, Inc., corroborated with 2010 census block 100% counts.

■ Employment Data

- Based primarily on data from US Census Longitudinal Employer Household Dynamics, 2002 and 2011.
- 2011 small-area employment estimates advanced to 2014 based BLS city-wide 2011-2014 growth rates.
- 10 year employment forecast based on ARC employment growth forecasts by super district and employment sector.

■ Real Estate Data

- Based on CoStar, Inc. survey data supported by local knowledge & BID support.

GEOGRAPHY

Brookwood Commercial Connector

- This area, defined only for the purposes of this analysis, captures the commercial areas of the Peachtree Corridor between the Midtown and Buckhead Community Improvement Districts.
- It includes large commercial and multi-family properties near Peachtree Street.
- In this analysis, this area is included in the Peachtree Corridor along with the other three areas.

