

NRI and TAD Extensions Make Financial Sense for All Atlantans

A plain-language guide to how Atlanta funds neighborhood reinvestment and what is at stake.

HOW TADs WORK

Tax Allocation Districts (TADs) are a key funding source for the NRI because they are uniquely capable of generating large-scale capital **without raising taxes**.

When a TAD is created, the property tax base in that geographic area is **frozen**. The City of Atlanta, Fulton County, and Atlanta Public Schools (APS) continue to collect taxes on that frozen base every year, just as they always have.

As public and private investments are made within the district, property values rise. The increase in tax revenue above the frozen base (the "**tax increment**") is captured and reinvested directly back into that same neighborhood.

This increment can be spent as it comes in (pay-as-you-go) or used to issue bonds for large upfront capital projects like affordable housing, transit, and infrastructure.

Key takeaway: TAD-funded projects are financed by the incremental growth of property values within the district itself. There is no new tax, and no additional burden is placed on the rest of the city. When the TAD expires, the full, higher tax base is returned to the City, County, and Schools.

WHO BENEFITS FROM TADs AND HOW

<p>City of Atlanta</p> <p>TADs grew in total by 193% in assessed value (2007 to 2024), far outpacing non-TAD areas. A stronger tax base supports better city services and stronger credit ratings.</p>	<p>Atlanta Public Schools</p> <p>APS keeps its share of the frozen tax base and receives PILOT (Payment in Lieu of Taxes) payments during the life of the TAD. When it expires, APS inherits a larger tax digest, securing long-term school funding.</p>	<p>Fulton County</p> <p>Fulton County TAD "halo" areas grew 145% in assessed value from 2007 to 2024. The County benefits from rising property values in surrounding neighborhoods before the TAD even expires.</p>
<p>Residents in TADs and NRI Zones</p> <p>Dedicated capital for housing, blight removal, access to fresh food, and infrastructure, paired with anti-displacement protections so legacy residents stay and benefit from growth.</p>	<p>Residents Outside TADs</p> <p>TADs ensure neighborhood growth pays for neighborhood improvements. Without them, the cost of citywide equity may shift to general taxpayers through millage rates or bond measures.</p>	<p>The Whole City</p> <p>A more balanced city is a more stable one: stronger credit ratings, lower long-term infrastructure costs, and more consistent economic growth for everyone.</p>

THE COST OF INACTION

If TADs are not extended, Atlanta does not lose the NRI, but it loses this powerful funding tool. The consequences fall into three likely scenarios:

<p>Scenario 1 Limited or No Investment</p>	<p>Scenario 2 Market Forces Take Over</p>	<p>Scenario 3 TADs Extended and Leveraged</p>
<p>The status quo continues. Neighborhoods in desperate need of services, amenities, and development remain waiting. Disinvestment deepens.</p>	<p>Private development occurs without public guidance. Growth happens, but communities have little ability to slow displacement or preserve neighborhood identity.</p>	<p>TADs are deployed in service of neighborhood goals and paired with anti-displacement programs. Legacy residents stay and benefit from growth. The whole city gains.</p>

If TADs are not extended, alternative funding tools such as increased millage rates, citywide bond measures, or general fund reallocation may become more central to NRI financing. These tools spread costs more broadly across all Atlanta taxpayers rather than drawing from neighborhood-generated growth.