

MARTA loan fills gap in Beltline study funds

By Ariel Hart
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The agency implementing the Atlanta Beltline project is borrowing \$5 million from MARTA to pay its portion of a joint study, MARTA officials said.

The Beltline's financial difficulties were compounded by a recent court decision that struck down a key funding source.

Tax allocation districts that use increases in school tax revenues to fund re-development were disallowed by the state Supreme Court in February.

The Beltline project planned to use TAD revenues as a major funding source.

The Beltline is a 22-mile system of transit, trails and parks planned in a loop around central Atlanta.

Voters will be asked in November to approve a constitutional amendment to make TADs legal.

TADs are intended to allow redevelopment to fund itself, using the increase in property tax revenues generated when redevelopment improves the district.

The court found that the portion of the revenue that comes from school taxes couldn't be diverted under the state constitution.

MARTA general manager Beverly Scott said she isn't worried about getting the Beltline study loan repaid if voters don't approve the TAD amendment in November.

"We don't have a concern," she said. "They have to repay it."

MARTA board chairman Michael Walls said MARTA's loan is secured by a promissory note from Atlanta Beltline Inc. Beltline officials said the loan is to be repaid in three years.

Scott said that when MARTA learned about the TAD issue they decided to go ahead with the study.

"We didn't want to wind up seeing that project getting delayed," she said.

The environmental impact statement is a federally mandated piece of any big transportation project, one that can take months or years. Delays are deadly, especially when [inflation](#) is driving up construction costs. Keeping the study on track also is a matter of maintaining project momentum.

MARTA officials said the study should cost \$10 million, and MARTA and Atlanta Beltline Inc. intended to split the cost between the two organizations.

MARTA is having its own financial problems. A budget that includes job cuts and a deficit was submitted for public comment Monday.