The Contradictory Logics of Public-Private Place-making and Spatial Justice: The Case of Atlanta’s Beltline

Deirdre Oakley* and George Greenidge Jr.

Georgia State University

The concept of spatial justice connects social justice to space (Harvey 1973; Lefebvre 1992 and Soja 2010). As Soja (2010) argues, justice has a geography. Spatial justice seeks more equitable distribution of resources in a world where societies are inherently unjust. In theory, many urban design and place-making projects aim to create a more spatially—just city. That is, until such projects collide against the profit logic and ambitions of the private market. The purpose of this essay is to revisit the issue of urban design and place-making as mechanisms for urban spatial justice using Atlanta’s Beltline adaptive reuse project as a current example of how such visions end up competing with the on-the-ground economic and political realities of speculative real estate.

The Beltline was first proposed as part of a master’s thesis by Georgia Institute of Technology student Ryan Gravel in 1999. The idea was to transform an abandoned 22-mile railroad corridor which loops around 45 in-town neighborhoods into integrated walking, cycling trails, as well as green space. Inspired by Jane Jacobs’ ideals for urban life—connectivity, socially-just cultural and economic mix, and greater density—the hope has been that this adaptive reuse project would spur equitable and sustainable mixed income/mixed-use redevelopment in Atlanta, a city known for its sprawling segregation and car culture. In sum, the Beltline had the potential of becoming a great equalizer by connecting affluent and poor, Black and white neighborhoods together through city-wide public-private space (Camrud 2017).

By the mid-2000s, city and business leaders had embraced the project and Atlanta Beltline, Inc. (ABI), was formed as the public-private agency that would administer and oversee the development. The project continues to be touted as one of the largest such efforts in the United States during the new millennia with the organizational slogan, “Where Atlanta Comes Together”. To fund the project, the Beltline Tax Allocation District (TAD) was created. To ensure the construction of affordable housing along the Beltline, the Atlanta City Council voted to require 15 percent of the TAD bond proceeds go to the newly established Beltline Affordable Housing Trust Fund, which fell under the umbrella of Invest Atlanta, a local public-private development entity. The overall purpose of the housing trust fund was to provide grants to developers for affordable multifamily rentals, single family, community housing development organizations for multi- and single family housing construction. The idea was that through the TAD allocation and additional fund

*Correspondence should be addressed to Deirdre Oakley, Professor, Department of Sociology, Georgia State University, 38 Peachtree Center Ave, Atlanta, GA 30303; doakley1@gsu.edu.
raising efforts the housing trusts could fund such entities to produce affordable housing. However, not only were there no enforcement mechanisms put in place for the TAD funds, but the housing market crashed as well. Both of these factors compromised the ability of the housing trust to raise the necessary funds.

As of 2016, real estate speculation, fueled by local political and growth regimes, has shifted the reality of the Beltline far from its original vision (see Immergluck 2009). As the Beltline has been completed in various sections of the city, development has typically involved concomitant luxury housing construction and high-end retail stores and eateries, instead of the affordable housing and small businesses that were planned.

As Immergluck and Balan (2017) point out, the Beltline’s speculative real estate “frenzy” began within a few years after groundbreaking (p.3). Rising property values have led to both actual displacement of moderate-to-low income homeowners and renters as well as fear of displacement. Any observers and long-time residents argue that the Beltline has become one of the key mechanisms of gentrification in the region, which begs the question: What happened to the promise of affordable housing?

In September 2016, conflict over affordable housing culminated with the resignations of Ryan Gravel, now an urban planner, and Nathanial Smith, founder of the Partnership for Southern Equity, from the Beltline Board of Directors. In a joint letter, Gravel and Smith reinforced the socially-just vision of the Beltline, and the hope to create an equitable place for every resident of Atlanta:

It is with the upmost respect that we submit our resignations from the Board of Directors of the Atlanta Beltline Partnership, (ABP)…. We fear, however, that without more urgent and deliberate attention to these communities, we’ll end up building the Atlanta Beltline without achieving its [inclusive] vision…. This vision came from a big, diverse coalition of neighbors and local partners … over the years there have been many people working hard to ensure affordability and economic opportunity for everyone. We were a part of that effort, but even so, today we see the project’s success most threatened by inadequate attention and accountability to those outcomes. … The recent announcement of $7.5 million from TAD bonds, for example, will likely support fewer than 200 affordable units out of ABI’s obligation to 5,600—it is a drop in the bucket when compared to the need. (Wheatley 2016, p.1)

Given Gravel and Smith’s statement, the case of the Beltline strongly illustrates the power of speculative real estate to pre-empt spatial justice even in the face of an affordable housing requirement—a requirement that was never enforced. The city ordinance creating the Beltline TAD required the provision of almost 5,600 affordable housing units with revenue going to the Beltline Affordable Housing Trust Fund to ensure its construction. This is a modest goal at best, and yet, only 800 units have been built thus far. As Nathaniel Smith argues, “…the people have been overshadowed by profit” (Mariano et al. 2017, p. 1).

Immergluck and Balan (2017) examined trends in housing values (2011–2015) within a half mile of the Beltline TAD, and found that housing values increased ranging from 17.9 to 26.6 percent compared to other areas of the city. Their careful analysis demonstrates the seriousness of housing affordability along the Beltline. The authors (2017) conclude that the Beltline “is likely to be judged successful as a tool to increase the City’s
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overall property tax base and to help bring more people into the City to recreate. At the same time, its net consequences for housing and economic opportunity among lower income Atlantans who live near the project are concerning” (p.14). More broadly, they point to the increasing potential for spatial exclusion rather than spatial justice. Indeed, instead of being a space where Atlantans from all walks of life come together, the Beltline will push existing residents out of the area as the housing market becomes unaffordable for an estimated three-quarters of the city’s residents.

On July 16, 2017, the Atlanta Journal Constitution (AJC) published an investigative report about the failure of Beltline leadership in meeting the affordable housing mandate. The report makes clear that this mandate was marginalized from the beginning both by Beltline leadership and market forces. Beginning in 2008, the housing crisis compromised revenues from the Beltline TAD. In addition, for-profit developers would not construct affordable housing units unless it was a requirement, but no such requirement existed. At the same time, however, by 2013 Beltline Inc. had allocated a mere $5.3 million to affordable housing development compared to $127 million for parks and trails. By 2016, it became clear that ABI had failed to contribute the original required 15 percent of TAD revenues to affordable housing development. The budget allocation for fiscal year 2017 was closer to 1 percent. According to the AJC report (2017), Beltline financial partner Invest Atlanta threatened to withhold funds unless the affordable housing budget allocation was increased. Instead of agreeing, ABI leadership attempted to reduce the overall affordable housing unit goal. In the end, they acquiesced, increasing the fiscal year 2017 affordable housing budget allocation from $676,000 to $2.2 million. While this represents more investment, many argue that it is not enough. Since Beltline leadership failed to fully invest in affordable housing from the beginning of the project, it is now unrealistic to believe that the original goal can be met.

The story of Atlanta’s Beltline has not reached its end, as the project is still under construction. The case illustrates the vulnerability of urban design and place-making projects which seek to improve spatial justice, and the agenda of the growth regime, which seeks to gain profit from land use. The Beltline began as an innovative master’s thesis and then initially transitioned into an inclusive grass-roots effort. When city and business leaders embraced it as a public-private partnership, the requirement for affordable housing development became one of its bedrocks and salient ingredient that was codified by the city council. Still, regardless of these measures, the Beltline—like many other such urban redevelopment projects—became co-opted by the private market.

Atlanta is a city currently experiencing an overwhelming amount of commercial and residential gentrification, which has seeped out of the urban core and into the near suburbs. The Beltline was originally envisioned as an equalizer, not a machine for widespread gentrification: “…the Beltline was supposed to be different” (Wheatley, 2016, p.1). Yet according to Wheatley’s Creative Loafing article, the response by Beltline leadership to such sentiments has been that gentrification is a city and metro-wide issue that needs city and regional interventions (2017). In other words, the implied rhetoric is “it’s not our fault—just blame the market and the lack of city and regional interventions.” When it comes to urban design and place-making, what more can be done? There are many “tools” that Beltline leadership could have used—first and foremost being “inclusionary zoning.” The concept of inclusionary zoning (IZ) is simple: For every new market-rate development, a portion of units are set aside for affordable to low-to-moderate income residents. To insure IZ projects are effective the percentage of set-asides should be on a
scale that meets the need. If every developer was required to do this, such needs would be met. The problem is that city leaders seem reluctant to enforce inclusionary zoning at the appropriate scale. We argue that city leaders are simply giving in to the demands of local growth coalitions out of fear that they will take their real estate development regime elsewhere.

In order to function efficiently cities need service workers, civil servants, educators, and others with low-to-moderate incomes. Yet the private real estate market sees no need to offer housing to this demographic because in the short term, profits will not be maximized. Does Atlanta really want to become New York City, Boston, and San Francisco, where nothing is affordable? While it’s important to note that under Mayor de Blasio’s leadership, New York City recently created an inclusionary housing program to ensure provision of affordable housing, some might argue that this initiative is a little too little, a little too late. What’s really needed are stronger and more inclusive pre-emptive policy discussions for residents, government officials, developers, and academics to recreate our inner cities as places where people of all varying socio-economic, racial, and ethnic backgrounds can live, work, and congregate. And this is what true spatial justice looks like.

1Beltline.org https://beltline.org/

REFERENCES