



CUMBERLAND

COMMUNITY IMPROVEMENT DISTRICT

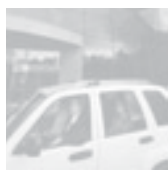


AHEAD OF THE CURVE

2006
ANNUAL REPORT



Pictured is a rendering of twin condominium towers that will be part of a mixed-use development along Riverwood Parkway and Cumberland Boulevard. For more information, visit www.cumberlandcid.org.



Dear Cumberland Galleria Investor:

The cranes and hard hats tell everyone that the Cumberland Galleria area is experiencing tremendous growth. The story they don't tell is the one of visionary business leaders and the government partners of the Cumberland Community Improvement District (CID), who are helping this vibrant office market evolve into a true community where people are excited to live, work and play.

With its location at the intersection of two major commuting thoroughfares, Cumberland Galleria was already a busy office market. Our addition of new access points to I-75, a loop road that permits travel around the community, and our improvements to surface streets throughout the area, have made Cumberland Galleria a convenient and practical place for many Atlantans to live, as well. Along with these additional residents have come the retail and dining amenities necessary to support more than 100,000 residents and 120,000 employees.

Our focus on mobility and access over the last 18 years has literally and figuratively paved the way for landmark changes and has led us into new and exciting endeavors. As the Cumberland Galleria community continues to grow, the CID is expanding its horizons as well, extending a multi-use trail into the Chattahoochee National Recreation Area, installing adaptive traffic signals, and getting projects underway to make the area more pedestrian-friendly and more attractive to everyone.

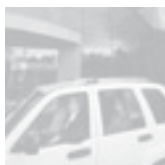
We are able to accomplish all of these things because of your support. Your additional five mils property tax has amounted to a \$70 million investment since 1988. We have leveraged those funds into almost \$3 billion in local, state and federal funding for transportation, land use planning and commuter services. That is a 50:1 return on your investment.

We continue to focus on a number of legislative issues in 2007, as well, and we look forward to advancing the principles on which the CID was founded. We hope that you take as much pride in what we have accomplished together as we do.

Sincerely,
The Cumberland CID Board of Directors

From left to right – **J. Peter Kasian**, Senior Director, Tishman Speyer;
John Shern, CID Vice Chairman, Vice President, Construction, The Home Depot;
Trey Parrish, Senior Vice President, B.F. Saul Property Company; **Barry Teague**,
Principal, Walton Communities, Inc.; **Connie Engel, CID Treasurer**, Partner, Childress
Klein Properties; **Tad Leithead, CID Chairman**, Senior Vice President, Development,
Cousins Properties, Inc.; **J. Lynn Rainey, CID Counsel**, Partner, J. Lynn Rainey, P.C.;
Mason Zimmerman, Senior Vice President, Pope & Land Enterprises, Inc.





ROADS AND INFRASTRUCTURE

Better accessibility from the interstates to the Cumberland Galleria area was the reason the Cumberland Community Improvement District (CID) was formed in 1988. And transportation issues within and around the CID are still the force that drives the seven-member board of directors and the community leaders they represent.

The CID's original goal – access ramps at Akers Mill Road and Interstate 75 – quickly developed into a master transportation plan that addressed access to and mobility within all of Cumberland Galleria. The original plan is almost complete, and many unexpected improvements have also been made. While transportation improvements have led to a variety of other projects, the CID's focus remains on roads and infrastructure.

From the Kennedy Interchange and the Cumberland Boulevard loop road to adaptive traffic signals and improved pedestrian access, the Cumberland CID is still about getting workers and residents around Cumberland Galleria with as little congestion as possible. In fact, anticipatory planning is a mainstay of the board and its traffic consultants as they prepare for the coming growth.



At left is a rendering of a proposed Bus Rapid Transit (BRT) station accessible from the Akers Mill Road overpass. BRT is part of the proposed improvements to be made along the I-75 corridor in the near future. The CID has been involved in planning for these improvements and is studying the potential need for a circulator to get riders from BRT stations to their destinations. The inset photo shows what a BRT vehicle might look like. At top left is a rendering of the intersection of Terrell Mill Road and Lower Roswell Road in the northeast quadrant of the CID. The CID and the Cobb County DOT split the cost of improvements at this intersection and three others in the northeast quadrant.



Courtesy of Georgia Regional Transportation Authority



SCATS Adaptive Traffic Signals Study

One way to improve traffic congestion is to monitor and respond to ever-changing traffic patterns. The Cumberland CID has implemented SCATS, the Sydney Coordinated Adaptive Traffic System, to give commuters what traffic engineers call the "green hand." By reading vehicles as data within detection zones that are approximately 20 feet long, the SCATS cameras send instructions to signal light controllers. So far, the Cumberland CID has installed SCATS at 15 intersections, increasing the ease of traffic flow.

2006 PROJECTS

1 Northwest (I-75) Corridor Improvements

Design of HOV lanes, Bus Rapid Transit, and potentially, truck-only toll lanes to 28 miles of I-75/575 corridor.

Funding: CID helped secure \$1.3 billion in funding through initial transit study.

Project Timeline: Construction scheduled for 2009.

2 Windy Hill Interchange Redesign

Final piece of CID's original road/infrastructure improvement plan. Still evolving with addition of HOV/BRT/toll lanes to I-75 corridor (see above).

Funding: CID helped secure more than \$200 million in federal funds for interchange reconstruction.

Project Timeline: Construction scheduled for 2008.

3 Windy Hill Road at Powers Ferry Road

Traffic analysis underway to develop a project that addresses traffic congestion around this intersection.

Funding: Improvements at this intersection will be funded by Cobb County's Special Purpose Local Option Sales Tax (SPLOST).

Project Timeline: Planning and design to begin in 2007.

4 Northeast Corridor Intersection Improvements

Improvements at four intersections along the Terrell Mill Road corridor, including Delk Road at Terrell Mill Road, Lower Roswell Road at Old Canton Road, Terrell Mill Road at Paper Mill Road, Terrell Mill Road at Lower Roswell Road.

Funding: Jointly funded by the CID and the Cobb County DOT.

Project Timeline: Two of four intersections completed in 2006. Two more scheduled for completion in late 2007.

5 Cobb Parkway Expansion

Design of a new bridge over the Chattahoochee River, more travel lanes, turn lanes, multi-use paths and landscaping.

Funding: CID committed more than \$500,000 in design work to leverage \$34 million in SPLOST, state and federal funds.

Project Timeline: Construction scheduled to begin in 2009.

6 East-West Connector Redesign

Design of improvements to East-West Connector from South Cobb Drive to I-285, including intersection improvements at South Cobb Drive and I-285.

Funding: CID committed more than \$60,000.

Project Timeline: Plans completed to widen East-West Connector from Atlanta Road to just west of South Cobb Drive.

7 Southeast Quadrant Study

Study was conducted to develop a transportation master plan in the southeast quadrant of the Cumberland CID. The study addressed pedestrian access and recommended improvements.

Funding: CID committed \$313,000 to the study.

Project Timeline: The study was completed in 2006. Implementation of recommendations scheduled to begin in 2007, pending funding.

8 High Speed Rail Study

Study all high-speed rail options along the I-75 corridor from Atlanta airport to Chattanooga airport.

Funding: CID committed \$875,000 to the study.

Project Timeline: Study began in 2006.

9 I-285 Corridor BRT/HOV

Study HOV lanes, truck-only toll lanes, interchange reconstruction and other improvements to I-285.

Funding: CID partnered with Perimeter CIDs to initiate the Strategic Implementation Plan now underway by Georgia DOT.

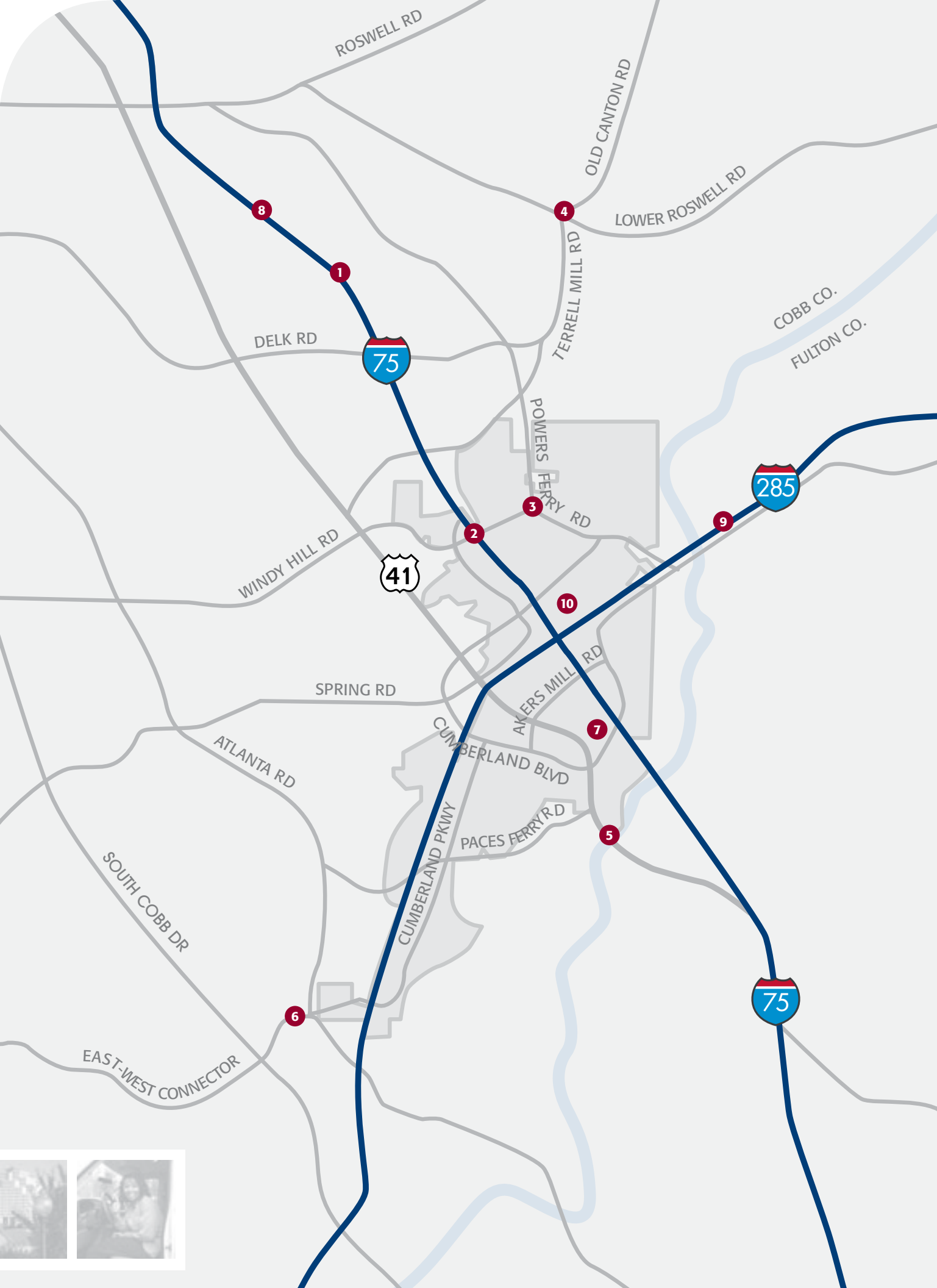
Project Timeline: Plan delivered in 2006.

10 Circulator Study

Study the feasibility of a circulator by evaluating Cumberland Galleria traffic patterns and future development needs. The study addresses community demands, funding opportunities and connectivity needs with existing transit providers.

Funding: CID committed \$212,368.

Project Timeline: Study scheduled for completion in 2007.





BLUEPRINT CUMBERLAND

What characteristics define a great community? In 2000, the Cumberland CID decided that in addition to roads with little congestion, a great community should include beautiful streetscapes and safe access by foot to the residential, office, dining, retail and entertainment venues.

To allow the community to enjoy Cumberland Galleria's amenities by motor vehicle, bike or foot, the CID will leverage \$25 million in its Blueprint Cumberland plan over the next few years. Blueprint Cumberland focuses on long-range strategic planning and infrastructure improvements like landscapes, streetscapes and multi-use trails, to foster continued growth and a pedestrian-friendly environment in the area.

From connecting the area's 6,000 new residential units to the growing number of retail and dining options, to providing access via multi-use trails from the busy office buildings to the Chattahoochee National Forest, Blueprint Cumberland is a community-based master plan that takes into account all aspects of life in the Cumberland Galleria area.



Part of the CID's mission is to make Cumberland Galleria a more attractive place for businesses and residents to locate. Above is a rendering of the CID's plans – through Blueprint Cumberland – to beautify the busy intersection of I-285 and Cobb Parkway. At top left is a rendering of the Silver Comet Trail at Mt. Wilkinson multi-use bridge. At right is a photograph of construction on the Bob Callan Trail where it crosses Rottenwood Creek.



Hot on the Trail

Of all the amenities found in the Cumberland Galleria area, perhaps none is as rare and as precious as the 1,200 acres of unspoiled woodland that is part of the Chattahoochee National Recreation Area. To help residents and office workers take advantage of this unique recreational opportunity, Blueprint Cumberland has funded the improvement of several trails around Cumberland Galleria and connected them to existing trails in the recreation area.

By making these multi-use trails available from residences and area amenities, the Cumberland CID has created easy access to one of Atlanta's treasures – a large park that offers a quiet, pristine environment for walking, jogging or biking, as well as picnic tables and boat launches.

2006 PROJECTS

1 I-285/Cobb Parkway Beautification

Landscaping, lighting and signage improvements at the interchange of Cobb Parkway and I-285.

Approximate Cost: \$650,000

Project Timeline: Project to be completed in 2007.

2 Cobb Galleria Parkway

Sidewalk, lighting, intersection and multi-use trail improvements on both sides of Cobb Galleria Parkway, from the intersection of Akers Mill Road to the intersection of Cumberland Boulevard.

Approximate Cost: \$2.1 million

Project Timeline: Design completed in 2006.

Construction scheduled for completion in 2007.

3 Akers Mill Road

Sidewalk, lighting, intersection and multi-use trail enhancements along Akers Mill Road from its intersection with Cumberland Boulevard to I-75.

Approximate cost: \$4 million

Project Timeline: Implementation to begin mid-2007 and completed in early 2008.

4 Cumberland Boulevard

Streetscape improvements along Cumberland Boulevard from Riverwood Parkway to Cobb Parkway.

Approximate cost: \$1 million

Project Timeline: Project to be completed in 2007.

5 Cobb Parkway Streetscape Enhancement

Phase 1

Streetscape improvements to Cobb Parkway from Circle 75 Parkway to Akers Mill Road.

Approximate cost: \$2.5 million

Project Timeline: Project to be completed in 2008.

6 Bob Callan Trail Along Rottenwood Creek

Design and construction of a 2.1-mile multi-use trail that connects the CID to the Chattahoochee National Recreation Area. Construction began in 2004.

Approximate cost: \$4 million

Project Timeline: Trail to be open to the public in 2007.

7 Silver Comet Trail

Construction plans for trail extension from South Cobb Drive to Mt. Wilkinson Road multi-use bridge at I-285 were completed in 2005. Plans for a park/trailhead for the trail on Atlanta Road at Daniel Street were developed in 2005.

Approximate cost: \$450,000

Project Timeline: Final phase to be implemented upon acquisition of right-of-way.

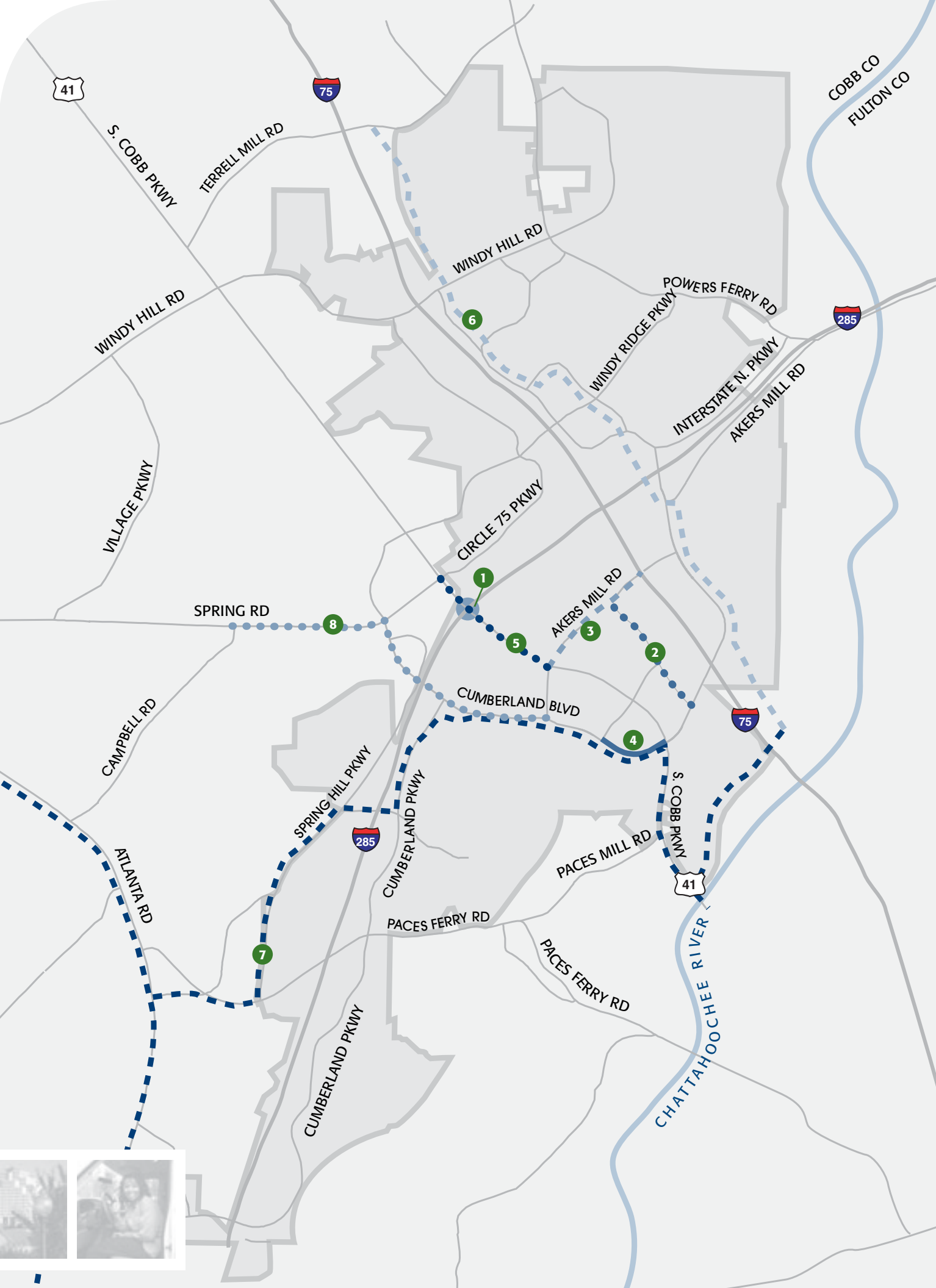
8 Spring Road/Cumberland Boulevard Multi-Use Trail

Links the Cumberland Galleria area with the trail network around Smyrna and links into the Silver Comet Trail network. Follows Spring Road from Campbell Road to Cumberland Boulevard and Cumberland Boulevard from Spring Road to the CCT transfer station.

Approximate cost: \$1.2 million to be funded by Georgia DOT.

Project Timeline: Construction scheduled to begin in 2007.







COMMUTER CLUB

In 2006, Commuter Club celebrated its 10th anniversary – and there sure was a lot to celebrate.

A program of the Cumberland Community Improvement District, Commuter Club offers transportation services, including vanpooling, teleworking and carpool matching to the 122,000 people who work in the Cumberland Galleria area.

At just \$50 per month, the vanpool program is the service with the highest rate of participation. In fact, so many people have recognized the time and money saved by this program that Commuter Club now has the largest vanpool program of any Transportation Management Association in the country, with almost 90 vans throughout metro Atlanta.

Besides saving participants thousands of dollars per year, Commuter Club also reduces traffic congestion and helps the environment. In 10 short years, Commuter Club has saved more than 55 million vehicle miles and prevented the release of more than 105 tons of harmful pollutants. This benefits commuters as well as the more than 100,000 residents of Cumberland Galleria.



Commuter Club added 37 vans to its record-breaking vanpool program in 2006, helping the program eliminate more than 609,000 vehicle trips during the year. At right is a photograph of vanpool riders loading up for the trip home. But Commuter Club provides more than vanpools. At left is a photograph of Cobb County Transit buses leaving the Cumberland Boulevard transfer station. Commuter Club distributed 8,920 transit passes discounted by 30 percent in 2006 and helped form 122 new carpools, as pictured at top left.



Less Driving, More Smiling

Saving money and reducing stress are reasons participants give for joining Commuter Club. That explains why the program placed 37 new vanpools during 2006. But why do so many employers want to partner with Commuter Club?

It's no mystery to Michael Wright, Allstate supervisor and vanpool driver. "It definitely alleviates stress for me, and since I'm a driver and an employer, I'm in the unique position of enjoying the benefits personally and seeing the increased morale and higher productivity in my employees," Wright said.

Don't forget, Commuter Club has more than vanpools. The program also offers carpool matching, teleworking assistance, transit discounts and more. In 2006, Commuter Club implemented four new teleworking pilots and provided customized assistance to some 4,800 participants.

2006 ACHIEVEMENTS

Congestion Relief

- Eliminated 18,857,750 vehicle miles in 2006.
- Eliminated more than 55 million vehicle miles in 10 years.
- Vanpools make more than 200 stops each morning and afternoon.

Environmental Impact

- Prevented the emission of almost 30 tons of pollutants in 2006.
- Prevented the emission of more than 105 tons of pollutants in 10 years.

Partnering with the Community

Commuter Club currently works with 91 corporate partners in Cumberland Galleria, a list that grew by eight percent in 2006. The program and its staff hosted 450 events for partners and commuters, grew their e-newsletter distribution list to more than 9,000 recipients and assisted approximately 4,800 people on the telephone.

However, Commuter Club staffers don't just serve the Cumberland Galleria community through their program's services. They partner with other community groups where they can make a difference on a grander scale. For example, they:

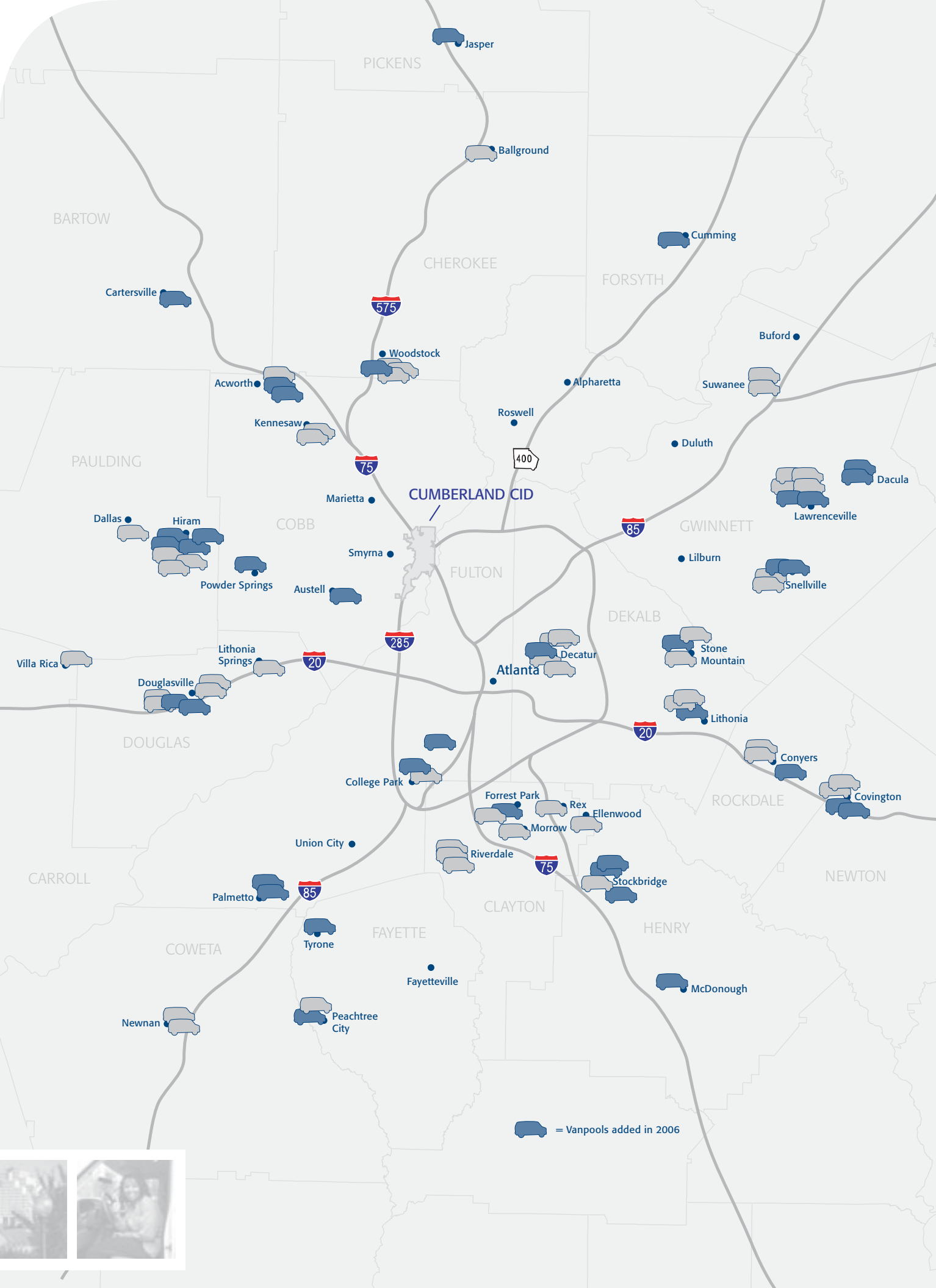
- Lead national discussions to promote transportation management association activities.
- Lead regional discussions to develop commute solution programs and localize them for Cumberland Galleria commuters.
- Continue to work closely with the Atlanta Regional Commission, 1-87RIDEFIND, The Clean Air Campaign, Georgia Regional Transportation Authority, Georgia and Cobb departments of transportation, Cobb Chamber of Commerce and various other agencies to develop and support services for Cumberland Galleria commuters.
- Serve on various boards and committees, such as the Cobb Transit Advisory Board.

Community Successes

- In partnership with The Clean Air Campaign, awarded \$4,900 to more than 800 participants who logged their commutes through CommuteTrak.
- Thanks in large part to Commuter Club's efforts, Cumberland Galleria was designated a Best Workplaces for CommutersSM district by the U.S. Environmental Protection Agency.



Commuter Club's demonstration van is available to any business or group of commuters in the Cumberland Galleria area. Groups considering vanpooling may use the van on a free two-day trial basis. It is also a good promotional tool for the vanpool program, which saved the average participant more than \$7,000 during 2006. Commuter Club uses the demo van, lobby signs and media stories to promote vanpooling and other commute alternatives.



SPECIAL SPOTLIGHT



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Thanks to the addition of several big-name chain restaurants, Cumberland Mall promises to become a dining hot spot. Above is a photograph of the new Maggiano's Little Italy, one of five new national chain restaurants that joined some local fare when the mall's two-year makeover was complete. At right is a shopper strolling the outdoor plaza and past Chico's, just one of several new retailers that, along with the improved façade and atmosphere, will help make Cumberland Mall a shopping destination again.



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While there is certainly plenty of improvement on the mall's exterior, the interior renovations make it feel like a new building. Pictured at left is new flooring, ceilings, lighting and railings on the second floor. At right are two views of the mall's redesigned Center Court.



NEW LOOK, EATERIES BREATHE LIFE INTO CUMBERLAND MALL

Cumberland Mall's multi-million dollar renovation was completed in November 2006. The makeover began in 2004 when the vacant Macy's building was demolished. More than 77,000 square feet of space was added to the mall, bringing total square footage to more than 1 million. Cumberland Mall's facelift includes a pedestrian-friendly streetscape, complete with fountains and outdoor seating in an open-air plaza. Interior renovations include a complete transformation of the food court, plus new flooring, railings, entrances and walkways, along with the addition of a lounge and family restrooms. New lighting and more security cameras have been added throughout the mall and parking lots, which also feature valet parking.

But, perhaps the highlight for the more than 12 million people that visit Cumberland Mall each year include the new local and national chain restaurants that were added to the mix during the renovation. These include Maggiano's Little Italy, P.F. Chang's China Bistro, The Cheesecake Factory, Ted's Montana Grill and Stoney River Legendary Steaks. New stores have been added as well, including Costco Wholesale, Chico's and Soma. A remerchandising effort will be underway for the next two years. Upgrades at Cumberland Mall's anchor department store, Macy's, will be finished in 2007.



2006 FINANCIALS

Over the past 19 years the Cumberland CID has committed \$70 million to improve access and mobility to and within the Cumberland Galleria office market.

PROJECTS	EXPENDITURES	COMMITMENTS
Adaptive Traffic Signal Study (SCATS)	687,473.98	800,000.00
Akin Gump Legislative Support 2006 – 2007	19,507.08	120,000.00
Blueprint Cumberland Initiative	794,358.99	2,078,961.30
Bob Callan (aka Rottenwood Creek) Multi-Use Trail (design)	593,480.00	593,480.00
Bob Callan Trail/Phase 1	197,341.33	723,143.00
Cobb Galleria Pkwy/Akers Mill ROW Appraisals	0.00	98,000.00
Cobb Parkway Pedestrian Improvements	36,918.80	45,000.00
Cobb Parkway Widening (Fulton and Cobb)	535,256.80	958,250.00
Commuter Club TMA Activities	2,497,384.14	4,254,802.00
Cumberland Boulevard Improvements	0.00	1,000,000.00
Cumberland Boulevard Landscape (design)	85,087.22	118,750.00
Cumberland Circulator Study	124,424.55	212,368.00
East-West Connector/I-285 (design)	50,500.00	60,000.00
General Cumberland CID Marketing	265,338.01	298,700.00
I-285 Interchange Landscape	10,521.62	125,000.00
I-75/ Windy Hill Road HOV (design)	477,676.83	525,000.00
I-75/Windy Hill Road Interchange (design)	1,888,459.44	5,800,000.00
Interstate North Parkway @ National Park Trail	30,917.50	118,674.00
Leland Drive Extension (design)	12,318.77	460,000.00
Livable Communities Coalition (start-up funds)	50,000.00	75,000.00
Marketing Development (logo, website, video, etc.)	42,131.30	87,000.00
Marketing Initiative Market Analysis & Plan	40,000.00	45,000.00
Massey & Bowers Legislative Support 2006	78,000.00	78,000.00
Massey & Bowers Legislative Support	0.00	84,000.00
Media Relations/Public Relations	54,371.08	75,000.00
Mt. Wilkinson Bike/Pedestrian Bridge	664,265.34	947,000.00
Northeast Quadrant Intersection Improvements	5,784,583.47	6,289,939.00
Public Transportation (projects)	370,414.07	400,000.00
Sidewalk Gaps (construction)	445,893.93	752,000.00
Silver Comet Trail (design)	381,484.00	381,484.00
Southeast Quadrant Master Plan (study)	282,919.00	313,455.00
Spring Road Portion of Multi-Use Trail (design)	137,839.20	158,651.00
Stormwater Pilot Project	23,996.65	49,700.00
Transportation Plan Oversight	114,103.11	125,000.00
Wildwood Loop Road Landscaping	307,343.78	320,000.00
Windy Hill/Powers Ferry Flyover Bridge (design)	290,551.40	810,813.00
\$50 Flat Rate Vanpool Program Financing	648,575.39	1,438,000.00
<i>Projects</i>	18,023,436.78	30,820,170.30
<i>Projects Completed</i>	38,636,421.43	38,639,421.43
Total Project Expenditure	56,662,858.21	69,459,591.73

Cumberland Community Improvement District Statement of Commitment and Expenditures



Pictured is a rendering of townhomes that will be part of a mixed-use development along Paces Ferry Road in Vinings. For more information, visit www.cumberlandcid.org.



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