



Federal Policy Impacts on Gateway 85 CID

Overview

As one of the largest Community Improvement Districts (CIDs) in Georgia with **over 1,800 businesses represented**, Gateway 85 CID serves as a critical economic engine for Gwinnett County and the broader metro Atlanta region. Encompassing over 14 square miles along the I-85 corridor, the district is home to a high concentration of logistics, warehousing, manufacturing, and small businesses, many of which rely directly on federal infrastructure investment, trade policy stability, and immigration policy certainty.

Recent actions at the federal level — including tariff adjustments, potential changes to transportation funding, immigration crackdowns, and shifting economic development priorities — pose both challenges and uncertainties for businesses within the CID. This memo provides an overview of key federal actions and their direct and anticipated impacts on the Gateway 85 CID area.

1. Community and Economic Development Impacts

Federal Actions of Concern:

- **Tariffs** on imports from China, Mexico, and Canada
- **Freezing of federally funded infrastructure projects**
- **Pausing and rescinding project grants**

Local Implications for Gateway 85:

As a major logistics and freight hub, Gateway 85 businesses rely on efficient supply chains, stable input costs, and access to affordable capital and infrastructure support. The impact of recent federal actions includes:

- **Higher operational costs for manufacturers and distributors** due to increased tariffs on imported goods and materials
- Pricing pressures along the supply chain impact competitiveness
- [The Lucky Shoals Community Association's stalled \\$20 million grant](#) is a nearby example of the funding uncertainty facing Gateway 85 businesses and projects



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2. Transportation, Construction, and Infrastructure Impacts

Federal Actions of Concern:

- **Federal funding uncertainty for infrastructure projects**—pending budget decisions
- **Uncertainty over federal infrastructure funds** via the Atlanta Regional Commission (pending budget resolution)
- **Increasing construction costs.** Tariffs on steel (25%) and aluminum (10%) will significantly increase development costs, putting imperative I-85 construction projects at risk, further bottlenecking roads and slowing business growth
- **Banning anti-surge pricing** could affect more states than New York if litigation in federal courts nudges the federal government to apply the ban to all states. This potential implication jeopardizes funding for road expansion, HOV lanes, I-85 and Spaghetti Junction development, and other traffic-related projects that rely on these funds in Georgia (i.e. Peach Pass)

Local Implications for Gateway 85:

As a designated freight hub and a heavily trafficked section of I-85, Gateway 85 depends on federal transportation dollars for infrastructure modernization and congestion relief. Key impacts include:

- [Spaghetti Junction's ranking as the 4th worst truck bottleneck nationally \(2025 ATRI Report\)](#) and several I-85/I-285 junctures are ranked within the top 15 bottlenecks, underscoring the urgent need for continued federal freight corridor investment. **Without continued federal funding, congestion will worsen** — directly increasing delivery times and operational costs for Gateway 85 businesses
- Atlanta Regional Commission's federal funding, with up to 90% of ARC's funding being federal pass-through money, is now in limbo. **Gateway 85 relies on ARC for freight planning funds, congestion mitigation grants, and multi-modal project funding**
- **Steel and aluminum tariffs are already driving up construction and development costs**, affecting both public infrastructure projects and private industrial site development within Gateway 85

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Freight Flow Impact

The logistics economy centered in Gateway 85 relies on efficient freight movement, and any slowdown in infrastructure investment directly threatens competitive positioning for businesses dependent on just-in-time delivery models.

Rising Construction Costs

The metro Atlanta region is undergoing major construction projects, including preparations for the FIFA World Cup in 2026, the Super Bowl in 2028, and continued urban expansion. Gateway 85 is a critical freight hub, and rising construction costs due to tariffs, reduced labor availability, and supply chain disruptions pose significant risks to infrastructure and development projects at a crucial time for Georgia's growth.

[The new tariffs on imports from Mexico and Canada are expected to increase material costs for construction](#), including Canadian softwood lumber (used for framing and decking) and Mexican-manufactured building components like appliances. According to the National Association of Home Builders (NAHB), these tariffs could add \$7,500 to \$10,000 to the cost of constructing an average American home. This price escalation will ripple through the commercial and industrial sectors, raising costs for warehouses, retail centers, and transportation infrastructure in Gateway 85 and Gwinnett County.

For large-scale infrastructure projects—including freight corridor improvements and transportation expansions that benefit Gateway 85—policy uncertainty around tariffs and labor availability makes long-term planning difficult. Developers and contractors need predictability in costs and workforce availability, yet recent federal policy shifts have undermined confidence in the construction market.

While Metro Atlanta's rapid growth requires continued investment, higher costs could slow down critical projects, potentially limiting Gateway 85's ability to expand and modernize its logistics infrastructure at a time when demand for freight movement efficiency is at an all-time high.

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3. Immigration and Labor Impacts

Federal Actions of Concern:

- Expedited removal which quickly removes undocumented individuals without the traditional immigration court process
- Labor force implications for small and big businesses with significant migrant labor

Local Implications for Gateway 85:

Gateway 85's economic vitality relies heavily on a diverse, immigrant labor force that powers its logistics, warehousing, retail, manufacturing, construction, and small business sectors. Policy shifts that limit pathways to legal residency, increase detentions, and create uncertainty for immigrant workers will have downstream impacts by:

- **Reducing labor availability** for essential logistics and service roles
- **Raising labor costs for small businesses** struggling to fill positions
- **Disrupting immigrant-owned companies**, which represent a significant share of Gateway 85's economic fabric. Gwinnett County is among the most diverse counties in Georgia, and Gateway 85 reflects that diversity in its business ownership, workforce composition, and community culture. Federal policies that disrupt immigrant labor pipelines would disproportionately impact Gateway 85's core economic sectors