

Tax Increment Financing Course

November 2, 2007

Building Community Partnerships



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Building Community Partnerships

- Why Community Buy-in?
- Fundamentals of Process
- Establishing Goals & Objectives
- Identifying Stakeholders
- Consensus Building
- Community Involvement
- Constant Communication



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Fun Facts on TIF

- First created in 1952 in California to act as a catalyst for redevelopment areas
- Quickly spread across the country – 49 states and District of Columbia have enabling legislation (Which state does not?)
- Referred to by a variety of names:
 - TIF - Tax increment financing (most states)
 - TAD - Tax allocation district financing (Georgia)
 - RAD - Revenue allocation district financing (New Jersey)
 - TIRZ - Tax increment reinvestment zones (Texas)



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Why Community Buy-In?

Redevelopment and economic development do not happen in a vacuum, and the process can be highly political.



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Why Community Buy-In?

- Diversion of tax dollars for private development can be controversial
- Raises policy questions regarding the proper role of government
- Issuance of “public” debt for “private” development can be unsettling
- Tax revenue “diverted” from other municipal services
- The TIF mechanism can be difficult to understand
- Redevelopment can trigger emotional responses



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Fundamentals of Process

Failure to understand the TIF process will cause the community buy-in process to fail before it begins. Understand the tool and build the process well in advance of any development activities.



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Fundamentals of Process

- Understand the laws, statutory process and legal requirements
- Adhere to open meetings laws and be transparent throughout
- Define what TIF can and cannot do
- Use technology (Web, E-mail, etc.) to your advantage



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Establishing Goals & Objectives

Successful redevelopment programs across the country almost always have one thing in common: Clear goals and objectives agreed upon by all stakeholders.



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Establishing Goals & Objectives

- Consider what the broader goals are in pursuing TIF:
 - Big picture items (jobs, investment, physical change)
 - Master plan, redevelopment strategy, etc.
- Determine type(s) of projects that fit the community:
 - Include all types in deliberation: affordable housing, retail, office, industry, etc.
 - Be open to different options (housing vs. commercial)



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Establishing Goals & Objectives

- Create process for vetting TIF developer assistance
- Establish a framework for community input
- Determine how TIF implementation can best meet objectives
- Document steps taken and results to aid in debt approval at the public level
- Detail the fiscal impact for each entity
- Diagram the increment financing process
- Provide sufficient analysis of the economic and fiscal impact and benefit to the city



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Identifying Community Stakeholders

There are numerous stakeholders to be considered when formulating a TIF plan. Engaging and understanding the sometimes disparate interests of these stakeholders is an important consideration in successful TIF implementation.



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Identifying Community Stakeholders

- Neighborhood groups
- Governmental jurisdictions, including elected officials
- Business leaders, either active in the area or participating in the project



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Neighborhood Groups

- Local neighborhood development corps
- Citizen associations



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Government Stakeholders

- City Hall
- Council Representatives
- Redevelopment administration
- Local redevelopment authority
- School district



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Business and Community Leaders

- Chamber of Commerce
- Transit System
- Economic development organizations
- Influential community leadership



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Consensus Building

There is almost no way to have 100 percent agreement on every point in redevelopment. Building consensus among the primary stakeholders, where consideration is given to all varying interests, is important and will make the process much less contentious and implementation far smoother.



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Consensus Building

- Reach out to all stakeholders early in the process
- Additional participation ensures maximum performance
- Host information meetings, design charrettes, moderated planning symposiums and presentations, and redevelopment workshops
- Determine primary, secondary and tertiary considerations for various stakeholders
- Be prepared to compromise and be creative in addressing conflicting objectives or interests
- Strategize for plan changes, roadblocks and find champions for solutions that come from third party supporters (not always the government entity) (i.e. Federal Reserve in Kansas City)



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Community Involvement

The most successful redevelopment programs tend to have significant community involvement from the beginning of the process through implementation and completion.



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Community Involvement

- Individualized meetings with civic groups
- Create community advisory committees
- Create neighborhood review committees
- Promote meetings, groundbreakings and openings



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Constant Communication

Keeping the community stakeholders informed regarding the progress of developments, future opportunities and past successes leads to a better understanding of the usefulness of TIF as an economic development and redevelopment tool.



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Constant Communication

- Have a designated contact person for information relating to TIF
- Annual or semi-annual meetings to discuss the state of redevelopment in the community
- Monthly or quarterly newsletters updating the community on the progress of TIF activities
- Well designed Web pages with status reports, statistics on the overall impact of redevelopment and future goals of the TIF



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Marketing TIF

Marketing TIF to the stakeholders is much like marketing any other product or services. Marketing is critical in building support for the project.



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Marketing Principles

- Educate, educate, educate
- Identify benefits to each stakeholder
- Negotiate



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Policies, Procedures & Application

Many communities have development TIF policies, procedures and applications to help address the public's concern with the general increase in TIF use.



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Policies, Procedures & Application

- Benefits:
 - Spell out which projects qualify
 - Uniform application
 - Ensure meets community needs
- Challenges
 - Creates additional barrier for some projects
 - Added bureaucracy



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Success Stories

- City of Milwaukee
 - Employs city CFO to oversee financial side of transactions
 - Oversees city financial input
 - Review developers numbers
 - Ombudsman for deals
 - Promotes due diligence
 - Credible feasibility study
 - Tracks actual results
 - Promotes the process and formal efforts on TIF
- Drafting policies, guidelines and applications



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Success Stories

- **City of Gahanna – Creekside TIF**
 - 10 year downtown improvement project
 - Transparent process: online video and progress cameras
 - Community-led effort by citizens and businesses in downtown neighborhoods
 - Events, marketing to attract visitors to area during redevelopment
 - Promoted as a community-wide effort to revitalize city



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Success Stories

[Home](#)[Community](#)[Business](#)[Departments](#)[Police](#)[City Council](#)

Departments

Development

- [Brownfields Redevelopment](#)
- [Building Regulation](#)
- [Business Incentives](#)
- [Central Park of Gahanna](#)
- [Creekside Redevelopment](#)
- [Community Development](#)
- [Economic Development](#)
- [Office & Industrial Space](#)
- [Planning & Zoning](#)

Emergency Management / Communication

Engineering

Finance

Human Resources

Mayor's Office

Mayor's Court

Parks and Recreation

Service

Technology

Creekside

A New Heart for Olde Gahanna...



In October 2004, the revitalization of Olde Gahanna took a major leap forward with the beginning of the New Creekside Project redevelopment and park extension along Mill Street and Creekside Park. Come Witness Olde Gahanna's transformation into central Ohio's ultimate destination. Fine dining, unique shopping, conveniently located offices, and stunning residences, along the expanded public parking and new community gathering space, will soon make Olde Gahanna truly the place to live, work, and play.

This next major phase of Olde Gahanna's revitalization is the result of over a decade's worth of investments of time, money, and vision by the Gahanna, its leaders, its citizens, and its businesses in the Creekside Project. You can learn about the project and the Creekside Story at the links below:

[Click Here](#) to start the Creekside story.

The Creekside Story...

[Live Video Feed](#)

- Camera 1
- Camera 2

[Current Project](#)

- Background
- Information
- Timeline

[Overall Revitalization Project](#)

- Overview

General Information

Development Dept.
200 South Hamilton
Gahanna, OH 43230

(614) 342-4015
(614) 342-4116 Fax

Hours of Operation
8:00 AM - 5:00 PM M-F

[Contact Development](#)

Project Information

Creekside will be an exciting combination of residential, commercial, retail and community spaces.

- [See the Buildings](#)
- [See the Mill Pond](#)
- [See the Project](#)
- [See the Site Plan](#)
- [Year End Report Presentation*](#)

*Requires Microsoft Powerpoint to view

Publications

- [Creekside Project Summary](#)



Questions?



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