

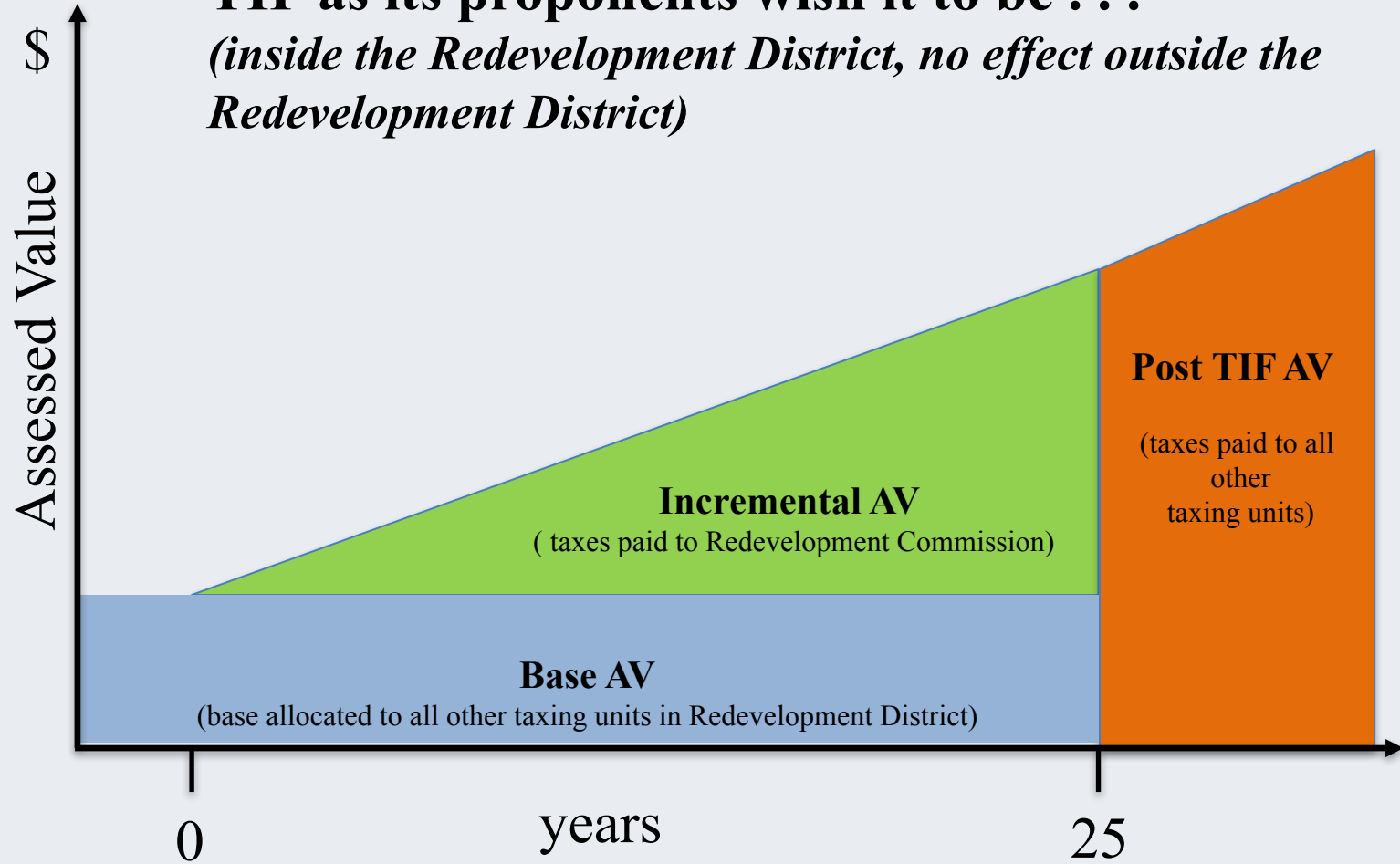
Tax Increment Financing: Problems and Solutions

September 25, 2017

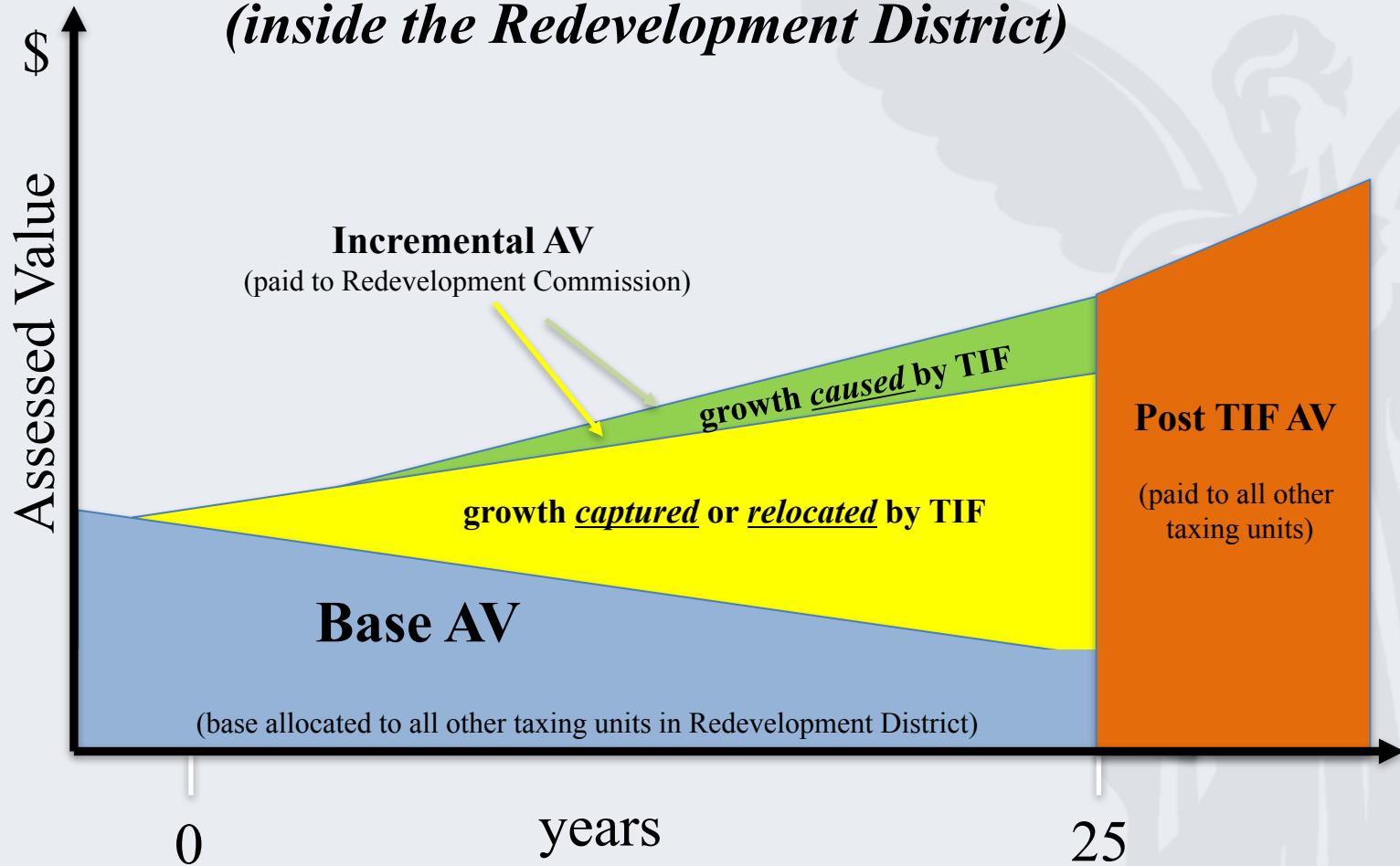
Michael J. Hicks and Dagny Faulk

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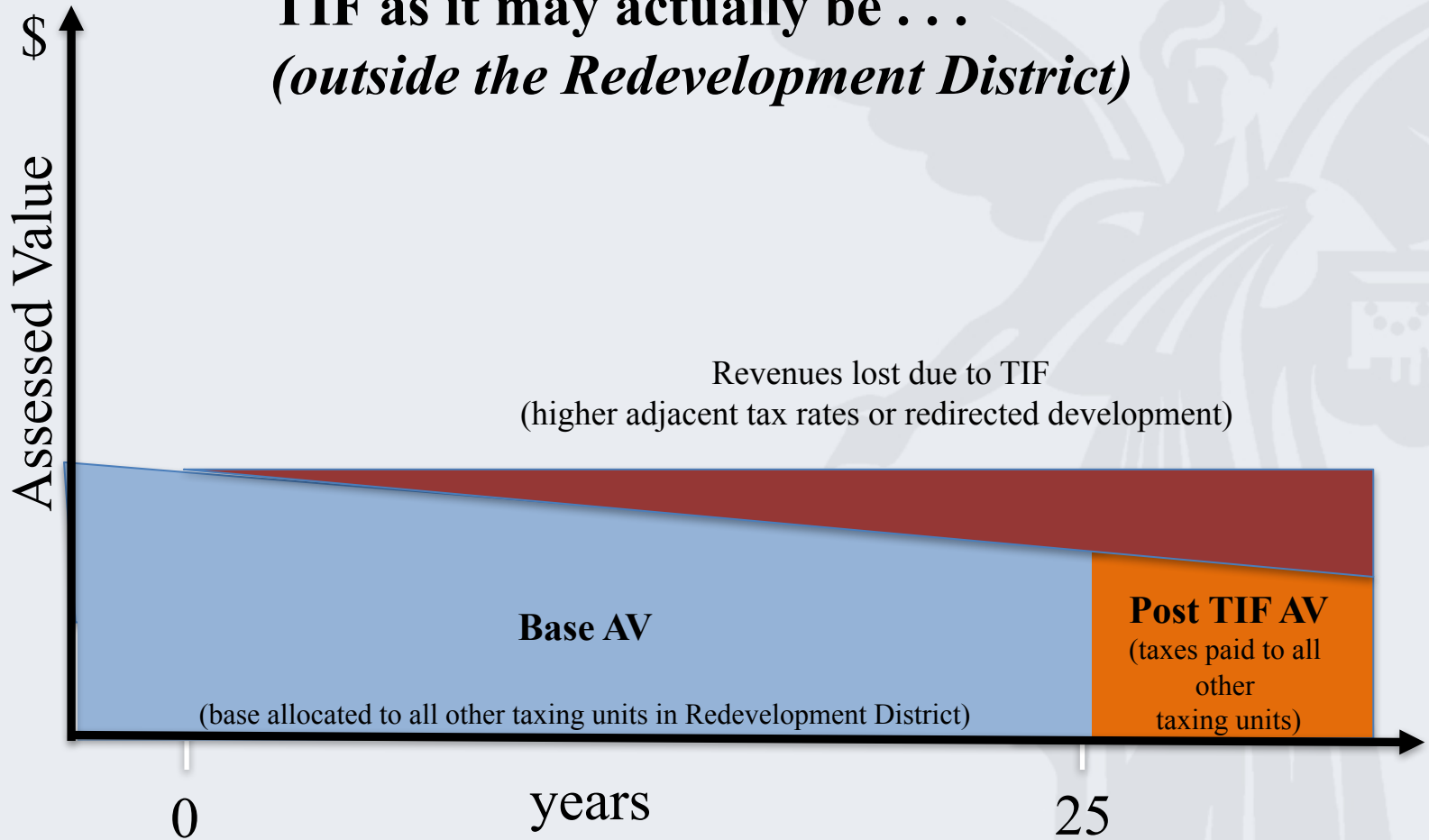
TIF as its proponents wish it to be . . .
(inside the Redevelopment District, no effect outside the Redevelopment District)



TIF as it may actually be . . . (inside the Redevelopment District)

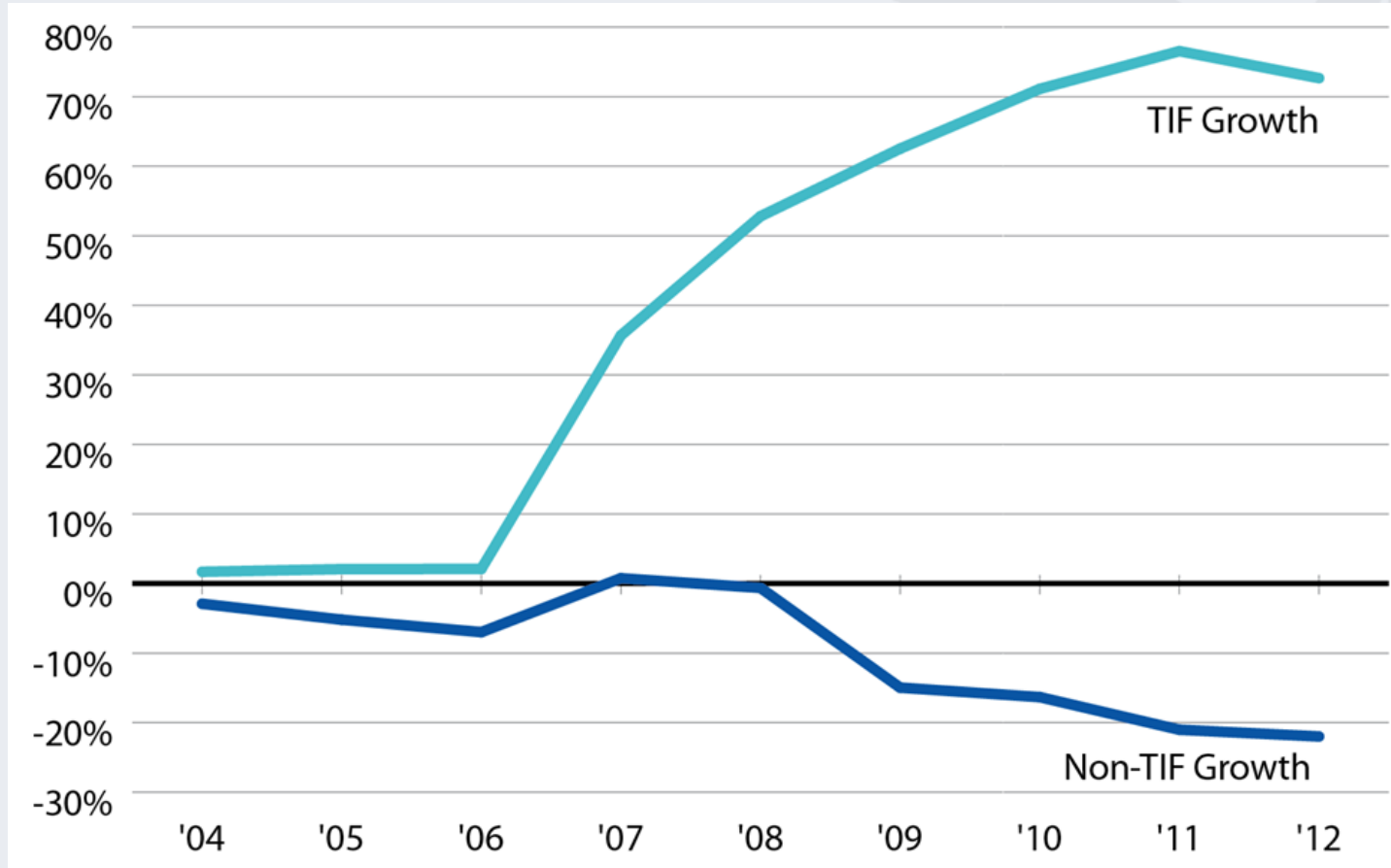


TIF as it may actually be . . . *(outside the Redevelopment District)*



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Figure 1. Cumulative Assessed Value Growth in TIF and NonTIF Areas



More Flexibility . . .

- Eliminate the ‘but for’ rule.
- Eliminate restrictions on the use of funds, this requirement is routinely ignored. (the MacArthur rule)
- **Allow TIF on residential property (new or redeveloped), as was the intent 40 years ago.**

More Oversight . . .

- Prohibit pass through bonding (super abatements).
- Create meaningful transparency (history of budgets and use of funds).
- **Elected bodies must vote on their share of TIF dollars.**