Tax Increment Reinvestment Zone Field Seminar

May 4, 2007
Irving, Texas

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 TIRZ

- 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 TIRZ mechanism can be difficult to understand

- Redevelopment can trigger emotional responses

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Fundamentals of Process

Failure to understand the TIRZ 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.

Fundamentals of Process

- Understand the laws, statutory process and legal requirements

- Adhere to open meetings laws and be transparent throughout

- Define what TIRZ 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 TIRZ:
    - 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 TIRZ developer assistance

- Establish a framework for community input

- Determine how TIRZ 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

Identifying Community Stakeholders

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

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Identifying Community Stakeholders

- Residents in the affected area and surrounding areas

- Business leaders and the Chamber of Commerce

- Development community

- Other public entities: schools, counties, neighboring cities

- Various public interest groups

- Media (as necessary)

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 zone 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)

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 TIRZ as an economic development and redevelopment tool.

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Constant Communication

- Have a designated contact person for information relating to TIRZ

- 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 TIRZ activities

- Well designed Web pages with status reports, statistics on the overall impact of redevelopment and future goals of the TIRZ

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Success Stories

- **BeltLine TAD, Atlanta, GA** – 22-mile loop of historic railroad that encircles downtown and midtown, with plans that increase greenspace, improve transit, connect neighborhoods and foster livable communities. 30,000 new jobs are expected to be created in the BeltLine area. During development of the BeltLine, 48,000 construction jobs will be created.

- Development investments will ensure that growth and new job opportunities are distributed in a balanced way across the city. The Redevelopment Plan shows 12 activity centers around the BeltLine.

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Success Stories

- **BeltLine TAD, Atlanta, GA**

    - Major community support and active advisory committee of leaders and stakeholders (not all political)

    - Transparent process: Web site, monthly newsletter and constant publicity

    - Marketed and promoted as a community wide effort to revitalize city

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Success Stories

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

Success Stories

Questions?

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