



# Tax Increment Financing Study & Formulating Committee Report Presentation

May 20, 2019

# How we got here?

- Freeze on new TIF loans
- Sept. 2018: Council creates TIF Study and Formulating Committee
- Committee appointed in early Nov. 2018
  - Charles Robert Bone, Paulette Coleman, Brian Kelsey, Talia Lomax O'dneal, Bert Mathews, Bob Mendes, Richard Warren

# The Committee's job

- Study how Metro uses TIF
- Formulate recommendations for TIF to be more transparent, equitable, effective, and understandable
- Review how TIF is awarded now
- Consider alternative approaches for structuring TIF awards
- Consider how TIF should be used in transit-oriented redevelopment districts.

# What the Committee studied

- Met 11 times in 6 months
- Conducted public hearing
- Presentations from developers, attorneys, lenders, WeGo Public Transit, affordable housing advocates, and others
- All meetings open to the public
- All meetings broadcast and on Metro's YouTube channel
- Extensive library of materials

# The Committee's Report

- Released on May 8, 2019
  - <https://www.nashville.gov/Portals/0/SiteContent/Council/docs/TIF%20Committee%20FINAL%20Report.pdf>
- Introduction
- Observations
- Recommendations

# The Committee's Report, Introduction

- What is TIF generally?
- What are advantages/disadvantages of TIF
- How is TIF used in Nashville now?
- What challenges exist with TIF in Nashville?

# The Committee's Report, Introduction (cont'd)

- Challenges
  - Determine public benefit
  - Public education and accountability
  - How much of the increment should be used for loans?
  - Budget predictability
  - Considering all perspectives
  - Affordable housing
  - Transit-oriented development

# The Committee's Report, Observations

- 13 Observations



# The Committee's Report, Recommendations

- Transparency, Communication, and Education
- Policy and Process
- Accountability and Roles

# Pending Legislation

- BL2019-1645: Amend 8 existing redevelopment plans.
- BL2019-1630: This bill would create certain requirements for future new or amended TIF districts.
- BL2019-1644: This bill creates two reporting deadlines.
- BL2019-1613: Mostly administrative. Changes due date for MDHA's annual report and adds requirement to include MDHA's goals and results for DBE contractor participation.

# Questions?