

From: Jeff Essmann
To: [Moore, Megan](#)
Subject: TIF study
Date: Wednesday, June 07, 2017 10:37:32 AM

Ms. Moore,

After reviewing the bills concerning TIFs from the 2017 session, I would suggest that the bills focused on five general areas which the committee may wish to study. Those topics are:

1. **Management types and expenses.** Why have some communities chosen to manage the Urban Renewal Areas in house and others by contract with outside NGO groups? What is the range and median of the annual increment revenues that are being expended for both types of management forms, both in dollars and percentages? What is the experience of other states?
2. **Public Participation.** How do the various communities or NGOs managing the URAs provide for notice and meaningful opportunity for public participation in the expenditure of these public funds? How do the communities compare in their processes? Is there a best practice model that should be encouraged or required?
3. **Affected Government Participation.** How do various communities provide for meaningful participation by taxing jurisdictions who lose access for a 15 to 40 year period to the tax base in the increment? Do the affected taxing jurisdictions feel that their interests and concerns are taken into consideration in a meaningful manner? Do the affected taxing jurisdictions desire a more formal means of input and participation? If so, how?
4. **Public Investment in Private Projects.** What are the processes the various communities use to vet their decision to provide loans or grants to privately owned projects in the URAs to determine that the public investment is in the public interest? Are there minimum required or desired ratios of private to public funds invested and if so, what are they? Do these ratios vary by community and if so why? How is the decision on whether to loan or grant made? Do the managing communities or NGOs have written guidelines that are available for the public to review in this decision process? Is there a best practices model that should be encouraged or required?
5. **Term of the TIF Provisions.** Is the 15 year period for TIF use by URAs an appropriate period? Does bonding in the waning years of the 15 year period effectively extend the life of the TIF beyond that intended by the statutes? Should bonding in the waning years of the TIF be limited to projects that are completed or be permitted to be used for projects that have not yet been identified? Are there policies in other states on the use of bonding in TIFs?

Thank you for sharing these ideas with the committee and please give them my best wishes for a successful interim study.

Sincerely,

Rep. Jeff Essmann HD 54