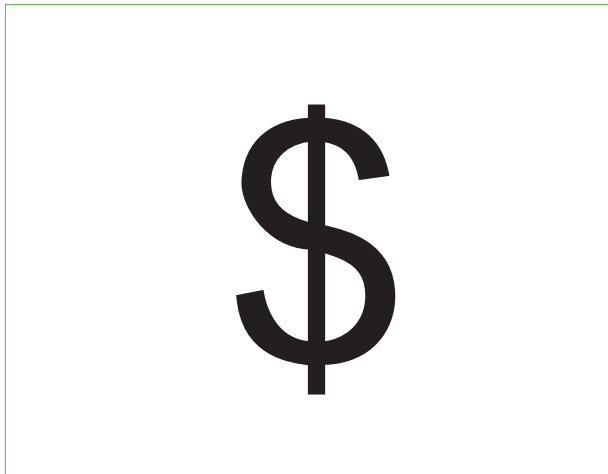


# 8 Implementation / Funding

March 2009

## Option a

“Pay as you go” from available TIF funds, without encumbering anticipated funds. Limit projects to those that can be funded from annual TIF revenue of approximately \$500,00 less fixed costs of district and regional economic development, promotion and maintenance.

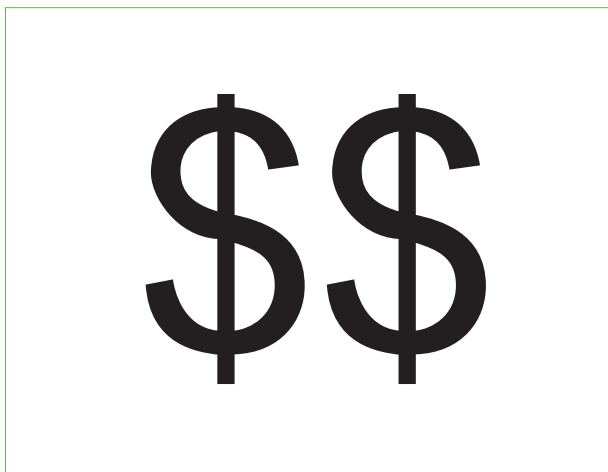


## TIF Basis

- TIF stands for Tax Increment Financing of economic development initiatives through dedication of that “increment” of property taxes generated within the district above a predevelopment level. TIF is a tool to “leverage” future gains in taxes to finance the current improvements that will create those gains. It has been in use in the U.S. for 50 years.

## Option b

“Pay as you go”, but leverage a portion of TIF revenue to secure various grants for larger scale projects, and to target specific development. Most state and federal grants required 20-50% local match, but also tend to inflate projects costs and impose burdensome oversight.



## Description

- The TIF district that encompasses the Gateway Study area will continue to generate dedicated revenue, increasing as new development adds value to the district’s tax base. Projected TIF revenue is \$500,000 per annum or higher depending upon rate of new development.

## Option c

Fully leverage anticipated TIF revenue by bonding a defined development program for the district for the near term (1-5 years \\_ implementation)

