

Public Finance Basics - GILMORE & BELL

- Tax Redirection (TIF example)
 - Developer fronts all redevelopment costs
 - Certain taxes are captured by the TIF
 - City issues Developer TIF Notes to reimburse certain costs, payable solely from TIF Revenues (per Redevelopment Agreement)
 - The Developer is only reimbursed to the extent of TIF Revenues
 - The City will not be liable if TIF Revenues come up short
- Tax Abatement
 - Taxes on property are abated
 - Developer uses tax savings to fund the development
 - Redevelopment Agreement links tax abatement to Developer responsibilities (cure blight, create jobs, etc)

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