



# *Introduction to Tax Increment Financing*

*Disclaimer: The contents of this presentation do not have the force and effect of law and are not meant to bind the public in any way. This presentation is intended only to provide information and clarity to the public regarding existing requirements under the law or agency policies. Value capture techniques and policies are often implemented outside of Federal funding or regulatory requirements.*

# Presentation Outline

- ① Overview of TIF
- ② Application
- ③ Establishment
- ④ Administration
- ⑤ Legal and Regulatory Issues
- ⑥ Financing
- ⑦ Examples

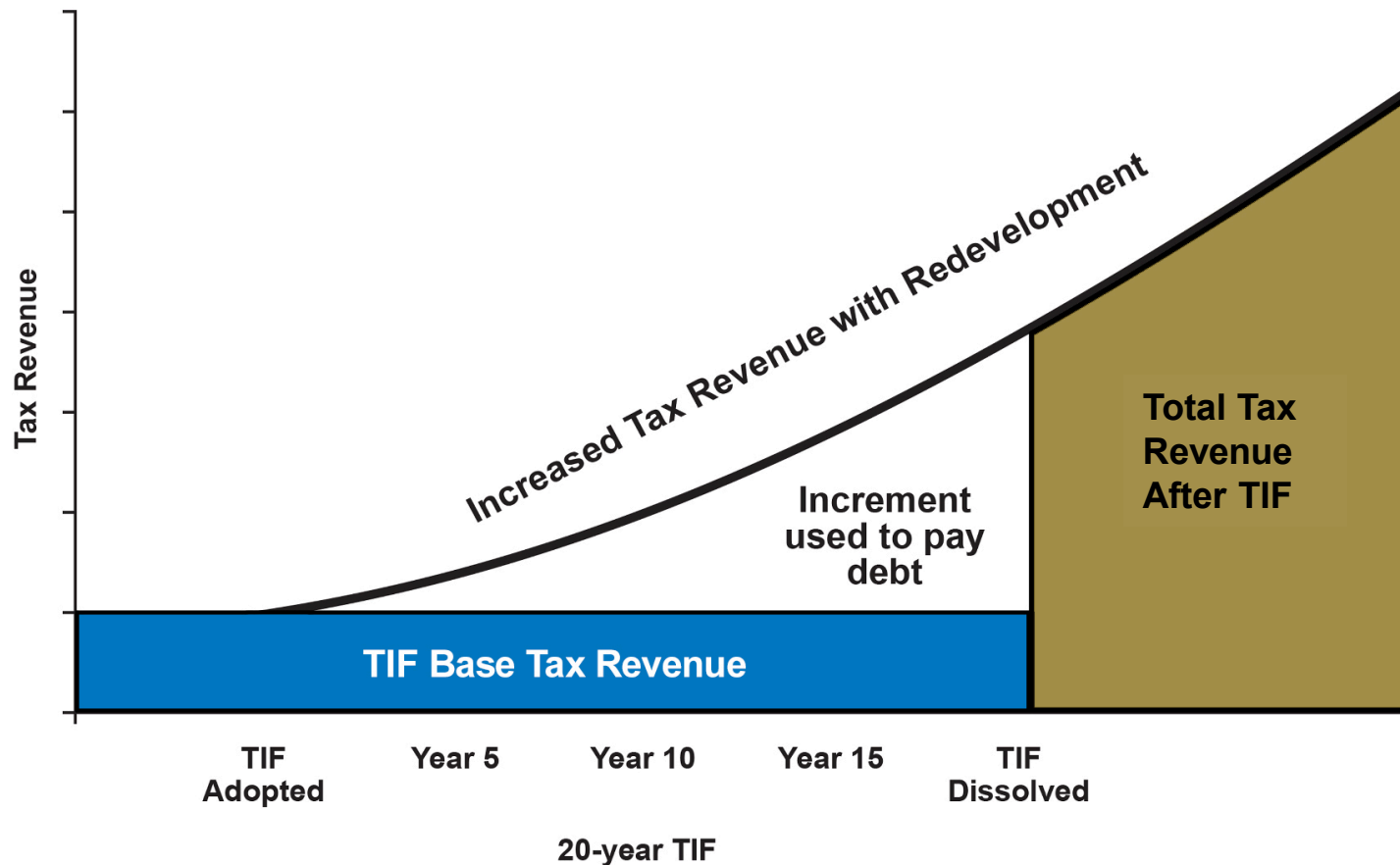
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# What is Tax Increment Financing (TIF)?



## BASIC TIF MODEL





# What is Tax Increment Financing (TIF)?



**TIFs are also called:**

- Tax Allocation District (TAD - GA)
- Transportation Reinvestment Zone (TRZ - TX)
- Transportation Reinvestment District (TRID – PA)
- Community Reinvestment Area (CRA – FL)
- Economic Redevelopment & Growth Grant (ERGG – NJ)
- Project Development Financing (PDF – NC)
- Enhanced Infrastructure Finance District (EIFD – CA)

# Overview: Concept behind TIFs



## Why TIF?

### FUNDING:

- TIFs raise new funds for infrastructure projects.

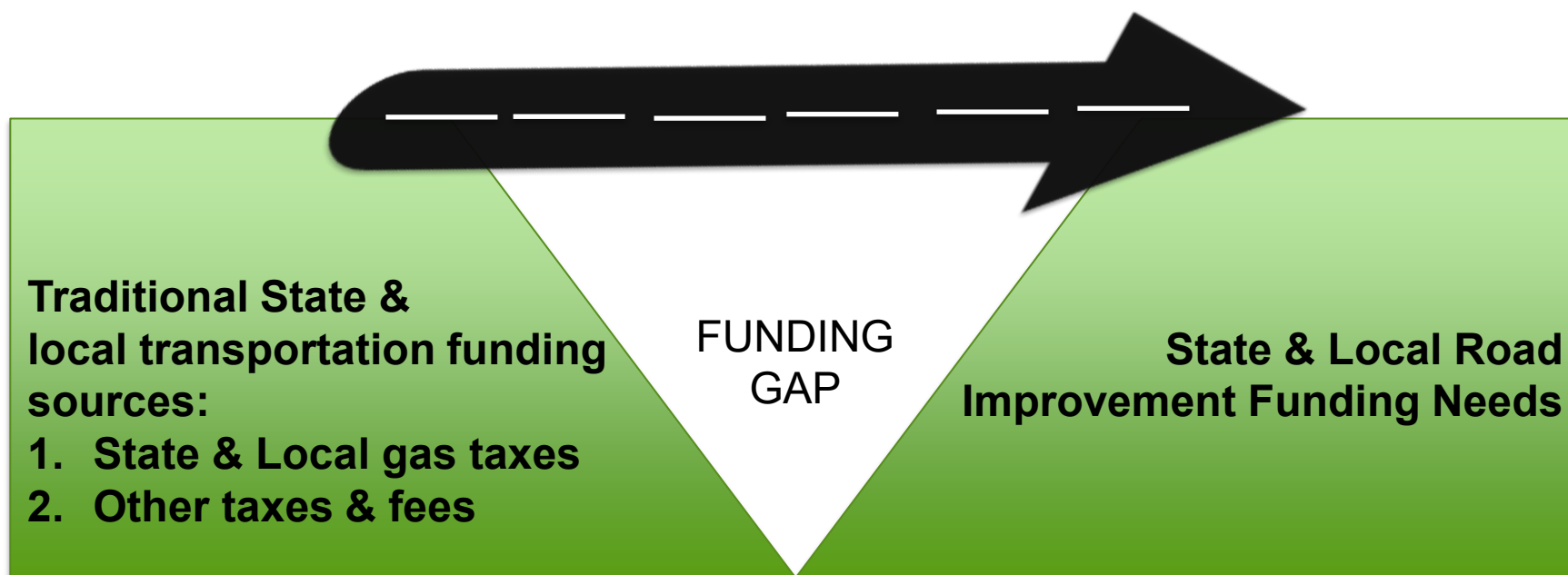
### BUDGETING:

- It is assumed that incremental revenue would NOT exist, **but for** the infrastructure improvement project.
- TIF revenues and projects are “off-budget.”
- Thus, TIF projects don’t have to compete against other spending projects nor require tax increases.

# Overview: Why use TIFs?

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## Closing Funding Gaps

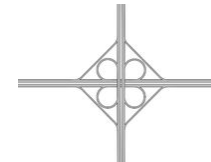
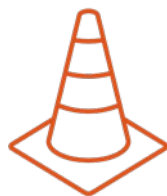


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# Application of TIFs

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- **ROW Reduction or Removal**
- **Air Rights Development**
- **Municipal Parking Facilities**
- **Elimination of RR Grade Crossings**
- **Intersections & Interchanges**
- **Toxic Soil Remediation / Site Assembly**
- **Transit Stations**
- **Corridor Improvements / Beautification**

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# Establishing a TIF District

3

1

**Is TIF Authorized? What are the Criteria?**

2

**Identifying properties & defining boundaries**

3

**Identifying Revenue Sources**

4

**Estimating the Tax Increment**

5

**Termination date**

6

**Enact Legislation or Ordinance**

# Establishing a TIF District

3

1

## IS TIF AUTHORIZED? WHAT ARE THE CRITERIA?

- TIFs are authorized in all States except for Arizona. But is it authorized for your unit of government?
- State enabling legislation provides establishment criteria. They might include **criteria for the area** such as:
  - Blight
  - A History of Economic Stagnation
  - Unlikely To Develop Without a TIF
  - Other?
- And **criteria for the TIF Project**. Will it catalyze:
  - New Economic Activity?
  - New Revenues Sufficient to Pay the TIF Portion of the Project?



# Establishing a TIF District

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1

## IS TIF AUTHORIZED? WHAT ARE THE CRITERIA?

### KEY FINDING: No Development Likely Without TIF

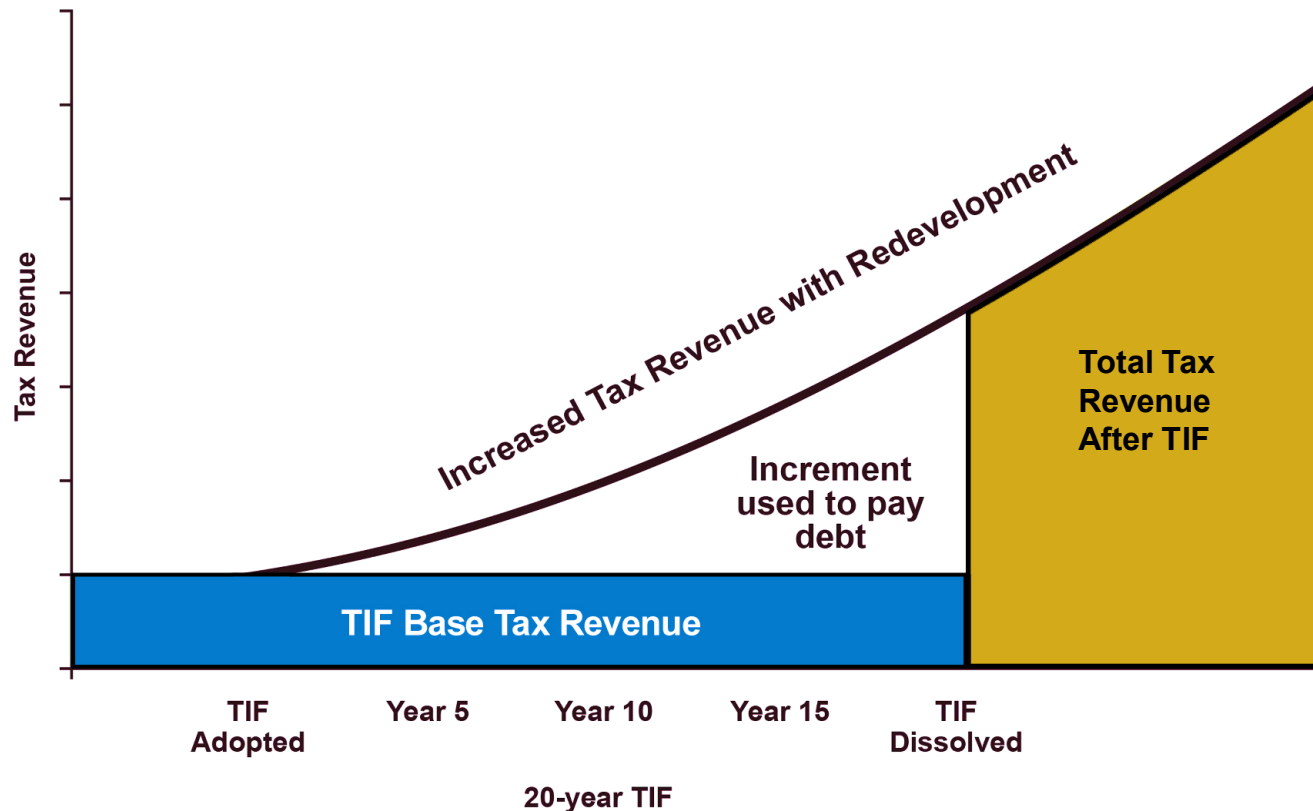
Some State enabling statutes require a “but for” finding – a determination that tax revenues in the affected area will not increase “**but for**” the improvement of specified infrastructure that will catalyze private-sector development and other economic activity.

# Establishing a TIF District

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## IS TIF AUTHORIZED? WHAT ARE THE CRITERIA?



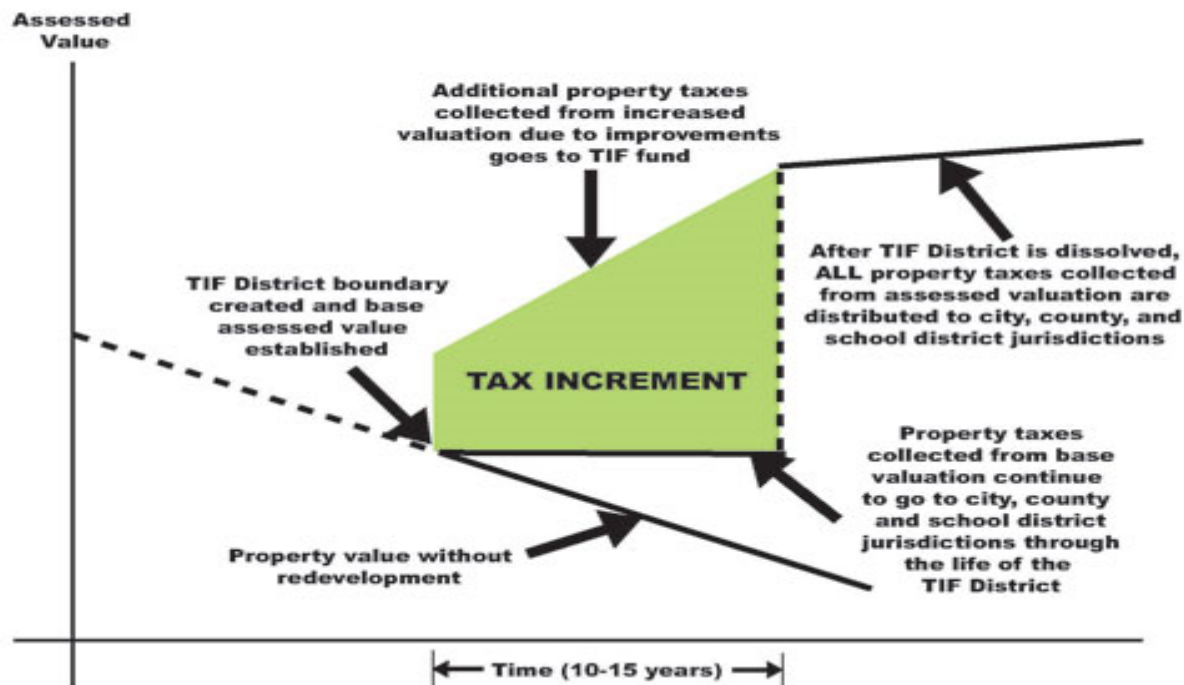
# Establishing a TIF District

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## IS TIF AUTHORIZED? WHAT ARE THE CRITERIA?

### TAX INCREMENT FINANCING DISTRICTS



Source: City of Sioux Falls, SD

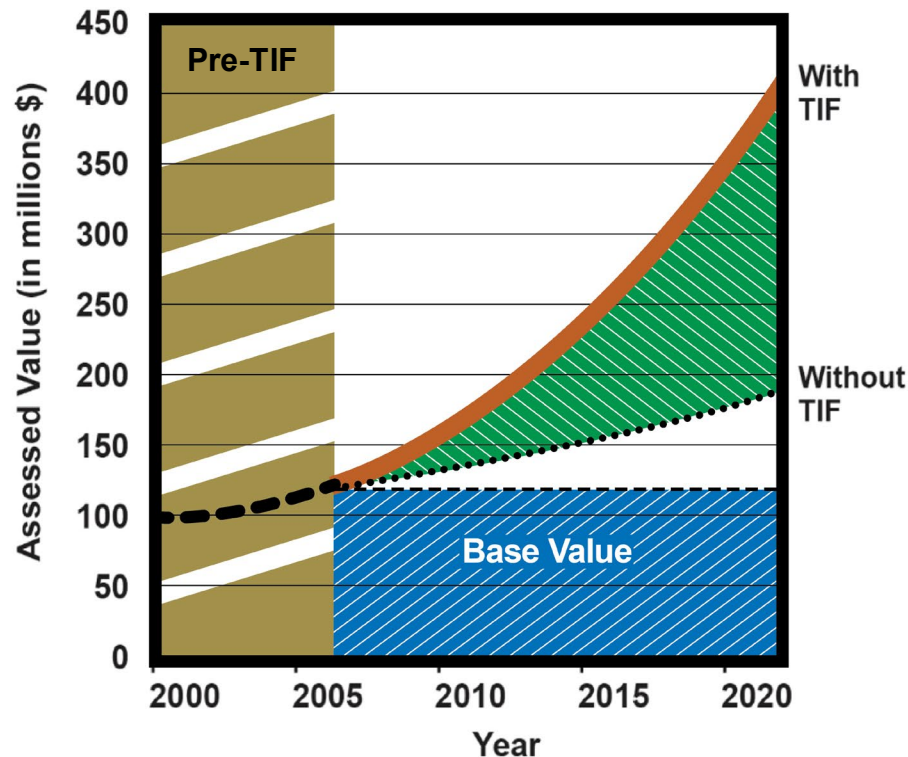
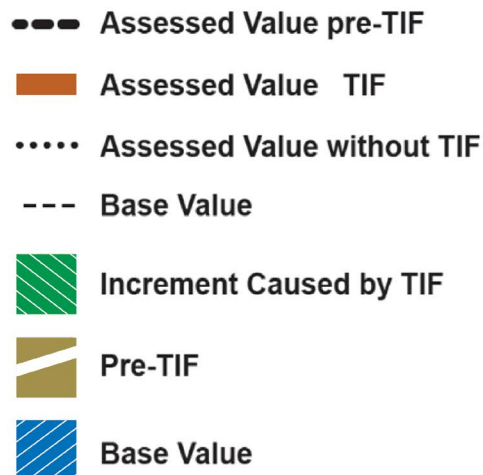
# Establishing a TIF District

3

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## IS TIF AUTHORIZED? WHAT ARE THE CRITERIA?

Hypothetical Example of Assessed Value With and Without TIF



Source: Lincoln Institute of Land Policy

# Establishing a TIF District

3



## IS TIF AUTHORIZED? WHAT ARE THE CRITERIA?

### KEY FINDINGS:

- **TIF Will Generate New Revenues Sufficient to Fund the TIF Infrastructure Project**
- **Economic Activity Induced by the TIF Will Not Generate Demands for Increased Government-Funded Facilities or Services Other Than the TIF-Funded project; and**
- **Increases in Economic Activity Within a TIF District Are Not Displacing or Inhibiting Economic Activity in Other locations.**

# Establishing a TIF District

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**IS TIF AUTHORIZED?  
WHAT ARE THE CRITERIA?**



Source: *In City, Town, and Country* by Paul R. Hanna, Scott, Foresman & Co., 1959

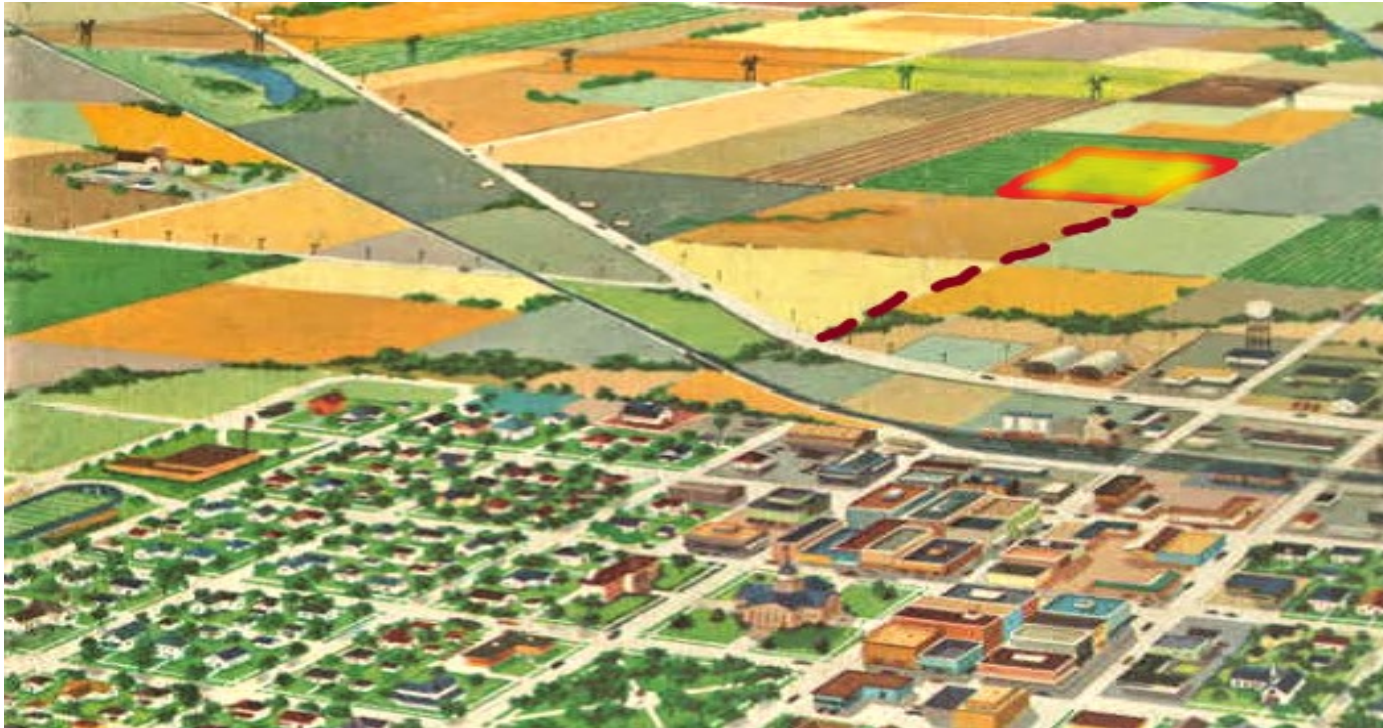


# Establishing a TIF District

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1

**IS TIF AUTHORIZED?  
WHAT ARE THE CRITERIA?**



Source: *In City, Town, and Country* by Paul R. Hanna, Scott, Foresman & Co., 1959

# Establishing a TIF District



## 2 IDENTIFYING PROPERTIES & DEFINING BOUNDARIES

State enabling statute is always the first place to look for criteria.

Typically:

- Properties within a TIF District benefit from the TIF project.
- Properties within a TIF District will generate sufficient revenue (through higher property assessments, increased sales, or increases in other benchmarked revenues) to pay for the TIF share of the project.
- TIFs need not necessarily fund 100% of project costs (check State statute), but, if TIF provides less than 100%, the remainder will:
  - Compete with other projects or programs; and/or
  - Require an increase in tax rates.





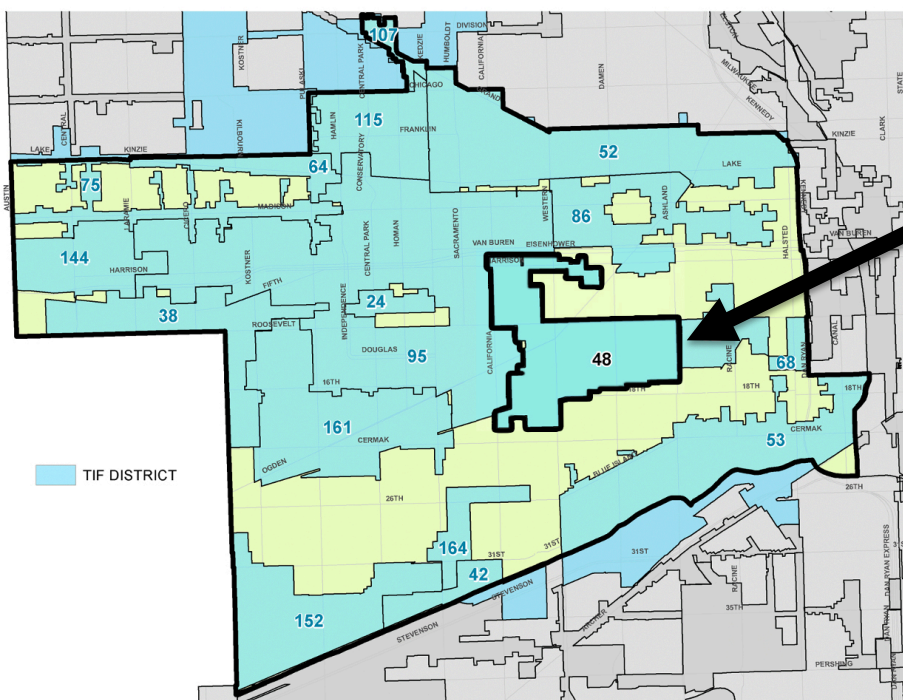
# Establishing a TIF District

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## Defining a District Boundary

### CHICAGO: West Side TIF Districts



The Western Ogden TIF (#48)

The redevelopment plan, the TIF designation ordinance, and other related reports and data are available at:  
[https://www.chicago.gov/city/en/depts/dcd/supp\\_info/tif/western\\_ogden\\_tif.html](https://www.chicago.gov/city/en/depts/dcd/supp_info/tif/western_ogden_tif.html)

Source: City of Chicago, West Side TIF District Map

# Establishing a TIF District



## 3

## IDENTIFYING REVENUE SOURCES

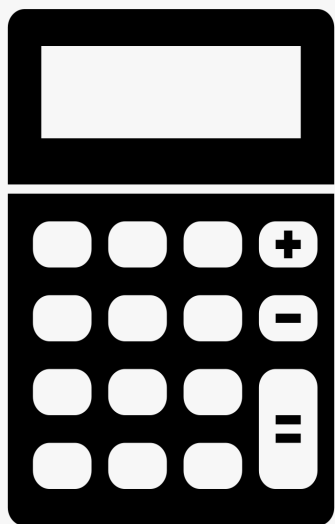
- What revenue sources are available for TIFs pursuant to the State enabling legislation?
- Is the jurisdiction implementing the TIF authorized to levy and segregate the authorized TIF revenue sources?
- Based upon the anticipated TIF redevelopment plan, which of the authorized TIF revenue sources are likely to grow as a result?

# Establishing a TIF District

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## ESTIMATING THE TAX INCREMENT



**Communities typically hire consultants to:**

- **Estimate the timing and extent of new development generated by TIF incentives**
  - **What's the range of increase in assessed values by year?**
  - **In each year, multiply by the existing tax rate.**
- **Estimate the timing and magnitude of increases in economic activity (sales, income, etc.)**
  - **In each year, multiply the base increment by the existing tax rate.**

# Establishing a TIF District

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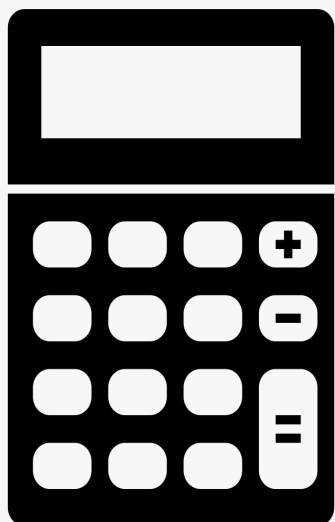
## ESTIMATING THE TAX INCREMENT

### INCORPORATE RISKS IN ESTIMATES

The calculated tax increment is only an **ESTIMATE**.

A sensitivity analysis will determine:

- The types and probabilities of risks that could thwart the realization of the increases in development, economic activity and revenue;
- Risk assessment for the national, regional and local economies; and
- Risk assessment for the infrastructure project (cost overruns, delays, etc.) and for the anticipated catalytic results.



# Establishing a District

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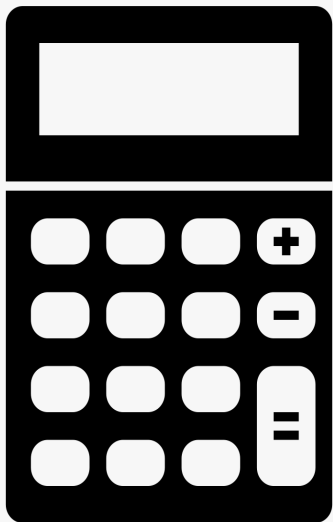
## ESTIMATING THE TAX INCREMENT

### TAX INCREMENT CONCLUSION:

The tax increment should be expressed as a range, from:

- Low (unlikely) to
- Medium (most probable) to
- High (also unlikely)

The range of each outcome will become larger in future years because uncertainty is magnified the further into the future an estimate is made.

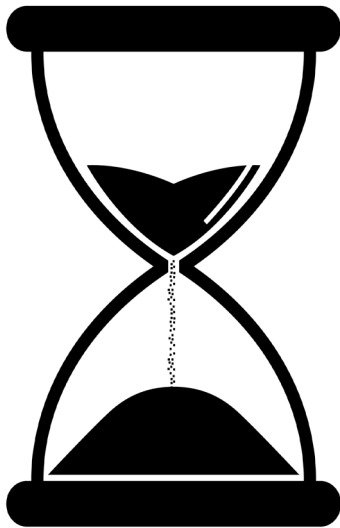


# Establishing a TIF District

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## ESTABLISHING A TERMINATION DATE FOR THE TIF DISTRICT



Identify an infrastructure project or program to catalyze development.

Compare yearly projections of costs and of tax increment revenues.

Differences between the cost calendar and the revenue calendar (both adjusted for risk) will determine whether the TIF project can be funded on a pay-as-you-go (pay-go) basis or whether financing will be required.

This analysis will also determine when project costs will be retired. The TIF termination date is often established as the day after costs are retired.

*Note: No Federal requirements pertain to these analyses.*

# Establishing a TIF District

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## NOTIFYING THE PUBLIC & ADOPTING ORDINANCES



### Notice & Public Hearing

Hearings are held to obtain input from the public. Interested persons are provided an opportunity to support, oppose or suggest changes to the proposed **Redevelopment Plan** and **TIF Designation** ordinances.



### Enact Ordinances

State enabling legislation will provide substantive and procedural requirements for local legislation to implement a TIF. Typically, this entails the adoption of both a **“Redevelopment Plan”** and a **TIF Designation** ordinance.



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# Administering TIFs

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1

IMPLEMENT REDEVELOPMENT PLAN

2

ACCOUNT FOR THE TAX INCREMENT

3

PAY PROJECT COSTS FROM THE  
DEDICATED ACCOUNT

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# Legal and Regulatory Issues



## Ensuring Appropriate Legal Authority

State legislation typically establishes:

- Criteria for establishing a TIF district including:
  - Underlying economic conditions
  - The types of jurisdictions that can establish a TIF
  - And, in some cases, a “but for” requirement related to the necessity of a public infrastructure project to catalyze private development.
- A list of revenue streams that can be utilized for TIF purposes.
- Rules for benchmarking the revenue stream(s) and defining the tax increment.
- Permissible activities that a TIF district might pursue to catalyze private development

# Legal and Regulatory Issues

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## Establish Required Findings:

Typically, an implementing jurisdiction must make findings to show:

- The State-established criteria exist for establishing a TIF, including the “but for” analysis if required;
- A designation of revenue streams to be benchmarked and utilized according to the State law.
- A proposed TIF project will catalyze development and increase revenues within the designated area sufficient to cover the TIF-designated portion of the project costs
- A Redevelopment Plan consistent with State criteria and procedures to ensure that the TIF project fosters the desired development.

# Legal and Regulatory Issues

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## Key Legal Issues

### Spending Public Funds for Private Gain

- Many States prohibit spending public funds to create private gains.
- TIF enabling statutes will carve out an exception for TIF activities or distinguish TIF activities so that they do not fall into this prohibited category.
- Jurisdictions seeking to establish a TIF will follow State guidance scrupulously to avoid illegal conduct.

### Takings

- Some TIF development plans entail the use of eminent domain to assemble properties for development.
- Strict adherence to substantive and procedural due process is required.

# Legal and Regulatory Issues

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## Key Legal Issues

### **Inappropriate Diversion of General Fund Revenues**

- If other taxing jurisdictions (e.g., a school district) rely on revenues from taxes or fees that have been designated for TIF, they might believe that a TIF will divert revenues that they rely upon for up to 10 to 25 years.
- These jurisdictions might be motivated to sue the TIF-creating jurisdiction and often have the resources to hire legal counsel.

# Legal and Regulatory Issues

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## Surviving Legal Challenges

- **Strict Adherence to Requirements in State TIF Enabling Legislation:**
  - Local governments' experience suggests that it is beneficial to document the investigation (process and results) about whether an area and a TIF project satisfy the statutory criteria for TIF formation.
- **Judicial Standard of Review:**
  - Courts will NOT second-guess legislative findings as long as a good-faith effort was made to investigate and evaluate legally mandated criteria.
  - However, courts might invalidate findings if the findings lack evidence or are based upon spurious evidence.



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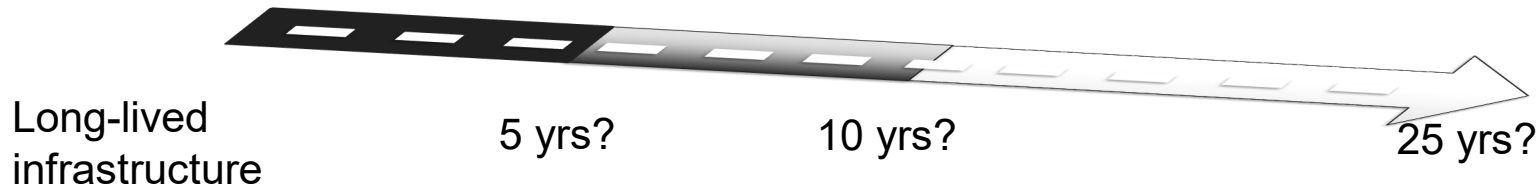
# TIF and Financing

## PAY-GO or FINANCING

- During the establishment of a TIF, it is important to determine the spending calendar associated with the TIF infrastructure project and compare that to the revenue calendar associated with the estimated tax increments. (See Section 3.5, slide #27 above)
- If requirements for spending are less than and later than the receipt of tax increment revenues, then the TIF project can probably be funded out of tax increment revenues deposited into an account dedicated for this purpose. This is pay-as-you-go (or pay-go) funding.
- If requirements for spending are greater than and/or sooner than the receipt of tax increment revenues, then financing the TIF project might make sense.

# TIFs and Financing

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## CAPITAL PROJECTS & FINANCING

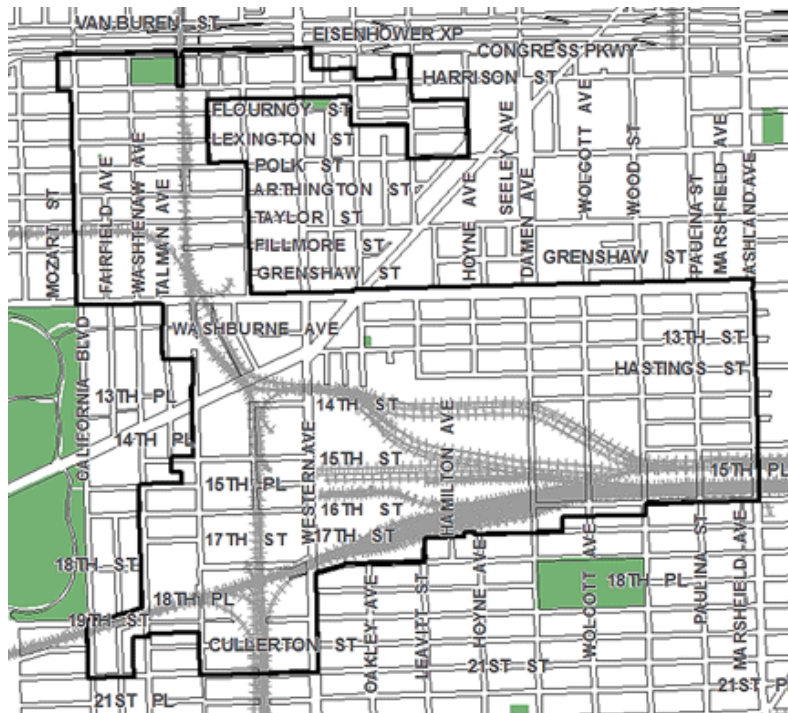
- Financing should only be pursued for the creation of assets whose useful life is longer than the financing term.
- Typically, investors are willing to make loans (or buy bonds) to provide up-front cash for infrastructure projects that will be paid back over a specified time at an agreed-upon rate of interest / return.
- Initially, tax increments are merely estimates related to future revenues that entail substantial uncertainty and risk. Uncertainty and risk cause investors to seek **higher interest rates** or **refuse to finance**.
- Special assessments or other arrangements can be created to serve as backstops for uncertain TIF revenue, thereby facilitating financing.

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## CHICAGO TIF #48: Western Ogden TIF



*Source: City of Chicago*

**Designation:** 1998    **Expiration:** 2022  
Encompassing 754 acres

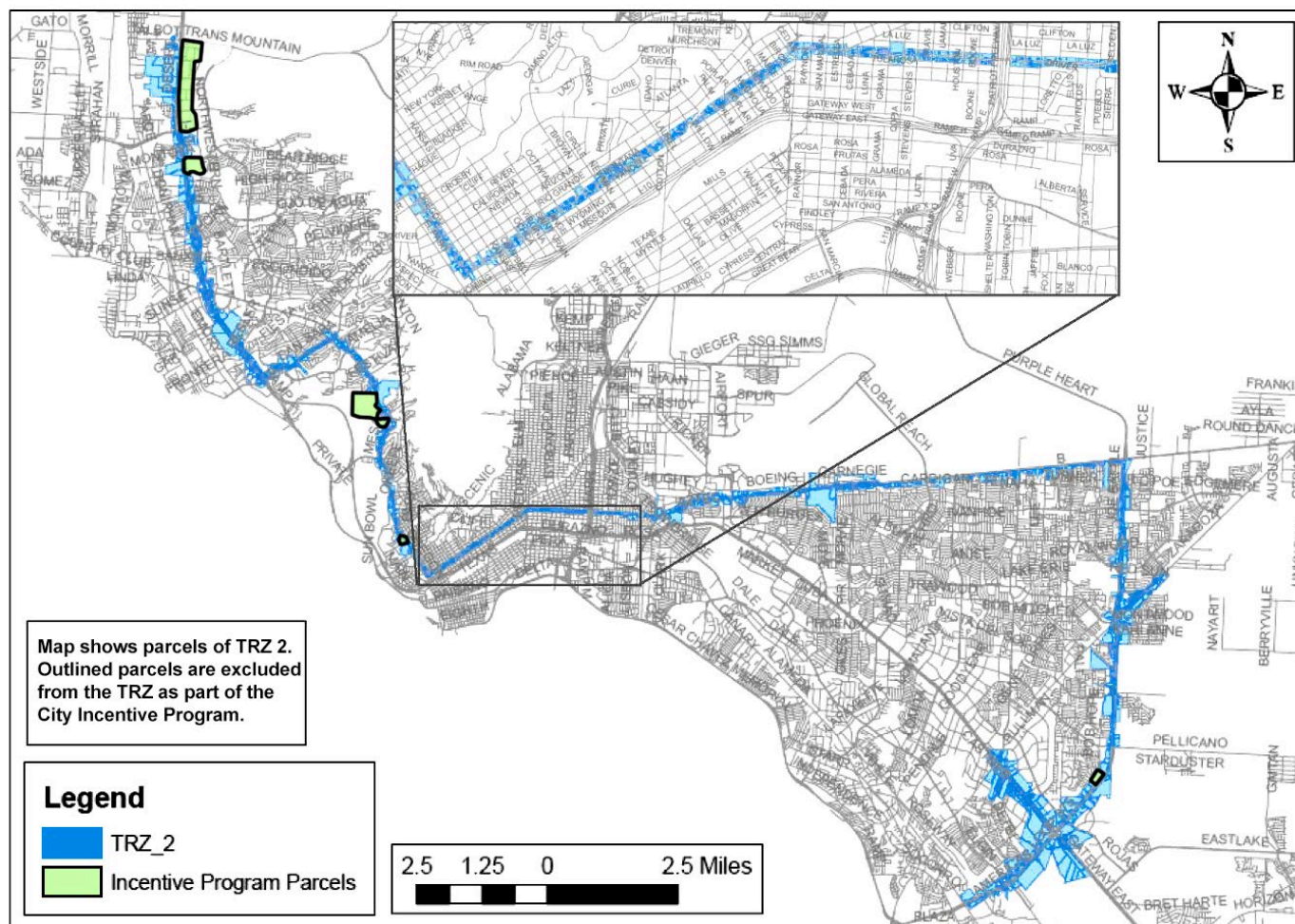
Characterized by older industrial buildings, vacant land, and numerous railroad holdings. The tax increment is targeted for building rehabilitation costs, environmental remediation activities, property assembly efforts, and public works upgrades involving streets and utilities.

# TIF Examples

## El Paso TRZs

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### TRZ No.2 Parcels



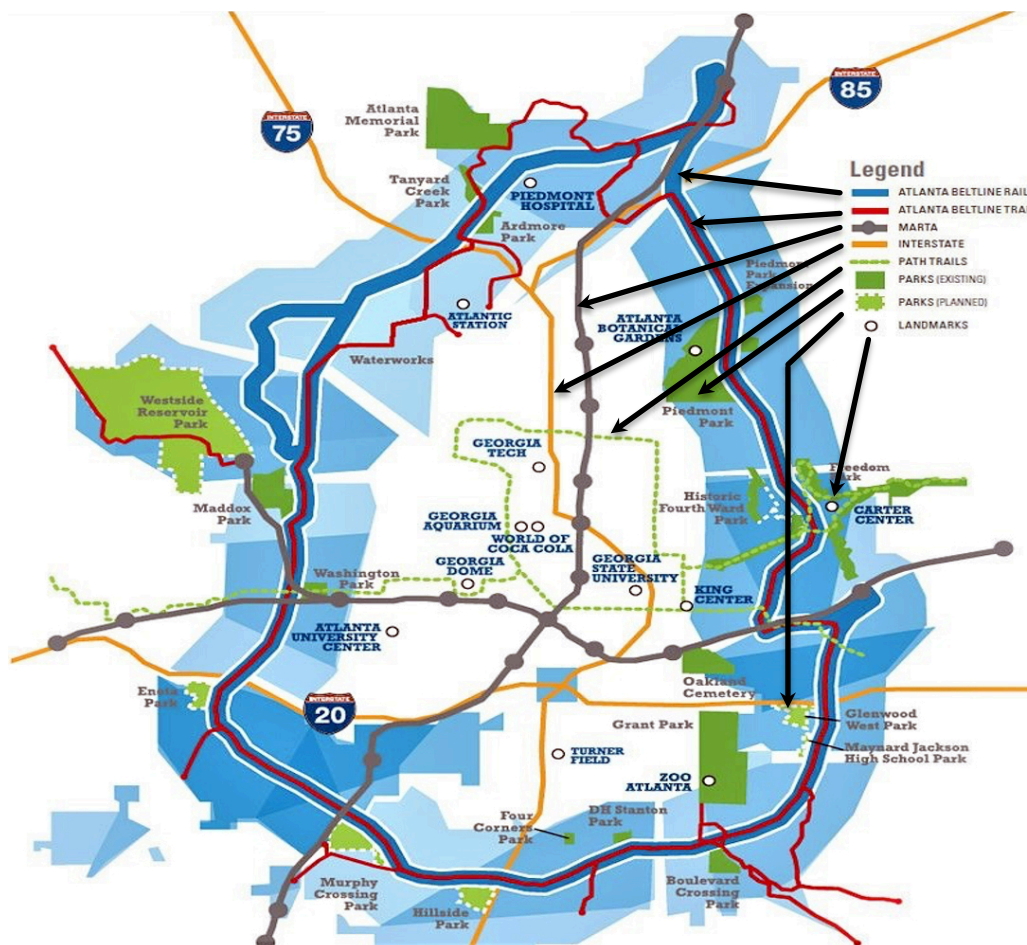
Source: Texas Transportation Institute



# TIF Examples

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## Atlanta BeltLine



Source: Atlanta Beltline Inc.

# TIF Examples



## Atlanta BeltLine

### **Cost**

\$4.8 billion (approximately \$500 million spent through FY2017)

### **Funding Sources**

Bonds - \$143 million

City of Atlanta - \$85 million

Private Philanthropic Grants - \$42 million

Other Governmental Funding - \$43 million

### **TIF:**

- City of Atlanta (TAD) - \$48 million
- Atlanta Public Schools (TAD, net) - \$80 million
- Fulton County (TAD, net) - \$51 million

From 2005-2017, the TAD generated \$325 million and has generated a direct economic impact of \$4.1 billion in private development as of the end of 2017. This is eight times greater than the total public/private investment of \$500 million to date. Most recent projections forecast that the TAD will generate \$800 million - \$1.4 billion from 2012 to its conclusion in 2030.



# Federal Highway Administration Webinar

## Tax Increment Financing

Houston Mayor's Office of  
Economic Development

May 17, 2023

Gwendolyn Tillotson-Bell  
Deputy Director Economic Development  
Contact: [Gwendolyn.Tillotson-Bell@houstontx.gov](mailto:Gwendolyn.Tillotson-Bell@houstontx.gov)





## Chapter 311 Texas Tax Code

- Describes the criteria for the use of TIF through the creation of a Tax Increment Reinvestment Zone (TIRZ)
- Limits taxable value within TIRZs to 25% of the total value
- Restricts residential land use to 30%
- Does not limit the term for TIRZs
- Defines eligible use of TIF
- Requires public notification and public hearing

# Brief History of Zones in Houston

## 29 TIRZs created in Houston since 1995

- TIRZ 1 was created to protect land use and restrict development
  - No zoning in Houston
- The most recent TIRZ was created in 2022 to support more than \$2B in life science investment at Texas Medical Center
- TIRZ will finance critical resiliency and public safety infrastructure for the 1,400-acre campus
- 1 TIRZ terminated – met the objective of the project plan
- Each TIRZ is managed and administered by a separate local government corporation
  - TIRZ and LGC are parallel agencies with the same board members
  - Limits city's liability and does not impact bond authorization levels

# Creation – Petition vs Initiated Zones

## Creation by Petition vs City-Initiated

TIRZs are created by petition or by local government

Seven TIRZs were created by petition

State statute requires that petitioned TIRZs contribute one-third of the generated revenue to provide affordable housing

For zones located in counties with population of 3.3M or more



Affordable Housing	
FY14 – FY22	
City	128,565,140.78
ISD	10,200,476.80
ISD Pass Through	1,483,350.00
<b>Total Increment</b>	<b>140,248,967.58</b>

# COH TIRZs Support Affordable Housing

The City created a separate accounting fund to direct affordable housing (A/H) activities and transactions

The affordable housing fund is managed by the Housing and Community Development Department

Two TIRZs negotiated to create and manage their A/H Programs

- Midtown TIRZ has the largest self-managed A/H Program



- The Midtown TIRZ has invested more than \$40M in affordable housing initiatives, including:
  - The acquisition of lots located in a community south of the TIRZ at lower land costs to maximize investment
  - Conveyed lots at no cost or sold lots at below-market rate to affordable home builders
    - Conveyance to nonprofit builders and CDCs
    - Below-market cost of \$1.50/sf
    - Restrictive covenant runs with the land
    - Forgivable note to the homebuyer for affordable term

- The Midtown TIRZ investment in capital projects:
  - Financed the cost of the basic infrastructure to support large affordable housing developments
    - Water, wastewater, roadways, sidewalks
  - Leveraged HUD funding from HCDD for the onsite water, sewer, and related infrastructure to further reduce costs for homebuyers



# Uptown TIRZ Leveraged for A/H Investment

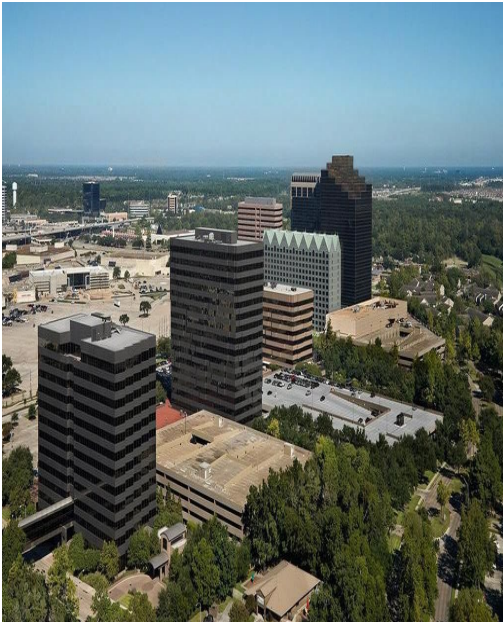
- Uptown is the largest contributor to the TIRZ A/H Fund
- The largest annual appropriation was more than \$13M transferred to the A/H fund
- The HCDD leverages the funding to cover “non-grant” related costs associated with the annual allocation of HUD grant funds for CDBG Home Ownership Assistance and Home Repair Programs
- In 2022, the Uptown TIRZ secured \$100M in bond proceeds to fund multiple affordable housing programs in partnership with HCDD
  - The debt service requirements reduced A/H transfer

# Gulfgate TIRZ Partners with A/H Developers

- Gulfgate TIRZ has partnered with 7 A/H builders to construct or reimburse costs for TIRZ-related infrastructure in an area previously lacking private investment
- The partnerships will create more than 2,000 units of single-family A/H housing
- The undeveloped area required substantial infrastructure in excess of TIRZ funding capacity
- A/H developers leveraged funding from TIRZ, municipal utility district (MUD), and COH A/H infrastructure program

# Financial Impact of Leveraging TIRZ Funds

## Leverage - Local Municipality



### Greenspoint TIRZ

Greenspoint TIRZ Increment	
Fiscal Year 2022	
City	5,340,297.56
ISD	8,509,368.85
ISD Pass Through	1,091,623.00
<b>Total Increment</b>	<b>14,941,289.41</b>



\*Approximately 66% of the annual incremental revenue comes from other participating jurisdictions

# Financial Impact of Leveraging TIRZ Funds

## Leverage – State and Federal Grants

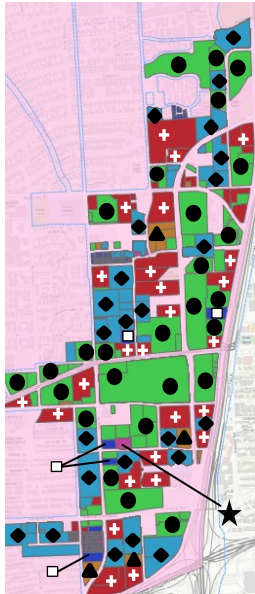
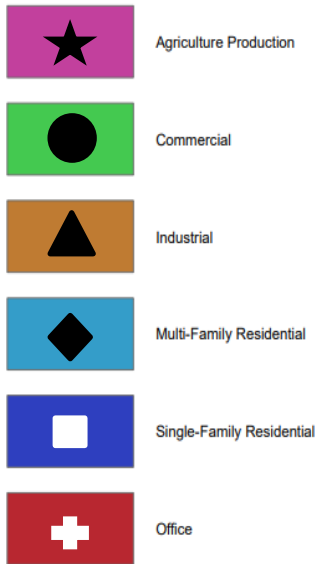
### Memorial TIRZ

Entity	Level 1 - Project Type	Level 2 - Project Category	Level 3 - Funding Source	Level 3 - Funding Agency	Year of Award	Award Amount	Project Location or Description
Awarded							
Memorial Heights Redevelopment Authority	Construction	Roadway	STBG	H-GAC - Local Call for Projects	2020	\$40,000,000	Reconstruct and improve the Durham and Shepherd Drives PH II corridor from LP 610 to I-10
Memorial Heights Redevelopment Authority	Construction	Roadway	US DOT BUILD	United States Department of Transportation	2019	\$25,000,000	Reconstruct and improve the Durham and Shepherd Drives corridor
Memorial Heights Redevelopment Authority	Construction	Roadway	Off-System HSIP 2021 Selected Projects	TxDOT	2022	\$761,000	W 19th St - all HSIP applications go through the City
Memorial Heights Redevelopment Authority	Construction	Roadway	Highway Safety Improvement Program	TxDOT	2021	\$600,000	Intersection Improvements Yale and Center - All HSIP applications go through the City
City of Houston/Memorial Heights Redevelopment Authority	Planning	Roadway	HGAC 2022-2023 UPWP Funding Request	H-GAC - Local Call for Projects	2021	\$700,000	Washington Avenue Corridor Study - This grant applications was prepared by MHRA for City of Houston Planning Department - the application was submitted by the City
Application Submitted							
Memorial Heights Redevelopment Authority	Planning	Pedestrian/Bike	Highway Infrastructure Programs	Federal Omnibus Bill	2024	\$3,000,000	Sidewalks
Memorial Heights Redevelopment Authority	Construction	Pedestrian/Bike	Transportation Alternatives	TxDOT	2024	\$400,000	Ped./Bike Planning
Memorial Heights Redevelopment Authority	Construction	Pedestrian/Bike	HSIP	TxDOT	2023	\$200,000	White Oak Safe Crossing - All HSIP applications go through the City
Memorial Heights Redevelopment Authority	Construction	Pedestrian/Bike	HSIP	TxDOT	2023	\$800,000	Waugh/Willia Safety - All HSIP applications go through the City

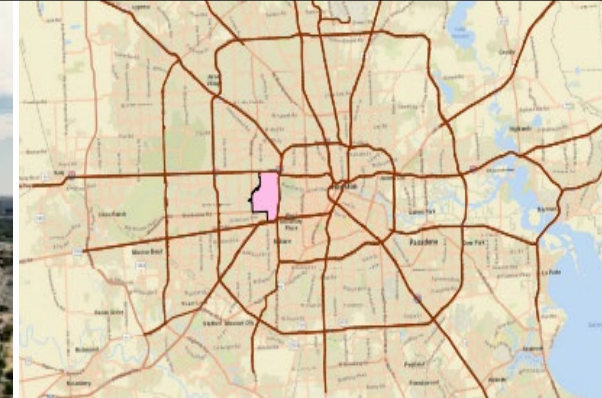
# Economic Revitalization and Impact of TIRZs

## Uptown TIRZ – Galleria Area

General Land Use in TIRZ 16



TAXABLE VALUE	Base Value	Current Value	Change	% Change
Year	1999	2022		
	1,908,297,450	7,288,865,689	5,380,568,239	281.96%



# Economic Revitalization and Impact of TIRZs

## Uptown TIRZ

### 10-Year Change in Population Change

<b>POPULATION</b>	2010 Census	2020 Census	Change	% Change
Total Population	<b>14,342</b>	<b>17,138</b>	2,796	19%
<b>HOUSING UNITS</b>	2010 Census	2020 Census	Change	% Change
Tract #	<b>TOTAL</b>	<b>TOTAL</b>		
Total Housing Units	<b>2,409</b>	<b>14,445</b>	12,036	500%

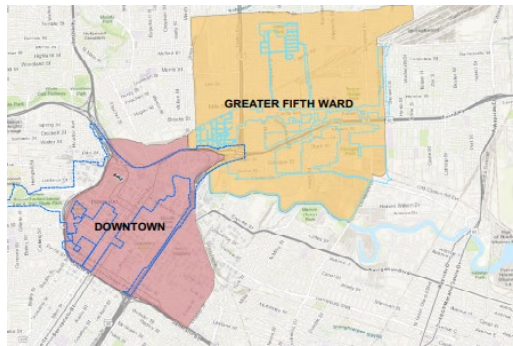
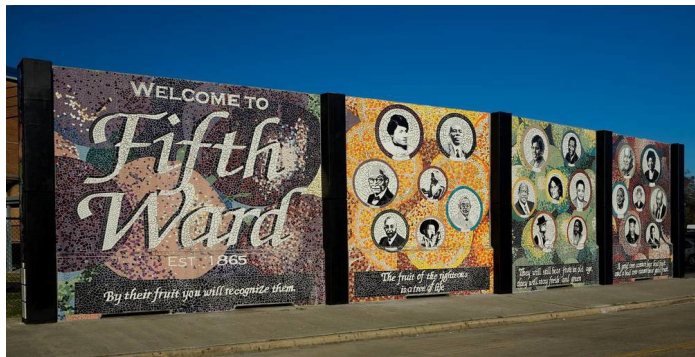
\*Population data reflects the Uptown Central Business District



# Economic Revitalization and Impact of TIRZs

## Fifth Ward TIRZ

- Historic Black Cultural District est. 1865
- TIRZ was created in 1999
- Recent annexation of the 150-acre former KBR site
- Midway Development joint venture to develop a \$2B mixed-use development branded “East River”



Phase 1 building construction is nearing completion - photo as of March 2023.

# Accessibility to Employment Center

Uptown TIRZ received federal grant funding to address traffic congestion within the business center

Uptown financed and managed the city's first BRT and terminal at a cost of more than \$170M

Funding sources:

- Uptown TIRZ - \$108M
- FTA via HGAC - \$62M

## Uptown Bus Rapid Transit Lane





# Accessibility to Employment Center

Downtown TIRZ in collaboration with the City of Houston and the Downtown Improvement District created the Downtown Living Initiative

Goal was to incentive residential development to create 5,000 multi-family units to increase downtown population by 10,000

Provided \$15,000 per unit with compliance to defined criteria

Program maximum: \$75 million

Required additional legislative authority



Daytime Population	150,000
Area	Approx. 2 sq. mi.
Office SF	50 Million
Venues	Convention Center, Toyota Center, Minute Maid Park

Tax Increment Reinvestment Zones  
have proven to be a critically  
important economic development  
tool for the City of Houston





# Thank You







# The Atlanta Beltline

## FHWA Value Capture National Webinar

May 17, 2023



@atlantabeltline





# Atlanta Beltline overview



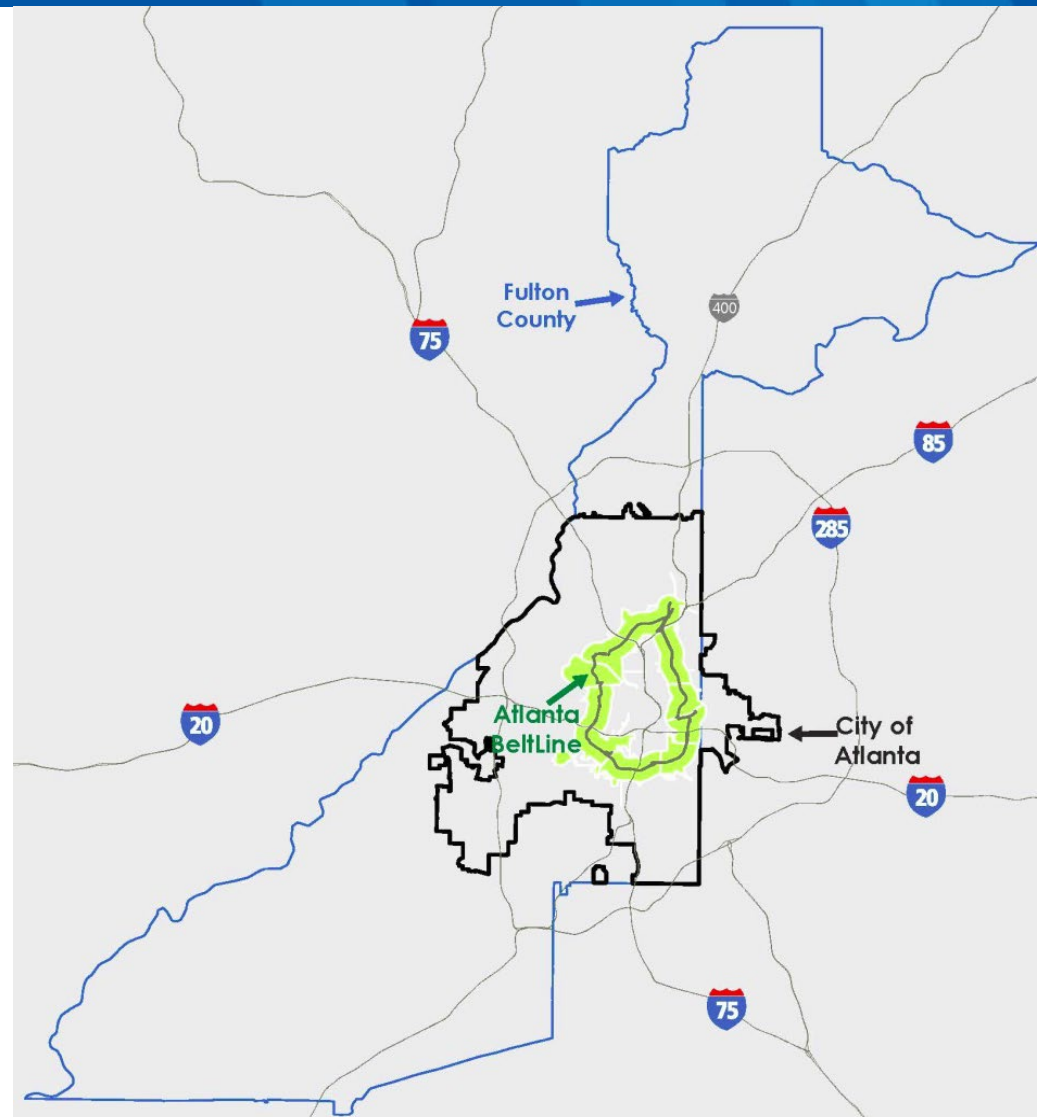
**CLYDE HIGGS**  
President and CEO  
Atlanta BeltLine, Inc.



**ROB BRAWNER**  
Executive Director  
Atlanta BeltLine Partnership

# Atlanta Beltline overview

- Connects 4 abandoned and active rail lines forming a 22-mile loop
- Located in the City of Atlanta
- Connecting 45+ neighborhoods
- Within the BeltLine Planning Area (1/2 mile from trail) is:
  - 19% (15k acres) of City's land mass
  - 22% of City's population
- 6,500-acre Tax Allocation District



# Atlanta Beltline overview

Metro Atlanta's  
growth and sprawl  
necessitates  
innovative  
solutions



*Photo courtesy of the Atlanta  
Regional Commission*



# The Atlanta BeltLine

Began with  
galvanized public  
support in 2005

Today: 2+ million  
visitors annually

2021 survey  
showed 50%+ of  
respondents lived  
within a mile and  
cycled, walked or  
rode public transit  
to get to the trails







# organizational structure



*Atlanta BeltLine, Inc. (ABI) manages all project implementation, including:*

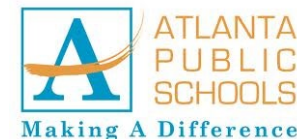
- *leading efforts to secure federal, state and local funding*
- *spearheading all design, engineering, and construction for trails, parks, transit, streetscapes, affordable housing, and art*
- *managing community engagement*
- *serving as the overall project management office with \$150 million annual budget and 65 full-time employees to execute the Atlanta BeltLine project*

*TAD Funders*



*The Atlanta BeltLine Partnership (ABP):*

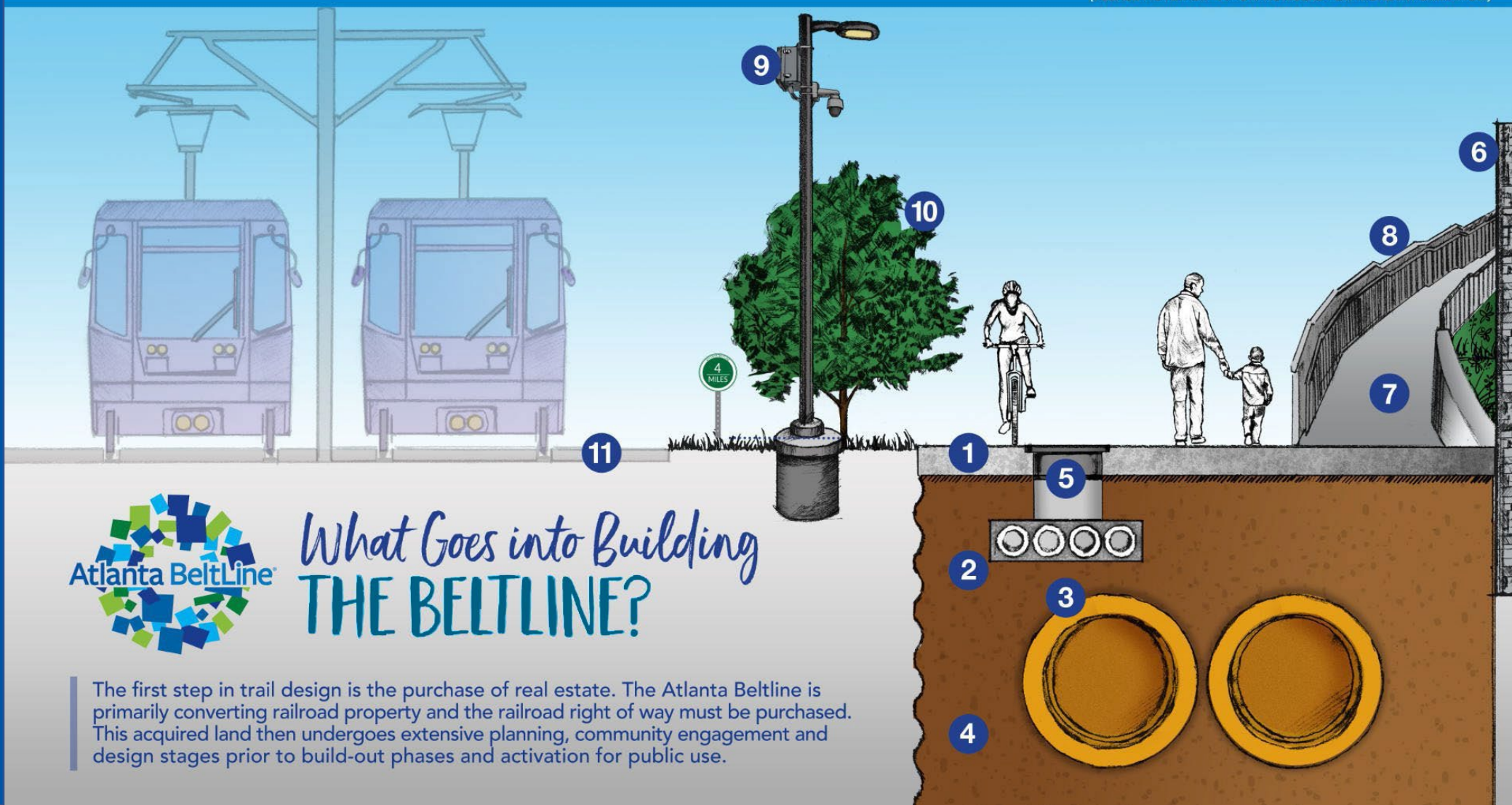
- ***enables*** the Atlanta BeltLine project by raising funds from the private sector and philanthropic community
- ***engages*** the public through programming and outreach
- ***empowers*** the residents of the 45 Atlanta BeltLine neighborhoods through targeted partnerships in the areas of health, housing and economic opportunity





# Corridor Infrastructure

Line of sight to completing the 22-mile Atlanta BeltLine trail loop by the end of 2030



## What Goes into Building THE BELTLINE?

The first step in trail design is the purchase of real estate. The Atlanta Beltline is primarily converting railroad property and the railroad right of way must be purchased. This acquired land then undergoes extensive planning, community engagement and design stages prior to build-out phases and activation for public use.

>>>  
Illustration of what goes into building the trail component



# Funding the Project

## Tax Levy

- BeltLine Tax Allocation District (sunsets in 2030)
- BeltLine Special Service District (established 2021)

## Grants

- Federal
- State
- Local

## Philanthropic

- Corporations
- Foundations
- Individuals



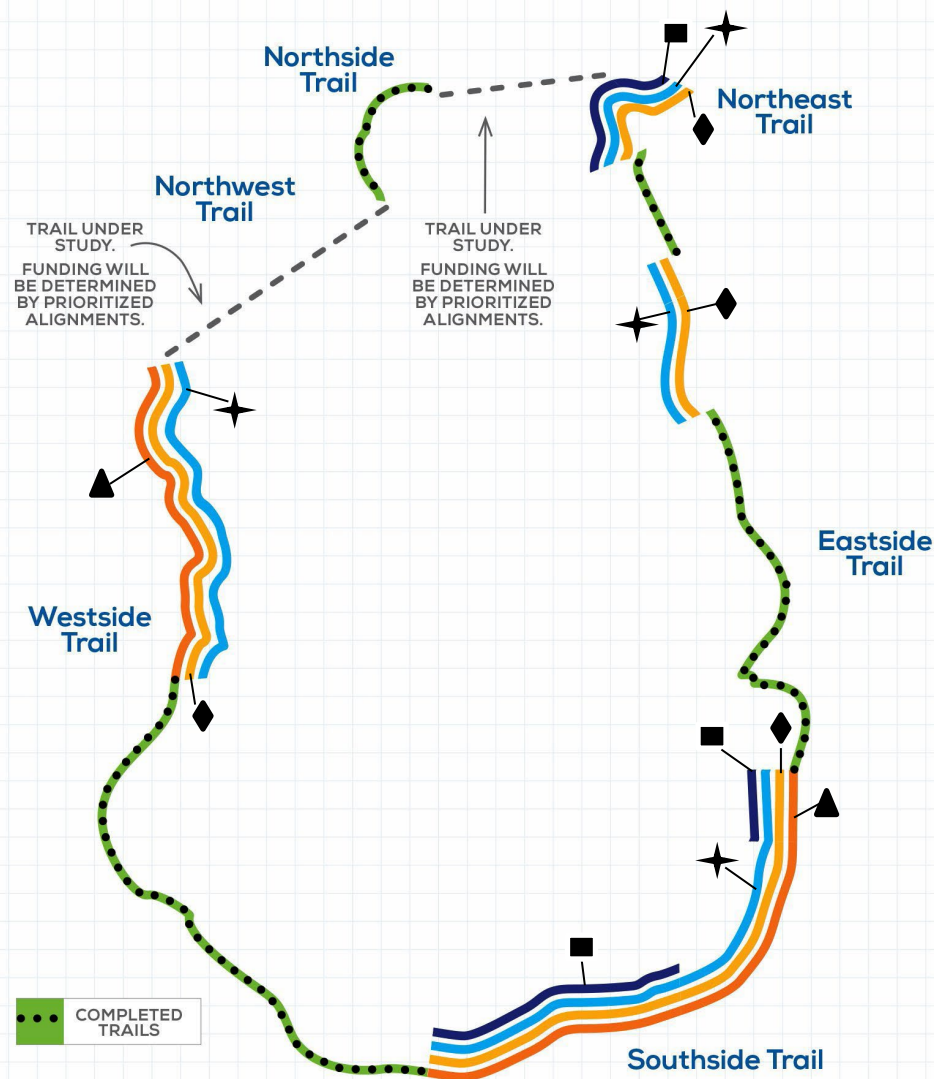
# Completing the Corridor

Needed a clear line of sight to complete the 22-mile multi-use trail loop by the end of 2030

Key milestones:

- Special Service District & philanthropic funding provided path to completing multi-use trail
- Design + construction work underway in all four quadrants

10



## FUNDING TYPES



**\$50 MILLION**  
FEDERAL



**\$100 MILLION**  
PHILANTHROPIC



**\$100 MILLION**  
TAX ALLOCATION  
DISTRICT (TAD)



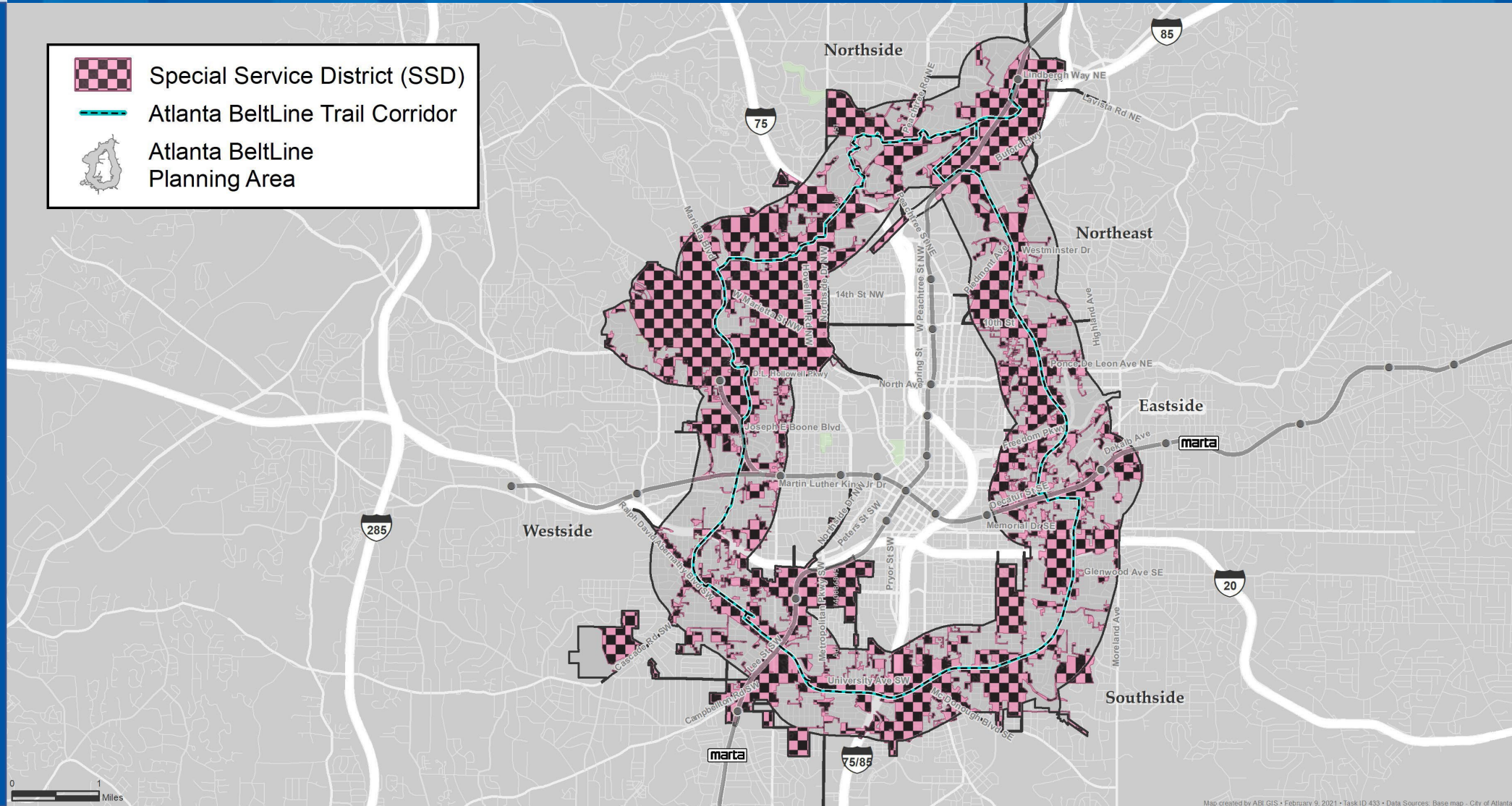
**\$100 MILLION**  
SPECIAL SERVICE  
DISTRICT BONDS (SSD)



# Funding: special service district

A new financing district passed in 2021 with:

- Extensive community outreach and support with small business owners and developers
- City Council support





# Funding parks

Creating or improving  
1,300 acres of parks





# Funding parks

## Historic Fourth Ward Park





# Funding parks

## Westside Park



Photo courtesy of HGOR



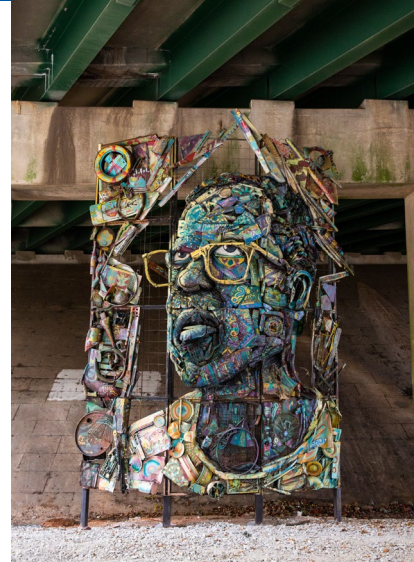
# Funding Public art

Visual &  
performance

Year-round

Free and publicly  
accessible

Call for artists  
open now





# Transit

ABI is partnering with MARTA and the City of Atlanta on transit build out

Design and engineering is underway for the streetcar extension to Ponce de Leon Avenue via the Eastside corridor

[www.streetcareast.com](http://www.streetcareast.com)





# \$10 billion in Private investment

## Private investment

\$8.89 billion catalyzed in the Planning Area

\$719 million invested in the project so far

1 to 10 ROI

*Numbers are as of the end of 2022*

1 to 10  
roi

**APPROX.  
RETURN ON  
INVESTMENT**

\$8.98  
Billion

**CATALYZED IN  
PLANNING  
AREA**

\$719  
Million

**INVESTED IN  
THE PROJECT  
SO FAR**

# Job creation

## Redevelopment plan goals

50,000 Permanent Jobs\*

- 24,200 (as of 2019) created

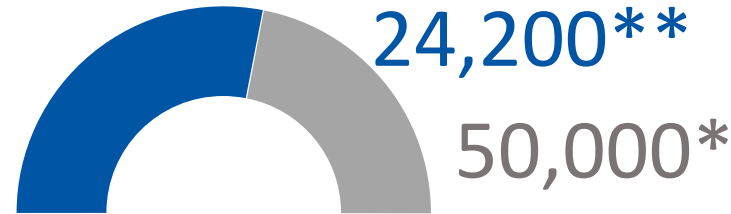
48,000 Construction Jobs

- 62,860 created

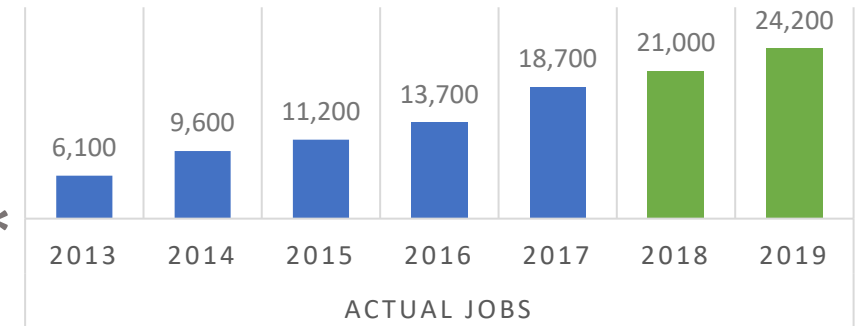
Workforce partnerships:  
connecting BeltLine  
residents to job training  
for jobs at BeltLine  
businesses

*\*With the passage of the SSD,  
ABI increased the target goal  
from 30,000 to 50,000*

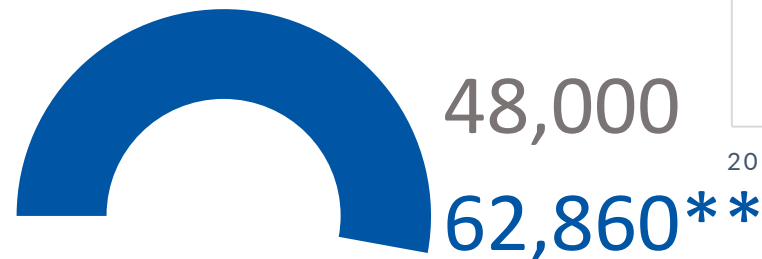
## Permanent Private Job Creation (Beltline Planning Area)



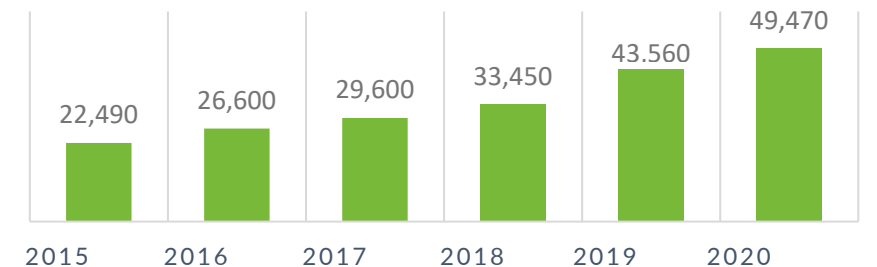
### ESTIMATED JOB ATTRACTION



## One-Year Construction Job Creation



### CONSTRUCTION JOBS ESTIMATE



\*\*Source U.S. Census Data and Private Investment Tracking



# 5,600 units of Affordable Housing

## Affordable Units Created/Preserved

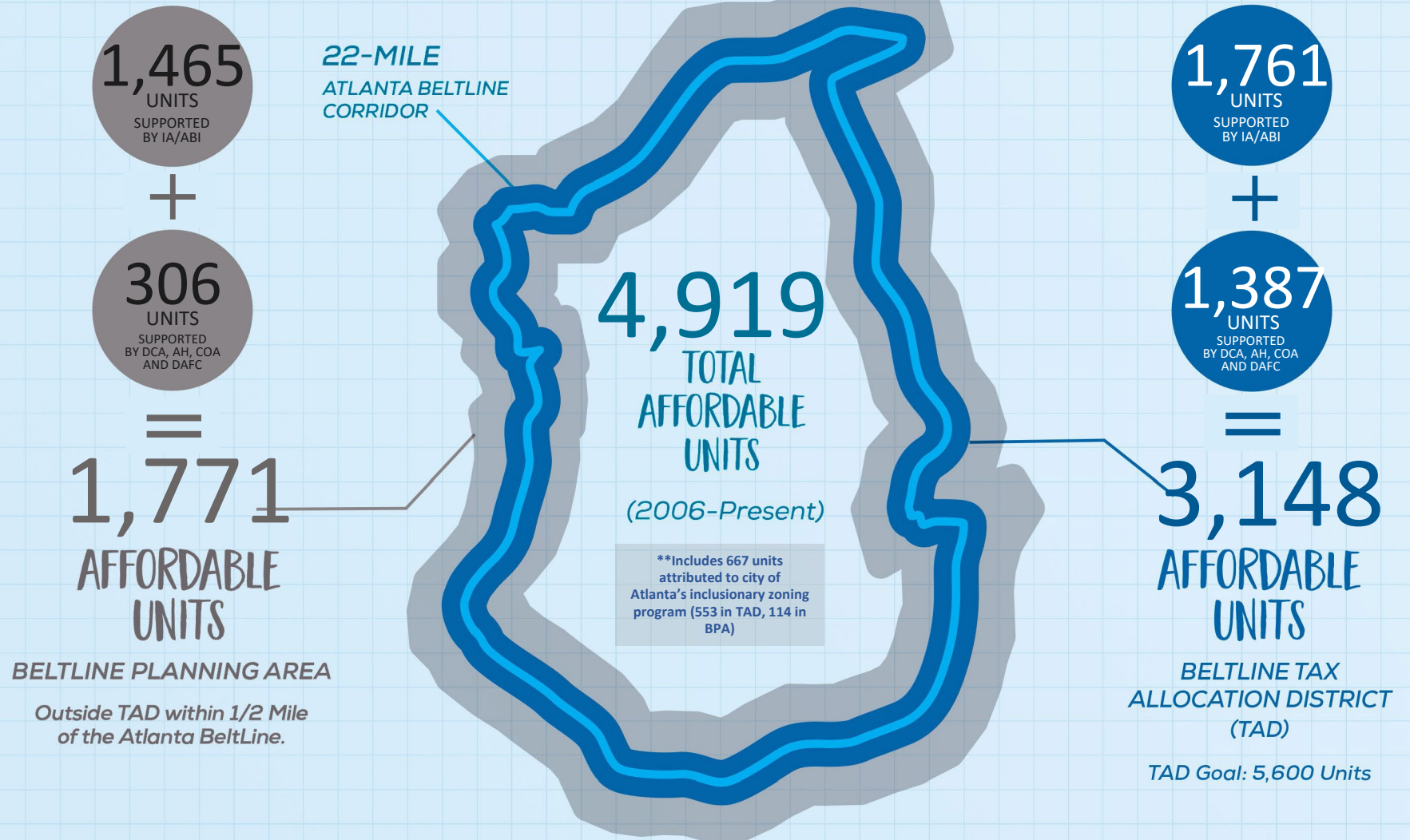
TAD and Planning Area boundaries are represented here for illustrative purposes only.

For precise boundary lines, please visit:

[beltline.org/map](http://beltline.org/map)

### CHART LEGEND >>

ABI	Atlanta BeltLine
AH	Atlanta Housing
COA	City of Atlanta
DAFC	Development Authority of Fulton County
DCA	Department of Community Affairs
IA	Invest Atlanta





# Land acquisition strategy

Controlling  
affordability  
through owning  
land and  
controlling the  
development

More than \$38  
million invested  
into 60+ acres  
around the  
corridor







# Displacement mitigation

Legacy Resident  
Retention  
Program

Home  
Empowerment  
Workshops

Programs with  
Atlanta Land  
Trust





# BeltLine MarketPlace

## Incubation for six Minority- Owned Businesses:

- Access to BeltLine frontage
- Architecturally designed shipping containers
- Wrap-around business support





# Small Business support

BeltLine Business  
Solutions Office

Business Façade  
pARTnership  
Grant

Meet and greet  
events to connect  
DBEs





# Community & stakeholder engagement

Engage residents and businesses in defining community's vision and goals

Engage residents to enjoy healthier lifestyles and fitness opportunities

Offer tours and information about the project

Advocate for policies to support BeltLine neighborhoods





# Equity-Focused Transformation

Transparently  
tracking our  
progress

Striving to correct  
historic  
disinvestments

Leveraging data to  
address racial  
disparities

Equitable  
development  
focus



## Atlanta BeltLine Investment Data Explorer

This mapping tool shows investments made through federal, state and local public grants as well as private and philanthropic funds through 2020.

Powered by



### Investment Overview

This map shows all BeltLine investments aggregated to the project's subarea levels. Click on any subarea to learn more about overall investments.

### See Investment Details

Use the buttons below to jump to specific BeltLine investment categories and see project locations related to these investments.

Housing

Parks & Trails

Transit & Streetscapes

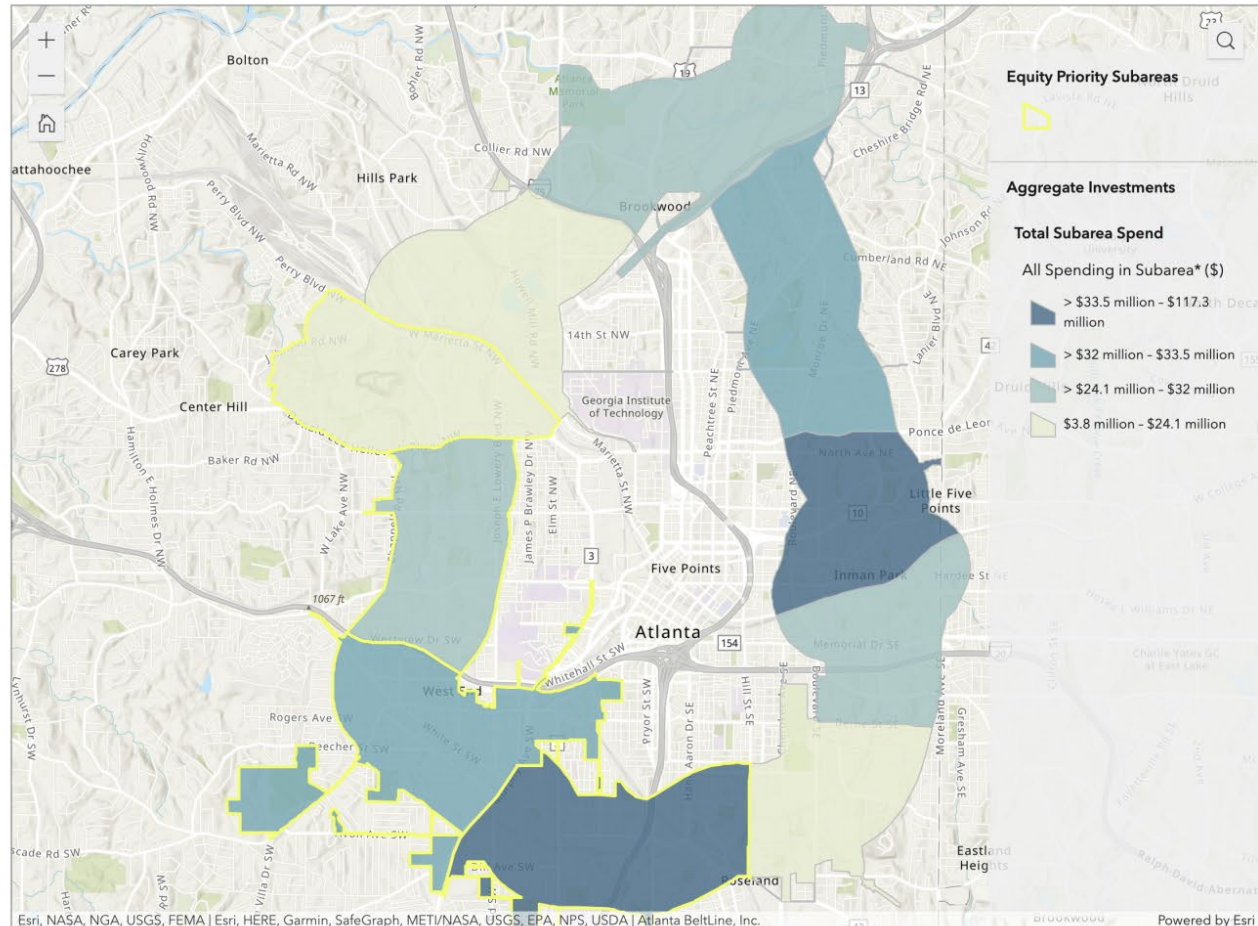
Economic Development

Arts & Culture

### See all investments

Click below to see all BeltLine investment locations as well as select equity indicators.

See all



### About the explorer

This application is designed to help residents and community leaders understand the nature of investments made by the Atlanta BeltLine. The map is fully interactive, and you can click on any location to learn more details about the area.

The buttons to the left of the map will take you to pages with more detailed investment information. For more about the Investment Explorer, click on the button below to open a quick-start guide with instructions and other information about the data.

Open the Quick Start Guide

### Need demographic data?

Click the button below for a quick view of the Atlanta BeltLine Demographic Data Explorer.

See demographics



# Questions?





# Value Capture and Growth Strategies Webinar

Andrea Miller, CPFO  
Chief Financial Officer



# Transbay Joint Powers Authority (TJPA)

- Owner and operator of the Salesforce Transit Center and 5.4 acre rooftop Park in the heart of downtown San Francisco
- In 1999, City voters approved a ballot measure to extend the northern terminus of Caltrain from south of downtown to a new transit station at the site of what was the existing Transbay Terminal
  - TJPA was created under State law in April 2001
  - The agency is charged with design, construction and operation of a new transit center and associated facilities

## Joint Powers Authority Member Agencies

- City & County of San Francisco
- Alameda-Contra Costa Transit District
- California High Speed Rail Authority
- Caltrans (CA State Dept. of Transportation)
- Peninsula Corridor Joint Powers Board
  - City & County of San Francisco
  - San Mateo County Transit/Caltrain
  - Santa Clara Valley Transportation Authority







# Transbay Program

- Replace former Transbay Terminal with a multi-modal Transit Center
- Create a transit-oriented neighborhood featuring housing (35% affordable housing), open space, offices and shops
- Extend Caltrain and California High Speed Rail service into downtown San Francisco through the Downtown Rail Extension, also known as The Portal.



# Phase 1 - \$2.25B Transit Center Complete



*Multimodal six story facility in downtown San Francisco is operational and providing transit, retail and wellness services. Two-story train box already completed with \$400M in American Reinvestment & Recovery Act funding, found below grade, awaiting to get rail connections.*





## Providing Important Community Services

- **Transit Services** – Nine connections to eight counties
- **Park Programming** – Available for Free Daily
- **12 Tenant Spaces Open**

# The Portal: Key Regional Rail Connection



- World-class multimodal transportation hub
- Closes the gap to downtown San Francisco, enabling the Salesforce Transit Center's full potential resulting in 4,000 new housing units @ 35% affordable
- Creates an essential mega-region link b/w several federal investments (train box, Caltrain electrification, HSR), and connects conventional-gauge through downtown for future Link21
- Improves sustainability and environmental quality
- A SAFETEA-LU Project of National and Regional Significance, long-standing regional New Starts priority, and regional priority since 1990



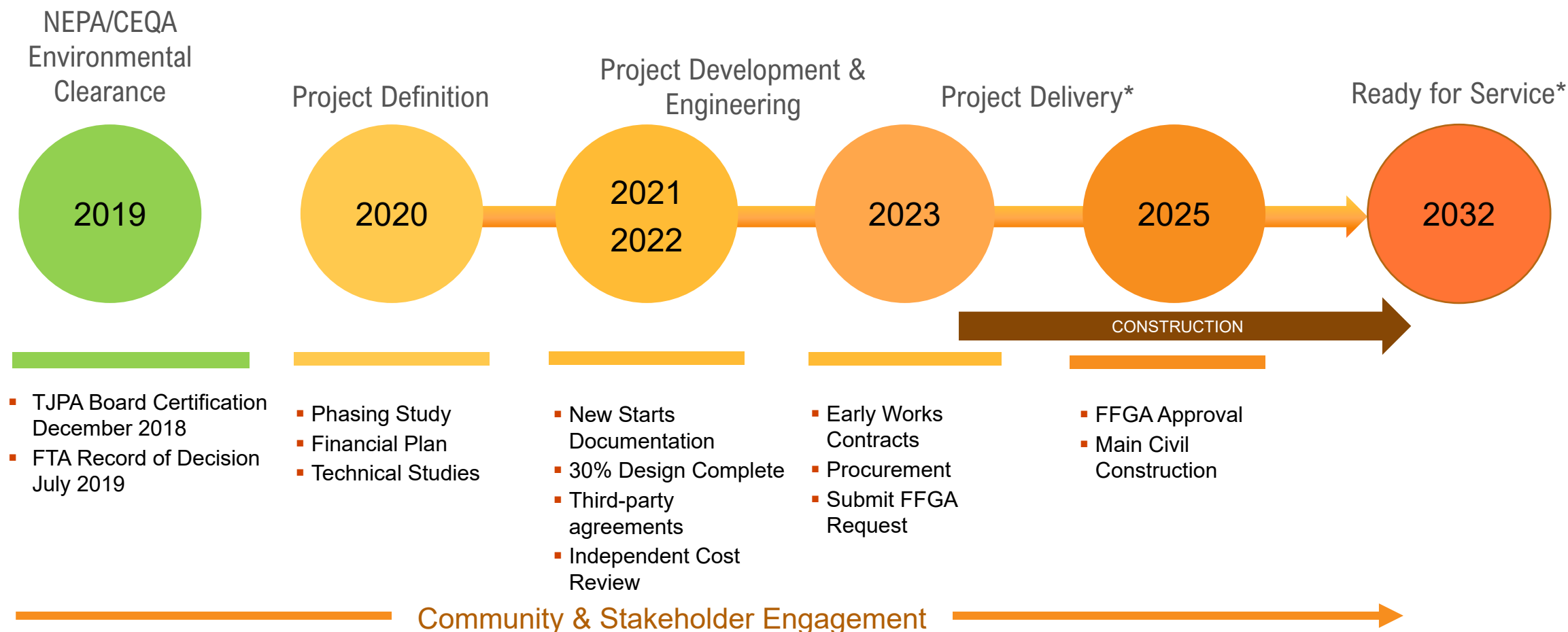
# Benefits of The Portal

## ENVIRONMENT ▪ ECONOMY ▪ EQUITY

- Enhanced access for 90,000 daily riders with one-seat ride between SF, San Jose, and LA
- Expands system when ridership forecast to grow above pre-pandemic levels
- Builds two new rail stations in area with highest expected population growth and within ½ mile of 10 Equity Priority Communities and/or Areas of Persistent Poverty
- Connects 11 transit providers – Caltrain, future High-Speed Rail, BART, Muni, and buses serving 8 Bay Area Counties – and promotes seamless transfers in the Transit Center
- Improves air quality and reduces 355M VMT/yr on US 101, one of the most congested corridors in the Bay Area
- Creates an estimated 21,000 jobs regionally, 41,000 nationwide

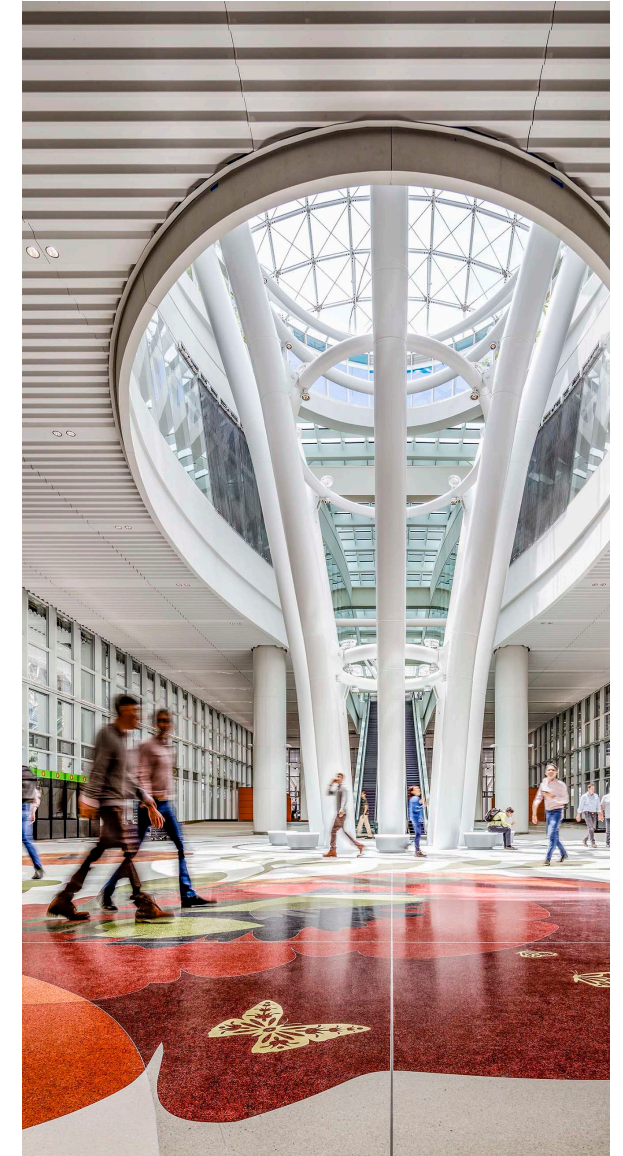


# Project Schedule



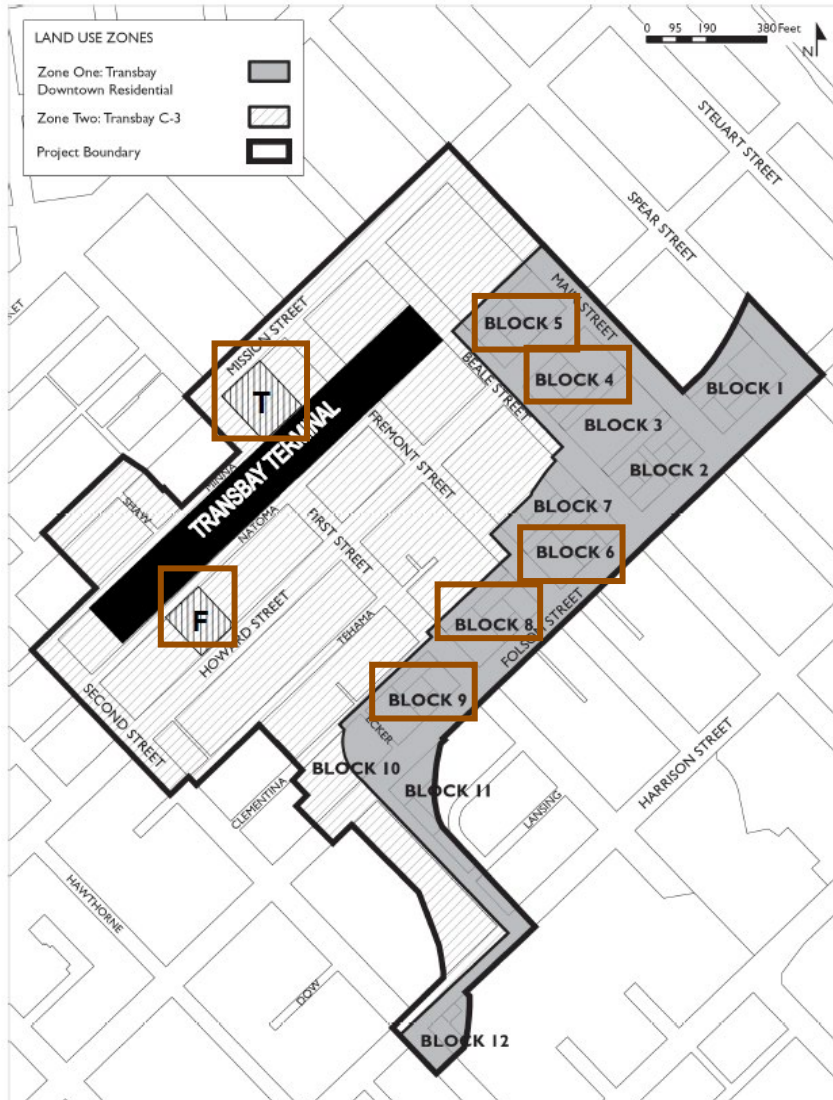
# Innovative Funding & Financing for Capital Projects

1. Land Sales of former State-owned parcels:
  - Total Projected Amount: \$675 million
2. Net Property Tax Increment from former Redevelopment Area:
  - Repayment Mechanism for \$171 million Phase 1 TIFIA Loan
  - Pledged to TJPA's \$270 million Tax Allocation Bond sale in 2020 to refinance TIFIA loan and provide new funds to the TJPA Program
  - Allows for \$80 to \$120 million Phase 2 TIFIA or RRIF Loan
3. Mello-Roos Community Facilities District:
  - To Date = \$397 million (for capital and debt service)
  - Future = \$200 - \$500 million
4. Other Funding Sources





# 1. Land Sales



- TJPA has sold six of the seven parcels transferred by the State to private sector developers, generating more than \$660 million.
- Five development parcels have been completed (Blocks 5, 6, 8, 9, and Parcel T)
- One parcel has been sold but not yet developed (Parcel F)
- One parcel has not yet been sold (Block 4)
- Together, the tax increment income and land sales proceeds make this one of the most successful “public-private” transportation projects in the country.

# 1. Land Sales

Parcel T – Salesforce Tower



- 61 Floors (tallest building in San Francisco)
- 1.4 million sq ft office space
- Direct access to Salesforce Park
- Over \$2 billion in assessed value

Block 5 – Park Tower



- 43 Floors
- 767,000 sq ft office space
- 50,000 sq ft outdoor space, including 14 sky decks
- Over \$1 billion in assessed value

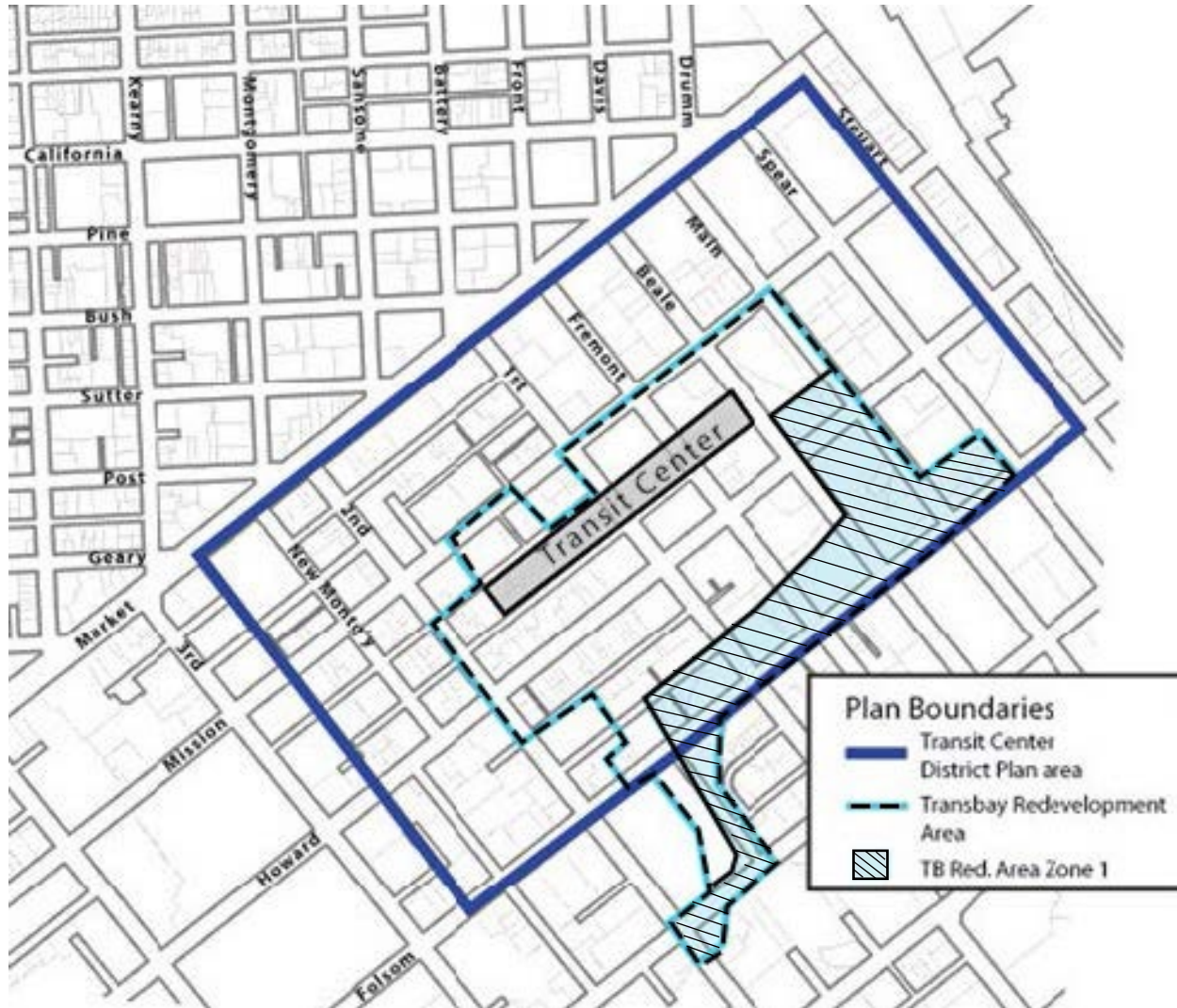
Block 8 – The Avery



- 56 Floors
- 118 for-sale condos
- 279 market rate apartments
- 17,000 sq ft retail space
- 151 affordable units
- Over \$600 million in assessed value



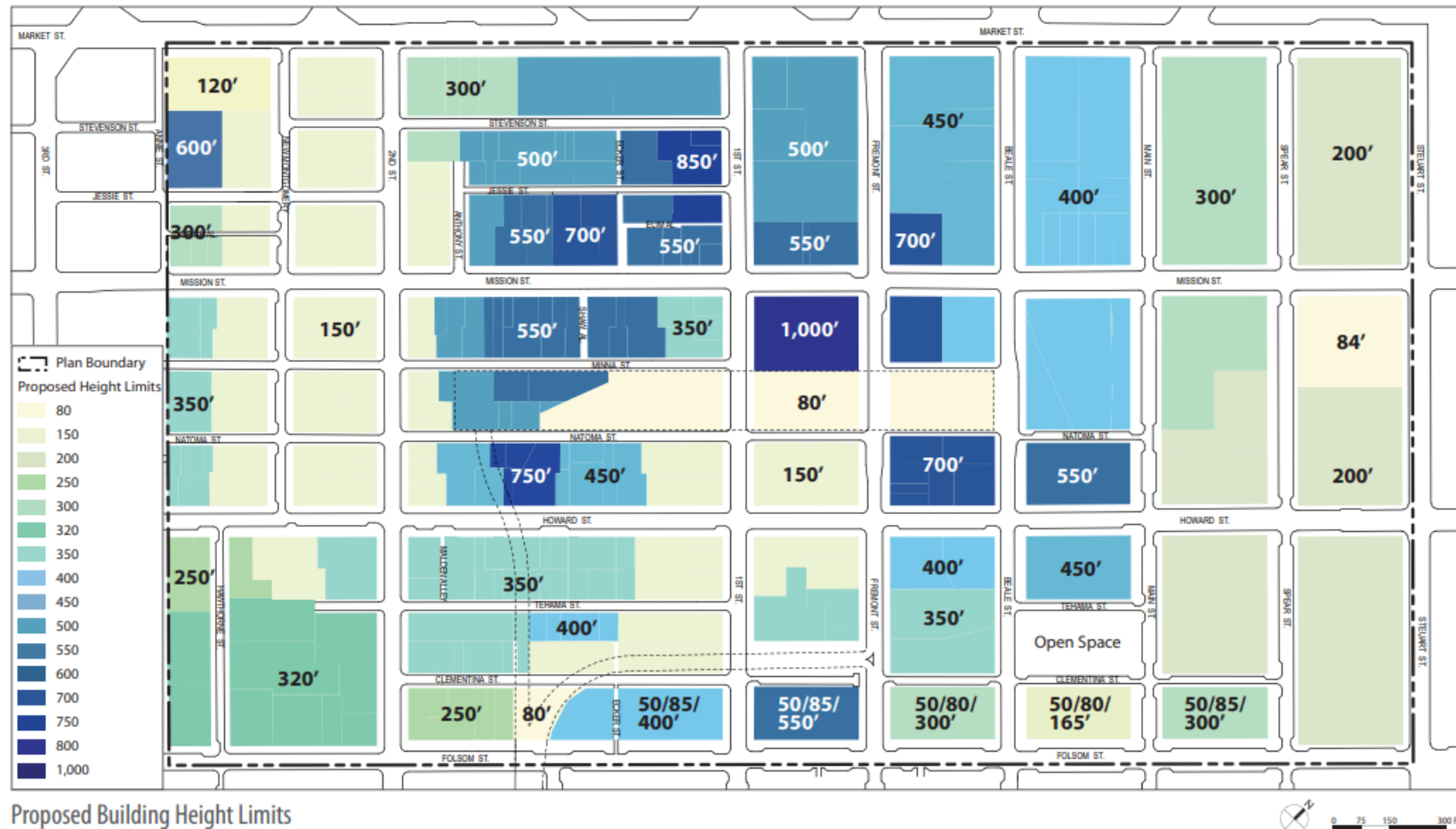
## 2. Net Tax Increment



- Transbay Redevelopment Plan adopted in 2005
- Pledged Net Tax Increment from state-owned parcels for design and construction of the Transbay Program
- Net Tax Increment established for 45 years from adoption (2050)
- Authorization to issue bonds



# 3. Mello-Roos Community Facilities District (CFD)



- Transit Center District Plan adopted in 2012
- Established a Mello-Roos Community Facilities District, levies a special tax based on property values.
- CFD established for 75 years. Individual buildings pay special taxes for only 30 years.
- 82.6% pledged for design and construction of Transbay Program

# 4. Other Funding Sources

---

## Federal – Competitive Grants and Financing

- Federal grants and financing: \$642M
- Transportation Infrastructure Finance and Innovation Act (TIFIA): \$171M

## Regional – Bridge Tolls

- Metropolitan Transportation Commission Bridge Toll commitments: \$679M

## Local

- San Francisco Local Sales Tax for Transportation: \$198M
- San Mateo Local Sales Tax for Transportation: \$23M
- Transit Center District Developer Impact Fees

## Operating Revenue

- Salesforce Naming Rights agreement: \$110M (over 25 years)
- Retail leasing
- Advertisements
- Lease and Use payments from bus operators
- Community Benefits District, special assessment to maintain and operate the rooftop park



# Questions?

Andrea Miller, Chief Financial Officer

[amiller@tjpa.org](mailto:amiller@tjpa.org)

415-597-4617

