



CITY OF COLUMBUS TAX INCREMENT FINANCING FOR LOCAL DEVELOPMENT PROJECTS

What is Tax Increment Financing?

Tax Increment Financing (TIF) uses the increased property taxes resulting from real estate development to finance costs of the development.

What types of development are eligible for TIF assistance?

- Economic development projects (manufacturing, R&D, warehouse, distribution, telemarketing)
- Areas with significant blight or contaminated soils
- Housing with an affordable component (multi-family and single family)

How is TIF assistance provided to the Developer?

If TIF is approved for a particular development project, the City would reimburse the Developer for TIF eligible costs in the form of a pay-as-you-go note. The principal and interest on a pay-as-you-go note is paid semi-annually from tax increment collected from the development during the term of the TIF District created for the development. The duration of TIF Districts can range from 9 years (economic development districts) to 26 years (redevelopment and housing districts).

TIF eligible costs include land acquisition, infrastructure, soil corrections, demolition, rehabilitating a blighted building. Costs of constructing housing is also a TIF eligible cost.

What is the process for obtaining TIF assistance?

Obtaining TIF assistance takes approximately 60 to 90 days, and requires the following:

- City must determine that “but for” the TIF assistance, the development would not occur
- TIF District is created
- Contract for Private Development is negotiated between City and Developer
- City Council must hold public hearing and approve the creation of the TIF District and the Contract for Private Development

How can I apply for Tax Increment Financing?

Developers can apply for TIF Assistance by completing the City’s Application for Assistance and submitting the application to the City Administrator.