What is a TIF?

Tax increment financing (TIF) is an effective tool that allows municipalities to promote economic development by earmarking property tax revenue from increases in assessed values within a designated TIF district.
TIF 1 – Retail

**GOAL** – STIMULATE RETAIL DEVELOPMENT IN THE WEST.
**TIF 1 - Retail**

Closed in 2006, TIF 1 ended three years ahead of schedule.

### Snapshot

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Start Date</td>
<td>May 2000</td>
</tr>
<tr>
<td>Required ending year</td>
<td>2030</td>
</tr>
<tr>
<td>Ending year</td>
<td>2006</td>
</tr>
<tr>
<td>Total costs allowed</td>
<td>$ 3,000,000</td>
</tr>
<tr>
<td>Projects</td>
<td></td>
</tr>
<tr>
<td>McMurtrie Road</td>
<td>1,769,818</td>
</tr>
<tr>
<td>improvements</td>
<td></td>
</tr>
<tr>
<td>US Highway 72</td>
<td>494,457</td>
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<tr>
<td>widening</td>
<td></td>
</tr>
<tr>
<td>Total financed</td>
<td>$ 2,264,276</td>
</tr>
</tbody>
</table>

### Accomplishments

- McMurtrie Drive completed
- 600,000 Square foot Westside Center developed on long-vacant land
- TIF1 phase of Highway 72 widening is complete
- New retailers brought to Huntsville
GOAL - BUILD A NEW HUNTSVILLE HIGH SCHOOL AND STIMULATE RETAIL DEVELOPMENT IN THE CENTRAL PART OF THE CITY.
TIF 2 – Schools/Retail

TIF2 - Actual Collections

Snapshot

- Start Date: August 2000
- Required ending year: 2030
- Ending year (forecasted): 2026
- Total costs allowed: $15,500,000

Projects

- Huntsville High School: $10,000,000
- Parkway Place Parking Garage: $5,500,000

Total financed: $15,500,000

Accomplishments

- New Huntsville High School complete
- Public Parking Garage complete
- New retailers brought to Huntsville
- Specialty stores brought to surrounding district
TIF 3 – Schools

**Goal** – Build new schools in West Huntsville.
TIF 3 – Schools

Closed in 2012, TIF 3 ended eleven years ahead of schedule.

| Snapshot |
|-----------------|-----------------|
| Start Date      | September 2000  |
| Required ending year | 2030          |
| Ending year     | 2012            |
| Total costs allowed | $39,940,000    |
| Projects        |                 |
| City Schools    | $30,000,000     |
| Road Improvements | $9,490,000    |
| Total financed  | $39,490,000     |

Accomplishments

- Providence Elementary School
- Columbia High School
- Farrow Road and Old Monrovia Road Improvements
TIF 3A – Schools

**GOAL** – IMPROVE EIGHT NORTHWEST CITY SCHOOLS AND STIMULATE INDUSTRIAL DEVELOPMENT.
TIF 3A – Schools/Industry

Snapshot

<table>
<thead>
<tr>
<th>Start Date</th>
<th>May 2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Required ending year</td>
<td>2031</td>
</tr>
<tr>
<td>Ending year (forecasted)</td>
<td>2023</td>
</tr>
<tr>
<td>Total costs allowed</td>
<td>$ 42,000,000</td>
</tr>
</tbody>
</table>

Projects

- City Schools: $12,000,000
- Industrial Park: $13,193,056
- Other: $470,000

Total financed: $ 25,663,056

Accomplishments

- $12M Improvements to NW City Schools
- Road Improvements - Northern Bypass
- New Industrial Park established
- Toyota Manufacturing Plant Investment secured
- Wade Mountain Preserve expanded
TIF 4 – Downtown & Schools

GOAL – REVITALIZE DOWNTOWN HUNTSVILLE.
TIF 4 – Downtown

**Snapshot**

Start Date: September 2006  
Required ending year: 2036  
Ending year (forecasted): 2028

Total costs allowed: $35,350,000

Projects:
- City Schools: $13,000,000
- Culture and Tourism: $6,000,000
- Public Safety: $4,000,000
- Roads/Other: $7,000,000

Total financed: $30,000,000

**Accomplishments**

$13M Improvements to Lee and Butler High Schools  
Build/Expand Public Facilities including:  
- Art Museum, Von Braun Center,  
- Dwn Public Safety Precinct and Court House  
- Harris Hills Boulevard
TIF 5 – Office Space/Redstone Gateway

**GOAL** – PROVIDE INFRASTRUCTURE IN SUPPORT OF THE U.S. ARMY AT REDSTONE ARSENAL.
In 2010, the City established TIF 5, partnering with a national office park developer to create the Redstone Gateway Park, a $1 billion office park located on four hundred acres of EUL property, which will support Redstone initiatives for many years to come, and complement the diverse activities occurring across the street at Cummings Research Park West. The City will construct infrastructure and related assets over fifteen years to support the twenty-year build-out of the development.

TIF 5 will collect property taxes on the development over thirty-five years to repay the City's investment. The private developer is financing the City's infrastructure costs, essentially eliminating the City's financial risk related to the development. The City will only finance the costs with traditional debt when the developer’s property investments are completed and tax collections are sufficient to pay the debt service costs.
TIF 6 – I-565
Greenbrier Exit

GOAL – INFRASTRUCTURE – WESTERN GROWTH CORRIDOR.
## TIF 6 – Economic Development Western Corridor

### Start Date
June 2015

### Required ending year
2045

### Ending year (forecasted)
2032

### Total costs allowed
$15,000,000

### Projects

<table>
<thead>
<tr>
<th>Infrastructure (to-date)</th>
<th>$7,423,611</th>
</tr>
</thead>
</table>

### Total financed
$7,423,611

### Accomplishments

- Improvements to Greenbrier Road
- Chase Farm Access Road
- Sewer Improvements
- Polaris Plant established
- Other Industry in District:
  - GE Aviation
  - Neely Cable Company
  - Warrior Manftg
  - Vuteq USA
  - Bocar Industries
  - Carter Logistics
  - Averett Trn

### TIF6 - Actual Collections

![Bar chart showing actual collections from 2017 to 2022]
TIF 7 – Mazda Toyota

**Goal** - Industrial Recruitment – Western Growth Corridor.
TIF 7 – Economic Development/Mazda Toyota

Snapshot

- Start Date: March 2017
- Required ending year: 2047
- Ending year (forecasted): 2047
- Total costs allowed: $153,000,000

Projects (to-date)

- Land and Improvements: $69,863,532
- Greenbrier Parkway: $21,618,856
- Old Highway 20: $18,228,751

Total financed: $109,711,139

Accomplishments

- Improvements to Greenbrier Parkway
- Old Highway 20 Improvements
- Mazda Toyota Plant Opening
- Seventeen other suppliers/projects
NEW
TIF 8 – Western Corridor

GOAL – INDUSTRIAL RECRUITMENT – WESTERN GROWTH CORRIDOR.
Tax Increment Financing Districts
TIF 6 and TIF 7

TIF 6 Boundary
TIF 7 Boundary
TIF 8 (Future)
Tax Increment Financing Districts  
TIF 6 and TIF 7

<table>
<thead>
<tr>
<th>ID #</th>
<th>Description</th>
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<tbody>
<tr>
<td>1</td>
<td>Greenbrier Parkway PH II &amp; III</td>
</tr>
<tr>
<td>2</td>
<td>Greenbrier Parkway PH IV</td>
</tr>
<tr>
<td>3</td>
<td>Greenbrier Parkway PH IV-B</td>
</tr>
<tr>
<td>4</td>
<td>Greenbrier Parkway PH V</td>
</tr>
<tr>
<td>5</td>
<td>Greenbrier Parkway PH VI</td>
</tr>
<tr>
<td>6</td>
<td>Greenbrier Parkway Grade Separation Bridge @ NFS RR</td>
</tr>
<tr>
<td>7</td>
<td>Old Hwy 20 Widening (Greenbrier Parkway to NFS RR)</td>
</tr>
<tr>
<td>8</td>
<td>Old Hwy 20 Widening (Segers Rd to Countyline Rd)</td>
</tr>
<tr>
<td>9</td>
<td>Old Hwy 20 Grade Separation Bridge @ NFS RR/Track to Segers Road</td>
</tr>
<tr>
<td>10</td>
<td>Various Sanitary Sewer Extensions</td>
</tr>
</tbody>
</table>
QUESTIONS?

Penny L. Smith, CPA, CGFM, CGMA
Director of Finance
City of Huntsville, Alabama