

### Purposes of these guidelines

These guidelines represent the intent of the Common Council on the ways that Tax Increment Financing should be deployed and managed by the City of Madison.

The purposes of this document are to:

1. Provide guidance city staff in vetting TIF loan applications
2. Create a framework of standards for the Common Council to use in evaluating:
  - a. Creation and amendment of TIDs
  - b. Use of TID proceeds for public purposes
  - c. Requests for development assistance
3. Create an element of predictability and consistency for the public and the development community

The Common Council recognizes that every TID and every project have unique circumstances which must be evaluated on an individual basis, and that no set of guidelines can anticipate every situation. Therefore, these guidelines should not be considered absolute nor all-encompassing. Exceptions may and will occur in the real world. Staff and the Common Council should use this document as guidance but not as a determinant. Only state statutes provide determining rules governing TIF.

### Goals of TIF Development Assistance

The primary goal of TIF as used by the city of Madison is to build and broaden the city's property tax base by increasing the value of commercial property.

Use of TIF to accomplish this primary goal will produce a number of valuable secondary effects, including:

- Improving the built environment of neighborhoods and removing blight
- Providing facilities for organizations that create and retain jobs and provide goods and services to residents and visitors
- Building density, which increases the efficiency and effectiveness of city services
- Catalyzing additional development
- Increasing the desirability and value of surrounding properties
- Providing funding for improvements to public infrastructure
- Building the property tax base for other government jurisdictions (County, School Districts)

### Appropriate Uses of TIF Development Assistance

(placeholder for loan standards)

### Appropriate Uses of TIF Proceeds

(placeholder for public works standards)

### Guidelines for TID creation