

Rolfs, Daniel

From: Susan Pastor [skpastor@sbcglobal.net]
Sent: Thursday, August 29, 2013 8:34 AM
To: All Alders
Cc: Rolfs, Daniel; Gromacki, Joseph
Subject: Proposed changes to TIF channel cost public more with less benefit
Attachments: TIF Ad Hoc Policy Review Comments.docx

Dear Madison Alders,

Attached please find a draft of my comments to the TIF Ad Hoc Policy Review Committee this afternoon. Earlier this month, I watched the committee dig in line-by-line, discussing the proposed changes.

Never was there an acknowledge or discussion of the way in which the proposed policy...

- sidesteps the statutory authority of the Joint Review Board;
- guarantees that we will subsidize what we would likely get anyway;
- and that we will lose desperately needed to the schools in the process - as development that would happen anyway fails to be reflected in the tax base until the TID closes.

Despite repeated requests to consider the impact of TIF and TIDs on overlying tax districts, and despite the fact that TIF law so requires that consideration, we still await outreach to MMSD. I sincerely hope that the apparent alignment between these proposed changes and the priorities of the governor's office, in channeling public resources to private hands at public cost, is entirely coincidental.

TIF is not free money. In the report linked below, TIF expert Matthew Maryl, now at Harvard, spells out the often-unacknowledged costs of TIF. Of particular concern is the way the policy seems to open the door for the creation of sub-living wage jobs. (Coincidentally I write to you on the day of the nationwide fast food worker strike.) We will subsidize that kind of job creation twice and in ongoing ways as low wage workers require public assistance in social services. Mayrl also spells out the extra costs of "greenfield" development, with which the proposed policy appears enamored.

<http://www.cows.org/data/documents/1071.pdf>

I am not opposed to TIF. I want to see it used creatively, as Mayrl describes to get what we need, not to pay more for what we could get in additions to the tax base anyway. The proposed changes are not a responsible fiscal path to a secure future.

Please read the report. Please use your authority toward consideration of the value changes embedded in the proposed policy. Please assure that there is a broad public conversation on this, as well as community benefits -- and the school district is involved.

All the best,
Sue Pastor

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