

Category: 200

Number: 213

Subject: **TAX INCREMENT FINANCING POLICY**

1. PURPOSE: The Goals of this Policy are to:
 - 1.1 Formulate a comprehensive written County Policy, which clearly defines the Board of Commissioners position with respect to tax increment financing;
 - 1.2 Serve as a guideline for whether the Staff Evaluation Committee should encourage the Board to voice approval or disapproval for a specific Downtown Development Authority (DDA), Local Development Financing Authority (LDFA) and Tax Increment Financing Authorities (TIFA's);
 - 1.3 Assist the County in evaluating the specific economic impact of a given tax increment financing proposal on the County for the current and future years;
 - 1.4 Set in place a method for evaluating current and future policy in the taxation and economic development area; and
 - 1.5 Communicate to County Elected Officials, Department Heads, Municipalities and the General Public the formal County policy with respect to tax increment financing.
2. AUTHORITY: The Saginaw County Board of Commissioners.
3. APPLICATION: This policy applies to all Elected Officials, Departments and Agencies of Saginaw County.
4. RESPONSIBILITY: The County Equalization Director shall be responsible for the implementation of this policy.
5. DEFINITION(S): NONE
6. POLICY:
 - 6.1 It is the policy of the Saginaw County Board of Commissioners to support economic development and rational tax increment financing which is beneficial to the County as a whole and to support local tax increment financing where appropriate. Economic development is vital to local municipalities, as well as, the County and should be supported in principle and in practice. In determining, to what extent and for what duration, whether a specific DDA, LDFA or TIFA is to be supported or opposed by the County, the County will review at least the following factors:

- 6.1.1 With respect to a DDA, is the DDA located within an existing area, "principally and primarily used for business"?
- 6.1.2 With respect to a LDFA, is the township an "Urban Township"?
- 6.1.3 With respect to TIFA, is the TIFA located in an area of "substantially declining property values"?
- 6.1.4 Is the proposed tax increment financing located in a general area of "substantially declining property values" and "necessary for the development or rehabilitation of the area"?
- 6.1.5 What is the number of projected jobs saved or to be created, net of any transfers of employment within the area? Is this proposed tax increment financing plan a benefit or detriment to the local unit?
- 6.1.6 What is the anticipated captured taxable value, what is the cost in terms of lost tax revenues to the County versus the benefits to the County as a whole and what is the anticipated captured taxable value?
- 6.1.7 How long will the tax abatement last, how specific is the plan, and what is the cost and benefit to the local unit of government for financing utilizing tax increment financing? Does the plan outline the scope of the proposed projects, the amount of money to be borrowed, and the extent to which captured taxable value is to be relied upon?
- 6.1.8 What will the local unit do with the revenues captured from the DDA, LDFA and TIFA? Are projects allowable under the law? Will the revenue be spent for the benefit of the development area?
- 6.1.9 Is the local unit of government willing to submit to Saginaw County annual reports of revenues, expenses and fund balances related to the tax abatement?
- 6.1.10 On the whole, is this proposed tax increment financing plan a benefit or detriment to the County?

- 7. ADMINISTRATIVE PROCEDURES: The Staff Evaluation Committee (which consists of a representative selected by the Chairman of the Board, Equalization Director, Civil Counsel, Planning Director, and County Treasurer) will review and recommend to the Board of Commissioners an action, based on the above mentioned criteria.
- 8. CONTROLLER/CAO LEGAL COUNSEL REVIEW: The Controller/CAO has determined that this policy as submitted to the Board of Commissioners contains the necessary substance in order to carry out the purpose of the policy. County Civil Council has determined that this policy as submitted contains content that appears to be legal activities of the Saginaw County Board of Commissioners.

Approved as to Substance:
Saginaw County Controller/CAO

Approved as to Legal Content:
Saginaw County Civil Counsel

ADOPTED: November 23, 1999
AMENDED: February 26, 2002