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Press Release

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City Eyes Creating TIF to Encourage Downtown Redevelopment

The Tyler City Council is scheduled Tuesday to consider hiring consultants to examine the creation of a Tax Increment Financing Zone (TIF) for downtown Tyler.

“By this action, the City is demonstrating a serious effort to support the redevelopment of downtown,” Mayor Joey Seeber said. “This is another early action item that has resulted from the good work of all those involved in Tyler 21.”

A major recommendation of the Tyler 21 Downtown Working Group was creation of a Tax Increment Financing (TIF) District in order to support revitalization. The intent of the TIF will be to provide a funding source to reimburse or directly fund early public investments on a pay-as-you-go basis. Public investments would include items such as streetscaping and infrastructure in conjunction with private investment.

A TIF captures any new taxable value added to a particular zone, either through new improvements or increases in value on existing land and improvements. This is not an additional or new tax, but the dedication of incremental taxes generated from growth in values over time.

“We are taking this as an early action item because a TIF should be in place before any major reinvestment occurs so the new value can be captured and dedicated to fund improvements in the downtown area,” Seeber said. “I am pleased to have officials here today from Smith County and Tyler Junior College who already show an interest in being a part of this project.”

The council will vote on this item during the June 19 meeting. If approved, the contract to examine the creation of a downtown TIF will include a feasibility study, recommendation of a TIF boundary map, preparation of a preliminary project plan outlining improvements, a financing plan and presentations to other local taxing jurisdictions that would be given the opportunity to participate.

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