How to Use TIF to Improve Your Downtown

Tax Increment Financing (TIF) directs tax revenues generated within a TIF district for investment in the district. The first step to improving your downtown is to gather local stakeholders to develop the downtown vision. Then determine the boundaries of the TIF district.

Hold at least one public hearing on the plan. Submit the plan to the planning commission for an advisory opinion. Next, create a master plan for the district.

The municipality then determines if the TIF district & plan will contribute to their economic growth or improve residents' health, welfare or safety. The municipality can now construct, improve and rehabilitate property; issue bonds and obligations, accept grants, loans & provide services in the district. The increased tax revenue is used to repay bonds, provide incentives, and for public improvements.

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