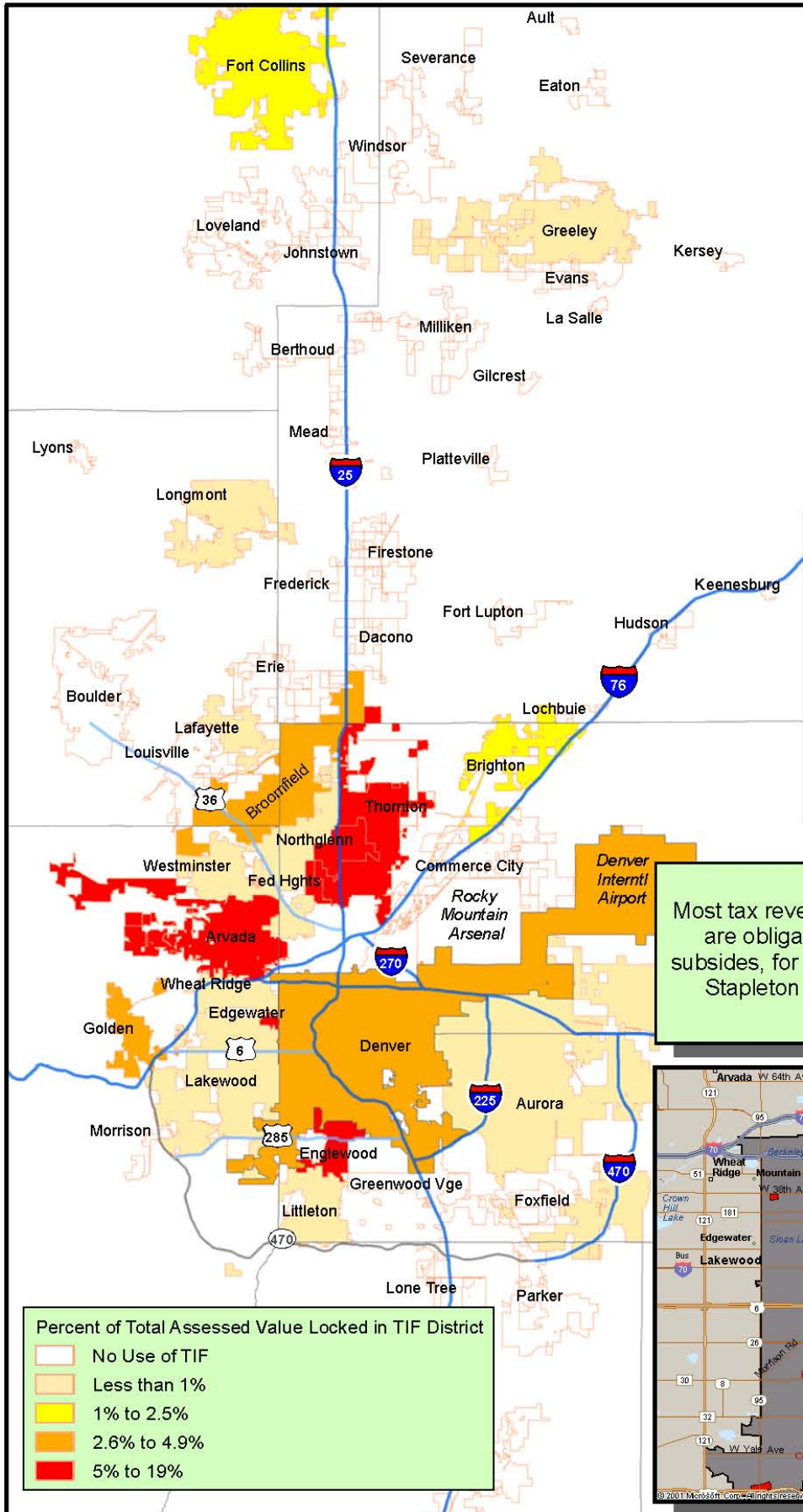


# Municipal Use of Tax Increment Financing Developer Subsidies (2004)

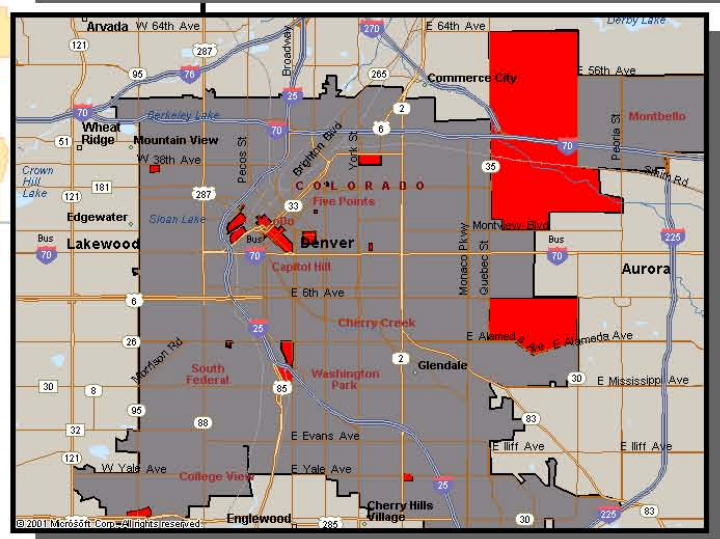


A vital tool for financing urban development is Tax Increment Financing, or TIF. When officials use urban renewal authority to attract developers through tax subsidies that finance development infrastructure and land clean-up, it is called a TIF project. TIF works by dedicating up to 25 years of future sales and property tax revenues from a private development site to pay the developer a subsidy. Through TIF, localities are locking up a growing share of local tax revenues for development subsidies. Some of these publicly subsidized developments are the largest new developments in their city, such as Denver's Stapleton or Brighton's new Pavilions project.

	% of City's Total Assessed Value Locked in TIF District	2004 Property Tax Revenues Captured for Developer Subsidies
Fed Hgts	19.10%	\$1,095,212
Edgewater	13.40%	\$239,259
Thornton	9.50%	\$7,949,237
Arvada	5.60%	\$5,441,203
Denver	3.90%	\$16,768,047

Source: CO Dept. of Local Affairs Tax Data

**DENVER TIF DISTRICTS:**  
Most tax revenues collected in these red-shaded areas are obligated by TIF contracts to go to developer subsidies, for up to 25 years. These areas include all of Stapleton and Lowry and good portions of LoDo.



**Percent of Total Assessed Value Locked in TIF District**

- No Use of TIF
- Less than 1%
- 1% to 2.5%
- 2.6% to 4.9%
- 5% to 19%