



TAX INCREMENT FINANCING DISTRICTS MASTER TIF PLAN DETERMINATION POLICY AND PROCEDURE

Objective:

The objective of a Master TIF Plan Determination process is to provide guidance and predictability in the consideration and potential approval of complex TIF Plans that are expected to proceed in phases or have a great degree of implementation variability.

Application and Consideration Procedure:

When a municipality plans to implement a TIF Plan in phases or there are elements of the plan that are likely to vary or change during implementation, they may seek permission from VEPC to proceed with review and consideration under this process at the time a complete application is filed. In order for VEPC to grant a Master TIF Plan Determination, the applicant must file a complete application in accordance with the established application requirements and procedure and provide sufficient evidence regarding all approval criteria. The Council must be able to make positive determinations, demonstrating at least *general* compliance with all nine approval criteria, but determinations regarding some criteria may be partial and not conclusive:

1. But For Criteria (32 VSA §5404a(h)(1))
2. Process Criteria (32 VSA §5404a(h)(2))
3. Location Criteria (32 VSA §5404a(h)(3))
4. Project Criteria (32 VSA §5404a(h)(4))
5. Purpose (Includes improvements meeting definition) (24 VSA §1891(4); §1893)
6. Nexus (24 VSA §1894(e))
7. Proportionality (24 VSA §1894(e))
8. Viability: Market and Fiscal (includes debt instruments, share, and related costs) (24 VSA §1891, §1894)
9. TIF Financing Plan (24 VSA §1894(d))

The applicant may seek, and the Council may provide positive determinations of complete compliance for certain criteria in statute. The initial review of a Master TIF Plan will result in determinations of complete compliance with the But For, Process, and Location Criteria. The applicant may seek and the Council may provide complete or partial determinations for the other criteria.

At the time of initial review, the applicant may also seek and the Council may provide complete or partial determinations on any subsequent phase of the TIF Plan. An applicant seeking this review procedure must state this intention at the time of application and identify the infrastructure improvements and real property developments involved in the phases to be approved at the time the application is considered.

In order to gain approval for any subsequent phase of the plan, detailed information on that phase must be filed, including how the phase details are in conformance with plan approved locally, with the statutory criteria that were met during the initial review by VEPC, and how the phase details meet all TIF Plan

approval criteria for which partial determinations were made. This will allow the Council to issue a Final Determination on each subsequent phase after the full impacts have been reviewed under all criteria.

Master TIF Plan Determination:

If the Council issues a Master TIF Plan determination, the decision will:

- Clearly summarize the TIF Plan
- Describe the proposed infrastructure improvements, including costs and schedule, and related costs
- Describe the proposed financing plan and costs
- Describe the proposed real property development and redevelopment projects, including a description by types and number of development expected to occur
- State the original taxable value and describe the incremental property tax revenue expected to be generated
- Delineate the TIF District approval timeline and the TIF District debt and life timeline
- Assess how the evidence considered impacted the Approval Criteria
- Clearly state whether a determination or a partial determination has been reached on each approval criteria
- Clearly state the information and data that is required to finalize any open determinations and the information required for consideration of each subsequent phase
- State any other terms and conditions as are appropriate to finalize the TIF Plan and TIF Financing Plan approval
- State the estimated TIF District debt requirements, which are then subsequently confirmed by a vote of the municipal citizens.

Subsequent Phases:

Timing after approval runs according to TIF statute. There is no set schedule for filing a subsequent phase.

Phases are identified by the municipality, generally when a developer is ready to proceed with a real property development project. A phase should include at least one infrastructure project and one discernable real property development and include an incurrence of debt.

The phase should be submitted to the Council on a schedule that allows for consideration and determination by the Council prior to a public vote on the debt. Phase information must be filed before the application [due date for the regularly scheduled Council meeting](#) at which the municipality would like the phase to be considered.

If the phase information includes a substantial change from the approved TIF Plan/TIF Financing Plan, the municipality must also address that change using the process in place for substantial changes to a TIF Plan.

The phase filing must include:

- Identification of the infrastructure project(s) included in the phase
- Restatement of the total infrastructure costs, a proportionality proposal, and data supporting proportionality
- Identification of the real property development(s) included in the phase
- Identification of the type and amount of debt that will be incurred for the phase, including financing costs
- A schedule for a public vote on the debt for the phase
- Recalculation of all debt and revenue spreadsheets to reflect the impact of the actual data from the phase

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- Any information required by the Council at the time of the original TIF Plan approval to address any open or partial determinations.

The phase information must demonstrate compliance with the TIF approval criteria and the Master Determination Document (which is based on the approved TIF Plan and TIF Financing Plan).

The Council will issue a determination stating:

- Whether the phase activity meets the statutory TIF approval criteria
- Whether the phase conforms to the approved TIF Plan and TIF Financing Plan
- Whether the phase information addresses all open or partial determinations.

The Council will also issue a statement regarding the impact of the phase on the TIF Financing Plan viability and approved debt ceiling.