**CREATING AND USING
REDEVELOPMENT INCENTIVES**

**1. Chapter 163 and Redevelopment Incentives**

 A. 163.345 Encouragement of private enterprise

 B. 163.387 Redevelopment Trust Fund

 C. What is in your CR Plan?

 D. What do you want to incentivize, or discourage by not incentivizing?

**2. The Incentive**

 A. Debt or equity

 B. Secured or unsecured

 C. Is it liquid?

 D. Knowledge of the investment

**3. Risk vs. Benefit**

 A. Understanding which incentives has a higher degree of risk

 B. Mitigating the risk of "early-in" incentives

 C. Understanding when to cut your losses and move on

 D. Phased budgeting for incentives vs. budgeting 100% of incentive

 E. Using Developer Pro Formas and Financials as basis for type and amount of incentive

**4. Types of incentives**

 A. Administrative

 1. Streamline development review (one-stop approval)

 2. Recruiting assistance *I* job fairs

 3. Site selection assistance

 4. Restructure permit fees for CRA projects

 5. Waive demolition fees

 6. Provide technical assistance for property owners and small businesses

 B. Financial

 1. Tax credits / abatements

 2. Loans or interest subsidies

 3. Local, State, Federal Grants or Loans

 4. Micro loans

 5. Public assembly of land

 6. Shared cost of upgraded / new utilities

 7. Environmental remediation cost

 8. Relocation costs / training costs

 9. Per Job Bounty

 10. Cash Payments for Developer’s Costs

 C. Planning and Land

 1. Land use / zoning amendments

 2. Create density bonus program

 3. Mixed use land use designation

 4. Prepare and complete streetscape projects

 D Marketing

 1. Prepare market analysis

 2. Assist with local business promotion

 3. Hold design competitions to generate interest

 4. Work with local businesses and media

 5. Recruiting assistance / job fairs

**5. Targeting the incentive**

 A. Highest pay-off / increase taxable value

 B. Qualified groups

 C. Employment-based / job creation

 D. Location-based

 E. Housing

 F. Historic preservation

**6. Establishing Policy**

 A. Prevents "fire sales"

 B. No giving away the farm to save a job

 C. Creates consistency with designed programs

 D. Thresholds for assistance

 E. Return on investment

**7. Timing of Incentives**

 A. Up-front value

 B. Periodic based on performance

 C. After completion of agreed upon activity

 D. Using advances or reimbursement only

**8. Calculating return on investment / Evaluating Programs**

**9. Use of written Agreements**

 A. Avoid misunderstandings or misperceived expectations

 B. Unambiguous performance measure and timelines

 C. Provides political cover for officials and staff both

 D. May contain "claw-back" provisions

 E. The proper venue for unique safeguards based on the project