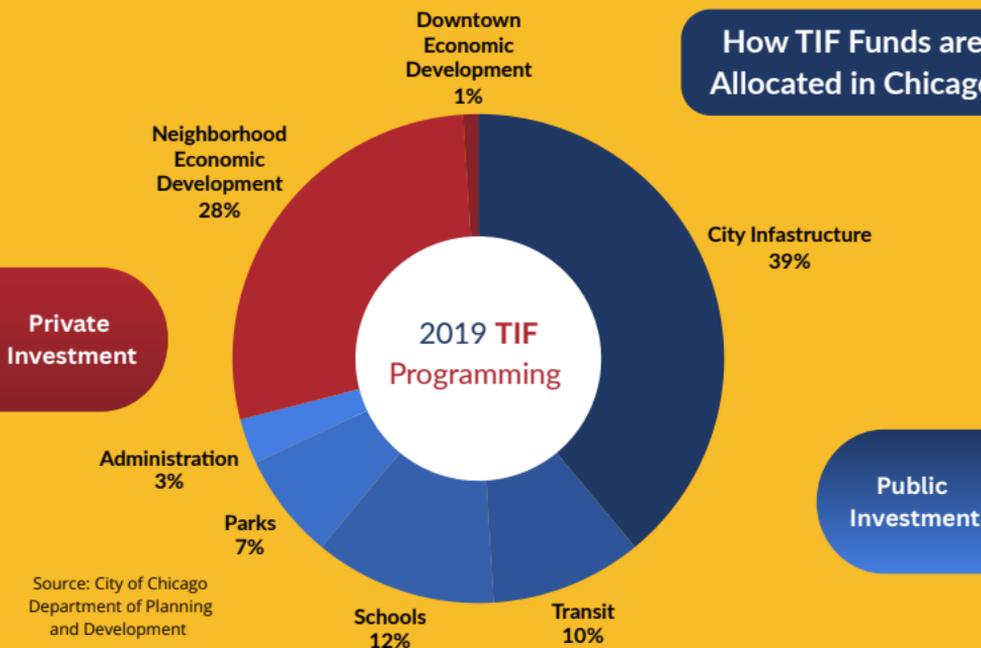




Tax Increment Financing (TIF)

How TIF Funds are Allocated in Chicago



Arguments For and Against TIF

Pros

- Catalyzes development
- No upfront tax burden
- Attracts private investment
- Self-financing tool
- Grows the tax base
- Creates long-term economic benefits
- Local control
- Supports project feasibility

Cons

- Broad blight standards
- Freezes the tax base
- Shifts service costs
- Subsidized by other taxpayers
- Investment not guaranteed
- Limited transparency
- Reduced input from other governments
- Weak regional coordination