Iowa Department of
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Iowa Tax Increment Financing

Tax Credits Program Evaluation Study

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By
Anthony G. Girardi, PhD

Tax Research and Program Analysis Section
Iowa Department of Revenue

Preface

Iowa law (Sec. 2. Section 2.481) directs the Legislative Tax Expenditure Committee to review all tax expenditures with assistance from the Department of Revenue. This law also provides a schedule for such reviews and requires a review in 2013 of property tax revenue divisions for urban renewal areas authorized by Iowa Code section 403.19. In addition, the Department was directed to assist the legislature by performing periodic economic studies of tax credit programs. Consistent with the Tax Expenditure Committee's tax credit review schedule, this economic study considers the Property Tax Increment Financing tax expenditure. This is the first economic study completed for this expenditure.

As part of the evaluation, an advisory panel was convened to provide input and advice on the study's scope and analysis. We wish to thank the members of the panel:

Lucas Beenken	Iowa State Association of Counties
Susan Chambers	Iowa Department of Revenue
Liesl Eathington	Iowa State University
Peter Fisher, PhD	Iowa Policy Project
Kristin Hanks	Iowa Economic Development Authority
Carrie Johnson	Iowa Department of Management
Erin Mullenix	Iowa League of Cities
Ted Nellesen	Iowa Department of Management
Matt Rasmussen	Iowa Economic Development Authority
Jeff Robinson	Legislative Services Agency (Iowa)
Julie Roisen	Iowa Department of Revenue
Scott Sanders	City of Des Moines

The assistance of an advisory panel implies no responsibility for the content and conclusions of the evaluation study. This study and other evaluations of Iowa tax credits can be found on the Tax Credits Tracking and Analysis Program web page on the Iowa Department of Revenue website.

[1] 2013 Iowa Code/Title I State Sovereignty And Management/Subtitle 2 Legislative Branch/Chapter 2 General Assembly/2.48 Legislative Tax Expenditure Committee — Review Of Tax Incentive Programs.

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Executive Summary

Tax Increment Financing (TIF) is a practice whereby municipalities use anticipated increases in property tax revenues to finance infrastructure improvements for public purposes. Iowa law permits cities and counties to designate TIF areas for the purposes of addressing slum or blight or promoting economic development.

Scope of Analysis

This evaluation study seeks to provide background economic information regarding TIF, and to analyze the available economic data on a statewide basis. This evaluation study does not seek to compare and contrast specific projects or districts. Such an analysis would require significantly more data than is currently available.

The major findings of the study are these:

Background of Urban Renewal and Tax Increment Financing

- The basic steps in the TIF process for urban renewal in Iowa include establishing a taxable valuation "base" for the TIF area. Increases in taxable value above the base are termed the "increment". Revenues from property taxes on all or part of the increment are separated from revenues derived from the base, diverted to the TIF authority, and used for urban renewal purposes. Revenues from debts levies and other specified levies are exempt from TIF.
- TIF has a direct impact on the State General Fund through its interaction with the State School Foundation Aid formula.
- Iowa Code provides the statutory authority for TIF, which has been allowed in the state since 1969 for areas designated by cities as "blighted." It was expanded in 1985 to allow TIF for economic development and to allow counties to establish areas.
- In 2012, Iowa again updated its TIF law by establishing new reporting requirements and restricting TIF from being used to relocate businesses within municipalities.

Tax Increment Financing Around the United States

- Forty-nine states and the District of Columbia allow TIF. Only Indiana does not allow TIF.
- Thirty-one states require a finding of blight prior to the establishment of any TIF area; Iowa does not.
- Nineteen states require that TIFs meet some kind of "but for" test as part of approval procedures, such that the municipality must demonstrate that improvements would not occur but for the existence of the TIF. Iowa does not have this requirement, except when TIF is used to finance construction of public buildings.

- In at least 32 states, Iowa among them, TIFs may be financed through issuance of general obligation bonds, whereby a municipality pledges its full faith and credit to repayment.

Findings About Tax Increment Financing in Iowa

- The use of TIF in Iowa has expanded markedly in the last decade. Between 2000 and 2012, the number of TIF urban renewal areas increased by 43 percent, from a count of 1,125 to 1,614. The amount of taxable value in TIF increments has more than doubled during the same period, accounting for nearly $300 million in property tax revenues in FY 2014 rising from 0.1 percent to 5.9 percent of total property tax revenues in Iowa.
- Of the $8.1 billion in TIF incremental valuation for which a purpose has been reported, eliminating slum and blight accounts for 11 percent and 89 percent is associated with an economic development purpose.
- Some 750 current TIF urban renewal areas have base years of 2000 or prior and 864 have base years of 2001 or later. TIF urban renewal areas established after 1995, except those based on a finding of slum or blight, are required to expire within 20 years.
- Tax revenue diversion to TIF affected 263 of 346 school districts in 2012. Across the state, $9.5 billion of total school district valuation was in TIF increments, resulting in total revenue diversions of $123 million, of which $51 million was shifted to State taxpayers through the State Foundation Aid Formula.
- While fewer than half of Iowa's 946 cities had a TIF area within their boundaries in assessment year 2012, cities with TIF areas accounted for 96 percent of urban taxable valuation.
- As of assessment year 2012, TIF areas are located in 97 of Iowa's 99 counties. TIF valuation amounts to less than one percent of net taxable value in nine counties and ten percent or more in fifteen counties.
- Between assessment years 2000 and 2012, the assessed value of all urban property in Iowa increased 21 percent in real terms. Urban property that was in TIF in 2000 increased in assessed valuation by 35 percent and urban property in TIF for the purpose of economic development increased by 57 percent.
- In 13 Iowa counties, the aggregate value of city property in economic development TIFs decreased between 2000 and 2012. In 59 other counties, valuation of urban property in economic development TIFs increased. During that same time, more than half of Iowa's counties lost jobs while aggregate wages increased in all Iowa counties.

Economic Analysis of Tax Increment Financing in Iowa

- Statistical analyses found that the percent of urban property tax revenues diverted to TIF does not explain employment and wage growth measurable at the county level during the decade 2002 through 2012, controlling for other factors that can explain economic activity across counties and controlling for the

industrial mix of each county in 2002. These results, then, provide no evidence that TIF results in increased economic activity at the county level.

- This economic analysis is subject to important limitations and does not suggest that on an individual basis TIF cannot result in positive economic outcomes. Although they share similar purposes, the hundreds of TIFs in the state have been established based upon unique local circumstances and objectives. Because data on the economic and other circumstances in each locality was not available for the period under evaluation, this study could not assess whether particular projects have met the goals of the locality and the law.

I. Introduction

Tax Increment Financing (TIF) is a practice whereby municipalities use anticipated increases in property tax revenues to finance improvements for public purposes. A method of paying for community improvements with future tax revenues, the practice is premised on the expectation that property valuations will increase as a result of such improvements. Iowa law permits cities and counties to designate TIF areas for the purposes of addressing slum or blight or promoting economic development. This evaluation study describes and analyzes the economic aspects of TIF with attention to their state-level policy implications.

Section II of this report provides background on TIF, including a description of the basic steps of the TIF process in Iowa and a brief history of this financing mechanism. Section III provides an overview of TIF laws throughout the country and how these vary among the 50 states. Section IV provides a review of existing literature concerning TIF, including reports of academic research, as well as other published information pertaining to TIF, particularly in Iowa. Section V provides an overview of findings on TIF in Iowa highlighting trends in TIF revenues and valuation. Section VI provides an analysis of the economic effects of TIF in the state. The final section of this report provides a brief discussion of conclusions.

II. Background of Urban Renewal and Tax Increment Financing

Many kinds of authorities levy property taxes in Iowa. Taxing authorities include, for example, counties, cities, school districts, townships, community college districts, hospital districts, fire protection districts, and sanitary sewer districts. The jurisdictions of different kinds of authorities can overlap one another. Each geographical area that is subject to a unique set of taxing authorities constitutes a property tax district. There are nearly 13,000 such districts in Iowa.

In Iowa, a city or county can establish a TIF area in order to direct property tax revenue toward investments in one or multiple property tax districts where they have jurisdiction. Once a TIF area is established, subsequent increases in property value in the area are designated as the increment. Property tax revenues associated with the value of the increment, including those taxes levied by all contributing jurisdictions, such as school districts, are diverted to the city or county that established the TIF. The purpose of TIF is to enable the city or county to incur debt in order to fund local infrastructure improvements. Such improvements, in turn, are expected to remedy blight or spur economic development that results in increases in property value over the base year. Such increases are intended to increase the tax base of all overlapping jurisdictions once the TIF expires. Debt is paid off over time using the taxes diverted to the TIF.

A. Basic Urban Renewal and TIF Process in Iowa[2]

The basic steps in the TIF process for Urban Renewal in Iowa are as follows:

[2] Adapted from Iowa Legislative Services Agency (2013).

1. A city or county designates a specific geographic area as an urban renewal area, which encompasses one or more TIF areas; a TIF area is the land area covered by the unique set of taxing jurisdictions within the urban renewal area. Each TIF is associated with a single urban renewal area. The city or county may issue bonds for the urban renewal project and use TIF revenues to finance this debt. In general, municipalities do not need the permission of other taxing authorities in order to establish a TIF.
2. A taxable valuation "base" is established for the TIF area. That base equals the valuation of the property in the base year, which is the year prior to the certification of the TIF area. The tax revenue from the base value continues to be allocated to the existing taxing authorities. Under certain circumstances (usually the impact of taxable value rollbacks), the base value can decline and even fall to zero, leaving the traditional taxing authorities with no revenue from the entire TIF area except those revenues which derive from exempt levies, such as debt service levies.
3. Any increase in taxable value above the base is termed the "increment". Revenues from property taxes on the increment are separated from revenues derived from the base and used for urban renewal purposes. The increment consists of any increases in taxable value over the base, including any increases due to revaluation of existing property, which occurs as a result of property value inflation, as well as the value of new construction. The TIF authority (a municipality or its urban renewal agency) may access the revenues generated from the increment value, but is not required to access the entire amount of revenues attributable to the increment value. The valuation on the portion of the increment associated with the accessed revenues is known as the "used increment."[3] Revenues from the unused increment revert to the other taxing authorities of the district.
4. The revenues apportioned to TIF authorities may only be used to retire indebtedness, including local government general obligation bonds, TIF revenue bonds, and other indebtedness, such as bank loans or money owed to a separate fund of the local government itself. Allowable uses also include rebates for debt owed as part of development agreements between local governments and property owners.
5. Revenues from debts levies and other specified levies are exempt from TIF.

TIF, as a policy tool, is employed to address a variety of objectives. In its declaration of policy concerning urban renewal, Iowa Code (2013, §403.2) recognizes two primary purposes for this financing mechanism; namely, to eliminate slum or blight and to promote economic development. With respect to areas of slum and blight, this declaration of policy notes that such areas consume disproportionate amounts of State revenues because of their eroded tax bases and because of the extra services required

[3] Throughout this report, except as noted or apparent from context, the term "increment" is used to refer to the used increment; i.e., the portion of maximum incremental valuation associated with the revenues apportioned to TIF authorities.

for police, fire protection, and other forms of public services and facilities. These costs serve as a motivation to dedicate public resources to address the blight. As for economic development, Iowa Code indicates that it can include a range of activities; these include investments to promote commercial and industrial enterprise, public improvements in support of housing, and the location and expansion of supporting services. The code's declaration of policy also indicates that such activities are necessary, in part, to address the continuing need for programs to alleviate and prevent conditions of unemployment.

TIF areas created prior to 1995 and any TIF area created on a finding of slum or blight are not required to expire. Since 1995, economic development areas, which are not also designated as a slum or blighted area, are limited to 20 years duration.

TIF has a direct impact on the State General Fund through its interaction with the State School Foundation Aid formula which is the means by which the State equalizes the distribution of resources across school districts. Because the increment is not included in the tax base for the school aid calculation, the local property tax portion of the school finance formula in TIF areas is lower; in turn, the State General Fund portion of the school finance formula is thus higher as a result.

B. Brief History of Urban Renewal and Tax Increment Financing in Iowa

Iowa Code Chapter 403 provides the statutory authority for TIF, which has been allowed in the state since 1969. Iowa law initially limited TIF to areas designated by cities as "slum" or "blighted." It was expanded in 1985 to allow TIF for economic development; i.e., in areas "designated by the local governing body as appropriate for commercial and industrial enterprises." During the 1990s, TIF was made available for use by counties, which now possess the same TIF urban renewal authority as cities in the state.

Although it originated somewhat earlier, the practice of TIF gained impetus nationally in the 1980s. A number of researchers have suggested that the growth of TIF is rooted in the economic difficulties of the times. Swenson (2012) argued that TIF in Iowa expanded partly as a response to the farm debt crisis, related rural economic dislocations, and the contraction of the state's traditional manufacturing sector. Meanwhile, reduced federal support to state and local governments for roads, housing, and other infrastructure led Iowa and other states to broaden state and local economic development authorities (Johnson and Kriz, 2001; Swenson, 2012).

Although TIF was not originally envisaged as a source of finance for such basic government expenditures as police and fire protection, TIFs expanded in both number and scope during the 1980s and 1990s (Johnson and Kriz, 2001). Prior to this period, municipalities tended to limit TIF support to firms that served regional or national markets in traditional industrial enterprises like manufacturing, power generation, and wholesale distribution (Swenson, 2012). However, in the 80s and 90s, use of TIF broadened to include a broad definition of economic development. In Iowa, this included activities to promote commercial and industrial enterprise, supporting services, and housing.

In 2012, with the passage of House File 2460, Iowa again updated its TIF law. In addition to establishing new reporting requirements for municipalities with TIF urban renewal areas, the legislation modified local procedures. For example, requiring municipalities to consider alternative development options and placing conditions on TIF fund monies used for relocating businesses within a municipality.

III. Tax Increment Financing Around the United States

In 2008, the Council of Development Finance Agencies published the most comprehensive national analysis of states' TIF laws to date. The findings of this analysis have been adapted for this evaluation study (see Table 1).

Forty-nine states and the District of Columbia allow TIF. Only Arizona does not. While six states restrict the use of TIF to non-residential classes of property, the remaining 43 states, Iowa among them, do not. Iowa law allows TIF for residential, commercial, industrial, and mixed-use property. In six states, only cities may authorize TIFs. In the remaining 43 states, including Iowa, TIF authorities may include cities, counties, townships, or redevelopment authorities.

A majority of states, 31, require a finding of blight prior to the establishment of any TIF area. Iowa is one of two states (the other is Indiana) that require *either* a finding of blight or an economic development designation.

Nineteen states require that TIFs meet some kind of *but for* test as part of approval procedures, such that the authorizing municipality must find that improvements would not occur but for the existence of the TIF. Four of the six states that border Iowa are among those that impose this requirement. These include Illinois, Minnesota, Missouri, and Nebraska. In none of these four states, however, does statutory law prescribe the means whereby municipalities shall make this determination.[4] Iowa does not impose this requirement except when TIF is used to finance construction of public buildings.

In 29 states, only property taxes are eligible TIF revenue sources. Iowa and 14 other states limit TIF finances to revenues from property and sales tax. The remaining states allow an even broader mix of other taxes as TIF revenue sources. These include corporate income taxes, gross receipts taxes, and payments in lieu of taxes (PILOTs).

In at least 32 states, Iowa among them, TIF projects may be financed through issuance of general obligation bonds, whereby a municipality pledges its full faith and credit to repayment. Under such a pledge municipalities are obligated to levy property tax, if necessary, to meet debt service requirements. In contrast, revenue bonds, the other

[4] Citations for the relevant laws of neighboring states are provided in the references list. They include sections of the following: Economic Development Project Area Tax Increment Allocation Act of 1995 (Illinois); Establishing, Changing Plan, Annual Accounts (Minnesota); Plan; approval; findings (Nebraska); Real Property Tax Increment Allocation Redevelopment Act (Missouri).

basic type of municipal bonds, provide a guarantee of repayment based solely on revenues generated from specified revenue-generating activity.

The laws of 38 states, including Iowa, explicitly allow eminent domain for TIF. Under the principle of eminent domain, a municipality may condemn private property and take it for public use. The matter is relevant to TIF since in those states where such practice is allowed, municipalities may claim eminent domain to condemn private property for the purposes of economic development.

Johnson and Kriz (2001) provided another analysis of TIF law among the states. These authors noted that a significant area of restrictions on TIF relates to school district finances since, given the importance of property taxes to school district budgets, the potential impact of TIF on school district budgets is particularly keen. These authors identified fourteen states which provide for some form of exclusion of overlapping school districts from TIF. Iowa is not among these states. In Iowa, with the exception of certain school levies, incremental school district property taxes in a TIF area are diverted to the TIF authority.

Limitations on the extent of redevelopment allowed in a municipality are another important area in which states may impose restrictions on TIF (Johnson and Kriz, 2001). Partly because they have no control over levy rates, redevelopment authorities may have incentive to capture as much property value as possible by creating new projects or expanding existing project areas. Johnson and Kriz identified twenty-one states that restrict either the land area of TIF areas or the percentage of assessed value within municipalities that can be captured by TIF. Iowa law does not impose such limitations.

IV. Literature Review

A. Tax Increment Financing as a Subject of Academic Inquiry

TIF is the subject of a somewhat limited body of academic and professional literature. A 2001 collection by Johnson and Man provided an overview of TIF as an economic development enterprise, a topic which had then only recently captured the attention of scholars. The various chapters in this work provide a useful primer on the uses and structures of TIF with particular focus on the economic outcomes of TIF among various states. They include chapters by Man (2001) and Johnson and Kriz (2001), which are discussed below.

A more recent work is a 2012 collection edited by Callies and Gowder. Though it too provides a useful introduction to the basic issues of TIF, this work is primarily concerned with the legal aspects of TIF, its history in law, and its implications for practicing attorneys in such areas as property law and bond finance. Since such laws vary markedly from state to state, this collection deals intensively with individual states. The work provides analyses of TIF law in eight states, including California, New York, Texas, and others, but not Iowa. A chapter by Hoyt (2012) provides a good introduction to the persistent theoretical questions around urban renewal as a public benefit and its impact in terms of measurable economic development.

In a review of research on the relationship between TIF and economic development, Man (2001) argued that such research has generally found TIF to have a positive, beneficial impact. Man cites research suggesting that TIF programs can stimulate increases in property values. In addition, from a study of the effects of TIF on local employment, Man (1999) concluded that targeted public investments in TIF areas can have substantial positive impacts on local economic activity.

Man (2001) also highlighted some prominent criticisms of TIF. One such criticism is that TIF programs are ineffective because their incentives account for only a small portion of firms' production costs and are generally unable to affect business location decision-making. In addition, Man conceded that as TIF becomes more common and cities come to adopt it as a kind of defensive policy it can become less effective over time.

Dye and Merriman (2006) are more critical. These researchers studied whether TIF causes economic growth or whether it is merely associated with growth because it is implemented in places where growth would occur in any event. Dye and Merriman found evidence that TIF areas in certain municipalities grew no more rapidly than non-TIF areas in other similar municipalities. In addition, they suggest that growth in TIF areas often comes at the expense of other areas of the same cities in which they are located. Cautioning that land use and the mix of property within a TIF also matter, Dye and Merriman concluded that commercial TIF areas hinder commercial property value growth in the non-TIF parts of the same communities.

Weber, Bhatta, and Merriman (2003) in their study of TIF in Chicago also found mixed results depending on the types of property located within TIF areas. They found that the value of industrial property located in mixed-use TIF areas (i.e. those that also contain commercial or residential properties) was higher than that of similar property not located in a TIF area. However, they also found that the value of industrial parcels located in homogeneous industrial-use TIF areas was no higher, and in some cases lower, than the value of similar non-TIF industrial parcels.

Writing nearly a decade ago, Peters and Fisher (2004) concisely summarized the literature on TIF. These authors reported that this body of research was very small, but was one area of research that provides possible support for the view that public incentives can lead to economic growth.

B. Literature on Tax Increment Financing in Iowa

The research assessing the economic impact of TIF also includes a number of analyses with a focus on Iowa. A master's thesis by Subramanian (2005) evaluated TIF areas in Polk County with respect to how much they influence property values and improve the social conditions of district residents. This study found mixed results, with TIF areas showing a positive influence on property values under certain conditions, such as being located where land is compatible with economic development, and having both commercial and industrial property, instead of in predominantly residential areas.

A set of reports by Swenson and Eathington (2002a and 2002b) also addressed the extent to which TIF areas in Iowa promote economic growth. These authors found somewhat less evidence that TIF is an effective economic development tool. In particular, they found "virtually no statistically meaningful economic, fiscal, and social correlates" with TIF and that "overall expected benefits do not exceed the public's costs" (2002b, p. 1). In a presentation delivered to the Iowa General Assembly's Ways and Means Committee summarizing those two earlier reports, Swenson (2012, pp. 8-9) reported the following findings:

- no significant correlation between Iowa TIF activity and area-wide job growth;
- no significant correlation between Iowa TIF activity and county population growth;
- minor correlation between TIF effort in Iowa and manufacturing job growth;
- minor correlation between TIF effort in Iowa and per capita property taxes in non-benefited areas;
- and evidence of significant inter-community competition.

Noting that these findings derive from research conducted in the early years of the last decade, Swenson also affirms that an updated statewide analysis of TIF is warranted. Incidentally, Swenson and Eathington (2002a) noted the difficulties in conducting an analysis of Iowa cities' property valuations without comprehensive data on assessed valuations. Since their research in 2002, however, electronic datasets including both taxable and assessed valuations in Iowa have become available for analysis.

Edelman (2003) has been critical of the findings in Swenson's and Eathington's studies. Edelman suggested that their studies are ill-suited for evaluating policy alternatives because they rely on aggregate statewide data. In addition, Edelman suggested that Swenson and Eathington's research neglected to compare TIF to other economic development tools, such as enterprise zones and abatement districts, to which, Edelman argues, TIF is superior. Whatever their merits, such cautions are equally applicable to the present evaluation study.

C. Other Iowa State Agency Reports

Analyses published by Iowa State agencies provide further context for this evaluation study. The Legislative Services Agency's legislative guide on Urban Renewal and Tax Increment Financing (2012) provides a concise overview and history of Iowa's urban renewal and TIF law. Additionally, the Iowa Department of Revenue's (2012) legislative summary on House File 2460 summarized changes to relevant statutes enacted in the 2012 legislative session.

Among the mandates of this legislation are new property tax reporting requirements for counties, cities, and rural improvement zones with urban renewal areas. House File 2460 required the Legislative Services Agency (LSA), in consultation with the Department of Management, to collect this information and to deliver annual reports summarizing this information to the Governor and General Assembly. The agency's first annual report, concerning fiscal year 2012 (LSA, 2013), detailed the current state of TIF in Iowa, including debt, rebate expenditures, and support for low- and moderate-income housing. Because it followed on new reporting requirements and included data

unavailable for earlier years, the LSA report has a unique focus and concerns aspects of TIF not addressed in this evaluation study. In addition to the annual reports, LSA provides public access to the TIF data it collects on the Public TIF Reports Page.

V. Findings about Tax Increment Financing in Iowa

A. Findings Overview

Because TIF may be employed for various purposes, and each city and county across the state faces its own unique set of economic and fiscal circumstances, and because existing TIF areas are in varying stages of progress, an analysis of TIF from a state-level perspective is necessarily general. In addition, the matter of TIF touches on a broad range of issues in the fields of municipal finance, tax policy, and economic development. A comprehensive analysis of all its aspects is beyond the scope of any single study. The findings described in this section of the report primarily relate to TIF revenues and valuation. The subsequent section, Section VI, provides an analysis of the economic effects of TIF.

The use of TIF in Iowa has expanded markedly in the last decade. Between 2000 and 2012, the number of TIF urban renewal areas (URAs) increased by 43 percent, from a count of 1,125 to 1,614 (see Table 2). Meanwhile, the amount of taxable value in TIF increments has more than doubled during the same period, accounting for nearly $300 million in property tax revenues in FY 2014. (Note that FY 2014 revenues are based on 2012 assessments.) Although total property tax revenues in Iowa have also increased, they have increased at a much lower rate. During the approximately three decades between FY 1982 and FY 2014, total property tax revenues increased, in inflation-adjusted terms, from $4.0 billion to $5.0 billion; meanwhile, as a share of total property tax revenues, revenues diverted to TIF increased from 0.1 percent to 5.9 percent (see Figure 1). In addition, TIF affects most classes of property. As of 2012, about 60 percent of property comprising TIF areas in Iowa was commercial property and roughly a quarter was residential property (see Figure 2).

TIF urban renewal areas may be designated for the purposes of addressing slum and blight, for economic development, or a combination of these purposes. Information on TIF urban renewal areas' designated purposes as of 2012 is available for 1,303, or 80 percent, of the 1,614 areas in the state (see Table 3). Of those for which such information is available, 125, or approximately ten percent, exist for the purposes of addressing slum or blight only. The remaining 90 percent have an economic development purpose, whether solely or in conjunction with eliminating slum or blight. The respective share of TIF valuation accounted for by each purpose is roughly commensurate with the number of areas (see Table 4). TIF areas for which purposes have been reported account for 85 percent of total TIF valuation. Of the $8.1 billion in incremental valuation for which a purpose has been reported, eliminating slum and blight accounts for 11 percent and 89 percent is associated with an economic development purpose including those properties associated with both.

Some 750 TIF urban renewal areas in existence in 2012 have base years of 2000 or prior and 864 have base years of 2001 or later (see Table 5). TIF urban renewal areas established after 1995, except those based on a finding of slum or blight, are required to expire within 20 years; 425 of the state's 1,614 current URAs have a base year of 1994 or prior. In 2012, the frozen base valuation of TIF urban renewal areas was $9.3 billion and the incremental valuation of those same areas exceeded $9.5 billion. The revenues estimated to flow to TIF projects in 2014, the tax year associated with the 2012 assessment year, was nearly $300 million.

B. TIF Revenues

The principal function of TIF is to capture revenues from the increment in order to fund improvements in the district. This arrangement necessitates both a sponsoring jurisdiction (an entity that activates a TIF area, such as a city or county) and a contributing jurisdiction (taxing jurisdictions covered by the TIF area). Because all contributing jurisdictions contribute taxes to the increment revenue stream but only the sponsoring jurisdictions have access to the revenue, TIF, by definition, diverts a portion of revenues from one taxing jurisdiction to another. The rationale for this system is that it obliges contributing jurisdictions to share the costs of the economic development from which they will also ultimately benefit.

For a variety of reasons, the diversion of revenues from school districts is of particular note. For one, the State Foundation Aid Formula ensures that a portion of the incidence of taxes shifted by TIF falls to State taxpayers. Second, school districts can overlap city and even county boundaries and, because of this, TIF-financed urban renewal efforts in a given city can be partly supported by nonresidents. For this reason as well as because only cities and counties can authorize TIF urban renewal areas, school districts are particularly in thrall to TIF practices over which they can have little control. Another, perhaps less central, consideration is that school district tax rates are not subject to limits as are other property tax rates and, because of this, a school district's rates can increase indefinitely should its base be so constrained.

School district TIF property taxes are shifted partly to State taxpayers through the workings of the State Foundation Aid Formula. According to this formula, the State General Fund reimburses school districts for the amount of Uniform Levy revenues that are lost to TIF; this equates to the first $5.40 of the school district levy on the taxable value of the increment. Revenues from the remaining applicable levies on the increment (i.e., the sum of the operating and management levies minus $5.40 per $1,000 of taxable value) are foregone by the school district.[5] Thus, as more property across the state is set aside in TIF increments, greater costs are shifted to State taxpayers.

[5] These two classes of levy are the only ones to which TIF is applicable and constitute the primary sources for funding for school districts in the state. Together, operating levy revenues and management levy revenues account for, on average, 85 percent of school districts' total levies. Other categories of levy include physical plant and equipment levies (PPEL), and debt service levies. Such levies are exempt from TIF. Exemption of Instructional Support Levies (ISL), a component of the Operating Levy, is effective as of FY 2014.

Moreover, where school districts raise tax rates in response to shortfalls engendered by TIF, its costs are partly shifted to school district taxpayers including school district taxpayers living outside the TIF area.

Tax revenue diversion to TIF affects most of Iowa's school districts. Of the 346 school districts in Iowa in 2012, 263 had some share of property valuation in a TIF increment (see Table 6). Those 83 school districts that did not include a TIF represent less than ten percent of the state's total taxable property valuation. School districts with TIFs accounted for $138 billion of the state's $150 billion in taxable valuation. Altogether, $9.5 billion of total school district valuation in the state was in TIF increments, resulting in a total diversion of revenues of $115 million, of which tax $51 million is shifted to State taxpayers through the State Foundation Aid Formula. This diversion of revenue has increased nearly 80 percent, from $65 million in 2001 to $115 million in 2012, but remains a small share of statewide total property tax revenues to school districts (see Figure 3).

The amount of property in TIF increments, and thus the amount of revenues diverted by TIF, varies markedly by school district (see Figure 4). While 263 Iowa school districts had some level of valuation in TIF during assessment year 2012, incremental valuation represents no more than two percent of total valuation for 87 of these districts. For 61 Iowa school districts, TIF represents ten percent or more of taxable valuation; 15 of these have at least twenty percent of valuation in TIF. In one Iowa school district, TIF accounted for 42 percent of the district's taxable valuation.

The apparent costs of TIF as reflected in the diversion of Iowa school district revenues are concentrated in a comparatively small number of districts. Ranked in terms of the percentage of incremental valuation contained in the district, the highest fifth, or quintile, of school districts accounted for 71 percent ($6.8 billion of $9.5 billion) of all school district valuation in TIF increments (see Table 7). Likewise, the top quintile accounts for an equivalent percentage of the total revenues diverted by TIF.

C. TIF Valuation

Iowa law grants cities and counties the power to divert revenues of other jurisdictions because of its potential to yield improvements and increase valuation. TIF is intended to broaden the tax base and, all things being equal, lead to higher revenues and lower tax rates in the long run. Its widespread use suggests that, for some at least, TIF has come to be regarded as a prerequisite to municipal investment. Despite its straightforward rationale, the extent to which TIF leads to valuation increases that would not have otherwise occurred warrants further analysis.

In analyzing trends in TIF valuation, the unique nature of TIF necessitates certain considerations. Among these are that, in order to meet TIF debt repayment obligations on outstanding debt in a given budget year, a TIF authority may require less TIF revenue than is available from the total taxable valuation of the increment above the base; i.e., the maximum increment. The value of the increment technically equates only to that portion of its maximum value that is used for revenue in any given budget year;

i.e., the used increment. Thus the valuation of a TIF increment can vary from year to year without a commensurate change in the value of the underlying property. On the other hand, the valuation of any unused portion of the increment reverts to its respective base in each budget year. The revenues from taxation on the unused increment are thus not diverted to the respective TIF authorities, but remain with the taxing authorities associated with the base.

There are some counties in which comparatively large percentages of property have been designated for TIF but in which only a small share of TIF valuation is used. For example, in fiscal year 2014, the maximum increment represented more than 30 percent of total valuation in three Iowa counties; however, in two of these counties the value of the used increment represented 3 percent or less of the maximum increment. On average, 14 percent of taxable value within counties is included in the maximum increment while only 7 percent of taxable value is in the used increment. Notwithstanding year to year fluctuations, the used increment as a share of the maximum increment can vary markedly from municipality to municipality. In fiscal year 2014 (revenues for which are based on 2012 assessments), there were six counties in which the maximum available increment of all TIF areas in the county combined was tapped for revenues (see Table 8). In another six counties, less than 10 percent of the available increment in all TIF areas was used. On average, by county, 47 percent of the available increment was used.

The majority of TIF increment valuation is in urban property; i.e., property within city limits. As of assessment year 2012, TIF valuation in urban property was $8.6 billion (see Table 9). Statewide, this represents approximately ten percent of urban valuation. The amount of TIF property valuation in rural property is much smaller, although not negligible. In 2012, approximately $900 million, or 9 percent of the state's TIF increment valuation, was in rural property. By county, the median percentage of urban property valuation in TIF was 6 percent; the median percentage of rural property valuation in TIF was zero percent. There are 60 Iowa counties in which urban property valuation in TIF represents 5 percent or more of total urban taxable valuation but only 11 counties in which rural property valuation in TIF represents accounts for 5 percent or more of total rural taxable valuation.

Use of TIF is prevalent across the state, but it is highly concentrated in cities that contain the great bulk of Iowa's urban valuation. While fewer than half of Iowa's 946 cities had a TIF area within their boundaries in assessment year 2012, those cities accounted for 96 percent of urban taxable valuation (see Table 10). As of 2012, TIF areas were located in 97 of Iowa's 99 counties and the average net taxable value in TIF increments was 7 percent (see Table 11). Monroe County and Wayne County were the two counties in which there was no valuation in TIF increments. TIF valuation amounts to less than one percent of net taxable value in nine counties but ten percent or more in fifteen counties.[6] While the net taxable value of property increased in all counties during this time, the TIF increment valuation actually dropped in 20 counties between 2000 and

[6] For this statistic, total net taxable value includes all classes of rural and urban property.

2012. Overall, the use of TIF has expanded somewhat since 2000 when incremental valuations met this threshold in only four counties (see Figures 5 and 6).

Between assessment years 2000 and 2012, the assessed value of all property in Iowa increased 33 percent in real terms (see Figure 7). This impressive level of growth is partly attributable to historic increases in agricultural land over the period. By comparison, urban property, which excludes most agricultural land, grew by 21 percent in real terms. Excluding property in TIF areas, urban property growth between 2000 and 2012 was 19 percent. Meanwhile, urban property that was in TIF (including both base and increment) in 2000 increased in assessed valuation by 35 percent by 2012; and urban property in TIF for the purpose of economic development increased by 57 percent over the period. In other words, in terms of valuation, urban property in TIF for economic development (including both bases and increments) increased at twice the rate of urban property as a whole during the period.

Overall change in valuation of all categories of property varies by county (see Figure 8). Between 2000 and 2012, the assessed value of all property increased, in inflation-adjusted terms, by just 2 percent in Monroe County which experienced the least valuation growth and by 127 percent in Dallas County which experienced the greatest. The median percentage increase during this period was 31 percent. In 75 counties, real percentage growth of assessed valuation was between 20 and 50 percent.

For urban property, defined as all property within cities, real changes in assessed values during the period were even more varied (see Figure 9). For this property, the county median percentage increase was 10 percent. In 22 counties, assessed valuation of city property actually decreased. For others, it increased dramatically; in two counties the assessed value of city property increased by more than 100 percent.

Valuation growth of urban property in economic development TIFs by county (including both bases and increments and only those TIF areas that existed throughout the period) was likewise wide-ranging (see Figure 10). In 13 counties, the aggregate value of city property in economic development TIFs decreased; in two counties, the decrease was more than 20 percent. In the 59 other counties with urban valuation in economic development TIFs throughout the period between 2000 and 2012, assessed valuations increased. The median change in assessed valuations for this property among all counties was 23 percent. For six counties, it was greater than 100 percent.

When considering TIF in terms of valuation, it is important to keep in mind that growth in assessed valuation is subject to limitation through the processes of rollback and equalization. Nevertheless, trends in valuation provide a context for an understanding of TIF. There are many different approaches to the implementation of TIF despite what is, for most TIF areas, their common purpose of promoting economic development. Each TIF area is unique in its objectives and circumstances. An analysis of valuation trends must also acknowledge the possibility that whereas the use of TIF may lead to increased valuations, there may be instances in which declining valuations lead to use of TIF; that is, that municipalities turn to TIF where valuations are declining. The

analysis of assessed valuation of TIF, then, is subject to numerous delimiting considerations; for this reason it is a useful starting point for a more structured economic analysis.

VI. Economic Analysis of Tax Increment Financing in Iowa

In addition to descriptions of revenues and valuation, this evaluation study provides an economic analysis of TIF in Iowa. This analysis assesses the extent to which TIF is associated with economic growth at the county level and thus with contributions to local economies. While many TIF areas in Iowa are intended to address conditions of slum and blight, at least 89 percent of TIF valuation is associated, at least in part, with promoting economic development. In addition, expectations of job growth have been tied explicitly to the use of TIF. As of FY 2012, 56 local governments in Iowa had entered into development agreements with businesses that include both TIF funding and job creation requirements. In the aggregate, these agreements require the creation of more than 24,000 jobs (Legislative Services Agency, 2013). The following economic analysis is intended to address the basic question: Does the utilization of TIF lead to economic growth?

While economic development efforts may promote economic activity in all or part of a given city, researchers must be careful to distinguish between net gains to the local economy and gains which simply reflect a shift of economic activity from elsewhere within the local economy. For example, new construction in one community may reflect investment that is wholly new to a local economy or the relocation of business from another nearby community. As Peters and Fisher (2004) point out, for local incentive competition to benefit the local economy as a whole, the benefits to communities gaining jobs must exceed the losses experienced by the communities elsewhere within it. Economic analysis, then, must somehow account for the possibility that incentives can relocate rather than create investment. That concern is addressed here by using the county as the unit of analysis to measure economic growth.

A related question concerns whether incentivized investment would occur without the incentives in question. In the case of TIF, this matter is typically framed as the *but for* criterion; i.e., whether investment would occur *but for* TIF. TIF is not subject to the *but for* criterion in Iowa except where it is used to finance construction of public buildings. Because it is not possible to observe economic outcomes for a given county both with and without TIF, it is difficult to measure whether the economic activity that ensues in a county after a TIF is designated is a direct result of the TIF. Rather, the present economic analysis offers evidence on whether different levels of economic growth measured at the county level can be explained in part by different levels of the use of TIF within counties.

In assessing economic growth within Iowa counties, it must be recognized that counties contain certain acknowledged ingredients to growth to greater or lesser degrees. For example, while greater concentrations of employment in high-growth industries, higher levels of human capital, and existing infrastructure are, in themselves, neither

necessary nor sufficient for every conceivable form of new investment, counties where such components of growth already exist are better positioned for investment than counties in which they are comparatively lacking. Research design can provide the means of controlling for such variation; that is, it can account for the likelihood that counties with key advantages will experience greater job and wage growth over time. Far from presuming that economic growth in Iowa's less economically dynamic counties should match the growth of their higher-performing counterparts, thoughtful research design provides standardized metrics and thus the means by which growth in each county is assessed on its own terms.

In order to assess the link between TIF and economic activity, this analysis estimates the relationship between growth in employment and wages at the county level over a decade and the percentage of urban property tax revenues diverted to TIF during the same period. This approach assumes that where TIF projects do more than relocate economic activity within a local economy, they produce net gains in economic activity that are measurable at the county level. It is acknowledged that local economies are dynamic and their boundaries can reach across county borders, varying with the nature of goods and services concerned. Nevertheless, it is assumed that county lines adequately demarcate their boundaries for the purposes of this analysis.

Because TIF is largely limited to urban property which, again, is defined as property located within city limits, and because the proportion of urban property varies by county, counties are analyzed in terms of the percentage of *urban property tax* revenues diverted to TIF. The first step of this analysis was to estimate the percentage of total revenues from urban taxing districts in each county diverted by TIF during the period of analysis, which includes fiscal years 2002 through 2012 (and corresponds to assessment years 2000 through 2010). For this analysis, this value serves as a proxy for the amount of investment to promote economic activity in urban areas within the county as a result of Tax Increment Financing.

This analysis assessed county economic growth over the period 2002 to 2012 in terms of the change in the number of people employed and the change in aggregate wages. Both measures are specified for each county in terms of the *relationship* between actual growth and a standardized growth estimate. For each measure (i.e., jobs and wages), actual growth was calculated as the difference between its level as of 2002 and its level as of 2012. For each measure, the standardized growth estimate was calculated as the sum of the actual level in each industrial sector as of 2002 multiplied by statewide percentage increases in each industrial sector between 2002 and 2012. The relationship between actual growth and the standardized growth estimate was calculated as the simple difference between the two as a percentage of actual growth.

The resulting ratio serves as a single number that expresses growth in economic activity at the county level in a way that accounts for the unique mix of industry in each county at the start of the period. Insofar as it adapts a conventional shift-share approach to economic analysis, this technique provides a straightforward and well-attested method for meaningful comparisons of economic growth among counties (see, for example,

McDonough and Sihag, 1991). The approach is apt because it controls for the confounding effects on economic activity of both geographic area and industry mix in accounting for the effects of other competitive factors, such as TIF revenues (Barff and Knight, 1988). It should be emphasized that this methodology is indifferent to counties' economic growth relative to statewide growth *per se*. Rather, it provides the basis for assessing the effect of TIF revenues in terms of counties' relative position along the continuum of least growth to greatest growth given each county's starting point at the beginning of the period. In no way does this methodology presume that economic growth at the county level must exceed statewide levels of growth in order for any beneficial impact of TIF revenues to be measurable. To the contrary, it is precisely to control for each county's varying predisposition towards economic growth that that this methodology is appropriate.

Data for measures of employment and wages was obtained from the United States Department of Labor's Bureau of Labor Statistics (BLS). For each county, as well as for the state as a whole. BLS data on the number of people employed and annual average pay in each of the following industrial sectors for years 2002 through 2012 was assembled:

- Manufacturing
- Retail Trade
- Financial Activities
- Professional and Business Services
- Education and Health Services
- Leisure and Hospitality
- All Other

This classification includes all private sector non-farm employment; non-specified industries are aggregated in the "All Other" group. To calculate aggregate wages by county, the number of people employed in each sector was multiplied by the average annual pay for that sector and summed across sectors. Employment and wage growth vary by industrial sector across the state and within each county. Again, including changes in employment and wages by sector provides a means of accounting for the make-up of local economies.

For the period of 2002 through 2012, the median percentage, by county, of urban property tax revenues diverted to TIF was 6.2 percent. That is, in 49 counties, the percentage of total property taxes of urban districts that was diverted to TIF aggregated over each of the 11 years was greater than 6.2 percent; and in 49 counties it was less than 6.2 percent. For three Iowa counties, property tax revenues from urban districts diverted to TIF was zero or virtually zero. Meanwhile, at least ten percent of urban district property tax revenues were diverted to TIF in 32 counties, including four for which this measure reached 20 percent or more. Altogether, the percentage of property taxes in urban taxing districts diverted to TIF by county varies from zero to 26 percent (see Figure 11). This level of variation provides a suitable basis for comparison among counties.

In 2002, there were 1.19 million people employed in the non-farm private sector in Iowa. This number grew to 1.24 million in 2012, an increase of 4.6 percent. Between 2002 and 2012, despite overall growth in employment, Iowa experienced a 7.4 percent decrease in manufacturing jobs and a 3.7 percent decrease in the number of retail jobs. At the same time, the state added jobs in financial activities, professional and business services, education and health, and all other sectors (see Table 12). Since each county hosts a different mix of industries, job gains or losses in any individual sector result in different levels of gains or losses across the counties. Counties with a high percentage of jobs in manufacturing—a sector that lost jobs statewide—would be expected to have gained fewer jobs overall, or even lost jobs, compared to counties in which manufacturing represents a smaller share of total employment.

The standardized growth estimates for employment for six Iowa counties were negative; for 93 counties they were positive. Standardized estimates for growth in the total number of jobs by county ranged from a loss of 210 jobs (for Hancock County) to a gain of 15,700 jobs (for Polk County) (see Table 13). The State of Iowa gained 55,000 jobs in the period from 2002 to 2012. The county average *actual* change in employment equals the county average of the *standardized growth estimate* for employment, which is an increase of 555 jobs (see Table 14). The median actual change in number of jobs in each county was -4, indicating that at least half of Iowa's counties (51) in total lost jobs during the period. Based on the industrial mix of the counties, the median standardized employment growth was 155 with a range of -210 to 15,701. The actual highest number of jobs lost by any county (Jasper) was 3,889. Dallas County added the greatest number of jobs of any county, 20,685, accounting for 38 percent of the job growth in the state. Actual gains in employment by county relative to standardized growth estimates were positive in 35 counties. For the other 64 counties, actual changes in employment were lower than the standardized growth estimates.

Aggregate wages represents the total annual wages paid to workers in the county and was calculated by multiplying the number of people employed by their average annual pay. To assess growth in aggregate wages between 2002 and 2012 (in 2012 constant dollars) this economic analysis accounts for differences in wages paid by sector as well as the employment mix by sector. Aggregate wages were analyzed in addition to employment because economic impacts of job losses can be at least partially offset by wage gains; for example, aggregate wages could increase if a county were to experience an increase in the number of better-paying jobs despite decreases in the number of lower-paying jobs. As with employment, changes in aggregate wages between 2002 and 2012 varied markedly by sector (see Table 12). Nominal aggregate wages decreased by 8.2 percent for jobs in retail trade, the only individual sector in this analysis for which wage decreases outpaced employment decreases. At the other extreme, aggregate wages in professional and business services increased 47 percent.

Between 2002 and 2012, the standardized growth estimates of aggregate wages increased in all 99 Iowa counties while actual growth in aggregate wages was negative in 22 counties (see Table 15). The average standardized estimate for growth in aggregate wages between 2002 and 2012 by county was $52.7 million. This number is

based on actual statewide increases by sector and is equivalent to the county average of actual increases for the period (see Table 16). In 2002, aggregate wages to people employed in non-farm, private sector industries statewide were $44.1 billion (in 2012 constant dollars). Standardized and actual aggregate wages increased by $5.2 billion during the decade. While the standardized county changes ranged from $1.8 million to $1.8 billion, the actual changes ranged from a loss of $238 million (Jasper County) to a gain of $1.2 billion (Dallas County). The gain in Dallas County accounted for 22 percent of the statewide total increase in aggregate wages over the period.

Actual gains in aggregate wages by county, relative to standardized growth estimates, were more widely spread than employment gains. Forty-seven counties, or nearly half, experienced increases in aggregate wages in excess of standardized growth estimates. For the other 52 counties, actual changes in aggregate wages were lower.

In order to assess the relationship between percentage of urban property revenues diverted to TIF and employment or wage growth by county—i.e., whether and to what extent there is a statistically significant relationship between TIF use and growth in economic activity by county—a number of statistical analyses were conducted. In order to measure the strength and direction of the relationship between, on the one hand, the percentage difference between standardized growth estimates and actual changes in employment and wages and, on the other, the percentage of urban property tax revenues diverted to TIF, a correlation coefficient (Pearson R) was calculated (see Table 17). A relationship in which higher levels of TIF revenues correspond to greater degrees of economic growth would be shown by a correlation coefficient that is positive and large. Instead, this calculation produced a small negative number, indicating that measures of employment and wage growth do not rise or fall with measures of TIF revenues in each county. Additional correlations were calculated separately for Iowa metropolitan and non-metropolitan counties.[7] In the case of non-metropolitan counties, the calculation again resulted in a small correlation coefficient. For metropolitan counties, the correlation coefficients were both positive and somewhat higher, although still quite modest.

A simple correlation may not reveal a true relationship between TIF and economic growth if other factors mask the relationship. However, regression analysis can be used to control for such conflating factors. This statistical procedure calculates the variation in a given measure that can be accounted for by various contributing factors. In this case, the analysis measures how much of the variation in the employment or aggregate wage growth among the counties can be explained by the percentage of urban property tax revenues diverted to TIF, controlling for other measurable factors likely to be related to growth.

[7] The USDA produces a classification scheme that distinguishes metropolitan and non-metropolitan counties by population; non-metropolitan counties are further classified by degree of urbanization and their proximity to metropolitan areas. This urban/rural continuum ranges from 1 (most urban) to 9 (most rural). Counties with a value of 1 through 3 are designated as metropolitan counties. Metropolitan counties include: Benton, Black Hawk, Bremer, Dallas, Dubuque, Grundy, Guthrie, Harrison, Johnson, Jones, Linn, Madison, Mills, Plymouth, Polk, Pottawattamie, Scott, Story, Warren, Washington, and Woodbury.

For this study, four regression analyses were conducted. Two regression analyses assessed the relationship between TIF revenues and economic outcomes in terms of actual growth of employment and aggregate wages. Two further regression analyses measured the relationship between TIF revenues and economic outcomes in terms of the difference between actual growth and standardized growth estimates for employment and for aggregate wages.

The first regression analysis was concerned with actual employment growth between 2002 and 2012; it assessed the degree to which variation on this measure by county can be accounted for by the following factors (see Table 18):

- percent of urban property tax revenues diverted to TIF in 2002 through 2012;
- postsecondary degree attainment rates (percent of county residents age 18 to 64 who have earned an associate's or higher degree from college, based on U.S. Census 5-year estimates for the period 2007 through 2011);
- county's unemployment rate (annual rate, as of 2007);
- whether the county is among the ten most populous in the state in 2013;
- net taxable value of urban property in the county (excluding gas and electric, as of assessment year 2000, in billions).

These factors were included because it was expected that county employment and aggregate wage growth would be strongly associated with higher levels of educational attainment among residents. Based on U.S. Census 5-year estimates for the period 2007 through 2011, the average county postsecondary degree attainment rate was 31.5 percent. Levels of postsecondary degree attainment ranged from 20 percent in Decatur County to 54 percent in Dallas County. Likewise, it is anticipated that more populous counties would enjoy certain economic advantages associated with their sheer size; for example, these counties have larger existing worker and customer bases and firms might obtain economies of scale by locating near one another. Based on 2012 estimates provided by the U.S. Census Bureau American Community Survey, the ten most populous counties in Iowa include Black Hawk, Dallas, Dubuque, Johnson, Linn, Polk, Pottawattamie, Scott, Story, and Woodbury.

The unemployment rate at the midpoint of the analysis period, which was also the year prior to the recent recession, provides a barometer of the economic health of the county and was expected to be inversely related to employment and wage growth. The average rate was 3.9 percent with a range of 2.4 percent unemployment in Lyon County to 7.0 percent in Appanoose County. The net taxable value of urban property in each county in 2000 helps to account for the existing base of property value available to support jobs. Values for this factor ranged from $28 million in Adams County to $10.3 billion in Polk County.

The first regression analysis found that the percent of urban property tax revenues diverted to TIF in 2002 through 2012 does not explain any variation in the level of employment growth during the decade (see Table 19). The analysis found strong and statistically significant relationships (whether positive or negative) between employment

growth and all of the remaining factors in the analysis. These findings suggest that greater employment growth was associated with counties with higher levels of postsecondary degree attainment; counties that are population centers; and counties that are comparatively undeveloped to begin with, but nevertheless have relatively robust employment.

The second regression analysis was concerned with actual wage growth between 2002 and 2012; it assessed the degree to which variation in this measure by county could be accounted for by the same five factors assessed in the first regression analysis. Again, this regression analysis found that the percent of urban property tax revenues diverted to TIF between 2002 and 2012 does not explain any variation in the level of employment growth during the decade (see Table 20). The analysis did find a strong and statistically significant positive relationship between wage growth in counties and higher levels of postsecondary degree attainment, counties' status as population centers, and higher levels of taxable valuation at the start of the period. The analysis found a strong negative relationship between wage growth and rates of unemployment.

These results suggest that greater concentration in the usage of TIF within a county does not explain either higher employment growth or aggregate wage growth within a county. However, as noted above, actual measures of change in employment of wages do not account for the variation in the economic structure between the counties. It is possible that a county with a heavy manufacturing base at the start of the period used TIF to offset the negative growth in manufacturing over the last decade while another county with a greater concentration in white-collar jobs did not use TIF but experienced greater growth simply because of its industrial mix. Using the standardized growth measures will better capture the relative growth between these counties because the former would be compared to much lower standardized value that the latter. This technique is better suited to capture the relative impact of TIF on economic growth.

The third regression analysis was concerned with the difference between actual employment growth and standardized estimates for employment growth as a percent of actual employment in 2012; it assessed the degree to which variation on this measure by county can be accounted for by the same five factors assessed in the first and second regression analyses. This regression analysis found that the percent of urban property tax revenues diverted to TIF in 2002 through 2012 does not explain any variation in the level of employment growth beyond the standardized estimate for growth experienced by Iowa counties during the decade (see Table 21). This suggests that employment growth cannot be explained by the diversion of revenues by TIF. The analysis did find a strong and statistically significant relationship between employment growth and other factors, including an inverse relationship with unemployment rates, and a positive relationship with the county's standing as one of the ten most populous in the state.

The fourth regression analysis was completed using the difference between actual wage growth and standardized estimates for wage growth as a percent of actual aggregate wages in 2012 as the dependent variable. This assessed the degree to which

variation on this measure by county can be accounted for by the same five factors as assessed in the initial three regression analyses. Again, this regression analysis found that the percent of urban property tax revenues diverted to TIF in 2002 through 2012 does not explain any variation in the level of aggregate wage growth relative to standardized estimates for such growth during the decade (see Table 22). The analysis did find a strong and statistically significant inverse relationship between this measure and county unemployment and net taxable value of urban property in 2000, as well as a strong positive relationship with whether the county is among the ten most populous in the state. These findings suggest that greater magnitudes of wage growth are associated with counties that were comparatively undeveloped at the start of the period of analysis, but nevertheless had relatively robust employment and were also population centers (i.e., were among the top ten most populous in the state).

VII. Conclusions

This evaluation study is intended to add to the understanding of TIF in Iowa with attention to its economic implications for the state as a whole. As such, it concerns a distinctive aspect of this unique financing mechanism. However, a full consideration of the legal, financial, and policy dimensions of TIF is beyond the scope of this or any other single study.

After presenting a statistical view of TIF at the county level, this analysis assessed the economic impact of TIF. By design, it evaluated these impacts in terms of net gains to local economies as distinct from the effects of economic displacement; i.e., the replacement of similar activity from elsewhere in the local economy. This analysis found no evidence that TIF results in increased economic activity measurable at the county level. For purposes of this analysis, economic activity was measured in terms of jobs and wages. This approach was selected in part because, as indicated in the Iowa Code's declaration of policy concerning TIF urban renewal, TIF exists in part to finance efforts to alleviate and prevent conditions of unemployment. It must be noted, however, that TIF also functions to finance the development of infrastructure, rather than more direct efforts to increase employment.

While this evaluation study provides a unique perspective on the statewide implications of TIF, it is subject to important limitations. Among these is that in employing a state perspective, the study necessarily forfeits a measure of granularity and nuance. Although they share similar purposes, the hundreds of TIFs in the state exist to address a wide range of objectives and unique local circumstances. Each TIF area is unique. This study does not assess the extent to which each TIF addresses its own particular goals. Moreover, it has to be noted, for any individual community, use of TIF financing can represent but one component of a broader strategy of investment. An analysis of TIF revenues and their impact on economic activity in isolation from complementary efforts at the community level may overlook the impact of any more comprehensive set of efforts. On the other hand, precisely because TIF can be used in tandem with other tools to encourage economic improvement, it is certainly reasonable to evaluate whether TIF is related to measurable economic outcomes like job and wage increases.

As with any analysis, then, this evaluation study focused on a limited set of measures. A multitude of local factors affect local economic activity. The measures analyzed in this evaluation study are suitable to the questions addressed. But the use of different measures might have led to consideration of different questions. While this evaluation study sheds light on the relationship between TIF and economic growth at the county level, it does not address other important questions about TIF; such as, “Under what circumstances does TIF lead to economic growth?” and, “Under what circumstances is it less likely to?” Indeed, while the findings of this analysis suggest that diversion of TIF revenues is not necessarily associated with economic growth at the county level, it provides no information about those individual cases, of which many surely exist, where use of TIF has generated sought-for returns. In 2012, with the passage of House File 2460, Iowa established new reporting requirements for municipalities with TIF urban renewal areas. As information becomes available, a more granular analysis may be possible. It is hoped that this evaluation study provides a positive contribution to the understanding of TIF.

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Iowa's Tax Increment Financing

Tax Credits Program Evaluation Study

Tables and Figures

Table 1. Tax Increment Financing Policies by State

State	Year Authorized	Eligible Tax Revenue Sources	Financing May Include General Obligation Municipal Bonds	Only Cities May Authorize TIFs	Blight Requirement	"But For" Requirement	Maximum Length of TIF Designation	Eminent Domain Use Allowed by Statute	Types of Property R: Residential C: Commercial I: Industrial M: Mixed-Use O: Other
Alabama	1987	Property Tax	Yes		Yes		30 years	Yes	R, C, I, M
Alaska	2001	Property Tax	Yes		Yes		No limit	Yes	R, C, I, M, O
Arizona	N/A								
Arkansas	2001	Property Tax, Other Sources			Yes		25 Years	Yes	R, C, I, M
California	1952	Property Tax			Yes		50 years	Yes, limited.	R, C, I, M
Colorado	1974	Property Tax, Sales Tax		Yes	Yes		Varies. 50 years is maximum.	Yes	R, C, I, M
Connecticut	1972	Property Tax, Sales Tax	Yes	Yes	Yes		Bond repayment, 40 years. TIF area, no expiration.	Yes	C, I
Delaware	2002	Property Tax, Other Sources	Yes		Yes	Yes	30 years	Yes	R, C, I, M
District of Columbia	1998	Property Tax, Sales Tax, Other Sources	Yes	Yes		Yes	Not specified by state law.		R, C, M
Florida	1969	Property Tax			Yes		40 years		R, C, I, M
Georgia	1985	Property Tax, Sales Tax					Not specified by state law; at least until redevelopment costs are paid.	Yes	R, C, I, M
Hawaii	1985	Property Tax	Yes				Not specified by state law; at least until bonds are paid.		R, C, I, M, O
Idaho	1987	Property Tax			Yes		24 years	Yes, limited.	R, C, I, M, O
Illinois	1978	Property Tax, Sales Tax	Yes		Yes	Yes	23 years	Yes	R, C, I, M, O
Indiana	1975	Property Tax	Yes			Yes	25 years	Yes, limited.	R, C, I

Table 1 (Continued). Tax Increment Financing Policies by State

State	Year Authorized	Eligible Tax Revenue Sources	Financing May Include General Obligation Municipal Bonds	Only Cities May Authorize TIFs	Blight Requirement	"But For" Requirement	Maximum Length of TIF Designation	Eminent Domain Use Allowed by Statute	Types of Property R: Residential C: Commercial I: Industrial M: Mixed-Use O: Other
Iowa	1969	Property Tax, Sales Tax	Yes			No, except for public buildings.	20 years where purpose is economic development. Unlimited in areas to address slum and blight.	Yes, limited.	R, C, I, M
Kansas	1976	Property Tax, Sales Tax, Other Sources		Yes			20 years	Yes	C
Kentucky	2000	Property Tax, Sales Tax, Other Sources	Yes		Yes	Yes	30 years		R, C, I, M
Louisiana	1988	Property Tax	Yes				30 years		R, C, I, O
Maine	1977	Property Tax	Yes		Yes		30 years		C, I
Maryland	1980	Property Tax	Yes				Not specified by state law.	Yes	R, C, I, M
Massachusetts	2003	Property Tax	Yes				30 years	Yes	R, C, I, M
Michigan	1975	Property Tax					30 years or project plan completion.	Yes, limited.	R, C, I, M
Minnesota	1979	Property Tax	Yes		Yes	Yes	26 years	Yes, limited.	R, C, I, M
Mississippi	1986	Property Tax, Sales Tax	Yes				30 years		R, C, I, M
Missouri	1982	Property Tax, Sales Tax, Other Sources	Yes		Yes	Yes	23 years	Yes	R, C, I, M
Nebraska	1978	Property Tax	Yes		Yes	Yes	15 years	Yes	R, C, I, M
Nevada	1959	Property Tax			Yes		45 years for Redevelopment Areas. 30 years for TIF Areas	Yes	R, C, I, M

Table 1 (Continued). Tax Increment Financing Policies by State

State	Year Authorized	Eligible Tax Revenue Sources	Financing May Include General Obligation Municipal Bonds	Only Cities May Authorize TIFs	Blight Requirement	"But For" Requirement	Maximum Length of TIF Designation	Eminent Domain Use Allowed by Statute	Types of Property R: Residential C: Commercial I: Industrial M: Mixed-Use O: Other
New Hampshire	1979	Property Tax					Life of bonds		C, I, M
New Jersey	2002	Sales Tax, Other Sources	Yes	Yes	Yes	Yes	Not specified by state law.	Yes	C, I
New Mexico	1978	Property Tax, Other Sources			Yes	Yes	25 years from the point of bond issuance		R, C, I, M
New York	1984	Property Tax			Yes		Not specified by state law.	Yes	R, C, I, M
North Carolina	2004	Property Tax	Yes		Yes	Yes	30 years	Yes	R, C, I, M
North Dakota	1973	Property Tax	Yes	Yes	Yes		15 years		R, C, I
Ohio	1976	Property Tax	Yes				30 years	Yes	R, C, I, M
Oklahoma	1992	Property Tax, Sales Tax, Other Sources	Yes		Yes	Yes	25 years	Yes	R, C, I, M
Oregon	1960	Property Tax	Yes		Yes		Not specified by state law.	Yes	R, C, I, M
Pennsylvania	1990	Property Tax, Sales Tax, Other Sources			Yes		20 years	Yes	R, C, I, M
Rhode Island	1956	Property Tax	Yes	Yes	Yes	Yes	25 years	Yes	R, C, I
South Carolina	1984	Property Tax, Other Sources					Not specified by state law.	Yes	R, C, I, M
South Dakota	1978	Property Tax	Yes		Yes		15 years	Yes	C, I
Tennessee	1945	Property Tax	Yes		Yes		Not specified by state law.	Yes	R, M
Texas	1983	Property Tax, Sales Tax				Yes	40 years	Yes, limited.	R, C, I, M
Utah	1968	Property Tax, Sales Tax, Other Sources			Yes		Not specified by state law.	Yes	R, C, I, M

Table 1 (Continued). Tax Increment Financing Policies by State

State	Year Authorized	Eligible Tax Revenue Sources	Financing May Include General Obligation Municipal Bonds	Only Cities May Authorize TIFs	Blight Requirement	"But For" Requirement	Maximum Length of TIF Designation	Eminent Domain Use Allowed by Statute	Types of Property R: Residential C: Commercial I: Industrial M: Mixed-Use O: Other
Vermont	1985	Property Tax	Yes			Yes	20 years	Yes	R, C, I, M
Virginia	1988	Property Tax	Yes		Yes		Not specified by state law.	Yes, limited.	R, C, I, M
Washington	2001	Property Tax, Sales Tax	Yes			Yes	Not specified by state law.		R, C, I, M
West Virginia	2002	Property Tax				Yes	30 years	Yes	R, C, I, M
Wisconsin	1975	Property Tax	Yes			Yes	Varies. 27 years is maximum.	Yes	R, C, I, M
Wyoming	1983	Property Tax	Yes		Yes	Yes	25 years	Yes	R, C, I

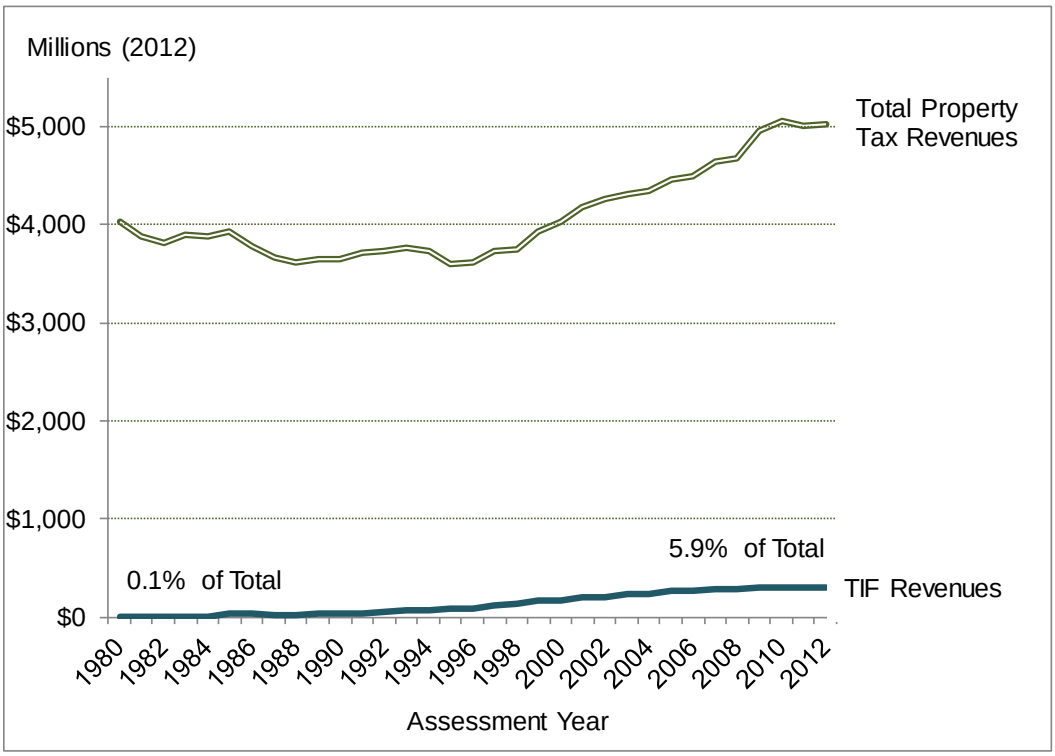
Note: The data in the table is adapted from a report by the Council of Development Finance Agencies (2008). The table provides a "yes" where available data indicates affirmatively for the respective policy attribute. Blank cells may indicate either that the policy attribute is not applicable in the respective state or that no data was provided in the original report.
Source: Council of Development Finance Agencies (2008).

Table 2. Number of Urban Renewal Areas, Frozen Base Valuations, Increment Valuations, and Revenues, Assessment Years 2000-2012

Assessment Year	Count of Urban Renewal Areas	Frozen Base Valuation	Increment Valuation	Estimated TIF Revenues
2000	1,125	$6,600,555,696	$4,463,289,529	$130,324,981
2001	1,201	$7,005,590,327	$5,227,333,717	$156,376,659
2002	1,242	$6,897,992,509	$5,353,614,327	$163,968,175
2003	1,230	$7,517,378,992	$5,988,167,846	$191,259,359
2004	1,229	$7,473,071,051	$5,950,080,670	$191,751,992
2005	1,281	$7,440,906,185	$6,864,537,062	$222,813,245
2006	1,296	$7,624,063,193	$7,287,868,050	$237,777,853
2007	1,421	$7,918,899,663	$7,987,010,945	$260,205,320
2008	1,443	$7,977,851,664	$8,352,036,761	$271,964,714
2009	1,527	$7,928,338,084	$8,493,943,894	$279,652,925
2010	1,582	$8,523,120,259	$8,669,486,004	$283,160,634
2011	1,626	$9,017,282,352	$9,228,686,165	$296,799,117
2012	1,614	$9,346,187,373	$9,512,072,694	$291,925,880

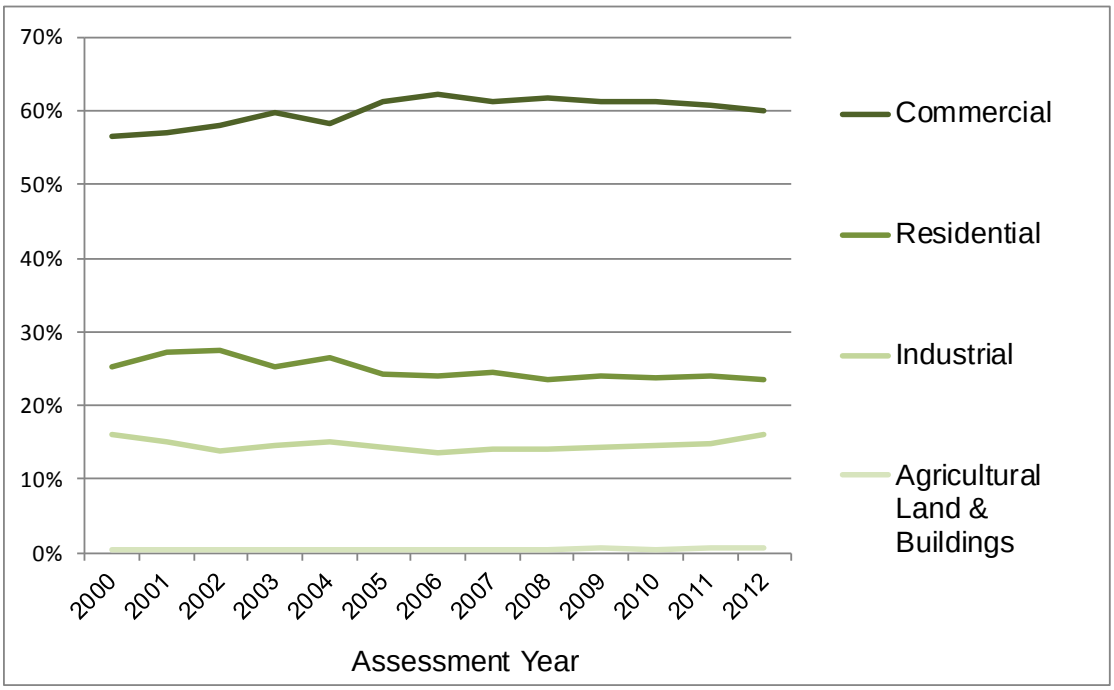
Note: Includes only TIFs where incremental valuation is greater than zero.
Source: Iowa Department of Management Property Valuation System

Figure 1. Total Property Tax Revenues and TIF Revenues, Assessment Years 2000-2012



Sources: Legislative Services Agency (Iowa); Iowa Department of Management Property Valuation System

Figure 2. Distribution of Net Taxable Property Increment Valuations by Classification, Assessment Years 2000-2012



Source: Iowa Department of Management Property Valuation System

Table 3. Number of Urban Renewal Areas by Purpose, Assessment Years 2000-2012

Assessment Year	Slum/Blight Only	Economic Development Only	Both Slum/Blight and Economic Development	No Data	Total
2000	81	543	131	370	1,125
2001	100	614	137	350	1,201
2002	95	644	139	364	1,242
2003	91	689	138	312	1,230
2004	96	698	153	282	1,229
2005	97	784	154	246	1,281
2006	104	820	141	231	1,296
2007	115	924	156	226	1,421
2008	120	963	159	201	1,443
2009	124	1,049	160	194	1,527
2010	127	1,137	159	159	1,582
2011	133	1,087	156	250	1,626
2012	125	1,025	153	311	1,614

Note: Includes only TIFs where incremental valuation is greater than zero. TIFs are categorized by the purpose for which they were reported as of 2012.
Sources: Iowa Department of Management Property Valuation System; Legislative Services Agency (Iowa) TIF Reporting Project

Table 4. Incremental Valuation of Urban Renewal Areas by Purpose, Assessment Years 2000-2012

Assessment Year	Slum/Blight Only	Economic Development Only	Both Slum/Blight and Economic Development	No Data	Total
2000	$438,582,988	$2,278,234,365	$801,777,201	$944,694,975	$4,463,289,529
2001	$506,530,795	$2,808,001,304	$1,021,649,390	$891,152,228	$5,227,333,717
2002	$462,418,862	$2,959,246,683	$1,072,223,563	$859,725,219	$5,353,614,327
2003	$555,447,598	$3,328,529,091	$1,273,889,822	$830,301,335	$5,988,167,846
2004	$508,269,188	$3,473,705,292	$1,200,643,263	$767,462,927	$5,950,080,670
2005	$556,664,156	$4,099,549,132	$1,430,023,792	$778,299,982	$6,864,537,062
2006	$629,971,168	$4,378,599,958	$1,502,731,262	$776,565,662	$7,287,868,050
2007	$683,368,816	$4,803,685,312	$1,721,940,926	$778,015,891	$7,987,010,945
2008	$742,986,274	$5,185,091,073	$1,697,561,478	$726,397,936	$8,352,036,761
2009	$729,061,833	$5,592,217,147	$1,605,183,381	$567,481,533	$8,493,943,894
2010	$767,028,291	$5,814,328,449	$1,581,733,026	$506,396,238	$8,669,486,004
2011	$808,674,458	$6,000,479,359	$1,136,248,633	$1,283,283,715	$9,228,686,165
2012	$931,115,196	$6,010,540,089	$1,193,121,613	$1,377,295,796	$9,512,072,694

Note: Includes only TIFs where incremental valuation is greater than zero. TIFs are categorized by the purpose for which they were reported as of 2012.
Sources: Iowa Department of Management Property Valuation System; Legislative Services Agency (Iowa) TIF Reporting Project

Table 5. Urban Renewal Areas in Existence in 2012: Valuations and Revenues by Base Year

Base Year	Count	Frozen Base Valuation	Incremental Valuation	TIF Estimated Revenues
1966	2	$6,858,256	$48,251,344	$1,443,959
1967	1	$6,866,258	$5,519,155	$142,885
1969	1	$6,437,256	$4,649,681	$130,767
1971	2	$21,814,711	$43,470,666	$1,702,523
1972	2	$71,023,560	$193,835,374	$7,833,531
1973	1	$270,710	$3,305,830	$111,386
1978	7	$48,336,360	$59,014,796	$2,378,072
1979	2	$371,750,274	$37,659,051	$1,074,252
1981	1	$1,819,363	$1,074,097	$44,839
1982	2	$88,240,100	$194,874,333	$7,849,476
1983	5	$31,778,484	$31,726,775	$1,004,388
1984	2	$18,961,460	$10,400,629	$285,490
1985	10	$23,876,026	$30,565,659	$974,785
1986	14	$72,590,717	$111,396,181	$3,643,773
1987	19	$163,178,399	$223,702,455	$7,368,571
1988	44	$458,951,441	$650,136,154	$19,929,190
1989	40	$250,215,897	$428,123,573	$12,944,233
1990	52	$270,572,111	$307,941,826	$9,619,918
1991	29	$175,941,099	$296,793,496	$9,253,601
1992	68	$495,119,974	$778,414,943	$26,367,249
1993	82	$528,013,298	$594,481,829	$18,715,733
1994	39	$166,892,527	$138,200,903	$4,120,230
1995	36	$190,615,044	$208,537,480	$7,159,487
1996	66	$322,131,347	$836,746,601	$24,243,581
1997	39	$159,227,208	$255,356,861	$7,810,802
1998	64	$531,470,007	$475,596,985	$14,965,802
1999	59	$778,525,347	$621,394,299	$17,902,770
2000	61	$269,229,647	$392,332,824	$12,119,376
2001	60	$114,750,613	$140,161,980	$4,170,505
2002	92	$568,578,272	$420,094,038	$12,121,275
2003	64	$218,396,758	$172,300,429	$5,007,428
2004	90	$284,026,141	$233,455,674	$6,693,819
2005	67	$210,501,327	$253,299,310	$7,521,078
2006	80	$264,257,679	$285,410,693	$8,181,469
2007	83	$345,578,851	$317,601,296	$8,914,471
2008	78	$564,431,516	$191,073,209	$4,428,536
2009	79	$168,276,264	$202,820,221	$5,150,509
2010	99	$581,868,150	$173,970,275	$4,616,222
2011	45	$466,528,041	$29,744,844	$970,039
2012	2	$397,442	$1,108,012	$35,886
Not Reported	25	$27,889,438	$107,528,913	$2,973,973
Total	1,614	$9,346,187,373	$9,512,072,694	$291,925,880

Note: Includes only URAs with TIF valuation greater than zero.
Source: Iowa Department of Management Property Valuation System

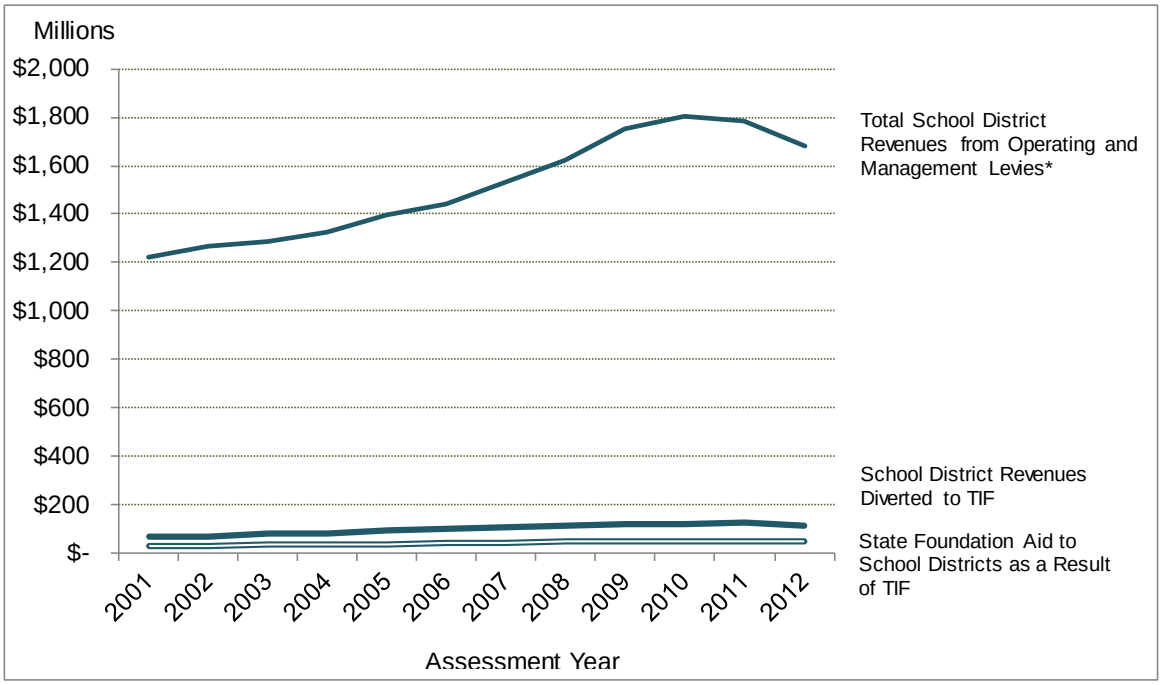
Table 6. TIF Increment Valuations and Revenues in Iowa School Districts, Assessment Years 2001-2012

Assess-ment Year	School Districts without TIF		School Districts with TIF					All School Districts	
	Count	Total Taxable Valuaton	Count	Taxable Valuation in TIF	Total Taxable Valuation (Including TIF)	School District Revenues Diverted to TIF	State Foundation Aid Tax Shift as a Result of TIF	Total Taxable Valuation (Including TIF)	Total School District Revenues from Operating and Management Levies*
2001	110	$12,229,955,677	260	$5,227,333,717	$87,611,277,737	$64,824,539	$28,227,602	$99,841,233,414	$1,219,902,563
2002	98	$10,140,508,682	272	$5,353,614,327	$92,037,096,442	$67,577,781	$28,909,517	$102,177,605,124	$1,264,711,242
2003	100	$9,240,396,781	267	$5,988,167,846	$90,968,179,924	$79,104,670	$32,336,106	$100,208,576,705	$1,289,255,277
2004	98	$10,610,041,047	267	$5,950,080,670	$91,877,432,597	$78,788,110	$32,130,436	$102,487,473,644	$1,323,296,129
2005	108	$12,885,748,837	257	$6,864,537,062	$92,829,872,861	$91,763,880	$37,068,500	$105,715,621,698	$1,394,167,713
2006	107	$12,894,704,678	257	$7,287,868,050	$95,314,054,054	$98,472,770	$39,354,487	$108,208,758,732	$1,443,535,027
2007	99	$12,451,185,777	263	$7,987,010,945	$102,065,237,979	$107,614,532	$43,129,859	$114,516,423,756	$1,530,202,427
2008	95	$12,667,710,223	266	$8,352,036,761	$107,454,814,884	$114,490,848	$45,100,999	$120,122,525,107	$1,621,932,388
2009	93	$11,264,391,742	266	$8,493,943,894	$114,130,490,064	$120,017,680	$45,867,297	$125,394,881,806	$1,754,445,491
2010	87	$11,231,950,901	264	$8,669,486,004	$119,477,169,817	$120,992,766	$46,815,224	$130,709,120,718	$1,803,037,677
2011	82	$11,293,575,518	266	$9,228,686,165	$124,207,512,948	$123,962,307	$49,834,905	$135,501,088,466	$1,787,095,631
2012	83	$11,682,816,342	263	$9,512,072,694	$134,080,747,927	$115,142,550	$51,365,193	$145,763,564,269	$1,679,246,353

* Excludes revenues from Instructional Support Levies on assessment year 2012 valuations.

Source: Iowa Department of Management Property Valuation System

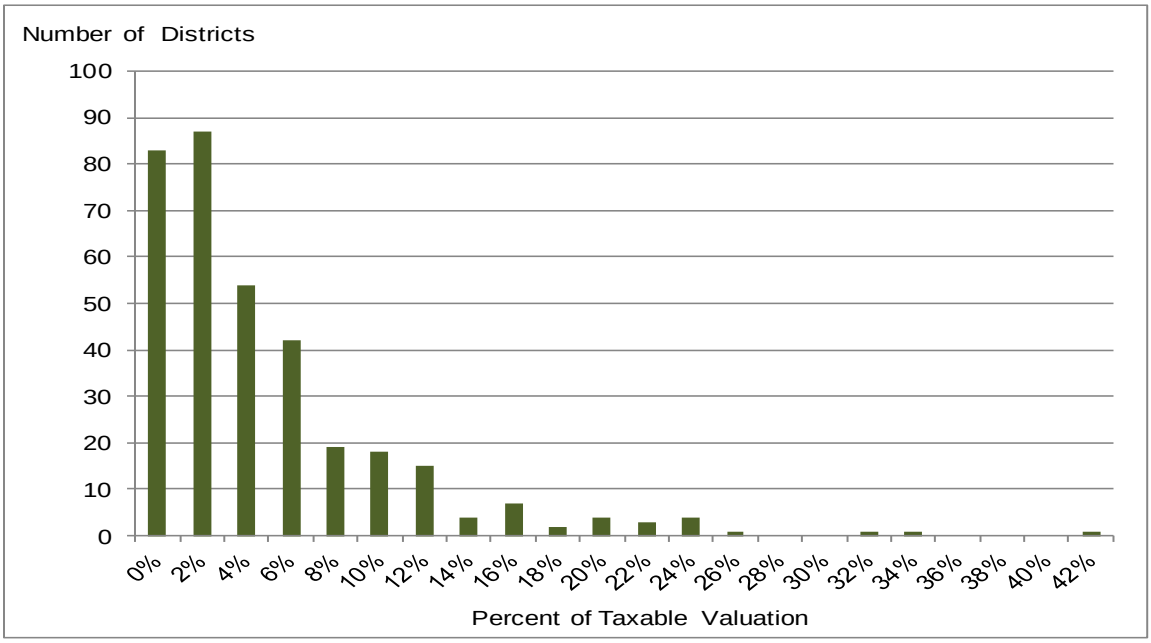
Figure 3. Iowa School District Revenues from Operating and Management Levies, Revenues Diverted to TIF, and State Foundation Aid as a Result of TIF, Assessment Years 2001-2012



* Excludes revenues from Instructional Support Levies on assessment year 2012 valuations.

Source: Iowa Department of Management Property Valuation System

Figure 4. Number of Iowa School Districts by Percent of District Taxable Valuation in TIF Increments, Assessment Year 2012



Source: Iowa Department of Management Property Valuation System

Table 7. Valuation, Revenues, and Tax Shift for Iowa School Districts by Quintile, Assessment Year 2012

Quintile of Percent of District Valuation in TIF	Range	District Revenues on Taxable Valuation Excluding TIF*	School District Valuation in TIF	State Foundation Aid Tax Shift from TIF	Tax Shift to Other Taxpayers from TIF
Highest Fifth	7.1% - 40.8%	$659,374,045	$6,825,816,426	$36,859,409	$45,830,869
Fourth Fifth	3.4% - 7.0%	$478,915,326	$2,019,443,999	$10,904,998	$13,525,925
Middle Fifth	1.3% - 3.4%	$321,187,171	$590,883,549	$3,190,771	$3,920,123
Second Fifth	0.0% - 1.2%	$205,836,980	$75,928,720	$410,015	$500,441
Lowest Fifth	0.0%	$120,591,521	$0	$0	$0
Total	0% - 40.8%	$1,785,905,043	$9,512,072,694	$51,365,193	$63,777,357

* Includes operating and management levies only. Excludes revenues from Instructional Support Levies.
Source: Iowa Department of Management Property Valuation System

Table 8. Net Taxable Valuations in TIF Increment and TIF Maximum Increment by County, Assessment Year 2012

County	TIF Increment	TIF Maximum Increment	Total Net Taxable Valuation	Percent of Maximum Increment in Used Increment	Percent of Total Net Taxable Valuation in Used Increment	Percent of Total Net Taxable Valuation in Maximum Increment
Adair	$ 54,856,267	$ 78,760,009	$ 526,126,724	70%	10%	15%
Adams	17,685,900	17,685,900	281,824,174	100%	6%	6%
Allamakee	26,049,374	49,924,603	670,463,939	52%	4%	7%
Appanoose	4,930,734	6,981,439	370,017,973	71%	1%	2%
Audubon	4,804,588	10,763,644	355,021,923	45%	1%	3%
Benton	51,387,721	99,393,758	1,272,222,078	52%	4%	8%
Black Hawk	283,297,592	721,885,384	5,301,679,459	39%	5%	14%
Boone	40,742,919	206,682,630	1,230,080,321	20%	3%	17%
Bremer	79,720,595	131,767,375	1,135,593,895	61%	7%	12%
Buchanan	11,516,902	78,500,280	938,394,865	15%	1%	8%
Buena Vista	22,050,870	22,050,870	1,010,757,577	100%	2%	2%
Butler	28,128,216	36,200,133	748,278,995	78%	4%	5%
Calhoun	71,382	71,382	595,981,806	100%	0%	0%
Carroll	35,364,690	40,539,633	1,139,643,463	87%	3%	4%
Cass	8,516,987	102,301,152	718,023,322	8%	1%	14%
Cedar	29,812,849	143,943,885	1,036,302,002	21%	3%	14%
Cerro Gordo	79,114,218	237,097,836	2,299,996,805	33%	3%	10%
Cherokee	14,149,752	30,189,799	732,549,679	47%	2%	4%
Chickasaw	14,355,934	22,944,576	693,767,626	63%	2%	3%
Clarke	15,132,574	17,114,124	376,601,368	88%	4%	5%
Clay	17,099,813	134,540,294	957,126,402	13%	2%	14%
Clayton	63,013,897	68,570,202	868,677,201	92%	7%	8%
Clinton	85,151,097	157,759,715	2,085,998,234	54%	4%	8%
Crawford	25,429,616	77,400,348	882,099,092	33%	3%	9%
Dallas	494,827,245	1,185,516,559	4,376,517,850	42%	11%	27%
Davis	9,744,018	9,920,976	310,632,742	98%	3%	3%
Decatur	584,239	699,959	240,085,117	83%	0%	0%
Delaware	39,626,264	148,357,573	968,098,159	27%	4%	15%
Des Moines	127,020,262	137,084,625	1,427,908,547	93%	9%	10%
Dickinson	236,810,349	513,063,004	2,356,763,420	46%	10%	22%
Dubuque	428,140,566	533,985,454	4,257,506,441	80%	10%	13%
Emmet	3,928,000	31,564,291	507,041,108	12%	1%	6%
Fayette	9,883,350	55,714,550	866,391,342	18%	1%	6%
Floyd	63,850,372	106,983,348	779,435,435	60%	8%	14%
Franklin	48,054,388	96,627,874	702,400,552	50%	7%	14%
Fremont	18,257,117	26,600,189	495,600,607	69%	4%	5%
Greene	3,475,483	9,951,059	587,149,028	35%	1%	2%
Grundy	41,125,863	153,920,252	763,356,857	27%	5%	20%
Guthrie	105,945,161	234,656,574	735,223,632	45%	14%	32%
Hamilton	27,016,548	50,322,438	886,799,258	54%	3%	6%
Hancock	26,318,272	37,398,799	842,893,301	70%	3%	4%
Hardin	64,837,471	105,431,788	868,838,428	61%	7%	12%
Harrison	9,451,861	33,543,422	788,487,658	28%	1%	4%
Henry	23,853,451	253,573,577	768,817,969	9%	3%	33%
Howard	54,199,920	78,916,908	551,472,574	69%	10%	14%
Humboldt	26,587,010	35,846,596	614,929,909	74%	4%	6%
Ida	15,910,258	24,431,204	457,430,671	65%	3%	5%
Iowa	80,305,190	99,948,801	892,911,854	80%	9%	11%
Jackson	47,748,525	103,095,594	897,049,518	46%	5%	11%
Jasper	143,230,241	207,908,790	1,507,970,921	69%	9%	14%
Jefferson	4,016,792	6,406,564	691,426,081	63%	1%	1%

Table 8 (Continued). Net Taxable Valuations in TIF Increment and TIF Maximum Increment by County, Assessment Year 2012

County	TIF Increment	TIF Maximum Increment	Total Net Taxable Valuation	Percent of Maximum Increment in Used Increment	Percent of Total Net Taxable Valuation in Used Increment	Percent of Total Net Taxable Valuation in Maximum Increment
Johnson	838,663,837	1,193,907,205	6,850,563,669	70%	12%	17%
Jones	33,869,421	41,557,627	893,720,924	81%	4%	5%
Keokuk	1,464,529	1,476,741	518,784,792	99%	0%	0%
Kossuth	9,269,142	62,743,725	1,173,141,364	15%	1%	5%
Lee	60,597,018	62,220,533	1,145,713,253	97%	5%	5%
Linn	560,702,753	1,709,097,806	9,596,431,704	33%	6%	18%
Louisa	13,100,495	13,851,943	550,144,974	95%	2%	3%
Lucas	630,956	630,956	288,084,536	100%	0%	0%
Lyon	44,629,290	44,629,290	768,545,696	100%	6%	6%
Madison	26,983,872	39,521,217	720,950,525	68%	4%	5%
Mahaska	3,600,000	125,372,205	948,380,616	3%	0%	13%
Marion	27,845,684	123,546,830	1,288,876,427	23%	2%	10%
Marshall	58,520,939	180,717,749	1,501,213,185	32%	4%	12%
Mills	26,233,490	28,471,959	834,290,712	92%	3%	3%
Mitchell	103,012,376	119,916,692	666,266,116	86%	15%	18%
Monona	11,845,101	23,217,007	567,982,747	51%	2%	4%
Monroe	-	129,521,895	406,221,138	0%	0%	32%
Montgomery	3,797,390	44,432,360	513,471,735	9%	1%	9%
Muscatine	42,518,417	113,193,008	1,789,725,486	38%	2%	6%
O'Brien	98,914,436	108,358,123	791,711,653	91%	12%	14%
Osceola	30,501,054	37,421,351	450,838,367	82%	7%	8%
Page	5,574,521	12,681,559	608,500,590	44%	1%	2%
Palo Alto	22,641,014	95,534,690	628,142,909	24%	4%	15%
Plymouth	223,570,896	269,450,963	1,522,567,868	83%	15%	18%
Pocahontas	3,668,432	10,254,185	628,630,200	36%	1%	2%
Polk	1,980,155,958	4,898,784,915	20,330,410,432	40%	10%	24%
Pottawattamie	240,570,096	374,839,867	4,242,242,148	64%	6%	9%
Poweshiek	83,956,612	134,294,295	1,082,701,972	63%	8%	12%
Ringgold	11,252,570	71,248,672	276,162,630	16%	4%	26%
Sac	7,611,136	7,611,136	650,576,569	100%	1%	1%
Scott	395,699,656	963,833,352	7,700,081,296	41%	5%	13%
Shelby	38,809,816	76,109,551	755,650,721	51%	5%	10%
Sioux	243,895,326	262,484,807	1,594,922,074	93%	15%	16%
Story	157,977,983	219,093,293	3,837,573,179	72%	4%	6%
Tama	2,594,864	20,191,617	855,000,630	13%	0%	2%
Taylor	588,557	588,557	283,518,113	100%	0%	0%
Union	27,221,052	57,816,956	457,954,355	47%	6%	13%
Van Buren	2,137,868	3,673,547	278,913,533	58%	1%	1%
Wapello	14,233,332	167,006,012	1,070,299,960	9%	1%	16%
Warren	122,538,764	139,484,607	1,844,593,953	88%	7%	8%
Washington	89,922,379	125,656,180	1,025,673,299	72%	9%	12%
Wayne	-	-	265,456,885		0%	0%
Webster	53,047,874	54,131,394	1,511,035,635	98%	4%	4%
Winnebago	103,625,385	108,804,078	616,922,401	95%	17%	18%
Winneshiek	7,786,783	66,543,302	1,023,526,776	12%	1%	7%
Woodbury	378,587,474	713,750,074	3,609,892,844	53%	10%	20%
Worth	94,613,055	163,249,420	625,316,198	58%	15%	26%
Wright	35,958,388	38,897,210	801,869,578	92%	4%	5%
Total	$ 9,512,072,694	$ 20,034,360,200	$ 145,763,564,269	47%	7%	14%

Source: Iowa Department of Management Property Valuation System

Table 9. Net Taxable Valuations by County, TIF, and Property Type (Urban or Rural), Assessment Year 2012

	Urban Property					Rural Property				
County	TIF Increment	TIF Maximum Increment	Total	Percent in TIF Increment	Percent in TIF Maximum Increment	TIF Increment	TIF Maximum Increment	Total	Percent in TIF Increment	Percent in TIF Maximum Increment
Adair	$ 19,518,855	$ 34,446,597	$ 140,200,862	14%	25%	$ 35,337,412	$ 44,313,412	$ 385,925,862	9%	11%
Adams	-	-	35,741,067	0%	0%	17,685,900	17,685,900	246,083,107	7%	7%
Allamakee	26,049,374	49,924,303	236,347,016	11%	21%	-	300	434,116,923	0%	0%
Appanoose	4,930,734	6,981,439	142,881,691	3%	5%	-	-	227,136,282	0%	0%
Audubon	2,797,720	6,489,144	60,390,097	5%	11%	2,006,868	4,274,500	294,631,826	1%	1%
Benton	51,387,721	99,393,758	477,897,109	11%	21%	-	-	794,324,969	0%	0%
Black Hawk	283,297,592	721,850,814	4,577,636,609	6%	16%	-	34,570	724,042,850	0%	0%
Boone	26,028,691	187,539,648	476,235,959	5%	39%	14,714,228	19,142,982	753,844,362	2%	3%
Bremer	79,193,045	131,181,165	624,345,295	13%	21%	527,550	586,210	511,248,600	0%	0%
Buchanan	11,516,902	78,500,280	374,734,911	3%	21%	-	-	563,659,954	0%	0%
Buena Vista	22,050,870	22,050,870	445,560,574	5%	5%	-	-	565,197,003	0%	0%
Butler	25,641,257	33,713,173	238,329,559	11%	14%	2,486,959	2,486,960	509,949,436	0%	0%
Calhoun	71,382	71,382	152,717,604	0%	0%	-	-	443,264,202	0%	0%
Carroll	35,364,690	40,539,633	595,900,636	6%	7%	-	-	543,742,827	0%	0%
Cass	7,479,637	101,167,221	272,119,787	3%	37%	1,037,350	1,133,931	445,903,535	0%	0%
Cedar	26,308,819	136,997,271	405,206,025	6%	34%	3,504,030	6,946,614	631,095,977	1%	1%
Cerro Gordo	77,895,011	235,823,067	1,651,038,901	5%	14%	1,219,207	1,274,769	648,957,904	0%	0%
Cherokee	4,667,364	16,330,717	202,226,039	2%	8%	9,482,388	13,859,082	530,323,640	2%	3%
Chickasaw	14,355,934	22,944,576	212,373,194	7%	11%	-	-	481,394,432	0%	0%
Clarke	15,132,574	17,114,124	189,615,720	8%	9%	-	-	186,985,648	0%	0%
Clay	17,099,813	134,540,294	490,770,799	3%	27%	-	-	466,355,603	0%	0%
Clayton	54,544,806	60,101,111	296,122,352	18%	20%	8,469,091	8,469,091	572,554,849	1%	1%
Clinton	85,151,097	157,759,715	1,440,624,245	6%	11%	-	-	645,373,989	0%	0%
Crawford	25,429,616	77,400,348	287,724,446	9%	27%	-	-	594,374,646	0%	0%
Dallas	492,468,900	1,182,214,649	3,438,853,253	14%	34%	2,358,345	3,301,910	937,664,597	0%	0%
Davis	9,744,018	9,920,976	74,686,245	13%	13%	-	-	235,946,497	0%	0%
Decatur	584,239	699,959	82,938,190	1%	1%	-	-	157,146,927	0%	0%
Delaware	39,626,264	145,489,273	312,605,987	13%	47%	-	2,868,300	655,492,172	0%	0%
Des Moines	127,020,262	137,084,625	947,303,440	13%	14%	-	-	480,605,107	0%	0%
Dickinson	215,911,355	492,164,010	1,482,276,576	15%	33%	20,898,994	20,898,994	874,486,844	2%	2%
Dubuque	424,125,181	529,970,069	3,157,886,825	13%	17%	4,015,385	4,015,385	1,099,619,616	0%	0%
Emmet	903,000	16,584,354	186,305,771	0%	9%	3,025,000	14,979,937	320,735,337	1%	5%
Fayette	9,883,350	54,989,049	304,824,043	3%	18%	-	725,501	561,567,299	0%	0%

Table 9 (Continued). Net Taxable Valuations by County, TIF, and Property Type (Urban or Rural), Assessment Year 2012

	Urban Property					Rural Property				
County	TIF Increment	TIF Maximum Increment	Total	Percent in TIF Increment	Percent in TIF Maximum Increment	TIF Increment	TIF Maximum Increment	Total	Percent in TIF Increment	Percent in TIF Maximum Increment
Floyd	42,698,502	82,917,268	316,803,151	13%	26%	21,151,870	24,066,080	462,632,284	5%	5%
Franklin	10,024,493	58,281,975	176,119,628	6%	33%	38,029,895	38,345,899	526,280,924	7%	7%
Fremont	6,401,178	12,769,600	107,550,939	6%	12%	11,855,939	13,830,589	388,049,668	3%	4%
Greene	3,475,483	9,951,059	163,713,557	2%	6%	-	-	423,435,471	0%	0%
Grundy	36,751,716	148,913,162	257,933,921	14%	58%	4,374,147	5,007,090	505,422,936	1%	1%
Guthrie	22,677,137	24,984,723	136,319,892	17%	18%	83,268,024	209,671,851	598,903,740	14%	35%
Hamilton	10,264,422	33,570,312	313,508,736	3%	11%	16,752,126	16,752,126	573,290,522	3%	3%
Hancock	26,318,272	37,398,799	239,689,455	11%	16%	-	-	603,203,846	0%	0%
Hardin	42,843,906	83,438,223	326,022,996	13%	26%	21,993,565	21,993,565	542,815,432	4%	4%
Harrison	9,451,861	31,739,960	216,690,085	4%	15%	-	1,803,462	571,797,573	0%	0%
Henry	23,853,451	235,586,062	390,919,702	6%	60%	-	17,987,515	377,898,267	0%	5%
Howard	3,365,779	22,416,110	146,383,606	2%	15%	50,834,141	56,500,798	405,088,968	13%	14%
Humboldt	26,587,010	35,846,596	243,875,801	11%	15%	-	-	371,054,108	0%	0%
Ida	8,740,573	17,261,519	131,853,694	7%	13%	7,169,685	7,169,685	325,576,977	2%	2%
Iowa	61,086,009	67,279,929	247,899,769	25%	27%	19,219,181	32,668,872	645,012,085	3%	5%
Jackson	47,748,525	101,818,718	386,070,149	12%	26%	-	1,276,876	510,979,369	0%	0%
Jasper	130,415,784	195,092,481	775,500,230	17%	25%	12,814,457	12,816,309	732,470,691	2%	2%
Jefferson	4,016,792	6,406,564	318,859,730	1%	2%	-	-	372,566,351	0%	0%
Johnson	838,663,837	1,193,907,205	5,494,335,186	15%	22%	-	-	1,356,228,483	0%	0%
Jones	33,809,161	41,497,367	293,043,522	12%	14%	60,260	60,260	600,677,402	0%	0%
Keokuk	1,464,529	1,476,741	126,201,067	1%	1%	-	-	392,583,725	0%	0%
Kossuth	9,221,421	62,696,004	304,381,693	3%	21%	47,721	47,721	868,759,671	0%	0%
Lee	60,597,018	62,220,533	642,500,946	10%	10%	-	-	503,212,307	0%	0%
Linn	559,647,517	1,702,357,294	8,352,016,969	7%	20%	1,055,236	6,740,512	1,244,414,735	0%	1%
Louisa	13,100,495	13,851,943	130,675,065	10%	11%	-	-	419,469,909	0%	0%
Lucas	630,956	630,956	103,658,205	1%	1%	-	-	184,426,331	0%	0%
Lyon	16,213,810	19,167,674	191,282,213	8%	10%	28,415,480	65,378,806	577,263,483	9%	11%
Madison	26,983,872	39,521,217	243,815,337	11%	16%	-	-	477,135,188	0%	0%
Mahaska	3,600,000	125,372,205	395,563,065	1%	32%	-	-	552,817,551	0%	0%
Marion	27,845,684	123,546,830	706,549,347	4%	17%	-	-	582,327,080	0%	0%
Marshall	52,151,105	174,347,915	889,057,074	6%	20%	6,369,834	6,369,834	612,156,111	1%	1%
Mills	10,241,403	12,479,872	206,969,144	5%	6%	15,992,087	15,992,087	627,321,568	3%	3%
Mitchell	43,233,986	60,138,302	185,451,915	23%	32%	59,778,390	59,778,390	480,814,201	12%	12%

Table 9 (Continued). Net Taxable Valuations by County, TIF, and Property Type (Urban or Rural), Assessment Year 2012

	Urban Property					Rural Property				
County	TIF Increment	TIF Maximum Increment	Total	Percent in TIF Increment	Percent in TIF Maximum Increment	TIF Increment	TIF Maximum Increment	Total	Percent in TIF Increment	Percent in TIF Maximum Increment
Monona	11,845,101	23,217,007	143,057,930	8%	16%	-	-	424,924,817	0%	0%
Monroe	-	-	88,741,179	0%	0%	-	129,521,895	317,479,959	0%	41%
Montgomery	3,447,742	33,933,547	173,352,745	2%	20%	349,648	10,498,813	340,118,990	0%	3%
Muscatine	41,321,607	111,996,198	1,054,184,557	4%	11%	1,196,810	1,196,810	735,540,929	0%	0%
O'Brien	69,040,754	78,484,441	291,559,439	24%	27%	29,873,682	29,873,682	500,152,214	6%	6%
Osceola	8,859,681	15,779,978	87,286,146	10%	18%	21,641,373	21,641,373	363,552,221	6%	6%
Page	5,574,521	12,681,559	264,610,013	3%	5%	-	-	343,890,577	0%	0%
Palo Alto	10,325,727	70,805,963	177,719,188	6%	40%	12,315,287	24,728,727	450,423,721	3%	5%
Plymouth	192,328,034	238,208,101	694,389,891	28%	34%	31,242,862	31,242,862	828,177,977	4%	4%
Pocahontas	3,668,432	10,253,476	104,094,960	4%	10%	-	709	524,535,240	0%	0%
Polk	1,973,965,958	4,888,214,746	18,757,536,161	11%	26%	6,190,000	10,570,169	1,572,874,271	0%	1%
Pottawattamie	240,570,096	374,839,867	2,807,494,918	9%	13%	-	-	1,434,747,230	0%	0%
Poweshiek	69,921,882	120,259,565	426,056,542	16%	28%	14,034,730	14,034,730	656,645,430	2%	2%
Ringgold	571,320	571,320	49,802,699	1%	1%	10,681,250	70,677,352	226,359,931	5%	31%
Sac	7,611,136	7,611,136	178,349,672	4%	4%	-	-	472,226,897	0%	0%
Scott	395,699,656	963,833,352	6,811,962,101	6%	14%	-	-	888,119,195	0%	0%
Shelby	32,043,691	69,343,426	233,865,352	14%	30%	6,766,125	6,766,125	521,785,369	1%	1%
Sioux	223,090,151	241,679,632	854,018,538	26%	28%	20,805,175	20,805,175	740,903,536	3%	3%
Story	142,303,183	187,743,693	3,030,816,372	5%	6%	15,674,800	31,349,600	806,756,807	2%	4%
Tama	2,511,239	20,107,992	260,968,407	1%	8%	83,625	83,625	594,032,223	0%	0%
Taylor	588,557	588,557	67,193,741	1%	1%	-	-	216,324,372	0%	0%
Union	27,221,052	57,816,956	220,729,323	12%	26%	-	-	237,225,032	0%	0%
Van Buren	2,137,868	3,673,547	62,781,129	3%	6%	-	-	216,132,404	0%	0%
Wapello	14,233,332	155,349,722	672,268,623	2%	23%	-	11,656,290	398,031,337	0%	3%
Warren	122,538,764	139,484,607	1,075,649,672	11%	13%	-	-	768,944,281	0%	0%
Washington	89,922,379	125,656,180	473,832,544	19%	27%	-	-	551,840,755	0%	0%
Wayne	-	-	63,094,093	0%	0%	-	-	202,362,792	0%	0%
Webster	31,370,454	32,444,874	753,476,419	4%	4%	21,677,420	21,686,520	757,559,216	3%	3%
Winnebago	41,320,633	45,926,213	211,512,564	20%	22%	62,304,752	62,877,865	405,409,837	15%	16%
Winneshiek	7,786,783	35,951,108	376,992,771	2%	10%	-	30,592,194	646,534,005	0%	5%
Woodbury	378,587,474	713,750,074	2,842,917,780	13%	25%	-	-	766,975,064	0%	0%
Worth	13,105,480	55,083,370	121,180,149	11%	45%	81,507,575	108,166,050	504,136,049	16%	21%
Wright	22,850,917	25,789,739	242,224,722	9%	11%	13,107,471	13,107,471	559,644,856	2%	2%
Total	$ 8,636,669,364	$ 18,641,942,678	$ 90,849,356,956	10%	21%	$ 875,403,330	$ 1,432,334,712	$ 54,914,207,313	2%	3%

Source: Iowa Department of Management Property Valuation System

Table 10. Cities by Presence of TIF Increment, Assessment Years 2000-2012

Assess-ment Year	All Cities		Cities without TIFs			Cities with TIFs			
	Count	Net Taxable Valuation	Count	Net Taxable Valuation	Percent of City Urban Taxable Value	Count	Net Taxable Valuation (Including TIF)	Net Taxable Valuations in TIF Increment	Percent of Urban Taxable Value
2000	945	$56,404,090,009	602	$3,901,293,026	7.0%	343	$52,502,796,983	$4,168,810,852	93.1%
2001	950	$58,691,265,522	586	$3,491,496,451	6.0%	364	$55,199,769,071	$4,892,179,094	94.1%
2002	950	$60,350,587,998	573	$3,279,359,837	5.5%	377	$57,071,228,161	$5,035,975,920	94.6%
2003	950	$62,779,537,849	565	$3,176,511,900	5.1%	385	$59,603,025,949	$5,668,884,407	94.9%
2004	949	$64,588,053,558	565	$3,238,870,374	5.0%	384	$61,349,183,184	$5,625,142,334	95.0%
2005	948	$68,559,727,855	558	$3,296,969,030	4.8%	390	$65,262,758,825	$6,469,111,051	95.2%
2006	947	$70,904,632,045	546	$3,139,525,953	4.5%	401	$67,765,106,092	$6,905,771,976	95.6%
2007	947	$75,297,414,170	541	$3,263,566,113	4.4%	406	$72,033,848,057	$7,523,411,117	95.7%
2008	947	$78,886,633,318	539	$3,359,600,313	4.3%	408	$75,527,033,005	$7,801,503,080	95.7%
2009	947	$82,044,162,182	537	$3,397,605,409	4.2%	410	$78,646,556,773	$7,928,772,259	95.9%
2010	947	$85,003,810,037	534	$3,481,190,473	4.1%	413	$81,522,619,564	$8,047,650,200	95.9%
2011	947	$87,807,136,403	533	$3,573,010,618	4.1%	414	$84,234,125,785	$8,522,482,432	95.9%
2012	946	$90,849,356,956	535	$3,808,401,505	4.2%	411	$87,040,955,451	$8,636,669,364	95.8%

Source: Iowa Department of Management Property Valuation System

Table 11. Net Taxable Value by County, Assessment Years 2000 and 2012

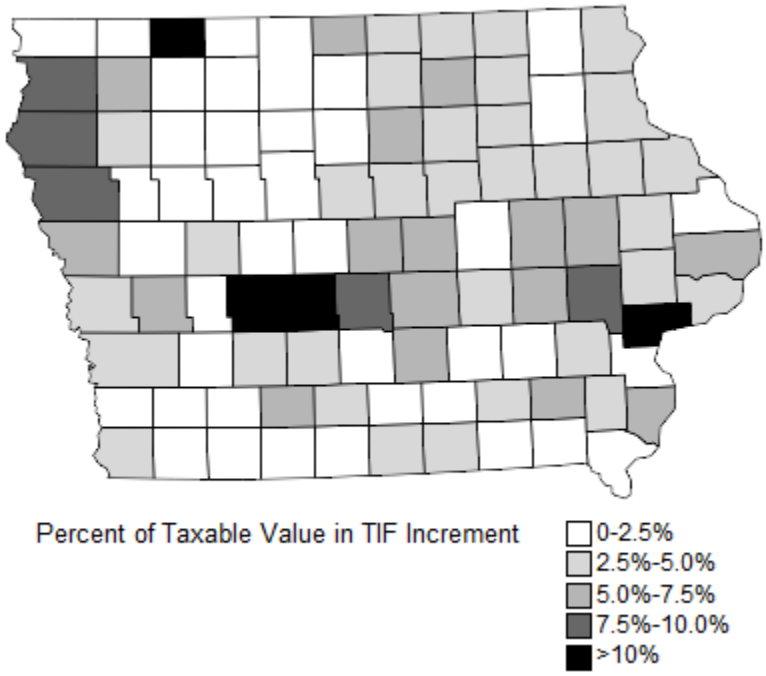
County	TIF Increment Valuations			Net Taxable Value (w/out gas and electric) Including TIF			Percent of Net Taxable Value in TIF Increment	
	Assessment Year		Percentage Change 2000 - 2012	Assessment Year		Percentage Change 2000 - 2012	Assessment Year	
	2000	2012		2000	2012		2000	2012
Adair	$ 10,934,424	$ 54,856,267	402%	$ 339,569,293	$ 526,126,724	55%	3%	10%
Adams	566,891	17,685,900	3020%	189,868,089	281,824,174	48%	0%	6%
Allamakee	15,860,415	26,049,374	64%	495,540,462	670,463,939	35%	3%	4%
Appanoose	1,535,416	4,930,734	221%	271,621,787	370,017,973	36%	1%	1%
Audubon	2,558,844	4,804,588	88%	277,659,628	355,021,923	28%	1%	1%
Benton	47,833,939	51,387,721	7%	886,838,932	1,272,222,078	43%	5%	4%
Black Hawk	116,981,137	283,297,592	142%	3,056,113,557	5,301,679,459	73%	4%	5%
Boone	21,637,239	40,742,919	88%	871,965,273	1,230,080,321	41%	2%	3%
Bremer	26,039,574	79,720,595	206%	770,150,480	1,135,593,895	47%	3%	7%
Buchanan	18,783,822	11,516,902	-39%	667,641,538	938,394,865	41%	3%	1%
Buena Vista	2,122,360	22,050,870	939%	692,679,936	1,010,757,577	46%	0%	2%
Butler	14,214,640	28,128,216	98%	543,660,034	748,278,995	38%	3%	4%
Calhoun	0	71,382	.	547,578,003	595,981,806	9%	0%	0%
Carroll	34,926,558	35,364,690	1%	837,419,804	1,139,643,463	36%	4%	3%
Cass	4,316,559	8,516,987	97%	473,863,500	718,023,322	52%	1%	1%
Cedar	17,034,672	29,812,849	75%	736,179,170	1,036,302,002	41%	2%	3%
Cerro Gordo	66,247,060	79,114,218	19%	1,576,249,176	2,299,996,805	46%	4%	3%
Cherokee	12,628,086	14,149,752	12%	541,704,202	732,549,679	35%	2%	2%
Chickasaw	14,568,154	14,355,934	-1%	517,967,901	693,767,626	34%	3%	2%
Clarke	24,739,413	15,132,574	-39%	289,937,667	376,601,368	30%	9%	4%
Clay	7,923,046	17,099,813	116%	688,438,206	957,126,402	39%	1%	2%
Clayton	22,103,662	63,013,897	185%	652,134,577	868,677,201	33%	3%	7%
Clinton	60,804,559	85,151,097	40%	1,486,233,809	2,085,998,234	40%	4%	4%
Crawford	19,796,722	25,429,616	28%	561,868,293	882,099,092	57%	4%	3%
Dallas	182,301,171	494,827,245	171%	1,605,655,383	4,376,517,850	173%	11%	11%
Davis	2,746,753	9,744,018	255%	224,277,038	310,632,742	39%	1%	3%
Decatur	660,325	584,239	-12%	187,747,449	240,085,117	28%	0%	0%
Delaware	17,985,041	39,626,264	120%	708,343,438	968,098,159	37%	3%	4%
Des Moines	66,304,544	127,020,262	92%	1,130,162,400	1,427,908,547	26%	6%	9%
Dickinson	154,390,451	236,810,349	53%	1,086,871,133	2,356,763,420	117%	14%	10%
Dubuque	80,983,001	428,140,566	429%	2,459,011,592	4,257,506,441	73%	3%	10%
Emmet	10,437,283	3,928,000	-62%	392,973,823	507,041,108	29%	3%	1%
Fayette	14,806,883	9,883,350	-33%	689,284,762	866,391,342	26%	2%	1%
Floyd	32,338,760	63,850,372	97%	567,798,628	779,435,435	37%	6%	8%
Franklin	20,682,150	48,054,388	132%	544,075,658	702,400,552	29%	4%	7%
Fremont	1,247,104	18,257,117	1364%	378,514,925	495,600,607	31%	0%	4%
Greene	7,692,939	3,475,483	-55%	493,360,661	587,149,028	19%	2%	1%
Grundy	28,633,244	41,125,863	44%	565,842,463	763,356,857	35%	5%	5%
Guthrie	46,483,038	105,945,161	128%	483,182,479	735,223,632	52%	10%	14%
Hamilton	19,807,300	27,016,548	36%	708,724,320	886,799,258	25%	3%	3%
Hancock	3,975,541	26,318,272	562%	556,427,475	842,893,301	51%	1%	3%
Hardin	25,403,321	64,837,471	155%	677,636,579	868,838,428	28%	4%	7%
Harrison	11,786,498	9,451,861	-20%	602,428,899	788,487,658	31%	2%	1%
Henry	20,327,547	23,853,451	17%	586,587,962	768,817,969	31%	3%	3%
Howard	14,153,923	54,199,920	283%	370,423,893	551,472,574	49%	4%	10%
Humboldt	3,274,037	26,587,010	712%	480,144,383	614,929,909	28%	1%	4%
Ida	7,217,756	15,910,258	120%	354,718,607	457,430,671	29%	2%	3%
Iowa	37,643,976	80,305,190	113%	696,515,592	892,911,854	28%	5%	9%
Jackson	13,959,531	47,748,525	242%	594,229,890	897,049,518	51%	2%	5%
Jasper	58,271,613	143,230,241	146%	1,194,221,972	1,507,970,921	26%	5%	9%
Jefferson	29,285,871	4,016,792	-86%	554,486,775	691,426,081	25%	5%	1%

Table 11 (Continued). Net Taxable Value by County, Assessment Years 2000 and 2012

County	TIF Increment Valuations			Net Taxable Value (w/out gas and electric) Including TIF			Percent of Net Taxable Value in TIF Increment	
	Assessment Year		Percentage Change 2000 - 2012	Assessment Year		Percentage Change 2000 - 2012	Assessment Year	
	2000	2012		2000	2012		2000	2012
Johnson	$ 271,327,934	$ 838,663,837	209%	$ 3,754,076,775	$ 6,850,563,669	82%	7%	12%
Jones	21,391,880	33,869,421	58%	656,718,454	893,720,924	36%	3%	4%
Keokuk	0	1,464,529	.	448,664,419	518,784,792	16%	0%	0%
Kossuth	293,123	9,269,142	3062%	887,154,653	1,173,141,364	32%	0%	1%
Lee	21,878,443	60,597,018	177%	944,476,599	1,145,713,253	21%	2%	5%
Linn	343,357,233	560,702,753	63%	6,306,013,450	9,596,431,704	52%	5%	6%
Louisa	2,021,960	13,100,495	548%	422,964,623	550,144,974	30%	0%	2%
Lucas	3,833,111	630,956	-84%	227,591,281	288,084,536	27%	2%	0%
Lyon	3,982,762	44,629,290	1021%	503,854,868	768,545,696	53%	1%	6%
Madison	22,765,582	26,983,872	19%	461,853,922	720,950,525	56%	5%	4%
Mahaska	16,640,000	3,600,000	-78%	697,035,458	948,380,616	36%	2%	0%
Marion	33,861,760	27,845,684	-18%	862,127,633	1,288,876,427	49%	4%	2%
Marshall	47,773,199	58,520,939	22%	1,065,841,079	1,501,213,185	41%	4%	4%
Mills	7,031,553	26,233,490	273%	536,472,594	834,290,712	56%	1%	3%
Mitchell	19,554,131	103,012,376	427%	459,557,628	666,266,116	45%	4%	15%
Monona	20,594,821	11,845,101	-42%	459,431,604	567,982,747	24%	4%	2%
Monroe	11,765,000	0	-100%	357,778,268	406,221,138	14%	3%	0%
Montgomery	16,393,760	3,797,390	-77%	371,340,876	513,471,735	38%	4%	1%
Muscatine	146,129,563	42,518,417	-71%	1,413,232,743	1,789,725,486	27%	10%	2%
O'Brien	31,606,116	98,914,436	213%	583,338,903	791,711,653	36%	5%	12%
Osceola	6,297,024	30,501,054	384%	309,123,624	450,838,367	46%	2%	7%
Page	2,620,985	5,574,521	113%	463,092,735	608,500,590	31%	1%	1%
Palo Alto	8,701,869	22,641,014	160%	440,366,054	628,142,909	43%	2%	4%
Plymouth	74,484,874	223,570,896	200%	1,055,540,649	1,522,567,868	44%	7%	15%
Pocahontas	1,592,057	3,668,432	130%	472,453,161	628,630,200	33%	0%	1%
Polk	827,983,606	1,980,155,958	139%	12,189,662,530	20,330,410,432	67%	7%	10%
Pottawattamie	100,333,052	240,570,096	140%	2,628,626,925	4,242,242,148	61%	4%	6%
Poweshiek	17,621,315	83,956,612	376%	700,672,527	1,082,701,972	55%	3%	8%
Ringgold	1,341,573	11,252,570	739%	180,369,249	276,162,630	53%	1%	4%
Sac	332,210	7,611,136	2191%	501,904,459	650,576,569	30%	0%	1%
Scott	210,368,130	395,699,656	88%	4,962,752,317	7,700,081,296	55%	4%	5%
Shelby	30,965,071	38,809,816	25%	532,087,523	755,650,721	42%	6%	5%
Sioux	77,937,737	243,895,326	213%	1,077,202,433	1,594,922,074	48%	7%	15%
Story	119,384,159	157,977,983	32%	2,551,129,621	3,837,573,179	50%	5%	4%
Tama	8,773,309	2,594,864	-70%	673,262,441	855,000,630	27%	1%	0%
Taylor	1,031,320	588,557	-43%	196,789,782	283,518,113	44%	1%	0%
Union	21,605,290	27,221,052	26%	332,573,862	457,954,355	38%	6%	6%
Van Buren	778,740	2,137,868	175%	217,225,064	278,913,533	28%	0%	1%
Wapello	26,783,182	14,233,332	-47%	704,149,710	1,070,299,960	52%	4%	1%
Warren	10,487,786	122,538,764	1068%	1,074,862,288	1,844,593,953	72%	1%	7%
Washington	14,238,665	89,922,379	532%	709,213,793	1,025,673,299	45%	2%	9%
Wayne	7,433,875	0	-100%	212,800,660	265,456,885	25%	3%	0%
Webster	29,684,206	53,047,874	79%	1,282,963,515	1,511,035,635	18%	2%	4%
Winnebago	19,953,158	103,625,385	419%	428,447,983	616,922,401	44%	5%	17%
Winneshiek	6,352,979	7,786,783	23%	669,290,508	1,023,526,776	53%	1%	1%
Woodbury	274,578,655	378,587,474	38%	2,697,280,888	3,609,892,844	34%	10%	10%
Worth	18,649,443	94,613,055	407%	329,354,490	625,316,198	90%	6%	15%
Wright	13,852,817	35,958,388	160%	630,128,480	801,869,578	27%	2%	4%
Total	$ 4,453,325,811	$ 9,512,072,694	114%	$ 96,509,384,597	$ 145,763,564,269	51%	5%	7%

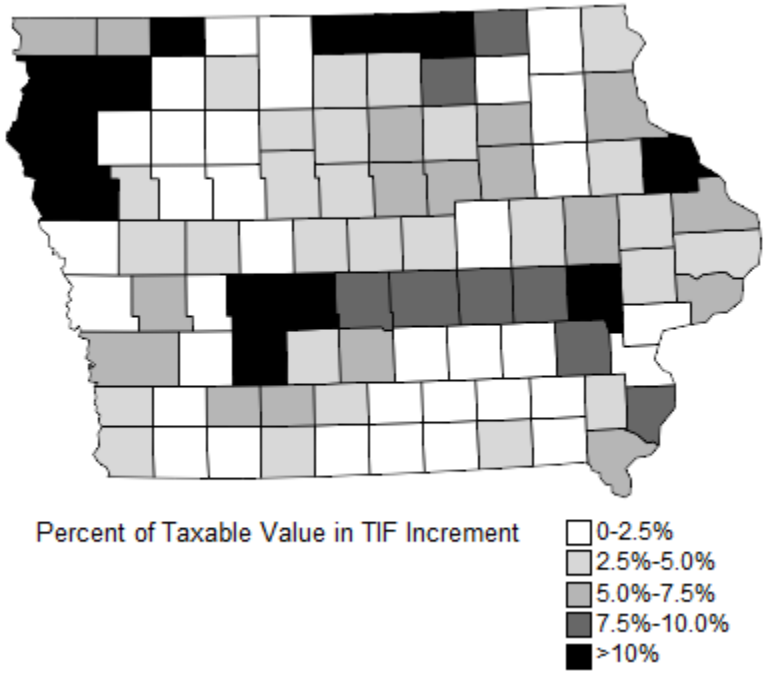
Source: Iowa Department of Management Property Valuation System

Figure 5. Percent of Taxable Value in TIF Increment by County, Assessment Year 2002



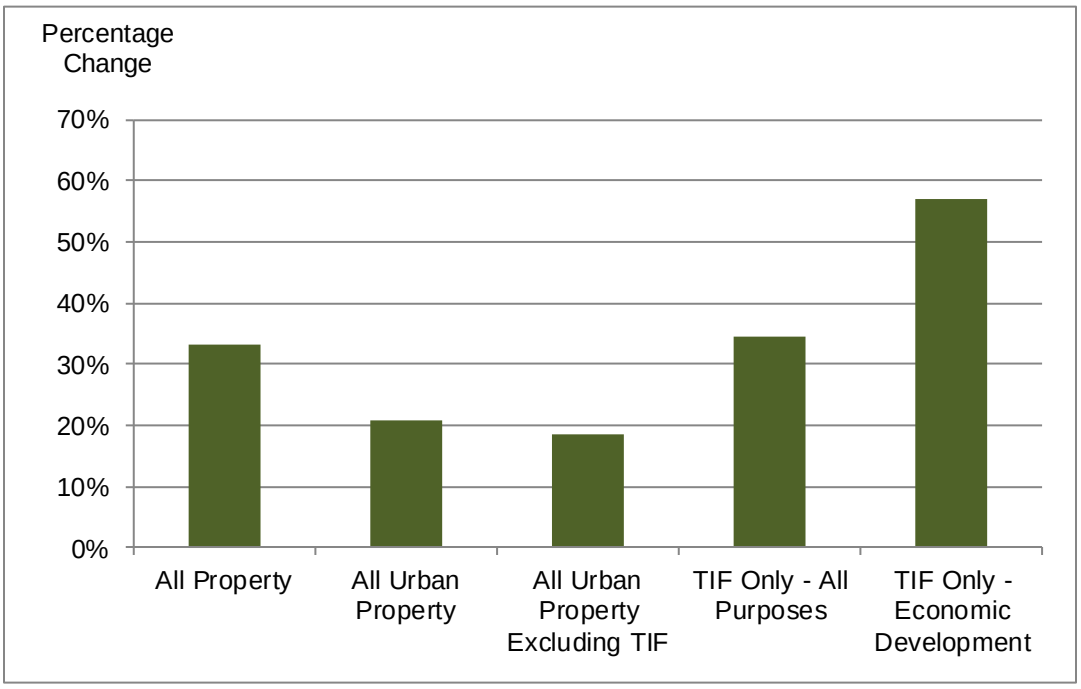
Source: Iowa Department of Management Property Valuation System

Figure 6. Percent of Taxable Value in TIF Increment by County, Assessment Year 2012



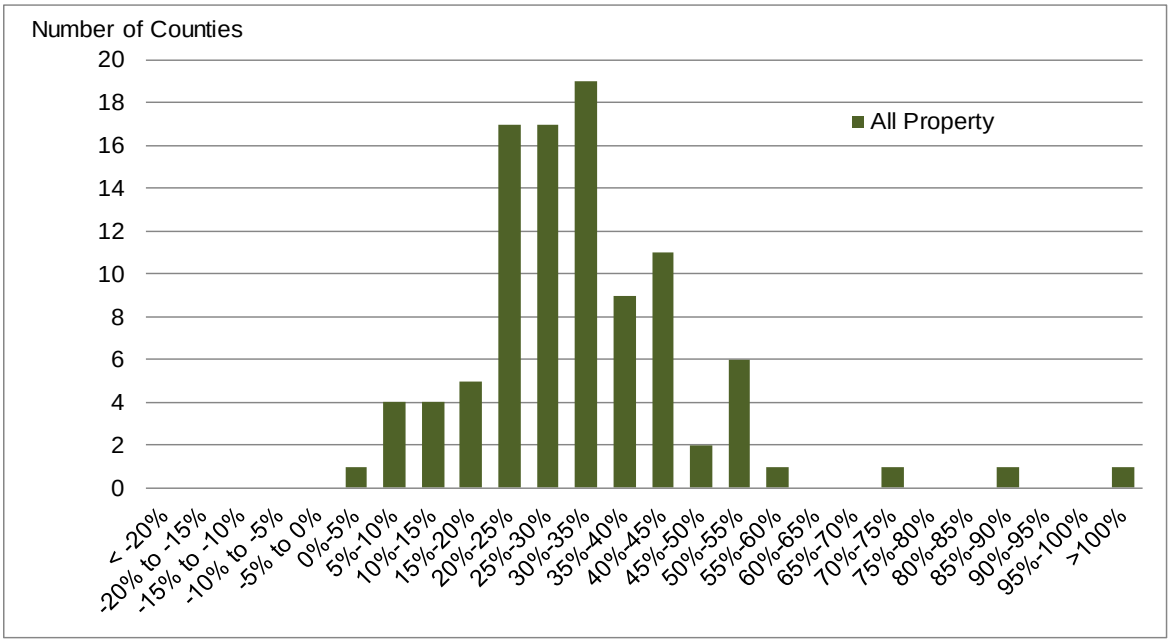
Source: Iowa Department of Management Property Valuation System

Figure 7. Percentage Change in Assessed Valuations between 2000 and 2012 by Property Category



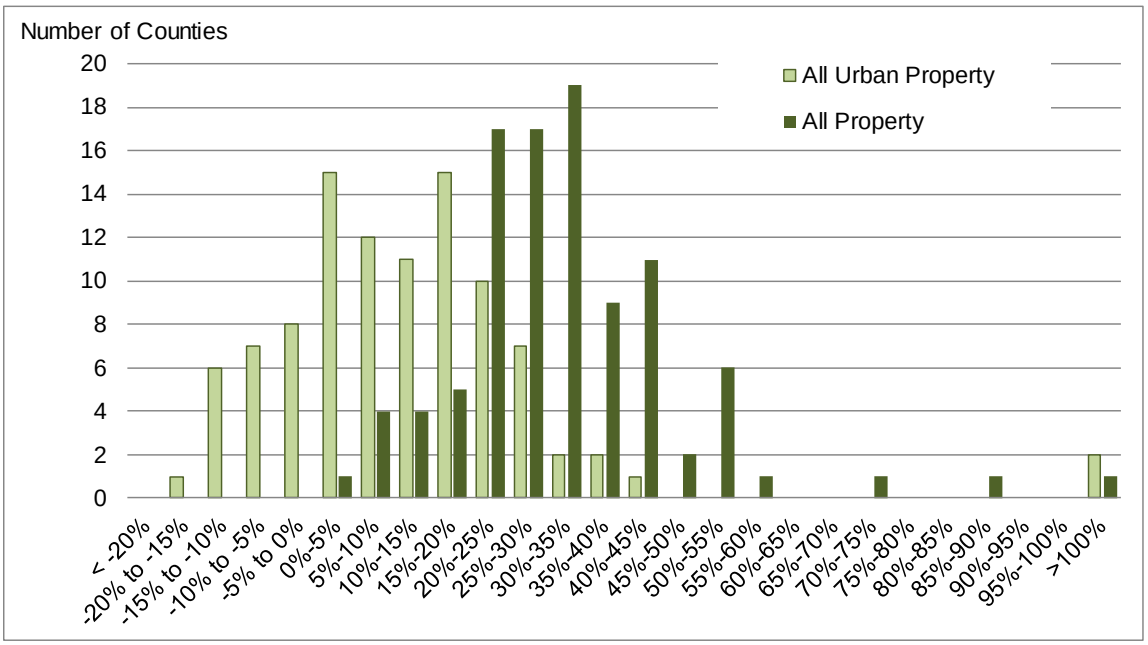
Note: TIF valuation growth reflects growth of TIF areas that existed throughout the period and excludes districts that became TIF areas after 2000.
Source: Iowa Department of Management Property Valuation System

Figure 8. Number of Counties by Percent Growth in Valuation 2000-2012, All Property



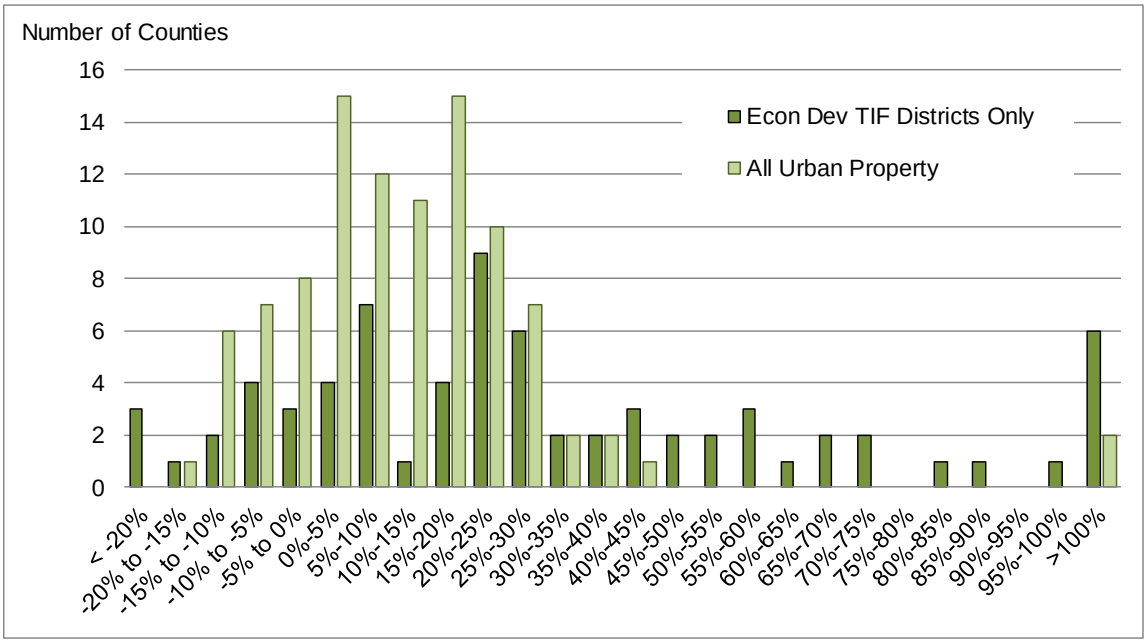
Source: Iowa Department of Management Property Valuation System

Figure 9. Number of Counties by Percent Growth in Valuation 2000-2012, All Property and All Urban Property



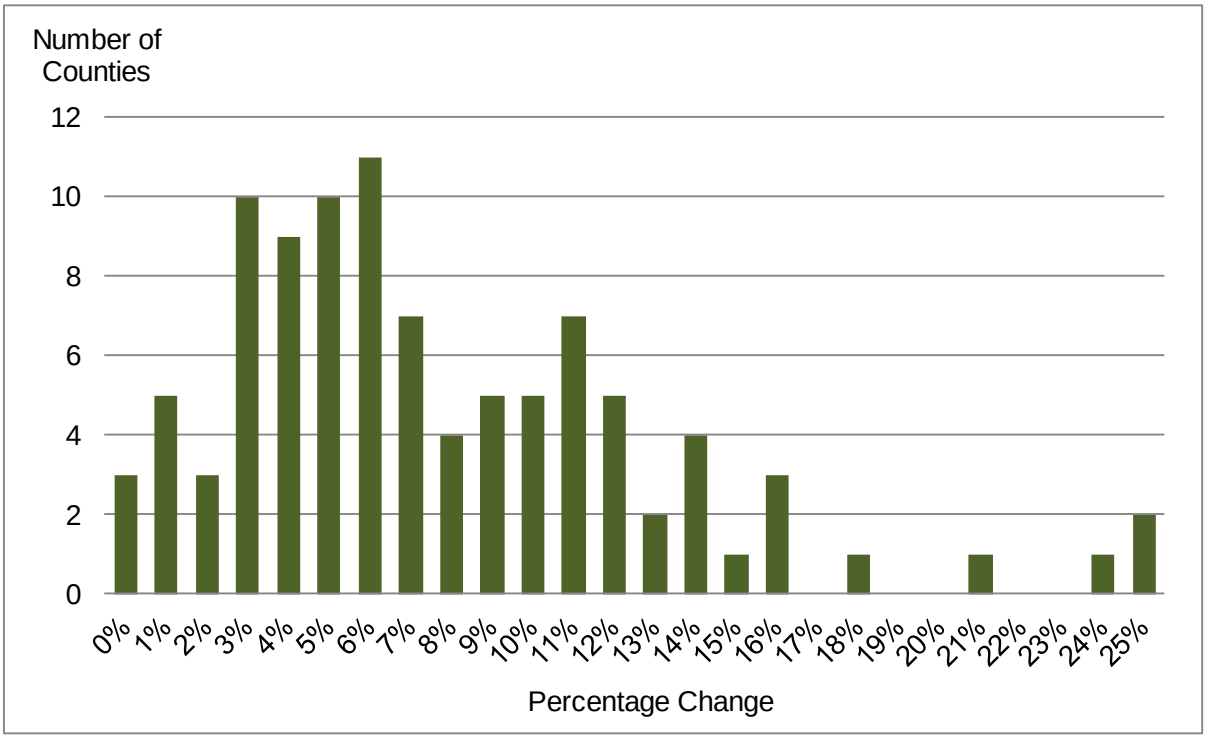
Note: TIF valuation growth reflects growth of TIF areas that existed throughout the period and excludes districts that became TIF areas after 2000.
Source: Iowa Department of Management Property Valuation System

Figure 10. Number of Counties by Percent Growth in Valuation 2000-2012, All Urban Property and Urban Economic Development TIF Districts



Note: TIF valuation growth reflects growth of TIF areas that existed throughout the period and excludes districts that became TIF areas after 2000.
Source: Iowa Department of Management Property Valuation System

Figure 11. Number of Counties by Percentage of Urban Property Revenues to TIF Increments, Fiscal Years 2000-2012



Source: Iowa Department of Management Property Valuation System

Table 12. Percent Change in Employment and Real Aggregate Wages in Iowa Between 2002 and 2012, by Industrial Sector

Industrial Sector	Employment	Wages
Manufacturing	-7.4%	-1.1%
Retail Trade	-3.7%	-8.2%
Financial Activities	7.9%	26.6%
Professional and Business Services	22.6%	47.1%
Education and Health Services	16.9%	22.2%
Leisure and Hospitality	7.5%	9.2%
All Other Industries	3.0%	8.9%
Total	4.6%	11.8%

Source: U.S. Bureau of Labor Statistics

Table 13. Percentage of Urban Property Tax Revenues to TIF, Employment, and Standardized Employment Growth by County: 2002-2012

County	Percentage of Total Urban Property Tax Revenues to TIF 2002 - 2012	Employment 2002	Standardized Growth Estimate	Employment 2012	Actual Change in Employment 2002 to 2012	Difference between Actual Growth and Standardized Growth Estimate as a Percent of 2012 Actual Employment
Iowa	25%	8,783	-90	7,879	-904	-10%
Plymouth	25%	8,344	185	9,261	917	8%
O'Brien	24%	5,131	268	5,296	165	-2%
Sioux	21%	14,384	365	17,268	2,884	15%
Dickinson	18%	7,812	194	7,334	-478	-9%
Floyd	16%	4,707	159	4,352	-355	-12%
Shelby	16%	3,995	231	5,077	1,082	17%
Mitchell	16%	2,924	74	2,997	73	0%
Grundy	15%	2,989	97	3,318	329	7%
Winnebago	14%	4,462	170	3,496	-966	-32%
Dallas	14%	10,880	425	31,565	20,685	64%
Jones	14%	4,644	126	4,946	302	4%
Adair	14%	2,522	73	2,360	-162	-10%
Hardin	13%	6,446	260	5,526	-920	-21%
Clarke	13%	3,726	83	3,459	-267	-10%
Jasper	12%	12,243	123	8,354	-3,889	-48%
Worth	12%	1,228	25	1,901	673	34%
Clayton	12%	5,304	218	5,343	39	-3%
Washington	12%	5,938	199	6,763	825	9%
Johnson	12%	45,983	2,641	52,451	6,468	7%
Buchanan	11%	4,507	77	4,806	299	5%
Madison	11%	2,688	102	2,618	-70	-7%
Franklin	11%	2,726	77	3,138	412	11%
Woodbury	11%	43,790	2,494	43,752	-38	-6%
Union	11%	4,668	145	5,219	551	8%
Allamakee	11%	4,768	53	4,029	-739	-20%
Benton	11%	4,146	116	4,177	31	-2%
Des Moines	10%	19,707	618	18,943	-764	-7%
Butler	10%	2,492	98	2,993	501	13%
Poweshiek	10%	8,841	492	8,520	-321	-10%
Jackson	10%	5,368	172	5,027	-341	-10%
Cedar	10%	3,956	155	4,313	357	5%
Marion	9%	14,718	98	14,590	-128	-2%
Bremer	9%	7,607	331	7,914	307	0%
Davis	9%	1,523	30	1,392	-131	-12%
Polk	9%	228,787	15,701	237,375	8,588	-3%
Dubuque	9%	45,242	2,179	51,782	6,540	8%
Delaware	8%	4,585	109	5,075	490	8%
Monona	8%	2,445	178	2,045	-400	-28%
Crawford	8%	5,849	69	6,262	413	5%
Chickasaw	8%	3,686	87	4,049	363	7%
Wright	7%	4,754	117	4,426	-328	-10%
Guthrie	7%	2,217	120	2,213	-4	-6%
Carroll	7%	10,495	578	10,575	80	-5%
Black Hawk	7%	59,720	2,703	64,398	4,678	3%
Marshall	7%	15,554	318	14,719	-835	-8%
Lee	7%	14,291	445	13,994	-297	-5%
Palo Alto	7%	2,629	124	2,699	70	-2%

Table 13 (Continued). Percentage of Urban Property Tax Revenues to TIF, Employment, and Standardized Employment Growth by County: 2002-2012

County	Percentage of Total Urban Property Tax Revenues to TIF 2002 - 2012	Employment 2002	Standardized Growth Estimate	Employment 2012	Actual Change in Employment 2002 to 2012	Difference between Actual Growth and Standardized Growth Estimate as a Percent of 2012 Actual Employment
Clinton	6%	18,959	797	19,840	881	0%
Boone	6%	6,748	227	6,664	-84	-5%
Hancock	6%	6,395	-210	5,512	-883	-12%
Hamilton	6%	6,877	-13	4,499	-2,378	-53%
Cerro Gordo	6%	22,803	1,227	21,596	-1,207	-11%
Emmet	6%	3,624	164	3,448	-176	-10%
Fayette	6%	6,058	324	6,006	-52	-6%
Linn	6%	104,556	5,462	112,684	8,128	2%
Louisa	6%	2,933	-16	2,831	-102	-3%
Howard	6%	3,381	-7	3,200	-181	-5%
Fremont	6%	2,904	-19	2,021	-883	-43%
Story	5%	26,554	1,428	28,774	2,220	3%
Henry	5%	8,417	246	7,408	-1,009	-17%
Pottawattamie	5%	30,999	1,373	32,057	1,058	-1%
Warren	5%	6,797	349	7,579	782	6%
Lyon	5%	2,832	100	3,937	1,105	26%
Cherokee	5%	4,534	162	4,466	-68	-5%
Harrison	5%	3,008	159	3,286	278	4%
Humboldt	5%	3,275	44	3,315	40	0%
Ida	5%	3,094	66	2,995	-99	-6%
Scott	5%	75,769	4,277	79,680	3,911	0%
Wayne	4%	1,254	16	1,290	36	2%
Osceola	4%	2,140	52	1,878	-262	-17%
Clay	4%	7,780	283	7,244	-536	-11%
Mahaska	4%	6,350	188	6,355	5	-3%
Jefferson	4%	6,460	286	5,997	-463	-12%
Wapello	4%	13,628	529	13,342	-286	-6%
Webster	4%	15,912	753	14,579	-1,333	-14%
Audubon	4%	1,532	55	1,421	-111	-12%
Winneshiek	4%	8,399	361	8,064	-335	-9%
Pocahontas	3%	2,055	58	2,271	216	7%
Muscatine	3%	19,030	451	19,101	71	-2%
Greene	3%	2,193	63	2,299	106	2%
Van Buren	3%	1,416	5	1,440	24	1%
Appanoose	3%	4,049	92	3,725	-324	-11%
Tama	3%	2,876	100	2,791	-85	-7%
Mills	3%	2,112	147	2,342	230	4%
Ringgold	3%	980	41	960	-20	-6%
Montgomery	3%	3,952	127	3,136	-816	-30%
Sac	3%	2,703	147	2,619	-84	-9%
Buena Vista	2%	8,427	205	9,087	660	5%
Cass	2%	4,593	216	4,576	-17	-5%
Kossuth	2%	5,146	190	5,599	453	5%
Lucas	1%	2,543	81	2,501	-42	-5%
Taylor	1%	1,341	21	1,489	148	9%
Page	1%	4,766	272	5,091	325	1%
Adams	1%	1,048	55	978	-70	-13%
Decatur	1%	1,600	116	1,574	-26	-9%
Keokuk	0%	2,036	47	1,785	-251	-17%
Calhoun	0%	2,317	193	2,314	-3	-8%
Monroe	0%	2,312	16	2,951	639	21%
Total	8%	1,185,671	54,915	1,240,586	54,915	0%

Sources: Iowa Department of Management Property Valuation System; U.S. Bureau of Labor Statistics

Table 14. Descriptive Statistics for Standardized and Actual Employment Growth by County

	Standardized Growth Estimate	*Actual*
Mean	555	555
Median	155	-4
Standard Deviation	1,750	2,703
Range	15,910	24,574
Minimum	-210	-3,889
Maximum	15,701	20,685
Sum	54,915	54,915
Count	99	99

Source: U.S. Bureau of Labor Statistics

Table 15. Percentage of Urban Property Tax Revenues to TIF, Aggregate Wages, and Standardized Aggregate Wage Growth by County: 2002-2012

County	Percentage of Total Urban Property Tax Revenues to TIF 2002 - 2012	Aggregate Wages 2002	Standardized Growth Estimate	Aggregate Wages 2012	Actual Change in Aggregate Wages 2002 to 2012	Difference between Actual Growth and Standardized Growth Estimate as a Percent of 2012 Actual Wages
Iowa	25%	$333,701,148	$9,576,102	$283,049,431	-$50,651,717	-21%
Plymouth	25%	312,051,768	20,039,759	363,331,912	51,280,144	9%
O'Brien	24%	135,405,006	14,824,544	161,330,729	25,925,723	7%
Sioux	21%	439,489,396	36,263,564	585,314,840	145,825,444	19%
Dickinson	18%	229,570,257	16,000,573	228,800,274	-769,983	-7%
Floyd	16%	145,877,768	11,223,445	156,142,110	10,264,342	-1%
Shelby	16%	109,694,889	14,225,962	159,240,105	49,545,216	22%
Mitchell	16%	88,737,835	6,716,860	106,087,344	17,349,509	10%
Grundy	15%	100,302,709	9,750,840	131,071,008	30,768,299	16%
Winnebago	14%	122,341,225	10,635,630	110,333,655	-12,007,570	-21%
Dallas	14%	407,143,958	44,813,371	1,566,192,204	1,159,048,246	71%
Jones	14%	129,453,676	9,167,225	162,301,176	32,847,500	15%
Adair	14%	74,638,457	6,440,672	71,255,480	-3,382,977	-14%
Hardin	13%	206,962,674	22,340,879	189,757,314	-17,205,360	-21%
Clarke	13%	110,732,137	7,421,392	108,204,898	-2,527,239	-9%
Jasper	12%	496,782,847	22,803,090	258,840,923	-237,941,924	-101%
Worth	12%	34,265,226	2,678,350	56,090,925	21,825,699	34%
Clayton	12%	157,781,412	15,358,965	170,986,686	13,205,274	-1%
Washington	12%	170,716,834	13,861,357	201,373,755	30,656,921	8%
Johnson	12%	1,538,368,515	195,252,971	1,861,961,295	323,592,780	7%
Buchanan	11%	134,765,218	8,552,121	152,482,847	17,717,629	6%
Madison	11%	77,542,500	7,360,219	78,112,216	569,716	-9%
Franklin	11%	90,607,193	9,055,675	117,235,964	26,628,771	15%
Woodbury	11%	1,509,028,337	184,238,999	1,481,660,503	-27,367,834	-14%
Union	11%	136,254,908	12,706,014	161,032,245	24,777,337	7%
Allamakee	11%	131,610,553	7,958,211	120,762,980	-10,847,573	-16%
Benton	11%	124,415,412	9,688,075	134,067,600	9,652,188	0%
Des Moines	10%	723,676,201	58,813,207	680,392,704	-43,283,497	-15%
Butler	10%	68,667,211	6,034,810	100,974,016	32,306,805	26%
Poweshiek	10%	314,172,828	38,908,733	328,537,341	14,364,513	-7%
Jackson	10%	136,661,996	11,053,137	137,628,643	966,647	-7%
Cedar	10%	116,698,866	10,759,356	140,311,134	23,612,268	9%
Marion	9%	555,445,168	25,822,362	586,733,595	31,288,427	1%
Bremer	9%	265,068,144	33,593,651	291,902,500	26,834,356	-2%
Davis	9%	41,435,599	2,311,744	39,349,464	-2,086,135	-11%
Polk	9%	10,522,688,268	1,834,168,404	11,528,726,346	1,006,038,078	-7%
Dubuque	9%	1,683,139,664	184,803,163	2,073,745,168	390,605,504	10%
Delaware	8%	141,996,369	8,992,058	179,116,812	37,120,443	16%
Monona	8%	64,581,858	8,625,543	63,078,180	-1,503,678	-16%
Crawford	8%	183,725,523	11,164,420	212,547,431	28,821,908	8%
Chickasaw	8%	113,933,403	8,152,116	140,725,350	26,791,947	13%
Wright	7%	149,754,796	11,689,890	156,160,508	6,405,712	-3%
Guthrie	7%	60,823,545	7,540,793	78,326,922	17,503,377	13%
Carroll	7%	305,425,369	34,801,733	355,897,584	50,472,215	4%
Black Hawk	7%	2,241,662,277	237,718,920	2,667,774,519	426,112,242	7%
Marshall	7%	559,654,694	38,375,139	562,548,294	2,893,600	-6%
Lee	7%	496,660,599	34,061,631	504,659,700	7,999,101	-5%
Palo Alto	7%	71,626,751	7,504,399	82,470,644	10,843,893	4%

Table 15 (Continued). Percentage of Urban Property Tax Revenues to TIF, Aggregate Wages, and Standardized Aggregate Wage Growth by County: 2002-2012

County	Percentage of Total Urban Property Tax Revenues to TIF 2002 - 2012	Aggregate Wages 2002	Standardized Growth Estimate	Aggregate Wages 2012	Actual Change in Aggregate Wages 2002 to 2012	Difference between Actual Growth and Standardized Growth Estimate as a Percent of 2012 Actual Wages
Clinton	6%	$643,134,131	$56,014,361	$690,034,932	$46,900,801	-1%
Boone	6%	214,626,131	15,810,363	228,583,806	13,957,675	-1%
Hancock	6%	246,264,535	4,629,287	217,322,460	-28,942,075	-15%
Hamilton	6%	227,270,727	12,569,512	152,455,500	-74,815,227	-57%
Cerro Gordo	6%	761,568,073	88,300,153	783,907,200	22,339,127	-8%
Emmet	6%	110,962,241	11,275,796	113,244,466	2,282,225	-8%
Fayette	6%	169,959,967	18,812,005	183,046,972	13,087,005	-3%
Linn	6%	4,658,310,950	574,101,324	5,291,124,005	632,813,055	1%
Louisa	6%	89,059,640	3,772,390	95,662,321	6,602,681	3%
Howard	6%	103,862,850	5,205,459	104,792,842	929,992	-4%
Fremont	6%	102,933,034	3,507,749	78,621,426	-24,311,608	-35%
Story	5%	865,353,612	105,579,678	1,052,494,641	187,141,029	8%
Henry	5%	310,097,241	26,489,566	255,496,458	-54,600,783	-32%
Pottawattamie	5%	1,010,168,161	102,693,283	1,077,227,858	67,059,697	-3%
Warren	5%	210,440,751	20,555,884	240,059,946	29,619,195	4%
Lyon	5%	74,571,614	8,217,246	119,894,200	45,322,586	31%
Cherokee	5%	138,483,798	11,825,914	146,857,092	8,373,294	-2%
Harrison	5%	81,226,835	8,657,057	105,158,880	23,932,045	15%
Humboldt	5%	102,036,348	6,209,196	113,674,665	11,638,317	5%
Ida	5%	104,541,095	7,136,310	116,044,446	11,503,351	4%
Scott	5%	2,913,429,815	344,058,115	3,185,845,152	272,415,337	-2%
Wayne	4%	30,662,594	1,759,394	37,186,361	6,523,767	13%
Osceola	4%	60,814,502	4,197,416	61,891,284	1,076,782	-5%
Clay	4%	247,549,121	23,437,083	253,318,885	5,769,764	-7%
Mahaska	4%	199,551,820	16,753,564	213,457,134	13,905,314	-1%
Jefferson	4%	226,642,660	25,023,271	199,285,790	-27,356,870	-26%
Wapello	4%	451,560,373	41,054,481	473,185,636	21,625,263	-4%
Webster	4%	575,989,086	61,446,111	557,996,511	-17,992,575	-14%
Audubon	4%	41,367,563	4,068,191	43,412,238	2,044,675	-5%
Winneshiek	4%	274,503,858	26,201,108	276,012,058	1,508,200	-9%
Pocahontas	3%	55,843,919	4,553,501	74,138,441	18,294,522	19%
Muscatine	3%	812,211,841	80,527,537	851,229,618	39,017,777	-5%
Greene	3%	65,321,632	5,821,306	82,157,768	16,836,136	13%
Van Buren	3%	41,087,621	2,332,963	51,095,185	10,007,564	15%
Appanoose	3%	118,604,971	8,090,196	106,687,725	-11,917,246	-19%
Tama	3%	79,666,881	6,385,146	87,494,110	7,827,229	2%
Mills	3%	62,935,892	8,225,086	78,878,097	15,942,205	10%
Ringgold	3%	23,642,158	2,244,264	24,600,330	958,172	-5%
Montgomery	3%	113,871,798	10,091,257	102,684,774	-11,187,024	-21%
Sac	3%	71,017,081	7,625,473	85,477,500	14,460,419	8%
Buena Vista	2%	256,582,478	22,608,669	304,833,760	48,251,282	8%
Cass	2%	129,720,593	14,399,109	135,334,836	5,614,243	-6%
Kossuth	2%	156,663,980	14,425,677	202,124,461	45,460,481	15%
Lucas	1%	84,966,095	7,555,821	84,592,620	-373,475	-9%
Taylor	1%	33,262,365	2,208,934	44,570,370	11,308,005	20%
Page	1%	137,101,056	15,274,696	159,451,644	22,350,588	4%
Adams	1%	30,434,900	3,650,080	34,718,046	4,283,146	2%
Decatur	1%	38,582,061	5,382,878	42,760,432	4,178,371	-3%
Keokuk	0%	64,018,670	4,182,319	56,364,374	-7,654,296	-21%
Calhoun	0%	56,989,110	8,245,916	66,199,496	9,210,386	1%
Monroe	0%	86,851,591	3,548,598	121,335,550	34,483,959	25%
Total	8%	$ 44,132,060,808	$ 5,220,590,768	$ 49,352,651,576	$ 5,220,590,768	0%

Sources: Iowa Department of Management Property Valuation System; U.S. Bureau of Labor Statistics

Table 16. Descriptive Statistics for Standardized and Actual Changes in Aggregate Wages by County

	Standardized Growth Estimate	*Actual*
Mean	52,733,240	52,733,240
Median	11,164,420	13,087,005
Standard Deviation	196,112,033	179,743,620
Range	1,832,409,010	1,396,990,170
Minimum	1,759,394	(237,941,924)
Maximum	1,834,168,404	1,159,048,246
Sum	5,220,590,768	5,220,590,768
Count	99	99

Source: U.S. Bureau of Labor Statistics

Table 17. Correlation between County Urban Property Taxes Diverted to TIF and Difference Between Standardized and Actual Employment Growth and Aggregate Wage Growth

	Correlation Coefficients	
	Employment Growth	Wage Growth
Percentage of Urban Property Taxes - All Counties	-0.137	-0.130
Percentage of Urban Property Taxes - Metropolitan Counties	0.292	0.241
Percentage of Urban Property Taxes - Non-Metropolitan Counties	0.027	-0.052

Note: Metropolitan counties are defined as counties whose U.S. Department of Agriculture Rural-Urban Continuum Code was 3 or lower in 2013.

Table 18. Data for Regression Analysis

County	Percent of Property Tax Revenues of Urban Districts Diverted to TIF in 2002 through 2012	Percent of Population Age 18-64 with Postsecondary Degree (U.S. Census 2007-2011 estimates)	Unemployment Rate (Annual Rate, 2007)	2012 Population Estimate*	Net Taxable Value of Urban Property (Assessment Year 2000, $ Billions)
Adair	13.5%	31.3%	3.6%	7,481	0.082
Adams	1.0%	32.3%	4.2%	3,911	0.028
Allamakee	10.9%	26.6%	4.8%	14,237	0.160
Appanoose	2.9%	28.7%	7.0%	12,700	0.115
Audubon	3.5%	31.9%	4.0%	5,910	0.048
Benton	10.8%	31.3%	4.0%	25,827	0.261
Black Hawk	7.0%	33.6%	3.8%	131,820 *	2.441
Boone	6.2%	33.2%	3.3%	26,195	0.305
Bremer	9.3%	39.6%	3.2%	24,479	0.364
Buchanan	11.5%	33.3%	4.2%	20,942	0.210
Buena Vista	2.4%	28.3%	3.2%	20,592	0.268
Butler	10.2%	27.1%	4.1%	14,986	0.136
Calhoun	0.0%	35.3%	3.3%	9,909	0.132
Carroll	7.0%	30.9%	2.7%	20,631	0.405
Cass	2.4%	25.8%	4.2%	13,723	0.178
Cedar	9.6%	33.4%	3.3%	18,416	0.214
Cerro Gordo	5.9%	38.9%	4.0%	43,788	1.055
Cherokee	5.0%	31.7%	3.7%	11,946	0.159
Chickasaw	7.5%	27.9%	4.2%	12,276	0.140
Clarke	12.9%	24.7%	4.2%	9,370	0.123
Clay	4.0%	32.3%	3.2%	16,599	0.345
Clayton	11.9%	26.5%	4.9%	17,835	0.197
Clinton	6.4%	30.7%	3.8%	48,717	0.895
Crawford	8.0%	21.8%	3.4%	17,309	0.160
Dallas	14.3%	54.2%	2.9%	71,967 *	0.777
Davis	9.0%	29.4%	4.6%	8,689	0.049
Decatur	1.0%	20.4%	4.1%	8,253	0.056
Delaware	8.5%	28.3%	3.6%	17,574	0.187
Des Moines	10.3%	29.3%	4.5%	40,340	0.688
Dickinson	17.8%	43.2%	4.0%	16,972	0.478
Dubuque	8.5%	34.6%	4.0%	95,097 *	1.691
Emmet	5.9%	30.4%	3.7%	10,120	0.129
Fayette	5.7%	28.5%	4.5%	20,793	0.217
Floyd	16.0%	30.8%	4.5%	16,056	0.198
Franklin	11.2%	29.0%	3.6%	10,554	0.112
Fremont	5.6%	25.7%	4.1%	7,147	0.080
Greene	3.3%	36.7%	3.6%	9,153	0.115
Grundy	14.7%	38.7%	3.2%	12,448	0.138
Guthrie	7.0%	33.1%	3.9%	10,777	0.086
Hamilton	5.9%	31.3%	3.3%	15,344	0.242
Hancock	6.1%	33.0%	3.8%	11,134	0.142
Hardin	13.2%	37.1%	3.9%	17,302	0.225
Harrison	5.0%	28.7%	4.3%	14,548	0.152
Henry	5.5%	30.1%	4.8%	20,236	0.261
Howard	5.6%	26.9%	3.7%	9,563	0.091
Humboldt	4.8%	32.4%	3.1%	9,729	0.161
Ida	4.7%	30.0%	3.4%	7,108	0.077
Iowa	25.5%	36.9%	3.7%	16,189	0.140
Jackson	10.0%	24.3%	4.7%	19,712	0.213
Jasper	12.3%	27.6%	6.5%	36,602	0.534
Jefferson	3.7%	41.4%	4.2%	16,867	0.241

* The ten most populous counties are noted with an asterisk.

Table 18 (Continued). Data for Regression Analysis

County	Percent of Property Tax Revenues of Urban Districts Diverted to TIF in 2002 through 2012	Percent of Population Age 18-64 with Postsecondary Degree (U.S. Census 2007-2011 estimates)	Unemployment Rate (Annual Rate, 2007)	2012 Population Estimate*		Net Taxable Value of Urban Property (Assessment Year 2000, $ Billions)
Johnson	11.7%	49.4%	2.8%	136,317	*	2.609
Jones	13.8%	28.0%	4.2%	20,639		0.180
Keokuk	0.4%	26.1%	4.2%	10,374		0.093
Kossuth	2.4%	33.4%	3.6%	15,346		0.211
Lee	6.6%	26.0%	5.8%	35,617		0.510
Linn	5.7%	42.2%	3.7%	215,295	*	5.075
Louisa	5.7%	21.2%	3.7%	11,278		0.096
Lucas	1.3%	20.6%	3.9%	8,760		0.079
Lyon	5.0%	29.9%	2.4%	11,757		0.122
Madison	11.5%	33.6%	4.2%	15,654		0.138
Mahaska	3.8%	29.2%	3.7%	22,443		0.274
Marion	9.5%	32.8%	3.6%	33,419		0.440
Marshall	6.7%	30.6%	4.1%	40,857		0.561
Mills	2.8%	36.5%	3.8%	14,837		0.145
Mitchell	15.6%	31.7%	3.4%	10,725		0.101
Monona	8.5%	25.8%	5.6%	9,124		0.095
Monroe	0.0%	32.6%	4.2%	8,063		0.066
Montgomery	2.7%	30.6%	6.3%	10,566		0.134
Muscatine	3.4%	27.7%	3.4%	42,879		0.772
O'Brien	23.6%	32.3%	3.1%	14,172		0.173
Osceola	4.3%	27.5%	3.4%	6,193		0.067
Page	1.1%	26.7%	4.7%	15,713		0.210
Palo Alto	6.5%	31.0%	3.4%	9,275		0.102
Plymouth	24.7%	33.3%	3.1%	24,907		0.351
Pocahontas	3.5%	31.2%	3.2%	7,150		0.074
Polk	8.8%	43.2%	3.6%	443,710	*	10.335
Pottawattamie	5.4%	28.9%	4.3%	92,913	*	1.578
Poweshiek	10.0%	29.8%	4.0%	18,736		0.262
Ringgold	2.7%	38.1%	4.2%	5,096		0.034
Sac	2.6%	31.9%	3.5%	10,153		0.115
Scott	4.6%	40.5%	3.8%	168,799	*	4.155
Shelby	15.7%	33.1%	3.3%	12,069		0.138
Sioux	20.6%	31.7%	2.6%	34,268		0.396
Story	5.5%	45.1%	2.8%	91,140	*	1.826
Tama	2.8%	30.1%	4.4%	17,536		0.182
Taylor	1.2%	27.1%	4.1%	6,208		0.045
Union	11.1%	27.9%	4.1%	12,594		0.144
Van Buren	3.1%	23.2%	4.3%	7,449		0.046
Wapello	3.7%	25.8%	4.4%	35,366		0.412
Warren	5.3%	38.8%	3.3%	46,891		0.552
Washington	11.9%	31.0%	3.5%	21,914		0.271
Wayne	4.3%	28.5%	4.6%	6,344		0.044
Webster	3.6%	29.9%	4.0%	37,273		0.622
Winnebago	14.5%	34.4%	3.5%	10,600		0.134
Winneshiek	3.5%	34.4%	3.7%	21,061		0.236
Woodbury	11.2%	27.7%	4.0%	102,323	*	1.874
Worth	12.1%	33.2%	3.8%	7,519		0.057
Wright	7.2%	27.0%	4.0%	12,991		0.197
Average	7.7%	31.5%	3.9%	31,052		0.528

* The ten most populous counties are noted with an asterisk.

Sources: Iowa Department of Management Property Valuation System, U.S. Census Bureau; U.S. Bureau of Labor Statistics

Table 19. Linear Regression: Explaining Variation in the Level of Employment Growth by County

Independent Variable	Coefficient	Standardized Coefficient	t-value
Intercept	-0.102	0	-0.51
Percentage of Urban Property Taxes Diverted to TIF	0.196	0.045	0.51
Postsecondary Degree Attainment Rates	1.113	0.278	2.57
County Unemployment Rates	-0.06	-0.195	-2.1
County's Status as among the Ten Most Populous	0.344	0.455	3.48
Net Taxable Valuation of Urban Taxing Districts in 2000	-0.072	-0.399	-3.18
Adjusted R^2	0.315		

Note: A t-value with an absolute value greater than 2.0 denotes statistical significance of the corresponding coefficient at the five percent level.

Table 20. Linear Regression: Explaining Variation in the Level of Wage Growth by County

Independent Variable	Coefficient	Standardized Coefficient	t-value
Intercept	0.018	0	0.06
Percentage of Urban Property Taxes Diverted to TIF	0.014	0.002	0.03
Postsecondary Degree Attainment Rates	1.578	0.277	2.54
County Unemployment Rates	-0.096	-0.221	-2.35
County's Status as among the Ten Most Populous	0.461	0.430	3.26
Net Taxable Valuation of Urban Taxing Districts in 2000	-0.112	-0.434	-3.43
Adjusted R^2	0.302		

Note: A t-value with an absolute value greater than 2.0 denotes statistical significance of the corresponding coefficient at the five percent level.

Table 21. Linear Regression: Explaining Variation in the Level of Actual Employment Growth over Standardized Estimates of Employment Growth

Independent Variable	Coefficient	Standardized Coefficient	t-value
Intercept	0.163	0	1.22
Percentage of Urban Property Taxes Diverted to TIF	0.109	0.039	0.42
Postsecondary Degree Attainment Rates	0.223	0.086	0.77
County Unemployment Rates	-0.071	-0.362	-3.73
County's Status as among the Ten Most Populous	0.162	0.332	2.43
Net Taxable Valuation of Urban Taxing Districts in 2000	-0.028	-0.240	-1.84
Adjusted R^2	0.254		

Note: A t-value with an absolute value greater than 2.0 denotes statistical significance of the corresponding coefficient at the five percent level.

Table 22. Linear Regression: Explaining Variation in the Level of Actual Wage Growth over Standardized Estimates of Wage Growth

Independent Variable	Coefficient	Standardized Coefficient	t-value
Intercept	0.428	0	2.51
Percentage of Urban Property Taxes Diverted to TIF	-0.182	-0.051	-0.56
Postsecondary Degree Attainment Rates	0.121	0.036	0.33
County Unemployment Rates	-0.116	-0.459	-4.77
County's Status as among the Ten Most Populous	0.161	0.257	1.90
Net Taxable Valuation of Urban Taxing Districts in 2000	-0.041	-0.271	-2.09
Adjusted R^2	0.269		

Note: A t-value with an absolute value greater than 2.0 denotes statistical significance of the corresponding coefficient at the five percent level.