

# Arts Center Redevelopment District

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TIF PRIORITIES

# Agenda

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- Review of Previous Meeting
- Existing Tax-Increment Financing (TIF) Projects
- Potential TIF Priorities

# Redevelopment Plan Goals

Harmonious land use patterns

Redevelopment of project area

Eliminate substandard buildings

Change land use or intensity

Establish standards and guidelines

# Redevelopment Plan Goals

Provide for relocation of businesses

Eliminate and prevent blight

Eliminate underutilized land

Provide for layout of new streets

Enhance historic resources

# Redevelopment Plan Goals

Promote future use of railroad

Discourage adult entertainment

Promote viability of Music Row

Connect Music Row to Arena

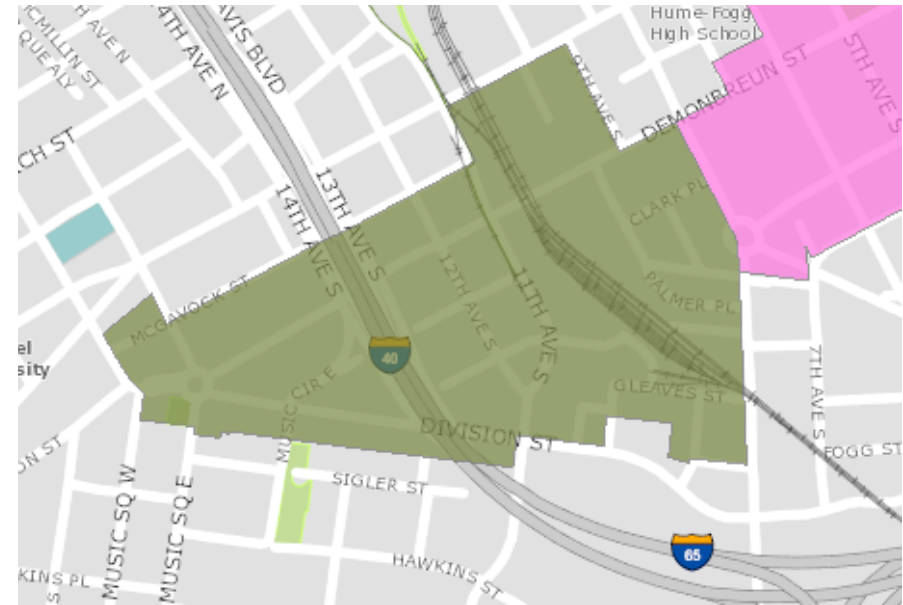
# Arts Center Redevelopment District

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Established in 1998; ends in 2040

1999 Total Appraised Values: \$109 million

2021 Total Appraised Values: \$2,453 million



# Arts Center Redevelopment District Map



# What is TIF?

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**Tax Increment Financing (TIF)** is a public financing tool that utilizes **future gains in property taxes** to subsidize current improvements.

TIF is based on the notion that upfront investment in an area by a government agency **will generate increased property taxes** for the taxing jurisdiction in future years. A portion of those increased (or “incremental”) taxes could then be used to pay back the costs of the development.

In Nashville, MDHA’s TIF can only be used as a redevelopment tool in **designated redevelopment districts** managed by MDHA.



# What is TIF?

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Considerations for a project receiving TIF:

Whether the proposed development represents a **significant contribution** to the goals of the district

Whether the proposed development is one that would **stimulate further development** in the district

When the TIF loan is repaid, Metro collects 100% of the tax revenues from the parcel going forward.

# What is TIF?

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MDHA historically has used tax increment in one of two ways:

**Assistance to a specific development parcel** based largely on tax increment to be generated by that parcel

**Direct expenditures for area-wide public purposes** that are not for the benefit of a particular development parcel

Overall public benefit is in **accordance with the redevelopment plan**

# What is TIF?

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The amount of TIF assistance potentially available to a particular development is restricted by two factors:

The **amount of TIF debt** the projected tax increment from the development would be able to carry

The **eligible uses** of TIF

**Remaining TIF balance in Arts Center:  
\$13.5 million**

# What is TIF?

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Activities eligible for TIF are limited to those authorized under state legislation as powers vested in the redevelopment agency. In Tennessee, TCA 13-20-202 defines the powers of a public housing authority in blighted areas.

- Land acquisition
- Clearance and remediation
- Relocation
- Public infrastructure (Sidewalks and Utilities)
- Parks and public plaza
- Parking garages
- Green initiatives
- Associated planning and administration

# TIF Projects: Javanco/Mercury View Lofts

Year: 2001

First phase of the redevelopment of  
the Gulch area

Industrial buildings renovated as  
restaurant, retail, and office space  
with apartments



# TIF Projects: Icon

Year: 2006

Includes 424 units with structured parking and ground floor retail

Anchored the Gulch as a mixed-use neighborhood



# TIF Projects: 321 12<sup>th</sup> Ave S

Year: 2011

Adaptive reuse of an old industrial building

The mixed-use building houses the Turnip Truck as its primary tenant providing fresh food to residents of the Gulch

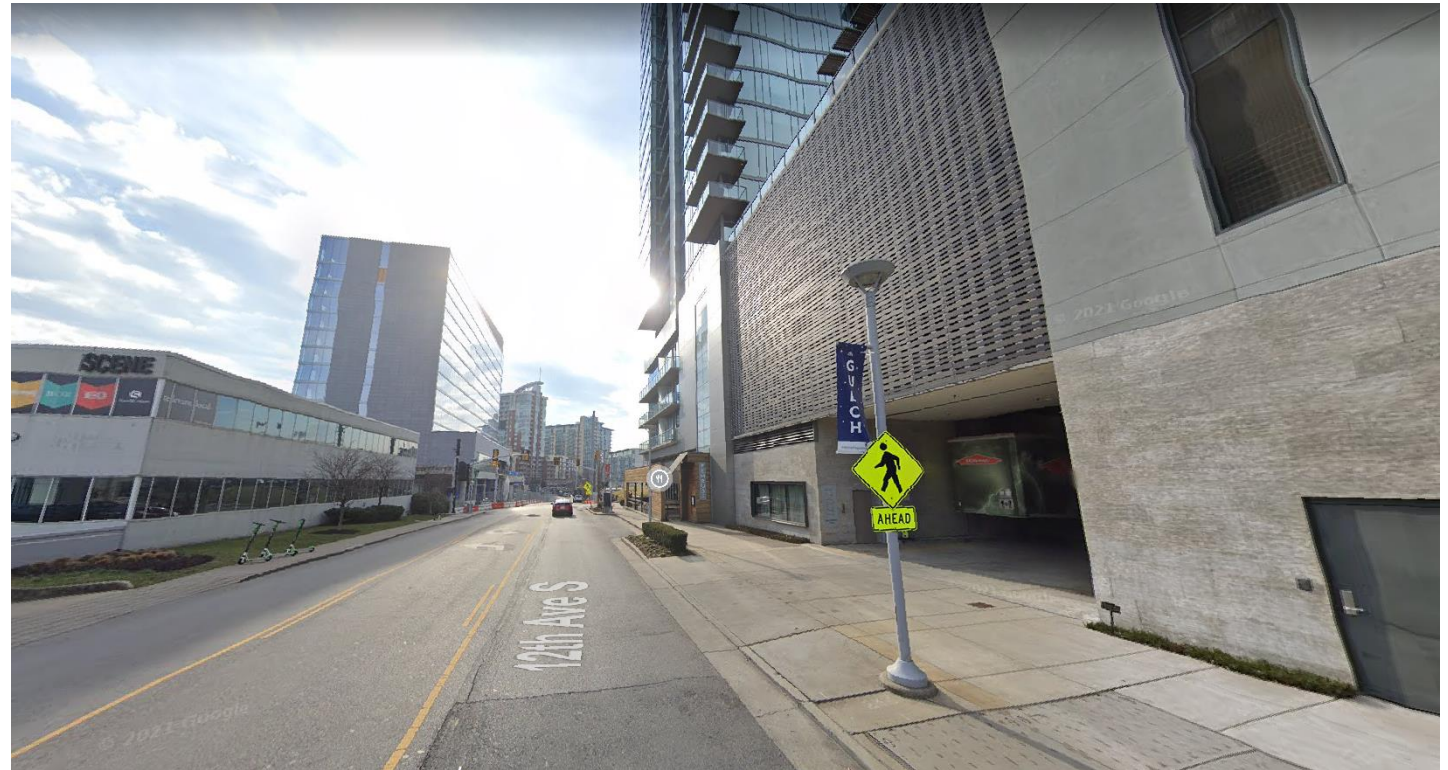


# TIF Projects: Gulch Infrastructure

Year: 2014

Laurel Street infrastructure project

Construction of a duct bank to bury existing overhead high and low voltage lines within public rights-of-way





# TIF Projects: Gulch Crossing

Year: 2014

First high-rise class A office building in the Gulch

Furtherance of the Gulch Master  
Redevelopment Plan



# TIF Projects: Gulch Thompson Hotel

Year: 2015

224-room hotel with structured  
parking located in the Gulch

Furtherance of the Gulch Master  
Redevelopment Plan



# Potential TIF Priorities

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- Affordable Housing
- Grocery Store
- Small Retail
- Infrastructure
- Historic Resources

# Contact Information

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Contact:

Shara D. Taylor

Urban Development Specialist

[staylor@Nashville-mdha.org](mailto:staylor@Nashville-mdha.org)

615-252-8540