Resolution to allow schools to be held harmless from TIF funded project deals.

WHEREAS Tax Increment Financing (TIF) Funds divert tax revenue above a determined current base level from a locality’s general fund to finance development project costs;

WHEREAS the value of the base level would be eroded each year by inflation, thereby causing Richmond Public Schools to lose money from the City of Richmond during the tenure of the TIF which can span several decades;

WHEREAS new development projects funded by a TIF could artificially inflate the perceived financial well-being of the city as calculated by the Local Composite Index, thus reducing the revenue Richmond Public Schools receives from the Commonwealth of Virginia;

WHEREAS Richmond Public Schools and other school districts across the commonwealth remain impacted by budget cuts to education made during the 2008 recession;

WHEREAS the School Board adopted a facilities plan which requires an estimated $800 million to modernize existing school facilities, and has increasing operational budget needs to support the district’s adopted strategic plan;

WHEREAS the state of California has outlawed TIF districts; the state of Georgia requires cities obtain voter approval to create a TIF district; and the Maryland General Assembly had to pass a special bill to appropriate $300 million to Baltimore Public Schools to offset lost revenue due to TIF funds and special tax deals;

THEREFORE, BE IT RESOLVED THAT; Richmond Public Schools seeks the authority to opt out of contributing its share of revenue to TIF district funds or other tax deals that fund city development projects.

Dawn Page  
Chairman

Jason Kamras  
Superintendent

November 18, 2019