



# Please, Columbia, Learn From Saint Louis' TIF Mistakes

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On Tuesday, [the Columbia City Council will hold a panel discussion about how Tax Increment Financing \(TIF\) works](#) . Former Saint Louis City Mayor Vincent Schoemehl will be one of the panelists.

Schoemehl is perhaps the best person to educate Columbia residents about the pitfalls of TIF. In the early 1990s, he supported the first TIF in Saint Louis, which city-backed bonds partially financed. The project was ([and is](#) ) a failure, and resulted in Saint Louis taxpayers having to help foot the bill.

Schoemehl has also been on the receiving end of TIF. He is the president and CEO of Grand Center Inc. In 2002, [Saint Louis agreed to provide TIF to Grand Center](#) , and gave the nonprofit, in the words of *St. Louis Post-Dispatch* reporter Jake Wagman, "[broad and almost unilateral powers](#) ." Wagman wrote that Grand Center had the power to "approve or reject building designs, dispense up to \$80 million in tax incentives and acquire land by eminent domain."

Columbia residents should also be aware of Saint Louis' more recent adventures with TIF. Saint Louis City politicians approve massive public subsidies for large, unwieldy development projects with [alarming regularity \(search for "tax increment financing"\)](#) . Discussions about Ballpark Village, [the perpetually changing development that has yet to happen](#) , have entailed large amounts of TIF.

Saint Louis is also home to the NorthSide TIF, one of the biggest TIFs in the country. That development would involve \$390 million in TIF, [if only a court would rule that the TIF agreement between the developer and the city was legitimate](#) . Today, NorthSide property remains largely vacant.

And, do not forget the East-West Gateway Council of Governments study of the use of development subsidies in the Saint Louis region. That study found that [retail jobs subsidized with TIF \(and some Transportation Development District subsidies\) came at a cost of more than \\$370,000 in public dollars per job](#) .

[As my colleague David Stokes would say](#) , I wish someone had written a book about the decades of development subsidy failures of Saint Louis. [Oh wait, historian Coin Gordon did](#) . As Gordon wrote:

In practice, blight is less an objective definition than it is a legal pretext for various forms of commercial tax abatement . . . Redevelopment policies originally intended to address unsafe or insufficient urban housing are now more routinely employed to subsidize the building of suburban shopping malls.

[For more on the revisionist TIF history that has been spouted in Columbia, click here](#) .

## About the Author



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- [9] <http://www.ewgateway.org/pdf/files/library/dirr/TIFFinalRpt.pdf>

[10] <http://showmeinstitute.org/publications/testimony/corporate-welfare/769-measurements-enterprise-zones.html>

[11] <http://www.amazon.com/Mapping-Divide-American-Politics-Culture/dp/0812220943>

[12] <https://showmeinstitute.org/2012/04/revisionist-tif-history-from-columbias-city-manager.html>

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