Vanderburgh County Redevelopment Commission

TIF Report Presentation
(IC 36-7-25-8)

May 30, 2019
Vanderburgh County Redevelopment Commission

- David Abbott, President
- James Raben, Vice President
- Matt Merkel, Member
- Tom Shelter Jr. Member
- Vernon Stevens, Member
- Terry Gamblin, Non-voting Member
Burkhardt Road Economic Development Area
Burkhardt Road EDA

About the Area

<table>
<thead>
<tr>
<th>Created/Expanded</th>
<th>Expiration</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 24, 1995</td>
<td>February 1, 2031 *</td>
</tr>
<tr>
<td>February 13, 2006</td>
<td>February 1, 2031 *</td>
</tr>
<tr>
<td>February 13, 2006</td>
<td>February 13, 2036</td>
</tr>
</tbody>
</table>

* Area will expire when the final debt payments are made because it's within the Evansville Corporate Boundaries

<table>
<thead>
<tr>
<th>Estimated Annual TIF</th>
<th>Pay 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$6,290,620</td>
</tr>
</tbody>
</table>
Burkhardt Road EDA

Projects Funded with TIF Revenues

- Green River Road reconstruction between Lynch and Millersburg
- Millersburg Road reconstruction between Hedden and Green River
- Heckel Road reconstruction between Oak Hill and Green River
- Cross Pointe Blvd. construction between Virginia and Morgan/SR 62
- Burkhardt Road – Virginia Street intersection reconstruction
- Burkhardt Road reconstruction – four separate phases between Lloyd/SR 66 and Lynch
Redevelopment District Tax Increment Refunding Revenue Bonds of 2014
- $25,785,000 issued / $20,610,000 outstanding
- Final maturity: February 1, 2031
- Bonds are repaid with Tax Increment on parity with Outstanding Obligations

Redevelopment District Tax Increment Refunding Revenue Bonds, Series 2016
- $5,285,000 issued / $3,115,000 outstanding
- Final maturity: February 1, 2023
- Bonds are repaid with Tax Increment on parity with Outstanding Obligations

Redevelopment District Tax Increment Revenue Bonds, Series 2018
- $7,500,000 issued / $7,500,000 outstanding
- Final maturity: February 1, 2031
- Bonds are repaid with Tax Increment on parity with Outstanding Obligations
Comparison of Estimated Tax Increment to Debt Payments – 100% Capture

Scenario 1: Assumes no estimated Incremental Assessed Value is passed through to the overlapping taxing units in taxes payable 2019 and beyond.

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Estimated Annual TIF</td>
<td>$6,290,620</td>
<td>$6,297,270</td>
<td>$6,301,700</td>
<td>$6,306,130</td>
</tr>
<tr>
<td>Annual Debt Payments</td>
<td>$3,565,383</td>
<td>$3,525,244</td>
<td>$3,521,294</td>
<td>$3,528,344</td>
</tr>
<tr>
<td>Additional TIF Available</td>
<td>$2,725,237</td>
<td>$2,772,026</td>
<td>$2,780,406</td>
<td>$2,777,786</td>
</tr>
<tr>
<td>Estimated coverage</td>
<td>176%</td>
<td>179%</td>
<td>179%</td>
<td>179%</td>
</tr>
</tbody>
</table>
### Burkhardt Road EDA

#### Comparison of Estimated Tax Increment to Debt Payments – 90% Capture

**Scenario 2:** Assumes 10% of the estimated Incremental Assessed Value is passed through in taxes payable 2020 and beyond.

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Estimated Annual TIF</td>
<td>$6,290,620</td>
<td>$5,498,630</td>
<td>$5,502,600</td>
<td>$5,506,570</td>
</tr>
<tr>
<td>Annual Debt Payments</td>
<td>$3,565,383</td>
<td>$3,525,244</td>
<td>$3,521,294</td>
<td>$3,528,344</td>
</tr>
<tr>
<td>Additional TIF Available</td>
<td>$2,725,237</td>
<td>$1,973,386</td>
<td>$1,981,306</td>
<td>$1,978,226</td>
</tr>
<tr>
<td>Estimated coverage</td>
<td>176%</td>
<td>156%</td>
<td>156%</td>
<td>156%</td>
</tr>
</tbody>
</table>
### Impact of $36 million TIF Pass-Through Assessed Value

<table>
<thead>
<tr>
<th></th>
<th>Increased Tax Revenue from Rate Limited Funds</th>
<th>Increased Tax Revenue due to Reduced Circuit Breaker Loss</th>
<th>Tax Revenue Gain</th>
</tr>
</thead>
<tbody>
<tr>
<td>County</td>
<td>$15,716</td>
<td>$153,831</td>
<td>$169,547</td>
</tr>
<tr>
<td>Townships</td>
<td>75</td>
<td>15,271</td>
<td>15,346</td>
</tr>
<tr>
<td>Municipalities</td>
<td>0</td>
<td>296,804</td>
<td>296,804</td>
</tr>
<tr>
<td>School</td>
<td>0</td>
<td>155,808</td>
<td>155,808</td>
</tr>
<tr>
<td>Library</td>
<td>0</td>
<td>42,828</td>
<td>42,828</td>
</tr>
<tr>
<td>Levee Authority</td>
<td>0</td>
<td>5,072</td>
<td>5,072</td>
</tr>
<tr>
<td>Airport Authority</td>
<td>4,469</td>
<td>5,464</td>
<td>9,933</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$20,260</strong></td>
<td><strong>$675,077</strong></td>
<td><strong>$695,337</strong></td>
</tr>
</tbody>
</table>

- Units gain $695,000
- TIF loses ($799,000) per year
Estimated Revenues (1)
   TIF General Fund $16,616,773
   2018 Bond Proceeds 8,051,064

Estimated Construction Related Costs (2)
   Green River Road Mitigation Site Monitoring ($11,000)
   Millersburg Rd. Mitigation Site Monitoring (11,298)
   Green River Ph. 6 (334,815)
   Green River Ph. 7 (5,012,711)
   Boonville New Harmony Rd. - Petersburg to SR 57 (8,882,380)
   Kansas Road (9,331,706)
   Green River Trail - Heckel to Millersburg (3,454,610)
   Green River Trail - Lenape to Heckel (7,034,366)
   Oak Hill Road - Lynch Rd. to Eastwood Dr. (12,426,710)
   Oak Hill Road - Eastwood Dr. to Hedden Road (3,376,703)
   Oak Hill Road Trail - Millersburg Rd. to Hedden Rd. (1,296,550)
   Green River Resurfacing - Hirsch to Millersburg (1,800,000)
   Total Estimated Costs (52,972,847)

Estimated Revenues Remaining ($28,305,010)

(1) No future interest earnings have been included in the revenue estimates. Does not include combined Debt Service Reserve balances of $3,122,267.
(2) Provided by the County Engineer.
Comparison of Estimated Tax Increment and Obligations

Burkhardt Road EDA

Estimated TIF Scenario #1  Estimated TIF Scenario #2  2014 Ref Bonds  2016 Ref Bonds  2018 Rev Bonds
Phoenix Commerce Center EDA (Vanderburgh Industrial Park)
## About the Area

<table>
<thead>
<tr>
<th>Created/Expanded</th>
<th>Expiration</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 26, 1997</td>
<td>June 26, 1997</td>
</tr>
<tr>
<td>July 19, 2017</td>
<td>25 years from bond issuance date</td>
</tr>
<tr>
<td>July 12, 2018</td>
<td>25 years from bond issuance date</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Pay 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Annual TIF</td>
</tr>
<tr>
<td>$1,072,870</td>
</tr>
</tbody>
</table>
Phoenix Commerce Center EDA (VIP)

Projects Funded with TIF Revenues

Industrial Park Subdivision
- All road and sewers
- A railroad spur into the subdivision
Redevelopment District Tax Increment Revenue Bond Anticipation Notes
Series 2018C
- $3,020,000 issued / $3,020,000 outstanding
- Total outstanding with interest $3,098,520
- Final maturity: August 1, 2019
- To be paid from the current balance in TIF General Fund
## Comparison of Estimated Tax Increment to Debt Payments

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Estimated Annual TIF</td>
<td>$1,072,870</td>
<td>$1,088,830</td>
<td>$1,105,470</td>
<td>$1,121,430</td>
</tr>
<tr>
<td>Annual Debt Payments</td>
<td>$3,098,520</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Additional TIF Available</td>
<td>($2,025,650)</td>
<td>$1,088,830</td>
<td>$1,105,470</td>
<td>$1,121,430</td>
</tr>
<tr>
<td>Estimated coverage</td>
<td>35%</td>
<td></td>
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</tr>
</tbody>
</table>

Note: Does not include TIF balance which is anticipated to be used to pay off the Notes when due.
Estimated Funds Available

TIF General Fund $3,395,216
BAN Fund Balance 2,800,000

Total Estimated Funds Available $6,195,216

Estimated Funds Needed

I-69 - Booneville New Harmony (2,844,823)
Sanitary Sewer (1) (2,844,823)
BAN Payoff (3,098,520)

Total Estimated Funds Needed (5,943,343)

Estimated Revenues Remaining $251,873

(1) Provided by the County Engineer.
Phoenix Commerce Center EDA (VIP)

Estimated Tax Increment

2019 2020 2021 2022 2023 2024 2025 2026

$1,020,000 $1,040,000 $1,060,000 $1,080,000 $1,100,000 $1,120,000 $1,140,000 $1,160,000 $1,180,000
U.S. 41 Expanded Economic Development Area
# U.S. 41 Expanded EDA

## About the Area

### Created/Expanded | Expiration
--- | ---
August 25, 1994 | January 1, 2025
February 24, 1995 | January 1, 2025
July 11, 2007 | January 1, 2040

### Pay 2019

| Estimated Annual TIF | $892,720 |
U.S. 41 Expanded EDA
Projects Funded with TIF Revenues

- Baseline Road reconstruction between US 41 and Azteca entrance
- Baseline Road reconstruction between US 41 and Husky Way
- Peck Road reconstruction between Husky Drive and Baseline Road
Redevelopment District Tax Increment Revenue Bonds, Series 2015
- $6,610,000 issued / $5,930,000 outstanding
- Final maturity: January 1, 2040
- Bonds are repaid with Tax Increment with a County Option Income Tax Pledge
## U.S. 41 Expanded EDA

### Comparison of Estimated Tax Increment to Debt Payments

<table>
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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Estimated Annual TIF</td>
<td>$892,720</td>
<td>$925,790</td>
<td>$958,860</td>
<td>$991,940</td>
</tr>
<tr>
<td>Annual Debt Payments</td>
<td>$403,488</td>
<td>$399,288</td>
<td>$399,694</td>
<td>$399,800</td>
</tr>
<tr>
<td>Additional TIF Available</td>
<td>$489,233</td>
<td>$526,503</td>
<td>$559,166</td>
<td>$592,140</td>
</tr>
<tr>
<td>Estimated coverage</td>
<td>221%</td>
<td>232%</td>
<td>240%</td>
<td>248%</td>
</tr>
</tbody>
</table>
### U.S. 41 Expanded EDA

#### TIF Area Funding

**Estimated Revenues (1):**
- Azteca TIF General Fund: $2,637,937
- Baseline Expansion TIF General Fund: 88,605
- Cumulative Estimated Remaining Tax Increment (2): 13,855,574

**Total Estimated Revenues:** $16,582,116

**Estimated Construction Related Costs (3):**
- Baseline Road - Fenway Drive - Korff Road: (1,976,541)
- Baseline Road - Korff Road to Old State Road: (5,300,074)

**Total Estimated Costs:** (7,276,615)

**Estimated Revenues Remaining:** $9,305,502

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(1) No future interest earnings have been included in the revenue estimates.
(2) Represents estimated remaining Tax Increment for the years 2018-2039.
(3) Provided by the County Engineer.
Comparison of Estimated Tax Increment and Obligations

U.S. 41 Expanded EDA

Estimated TIF  2015 Bonds
University Parkway (USI) EDA
About the Area

- Created: July 11, 2007
- Expires: July 11, 2037

<table>
<thead>
<tr>
<th></th>
<th>Pay 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Annual TIF</td>
<td>$141,870</td>
</tr>
</tbody>
</table>
Redevelopment District Tax Increment Revenue Bond Anticipation Notes
Series 2018A
- $1,500,000 issued / $1,500,000 outstanding
- Final maturity: July 1, 2019
- To be converted into a 2019 Bond backed by County Option Income Taxes

Redevelopment District Junior Tax Increment Revenue Bond Anticipation Notes, Series 2018B
- $3,000,000 issued / $3,000,000 outstanding
- Final maturity: July 1, 2019
- To be converted into a 2019 Bond backed by County Option Income Taxes
### Comparison of Estimated Tax Increment to Debt Payments

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Estimated Annual TIF</td>
<td>$141,870</td>
<td>$141,870</td>
<td>$141,870</td>
<td>$141,870</td>
</tr>
<tr>
<td>Annual Debt Payments</td>
<td>$4,640,323</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Additional TIF Available</td>
<td>($4,498,453)</td>
<td>$141,870</td>
<td>$141,870</td>
<td>$141,870</td>
</tr>
<tr>
<td>Estimated coverage</td>
<td>3%</td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>
## University Parkway (USI) EDA

### TIF Area Funding

**Estimated Revenues (1)**
- **USI TIF General Fund**: $242,315
- **Estimated 2019 TIF Revenues**: 141,870
- **Total Estimated Revenues**: $384,185

**Estimated Costs (2)**
- **Estimated BAN Interest and Cost of Issuance**: (209,833)
- **University Parkway Sanitary Sewer**: (2,804,934)
- **University Parkway Corridor Study**: (53,593)
- **Total Estimated Costs**: (3,068,360)

**Estimated Revenues Remaining**: ($2,684,175)

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1. Represents funds on hand and anticipated 2019 revenues.
2. Provided by County Auditor.
University Parkway (USI) EDA

Estimated Tax Increment

<table>
<thead>
<tr>
<th>Year</th>
<th>German Twp</th>
<th>Perry Twp</th>
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</thead>
<tbody>
<tr>
<td>2019</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>2020</td>
<td>$0</td>
<td>$0</td>
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<tr>
<td>2021</td>
<td>$0</td>
<td>$0</td>
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<tr>
<td>2022</td>
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<tr>
<td>2023</td>
<td>$0</td>
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<td>2024</td>
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<td>$0</td>
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<tr>
<td>2025</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>2026</td>
<td>$0</td>
<td>$0</td>
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</tbody>
</table>
Impacts
Overlapping Taxing Units

- County
- Township
- City/Town
- School
- Library
- Special Taxing Districts

Total Taxing District Rate
Does TIF shift revenues from overlapping taxing units to TIF Districts?

No loss or shifting if the “but for” test is satisfied

No loss or shifting if there are no other means to fund the incentives or infrastructure besides TIF

No loss or shifting if TIF District funds the purpose for which it was intended; and does not continue to exist after the infrastructure is fully funded
Impact of TIF on other units

- During TIF capture, other taxing units may immediately benefit:
  - From personal property AV that is not captured
  - From TIF AV pass-through to other units
  - New jobs and wages that may increase local option income tax revenue.
  - Post-2009 Referendum for Operating and/or Debt - benefit from TIF Captured AV

- After TIF ends (or if there is surplus pass-through), the increased assessed value is added to the tax base of all the taxing units.