



# Jeffersonville, Indiana Redevelopment Commission

## TIF REPORT PRESENTATION (IC 36-7-25-8)

**JUNE 26, 2024**



# Agenda

TIF Mechanics

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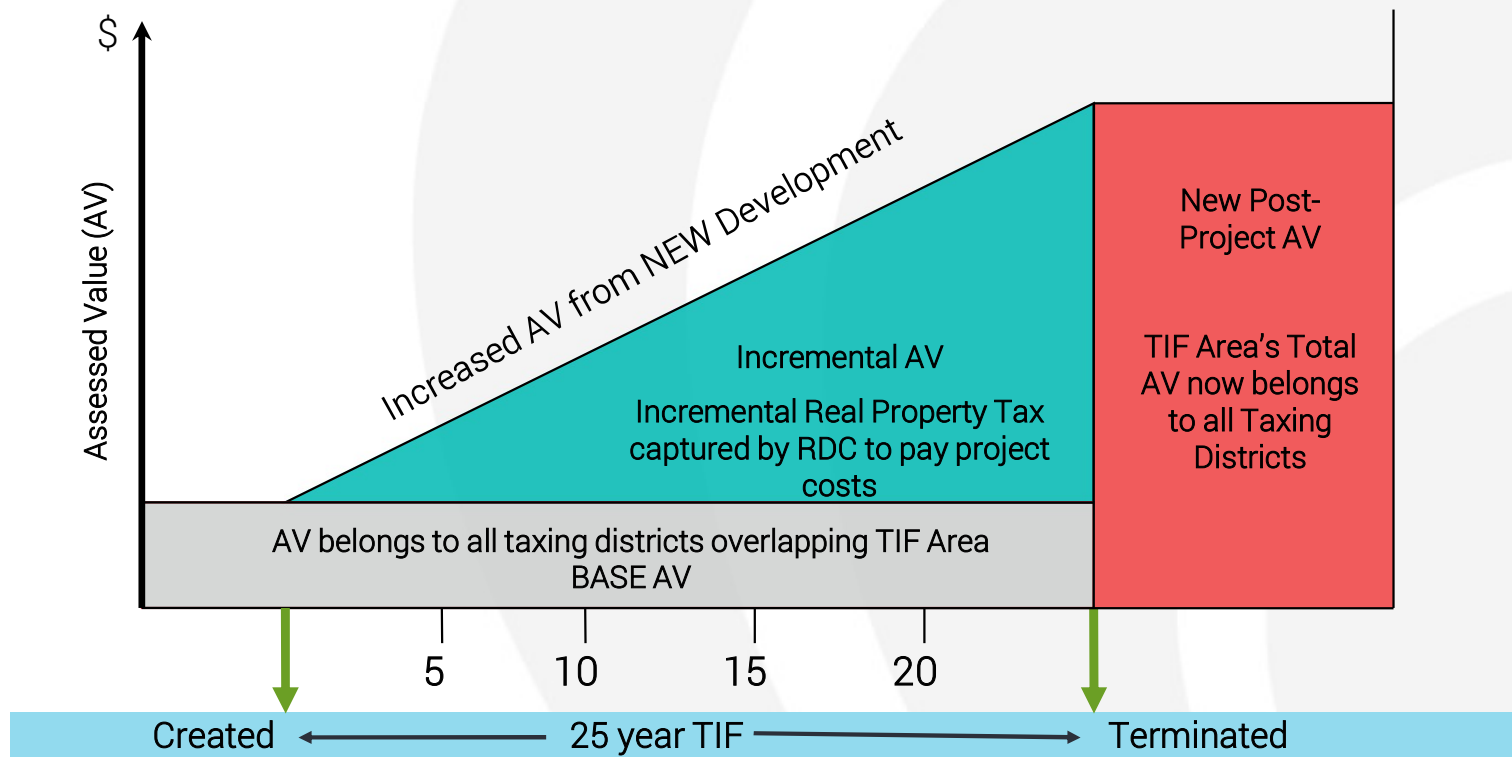
Jeffersonville's TIF Areas

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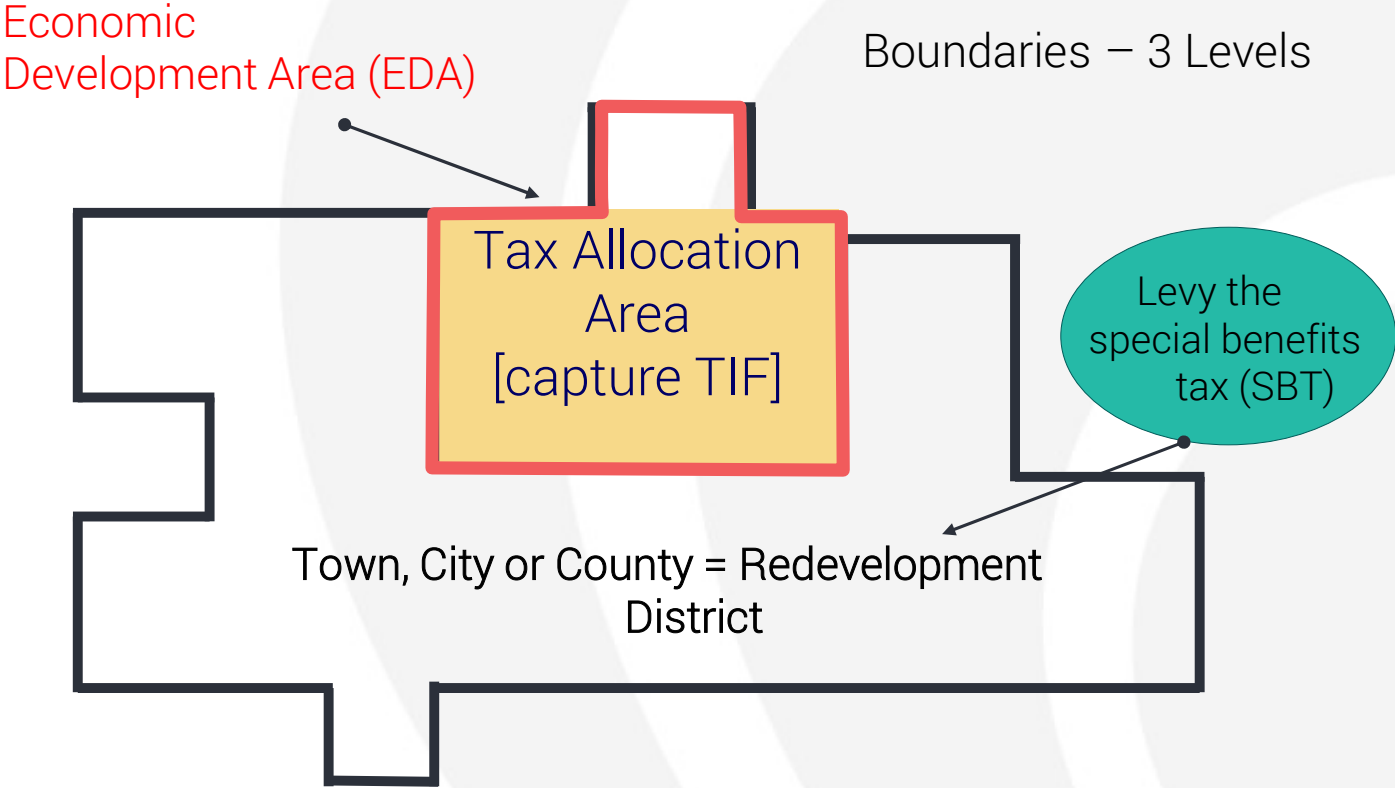
Impacts on Overlapping  
Taxing Units



***Tax increment financing (or “TIF”)*** is a tool which ***captures new assessed value*** and property taxes from new development in a ***designated area***



# Redevelopment District and TIF Areas



# Expiration of TIF Areas

- Can separate and re-establish TIF Areas
- Can expand and connect TIF Areas
- Be careful when setting boundaries to avoid unexpected TIF loss
- If Allocation Area is getting close to expiration, be sure to analyze the impacts of the release of assessed value to the overlapping taxing units.

Date Alloc. Area Established	Expiration Date
TIF area is established <u>before</u> July 1, 1995.	TIF expires the <u>later</u> of 2025 or following the final maturity of obligations outstanding as of July 1, 2015.
TIF area is established <u>between</u> July 1, 1995 and July 1, 2008.	TIF expires 30 years <u>after</u> the adoption of the Declaratory Resolution.
TIF area is established <u>after</u> July 1, 2008.	TIF expires 25 years after the date the first obligation payable was incurred.  Residential TIF expires 20 years after the date the first obligation payable was incurred.



# **Inner City Roads Economic Development Area**

# InnerCity Roads EDA

## About the Area

Created/Expanded	Expiration
December 22, 1995	December 22, 2025
May 27, 2008	May 27, 2038
January 27, 2016	June 6, 2042
January 27, 2021	N/A
December 22, 2021	N/A

	Pay 2023	Pay 2024
Estimated Annual TIF	\$14,318,790*	\$16,423,360

\*Actual 2023 collections were \$14,694,941.



## InnerCity Roads EDA

# Outstanding Obligations

Bond Issue	Project	Outstanding Principal Amount	Final Maturity	Security
2008 Tax Increment Bonds	Construction & improvements to Veterans Pkwy. and Thompson Rd.	\$475,000	1/15/2026	InnerCity Roads TIF
2013B Tax Increment Bonds	Stormwater conveyance improvements	2,205,000	1/15/2027	InnerCity Roads TIF
2013D Tax Increment Bonds	Design/construct police headquarters	930,000	1/15/2027	InnerCity Roads TIF
2013E Tax Increment Bonds	Design/construct police headquarters	1,750,000	1/15/2032	InnerCity Roads TIF
2017 Economic Development Lease Rental Bonds	Construction of road improvements	8,470,000	1/15/2027	InnerCity Roads TIF, SBT
2024 Tax Increment Bonds	Charlestown Pike Road improvements	18,000,000	1/15/2032	InnerCity Roads TIF, SBT





## **InnerCity Roads EDA**

# **Outstanding Obligations (Cont'd)**

## **Greater Clark County School Corporation Agreement**

On June 6, 2016 the Jeffersonville Redevelopment Commission and Common Council of the City of Jeffersonville entered into an agreement with the Board of School Trustees for the Greater Clark County School Corporation in which they agreed to set aside 10% of all tax increment collected by the 2016 Expansion Area of the Inner City Road TIF District. This agreement now also includes 10% of all tax increment collected in the January and December 2021 Expansion Areas.

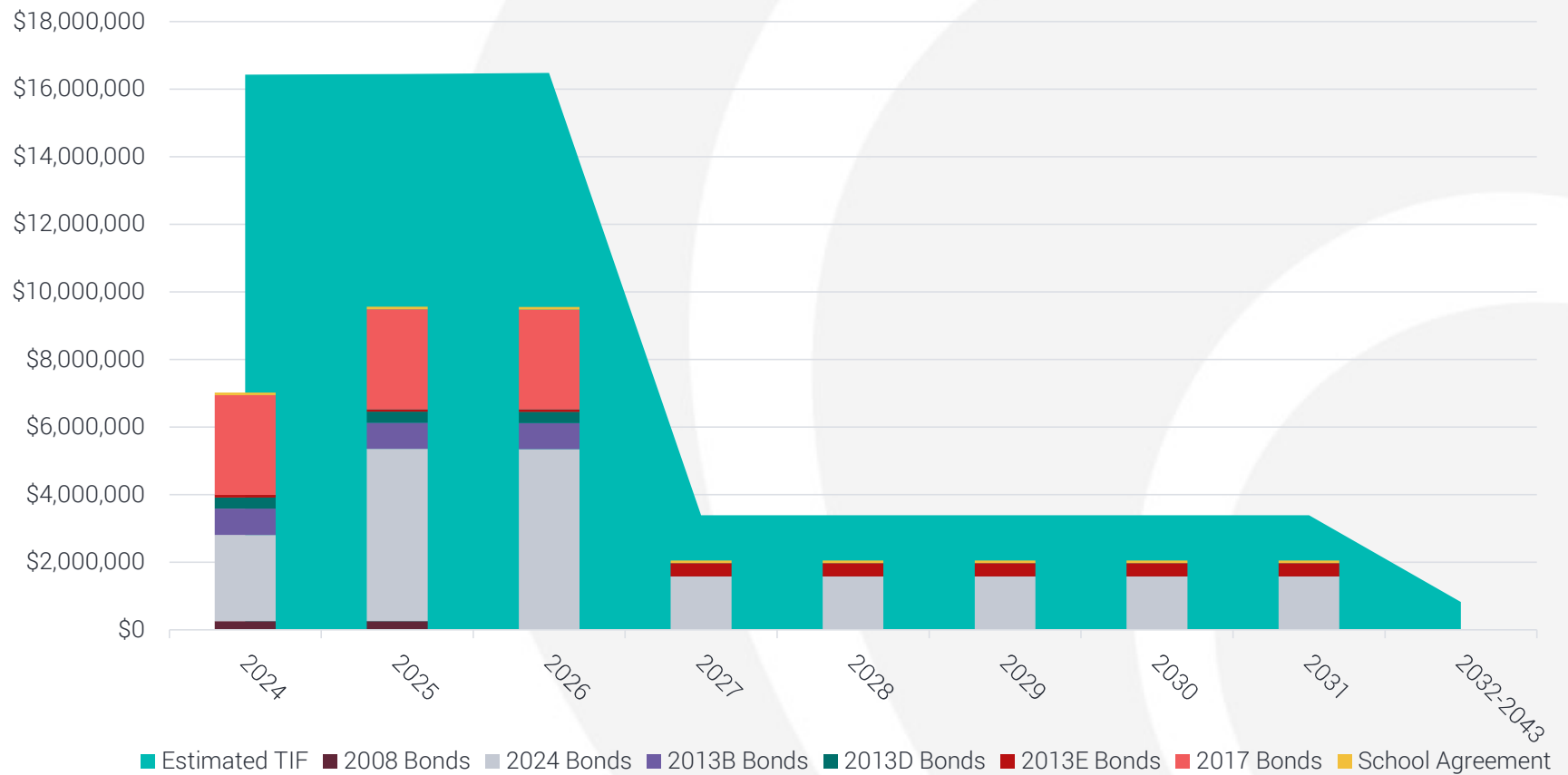


# InnerCity Roads EDA Projects Funded with TIF Revenues (2012-2023)

- 10<sup>th</sup> Street Project/East 10<sup>th</sup> Street
  - Allison Brook Park
  - Allison Lane Sidewalk
  - American Legion
  - Animal Shelter
  - Arts & Cultural District
  - Big Four Station
  - Chapel Lake Park
  - Charlestown Pike
  - Claysburg Illuminate
  - Colston Park
  - Court Avenue Medians
  - Duffy's Landing
  - East End Bridge
  - Façade Grant
  - Forgivable Loan Program
  - Gateway Project
  - Gottbrath Parkway
  - Grant Local Match
  - Hamburg Pike
  - Jeff High Driveway
  - Jeff Marketplace South Boulevard
  - Jeff Plaza
  - Jeff Promise – Ivy Tech
  - Market Place Road Extension
  - Miscellaneous
  - NOCO / The Depot
  - Ohio River Greenway
  - Park Equipment
  - Riverfront Improvements/ Marina
  - Salem Nobel Road Bridge
  - Shirley's Arbor Park / Detention Basin
  - Spring Hill Envision Center
  - Thomson Lane
  - Town Center Road
  - Utica Pike Sidewalk
  - Utica Sellersburg Road
  - Veterans Parkway
  - Vissing Park Sidewalk
  - Water Tower Road
  - Wilson Elementary
- Total Other Expenditures: \$65,090,279**
- Total Debt Payments: \$40,524,178**



# InnerCity Roads EDA Comparison of Estimated Tax Increment and Obligations



The background of the slide is a dark blue color with a pattern of light blue, wavy lines that resemble water ripples or topographic contours. The text is centered in the middle of this background.

# **Falls Landing / Harbours Economic Development Area**

# Falls Landing/Harbours EDA

## About the Area

Created	Expiration
April 27, 1982	January 15, 2032

	Pay 2023	Pay 2024
Estimated Annual TIF	\$3,295,090*	\$3,388,810

\*Actual 2023 collections were \$3,365,522.



## Falls Landing/Harbours EDA

# Outstanding Obligations

Bond Issue	Project	Outstanding Principal Amount	Final Maturity	Security
2013A Tax Increment Bonds	Stormwater conveyance improvements	\$1,070,000	1/15/2032	Falls Landing TIF
2013C Tax Increment Bonds	Design/construct police headquarters	2,690,000	1/15/2032	Falls Landing TIF



# **Falls Landing/Harbours EDA Projects Funded with TIF Revenues (2012-2023)**

- 10<sup>th</sup> Street/ East 10<sup>th</sup> Street
- American Legion
- Arts & Cultural District
- Big Four Station
- Colston Park
- Duffy's Landing
- Forgivable Loan Program
- Gateway Project
- Hamburg Pike
- Jeff Promise – Ivy Tech
- Miscellaneous
- Nachand Fieldhouse
- Ohio River Greenway
- Park Equipment
- Riverfront Improvements/ Marina
- Spring Hill Envision Center
- The Depot
- Utica Pike Sidewalk
- Veterans Parkway

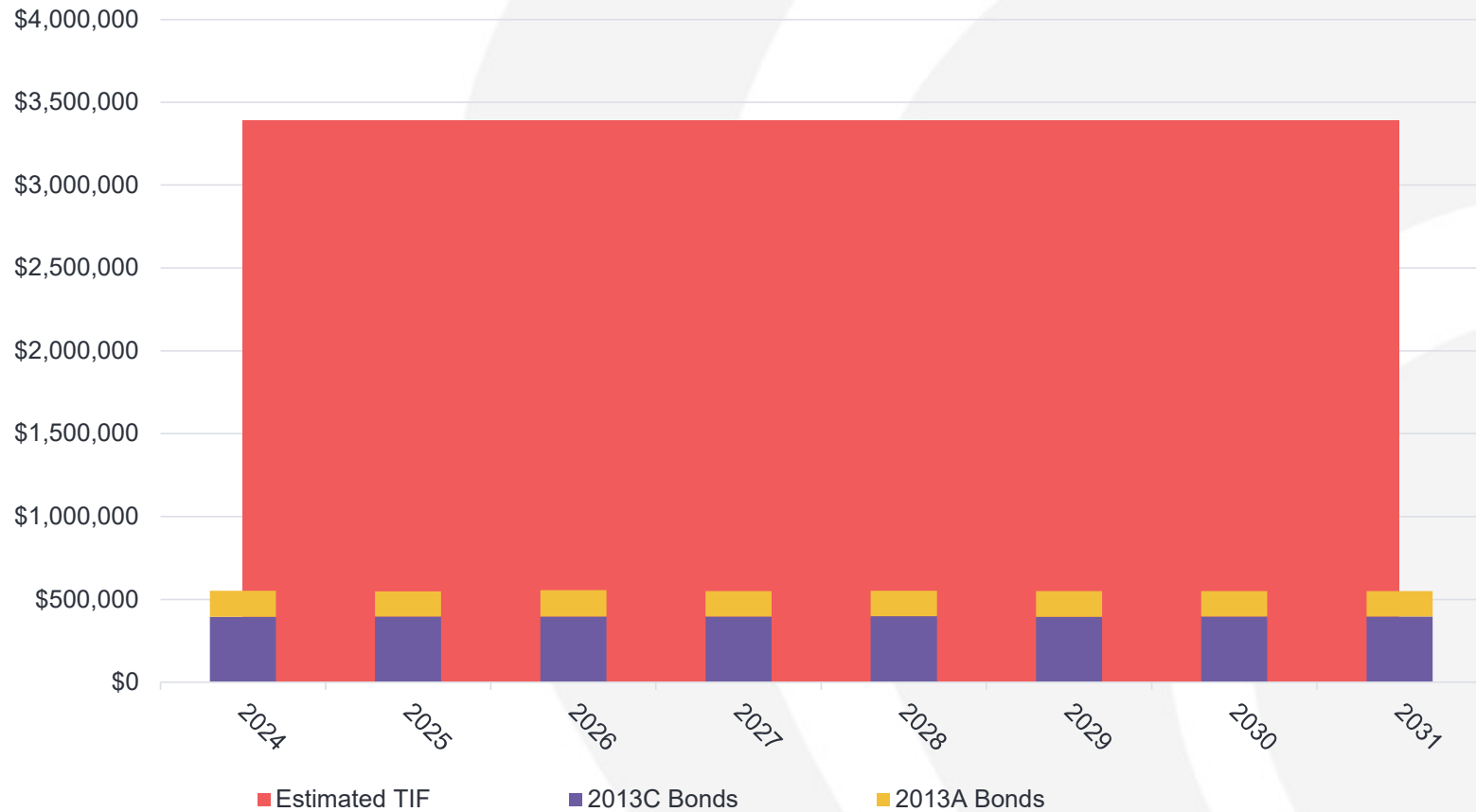
**Total Other Expenditures: \$19,517,840**

**Total Debt Payments: \$8,681,954**



## Falls Landing/Harbours EDA

# Comparison of Estimated Tax Increment and Obligations





# **Other Economic Development Areas**

## Other Economic Development Areas

# About the Areas

Allocation Area	Created	Expiration	Pay 2023 TIF Collected	Pay 2024 Estimated Annual TIF
Galvstar	December 17, 1997	December 17, 2027	\$1,066,417	\$991,700
Vogt Valve	May 28, 1997	May 28, 2027	828,510	944,450
Bethnova	April 26, 2000	April 26, 2030	347,260	357,360
Keystone	July 29, 1998	July 29, 2028	199,007	232,220
Jeff Boat	October 25, 2023	To be determined	N/A	N/A
Riverview	October 25, 2023	To be determined	N/A	N/A



## Other Economic Development Areas

# Projects Funded with TIF Revenues (2012-2023)

- East End Bridge
- Heavy Haul Road
- 10<sup>th</sup> Street
- Chapel Lake Park
- Utica Sellersburg Road
- Miscellaneous

Allocation Area	Total Debt Payments	Total Other Expenditures
Galvstar	\$3,057,483	\$2,238,951
Vogt Valve	5,312,167	2,250,152
Bethnova	1,406,510	1,078,835
Keystone	1,042,714	1,445,193



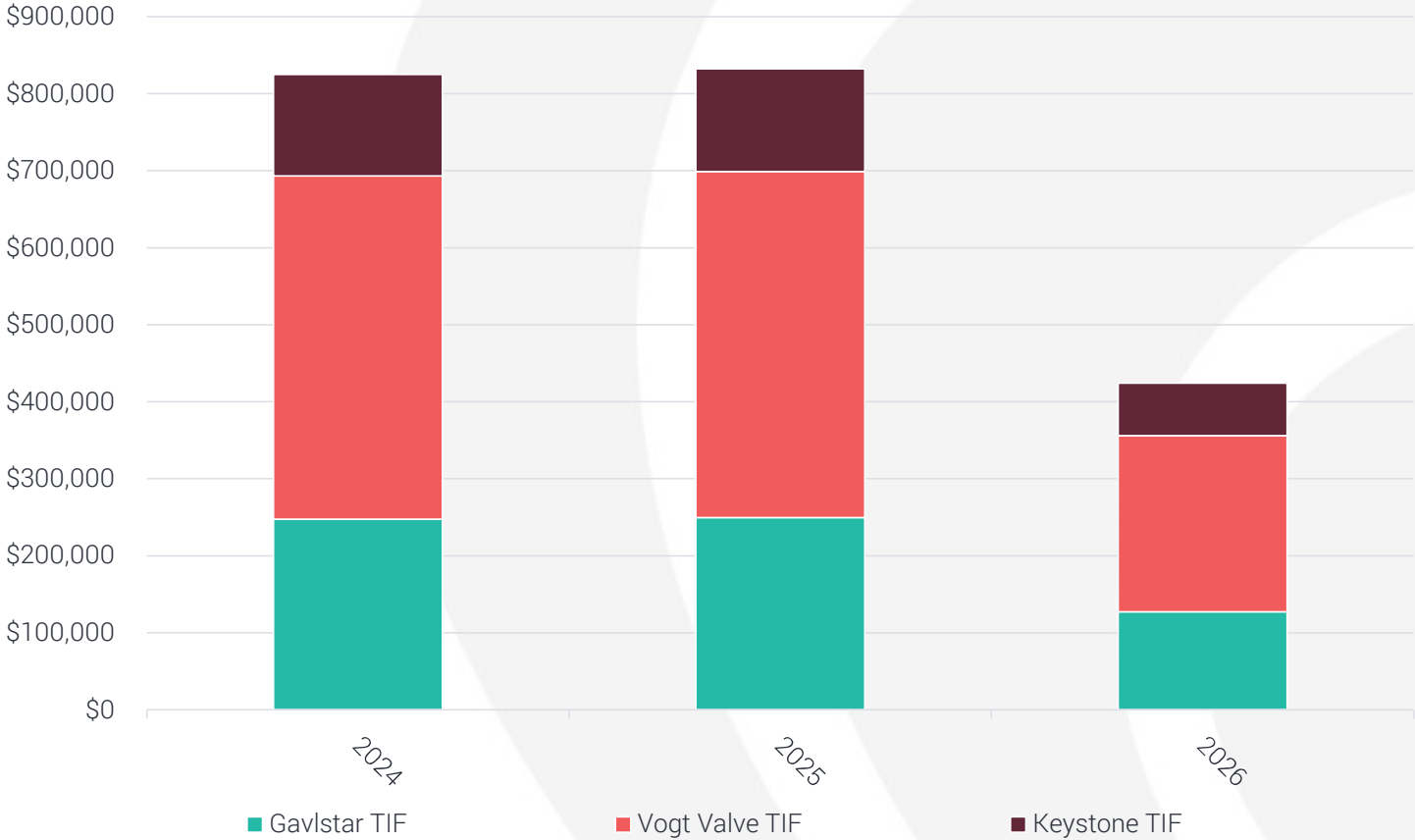
## Other Economic Development Areas

# Outstanding Obligation

Bond Issue	Project	Outstanding Principal Amount	Final Maturity	Security
2016 Economic Development Lease Rental Refunding Bonds	Refund the First Mortgage Bonds, Series 2006A, 2006B and 2006C.	\$1,935,000	8/15/26	Galvostar, Bethnova, Vogt Valve & Keystone TIF, SBT



# Other Economic Development Areas Repayment Breakdown of the 2016 Refunding Bonds



# Impacts



# Overlapping Taxing Units



Clark County	\$0.3907
Jeffersonville Township	0.0213
Jeffersonville Civil City	1.3044
Jeffersonville Township Public Library	0.0934
Greater Clark County School Corporation	1.1000
Jeffersonville Flood Control	0.1440
<b>Jeffersonville IFW</b>	<b>\$3.0538</b>
Clark County	\$0.3907
Jeffersonville Township	0.0213
Jeffersonville Civil City	1.3044
Jeffersonville Township Public Library	0.0934
Greater Clark County School Corporation	1.1000
<b>Jeffersonville OFW</b>	<b>\$2.9098</b>
Clark County	\$0.3907
Utica Township	0.0046
Jeffersonville Civil City	1.3044
Charlestown-Clark County Library	0.0367
Greater Clark County School Corporation	1.1000
<b>Jeffersonville – Utica Twp – OWF</b>	<b>\$2.8364</b>



## Does TIF take away funds from other units?

- If the increased assessed value from NEW developments would not occur “**BUT FOR**” the TIF incentives, then, it **CANNOT** be “**LOST**” to the other taxing units.
- TIF *postpones* adding new assessed value to the tax base, which postpones the reduction in tax rates for funds with levy limits and postpones increased revenues from funds with rate limits; and postpones reduction in circuit breaker credits.
- During TIF capture, other taxing units may immediately benefit if personal property AV is not captured; if a portion of the TIF AV is passed-through to other units; new jobs and wages may increase local option income tax revenue.
- 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.





# How would the projects be funded without TIF?

- More than \$75,000,000 of projects and infrastructure funded from TIF Bonds
- Alternative; property-tax bonds

## Current TIF Obligations:

- Would require an annual tax rate of \$0.20 based on current year assessed value and debt service outstanding.
- Would increase circuit breaker credits and cause revenue loss



**Economic development ultimately benefits all taxing units by:**

- **Attracting new business and private development**
- **Growing property values and local income tax revenue**
- **Reducing ‘tax cap’ revenue loss.**

**All taxing units contribute to future economic growth.**



# Questions?

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