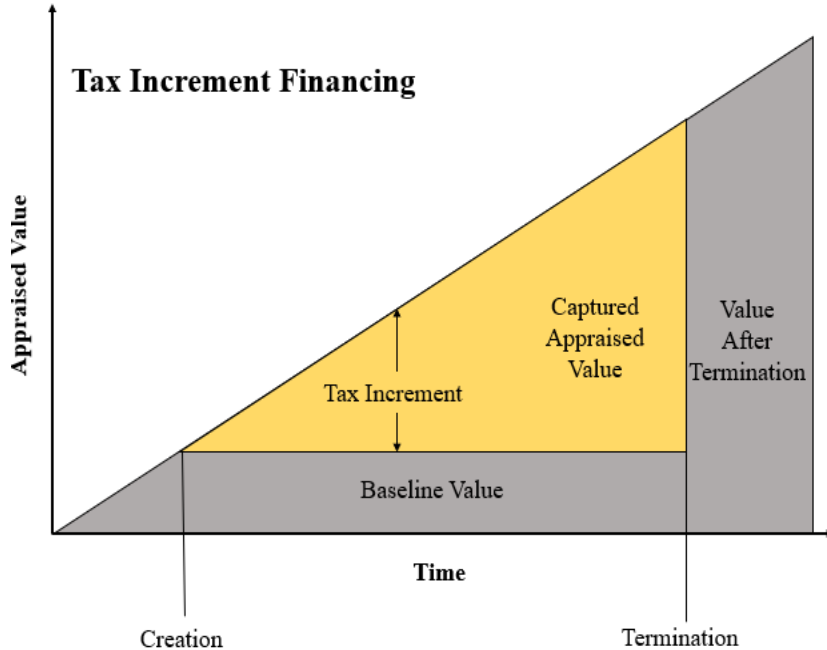


Tax Increment Reinvestment Zone Number One Board Orientation

Christina Davis, Secretary

Date: March 27, 2024

Tax Increment Reinvestment Zone



Key Elements

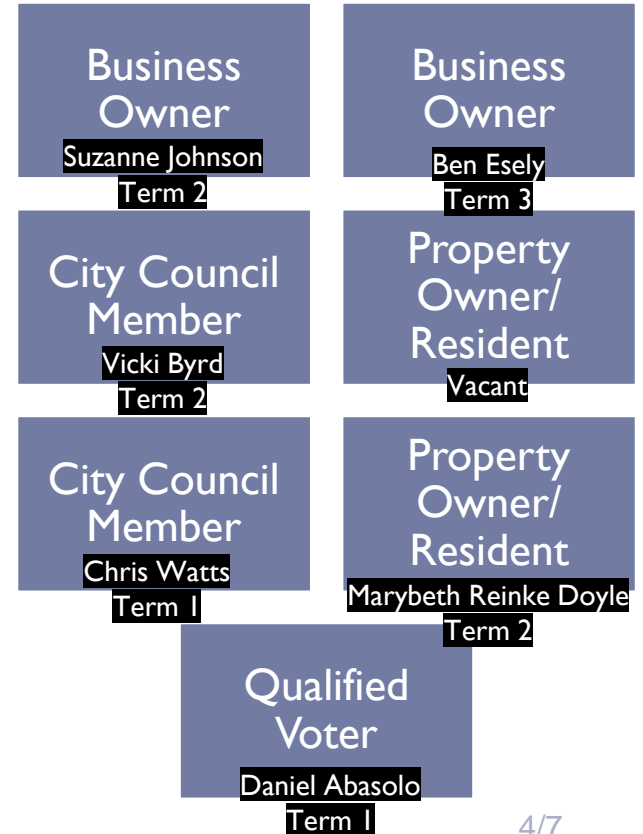
- ▶ Can be initiated by petition or directly by a local government
- ▶ Can capture portions of sales or property tax
- ▶ Often used to fund development or large infrastructure projects; pay as you go often used for maintenance and smaller projects
- ▶ TIRZ have their own governing body
- ▶ Requires adoption of project and finance plans
- ▶ Funds must be used in accordance with Ch. 311 and adopted project plan
- ▶ City can adopt its own criteria and terms for creating a TIRZ

History and Purpose

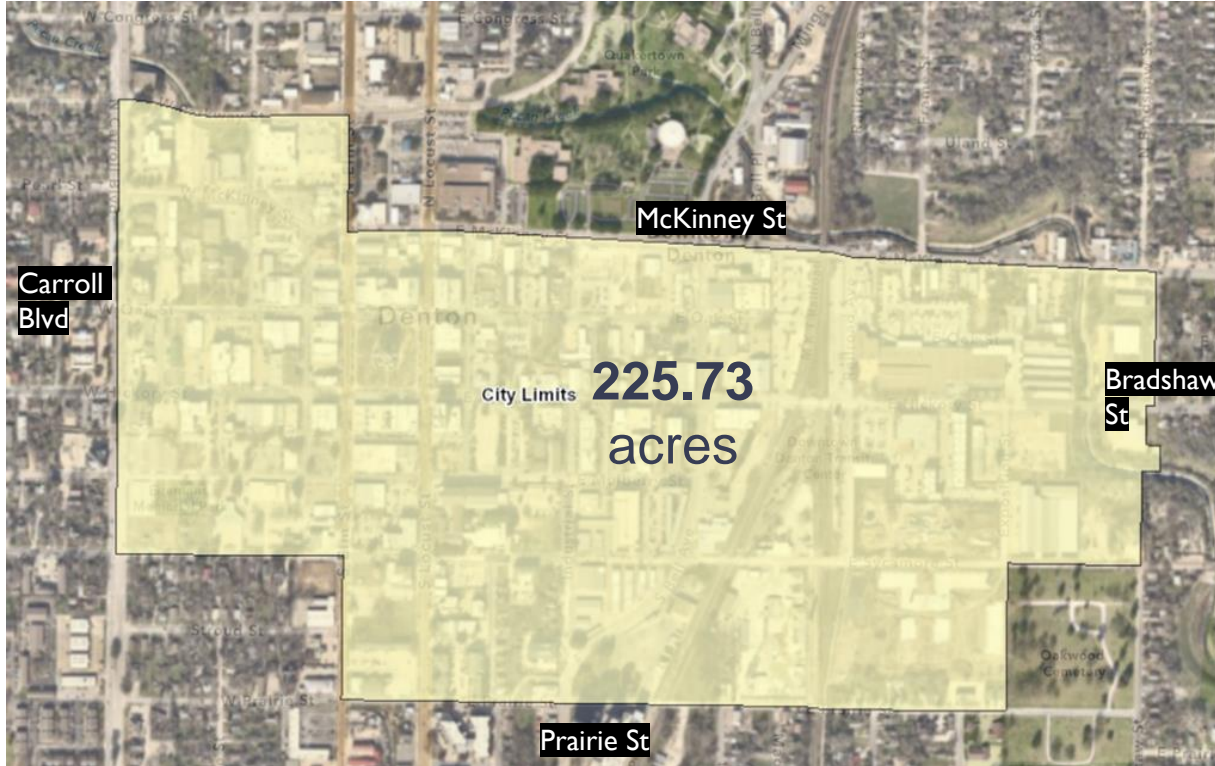
- ❖ Zone was established on December 7, 2010
- ❖ Life of Zone is 30 years or \$24.8M
- ❖ Managed and controlled by the City Council based on the recommendations of the Board of Directors of the Zone
- ❖ The Board implements the Project Plan for the Zone
 - ▶ To encourage accelerated development and redevelopment in this area of the City in an effort to stimulate new higher value, higher density development which would benefit and be incentivized from the proposed public infrastructure improvements.

Board

- ▶ Consist of seven members, appointed by City Council
- ▶ Two-year term, with a term limit of three consecutive two-year terms
- ▶ A minimum of four members present is a quorum
- ▶ Board meets every-other-month on the 4th Wednesday at noon
- ▶ Consider/recommend Board Bylaws, Project/Finance plans, recommend changes, annual report review



The Zone



- ▶ The Zone took effect on January 1, 2011, and terminates on December 31, 2039, or when the budget of \$24.8M has been collected.
- ▶ The City is the only participating jurisdiction.

Year	Participation
1 – 5	100%
6 – 10	95%
11 – 20	90%
21 – 30	85%

Project Plan

PROJECT	ESTIMATE COST (in millions)
Parking / Transportation	\$8.0
Complete Streets	\$7.9
Support for Downtown Projects	\$4.9
Utility / Drainage Improvements	\$4.0
TOTAL	\$24.8

There has only been one amendment to the Project Plan. In 2014, Exhibit D, Project Definitions, Downtown Projects, was updated to include City-owned property.

Grants and Incentives

Downtown Reinvestment Grant Program

- ▶ Matching grant with \$50,000 maximum limit per property
- ▶ Funding program since FY 19/20
- ▶ Paid to date: \$313,487
- ▶ Grants approved: 8
- ▶ Grants in queue: 3

Incentives

- ▶ The Railyard - complete
 - ▶ 380 Agreement in 2016
 - ▶ Paid \$76,000/yr. for five years
 - ▶ Total amount: \$380,000
 - ▶ Commercial lease (Stoke)
- ▶ New – Fine Art Project

TIRZ Fund

Tax Year	Certified Tax Value	Tax Rate	Incremental Value	Incremental Value Contribution	Annual TIRZ Revenue	Interest Income	Cumulative TIRZ Revenue		Total Expenditures	Fund Balance	
			Certified value less base value	Incremental value times contribution rate	Incremental value times tax rate/100		Cumulative total of year revenues				
2010	79,356,854										
2011	80,331,050	0.68975	80,331,050	974,196	6,720	17	6,737				
2012	93,040,263	0.68975	93,040,263	13,683,409	94,381	297	101,415				
2013	100,452,300	0.68975	100,452,300	21,095,446	145,506	1,084	248,005				
2014	116,769,435	0.68975	116,769,435	37,412,581	258,053	2,821	508,879				
2015	127,204,599	0.68975	127,204,599	47,847,745	330,030	5,855	844,764		76,000		
2016	150,021,979	0.68334	150,021,979	67,131,869	458,739	11,439	1,314,942		76,000		
2017	161,351,215	0.637856	161,351,215	77,894,643	496,856	6,712	1,818,509		1,542,845		
2018	170,678,753	0.620477	170,678,753	86,755,804	538,300	11,589	2,368,398		156,000		
2019	209,626,251	0.590454	209,626,251	123,755,927	730,722	16,930	3,116,050		139,587		
2020	234,054,363	0.590454	234,054,363	146,962,634	867,747	10,870	3,994,667		24,988		
2021	232,894,462	0.565823	232,894,462	138,183,847	781,876	19,667	4,796,210		51,507		
2022	248,740,222	0.560682	248,740,222	152,445,031	854,732	82,138	5,733,080	Actual	115,267	3,550,886	
2023	261,579,433	0.560682	261,579,433	164,000,321	919,520		6,483,181				
2024	274,658,405	0.560682	274,658,405	175,771,396	985,519		7,468,699				
2025	288,391,325	0.560682	288,391,325	188,131,024	1,054,817		8,523,516				
2026	302,810,891	0.560682	302,810,891	201,108,633	1,127,580		9,651,096				
2027	317,951,436	0.560682	317,951,436	214,735,124	1,203,981		10,855,077				
2028	333,849,007	0.565682	333,849,007	229,042,938	1,295,655		12,150,732	10-Year Forecast			
2029	350,541,458	0.565682	350,541,458	244,066,143	1,380,638		13,531,370				
2030	368,068,531	0.565682	368,068,531	259,840,509	1,469,871		15,001,241				
2031	386,471,957	0.565682	386,471,957	261,047,838	1,476,701		16,477,942				
2032	405,795,555	0.565682	405,795,555	277,472,896	1,569,614		18,047,556				

- Last supplement of the year used for the recording of value for the TIRZ
- Valuation actuals through 2022
- FY22/23 Fund balance is \$3,500,886

- Growth rate of 5% used for projections
- Cap of \$24.8 M is estimated in 2036, term completed in 2039
- Expenditures total to date 2,182,194

Questions?

Christina Davis
Business Development Administrator
Economic Development