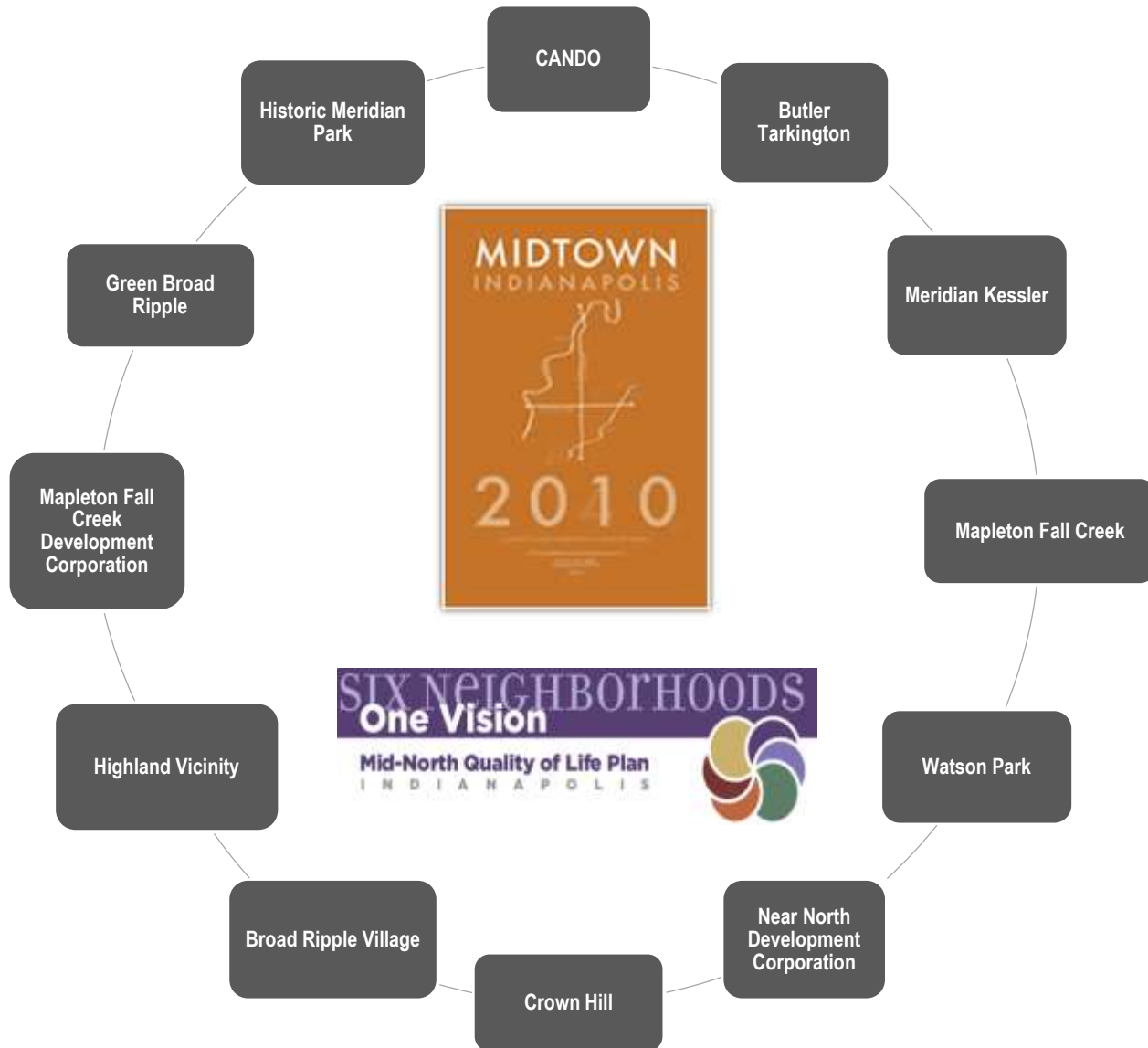




Midtown EDA/TIF –Summary

Where it all started.



Why it all started.

Neighborhood Health Indicators

11 Key Factors:

Education Level

Poverty

Unemployment

Income

Demolition Orders

Vacant/Boarding Orders

Repair Orders

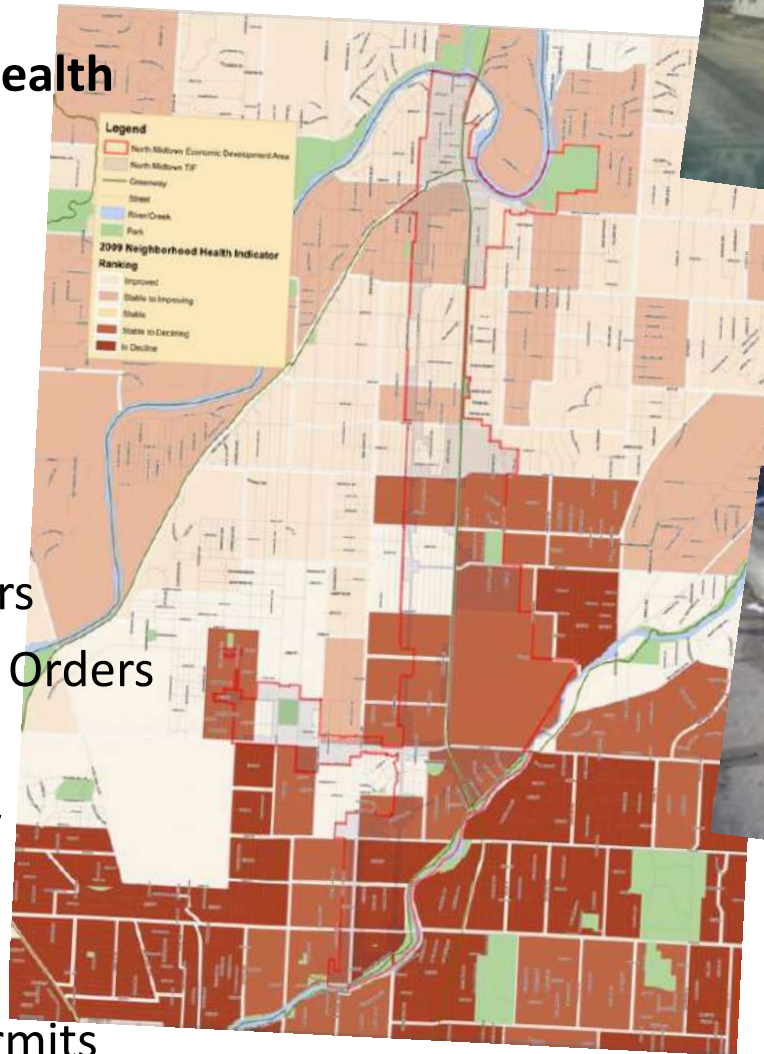
Long Term Utility

Disconnects

Foreclosures

New Building Permits

Assessed Value





Key Market Demographics: Traffic, Density, Employment & Income Studies. Retail, Housing, and Office Demand.

These studies identified opportunities and challenges of each commercial node.

Commercial Nodes

19 In Total

Current and Former Commercial
Corners/Districts

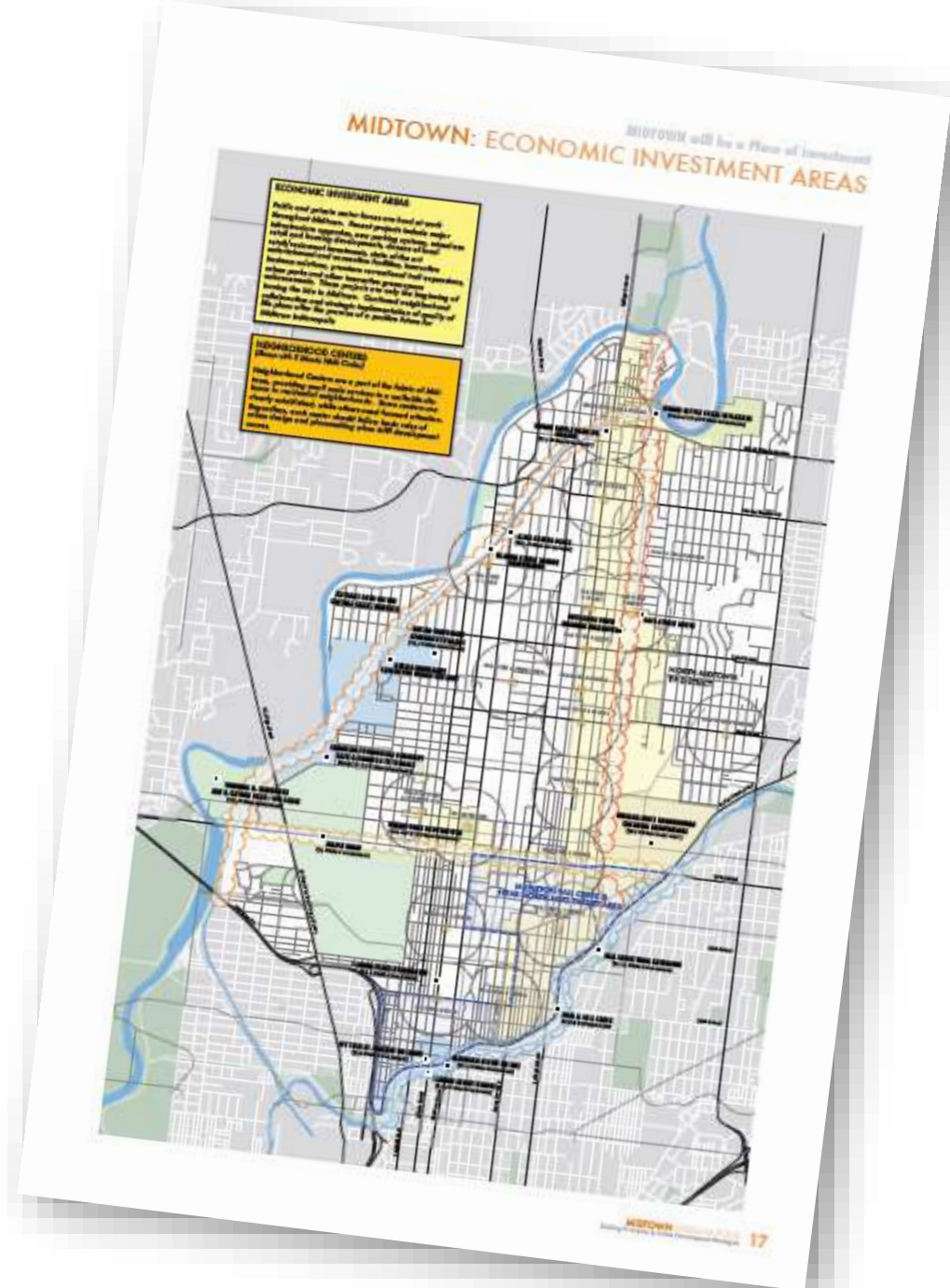
Many former Interurban Stops.

All situated in proximity to residential
with varying degrees of stability.

All have long history of mixed uses.

All are walkable from adjacent
residential areas.

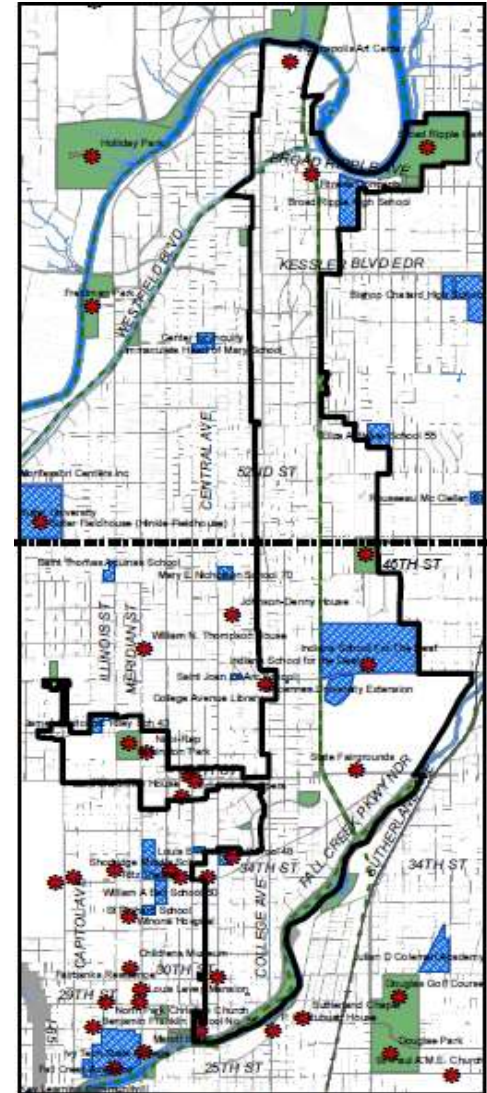
Many faced some significant
challenge, contamination, blight,
vacancy, obsolescence, etc.



Tools of Economic Development

- Real Property Tax Abatement
- Personal Property Tax Abatement
- Vacant Building Tax Abatement
- Taxable & Tax Exempt Bonds
- Lease Financing
- Economic Improvement Districts
- Tax Increment Financing (TIF),

Source: Developindy.com/localincentives

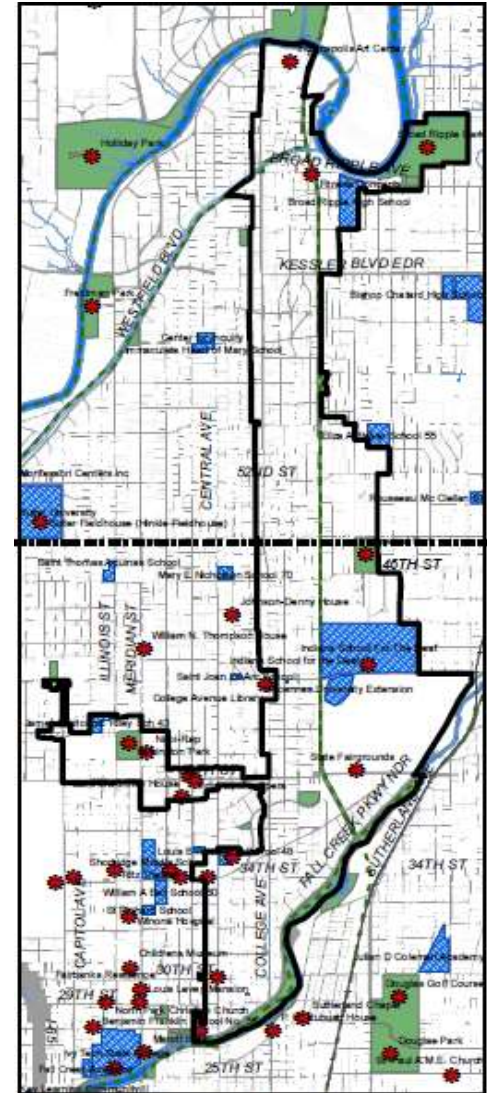


BOUNDARY MAP

5 Organizations Collaborated

- Midtown Indianapolis, Inc.
- Mapleton Fall Creek Development Corporation
- Meridian Kessler Neighborhood Association
- Butler Tarkington Neighborhood Association
- Broad Ripple Village

Over time residents from all over Midtown joined the advocacy effort.



BOUNDARY MAP

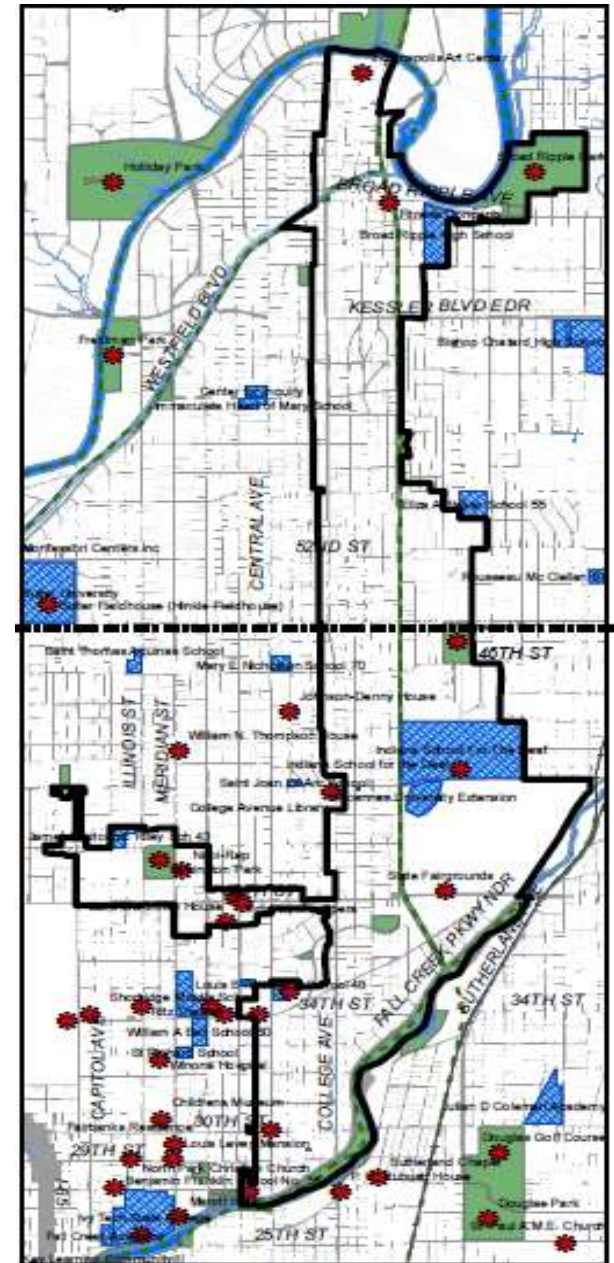
The Economic Development Area (EDA):

- Established the need for focused resources.
- Identified Brownfield/Vacancy Issues
- Called for Infrastructure Improvements
- Qualified the area for enhanced economic development tools/resources

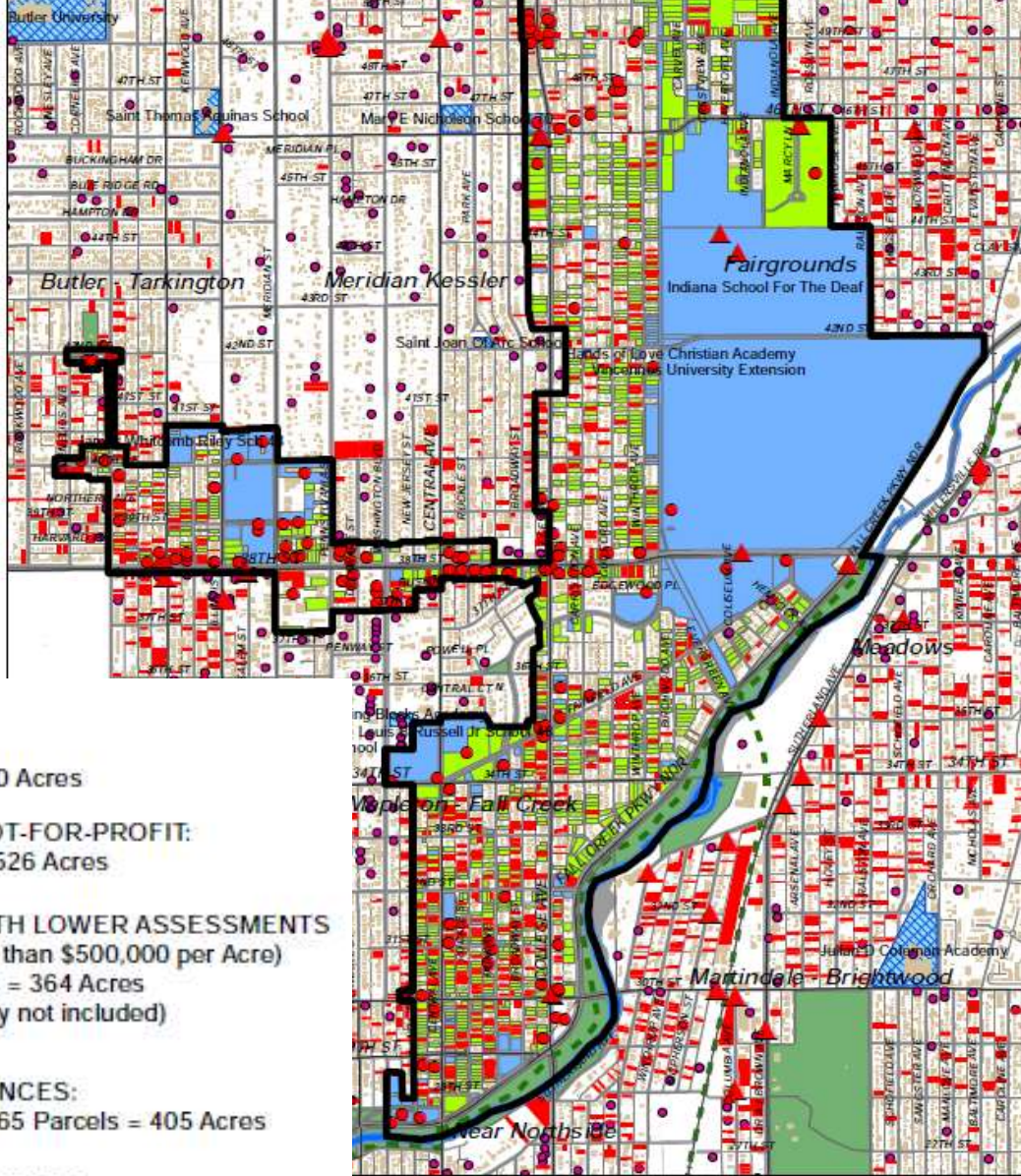
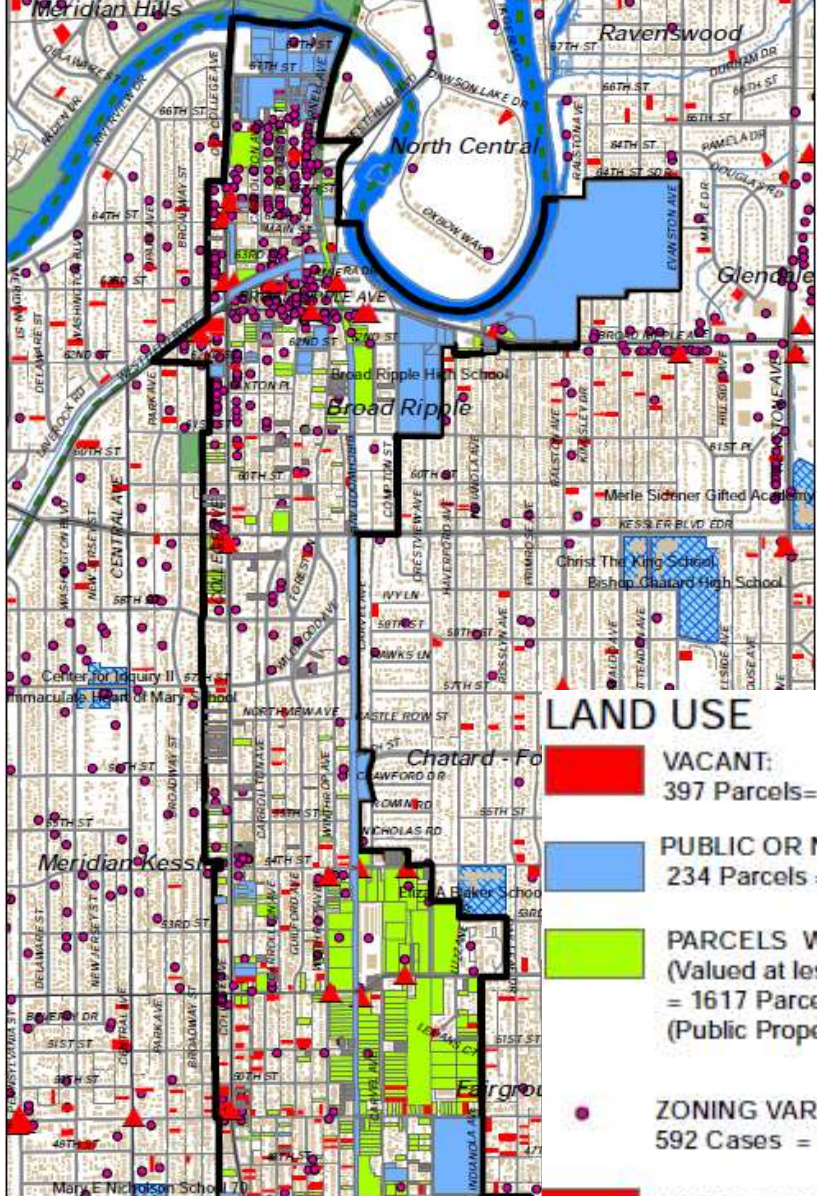
Identified 4,000 vacant homes within 10 minute walking distance of EDA.

**5825 Parcels Included =1502 Acres
Total Property Exempt, Vacant, or Contaminated:**

20% of Parcels = 69% of Acreage



BOUNDARY MAP



LAND USE

- VACANT:**
397 Parcels= 50 Acres
- PUBLIC OR NOT-FOR-PROFIT:**
234 Parcels = 526 Acres
- PARCELS WITH LOWER ASSESSMENTS**
(Valued at less than \$500,000 per Acre)
= 1617 Parcels = 364 Acres
(Public Property not included)
- ZONING VARIANCES:**
592 Cases = 365 Parcels = 405 Acres
- VACANT ADDRESSES :**
(Jan2011_USPS) = 561 Parcels = 79 Acres
- BROWNFIELDS:** 35 Parcels =
320 Acres (Fair Grounds Included)

EDA SITE CONDITIONS

Economic Development Plan Goals

- Provide better neighborhood services
- Provide tools for stimulating private investment
- Protect and create jobs
- Recycle obsolescent public property
- Upgrade infrastructure
- Improve Public Amenities

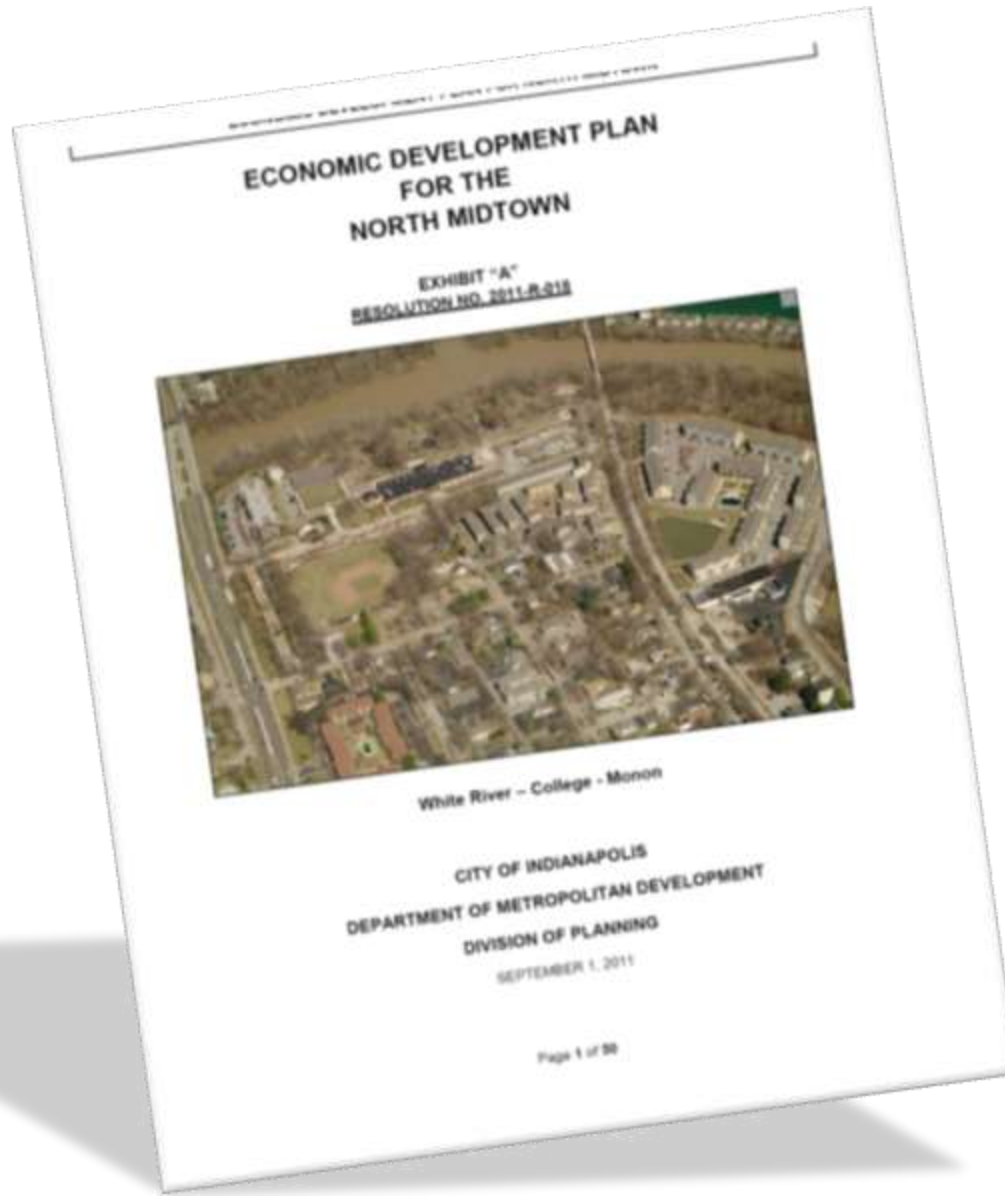
**Best Tool to Achieve These Goals Is:
Tax Increment Finance**

MIDTOWN INDIANAPOLIS



**TAX INCREMENT
FINANCE ALLOCATION
DISTRICT 2013**

MIDTOWN ECONOMIC DEVELOPMENT PLAN



**Economic Development Area
Adopted September 2011**

**Economic Development Plan
Adopted December 2011**

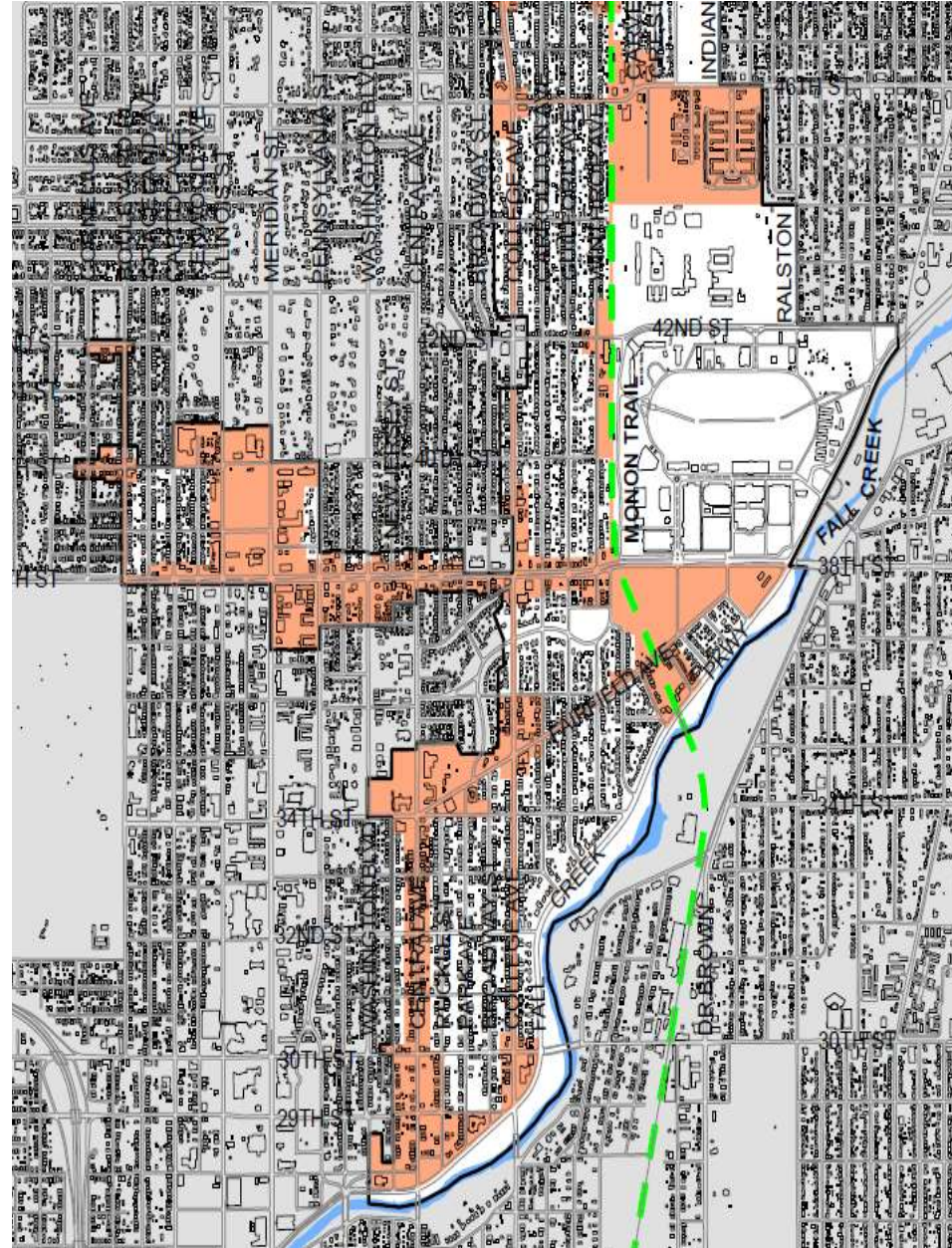
Provides District Specific Data.

Represents a consolidation of
best practices for
comprehensive community
development.

Design & Development
Standards

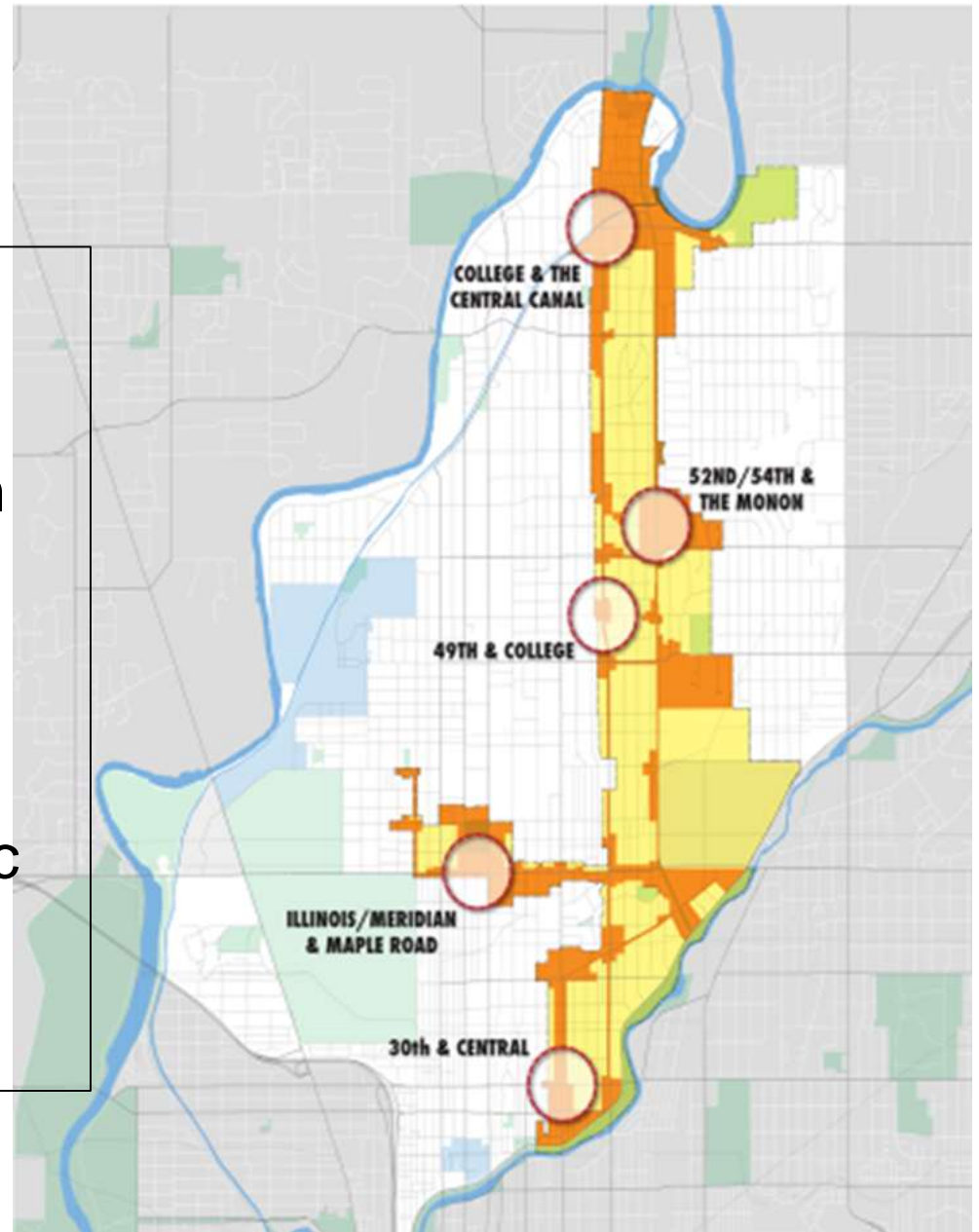
Complete Streets Policy etc.

Midtown Tax Incremental Finance District (TIF)



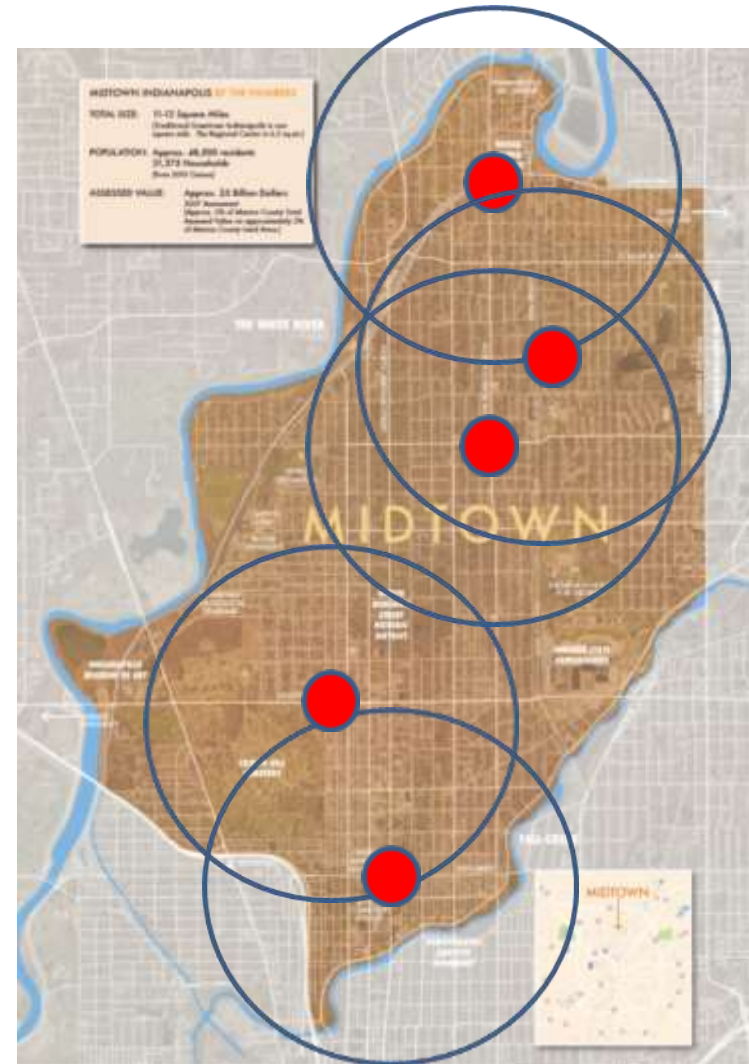
Neighborhood leaders agreed upon a set of catalyst sites for initial investment based upon neighborhood plans.

Focus: Spur additional private investment in housing, retail, or public realm improvements.



The Intended Effect

- **Provide better neighborhood services**
- **Stimulate private investment**
- **Protect and create jobs**
- **Recycle obsolescent, blighted and contaminated property**
- **Upgrade infrastructure**
- **Plan growth in advance.**
- **Reduce barriers to development**
- **Link stronger markets to weaker ones**
- **Create Predictability**





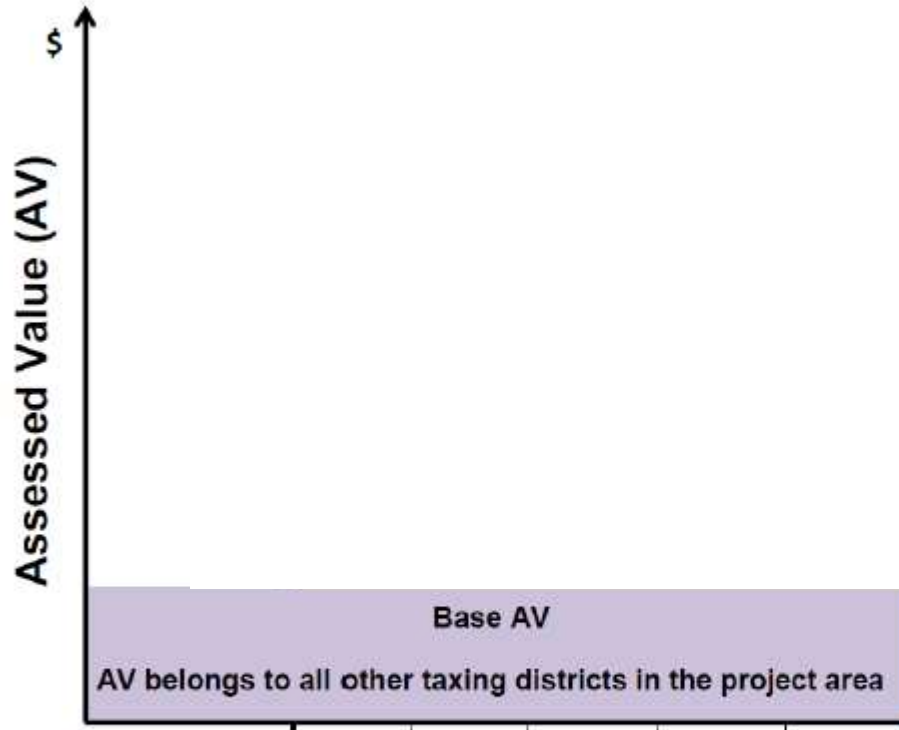
Key Market Demographics: Traffic, Density, Employment & Income Studies. Retail, Housing, and Office Demand.

These studies identified opportunities and challenges of each commercial node.



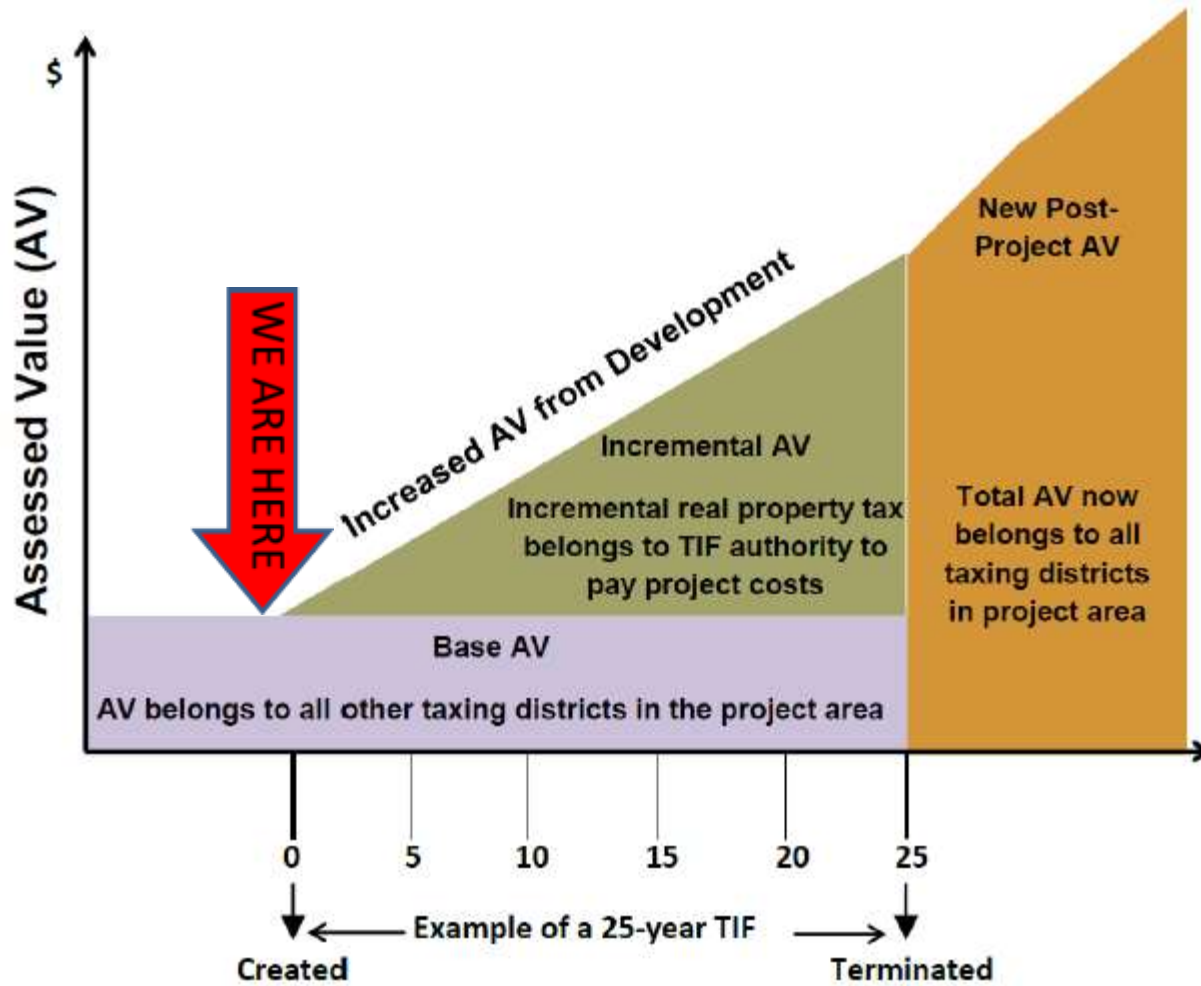
TIF 101: How Does It Work?

Before TIF
All Existing Taxes = Base AV



Raise your hand if you pay property taxes in
Midtown somewhere.

TIF Assessed Value (AV) Over Project Life



Source: Indianapolis Marion County TIF Study Commission Preliminary Report 5/2012.

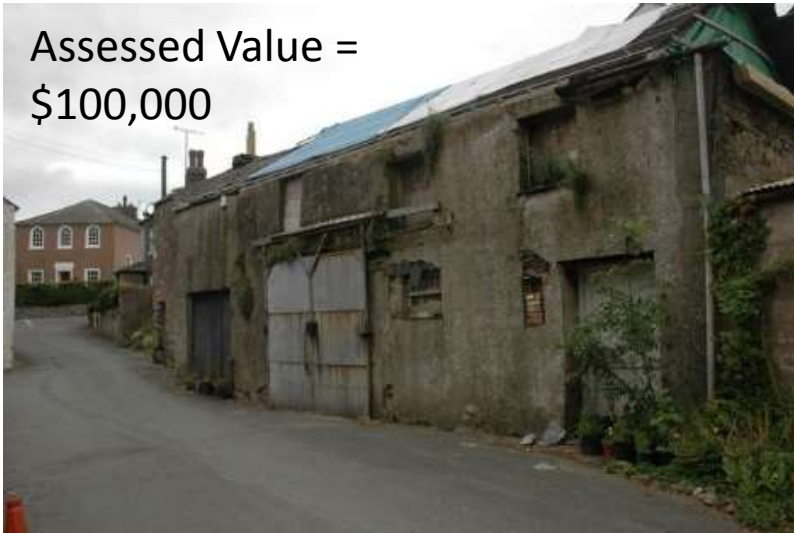
TIF Does Not Use Taxes From Residential Property



What Is Tax Increment?

If this

Assessed Value =
\$100,000



Tax Rate=2% Of AV =\$2,000 yr
BASE

Becomes this.....

Assessed Value =
1,000,000



Tax Rate = 2.5% of AV = \$25,000

Tax Increment = \$23,000

Tax Increment Financing

- TIF Is Not Actually A Tax
- It is a collection mechanism for new taxes paid inside of the established district resulting from physical changes that improve assessed value.
- It allows those taxes collected to stay in the district.
- Is used to encourage private investment in specific areas

Tax Increment Financing

Two Primary Methods:

- Direct Pay “As you go.”
- Bonding = Borrowing against increment. Like a mortgage.

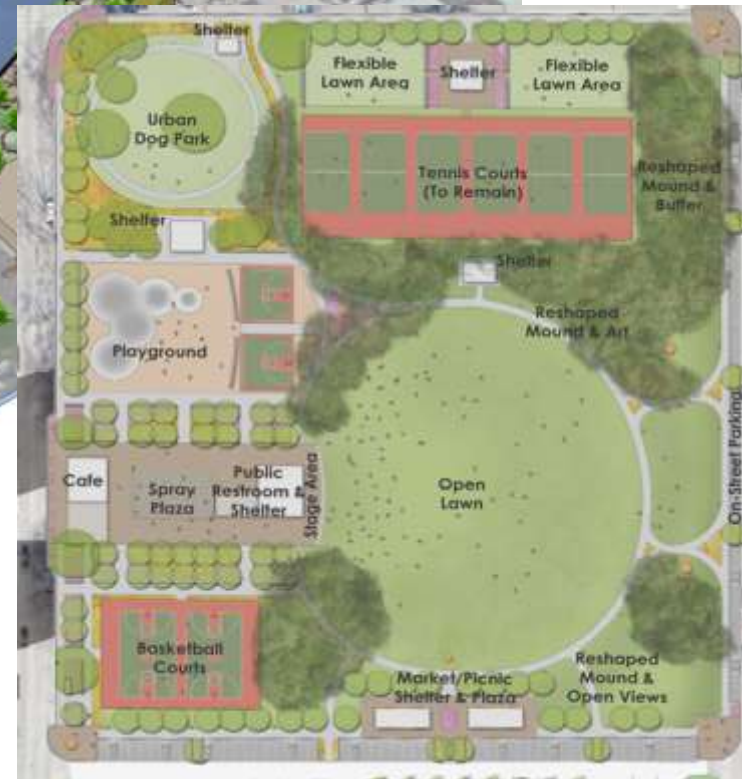
Permitted TIF Uses:

Public Realm Improvements

Infrastructure

Project Development

Site Acquisition/Remediation/
Demolition Etc.



Important things to consider about TIF

TIF is not a tax on individuals – rather a strategy for managing certain property taxes.

The TIF does not capture single family residential property taxes.

TIF does not capture existing “base” taxes

TIF does not capture the taxes you pay today, tomorrow, or in the future.

TIF does not increase your taxes.

TIF does not take existing tax funds from schools, police, fire or others

TIF can only be spent on certain qualified expenses

TIF expenditures are approved by the MDC and City Council

TIF is not a funded account. Funds must be generated through increased value from redevelopment or new development.

No projects = No Money

TIF cannot be spent anywhere. Must be spent inside of the district.

TIF does not last forever. TIF Ends in 25 years. Ideally with increased Assessed Value and many new and enhanced amenities for neighborhoods.



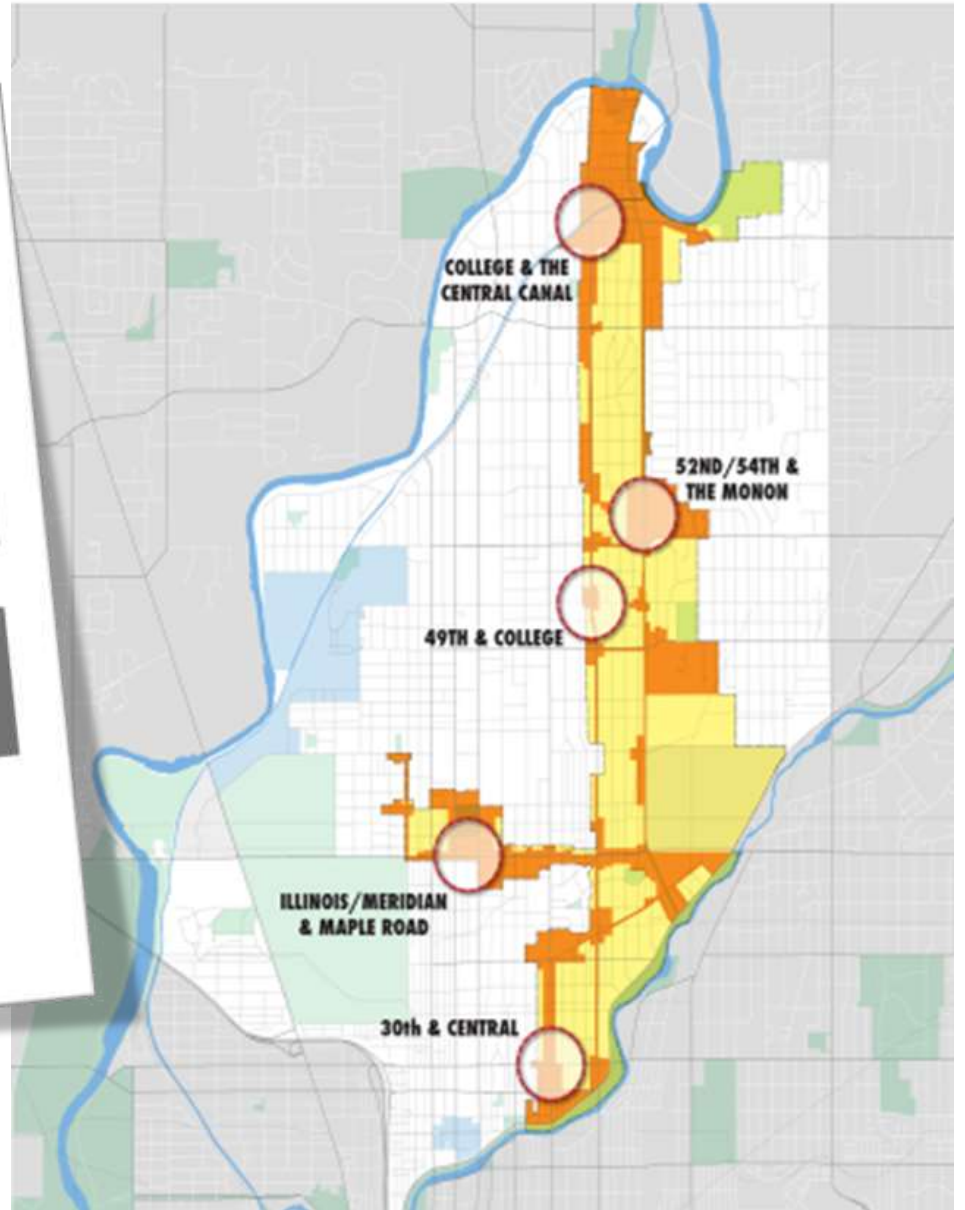
Midtown Economic Council



MIDTOWN TAX INCREMENT FINANCE DISTRICT

MIDTOWN ECONOMIC COUNCIL

An operational guide for the ongoing partnership of key district stakeholders in a joint effort to oversee the economic revitalization of Midtown's vital neighborhood commercial centers through collaboration and the implementation of key economic strategies.



Where does the MEC fit in the process?

TIF Decision Makers

Developers

Mayors Office

Economic Development
Commission

Bond Bank

MDC

City County Council

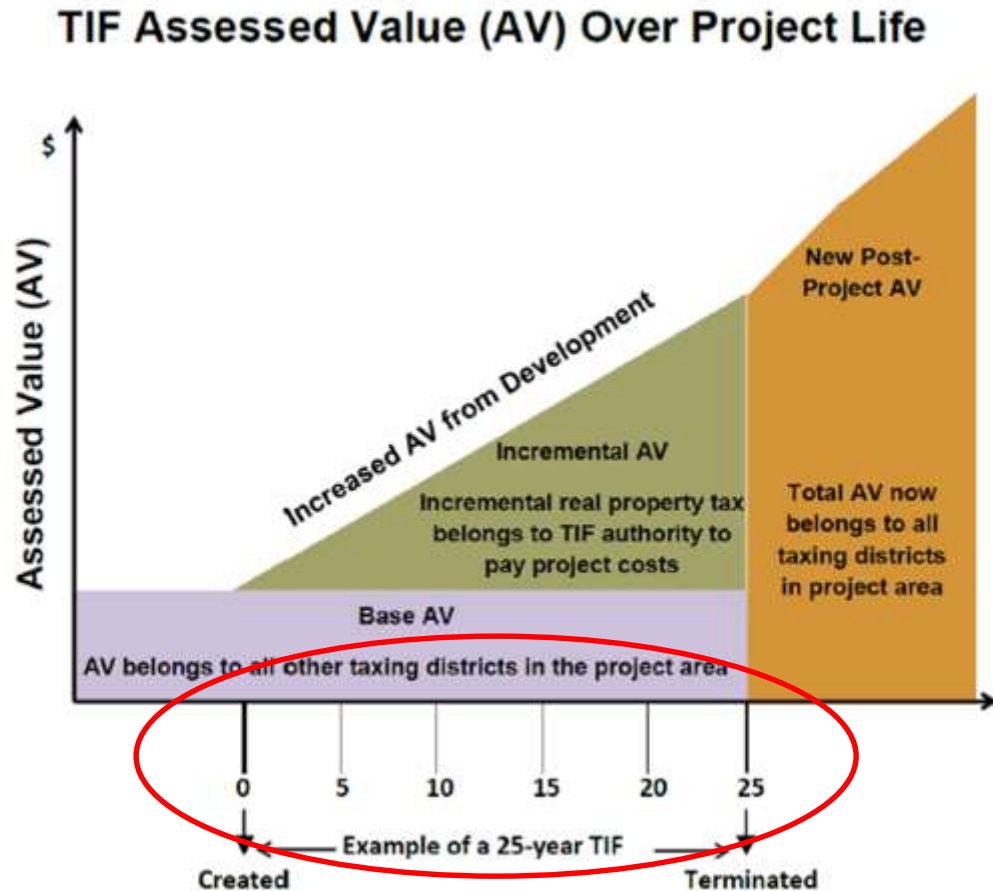
MDC

Etc.....



Midtown Economic Council

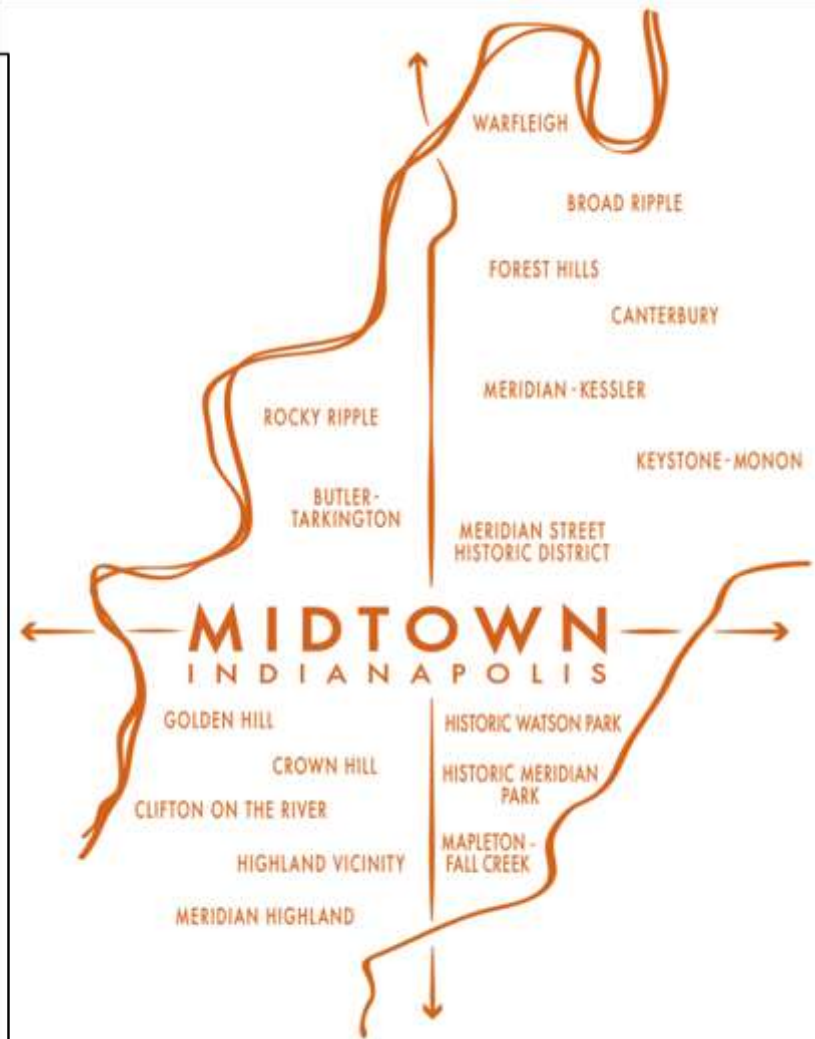
25 Year TIF-Who is watching?



Midtown Economic Council (MEC)

10 Members Appointed by 5 Organizational Stakeholders Including:

- **Midtown Indianapolis, Inc.**
Including: All 17 Neighborhoods
- **Mapleton Fall Creek Development Corporation**
Including: all Mid-North Neighborhoods
- **Meridian Kessler Neighborhood Association**
Including: Forest Hills, Canterbury, Keystone-Monon
- **Butler Tarkington Neighborhood Association**
Including: Meridian Street Foundation and Rocky Ripple
- **Broad Ripple Village Association**
Including: Warfleigh



These organizations will serve as representatives available to all Midtown area neighborhoods to share information about projects, and to receive input.

MEC Operational Considerations

1 Voting Member – 1 Alternate

Members are Non-Compensated Volunteers

Votes recommending support or or denial to funding require a super majority (4 of 5) to pass.

Meetings will be a mix of public and private meetings.

Members will serve as lead on projects in their own “nodes” bringing potential projects to the MEC.

The group is staffed by its member’s staff.



Policy Statements

- Conflict of Interest Statement
- Public Meeting/Information Statement
- Confidentiality Clause
- Non-Disclosure Clause

All available online.

www.midtownindy.org/midtowneconomiccouncil

MEC Members

- Broad Ripple Village Association
 - Mark Demerly, Primary
 - Elizabeth Marshall, Alternate
- Butler Tarkington Neighborhood Association
 - Chris Meier, Primary
 - Neil Bloede, Alternate
- Meridian Kessler Neighborhood Association
 - Matthew Dickerson, Primary
 - Matthew Albaugh, Alternate
- Mapleton Fall Creek Community Development Corporation
 - Tyson Domer-Primary
 - Doug Day, Alternate
- Midtown Indianapolis, Inc.
 - Thomas Gallagher, Primary
 - Kathryn Shorter, Alternate



MEC Goals and Objectives



COMMUNITY IDENTITY

Promote cohesive neighborhood identity through the built environment and a culture of community

OBJECTIVES:

- | Create beautiful, accessible and safe places that promote interaction and access.
- | Foster social networks that are inclusive, flexible and cohesive.
- | Support developments consistent with scale, typology, and use(s), as identified by area Quality of Life Plans, Commercial Node Studies, and Neighborhood Plans.



EQUITABLE DEVELOPMENT

Promote equity and opportunity and ensure fair distribution of benefits and burdens of investment and development throughout the district & community.

OBJECTIVES:

- | Provide direct and quantifiable community benefit through job creation and investment.
- | Provide quality and consistent local job opportunities.
- | Mitigate the forced displacement of existing residents and businesses.
- | Ensure diverse stakeholder involvement, benefit, and input.

DESIGN AND DEVELOPMENT



Promote and encourage the application of consistent design and development guidelines as established by the North Midtown Economic Development Plan

OBJECTIVES:

- | Ensure that new supported projects are conscious and supportive of surroundings through the use of consistent guidelines.
- | Improve street, trail, and Greenway access.
- | Provide for mixed use development and incorporate and support transit services whenever possible.





MEC Evaluation Process

MEC PROCESS & REVIEW

STAGE 1

• **PROJECT INTRODUCTION - Closed Process**

- Project summary submitted for review. Verify boundaries, TIF eligibility.
- Evaluate against Midtown/Neighborhood Plans.
- MEC to provide written response noting questions/concerns next steps.

STAGE 2

• **INITIAL PROJECT REVIEW - Closed Process**

- Developer/project lead to meet with MEC.
- Submittal and review of project financials.
- Evaluate project against priority node specific goals.

MEC PROCESS & REVIEW

STAGE 3

• **PROJECT DEVELOPMENT/COMMUNITY REVIEW - Public Review**

- Developer to present at local stakeholder/association public meeting.
- Secure local stakeholder letter of support. Landuse, Zoning, Board etc.
- Early engagement of local stakeholders strongly encouraged.

STAGE 4

• **CITY REVIEW/INPUT - Public Review**(To The Extent Provided)

- Secure city commitment to support project.
- Determine funding approach - direct pay/bond issuance and timeframe.
- Determine administrative/council leadership support.

STAGE 5

• **MEC FINAL REVIEW/RECOMMENDATION - Public Review**

- MEC to host public meeting.
- Determine project support.
- Issue formal recommendation to Metropolitan Development Commission.

Who Decides Which Project Goes First?

Factors Affecting Node Priority

- Market Strength
- Existing Conditions
- City/Public Support
- Partnerships
- Scale of Impact



Who gets the money?

Funds are used to pay for capital or site improvements typically related to public realm or infrastructure.

Sometimes parking, curb cuts, road, sewer improvements. But can be used to help remediate, acquire, or clear sites etc.

Funds do not go to Tenants in a development.

Funds must be spent on qualified items per state law.



Why does this group get to decide?

Ultimately it doesn't. The Council and MDC will decide.

But the importance of this group is building consensus.

Speaking with a unified voice is important.

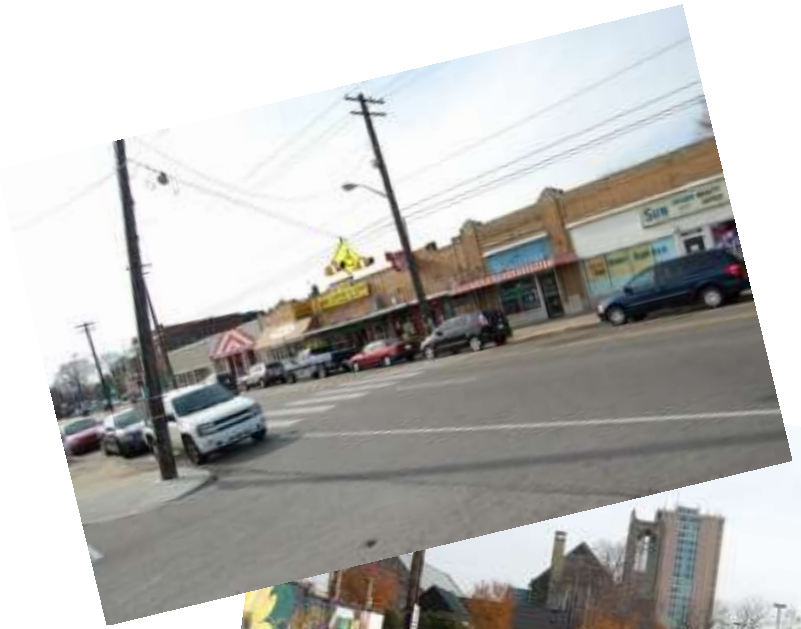
This TIF is rare that it has such a group created to give formal input.

The group hopes to earn your respect through proven results.



How do you get appointed to the MEC?

Stakeholder groups handle and retain control over all appointments and terms of service



How Do I Find Out About MEC Public Meetings?

MEC members will work with all Midtown Area Neighborhood Associations to distribute information electronically, on social media, in newsletters and at area businesses.

Further, Public Notices will be run in the IndyStar.

Your neighborhood association is your best resource for such information.



The Red Line *e*-BRT

Indianapolis, Indiana

America's First Full *e*-BRT Line

