



City pleased with TIF district performance

BY RON OSBURN

Staff Writer

rosburn@tdnpublishing.com

New development is steadily moving into the city's 76-acre Tax Increment Financing district, and the four-year-old TIF agreement is starting to pay off, Troy Development Director Jim Dando told members of the city's Tax Incentive Review Council at its annual meeting Friday.

The city received \$162,376.27 in TIF payments in 2007, allowing it to not only make 2007's bond payment of \$130,000, but also to pay necessary county auditor's fees and update the West Main Street traffic study, Dando said.

"There's enough to pay off the bond and the other expend-

TROY



Jim Dando

and Dayton-based Harson Development/Singer Properties, which is developing the site, bounded by West Main Street, Experiment Farm Road and Interstate 75.

To facilitate development within the TIF boundaries, the city financed a 30-year bond to pay for Towne Park Drive, along with other infrastructure improvements in the

area. It's operating just as we anticipated," he said.

Troy's TIF agreement was initiated in 2004 between the city of Troy

area, such as utilities and decorative brick sidewalks and streetlights. The .3-mile Towne Park Drive connects West Main Street with Experiment Farm Road, bisecting the TIF district.

As new businesses move in to the TIF district, they make payments in lieu of normal taxes. The first 23.54 percent of their TIF payments go to the Troy Schools and the balance goes to the city to pay off the bond, Dando said.

About half of the land in the TIF district is developed so far, with about two dozen businesses now operating within the TIF, Dando said.

To attract higher paying jobs — which produce higher rates of income tax to the city — the city and Harson agreed that no more than 40 percent

TIF BY THE NUMBERS

Total TIF payments in 2007	\$217,171
Less 23.54% for Troy Schools	\$51,122
Total to city to pay off the bond & other expenses	\$166,049
Total 2007 bond payment for TIF Improvements	\$130,000

of the total development inside the TIF would be retail or restaurant.

The Towne Park Apartments are not part of the TIF district, and Wal-Mart, Skyline Chili and the Shell gas station are participating in the TIF on a limited basis. (*)

At the current development rate, Dando said he anticipates the city will be able to pay off its 30-year bond early.

The TIRC unanimously sent a positive recommendation to city council to continue

the TIF for another year.

(* The three businesses that Harson/Singer owned within the TIF district boundary that predated the TIF agreement — Wal-Mart, Skyline Chili and the Shell gas station — make TIF payments only on improvements to their properties made after the TIF was enacted.

All three businesses continue to make normal tax payments to the city on the pre-TIF value of their properties.)