CITY OF WEST DES MOINES
CITY COUNCIL MEETING COMMUNICATION

ITEM: **DATE:** November 30, 2015

Approving Annual Tax Increment Financing (TIF) Indebtedness Certification Report to Dallas and Polk Counties

FINANCIAL IMPACT:

Up to $11,999,963 in various TIF-related expenditures are projected in FY 2016-17, which rely on the use of tax revenues generated by the City's Urban Renewal Areas. This includes $452,069 of "set aside" for Low and Medium Income Housing (LMI) from the Woodland Hills URA. The City plans to capture $444,027,661 of incremental valuation in these areas. This represents 42.2% of the total $1,053,086,848 incremental valuation available in the active Urban Renewal Areas, which is higher than the percentage captured in the previous year (40.7%), primarily due to the debt requirements of the new Alluvion Urban Renewal Area.

BACKGROUND:

Each year the City is required to submit its tax increment financing (TIF) needs to the Dallas, Polk, and Warren County Auditors annually by December 1 for the subsequent fiscal year (none of the City's active Urban Renewal Areas currently extend into either Madison County). Staff, with assistance from the City's financial advisory firm (Public Financial Management), has computed the FY 2016-17 request based on indebtedness and obligations of the City.

Approval of this item will approve the certifications and also allow for the Finance Director to adjust the requirement if there are substantial adjustments in tax valuations between now and December 1st.

The request prepared by staff is based on the County Auditor's preliminary taxable valuation figures which, when finalized, will be certified to the State of Iowa. A summary of specific planned tax increment sources and uses for FY 2016-17 are as follows:

Urban Renewal Area	Increment Available 16-17	Increment Captured 16-17	Money to WDM TIF 16-17	Increment Released 16-17
Jordan Creek	$ 577,132,022	$ 119,500,000	$ 3,120,637	$ 457,632,022
Mills Parkway (General)	161,445,079	109,477,936	2,858,920	$ 51,967,143
Mills Parkway (Aviva)	49,445,163	49,445,163	1,291,217	$ -
Mills Parkway (Microsoft)	42,795,577	42,795,577	1,117,569	$ -
Fuller Road	45,791,473	197,985	6,303	$ 45,593,488
4125 Westown Parkway	4,417,000	3,000,000	95,509	$ 1,417,000
Valley Junction	36,972,679	-	-	$ 36,972,679
Alluvion	67,502,700	67,502,700	2,149,046	$ -
Val Gate	1,597,620	-	-	$ 1,597,620
Westown V	6,552,330	6,552,330	171,108	$ -
Ashworth Corridor	4,436,199	-	-	$ 4,436,199
Woodland Hills	54,999,006	45,555,970	1,189,654	$ 9,443,036
Total	$ 1,053,086,848	$ 444,027,661	$ 11,999,963	$ 609,059,187

Note: "Increment Released" refers to the incremental taxable valuation within the Urban Renewal Area which will be released to the respective taxing bodies with corresponding revenues allocated just as normal tax revenues.

RECOMMENDATON:

Approve tax increment needs for FY 2016-17 and authorize the City's Finance Director to complete and submit the annual certifications to Dallas and Polk Counties.

Lead Staff Member: Tim Stiles, Finance Director

STAFF REVIEWS

Department Director	
Appropriations/Finance	
Legal	
Agenda Acceptance	RTJ

PUBLICATION(S) (if applicable)

Published In	
Dates(s) Published	

SUBCOMMITTEE REVIEW (if applicable)

Committee			
Date Reviewed			
Recommendation	Yes	No	Split