



## Anderson Township

### Tax Increment Financing ("TIF") – December 7, 2023

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"TIF" stands for Tax Increment Financing, which is a statutory mechanism available to local governments in Ohio to finance public infrastructure improvements. TIFs may be established by municipalities, townships, and counties.

The benefit of TIFs is that payments derived from the increased assessed value of any improvement to real property that has been included within the boundaries of a TIF area are directed towards a separate tax increment equivalent fund to finance the construction of public infrastructure improvements as described in the local legislation establishing the TIF.

A TIF is established, in the case of a township, by the passage of legislation by a board of township trustees that (a) designates the parcel(s) to be included within the boundaries of the TIF area to which a tax exemption is conferred, (b) declares improvements to property within the specified TIF area as serving a public purpose, (c) delineates the public infrastructure improvements to be made that will directly benefit the parcel(s) generating the revenue, and (d) specifies the tax increment equivalent fund(s) to be created for those redirected monies.

The value of the improvements made to parcels in the TIF area are exempted from real property taxes for the duration of the TIF, but payments in lieu of taxes with respect to the value of such improvements are payable by the property owner and deposited to the relevant tax increment equivalent fund. Often the board of township trustees shares the TIF revenues with the school districts impacted by the TIF. In Anderson Township, the Board of Township Trustees makes the impacted school districts (which would be either the Cincinnati City School District ("CCSD") or the Forest Hills Local School District ("FHLSD"), and the Great Oaks Joint Vocational School District) whole, which means that after TIF revenues are allocated to the Township by the Hamilton County Treasurer at the time of real property tax settlements, the Township Fiscal Officer then pays over to the impacted school district(s) the amount of money that the school district otherwise would have received had the increase in value of the improvements to the parcels in the TIF area not been exempt from real property taxes. There is one TIF area within Anderson Township, which includes only land that is currently tax exempt, for which the impacted school districts were not held harmless. That special case involved land held by a public entity that therefore is not on the tax duplicate.

Under Ohio law, TIFs can be established that exempt (a) up to 75% of the value of the increase in assessed valuation for up to 10 years, with notice to but without school district approval, or (b) up to 100% of the increase in assessed valuation for up to 30 years with notice to and in most cases, the approval of the impacted school districts; provided, that a joint vocational school district may share in the compensation arrangement but does not have approval rights. However, so long as the impacted school districts are held harmless by the township, a township may create a TIF on up to 100% of the increase in value of the improvements to the property in the TIF area for up to 30 years by giving notice to the school districts but approval of the township TIF resolution by the school board is not required.

**TIFs generated millions.**

**1994 TIF** – Nearly 1,800 parcels of land were included in the Anderson Township’s first TIF, established in 1994. This 30-year TIF was extended for an additional 15-years in 2016, as permitted by Ohio law. The impacted school districts are held harmless. Through November 2023, the 1994 TIF had generated approximately \$150 million for the Township, \$183 million for the FHLSD, and \$807,000 for CCSD.

In addition to furthering economic development, the Township’s portion of TIF dollars has funded quality of life initiatives and the purchase of vehicles and equipment which have helped stretch the life of safety service and road tax levies. In 2018, the Ohio General Assembly provided townships with the ability to utilize 1994 TIF dollars for continued maintenance of improvements, vehicles, and equipment purchased utilizing that funding source. As a result, maintenance costs typically charged to the General Fund and various levy funds are now financed with TIF dollars. Revenues from the 1994 TIF have been used:

- To purchase fire engines, ambulances, police cruisers, trucks, and snowplows,
- To resurface roads, purchase heart monitors and patient cots,
- To purchase traffic signal battery back-up units,
- To provide quality-of-life amenities including the extensive Anderson Trails network, the Ohio River Trail, Anderson Center, Anderson Lake, and the Five Mile Trail,
- To improve and maintain buildings and grounds built or acquired with 1994 TIF dollars,
- To purchase the Beech Acres RecPlex, an indoor recreation facility for the community, and
- To further economic development

**Ohio Riverfront TIFs** –TIF districts encompassing the Belterra Park properties were established in 2013. Ohio Riverfront TIF Area I is comprised of the Belterra Park Gaming facility which is located within the Cincinnati Public School district. Thus far, TIF Area I has generated approximately \$8.2 million for the Township and \$13.2 million for CCSD. Ohio Riverfront TIF Area II includes the horse stables and a parcel on the north side of Kellogg Avenue both of which are located within the FHLSD. TIF Area II has generated \$438,000 for the Township, \$558,000 for the FHLSD, and \$29,400 for the Great Oaks Joint Vocational School District. Monies paid to the Township from these TIFs provide funding for:

- Fire engines, ambulances, boats, and police cruisers serving the Ohio Riverfront and related equipment including water rescue gear,
- Portions of the Ohio River Trail,
- Kellogg Road and I-275 interchange improvements, and
- Projects outlined in the Ohio Riverfront Plan including those that will provide greater access to the Ohio River, economic development projects that enhance the entertainment district, flood protection measures, and other quality of life amenities

**Stonecrest (Anthology) TIF** – In 2018, the Board of Township Trustees established a TIF area comprising the Anthology of Anderson Township senior living (formerly Stonecrest) development on Beechmont Avenue. This 30-year TIF is expected to generate approximately \$7 million dollars in new revenue for the FHLSD and \$5 million for the Township payable over the duration of the TIF. Of those revenues, the Board of Township Trustees committed \$2 million, or 67% of its share of anticipated revenue toward the renovation of the Anderson Parks RecPlex, equating to approximately \$66,666 per year. The remaining \$1 million will be invested in sidewalk and gateway improvements adjacent to the Anthology development. The FHLSD has collaborated with the Township and the Park District on the RecPlex renovation project by agreeing to contribute \$1 million, or 25% of its share of revenue toward the RecPlex renovation project over the 30-year duration of the TIF, equating to \$33,333 per year. FHLSD will retain the remaining \$6 million in Stonecrest TIF revenues.

**Stonegate TIF** – A Resolution establishing the Stonegate TIF district was approved by the Board in 2019. The district is comprised of One30 at Stonegate located on approximately twelve acres on Stonegate Drive. This 30-year TIF is expected to generate approximately \$6.5 million for the FHLSD and \$4.5 million for the Township payable over the duration of the TIF. Revenues from this TIF will fund improvements along Beechmont Avenue, Stonegate Drive and Nagel Road. Additional projects include improvements to the Township’s Operations Center which encompasses Public Works, Fire Station 6, Hamilton County Sheriff’s District 5 substation, a Recycling Center, and the Senior Center. Purchases of emergency response equipment may also occur.

**Towne Center Way TIF** – In November 2022, the Towne Center Way TIF area was created by the Board of Trustees. Revenue from this 30-year TIF may be used to construct improvements to Beechmont Avenue, Five Mile Road, State Road, Wolfangel Road, Towne Center Way, and Anderson Center Drive. Such improvements may include lighting, signalization, landscaping, streetscaping, walkways, and public utility improvements among others. Emergency response equipment may also be purchased.

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December 7, 2023