



P.O. Box 1268 • Huntington, WV • 25714-1268
Tel 304.696.5509 • hmda@cityofhuntington.com

August 1, 2017

Mr. Todd Hooker, Sr. Manager
Financial Programs & National Accounts
West Virginia Development Office
1900 Kanawha Blvd., East
Charleston, WV 25305-0311

Re: *TIF District 2 Annual Report (2017)*

Dear Mr. Hooker:

Please find enclosed for your records a copy of the City of Huntington's annual report for TIF District 2 at Kinetic Park along with accompanying documentation.

Should you have any questions or need additional information, please do not hesitate to contact our office at any time.

Sincerely,

A handwritten signature in blue ink that reads "Tom Bell". The signature is written in a cursive, flowing style.

Tom Bell
HMDA Executive Director

TB/lr

Enclosure

cc: Cathy Burns, City Manager
Pam Chandler, CFO

Annual Report by City of Huntington
City of Huntington Kinetic Park TIF District #2
JUNE 30, 2017

1. The aggregate amount and the amount by source of revenue in the tax increment financing fund: As of June 30, 2017 the tax increment financing fund has a balance of \$784,424.27. See attachment 1
2. The amount and purpose of expenditures from the tax increment financing fund: As of the date of this report, \$319,209.66—Attached Detail – 2.
3. The amount of any pledge of revenues, including principal and interest on any outstanding tax increment financing indebtedness: \$423,998.00 Advanced by HMDA
4. The base-assessed value of the development or redevelopment project, or the development or redevelopment project area or district, as appropriate: \$0. The assessor discovered an error in the base amount, which should have been \$0 from the beginning of the project.
5. The assessed value for the current tax year of the development or redevelopment project property, or of the taxable property having a tax situs in the development or redevelopment project area or district, as appropriate: \$19,387,921.00.
6. The assessed value added to base-assessed value of the development or redevelopment area or district, or the taxable property having a tax situs in the development or redevelopment area or district, as the case may be: \$19,387,921.00.
7. Payments made in lieu of taxes received and expended: As of the date of this report, there are no payments made in lieu of taxes.
8. Reports on contracts made incidental to the implementation and furtherance of a development or redevelopment plan or project: As of the date of this report, no contracts have been signed.
9. A copy of any development or redevelopment plan, which shall include the required findings and cost –benefit analysis: Reports dated July 25, 2011 and August 20, 2015 attached - 3.
10. The cost of any property acquired, disposed of, rehabilitated, reconstructed, repaired or remodeled: As of the date of this report, no property has been acquired, disposed of, rehabilitated, reconstructed, repaired or remodeled.
11. The number of parcels of land acquired by or through initiation of eminent domain proceedings: As of the date of this report, no land has been acquired by or through initiation of eminent domain proceedings.

12. The number and types of jobs projected by the project developer to be created, if any, and the estimated annualized wages and benefits paid or to be paid to persons filling those jobs: 200-300 new jobs having an annual salary of \$22,000 to \$30,000. This equates to a range of \$4,400,000.00 to \$6,000,000.00 salary and benefit impact.
13. The number, type and duration of the jobs created, if any, and the annualized wages and benefits paid: Amazon has added 200 jobs per use of TIF funds.
14. The amount of disbursements from the tax increment financing fund during the most recently completed fiscal year, in the aggregate and in such detail as the executive director of the development office may require: See attached - 2.
15. An annual statement showing payments made in lieu of taxes received and expended during the fiscal year: There were no payments made in lieu of taxes received and expended during the most recently completed fiscal year.
16. The status of the development or redevelopment plan and projects therein: The plan still has some infrastructure improvements outstanding. We have expended \$966,063.26 of the \$2,200,000.00 approved in the plan. We continue to work on completing the items.
17. The amount of outstanding tax increment financing obligations: \$423,998.00. See attachment - 1
18. Any additional information the county commission or the municipality preparing the report deems necessary or that the executive director of the development office may by procedural rule require: This annual report will be published on the City of Huntington web site: <http://www.cityofhuntington.com/>.

City of Huntington
TIF - 2 Kinetic Park
July 1, 2016 - June 30, 2017

Attachment 1
Question -1, 3, 17

Beginning Balance 7/1/ 2016	\$790,282.23
Taxes 7/1/2016 - 6/30/2017	\$313,093.35
Interest	\$258.35
Expenditures	\$319,209.66
Owed HMDA	\$423,998.00
Ending Balance 6/30/2017	\$784,424.27

Beg. Bal plus deposits	\$1,103,633.93
Ending Bal	-\$784,424.27
Expenditures	-\$319,209.66
Advanced by HMDA	<u>\$423,998.00</u>

TJBell 8/1/2017
TIF 2 Balance Analysis 2017

8:52 AM

08/01/17

Accrual Basis

Huntington Municipal Development Authority
Account QuickReport
 As of June 30, 2017

Detail - 2

Type	Date	Num	Name	Memo	Split	Amount	Balance
31008 · First Sentry KP TIF 2							790,282.23
Check	7/18/2016	11	Kotalic Landscaping	#258330	37140 · Improv...	-1,870.00	788,412.23
Check	7/26/2016	12	Paris Signs	Inv. 38454	37140 · Improv...	-4,501.97	783,910.26
Deposit	7/31/2016			Interest	38400 · Interest...	16.76	783,927.02
Deposit	8/11/2016			Deposit	34010 · Tax Re...	24,257.85	808,184.87
Deposit	8/31/2016			Interest	38400 · Interest...	17.02	808,201.89
Deposit	9/14/2016			Deposit	34010 · Tax Re...	180,141.18	988,343.07
Check	9/26/2016	13	Asphalt Contractors a...	#1871 & 1910	-SPLIT-	-215,327.00	773,016.07
Deposit	9/30/2016			Interest	38400 · Interest...	18.71	773,034.78
Deposit	10/14/2016			Deposit	34010 · Tax Re...	1,973.14	775,007.92
Check	10/14/2016	14	Kotalic Landscaping	475932	37140 · Improv...	-1,682.00	773,325.92
Deposit	10/31/2016			Interest	38400 · Interest...	17.90	773,343.82
Check	11/2/2016	15	Paris Signs	Inv. 38813 & 3...	37140 · Improv...	-32,226.69	741,117.13
Check	11/15/2016	16	Dixon Electrical Syste...	S16128-1	37140 · Improv...	-16,300.00	724,817.13
Deposit	11/30/2016			Interest	38400 · Interest...	15.36	724,832.49
Check	12/22/2016	17	Steptoe & Johnson, P...	Inv. 720691	37150 · Legal	-20,678.25	704,154.24
Deposit	12/31/2016			Interest	38400 · Interest...	15.33	704,169.57
Check	1/4/2017	18	Kotalic Landscaping	475855	37140 · Improv...	-6,180.00	697,989.57
Deposit	1/13/2017			Deposit	34010 · Tax Re...	12,814.83	710,804.40
Check	1/31/2017			New Checks	35402 · Office e...	-153.16	710,651.24
Deposit	1/31/2017			Interest	38400 · Interest...	14.99	710,666.23
Check	2/21/2017	19	Paris Signs	#38289 & #37...	37140 · Improv...	-16,760.10	693,906.13
Deposit	2/28/2017			Interest	38400 · Interest...	13.63	693,919.76
Deposit	3/10/2017			Deposit	34010 · Tax Re...	85,282.46	779,202.22
Deposit	3/31/2017			Interest	38400 · Interest...	31.25	779,233.47
Check	4/17/2017	20	Paris Signs	#39525	37140 · Improv...	-3,300.49	775,932.98
Check	4/17/2017	21	Kotalic Landscaping	593006	37140 · Improv...	-230.00	775,702.98
Deposit	4/30/2017			Interest	38400 · Interest...	32.02	775,735.00
Deposit	5/16/2017			Deposit	34010 · Tax Re...	8,623.89	784,358.89
Deposit	5/31/2017			Interest	38400 · Interest...	33.14	784,392.03
Deposit	6/30/2017			Interest	38400 · Interest...	32.24	784,424.27
Total 31008 · First Sentry KP TIF 2						-5,857.96	784,424.27
TOTAL						-5,857.96	784,424.27

City of Huntington Kinetic Park
Development/Redevelopment District No. 2
Project Plan – June 2, 2011

This project plan for the City of Huntington Kinetic Park Development/Redevelopment District No. 2 (the "District") has been developed by the City of Huntington (the "City") pursuant to West Virginia Code Section 7-11B-8.

1. The entire project will be contained within the boundaries of the District. The project consists of the following infrastructure improvements: redundant broadband, power requirements, roadways, trails, paths, green spaces, landscaping and any other infrastructure uses as approved by the HMDA Board.
2. Since the formation of the District the tax increment has been collected by the District. Therefore, the implementation of the project plan will not result in any additional negative financial impact on the levying bodies. The economic impact on the levying bodies was set forth in the original application submitted to the Development Office for formation of the District prior to the formation of the District. The development of the infrastructure will enhance future development within the District and will result in greater economic activity and local and state tax revenue. If the proposed improvements are not built then future development will not be as robust as and resulting economic activity and tax revenues will be lower than will be present with the improvements.
3. The cost of the infrastructure projects comprising the project plan will be paid in approximately seven years from tax increment revenues.
4. The estimated project costs total \$700,000 and are as follows: redundant broadband \$245,000, alternative power sources \$200,000, street lights and other infrastructure improvements \$255,000.
5. The project will be internally financed through tax increment revenues and cash reserves of the Huntington Municipal Development Authority ("HMDA"). To the extent that HMDA's cash reserves are used to pay project costs HMDA will be reimbursed from the TIF Fund for such expenditures when tax increment revenues are available. No tax increment financing obligations will be issued with respect to the project.
6. The certification of the Cabell County Assessor of the base assessed value of real and tangible personal property in the District is attached.
7. No revenues other than tax increment revenues are expected to be deposited in the TIF Fund.
8. A map of the District is attached.
9. A map showing the location of the proposed infrastructure improvements constituting the project is attached.
10. No change in zoning is required.
11. No cross-references to any master plans, maps, building codes or municipal ordinances or county commission orders are required.
12. There will not be any nonproject costs other than legal fees. Legal fees associated with the project plan and the actions taken by the City and the District in obtaining approval of the project plan and authorizing the project are estimated at \$7,500.
13. No persons will be relocated.
14. A certificate from Workmen's Compensation is not required since only the City, and no private developer will be involved.

15. A certificate from the Sheriff is not required since only the City, and no private developer will be involved.

**City of Huntington Kinetic Park
Development/Redevelopment District No. 2
Project Plan – June 2, 2011
Revised August 20, 2015**

Page 3 of 5

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1. The entire project will be contained within the boundaries of the District. The project consists of the following infrastructure improvements: maintenance of retention ponds, slip repair, stream bank maintenance, water runoff re-direction, roadways, trails, paths, green spaces, landscaping and any other infrastructure uses as approved by the HMDA Board.
2. Since the formation of the District the tax increment has been collected by the District. Therefore, the implementation of the project plan will not result in any additional negative financial impact on the levying bodies. The economic impact on the levying bodies was set forth in the original application submitted to the Development Office for formation of the District prior to the formation of the District. The development of the infrastructure will enhance future development within the District and will result in greater economic activity and local and state tax revenue. If the proposed improvements are not built then future development will not be as robust as and resulting economic activity and tax revenues will be lower than will be present with the improvements.
3. The cost of the infrastructure projects comprising the project plan will be paid in approximately seven years from tax increment revenues.
4. The estimated project costs total \$1,500,000.
5. The project will be internally financed through tax increment revenues and cash reserves of the Huntington Municipal Development Authority ("HMDA"). To the extent that HMDA's cash reserves are used to pay project costs HMDA will be reimbursed from the TIF Fund for such expenditures when tax increment revenues are available. No tax increment financing obligations will be issued with respect to the project.
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**City of Huntington
Tif 2 Kinetic Park
Supplemental Information**

Uses of funds requested

- Repair Slip, Maintenance of Retention Ponds, Stream Bank Stabilization and Repair \$400,000
- Signage, Upgrade Landscaping and Entrance Improvements \$300,000
- Develop PATH Trails and Green Spaces \$150,000
- Legal Fees and other Professional Fees \$25,000
- Other Infrastructure Projects as approved by HMDA Board \$625,000

Employment at Kinetic Park 1,325