

TIF District/Project Status Report
Fiscal Year Ending June 30, 2024
(Pursuant to WV Code 7-11B-15)

Municipality: City of Morgantown
389 Spruce Street
Morgantown, WV 26505

Contact: A. Kim Haws, City Manager
304-284-7404/ (fax) 304-284-7430
khaws@morgantownwv.gov

District: Redevelopment District No. 4 – Wiley – Spruce - Brockway
Project: Redevelopment Project Plan No. 1

- | | | |
|--|--|----------------------|
| 1) Aggregate amount and amount by source of revenue: | | |
| Property taxes - current | | \$ 99,126.43 |
| Property taxes - prior year | | 1,893.30 |
| Interest and penalties on taxes | | 551.11 |
| Interest earned on deposits | | 10,340.67 |
| | | <u>\$ 111,911.51</u> |
| 2) Amount and purpose of expenditures: | | |
| Professional services | | Attachment 1 |
| 3) Amount of any pledge of revenues, including principal and interest on any outstanding tax increment financing indebtedness: | | \$ 0 |
| 4) Base-assessed value of the development/redevelopment project area: | | \$ 21,174,529 |
| 5) Assessed value for the current year of the taxable property having a tax situs in the development/redevelopment project area: | | \$ 24,872,962 |
| 6) Assessed value added to base-assessed value of the taxable property having a tax situs in the development/redevelopment project area: | | \$ 3,698,433 |
| 7) Payments made in lieu of taxes received and expended: | | \$ 0 |

- | | |
|--|---------------|
| 8) Report on Contracts made incidental to the implementation and furtherance of a development/redevelopment project: | None |
| 9) Copy of any development/redevelopment plan, including required findings and cost-benefit analysis: | Attachment 2 |
| 10) Cost of any property acquired, disposed of, rehabilitated, reconstructed, repaired, or remodeled: | \$ 150,000.00 |
| 11) Number of parcels of land acquired by or through the initiation of eminent domain proceedings: | None |
| 12) Number and types of jobs projected by the project developer to be created, estimated annualized wages and benefits to be paid to persons filling those jobs: | Attachment 3 |
| 13) Number, type and duration of jobs created and annualized wages and benefits paid: | None |
| 14) Amount of disbursements from the tax increment financing fund during the most recently completed fiscal year: | \$ 0 |
| 15) Annual statement showing payments made in lieu of taxes received and expended during the fiscal year: | None |
| 16) Status of the development/redevelopment project: | Attachment 4 |
| 17) Amount of outstanding tax increment financing obligations: | \$ 0 |
| 18) Additional information: | None |

I hereby certify that the information contained in this report, including all attachments, is true and accurate to the best of my knowledge.

9/11/2024
Date


A. Kim Haws, City Manager

1) Amount and purpose of expenditures:

TIF FUND:

Professional Services - Legal Fees	\$ 430.00
Office Supplies – Reimbursable Supplies	1,275.00
Capital Outlay – Land Purchase	<u>150,000.00</u>
	<u>\$ 151,705.00</u>

Expenditures Overview

During the Fiscal Year ended June 30, 2024, the City of Morgantown incurred a total of \$151,705.00 in expenditures related to the Wiley – Spruce – Brockway TIF District. These expenditures are detailed as follows:

1. Legal Fees and Reimbursable Supplies:

- **Amount:** \$1,705.00
- **Description:** These expenditures were incurred for legal fees and reimbursable supplies associated with the establishment of the TIF District. This includes costs for legal services and necessary supplies to support the legal processes.

2. Real Estate Purchase Agreement:

- **Amount:** \$150,000.00
- **Description:** On August 31, 2023, the City entered into a real estate purchase agreement to acquire two parcels of land aimed at enhancing public infrastructure within the Wiley – Spruce – Brockway TIF District. The total purchase price for the property was \$216,600.00. A deposit of \$150,000.00 was made upon the execution of the purchase agreement, with the remaining balance to be paid upon closing.

Conclusion

The expenditures for the fiscal year reflect the City’s commitment to establishing and developing the Wiley – Spruce – Brockway TIF District, ensuring legal compliance, and making strategic investments in public infrastructure. These efforts are foundational to fostering economic growth and enhancing the quality of life within the District. The City remains optimistic about the positive impact these investments will have on the community and looks forward to continued progress in the upcoming fiscal years.

SECTION II.

PROJECT INFORMATION

DETAILED DESCRIPTION OF PROJECT

Include a description of how the project fits with the overall development plans for the development or redevelopment project area or district or the overall development plans of the municipality, county or region.

The TIF District

The City proposes the creation of the TIF District to be designated as the "City of Morgantown Redevelopment District No. 4." The proposed TIF District includes parcels beginning at the intersection of Willey Street and Oak Street, traveling south along Willey Street to Spruce Street, traveling along Spruce Street to Walnut Street to Brockway Avenue, traveling along Brockway Avenue to Pennsylvania Avenue, traveling north to Richwood Avenue, traveling along Richwood to Union Street, traveling along Union Street to Battelle Street to Oak Street. A map of the proposed TIF District and listing of included parcels of real property, as identified by Tax Map and Parcel Number, is provided in Attachment 2. The TIF District is being created by the City for the purpose of improving public infrastructure within the district to include right-of-way improvements along Willey Street, Spruce Street, Walnut Street, Brockway Avenue, Forest Avenue, and other streets and public property in the TIF District.

The TIF Project

The City proposes to develop/construct/install certain projects (the "TIF Projects") within the TIF District, which TIF Projects may be acquired and constructed in several phases. The TIF Projects include the following public improvements: road, intersection, and public property improvements (including utility relocation, pedestrian ways (sidewalks), curbs, lighting, landscaping, land and right-of-way acquisition, and related infrastructure), demolition and site preparation, and incidental costs and expenses relating to the construction and installation of such public infrastructure improvements and demolition projects, and other related public infrastructure, to be known and designated as "Willey-Spruce-Brockway Redevelopment Project Plan No. 1" (the "Project Plan"), all in order to facilitate the issuance of tax increment financing obligations to finance the costs of planning, acquiring, constructing and equipping the Project Plan, being necessary public infrastructure improvements within the TIF District, and other related public infrastructure.

Tax Increment Financing Obligations

To finance the costs of the TIF Projects, the City proposes to use tax increment funds to finance the costs of the TIF Projects, including architectural, engineering, legal and other professional fees and expenses on a pay-as-you-go basis and/or from proceeds of tax increment revenue bonds or other obligations issued by the City (the "TIF Obligations"), from time to time, in an aggregate amount not to exceed \$12,000,000, with maturities not to exceed 30 years from the date of the creation of the TIF District. Such obligations may be issued from time to time in one or more series. Proceeds of the TIF Obligations are generally planned to be used to (i) finance a portion of the costs of the TIF Projects, including architectural, engineering, legal and other professional fees and expenses; (ii) fund reserves for the TIF Obligations; (iii) fund capitalized interest on the TIF Obligations, and (iv) pay costs of issuance of the TIF Obligations and related costs. To the extent that tax increment funds are available, all or portions of the TIF Projects may be financed directly with such tax increment funds. See Section II.E for more detailed Financing information and Section II.G for additional information on the proposed TIF Obligations.

PUBLIC IMPROVEMENTS

The TIF Projects are expected to include the following public improvements: road, intersection and public property improvements (including utility relocation, pedestrian ways (sidewalks), curbs, lighting, landscaping, land and right-of-way acquisition, and related infrastructure), demolition and site preparation, and incidental costs and expenses relating to the construction and installation of such public infrastructure improvements and demolition projects, and other related public infrastructure.

Public Improvements	Estimated Total (\$)
Willey Street, Spruce Street, Walnut Street, Brockway Avenue, Deckers Creek Boulevard, Richwood Avenue and Forest Street and other street right of way improvements	4,000,000
Lighting improvements within the TIF District	750,000
Public property improvements along Spruce Street	250,000
Utility infrastructure upgrades and improvements	2,000,000
TOTAL	7,000,000

* Please refer to Attachment 2 for a specific identification of proposed location of public improvements.

APPROPRIATE FUNDING

What alternate sources of funding have been explored? Why are they unavailable for this project?

The City has made every attempt to finance the TIF Projects using alternate sources of funding, specifically state and federal grants and loans. Over the past several years, the City has maximized available state and federal grant and loan programs and will continue to seek such sources of funding to complement the use of tax increment funds to finance the TIF Projects. Additionally, the City has expended a considerable amount of its general revenue budget to pay for such public improvement projects over the past several years (See Attachment 8, TAB A.). However, due to the limited availability and annual amounts of such funding sources, the City is not capable of funding the TIF Projects without the use of tax increment funds as proposed in this application.

TIF funding is the last resort for completing the vital infrastructure projects within the city because it is not efficient to wait for other sources of funding. The TIF money will allow for these projects to be completed simultaneously, which is necessary for these infrastructure improvements and to achieve the greatest economic impact for the City and surrounding area. Simultaneous project completion is the most efficient and inexpensive process for completion of road and streetscape improvements.

ESTIMATED JOBS

Number of jobs to be created by this project in the project area or district. Estimated jobs are as follows:

Estimated Job Creation within the TIF District

<u>Job Category</u>	<u>Professional</u>	<u>Clerical/Admin</u>	<u>Skilled</u>	<u>Semi-skilled</u>	<u>Unskilled</u>
Wages	\$75-\$150K	\$25-\$75K	\$40-\$75K	\$20-\$40K	\$15-\$20K

Construction jobs: All City projects will be either constructed by full-time and/or part-time City employees or bid according to Davis-Bacon wages in which prevailing wage rate jobs will be utilized for laborers, equipment operators, carpenters, concrete finishers, truck drivers, etc. These jobs will have reasonable expectations of producing retaining and/or contributing to 100 jobs within the classes previously mentioned.

Benefits: The City views these previously mentioned projects as a tool which can be implemented to cease the spread of slum and blight in which will correlate into increasing property values of its property owners by 15% over the next thirty (30) years and by improving its citizens' quality of life. The most important aspect the city can control is its core infrastructure.

The TIF Projects will be funded from a combination of tax increment funds and the proceeds of the TIF Obligations. These constitute the TIF Projects in the Project Plan and will continue to generate jobs both during and after the revitalization project is complete.

STATUS OF PROJECT:

Proposed projects include the following public improvements: road, intersection, and public property improvements (including utility relocation, pedestrian ways (sidewalks), curbs, lighting, landscaping, land and right-of-way acquisition, and related infrastructure), demolition and site preparation, and incidental costs and expenses relating to the construction and installation of such public infrastructure improvements and demolition projects.

