

Financial Projections for Roads End/Villages

Background of impact on property taxpayers: Urban renewal is not a new tax. It is a division of taxes already paid. Property taxpayers will not see an increase in property taxes as a direct result of an urban renewal area. The impact of urban renewal is on the taxing districts, including the City of Lincoln City. The goal is to improve areas of the city by concentrating funding on projects and increasing assessed value over time so that at the end of the urban renewal area, there is increased livability in the area and increased property tax revenue for all taxing districts. Schools are not directly impacted by urban renewal as they are funded through the State School Fund on a per pupil ratio.

The overall Tax Increment Finance projections for the Roads End/Villages Area are shown below. Terminology in the table below is defined as follows:

Total TIF – TIF is tax increment funds or tax increment financing. In this table it is the total amount of money to be collected by the urban renewal agency through the division of taxes for the projected 25 year timeline of the urban renewal area (URA). It includes potential interest paid on borrowings in the URA.

Maximum Indebtedness is the total amount of funds to be spent on projects, programs and administration in the urban renewal area. The present MI capacity and dollars for projects in 2020\$ is shown below.

\$ For Projects shows the amount of funds in today's dollars that can be allocated to projects, programs and administration in the URA. It reduces the MI by estimated inflation of costs by 3% annually.

Years in 5 year increments shows the estimated amount of revenue available for projects in the URA in 5 year time frames. Urban renewal starts off slowly with more dollars in the later years.

	Actual		Rounded	
Total TIF	\$	96,121,634	\$	96,120,000
Maximum Indebtedness	\$	83,000,000	\$	83,000,000
\$ For Projects (2020\$)	\$	(50,863,667)	\$	50,860,000
Years 1-5	\$	(5,789,939)	\$	5,790,000
Years 6-10	\$	(8,882,213)	\$	8,880,000
Years 11-15	\$	(11,669,047)	\$	11,670,000
Years 16-20	\$	(12,146,748)	\$	12,150,000
Years 21-25	\$	(12,375,721)	\$	12,380,000

