

# Feasibility Analysis for Maplecrest Road Extension

Presented to:

Allen County Commissioners  
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## EXECUTIVE SUMMARY

Allen County, with assistance from Fort Wayne and New Haven, have completed a study to construct approximately 1.46 miles of new road extending from Maplecrest (located in Fort Wayne) south, across the Maumee River to Adams Center Road. The project will include four new bridges and two grade separated railroad crossings. This project will improve accessibility, mobility and safety along this corridor. If the Maplecrest Extension Project is completed, not only will the project impact the accessibility and safety, but also generate significant economic benefits for the County in terms of new job creation, increase in private investment in the area, and revenue from tax increment to pay debt service.

The Maplecrest corridor improvements will generate economic activity during the initial construction of roads and bridges and by attracting private investment to the project area. The initial road and bridge construction activity is projected to generate \$86 million in total economic output and sustain 930 full time equivalent jobs. The efficiency gains and cost savings achieved through the project are expected to stimulate industrial, commercial and residential development in the Maplecrest / Adams Center area. Total economic output from post-construction private investment is projected to exceed \$715 million over an eleven-year period, adding \$236 million in employee compensation and supporting more than 7,800 jobs in the Allen County economy.

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### Maplecrest Economic Impact Summary

*in millions of 2008 dollars*

	Project Construction	Development Build-out	Total
Economic Output	\$85.80	\$715.17	\$800.97
Employee Compensation	\$29.70	\$236.13	\$265.83
Employment*	930	7,837	8,767

\*Full time equivalent employees

With the increase development in the area that will benefit from the construction of the Maplecrest Road Extension, revenues from Major Bridge would be sufficient for debt service and coverage requirements, with funds from tax increment being used to pay debt service as available, as show on the table on the next page. Based on the estimates that are discussed in this study, by 2019, the tax increment generated by the combined TIF Areas (Allen County - Adams Township, Allen County Marion Township, Fort Wayne, and New Haven) would be sufficient to pay the entire debt service on the bonds.

ALLEN COUNTY, INDIANA

COMPARISON OF ESTIMATED REVENUES AND DEBT SERVICE

Year of Revenue	Estimated Debt Service	Less:	Less:	Estimated Revenues Remaining	
		Estimated Tax Increment	Major Bridge Revenues	Major Bridge Revenues	Tax Increment Revenues
	(1)	(2)	(3)	(4)	(5)
2008	\$404,167	\$6,700	\$1,969,942	\$1,572,475	\$0
2009	1,380,560	19,550	1,969,942	608,932	0
2010	1,396,951	31,800	1,969,942	604,791	0
2011	1,846,916	44,060	1,969,942	167,086	0
2012	1,844,543	52,230	1,969,942	177,630	0
2013	1,845,714	60,400	1,969,942	184,628	0
2014	1,840,188	342,560	1,969,942	472,315	0
2015	1,843,085	703,440	1,969,942	830,297	0
2016	1,839,043	1,060,250	1,969,942	1,191,150	0
2017	1,833,424	1,300,660	1,969,942	1,437,178	0
2018	1,835,986	1,725,140	1,969,942	1,859,096	0
2019	1,836,245	2,070,260	1,969,942	1,969,942	234,015
2020	1,834,443	2,272,990	1,969,942	1,969,942	438,548
2021	1,830,336	2,498,590	1,969,942	1,969,942	668,254
2022	1,829,048	2,658,770	1,969,942	1,969,942	829,723
2023	1,830,331	2,658,770	1,969,942	1,969,942	828,439
2024	1,823,953	2,658,770	1,969,942	1,969,942	834,818
2025	1,825,025	2,658,770	1,969,942	1,969,942	833,745
2026	1,823,188	2,658,770	1,969,942	1,969,942	835,583
2027	1,818,440	2,658,770	1,969,942	1,969,942	840,330
2028	1,820,661	2,658,770	1,969,942	1,969,942	838,109
2029	1,819,488	2,658,770	1,969,942	1,969,942	839,283
2030	1,824,798	2,658,770	1,969,942	1,969,942	833,973
2031	1,821,349	2,658,770	1,969,942	1,969,942	837,421
2032	1,819,141	2,658,770	1,969,942	1,969,942	839,629
Totals	<u>\$43,467,019</u>	<u>\$41,435,100</u>	<u>\$49,248,550</u>	<u>\$36,684,765</u>	<u>\$10,531,867</u>

- (1) Based on amortization schedule provided by the County.
- (2) See page 5 of attached Umbaugh charts
- (3) Major Bridge revenues, as provided by the County, are to be used to pay debt service when the Tax Increment is insufficient.
- (4) As Tax Increment increases, Major Bridge revenues available for other purposes will increase.
- (5) After Tax Increment is sufficient to pay debt service, excess funds can be used for other projects or accrued to retire debt early.

## **INTRODUCTION**

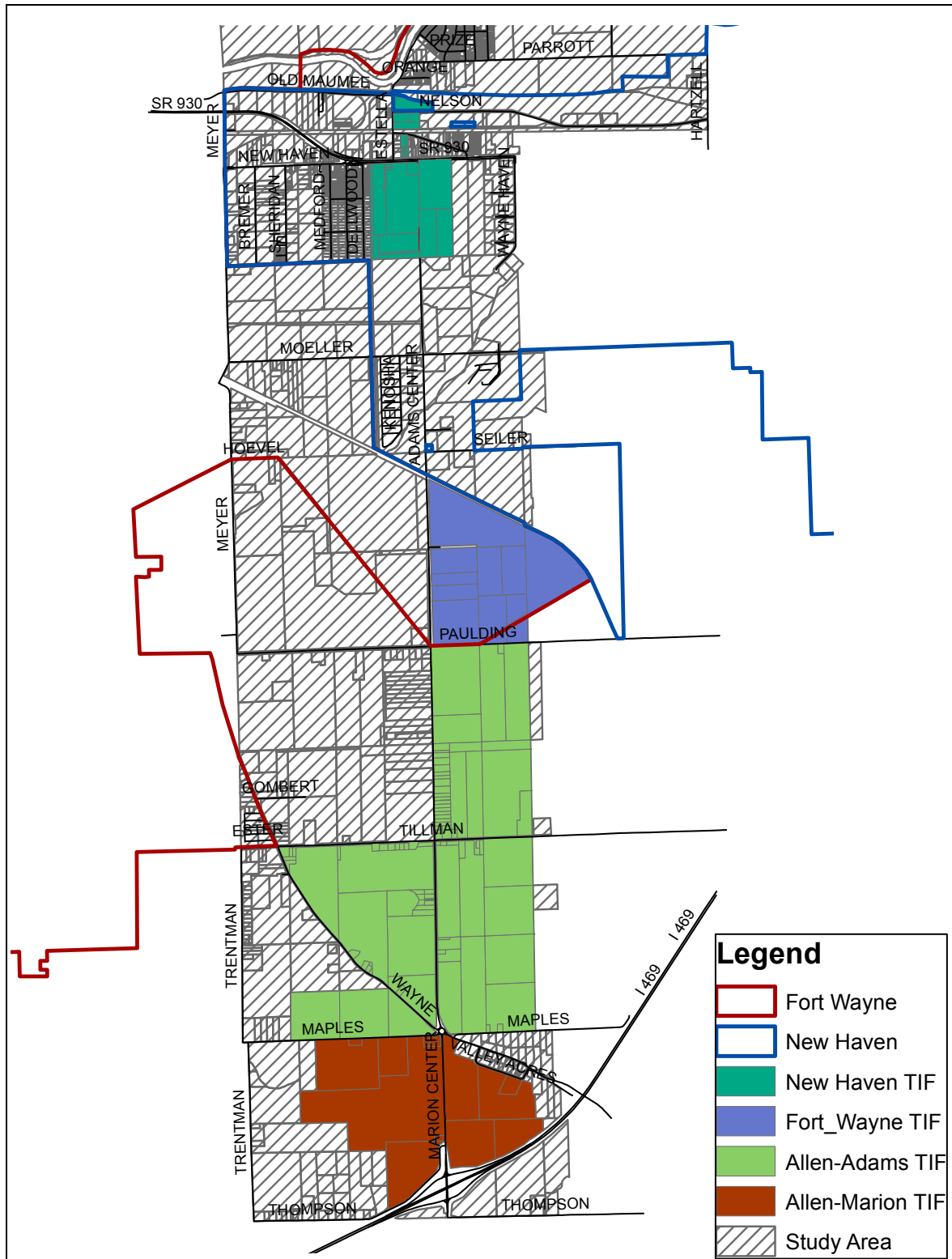
In April, 2008, the Allen County Commissioners hired RW Armstrong, Umbaugh, and Policy Analytics to complete a feasibility study of the proposed extension of Maplecrest Road. The County Commissioners requested the team identify and evaluate potential new development along the corridor in relationship to the cost effectiveness of the proposed Maplecrest Road extension project. The purpose of this economic feasibility study is to provide an economic impact analysis of the proposed road project in terms of the potential for new development and economic stimulus along the corridor.

The proposed road extension project involves the construction of 1.46 miles of new road extending from Maplecrest (located in Fort Wayne) south, across the Maumee River, to Adams Center Road. The project includes four new bridges, including two grade separated railroad crossing, and a new bridge over the Maumee River. The project is intended to improve accessibility, mobility, and safety in an area that is currently underserved by north-south travel routes and crossings over the Maumee River.

Discussion of extending Maplecrest Road first was initiated in 1967 as part of the original Interstate 469 study. The extension was studied a second time in the 1970s when several possible alignments were identified. Ultimately, a straight line alignment was selected as the preferred alternative because this alternative required the least purchase of right-of-way, had the least impact on residential and businesses, and was less costly than the other alternatives. In 1996, this alternative was studied a third time to determine if the road extension was still viable.

This feasibility study is divided into three sections. The first section, Development Analysis, provides the context for which assumptions and impacts are based. This section discusses the potential future development of the corridor over the next 20 years. The second section, Economic Analysis, discusses the general economic impact, and long term development economic impact gained from these improvements. The final section, Reveue/TIF Analysis, examines the revenue to be generated from the development, the timing of that revenue and the ability of Allen County to retire its debt service based on that Tax Increment Financing (TIF) revenue.

For this analysis to occur, a project area was selected and defined to determine potential impacts. This area is shown in Figure 1 on the next page.



**Figure 1: Study Area Boundaries & TIF Jurisdictions**



## **DEVELOPMENT ANALYSIS**

The development analysis has been created to provide the context for the economic and revenues analysis for the proposed Maplecrest /Adams Center corridor improvements. The land use projections contained in this section of the report are based on existing plans and ordinances and defensible land use assumptions based on the existing patterns of growth in Allen County, Fort Wayne and New Haven, and are derived using professionally accepted methodologies. Actual land use activity is contingent upon community policy and political factors, and might vary from the projections based on eventual zoning decisions.

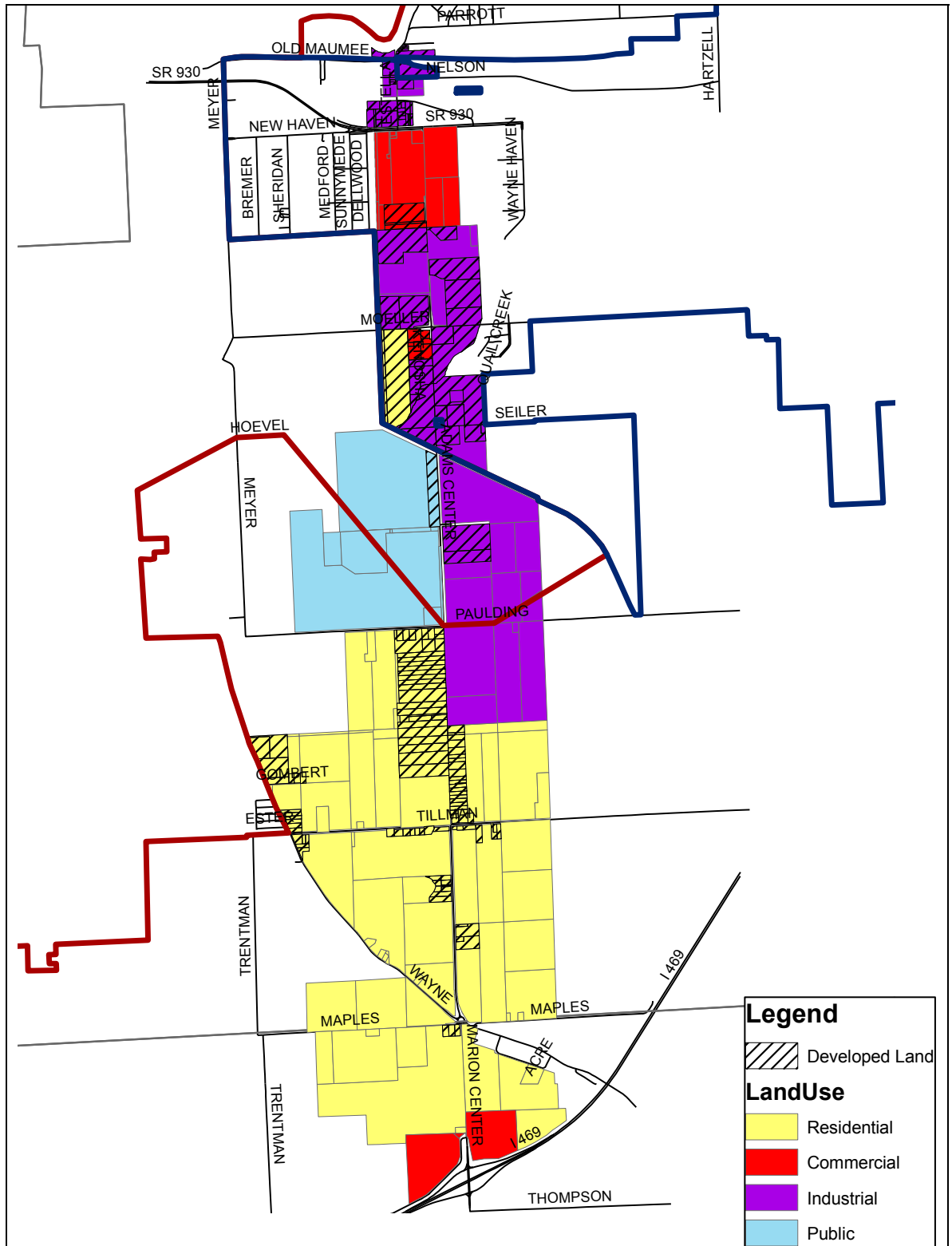
### **Methodology**

In order to determine impacts for the proposed Maplecrest Road Extension, future land uses must be considered. Future land use plans, existing zoning ordinances, TIF establishment documents, and economic development plans were collected from Allen County, Fort Wayne, and New Haven for review and analysis. Additionally, interviews with the planning directors of the respective jurisdictions were also conducted to understand existing growth and future policy determinations.

Land use and zoning information for this area was assessed and mapped to gain an understanding of existing land use patterns and future policy directions of the community. From this assessment, a projected future land use map was created that illustrates full build out potential of the Maplecrest/Adams Center Road corridor based on highest and best use. Assumptions are made regarding lot build out and absorption rates of development based on the existing Allen County, Fort Wayne, and New Haven zoning ordinance and the Allen County/Fort Wayne Comprehensive Plan and New Haven Comprehensive and Strategic Land Use Plan.

### **Projected Future Land Use**

Land use recommendations presented in this report provide a general framework for future development along the Maplecrest/Adams Center Road corridor. Criteria utilized in the preparation of the projected future land use diagram include an assessment of existing uses and conditions and the review of existing planning documents including the comprehensive plan, zoning ordinance, development plan for the approved TIF areas, and current market trends. Projected land use has been identified on both the east and west sides of the Maplecrest/Adams Center Road corridor. Figure 2, Projected Future Land Use, on the following page, depicts the projected build out of the Maplecrest/Adams Center Road corridor and the existing developed areas.



**Figure 2: Projected Future Land Use Map**



### *Residential*

The residential classification provides for low density single family housing development ranging from two to three units per acre. It is assumed that if residential is developed at this density, water and sewer will be provided. This classification is projected to be located along the southern reaches of the corridor from Pauling Road south to I-469. This classification should primarily contain detached single family residential uses. There is approximately 1,530 acres of residential development estimated for build out.

### *Commercial*

Commercial development is limited to the north and south edges of the corridor at the intersections of Adams Center Road and State Road (SR) 930 on the north and Marion Center Road and I-469 on the south. This classification has been proposed to provide community shopping, service, and employment facilities. This commercial development will be supported by adjacent land uses and the community at large. At the area located at Adams Center Road and SR 930, the parcel located on the southeast side of SR 930 is a proposed Wal-Mart site. It is anticipated that the surrounding properties will develop with supporting retail uses, serving as a regional commercial node that provides shopping and services to a large consumer base. At this intersection, there is approximately 110 acres of retail development estimated for build out.

For the area located at the southern end of the study area, at the intersection of Adams Center Road and I-469, interstate type commercial development is projected. Interstate commercial development includes automobile oriented businesses that capture the pass-through consumer, such as hotels, restaurants, and gas stations. At this intersection there is approximately 80 acres of retail development estimated for build out. It is increasingly common for large, big box retailers (Lowe's, Target) to locate near interstate exits serving both the passerby as well as the residential development to the northwest.

### *Industrial*

Industrial is projected to be located from just north of Moeller Road to just south of Paulding Road. A proposed rail/truck intermodal terminal is to be located on the east side of Adams Center Road adjacent to the railroad track. Only approximately 115 acres of this intermodal facility is located in the TIF area. Compatible industrial uses are anticipated both north of the railroad tracks, infilling the remaining parcels, as well as south of the tracks where large expanses of land exist for spin-off industrial to potentially support this intermodal facility. This area is well served by a major transportation system with the proposed improvements to Maplecrest/Adams Center Road. It can provide transportation efficiencies for the projected uses. Appropriate uses in the industrial classification are clean industries, warehouses, support businesses, research facilities, and light manufacturing. There is approximately a total of 345 acres to be built out in the study area.

### *Public*

This classification includes the existing private land fill and proposed sheriff training facility.

## **ECONOMIC ANALYSIS**

The economic analysis has been performed to estimate the potential economic benefits generated from the proposed Maplecrest /Adams Center corridor improvements. The estimates contained in this section of the report are based on known data and defensible assumptions, and are derived using professionally accepted methodologies. Actual investment activity and economic impacts are contingent upon multiple economic and political factors, and will vary from these estimates based on actual economic conditions.

The transportation improvements planned for the Maplecrest Road corridor are designed to retain existing business and generate new economic activity. According to 2000 estimates, firms in the Maplecrest Road corridor area employ approximately 9,500 workers. Commercial and industrial employers, such as Do it Best Corp, Interstate Cold Storage, Central States Enterprises, and Tippmann Sports form the employment core in the area. The improvements are intended to reduce travel times, generate cost savings, and create efficiencies by establishing an uninterrupted north-south corridor in east Allen County. According to NIRCC estimates, the proposed improvements will reduce vehicle miles traveled by approximately 13,000 miles in 2010 and 23,700 miles in 2030.

By reducing the cost of transportation and subsequently improving accessibility to customers, suppliers and employees, the Maplecrest improvements are expected to stimulate private investment. The private future build-out in the Maplecrest project is expected to be similar to other commercial and industrial redevelopment projects, with a mix of industrial, transportation and logistics, retail, and other commercial development. Early investment in the project is expected to occur in the Fort Wayne and New Haven TIF areas, where public infrastructure (utilities, water, sewer) already exists. Investment will continue south toward Interstate 469 as necessary infrastructure is installed.

### **Methodology**

The economic impact estimates were produced using IMPLAN, a professionally accepted economic input-output model developed by the University of Minnesota. The IMPLAN model uses industry linkages to estimate how investments affect a regional economy. Three measures reported by the model, direct impact, indirect impact, and induced impact are used to capture the full effect of an investment or changes in demand.

- Direct Effect – Economic activity relating to the purchase of goods and services directly involved in the investment project. Includes construction labor and materials.
- Indirect Effect – Economic activity generated by industry-to-industry purchases to supply resources to the investment project. Warehousing, transportation and fabrication produce indirect effects.
- Induced Effect – The household expenditures resulting from the direct and indirect effects.

The economic impacts are measured across several dimensions. The broadest measure is economic output, which captures all new economic activity stemming from the investment. Employee Compensation is the measure of increased wages that accrue directly to employees throughout the

economy as a result of investment. Lastly, the employment measure quantifies the number of full-time equivalent (FTE) jobs that are supported by the investment.

The economic impacts estimated by the IMPLAN model are distributed throughout Allen County, and are not necessarily directed at the Maplecrest project area.

**Economic Impact**

The extension of Maplecrest Road will impact the local economy in multiple stages. During the initial construction phase, spending on services, materials, supplies, and employees generates economic activity as the invested dollars work throughout the economy. During this phase, the direct effects accrue to the highway construction industry, while the indirect and induced effects flow throughout the economy. The second stage of economic impact is the private investment, or build-out phase. The efficiencies gained by the road and bridge improvements will attract firms to the study area, constructing new buildings and facilities, and employing workers in the economy. The build-out activity is the driver of property tax revenue and is modeled later in this report.

The first phase of economic activity from the Maplecrest/Adams Center Road project stems from the initial public investment – the actual construction of roads and bridges. This construction activity provides business to local firms and supports local jobs, largely in the construction sector. The total cost for the Maplecrest Road extension is estimated at approximately \$48 million, excluding preliminary engineering, which has already been completed. Approximately \$43 million of the total cost is designated for road and bridge construction, \$2.6 million for right-of-way improvements, and \$2.6 million for utility relocation and other costs. Approximately \$41 million of the total cost is budgeted for capital expenditures and \$7 million for non-capital expenditures. Capital and non-capital expenditures affect the economy in different ways and are modeled separately. This analysis assumes road and bridge improvements will begin in Spring of 2009 and conclude by early 2010.

The total economic output generated by the initial public investment is estimated at approximately \$86 million, an increase of 79% on the original investment. The direct impact of the cost of the investment is \$48 million, excluding preliminary engineering, which has already been completed. The Maplecrest Road extension is estimated to generate \$11 million in industry-to-industry spending and \$26.5 million in additional household spending.

**Economic Output**

	<b>Direct Impact</b>	<b>Indirect Impact</b>	<b>Induced Impact</b>	<b>Total Impact</b>
Capital Investment	\$41,094,225	\$9,488,052	\$22,520,553	\$73,102,830
Non-Capital Investment	6,946,003	1,730,712	4,020,462	12,697,177
<b>Total</b>	<b>\$48,040,228</b>	<b>\$11,218,764</b>	<b>\$26,541,015</b>	<b>\$85,800,007</b>

Employee compensation is a subset of economic output, and a measure of the increased wages paid to workers as a result of the investment. The direct compensation impact, wages paid to workers directly involved in the Maplecrest Road Extension project, accounts for approximately \$17 million or 57% of the

total compensation impact. The induced compensation impact captures the increased wages for employees involved in services, retail, home construction, education, and other associated industries.

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### **Employee Compensation**

	<b>Direct Impact</b>	<b>Indirect Impact</b>	<b>Induced Impact</b>	<b>Total Impact</b>
Capital Investment	14,680,856	3,079,714	7,533,729	\$25,294,299
Non-Capital Investment	2,431,682	612,994	1,354,401	4,399,077
<b>Total</b>	<b>\$17,112,538</b>	<b>\$3,692,708</b>	<b>\$8,888,130</b>	<b>\$29,693,376</b>

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The economic output that an investment project generates can also be measured in terms of employment. The Maplecrest Road Extension project investment is estimated to generate 930 FTE jobs throughout the economy. Most of the jobs created will be in highway construction, however, the investment will also generate a smaller number of jobs in the engineering, truck transportation, food service, education, healthcare, and other industries.

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### **Employment**

	<b>Direct Impact</b>	<b>Indirect Impact</b>	<b>Induced Impact</b>	<b>Total Impact</b>
Capital Investment	431	97	261	789
Non-Capital Investment	72	22	47	141
<b>Total</b>	<b>503</b>	<b>119</b>	<b>308</b>	<b>930</b>

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### **Build-Out Stage**

Major capital investments in the study area are expected to occur over a eleven year period in accordance with the land use assumptions prepared for this report. Unforeseen economic and political factors may cause actual investment patterns to differ significantly from these assumptions. The main investment features in the study area include commercial and industrial investment in the New Haven TIF district; industrial investment in the Fort Wayne and Allen County – Adams Township TIF areas, and commercial investment in the Allen County – Marion Township TIF area near I-469. The impact of a proposed intermodal facility in the Fort Wayne TIF district has also been modeled. Finally, the investment build-out assumes residential growth in the Allen County – Adams Township TIF area between the Fort Wayne TIF and I-469.

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**Maplecrest Project Investments***in millions of 2008 dollars*

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
<b>Fort Wayne TIF</b>												
Intermodal	7.25	7.25	7.25	7.25	7.25	-	-	-	-	-	-	36.23
Industrial	-	-	-	4.09	4.09	-	-	-	-	-	-	8.18
<b>New Haven TIF</b>												
Com. - Wal Mart	-	9.29	10.00	-	-	-	-	-	-	-	-	19.29
Com. - Other	-	-	11.49	11.49	11.49	6.89	6.89	-	-	-	-	48.24
Industrial	-	-	-	-	-	-	7.84	7.84	-	-	-	15.69
<b>Allen Co. - Adams</b>												
Industrial	-	-	-	-	-	3.41	6.82	10.23	10.23	11.93	11.93	54.56
<b>Allen Co - Marion</b>												
Commercial	-	-	5.74	5.74	5.74	5.74	5.74	5.74	5.74	5.74	-	45.95
<b>Total Investment</b>												
Intermodal	7.25	7.25	7.25	7.25	7.25	-	-	-	-	-	-	36.23
Industrial	-	-	-	4.09	4.09	3.41	14.66	18.07	10.23	11.93	11.93	78.43
Commercial	-	9.29	27.23	17.23	17.23	12.64	12.64	5.74	5.74	5.74	-	113.48
<b>Total</b>	<b>7.25</b>	<b>16.53</b>	<b>34.48</b>	<b>28.57</b>	<b>28.57</b>	<b>16.05</b>	<b>27.30</b>	<b>23.82</b>	<b>15.97</b>	<b>17.68</b>	<b>11.93</b>	<b>228.13</b>

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The estimated economic impacts of investment in the Maplecrest Road corridor are displayed in the following tables. The estimates reflect the economic activity resulting from the development of capital assets and do not reflect ongoing business activity.

Direct economic investment following the Maplecrest Road corridor improvements is projected to amount to \$453 million, with an additional \$262 million working through the economy as indirect and induced impacts. The total economic output due to commercial and industrial development is estimated at \$300 million. If completed, the construction of the proposed intermodal facility could potentially add \$55 million to the local economy.

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**Total Economic Output***in millions of 2008 dollars*

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
<b>Ind. &amp; Com. Dev.</b>												
Direct	-	9.29	27.23	21.32	21.32	16.05	27.30	23.82	15.97	17.68	11.93	191.91
Indirect	-	2.55	7.49	5.61	5.61	4.20	6.59	5.42	3.75	4.12	2.54	47.88
Induced	-	2.95	8.66	6.72	6.72	5.06	8.48	7.32	4.94	5.46	3.63	59.94
<b>Total</b>	<b>-</b>	<b>14.79</b>	<b>43.38</b>	<b>33.65</b>	<b>33.65</b>	<b>25.30</b>	<b>42.37</b>	<b>36.56</b>	<b>24.67</b>	<b>27.25</b>	<b>18.10</b>	<b>299.73</b>
<b>Intermodal Facility</b>												
Direct	7.25	7.25	7.25	7.25	7.25	-	-	-	-	-	-	36.23
Indirect	1.54	1.54	1.54	1.54	1.54	-	-	-	-	-	-	7.70
Induced	2.20	2.20	2.20	2.20	2.20	-	-	-	-	-	-	11.02
<b>Total</b>	<b>10.99</b>	<b>10.99</b>	<b>10.99</b>	<b>10.99</b>	<b>10.99</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>54.95</b>
<b>Residential Dev.</b>												
Direct	-	-	-	15.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	225.00
Indirect	-	-	-	5.40	10.79	10.79	10.79	10.79	10.79	10.79	10.79	80.93
Induced	-	-	-	3.64	7.27	7.27	7.27	7.27	7.27	7.27	7.27	54.55
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24.03</b>	<b>48.06</b>	<b>48.06</b>	<b>48.06</b>	<b>48.06</b>	<b>48.06</b>	<b>48.06</b>	<b>48.06</b>	<b>360.49</b>
<b>All Impacts</b>												
Direct	7.25	16.53	34.48	43.57	58.57	46.05	57.30	53.82	45.97	47.68	41.93	453.13
Indirect	1.54	4.09	9.03	12.54	17.94	14.99	17.38	16.21	14.55	14.91	13.33	136.52
Induced	2.20	5.16	10.86	12.56	16.20	12.33	15.75	14.60	12.21	12.73	10.90	125.52
<b>Total</b>	<b>10.99</b>	<b>25.78</b>	<b>54.37</b>	<b>68.68</b>	<b>92.71</b>	<b>73.36</b>	<b>90.43</b>	<b>84.63</b>	<b>72.73</b>	<b>75.32</b>	<b>66.17</b>	<b>715.17</b>

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The development activity following the Maplecrest Road improvements is projected to add \$237 million in wages to the Allen County economy. The increase in direct employee compensation will largely benefit workers in the construction industry. The increased compensation due to indirect and induced impacts will benefit Allen County workers throughout the economy.

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**Employee Compensation Impact***in millions of 2008 dollars*

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
<b>Ind. &amp; Com. Dev.</b>												
Direct	-	-	3.90	11.45	9.02	9.02	6.79	11.69	10.27	6.86	7.60	76.61
Indirect	-	0.95	2.78	2.05	2.05	1.53	2.34	1.88	1.32	1.44	0.86	17.22
Induced	-	0.89	2.62	2.04	2.04	1.53	2.57	2.22	1.50	1.65	1.10	18.16
<b>Total</b>	-	<b>1.84</b>	<b>9.31</b>	<b>15.54</b>	<b>13.11</b>	<b>12.09</b>	<b>11.71</b>	<b>15.79</b>	<b>13.09</b>	<b>9.96</b>	<b>9.56</b>	<b>111.99</b>
<b>Intermodal Facility</b>												
Direct	3.15	3.15	3.15	3.15	3.15	-	-	-	-	-	-	15.75
Indirect	0.52	0.52	0.52	0.52	0.52	-	-	-	-	-	-	2.60
Induced	0.67	0.67	0.67	0.67	0.67	-	-	-	-	-	-	3.34
<b>Total</b>	<b>4.34</b>	<b>4.34</b>	<b>4.34</b>	<b>4.34</b>	<b>4.34</b>	-	-	-	-	-	-	<b>21.69</b>
<b>Residential Dev.</b>												
Direct	-	-	-	3.75	7.50	7.50	7.50	7.50	7.50	7.50	7.50	56.22
Indirect	-	-	-	1.98	3.96	3.96	3.96	3.96	3.96	3.96	3.96	29.71
Induced	-	-	-	1.10	2.20	2.20	2.20	2.20	2.20	2.20	2.20	16.53
<b>Total</b>	-	-	-	<b>6.83</b>	<b>13.66</b>	<b>13.66</b>	<b>13.66</b>	<b>13.66</b>	<b>13.66</b>	<b>13.66</b>	<b>13.66</b>	<b>102.45</b>
<b>All Impacts</b>												
Direct	3.15	3.15	7.05	18.34	19.67	16.52	14.29	19.18	17.77	14.36	15.10	148.58
Indirect	0.52	1.47	3.30	4.55	6.53	5.50	6.30	5.85	5.28	5.40	4.82	49.53
Induced	0.67	1.56	3.29	3.81	4.91	3.73	4.77	4.42	3.70	3.86	3.30	38.02
<b>Total</b>	<b>4.34</b>	<b>6.18</b>	<b>13.64</b>	<b>26.70</b>	<b>31.11</b>	<b>25.75</b>	<b>25.37</b>	<b>29.45</b>	<b>26.75</b>	<b>23.62</b>	<b>23.22</b>	<b>236.13</b>

The employment impact of post-construction development is estimated at 7,300 FTE jobs. Industrial and commercial development in the TIF area is projected to produce 3,746 jobs. Once residential development begins, home construction is estimated to sustain approximately 455 jobs annually. Similar to employee compensation, the direct employment benefit of investment will increase the number of jobs in the construction sector. The indirect and induced employment effects will be spread throughout the economy.

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**Employment Impact***Full Time Equivalent Employees*

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
<b>Ind. &amp; Com. Dev.</b>												
Direct	-	117	344	271	271	204	349	306	205	227	154	2,446
Indirect	-	33	97	70	70	52	77	60	43	46	26	574
Induced	-	36	105	82	82	61	103	89	60	66	44	727
<b>Total</b>	-	<b>186</b>	<b>546</b>	<b>422</b>	<b>422</b>	<b>317</b>	<b>528</b>	<b>454</b>	<b>307</b>	<b>339</b>	<b>224</b>	<b>3,746</b>
<b>Intermodal Facility</b>												
Direct	93	93	93	93	93	-	-	-	-	-	-	467
Indirect	16	16	16	16	16	-	-	-	-	-	-	79
Induced	27	27	27	27	27	-	-	-	-	-	-	134
<b>Total</b>	<b>136</b>	<b>136</b>	<b>136</b>	<b>136</b>	<b>136</b>	-	-	-	-	-	-	<b>680</b>
<b>Residential Dev.</b>												
Direct	-	-	-	112	224	224	224	224	224	224	224	1,677
Indirect	-	-	-	72	143	143	143	143	143	143	143	1,073
Induced	-	-	-	44	88	88	88	88	88	88	88	661
<b>Total</b>	-	-	-	<b>227</b>	<b>455</b>	<b>455</b>	<b>455</b>	<b>455</b>	<b>455</b>	<b>455</b>	<b>455</b>	<b>3,411</b>
<b>All Impacts</b>												
Direct	93	211	438	476	588	427	572	529	428	450	378	4,590
Indirect	16	49	112	157	229	195	220	203	186	189	169	1,726
Induced	27	63	132	152	196	149	191	177	148	154	132	1,522
<b>Total</b>	<b>136</b>	<b>322</b>	<b>682</b>	<b>786</b>	<b>1,013</b>	<b>772</b>	<b>983</b>	<b>909</b>	<b>762</b>	<b>794</b>	<b>679</b>	<b>7,837</b>



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May 8, 2008

Board of Commissioners  
Allen County, Indiana  
City-County Building  
1 E. Main Street, Room 200  
Fort Wayne, Indiana 46802

Re: Maplecrest Road Extension Project

The attached schedules (listed below) present unaudited and limited financial information for the purpose of discussion and consideration by appropriate officers and officials in Allen County. The purpose of this report is to provide illustrative Tax Increment information. The use of these schedules should be restricted to this purpose as the information is subject to future revision and further reports.

Page(s)

- 13-15 General Comments
- 16 Summary of Illustrative Tax Increment by TIF Area
- 17-21 Illustrative Real Property Tax Increment
  - Summary of Significant Assumptions – Pages 17
  - Allen County Allocation Areas – Pages 18 and 19
  - City of Fort Wayne Allocation Area – Page 20
  - City of New Haven Allocation Area – Page 21
- 22 Comparison of Estimated Revenues and Debt Service

The schedules and underlying assumptions are based on information obtained from a number of Allen County offices. We have not examined or in any other manner verified the information. In the preparation of these schedules, assumptions were made as noted regarding certain future events. As in the case with such assumptions regarding future events and transactions, some or all may not occur as expected and the resulting differences could be material.

## **REVENUE ANALYSIS/TIF FEASIBILITY**

### **General Comments**

The following comments and attached schedules have been compiled to provide an estimate of the tax increment that might be generated once the proposed Maplecrest Road Extension project (the "Project") and improvements are completed. The completion of the Project would provide access across the Maumee River and would increase the viability of development from north of the Maumee River south to the intersection of I-469. The tax increment is based upon assumptions and estimates provided by Allen County officials (the "County") and their advisors. Actual results achieved will vary from these estimates and these variances may be material. This report has been prepared to assist County officials and their advisors in the evaluation of the economic feasibility of the proposed Project and should not be used for any other purpose.

### **Summary of Illustrative Tax Increment By TIF Area – Page 16**

This schedule provides a summary of the illustrative amounts of tax increment generated by each of the TIF Areas as estimated on pages 17 through 21 of the attached charts on the following pages. The impact of the circuit breaker, which was initially enacted in the 2007 legislative session and modified in 2008, is also included on this schedule for years 2009 and beyond. The circuit breaker limits a taxpayer's liability to 3 percent of their gross assessed value for real and personal property which is not residential in nature. The new developments illustrated in this report are all non-residential in nature and based upon the current and estimated tax rates, will not be impacted by the circuit breaker. The Pay 2007 tax rates were used as the basis for the circuit breaker calculation and were modified to take into account the change in funds which are property tax based and also the reduction in assessed value caused by the expansion of the standard deduction and homestead exemption for residential properties.

### **Illustrative Real Property Tax Increment – Pages 17 - 21**

These schedules estimate the potential tax increment that would be collected based upon certain assumptions. The estimated build-out is assumed to take place over an approximate twenty year period. The general pattern of development is assumed to occur in a north to south direction along the Adams Center Road from SR 930 towards I- 469, with the exception of the commercial development at the I-469 interchange. Some additional development may occur north of SR 930, but it has not been included in this report. The types of development included in the illustrative tax increment estimates include commercial, such as big box retail, strip retail, restaurant, gas station and hotels, industrial manufacturing, and warehouse/distribution.

### **Summary of Significant Assumptions – Page 17**

Each type of development has an average assessed value per square foot derived from comparable properties in Allen County. The density of development is also different for each type of development. Only real property incremental assessed valuation is assumed to be captured for the purposes of this

study. It is possible that in the future on a case-by-case basis depreciable personal property could be captured if needed to provide incentives or infrastructure for a development.

The tax revenues in this study are based on the estimated assessed value for each of the allocation areas multiplied by the estimate tax rate for each respective taxing district modified for HEA 1001. HEA 1001 created significant changes in the composition of tax rates as the State of Indiana will now be responsible for funding some services previously funded through local property taxes. These funds include welfare funds, the school general and preschool education funds, and the pre-1977 police and fire pension funds.

#### **Allen County Allocation Area – Attached Table - Pages 18 and 19**

This schedule assumes the development in the Allen County Allocation Area (the “County TIF Area”) starts first with industrial development in the Adams Township portion of the County TIF Area in year 2017 with a strong increase in the development of acreage by 2019 with commercial development near the I-469 interchange starting the same year (2017), but steadily growing until year 2021. The development of this area will be dependent on the expansion of infrastructure (sewer, water, other utilities) which are not currently available. In addition to the industrial and commercial developments, a portion of the County TIF Area is zoned for residential. While residential cannot be captured as tax increment, the rate of residential growth could impact the pace of commercial and industrial development.

The County TIF Area is in the process of being established and will have a base date of March 1, 2008. The County TIF Area encompasses approximately 1,440 acres and is located in the Marion Township and Adams Township taxing districts. As shown on the tables labeled “pages 7 and 8”, most of the area is currently agricultural land with some agricultural improvements and residential property throughout the area. Initial development is assumed to occur in 2012, with taxes first payable in 2014, and is commercial in nature. The initial industrial, warehouse and distribution development is assumed to begin in 2015 with taxes first payable in 2017. If development occurs as assumed, at full build-out the Adams Township portion would generate an estimated incremental assessed value of approximately \$38,190,000, which would generate an estimated \$730,000 of annual tax increment revenue. For the Marion Township portion, at full build-out an estimated incremental assessed value of approximately \$32,160,000 which would generate an estimated \$520,000 of annual tax increment revenue.

#### **City of Fort Wayne Allocation Area – Page 20**

This schedule assumes the development in the Fort Wayne Allocation Area (the “Fort Wayne TIF Area”) occurs over the next 8 to 10 years. The Fort Wayne TIF Area has a base date of March 1, 2004. The Fort Wayne TIF Area encompasses approximately 290 acres and is located in the Fort Wayne-Adams Township-Fort Wayne taxing district. However, only approximately 140 acres remains developable. There has also been recent discussion of a large intermodal facility locating in the Fort Wayne TIF Area. If this occurs the City will use the tax increment generated from the facility to fund incentives. Therefore, only 24 acres of the remaining 140 acres has been assumed to be used for uses other than the intermodal facility. No estimate of tax increment has been included for the intermodal facility in this

study. If development occurs as assumed regarding the industrial development, an estimated incremental assessed value of approximately \$8,700,000 would be generated resulting in \$239,000 of annual tax increment revenue.

#### **City of New Haven Allocation Area –Page 21**

This schedule assumes the development in the New Haven Allocation Area (the “New Haven TIF Area”) occurs over the next ten to twelve years. The New Haven TIF Area is partially located north, but predominantly south of the intersection of Adams Center Road and SR 930. Wal-Mart has already purchased approximately 27 acres of land at the intersection and once the Maplecrest Road extension project is underway it is assumed that they will commence construction. In addition to Wal-Mart, additional developments are assumed to occur in the New Haven TIF Area, consisting primarily of commercial, with some industrial development towards the southern portion of the New Haven TIF Area. The tax increment associated with Wal-Mart is already committed to infrastructure improvements for the development and is not available for debt service payments on the bonds for this road extension project.

The New Haven TIF Area has a base date of March 1, 2006. The New Haven TIF Area encompasses approximately 200 acres and is located in the New Haven-Adams Township-Trans taxing district. The New Haven TIF Area is currently a mix of agricultural land and industrial uses. There were a number of industrial facilities located in the area at the time it was established.

Development in this area, once it begins, is assumed to occur earlier than the other TIF Areas due to its location and type of development. If development occurs as assumed, at full build-out the New Haven TIF Area would generate an estimated incremental assessed value (excluding Wal-Mart) of approximately \$44,900,000, which would generate an estimated \$1,160,000 of annual tax increment revenue.

#### **Comparison of Estimated Tax Increment and Estimated Debt Service –Page 22**

The schedule compares an illustrative amortization of a \$25 million bond issue as provided by the County, payable from available tax increment and Major Bridge revenues. Based on information provided by the County, the revenues from Major Bridge would be sufficient for debt service and coverage requirements, with funds from tax increment being used to pay debt service as available. Based on the estimates in this report, by 2019, the tax increment generated by the combined TIF Areas would be sufficient to pay the entire debt service on the bonds. The actual timing of the revenues and when the tax increment may be sufficient to pay debt service could be impacted by alterations to the assumed development type, pattern and timing. The actual debt service schedule could also be different as the market for bonds could change prior to the issuance of the bonds causing the debt service to be higher or lower than that shown on this schedule.

ALLEN COUNTY, INDIANA

SUMMARY OF ILLUSTRATIVE TAX INCREMENT BY TIF AREA

Year of Revenue	County TIF Area		Fort Wayne TIF Area (3)	New Haven TIF Area (4)	Total TIF Revenue
	Adams Twp (1)	Marion Twp (2)			
2008	\$0	\$0	\$3,560	\$3,140	\$6,700
2009	0	0	16,170	3,380	19,550
2010	0	0	28,420	3,380	31,800
2011	0	0	40,680	3,380	44,060
2012	0	0	48,850	3,380	52,230
2013	0	0	57,020	3,380	60,400
2014	0	65,430	65,200	211,930	342,560
2015	0	130,860	152,100	420,480	703,440
2016	0	196,280	234,930	629,040	1,060,250
2017	45,770	261,710	239,010	754,170	1,300,660
2018	137,300	327,140	239,010	1,021,690	1,725,140
2019	274,600	392,570	239,010	1,164,080	2,070,260
2020	411,900	458,000	239,010	1,164,080	2,272,990
2021	572,080	523,420	239,010	1,164,080	2,498,590
2022	732,260	523,420	239,010	1,164,080	2,658,770
2023	732,260	523,420	239,010	1,164,080	2,658,770
2024	732,260	523,420	239,010	1,164,080	2,658,770
2025	732,260	523,420	239,010	1,164,080	2,658,770
2026	732,260	523,420	239,010	1,164,080	2,658,770
2027	732,260	523,420	239,010	1,164,080	2,658,770
2028	732,260	523,420	239,010	1,164,080	2,658,770
2029	732,260	523,420	239,010	1,164,080	2,658,770
2030	732,260	523,420	239,010	1,164,080	2,658,770
2031	732,260	523,420	239,010	1,164,080	2,658,770
2032	732,260	523,420	239,010	1,164,080	2,658,770
Totals	<u>\$9,496,510</u>	<u>\$8,113,030</u>	<u>\$4,471,090</u>	<u>\$19,354,470</u>	<u>\$41,435,100</u>

(1) See page 7.

(2) See page 8.

(3) See page 9. Does not include assessed value and revenue associated with potential intermodal facility.

(4) See page 10. Does not include assessed value and revenue associated with proposed Wal-Mart.

(Subject to the comments in the accompanying report dated May 8, 2008 of H.J. Umbaugh & Associates)

ALLEN COUNTY COMMISSIONERS

SUMMARY OF SIGNIFICANT ASSUMPTIONS

- 1) Assessed value per square foot by development type.

<u>Type of Development</u>	<u>AV per Sq. Ft.</u>	<u>AV per Acre</u>	<u>Percent of Parcel Covered</u>	<u>Description</u>
Commercial (Retail)	\$45	\$10,000	25%	Bigbox
Commercial (Retail)	\$60	\$10,000	15%	Retail, Restaurant, Hotel, Service Station
Industrial/Distribution	\$35	\$10,000	15%	Light Manufacturing

- 2) Tax Rate Assumption is based on the recalculated rate for each taxing district. This tax rate assumption is based on the best available information at this time and the actual tax rate which is in place at the time of future development could vary significantly.

<u>Taxing District</u>	<u>Current Rate</u>	<u>Revised Rate</u>
Adams Township	\$1.9056	\$1.9174
Marion Township	\$1.6914	\$1.6274
Fort Wayne - Adams Twp	\$2.5040	\$2.7488
New Haven - Adams Twp.	\$2.4141	\$2.5937

Funds removed from tax rate calculation:

- (a) Welfare Funds
- (b) School General Fund
- (c) School Preschool Education Fund
- (d) Pre-1977 Police and Fire Pension Funds (where applicable)
- (e) Tax Increment Replacement Levy (where applicable)

(Subject to the comments in the accompanying report dated May 8, 2008 of H.J. Umbaugh & Associates)

ALLEN COUNTY, INDIANA

SCHEDULE OF ESTIMATED LAND ACREAGE AND ASSESSED VALUE

(County TIF Area - Adams Township)

Year Payable	Industrial			Est. Annual Assessed Value Growth	Est. Combined Assessed Value Growth
	Acreage	Land AV (\$10,000/Acre)	Imp. Sq. Ft. Improv. AV (\$35/Sq. Ft.)		
2017	10.0	\$100,000	65,340	\$2,386,900	\$2,386,900
2018	20.0	200,000	130,680	4,773,800	7,160,700
2019	30.0	300,000	196,020	6,860,700	14,321,400
2020	30.0	300,000	196,020	6,860,700	21,482,100
2021	35.0	350,000	228,690	8,004,150	29,836,250
2022	35.0	350,000	228,690	8,004,150	38,190,400
Totals	160.0	\$1,600,000	1,045,440	\$36,590,400	\$38,190,400

Year Payable	Est. Combined Assessed Value Growth	Current Assessed Value	Less: Base Value	Total Est. Incremental Assessed Value	Estimated Tax Rate	Estimated Tax Increment
2017	\$2,386,900	\$3,656,990	(\$3,656,990)	\$2,386,900	\$1.9174	\$45,770
2018	7,160,700	3,656,990	(3,656,990)	7,160,700	\$1.9174	137,300
2019	14,321,400	3,656,990	(3,656,990)	14,321,400	\$1.9174	274,600
2020	21,482,100	3,656,990	(3,656,990)	21,482,100	\$1.9174	411,900
2021	29,836,250	3,656,990	(3,656,990)	29,836,250	\$1.9174	572,080
2022	38,190,400	3,656,990	(3,656,990)	38,190,400	\$1.9174	732,260
2023+	38,190,400	3,656,990	(3,656,990)	38,190,400	\$1.9174	732,260

(Subject to the comments in the accompanying report dated May 8, 2008 of H.J. Umbaugh & Associates)

ALLEN COUNTY, INDIANA

SCHEDULE OF ESTIMATED LAND ACREAGE AND ASSESSED VALUE

(County TIF Area - Marion Township)

Year Payable	Commercial			Est. Annual Assessed Value Growth	Est. Combined Assessed Value Growth	
	Acreage	Land AV (\$10,000/Acre)	Imp. Sq. Ft.			Improv. AV (\$60/Sq. Ft.)
2014	10.0	\$100,000	65,340	\$3,920,400	\$4,020,400	\$4,020,400
2015	10.0	100,000	65,340	3,920,400	4,020,400	8,040,800
2016	10.0	100,000	65,340	3,920,400	4,020,400	12,061,200
2017	10.0	100,000	65,340	3,920,400	4,020,400	16,081,600
2018	10.0	100,000	65,340	3,920,400	4,020,400	20,102,000
2019	10.0	100,000	65,340	3,920,400	4,020,400	24,122,400
2020	10.0	100,000	65,340	3,920,400	4,020,400	28,142,800
2021	10.0	100,000	65,340	3,920,400	4,020,400	32,163,200
Totals	80.0	\$800,000	522,720	\$31,363,200	\$32,163,200	

Year Payable	Est. Combined Assessed Value Growth	Current Assessed Value	Less: Base Value	Total Est. Incremental Assessed Value	Estimated Tax Rate	Estimated Tax Increment
2014	\$4,020,400	\$1,067,300	(\$1,067,300)	\$4,020,400	\$1.6274	\$65,430
2015	8,040,800	1,067,300	(1,067,300)	8,040,800	\$1.6274	130,860
2016	12,061,200	1,067,300	(1,067,300)	12,061,200	\$1.6274	196,280
2017	16,081,600	1,067,300	(1,067,300)	16,081,600	\$1.6274	261,710
2018	20,102,000	1,067,300	(1,067,300)	20,102,000	\$1.6274	327,140
2019	24,122,400	1,067,300	(1,067,300)	24,122,400	\$1.6274	392,570
2020	28,142,800	1,067,300	(1,067,300)	28,142,800	\$1.6274	458,000
2021	32,163,200	1,067,300	(1,067,300)	32,163,200	\$1.6274	523,420
2022+	32,163,200	1,067,300	(1,067,300)	32,163,200	\$1.6274	523,420

(Subject to the comments in the accompanying report dated May 8, 2008 of H.J. Umbaugh & Associates)

ALLEN COUNTY, INDIANA

SCHEDULE OF ESTIMATED LAND ACREAGE AND ASSESSED VALUE  
(City of Fort Wayne TIF Area)

Year Payable	Industrial			Est. Annual Assessed Value Growth	Est. Combined Assessed Value Growth
	Acreage	Land AV (\$10,000/Acre)	Imp. Sq. Ft.		
2015	12.0	\$120,000	78,410	\$2,744,350	\$2,864,350
2016	12.0	120,000	78,410	2,744,350	5,728,700
Totals	24.0	\$240,000	156,820	\$5,488,700	\$5,728,700

Year Payable	Est. Combined Assessed Value Growth	Current Assessed Value	Abatement Roll-off Assessed Value	Less: Base Value	Total Est. Incremental Assessed Value	Estimated Tax Rate	Estimated Tax Increment
2008		\$273,000	\$148,650	(\$279,500)	\$142,150	\$2.5040	\$3,560
2009		273,000	594,580	(279,500)	588,080	\$2.7488	16,170
2010		273,000	1,040,520	(279,500)	1,034,020	\$2.7488	28,420
2011		273,000	1,486,450	(279,500)	1,479,950	\$2.7488	40,680
2012		273,000	1,783,740	(279,500)	1,777,240	\$2.7488	48,850
2013		273,000	2,081,030	(279,500)	2,074,530	\$2.7488	57,020
2014		273,000	2,378,320	(279,500)	2,371,820	\$2.7488	65,200
2015	\$2,864,350	273,000	2,675,610	(279,500)	5,533,460	\$2.7488	152,100
2016	5,728,700	273,000	2,824,260	(279,500)	8,546,460	\$2.7488	234,930
2017	5,728,700	273,000	2,972,900	(279,500)	8,695,100	\$2.7488	239,010
2018+	5,728,700	273,000	2,972,900	(279,500)	8,695,100	\$2.7488	239,010

(Subject to the comments in the accompanying report dated May 8, 2008 of H.J. Umbaugh & Associates)

ALLEN COUNTY, INDIANA

SCHEDULE OF ESTIMATED LAND ACREAGE AND ASSESSED VALUE  
(City of New Haven TIF Area)

Year Payable	Commercial				Industrial			
	Acreage	Land AV (\$10,000/Acre)	Imp. Sq. Ft.	Improv. AV (\$60/Sq. Ft.)	Acreage	Land AV (\$10,000/Acre)	Imp. Sq. Ft.	Improv. AV (\$35/Sq. Ft.)
2014	20.0	\$200,000	130,680	\$7,840,800				
2015	20.0	200,000	130,680	7,840,800				
2016	20.0	200,000	130,680	7,840,800				
2017	12.0	120,000	78,408	4,704,480				
2018	12.0	120,000	78,408	4,704,480	23.0	\$230,000	150,280	\$5,259,800
2019					23.0	230,000	150,280	5,259,800
Totals	84.0	\$840,000	548,856	\$32,931,360	46.0	\$460,000	300,560	\$10,519,600

Year Payable	Wal-Mart (1)				Est. Annual Assessed Value Growth	Current Net Assessed Value	Combined Net Assessed Value
	Acreage	Land AV (\$10,000/Acre)	Imp. Sq. Ft.	Improv. AV (\$45/Sq. Ft.)			
2008						\$2,109,540	\$2,109,540
2009							2,109,540
2010							2,109,540
2011							2,109,540
2012							2,109,540
2013	13.0	\$130,000	141,570	\$6,370,650	\$6,500,650		8,610,190
2014	14.0	140,000	152,460	\$6,860,700	15,041,500		23,651,690
2015					8,040,800		31,692,490
2016					8,040,800		39,733,290
2017					4,824,480		44,557,770
2018					10,314,280		54,872,050
2019					5,489,800		60,361,850
Totals	27.0	\$270,000	294,030	\$13,231,350	\$58,252,310	\$2,109,540	

Year Payable	Combined Net Assessed Value	Less: Base Value	Total Incremental Assessed Value	Less: Wal-Mart Portion	Total Available Incremental Assessed Value	Estimated Tax Rate	Estimated Tax Increment
2008	\$2,109,540	(\$1,979,400)	\$130,140		\$130,140	\$2.4141	\$3,140
2009	2,109,540	(1,979,400)	130,140		130,140	\$2.5937	3,380
2010	2,109,540	(1,979,400)	130,140		130,140	\$2.5937	3,380
2011	2,109,540	(1,979,400)	130,140		130,140	\$2.5937	3,380
2012	2,109,540	(1,979,400)	130,140		130,140	\$2.5937	3,380
2013	8,610,190	(1,979,400)	6,630,790	(\$6,500,650)	130,140	\$2.5937	3,380
2014	23,651,690	(1,979,400)	21,672,290	(13,501,350)	8,170,940	\$2.5937	211,930
2015	31,692,490	(1,979,400)	29,713,090	(13,501,350)	16,211,740	\$2.5937	420,480
2016	39,733,290	(1,979,400)	37,753,890	(13,501,350)	24,252,540	\$2.5937	629,040
2017	44,557,770	(1,979,400)	42,578,370	(13,501,350)	29,077,020	\$2.5937	754,170
2018	54,872,050	(1,979,400)	52,892,650	(13,501,350)	39,391,300	\$2.5937	1,021,690
2019	60,361,850	(1,979,400)	58,382,450	(13,501,350)	44,881,100	\$2.5937	1,164,080
2020+	60,361,850	(1,979,400)	58,382,450	(13,501,350)	44,881,100	\$2.5937	1,164,080

(1) The portion of TIF generated from the Wal-Mart property has been committed to improvements for that site and is not anticipated to be available to pay debt service on the proposed Project bonds.

(Subject to the comments in the accompanying report dated May 8, 2008 of H.J. Umbaugh & Associates)

ALLEN COUNTY, INDIANA

COMPARISON OF ESTIMATED REVENUES AND DEBT SERVICE

Year of Revenue	Estimated Debt Service (1)	Less:	Less:	Estimated Revenues Remaining	
		Estimated Tax Increment (2)	Major Bridge Revenues (3)	Major Bridge Revenues (4)	Tax Increment Revenues (5)
2008	\$404,167	\$6,700	\$1,969,942	\$1,572,475	\$0
2009	1,380,560	19,550	1,969,942	608,932	0
2010	1,396,951	31,800	1,969,942	604,791	0
2011	1,846,916	44,060	1,969,942	167,086	0
2012	1,844,543	52,230	1,969,942	177,630	0
2013	1,845,714	60,400	1,969,942	184,628	0
2014	1,840,188	342,560	1,969,942	472,315	0
2015	1,843,085	703,440	1,969,942	830,297	0
2016	1,839,043	1,060,250	1,969,942	1,191,150	0
2017	1,833,424	1,300,660	1,969,942	1,437,178	0
2018	1,835,986	1,725,140	1,969,942	1,859,096	0
2019	1,836,245	2,070,260	1,969,942	1,969,942	234,015
2020	1,834,443	2,272,990	1,969,942	1,969,942	438,548
2021	1,830,336	2,498,590	1,969,942	1,969,942	668,254
2022	1,829,048	2,658,770	1,969,942	1,969,942	829,723
2023	1,830,331	2,658,770	1,969,942	1,969,942	828,439
2024	1,823,953	2,658,770	1,969,942	1,969,942	834,818
2025	1,825,025	2,658,770	1,969,942	1,969,942	833,745
2026	1,823,188	2,658,770	1,969,942	1,969,942	835,583
2027	1,818,440	2,658,770	1,969,942	1,969,942	840,330
2028	1,820,661	2,658,770	1,969,942	1,969,942	838,109
2029	1,819,488	2,658,770	1,969,942	1,969,942	839,283
2030	1,824,798	2,658,770	1,969,942	1,969,942	833,973
2031	1,821,349	2,658,770	1,969,942	1,969,942	837,421
2032	1,819,141	2,658,770	1,969,942	1,969,942	839,629
Totals	<u>\$43,467,019</u>	<u>\$41,435,100</u>	<u>\$49,248,550</u>	<u>\$36,684,765</u>	<u>\$10,531,867</u>

- (1) Based on amortization schedule provided by the County.
- (2) See page 5.
- (3) Major Bridge revenues, as provided by the County, are to be used to pay debt service when the Tax Increment is insufficient.
- (4) As Tax Increment increases, Major Bridge revenues available for other purposes will increase.
- (5) After Tax Increment is sufficient to pay debt service, excess funds can be used for other projects or accrued to retire debt early.

(Subject to the comments in the accompanying report dated May 8, 2008 of H.J. Umbaugh & Associates)