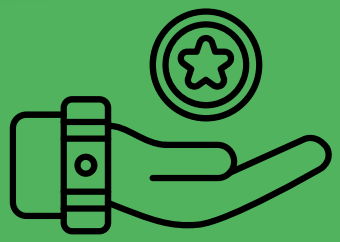
RESIDENTIAL TIF INCENTIVE PROGRAM

Toulon Ridge Subdivision

Offering a Tax Increment Financing (TIF) reimbursement incentive to support construction of new single-family homes and duplexes



Subject to City approval and any required redevelopment agreement, eligible property owners and developers may receive reimbursement based on the new tax increment generated by qualifying home construction.

Incentive at a Glance

MAXIMUM REIMBURSEMENT:

Up to $60,000 *per qualifying new home construction project*

PAYMENT TYPE:

Pay-as-you-go reimbursement; *no upfront payment*

ANNUAL REIMBURSEMENT:

Up to 75% of the net tax increment *actually realized from the new home construction and received by the City*

LOT SALES:

Lots will be sold at their current market value

PAYMENT PERIOD:

Until the $60,000 max. reimbursement is reached or the TIF district *expires, subject to terms of the applicable redevelopment agreement*

IMPORTANT **This is a reimbursement program, not a grant or upfront payment.**

The lot purchase price is separate from the reimbursement incentive, and lots will be sold at their current market value. Reimbursement is subject to City approval, property-tax payment, available TIF revenue, applicable law, and the terms of any required redevelopment agreement.

How it Works

1. Contact the City before purchasing a lot or starting construction.
2. Purchase the lot at its current market value.
3. Obtain City approval and execute any required redevelopment agreement.
4. Construct the approved new single-family home or duplex.
5. Pay property taxes.
6. After the City receives the tax increment generated by the completed new home construction, the City may issue an annual reimbursement equal to up to 75% of the net tax increment actually realized, subject to the $60,000 maximum.

Net Tax Increment?

"Net tax increment" means the portion of tax increment revenue attributable to the qualifying new home construction that is actually received and available to the City for reimbursement, after accounting for applicable deductions, distributions, prior commitments, contractual or legal obligations, and other amounts properly payable from or chargeable against TIF revenues.

Annual payments may vary based on assessed value, tax rates, tax collection, available TIF revenue, and the terms of the applicable agreement.

Example

If **$6,000** in annual net Tax increment is received by the City...

$4,500—75% of the realized net tax increment would be the maximum reimbusrement for the year. Payments continue until...

$60, 000 total reimbursment or until TIF district expires, which ever ocurs first.

This would be subject to City approval and the applicable redevelopment agreement.