

April 15, 2022

Ms. Vicki Urbanik, County Auditor
c/o Toni Downing, Chief Deputy Auditor
Office of the Porter County Auditor
155 Indiana Avenue, Suite 204
Valparaiso, IN 46383

RE: Valparaiso Redevelopment Commission –**Consolidated Valparaiso Allocation Area No. 1**
(TIF #3, 4, 5, 6, 9, 11, 12, 14, 15 – T64031, T64041, T64529, T64629, T64111, T64129,
T64091, T64121, T64171, T64172)
Consolidated Valparaiso Allocation Area No. 2 (Vale View)
(64-09-24-380-012.000-004 & 64-09-24-380-013.000-004)
January 1, 2022 Pay 2023 Capture Notice to the Porter County Auditor

Dear Ms. Urbanik:

In accordance with Indiana Code ("I.C.") 36-7-14-39(b)(4)(A) and 50 IAC 8-2-4, the Valparaiso Redevelopment Commission (the "Commission") must make an annual determination prior to June 15 of each year of the amount, if any, of assessed value of taxable property in the **Consolidated Valparaiso Allocation Area No. 1** and **Consolidated Valparaiso Allocation Area No. 2** (the "Allocation Areas") for the most recent assessment date minus the based assessed value, when multiplied by the estimated tax rate of the Allocation Areas, will exceed the amount of assessed value needed to generate tax increment for distribution to the Commission that is necessary to: (i) make, when due, principal and interest payments on outstanding debt service obligations, (ii) pay for projects and programs for the Allocation Areas, and (iii) support and satisfy other purposes of the Commission in compliance with I.C. 36-7-14-39(b)(3).

In addition, effective July 1, 2014, pursuant to I.C. 36-7-14-39(b)(4)(C) as a new subsection, "If (i) the amount of excess value determined by the Commission is expected to generate more than two hundred percent (200%) of the amount of allocated tax proceeds necessary to make, when due, principal and interest payments on bonds described in subdivision (3); plus (ii) the amount necessary for other purposes described in subdivision (3); the commission shall submit to the legislative body of the unit its determination of the excess assessed value that the commission proposes to allocate to the respective units in the manner prescribed in subdivision (1). The legislative body of the unit may approve the commission's determination or modify the amount of the excess assessed value the will be allocated to the respective taxing units in the manner prescribed in subdivision (1)."

Therefore, the Commission has determined for the January 1, 2022 assessment date for taxes payable in 2023 that it will need to capture all (100 percent) of the Potential Captured Assessment in the Allocation Areas as of January 1, 2022 as adjusted for the following:

- (i) As it relates to real property assessment captured within the Consolidated Valparaiso Area Economic Development Plan Addendum #3 Expansion Area in accordance with the Settlement Agreement and Mutual Release under the Order of the Joint Motion to Dismiss (Cause No. 64A03-0805-CV-261) of the Indiana Court of Appeals per Item 3(B)(2) which states: "By July 15 of each year, beginning in 2009 and continuing for the period of time that Addendum #3 is an allocation area, release, or direct the Porter County Auditor to

release, forty percent (40%) of the Potential Captured Assessment of real property within Addendum #3 to the overlapping taxing entities, which includes the East Porter County School Corporation,” and

- (ii) As it relates to real property assessment captured within the Consolidated Valparaiso Area Economic Development Plan Addendum #4 Expansion Area #6 in accordance with Resolution No. 6-12-2008-02 under clause #3 which states: “The Commission shall not capture assessed valuation in excess of fifty percent (50%) of an assessment year’s “growth” above the base assessment in the Addendum #4 “Expansion Areas Allocation Areas” – Expansion Area 6 (real property individual components) such that the “uncaptured assessment” may be released to overlapping taxing units by notification under Indiana Code 36-7-14-39(b)(3)(B)(i) [sic].”

As soon as the January 1, 2022 assessments are finalized, the Commission will cooperate with the Office of the Porter County Auditor to quantify the final release of the Potential Captured Assessment related to the adjustments disclosed above.

The Commission further determines that (i) there is no excess assessed value from the Allocation Areas that may be allocated to the Overlapping Taxing Units for the January 1, 2022 assessment date for taxes payable in 2023 pursuant to I.C. 36-7-14-39(b)(4)(B) and (ii) all Potential Captured Assessment (as defined in 50 IAC 8-1-16) net the adjustments disclosed herein shall be Captured Assessment (as defined in 50 IAC 8-1-10).

This “Net Potential Captured Assessment” will be necessary to generate tax increment of the Allocation Areas necessary to make: (i) when due, principal and interest payments on outstanding debt service obligations, (ii) to pay for projects and programs for the Allocation Areas, and (iii) to support and satisfy other purposes of the Commission in compliance with I.C. 36-7-14-39(b)(3).

The Commission in accordance with I.C. 36-7-14-39(b)(4)(B) will provide a copy of this letter as notice to: (i) the Valparaiso Common Council as the fiscal body that established the City of Valparaiso Department of Redevelopment and (ii) the officers who are authorized to fix budgets, tax rates and tax levies under I.C. 6-1.1-17-5 for each of the other taxing units that are wholly or partly located within the Allocation Areas (see attached **ATTACHMENT A**, “Overlapping Taxing Units”).

Very truly yours,

George Douglas
Director of Development,
Valparaiso Redevelopment Commission

Attachments: Attachment A: Overlapping Taxing Units

cc: Ms. Trish Sarkisian, President – Valparaiso Redevelopment Commission
Ms. Holly Taylor, City of Valparaiso - Clerk-Treasurer/ Treasurer of the Redevelopment Commission
Mr. Patrick Lyp, Economic Development Director – City of Valparaiso
Mr. Karl Cender, Cender & Company, L.L.C. - Commission Financial Advisor

ATTACHEMENT A

VALPARAISO REDEVELOPMENT COMMISSION VALPARAISO, INDIANA

January 1, 2022 Pay 2023 Assessment Capture Notice to the Porter County Auditor:
Consolidated Valparaiso Allocation Area No. 1 and No. 2

Overlapping Taxing Units
[Pursuant to I.C. 36-7-14-39(b)(4)(B)]

April 15, 2022

Jeremy Rivas, President
Porter County Council
Porter County Administrative Center
155 Indiana Avenue, Suite 207
Valparaiso, IN 46383

Kyle J. Kuebler, Airport Director
Porter County Regional Airport
4207 Murvihill Road
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Kim Brys, Trustee
Washington Township - Porter County
33 Long Bow Court
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Jesse Harper, Trustee
Center Township - Porter County
100 E. Lincolnway
Valparaiso, IN 46383

Casey Schmidt, President
Valparaiso City Council
City of Valparaiso
166 Lincolnway
Valparaiso, IN 46383

Jesse Butz, Library Director
Porter County Public Library
103 E. Jefferson Street
Valparaiso, IN 46383

Dr. Jim McCall, Superintendent
Valparaiso Community School Corporation
Office of the Superintendent
3801 N. Campbell Street
Valparaiso, IN 46385

Dr. Aaron Case, Superintendent
East Porter County School Corporation
Office of the Superintendent
502 E. College Avenue, P.O. Box 370
Kouts, IN 46347