

March 7, 2018

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 –**Valparaiso Economic Development Area Allocation Area**  
(TIF #3, 4, 5, 6, 9, 11, 12 – T64031, T64041, T64529, T64629, T64111, T64129, T64091, T64121)  
January 1, 2018 Pay 2019 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 **Valparaiso Economic Development Area Allocation Area** (the “Allocation Area”) for the most recent assessment date minus the based assessed value, when multiplied by the estimated tax rate of the Allocation Area, 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 Area, 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 that will be allocated to the respective taxing units in the manner prescribed in subdivision (1).”*

Therefore, the Commission has determined for the January 1, 2018 assessment date for taxes payable in 2019 that it will need to capture all (100 percent) of the Potential Captured Assessment in the Allocation Area as of January 1, 2018 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, 2018 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 Area that may be allocated to the Overlapping Taxing Units for the January 1, 2018 assessment date for taxes payable in 2019 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 Area 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 Area, 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 Area (see attached **ATTACHMENT A**, "Overlapping Taxing Units").

Very truly yours,

Stu Summers  
Executive Director,  
Valparaiso Redevelopment Commission

Attachments: Attachment A: Overlapping Taxing Units

cc: Mr. Rob Thorgren, President – Valparaiso Redevelopment Commission  
Ms. Sharon Swihart, 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, 2018 Pay 2019 Assessment Capture Notice to the Porter County Auditor:  
Consolidated Valparaiso Allocation Area

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

March 7, 2018

---

**Andy Bozak, 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  
Valparaiso, IN 46383

**Lynn T. Ross, Trustee**  
**Washington Township - Porter County**  
436 N. 400 E.  
Valparaiso, IN 46383

**Doug Miller, Trustee**  
**Center Township - Porter County**  
100 E. Lincolnway  
Valparaiso, IN 46383

**Trista Hudson, President**  
**Valparaiso City Council**  
City of Valparaiso  
166 Lincolnway  
Valparaiso, IN 46383

**James D. Cline, Library Director**  
**Porter County Public Library**  
103 E. Jefferson Street  
Valparaiso, IN 46383

**Ric Frataccia, Superintendent**  
**Valparaiso Community School Corporation**  
Office of the Superintendent  
3801 N. Campbell Street  
Valparaiso, IN 46385

**Rod Gardin, Superintendent**  
**East Porter County School Corporation**  
Office of the Superintendent  
502 E. College Avenue, P.O. Box 370  
Kouts, IN 46347