

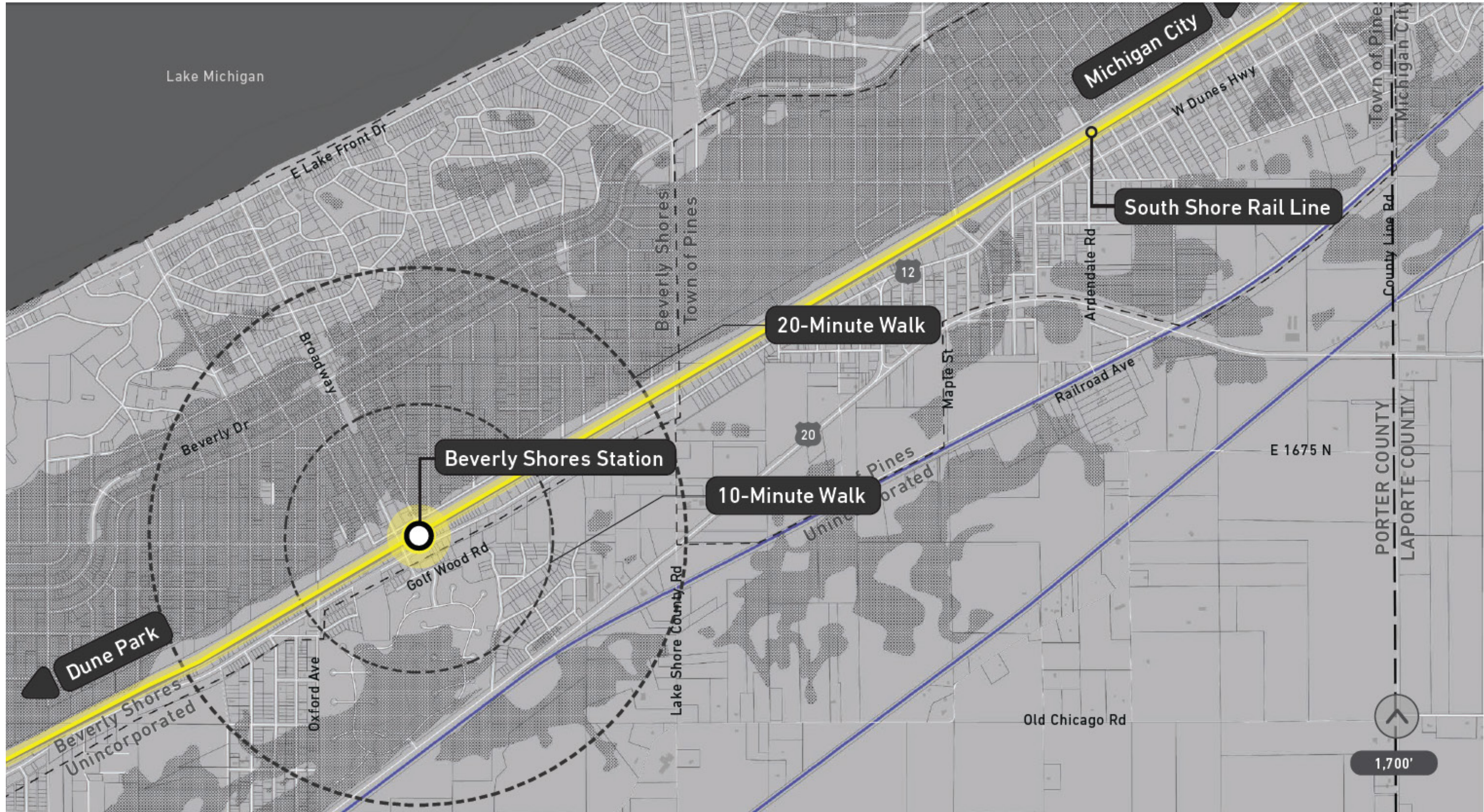
TRANSIT DEVELOPMENT DISTRICT INTRODUCTION

Beverly Shores & Pines, IN
public information
session

website



www.nwitdd.com



Overview of Transit Development Districts (TDD)

TDD Legislation

Complementing the investment in the West Lake Corridor and Double Track Rail Projects, the Indiana General Assembly established Transit Development Districts (“TDD”) under HEA 1144-2017 to:

Incentivize, guide and promote economic development around the stations along the South Shore commuter line and future West Lake Corridor line.

These TDD areas will capture incremental property tax and local income tax revenue to support local development. The legislation allows for a tax increment district of ½ square mile area, or 320 acres, around each train station. Each district may be expanded one time up to one square mile area or 640 acres. In Lake and Porter Counties, TDD increment flows to the RDA to be distributed to the Local Units. In LaPorte and St. Joseph Counties, TDD increment flows to directly to the Local Units through applicable Redevelopment Commissions (RDC)

On August 31, 2022 – the State Budget Committee approved seven TDD boundaries for - Munster/Dyer Main Street, Munster Ridge Road, Hammond Gateway/Downtown, East Chicago, Gary Miller, Portage/Ogden Dunes, and Michigan City.

On October 27, 2023 – the State Budget Committee approved three TDD boundaries for – Gary Metro/Downtown, Hammond South, and Dune Park.

The RDA is collaborating with South Bend/St. Joseph County, Valparaiso, and Beverly Shores/Pines on a third group of boundaries in 2024.

ROLE OF THE RDA

(Northwest Indiana Regional Development Authority)

**Leading
the Project**

**Overall Project
Steering**

**Policy and
Planning Guidance**

Key steps that RDA will take working closely with each community

- Meet with communities to understand their goals and preferences for growth and development
- Engage with the public through meetings and hearings
- Collaborate with NICTD on parking and development topics
- Conduct community analysis to prepare preliminary and final transit development district (TDD) boundary
- Identify potential development and infrastructure opportunities
- Shepherd the TDD boundary through the state approval process

THE REGIONAL SIGNIFICANCE

A catalyst for growth and economic development

9,460,000

Chicago MSA Population

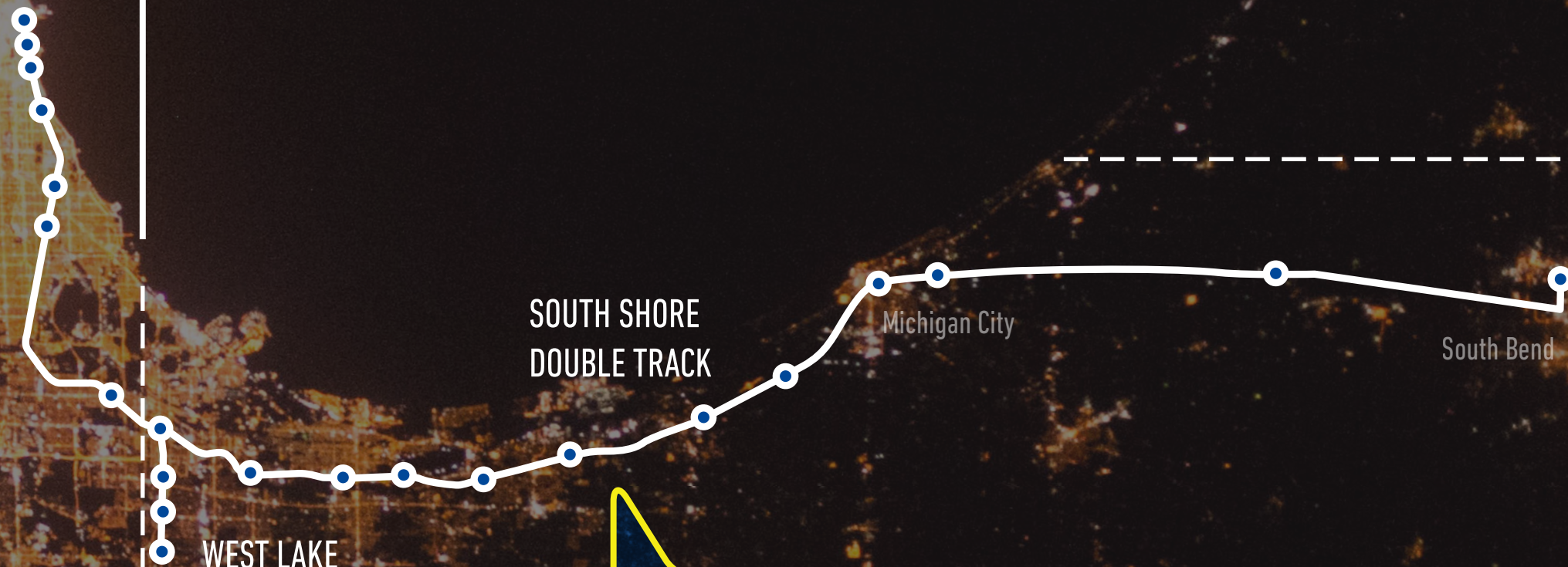
(3rd Largest in USA)

819,537

NW Indiana MSA Population

(2nd Largest in Indiana)

Chicago



SOUTH SHORE
DOUBLE TRACK

Michigan City

South Bend

WEST LAKE
EXTENSION

MICHIGAN
INDIANA

\$2.3 BILLION*

Private Investment

6,000*

New Jobs

\$3+ BILLION*

Economic Impact by 2046

* Projected

ILLINOIS

INDIANA

THE LINES AND STATIONS

West Lake Corridor & South Shore Double Track Projects

25 MILES | **16 MILES**

Project Area

New Second Track

South Shore Line Double Track Project

West Lake Corridor Project

9 MILES

Rail Extension

Lake Michigan

MICHIGAN

MICHIGAN CITY

BEVERLY SHORES

EAST CHICAGO

OGDEN DUNES

PORTER

HAMMOND

GARY

BURNS HARBOR

CHESTERTON

PORTAGE

MUNSTER

DYER

ILLINOIS

INDIANA

TRANSIT AND COMMUNITY GROWTH



The transit development districts around various suburban train stations in the Chicagoland area have seen significant improvement in real estate development activity since the development/redevelopment of the station...

Berywn Metra Station (BNSF Line) – 2008

1	+5%	120K SF	+37%
	Population Growth	Total New Construction	Real Estate Value Change

Elmhurst Metra Station (UP-W Line) – 2006

2	+11%	640K SF	+40%
	Population Growth	Total New Construction	Real Estate Value Change

Highland Park Metra Station (UP-N Line) – 2009

3	0%	640K SF	+43%
	Population Growth	Total New Construction	Real Estate Value Change

Orland Park Metra Station (SWS Line) – 2007

4	+17%	1.2M SF	+37%
	Population Growth	Total New Construction	Real Estate Value Change

Romeoville Metra Station (HC Line) – 2018

5	0%	316K SF	+3%
	Population Growth	Total New Construction	Real Estate Value Change

Maywood Metra Station (UP-W Line) – 2017

6	0%	415K SF	+5%
	Population Growth	Total New Construction	Real Estate Value Change

[1] Population growth in the 1 mile radius between 2000 and 2020 (estimate). New construction and Real Estate value change are measured in a 1 mile radius between time of TOD reinvestment or construction to August 2020.

[2] KPMG note the Romeoville Metra Station new construction data is measured by a 3-mile radius, unlike the other stations 1-mile radius measure due to its more rural location.

Sources: ESRI, CoStar Analytics, and other publicly available databases.

TRANSIT DEVELOPMENT DISTRICT BOUNDARY BASICS

what you should
know

WHAT IS A TDD?

Transit Development District

The main focus is on promoting **Transit-Oriented Development.**

Transit development districts provide economic tools and strategies to support local communities to implement high-quality transit-oriented development.

The goal is to create a boundary calibrated specifically for each community based on analysis, areas of opportunity and the goals and visions of the community.



This isn't just a boundary.

It complements the economic growth path of communities.

CLARIFYING THE TDD

TDD IS...



A 1/2 mile (320 acre) special economic development district approved by the State Budget Committee

An effort to realize economic development in Northwest Indiana communities

Formed by an analysis process that includes community-wide input, best practices and market analysis

TDD IS NOT...



Zoning or comprehensive planning

A city or town-sponsored planning process

Eminent domain

A partnership with developer or realtor

A project designed to gentrify or to create low-income housing

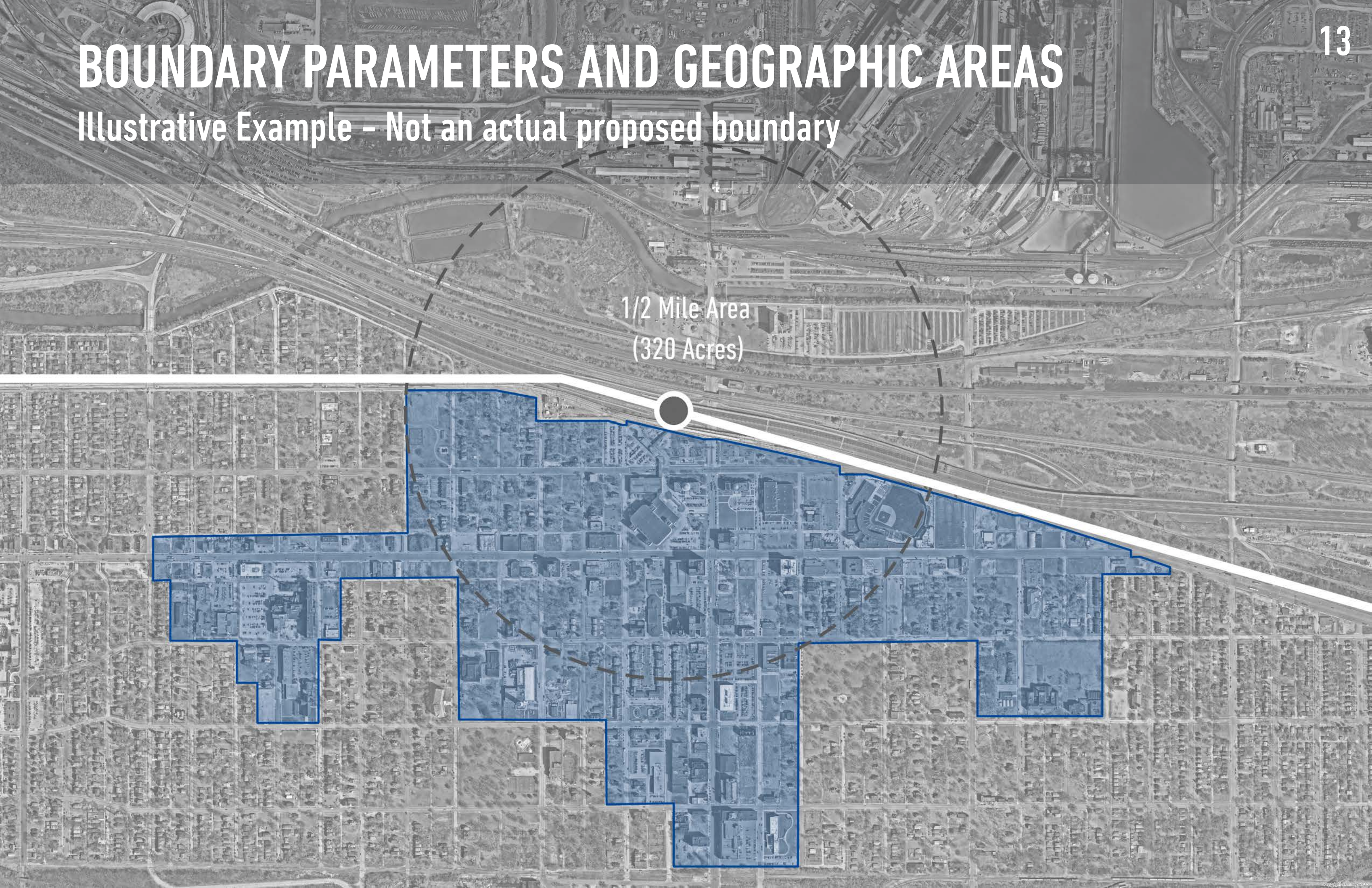
NICTD South Shore Double Track or West Lake rail projects

STATUTORY REQUIREMENTS

Transit development districts are **contiguous boundaries** drawn around station areas, and must be **no more than 0.5 square miles (320 Acres)** in area.

BOUNDARY PARAMETERS AND GEOGRAPHIC AREAS

Illustrative Example - Not an actual proposed boundary



1/2 Mile Area
(320 Acres)

STATUTORY REQUIREMENTS

Transit development districts **capture the incremental growth in local income and property tax revenue, for use in public investment** related to the station area.

TDD REVENUE PARAMETERS

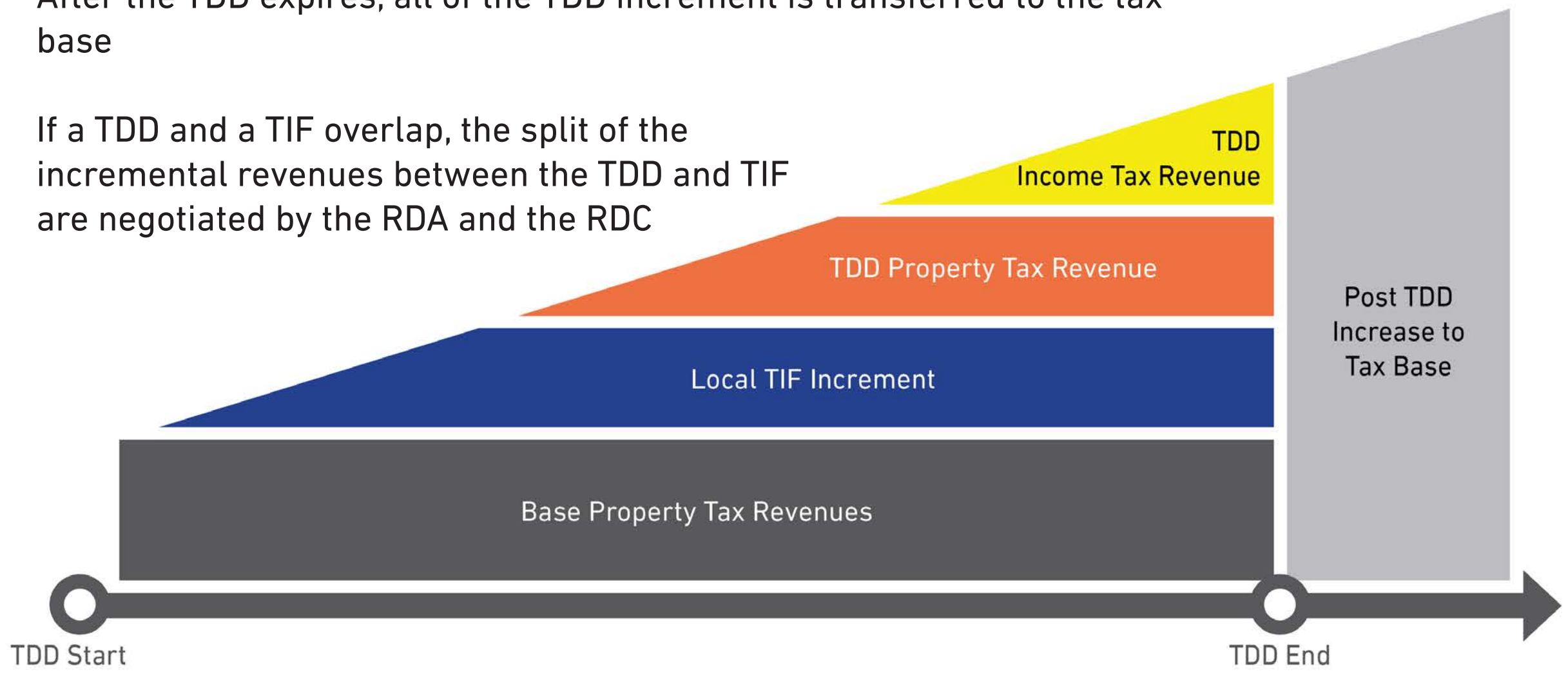
Revenue collected from the district –
is spent in the district.

Local community **retains land use
and zoning control.**

TIF AND TDD TOGETHER

TDD Function

- ➔ A TDD permits the capture of incremental property tax and local income tax revenues for the development of the area around the transit station
- ➔ The incremental revenue that is captured can only be used within the same district
- ➔ After the TDD expires, all of the TDD increment is transferred to the tax base
- ➔ If a TDD and a TIF overlap, the split of the incremental revenues between the TDD and TIF are negotiated by the RDA and the RDC



STATUTORY REQUIREMENTS

After consultation with local communities, **two public hearings** must be held before the **RDA approves the TDD boundaries** for review and approval by the **State Budget Committee.**

MEMORANDUM OF UNDERSTANDING (MOU)

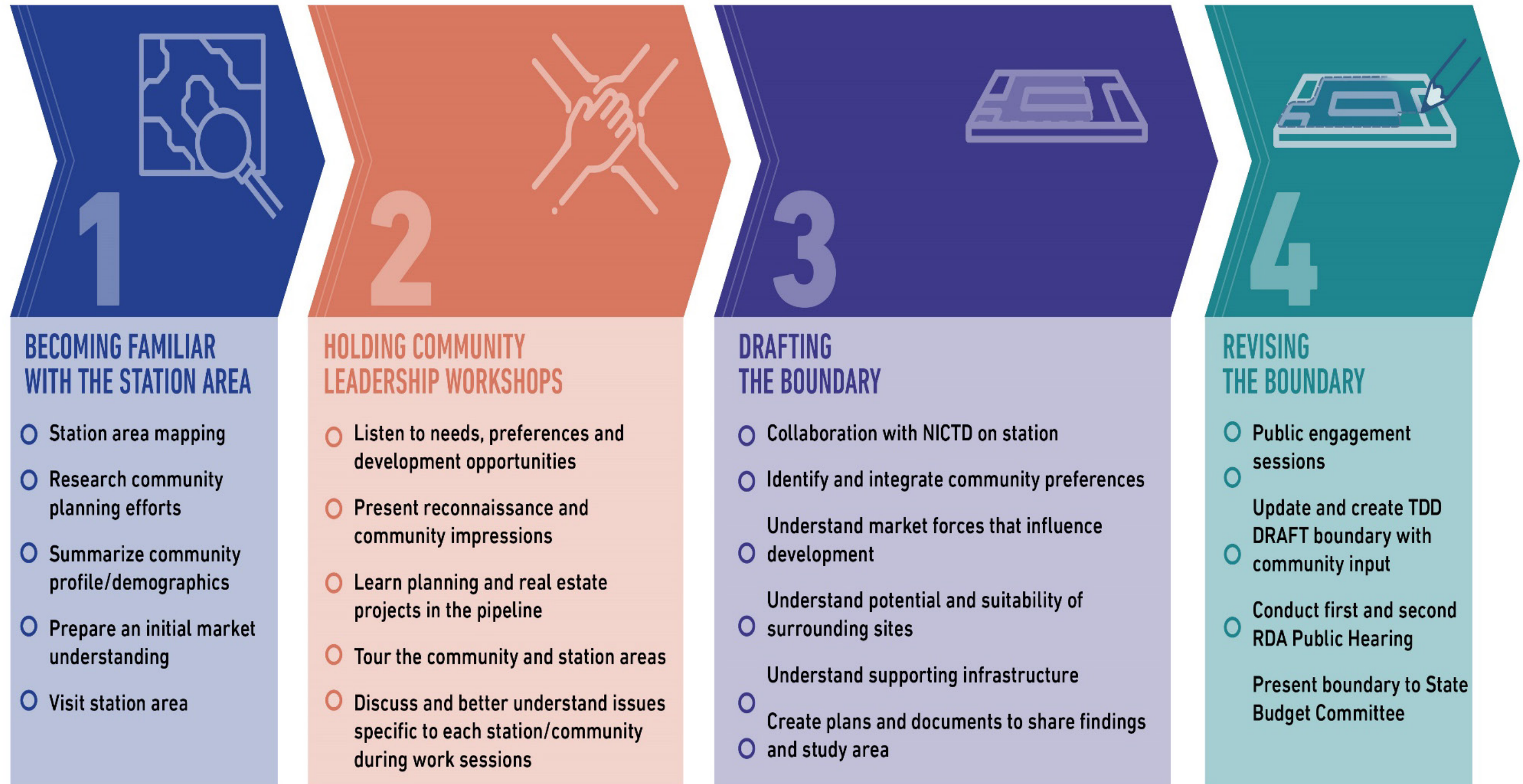
How will an MOU take place?

- »» **An MOU within the TDD process functions much like a “developer agreement”** in the negotiations between a municipality and a project developer as an investment is taking place.
- »» **An MOU will be between the NWI RDA and the municipality or municipalities** over which the TDD extends
- »» **An MOU must have legal status to bind both the RDA and the unit of government** to allow for debt obligations to be issued on the basis of the underlying revenues which it controls; and therefore, may be required to be passed by the legislative body of the municipality or county

TRANSIT DEVELOPMENT BOUNDARY PROCESS

how we're arriving
at the study area

TDD BOUNDARY PROCESS



TDDs Provide the Structure to Implement Transit Oriented Development

TDD VALUE

- **Leverage public investment** to attract capital and increase ROI
- Access to tax increment from both property and local income tax **creates a more secure and broader revenue source**
- Public investment in the region and collaboration across communities will **promote confidence**
- TDD proceeds **may allow borrower to obtain favorable rates** from the Indiana Finance Authority

WHAT PARTNERSHIP WITH THE RDA MEANS

- **Facilitating connections** throughout the region and ongoing collaboration with TDD communities
- **Funding source** and connection to other opportunities for financial support - tax credits, READI grants, etc.
- **Coordinated point of contact** for the development industry with the State of Indiana and partner agencies



Potential Reasons to Develop a TDD



Sanitary Sewer Extension

The Town of Beverly Shores and Town of Pines are not serviced by sanitary sewer, and these communities need municipal sewer service that can support TOD. Sufficient sewer capacity exists in Michigan City at County Line Road, and right-of-way exists along US 12 to provide a connection between these towns and Michigan City. Municipal sanitary sewer would also reduce septic system failures that lead to E-Coli contamination in Lake Michigan and beach closures in the Indiana Dunes National Park and Indiana Dunes State Park.

Potential Reasons to Develop a TDD



US 12 Scenic Byway

Beverly Shores and Pines would benefit from US 12 becoming a National Scenic Byway. The future US 12 is envisioned with multi-modal connectivity, reduced speeds and truck traffic, and branding and wayfinding moments tied to the Indiana Dunes National Park and Indiana Dunes State Park. If implemented successfully, the US 12 Scenic Byway could become a tourist destination taking advantage of park and lakefront access along Lake Michigan. Tourist activity could be augmented by a shuttle that transports visitors from NICTD stations to scenic destinations along the US 12 corridor.

Potential Reasons to Develop a TDD



Destination Based Development

The station has the ability to support a small commercial area that is already developing organically along US 12. Further investment in sewer could allow for additional development including restaurants, community- and tourist-oriented services, small-scale hospitality uses within a walkable distance to the station. A shuttle would be necessary to bring visitors to the lakefront.

Drafting the Boundary

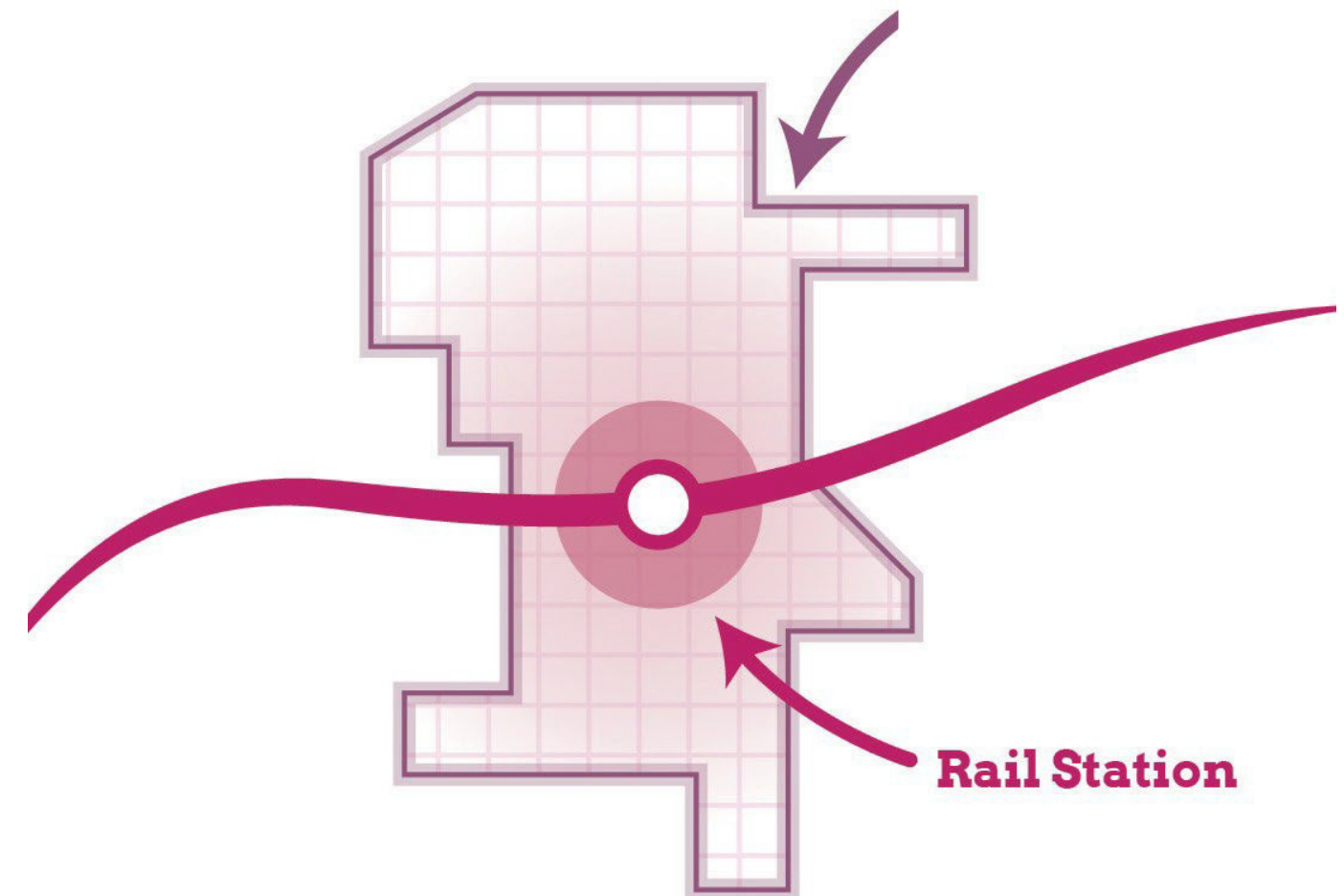
Tentative Workplan

RDA partnership with Beverly Shores and Pines on the following steps in 2024

- Data gathering
- Work Sessions
- Draft TDD boundaries completed
- High-level land use and development planning
- Website and public engagement
- Community meeting (1)
- Required public hearings (2)
- Local unit letter of support
- TDD boundaries established in fall 2024

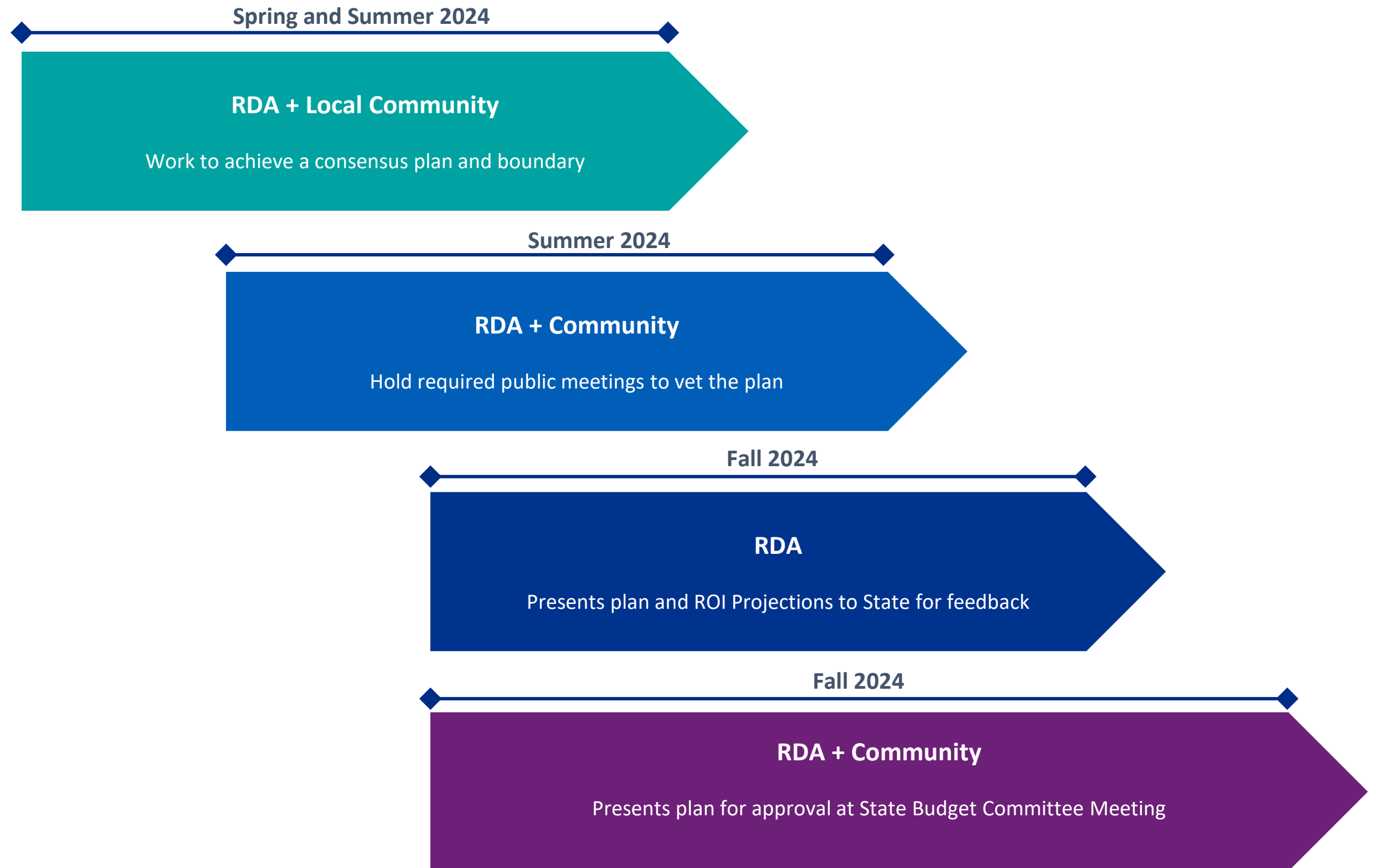


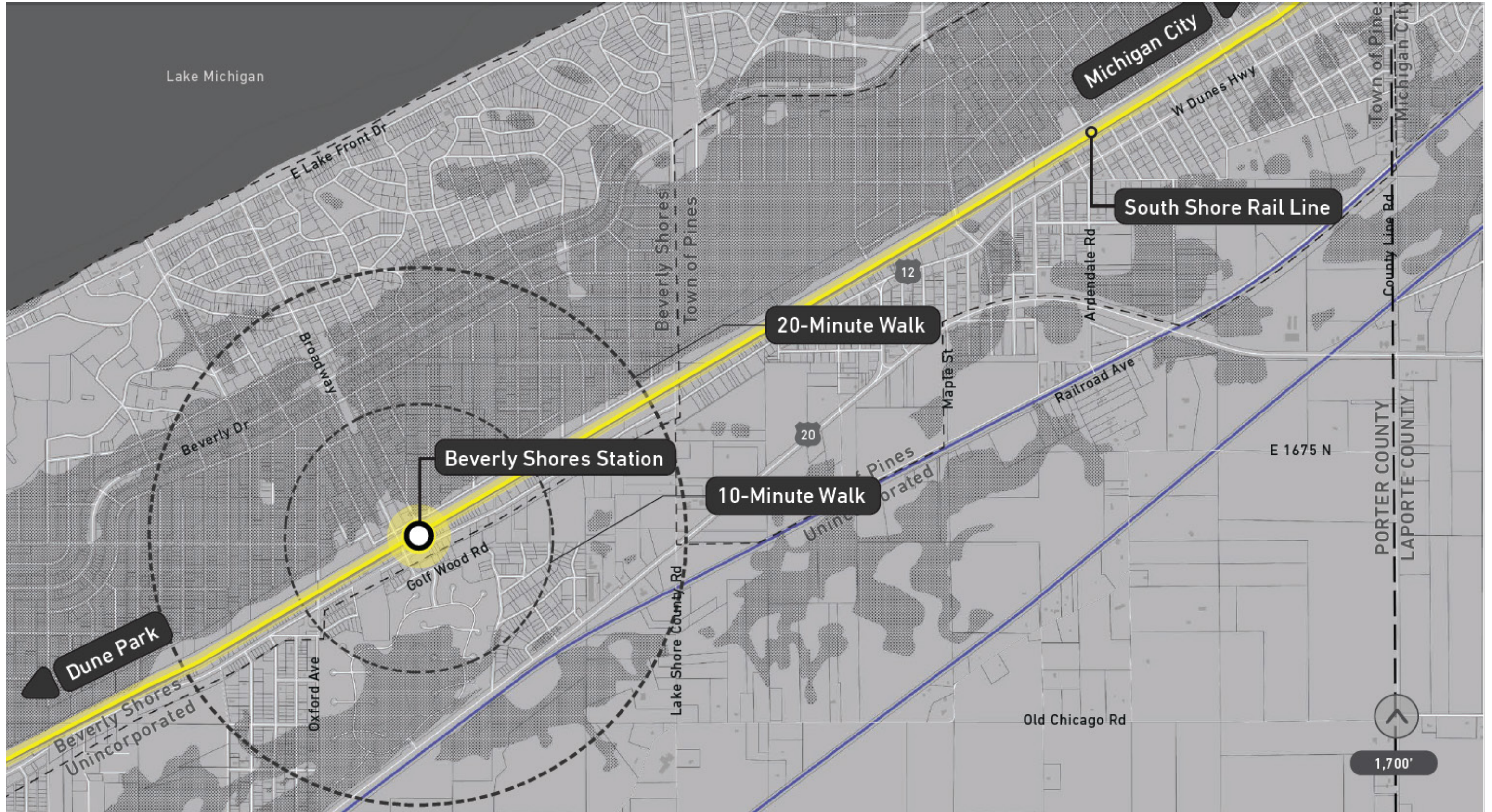
Phase 1: Drafting the TDD



Illustrative exhibit – not an actual boundary

Schedule

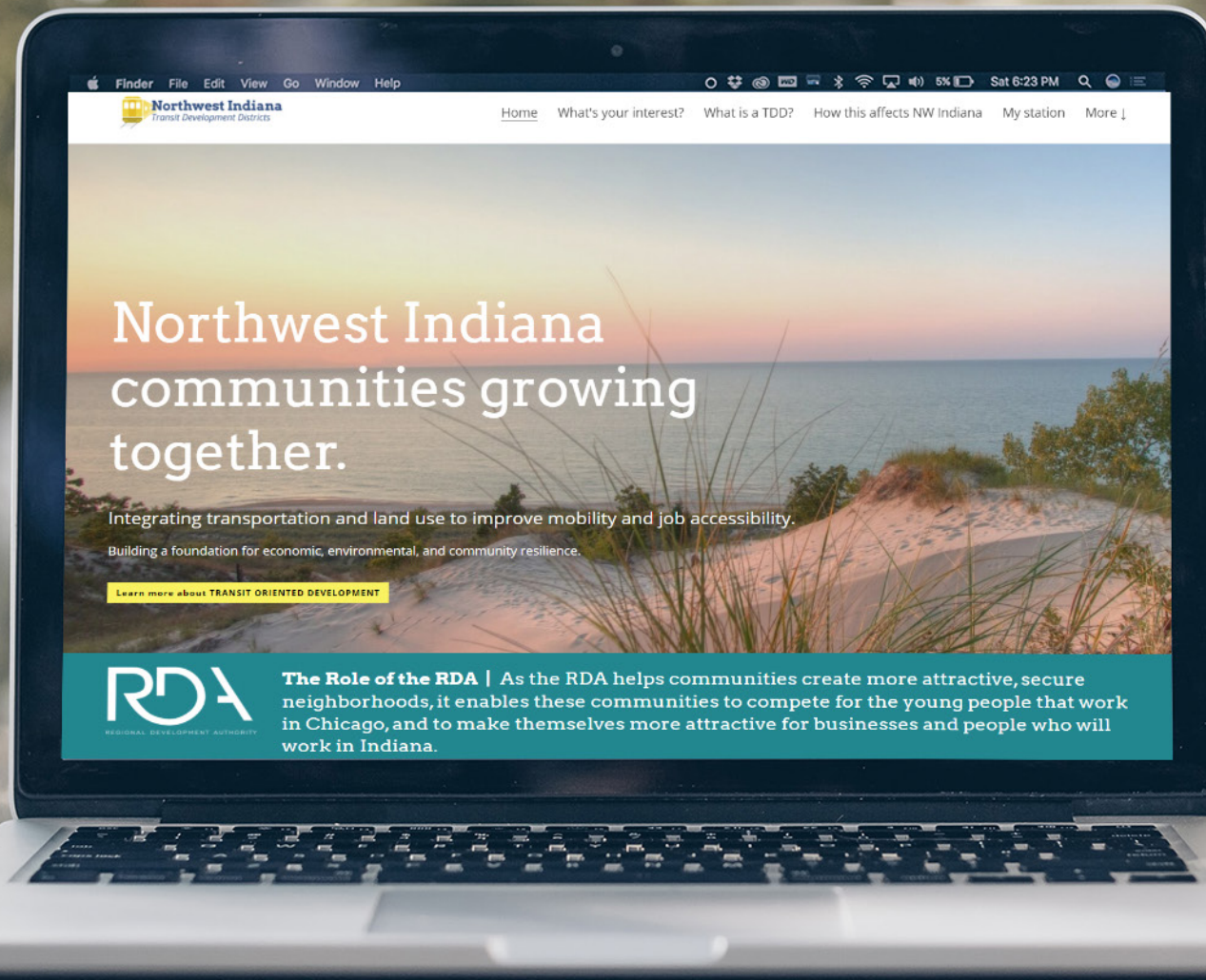




VISIT THE TDD WEBSITE

also linked on the RDA's main website

www.NWITDD.com



learn more and
follow this process

Check out the RDA's Transit Development District Website

NEXT STEPS

- 1 VISIT WEBSITE (www.NWITDD.com)**
- 2 CONFIRM IF LOCAL COMMUNITIES WANT TO MOVE FORWARD WITH A BOUNDARY AS ONE PROCESS (BOUNDARIES FOR BEVERLY SHORES & PINESO)**
- 3 RDA BOUNDARY PROCESS**
- 4 BOUNDARY REVIEW, PUBLIC INPUT, & APPROVAL PROCESS**



Q&A

we appreciate your
time and comments