



VIEW*S* & VISIONS

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Creating a Tax Increment Financing Zone in Wood County

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Marty Seufer has served as the Wood County Administrator since 2006. He is responsible for assisting the Wood County Commission with its governing duties, including setting the agenda, keeping minutes and recording motions, nominations and all other activity that occurs during a Commission meeting.

In addition to assisting the Commission, Seufer's office is responsible for county depositories, inventory of county property, updating of records for county vehicles, exonerations, building permits and purchase orders.

Seufer also serves as the Planning Director for Wood County. He was recently elected to his eighth consecutive term as a Councilman for the City of Williamstown, West Virginia, where he also serves as finance chairman.

The Wood County Commission is constantly discussing growth opportunities for the county and how best to attract businesses to the region. County governments do not have many tools in their belts with which to attract new development. Our county mainly relies on the West Virginia State Development Office and the Wood County Economic Development Authority. Both of these entities have stepped forward to assist us in attracting new businesses to the area as well as helping existing businesses with expansion. Hino Motors Manufacturing U.S.A.'s expansion into the former Coldwater Creek distribution center facility is a great example of such efforts.

This is a key location as it is the second intersection on the southbound side of the interstate once you cross into West Virginia from Ohio. There are a few businesses located at this site, but nothing compared to the scope and size being proposed.

In November 2016, the commission was approached by a commercial developer, Emerson Commons LLC, with a request to create a Tax Increment Financing (TIF) zone. Although familiar with TIF zones, this was the commission's first venture into that arena. The proposed area is located at the intersection of I-77 and State Route 68. This is a key location as it is the second intersection on the southbound side of the interstate once you cross into West Virginia from Ohio. There are a few businesses located at this site, but nothing compared to

the scope and size being proposed. The lack of infrastructure has long been a limiting factor to expansion.

The requested TIF zone would encompass an area containing 383 acres of contiguous land. Menards, a large home improvement retail center based in Wisconsin, would serve as the anchor of the development by constructing a 170,000-square-foot building on a 14-acre site.

Typical of terrain in the many outlying regions of our county, the proposed zone features a large valley that would require a tremendous amount of fill, as well as a wetlands area that would need to be remediated. As per the state guidelines for TIF zones, the developer proposed to use the TIF funds for the development of certain public infrastructure improvements within or





contiguous with the TIF district. These would include installation of water and sanitary sewer lines, gas lines, storm water drainage, wetlands mitigation, new road construction and road improvements, including intersection improvements, curbing, traffic control and lighting. As the developer stated in his presentation to the commission, “We could not make this financially work without the TIF zone.”

Once a TIF zone has been established, a baseline property value for the area is calculated at the current valuation set by the county assessor. To fund the infrastructure improvements, tax increment revenue bonds are issued with maturities not to exceed 30 years from the date of the zone’s creation. A base-assessed value is established in accordance with the formation of the district. For each tax year, the county assessor records both the base-assessed value and the current assessed value of the real and tangible personal property as having a tax situs in the development district. *Ad valorem* taxes collected on the base-assessed value are distributed in the same manner as applicable to the tax year in which the district was established. Any taxes received in excess of the base-assessed value are allocated and paid into the tax increment financing fund and shall be used to pay the principal and interest on the bonds issued for the project. Excess levies are excluded from this formula.

The commission found out many things about TIF zones as the process went



The TIF zone currently being developed (above) was originally a valley terrain that included wetlands. Once the infrastructure is in place, the above complex will be built to house various retail businesses and offices.

on. For example, it is not necessary for the developer to own all the property in the district or to even have an option to purchase. The area must, however, be contiguous. All expenditures in the zone must be approved by the county commission. No TIF funds are allowed to be used for private improvement, just infrastructure. Any expended TIF funds must adhere to the West Virginia bidding laws. The local school system will not suffer loss of funds as the state’s school aid formula is adjusted to compensate for the increase in property values. Creating one TIF zone does not limit the ability to create another district in the county.

A project of this size requires the concerted effort of several offices. Fortunately, the various officials in Wood County have a great working relationship; the County Clerk, Assessor and Sheriff were all on board to do their part to make this happen.

In conclusion, Wood County did approve and establish the requested TIF zone, and we are all excited to have an area that is being developed in a location that had little chance of ever experiencing such growth. We are looking forward to having a new, privately owned and well-respected retail store in our area, as well as the 250 to 300 jobs that typically follow. We are also excited about the potential for additional retail stores and offices that may choose to locate in the development. I believe the county commission, as well as all the citizens of Wood County, have made an investment that will pay dividends for years to come. ▽