KROHN & ASSOCIATES
CPAS AND CONSULTANTS

November 23, 2025

Ms. Debra Carnes, Auditor
And Hancock County Commissioners
111 S. American Legion Place, Suite 217
Greenfield, Indiana 46140

Ms. Lori Elmore, Clerk-Treasurer
And the Greenfield City Council
City of Greenfield
10 South State Street, Room 133
Greenfield, Indiana 46140

Mr. Thomas Lopez, Trustee
And the Center Township Board
19 West Main Street
Greenfield, Indiana 46140

Dr. Harold Olin, Superintendent
And the Greenfield-Central School Board
110 West North Street
Greenfield, Indiana 46140

Mr. Jason Horning, Chief
And the Greenfield Fire Territory
17 West South Street
Greenfield, Indiana 46140

Re: Greenfield Redevelopment Commission (RDC) – Lilly Legacy Economic Development Area Tax Impact Statement

Please find, enclosed, a copy of the Tax Impact Statement relative to the establishment of the Lilly Legacy Economic Development Area within the City of Greenfield, Indiana. The RDC will conduct a public hearing on the Declaratory Resolution that would create an Allocation Area on January 5, 2026 at 4:00pm in the Richard J Pasco Chambers located in the Keith McClarnon Government Center (see Notice of Public Hearing included within the enclosed Tax Impact Statement). The Official Notice of the Public Hearing will be published in The Greenfield Daily Reporter at least 10 days prior to the Public Hearing.

Should you or anyone receiving copies of the enclosed Tax Impact Statement have questions, please do not hesitate to contact Lori Elmore, Clerk-Treasurer, or me.

Very truly yours,
O. W. KROHN & ASSOCIATES LLP

Buzz

Otto W. "Buzz" Krohn, CPA, CGMA
Executive Partner

Enclosure

Cc: Greenfield RDC

CITY OF GREENFIELD
HANCOCK COUNTY, INDIANA

GREENFIELD REDEVELOPMENT COMMISSION
TAX IMPACT STATEMENT

LILLY LEGACY ECONOMIC DEVELOPMENT AREA
AND ALLOCATION AREA
November 23, 2025

KROHN & ASSOCIATES
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GREENFIELD REDEVELOPMENT COMMISSION

STATEMENT DISCLOSING THE IMPACT OF ESTABLISHING THE GREENFIELD LILLY LEGACY ALLOCATION AREA

The City of Greenfield ("City") Redevelopment Commission ("Commission") is required by Indiana Code 36-7-14, as amended (the "Act"), to provide a statement disclosing the impact on the overlapping taxing units of establishing or expanding a tax allocation area. This impact statement discloses and explains the impact on the overlapping taxing units caused by establishing an allocation area and capturing potential tax increment.

BACKGROUND ON THE AREA AND PLAN

The Commission adopted Resolution No. 2025-03RDC on August 11, 2025 (the "Declaratory Resolution") establishing the Lilly Legacy Economic Development Area ("Area"), designating the Area as an allocation area ("Allocation Area") pursuant to Section 39 of the Act, and approving an Economic Development Plan (the "Plan") for the Area. Copies of the Declaratory Resolution are available from the City Clerk-Treasurer's Office.

The Declaratory Resolution allows for the use of tax increment resulting from the growth in all real property assessed value within the Allocation Area in excess of the base assessed value defined in Section 39 of the Act. The base assessment date for the Allocation Area is January 1, 2025.

As stated in the Plan, the designation for the Area will benefit the public health, safety, morals and welfare of the citizens of the City. The Plan is designed to increase the economic well-being of the City and the State of Indiana and to serve to protect and increase property values in the City and the State of Indiana. The Plan is designed to promote significant opportunities for the gainful employment of the citizens of the City, retain and expand significant business enterprises existing in the City, provide for local public improvements in the Area, retain permanent jobs and increase the property tax base. Furthermore, the Commission found that the Plan cannot be achieved by regulatory processes or by the ordinary operation of private enterprise without resort to the powers allowed the Commission under the Act due to: (1) the lack of local public improvements within, connected and serving the Area; and (2) existence of improvements or conditions that lower the value of the nearby land; and (3) there is no regulatory process available to build infrastructure or provide incentives to encourage economic growth.

PROJECT SUMMARY

In order to accomplish the Plan, the Commission has encouraged the development of the Area by funding the design, acquisition, construction, installation, equipping and improvement projects in, serving or benefitting the Area, including but not limited to, (i) acquisition of rights-of-way; (ii) transportation enhancement projects; (iii) utility infrastructure; (iv) public park improvements and recreational equipment; (v) design and implement wayfinding and trail systems; (vi) acquisition, demolition, rehabilitation and/or reconstruction of buildings or other site improvements; and (vii) other local public improvements deemed appropriate (collectively "Projects"). The Commission estimates the costs of the Projects to be approximately $5,000,000 to $10,000,000 and anticipates funding the Projects through the issuance of bonds payable from tax increment revenues derived from the Allocation Area. If additional projects are necessary in order to fully develop the Area, the Commission will amend the Plan in accordance with the Act.

TAX INCREMENT

The Commission and the City intend to finance the Projects through a combination of tax increment financing (TIF) notes and other sources. The ultimate funding combination will be determined based upon the potential tax increment from specific commercial and / or industrial projects that locate in the Allocation Area. The Commission intends to capture the increases in real property assessed value from commercial and industrial developments within the Allocation Area. All increases in personal property assessed value are not being captured and will immediately benefit all overlapping taxing units.

> **Example**: Assume that a company invests $10,000,000 in real property improvements and $500,000 in personal property (equipment) in the Allocation Area. Further assume that the real property assessment amounts to 100% of the investment and the personal property assessment amounts to 30% of the investment. Finally, assume that the net effective tax rate amounts to $2.00.
>
> The annual **real property tax increment to be captured** by the Redevelopment Commission would amount to the following:
>
> $10,000,000 x 100% x $.02 = $200,000
>
> The **personal property assessed value would not be captured** but **would flow through to the overlapping taxing units**. While increases in assessed value do not directly translate into increases in property tax revenues, the increased assessed value would have a positive impact on the property tax rates.
>
> Of course, if tax abatement is granted, these annual revenues would be phased in over a period of time (i.e. up to 10 years). However, tax abatement is not anticipated at this time for the proposed development.

ESTIMATED IMPACT OF ESTABLISHING THE LILLY LEGACY ALLOCATION AREA

The estimated tax impact on the overlapping taxing units is illustrated below. The increase in real property assessed value to be captured by the Commission will not reduce the existing tax levy of any of the overlapping taxing units. The pay 2025 tax base, tax rates and estimated property tax levies (without adjustment for circuit breaker credits) of the overlapping taxing units are as follows:

PRESENT SITUATION:

Taxing Unit	True Tax Value	Tax Rate	Tax Levy
Hancock County	$ 6,809,675,962	$ 0.2017	$ 13,735,116
Hancock County - Cumulative Cap. Devel.	$ 6,809,675,962	$ 0.0333	$ 2,267,622
Hancock County - Cumulative Bridge	$ 6,809,675,962	$ 0.0419	$ 2,853,254
Center Township	$ 2,262,882,562	$ 0.0089	$ 201,397
City of Greenfield	$ 1,799,991,875	$ 0.5184	$ 9,331,159
Greenfield - Special Fire Terr - General	$ 2,262,756,338	$ 0.2632	$ 5,955,575
Greenfield - Special Fire Terr - Equipment	$ 2,262,756,338	$ 0.0333	$ 753,498
Greenfield Central School Corp	$ 2,450,823,137	$ 0.9386	$ 23,003,426
Total Tax Rate (per $100 TTV)		$ 2.0393	

SCHEDULE A: Assumes the Allocation Area is created and increase in real property assessed value are captured by the Commission.

Taxing Unit	True Tax Value	Tax Rate	Tax Levy	Difference
Hancock County	$ 6,809,675,962	$ 0.2017	$ 13,735,116	$ -
Hancock County - Cumulative Cap. Devel.	$ 6,809,675,962	$ 0.0333	$ 2,267,622	$ -
Hancock County - Cumulative Bridge	$ 6,809,675,962	$ 0.0419	$ 2,853,254	$ -
Center Township	$ 2,262,882,562	$ 0.0089	$ 201,397	$ -
City of Greenfield	$ 1,799,991,875	$ 0.5184	$ 9,331,159	$ -
Greenfield - Special Fire Terr - General	$ 2,262,756,338	$ 0.2632	$ 5,955,575	$ -
Greenfield - Special Fire Terr - Equipment	$ 2,262,756,338	$ 0.0333	$ 753,498	$ -
Greenfield Central School Corp	$ 2,450,823,137	$ 0.9386	$ 23,003,426	$ -
Total Tax Rate (per $100 TTV)		$ 2.0393		

SCHEDULE B: Displays, for illustrative purposes only, the impact of $10,000,000 of increased assessed value from an investment of $10,000,000 in real property improvements on the impacted taxing units if the Allocation Area is not established. Schedule B conservatively assumes that the investment in the Allocation Area will occur regardless, and, therefore assumes that if the Allocation Area were not established, the incremental assessed value would be passed on to the other taxing units.

Taxing Unit	True Tax Value	Tax Rate	Tax Levy	Change from Schedule A	
				Tax Rate	Levy
Hancock County	$ 6,819,675,962	$ 0.2014	$ 13,735,116	$ (0.0003)	$ -
Hancock County - Cumulative Cap. Devel.	6,819,675,962	0.0333	2,270,952	0.0000	3,330
Hancock County - Cumulative Bridge	6,819,675,962	0.0419	2,857,444	0.0000	4,190
Center Township	2,272,882,562	0.0089	201,397	0.0000	-
City of Greenfield	1,809,991,875	0.5155	9,331,159	(0.0029)	-
City of Greenfield - Special Fire Terr - Gen	2,272,756,338	0.2620	5,955,575	(0.0012)	-
City of Greenfield - Special Fire Terr - Cumul	2,272,756,338	0.0333	756,828	0.0000	3,330
Greenfield Central School Corp	2,460,823,137	0.9348	23,003,426	(0.0038)	-
		$ 2.0311		$ (0.0082)	$10,850

IMPACT SUMMARY

The Commission has determined that capturing the increases in real property assessed valuation in the Allocation Area would not have a negative impact on anticipated revenues or tax rates of the taxing units that are wholly or partially located in the Allocation Area, because neither the increases in assessed value from personal property or residential real property can be captured and the increases in assessed value from real property are dependent upon the construction of the infrastructure contemplated in the Plan. In fact, the creation of the Allocation Area and the construction of the Projects will have several positive impacts on the taxing units and taxpayers of the City. The increased real property assessed value from development of the Allocation Area will be captured as Tax Increment and used to pay the costs incurred to accomplish the Plan and construct the Projects. The taxing units, and subsequently the taxpayers of the City, would benefit from: (1) increases in local option income taxes from the additional jobs, (2) any additional revenues that may be generated due to the economic ripple effect that economic development would provide; and (3) the increases in residential and personal property assessed value flowing through immediately.

Please note that for purposes of estimating the impact of tax increment, certain factors were held constant in this analysis. No other growth in real or personal property assessed value was assumed to take place anywhere in the City, other than development within the Allocation Area. No increases in the budgets of the overlapping taxing units were assumed for purposes of this analysis. Potential impacts from future annexations and statewide reassessments were not included in this analysis.

It should be further noted that this impact analysis attempts to show the impact on the funding of the Greenfield Central Community School Corporation ("School") in a simplified manner consistent with that shown for the other taxing units. Normally, the tax rates of the other School funds would decrease if the assessed value increases, but this analysis assumes no impact because the assessed value growth would not occur without the creation of the Allocation Area and construction of the Projects to spur the private investment and assessed value growth.