



# 2024 Economic Impact Analysis

Presented to the:  
River Ridge Development Authority

April 8, 2025

RIVERRIDGE  
DEVELOPMENT AUTHORITY

POLICY  
ANALYTICS  
LLC





# Preface: 2024 Impact Analysis

Over the course of over 20 years, the River Ridge Development Authority [RRDA] has been at work to redevelop the former Indiana Army Ammunition Plant, build and install the infrastructure needed to facilitate private investment, and attract businesses to Southern Indiana. In that time, the River Ridge Commerce Center [RRCC] has matured into an employment center for the Southern Indiana Region, employing more than 12,000 workers.

The purpose of this report is to quantify the impacts on the regional economy and state and local government finances. This report summarizes the impact in three phases: RRDA spending, private capital investment, and the ongoing impact of business operations.

This report is the 13th in a series evaluating the regional impacts of River Ridge. The first report, issued by Policy Analytics in early 2013, focused on the impacts through 2012, and subsequent reports analyzed the developments during calendar years 2013 through 2023. This report builds on those initial analyses and extends them to include investments and business activity occurring in the 2024 calendar year. These reports are intended to be updated annually to allow the RRDA, its stakeholders, and other observers to monitor the development progress at River Ridge.

Policy Analytics, LLC is an Indiana company with significant experience in independent economic analysis and regional development studies. The economic impacts here are estimated using IMPLAN, a professionally accepted economic modeling tool. The fiscal impacts are modeled using Policy Analytics' proprietary Local Government Revenue model, which is customized to include parcel-level data for all Indiana counties. This report is being prepared under contract with the RRDA, with an intended audience that includes RRDA management, its board, interested stakeholders, and statewide policymakers.



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# Executive Summary: 2024 Impact Analysis

Calendar year 2024 for the RRCC can be characterized by maturity and potential. Development has continued along the S.R. 62 corridor to the point where there are few undeveloped sites remaining. New investment and economic activity in this region consisted of infill development, and replacing businesses that had ceased operations in prior years.

At the same time, new development pushed forward on the Charlestown end of the site, and development activity began on the mega site for a 600-acre data center development by Meta.

These investments show both the strong potential for private investment at River Ridge, and the need to continue redevelopment and infrastructure activities that are necessary to enable the future growth of the Commerce Center.

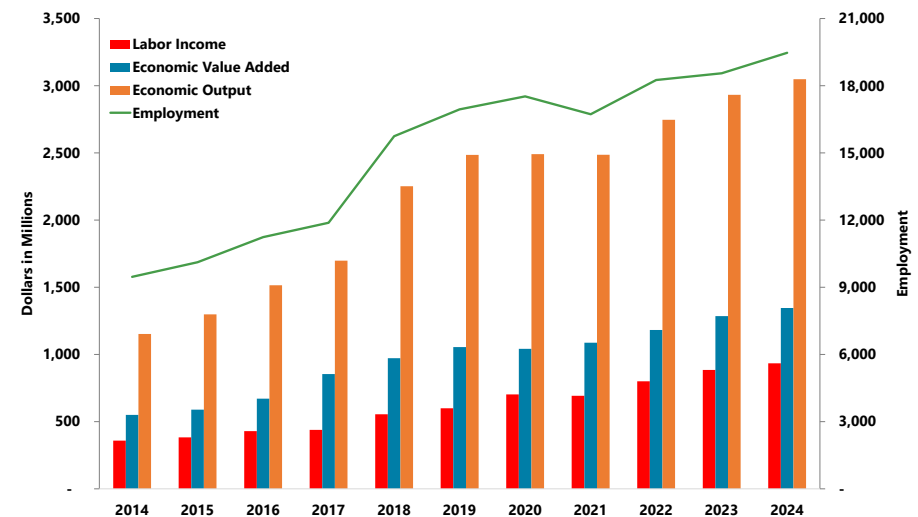
## Development Summary

### River Ridge 2024 Highlights

1. The RRDA completed the land sale, and site work began for an \$800M data center investment by Meta at River Ridge.
2. The RRDA invested \$20 million in redevelopment and infrastructure projects in 2024. These included \$6.7 million road infrastructure and \$8.9 million in utility infrastructure.
3. The RRDA supported over 19,000 jobs resulting in an impact of \$933.9 million in labor income throughout the regional economy.
4. Private development of \$138.2 million in 2024 is estimated to bring an additional 3.9 million square feet of commercial and industrial space once complete.

### Combined RRCC Economic Impact

*RRDA activity, private investment, and tenant operation*



The RRDA completed the mega site land sale with Meta in 2024, closing a \$43 million transaction. The RRDA also generated \$17.7 million in tax increment financing and urban enterprise zone revenue from private investment at the Commerce Center.

The RRDA completed \$20 million in its own capital improvement and infrastructure projects. Major infrastructure projects included \$6.7 million in road infrastructure, and \$8.9 million in utility infrastructure. Site preparation and demolition work to ready new areas for development totaled \$4.3 million in 2024.



# Executive Summary: 2024 Impact Analysis

Private development continued to progress in 2024. Some of the work centered on completing projects that were started in 2023, including 910,000 square feet of commercial and industrial space. In total, an estimated \$138.2 million in private construction activity was completed in 2024. When fully completed, the 2024 projects will total 3.0 million in new facility square footage for companies that operate at the RRCC.

The RRCC saw a year-over-year increase in private, direct employment in 2024. A number of new firms began, or increased operations at River Ridge, including CTDI, Kroger Health, ATTC Manufacturing, J Knipper, and Pure Beverage.

## Economic and Fiscal Impacts

In total the economic activity at River Ridge, which includes RRDA operations, private investment, and on-site companies, generated or sustained an estimated 18,700 jobs throughout the regional economy. The estimated economic impact includes approximately \$896 million in labor income, and \$1.3 billion in economic value added.

The economic activity also generates fiscal returns to the State of Indiana and local governmental units. The fiscal impact on state income and sales tax revenue totals nearly \$40 million annually. The RRCC also generates an estimated \$9.1 million in income tax revenue for units of local government throughout the Southern Indiana region.

River Ridge State and Local Fiscal Impact  
Income and Sales Tax-Indiana Impact Only

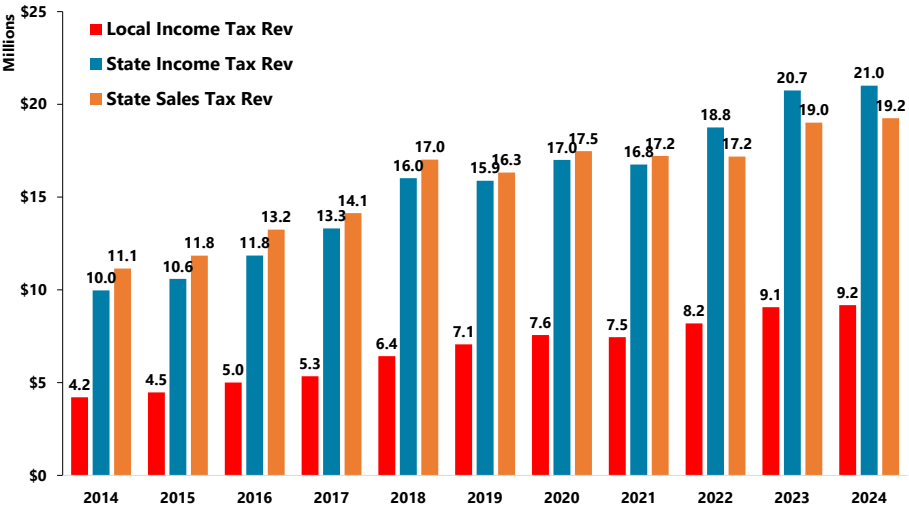


Image: View of Ohio River from River Ridge



# New Development Activity: 2024

The RRCC saw a significant amount of new development in 2024, consisting of a mix of infrastructure improvements funded by the RRDA, and the private construction of new facilities.

## Infrastructure and Site Preparation

The RRDA completed approximately \$20 million in capital investment in 2024. This included demolition and redevelopment on the north end of the Commerce Center and preparations for the Meta and Canadian Solar projects. Major infrastructure projects included improvements to Penny Martin Lane and Jim Lewis Avenue. In addition, a significant amount of utilities and storm drainage work was completed.

## Private Construction

Private investors began work on more than 10 separate projects and continued work on a number of other projects. Most private construction projects were logistic-sector or flex spaces. Projects included a 700,000 square foot data center, and five facilities with greater than 300,000 building square footage. In total, projects in 2024 will total 3.9 million square feet once completed. Total private capital investment, including vertical development and site improvements, in 2024 is estimated at \$138.2 million.





# 2024 Financial Overview

The RRDA is tasked with the redevelopment of the RRCC, converting land from its previous military use, and building out the infrastructure necessary to support commercial and industrial business operations. The RRDA is also responsible for marketing property to attract private investors and new businesses.

The RRDA is governed by a Board of Directors appointed by the following political entities: the City of Charlestown, the City of Jeffersonville, Clark County Commissioners, the Ports of Indiana, and the Town of Utica. The RRDA is operated by a professional staff led by the Executive Director, Jerry Acy, CEcD, who has headed the organization since 2008.

The RRDA's major sources of revenue are land sale proceeds and revenue from the Tax Increment Finance (TIF) and Urban Enterprise Zone (UEZ) structures administered by the RRDA. Major expenditures include personnel, administration, and infrastructure development costs.

## RRDA Business Model

**Phase 1:** The RRDA takes possession of property, provides infrastructure such as roads, water and sewer, and performs site preparation and demolition operations to make the property viable for further development.

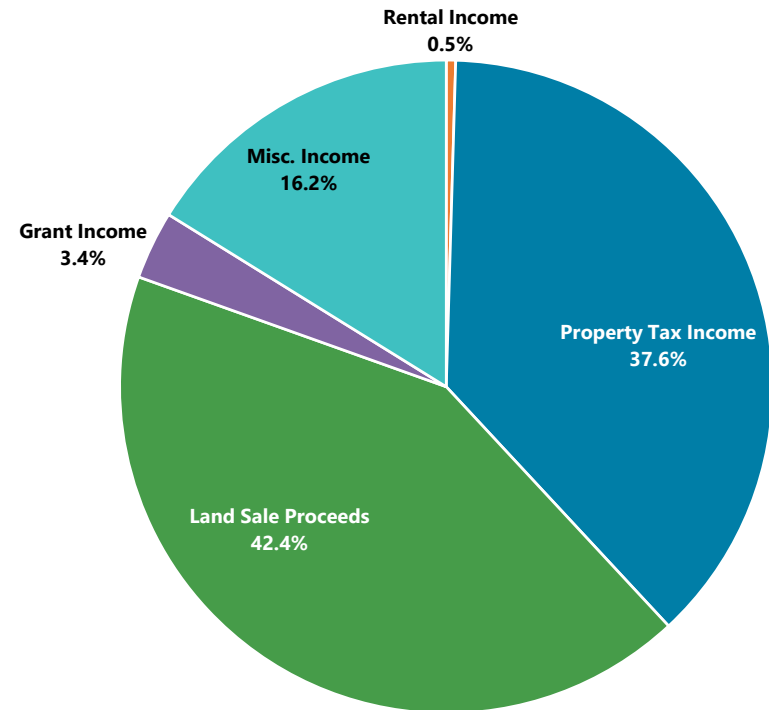
**Phase 2:** The property is sold to a private developer or user/manufacturer who makes site preparations and finances the construction of commercial and/or industrial facilities on their site.

**Phase 3:** The newly constructed facility is leased or sold to tenants who locate ongoing business operations.

**Phase 4:** The RRDA generates revenue from TIF and UEZ sources for ongoing development, maintenance, and business attraction.

## RRDA Revenues by Source, 2024

Total Revenue: \$47.1 million



Source: RRDA; Preliminary, Unaudited

## RRDA Revenues

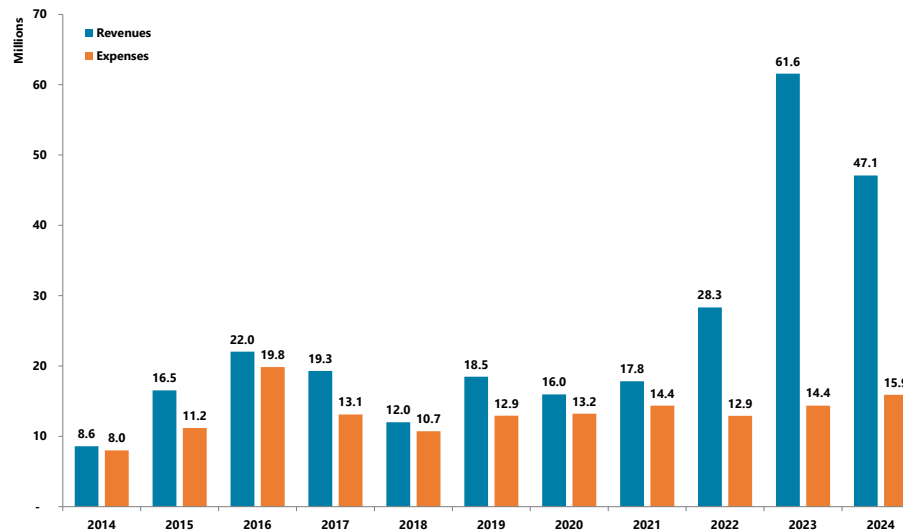
The RRDA is funded from three primary revenues sources: proceeds from the sale of land, Tax Increment Financing (TIF) revenue, and Urban Enterprise Zone (UEZ) revenue. The RRDA completed its second highest level of land sales in 2024, totaling just under \$20 million in net proceeds (a portion of the sales transactions also completed in 2023). In 2024, land sale proceeds comprised 42% of total revenue.



# 2024 Financial Overview

The RRDA administers the TIF and UEZ funds, per state statute, to generate property tax related revenues. TIF allows the RRDA to capture the “incremental” (increases in assessed valuation due to investment) property tax revenues produced from new private investment. The RRDA TIF applies to real property but not apply to personal property—depreciable equipment, technology, machinery, and fixtures assessed for property taxation—which accrues to the tax base of local governmental units.

**River Ridge: Revenues vs Expenses**  
*Excludes Expenditures from Bond Proceeds*



Using its UEZ designation, the RRDA can extend property tax incentives to businesses when they locate within the RRCC. The RRDA’s practice is to grant a property tax incentive that results in a 51% reduction in property tax liability on real and/or personal property for 10 years for participants in the UEZ.

In 2024, the RRDA generated \$9.3 million in TIF revenue and \$9.4 million in UEZ revenue for a total of \$18.7 million in property tax-related revenues. The RRDA’s TIF and UEZ revenues have increased as development has progressed at the Commerce Center. The TIF and UEZ revenues received in 2024 exceeded prior year levels by 40%.

## Economic Development Tools

The RRDA administers the Tax Increment Financing district and the Urban Enterprise Zone that are coterminous with its boundaries.

### Tax Increment Financing (TIF)

In a TIF district, all property tax revenue attributable to assessed value growth subsequent to the establishment of a TIF is allocated to the “increment.” This incremental revenue is available to fund capital projects within the TIF district. The TIF currently captures all real property assessed value growth. Growth in personal property assessed value is allocated to the base taxing units.

### Urban Enterprise Zone (UEZ)

An Urban Enterprise Zone is a designated area for which the RRDA can grant property tax deductions to incentivize investment. Companies locating at the RRCC can apply for a 10-year, 51% property tax deduction on real and personal property.



# 2024 Financial Overview

## RRDA Expenditures

The RRDA employs a professional staff to perform its administrative and redevelopment functions, and to operate its water utility. The two largest operating costs are administration expenses and debt service payments on the bond proceeds invested in capital development. In 2024, administration expenses totaled \$5.9 million, a 7.2% increase over the prior year. Total debt service payments in 2024 were \$7.1 million.

The majority of RRDA expenditures are related to preparing the RRCC for additional investment. In 2024, the RRDA expended approximately \$20 million on capital projects. The year-to-year capital spending is largely dependent on the timing bond issuances and bond proceeds. At the end of 2024, outstanding debt totaled \$132 million.

## Summary of River Ridge Revenues and Expenses

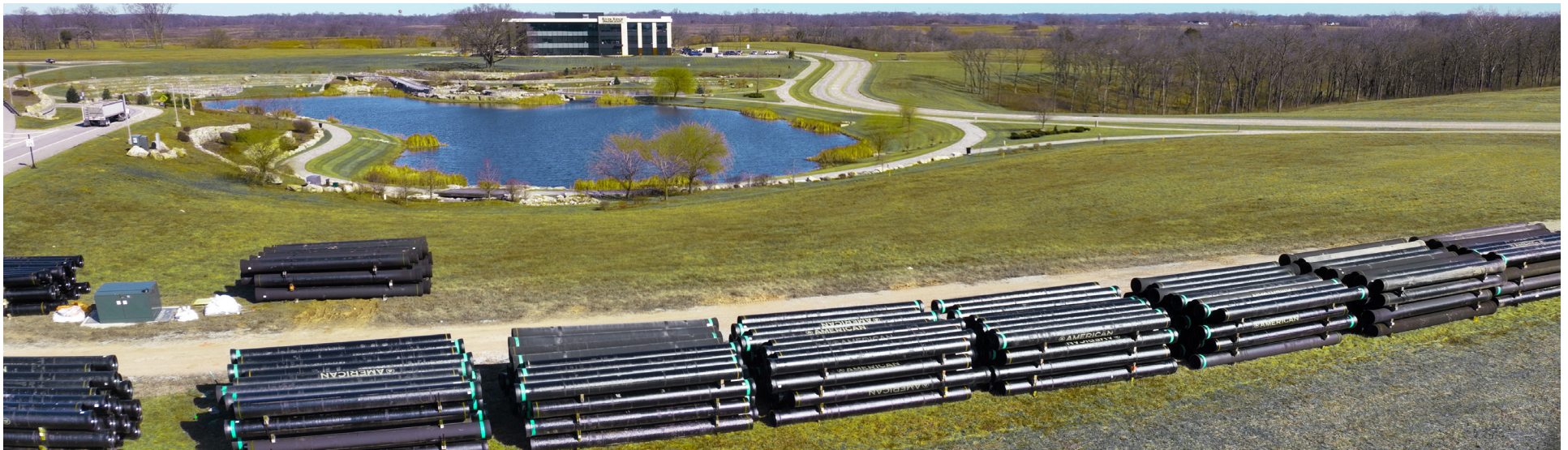
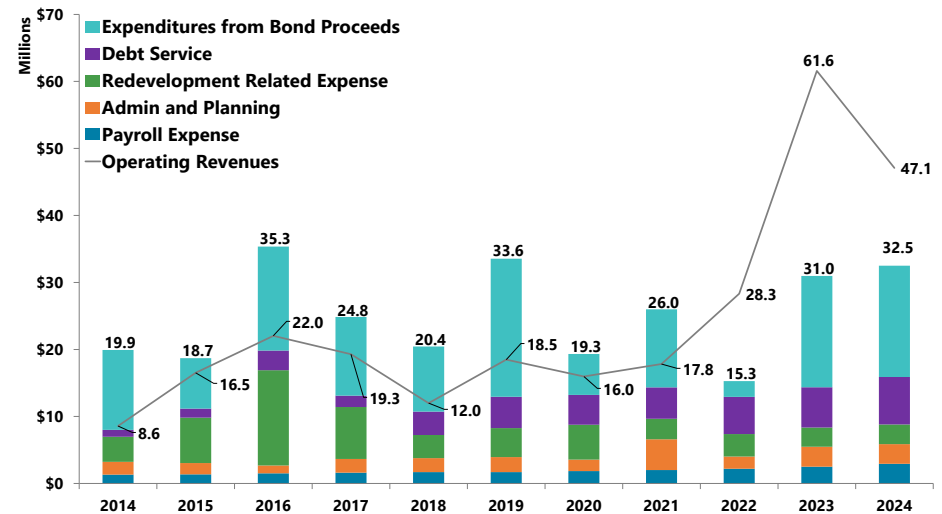


Image: South Water Main Pipeline Construction



# RRDA Activity: 2024 Impact

The activities of the RRDA benefit the regional economy through investing in capital improvements, and through ongoing operational activities.

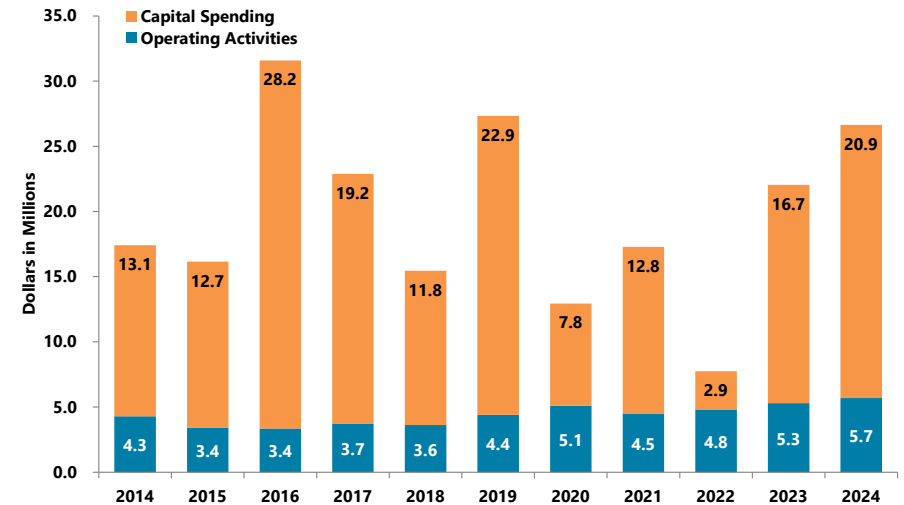
The RRDA's capital activity includes site preparation, demolition of existing structures, roadway and utility construction, and other maintenance activities. These activities are performed by employees or contractors of either the RRDA itself, or regional companies. RRDA capital investment does not include the private construction of new buildings or facilities.



Image: River Ridge Water Tower

## RRDA Economic Impact Input Summary

*Excludes Non-Local Operating Spending*



The RRDA funded approximately \$20 million in capital projects in 2024. This included \$6.7 million in roadway projects, \$8.9 million in utility infrastructure, and \$4.3 million in demolition and site preparation. In addition to supporting construction activity in the regional economy, these activities assist in preparing for future development.

The RRDA operating activities include its own payroll, the procurement of business services, accounting, environmental and security services. Total operational and administrative expenditures in 2024 (excluding site development and debt service) totaled \$5.9 million. The RRDA spent approximately \$2.9 million (18% of its administrative budget) on payroll expenditures. The remaining expenditures supported administration, business development, debt service, and management activities.

# RRDA Activity: 2024 Impact

In 2024, RRDA activity produced an estimated total of \$49.9 million in economic output. The activity supported 180 direct jobs for a total of 287 jobs (including indirect and induced impacts) and \$16.1 million in labor income.

The economic impact from RRDA activity fluctuates depending on available resources from land sales and bond proceeds. Total RRDA expenditures in 2024 were higher than all previous years.

## Economic Impact of the RRDA - 2024

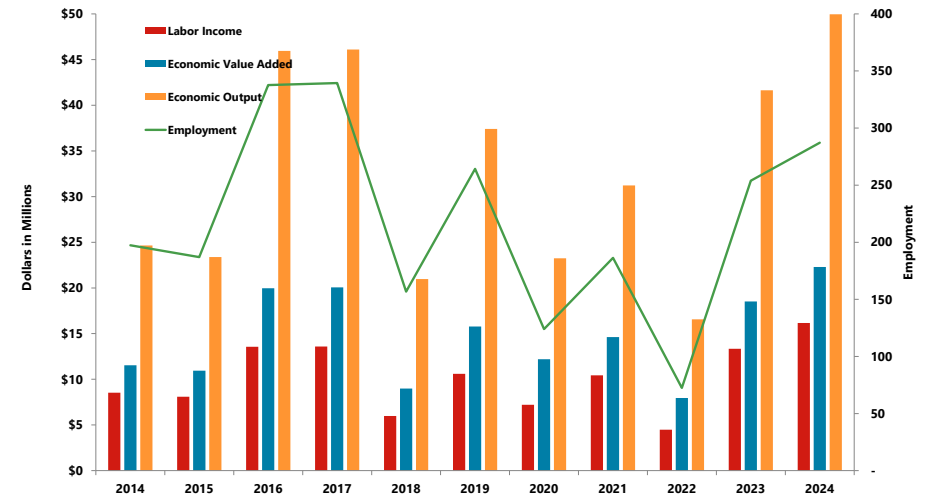
*Operations and Capital Investment (dollars in millions)*

	Econ Output	Value Added	Labor Income	Jobs
Direct Effect	\$30.3	\$12.1	\$10.5	180
Indirect Effect	\$11.8	\$5.7	\$3.3	58
Induced Effect	\$7.8	\$4.5	\$2.3	49
<b>Total Effect</b>	<b>\$49.9</b>	<b>\$22.3</b>	<b>\$16.1</b>	<b>287</b>

*Note: Throughout this document, numbers may not sum precisely to totals due to rounding*

The RRDA uses public funding from TIF, UEZ, and grant revenues to prepare for investment of private funds. In 2024, the RRDA leveraged each dollar of TIF and UEZ revenue to generate \$2.82 in economic output and \$0.91 in labor income throughout the economy.

## Economic Impact of RRDA Capital and Operating Spending



## Employment Impact of RRDA Activity in 2024

*Total Employment Impact*

Top 8 Industries	Jobs	Avg. Wage
Nonresidential Construction	162	\$57,707
Management and Administration	22	\$75,536
Restaurants and Food Service	8	\$24,046
Retail Stores	8	\$42,147
Professional Services	6	\$55,214
Health Services	5	\$85,446
Employment Services	4	\$39,366
Truck Transportation	3	\$67,202
All Other	69	
<b>Total - All Industries</b>	<b>287</b>	<b>\$60,783</b>



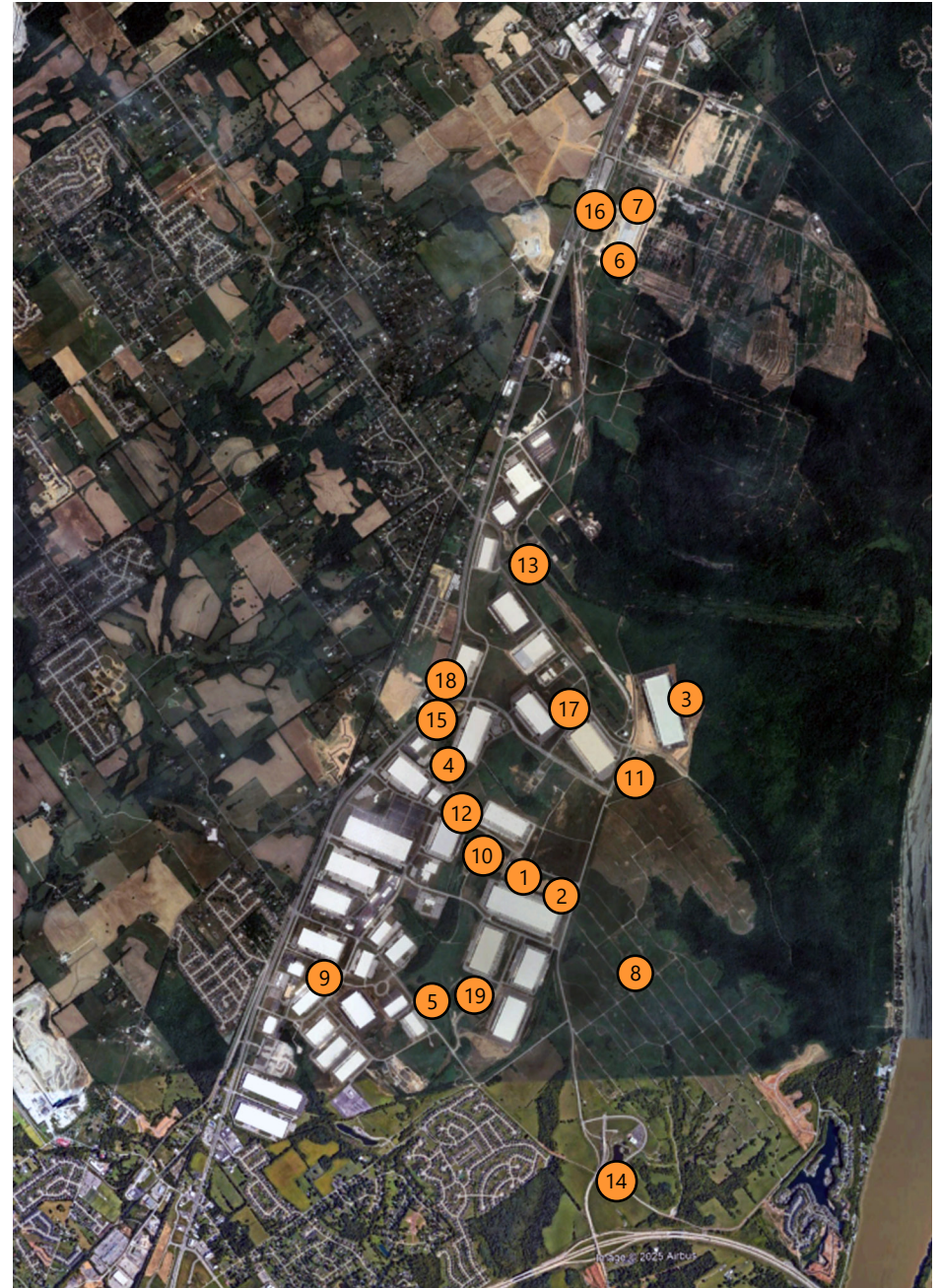
# Private Construction: 2024 Impact

Private investment at the RRCC produced \$138.2 million in new vertical development and site improvement projects in 2024. This construction activity includes construction of new facilities and continued work on construction in prior years. Over the last five years, private construction has totaled more than \$490 million.

## Private Capital Investment at River Ridge New Projects since 2023

	Major Investors	Constr. Start	Area (Sq. Ft.)
Site 1	Concord Equity Group	2023	169,000
Site 2	RRCC Flex Project	2023	37,500
Site 3	VTRE Development, LLC	2023	1,022,100
Site 4	River Ridge Seven, LLC	2023	300,000
Site 5	MDEV3 Holdings	2023	5,500
Site 6	Denton Floyd Real Estate Group	2023	303,600
Site 7	BREG Industrial Development	2023	300,800
Site 8	Meta	2024	708,000
Site 9	Summit 1	2024	100,000
Site 10	Summit 2	2024	180,000
Site 11	Canadian Solar	2024	769,800
Site 12	Scannell	2024	251,200
Site 13	Steve Scott	2024	81,500
Site 14	CGKY	2024	32,300
Site 15	RAK	2024	90,000
Site 16	Cheesecake Factory	2024	382,600
Site 17	Pizzuti	2024	238,800
Site 18	TC Development	2024	115,500
Site 19	Oppidan	2024	61,600
Total			5,149,800

Source: Construction cost estimated using assessment records and IEDC filings





# Private Construction: 2024 Impact

In 2024, construction continued on four facilities started in 2023. When fully complete, these facilities will add 910,000 square feet of commercial and industrial space. Projects in 2024 include warehousing and distribution, flex space, and other commercial uses.

Construction was completed on three major projects, adding 1.2 million square feet of commercial and industrial space. In addition, construction began on another twelve sites, totaling over 2.5 million square feet. In addition work began on the Meta and Canadian Solar projects, which are expected to be major capital investments. This ongoing construction of new inventory provides the continued capacity for employment growth.

## Impact of Private Investment - 2024

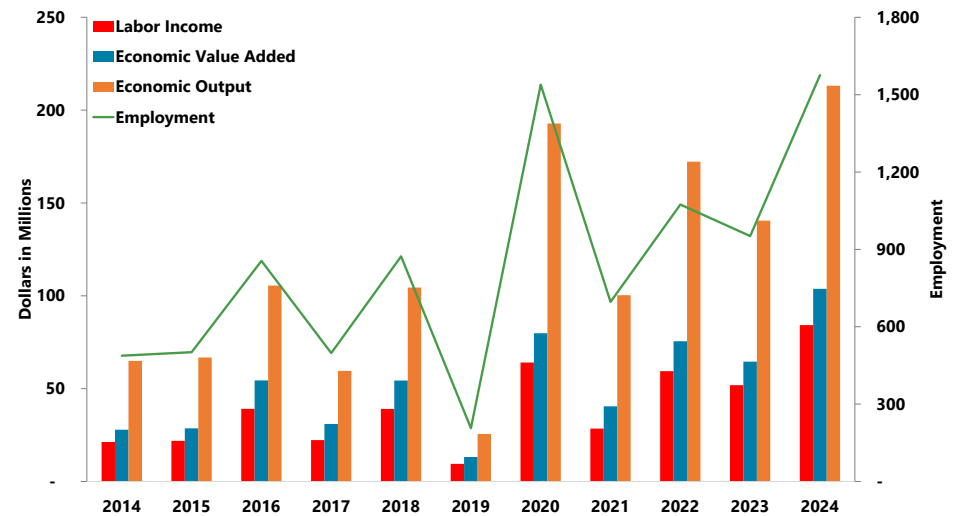
*Construction related impacts (dollars in millions)*

	Econ Output	Value Added	Labor Income	Jobs
Direct Effect	\$138.2	\$63.7	\$62.5	1,166
Indirect Effect	\$35.7	\$17.5	\$10.0	167
Induced Effect	\$39.3	\$22.6	\$11.7	243
<b>Total Effect</b>	<b>\$213.2</b>	<b>\$103.8</b>	<b>\$84.2</b>	<b>1,576</b>

In addition to the private construction on real estate projects, private firms invested more than \$70 million in business personal property, which includes: plant, equipment and technology.

Private developer construction activity created an estimated 1,166 direct, short-term jobs within the regional economy. The RRDA reported that over 600 construction jobs were attributable to the Meta project. Most employment impacts occur in the construction sector. These jobs supported an additional 410 indirect and induced jobs throughout the region, including logistics, wholesale trade, and food service sectors. Private development produced an estimated total of \$84.2 million in labor income and \$103.8 million in economic value added.

## Economic Impact of Capital Investment by Private Developers



## Employment Impact of Private Construction - 2024

*Total Employment; including direct, indirect and induced impacts*

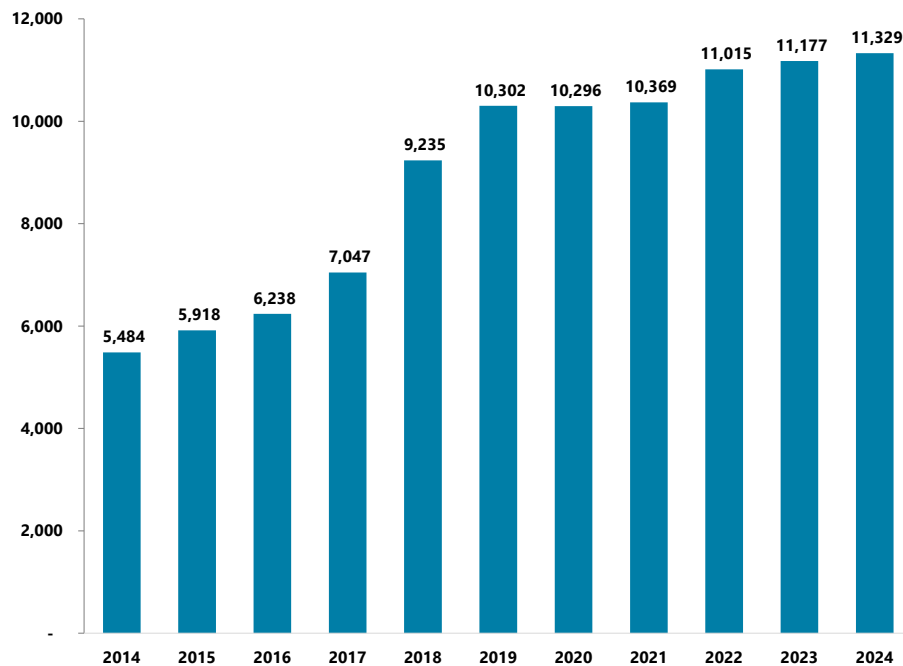
Top 8 Industries	Jobs	Avg. Wage
Nonresidential Construction	1,177	\$57,961
Retail Stores	53	\$34,564
Restaurants and Food Service	41	\$24,019
Professional Services	40	\$53,576
Health Services	26	\$85,452
Employment Services	16	\$39,366
Truck Transportation	16	\$67,112
Wholesale Trade	14	\$83,793
All Other	193	
<b>Total - All Industries</b>	<b>1,576</b>	<b>\$55,039</b>

# Ongoing Operations: 2024 Impact

After more than 20 years of operations, the RRCC has a stable and mature employment base. In 2024, it housed approximately 80 companies with more than 11,300 direct jobs. The RRCC recorded a year-over-year increase in direct employment, despite the closing of existing businesses.

Several companies either located to River Ridge or expanded operations in 2024. These companies include Pure Beverage, Parnell Collision Center, and 1440 Foods, among others. Other major employers include Amazon, CTDI, CEVA Logistics, Medline, Pegatron, and Autoneum.

Direct Employment at River Ridge



Examples of Major Enterprises Operating at River Ridge

Firm Name	Business Sector
Amazon	Warehousing and distribution
American Fuji Seal	Food packaging manufacturing
Autoneum	Auto component manufacturing
Bluegrass Supply Chain Services	Transportation management systems
Bose	Consumer electronic repair
BriovaRx	Pharmaceutical services
CEVA Logistics	IT products
Collins Aerospace	Advanced manufacturing
CTDI	Warehousing and distribution
DA Inc.	Plastics manufacturing
Genpak	Distribution
Hughes Development, LLC	Real estate/Road contractor
Husky Injection Molding Systems	Distribution
Manitowoc Company, Inc.	Distribution
Medline	Medical supplies
Mister "P" Express, Inc	Truck transportation
Neovia Logistics	Logistics
Niagara	Food & beverage
Nu-Yale Cleaners	Laundry service headquarters
Olon Industries, Inc.	Wood product manufacturing
Optum	Call center
Parker Hannifin	Air filtration products
Pegatron	Electronics repair
PharmaCord	Pharmaceutical services
PTI Quality Containment	Component fabrication
Quantix	Truck transportation
Resident Home	Manufacturing and distribution
Ryder	Third party logistics
Saddle Creek Logistics	Distribution
Sazerac	Food & beverage
Shoe Sensation	Consumer product distribution
Taylor Communications	Printing and distribution



# Ongoing Operations: 2024 Impact

The employment data that underlies the ongoing operations analysis has been provided by the RRDA, based on economic development filings and interactions with employers for calendar year 2024. Policy Analytics has not audited nor confirmed this information. The ongoing operations impact is based on reported employment levels and may not account for remote workers or employment fluctuations throughout the year.

Including indirect and induced effects, ongoing business activity supported an estimated 17,608 full and part-time jobs throughout the regional economy. These jobs accrue throughout the economy, but direct jobs are focused on the non-store retailer/warehousing, manufacturing, and technical services sectors. The employment impact equates to approximately \$833.6 million in labor income and \$2.8 billion in economic output.

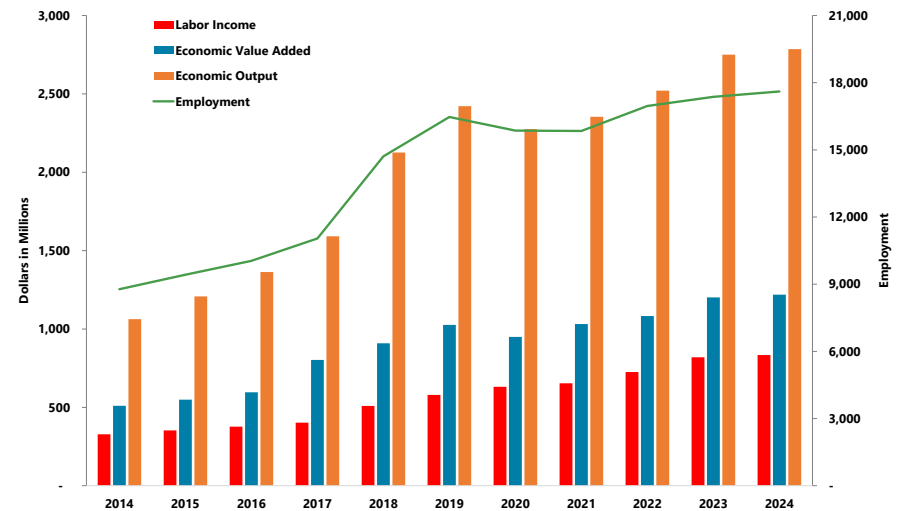
## Impact of Ongoing Operations - 2024

*Dollars in Millions*

	Econ Output	Value Added	Labor Income	Jobs
Direct Effect	\$1,598.3	\$794.2	\$589.6	11,329
Indirect Effect	\$717.6	\$211.9	\$133.5	3,514
Induced Effect	\$469.9	\$213.0	\$110.5	2,765
<b>Total Effect</b>	<b>\$2,785.8</b>	<b>\$1,219.1</b>	<b>\$833.6</b>	<b>17,608</b>

While employment is concentrated in the logistics sector, several other industries, such as water bottling, pharmaceuticals, and laboratory services also operate at the RRCC. The RRCC has a small number of retail, medical and consumer facing firms. The RRCC is also home to the Clark County governmental offices.

## Economic Impact of Ongoing Operations



## Ongoing Operations Employment - 2024

*Total Employment; including direct, indirect and induced impacts*

Top 10 Industries	Jobs	Avg. Wage
Nonstore Retailers/Warehousing	6,979	\$46,958
Manufacturing	1,222	\$64,529
Medical Laboratories	1,341	\$55,627
Truck Transportation	465	\$65,147
Business Support Services	320	\$71,433
Employment Services	389	\$39,366
Restaurants and Food Service	457	\$24,094
Bottled and Canned Beverages	291	\$84,726
Health Services	339	\$88,452
Specialized Design Services	305	\$60,429
All Other Industries	5,500	
<b>Total - All Industries</b>	<b>17,608</b>	<b>\$51,563</b>

# Combined River Ridge Impact: 2024

The RRCC's cumulative economic impact increased for the fourth consecutive year in 2024. In total, the RRCC supported an estimated total of 19,471 jobs within the region in calendar year 2024. The direct employment in warehousing, manufacturing, and construction sectors contribute over 50% of employment impact. The combined activity of site development, private investment, and business activity resulted in over \$933 million in labor income and over \$3.0 billion in regional economic output in 2024.

## River Ridge Combined Economic Impact - 2024

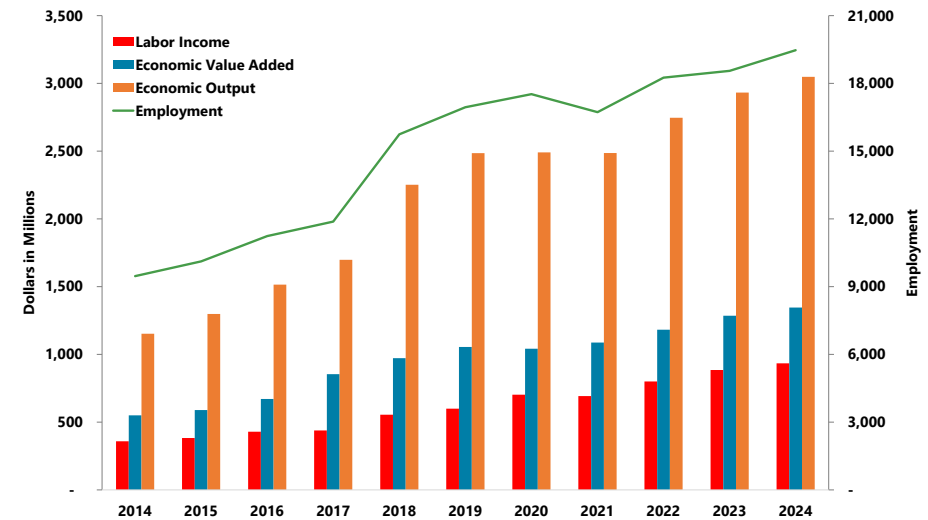
*Dollars in Millions*

	Econ Output	Value Added	Labor Income	Jobs
Direct Effect	\$1,766.8	\$870.0	\$662.6	12,675
Indirect Effect	\$765.1	\$235.1	\$146.8	3,739
Induced Effect	\$517.0	\$240.1	\$124.5	3,057
<b>Total Effect</b>	<b>\$3,048.9</b>	<b>\$1,345.2</b>	<b>\$933.9</b>	<b>19,471</b>

Portions of the RRCC are beginning to enter into a mature development cycle, where some initial businesses are replaced by new tenants. The continued site preparation, infrastructure investment and redevelopment by the RRDA will prime new areas for development, providing capacity for continued growth.

## River Ridge Combined Economic Impact

*RRDA activity, private investment, and tenant operation*



## Combined Employment - 2024

*Total Employment; including direct, indirect and induced impacts*

Top 10 Industries	Jobs	Avg. Wage
Nonstore Retailers/Warehousing	6,991	\$46,915
Manufacturing	1,222	\$52,322
Medical Laboratories	1,342	\$55,599
Construction	1,696	\$54,772
Restaurants and Food Service	555	\$21,194
Truck Transportation	503	\$61,961
Employment Services	429	\$39,366
Health Services	400	\$79,072
Retail	383	\$31,758
Bottled and Canned Beverages	175	\$78,058
All Other Industries	5,775	
<b>Total - All Industries</b>	<b>19,471</b>	<b>\$52,729</b>



# Total River Ridge Economic Impact

## Total River Ridge Economic Impact

*Combined Economic Impact of RRDA Spending, Private Capital Investment and Business Operations*

	2020			2021			2022			2023			2024		
	Direct	Indirect/ Induced	Total	Direct	Indirect/ Induced	Total	Direct	Indirect/ Induced	Total	Direct	Indirect/ Induced	Total	Direct	Indirect/ Induced	Total
<b>Labor Income (dollars in millions)</b>															
RRDA Activities	\$4.9	\$2.3	\$7.2	\$6.9	\$3.5	\$10.4	\$2.7	\$1.8	\$4.5	\$8.6	\$4.7	\$13.3	\$10.5	\$5.6	\$16.1
Private Investment	48.2	15.9	64.1	20.0	8.5	28.5	47.0	20.5	67.5	37.4	14.5	51.9	62.5	21.7	84.2
Business Operations	453.4	177.9	631.3	470.0	183.2	653.2	514.0	213.8	727.8	579.0	240.6	819.6	589.6	244.0	833.6
<b>Total Labor Income</b>	<b>\$506.5</b>	<b>\$196.1</b>	<b>\$702.6</b>	<b>\$496.9</b>	<b>\$195.2</b>	<b>\$692.1</b>	<b>\$563.7</b>	<b>\$236.1</b>	<b>\$799.8</b>	<b>\$625.0</b>	<b>\$259.8</b>	<b>\$884.8</b>	<b>\$662.6</b>	<b>\$271.3</b>	<b>\$933.9</b>
<b>Economic Value Added (dollars in millions)</b>															
RRDA Activities	\$8.2	\$4.0	\$12.2	\$8.8	\$5.8	\$14.6	\$5.0	\$3.0	\$8.0	\$10.0	\$8.5	\$18.5	\$12.1	\$10.2	\$22.3
Private Investment	52.0	27.9	79.9	26.2	14.3	40.5	50.8	34.9	85.7	37.9	26.7	64.6	63.7	40.1	103.8
Business Operations	645.8	303.8	949.6	731.7	300.0	1,031.7	732.1	356.1	1,088.2	782.6	418.9	1,201.5	794.2	424.9	1,219.1
<b>Total Value Added</b>	<b>\$706.0</b>	<b>\$335.7</b>	<b>\$1,041.7</b>	<b>\$766.7</b>	<b>\$320.1</b>	<b>\$1,086.8</b>	<b>\$787.9</b>	<b>\$394.0</b>	<b>\$1,181.9</b>	<b>\$830.5</b>	<b>\$454.1</b>	<b>\$1,284.6</b>	<b>\$870.0</b>	<b>\$475.2</b>	<b>\$1,345.2</b>
<b>Economic Output (dollars in millions)</b>															
RRDA Activities	\$15.3	\$7.9	\$23.2	\$19.8	\$11.4	\$31.2	\$10.5	\$6.1	\$16.6	\$25.2	\$16.5	\$41.7	\$30.3	\$19.6	\$49.9
Private Investment	138.2	54.6	192.8	72.9	27.5	100.4	129.0	66.5	195.5	90.9	49.7	140.6	138.2	75.0	213.2
Business Operations	1,394.8	880.1	2,274.9	1,504.7	849.5	2,354.2	1,501.8	1,032.7	2,534.5	1,575.8	1,174.6	2,750.4	1,598.3	1,187.5	2,785.8
<b>Total Economic Output</b>	<b>\$1,548.3</b>	<b>\$942.6</b>	<b>\$2,490.9</b>	<b>\$1,597.4</b>	<b>\$888.4</b>	<b>\$2,485.8</b>	<b>\$1,641.3</b>	<b>\$1,105.3</b>	<b>\$2,746.6</b>	<b>\$1,691.9</b>	<b>\$1,240.8</b>	<b>\$2,932.7</b>	<b>\$1,766.8</b>	<b>\$1,282.1</b>	<b>\$3,048.9</b>
<b>Employment (individuals)</b>															
RRDA Activities	73	51	124	111	75	186	38	35	73	147	89	236	180	107	287
Private Investment	1,190	349	1,539	524	173	697	824	395	1,219	678	274	952	1,166	410	1,576
Business Operations	10,296	5,563	15,859	10,369	5,474	15,843	11,015	5,946	16,961	11,177	6,193	17,370	11,329	6,279	17,608
<b>Total Employment</b>	<b>11,559</b>	<b>5,963</b>	<b>17,522</b>	<b>11,004</b>	<b>5,722</b>	<b>16,726</b>	<b>11,877</b>	<b>6,376</b>	<b>18,253</b>	<b>12,002</b>	<b>6,556</b>	<b>18,558</b>	<b>12,675</b>	<b>6,796</b>	<b>19,471</b>

# Fiscal Impact Analysis: 2024 Impact

The economic impact of the development generates fiscal benefits for both state and local governmental entities. The attraction of capital investment benefits the property tax base over the long-term, and increased incomes will increase state and local income tax and state sales tax revenue streams. This analysis quantifies the fiscal benefits of development to both state and local governmental entities. The RRDA utilizes local property tax incentives and economic development mechanisms to fund investments. These tools are the outcomes of policy decisions made by local leaders to defer short-term tax base benefits to local units in order to generate employment and economic activity. This analysis estimates the implication of these mechanisms on local taxing units in detail.

## Incentives

The RRCC is designated as both a TIF district and a UEZ. The mechanisms associated with these designations are the two primary economic development tools used by the RRDA. Tax increment financing is a common economic development tool used by many Indiana counties. TIF works by setting the tax base, or assessed value (AV), of a defined area as the “base AV” and attributing tax base growth within that area to the “incremental AV.” Property taxes derived from the base are allocated to local taxing units. Property taxes derived from the increment are allocated to a reuse authority (the RRDA in this case) to fund capital investment. The TIF district captures growth in real estate assessed value but does not capture growth in personal property (or business equipment) assessed value.

## Local Area Labor Income Generated by River Ridge

*Labor Income Impacts Estimated at the Local Level (2024)*

Entity	Labor Income
City of Charlestown	\$17,276,013
City of Jeffersonville	117,139,627
Town of Utica	2,016,661
Remainder of Clark Co.	149,536,655
Clark County Total	\$285,968,956

An Urban Enterprise Zone is a designation that allows a range of economic development tools and incentives. The UEZ qualifies taxpayers (or new investors) to receive an incentive that results in a 51% reduction in property tax liability for a period of 10 years. After the 10-year term of the investment deduction expires, taxpayers begin paying the full property tax liability. Because the RRCC is also a TIF district, taxes paid on real property will be allocated to the TIF increment, while taxes paid on personal property will be allocated to taxing units.



# Fiscal Impact Analysis: 2024 Impact

## Local Income Tax Impacts

Local income taxes in Indiana are paid in the county of residence. Therefore, the wages and salaries paid for jobs to Southern Indiana residents bolster the local income tax base. Clark County imposes a local income tax of 2.0%. Of this total rate, 1.5% is considered the "expenditure rate." The revenue produced by this rate is distributed to taxing units proportionally, based on certified property tax levies, and is spendable income tax revenue.

Clark County also has a property tax relief rate of 0.5% which offsets property tax bills for taxpayers. This rate provides indirect revenue to local taxing units by mitigating the impact of the property tax rate controls known as "circuit breaker caps."

## Additional Income Tax Revenue from River Ridge

*Distribution to Clark County Units; Estimated for 2024*

Unit	Spendable Income Tax Rev <sup>1</sup>	CB Relief due to LIT <sup>2</sup>	Total Income Tax Impact
Clark County	\$1,277,517	\$126,800	\$1,404,317
Jeffersonville	\$1,468,916	\$218,383	\$1,687,299
Charlestown	\$131,629	\$25,112	\$156,741
Utica	\$7,515	-	\$7,515
All Other Units	\$1,531,473	\$413,032	\$1,944,505
<b>Impact to Taxing Units</b>	<b>\$4,417,050</b>	<b>\$783,327</b>	<b>\$5,200,377</b>
	<i>Add'l Prop. Tax Relief to Taxpayers</i>		<i>\$501,109</i>
	<b>Total Income Tax Impact</b>		<b>\$5,701,486</b>

<sup>1</sup>Spendable income tax revenue is derived from the Local Income Tax (LIT) Expenditure Rate

<sup>2</sup>Circuit breaker relief is derived from LIT Property Tax Relief Rate

*Due to rounding, numbers may not add precisely to totals*



*Image: Construction progress at Tract 19B: Meta Datacenter*

The investment activity is projected to generate \$5.7 million in annual local income tax revenue. Of this, \$5.2 million results in revenue supplements to taxing units, and approximately \$501,000 provides property tax relief to taxpayers. RRCC economic activity provides income tax benefits of \$1.7 million to Jeffersonville and \$1.4 million to the Clark County taxing unit.

## Local Property Tax Impacts

The capital investment translates into additional taxable assessed value. Because of the incentive structure utilized by the RRDA, most tax base impacts to governmental units are deferred. Investments that qualify for a UEZ deduction receive a 10-year incentive that reduces property tax liability by 51%.

Once the term of the UEZ deduction expires, personal property assessed value will accrue to the tax base, while real property assessed value will be captured in the TIF district. For investment that is not included in the UEZ, real property AV is automatically captured in the TIF increment, while personal property AV increases the tax base of governmental units.

# Fiscal Impact Analysis: 2024 Impact

## State and Local Fiscal Impacts

The income from jobs at the RRCC produces a fiscal impact to both state and local taxing units. The wages paid by companies translate into income tax revenue for the state. The discretionary household income produced by jobs provides more spending power for employees, which in turn increases sales tax revenue to Indiana. In this case, fiscal impacts to the State of Indiana only accrue from employees who reside in Indiana. Therefore, employees who commute from Kentucky are excluded from the labor income in this part of the analysis.

In 2024, once the new companies were fully operational, development activity generated \$9.2 million in local income tax, \$21.0 million in state income tax and \$19.3 million in state sales tax annually.

River Ridge State and Local Fiscal Impact  
*Income and Sales Tax-Indiana Impact Only*

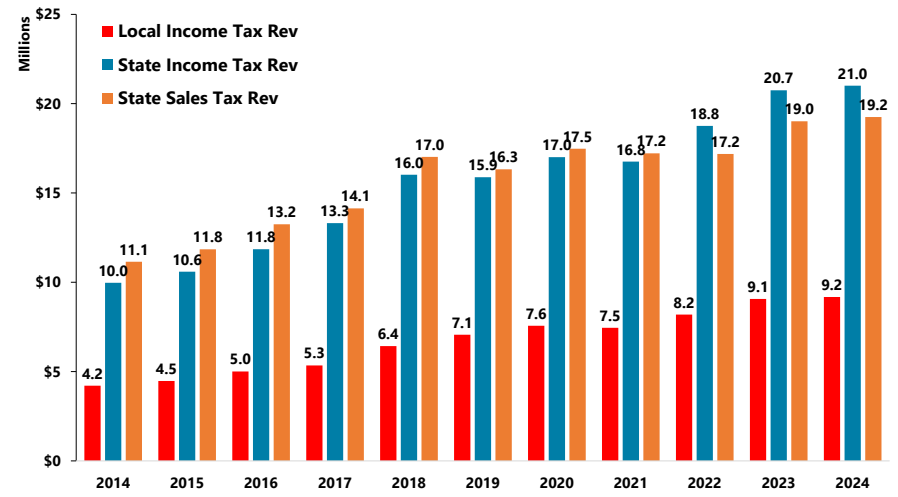


Image: Construction progress at Tract 14G: RAK



# Appendix A: History and Overview

The RRCC began its life in 1998 when the US Army declared the former Indiana Army Ammunition Plant (INAAP) to be surplus and began conveying the property to the RRDA. The RRDA was created by the Clark County Commissioners to oversee and redevelop the 6,000-acre site for the benefit of the region's citizens. The INAAP had been a manufacturing site producing propellant for the military beginning in World War II and extending through the Vietnam era.

The RRDA is comprised of 5 board members representing the following jurisdictions:

- City of Charlestown
- City of Jeffersonville
- Clark County Commissioners
- Ports of Indiana
- Town of Utica

The RRDA's mission of transforming the site of a former munitions manufacturing facility into a modern commerce center entails a number of apparent and some hidden challenges. The remains of the Army's processes require significant site preparation and demolition-related expenditures. Numerous abandoned Army buildings remained on the site. The demolition of existing structures plus reconstruction of modern physical infrastructure will be required for development to take place.

Overcoming these challenges and creating an exceptionally attractive location for new business and industry has been the focus of the RRDA's efforts since its inception.

The RRDA has spent more than \$200 million in public funds on installing new infrastructure, including streets and utilities, site preparation, amenities, and a new commercial-grade transportation corridor. State and local funds have been used to build a new water facility and to upgrade electrical and sewer utilities. Areas of the site have been cleared, and environmental clean-up has taken place to create areas for new investment. The RRDA has completed its "Gateway" strategic plan to develop the portion of the RRCC nearest to the Lewis and Clark Bridge.

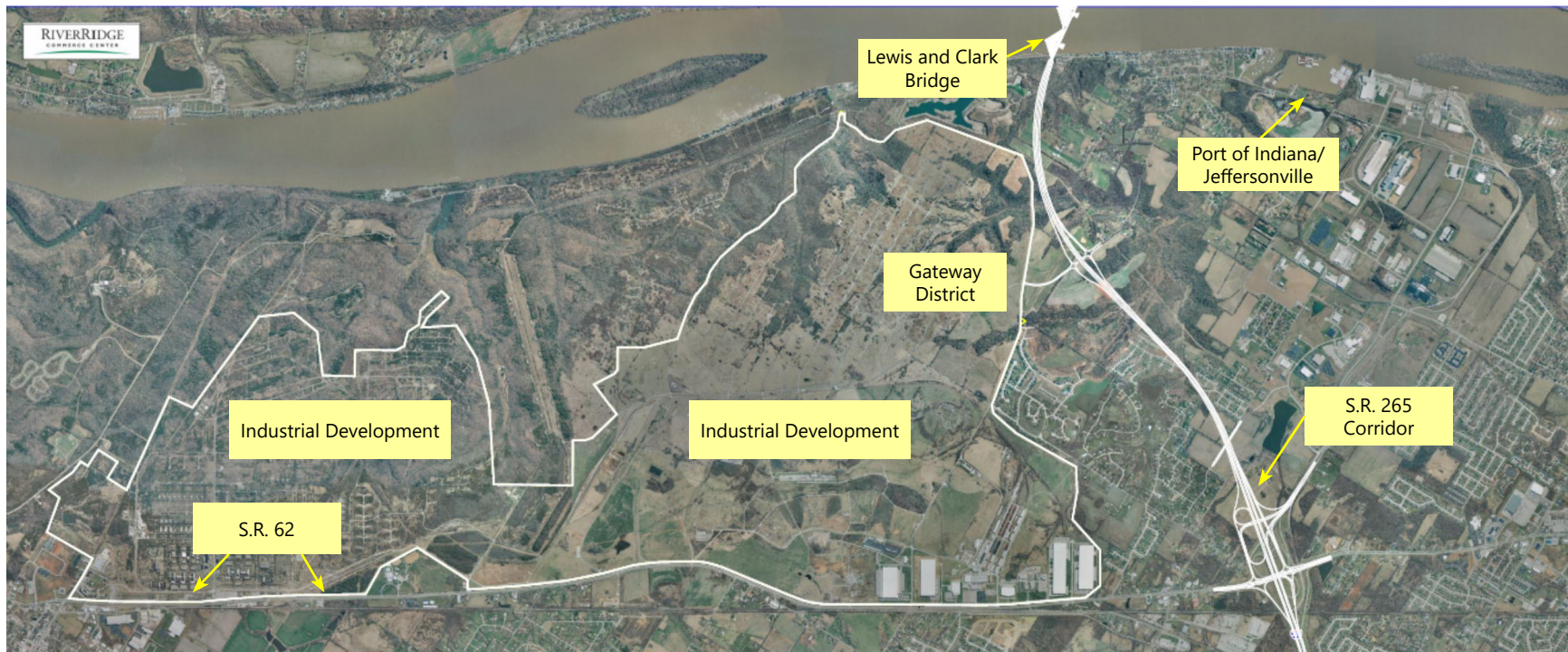


# Appendix A: History and Overview

The location of the RRCC in Southeastern Indiana, within the Louisville, Kentucky metro region, provides a number of advantages and economic growth opportunities. The site overlooks the Ohio River and is adjacent to S.R. 62 and S.R. 265. In late 2016, the Lewis and Clark Bridge, connecting to the east side of the Louisville Metro area, was completed. The Ports of Indiana facility at Jeffersonville and rail access to the CSX system make the site ideal for inter-modal business operations. The nearby Louisville Muhammad Ali International Airport provides accessibility to air transport, and the UPS Worldport at the facility provides internationally accessible logistics support.

Since 2012, the RRCC has experienced rapid growth in the number of its on-site tenants. There are currently approximately 80 businesses operating at the RRCC, and the number employed in those enterprises has increased from 600 to more than 11,000. The Amazon Fulfillment center began operations in 2013 and now employs approximately 2,500 full-time workers and additional seasonal part-time workers, which exceeds its original employment projections. New business additions and expansions within River Ridge include Parnell Collision Center, 1440 Foods, and Pure Beverage.

Early RRDA Land Use Map and Plan (2010)





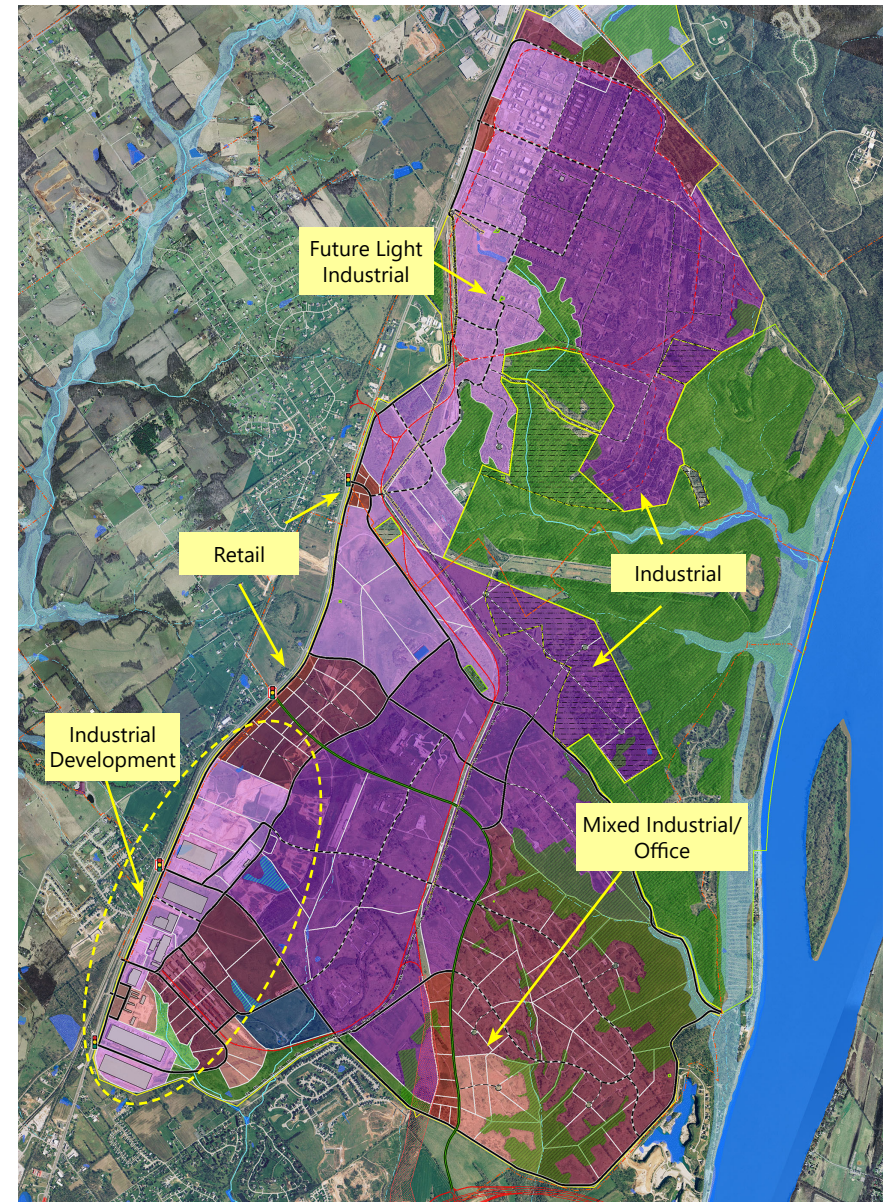
# Appendix A: History and Overview

The RRCC site is comprised of approximately 6,000 acres of converted military use land. Most redevelopment to date has been concentrated in the southern portion of the site. Current redevelopment efforts have included utility installation, site preparation, and road construction. Private developers have constructed several new industrial structures on the site that house companies such as Parker Hannifin Corporation HVAC Filtration Division, Mister "P" Express, Pegatron, and Collins Aerospace, and the Amazon Fulfillment Center. In 2013, the America Place Building 1 was constructed, facilities were built to house operations for Optum, and American Fuji Seal. In 2014, the operations of Autoneum and Tenneco were added. In 2015, a number of new industrial facilities were constructed, including those for Genpak and Magnolia. In 2016, the RRDA completed the first phase of its Gateway Master Plan, which connects to the S.R. 265 corridor. Progress in 2018 included the development of additional structures, roads, and amenities within the Gateway development. In 2022, the RRDA completed and fully occupied the first Class-A office building on the Gateway site. In 2023, the RRDA executed the sale of the 600-acre mega-site. In 2024, development work began on the mega-site by Blocke, LLC (Meta) for the development of a data center.

The RRDA must still redevelop extensive areas of land before the RRCC can be fully built out. The remnants of prior governmental use require extensive demolition and redevelopment. The site contains a 45-acre hazardous waste landfill, five solid waste landfills, and other unknowns that result from the munitions manufacturing on site. In addition, hundreds of abandoned army buildings are in the process of being removed from the site.

The RRDA's long-term land-use plan is shown on the adjacent map. The plan calls for approximately 5,000 acres of commercial and industrial uses that include light industrial and warehousing space. The long-term plan also includes consideration for retail and commercial office space. In order to execute this land-use plan, the RRDA must first extend utilities and road access to open tracts for development.

River Ridge Commerce Center Long-Term Land Use Plan



# Appendix B: Economic Impact Methodology

The economic impact estimates in this analysis were modeled using IMPLAN, a professionally accepted input-output model originally developed and maintained by researchers at the University of Minnesota. IMPLAN uses industry linkages derived from current economic data to simulate the effect of increased spending on all sectors of the local economy. This economic impact is measured and quantified in terms of economic output, jobs, labor income, or economic value added (or gross regional product). The impact of increased spending or investment is not limited to the first transaction within the community. Once increased spending enters the local economy, it circulates within, providing multiple iterations of economic impact. The economic impact of an investment is classified in three ways: direct impact, indirect impact, and induced impact.

This study region includes Clark County and adjacent counties and comprises the Indiana portion of the Louisville-Jefferson County Metropolitan Statistical Area. The direct economic impacts modeled herein occur in Clark County, Indiana, where the River Ridge Commerce Center is located. The indirect and induced impacts measured in this analysis occur throughout the study area.

## Economic Impact Analysis Study Area



Not all goods and services used at the RRCC are purchased locally. The IMPLAN model uses industry trade flows to estimate the extent to which commodities are purchased locally or non-locally. These IMPLAN assumptions have been used in this analysis to separate out non-local purchases.

The objective of this analysis is to quantify the economic impact of the RRDA and firms that are currently operating at the RRCC. The assumptions used in this analysis do not differentiate between the incentives provided by the RRDA and other economic forces that would bring new investment to the region. The RRCC operates as a unique business environment within the many attributes of its economic region. The attraction of businesses largely comes from incentives provided to business operations from outside this region.

## Economic Impact Terminology

### Measures of Economic Impact

#### **Economic Output**

The total value of industry production, or total sales for an industry. For retail and wholesale sectors, output equals gross margin.

#### **Labor Income**

All forms of employment income, including employee compensation (wages + benefits), and proprietor income.

#### **Value Added**

Gross regional product. Equals total output less intermediate impacts.

#### **Employment**

Either full-time or part time depending on industry norms. In this report, employment is place-of-work based, not residence based.

### Components of Economic Impact

#### **Direct Effect**

A series of production changes or expenditures made by producers and consumers as a result of an economic activity.

#### **Indirect Effect**

The impact of industry-to-industry purchases resulting from a change in final demand.

#### **Induced Effect**

The impact of increased household spending stemming from the direct and indirect effects.



# Appendix B: Economic Impact Methodology

This analysis builds on the Economic Impact Analysis reports for calendar years 2012 to 2023 produced previously by Policy Analytics by extending the period of analysis to include the investments and business activity that took place in calendar year 2024. Impacts for construction and investment activities are modeled for the 2024 calendar year.

The economic impact calculations for operating and capital activities are based on financial statements and other budgetary information provided by the RRDA. Private capital expenditures were estimated using assessment records from the Clark County Assessor's Office and information provided by the RRDA.

Employment and payroll estimates for companies operating at the RRCC were based on a survey completed with on-site companies. The seasonal employees hired by Amazon are modeled using IMPLAN on a part-time, prorated basis.

The estimates contained in this report rely on financial and economic data provided by the RRDA. Policy Analytics has not made an attempt to audit or validate the data provided or survey the companies operating at the RRCC.

