

# Town of Bristol, Indiana – Proposed Main Street Site

## Town owns land + Lease to Developer

- Town would be the developer
- Town to build new building structure with a Municipal Bond issue
- Town to receive lease revenue from tenant
  - Est. \$15 per square foot/year lease revenue
- No TIF Revenue generated due to tax-exempt status
- Town responsible for all maintenance and upkeep expenses for building

## Town sells land to Developer

- Land Sale revenue can be used by Town for any Government purpose
- Property changes from tax-exempt to taxable
- RDC can create this site as a TIF Allocation Area
- RDC/Town can incentivize Developer to build project by pledging all or a portion of TIF revenues generated from project
- Town no longer directly responsible for construction
- Town can put development requirements in place before sale of property

## Town gives land to Developer

- Method to incentivize a Developer
- No land sale revenues for the Town
- RDC can create a TIF Allocation Area and collect 100% of the TIF revenues to be used in, serving or benefitting the TIF Area
- Town no longer directly responsible for construction
- Town can put development requirements in place before sale of property

## Financial Considerations:

Illustrative Value of Land: \$500,000

Illustrative Building Sq Ft: 8,000

Illustrative Lease Revenue: \$120,000/year

Illustrative TIF Revenue for New Bldg: \$30,000/year

Town Debt Limit: \$729,486

RDC Debt Limit: \$2,058,486

Existing TIF Bonding capacity: \$6,575,000

- \$800,000 annual payment amount

LIT-EDIT Revenue Bonding capacity: \$855,000

- \$100,000 annual payment amount

