



Bristol Redevelopment Commission

TIF Report Presentation (IC 36-7-25-8)

August 15, 2023



The background of the slide features several sets of curved lines in the top-left and bottom-right corners. These lines are in various shades of gray, including solid and dashed lines, creating a modern, abstract design.

Bristol Redevelopment Commission

- Cathy Burke, President
- Jeff Beachy, Vice President
- Gregg Tuholski, Secretary
- Andrew Medford, Member
- Doug DeSmith, Member
- Jeff Bliler, School Representative

**Financial
Advisor:
Baker
Tilly**

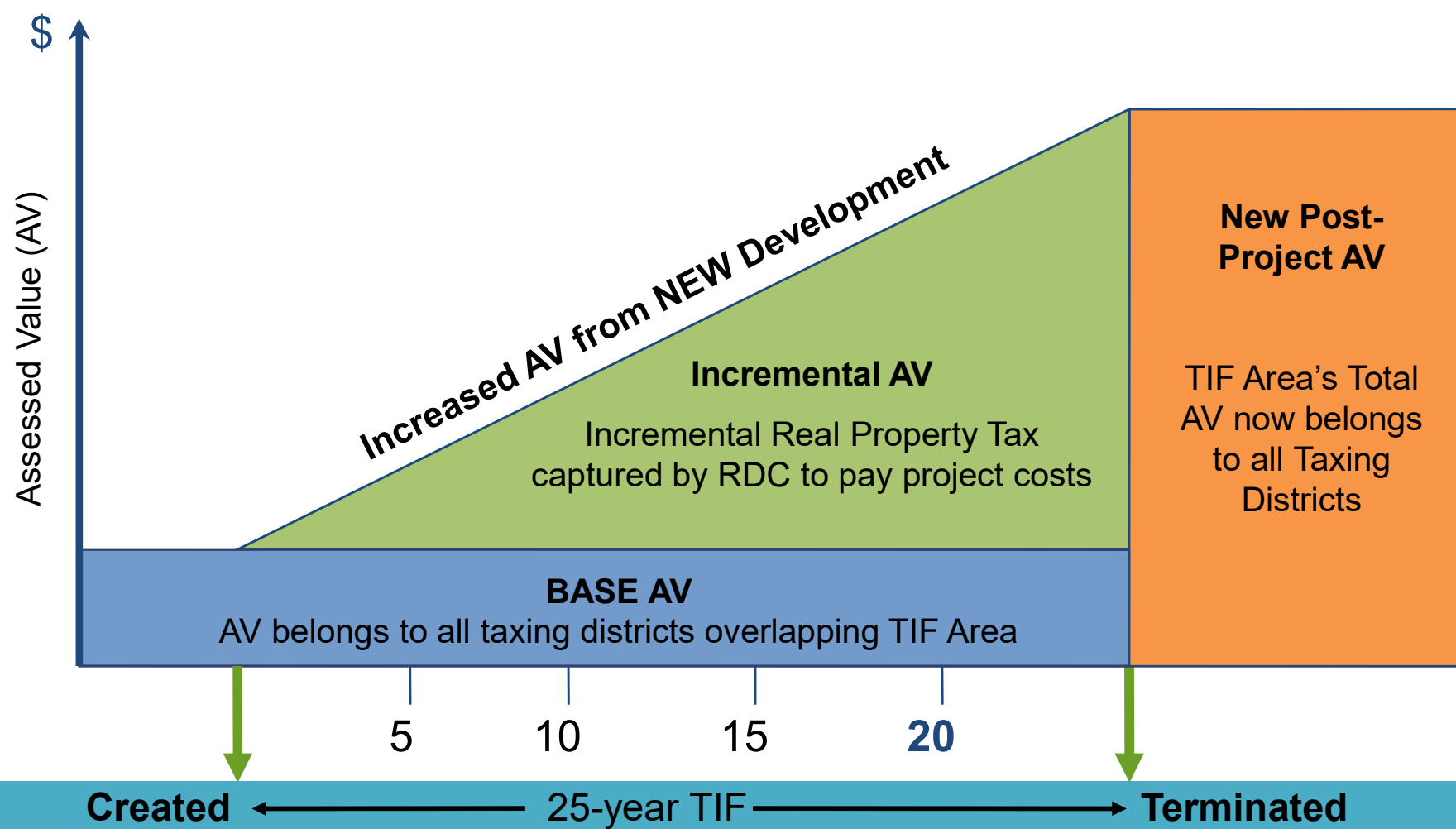
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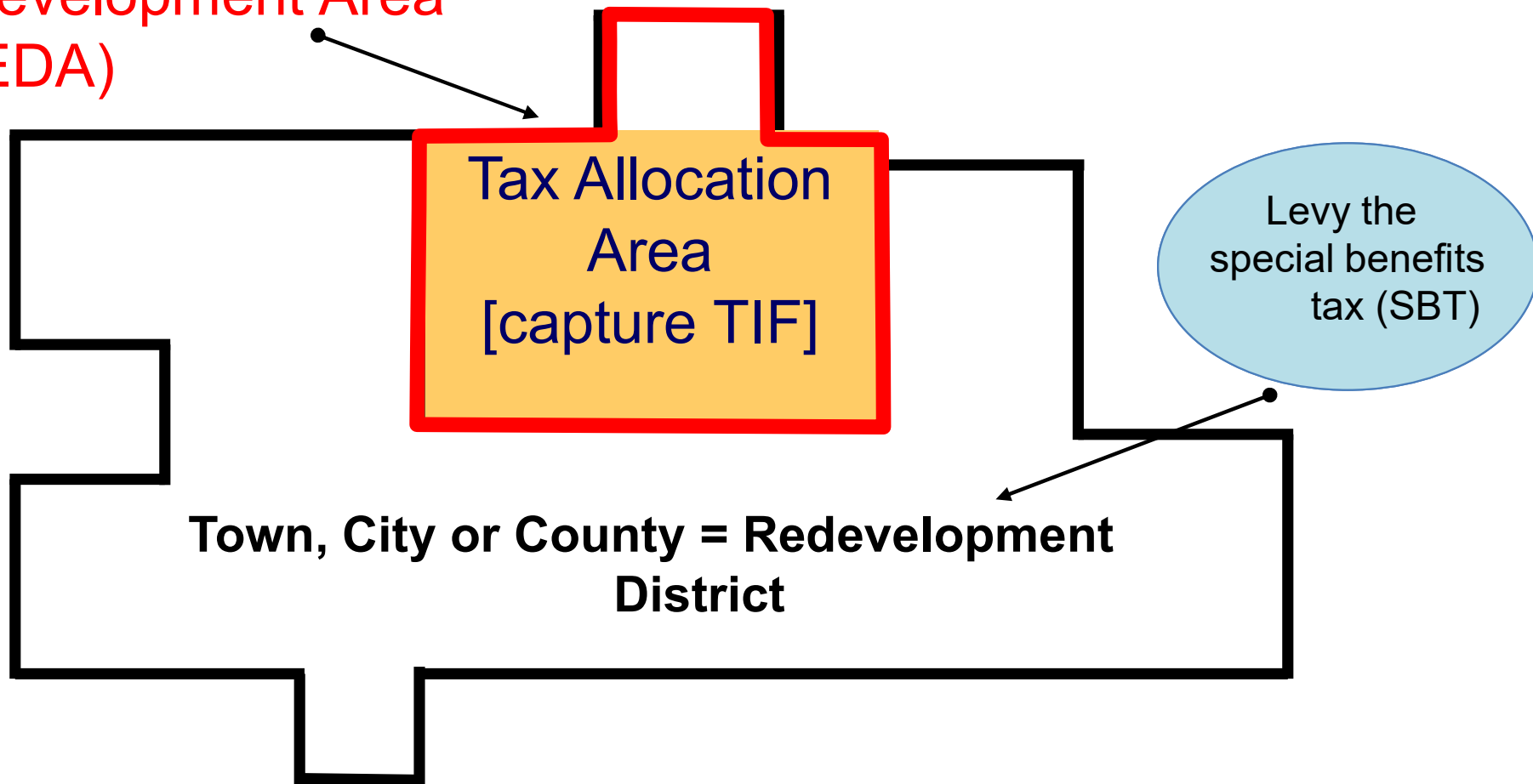
TIF Mechanics



Redevelopment District and TIF Areas

Boundaries – 3 Levels

Economic
Development Area
(EDA)



THE TERM OF AN ALLOCATION AREA

Date Allocation Area Established	Expiration Date
TIF area is established <u>before</u> July 1, 1995.	TIF expires the <u>later</u> of 2025 or following the final maturity of obligations outstanding as of July 1, 2015.
TIF area is established <u>between</u> July 1, 1995 and July 1, 2008.	TIF expires 30 years <u>after</u> the adoption of the Declaratory Resolution.
TIF area is established <u>after</u> July 1, 2008.	TIF expires 25 years after the date the first obligation payable was incurred.



Consolidated Economic Development Area

South State Road 15 Allocation Area

North State Road 15 Allocation Area

Seahawk Allocation Area

Valmont Newmark/Thor Industries Allocation Area

Rail Park Allocation Area

History of TIF Amendments

Consolidated Economic Development Area

2008 – Create South State Road 15 EDA and Allocation Area



2008 – Create North State Road 15 EDA and Allocation Area



2021 – Expand South State Road 15 EDA and create Seahawk Allocation Area



2022 – Expand and Consolidate South/North State Road 15 EDAs and create Valmont Newmark/Thor Industries Allocation Area



2022 – Remove parcels from South State Road 15 Allocation Area and create the Rail Park Allocation Area

South State Road 15 Allocation Area

About the Area

Created: March 18, 2008

Expires: March 18, 2038

	Pay 2022	Pay 2023
Estimated Annual TIF	\$940,270*	\$1,231,316**

*Actual 2022 collections were \$911,124.85.

**Actual 2023 Spring collections were \$636,209.07.

South State Road 15 Allocation Area

Outstanding Obligation

General Revenue Bonds of 2021

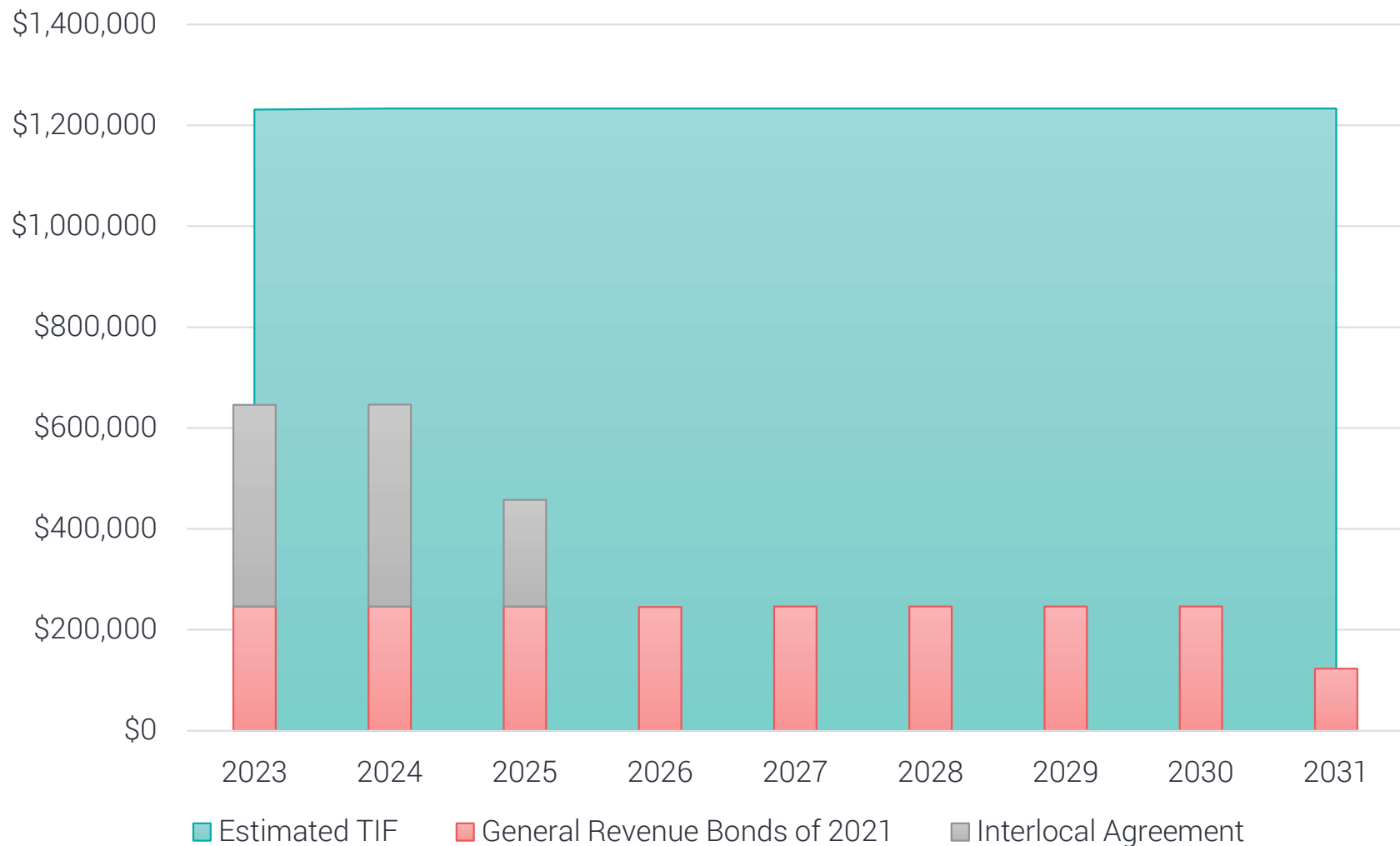
- \$2,186,000 issued / \$1,863,000 outstanding
- Purpose: Refinance the Town's Municipal Complex Loan
- Final maturity: August 1, 2031
- Callable: Any date upon 30 days' notice
- Security: Payable from annual appropriations by the Town of Bristol, Indiana of any legally available revenues, including its General Fund, however it is anticipated that the debt service payments will be paid from the South State Road 15 TIF Fund

Interlocal Agreement for Road Funding

- \$811,499 outstanding
- Purpose: Financing a road project in the South State Road 15 TIF Allocation Area
- Final maturity: Estimated to be January 31, 2026
- Security: Bonds are payable from South State Road 15 TIF Revenues in the amount of \$400,000 annually per year within 30 days of each semi-annual distribution of TIF revenues

South State Road 15 Allocation Area

Comparison of Estimated Tax Increment and Debt Obligations



South State Road 15 Allocation Area

Projects to be Funded with TIF Revenues

	2023	2024	2025	2026	2027
Bloomingtondale and SR 15 intersection, other improvements to be used as detour during downtown redevelopment		\$300,000			
At Grade Rail Crossing Stonemont	\$572,000				
Stonemont Drive improvements to new RR crossing	330,000				
Reconstruct Maple from Earthway to Industrial – CCMG 2023-1 match	120,000				
Main street property for bridge		350,000			
Maple street RR closure and CCMG 2023-1 match		80,453			
Maple to SR 120 CCMG 2023-1 match		41,046			
Main Street Lighting/Other Improvements			\$650,000		
Professional fees and Misc. Projects	100,000	100,000	100,000	\$100,000	\$100,000
Total Project Expenditures	\$1,122,000	\$871,499	\$750,000	\$100,000	\$100,000

South State Road 15 Allocation Area

TIF Cash Flow

	2023	2024	2025	2026	2027
Estimated TIF	\$1,231,316	\$1,233,476	\$1,233,476	\$1,233,476	\$1,233,476
2021 Bonds Debt Payments	(246,126)	(246,218)	(246,277)	(245,296)	(246,283)
Interlocal Agreement Payments	(400,000)	(400,000)	(211,499)		
Total Future Projects	(1,122,000)	(871,499)	(750,000)	(100,000)	(100,000)
Total Expenses	(1,768,126)	(1,517,717)	(1,207,776)	(345,296)	(346,283)
Estimated Net Increase	(536,810)	(284,241)	25,700	888,180	887,193
Beginning Balance (1)	2,210,694	1,673,884	1,389,643	1,415,343	2,303,523
Estimated Ending Balance	\$1,673,884	\$1,389,643	\$1,415,343	\$2,303,523	\$3,190,716

(1) Represents the Allocation Account balance as of December 31, 2022.

North State Road 15 Allocation Area

About the Area

Created: November 18, 2008

Expires: November 18, 2033

	Pay 2022	Pay 2023
Estimated Annual TIF	\$1,550*	\$30**

*Actual 2022 collections were \$1,482.26.

**Actual 2023 Spring collection was \$17.47

Seahawk Allocation Area

About the Area

Created: August 31, 2021

Expires: October 28, 2046

Captures incremental assessed value from real and depreciable personal property from MJB Wood Group, LLC (the “Designated Taxpayer”) (Affiliate - SFG NL MJB Elkhart LLC)

	Pay 2022	Pay 2023
Estimated Annual TIF	\$0*	\$351,980**

*First collections received in Pay 2023.

**Actual 2023 Spring collections were \$175,801.11

Note: Project not fully assessed as of January 1, 2022 Pay 2023.

Seahawk Allocation Area

Outstanding Obligation

Taxable Economic Development Tax Increment Revenue Bonds, Series 2021 (Seahawk Project)

- \$7,105,000 issued / \$6,967,000 outstanding
- Purpose: Construction, installation and equipping by the Developers of certain infrastructure and other improvements located in or physically connected to the Seahawk Allocation Area
- Final maturity: August 1, 2034
- Callable: At the option of the Issuer, at the direction of the Developer, on any date, upon 15 days' notice
- Security: Bonds are payable from a pledge of 80% of real property Tax Increment and 100% of personal property Tax Increment collected in the Seahawk Allocation Area

Valmont Newmark/Thor Industries Allocation Area

About the Area

Created:

June 16, 2022

Expires:

25 years after first
obligation is
incurred



	Pay 2023
Estimated Annual TIF	\$0*

*First collections as early as Pay 2024

Rail Park Allocation Area

About the Area

Created:
October 6, 2022

Expires:
25 years after first
obligation is
incurred



	Pay 2023
Estimated Annual TIF	\$0*

*First collections as early as Pay 2024

Bristol East Economic Development Area

Bristol East Allocation Area

About the Area

Created: July 7, 2014

Expires: 25 years after first obligation is incurred

	Pay 2022	Pay 2023
Estimated Annual TIF	\$254,880*	\$388,400**

*Actual 2022 collections were \$254,814.48

**Actual 2023 Spring collections were \$194,196.16

Bristol East Allocation Area

Projects to be Funded with TIF Revenues

	2023	2024	2025	2026	2027
Professional fees and Misc. Projects	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Total Project Expenditures	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000

Note: Allocation Account balance as of December 31, 2022 was \$198,506.63.

GGT Economic Development Area

GGT Allocation Area

About the Area

Created: May 16, 2019

Expires: 25 years after first obligation is incurred

	Pay 2022	Pay 2023
Estimated Annual TIF	\$150,220*	\$244,980**

*Actual 2022 collections were \$150,221.80.

**Actual 2023 Spring collections were \$122,456.38.

GGT Allocation Area

Outstanding Obligation

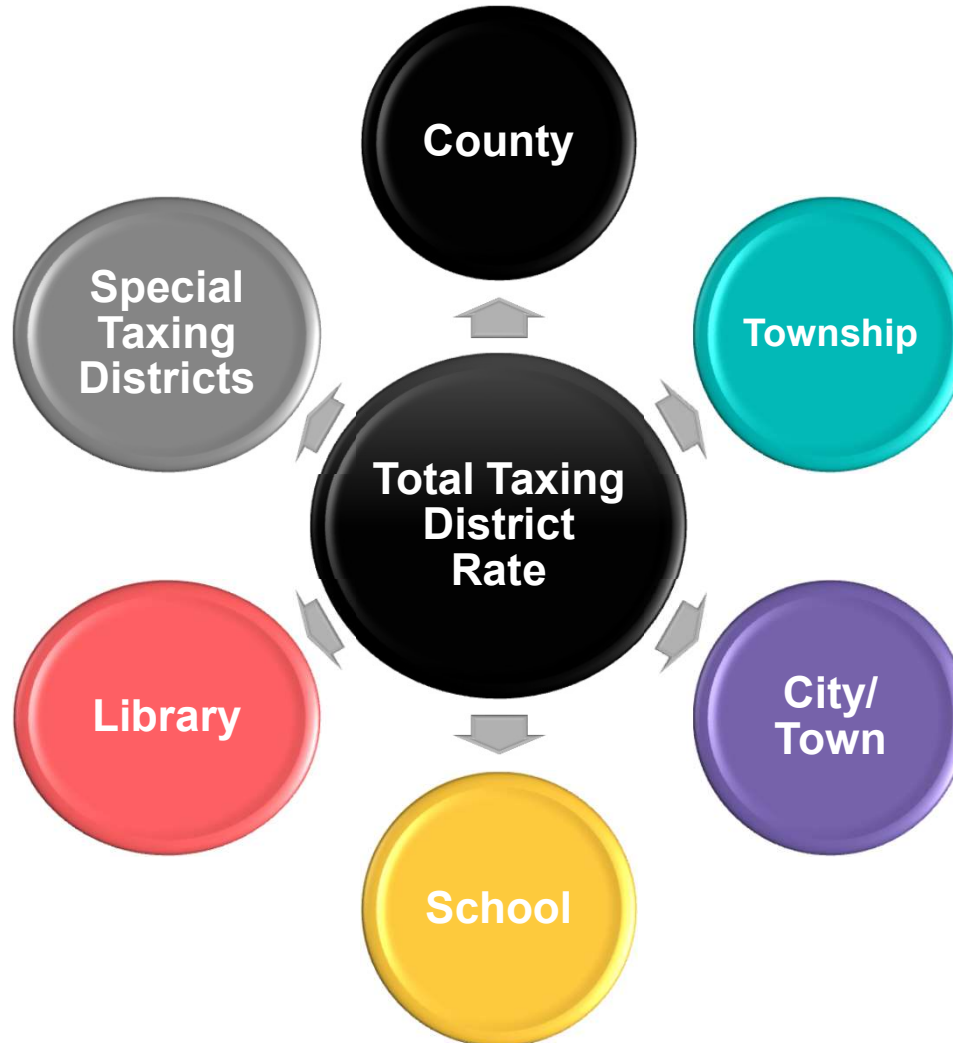
Stoutco Drive Infrastructure

- Per the annexation and project agreement, GGT is to be reimbursed for right-of-way acquisition, out of pocket costs, design, soft costs, and construction costs related to the Stoutco Drive Infrastructure
- 85% of TIF revenues generated from the new development to be pledged
- Reimbursement payments to be made on February 1 and August 1 of each calendar year
- No interest will accrue on any reimbursement obligation
- Reimbursements will cease once all reimbursable costs and expenses have been paid in full or on February 28, 2034, whichever occurs first.

The background is a solid teal color. Overlaid on this are several concentric circles of varying shades of teal, creating a ripple effect. The circles are centered on the right side of the image, with the largest circle being the lightest shade and the smallest being the darkest shade.

Impacts

Overlapping Taxing Units



Impact of TIF

Does it take away funds from

If the increased assessed value from NEW developments would not occur “BUT FOR” the **TIF** incentives, then, it **cannot** be “**lost**” to the other taxing units.

- TIF **postpones** adding new assessed value to the tax base, which postpones the reduction in tax rates for funds with levy limits and postpones increased revenues from funds with rate limits; and postpones reduction in circuit breaker credits.
- During TIF capture, other taxing units may immediately benefit from personal property AV that is currently not captured; if a portion of the TIF AV is passed-through to other units; new jobs and wages may increase local option income tax revenue.
- After TIF ends (or if there is surplus pass-through), the increased assessed value is added to the tax base of all the taxing units.

2016 TIF Study **by Larry DeBoer** **and Tamara Ogle**

PURDUE
EXTENSION

COMMUNITY
DEVELOPMENT

Does TIF shift revenues from overlapping taxing units to TIF Districts?

No loss or shifting if the “but for” test is satisfied

No loss or shifting if there are no other means to fund the incentives or infrastructure besides TIF

No loss or shifting if TIF District funds the purpose for which it was intended; and does not continue to exist after the infrastructure is fully funded

School Funding and TIF

- School educational expenses are largely funded by the State
 - State funding is based upon *student enrollment*
- Operations Fund and Debt Service Funds are Levy Limited
 - No gross revenue impact from TIF capture
 - TIF capture postpones reduction in tax rates
- Taxpayers' Property Tax Caps reduce School Funding
 - Circuit Breaker loss if TIF does not meet “but for” test
- Post-2009 Referendum for Operating and/or Debt - benefit from TIF Captured AV



Examples of RDCs using TIF to help Schools:

Training programs
Transportation center
STEM programs
Computers
Personal Property AV growth
Pass-through excess TIF AV
Safety / security enhancements
High school project

Economic development ultimately benefits all taxing units by attracting new business and private development, growing property values and local income tax revenue, and reducing 'tax cap' revenue loss. All taxing units contribute to future economic growth.

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Tax Rate Components

