



TOWN OF BRISTOL REDEVELOPMENT COMMISSION MEETING

Thursday, June 06, 2024 at 6:30 PM

Bristol Town Hall Council Chamber

AGENDA

This meeting is held in the Bristol Municipal Complex is open for in-person participation.

The meeting is live streamed on Town of Bristol YouTube channel.

Livestream link is available on the Town Website

Bristol Indiana - YouTube

1. **CALL MEETING TO ORDER**
2. **ROLL CALL**
3. **APPROVAL OF AGENDA**
4. **APPROVAL OF AGENDA**
 - a. Approval of meeting minutes from May 21, 2024

REPORTS

[TIF](#) Annual meeting. Kyle Carson, Baker Tilly, presenting via zoom.

5. **MOTION TO ADJOURN**



Bristol Redevelopment Commission

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

June 6, 2024

Baker Tilly Municipal Advisors, LLC is a registered municipal advisor and controlled subsidiary of Baker Tilly Advisory Group, LP. Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, operate under an alternative practice structure and are members of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. Baker Tilly US, LLP is a licensed CPA firm and provides assurance services to its clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms. ©2024 Baker Tilly Municipal Advisors, LLC

The background of the slide features several thin, curved lines in shades of gray, some solid and some dashed, sweeping across the top and bottom corners.

Bristol Redevelopment Commission

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

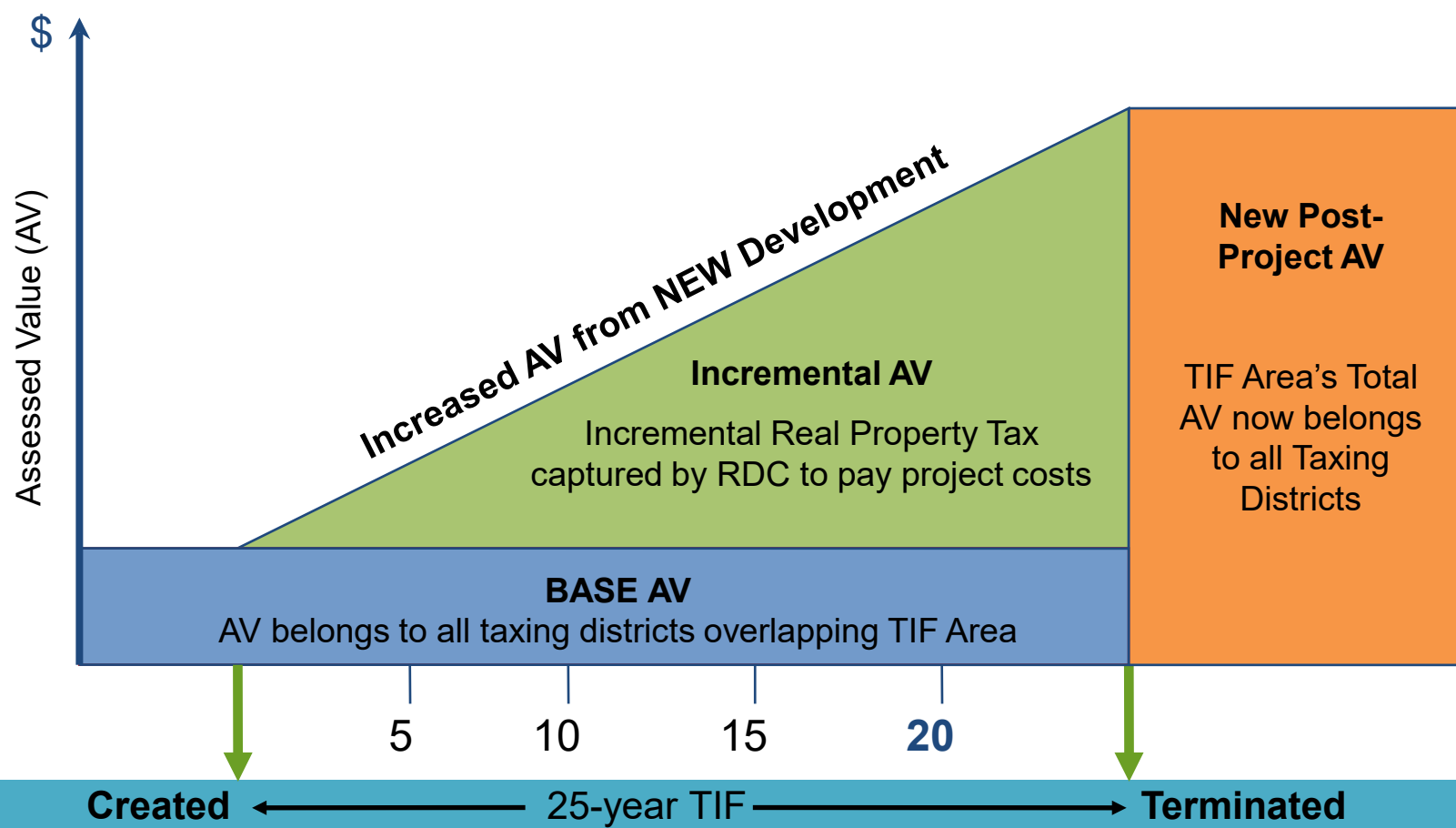
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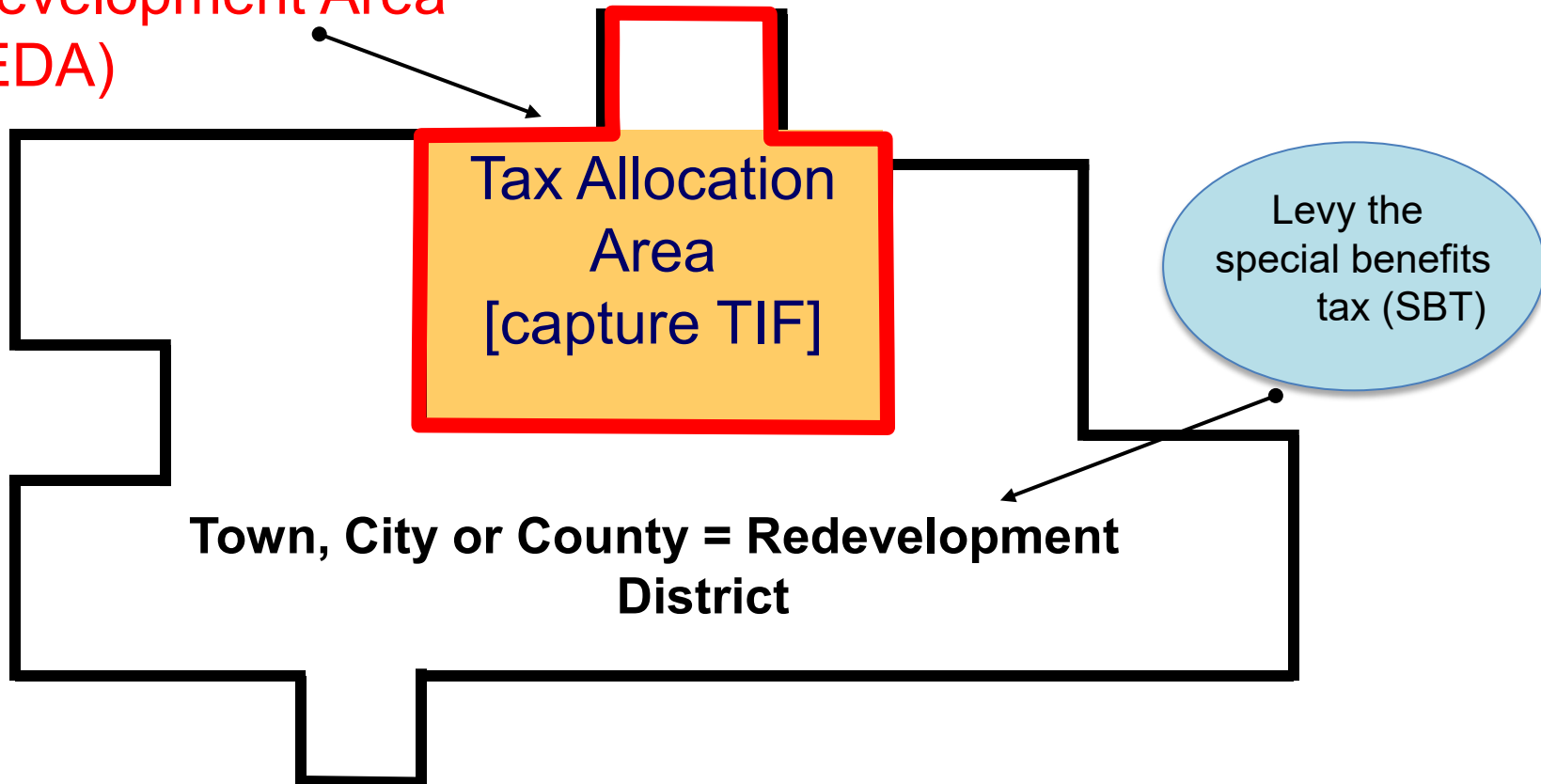
TIF Mechanics



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

Map

Consolidated Economic Development Area



South State Road 15 Allocation Area

About the Area

Created: March 18, 2008

Expires: March 18, 2038

	Pay 2023	Pay 2024
Estimated Annual TIF	\$1,231,316*	\$1,443,120

*Actual 2023 collections were \$1,231,928.

South State Road 15 Allocation Area

Outstanding Obligation

General Revenue Bonds of 2021

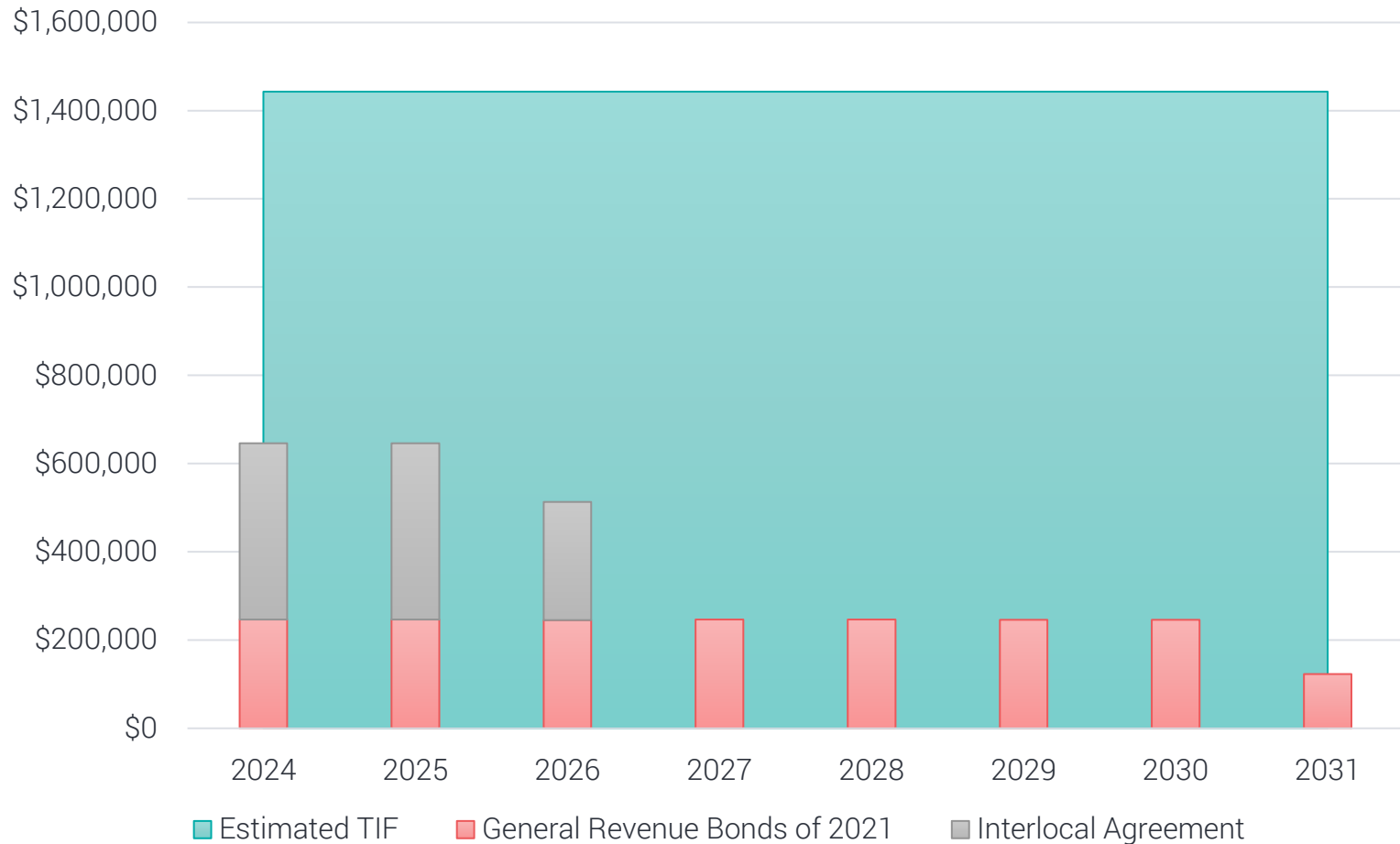
- \$2,186,000 issued / \$1,752,000 outstanding
- Purpose: Refinance the Town's Municipal Complex Loan
- Final maturity: August 1, 2031
- Callable: Any date upon 30 days' notice
- Security: Payable from annual appropriations by the Town of Bristol, Indiana of any legally available revenues, including 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

- \$3,000,000 issued / \$650,024 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



North State Road 15 Allocation Area

About the Area

Created: November 18, 2008

Expires: November 18, 2033

	Pay 2023	Pay 2024
Estimated Annual TIF	\$30*	\$2,100

*Actual 2023 collections were \$35.

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 2023	Pay 2024
Estimated Annual TIF	\$351,980*	\$815,090
Pledged TIF Revenues**	281,580	661,650

*Actual 2023 collections were 351,602.

**80% of real property tax increment and 100% of personal property tax increment is pledged to repayment of the Bonds

Seahawk Allocation Area

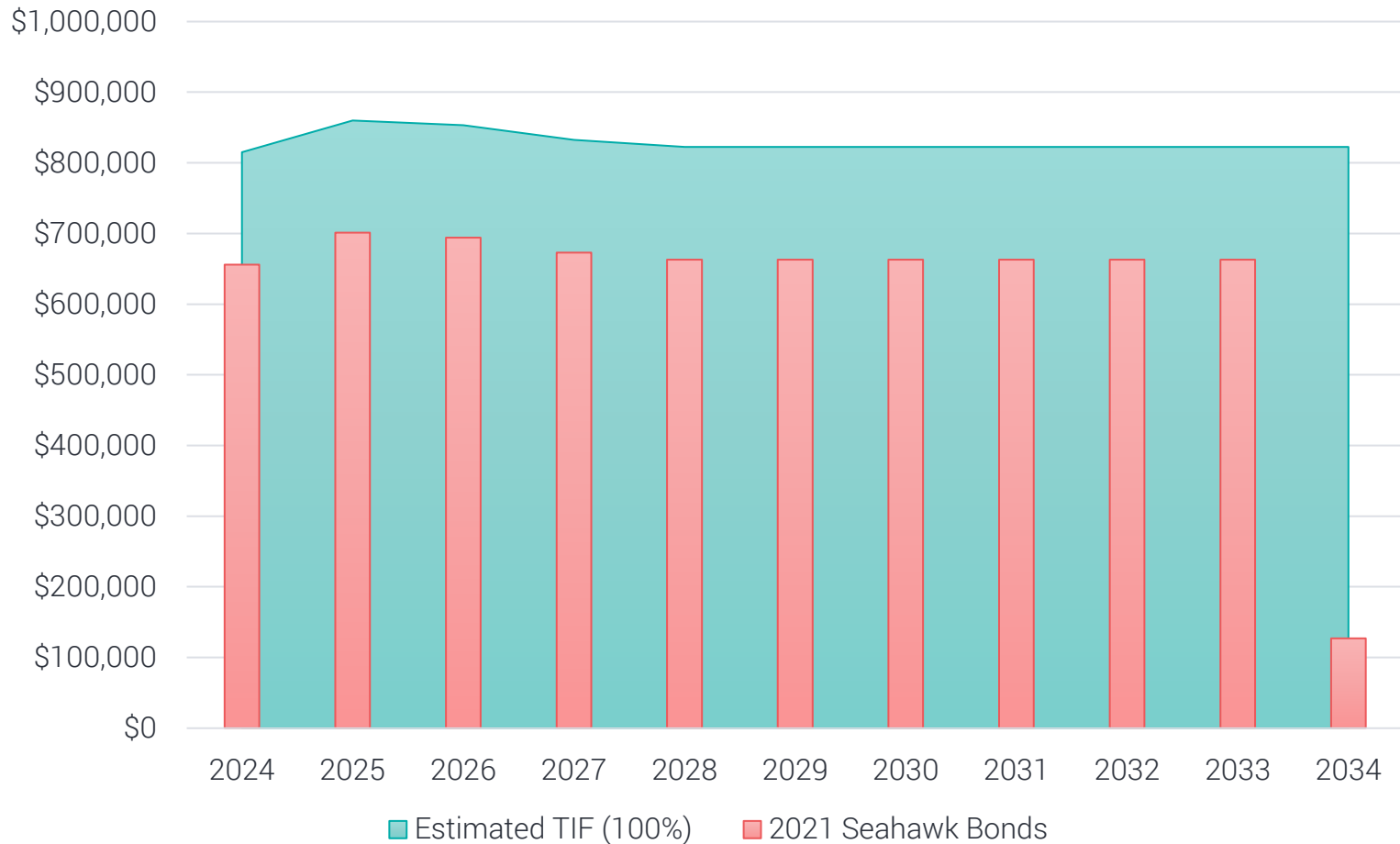
Outstanding Obligation

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

- \$7,105,000 issued / \$6,829,000 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

Seahawk Allocation Area

Comparison of Estimated Tax Increment and Debt Obligations



Note: 80% of real property tax increment and 100% of personal property tax increment is pledged to the repayment of the 2021 Bonds.

Valmont Newmark/Thor Industries Allocation Area

About the Area

Created:

June 16, 2022

Expires:

25 years after first
obligation is
incurred



	Pay 2024
Estimated Annual TIF	\$137,690*

*Estimated tax increment at full construction and after abatement roll-off is \$359,020

Rail Park Allocation Area

About the Area

Created:
October 6, 2022

Expires:
25 years after first
obligation is
incurred



	Pay 2024
Estimated Annual TIF	\$117,140*

*Estimated tax increment at full construction is \$416,930

Consolidated State Road 15 EDA

TIF Cash Flow

	2024	2025	2026	2027	2028
Estimated TIF – South St. Rd. 15	\$1,443,120	\$1,443,120	\$1,443,120	\$1,443,120	\$1,443,120
Less: Interlocal Agreement	(400,001)	(268,013)			
Less: 2021 Bonds	(246,218)	(246,277)	(245,296)	(246,283)	(246,218)
Estimated TIF – Seahawk	815,090	859,860	853,340	832,410	822,330
Less: 2021 Seahawk Bonds	(656,000)	(701,000)	(694,000)	(673,000)	(663,000)
Estimated TIF – Valmont/Thor	137,690	230,210	249,530	267,570	285,600
Estimated TIF – Rail Park	117,140	240,870	416,930	416,930	416,930
Estimated TIF Remaining	1,210,821	1,558,770	2,023,624	2,040,747	2,058,762
Allocation Account Balances	2,006,962*	1,717,783	1,241,553	2,193,427	3,123,834
Estimated Revenues available	3,217,783	3,276,553	3,265,177	4,234,174	5,182,596
Estimated Project Expenditures	(1,500,000)	(2,035,000)	(1,071,750)	(1,110,340)	(1,150,860)
Estimated TIF Remaining	\$1,717,783	\$1,241,553	\$2,193,427	\$3,123,834	\$4,031,736

*Collective Allocation Account balances as of December 31, 2023 was \$2,006,962.

Consolidated State Road 15 EDA

Projects to be Funded with TIF Revenues

	2024	2025	2026	2027	2028
Business Route Right-of-Way Purchase	\$150,000				
Main Street Property for Bridge	350,000				
Main Street Lighting/Other Improvements		\$1,000,000			
Fire Protection Contract Costs	700,000	735,000	\$771,750	\$810,340	\$850,860
Professional Fees and Misc. Projects	300,000	300,000	300,000	300,000	300,000
Total Project Expenditures	\$1,500,000	\$2,035,000	\$1,071,750	\$1,110,340	\$1,150,860

Bristol East Economic Development Area

Bristol East Allocation Area

About the Area

Created: July 7, 2014

Expires: July 7, 2039

	Pay 2023	Pay 2024
Estimated Annual TIF	\$388,400*	\$515,030

*Actual 2023 collections were \$380,532

Bristol East Allocation Area

TIF Cash Flow

	2024	2025	2026	2027	2028
Estimated TIF – Bristol East	\$515,030	\$553,290	\$591,540	\$591,540	\$519,540
Allocation Account Balance	579,039*	794,069	1,047,359	1,338,899	1,630,439
Estimated Revenues available	1,094,069	1,347,359	1,638,899	1,930,439	2,221,979
Estimated Project Expenditures	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)
Estimated TIF Remaining	\$794,069	\$1,047,359	\$1,338,899	\$1,630,439	\$1,921,979

*Allocation Account balance as of December 31, 2023 was \$579,039.

Bristol East Allocation Area

Projects to be Funded with TIF Revenues

	2024	2025	2026	2027	2028
Professional fees and Misc. Projects	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
Fire Protection Contract Costs	100,000	100,000	100,000	100,000	100,000
Total Project Expenditures	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000

GGT Economic Development Area

GGT Allocation Area

About the Area

Created: May 16, 2019

Expires: February 28, 2044

	Pay 2023	Pay 2024
Estimated Annual TIF	\$244,980*	\$270,860

*Actual 2023 collections were \$179,455.68. Low collections due to delinquency property tax payments in the Fall of 2023.

GGT Allocation Area

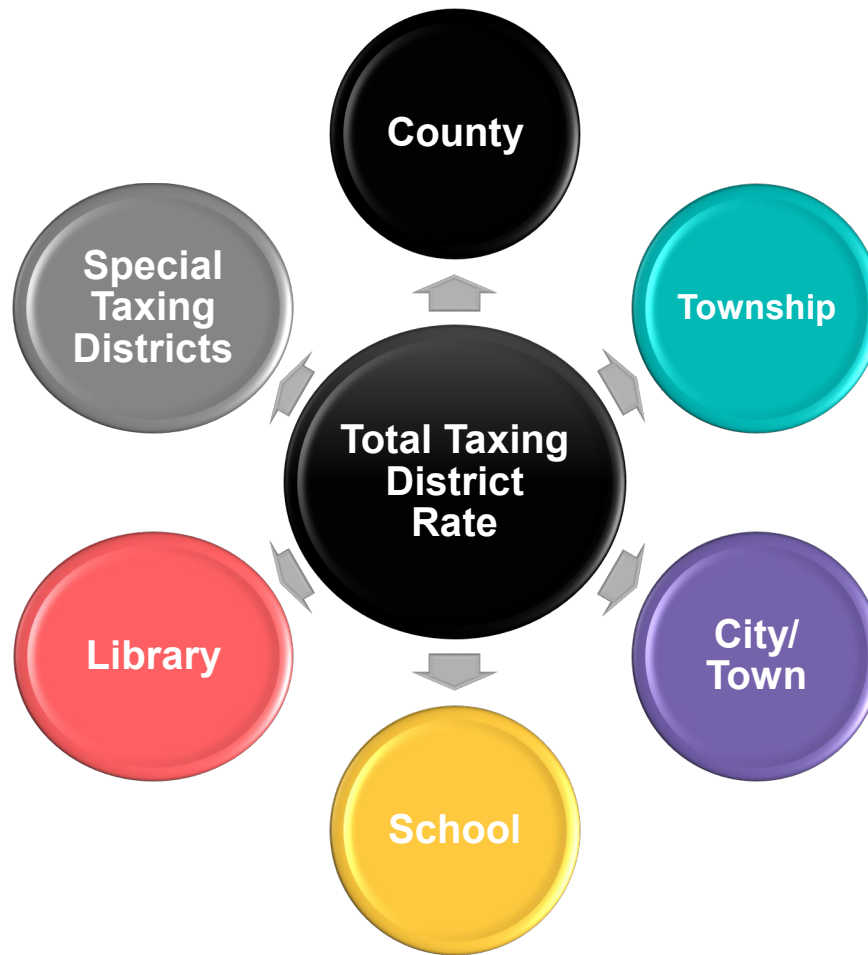
Outstanding Obligation

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.

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.

33

Tax Rate Components

