passed 5-4 (Spencer, Mayer, Neher, Ruff)

RESOLUTION 14-08

TO APPROVE AN ENTERPRISE ZONE INVESTMENT DEDUCTION (EZID) IN THE DOWNTOWN TAX INCREMENT FINANCING (TIF) DISTRICT - Re: Big O Properties, LLC, 340-346 S. Walnut Street

WHEREAS, Indiana Code 6-1.1-45-9(d) requires that Enterprise Zone Investment Deductions (EZID) for property located within a Tax Increment Financing District (TIF) allocation area created under Indiana Code 36-7-14 must be approved by the legislative body of the governmental unit; and

WHEREAS, The City of Bloomington's Downtown TIF allocation area was created under IC 36-7-14, so authority for approval of an EZID in that TIF allocation area now falls to the Bloomington Common Council; and

WHEREAS, City of Bloomington Ordinance 13-23, adopted on December 22, 2013, established procedure and criteria for Council consideration of Enterprise Zone Investment Deductions for property located within a tax allocation area pursuant to IC 6-1.1-45-9; and

WHEREAS, Big O Properties, LLC is applying for approval of the EZID deduction for construction of a building (Qualified Investment) on the property located at 340-346 South Walnut Street, which is located in the Downtown TIF allocation area; and

WHEREAS, Pursuant to Ordinance 13-04, approved by the Common Council on December 18, 2013, Big O Properties, LLC will be required to pay an additional participation fee of 9% of the amount of the EZID to the Bloomington Urban Enterprise Association for the benefit of the Bloomington Redevelopment Commission;

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

The Common Council hereby approves the request of Big O Properties, LLC to receive the Enterprise Zone Investment Deduction for the property located at 340- 346 South Walnut Street, Bloomington, Indiana.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 7th day of May, 2014.

DARRYL NEHER, President
Bloomington Common Council

ATTEST:

REGINA MOORE, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this 8th day of May, 2014.

REGINA MOORE, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this 8th day of May, 2014.

MARK KRUZAN, Mayor
City of Bloomington

SYNOPSIS

This resolution approves an Enterprise Zone Investment Deduction (EZID) for Big O Properties, LLC located at 340-346 South Walnut Street. The EZID allows a property tax deduction for a qualified investment within an Urban Enterprise Zone (I.C. 6-1.1-45). In most cases, this deduction (which is similar to tax abatement) is automatic with the proper and timely application to the County Auditor. However, effective July, 2008, when the investment is in an allocation area defined by IC 12-19-1.5-1 (TIF District), the deduction must be approved by the area's legislative body. Therefore, any EZID in one of the City's TIF allocation areas must be approved by the Common Council.

Basic information about the EZID is listed below:

- EZID is defined as the property tax deduction available from the increased value of an Enterprise Zone business property due to real and personal property investment by the business.

- The deduction equals the difference between the assessed property value following the qualified investment and the assessed property value of a base year (the year preceding the qualified investment).

- The amount of the deduction (100%) will be the same for each year (is non-graduated).

- The added valuation may be deducted for up to ten years and can extend past the expiration of the Enterprise Zone (Bloomington's zone designation will expire in March 2017).

- 20% of the tax savings is paid to the Bloomington Urban Enterprise Association and effective with Ordinance 13-04, an additional 9% of the tax savings is paid to the Bloomington Redevelopment Commission.

Signed copies to:
legal
controller
Ec. Development

petitioner
Clerk (2)
CA/CA

MC Auditor
MC Treasurer
MC Assessor