FAILED 1-7

RESOLUTION 15-13

TO APPROVE AN ENTERPRISE ZONE INVESTMENT DEDUCTION (EZID) WITHIN A TAX ALLOCATION AREA (OTHERWISE KNOWN AS A TAX INCREMENT FINANCING [TIF] DISTRICT) -
Re: ERL-15, LLC, 531 North College Avenue

WHEREAS, Indiana Code § 6-1.1-45-9(d) requires that Enterprise Zone Investment Deductions (EZID) for property located within an allocation area, as defined by Indiana Code § 6-1.1-21.2-3, must be approved by the legislative body of the governmental unit that established the allocation area; and

WHEREAS, Indiana Code § 6-1.1-21.2-3 includes an allocation area established under Indiana Code 36-7-14 within its definition of allocation area; and

WHEREAS, The City of Bloomington's Consolidated Allocation Area was created under Indiana Code 36-7-14, so an EZID in that allocation area must be approved by the Bloomington Common Council; and

WHEREAS, ERL-15, LLC is applying for approval of the EZID deduction for construction of a building (Qualified Investment) on the property located at 531 North College Avenue, which is located in the Consolidated Allocation Area and the Bloomington Urban Enterprise Zone; and

WHEREAS, Pursuant to Ordinance 13-04, approved by the Common Council on March 27, 2013, ERL-15, LLC will be required to pay:

1. A participation fee of 29% of the amount of the EZID to the Bloomington Urban Enterprise Association (with 9% of the amount of the EZID deposited in the City's Redevelopment Fund), and
2. A fee of 1% of the EZID to the Indiana Economic Development Corporation; and

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 ERL-15, LLC to receive the Enterprise Zone Investment Deduction for the property located at 531 North College Avenue, Bloomington, Indiana.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2015.

_____
DAVE ROLLO, President
Bloomington Common Council

ATTEST:

_____
REGINA MOORE, Clerk
City of Bloomington

FAILED

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2015.

_____
REGINA MOORE, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this _____ day of _____, 2015.

_____
MARK KRUZAN, Mayor
City of Bloomington

SYNOPSIS

This resolution approves an Enterprise Zone Investment Deduction (EZID) for ERL-15, LLC located at 531 North College Avenue. The EZID allows a property tax deduction for a qualified investment within an Urban Enterprise Zone (Indiana Code 6-1.1-45). In most cases, this deduction (which is similar to a tax abatement) is automatic with the proper and timely application to the County Auditor. However, when the investment is in an allocation area, as defined by Indiana Code § 6-1.1-21.2-3, the deduction must be approved by the legislative body of the governmental unit that established the allocation area. Therefore, an EZID in one of the City's 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 ten years and can extend past the expiration of the Enterprise Zone (Bloomington's Enterprise Zone will expire in March 2017).

- Thirty percent of the tax savings is paid to various governmental entities. Twenty nine percent is paid to the Bloomington Urban Enterprise Association (which pays 9% of the tax savings to the Bloomington Redevelopment Fund). One percent is paid to the Indiana Economic Development Corporation.

FAILED