failed 1-8 (Sturbaum)

RESOLUTION 14-06

TO APPROVE AN ENTERPRISE ZONE INVESTMENT DEDUCTION (EZID) IN THE DOWNTOWN TAX INCREMENT FINANCING (TIF) DISTRICT - Re: 9 North Holdings, LLC, 508 N. College Ave

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 EZIDs for property located within a tax allocation area pursuant to IC 6-1.1-45-9; and

WHEREAS, 9 North Holdings, LLC is applying for approval of the EZID deduction for construction of a building (Qualified Investment) on the property located at 508 North College Avenue, which is located in the Downtown TIF allocation area; and

WHEREAS, The Monroe County Auditor has confirmed that the date the Assessed Value of the property was first increased due to the Qualified Investment was 2012, thereby making this application eligible for consideration by the Common Council under Ordinance 13-23; and

WHEREAS, Pursuant to Ordinance 13-04, approved by the Common Council on March 27, 2013, 9 North Holdings, 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 9 North Holdings, LLC to receive the Enterprise Zone Investment Deduction for the aforementioned Qualified Investment made on the property located at 508 North College Avenue, Bloomington, Indiana.

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

_____
DARRYL NEHER, 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 _____, 2014.

ATTEST:

_____
REGINA MOORE, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this _____ day of _____, 2014.

_____
MARK KRUZAN, Mayor
City of Bloomington

FAILED

SYNOPSIS

This resolution approves an Enterprise Zone Investment Deduction (EZID) for 9 North Holdings, LLC located at 508 North College Avenue. 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.