



Department of
Community Investment

Redevelopment Commission Agenda Item

DATE: June 22, 2015
FROM: Beth Leonard Inks, Director of Admin & Finance *lei*
SUBJECT: Determinations of Need for Tax Increment to be collected in 2016

PURPOSE OF REQUEST:

Attached are 2 resolutions for the 2016 tax collection year. Specifics are:

1. Resolution #3296 – Releasing the Tax Increment for South Side #3 (Erskine Village) to be allocated to the respective taxing units. As you will recall we currently have cash on hand to pay off the bonds in this area but bond documents do not allow payoff until February 2017.

2. Resolution #3297 – Determining that the Tax Increment to be Collected in all TIFs (other than South Side #3—Erskine Village) is needed to Satisfy Obligations of the Commission

I will be happy to answer any additional questions you may have on this subject.



RESOLUTION NO. 3296

**RESOLUTION OF THE SOUTH BEND REDEVELOPMENT COMMISSION
DETERMINING THAT THE TAX INCREMENT FOR ERSKINE VILLAGE TO BE
COLLECTED IN THE YEAR 2016 MAY BE ALLOCATED TO THE RESPECTIVE
TAXING UNITS AND OTHER RELATED MATTERS**

WHEREAS, the South Bend Redevelopment Commission (the "Commission"), the governing body of the South Bend, Indiana, Department of Redevelopment (the "Department") and of the Redevelopment District of the City of South Bend, Indiana (the "Redevelopment District"), exists and operates under the provisions of IC 36-7-14, as amended from time to time (the "Act"); and

WHEREAS, the Commission has previously adopted resolutions, which have been amended from time to time, declaring the South Side Development Area to be a redevelopment area within the meaning of the Act (the "Area") and designated territory within such Area as Allocation Area No. 3 (the "Allocation Area") under Section 39 of the Act; and

WHEREAS, the Commission, in accordance with the Act, has previously established an allocation fund for the Allocation Area (the "Allocation Fund"); and

WHEREAS, Section 39 of the Act requires the Commission to determine the amount, if any, by which the assessed value of the taxable property in the Allocation Area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area, will exceed the amount of assessed value needed to produce the property taxes necessary to make, when due, principal and interest payments on bonds, plus the amount necessary for other purposes described in Section 39; and

WHEREAS, if the amount of excess assessed value determined by the Commission is expected to generate more than two hundred percent (200%) of the amount of allocated tax proceeds necessary to make, when due, principal and interest payments on bonds plus the amount necessary for other purposes described in Section 39, the Commission shall submit to the Common Council its determination of the excess assessed value that the Commission proposes to release to the respective taxing units for confirmation or modification of such finding by the Common Council and thereafter to provide notice to the St. Joseph County Auditor, the Common Council, and the fiscal officers for each taxing unit located wholly or partly within the respective Allocation Areas before July 15 of each year written notice of the following: (i) the amount, if any, of excess assessed value that the Common Council has determined may be allocated to the respective taxing units in the manner prescribed in Section 39;

NOW, THEREFORE, BE IT RESOLVED by the South Bend Redevelopment Commission as follows:

1. The Commission hereby determines that for tax year payable 2016, all of the assessed value in the Allocation Area is excess assessed value and may be allocated to the

respective taxing units in the manner prescribed in Section 39 of the Act because the Commission hereby finds that the amount by which the assessed value of the taxable property in the Allocation Area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area, will exceed the amount of assessed value needed to produce the property taxes necessary to make, when due, principal and interest payments on bonds, plus the amount necessary for other purposes described in Section 39. In making this determination, the Commission has considered the effect that such determination will have on the property tax rate in the Redevelopment District.

2. This determination for 2016 shall not be construed to affect any future determination of the Commission with respect to the capture of assessed value of the taxable property in the Allocation Area in the years following 2016.

3. The President or Vice President of the Commission is hereby authorized and directed to immediately notify or cause to be notified the South Bend Common Council of its determinations made herein; and thereafter to provide notice to the St. Joseph County Auditor, the Common Council, and the officers who are authorized to fix budgets, tax rates, and tax levies under Indiana Code 6-1.1-17-5 for each taxing unit located wholly or partly within the respective Allocation Areas of the determinations made by the Common Council, through the use of a letter in such form as may be recommended by legal counsel, such approval to be conclusively evidenced by the execution of said letter.

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ADOPTED AND APPROVED at a meeting of the South Bend Redevelopment Commission held on the 25th day of June, 2015 at 1308 County-City Building, 227 West Jefferson Boulevard, South Bend, Indiana 46601.

**CITY OF SOUTH BEND,
DEPARTMENT OF REDEVELOPMENT**

Signature

Printed Name and Title

South Bend Redevelopment Commission

ATTEST:

Signature

Printed Name and Title

South Bend Redevelopment Commission

EXHIBIT A

(Form of Letter)

Date

Mr./Ms. [Name]
Taxing Unit
Address

Subject: Release of Incremental Assessed Value for tax year payable 2016

Dear Mr./Ms. [Name]:

In accordance with the provisions of IC 36-7-14-39, and upon the findings and recommendations of the Redevelopment Commission to the South Bend Common Council, the South Bend Common Council has determined that for the tax year payable 2016 the excess assessed value in Allocation Area No. 3 (Erskine Village) of the South Side Development Area may be allocated to the respective taxing units in the manner prescribed in IC 36-7-14-39.

Very truly yours,

Marcia Jones
President
South Bend Redevelopment Commission