

TAX INCREMENT FINANCING PROGRAM
Approved and Adopted on January 21, 2015
Res. #2015-2

Town of Schererville

Town Council

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I - OVERVIEW

This Policy manual sets forth the policies and management requirements for the Schererville Tax Increment Financing (TIF) program. The Policy further serves as a guideline and implementation tool for the Town and interested parties regarding the creation and management of Tax Increment Finance Districts (TIF District), whether initiated by the Town or by a private request for assistance. The requirements of the TIF Policy Manual apply to all TIF proposals subject to consideration by the Redevelopment Commission and the Town Council.

Tax Incremental Financing (TIF) is a tool through which the Town can assist desirable developments, improve public infrastructure and expand the local tax base. TIF expenditures are repaid by the increased tax base resulting from a proposed development. In Schererville, as in many other communities in Indiana, TIF is targeted toward economic development, expanding property values and promoting job growth. In line with the State statutes, Schererville TIF program aims to support not only the permitted activities by the statute but also to promote developments that are consistent with the overall Town goals of sustainable economic development, creation or preservation of quality jobs for Schererville residents, and diversification of the tax base.

The Schererville TIF program is a discretionary program. The adoption of this manual or submission of an Application for public financing does not create or vest any rights nor does it guarantee that any project will be approved by the Town. The contents of this Policy manual should be used as a guide for Applicants interested in participating in the program and submitting an application. Nothing herein shall imply or suggest that the Town is under any obligation to support any Application for funding request for any purpose regardless of the merits of a project.

II - PURPOSE

The Tax Increment Financing Policy establishes the procedures and guidelines for considering applications for Tax Increment Financing (TIF) used for economic development and redevelopment purposes in accordance with the provisions of I.C. 36-7-14 et. seq. and any amendments thereto. Specifically the TIF Policy has been approved by the Schererville Town Council for the following purposes:

- To provide a framework within which the Town can evaluate and compare proposed uses of tax increment financing funds

- To guide the Redevelopment Commission in forming recommendations regarding the use of tax increment financing and negotiating contract terms with developers and investors
- To inform the public of the Town's position on the use of tax increment financing and the process through which decisions regarding the use of the funds are made

The Policy Manual may be reviewed and modified by the Town Council periodically without notice. Applicants are encouraged to contact the Town for any such updates prior to submission of an Application.

III - LEGAL AUTHORITY

Pursuant to Indiana Code 36-7-14, municipalities are permitted to use TIF funds to stimulate new development or redevelopment by paying for a variety of improvements needed to induce such development or redevelopment. The Town may use TIF proceeds in Economic Development Area (EDA) for the following primary purposes, among others:

- a. Promote opportunities for employment of Schererville residents;
- b. Attract new business enterprise to the Town;
- c. Retain or expand a significant business enterprise.

Indiana statute further allows use of TIF funds for Redevelopment Area (RDA) for "areas needing redevelopment". Such areas typically exhibit conditions that prevent normal development and occupancy by conditions such as:

- Lack of development
- Cessation of growth
- Deteriorated or deteriorating improvements
- Environmental contamination
- Character of occupancy
- Age
- Obsolescence
- Substandard buildings
- Other factors that impair values or prevent a normal use or development of property.

Certain costs of improvements within the EDA and RDA districts may be reimbursed to the Developer or paid through the issuance of special obligation bonds or full faith and credit bonds. Funds to pay the reimbursements or to retire the bonds are generated by the tax increments and other sources that may be pledged by the municipality.

Under the Indiana statute, the authority given to the municipalities is discretionary and the Town may provide for tax increment financing in any amount and for purposes more restrictive than that authorized by statute or establish policies for review and award of TIF funds.

The Town of Schererville adopted the Resolution 2000-2 on January 12, 2000 by which it authorized establishment of the Kennedy Avenue Economic Development Area and an Allocation Area for the purpose of tax increment financing.

IV - POLICY OBJECTIVES

The Town uses tax increment financing to accomplish the following development objectives:

1. Attract new and retain family-supporting jobs in the Town of Schererville.
2. Attract and expand new and existing services, developments and employers in order to position Schererville and the region to compete in the economy of the 21st century.
3. Increase the Town's property tax base and maintain its diversity.
4. Facilitate development of underutilized properties or promoting development in priority corridors in the Town and in Downtown area.
5. Improve blighted properties or clean up contaminated sites in the Town by making their redevelopment economically feasible.
6. Support neighborhood retail services, commercial corridors and employment hubs.
7. To encourage additional private investment in the area, either directly or indirectly through "spin off" development.
8. Support Town planning initiatives by advancing catalytic initiatives identified in Comprehensive Plan, providing public amenities or infrastructure, and strengthening neighborhoods in need of investment.

V - POLICIES FOR THE USE OF TIF FUNDS

TIF funds can be used for a variety of development projects and activities which allow an Applicant to make new investment in the form of new development, maintain or expand operations or improved appearance and viability of the property. Development related costs that are eligible for TIF reimbursement include of the following:

1. Finance public improvements associated with the development project with the priority for the use of TIF funds given to:
 - Infrastructure improvements including those related to sanitary, water or related public works
 - Pedestrian facilities including sidewalks, underpasses or overpasses
 - Streets, streetscaping and related public amenities
 - Plazas and arcades
 - Parking facilities
 - Professional fees related to the development project, including architect/engineering fees
 - Reimbursement of the Town for other expenditures made by the Town for public improvements.
2. Expenses related to development, redevelopment and financing of the project:
 - Up to 25% of the Applicant's construction period interest costs
 - Capitalized interest and bonding cost
 - Direct payments to cover gaps in financing of the development
3. Land acquisition, clearance and site preparation within the TIF area
 - Certain environmental remediation measures
 - Land banking and real property assembly costs
4. Building Construction, rehabilitation and repair with priorities placed for the following activities:
 - Developments located in high priority areas of the Town including those of Downtown, Kennedy Avenue, and others
 - Rehabilitation or remodeling of existing tenant improvements

5. Employment training and employment support services, provided recipients are Schererville residents
6. TIF annual administrative service fee
7. Paying the principal and interest on bonds issued by the Town to pay for local public improvements in or serving the allocation area
8. Other eligible expenditures as determined by the Redevelopment Commission on a case by case basis
9. Ineligible Expenditures

Regardless of what may be allowed by the state statute, it is the Town's policy that TIF funds assisting a project shall not be used for costs that include:

- Use of TIF funds as equity for the project.
- Attorney fees, financial advisor fees, real estate commissions paid by developer, developer fee and fees paid to consultants representing developer. This prohibition does not extend to architectural and engineering fees; environmental and geotechnical consultants or other similar due diligence expenses associated with a project or the infrastructure construction.
- Soft costs such as marketing expenses; and costs associated with establishment of a business.
- Excise taxes and property taxes for the project or for businesses locating in the district.
- Development fees, licenses and taxes of general applicability for similar real estate development projects including but not limited to TIP fees, Impact Fee, storm water fees, building permit fees, and development review fees.
- Any personal property, except for industrial uses when permitted.
- Municipal Operating costs.

VI - DEVELOPMENT QUALIFICATIONS

The Town may use TIF proceeds from a special obligation bonds or full faith and credit tax increment bonds to finance or support the undertaking of a development project. To receive such support, all projects must meet certain development criteria and requirements to justify assistance and expenditure of public funds.

1. Project Size and Benefits

To be qualified as a development project eligible for TIF funds, a project shall result in:

- a. New construction of a minimum of 15,000 square feet
- b. The minimum creation of one new or retained one full time job per \$100,000 of TIF provided assistance
- c. A minimum assessed value increase of 3 times the current year assessed value
- d. Capital Investment: Although no minimum capital investment is required by the Town, the amount of capital investment made by an Applicant is a factor to be considered by the Town in determining whether or not a public benefit can be realized and to qualify a project
- e. The project meets at least **one** of the objectives set forth in Section III (Policy Objectives) and satisfy **all** applicable provisions set forth in Section IV (Policies for Use of Funds) of this Manual
- f. Above considerations may be waived for Small Projects

2. Public Purpose

The project must at least serve four of the following public purposes:

- a. Creation or retention of family-supporting jobs and benefits including those created by temporary construction activities.
- b. Increase of tax base.
- c. Enhancement or diversification of the Town's economic base.
- d. Fulfillment of the Town's development or redevelopment objectives as outlined in the Comprehensive Plan and other documents.
- e. Developments that will spur additional private investment in the area.
- f. Rehabilitation or redevelopment of a high profile building or priority site or removal of blight and objectionable uses.

- g. Enhancement of Town's urban design and sense of a place.

3. Application Of "But-For" Principle

TIF Applications will be considered in light of the "but-for" principle, i.e., tax increment financing must make such a difference in the decision of the Applicant that the project would not be economically feasible or viable **"but for"** the availability of TIF assistance. In evaluating the economic feasibility, the Town shall consider the following factors among others:

- a. The extraordinary or unique costs associated with developing the project;
- b. The applicant's financial investment in the project;
- c. The property, sales and other tax and fee revenue that may result from the project;
- d. The credit worthiness and experience of the Applicant;
- e. Developer compliance with prior Town development projects and development agreements
- f. The value added, including intangible costs and benefits received by the Town, as a result of the proposed project.

The Town does not generally support the subsidy of private businesses, unless certain measurable public good can be realized. The public subsidization must further make a significant difference in achieving one or more development objectives of the Town. Applicants are encouraged to provide support information and analysis to justify needs. Such support information could include but not limited to the following:

- Feasibility Study
- Cost Benefit Analysis
- Gap Analysis
- Other support information

4. Level of TIF Assistance

The Town recognizes that a simple system of determining the amount of TIF funds available for each project may not always be equitable if applied uniformly as each project has its own unique needs. In determining the project needs and amount of TIF assistance to be granted, the Town will review each Application individually and consider the factors and criteria set forth in this Policy. The Town will also require, where applicable, a feasibility study and calculations for determination of needs and gaps.

In establishing level of funding the following criteria will also be considered by the Town:

- a. The minimum level of TIF assistance will be \$250,000, unless it is "Small Project" in which case the minimum request shall be \$50,000.
- b. The minimum size of an issue, \$5,000,000 per issue, unless it is privately placed, in which case the minimum size may be \$1,000,000 per issue.
- c. The maximum maturity of any TIF bond shall be twenty (20) years, but shorter maturity bonds shall be encouraged
- d. The Town, at its own determination or based on analysis, may offer assistance in the form of a loan, low interest loan, forgivable loan, grant or other forms of abatements to meet the project's needs.
- e. The TIF assistance does not exceed more than 25% of the entire development cost.

5. Employment Creation

All TIF assisted construction, rehabilitation and improvements, shall provide for common construction wage (ccw) for construction related jobs. The policy guidelines for TIF assisted projects will include the following:

a. Common Construction Wage (CCW) Rate

- i. For projects with the estimated construction value of less than \$50,000 application of local common construction wage rate is not required.

b. Project Labor Agreement (PLA)

A Project Labor Agreement shall be required for all developments with the estimated construction contract costs exceeding \$350,000.00 or as it may be modified by the Commission to respond to construction trends.

- i. Project Labor Agreement shall be only applicable to projects assisted in part or in whole with TIF funds.
- ii. Project Labor Agreement shall be executed by the Developer, its contractor or subcontractor prior disbursement of any funds and shall be expired at the conclusion of construction for the assisted development.

6. Surplus Revenue

The intent of the Town is to return all properties to tax roll at the earliest possible without undue hardship on development or long term sustainability for the TIF district. In the event of excess revenue available

beyond obligations for payment of the bonds and the required bond coverage, the Town will use the following policies for the use of such funds:

- a. Support the TIF project with additional funds, if needs are identified.
- b. Invest in infrastructure in the district.
- c. Invest in other projects which support the TIF objectives.
- d. Support job creation initiatives.
- e. Add to TIF Reserve funds.
- f. Other uses which support the economic development intent of the program.

VII. REIMBURSEMENT POLICY

The primary concerns for distribution of TIF funds is to insure viability of the development project and timely disbursement of funds while protecting the public interest. In review of TIF Financing Application, the Town will further consider the following factors among others:

- a. The project being bond financed is substantially leased (>75%);
- b. The estimated revenue stream yields significant debt service coverage on the bonds;
- c. Construction of the Project being financed is substantially complete, or financing is fully in place to assure such completion as determined by the Town;
- d. Repayment terms of the bond is less than or equal to 70% of the maximum permitted repayment term; or
- e. Owner's equity in the project is greater than 30% of the total project cost;
- f. Only those public improvements and public redevelopment costs directly associated with or needed to service the proposed project shall be considered for upfront bond financing.

In line with above policies, the Town will consider the following options, based on the development needs, for reimbursement of funds:

1. Pays as You Use

In this approach TIF funds will be distributed on a reimbursement basis. In such cases the Developer may secure short term financing for the entire project cost. The Developer will receive reimbursement for eligible expenses once expenditure is made. This method is primary used for

publicly financed or smaller TIF assisted projects and where Developer has the capacity to upfront all development costs.

2. Pay as You Go

Under this method, the Town will reimburse the developer for eligible project costs as TIF proceeds become available and over a period of time not to exceed twenty (20) years from the date of approval. Specific details of this method shall be negotiated and the terms will be included in the Development Agreement.

3. Bond Financing

The Town may consider issuance of tax increment bonds in certain instances to provide upfront financing for a project. Such decision is made on a case by case basis commensurate with the value or positive impact of the project. In such cases, risk of default and length of term should be reduced to the greatest extent feasible. Safety factors shall be included to minimize risk exposure, including a reserve fund; timing the issuance of TIF bonds contingent on the creation of a minimum threshold of assessed values; and/or special structuring of the debt repayment schedule.

4. Release of TIF Funds

The Town may require that TIF bond proceeds be released in phases and amounts consistent with a percentage of construction or other performance standards which shall be agreed upon by the parties. In all cases, Applicant will be required to submit requisition to Redevelopment Commission with appropriate documentations before any such payments are made.

5. Recapture of Public Subsidy

It shall be the Town's goal to recapture all, or a portion of, the public subsidy provided to the extent practical. Methods of recapture shall include, but are not limited to, long-term ground leases, subordinated loans, sale and/or refinancing provisions, and equity participation. If assistance is in the form of a loan the Town shall consider the following options based on the needs of the project:

- a. Low interest loan
- b. Interest free loan
- c. Forgivable loan with minimum five year term

The Town shall consider the recapture provisions on a case by case basis.

VIII - DEVELOPMENT AGREEMENT

Development projects assisted with TIF funds are subject to terms and conditions approved by the Redevelopment Commission and the Town Council. These terms are outlined in a Development Agreement. The Town shall prepare such Agreement after final approval by the Redevelopment Commission.

1. Elements of Agreement

The Agreement shall comply with the requirements of this Policy. In addition, the Development Agreement must include the following information:

- a. Scope of the development (including development criteria);
- b. Acquisition of land, if any;
- c. Schedule of construction;
- d. Eligible TIF expenses;
- e. Prioritization of payment;
- f. Reimbursement of Town costs
- g. Indemnity of the Town and insurance requirements;
- h. Financing (private and public);
- i. Maintenance and restrictive covenants, if any;
- j. Town inspection and information access rights;
- k. Performance and Reporting requirements;
- l. Recapture provisions;
- m. Remedies upon default;
- n. Other provisions as determined by the Town.

2. Policy Enforcement

The Town maintains responsibility for tracking progress for each assisted project. The project plan, financing plan, and Development Agreement each will set out specific standards, timetables, and policy goals that the project is expected to achieve. Should discrepancies or schedule issues arise during project build-out, the Town seeks to accurately report the situation, suggest possible remedies, and assist in the implementation of such remedies. Developers are required to cooperate with the Town in accepting all such remedies proposed by the Town.

3. Reporting Requirements

- a. The developer shall file a report annually for three years after the date of approval or until all goals set forth in the

Application and Development Agreement have been met, whichever is later.

- b. Reports shall be filed with the Town no later than April 1 of each year for the previous calendar year. Businesses fulfilling job creation requirements must file a report to that effect with the Town within 30 days of meeting the requirements.
- c. The Developer shall, upon the Town's request, provide the Town with copies of all contracts and associated wage rates related to the project to evidence compliance with employment requirements of this Policy.

4. Assignment

Any agreement entered into between the Town and Developer may be assignable to a new owner only with prior approval of the Redevelopment Commission.

IX. APPLICATION PROCESS

Applications for a development project, establishment of a TIF districts or Redevelopment district shall be considered by the Redevelopment Commission in accordance with established procedures of the Commission and as required by this Policy. Applicants are responsible for providing all information outlined in this Policy or by the Redevelopment Commission as necessary to make its decision. Any inaccuracy, misstatement or error in fact may render the Application null and void and may be cause for the repeal of any development assistance ultimately provided by the Town through the TIF program in reliance upon said information.

1. Application and Administration Fees

All Applicants for funding are required to file an Application and pay an Initial Application Fee. To accommodate smaller Applications, this Policy has established a graduated fee based on the magnitude of the project. Applicant may also be required to pay additional fee for expenses related to the project evaluation such as costs incurred for preparation of a feasibility study or legal review.

In addition, any Applicant that receives TIF assistance shall be required to pay an annual administration service fee. All fees shall be due and payable as provided for herein or as otherwise set forth in an approved Development Agreement.

a. Initial Application Fee: A non-refundable amount charged based on size of the TIF funded project as follows:

- i. Small Project, less than \$250,000 TIF request \$200
- ii. All other projects \$500

The Town will review the Application and make determination of the completion, eligibility and the needs for additional analysis. Based on this initial assessment, a subsequent fee (TIF Processing Fee) will be calculated.

b. TIF Processing Fee: A non-refundable amount equal to 1% of the total TIF assistance with a maximum amount of \$30,000 which shall be paid as follows:

- i. Initial Review Fee: \$2,500
- ii. Project Plan Approval Fee: An amount equal to 25% of the TIF Fee or \$7,500 (whichever is less).
- iii. Balance of Fee: Paid with the first increment disbursement or the issuance of bonds, if applicable, in the amount of 75% of the TIF Processing Fee or \$20,000 (whichever is less).

c. Administrative Service Fee: Funds that will be collected to pay for normal expenses incurred by the Town staff in connection with the project.

- i. An amount equal to 1% of the annual increment reimbursed to Applicant or its successor.
- ii. The administrative service costs may be adjusted by the Commission based on the total level of TIF funds assistance.

d. Funding Agreement: The Town may require a "retainer fee" for administrative and professional staff, outside counsel and consultants, and incur expenses which it, in its sole discretion, deems necessary to consider the project plan.

- i. The Applicant shall enter into a funding agreement in order to pay the Town for its expenses as required.
- ii. The funding agreement shall call for the Applicant to establish a fund in the initial amount of \$10,000 (the Fund) to insure timely payment of the above charges. The Town shall request replenishment if such funds are expended.

- iii. The Town shall use the Fund to pay for Town Bond Counsel, Financial Advisor and other professional consultants' fees.
 - iv. The Fund proceeds shall only be used in the event of exhaustion of the TIF Processing Fee.
- e. Amendment Fee: The Town encourage Applicants to refrain from amending an Application but recognizes that this need may arise. The Town will require the following fee for any amendment to the Application.
 - i. Amendment Review Fee
\$2,500
 - ii. No fee will be required for amendments to the Application prior to preliminary approval by the Redevelopment Commission.
 - iii. Additional fee may be required for major alteration of the Application and Development Agreement.

2. Initial Review Procedure

a. Initial Consultation:

Approval of the TIF funds is a complex process that requires several actions by the different entities within the government structure, public meetings and outreach. Applicants seeking TIF assistance shall communicate their interest and discuss their project with the Town Manager's office for initial guidance. After this initial conversation, an application can be submitted to the Town for review and consideration.

b. Staff Review:

Upon receipt of an Application, the Town Manager or his designee shall review the application for determination of completeness and general compliance with the provisions of this Policy. If an Application is determined to be incomplete, the Town staff shall inform the Applicant to provide the required documents or make changes or additions as deemed necessary. In evaluating the completeness of an Application, the staff shall consider factors that include, but are not limited to:

- i. Scope of the proposed project;
- ii. Project location, layout and architectural features, if applicable;

- iii. Cost estimates for all improvements including public improvements, if any;
- iv. Completion of all required documents, reports and studies; as outlined in this Policy or required by the Application;
- v. Payment of initial Application Fee.

Upon determination of the completeness, staff shall submit the Application to the Commission for consideration and review.

3. Redevelopment Commission Review

Projects submitted for review by the Commission may be initially reviewed and recommended for approval or denial with or without conditions to the Town Council. The Commission may review any development project in accordance to the following criteria.

- i. Economic benefits of the projects including those of created jobs, generated tax increments, sales tax, and fee revenues that may result from the project.
- ii. The extraordinary or unique costs associated with developing the project.
- iii. The Applicant's financial investment in the project.
- iv. Developers' experience and financial capacity.
- v. Consistency with the Town's development polices and plans.
- vi. The value added of the project, including intangible benefits received by the Town as a result of the proposed project.

The Commission may also determine needs for additional financial analysis and review. In such cases, the Commission may refer the project to the TIF Advisory Committee for such analysis and recommendation.

4. TIF Advisory Committee Review

Upon determination of need for financial analysis, the Commission may request review and assessment of the proposed project by the TIF Advisory Committee. The TIF Advisory Committee, comprised of five qualified individuals appointed by the Town Council, shall review all Applications for economic feasibility and determination of financial needs, and make recommendations for the project to the Redevelopment Commission.

a. Evaluation Criteria

The following evaluation criteria may be used to initiate an economic feasibility and needs assessment of an Application for funding.

- i. Proposed financial structure of the project including level of equity contribution in the project
- ii. Developer's financial capacity to meet project costs and complete project as demonstrated by evidence (i.e. the most current three years of financial statements, complete Sources and Uses budget, and/or Letters of Credit from Bank)
- iii. Cost-benefit analysis and ratio for the project as evidenced by calculations.
- iv. Level of gaps in financing for the project as evidenced by calculations and other considerations.
- v. Market feasibility of the project as evidenced by a market study by an qualified consultant
- vi. Proposed security, collateralization, or credit enhancement.
- vii. Detailed pro formas and assessment of risks, if any.
- viii. Opportunity for recapture of public subsidy.
- ix. Capacity of the development to retire the bond.
- x. Applicant's previous experience developing similar scale and type of project.
- xi. Commitment to the quality development and the project locale. Applicant may submit site plans, project renderings, examples of products, project features, use of public arts, and other information detailing how the project positively impacts the area

The Committee shall present its findings and recommendations for economic feasibility and risks associated with project to the Commission. The findings shall identify any element of the project that is not in conformance with the intents of this Policy or may create undue risk for the public funds.

5. Final Redevelopment Commission Review

Certain development projects, due to their complexity, may require several stages of approval. In such cases, the Commission may provide an initial conceptual approval of the project to allow Developer to complete other requirements of the project, i.e. securing financial resources. In most cases, such complex projects will require TIF Advisory Committee and other entities input before a final decision rendered. All projects also require public input in the form of a public or community meeting. In such cases, the Commission shall take action after all work complete to its satisfaction by the Developer.

6. Plan Commission Review

Upon completion of review and approval by the Redevelopment Commission, an Application will be submitted to the Plan Commission for review. The scope of review by the Plan Commission may include but not limited to the following topics:

- i. Consistency of the development with the Town's Comprehensive Plan, Land Use Plan, and Zoning Ordinances.
- ii. Potential impact of the project on the land use and development patterns.
- iii. Tangible and non-tangible development attributes that will improve the aesthetic quality of the site, or surrounding areas and create other public benefits.
- iv. Compliance with the requirements of this Policy.

7. Town Council Review

Upon review and recommendation and subject to other statutory requirements, the Town Council shall review the development project requesting TIF assistance. In review of the development project the Council shall consider criteria established under the Subsection IX-3.

TAX INCREMENT FINANCING APPLICATION

TIF	Date Filed:
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A. APPLICANT INFORMATION

Name of Applicant:	Address:			
Primary Contact:	Corporate <input type="checkbox"/>	Partnership <input type="checkbox"/>	Sole Proprietor <input type="checkbox"/>	Other <input type="checkbox"/>
	Phone:	Fax:	Email:	
Agent/Representative:	Address:			
	Phone:	Fax:	Email:	
Application Type:	TIF <input type="checkbox"/>	Redevelopment <input type="checkbox"/>	Small Project <input type="checkbox"/>	Amendment <input type="checkbox"/>
Fee:	\$	\$	\$	\$

B. PROJECT INFORMATION

Proposed Project:	New Construction <input type="checkbox"/>	Redevelopment <input type="checkbox"/>	Rehabilitation <input type="checkbox"/>	Other <input type="checkbox"/>
Location:	Site size:	Condition:		

C. PROPERTY OWNERSHIP

Property Owner Signature	Date:	Property Owner Signature	Date:
Applicant Signature <small>(If different than the Property Owner)</small>	Date:	Applicant Signature <small>(If different than the Property Owner)</small>	Date:
Print Name:		Print Name:	
Title:		Title:	
<small>Required for Corporation, partnership, etc.</small>		<small>Required for Corporation, partnership, etc.</small>	

An application for the use of Tax Increment Financing must include the following information. Proposals without required information will not be processed. Attachments may be provided to support required information. Please provide additional sheet, documentation, etc. as required.

D. APPLICATION INFORMATION

	Submitted
1 Detailed Applicant or Developer information and its equity members (Exhibit A)	<input type="checkbox"/>
2 List of all persons and entities that have an interest in the project. (Exhibit B)	<input type="checkbox"/>
3 List of development team members including project architect, engineer and other professionals.	<input type="checkbox"/>
4 Project narrative including general scope of work, site and building information	<input type="checkbox"/>
5 Detailed development plan including legal description and architectural/ engineering plans.	<input type="checkbox"/>
6 Evidence of site control	<input type="checkbox"/>
7 Development time schedule including specific phasing of improvements and project costs.	<input type="checkbox"/>
8 List of the public improvements and a list of the private improvements proposed to be constructed along with the project.	<input type="checkbox"/>
9 Preliminary development cost estimates including those for exceptional costs and oversizing costs and professional fees.	<input type="checkbox"/>

D. PROJECT FINANCIAL INFORMATION

10 Development financing plan, including sources of funds, lender, financing costs and loan terms, etc. (EXHIBIT C)	<input type="checkbox"/>
11 Pro forma indicating projected costs and revenues. (EXHIBIT D)	<input type="checkbox"/>
12 Tax increment analysis, potential tax revenues and repayment schedule	<input type="checkbox"/>
13 Financial statement of the corporation, partnership, or individual for the most recent three years or life of the company.	<input type="checkbox"/>
14 List of number of jobs, proposed wage scale, employee benefits, and full and part time employment levels, etc.	<input type="checkbox"/>
15 Other information as may be required by the TIF Review Committee. (The Applicant will be notified if required.)	<input type="checkbox"/>
16 Notification of the residents and neighborhood, if required.	<input type="checkbox"/>
17 Non- refundable Application Fee	\$ <input type="checkbox"/>
18 Non- refundable TIF Review Process Fee (To be determined by the Town)	\$ <input type="checkbox"/>
19 Balance of Fee (To be determined by the Town)	\$ <input type="checkbox"/>

EXHIBIT A - INFORMATION ABOUT APPLICANT OR DEVELOPER

Name of Applicant: _____

Name of Developer _____

Type of Entity: Applicant: _____

Developer: _____

Applicant's address: _____

Telephone

Facsimile

How many years (measured from the date of filing this Application) has Applicant, Developer and each Equity Member been in its current line of business and how many years has each entity been in business under its present name?

NAME	YEARS IN BUSINESS	NO. OF YEARS UNDER PRESENT NAME

Under what other name(s) has Applicant, Developer and Equity Members operated?

Applicant: _____

Developer: _____

The above information is true, correct and accurate.

Executed _____, 20_____.

By: _____

[Insert the Applicant's name]

Print Name: _____

Title: _____

EXHIBIT B - IDENTIFICATION OF APPLICANT AND EQUITY MEMBERS

Describe in detail the legal structure of the Applicant/Developer and Equity Members. List all persons and entities that have an interest in the project and/or in the entity applying for the tax increment financing district. The Applicant shall be under a continuing obligation to update this disclosure within thirty (30) days of any changes throughout the application process and throughout the life of the Developer's Agreement. If the Applicant is a publicly traded company, the applicant shall be deemed to have complied with this provision if it has provided the Town a copy of its most recent annual report with the application.

Corporation, LLC, partnership papers or other business documents identifying the parties with ownership interest in the corporation and property involved in the project, including land ownership, contract for deed or other contractual information relating to control of the property and the applicant's ability to complete the project.

NAME OF ENTITY AND CONTACT INFORMATION (address, representative, phone, fax, e-mail)	ROLE OF ENTITY IN PROPOSER ORGANIZATION	WORK/SERVICES TO BE PERFORMED BY ENTITY (IF APPLICABLE)

The above information is true, correct and accurate.

Executed _____, 20_____.

By: _____

[Insert the Applicant's name]

Print Name: _____

Title: _____

Add signatures of additional partners or members that have greater than 5% interest as appropriate

EXHIBIT C - SOURCES AND USES ANALYSIS

Sources and Uses of Funds						
Sources of Funds	WITH NO TIF FUNDS			WITH TIF FUNDS		
	SOURCES			SOURCES		
Equity		% of total project costs			% of total project costs	
Developer Equity	\$ -		%	\$ -		%
Other Equity (_____)	\$ -		%	\$ -		%
Total Equity	\$ -		%	\$ -		%
Loans						
Construction Financing	\$ -		%	\$ -		%
Permanent Financing	\$ -		%	\$ -		%
Town Assistance (_____)	\$ -		%	\$ -		%
Other sources (specify)	\$ -		%	\$ -		%
TOTAL SOURCES OF FUNDS	\$ -		100%	\$ -		100%
Uses of Funds	USES			USES		
Land	\$ -		%	\$ -		%
Site Clearance and Preparation	\$ -		%	\$ -		%
Soil Correction	\$ -		%	\$ -		%
Demolition	\$ -		%	\$ -		%
Relocation	\$ -		%	\$ -		%
Environmental Cleanup	\$ -		%	\$ -		%
Others, (specify)	\$ -		%	\$ -		%
Subtotal Land Costs	\$ -		%	\$ -		%
Buildings	\$ -		%	\$ -		%
Other Improvements	\$ -		%	\$ -		%
Other Construction	\$ -		%	\$ -		%
Finish Improvements	\$ -		%	\$ -		%
Public Improvements	\$ -		%	\$ -		%
Others, (specify)	\$ -		%	\$ -		%
			%			%
Subtotal Construction Costs	\$ -		%	\$ -		%
Soft Costs	\$ -		%	\$ -		%
Taxes	\$ -		%	\$ -		%
Finance Fees	\$ -		%	\$ -		%
Project Manager	\$ -		%	\$ -		%
Developer Fee	\$ -		%	\$ -		%
Contingency	\$ -		%	\$ -		%
Others, (specify)	\$ -		%	\$ -		%
Subtotal Soft Costs	\$ -		%	\$ -		%
TOTAL USES	\$ -		100%	\$ -		100%

This form should be used as sample. The form may be modified to more accurately reflect (i) the nature of development project, (ii) identify needs of the project or describe potential costs.

EXHIBIT D - NON-COLLUSION AFFIDAVIT

STATE OF _____)
)SS:
COUNTY OF _____)

Each of the undersigned, being first duly sworn, deposes and says that:

- A. _____ is the _____ of _____ and _____ is the _____ of _____, which entity(ies) are the _____ of _____, the entity making the foregoing Application for TIF funding.
- B. The Application is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, joint venture, limited liability company or corporation; the Proposal is genuine and not collusive or sham; the Applicant has not directly or indirectly induced or solicited any other Proposer to put in a false or sham Proposal, and has not directly or indirectly colluded, conspired, connived or agreed with any Proposer or anyone else to put in a sham Application or that anyone shall refrain from proposing; Proposer has not in any manner, directly or indirectly, sought by agreement, communication or conference with anyone to fix the terms of the Application, or to fix any overhead, profit or cost element (including the development costs or its components) included in the Application, or to secure any advantage against the Town or anyone interested in the proposed development; all statements contained in the Application are true; and, further, Applicant has not, directly or indirectly, submitted its costs or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company, association, joint venture, limited liability company, organization, or any member, partner, joint venture member or agent thereof to effectuate a collusive or sham Application.

(Signature)	(Signature)
(Name Printed)	(Name Printed)
(Title)	(Title)

Subscribed and sworn to before me this ____ day of _____, 20____

Notary Public in and for
said County and State

[Seal]
My Commission Expires: _____.

[Duplicate or modify this form as necessary so that it accurately describes (i) the entity making the Application and so that it is signed by and on behalf of all partners, members, joint venture members, and (ii) Equity Members of the Applicant or Developer.]

EXHIBIT E - CONFLICT OF INTEREST DISCLOSURE STATEMENT

1. Disclosure

In the space provided below, and on supplemental sheets as necessary, identify all relevant facts relating to past, present, or planned interest(s) of the Applicant's team (including the Applicant, Developer, the major participants, proposed consultants, proposed contractor or subcontractors, and their respective chief executives, directors, and key project personnel) which may result, or could be viewed as, an organizational conflict of interest in connection with this Application or proposed Development. If no disclosure is necessary, indicate "None".

The foregoing is provided by way of example, and shall not constitute a limitation on the disclosure obligations.

2. Explanation

In the space provided below, and on supplemental sheets as necessary, identify steps that have been or will be taken to avoid, neutralize, or mitigate any organizational conflicts of interest described herein.

3. Certification

The undersigned hereby certifies that, to the best of his or her knowledge and belief, no interest exists that is required to be disclosed in this Conflict of Interest Disclosure Statement, other than as disclosed above.

Signature

Date: _____, 20__

Name

Title

Company Name

X - DEFINITIONS

For the purpose of this Policy, the words or phrases as used in this Policy shall have meaning or be construed as follows unless otherwise defined by state statute.

Applicant: Any person, or entity and its officers or agents making an application for TIF assistance for any proposed TIF funded or development or redevelopment Project. May also be referred to as Developer.

Base Year Assessed Valuation: The assessed valuation of all real property within the boundaries of a TIF district, Economic Development Area, Redevelopment district on the date such district was established.

But-for Principle: A process by which a project is evaluated to determine that the project would not be economically feasible or viable “but for” the availability of TIF assistance.

Capital Investment: The acquisition cost of land, buildings and tangible personal property constituting capital assets for accounting purposes.

Development: A physical improvement of a property consisting of rehabilitation, reconstruction, expansion or new construction made as a part of a project located in a TIF district.

Development Agreement: A written agreement between the Town and a Developer regarding the construction and financing of a development project. Such agreement shall outline terms involved in the project, such as financing, and payment methods or employment.

Economic Development Area (ERA) and Redevelopment Area (RDA) District: The specific area declared by the Town to be an eligible area in which Schererville may develop one or more redevelopment projects. This may commonly be referred to as a TIF District.

Economic Develop Area Plan: The plan prepared and adopted by the Town of Schererville for designation an area as an Allocation Area.

Feasibility Study: A study which shows whether a development project’s benefits and tax increment revenue and other available revenues under I.C. 36-7-14 et. seq, and amendments thereto, are expected to exceed or be sufficient to pay for the development project costs.

A Feasibility Study performed by the Town or a developer or its designee shall be prepared prior to approval of the Development Agreement.

Project: A physical improvement of a property consisting of rehabilitation, reconstruction, expansion or new construction made as a part of a project located in a TIF District.

Project, Small: Developments that the total development cost is less than \$250,000.

Project Plan: A document or a set of documents describing in totality the development scope, financing, sources and uses of funds, construction phases and completion schedule.

Qualified Individuals: For the purpose of TIF application, Qualified Individuals are persons with knowledge, training and education in finance, construction, and real estate development.

Real Property Taxes: Includes all taxes levied on an *ad valorem* basis upon land and improvements thereon.

Redevelopment District Plan: The preliminary plan that identifies all of the proposed redevelopment project areas and identifies in a general manner all of the buildings, facilities and improvements in each that are proposed to be constructed or improved in each redevelopment project area.

Redevelopment Project: The approved project to implement a project plan for the development of the established redevelopment district and for which a redevelopment project plan is approved and a disposition and development agreement is executed. This is sometimes referred to as a TIF Project.

Tax Increment: The amount of real property taxes collected from real property located within the TIF district that is in excess of the amount of real property taxes which is collected from the base year assessed valuation. In certain circumstances, the Town may also allow capture tangible personal property taxes generated from a development project.

Taxing Subdivision: Includes the county, the Town, the School District(s) and any other taxing subdivision levying real property taxes, the territory or jurisdiction of which includes any currently existing or subsequently created TIF district.

TIF Advisory Committee: The TIF Advisory Committee, comprised of five qualified individuals appointed by the Town Council, shall review Applications referred to the Committee for review by the Commission for economic feasibility and determination of needs. The Committee shall make recommendations to the Redevelopment Commission for project financial needs or the level of assistance required.