



## **RDC REQUIREMENT – PRESENTATION FOR OVERLAPPING TAXING UNITS**

Indiana Code 36–7–25–8 (as passed in HEA 1242 (2018ss)) requires redevelopment commissions to present certain information for the benefit of other taxing units that overlap in allocation areas once a year at a meeting. The language reads as follows:

**SECTION 32. IC 36–7–25–8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]:** Sec. 8. (a) Each redevelopment commission shall annually present information for the governing bodies of all taxing units that have territory within an allocation area of the redevelopment commission. **The presentation shall be made at a meeting of the redevelopment commission and must include the following:**

- (1) The commission's budget with respect to allocated property tax proceeds.**
- (2) The long term plans for the allocation area.**
- (3) The impact on each of the taxing units.**

(b) The governing body of a taxing unit that has territory within an allocation area of the redevelopment commission may request that a member of the redevelopment commission appear before the governing body at a public meeting of the governing body.

The staff at Aim believes that ample thought and preparation should go into the planning process for the required informational meeting. This as an opportunity to help other taxing units (particularly school corporations) understand the true impact and benefits of Tax Increment Financing (TIF) and dispel myths. The statutory requirements leave latitude for each RDC to present the required data in a unique, yet meaningful way. In order to assist RDCs with this new task and to get input on interpretation of the statute, Aim assembled a focus group consisting of experts in the field – Redevelopment Association of Indiana (RAI) members, financial advisors, bond attorneys, and public relations representatives.

## **THOUGHTS / RECOMMENDATIONS FROM THE FOCUS GROUP**

### **Timing of the Meeting**

It is recommended to hold the meeting after April 15 (the date the annual report is due on Gateway) and before June 15 (the date when the RDC must make a determination of assessed value to be passed through to the underlying taxing units).



### **Notice of the Meeting**

The data is to be presented at an RDC meeting which is subject to the public notice requirements. The focus group recommended that the RDC engage the affected taxing units well before the meeting, provide them with information ahead of time, and make sure the participants from the taxing units are made aware that the meeting will be taking place.

### **Who Should Conduct the Meeting**

The most knowledgeable person who can answer questions on behalf of the RDC should present the data. Should a taxing unit request that a member of an RDC attend one of their meetings to present data under subsection (b) of the statute, the focus group recommended that the most knowledgeable person (which could be a staff person) present the data, yet have an RDC member attend with the staff member (the statute states that an RDC *member* is required to appear).

### **What Information Should be Included at the Meeting**

In order to educate meeting attendees on how TIF works, the focus group recommended that simplified/general information be provided about TIF at the start of the meeting. Aim put together a short video/presentation that can be used by RDCs assist with this. Please visit [www.aimindiana.org/TIF](http://www.aimindiana.org/TIF).

Not all RDCs have a “budget.” In this case, to meet the requirement under (a)(1) the focus group advised that an RDC show *sources* of revenue and *uses* of revenue.

The focus group believes that every meeting will look a little differently depending on the complexity of the TIF areas. For those that are more complex, the RDC will likely want to reach out to their financial advisor for assistance in preparing the data.

The focus group recommended that when practical, a member of the business community or a representative from a large employer should be invited to attend the meeting in order to share their perspective about the benefits of TIF.

### **Dealing with the Local Media**

The focus group concluded that the local media can also play a part in promoting the positives about TIF.



It was recommended that key people representing the RDC should meet with the reporter(s) prior to the RDC meeting where the data will be presented. The reporter should be provided with basics information on how TIF works and how it has benefited the community, however, more detailed facts and figures should be readily available. It was also suggested that the chamber president or other business leader could be in attendance at the meeting with the reporter.