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TIF Jurisdiction, Future Projects Among County Officials' Annexation Concerns

By Ernest Rollins

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Officials say existing Monroe County, Ind., tax increment financing districts will remain under the jurisdiction of the Monroe County Redevelopment Commission even if the city annexes areas within them.

County attorney Jeff Cockerill said the areas proposed for annexation touch all of the county's tax increment financing -- more commonly known as TIF -- districts. If there is existing debt in a TIF district, it would be treated as if annexation did not occur. That is, the county would still accumulate TIF revenue that could be used to make existing bond payments within the district as well as accumulate funds to use toward projects such as building roads.

However, by state law, if a road is annexed into the city, then it becomes a city road, Cockerill said.

If annexation is approved, the city would also collect revenue due to increased assessed value. In addition, the city could see increased revenue from other sources as well, such as an increase in road mileage, equating to more motor vehicle highway revenue.

The county has existing debts for its Westside and Bloomington Township/Ind. 46 TIF districts. For the Westside TIF district, where the commission has concentrated a number of its recent infrastructure projects, its last bond expires in 2040. At this time, there are no projects scheduled for the Bloomington Township/Ind. 46 district.

The Fullerton Pike TIF district is the only area that does not have any current debt. Within it, the county is preparing to begin construction on phase I of the Fullerton Pike project, starting just west of where Gordon Pike and Rhorer Road intersect with South Walnut Street and heading east to just beyond where the road intersects with Walnut Street Pike. Cockerill said the county is still investigating what would happen if the commission decides to issue a new bond for that area.

Barry Lessow, a redevelopment commission member, said knowing this, questions that remain include whether the commission wants to continue making investments in areas that they know would later fall into the city's jurisdiction and whether to invest in areas within the TIF districts that are outside of the areas proposed for annexation.

Jim Shelton, a fellow redevelopment commission member, said such questions are why collaboration with the city is important.

"I don't see we do anything necessarily different except we extend an invitation to the city to participate," Shelton said. "As a community, we can't get hung up whether it is in the city or county or not."

Public Works Director Lisa Ridge said a number of the road projects the redevelopment commission is looking to do within the Westside TIF district were suggested to help all area residents, regardless of jurisdiction. She said such projects -- for instance, extending Profile Parkway -- are meant to address connectivity issues and relieve traffic congestion in an area changing due to nearby construction of Interstate 69.

But Lessow agrees conversation with the city is essential to ensure clarity about any actions that might influence the districts later.

Redevelopment commission member Richard Martin said the county board knows the area much better than city officials do, which was very evident from the questions city officials had about the areas proposed for annexation.

"They just don't know enough at this point, and we need to educate them," Martin said.

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