bakertilly
MUNICIPAL
ADVISORS

Baker Tilly Municipal Advisors, LLC
8365 Keystone Crossing, Ste 300
Indianapolis, IN 46240
United States of America

T: +1 (317) 465 1500
F: +1 (317) 465 1550
bakertilly.com

March 27, 2019

Members of the Wells County Public Library
Board of Trustees
c/o Ms. Sarah MacNeill, Director
200 West Washington Street
Bluffton, Indiana 46714

Re: Ossian Industrial Park Economic Development Area

Dear Ms. MacNeill:

Enclosed please find a copy of the Tax Impact Statement that was prepared by Baker Tilly on behalf of the Town of Ossian Redevelopment Commission (the "Commission"). The Commission is required to provide an impact statement to each of the taxing units which overlap the Allocation Area, including Wells County, the Town of Ossian, Jefferson Township, the Northern Wells Community School Corporation, the Wells County Public Library, and the Wells County Solid Waste District at least 10 days before the public hearing. The purpose of this statement is to disclose any potential impact of amending the Ossian Industrial Park Economic Development Area and Allocation Area.

The public hearing on the proposed amendment of the Allocation Area has been scheduled by the Commission for April 1, 2019 as set forth in the enclosed legal notice. Please let us know if you have any questions regarding the enclosed material. If you prefer, we would be happy to meet with you to explain the attached schedules and answer any questions that you might have.

Very truly yours,

BAKER TILLY MUNICIPAL ADVISORS, LLC

Matthew R. Eckerle

MRE/sjs

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TOWN OF OSSIAN (INDIANA) REDEVELOPMENT COMMISSION

STATEMENT DISCLOSING THE IMPACT OF AMENDING THE OSSIAN INDUSTRIAL PARK ECONOMIC DEVELOPMENT AREA AND THE ALLOCATION AREA

The Town of Ossian Redevelopment Commission (the "Commission") is required by Indiana Code 36-7-14 (the "Act"), to provide a statement disclosing the impact of establishing a tax allocation area on the overlapping taxing units. This impact statement discloses and explains the impact on the overlapping taxing units caused by amending the allocation area and capturing Tax Increment (as hereinafter defined).

ESTABLISHING OF THE AREA, THE ALLOCATION AREA AND THE PLAN

On July 8, 2014 the Town of Ossian (the "Town") Redevelopment Commission (the "Commission"), adopted a declaratory resolution (the "Declaratory Resolution") establishing the Ossian Industrial Park Economic Development Area (the "Original Area"), and the Ossian Industrial Park Allocation Area (the "Original Allocation Area"), and approved an economic development plan containing specific recommendations for the Area (the "Original Plan"), under the Act. The Declaratory Resolution allows for the capture of Tax Increment (as hereinafter defined) generated from the incremental assessed value of non-residential real property located in the Allocation Area. The Allocation Area shall expire no later than 25 years after the date on which the first obligation is incurred to pay principal and interest on bonds or lease rentals on leases payable from tax increment revenues derived from the Original Allocation Area.

On December 10, 2018 the Commission adopted an amendment to the Declaratory Resolution (the "Amending Declaratory Resolution") to (i) add parcels to the Original Area and the Original Allocation Area (the "Expanded Area" and "Expanded Allocation Area", respectively), (ii) recognize a parcel split in the Original Area and Original Allocation Area relating to the original base assessment date, and (iii) add to the list of projects in the Original Plan (as amended, the "2018 Plan"). The Original Area and Expanded Area will hereinafter be referred to collectively as the "Area", and the Original Allocation Area and Expanded Allocation Area will hereinafter be referred to collectively as the "Allocation Area".

In the Amending Declaratory Resolution the Commission finds that expanding the Area will be of the public utility and benefit, and the public health and welfare will benefit. Further, the Commission finds that the amendments to the Declaratory Resolution and Original Plan are reasonable and appropriate, and that the 2018 Plan and the amendments conform to the comprehensive plan for the Town.

Tax Increment consists of all property tax proceeds from the assessed valuation of non-residential real property in the Allocation Area as of the assessment date in excess of the base assessed valuation described in Section 39(b)(1) of the Act, multiplied by the current property tax rate (referred to throughout this Report as the "Tax Increment"). The base assessed value means the net assessed value of all the property in the Allocation Area as finally determined for the assessment date immediately preceding the effective date of the Declaratory Resolution establishing the Allocation Area pursuant to Section 39 of the Act. The base assessment date of the Original Allocation Area will remain March 1, 2014 and the base assessment date for the Expanded Allocation Area is January 1, 2018.

PROJECT SUMMARY

In order to accomplish the 2018 Plan, the Commission intends to undertake certain projects that are in, serving or benefitting the Area, including widening, reconstructing and resurfacing the Industrial Parkway, expansions and improvements to detention pond or ponds, and accommodating development of strip buildings to serve small business (collectively, the "Projects").

TOWN OF OSSIAN (INDIANA) REDEVELOPMENT COMMISSION

STATEMENT DISCLOSING THE IMPACT OF AMENDING THE OSSIAN INDUSTRIAL PARK ECONOMIC DEVELOPMENT AREA AND THE ALLOCATION AREA

ESTIMATED TAX INCREMENT

The Commission intends to capture the real property Tax Increment from future non-residential real property development (the "Future Development") in the Expanded Allocation Area. For purposes of this impact analysis, the illustrative Tax Increment from the Future Development is based on an illustrative $1,000,000 of real property in the Expanded Allocation Area. The illustrative incremental assessed value from the real property investment is multiplied by the 2019 tax rate (per $100 of assessed value) of $1.5569 for the Town of Ossian taxing district, net of the Northern Wells Community School Corporation's Referendum rate of $0.1101, to generate illustrative annual Tax Increment revenue of $14,470. The actual assessed value of any future developments will be determined by the Wells County Assessor upon completion of any future developments.

The Commission currently captures real property located within the Original Allocation Area. Per the Wells County Auditor's office, the existing incremental assessed value in the Original Allocation Area for taxes payable 2019 is $574,640 multiplied by the certified 2019 tax rate for the Town of Ossian taxing district (per $100 of assessed value), net of the Northern Wells Community School Corporation's Referendum rate of $0.1101, resulting in estimated Tax Increment of $8,310.

No adjustment for future statewide reassessments or trending was made in this analysis. Future tax rates and assessed value may differ from the tax rates and assessed value used in this estimated analysis, and the differences could have a material impact on the actual Tax Increment but should not change the impact of establishing the Area on the overlapping taxing units. See the sections below for additional information about the recent legislative changes as they relate to property tax changes.

Circuit Breaker Tax Credits (Property Tax Caps)

Article 10, Section 1 of the Constitution of the State of Indiana (the "Constitutional Provision") provides that, for property taxes first due and payable in 2012 and thereafter, the Indiana General Assembly shall, by law, limit a taxpayer's property tax liability to a specified percentage of the gross assessed value of the taxpayer's real and personal property. Indiana Code 6-1.1-20.6 (the "Statute") authorizes such limits in the form of a tax credit for all property taxes in an amount that exceeds the gross assessed value of real and personal property eligible for the credit (the "Circuit Breaker Tax Credit").

For property assessed as a homestead (as defined in Indiana Code 6-1.1-12-37), the Circuit Breaker Tax Credit is equal to the amount by which the property taxes attributable to the homestead exceed 1% of the gross assessed value of the homestead. Property taxes attributable to the gross assessed value of other residential property, agricultural property, and long-term care facilities are limited to 2% of the gross assessed value. Property taxes attributable to other non-residential real property and personal property are limited to 3% of the gross assessed value.

ESTIMATED TAX INCREMENT (cont'd)

The Statute provides additional property tax limits for property taxes paid by certain senior citizens.

If applicable, the Circuit Breaker Tax Credit will result in a reduction of property tax collections for each political subdivision in which the Circuit Breaker Tax Credit is applied. Political subdivisions may not increase their property tax levy or borrow money to make up for any property tax revenue shortfall due to the application of the Circuit Breaker Tax Credit.

The Constitutional Provision excludes from the application of the Circuit Breaker Tax Credit property taxes first due and payable in 2012, and thereafter, that are imposed after being approved by the voters in a referendum. The Statute codifies this exception, providing that, with respect to property taxes first due and payable in 2012 and thereafter, property taxes imposed after being approved by the voters in a referendum will not be considered for purposes of calculating the limits to property tax liability under the provisions of the Statute.

In this analysis, the Circuit Breaker Tax Credit is not estimated to impact the total Tax Increment for the area, due to the fact that the Tax Increment estimate, based on the certified pay 2019 tax rates for the Town of Ossian taxing district, does not exceed the maximum threshold of 3.0% of the gross assessed value for commercial property. There can be no assurance that the levies and tax rates of the Town and the overlapping taxing units will not increase in some future year, increasing the impact of the Circuit Breaker Tax Credit to be applied to commercial taxpayers' tax bills.

ESTIMATED IMPACT OF AMENDING THE ORIGINAL AREA AND ORIGINAL ALLOCATION AREA

The schedule entitled "Estimated Impact of Amending the Ossian Industrial Park Economic Development Area and the Ossian Industrial Park Allocation Area on Overlapping Taxing Units" provides an estimate of the effect on the tax rates of the overlapping taxing units *(holding all other factors constant)* of expanding the allocation area provision to capture additional incremental real property assessed value from the Future Development in the Expanded Area.

Scenario I: Present Situation

Scenario I represents the current situation (based on payable 2019 property tax information) prior to the expansion of the Original Area and Original Allocation Area. In its entirety, for taxes payable 2019 the Original Allocation Area consist of $574,640 of incremental assessed value, multiplied by the certified 2019 tax rate for the Town of Ossian taxing district (per $100 of assessed value), net of the Northern Wells Community School Corporation's Referendum rate of $0.1101, resulting in estimated total Tax Increment of $8,310. Scenario I presents the taxes payable 2019 assessed values, property tax levies, and tax rates for the overlapping taxing units located in the Town of Ossian taxing district.

TOWN OF OSSIAN (INDIANA) REDEVELOPMENT COMMISSION

STATEMENT DISCLOSING THE IMPACT OF AMENDING THE OSSIAN INDUSTRIAL PARK ECONOMIC DEVELOPMENT AREA AND THE ALLOCATION AREA

ESTIMATED IMPACT OF AMENDING THE ORIGINAL AREA AND ORIGINAL ALLOCATION AREA (cont'd)

Scenario II: Assumes the Original Area and the Original Allocation Area are Amended

Scenario II represents the impact on the overlapping taxing units *(holding all other factors constant)* if the Expanded Area is established and assumes that the illustrative $1,000,000 of incremental real property assessed from the Future Development is captured. The illustrative incremental assessed value is estimated to generate $14,470 of annual Tax Increment.

Scenario III: Assumes the Original Area and the Original Allocation Area are Not Amended

Scenario III represents the impact on the overlapping taxing units if the Original Allocation Area is not amended and assumes the Projects cannot be funded and the Future Development does not occur as a result. The Town does not have any other method of funding the Projects (with the assumption that the Town would not issue bonds payable from ad valorem property taxes levied on all taxpayers in the Town or from another source of funding, without the prospect of replacing that source with Tax Increment).

Impact Summary

The Commission has determined that the capture of increases in assessed value from the Future Development in Expanded Allocation Area will not have a negative impact on anticipated revenues or the tax rates of the taxing units that are wholly or partially located in the Expanded Allocation Area. The Commission believes that development in the Allocation Area would not occur without the benefit of the Projects.

The Projects cannot be completed by regulatory processes or by the ordinary operation of private enterprise without resort to the powers provided to the Commission under the Act because the costs of construction of local public improvements that are necessary and contemplated by the 2018 Plan prevent the improvements from being undertaken solely by private enterprise. To retain, expand and attract businesses that will provide gainful employment opportunities within the Town, the Town feels it must improve the existing infrastructure in and near the Area. Because the development of the Area (and the new assessed value) may not occur without the Projects, the Commission does not believe that there is a negative impact on the taxpayers or the taxing units from amending the Original Area.

Please note that for purposes of estimating the impact of Tax Increment financing, certain factors were held constant in this analysis. No other growth in assessed value was assumed to take place anywhere in the Town or within the Allocation Area. No increases in the budgets of the overlapping taxing units were assumed for purposes of this analysis. Potential impacts from future statewide reassessments or trending were not included in this analysis.

ESTIMATED IMPACT OF AMENDING THE AREA AND ALLOCATION AREA (cont'd)

NON-PROPERTY TAX IMPACTS

Additional local income taxes could potentially be generated from new jobs associated with the Projects, assuming the new employees will be new residents of the Town or from incremental growth in wages and income of current and new employees. Additional revenue sources, which would potentially increase as a result of new business enterprises which locate in the Expanded Allocation Area include motor vehicle highway funds, local road and street funds, and excise taxes.

TOWN OF OSSIAN (INDIANA) REDEVELOPMENT COMMISSION

ESTIMATED IMPACT OF AMENDING THE OSSIAN INDUSTRIAL PARK ECONOMIC DEVELOPMENT AREA AND THE OSSIAN INDUSTRIAL PARK ALLOCATION AREA ON OVERLAPPING TAXING UNITS (1)

SCENARIO I: PRESENT SITUATION

Represents 2018 taxes payable 2019 property tax levies, assessed valuation, and tax rates.

Ossian Town Taxing District	Tax Rate	Net Assessed Value of Taxing Unit	Estimated Property Tax Levy
Wells County	$0.2498	$1,517,140,174	$3,789,816
Ossian Civil Town	0.2538	114,973,074	291,802
Ossian Civil Town Cumulative Funds (2)	0.0667	114,973,074	76,688
Ossian Civil Town Park	0.0229	249,637,585	57,167
Jefferson Township	0.0138	249,637,585	34,450
Northern Wells Community School Corporation	0.7538	756,877,349	5,705,341
Northern Wells Community School Corporation Referendum Debt	0.1101	761,275,923	838,165
Wells County Public Library	0.0785	1,497,255,061	1,175,345
Wells County Solid Waste District	0.0075	1,517,140,174	113,786
Total Tax Rate (per $100 AV)	$1.5569		

TIF Allocation Fund	Rate	Assessed Value	Gross Increment	Circuit Breaker	Net Increment
Original Allocation Area	$1.4468 (3)	$574,640	$8,310	$0	$8,310

SCENARIO II: ASSUMES THE ORIGINAL AREA AND THE ORIGINAL ALLOCATION AREA ARE AMENDED

Assumes the Projects are completed and the incremental assessed value from the Future Development is captured.

				Rate Difference From Scenario I	Levy Difference From Scenario 1
Wells County	$0.2498	$1,517,140,174	$3,789,816	$0.0000	$0
Ossian Civil Town	0.2538	114,973,074	291,802	0.0000	0
Ossian Civil Town Cumulative Funds (2)	0.0667	114,973,074	76,688	0.0000	0
Ossian Civil Town Park	0.0229	249,637,585	57,167	0.0000	0
Jefferson Township	0.0138	249,637,585	34,450	0.0000	0
Northern Wells Community School Corporation	0.7538	756,877,349	5,705,341	0.0000	0
Northern Wells Community School Corporation Referendum Debt	0.1101	762,275,923	839,266	0.0000	1,101
Wells County Public Library	0.0785	1,497,255,061	1,175,345	0.0000	0
Wells County Solid Waste District	0.0075	1,517,140,174	113,786	0.0000	0
Total Tax Rate (per $100 AV)	$1.5569			$0.0000	$1,101

TIF Allocation Fund	Rate	Assessed Value	Gross Tax Increment	Circuit Breaker	Net Increment
Original Allocation Area	$1.4468 (3)	$574,640	$8,310	$0	$8,310
Illustrative Tax Increment - Real Property	1.4468 (3)	1,000,000	14,470	0	14,470

SCENARIO III: ASSUMES THE ORIGINAL AREA AND THE ORIGINAL ALLOCATION AREA ARE NOT AMENDED

Assumes the Projects cannot be funded and therefore the Future Development does not occur.

				Rate Difference From Scenario I	Levy Difference From Scenario I
Wells County	$0.2498	$1,517,140,174	$3,789,816	$0.0000	$0
Ossian Civil Town	0.2538	114,973,074	291,802	0.0000	0
Ossian Civil Town Cumulative Funds (2)	0.0667	114,973,074	76,688	0.0000	0
Ossian Civil Town Park	0.0229	249,637,585	57,167	0.0000	0
Jefferson Township	0.0138	249,637,585	34,450	0.0000	0
Northern Wells Community School Corporation	0.7538	756,877,349	5,705,341	0.0000	0
Northern Wells Community School Corporation Referendum Debt	0.1101	761,275,923	838,165	0.0000	0
Wells County Public Library	0.0785	1,497,255,061	1,175,345	0.0000	0
Wells County Solid Waste District	0.0075	1,517,140,174	113,786	0.0000	0
Total Tax Rate (per $100 AV)	$1.5569			$0.0000	$0

TIF Allocation Fund	Rate	Assessed Value	Gross Tax Increment	Circuit Breaker	Net Increment
Original Allocation Area	$1.4468 (3)	$574,640	$8,310	$0	$8,310

(1) Based on information provided from the 2019 Wells County Budget Order.
(2) Tax rates are not adjusted for rate driven funds. Assumes these funds are at their maximum rates.
(3) Post 2009 Referendum Debt Service tax rates may not be included in the calculation of Tax Increment.

(Subject to the attached Impact Statement
dated March 27, 2019)

NOTICE TO TAXPAYERS AND ALL OTHER PERSONS AFFECTED OF ADOPTION AND CONTENT OF RESOLUTION OF THE OSSIAN REDEVELOPMENT COMMISSION AND NOTICE OF PUBLIC HEARING ON RESOLUTION

Taxpayers of the Ossian Redevelopment District ("District"), and all other persons affected hereby, are notified that the Ossian Redevelopment Commission ("Commission") adopted a declaratory resolution on July 8, 2014 ("Declaratory Resolution"), establishing the Ossian Industrial Park Economic Development Area ("Original Area") and the Ossian Allocation Area located in the Area ("Original Allocation Area"), and the Declaratory Resolution was confirmed by a confirmatory resolution adopted on September 2, 2014 (collectively, with the Declaratory Resolution, "Area Resolution"). On December 10, 2018, the Commission adopted its Amending Declaratory Resolution ("Amending Declaratory Resolution"), amending the Area Resolution to: (i) add the parcels set forth in Exhibit A thereto to the Original Area and to the Original Allocation Area; (ii) recognize a parcel split in the Original Area and Original Allocation Area relating to the original base assessment date as set forth on Exhibit A thereto; and (iii) to add the widening, reconstruction and resurfacing of the Industrial Parkway, and the expansion/improvements to detention pond or ponds to accommodate the development of strip buildings to serve small businesses wishing to locate in the Original Area to the list of projects in the Original Plan, in, serving or benefiting the Original Area (as amended, "2018 Plan"). The Amending Declaratory Resolution, the 2018 Plan and supporting data, including maps and plats describing the Original Area, as expanded, have been prepared and can be inspected at the office of the Clerk-Treasurer, Town Hall, 507 North Jefferson Street, Ossian, Indiana.

Notice is further given that the Commission on April 8, 2019, at the hour of 7:00 p.m., local time, in the Ossian Town Hall, 507 North Jefferson Street, Ossian, Indiana, will receive and hear remonstrances from persons interested in or affected by the proceedings pertaining to the Amending Declaratory Resolution, the Original Area, as expanded, and the projects to be included in the 2018 Plan and determine the public utility and benefit of such actions. At the time fixed for hearing or at any time prior thereto any person interested in the proceedings may file a written remonstrance with the Secretary of the Commission in the Department of Redevelopment. At such hearing, which may be adjourned from time to time, the Commission will hear all persons interested in the proceedings and all remonstrances that have been filed. After considering this evidence, the Commission will take final action by either confirming, modifying and confirming, or rescinding the Amending Declaratory Resolution.

Dated this 28th day of March 2019.

OSSIAN REDEVELOPMENT
COMMISSION