

BOARD AGENDA ITEM

December 6, 2011

SUBJECT:

Request by the Town of Jackson for Approval of a Tax Increment Financing District

BACKGROUND:

A TIF District is a methodology to fund a project – usually through the use of bonds to be repaid by the TIF proceeds. It involves the taxing authorities within the proposed area to be included in the TIF District to agree to forego receiving *increased* tax collections from new taxes generated by the incremental increases in the assessed valuation of properties being built or improved in the proposed TIF District for a period of time. The taxing authorities agreeing to the creation of the TIF do not forego receiving the present level of tax collection. Rather, only the increased revenue (based upon the enhanced property tax assessment for the properties within the TIF) is utilized to pay for the bonded debt retirement.

ADMINISTRATIVE CONSIDERATION:

The Board of Education in a duly advertised meeting received a detailed presentation and discussion of the Town of Jackson's request at its meeting on November 29, 2011. The Board wanted to make sure that anyone in the general public having questions could be here for the purpose of seeking answers to those questions or offering any input. Representatives from the Pope Ziegler Law Firm in Columbia were available in the hour leading up to tonight's meeting for the purpose of offering any information or answers to such additional questions as might be forthcoming. The Board has indicated an interest in going ahead and adopting a position on this issue prior to the December 19, 2011 meeting of the Town of Jackson. That date constitutes the statutory deadline for any respective taxing authority included in the District to make a position known. Counsel for the Town of Jackson and the Board have agreed on assurances that will enhance appropriate protection of the District's interests.

RECOMMENDATION:

Based upon the prior discussion and information provided to the District by the Town and its representatives in connection with this request, take such action as the Board deems appropriate in connection with this request.

PREPARED BY:

William H. Burkhalter, Jr.