

The Pendleton Redevelopment Commission (RDC) met September 27, 2018 at 6:00pm at the Pendleton Town Hall, 100 W State Street, Pendleton, Indiana. The meeting was called to order at 6:00pm. Commission Members present were President Chad Wolfe, Steve Davis, Jessica Bastin and Bill Hutton. A quorum was established with three of five voting members present. Representing the Town were Town Manager Tim McClintick, Town Attorney Alex Intermill and Planning Clerk Kate Edwards.

Others in attendance were Steve Denny of 303 Pearl Street Pendleton.

MINUTES

**MOTIONED BY STEVE DAVIS, SECONDED BY JESSICA BASTIN,
THE APPROVAL OF AUGUST 30, 2018 MEETING MINUTES.
MOTION CARRIED.**

OLD BUSINESS

- **None**

NEW BUSINESS

- **Adoption of a declaratory resolution removing Wellness Center parcel from existing TIF.**
 - Intermill began by explaining that everything this evening is part of the bond finance for the Wellness Center. This piece of it pulls that parcel out of the existing allocation area so that it will extend the life of the broader area. If you don't do this than issuing debt as soon as the bonds issue for this project will start the clock running on the limited time frame to issue bonds for the rest of the parcels. So this is the first step. Next is to create its own allocation area. Intermill explained that he confirmed with partner Dennis Otten, as well as Brian Colton at Umbaugh, that doing this would in no way jeopardize the ability to utilize TIF captured from the Wellness Center in the other parts of the allocation area and visa versa.
 - Davis stated that we will have two TIF districts and we can use funds from either TIF district however we want within the allocation area. Intermill agreed. Davis asked, with the TIF district for the Wellness Center and with the clock started, how quickly the Town needs to get the bond issued. Intermill said the projected date to close on those will be December 19th, so before the end of the year. He noted Klipsch-Card is aware of this.
 - David went on to ask if there was anything to prevent the Town from carving out additional TIF districts in the future as long as they meet the requirements. Intermill didn't believe it would be possible within the 25 acre parcel, however, felt it would be possible with other parcels, such as the Park 100 parcel, but would want to confirm with Umbaugh on that.
 - Intermill stated that this process benefits only the Town, not the developer.

- Intermill also stated the Town can collect TIF monies for 25 years.
- McClintick asked if the TIF district had any effect on schools. Intermill stated, generally, TIF districts do not effect schools like they used to, adding there may be a provision that municipalities have the ability to carve out the school taxes and not collect that as part of the increment, but he can come prepared to talk even more about this.

JESSICA BASTIN MOVED, SECONDED BY STEVE DAVIS, TO ADOPT DECLARATORY RESOLUTION NO R18-02 AS PRESENTED. MOTION CARRIED.

- **Adoption of a declaratory resolution establishing new TIF for the Wellness Center parcel.**

JESSICA BASTIN MOVED, SECONDED BY STEVE DAVIS, TO ADOPT DECLARATORY RESOLUTION NO R18-03. MOTION CARRIED.

- **Introduce resolution approving financing lease and road lease.**
 - Intermill provided the commission members with a hard copy of what will be Resolution R18-04, adding there will be no vote on this resolution this evening. There will be a public hearing on or around October 25th
 - This is a resolution that has to do with approving the leases that will be put in place to allow the bond funding to flow to the development for the infrastructure of roads etcetera. The Redevelopment Authority leases the roads that are going to be financed with the bonds and the RDC has a say in that and approve those leases, which will ultimately be done following a public hearing and then through this resolution. McClintick added that this is the same process as we did with paving funds out West.
 - Wolfe stated that this is a mechanism that sits in the middle and allows public money to move through to private. This allows the Town to take that money, put it in the RDA, and put it out to a private entity.
 - Intermill indicated that there is one other Town entity that is being created which is a building corporation that will administer the leases. He added that this is complicated, although not uncommon, and we have done this before.
- **Schedule public hearings on declaratory resolutions and financing.**
 - Dennis Otten from Bose, McKinney & Evans or Brian Colton from Umbaugh or another Umbaugh representative will be at the public hearing to be able to dive into the specifics and answer any public questions and discuss the impact on schools.
 - Wolfe offered to go with Hutton to report back to the school, as this is a huge community impact project and the schools are a partner in it.

- October 25th will be the public hearing at the normal monthly meeting of the RDC. This will be published in the newspaper at least ten days before.
- McClintick restated that what was accomplished tonight was taking twenty-five acres that Klipsch-Card will build their building on and three out lots potentially, we took it out of the TIF district and we passed a new resolution putting it in a new TIF district.
- Wolfe addressed the out lots for clarification, noting that people sometimes can take a great project like this and make it look not great. There are three out lots that are a part of this, which we have all approved. They are all controlled by the developer with the idea, as the developer mentioned when he sat in this meeting with all of us, that there is a high probability that a medical office building will be coming. We've been asked if the developer can sell those lots. The developer does have the ability to sell those out lots, however, the RDC has last say on everything. It must go in front of the RDC and the Town. The intent behind this is that, when you negotiate deals, despite what people want to say, you do take each other at face sometimes. There are attorneys that dot 'I's and cross 'T's and we have all the protection in place so if someone goes outside the given guidelines, they will be stopped. But assuming the medical office buildings are coming like we think they are, that was the original intent. Plus growth for this project. The footprint we gave is standard to footprints in other communities and the deal we gave is actually less than other communities. The project that has been put together is a huge community benefit project and a cornerstone to jump start that corridor and will serve a large portion of our and surrounding communities and the developer is a private developer with the intent to run a for-profit, tax paying establishment. So there is not always some hidden trick. We gave them a plot that fit the needs they had in order to work the deal that made sense to get this done, which they have done in other sophisticated communities. We need to be able to properly address these questions if we are approached.
- To equip the Commission to better answer some of these questions, Intermill let them know that a question might be 'Can we claw that back', adding that you don't want to claw that back because it is on the tax roles. Additionally, when the town got the property from the state, it wasn't for the Town to just hold and protect, it was to turn it into something that could be developed that could bring jobs and taxes and help the community grow. It is a good thing that we are moving 25 acres into private ownership to people motivated to bring business to Town.
- McClintick added, regarding the out lots, that any building that is built out there that generates property taxes the Town captures and it goes back to the Town.

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- Intermill closing with the fact that it is an 8 figure project with significant investment from the Town, so there are a lot of questions and questions are good, which is why it takes six months to get this all done.

McClintick advised that the new housing development on Old 132 has decided to move forward following the announcement of Klipsch-Card.

Bastin shared, as discussed at the Town Council meeting the night before, that every person counts regarding the impact that our recent annexations have had and Virgil announced that we are now able to tentatively offer a 3% raise across the board which was not originally in the budget.

The next meeting is scheduled for October 25, 2018.

Meeting adjourned at 6:25pm.

Kate Edwards
Planning Clerk
Town of Pendleton