

Redevelopment Commission

MEETING DATE: February 3, 2022
LOCATION: Pendleton Town Hall
100 W. State Street Pendleton, Indiana
TIME: 6:00 p.m.

ORDER OF BUSINESS

I. CALL TO ORDER

Meeting was called to order by Craig Campbell at 6:02 pm

II. ROLL CALL AND DETERMINATION OF QUORUM

Board Members attending were Craig Campbell, Steve Denny, Dave Cravens, Lynn Mellinger, Dan Maddox and Mike Hanna. A quorum was established. Individuals representing the Town were Town Manager Scott Reske and Town Clerk Denise McKee. Also, attending was Town Attorney Jeff Graham, Aaron Burris, Lisa Floyd, Marissa Skaggs, Joshua Ring, Bryan Williams and Brian Slick. All attendees, including Board Members participated virtually as meeting held virtual only due to inclement weather.

III. ELECTION OF OFFICERS

Town Attorney Jeff Graham invited Board Members to make a motion to nominate officers or retain current officers. Graham also advised that the President presides over the meetings and executes documents; Vice-President fills in for the President in the President's absence; Secretary executes documents.

Motion to retain Craig Campbell as Chairperson made by Steve Denny; no other nominations made; roll call taken and all members voted in favor of motion; motion carried.

Motion to retain Steve Denny as Vice-Chairperson made by Dave Cravens; no other nominations made; roll call taken and all members voted in favor of motion; motion carried.

Motion to retain Lynn Mellinger as Secretary made by Dave Cravens; no other nominations made; roll call taken and all members voted in favor of motion; motion carried.

IV. APPROVAL OF MEETING MINUTES

A motion to accept the meeting minutes from the November 4, 2021 meeting as written was made by Dave Cravens and seconded by Lynn Mellinger. Roll call vote was taken with all voting members present giving approval. The motion was carried.

V. OLD BUSINESS

No old business to report.

VI. NEW BUSINESS

A. Request for Proposal Qualifications – Aquatic Center

Scott Reske presented the following:

- Draft has been prepared on the Request for Proposal Qualifications (RFPQ) – Aquatics Center.

- Once finalized, will seek prospective entities interested in submitting a proposal to design, build, finance, own and operate an indoor/outdoor community Aquatics Center.
- The Town of Pendleton open to consider various options for ownership, including a public-private partnership agreement.
- RFPQ is needed for a new Aquatic Center as the local high school's pool is 50 years and the Falls Park's pool is 40 years old.
- New Aquatic Center to offer recreational swim, pool time for Pendleton Swim Club, high school swim teams (Frankton/Lapel High School and Pendleton Heights High School) to use throughout the year.
- Draft provided in Google Drive as well as RFPQ hard copy provided to RDC Members.
- Draft Proposal states that the Town of Pendleton will offer up two pieces of land as options for Aquatic Center location that would come with a 99 year lease.
- Aquatic Center owner would own the pool, while the grounds would be retained by the Town.
- The two site options, both owned by the Town of Pendleton, include:
 - Property off Huntsville Road where Brown Pool is located. Advantage of this location is that the owner could use the existing outdoor pool. The disadvantage would be that it is partly in the flood plain. This site provides approximately 7 acres.
 - Property out at the Industrial Park, south of the new Wellness Center. This site provides approximately 7 acres of land.
- Purpose of tonight's meeting is to present the Draft RFPQ to the RDC Members for input and approval, but no action is needed at this time.
- Build-Own-Transfer laws exist where the development can be transferred back to the Town once the construction is complete or after a certain period of time. Prospective entities may also opt to maintain ownership after an X amount of years, but the Town will maintain the grounds.
- South Madison Community School Corporation (SMCSC) has agreed to pay \$100,000 per year for 20 years; Falls Park agrees to pay \$60,000 per year for 20 years. Falls Park involvement will help subsidize their summer program and keep rates low. Pendleton Swim Club has agreed to pay \$10 per month per swimmer or \$100 per year per swimmer for 20 years. PSC expects to grow to 200 participants. Frankton/Lapel School System interested in a 15 years agreement, likely at a lower rate than SMCSC.
- Private entity can then generate revenue, but contributions from community partners will make more lucrative.
- Owner to earn revenue from, but not limited to, gate fees for recreational swim and use of warming pool in addition to community partner contributions.
- RFPQ requires recreational swim full three months in summer with expanded hours.
- Consulted with Attorney familiar with these types of developments and architecture.
- Will need to expand the length of time for completion of the construction due to lack of supplies/materials. If not, will limit the number of bid responses.
- Brown Pool will need to make it through two more summers in which Falls Park feels that is feasible. Need to discuss this delay with the school system.

- Behind original schedule, but project to put out plan in 4-6 weeks.

- The following discussions took place:
 - Lynn Mellinger asked what RDC would be voting on this evening, to move forward with the plan or location? Scott replied that RDC would approve in concept. Attorney Jeff Graham advised that RDC would give its blessing of the plan presented. Graham also advised that funding that would come from the Town would come from TIF monies that the RDC would receive. Reske added that there would be an abatement on the improvements on that ground. Graham also added that it would be a standard abatement with 10 years rolling off. Graham further stated that it would be a classic TIF incentive in which in financing, the developer would know that it would receive a stream of income to allow the developer to use towards any debt that he/she may incur to create the development, subject to RDC and Town Council agreement on TIF money to be pledged for the project. Graham also clarified that it would not involve actual debt for the Town.
 - Scott Reske stated that he is not looking for any official action from RDC tonight, but just seeing if there are any reservations. Reske clarified that there is no action to be taken by RDC until have the winning proposal to share with prospect bidders.
 - Craig Campbell asked how important it is to give blessing on the land, whether the land be the grounds next to the Wellness Center versus Browns Pool. Scott Reske replied that at this point he needs to bring proposal before the RDC. Reske added that RDC Members would then need to discuss concerns as to the location prior to the release of the final RFPQ.
 - Craig Campbell asked who would be responsible for maintaining the property once the indoor and outdoor pool was completed. Scott Reske replied that the developer would build and operate. Reske added that if the bidder proposes to transfer upon construction that details will need to be provided in their proposal. Reske added that should the developer propose more than 20 years of operating, they will need to provide a 40 year sustainability plan.
 - Dan Maddox expressed that the RFPQ is a good proposal and that it will be a complimentary use to the Tennis Programs at the Wellness Center.
 - Steve Denny asked about how much land is next to the Wellness Center. Scott Reske replied approximately 10 acres are usable.
 - Steve Denny stated that he feels that it is important to hear the opinion of Park Board as to the location. Bryan Williams, President of the Park Board, replied that the Board has discussed the fact that Browns Pool is on its last leg as it has out-lived its life expectancy. Williams added that the Park Board feels it ideal to have the Aquatic Center by the Wellness Center. Williams also added that the Park has a donor offering to cover the costs of a splash pad which they would like to place where Browns Pool is currently located.
 - Dan Maddox raised question if it makes sense to even offer the Brown Pool site as a location option in the RFPQ. Scott Reske replied that this site location can be dropped from the RFPQ. Reske added that this option was only added as could be a less expensive option as developer could expand the current pool for one of the pools, mainly only having to provide the plumbing and shell.
 - Scott Reske stated that the proposal outlines the size of the indoor and outdoor pools which require a 50 meter competition pool with moveable bulkhead to create two- 25 yard pools

when bulkhead is in the middle. Reske commented that this feature will allow large invitational meets to be hosted.

- Scott Reske stated that he feels that swimming is a life skill and that it is inhumane to not provide this opportunity, if obtainable. Reske added that the Wellness Center is interested in responding to the RFPQ, but with high costs estimated at 20-25 million dollars, the Town needs to make it attractive by showing that it can make profit.
- Craig Campbell and Dan Maddox expressed support of the plan. Maddox stated that the facility would create a community where people want to live, creating a sense of place. Maddox said that these kinds of attractions will separate the winners from the losers.
- Scott Reske stated that all stakeholders will be involved in the process and will serve on the committee to select the RFPQ that will be sent out. Reske also stated that the Town Staff and Town Attorney will go into negotiations to work out the details, with eventually all contributors and the Town establishing an individual agreement with the owner. Reske then stated that the master contract will be the Town and the number one bid selectee. Reske added that the Town hopes to get at least three good bids, but expects four to five.
- Dan Maddox expressed his openness to remove Brown Pool as one of the site locations, if suitable. Reske stated that Brown Pool can be taken out of contention. All RDC Members expressed agreement with this removal from the RFPQ.

B. Falls Park Presentation

Bryan Williams, President of the Park Board, presented the following:

- Over the years, the Park Board has agreed that that property acquisition is high on the list of priorities.
- Property at 414 North Pendleton Avenue, currently housed by Pets and Vets, is a property the Members of the Park Board has expressed interest in purchasing if given the opportunity.
- The property sits on two parcels and includes a building and parking lot on one parcel and land on the second parcel.
- Members of the Park Board sent out letters to certain property owners of properties of interest and this is a property that has been discussed the most due to its adjacent location to the park.
- Recently learned that the property is up for sale, but have kept quiet.
- Park limited to the average of two appraisals for the purchase, in which came in at \$457,500.
- Asking RDC to make up the difference of what property owner is asking for in purchase price as the park cannot afford the full asking price.
- Aaron Burris has spoken with Jeff Graham who had advised that the Town is also limited to an average of two appraisals and therefore limited to \$457,500.
- Seller asking \$525,000 range, talking with Realtor currently.
- No immediate intentions for use in the next 2-3 years, but expect in next 20 years.
- Aaron Burris reached out to South Madison Community Foundation to see if any interest in purchasing property, but advised not best timing, yet will see if they can help in any way.
- Park Board to hold Special Meeting to vote on paying \$457,500 through Park bond, but does not leave much money.

- Would be much easier for park with RDC help; therefore, asking for a commitment.
- Purchase will be a win-win for everyone if can accomplish.
- The following discussions took place:
 - Craig Campbell asked if there was a ball park amount needed. Bryan Williams replied that the Park has limited funds available in the 2018 Bond, yet can use to cover the \$457,500, if necessary. Williams added that the Park Attorney, Bill Davison, has supported this idea of purchase for years. Williams also expressed concern that if this property is not purchased now, not sure when the next opportunity will come.
 - Bryan Williams stated that with the original asking price of \$525,000, plans were to ask RDC for the difference between \$457,500 and \$525,000, however, per Attorney Jeff Graham, this may not be option for the Town.
 - Craig Campbell asked what options the Town has available. Attorney Jeff Graham replied that there are a couple of ways to be creative on things like leases and things of that nature. Graham stated that this may be the best way to look at it. Graham added that he has seen other communities do what Scott Reske proposed with the Private-Public Partnership with the Aquatics Center. Graham advised the Town can have an organization be the front man and lease back to the Park at a rate the Park can absorb, which would be optimal solution, but may be difficult to find partner. Graham also stated that the Civil Town may have other hopeful options in which Graham will need to discuss further with Bryan Williams and the Park first.
 - Dan Maddox expressed support and stated that he is open to help with solution as makes sense long-term for this property to be a part of the Park.
 - Steve Denny also expressed 100% support, yet shared concern of RDC cash flow limits due to street project commitment for the next several years.
 - Scott Reske stated that for the next 3-4 years, RDC will have a negative cash flow. Reske added that original projection of the next 20 years anticipated \$200,000 from the Wellness Center in 2021, yet will not be available until 2022. Reske also stated the following:
 - RDC account currently has a little over \$300,000 in the fund, but needs \$600,000 for the US 36 Project.
 - 2023/2024 projection of construction start date for the US 36 Project; therefore, to split \$300,000 commitment over each year.
 - After \$600,000 spent, will leave \$40,000 in the account, but account will recharge quickly soon after.
 - If construction takes place in 2023, will be on the hook, but likely to get delayed for 1-2 years.
 - Project pecking order is as follows – 1. INDOT; 2. MCCOG-MPO; 3. Town of Pendleton
 - Craig Campbell expressed agreement with Scott Reske that project could easily be delayed 1-2 years, but do not want to put money out there that cannot get back. Campbell also asked if the Town can get a commitment as to the start date from the US 36 Project Committee. Scott Reske replied the following:
 - Waiting to hear update from INDOT.
 - Town needs the project to be delayed to allow more funding to become available.

- Project Lead is currently doing historic studies. Jimmie's Dairy Bar sign is an issue as likely historic. If sign ruled historic, the project could be delayed for a year.
 - If MCCOG cannot come up with their 80%, the Town will be on the hook for \$3 million versus \$600,000.
 - A lot of the construction on the Town's end can be delayed, but some have to be done in conjunction when INDOT does their construction.
- Steve Denny asked for confirmation that in the end, there will be some funds available. Scott Reske replied that there might be funds available, but will not know for sure until the Study is complete. Scott Reske stated that the Town will likely get an update from INDOT in 30-60 days.
 - Bryan Williams stated that the Park Board does not need a firm commitment tonight. Williams added that the Park Board just wished to present and give background to see if Town can/wishes to help. Williams stated that he will present RDC response to the Park Board to continue negotiations with the owner.
 - Scott Reske stated that Attorney Jeff Graham advised that the Town can expand the TIF Territory in several areas. Graham advised the following:
 - Several areas are ripe for Economic Development Area and TIF District.
 - Town should be aggressive with the expansion, but that there is tension between the TIF money and what it does to other taxing districts, especially the schools.
 - The Town has the ability to pledge up to 50% to the school system for educational programs.
 - Obvious growth areas are not in the current TIF District and need to pluck those areas as it is the future of RDC to partner with others, such as the Park Board.
 - Will be asking RDC if it wishes to expand the Economic Development Area and TIF District in areas of obvious future expansion.
 - Dave Cravens stated that when one looks at the TIF District expansion and realizes the potential growth of Pendleton with its fast growth rate, there is an obvious need to be aggressive in expanding the TIF District. Dan Maddox added that the timing seems right.

Dave Cravens made a motion to help, if possible, the Park Board purchase the property mentioned; seconded by Steve Denny; all members present voted in favor of said motion; motion carried.

- Bryan Williams stated that it does help to know that the RDC supports the purchase.
- Dave Cravens stated that he feels it is important to know, as the Park Board goes through negotiations, what the shortfall is to close deal. Bryan Williams replied that he will keep RDC posted as well as thanked them for their time.

VII. ADJOURNMENT

Motion to adjourn the meeting was made by Steve Denny; seconded by Lynn Mellinger. All members present voted in favor of adjournment.

Meeting was adjourned by Craig Campbell at 6:47 pm.

Next meeting March 3, 2022 at 6:00 pm