

# Redevelopment Commission

MEETING DATE: March 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 6:00 pm

### II. ROLL CALL AND DETERMINATION OF QUORUM

Board Members attending in-person were Craig Campbell, Steve Denny, Dave Cravens and Mike Hanna. Lynn Mellinger attended virtually. 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.

### IV. APPROVAL OF MEETING MINUTES

**A motion to accept the meeting minutes from the February 3, 2022 meeting as written was made by Steve Denny and seconded by Dave Cravens. Roll call vote was taken with all voting members present giving approval. The motion was carried.**

### V. OLD BUSINESS

#### A. Request for Proposal and Qualifications – Aquatic Center - Update

Scott Reske reported the following information, draft document provided in Google Drive:

- RFPQ Committee reviewed draft February 28, 2022.
- Town will put out RFPQ very soon. Will advertise on websites for RFPs; Architect Consultant will assist.
- Group of stakeholders including SMCSC, Swim Club, Park Board and Town were present at the February 28, 2022 meeting, plus others attended to provide input.
- Will provide about six weeks to respond to RFPQ to allow adequate time. Falls Park and SMCSC will need to go two more swim seasons in current facilities. Need to give contractors more time to construct due to increase in costs and lack of construction materials.
- Will have two, possibly three, contractors to send RFPQ direct, one in which helped design the Fire Station.
- Hope for two responses, yet three to four would be ideal. If receive no responses or not feasible at this time, will have to revamp and reissue at a later date.
- Falls Park is good with the two-year wait timeframe and PHHS pool is in better shape; therefore, do not expect issues. Both Park and school were looking at \$5 million dollar pool rehabilitations.
- This indoor/outdoor facility is projected to cost \$20-25 million dollars. Will only put out land/tax abatement.
- Contributors for pool use include:
  - SMCSC - \$100,000 per year for 20 years
  - Franklin-Lapel High School - \$60,000 per year for 15 years

- Pendleton Swim Club - \$10 per month or \$100 per year per swimmer plus to split gate fees on invitational meets and café/vending revenues
- Falls Park - \$60,000 per year for 20 years
- Will operate mostly as a private ownership except land/tax abatement and contributor use, yet open to different ownership structures.
- Offeror could offer Build-Own-Transfer as might be appealing in 10 years, if Pendleton grows as expected.
- Up to Park Board how Brown Pool will be used after its closing. Original plan was to allow option to rehab Brown Pool as the site for the new Aquatic Center, but Park Board President Bryan Williams asked that the site be taken off the table as likely plan to put splash pad on the site.
- Main concerns include:
  - Each entity to have their own contract with the Developer and details to be worked out individually.
  - Need to make sure all minimum requirements are met.
  - If does not work in 20 years and Aquatic Center closed, the school and park have already filled in their pools.
  - Need to put contingencies in place for worst case scenario; therefore, reason to keep the land to have flexibility and control if deal goes bad.
  - Options to Build-Own-Operate and Build-Own-Transfer which allows getting around bonding limits and with transfer option, can transfer after construction or even five to ten years later. RFPQ does meet State law requirements for Build-Own-Transfer.
  - Will see what the market brings, but open to various options of ownership and Offeror can submit more than one proposal.

## VI. NEW BUSINESS

### A. Expansion of TIF District

Scott Reske stated that he is under the advisement to expand the TIF District.

Jeff Graham advised the following:

- Encouraged being aggressive with expanding the Economic Development Area and TIF District.
- Suggested making the Economic Development as broad as possible such as Lapel when they assigned their entire jurisdiction as the Economic Development Area.
- Not difficult to pass Economic Development Areas.
- Want to identify the Economic Development Areas first before expanding the TIF District. Cannot put in a TIF District without a designated Economic Development Area.
- Future annexations need to address Economic Development Areas.
- Need to be mindful of change in land use when selecting the TIF District. For example, if bar is taken down and school goes up, property value will increase.
- Once the TIF District is expanded, the Town of Pendleton will get all of the tax revenue increase from the existing value to the new assessment. Library and schools will retain the property tax revenues prior to the parcel being added to the TIF District.
- Cannot apply the TIF District to residential properties, with the exception of lower income housing and housing for senior living. TIF District is generally limited to business properties only.

- TIF Districts are the business arm of the Town of Pendleton.
- RDC can pledge TIF money towards the mortgage note which is easier than tax abatement. Pledge helps the Developer with financing.
- If enough town involvement, it can reduce the taxes that the Developer pays.
- Expansion will provide TIF draw and leverage.

Scott Reske shared the map of proposed new TIF District, consisting of approximately eight designated areas/parcels and clarified the following [Map provided in Google Drive]:

- TIF District is where you capture the funds. Economic Development Areas is where you spend/earmark the TIF dollars.
- Steps to expanding the TIF District:
  - Creation of TIF District requires four public meetings. Redevelopment Commission, Plan Commission and Town Council will hold meetings, followed by a second meeting held by Redevelopment Commission, all Public Hearings.
  - Need to be aggressive as much as possible with the Economic Development Area.
  - Once the TIF District is established, it creates a 20-year clock; therefore, need to be cautious. For example, if a new Developer is coming in two years, may want to wait until developed to get full 20 years of tax revenue.
  - Need to be cautious on properties that may be demolished. If value decreases, so will the TIF revenues.
  - Town Manager and Planning Department will need to access each parcel.
  - Discussed in details each section highlighted on the map. Staff focused on areas that will not develop as residential. Key criteria placed on areas along major transportation routes.
- The following discussions took place:
  - Mike Hanna pointed out the yellow highlighted property near I-69 and Old State Road 132 as residential property. Scott Reske will remove from the map.
  - Craig Campbell asked for clarification if four meetings were still necessary for every incremental expansion of the TIF District. Jeff Graham advised yes. Graham further advised:
    - Economic Development Area does not declare the 20-year clock.
    - Even if development comes in tomorrow, the Economic Development Area can last forever as well as can pull out parcels, as necessary, at any time.
    - Have time to create an expanded TIF District as long as done before the property is assessed.
- Dave Cravens asked if the new TIF District is established this year, would the Town of Pendleton see the tax revenue partly in 2023 and in full by year 2024. Jeff Graham confirmed yes and takes about 30 days or so to accomplish the expansion. Graham added that RDC reminds and prods the Assessor to get the assessment done.
- Jeff Graham advised that TIF financing deal can pay for needed utilities.
- Dave Cravens stated that the timing seems good with all the work in State Road 67 on top of availability of TIF money in 2024. Cravens added that this will provide estimates for 2024-2026 as to what the TIF can generate.

- Steve Denny asked if that is right in timeline when the TIF account will start generating revenue, in 2024. Jeff Graham replied that in 2024, debt will start rolling off and at that time will have more money to work with. Scott Reske added that that Town started gaining revenue again in the account in the second half of last year as began receiving tax revenue from the Wellness Center through the Hybrid TIF abatement.
- Jeff Graham further advised the following:
  - Can have TIF and tax abatement at the same time and as the abatement rolls off (90, 80, 70, 60 percent), more taxes are paid. As receive more taxes, the Town receives more TIF money.
  - Can sign papers to state that no abatement will be offered so to capture all revenue.
  - Can also offer the abatement at a later date or offer tax abatement for only 5 -10 years.
  - Lots of negotiating on Town's part to work with the Developer; can be competitive depending on how desirable the project.
  - The Wellness Center was a very creative deal. The Town included the property in the TIF District, but also made subsidy payments to the Wellness Center to make the development happen.
- Scott Reske shared the following details about one of the potential TIF District expansions:
  - With the US 36 Enhancement project, the Town of Pendleton, INDOT and MCCOG getting serious about putting in frontage road at East Hayden Way behind Taco Bell and Auto Zone.
  - MCCOG to pay 80% of the trail/road design and the Town of Pendleton will pay 20% from either TIF money or Impact Fees.
  - This development will give road exposure to the open land behind Pizza Hut.
  - No vote is needed tonight as simply introducing the idea of expanding the TIF District and Economic Development Area.

## 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 6:52 pm.

Next meeting May 5, 2022 at 6:00 pm