



WHITESTOWN REDEVELOPEMENT COMMISSION MEETING

Regular Meeting
August 7, 2023,
7:00PM
Agenda

1. OPENING THE MEETING

A. Call to Order – Roll Call

Adam Hess – present
Clinton Bohm - absent
Eric Nichols – present
Ken Kingshill – present
Mark Pascarella - present
Matt Doublestein – absent
Jordan Clouser – absent

B. Pledge of Allegiance

2. PRESENTATIONS

3. Amend Agenda – Adam Hess – make motion to add item to consider the reserve funding for the Bridle Oaks Project Bond in New Business –Ken Kingshill made motion; Eric Nichols seconded. Motion approved 4-0.

4. **APPROVAL OF MEETING MINUTES** –Minutes, Motion to approve the meeting minutes from 7/17/23 Mark Pascarella made motion. Ken Kingshill seconded. Motion approved 4-0.

5. UNFINISHED BUSINESS

6. NEW BUSINESS

- A. Resolution approving real property tax abatement for Crest 3921, LLC (Resolution 2023 – 08)| [Resolution](#) Claire Collette with Boone EDC – potential expansion project @ 3921 Perry Blvd. Tom Osterhaus – requesting a traditional 10 year tax abatement. This is a tenant occupied bldg. Tenant is Fix Fast, they manufacture aluminum ladders and roof safety equipment. Smaller Building less than 50,000 sq. ft. Claire educated them on state incentives for other personal property incentives. This expansion will potentially add 15 new employees @ \$32/hour. With an estimated real property investment of \$1.9 M. Questions- A Hess asked Is buildout more for manufacturing or is it for showroom? Expansion will increase the warehouse and production space and add a robotic welding line.
Is it all real property? Yes, no personal property.
10 Year abatement but only going to be in building for 7yrs.

E. Nichols – to confirm #'s, looks like a different step down. We've got a 5% from one to two but then we start dropping 15, so there is a graduated front load to this.

A. Hess asks for a motion to approve Resolution 2023-08, Ken Kingshill motioned to approve, Mark Pascarella seconded, Resolution is approved 4-0.

B. Resolution approving real property tax abatement for Industrial Properties I, LLC (Resolution 2023 – 09) | [Resolution](#)

This is for a potential expansion of approximately 7, 400 sq ft. 4002 Perry Blvd. This is a tenant occupied, tenant is Unlimited Savory Systems, they are a savory company that specializes in soups, fast food, lunch meat, etc. This expansion will also provide warehouse and production space for them. Claire stated it is good to have a mixed variety of buildings with different square footage, this is another one under the 50,000 square footages as well.

Same structure as last one, 10-year traditional real property only, she educated them on state incentives for other personal property incentives. They are estimating 5 new jobs at \$32/hour.

No questions. A. Hess asks for a motion to approve Resolution 2023-09 Eric Nichols makes motion; Ken Kingshill seconded. Resolution 2023-09 is approved 4-0.

C. Amend the Agenda Consider the reserve funding for the Bridle Oaks project bond.

A. Hess asks for a motion to approve the funding of reserve not to exceed \$1.5 M for the Bridal Oaks project bond subject to the zoning agreement for change.

N. Messer, the Bridal Oaks development which we previously approved, they've started on the project (Built for rent housing project going on) there's concern under state code that 2% capturing in TIF we have a current agreement with the Assessor's office at the county that it will be captured but there is concern in the future a new assessor could change that. Next year June 1 a new law comes into effect so we can redo the TIF before its assessed next June to lock it in to where that cannot happen, but in the interim, the concern is if the assessor's office would change, and this MOU is not honored it creates a void. This is asking us to put the \$1.5 M into an escrow as soon as this is done and reassessed, which is about two years from now and we can pull that money back out and it wouldn't be needed. If the Town follows those steps there shouldn't be a problem. In exchange for us willing to put this \$1.5 M up, there's another project that is coming before Planning Commission, if that project does not happen then they will rezone that land where it is not industrial and will not be any future industrial project go on that piece of land. The law is not in place to secure the debt the way it is, this is a concern to Bridal Oaks group as if they sign our taxpayer agreement as is and a future assessor states it no longer counts, they will have to pay their tax bill twice. There are a lot of moving pieces on this, legal is involved along with their team to come up with a solution that works. All the TIF Funds, is \$7M bond that we are issuing for Bridal Oaks all of it is going towards infrastructure development of roadway and utility upsizing. None of it is being used for any form of incentive to the developer. E. Nichols asked is this RDC Funds? N. Messer answered yes, we will have to figure out which account has the money in it without any other obligations, probably Perry Worth is the one that would be

best. As we go through budget season, we will have to pass some resolutions, we have talked about the Aquatics Facility which has the BOT out, the design out for the Maintenance Barn there will be some clarity coming with the next couple of meetings that states how and where we are paying for things out of. Ken Kingshill states: IF all goes according to plan the money will come right back to us. N. Messer – Yes as soon as the property is assessed and we've made the change next year, all the money will come back to us.

K. Kingshill asks is there a chance the Town wouldn't follow the steps laid out? The Town Attorney answered: There is a chance, we vetted this with the Department of local government Finance, looking at different structures and options regarding this. This is the cleanest solution to get the bonds issued, get the project completed and take care of the other issues in terms of zoning on the property. Part of this agreement too includes the Town taking not a first lien but a second lien position on that property. Next year in June of 2024 for TIFS created after that, it is clear under law that this type of product is TIF for state law purposes, but our problem is our TIF was created before then the project won't be completed and assessed by then, a new Redevelopment commission at that point could follow through the steps of collapsing that property TIF right now as it stands and re-establishing it then under state law it would be qualified as TIF collectable property, it wouldn't be residential, the reason we cant go out and market those bonds on the open market today is we can't guarantee what the Redevelopment Commission is going to do next year. But will also have to go to Plan Commission and Town Council because there could be different officials at play, and we cannot bind those officials by an agreement to do something that's up to them. What we have now is an agreement with the assessor's office, that we fully intend to assess this property as multi-family at 2% and we will have that signed before the bonds are closed. There is a very good indication that would happen, and we fully expect it, and this seems to be the best solution to get it done.

A. Hess asked attorney if this needs a Resolution? The attorney states no, we have had resolutions passed by the Redevelopment commission pledging TIF and authorizing the officers to take whatever action necessary. I think what we need now is a motion on the record, the motion you had presented effectively authorizing the Redevelopment Commission to fund a reserve of up to \$1.5 M, subject to an agreement to get zoning changes on the property. We will embody all of this in the bond financing agreements. We'll put the reserve fund into the trust indenture that money plus the investment earnings on it, if everything goes well, we will come back to the Town once there's 1.15 times TIF coverage is what the test is going to be from the entire TIF area not just the Leo Brown site. A motion should suffice. And we plan to do the same thing at the Council Meeting. There will be a financing agreement that the developer team will sign that will include these covenants that we've discussed. The trust indenture will include them as well. That's how we will nail down all these provisions.

Mark Pascarella asks- The money is being used so in case we cannot capture it; it's going to be used to pay debt service I assume. N. Messer replies Yes.

M. Pascarella states, so if in a year it does not capture, we must pay debt service but then we can collapse it and then restart it, b/c it will be legal after June 30, 2024. So, what happens then to us still getting paid back the \$1.5 M after the reserve has been. Attorney states. The project won't be assessed as of June 30, 2024, b/c it won't be done. If all goes according to plan, what we would like to do is go ahead and collapse the TIF and have it reset under state

law purposes. We are only reducing the Leo Brown site. The TIF area that is being captured is the Bridal Oaks TIF area which includes The Meadows on Main project so there's other assessed value going into the capture that's helping with the coverages, but Leo Brown is a big part of that.

A. Hess asks for a motion to approve the funding of the reserve not to exceed \$1.5M for the Bridal Oaks Project subject to the zoning agreement changes and subject to the discussion. M Pascarella moves to approve, E. Nichols seconded, Motion is approved.

7. OTHER BUSINESS - None

8. ADJOURN – A. Hess requests motion to adjourn, E. Nichols makes motion to adjourn, K. Kingshill seconded.

The meeting will be held in person and via Zoom. If you would like to participate or observe the meeting live, please send an email to gwellin@whitestown.in.gov to register for the meeting no later than **4:00 p.m. on August 7th**. Your email should include your name and address, and the subject line should state "Whitestown RDC Meeting." Valid registrants will then be sent via email information on how to access the videoconference.

****Click on the BLUE LINKS to view the documents associated with the agenda item****

The meeting will be live streamed on YouTube and available for viewing during the meeting and after at

The next regular Whitestown Redevelopment Commission Meeting is **September 18, 2023**, NOTICE: This agenda is sent as a courtesy to the public and while steps are taken to ensure that all items to come before the Commission are listed; Changes can be made to the agenda after it is e- mailed to the public. Please call Nathan Messer, at (317) 694-6791 48 hours in advance, if accommodations for individuals with disabilities are needed in order that advance arrangements can be made pursuant to the Americans with Disabilities Act of 1990.

Reasonable accommodation will gladly be provided.