



Office of the Superintendent

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Bendan Majev
VP of Development
Brown Capital Group

May 28, 2025

Mr. Majev,

Thank you for meeting with us to share the scope and design of the Mills on Main project proposed for construction in Whitestown, Indiana. We appreciate the opportunity to provide input.

Below are some observations as result of our conversation and review:

1. Based on known information regarding the speed and scope of new construction in this geographical area, we believe our kindergarten through high school student capacity over the next ten years will likely be prepared to accommodate the student yield from this development both during buildout and when completed.
2. It appears that the Mills on Main project as described may provide diversity of housing options complimentary of nearby single-family housing developments thereby enhancing the livability of the community.
3. While we therefore do not oppose the Mills on Main development, endorsement for projects such as these is constrained as the development either is or likely will be within a Tax Increment Finance (TIF) District and may increase student enrollment.
4. Currently, Lebanon Community School Corporation (LCSC) and other taxing units do not receive the increased assessed valuation from properties in TIF Districts. The revenue from increased assessed valuation would be directed to the school district's Operations Fund. The Operations Fund funds expenses such as maintenance and custodial expenses, facility upkeep, transportation, and utilities. The results of the recently passed Senate Bill 1 (SB1) will have devastating effects on public schools as it reduces significantly the needed revenue to maintain operations in an environment of rising costs and provides no mechanism for replacement of lost revenue other than asking taxpayers to endorse an operating referendum.
5. Redevelopment Commissions in Indiana, through statute, are provided the ability to pass through the revenue from property taxes paid by entities within TIF districts to other taxing units. With the exception of a small annual amount provided by the Lebanon RDC to assist in offsetting the cost of our Workplace Learning Program, LCSC along with other taxing districts do not receive pass through revenue. (Entities in TIF districts do provide tax revenue to LCSC as part of our two current referenda).
6. The Tax Impact Statements related to proposed TIF district developments consistently cite increased population growth as a goal of these projects. Increased population is likely to result in increased student enrollment. Developments including multi-family housing or single-family dwellings residing within a TIF district therefore, in our opinion should provide funding through tax revenue to all taxing units.



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We realize that Brown Capital Group is not responsible for the contents of SB1, nor is Brown Capital Group responsible for the rising costs we face while bracing for a fiscal cliff that SB1 has created. However, the reality remains that the financial landscape for public schools is, in a word, *bleak*. Without some assurances that our pending increases in operational costs will be met with revenue to meet those costs, we will remain mostly neutral in our endorsement.

In closing, we do see and appreciate the level of care your team has invested in this project to create a high-quality living experience for its residents. And, we reemphasize that we believe products such as Mills on Main, as presented to us, will enhance the overall livability of the broader community.

We again thank you for taking time to meet with us and wish you well as you navigate your next steps. Please reach out with any questions you may have.

Regards,

Jon Milleman, Ph.D.

CC: LCSC School Board
Kent Frandsen, LCSC School Board Counsel
Zach Dennis, Assistant Superintendent for Business and Operations