

Bartholomew County Redevelopment Commission

April 8, 2019

1:30 p.m.

Members:

Name:	Title:	Appointed by:	Voting/Non-voting:	Present:
Jorge Morales	President	County Council	Voting	Present
Laura DeDomenic	Secretary	County Council	Voting	Present
DeWayne Hines		Commissioners	Voting	Present
Dan Arnholt	Vice-President	Commissioners	Voting	Present
Carl Lienhoop		Commissioners	Voting	Present
Jeff Caldwell		BCSC	Non-voting	Not Present
Pia O'Connor	Treasurer	Auditor's Office	Non-voting	Present
Jason Hester	Liaison	Greater Columbus EDC	Non-voting	Present
Grant Tucker	Attorney	Commissioners	Non-voting	Not Present

President Jorge Morales opened the meeting.

President Morales gave the invocation and led the Pledge of Allegiance.

The first item on the agenda was the approval of minutes from the February 25, 2019 meeting. Dan Arnholt made a motion to approve the minutes as presented. Laura DeDomenic seconded the motion which passed unanimously (5-0).

The next item on the agenda was a presentation by Jason Hester, President of the Greater Columbus Economic Development Corporation, Jason Semler from Baker Tilly Municipal Advisors, LLC (formerly Umbaugh) and Bruce Donaldson of Barnes & Thornburg. Hester presented a handout of information regarding the TIF Allocation Area ("TIF") and possible amendments to the boundaries of the current TIF. Mr. Hester explained the why and the what of the TIF as stated in the power point handout. Dan Arnholt asked why electricity was not mentioned on the list of items that could be provided with TIF. Mr. Donaldson stated that from his recollection they did not feel that electric would need assistance from the TIF. It can be used for electric or gas as well. It was suggested that if they were doing a project that would provide funding to electric or gas, they would want to amend the list to include them.

Mr. Hester discussed the existing zoning of the current TIF area as well as the proposed areas. He noted that there is a cluster of commercial zoning in Taylorsville but it is surrounded by residential properties.

Mr. Hester showed a map of Option A which would take in the entire Redevelopment Area. He then showed that on Option B they had removed the area east of the railroad in the portion north of 65 as well as removing as many residential as they could south and west of US 31. It kept the commercial areas in Taylorsville. In Option C they have removed the Taylorsville commercial area. Jorge Morales

stated that Commissioner Lienhoop had stated that INDOT was proposing changes to the 650N/US31 intersection. He asked if TIF money would be able to assist with this. Mr. Hester stated that they could as it would be in the area as well as a benefit to the area.

Mr. Hester went through the acres and parcels involved in each of the options. Option C drops down to 153 parcels and 1,200 acres.

Mr. Arnholt stated that he understands that any new construction in the area is captured by the TIF. Mr. Donaldson explained that residential construction is not included in the capture. He explained that residential property in the TIF Area would cause the TIF to have to supplement the base for the other units if the residential property value was to go down. With that in mind, the commission tried to remove all the residential property that they could from the TIF Area.

President Morales stated that it is his understanding that the German Township Volunteer Fire Department could receive money for equipment or buildings as they are the responding unit. Mr. Donaldson stated that if they can prove that it directly benefits the TIF Area then it definitely could. It has to be capital, it cannot be for personnel.

German Trustee Chris West was present and asked about the cut out they had made on Option C around 650N/US31. Mr. Hester stated that he had taken it out as it was zoned Ag. Trustee West stated that he liked Option C but would probably include the parcel they had removed because of it being Ag. He agreed that not including Taylorsville was also a good idea as those parcels are as developed as they are probably going to be. Mr. Hester stated that the capture area is also where the dollars can be spent. Mr. Donaldson stated that you can spend money outside of the area as long as it directly benefits the area.

Commissioner Lienhoop stated that after listening to Trustee West and the panel, he wanted to discuss using Option C south of the interchange, with the addition of the 650N/US31 parcel, and using Option A north of the interchange. Mr. Donaldson stated that there is a 25-year clock once a bond is issued. If you have parcels that may not develop within that time frame, you can leave them out now or you can pull them out and create another TIF when they do.

Mr. Hines asked how much of a natural barrier the railroad truly creates. Mr. Hester stated that getting water and sewer under the rails is an expensive project and would probably hinder development.

Commissioner Lienhoop suggested moving the line east to 200W as he could see someone wanting a switch off of the rail line and needing one of the larger parcels. This idea was discussed among the group.

Mr. Arnholt asked about the difference between the TIF and tax abatement. He understands that if they have an abatement, they can abate the land, the building and the machinery. Mr. Donaldson stated they would capture it as it rolls off from the abatement. He also explained that the equipment is personal property and would have to be specifically spelled out in a TIF as Cummins had done at Plant 1.

It would require an amendment to the Declaratory Statement. President Morales asked for clarification regarding the number of years available for an abatement. It was explained that the abatement can be for up to 10 years independent of the TIF. An abatement within the TIF would simply delay the collection. Mr. Hester explained that within a TIF they don't normally do abatements.

Auditor O'Connor provided a handout showing the possible of impact of the CAP 3 amounts. The handout was prepared based on more than 10,000 increase in CAP3 from last year to this year. What is not accounted for is Annual Trending. This sheet assumes it is all new construction so the numbers are incorrect as most of it would have been trending, not new construction. She pointed out that the Georg Utz is in the district and would be captured as it rolled off from the abatement. Mr. Hester stated that Georg Utz is the only one he knows had construction so the others would not have been captured by the TIF.

Mr. Semler stated that if it were to be approved this year, the base date would be January 1, 2019. He explained how the roll off of the abatement would be captured. TIF only captures growth. Each year the Auditor's Office has to do a TIF Neutralization process that assures the base grows correctly. Jorge Morales asked about giving abatements within the TIF Area. Mr. Semler explained that they can continue to grant tax abatements, but the capture will just take time. Mr. Hester asked about the Georg Utz as to whether it would be captured as it was in place. Mr. Semler stated that you look at the Net AV so it will be captured as it goes forward.

Mr. Arnholt had been at a conference where it was stated that the School formula had changed regarding the assessed values within TIF Areas. Mr. Semler stated the change is to the Capital Funds and it actually is no longer affected by the growth. In the past, if the AV went up, so did the funding in the Capital Funds but that has changed and it no longer works that way. It is actually no loss to the schools with the new formula for the schools.

Mr. Hines wanted to go back to the maps and the Options. In Option C he likes the 200W up to 900N. He would also like to include the parcel at 650N/US31. He questioned the piece that hangs down on US31 as to how much more development could take place there. Mr. Hester stated that Dollar General and the apartment complexes are in that area. The series of residential properties in the area are actually zoned commercial. He believes that this area is a location that TIF funds could be used to improve the area. Mr. Semler stated that if the apartments are already developed, they might want to take them out of the area as they may decrease in value that would cause the TIF to repair the base.

President Morales stated that they needed to decide if they want to increase the TIF area and then what area they want to include. He called for a motion to pursue an increase in the TIF area. Laura DeDomenic made the motion to pursue expansion of the TIF area. Dan Arnholt seconded the motion which passed unanimously (5-0).

President Morales then asked what areas do they want to increase. There was further discussion regarding the southern portion of US31. Trustee West showed where he felt the line should stop which is the northern property line of Larae Apartments. They would include the 200W to 900N on the northern half.

President Morales asked if the board was in consensus. Commissioner Lienhoop made a motion to go by the boundaries as outlined during the discussion. Mr. Hines seconded the motion. Mr. Hester stated it as Option C amended to include the parcels to 200W up to 900 N and to stop on the southern side at Larae Apartments to include the field parcel at 650N/US31 on the west and south side of said intersection. The vote was called for and passed unanimously (5-0).

President Morales asked what the next steps would be. Mr. Hester stated that on page 11 he has the timeline as to what has to be done to accomplish increasing the TIF. Mr. Donaldson stated that next step would be for this body to adopt a Declaratory Resolution that will amend the original one. He stated that if they are going to add any new projects then they would need to adopt supplement to the current Economic Development Plan. Mr. Hester stated that information is on page 3 in the handout. Mr. Donaldson stated it covers the entire Economic Development Area, not just the TIF Area. Mr. Semler stated that he heard talk of roads and improvements that they might want to look at amending while they are doing this. Mr. Hester believes the actual document covers everything except the term "all" utilities. Laura DeDomenic asked about broadband in the area. She also mentioned transportation to get people from the area to and from their jobs. Mr. Hester will work with Mr. Donaldson to draft the supplemental document. This would be part of the amended Declaratory Resolution. Once that is passed by this body, it goes to the County Plan Commission, then the Joint District Commission and then to the Commissioners. After that the Impact Statements would have to be prepared and delivered to the units that will be affected. Mr. Semler explained this process that would have to be sent 10 days prior to a Public Hearing by this board. It will take a couple of months due to the other bodies having to meet and pass the items. Mr. Semler stated that as long as the Public Hearing is done within this year, then the base date would be January 1, 2019.

Mr. Hines asked if these other bodies needed 30 days or so to review the amendments prior to their meetings and decision. Mr. Hester will give the committees the head's up but until the Declaratory Resolution is approved, they cannot put it on their agendas. He went through the meeting dates of the other bodies that would have to meet.

It was determined to meet in 2 weeks. They will meet again on Tuesday, April 23, 2019 at 1:30 p.m. Mr. Hester stated that the agenda for that meeting would be the Amendment to the Plan and the Declaratory Resolution.

President Morales asked if everybody was comfortable as to the direction they are headed. There were no comments.

Mr. Hester will forward the changes to the information to the Auditor's Office, once he has them.

There being no further business, Laura DeDomenic made a motion to adjourn. Dan Arnholt seconded the motion which passed unanimously (5-0).