

## WHITLEY COUNTY REDEVELOPMENT

~~September 13, 2016~~

October 11

The Whitley County Redevelopment Commission met Tuesday, October 11, 2016 in the Commissioner's Room located on the first floor of the Whitley County Government Center. Redevelopment members in attendance were Chairman Jim Argerbright, Bill Overdeer, Frank Kessler, George Schrupf, Michael Schrader and Jill Western. The Commission had legal representation of Andy Boxberger from Caron Boxberger LLP. EDC President Jon Myers was in attendance. Guests included: Planning Director Nathan Bilger, Jennifer Stephenson from the Planning Department and Derek Frederickson from Engineering Resources.

The regular meeting was called to order by Chairman JArgerbright at 8:00 AM.

**IN THE MATTER OF MINUTES & CLAIMS:** The minutes for the September 13, 2016 meeting were presented for review. Minutes were corrected to show that Jill Western was present, and that the meeting was called to order by FKessler. ***BOverdeer motioned the September 13, 2016 minutes be approved, with corrections; GSchrumpf seconded the motion; motion passed with a 3/0 vote, with MSchrader and JArgerbright abstaining.*** In regard to claims, the check run for September 14, 2016 consisted of claims for: 30 Spec Realty for \$1,825.23, REMC for \$512.71, and Whitley RC Investments for \$4,075.00. The check run for September 26, 2016 consisted of claims from: Carson Boxberger Attorneys for \$2838.00, Northwestern REMC for \$6,600.00, Peter Rouch for \$720.00, Niblock for \$42,945.70, and Ohio Valley for 10,824.28 ***MSchrader made a motion to approve the check runs; BOverdeer seconded the motion; motion passed with all in favor.***

**SITE PREPARATION RAIL CONNECT LOT #1:** A letter was presented by Derek Frederickson discussing a proposal on how to move forward with the project. Much discussion has already occurred, and this letter essentially wraps up those ideas, with a proposal of how to move forward. This is a spring project for next year; no decision needs to be made now. Derek is inquiring on what type of investment the Redevelopment Commission wants to make in order for this property to make it sellable. Last fall, concepts were put together as to how the grading would work out, with little focus on the cost of those improvements. Lot one contains 14 acres and it has bad soil. Costs will be carried with this project regardless of who builds - seeding, redistributing topsoil, etc. To establish two building pads it would cost \$900,000. Costs to haul away all the bad soil are not included in this amount. Bad soil could be moved onto a portion of another lot which saves money but creates less acreage to sell. Excavation costs are hard to estimate with amounts near \$30,000/acre price. Rail isn't needed immediately, but having it available would be a big positive factor. A second spur would reduce the amount of acreage available to build. Committee members discussed the desire to at least break even with the project with discussion included a cost-benefit analysis. Members said they have learned from the past, and this project looks favorable. In regard to the Series A Bond, timeline is not as urgent with roughly two years left.

**UPDATE ON THE STATUS of the CHURCH of the BRETHREN PROPERTY:** Bids on the property closed last week, with no bids being received. Rebuttlement has to wait 30

days from October 5 to sell the property for less than the two appraisals. An architect with a possible buyer, AJ Tool, would like an easement to begin moving dirt while the weather is still manageable this fall. A development plan review needs completed first. It should be available at next plan commission meeting and then dirt work may begin after that. They will also need building permits. AJ Tool can file on their own behalf with permission of the Redevelopment Commission. No purchase agreement can be entered into until 30 days after the end of bidding. Preference is for them to do the work after those 30 days are past. Agreement was made for the company to file a work plan with the knowledge that if they don't receive the property, all that work is a gift. *FKessler made a motion to approve allowing them to file a development plan on their own behalf, seconded by MSchrader, passing unanimously with a 5/0 vote.*

**UPDATE ON STATUS OF RAIL CONNECT SPEC BUILDING:** At the last meeting council granted a tax abatement on October 4, 2016 so Autoliv will move forward with their project. Their plan is to be in by March 1, 2017. The final closing will then allow Redevelopment to get their money back and no longer pay rent on the building. Twenty new people will move into the building in March which puts them up to 32 new employees. The site allows them to expand even further, which is beneficial. Autoliv is initially renting it with the option to purchase the building at various points. The tax abatement will be for 10 years. Jill Western asked several questions concerning this particular company and the benefits of tax abatements.

**STATUS OF INDIANA MATERIALS PROCESSING PROJECT:** In regard to the project, the change request order was received for east drive of the project. RDC has committed up to \$26,000 to correct the dirt work issues that occurred. There will not be an additional \$6,000 given. There is \$44,400 left and that is the limit for the RDC budget. If the change order gets approved, it is recommended that the amount to be contributed is no more than the \$51,000 that is already committed. An unforeseeable change order is allowed under law. *GSchrumpf made the motion to approve the change order but the \$51,000 total cap applies, seconded by MSchrader; motion passed unanimously.*

**DISCUSSION OF PROPOSED RDC STAFFING FOR 2017:** Planning Director Nathan Bilger presented an idea to add half a staff person to the planning department to help plan future projects, figuring costs, benefits, etc. This is pending the Commission's approval because this would be an RDC person. This could be a one year trial basis for this position and if the Commission greatly benefits from it, continue it.

**UMBAUGH REPORT:** Umbaugh provided a report to the Commission with updates and projections. The report shows there will be progress made and accounts will be reconciled. Currently in the Redevelopment fund there is a \$1,600,000 cash balance.

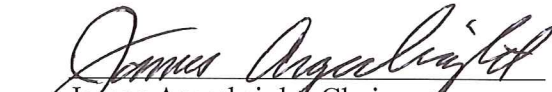
**COUNTY ROAD 600 E PROJECT:** At this point, the project is about 90 to 95% complete. Stone still needs to be put down for the REMC site. Neither Shively Grain nor Essex have had any complaints. The work is finished, looks nice and the striping is down. The total amount paid for project will be made known at the next meeting.

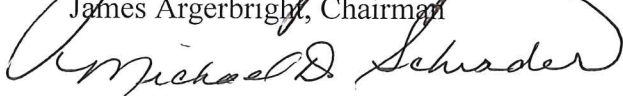
**MISCELANNEOUS MATTERS:** In regard to SDI spring collection of taxes, they missed it by one day, causing an \$80,000 penalty that went to Redevelopment. Can a good portion of that be refunded, although they still need to pay a penalty on that? Is a refund possible? Andy Boxberger said he would confirm ability to pay a refund. Maybe a project could be done with them using that money. The sewer line coming from SDI is deteriorating even though SDI is treating their waste before it hits that line. The work could possibly be done in phases or even potentially from their bond revenue. Looking at costs for the sewer project, it could be a \$15 to \$20 million dollar project - can Redevelopment help? That property is owned by the city and the income off of that is theirs. ***FKessler made a motion to create a study group with SDI to explore options for a legal way to reimburse part of that fine. Seconded by GSchrumpf, passing with a unanimous vote.***

Special Meeting to be held on November 7, 2016 at 8 am.


There being no further business or public comment, the meeting was adjourned at 9:40 AM.

**Whitley County Redevelopment Commission**

  
James Argerbright, Chairman

  
Michael D. Schrader, Secretary

Attest:

  
Jana L. Schinbeckler, Auditor