

MINUTES
WHITLEY COUNTY REDEVELOPMENT COMMISSION
Tuesday, November 26, 2019
WHITLEY COUNTY GOVERNMENT CENTER
1st FLOOR-COMMISSIONERS/COUNCIL MEETING ROOM

MEMBERS PRESENT

Jim Argerbright
Frank Kessler
Michael Schrader
George Schrupf
Jill Western
Kim Wheeler

MEMBERS ABSENT

None

LEGAL COUNSEL

Andrew Boxberger

STAFF

Jon Myers
Nathan Bilger
Jana Schinbeckler
Tiffany Forrester
Mark Cullnane
Kennedy St. George

GUESTS

Steve Western

CALL TO ORDER

Mr. Argerbright called the meeting to order at 8:00 a.m. and read roll call.

IN THE MATTER OF MINUTES

Mr. Argerbright stated that the minutes for the November 12, 2019 regular meeting were not yet completed and that their review and consideration would happen at a later date.

PROJECT CUP LEASE AGREEMENT

Mr. Argerbright introduced the Project Cup lease agreement.

Mr. Myers reviewed the project. He stated that Mr. Boxberger prepared the lease agreement.

Mr. Boxberger presented the lease agreement to the Commission. He stated that he would pass along to the developer the lease agreement in the event that it was approved by the Commission. He stated that a public hearing will be required at a future meeting to adopt the lease agreement, and that it will then need to be approved by County Council.

Mr. Boxberger briefly reviewed the terms of the lease. He stated that the lease agreement will be for one year, beginning January 1, 2020. It will be for \$45,000 per month. The Commission will lease the property and in exchange the developer will construct an approximately \$6.4 million facility that will employ up to 50 employees initially and up to 120 employees within 5 years.

Mr. Argerbright asked if the lease agreement is for the building, land, or both. Mr. Boxberger stated that the agreement is to lease the land.

Mr. Boxberger, Mr. Myers, and the Commission discussed the terms of the lease and clarified some questions regarding the agreement.

Mr. Boxberger stated that today the Commission will be approving the development agreement and lease, but that the development agreement and lease will not be signed until it is approved by the Commission at a public hearing. Mr. Boxberger added that, if the Commission approves the development agreement and lease, he will forward them to the developer.

Mr. Schrupf stated that he is supportive of the project, but that he does not like being rushed into making a decision. Mr. Argerbright agreed with Mr. Schrupf that he supports the project, but is uncomfortable with the accelerated approval timeline being requested by the developer and tenant.

Mr. Schrupf asked if the tenant wants to be operational by October 2020. Mr. Myers confirmed that the tenant wants to be in the facility and operating by October 2020.

Mr. Argerbright asked the Commission if it generally agrees with the terms of the development agreement and lease. The Commission members stated that they are in consensus that the terms of the development agreement and lease are acceptable.

IOTRON EXPANSION

Mr. Myers stated that a potential expansion at Iotron would double the size of its building, production, and number of employees at their facility in Columbia City. Mr. Myers stated that Iotron was looking for an agreement similar to that which the Commission entered into when it opened in 2010, which was a bond guaranteed by the tax increment from the Iotron property. Mr. Boxberger provided more details on how the bond would work, stating that the bond would refinance the remainder of the existing bond and issue new debt to total \$950,000. He stated that the Commission is not obligated in the bond, but Iotron would be required to cover any shortfalls in the bond payments. There was discussion about the apparent high cost of issuing the bond. Mr. Boxberger stated he would confer with bond counsel to see if the projected issuance costs were appropriate.

The Commission and Mr. Boxberger and Mr. Myers discussed alternatives to the Bond, including tax abatements. Mr. Wheeler stated he was in favor of the bond option, given its past success for Iotron, and others agreed. Mr. Boxberger and Mr. Myers would then proceed with the bond, with expected issuance in first quarter of 2020.

PROJECT SHOTGUN

Mr. Myers provided information regarding a company looking to invest \$2.7M in a major new facility. Jerry Busche's 26 acres located on CR 100 South is the current target location. Mr. Bilger inquired whether the facility would use the entire site. Mr. Myers stated that the current plan is to utilize about half the area, with the rest for future expansion.

Mr. Myers stated that he felt that getting this company would be a big "win" for the County and that he estimated the chance of getting the project at 50/50. He requested that a Commission member be a point of contact for the project to streamline communication. Mr. Schrupf and Mr. Argerbright would be the points of contact.

PROJECT BEAR

Mr. Myers stated that a company is interested in the former spec. building in Rail Connect currently occupied by AutoLiv; however, the company is waiting until year end to make decisions. The site is ideal since it has rail access. Mr. Myers has been in preliminary discuss with the railroad and Triad to ensure that adding a spur would be possible. If the deal works out, AutoLiv would vacate the building in April or May and the new company would occupy it the following month.

RAIL CONNECT SIGN

Mr. Bilger stated that the Rail Connect Owners' Association is responsible for maintenance of the sign at US 30. The Commission discussed the responsibility for maintenance, with the conclusion that the

Association should be notified to perform a little more upkeep on the sign. Mr. Bilger would notify the Association.

WATER LINE AND TOWER

Mr. Bilger stated that neither he nor Rosie Coyle at Columbia City could find any formal documentation transferring the water line and water tower pursuant to the 1995 agreement. Ms. Coyle stated she thought it was automatic as part of the agreement, so paperwork was never expected.

The Commission requested that Mr. Boxberger draw up a formal Bill of Sale and deed to transfer the infrastructure and real estate to the City.

MISCELLANEOUS

Mr. Myers noted that Baker Tilly was contacting him for information on the pending revenue report. He suggested a review meeting once the report was done. The Commission agreed.

Mr. Bilger stated that Triad's building on 100 South was granted a full building permit upon submission of a satisfactory drainage design and construction was now underway.

Mr. Schrupf relayed issues from County Engineer Brandon Forrester regarding the pavement conditions at the Park 30 cul-de-sac (Innovation Ct.). He stated concern that the street may not have been built to specification and there are places where the asphalt is already deteriorating. Mr. Myers has scheduled a meeting with MKS, Mr. Forrester, and Mr. Schrupf to discuss the issue. Mr. Boxberger suggested that MKS give notice to Wayne Asphalt of a warranty claim.

IN THE MATTER OF CLAIMS


Claims were reviewed and consisted of: Carson, LLP, \$3,510.00; Frank Kessler, \$375; Jim Argerbright, \$300; and Michael Schrader, \$375.

Mr. Schrader made a motion to approve the claims; Mr. Schrupf seconded. The motion passed with a vote of 5-0.

There being no further business, Mr. Argerbright declared the meeting adjourned at 8:54 a.m.

**WHITLEY COUNTY
REDEVELOPMENT COMMISSION**

ATTEST:


James Argerbright, President


Michael Schrader, Secretary