

PLYMOUTH REDEVELOPMENT COMMISSION

May 21, 2019

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The Plymouth Redevelopment Commission met in regular session at 5:30 p.m., Tuesday, May 21, 2019, in the Council Chambers of the City Building at 124 North Michigan Street, Plymouth, Indiana.

President Mike Miley called the meeting to order for Commissioners Billy Ellinger, Nancy Felde, Tom Pedavoli, Craig Hopple, and Melissa Christiansen. City Attorney Sean Surrisi and Clerk-Treasurer Jeanine Xaver were also in attendance.

Commissioners Hopple and Ellinger moved and seconded to approve the minutes of the regular session and executive session of April 16, 2019. The motion carried.

TIF #1

Update on Hoham Drive

Clerk-Treasurer Xaver presented Amendment #1 for Right-of-Way acquisition services (appraisal and review services) to be added to the Preliminary Engineering Agreement with Lochmueller Group. In his absence, City Engineer Gaul has asked that the agreement be approved by the commission, contingent upon City Attorney Surrisi's review and approval. Surrisi said he did review it and it looks fine with the exception of one clause that states the contractor will be guaranteed access to private property. The city tries to back that up by stating that the city will do everything they can to assist, but cannot guarantee rights to someone else's property.

Commissioners Ellinger and Pedavoli moved and seconded to approve Amendment #1 for right-of-way acquisition services to be added to the Preliminary Engineering Agreement with Lochmueller, pending the changes in the language as requested by City Attorney Surrisi.

Felde asked which section would be modified. Surrisi said Section IV, number 14.0: "Guarantee access to and make..." will be changed to "Arrange for access to and make..."

Christiansen asked if this is an increase from the original contract. Surrisi said yes, it is an increase of \$39,000. The city will pay 20% of that total. Felde asked what brought this amendment about. Surrisi said he thinks the appraisal services were not in the original scope of work, but always a known service that needed to be done for the right-of-way acquisition. She also asked if there will be any additional changes like this in the future. Surrisi said that bids are not expected to come in until July 2021, so the construction portion of the project could change if the engineer's estimates end up being more costly than anticipated. He explained that they are not anticipating any other changes on the engineering side of the project.

There was additional discussion regarding potential increased cost if land acquisition does not go as planned. Surrisi noted that court costs and additional appraisals could come into play if land owners are not willing to sell.

The motion to approve the amended agreement carried.

Rees Theatre Project Update

City Attorney Surrisi said that Phase II of the project has begun. This includes work on the roof and masonry / stabilization of the east wall. He said invoices will start coming in on this work and the commission can expect to start seeing invoices in the next couple of meetings so the project can start drawing on some of the funds that were allocated by the Redevelopment Commission.

TIF #2

South Michigan Street Viaduct Painting Project

President Miley discussed the upcoming South Michigan Street Viaduct Painting Project. He asked about intentions in the past to work on this area. City Attorney Surrisi said that there was a plan proposed in 2008 regarding work and restoration of this viaduct as part of the South Gateway improvement project. He noted that this 2008 plan could be updated and submitted as part of the Stellar Communities Grant application to help with the funding of additional work outside the scope of this painting project.

Surrisi went on to explain that there is currently a volunteer group working with the railroad company and the Marshall County Community Foundation to raise funds and organize the effort to paint the South Michigan Street Viaduct. The group is looking at working on the project over a two-weekend period – most likely at the end of June and early July. Surrisi said the volunteers will sign waivers of liability and be equipped with protective gear. The color of the bridge will match the red on the River Gate South Development project.

TIF #3

Update on Aquatics Center Project

Jerry Chavez, of Marshall County Economic Development Commission, provided an update to the commission. He said the project is still on schedule and approximately 60% completed.

Resolution No. 2019-845, A Declaratory Resolution by the Plymouth Redevelopment Commission Amending the Economic Development Plan for the US 30/Pine Road Economic Development Area (TIF #3) as Originally Established by the Adoption of Resolution No. 2004-161 and as Subsequently Amended by Resolution No. 2005-227, Resolution No. 2006-278, Resolution No. 2012-535, Resolution No. 2015-651, and Resolution No. 2016-713, Removing an Air Parcel and Designating Such Air Parcel As Its Own Allocation Area, and Designating Pretzels, Inc. as a Designated Taxpayer

City Attorney Surrisi presented the resolution and introduced Tim Emmerick, bond counsel with Barnes & Thornburg, to answer questions regarding the bonds for Pretzels, Inc. Surrisi reviewed the submission from Baker Tilly Municipal Advisors regarding the feasibility analysis. He said the bond will total \$9,865,000 bond with a 16-year term and a plan to pay that off in 14 years, with the extra 2 years built-in to account for the time period before tax revenue will be seen from the allocated area. Surrisi explained that for the first ten years, 100% of the TIF revenue will be used to pay off the debt service. The last four years will be at 80%.

Surrisi said that the ground the building sits on will continue to be part of the TIF revenue for TIF #3 and will therefore not have an effect on the bonds for the aquatic center. This new allocation area will be any real property and personal property built/added on top of that piece of land.

Commissioners Felde and Ellinger moved and seconded to approve Resolution No. 2019-845, A Declaratory Resolution by the Plymouth Redevelopment Commission Amending the Economic Development Plan for the US 30/Pine Road Economic Development Area (TIF #3) as Originally Established by the Adoption of Resolution No. 2004-161 and as Subsequently Amended by Resolution No. 2005-227, Resolution No. 2006-278, Resolution No. 2012-535, Resolution No. 2015-651, and Resolution No. 2016-713, Removing an Air Parcel and Designating Such Air Parcel As Its Own Allocation Area, and Designating Pretzels, Inc. as a Designated Taxpayer. The motion carried.

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TIF #4

Update on River Gate South Project

City Attorney Surrisi said that they have 11 apartments occupied. There is a total of 40 units. The last building is scheduled to be completed in July.

TIF #5

Update on Winona Building Products

No updates.

TIF #6

Update on Centennial Crossings

No updates.

Other Business

Jerry Chavez discussed the city's participation in Idea Week. He reviewed some of the awards that were given out to entrepreneurs that competed in the Idea Week games. There was discussion about the prospect of converting the old firehouse into a co-working space environment with the help of a design team and possibly up to \$400,000 in Regional Cities money.

Felde asked if the Regional Cities money is on-hand. Chavez said that once the manufacturing facility in Argos sells, the money then flows through the MCEDC and the Redevelopment Authority, which then activates the Regional Cities grant money.

Chavez discussed the Stellar Communities application for Marshall County for 2019. He reviewed the plan for Marshall County's quality of life submission, which is new to the application process and something that the county is hoping to strive for regardless of the Stellar Communities award. He explained that the Stellar Committee is asking entities across the county to help fund the project – including redevelopment commissions, townships, and city/town/county councils. Surrisi said the asking amount from Plymouth Redevelopment Commission is \$17,000. The city council has allocated \$5,000 towards the project and the overall budget is about \$150,000, so the rest would come from the other county entities. Surrisi said that he is working on an interlocal agreement. He noted that Marshall County applied for this grant last year and was not chosen. This year, the first-place prize will be around \$16 million. There will be \$1 million to split between the 2nd, 3rd, and 4th place submissions, so the Stellar Committee is guaranteed to get around \$333,000 back even if our region is not selected for the grand prize.

Felde asked why the projected cost of the submission is so high when the Stellar committee already has a working document to build from: last year's application. Surrisi said the regional development plan, which is essentially the application and the document for OCRA, does have some background work that can be recycled. However, the quality of life plan is broader, adds a new component to the application and continued work beyond the application, and since not winning last year, it has been suggested that the committee go back to the drawing board and think beyond last year's submission.

Felde asked what the budget was for last year's submission. Surrisi said he believes the planning and public relations components were around \$60,000. Chavez stated he thinks it was slightly more than that. Felde questioned the increase in the budget. Chavez and Surrisi said there are more components to this submission.

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Miley asked for a timeline of events regarding the Stellar submission. Surrisi said the application is due in September, the presentation to the state will be made in November, and a final decision on the winner will be made in the middle of December.

Chavez reiterated that this is not about winning the Stellar Communities grant money. It is about developing a long-term plan to bring the Marshall County communities together and development a plan for the quality of life in our county.

Commissioners Hopple and Ellinger moved and seconded to contribute \$17,000 to the Stellar Communities Project. Clerk-Treasurer Xaver asked from what fund would it be paid. Hopple and Ellinger each amended his motion and second to state that the \$17,000 will come from the 1993 TIF fund. The motion carried.

Fire Chief Rod Miller addressed the commission. He requested their consideration towards reinvesting in the city and purchasing a fire truck in the amount of \$700,000. The truck they are looking to replace is 25 years old. Miller said that in the past, tax money from the Cumulative Capital Development Fund were used for these large purchases, however the increasing cost of fire trucks make it impossible for this tax money to build up enough funding fast enough for this purchase.

Miley asked about the timeline of purchasing a truck. Miller said once the decision to purchase is made, it would take 12-14 months to get the truck. Surrisi explained that there would be a process to get this put on the TIF project list where it would also have to go before the Plan Commission, City Council, and back to Redevelopment.

Christiansen voiced concerns about using TIF funds for a project that she considers to be outside of economic development. She would like to see a plan for funding the fire truck and how that helps with the economics of the city.

Surrisi said that idea for bringing this up was to see if the commission would be receptive to the idea. From here, they will put together a funding plan and present it to the commission at their next meeting.

In other business, City Attorney Surrisi addressed the commission regarding the upcoming Redevelopment Commission Annual Meeting. The meeting must be held before June 30, 2019. It is a state law that redevelopment commissions hold planning meetings and invite their overlapping taxing districts. He has reached out to AIM and Baker Tilly to help with the agenda and data.

Clerk-Treasurer Xaver announced that Indiana Code requires that the Redevelopment Commission determine and report the amount of any excess assessed value within each Tax Increment Finance Area before June 15 of each year. Miley asked which taxing units those pass-through funds will be allocated towards. Xaver said Marshall County, Plymouth Public Library, Plymouth Community School Corporation, City of Plymouth, Solid Waste, and the townships. Miley asked what the commission has done historically. Xaver said the commission has passes through assessed value only in TIF #1 and historically passed through \$20 million, then bumped it up to \$30 million, and cut it back down to \$20 million last year in order to pay for the city hall renovation project. He asked if the commission can continue to meet their obligations if they pass through \$20 million of assessed value this year. Xaver said yes. Surrisi noted that the other TIF districts do not pass through

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any assessed value because they are either not generating enough TIF revenue or have obligations that use up all that tax money.

Commissioners Pedavoli and Ellinger moved and seconded to pass through \$20 million of assessed value from TIF #1 and \$0 from all the remaining TIF districts. The motion carried.

Approval of Redevelopment Invoices

President Miley presented the following invoices for the Commission's approval:

- To be paid from TIF 1
 - Progress payment to Lochmueller Group for work on the Hoham Drive Reconstruction Project for work in March, 2019 in the amount of \$23,315.12

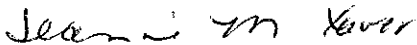
Commissioners Ellinger and Felde moved and seconded to approve payment of the invoice as presented. The motion carried.

The following communications were provided to the Commissioners:

- 1993 TIF Trial Balance – April, 2019 (TIF #1)
- 2000 TIF Trial Balance – April, 2019 (TIF #2)
- 2005 TIF Trial Balance – April, 2019 (TIF #3)
- 2016 TIF Trial Balance – April, 2019 (TIF #4)

Commissioners Felde and Hopple moved and seconded to accept the communications as presented. The motion carried.

The next scheduled meeting is scheduled for June 18, 2019, at 5:30 p.m. There being no further business to discuss, the meeting was declared adjourned at 7:04 p.m. after a motion and second by Commissioners Pedavoli and Ellinger. The motion carried.



Jeanine M. Xaver, IAMC / CMC
Clerk-Treasurer