

PLYMOUTH REDEVELOPMENT COMMISSION

January 16, 2024

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The Plymouth Redevelopment Commission met in regular session in the Council Chambers on the second floor of 124 North Michigan Street, Plymouth, Indiana on January 16, 2024 at 5:34 p.m.

President Mike Miley led the Pledge of Allegiance.

President Mike Miley called the meeting to order for Commissioners Billy Ellinger, Nancy Felde, Craig Hopple and Robin Cupka replacing Kurt Christiansen who were present at the meeting. Other attendees included Mayor Listenberger, City Attorney Houin, City Engineer Sellers, Street Superintendent Marquardt and Utility Superintendent Davidson. Clerk-Treasurer Gorski was absent attending the Newly Elected Official's training. The public was able to see and hear the meeting through Microsoft Teams.

Oaths of Office were administered to the following Members:

Mike Miley
Billy Ellinger
Nancy Felde
Robin Cupka

Commissioners Ellinger and Hopple motioned and seconded to elect the slate of officers as seen below. The motion carried.

President - Mike Miley
Vice President – Nancy Felde
Secretary – Craig Hopple

Commissioners Felde and Hopple motioned and seconded to continue holding the Redevelopment Commission meetings on the third Tuesday of each month at 5:30 p.m. The motion carried.

Commissioners Felde and Ellinger moved and seconded to approve the minutes of the last Regular Session meeting of December 19, 2023 as presented. The motion carried.

TIF #1: U.S. 30 / Oak Road Economic Development Area

Hoham Drive Update

City Attorney Houin states to bear in mind that he may not be as knowledgeable on this as the prior City Attorney. He states he spoke with Felde earlier and states if he does not know the answer to your question that his answer will be that he does not know.

Houin states since it is cold outside, they are currently not working on Hoham Drive. He states you may see in the communications for next month's meeting a change order. He explains Milestone, the Contractor, had already purchased materials that they had not been able to use this past year so they are storing them but they are requesting a partial payment for the materials they have already purchased and are storing. He states because of the way it is paid for, the City has already made their one-time payment to INDOT, and INDOT pays the Contractor, so it is really a request for INDOT to pay it. He states it comes through as a change order and the price of the change order is \$1.00, as they needed a placeholder, so it does not affect the financing of the city's payment at all. He explains he just wanted to know what it is so you are aware of what it is when you see it in the communications.

Felde asks if this is going to be \$1.00.

Houin responds by stating it is a \$1.00 change order, which he does not believe they are expecting anyone to actually pay. He states it is just so they can get their partial payment.

Ellinger asks if they are storing the materials on site or in their lot.

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Houin responds by stating the materials will be stored in their lots from his understanding. He states that was the explanation he was given.

Felde states she gets a little nervous about paying for things that are not installed.

Ellinger expresses his concern about Felde's statement as well.

Houin states it is also not something that the Redevelopment Commission is paying for. He states they are really asking INDOT to pay them. He states his understanding is that their rules are that they can only request or receive up to 50% of the cost for that very reason. He states INDOT will not pay the full price until the materials are installed. He adds it does not require your approval but is rather just a notification.

TIF #2: East Jefferson / Central Business Economic Development Area

Discussion of Water Street Townhomes Project

Houin states the bonds closed on Friday, January 12th. He states however, because of the change in the financing that there was a change in the issuance cost of \$5,500.00 and that was paid by the City with Redevelopment funds as part of the closing on Friday. He states to make you are aware of that, there was an additional fee. He explains 1st Source had to hire a lawyer to explain the documents to them but the other item is you should have received an update.

Houin introduces Resolution No. 2024-1093, Amended and Restated Resolution of the Plymouth Redevelopment Commission Pledging Tax Increment and Ratifying Closing Actions.

Houin states if you looked at the red-line version that was sent, it would outline the changes that were made in this resolution. He states because of the language in the 2012 Bond for River Park Square (RPS), there was some additional restrictions placed on TIF #2 that are not normally there. He states in preparing for this bond issue, ICE Miller and Baker Tilly, missed those restrictions. He states when they caught it, they had to go back and change the calculations for this new bond issuance. He states there has to be at least 125% of TIF revenues available for the cost of the bond and under the previous calculations, it was 130%. He states because of the restrictions, they found it was only 115%, so in order to approve it with the previous bonds, they had to request 1st Source Bank to take a junior position to the existing bonds in TIF #2. He states 1st Source Bank could not do that through their financing entity, which is separate from the bank. He states they had to book it as a loan through the bank, rather than a bond on their books. He states it makes no difference on the structure of the financing, or the City and Redevelopment's perspective, it only changed the way 1st Source Bank puts it on their books. He states that is what caused them to have to spend \$5,500 on lawyers to explain it to them because their bank loan department doesn't normally deal with municipal bond financing. He states it caused a little bit of confusion and took some time to sort out the details. He states the other thing is they had requested specifically to be notified annually of the amount of funds generated and available in the TIF District. He states that is not a problem as our clerk's office prepares that report for you anyhow so it will just be a matter of sending it to them. He states those are the two real changes to that amended and resolution is that it specifies that 1st Source Bank is taking a junior position to the existing bond debt in the TIF District and also that they will receive an annual report of the TIF Revenues.

Hopple asks if that is a common practice.

Houin responds swiftly by stating that it is not. He states it is not common and that is why it was not caught at first because it is so unusual. He states when they did catch it, the way to resolve it and make it easiest for everyone was to have 1st Source Bank do it as a loan, which was also unusual for them causing them to hire extra lawyers to ensure they were comfortable with it. He states in the end, everyone was satisfied with it, but it was an unusual situation that everyone had to wrap their heads around.

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Miley asks if 1st Source Bank was the only offer that we had received for the bonds.

Houin responds by stating he was not sure if they were the only offer or not but it did work out well as they are a local institution who is invested in Plymouth. He states they really wanted to be a part of this project and that was why they were willing to go through those extra steps to find a way to finance it through their loan department to still keep everything in place.

Mayor Listenberger adds that they worked really hard and quick to get it figured out.

Felde asks if Houin could explain what junior position means. She asks if it is junior to the RPS's payments.

Houin responds by stating he is going to relate it to a home mortgage. He states if you have a mortgage and then get an equity loan, that the equity loan came later so it is a junior loan to the mortgage. He states if the property is sold to pay off the debt, then the primary debt gets paid first before any of the junior positions get paid. He states that normally, when a bond is issued in the TIF District, that it would have what is called parity which the original resolution called for parity of the bond. He explains that means they were in equal position and get paid equally. He states the junior position means that only if there is enough money to pay part of the debt, that it would go to the primary bond first before anything comes to them.

Felde asks who is the primary. She asks if that is the RPS Bond.

Houin responds by stating it is the primary bonds for RPS and it may be Capital One potentially. He adds he does not remember the name. He states it was the 2012 bond issuance that financed RPS.

Commissioners Ellinger and Hopple moved and seconded to approve Resolution No. 2024-1093, Amended and Restated Resolution of the Plymouth Redevelopment Commission Pledging Tax Increment and Ratifying Closing Actions. The motion carried.

AMENDED AND RESTATED RESOLUTION NO. 2024-1093

AMENDED AND RESTATED RESOLUTION OF THE PLYMOUTH REDEVELOPMENT COMMISSION PLEDGING TAX INCREMENT AND RATIFYING CLOSING ACTIONS

WHEREAS, the Plymouth Redevelopment Commission ("Commission") on February 12, 2001, adopted a declaratory resolution, as amended to date (collectively, as amended, "Declaratory Resolution"), as confirmed by a confirmatory resolution adopted on March 26, 2001, as amended to date (hereinafter, collectively with the Declaratory Resolution, the "Area Resolution") establishing the East Jefferson/Central Business District Economic Development Area (commonly known as and hereinafter referred to as "TIF #2 Area"), as an economic development area under IC 36-7-14 and IC 36-7-25.

WHEREAS, the Commission, by the Area Resolution, established the boundaries of the TIF #2 Area and declared this area to be an economic development area, and the TIF #2 Area is more particularly described in the map attached to and incorporated in the Area Resolution;

WHEREAS, the Common Council approved the creation of the TIF #2 Area;

WHEREAS, pursuant to the Area Resolution, the economic development plan for the Area, as amended to date (collectively, "Plan") was approved;

WHEREAS, the Area Resolution established allocation areas including the East Jefferson/Central Business District Allocation Area (commonly known as and hereinafter referred to as the "TIF #2 Allocation Area") and the Water Street Allocation Area (hereinafter collectively with the TIF #2 Allocation Area, the "Allocation Areas") in accordance with IC 36-7-14-39, for the purpose of capturing property taxes generated from the incremental assessed value of real property located in the Allocation Areas (collectively, "Tax Increment") to pay debt service on bonds issued to finance redevelopment and economic development projects and to pay certain other costs permitted by the Act and this Resolution;

WHEREAS, the City issued its Taxable Economic Development Revenue Bonds, Series 2023 (Water Street Townhomes Project) ("Bonds"), pursuant to a Trust Indenture between the City and a financial institution serving as trustee ("Trust Indenture"), the proceeds of which will be used to finance all or a portion of the construction of capital improvements permissible under IC 36-7-11.9, IC 36-7-12 and IC 36-7-14, together with all necessary appurtenances, related improvements and equipment needed to serve the development of certain economic development facilities consisting of a new townhome/commercial development (collectively, "Project"), capitalized interest, if necessary, a debt service reserve, if necessary, and costs of issuance, in or physically connected to the Allocation Areas;

WHEREAS, the Commission has determined to pledge all Tax Increment generated in the Allocation Areas, minus the Annual Fees, junior and subordinate to the Outstanding Bonds

(as to the pledge of the tax increment collected in TIF #2 Allocation Area (hereinafter, "TIF #2 Tax Increment") (each as defined in the Trust Indenture), received by the Redevelopment Commission and herein pledged to the payment of debt service on the Bonds ("Pledged TIF Revenues");

WHEREAS, in order to finance a portion of the Project the Commission has determined that it is in the best interest of the City and its residents to pledge the Pledged TIF Revenues;

WHEREAS, the Commission believes that pledging the Pledged TIF Revenues will help further the accomplishment of the Plan; and

WHEREAS, the purchaser of the Bonds ("Bond Purchaser") required consent to any future bonds payable from Pledged TIF Revenues and annual reporting requirements as conditions precedent to purchasing the Bonds and the Commission desires to ratify the approval of said conditions;

NOW, THEREFORE, BE IT RESOLVED BY THE PLYMOUTH REDEVELOPMENT COMMISSION, THAT:

1. The Commission hereby finds that the pledge of Pledged TIF Revenues, junior and subordinate to the Outstanding Bonds (as to the pledge of TIF #2 Tax Increment), to finance a portion of the Project will help accomplish the Plan for the TIF #2 Area and will promote the economic development and redevelopment of the City.
2. The Commission hereby irrevocably pledges Pledged TIF Revenues, junior and subordinate to the Outstanding Bonds (as to the pledge of TIF #2 Tax Increment), to the payment of debt service on the Bonds for a term of years not to exceed the term of the Bonds.
3. Other than the Outstanding Bonds, the Commission has no prior liens, encumbrances or other restrictions on its ability to pledge the Pledged TIF Revenues.
4. The Commission shall not enter into other obligations or leases payable from Tax Increment, in whole or in part, and to pledge the Tax Increment on a parity with the pledge of Pledged TIF Revenues to the Bonds or Outstanding Bonds without the prior written consent of the Bond Purchaser.
5. The Commissions agrees that 1st Source Bank will receive from the Clerk-Treasurer of the City, annually beginning March 1, 2025, a summary report that provides the total amount of Pledged TIF Revenues from the prior year.
6. The Commission hereby ratifies and approves the Bond Purchase and Loan Agreement attached hereto as Exhibit A containing the requirements of Sections 4 and 5 herein.
7. This resolution shall be effective upon passage.

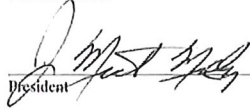
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Adopted January 16, 2024.

PLYMOUTH REDEVELOPMENT
COMMISSION



President

Attest:



Secretary

Houin states for the information of the Commission that we are scheduled to receive bids for the demolition of the two houses at the Board of Public Works and Safety meeting on January 22, 2024. He states that should be moving forward and very shortly we shall see the houses going down.

TIF #3: U.S. 30 / Pine Road Economic Development Area

Commerce Street Paving Project Bids

Houin states the bids were opened and received at the last Board of Public Works and Safety meeting on January 8, 2024 and you should have in your packets, the bid tabulation, along with a recommendation by VS Engineering for awarding of that bid.

Ellinger asks if Rieth-Riley had already been accepted.

Miley responds by stating we have not.

Houin states the bids were not accepted but they were opened at the Board of Public Works Meeting, with no action taken. He adds they had to be opened at a public meeting. He states they were submitted to VS Engineering to review them and they had written a recommendation letter to award the bid to Rieth-Riley Construction as it met all the qualifications. He states Rieth-Riley Construction was the lowest responsive and responsible bid.

Miley states Rieth-Riley was about \$105,000 under the Engineer's Estimate for the project and the others were over. He states one was over by about \$500,000 and the other one was \$100,000 over the engineering firm's estimate.

Commissioners Felde and Ellinger moved and seconded to accept the recommendation of VS Engineering to award the project to Rieth-Riley Construction for the total bid amount of \$1,120,371.70.

Street Superintendent Marquardt states that he would like to thank you all for helping with that area. He states if he had to take on Pioneer Drive this year that it would have really hurt his budget.

TIF #4: South Gateway / Western Downtown Economic Development Area

There were no updates at this time.

TIF #5: Western Avenue Economic Development Area

Felde asks if there is any word or action from Winona. She comments that it looks quiet out there.

Houin responds by stating he has heard no update.

Felde asks for clarification that if there are no improvements being done to the building that there will be no TIF Revenue to collect and pass on.

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Houin responds by stating the question isn't whether they have activity or not but the question is whether or not they are paying their property taxes. He states he understands they did not make the Fall payment. He explains it is possible that they could catch it up with any penalties this Spring but we will just have to wait and see. He states the TIF is set up as a pass through with the bonds so the only thing that the Redevelopment Commission is responsible for in not paying their property taxes is the administrative fees due to Baker Tilly for reporting and administrating that.

TIF #6: Plymouth/Goshen Trail Economic Development Area

Update on Centennial Crossings

City Attorney Houin states he does not have anything specific, but he can tell you that he was contacted by Burke Richeson, who is the attorney for the developer, and he is interested in talking about future expansion. He states he does not have any more information on that but he will bring us up to speed on that to see if there is any project coming. He states he also knows they have been in communication with the City about dedicating the streets and he was directed to the new City Engineer to discuss the process for that.

TIF#7: Pretzel's Air Parcel

There were no updates at this time.

Other Business:

Mayor Listenberger wished to thank everyone for stepping up again this year for us. He adds that there is still one more appointment he still has to make.

Approval of Redevelopment Invoices

Miley introduced two additions to the Redevelopment Invoices that came in after packets were sent out.

Paid from:

Hoham Drive Grant – TIF 1

Lochmueller Group LLC	Engineering Services for Reconstruction of Hoham Drive	\$11,861.51
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TIF 3

Pilot News	Legal Ad-Commerce Street Paving Project	\$80.67
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To be Paid from:

TIF 1

Old National Bank	Semi-annual Bond for City Hall Construction Project	\$157,750.00
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TIF 2

Bank of New York Mellon	Semi-annual Principal and Interest	\$68,480.00
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TIF 3

1 st Source Bank-Trustee	Bond Payment for Aquatic Center	\$221,715.57
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TIF 6

Bank of New York Mellon	2020 Bond for Centennial Crossings	\$63,418.75
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Bank of New York Mellon	2022 Bond for Centennial Crossings	\$23,987.50
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TIF 7

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Bank of Oklahoma 2019 Bond for Pretzel's \$139,659.00

Additional Items

Paid from:

TIF 2

Bank of Oklahoma Water Street Townhomes EDC Bond Project \$135,000.00

Marshall County Recorder Recording Fee for Resolution Pledging Tax Increment \$25.00

Total Amount of Claims \$821,978.00

Commissioners Ellinger and Hopple moved and seconded to approve the Redevelopment Invoices as presented. The motion carried.

Acceptance of Communications

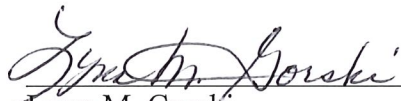
The following communications were provided to the Commissioners:

- 1993 TIF Trial Balance – December, 2023 (TIF #1: U.S. 30 / Oak Road Economic Development Area)
- 2000 TIF Trial Balance – December, 2023 (TIF #2: East Jefferson / Central Business EDA)
- 2005 TIF Trial Balance – December, 2023 (TIF #3: U.S. 30 / Pine Road Economic Development Area)
- 2016 TIF Trial Balance – December, 2023 (TIF #4 South Gateway / Western Downtown EDA)
- 2019 TIF Trial Balance – December, 2023 (TIF #7 Pretzels Air Parcel)
- VS Engineering Bid Recommendation
- Baker Tilly Draft Feasibility Study & Cost of Issuance Workpaper

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

Adjournment

The next meeting is scheduled for February 20, 2024 at 5:30 p.m. There being no further business to discuss the meeting was declared adjourned at 6:02 p.m. after a motion and second by Commissioners Hopple and Ellinger. The motion carried.



Lynn M. Gorski
Clerk-Treasurer