

REDEVELOPMENT COMMISSION MEETING
JUNE 26, 2012
6:00 PM

The meeting was called to order by President Niksch at 6:00 PM. The Pledge of Allegiance was recited. Roll Call was taken. Members answering the roll call were Doug Niksch, Craig Earley, Tony Muscari, Phil Kuiper and Jim Langen. Also present were School Board President Doug Ward, Recording Secretary Chris Marbach and also present were 4 citizens and 1 media.

Approval of Minutes:

Mr. Kuiper made a motion to approve the April 18, 2012 meeting minutes, seconded by Mr. Langen and carried by voice vote.

Old Business:

1. **Matt Reardon: Update of HSA Medical Office Project.** Matt Reardon, SEH, was present and stated there was a conference call last week with the purchasers, the developer and the town's legal team to discuss the trust indenture and the loan agreement related to the pending potential medical project on Rt. 2. Several questions were raised by the developer as to the process of how this kind of works in Indiana vs. other places such as tax-exempt nature of the bonds, and what happens if the assessment of the structure is higher then is being projected. The HSA people had their legal team on the conference call with a set of questions and will have another conference call tomorrow. Mr. Kuiper stated the HSA group was at the Plan Commission last Thursday and is planning on coming back in August for primary approval.

2. **Greg Sobkowski:**

a) **Business Improvement District:**

- **Example ordinances from local communities**
- **Copy of Statue**

b) **Barriers for Lowell Annexation due to Apple Valley Utilities Expansion**

President Niksch stated this item would be put on hold until the next meeting.

New Business:

1. **Discussion/dialog: Expansion of Redevelopment Boundaries.**

a) **Potential development ideas at I-65 / Rt. 2.**

Pat Lee, of Lee Companies was present and explained they are part of the ownership of the northeast quadrant of I-65 and Rt. 2 and they have been pursuing through Lake County a light industrial park. They are scheduled to be in front of the Lake County Zoning Board in August for rezoning from agriculture to B-3 zone. This parcel consists of 126 acres, which borders along Colorado and I-65, the buildings will encompass somewhere around 111 acres in different phases. Mr. Langen asked about the tax

revenues. Mr. Lee stated the tax revenues are based on a 3% tax cap. The first phase would be near Rt. 2 and the estimated tax revenue for the first year build out would be around \$350,000 and in year five with all the phases complete would be \$1,750,000.00 and goes up by 2% inflation a year. Mr. Lee explained the town would have more control with this project as far as annexation. R. Kelly Disser, HAI Hiffman, was present and stated they were proposing a commercial development on the southwest quadrant of Rt. 2 and I-65 which will be call Hallmark Crossing owned by Ron. Bergstrom. This is approximately a 313-acre parcel.

b) Growth Priority:

- **East to I-65 (inclusive to businesses and utilities)**
- **West to Rt. 41**
- **80 acres; south of American Legion to Town Utilities; south of Belshaw to town wells?**
- **Pocket Annexation, Parcels #3 & #4**
- **Utilization of Assets, i.e.; I-65, Rt. 41, Rt. 2, Illiana Highway, CSX and NS Railroads**
- **Water supply for Lake Prairie Elementary & Freedom Park**

President Niksch asked the board what direction do they want to concentrate on. Mr. Langen stated there is a need for a TIF district on Rt. 2 and I-65 and the only way this would happen is through the County or a town. He stated it would be to the benefit of the Town to do this if they can afford it. He asked Matt Reardon for his thoughts on how to find funding for this. Mr. Reardon stated it is a cost benefit analysis; what jobs would impact the local community, what is the cost to the local community, what is an appropriate TIF, and how long have they been in the community. And the annexation needs to be considered part of the development and it will not be easy.

Doug Ward wanted to know what where the barriers for Lowell Annexation due to Apple Valley Utilities expansion. President Niksch explained they started a dialog to try to get to know the Apple Valley Utility a little bit better because a comment was made that when their district was expanded, it may hinder the Town of Lowell if they ever wanted to annex out through that area. The town Attorney was going to investigate this for us and bring back his findings. Mr. Langen stated the Apple Valley franchise is really vast. Mr. Earley asked if it was ever determined that Apple Valley Utilities could cover that area. President Niksch stated they have not been able to locate any documents on what their exact area was and what their capacity is. Mr. Kuiper asked Greg Shook if he had talked to Apple Valley Utilities regarding the capacity. Mr. Shook stated he did not know any of the capacities, but as far as their sewer territory there was talk between the Town and Apple Valley and it was his understanding that with the Certificate of Territory for the sewer utility out there it would not affect Town if and when the Town decided to annex out that way, although Apple Valley would have the rights to supply the sewer and not the Town. Matt Reardon explained the procedures for capital cost and cost analysis.

President Niksch stated the next item to discuss was going west to Rt. 41 to include the Illiana Expressway and Lake Prairie School. The school has had issues with their water and what would the advantage be to take sewer and water out to that direction. Mr. Ward

stated ideally the school would like to have the Town water, however the residents in that area would like to solve the problem without having Town water. Mr. Kuiper wanted to know what the concern was regarding the water. Mr. Ward stated it was just the idea of being annexed. President Niksch stated if they were to go out to Rt. 41, there are a number of items that can be captured not only the 80 acres that have been discussed but also a number of businesses and a landfill. Mr. Kuiper explained the landfill would probably want to be annexed so they can ask the town for 80 acres expansion. President Niksch stated the NS railroad would be another asset to the Town.

President Niksch stated the Annexation Committee had approached the Town Council in regards to the pocket annexations and they tabled Parcels #3 & #4 and his understanding was it was tabled because of lack of funds. Mr. Reardon explained it goes to the capital cost to extend the utilities and if there are not enough users to make up the capital costs.

Mr. Earley stated he understood the need to grow and asked Matt Reardon which way should they go. Mr. Reardon stated he would go the direction that would cost the least amount to service the property that had the best access from a highway standpoint, had the cheapest land cost and is most visible from the highway. Mr. Earley stated they need to narrow down the list of expansions of redevelopment boundaries because they all can't work at the same time and feels there is too much on the table. President Niksch explained what was on the table is the direction they want to go to. Mr. Earley suggested that maybe these boundaries need to be addresses in phases and approach the phases that are most economical and cost effective. Mr. Langen stated that every month they come to a meeting, put ideas on the table, it stays on the table and nothing will happen for another month unless they make something happen. Mr. Kuiper stated he disagreed with Mr. Langen's statement and since they started these meetings they have a medical center come in to the town and there are some pocket annexations that's in process. He further stated they need to focus on the positive such as the medical center.

Dick Ludlow, President of the Schneider Town Council wanted to say they support the Lowell Town Council and all these projects will affect all of them in South Lake County.

Other Business:

President Niksch stated since the Town Court is having court every Wednesday, they need to discuss what permanent date and time would be good for the Redevelopment meeting to meet. A discussion followed regarding the third Tuesday of the month at 6:00 P.M. with everyone agreeing. Mr. Kuiper made a motion to change the meeting date to the third Tuesday of the month at 6:00 P.M., seconded by Mr. Earley and carried by voice vote.

Adjournment:

Mr. Kuiper made a motion to adjourn at 7:10 P.M.

Doug Nicksch, Chairman

Philip Kuiper, Secretary

Note: The above-proposed minutes are submitted for review and approval as the official minutes by the Redevelopment Commission.

Christine Marbach – Recording Secretary