

**REDEVELOPMENT COMMISSION MEETING  
SEPTEMBER 27, 2012  
6:00 PM**

President Nicksch called the meeting to order at 6:05 PM. The Pledge of Allegiance was recited and a moment was held for John Ammons, the President of our Police Commission, and the Ammons family. Recording Secretary Gena Knapp took Roll Call. Members answering the roll call were Doug Nicksch, Phillip Kuiper, Jim Langen, and School Representative Timothy Cottingham. Anthony Muscari and Craig Earley were not in attendance. Also present were Building Administrator Tom Trulley, Planning Consultant Jim Mandon, Town attorney Greg Sobkowski, one media, and four citizens.

**APPROVAL OF MINUTES**

Mr. Kuiper made a motion to approve the minutes for the August 23, 2012 Joint Work Session, seconded by Mr. Langen and carried by voice vote.

**OLD BUSINESS**

SEH update on HSA Medical Office Project – Matt Reardon stated the attorneys are working through the final documents for the final approval of the project financing. Mr. Sobkowski stated he received an e-mail with revised versions based on comments from HSA's council and our response to those. Mr. Reardon stated from the developer's standpoint we are ready to go and we are moving through the zoning process as well. Once the documents are satisfactory for both parties, we will move forward to execute the documents and the bond sale. From the redevelopment standpoint, you have done your job. The district is in place and the TIF pledge resolution is there. At the request of the developer, we are working with the assessor to verify what he believes to be the assessed value of the land and building so that we have something in writing even though it is usually customary to use an estimate. That will hopefully be back to us in a week or so, which will be distributed to both parties as well as the financial advisor. The developer has been informed that when you do this, three things can happen. The value can go up, down, or it can stay the same. The developer understood and decided to still proceed. Mr. Nicksch asked if there was an idea of when they would start digging. Mr. Reardon stated both parties need to agree to the trust indenture and loan agreement before anything, which will be a Council decision. After everyone agrees and is on the same page, they can move forward.

Revitalization District - SEH Review Maps & Legal Descriptions – Mr. Sobkowski stated in order for a business to be eligible for tax abatement, the project has to be located in an economic revitalization area. It is my understanding that the Town has designated the entire town boundaries as an economic revitalization area. That permits the Council to consider applications for tax abatement for both real estate improvements and eligible personal property. In order to grant the special tax abatement, a portion of that must be designated the downtown district. Mr. Kuiper stated for Mr. Cottingham, this area we are talking about is for an existing vacant building and it allows us to give a three-year one

hundred percent tax abatement. Mr. Sobkowski stated this downtown district would be like an overlay within the economic revitalization area. Mr. Kuiper stated if you look at the red lined area on the map, that is what we originally talked about becoming the downtown district, which is Fremont to Halsted. Mr. Reardon stated there are a few ways we tried to take a look at this. This is a special area that targets existing structures. With the challenges that the downtown area faces, this would allow the Council to grant 100% abatement on existing taxes for up to three years. The second map, which has the blue line, is a little more expanded. This isn't something you want to grant in the entire town, you want to focus in on the places that have vacancies and are more challenging than others. In our opinion both maps would serve the purpose of driving new investments in the downtown. Mr. Kuiper stated originally he wanted to branch out in to a larger area, but now he believes we should focus in more on the downtown district. Mr. Cottingham stated this area to the west is not collecting any taxes anyway because it is the Legion ground. Mr. Langen stated that could change this weekend though if it gets sold.

Mr. Reardon stated we are asking tonight for a recommendation to the Council as far as what the downtown area should be. Mr. Kuiper stated the reason he had said he preferred the smaller area is because the downtown comes to us quite a bit for help, and this would be a great way to help them. On the other side, we have a bigger problem. On the east side of town, we have no vacancies. There are businesses that would like to come to Town and we have nowhere to put them. We need to do what we can for the old downtown, but this could be a bigger problem. Mr. Langen stated when looking at this, the railroad tracks would start the area and it would stop at the old Town Hall. He asked what the harm would be in expanding this to the west since there are more properties out there that could be used. Mr. Kuiper stated this tax abatement is for vacant existing buildings. To the east we have no vacancies. The only place we have is downtown that has vacant existing buildings. Mr. Cottingham asked if that was the same if a landlord owned the building. Mr. Sobkowski stated if a tenant comes in and wants to invest money in to that building, then that can be brought to the Council for the tax abatement. Taking those taxes out of your rent could make a big difference for a small business. Mr. Niksch stated a vacant building could also mean if half of the building is vacant. For example, if there is a store with an apartment upstairs, but the storefront downstairs is vacant, would that count. Mr. Sobkowski stated he would have to go back and look at the definition. Mr. Langen stated in looking at the two options, the empty Costas building would be included in the blue lined option, but not the red lined. Mr. Reardon stated we could include that building in the area if you would like and come back with a map showing that so you can recommend that to the Council. Mr. Niksch stated this is just a recommendation to the Council. Even if we look at the other areas that are not included in the red, those areas can come to the Council for an abatement. If we take into consideration the property at the American Legion, how would that help us if there are no taxes paid currently. Mr. Kuiper stated hopefully that building will be bought by someone who pay taxes. Mr. Langen stated there are a few vacant buildings on the other side of the tracks by Hardings. He stated Mr. Kuiper is correct, east of Fremont Street; there are not many vacancies. Mr. Cottingham stated you have to do something to revitalize the old part of downtown or there will be no investment there. Mr. Kuiper stated we have done some things that haven't worked, but this would be a great avenue to

entice someone to come in here. Mr. Langen stated Costas does need to be included on this map either way. Mr. Niksch asked if Mr. Sobkowski would have to put together some sort of criteria. Mr. Sobkowski stated it would be an ordinance and the criteria would be stated in the ordinance. Mr. Kuiper made a motion to send a favorable recommendation to the Town Council to begin the process of reviewing the red lined downtown area including Costas, seconded by Mr. Langen and carried by voice vote.

### **NEW BUSINESS**

Discuss Ashland Hardware Systems – Layoffs begin November 2012, Projected Closing March 31, 2013 – Mr. Niksch asked if there was anything we could do as far as publicizing for them. Mr. Kuiper stated he spoke with the Human Resource Manager there and said he was reaching out to them and he let them know they would love to sit down with them and talk about future plans. He stated they are quite busy right now, but the manager would relay the message to corporate and he believed they were just going to end up selling. Mr. Kuiper stated until we know their plans, there is not much we can talk about. Mr. Cottingham asked how many employees they have out there. Mr. Kuiper stated they have sixty-six employees. Mr. Langen asked about how big the place is. Mr. Trulley stated he could find out the square footage. Mr. Niksch stated part of the reason this was brought up is because there are companies that are out there looking to move in to local communities, and if we have this information, we can put this out there to them. Mr. Kuiper stated with the businesses coming in now, they deal with other developers looking for properties as well. There are developers in Illinois that are looking at moving in to Indiana but right now there are no vacancies where they want to go. Mr. Niksch asked if we should go to their corporate headquarters or wait to hear back from them. Mr. Kuiper stated we should just wait. He stated he sees no reason why they would not get back in contact with us. Mr. Reardon stated normally in those cases, they are hiring someone to sell the place and the company is washing their hands of it. Mr. Langen stated he did try, but they are nationally contracted because of the size of the company. Mr. Trulley came back with the information on the building stating it is less than 18 acres and it is 129,600 square feet. Mr. Reardon stated when they do get a listing agent; you have to inform them of the tax abatement and being in a TIF district so the broker is aware of what is out there. Mr. Langen stated they had said it would be two or three months before they could put a price tag on it. Mr. Niksch stated he would like to know what is in the building. He stated he assumes there is machinery in there and we need to find out if it is staying or going.

### **OTHER BUSINESS**

None.

### **ADJOURNMENT**

Mr. Kuiper made a motion to adjourn, seconded by Mr. Langen and carried by voice vote at 6:35 PM.

Doug Nicksch, Chairman

Phillip Kuiper, Secretary

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

Gena Knapp - Recording Secretary