

**REDEVELOPMENT COMMISSION MEETING
JULY 24, 2014**

President Niksch called the meeting to order at 6:00 PM. The Pledge of Allegiance was recited. Recording Secretary Gena Knapp took Roll Call. Members answering the roll call were Craig Earley, Phillip Kuiper, Greg Shook, Jim Langen, and Doug Niksch. Timothy Cottingham was not in attendance. Also present were SEH Representative Matt Reardon, Planning Consultant Jim Mandon, Town Council President Edgar Corns, Clerk-Treasurer Judith Walters, Northwest Indiana Forum representative Don Koliboski, and one member of the press.

APPROVAL OF MINUTES

Mr. Langen made a motion to approve the May 22, 2014 regular meeting minutes, seconded by Mr. Earley and carried by voice vote.

OLD BUSINESS

Costas Building – Mr. Reardon stated as of June 11th, 2014 the back taxes on the Costas building have been paid. Superior Construction, who was hired in February of 2011 to gut the building and tear down the cement walls, bought this building. Currently the assessed value of this property is \$464,900. He stated his recommendation is that the Town reaches out to the current owners to see if there is anything we can do to assist them in making further investments in to the property and make them aware of incentive programs that the Town has available. It would be best for the Town to have an action plan for the property related to who owns it and what they would like to do with it. If this were merely an issue of buying property to profit on the sale of it, then the recommendation would be for the Town to place that property on an acquisition demolition list, procure that building from them, and then move on. Councilman Kuiper made a motion for Mr. Reardon to follow up with the owner and added that if we get a contact, then we should have our Code Officer contact them as well because there are some issues there that he should follow up on. Councilman Earley seconded the motion and added that the property is already up for sale, so we kind of already know that selling seems to be their intent. Mr. Reardon stated someone wrote a fairly substantial check, so there was a purpose for that. The reason for the reach out is to really find out what their intentions are. We do not want to get in the middle of a willing buyer and willing seller, but we should contact them to really find out their intentions. Mr. Earley stated he agreed, but did not want to spend a whole lot of time, effort, and money on it. Discussion followed. Mr. Shook stated that Building Official Tom Trulley had told him that the person who owns the building said that he heard there was some interest in the building and that he was planning on cleaning the property up. The gentleman also said that he would appreciate any help from the Town as far as trying to sell it. Mr. Kuiper stated his point with the Code Officer is that if they have the money to pay the back taxes, then they should have a little extra to clean the place up. The motion carried by voice vote with five ayes.

NEW BUSINESS

Accept Annual TIF Report and Procedures and forward to the Town Council – Mr. Reardon stated Financial Solutions Group had prepared notifications to the overlapping taxing jurisdictions in accordance with the change in the Indiana TIF law. Those letters have been signed by Mr. Niksch and distributed to those jurisdictions prior to the deadline. Essentially this means that the Town has all intentions of utilizing the new tax increment in your TIF district for the purposes of redevelopment, which you can use up to 200% of. The Indiana legislature has

decided that they wanted to start taking a more diligent look at how redevelopment commissions function and the fact that some communities have fairly substantial budgets, and others do not have a lot. It was an effort to control what redevelopment commissions do, how they do it, and when they do it. The Town is now in compliance with that thanks to Greg Guerrettaz. Mr. Reardon recommended that in the future a resolution be passed that takes care of this so that there is just one resolution that recognizes we are going to use up to 200% of the new increment. The report that Mr. Guerrettaz took care of is the report to the fiscal body, which then gets filed with the Lake County Auditors Office. The report essentially says that the commission has all intentions of utilizing the TIF funds that are available in the district. The report also explains that we have an outstanding bond issued for \$482,000 for the St. Anthony's project. Due to this, you will end up having two different funds related to tax increment financing in the Town. You will have a fund that is specific to the St. Anthony's project, which has to do with the plus/minus twelve acres. The balance of the economic development area, which runs along Route 2, will be funds that would come back to the Redevelopment Commission for use of redevelopment. Mr. Reardon explained a few other items from the report such as the tax rate decreasing and the tax increment, which showed growth in the area. Mr. Niksch asked if we knew if we had any excess funds or if the funds received are going to be used to pay the bonds. Mr. Reardon stated he did not know yet. There has been other growth so it is likely that there will be some money available to the Commission. Mr. Niksch asked if the entire document was necessary every year. Mr. Reardon stated it was. Mr. Niksch stated we tried to get the start date of the Commission post dated in order to collect funds from the Speedway project. Mr. Reardon stated he believed those properties were included because these funds are from 2013, paid in 2014. Mr. Niksch stated he understood that under the new law, the commission does not have to name a treasurer, but that the Town Clerk-Treasurer would take that role. Mr. Reardon stated that position is fairly ceremonial because it was in the statute. Discussion followed.

Mr. Niksch asked if the Redevelopment Commission has the authority to utilize the funds available to them. Mr. Reardon stated he recommended in 2015 the Commission have a budget, and that the Town Council be comfortable with the decisions that the Commission is making. Mr. Niksch asked if there was enough information in the report to accept it and forward it to the Town Council. Mr. Reardon stated the general statement is that the Lowell Redevelopment Commission will be utilizing up to 200% of the new assessed evaluation for the purposes of redevelopment, which is reflected in this document as well as the communications to the overlapping district. Mr. Reardon made a recommendation to the Commission to accept the report. Mr. Langen made a motion to accept the report and forward it to the Town Council, seconded by Councilman Earley and carried by voice vote with five ayes.

RDC Participation with other Local Agencies – NWI Forum – Northwest Indiana Forum Director of Economic Development, Don Koliboski, thanked the Commission for allowing him to speak at the meeting. Our primary role is to increase job growth and assessed value for Lake, Porter, La Porte, Starke, Newton, Jasper, and Pulaski County. We also market the opportunities that Northwest Indiana has along with a lot of data analysis. The Forum can add value by helping the decision makers make proper decisions in growth. In short, the Forum markets Northwest Indiana, works with site consultants, NIPSCO, the Indiana Economic Development Corporation, and anyone who is inquiring in the opportunities in this area. Companies are interested in Northwest Indiana, and Lowell has had a large interest. We help to facilitate that growth. Mr. Kuiper asked what it takes to join the Forum. Mr. Koliboski stated there is a \$2500 annual membership fee, which is flexible. We are representing Lowell either way. Mr. Kuiper asked if he could explain the negotiable fee. Mr. Koliboski stated it is \$2500. We are not leaving Lowell out. The Forum is not going to not represent the Town of Lowell. The municipality has the final say on development, but we facilitate and bring those deals to you, which requires funding. Mr.

Kuiper stated to say \$2500 is negotiable, but we are already represented without paying that fee, makes me question why we would join. He asked Mr. Koliboski to explain what the Town would get for that \$2500. Mr. Koliboski stated you are getting a lot from the Northwest Indiana Forum, but what we want you to do is engage in what we do. We are not asking for a check just to say you are a part of the Forum, you have to engage. All deals close at the municipal level. You guys will decide the future of Lowell, and we will provide the expertise. We also work with all of the Town's consultants to make sure that we are all on the same page. Mr. Earley stated when this was brought before the Council; it seemed to have died due to the conversation regarding the membership fee. If we are going to participate in this, then we need to really participate in what is offered. Discussion followed regarding the membership fee and getting involved in what the Forum offers.

Mr. Koliboski stated the opportunities in Lowell are growing and we are here to work hard for the Town and with your consultants to plan that growth. One of the other things we are able to do is go to different site conferences and develop relationships with international site selectors. At these events we are able to let these selectors know what properties we have available and what is going on to date in that area. Mr. Niksch stated he sees the competition in Indiana and how we are going and searching for companies to move in to our area. He stated working in Illinois, he sees how they are aggressively trying to keep their businesses and build on the economic development of the Illiana Highway. We need help in that area. We cannot continue doing what we are doing and expect different results. Mr. Koliboski stated he recently did an interview with the Illinois Real Estate Journal magazine, and they discussed the large opportunities in Northwest Indiana. We market heavily, and if you engage in what we do and we know what direction you want the Town to go in, we are able to help sell. Mr. Earley made a motion to make a recommendation to the Town Council that the Town of Lowell becomes a member of the Northwest Indiana Forum, seconded by Mr. Langen. Questions were asked about prorating the membership fee due to the year being more than half way over. Mr. Koliboski stated he knew he could do the rest of the year at no cost. Mr. Earley stated he would leave it up to the Council if they chose to give the Forum money this year, or wait until the Redevelopment Commission has a budget next year. The motion carried by roll call vote with five ayes. Mr. Koliboski closed by explaining the professional development opportunities that the Forum offers throughout the year to collect more insight from professionals.

PUBLIC COMMENT

ADJOURNMENT

With no further questions or comments, Mr. Kuiper made a motion to adjourn the meeting at 6:52 PM, seconded by Mr. Earley and carried by voice vote.

Doug Niksch, President

Greg Shook, Secretary