

ALLEN COUNTY REDEVELOPMENT COMMISSION

Minutes: April 10, 2018

(The following reflects a synopsis of action taken by the Allen County Redevelopment Commission. Actual audio recordings of the proceedings before the Redevelopment Commission are available upon request.)

The Allen County Redevelopment Commission met on Tuesday, April 10, 2018 at 1:30 p.m. in Room 035, Citizens Square, Fort Wayne, Indiana. The following members were present:

	Appointed By	Present	Absent
President Richard E. Beck, Jr.	Commissioners	X	
Vice President Kurt Gutman	Commissioners	X	
Secretary Steven P. Bercot	Commissioners	X	
Member Tom Harris	County Council	X	
Member Darren Vogt	County Council	X	
Non-Voting Member Chris Baker	Commissioners	X	
Allen County Auditor Nick Jordan	ACRC	X	

Staff members present were Elissa McGauley, Director of Redevelopment; Scott Harrold, Senior Economic Development Specialist; Rachel Black, Economic Development Specialist; and Cathy Stone, Office and Finance Manager. Also in attendance was G. William Fishing, Legal Counsel representative.

Mr. Beck called the meeting to order at 1:30 p.m. After confirming a quorum was present, he introduced the following Agenda:

1. Approval of the March 13, 2018 minutes

With no additions or corrections, Mr. Vogt motioned that the minutes be approved. Mr. Bercot seconded and the motion passed unanimously.

2. Review of March financial reports

While review of most funds show typical or no activity, Mr. Harrold advised there are more than sufficient funds for the Nestle Bond payment in May.

After brief discussion regarding investment of the Capital Fund, Mr. Bercot moved approval of the March financials. Mr. Harris seconded, and the motion was unanimously approved.

3. Consideration of a Declaratory Resolution designating property in Lafayette Township as the Lafayette Center Corner Economic Development Area

Before reviewing a Powerpoint presentation, Ms. McGauley reminded the Commission that the process begins with their Declaratory Resolution, which will be given consideration by the Allen County Plan Commission, then to the Allen County Commissioners for approval, and will return to this body for a Confirmatory Resolution and public hearing as required by State law.

Referring to the screen, she advised the area lies at the northwest corner of Fogwell and Lafayette Center Roads, west of General Motors and north of the Stonebridge Business Park. No property acquisition is included. The area was rezoned I-2 in December 2016, and is surrounded by mixed zoning from A-1 to I-3. She listed a number of businesses near the area.

The proposed area will collect only real property tax increment, which will be reported to this Board. Highlighting surrounding Economic Development Areas, Ms. McGauley reminded the Commission of the significant role they have played in developing southwest Allen County.

A small number of infrastructure plans are needed to facilitate additional growth in the area. The plan meets the Findings required by State Statute.

Mr. Vogt moved for approval of the Declaratory Resolution designating property in Lafayette Township as the Lafayette Center Corner Economic Development Area. Mr. Gutman seconded, and the motion passed unanimously.

4. Consideration of Construction Loan Agreement and Lease with PB Development

Due to the financing situation, Mr. Beck stated that this item will be for discussion in today's meeting to introduce the documents for this transaction to the Commission, and assure the members' understanding.

At this point in the process, the matter is on County Council agenda for approval before Redevelopment Commission votes on the matter. Ms. McGauley stated a public hearing and further discussion will be on the May agenda.

Mr. Harrold briefly reviewed the documents, stating some required Commission approval and other for information only. He pointed out this is referencing the Lafayette Center Corner Economic Development Area just discussed. PB Development is building a 100,000 square foot building at a cost of 5.2 million dollars.

The Construction Loan Agreement details the loan funds. Monthly reimbursement payments to PB begin when the building is leased, sold, or at end of 48 months. Mr. Fishing interjected that the Commission's maximum exposure for that timeframe is \$1,040,000 carrying costs.

PB had their building permit in December 2017, and will provide finalized construction costs.

The Lease is needed for repayment to the Board of Commissioners through TIF. The Construction Note and Assignment of Rents documents detail how the TIF payments to PB are redirected to the Board of Commissioners. The Memorandum of Lease, distributed at the beginning of this meeting, states that the documents will be recorded.

Mr. Fishing explained that since this is not bank financing, the Commission is responsible for the building inspection.

He explained the documents are standard construction loan with a lease and promissory note. During review, the Commission requested "stronger language" where the Construction Loan states "the Lender may make on-site inspections." Staff noted that the language had been changed to "will make on-site inspections".

Alan Tio of Kinder Construction was available for questions and clarifications of the building size and features. In closing, he thanked the Commission for allowing his company to join them in pioneering this project.

Mr. Beck requested if the members of the Commission were comfortable with this concept, and encouraged questions at any time.

5. Consideration of a Declaratory Resolution designating the Diebold Corner Allocation Area within the Dupont Diebold Economic Development Area

Ms. McGauley reminded the Commission that in February a Confirmatory Resolution was approved for the area. This Amendment is a continuation of the original plan and adds the Diebold Corner Allocation Area of 84.51 acres. With the exception of the Cancer Center for Parkview Regional Medical Center, this is basically undeveloped land.

She added commercial development is expanding into this area. The area has a mixture of zoning classifications from A-1 to C-2. Current assessed value of this area is over 11 million dollars. The area will only collect real property tax increment.

The purpose of the Amendment is to fund public infrastructure improvements, primarily streets and sidewalks for connectivity to the existing development and to accommodate growth in the EDA. Staff suggested the possibilities of a common access road versus individual entrances, and a traffic signal, to help with traffic congestion on Diebold Road.

While the Commission is not required to submit Findings for this Amendment, it assures the Amendment is reasonable and appropriate in relationship to the original plan, and complies with the Comprehensive Plan.

Mr. Bercot motioned to approve the Declaratory Resolution designating the Diebold Corner Allocation Area within the Dupont Diebold Economic Development Area. Mr. Gutman seconded and the motion passed unanimously.

6. Consideration of claims:

a. Beers Mallers (General) \$2,610.00 246-3701-463.31-01

Mr. Gutman motioned to approve payment of the Beers Mallers claim. Mr. Harris seconded the motion and is unanimously passed.

b. DLZ (Ryan R/W) \$16,131.00 399-3701-463.31-13

c. DLZ (Ryan Engineering) \$11,164.50 399-3701-463.42-07

Mr. Harris moved to approve payment of the DLZ claims. Mr. Vogt seconded and the motion passed unanimously.

7. Other Business

Ms. McGauley advised that Ms. Black will be attending the OU EDI Conference in Fort Worth, TX the week of April 30-May 4.

Ms. McGauley informed the Commission she had applied and has been accepted for the FBI Citizens Academy, held in Fort Wayne in May.

Ms. McGauley informed the Commission that Mr. Harrold and completed submittal of the annual report information to the State's Gateway Information System. Allen County Auditor Nick Jordan assisted with the submittal.

Ms. McGauley advised that she recently received an email from Nancy Townsend, City Development, regarding a project involving the parking lot across from the Jail. Soil testing of the land revealed underground storage tanks. Ms. Townsend discussed availability of fill dirt with the Board of Commissioners. They have requested that Mr. Harrold prepare a Grant of Entry for the fill dirt on the XPO property to be tested. If schedules permit, Staff will accompany that visit.

Mr. Vogt moved for approval allowing Mr. Beck to sign the Grant of Entry. Mr. Gutman seconded the motion and it unanimously passed.

Following up on a \$500,000 commitment to the Allen County Highway work on Ryan Road, Ms. McGauley. Estimates for the work have been received, and Staff has drafted a Funding Agreement for which she is requesting approval.

Mr. Vogt motioned to approve signature of the Funding Agreement between the Allen County Redevelopment Commission and the Board of Commissioners for the Ryan Rd project. Mr. Gutman seconded, and the motion was unanimously approved.

Ms. McGauley reminded the Commission of the presentation in November 2017 for the downtown Boutique Hotel. The Allen County Commissioners committed 2 million dollars to this project. She advised it is going through a bond process and that the Commission would not be involved in this.

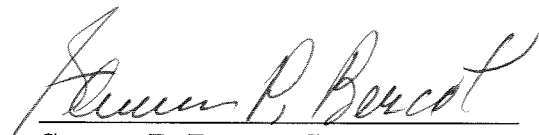
Following up on the discussion regarding erosion and maintenance of the pond at the XPO/McFadden site, Ms. McGauley informed the Commission that Staff has met with the CBRE property manager to determine if that contract was covered under a warranty. The company hired replied that the warranty was only for one year and is no longer in effect.

Quoting the property manager's email to Ms. McGauley, Todd Bauer designed and inspected the pond after the install and said it was in good condition. The Commission still holds the position of paying for a service or product that was not received in acceptable condition. Mr. Fishing advised that if the pond was inspected and found to be in compliance with plans and specs, he is not confident of disputing the matter.

Staff was asked to review the plans at the site with Todd Bauer. Mr. Vogt and Mr. Bercot would like to be included in that meeting.

Ms. McGauley stated the bills mentioned in the March minutes died with the Indiana General Assembly. There is one bill she is watching concerning housing in TIF districts.

With no additional business, the meeting was adjourned at 2:21 p.m.


Steven P. Bercot, Secretary