

## **MINUTES OF THE MEETING OF THE PERRY COUNTY REDEVELOPMENT COMMISSION**

The Perry County Redevelopment Commission ("Commission") met on May 24, 2023, at 4:00 p.m. (local time) in the Perry County Commissioners Room pursuant to notice duly given and in accordance with the law and rules of the Commission.

The meeting was called to order by Jon Scheer, President. On call of the roll, the members of the Commission were present or absent as follows: Present: Jon Scheer, Bill Dickerson, David Etienne, Sherri Flynn, Carol Hagedorn, and Tony Thomas. Absent: None. Also in attendance: Randy Cole, Perry County Commissioners; Kelli Harding, Perry County Council; Erin Emerson, Perry County Development Corporation; Kenny Simpson, Engineering Associates; Jason Semler, Baker Tilly; and Nancy Etienne.

The agenda was presented. With a majority of the members present, Jon Scheer entertained a motion to adopt and approve the agenda as presented. Upon motion duly made by Sherri Flynn and seconded by Carol Hagedorn, the agenda was approved as presented.

The Commission considered the minutes of the meetings of April 26 and May 3, 2023. It was noted the May 3<sup>rd</sup> meeting minutes required a change on the second page in the third paragraph from the bottom of the page. The wording should have been 80 acres (instead of 54.349). With no discussion and upon motion duly made by David Etienne; seconded by Bill Dickerson, both sets of minutes were approved with the change.

Baker Tilly representative Jason Semler was present to provide an update about the County's TIF Districts. He shared there has been new State Legislation passed that may impact the use of funds collected from a TIF District. The legislation is still being analyzed and updates will be forthcoming. Of note is the ability to use TIF funds collected for police and fire operating costs for the purpose of offsetting the additional expenses incurred from capital improvements that benefit the area. Also resulting from legislation is the need for an annual spending plan to be submitted by December 1<sup>st</sup> each year to the DLGF and the County Council. The spending plan will not be able to be amended during the implementation year. Baker Tilly team members are still researching the restrictions resulting from this change.

An analysis of each of the County's six TIF Districts was provided:

Allocation Area No. 1 (Courthouse) – estimated 2023 annual TIF to be collected = \$33,210; the district expires June 30, 2025; at present there is an 85% pass through of the incremental assessed value; the Redevelopment Commission will need to decide before June 15<sup>th</sup> if it will continue the pass through and, if so, at what percentage

Allocation Area No. 3 (Waupaca) – estimated 2023 annual TIF to be collected = \$1,098,070; the district expires November 16, 2025; Outstanding Obligations include: Economic Development Revenue Bonds, Series 2014A = \$150,000 (with a final maturity date of July 15, 2024); Economic Development Revenue Bonds, Series 2016A = \$610,000 (with a final maturity date of January 15, 2027); Economic Development Revenue Bonds, Series 2016B = \$215,000 (with a final maturity date of January 15, 2027); Taxable Economic Development Revenue and Refunding Bonds, Series 2021 = \$3,820,000 (with a final maturity date of January 15, 2027)

Waupaca Foundry is to make any shortfall payments in the event the TIF revenues are less than the benchmark payments. It was demonstrated in the report there will be deficiency payments needed in 2023 as the tax rates have reduced the amount collected via property taxes. In tax year 2023, it is estimated the company will need to come up with a \$370,000 deficiency payment into the fund. Jon Scheer will reach out to company representatives to make them aware of the situation and to request feedback regarding impacts of deficiency payments as opposed to paying for the obligations via annual property tax collections.

Allocation Area No. 4 (Webb Wheel) – estimated 2023 annual TIF to be collected = \$225,210; the district expires March 29, 2034; the bonds for this District were paid off early; the Redevelopment Commission will need to decide before June 15<sup>th</sup> if it intends to implement a pass through of the incremental assessed value, and, if so, at what percentage.

Mr. Semler noted an 85% pass through of the Webb District would result in an added Waupaca Foundry discrepancy payment. The higher the pass through, the lower the overall tax rates are. Lower tax rates result in less funds collected within the TIF District resulting in discrepancies. Currently there is \$13 Million in Assessed Valuation held withing the Webb Wheel District.

Riverview West Development Allocation Area – created September 8, 2015; the district will expire 25 years after the first obligation payable is incurred; there are no obligations against this area; the estimated 2023 annual TIF to be collected = \$200

TC-1 Allocation Area – created October 2, 2019; the district will expire 25 years after the first obligation payable is incurred; there are no obligations against this area; the estimated 2023 annual TIF to be collected = \$0

TC-2 Allocation Area – created October 2, 2019; the district will expire 25 years after the first obligation payable is incurred; there are no obligations against this area; the estimated 2023 annual TIF to be collected = \$0

Discussion regarding the dissolution of a TIF District ensued. It was noted that if a TIF District is dissolved and funds are in hand, the Redevelopment Commission has the right to keep those funds to use for capital improvements. Jon Scheer will investigate how those funds could be returned. The Courthouse TIF district currently has approximately \$269,000 in its coffers.

As the Courthouse TIF District has been in place more than 30 years, Tony Thomas motioned to dissolve the Courthouse TIF District. Sherri Flynn seconded the motion which carried unanimously.

Legal guidance regarding the process for dissolution of a TIF District will be sought.

Discussion regarding the use of both the TC-1 and TC-2 TIF Districts ensued. The TC-1 District includes the 7th Street corridor in Tell City where the recent Downtown Apartments are located and where a potential hotel development might locate. The TC-2 District includes the area in and around the former Swiss Plywood building. In 2022, it was proposed both TC-1 and TC-2 TIF Districts be dissolved. At that time, the Perry County Commissioners denied the proposal. At present, neither TIF District is being utilized and no proposed development in either area has indicated an intent to secure bonding for development.

As the “but-for” clause for the implementation of a TIF District has not been demonstrated in either TC-1 or TC-2, Sherri Flynn motioned to dissolve both the TC-1 and the TC-2 TIF Districts. Davie Etienne seconded the motion which carried unanimously.

Site work at the Forest Canton Heights (FCH) subdivision is nearly complete. Gravel is to be installed this coming Friday and the curb and gutter may be installed as soon as the end of next week. The water and wastewater utility infrastructure are to be installed following the balance of the site work. The electric and internet installation will then follow.

The Swiss Road paving bid for base coat only will be advertised June 1<sup>st</sup> and 8<sup>th</sup> with bids being opened at the Redevelopment Commission’s meeting on June 21<sup>st</sup>. Based upon both existing and

planned construction costs, it is anticipated there will be enough funding from the ARP and READI sources to cover all the expenditures for the subdivision development.

Kimberly Arndt of Lutgring Brothers, who performed the site work, has advised details be shared with all potential lot owners regarding the recommendation for utilizing wider footings within the FCH Subdivision. Soils on the site were stabilized and compacted, but the wider footers will help to insure structural stability.

Conversations with representatives of Southern Indiana Power about site lighting are ongoing. It was shared that perhaps an up-front payment for five years of site lighting costs from the Redevelopment Commission might then evolve into all lot owners splitting the cost of said site lighting.

Jon Scheer will reach out to the City of Tell City to discuss the possibility of a sound ordinance that would prevent Jake braking in the vicinity of the FCH Subdivision.

Signage regarding the FCH lot sale could be installed as early as next week.

The deeds for the transfer of property to Webb Wheel Products and Waupaca Foundry will be finalized next week. Jon Scheer shared Webb Wheel Products intends to also assume ownership of the bat mitigation area that is adjacent to the plant.

The electric trenching bid opening was conducted. The preliminary budget estimate for the work was \$60,000. Two bid submissions were received. Bid submissions are as follows:

- Sam's Backhoe & Dozer Service - \$48,500.00
- Casey Electric - \$25,750.00

Tony Thomas motioned to award the electric trenching for the FCH Subdivision to the low bidder pending a thorough review for compliance of the submission by Kenny Simpson, the project engineer and project coordinator. Carol Hagedorn seconded the motion which carried.

With no further items to be discussed it was noted the next meeting will be a special session meeting to address the TIF District pass throughs. That meeting will be held June 7<sup>th</sup> at 4:00 p.m. Jon Scheer asked for a motion to adjourn. Sherri Flynn made the motion, which was seconded by Bill Dickerson. The meeting was adjourned.