

MINUTES OF THE MEETING OF THE PERRY COUNTY REDEVELOPMENT COMMISSION

The Perry County Redevelopment Commission (“Commission”) met on June 1, 2022, at 4:00 p.m. (local time) at the Perry County Commissioner’s 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, Paul Malone, Carol Hagedorn and Tony Thomas. Absent: None. Also present were: Pam Goffinet, Perry County Auditor; Teresa Kanneberg, Perry County Administrator; Chris Goffinet, Perry County Attorney; Erin Emerson, Perry County Development Corporation; Charlie Baumeister, Perry County Council; Ron Smith; Tom McCart; Randy Cole; and Kelli Harding.

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

The Commission considered the minutes of the meeting of April 27, 2022. Paul Malone questioned the reason for the July 1st deadline for the amendment of Perry County’s Economic Development Plan. Jon Scheer that deadline was confirmed with Ice Miller representation. With no discussion and upon motion duly made by David Etienne; seconded by Bill Dickerson; and an abstention of Paul Malone, the minutes were approved as presented.

President Scheer reported on TIF balances as of this meeting as follows:

1. Courthouse TIF Area - \$259,890.75
2. Waupaca - \$226,308.20
3. Webb Wheel - \$80,965.41
4. Riverview West – \$3,434.60
5. Tell City One - \$0
6. Tell City Two - \$0

The Webb Wheel Bond has been paid off. Pam Goffinet reported this Friday the June settlement will occur so the balances should increase. In July the second half of the Waupaca bond payments are due.

TIF Allocation area pass throughs have to be determined by June 15th. At present the Courthouse TIF Area (1) is being passed through at 85%. TIF Allocation areas 3, 4 and 5 are not being passed through. There is not an option to pass through funding on TIF Allocation area 3 due to outstanding bonds.

Tony Thomas asked if the assessed valuation of the Courthouse TIF area is known. TIF Allocation area 3 (which expires in 2034 or 2035) consists of 80% personal property and 20% real estate. At present approximately \$200,000 is generated annually from TIF Allocation area 1.

Tony Thomas shared that his goal is to lessen the impact of property tax caps to lessen the burden upon the school corporations.

Paul Malone motioned to keep the pass through of TIF Allocation Area 1 unchanged at 85%. David Etienne seconded the motion which passed unanimously.

Ron Smith was present to report on the Downtown Apartment project. He shared his financing institution has approved an 80% loan which amounts to \$3.9 million and that he has a source for backup funding should the project exceed projections. He explained getting pricing for materials is a variable as vendors and suppliers will not guarantee price quotes for more than a few days. On June 6th the project is being considered by the Tell City City Council for a 10-year tax abatement. Title work on the property won't begin until after the requested tax abatement is approved. The State approval for the foundation is scheduled to be submitted by the end of June. Challenges to the project include a sewer line that runs through the property that will have to be relocated along with the need to combine two water lines. Mr. Smith guaranteed the project will be moving forward and site activity will occur by the end of June. Mr. Smith agreed to be present at the Redevelopment Commission's June meeting to share project updates.

President Scheer shared that the project delays have resulted in missing some contractually agreed upon schedules. With that in mind the request was made that Mr. Smith forward documentation of all permit applications / approvals; etc. immediately upon their receipt for verification that the project is moving forward.

It has been determined the Forest Canton Heights project property ownership will not be placed with a non-profit organization. Instead, to keep the process transparent, the property will be owned by the Redevelopment Commission. The schedule for the property transfer along with the necessary documentation is being addressed by Ice Miller council. The needed appraisals for the property transfer

are on track to meet deadlines. The Redevelopment Commission will have some added responsibilities with this property ownership including bidding out the lot sales along with the preliminary site work.

Paul Malone questioned if taking the ownership of the property places the Redevelopment Commission into the position of being a developer. Tony Thomas indicated that this project is not the same as an industrial development. The discussion resulted in a consensus that this project does not make the Redevelopment Commission a developer.

The goal with the project is to not transfer property deeds until homes are constructed. The legal process for making this happen is being investigated.

A draft of restrictive covenants along with some additional considerations were circulated for consideration. It was decided a homeowner's association will not be established as the potential park area will become a building site, therefore common area maintenance will not be needed. However, the issue of mowing the detention basin remains unsolved. Restrictive covenants will be finalized at the next meeting.

The goal is to raise \$850,000 for the subdivision project. Funding for the project still may include READI funds and possibly ARP funding though those are not guaranteed. There is also the possibility of bonding using the Webb Wheel TIF Allocation area. If that is the scenario the Redevelopment Commission ends up using, there would be less liability for the County if individuals buy the bonds. It was suggested that perhaps the Perry County Development Corporation might be able to assist financially with the project.

Per request, Erin Emerson explained READI funds in the amount of \$15 million were awarded to the Southwest Indiana Development Council. Of that \$15 million the State of Indiana will retain three percent for administrative fees and three to four percent will likely be needed for the State-required Certified Grant Administrators. Projects to be awarded READI funding will need to comply with the same regulations as ARP funded projects.

A summary letter about the Forest Canton Heights project is being drafted to be shared with the County Commissioners, the County Council, and to hopefully be published in the Perry County News. That letter should be going out in the next few weeks.

It was agreed the intent is to continue pursuing the project with an aggressive timeline of site prep with buildable lots in the first quarter of 2023.

With no further items to be discussed it was noted the next meeting will be held June 22 at 4:00 p.m. Jason Semler of Baker Tilly will be present at the meeting. Jon Scheer asked for a motion to adjourn. David Etienne made the motion, which was seconded by Carol Hagedorn. The meeting was adjourned.