

PLAINFIELD REDEVELOPMENT COMMISSION

February 6, 2023

5:30 p.m.

Mr. Clay: We will go ahead and bring the Plainfield Redevelopment Commission meeting to order.

PLEDGE OF ALLEGIANCE

Mr. Clay: If you guys would join me for the Pledge of Allegiance.

DETERMINATION OF QUORUM

Mr. Clay: I'll now call on Mr. Todisco for the determination of the quorum.

Mr. Todisco:	Mr. McPhail – here
	Mr. Angle – here
	Mr. Clay – here
	Mr. Kirchoff – here
	Ms. Renk – here
	Ms. Elston– here

Mr. President, you have a quorum.

Mr. Clay: Thank you.

CONSENT AGENDA

Mr. Clay: I'll now move on to consent agenda. I'd entertain a motion of the approval of minutes from the January 5, 2023 meeting.

Mr. Kirchoff: So moved.

Mr. Angle: I'll second.

Mr. Clay: We have a motion by Mr. Kirchoff and a second by Mr. Angle. Mr. Todisco?

Mr. Todisco: Mr. McPhail – yes

Mr. Angle – yes

Mr. Clay – yes

Mr. Kirchoff – yes

Ms. Renk – abstain

Plainfield Redevelopment Commission consent agenda for the minutes of January 5, 2023 have been approved.

OLD BUSINESS

Mr. Clay: Old business, Mr. Starnes?

Mr. Starnes: Thank you, good evening. First, I wanted to talk about the Drinkard property. As you all are familiar by now, I would imagine, the Redevelopment Commission has a project agreement with Strategic Capital Partners to redevelop the Drinkard property on the east side of town. I've gone through one amendment previously; more recently the developer approached the Redevelopment Commission through me to ask for an additional or second amendment to the project agreement to do three things primarily. One, to extend the closing date to allow the PUD process through the Plan Commission and the Council to play out prior to closing. Two, to extend the commencement deadline. The project agreement has a period of time after closing at which the developer has to commence construction activities on the site. And also, to extend the completion deadline, because the project agreement also includes a deadline for completion of that development activity after the closing date. I think due to a number of supply chain and economic factors, the existing timeframes in the project agreement were not tenable for the development of the project. So, we engaged in some discussion there, and I know Kent had some direct interaction with Will Zink at Strategic Capital Partners, culminating in a second amendment to the project agreement that extends the outside closing date to April. Which I believe, in conversation with Kent and Tim and town staff, provide a feasible timeline for the PUD to be approved and wrapped up. And also, it extends from 90 days to 180 days the commencement deadline so that things can get financed and planned and ready to start moving. And then again, it extends the completion deadline as well. The Redevelopment Commission would maintain its

power under the agreement that if that commencement deadline is exceeded, the Redevelopment Commission has the right to reacquire the property so that it doesn't just continue to sit and not be developed. Further, we did negotiate a right of first offer and a right of first refusal. If the developer is not able to put together a project on any portion of the site, the Redevelopment Commission will have certain rights to be the first in line to acquire that, to then reposition it for redevelopment again. We knew that that was, from a policy standpoint, an important protection to preserve; just again, to ensure that the Redevelopment Commission is doing all it can to encourage development on the site. So, you'll note in new business that you've got a consent vote to ratify a second amendment to the project agreement. Given that the first amendment deadline was about to run out we put together that second amendment, worked with Kent and with Tim and town staff to get comfortable with that, and then President Clay executed the second amendment. So, it's for you to ratify that second amendment which does those things that I just summarized. Any questions on that?

Ms. Renk: This is the second...?

Mr. Starnes: The second amendment...

Ms. Renk: It's so weird to hear you say that...

Mr. Starnes: To the project agreement.

Ms. Renk: Yes. This is the second extension that we've given this project, correct?

Mr. Starnes: Correct

Ms. Renk: Is the project at risk of not completing, of not being completed?

Ms. Elston: As a confidence level, how...?

Mr. Starnes: Right, and I would be glad for Kent to weigh in, or Tim because they've seen that going through the planning process etcetera, and I know they've had some conversations directly with the developer. From my perspective with conversation in counsel, no. I think it has always been the strategy to keep the project agreement as a pretty short leash on purpose, just to make sure that it didn't just linger, so to speak. I think we have seen some progress with the planning process in working through TAC and initiating the rezoning process – which was always going to be a lead time item. And I think the reason that we've seen a couple of extensions now is because we kept the timeframe pretty short on the frontend so that there were these check-ins, and we could evaluate at each point. I think from my perspective, this is informed by seeing some progress and initiative. It's just a matter of letting that process play out. And I think we know that rate environment and other factors are certainly making all project more difficult, and the thought is that more time to allow for maybe some settling out of rates and some stabilization of supply chain issues could help the project. Especially keeping in mind that the alternative is to back out and try to find a new development partner which could potentially take even longer.

So, I think those are the – again, from things that I've seen and the conversations that I've had, that's my perspective, or my take on the scenarios. It's not at risk, it just probably needs a little bit more time. But again, I'm glad to defer to Kent and his discussions with Will at SCP.

Ms. Elston: So, we're not surprised that there's been some of these extensions?

Mr. Starnes: No, I'm not. From working with projects, even elsewhere, this is a very common, common scenario.

Ms. Renk: And how many extensions are too many? Are we going to draw a line?

Mr. Klinger: That all comes down to whether we're still making progress towards the project, right? If we start to see things, they're not making changes that we're asking for or whatever the case may be, or they appear to be backing off, well then, we might try to call to question, right, and say hey, this is it, are we doing this or not? But as long as we are working together and making progress, then I think if extra time is needed to get it across the finish line, then we'll give them that and work with them on that.

Ms. Renk: And you feel confident where we are today, progress is being made?

Mr. Klinger: Yeah, I mean, Tim and Kent know more than I do actually on this one, but I would say that we're continuing to make progress. It's a natural part of the development process. When a developer comes in and proposes a project and we give some feedback, you know, pushback. We're kind of in that "devil's in the details" phase of how are you going to access the site, you know, where's drainage going to go, and all those sorts of things. So, I feel like we're making progress towards those.

Mr. Kirchoff: I may have missed it, but did we get a copy of this?

Mr. Angle: I didn't.

Ms. Renk: I didn't receive one either.

Mr. Kirchoff: I've got a second question about you know, whether things are moving forward appropriately or not. There's two or three pieces out there Kent, where you've got commercial and all that – so, does that address that one part of that that might be okay but one part might not? Since I haven't seen the document, I didn't know how that – how do you define that?

Mr. Starnes: Yeah, I think that's one of the reasons for right of first offer/right of first refusal. One of the things we've heard is that portions of the projects, not phases necessarily, but the commercial versus the residential versus the single-family may go on slightly different timelines and finance differently, and in recognition of that we wanted to guard against the scenario where one of say three – I'm just making that up...

Mr. Kirchoff: Right

Mr. Starnes: One of say, three portions moves forward, and the others just sort of lay fallow, we wanted to be able to step in and say we're going to buy that back then. Keeping in mind, in the context of this project, unlike some others, the land is not a contribution; they're purchasing the land for a fair market value pursuant to appraisals.

Mr. Kirchoff: Right

Mr. Starnes: So, there's some give and take there I think goes with the project a little differently. So, the most we can really reasonably preserve is the right to buy it back, but it's still a safeguard for that reason, because we know that the commercial presence may be harder in the end and if it drags on too far then we will have to weigh and consider from there.

Mr. Kirchoff: So, what is the sense of urgency since we haven't seen the document?

Mr. Starnes: I just knew that this was the first meeting after – the sense of urgency in putting it together and executing it was the deadline under the first amendment was about to end, and I think probably from both sides, letting that go out of contract is probably not a good scenario. So, we put that together and again, worked with the town with getting that in a form that was acceptable and got it executed. So, now it's just a matter of ratifying it as a commission. That I think could probably happen at any time. I didn't know you hadn't seen the document. To summarize it, it would be closing extended to April, extension of the commencement deadline from 90 to 180 days, extension of the completion deadline from 18 to 24 months, and then the execution of right of first offer/right of first refusal language. It's pretty brief and that's what it covers; the rest of the project agreement is intact. I don't know if there's a lot of fallout necessarily if you were to table it instead, but it does probably need to be ratified as it's executed.

Ms. Renk: (microphone not on) (inaudible)

Mr. Starnes: I don't think that permissible under (inaudible). (inaudible) discuss that a little bit (inaudible).

Mr. Angle: (inaudible) now? If it's short and simple, maybe it's a two-minute read, I don't know.

Mr. Starnes: Sure

Mr. Klinger: Do we have that?

Mr. Angle: It's going to be tough to ratify something that we've never seen.

Mr. Klinger: Yeah, maybe the better idea is to just push it to the next meeting.

Mr. Starnes: That's totally fine with me.

Mr. Klinger: I did not realize it wasn't attached to the email.

Ms. Renk: The first amendment that lapsed, did that cause problems, the first time extension?

Mr. Starnes: Like I said, President Clay has executed the second amendment, so this is a ratification. If you were to vote to not ratify, then I think the agreement is effectively terminated. Apart from that, like I said, the outside closing date is extended to April, so if you were to consider this at your March meeting, sure. I just wanted to be able to be in front of you to explain it as quickly as I could, which was this meeting. And if you've not seen it, we should certainly table it; that's your prerogative. I'm not pushing you on that from a legal perspective.

Mr. McPhail: I might add that there's been no material changes in the project. You know, they've had to go through some refinancing and all those types of things. It is on the Plan Commission tonight and the timetable was built, the extension of the timetable was built to give them time to get through the process and if it gets approved at the Plan Commission tonight, then it has to go to the Council and then the documents have to be recorded. The PUD has to be recorded before their financing is locked in. So, it's just all those technical things but I believe we have covered all the basis, but I don't know how many emails Tim and I have responded to in the last few days but every one of them we thought was in the realm of authorization that we got when we started this project. If there had been any significant changes to the project other than the timetable I don't think we would have recommended moving forward.

Mr. Angle: Again, I can only speak on my behalf. I mean, I absolutely support the project and my tolerance for extension is fine. I mean, these things take time and it was a very aggressive timetable to begin with. So, support is still there, I just think it would be diligent just to put eyes on the document before it's ratified.

Mr. Kirchoff: Agreed

Mr. Starnes: Yep, I know Tim has the executed versions, so I'll make sure that gets sent to you all.

Mr. Angle: Thank you sir.

Mr. Starnes: Certainly.

Mr. Angle: And thanks for all your hard work on this, it's been a lot.

Mr. Starnes: I think as designed, these check-ins have been opportunities at each occasion to check in and say, okay, is this an extension because somebody's asleep at the wheel and not taking this project seriously, or is it an extension because these projects do take time and it's a challenging development environment and there's still lead time on zoning, etcetera. The overall satisfaction from what I've seen is, it's the latter.

Mr. McPhail: Our planning department has worked really hard to make sure that it's a good quality project, and they continue to improve it as we went down through the process.

Mr. Angle: Great

Mr. Clay: I guess we'll move on to the next piece, the CDC update.

Mr. Starnes: Yeah, we certainly look forward to the Stanley Terrace project moving forward and starting construction in the spring. They're performing pursuant to the project agreement that we have between the CDC and Woda Cooper. As a developer I know they are still working through some plat approval issues but that's entirely on them. I think certainly the tax credits have been awarded and they're lining up funding and are hoping to move forward and start in the spring. They did take responsibility quickly of demolition of the structure that's there still on the site – so if you go by that and see the building, that will be coming down. And I know that BF&S working for the town, is conservatively looking to put together a way to describe the right-of-way that will be needed for the Krewson – at least for the first phase of Krewson enhancement, that's part of the downtown plan. And the CDC will then be ready to contribute that right-of-way so that the road can move forward as far as construction. I know they're aggressively moving in that direction so it will be good to turn the corner there. We've been able to proactively acquire a lot of that right-of-way necessary to facilitate that infrastructure improvement, and also will be then looking conservatively for perspective development partners for any remnant land that could support some kind of townhome product or some kind of housing. We are talking to town staff and CDC board about how we position that for a development project that would take advantage of that structure method. So, those are certainly the main initiatives. Also, touching on the parking structure, as you may recall the Redevelopment Commission owns that, the CDC sort of operates it pursuant to an agreement between the Redevelopment Commission and the Community Development Corporation had discharged the parking operations side via contract with Denison Parking. In further conversation over the last couple of years with the town, the town saw an opportunity to really have kind of a campus approach to management of the Government Center, Performing and Fine Arts Center and parking structure under its umbrella, and so the CDC has terminated its contract with Denison – which was amicable. I think there's also been some policy discussion in the background about not charging for parking so that there's not a need for a parking control apparatus, etcetera, and this way it just becomes part of town's downtown government and performing and fine arts campus. So, that'll continue and certainly town staff is going to be proactive in assisting with keeping the parking structure free of graffiti and other activity that has popped up over the years. I think that's all I have as far as the CDC goes.

Mr. Kirchoff: Did you indicate that we did close on Stanley?

Mr. Starnes: Yeah, correct.

Mr. Clay: Any other questions? Thank you. Alright, Alyssa, update on the Schutt Sports Relocation Incentive.

Ms. Woolard: So, I think the basis of the relocation agreement and the breakdown of that was sent out through email but essentially, back in 2020, Todd had a conversation with Schutt Sports about relocating their manufacturing operations to Plainfield. Since then, the agreement was signed at the end of 2022 and per the agreement they needed to relocate, the needed to relocate 300 fulltime employees – which they are at 211 currently, and plan to by the ending of June 1 of 2024. They'll have over 300; they'll have 352. And then the last two parts of the agreement is they have an average pay of \$24 which they actually have \$27.55, and that we would then reimburse them for any equipment that was purchased under \$525,000, which was the agreement. So, along with that, the county stated that they would also contribute \$100,000 on top of that. So, we have since paid out \$513,000 of that \$525,000. I spoke with Bryan from the county and they're going to get their agreement finished and signed this month, and then they're hopefully going to get everything paid out by the ending of this month or next month. But we're good and closed out on our side. Oh, and then for the breakdown, we paid \$250,000 of that \$513,000 from the Ronald Reagan TIF and then the remainder of that was paid out of the EDIT budget.

Ms. Renk: So, just some historical knowledge since I am new to the Commission since this was agreed upon, they are here or they're coming here?

Ms. Woolard: They are here.

Ms. Renk: Are they building a new building?

Mr. Klinger: They're occupying a building that was built by Browning in the AllPoints District Park.

Ms. Renk: And that's their permanent home?

Mr. Klinger: Yes...

Ms. Renk: As far as we know?

Mr. Klinger: As I understand it, they had three different facilities in Illinois and they're consolidating all of those operations in Plainfield.

Ms. Renk: Personally I would like to hear the salaries and hourly wages that they have.

Mr. Klinger: Yeah, it's not just their manufacturing; it includes really their headquarters operations for those brands. So, it includes their executive level positions as well, some manufacturing, and then also some of their distribution. So, they had three different offices in Illinois and now they're in one building.

Ms. Renk: That is a great project for the town.

Ms. Renk: They did not hit the employment number, correct?

Ms. Woolard: They have not.

Mr. Klinger: They did not and I looked through the agreement – the agreement was really based on their moving expenses and while it does mention this is what they thought they would, you know, what they thought their employment would be and the wages and all that, the agreement was really based on them moving their facility and making the purchase for that equipment, which they have done. So, we said yeah, go ahead and move forward.

Ms. Renk: And if we could encourage their leadership to live and work here.

Mr. Klinger: And we did offer local realtor assistance. That was really the first deal, we said, hey, we need to put that out in front of them. I'm not sure, I think Patrick Keller was the person that we kind of put out there from CrestPoint to help them relocate their employees. I think in the end they had a planned number, and they didn't have as many people relocate as they were hoping for, some people stayed behind, so they're trying to backfill those positions. Part of that is they're still moving some function in too. So, we're pretty confident they are going to hit those numbers.

Mr. Kirchoff: The reimbursement was authorized by who?

Ms. Woolard: Robin signed the agreement.

Mr. Kirchoff: Did the Council approve the \$513,000?

Ms. Woolard: There was a resolution passed in 2020.

Mr. Klinger: Yeah, it was appropriated. We had the PO in the system and everything, we were just waiting for the documentation that we needed from them to approve that they made the expenditures that they said they would do. And we have that information, so we were able to go ahead and close that out.

Mr. Kirchoff: Thank you.

Mr. Klinger: Yeah, on the real estate thing I think we should probably inquire with Patrick Keller if he did – if they did generate any business from those relocations. In subsequent deals after that one, we actually tied that to the incentive, right. So, there are a couple of offers that have been put out there where we said we would pay additional incentive dollars per employee that actually relocates to Plainfield. Now, it's all numbers in the end but it's just a little added incentive to make sure that there's an interest from the company side to make sure that they're employees actually do come to Plainfield and not go – or Hendricks County – I think we might have said Hendricks County.

Ms. Elston: I was going to say, they're in Washington Township, right?

Mr. Klinger: Yeah, we just don't want them going up to Zionsville or wherever.

Ms. Elston: Stay in the same county.

Mr. Klinger: Yes. So, I don't think any of those offers that we put out there necessarily landed those projects, we still haven't really tested it out yet, but we've started to get a little bit more creative with some of the dollars.

Mr. Clay: Any other questions?

(Brief pause)

Ms. Woolard: Thank you.

NEW BUSINESS

Mr. Clay: Moving on to new business, there is a project agreement with Drinkard Property.

Mr. Kirchoff: We'll move that to the March meeting.

Mr. Angle: I'll second that.

Mr. Clay: We have a motion by Mr. Kirchoff and a second by Mr. Angle to move the consent vote to ratify Second Amendment to Project Agreement for the Drinkard Property to the March meeting.

Mr. Todisco:	Mr. McPhail – yes
	Mr. Angle – yes
	Mr. Clay – yes
	Mr. Kirchoff – yes
	Ms. Renk – yes

Motion passes.

WISHES TO BE HEARD

Mr. Clay: Are there any wishes to be heard?

Mr. Klinger: I'll add one thing real quick. If you came through downtown, you saw it happening already but the panels on the Arts Center are starting to go up and looking towards next week and into the next few weeks, you're really going to see this building take shape in a very short period of time. And so, it's very exciting but we're also anticipating that there's going to be some people who are going to be like, oh wow, I didn't realize it was going to be that big, because the fly tower portion of the building is quite tall. It's taller than the Government Center right now and so it will probably be the tallest building of the downtown when it's all said and done. But yeah, it's really exciting to see that taking shape. We've had to move some things around from a parking standpoint. If you're coming to the Government Center, the walkway connecting the Government Center to the parking structure is being intermittently blocked off because of the crane and the activity. So, all of our folks are now parking – we got permission from Browning to park on the lot across the street on Mill Street there. So, it's a little bit tight with parking but there were plenty of space I think today as people were coming in for meetings and things like that. But yeah, really exciting to see that building take shape over the next couple of weeks.

ADJOURNMENT

Mr. Clay: If there's nothing else, I'll open us up for adjournment.

Mr. Angle: So moved. Next meeting Monday, March 6th

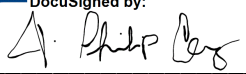
Mr. Clay: 2023 at 5:30 p.m.

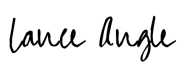
Mr. Kirchoff: Second

Mr. Clay: A movement by Mr. Angle and a second by Mr. Kirchoff and Mr. McPhail. All in favor?

(All ayes)

Mr. Angle: Thank you sir.

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Mr. Philip Clay, President

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Mr. Lance Angle, Secretary