PLAINFIELD REDEVELOPMENT COMMISSION

June 7, 2021

5:30 p.m.

Ms. Andres: Thank you everyone for being here. We will call the Plainfield Redevelopment Commission meeting to order.

PLEDGE OF ALLEGIANCE

Ms. Andres: We will start with the Pledge of Allegiance, if you would all please rise.

DETERMINATION OF QUORUM

Ms. Andres: Hi Mark, do you want to call the quorum for us?

Mr. Todisco: Everyone is here, I don't need to call their names. Well, Jessica's not here.

Ms. Andres: Yeah

CONSENT AGENDA

Ms. Andres: First on our agenda is approval of our minutes from our May 3rd meeting. We received those before today, any comments or changes to? And if not, I'll entertain a motion to approve.

Mr. Everling: I'll make a motion.

Mr. Angle: I'll second.

Ms. Andres: I have a first and a second. Do you want to call the roll?

Mr. Todisco: Mr. McPhail –

Mr. McPhail: I abstain

Mr. Todisco: Mr. Angle – yes

Mr. Everling – yes

Mr. Kirchoff – yes

Ms. Andres – yes

The Plainfield Redevelopment Commission Consent Agenda for the minutes of May 3rd, 2021, meeting have been approved.

Ms. Andres: Great, thank you.

OLD BUSINESS

Ms. Andres: We have a number of updates under old business. First, our downtown projects, with Mr. Cook.

Mr. Cook: Good evening. I'll be quick, as we have a pretty packed agenda, and we have Plan Commission right after. Really, I think we mentioned last week that we thought The Barlow was 100% leased; it is 100% leased. They will have a short-term unit coming available in December. So, it's crazy.

Mr. Angle: Does that include commercial space?

Mr. Cook: They're still holding the commercial space because they're using is basically for storage as they've had to do all of their punch list items and things. They put the topcoat on the parking lot last week, and improved Krewson Street as well. We believe that we may have a tenant for the parking structure.

Mr. Angle: What stage are you at? LOI or…?

Mr. Kirchoff: We're drafting a lease.

Mr. Cook: Yep

Mr. Angle: What's the use?

Mr. Cook: It's a veterinarian.

Mr. Angle: Okay

Mr. Cook: They're taking the entire Vine Street side, 10-year lease.

Mr. Angle: Okay

Mr. Cook: Yep, I hope I don't jinx it. And we've had a good meeting with a potential restaurant operator for the restaurant space too. So, we'll keep you posted on that as well. Really, on the parking structure, they put the top deck lighting on last week, so it's really, really complete. There's some more detail, and BF&S write up on the schedule. We did pick up a week on the schedule, due to longer workdays and the aggressive steel erection schedule. You know, it's really, really looking like a building. Additional downtown, you know, we've got the Prewitt Theater project agreement on the agenda; Cam will talk a little bit more about that. Any questions or comments about anything going on in the downtown?

Ms. Andres: What kind of usage are you seeing with the parking garage? Is it getting good use; have we gotten any reports from Dennison on…?

Mr. Cook: It was packed when The Barlow was paving their parking lot. I think it has picked up a little bit, but you know…

Mr. Kirchoff: Yeah, at the CDC meeting last week they reported that all, I guess phases or types of usage have – initially it was lower, but it has picked up.

Ms. Andres: Okay

Mr. Cook: Yeah

Mr. Kirchoff: So, we're encouraged.

Mr. Cook: Little bit, little bit. Anything else?

Ms. Andres: Any questions? Thanks, Todd.

Mr. Cook: You're welcome.

Ms. Andres: Next is an update on the CDC, with Mr. Starnes.

Mr. Starnes: Thanks, good to be with you virtually this evening. I've got to say, it's odd to be able to look at you and then see myself on the big screen right above you, but it's keeping me in line. Todd stole my thunder a little bit on the tenant for the parking structure, but I think that's fair, that is a downtown update. But I think the CDC is very encouraged by the user. I would say another major initiative by the CDC as of late, I believe you all know, is the redevelopment of the former Stanley Fertilizer site north of downtown. The CDC acquired the title to that site in December of last year and has been working conservatively and very quickly, in partnership with the state, to accomplish remediation of the fertilizer plant itself, prior to that a bulk oil facility. So, had some good grant funded work from the Indiana Brownfields Program, to remove all of the aboveground and underground storage tanks and impacted soils from the site. And then take the next steps to get the site, at least the west side of East Street, the buildings and other structures all scraped down and the site cleaned up and flat, which if you've been by there, there has been significant progress that you can certainly see from the ground; we're encouraged by that. Also, I would – I'm excited to tell you the CDC has sort of a mini RFP process for a development partner for that site, and has selected Woda Cooper to pursue non percent tax credit development project, family project on that site. The application will be due in July, and we won't hear about the results until later in the year, but we were encouraged by the approach that Woda Cooper took to the site, and their professional qualifications. They have another project in the works in Plainfield. All of the developers we talked to were specifically recommended to the CDC by the town's development services staff, so we feel good about all of them as perspective partners. They all had strong applications, I would say, or proposals; Woda Cooper's won out, so we're excited to take next steps with that group toward a tax rate application in July. Any questions, or anything to – questions or comments?

Ms. Andres: Do we have any questions? I don't think so, thank you Cam.

Mr. Starnes: Thank you

Ms. Andres: Our next update will be on MADE@Plainfield with Mr. Rainey.

Mr. Raniey: Good evening everybody. Thank you, you should have an update in your packets. Things are moving along great at MADE. We are moving very quickly toward substantial completion on July 2nd, and we are still on track. We're looking for – of course, the groundbreaking is July 29th. There's a particular photo in your update packet that shows a photo of the south warehouse bay, which is about 10,000 square feet. There are two warehouse bays in that facility that were at one point completely full of building materials, whether it be metalwork for HVAC, etc. The nice thing is that you can obviously tell that that is all getting cleared out, which means that it is getting installed. So, things are moving along quickly. We're spending a lot of time and focusing on basically punching down all of the technology so that the partners can come in and set up the technology, as well as the town. That's moving along very well; we should be starting those efforts around the middle of June here, middle to end of June is when a lot of that hardware starts to come in. Aside from all the activity in the site itself, I'm happy to say that we assembled the Board, the MADE@Plainfield 501c3 nonprofit board for the first time. It wasn't an official meeting; the articles were not – they were distributed but they were not adopted. But it's great to see that we have a fully assembled Board that includes three town representatives plus Plainfield Community School Corporation, Ivy Tech, Vincennes, and Commission for Higher Education. So, it will be a great board and we're excited to let them get started with their work. And with that, if you have any questions, I'd be happy answer anything you have.

Ms. Andres: That's great news. It sounds like a lot of good movement, momentum.

Mr. Rainey: Absolutely

Ms. Andres: Any questions?

Mr. Angle: So, the July event is a ribbon cutting, not a groundbreaking though, right?

Mr. Rainey: Yes, I apologize, I said groundbreaking. I had two groundbreakings last week. Ribbon cutting, yes, yes.

Mr. Angle: Gotcha, okay.

Ms. Andres: Great, thank you. We'll move on then to an update on the Prewitt Theater with Mr. Rawlinson.

Mr. Rawlinson: Thanks, we're excited about the Prewitt development. Later tonight you'll be hearing from Cam with a project agreement, so you'll have more specific details then. We've got a couple documents that Todd included in the packet for tonight. So, Veridus has been meeting regularly with the town and the development team and formulating a plan to bring the project together. Dan Weeks with the Veridus team worked to create the property assessment document that was included; not a lot of surprises on it but it did address a number of known drainage issues, wastewater and stormwater. We worked to put together a plan for redevelopment that outlines the investment by the Keller Huff team, which would include inside the box expenses, and then outside the box expenses that would be covered by the town, to kind of meet in the middle. These outside the box improvements include new stormwater improvements around the building and through the alley, upgrades, getting water service to the building, and some more of that's detailed in the report. Cam will probably go more into that in the project agreement. The town will be providing the $500,000 to the inside the box costs; these include improvements to infrastructure, like fire suppression, plumbing, HVAC and more. So, after the project agreement is settled, hopefully after tonight, we will then take it to Council for approval, and then begin moving the project forward from there.

Ms. Andres: Great, thank you. We look forward to talking about those agreements when we reach that stage, but thanks for that update. We'll move on then to the Drinkard property, with Mr. Webb.

Mr. Webb: Thank you. Good evening everyone. I think you all saw some of the communication that has been circulated about the property and the progress or select progress that's been made on this site. So, I think it has been proposed that this project does, that we cease negotiations with SBC at the moment, and if that were something that you all would like to do – there is no legal requirement for you all to take a vote on it or consent to it, but if that's something that you all would like to do, we can definitely do that. And we can deliver that message to SCP, that it is the desire to cease negotiations.

Ms. Andres: I don't know that I feel like it's necessary – do we want to take a vote on the measure – I don't think it's necessary.

Mr. McPhail: (microphone not on) (inaudible)

Mr. Kirchoff: That's my question, does it need a vote or just need consent?

Ms. Andres: Cam, I'll look to you as to whether we need to take a vote; I'm not sure.

Mr. Starnes: Yeah, and Marlon posed this question to me, I don't believe that you do, legally speaking. The context here, of course, was a request for proposals, some responses, and if I'm not mistaken, the Board previously voted not to accept either proposal, and just has been conducting kind of an informal next steps discussion with SCP about a potential development of the site. It would have required Board actions, or the Commission's vote to approve actually making that a legally enforceable discussion, in the form of a project agreement or otherwise. I do not believe it requires a vote to cease that negotiation. It would be something you all – there would be no harm in doing so if you all wish to, but I don't see a legal requirement to authorize that to cease.

Ms. Andres: I think it might be helpful for us to maybe just stay in contact in terms of what next steps would be for this property. You know, Todd and staff, just to make sure that we keep moving forward if we are discontinuing discussions with this group. We've gone through an RFP process, I think making sure, given that this is a gateway into town, that we're continuing to look at options and just try to move it forward.

Mr. Webb: Yeah, so Jennifer, one thing that did come up, with all the respondents to the original responses to the RFP, was fully understanding the amount of developable acreage in the back parcel of the property because of the creek that runs through it, so I know that we had some conversations with staff about potentially studying, having an engineer study that to understand how much of that acreage would actually be developable due to the creek that's there. And so, to the point that you made, we have gone through the RFP process, so at this point, should any developer approach the town, you don't have to go through an open process in regard to how we did with the formal RFP process at this point, since we've gone through the formal process. So, anyone can approach you all, approach the town, approach staff, to discuss potentially doing something on this property. Obviously, you all would have to approve, but at this point it is open now for people to just come and pitch their ideas.

Ms. Andres: Great, thank you. Well, I think it's helpful too – we've gotten some feedback as part of this process, I think from maybe what some of the expectations are for the development of the site, just to kind of keep that in mind as we're looking at various options and those types of things, and knowing what that developable portion on the backside, I'm sure will be helpful. So, great.

Mr. Webb: Yeah

Ms. Andres: Thank you.

NEW BUSINESS

Ms. Andres: So, then we'll move on to new business. First item on that agenda is Plainfield Redevelopment Authority Lease Rental Revenue Bonds of 2021, Series C, for the Performing and Fine Arts project, Mr. Dyson.

Mr. Dyson: Thank you, it's been a busy last couple of years with a lot of projects going on in the town.

Mr. Angle: You've only been here a couple of years.

Mr. Dyson: I know, it really has, since I've been here.

Mr. Angle: Since you've been here it's gotten really busy; I just want to note that.

Mr. Dyson: But most of them, or a lot of them – I don't know if it's most, but some of them have had to come through the Commission for approval; I just want to thank you for that, and for supporting the projects that that town is working on. And the Arts center is one of those that we've talked about before for quite a while, and we are now ready, at least from the legal standpoint, to sort of kick things off tonight with the RDA meeting prior to this and then the Commission meeting. So, you have a resolution that we will ask for your approval this evening, Resolution No. 2021-08, that approves the lease with the Redevelopment Authority. And just to let you know, the RDA approved the resolution prior to this meeting. There is an amount for the Bonds not to exceed $30 million. We always put in the lease the "not to exceed" amount, which is always higher than what we're currently estimating, which is at about $28 million, just under $28 million. So, I'll take any questions you have, otherwise I just want to again, thank you and I'm glad to see the Performing and Fine Arts Center moving forward.

Ms. Andres: Any questions for Mr. Dyson on the resolution or the lease agreement?

Mr. Angle: If we move forward with the resolution tonight, what's the next steps and timing?

Mr. Dyson: There's some steps as far as advertising and stuff like that. The next meeting is a July 8th meeting for approval of the Bonds.

Ms. Andres: In terms of the project itself, I know there were a lot of discussion back and forth in terms of potential partners and uses and things like that, is that still, are we still reviewing those types of things? I think maybe – is the CDC involved in that? I know there were some people within the town that were looking at some of those options; are we still having discussions about potential partners with the Performing Arts Center, and who would help manage it when it's developed, and those types of things?

Mr. Dyson: You want to answer that?

Mr. Cook: Andrew?

Mr. Angle: Well, he's not here, but I can speak out for the Council. I mean, we've had lots of conversations regarding that. There are no definitive answers…

Mr. Kirchoff: And we secured Keen to help the group that did the financial study for us on that – we've asked them to come in and help us look at some of Lance's comments about vision and partners and all that. So, you were involved in that process, weren't you? And Tim?.

Mr. McPhail: (microphone not on) (inaudible) Keen is doing the search for us to look for an executive director.

Mr. Angle: Oh, great.

Mr. McPhail: (microphone not on) I don't believe we've approved a job description yet, we'd have to get with HR on that, but they will be advertising and trying to get the best candidates. We still have to get a nonprofit board together. And we're meeting on a regular basis with Hendricks County groups; they're a part of the process and participating in all this.

Mr. Everling: Would the Executive Director be an employee of the town, or would it be looked to outsourcing this to an organization that really, this is what they do?

Mr. McPhail: The BOT agreement that we have with Hagerman, they have to hire that person.

Mr. Everling: Okay

Mr. McPhail: During the construction process, I don't know that there's a time where that has to transfer, but the Executive Director would end up working for the nonprofit. We'll have a nonprofit that's like MADE. Is that right, Tim?

Mr. Belcher: Pretty similar to the MADE structure.

Mr. Everling: Okay, thank you.

Mr. McPhail: So, if you have any ideas of folks that would make good members of that nonprofit, we need to get that process started.

Ms. Andres: Okay, that was a helpful update, thank you.

Mr. McPhail: The process right now is, if we find the right person, Hagerman will hire them and the town will reimburse them the front cost, but they will hire them and have them on payroll for the construction process.

Ms. Andres: Okay

Mr. Dyson: Glad I could help with that.

Ms. Andres: It’s not really related to the Bonds but thank you for entertaining that. Any other discussion on the Bonds?

(Brief pause)

Mr. Dyson: Okay, thank you.

Mr. Angle: Thank you

Ms. Andres: And then next we have the Prewitt Theater project agreement, with Mr. Starnes.

Mr. Starnes: Yeah, thank you. And thanks, Jim, for his update previously. I know this is a property and a perspective project that you're familiar with already. I would just remind you that this organization acquired the theater a few years back; it did conduct a public offering of the real estate, in accordance with state statute previously. It actually did not receive any responses, and recognized that in a formal meeting, and then soon after that, actually had a couple of different groups make proposals for redevelopment and use of this space. And so, where we are now is after an initial sort of direction from the Commission as to which group to pursue a project agreement with, have taken some next steps. There were some important questions to answer with regard to the envelope of the building and the provision of adequate utility service and drainage to the rear of the project, as proposed in the proposal by the Keller Huff Group, and that’s what Jim was eluding to with regard to Dan Weeks with Veridus and his report, that has enabled the group to get some cost estimates around with what we’re calling outside the building provisions, and inside the building redevelopment activities – the project agreement refers to outside the stuff as related improvements and assigns a value to that. So, as you’ll also recall, I think, we have a Letter of Intent with the Keller Huff Group that set out a lot of the key business terms previously, with regard to how the project might go and combining that with the homework that the project team has done thus far and wanting to keep this project moving. I know there's been a lot of good excitement about it and recent, very positive press coverage about it, about Plainfield in general, but the perspective Prewitt Theater redevelopment was highlighted. I wanted to provide you all with a draft project agreement. I will say that since it was disseminated, I have had comments from President Andres and I have made some modifications to the draft in response thereto, and some great questions that she raised. We wanted to present this for discussion, and also should the – I think we have a resolution – should the Commission wish to vote to approve the deal as it stands, or as they understand it, and authorize President Andres to move forward end execute the document at the proper time, in accordance with the Council’s coming consideration and perspective approval, and on the advise of legal action, you cold take that action tonight, but we’re certainly leaving that up to you all . We just wanted to be able to keep things moving and get the draft of the project agreement to you. With that, I’m glad to take any questions or comments about the agreement or the project.

Ms. Andres: Thanks Cam. Any questions from anyone on the agreement itself or the structure?

Mr. Everling: Cam I just had a couple clarification questions on it. First, I'm really optimistic of the project. When I go through the agreement it talks about the responsibility the town part is for some of the infrastructure of the space, and it looked like it totaled up to a maximum of $115,000 in improvements, but Section 5.1 states that there's a maximum of $500,000 related to the project. So, I was trying to reconcile that, and maybe you can do a better job on that than I can.

Mr. Starnes: That's a good point; I have updated the draft actually, since that time, to have a total amount of $615,000, which is a the $500,000 for "inside the box" improvements that Jim mentioned, and the $115,000 total of "outside the box" stuff, as broken down in the agreement, which stems from Dan Weekly's report. So, I have updated that; I think that's a good point.

Mr. Everling: Okay

Mr. Starnes: Just to get the overall number in there.

Mr. Everling: The other question I had was, on page 2 in the agreement it talks about the target completion date, and that was empty, at least the version I had, but is there a discussion around that?

Mr. Starnes: I believe there is, I have left it blank on my draft just to defer to the project team that would know some of the nuts and bolts better than I. I know the timeline was aggressive as the project was proposed, and everybody wants this to move quickly, but I would defer to the folks working directly with the developer, as to what those dates should be, reasonable and attainable, but also keep things moving, and sort of keep the developer accountable.

Mr. Rawlinson: Cam, I think we had talked about 12 months from transfer of property at one time, but I don't know if that's still valid.

Mr. Starnes: Thanks Jim. We can plug in whatever date makes sense, and if you want to verify with the developer and his construction team that that's an attainable window, then we can utilize that one, or if there's feedback from the Commission or town staff. Otherwise, I'm glad to take that into consideration as well.

Mr. Everling: Thank you

Mr. McPhail: (microphone not on) (inaudible)

Ms. Robinson: Kent, I'm sorry, can you turn your microphone on?

Mr. McPhail: There it goes, there it goes; I'll hold it up. We've identified the $500,000; we have an additional $115,000 or $125,000 that we're committing to, but as far as I know we haven't identified that funding. Steve's here, I'm looking at him, we'll need some help there to do that. Am I correct there?

Mr. Starnes: I think Steve's answer is the important one; the only other thing I would add is that this was drafted on the understanding that there was a source on the, I think, local income tax was talked about, or economic development income tax; a source controlled by the Council, that would fund that. That was my understanding, but to the extent that there need to be changes to sort of correct that understanding, then I'm glad to make those. As it's set up, the draft project agreement that you have has the Redevelopment Commission authorizing the contribution of the theater, the real property, and the funding to be separately considered by the Town Council. So, that is all certainly malleable based on the source that's identified.

Mr. Kirchoff: it's been a while since I've looked at this; I remember the $115,000, but is there someplace where it shows or delineates the $500,000? Is it in here somewhere?

Mr. Everling: It lists it, but I don't think it breaks it down.

Mr. McPhail: We committed to that number early in the process, to white box the building, as best I can remember.

Mr. Angle: The agreement also calls out that the money goes toward tangible improvements to building structure itself; it can't be used for things like FF&E, so that way if for some reason ten years from now something happens and the project doesn't move forward, the building itself has been improved with that money, so it's the first dollars that are spent. And correct me if I'm wrong Cam, but I believe that's how it reads.

Mr. Starnes: You're correct, that was my intent and my reading as well, that it was hard construction costs only. We haven't broken it down further as to you know, specific hard construction costs, but the idea was always to make sure it was meant to improve the building so that would stay with the asset and if there were a scenario down the road where Redevelopment Commission had to get the property back, then it would do so having seen that money go to improvements that would be needed regardless.

Mr. Angle: Yeah

Mr. Kirchoff: And it's a not to exceed number.

Mr. Angle: Correct

Mr. Everling: Yes

Ms. Andres: Is there anything within the LOI, Cam, any other differences to what we have in the LOI, the business terms that were in there and what's in this agreement itself?

Mr. Starnes: I don't believe so. Again, intentionally, that was used to be the basis for the business terms here, but by and large this kind of fills them out, and does have the addition of the "outside the box" costs, which when we did the LOI, were unknowns. It was known that there were needs, but what we've been able to do in the meantime via the project team's work is kind of identify those more specifically and add a cost to them, but otherwise it should be consistent with the LOI.

Ms. Andres: Great, thank you. Any other questions about the agreement itself?

Mr. Angle: Besides the changes that you had recommended, were any of those material?

Ms. Andres: I just had questions that – you know, it's hard to take off your lawyer hat sometimes, and so it's just more the language and this says it's a material change, how do we identify that. And you know, we say here that somebody's going to pay for this cost; how do we decide who's going to pay for it, they have to fix it, just those types of things. And I think you sent a – did you send a redline, Cam, showing what the changes were? I'm happy to send those comments to everybody if you want to see them; they were more process structure type of comments than comments on the agreement itself.

Mr. Angle: No, I'm fine; I have all faith in that process, I just wanted to make sure something material hadn't changed from the first version that we saw.

Ms. Andres: No

Mr. Starnes: I would say, clarifications largely; President Andres, as she always does, has made the agreement better. There has not been a material shift from what I think you would expect to see from a business terms standpoint.

Mr. Kirchoff: Todd just sent an updated...

Mr. Angle: Okay, great.

Ms. Andres: Yeah, before the meeting.

Mr. Angle: Okay, thank you.

Mr. Kirchoff: Just a few minutes ago.

Mr. Angle: No more questions from me. Thanks for everybody's hard work on this, I'm really excited.

Ms. Andres: Thank you. Our last item under new business then, is our annual TIF report, with Ms. Adlam.

Ms. Adlam: All right, good evening everyone.

Mr. Kirchoff: Are you going to be as quick as everybody else?

Ms. Adlam: It gets thicker and thicker every year.

Mr. Angle: That's what I was thinking. I thought this was the report; this is just the presentation.

Mr. Kirchoff: Yes

Ms. Adlam: This is the presentation. I think next year the report needs to be double-sided because it's getting big. Well, good evening. As you are well aware, the purpose of tonight's presentation is to go over your draft TIF report and to satisfy your annual meeting requirements. So, this TIF report is in draft, like we've done for past years. So, you have some light reading over the next couple of weeks and if there are any changes or tweaks that we need to make for it, just pass it along and then we'll finalize it for your meeting next month. I know it's a thick presentation and you probably don't want tot stay here for a while, so I'll go through it in some high-level detail. You've seen it all before, but we wanted to include the standard information that we include every year, just so you can have it for reference or for anyone watching or pulling this presentation later. So, I'll start with kind of how a TIF works, for anyone watching online, then I'll get into some detail for your TIF areas, and I'll finish up with a couple slides on the impact of TIF. So, for anyone watching this presentation or referencing it later, you of course are the members of the Redevelopment Commission. And we wanted to provide you all with our contact information in case you all had questions for us as you're reading the report or there are any changes to make. So, to start with some TIF mechanics and kind of the way that TIF works is that when an area is created, the assessed value at the time of creation becomes the base of the assessed value for that TIF area. That assessed value goes to all of the Overlapping Taxing Units, it doesn't get captured by the TIF. And so, as new development occurs in your TIF area, that increased value gets capture by the TIF and the increased property taxes are your TIF dollars that are generated, and when the TIF area expires, all of that increased TIF value gets passed through to the Overlapping Taxing Units. This graph, the base that stays with the overlapping units is that gray bar on the bottom. The increase in assessed value that you capture over the 25 years is that green triangle. And once the TIF ends, all of that blue goes to all of the Overlapping Taxing Units. So, throughout this presentation you're going to hear a couple of terms; I just want to kind of clarify what those definitions are. You're going to hear Economic Development Area, Allocation Area, and Special Benefits Tax. So, when a TIF area is created it needs to have both an Economic Development Area and an Allocation Area. The Economic Development Area is the area in which you can spend your TIF dollars; the Allocation Area is the area which actually collect the TIF dollars. So, in this fake town, the black would be the boundaries of Plainfield, red would be the boundary of an Economic Development Area, and you'll notice the orange is smaller, because they don't need to be the same; the EDA can be bigger than the Allocation Area; it can have multiple Allocation Areas within one Economic Development Area, which you have. So, your Consolidated I-70 EDA actually contains three Allocation Areas. And the final term is Special Benefits Tax; this is something that the Redevelopment Commission can levy. It is a property tax on the Plainfield Redevelopment District, which is the same boundaries as the Town of Plainfield. So many, most of your Bond Issues actually, have this property tax, and it's a backup. You don't actually levy it, but it is an additional source of security Bonds. So, depending on the legislation that was in place at the time the TIF areas was created, it will have a different allowable life; 25 years, 30 years, or 35 years from the time the first obligation is incurred. I just wanted to give you this reference here so as you are kind of listening to the presentation, and when certain things expire, it just goes back to what the legislation was at the time the TIF area was created. So, heading into the TIF estimate portion of the presentation, these estimates, like last year, do contain COVID impact assumptions. Your collections did come in better for 2021 than we were assuming, which is great because we had some pretty big nonpayment assumptions, but we wanted to continue for 2021 and 2022. So, U.S. 40 and I-70, we assumed a 12.5% nonpayment in 2021 and then 10% in 2022, and then all other areas were 7.5%. U.S. 40, I-70 because it’s more retail and hotels. We made the assumption that you could have more appeals, or there could be more delinquencies because of the retail. To start with U.S. 40, it was created in 1995, and the TIF Allocation Area has been expanded twice. And then you can see the expiration dates for when those original and expansion areas happen. And then for Pay 2021, you’ll see that increases from 2021 to 2023 by almost a million dollars of estimated TIF, and that’s because we have those COVID impact assumptions, and there's also some new developments that are underway that we’re estimating. And then there's some roll off of some existing abatements. The other TIF area within the U.S. 40 EDA is the East and Main Allocation Area; created in 2019, expires in 2044. And this area was created for Rebar’s project The Barlow. Your estimated TIF is just under $180,000, but while the Bonds are in place the developer agreed to a minimum Taxpayer Agreement of $210,000. So, there are four obligations outstanding payable from the U.S. 40 area. You had five but your 2005 Bonds matured earlier this year. Your two 2015 Bonds are both payable from U.S. 40 TIF, and have a property tax backup, that Special Benefits Tax. You also have a BOT Obligation that was issued in 2018; that was to finance your parking facility, and it’s payable solely from U.S. 40 TIF, there's no Special Benefits backup. And then 2019 Tax Increment Revenue Bonds that were issued to provide an incentive for The Barlow project, and that’s payable from U.S. 40 TIF and the East and Main TIF. And then you have two, possibly three, you know, after the approvals go forward over the next couple of months – that U.S. 40 TIF is not formally pledged, but you intend to use if for the repayment of the MADE@Plainfield Project, the Government Center, and the Arts Center. So, your TIF report does include the amortization schedule for the Bonds that have sold and have finalized; it also includes that allocation between U.S. 40, Six Points, and S.R. 267, from the contributions from those various TIF areas. So, this slide is a graph comparing the U.S. 40 and the East and Main TIF as the shaded colors on this chart. Compared to your obligations and your contributions to the Government Center, MADE, and the Arts Center. So, the space in between the bars and the background shows the room you have left for pay as you go projects, which you have several pay as you go projects planned. The future projects lists are what you have in your cash flows. And so, this is kind of your condensed cash flows and pay as you go projects. So, at the top you see your estimated U.S. 40 TIF, followed by those minimum taxpayer payments for the East and Main projects. Then you back out your annual debt payments, your contributions to MADE, Government Center, Arts Center, and then your pay as you go projects. I do want to point out that all of these cash flows, you’ll see the estimated coverage towards the bottom, and that’s important because tonight you’ll be making your determination of whether or not you want to pass through any excess incremental assessed value. Really, you're using all of your assessed value for Bond Issues and pay as you go projects, but this just shows your estimated revenues for 2022 compared to all of your expenses. And if you were to have 200% coverage, really, the Council could step in to determine whether or not you were to pass through assessed value.

Ms. Andres: (microphone not on) (inaudible) estimated reduction (inaudible)

Ms. Adlam: Yeah, so 2021 and 2022 have the COVID, and so you'll see it kind of jumps in 2023, partially due to construction abatement roll off, but that COVID assumption too. So, to move into your Consolidated I-70 Area: I mentioned you have, there's three Allocation Areas within this EDA, and the oldest is I-70. Created in 1992; it expires in 2040, and you can see the estimated TIF for 2021 and 2022 has the COVID impact, and then it increases in 2023 once that rolls off. Your East End Allocation Area was created in 2017 and it does not expire yet because no obligation has East End TIF formally pledged towards it. You can see in 2021 into 2023 the TIF really increases as new buildings are built and those abatements roll off over time. Then your third area is the Southwest Quadrant Allocation Area. It was created in 2019 and it doesn't have an expiration date yet, and the first year if TIF is estimated to be in 2023. Your first building is 2021 pay 2022 but has 100% abatement for 2022, so 2023 would be the first year that you would receive TIF from the Southwest Area. You have one Bond Issue that's outstanding; the 2015C Bonds, they're payable just from the I-70 Allocation Area, and it also has that Special Benefits Tax backup. So, this is the comparison of – I-70 TIF is the blue shade at the bottom, then you have East End TIF in purple, and then you have the Southwest Quadrant TIF layer on top in green. So, you can see you have a lot of ability for pay as you go projects because it's only those 2015C Bonds that are formally paid from the I-70 area. So, you do have a lot of pay as you go projects planned; so in this cash flow you can see your estimated TIF coming in from all three areas, then you back out your 2015C Bonds and then your pay as you go projects. So, in 2021 and 2022, based on the current cashflows, you're estimated to spend down your balance a little bit, but you still have a pretty healthy balance projected at the end of 2022, and then you would add to your balance in 2023 and 2024 with the projects that you have planned.

Mr. McPhail: Before you go on, I'm going to ask for a little bit of help here on this I-70 TIF.

Ms. Adlam: Sure

Mr. McPhail: About a month ago I began to look at the assessed value of the hotels in Plainfield because I'm on the Tourism Commission, to see what COVID might have done to that. When I began to look at that, I was utterly shocked at the assessed value of our hotels.

Ms. Adlam: They were pretty low to start with.

Mr. McPhail: When you've got a hotel that has 100 and some rooms and it's assessed at less than $4 million, I don't understand that.

Ms. Adlam: I don't – I will look up yours specifically, but I know I've looked up other hotels in Hendricks County, for Brownsburg, at least as of a couple of years ago almost all of the hotels that I was looking at were assessed not based on cost but based on income approach.

Mr. McPhail: Right

Ms. Adlam: And so, that dramatically reduces what the assessed value is for those hotels. So, I'm going to guess that that's probably the case for Plainfield.

Mr. McPhail: Well, good example, the newest hotel that we have is the Courtyard at the mall, it's in the I-70; they paid $1.7 million for the land in 2018 – it's assessed at $441,000 right now. A $12-15 million dollar hotel assessed at $2 million. I just don't understand that. I don't know – you know, most homeowners in Hendricks County would look at that and I think they would be as shocked as I am. Is there any way we have a process to appeal these assessments?

Ms. Adlam: They're doing a pretty good job appealing their assessments.

Mr. McPhail: Yeah, they are. It's ridiculous in my mind.

Ms. Adlam: Honestly, you can talk to the Assessor's Office just to kind of get a sense of why they're so low – you know, the history of the appeals. You know, they're assessed by the Assessor and there's not too much the town can do, unfortunately.

Mr. McPhail: They tell us that Market Value is how property is supposed to be assessed today.

Ms. Adlam: Well, there's the cost approach, the Market Value approach, but they have the ability to be assessed on the income approach, which from those hotels I was looking at, was about half the value.

Mr. McPhail: I just think that there's something wrong with that. I'm sorry to interject that but it just makes absolutely no sense to me. And on I-70, most of them went down about $1 million, when they were only $2 or $3 million to start with; we reduced it another million dollars.

Ms. Adlam: Yeah, I can reach out to the Assessor's Office and see if they can give you any context, any additional information, but I don't know that much will change.

Mr. McPhail: I would appreciate that, any feedback that you can get because it just makes no sense to me.

Ms. Adlam: Okay, yeah.

Mr. McPhail: And especially on the land side of it, you know. And most of them, at least half of it's the land. But not on this new one; they went and paid $1.7 million for it and now it's assessed at $441,000. It just makes no sense. You may understand that more than I do.

Mr. Angle: Well, it’s just there's only two approaches to assess it. You either assess it by revenue stream, or you assess it by the land and the improvement value. And to make certain kind of projects perform, especially hotels and retail and things of that nature, sometimes it’s strictly revenue. And that what they put in their Proforma, and they work with their assessors in advance when they do the Proforma…

Mr. Kirchoff: My assumption is the pandemic probably had negative impact on revenues, and that’s probably why it went down.

Ms. Adlam: Right, I haven’t seen your 2022 assessed values yet; neutralizations are starting to come in so I’ll see them any day, but I’m sure that probably I-70 will decrease.

Mr. Angle: I would think so too.

Ms. Adlam: That would be my guess. I mean, one, for many of your TIF areas there is that neutralization process; if that assessed value trend is downwards then your base assessed value does get adjusted based on the trending. However, I-70 for example has a zero base value…

Mr. Kirchoff: You can't go lower than that.

Ms. Adlam: So, that doesn’t help you for I-70, but for say, U.S. 40, if your assessed values do trend down in 2022, your base value will get adjusted down as well.

Mr. Angle: Sure

Ms. Adlam: So, to move into S.R. 267, this area was also created in 1992 and expires in 2040. The TIF estimate will increase a little bit from 2021 to 2023 because of those COVID assumptions, and because you do have an existing abatement, so the roll off of that abatement. There is one Bond that is formally pledged from S.R. 267 TIF, and this is your 2015 Redevelopment District Bonds, and it’s payable from your S.R. 267 TIF and that’s with that Special Benefits Tax backup; also, assuming that S.R. 267 TIF does get used towards paying that MADE, Government Center and Arts Center. So, in the chart that you see here, the shaded area is your estimated TIF, the red portion of the bar is your 2015 Bonds, and then the green is a portion that would go towards Lease Rental Payments. So, from your various projects – you do, you know, have pay as you go projects planned, so in looking at your cash flow you see estimated TIF coming in, backing out your debt payments and your contributions to the Lease Rental. So, in this TIF area you are, if you look at the estimated TIF remaining line, you’re currently planning on spending down your balance – which you currently have a very healthy cash balance – but 2024 and up to 2025 it does get very low and 2025 would go negative, so you just need to kind of shift priorities; potentially Bond if there's something that you really need to do and it doesn’t work through pay as you go. This is just an area to kind of keep an eye on in 2024-2025 for your pay as you go projects. For your Six Points Area, this was created in 2003 and it has a 30-year life, so it expires in 2033. You’ve historically passed through $100 million of assessed value so you can assume that will continue. Once again, I’m sounding like broken record, but the TIF will increase because of existing abatements rolling off, new development, and those COVID assumptions. So, your estimated TIF will go from $7.5 million, to about $8.8 million in 2023. You have two obligations payable from Six Points; first are the 2016 Lease Rental Bonds that were built to fund the fire station, and then you have the Lease Rental Payments for the school's transportation center Bonds, and those mature in 2023, so you have a couple of years left on those payments. Once again, you're planning on using Six Points for those three projects, so this chart sort of shows you what that looks like, and what you have left for pay as you go projects. So, all of these, U.S. 40, S.R. 267, and Six Points, based on the TIF we're currently estimating and the estimated Lease Rental Payments, you have 150% coverage for each of the three areas. So, you can see, you know, about $5 million to about $8.5 million, you have $3-ish million remaining annually for pay as you go projects. So, in your cash flow, you can see you have a healthy balance in Six Points. You are planning on spending it down for some pay as you go projects in the next several years, but you're still estimated to have a balance of over $5 million by the end of 2024. Next is your Ronald Reagan or AllPoints TIF Area; created in 2006, it expires in 2036. This TIF area is growing fairly quickly because of the development that's going in that TIF area. So, in 2021 you're estimated to have about $4.9 million of TIF, going up to about $6.4 million in 2023. You have two obligations payable from this TIF area. The 2021 Refunding Bonds are payable from the senior pledge of TIF, and your 2015 Bonds are payable from a subordinate pledge of TIF, but they both have a property tax backup. And just to remind you of your Refunding Bonds that you just issued, on an annual basis you saved about $400,000 a year. Over the life of the Bonds that were refunded you saved $4 million of gross savings, in value about $3.5 million. So, you had a very successful refinancing this year. So, this chart shows the ability that you have for pay as you go projects, and in your cash flow you can see that you are using a lot of that for pay as you go projects. You're estimated to spend your cash balance down a little bit in 2021, but then fairly break even in 2022 forward for that TIF area. Next is your Northwest TIF Area. It is your Northwest EDA, but it has the Vandalia Allocation Area and the Saratoga Allocation Area. Vandalia is the age restricted housing TIF area. They currently don't have an expiration date because nothing has been formally pledged for repayment, and you can see the TIF for both Vandalia and Saratoga on this chart. For your estimated pay as you go projects, you're showing to add to your cash balance for these, the Saratoga and Vandalia TIF areas. And finally, is your Klondike TIF Area. This was created in 2016, and you capture both Real and Personal Property for this TIF area, which is the only area where you capture Personal Property. So, you can see the estimated TIF for 2021 through 2023, for Real Property, there is 100% abatement, so this is just the land until that abatement expires. This is your estimated cash flow for your Klondike TIF area. You're adding to your cash balance a little bit each year based on your pay as you go projects that you have in your cash flows. I know I'm cruising through this presentation, but do you guys have any questions for me, for your TIF areas?

Ms. Andres: I think it's a helpful exercise to go through these and look at what the limits are, and I think you've explained it really, really well. Anybody have any questions on the report or the presentation? And I think you've asked if we'd give you comments if we…

Ms. Adlam: If I could do just a couple more slides to talk about the impacts…

Ms. Andres: Sure

Ms. Adlam: I just wanted to pause before I went there. This is just to talk about the impact on the Overlapping Taxing Units. So, the Overlapping Taxing Units are other units of government that have boundaries within your TIF areas, the school, the county, the library. In 2016 a study was done by Professor Larry DeBoer of Purdue to see if TIF takes away from other Taxing Units. And he found that no, it doesn't. A couple of things are satisfied. One is a "but for" test; could the development have occurred if not for the TIF? You know, the TIF is necessary to fund the infrastructure improvements to support the development, then there's no loss to other units of government. And there's no loss to other units of governments if the TIF area doesn't exist for longer than it needs to be. So, if you've funded all your projects, paid all your debt service, and then you would end the TIF area if it actually still had a life left. This chart just looks at the town's Net Assessed Value compared to your Captured Assessed Value. So, while you are continuing to increase your TIF assessed value, you can see that the town's assessed value is still increasing; the TIF isn't really taking away from the town's assessed value at all. This was an analysis that you did back in 2019, but it looks at that impact of the Six Points pass through of $100 million. So, you passed through $100 million of assessed value; all of the Overlapping Taxing Units would gain, collectively, about $690,000, and that is because decrease in Circuit Breaker Losses and an increase in revenues from your Rate Controlled Funds. On the flip side, Six Points TIF gives up about $2.2 million of tax increment. So, some other things to note, that you as the Redevelopment Commission help the Overlapping Taxing Units but one, you pay the school's Lease Rental Payments, that you issued Bonds to fund a higher education facility, that other than the Klondike TIF area, you don't capture and personal property. So, if you think of all the personal property, particularly in All Points TIF Area, that assessed value is immediately going to all of the Overlapping Taxing Units. You also fund infrastructure improvements, and you know, you've brought in new jobs and new businesses that have increased income tax revenues while your TIF area is in place. And then we wanted to look at that, you know, if you didn't have TIF how could you have funded all of these infrastructure improvements, and really, your only option would be to fund it with property tax. So, since about 2000 you have issued just over $200 million worth of Bonds payable from TIF. So, if you issued those as a property tax, Property Tax Levy, your estimated payments are about $13.8 million on an annual basis, so that would translate to a tax rate increase of about $0.37. So, think of all of the help that you're saving with keeping Circuit Breaker Losses low, because of all of what you're doing with TIF. Also, Avon Schools has a referendum in place and referendum tax rates capture your TIF assessed value, so this is one benefit that you're currently helping with Avon Schools by statute; they capture both your TIF from Ronald Reagan and Klondike, and then of course the Avon TIF as well. And so finally, with all of this assessed value that you're growing, really, this TIF is going to benefit all of the Overlapping Taxing Units. Right now, you're increasing jobs, new businesses; you're increasing personal property, funding infrastructure all across the town, and then eventually you will be releasing all of this assessed value to all of the Overlapping Units. With that, I'll take any questions if you have any.

Mr. Kirchoff: Well done.

Ms. Adlam: Thank you

Mr. Angle: Thank you very much. Fantastic job, take a deep breath. That is a lot of hard work and is a lot of data to absorb. I don't necessarily have a direct question for you, as more maybe a comment in general for the RDC. I know we've talked a little bit about, in the past, a lot of the assessed value all coming due at once and then blowing up rates. And so, we've talked about formulating plans to put that in stages to help that process.

Mr. Kirchoff: Yeah, phasing out the TIFs.

Mr. Angle: Yeah

Ms. Adlam: I think now, to jump in, now that you kind of have your plans for MADE, the Government Cents, and the Arts Center, that this would kind of be a good time to take a look at that. I know we had talked to you about it probably about a year or two ago, but all of these big projects were coming down the road and you didn't know how much TIF you needed to make all of your debt payments. So, I think it would be good, especially Six Points, because 2033 is not that far away. So, if you need to kind of start phasing through some of that pass through, it would be good to look at.

Mr. Angle: It might not be a bad idea to set some kind of a timeline, say in the next six months we should have some proposals or recommendations through this group, on how to do that maybe.

Ms. Andres: I think that's fair.

Mr. Angle: I'm just one person though, so I don't want to like, engage you into doing all that work if I don't have buy in from everybody else.

Ms. Adlam: Fair enough

Ms. Andres: Okay great, thank you.

Ms. Andres: We do have a resolution for that, for the pass through of Incremental Revenue, if anybody has any questions on that for Emma before she – we'll get to that in a minute but if there's any questions… great.

RESOLUTIONS

Ms. Andres: We have some people who are waiting for another meeting, so we will move right on to our resolutions. No public hearings for us tonight, so we will start with Resolution No. 2021-08 – Resolution of the Town of Plainfield Redevelopment Commission Approving a Proposed Lease with the Town of Plainfield Redevelopment Authority, Authorizing Publication of Notice for Public Hearing in Connection Therewith, and All Matters Related Thereto. Any further discussion, or all entertain a motion.

Mr. Kirchoff: So moved.

Mr. McPhail: Second

Ms. Andres: Thank you. Mr. Todisco, can you call roll please?

Mr. Todisco: Mr. McPhail – yes

Mr. Angle – yes

Mr. Everling – yes

Mr. Kirchoff – yes

Ms. Andres – yes

The Plainfield Redevelopment Commission Resolution 2021-08 is approved.

Ms. Andres: Thank you. Next up we have Resolution No. 2021-09 – Resolution of the Town of Plainfield Redevelopment Commission Making Findings Regarding the Pass-Through of Excess Incremental Revenue and Taking Certain Other Actions Related Thereto. Any further discussion, or do I have a motion?

Mr. Angle: I'll move to approve.

Mr. Everling: Second

Ms. Andres: Great, Mr. Todisco, can you call roll please?

Mr. Todisco: Mr. McPhail – yes

Mr. Angle – yes

Mr. Everling – yes

Mr. Kirchoff – yes

Ms. Andres – yes

The Plainfield Redevelopment Commission Resolution 2021-09 is approved.

Ms. Andres: Thank you. And finally, we have Resolution No. 2021-10 – Resolution of the Town of Plainfield Redevelopment Commission Approving the Project Agreement with Keller-Huff Group (Prewitt Theatre Redevelopment Project). Any further discussion, or can I have a motion please?

Mr. Angle: I move to approve.

Mr. McPhail: Second

Ms. Andres: Mr. Todisco?

Mr. Todisco: Mr. McPhail – yes

Mr. Angle – yes

Mr. Everling – yes

Mr. Kirchoff – yes

Ms. Andres – yes

The Plainfield Redevelopment Commission Resolution 2021-10 is approved.

Ms. Andres: Great, thank you.

WISHES TO BE HEARD

Ms. Andres: Do we have anyone in the audience who wishes to be heard this evening?

(Brief pause)

Ms. Andres: None on LIVE stream either, I assume? Great, thank you.

ADJOURNMENT

Ms. Andres: With that, then we are adjourned. Our next Monday meeting would be the Fourth of July holiday, so we are meeting Thursday, July 8th. We will see you then, we are adjourned, thank you.

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Gary Everling

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Gary Everling, Vice President, proxy for Jennifer Andres, President

DocuSigned by:

Bill Kirchoff

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Bill Kirchoff