



Columbus Redevelopment Commission

Regular Board Meeting

June 16, 2014

6:00 PM

City Council Chambers

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Minutes

The Redevelopment Commission met in Regular/Special Session on Monday June 16, 2014 at 6:00 p.m.

Call to Order:

The meeting was called to order at 6:00 p.m. by Frank Jerome.

Attendees:

Commissioners:

___ Kristen Brown, Pres. Frank Jerome, V-P ___ David Wright, Sec.
 Steven Scgalski Robert Abrams Russ Polling

Other attendees:

Heather Pope, Redevelopment Director; and Stan Gamso, counsel.

Discussion Items:

Action Items:

1. Resolution for Redevelopment Commission's determination of the need to capture Tax Increment Revenue for the Central Economic Development Area – Andrew Lanam, Reedy Financial

Andrew presented a five (5) page document showing preliminary projections for TIF dollars in the Central TIF allocation area, the Airport, South Commons and Cummins areas.

Utilizing that document, he explained the concept of “passing through” or “passing back” the Net Assessed Valuation (AV or NAV) to the respective taxing entities and the effect the pass back would have on the respective TIF funds for the 2015 calendar year.

In essence, the Central area could forego taxing, for TIF purposes, \$127,022,631.00 or NAV and still have adequate monies to pay all the obligated debt service, the projected Redevelopment Expenses and have monies available for projects for the 2015 year and enter the year with a TIF balance of some \$7,184,246.

Also, Andrew explained new state rules created by the legislature for the redevelopment districts that become effective on July 1 this year. The new rules require a math computation to determine the ratio of income to expenses in a TIF district and if that ratio is greater than 200%, then the Redevelopment Commission is required to make a recommendation to City Council as to whether the Net Assessed Valuation should be taxed or passed through to the respective taxing entities. City Council may then elect to accept the recommendations of the Redevelopment Commission or may choose to retain said NAV and have it taxed accordingly.

In the Central area Andrew pointed out that the ratio is 237%. Then he, working with the Mayor, computed the necessary amount needed to satisfy debt service, ongoing debts and expenses and prospective projects for the 2015 year. In doing so, it was determined that \$127,022,631 of NAV could be passed back to the respective taxing entities. This would equate roughly to the Commission receiving some \$3,127,309 in tax revenue.

The Commissioners inquired about the pass back, the effect on the TIF, the benefit other taxing entities would receive and the reduced tax cost to businesses. Andrew further explained the process and assured them that there would be no lost revenue for the TIF district but he could not speak to the precise amount of tax an individual tax payer would receive because of the complexities of the taxing process at the county, city and school board levels.

Lengthy discussion ensued between all members and Andrew. Frank opened the discussion to the public as well.

Barb Hackman, Bartholomew County Auditor, commented that she appreciated the Commission's consideration to return the AV back to the community. She opined that it would have an impact on the taxpayers in terms of lower rates. She believes this pass back would be the right thing to do.

She also inquired as to whether the Commission would consider using some of the existing TIF dollars for existing projects, specifically the new County Annex Building on State Street.

There being no further discussion, Frank called for a motion on the recommendations by Andrew as to the Central TIF district. Russ moved to return the NAV in the amount of \$127,022,631 to the taxing entities, Steve seconded. There being no further discussion the motion passed unanimously.

2. Resolution for Redevelopment Commission's determination of the need to capture Tax Increment Revenue for the Airport Economic Development Area – Andrew Lanam, Reedy Financial

Andrew next presented the same discussion for the Airport District. He noted that last week he was advised to include a new project in the Airport expenses list, that being a potential road expansion in the amount of some \$3.8 million. Including that the computed ratio is some 104% which is well below the 200% by statute. He recommended not returning any NAV in the airport district.

There was no further discussion or public input.

Motion was made by Steve to retain the NAV of some \$12,131,055 for the Airport TIF district. Russ seconded the motion. There being no further discussion the motion passed unanimously.

3. Resolution for Redevelopment Commission's determination of the need to capture Tax Increment Revenue for the Cummins Economic Development Area – Andrew Lanam, Reedy Financial

Next Andrew discussed the Cummins District. He reported that all the funds in that district are used solely and exclusively within that district. He did not recommend passing back any AV in that district.

There was no further discussion or public input.

Motion was made by Russ to retain the NAV of some \$54,785,722 for the Cummins TIF district. Steve seconded the motion. There being no further discussion the motion passed unanimously.

4. Resolution for Redevelopment Commission's determination of the need to capture Tax Increment Revenue for the South Commons Economic Development Area – Andrew Lanam, Reedy Financial

Finally Andrew discussed the South Commons District, a/k/a The Cole. He reported that all the funds in that district are used solely and exclusively within that district. He did not recommend passing back any AV in that district.

There was no further discussion or public input.

Motion was made by Steve to retain the NAV of some \$14,265,917.40 for the South Commons, a/k/a The Cole TIF district. Russ seconded the motion. There being no further discussion the motion passed unanimously.

5. Resolution of the Redevelopment Commission for an addendum to the Jones & Phillips contract to include minor changes in scope from original Feasibility Study Contract – Bob Crider, Crump Steering Committee Representative

Bob Crider reported that during the feasibility study the Sears space became available and it was suggested that the Sears site and other alternative options be explored based upon work Jones & Phillips discovered during their initial work. Further, to more fully explore these additional options, additional public meetings were held. All was over and above the original Jones & Phillips contract proposal.

The additional work resulted in an increase in the original contract price of \$12,165.00.

Bob had recommended that the Commission approve the additional services and costs. There being no discussion, Russ moved and Steve seconded a motion to approve payment of the final balance to Jones & Phillips by way of an addendum to their contract in the amount of \$12,165.00. There being no further discussion, the resolution passed unanimously.

Frank inquired as to the status of a business plan. Bob reported that the Steering Committee has had some preliminary discussions with a company who has developed similar business plans. The Committee was in negotiations with that company and Bob thought a response could be had at the next regularly scheduled meeting.

Frank further reported that he was concerned that a business plan was needed given the proposed cost of the Crump project.

6. Temporary and Permanent Easement Agreement for the Lafayette Avenue and 2nd Street and 801 Second Street properties – April Williams & Dave Hayward, Columbus Parks Foundation

April Williams presented the overview of the Parks Foundations plan to extend the People Trail around Columbus. Specifically the placement of the trail over the old REMC site and the present Lot 2B and Lot 3 parcels all owned by the Redevelopment Commission. She reminded the Committee that this is the second presentation she has made to the Commission on this topic.

Since that first presentation, the legal descriptions for the temporary easement over what is known as Lot 1 of the REMC site and the permanent easements for Lot 2B and Lot 3 have been prepared.

To refresh everyone's recollection, Lot 1 is the parcel that contains the REMC warehouse building. The Redevelopment Commission has not made a decision regarding use, removal or renovation of the building so the Parks Foundation recommended a temporary easement around that building.

The Commissioners then segued into a discussion about the building and demolition or sale of same. Heather reported that David Doup from Taylor Brothers was in attendance and came forward to discuss his observations of the building.

David reported the roof and walls of the structure are at the estimated half-life. Any attempt to disassemble the building and move it to another site would result in a loss of the roof. He presented the cost estimates. It was his recommendation that the Redevelopment Commission find someone who wants to buy the building and remove it utilizing their own labor. Otherwise, the Redevelopment Commission will incur the cost of demolishing the building.

Frank then called for a motion to place a temporary easement on Lot 1 of the REMC warehouse parcel. Russ moved and Steve seconded a motion to do same. There being no discussion the motion passed unanimously.



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Frank then called for a motion to place a permanent easement on Lots 2B and 3 of the Second Street 2nd Replat of Lot 2A. Steve moved and Russ seconded the motion. There being no discussion the motion passed unanimously.

The easements had been prepared and were submitted to the acting president for signature.

7. Approval of Minutes: May 19, 2014 Regular Meeting

Review of the May 19, 2014 Regular Meeting Minutes was had, no corrections or changes were noted. Russ moved and Steve seconded a motion to adopt same. There being no discussion the motion passed unanimously.

8. Review and Approval of Claims

Heather presented seven (7) claims to the Commission for consideration. The Commissioners had previously examined the claims, Russ moved and Steve seconded a motion to pay the seven (7) claims as presented. There being no discussion the motion passed unanimously.

There were two (2) claims, one from Bruce Carter and Associates and one from a contractor for the installation of temporary monitoring wells on the old waste water treatment site. Steve moved and Russ seconded a motion to pay the two additional claims for the remediated site. There being no discussion, the motion passed unanimously.

Adjournment

There being no further business, Russ moved and Steve seconded a motion to adjourn. The motion passed unanimously and the meeting was adjourned at 7:30 p.m.

Approval of ___ day of _____, 2014 minutes.

President



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Vice-President

Secretary

Member

Member

Date: _____