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Tom Vujovich - Chair called the meeting to order at 1:19 p.m. The following members were in attendance: Corey Carr, Rich Stenner, George VanHorn.

Staff - Ed Curtin.

Guests – Mayor, Lynn Bigley, Paul Minnis, Terry Coriden, Brooke Robertson, & Jim Clouse Minutes

Minutes for review 4/26/07 and 5/7/07. Individual approval of minutes as submitted. Motion by Carr, Second by Van Horn for approval of 4/26/07 minutes, approved unanimously. Motion by Carr, Second by Van Horn for approval of 5/7/07 minutes, approved unanimously.

(** - denotes questions)

Action Items

Contract with Hotel Leisure Advisors LLC

Tom - Asking for ratification of an email poll taken earlier.

Ed – David has already started working on the project and information should be available in a week and a half.

Tom – Contract, the cost of which comes from a grant we received. – No further questions.

Moved by Van Horn, – seconded by Carr – APPROVED unanimously.

Sunright Tax Abatement

Jim – Sunright America Inc has requested a tax abatement. They will be located in the newly established expansion of the TIF district, Woodside Northwest. It is a real and personal property, combined just over \$10 million investment. The real is \$6 million and the personal is \$4 million and change. They would like first to get the Redevelopment Commission to sign off on this so they can take it before the full Council. Council meeting is 6/5/2007.

Corey – We have not included any of the companies for personal property so the issue is the real property and looking at our determination on whether or not that affects our ability to repay debt. When we did the model, assumption was that tax abatement would be approved, taken a conservative view of that income. Based on approval of tax abatement, I do not think this will affect our ability to repay the debt.

Motion to approve tax abatement request by Van Horn– Carr seconded – no discussion – APPROVED unanimously.

OSR Tax Abatement

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Jim – A personal property tax abatement, needing approval since the real property resides in the TIF district. Same building as Rightway Fasteners, where Sunrise and OSR are currently located. They are going to invest \$422,100 in machinery/personal property expansion.

Corey – as personal property this will have no impact whatsoever on our ability to pay debt.

Motion to approve tax abatement request by Carr – VanHorn seconded – no discussion – APPROVED unanimously.

Approval of Claims

Ed – All are work that we have requested and/or advanced for.

Questions from committee members on data received to support claims.

- 1. Total fee to Koetter/Kim? Ed Approximately \$640,000 and expenses on top, currently just past half way.
 - a. 373 paid through the architectural money? Grant and balance rolled to bond?
 - b. Signed contract with Koetter/Kim.

Motion to approve claims, Carr - second - no discussion - APPROVED

Discussion Items

Introduction of Brooke Robertson

Intern this summer. Sophomore at DePauw University, anticipate Major in Biology, working with Mr. Curtin.

Economic Development Policy

Rough draft included in packet. After conversation with Council, committee meeting and Council meeting for Woodside West, realization that we do not have a specific Economic Development policy for the Redevelopment Commission other than we are very aggressive about some things that we do and that is important. Seems like the Redevelopment Commission has a vested interest in seeing businesses locate within the TIF areas that we have in the community because it certainly impacts our ability to vie for projects that are very important to do.

Went to the conference for shopping centers and there were about 60 different cities that actually had booths there for attracting primarily retail and commercial development to their cities. George made the comment that there are some communities that that is what they go after, they do not necessarily go after the industrial development or the larger business developer. It seemed this may be an opportunity for us to begin to look at what we want to do as an entity to go after those businesses, not only large more industrial business but also the smaller retail/commercial businesses. This is an attempt to get down on paper some of the things that as we move forward that we may want to consider not only from an economic development standpoint but also from criteria that we use to evaluate those projects that we are asked to provide bonds on, to infrastructure to help get the project off the ground. The intent behind this is to start the conversation.

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Corey intent to identify under what circumstances we would use TIF money?

Ed – I think that is a part of it but also while at this conference, initially I went out there thinking about what kind of businesses could we get to locate downtown, kinds of things that we feel would be appropriate and I found an exhibit hall the size of the corporate office building – about 8 of them, entire sections that were for public sector, for redevelopment and for the retail section. It is just not about where we would use the money for infrastructure, also what would we want to do to aggressively attract those businesses to the community because we are all very sensitive to the issues of property taxes and wanting to keep those in check, one of the ways to do that is to get businesses to take on a larger portion of that tax base. If we want to help the citizens of the community this is the way to accomplish that.

George – does the City have an Economic Development policy? It seems like we would want to check.

Ed – I think that question was asked, I do not know that there is one. My expectation would be that as we work through this and get something that we adopt as a commission then ultimately that will also be taken to the City Council. I would expect them to be involved early through the entire process because I think what we want at the end is something that the City, does not matter whether it is Council, Mayor, Community Development, whomever, we want everyone to operate under the same umbrella and stay in the same direction and make that happen.

Tom – What came out of the discussion the Redevelopment Commission had with the City Council was Woodside Northwest issue, a sense that what was being done was very different from what the traditional role had been with the City with Economic Development in the past. As we move ahead those types of requests, those types of opportunities for the City to be more proactive are going to become more important. As it gets more and more competitive communities are willing to do more things to attract industry, I would think that the City of Columbus is going to need to position itself and find new tools. Somewhat surprised at the amount of concern being expressed from the perspective of the City Council that really appeared to be going in a new direction. It is important that the Redevelopment Commission define its role in this business and a key coordination role with the Economic Growth Council for sure. What are the criteria on which we will determine whether TIF funds, if available, will be used for that development in the future. I think it is a real opportunity to lead the discussion. At this point we probably need to have that discussion with members of the City Council, but also within the Economic Growth Council authority, see what kind of strategy, policy emerges from that.

Tom – Terry, in your experience as the City Attorney, was there ever anything adopted that would define a city policy?

Terry – not by the City Council. It would have to have been a resolution as opposed to an ordinance, I do not recall that ever being bantered about. That would have been after numerous meetings I would have thought. I do not recall that ever being adopted or discussed

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Tom – in the relationship between the City and the Economic Development board and the City's ranking of abatements, what is the formality of that relationship?

Terry – I think it has always been on a piecemeal basis as set by up the statues. That if they come forward and indicate that they are going to invest so much within our city and as a result of which you will need to retain and/or add more jobs then that has benefited the city. If the test is made then they are more likely than not, in my opinion, to grant that tax abatement request. The opposite is generally true that I have not seen where they have ever revoked that abatement at any time. If an entity could not live up to what their projections were by virtue of economic disasters, whatever it may be, the abatement was not revoked at a later date.

Tom – Corey, as far as the Economic Development Board is concerned, urgency of beginning this discussion?

Corey – I think there is certainly time to engage the board to get some ideas. I think we want to be careful about what the exact purpose of the strategy is and make sure that it is clear, is it an Economic Development policy, is this considerations on when the Redevelopment Commission will recommend using TIF? I think it is important to be clear about what we are saying in that. I also do not want to strip this too much. Planning, replanning, redevelopment – our public uses and uses for which public money may be spent (2.b.2). I would say that you can spend TIF money to attract the right business. You could just give that company a check, give the money to them – as I read this we might be saying we are not inclined to do that and if that is what we are saying then that is not a bad thing. We would want to leave room to consider all the tools that we have available to us to attract the type of businesses that we want to attract. Main purpose – being very specific about the purpose of the policy statement, not the intent to rule out, intent to start the discussion and come back with some more.

Rich - Corey, are you talking about more of a mission statement?

Corey – I am not suggesting one over the other, I was questioning the intent of what this one was to be.

Ed – Intent was really to start the discussion. A portion of this language actually comes out of the Indiana Code that sets us up to begin with. The attempt was to be in part consistent with that but also give us a framework that we can look at the activities that we have and make sure they are consistent.

Tom – in the central area plan that we adopted, there is some very specific language about economic development activity. I think we should draw that out and use that. At this point if Ed and Corey, the two of you could work on this some more and sharpen it. I think the next steps need to be engaging the City Council in what we come up with and see if that is consistent with what they think we ought to be doing. Woodside Northwest case certainly needed to be.

Corey – for the commission the question I would have is, what purposes would we like to achieve through this statement or policy or document? The money part and the designation? The money

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part is one and the second part would be the approval tax abatement, the other would be the designation of recruitment of companies, where we might be more actively recruiting specific businesses as opposed to just approving requests. The question I would have is what intended outcomes or purposes would we like this statement to address?

Ed – I think it needs to define what the appropriate role for the Redevelopment Commission is as it relates to economic development activity and improvement, both within the TIF districts and the broader community. I think there is a role that we can play in both. First is to define what that role should be. It is important that we identify criteria on which we would make the decision to utilize TIF funds as we look at requests or opportunities. Corey – along with what you said, I would hate for us to draw it so tightly that it takes away the flexibility of the commission to make a difference where it otherwise could have, as long as it is not inappropriate or usurping somebody else's role/responsibility.

George – I think the key would be making sure that we are not going the wrong way. It seems like what we need is an economic development policy or criteria that both we agree on and City Council agree on, not that that does not preclude any disagreement in the future.

Tom – using that and looking at the Woodside Northwest example, in that particular place we said there was a clear connection between downtown redevelopment and the annexation of that site, bringing it within the TIF but there clearly was a gap between when that connection would be revisited. I believe what we are talking about here is we could even be involved in economic development activities that have no direct variant on the TIF districts and downtown area. The question then becomes is that an appropriate goal for the Redevelopment Commission to play? I think that conversation with the City Council is key.

Ed – The other question is will we continue to expand? I think that was a part of that conversation as well and that may be something that needs to be discussed.

Corey - There are certainly areas that are within a TIF area that if we can focus on those we can encourage development there as opposed to adding on somewhere else.

Tom – Outside the two economic development areas, what could the commission develop? What is the range that we are considering? Based on what Ed experienced at the show, one of those opportunities could be just in the general development arena. The nature of the contacts that Ed will be making through the Redevelopment Commissions downtown focus really is along the retail/commercial side. Not everybody is going to be interested in a downtown location and there may be opportunities to bring development to the community that falls outside of our TIF districts. That is the kind of work that traditionally has not been a priority or focus of the Economic Development Board and I do not know that the Chamber was necessarily set up in order to go after it in an organized way. Rich, is that fair? I think the coordination between the Redevelopment Commission and the Economic Development Board and the Columbus Area Growth Council begins to make some sense then in terms of do we have some body or some body's out there looking when the Board goes out in communities and we can take advantage. I think that would be an example.

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Unless there are more questions, we will leave this to Corey and Ed to begin working through. Ed – if you could come back with a next step we can start working through this.

Bond Criteria

Tom – already addressed this.

Discussion on the Zaharako Tax Abatement Request

Ed- Jim, I believe you had talked with someone working on that project. I let them know that they would have to bring that to the commission today just as information and discussion. There is somebody that is interested in revitalizing Zaharako's and part of that was going to be a request for tax abatement. Not sure what the time is. Very short conversation was had, no further contact. Working to get their information pulled together this month and go before City Council the last meeting of this month or first in July.

Jim – They have not turned in any paperwork. Basically just called the office and had questions.

Tom – Any reason why we would not be inclined to look favorably on that request.

Corey - I would not think so. It is right in line with what we want to see happen downtown. We have to provide some incentive to help give the initiatives.

Tom – One of the emphases of the strategic development plan was to keep strategic assets in place and Zaharako's certainly is one of those downtown assets. Would this primarily be a real, probably be more real?

Jim – my understanding is there is a little bit of both. That area is in the economic development target area, some of the items that they would need to rehabilitate the kitchen for instance, those would be available for property tax.

Tom – any sense for the size that they are talking about?

Jim – they did not give me any indication at all.

Corey - when we approve tax abatement, you see the commission approving it solely based on how that approval or how that tax abatement affects are ability to repay debt or in some cases making a statement on top of that on why it is important. That is a second level of action by the commission. The first is we are just going to look at the financial aspect and the second would be we are going to make a value statement about the value of that business to the economic development plan, which we have not done so far.

Rich – I think maybe we did do something like that on Hotel Indigo. I do not remember the whole process but it seems to me that we did go above and beyond that first level and look at the whole project. We did more than just say this will not negatively impact our ability to repay debt.

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The Crowe Chizek recommendation is not to grant tax abatements to a TIF district. Tax abatement would be depriving us of revenue which we otherwise would need, at the same time recognizing that we have to do that. Take in recommendations for us to provide incentives to attract the type of investment and activity that we want to have in the TIF district and over time you reduce the need to provide those incentives. The district itself becomes the incentive that attracts the investment and you do not need to provide tax abatement in the future.

Tom – One clear issue is that the abatement does not affect our ability to repay the debt. That is first and foremost and if there is any question that it might then I think we need to pay more attention to the request. Beyond that gets into the issue to what extent is the incentive necessary to continue and reinforce what we are trying to achieve and how do we know when we have arrived at the point where we no longer need to provide those incentives?

George – bottom line is – does it impact our ability to repay debt, the answer to that is no, but does it at some point limit us from doing anything else. I'm not sure about putting a value judgment on one business over another or does not mean we think this is really good and we are not going to comment on this one, is that a statement that we want to make?

Tom – the abatements specific to the downtown is we have set precedent or intend to set a precedent with the Indigo abatement of six years being the threshold rather than ten. So, to the extent that Crowe Chizek would tell us, don't use an abatement unless you really have to and we have to, keeping the term as short as possible, I think we have attempted to do that with the Indigo precedent. So, we probably will be looking at a formal request from Zaharako's in July.

Ed - similar call/E-mails with someone looking at developing property in the near downtown area, initially thought primarily for residential but on further discussions I think they are looking for a mixed use project, referred to as live/work development. This means it tends to be harking back to the days of lived above your shop and had your shop below. That is the type of development they are looking at doing, having retail on the first floor, residential on the second floor and they would be happy to present that at a commission meeting to get a sense of where we would fall with that.

Tom - We have to clearly delineate the residence from the work for an abatement?

Ed - I did E-mail Mike Klater(s/l) and ask Bruce questions. My understanding is it is not an unusual piece but I do believe that you separate the items.

Tom - We would recommend abating commercial development and residential is not eligible even when it is part of a mixed used development?

Rich – was the question relative to the commission's stance on abatement or was it on the concept of the live/work?

Ed - it was more on whether we felt whether there would be an abatement available for a project like this.

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Tom – is it consistent with the city's current comprehensive plan, zoning ordinances, etc.

Corey - the southwest corner, 6^{th} and Washington, the old Nelson's Bible, didn't we do a tax abatement there? - yes, kind of a live/work situation.

Rich - I know we did. My question was really did we give it for the entire project or does it get split just for the commercial part of it.

George - I think it is just the commercial part. In terms of whether or not another developer is asking if we can do that, the answer is yes based on precedent.

Information Items

Ed – any questions about attached report? None received.

Parking Garage

Ideally we will be getting plans this week from Koetter/Kim for the parking garage. Our plan is we would have notices in the paper this Friday for that project followed by another notice a week from this Friday. Initially we had planned upon getting bids back by 6/26/2007 and I have been getting calls from contractors wanting to know what is going on with the project, when is it going to go out for bid but I have gotten some calls when I tell them what our timeframe is their pressing concern is that is a pretty short turnaround for them to be able to really get through the plans. Talked with David a little bit about that and it would seem like if we can push out a little bit the time. I want to make sure we get good competitive bids. I do not want to scare anybody off because we are not getting them enough time or they are padding their number because they are afraid they will miss something in that timeframe and it seems if we can take a couple of weeks extra, make sure that we give everybody time to thoroughly get through those documents and to give us time, will certainly get those documents, Wednesday is when they are to be sent. That gives us time to make sure we get through them fairly thoroughly, make sure that we have a complete set of documents that goes out to the contractors and the set of documents that we want to go out.

Tom – how much time do we expect to allow for responses?

Ed/David – what was talked about was getting bids back the week of the 9th of July. We were allowing about 30 days where the normal process would be about 20-21 days. We have the holiday that we are dealing with there as well. We would be in a position to open bids on the 16th or the week of the 16th. Not what we would like to have happen but I just worry that if we try and push the process that we are going to end up hurting ourselves on the back end as trying to make sure that we get plenty good bids.

David – another thing mentioned was trying to have a prebid conference with the architect here in town which will help the contractors a great deal too and if we do the normal time frame that will be very difficult to squeeze that in and make it meaningful to contractors. The prebid would not happen until after the second notice and we are looking at only 10 days after the second notice to get bids back.

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Tom – We have to do what gives us the greatest likelihood that we could have a competitive bid situation, get the best price possible for this. The disappointment is, getting bids back July 9th, we are not starting until September. Indigo opens in November/December. Optimistically if this is an 8 month construction process, we have a good winter construction period, we are opening in January(?). I have not seen anything yet that would lead me to believe that it would be sooner.

Rich - Ed – when you get the documents back for Koetter/Kim, how do we assure that these are complete?

Ed – three or four different ways, one is when we get the documents Harold Hatter will review them, Dave will review them and we can send they become public for the contractors. They tend to ask pretty probing questions so that if something is missing or does not make sense then that is the opportunity for us to make sure that we had the information that they are asking about so that we end up with a complete statement. There are number of ways that we go about this.

Tom – the first notice would be in the paper this Friday? – yes Bids back July 9th, between the 9th and the 16th, what happens?

Ed – it gives us a time to review those bids. Bids are opened on the 9^{th} and we would be awarding on the 16^{th} . We want to make sure that from the legal standpoint and make sure if there is anything that does not make sense with the bid, it gives us the opportunity to make sure that we review those, make sure we have a good bid when we go forward.

Terry - you don't have to pick the time that you are going to award the bid? You have to set a time that bids will be accepted and opened at a public meeting but at that public meeting you state that you take them under advisement and then you will award them in 30 days. You do not have to establish the 16th, the next week right now unless you are doing it as a board for county notices.

Tom – I think we want to award it as soon as we are ready to do so. As long as we have had adequate time to review the bids, we can do that between the 9th and 16th.

Terry - I'm not disagreeing with you. You do not have to confine yourself. On the 9th you can say we will have a public meeting on the 16th.

Tom – is there any other approval necessary. I am assuming the bids will be received and opened by the Redevelopment Commission and the Redevelopment Commission awards the bid? - Yes

Tom – we are not making recommendation to the Board of Works. – Right

Corey - are you saying it would be better not to have a July 16th date to aware the bids because then we can award the bids whenever we are ready after July 9th.

Terry - you have a period of 30 days you can take them under advisement, anytime within that you can have a public meeting. I am giving you as much flexibility, you can do it on the 16th. You can

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say on the 9th that you know for sure you will be okay by the 16th. All the contractors will be here on the 9th and you can at that time announce that you intend to have a meeting, whenever it works for the board. You may find out that you need more time to go through the architecture.

Post office

Playing phone tag with Brad Mader. He is actually wanting to come to town. As soon as I can find out when that is I will let the commission know.

Sports Complex – no new information.

Miscellaneous

Ed - Lynn is working on having displays at the Visitors Center with all the projects that are going on. Is it possible to get some of the drawings that we have for the parking garage and other projects so she can move forward to have for display purposes. I do not think that is an issue unless there is concern from the commission standpoint but I think we want to make that as public as possible.

Lynn – we just think there is just going to be so much dirt digging with one right across the street that I am getting the plans for and then we will have the parking garage and so forth that we wanted to be able to say this is exciting, this is what is happening. The Visitors Center wants to be the hub for that information and I think it is appropriate. We will put them up as we get them. We are not going to have an opening or anything like that. I am working with the jail now to get a site plan and perspective of that project. I have gotten Central Middle School site plan and will put that up. It will be of interest to visitors and local citizens. As people you can tell people, hey – there is a site plan of the parking garage, it's over at the Visitors Center, might save you having a few walk-ins. I think the people would rather have the views concept versus perspectives.

Tom – I think we need to make another effort at displaying those in City Hall real quickly.

Rich - I still anticipate very many people meet people in Columbus and say what? A parking garage? Yeah – why did they close this lot. Not that we have been clandestine about it but I think it is not on the radar screen. I applaud the effort and we could certainly start to tie posters to the trees – did you know, or flyers on the windshields.

Lynn – get the Indigo Hotel and then yes as things happen with The Commons plans or the sports complex, I think it is going to be a real interesting year to 18 months and the whole idea would be that we have information available.

Tom – we can talk to our friends at The Republic to see if they could give us some coverage over the garage between now and the 16^{th} and then we could make those available to the Visitors Center thereafter, I think that would be wonderful.

Meeting adjourned 2:13 p.m.

Next meeting -7/2/2007