

REDEVELOPMENT COMMISSION MEETING – TIF  
APRIL 3, 2008  
TIME: 6:00 P.M.

PRESENT:

CITY: Doug Fry, Darrell Poling, Lowell Rethlake, Jim Saler, Daryl Tressler

**Minutes of the 02/28/08 meeting were approved, motion by Doug Fry and seconded by Darrell Poling. All ayes. So passed.**

Daryl Tressler reported that our current cash position is \$ 496,777.87 in checking and \$ 1 Million invested in a Certificate of Deposit. He also presented a list of bills totaling \$ 126,205.10 for HNTB and \$ 208,475.00 for land acquisitions to be paid. Daryl noted that our checking account balance will be \$ 162,097.77 after the current bills are paid **Motion by Lowell Rethlake, seconded by Doug Fry to pay HNTB. Motion by Darrell Poling, seconded by Daryl Tressler to pay the right of way acquisitions. All Ayes. Motion's passed.**

Christina Colon of HNTB presented five reduced cost alternatives along with the no cost reduction plan presented as alternative 1. She also presented a four page letter that detailed the reduced cost alternatives they prepared for consideration. The letter included two enlarged spread sheets for cost comparison. The alternatives range in local cost savings from \$ 658,250.00 for alt. 2 to \$ 2,601,274.00 for alt. 6. Page 1 of Christina's letter refers to alternative 3 as the recommended scenario based on the following:

- Achieves project objectives along Lincoln Street from First St. to SR 3
- Leverages over \$ 6M in federal contributions
- Reduces the bonding amount needed to preserve the RDC's future cash flows
- Avoids creation of the Redevelopment Authority

Upon being asked questions regarding amenities of the alternatives Christina responded that each cost reduction alternative has consequences. For example: alternative 3 stops the project short of the First Street intersection. Therefore, the storm water problem in the intersection as well as just North of the intersection will remain the same as it has always been. She indicated that alt. 3 does provide for some storm drain South of Montgomery that will flow North.

Christina explained that HNTB and the mayor met with INDOT in Seymour on March 18 to discuss the grant considerations. They found out that some of the engineering costs we have already paid qualifies as our contribution so the \$ 1Million TE grant is an automatic already.

Jason Semler, of Umbaugh & Associates, was present to answer any questions that anyone has in regard to a March 17 one page letter from John Julien that included 11 pages of cash flow analysis regarding the six alternative cost estimate plans prepared by HNTB. There were no questions for Jason as the board believed the cash flow information was self explanatory.

Daryl invited comments from the public.

Don Polston commented that he believes we do not need brick in the walkways and questions whether or not we need any of the sidewalks planned. Christina reminded that the right of ways are being acquired anyway, since they are needed for utilities. (The utilities are to be located below the sidewalks. This measure eliminates repairs to the street in the case where utility work is necessary.)

Rick Fayette inquired what the TE grant money could be spent for. Christina responded that the funds can be used for Lighting, Traffic Lights, Pavement treatments, Sidewalks, Landscaping, or signage. The TE grant funds cannot be used for pavement or utilities. Rick asked for clarification of the amount of money we spent on TE engineering. Christina explained that \$ 118,800.00 of the Master Plan Design and \$ 135,500.00 of the Enhancement Design is where the \$ 250,000.00 required match amount was derived from.

Rick Pleak inquired if alternative 3 would be providing his hardware store with storm sewer relief. Christina responded that it would not be coming that far south. She reminded that cost savings alternatives have consequences.

City councilman and Board of Works member, Bill Wenning, emphasized that he believes we should keep in mind that if we end up with a Redevelopment Authority it means we will end up with alternative 1 with a total cost of \$ 13 Million. He believes the cost savings alternatives that have been presented are not enough of a reduction. He challenged that we should try to get the overall cost down below \$ 10 Million.

Larry Fry indicated that he is going to lose 4 or 5 parking spaces on the South side of his canopy and 2 on the North side. He indicated that amount of impact is 30-40% of his business, which currently provides employment to 30-40 employees. Christina responded that 3 would be eliminated on the South and two on the North. Christina also agreed to see that a representative of HNTB meets personally with Mr. Fry to review in detail exactly what portion of his property is to be acquired through the right-of-way process.

Rick Fayette emphasized that the public has a right to know about the details of the six alternatives being considered for this project; including the detail of the long term financing. He also commented that he believes the fact that Freeland Road extension will need to be done is being ignored. He said as someone else commented recently that area will not be just corn and soybeans anymore. He also warned that the property tax pledge is a very serious concern.

Mayor Gary Herbert made several points:

If we don't spend the federal money someone else will. He believes it is a good bet that the TIF district can service this bond issue obligation. He said it would be fiscally irresponsible if we don't move on this, and reminded that the cost is going up. He directed the board to be frugal and do it as cheaply as possible. He indicated that we have a water problem South of First Street, and they can't fix it until weather permits. He stated we have water problems all over town. Lincoln Street has 16 band-ade's on the water main. He advised we should think about the decision long and hard.

City street commissioner, Mark Klosterkemper, explained that the storm water drainage is his number one priority since it is critical for road longevity.

Bill Wenning asked the board: If we didn't have the grant money what would we be planning? He also asked: When was it decided in city minutes to do a substantial city utility cost project with TIF revenue dollars. He also inquired just what are the details of what is being planned for Lincoln Street.

Larry Fry indicated that he would like for someone from HNTB to meet with him to explain just exactly what is being planned for the intersection of Lincoln and Barachel. Specifically where are they going to put the traffic light pole. Jim Saler inquired if Larry and Ron Bewley (Giddings Dry Cleaners) have seen the intersection design and whether or not they know what the INDOT requirements are? Christina explained that all of the alternatives include improvements for 4 signal light intersections to improve traffic capacity. Jim asked if we had any statistics regarding traffic capacity improvement. Christina responded that Lincoln currently carries 13700 vehicles per day and the improvements will increase its capacity to 18500 per day.

Darren Burkhart of HNTB commented that the Freeland Road extension project will cost more than \$ 20 Million. He also indicated that the city is putting some money into TIF West to help the developers get water.

Jim Saler indicated that Doug Fry and he had a meeting with HNTB, the mayor, and John Julien of Umbaugh on March 20. Jim asked the board members if they had received John Julien's March 24 letter, as well as a summary e'mail from himself regarding the discussion that took place on the 20<sup>th</sup>. Everyone responded yes. Jim quoted two sentences from a March 23 e'mail he received from Doug: "John Julien agreed to prepare a brief outline of the options as discussed at the meeting giving particular emphasis toward the water/ sewer departments' role in possibly covering a portion of the expense of the overall project. Said outline will be delivered to all board members prior to our next meeting." Jim then explained that the board received the letter from John dated March 24 that indicated that he would advise the city utility officials to hold off on making a decision of whether or not to participate in the costs. Jim made a strong point to ask Jason Semler to let John Julien know that he was disappointed that John did not provide the utility cost participation scenarios that he had indicated he would at the meeting on March 20.

Daryl Tressler asked if there was any other business to discuss. Hearing none, he stated that we were in our sixty day review window and that our goal should be to make a decision on the Lincoln St. project at our next meeting.

The next meeting was set for Thursday, April 24<sup>th</sup> at 6:00 P.M.

Meeting adjourned at 8:30 P.M.

PRESIDING OFFICER:

Secretary