

REDEVELOPMENT COMMISSION MEETING – TIF
APRIL 25, 2007
TIME: 6:00 P.M.

PRESENT: Lowell Rethlake, Helen Gardner, Ken Dornich, Dennis Doerflinger and Doug Fry.

President Lowell Rethlake called the meeting to order with roll call taken.

Minutes were approved, motion by Ken Dornich and seconded by Dennis Doerflinger. So passed.

Gary Malone and Jason Semler, CPA's with the firm H.J. Umbaugh and Associates were present to address the Tif monies paid to the City from the Decatur County Auditor's Office. Mr. Malone had gone into detail at the April 11th meeting about finding the database errors in the Decatur County Auditor's Office and the resulting abundance of over captured Tif monies given to the City by the County.

Mr. Malone told the Tif Board that he and Attorney Richard Hall of Barnes and Thornburg had met with Bob Harris and Dan Jones of the DLGF Department of Local Governmental Finance. Mr. Harris and Mr. Jones recommended Mr. Malone and Mr. Hall contact Melissa Hansen of the DLGF, Dan Bastin of the State Auditor's Office and State legal counsel.

The DLGF is now recommending that calculations be made on the over payment of funds to the City Tif Fund and that the dollars be returned to the County Auditor to be put into a Levy Excess Fund for the Government units and those excess monies be applied to each Government unit at budget time. The DLGF stated that they would assure the government units that the levies would be restored to their original level the following year since these excess monies would reduce the levies of each Government unit for one year.

Mr. Malone of H.J. Umbaugh's told the Tif Board, that Umbaugh's would make sure the calculations are made and the DLGF signs off on them. There will not be a refund check sent to all residents and taxpayers, but a one time tax reduction.

Mr. Malone of Umbaugh's was questioned about the interest that has been collected and the fee for Umbaugh's for all that needs to be done, if Umbaugh's would waive their fee.

Mr. Malone stated that he would contact the DLGF and see if their fee could be adjusted amid the calculations.

It was stated again that this was not the City's fault.

City Attorney Steve Taylor recommended the Tif Board to wait until they receive the letter from the DLGF and to see exactly what the letter states before proceeding.

Motion by Dennis Doerflinger and seconded by Helen Gardner to have Umbaugh's to proceed with the calculation of the refund to the County upon receipt of the letter from DLGF. So passed.

Motion by Doug Fry and seconded by Helen Gardner to have HNTB stop with all proceedings on Lincoln Street and Freeland Road Extension until the DLGF letter and calculations are received. So passed.

Christina Colon of HNTB advised the Board that the Lincoln Street project will cost the City \$5,900,000 including a portion of the enhancements. Without enhancements the City's portion would be \$5,300,000. If Lincoln Street is not built to the specifications of INDOT then the City would lose the \$3,600,000 Federal monies from their grant.

Gary Malone stated that Tif has about \$1,200,000 in available funds on hand and could expect an additional Tif distribution in 2007. That additional distribution is estimated at approximately \$500,000. The question was asked, wouldn't some of the \$3,600,000 of Tif monies to go back to the County, be given back to the Tif fund and Gary Malone answered that is right.

One member stated that a lot of work has been done on this project and this far down the road that they need to really look at; if this project is finished then it should be done right.

Darren Burkhart of HNTB told the Board that the project is at a point in the INDOT review process where INDOT has requested a letter from the City acknowledging there is an increase in project cost with the extension of Montgomery Road to First Street. Without

the letter, INDOT will not approve this review submittal and four months of review time will be lost.

Motion by Ken Dornich and seconded by Helen Gardner to approve the letter being sent to INDOT to acknowledge the increase to project cost. So passed.

It was discussed that if the Lincoln Street project is delayed then the project will not be done in 2008 and the costs will increase.

Gary Malone hopes that within a month they will have heard from the DLGF and be able to make the calculations of the over paid Tif monies.

Tom West of HNTB handed out a memorandum on the Freeland Road Extension and the Market Opportunities Assessment. Mr. West explained to the Tif Board that they need to be on top of any development around the State Road 421 and State Road 3 area. They need to specify how the road would be whether it is towards I-74 or back further and where it should come out on State Road 421.

City Attorney Steve Taylor questioned Gary Malone if Umbaugh's had taken into any consideration of the expanded Tif area. Gary Malone said they had and could expect up to \$500,000 a year in the expanded Tif area over a period of ten years.

It was decided to wait until the letter from the DLGF was received before scheduling the next meeting.

Meeting adjourned at 6:50 P.M.

PRESIDING OFFICER: _____

ATTEST:

Clerk-Treasurer