

SPECIAL COMMON COUNCIL / TIF BOARD MEETING
JUNE 10, 2008
TIME: 6:30 P.M.

Common Council Members Present: Mayor Gary Herbert, Helen Gardner, Darrell Poling, Herb Hunter and Bill Wenning. Jamie Cain was absent.

TIF Board Members Present: Darrell Poling, Lowell Rethlake, Doug Fry and Jim Saler. Daryl Tressler arrived for the meeting at 7 p.m.

RE: Lincoln Street Project

Pledge of Allegiance was recited.

Roll call was taken with all present.

Mayor Herbert introduced Christina Colon of HNTB and requested that she begin the overview of the Lincoln Street Project. Christina explained the scope of the project and the overall goals were the following: To improve capacity, increase safety, update drainage and to improve aesthetics. Bill Wenning questioned the drainage problem with Gas Creek and asked if the proposed project would make any flooding issues worse. Christina Colon and Darren Burkhart of HNTB explained that the storm sewers are designed to not increase any flooding issues currently with Gas Creek. Jim Saler pointed out that the recent flooding on the south end of Lincoln Street was not caused by drainage from the north but from the excess rain the area experienced. When asked about the worst flooding issue on Lincoln Street, Christina said that the "choke points" were located at Tenth Street intersection, the intersection at Barachel and the area located at Pleak's; all of which come from inadequate storm sewers. Lowell Rethlake requested that the boards not focus on the flooding issue that Greensburg experienced on June 7, 2008 due to the fact that it was not the normal situation. Christina pointed out that the Gas Creek issues are a regional issue and not just a problem from Lincoln Street.

John Julian with Umbaugh gave a report on options for funding road projects. The TIF board has chosen an option and HNTB has estimated the costs associated. The total cost equals \$12,256,555 of which grant funding totals \$6,134,920 and local funding would be \$6,121,635. The City's option at this point is the following: 1. To create a leasing corporation called the Redevelopment Authority 2. Create an agreement for

leasing corporation to build the road and lease it back to the City. 3. Leasing corporation borrows money based on the City's promise to pay lease rentals. John Julian stated that the positive factors were the City's ability to take on a project without tax impact, has options for addressing future needs and is anticipating growth to help fund future projects. John Julian then opened up discussion for questions. Herb Hunter questioned if the TIF funds were inaccurate a few years ago then what reassurance the board had that the current numbers are valid and will continue to be valid. John Julian replied that the records were audited at the county offices and he feels with certainty that the information is accurate based upon figures they had been given from the county offices. Bill Wenning questioned about the anticipated revenue figures for future years to the TIF fund. John Julian stated that the revenue numbers can be affected due to circumstances with assessed property values or tax rate changes. John Julian stated that the project cost has a built in cushion to help handle the bond payments if the anticipated revenue changes.

Rick Hall with Barnes and Thornburg discussed the action required for the project to move forward. The need for a Redevelopment Authority would need to be approved by the council for the project to continue on. Bill Wenning expressed his concern with having an Authority of non-elected officials. Rick Hall explained that any debt would have to be approved by Council action. The Redevelopment Authority would be a 3 person body appointed by the Mayor to release bonds for the lease. The lease between the Redevelopment Commission and the Redevelopment Authority cannot be entered until approval from the Council and that the Redevelopment Authority has no other power. The purpose of the Redevelopment Authority is solely to complete the project within the debt limits put in place by the Council.

The Mayor then gave his recommendation to the Council. He feels that in the best interest of the City and its taxpayers that the Lincoln Street Project should move forward. He feels that the road and utilities needs to be repaired and does not want to see taxpayers absorb any additional cost through property taxes or water bills. With the grant money available for City use, he feels that moving forward is a smart move. Herb Hunter still feels like a scaled down version of the project has not been presented and is not convinced that what is presented is the best option. Helen Gardner stated the City needs a project that will last for years to come. The TIF board was put in place to do a job and she feels that some Council members need to stop micromanaging and let them do their job. Every month that a decision is not made costs more money. She feels that when the City is offered federal funding that we should accept it.

The Mayor asked Christina Colon what the ramifications are if a decision is not reached. She stated that if the Council says no to option 1 that the project will not move forward.

She reiterated that an Authority has to be in place to move forward. Herb Hunter asked about Lincoln Street being closed during the construction process. Lowell Rethlake stated that with option one that 2 lanes would remain open. Christina Colon said that traffic will be maintained in each direction at all times to access the buildings. Helen Gardner feels that the Council has listened to the business owners because they did not want to be shut down during construction. This added to some extra cost but helps local business owners. Christina informed the boards that July 14, 2008 is a critical date for plan submittal.

The Mayor opened up discussion to any public comment. Mr. Mikalawski said that his worries are capacity, safety and funding. Jennifer Sturges wanted to know if the Council goes with option one will the TIF have another proposal. Jim Saler said that the TIF board would come back with another recommendation if so requested. Rick Fayette said he has changed his opinion about the project and feels that with the grant money available that the project should go with option one. He questioned Christina Colon on the lifespan of this project and she responded that if the road is properly maintained it should last around 75 years.

Lowell Rethlake requested that the council leave the TIF board to do the job they were appointed to complete. Darrell Poling stated that he has had a hard time making his decision and feels that tonight's discussion has helped him. He feels you cannot leave any of the business on Lincoln Street out by trying to cut costs. He stated that he will stick with the TIF board's decision that Lincoln Street should move forward. Herb Hunter stated that he does not feel comfortable with that amount of debt and he would vote no for option one.

In conclusion, the Mayor stated that he feels the project should move forward. He expressed his disappointment that Councilman Cain was not in attendance. City Attorney Matt Bailey requested that Item number 7 on the agenda *Condemnation of Parcel 5 of the project owned by Bulk Petroleum Indiana Properties* be moved to the TIF agenda in June.

Meeting adjourned at 9:34 P.M.

PRESIDING OFFICER:

COUNCIL:

Attest:

Clerk-Treasurer

Minutes were taken by Deputy Clerk-Treasurer Devan Sieg in Clerk-Treasurer's absence.