

**Town of Cedar Lake
Redevelopment Commission Minutes
Special Meeting July 7, 2014**

Call to Order 6:01pm
Pledge of Allegiance
Roll Call:

Present	Jeff Devries Member	Present	Dennis Wilkening Hanover School District Liaison
Present	Becky Davis Secretary	Absent	Jerry Caravana Crown Point Community School Corporation Liaison
Present	Eric Burnham Member	Present	David Austgen Town Attorney
Absent	John Foreman Town Council	Present	Patrick Conlon President
Absent	Greg Wornhoff Town Council	Present	Nathan Vis Vice-President
Present	Randy Niemeyer Town Council		

****Amy Gross, Clerk Treasurer and Robert Carnahan, Council Member were both present as well.**

Patrick Conlon started the meeting by thanking everyone for attending the Special Meeting on such short notice____

1. New Business Topics-TIF Shortfall, TIF Capture & TIF IDGLF Additional Reporting:

David Austgen spoke to the commission members regarding the anticipated shortfall in TIF revenue. He went on to explain that the state has added additional reporting requirements. An Indiana Department of Local Government Finance (ILDGF) mandate issued to fiscal officers and redevelopment commissions requires additional reporting. With a deadline of July 1, 2014, Amy Gross collected and filed all the additional data required. David Austgen indicated that the General Assembly and ILDGF are attempting to ensure that funds are not being collected just for the sake of collecting funds. David Austgen stated that Cedar Lake TIF revenue has been used exclusively for infrastructure improvements within identified development areas and providing incentives for growth of new businesses. The commission went on to discuss that the recent distribution of TIF revenues from Lake County, the first installment of tax revenue disbursements was approximately \$411,000 or \$81,00 less than anticipated.. The London Witte Group, financial advisors for the Redevelopment Commission has determined that the distribution for Strack and Van Til was not enough to satisfy debt services obligations. Strack and Van Til did timely and properly paid their property tax obligation of \$32,000 plus, however the tax revenue paid does not cover the current bi-annual debt service payment. David Austgen stated that Strack and Van Til is responsible for making up the difference, and that the TIF district is not responsible, but did go on to explain that that the financing agreement requires Strack And Van Til to provide tax revenues in the amount the full \$ 86,875 annual bond payment. David Austgen continued the discussion stating that the most disturbing and concerning information uncovered during an investigation of TIF allocation disbursements was the reduction of assessed evaluations (AV) of twelve properties in the consolidated 133rd Avenue TIF area. The AV’s were reduced by a combined total of four million dollars, and the cause is currently not known and under investigation by both Austgen’s firm and London Witte Group. Several discussions took place several questions and concerns from the commission. In response to some of the concerns David Austgen stated that as far as collecting any funds missed through error on the County’s part, once the error is made that is it the money is gone and we will not be getting it back. David Austgen noted that London Witte will make a request for reimbursement. Amy Gross stated that “We are not negative, but we need to be careful with upcoming projects and monitor them. In summary David Austgen stated that the TIF is still incredibly healthy, we are collecting more that debt services and we just need to keep doing what we are doing.” Several lengthy discussions and questions were continued for more understanding and clarity of the conversations addressed above.

2. Resolution No, 2014-1 (Consolidated Cedar Lake 133rd Avenue)

A motion was made by Nathan Vis and seconded by Jeff Devries to approve Resolution 2014-1

Roll Call Vote:

Jeff DeVries	Becky Davis	Eric Burnham	Nathan Vis	Patrick Conlon
YES	YES	YES	YES	YES

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Vote: 5-0

3. Resolution No, 2014-2 (SVT Allocation Area)

A motion was made by Nathan Vis and seconded by Becky Davis to approve Resolution 2014-1

Roll Call Vote:

Jeff DeVries	Becky Davis	Eric Burnham	Nathan Vis	Patrick Conlon
YES	YES	YES	YES	YES

Vote: 5-0

I. Old Business

A. Bobb Auto Group-David Austgen is in discussion with Bobb Auto Group regarding an alternative to providing a bond financial agreement. Though no details were available. David Austgen suggested looking at alternative incentives, i.e. tax abatements with specific terms. While the tax abatement would be a Town Council matter, tax revenues when paid would be captured by the TIF district

B .Walhberg Lakefront Parcel acquisition-Update: Closing date of July 16, 2014.

II. Other Business: None

III. Adjournment: Eric Burnham made a motion seconded by Becky Davis to adjourn the meeting at approximately 7:32pm.

Roll call vote:

Jeff DeVries	Becky Davis	Eric Burnham	Nathan Vis	Patrick Conlon
YES	YES	YES	LEFT EARLY	YES

Vote: 4-0

Patrick Conlon – President

Nathan Vis – Vice President

Becky Davis – Secretary

Eric Burnham– Member

Jeff DeVries – Member

Attest: _____
Shelly Myers, Recording Secretary