

TOWN OF CEDAR LAKE, LAKE COUNTY, INDIANA  
MINUTES OF THE REDEVELOPMENT COMMISSION



May 8, 2017

Joint Public Meeting Advertised for 6:00 PM  
Conducted at the Cedar Lake Town Hall  
Pledge of Allegiance

Roll Call:

Present	Nathan D. Vis RDC President	Present	Amy J. Gross, IAMC, MMC, CPM Clerk-Treasurer
Absent	Jeff DeVries RDC	Present	David Austgen Town Attorney
Absent	Jolie Covaciu RDC	Present	Jill Murr Town Administrator
Present	Eric Burnham RDC	Present	Robert Carnahan Town Council
Present	Doug Spencer RDC	Present	Randy Niemeyer Town Council
Present	Dennis Wilkening RDC Liaison - Hanover	Present	Richard Sharpe Town Council
Present	David Warne RDC Liaison – Crown Point	Present	Ralph Miller Town Council
Present	Bob Gross RDA	Present	Jennifer Sandberg Recording Secretary
Present	Pete Blagojevic RDA		
Absent	Brian Kubal RDA		

OPENING

Nathan Vis thanked everyone for attending. He noted as mentioned in April, they are on a tight timeframe with public notice and joint public meetings. It is an important venture the Town is on seeking bond issuance for improving infrastructure in Town. Town Attorney Austgen reiterated they are on a tight time table. There is a process for purposes of putting together a sophisticated financing method for the infrastructure improvements. All of the hearings have taken place for the processing and approval of a lease instrument, a lease rental revenue bond issuance, and for storm water bonds following an increase in storm water rates. A reminder, that there is no adverse impact to the taxpayers of the Town in the lease rental revenue bond financing. There is an impact only in the storm water user rate fees. Those have been increased from \$5.00 per ERU per month to \$10.00 per ERU per month effective in June. The projects are in High Grove Subdivision, South Shore Subdivision, and Parrish Avenue South from 141<sup>st</sup> to 151<sup>st</sup>. The total cost of those projects is approximately \$7.3 million. There will be lease rental revenue bond financing in three series. Each is not to exceed \$2 million. Tomorrow they will speak with the Standard and Poor's rating agency. He stated the Town presently has an AA- rating. Clerk-Treasurer Gross concurred. He stated tonight's remaining acts are to complete financing. The RDA will approve the issuance of bonds and accept the roads, much like with other subdivisions. There has to be a notice and it needs to pen 30 days to the taxpayers of intent to issue bonds and execute a lease. That's the remonstrance period for the taxpayers. Based upon the schedule previously discussed they are on time with the exception of an additional week because of new regulations for the bonds. The storm bonds are anticipated to be priced and issued in the second week of June. The projects are ready to go to bid. Everything scheduled, advertised, and noticed has occurred.

RDA

A. Approval of April 10, 2017 Joint Meeting Minutes

A motion to approve the minutes of the April 10, 2017 Joint Meeting was made by Bob Gross with a second by Pete Blagojevic. A voice vote followed and passed 2-0.

B. Barnes & Thornburg LLP Engagement Agreement

A motion to approve the Barnes & Thornburg LLP Engagement Agreement was made by Bob Gross with a second by Pete Blagojevic. A voice vote followed and passed 2-0.

C. Resolutions

I. Resolution No. 2017-02 Authorizing Issuance of Bonds

RESOLUTION OF THE CEDAR LAKE REDEVELOPMENT AUTHORITY AUTHORIZING ISSUANCE OF THE CEDAR LAKE LEASE RENTAL REVENUE BONDS OF 2017, SERIES A, SERIES B AND SERIES C AND ALL MATTERS RELATERD THERETO.

Mr. Gross read Resolution No. 2017-02 by title and made a motion to approve. A second was made by Pete Blagojevic. A voice vote followed and passed 2-0.

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**II. Resolution No. 2017-03 Authorizing Acquisition of Existing Roads**

A RESOLUTION OF THE CEDAR LAKE REDEVELOPMENT AUTHORITY APPROVING THE TRANSFER OF CERTAIN PROPERTY FROM THE TOWN OF CEDAR LAKE, LAKE COUNTY, INDIANA, TO THE CEDAR LAKE REDEVELOPMENT AUTHORITY, AN ALL MATTERS RELATED THERETO.

Mr. Gross read Resolution No. 2017-03 by title and made a motion to accept. Town Attorney Austgen added that the Town Council acted on this last week and approved the transfer. A second was made by Pete Blagojevic. A voice vote followed and passed 2-0.

**III. Lease Agreement – RDA & RDC**

Nathan Vis stated this was a lease agreement between the Cedar Lake Redevelopment Authority, Lessor and Town of Cedar Lake, Lake County, Indiana, Redevelopment Commission, Lessee dated as of May 8, 2017.

A motion to approve on behalf of the RDA was made by Pete Blagojevic with a second made by Bob Gross. A voice vote followed and passed 2-0.

A motion to approve on behalf of the RDC was made by Eric Burnham with a second made by Doug Spencer. A voice vote followed and passed 3-0.

**D. Any other Business for the Joint Public Meeting**

President Vis asked if the engineering reports were ready for the last segment of the project. Town Attorney Austgen stated they weren't in yet. Town Administrator Murr stated design was still ongoing for Parrish Avenue. President Vis asked about the special benefits tax and if it is no longer necessary. Town Attorney Austgen stated that the memo report from the financial advisors stated there is no adverse impact to the taxpayers.

**E. Joint Meeting Adjournment**

A motion to adjourn was made by Eric Burnham with a second by Doug Spencer. President Vis adjourned the meeting.

**F. Additional Reading**

President Vis called the meeting back to order briefly. Town Attorney Austgen asked to read the memo from the financial advisors into the record.

RE:                      Property Tax Impact of proposed Town of Cedar Lake Redevelopment Authority Lease Revenue Bonds of 2017, Series A, Series B, and Series C

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The issuance of the Town of Cedar Lake Redevelopment Authority Lease Revenue Bonds of 2017, Series A, Series B and Series C (the "2017 Bonds"), as indicated previously, will have no impact on the property tax rates currently being levied by the Town of Cedar Lake, Indiana (the "Town"). Currently, the Town is levying a debt service tax rate to generate funds sufficient to pay the semi-annual lease rental payments when due on the Town of Cedar Lake Redevelopment Authority Lease Revenue Bonds of 2011, Series A and Series B (the "2011 Bonds"). The 2011 Bonds have a final maturity date of February 1, 2019, and the final property tax levy will occur in pay year 2018. The 2017 Bonds will be structured in such a manner that the initial lease rental payment will be due on July 15, 2020. This will be accomplished by capitalizing the initial three interest payments. The semi-annual lease payments due on the 2017 Bonds will be equal to or less than the current lease payments due on the 2011 Bonds. By doing this, the Town will not need to increase their current property tax levy's to support the 2017 Bonds.

**REDEVELOPMENT COMMISSION PUBLIC MEETING**

*\*Attendance stayed the same as for the Joint Public Meeting*

**I. Approval of Minutes**

A motion to approve the minutes of the February 13, 2017 and April 25, 2017 Joint RDC & Storm Water Board Meeting was made by Eric Burnham with a second by Doug Spencer. A voice vote followed and passed 3-0.

**II. Monthly Invoices**

A motion to approve the monthly invoices from Fund 404 in the amount of \$11,558.44 was made by Eric Burnham with second by Doug Spencer. A voice vote followed and passed 3-0.

A motion to approve the monthly invoices from Fund 804 in the amount of \$996.76 was made by Doug Spencer with second by Eric Burnham. A voice vote followed and passed 3-0.

**III. Resolutions**

**a. Resolution No. 2017-03**

A RESOLUTION OF THE CEDAR LAKE REDEVELOPMENT COMMISSION CONCERNING THE 2018 BUDGET YEAR DETERMINATION FOR TIF REVENUES FOR THE CONSOLIDATED CEDAR LAKE 133<sup>RD</sup> AVENUE ECONOMIC DEVELOPMENT AREA ALLOCATION AREA, AND ALL MATTERS RELATED THERETO.

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Town Attorney Austgen stated that this is the annual TIF increment capture notification initiative that they engage in annually. This is for the year 2018. He stated this is now a necessity because of debt service. President Vis read the resolution by title.

A motion to approve Resolution No. 2017-03 was made by Eric Burnham with a second by Doug Spencer. A voice vote followed and passed 3-0.

**b. Resolution No. 2017-04**

A RESOLUTION OF THE CEDAR LAKE REDEVELOPMENT COMMISSION CONCERNING THE 2018 BUDGET YEAR DETERMINATION FOR TIF REVENUES FOR THE SVT ALLOCATION AREA, AND ALL MATTERS RELATED THERETO.

A motion to approve Resolution No. 2017-04 was made by Eric Burnham with a second by Doug Spencer. President Vis stated that this was for the area that encompasses Strack and Van Til. Town Attorney Austgen concurred. It's approximately 7 acres in which they are located. It's a carved out sub allocation area of the allocation area. It had a separate bond issuance related to that project and the TIF increment that was generated as a result of the increased cost and valuation. He stated that Strack and Van Til bought the bonds, pays the bonds, and are responsible for the bond debt service. In the event the TIF revenues are not collected or they collect less than the debt service amount, they are responsible out of pocket for same. President Vis discussed recent concerns he's heard about Strack's and if they were to go under the Town would be responsible for the debt service. According to Town Attorney Austgen, this is not true. It's structured in a manner where Strack and Van Til alone are solely responsible. Mr. Austgen stated he's spoken with bond council and confirmed this. A voice vote followed and passed 3-0.

**IV. Written Communications**

President Vis discussed the Gateway TIF Management Report. It is required to be submitted to the DLGF. Clerk-Treasurer Gross stated she wanted the Commission to accept this as it was submitted in a timely manner on March 8, 2017.

A motion to approve the Gateway TIF Management Report was made by Doug Spencer with a second by Eric Burnham. A voice vote followed and passed 3-0.

**V. Monthly Reports**

**a. Cline/Lake Shore Drive**

Town Administrator Murr stated she was able to secure an additional \$74,580 in federal right of way funding for the Cline and Lake Shore Drive Project. This increases the federal award for the right of way acquisition to \$374,580. At a recent NIRPC meeting there was discussion of possibly moving the project up to Fiscal Year 2019 of INDOT's fiscal calendar which would be July 2018. She will not have an update until after their next quarterly meeting in July. President Vis asked if all the land has been acquired. Mrs. Murr stated they are working on one more that has gone through the Commissioner's Sale. They are waiting for the deed.

**b. Pending/Future Developments**

Town Attorney Austgen stated that the Plan Commission is entertaining a development in Lincoln Plaza. It's a 6,000 square foot commercial building on a newly plated lot. There will be a meeting next week for the subdivision plat and details. They are going to build it this year. It's in the TIF district. They are looking at some good concessions in terms of the utilities, easements, and cleaning up some of the west side of the street. Questions have been raised about the east side of the street and that will have to be dealt with soon.

**VI. New Business**

- a. Lincoln Plaza** – President Vis discussed the March study session and asked for Town Administrator Murr to get back with the engineer and ask them to tame down the proposal that was issued regarding the public cross walk. They don't want the brick to make up the crosswalk. He also asked if the engineer could address improvements to the four way stop heading towards Strack and Van Til and True Value. He also discussed the use of Strack and Van Til's and True Value's parking lots for overflow parking. Town Attorney Austgen stated he thinks it's as clear and concise as it will be. A lengthy discussion continued on overflow parking, traffic, and future businesses. President Niemeyer added that the four way stop was always meant to be temporary upon completion of the design engineering of a roadway. President Vis also discussed a tiered process for accoutrements and asked Mrs. Murr to communicate with the engineers.

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VII. Looking Ahead

President Vis discussed the Clerk-Treasurer’s financial spreadsheet she forwarded to the Commission and looking ahead at monies needed for upcoming projects. He asked if the Clerk-Treasurer could create a line within the budget to set aside funds. That way when the Commission looks at available funds to spend there is already some set aside so they aren’t gutting the budget. Discussion continued on the cost of Lincoln Plaza and Cline and Lake Shore Drive. President Vis asked for Clerk-Treasurer Gross to add to the spreadsheet a set aside \$100,000 to apply to the future for Cline and Lake Shore Drive.

VIII. Old Business

a. Status – 133<sup>rd</sup> East – IDEM/UST Contamination – No Update

IX. Public Comment

Mr. Wilkening asked about previous discussion of a light at the high school. He stated that the school doesn’t have the money to do anything. He asked if it was still something they were thinking down the road. President Vis stated they are now getting back to a financial position to explore projects. At the study session in March it was decided that the Hanover Intersection Project is a priority to the Commission. He asked Mr. Wilkening to go to the school board and ask if the Commission doesn’t have the funds to spend for an intersection, is it possible to do something else? Something such as a lighted crosswalk, painted stripes, or a signage for a designated crosswalk.

Council Member Carnahan discussed the recent 16 Plus meeting and discussion of the big box store tax rulings.

X. Adjournment

The meeting adjourned at 7:09PM.

TOWN OF CEDAR LAKE REDEVELOPMENT COMMISSION

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Nathan D. Vis, RDC President

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Eric Burnham, RDC Vice-President

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Jolie Covaciu, RDC Member

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Doug Spencer, RDC Member

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Jeff DeVries, RDC Member

TOWN OF CEDAR LAKE REDEVELOPMENT AUTHORITY

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Bob Gross, RDA President

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Pete Blagojevic, RDA Vice-President

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Brian Kubal, RDA Member

ATTEST:

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Jennifer Sandberg, Recording Secretary

The Minutes of the Cedar Lake Joint Public Meeting are transcribed pursuant to IC 5-14-1.5-4(b), which states:

- (b) As the meeting progresses, the following *memoranda* shall be kept:
  - (1) The date, time and place of the meeting.
  - (2) The members of the governing body recorded as either present or absent.
  - (3) The general substance of all matters proposed, discussed, or decided.
  - (4) A record of all votes taken, by individual members if there is a roll call.
  - (5) Any additional information required under IC 5-1.5-2-2.5.