

# TOWN OF CEDAR LAKE, LAKE COUNTY, INDIANA

## MINUTES OF THE REDEVELOPMENT COMMISSION



**MARCH 25, 2019**

### Attendance taken:

Present	Nathan Vis RDC President	Absent	Brian Smith RDC Liaison – Crown Point
Present	Eric Burnham RDC Vice President	Present	Robert Carnahan Town Council
Present	Doug Spencer RDC Secretary	Present	Jill Murr Town Administrator
Absent	Jolie Covaciu RDC Member	Absent	David Austgen Town Attorney
Present	Randy Niemeyer RDC Member	Absent	Jennifer Sandberg Clerk-Treasurer
Absent	Dennis Wilkening RDC Liaison – Hanover	Present	Sarah Rutschmann Recording Secretary

Special Guest: Marlon Webb from Veridus

### WORK SESSION

Nathan Vis handed out an article for members to read titled *“Elwood, Illinois (Pop. 2,200), Has Become a Vital Hub of America’s Consumer Economy. And It’s Hell.”*

#### I. Cedar Lake TIF Expenditure Policy Draft

Vis stated he would like members to thoroughly go over the policy draft section by section and discuss their thoughts and any changes they would like to see.

- A. Overview: Niemeyer felt that any changes that Town Council wanted to make to this document could be relayed through Town Administrator Murr to the RDC, but felt that the document should be disseminated through RDC, thus eliminating Town Council wording from the Overview section. For check and balance purposes, once this policy document is finalized by the RDC, it is the recommendation that it be presented and approved by the Town Council and be put into the Town’s codes for codification.
- B. Town Authority: Vis talked about an addition that Murr suggested under the bullet point section to include “Review of the Town’s Comprehensive Plan” to ensure we meet the parameters of the plan. Murr, Carnahan and Vis stated that the Town ultimately had the authority. Vis asked Webb to indicate in the Policy that it be noted “herein or thereafter the Town of Cedar Lake.” Under the second paragraph, changing “these” to “those” factors and at the end of that sentence before the bulleted items, noting an addition to read as “undesirable, impossible, or difficult.” Vis also suggested adding under the bullet items “Develop and stimulate regrowth.”
- C. Policy Objectives: Webb suggested insertion of how Cedar Lake wants recipients to use TIF funds. Webb read off how Schererville’s Policy stated their Objectives. Niemeyer indicated recapturing \$1 for each \$5, the previous return on investments in infrastructure and the public benefit. Members discussed the items Webb read and felt those objectives should be included. Members discussed multiple examples used in the past including such examples of the parks, decorative lights, infrastructure, etc.
- D. Use of TIF Funds: Murr clarified for Vis that TIF dollars were not used for salaries; redevelopment general fund were used. She stated fund #404 was the general fund and TIF fund #804 used for infrastructure. Members had multiple discussion about tax abatements and bonds, using Strack Van Til and Anderson as examples. Vis suggested removing “property taxes” from the “Excised

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and property taxes for the project or for businesses....” Webb spoke about other communities Veridus works with utilizing cost sharing measures with developers and the Town. Niemeyer liked the idea of the partnership concept with cost sharing and felt we should keep focused on the vision of the community, investing in what makes the big picture a reality.

- E. Development Requirements: Vis asked Webb if he had seen in other communities where specific figures were actually indicated within the requirements. Webb stated these were just general consideration points, not including specific amounts. Niemeyer felt the bar needed to be established and set high for a higher return of investment and the policy should be reevaluated every few years. Burnham agreed and recommended variances in size of entities. Burnham noted the conversation with Webb in December where Webb indicated he had not worked with any communities that allotted TIF monies to commercial plazas/strip malls. Niemeyer felt the standards needed to be set where the minimum started in 7 figures. Webb and Niemeyer stated businesses should be assessed and monies dispensed for the greater good of the community. Pages 7-10 of Schererville’s plan were handed out to review the “Development Qualifications”. Burnham asked members about the timeline of recouping the money. Niemeyer talked with Webb about TIF Bonding, amortization scheduling, and the Town buying risk versus partnership investments. Members spoke about a minimum project being \$1 million. Vis had members refer to Schererville’s policy that included small project exceptions. Murr indicated Schererville’s policy was just developed and had the Shops on Main providing funding for their large TIF account. Niemeyer stated Shops on Main was a \$90 million project that was in the TIF district. Webb asked what projects have been noted in the past for Cedar Lake. Niemeyer stated most of the recent concepts have been residential in nature. He and Carnahan talked about the history of Lighthouse Restaurant, the \$5 of private money to \$1 of public money, and the Strack Van Til project. Vis suggested changing under the Project Size & Benefits section: item a – new construction of a minimum square feet of 12,000 square feet to 5,000 and item b – the minimum creation of one new or retained one full time job per from \$100,000 to \$60,000. Vis suggested changing under level of funding following criteria, item a - the minimum level of TIF assistance from \$175,000 to \$100,000 unless it’s a small project in which case the minimum request shall be changed from \$50,000 to \$35,000. Multiple conversations took place regarding different project sizes. Webb suggested that projects could be reviewed at RDC digression.
- F. REIMBURSEMENT POLICY: Members agreed that an application fee would be applicable.
- G. DEVELOPMENT AGREEMENT

## II. Master Project Matrix

Members reviewed the Matrix developed by Veridus with Webb. Vis suggested altering the average job rate from \$15-17/hour. Members had multiple discussions about category criteria and mixed use developments. Members agreed that if the application did not fall within the criteria, it would not exclude the application but rather just not get points for that category. Multiple discussions took place regarding a minimum score standard. Webb stated he would not include a minimum standard score noting special exclusions. Burnham asked what type of example would score low on the Matrix but would still be considered. Webb gave an example of a project in a location that was hard to fill or a neighborhood that was small but supported the project and the Town wanted to support growth within the neighborhood. Murr, Niemeyer and Vis talked about targeted areas being those which met the need of the Comprehensive Plan, noting retail, light industrial, and mixed use livable center, providing examples such as medical and tourism.

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**III. Summer Winds TIF Application**

Niemeyer asked Webb to plug in the information we had available from the application into the Matrix to see how Summer Winds would score. Webb plugged in what information he had available, but several key items were missing from what was needed. Vis and Spencer will reach out to Brad Lambert to obtain the other information to complete the Matrix data before results can be completed.

**IV. Projects**

Deferring this until the next scheduled meeting.

**V. ADJOURNMENT** – Meeting adjourned at 7:39 pm.

**Next meeting:** April 15, 2019 at 6 pm.

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Nathan D. Vis, President

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Eric Burnham, Vice-President

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Doug Spencer, Secretary

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Jolie Covaciu, Member

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Randy Niemeyer, Member

**ATTEST:**

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Sarah Rutschmann, Recording Secretary

The Minutes of the Cedar Lake Redevelopment 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.