

# TOWN OF CEDAR LAKE, LAKE COUNTY, INDIANA

## MINUTES OF THE REDEVELOPMENT COMMISSION



**APRIL 15, 2019**

**Called to order 6:01 PM at the Cedar Lake Town Hall**

**Pledge of Allegiance**

**Roll Call:**

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
Present	Jolie Covaciu RDC Member	Present	David Austgen Town Attorney
Present	Randy Niemeyer RDC Member	Present	Jennifer Sandberg Clerk-Treasurer
Absent*	Dennis Wilkening RDC Liaison – Hanover	Present	Sarah Rutschmann Recording Secretary

\*Late arrival at 6:26 pm

### I. Consent Agenda

- a. **Approval of Meeting Minutes: March 18, 2019 & March 25, 2019 Work Session**
- b. **Claims – Fund #404 - \$1,466.41 and Fund #804 - \$78,737.96**

A motion to accept and waive the reading of the Minutes and accept the Consent Agenda as listed.

Motion: Eric Burnham 2<sup>nd</sup>: Randy Niemeyer

Jolie Covaciu	Doug Spencer	Randy Niemeyer	Eric Burnham	Nathan Vis	Vote
Yes	Yes	Yes	Yes	Yes	5-0

### II. New Business

- a. **TIF Management & RDC Annual Reports:** Austgen reported the deadline of June regarding new laws that went into effect July 1, 2018; some work needs completed and overlapping taxing units need reviewed. More changes were are anticipated; he will report next month.

While speaking about TIF, Vis asked Austgen if he had any update on the Strack VanTil bankruptcy. Austgen had been in dialogue with the attorneys on bond issues. They gave recommendation of putting the payment in escrow with the reasoning that a party may come back out of the bankruptcy. Austgen stated US Bank was the trustee involved.

- b. **Façade Grants:** Vis indicated the façade grant idea dates back to about four years ago where he had prepared a grant proposal for Cedar Lake. It was suggested that RDC revisit this idea. It would assist others in the community to be able to repair exterior architecture, sidewalks, and structures. Applications would be submitted for review with the outcome of matching grants up to \$25,000 noting RDC could set aside \$100,000/year for this grant program. Niemeyer felt the extra money would help existing businesses spruce up the neighborhoods and the Town. Covaciu asked about application criteria including their financial need along with information on the repair. Vis clarified the application packet would require a proposal including what the finished end product would be, what the necessity would be, investment they would make, what are the qualifications of the person

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doing the work, etc. Vis clarified for Spencer that the focus would be on existing businesses in town. Covaciu asked for consideration of existing businesses that have developed internally and review for businesses that would not become blight. Niemeyer liked the idea of existing businesses and developing criteria for the application. Vis suggested that a subcommittee be created to review the applications then report to the RDC. Timeframe noted was to first look over what criteria needed to be put into the application, advertise to existing businesses, then roll out next year.

### III. Old Business

- a. **Cedar Lake TIF Expenditure Policy Draft & Cedar Lake Master Project Matrix:** Vis thanked everyone for meeting for the Work Session on March 25, 2019. Vis suggested that more discussion continue to finalize the Matrix and the TIF Expenditure Policy. Vis read email correspondence from Marlon Webb on entering Summer Winds figures into the Matrix. Niemeyer liked the Matrix report and felt the score of 460 out of 950 was not bad or a large scale project. Vis asked if members had any additional comments regarding TIF Policy and the Matrix before he remitted a final copy to counsel for legal review. Niemeyer stated the policy and criteria were at a good point. Vis indicated he would get things together and email the finalized copies to Austgen by the end of the week.

Vis asked Murr and Sandberg for input on monies obtained through a bond to procure a bond of that size. Murr indicated she would review but that for a \$500,000 to \$600,000 bond, it would be about \$150,000, approximately  $\frac{1}{4}$  to  $\frac{1}{3}$  of the cost. Niemeyer stated with a smaller request like Summer Winds, he feels it's a better policy for the Town if they were to consider something like this, especially with the lack in cash balance in the TIF funds currently, to look at ways to spread it out over a period of time. Niemeyer suggested partnerships where we would not operate as a bank but more so as a partner. Murr stated the financial advisor asked if we would have other projects that we would want to bond them together. At the time they spoke to the advisor in the past about the water main, there were no other projects needing bonded. Niemeyer felt that partnership with individuals would allow them to not mitigate the risk but rather share the risk. Spencer agreed.

Austgen asked for direction from the commission toward himself and staff on action for financing options. Vis stated it was his perception of the conversation that instead of taking out a bond for the lump sum, RDC would be more inclined to do partnering payments over time. Austgen stated that RDC had the authority under the statute to borrow money. Vis directed Sandberg to report at next meeting if the RDC could set aside \$75,000 or a portion to be considered a loan for lack of better terms to a project. Vis directed Austgen that a loan in that capacity or contribution towards capital improvement and payments over time fits the mold of TIF statute. Austgen noted it does and there is some overlap with the general code for the Town. Austgen stated he did not feel that all of the options were on the table at the time including temporary borrowing internally or interfund borrowing. Niemeyer stated that looking at the needs for utilities, internally borrowing is something that needs to be on the back burner. Vis clarified that for members that what has occurred in the past was borrowing from Waste Water. Murr indicated in a previous conversation with Vis that the financial needs and conditions for Waste Water could not be borrowed from at this time. Niemeyer indicated that the Waste Water fund was in good shape at this time, but referenced the obligations for future utility use. Austgen suggested members consider money borrowed as a loan with an institution perhaps backed by the partner as the guarantor. Niemeyer and Vis stated they would rather have the RDC be the one gaining the interest than paying it. Multiple conversations continued on creative avenues of funding.

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- b. **Summer Winds TIF Application:** Vis indicated this item will be on hold.

### IV. Project Updates

- a. **Lake Shore Drive/Cline Avenue Roundabout** – Murr stated the project is underway. Utility Coordination meeting will be held on Wednesday. Murr is planning a project update meeting with the public on Tuesday, May 14, 2019 at 6 pm to go over information and mapping. Murr indicated the announcement would go out in the newsletter, social media and to the Chamber of Commerce.
- b. **Hood – LUST Damages Update** – Austgen stated it is still a work in process.
- c. **Arterial Infrastructure Development** – Murr is working on asset management for all the roads in town. Murr stated VS Engineering has completed rating the roads for the improvement plan. One project summary is 100% complete, 2 are 90% and the other is 75% complete. The plan assists with budgeting and planning then creation of the master capital list and updating the subdivisions to the list that had been created 10 years ago. Vis asked that King Drive be added to the agenda. Murr stated it will be sent to the NIRPC Full Commission meeting in May.

Vis asked Sandberg for any financial updates. Sandberg stated she submitted the annual TIF Management report in Gateway. She is working on the direction given to her from RDC. Vis asked for an updated budget outline of expenses that has included \$100,000 for the year for façade grant program and another for \$75,000 called miscellaneous capital improvement so that the committee could review what their funds would look like with those items.

### V. Written Communication: None

**VI. Public Comment:** Carnahan reported the Cedar Lake Chamber of Commerce was hosting a luncheon on Thursday, April 18, 2019 at Cedar Lake Ministries starting at noon; cost is \$13 a person. He stated Police Chief Coulson was instrumental in obtaining the guest speakers for the topic of Cybersecurity.

**VII. Adjournment** – Vis asked for a motion to adjourn. Burnham made the motion with a second from Spencer. Meeting adjourned at 6:41 pm.

Next meeting: May 20, 2019 at 6 pm.

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**TOWN OF CEDAR LAKE REDEVELOPMENT COMMISSION**

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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.*