

TOWN OF CEDAR LAKE, LAKE COUNTY, INDIANA

MINUTES OF THE REDEVELOPMENT COMMISSION



MAY 20, 2019

Called to order 6:13 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

I. Consent Agenda

- a. **Approval of Meeting Minutes: March 18, 2019 & March 25, 2019 Work Session**
- b. **Claims – Fund #404 - \$2,703.06 and Fund #804 - \$4,848.24**

Vis had asked Sandberg to provide a Fund Outlook, which was distributed at the meeting. Sandberg read through the Fund Outlook and indicated a balance of \$325,474.49. Sandberg stated TIF distribution funds from Lake County Treasurer's Office are expected in the next month.

A motion was made by Doug Spencer and seconded by Randy Niemeyer to accept and waive the reading of the Minutes and accept the Consent Agenda as listed.

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

II. New Business

- a. **Resolution No. 2019-01 TIF Revenues for Consolidated Cedar Lake 133rd Avenue Economic Development Area:** Austgen explained this item and the following noted in item "b" below as it was annually required by statute to declare determination to capture funds within an allocation area. This is to be done on or before June 15 of each year. A report was to have been submitted by March 15, which Austgen confirmed Sandberg had completed. Murr clarified 2019-01 was for the 133rd Avenue economic development area and 2019-02 (noted below) was for the SVT area and recommended they be read by title only into the record. Murr stated these had been reviewed by Sandberg and the financial advisor. Austgen noted if approved tonight, the governmental agencies and overlapping taxing units will be noted. Vis read Resolution 2019-01 by title as: "A resolution of the Cedar Lake Redevelopment Commission concerning the 2020 budget year determination for the need to capture incremental assessed valuation within the consolidated Cedar Lake 133rd Avenue economic development area allocation area, and all matters related thereto."

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A motion was made by Eric Burnham and seconded by Jolie Covaciu to approve Resolution 2019-01.

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

- b. Resolution No. 2019-02 TIF Revenues for Consolidated Cedar Lake SVT Allocation Area:** Vis read Resolution 2019-02 by title as: “A resolution of the Cedar Lake Redevelopment Commission concerning the 2020 budget year determination for the need to capture incremental assessed valuation within the SVT allocation area, and all matters related thereto.”

A motion was made by Randy Niemeyer and seconded by Eric Burnham to approve Resolution 2019-02.

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

Discussion: Vis asked Austgen if he had any updates with ongoing conversations on bankruptcy. Austgen indicated he had talked with the bond financing council last week. There is no recommendation at this time. The question becomes if the group wants to hold the money in escrow pending a time period on intent to recapture by a bankruptcy trustee or a party in possession or do we wish to let it sit where it is at. Vis asked if the ongoing payments be made. Austgen recommended they not be made. Burnham and Vis inquired if any of the money paid in the past would be given back; Austgen stated the \$42,000 thereabouts is the amount in question. Vis asked if there was outside counsel in Indianapolis that would help try to re-coop if they chose to go that way; Austgen stated Barnes & Thornburg is handling and US Bank is the trustee. Austgen stated it is unclear as to who has entitlement.

- c. Development of Town Owned Commercial Real Estate:** Vis indicated several commercial lots throughout town with the potential of development. Vis noted one parcel in particular because it was owned by the Town; Covaciu confirmed the address at 10833 W 133rd and Niemeyer noted the relator as Heather Dessauer with Anton Agency. Vis entertained the idea of commercial or professional development; the commission was in agreement on interest. The next step could be for bank loan for economic development. Niemeyer felt a sale would not need to take place, but rather an agreed upon transaction between RDC and Town Council. Niemeyer felt some study as to what type of development would benefit at that location since it was small in proximity and parking limited and yet on a main road near an ethnic restaurant and church with a large congregation. He felt it a good opportunity with a lot of possibilities and good return on investment. Carnahan asked for clarification on a structure being built then sell or lease it; Niemeyer confirmed and indicated lease. Multiple discussions took place on obtaining an agency that could assist with the study, noting possibly Veridus or Context. Vis asked Niemeyer to reach out to Town Council to discuss this idea and seek agreement and Spencer to contact Dessauer about the property.
- d. Christopher B. Burke Design Contract for 133rd & King:** Murr referred to the design proposal included in the commission’s packets. Murr introduced Engineer Don Oliphant from Christopher Burke. She indicated the Executive Board at NIRPC accepted the project at their meeting Thursday as a Highway Safety Improvement Project for the INDOT 2021 fiscal year and spoke about the possibility of splitting the cost with the school and developer. Discussion took place on it awaiting determination of the cost breakdown of 90/10 or 80/20 with Murr stating the design agreement was

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for the amount of \$69,900. Vis asked Oliphant if it made sense to start design if we do or do not know whether or not the school is interested in participating with an access point. Oliphant indicated it would be beneficial to know that, especially if they are against it, so he would know to limit design items. Oliphant stated that even though NIRPC approved, the project would need to be approved by INDOT hopefully next month and that the 10% match would be roughly \$63,000 and design \$69,900, so potentially \$130,000 split three ways. Oliphant clarified for Vis that the amount figured would include design in the entrance into the school including stop bars and decorative lights. Oliphant stated to Niemeyer that the project is based on scoring and part of the scoring was letters of support, which were received from the school signed by the superintendent and Summerwinds. Multiple discussions occurred on whether or not they would consider the project if the school did not agree. Burnham felt the project was important for the safety of the kids. Murr indicated this project has been ongoing since 2014. Vis asked Murr to work with him on approaching the two partners to requesting 1/3 contributions from each of them.

A motion was made by Randy Niemeyer and seconded by Eric Burnham to approve the agreement with Christopher Burke not to exceed \$69,900.

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

III. Old Business

- a. **Cedar Lake TIF Expenditure Policy Draft:** Vis stated the policy draft had been sent out to members and legal for review. Vis stated Austgen's marked comments on the review had been emailed to members to review. Austgen felt the overall draft was a really good start but felt it needed to be streamlined to avoid feeling complicated. He felt that if the process was difficult to access, individuals would walk away from it. He indicated it could be compressed to make it more user friendly. Niemeyer agreed that a bigger city could handle all of the layers of review. He felt the Plan Commission could come up with whatever form codes they wanted with facades of buildings and should consider as the town grows. Burnham felt it was a good starting point and Spencer indicated he agreed with simplifying the process. Niemeyer noted that as the community does grow, the policy could be reviewed and updated and thanked Vis for all of his personal time and effort in working on the creation of this policy. Vis indicated he would readdress the items noted by Austgen and comments made by the commission, slim down and make more user friendly, note RDC and Town Council for the process, and send it back out to the group for review.

Vis spoke about the Stellar Community Program and its purpose of partnering with areas to develop within the community. Vis proposed partnering with Lowell and a recreational connection between the two communities. He suggested obtaining approval from Town Council and developing a subcommittee or having Town Council President John Foreman reach out to Lowell to obtain ideas of their interest. Niemeyer mentioned utilizing Randy Strasser who is with VS Engineering, as a resource. Strasser was previously the Mayor of Delphi, Indiana, which was a recipient of the Stellar Program. Niemeyer suggested Foreman reach out to the Lowell Town Council President for partnership. Covaciu indicated both Lowell and Cedar Lake do not have the traditional "downtown square" and different neighboring towns that have certain noted destination sites. She felt that adding aesthetic appeal and attractions of destination to Cedar Lake and Lowell would be beneficial. Murr indicated that some of the Stellar Community Grant requirements have changed, one being CDBG grant money comes through Lake County and were not eligible, and felt our qualifications

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needed to be double checked. Murr reminded members to consider that Lowell and Cedar Lake do not directly border and that Lake County may need to be considered when talking about the ideas of the towns developing a partnership, but felt it would be neat to connect Lemon Lake to Freedom Park. Niemeyer indicated NIRPC's 2050 program of partnership within neighboring communities as an option if not moving forward with Stellar. Oliphant suggested including this when the Comprehensive Plan is revised. Austgen encouraged members to stay the course, indicating the vision was a good one where land owned is in hand and shared commonalities.

- b. Summerwinds Commercial TIF Application:** Brad Lambert presented on behalf of Summerwinds Commercial. Lambert started by expressing his heartfelt thanks for spending time in developing a process for the TIF application for RDC. Lambert reviewed the location as being in the heart of the neighborhood including SVT, Jane Ball, Hanover School and the Post Office, at a major intersection of 133rd and Parrish, and an area of commercial development and growth. Lambert had done a brief demographic study of the 8 existing neighborhoods surrounding the area and found 2000 residents that live within a half a mile of the corridor. Based on planned and expanding residential developments into additional phases, there is an additional 2000. There are a possibility of 4000 residential units multiplied by 2.5 (average household) giving a total of 10,000 people. Lambert felt Cedar Lake needed more modern storefronts. Lambert reviewed with members the details within the proposed financials he included with the TIF application. He indicated improvement &/or replacement of the existing city water line, stating this project would represent an opportunity for that town infrastructure to be done. Niemeyer thoroughly reviewed with Lambert and the commission how the application scored in the matrix, going over each line, and noting the final score of 460 out of a total 950 possible (48%). Spencer noted his appreciation to Lambert in his presentation of partnership with the Town. Vis noted the desire of the commission to move forward with the establishment of the policy and project and the care and concern of setting a precedent. Multiple discussions occurred regarding the \$589,270 request, bond procurement, the commission's \$325,000 funding balance, and the history of what TIF funds had been used for. Niemeyer reviewed Lambert's financial application breakdown and indicated \$82,000 noted for earth work and \$187,000 underground storm/sewer/water. Lambert expressed his appreciation as the group has reviewed his request. He inquired about tax abatement consideration as he has property taxes he is paying on 6 parcels without occupancy or the possibility of discounting the cost of the permits and fees to help frontload the \$270,000. Multiple discussions occurred including verification of when and how property is assessed, tax abatement history in the Town's past, building fee supporting Town services, and ideas for Lambert's commercial tenants.

A motion was made by Randy Niemeyer and seconded by Doug Spencer is an investment of \$270,000 over the course of 7 years; distribution to be agreed upon between the parties; and internal distribution of funds based upon what funds they come out of; and RDC to approach Utility Board for prorated contribution towards their investment.

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

- c. Façade Grant:** Vis stated this item was briefly addressed above and will be moved to the next meeting for further discussion.

IV. Project Updates

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- a. **Hood – LUST Damages Update:** Austgen indicated the document has been signed.
- b. **Lake Shore Drive/Cline Avenue Roundabout:** Murr noted the open forum held on May 14, stating 4 representatives from American StructurePoint were available for discussion on this project. Utility relocation is occurring now before the project starts after the 4th of July. Traffic will go down to one lane with detour routes in place for residential and truck traffic. Murr stated they are currently on schedule and American StructurePoint will provide regular updates.
- c. **King Drive:** Vis noted this was covered earlier in the discussion with Christopher Burke contract.
- d. **Arterial Infrastructure Development:** Vis stated more information to come in June and July. Vis asked about considering adding park improvement to discussion to come.

Murr spoke about considering using TIF funding to have JMA architects use the Cedar Lake logo in a 3D rendering to be used on the viaduct. Multiple discussions occurred and members liked this idea.

A motion was made by Eric Burnham and seconded by Jolie Covaciu to approve retaining JMA Architects in an amount not to exceed \$1600 to propose a concept in 3D rendering for gateway sign.

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

V. Written Communications

- VI. **Public Comment:** Carnahan reported on Memorial Day, Monday, May 27 the American Legion will begin at Meyer Manor Cemetery at 8:00 and then proceed to German Methodist Cemetery, Holy Name Cemetery, Zion United Church of Christ Cemetery, Memorial Day Parade at 10:30 am, then Obadiah Taylor Cemetery to remember those who gave their lives for our country.

Carnahan noted the Annual National Flag Day activities through the Chamber of Commerce and the American Legion starting at 6:00 pm on Friday June 14, 2019 at the American Legion. Music, words, and celebration will occur with light refreshments.

- VII. **Adjournment** – Vis asked for a motion to adjourn. Burnham made the motion with a second from Covaciu. Meeting adjourned at 7:45 pm.

Next meeting: June 17, 2019 at 6:00 pm.

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TOWN OF CEDAR LAKE REDEVELOPMENT COMMISSION

Nathan D. Vis, President

Eric Burnham, Vice-President

Doug Spencer, Secretary

Jolie Covaciu, Member

Randy Niemeyer, Member

ATTEST:

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.