

TOWN OF CEDAR LAKE, LAKE COUNTY, INDIANA

MINUTES OF THE REDEVELOPMENT COMMISSION



June 15, 2020

Called to order 6:07 PM at the Cedar Lake Town Hall

Murr read the following information off of the agenda, "In accordance with the Governor's Executive order relating to COVID-19, in-person attendance of tonight's Redevelopment Commission meeting will be limited. We have arranged a live stream of the meeting so those interested can view it from home. The meeting is slated to start at 6 pm. You can view the meeting via our website at <https://cedarlakein.org/view-town-meetings/>, then click on "View Broadcast" under the Live Broadcast. You must join the meeting through the link to participate during public comment. You can raise your hand electronically to participate during Public Comment. Due to the unique nature of this meeting, the Town of Cedar Lake will accept public comment submitted electronically. If you have a question or comment about an item on the agenda, please email that question or comment to jill.murr@cedarlakein.org. I will ensure that all submissions are shared with the board members and that the submission will also be entered into the minutes of the meeting."

Pledge of Allegiance

Roll Call:

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

**denotes member participated electronically*

- I. **Presentation: TIF District Presentation:** Robert Swintz of London Witte Group, attending electronically, presented the Annual TIF Presentation and reviewed the Annual Report with members. That report is attached at the end of these minutes. Sandberg stated Lake County has not made their distribution yet. Swintz confirmed for Vis that for this type of Commission, based on the analysis of these funds and other funds seen around the state that the amount of principal being held in these accounts is above average maintaining a good balance and with good planning. Sandberg clarified for Carnahan, Schedule 1B Strack and VanTil escrow entry, what is being reviewed in the report from Swintz, the figure correlates to the US Bank account bond holder, and that correlates with the last payment Gross made before she left office in 2018 prior to the bankruptcy. She stated it shows up on our books but is actually with US Bank. Sandberg clarified for Vis the payment that we were to have made over the last couple of years, due to bankruptcy, we have held onto. She indicated that in the past they spoke about investing the money and she has set it aside. She has not invested this yet due to the interest rates bottoming out during COVID and felt it was wise to keep the money readily available on hand for debt services and projects. Austgen stated he had a meeting last week with the attorneys for the bankruptcy trustee in the Strack and VanTil case. He said they are trying to recover for the creditors. He noted at the conclusion of the conversation there had

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been awareness of a mistake made in the bankruptcy filings that they did not make the correct filing and did not protect the claim. He also indicated the previous Clerk Treasurer made the mistake of making a payment without an invoice. He recommended setting aside funds until a disposition occurs.

II. Presentation of “Explore Everyday” Community Recognition – Cedar Lake True Value(s) – Al & Jeff Bunge:

Due to a scheduling conflict, the recipients were unable to be present and asked for this to be deferred to the next month. Vis indicated we would coordinate the recognition for the July 20 meeting.

III. Consent Agenda

- a. **Approval of Meeting Minutes: May 18, 2020**
- b. **Claims – Fund #404 - \$913.59 and Fund #804 - \$4,645.53**
- c. **Clerk-Treasurer Funds Report**

A motion was made by Randy Niemeyer, seconded by Doug Spencer, to approve the minutes and accept the Consent Agenda as listed.

Jolie Covaciu	Doug Spencer	Randy Niemeyer	Eric Burnham	Nathan Vis	Vote
Absent	Yes	Yes	Yes	Yes	4-0

Murr confirmed to Vis that this is not the last bill from American StructurePoint but were at the closeout and the walkthrough would be scheduled soon.

IV. New Business

- a. **“Explore Everyday” Community Recognition:** Spencer recommended Pine Crest Marina. He feels they bring business into the community and is pleased with the established and long-term service they provide. Spencer inquired if they should call the long-term businesses a different name with recognition. Niemeyer mentioned the branding of the “explore everyday” motto and felt the history being honored is forward thinking and felt the name did not need to change for the recognition. Niemeyer agreed that the marina was a great recommendation for this time of year, they provide services for individuals all over the area and the owners are long time contributors to the Town. Carnahan noted the max capacity of the marina and launch during Memorial Day weekend and suggested searching for another boat launch site.

A motion was made by Randy Niemeyer, seconded by Eric Burnham, to recognize Pine Crest Marina as the next Explore Everyday Community Recognition recipient.

Jolie Covaciu	Doug Spencer	Randy Niemeyer	Eric Burnham	Nathan Vis	Vote
Absent	Yes	Yes	Yes	Yes	4-0

- b. **Façade Grants - Applicant #20-8 Kozlowski:** Pete Kozlowski was present and thanked the commission for the prior grant awarded. He indicated he was told he could reapply for additional funds and was back tonight to request the full \$25,000 to complete his project. Kozlowski clarified for Vis that nothing in the plan previously presented has changed other than the cost. Due to COVID and the contractors being so busy, the costs from contractors are now higher. Sandberg confirmed for Niemeyer the balance for the grant funding was \$59,424.50 remains of the \$100,000 that was set aside, including the money already committed. Kozlowski stated he was trying to use local

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contractors, but many are coming in with higher bids. Vis confirmed for Burnham that at the last meeting an additional 180-day extension was granted to Kozlowski and that the grant program cap was \$25,000 in one year or \$30,000 in five years. Kozlowski stated they expect the project to start in the next 30 days and be completed by the end of October.

A motion was made by Randy Niemeyer, seconded by Eric Burnham, to grant the request for additional façade grant money to reach a cap of \$25,000.

Jolie Covaciu	Doug Spencer	Randy Niemeyer	Eric Burnham	Nathan Vis	Vote
Absent	Yes	Yes	Yes	Yes	4-0

Kozlowski expressed his gratefulness for the Town of Cedar Lake, the Redevelopment Commission and the financial partnership.

- c. **Morse RDC Funding:** Vis indicated speaking with Council Member John Foreman and Town Engineer Don Oliphant regarding the heat scarification and walking trail paths. Oliphant, attending electronically, spoke about a separate bike lane on Morse. INDOT would not accept because such a large scope change and we do not have adequate width. He said the alternative is a shared lane with striping for bicycle traffic where they would provide striping every 250 feet minimum, indicating they have 13,000 feet from 133rd to 153rd times 2 lanes of traffic, which would total 106 bicycle markings. The cost is \$250-300 a stripe for a total of approximately \$30,000 which would be completely funded by the Town. Oliphant confirmed to Vis that it was feasible and reasonable to install the shared bike lane since the dedicated pedestrian walkway cannot currently be installed. Oliphant stated signage, where not required, could also be added as well. Murr told members that if they wanted to see an example of what Oliphant mentioned, there was something similar on 101st Avenue off of White Oak. Oliphant clarified for Niemeyer that there was enough consistency in the width to widen the existing pavement, but it would require scope change to the project and most likely would be at the Town's expense. Members discussed the idea of utilizing park impact fee funds for pedestrian recreational improvements. Oliphant will obtain cost estimate.

A motion was made by Randy Niemeyer, seconded by Eric Burnham, to send favorable recommendation to the Town Council to explore use of park impact fees to expand the Morse heat scarification project to enable the creation of a bike lane.

Jolie Covaciu	Doug Spencer	Randy Niemeyer	Eric Burnham	Nathan Vis	Vote
Absent	Yes	Yes	Yes	Yes	4-0

- d. **Acquisition – Commercial Center Property Extend Roadway:** Vis stated the roadway at Industrial Drive needed extended to connect to Schilling's Planned Unit Development. Niemeyer recommended reaching out to Rich Thiel, the private property owner, to acquire the roadway and negotiate with Thiel. Austgen stated the roadway has been appraised and an offer ready to be made. Vis inquired if the Commission was interested in utilizing funds to acquire roadway and/or assist in acquisition with amicable communication with Thiel to acquire that piece of parcel to extend the roadway. Niemeyer discussed CEDIT money. Austgen spoke about totality of circumstance, the possibility of connection on the other side of the railroad tracks in the future and the possibility of a to be annexed parcel bringing more TIF moneys in the future for projects.

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A motion was made by Doug Spencer, seconded by Eric Burnham, to express to the Town Council the support of the acquisition of Industrial Drive and end piece necessary to extend the roadway to enable continual commercial development.

Jolie Covaciu	Doug Spencer	Randy Niemeyer	Eric Burnham	Nathan Vis	Vote
Absent	Yes	Yes	Yes	Yes	4-0

V. Project Updates

- a. **Lake Shore Drive/Cline Avenue Roundabout:** Murr stated the roundabout project is coming to a close. They are preparing a punch list of items on June 25 at 9 am. They will do the walk through and get the items addressed.
- b. **Hood – LUST Damages Update:** Austgen reported he does not have a hearing date at this time.
- c. **JMA – Gateway:** Murr reminded members this item had been presented earlier in the year about the entrance way over the railroad. She wanted to bring it back up as a reminder and until they know the true impact of funding, it is a pending project.
- d. **Hill Stability:** Murr indicated that like the Gateway project noted above, she wanted to bring it back up as a reminder and until they know the true impact of funding, it is a pending project.

Another item Murr wanted to bring up as a reminder was Lincoln Plaza entrance way signage to consider at a later time. She wanted to let Commission members know that she, Sandberg, and Council Affairs have been avidly working with financial advisors on current cash flows and budgets.

Vis reported an update on Lake Shore Bluffs. He indicated Veridus group had been hired, has had dialogue and is in the process of drafting a letter of intent. He will plan to have the letter of intent as soon as he has revisions and will share this with Austgen.

- VI. Written Communications:** Murr stated there had been correspondence from Charlie Kaper at Cedar Lake Florist regarding the flags. Rutschmann read email correspondence noting the cost of \$3.50 each with a total of approximately 70 flags available. Kubiak asked for all of them if funding was available. Murr indicated cost would not exceed \$250 at this point.

A motion was made by Eric Burnham, seconded by Doug Spencer, to approve the flag purchase request.

Jolie Covaciu	Doug Spencer	Randy Niemeyer	Eric Burnham	Nathan Vis	Vote
Absent	Yes	Yes	Yes	Yes	4-0

Niemeyer expressed his support in flying the flag proudly especially during this timeframe. Wilkening expressed his desire to obtain products made in the United States. Murr confirmed for Vis that it is not out of the ordinary to engage in this type of expense.

Carnahan discussed Sandberg's expenditure report and his concern for keeping a close eye on funds.

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VII. Public Comment: None.

VIII. Adjournment –Meeting adjourned at 7:06 pm.

Next meeting: July 20, 2020 at 6:00 pm.

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.*

TOWN OF CEDAR LAKE REDEVELOPMENT COMMISSION

REDEVELOPMENT COMMISSION ANNUAL REPORT

as of December 31, 2019

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Town of Cedar Lake Redevelopment Commission

IC 36-7-25-8

Effective July 1, 2018 there are additional reporting requirements applicable to Redevelopment Commissions within the State of Indiana. Each redevelopment commission shall annually present information for the governing bodies of all taxing units that have territory within an allocation area of the redevelopment commission. The presentation must include;

- The **commission's budget** with respect to the allocated property tax proceeds
- The **long-term plan** plans for the allocation area.
- The **impact** on each of the taxing units.

The governing body of a taxing unit that has territory within an allocation area of the redevelopment commission may request that a member of the redevelopment commission appear before the government body at a public meeting of the governing body.

TOWN OF CEDAR LAKE REDEVELOPMENT COMMISSION

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Consolidated Cedar Lake 133rd Avenue Economic Development Area

SVT Economic Development Area

TOWN OF Cedar Lake REDEVELOPMENT COMMISSION
Consolidated Cedar Lake 133rd Avenue Economic Development Area

Projected Cash Flow								
Year	Beginning Balance (1)	Estimated TIF Revenues (2)	Less: Debt Service			Surplus (Deficit)	Ending Balance	Coverage Ratio
			2012 EDA Bonds (3)	Series 2017 A Bonds (4)	Total			
2020	645,811	1,010,245	134,625.00	301,550	436,175	574,070	1,219,881	2.32
2021	1,219,881	1,010,245	88,875.00	206,850	295,725	714,520	1,934,402	3.42
2022	1,934,402	1,010,245	90,375.00	201,825	292,200	718,045	2,652,447	3.46
2023	2,652,447	1,010,245	91,500.00	201,875	293,375	716,870	3,369,317	3.44
2024	3,369,317	1,010,245	92,500.00	206,700	299,200	711,045	4,080,362	3.38
2025	4,080,362	1,010,245	88,250.00	201,300	289,550	720,695	4,801,057	3.49
2026	4,801,057	1,010,245		200,900	200,900	809,345	5,610,402	5.03
2027	5,610,402	1,010,245		200,275	200,275	809,970	6,420,372	5.04
2028	6,420,372	1,010,245		204,500	204,500	805,745	7,226,118	4.94
			\$ 586,125	\$ 1,925,775	\$ 2,511,900	\$ 6,580,306		

(1) See Schedule 1B for listing of fund balances. TIF funds only, does not include funds from bond proceeds available for projects.

(2) See Schedule 1C for calculation of estimated TIF revenues available for debt service.

(3) See Exhibit A-2 includes Feb 1 2020, August 1 2020 and Feb 1 2021 debt service

(4) See Exhibit A-1 includes Feb 1 2020, August 1 2020 and Feb 1 2021 debt service

Note: The Town has used tax increment to offset debt service on the 2013 Redevelopment Bonds and may continue to do so as tax increment is available

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Consolidated Cedar Lake 133rd Avenue Economic Development Area

Fund Balances
12/31/2019

<u>Fund #</u>	<u>Fund Descriptions</u>	<u>Funding Source</u>	<u>Balance (I)</u>
804	Wicker/133rd Allocation Fund	TIF	\$ 599,574.00
673	SVT LLC Bond Fund		46,237.31
Total Available - TIF Funds			<u>645,811.31</u>

Source: Cedar Lake Clerk-Treasurer

TOWN OF Cedar Lake REDEVELOPMENT COMMISSION
Consolidated Cedar Lake 133rd Avenue Economic Development Area

Estimated Incremental Assessed Value				Estimated Incremental Assessed Value			
Year	Wicker Ave/133rd - Hanover Twp (1)	Times: Tax	Estimated Increment	Year	Wicker Ave/133rd - Center Twp (1)	Times:	Estimated Increment
		Rate (2)				Tax Rate (2)	
2020	37,919,622	2.4570	931,685	2020	7,499,830	2.5034	187,751
2021	37,919,622	2.4570	931,685	2021	7,499,830	2.5034	187,751
2022	37,919,622	2.4570	931,685	2022	7,499,830	2.5034	187,751
2023	37,919,622	2.4570	931,685	2023	7,499,830	2.5034	187,751
2024	37,919,622	2.4570	931,685	2024	7,499,830	2.5034	187,751
2025	37,919,622	2.4570	931,685	2025	7,499,830	2.5034	187,751
2026	37,919,622	2.4570	931,685	2026	7,499,830	2.5034	187,751
2027	37,919,622	2.4570	931,685	2027	7,499,830	2.5034	187,751

(1) Represents the 2019 Pay Year 2020 incremental assessed value, per Lake County Auditor's Office, held constant with out change

(2) Per DLGF County Budget Order, 2019 pay year 2020 tax rate held constant without change.

	Center Twp	Hanover Twp
Cedar Lake Total Tax Rate	2.7134	2.747
Referendum Rates	<u>0.21</u>	<u>0.29</u>
Net Rate	<u>2.5034</u>	<u>2.457</u>

Note: The Hanover Twp. Incremental assessed value includes \$3,790,591 of assessed value for Indiana Grocery Group which is dedicated first to the Taxable Economic Development Revenue Bonds, Series 2012.

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Consolidated Cedar Lake 133rd Avenue Economic Development Area

Allocation Area Summary

Allocation Area	Declaratory Resolution Date	Base Date	Termination Date
133rd and Wicker Avenue	January 26, 2000	Pay 2000	August 31, 2029
Morse Street and 133rd Avenue	February 4, 2002	Pay 2002	February 3, 2032
Morse Street and 133rd Avenue Expansion	November 12, 2007	Pay 2008	November 12, 2037
Morse Street and 133rd Avenue New Expansion	June 2, 2008	Pay 2009	June 2, 2038
133rd and Wicker Avenue Expansion	June 2, 2008	Pay 2009	June 2, 2038
SVT Allocation Area	May 31, 2012	Pay 2013	May 31, 2037

Note: Base dates and termination dates are according to the Declaratory Resolutions.

Note: the 133rd and Wicker Avenue and Morse Street and 133rd Avenue (as expanded) were consolidated into the Consolidated Allocation Area on November 2, 2009.

TOWN OF CEDAR LAKE REDEVELOPMENT DISTRICT
Redevelopment District Refunding Bonds, Series 2017

Schedule of Debt Service

Date	Principal	Interest Rate	Interest	Debt Service	
				Semi-Annual	Annual
2/1/2020	75,000	3.00%	24,975	99,975	99,975
8/1/2020	75,000	3.00%	23,850	98,850	
2/1/2021	80,000	3.00%	22,725	102,725	201,575
8/1/2021	80,000	3.00%	21,525	101,525	
2/1/2022	85,000	3.00%	20,325	105,325	206,850
8/1/2022	85,000	3.00%	19,050	104,050	
2/1/2023	80,000	3.00%	17,775	97,775	201,825
8/1/2023	85,000	3.00%	16,575	101,575	
2/1/2024	85,000	3.00%	15,300	100,300	201,875
8/1/2024	90,000	3.00%	14,025	104,025	
2/1/2025	90,000	3.00%	12,675	102,675	206,700
8/1/2025	90,000	3.00%	11,325	101,325	
2/1/2026	90,000	3.00%	9,975	99,975	201,300
8/1/2026	90,000	3.00%	8,625	98,625	
2/1/2027	95,000	3.00%	7,275	102,275	200,900
8/1/2027	95,000	3.00%	5,850	100,850	
2/1/2028	95,000	3.00%	4,425	99,425	200,275
8/1/2028	100,000	3.00%	3,000	103,000	
2/1/2029	100,000	3.00%	1,500	101,500	204,500
	<u>1,665,000</u>		<u>260,775</u>	<u>1,925,775</u>	<u>1,925,775</u>

TOWN OF CEDAR LAKE REDEVELOPMENT DISTRICT
Taxable Economic Development Revenue Bonds, Series 2012

Schedule of Debt Service

Date	Principal	Interest Rate	Interest	Debt Service	
				Semi-Annual	Annual
2/1/2020	35,000	5.00%	12,375	47,375	47,375
8/1/2020	30,000	5.00%	11,500	41,500	
2/1/2021	35,000	5.00%	10,750	45,750	87,250
8/1/2021	35,000	5.00%	9,875	44,875	
2/1/2022	35,000	5.00%	9,000	44,000	88,875
8/1/2022	35,000	5.00%	8,125	43,125	
2/1/2023	40,000	5.00%	7,250	47,250	90,375
8/1/2023	40,000	5.00%	6,250	46,250	
2/1/2024	40,000	5.00%	5,250	45,250	91,500
8/1/2024	40,000	5.00%	4,250	44,250	
2/1/2025	45,000	5.00%	3,250	48,250	92,500
8/1/2025	40,000	5.00%	2,125	42,125	
2/1/2026	45,000	5.00%	1,125	46,125	88,250
	<u>495,000</u>		<u>91,125</u>	<u>586,125</u>	<u>586,125</u>