



## CEDAR LAKE REDEVELOPMENT COMMISSION PUBLIC MEETING MINUTES

Cedar Lake Town Hall, 7408 Constitution Avenue

October 18, 2021, at 6:00 pm

### CALL TO ORDER:

Mr. Nathan Vis called the regular meeting to order at 6:03 PM., on Monday, October 18, 2021, with its members attending on-site and electronically via Zoom. All recited the Pledge of Allegiance. A moment of silence was held for the passing of retired Police Officer Jim Keilman.

### ROLL CALL:

**Members Present:** Nathan Vis, President; Eric Burnham, Vice-President; Doug Spencer, Secretary; and Randy Niemeyer, Member (via Zoom). A quorum was attained.

**Also present:** Robert Carnahan, Town Council Liaison; Rick Eberly, Town Manager; Jennifer Sandberg, Clerk-Treasurer; Corby Thompson, Krohn & Associates Consultant (via Zoom); Buzz Krohn, Krohn & Associates Consultant (via Zoom); and Ashley Abernathy, Recording Secretary.

**Absent:** Tracy Haskell, Hanover School District Liaison; Brian Smith, Crown Point School District Liaison; and David Austgen, Town Attorney.

### PRESENTATION OF “EXPLORE EVERYDAY COMMUNITY RECOGNITION” AWARDS

Mr. Vis invited Ms. Amy Gorman to come to the podium. He briefly summarized the history of the “Explore Everyday Community Recognition” award program. Mr. Vis requested that Ms. Gorman speak a little bit about Strack and Van Til, where she is the General Store Manager.

Ms. Gorman stated Strack and Van Til are proud to care for the local community by supporting local organizations and their causes. They believe being a partner means being involved in projects that make a difference. They are proud to help wherever they can, and if anyone would like more information they can stop by the store and speak with her or request a donation form.

Mr. Vis thanked Ms. Gorman for her words and asked how many employees currently work there. Ms. Gorman stated a little over 100. Mr. Carnahan stated the store opened May 16, 2013. There had been a ribbon cutting ceremony, and he had been able to help cut the ribbon on behalf of the Chamber of Commerce.

Mr. Niemeyer thanked Strack and Van Til for the benefits they have brought to the community. He was there when they broke ground and thanked them for their investment in Cedar Lake. Mr. Spencer stated every time he goes past Strack and Van Til, the parking lot is always full. It is good to see local businesses doing well. Mr. Spencer commented on how many businesses and organizations they have helped and how they have constantly helped out the community.

**CONSENT AGENDA:**

Mr. Vis advised the next item on the agenda is the Consent Agenda for approval of the September 20, 2021, Public Meeting Minutes, and approve the monthly claims, Fund No. 404: \$871.01 and Fund No. 804: \$27,508.25.

A motion was made by Mr. Burnham and seconded by Mr. Spencer to approve the consent agenda. Motion carried unanimously by roll-call vote:

Doug Spencer	Aye
Randy Niemeyer	Aye
Eric Burnham	Aye
Nathan Vis	Aye

**NEW BUSINESS:**

**A. Explore Everyday Community Recognition Nomination:**

Mr. Vis entertained suggestions for nominations for next month's Explore Everyday Community Recognition Award. Mr. Burnham nominated Rise 'n' Roll as next month's recipient of the Explore Everyday Community Recognition Award. The Commission discussed the nomination of Rise 'n' Roll and Mr. Vis recommended potentially nominating the Library in the future.

Mr. Vis entertained a motion for a nomination. A motion was made by Mr. Burnham and seconded Mr. Spencer to nominate Rise 'n' Roll as the next recipient of the award. The motion carried unanimously by roll-call vote:

Doug Spencer	Aye
Randy Niemeyer	Aye
Eric Burnham	Aye
Nathan Vis	Aye

**B. TIF Analysis 2021 for 2022**

Mr. Vis stated the next order of business was for the TIF Analysis 2021 for 2022 and asked Mr. Eberly if he would like to start the discussion on this item.

Mr. Eberly stated they had received the spreadsheet from the County Auditor's office regarding the list of properties within the TIF District. This is one of the reasons why Mr. Corby Thompson and Mr. Buzz Krohn joined the meeting. During his time at previous municipalities, they hired professional service to review the list of properties for the municipality to ensure the proper credit was given for all of the properties within the TIF District. He had discussed this with Mr. Thompson and asked if they would do this kind of review for the Town and send a proposal to consider the same. Mr. Eberly turned the floor over to Mr. Thompson and Mr. Krohn.

Mr. Krohn stated they have reviewed the spreadsheet for 2021 into 2022. Overall, the Town is capturing a majority growth in the area; there are some parcels that are losing increments. There are about \$3.7 million of funds that are being lost. It needs to be looked at to see if the losses are from residential parcels

and look at removing them from the TIF District. Residential properties do not help with the tax increment, but it can hurt if the property loses assessed value, which count against the Town and the TIF District. There are potentially around 600 to 700 parcels located in the TIF District.

Mr. Krohn stated assuming the losses are from residential lots, it is costing the TIF District approximately \$98,000 in potential lost revenue. Mr. Krohn commented that it appears there is close to \$1.4 to \$1.5 million dollars coming next year in captured AV and explained how he achieved that calculation. Mr. Thompson concurred and added that it might be a bit more than that.

Mr. Krohn discussed the residential aspect of the TIF District and noted that there is still a lot of growth from the TIF District that is being captured. It is worth taking a look at the TIF District and writing out parcels that would not contribute to the tax increment. If those are written out, it will maximize the TIF revenue that can be generated.

Mr. Carnahan asked about businesses appealing their tax rate. Mr. Carnahan discussed various businesses that he has heard of appealing their tax rate and hurting the communities they are in and asked if there were any businesses like that in Cedar Lake. Mr. Krohn responded he is sure that could be happening. He is looking at the Restored Loss Column and there is approximately \$3.7 million of total lost AV.

Mr. Vis asked Mr. Krohn and Mr. Thompson if there is a process they would go through to determine if a parcel is contributing or detracting from the TIF. Mr. Krohn responded in the affirmative. Mr. Vis asked what is the time period for that exercise, and if they undergo it, when would it help the Town. Mr. Krohn responded it would help in 2023. A Declaratory Resolution would need to be approved prior to January 1, 2022, that would remove the parcels that are incurring losses. The process does not need to be complete.

Mr. Vis asked what the anticipated cost would be to look through the TIF District and identify parcels that would need removed. Mr. Krohn responded it could be done within a day or two. The lawyers would need to be involved to create the Declaratory Resolution and they typically participate in that process. Mr. Vis asked what the time line would be. Mr. Krohn responded that they could get the Declaratory Resolution approved before the end of the year. Then in January or February, finish the process, and invite all the overlapping units to a meeting where a tax impact statement is presented. Mr. Krohn advised there could be some minor impact on all the overlapping units by taking parcels out of the TIF District and putting them in a regular tax base that is spread out over all the different taxing units.

Mr. Spencer asked how these units happen to be listed in the TIF District. Mr. Krohn responded when TIF Districts are set up, a boundary is drawn on a map and they bring in all the parcels. Mr. Vis asked what happens if a parcel is taken out of the TIF District and they later come back in and seek a variance to become zoned as a business. Mr. Krohn responded there would have to be another Declaratory Resolution. They could be brought back in and establish a new assessment base. If the RDC thinks something might happen on a parcel, it would be best to leave them in the TIF District. If they are residential, they can never help, unless it converts to commercial.

Mr. Carnahan stated that when the condos were built on Morse and 133<sup>rd</sup> Avenue they had tried to bring them into the TIF District, and were advised that they could not be brought in because they did not qualify. He did not know that residential was inside of the TIF District. Mr. Krohn asked if they were individually owned. Mr. Carnahan responded that some of them are. Mr. Krohn asked if they were homestead or second homes. Mr. Carnahan responded some are second homes and some are homesteads, but he is not

certain on the percentage. Mr. Krohn explained it is more difficult with condos and how apartments are different. Mr. Krohn also discussed a Homeownership TIF District.

Mr. Vis asked if they recommend seeking approval from the RDC for their team to study the TIF District and come back with a recommendation within 30 days. Mr. Krohn responded in the affirmative and noted it would be a couple thousand dollars to do this part of it. Once they decide to move forward, a tax impact statement would need to be done, and the lawyer who does the TIF document would need to create a new Declaratory Resolution. If this phase is completed by January 1, 2022, it can be done after the first of the year. The first step is going through the list and finding what parcels need removed.

Mr. Spencer asked if this report will there be some form of an estimated figure of the savings would be to identify and remove those properties. Mr. Krohn responded in the affirmative and gave an example of a residential property that had a loss of \$180,000.

Mr. Eberly asked if the RDC approved a proposal at their November meeting, would it give Krohn and Associates enough time to do the necessary work for the RDC to adopt a Declaratory Resolution at their December meeting. Mr. Carnahan asked if it needed to go in front of the Town Council and Plan Commission prior to the new year starting. Mr. Krohn responded while it does need to go in front of those bodies, only the Declaratory Resolution needs to be completed by January 1.

Mr. Vis asked Mr. Krohn if they could get a proposal to them to vote on by their November meeting. Mr. Krohn responded in the affirmative and they would be able to come up with the list for approximately \$2,500. Mr. Niemeyer recommended working with Attorney Austgen and stated that he has a lot of information regarding the TIF District.

A motion was made by Mr. Burnham and seconded by Mr. Spencer not to exceed \$2,500 for the study of the TIF District, to look at the losses and create a list of potential parcels to remove from the TIF District. Motion carried unanimously by roll-call vote:

Doug Spencer	Aye
Randy Niemeyer	Aye
Eric Burnham	Aye
Nathan Vis	Aye

### **C. Façade Grant Assessed Values – Tracking Metrics and Ideas**

Mr. Vis stated the next order of business was for the façade grant assessed values tracking metrics and ideas. Mr. Vis asked Mr. Eberly to discuss this item. Mr. Eberly stated it had been discussed the RDC might want to look at tracking the impact of the moneys that has been given out in the façade grant to see the return of those investments. Mr. Eberly stated it is a question of are they going to continue the façade grant program and if so, is there a desire to track the improvements to see if there is a payback by a tax revenue increase in the TIF District.

Mr. Eberly asked Mr. Thompson to address this item. Mr. Thompson responded it had been discussed it was suggested to review who has received the grant and compare the before and after AV. He is not sure how much it would help, since a lot of the value received from giving this grant is intangible. That is one way to view it is if there is AV improvement and property tax in return.

Mr. Eberly asked if this was the second year for this grant program. Mr. Vis responded this would be the second full year. Mr. Eberly asked Mr. Thompson if a project was completed at the end of 2020, when would the impact be seen. Mr. Spencer commented on it, and stated it would depend on the County Assessor. Mr. Thompson commented on the same and advised it would be at least a year after the improvements completed.

Mr. Krohn asked how much are the façade grants and the maximum the RDC gives. The response was \$25,000. Mr. Niemeyer stated it may be helpful to take a bigger picture and do a 5-year impact due to doing micro measurements if it is examined every year. Looking in a 5-year increments will provide a better scope of impact.

Mr. Krohn stated if the RDC could give them a list of the parcels that have received the grant, while going through the TIF District, they could attempt to review them as well. Mr. Vis asked Mr. Niemeyer if he is suggesting doing a 5-year perspective moving forward or wait a few years and do a 5-year look back. Mr. Niemeyer responded from the start of the program do it every 5-years, so they are not guessing on the trending. Discussion ensued about doing an assessment and if it would hurt to do this assessment now as well as how to potentially track the before and after AV, such as noting the before grant AV.

Mr. Vis asked Mr. Thompson his thoughts on starting tracking now, setting a benchmark for where grant recipients are, update the list, and every few years looking back. Mr. Thompson responded as they go through the list, they can go through businesses that have received the grant. It will be hard to come up with just the impact from the grant project. However, there will be value in knowing the community's AV value in a whole is growing through the grant program.

Mr. Eberly stated he believes most of this information is readily available, and it can be created in a spreadsheet. Mr. Krohn discussed ways the grant project funds may not be tangible.

Mr. Vis asked Mr. Eberly if his office would provide Mr. Krohn and Mr. Thompson the information, they need from the façade grant program. Mr. Vis asked it be noted at the end of the RDC agendas to make October be the evaluation month to assessing the façade grant program. In order to remain mindful of the evaluation.

Mr. Vis thanked Mr. Krohn and Mr. Thompson for their time.

#### **D. Façade Grant Funding 2022 – Amount to Set Aside for Façade Grant Awards**

Mr. Vis stated the next item of business was for the façade grant funding for 2022 and the amount to set aside for façade grant awards. Mr. Vis stated from his perspective, he would like to see the project ongoing, but he has hesitancy on setting aside money currently in recognition of potential negative impact to bonding capacity.

Mr. Niemeyer stated he thinks they need to ensure they are hitting the mark and not stopping the program they created. He suggested looking at the money that is annually allocated towards Summer Winds, subtract that from the façade grant program, and add in any tax collections as a delta. Mr. Niemeyer asked Mr. Vis if he understood what he was discussing. Mr. Vis responded in the affirmative and discussed the \$38,500 allocated to Summer Winds. This would make the available balance \$61,500. Mr. Niemeyer asked what the estimated tax collections were. Mr. Vis stated he would have to get that

information. Mr. Eberly stated they could get that information. Discussion ensued about the best way to determine the baseline budget for the façade grant funding for 2022.

Mr. Vis entertained a motion from the Commission for an amount for 2022. A motion was made by Mr. Niemeyer and seconded by Mr. Spencer for the façade grant funding for 2022 the baseline start at \$61,500, and based upon analysis of potential tax collections increase the amount by those tax collection with a contingency of, once bonds are issued for the Lake Eco Restoration project, adding the excess funds into the façade grant, with funds not to exceed \$80,000.

Doug Spencer	Aye
Randy Niemeyer	Aye
Eric Burnham	Aye
Nathan Vis	Aye

#### **PROJECT UPDATES:**

**Clerk-Treasurer's Funds Report:** Ms. Sandberg highlighted instances of her printed report, noting 133<sup>rd</sup> and King Intersection as the largest expenditure to date. Ms. Sandberg noted other smaller reimbursements came back. Commissioners were satisfied with Ms. Sandberg's report.

**Hood – LUST Damages:** None.

**Industrial Park Property Roadway:** None.

**Façade Grants Updates:** Mr. Eberly stated Ms. Margaret Abernathy advised him that Cedar Lake Storage will be asking for an extension in November for their project. The RDC had granted 3 extensions last month.

**Light Pole Banners:** Mr. Eberly reported all the materials are all in. Mr. Adams contacted the Town the Friday prior to the meeting that all of the brackets and banners are in and ready to be put up. They will start being hung up the following week.

Mr. Vis requested that there be a Work Study Session/Large Project Review for the December meeting.

Mr. Burnham asked how the Firehouse was coming along. Mr. Eberly responded it is coming along well, he is anticipating that all the work will be complete around Thanksgiving and Fire Chief Wilkening would like to open it up for an Open House at that time.

Mr. Vis asked Mr. Carnahan if he had anything from the Chamber of Commerce. Mr. Carnahan responded the Chamber of Commerce celebrated it's 50<sup>th</sup> Anniversary on October 8, 2021, and it was a large success with around 94 people in attendance.

Mr. Vis asked Mr. Niemeyer if he had any information from the Town Council. Mr. Niemeyer advised the RDC the Town Council will be considering nominations for the available seat on the RDC at their next meeting.

**WRITTEN COMMUNICATIONS:** None was had.

RDC Public Meeting  
October 18, 2021

**PUBLIC COMMENT:** None was had.

**ADJOURNMENT:** Mr. Vis adjourned the meeting at 7:07 P.M.

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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Parker, Greg

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Randell C. Niemeyer, Member

ATTEST:

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Ashley C. Abernathy, Recording Secretary

*The Minutes of the Cedar Lake Plan Commission Meeting are transcribed pursuant to IC 5-14-15-4(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 section 3.5 or 3.6 of this chapter or any other statute that authorizes a governing body to conduct a meeting using an electronic means of communication.*

***Cedar Lake Redevelopment Commission: Minutes of October 18, 2021***

*The Town of Cedar Lake is subject to the requirements of the Americans with Disabilities Act of 1990. Individuals with disabilities who plan to attend this meeting and who require certain accommodations in order to allow them to observe and/or participate in this meeting, or who have questions regarding accessibility of the meeting or the facilities, please contact the Town Hall at (219) 374-7400.*