

MINUTES

NEW ALBANY REDEVELOPMENT COMMISSION

The regular meeting of the New Albany Redevelopment Commission was held on Tuesday, June 23, 2015, at 2:30 p.m., in the Assembly Room, City-County Building, New Albany, Indiana.

Commission Members Present: Irving Joshua, President
Adam Dickey, Vice President
Edward Hancock, Secretary
Dan Coffey
John Gonder

Staff Members Present: David C. Duggins, Jr., Director
Trent Baker, Economic Development Office
Jessica Campbell, Public Facilities Specialist (PFS)
Robin King, Neighborhood Initiatives Assistant (NIA)
Brad Ramsey, Concentrated Code Enforcement

Others Present: Herschel Freirson, Crowe Horwath
Michael Grubb, Cripe Design
Jon Ryan Neace, Newburg Ventures, LLC
Bill Stinson, Cripe Design
Daniel Suddeath, New Albany Tribune
Beau Zoeller, Frost Brown Todd

The President called the meeting to order at 2:35 p.m., and roll was called. All members were present.

The first item of business was **Opening of the bids for the 817 W. Market Street**. The Director explained that these properties were donated to the City, and soliciting bids is the required first step in disposing of them. One bid was received for 817 W. Market, from Newburg Ventures, LLC, for \$7,500.00. Mr. Hancock motioned to accept the bid on 817 W. Market from Newburg Ventures, LLC for \$7,500.00. Mr. Coffey seconded, and the motion carried 5-0.

The second item of business was **Opening of the bids for 617 E. 8th Street**. No bids were received. The Director explained that, since no bids were received, the property could be listed for sale.

The third item of business was comments from the public. The President noted that there were none.

The first item of new business was **Resolutions RC-03-15 through RC-09-15, Annual TIF Assessment Valuations**, for all seven TIF districts. The Director explained that this report is required yearly by State statute, and it provides a breakdown of each TIF, showing income and expenditures, as well as future income expected to be generated. He stated that it demonstrates to the State that the City of New Albany plans to use all the income generated through the TIFS to fund projects. Mr. Coffey asked if the TIF funds were in good shape. The Director stated that they are in excellent shape, and the City currently has an A+ bond rating. Mr. Dickey motioned to approve all seven of the Annual TIF Assessment Valuation resolutions en masse. Mr. Coffey seconded, and the motion carried 5-0.

The second item of new business was **Resolution RC-10-15 Authorizing Issuance of Bond for Payment of Redevelopment Project (Coyle Development.)** The Director stated that this resolution is the first step in the process of authorizing the issuance of the bond for the redevelopment of the former Coyle property. The Director introduced Beau Zoeller, of Brown Frost Todd, and Herschel Frierson, of Crowe Howath, and they went to the podium to answer questions from the Commission. Mr. Zoeller explained that the next step is the Common Council will ratify the approved resolution, and then the bonds will be sold. Mr. Gonder asked Mr. Zoeller to explain the Additional Bonds Test. Mr. Zoeller and Mr. Frierson explained that the additional bonds test is a mechanism to protect current bond holders by ensuring the City has sufficient TIF revenue in the event it wants to issue additional bonds at a later time. Mr. Gonder asked them to explain the Debt Service Reserve Fund. Mr. Zoeller and Mr. Frierson explained that when a city issues debt, it is required to fund a reserve account in the amount of the least of 125% of the average annual debt service, 10% of the par amount of the bonds, or the maximal principal and interest. This money is held in escrow through the life of the bond, and is generally used as the final debt service payment. Mr. Gonder asked about the cost of the bonds. Mr. Frierson replied that he didn't know the exact cost as yet, but there is a max par amount. The President asked Mr. Frierson what the expected cost of issuance would be. Mr. Frierson replied it was typically \$120,000 - \$200,000 on a \$4,600,000.00 bond, including underwriters' discount. The Director stated that the cost of issuing bonds are generally the same, regardless of the amount of the bond, and he is working with a local bank in hopes of reducing the underwriting costs and the amount that would be required in the Debt Service Fund. Mr. Coffey asked what the interest rate would be. Mr. Frierson said he expected between 4-5%. Mr. Hancock asked over how many years. The Director replied 20. Mr. Dickey stated that he felt it was important to not lose perspective on the long-term effect of this bond issuance on the community. He stated it will bring \$30,000,000.00 in new investment over 5 years, \$4,000,000.00 in revenue, and 100 new jobs, as well as achieving the City's goal of providing more opportunities for downtown living and investment. Mr. Dickey motioned to approve Resolution RC-10-15 Authorizing Issuance of Bond for Payment of Redevelopment Project (Coyle Development.) Mr. Hancock seconded, and the motion carried 5-0.

In other business, the Director asked the **design team from Cripe to come to the podium and present the tentative plans for the Coyle property development** to the Commission. The team presented renderings to the Commission, and explained that the development would have 190 units, consisting of studio, one-bedroom and two-bedroom apartments, at 500, 700 and 1,100 square feet, respectively. Mr. Dickey stated that, based on market analysis by Flaherty & Collins Properties, the square footage is in line with other apartments in the City. General discussion regarding maintaining accessibility of the sidewalks followed. Mr. Dickey asked if there would be a problem maintaining the integrity of the historic Coyle building when removing the addition. Mr. Grubb stated that their engineers have done their due diligence in accessing the structural integrity of the building and have determined their plan is appropriate.

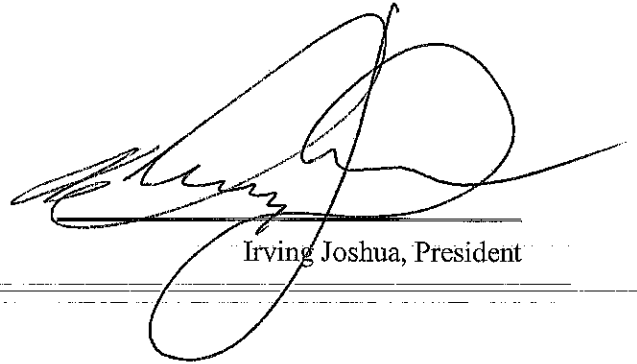
In old business, the President stated he would like a meeting with TARC to pursue expanding service. The Director stated he will contact them and get them on the agenda.

Also in old business, The Director asked Trent Baker, Economic Development Office staff, to update the Commission on the City's acquisition of the properties they had earlier granted the Director authority to purchase. Mr. Baker stated that there are 17 properties currently being acquired, and that many of them are being surrendered to the City in lieu of the owners paying the liens. The Director stated that those properties would be offered to the public in a sealed bid process, and if no bids are received, the City can

dispose of them accordingly. He stated that some properties might be offered to adjacent homeowners where appropriate.

There being no other business, the meeting was adjourned at 3:25 p.m.

Approved and Adopted this 14th day of July, 2015.



Irving Joshua, President

ATTEST:



Edward Hancock, Secretary