

MINUTES

NEW ALBANY REDEVELOPMENT COMMISSION

The regular meeting of the New Albany Redevelopment Commission was held on Tuesday, June 25, 2019 at 2:30 p.m., in the Assembly Room, City-County Building, New Albany, Indiana.

Commission Members Present: Adam Dickey, Vice President
David Barksdale, Secretary
Terry Middleton
Scott Stewart
Elaine Murphy, School Board Advisory Member

Commission Members Absent: Irving Joshua, President

Staff Members Present: Josh Staten, Redevelopment Director
Jessica Campbell, Public Facilities Specialist (PFS)
Claire Johnson, Neighborhood Initiatives Assistant (NIA)
Cyndi Krauss, Financial Compliance Manager (FCM)

Others Present: All Terrain Paving & Construction, LLC
Trent Baker, TJB Consulting
Scott Blair, Council President
Herschel Frierson, Crowe LLP
Jorge Lanz, Jacobi, Toombs, and Lanz, Inc.
Linda Moeller, City Controller
Chris Morris, News and Tribune
Bob Stein, United Consulting
Larry Summers, City Engineer
Jake Zurschmiede, Redevelopment Intern

The Vice President called the meeting to order at 2:30 p.m. Roll was called. Irving Joshua, President was absent.

The first item of business was the **Approval of the Minutes from the June 11, 2019 meeting**. Mr. Barksdale motioned to approve the June 11, 2019 minutes. Mr. Middleton seconded and the motion carried 4-0.

The second item of business was the **Comments from the Public**. The Vice President noted that there were none.

Old Business:

New Business:

The first item of New Business was the **Claims Worksheet dated 6/24/2019**. Mr. Stewart asked about the two **Fire Station Payments** in the amount of \$104,030.47 each. The Director stated that this is a financed project with a yearly structured payment to be paid off in 2028. Mr. Dickey noted that this was an economic development project in the sale of the old firehouse, in which the property was needed to keep Kroger and expand their footprint. Mr. Barksdale motioned to approve the Claims Worksheets in the amount of \$450,775.70 dated 6/24/2019. Mr. Stewart seconded and the motion carried 4-0.

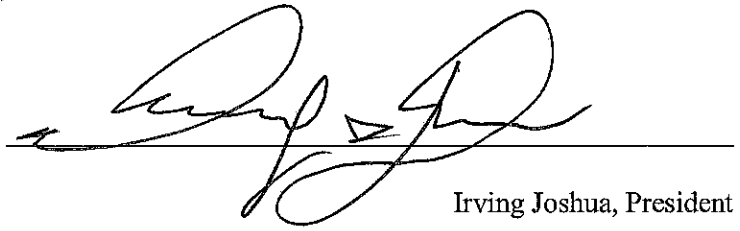
The second item of New Business was the **Market Street Streetscape Change Order No. 2**. The Director stated that the budget for the project was \$1 million, paid with the Horseshoe Foundation Grant, and that with this change order, remains under budget. He added that item 2-A for \$19,408.74 is due to the increased costs in materials due to the project being postponed due to the possible interference with Harvest Homecoming. Mr. Stewart noted that construction is not the only element to the cost of a project and asked for all elements of this project to be accounted for in the total cost of this project. He asked how any overage would be paid. He requested to see the contract amounts. The Director stated that he could get that information to him and that if there were to be any overages, they would most likely be from the State Street Garage TIF. Mr. Dickey noted that the contractor reported at Board of Works that this project was still on schedule, despite the rain. The City Engineer added that this project was ahead of schedule for quite some time so that's the reason that they are currently on schedule. He explained several of the other items, such as a request from Harvest Homecoming for additional electrical service to ensure that they wouldn't have to bring in special electrical equipment during Harvest Homecoming. He added that 2-I was added by himself because there was currently only one inlet on the south side of Market Street, and that a large pool of water was collecting in front of the hair salon. He stated that adding the additional inlet will correct that issue. Mr. Middleton motioned to approve the Market Street Streetscape Change Order No. 2 in the amount of \$91,461.91. Mr. Barksdale seconded and the motion carried 4-0.

Other Business:

The first item of Other Business was the **Annual TIF Presentation**. The Director explained that State Legislature this year required Redevelopment Commissions statewide to do an Annual TIF Presentation including sending notifications out to each of the taxing bodies. He added that Herschel Frierson from Crowe LLP was present to answer any questions. Mr. Frierson explained the State Law that changed in regards to assessed value, that a lot of big box retailers were appealing their assessments throughout the state of Indiana and New Albany was a result of those appeals, where the assessed value was lowered and then a refund going back to the big box retailer including interest was issued. Mr. Frierson went on to explain the impacts on the taxing units and the taxing rates. The slide show presented is attached. Mr. Stewart asked for the total of the annual settlements. The Director responded that the 2019 projected settlements are just over \$6.2 million. Mr. Barksdale requested the expiration dates of the TIFs and to share this presentation with the City Council. Elaine Murphy requested the presentation to share with the School Board.

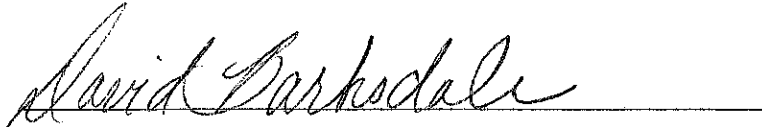
There being no other business, the meeting was adjourned at 3:21 PM.

Approved and Adopted this 9th day of July, 2019.



Irving Joshua, President

ATTEST:



David Barksdale, Secretary

New Albany Redevelopment Commission (NARC)

2019 Annual TIF Report

Basic Concepts and Definitions

- City, town or county legislative body may adopt an ordinance creating a redevelopment commission of the unit comprised of five (5) members, three (3) appointed by the executive and two (2) appointed by the legislative body or fiscal body of the unit.
- The executive of the unit also appoints a non-voting advisory member representing the local school board.
- The redevelopment commission has jurisdiction over the redevelopment district of the unit, which is a special taxing district having the same boundaries as the unit (except for certain counties).

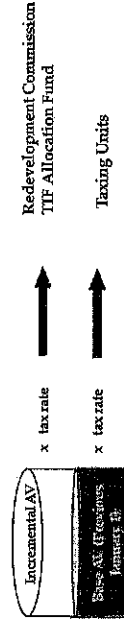
Basic Concepts and Definitions (con't.)

- Within the redevelopment district, the redevelopment commission may designate redevelopment areas or economic development areas as targeted areas for redevelopment or economic development activities, and approve a redevelopment plan or economic development plan for each area so designated.
- The redevelopment commission may (but is not required to) designate all or a portion of any redevelopment area or economic development area as an allocation area for purposes of capturing incremental new taxes in the area commonly known as "tax increment" or "TIF".



Basic Concepts and Definitions (con't.)

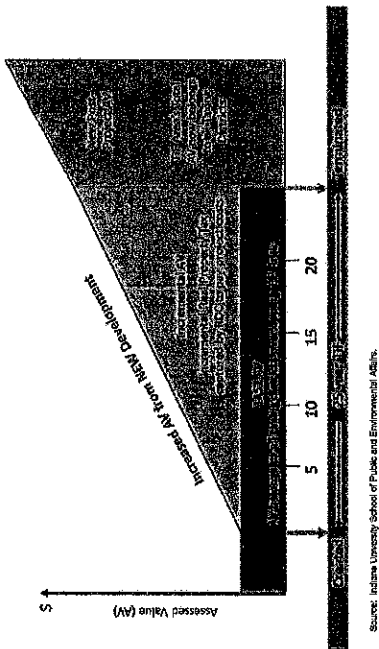
- After an allocation area is established, all of the assessed value in the area as of the immediately preceding January 1 plus property assessed as residential (the **base assessed value**) continues to generate property taxes for various taxing units located in the area, while subsequent increases in assessed value due to new investments in that area (**incremental assessed value**) are temporarily captured and set aside into a TIF allocation fund



Basic Concepts and Definitions

- The redevelopment statute requires the DLGF to adjust the base assessed value after each general reassessment of property and after each annual adjustment to assessed values (commonly known as "trending"), in order to neutralize the effects of these adjustments on TIF revenues.
- Special provisions in statute allow the capture of **depreciable personal property** assessed value of **designated taxpayers** for certain types of projects (industrial, manufacturing, warehousing, research and development, processing, distribution, or transportation related projects).

TIF: Basic Structure



New Albany TIF District Update

Grant Line RD TIF 2019

PROJECTS	Estimated Costs
GLW Phase 2 Reas IN Excavation - Design	\$200,862.54
GLW Phase 2 Reas IN Excavation - Inspection	\$35,246.22
GLW Industrial Park Monitoring & Permitting	\$800.00
GLW Industrial Park Eps Sps	\$8,100.00
GL / Mar De Romeo (Blackberry Ridge) Site Line - Engineering	\$89,800.00
GLW Road Ditch Service 896 (150, 192)	\$20,576.36
Firehouse Loan	\$203,000.54
2024 Lease Rental Revenue since 2023 Debt Service	\$81,686.87
2027 Total Estimated Project Costs	\$1,222,936.57
Total Construction Award	\$1,222,936.57
2019 Total TIF	\$258,826.00
2019 Park East Balance Available / Committed for Project Split	\$702,411.56
2019 Total Projected TIF Balance	\$1,971,674.56

Grant Line RD TIF 2020-2021

Projects	Estimated Costs
GL / Nur De Ronce (Blackberry Ridge) Site Ute - Construction	\$900,000.00
GLW Bond Debt Service 30% (550,992)	\$206,576.86
Firehouse Loan	\$206,062.64
MAMA Lease Rental Revenue 2013 Debt Service	\$311,985.07
2020 Total Estimated Project Costs	\$1,624,624.57
Total Current Cash on Hand	\$1,248,240.00
Scheduled 2021 TIF Settlement	\$801,500.00
2021 Park East Balance Available/ Committed for Project Split	\$801,500.00
2021 Total Projected TIF Balance	\$1,031,462.27

Projects	Estimated Costs
Kendall Gateway Improvements - Phase 1	?
GLW Bond Debt Service 30% (550,992)	\$206,576.86
Firehouse Loan	\$206,062.64
MAMA Lease Rental Revenue 2013 Debt Service	\$311,985.07
2021 Total Estimated Project Costs	\$974,304.57
Total Current Cash on Hand	\$696,482.50
Scheduled 2021 TIF Settlement	\$922,562.26
2021 Park East Balance Available/ Committed for Project Split	\$696,482.50
2021 Total Projected TIF Balance	\$1,295,427.33

Park East TIF 2019

Projects	Estimated Costs
Grant Line / Planning (government evaluation)	\$4,392.50
State Street Signal Work	\$127,175.25
Bois to Bois	\$128,810.00
Grant Line RD / IIS Improvements	\$3,188.00
Paving	\$1,019,031.00
GLW Bond Debt Service (550,992)	\$337,049.72
MAMA Lease Rental Revenue Bonds 2013 Debt Service	\$351,656.67
2019 Total Estimated Project Costs	\$2,449,000.54
Total Current Cash on Hand	\$2,404,433.67
Estimated 2019 TIF Settlement	\$1,005,272.00
2019 Commitment to Grantline/Industrial Park Project	\$702,432.50
2019 Total Projected TIF Balance	\$1,496,927.79

Park East TIF 2020-2021

Projects	Estimated Costs
GLW Bond Debt Service (550,992)	\$337,049.72
MAMA Lease Rental Revenue Bonds 2013 Debt Service	\$351,656.67
2020 Total Estimated Project Costs	\$688,706.39
Total Current Cash on Hand	\$702,433.86
Estimated 2020 TIF Settlement	\$1,013,304.72
2020 Commitment to Grantline/Industrial Park Project	\$616,996.66
2020 Total Projected TIF Balance	\$1,093,999.91

Projects	Estimated Costs
Grant Line Gateway Improvements - Phase 1	?
GLW Bond Debt Service (550,992)	\$337,049.72
MAMA Lease Rental Revenue Bonds 2013 Debt Service	\$351,656.67
2021 Total Estimated Project Costs	\$688,706.39
Total Current Cash on Hand	\$616,999.66
Estimated 2021 TIF Settlement	\$1,029,492.77
2021 Commitment to Grantline/Industrial Park Project	\$674,721.06
2021 Total Projected TIF Balance	\$1,695,463.12

State St TIF 2019

Projects	Estimated Costs
State Street Signal Design (105-Main)	\$4,392.50
State Street Signal Work	\$127,175.25
Bois to Bois	\$128,810.00
State Street Infrastructure Drainage Design	\$3,188.00
State & Oak Signal Inspection	\$99,000.00
4707 Lot	\$12,000.00
Polby LV Extension (Cherry WB turn lane)	\$2,400.00
Project Management Misc.	\$25,925.16
Bono RD Improvements Phase 2 - Inspection	\$4,110.25
State Street Curb Extension Engineering (Cherry / Oak Valley)	\$3,896.57
State Street Beautification Engineering @ Cherry	\$5,079.47
State / Disney On Bond Debt Service	\$191,775.00
2019 Total Estimated Project Costs	\$282,859.05
Total Current Cash on Hand	\$277,482.50
Estimated 2019 TIF Settlement	\$1,005,272.00
2019 Total Projected TIF Balance	\$1,216,634.55

Parking Garage TIF 2019

Projects	Estimated Costs
Highway Estimation	\$1,550,000
Traffic Signal Timing (1 way - 2 way)	\$450,000
Traffic Signal Timing (2 way - 2 way)	\$300,000
Downtown Commercial Study	\$25,000.00
Analysis of Columbus Historic Parade	\$1,711.95
AT&T Survey	\$300,500
E. Main St - Engineering	\$300,000.00
Alleway Design	\$2,400.00
State St Hill Bond Debt Service	\$170,347.50
2019/2020 Bondwater Debt Service	\$70,651.00
2020 Total Estimated Project Costs	\$570,288.77
2020 Total Estimated Project Costs	\$570,288.77
Total Current Cash on Hand	\$44,624.18
Estimated 2019 TIF Settlement	\$97,070.00
2019 Total Projected TIF Balance	\$141,694.18

Charlestown RD TIF 2019

Projects	Estimated Costs
MT Tabors RD Engineering	\$1,350,000
MT Tabors RD ROW	\$4,000,000
MT Tabors RD Widening	\$1,451,681.16
MT Tabors RD Addition Engineering (as needed)	\$2,487,800
MT Tabors Change Order	\$41,000.00
MT Tabors Site Cost	\$70,000.00
State Run RD ROW - Phase 1	\$30,000.00
State Run RD Construction - Phase 1	\$1,576,632.25
State Run RD Inspection - Phase 1	\$192,120.00
Railbow DR 380AE (Reverent Evaluation)	\$11,238.00
Charlestown RD / FR. Improvements Design	\$3,482.40
Kohl's Settlement	\$750,151.50
Probus Loan	\$20,000.00
Sewer Road	\$20,000.00
MT Tabors Bondwater Service 2019 Debt Service	\$3,000,000
2019 Total Estimated Project Costs	\$13,952,325.26
Total Current Cash on Hand	\$8,385,278.86
Estimated 2019 TIF Settlement	\$3,179,045.00
2019 Total Projected TIF Balance	\$4,514,323.86

State St TIF 2020-2021

Projects	Estimated Costs
Daley LA - turn lane improvements	\$400,000.00
2 way Oak St	\$200,000.00
2 way Spring St	\$200,000.00
Bone St / Daley LA Bond Debt Service	\$14,720.00
2020 Total Estimated Project Costs	\$1,004,720.00
2020 Total Estimated Project Costs	\$1,004,720.00
Total Current Cash on Hand	\$1,211,000.00
Estimated 2020 TIF Settlement	\$1,461,000.00
2020 Total Projected TIF Balance	\$1,725,000.00

Projects	Estimated Costs
State St Hill Bond Debt Service	\$484,775.00
2021 Total Estimated Project Costs	\$484,775.00
2021 Total Estimated Project Costs	\$484,775.00
Total Current Cash on Hand	\$1,259,940.00
Estimated 2021 TIF Settlement	\$1,479,886.00
2021 Total Projected TIF Balance	\$2,739,826.00

Parking Garage TIF 2020-2021

Projects	Estimated Costs
State St Hill Bond Debt Service	\$170,347.50
2020 Total Estimated Project Costs	\$170,347.50
2020 Total Estimated Project Costs	\$170,347.50
Total Current Cash on Hand	\$240,668.59
Estimated 2020 TIF Settlement	\$98,632.96
2020 Total Projected TIF Balance	\$339,301.55

Projects	Estimated Costs
State St Hill Bond Debt Service	\$170,347.50
2021 Total Estimated Project Costs	\$170,347.50
2021 Total Estimated Project Costs	\$170,347.50
Total Current Cash on Hand	\$240,668.59
Estimated 2021 TIF Settlement	\$484,775.00
2021 Total Projected TIF Balance	\$895,811.09

Charlestown RD TIF 2020-2021

Projects	Estimated Costs
Warner Miller / Charlestown RD	\$1,500,000.00
Black Pine Road / Charlestown RD	\$500,000.00
Black Pine Road / Charlestown RD	\$250,000.00
Charlestown RD / SR Sidewalk Construction	\$330,000.00
Charlestown RD / ERL Sidewalk Inspection	\$50,000.00
Frederica Loan	\$200,000.00
2020 Total Estimated Project Costs	\$2,830,000.00
2020 Total Estimated Project Costs	\$2,830,000.00
Total Current Cash on Hand	\$4,460,000.00
Estimated 2020 TIF Settlement	\$2,200,000.00
2021 Total Projected TIF Balance	\$6,720,000.00

Monon TIF 2019

Projects	Estimated Costs
McDonald LN Project Trees	\$20,000.00
SSP Design	\$1,775.00
KLS Engineering	\$4,872.25
KLS ROW	\$1,677.75
North V/E L/H Connection	\$72,000.00
Daisy LN Extension Obligation	\$295,664.25
2019 Total Estimated Project Costs	\$384,929.25
Total Current Cash on Hand	\$64,982.74
Estimated 2019 TIF Settlement	\$420,000.00
2019 Total Projected TIF Balance	\$370,962.49

Monon TIF 2020-2021

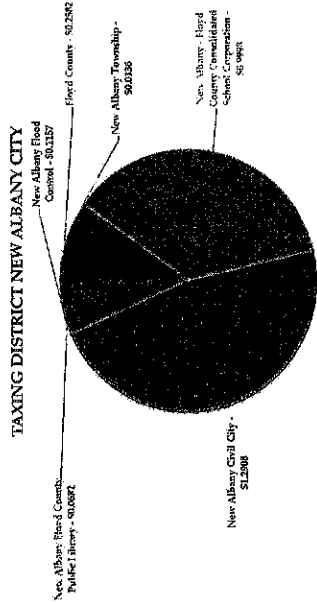
Projects	Estimated Costs
Daisy LN Extension Obligation	\$255,664.25
2020 Total Estimated Project Costs	\$255,664.25
Total Current Cash on Hand	\$370,200.00
Estimated 2020 TIF Settlement	\$420,000.00
2021 Total Projected TIF Balance	\$645,864.25

Loop Island/ Tannery TIF 2019 - 2021

Projects	Estimated Costs
2019 Total Estimated Project Costs	\$0.00
Total Current Cash on Hand	\$9,921.50
Estimated 2019 TIF Settlement	-\$3.00
2019 Total Projected TIF Balance	\$9,921.50

Impacts

Certified Pay 2019 Tax Rates Applicable to the TIF



NOTE: New Albany City Certified Pay 2019 Tax Rate 0.27463

Certified Pay 2019 Tax Rates Applicable to the TIF (con't.)

- TIF District Tax Rates
 - Tax rate is equal to the 0.008 New Albany Taxing District
 - Less: Approved referendum conducted after November 1, 2009, and before May 1, 2010 (retroactive) and for any approved after April 30, 2010. ⁽¹⁾

0.008 New Albany Taxing District
 Less: Approved Referendum
 Less: New Albany
 Leasys County Rebuild
 Corporation - RSR Debt
 Part 05
 TIF Allocation Tax
 \$ 2.7463
 0.0082063
 \$ 2.6700

(1) Source: DCFP Memo dated June 10, 2010 (PCA 917)

Impact on Taxing Units

- Stimulates new development that would not occur "but for" the TIF incentives
- Improved Quality of Life
- Street and Road Improvements
- Increase in jobs contributing to an increase in local income tax
- When the TIF Allocation Areas expire, the NAV will be passed back to the taxing units.

Impact on Taxing Units (con't)

- Projects:
 - Fire House
 - River Run
 - Road Extensions
 - Coye Site Development

