

**Burns Harbor Redevelopment Commission
Minutes of June 10, 2020**

The Redevelopment Commission of the Town of Burns Harbor, Porter County, Indiana met in a regular session on Wednesday, June 10, 2020 in a Microsoft Teams Virtual Meeting. The meeting was called to order by Redevelopment Commission President, Eric Hull at 6:00 p.m.

The Pledge of Allegiance to the American Flag was recited.

Roll Call:

Commissioner Biancardi (Toni).....	Present
Commissioner Bozak (Roseann).....	Present
Commissioner Enslin (Brad)	Present
Commissioner Hull (Eric)	Present
Commissioner Loving (Nick)	Present
Commissioner Stone (Ronald) (non-voting member)....	Present

Additional Officials Present

Attorney-Clay Patton
Burns Harbor Clerk-Treasurer-Jane Jordan
Karnerblue Era-Consultant-Tina Rongers
SEH of Indiana-Glenn Peterson
Recording Secretary-Marge Falbo

Approval of Minutes

Commissioner Loving makes a motion to the approve the May 13, 2020 meeting minutes. Commissioner Bozak seconded the motion. Commissioner Biancardi–Aye, Commissioner Enslin–Aye, Commissioner Loving–Aye, Commissioner Bozak–Aye, Commissioner Hull–Aye.
Motion passed.

Reports

RDC Attorney

None

RDC Engineer

None

RDC Consultant-Karnerblue

Rongers says in terms of Marquette Greenway we have Glenn Peterson here tonight. He will provide us with an update of the Next Level Trails project.

In terms of the Westport PUD, the development team presented to the Plan Commission on Monday, June 8, 2020 and held a Public Hearing. That process went well. The team continues to work on the engineering of the Westport site.

I am continuing to research to identify new grant opportunities that can support some of the Redevelopment Commission's initiatives and perhaps identify other sources of funds that can support critical things in Town such as public safety. I will be providing more detail on that soon. I have been coordinating with the Indiana Arts Commission on trying to modify our grant so that we can repurpose Arts-based programming for the community this summer if possible. They are open to working with us to modify the grant and allow us to use the funds. In addition, there are a couple of inquiries in terms of general economic development within Burns Harbor regarding available sites here in Town.

Duneland School Board Representative

Commissioner Stone says the School Board sent out a survey to our parents on how we're going to reintroduce the kids back to school. Some schools have split schedules and e-learning. Hopefully we may get back to semi-normal once COVID is down.

Commissioner Hull says Duneland Schools communication has been phenomenal compared to some other school districts who have had zero communication with parents because they don't know what's going to happen. Commissioner Stone says they are trying to do it right but unfortunately there will be people that aren't going to be happy and then those that will be happy. It's trying to find that balance of commonsense steps to get our kids back and educated. We will be transparent and tell everyone our plans so everyone knows what our next steps will be. We will not follow other schools. We will do what's best for us. We want to assure everyone that we will provide a safe environment. Our Superintendent is doing a great job. His communications and plans are phenomenal – very well thought out. Our whole team does a great job.

Correspondence

None

Old Business

Marquette Greenway Trail Update

Peterson of SEH of Indiana says Phase III that is State Road 149 over to Portage. We did receive open bids yesterday. We had three bidders on the project. The low bid was \$1,077,500.00 which was well below the grant amount. That was Gariup Construction. All the contractors were pretty much in the same range. I think there was less than \$200,000 between the three, which is good. I think we got a good price and I would make a recommendation that the Town accept those bids and award it to Gariup Construction. I have worked with Gariup Construction and the most recent project I worked with them on was the west parking lot at Washington Park in Michigan City. I haven't had any issues with any of their projects. They are good to work with.

Commissioner Loving makes a motion to accept the bids awarded to Gariup Construction. Commissioner Biancardi seconded the motion. Commissioner Bozak–Aye, Commissioner Biancardi–Aye, Commissioner Enslin–Aye, Commissioner Loving–Aye, Commissioner Hull–Aye.

Peterson says other than the general update on Marquette, the wetlands permits are in and are being reviewed right now. We anticipate having them in the next month and they will be able to start construction some time in July. The other project is the environmental documents which are in review by the National Park Service.

With regards to INDOT we continue to work with the railroad, pipeline and everyone else. Nothing major to speak of as of yet. We will be alright moving forward.

As part of the Next Level Trails, we did commit to doing some benches, bike racks, picnic tables and trash receptacles. I shared with you some options which is something we want to start to think about a little bit more. We want to make sure we get these ordered in time and installed once we at that point of construction. Commissioner Hull says we got one response on that and it was from Commissioner Bozak. We need to do that.

Rongers says that was one of the items I had tonight. Peterson made a recommendation and Commissioner Bozak just commented on that. If that is acceptable then perhaps tonight the Commission can agree to move in that direction and look at assigning it to Streets and Sanitation so they can coordinate with Peterson on the construction schedule and the ordering if that's what you want to do. Commissioner Hull says I'm good with it. Commissioner Bozak says the only concern were the trash receptables. We want something animal proof on the Trail, especially, and there were no options for that. The ones that were an option had openings that were so small. If there were more options...Commissioner Hull says I just read an article about trash receptables at Yellowstone, they had issues because sometimes the bears can get them open easier than humans. That's a definite concern. So, what we need to do to take action...Rongers says we talked about Streets and Sanitation leading that up, they would be the ones to manage that and order things and coordinate with Peterson in terms of the construction schedule. We talked about the Town installing and so forth. Commissioner Hull says we can discuss this at the Town Council.

Peterson says that concludes my report. Commissioner Hull says that is the best news you've brought to us yet. We can start "construction." I like it!

Westport PUD Update

Commissioner Hull says we received last month the Town Hall Community proposal and at that time we elected to sit on it and see what's going on. The Development Team has had some conversations and they need some guidance from us. Basically, we can continue on the path we're on and entertain the development agreement with Holladay to move forward with the Town Community Center. But, the major design factor behind that is it serves as an anchor for the Trail as well as an anchor for the Development. It is very key and important. Holladay has worked with some other communities and provided lease options. They most recently did one with the City of Westfield where they built the Grand Park Event Center and leased it back to the City. They found during that time that they were able to construct for less money and reduced some of the costs because of some of the steps in that process. We have a lot of options here if that's what we decide to do. Initial rough estimates indicate we would save about one half a million dollars in just fees and expenses, attorneys, etc. We really didn't work out any hard numbers (but if we didn't do a bond issuance) there is \$230,000 we would have spent. The initial numbers for a lease payment would be a little less than we looked at as a bond payment and we would have a lot of different avenues to pursue if we wanted to do that. An important part for me was if we're leasing, they would provide an option for as soon as two years we would be able to purchase it or we could run the lease out for a length of time. Let's say for example, just for discussion, we had a 15-year lease and in two years from now we decide we want to purchase it, we could do that. We would have a schedule that would allow us to make those decisions. Before we move forward on this, I want some guidance from you if we should get some real hard numbers and fine details to see if we can do this, or, do we continue on the path we're on. Commissioner Loving says I'm open to exploring any avenue that would reduce costs. Commissioner Hull says we'll get some hard numbers and understand the pros and cons. Commissioner Enslin says, I agree, I would like to see some hard numbers on this.

Duneland School Corporation Agreement

Commissioner Hull says we will table this because we are working some financial details. Clerk-Treasurer Jordan is with us tonight and we look to her for help with the financials on this.

Commissioner Stone says it's going to be crucial to do everything we can. Being a School Board member I'm here to protect the School's interests...*inaudible*.

Commissioner Hull says we will come back to this.

New Business

Appropriations

Commissioner Hull says we have had some conflicting financial information come to us, but Clerk-Treasurer Jordan has put together a report of our financial situation. It gives us everything we need to know including our contracts. It just takes a few minutes of looking that this to know exactly what's going on. Thank you so much. I know Rongers worked hard too in tracking the different grants and making sure they go to the right ones.

Commissioner Biancardi says for quite some time this Board has been helping support the shortfall of the Ambulance service that we provide the Town through our tax abatement revenue. We are at a place again where we need to help supplement payroll. Clerk-Treasurer Jordan was kind enough to help try to come up with what we think is a suggestion that will carry us through the end of the year. Presently there is \$45,393.67 of tax abatement that has been budgeted for the rest of this year. Some of this does include the remainder of the \$50,000 that we did approve in April for the Ambulance payroll. Approximately \$25,000 of that is not spoken for at this point and could be used for the first payroll shortfall and cover the second payroll in June. This is really important because payroll is right now. Beyond that an additional appropriation to cover payroll through the end of the year with tax abatement funds can be used for this purpose. Our tax abatement fund balance as of today is \$184,883.83 and what we appropriated and can spend is that \$45,393.67. There is \$139,490.16 in the bank balance today that we did not appropriate in our budget last year to spend. In order to spend it, we would need to ask the Town Council to apply for an additional appropriation with the State which would require a Public Hearing at its July meeting. Approval for an additional appropriation takes approximately 30-45 days. The Ambulance services does bring in some revenue, but we would have to make up the difference. We will be in the same situation again in July and August because we would be waiting on the approval of the additional appropriation to cover us for that. We could ask the Town

Council to make a resolution that would allow us to borrow money from the Rainy Day Fund with the agreement that once the appropriation is approved we would return the money. If the Board were to follow this plan everything would be in place to make payroll for the Ambulance service. Our Ambulance payroll is approximately \$13,000 per payroll and generally two per month with 13 payrolls remaining in the year from July to December. That is approximately \$169,000. We have the \$139,000 and it looks like we'll still be short, but we do have \$38,000 (*inaudible*) which we could use if needed and has been appropriated so it's available. We are anticipating taxes being paid in August and we could potentially receive up to \$300,000 in tax abatement payments from Arcelor Mittal and PraxAir. (*inaudible*). Commissioner Enslin says it doesn't sound like a good time to stop Ambulance service, but we need to keep in mind as we go down the road with this into 2021 what Capital projects, we are not able to do because we're paying this payroll. The purpose of the RDC is not to pay payroll, it is to improve with Capital projects for the Town to make it more attractive for development. The other cost in this, besides just the money in the account, is what we are not able to do because we don't have the money. The Ambulance service is a very worthy cause but at the same time there are other costs to the Town and to the RDC. Commissioner Biancardi says I believe what we're doing with the tax abatement money currently is a fair use of it. I think it does bring value to the community having the Ambulance service, but I also know and recognize that in the long-term these monies don't last forever. So, as Commissioner Enslin is saying we have to think forward and come up with a plan. Commissioner Hull says I agree, and I don't like to spend it on something that's intangible. Commissioner Enslin says we have subdivisions throughout Burns Harbor with no linkage to the Marquette Greenway Trail. These are projects that we need to do and that have been put on the back burner because we did everything we can do to achieve the Town Community Center. The structural problem is no going to go away and these are exactly the kinds of Capital projects that the RDC is supposed to be spending money on. I'm not criticizing the spending on the Ambulance because I voted for it each and every time but I'm just reminding everyone on the Commission that we have to be thinking about these things and as Commissioner Biancardi said – the TIF money isn't going to last forever. Now is the time to be planning these permanent structural projects which are permanent creations that will last for a generation or more, hopefully and not just the next month. Commissioner Hull says that's a very valid point. The point of the RDC supporting the Ambulance service for me, right now, has been this is an area that has the ability to better the Town not as a permanent thing but a step to get them off in the right direction. For me, the Ambulance is more important to the Town and residents than possibly some other things.

Commissioner Biancardi makes a motion that the RDC request the Town Council to set a Public Hearing to apply for an additional appropriation in the amount of \$139,490.16 for Ambulance Service Payroll and at the same time ask to borrow funds from the Rainy Day Fund in that amount. The \$139,490.16 must be paid back to the RainyDay Fund as soon as the appropriation is received. Commissioner Bozak seconded the motion. Commissioner Loving–Aye, Commissioner Bozak–Aye, Commissioner Biancardi–Aye, Commissioner Enslin Aye, Commissioner Hull–Aye. Motion passed.

Approval of Claims Register

Commissioner Loving makes a motion to approve the Claims Register. Commissioner Bozak seconded the motion. Commissioner Bozak–Aye, Commissioner Biancardi–Aye, Commissioner Enslin–Aye, Enslin–Aye, Commissioner Loving–Aye, Commissioner Hull–Aye. Motion passed.

Approval of Financial Report for the Month of May 2020

Commissioner Biancardi makes a motion to approve the Financial Report for the Month of May 2020. Commissioner Bozak seconded the motion. Commissioner Biancardi–Aye, Commissioner Enslin–Aye, Commissioner Loving–Aye, Commissioner Bozak–Aye, Commissioner Hull–Aye. Motion passed.

Commissioner Hull says thank you Clerk-Treasurer Jordan and Commissioner Biancardi for working on the newly formatted Financial Report. I look forward to your input in helping us with the financial part of it. Clerk-Treasurer Jordan says this report will qualify as your monthly Financial Report. Commissioner Hull says as long as it meets the guidelines and everything we need, I'm good with it.

Good of the Order

Clerk-Treasurer Jordan says in accordance with 36-7-14-39-B-4 the six Overlapping Taxing Units were notified that the RDC will have no excess levy to release to them for the Year 2021. It was uploaded to Gateway as required by law and met the date restriction. The new law that started last year 36-7-25-8 requires you as a Board to invite those overlapping taxing units to one of your meetings some time this year to explain your TIF budget, your long-term plans and how it affects their units as far as taxing those.

Property taxes arrived yesterday. The TIF distribution was \$409,462.68.

You should anticipate receiving tax abatement in the amount of \$100,000 from PraxAir and \$210,500.00 from Arcelor Mittal in August.

The County Auditor did say she would make a second distribution as soon as the July 10, 2020 waiver of fees has lapsed and then they will send us another distribution. They will not wait until Fall.

Commissioner Hull says Clerk Treasurer Jordan was doing some research on some of the invoices and we found a billing discrepancy with one of the contractors relating to a contract expiration date. We're working to get that corrected.

Adjournment

Commissioner Bozak makes a motion to adjourn. Commissioner Loving seconded the motion. Commissioner Loving–Aye, Commissioner Bozak–Aye, Commissioner Biancardi–Aye, Commissioner Enslin–Aye, Commissioner Hull–Aye. Motion passed.

The meeting concluded at 6:55 p.m.

APPROVED on July 8, 2020

REDEVELOPMENT COMMISSION
FOR THE TOWN OF BURNS HARBOR

Eric Hull, President

Brad Enslin, Vice President

Toni Biancardi, Secretary

Roseann Bozak

Nick Loving

ATTEST:

Marge Falbo, Recording Secretary