

TOWN OF PORTER
Redevelopment Commission
303 Franklin Street

June 26, 2012

Meeting was called to order at 6:00 p.m.

Pledge of Allegiance

Present: President Elka Nelson, Vice-President Al Raffin, Greg Stinson, Joe Simanski, Jeannine Virtue, Ron Stone.

Also present: Attorney Laura Frost, Director of Development Mike Barry, Cender Consultant Dan Botich, Global Surveying Consultant Hesham Khalil, and Secretary Karen Spanier.

Consideration of Minutes of Previous Meeting

Al Raffin made the motion to approve the May 22, 2012 minutes, with Greg Stinson making the second. Motion carried 5-0.

Consideration of Claim Docket

Motion to approve the claim docket as submitted was made by Greg Stinson. Jeannine Virtue made the second.

Motion carried 5-0.

Audience Participation

None

Reports

Director of Development Mike Barry gave the following Update Reports:

Brickyard Trail – The construction completion date of 7/22/12 will have to be pushed back due to Land Acquisition Procedures and paving delays on the section that runs through the park.

Brickyard Trail Land Acquisitions – Parcel #1

The property owner rejected the Town's counter-offer to purchase. At this point Mike recommends the RDC hold an Executive Session to discuss their options, including condemnation.

Parcel #2- We made an offer and then received a counter-offer to purchase from property owner, which Mike recommends the RDC accept.

Porter Ave Lift Station – There are two acquisitions on this project also, the owner of Parcel #1 rejected the Town's offer to purchase. Mike suggests also holding an Executive Session to discuss options for this parcel. Parcel #2 we made an offer and the owner had some minor comments, Mike stated he has an upcoming meeting with owner and hopes to resolve these issues.

The Commission then discussed on how to proceed with the Director of Development's recommendation to hold an executive session in regards to land acquisitions. It was agreed to wait until Attorney Sobkowski returned and then set executive session based on everyone's availability and notification requirements.

Motion to approve the offer to purchase on parcel #2 for the Brickyard trail as recommended by Mike was made by Al Raffin.

Greg Stinson made the second.

Motion carried 5-0.

Report from Attorney

Attorney Frost stated that she had a resolution that had to be passed for the County Auditor. This resolution was prepared by Cender and Company concerning how much of your 'over and above' base allocation and how much of your extra excess valuation you need to pay your outstanding debts. This resolution states you need all of it, so there's no extra to be redistributed to other taxing districts. So we would need a motion to pass it and then it must be sent to auditor.

Al Raffin made the motion of resolution number PRC01-2012, contingent to the other members of the commission reviewing and voicing any objections and if no objections are made by Friday, resolution would be approved.

Joe Simanski made the second.

Motion carried 5-0.

Old Business

State Park Road Hydraulic Study Update/Addendum

Hesham Khalil of Global advised that they had completed the wetland delineation study, and it seems that the wetland is right next to the road, at most two to three feet from the edge of the road. It would be very difficult to do any construction without any mitigation. This mitigation would likely be 5 to 1 maybe less but nowhere near 1 to 1 mitigation. What this means is that every acre we disturb we would have to reconstruct five acres of wetland, it would be very difficult and expensive. Any attempts to fix the drainage would have to be done on the road itself, in the right of way; one possibility would be to make the road pervious. On the west side of 49 all the way to Waverly we might have some leeway to use some drainage not in the actual roadway. Another option is to build a new road on a platted but undeveloped right of way "Michigan Ave" about 800 feet south of the current state Park road.

Elka stated that due to the issues just addressed by Hesham Khalil the original \$45,000 bid would need to be amended and increased to \$74,000 for the increased work needed to continue the hydraulic study of State Park Road between 49 and Waverly, and some of the traffic studies. Elka explained that the difference in cost could be made up with funds from the cushion we had from those grants in order to complete this work.

Motion to approve addendum one to the agreement dated April 5th, between Global Land Surveying and the Town of Porter Redevelopment commission was made by Greg Stinson.

Jeannine made the second.

Motion carried 5-0.

New Business

TIF Expansion

Dan Botich from Cender and Company gave a brief overview of a Tax Increment Financing district he advised that Porter has an economic development area this is one of the three types allowed and this area does not require any documentation of blight. The funds realized can only be used for specific purposes revenue bonds, payment on leases or expenses, local public improvements, equipment used or serving in the allocation area, and another little used purpose of training of employees of an industrial area. One area that is specifically prohibited is funds are never to be used for operating expenses. TIF's are now are limited to 25 years. When an area is designated as an economic development area its assessed value is noted on March 1st prior to adoption date. When Porter's current economic development area was first captured it was valued at a 5.3 million base, its current value is now 51 million so this difference is set aside and not figured into the captured assessment approximately 45.6 million dollars is the incremental assessed value. This 45.6 million is subtracted from the net certified assessed value for all the overlapping taxing units.

Porter's most recent assessed value is 214 million dollars; if this 45 million had not been pulled out and set aside its assessed value would be almost 260 million dollars. After figuring the formula the Redevelopment commission would receive between \$1,050,000 & \$1,100,000 from this "captured" amount. This reduction in assessed value does not affect any of the general funds attached to it, Porter or the overlapping units attached to the levy, due to the fact that you will always receive levy. What funds would be affected, Cumulative Development funds or funds that have a "set" rate that does not change. Funds affected in Porter would be the cumulative capital development fund, in this case it would cause it to be reduced by approximately 22 thousand dollars, and no other Porter funds would be affected. It is a pretty good deal; by doing this the town's Redevelopment Commission receives more than a million dollars and only "loses" 22 thousand. Other overlapping governmental units such as County, Airport, Duneland Schools and Libraries that have a set rate cumulative development fund will lose money because those funds are rate sensitive. The rates are "set" so as you get more assessed value you get more money, if you have less assessed value you get less money.

Elka then summarized by saying the Town of Porter gives up twenty-two thousand dollars but receives over a million because of the TIF, and since TIF's are limited to 25 years we need to make sure bonds are paid off within that time frame.

Brickyard Trail Change Order

Change order for guard rail was a zero dollar change order. It's basically an extension to July 22nd 2012.

Motion for extension to adjust time for Brickyard Trail contract to July 22, 2012 was made by Greg Stinson.

Joe Simanski made the second.

Motion carried 5-0.

Downtown Master Plan Survey

The Town is working on a Down Town Master Plan; we are going to put out a survey to the public for their input and are going to put it on the website. Citizens can fill them out and return them to Town Hall. Citizens can complete the survey digitally or use hard copies available at Town Hall for pick up. Elka advised that she would also notify the Chesterton Tribune, and believes that the survey will be ready in approximately seven to fourteen days. Part of the purpose of this project is to define what downtown is, and then after it is defined, determine what plan should be, if any. Elka asked that anyone with questions or ideas email her and give her your input or feedback whatever it might be.

Commission Comments

None

Adjournment

Motion to adjourn was made by Greg Stinson, with Al Raffin making the second.
Meeting Adjourned at 6:47 p.m.

Elka Nelson, President

Albert Raffin, Vice-President

Greg Stinson

Jeannine Virtue

Joseph Simanski

Attest:

Karen Spanier, Secretary