

TOWN OF PORTER
Redevelopment Commission
303 Franklin Street
July 27, 2021

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

Pledge of Allegiance

Present: President Brian Finley, Vice President Tara Duffie, Erik Wagner, Allison Hultman, and David Phillips

Also Present: Attorney Gregg Sobkowski, Director of Development Mike Barry, and Secretary Karen Spanier.

Approval of Minutes

Motion to approve the May 25, 2021 minutes was made by Erik Wagner.

Allison Hultman made the second.

Motion carried 5-0.

Consideration of Claims

Motion to approve the July claims was made by David Phillips, with Tara Duffie making the second.

Motion carried 5-0.

Audience Participation

Jennifer Klug of 200 Franklin Street, stated there has been talk in the media about Duneland School possibly purchasing the Brickyard property.

She said she doesn't believe it would be a good idea due to the contamination on the property and the cost of the clean up to make it a buildable site.

She said the Town purchased the property in 2009 for \$350,000.00 and the property is included in the TIF District. Since the School does not capture any money for the TIF District, she feels the Town should forget about selling the property and give it to Duneland Schools; considering the revenue they lost over the years.

Reports

Director of Development Mike Barry had nothing other than the Agenda item.

Attorney Sobkowski had nothing to report.

Old Business

None

New Business

Business Improvement Grant Program

Director of Development Mike Barry said he received a request from the Springhouse Spa asking if the Town could contribute towards their business. Submitted in the request were a list and quotes of improvements to be made.

The other Business's they own are in other communities that are in an Economic Revitalization Area. This particular property is just in our TIF District.

Barry noted there was a Façade Program through the Duneland Chamber, which was funded by Porter County. However, they have not had any funds and have not offered this program for the last 2-3 years. They also changed the name from Façade Program to Exterior Improvement Grant.

Barry said he believes we are limited as what the RDC can do to help.

Attorney Sobkowski started by saying the RDC cannot just make a direct loan or gift funds to this Business to make the improvements to their property. That is not permitted by Statute.

He continued to say the RDC has two options.

The first being a Bond Issuance, and then loan the Bond proceeds to the developer. However; in this case the cost of improvements that were submitted were too low and the Bond issuance would exceed the amount they were looking for. So this option would be a practical solution.

Sobkowski stated several Redevelopment Commissions have developed Façade or Building/Property Improvement Grant Programs. Option two would be to consider establishing such a program. And if this RDC is interested in this then what needs to be determined is; what kind of projects would be eligible and what would be the maximum grant amount.

This program would not be just specifically for this business, but generically for businesses either in the entire TIF area or some segment of the TIF. It should also contain a restriction on transference, you don't want business fixing up their property and sell it turning a profit on it.

Most of the Communities that have these programs set a time limit, possibly saying they need to continue to own said business for 5 years. And if you fail to do so then you repay the Grant back to the RDC. After 5 years or whatever timeline is set, then the Grant is considered forgiven. It's kind of like a forgivable loan under the grant program.

He said once you determine the parameters of the program, you would need to make an application form and a grant agreement. Something they would sign stating they agree to own and operate said business for the minimum amount of said time. And also consider getting a mortgage backed on the property to secure payment if they sell said property or business before the expiration of time period. And assuming the business stays for full time period that Mortgage would be released.

Allison Hultman asked if we were to set up such a program would it bring any additional revenue to the RDC.

Sobkowski replied it would increase the assessed value but not much of a noticeable difference.

David Phillips asked what would be the goal of this program.

Sobkowski replied to provide Economic Development, either by Business Retention or Business Expansion.

President Finley asked is this something the RDC wishes to pursue.

A brief discussion followed on matching funds, qualifications, restrictions and if funds were available in the Budget.

The general consensus was yes, but more research and discussion needed to take place.

Barry stated he will work on getting something together for the Commission Members.

Commission Comments

Allison Hultman stated she wanted to discuss the article in the Tribune. And get some feedback on opinions pertain to the Brickyard Property.

President Finley said the discussions that were had with Duneland was very limited, and actually there is really not anything to talk about yet. We have not received any proposals from them.

Jennifer Klug asked about Stormwater issues on the contaminated area on the property. Barry replied everything would be piped so there would not be any open ditches. It would drain into the pond.

Adjournment

Erik Wagner made the motion to adjourn, with Tara Duffie making the second. Meeting Adjourned at 6:28 p.m.

Brian Finley, President

Tara Duffie, Vice-President

Erik Wagner, Secretary

Allison Hultman, Member

David Phillips, Member

Attest:

Karen Spanier, Recording Secretary