

**HIGHLAND REDEVELOPMENT COMMISSION
SPECIAL PUBLIC MEETING MINUTES
TUESDAY, NOVEMBER 9, 2021**

The Highland Redevelopment Commission ("Commission", "RC") met in a Special Public Meeting on Tuesday, November 9, 2021 in the Council Chambers of the Municipal Building located at 3333 Ridge Road, Highland, Indiana. President Cy Huerter called the meeting to order at 6:30 p.m. Taking minutes for the meeting was Director Kathy DeGuilio-Fox.

Roll Call: Present on roll call were Redevelopment Commissioners Sean Conley, George Georgeff, Cy Huerter, Bill Leep and Robyn Radford. A quorum was attained.

Officials Present: Town Council Liaison Roger Sheeman and Kathy DeGuilio-Fox, Redevelopment Director were also present.

Additional Officials Present: James D. Shanahan, Partner, Taft Stettinius and Hollister LLP; James Wieser, Esq, Wieser & Wiley LLP.

Guests: None

Minutes of the Previous Meetings: None

Special Orders: None

Public Comment: There were no comments written or spoken.

Communications: None

Unfinished Business and General Orders: None

New Business:

1. **Resolution 2021-30: A Resolution of the Highland Redevelopment Commission Pledging TIF Revenues.** President Cy Huerter called for a motion to adopt Resolution 2021-30. Commissioner George Georgeff moved to adopt Resolution 2021-30. Commissioner Robyn Radford seconded the motion. There being no discussion the motion passed by a roll call vote of five affirmatives and zero negatives.
2. **Approval of a Development Agreement By and Among the Town of Highland, Indiana, the Highland Redevelopment Commission, and S.J. Highland LLC, or an Affiliate Thereof.** President Cy Huerter called for a motion to approve the Development Agreement as submitted. Commissioner George Georgeff moved to approve the Development Agreement and Commissioner Bill Leep seconded the motion. Commissioner Sean Conley asked how the approved bonds will be spent. Attorney James Shanahan responded that the costs are projected to be between \$31.6M and \$34M. There are no proceeds created up front and the developer is buying his own bonds. So, as the developer proceeds with the development he will submit proof of expenditure to the Town and an assigned Trustee. Upon approval of the submitted expenditures reimbursement will be made to the developer up to the \$4M approved. The \$4M bonds will be primarily for infrastructure/horizontal costs and not vertical development. Discussion ensued. There being no

further discussion a roll call vote was taken and approval was determined by a vote of five affirmatives and no negatives.

Action to Pay Accounts Payable Vouchers: None

Business from the Commissioners: None

Next Meeting: The next full Study Session is scheduled to be held on December 14, 2021 at 6:30 p.m. The next Public Meeting will be held on November 23, 2021 and convene immediately following the adjournment of the scheduled study session that evening. The Study Session precedes the public meeting at 6:30 p.m. and reconvenes following the public meeting, if deemed necessary. The next meeting of the Highland Main Street will be Thursday, November 10, 2021 at 6:30 p.m.

Adjournment: There being no further business to consider the Special Meeting of the Highland Redevelopment Commission was adjourned at 6:44 p.m.

Respectfully submitted by Kathy DeGuilio-Fox, Recording Secretary

RESOLUTION No. 2021-30
HIGHLAND REDEVELOPMENT COMMISSION

RESOLUTION OF THE HIGHLAND REDEVELOPMENT
COMMISSION PLEDGING TIF REVENUES

WHEREAS, the Highland Redevelopment Commission (the “Commission”) has previously (i) designated the Highland Commercial Corridors Redevelopment Area (the “Area”) as an economic development area; (ii) approved and adopted the Economic Development Plan for the Area (the “Plan”), and (iii) designated the Area as an allocation area (the “Commercial Corridors Allocation Area”) for the purpose of capturing taxes real property to utilize tax increment financing to implement the Plan for the Area; and

WHEREAS, the Town of Highland, Lake County, Indiana (the “Town”), intends to issue its Taxable Economic Development Revenue Bonds, Series 2021 (Russell Project) (the “Bonds”), pursuant to a Trust Indenture (the “Trust Indenture”), between the Town and a bank to be appointed by the Clerk-Treasurer of the Town of Highland, as Trustee, the proceeds of which will be used for the benefit of S.J. Highland LLC or its designee (the “User”), for the financing of the development of certain real estate owned or to be owned by the User and located in the Area, including but not limited to: (i) the acquisition of real estate and the construction and development of a senior housing project in the Town, (ii) construction of improvements to real estate and related public infrastructure improvements including, but not limited to, streets, sidewalks and sanitary sewers, and (iii) the payment of costs of issuance and other related financing costs as are determined permissible under INDIANA CODE 36-7-11.9, INDIANA CODE 36-7-12 and INDIANA CODE 36-7-14 located in or connected to the Highland Commercial Corridors Redevelopment Area (collectively, the “Project”); and

WHEREAS, in order to finance the Project, the Commission determines that it is in the best interest of the Town and its residents to pledge all real property tax proceeds attributable to the increase in assessed valuation of real property located within the Highland Commercial Corridors Allocation attributable to the Project as of each assessment date in excess of the base assessed value, and deposited in the allocation fund for the Highland Commercial Corridors Allocation Area pursuant to Indiana Code 36-7-14-39 and 36-7-14-39.3 (the “Project TIF Revenues”); and

WHEREAS, the Commission believes that pledging Project TIF Revenues to the payment of the Bonds will help further the accomplishment of the Plan;

NOW, THEREFORE, BE IT RESOLVED BY THE HIGHLAND REDEVELOPMENT COMMISSION THAT:

1. The Commission hereby finds that the pledge of the Project TIF Revenues to the payment of the Bonds, once issued, to finance the Project will help accomplish the Plan for the Area and will promote the economic development of the Town and the Area.
2. Pursuant to the applicable provisions of Indiana Code 36-7-14-39(b)(3)(D) and Indiana Code 5-1-14-4, the Commission hereby irrevocably pledges the Project TIF Revenues to

the payment of the Bonds, if and when issued, for a term of years not less than the term of the Bonds as provided in the Trust Indenture. There are no prior liens, encumbrances or other restrictions on the Commission's ability to pledge the TIF Revenues.

3. On each date which is at least fifteen days prior to any Interest Payment Date (as defined in the Trust Indenture), beginning on the date that is fifteen days prior to the initial Interest Payment Date, a sufficient amount of Project TIF Revenues shall be transferred to the Trustee for the Bonds for deposit into the funds and accounts and application in accordance with the Trust Indenture.

4. The Commission reserves the right to enter into other obligations or leases payable from Project TIF Revenues, in whole or in part, and to pledge the Project TIF Revenues on a parity with the pledge of Project TIF Revenues to the Bonds to be issued for the Project for the purpose of raising money for future local public improvements located in, or physically connected to, the Highland Commercial Corridors Allocation Area (the "Parity Obligations"). The authorization and issuance of such Parity Obligations shall be subject to the following conditions precedent:

(a) All interest and principal payments due under the Bonds and any Parity Obligations payable from the Project TIF Revenues shall be current to date in accordance with the terms thereof, with no payment in arrears.

(b) For Parity Obligations payable from Project TIF Revenues without a special benefits tax levy under INDIANA CODE 36-7-14-27 authorized to pay such Parity Obligations, the Commission shall have received a certificate prepared by an independent, qualified accountant (the "Certifier") certifying the amount of the Project TIF Revenues estimated to be received in each succeeding year, adjusted as provided below, which estimated amount shall be at least equal to one hundred fifty percent (125%) of the lease rental and debt service requirements with respect to the then outstanding Bonds and the proposed Parity Obligations for each respective year during the term of the then outstanding Bonds. In estimating the Project TIF Revenues to be received in any future year, the Certifier shall base the calculation on assessed valuation actually assessed or estimated to be assessed as of the assessment date immediately preceding the issuance of the Parity Obligations; provided, however, the Certifier shall adjust such assessed values for the current and future reductions of real and depreciable personal property tax abatements granted to property owners in the Highland Commercial Corridors Allocation Area.

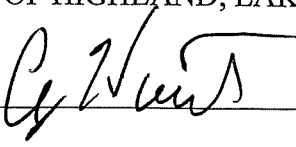
(c) Principal of and interest or lease rentals on any Parity Obligations or junior obligations shall be payable semiannually on the same dates as the Bonds.

5. So long as any of the Bonds are outstanding, no additional bonds or other obligations payable from Project TIF Revenues shall be authorized, executed or issued by the Town or the Commission, unless all the Bonds are redeemed and retired coincidentally with the delivery of such additional bonds or other obligations, or, funds sufficient to effect such redemption are available and set aside in accordance with the Trust Indenture for that purpose at the time of issuance of such additional bonds or other obligations.

6. This resolution shall be effective upon passage.


ADOPTED AND APPROVED at a meeting of the Highland Redevelopment Commission of the Town of Highland, Lake County, Indiana, held on the **9th day of November, 2021** having passed by a vote of 5 in favor and 0 opposed.

HIGHLAND REDEVELOPMENT COMMISSION
TOWN OF HIGHLAND, LAKE COUNTY, INDIANA



Cy President, President

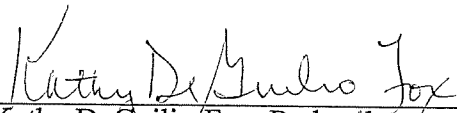
ATTEST:



Bill Leep, Secretary

Nov 9, 2021

Date



Kathy DeGuilio-Fox, Redevelopment Director
Town of Highland Department of Redevelopment

November 9, 2021

Date

**HIGHLAND REDEVELOPMENT COMMISSION
STUDY SESSION MINUTES
TUESDAY, NOVEMBER 9, 2021**

The Highland Redevelopment Commission (“RC”, “Commission”) met in person at Town Hall on Tuesday, November 9, 2021. The Study Session was called to order at 6:46 p.m. by Commission President Cy Huerter.

Minutes were prepared by Kathy DeGuilio-Fox, Redevelopment Director and Recording Secretary.

Roll Call: Commissioners Sean Conley, George Georgeff, Bill Leep, Robyn Radford, and Cyril Huerter were present in person at Town Hall. A quorum was established.

Additional Officials Present: Roger Sheeman, Council Liaison to the Redevelopment Commission and Kathy DeGuilio-Fox, Redevelopment Director were present in person.

General Substance of the Discussion

1. **Disposition of 2815 Jewett – Report:** Director DeGuilio-Fox advised that the Notice of Request for Proposals had been sent to the TIMES and that the first advertising of the notice was on Monday, November 1, 2021. The second advertisement is scheduled for Wednesday, November 10, 2021. Ms. DeGuilio-Fox reported she had also alerted several parties who had expressed interest in the property including Rhonda Bloch, SIP Coffee House; two individuals notified through realtor Bill Loy, McColly Real Estate; and the Zorn Group notified through broker Mike Borowiec, McColly Real Estate. She reminded the commissioners that proposals are due to be submitted to the Redevelopment office no later than 4:00 p.m. on Tuesday, November 23, 2021. If any proposals are submitted they will be presented to the commissioners to be opened during their regularly scheduled public meeting on Tuesday, November 23, 2021 at 6:30 p.m.
2. **Disposition of 2821 Jewett – Report:** Director DeGuilio-Fox advised that the buyer has accepted the credit offered by the Redevelopment Commission and that the title documents have been received. Closing is contingent upon BZA approvals and will be performed once the Zorn Group has received all necessary approvals. Ms. DeGuilio-Fox reported she has not been advised that the Zorn Group has petitioned the Plan Commission or BZA to appear, but expects they will do that now that the Redevelopments counter to the inspection offer has been accepted.
3. **Bult Oil Property – Update:** Director DeGuilio-Fox advised she has not heard back from Attorney Reed. He was to contact the attorney for the buyer, Nathan Vis. She reminded Commissioners that attorney Vis had called her and was unhappy with the next steps his client was required to follow. Ms. DeGuilio-Fox has not heard back from attorney Reed and will make a follow-up call to him. She also reported that to date she has not received a development plan nor a timeline from the Eriks, both required as agreed on by both parties through the purchase agreement. Currently, the sale and project is at a stand-still.
4. **8436 Kennedy Avenue – Update:** Ms. DeGuilio-Fox advised she has not yet received title work as ordered by attorney Reed and as far as see is aware the property remains on the market. She

advised that she reached out to the owners of the CITGO station at the corner of Kennedy and Highway as instructed, however, the owners have not responded.

5. **Downtown Marketing Brochure – Update:** Ms. DeGuilio-Fox reminded the Commissioners that an estimate had been received. However, because the Commission did not have a budget line item that would accommodate the cost, Clerk-Treasurer Griffin had suggested an additional appropriation be requested. The additional appropriation request went to the Town Council for approval and it was denied. Certain members of the Council do not believe that a printed brochure is a good idea nor an appropriate use of funds. She reported that at the recent Council meeting Monday evening members asked her questions about the brochure and had given reasons why they thought it was not a worthy expenditure. She explained that she had responded to them that the Main Street Bureau and Redevelopment Commission both felt it was a good use of funds. She further commented that she had expressed her expectation to the Council that the additional appropriation would be denied and therefore she had looked for another source from which to fund the brochure. She added that the hard copy brochure is not the only component of the project and includes an electronic/digital version. Liaison Sheeman elaborated on the council comments and their issues with the project and commented further that Councilman Schocke has expressed his dislike of Ms. DeGuilio-Fox which is why Councilman Sheeman believes he does not support the project. The Commissioners agreed that there is still a place for a brochure such as what is proposed. Ms. DeGuilio-Fox has found the funds and the cost will be under \$15,000.00 which she may approve. Discussion ensued.
6. **EV Chargers – Update:** Ms. DeGuilio-Fox advised that installation of the EV chargers will be completed by the end of the week of November 8th. Once installation is complete software training will be scheduled for the IT Director and members of the Clerk-Treasurers office. Brief discussion ensued. Ms. DeGuilio-Fox included comments about requesting signage for the charger stalls as well as a stencil for each of the EV charging station parking places.
7. **2907 Jewett – Update:** Ms. DeGuilio-Fox reported that the Construction Design Release had been received for the Commercial Property Improvement project at 2907 Jewett Street and that Mr. Belmonte will now be able to move forward. Discussion ensued.
8. **2022 Redevelopment Commission Appointments:** Ms. DeGuilio-Fox advised that if any of the commissioners would like to serve again next year they should send a brief note to Michael Griffin and he will advise Councilman Sheeman. Those appointments will be made next year. Councilman Sheeman commented as to what he believes the process will be next year.
9. **Redevelopment Commission Comments:** Commissioner Leep asked that Ms. DeGuilio-Fox add a brief description to a property address that has been added to the agenda as a discussion item in the future. She apologized and explained that she uses addresses as her point of reference due to her familiarity with all of the properties in the downtown. Commissioner Conley asked if anyone knows what is happening to the property at the corner of Duluth and Kennedy. No one was familiar although discussion ensued. Liaison Sheeman polled the Commissioners as to their opinion in regard to the tattoo studio that requested approval to locate on Condit Street and whether they approve or not of this business type. All of them stated they would support the tattoo studio. Brief discussion ensued. Ms. DeGuilio-Fox advised that the BZA had given an

unfavorable opinion and that the project will now go to the Council. Comments were provided by the commissioners.

There being no further discussion the Redevelopment Commission study session was adjourned at 7:45 p.m.

Respectfully submitted by Kathy DeGuilio-Fox, Recording Secretary.