

# PLYMOUTH REDEVELOPMENT COMMISSION

June 15, 2021

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The Plymouth Redevelopment Commission met in regular session at 124 North Michigan Street, Plymouth, Indiana on June 15, 2021 at 5:30 p.m.

President Mike Miley called the meeting to order for Commissioners Billy Ellinger, Nancy Felde, Melissa Christiansen and Dr. Tom Pedavoli who were present at the meeting. Other attendees included City Attorney Sean Surrisi, Mayor Mark Senter, City Engineer Rick Gaul, Utility Superintendent Donnic Davidson and Clerk-Treasurer Jeanine Xaver. Commissioner Craig Hopple was absent. The public was able to see and hear the meeting through Microsoft Teams.

Commissioners Felde and Ellinger moved and seconded to approve the minutes of the last Regular Session meeting and the Executive Session meeting, both of May 18, 2021 as presented. The motion carried.

## TIF #3: U.S. 30 / Pine Road Economic Development Area **Aquatics Center Update – TIF Pledge Resolution**

City Attorney Surrisi stated that this TIF Pledge Resolution was working toward refinancing two of the bonds associated with the Aquatics Center. The refinancing of the bonds would combine the two existing bonds into one bond payable from TIF #3. This would also reduce the interest rate on the bonds to 3.5% which would be a fixed rate over the entire life of the bond. At the current time, the Aquatics Center has leases with the City of Plymouth, Ancilla College and Plymouth Community School Corporation that pay the series B Bonds. With the refinancing this would no longer be needed, and would free up approximately \$212,000 a year to operate the facility. At the Common Council meeting the night previous, the city council passed an ordinance which would permit the Redevelopment Commission to proceed with the refinancing. The next step would be to pass the TIF Pledge Resolution which pledges funds from TIF #3 toward the payments for the new bond.

Lisa Lee, of Ice Miller LLC, was present to talk about the refinancing of the Aquatics Center Bonds and answer the questions of the commission. She added the two biggest gains would be reducing the interest rate from a 4.7% - 6.5% variable rate to the 3.5% fixed interest rate. This in turn would free up a portion of the lease payments for the annual operating costs of the Aquatics Center. This would also be shortening the term of the Series B bonds from 2043 down to 2035. This would in turn create a savings of funds over the life of the TIF District. She added that about half of the current debt service fund would go to funding the new debt service fund for the 2021 bonds, while the remainder would go to paying the interest on the refunding and cost of issuance. The new debt service fund would then be built up over the next few years. If the debt service funds were not used, those funds would go toward the final bond payment. She stated that this was a very straight forward TIF Pledge Resolution. The principal amount for the bonds would be \$4,909,291.00 from TIF #3.

Ellinger asked if Surrisi was sure that the group running the Aquatics Center would be going not-for-profit. Surrisi stated that We Love Swimming Inc., which would be assuming the role of the operator, would go not-for-profit at some point in August. They had submitted the 501C form to the IRS, and when they get the tax-exempt status, they would be looking for people from the community to form a board to act as leadership for the facility. There was already a good core of day-to-day staff, but they would like to hire someone to assume the roles that Leanne Senter and he have been playing.

Ellinger voiced his concern that he did not want the city to keep throwing money at this if it may not be fully possible to keep it running long term. He stated that he would feel much better if the steps that Surrisi had just mentioned were already in place, rather than just being in progress at this point. He stated that he just wanted to make sure that the facility had enough community support to be successful, as he would like the tax payer's money to be invested wisely. Surrisi stated that he believes that the facility is in a good

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place. He said they had just created a proposed budget for the new operating company which included the funds that were expected to be freed up by the refinancing of the bonds and an additional commitment from the school corporation. The final documents for this commitment were expected to be completed at some point in the week. This would then be considered at the meeting in July. This in turn would make the budget have a realistic number for income and private fundraising each month to operate. He believes that the path going forward is a very sustainable path.

Lee added that they were asking for the Redevelopment Commission to refinance the existing Series A and Series B bonds, which she stated would create an overall savings for the aquatics center. This would also be a necessary step in order for the Aquatics Center as it will free up funds that they've been using for the Series B bond payment, allowing them to instead use that money for the operations and finding the correct not-for-profits to help sustain the facility.

Ellinger asked if there was any risk to them if this were to fall through. Surrisi stated that this would take away part of that risk.

Currently the City of Plymouth pays the Series A bonds with TIF tax revenue. The aquatics center pays the Series B bonds with their income from the leases with the city, Ancilla and school corporation; with the city funding the debt service should the Aquatics Center not make the Series B payments. With the new bonds, the Series A and B bonds are being combined, and the Redevelopment Commission is paying the entire bond payment with TIF tax revenue.

Ellinger asked what the status of the possible hotel over by the Aquatics Center. Surrisi stated that he and Laura Walls had a meeting with the developer recently. The project was at a standstill, mainly due to the hospitality environment. The developer was still very encouraged about the project, and had a very sizeable deposit that was the put for the area. At this point they were waiting to see things rebound in this industry before making the investment.

Miley asked how much private money/contributions/donations had gone to the Aquatics Center so far. Surrisi stated that around \$300,000 was raised during the fundraising campaign. Miley asked if this included the naming rights for the pool. Surrisi confirmed this.

Miley asked about the certification requirement on the second page of the proposed Resolution. Surrisi stated that he believes that this would be for future projects. He stated that this would mean that if the Commission wanted to take on future debt, they would need Baker Tilly to certify that they would have enough coverage for that debt and previous bond obligations.

Miley asked if they would need to make any adjustments to the project list due to the different way of funding. Surrisi stated that they would not need to make any adjustments to the project list.

Clerk-Treasurer Xaver asked if there were any requirements for a public hearing for this. Lee stated that there was not a requirement for a public hearing for the refinancing of bonds.

Ellinger voiced his concern about how this may set a precedent. He was afraid that this may make it look like the commission was favoring the Aquatics Center over other projects that they have. Surrisi stated that he did not believe that this would create those problems, as this project was a public use facility even though it was structured as a private facility to access other funding.

Surrisi said that he, the mayor, Andy Hartley, Councilman Ecker and Councilman Listenberger had a conversation with the chancellor of Ancilla. Even though Ancilla will no longer be continuing with their

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swim program since they were married with Marian University starting July 1<sup>st</sup>, they still see potential with the facility and hope to use it in other ways.

Felde asked who owned the land where the hotel would be placed. Surrisi stated that there were two lots out there that she could be talking about. One is owned by MCEDC and the other piece of land of which would be an option for the hotel is owned by the VanVectors.

Felde asked if MCEDC wanted to be free of the burden of that property would the new not-for-profit need to purchase that property. Surrisi stated that he believes that MCEDC would rather market it for other commercial uses, and that the new not-for-profit of the Aquatics Center would not need to purchase it.

Commissioners Felde and Pedavoli moved and seconded to approve Resolution No. 2021-955, A Resolution of the Plymouth Redevelopment Commission Pledging Tax Increment. The motion carried.

## TIF #1: U.S. 30 / Oak Road Economic Development Area

### **Update on the Hoham Drive Reconstruction Project**

City Engineer Rick Gaul updated the commission members on the Hoham Drive project. Gaul stated they were still working on the Right of Way acquisitions.

### **Update on the Pioneer Drive Reconstruction Project**

City Engineer Rick Gaul updated the commission members on the Pioneer Drive project. Gaul stated that the project was completed and the closeout documentation was sent to INDOT at the last meeting. This had since been approved. This would be the last update for this project. The total cost of the project came in about \$36,000 under the budget for the project.

TIF #2: East Jefferson / Central Business Economic Development Area – Nothing at this time

## TIF #3: U.S. 30 / Pine Road Economic Development Area

### **Manufacturing Center Update**

City Attorney Surrisi updated the council on the Manufacturing Center Project. He said that the project was moving along. They anticipated to have the shell done by the end of July. There had also been continued discussion with the prospective buyer. They were moving toward the creation of a purchase agreement.

Ellinger asked if there was a timeline on the project yet. Surrisi stated that Greg Hildebrand and Laura Walls had been keeping an eye on the project. He believes that so far, they seem to be on schedule other than losing a month due to a subcontractor having ordered the wrong trusses.

TIF #4: South Gateway / Western Downtown Economic Development Area– Nothing at this time

TIF #5: Western Avenue Economic Development Area – Nothing at this time

## TIF #6: Plymouth/Goshen Trail Economic Development Area

### **Update on Centennial Crossings**

City Attorney Surrisi gave an update on the Centennial Crossings Project. He stated that the project was moving along. They hope to be paving the streets soon and renting out properties soon after that.

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## Annual Presentation of Overlapping Taxing Units

City Attorney Surrisi presented information to the members and representatives of overlapping taxing units as required annually by state law. Surrisi outlined each TIF district in Plymouth, their history, and some potential plans for the future. He also discussed the Stellar Communities Projects progress so far, and the future plans for other projects under this grant.

Surrisi noted that the Redevelopment Commission had transferred \$500,000 into a separate fund for River Park Square Phase 2. This explains the decreased cash balance in TIF 2 from the previous year.

Ellinger asked if there were any plans for the old rail-road station over by Garro Street. Surrisi stated that when they originally made the Comprehensive Plan there were some ideas for it. At the time he and the mayor took a tour of it. Since that time the interior had been extensively vandalized. There have not been any plans for the building yet.

## Other Business:

There was no other business.

## Approval of Redevelopment Invoices

Commissioners Ellinger and Pedavoli moved and seconded to approve of the following Redevelopment Invoices:

- Transfer of \$27,500 cash to the Water Bond and Interest Fund for the semi-annual bond commitment for the 2015 Water Works Bonds to be paid from TIF 1
- April Progress Payment to Lochmueller Group in the amount of \$1,985.00 for the Hoham Drive Project Right of Way Services to be paid from the Hoham Drive Grant Fund.
- April Progress Payment to Lochmueller Group in the amount of \$1,265.76 for the Hoham Drive Project Professional Services to be paid from the Hoham Drive Grant Fund.

The motion carried.


The following communications were provided to the Commissioners:

- 1993 TIF Trial Balance – May 2021 (TIF #1: U.S. 30 / Oak Road Economic Development Area)
- 2000 TIF Trial Balance – May 2021 (TIF #2: East Jefferson / Central Business EDA)
- 2005 TIF Trial Balance – May 2021 (TIF #3: U.S. 30 / Pine Road Economic Development Area)
- 2006 TIF Trial Balance – May 2021 (TIF #4 South Gateway / Western Downtown EDA)

Commissioners Felde and Ellinger moved and seconded to accept the communications as presented. The motion carried.

## Other Business

The next meeting is scheduled for July, 20, 2021 at 5:30 p.m. There being no further business to discuss the meeting was declared adjourned at 6:14 p.m. after a motion and second by Commissioners Ellinger and Felde. The motion carried.

  
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Jeanine M Xaver, IAMC, CMC, CPFIM  
Clerk-Treasurer