

Summary of Minutes

ECONOMIC DEVELOPMENT COMMISSION (EDC) MEETING HELD ON FRIDAY, DECEMBER 21, 2012 AT 12:00 PM IN THE HOOKER CONFERENCE ROOM OF CITY HALL AT SHOWERS, 401 NORTH MORTON STREET, BLOOMINGTON, INDIANA

Call to Order

The meeting was called to order by Kurt Zorn at 12:03pm.

Roll Call

Economic Development Commission Members present: Kurt Zorn, Malcolm Webb, Darryl Neher.

Staff present: Danise Alano-Martin, Economic and Sustainable Development Director; Susan Failey, Assistant City Attorney; Regina Moore, City Clerk.

Petitioner Representatives Present: Bob Richhart, Matt Mabrey, Harold Gutzwiller, Hoosier Energy; Dan Neubecker

Public Present: Ron Walker, Dana Palazzo, Bloomington Economic Dev. Corp.

Approval of Summary of Meeting Minutes

Kurt Zorn moved to approve the June 8, 2012 EDC minutes. The commission members unanimously approved the summary.

Staff Report

Danise Alano-Martin briefed the EDC members on the financial status of all BIIF loans. The Cha-Cha loan continues to be behind on payments and communications with the business continue to be weak. Zorn requested that city staff return with a collections recommendation at the next EDC meeting.

Alano-Martin discussed the status of the Woolery Mill project and tax abatement. In November, Kurt Zorn and Alano-Martin met with the property owner and representatives about their tax abatement documentation and the project timeline. Kurt Zorn was encouraged by the progress being made related to the information request by the City.

New Business

Resolution 12-02 to Recommend an Economic Revitalization Area & Term of Tax Abatement: Hoosier Energy

Danise Alano-Martin introduced the headquarter office project proposed by Hoosier Energy co-op company, its financial and employee status, how it has outgrown its current location, and recommended a 10-year tax abatement in the proposed Tapp Road TIF district location. She outlined the job creation and capital investment numbers as well as

the manner in which the company meets evaluative criteria related to the City's Tax Abatement General Standards.

Bob Richhart, Hoosier Energy, discussed the proposed project and provided pictures of the site, architecture and landscape. Richhart presented the company's investments, capacity, growth projections, sustainable environmental efforts, anticipated energy savings and LEED certification, and career development opportunities. Richhart said the company has hopes to move into the new facility by December 2014.

Malcolm Webb asked about the site and building structures. Richhart estimated a 20- to 50-year usage period of the initial structure. EDC members briefly talked about the site, buffer zone and parking lot.

Darryl Neher asked about the company's site selection process. Richhart and Dan Neubecker explained how the company extensively searched across 10 counties in Indiana and Illinois, and reviewed over 60 sites for a new headquarters.

Neher asked about the impact of the I-69 project and similar infrastructure improvements. Neubecker stated the roads are in fine shape and the only physical improvements necessary would be sidewalks. Neher asked if I-69 would adversely impact the company's ability to use the property; Richhart responded no.

Kurt Zorn asked about the company's coal reliance and the greater shift away from coal. Richhart discussed the company's Merom facility having the best-available coal technology; he added the company – using about 60% coal and 35% natural gas now – is reducing its dependence on coal all the time with a goal to increase energy production from renewable sources from 2% to 5%.

Malcolm Webb asked what positive and negative factors led the company to the Tapp Road site. Richhart discussed Bloomington's attractiveness, its centrality and access to the highway system, and the ease individuals and employees would have travelling across Indiana.

Darryl Neher asked about any undeveloped property that would not be developed on the site. Richhart said some portion of the site has been identified for expansion and the time horizon for improvements and expansion is 15 to 20 years based upon the company's current growth rate.

Malcolm Webb disclosed his brother Charlie Webb owns CallNet, a company that services many rural energy cooperatives and provides after-hours answering services; Webb disclosed he had no conflicts of interest.

Malcolm Webb moved approval of Resolution 12-02; Darryl Neher seconded; the motion was unanimously approved.

Malcolm Webb recommended a book chapter in a Lyndon Johnson biography on rural energy cooperatives legislation and the issues of life without electricity.

Adjournment

With no further business, Malcolm Webb motioned to adjourn; Neher seconded. The meeting ended at 12:42pm.