

## *Summary of Minutes*

**ECONOMIC DEVELOPMENT COMMISSION (EDC) MEETING HELD ON FRIDAY, July 26, 2013 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 12:06pm.

### **Roll Call**

*Economic Development Commission Members present:* Kurt Zorn, Malcom Webb, Vanessa McClary.

*Staff present:* Danise Alano-Martin, Economic and Sustainable Development Director; Jason Carnes, Economic and Sustainable Development Assistant Director; Greg Small, City Legal Dept.; Susan Failey, City Legal Dept.

*Public present:* Randy and Mae Cassady

### **Approval of Summary of Meeting Minutes**

Kurt Zorn moved to approve the June 6, 2013 EDC minutes. The commission members unanimously approved the summary.

### **Staff Report**

#### **BIIF Financial Report**

Jason Carnes reported that all BIIF loans are current and up-to-date with the exception of LED Source.

Kurt Zorn asked for update about the status of Cha Cha's loan. Danise Alano-Martin explained that Cha Cha filed bankruptcy so they have no assets for the City to pursue.

Danise Alano-Martin mentioned that LED Source is closing its business and plans on selling off property to pay the balance of their BIIF loan. Kurt Zorn supports the City's efforts to assist LED Source. EDC members voted unanimously to support staff's plans to resolve this issue.

Danise Alano-Martin handed out a draft calendar for the EDC's 2014 meetings

Danise Alano-Martin reminded EDC members about an invite from the RDC (Redevelopment Commission) to attend training on tax abatements.

## **New Business**

### **Resolution 13-01 Recommending Amendment to ERA Designation for Woolery Stone Mill & Resolution 13-02 Recommending Amendment to EDTA Designation for Woolery Stone Mill**

Danise Alano-Martin gave the EDC a reminder of the history of the Woolery Stone Mill tax abatement.

Staff is suggesting an Amendment to the ERA and EDTA expiration dates. Instead of rescission, staff proposes an expiration date of December 31, 2018 for the Economic Revitalization Area (ERA) designation and the Economic Development Target Area (EDTA) designation. If the proposed project is commenced before the five years (approximately) has expired and Woolery Ventures files the required Form 322/RE timely, then the project will still be eligible for the 10-year abatement that was recommended by the EDC in 2003 and approved by the City Council in 2004. If not, then the eligibility for abatement also expires.

Susan Failey added that these EDC recommendations are recommendations for City Council Approval. Susan also said it is important to fully understand the scope of the project and that it must match the original abatement and the Statement of Benefits.

Kurt Zorn asked if we needed to amend the Statement of Benefits. Danise Alano-Martin will look into that.

Vanessa McClary asked the motion to accept staff recommendation be moved and seconded for the purpose of discussion. Kurt Zorn agreed and Vanessa McClary moved to approve both amendments as staff presented them, Kurt Zorn seconded.

Randy Cassady was asked to speak to this issue. Randy gave some history on how he purchased the property and his vision for it.

Danise Alano-Martin explained that the Cassady Electric home office is not part of this tax abatement.

Kurt Zorn explained to the Cassady's that his intent with these resolutions is to show that the EDC and staff still believe in the value of this project and believe that this 5 year extension will help get the project started.

Vanessa McClary asked if there was a way to measure (if necessary) the completeness of the project. Susan Failey read from the resolution and explained that work is considered started when a work permit is pulled from the County Building Department.

Malcom Webb asked if it was necessary to have a tax abatement deadline. Kurt Zorn said he feels as if the deadline is an incentive to completing a given project in a timely fashion.

Randy Cassady spoke to some of the public infrastructure he has done on the site, including sewer and water.

Kurt Zorn again explained to the Cassady's that his intent with these resolutions is to show that the EDC and staff still believe in the value of this project and believe that this 5 year extension will help get the project started.

Randy and Mae Cassady asked if there were any other grants/loans the City could offer to help this project. Danise Alano-Martin said she'd be happy talk about those options at a future meeting.

Randy Cassady explained that he volunteered to have the property annexed into the City, and he has applied for a national historic designation.

Vanessa McClary said that she has learned a lot new information about this project and this process at today's meeting.

Malcom Webb reiterates that he's not sure why a tax abatement would need to have a timeline.

Susan Failey explained that currently City's tax abatements, the applicant agrees to start an approved project in 12 months because we want an expectation of consistency. The tax abatement doesn't start until the County Assessor appraises the improvements on the property and the property owner files another form indicating that the investment has begun.

Kurt Zorn said he feels that as a member of the EDC it's his duty to make sure we are following and applying the economic development statue correctly at the local level. Also, tax abatements are incentives that are available due to State law. Many people out there do not like tax abatements. So it's important that when the City offers a tax abatement that the public benefit is clear and timely.

The resolutions were voted on and passed 2-1. Vanessa McClary and Kurt Zorn – Yes; Malcom Webb - No

### **Old Business**

None

### **Adjournment**

Meeting adjourned at 1:10 pm