

Economic Development Commission

Board Meeting Minutes

Friday, June 9th, 2023 at 1:00 PM

Kurt Zorn called the meeting to order at 1:05 p.m.

I. ROLL CALL: Vanessa McClary, Matt Flarhety, Malcolm Webb, Kurt Zorn, Geoff McKim

ABSENT: NONE

STAFF: Alex Crowley ESD, De de la Rosa, Larry Allen,

PUBLIC: Stephan Lucas, Council/Administrator Attorney, Clark Greiner- BEDC Business Development Director, Liza Rivas, ESD intern.

II. APPROVAL OF MINUTES: Oct 2022, Jun 2022, Feb 2022, Jan 2022, Dec 2021

*** Motion to approve Oct 2022, Jun 2022, Feb 2022, Jan 2022, and Dec 2021 minutes by Geoff McKim. Seconded by Vanessa McClary. The board unanimously approved all outstanding minutes.

III. OLD BUSINESS: NONE

IV. NEW BUSINESS:

- Election of Officers
 - Kurt Zorn- President
 - Jeff McKim- Vice President
 - Malcomn Webb- Secretary
 - Vanessa McCleary
 - Matt Flergerty

***Motion to approve the same slate of officers by Vanessa McClary. Seconded by Geoff McKim. The board unanimously approved the minutes.

- Annual EDC Activity and Tax Abatement Compliance Report
 - For the first time, the City has hired a third party contractor, Stone Municipal Group to review the city's tax abatements to make sure they are accurately serving their purpose. The city presented their findings to the comisioners
 - Residential- Southern Knoll / Milestone Ventures
 - Staff Recommendation: Compliant with tax abatement commitments.
 - Residential- Union at Crescent
 - Staff Recommendation: Compliant with tax abatement

- commitments.
- Comment:
 - Assessed value was surprisingly high. Unfortunately due to staffing issues, the county cannot provide assessed value assessments. In the future, ESD will try to develop better standards for determining assessed value of properties for abatements.
- Residential- Urban Station
 - Staff Recommendation: Did not file a 2023 Pay 2024 CF-1. No Recommendation at this time.
 - Comment: ESD cannot determine compliance at this moment because Urban Station has not filed a CF1. The process for Urban Station will be to appeal to the City Council and appeal the original decision. City Council will have to issue Urban Station a notice and then hold a hearing to determine their compliance.
- Commercial- The Foundry
 - Staff Recommendation: Compliant with tax abatement commitments.
 - Comment: There appears to be some units/ parcels that are being filed for the abatement that should not be filed. ESD will be working with the County to ensure that the abatements are applied directly to only the intended areas. This will not change the current compliant status of The Foundry as ESD believes they are compliant.
- Commercial- Hoosier Energy
 - Staff Recommendation: Compliant with tax abatement commitments.
 - Comment: Hoosier Energy filed their abatement much earlier than the due date. This abatement has already been approved by the City Council.
- Commercial- Woolery Mill Ventures, LLC
 - Staff Recommendation: Compliant with tax abatement commitments.
- Commercial- Catalent Indiana, LLC (Formerly Cook Pharmica)
 - Staff Recommendation: Compliant with tax abatement commitments.
 - Comment: The CF-1 did not provide a cost update so ESD could not determine the current CF-1 compliance. While there is no question that Catalent has made significant capital investments, the data presented to the EDC was not clear. The EDC found a discrepancy in the SB-1 and ESD will make the correction after the meeting. It is possible there was a revision at the time of the approval that was not captured in the data presented at this meeting.
 - Catalent has had two significant layoffs in the last 7-8 months. They had an inefficiency as they hired during the pandemic because they had an elevated head count due to rampant needs. Catalent believes

a stabilized employment count for their organization is 2600 which is what they currently have employed. In order to comply with the abatement they need to add another 1000 jobs by 2026. It is currently unknown if they will be able to comply. They are currently not filing a CF-1 because so they do not trigger the beginning of a tax abatement because they are not compliant and could be susceptible to a clawback. The City could end their tax abatement but it would eliminate the possibility of Catalent meeting their commitments by 2026. **ESD recommends no action at this time.**

- Pending (Residential)- Real America, LLC
 - Staff Recommendation: N/A
 - Comment: Real America has not filed and triggered their abatement. They are still under construction because of delays due to it being a former Limestone dumping ground.

*Motion to approve the Annual EDC Activity and Tax Abatement Compliance Report with the flexibility to make corrections by Malcolm Webb. Seconded by Vanessa McClary. The board unanimously approved the motion.

V. FOR THE GOOD OF THE ORDER:

- NONE

There is no new business for July.

The meeting adjourned at 2:22 p.m.