



MADISON *Indiana*

Madison Redevelopment Commission Minutes

MEETING DATE: August 13, 2024 at 3:00 PM

MEETING PLACE: City Hall - Council Chambers

The Madison Redevelopment Commission, City of Madison, Indiana, met at 3:00 PM in the Council Chambers, City Hall.

Calling of roll and notice of absentees: John Grote, Dan Hughes, Cary Strouse, Joe Craig, and David Sutter were present.

Others attending: Mayor Courtney, Economic Development Director, Tony Steinhardt, Associate Director, Emily McKinney, Gary Smith and Cole Fosbrink from Reedy Financial.

Approval of Minutes: Grote asked for a motion to approve the July 9, 2024, minutes. Craig motioned, seconded by Strouse. All in favor, motion carried (5-0).

Claims: Grote asked for a motion to approve the claims. Hughes motioned, seconded by Sutter. All in favor, motion carried (5-0).

Bond Request: Grote asked for a motion to approve bond request #10. Sutter motioned, seconded by Craig. All in favor, motion carried (5-0).

Financial Report: Steinhardt noted that the financial report has summaries for all of our allocation areas on page four. The Commission will be able to see the revenues coming in and how those are growing due to our investments. Cole Fosbrink from Reedy Financial gave an update to the Commission on the financial report. Fosbrink stated that each of the settlements for the allocation areas are in the plan, and the new funds are in the plan as well. Each fund is color coordinated. There are some small transfers that need to be moved from the main allocation area, but after that, all of the allocation area funds will be completely set up. Steinhardt stated the investment being made can be seen in allocation areas like Madison Plaza where the funds will start to come through in 2026.

Old Business: None.



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New business: Steinhardt stated that we are introducing a bond resolution that will be considered at the September meeting. We wanted to introduce it this month, so Reedy could be here to talk through everything. If there are questions, we can get them answered between now and September. Gary Smith from Reedy Financial put together a memorandum to help summarize the Redevelopment District Bond for the Commission. Gary detailed the parameters of the bond. The bond resolution is authorizing the maximum terms of issuance, so we can do anything below those. The maximum term is 12 years, but ours will be structured closer to an 11-year maturity because of the remaining life of the North Madison Allocation Area. Smith expects the interest rate to be around 4.5% to 5.0%, but the maximum is 6%. The maximum issuance amount is \$4,600,000, and Reedy has worked with the Economic & Redevelopment Department to determine our issuance amount. Grote asked if the \$4,600,000 is the maximum amount that the allocation area could support? Smith said that number is tied to the constitutional debt limit of a redevelopment district bond. Grote asked if the debt coverage is reevaluated every year or just when the bond is issued. Smith stated that the calculation is done at closing. Smith detailed that the special benefits tax is a property tax backup in case the revenues of the allocation area are insufficient. Steinhardt stated that the Madison Plaza bond was structured the same way. Smith stated that it is incredibly common, and it will provide savings to the city. North Madison Allocation Area is our number one revenue source, so Reedy is starting to think about what area can be used next. Steinhardt stated that we have been ending the year with a cash balance between 1.5 and 2 million, and that should continue even with leveraging the bond. 2026 will be the first full year for the Madison Plaza allocation area, and that will only be for the primary building not the outbuildings. Grote asked about the projections for 2025. Smith stated that a separate fund will be set up for the \$4,600,000. Grote asked how long the Commission has to spend the money? Smith said there is no specific timeframe, but we would want to spend it sooner rather than later, which doesn't tend to be an issue. Grote asked if issuing a bond against North Madison Allocation Area would close it in 2035 but none of our other areas. Smith stated that the North Madison area is extremely old, and it has been extended to the maximum amount of time that's allowed. Grote asked can the money from the bond be spent anywhere. Smith referenced the bond resolution and said that the money will be utilized based upon what is in the resolution. The overarching rule when spending TIF revenue is that it benefits or serves the allocation area and that it is in your economic development plan. Steinhardt stated that the projects in the resolution do meet those requirements. Mayor Courtney asked if the money could benefit that one allocation area or all of the areas. Smith stated that they can be pretty broad, but recently, he has seen it be used in relation to public safety since that benefits all allocation areas. Mayor Courtney said that our adopted redevelopment plan is very board and is targeting the entire city. Steinhardt reminded the Commission that the city has submitted to our Regional Development Authority for READI 2.0. The housing study is also finishing up, and we have been given some preliminary results. They are not surprising, and Steinhardt hopes to have a presentation at the September meeting regarding the results. The dollars that we are allocating in the bond resolution are for the projects that have ranked high for our RDA and for some general revitalization and housing language. Once the bonds are sold, the projects will then be approved by the Commission. The projects that are included are: the Lilly Endowment fund project, our housing project, Indiana's Music City Amphitheater, and additional housing projects. The resolution is before the Commission for consideration. If you have any questions, please reach out




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to Tony Steinhardt. Once the resolution has gone through the Redevelopment Commission, it will proceed to City Council.

City Matters/Mayor update: Mayor Courtney stated that we are spending lots of time wrapping up projects and starting new ones. The Ohio River Legacy Park on Vaughn Drive is almost finished. We are about a month away for a ribbon cutting at The Dollar General Market. In October, there will be a groundbreaking for the Residences at Sunrise Crossing. There is a lot of planning happening for 2025 and beyond. Steinhardt stated that the Economic & Redevelopment Department is working on a job description to add a third person to their department to help with the workload and enhance the grant opportunities available in the City of Madison. The job description is under review, and we hope to have that position hired this fall. Hanover College received a nice award through the Lilly Endowment. In that, there is \$10 million dollars allotted for the Hanover-Madison Connector Trail. We have been working on designing Phase 1 that goes from downtown to Clifty Falls. We hope to have bids in front of us at the October meeting. Also, there were some dollars for a trolley system in their award as well. Visit Madison and the City have been working on that for several years. Funding from the Jefferson County Board of Tourism, Hanover College, and a couple other grants will allow us to connect Clifty Falls State Park and Hanover College to downtown Madison via trolleys. The Patronicity campaign for the River's Edge has been launched, so please visit that page and support the Madison Area Arts Alliance's campaign. If the Arts Alliance raises \$50,000, then it will be matched by the Indiana Housing and Community Development Authority. We do expect a mid-September ribbon cutting for the DG Market. Craig asked about the elevator. Steinhardt stated that the elevator still hasn't arrived, so we are allowing them to load and unload on Second Street. Mayor Courtney thanks Steinhardt and McKinney for all the work they accomplish as a team of two. Steinhardt stated that we have been fortunate that READI 1.0 dollars have allowed us to leverage our funds well. The Redevelopment Commission has allowed us to leverage other investments and complete more projects, and we couldn't have done that without their investment.

Next Meeting: September 10, 2024 at 3:00 pm

Motion to Adjourn: Grote asked for a motion to adjourn. Craig motioned, seconded by Strouse. All in favor, motion carried (5-0).



Joe Craig, Secretary

