



# Columbus Redevelopment Commission

Regular Board Meeting

January 25, 2016

6:30 PM

City Council Chambers

1 of 6

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## Minutes

The Redevelopment Commission met in Regular Session on Monday, January 25, 2016 at 6:30 p.m.

### Call to Order:

The meeting was called to order at 6:30 p.m. by legal counsel.

### Swearing in:

Mayor Lienhoop had each appointee to the Commission recite the Oath to their respective positions as Commissioners to the Redevelopment Commission.

### Election of Officers:

Following their respective appointments and oaths, the Commissioners conducted voting to determine the officers.

Motion was made by Umar Farooq to nominate Sarah Cannon as President, John Dorenbusch seconded said motion. There was no discussion; upon voice vote the motion was adopted unanimously.

Motion was made by Sarah Cannon to nominate John Dorenbusch as Vice-President, second was had by Don Trapp. There was no discussion; upon voice vote the motion was adopted unanimously.

Motion was made by John Dorenbusch to nominate Don Trapp as Secretary, second was had by Umar Farooq. There was no discussion; upon voice vote the motion was adopted unanimously.



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City Council Chambers

2 of 6

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## Attendees:

Commissioners:

Sarah Cannon, Pres.     John Dorenbush, V-P     Don Trapp, Sec.  
 Umar Farooq                       Robert Abrams                     

Other attendees:

Heather Pope, Redevelopment Director; and Stan Gamso, legal counsel.

## Discussion Items:

1. Update on Parking Garages – Gary Thompson, REI, Inc.

Gary presented the 2015 year end operating statement for each garage along with each garages occupancy reports. He also presented a 2016 budget for each garage.

Jackson Street Parking Garage – The garage operated \$9,560 better than budget for 2015. This was in part attributable to a \$24,000 better than budget estimate for daily garage parking.

Second Street Parking Garage – this garage operated on budget.

The Commissioners inquired as to the occupancy, use of the garages, opportunities to maximize parking and revenue mostly for the Jackson Street Garage as it is the one open to the public. Gary offered responses based upon the operation of the City of Columbus garages and his experience as a parking garage operator in the Indianapolis area.

He presented photographs of repairs, some of which had been conducted on the Second Street Parking Garage and work that is yet to be accomplished.



## Columbus Redevelopment Commission

Regular Board Meeting

January 25, 2016

6:30 PM

City Council Chambers

3 of 6

---

Gary presented the projected 2016 budgets for each garage. The Second Street Parking Garage budget is forecast to increase by 2 ½% for the year, predominately due to labor costs. As for the Jackson Street Parking Garage, the budget is estimated to decrease 2%.

### Action Items:

2. Resolution #1-2016 – Recommendation to the Columbus City Council to proceed with an Advance Refunding of the Redevelopment District Bonds, Series 2007 A1 & A2. – Andrew Lanam, Reedy Financial, Landon Boehm, Piper Jaffray and Bruce Donaldson, Barnes & Thornburg.

Andrew, Landon and Bruce all presented information on the current 2007 Series A1 & A2 bonds. The present market is such that there is an opportunity to reduce the interest rate and save monies over the life of the bonds.

The 2007 A1 series bond can be called, or paid, at the earliest on July 15, 2017. The 2007 A2 series bond can be called, or paid, at the earliest on January 15, 2018.

At present market investment rates, it is estimated that the refinancing of the bonds would yield a savings for the balance of the bond, which mature on January 15, 2027, of approximately \$684,000.00, more or less. This savings is subject to market fluctuations.

In order to conduct this transaction, there would be an issuance of some \$9.2 million dollars in the form of a new bond, this would include the necessary costs, fee, underwriter services, etc. Then the 2007 bonds are placed with an escrow agent. The agent will then purchase government backed securities to cover all obligations on the bonds until they are callable. At the appropriate time on 2017 and 2018, the government back securities will be used to pay off the 2007 bonds and the new 2016 series bonds will essentially replace the 2007 series, but at a much lower interest rate.

A general discussion was had regarding the process, the benefits to the city and the roles of all parties.

Concluding discussion and a request for public comment, John moved and Umar seconded a motion to adopt Resolution #1-2016 to recommend to the City



## Columbus Redevelopment Commission

Regular Board Meeting

January 25, 2016

6:30 PM

City Council Chambers

4 of 6

---

Council that they proceed with an Advance Refunding of the 2007 Series Redevelopment Bonds, A1 and A2.

There being no further discussion, the motion passed unanimously.

3. Resolution #2-2016 of the Redevelopment Commission to make the final payment of \$125,000, interest free, on a promissory note executed by the Redevelopment Commission with the Cummins Foundation for the construction of IUCAD – Heather Pope.

Heather presented the history of this promissory note and noted that this is the last of the payments due and owed on this note.

The Commission discussed this payment. Don moved and John seconded a motion to pay the final installment of \$125,000.00 on this promissory note. There was no public input and there being no further discussion, upon voice vote the Resolution was adopted unanimously.

4. Resolution #3-2016 of the Redevelopment Commission to make the final payment of \$125,000, interest free, on a promissory note executed by the Redevelopment Commission with the Heritage Fund for the construction of Commons – Heather Pope.

Heather presented the history of this promissory note and noted that this is the last of the payments due and owed on this note.

The Commission discussed this payment. Umar moved and Don seconded a motion to pay the final installment of \$125,000.00 on this promissory note. There was no public input and there being no further discussion, upon voice vote the Resolution was adopted unanimously.

5. Resolution #4-2016 of the Redevelopment Commission to contract with Stan Gamso to act as legal counsel for the 2016 calendar year.



## Columbus Redevelopment Commission

Regular Board Meeting

January 25, 2016

6:30 PM

City Council Chambers

5 of 6

---

Counsel presented a summary of his services with the Commission for the past four (4) years including the hours of services expended and the reduced cost of services that are offered by local attorneys for services to the city.

Following discussion and no public input, Umar moved and Don seconded a motion to adopt Resolution #4-2016 to engage the services of Stan Gamso as counsel for the Commission of the 2016 calendar year. Upon voice vote, the resolution was adopted unanimously.

### 6. Approval of Minutes: December 21, 2015 Regular Meeting

The Commission, this body in particular, not having been formed in 2015 and thus not having attended or participated in the December 21, 2015 meeting chose to accept the meeting minutes as presented.

John moved and Don seconded a motion to accept the meeting minutes as presented. There being no discussion and upon voice vote the motion passed unanimously.

### 7. Review and Approval of Claims

Heather presented three (3) claim dockets to the Commission for consideration. The Commissioners had previously examined the claims, Don moved and John seconded a motion to pay said claims. There being no further discussion or public input, upon voice vote the motion passed unanimously.

### **Adjournment**

There being no further business, John moved and Don seconded a motion to adjourn. The motion passed unanimously and the meeting was adjourned at 8:00 p.m.



# Columbus Redevelopment Commission

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6 of 6

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Approval of \_\_\_ day of \_\_\_\_\_, 2016 minutes.

\_\_\_\_\_  
President

\_\_\_\_\_  
Vice-President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Member

\_\_\_\_\_  
Member

Date: \_\_\_\_\_

RESOLUTION NO: 1-2016

**RESOLUTION OF THE COLUMBUS REDEVELOPMENT COMMISSION  
TO  
RECOMMEND TO THE CITY COUNCIL  
THE ADVANCE REFUNDING OF THE  
2007 SERIES A1 & A2 BONDS**

Comes now the City of Columbus Department of Redevelopment, more commonly known as the City of Columbus Redevelopment Commission, and for this Resolution, says as follows:

WHEREAS, Indiana Code §36-7-14-1 *et seq.* provides that a community may establish a Department of Redevelopment to be controlled by a Redevelopment Commission; and

WHEREAS, the City of Columbus, through its Common Council, did on August 19, 2003 create the City of Columbus Department of Redevelopment and the City of Columbus Redevelopment Commission ("Redevelopment Commission") by way of Ordinance Number 25, 2003; and

WHEREAS, on January 2, 2007 the Columbus City Council did approve and issuance of two (2) bonds in a total amount not to exceed the sum of Ten Million Dollars (\$10,000,000.00) by way of Resolution 3-2007; and

WHEREAS, said funds were used to construct a parking garage located at the corner of Fourth and Jackson Streets in the City of Columbus and in the area known as the Central TIF district; and

WHEREAS, said bonds were issued to the public and have a maturity date of January 15, 2027; and

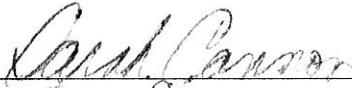
WHEREAS, an opportunity exists to utilize a process known as Advance Refunding to obtain a lower interest rate on said bonds thus saving the City money of the balance of bond term.

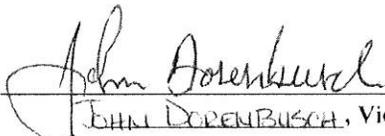
WHEREAS, the Redevelopment Commission received a presentation by Reedy Financial Group, P.C., the Commission's financial advisor, regarding the Advance Refunding process, the estimated savings and the Commission deems it in the best interest of the Redevelopment Commission and the City of Columbus to undertake this process to lower the interest rate for the balance of the terms of said bonds.

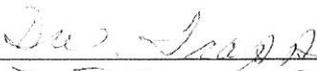
**NOW, THEREFORE, BE IT RESOLVED:**

1. The City of Columbus Redevelopment Commission having heard a presentation from Reedy Financial Group, P.C. regarding anticipated savings that could be had by conducting an Advance Refunding of Redevelopment District Bonds of 2007, Series A1 and Series A2 does hereby recommend to the Common Council of the City of Columbus, Indiana that Council engage in the Advance Refunding of said bonds.

Adopted this 25<sup>th</sup> day of January 25, 2015.

  
\_\_\_\_\_  
SARAH CANNON, President

  
\_\_\_\_\_  
JOHN DORENBUSCH, Vice-President

  
\_\_\_\_\_  
DON TRAPP, Secretary

RESOLUTION NO: 2-2016

RESOLUTION OF THE COLUMBUS REDEVELOPMENT COMMISSION  
TO DIRECT CLERK-TREASURER TO MAKE  
PAYMENT ON CUMMINS PROMISSORY NOTE

Comes now the Columbus Department of Redevelopment, more commonly known as the Columbus Redevelopment Commission, and for this Resolution says as follows:

WHEREAS, Indiana Code §36-7-14-1 *et seq.* provides that a community may establish a Department of Redevelopment to be controlled by a Redevelopment Commission; and

WHEREAS, the City of Columbus, through its Common Council, did on August 19, 2003 create the City of Columbus Department of Redevelopment and the City of Columbus Redevelopment Commission ("Redevelopment Commission") by way of Ordinance Number 25, 2003; and

WHEREAS, Cummins Foundation, Inc. on May 23, 2011 executed a Promissory Note and Interest Free Loan Agreement in the amount of \$500,000.00 to the Redevelopment Commission; and

WHEREAS, the Loan Agreement and Promissory Note provided that the Redevelopment Commission was to make payments in the amount of \$125,000.00 per year on the unpaid balance thereof beginning no later than December 31, 2013; and

WHEREAS, the Redevelopment Commission has made 3 (three) annual payments in the amount of \$125,000 to the Cummins Foundation, Inc.; and

WHEREAS, the Redevelopment Commission desires to make the final payment of One Hundred and Twenty-Five Thousand Dollars (\$125,000) for the calendar year 2016 to the Cummins Foundation, Inc.

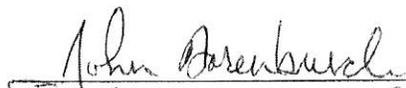
WHEREAS, upon this payment, the terms and conditions of the promissory note executed on May 23, 2011 will be fully and completely satisfied.

NOW, THEREFORE, IT IS RESOLVED:

1. The Columbus Redevelopment Commission does hereby direct the City of Columbus Clerk-Treasurer to make a payment on or before February 29, 2016 in the amount of \$125,000.00 from fund 252 to Cummins Foundation, Inc. on the Loan Agreement and Promissory Note executed on May 23, 2011 in the original amount of \$500,000.00.

Adopted this 25th day of January, 2016.

  
\_\_\_\_\_  
SARAH CANNON, Chairman

  
\_\_\_\_\_  
JOHN DORENBUSCH, Vice-Chairman

  
\_\_\_\_\_  
DON TRAPP, Secretary

\$500,000

Columbus, IN  
May 23, 2011

**LOAN AGREEMENT**

AND

**PROMISSORY NOTE**

FOR VALUE RECEIVED and intending to be legally bound, **CUMMINS FOUNDATION INC.** ("Lender") agrees to loan, and **COLUMBUS REDEVELOPMENT COMMISSION** ("Borrower") agrees to repay **Five Hundred Thousand Dollars (\$500,000.00)** as set forth herein, *without* interest.

The following terms shall apply:

1. The Columbus Redevelopment Commission desires to undertake the following not-for-profit projects in or directly serving and benefitting the Development Area: (1) build out of tenant improvements at the Commons in downtown Columbus, Indiana (the "Commons Project"), and (2) build out of the IU Center for Arts & Design in downtown Columbus, Indiana (the "Arts & Design Project") (the Commons Project and the Arts & Design Project, collectively, the "Downtown Development Projects").
2. Borrower shall repay the advanced funds to Lender in equal installments. The principal on the Cummins Loan shall be repaid in the years 2013, 2014, 2015 and 2016 in the amount of \$125,000 per year for the loan not later than 12/31 of each year. The Cummins Loan shall bear no interest.
3. All or any part of the outstanding amount of this Note may be prepaid at any time without penalty.

Failure of the holder of this Note to exercise any of its rights and remedies shall not constitute a waiver of any provision of this Note, nor shall it prevent the holder from exercising any rights or remedies with respect to the subsequent happening of the same or similar occurrences. All remedies of the holder hereof shall be cumulative to the greatest extent permitted by law.

This Note has been delivered in, and shall be governed by and construed in accordance with the laws of the State of Indiana.



RESOLUTION NO: 3-2016

RESOLUTION OF THE COLUMBUS REDEVELOPMENT COMMISSION  
TO DIRECT CLERK-TREASURER TO MAKE  
PAYMENT ON HERITAGE FUND PROMISSORY NOTE

Comes now the Columbus Department of Redevelopment, more commonly known as the Columbus Redevelopment Commission, and for this Resolution says as follows:

WHEREAS, Indiana Code §36-7-14-1 *et seq.* provides that a community may establish a Department of Redevelopment to be controlled by a Redevelopment Commission; and

WHEREAS, the City of Columbus, through its Common Council, did on August 19, 2003 create the City of Columbus Department of Redevelopment and the City of Columbus Redevelopment Commission ("Redevelopment Commission") by way of Ordinance Number 25, 2003; and

WHEREAS, Heritage Fund – The Community Foundation of Bartholomew County, Inc. on June 10, 2011 executed a Promissory Note and Interest Free Loan Agreement in the amount of \$500,000.00 to the Redevelopment Commission; and

WHEREAS, the Loan Agreement and Promissory Note provided that the Redevelopment Commission was to make payments in the amount of \$125,000.00 per year on the unpaid balance thereof beginning no later than December 31, 2013; and

WHEREAS, the Redevelopment Commission has made 3 (three) annual payments in the amount of \$125,000 to the Heritage Fund – The Community Foundation of Bartholomew County, Inc.; and

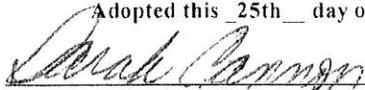
WHEREAS, the Redevelopment Commission desires to make the final payment of One Hundred and Twenty-Five Thousand Dollars (\$125,000) for the calendar year 2016 to the Heritage Fund – The Community Foundation of Bartholomew County, Inc.

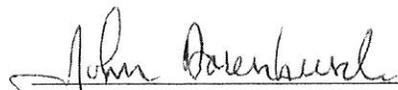
WHEREAS, upon this payment, the terms and conditions of the promissory note executed on June 10, 2011 will be fully and completely satisfied.

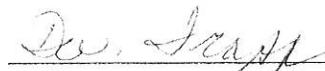
NOW, THEREFORE, IT IS RESOLVED:

1. The Columbus Redevelopment Commission does hereby direct the City of Columbus Clerk-Treasurer to make a payment on or before February 29, 2016 in the amount of \$125,000.00 from fund 252 to the Heritage Fund – The Community Foundation of Bartholomew County, Inc. on the Loan Agreement and Promissory Note executed on June 10, 2011 in the original amount of \$500,000.00.

Adopted this 25th day of January, 2016.

  
SARAH CANNON, Chairman

  
JOHN DOREN BUSCH, Vice-Chairman

  
DON TRAPP, Secretary

\$500,000

Columbus, IN  
June 10, 2011

**LOAN AGREEMENT**

AND

**PROMISSORY NOTE**

FOR VALUE RECEIVED and intending to be legally bound, **HERITAGE FUND - THE COMMUNITY FOUNDATION OF BARTHOLOMEW COUNTY, INC.** ("Lender") agrees to lend, and **COLUMBUS REDEVELOPMENT COMMISSION** ("Borrower") agrees to repay **Five Hundred Thousand Dollars (\$500,000.00)** as set forth herein, *without* interest.

The following terms shall apply:

1. The Columbus Redevelopment Commission desires to undertake the following projects in or directly serving and benefitting the Development Area: (1) build out of tenant improvements at the Commons in downtown Columbus, Indiana (the "Commons Project"), and (2) build out of the IU Center for Arts & Design in downtown Columbus, Indiana (the "Arts & Design Project") (the Commons Project and the Arts & Design Project, collectively, the "Downtown Development Projects").
2. Borrower shall repay the advanced funds to Lender in equal installments. The principal on the Heritage Fund Loan shall be repaid in the years 2013, 2014, 2015 and 2016 in the amount of \$125,000 per year for the loan. The Heritage Fund Loan shall bear no interest.
3. All or any part of the outstanding amount of this Note may be prepaid at any time without penalty.

Failure of the holder of this Note to exercise any of its rights and remedies shall not constitute a waiver of any provision of this Note, nor shall it prevent the holder from exercising any rights or remedies with respect to the subsequent happening of the same or similar occurrences. All remedies of the holder hereof shall be cumulative to the greatest extent permitted by law.

This Note has been delivered in, and shall be governed by and construed in accordance with the laws of the State of Indiana.

IN WITNESS WHEREOF, the Borrower and the Lender have executed this Loan Agreement and Promissory Note at the places below:

HERITAGE FUND - THE  
COMMUNITY FOUNDATION OF  
BARTHOLOMEW COUNTY, INC.

By: Sharon K. Stark

COLUMBUS REDEVELOPMENT  
COMMISSION

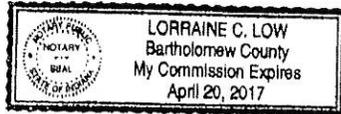
By: Richard A. Stenner

6/29/11

NOTARY

City of Columbus )  
County of Bartholomew )

SS:



Lorraine C. Low

Before me appeared Sharon K. Stark known to me to be the President & CEO of Heritage Fund - The Community Foundation of Bartholomew County, Inc. who executed the attached Loan Agreement and Promissory Note.

City of Columbus )  
County of Bartholomew )

SS:

Before me appeared Richard Stenner known to me to be the Commissioner of Columbus Redevelopment Commission, who executed the attached Loan Agreement and Promissory Note.



Michelle A. McDonald

RESOLUTION NO: 4 - 2016

RESOLUTION OF THE COLUMBUS REDEVELOPMENT COMMISSION  
TO  
ENGAGE SERVICES OF  
STANLEY A. GAMSO  
AS LEGAL COUNSEL  
TO THE REDEVELOPMENT COMMISSION

Comes now the Columbus Department of Redevelopment, more commonly known as the Columbus Redevelopment Commission, and for this Resolution says as follows:

WHEREAS, Indiana Code §36-7-14-1 *et seq.* provides that a community may establish a Department of Redevelopment to be controlled by a Redevelopment Commission; and

WHEREAS, the City of Columbus, through its Common Council, did on August 19, 2003 create the City of Columbus Department of Redevelopment and the City of Columbus Redevelopment Commission ("Redevelopment Commission") by way of Ordinance Number 25, 2003; and

WHEREAS, the Redevelopment Commission has cause to engage the services of legal counsel; and

WHEREAS, the Redevelopment Commission desires to retain legal counsel to represent, counsel, and provide any and all such legal services that the Redevelopment Commission shall need or desire for the period of January 1, 2016 through and including December 31, 2016; and

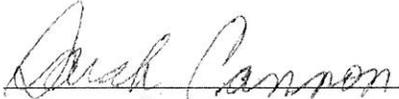
WHEREAS, the Redevelopment Commission does desires to engage the services of Stanley A. Gamso to act as its legal counsel.

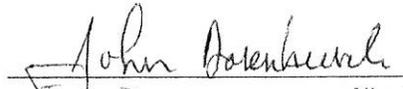
NOW, THEREFORE, IT IS RESOLVED:

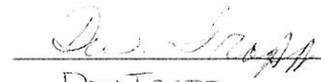
1. The City of Columbus Redevelopment Commission does hereby engage the services of Stanley A. Gamso to provide legal services that shall include, but not be limited to, consultation regarding CRC matters, attendance at meetings, communication with Redevelopment Commission Members, review of the law and changes thereto, contracts, documents and any and all other matters or actions as requested or assigned by the Redevelopment Commission pursuant to the attached contract for the 2016 calendar year.

2. The City of Columbus Redevelopment Commission does hereby authorize its president to execute the attached contract for legal services for an on its behalf for legal services for the 2016 calendar year.

Adopted this 25th day of January 2016.

  
\_\_\_\_\_  
SARAH CANNON, President

  
\_\_\_\_\_  
JOHN DORENBUSCH, Vice-President

  
\_\_\_\_\_  
DON TRAPP, Secretary