

**Warsaw Redevelopment Commission**  
**April 11, 2022**  
**Minutes**

**Present:** Tim Meyer, Rick Snodgrass, George Clemens, Jeff Grose, Mike Klondaris, Jeremy Skinner (DOCD), Whitney Shilling (Recording Secretary), Joe Thallemer (Mayor)

**Excused:** Jeremy Mullins, Scott Reust (City Attorney)

***Pledge of Allegiance***

***President Tim Meyer opened the meeting.***

***February 7, 2022, Minutes*** – Klondaris made a motion to approve the March 7, 2022 meeting minutes with one spelling correction. Clemens seconded the motion. The motion passed unanimously, with Jeff Grose and Rick Snodgrass abstaining from the vote.

***Approval of Claims*** –Clemens made a motion for approval of claims as presented. Grose seconded the motion. The motion carried unanimously.

**New Business**

***Resolution No. 2022-04-01-*** Skinner turned the meeting over to John Murphy and Reid Mason with Sullivan Wickley for a presentation on the Marketplace of Warsaw. Mason explained in his presentation the history of the Marketplace of Warsaw and Sullivan Wickley’s plan to restore the property. He stated they have already filled some of the empty spaces with Big Lots and Planet Fitness. Mason thinks the shopping center will be 95% filled by Christmas 2022. Murphy explained in detail the current condition of the property and the scope of work require to bring it back to working condition. Randy Rompola, Barnes & Thornburg explained this resolution is a development agreement among three parties: Sullivan Wickley, Lake City Bank, and the City of Warsaw. In the agreement it states the developer will renovate and improve the shopping center, and they would use the bond to fund those improvements. Rampola explained the role Redevelopment Commission would have in this development agreement. He stated as the assessed value increases in the Marketplace of Warsaw, the taxes that would be generated would be able to be captured and then be pledged to the payment of the bond. Rampola stated that Lake City Bank would purchase the bond with the agreement that the developer would backstop the bond payment for the first five years of the bond and Redevelopment Commission would backstop the payment for the next five years. That means if the tax increment would not be enough to pay the bond payment Redevelopment Commission would make up the short fall for years six to ten of the bond. The bond amount would be about 1.7 million dollars and the amount to the developer would about 1.4 million dollars. Meyer asked if this would affect our bond rating. Rampola state this bonds themselves would not be rated because they are a placement bond. This bond itself would have no impact on the city’s bond rating. Klondaris asked Sullivan Wickley if all of their properties are still under their management or do they sell them. Murphy stated it depends on the property. He went on to explain they have properties they manage but do

not own and there are properties that they developed and then sold shortly after completion. Murphy stated it depends on the market and the property. They will sell Marketplace of Warsaw eventually, but they will be with this property a few years. Klondaris asked if they do sell how will that affect the bond. Murphy stated the obligations with the development agreement and backstop on the bond would be transferred to the new owners. Thallemer pointed out that the new leases are ten-year agreements with the larger store tenants. Motion made by Grose to approve *Resolution No. 2022-04-01*. Snodgrass seconded the motion. The motion carried unanimously.

***Anchorage Road ROW Acquisition-*** Skinner stated we are purchasing this property for the Anchorage Road right of way project. This is for parcel 13 and the funds for this property will come from Northern TIF. Skinner stated this is an INDOT 80/20 project so we will be reimbursed 80% from INDOT. Clemens questions if this property was appraised. Skinner explained we got two appraisals for this parcel. Then the property owner appealed and got a third appraisal. This price is the average of the three appraisals. Motion made by Clemons to approve *Anchorage Road ROW Acquisition*. Snodgrass Seconded the motion. The motion carried unanimously.

***SES Environmental Proposal-*** Skinner explained this is a contract for roof sampling on the Arnolt property. He stated a lot of the environmental stuff was done by the MACOG grant however there were sections of the roof they could not reach. Skinner explained he unaware if it is asbestos or not. We need to find out for certain if there is asbestos in the roof, so we can advertise the bid correctly. Meyer questioned if this is limited to the roof. Skinner stated yes, it is only the section of the roof they were not able to reach. SES is already on site to do the environmental cleanup for the IFA grant. Skinner chose SES to do the testing since they were already on site. Motion made by Klondaris to approve SES Environmental Proposal. Clemens seconded the motion. The motion carried unanimously.

***Annual Financial Report (Public Hearing)-*** Skinner presented the annual report for 2021. He explained it shows the beginning and ending balance of 2021. This report is beneficial when doing budgets for the following year. 2021 was the first year with the Residential TIF districts. Skinner stated there are currently five new residential developments. Skinner gave a quick TIF district presentation explaining how TIF districts work. He went over the TIF impact statement and the growth that can be seen as well as past growth history. Skinner gave an example of an area (Winona Interurban) with not a lot of growth. He went on to explain with some potential upcoming project that might change (Marketplace, Gatke, Arnolt). Skinner explained the City of Warsaw, Warsaw Community Schools, Kosciusko County, and Warsaw Community Library are impacted the most. Skinner noted the growth we are going to see in the Northern TIF district in the next ten year with all the investment of the Tech Park. He explained all the benefits that will bring to the City. Meyer opened the meeting to the public for the public hearing portion of the meeting. Since no person came forward, Meyer closed the meeting to the public.

## **Other Business**

***Virtual Meetings-*** Skinner stated they had a RAI meeting a few weeks ago and some communities were going to send out some examples of what they were going to do. He has yet to receive anything from them. Skinner did want to note that once the commission approve this,

they still need to attend the meeting in person if possible. He stated he will continue to work on this.

Next Meeting Monday May 2, 2022

**Adjournment** – With no other business to come before the Board, Snodgrass made a motion to adjourn the meeting. Clemens seconded the motion. The motion passed unanimously. The meeting was adjourned at 5:22 p.m.

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Tim Meyer, President

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Whitney Shilling, Recording Secretary