

**Warsaw Redevelopment Commission**  
**May 1, 2023**  
**Minutes**

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

**Excused:** Scott Reust

President Tim Meyer opened the meeting.

**Pledge of Allegiance**

**April 10, 2023, Minutes** – Clemens made a motion to approve the April 10, 2023, meeting minutes as presented. Klondaris seconded the motion. The motion carried unanimously.

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

**New Business**

**Agreement with Retail Strategies LLC-** Skinner stated this agreement includes the final cost over the three-year period with Retail Strategies LLC. He explained that the commission can cancel after year one or two if we are not satisfied with the service. The service works best if we do it for at least the three-year period. We discussed at the April meeting starting with the whole city then focusing on the downtown area later after the Hyatt Palma study is completed. Klondaris asked once the agreement is signed when Retail Strategies would begin. Skinner said they would start immediately. Klondaris asked if they would use the results from Hyatt Palma and incorporate the results into their study. Skinner stated they would. Klondaris made a motion to approve the agreement with Retail Strategies LLC as presented. Clemens seconded the motion. The motion carried unanimously.

**Baker Tilly- Continuing Disclosure Services-** Skinner stated that this is a requirement for our bonds. This contract is for Baker Tilly to complete the disclosure reports for us and submit them to the agencies to keep our bond rating up to date. Grose made a motion to approve the Continuing Disclosure Contract as presented. Klondaris seconded the motion. The motion carried unanimously.

**Development Agreement with Rebar for Gatke-** Skinner stated that the Gatke project is an 18.3-million-dollar project with 75 apartments and roughly 12,000 square feet of commercial space. The commercial space could be a combination of commercial and residential space depending on how it would get leased out. The state has given 4 million dollars of redevelopment tax credits, the city of Warsaw is contributing 3 million dollars, and the developer is putting in roughly 11 million dollars. The city's portion of the project would be funded by a few different things, one being a bond issued based on the taxes the project is going to generate, the rest of the funds will come from redevelopment, potentially edit, and other grant

opportunities. This project is being broken up into 4 payments. One payment at closing of 2.1 million and then three payments of \$400,000 one in 2024, one in 2025 and one in 2026. Klondaris noted that the bond payment will be paid for by the generated property taxes. Jeremy agreed that the bond will be a portion of the city's contribution. It is hard for him to say what that bond will yield at this point with the combination of interest rates, bond cost, and capitalized interest. He is guessing that it will generate somewhere between 1.5 and 1.7 million and then the remainder of the city's contribution will be paid in cash at closing. The bond payment will be paid by the taxes generated from the project. Skinner noted this is a project agreement where the developer is agreeing to do x, y, and z and we are agreeing to what the city will contribute for the project. The details with the bond will come when we issue the bond. Meyer stated that in addition to this agreement the city will be responsible for the demolition. Skinner agreed that the city will be responsible for the demolition. Meyer asked Skinner how much he estimates the demolition will cost. He stated there are two different ways we could do the demolition we could put it out to bid or we could roll the demolition into the project. Skinner feared if we put it out to bid it might cause some delays in the project so as of right now, he plans to roll it into the project. Shelby Bowen, Owner of Rebar Development gave some updates on projects Rebar Development has completed since the last time he was in Warsaw. He went on to explain that the development agreement matches the MOU, with the only change being the cost. He thanked Jeremy Skinner, Alan Tio, and the mayor for working with the state to get the funds needed for this project. Bowen explained prior to closing Rebar will give us a full set of plans, as well as loan information. Thallemer stated we have had a lot of ideas come forward with this property, it is important to note the state believes in this project. This project is important for Warsaw to succeed with the workforce housing project. Workforce housing is our number one priority when it comes to maintaining what we have in this community. Meyer asked Bowen what he envisions as the potential risk of this project. Bowen stated as of right now he has zero tenants till we finish the project, so he thinks that is the biggest risk. Bowen went on to explain that is why he is going slow to make sure it is done right. Thallemer noted that Alan Tio and his group at Kedco did a great job at securing those funds from the state. Tio stated this will help promote more developments and relationships in the community. Skinner noted that there might be a few changes to this development agreement. He recommended the members approve this development agreement with changes. One of those changes being 2.1 million at closing in 2023 and then there would be three years of payments of \$400,000, one payment in 2024, 2025, and 2026. Grose made a motion to approve the development agreement with Rebar for Gatke with changes. Klondaris seconded the motion. The motion carried unanimously.

**Opening Bids for Disposal of Special Equipment-** No bids were received.

**Resolution No. 2023-05-01 Disposal of Special Equipment-** Skinner stated since no bids were received, we can dispose of the equipment to Mentor Media. This will be advertised twice in the paper. Then after a closing of 30 days, we would dispose of the equipment. Clemens made a motion to approve Resolution No. 2023-05-01 disposal of special equipment as presented. Grose seconded the motion. The motion carried unanimously.

**Resolution No. 2023-05-02 Disposal of Property-** Skinner stated this is the same thing that we just did but for a different project. This resolution is the first step for the disposal of property on Buffalo Street. We would offer the disposal of all the property listed in exhibit A to the

developer, then in exhibit B is the offering sheet which is \$255,000. This would be advertised twice in the paper and then we would open any bids we receive at the next Redevelopment meeting. If no bids are received, then we can dispose of the property for the project's purpose. Clemens made a motion to approve resolution No. 2023-05-02 disposal of property as presented. Klondaris seconded the motion. The motion carried unanimously.

**Other Business**

Skinner did want to discuss with the commission to increase our meetings to twice a month instead of once a month. He explained that the second meeting would only happen if we had something that needed to be taken care of quickly. Klondaris thought meeting twice a month would be a good idea. He stated as we get busier, and these projects get bigger. He feels like it is something that needs to happen. Meyer asked if anyone had a conflict on the third Monday of the month. No members stated they had a conflict. Skinner wants the members to think about it and we can discuss it more at the next meeting.

**Adjournment** – With no other business to come before the Board, Klondaris made a motion to adjourn the meeting. Clemens seconded the motion. The motion passed unanimously.

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Tim Meyer, President

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Whitney Shilling, Recording Secretary