



NOTICE OF PUBLIC MEETING
OF THE
LAFAYETTE ECONOMIC DEVELOPMENT COMMISSION
BOARD OF WORKS ROOM, CITY HALL

Call To Order

Election Of Officers

Approve Minutes

December 3, 2018 Meeting Minutes

Documents:

[DECEMBER 2018.PDF](#)

Public Hearing

Resolution No. 2019-01: A Resolution of the Lafayette Economic Development Commission Making Certain Findings Relating to the Financing of Certain Economic Development Facilities, Approving Such Financing and Forms of the Documents Related Thereto for the Nova Tower Project

New Business

Resolution No. 2019-01: A Resolution Of The Lafayette Economic Development Commission Making Certain Findings Relating To The Financing Of Certain Economic Development Facilities, Approving Such Financing And Forms Of The Documents Related Thereto For The Nova Tower Project

Documents:

[EDC RESOLUTION 2019-01 NOVA TOWER PROJECT.PDF](#)

Public Comment

Adjournment

**MINUTES OF THE MEETING
OF THE
LAFAYETTE ECONOMIC DEVELOPMENT COMMISSION
December 3, 2018
Board of Works Room**

ATTENDANCE: COMMISSIONERS: Sarah Schwarz; Dr. David Bathe; Steve Snyder, and Dave Zimmerman, Scott Walker.

CITY OFFICIALS: Tony Roswarski, Mayor; Edward Chosnek, City Attorney; Cindy Murray, Clerk; Mike Jones, Controller; Tim Clary, Deputy Controller

STAFF: Dennis Carson, Economic Development Director; John Collier, Economic Development Assistant Director

GUESTS: Heather James, Ice Miller; Greg Balsano, Umbaugh; Jason Semler, Umbaugh, Jon Caron, Star Crossing

Call to order

Sarah Schwarz welcomed everyone to the meeting, noted that a quorum was present, and opened the meeting of the Lafayette Economic Development Commission at 5:30pm.

Election of Officers

Sarah Schwarz opened the discussion of nominees.

Dr. David Bathe as President
Steve Snyder as Vice President
David Zimmerman as Secretary

Steve Snyder moved to approve the current slate of Economic Development Commission officers for the next term. Dave Zimmerman seconded. The motion passed.

Approval of the minutes for the August 29, 2017 meeting

Sarah Schwarz moved to approve the minutes of the Economic Development Commission meeting for August 29, 2017. Steve Snyder seconded. The motion passed.

Public Hearing:

Resolution No. 2018-01: A Resolution of the City of Lafayette Economic Development Commission Approving and Authorizing Certain Actions and Proceedings with Respect to Certain Proposed Economic Development Revenue Bonds not to Exceed in Aggregate Principal of \$1.5 million for Construction of a Mixed-Use Development and Related Matters for the Star Crossing Project.

Dr. David Blathe asked for a motion to close the Economic Development Commission meeting. Dave Zimmerman moved to close the Economic Development Commission meeting. Scott Walker seconded. The motion passed.

Dr. David Blathe asked for a motion to open the Economic Development Commission public hearing. Sarah Schwarz moved to open the public hearing. Steve Snyder seconded. The motion passed.

Dennis Carson introduced Jon Caron of Star Crossing who spoke on the details and current progression of the project.

Sarah Schwarz stated that the proposal mentioned 20 full-time jobs and extra revenue, she asked how the number of new jobs was estimated. Mr. Caron stated that it was based on the number of potential commercial tenants who would move in and the square footage of that commercial space and typical uses. Dennis Carson asked about the expected completion date. Mr. Caron stated that the project is expected to be completed in April 2020. Dr. David Bathe felt the development was consistent with GLC's strategic plan in making a quality of place for those choosing to live downtown. The incorporation of restaurants and shops and size of the apartments fit well with the desired demographic and the overall view of the downtown community.

Heather James of Ice Miller and Jason Semler of Umbaugh then gave a presentation detailing the project, the bond documents, finances and the processes. Dennis Carson asked Jason to speak to the call period on the bond. Jason stated that they went through a process of looking at various ways to sell these bonds; through an underwriter competitive bid through negotiations and through an underwriter with a local bank and one of the restrictions of the local bank, was that we'd have to wait 12 months to call the bond, which is a very short period of time. If we had gone through an underwriter through a competitive bid, it would be 8 to 10 years. The City has the ability to pay off the bonds or refinance at a lower rate if it makes financial sense after 12 months, although it is not required to do so.

The Mayor then spoke, recapping the positive aspects of the project to the community. This project is consistent with the City's desire to attract people to live downtown and is just the type of development we want downtown. He thanked Jon Caron and Greg Milakis for working with the City on this project. From an economic development, work force development and downtown development standpoint, it fits in well. Downtown has unique challenges for development, so the City can play a responsible role in filling the gap to help make these projects possible and get them done in a way that helps create community vibrancy. Although the City pledged the entire TIF, because it helps with the bond rating, we have not gone outside the increment of what this project will generate. The tax payer agreements protect the City from assessments that might lower the assessed value and a minimum payment. In doing this process, we've protected the City as well as provided an incentive to the developer to allow them to do the project. Having the ability to call every year is a positive and an opportunity to save interest payments. The City would appreciate the EDC's approval.

Scott Walker asked about covenants and whether they travel with the property. Heather explained that they have a covenanted not to travel with the property. There is a continuing existence covenant in the financing and covenant agreement. Legal counsel, Ed Chosnek, clarified that the tax payer agreement also has a covenant that states that it runs with the real estate so no matter who ends up with it, it's going to be there.

Overall, the Commissioners were very positive and supportive of the project.

Public Comment

Dr. David Bathe asked for comments from the public. Hearing none, asked for a motion to close the Economic Development Commission Public Hearing. Dave Zimmerman moved to close the public hearing. Steve Snyder seconded. The motion passed.

Dr. David Bathe asked for a motion to open the Economic Development Commission Meeting. David Zimmerman moved to reopen the Economic Development Commission Meeting. Scott Walker seconded. The motion passed.

EDC Resolution 2018-01 Star Crossing: This resolution is the formal document giving approval by the Economic Development Commission to issue economic development revenue bonds in the amount not to exceed \$1.5M to support the Star Crossing Project. This project, being developed by John Caron and Greg Malakis, is a mixed use project consisting of 76 market rate apartments, 7,900 of first floor commercial space and 75 parking spaces on two floors on what is currently a surface parking lot on the southeast corner of 5th and South Streets in downtown Lafayette. Steve Snyder moved to approve, Dave Zimmerman seconded. The motion passed.

Public Comment and Adjournment

Dr. David Bathe called for any additional public comment. Hearing none, Steve Snyder moved to adjourn the meeting. Scott Walker seconded. The meeting adjourned at 6:15pm.

Respectfully submitted,
Michelle Conwell
Recording Secretary

Economic Development Commission Secretary

RESOLUTION NO. EDC 2019-01

A RESOLUTION OF THE LAFAYETTE ECONOMIC DEVELOPMENT COMMISSION MAKING CERTAIN FINDINGS RELATING TO THE FINANCING OF CERTAIN ECONOMIC DEVELOPMENT FACILITIES, APPROVING SUCH FINANCING AND FORMS OF THE DOCUMENTS RELATED THERETO

WHEREAS, relieving conditions of unemployment and underemployment, and encouraging economic development and redevelopment of the City to reduce the negative effects associated with unemployment and underemployment are essential to the health, safety and welfare of the City of Lafayette, Indiana (the “City”) and its citizens; and

WHEREAS, the City is authorized by Indiana Code 36-7-11.9 and 12, as supplemented and amended (collectively, the “Act”), to issue revenue bonds for the financing of economic development facilities, the funds from such financing to be used for the acquisition, construction, installation and equipping of said facilities; and

WHEREAS, Nova Lafayette, LLC or an affiliate or designee thereof (collectively, the “Company”) has advised the Economic Development Commission (the “Commission”) that it proposes the City issue its Taxable Economic Development Subordinate Revenue Bonds, Series 2020 (Nova Tower Project), pursuant to the Act, in an aggregate principal amount not to exceed One Million Nine Hundred Thousand Dollars (\$1,900,000) (the “Bonds”), for the purpose of financing a portion of the costs of construction of a mixed-use development consisting of approximately seventy-six (76) apartments, six thousand (6,000) square feet of retail/office space and structured parking, together with any necessary appurtenances, related improvements and equipment, to be located at 200 South Fourth Street in the City, in or physically connected to the Consolidated Creasy/Central Economic Development Area, capitalized interest, if any, a debt service reserve, if necessary, and costs of issuance related to the financing (collectively, the “Project”); and

WHEREAS, the Lafayette Redevelopment Commission (the “Redevelopment Commission”) is expected to adopt a resolution pledging certain tax increment revenues (the “Pledged TIF Revenues”), to pay debt service on the proposed financing; and

WHEREAS, the Commission has studied the Project and the proposed financing by the City of all or a portion of the costs of the Project and its effect on the health and general welfare of the City and its citizens; and

WHEREAS, the completion of the Project will result in the diversification of industry, the creation and retention of jobs, the creation and retention of business opportunities in the City, and will be of public benefit to the health, safety and general welfare of the City and its citizens; and

WHEREAS, pursuant to the Act, the financing of economic development facilities constitutes a public purpose and the Project is an economic development facility; and

WHEREAS, pursuant to Indiana Code 36-7-12-24, as amended, the Economic Development Commission published notice of a public hearing (“Public Hearing”) on the proposed issuance of the Bonds to finance a portion of the Project, and on the date hereof, the Economic Development Commission held the Public Hearing; and

WHEREAS, no member of the Economic Development Commission has any pecuniary interest in any employment, financing agreement or other contract made under the provisions of the Act and related to the Bonds authorized herein, which pecuniary interest has not been fully disclosed to the Economic Development Commission and no such member has voted on any such matter, all in accordance with the provisions of Indiana Code 36-7-12-16;

NOW, THEREFORE, BE IT RESOLVED BY THE LAFAYETTE ECONOMIC DEVELOPMENT COMMISSION AS FOLLOWS:

Section 1. The Commission has conducted a public hearing and considered any and all evidence and comments provided, and the Commission hereby finds, determines, ratifies and confirms that the financing of the economic development facilities referred to in the Financing Documents (as defined below) consisting of a portion of the Project, the issuance and sale of the Bonds, and the use of the net proceeds of the Bonds to finance a portion of the costs of the Project (i) will result in the diversification of industry, the creation and retention of business opportunities and the creation or retention of opportunities for gainful employment within the jurisdiction of the City, (ii) will serve a public purpose, and will be of benefit to the health and general welfare of the City, (iii) complies with the purposes and provisions of the Act and it is in the public interest that the City take such lawful action as determined to be necessary and desirable to encourage the diversification of industry, the creation or retention of business opportunities, and the creation or retention of opportunities for gainful employment within the jurisdiction of the City, and (iv) will not have a material adverse competitive effect on any similar facilities already constructed or operating in or near the City.

Section 2. The Commission hereby approves the report with respect to the facilities and the Project presented at this meeting. The Secretary of the Commission shall submit such report to the executive director or chair of the plan commission of the City.

Section 3. The Commission hereby approves the terms of the following documents in the form presented at this meeting: (i) a form of the Trust Indenture with respect to the Bonds between the City and the Bond Trustee to be selected by the City (including a form of the Bonds); (ii) a form of Financing Agreement between the City and Company with respect to the Project and the Bonds (clauses (i) and (ii), collectively, the “Financing Documents”); and (iii) the form of Ordinance to be presented to the Common Council of the City (the “Ordinance”) authorizing the issuance of the Bonds and providing for the terms thereof. The forms of Financing Documents and the Ordinance presented herewith are hereby approved, with any and all such changes as may be deemed necessary, desirable or appropriate by the Mayor, the Controller or any other officer of the City.

Section 4. The Commission hereby approves and recommends the City issue the Bonds in a maximum aggregate principal amount not to exceed One Million Nine Hundred

Thousand Dollars (\$1,900,000) for the purpose of procuring funds to (i) to pay for a portion of the costs associated with the Project, including capitalized interest, if any, and the funding of a debt service reserve fund, if necessary, and (ii) pay all costs of issuance of the Bonds, which Bonds will be payable as to principal and interest from the Pledged TIF Revenues as provided in the Financing Documents. The Bonds shall never constitute a general obligation of, an indebtedness of, or charge against the general credit of the City.

Section 5. Any officer of the Commission is hereby authorized and directed, in the name and on behalf of the Commission, to execute any and all other agreements, documents and instruments, perform any and all acts, approve any and all matters, and do any and all other things deemed by him or her necessary or desirable in order to carry out and comply with the intent, conditions and purpose of this resolution (including the preambles hereto and the documents mentioned herein), the Project, the issuance and sale of the Bonds, and any such execution, performance, approval or doing of other things heretofore effected be, and hereby is, ratified and approved.

Section 6. The Secretary of the Commission shall transmit a copy of this resolution, together with two (2) copies of the forms of the Financing Documents and the Ordinance approved by this resolution, to the Clerk of the City for presentation to the Common Council of the City with the recommendation that the Common Council of the City adopt the proposed form of Ordinance approving the issuance of the Bonds the Financing Documents in their substantially final forms as hereby recommended.

Section 7. This resolution shall be in full force and effect upon adoption.

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ADOPTED this 19th day of December, 2019.

LAFAYETTE ECONOMIC DEVELOPMENT
COMMISSION

David Bathe

Steve Snyder

Scott Walker

Dave Zimmerman

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**REPORT OF THE CITY OF LAFAYETTE ECONOMIC DEVELOPMENT
COMMISSION CONCERNING THE PROPOSED FINANCING OF ECONOMIC
DEVELOPMENT FACILITIES FOR NOVA LAFAYETTE, LLC**

The Lafayette Economic Development Commission (the “Commission”) proposes to recommend to the Common Council of the City of Lafayette, Indiana (the “Council”), that the City of Lafayette, Indiana (the “City”) provide the proceeds of certain taxable economic development revenue bonds to Nova Lafayette, LLC or an affiliate or designee thereof (collectively, the “Company”) for the financing of a portion of the costs of certain economic development facilities in the City.

In connection therewith, the Commission hereby reports as follows:

- A. The proposed economic development facilities consist of costs of construction of a mixed-use development consisting of approximately seventy-six (76) apartments, six thousand (6,000) square feet of retail/office space and structured parking, together with any necessary appurtenances, related improvements and equipment, to be located at 200 South Fourth Street in the City, in or physically connected to the Consolidated Creasy/Central Economic Development Area, capitalized interest, if any, a debt service reserve, if necessary, and costs of issuance related to the financing (collectively, the “Project”). The Project is located at 200 South Fourth Street, Lafayette, Indiana.
- B. No public facilities, other than the Project to be funded with proceeds of the bonds, to be paid for by the City will be made necessary on account of the proposed Project.
- C. The Commission estimates that the total costs of financing the Project will be approximately \$16,800,000, including capitalized interest, if any, a debt service reserve, if necessary, and the costs of issuance of taxable economic development revenue bonds.
- D. The Commission estimates that the facilities and the Projects will create approximately 8 new part-time jobs with an estimated annual payroll of approximately \$150,000 (excluding temporary construction jobs created).
- E. The Commission finds that the facilities and Project will not have a material adverse competitive effect on similar facilities already constructed or operating in the City.

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Adopted this 19th day of December, 2019

LAFAYETTE ECONOMIC DEVELOPMENT
COMMISSION

David Bathe

Steve Snyder

Scott Walker

Dave Zimmerman

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