

**MINUTES**  
**WHITLEY COUNTY REDEVELOPMENT COMMISSION**  
**Tuesday, January 28, 2020**

**WHITLEY COUNTY GOVERNMENT CENTER**  
**1<sup>st</sup> FLOOR-COMMISSIONERS/COUNCIL MEETING ROOM**

**MEMBERS PRESENT**

Jim Argerbright  
Michael Schrader  
George Schrumpf  
Jill Western

**MEMBERS ABSENT**

Frank Kessler  
Kim Wheeler

**STAFF**

Jon Myers  
Jana Schinbeckler  
Nathan Bilger  
Kennedy St. George  
Tiffany Forrester  
Mark Cullnane

**GUESTS**

David Scott  
Jeff Blakely  
Steve Western

**LEGAL COUNSEL**

Andrew Boxberger

**CALL TO ORDER**

Mr. Argerbright called the meeting to order at 8:02 A.M. and read roll call. All members present and absent are listed above.

**ELECTION OF OFFICERS**

Mr. Argerbright introduced the election of officers for 2020 and opened nominations. Mr. Schrader made a motion to retain officers from the previous year: Mr. Argerbright, President; Mr. Schrumpf, Vice President; Mr. Schrader, Secretary.

Mr. Schrumpf seconded the motion.

Mr. Argerbright asked for additional discussion. Hearing none, Mr. Argerbright called for a vote.

The motion was passed by a vote of 3-0, with all attending members voting in favor.

**PYROTEK TRAINING GRANT**

Mr. Myers reviewed documents that he submitted to the Commission concerning a training grant for Pyrotek. Mr. Myers stated that Pyrotek has committed to investing \$631,000 in received new equipment that will allow them to expand production at their facility in Park 30 Business Center. He stated that company executives like the facility, and that its continued success has the potential to warrant future expansion. Mr. Myers stated that, in lieu of a tax abatement, Pyrotek is seeking a training grant of \$17,000 to support the four (4) full time permanent jobs expected to be created by the expansion.

Mr. Myers introduced Dave Scott, operations manager at the Park 30 facility, to the Commission.

Mr. Schrumpf asked Mr. Scott if this expansion foresees long-term expansion at the facility.

Mr. Scott stated that this investment in equipment will add a new process to the facility and that it creates the potential for additional investment in the future. He stated that the expansion involves a relatively small investment in equipment, and that, instead of requesting a tax abatement, he has come before the Commission to request a training grant.

Mr. Schrumpf asked Mr. Scott what industries the equipment involved with this expansion will allow Pyrotek to serve.

Mr. Scott stated that the new equipment will allow the facility to produce filters for aluminum foundries. He stated that demand for the facility's products currently outstrips capacity and that the addition of this equipment will help the facility to better address the imbalance.

Mr. Argerbright stated that, lately, the Commission has more favorably viewed training grants than tax abatements because such grants get money to the employer earlier than would a tax abatement and so helps to defray initial costs associated with expansion.

Mr. Argerbright asked Mr. Schrader if he had anything to add.

Mr. Schrader stated that generally has a favorable view of training grants.

Mr. Schrader made a motion to approve the training reimbursement agreement with Pyrotek as presented.

Mr. Schrumpf seconded the motion.

Mr. Argerbright asked for additional discussion. Hearing none, Mr. Argerbright called for a vote.

The motion was passed by a vote of 3-0, with all attending members voting in favor.

#### **IOTRON PROJECT**

Mr. Myers stated that Iotron intends to make a \$17 million investment to expand their facility in Park 30 Business Center by 50,000 square feet. He stated that Mr. Argerbright, Iotron, and he recently met to discuss the possibility of a TIF Bond similar to that which was granted when Iotron decided to locate in Park 30. Mr. Myers stated that Mr. Boxberger has been in contact with Bond Counsel concerning this possible bond.

Mr. Myers introduced Jeff Blakely, Director of Operations at the Iotron facility in Park 30 Business Center. Mr. Blakely stated that Iotron intends to make a \$17 million, 50,000 SF expansion.

Mr. Blakely and the Commission discussed the nature of Iotron's work and the industries it serves.

Mr. Myers and Mr. Boxberger discussed the possibility of the Commission issuing a TIF bond to Iotron in support of the proposed expansion.

Mr. Boxberger stated that bond counsel has quoted fees of roughly \$35,000-\$50,000.

Mr. Schrumpf asked if it was correct that the Commission's only expenses would be fees associated with bond counsel. Mr. Boxberger confirmed that this was correct.

Mr. Blakely and the Commission discussed the types of occupations and skills required by Iotron.

Mr. Boxberger and Mr. Blakely discussed the distribution of the proposed investment between real and personal property.

Ms. Western and Mr. Boxberger discussed an estimate for when the bond would be paid off. Mr. Boxberger stated that, if both the real and personal property involved in the expansion were committed to the bond, it would create a bigger revenue stream and allow for quicker repayment. Mr. Boxberger stated that he could not answer the question at this time.

The Commission, Ms. Schinbeckler, Mr. Bilger, and Mr. Boxberger aspects of the Union TIF district.

Mr. Schrumpf asked Mr. Myers and Mr. Blakely if they are looking for a favorable pass. Mr. Myers stated that the question is whether the Commission would favorably view lotron's request for a TIF bond.

Mr. Boxberger stated that the Commission's costs would include hiring a consultant to prepare an impact analysis along with Bond Counsel.

Mr. Boxberger stated that he and Mr. Myers will contact Baker Tilly to integrate an analysis of this proposal into the analysis they are currently working on for the Commission.

Mr. Schrumpf stated that he would like to see the impact analysis prior to making any commitments.

Mr. Blakely stated that lotron is currently looking at construction commencing this spring and being operational in one (1) year.

The Commission, Mr. Boxberger, and Ms. Schinbeckler discussed lotron's potential bond in the context of existing bonds.

Mr. Argerbright asked the Commission if there was a general consensus in support of working with lotron to consider a TIF bond. Mr. Schrumpf and Mr. Schrader indicated that they were in support of working with lotron on a bond.

#### **MISCELLANEOUS MATTERS**

Mr. Myers stated that he is in negotiations with a company concerning Rail Connect Spec Building I.

Mr. Bilger stated that the South Whitley Redevelopment Commission has expressed interest in pursuing a housing TIF. Mr. Bilger asked the Commission if it had interest in establishing a housing TIF in the recently created Larwill EDA. Mr. Bilger and Mr. Boxberger reviewed housing TIF districts and the process of establishing them.

Mr. Schrumpf stated that school systems in the county are already having issues with funding and expressed concern about removing revenues via a housing TIF.

Mr. Bilger stated that South Whitley would likely raise more revenue through increased population than would be lost to the increment being diverted to as housing TIF.

Mr. Boxberger stated that it would likely take a while for the increment to make a significant impact on a school district's revenue because houses tend to be built one at a time.

Mr. Schrumpf and Mr. Bilger discussed an upcoming housing forum being hosted by the Planning and Building Department.

Mr. Bilger stated that the Commission's Annual Report needs to be adopted by April. He added that Jana and he will work on the report in February.

Mr. Boxberger and Mr. Bilger discussed the Commission's upcoming annual meeting.

Mr. Bilger, Mr. Boxberger, and Mr. Schrumpf discussed payment to Baker Tilly of the bill for the Larwill TIF impact analysis performed by Baker Tilly. Mr. Bilger and Mr. Schrumpf discussed which entity should be responsible for paying the bill.

#### **IN THE MATTER OF MINUTES**

The minutes for the December 23, 2019 regular meeting were presented for approval. Mr. Schrader stated that he was not present for the December 23 meeting and, therefore, would abstain from voting

on the minutes. This resulted in lack of a quorum and so consideration of the December 23, 2019 was continued until the next meeting.

#### **CLAIMS**

Claims were reviewed and consisted of Carson, LLP, \$2,812.50; Michael Schrader, \$375.00; Frank Kessler, \$375.00; James Argerbright, \$375.00; Whitley County Economic Development Corporation, \$6,250.00; KPC Media Group Inc., \$44.49 (public notices); and Northeastern REMC, \$237.72.

Mr. Schrumpf made a motion to approve the claims as presented. Mr. Schrader seconded the motion.

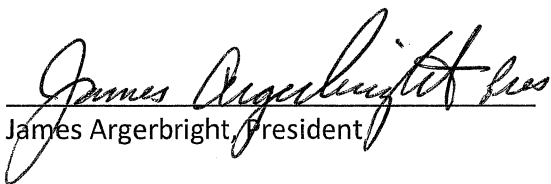
Mr. Argerbright asked for additional discussion. Hearing none, Mr. Argerbright called for a vote.

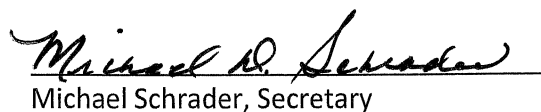
The motion passed by a vote of 3-0, with all attending members voting in favor.

There being no further business, Mr. Argerbright declared the meeting adjourned at 8:43 a.m.

**WHITLEY COUNTY  
REDEVELOPMENT COMMISSION**

**ATTEST:**

  
James Argerbright, President

  
Michael Schrader, Secretary