

# **SPECIAL JOINT MEETING – JOHNSON COUNTY BOARD OF COMMISSIONERS AND THE JOHNSON COUNTY REDEVELOPMENT COMMISSION (RDC)**

**June 23, 2025**

RDC President Rob Henderson called the meeting to order at 3:30 p.m. County Attorney Tiffany Costley performed the roll call. The following members of the RDC were present: Rob Henderson, Commissioner Kevin Walls, Commissioner Ron West, Lee Money, Councilwoman Michele Graves, and Scott Alexander. A quorum was present.

## **Approval of May 27, 2025, Special Joint Meeting Minutes**

Commissioner Walls made a motion to approve the minutes. Commissioner West seconded the motion. The motion carried 5-0.

## **Ratification of Claims**

Commissioner Walls made a motion to approve ratification of Franklin Peters Ltd Invoice #15434. Mr. Money seconded the motion. The motion carried 5-0.

Commissioner Walls made a motion to approve ratification of Ice Miller Legal Counsel Invoice #01-075-A-1. Commissioner West seconded the motion. The motion carried 5-0.

## **Approval of HWC Engineering Invoice #2500-075-A-1**

Commissioner Walls asked whether HWC had given the RDC a time frame on the completion of the study. Tiffany Costley, County Attorney, clarified that no exact date was given, but that she would reach out to HWC to request that a time frame be provided. Commissioner Walls made a motion to approve the payment of the invoice. Mr. Money seconded the motion. The motion carried 5-0.

## **Redevelopment Authority Lease Bonding Discussion**

Attorney Adam Steuerwald, the County's bond counsel, was present to answer any questions and give a brief overview of the bonding process. He explained that the RDC will lease roads from the Redevelopment Authority (RDA). The RDA will then issue a series of lease rental revenue bonds. RDA will use the bond proceeds to acquire roads from the County and the County will use what they receive from selling the roads to RDA to acquire, design, construct, renovate, improve, or equip road and street improvements. Mr. Steuerwald informed the RDC that there would be a pledge of TIF on the bonds and that the County also planned to pay debt service from LIT. Mr. Steuerwald explained that SB1 has made the process more complicated, but that the County will pay as money comes in to not have to levy the property tax backup.

Ms. Costley clarified that any project that would come through RDC would have to be removed from the bond and that there is a mechanism to do so for specific projects RDC would like to advance. Mr. Henderson asked for a timeline, to which Mr. Steuerwald replied and informed the RDC that the County was working on a project and road list for the lease. Then, this matter would go before the Council for approval of a resolution and ordinance. Then a special meeting between the RDA and the RDC would need to take place prior to a final meeting of Council. Then, there is a thirty (30) day waiting period for challenges to the lease. The RDA may then sell bonds any time after the expiration of the waiting period.

Mr. Henderson asked whether the road inventory selected for the lease would include roads inside the I-65 and I-69 Economic Development Areas. Mr. Steuerwald responded that the roads selected should be those that will not have heavy construction or that are not able to be used in the near future. As long as the roads are in the County, preferably not in a municipality, they will suffice.

Mr. Money asked if this obligates all other RDC property to the bond issue. Mr. Steuerwald clarified that no mortgage or lien of any kind would be placed on property and that Council will need to appropriate money to pay for lease rental payments and that it would also require a pledge of TIF. Mr. Money asked whether there would be a pledge of TIF to secure the bonds and Mr. Steuerwald answered in the affirmative.

Jeff Peters of Peters Franklin Ltd clarified that the County will also use LIT to make debt service on the bonds. At the last meeting, it was stated that RDC wanted to pursue bond issuance to save properties from annexation. In lieu of doing a separate bond, Mr. Steuerwald is going to write into the existing bond documents this pledge which will secure the parcels so they cannot be annexed. Annually, RDC will decide if it wants to make payments out of TIF revenues, and the County will make the same

decision regarding LIT. The underlying security for the bond is the property tax for the entire County excluding municipalities with their own redevelopment commission. Mr. Steuerwald clarified that the properties will still be able to be annexed, but the TIF would remain with the County if the TIF bonds are pledged.

Commissioner West stated that unless it has been determined that there is a proper use of the \$40 million proposed bond issuance, he does not feel comfortable moving forward unless it is clear what the funds will be used for. Commissioner Walls clarified that the \$40 million was based on the costs associated with the Smith Valley Road corridor. Commissioner West reiterated that it was necessary to discuss what roads the bond proceeds would be used for and that in doing so, it is necessary to review the opportunities for the quickest commercial development.

Mr. Money then asked Mr. Steuerwald if RDC moved forward with this proposal whether it would preclude them from seeking additional bonds for other projects in the TIF area. Mr. Steuerwald said that he would structure this bond so it meets the parity test, meaning that they would likely be able to easily issue other bonds, providing them with flexibility. However, this bond issuance will accomplish their goal of locking in the TIF in the event of annexation. Further, he stated that the RDC has complete control of the TIF until it is annexed. If there is an outstanding bond, the TIF remains with the County. However, if they have a \$2 million bond that matures early, once it matures, the TIF would go to the annexing municipality.

Councilwoman Graves then asked whether RDC is responsible for repayment of this bond solely. Mr. Peters said no and confirmed that the underlying and primary security is the property tax base for the County, excluding municipalities with a redevelopment commission. The rest of the County tax base will be security and backup payment for the debt service on these bonds. To keep the County in control of the parcels in question for RDC, Mr. Steuerwald is going to add in a pledge of TIF funds for RDC to achieve their goal of retaining the TIF, even if the parcels are annexed. Mr. Peters clarified that it is possible for the RDC to never pay a TIF dollar to debt service. Ideally, it could all be paid with LIT, so in theory, RDC could pledge TIF revenue for other projects. Because they are not paying out of TIF revenue for bonds, there is a carve-out for future projects RDC would like to pursue. Mr. Henderson asked whether Council alone makes the decision regarding the use of TIF revenue for repayment of the bond. Mr. Steuerwald stated that the TIF revenue will be pledged and that coordination between RDC and Council would be necessary in the budgeting process for repayment. He further provided that it can be set up so there will be a special benefits tax levied to pay the bonds, but the County can budget to make those payments instead. Councilwoman Graves suggested a memorandum of understanding between RDC and the Council.

Mr. Money moved to set the public hearing for July 28, 2025. Commissioner West seconded the motion. The motion carried 5-0.

#### **Discussion of Interlocal Agreement between the City of Greenwood, Indiana and Johnson County, Indiana**

Mr. Henderson provided an update regarding a meeting he had with Greenwood to open lines of communication and that more information would follow.

#### **Discussion of Redevelopment Commission Logo**

ASPIRE representatives asked where to send the logo files. Ms. Costley stated that the files should be sent to Ms. Costley and Annette Engmark.

#### **Old/New Business**


Amanda Rubadue of ASPIRE stated that in the past 12 months, they have responded to 60 leads. They have been engaging in strategic planning efforts for the next 3-5 years and have discussed narrowing the focus on particular industries and activities, particularly those that support quality of life.

Commissioner West asked about SB1 and how property tax reform will affect companies who in the past were assisted or lured by tax abatements. Ms. Rubadue said there is a lot of scrutiny regarding abatements and that she anticipates they will be looked at with even more scrutiny. She stated that incentives are not what determines whether a business lands in a community. The deciding factors include depth of talent, population, quality of life, and real estate opportunities.

#### **Adjournment**

Councilwoman Graves moved to adjourn. Commissioner Walls seconded the motion. Motion carried 5-0.

Approved on: 8/25/35

  
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Rob Henderson, President

  
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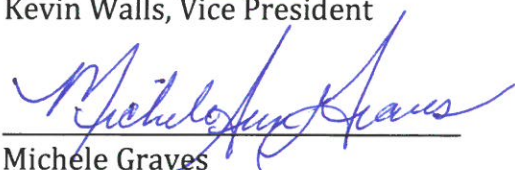
R. Lee Money, Secretary

  
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Ron West

  
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Kevin Walls, Vice President

  
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Michele Graves