

FORT HARRISON REUSE AUTHORITY BOARD MINUTES
Monday, August 21, 2017

The FHRA Board met in public session at 9120 Otis Avenue, FHRA conference room, Lawrence, IN at 5:30 p.m.

FHRA Board Members Present

Marci Reddick, President
Jeff Congdon, Vice President
Russell Brown, Secretary Treasurer
Curtis Bisgbee, Member

FHRA Staff Present

Freddie Burrus, Executive Director

Public in Attendance

April Pyatt, Ice Miller
Chris Barnett, Lawrence CDC
Will Worley, Porter Books & Bread
Marvin Rowe
Mark Clark, HOA
Carol & Dick Schwartz, residents
Trace & Breena Yates, residents
Michael Allen, Ice Miller
Fred Prazeau, Context Design
Shedrick Bassett
Mark Adam, Crowe Horwath

The official public meeting was called to order by Board President Marci Reddick. Ms. Reddick introduced the board members present and FHRA staff.

Mr. Brown stated that there is a monthly Profit and Loss at the front for people to look at. It does reflect our receipt of our first installment of TIF proceeds and also reflects that we have paid the entirety of the interlocal agreement with Lawrence at this point.

Ms. Reddick stated they will be taking things out of order on the agenda. Ms. Reddick asked for a motion to approve the minutes of the July 17th meeting. Mr. Congdon made the motion and Mr. Brown seconded the motion. Mr. Bigsbee abstained from voting as he was not at the July meeting. The motion unanimously passed.

The next item of new business is approval of Resolution 2017-04 which is a resolution authorizing the issuance of 2017 Bond Anticipation Notes for financing of local public improvements for Parcel G.

Mr. Brown stated that we have Phil Genetos and Michael Allen with Ice Miller who are our bond counsel and Mark Adam with Crowe Horwath who are our municipal and financial advisors on this matter. Mr. Brown stated this is a five year bond anticipation note which is a debt issued in

anticipation of a new bond at the end of that five years if we don't pay the principal before that time. During that interim period we would pay interest only with two annual interest payments during that time. This is contemplated to be issued thru Hilliard Lyons who then would sell those notes and they are tax exempt. It is expected to close and be funded next week. This is subordinate debt issued to our existing bond issuance and our obligations to the city of Lawrence. We would also as part of this agreement pay 50% of any net proceeds from lot sales from parcel G towards the principal. How this will be paid off is that anytime there is \$5,000 in that segregated account at the time of one of the interest payments that would be distributed to the lender. Our goal would be thru lot sales proceeds to pay this off well in advance of the August 1, 2022 maturity but this does allow us the flexibility to do it. This is a financing mechanism I used as Township trustee for some improvements that we made. This is regularly utilized by municipal entities.

Mr. Mark Clark asked how much the funds were issued for. Mr. Brown stated this is a bond anticipation note for \$2.25 million. Ms. Reddick stated the interest is about 3.35%.

Mr. Genetos stated the resolution actually authorized 2.5 but 4% is max.

Ms. Reddick asked for a motion to approve Resolution 2017-04. Mr. Brown moved to approve Resolution 2017-04 and the approval of the 2017 bond anticipation notes. Mr. Bigsbee seconded and the motion passed unanimously.

Mr. Brown stated he wanted to thank our team. He appreciates the fact that they hustled to get this done and we were well served by our financial advisors.

The next item is Resolution 2017-03 which is a resolution approving the David Weekley Homes purchase agreement for parcel G right in the center of the Village. Ms. Reddick stated that DW Homes will be purchasing parcel G for the development of townhomes. They anticipate 60 homes will be put in with significant green space around it and they will be similar to the ones up in Saxony in Fishers. The price point would start at \$200,000. She said that you may recall that on parcel A which is the parcel being built on now, the price point was starting at \$180,000 per unit. The price point on those homes now is \$257,000 per unit. They are a great product and they can't sell them fast enough.

Mr. Brown stated that this is a similar lot take down agreement as parcel A was done. This sets expectation as far as purchase price goes and take down obligations. We will commence work on this ASAP.

Ms. Reddick stated that the Resolution ²⁰¹⁷201-04 that we just passed on the bond anticipation notes is going to be used for infrastructure work for development of parcel G. The anticipated return on each lot would be around \$38,000 going to the FHRA.

Ms. Reddick asked for a motion to approve Resolution 2017-03 approving the David Weekley Homes purchase agreement. Mr. Congdon made the motion and Mr. Bigsbee seconded and the motion was unanimously approved.

Ms. Reddick stated that we would have expected someone from David Weekley Homes to be here to make a presentation as this has been typical when we approve a new development contract but we will make sure they are here next month. She said this will be a nice addition to the Village where people can live, work and play.

Next item of business is the Executive Director's update. Mr. Burrus stated in regard to parcel A, lots 1, 2 and 4 have sold and that helps almost complete the western section of the neighborhood. There are only 19 lots still available in phase 2 and will complete that out.

Starting later in the fall Art to Remember will open at 9425 E. 59th Street and there will be anywhere from 100-150 employees during the peak season.

We are happy to say that the sale pending on the parcel J for Ackermann group closed. They are going to add 116 units to have a total of 340 units at The Fort Apartments.

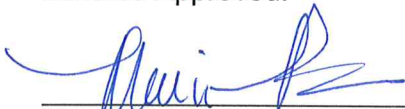
In early July we opened up Melner Road and extended Otis Avenue with a \$3.1 million expansion. That is almost like a red carpet for prospective businesses making serious inquiries about what they can do there and can visualize it now.

Ms. Reddick asked Mr. Burrus to remind everyone where the library is going. He showed them on the Lawrence Village parcel map.

There were no further questions or comments from the public. Ms. Reddick stated the next meeting is on September 18th.

Ms. Reddick asked for a motion to adjourn the meeting. Mr. Brown made a motion to adjourn and Mr. Bigsbee seconded the motion and the meeting adjourned.

Minutes Approved:



Marci Reddick, President



Russell Brown, Secretary Treasurer