

CITY OF KNOX REDEVELOPMENT COMMISSOIN

101 W. WASHINGTON St.

KNOX, IN 46534

MEETING MINUTES MAY 21, 2025

Members Present: Jeff V. Berg, Marsha Boggs, Mike Estok, Marcia Hayes, Mary Perren

Members Absent: Mike Estok (listening via telephone)

Guests Present: Greg Balsano, Baker Tilly Municipal Advisors; Shandell Bartoli, Bianca Rose Floral

The May 21, 2025, meeting of the Knox Redevelopment Commission was called to order at 4:30 p.m. by President Jeff V. Berg at Knox City Hall, and a roll call was performed.

Amendment to the Agenda – President Berg asked that the agenda be amended to add 7a – Subdivision Covenants. Secretary Mary Perren made a motion to amend the agenda as recommended, seconded by Vice President Marcia Hayes. Approved 5-0.

Vice President Hayes made a motion to accept the April 16, 2025, minutes as presented, seconded by Commissioner Boggs. Approved 5-0.

4. Baker Tilly Report – Greg Balsano from Baker Tilly shared the annual TIF presentation with the board. He advised that overlapping taxing districts were invited to attend via email. Mr. Balsano said Knox currently has three TIF allocation areas where money is generated and one economic development area where funds can be spent for capital projects and public safety. Currently a TIF exists for 25 years from the date any debt is issued. He said the first TIF District was created on September 2, 1997, and will expire on September 2, 2027. The second was established on December 13, 2004 and will expire on December 13, 2024. The third was set up on May 6, 2019, and will sunset 25 years from any bond issuance, which has yet to occur. The estimated annual TIF Pay 2024 is \$101,160. The Pay 2025 estimated amount is \$136,920. Roughly half of the TIF revenue will sunset in 2027, as Pay 2027 is the last year for the original TIF district. Mr. Balsano said the Knox Industrial Park TIF District does not have a set expiration date because there is no debt currently pledged from that area.

Projects in the Knox Redevelopment Allocation Area that have been funded with TIF revenues include water and sewer lines, public infrastructure, Sandy Acres Park improvements, streetscape, the downtown façade program, development of city-owned downtown lots, Wythogan Park improvements, housing development, and a public safety vehicle. TIF money from the Industrial Park Allocation Area was used to extend sanitary sewer. Future TIF-funded projects in the Industrial Park Allocation Area include road improvements, water and sewer extensions, and funding for the purchase of two police department vehicles.

Regarding impacts to local taxing units, Mr. Balsano said the county's assessed valuation would increase without TIF. He said taxpayers who own property in a TIF district are unaware of the impact unless they come to a meeting because funds are distributed on the back end. Additionally, he said Baker Tilly is deciphering the effect Senate Bill 1 will have on the city and TIF areas and will work with the mayor to update revenue estimates.

5. Approval of the Pass-Through Notification Letter – Mr. Balsano advised the city must send a letter via USPS to the affected taxing units advising them of the effects of the TIF. Secretary Perren made a motion to send the letters, seconded by Commissioner Estok and approved 5-0.

6. 6 N. Main Street Renewal – Mayor Estok explained that this is the pop-up store, and there is a lease agreement with an option to purchase between the city and business owner Shandell Bartoli of Bianca Rose Floral. He said it requires a minimum rental of six months, but the building can be purchased from the city any time. Mrs. Bartoli said her goal is to purchase it, but she's not ready to do so at this time. She said business is going well and has rebounded after a slow start in the new location. Overall sales are down about 23-percent year-to-year, but that's more due to the economy. She added that rent and utilities cost significantly more at her previous location and said overall things are trending in the right direction for her business.

As far as the purchase goes, Mrs. Bartoli said she needs more time to prove sustainability to the bank and get out from under prior debts. Meanwhile, she's getting very good feedback regarding the building and its appearance, and she said parking has not been an issue. One of her biggest challenges is uncertainty due to the tariffs, as many of her products come from South America and vendors are reluctant to lock in prices.

She plans to finish out the upstairs apartment and use it as a rental and would like to hire a contractor to get started on that project as soon as she closes on the purchase. Mayor Estok cautioned that the upstairs will need a lot of work, and the second half of the building is unstable. He suggested extending the current lease terms for another six months. Vice-President Hayes made a motion to extend the current lease terms for six months and revisit the issue in September. Commissioner Estok seconded, and the motion was approved 5-0. Mrs. Bartoli asked if the city had a sale price in mind. Mayor Estok said they are required to obtain two appraisals and ask the average price. He added terms can be drawn up to favor the tenant.

7. 5 & N. Main St. – President Berg said he spoke to building owner Jose Hurtado, who mentioned Seth Johnson. President Berg said he doesn't know what else to do except paint the exterior. He added there's \$22,500 left in the grant, and said that should be plenty to cover paint costs. After some discussion, Vice President Hayes made a motion to contact Seth Johnson to choose a paint color so Mr. Hurtado can do the work and the grant can be closed out. Commissioner Boggs seconded the motion, and it was approved 5-0. Mayor Estok noted that Mr. Hurtado will need to sign a memorandum of understanding at city hall.

7a. Subdivision Covenants – Mayor Estok shared proposed covenants and said they require approval by the RDC and the city council. He added that the city obtained two appraisals for the lots, and they will be sold for \$26,000 each. Commissioner Estok asked if brick will be required. Mayor Estok said he wants to make sure the houses remain reasonably priced. He added that the minimum size will be 1,400 square feet with a minimum 5/12 pitch roof and at least one offset. Secretary Perren made a motion to approve the subdivision covenants as presented, seconded by Commissioner Estok, and approved 5-0.

8. Review of Façade Guidelines and Application – After some discussion, President Berg and Secretary Perren agreed to meet prior to the next regularly-scheduled RDC meeting and put together a draft of previously identified best practices. Commissioner Boggs made a motion to table this to the next meeting, seconded by Vice-President Hayes, and approved 5-0.

9. Signing of Vouchers – Payment vouchers were signed as presented.

10. Adjournment – There being no vouchers to sign, the meeting was adjourned at 5:31 p.m. The next Knox Redevelopment Commission meeting will take place on June 18, 2025.

X

Jeff V. Berg, President

X

Mary Perren
Secretary