

Meeting Minutes

May 10, 2023

Madison County Port Authority Board

The Madison County Port Authority meeting was called to order at 9:05 a.m. by Chris Wallace, Port Authority, Chairman. The meeting began with a roll call from all individuals participating in the meeting.

The following board members were present at the meeting: David Kell, Executive Director, Steve Hermiller, Steve Lelonek, Ray Martin, Scott Sims, Chris Wallace, and Sissy Wiseman.

Subject: Meeting Minutes – Approval – March 8, 2023

Steve Lelonek made a motion to approve the March 8, 2023 meeting minutes Scott Sims seconded the motion.

All members voted in favor to approve the March 8, 2023 meeting minutes.

Financial Activity Update

David Kell informed the Port Authority Board that he and Caleb Bell, Bricker & Graydon, legal representative, is working with Kenter Sellers to sign an agreement that Kenter Sellers would work with the Madison County Port Authority on an hourly type of agreement depending on how much activity there is at any time. David Kell is waiting to receive the signed agreement from Kenter Sellers.

David provided an overview of the financial activity for the Madison County Port Authority. Ray Martin was not aware that the seed money was a loan from the Madison County Commissioners to the Port Authority Board. Ray requested that in the future if the Port Authority could be notified first about this type of financial activity. David Kell replied that the Port Authority can be notified first about the Ports financial activity. David continued that he's anticipating that a few projects will come in by the end of year, and the goal is to pay back the seed funding to the Commissioners at that time, and then the Port Authority will be self-sustaining. This upfront seed funding was needed to pay outstanding legal and project fee invoices. As of this time there is ~ \$5,000.00 in the Port Authority's bank account. Every month there will be a \$3.00 bank fee on this account.

Project Updates

David Kell provided a spreadsheet that basically details the status of the projects and what is being worked on and is broken down by community. David proceeded to inform the Port Authority Board that Madison County, Plain City, and West Jefferson are all looking at potential projects. A couple of these projects have provided an indication of when their start time could be and also the current activity they are looking at.

West Jefferson Project – David Kell has spoken with Ben Johnson, broker, about status on the RDM Group project. According to Ben, they are currently doing more engineering. Originally they were hoping to move forward in April or May 2023, this engineering is taking more time, and the good thing is that they are still spending money to move forward with this site. The new projected close date on this project is August 2023. David Kell is still in communication with them about this project.

At this time there is a lot of leads from groups that are looking for 500,000 sq. footage areas. Most groups are primarily looking at 50,000 – 300,000 sq. footage areas. David reported that he received a call from an individual in Seattle that is looking to move out this way because of a semiconductor project. He's interested in starting out with a 3,000 sq. footage area and expanding to 60,000 sq. footage area. The activity is still there with the larger buildings but not as busy as the smaller building space area. David has forwarded this information to RDM and others to inform them this is the type of activity that is being seen. RDM space is going to be 500,000 sq. footage total, and will then be divided into 125,000 sq. footage sizes to offer flexibility for potential tenants.

David has been in contact with Chris at Ambrose and they are still gathering information but is still very interested in utilizing Madison County Port Authority, and did not provide any indication on timing but looks like they will be moving forward.

David Kell and Caleb Bell both reached out to Doug at CORE 5 and has not received a reply back. Caleb reported that he's aware of other potential sites around the state that CORE 5 is also looking at. Steve Hermiller asked if this is the Ambrose out of Indianapolis and David Kell responded yes, and Ambrose owns the land known as Park West.

State Routes 29 and 42 – Smith & Layne is still in negotiations but is still very interested in purchasing 40 acres across the street from where they are currently building, and if they move forward with that then they would also be utilizing the port. According to David he's worked a lot with these individuals at this project site. This project would be ~200 – 300 sq. feet. The anticipation time line for this project to begin is between September 2023, - October 2023.

Steve Hermiller asked David Kell when the utilities would be connected. David replied that the water, electric, gas, and fiber is there. David will be working with Tom Taylor about getting this project tapped in. The sewer utility service should be completed in June 2024. The scope of this project was altered and more design work has been going into this and timing could be later than expected.

Wilcox Communities and Schottenstein Real Estate Group (SRG) – Plain City

Over a year ago David Kell met with the client about Wilcox Communities, to discuss what opportunities there is for this project. This client was interested in using the Madison County Port Authority as a potential partner for this project.

Caleb Bell reported - That the Wilcox Communities is interested in bringing forward the project in Plain City. Caleb continued that Wilcox Communities is going to do their due diligence with The Village of Plain City to get the appropriate zoning lined up, and how to deal with traffic issues, and they are also looking for the Port Authority to assist and manage with cost savings measures at this site. The Madison County Port Authority provided an application to The Wilcox Communities. At this time the Madison County Port Authority is waiting on The Wilcox Company to submit the completed application.

Ray Martin asked Caleb if Wilcox Communities is housing, and if the savings is in the form of TIFF's? Caleb responded that this site is going to have single and multi – family housing, and a portion of that would come through the Port Authority program for sales tax exemption.

According to Ray there is something new in Franklin County. There is a group of counties that has a Port Authority that is talking about giving TIFF's to commercial neighborhoods. Caleb responded that the Port Authorities will not have any authorization or role for approving TIFFs. The cities, townships, or counties would be the jurisdiction to approve TIFF's. Sometimes the Port Authorities will finance the TIFF revenue. This TIFF revenue is turned into financing so that the upfront cost of infrastructure can be paid. The Port would issue a bond, the bond would then be paid with TIFF money over time.

Ray Martin asked if the bond doesn't affect the County's bonds? Caleb responded correct that it's not a transaction. Caleb continued that The Madison County Port Authority has bond issue capacities. If a TIFF transaction would come up in a Madison County Community, the first step would be to contact David Kell to see what the transaction may need and if the bond is needed. Steve Hermiller asked if this property in Plain City is in the Village? David Kell replied it's on the west side and it just got annexed. As Caleb previously mentioned the rezoning is being worked on. This is in the early stages but when David talked with Wilcox Communities since the market is high he wants to move forward as quick as possible and the taps should be available for that.

David Kell is working with (SRG). SRG has approached both the Township and the Village about property to hopefully move forward with development in Darby Township. This has been discussed publically about creating a JEDD at State Route 161 ~800 acres that would include SRG. There is possibly 500 or more acres at the Cricket property that would be going in this JEDD. On June 5, 2023 David Kell will be attending the Township meeting to talk about this JEDD. David feels there is a neutral desire to create this JEDD and have development in the township which would allow opportunities. It would create an income tax that would be shared amongst entities that would be participating.

There is also preservation of township and it helps to increase that barrier. There is still concern from the Township, the Village, and Dublin moving further and using less than 50 acres. There is acreage of a greater piece that extends into Madison County. This JEDD would allow to serve a lot of purposes. There is also some engagement regarding utilities from other communities to serve that area. This would be the same type of deal for SRG and The Wilcox Communities Project. This would be mixed use primarily which this division focuses on multi – family there may be a few single family as well. With this property there is a lot of players involved which includes - Union and Madison Counties, The Village, City, Township, County Engineer, Fire Department, and EMS. David thinks that the Fire Department and EMS would want to be involved with the JEDD. David continued that since there is going to be a lot of development at 161 it needs to be done the right way. He is currently working with Plain City and looking at zoning and design standards. A schedule was provided as to what they want to do and if everything lines up and falls into place they would start moving dirt in the third quarter of 2024. There is a lot of work to be done but has a positive impact. Steve Hermiller asked who was advising Darby Township on the JEDD? David will have to check with Darby Township because he provided Darby Township with names and point of contacts who works on JEDDs. Caleb informed the Board that the key to this project is coordination and that there is a lot of communities involved and that the Port remains engaged to get the Township the resources it needs. This may also lead the developers and property owners to assist with resources.

Steve Hermiller understands the commercial piece of the multi – family is applicable and is inquiring why Delaware County is not being asked to be involved, is it because David Kell is being more visible to the public about these types of projects. David Kell commented that Caleb Bell has been involved with CORE 5 and Wilcox Communities and SRG to an extent. SRG already reached out to David for engagement of the project.

Hospital

Hospital – There seems to be more involvement with the Hospital from doing any type of work with sales tax exemption because it is non - profit. There may be opportunities for taxes and bonds through the Port Authority. David Kell is going to reach out to Mike Browning, CFO of Madison Health Hospital if that would be an option to the Board. According to David, Madison Health Hospital is looking into more projects with expansions. Steve Lelonek commented that this potential Hospital project will be in another year or two. This pause is due to increased interest rates and construction costs.

Other Discussion

Scott Sims mentioned that there has been little discussion about guidance for the most interest or ability to help with residential and commercial, and if there is a square footage size range. According to Scott, Caleb thought that the Commissioners would give some guidance. Steve Hermiller commented that he didn't think that size mattered because of small right – of –ways taken. Steve Hermiller continued that this may be a small thing but may be used as a catalyst for a project for the Port if there was an impediment along the way to assist with. There may be some factor to assist the entity to develop the land. Steve Hermiller asked David Kell if this would be a legal advisory issue? David thinks that it would be up to the Board to determine if they entertain anything or have perimeters. Steve Lelonek commented that since the Port is still in the formation stage he would like to take interest on all issues that is brought to the Port and as time progresses it can be determined what the Port Board interests are and to focus on.

Future Port Authority Meetings

David Kell provided an update to the Madison County Port Authority Board that the next board meeting is scheduled take place on July 5, 2023.


Subject: Meeting Adjourned

Steve Hermiller, made motion to adjourn the meeting.
Steve Lelonek, seconded motion.

This meeting adjourned at 9:40 a.m. All members present voted in favor to adjourn the meeting.

Sign In Sheet

Sign In Sheet
Port Authority Meeting
May 10, 2023 9:00 a.m.

1. Ray A. Martin
2. Steve LeLonek
3. Scott Sims
4. Steve Hermler
5. Chris Wallace
6.  KLU
7. Caleb Bell (Virtual)
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Signatures

Chris Wallace

Ray Martin

Steve Hermiller

Steve Lelonek

Scott Sims