



**Northern Indiana Regional Development Authority**  
**Board Meeting Minutes**  
**April 14, 2016 – 4:30 PM (EST)**

The April 14, 2016 meeting of the Northern Indiana Regional Development Authority (RDA) was held at Bethel College, Miller-Moore Academic Building, 1001 Bethel Circle, Mishawaka, Indiana 46545. John Affleck-Graves called the meeting to order. Roll call was taken and it was noted there was a quorum present.

RDA Board Members Present:           John Affleck-Graves, University of Notre Dame  
  Regina Emberton, Michiana Partnership  
  John DeSalle, Hoosier Racing Tire Corp.  
  Pete McCown, Elkhart County Community Foundation  
  Dallas Bergl, INOVA Federal Credit Union

Others Present:                             Stephen Studer, Krieg DeVault LLP, General Counsel  
  James Turnwald, Michiana Area Council of Governments

**Report of Secretary**

Mr. Turnwald confirmed that the required public notice was made for the meeting.

**Minutes of the March 14, 2016 Meeting**

There were no additions or corrections to the March 14, 2016 minutes.

A MOTION WAS MADE TO APPROVE THE MINUTES FROM MARCH 14,  
2016 AND AFTER BEING DULY SECONDED THE MOTION PASSED  
UNANIMOUSLY.

**Reports of Officers, Consultants and Staff**

**Treasurer's Report:**

Mr. Bergl reviewed the current financial status of the RDA and provided the March 2016 financial statements, as well as an accounting of two invoices for payment approval. The 2016 Draft Budget was adjusted to reflect an actual quote the RDA received for audit expense.

Ms. Emberton reported an Accounts Payable approval process has been drafted and will be presented for formal approval at the next RDA Board meeting.

THE CHAIR CALLED FOR A VOICE VOTE TO APPROVE PAYMENT OF THE  
TWO INVOICES ATTACHED TO THE FINANCIAL STATEMENTS FOR A TOTAL  
DISBURSEMENT OF \$5,157.50. THE MOTION PASSED UNANIMOUSLY.



### **Administrative Report:**

Ms. Emberton commented that 165 people participated in the April 6<sup>th</sup> Regional Cities Ceremonial Bill Signing in Goshen with Governor Pence.

### **Committee Reports**

#### **Regional Economic Development Strategy:**

Dr. McCown reported that the Strategy Team recently conducted its third meeting / workshop and has made an environmental assessment, examined the condition of the South Bend / Elkhart Region, and have chosen five comparative MSAs that are higher performing than our local region to use as the benchmark communities to set goals for the region. The Strategy Team has started working on problem statements and action items that will lead to improvement in seven general categories. There are three more workshops planned. The Strategy Team hopes to complete its work by the end of June and at the least, have a draft of a whitepaper to begin sharing with the RDA Board and the broader stakeholder groups.

#### **Elevate Ventures Entrepreneurship Ecosystem:**

Mr. Larry Garatoni explained that Elevate Ventures (EV) has expanded its vision and has decided to assist different regions in the State of Indiana to improve their entrepreneurial ecosystems. EV has proposed a three-year community partnership agreement in which the region will invest \$1 million for a \$2.5 million total investment return. Mr. Garatoni explained the framework of the proposed agreement.

Mr. Garatoni provided a copy of the proposed EV contract agreement. Dr. McCown stated he has reviewed the contract and is comfortable with the agreement, subject to legal review. The status of the funding was reviewed; one third (approximately \$340,000) of the amount the region is responsible for (\$1 million) has to be paid to EV each year. Four entities have committed to contribute a total of \$245,000 annually. There is no concern over the ability of the RDA, through the Entrepreneurship Board, to raise the remaining funds.

Under the agreement, the RDA Board will appoint a Board of Directors, the Entrepreneurship Board, to manage the EV contract agreement. Mr. Garatoni offered the proposed board membership composition. The Entrepreneurship Board, as proposed by Mr. Garatoni, would consist of seventeen (17) members; 2 members each from the University of Notre Dame, St. Joseph County and Elkhart County, 1 member from Marshall County, 1 RDA Board member, 1 member from Elevate Ventures Board, the Executive Director of the Idea Center at ND, an EV staff member, a member from Enfocus, and 5 At-Large Representatives.

After a discussion by the Board, the Board agreed to take into consideration the proposed Entrepreneurship Board, recognizing it was only a suggested Entrepreneurship Board. There were several suggested changes by the Board, including having two members from Marshall County and only two members from the University of Notre Dame.

Dr. Affleck-Graves asked the RDA Board members and Mr. Studer to review the proposed EV contract agreement and provide any feedback directly to him.

A special meeting will be set, prior to the regular June RDA Board meeting, to finalize the board appointments.



Dr. Affleck-Graves indicated he would like the Entrepreneurship Board to have a mission statement and to do more that manage the agreement with EV. Originally, the concept was to develop an entrepreneurial ecosystem for the region.

## **Old Business**

### **Insurance Policy:**

Mr. Turnwald reported that Krieg DeVault LLP has reviewed the quoted insurance policy and items that would be covered. Defense costs are included. Two additional quotes will be sought and provided to the RDA Board for review at the next meeting.

### **Staffing Contract with Michiana Partnership:**

Ms. Emberton indicated to the Board that should Michiana Partnership be engaged to provide administrative services for the RDA, she would resign her position from the RDA Board in order to avoid any confusion of perceived conflict of interest.

Mr. Turnwald and Ms. Emberton were recused from this portion of the meeting.

Mr. Bergl reported that Messrs. Bergl, Studer, and DeSalle (Committee) had met numerous times prior to this meeting, regarding Michiana Partnership and its potential role for the RDA. Mr. Bergl stated they determined billing from Michiana Partnership would be on a time and materials basis and recommended the RDA Board move forward with a contract agreement.

Assuming there is a contract agreement Mr. Studer indicated the role Michiana Partnership would take with the RDA would be three-fold: they would take over the administrative work currently being performed by MACOG, provide project review with the oversight of an RDA Board Committee, as well as grant administration.

Michiana Partnership would submit a monthly invoice for administrative services and be paid according to the anticipated accounts payable policy. For billable items that are project-related, Mr. Studer indicated the Committee would recommend payment at the close of the related project. If the project does not close, the RDA will have to find a way to fund payment of those charges.

For charges related to grant administration, Messrs. Bergl and DeSalle suggested paying Michiana Partnership on a time and materials basis.

The Committee is close to a contract agreement with Michiana Partnership. Mr. Studer indicated there will be a formal contract, retroactive to April 1, 2016, ready for presentation at the next RDA Board meeting.

Mr. Bergl stated the Committee will seek a professional accounting firm, experienced in complex funding types and in working with the State Board of Accounts, to handle the RDA's financial matters.

Mr. Studer suggested the RDA offer a resolution that authorizes Messrs. Bergl and DeSalle to execute a contract with Michiana Partnership in accordance with the Committee's



recommendations. Thereafter, upon a motion made and duly seconded, the following Resolutions were adopted by the necessary vote: WHEREAS, the Board accepts the recommendations of the Committee with respect to entering into a Contract for Services with Michiana Partnership, Inc.; and

WHEREAS, the Committee is hereby charged with finalizing the Contract for Services, in conjunction with the advice of its legal counsel;

NOW THEREFORE, BE IT RESOLVED, that Mr. Dallas Bergl and Mr. John DeSalle, or either of them, are hereby authorized to negotiate the final contract terms and to take such further actions in connection with such negotiations, upon advice of counsel to the Regional Development Authority, as they shall deem reasonably necessary for the purpose of completing negotiations and, to that end, may execute the Contract for Services; and

RESOLVED FURTHER, that all or any such action taken by Mr. Dallas Bergl and Mr. John DeSalle, or either of them, is hereby ratified and affirmed.

#### **Regional Cities Initiative:**

- **Status of the Contract with IEDC:**

Mr. Studer reported a final draft of the IEDC contract has been submitted to the General Counsel of the IEDC. Mr. Studer noted that contract is identical to that being entered into by the other two regions receiving Regional Cities funding. All of the comments have been submitted as a group. A copy of the submitted contract has been provided to the members of the RDA Board.

Mr. Studer indicated there are three points that are still being negotiated and proceeded to apprise the Board of those remaining issues. After further discussion, a motion was made, duly seconded and the following Resolutions were unanimously adopted:

WHEREAS, the Board desires to enter into a Regional Cities Initiative Agreement with the Indiana Economic Development Corporation (the "IEDC") with respect to the terms and conditions upon which Regional Cities Initiative funds will be granted to the Authority; and

WHEREAS, the Board further desires that the once final negotiations can be completed and counsel for the Authority advises that the agreement with IEDC is reasonable, after consultation with Ms. Regina Emberton;

NOW THEREFORE, BE IT RESOLVED, that Dr. John Affleck-Graves, be and is hereby authorized to negotiate the final contract terms and to take such further actions in connection with such negotiations, upon advice of counsel to the Regional Development Authority, as he shall deem reasonably necessary for the purpose of completing negotiations and, to that end, may execute the Regional Cities Initiative Agreement with the IEDC; and

RESOLVED FURTHER, that any and all such action taken by Dr. Affleck-Graves is hereby ratified and affirmed.



- **Project Updates:**

Ms. Emberton reported on the South Shore project. In 2015, NICTD applied for but did not receive a TIGER grant. The RDA continues to work with NICTD in an effort to revise the scope and still support the overall objective of the project. NICTD has been encourage to resubmit for TIGER grant funding in 2016. NICTD is requesting the RDA provide a letter of support stating that conditional upon being approved through the IEDC process, the RDA would still be supportive of contributing to the project.

Ms. Emberton summarized the changes and reductions made in the scope of work. Dr. Affleck-Graves noted there was no private funding indicated in the NICTD project. Emberton explained in the original Regional Cities application, there were several projects funded with 100% private investment to offset the balance and maintain the 60/20/20 ration in the portfolio of projects.

Mr. Studer indicated this would be an opportunity to request an exception from the IEDC because some projects will not meet the 60/20/20 funding requirement.

Mr. Bergl noted the project's regional significance. Some of the RDA funds would be spent outside of the RDA region but the project would directly benefit the region.

Mr. DeSalle indicated he would like additional details and possibly a presentation from NICTD.

After much discussion and consideration, Dr. Affleck-Graves summarized the RDA Board's position, as supportive of the concept and of the project but the NICTD must go through the same process and timeline as other projects before funding can be approved, with additional project details being necessary.

Mr. DeSalle stated he would be comfortable providing a letter of general support; indicating the Board would evaluate the merits of the application, as it falls within the scope of the RDA mission.

Dr. Affleck-Graves stated the Board will write a letter of general support for the concept of the South Shore project but indicated the Board will not make a funding commitment at this time. The members of the RDA Board agreed.

- **Criteria for Project Evaluation**

Mr. Bergl reported that he and Dr. Affleck-Graves met to discuss the criteria for project evaluation. Handouts were distributed for the Board's review and discussion. Members of the Board will be able to score each project according to how they envision its importance.

The first section of the Allocation Criteria are the core requirements; a list of "yes" and "no" items that will establish if the project is eligible to Regional Cities funding.

The second section provides a subjective way for each Board member to score projects based on pre-established criteria and a point structure. Scores would be accumulated and used as the basis from which the Board may take action.

Dr. McCown and Mr. DeSalle developed a similar narrative for project selection criteria. A draft was distributed to the Board for review.



Dr. McCown suggested that this summer the RDA make a call for applications and evaluate projects that have a state of readiness as well as projects that are within the Regional Development Plan (RDP) but not ready for formal presentation. He indicated the possibility of holding funds aside for desirable RDP projects and requiring they be ready for formal presentation by a specified date.

Dr. Affleck-Graves indicated the Board could provide funding for a project that did not fully meet the core requirements but there would need to be strong reasons for making exceptions. He asked the Board to review the criteria and provide feedback.

The Board assigned a timeline for the initial project evaluations (Round 1 of 4):

May 15	Call for project applications (or sooner)
June 15	Applications due
July 15	Project grant award decisions

Dr. Affleck-Graves stated it is important for all projects that want to be considered, to submit something in the first round of evaluations. There will be projects the RDA is willing to consider funding now, projects it is willing to consider funding if criteria can be met by specified dates, and projects of interest (for potential funding) will be required to demonstrate specific progress. RDA Board members were in agreement that all RDP projects, regardless of readiness, should submit something for evaluation.

Dr. Affleck-Graves summarized the RDA “next steps”:

- Ms. Emberton will provide the project application form to each project leader and ask for submission by June 15, 2016.
- RDA will evaluate the submissions and meet in Mid-July to make the first round of decisions on a portfolio basis.
- Information will be disseminated that there will be another opportunity in November 2016 and June 2017 to submit applications.
- Submission for new projects that were not part of the original Regional Cities Plan, will open in October 2017.

**New Business** - There was no new business.

### **Other Items**

#### **MACOG Regional Economic Development District Meeting (MREDD)**

There will be an MREDD meeting on May 11<sup>th</sup> at Christos Banquet Center in Plymouth. There will be updates from the region’s local economic development organizations, and Jeff Hodgson, Entrepreneur-in-Residence at Elevate Ventures, will be the featured speaker.

#### **Save the Date**

There will be a Regional Cities inaugural groundbreaking event on May 12<sup>th</sup> at the Studebaker Factory in South Bend.



**Next RDA Board Meeting**

The next scheduled Northern Indiana RDA meeting will be held on Thursday, June 9<sup>th</sup>, from 4:30-6:30 PM (EST) at INOVA Federal Credit Union in Elkhart.

**Adjournment** – Upon motion made, Dr. Affleck-Graves adjourned the meeting.