

Project Addendum

Project Name: Madison Coal Property Housing (The Hendricks Building)

Project/Program Owner Address: 101 West Main Street Madison, IN 47250

Project/Program Owner Website: <https://www.madison-in.gov/>

Project/Program Owner Contact

First/Last name: Tony Steinhardt

Title: Economic & Redevelopment Director

Email address: tsteinhardt@madison-in.gov

Phone number: (812) 801- 1662

Estimated Start date – READI portion only – Month/day/year: 04/01/2025

Estimated End date – READI portion only – Month/day/year: 09/01/2025

Estimated Start date – Full project – Month/day/year: 03/01/2025

Estimated End date – Full project – Month/day/year: 06/01/2026

Original READI 2.0 funding request: \$ 2,000,000

Absolute minimum amount of READI funding needed to move your project forward: \$ 2,000,000

Note: It is not the intent of the RDA/IEDC to underfund your original request, but it is important to know the lowest possible funding amount you would accept that keeps this project progressing. As allocations are made and READI funds remain, this will help.

Project Description – Max 1500 characters

- Include overview of the main activities of project
- Approximate timeline
- Primary delivery mechanisms and partners, if applicable
- Intended outcome and regional impact
- Link of project website, if available
- Specify what the READI funds will be used to purchase

The Hendricks Lofts would be a new market-rate, Class-A building with 52 1BR and 2BR apartments. The Lofts will include an extraordinary amenity package consisting of a work-from-home lounge, an indoor/outdoor resident cafe, indoor bike storage, pet spa, and riverfront plaza. The apartments will have great access to downtown amenities, shops, restaurants, parks, and the river walk. The Lofts will also include two inspiring art installations from local artists. The project would close in February of 2025, start construction in March of 2025, and be completed in June of 2026. The project will be developed by Rebar Development in partnership with the City of Madison. The project will attract and retain middle/high-income residents to the region and contribute to housing and population growth initiatives set forth in the IEDC/RDA policy goals. KEY OUTCOMES: Redevelops key, vacant, blighted properties into iconic riverfront development, provides engaging amenities and open spaces that enhance quality of life, brings additional density to downtown to support local businesses and restaurants, continues to address employer demand for Class-A housing, creates a social, economic, multi-generational hub in downtown, extends downtown development and connectivity, spurs additional downtown and riverfront development, enhance quality of life through public art

Projects- <https://www.rebardev.com/projects>
READI funds will be used for infrastructure.

Publication Description (website/newsletter): Max 750 characters

Provide a brief description of the project that could be included on IEDC publications and announcements

The Indiana Economic Development Corporation, Our Southern Indiana RDA, City of Madison, and Rebar Development have partnered on a major investment in the region, The Hendricks Lofts will be a new riverfront apartment community that will meet several of the READI 2.0 initiatives to attract and retain a growing, talented workforce. The \$12.6M investment will redevelop a key, vacant, blighted property into engaging riverfront lofts. The project will immediately address the State and Our Southern Indiana regional efforts to meet employer demand for Class-A housing while spurring additional development along one of Indiana's most important assets, the Ohio River. The project would break ground in March of 2025.

Project Status and Due Diligence Explanation: Max 1500 characters

Please describe the current status of the project including any preliminary planning or design work that has been completed to date

For the past three years, Rebar and our architect, Studio Axis, and civil engineer, HWC Engineering, have done an extraordinary amount of design work on the site and project. HWC has made sure to understand the restrictions and obligations of constructing the project along the riverfront. Additionally, Studio Axis has created design plans that take advantage of the incredible views and location. We have designed a project that respects and pays homage to the historic downtown district. We have then worked with our Construction Manager to assess the costs associated with building the project. Finally, the City is working tirelessly to create zoning standards that serve to enhance and compliment the downtown and riverfront districts. Our project team has performed the necessary due diligence to move this project forward. The City of Madison has also hired Club 720 and Zimmerman/Volk Associates to conduct a housing study to look at the potential housing stock needed in Madison. The early results are in, and they are attached to this addendum. Based on these results, we will be targeting young singles and couples and the elderly to help unfreeze our housing market and allow for more families to move in to single-family housing.

Community Engagement and Outreach: Max 1500 characters

Please describe the community engagement and outreach you have completed as part of this project, including level of involvement with local governing bodies

Rebar and its project team have been working closely with the Mayor and his economic development team to create an inspiring development plan for this important site. Together, we have discussed this extraordinary project proposal with key local stakeholders. Additionally, during the last three years, Rebar has been collaborating with the City. The City has made substantial investments in the downtown and riverfront districts. The public/private partnership team believes strongly that The Hendricks Lofts would serve as a catalyst for additional growth and development in these districts. Additionally, the development team will partner with the local arts community to include at least two art installations in The Hendricks Lofts. This will be an intimate collaboration and engagement with local artists and art groups.

Project Partnership: Please provide a detailed explanation of the public/private partnership among the partners listed within your application Max 1500 characters

IMPORTANT: The IEDC has stressed the importance of this question. Your project must be a public/private partnership.

The project is being lead and developed by Rebar Development, an Indiana-based development company that specializes in public/private partnerships. 100% of the projects Rebar has developed have been public/private partnerships in the State of Indiana. Additionally, Rebar's partners/owners, Shelby Bowen and Tom Dickey, have been directly involved in \$500M worth of public/private partnership projects across Indiana. Since 2019, Rebar has partnered with cities and towns to invest over \$300M in mixed-use, apartments, and master development projects. Those projects have included \$113M in local, regional, and state incentives. Rebar has been fortunate enough to partner with the IEDC to receive both Redevelopment Tax Credits and READI 1.0 funds for a total of \$14M for four projects. All of those projects are either completed or under construction. The Hendricks Lofts will be another extraordinary public/private partnership with the City of Madison. The City is co-investing in the project through land contributions, TIF, and other local resources. We have been working with the City and key stakeholders over the last three years to move this opportunity forward. Our firm has been fortunate enough to partner with several communities across the State of Indiana on their key initiatives and have executed (or in the process of) many of those transformational projects. We are an experienced, trusted, and proven public/private partner.

Project Alignment with READI:

Explain how the project meets the goals of the [READI Program](#)
Max 1500 characters

The Hendricks Lofts will directly meet the goals of the READI program to attract and retain talent in Indiana by advancing quality of life, quality of place, and quality of opportunity. The project outcomes will accomplish several direct state and regional initiatives, specifically by adding quality housing options, attracting new residents from outside the State of Indiana, investing in the riverfront (key regional asset), and meeting employer demand for availability of high-quality and diverse housing options. We have delivered similar projects across the state of Indiana that have demonstrable results in achieving these goals. Similar projects have attracted residents averaging over \$100,000 in annual income. Residents contribute directly to the local economy and typically fill high-earning positions in the region. The Hendricks Lofts will redevelop a key, currently blighted, vacant parcel in downtown Madison along the riverfront. Madison has a nationally renowned downtown district and has seen some extraordinary investment start to take shape along the river, including the redevelopment of the old Mill site into a beautiful hotel. Additionally, the City has

- Procurement Method: check all that apply

- ☐ Build-Operate-Transfer (BOT)
- ☐ Design-Build
- ☐ Construction-Manager-as-Advisor (CMa)
- ☒ Construction-Manager-as-Constructor (CMc)
- ☐ Design-Bid-Build
- ☐ Supplies/Services – below \$50,000
- ☐ Supplies/Services - \$50,000 - \$150,000
- ☐ Supplies/Services – Greater than \$150,000
- ☐ Unknown

- Project Financing Date - When will all project financing, including matching funds outside of READI/Lilly requested funds, be in place? Month/day/year

02/01/2025

- Community Impact – (max 750 characters) – Detailed summary of the potential end users of the project and how this project fills a community demand.

The project will bring approximately 60 new residents to downtown Madison and Jefferson County. These residents will have an average income of \$100,000 and will have an immediate impact on the local economy, including restaurants, shops, and other local services. The project will also be an economic development driver by providing high-quality housing in a city/county with a strong unmet demand. Available quality housing is a critical component to attracting new employers. The Hendricks Lofts will also attract existing residents who seek to move from their current home into a high-quality, maintenance-free home. This will increase the available for-sale single family housing stock for new residents and families. This

- Will this project create new full-time jobs? ☒ Yes ☐ No
 - If yes then,
 - Number of new full-time jobs created 4
 - Potential Average Wages of Created Full-time jobs \$ 60,000.00
 - How does the project align with the READI 2 strategy provided by the region (max 750 characters)

This project aligns perfectly with the regional strategy to use private investment to stimulate population and housing growth. This project will provide much-needed high quality housing that will attract new middle/high income residents to the region, including from both Kentucky and Ohio. This project will also serve as a catalyst for additional investment along the river and in downtown Madison.
- Is the project located within a Designated Indiana Brownfield? ☐ Yes ☒ No
- Please send the following documentation with this form:
 - A proposed, itemized budget
 - A cashflow projection (template provided)
 - A site development plan
 - Procurement supporting documentation (if available)
 - Matching fund supporting documentation – for each funding source
 - Any other relevant documents or materials

PROJECT SUMMARY:

The Hendricks Lofts would be a new market-rate, Class-A mixed-use building with fifty-two (52) 1BR and 2BR apartments. The Lofts will include an extraordinary amenity package consisting of a work-from-home lounge, an indoor/outdoor resident cafe, secured indoor bike storage, pet spa, and riverfront plaza. The apartments will have great access to downtown amenities, shops, restaurants, parks, and the river walk. All the apartments will have modern finishes including quartz or granite counters, stainless steel appliances, full-size washer and dryer, tile backsplash in kitchen, tile surround in showers and tubs, balconies and patios in every unit, and large windows overlooking the river with an abundance of natural light. The Hendricks Lofts will be one of the premier mixed-use communities in east central Indiana.

PROJECT HIGHLIGHTS:

- Redevelops key vacant, blighted properties into iconic riverfront development
- Provides engaging amenities and open spaces:
 - Plaza, café, and work-from-home lounge
 - Courtyard with BBQ grills and firepit
 - Restaurant with outdoor seating
 - Two inspiring art installations (sculpture/murals)
- Brings additional density to downtown to support local businesses and restaurants
- Continues to address employer demand for Class-A housing
- Creates a social, economic, multi-generational hub in downtown
- Timeless architecture and quality materials (exterior & interior)
- Extends downtown development and connectivity
- Establishes a high standard for downtown and riverfront development
- Spurs additional downtown and riverfront development.

PUBLIC-PRIVATE PARTNERSHIP TERMS:

- Developer invests a minimum of \$12,500,000 in the project
- Developer agrees to a minimum tax payment
- Developer is Borrower and Guarantor of project debt
- Developer collaborates with City on street parking and streetscapes
- Developer collaborates with local arts groups to include a minimum of two art installations
- City contributes city-owned parcels to the project
- City co-invests in the project through incentives:
 - TIF, READI, Land, and/or Cash
- City indemnifies Developer for environmental liabilities

PROJECT TIMELINE:

- 11/2024 - Approve Project Agreement
- 2/2025 - Close on Project Agreement and Financing
- 3/2025 - Commence Construction
- 6/2026 - Complete the Project

Respectfully,

A handwritten signature in black ink, appearing to be 'SB', written in a cursive style.

Shelby M. Bowen, President/Partner

THE HENDRICKS BUILDING MADISON, INDIANA

2022.07.14 - EXTERIOR DESIGN UPDATES









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THE HENDRICKS BUILDING | SOUTHEAST PERSPECTIVE

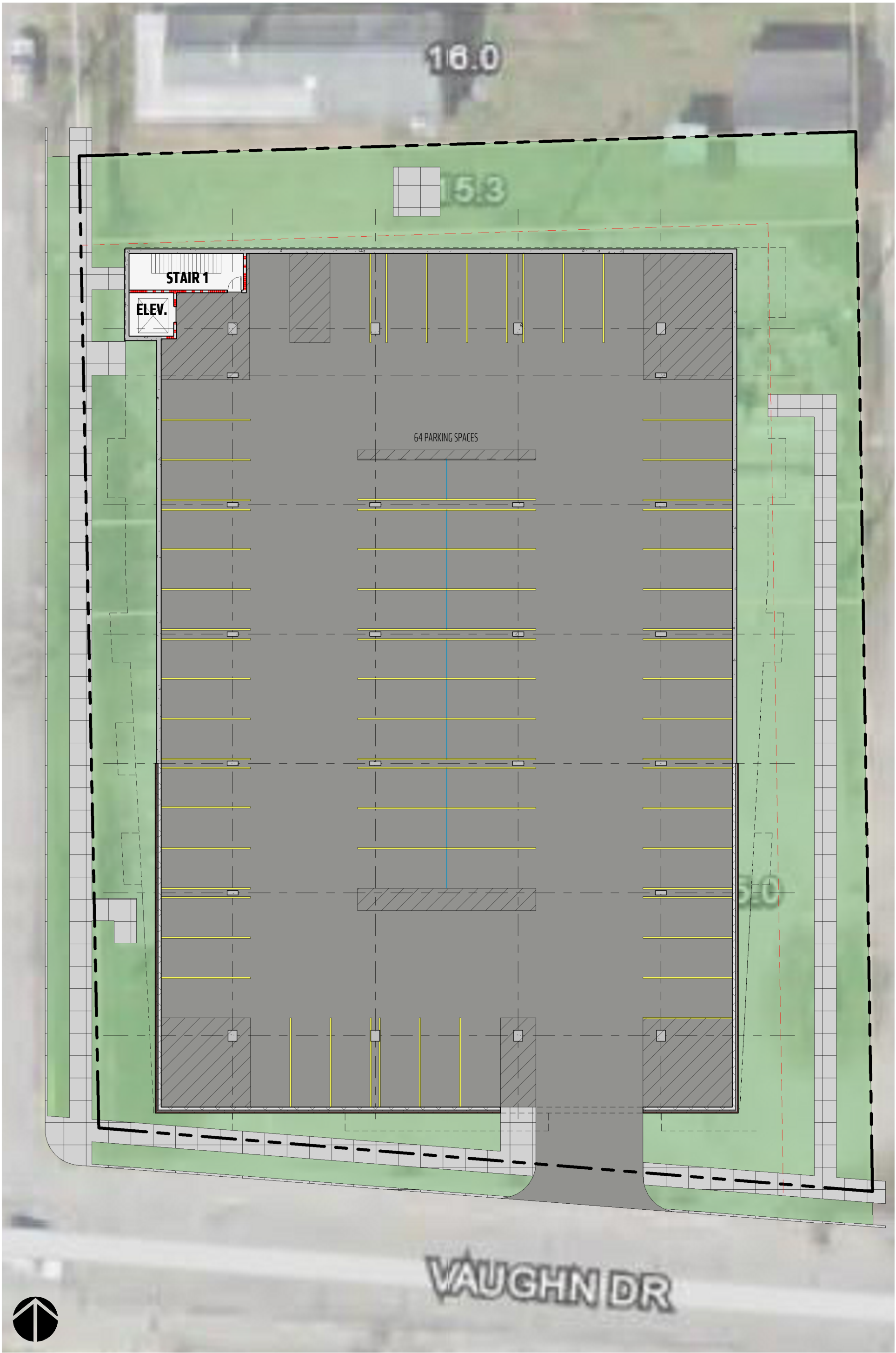
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SOURCES & USES - THE HENDRICKS LOFTS		
USES - Development Cost Summary		SOURCES
Soft Cost	Amount	Source Amount
Land Cost	\$0	Debt Sources
Architecture - Axis, Structural, MEP	\$475,000	Construction Loan \$ 5,955,894
	\$0	Total Debt \$ 5,955,894
	\$0	Equity Sources
Civil Engineering	\$85,000	Developer Equity \$ 2,316,181
RE Taxes, Liability, & BR Insurance	\$120,000	IEDC/READI \$ 3,000,000
Legal Fees	\$20,000	City of Madison \$ 1,450,000
Appraisal Fee	\$8,000	\$ -
Financing & Bank Fees	\$65,000	Total Equity \$ 6,766,181
Lender Inspection Fees	\$14,925	
Tax & Accounting Fees	\$500	TOTAL SOURCES \$ 12,722,075
Owner's Representative Fee	\$0	
Consultant Fees	\$40,000	
FF & E	\$280,000	
Capitalized Interest Expense	\$560,000	\$ 4,450,000
Marketing	\$1,500	
Development Fee	\$675,000	
Developer Contingency	\$200,000	
Geotech, Environmental, Survey, Permit	\$35,000	
Permit & Tap Fees	\$40,000	
Property Management Fees	\$2,500	
Title Fees	\$20,000	
Landscape Architecture	\$30,000	
Total Soft Costs	\$2,672,425	
Hard Costs	Amount	
Hard Cost (Divisions 2-16)	\$8,517,250	
Podium	\$1,532,400	
Total Hard Cost	\$10,049,650	
TOTAL USES	\$12,722,075	

5.31%

RESOLUTION NO. 2024-2R

PRELIMINARY BOND RESOLUTION OF THE CITY OF MADISON REDEVELOPMENT COMMISSION

WHEREAS, the City of Madison Redevelopment Commission (the “Commission”), governing body of the City of Madison Redevelopment District (the “District”), previously established certain allocation areas in the City of Madison, Indiana (the “City”) (collectively, the “Allocation Areas”); and

WHEREAS, the Commission desires to finance the costs of certain local public improvements in or serving the Allocation Areas, including without limitation projects to improve the quality of place and housing needs of the City in order to allow the City to continue its growth and to attract and retain talent supporting the City’s commercial and industrial institutions. In particular, the proceeds of the Bonds (as defined below) may be used to fund a portion of the costs of projects to be financed in part by READI 2.0 funds and Lilly Endowment funds and selected by the Our Southern Indiana Redevelopment Authority for funding under the designations “Lilly Funds - Madison Revitalization,” “READI 2.0 Funds -Madison Coal Property Housing, Indiana’s Music City Amphitheater,” as well as other identified projects that meet the goals of the Economic Development Plans for the Allocation Areas (collectively, the “Projects”); and

WHEREAS, the Projects directly serve and benefit the Allocation Areas; and

WHEREAS, the Commission reasonably expects to reimburse expenditures for the Projects with proceeds of bonds to be issued by or on behalf of the Commission (the “Bonds”) in the maximum principal amount of Four Million Six Hundred Thousand Dollars (\$4,600,000) and payable from *ad valorem* taxes to be levied on the taxable property of the District, which is coterminous with the City; and

WHEREAS, the Commission desires to establish its intent, pursuant to Treas. Reg. §1.150-2 and IC 5-1-14-6(c), that said costs of the Projects are to be reimbursed from the proceeds of the Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF MADISON REDEVELOPMENT COMMISSION, AS FOLLOWS:

Section 1. 1. The Commission hereby makes a preliminary determination to issue the Bonds in one or more series for the purpose of financing all or a portion of the costs of the Projects and paying related costs. The Bonds shall be issued in the maximum principal amount of Four Million Six Hundred Thousand Dollars (\$4,600,000), with a final maturity date not later than twelve (12) years after the date of issuance thereof, and shall bear a per annum interest rate not to exceed six percent (6%).

Section 2. The Commission hereby declares its intent, pursuant to Treas. Reg. §1.105-2 and IC 5-1-14-6(c), that costs incurred by or on behalf of the Commission in financing costs of the Projects be reimbursed from the proceeds of the Bonds.

Section 3. The appropriate officers of the Commission are hereby authorized and directed, in accordance with applicable provisions of Indiana law, to cause to be published notice of a hearing on the appropriation of the proceeds of the Bonds, and notice of the foregoing determination to issue the Bonds.

Section 4. The President, Vice President, Secretary or any other officer or member of the Commission is authorized to take all such actions and to execute all such instruments as are desirable to carry out the transactions contemplated by this Resolution, in such forms as such officer or member executing the same shall deem proper, to be conclusively evidenced by the execution thereof.

Section 5. This Resolution shall be in full force and effect immediately from and after its passage.

DULY PASSED on this 13th day of August, 2024, by the City of Madison
Redevelopment Commission.

MADISON REDEVELOPMENT COMMISSION

John Grote _____, President

Dan Hughes _____, Vice President

Joe Craig _____, Secretary

Cary Strouse _____, Member

David Sutter _____, Member

1	IEDC	
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4. **Information:** Please complete this template for your project using your best estimate of when your project will be completed. The information gathered will be used by the IEDC for cash flow planning purposes only.

For each quarter listed below, please indicate the maximum incurred cost you would expect to receive reimbursement for. Please fill out Row 23 "Projections to be filled out" with all updated cash flow estimates.

[illegible]

12	Project Name	Madison Coal Property Housing (The Hendricks Building)
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Once complete, this number should match the number

15	
16	Forecast

[illegible]

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