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Starke County Council

Special Meeting – November 6, 2025

2025004002

MANDY THOMASON, RECORDER

STARKE COUNTY, KNOX, IN

RECORDED AS PRESENTED

12/18/2025 09:28 AM

0.00

Location: Annex 1 Meeting Room

Time: 4:00 p.m.

I. Call to Order

The Starke County Council convened a **special session** on Thursday, November 6, 2025, at 4:00 p.m. in Annex 1.

President **Todd Leinbach** called the meeting to order, followed by the **Pledge of Allegiance**.

II. Purpose of Meeting

The purpose of the special meeting was to receive a financial presentation and analysis from **Baker Tilly Municipal Advisors** regarding the **Economic Development Agreement (EDA)** and **Real Property Abatement (ERA)** proposed by **NextEra Energy** for the solar development project phases in Starke County.

III. Attendance

Council Members Present:

- Todd Leinbach, President
- Bruce Bennett
- Cassandra Hine
- Dave Pearman
- Kay Gudeman

Staff and Guests Present:

- Greg Balsano, Baker Tilly Municipal Advisors
- Members of the public and media

IV. Presentation by Baker Tilly – Solar Economic Development Analysis

Greg Balsano provided a detailed presentation on the fiscal implications of the **NextEra Energy** proposal:

- The project's **Phase 1 investment** was cited at approximately **\$340 million**; **Phase 2** projected at **\$110 million**.
- Discussion covered the **tax abatement structure**—a proposed **15-year, 100 % abatement**—and **Senate Bill 1**'s impact removing the 30 % assessment floor for utility property effective January 1, 2025.
- Balsano explained that counties often negotiate **economic development payments** based on **\$15 000–\$16 000 per megawatt** over the life of the project.
- Comparative values presented showed:
 - **Phase 1:** County offer valued at **\$8.4 million** total = \$6.3 million present value; comparable negotiated formulas could yield **\$11.8 million PV**.
 - **Phase 2:** County offer at **\$2.9 million** = \$2.15 million PV** vs. an estimated **\$4.25 million PV** by Baker Tilly standards.
- Discussion emphasized the trade-off between **abatement incentives** and **assessed-value growth**, including effects on tax rates and frozen levy limits.

Council members questioned how much benefit local taxpayers gain under a full abatement compared with leaving the property fully taxable. Balsano noted:

- 100 % abatement yields **no direct assessed-value benefit** during the abatement period.
- Partial abatements or shorter terms could balance **economic-development funds** with **tax-rate reduction benefits** for citizens.

V. Council Discussion

Members engaged in extensive discussion covering:

- Whether retaining the projects on the tax rolls would better serve residents versus granting full abatements.
- Concerns over future councils' fiscal stewardship of EDA funds.
- Clarification that **frozen levy constraints** limit county budget growth despite rising assessments.
- Potential need for **executive session** to develop a formal **counteroffer** or amendment to the existing **EDA/ERA**.
- Questions about compliance: several solar developers have **not filed CF-1 forms** due May 15 and may be **non-compliant** under Indiana abatement law.
- Confirmation from staff that **NextEra's original project ownership has transferred to NIPSCO**, potentially requiring council review to verify **assignment of the abatement and EDA**.

Attorney consultation was recommended to determine the validity and enforceability of prior agreements now held by NIPSCO and to review default and reassignment provisions.

VI. Public Comment

Members of the public expressed questions regarding:

- Where solar-generated electricity is distributed (clarified it enters the general power grid).
- Impacts of **Senate Bill 1** on agricultural land assessments.
- Assurance that future economic development negotiations maintain transparency and local benefit.

VII. Additional Business

Appropriation Reduction – North Judson-San Pierre Schools

- The Council reviewed **Resolution 2025-11-06-A** to reduce the Rainy Day Fund by **\$432,683** at the request of the school corporation.
- **Motion:** Bruce Bennett moved to approve; **Second:** Cassandra Hine.
- **Vote:** Motion carried unanimously.

VIII. Adjournment

With no further business, **motion to adjourn** was made by Kay Gudeman and seconded by Cassandra Hine.

Meeting adjourned at 4:45 p.m.

Respectfully submitted,

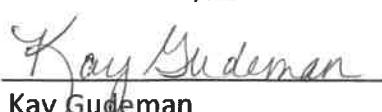
Michaelene J. Houston, Starke County Auditor and Secretary to the County Council



Todd Leinbach, President



Bruce Bennett, Vice-President



Kay Gudeman

ABSENT

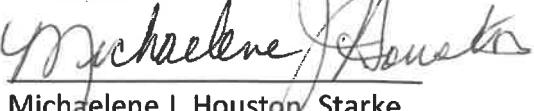
Dave Pearman



Howard Bailey

ABSENT

Bill Crase



Michaelene J. Houston, Starke
County Auditor and Secretary to the
County Council

