

**MINUTES OF A REGULAR MEETING OF THE
MICHIGAN CITY REDEVELOPMENT COMMISSION
JULY 12, 2021**

The Michigan City Redevelopment Commission held their regular monthly meeting in the Common Council Chambers, City Hall, 100 E. Michigan Boulevard, Michigan City, Indiana, on Monday, July 12, 2021, at 5:00 p.m. local time; the date, hour, and place duly established for the holding of said meeting. This meeting also being available via Zoom and streaming live on My Michigan City, Indiana Facebook. Zoom was hosted by Kaleb Goodwin, City IT staff.

CALL TO ORDER

In the absence of President Chris Chatfield, Vice-President John Hendricks called the meeting to order at approximately 5:05 p.m.

ROLL CALL

Commissioners in attendance:

Ken Behrendt, Angie Nelson Deutch, John Hendricks, Michael Mack – all appearing in-person

Commissioners absent:

Chris Chatfield, non-voting advisor Thomas Dombkowski

Staff in attendance:

Executive Director Skyler York, Associate Planner Lilliana Rosado, and Attorney Alan Sirinek – all appearing in-person, and Administrative Assistant Debbie Wilson appearing via Zoom

MINUTES

The chair entertained a motion for approval of the minutes of the 06/07/21 Zoom executive session, 06/07/21 Zoom special meeting, 06/14/21 Executive Session, and 06/14/21 regular meeting.

Motion made and seconded approving the minutes of the 06/07/21 Zoom executive session, 06/07/21 Zoom special meeting, 06/14/21 Executive Session, and 06/14/21 regular meeting as submitted. The roll was called, and the vote taken: (Ayes) Commissioners Behrendt, Deutch, Hendricks, Mack – 4; (Nays) None – 0. With a vote of 4 ayes and 0 nays, the MOTION CARRIED.

CLAIMS

Mr. York reviewed the claims list dated July 12, 2021 Revised 1, noting that payroll for June 2021 totaled \$9,366.72. Mr. York read the claims listed into the record. In

summary, July claims totaled: (Operating) \$475.45; (North TIF) \$418,937.00; (South TIF) \$29,178.13; 2018 Ohio Street Bond Operation Fund \$540.00.

Commissioner Hendricks inquired into the Ameriplex Marquette JV, LLC option payments.

Attorney Sirinek explained that these Option Payments were agreed to by the Commission and are a result of when the facility is not at full occupancy. The amount is determined each month by a pre-set formula as defined in the Project Agreement, taking the rentable square footage of eligible space and multiplying that by \$3.08 and dividing the result by 12. This is the fourth and final year for these payments with a cap of \$25,000 to be paid out this year.

The chair entertained a motion.

Motion made and seconded approving the claims list dated 07/12/21 Revised 1 as submitted. The roll was called, and the vote taken: (Ayes) Commissioners Behrendt, Deutch, Hendricks, Mack – 4; (Nays) None – 0. With a vote of 4 ayes and 0 nays, the MOTION CARRIED.

FINANCIAL REPORT

Mr. York reviewed the financial report dated 05/31/21, summarizing cash balances as follows: Operating Account \$209,745.74; South Side TIF Account \$6,178,644.84; South Side TIF Debt Reserve Account \$336,110.33; South Side TIF Capital Account \$17,128.27; North End TIF Account \$3,831,970.10; Northeast TIF Account \$289,884.65; for total cash of \$10,863,483.93. Loans Receivable include a loan to the Eastside TIF from the Operating Account in the amount of \$21,028.49, and the County Business Loan Fund in the amount of \$133,333.00, for a total of \$154,361.49, bringing total assets to \$11,017,845.42.

Recalling a question asked last month by Commissioner Behrendt about refunds noted on the 3/31/21 Statement of Income and Expenses sheet for the South Side TIF Account and the North Side TIF Account, Mr. York responded that the North TIF refund was for the Commission's percentage of the Singing Sands project invoices that were paid out, and the South TIF refund was due to the 2011 Cleveland Avenue Bond maturing and was the money left in the Sinking Fund which was put into the South Side TIF account.

Commissioner Behrendt inquired into the County Loan Fund, asking if it is no longer functioning.

Mr. York responded that he and Clarence Hulse (MCEDC) are looking into it trying to find information about it. He said there is something existing that is similar, but it is not the same loan program; they are trying to figure out what to do with the funds.

The chair entertained a motion.

Motion made and seconded approving the financial report/balance sheet dated 05/31/21 as submitted. The roll was called, and the vote taken: (Ayes) Commissioners Behrendt, Deutch, Hendricks, Mack – 4; (Nays) None – 0. With a vote of 4 ayes and 0 nays, the MOTION CARRIED.

UPPER STORY GRANT

Lilliana Rosado presented a request for an additional \$35,000 from Woodlawn Holdings, LLC for 312 E. 8th Street for an Upper Story Grant. She explained that last month the Commission approved \$30,000 for two units, but there is a total of five units; therefore, the request for an additional \$35,000 for a total of \$75,000 (\$15,000/each for five units). As indicated last month, this work includes appliances, electric work, demolition, carpentry, tile, flooring, painting, drywall, staircases, HVAC, materials, and plumbing. The applicant has submitted all required documentation and received a Certificate of Appropriateness from the Historic Preservation Commission. It was noted that this is the old library building.

The chair entertained a motion.

Motion made and seconded approving an additional \$35,000 to the previously approved \$30,000 for a total Upper Story Grant of \$75,000 to Woodlawn Holdings, LLC for work at 312 E. 8th Street. The roll was called, and the vote taken: (Ayes) Commissioners Behrendt, Deutch, Hendricks, Mack – 4; (Nays) None – 0. With a vote of 4 ayes and 0 nays, the MOTION CARRIED.

SOUTH TIF CONNECTIVITY IMPROVEMENTS PROJECT UPDATE

Ryan Laughlin (Haas & Associates) appearing via Zoom gave a project update, stating that on 6/24/21 they provided Commissioners with a summary of the results of the geotechnical investigation completed for the project as it pertains to the existing asphalt pavement on the existing Towne Center Drive. Results indicate signs of severe fatigue and failure on parts of the roadway, mainly in front of Lowes and Menards. Those improvements on that segment of roadway are currently not included in the South TIF Connectivity Improvements project. On 7/8/21, Mr. York responded that it is the Redevelopment Commission's intent to include that work to provide reconstruction and resurfacing of segments of the road. Mr. Laughlin indicated that Haas is currently in the process of determining the additional design fee to add these improvements to the current project. Soon, they will provide a professional services agreement amendment for the Commission's review and approval.

Regarding topographic surveying, Mr. Laughlin indicated that they have completed the Towne Center Drive tree lawns. The Ameriplex Drive extended area is in progress, along with the Towne Center Drive area in accordance with the increase in project scope since that pavement area was not surveyed as part of the original Towne Center Drive surveying. The topographic surveying of Meijer Drive extended has not been completed yet because they are waiting for access authorizations from DLZ.

Regarding geotechnical investigations, Mr. Laughlin stated that the work has been completed for all the land currently accessible to them. They received a final report on June 17th. The investigation did not reveal anything very surprising, with the main take away being that it confirms suspicions about the existing pavement on Towne Center Drive in that the HMA section is thinner than what is required by local regulations, in some cases a couple inches too thin. Mr. Laughlin pointed out that they have not done geotechnical surveying in every area because they are waiting for access authorizations.

Regarding the wetland surveying, Mr. Laughlin stated that it also has not been completed yet because they are waiting for access authorizations. They will complete those areas once they receive authorization and it will include the Ameriplex Drive extended area, the Meijer Drive extended area, and Towne Center Drive extended area.

Mr. Laughlin stated that preliminary layout for roadways, sidewalks, and bus shelters is underway. They will share that by the next meeting.

Regarding the pedestrian crossing on Highway 421, Mr. Laughlin stated that they put together a conceptual exhibit to share with INDOT for their feedback. They will be meeting with INDOT tomorrow to see if they have any specific requirements on that design and they will use that information to move forward with the layout. He pointed out that INDOT will likely only allow a crossing at the existing signalized intersection of Larkspur Lane/Highway 421; they more than likely will not allow a mid-block crossing at another location. INDOT will require a miscellaneous permit if the crossing is approved.

Regarding permitting, Mr. Laughlin stated that they have requested a meeting with the Army Corp of Engineer and IDEM for the purpose of getting accurate guidelines and requirements from the regulators, specifically regarding the existing deed restriction on the Kancov parcel of land which is currently preventing the construction of Towne Center Drive extended. This meeting will also confirm permitting and wetland mitigation requirements for that road and areas that have not had a wetland delineation survey completed yet.

Generally, Mr. Laughlin stated that the project is on track, however because of the delays with DLZ's contract, that has pushed them back a bit.

Mr. York talked about the original scope of work regarding Towne Center Drive, stating that originally the scope of work was for new roads. Towne Center Drive is an existing road, but now that it is known it is failing, it will have to be reconstructed making it essentially a new road. That was not in the original scope of work because originally it was thought it would only need to be repaved; although if it is just repaved, it will continue to fail. This is the additional scope of work that Mr. Laughlin was referring to.

Mr. Laughlin confirmed that was correct, adding that it was not originally included. After the original agreement, they have learned that the pavement is too thin, showing signs of severe fatigue failure, and should be replaced.

Regarding future meetings, Mr. Laughlin noted that they will be meeting with DLZ this Thursday to talk about communication protocols.

Commissioner Behrendt asked the thought process on Ameriplex Drive extended and what purpose it will serve.

Mr. York replied that the thought process behind it is getting traffic off Highway 421 and getting it all the way through to Highway 20 with an off-street, hopefully from 400 North. Cleveland Avenue provides another access, but the more accesses through there the more traffic that can be pulled off major roads. It was also the thought that buses could run on that road with bus shelters in place, as well as pedestrian traffic.

Commissioner Behrendt asked if there will be a problem with access to Highway 20 from the terminus at Ameriplex Drive and Highway 20.

Mr. York commented that 1,000 feet of road was designed, but only about 600' has been built so far. It will eventually connect to Meijer Drive. He noted that a water main was moved out of the right of way and a deceleration lane/turning lane put in. He said the other idea was to explore access roads that go behind Meijer and Lowes where the movie theater is. He indicated that having more access roads and frontage roads offers more opportunities for subdivisions, development, etc. encouraging more responsible growth to some of these areas that are not necessarily accessible.

Mr. Laughlin agreed with Mr. York's analysis, adding that the original impetus for the first segment of Ameriplex Drive was additional access for the Holladay development and the car dealership. It was also to expand connectivity in the South TIF area and improve traffic. This type of connection is recommended in the Highway 421 Corridor Study. He said he thinks this is a reimagining of the original connection in the study, which was behind the Big Lots development and along the Musikantow wetland parcels to the west of Ameriplex Drive, and given the fact that Redevelopment owns this land it can be used for this purpose.

Commissioner Behrendt noted his concern with truck traffic to the Ameriplex project, asking if it would congest that corridor.

Mr. Laughlin replied that it is a three lane road with a center turn lane, so he did not think it would cause any major congestion; however, he noted that he does not recall any specific traffic studies done regarding that.

PUBLIC OFFERING – MICHIGAN BOULEVARD, 5TH & 6TH STREET PROPERTIES

Mr. York began discussion stating that this is approval for a public offering, recalling the Redevelopment Commission purchased property in the vicinity of 5th and 6th Street. He said staff is finalizing the purchase of the land and is asking for permission to put this property out for offering in anticipation of finding a developer to develop this piece of land now that the Commission owns the final remaining pieces.

Motion made and seconded authorizing staff to go forward with a public offering for the parcels at Michigan Boulevard, 5th and 6th Streets, Spring Street. The roll was called, and the vote taken: (Ayes) Commissioners Behrendt, Deutch, Hendricks, Mack – 4; (Nays) None – 0. With a vote of 4 ayes and 0 nays, the MOTION CARRIED.

621 FRANKLIN STREET EASEMENT

Mr. York began discussion and introduced Bob Lake who retained an easement on property the Redevelopment Commission purchased a few years ago, stating that Mr. Lake has an opportunity to present to the Commission.

Bob Lake, appearing in person, (Note: Most of this presentation was inaudible because presenters were not speaking into the microphone) explained that he has retained a permanent easement from that sale which is 82 ½' long by roughly 17 ½' south of 621 Franklin Street. He distributed pictures of what is being proposed, commenting that he has been searching for good barbecue. Mr. Lake introduced Brealon Hervey (appearing in person) of Social Que BBQ & Catering, stating that he has a following which is growing and customers would like to see him at a permanent location. He explained how he would like to set up Brealon's food service on this easement, being done in phases, with phase 2 being more permanent and extending all the way to the Franklin Street sidewalk. Eventually they would also like to get a liquor license as well. Mr. Lake explained that when they place this food truck on the easement and put in limestone or paver blocks as the base to set the truck on, they will need to go over Redevelopment-owned land. He said they would like to start right away so Brealon's food truck can be located there starting in August. Mr. Lake requested permission from the Commission for access through Redevelopment-owned land to do the work.

Commissioner Behrendt asked how long it is anticipated for complete construction.

Mr. Lake responded that he does not have a set timeline, indicating that it is dependent upon the contractors doing the work.

Commissioners Behrendt and Deutch were concerned with the work on this interfering with the Taste of Michigan City event which takes place in this area, asking if the work will be delayed until after the Taste.

Mr. Hervey indicated that the major work would not start until after the Taste. He will work with Main Street to get into the Taste of Michigan City since he currently has a generator and water on site and does not need anything else immediately.

Mr. York pointed out that the Commission allows events to take place on their property there and asked Mr. Hervey if that would affect him.

Mr. Hervey stated that he sees the foot traffic as a boost to both him and that area and that it would be no different than having the Taste of Michigan City there; he does not know how it would affect him but does not see it as a competition. He said right now this is temporary but he is looking for something more permanent so he can be open for longer hours of business and have somewhere for storage.

Commissioner Deutch agreed that any event would help him and whoever else is down there. Referring to the storage, Commissioner Deutch asked if Mr. Hervey would have access to an area of the building for storage. She commented that this is a great concept and an awesome partnership.

Mr. Hervey indicated that Mr. Lake has space in his building for storage, walk-in coolers, freezers, etc.

Commissioner Deutch questioned if they are asking for access to be able to drive upon that area to get the work done.

Mr. Lake replied affirmatively, adding that Mr. Hervey would need to go over Redevelopment-owned land to set this up.

Commissioner Behrendt asked Mr. Hervey if initially he will have his truck there, and then if it is successful, have a permanent structure there.

Mr. Hervey replied affirmatively.

Commissioner Behrendt noted his concern if it doesn't work out, leaving an eyesore there; although he did say he likes the concept.

Mr. Lake did not agree that it would be an eyesore, indicating that it could somehow be reworked or refurbished for something else.

Attorney Sirinek questioned what they are specifically asking for tonight.

Mr. Lake indicated that they are asking for authorization to go over Redevelopment-owned land to put this food truck in place, put in pavers, and put in landscaping on the easement.

Mr. York mentioned his concern with the land getting destroyed when accessing the easement to do these things and suggested there be some type of hard surface to park the truck on.

Commissioner Behrendt commented that he feels Mr. Lake should fix the land if it gets destroyed in the process.

Attorney Sirinek asked Mr. Lake if Redevelopment-owned land will be involved when running the electric, sewer, and water, or if utilities will come through his building.

Mr. Lake replied that the utilities would come through his building.

Attorney Sirinek advised that the Commission would be 1) giving permission for access to the easement over Redevelopment-owned property, and 2) any damages to the property would be repaired by Mr. Lake at his cost.

Motion made and seconded to enter into an agreement allowing Mr. Lake access to his easement from a specific location across Redevelopment-owned land at the northwest corner of West 7th/Franklin Street for placement of a food truck and work related to that, and any damages to Redevelopment-owned land as a result of this project will be repaired by Mr. Lake at his cost. The roll was called, and the vote taken: (Ayes) Commissioners Behrendt, Deutch, Hendricks, Mack – 4; (Nays) None – 0. With a vote of 4 ayes and 0 nays, the MOTION CARRIED.

100 WASHINGTON STREET UPDATE / APPROVAL

Attorney Sirinek acknowledged Ernie Rosato being present via Zoom. Attorney Sirinek reminded Commissioners that this is not Redevelopment property; it is private property. The only task the Redevelopment Commission is committing themselves to (when Mr. Rosato is at a point where he can make a presentation to the Commission) is approving a resolution for Economic Development bonds before the City Council. Mr. Rosato will be committed to and responsible for any kind of improvements and infrastructure upgrades that need to occur as well as all land improvements, but the Redevelopment Commission will assist him in any way they can as he works with the City to make this project successful. Regarding the train depot on the site, Attorney Sirinek noted that Mr. Rosato has agreed to contribute the amount he budgeted in his project for demolition of the train depot toward the cost incurred by the Commission and the City to move the structure if they so desire. Attorney Sirinek pointed out that there is an end

date of June 30, 2022 to commence construction. This Purchase Agreement is contingent upon an Economic Development Agreement and will allow the Developer to finalize that agreement. It will also allow him to start activating money from his side for architectural drawings, more in-depth infrastructure, and other types of tasks that he will need to do as part of his due diligence. Further down the line with commitments is a three-step process for the Economic Development Bond starting with the Redevelopment Commission passing a resolution, then onto the City Council for passing a resolution, and then back to the Redevelopment Commission for a final resolution.

Mr. Rosato (appearing via Zoom) added that they were very aggressive in their initial request with respect to the terms of the TIF (the percentage of tax increment on the term). He pointed out that they have come to an agreement that it would be a 90% advance of the tax increment on a twenty-year term. He said from their perspective as the developer, that is the important part of this Development Agreement. He acknowledged that they have some work to do on the design side of this to address concerns that the public and the Commission had with respect to the south elevation of the building. He stated that once the Development Agreement is approved, they will finalize their final drawings which will enable them to finalize the number of units, which will then allow them to finalize the mathematics of the bond with Baker Tilly and bond counsel. He said they are looking for approval of the 90% advance of the tax increment on a twenty-year term.

Attorney Sirinek confirmed that the 90% tax increment for the twenty-year term is included in the agreement. He pointed out that with regard to the project, Mr. Rosato's team is proposing construction of a mixed-use development consisting of between 55-65 two and three bedroom condominiums along with an approximate 2,000 square foot outdoor restaurant/dining space. The overall project cost is estimated at \$20 million, which is on the developer, not on the Redevelopment Commission.

Mr. Rosato made it clear that the Development Agreement commits the developer to a \$20 million project, stating that it is a significant investment which will also benefit the city because with a project that big the tax base will expand geometrically. He also clarified that the commencement date of June 30, 2022 includes footings, not just demolition and site work. It is expected to be an 18-month project, but they have committed to no more than 24 months to complete.

Motion made and seconded approving an Economic Development Agreement as presented between the Redevelopment Commission and 100 North Washington Street, LLC. The roll was called, and the vote taken: (Ayes) Commissioners Behrendt, Deutch, Hendricks, Mack – 4; (Nays) None – 0. With a vote of 4 ayes and 0 nays, the MOTION CARRIED.

REPORT BY LEGAL COUNSEL

Attorney Sirinek noted that an executive session was held prior to this meeting. No decisions were made, and nothing was discussed other than what is permitted by Open Door Law.

Attorney Sirinek gave an update on the station block acquisitions, stating that all acquisitions have been completed and recorded, and the easements to permit demolition of those structures on the station block have been tendered to NICTD. There is one tenant remaining who will vacate by July 30th.

Regarding the 1215 E. 2nd Street property, Attorney Sirinek reported that they ran into a snafu with the project developers' lender, but they believe they have found a solution to that. All other issues regarding the Economic Development Agreement are still in place. He expects to provide an update later in the week.

Regarding the \$62,000 proposal from HDR for the station block updated environmental work, Attorney Sirinek stated that he expects to get a filled in agreement from HDR within the next couple days. Once received he will review it and get it executed so work can begin. He is hoping to have it by the end of the week.

REPORT BY DIRECTOR

Mr. York stated that there are a few projects in the works that will be coming up in the next few weeks, so there may be a special meeting later this month to handle some of those items.

Mr. York reported that last week he attended a meeting regarding a county-wide housing study being done through the Unity Foundation for LaPorte, Laporte County, and Michigan City. It is a comprehensive housing study being conducted by Greenstreet out of Indianapolis. They are at the final stages of the study. He said this is needed to help guide us through the future needs and demands of housing county wide. He encouraged Commissioners to view these presentations on the Unity Foundation website or vibrantlpcounty.com. He said it gives him hope knowing that some of the projects the Commission is working on could be impactful by what is being presented in these presentations, so he feels the Commission is on the right track.

PUBLIC COMMENTS

None.

COMMISSIONER COMMENTS

None.

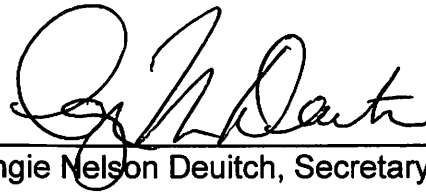
NEXT MEETING DATE

Vice-President Hendricks announced that the next regular meeting is scheduled for August 9, 2021 at 5:00 p.m.

ADJOURNMENT

The chair called for a motion to adjourn.

Motion made and seconded to adjourn. The chair declared the meeting adjourned at approximately 6:26 p.m.

A handwritten signature in black ink, appearing to read "Angie Nelson Deutch", is written above a horizontal line. The signature is cursive and somewhat stylized.

Angie Nelson Deutch, Secretary