

**MINUTES OF A REGULAR MEETING OF THE
MICHIGAN CITY REDEVELOPMENT COMMISSION
SEPTEMBER 12, 2022**

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, September 12, 2022, 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. Access LaPorte County Media hosted Zoom.

CALL TO ORDER

President Christopher Chatfield called the meeting to order at approximately 5:02 p.m.

ROLL CALL

Commissioners in attendance:

Ken Behrendt, Christopher Chatfield, Kathy Dennis, Angie Nelson Deutch, John Hendricks, and non-voting advisor Thomas Dombkowski (all in person)

Commissioners absent:

None

Staff in attendance:

Executive Director Skyler York; Assistant Planning Director Sylvia Collins; Attorney Alan Sirinek; Administrative Assistant Debbie Wilson (all in person).

Also present in person was Associate Planner Kyle Anthony-Petter.

MINUTES

The chair entertained a motion for approval of the minutes of the 08/08/22 executive session and the 08/08/22 hybrid regular meeting.

Motion by Commissioner Deutch – seconded by Commissioner Hendricks approving the minutes of the 08/08/22 executive session and the minutes of the 08/08/22 hybrid regular meeting. The roll was called, and the vote taken: (Ayes) Commissioners Behrendt, Chatfield, Dennis, Deutch, Hendricks – 5; (Nays) None – 0. With a vote of 5 ayes and 0 nays, the MOTION CARRIED.

The chair entertained a motion for approval of the minutes of the special meeting of 09/08/22 for bid opening of the CC1 component of the South TIF Connectivity Improvement Project.

Motion by Commissioner Deutch – seconded by Commissioner Hendricks approving the minutes of the special meeting of 09/08/22. The roll was called, and the vote taken: (Ayes) Commissioners Behrendt, Chatfield, Dennis, Deutch, Hendricks – 5; (Nays) None – 0. With a vote of 5 ayes and 0 nays, the MOTION CARRIED.

CLAIMS

Mr. York reviewed the claims list dated August 8, 2022, Revised 1, noting that payroll for July 2022 totaled \$18,506.96. Mr. York read the claims listed into the record. In summary, August claims totaled: (Operating) \$468.95 (North TIF) \$131,005.79; (South TIF) \$136,336.62.

Mr. York noted that this claims list was revised from last month due to a returned check from Plews, Shadley, Racher & Braun for an overpayment of \$2,071.75 as explained in their letter to the Commission.

The chair entertained a motion.

Motion made by Commissioner Dennis – seconded by Commissioner Deutch approving the claims list dated 08/08/22 Revised 1. The roll was called, and the vote taken: (Ayes) Commissioners Behrendt, Chatfield, Dennis, Deutch, Hendricks – 5; (Nays) None – 0. With a vote of 5 ayes and 0 nays, the MOTION CARRIED.

Mr. York reviewed the claims list dated September 9, 2022, Revised 1, noting that payroll for August 2022 totaled \$13,630.79. Mr. York read the claims listed into the record. In summary, September claims totaled: (Operating) \$417.20; (North TIF) \$48,927.43; (South TIF) \$19,081.35; (Northeast TIF) \$895; and (East TIF) \$5,035.00.

The chair entertained a motion.

Motion made by Commissioner Hendricks – seconded by Commissioner Dennis approving the claims list dated 09/12/22 Revised 1. The roll was called, and the vote taken: (Ayes) Commissioners Behrendt, Chatfield, Dennis, Deutch, Hendricks – 5; (Nays) None – 0. With a vote of 5 ayes and 0 nays, the MOTION CARRIED.

FINANCIAL REPORT

Mr. York reviewed the financial report dated 07/31/22, summarizing cash balances as follows: Operating Account \$278,621.68; South Side TIF Account \$8,846,945.17; South Side TIF Debt Reserve Account \$336,308.50; South Side TIF Capital Account \$16,669.79; North End TIF Account \$3,962,489.89; East TIF Account \$163,552.00; Northeast TIF Account \$421,032.95; for total cash of \$14,025,619.98. 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 \$14,179,981.47.

Mr. York noted that the loan to the Eastside TIF from the Operating Account repayment posted in August, so it will reflect on the 08/31/22 balance sheet to be presented at the October meeting.

Commissioner Behrendt asked if the County Business Loan Fund has been figured out.

Mr. York replied that it has.

The chair entertained a motion.

Motion made by Commissioner Deutch – seconded by Commissioner Hendricks approving the 07/31/22 financial report as submitted. The roll was called, and the vote taken: (Ayes) Commissioners Behrendt, Chatfield, Dennis, Deutch, Hendricks – 5; (Nays) None – 0. With a vote of 5 ayes and 0 nays, the MOTION CARRIED.

FAÇADE GRANT(S)

904-906 Franklin Street

Mr. York explained that this is a request for an extension. The Commission previously approved an extension, but the owner needs another extension to accommodate the window film company and therefore is requesting an extension until 12/1/22. Mr. York stated that the owner is in good standing with what has been completed so far and what is trying to be accomplished. He therefore recommended approval of the request.

The chair entertained a motion.

Motion by Commissioner Deutch – seconded by Commissioner Behrendt approving the request for extension for façade work (window film) at 904-906 Franklin Street until December 12, 2022. The roll was called, and the vote taken: (Ayes) Commissioners Behrendt, Chatfield, Dennis, Deutch, Hendricks – 5; (Nays) None – 0. With a vote of 5 ayes and 0 nays, the MOTION CARRIED.

825 Franklin Street

Mr. York explained that this is a request for partial reimbursement, however, staff has tried to reach out to the owner on several occasions regarding their submission for reimbursement because it is unclear what they are asking for, but they have yet to hear back. Mr. York asked that this be tabled to next month's meeting so it can be sorted out.

The chair entertained a motion.

Motion by Commissioner Deutch – seconded by Commissioner Hendricks to table the request for partial reimbursement for façade work at 825 Franklin Street until the October meeting. The roll was called, and the vote taken: (Ayes) Commissioners Behrendt, Chatfield, Dennis, Deutch, Hendricks – 5; (Nays) None – 0. With a vote of 5 ayes and 0 nays, the MOTION CARRIED.

SOUTH TIF CONNECTIVITY IMPROVEMENT PROJECT

Mr. York acknowledged Tim Haas and Jeff Wright being present in person from Haas & Associates.

Tim Haas with Haas & Associates, 526 Franklin Street, Michigan City IN, gave a status report on the base project which is in preliminary design. He reported that preliminary plans were transmitted to the Redevelopment Commission on 8/24/22 and were reviewed in detail by several Commissioners along with Robin Tillman the Transportation Director regarding bus stops. He said Haas & Associates will revise the 95% complete preliminary plans based on feedback. They have been coordinating access approval for rights for the Menards property so another round of geotechnical investigations can be completed on the Menards property as well as other properties. This work is pending the Redevelopment Commission addressing the terms and conditions Menards has set forth. Once Menards has those items and conditions met, Haas will authorize the geotechnical company to do the borings. He explained the next steps to include revising the preliminary design based on feedback, preparing a preliminary opinion of probable costs for those designs, submitting a permitting summary to the Army Corp of Engineers regarding the proposed Towne Center Drive extended roadway improvements, then reporting back to the Commission in one month.

Commissioner Behrendt asked the status on the access.

Qasim Asghar from DLZ, appearing via Zoom (audio), responded by talking first about the CC1 portion of the project, stating that it is primarily a right of entry that they are seeking with all the property owners mainly on the west side of Highway 421 and a couple on Westwind Drive. They have reached out to 7 of the 8 parcels involved in that project and have signed right of entries on 2 of the 7 parcels. The other parcels are still ongoing, with a couple of them requesting a copy of the plans to see the impact on their parcels. He explained that this right of entry is to potentially build sidewalk yet this year.

Regarding the base project, Mr. Asghar stated that those are access authorizations to access the property for doing surveying, Geotech, wetland investigations, etc. Those have been received by everyone except for a couple of property owners to the south, one of which is Walmart. They are continuing with that coordination.

Commissioner Behrendt asked if they are in process on the east side or if there are some agreements in place.

Mr. Asghar responded that they have signed access authorizations which have been passed onto to Mr. York and Haas & Associates.

Mr. Haas talked about their Professional Services Agreement (PSA) Amendment 3, explaining that this adds two items to their base contract for engineering services for this project. He reviewed the costs in detail, summarizing that the first is adding a detailed traffic study of the project area and the other is to add a construction related scope for the CC1 portion of the project. The Amendment 3 compensation for those two items is \$35,000; the subconsultant allowance for Amendment 3 is \$28,800; for a total of \$63,800 for Amendment 3.

Mr. York added that with the new bus stops they will be connecting to major roads, so this traffic study will look at how much capacity will come off these major roads and be shifted over to these side streets.

Attorney Sirinek noted that he reviewed this agreement, stating there is no reason that the Commission should not approve it if they agree with the concept.

Commissioner Deutch pointed out for the record that this is a public health and safety matter for residents on the south end, so this project supports that.

The chair entertained a motion.

Motion by Commissioner Deutch – seconded by Commissioner Dennis approving Professional Services Agreement Amendment 3 with Haas & Associates in the amount of \$63,800 for the South TIF Connectivity Improvement Project. The roll was called, and the vote taken: (Ayes) Commissioners Behrendt, Chatfield, Dennis, Deutch, Hendricks – 5; (Nays) None – 0. With a vote of 5 ayes and 0 nays, the MOTION CARRIED.

Jeffery Wright with Haas & Associates, 526 Franklin Street, Michigan City IN, spoke about the bids for the CC1 portion of the South TIF Connectivity Improvement Project. He provided Commissioners with a handout and shared a graphic illustrating an overview of the CC1 portion of the project, with the project boundaries extending from Larkspur Lane down Highway 421 to Westwind Drive and westerly along Westwind Drive.

Mr. Wright said the base bid is Larkspur Lane and Highway 421 along with the intersection improvements. Westwind Drive is an alternate. Notice to Bidders was published on 8/11, 8/20, and 8/24; a pre-bid meeting was on 9/1; addendum 1 issued on 8/3 and addendum 2 issued on 9/2. Bids were received and read aloud at a public meeting on 9/8, with one bid being received from Rieth-Riley Construction Company; bids were taken under advisement for Haas to review. The base bid for Larkspur Lane, the intersection crossing Highway 421, and Highway 421 is in the amount of

\$492,481.25 and the alternate bid for Westwind Drive was in the amount of \$228,737.80, for a project total of \$721,219.05.

Mr. Wright pointed out that this is not an optimal time to bid in northern Indiana as all the contractors are scrambling to finish their work before the weather turns cold. Also, costs are coming in high at this time, but are starting to come down. Mr. Wright added that they use INDOT prices, although INDOT's database is lagging behind the market prices.

Mr. Wright stated that to the best of their knowledge all paperwork has been provided and all bidding requirements have been met. They believe this is a lawful, fair, and competitive bid given the market circumstances at this point in time.

It was noted that by approving just the base bid, it would get the Commission under contract with Rieth-Riley for this project.

The chair entertained a motion.

Motion by Commissioner Deutch – seconded by Commissioner Hendricks approving the base bid from Rieth-Riley Construction Company in the amount of \$492,481.25 for the CC1 portion of the South TIF Connectivity Improvement Project. The roll was called, and the vote taken: (Ayes) Commissioners Behrendt, Chatfield, Dennis, Deutch, Hendricks – 5; (Nays) None – 0. With a vote of 5 ayes and 0 nays, the MOTION CARRIED.

STATION BLOCK

Mr. York reported that the developer is currently going through Historic Preservation review for this project, this being the second time. The first time was a listening session; and the second time was a presentation back to the Historic Preservation Commission. At their next meeting they should be asking for formal approval pending the minor changes suggested. At that time, the Redevelopment Commission will finish the Redevelopment Agreement and make sure all the financial commitments are in order.

YOU ARE BEAUTIFUL SITE

Mr. York reported that the developer is moving forward with an application to the IEDC for redevelopment tax credits. A revised Development Agreement has been negotiated for approval by the Redevelopment Commission this evening in order for them to update the application to the IEDC.

Attorney Sirinek gave a timeline history of the project, stating that on 3/18/22 the Redevelopment Commission entered into a Development Agreement with the You Are Beautiful (YAB) Developers for a project on the former Police Station/News Dispatch site. Since that agreement, the project has taken on a greater expansion than originally

contemplated, although the March 18th agreement remains in place. He talked about the Amended and Restated Development Agreement pointing out that it contains several changes that will allow the Developer to make applications for things like a qualified opportunity zone and market tax credits. Depending on those outcomes, it would then move into economic improvement agreements. A result of all that could end up being in excess of over \$10 million of additional funding for this entire development. Attorney Sirinek reviewed highlights of the agreement, which includes at the Commission's request, that the Developer provide \$450,000 for an affordable housing donation which would go through the Redevelopment Commission by way of a 501(c)3 corporation already set up with the Commission acting as a conduit. The \$450,000 is guaranteed if they are successful on the several tax and funding applications they are doing, which has an opportunity to increase to \$10 million; although Attorney Sirinek said he does not know what the chances of that are. However, he said the Commission does not want to be in the position of having said no to that if in the best case scenario, they get approved for all those applications and it creates the opportunity to get an additional \$10 million in funding for this project.

Attorney Sirinek talked about the bonds in this agreement, stating that as of the March 18th agreement, there would be a \$14 million Economic Development Bond that the Redevelopment Commission would not have any money in, but would contribute any type of TIF increment being captured to be applied and passed through to the Developer to pay off the bond. However, Attorney Sirinek noted that the figure could go up to \$27 million depending upon the actual scope of this project by the time it comes into being.

In summary, Attorney Sirinek stated that this Amended and Restated Development Agreement does not commit the Redevelopment Commission to anything beyond where they are already, which includes the Redevelopment Commission conveying their ownership interest in the property to the Developer, as well as 100% of the TIF increment being committed to the Developer for payment of the Economic Development Bond. He said that is not much different than the way it was in March, but it would be significantly different if the Developer is successful in that the Redevelopment Commission would be assisting them on these applications as well as approvals of various permits and expanding upon the original depth of the project. He said the reason for approving this Amended and Restated Development Agreement tonight is that the Developer has a deadline for submitting these applications, and they anticipate closing on the property sometime next month. The Developer would start conducting soil borings, make a public education presentation, begin setting up fences, and advertise the scope of the project, with the goal being of groundbreaking in March 2023.

The chair entertained a motion.

Motion by Commissioner Deutch – seconded by Commissioner Dennis approving the Amended and Restated Development Agreement to the original

Development Agreement dated March 18, 2022, between the YAB Development Partners, the City of Michigan City, Indiana, and the Michigan City Redevelopment Commission for the You Are Beautiful site project. The roll was called, and the vote taken: (Ayes) Commissioners Behrendt, Chatfield, Dennis, Deutch, Hendricks – 5; (Nays) None – 0. With a vote of 5 ayes and 0 nays, the MOTION CARRIED.

1215 E. SECOND STREET

Mr. York reported that the Burn 'Em Brewing project is moving forward; they have their 100% design documents completed; they have bids in and are waiting for feedback from the bids.

MOU BETWEEN CITY & REDEVELOPMENT COMMISSION

Mr. York explained that this is an MOU for accounting services provided by the City Controller's Office for things like preparation of W2's and 1099's, payroll processing, preparing financial reports, filing annual reports, reconciliation of bank statements, etc. The annual amount for these services is \$6,600 beginning in 2023.

The chair entertained a motion.

Motion by Commissioner Behrendt – seconded by Commissioner Hendricks approving the MOU between the City of Michigan City and Michigan City Redevelopment Commission for Accounting Services to be Rendered by the Controller's Office in an annual amount of \$6,600 commencing in 2023. The roll was called, and the vote taken: (Ayes) Commissioners Behrendt, Chatfield, Dennis, Deutch, Hendricks – 5; (Nays) None – 0. With a vote of 5 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 reported that the drainage project to alleviate the flooding problem at the Von Tobel business is complete and the project has successfully been concluded.

REPORT BY DIRECTOR

Mr. York requested approval to get environmental quotes for property that has been identified in the North End TIF.

There was a consensus by Commissioners authorizing Mr. York to get quotes.

Commissioner Deutch recalled previous discussions about the Lafayette/Barker storm sewer and other opportunities to do engineering for that. She asked Mr. York what the next steps would be.

Mr. York gave background stating that the Lafayette/Barker storm sewer is a large pipe in the ground with currently no connections to it. The project was bonded, and the Commission is paying the bond. It is a stormwater pipe that was put in almost 10 years ago. He noted that Jeff Wright was the previous engineer for the City and worked on a lot of projects for the Redevelopment Commission as well. He now is an engineer with Haas & Associates. Mr. York stated that in discussions with Mr. Wright, he came up with a plan to utilize this pipe.

Mr. Wright explained that this is a 78" diameter pipe that extends from east of 8th Street, along 8th Street, then south to Lafayette Street and approximately Main Street. Doing the math on the tunnel, Mr. Wright said there is approximately a little over 2 acre feet (2 acres, 1 foot deep or 1 acre, 2 feet deep) of storage to put stormwater in. He noted that during the last heavy rain Michigan Boulevard flooded 16" deep in 6-7 intersections. He said that pipe would have held all that water without challenging it. Mr. Wright stated that when he was the City Engineer, he came across the studies. The project was roughly \$9.4 million, but the pipe has been sitting there dry for the last 10 years. He said if the Commission decides they want to put the pipe to use, they will need to make sure that it is not dry rotted and cracked. Mr. Wright said Mr. York asked him to put together a proposal to study the feasibility of that. This would be a series of manholes, although they would not be conventional manholes because the pipe is 30' in the ground. Without going into detail, he said they have come up with a way to make a connection to that pipe in a much more compressed manner, capture the stormwater, and improve the overall capacity in approximately 30 acres of Michigan City by tying into that pipe and taking the water out of the system and putting it into that pipe for storage. Mr. Wright stated that they do not believe they need any environmental permits since all the water is going into Trail Creek now. They think they can put a manhole at the end of it to take the sediments out and capture it before it goes into Trail Creek; currently it is direct flow out into Trail Creek. He stated that the original studies indicate \$7-9 million to complete the last section of pipe, which he believes is unnecessary to put that pipe to use. Mr. Wright stated that the first step would be the feasibility study, with step two being the design phase. He said it is a simple cheap concept along the order of \$600,000, although he pointed out that it is a very volatile market right now.

Mr. York added that right now the theory needs to be tested to make sure it will do what it is supposed to do. He asked for a consensus from the Commission to solicit a scope of services. He said this may be beneficial to potential development Downtown as well as existing development Downtown.

There was a consensus by Commissioners for Mr. York to solicit a scope of services.

PUBLIC COMMENTS

Ed Shinn, Superintendent of the Park Department, 100 E. Michigan Boulevard, Michigan City IN, spoke to the Commission thanking them for their donation to the Peanut Bridge project. He read a letter into the record and submitted it to the Commission.

COMMISSIONER COMMENTS

Commissioner Dennis mentioned that last month she attended the One Region two-day housing tour, stating she was impressed and felt that the information she learned will help her be a better Commissioner. They began in Oak Park, Glen Park, and Wheeling, and then went onto Milwaukee. During a panel discussion young developers talked about learning to trust and being willing to take risks and talked about developing affordable housing. One of the things they did in the community where they developed new housing, was to go to every house in the community asking what the homeowner needed done to their home (painting, ramp, etc.). Commissioner Dennis said it made her think that we should be thinking about developing accessible communities because many people have lived in these communities for generations and are interested in staying there. She felt being able to assist people to stay in the community is very important.

Commissioner Dennis talked about a tour of a project still under development at a huge Briggs & Stratton factory that they were making into affordable housing. She said the things they were doing were very impressive and included in the basement of the development were things like a full basketball court, fitness center, daycare center, classroom, and activity rooms. Everyone living there must agree to take a financial literacy course and at the end the hope would be the people would learn enough so they could accumulate funds to go out and buy a home of their own in 2-3 years. Their goal was to not provide permanent housing for people, but rather for it to be a stepping stone for them to improve their lives. Commissioner Dennis stated that these are lessons she felt would be important for Michigan City to think about as they develop more affordable housing.

Commissioner Deutch attended the tour as well and dittoed what Commissioner Dennis said, stating that the impact those trips have on the region are important. She said every single conversation she had with people that were presenting were rooted in community conversations, engagement, and inclusion. She said she felt that is important as the Commission moves forward, especially with all the developments that are in the pipeline. Commissioner Deutch stated that they want the residents to understand that we are looking into the future for what we can do with existing neighborhoods, infill, and opportunities for affordable housing. She said it is not just about high-end, it is about generations of people staying in the neighborhoods. She stated that the inclusion piece is especially important for a city that is going to grow and

bring up the level of the neighborhoods as we grow. She said the tour was well worth it and she hopes there will be more of those in the future.

NEXT MEETING DATE

The next regular meeting was scheduled for October 10th which falls on Columbus Day. With City Hall being closed, the next meeting date will be determined later.

ADJOURNMENT

The chair called for a motion to adjourn.

Motion to adjourn by Commissioner Behrendt – seconded by Commissioner Deutch and unanimously approved. The chair declared the meeting adjourned at approximately 6:20 p.m.



Angie Nelson Deutch, Secretary