

**MINUTES OF THE REGULAR MEETING OF THE
MICHIGAN CITY REDEVELOPMENT COMMISSION
APRIL 9, 2007**

The Michigan City Redevelopment Commission met in a regular meeting in the Planning Department Conference Room, City Hall Building, 100 East Michigan Boulevard, Michigan City, Indiana, on Monday, April 9, 2007, at 5:00 p.m. local time; the date, hour, and place duly established for the holding of said meeting.

CALL TO ORDER

Chairman Ken Behrendt called the meeting to order at 5:02 p.m.

ROLL CALL

Board members present: Ken Behrendt, Ed Bigda, Marc Espar, Richard Richey, and Joie Winski (5 present, 0 absent)

Staff present: Executive Director John Pugh, Attorney Michael Bergerson, Zoning Administrator/Rehab Officer Joseph Siegel, and Secretary Debbie Wilson

Public present: Ken Fryar, Rich Murphy, Robert Bicek, Councilman Phil Jankowski, Dan Radtke, News Dispatch reporter Amanda Haverstick, WE-FM report Ron Miller, Mark Pastoret

APPROVAL OF MINUTES

The Chair entertained a motion for approval of the minutes of the regular meeting of March 12, 2007.

A motion to approve the minutes was made by Mr. Bigda – seconded by Mr. Espar and unanimously approved.

CLAIMS

Mr. Pugh submitted and reviewed the claims list:

Payroll

Staff Salaries	03/16/07	2,269.43
	03/30/07	<u>2,289.16</u>
		4,558.59

Claims (Regular)

News Dispatch	Notice - Fr Sq maintenance	9.46
Lenore Gregory	Accounting services - Feb 2007	250.00
Michael Bergerson	Legal retainer - Apr 2007	<u>300.00</u>
		559.46

Claims (N TIF)

Michael Bergerson	Legal services N TIF	4,462.50
Baker & Daniels	Legal services N TIF - Sobkowiak	430.95
Environmental Inc	Benz	8,346.35
Ticor Title	Purchase - 531 Michigan	<u>118,000.00</u>
		131,239.80

Claims (S TIF)

Beam Longest & Neff	Engineering - 400 N	14,305.31
Beam Longest & Neff	Engineering - Towne Center Drive	2,397.74
LP Auditor	Recording - 400 N	6.00
LP Recorder	Recording - 400 N	61.00
Owners (2)	ROW purchase - 400 N	<u>9,250.00</u>
		26,020.05

The Chair entertained a motion for approval of the claims.

Mr. Richey made a motion to approve the claims as submitted – seconded by Mrs. Winski and unanimously approved.

FINANCIAL REPORT

Mr. Pugh submitted and reviewed the financial report ended February 28, 2007.

The Chair entertained a motion for approval of the financial report.

Mr. Richey made a motion to approve the financial report – seconded by Mrs. Winski and unanimously approved.

BID OPENING – FRANKLIN SQUARE MAINTENANCE & LANDSCAPING

Mr. Pugh opened and read the bids as follows:

Alternate bid – additional landscaping:

Eastport Lawn Maintenance.....	\$19,199.00
Dan’s Landscaping.....	19,517.00
Oposo Landscaping.....	25.00 / hour
Lakeshore Landscaping.....	.00

Maintenance:

Eastport Lawn Maintenance.....	\$.00
Dan’s Landscaping.....	39,000.00
Oposo Landscaping.....	9,950.00
Lakeshore Landscaping.....	22,967.00

Chairman Behrendt appointed a committee to review bids – Ed Bigda, Richard Richey, John Pugh.

Bids will be taken under advisement and awarded at the May meeting.

COMMITTEE TO REVIEW RE-USE PLAN PROPOSALS

Mr. Pugh stated that he received 2 proposals; one from Lohan Anderson and one from Ratio Consulting. He requested a committee be appointed to review the proposals and come back to the Commission with a recommendation.

Chairman Behrendt appointed a committee to review Re-use Plan proposals – Ken Behrendt, Joie Winski, John Pugh.

BREWERY STATUS REPORT

Mr. Bicek reported to the Commission that he has not come to terms with Mr. Fryar on the acquisition of the Brewery.

Due to the fact that nothing has been resolved and the timeframe the Commission provided to Mr. Bicek has expired, ***Mr. Bigda made a motion to rescind the Commission’s previous commitment to provide boat slips to Mr. Bicek. The motion was seconded by Mr. Espar.***

Attorney Bergerson clarified that the TIF issues are not being affected by this motion.

Mr. Bigda stated that is correct.

With a motion and second on the floor, the motion was unanimously approved.

REPORT BY LEGAL COUNSEL

Attorney Bergerson reported that closing took place on the purchase of 531 Michigan Boulevard (Trustee Office). They will move after the primary election as this is a polling site.

Attorney Bergerson stated that negotiations are ongoing with Blocksom. He hopes to have an agreement within the next 30 days. The negotiating committee toured the facility and came back with positive information.

With regard to the Sobkowiak/Weber litigation, Attorney Bergerson stated that a hearing was held on March 27th and a trial date was set to begin July 31st and resume August 2nd and 3rd.

Attorney Bergerson was contacted by the property owner at 8th and Michigan (liquor store). If the property is on the market, he will check the price and report back to the Commission.

REPORT BY DIRECTOR

With regard to the Elston Grove Streetscape Project, Mr. Pugh reported that Stu Franzen from JJR has been in contact with Rich Murphy, President of Elston Grove Association, to set a meeting date to get initial input from the neighborhood.

PUBLIC COMMENT

Bob Bicek addressed the Commission and stated that with the difficulty in the acquisition of the Brewery property, he has moved forward. He distributed a new proposal for the Sobkowiak/Weber property and explained that he would pay the owners market value for their property and in exchange he would trade portions of those properties with the Redevelopment Commission for the Verma property. His proposal also states that the Redevelopment Commission would demolish the buildings and remediate the contaminated soil, and build 32 boat slips for rental by the condo owners. He would in turn build 32-40 condo units on the Weber and Verma parcels and 20-30 on the Sobkowiak parcel.

Mr. Bicek requested the Commission's conceptual approval so he could go forward and make a formal presentation at the Commission's next meeting.

Due to the fact that Mr. Bicek does not own the property and it is in litigation, Attorney Bergerson suggested that he have counsel for the Weber's and Sobkowiak's contact him to set up a meeting to discuss alternatives to the court date. Attorney Bergerson also pointed out that there is nothing preventing Mr. Bicek from signing a deal with the

Sobkowiak's and Weber's to purchase the property. Attorney Bergerson also noted that the land trade-off is not comparable in square footage.

Mr. Behrendt noted his concern that Mr. Bicek wants the Commission to do the remediation, which is a substantial cost, and trade off a piece of property with Mr. Bicek getting the upside return on the benefit of the remediation.

Depending upon the outcome of the trial, Attorney Bergerson pointed out that the owners could end up paying for the remediation and possibly owe the Commission money.

Mr. Behrendt stated that since this information was just provided to the Commission, he would like time to review it and get back to Mr. Bicek. He told Mr. Bicek if he is serious about this, he should continue negotiating with the Sobkowiak's and Weber's. He stated that conceptually it looks like a nice plan, but whether it is realistic or not, he does not know.

ADJOURNMENT

The Chair entertained a motion to adjourn.

A motion to adjourn was made by Mr. Richey – seconded by Mr. Espar. The meeting adjourned at 5:45 p.m.

Richard Richey, Secretary