



AGENDA
COMMON COUNCIL - REGULAR MEETING
Tuesday, June 19, 2018

Meeting to be held at 6:30 p.m., local time,
in the Common Council Chambers, City Hall Building
100 East Michigan Boulevard, Michigan City, Indiana

CALL TO ORDER BY COUNCIL PRESIDENT

PLEDGE OF ALLEGIANCE TO THE FLAG and PRAYER

ROLL CALL

APPROVAL OF MINUTES

Regular Meeting June 5, 2018

REPORTS of STANDING COMMITTEES

REPORTS of SPECIAL or SELECT COMMITTEES

REPORTS of OTHER CITY OFFICERS and DEPARTMENTS

Clarence Hulse, Director Economic Development Corporation Michigan City –
2018 (CF-1 forms) Tax Abatements

Craig Phillips, Director, Redevelopment Commission to update the Council on the
report prepared by Umbaugh & Associates on cash flow analysis and bonding capacity

CLAIMS DOCKET

Fund #2042 – Riverboat – Claims - \$ 194,278.12
Fund #2031 – Boyd Development - \$ 37,096.45

PETITIONS

COMMUNICATIONS

RESOLUTIONS

**APPROVING THE PURCHASE OF REAL PROPERTY AT THE
CORNER OF WEST 7TH STREET AND FRANKLIN STREET IN
MICHIGAN CITY, INDIANA BY THE MICHIGAN CITY
REDEVELOPMENT COMMISSION FOR PAYMENT TERMS
EXCEEDING THREE (3) YEARS**

Introduced by: Pat Boy

ORDINANCES

**ORDINANCE
2nd Reading**

**APPROVING ADDITIONAL APPROPRIATION IN THE BUDGET
OF THE RIVERBOAT FUND TO PROVIDE FUNDING FOR
ADDITIONAL EMERGENCY ROADWORK AND REPAIRS**

Introduced by: Tim Bietry

(DECREASE Riverboat Fund # 2042 Unappropriated balance \$300,000.00
INCREASE ACCOUNT: 2042.114.443.030 Capital Outlay Building-Streets
\$300,000.00)

***News Dispatch
June 6, 2018***

**Formal Public
Hearing will be held
June 19, 2018**

**UNFINISHED
BUSINESS**

NEW BUSINESS

COMMENTS FROM THE PUBLIC

COMMENTS FROM THE COUNCIL

ADJOURNMENT

Gale A. Neulieb, City Clerk

Please contact the Clerk's Office at 219-873-1410 if you require information regarding building accessibility or reasonable accommodations. Office hours are Monday-Friday from 8:00 a.m. to 4:30 p.m.

**Agenda June 19, 2018
Posted June 15, 2018**

MICHIGAN CITY COMMON COUNCIL

RESOLUTION NO. _____

**APPROVING THE PURCHASE OF REAL PROPERTY
AT THE CORNER OF WEST 7TH STREET AND FRANKLIN STREET IN MICHIGAN
CITY, INDIANA BY THE MICHIGAN CITY REDEVELOPMENT COMMISSION FOR
PAYMENT TERMS EXCEEDING THREE (3) YEARS**

WHEREAS, the Michigan City Redevelopment Commission (the "Commission") governing body of the City of Michigan City Department of Redevelopment (the "Department") and the Redevelopment District of the City of Michigan City, Indiana (the "Redevelopment District"), exists and operates under the provisions of the Redevelopment of Cities and Towns Act of 1953 which has been codified in I.C. 36-7-14, as amended from time to time (the "Act"); and

WHEREAS, the Commission is authorized to acquire real property pursuant to procedures that adhere to I.C. 36-7-14 et seq., and where applicable I.C. 36-7-14-19.5 et seq.; and

WHEREAS, the Commission has entered into negotiations with Staiger Hardware Company, Inc. (the "Seller") for the potential acquisition of a particular parcel of real property with the parcel number of 46-01-29-407-015.000-022 with said property being a vacant lot situated on the corner of West 7th Street and Franklin Street in Michigan City, Indiana (the "Property"); and

WHEREAS, while undertaking their due diligence and in accordance with I.C. 36-7-14-19, the Commission has secured appraisals from two independent state certified appraisers, who appraised the Property with fair market values of One Hundred Four Thousand Four Hundred Fifty Dollars (\$104,450.00) and One Hundred Sixty-Two Thousand Dollars (\$162,000.00) respectively, with the average appraised fair market land value for the Property of One Hundred Thirty-Three Thousand Two Hundred Twenty-Five Dollars (\$133,225.00); and

WHEREAS, pursuant to I.C. 36-7-14-19 and I.C. 36-7-14-19.5 et seq., an offer for the purchase of the Property by the Commission has been tendered to the Seller in the amount of the greater of the appraised value of One Hundred Sixty-Two Thousand Dollars (\$162,000.00); and

WHEREAS, the Seller has responded with an acceptance to the Commission's offer in the sum of One Hundred Sixty-Two Thousand Dollars (\$162,000.00), however qualified said acceptance on the payment of same occurring over the course of five (5) years with a per annum interest rate of five percent (5%) with principal and interest costs totaling One Hundred Seventy-Eight Thousand Two Hundred Dollars (\$178,200.00) and that the Commission shall grant an 82.5' x 17.5' easement that will commence on the north side of Seller's property located at 621 Franklin Street, Michigan City, Indiana for the purpose of constructing a "Biergarten" type of space complimentary to the Seller's proposed development contiguous to the Property, as well as the erecting or affixing of a plaque commemorating the Seller's long standing civil commitment to the City of Michigan City on the aforementioned easement; and

WHEREAS, that pursuant to I.C. 36-7-14-19.5 (b)(2)(B), an offer to purchase any real property may not exceed a term of three (3) years unless specifically authorized otherwise by the Commission and the Michigan City Common Council; and

WHEREAS, said parcels have been included within a property acquisition inventory as previously approved by the Commission and as required by I.C. 36-7-14 et seq.; and

WHEREAS, on June 11, 2018, the Commission enacted Resolution # 6-18 entitled *Resolution of the Michigan City Redevelopment Commission For the Purchase of Real Property at the Corner of West 7th Street and Franklin Street with Payment Terms Exceeding Three (3) Years* wherein the Commission made the following specific findings as to the necessity of the purchasing the Property and expending the requisite funds and corresponding conditions as specified within said Agreement, to-wit:

1. That the purchase price for The Property in the sum of One Hundred Sixty-Two Thousand Dollars (\$162,000.00) along with the agreement that payment of same shall occur over the course of five (5) years with a per annum interest rate of five percent (5%) with principle and interest costs totaling One Hundred

Seventy-Eight Thousand Two Hundred Dollars (\$178,200.00), that the Commission shall grant an 82.5' x 17.5' easement that will commence on the north side of Seller's property located at 621 Franklin Street, Michigan City, Indiana for the purpose of constructing a "Biergarten" type of space complimentary to the Seller's proposed development contiguous to The Property, as well as the erecting or affixing of a plaque commemorating the Seller's long standing civil commitment to the City of Michigan City on the aforementioned easement, represents the actual market value pursuant to the negotiated acquisition and in consideration of all extraneous variables as discussed, raised, and addressed in the course of negotiations and as contained within the Purchase Agreement; and

2. That the purchase price reflects the greater of the two appraisals of fair market value as commissioned by the Commission; and
3. That the location of the Property has been determined to be strategically critical to the Commission in the implementation of the Lake Michigan Gateway Implementation Strategy Plan as previously approved by the Commission and, in particular, the development of a downtown civic plaza to assist in the revitalization of the downtown area of the City; and
4. That the location of the Property has also been determined to be strategically critical to the Commission vis-à-vis the undertaking of other development projects in close proximity to the Property as being contemplated, planned, and designed by the Commission and in conjunction with other public and private entities; and
5. That studies and experiences in other municipalities have repeatedly demonstrated that the purchase and planned development of select parcels of under developed real property has a corresponding benefit to adjacent and surrounding properties by increasing those properties overall value; and
6. That increases in assessed value of adjacent and surrounding properties due to the acquisition of the Property will result in a corresponding increase in the revenue generated for the underlying taxing entities; and
7. That approval of this real property acquisition is subject to the approval of the Michigan City Common Council in accordance with I.C. 36-7-14-19.5 et seq.

WHEREAS, in addition, by virtue of Resolution # 6-18, the Commission has represented that it has a sufficient fund balance available for the purchase of the Property; and

WHEREAS, the Michigan City Common Council reasonably believes that the acquisition of the Property is in the best interest of the City and the Commission and, therefore, approves the Commission's acquisition of said Property and adopts the specific findings of the Commission as set forth in the Commission's Resolution # 6-18.

NOW, THEREFORE, BE IT RESOLVED by the Michigan City Common Council as follows:

1. That the aforementioned findings as described hereinabove are recognized, approved, and adopted and incorporated herein.
2. That based on said findings, the Michigan City Common Council hereby approves the purchase for the Property in the sum of One Hundred Sixty-Two Thousand Dollars (\$162,000.00) along with the agreement that payment of same shall occur over the course of five (5) years with a per annum interest rate of five percent (5%) with principle and interest costs totaling One Hundred Seventy-Eight Thousand Two Hundred Dollars (\$178,200.00) by the Commission and that the Commission shall grant an 82.5' x 17.5' easement that will commence on the north side of Seller's property located at 621 Franklin Street, Michigan City, Indiana for the purpose of constructing a "Biergarten" type of space complimentary to the Seller's proposed development contiguous to the Property, as well as the erecting or affixing of a

plaque commemorating the Seller's long standing civil commitment to the City of Michigan City on the aforementioned easement.

This Resolution shall be in full force and effect after passage by the Michigan City Common Council and approval by the Mayor.

Introduced By:

Pat Boy, Member
Michigan City Common Council

Passed by the Common Council of the City of Michigan City, Indiana, this _____ day of _____, 2018.

Donald Przybylinski, President
Michigan City Common Council

Approved by me this _____ day of _____, 2018.

Ron Meer, Mayor
City of Michigan City, Indiana

ATTEST:

Gale Neulieb, City Clerk
City of Michigan City, Indiana

RESOLUTION 6-18

RESOLUTION OF THE
MICHIGAN CITY REDEVELOPMENT COMMISSION
FOR THE PURCHASE OF REAL PROPERTY AT THE CORNER OF
WEST 7TH STREET AND FRANKLIN STREET WITH PAYMENT TERMS
EXCEEDING THREE (3) YEARS

WHEREAS, the Michigan City Redevelopment Commission (the "Commission") governing body of the City of Michigan City Department of Redevelopment (the "Department") and the Redevelopment District of the City of Michigan City, Indiana (the "Redevelopment District"). exists and operates under the provisions of the Redevelopment of Cities and Towns Act of 1953 which has been codified in I.C. 36-7-14, as amended from time to time (the "Act"); and

WHEREAS, the Commission is authorized to acquire real property pursuant to procedures that adhere to I.C. 36-7-14 et seq., and where applicable I.C. 36-7-14-19.5 et seq.; and

WHEREAS, the Commission has entered into negotiations with Staiger Hardware Company, Inc. (the "Seller") for the potential acquisition of a particular parcel of real property with the parcel number of 46-01-29-407-015.000-022 with said property being a vacant lot situated on the corner of West 7th Street and Franklin Street in Michigan City, Indiana (the "Property"); and

WHEREAS, while undertaking their due diligence and in accordance with I.C. 36-7-14-19, the Commission has secured appraisals from two independent state certified appraisers, who appraised the Property with fair market values of One Hundred Four Thousand Four Hundred Fifty Dollars (\$104,450.00) and One Hundred Sixty-Two Thousand Dollars (\$162,000.00) respectively, with the average appraised fair market land value for the Property of One Hundred Thirty-Three Thousand Two Hundred Twenty-Five Dollars (\$133,225.00) and

WHEREAS, pursuant to I.C. 36-7-14-19 and I.C. 36-7-14-19.5 et seq. an offer for the purchase of The Property by the Commission has been tendered to the Seller in the amount of the greater of the appraised value of One Hundred Sixty-Two Thousand Dollars (\$162,000.00); and

WHEREAS, the Seller has responded with an acceptance to the Commission's offer in the sum of One Hundred Sixty-Two Thousand Dollars (\$162,000.00) however qualified said acceptance that payment of same shall occur over the course of five (5) years with a per annum interest rate of five percent (5%) with principal and interest costs totaling One Hundred Seventy-Eight Thousand Two Hundred Dollars (\$178,200.00) that the Commission shall grant an 82.5 x 17.5 easement that will commence on the north side of Seller's property located at 621 Franklin Street, Michigan City, Indiana for the purpose of constructing a "Biergarten" type of space complimentary to the Seller's proposed development contiguous to the Property, as well as the erecting or affixing of a plaque commemorating the Seller's long standing civil commitment to the City of Michigan City on the aforementioned easement; and

WHEREAS, that pursuant to I.C. 36-7-14-19.5 (b)(2)(B), an offer to purchase any real property may not exceed a term of three (3) years unless specifically authorized otherwise by the Commission and the Michigan City Common Council; and

WHEREAS, said parcels have been included within a property acquisition inventory as previously approved by the Commission and as required by I.C. 36-7-14 et seq.; and

WHEREAS, the Commission now makes herein, specific findings as to the necessity of the purchasing the Property and expending the requisite funds and corresponding conditions as specified within said Agreement, to-wit:

1. That the purchase price for The Property in the sum of One Hundred Sixty-Two Thousand Dollars (\$162,000.00) along with the agreement that payment of same shall occur over the course of five (5) years with a per annum interest rate of five percent (5%) with principal and interest costs totaling One Hundred Seventy-Eight Thousand Two Hundred Dollars (\$178,200.00) that the Commission shall grant an 82.5' x 17.5' easement that will commence on the north side of Seller's property located at 621 Franklin Street, Michigan City, Indiana for the purpose of constructing a "Biergarten" type of space complimentary to the Seller's proposed development contiguous to The Property, as well as the erecting or affixing of a plaque commemorating the Seller's long standing civil commitment to the City of Michigan City on the aforementioned easement represents the actual market value pursuant to the negotiated acquisition and in consideration of all extraneous variables as discussed, raised and addressed in the course of negotiations and as contained within the Purchase Agreement; and
2. That the purchase price reflects the greater of the two appraisals of fair market value as commissioned by the Commission; and
3. That the location of The Property has been determined to be strategically critical to the Commission in the implementation of the Lake Michigan Gateway Implementation Strategy Plan as previously approved by the Commission and in particular the development of a downtown civic plaza to assist in the revitalization of the downtown area of the City; and
4. That the location of The Property has also been determined to be strategically critical to the Commission vis-a-vis the undertaking of other development projects in close proximity to The Property as being contemplated, planned and designed by the Commission and in conjunction with other public and private entities; and
5. That studies and experiences in other municipalities have repeatedly demonstrated that the purchase and planned development of select parcels of under developed real property has a corresponding benefit to adjacent and surrounding properties by increasing those properties overall value; and

6. That increases in assessed value of adjacent and surrounding properties due to the acquisition of the Property will result in a corresponding increase in the revenue generated for the underlying tax district entities; and
7. That approval of this real property acquisition is subject to the approval of the Michigan City Common Council in accordance with I.C. 36-7-14-19.5 et seq.

NOW, THEREFORE, BE IT RESOLVED BY THE MICHIGAN CITY REDEVELOPMENT COMMISSION, GOVERNING BODY OF THE MICHIGAN CITY DEPARTMENT OF REDEVELOPMENT AS FOLLOWS:

1. That the aforementioned findings as described herein are recognized, approved and adopted and incorporated herein.
2. That based on said findings, the Commission hereby approves the purchase for The Property in the sum of One Hundred Sixty-Two Thousand Dollars (\$162,000.00) along with the agreement that payment of same shall occur over the course of five (5) years with a per annum interest rate of five percent (5%) with interest costs totaling One Hundred Seventy-Eight Thousand Two Hundred Fifty Dollars (\$178,250.00) that the Commission shall grant an 82.5' x 17.5' easement that will commence on the north side of Seller's property located at 621 Franklin Street, Michigan City, Indiana for the purpose of constructing a "Biergarten" type of space complimentary to the Seller's proposed development contiguous to The Property, as well as the erecting of affixing of a plaque commemorating the Seller's long standing civil commitment to the City of Michigan City on the aforementioned; and.
3. That in adopting this Resolution, the Commission is recognizing that said purchase price and the corresponding contingencies is determinant upon approval by the Common Council for the City of Michigan City, but does not recommend approval due to the strategic location of said real property and all other findings as made herein.
4. That should the Michigan City Common Council approve the recommendation as tendered herein, the Commission expressly authorizes the necessary expenditure of funds corresponding to this acquisition.

Adopted and approved at a Meeting of the Michigan City Redevelopment Commission held on the 11th day of July, 2018, at the City of Michigan City, Indiana City Hall, 100 East Michigan Boulevard, Michigan City, Indiana 46360.

[Signature page follows]

CITY OF MICHIGAN CITY, INDIANA
DEPARTMENT OF REDEVELOPMENT

By *fe*fu;

ATTEST:

Charles Oberlie

By: Charles Oberlie, Secretary

MICHIGAN CITY COMMON COUNCIL

ORDINANCE NO. _____

APPROVING ADDITIONAL APPROPRIATION IN THE BUDGET OF THE RIVERBOAT FUND TO PROVIDE FUNDING FOR ADDITIONAL EMERGENCY ROADWORK AND REPAIRS

WHEREAS, it has been demonstrated to the Common Council of the City of Michigan City that it is necessary to appropriate more money than was appropriated in the 2018 Annual Budget to provide funding for emergency roadwork and repairs; and

WHEREAS, the City Controller has determined that sufficient unappropriated funds are available in the Riverboat Fund #2042 to be appropriated for that purpose.

NOW, THEREFORE, BE IT ORDAINED by the Common Council of the City of Michigan City, La Porte County, Indiana, that for the expenses of the City the following additional sums of money are hereby appropriated out of the fund named and for the purpose specified above, subject to the laws governing the same:

	<u>AMOUNT REQUESTED</u>	<u>AMOUNT APPROPRIATED</u>
DECREASE Riverboat Fund # 2042 Unappropriated balance	\$300,000.00	
INCREASE ACCOUNT: 2042.114.443.030 Capital Outlay Building-Streets		\$300,000.00
TOTAL FOR FUND	\$ 300,000.00	

This Ordinance to be effective upon passage by the Council, approval by the Mayor, any necessary publication, and any necessary approval by the Indiana Department of Local Government Finance.

INTRODUCED BY: _____
Tim Bietry, Member
Michigan City Common Council

Passed by the Common Council of the City of Michigan City, Indiana, this _____ day of _____, 2018 by a vote of _____ to _____.

Don Przybylinski, President
Michigan City Common Council

Approved by me, this _____ day of _____, 2018.

Ron Meer, Mayor
City of Michigan City, Indiana

ATTEST:

Gale A. Neulieb, Clerk
City of Michigan City, Indiana

Prepared by Corporation Counsel Upon Request