

**MINUTES OF A REGULAR MEETING OF THE  
MICHIGAN CITY REDEVELOPMENT COMMISSION  
JULY 13, 2020**

The Michigan City Redevelopment Commission met in a regular meeting at Krueger Memorial Hall, 801 Liberty Trail, Michigan City, Indiana, on Monday, July 13, 2020, at 5:00 p.m. local time; the date, hour, and place duly established for the holding of said meeting.

**CALL TO ORDER**

President Behrendt called the meeting to order at approximately 5:15 p.m.

**ROLL CALL**

**Commissioners in attendance:**

Ken Behrendt, Chris Chatfield, John Hendricks, Pat Kowalski, John Sheets

Also present were non-voting adviser Theresa Edwards and City Council liaison Angie Nelson Deutch

**Commissioners absent:**

None

**Staff in attendance:**

Executive Director Skyler York, Attorney Alan Sirinek, Administrative Assistant Debbie Wilson

**Staff absent:**

None

**MINUTES**

The chair entertained a motion for approval of the minutes of the 6/8/20 executive session, the 6/8/20 regular meeting, and the 6/29/20 executive session.

***Motion made by Commissioner Chatfield – seconded by Commissioner Hendricks approving the minutes of the 6/8/20 executive session, the 6/8/20 regular meeting, and the 6/29/20 executive session.***

Attorney Sirinek made a point of clarification from the 6/8/20 regular meeting minutes, referring to page 6, third paragraph from bottom, wherein Councilwoman Nelson Deutch stated, “one of the things that struck her from a meeting she attended was that Mr. Doyle said the land wasn’t valuable for development”. Mr. Sirinek clarified that Mr. Doyle was talking about the Johnson Road property (owned by the FOP) not being valuable, not the Cleveland Avenue property.

***With a motion and second on the floor, voice vote was as follows: (Ayes) Commissioners Behrendt, Chatfield, Hendricks, Kowalski, Sheets – 5; (Nays) None – 0. By a vote of 5 ayes and 0 nays, the MOTION CARRIED.***

### **CLAIMS**

Mr. York reviewed the claims list dated July 13, 2020 noting that payroll for June totaled \$9,248.30. Mr. York read claims listed into the record. In summary, July claims totaled: (Operating) \$468.95; (North TIF) \$808,834.65; (South TIF) \$1,439,360.50; (Ohio Street Bond) \$124,672.54; (GAF Bond) \$208,011.00.

Referring to 1002 Franklin Street, Commissioner Chatfield asked what property that is.

Mr. York replied that it is the Lakeshore Convenience property at the southeast corner of 10<sup>th</sup>/Franklin Streets; there used to be a drycleaner and convenience store located on the property.

The chair entertained a motion.

***Motion made by Commissioner Sheets – seconded by Commissioner Kowalski approving the claims list dated 07/13/20. Voice vote was as follows: (Ayes) Commissioners Behrendt, Chatfield, Hendricks, Kowalski, Sheets – 5; (Nays) None – 0. By a vote of 5 ayes and 0 nays, the MOTION CARRIED.***

### **FINANCIAL REPORT**

Mr. York reviewed the financial report dated 05/31/20. Cash balances are summarized as follows: Operating Account \$147,612.49; South Side TIF Account \$5,108,373.76; South Side TIF Debt Reserve Account \$336,219.51; South Side TIF Capital Account \$17,421.59; North End TIF Account \$3,321,232.28; Wabash Street Streetscape Construction \$122,192.83; Wabash Street Streetscape Debt Reserve \$215,963.10; Northeast TIF Account \$136,105.30; for total cash of \$9,405,120.86. 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 \$9,559,482.35.

The chair entertained a motion.

***Motion made by Commissioner Hendricks – seconded by Commissioner Sheets approving the financial report dated 05/31/20. Voice vote was as follows: (Ayes) Commissioners Behrendt, Chatfield, Hendricks, Kowalski, Sheets – 5; (Nays) None – 0. By a vote of 5 ayes and 0 nays, the MOTION CARRIED.***

### **FAÇADE GRANTS**

Lilliana Rosado from the Planning staff presented two façade applications for the Commission's consideration.

Uptown Theater, LLC requested the maximum amount reimbursable by the Commission of \$30,000 for 907 Franklin Street. The total project cost is estimated at \$83,100; the applicant would pay \$53,100. The project consists of masonry work to include tuckpointing, re-roofing, and gutters. The applicant has already received Historic Review Board approval.

Uptown Theater, LLC requested the maximum amount reimbursable by the Commission of \$30,000 for 903 Franklin Street. The total project cost is estimated at \$84,150; the applicant would pay \$54,150. The project consists of masonry work to include tuckpointing and re-roofing. The applicant has already received Historic Review Board approval.

Tim Enright and Nick Lomaglio addressed the Commission expanding on their request. Mr. Lomaglio stated there are three pillars going into this project, and they feel those three pillars are what makes Michigan City so unique and great – the culture, the community, and commerce. The culture has a very rich history with the Uptown Theater, the Canterbury Theater, and the church which has been around since 1867. He said they are trying to bring back the culture that has been around in this building for many years and tie in the prior owners, their thoughts, and the work that has been done on it. He said ultimately what draws them to this project is the community; not only the residents living in the area, but also the artists. They feel they can revitalize the Uptown Theater into something which can be a place of collaboration and a place to display some of the great talent. He also talked about the ultimate commerce that can be derived from this project. In total the project will be about \$1.1 million including the building purchase, with the exterior work being about \$193,000. He pointed out the neglect to the exterior of the building over the years.

Mr. Enright added that the work would include all new roofs, gutters, paint, and tuckpointing.

Mr. Lomaglio talked about their vision for the use of the building stating that weddings have been the primary business functioning inside of that space since 2007. The event space will still be the primary focus with weddings being the primary driver of what is on the calendar. They are also hoping to accomplish more events focused on the community and would include things like hosting art galleries and shows, classes for art and photography, live music, standup comedy, etc.

Commissioner Behrendt asked about parking for the events.

Mr. Enright stated that they understand they can make use of the Farmers Market area for parking during events.

Mr. York added that there will be a shared use to include a public parking lot on 8<sup>th</sup> Street, the church lot has public parking when it is not being used by the church, and there is also a parking lot behind the other church.

Mr. Lomaglio confirmed they reached out to both churches and that is how they functioned under the prior business, with the Uptown Center using those adjacent church parking lots when they are not in use.

Commissioner Edwards referred to the rendering, asking if they plan on putting up a balcony.

Mr. Lomaglio stated that they originally were going to build it out, but they no longer plan on adding the balcony. They are not going to change the use of the building at this space; everything will remain the same, all the work is structural with some cosmetic work inside.

Commissioner Hendricks asked Mr. York if it goes by address or entity for the Façade Program.

Mr. York stated that it is considered per building. In this case it was built as two buildings with a breezeway connecting the two. Staff considered it as two different buildings, being advantageous to help them out as well. It goes by address or parcel.

Commissioner Hendricks asked Commissions' counsel if it is a conflict of interest for him to vote since he is also on the Historic Review Board.

Attorney Sirinek advised that there would not be a conflict if he has no financial interest in the project.

Commissioner Chatfield pointed out that these are estimated costs for the work, asking if staff verifies those costs ahead of time before funding is approved.

Mr. York replied that the applicants must submit their bids to staff. He noted that staff did receive those bids, but they were not included in Commissioners packets because of the large volume of paperwork. He added that he, along with Ms. Rosado, reviewed the packets and found them to be in order. It would be up to the applicant to vet out the prices they get.

The chair entertained a motion.

***Motion by Commissioner Chatfield – seconded by Commissioner Kowalski approving the façade grant request for 903 Franklin Street in the amount of \$30,000 and 907 Franklin Street in the amount of \$30,000. Voice vote was as***

***follows: (Ayes) Commissioners Behrendt, Chatfield, Hendricks, Kowalski, Sheets – 5; (Nays) None – 0. By a vote of 5 ayes and 0 nays, the MOTION CARRIED.***

#### **“F” STREET DEMOLITION**

Mr. York commented that this was asked about by Councilwoman Angie Nelson Deutch at last months’ meeting. He now knows that the cost will not exceed \$30,000, thinking it will cost in the range of \$21,000-\$25,000. The Building Commissioner is in the process of getting those bids. The reason the request is before the Commission is that this structure is in the North TIF District, specifically on “F” Street between Highway 12 and Union Street. The Commission has done demolitions in the past with TIF funds. He pointed out that this demolition is almost at the end of its approval time of one year as ordered by the Board of Works. If it goes past this one-year time period, then the whole demolition process would have to start over again, which can take several months. He pointed out the house has become a nuisance with break-ins. The owner has been before the Board of Works a couple of times and has been ordered to fix it. The owner never fixed it, so the Board of Works affirmed the demolition order. Mr. York requested a not to exceed amount of \$30,000 for the demolition.

The chair entertained a motion.

***Motion by Commissioner Chatfield – seconded by Commissioner Sheets approving a not to exceed amount of \$30,000 for demolition of a home in the North TIF District located at 235 “F” Street. Voice vote was as follows: (Ayes) Commissioners Behrendt, Chatfield, Hendricks, Kowalski, Sheets – 5; (Nays) None – 0. By a vote of 5 ayes and 0 nays, the MOTION CARRIED.***

#### **COMMUNITY CROSSINGS MATCHING GRANT PROGRAM**

Mr. York noted City Engineer, Jeff Wright, being present. Mr. York also noted that he provided Commissioners with a list of streets/segments for paving. He explained that the Community Crossings Matching Grant (CCMG) is a grant released every year by the State, up to \$1 million per community. The City has already utilized \$250,000 of that grant funding for the York Street project. There are two rounds – one in February and one in July; both rounds must equal \$1 million. It is a one to one match, up to \$1 million.

Referring to the list of streets/segments, Mr. York stated that the streets/segments were based on the PASER scale, with a 1-10 rating system; 1 being the worst, 10 being the best. He and Mr. Wright took 4, 3, and 2 ratings in the North and South TIF areas and assessed them their selves to come up with the list. Most of the Downtown (Pine, Washington, and cross streets) is in good shape. The north area (Chicago, Green, Tennessee, etc.) are rated low at 3’s and 2’s. This would get those streets back up to 9 or 10 so the Commission can focus on other things.

Mr. Wright talked about the PASER scale stating that it is a programming and management tool for all streets. It is on the GIS system with the streets being color-coded. Mr. Wright noted that this will include some sidewalk repair and handicap ramps where necessary. He explained that this is not exactly a dollar for dollar match; they pay for materials and installation of those materials, although there is more to the project than just the materials. Mr. Wright said he is a designer by nature, so when it comes to management, he draws on other resources like Mr. York and consultants.

Mr. York added that the number of projects on the list are the ones that had the low PASER rating and are located within the TIF Districts. Meijer Drive was the lowest rated street in the South TIF where Timm Ct. cuts across. The total estimate for these segments is about \$600,000, with eligibility being up to \$750,000.

Commissioner Edwards noted that Liberty Trail was done last year, and she thought the two side streets were also going to be repaved.

Mr. York replied that he doesn't recall them being done through the CCMG; they were possibly done through the City paving program.

Councilwoman Angie Nelson Deutch asked if work can only be within the TIF District for Community Crossings.

Mr. York replied no, explaining that the Commission's money can only be spent within the TIF Districts, although CCMG funds can be spent anywhere in the city. This list is being presented because these are the streets/segments eligible within the TIF Districts. The Redevelopment Commission can only fund streets within the TIF Districts.

Councilwoman Nelson Deutch gave an example of a street in need of paving off Tryon Road.

Mr. York stated that the City could apply; it would have to be City funds to do it because it is not located within a TIF District.

Commissioner Behrendt stated that the idea behind this is that the City is still strapped for funds right now, so the Commission did not want to let the grant go by because it is basically free money.

Mr. Wright added that the Commission will not be paying for any engineering as he would be providing that service as City Engineer. This saves about 20% overhead or about \$300,000.

The chair entertained a motion.

***Motion by Commissioner Chatfield – seconded by Commissioner Hendricks to fund the Community Crossing Grant Program paving segments list as provided to Commissioners. Voice vote was as follows: (Ayes) Commissioners Behrendt, Chatfield, Hendricks, Kowalski, Sheets – 5; (Nays) None – 0. By a vote of 5 ayes and 0 nays, MOTION APPROVED.***

In tandem with the CCMG project, Mr. York explained that Mr. Wright will be doing the inspections but is asking for approval of a contract with Blue Skye Planning & Consulting (Dan Corbin) to handle the State submissions, drawdowns for reimbursement, and close-out reports for the project. Mr. York talked about Mr. Corbin's qualifications being an INDOT engineer and being familiar with the INDOT process, he is a planner by trade and helped to put together the five-year pavement improvement plan, he is versed in NIRPC's funding sources and their approval process, and he is very fluid with the CCMG. This contract is in an amount not to exceed \$10,000. Mr. York requested approval pending Attorney Sirinek's review of the contract.

The chair entertained a motion.

***Motion by Commissioner Hendricks – seconded by Commissioner Kowalski approving a contract with Blue Skye Planning & Consulting (Dan Corbin) in an amount not to exceed \$10,000 for services to oversee the submittals of State documents/reporting for the CCMG program for the Redevelopment Commission's portion of segment resurfacing work, subject to review by Commission's counsel. Voice vote was as follows: (Ayes) Commissioners Behrendt, Chatfield, Hendricks, Kowalski, Sheets – 5; (Nays) None – 0. By a vote of 5 ayes and 0 nays, the MOTION CARRIED.***

### **DOUBLE TRACK BETTERMENTS**

Mr. York introduced Joel Baldin with Hitchcock Design Group (HDG) stating that he has been working with the City for about 10 years and more specifically has started this project with the Commission 3 years ago. They designed the betterments for the Double Track project.

Mr. Baldin gave a Power Point presentation, opening discussion stating that HDG was engaged about 3 years ago to look at the phase 1 plans developed by NICTD and to look at ways to make the aesthetics of the project better. The project will be very impactful to the city by taking the current single track running down 10<sup>th</sup> and 11<sup>th</sup> Streets and making it a double track that is either off street on 10<sup>th</sup> or running down the middle of the street on 11<sup>th</sup>. It will not only be a railroad track anymore, but will include catenary columns, concrete guardrails, chain link fencing, etc. HDG looked at different ways of beautifying the project.

Mr. Baldin noted that time is important as the construction documents are being developed for this project now. 90% construction documents are due at the end of the month. He said if the City wants to make any improvements to the existing plans, it is important that those determinations occur within the next 2-3 weeks.

Mr. Baldin stated that the project goes from Sheridan Avenue to Michigan Boulevard. It gets adjusted/realigned and is removed from 10<sup>th</sup> Street and will be located on the south side of 10<sup>th</sup> Street to the Amtrak lines on Chicago Street, and from there a double track down the middle of 11<sup>th</sup> Street.

Mr. Baldin referred to the existing section of 10<sup>th</sup> Street with the rail running down the middle of the street. The proposed section shows the homes along the south side of the street being removed and the double track being relocated in that area. Minimal improvements happen to 10<sup>th</sup> Street.

Mr. Baldin referred to the existing section of 11<sup>th</sup> Street looking east from Manhattan Street with the rail running down the middle of the street. The proposed improvements include sidewalk along the north end of the street, double track rail, a 13' drive lane, some parkway and some sidewalk. He noted an inaccuracy to this proposed section showing a concrete guardrail with a fence on top. He said on the north side of the double track there will not be a concrete guardrail; there will only be a fence. Mr. Baldin stated that there will be fencing along the north end and concrete guardrail along the south end with some sort of fencing on top of that.

Mr. Baldin stated that in some areas there is on-street parking, so the south end will have a 13' drive lane, then a parking lane, then a minimal 3' wide concrete sidewalk.

To help with their design, Mr. Baldin stated that they looked at existing city textures or elements throughout the corridor and Downtown that included different pavement, architecture, brick patterns, etc. They looked at existing materials and furnishings (including standard light poles, standard stop signs, different red brick, different fencing and brick columns, street signs, etc.) and how they could be incorporated into this corridor. They wanted an old historic industrial theme and to build on those buildings by bringing some of those architectural elements into the proposed improvements.

Mr. Baldin referred to the site furnishings they developed, noting that it is like existing furnishings in the Downtown area. He referred to the concrete guardrail stating that instead of the typical concrete guardrail, they propose doing a brick form liner on it making it more decorative, and instead of a chain link fence on top, they propose putting a more decorative ornamental rail on top, tying back to some of those architectural elements that already exist. They looked at breaking up that guardrail with some columns and lights on it. Instead of having landscape planters in the streetscape with just a concrete curb, they looked at doing more of a decorative curb having brick seating walls and a decorative railing on top of that curb. Instead of chain link fencing they

propose standard ornamental fencing like seen throughout the Downtown. Along 10<sup>th</sup> Street, instead of chain link fence they propose having a black PVC coated chain link fence to make it look better.

Mr. Baldin referred to images of what the elements look like, from the lights, stop signs, trash receptacles, pavement types, bollards, fencing, planter railing, ornamental railing, black PVC coated fence, bike racks, benches, etc. Again, he said they are working with the existing elements and bringing those into 10<sup>th</sup> and 11<sup>th</sup> Street as much as possible instead of the standard elements being proposed for the project.

Mr. Baldin talked about things that were driving their design (although, knowing it can't all be done because of funding and changes to project) including making gateways or gathering spaces; beautifying the space where it comes together at Chicago Street/Amtrak/11<sup>th</sup> Street/10<sup>th</sup> Street; removing some additional pavement and beautifying it with landscape; creating a small plaza at Franklin Street/11<sup>th</sup> Street; minor gateways and plaza improvements further east; enhancing the streetscape with brick pavers at intersections and in areas of the streets and sidewalks instead of just concrete sidewalk, parkways, and trees; decorative lighting, planters, railings, site furniture, etc. These improvements would be around the garage block of 10<sup>th</sup>/Franklin/Pine/11<sup>th</sup>, radiating out from there two blocks east and west.

Mr. Baldin showed some of the plans they came up with, stating that on Wabash Street they would maintain the existing intersection improvements but would enhance the intersection, going east with an "art walk" or enhanced streetscape, carrying that streetscape all the way to Washington Street with an enhanced intersection, enhancing both sides of the street, the narrow drive lane between Washington and Pine would be enhanced with pavers thinking of it as less of a driving lane but more of a pedestrian orientated space, a pocket park at the southwest corner of Franklin/11<sup>th</sup>, enhanced streetscape all around the station continuing east with the streetscape going around the station to include the parking lot between the station and the platform, making the space around the platform as nice as possible. He showed renderings of how the parking lot and station will be related and continuing east they are still looking at improving York Street with concrete sidewalks, street trees, and a couple gateways. He showed concepts of what they were thinking about for improvements around the station, along the drive lane south of the rail, gateway items, etc.

Mr. Baldin talked about their next steps, stating that timing is of essence. The engineering team is in the process of developing 90% construction documents, which are due at the end of July. If the City elects to move forward with betterments, they need to quickly determine what they are. He said a lot of the betterments are simple to document, so they could put it together quickly. He asked if there is an opportunity for the Commission to put a committee together to make these determinations. Mr. Baldin said funding would have to be approved. NICTD is asking for a Memorandum of

Agreement to be in place by the end of the month between the City and the South Shore Line outlining the expectations and the cost responsibility.

Mr. Baldin stated that regarding the hardscape, if the City wants to improve it, it must be built as part of the NICTD project. That would include improving the Wabash, Washington, and Franklin Street intersections, improving the York Street cul de sac, installing the ornamental fence along the north side of the double track in place of the chain link fence, installing ornamental fence on top of the guardrail in place of chain link fence, improving the concrete guardrail with brick form liner, installing special paving around the parking garage, installing special curb and decorative railings and planters along 10<sup>th</sup> Street north of the garage.

Mr. Baldin stated that future things such as installing trees are improvements after the project has been completed and would include the 40' area setback between Franklin Street and the garage for future development. It is not known when that future development will occur, so in the meantime, Mr. Baldin said it would make sense to do some improvements to that area instead of just having a lawn area which is currently being proposed; installing additional trees throughout the corridor; installing landscape improvements at the end of all the new cul de sacs; improvements to the guardrail; decorative bollards, fencing, walls, raingardens; improve the intersection around Chicago/Amtrak/double track; art banners, gateways, etc. within the corridor.

Mr. York advised that the Commission needs to get a list of hardscape betterments to NICTD by the end of the month. The Commission can sign the MOA at the August meeting.

Commissioner Chatfield asked the cost of the items.

Mr. York replied that the cost of engineering for things the Commission chooses now would be engineered by NICTD engineers at this time. If the Commission decides to put some type of hardscape in later, then it would be on the Commission to engineer it.

If the Commission wants ornamental fence in place of the chain link along the north side of the track, Commissioner Chatfield asked who would pay for that.

Mr. York stated that those are betterments, so it would be on the Commission. There are some preliminary estimates of those costs, but it depends how much and how far out into the project those go.

Mr. Baldin recommended that the Commission provide a list of improvements within a week. While that is happening, they can come up with some numbers for the different options. He asked the Commission to decide what items are important them, then HDG can go back and determine costs for those items.

Mr. York said there are preliminary rough numbers for the basic items, but the styles have not been chosen. He believes they are estimated around \$1.6 million.

Commissioner Chatfield questioned the dollar amount and where it would come from.

Mr. York gave an example, stating if the Commission would choose to upgrade with a form liner on the guardrail, but in the end the Commission does not have the money and doesn't do the form liner, the design would just revert back to the original guardrail with no form liner on it. He said he was told the Commission does not need to have their funding in place until the end of the year.

Commissioner Behrendt suggested a committee be set up and meet with the Mayor to come up with some ideas in consultation with Mr. Baldin.

The committee to discuss the betterments is John Hendricks, Chris Chatfield, Skyler York, and Mayor Parry.

**ADJUST 2020 SALARY ORDER**

Mr. York explained that this continues from discussion in the executive session and is an adjustment within the Commission's current budget; the money is there; it is just an adjustment. This adjustment provides a program manager for the Façade Grant and Upper Story Residential Programs.

The chair entertained a motion.

***Motion by Commissioner Sheets – seconded by Commissioner Hendricks approving an adjustment of \$2,301.31 to the Department of Redevelopment 2020 Salary Order to pay the Downtown Action Agenda Coordinator for the remainder of the year to manage the Façade Grant and Upper Story Residential Programs. Voice vote was as follows: (Ayes) Commissioners Behrendt, Chatfield, Hendricks, Kowalski, Sheets – 5; (Nays) None – 0. By 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 also noted that an executive session was held on June 29, 2020. No decisions were made, and nothing was discussed other than what is permitted by Open Door Law.

Attorney Sirinek recalled that in 2019 the Commission approved a \$3.8 million project for the demolition of existing building at the Bosak Honda dealership on Highway 20 and

construction of a new building at that site; the Commission's cost on that project was \$380,000. That project was completed in May and the contractor (Larson Danielson) has submitted a Certificate of Final Completion. Attorney Sirinek requested the Commission's approval.

The chair entertained a motion.

***Motion by Commissioner Chatfield – seconded by Commissioner Hendricks approving the Certificate of Final Completion for the Bosak Honda project. Voice vote was as follows: (Ayes) Commissioners Behrendt, Chatfield, Hendricks, Kowalski, Sheets – 5; (Nays) None – 0. By a vote of 5 ayes and 0 nays, the MOTION CARRIED.***

Attorney Sirinek explained that with any use of Redevelopment Commission funds in a private-public partnership, the statute requires the Commission to acquire a certain aspect of the project, whether it be a property or a building. In this project the Commission acquired part ownership in the property itself, so the Commission has an ownership interest in the Bosak property for the purpose of doing work on it. Now that the project is done, there must be a termination of the license agreement, so the Commission no longer has an ownership interest in the Bosak Honda property. He requested approval for the Commission President to execute the document on behalf of the Commission.

The chair entertained a motion.

***Motion made by Commissioner Chatfield – seconded by Commissioner Hendricks approving termination of the license agreement between the Redevelopment Commission and Bosak Honda. Voice vote was as follows: (Ayes) Commissioners Behrendt, Chatfield, Hendricks, Kowalski, Sheets – 5; (Nays) None – 0. By a vote of 5 ayes and 0 nays, the MOTION CARRIED.***

Attorney Sirinek gave an update on the station block project and the property appraisals for those parcels on the station block defined as Franklin Street and Pine Street, and 11<sup>th</sup> Street and 10<sup>th</sup> Street. He explained that those are the parcels the Commission is responsible for in terms of making them available for conveyance to NICTD, hopefully by the end of the year. The Commission had environmental studies done on the project and identified what the parcels are, although it must be done consistent with the Federal Relocation Act. Consequently, there are specialized appraisers that must be used who are familiar with the requirements for the Federal Relocation Act. There are nine parcels on the station block, eight parcels must be appraised, although the billboard is not a concern. Appraisals have been done on the other 7 parcels with the Commission receiving the initial appraisals. Attorney Sirinek stated that in his opinion they did not meet the requirements for those appraisals under federal law as well as what their regulations are. So, there was a meeting with them, and as a result 5 of the 6

appraisals merely needed a reference, an analysis, and a comparison to knowledge of potential environmental contamination on the parcels and the overall appraised value. Under federal law all parcels must have a phase I environmental evaluation. If the phase I concludes that there is no phase II necessary, then that is all that is needed and there is minimal involvement as it relates to the appraised value. One of the parcels was a prior IDEM site and the federal guidelines say there needs to be some reference to environmental stigma because of it being a prior IDEM cleanup work site. Attorney Sirinek stated that he asked them to specifically identify that on the one parcel, and on the others, there be some notation that in the contiguous area there has been some environmental concerns. They are aware of that and they have concluded that it has no impact on the appraised value on all those parcels. Based on that and based on that review, Mr. York has signed off on that and they have been sent to the appraisers with the next step being to negotiate the sale of those parcels, but it is contingent upon the Commission approving it. There will be qualified offers made to those parcel owners.

Attorney Sirinek explained that the last parcel is 1002 Franklin Street which is known by the Commission to be an IDEM site. There is investigation going on at this point. There have also been potential polluters (prior landowners) identified of that property. There is discussion going on with them as well. However, Attorney Sirinek said in his opinion the appraisal itself, despite the request for the need to address this better, did not do that for a variety of reasons. Not the least of which is the fact that one of the standard lines in any appraisal are certain assumptions that are being made, one of which is the assumption that buyers and sellers are aware of all information available to them as it relates to a particular parcel, and that based on that information they are going to act in their best interest. Attorney Sirinek stated his feeling was is that based on that assumption and based on the appraised value they came up with, and based on the fact there is an ongoing IDEM contamination site right now in which tens of thousands if not hundreds of thousands of dollars may end up being expended for cleanup of that site depending upon what they find in that investigation. To date, IDEM has spent over \$30,000 in investigation of the site and as a matter of Indiana statute when paying for cleaning up that site we know there is at least \$30,000 that somebody is going to have to reimburse IDEM on. Attorney Sirinek said he believes that those things should be addressed when making an analysis as to the appraised value of the property. He said when dealing with these people he feels they are getting conflictual with each other. Attorney Sirinek said he is seeking guidance from the Commission if they can just go with what their appraised value is right now or if it is beating a dead horse to continue to drive this point home further. He said he is most mindful of the fact that now those appraisals and dollar amounts associated with those are not public information and will not become public information until the Commission signs off on the actual acquisition of 1002 Franklin property. He said the appraised value they came up with and the analysis that has derived for that concluding number, in his mind does not match, although it is consistent with federal law. He asked the Commission how much further they want him to take it with them because to purchase the property at the price they have appraised it at (absent any further comment) would make the Commission look

like idiots, and that would not be what a responsible person acting in their best interest would do. Attorney Sirinek stated that he would recommend inserting different language within the report itself, so it seems to be more logical in terms of what they have come up with and the possibility of reduced appraised value.

Commissioner Chatfield asked for confirmation that this obviously is a piece of property the Commission needs for the project.

Attorney Sirinek replied affirmatively.

Commissioner Chatfield asked for confirmation that the appraised value and the potential remediation on that property is a substantial difference in those two numbers.

Attorney Sirinek replied affirmatively.

Since the Commission needs this property, Commissioner Chatfield said his opinion is having a discussion with them, and they need to have some addendum or asterisk with respect to that potential cost so that there is potentially a negative. He said he would like to at least have something in the appraisal that would notate the remediation cost so the Commission can take that back to the seller and be part of the bargaining chip with respect to the purchase.

Attorney Sirinek reminded the Commission that there will be substantial environmental cleanup costs that they will be responsible for, but he noted they are doing the same thing that was done on the Trail Creek properties by doing an investigation and identifying who the sources and principal polluters are of the 1002 Franklin Street property, as well as identifying the actual contaminants, and then seek reimbursement of those clean-up costs from the polluters.

The chair entertained a motion.

***Motion by Commissioner Chatfield – seconded by Commissioner Hendricks instructing Commissions’ legal counsel to work with the appraiser on 1002 Franklin Street and have them acknowledge the potential environmental concern and cost notated in the appraisal. Voice vote was as follows: (Ayes) Commissioners Behrendt, Chatfield, Hendricks, Kowalski, Sheets – 5; (Nays) None – 0. By a vote of 5 ayes and 0 nays, the MOTION CARRIED.***

Attorney Sirinek noted an earlier discussion with a developer on the Pine Street property. He explained that the Commission will ultimately convey the Pine Street property to a developer, and in doing so the statute requires any property the Commission owns to go through the same process as they previously did for the Cleveland Avenue property. The first step of that process is getting two appraisals for the Pine Street property, as well as getting it done now for the former Police

Station/News Dispatch property (You Are Beautiful site) because that will also be developed at some point. He therefore recommended going forth with getting two appraisals on both the Pine Street property and two appraisals for the former Police Station/News Dispatch property.

Commissioner Chatfield had a question with respect to the buyer and timing, asking if there would be some issue with that from the time the Commission gets the appraisals to when they enter into something, say within two years versus six months from now, and if another appraisal would be required.

Attorney Sirinek replied that another appraisal would not be required. He explained the process which is getting the two appraisals and then do a listing (bid process). The Commission can either accept an offer, reject an offer, take it under advisement, or negotiate with an offer. But once the Commission makes a final decision (such as rejecting an offer), that is good forever. Then, if in five years from now the Commission wants to develop the former Police Station/News Dispatch property, they have already met that obligation and they do not have to worry about going back and doing it again.

The chair entertained a motion.

***Motion by Commissioner Hendricks – seconded by Commissioner Sheets authorizing Mr. York to get two appraisals on the Pine Street property and two appraisals on the former Police Station/News Dispatch (You Are Beautiful site) property. Voice vote was as follows: (Ayes) Commissioners Behrendt, Chatfield, Hendricks, Kowalski, Sheets – 5; (Nays) None – 0. By a vote of 5 ayes and 0 nays, the MOTION CARRIED.***

#### **REPORT BY DIRECTOR**

Mr. York advised that he received a change order from Lochner for the US 12 Bridge project, explaining that there was an assumption made for the lighting on the bridge needing to be 120V/240V, but the box is actually 240V/480V, so they need to bring it down to a type 2 connection in order to connect the lights on the bridge. The change order is being prepared in the amount of \$4,138.60 for a new 120V/240V service to run the lights on the bridge. Mr. York requested approval.

The chair entertained a motion.

***Motion by Commissioner Sheets – seconded by Commissioner Kowalski authorizing preparation of and approving a change order from H. W. Lochner, Inc. in the amount of \$4,138.60 for a new 120V/240V service to run the lights on the US 12 Bridge. Voice vote was as follows: (Ayes) Commissioners Behrendt, Chatfield, Hendricks, Kowalski, Sheets – 5; (Nays) None – 0. By a vote of 5 ayes and 0 nays, MOTION APPROVED.***

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Mr. York provided information from Clarence Hulse, Economic Development Director, for the Commissions consideration. He explained that the Department of Commerce, through the US Economic Development Administration (EDA), is providing funding for co-working space, regional hub centers, business incubators, etc., either by building a brand-new facility or renovating an older building. Before applying for the funds, a feasibility study must be done. Mr. Hulse has prepared this for the Commission, and they are looking for about \$25,000 to do a feasibility study to see if an incubator, co-working space, or a regional hub fits in, then they want to apply for the EDA grant money. Mr. York stated that he has the proposals to do the feasibility study and he has attached additional information which Mr. Hulse provided about what other communities have done with this funding, how much funding they received, the projects, etc. Mr. Hulse has asked that the Commission consider funding the feasibility study for about \$25,000 so the US EDA funding can be applied for.

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Mr. York stated that he would like to revisit the decorative elements for the US 12 Bridge, pointing out that they can be attached to the railing later. He would like the Commission to take some time to think about what to have put on those attachments. There has been a suggestion made that some of the local clubs could provide their emblem. Mr. York suggested that once the bridge construction is complete, the Commission could then decide on the number of decorative elements and their placement on the railing.

**PUBLIC COMMENTS**

Councilwoman Angie Nelson Deutch expanded on Mr. York's discussion about EDA money, stating that she knows there was some work done between Lake County and LaPorte County on an entrepreneurial center. It did not work out, but there was some work that has already been done; there was a group from both counties including the Northwest Indiana Forum who participated. She said that might be an opportunity as far as more information because some of the work already being done and some visits were done as well looking for an opportunity to do something like that between LaPorte and Lake County.

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Mayor Duane Parry mentioned that there are old News Dispatch printing presses stored outside of the pole barn within the fenced area on the former Chrysler dealership property. He said it is eyesore and asked that they be removed.

**COMMISSIONER COMMENTS**

Commissioner Chatfield commented that he appreciated receiving the information from Mr. Hulse about the incubator and potential opportunities. He pointed out that there

was a very good incubator here for several years, but it was dismantled 7-10 years ago. He stated that with everything that has occurred within the last six months, companies are realizing that they have the opportunity to have their employees work from home, so it is becoming more popular. He said he is in favor of trying to push the envelope on this type of project. He has talked to a couple of building owners in town about space they have. He feels this type of space is going to become more popular and feels Michigan City needs to try to figure out a way to make it happen. Mr. Chatfield said he would be happy to be a part of that project.

**NEXT MEETING DATE**

President Behrendt announced that the next scheduled meeting is August 10, 2020.

**ADJOURN**

The chair called for a motion to adjourn.

Motion to adjourn by Commissioner Chatfield – seconded by Commissioner Hendricks and unanimously approved. The chair declared the meeting adjourned at approximately 7:06 p.m.

/s/ John Sheets, Secretary