

**SOUTH BEND REDEVELOPMENT COMMISSION
REGULAR MEETING**

January 15, 2015

9:30 a.m.

Presiding: Marcia I. Jones, President

227 West Jefferson Boulevard

South Bend, Indiana

The meeting was called to order at 9:32 a.m.

1. ROLL CALL

Members Present:	Ms. Marcia Jones, President Dr. David Varner, Vice President Mr. Don Inks, Secretary Ms. Valerie Schey
Members Absent:	Mr. John Anella Mr. Greg Downes
Legal Counsel:	Mr. Benjamin Dougherty, Esq.
Redevelopment Staff:	Mr. Brock Zeeb, Director Mr. David Relos, Associate II Ms. Debrah Jennings, Associate I Ms. Tracy Oehler, Recording Secretary
Others Present:	Mr. Pete Buttigieg, Mayor Mr. Scott Ford, Executive Director Mr. Chris Fielding, Assistant Executive Director Mr. Brock Zeeb, Director Mr. Jitin Kain, Director Ms. Elizabeth Leonard-Inks, Director Mr. Aaron Kobb, Associate III Mr. Eric Horvath, Director Mr. John Voorde, City Clerk Mr. Randy Rompola, Faegre Baker Daniels Mr. Tim Firestone, Blackthorn Golf Course Mr. Chris Keefer, Blackthorn Golf Course Mr. Mark Seaman, Prism Mr. Shawn Peterson, Union Station Technology Center Mr. Zach Crenshaw, WSBT Mr. Dan Schoenfeld, WNDU TV Mr. Mark Peterson, WNDU TV Ms. Erin Blasko Mr. Conrad Damian Ms. Mo Miller

2. APPROVAL OF MINUTES

A. Approval of Minutes of the Annual Organizational Meeting of Friday, January 2, 2015.

Upon a motion by Secretary Inks, seconded by Vice President Varner and unanimously carried, the Commission approved the Minutes of the Annual Organizational Meeting of Friday, January 15, 2015.

3. APPROVAL OF CLAIMS

324 AIRPORT AREA

Abonmarche	33,325.00	Ignition Park Infrastructure Phase 1C
Kolata Enterprise LLC	1,605.00	Professional Services
Hull & Associates	460.00	General Consulting
Faegre Baker Daniels	4,674.88	Legal Services
Meridian Title Corporation	676.00	Closing Costs Sale of Ardmore & Prast
Barnes & Thornburg, LLP	1,818.15	Legal Services
		Removal & Disposal Hazardous &
Interstate Environmental Services	26,838.00	Nonhazardous Materials at Ivy Tower
Interstate Environmental Services	75,898.92	Removal of Lead Based Paint at Ivy Tower
IDEM	34.56	Remediation Agreement

420 FUND TIF DISTRICT-SBCDA

GENERAL

Faegre Baker Daniels	4,090.08	Drive Approach at 730 S Michigan Street
DTSB	3,083.37	Main/Jefferson & St. Joseph's Surface Lot

429 FUND NORTHEAST DISTRICT

Christopher B. Burke Engineering, LLC	35,087.27	5 Points Utility Relocation Design
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430 FUND SOUTH SIDE TIF AREA #1

Lawson Fisher Associates	33,452.59	Roundabout Intersection
Walsh & Kelly Inc.	401,917.98	Fellow Street Roadway Improvements

622,961.80

Upon a motion by Secretary Inks, seconded by Vice President Varner and unanimously carried, the Commission approved the Claims submitted January 11, 2015.

4. COMMUNICATIONS

Mr. Relos announced a thank you letter was received from Unity Gardens.

5. OLD BUSINESS

None.

6. NEW BUSINESS

Upon a motion by Commissioner Schey, seconded by Vice President Varner and unanimously carried, the Commission moved to hear Agenda Item 6.F.(1) as the first order of business.

F. Other

(1) Resolution No. 3267 – 2015 Infrastructure Bond

Mr. Ford clarified that the City Cemetery, Museum Campus, and Leeper Park properties will be included in the River West Development Area when the Development Area Plan is updated.

Mayor Buttigieg expressed the Infrastructure Bond is a major priority of the administration as it represents one of the most positive and high impact items for the city of South Bend.

Mr. Ford gave an overview of the rationale and process of the 2015 Infrastructure Bond. The bond amount is to be \$25M inclusive of all transaction costs, capitalize interest and debt service reserve fund, netting approximately \$21.4M in proceeds available for projects. The term of the bond is anticipated to be repaid over 20 years, with a maximum lease rental payment of up to \$1.9M per year. The bond sale is scheduled to occur in the third week of March and closing the first to second week of April.

A discussion followed between the Commissioners and staff regarding the net proceeds, debt reserve, and how the Main and Madison improvements will be to Chippewa Street. Additionally, a recommendation was made to postpone the Smart Streets project and consolidate it with the Combined Sewer Overflow (CSO) project for potential savings.

Commissioner Schey made the motion to table Resolution No. 3267 to prepare a comprehensive capital plan which includes the CSO work Montgomery, Watson, Hurza is currently preparing.

Mr. Ford confirmed with Mr. Horvath the CSO work is not geographically aligned with the Smart Streets project and by delaying the project, opportunity and transaction costs would increase.

President Jones inquired if there was second for the motion on the table and then stated without a second, the motion will not be considered.

Commissioners Varner, Inks, and Jones indicated their support of the project.

Upon a motion by Secretary Inks, seconded by Vice President Varner, the motion passed 3-1 (Commissioner Schey dissenting and Commissioner Downes absent), the Commission approved Resolution No. 3267 approving a proposed lease between the Redevelopment Commission for certain interests in land and public improvements, approving preliminary plans, specifications and cost estimates, setting a Public Hearing on the proposed lease pursuant to Indiana Code 36-7-14-25.2, and authorizing publication of the Notice of Public Hearing.

A. River East Development Area

None.

B. River West Development Area

Mr. Relos requested Items 6.B.(1), 6.B.(2), and 6.B.(3) to be considered simultaneously.

Upon a motion by Vice President Varner, seconded by Commissioner Schey and unanimously carried, the Commission approved Resolution No. 3263 approving the fair market value; the bid specifications and design considerations; and the authorization to publish the Notice of Intended Disposition of Property with publication dates of January 23, 2015, and January 30, 2015, for Lot 5 of the Coveleski Park Minor Subdivision.

- (1) Resolution No. 3263 Approving the Fair Market Value of Property in the River West Development Area (Lot 5 of the Coveleski Park Minor Subdivision)**
- (2) Bid Specifications and Design Considerations for Property in the River West Development Area (Lot 5 of the Coveleski Park Minor Subdivision)**
- (3) Authorization to Publish the Notice of Intended Disposition of Property with Publication Dates of January 23, 2015, and January 30, 2015 (Lot 5 of the Coveleski Park Minor Subdivision)**

(4) Blackthorn Golf Course Purchase Agreement

Mr. Fielding stated the Purchase Agreement outlines the terms of the sale including the transfer of ownership of the golf carts to the new owner; the purchase price of \$1.655 million to be paid in full at closing minus the earnest money held as performance guarantee; the inclusion of a clause requiring the Commission's approval for the sale of the course within the first three years; the inclusion of the minimum maintenance standards for the course into the future; and the return of all cash on hand, cash in accounts, and any vendor deposits to be returned to the Commission. Closing is scheduled to occur prior to February 6, 2015.

A discussion followed between Commissioners and staff regarding the revenue realized but not expensed will be credited towards the future gains and the proceeds of the sale will be used to pay off the golf carts, with the Commission being reimbursed for the costs by the buyer over the next three years (\$40,000 year one; \$55,000 year two; and \$70,000 year three).

Upon a motion by Vice President Varner, seconded by Commissioner Schey and unanimously carried, the Commission approved the Blackthorn Golf Asset Purchase Agreement.

(5) Renaissance District Environmental Funding

Mr. Zeeb stated on October 25, 2012, the Commission approved the Environmental Indemnity Agreement for remediation of the Studebaker Building 84 site. Originally, cost estimates were \$3.3M. Additional funds of \$605,000 are being requested to complete the lead based paint removal.

Shawn Peterson, Union Station Technology Center representative, stated to date \$9.7M has been invested in capital investments, 51 new jobs have been created, and 247 dumpsters of debris material has been removed from the building.

Upon a motion by Secretary Inks, seconded by Vice President Varner and unanimously carried, the Commission approved the Renaissance District environmental funding increasing the budget by \$605,000 for a total remediation cost of \$4,380,000.

C. West Washington-Chapin Development

None.

D. South Side Development Area

(1) Economic Development Update

Mr. Fielding gave an overview of Heraeus Kulzer, which is now owned by Mitsui Chemical. The company has the opportunity to revolutionize digitized dentistry products by expediting the process of producing dentures through computerized scanning and 3D printing. Staff will be requesting up to \$25,000 to be utilized on extending the infrastructure increasing their connectivity. Additionally, a future tax abatement will be requested for the 3D printers and scanners to be built at this facility.

E. Douglas Road Development Area

None.

F. Other

(2) Resolution No. 3268 Setting February 12, 2015, Public Hearing for Additional 2015 Redevelopment Appropriations

Ms. Leonard-Inks stated Resolution No. 3268 will set the Public Hearing for February 12, 2015, as additional appropriations are needed as the areas have changed.

Upon a motion by Commissioner Schey, seconded by Secretary Inks and unanimously carried, the Commission approving Resolution No. 3268 setting February 12, 2015, as the Public Hearing for additional 2015 Redevelopment appropriations.

Mr. Relos requested Items 6.F.(3) and 6.F.(4) to be considered simultaneously.

Upon a motion by Vice President Varner, seconded by Commissioner Schey and unanimously carried, the Commission approved Resolution No. 3264 setting procedures for Temporary Use Agreements and Resolution No. 3265 appointing authorize representatives to conduct certain administrative acts relating to Redevelopment property.

(3) Resolution No. 3264 Setting Procedures for Temporary Use Agreements

(4) Resolution No. 3265 Appointing Authorized Representatives to Conduct Certain Administrative Acts Relating to Redevelopment Property

(5) Professional Services Proposal to Provide Corrective Property Deed Services (Meridian Title)

Mr. Zeeb stated the Meridian Title professional services proposal will provide corrective property deed services by changing the existing titles to consistently reflect "Department of Redevelopment of the City of South Bend for use and benefit of the department of Redevelopment", which State statute requires. Once

completed, the County Recorder, Auditor, Assessor, and Treasurer's records will match. In addition, it will allow staff to create a GIS layer which allows site selectors, citizens, and staff to easily identify and track properties owned and for sale by the Commission.

Upon a motion by Secretary Inks, seconded by Commissioner Schey and unanimously carried, the Commission approved the Meridian Title professional services proposal to provide corrective deed services in the amount of \$5,000, with a not-to-exceed amount of \$10,000.

(6) Professional Services Agreement for TIF Maps (Danch Harner & Associates)

Mr. Kain stated the Danch Harner & Associates professional services agreement is for the creation and verification of map boundaries developed for the newly realigned TIF areas thereby ensuring the legal descriptions of each area match the maps created in the Geographical Information Systems software.

Upon a motion by Vice President Varner, seconded by Commissioner Schey and unanimously carried, the Commission approved the Danch Harner & Associates professional services agreement for TIF maps in the not to exceed amount of \$4,800.

7. PROGRESS REPORTS

Mr. Kain gave an update on Hill and Colfax, which successfully closed and is under private ownership; the developer is expected to break ground on the project soon.

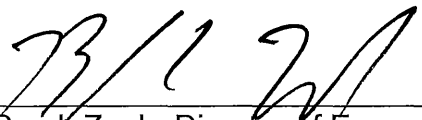
Commissioner Schey encouraged residents to attend the January 26th Common Council meeting as the Council will have the second and third reading on the proposed \$5.8M Parks bond.

8. NEXT COMMISSION MEETING

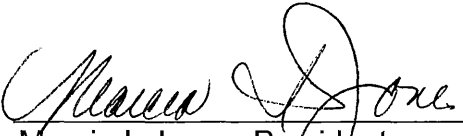
Thursday, January 29, 2015, at 9:30 a.m.

9. ADJOURNMENT

President Jones adjourned the meeting at 10:45 a.m.



Brock Zeeb, Director of Economic Resources



Marcia I. Jones, President