

**SOUTH BEND REDEVELOPMENT COMMISSION
REGULAR MEETING**

October 29, 2015
9:30 a.m.
Presiding: Marcia Jones, President

227 West Jefferson Boulevard
South Bend, Indiana

The meeting was called to order at 9:31 a.m.

1. ROLL CALL

Members Present:	Marcia Jones, President David Varner, Vice President Greg Downes Gavin Ferlic
Members Absent:	Don Inks, Secretary John Anella
Legal Counsel:	Benjamin Dougherty, Esq.
Redevelopment Staff:	David Relos, Associate II Tracy Oehler, Recording Secretary
Others Present:	Scott Ford, Executive Director Chris Fielding, Assistant Executive Director Brock Zeeb, Director Laura Mazur, Analyst Sarah Heintzelman, Associate Debrah Jennings, Associate John March, Associate Cecil Eastman, Financial Specialist Senior Patrick Roll Kevin Allen

2. APPROVAL OF MINUTES

A. Approval of Minutes of the Regular Meeting of Thursday, October 15, 2015.

Upon a motion by Vice President Varner, seconded by Commissioner Downes the motion carried 4-0 (Secretary Inks absent), the Commission approved the Minutes of the Regular Meeting of Thursday, October 15, 2015.

3. APPROVAL OF CLAIMS

A. Claims Submitted October 29, 2015

324 Fund River West Development Area

Great Lakes Capital	111,505.00	Reimbursement to Contractor for Waterproof/Installation of Vapor Barrier at Catalyst One Ignition Park
Interstate Environmental Services, Inc.	145,651.37	Removal of Lead Based Paint at Ivy Tower Phase II
Weaver Consultants Group	1,709.06	Ivy Tower
Earth Service	50,788.07	Removal & Disposal PCB Contaminated Soil at Ivy Tower
Pacific Press Technologies	1,224,219.50	Equipment Purchase for Nello Corp.
Selge Construction Co., Inc.	3,546.87	Chase Plastics Facility Infrastructure Improvements
Shaffner Heaney Associates, Inc.	20,492.55	Building Façade ACM Panels for Ignition Park
Jones Petri Rafinski	675.00	Inspection Services for Catalyst 1 & 2
Rieth Riley Construction Co., Inc.	85,575.09	Western Avenue Corridor Improvements
Jones Petri Rafinski	3,600.00	Asbestos Survey in Support of Demolition
Abonmarche	220.00	Ignition Park Buildings 1 & 2
Majority Builders, Inc.	174,840.63	Ignition Park Infrastructure Ph 1C, Division B
Walsh & Kelly, Inc.	365,579.00	Ignition Park Infrastructure Ph 1C, Division A
Jones Petri Rafinski	1,700.00	Phase I PNA Facility
Tri-County News	53.58	Notice to Bidders

430 Fund South Side TIF Area No. 1

Lawson-Fisher Associates	8,265.40	Roundabout Intersection Improvements Chippewa at Michigan & Main Streets
Lawson-Fisher Associates	1,693.12	Main to Lafayette Connector

\$2,200,114.24

Upon a motion by Commissioner Downes, seconded by Commissioner Ferlic the motion carried 4-0 (Secretary Inks absent), the Commission approved the Claims submitted October 29, 2015.

4. OLD BUSINESS

None.

5. NEW BUSINESS

A. River West Development Area

(1) Approval of Agreement for Sale of Land for Private Development and Environmental Agreement for 604 Scott Street (Millennium Parcel, LLC)

Mr. Zeeb stated on March 12, 2012, the Commission approved the Memorandum of Understanding (MOU) with Union Station Technologies Center (USTC) outlining

phase one development of the Renaissance District. One component of the MOU was to sell the Millennium site, commonly known as 604 Scott Street, for future development. Upon completion of remediation of the Studebaker 84 complex, USTC plans to reorganize the building's layout, and the Millennium site will provide construction staging, better long term traffic flow for the facility, and place the property back on the tax rolls.

The site Purchase Agreement defines the sales price for the property in the amount of \$42,500 including site investment credits towards the purchase price. The cost for the required new legal description will be divided with a not to exceed amount of \$1,500. The Environmental Agreement provides a five year indemnity with the Commission's environmental consultant, Weaver Consultants, providing assistance in negotiations with Indiana Brownfield for a comfort letter pertaining to the site. The easement documents also require legal description updates due to the vacation of United Drive. The cost will be split between USTC and the Commission in an amount not to exceed \$1,500 and paid at closing.

Mr. Dougherty noted Exhibit B (Environmental Restrictive Covenant) of the Purchase Agreement will be forthcoming once the Developer has received the comfort letter from IDEM and inserted once received. Additionally, the South Bend Building Corporation will be the entity taking action on the easement agreements, which are Exhibit D.

Upon a motion by Commissioner Downes, seconded by Commissioner Ferlic the motion carried 4-0 (Secretary Inks absent), the Commission approved the Agreement for Sale of Land for Private Development in the amount of \$42,500 and the Environmental Agreement for 604 Scott Street with Millennium Parcel, LLC.

(2) Approval of Amendment to Existing Environmental Services Contract for the Ivy Tower Facility Renovation Project (Weaver Consultants Group)

Mr. Zeeb stated on October 25, 2012, the Commission approved an Environmental Indemnity Agreement (EIA) for remediation of the Studebaker Building 84 site; the last remaining Studebaker manufacturing building. Remediation has been completed to the Studebaker 84 and Millennium sites. Phase 1 and Phase 2 Environmental Assessments for both sites have been submitted to Indiana Brownfields.

Staff is requesting to further engage Weaver Consultants in a contract not to exceed \$40,000 to be the point of contact and negotiate the Commission's interest based on the environmental testing and reports. No additional funds are being requested, as the funding would come from the current environmental cleanup budget. The end result of the Weaver Consultants/Indiana Brownfields negotiations will be some type of comfort letter or restrictive covenants that will be recorded and follow the deed of the land.

Upon a motion by Commissioner Downes, seconded by Vice President Varner the motion carried 4-0 (Secretary Inks absent), the Commission approved the Amendment to the existing Environmental Services Contract for the Ivy Tower Facility Renovation Project with Weaver Consultants Group in a not to exceed amount of \$40,000.

(3) Establishing the Budget for the Parking Garages

Mr. Zeeb stated on August 27, 2015, the Commission approved Resolution No. 3300 allowing the Parking Garage Fund to borrow \$2,000,000 from the Major Moves Fund to make capital improvements to the three City-owned parking garages. A three year capital improvement strategy includes \$845,849.44 for 2015; \$1,250,000 for 2016; and \$1,300,000 for 2017.

Upon a motion by Commissioner Downes, seconded by Commissioner Ferlic the motion carried 4-0 (Secretary Inks absent), the Commission approved the budget for the City-owned parking garages for 2015, 2016, and 2017 in the amounts of \$845,849.44, \$1,250,000, and \$1,300,000 respectively and subject to future River West Development Area appropriations.

(4) Approval of Development Agreement for 402 North Sheridan (Manufacturing Technology, Inc.)

Ms. Heintzelman stated Manufacturing Technology, Inc. (MTI), a locally owned and operated manufacturer, are expanding their operations and are requesting support from the Commission to assist with infrastructure and development costs. MTI signed a purchase agreement on a 100,000 square foot vacant building at 402 North Sheridan, which requires upgrades. The company will be investing over 2.5 million dollars on real estate improvements, equipment, and other capital expenditures. Job creation is expected at 26 positions over the next ten years with a minimum hourly wage of \$14. MTI will continue operations at their West Washington Street facility and the project will represent an extension of their current lines as well as a consolidation of their Sample Street facility. Staff request approval of \$108,850 for infrastructure needs, including asphalt work, and other project related costs.

Upon a motion by Commissioner Downes, seconded by Vice President Varner the motion carried 4-0 (Secretary Inks absent), the Commission approved the Development Agreement for 402 North Sheridan with Manufacturing Technology, Inc. in the amount \$108,850.

(5) Staff Update

Mr. Fielding reported staff has been discussing different strategies on how best to utilize the land that is owned by the Redevelopment Commission and other City departments. One of the discussion was concerning the Blackthorn Corporate Park. He presented diagrams illustrating the current zoning as well as the proposed zoning

which would allow light industrial, which would increase the park's ability to attract new businesses like distribution and logistics. Staff is requesting approval to bundle nine lots for call for offers for developers both locally and nationally instead of listing each property separately.

Additionally, a meeting was held on October 27, 2015, with the Owners' Association at Blackthorn regarding updating the covenants and development guidelines, which will be brought before the Commission for approval its next meeting. It was also noted the Redevelopment Commission has been paying the per acre association dues on the 26 acres of wetlands. Staff anticipates the funds to be discontinued by 2017.

B. Other

(1) Approval of the Annual TIF Neutralization Professional Services Proposal (H.J. Umbaugh Associates)

Mr. Relos stated the professional services proposal is to provide services for the annual TIF Neutralization worksheets required by the state law. The worksheet calculations are done for each TIF area and are used to adjust the base value by adjusting for natural growth in property values. Increment captured by the TIF area should be a result of new development, not the natural appreciation in property values that pre-existed the TIF.

Upon a motion by Commissioner Downes, seconded by Vice President Varner the motion carried 4-0 (Secretary Inks absent), the Commission approved the annual TIF Neutralization Professional Services proposal with H.J. Umbaugh Associates in the not to exceed amount of \$12,500.

6. PROGRESS REPORTS

Mr. Fielding reported the Common Council approved a designating resolution for the fourth and final tax abatement for the former Chase Tower as it required an Economic Development Commission resolution to allow for a residential target area in the downtown. Staff is expecting to return to Council in sixty days with the confirming resolutions for all four tax abatements once the building is subdivided. Staff was able to negotiate 100% of the project just using tax abatements by following the state's guidelines. The only cash investment was \$640,000 for this \$31 million project.

7. NEXT COMMISSION MEETING

Thursday, November 12, 2015, at 9:30 a.m.

8. ADJOURNMENT

President Jones adjourned the meeting at 10:05 a.m.

Brock Zeeb, Director of Economic Resources

Marcia I. Jones, President