

**SOUTH BEND REDEVELOPMENT COMMISSION
RESCHEDULE REGULAR MEETING**

February 22, 2016

9:30 a.m.

Presiding: David Varner, Vice President

227 West Jefferson Boulevard

South Bend, Indiana

The meeting was called to order at 9:30 a.m.

1. ROLL CALL

Members Present: David Varner, Vice President
Don Inks, Secretary
Gavin Ferlic

Members Absent: Marcia Jones, President
Greg Downes
John Anella

Legal Counsel: Benjamin Dougherty, Esq.

Redevelopment Staff: David Relos, Associate II
Tracy Oehler, Recording Secretary

Others Present: Scott Ford, Executive Director
Brian Pawlowski, Assistant Executive Director
Elizabeth Leonard-Inks, Director
Aaron Kobb, Director
Elizabeth Maradik, Associate
Jitin Kain, Assistant City Engineer
Brent Sheppard
Conrad Damian
Ed Bradley
Paul Phair
Kevin Allen

2. APPROVAL OF MINUTES

A. Approval of Minutes of the Regular Meeting of Thursday, January 28, 2016

Upon a motion by Commissioner Ferlic, seconded by Secretary Inks the motion carried 3-0 (President Jones and Commissioner Downes absent), the Commission approved the Minutes of the Regular Meeting of Thursday, January 28, 2016.

B. Approval of Minutes of the Regular Meeting of Thursday, February 11, 2016

Upon a motion by Secretary Inks, seconded by Commissioner Ferlic the motion carried 3-0 (President Jones and Commissioner Downes absent), the Commission approved the Minutes of the Regular Meeting of Thursday, February 11, 2016.

3. APPROVAL OF CLAIMS

A. Claims Submitted February 11, 2016 (Ratification)

324 Fund River West Development Area

TriCounty Newspaper	43.67	Notice to Bidders Nello Equipment Purchase
TriCounty Newspaper	71.63	Notice of Intended Disposition of Property (Indiana, Kemble, Scott)
Pacific Press Technologies	874,442.50	Nello Equipment Purchase
Equal Construction LLC	102,926.82	Hoffman Hotel - Windows
Gladwin Machinery & Supply Co.	267,465.25	Nello Equipment Purchase
TriCounty Newspaper	71.63	Notice of Intended Disposition of Property

435 Fund Douglas Road Development Area TIF

City of South Bend	140,000.00	Major Move Fund 412
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\$1,385,021.50

Upon a motion by Commissioner Ferlic, seconded by Secretary Inks the motion carried 3-0 (President Jones and Commissioner Downes absent), the Commission ratified the claims submitted February 11, 2016.

B. Claims Submitted February 22, 2016

324 Fund River West Development Area

Kolata Enterprises LLC	1,620.00	Contractual Services - Environmental
Hull & Associates	270.00	Extended General Consulting
Weaver Boos Consultants	7,002.51	Ivy Tower
RealAmerica Construction LLC	114,401.30	LaSalle Apartments
South Bend Tribune	78.76	Advanced Centers for Cancer Care
R.E. Pitts & Associates, Inc.	1,350.00	Equipment Purchase
Appraisal Service, Inc.	500.00	Hamilton Towing Appraisal
		Hamilton Towing Appraisal

422 Fund West Washington Development TIF

Troyer Group Inc.	3,366.00	City Cemetery Master Plan
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429 Fund River East Development Area

TriCounty Newspaper	53.34	Notice to Bidders Colfax Ave. & Hill St. Improvements Division A
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430 Fund South Side TIF Area #1

Lawson-Fishers Associates	150,877.25	Roundabout Intersection Improvement of Chippewa Ave. at Michigan and Main Street
DLZ	778.00	Ireland Right of Way Acquisition

436 TIF Northeast Residential

City of South Bend	386,218.56	Major Moves Fund 412 – Eddy Street Commons
City of South Bend	60,371.00	Major Moves Fund 412- Triangle Development
	<u>\$726,886.72</u>	

Upon a motion by Commissioner Ferlic, seconded by Secretary Inks the motion carried 3-0 (President Jones and Commissioner Downes absent), the Commission approved the claims submitted February 22, 2016.

4. OLD BUSINESS

None.

5. NEW BUSINESS

A. Public Hearings

(1) Public Hearing on Resolution Nos. 3326, 3327, and 3328 (Additional 2016 TIF Appropriations)

Mr. Relos noted the Public Hearing file is complete, containing a copy of Resolution No. 3325 setting the Public Hearing, a copy of the Notice of Hearing, a copy of each of Resolution Nos. 3326, 3327, and 3328, an affidavit from the South Bend Tribune publisher and a confirmation email from the Tri-County News publisher documenting the Notice of Hearing was published in each newspaper on February 12, 2016.

Vice President Varner opened the Public Hearings.

Ms. Leonard-Inks introduced Resolution Nos. 3326, 3327, and 3328. There were no speakers.

Vice President Varner closed the Public Hearings.

B. River West Development Area

(1) Approval of Application and Letter of Agreement for Custom Work for the Disconnection and Relocation of Underground Fiber Line (AT&T)

Mr. Relos stated on January 14, 2016, the Commission approved an authorization to prepare a quote for AT&T to engineer the disconnection and relocation of an underground fiber line located in Ignition Park South. The cost for AT&T to remove

and relocate service is \$17,214.43. Staff is requesting approval of the agreement in a not-to-exceed amount of \$20,000.

Upon a motion by Commissioner Ferlic, seconded by Secretary Inks the motion carried 3-0 (President Jones and Commissioner Downes absent), the Commission approved the Application and Letter of Agreement for Custom Work for the disconnection and relocation of the underground fiber line with AT&T in an amount not-to-exceed \$20,000.

(2) Approval of Equipment Lease Agreement (Advanced Centers for Cancer Care)

Mr. Kobb stated on October 15, 2015, a Development Agreement was executed between the Commission and Advanced Centers for Cancer Care (AC3). The Agreement called for a \$7 million private investment by AC3, the creation of 110 new jobs, and the leasing of approximately 13,525 square feet of commercial space in the building commonly known as One Michiana Square. An unexecuted version of the equipment lease agreement was included in the development agreement to be revised and executed upon the successful procurement of the equipment.

Mr. Dougherty stated in addition, there is a First Amendment to the Development Agreement to include this Equipment Lease Agreement as part of a procedural practice.

Upon a motion by Secretary Inks, seconded by Commissioner Ferlic the motion carried 3-0 (President Jones and Commissioner Downes absent), the Commission approved the First Amendment to the Development Agreement and Equipment Lease Agreement with Advanced Centers for Cancer Care.

Vice President Varner requested Items 5.B.(3), 5.B.(4), and 5.B.(5) be considered simultaneously as they pertain to the disposition of property for the Hamilton Towing Block.

Mr. Relos gave the staff report.

(3) Approval of Resolution No. 3329 Establishing the Offering Price of Property (Hamilton Towing Block)

Upon a motion by Secretary Inks, seconded by Commissioner Ferlic the motion carried 3-0 (President Jones and Commissioner Downes absent), the Commission approved Resolution Number 3329 establishing the offering price of property of the Hamilton Towing Block.

(4) Approval of Bid Specifications and Design Considerations for Property (Hamilton Towing Block)

Upon a motion by Secretary Inks, seconded by Commissioner Ferlic the motion carried 3-0 (President Jones and Commissioner Downes absent), the Commission

approved the bid specifications and design considerations for Hamilton Towing Block.

(5) Authorization to Publish the Notice of Intended Disposition of Property with Publication Dates of March 4, 2016 and March 11, 2016 for Property (Hamilton Towing Block)

Upon a motion by Secretary Inks, seconded by Commissioner Ferlic the motion carried 3-0 (President Jones and Commissioner Downes absent), the Commission approved the authorization to publish the Notice of Intended Disposition of Property with publication dates of March 4, 2016 and March 11, 2016 for Hamilton Towing Block.

(6) Approval of Professional Services Agreement for Hamilton Towing Block ALTA Survey & Alley Vacation (Danch Harner & Associates, Inc.)

Mr. Relos stated as part of preparing the Hamilton Towing Block for disposition, there is a need to understand the various easements or other restrictions that may be in place. Additionally, there is an east/west and north/south alley that dissects the block, and to be fully functional as a development site, it needs to be vacated. The proposal will provide an ALTA survey and alley vacation paperwork to complete these functions in an amount of \$6,640. Staff is requesting a not-to-exceed amount of \$8,000 in the event additional filing fees are required or additional utility companies are discovered.

Upon a motion by Commission Ferlic, seconded by Secretary Inks the motion carried 3-0 (President Jones and Commissioner Downes absent), the Commission approved the Professional Services Agreement for Hamilton Towing Block ALTA Survey & Alley Vacation with Danch Harner & Associates, Inc. in a not-to-exceed amount of \$8,000.

(7) Approval of Agreement to Buy and Sell Real Estate for 402 S. Lafayette Boulevard (412 SB LLC)

Mr. Pawlowski introduced himself to the Commission.

Mr. Pawlowski stated after going through the disposition process in September 2013 with an average appraised value of \$82,500, no bids were received for the property located at 402 S. Lafayette Boulevard. Xanatek is a small business located in South Bend for ten years. They employ 24 people with an average salary of \$53,000 annually and are preparing to hire 15 to 25 more people in the next five years. Currently, Xanatek is planning to purchase the JPR building adjacent to the lot specified above with the total investment for purchase and upgrades of approximately \$750,000.

In purchasing the property, Xanatek agrees to the following terms: within 18 months invest up to \$225,000 into the JPR building; purchase the lot for \$20,000; within 18 months invest up to \$120,000 into lot improvements; obtain City approval of lot improvement design; and give the City a first right of refusal should the property be on the market in the future.

Upon a motion by Commission Ferlic, seconded by Secretary Inks the motion carried 3-0 (President Jones and Commissioner Downes absent), the Commission approved the Agreement to Buy and Sell Real Estate for 402 S. Lafayette Boulevard with 412 SB LLC.

(8) Establishing the Budget for the Fellows Streetscape

Ms. Maradik stated the City worked with MGLM Architects to develop the Southeast Neighborhood Master Plan, which was made available for public comment at the end of 2015. The plan identifies infrastructure improvements as a top priority for the neighborhood. Given this priority, the City wishes to complete streetscape work along Fellow Street as part of the plan implementation. Anticipated improvements include curbs, sidewalks, trees (where they will fit in the tree lawn), street paving, and potentially pedestrian-scale lighting.

Staff is requesting the Commission approve \$1,350,000 in funding from the River West Development Area.

Upon a motion by Commission Ferlic, seconded by Secretary Inks the motion carried 3-0 (President Jones and Commissioner Downes absent), the Commission approved the budget for the Fellows Streetscape project in the amount of \$1,350,000.

(9) Approval of Agreement to Buy and Sell Real Estate for Cleveland and Olive Road Tracts (Holladay Property Services Midwest, Inc.)

Mr. Pawlowski stated the Agreement to Buy and Sell Real Estate is for two tracts of land near each other on Cleveland and Olive Roads. The Cleveland property is a 10 acre site, which went through the disposition process in 2012. It has been listed for sale for over a year with no offers being made even with a reduced price of \$199,000. This parcel is long and narrow with only approximately 300 feet of frontage on Cleveland making it difficult for redevelopment.

The second tract of land consists of six parcels along Olive Road that recently went through the disposition process with no bids being received and is comprised on approximately five acres. Five of these six parcels front Olive and are only 200 feet in depth, making redevelopment also difficult.

Holladay owns property in this area and would like to assemble these properties with theirs, thereby creating a larger and more developable property. Highlights of the

agreement include: a purchase price of \$115,000; an earnest deposit of \$3,750; a 45-day due diligence period; closing within 30 days after the due diligence period; and the buyer paying all closing costs.

Upon a motion by Secretary Inks, seconded by Commissioner Ferlic the motion carried 3-0 (President Jones and Commissioner Downes absent), the Commission approved the Agreement to Buy and Sell Real Estate for Cleveland and Olive Road Tracts with Holladay Property Services Midwest, Inc.

(10) Late addition to the Agenda: Ratification of the Third Amendment to the Agreement to Buy and Sell Real Estate for the UniFirst Lot at Blackthorn (Cohn & Cohn Investments)

Mr. Relos stated the Third Amendment is to increase the due diligence date to March 21, 2016 for additional environmental work to be completed.

Upon a motion by Secretary Inks, seconded by Commissioner Ferlic the motion carried 3-0 (President Jones and Commissioner Downes absent), the Commission ratified the Third Amendment to the Agreement to Buy and Sell Real Estate for the UniFirst Lot at Blackthorn with Cohn & Cohn Investments.

6. PROGRESS REPORTS

Mr. Kobb reported there will be a confirming resolution on the residential for Lafayette Falls going to the Common Council.

Mr. Relos updated the Commission on staff's approval of written commitments regarding the rezoning of Blackthorn Corporate Park and the Airport Authority. The lots would be rezoned as light industrial and would not be used for child care, educational, or bodies of water. Additionally, the Building Department requested a sign permit and affidavit regarding the Ignition Park monument sign to be erected in the median at Ignition Drive.

7. NEXT COMMISSION MEETING

Thursday, March 10, 2016, at 9:30 a.m.

8. ADJOURNMENT

The meeting was adjourned at 9:50 a.m.



Aaron Kobb, Director of Economic Resources



Marcia I. Jones, President