

VALPARAISO REDEVELOPMENT COMMISSION
Regular Meeting Minutes
April 13, 2023

The regular meeting of the Valparaiso Redevelopment Commission was called to order at 4:37 p.m. on Thursday, April 13, 2023. President Trish Sarkisian presided.

Members present were: Trish Sarkisian, Casey Schmidt, Evan Costas, and John Nuppnau. Also present were Director of Development George Douglas, Community Engagement Director Maggie Clifton and City Administrator Mike Jessen. Members of the public watched remotely.

ITEM #1- MINUTES:

Mr. Nuppnau reported copies of the March 9, 2023 regular meeting minutes were distributed to members for their review prior to the meeting. After reviewing the minutes, all seemed in order. Mr. Nuppnau recommended their approval.

Motion: Mr. Nuppnau motioned to approve the March 9, 2023 meeting minutes as presented. Mr. Costas seconded. A voice vote was unanimously carried.

ITEM #2 CLAIMS REGISTER AND FINANCIAL REPORT

Mr. Douglas reported that the Commission was sent the March 2023 Claims Register and February 2023 Financial Report prior to the meeting. Mr. Douglas recommended approval.

Motion: Mr. Nuppnau motioned to approve the February 2023 Register and the January Financial Report. Mr. Schmidt seconded the motion. A voice vote was unanimously carried.

ITEM #3 2023 NEIGHBORHOOD IMPROVEMENT GRANT FUNDING

RECOMMENDATION:

Ms. Clifton stated 21 neighborhoods applied for grants totaling over \$260,000. A total of 20 Neighborhood grant projects will be funded totaling \$216,000 with investment from the City and with the neighborhood matching dollars the grant funding totals \$350,000. The program received 3 new neighborhood applications; 20 of the 21 applications were funded; 5 applications received less than was asked for and one application was not funded. Then RDC had a \$150,000 budget for the project. A review committee is comprised of City Departments and when deciding on project, the committee utilizes evaluating criteria and checklist, with new applicants getting priority. Since 2018, 99 projects have been funded. Ms. Clifton and the review committee are going to reevaluate the parameters and requirements for the grants in 2024.

ITEM #4-16/18 INDIANA AVE UPDATE:

Mr. Douglas stated that the update will be done at the May meeting. An RFP was awarded to PSR, LLC and a term sheet was signed that had certain dates that needed to be met. April 15th was the date for the letters of intent for future tenants in the space. With the condition of the building, PSR, LLC is having a hard time finding tenants without having to do additional work. PSR, LLC is willing to do the work; on the condition the building is sold now, so plans aren't developed, and money isn't spent when the building is not owned by PSR, LLC. Patrick Lyp has worked on a Purchase Agreement and Amendments that has been provided to PSR, LLC and they have not had a chance to review or comment on the agreement. Mr. Douglas would like to finish the negotiations to give a recommendation on this project. Mr. Douglas respectfully requests an extension on the April 15th date to the next meeting.

Motion: Mr. Costas motioned to approve the extension for the Letter of Intent to the May Meeting. Mr. Schmidt seconded. A voice vote was unanimously carried.

ITEM #5 -GRAND GARDNER HOTEL PARKING STUDY:

Mr. Douglas is requesting a parking study be done for the Grand Gardner Hotel. The PUD was approved by the Plan Commission, and it will also be heard at the next City Council meeting in May. One of the concerns that was brought to the Plan Commission is the amount of parking for this particular use. WGI was utilized to do the parking study for The Linc and the study was under \$15,000. Mr. Douglas and Planning Director Beth Shrader reached out to WGI for a proposal for the parking study and it was not received at the time of the meeting. Mr. Douglas respectfully requests that the Redevelopment Commission authorize the President to sign the proposal once it has been reviewed by the city attorney Patrick Lyp and a cost of no more than \$20,000.

Motion: Mr. Schmidt motioned to approve authorization for the President to sign the proposal for the Parking Study with a not to exceed \$20,000. Mr. Costas seconded. A voice vote was unanimously carried.

ITEM #6 -APPROPRIATION OF \$150,000 FOR THE DEMOLITION OF 306

LINCOLNWAY:

Mr. Douglas stated 306 Lincolnway was part of the 302, 304 demolitions. 306 Lincolnway was found to have a common wall with 308 Lincolnway after the purchase was made. A study was conducted by a structural engineer at DLZ and they came back with recommendations of the sequencing and different investigations that needed to be done to safely take 306 down and leave the common wall with 308 standing. The Board of Works received bids and it was awarded to C. Lee Construction. Mr. Douglas is requesting the appropriation of the funds for C. Lee Construction.

Motion: Mr. Nupnau motioned to approve the appropriation for the demolition of 306 Lincolnway. Mr. Schmidt seconded. A voice vote was unanimously carried.

ITEM #7 – LINC AND GARAGE UPDATE – VALUE ENGINEERING CHANGE

ORDERS:

Mr. Douglas stated that there is a change order for RQAW. RQAW holds the contract for the design for the Lincoln Highway Garage. RQAW has a contract with Walker Design that provides the structural engineering for the garage. Tonn & Blank was awarded the CMc. Bids have begun to come in and as Tonn & Blank is giving notice to proceed to subcontractors on the project, we are coming up with value engineering ideas to save money on the garage. When that is done, it is evaluated to see if it will work in the design. There are times that there will be upfront costs. Mr. Douglas stated Value Engineering No. 1 for Core Slab and Value Engineering No. 2 with American Structurepoint. Mr. Douglas reviewed this with the city engineer and with Tonn & Blank and to not hold up the project signed the documents. Mr. Douglas respectfully requests approval of his signature.

Motion: Mr. Costas motioned to approve the Value Engineering Change Orders. Mr. Schmidt seconded. A voice vote was unanimously carried.

Mr. Douglas stated there was a change to amortization schedule for the LINC. It has no effect on the bond as it was already paid. The new schedule is for tax purposes only. The new Exhibit A would replace the old Exhibit A in the bond documents. Mr. Douglas respectfully requests approval.

Motion: Mr. Nupnau motioned to approve the Change to the Amortization Schedule. Mr. Costas seconded. A voice vote was unanimously carried.

ITEM #8 – VALE VIEW APARTMENTS AND 2019 BONDS:

Mr. Lyp stated the Vale View project has been a great project that worked as it was intended. Two minor changes will need to be made to the various documents with the developer. The first couple of years the amount of the expected TIF that was generated did not meet what was expected. The developer spent the money that was intended for the project; the Assessor's figures came in lower. Under the agreement, the developer was entitled to 70% of the TIF generated and we keep 30%. The amount received was less than projected. That has created a deficiency with the bond that they purchased. The challenge has been with the Trustee who holds the money and are very focused on the amortization schedules and every 6 months there is a challenge. The first document, the Trust Indenture states if there is a deficiency that is ok. The second document is the Amendment to the Economic Development Agreement states with the deficiencies, there will hopefully come a time where there will be a surplus; the AV will exceed what the expected amount is. The developer requested if there is an excess above and beyond what the payment would be for the particular year, could they take 70% of the excess and cover the earlier deficiencies. The can in fact do that and the Trustee requested to have it explicitly in the document. Mr. Lyp respectfully requests approval in the form of two separate motions. One for the Amendment to the Trust Indenture and the other for the Amendment to the Economic Development Agreement.

Motion: Mr. Schmidt motioned to approve the Amendment to the Trust Indenture. Mr. Nupnau seconded. A voice vote was unanimously carried.

Motion: Mr. Costas motioned to approve the Amendment to the Economic Development Agreement. Mr. Nupnau seconded. A voice vote was unanimously carried.

ITEM #9 – LAWN MAINTENANCE PROPOSAL 2023:

Ms. Melcic stated that she received two lawn maintenance proposals from K&D Lawn Maintenance and Lakeshore Seasonal. Both contracts were similar in price, with K&D being the lower price. Ms. Melcic respectfully requests approval of the lawn maintenance proposal from K&D Lawn Maintenance

Motion: Mr. Nupnau motioned to approve the Lawn Maintenance Proposal for 2023. Ms. Costas seconded. A voice vote was unanimously carried.

ITEM #10 OTHER BUSINESS:

Mr. Douglas presented a Farm Lease that was drafted by Mr. Lyp for the Valparaiso Sports and Recreation property that is owned by the Redevelopment Commission. It is a similar lease structure to what we had last year for the property. The lease is with the Johnson family who has been farming the land and would like to continue to farm the land until the project begins. The lease will be for \$100 per acre, per month. Mr. Douglas respectfully requests approval.

Motion: Mr. Nupnau motioned to approve the Farm Lease. Ms. Schmidt seconded. A voice vote was unanimously carried.

ITEM #11 PUBLIC COMMENT:

None.

ITEM #12 ADJOURNMENT:

Staff said they had no further items for the Commission's consideration. Ms. Costas motioned to adjourn the meeting with Mr. Schmidt seconding. A voice vote was unanimously carried. The April 13, 2023, Redevelopment Commission meeting adjourned at 4:56p.m.

John Nupnau