

VALPARAISO REDEVELOPMENT COMMISSION
Regular Meeting Minutes
August 14, 2025

The regular meeting of the Valparaiso Redevelopment Commission was called to order at 5:05 p.m. on Thursday, August 14, 2025, President Rob Thorngren presided.

Members present were: Rob Thorngren, Barbara Domer, Bill Durnell, Trish Sarkisian, Diana Reed and Frank Dessuit. Also present were Director of Development George Douglas, City Administrator Bill Oeding, Engineering Director Max Rehlander, Planning Director Bob Thompson, Development Intern Ava Smrzlick and members of the public.

ITEM #1- MINUTES: (5:25)

Mr. Durnell reported Commission members met for the Executive session at 4:45 to discuss real estate matters.

Motion: Mr. Durnell moved to approve both the August 14, 2025 executive meeting minutes and the July 17, 2025 Meeting Minutes. Ms. Reed seconded. A voice vote was unanimously carried.

ITEM #2 CLAIMS REGISTER AND FINANCIAL REPORT: (6:06)

Mr. Douglas reported that the Commission was sent the August 2025 Claims Registers and July Financial Report prior to the meeting. Mr. Douglas highlighted a few key claims and noteworthy items in the Claims Register and Financial Report.

Discussion from Commission members ensued. Questions and items of discussion included:

- Is the \$5,000 reversal required because the reimbursement budget for city staff was set at exactly \$520,000?
- A question was raised regarding the supplemental year-to-date actuals versus budget report, noting that revenues appear on target year-to-date and expenses are generally under budget. Clarification was requested whether the report reflects only actuals to date, since some approved projects (e.g., the Southeast side utility project) have not yet been spent and therefore are not shown.

City staff answered and addressed questions and discussion items.

Motion: Ms. Reed motioned to approve the August Claims Register and the July Financial report. Ms. Sarkisian seconded the motion. A voice vote was unanimously carried.

ITEM #3 SHORT TERM USE AGREEMENT – CREATIVE COUNCIL: (11:01)

Mr. Douglas reported a short-term use agreement was presented for the Creative Council to utilize the Redevelopment Commission-owned lot north of Brown Street and east of Campbell Street during the Popcorn Festival. The lot has been used for this purpose in prior years as a fundraising event. The Creative Council carries insurance, and the event concludes by early evening. Approval was recommended, noting the organization's nonprofit status and contributions to arts and culture.

ITEM #4 VALPARAISO EVENTS PARKING LOT USE AGREEMENT: (28:55)

Mr. Douglas received a request from Valparaiso Events to use the Commission-owned Regal Beloit lot between Lafayette and Washington Streets for Popcorn Festival parade staging. The lot

would be used from 6:00 a.m. to 2:00 p.m., insurance coverage has been provided, and the organization will manage access and cleanup. Approval was recommended.

Discussion from Commission members ensued. Questions and items of discussion included:

- Whether the Regal Beloit lot requested by Valparaiso Events is the same lot in which the Porter County Career and Technical Center has a use interest and whether any conflict exists that needs to be addressed.

City staff answered the question and discussion item.

Motion: Ms. Sarkisian motioned to approve both the Short-Term Use Agreement – Creative Council and Valparaiso Events Parking Lot Use Agreement. Mr. Durnell seconded the motion. A voice vote was unanimously carried.

ITEM #5 2026 NEIGHBORHOOD IMPROVEMENT GUIDELINES: (14:19)

Mr. Douglas recognized Ms. Smrzlick, the Development Department intern, noting that this is the final day of the internship. Ms. Smrzlick, a student at the University of San Francisco and a former participant in the Mayor's Youth Program Youth Council, has contributed significantly to a variety of development projects, including the City Government Academy presentation, workforce housing grant application and guidelines, and compilation of building permit data. Mr. Douglas expressed appreciation for her contributions, dedication, and professionalism throughout the internship, and noted that Ms. Smrzlick may return to assist during the Christmas break.

Ms. Smrzlick addressed the Commission to provide an overview of the internship experience. The presentation highlighted work on several projects, including the City Government Academy presentation, the workforce housing grant application and associated guidelines, and the compilation of building permit data. The experience was described as providing valuable insight into the complexity of local government operations, the collaborative and community-focused nature of decision-making, and the practical application of strategic planning and problem-solving skills.

Ms. Smrzlick discussed the 2026 Neighborhood Improvement Guidelines, noting that since 2018, 139 grants have been awarded to 46 neighborhoods, resulting in over \$1.3 million in community improvements. The 2026 guidelines, as recommended by the grant review committee, has been updated to encourage more creative and engaging projects, which resulted in a more diverse range of initiatives and increased community engagement. Approval of these guidelines is requested.

Discussion from Commission members ensued. Questions and items of discussion included:

- What the specific changes are to the guidelines.

City staff answered and addressed the questions and discussion items.

Motion: Ms. Reed motioned to approve 2026 Neighborhood Improvement Guidelines. Ms. Domer seconded the motion. A voice vote was unanimously carried.

ITEM #6 WORKFORCE HOUSING GUIDELINES & APPLICATION: (25:58)

Ms. Douglas stated Ms. Smrzlick's internship was substantially supported through a READI Grant administered by the Center for Workforce Innovation, covering approximately 80% of the internship wages. Mr. Douglas acknowledged that this funding arrangement mitigates the cost to the City while providing valuable workforce development experience.

The discussion then turned to the Affordable Housing Grant application and guidelines. It was noted that an initial draft was presented to the Commission approximately four months ago, and feedback was incorporated into the current version. Ms. Smrzlick assisted with research, identifying best practices from other communities to assist in the development of our guidelines and application.

The Commission was reminded that middle housing continues to be a challenge in communities across the region, and that the grant program represents a strategic investment by the Commission and the administration. The guidelines and application are intended to evolve over time as applications are received and reviewed. The review process of applications permits the Commission to request additional information if necessary. It was also noted that once a grant is approved, the corresponding grant agreement will undergo legal review and finalization before any funds are disbursed.

The Commission has been given an opportunity to review the guidelines and application. Ms. Smrzlick noted that the research included practices from outside Northwest Indiana and emphasized that the guidelines are intended to be flexible rather than prescriptive.

Mr. Douglas discussed the inclusion of housing initiative grants within the application that will target households earning between 60% and 120% of the Area Median Income (AMI). It was noted that these grants could be used in coordination with financial institutions or neighborhood housing organizations to support first-time homebuyers or other eligible individuals. Eligible uses may include, but are not limited to, down payment assistance, forgivable loans, and closing cost assistance. They are designed to reduce barriers to homeownership.

The guidelines include a maximum grant amount for initiatives of \$10,000 to stretch available funding and enable "stacking" of resources, allowing multiple programs or interventions to be combined to assist homebuyers. Mr. Douglas noted that this approach aims to maintain unit affordability (under \$300,000 per unit) while supporting buyers with additional financial needs, such as down payment assistance or related costs. Page two of the guidelines outlines eligible applicants, including nonprofits and nonprofit-for-profit partnerships, as well as financial institutions applying in partnership. It also details eligibility criteria for land and infrastructure components of projects. Page three adds reimbursement of associated costs (e.g., building permits, impact fees, sewer fees). While individually small, these can total \$3,000–\$5,000 per

housing unit. Including them helps reduce overall costs for future homeowners and provides an easily demonstrable benefit.

The application allows applicants to apply for multiple components, land, infrastructure, and other initiatives for a single project. Minor updates provide more clarity on definitions and reimbursement procedures. The group discussed approving the framework subject to final refinements with the understanding that additional information may still be requested before awards are made.

Mr. Douglas recommended approving the application framework subject to the discussed changes with final review of the President and Vice President. The final version will be shared with all Commissioners. Any additional refinements identified later would be incorporated without precluding applicants from applying. Mr. Douglas' recommendation emphasized moving forward judiciously while remaining responsive to future changes to the program.

Discussion from Commission members ensued. Questions and items of discussion included:

- Whether an applicant who proposes a duplex, occupying one unit and renting the other, would be eligible under the current guidelines. While such a proposal could meet program outcomes and value targets (e.g., under \$300,000 per unit), current guidelines may render it ineligible because renting a portion of a single-owned unit is not allowed.
- Will consideration be made regarding how such "shades of gray" might be addressed in the review and implementation of the guidelines.
- Emphasis was made to keep the program and guidelines initially broad to allow flexibility with the understanding that adjustments can be made over time as the Commission gains experience and learns from the application process. The approach supports evolving the guidelines based on practical outcomes while remaining within legal parameters.
- A comment was raised regarding the absence of provisions for accessory dwelling units (ADUs) in the current guidelines. It was suggested that the guidelines explicitly address ADUs with a recommendation that either the primary structure or the ADU be owner-occupied. This would allow for scenarios such as empty nesters downsizing into an ADU while renting or sharing the primary residence with family members. The Commission noted that, although ADUs are currently allowed in only one zoning district, inclusion in the guidelines could provide flexibility and guidance for future applications.
- Whether down payment assistance included in the guidelines could be funded directly by the Redevelopment Commission in partnership with financial institutions, such as banks or credit unions. Whether the sponsoring institution would administer the program, collect applicant information, and verify eligibility with the RDC providing funds. It was also asked whether eligibility criteria could be specified, such as residency or employment in Valparaiso, to ensure alignment with program goals.
- A comment was raised regarding the labeling of the first bullet under "Housing Initiatives and Grants." Whether the current generic label could cause confusion, as all items listed are housing initiatives and grants.
- Clarification was requested on how and where capital stacking, a concept which involves layering multiple funding sources to maximize project impact, could be included within the current Affordable Housing Grant guidelines.

- Whether the guidelines should explicitly allow deed restrictions for for-profit or independent developers.
- Are the requirements comprehensive enough to capture everything we want while ensuring that projects are not excluded if they do not follow recommendations (e.g., green building)
- Should renderings or visuals of housing types be required, or is it acceptable for them to remain optional even if a project applicant does not have a clear visual concept?

City staff answered and addressed the questions and discussion items.

Motion: Mr. Durnell motioned to approve the Workforce Housing Guidelines and Application subject to the conversation and edits there were suggested at the meeting and subject to review of final version by both the Commission's President and Vice President. Ms. Reed seconded the motion. The motion carried via majority voice vote. Ms. Domer opposed.

ITEM #7 REQUEST APPROVAL FOR LINCOLNWAY AND MORGAN BLVD SIGNAL IMPROVEMENTS: (73:28)

Mr. Rehlander reported that city staff reached out to Midwestern Electric to upgrade the signal at Lincolnway and Morgan. The proposal is in the amount of \$40,200 and recommends approval.

Discussion from Commission members ensued. Questions and items of discussion included:

- Clarification was requested on whether this included a left-turn signal

City staff answered the question and discussion items.

Motion: Ms. Reed motioned to approve the Lincolnway and Morgan Blvd Signal Improvements. Ms. Durnell seconded the motion. A voice vote was unanimously carried.

ITEM #8 BROWNING DAY STAKEHOLDER GROUP DISCUSSION: (74:44)

Mr. Douglas highlighted the need for a Commission representative on the Master Plan 2.0 project's stakeholder group. Three stakeholder meetings are expected. Other group representatives have been identified already. Having a Commission member involved will help as staff collaborate with Browning Day on the project.

Barbara Domer has asked to serve as stakeholder for the Redevelopment Commission. It was noted that she represents both the City Council and Redevelopment Commission and brings strong attention to numbers.

Discussion from Commission members ensued. Questions and items of discussion included:

- Is it clear that the role of a stakeholder on the group is advisory and does not give authority to approve any specific plan or project?
- Is the public meeting scheduled to occur after the stakeholder group works with Browning Day to develop three options, which will then be presented to the public?
- Does the term "public input session" refer to input being gathered during the public meeting itself?
- Is the public input session intended to determine what options should be considered, or is the stakeholder group responsible for developing three options first, which are then presented to the public?
- What is the anticipated time frame for phase one, and how long is it expected to take?

City staff answered and addressed the questions and discussion items.

The Commissioners determined that a vote was not required, and Ms. Domer was appointed to the Stakeholder Committee.

ITEM #9 OTHER BUSINESS : (85:00)

Mr. Douglas noted that the Lincoln Highway Garage received a Community Improvement Award last week. Appreciation was expressed for staff involvement, with special thanks to Max for his significant contributions to the streetscape and the overall project.

ITEM #10 PUBLIC COMMENT: (86:03)

Matt Evans (706 Washington St), representing Paradise Community Homes, thanked the Commission for creating the grant program supporting attainable, affordable housing. He noted that Paradise Community Homes is a 501(c)(3) nonprofit building homes under \$300,000 for workforce residents in Valparaiso. Mr. Evans highlighted current projects underway, emphasized the importance of timely funding for property acquisition and infrastructure, and expressed support for down payment and closing cost assistance. Mr. Evans also noted that the organization has equity recapture provisions to prevent flipping, which could serve as a model for other programs.

Mr. Cotton thanked the Commission for the discussion and asked about limits for individual versus institutional funding, suggesting the limits may need adjustment to benefit a broader range of participants. He inquired about stakeholders on the committee and emphasized housing as an economic development issue.

Mr. Cotton proposed allocating 10% of the 243-acre site for housing, potentially for Paradise Homes or other housing initiatives. He highlighted the importance of land costs in reducing housing prices and recommended consulting the project consultant for optimal land disposition.

ITEM #11 ADJOURNMENT: (98:23)

Staff said they had no further items for the Commission's consideration. Ms. Reed motioned to adjourn the meeting with Mr. Durnell seconding. A voice vote was unanimously carried. The meeting was adjourned at 6:38 p.m.

Bill Durnell, Secretary