

VALPARAISO REDEVELOPMENT COMMISSION
Regular Meeting Minutes
September 14, 2023

The regular meeting of the Valparaiso Redevelopment Commission was called to order at 4:25 p.m. on Thursday, September 14, 2023. President Trish Sarkisian presided.

Members present were: Trish Sarkisian, Rob Thorgren, Casey Schmidt, John Nuppau, Evan Costas and Frank Dessuit. Also present were Director of Development George Douglas, City Attorney Patrick Lyp, Community Engagement Director Maggie Clifton and attorney Todd Leeth. Members of the public watched remotely.

ITEM #1- MINUTES:

Mr. Nuppau reported copies of the August 10, 2023 regular meeting minutes were distributed to members for their review prior to the meeting. After reviewing the minutes, all seemed in order. Mr. Nuppau recommended their approval.

Motion: Mr. Nuppau motioned to approve the August 10, 2023 meeting minutes as presented. Mr. Schmidt seconded. A voice vote was unanimously carried.

ITEM #2 CLAIMS REGISTER AND FINANCIAL REPORT

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

Motion: Mr. Thorgren motioned to approve the August 2023 Claims Register and July 2023 Financial Report. Mr. Nuppau seconded the motion. A voice vote was unanimously carried.

ITEM #3 PARKING EASEMENT AGREEMENT:

Mr. Douglas stated this Agreement is for the Lincoln Highway Garage and the easement with the Linc Development. The agreement is not complete and is removed from the Agenda.

ITEM #4 16/18 INDIANA:

Mr. Lyp stated back in June of 2022 the Commission issued an RFP for 16/18 Indiana Ave. Three timely responses were received and vetted by the Committee of the Commission in December of 2022 and a term sheet was signed with PSR, LLC. The term sheet set certain expectations; there would be a closing by April of 2023, commencement of construction by August of 2023 and substantial completion by December 31, 2024. A signed agreement was received in June of 2023. In the purchase agreement, it stated as a condition of closing, the purchaser shall have negotiated with their shared neighbor to find an arrangement acceptable to both parties regarding access to the building. On September 1, 2023, a letter was sent Mr. Leeth and PSR, LLC that given the substantial delay, it was the position of the Commission that the agreement be terminated, and the Commission would take other steps to sell the property.

Mr. Leeth stated he represents PSR, LLC. The contract has a condition where the sale is conditioned upon acquiring an easement from the neighboring property owner, First Source Bank. One of the potential users is a restaurant type use and there is no rear or side access, which we are trying to obtain. Mr. Leeth has spoken to First Source twice and has made progress. First Source is working on plans for a courtyard where the easement would be. PSR, LLC's interest in the property has not waned and is interested in proceeding under the contract with modifications of terms and extensions.

Mr. Thorgren asked Mr. Lyp if the contract was terminated could PSR, LLC come back with an offer. Mr. Lyp said yes. This is less of a termination, but an impasse where the purchaser, which is their right, has chosen not to waive that condition and not close. The Redevelopment Commission isn't taking action to terminate something; instead, due to the mutual inability to get the requirements done the agreement is being terminated. Mr. Sarkisian asked what the next steps would be. Mr. Lyp stated based on the inability of the Purchaser to satisfy a condition of the Real Estate Purchase Agreement after significant time was provided, and receiving notice that the Purchaser will not waive that condition, the June 13 Purchase Agreement between the Commission and PSR, LLC is terminated. All parties are relieved of any obligations under the Purchase Agreement.

Motion: Mr. Nupnau motioned to terminate the Purchase Agreement for 16/18 Indiana. Mr. Schmidt seconded the motion. A voice vote was unanimously carried.

ITEM #5 DECLARATORY RESOLUTION CREATING A NEW WEST TAX ALLOCATION AREA:

Mr. Douglas stated the Declaratory Resolution for the new West St Tax Allocation Area. The Redevelopment Commission would like to create a new allocation area down West St. There is a development underway and potential new development starting next year. By capturing the increased assessed valuation from the developments, the Commission can utilize that to pay for public improvements that will serve and benefit the new allocation area and promote addition economic development goals that conform with the development plan for the City. This is a five step process and the next step would go on to the Plan Commission followed by two hearings with City Council and then it returns to the Redevelopment Commission for a Public Hearing and Confirmatory Resolution.

Motion: Mr. Thorgren motioned to approve the Declaratory Resolution Creating a New West St. Tax Allocation Area. Mr. Schmidt seconded. A voice vote was unanimously carried.

ITEM #6 RATIFY RENEWAL OF SHORT TERM USE AGREEMENT:

The Commission has granted a Short-Term Use Agreement to the Valparaiso Creative Council as a fundraiser for the parking lot north of Brown Street during the Popcorn Festival. When the Creative Council requested to use the lot again for this year's Popcorn Festival, it was thought the lot would not be available because of Journeyman construction and streetscape improvement project activities. In recent weeks, we were able to confirm the lot would be available for use during the Popcorn Festival this year. The Creative Council would like to use it again as a fundraiser. Given the Commission would not be meeting until after the festival and the Commission has approved the Short-Term Use Agreement in the past, the Commission President signed the agreement for this year. Staff recommends approval of affirming the Short-Term Use Agreement with the Creative Council.

Motion: Mr. Thorgren motioned to approve the Declaratory Resolution Creating a New West St. Tax Allocation Area. Mr. Schmidt seconded. A voice vote was unanimously carried.

ITEM #7 COLOCATION AGREEMENT UPDATE - SURFAIR:

Back in July of 2020, the Commission entered a co-location agreement with MapleNet Wireless to locate infrastructure in ValpoNet rack. The term of the lease was for 36 months at \$100/month. SurfAir has acquired MapleNet and desires to locate a rack next to the ValpoNet rack at City Hall. Bryan Baker has been working with them on requirements and terms of the lease. SurfAir has agreed to a 36-month term at \$800/month plus a \$8,500 reimbursement for initial expenses related to co-location requirements such as a back-up generator. Additionally, the lease has an emergency access charge for off-hours and weekend access to City Hall. SurfAir located their equipment rack at City Hall in July, but for security and other reasons, an alternative option to locate their equipment outside in a cabinet is possible. SurfAir is willing to provide a cabinet and pay to relocate their equipment outside. There is revised agreement that reflects a change in location of their equipment from City Hall to an outside cabinet furnished by SurfAir next to the backup generator. Staff recommends approval of revised co-location agreement.

Motion: Mr. Thorgren motioned to approve the revised Co-Location Agreement. Mr. Costas seconded. A voice vote was unanimously carried.

ITEM #8 OTHER BUSINESS:

None.

ITEM #9 PUBLIC COMMENT:

None.

ITEM #10 ADJOURNMENT:

Staff said they had no further items for the Commission's consideration. Mr. Thorgren motioned to adjourn the meeting with Mr. Costas seconding. A voice vote was unanimously carried. The September 14, 2023, Redevelopment Commission meeting adjourned at 4:32 p.m.

John Nuppau