

VALPARAISO REDEVELOPMENT COMMISSION
Regular Meeting Minutes
September 7, 2016

The regular meeting of the Valparaiso Redevelopment Commission was called to order at 4:42p.m. on Wednesday, September 7, 2016 at City Hall Council Chambers, 166 West Lincolnway, Valparaiso, Indiana. Rob Thorgren presided.

Members present were: Rob Thorgren, Rick Urschel, Jon Diston, John Bowker, Matt Murphy, and Tim Bucher. Also present were Attorney Patrick Lyp, Stu Summers, Lauren Orchard, Tim Burkman, Kurt Gillins, Bryan Baker, Bryan Schuch, guests, citizens, and representatives of the press.

ITEM #1-MINUTES:

Jon Diston reported that copies of August 11, 2016 regular meeting minutes were distributed to Members for their review prior to the meeting. He has reviewed the minutes and found them to be accurate.

Motion: Jon Diston made a motion to approve the August 11, 2016 regular meeting minutes as submitted. John Bowker seconded the motion. A voice vote was taken and unanimously carried.

ITEM #2- CLAIMS REGISTER:

Stu Summers reported that copies of the September claims register were distributed to Members for their review prior to the meeting. Approval as submitted is requested.

Motion: John Bowker made a motion to approve the September claims register as submitted. Matt Murphy seconded the motion. A voice vote was taken and unanimously carried.

ITEM #3-FINANCIAL REPORT:

Stu Summers reported that copies of the August financial report were distributed to Members for their review prior to the meeting. Approval as submitted is requested.

Motion: John Bowker made a motion to approve the financial report as submitted. Rick Urschel seconded the motion. A voice vote was taken and unanimously carried.

ITEM #4-NORTH CALUMET CHANGE ORDER:

The North Calumet project was approved by the Commission at the May 2016 meeting. Tim Burkman reported that project managers on the North Calumet project have encountered drainage issues and non-ADA compliant elements of current sanitary sewer castings. Therefore, Mr. Burkman has asked for a change order approval to remedy these issues. These change orders include eight sanitary sewer castings, an additional inlet and storm sewer to alleviate a drainage issue behind the proposed pathway, and the replacement of an existing drainage structure to

better accommodate the proposed pathway alignment. The total cost for this change order would be \$10,700.

Mr. Burkman also stated that the Engineering Department had been creatively frugal in their study that produced the original cost estimate by using a study from 2005. Mr. Burkman emphasized that if a new study had been done anticipating this change order, the study itself would have cost much more than the change order being presented.

Rob Thorgren: Tim, do you anticipate any other change orders?

Tim Burkman: Not currently. In fact, this project may actually see a savings within what was originally requested for the entirety of the project, so altogether, this change order may be canceled out in the long run.

Motion: John Bowker made a motion for the Commission to authorize and direct the Executive Director to sign this change order. Jon Diston seconded the motion. A voice vote was taken and unanimously carried.

ITEM #5 – WASHINGTON STREETSCAPE FUNDING REQUEST:

Tim Burkman presented the Washington Streetscape project to the Commission mentioning that for the last few years, the City has been looking to do roadway and utility improvements along the block of Washington Street just north of Lincolnway. Mr. Burkman referenced drainage issues along this block as deteriorating sidewalks and a lack of curb line contribute to runoff. Despite these issues along Washington Street, tenant space along this block is largely full and the City has hoped to make this the next block for increased residential and commercial development.

With these plans in mind, the Engineering Department put out an RFP that included beatification elements along with roadwork repair. The response bids came in under budget with the lowest from Gariup totaling \$349,908, which is 30% under budget. In addition to this low bid, Valparaiso City Utilities has agreed to cover the utility costs for this project, and Mr. Burkman reported that the plans for this block were designed in house. Tim Burkman asked for the Redevelopment Commission to approve the bid from Gariup.

Rob Thorgren: Will there be a full closure of Washington Street?

Tim Burkman: Yes, it will be a full 60 days.

Stu Summers: Will the closure still accommodate customers?

Tim Burkman: Yes, in fact we have been actively communicating with business owners

Motion: Rob Thorgren made a motion for the Commission to approve the bid from Gariup on the Washington Streetscape project. Rick Urschel seconded the motion. A voice vote was taken and unanimously carried.

ITEM #7- UTILITY BOX WRAPS:

Kurt Gillins, Art Advisory Committee Administrator, reported that members of his committee are interested in sponsoring utility box wraps to bring more art to downtown Valparaiso. Mr. Gillins reported that earlier this year, Valparaiso Events collaborated with local artists and Digital Graphics Solutions to wrap art around utility boxes that service stoplights downtown. So far, two utility boxes have been completed. Mr. Gillins mentioned that, to date, there are seven utility boxes in the downtown that have not been wrapped. The Art Advisory Committee would like to help boost this program by funding the wrapping of three additional boxes in the downtown. Each box costs \$600 to wrap, making the total cost of three utility boxes \$1,800. Kurt Gillins recommended that the Redevelopment Commission approve the cost of these three utility box wraps.

Rick Urschel: How long have do these wraps last?

Kurt Gillins: The art wraps on the bike lockers that uses the same material have lasted for at least 5 years.

John Bowker: You mentioned that there are seven unwrapped utility boxes; are you anticipating that the other four utility boxes will be wrapped by others...maybe businesses?

Kurt Gillins: Yes, that is what we hope

Stu Summers: So basically we are priming the pump with public funds to encourage private businesses to wrap their own utility boxes. Excel Driving Instruction will be doing this.

John Bowker: Will NIPSCO let us do that?

Stu Summers: Actually all of these utility boxes in the downtown are owned by the City.

Motion: Rob Thorgren made a motion to approve the cost of these three Utility Box Wraps. John Bowker seconded the motion. A voice vote was taken and unanimously carried.

ITEM #6-VALPONET CUSTOMER AND BUSINESS PLAN UPDATE:

Patrick Lyp offered a brief update on the current ValpoNet progress regarding customer growth reporting that the Project Consultant, Bryan Baker, is consistently conducting community outreach with local businesses and introduced Bryan Baker for any updates he may provide.

Bryan offered a few updates saying that there have been 87 potential customers identified with 21 customers asking for cost proposals from the ValpoNet team.

John Diston: Are all of the customer targets going to be identified and ready to go within the timeline we were anticipating?

Stu Summers: No, because all of the interconnections are taking longer than we thought.

ITEM #8-ADDENDUM #8:

Stu Summers briefly reviewed the contents of Addendum #8 stating that the main goals of the resolution are to consolidate separate TIF districts into one, expand the TIF into Montdale Industrial Park, include all of the Transit Oriented Development District (TOD) in the consolidated area, to prune specific parcels that have lost assessed value over time, and to create a special education challenge grant to have more TIF funds go into the East Porter County School Corporation (EPCS). Mr. Summers then briefly reviewed the timeline of the resolution's approval stating that after RDC approval, the resolution will go to the Plan Commission, then on to City Council, and finally be reviewed by the RDC for finalization in October. Stu also introduced Bryan Schuch from Cender & Company, the City's financial advisor, to answer any questions from Commissioners.

John Bowker: I have a question as it relates to the Thormahlen Parcel which is now a separate TIF district. I recall that this was before the City Council and the deal was to be an in and out project with the TIF expiring in eight years.

Stu Summers: Yes, but we can prune later, with a much easier process. The goal of this Addendum is to consolidate everything and prune the parcels later, so in year eight, the Commission will be able to prune Thormahlen. We are also able to track how much the Thormahlen property is paying in taxes each year, so we can keep track of when the development agreement has been fulfilled with this particular parcel.

Motion: Jon Diston made a motion to approve the Resolution adopting Addendum #8. Matt Murphy seconded the motion. A voice vote was taken and unanimously carried.

ITEM # 9-TREE MATCH

Stu Summers reported that in September of 2010, the Redevelopment Commission established the "Tree Match" fund between the RDC and Valparaiso Parks and Recreation. At the time, trees were on sale due to the recession, making them about \$300 each rather than the regular \$500. To create an incentive to purchase and plant trees, tree match fund was set under the condition that a Valparaiso citizen annually contribute, that the City find other private funding, and that the city itself pay a 2:1 ratio to these contributions each year. Based on this initial policy, the RDC annually budgets for this match of funds to plant trees throughout Valparaiso, but since Stu's retirement had been lost to memory. This year, Parks and Recreation has billed the RDC for two years of 2:1 match funds at a total of \$11,024. Stu Summers recommends that the Redevelopment Commission approve this request for reimbursement.

Rob Thorgren: Is this program something we want to advertize again? Do we want to revamp the tree match?

Stu Summers: Patrick and I should bring this question up with Valpo Parks and Recreation to see if this is something the City should still pursue

Matt Murphy: Well, are the trees still at recession prices? Are they \$300 or more like \$500?

Stu Summers: I'm not sure, but we will report back to you next month on this subject.

Motion: John Bowker made a motion to authorize and direct the Executive Director to approve this request for reimbursement. Rick Urschel seconded the motion. A voice vote was taken and unanimously carried.

ITEM #10-QUALIFIED TAX EXEMPT OBLIGATIONS:

Stu Summers reported that Cender & Company have found that the new bonds (2016 A and 2016 B) are eligible to be designated as "qualified tax-exempt obligations." For a bond to qualify for this designation it must be used for public purposes and the issuer must have less than \$10 million of bonds issued in a calendar year. This designation of newly refinanced bonds will make them more attractive to certain financial institutions. This is because financial institutions can only deduct a portion of their carrying cost if this specific designation is given. Stu Summers recommends that the Redevelopment Commission approve the resolution designating bonds as "qualified tax-exempt obligations" and authorize their president and secretary to be signatories.

Motion: John Bowker made a motion to approve the Resolution designating 2016A and 2016 B bonds as "qualified tax-exempt obligations" and to authorize and direct the president and secretary to be signatories to this resolution. Rick Urschel seconded the motion. A voice vote was taken and unanimously carried.

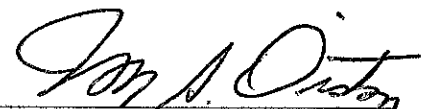
ITEM #11-PUBLIC COMMENT:

None.

ITEM #12-ADJOURNMENT:

A motion was made by Rick Urschel to adjourn the September 7, 2016 Redevelopment Commission meeting. John Bowker seconded the motion. A voice vote was taken and unanimously carried.

The September 7, 2016 Redevelopment Commission meeting adjourned at 5:07 p.m.



Jon Diston, Secretary