

GOSHEN REDEVELOPMENT COMMISSION

Minutes for the Regular Meeting of August 9, 2016

The Goshen Redevelopment Commission met in a regular meeting on August 9, 2016 at 3:00 p.m. in the City Court Room/Council Chambers at the Goshen Police & Court Building, 111 East Jefferson Street, Goshen, Indiana.

CALL TO ORDER/ROLL CALL

The meeting was called to order by President Thomas Stump. On call of the roll, the members of the Goshen Redevelopment Commission were shown to be present or absent as follows:

Present: Laura Coyne, Cathie Cripe, Adam Scharf, Thomas Stump, Vince Turner and Brett Weddell

Absent: None

Commissioner Stump acknowledged the unexpected passing of Shari Bontrager last month. Mr. Stump wished to acknowledge the fine work done by Shari for the Redevelopment Commission and the City of Goshen stating that she is a wonderful person with a great personality and great work ethic. Shari will be greatly missed.

CHANGES TO THE AGENDA

Commissioner Stump stated that it has been requested to add Resolution 100-2016 to the agenda and it is proposed that it be added after Resolution 99-2016. There being no objection, Resolution 100-2016 was added to the agenda.

APPROVAL OF MINUTES

Commissioner Scharf stated that under Resolution 58-2016 he had made a motion which died for a lack of a second, and requested it be added to the minutes. The motion was to remove the property bounded by New Street, Pike Street, Second Street, and Clinton Street from the Economic Development Plan. There being no objection, the minutes were amended.

A motion was made by Commissioner Turner and seconded to approve the minutes of the July 12, 2016 regular meeting, as amended. The motion was adopted unanimously.

PUBLIC HEARINGS

1. Public Hearing concerning whether Redevelopment should sell 1215 Hickory Street.

Commissioner Stump opened the public hearing concerning whether Redevelopment should sell 1215 Hickory Street.

Jim Davis, CFO of LaCasa, Inc. would encourage the sale of the Hickory Street properties. Mr. Davis stated that LaCasa has interest in this and other properties in the community to build infill, single family housing for the purpose of improving the neighborhoods and bringing properties back on the tax rolls.

The public hearing was closed.

2. Resolution 86-2016 – Approve Sale of Hickory Street Real Estate

City Attorney Larry Barkes stated that the City acquired two parcels of real estate. One was acquired through a lien foreclosure and the other was acquired through the tax sale process. The City is in the process of requesting proposals for the purchase of the real estate.

Community Development Director Mark Brinson stated that proposals are due back on September 13.

Utilities Engineer Dustin Sailor stated that the two properties together work from the sewer utility's perspective as the City has sewer access to the western most property off the alley, but the eastern parcel does not have access to sewer. It would be the utility's preference that the two properties are sold together.

A motion was made by Commissioner Weddell and seconded by Commissioner Coyne to approve Resolution 86-2016. The motion was adopted unanimously.

3. Public Hearing concerning whether Redevelopment should sell Third Street/Jefferson Street real estate.

Commissioner Stump opened the public hearing concerning whether Redevelopment should sell the Third Street/Jefferson Street real estate. No one spoke during the public hearing, and the public hearing was closed.

4. Resolution 87-2016 – Approve Sale of Third Street/Jefferson Street Real Estate

City Attorney Larry Barkes stated that the City acquired the real estate along Third Street and the canal, and we have reached the point where there is some public interest in putting this real estate out for sale. The real estate is divided into two groups, one being the properties north of Jefferson Street and the east/west alley to the north and the other group being the properties to the south of Jefferson Street and the east/west alley to the south, but excluding one lot which will be developed for public parking.

Commissioner Scharf stated that, in the future, he wished the City would consider selling smaller parcels. Discussion ensued on that topic.

A motion was made by Commissioner Weddell and seconded by Commissioner Coyne to approve Resolution 87-2016. The motion was adopted unanimously.

UNFINISHED BUSINESS

1. Resolution 88-2016 – Approve and Authorize Execution of Agreement for the Sale, Purchase, and Development of Real Estate with Emmert Group Properties, LLC for the US 33 Real Estate

Brad Emmert of Emmert Group Properties, LLC spoke on the proposed development of the site.

Commissioners Turner and Scharf stated that they were part of the group that reviewed the proposals received for the purchase and development of this site. In checking references, Emmert Group Properties, LLC received glowing reports from both public and private people in other communities that have worked with Emmert Group Properties.

Mayor Jeremy Stutsman also spoke in favor of the project.

A motion was made by Commissioner Turner and seconded by Commissioner Weddell to approve Resolution 88-2016. The motion was adopted unanimously.

2. Resolution 89-2016 – Approve and Authorize Execution of Reimbursement Agreement with MA Investments, Waterford Commons Business Park, LLC and Waterford Development Corp. for Waterford Commons Business Park

City Attorney Larry Barkes provided a summary of the proposed terms of the reimbursement agreement for the development of Waterford Commons Business Park. The developer will provide the initial funding for the construction of public infrastructure, and Redevelopment will reimburse the developer from TIF revenues generated by the development over a period of years. The agreement as proposed does not include reimbursement for the stormwater infrastructure component.

Barry Pharis of Brads-Ko Engineering & Surveying, representing the developer of Waterford Commons Business Park, described the proposed development and the public infrastructure to be installed. Mr. Pharis stated that the stormwater from street, roofs, and parking areas must go to a retention area that is located outside the wellhead protection area. Mr. Pharis requested the Commission to consider reimbursing the developer for the cost for the construction of the retention area which currently is not included in the agreement.

Discussion ensued regarding wellhead standards, stormwater standards and water quality standards.

Commissioner Scharf distributed a packet on project priorities within the Southeast Economic Development Area. Mr. Scharf indicated that he wanted this project to go forward; however, this project was not high on the June project priority list for Redevelopment's funding plan. Community Development Director Mark Brinson stated the priority list is based on the allocation of current resources toward projects. The list is not based on a developer fronting money for a project and taking the risk on development occurring.

Discussion ensued regarding industrial land available for development, types of development, and whether public funds should be used to subsidize development.

Mayor Jeremy Stutsman stated that he supported this project as it will benefit Goshen by diversifying the economy, creating jobs, and creating tax revenues.

Greg Hoogenboom of MA Investments spoke to the availability of vacant parcels for development throughout the city.

A motion was made by Commissioner Weddell and seconded by Commissioner Turner to amend the reimbursement agreement to include the \$103,700 estimate for the cost of constructing the stormwater retention areas. The motion passed unanimously.

A motion was made by Commissioner Scharf to include the Dierdorff Road work and the stormwater retention and runoff work, but remove the internal portion of the road from the reimbursement agreement. Discussion ensued on the differences between public and private roads. The motion died for lack of a second.

A motion was made by Commissioner Turner and seconded by Commissioner Weddell to approve Resolution 89-2016, as amended. On call of the roll, the motion was carried by the following vote:

Ayes: Coyne, Stump, Turner, and Weddell

Nays: Scharf

The motion was adopted by a vote of four to one.

3. Resolution 90-2016 – Award Bid and Authorize Negotiation and Execution of Construction Agreement for Waterford Commons Business Park Project

Civil City Engineer Mary Cripe distributed a tabulation of the bids received on August 8 for the Waterford Commons Business Park projects. HRP Construction submitted the lowest bid of \$986,349, and it is recommended that the Commission accept this bid and approve a contract.

A motion was made by Commissioner Weddell and seconded by Commissioner Coyne to approve Resolution 90-2016. The motion was adopted by a vote of four to one with Commissioner Scharf voting against.

4. Resolution 91-2016 - Ratify Execution of Agreement with Keramida Environmental, Inc. for Asbestos Inspection at 1375 Lincolnway East, Goshen, Indiana

Project Manager Becky Hershberger stated that the Commission approved the quote from Keramida at last month's meeting for a total cost not to exceed \$4,010. Ms. Hershberger stated that the City is waiting to receive the final report which we should receive by August 19, and that information will be used to prepare the demolition specifications for the buildings.

A motion was made by Commissioner Coyne and seconded by Commissioner Scharf to approve Resolution 91-2016. The motion was adopted unanimously.

5. Resolution 92-2016 – Ratify Execution of Agreement with TecServ Environmental, Inc. for Asbestos Assessment at 311 East Kercher Road, Goshen

Project Manager Becky Hershberger stated that the Commission approved the quote from TecServ at last month's meeting. The work has been completed and the City is waiting on the lab results which we should have by the end of the week.

A motion was made by Commissioner Turner and seconded by Commissioner Weddell to approve Resolution 92-2016. The motion was adopted unanimously.

6. Resolution 93-2016 - Authorize Negotiation and Execution of Contract Amendment #5 with RGB Sales, LLC for Brownfield Remediation Services at 317 West Douglas Street

Project Manager Becky Hershberger stated that the Commission has discussed for the last two months the final bank work along the canal. The Commission had approved moving forward with the work for the original price of \$26,830. After the meeting, we met on site with the stormwater inspector and the contractor, and because of the steepness of the bank within the easement, it was recommended that additional straw waddle be installed along the top of the bank. The additional cost is \$1,785. Also additional fill is needed within the utility easement to bring the site up to grade, and RGB quoted a price of not to exceed \$3,000 for 30 loads of soil at \$100 per load from the Kercher Road site. The revised contract amendment is a total cost not to exceed \$31,615.

A motion was made by Commissioner Weddell and seconded by Commissioner Coyne to approve Resolution 93-2016. The motion was adopted unanimously.

NEW BUSINESS

1. Resolution 94-2016 – Authorize Elkhart County to Award Bid for State Road 15 and Kercher Road Intersection Improvement Project

Civil City Engineer Mary Cripe reported that Elkhart County received bids on August 1 for the State Road 15 and Kercher Road intersection improvement project. The lowest bid was submitted by Reith Riley. The City's

portion of the project cost is \$1,812,677.42. It is recommended that the Commission authorize the County to award the bid for the project to Reith Riley Construction.

A motion was made by Commissioner Weddell and seconded by Commissioner Scharf to approve Resolution 94-2016. The motion was adopted unanimously.

2. Resolution 95-2016 – Authorize Reallocation of Southeast TIF Allocation Funds

Civil City Engineer Mary Cripe explained her request for the Commission to reallocate \$1,055,000 in funding from the State Road 15 and Kercher Road intersection improvement project to the Goshen Industrial Park stormwater project in 2017 if the City is awarded a grant from the Community Crossroads program through INDOT. Ms. Cripe anticipates that the City should find out the results of the grant award by the end of August.

A motion was made by Commissioner Weddell and seconded by Commissioner Scharf to approve Resolution 95-2016. The motion was adopted unanimously.

3. Resolution 96-2016 – Approve and Authorize Execution of Change Order #4 with Phend & Brown, Inc. for the South Link Road Project

Civil City Engineer Mary Cripe reported that it was discovered during the asphalt milling process on State Road 15 that there was no concrete to be removed as originally anticipated. Removing asphalt is cheaper than removing concrete, thus, change order #4 reflects a savings of \$33,286.

A motion was made by Commissioner Turner and seconded by Commissioner Weddell to approve Resolution 96-2016. The motion was adopted unanimously.

4. Resolution 97-2016 – Accepting the Transfer of Jefferson Street Real Estate

City Attorney Larry Barkes stated that in this case and the next resolution, the City had demolished the structures on the parcels, and subsequently acquired the real estate from the County through the tax sale process. The Board of Public Works and Safety has approved the transfer of the properties to Redevelopment for the purpose of disposal. There is one condition in the resolutions that the Civil City be reimbursed for the cost of the demolition at the time Redevelopment sells the properties.

A motion was made by Commissioner Turner and seconded by Commissioner Coyne to approve Resolution 97-2016. The motion was adopted unanimously.

5. Resolution 98-2016 – Accepting the Transfer of Seventh Street Real Estate

City Attorney Larry Barkes reiterated that this transfer is the same circumstances as the previous item, just at a different address.

A motion was made by Commissioner Turner and seconded by Commissioner Scharf to approve Resolution 98-2016. The motion was adopted unanimously.

6. Resolution 99-2016 – Approve 2017 Redevelopment Budgets

Community Development Director Mark Brinson summarized the proposed 2017 budget for the four Redevelopment funds. Mr. Brinson explained that the proposed budget has been submitted to the Mayor which will then be presented to the Common Council for approval.

Discussion ensued on projected revenues, expenses, including bond payments, and next year's projects.

A motion was made by Commissioner Weddell and seconded by Commissioner Coyne to approve Resolution 99-2016. The motion was adopted unanimously.

7. Resolution 100-2016 – Approve and Authorize Execution of Indemnity Agreement with Goshen Band Boosters, Inc. for Use of Real Estate

Community Development Director Mark Brinson stated that this agreement is so Goshen Band Boosters, Inc. can use the former Western Rubber real estate for overflow parking during the Marching Band Invitational to be held on September 10, 2016.

A motion was made by Commissioner Turner and seconded by Commissioner Coyne to approve Resolution 100-2016. The motion was adopted unanimously.

APPROVAL OF REGISTER OF CLAIMS

A motion was made by Commissioner Weddell and seconded by Commissioner Coyne to approve payment of the Register of Claims totaling \$108,521.49. The motion was adopted unanimously.

MONTHLY REDEVELOPMENT STAFF REPORT

Community Development Director Mark Brinson reiterated previous comments regarding Shari Bontrager and thanked Shannon Marks for stepping in during this difficult time.

Mr. Brinson offered to answer any questions about the monthly report; however, the Commission did not have any questions.

OPEN FORUM

Commissioner Turner acknowledged the cooperation between the City and Elkhart County on the intersection improvements at Kercher Road and State Road 15 and the south link road project. Mr. Turner indicated that he believes that one of the reasons that the cooperation level between the City and County has increased is because of Tom Stump's presence on the County Council, and he wanted to express his appreciation to Tom.

Commissioner Scharf extended an invitation that there will be a special presentation by Dr. Michael Hicks from Ball State at next Council meeting in which Dr. Hicks will share his research findings about TIF as an economic development tool.

Civil City Engineer Mary Cripe reported that the south link road construction is ahead of schedule about 10 months, and the new road is planned to be opened in November.

ANNOUNCEMENTS

It was announced that the next regular meeting is scheduled for September 13, 2016 at 3:00 p.m.

EXECUTIVE SESSION

An executive session was scheduled under the authority of Indiana Code § 5-14-1.5-6.1(b)(2)(D) for discussion of strategy with respect to the purchase or lease of real property by the Goshen Redevelopment Commission up to

the time a contract or option to purchase or lease is executed by the parties. City Attorney Larry Barks announced that there was no longer a need to hold the executive session. The executive session was canceled.

ADJOURNMENT

The regular meeting was adjourned at 4:50 p.m.

APPROVED on September 13, 2016.

GOSHEN REDEVELOPMENT COMMISSION

Thomas W. Stump, President

Laura Coyne, Secretary