

VALPARAISO REDEVELOPMENT COMMISSION
Regular Meeting Minutes
June 22, 2022

The regular meeting of the Valparaiso Redevelopment Commission was called to order at 4:31p.m. on Thursday, June 22, 2022. Vice President Ethan Lowe presided.

Members present were: Rob Thorgren, Ethan Lowe, Casey Schmidt and Evans Costas. Also present were City Attorney Patrick Lyp, Director of Development George Douglas, Engineering Director Michael Jabo, Stu Summers, City Administrator Mike Jessen and Councilman Cotton. Members of the public watched remotely.

ITEM #1- APPROVAL OF TRANSFER OF 102 AND 104 MORGAN ST.:

Mr. Lyp stated that the Redevelopment Commission purchased 301 Jefferson St as part of the overall Calkins Hill Development. The amount that was paid was \$192,500 and the intent was to be reimbursed 100% as the project progressed. On May 26, 2021 we received \$72,000 leaving a balance of \$120,500. The Calkins Hill project is moving ahead well and are at the point where the developers need the two lots that form 301 Jefferson. The lots will be transferred in return for \$120,500. Mr. Lyp requests the authority to authorize the President to sign the deeds transferring the two lots for the balance owed.

Motion: Mr. Thorgren motioned to approve the transfer of 102 and 104 Morgan St. Mr. Schmidt seconded. A voice vote was unanimously carried.

ITEM #2 RESOLUTION 8-2022. A RESOLUTION APPROVING FORM OF LEASE BETWEEN THE REDEVELOPMENT AUTHORITY, AS LESSOR, AND THE REDEVELOPMENT COMMISSION, AS LESSEE AND AUTHORIZING THE PUBLICATION OF A NOTICE OF PUBLIC HEARING REGARDING THE LEASE. RESOLUTION 9-2022 CREATING A SEPARATE NEW ALLOCATION AREA WITHIN THE EXISTING CONSOLIDATED VALPARAISO ECONOMIC AREA AND TAKING RELATING ACTIONS AND RESOLUTION 10-2022 A RESOLUTION DECLARING AN OFFICE INTENT TO REIMBURSE EXPENDITURES:

Mr. Douglas stated the three resolutions are for the LINC project and the Redevelopment Commission committed to building a parking garage as the City will lose two parking lots. As the project gets underway, the parking garage groundbreaking will be in October. This is the beginning of the finance portion of the garage. There are many steps and Boards to go through, this will layout the beginning of that process. Resolution No. 8 –The Redevelopment Authority will issue lease/rental revenue bonds. As the City deeds different streets and roads to the Redevelopment Authority, the bonds will equal the value of the roads and streets and the revenue bonds will be sent to the City and will be used to pay for the construction of the garage and any related improvements. As the roads are dedicated to the Redevelopment Authority, the Redevelopment Authority will lease the roads to the Redevelopment Commission. That will allow for payment for the lease of the roads back to the Redevelopment Authority and the money

will be used pay the interest and principal of the revenue bonds that help pay for the construction of the garage and improvements. Resolution No. 8 spells out what the beginning process and what the lease agreement that will be entered into with the Redevelopment Authority. Nothing will be signed at this time, this will allow for the publication a notice to hold a public meeting at the next Redevelopment Commission meeting and either approve or make changes to lease agreement at that time. Resolution No. 8 is a not to exceed \$17.5 million. The not to exceed is due to the parking garage design is not complete and has not been sent out to bid. All amounts included in the Resolution are not to exceed amounts which will help minimize any interest expense. The Redevelopment Commission will save about \$1 million in interest related expenses going this route.

Mr. Lyp stated this is the start of a larger process that will come back to the Redevelopment Commission, City Council, the Plan Commission and the Redevelopment Authority will all be involved.

Mr. Mouser stated that by leasing existing assets this is similar to what the Redevelopment Commission has traditionally done through a traditional Redevelopment District bond which keeps costs down and allows for payments to be made during construction.

Mr. Lowe stated to summarize, Resolution No. 8 is approving the lease in its original form to proceed to publish the legal notice convening a public hearing at our next meeting. If we so choose, after the public hearing there will be another resolution that will approve the lease.

Motion: Mr. Costas motioned to approve Resolution No. 8. Mr. Schmidt seconded the motion. A voice vote was unanimously carried.

Mr. Douglas stated that Resolution No. 9 will create a new allocation area and the new area will be the Linc parcels. This will reset the 25-year clock and it will make it easier to track how this allocation area is performing relative to the rest of the consolidated allocation areas. This was also done with Vale View, Calkins Hill and Journeyman.

Mr. Lowe stated that the resolution references it will be submitted to the City Council and Plan Commission and those entities will be involves as well.

Motion: Mr. Costas motioned to approve Resolution No. 9. Mr. Schmidt seconded the motion. A voice vote was unanimously carried.

Mr. Douglas stated Resolution 10 states the Redevelopment Commission has a project, which is building a parking garage and the proceeds to be used to pay for the parking garage.

Motion: Mr. Costas motioned to approve Resolution No. 10. Mr. Schmidt seconded the motion. A voice vote was unanimously carried.

ITEM #3 - PUBLIC COMMENT:

Tom Vegas 56 Chicago Street, Valparaiso. Mr. Vegas requested that Resolutions be posted before the meetings.

Councilman Cotton asked for clarification of the three resolutions.

ITEM #4 - ADJOURNMENT:

Staff said they had no further items for the Commission's consideration. Mr. Lowe motioned to adjourn the meeting with Mr. Schmidt seconding. A voice vote was unanimously carried. The June 22, 2022, Redevelopment Commission meeting adjourned at 4:16 p.m.

Rob Thorgren, Secretary