

VALPARAISO REDEVELOPMENT COMMISSION
Regular Meeting Minutes
March 9, 2023

The regular meeting of the Valparaiso Redevelopment Commission was called to order at 4:31 p.m. on Thursday, March 9, 2023. President Trish Sarkisian presided.

Members present were: Trish Sarkisian, Rob Thorgren, Casey Schmidt, Evan Costas, Frank Dessuit and John Nuppau. Also present were Director of Development George Douglas, City Administrator Mike Jessen, Karl Cender from CenderDalton, Phil Faccenda from Barnes and Thornberg and Jennifer Brooks from Urschel Laboratories. Members of the public watched remotely.

ITEM #1- MINUTES:

Mr. Nuppau reported copies of the February 9, 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. Thorgren motioned to approve the February 9, 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 February 2023 Claims Register and January 2022 Financial Report prior to the meeting. Mr. Douglas recommended approval.

Motion: Mr. Thorgren motioned to approve the February 2023 Register and the January Financial Report. Mr. Schmidt seconded the motion. A voice vote was unanimously carried.

ITEM #3 2023 NEIGHBORHOOD IMPROVEMENT GRANT FUNDING RECOMMENDATION:

Ms. Clifton stated the neighborhood grant application deadline has passed. The review committee met earlier in the week and 21 neighborhoods applied for grants totaling over \$260k which is well above the \$150,000 budget. The committee is still working on finding funding sources to fund as many quality projects as possible. The amount each neighborhood will get is forthcoming and Ms. Clifton will have more information at the April meeting.

ITEM #4-LIMITED PROPERTY ACCESS AGREEMENT FOR 308 LINCOLNWAY:

The Redevelopment Commission purchased 306 Lincolnway in 2022. However, the Redevelopment Commission discovered the presence of a common wall at 306 with 308 Lincolnway. Therefore, certain measures will need to be taken at both 306 and 308 prior to demolition of 306 Lincolnway. The commission engaged a structural engineer from DLZ to develop a scope for demolition. The Engineering Department is currently seeking bids for demolition of 306, which would preserve the common wall for the benefit of 308. Because some work will need to be performed at 308 by our contractor, a limited property access agreement will be necessary with the owners of 308 Lincolnway.

Motion: Mr. Thorgren motioned to approve the Limited Property Access Agreement for 308 Lincolnway. Mr. Schmidt seconded. A voice vote was unanimously carried.

ITEM #5 -FIRST AMENDMENT TO AMENDED AND RESTATED DEVELOPMENT AGREEMENT AND REAL ESTATE TRANSFER AGREEMENT FOR JOURNEYMAN AND DECLARATORY RESOLUTION FOR JOURNEYMAN ALLOCATION AREA:

Mr. Lyp stated that the original agreement was signed in March of 2020 and a lot has happened since it was originally signed. There will be a closing for building D in the middle of June. The Redevelopment Commission will not transfer parcel G to Journeyman, it will be retained by the Redevelopment Commission with the possibility for Journeyman to purchase at a later date.

Mr. Douglas stated the ask is for authorization for the President to sign the Agreement when it has been approved by both Mr. Lyp and Journeyman.

Motion: Mr. Thorgren motioned to approve authorization for the President to sign the First Amendment to Amended and Restated Development Agreement and Real Estate Transfer Agreement for Journeyman and Declaratory Resolution for Journeyman Allocation Area when it is finalized. Mr. Nupnau seconded. A voice vote was unanimously carried.

ITEM #6 -DECLARATORY RESOLUTION FOR NEW JOURNEYMAN ALLOCATION AREA:

Mr. Douglas stated this Resolution will establish the Journeyman allocation area, excluding Parcel G as identified as South of Brown St and East of Campbell St. The Resolution will be presented to the Plan Commission, City Council and return to the Redevelopment Commission.

Motion: Mr. Thorgren motioned to approve the Declaratory Resolution for the New Journeyman Allocation Area. Mr. Schmidt seconded. A voice vote was unanimously carried.

ITEM #7 - DECLARATORY RESOLUTION FOR NEW GRAND GARDNER HOTEL ALLOCATION AREA:

Mr. Faccenda stated the Economic Area is located at Campbell and Jefferson St. It involves an approximate \$39.5 million investment for renovation and construction for the Grand Gardner Boutique Hotel, which will re-purpose the 1899 Grand Gardner School building. Ms. Jennifer Brooks is the project manager for the hotel.

Ms. Brooks stated the building was built in 1899 and served as a school for many years. The hotel will be a boutique hotel. The historic building will be the main building for the hotel. The east wing will house guest rooms, laundry, and housekeeping. The west wing will have a banquet space, breakfast area and fitness area. There will be 52 guest rooms and speak easy, a board room, lobby area with common space and small spa area. The site was purchased from the Boys and Girls Club as well as purchasing 3 residential properties. The hotel will have 24 full-time equivalent positions and 68 construction related jobs generated by the project.

Groundbreaking will be in the second or third quarter of 2023 and construction will be completed in the third or fourth quarter of 2024.

Mr. Faccenda stated that procedurally the Declaratory Resolution will be the first step, followed by the Planning Department, Common Council and then it will be heard again in front of the Redevelopment Commission. The TIF revenue that will be generated from the new improvements will be pledged toward developer purchased bonds that will be purchased by Urschel Laboratories and will be taxable bonds that will help finance a portion of the project.

Motion: Mr. Costas motioned to approve the Declaratory Resolution for the new Grand Gardner Hotel Allocation Area. Mr. Schmidt seconded. A voice vote was unanimously carried.

ITEM #8 – APPROVAL TO TRANSFER LOT #3 EASTPORT TO VALPARAISO CITY UTILITIES:

Mr. Douglas stated Lot #3 is owned by the Redevelopment Commission. The lot was being held for future development. The utility department drilled a test site for a new well and it was an ideal location for the new well. Mr. Douglas respectfully requests authorization to transfer the property to the utilities for consideration at a later date.

Motion: Mr. Nuppnau motioned to approve the Transfer of Lot #3 Eastport to Valparaiso City Utilities. Ms. Schmidt seconded. A voice vote was unanimously carried.

ITEM #9 - AUTHORIZATION TO SIGN NIPSCO REIMBURSEMENT AGREEMENT ON TOD/BROWN & CAMPBELL STREET PROJECT:

Mr. Douglas stated this is related to the Journeyman and Campbell Brown TOD entryway project. There was an opportunity to bury the utility lines down Campbell St by the TOD lot to Boundary St. There is a cost associated with NIPSCO burying the lines which is \$143,000 to do the work. Mr. Douglas respectfully requests approval of the reimbursement agreement.

Motion: Mr. Thorgren motioned to approve the NIPSCO Agreement to Move Utilities and Supply Electricity to the Parking Garage. Ms. Costas seconded. A voice vote was unanimously carried.

ITEM #10 - 2022 RDC ANNUAL REPORT AND RESOLUTION CONCERNING THE 2024 BUDGET YEAR DETERMINATION FOR TAX INCREMENT FOR THE ALLOCATION AREA:

Mr. Cender stated the Annual Report is a required report that comes before the Redevelopment Commission to summarize the Commissioner members, cash balances, revenues, outstanding obligations and lists of all the parcels in the various allocation areas. The overlapping units report is also included to make the public aware of the budget, the long-term plans for the allocation areas and potential tax impact the allocation areas have. As of 2023, 16.9% of Valparaiso's assessed value resides in an allocation area. The report will be uploaded to Gateway.

Motion: Mr. Thorgren motioned to approve the 2022 RDC Annual Report. Ms. Schmidt seconded. A voice vote was unanimously carried.

Mr. Cender stated the county auditor needs to be notified that none of the AV will be released. With the new projects and the outstanding debt, all available revenue will be needed.

Motion: Mr. Thorgren motioned to approve the Resolution Concerning the 2024 Budget Year Determination for Tax Increment for the Allocation Area. Ms. Costas seconded. A voice vote was unanimously carried.

ITEM #11 FINANCIAL ADVISORS' ECONOMIC DEVELOPMENT REVENUE BOND ENGAGEMENT AGREEMENT:

Mr. Douglas stated this agreement is outside of the yearly contract with Cender Dalton for the annual report and is related to the Journeyman Agreement. This engages Cender/Dalton to perform the work on behalf of the Redevelopment Commission and respectfully requests approval for the President to sign the Engagement Agreement

Motion: Mr. Thorgren motioned to approve the President to sign the Engagement Agreement. Ms. Costas seconded. A voice vote was unanimously carried.

ITEM #12 OTHER BUSINESS:

None.

ITEM #13 PUBLIC COMMENT:

None.

ITEM #14 ADJOURNMENT:

Staff said they had no further items for the Commission's consideration. Ms. Thorgren motioned to adjourn the meeting with Mr. Costas seconding. A voice vote was unanimously carried. The March 9, 2023, Redevelopment Commission meeting adjourned at 5:03 p.m.

Motion: Mr. Thorgren motioned to approve adjournment. Mr. Costas seconded. A voice vote was unanimously carried.

John Nuppau