

THE REDEVELOPMENT COMMISSION OF THE CITY OF BLOOMINGTON, INDIANA, met on Tuesday, January 21, 2014 at 5:00 p.m. in the Showers City Hall, Kelly Conference Room, 401 North Morton Street, with President David Walter presiding

I. ROLL CALL

Commissioners Present: John West, David Walter, Elizabeth Kehoe, and Michael Gentile

Commissioners Absent: Kelly Smith

Staff Present: Lisa Abbott and Christina Finley

Other (s) Present: Susan Failey, Danise Alano-Martin, Justin Wykoff, Adrian Reid, Jason Carnes, Randy Cassady, Tamby Cassady, Jeff Heerdink and Justin Stuehrenberg

II. READING OF THE MINUTES – John West made a motion to accept the January 2, 2014 minutes. Michael Gentile seconded the motion. The board unanimously approved.

III. EXAMINATION OF CLAIMS – Elizabeth Kehoe made a motion to accept the December 31, 2013 claims for \$456,585.83. Michael Gentile seconded the motion. The board unanimously approved.

IV. UNFINISHED BUSINESS

None

VI. NEW BUSINESS

A. RESOLUTION 14-03: Approval of funding for CTP Maintenance. Abbott reported last May the RDC approved \$50,000 to maintain the CTP property and by December the funds had been spent. After looking at last year's expenses and determining which would be reoccurring and which Warehouse B expenses won't reoccur, staff decided to leave the request amount at \$50,000.00 for this year. The utility bills were extremely high this year, therefore staff prepared a resolution in two parts First, \$50,000 per calendar year with a \$5,000 per incident cap, and secondly payment of the current utility bills for Warehouse B in the amount of \$7,223.97. Any future utility shut-off expenditure will be covered as a demolition expense which will be covered by Resolution 14-06, if approved. Michael Gentile made a motion to accept Resolution 14-03. Elizabeth Kehoe seconded the motion. The board unanimously approved.

B. RESOLUTION 14-04: Approval of Warehouse B Deconstruction Contract.

RESOLUTION 14-06: Approval to authorize payment from TIF Bond Funds relating to Warehouse B Deconstruction.

Resolutions 14-04 and 14-06 were discussed together. Justin Wykoff and Adrian Reid were available to answer questions. Several bids were received and ranged from \$506,000 down to \$175,000. Klenck Company is a demolition company out of Evansville who has their own salvage yard. West asked if the price discrepancy in the bids is due to the fact the company has a salvage yard and can recycle and reuse materials. Wykoff and Reid agreed that was probably a large part why their cost was so much lower. The two lowest bids both had salvage yards. West had concerns about the 5% change order in Resolution 14-04. He suggested having an amount not to exceed for the entire project. Failey explained there is already a state statute that says change orders cannot cumulatively exceed more than 20% of the original project cost.

As potential bidders walked through the building it was noticed the floor tiles could possibly have asbestos and there is no way to know until demolition begins. Resolution 14-06 includes an amount estimated to cover abatement if asbestos is found in the tiles. A 10% contingency amount to cover unforeseen costs is also included in Resolution 14-06.

John West made a motion to approve Resolution 14-04. Michael Gentile seconded the motion. The board unanimously approved. John West made a motion to approve Resolution 14-06. Michael Gentile seconded the motion. The board unanimously approved.

C. RESOLUTION 14-05: Approval of Showers Administration Building Offering Sheet. CBRE and Ice Miller have helped staff develop this RFP, Offering Sheet and Instructions to Bidders. Alano-Martin asked the commission if they had any comments or questions about the RFP draft included in their packets. Kehoe stated \$56.00 per space per month for parking seemed high. Failey explained the \$56.00 is the average of two appraisals which the RDC statute requires. West asked why we are leasing the lots and not selling them. Alano-Martin stated the Master Plan called for the parking lot to be aggregated with the lot (619 N Morton) to the north for proposed redevelopment as a new mixed use building. The Master Plan also calls for a parking garage within the CTP that can meet the need for parking after surface parking is redeveloped. West did not see a proposal for term limits on the parking. Alano-Martin said that is expected to be a negotiated item. Gordon Hendry advised staff that the RFP is really a starting point for negotiation and the parking lot lease would be one of those negotiable terms. Failey affirmed that the RDC will have the ultimate approval on the agreement. Failey also described the three documents – the Offering Sheet, the Instruction to Bidders, and the RFP. She noted the instruction to bidders is not required but recommended by Ice Miller. Walter and Kehoe noted that on page five of the offering sheet we need to clarify it is \$56.00 per space per month. West stated on the offering sheet section eight, Price and Terms, one of the options is a possible real estate trade but it is not qualified. The way it is currently written the City would have to look at properties anywhere. West suggested and the commissioners agreed to qualify that language such that any possible real estate trade needs to be within the CTP. The contract states if someone proposes to swap land it has to be accompanied with evidence of the land's value. West asked how many potential parking spaces we will have. Alano-Martin verified that there will be a total of 20 parking spaces in the two parcels just north of the Showers Administration Building. The commission wants to make sure the offering sheet is clear that this is historic property and they have to do everything within the purview of being in a historically designated property. A statement could be added under Development Limitation and Standards that demolition is not of interest to the City. The Commissioners discussed the various images and orientation of maps within the RFP. Alano-Martin said she would work with CBRE to ensure consistency, obvious north-south indicators on maps, and sound strategy in the utilization of the images. West suggested and the commissioners agreed that the adjacent parking spaces should be identified graphically, outlined in the images in the RFP. John West made a motion to approve Resolution 14-05 subject to the various changes and amendments that have been reviewed with staff legal counsel and Danise Alano-Martin and the changes be incorporated in the final draft. Elizabeth Kehoe seconded the motion. The board unanimously approved.

VII. CTP BUSINESS/GENERAL DISCUSSION

CTP update. Danise Alano-Martin reported working with Justin Stuehrenberg, City Transportation and Traffic Engineer on the infrastructure to straighten 10th Street and other utility master planning. Staff wanted to discuss the strategy being developed to begin design and engineering work for the infrastructure within the CTP. Stuehrenberg has been working on a scope of work for that. A contract proposal for a consultant team, led by a Civil Engineer, would be brought to the RDC in a near-future meeting. The Civil Engineer would provide significant project coordination services with public and private utilities (water, electric, gas, telecommunications) and lead a team that would coordinate survey, landscape architecture, mechanical engineering, environmental assessment and design work for 10th Street, alley improvements, utility and

stormwater master planning for 12 acres, all with an emphasis on pursuing the sustainable, green infrastructure vision put forth in the Master Plan, as well as creating a sense of place and character unique to the CTP and complementary of downtown's identity. Alano-Martin said the staff proposes to select the landscape architect, who would be a subcontractor to the Civil Engineer, through an RFQ process to make sure the right firm is found which can be creative enough to put the innovative vision forward and work with our Engineer to make sure it is practical. She said she seeks a volunteer from the RDC to help review qualifications and select the landscape architect. Walter emphasized that the civil engineering should be first and foremost. Alano-Martin agreed. West asked if streetscape projects in Bloomington are typically hired out or if City staff design them in-house. Staff confirmed that they are services that are contracted to outside firms. West asked where the funds would come from to pay for the design and engineering of the infrastructure. Alano-Martin said as part of the recommended CTP infrastructure projects, staff would seek use of the TIF bond funds. Alano-Martin reiterated that no action was necessary by the RDC at this point, that staff was providing an update on the strategy being developed to engineer and design the Master Plan's recommendations for infrastructure, and the RDC's guidance will help refine the strategy.

Alano-Martin gave the commission results from one of the RDC's economic incentive projects in the CTP. The Urban Enterprise Association recommended that the RDC use TIF funds to support Hanapin Marketing, a technology firm in the north part of the Showers building. The RDC took a lease interest in the building and provided funds to rehabilitate that office space for them. The economic financing agreement concluded in 2013, with Hanapin exceeding the benchmarks targeted in their agreement. They grew from 10 full-time employees to 35 full-time employees, and payroll increased from \$465,000 to an annualized \$2 million. Alano-Martin also distributed an article from Inside Indiana Business which detailed significant public investment by Tippecanoe County in co-work space in Lafayette, as an example of what peer communities are doing to foster entrepreneurship and tech company growth.

ADJOURNMENT

The meeting adjourned at 6:15 p.m.

David Walter, President

Michael Gentile, Secretary

Date