

THE REDEVELOPMENT COMMISSION OF THE CITY OF BLOOMINGTON, INDIANA, met on Monday, March 3, 2014 at 5:00 p.m. in the Showers City Hall, McCloskey Conference Room, 401 North Morton Street, with President David Walter presiding

I. ROLL CALL

Commissioners Present: David Walter, John West, Elizabeth Kehoe and Kelly Smith

Commissioners Absent: Michael Gentile

Staff Present: Lisa Abbott, Robert Woolford, Marilyn Patterson and Christina Finley

Others(s) Present: Danise Alano-Martin, Susan Failey, Mick Renneisen, Dave Williams and Barbara McKinney

II. READING OF THE MINUTES – Elizabeth Kehoe made a motion to accept the February 3, 2014 minutes. John West seconded the motion. The board unanimously approved.

III. EXAMINATION OF CLAIMS –John West made a motion to accept the claims for January 17, 2014 for \$66,670.78 and January 31, 2014 for \$188,468.08. Elizabeth Kehoe seconded the motion. The board unanimously approved.

IV. REPORT OF OFFICERS AND COMMITTEES

Director's Report. Lisa Abbott briefly reviewed the Directors Report. She is working on the annual action plan. It will be in draft form until definite numbers from HUD are received. Abbott stated it is time to begin the 2015-2019 Consolidated Plan. It will take approximately 18 months to complete. The first effort in the plan will be a community wide survey. Abbott asked the commissioners to send her any thoughts or questions they have regarding affordable housing, economic development, homelessness, social service funding, or community development. We provided funding to Habitat for three houses on Madison Street. The City Council approved the CDBG allocations and Matlock Heights Conservation District. University Courts is having a second reading on March 12, 2014. The Garden Hill Conservation District referendum will conclude on April 3, 2014. Neighborhood Clean-up grants are due March 3, 2014 and Neighborhood Improvement Grant applications are due on March 28, 2014. We are in the process of hiring a new Program Manager to replace Marilyn Patterson.

V. OPENING RESPONSES TO PROPERTY DISPOSAL OFFERS:

A. Showers Administration Building. David Walter stated the Commission is officially opening offers on two parcels of Commission-property being offered for purchase. The first opening is for sale of the Showers Administration Building. Alano-Martin said the City received one proposal that complied with the RFP and also received a letter from Doug McCoy, Grant Properties saying he was potentially interested in bidding but they were too late in finding out about the opportunity. The bid that was received and opened by David Walter was from Morton Street Properties, LLC.. It offered exchange of property for the building. The board will take the bid under advisement and staff will consult with Gordon Hendry and bring recommendations back to the board.

B. Disposal of lot at 301 W. Coolidge Avenue. David Walter opened a bid from Anne Roberts. The amount of the offer is \$2,000.00 for the purchase of the lot at 301 West Coolidge. A \$100 deposit was enclosed with the bid offer. The board will take the bid under advisement and staff will bring back a recommendation.

VI. UNFINISHED BUSINESS

None.

VII. NEW BUSINESS

A. RESOLUTION 14-08: To convey property acquired from Triple C Corp. to the Parks Board. This is approximately 6 acres of property on South Rogers Street the Commission purchased from the Triple C. Corporation with Thomson/Walnut/Winslow TIF funds. Currently two businesses occupy buildings on the property and will continue to occupy them until Parks is ready to develop the land. Parks has worked out terms and arrangements with both businesses. Administration would like to have the property formally transferred to the Parks Board. Renneisen also stated they have spoken to both of the current tenants and they understand their use of the site will be ended when construction begins. Parks is going to maintain and manage the property. The rent payments to date far exceed the maintenance. Elizabeth Kehoe made a motion to approve Resolution 14-08. John West seconded the motion. The board unanimously approved.

B. RESOLUTION 14-09: Contract award and funding approval for drainage work at 315 W. 15th Street. The Redevelopment Commission previously approved funds for the Curb and Sidewalk Program, under the Community Development Block Grant. Typically Public Works or City Utilities provides labor for the projects and HAND purchases materials. Due to bad weather, City departments do not have any downtime to provide labor for this particular project. Therefore, we are bidding the project out which requires a contract and Redevelopment Commission approval. The contract is covered under the CDBG curb and sidewalk program. The guidelines state internal or external labor can be used. Bob Woolford stated two bids were received. Hostetler Concrete bid \$10,456.00 and Reed and Sons bid \$13,991.00. We would like to offer the project to Hostetler Concrete for an amount not to exceed \$10,456.00. West made a motion to approve Resolution 14-09. Elizabeth Kehoe seconded the motion. The board unanimously approved.

C. RESOLUTION 14-10: Appraisals for CTP property and related expenditures. Danise Alano-Martin explained the map attached to resolution 14-10. A map was included in the packet outlining 5 separate sections we would like to have appraised to prepare for the Master Developer RFP. She is proposing 5 different appraisals, one for each section. Section 1 proposes housing and mixed use; section 2 is proposing technical office use and possibly mixed use; section 3 is part of the Central Green Space. The parking lot southeast of section 3 is proposed to be part of the Central Green Space but is currently owned by Solution Tree. Depending on the timing, we may be able to amend the proposal when we purchase the lot. Section 4 is split into 4a and 4b because we want the appraisals to be per building. Right-of-way would ultimately need to be dedicated to the City. The existing 10th Street is not a platted street, and is owned by the Redevelopment Commission, it would need to be dedicated to the City. The alley way between the Dimension Mill and the properties on Morton Street is not platted. Section 5 would be south of the new 10th Street and include the area owned by Redevelopment which could be the parking garage as it's envisioned by the Master Plan. The Master Plan showed the parking garage just south of the new 10th Street with the Green Space in the current surface parking lot further south, adjacent to the B-Line Trail. We still want to include all of the properties in the RFP but think it's possible developers may prefer to respond to just parts of it so we wanted to logically separate these parts in order to assemble prices. She is asking for funding for the appraisals as well as associated costs

for developing and publishing the RFP, such as title insurance, legal publication fees/permits, or any related costs. Walter asked what happens with the parcel on 10th street that is not numbered 6. Alano-Martin stated it is not numbered 6 because 10th street curves and we don't own the Solution Tree lot so we felt like a developer would have a very hard time coming up with an appraisal for such a small area on 10th Street. It seemed to make more sense to develop the lot then assemble those together for an amendment to the proposal or a new RFP. Walter asked why we don't do the appraisal now. Alano-Martin stated we do not own the Solution Tree parking lot yet. Kelly Smith and John West asked how long the appraisal would be valid and if we would have to do it again. It is the consensus of the board the appraisals would be good for one year. Alano-Martin has been talking with Gordon Hendry, they hope to release the RFP by second quarter. West added the hope would be to get responses within the next 6-8 months, before new appraisals are needed. The reason for the appraisals is to have an offering price which will be the start of negotiations. Failey suggested if everyone is in agreement with the map and the parcel sections, we go ahead and start putting together the written text of the RFP before we have a number. West asked if you are offered a price based on appraisals that you legally had done, are you required to stick to that price range. Failey said the statute says you must get two appraisals, prepare the offering sheet and give public notice with a deadline for response. A lower price can be offered however, we do not have to accept it and can negotiate any amount. The only restriction is a 30 days wait after the bid opening before we can sell under our offering price. Gordon Hendry thinks we might receive anywhere between 7-10 offers on the RFP. West asked who came up the \$75,000 for appraisals. Failey explained they estimated \$15,000 per parcel for two appraisals with 5 parcels to appraise. West felt the economical way to proceed is to have two different appraisers to do all of them so you have some bulk negotiating. He felt all appraisals could be done for approximately \$40,000. West is fine with \$50,000 but feels \$75,000 is excessive. Alano-Martin will change the Resolution back to \$50,000 from \$75,000. The commission suggested changes to the maps attached to Resolution 14-10. West is concerned about bidding out the appraisals. Failey explained the appraisal will not go out to bid; staff will call appraisers and ask for quotes. Smith asked if the appraisal was for the entire property or individual parcels. West stated that Gordon Hendry's goal is to sell it as a whole. However, hopefully, Hendry will come up with a number we can reduce the price by if it is sold as a whole. The offering price can not be less than the average of the two appraisals. West stated that if Hendry is committed to selling it as a whole that maybe we should ask for individual values and a sum value. It should not cost much more and will probably benefit us to have a cumulative number as well as individual numbers. Walter pointed out the appraisal for Warehouse B should be geared toward a land appraisal since the building is going to be demolished. Elizabeth Kehoe made a motion to approve Resolution 14-10 with discussed changes. John West seconded the motion. The board unanimously approved.

D. RESOLUTION 14-11: Contract award and funding approval for agreement with Eagle Ridge Civil Engineering Services LLC for services related to the CTP. The Resolution was withdrawn prior to the meeting.

E. RESOLUTION 14-12: Approve CBRE's commission percentage on the Showers Admin Building. Susan Failey distributed a revised CBRE letter. The difference from the one in the commission packet is a provision related to a shared commission if the buyer is represented by a broker. There is a provision for sharing the commission with that broker. This only pertains to the Showers Administration Building. John West made a motion to approve Resolution 14-12. West asked if there should be a term on it. Legal does not think it is an issue at this point. West made a motion to approve Resolution 14-12. Elizabeth Kehoe seconded the motion. The board unanimously approved.

VIII. BUSINESS/GENERAL DISCUSSION

A. CTP update. Danise Alano-Martin distributed a working draft of her CTP projects. The main change since the last update is seeking bids for the destruction of Warehouse A. Alano-Martin and Jacqui Bauer received a travel grant from Urban Sustainability Directors Network; they are going to pay for travel and lodgings expenses to visit another Urban Sustainability Directors Network Community in Fort Collins. We hope to learn from their geo thermal system that was installed within the last 18 months. Following Fort Collins, we will attend the Rocky Mountain Institute E-Lab Accelerator Program. This is an attempt to figure out a feasibility of a district energy system for the CTP. West asked if the vision is to partner with someone to operate a district energy system. Alano-Martin stated she did not foresee anyone in the City of Bloomington managing it, which is just one of the many questions that need to be answered. Duke Energy has committed to go with us on the trip, which will be extremely valuable. The trip will be March 28 through April 3. There might be an article in the Herald-Times this week about the Certified Tech Park, the Mayor provided the Herald-Times with an overall update.

B. Presentation on conflict of interest for RDC members. Barbara McKinney gave a brief presentation. She distributed a conflict of interest questionnaire for the commissioners to fill out and return to her within 2 weeks.

C. Public Notices. Public notices were included in the packet. Abbott stated the RDC owns right-of-way through out the downtown area but the main parcels that are effected are 7th and Morton Street parking garages. Failey stated that when a public hearing is held it is required that adjacent property owners are notified.

D. Annual TIF Report. Abbott briefly explained the TIF report. She is required to provide a list of all Redevelopment Commission members that served in 2013. Michael Szakaly is still on the list because he did not officially resign until December of 2013, a note is included in the memo. A list of all hand employees' and their annual salaries are also included. The report shows all expenditures the Redevelopment Commission approved for each of our funds. The special grant line seems large because HAND is a pass through for the \$1.6 million Griffy Dam Disaster Recovery Grant. The Unsafe Building fund is funded with fines from the rental inspection program and the money is used for unsafe building activities. West asked if there is overlap from year to year on approved ongoing projects that are not completed. Abbott stated yes, there are ongoing projects that continue from year to year. West stated there is a lot of repetition for approved projects that do not seem to be completed in a timely manor. West stated resolutions for long-term projects need should have a term and target deadline. If a deadline can not be met, they can come back and ask for an extension with specific reasons. Abbott agreed resolutions do need to have a term. Failey stated there are things that take a long time to get done and usually funding is at the beginning of the project. A lot of discussion should be done internally. West stated that anyone coming for funding should have a time-frame in mind and can ask for a specific amount of time. Failey suggested getting a formal close out on projects to bring back to the board. Elizabeth Kehoe made a motion to approve the Annual TIF Report. John West seconded the motion. The board unanimously approved. Abbott will forward the TIF report to the Mayor and City Controller. The City Controller will send it to DLGF.

IX. ADJOURNMENT – The meeting adjourned at 7:05 p.m.