



City of Bloomington Capital Improvement (CBCI)

BOARD MEETING

WEDNESDAY, MAY 3, 2023, 4:00 P.M.

Allison Conference Room (Suite #225, City Hall, 401 N. Morton St)

APPROVED MEETING MINUTES

Board Members present: President Mick Renneisen, Vice President Valerie Peña, Secretary/Treasurer John West, Sarah Bauerle Danzman (virtual), Doris Sims

1. President Renneisen called the meeting to order: 4:02 p.m.
2. Roll call: all members present. Member Bauerle Danzman virtual; all other members in person.
3. Approval of minutes from 4/19/23 meeting
 - a. Moved by Secretary/Treasurer West, seconded by Member Sims
 - b. Roll call vote: motion carried 5-0
4. Governance
 - a. Review of support agreement
 - i. President Renneisen asked if there were questions from board members about the revised support agreement
 - ii. Secretary/Treasurer West asked for a review of the changes: Corporation Counsel Cate noted that the main change is that in Section 7 a change had been made to the text about litigation and attorneys fees.
 - iii. Member Sims asked for clarification about whether every board member would have insurance, and Counsel Cate confirmed that everyone on the board will have Directors & Officers insurance and that this is noted in the agreement.
 - iv. Motion to accept changes made to the support agreement: moved by Vice President Peña, seconded by Secretary/Treasurer West. Roll call vote: motion carries 5-0.
 - b. Review of conflicts policy
 - i. Overview by Counsel Cate:

1. This is a policy of the organization and also subject to applicable state and federal laws. It sets out how to deal with conflicts of interest under Indiana state law.
 2. Purpose is to protect the interests of the organization.
 3. An “interested person” is a director, officer, or principle officer
 4. Process: at each board meeting, the question about conflicts will be posed. A board member would disclose any interest to the rest of the board and the relationship between that transaction and the board. Other board members discuss the situation without the potentially-conflicted member present, to determine if anything would make the member unable to make an unbiased decision.
- ii. President Renneisen noted that the board needed to adopt the conflicts policy, then there is an actual example that needs to be explored today in this forum. Counsel Cate confirmed this was accurate.
- iii. Questions from board members:
1. Member Sims noted that she has signed annual conflict of interest disclosure policies as a member of other boards and wondered about the difference in that approach versus the approach proposed here. Counsel Cate explained that the approach of asking at each board meeting is less generalized than an annual disclosure. Counsel Cate continued that this is a change she would like to see City boards and commissions adopt more generally, as it results in a more issue-specific and thoughtful analysis of potential conflicts of interest. Member Sims asked for confirmation that this means we would be reviewing potential conflicts of interest at each meeting, and Counsel Cate confirmed this and clarified the review could be very brief at each meeting.
 2. Member Bauerle Danzman asked for clarification on how “family” is defined in the document. Counsel Cate clarified that it is not defined in the document but that in general conflict policies define “family” as “a spouse and anyone else who is financially dependent, such as a child.” This language can be added to the policy. Member Baurle Danzman asked for clarification about whether this includes financially independent adult children, siblings, or parents; and Counsel Cate confirmed it would not include them.

3. Member Bauerle Danzman asked for clarification of what would happen if a member did not disclose a conflict for whatever reason, such as they forgot or weren't aware of it. Counsel Cate agreed that should be reviewed and clarified that the outcome may depend on whether there's a material negative impact or not. Member Bauerle Danzman asked how this had been handled on other City boards, and Counsel Cate noted that she was not aware of any such examples from the City.
- iv. President Renneisen noted that the board could accept this agreement subject to the changes noted—addition of definition of family—or wait to get the amended version at the next meeting and accept it at that time.
 1. Secretary/Treasurer West motioned to accept the conflicts policy with the changes made by Counsel Cate.
 2. Member Sims asked for clarification on how family will be defined and a more specific definition to be included. Counsel Cate shared the definition that the State of Indiana uses for its employees and noted that the City defines it similarly. Member Sims asked for a more specific definition.
 3. President Renneisen asked if there were any further questions and clarified Counsel Cate would add the State's definition of "family" that is used in their conflict of interest policies.
 4. Motion to accept the conflict of interest policy reviewed by President Renneise. Seconded by Vice President Peña. Roll call vote: motion carried 5-0
- c. Review of potential conflict of interest with Secretary/Treasurer West
 - i. Overview of potential conflict of interest, by Secretary/ Treasurer West: As a real estate broker by trade, he has worked with a number of people who may be doing work related to the Hopewell project—this will be an ongoing question with this board. He is not currently under contract with any people or companies who have bid on any parts of the Hopewell project or been involved, but it is possible he could do business with one of them in the future. It is also possible that in the future a developer could hire his company to sell houses at Hopewell, though that has not happened and would be further in the future.
 - ii. Vice President Peña asked for clarification of which individuals/businesses Secretary/Treasurer West has worked with and whether he's under contract

with any of them. Secretary/Treasurer West clarified that he has previously done business with the majority of the businesses who have submitted requests related to Phase I of Hopewell, but that he's not under contract with any of them currently.

- iii. Secretary/Treasurer West stepped out of the room to allow the rest of the board members to discuss his potential conflict of interest
- iv. President Renneisen asked Counsel Cate to clarify the situation with Secretary/Treasurer West. Counsel Cate said her understanding was that he had done business with some of the potential Hopewell developers in the past and they could theoretically ask him to help sell houses in the future. Her opinion was that if he has similar relationships with all or most of the companies in question, then it may not be an issue—this is up to the board to decide.
- v. Vice President Peña reiterated that he has worked with all of the companies but currently has no contracts with any of them. It is her opinion that in a town of this size, it will be a challenge to avoid any and all connections to the Hopewell project.
- vi. Member Bauerle Danzman asked for clarification about whether this part of the discussion should be recorded: the meetings are all live on Zoom and recorded, but the idea with having Secretary/Treasurer West step out of the room was to have privacy in this discussion.
 1. Counsel Cate clarified that this is still a public meeting and we want to be transparent.
 2. Vice President Peña added that we would like the discussion to be publicly available.
 3. Counsel Cate noted that most nonprofits don't have this level of public access in meetings, but we've modified the agreement for CBCI to increase transparency.
- vii. Member Sims stated that she was less concerned about the potential conflict of interest since Secretary/Treasurer West has a relationship with multiple potential developers, not just one.
- viii. Counsel Cate concurred that Secretary/Treasurer West has been very open about these relationships.
- ix. Member Bauerle Danzman noted that she believes Secretary/ Treasurer West is operating out of an abundance of caution, based on the policy that was just implemented. She appreciated that he is over-disclosing , so it

seems fine to her for him to go forward at this time without any mitigation requirements or recusal.

- x. President Renneisen concurred with comments from the board. He doesn't see a conflict in this case, and he understands Secretary/Treasurer West would notify the board if he entered into a contract with any of the companies at hand. He is comfortable with Secretary/Treasurer West continuing to serve on the review committee, especially since the recommendation still awaits Redevelopment Commission (RDC) approval.
- xi. Roll call vote: 4-0 in agreement that there is no conflict.
- xii. President Renneisen noted to Public Engagement Director Kaisa Goodman that a review of potential board member conflicts of interest (COI) should be added to all future agendas
- xiii. Secretary/Treasurer West returned to the room, and President Renneisen notified him that the board had agreed unanimously that there was no current conflict of interest.

5. Hopewell update

a. Update from 5/1/23 RDC meeting:

- i. President Renneisen attended RDC on 5/1/23 to discuss the reporting structure this board had previously reviewed. He reported this went well and that the RDC understands they will continue to do what they have in the past with regards to holding and disbursing land, and that they won't have to manage the Hopewell project.
- ii. Ms. Kunce reported to the RDC on 5/1/23 about the updated Project Review Form for Hopewell. The RDC wanted to see an overview of what would be coming to them re: Hopewell in the next few years, so she projected the next couple of years.
- iii. Ms. Kunce also reported that the RDC agreed to switch from a \$25m TIF commitment for Hopewell to a \$30mm TIF commitment for Hopewell. That doesn't include infrastructure developments, but it should cover all else. Resounding support from RDC to move things forward.
- iv. Ms. Kunce relayed that the RDC asked why we would pay for security instead of demolishing buildings, if we don't want the buildings anyways. We have to consider whether any of the developers have plans to reuse any of the buildings, but we're considering this.
- v. Will be returning to the RDC on 5/15/23.

b. Update on Owners Representative from Ms. Kunce

- i. Five candidates were interviewed
 - ii. Two candidates were shortlisted
 - iii. At the 5/15/23 RDC meeting, the plan is to have a presentation from the proposed vendor, which could lead to a contract from the RDC at the 6/5/23 meeting.
 - iv. President Renneisen noted that the 5/1/23 meeting was the first meeting where the proposed vendor was announced
- c. Planning update on sustainability and affordability
 - i. Presentation from Planning & Transportation Director Scott Robinson for Hopewell land relating to UDO
 - 1. TRO (transform redevelopment overlay) Map and Zoning - map of area and zoning districts. TRO creates uniform zoning standards regardless of different ways the land is zoned.
 - 2. Subdivision standards require alleys in TRO
 - 3. Impervious surface maximums
 - 4. Reduction in minimum lot size
 - 5. Requirement of pedestrian-scale development standards for first-floor residential uses
 - 6. Changes in allowed use that are permitted
 - 7. Building materials, street lighting, pedestrian entrances, and other changes
 - 8. Incentives for builders who voluntarily meet sustainability and affordability standards: larger floor plate allowed
 - ii. President Renneisen asked if there were any questions or comments for Director Robinson
 - 1. Secretary/Treasurer West noted that zoning components have to work realistically for affordability: sometimes we over-restrict and it ends up costing more.
- d. Update on RFI One: Blocks 8-9-10 from Ms. Kunce
 - i. Two complete proposals have been received; additional information has been requested for the third one.
 - ii. Information will be sent to board members tomorrow.
 - iii. More updates can be expected in June.
- e. Public comment - none
- f. Motion to adjourn: moved by Vice President Peña, seconded by Member Sims. Motion passed 5-0. Meeting adjourned: 5:12 p.m.

These meeting minutes have been approved by the Board of Directors on June 7, 2023.

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President, Mick Renneisen

6/20/2023

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Vice President, Valerie Peña

6/20/2023

