

**THE REDEVELOPMENT COMMISSION OF THE CITY OF BLOOMINGTON, INDIANA**

**met on Monday, January 22, 2023, at 5:00 p.m.**

**in the McCloskey Conference Room, 401 North Morton Street, Room 135, and**

**via Zoom: <https://catstv.net/m.php?q=13189>**

**I. ROLL CALL**

Commissioners Present: Randy Cassady, Deb Hutton, John West, and Deborah Myerson attended the meeting in person.

Commissioners Absent: Sue Sgambelluri

City Staff Present: Margie Rice, Corporation Counsel, City Legal; Larry Allen, City Attorney; Anna Killion-Hanson, Interim Director, HAND; Christina Finley, Financial Specialist, HAND; Cody Toothman, Program Manager, HAND; Barry Collins, Rehab Specialist, HAND; Colleen Newbill, Assistant City Attorney, City Legal; Heather Lacy, Assistant City Attorney, City Legal; Holly Warren, Assistant Director for the Arts, Economic and Sustainable Development (ESD); Roy Aten, Senior Project Manager, Engineering; Jessica McClellan, City Controller; Cheryl Gilliland, Director of Auditing and Financial Systems; City Controller's Office; Jane Kupersmith, Director, ESD

Others Present: Deb Kunce, J.S. Held; Dave Askins, B Square Beacon; Chris Ciolli, Weddle Bros.; Sam Dove; Geoff McKim

**II. READING OF THE MINUTES** – Deb Hutton moved to approve the December 18, 2023 minutes. Deborah Myerson seconded the motion. The motion passed unanimously.

**III. EXAMINATION OF CLAIM REGISTER** – John West moved to approve the claim registers for December 22, 2023 for \$930,779.66 and January 19, 2024 for \$1,720,617.36. Deb Hutton seconded the motion. The motion passed unanimously.

**IV. EXAMINATION OF PAYROLL REGISTERS** – Randy Cassady moved to approve the payroll register for December 15, 2023, for \$37,491.57. Deborah Myerson seconded the motion. The motion passed unanimously.

**V. REPORT OF OFFICERS AND COMMITTEES**

**A. Director's Report.** Anna Killion-Hanson was available to answer questions.

**B. Legal Report:** Colleen Newbill announced that she will be leaving the City at the end of the month. Newbill was available to answer questions.

**C. Treasurer's Report:** Jessica McClellan gave a brief summary of TIF revenue and expenses for 2023. McClellan was available to answer questions.

**D. Business Development Updates:** Jane Kupersmith was available to answer questions.

**E. Hopewell Update:** Deb Kunce briefly updated the commission on Hopewell activities. She said the demolition contractors have been completing due diligence work. We are currently working with the new administration to send notification to neighbors when the demolition does begin.

The final transfer for the IU Health property was completed.

**VI. NEW BUSINESS**

**A. Election of Officers:** Deb Hutton made a motion to move the election of officers to the February 5, 2024 meeting. John West seconded the motion. The motion passed unanimously.

- B. Approval of the HAND Director:** Larry Allen stated that Anna Killion-Hanson was appointed by Mayor Thomson to serve as the interim HAND Director. Allen said that local code requires the RDC to approve the appointment.

Deb Hutton moved to approve the appointment of Anna Killion-Hanson as the interim HAND Director. Deborah Myerson seconded the motion. The board unanimously approved.

- C. Resolution 24-01: Approval of the 2024 Meeting Schedule:** Randy Cassady moved to approve the 2024 RDC meeting Schedule. Deborah Myerson seconded the motion. The motion passed unanimously.

- D. Resolution 24-02: Approval of Maintenance of Property Owned by the Redevelopment Commission of the City of Bloomington:** Larry Allen stated that this is an annual resolution that approves funding for the maintenance of RDC-owned properties. Funding will come from the “444” account, which is a non-TIF fund where collected rent is deposited. Invoices for maintenance costs associated with the RDC property that are more than \$5,000 must be specifically approved by the RDC in advance of their expenditure. In the event that a utility bill exceeds \$2,500, Housing and Neighborhood Development staff will inform the RDC at its next scheduled meeting. The total amount of all maintenance and utility costs authorized by the resolution may not to exceed \$250,000.

Randy Cassady moved to approve Resolution 24-02. Deb Hutton seconded the motion. The motion passed unanimously.

- E. Resolution 24-03: Approval of Amended Project Review and Approval Form for the Fourth Street Parking Garage:** Larry Allen stated that the Fourth Street Parking Garage has been completed for several years. Allen said there was a design defect which caused leaking into the retail frontage space and now requires remediation from the original construction. Staff came to an agreement with CSO, the original architect. The agreement states that because a design omission is specifically causing the leaking, \$63,526.66 will be retained from their contract. This resolution is approving the project review form which reflects the money that was retained from the designer. Allen said a contract will come back to the RDC for approval.

Deb Hutton moved to approve Resolution 24-03. Deborah Myerson seconded the motion. The motion passed unanimously.

- F. Resolution 24-04: Approval of Second Addendum to Parking Agreement:** Larry Allen stated as part of the purchase of 216 S. College Avenue, the RDC assumed leases, including the leases for parking spaces within the College Square parking lot. Praxis Consulting had a lease for four (4) parking spaces in the common area of the lot. The RDC and Praxis entered into an addendum to the agreement which allowed Praxis to have access of six (6) parking spaces in the lot. Praxis is requesting access of nine (9) parking spaces in the lot from January 1, 2024, to December 31, 2026.

Allen answered questions from the commissioners.

Randy Cassady moved to approve Resolution 24-04. John West seconded the motion. The motion passed unanimously.

**G. Resolution 24-05: Approval of Restrictive Covenant for 617 N. Madison Street:** Colleen Newbill stated that this is a restrictive covenant prohibiting the installation of food services at the Tech Center. Municipal Code requires all new commercial construction sites located in an area zoned for food service establishments to install a grease interceptor. There aren't any grease interceptors currently planned to be a part of the construction. As a result, the City's Utilities Department is requiring that the RDC prohibit the use of a food service establishment by placing a restrictive covenant on the property.

Staff answered questions from the commissioners.

Deb Hutton moved to approve Resolution 24-05. John West seconded the motion. The motion passed unanimously.

**H. Resolution 24-07: Approval of Amendment to Agreement with Weber Group for Trades District Gateway Art:** Holly Warren gave a brief presentation on the art that will be installed. Warren explained that the art installation for the Trades District was chosen in 2019, however due to unexpected issues with the original planned location of the project work has not been completed. Due to the delay in construction of the project, the cost of materials has also increased by \$27,142. The amendment will extend the agreement to December 31, 2024, and increasing the funding of the project for a total amount of \$133,642.

The project review and approval form for this project was omitted from the packet. The project review and approval form is attached to the minutes and will outline the overall change to the 1% for the Arts.

Randy Cassady moved to approve Resolution 24-07. Deborah Myerson seconded the motion. The motion passed unanimously.

**I. Resolution 24-08: Approval to Increase Funding for an Emergency Home Repair Project at 1600 Willis Drive, Lot 6:** Barry Collins stated that this is a mobile home. HAND guidelines limit funding for mobile homes to a lifetime cap of \$10,000. HAND has received a contractor quote for the scope of work in the amount of \$15,628.00 plus a 10% contingency for a total fund amount of \$17,190.80. HAND staff requests an amount not to exceed \$18,000 to complete the emergency home repairs on the property.

Staff answered questions from the commissioners.

Deborah Myerson moved to approve Resolution 24-08. Deb Hutton seconded the motion. The motion passed unanimously.

**J. Resolution 24-09: Approval to Increase Funding for an Emergency Home Repair Project at 1600 Willis Drive, Lot 255:** Barry Collins stated that this is a mobile home. HAND has received a contractor quote for the scope of work in the amount of \$11,350 plus 10% contingency for a total funding amount of \$12,485. HAND staff requests an amount not to exceed \$13,000 to complete the emergency home repairs on the property.

Staff answered questions from the commissioners.

Randy Cassady moved to approve Resolution 24-09. Deborah Myerson seconded the motion. The motion passed unanimously.

**K. Resolution 24-10: Lease Modification for Early Termination – Kerr Law, P.C.**

**L. Resolution 24-11: Lease Modification for Early Termination – Indiana Team.**

**M. Resolution 24-12: Lease Modification for Early Termination – Bynum Fanyo Utilities.**

Larry Allen stated that as part of the purchase agreement for 320 West 8<sup>th</sup> (Showers West), the RDC assumed leases as part of the property. Resolutions 24-10, 24-11, 24-12, and 24-13 are for businesses that are willing to terminate their lease early, which will free up office space within the building. Allen said that the City does anticipate transforming the use of the building over time into some City use. City staff have negotiated an early lease modification that will terminate the lease on January 31, 2024.

John West stated that there isn't a timeline to reutilize the building and questioned why the City doesn't keep the leases in order to receive revenue as long as possible.

Larry Allen said there is still a viable option on the table to move forward with some renovations this year and these terminations are the result of negotiations that have been occurring over the course of several months. Margie Rice stated that from talking to the agent that's been helping the tenants, they are all ready to move on to a new facility and they're a little reluctant to sign new leases until their current one is terminated.

Deborah Myerson stated she would like to see a list of tenants, their lease terms, and the revenue generated from those leases. Margie Rice said she will have the requested information available to discuss at the next meeting.

Deb Hutton said one of the lease terminations has a buildout that will be written off. Hutton asked the amount of the buildout and wanted clarification on how each individual lease was negotiated. Margie Rice said she does not have the buildout amount but each lease is a little different and lease negotiations included moving costs, the remaining length of their lease, and the size of the space that will be vacated.

Randy Cassady asked if the cash for the early terminations would come from TIF funds. Larry Allen stated that funds would not come from the TIF account. The funds would come from the "444" account, which is where revenue is collected. Jessica McClellan said the balance in the "444" account is just under \$2M.

The consensus of the board is to move forward with approval of the lease terminations with the exception of GP Strategies because the amount of the buildout is unknown.

Deb Hutton moved to approve Resolution 24-10, 24-11, and 24-12 as written and with details in the minutes. John West seconded the motion. The motion passed unanimously.

**N. Resolution 24-13: Lease Modification for Early Termination – GP Strategies Corporation:**

Deb Hutton moved to postpone consideration of Resolution 24-13 until the next meeting. Deborah Myerson seconded the motion. The motion passed unanimously.

- O. Resolution 24-14: Approval of Project Review and Approval Form for Local Share Portion of Funding for B-Line Extension Construction.** Roy Aten stated that this project began in 2017 when the City executed an Indiana Department of Transportation-Local Public Agency Project coordination agreement. The agreement committed the City to pay a local share of the cost of the project.

INDOT successfully bid the project out and received four bids. Milestone Contractors was selected with a bid amount of \$3,086,223.70. The federal award amount is \$707,395, and the City's local share contribution will be \$2,378,828.70.

John West moved to approve Resolution 24-14. Randy Cassady seconded the motion. The motion passed unanimously.

**VII. BUSINESS/GENERAL DISCUSSION**

- XI. ADJOURNMENT** – Randy Cassady moved to adjourn. Deb Hutton seconded the motion. The meeting adjourned at 6:15 p.m.



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President



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Secretary

Date: 2-5-24