

**AGENDA**  
**REDEVELOPMENT COMMISSION**  
*McCloskey Conference Room*  
**October 21, 2019**  
**5:00 p.m.**

- I. ROLL CALL**
- II. READING OF THE MINUTES** –October 7, 2019 and Memorandum of Executive Session for October 7, 2019
- III. EXAMINATION OF CLAIMS** –October 18, 2019 for \$473,408.87
- IV. EXAMINATION OF PAYROLL REGISTERS**–September 27, 2019 for \$32,107.74 and October 11, 2019 for \$32,107.74
- V. REPORT OF OFFICERS AND COMMITTEES**
  - A. Director’s Report
  - B. Legal Report
  - C. Treasurer’s Report
  - D. Business Development Updates
- VI. NEW BUSINESS**
  - A. Resolution 19-94: Approval to Keep Parking Garage at Old Hospital Site
  - B. Resolution 19-95: Approval of Fourth Amendment to Hospital Site Purchase Agreement
- VII. BUSINESS/GENERAL DISCUSSION**
- IX. ADJOURNMENT**

*Auxiliary aids for people with disabilities are available upon request with adequate notice. Please call [812-349-3429](tel:812-349-3429) or e-mail [human.rights@bloomington.in.gov](mailto:human.rights@bloomington.in.gov).*

***THE REDEVELOPMENT COMMISSION OF THE CITY OF BLOOMINGTON, INDIANA MET on Monday, October 7, 2019, at 5:00 p.m. in the Showers City Hall, McCloskey Conference Room, 401 North Morton Street, with Don Griffin, presiding.***

**I. ROLL CALL**

Commissioners Present: Donald Griffin, Sue Sgambelluri, David Walter, and Eric Sandweiss

Commissioners Absent: Mary Alice Rickert and Sue Wanzer

Staff Present: Doris Sims, Director; Housing and Neighborhood Development (HAND); Christina Finley, Financial Specialist, HAND

Others Present: Jeff Underwood, Controller; Matt Smethurst, Project Manager, Planning & Transportation; Randy Cassady, Citizen; Roy Aten, Senior Project Manager, Planning & Transportation; Mick Renneisen, Deputy Mayor; Elizabeth Karon, Executive Assistant to the Mayor; Alex Crowley, Director, Economic & Sustainable Development

**II. READING OF THE MINUTES** – Sue Sgambelluri moved to approve the September 16, 2019, minutes. Eric Sandweiss seconded the motion. The board unanimously approved.

**III. EXAMINATION OF CLAIMS** – Eric Sandweiss moved to approve the claim register for September 20, 2019, for \$227,813.26 and October 4, 2019, for \$1,365,656.30. David Walter seconded the motion. The board unanimously approved.

**IV. EXAMINATION OF PAYROLL REGISTERS** – David Walter moved to approve the payroll register for September 13, 2019, for \$30,319.31. Sue Sgambelluri seconded the motion. The board unanimously approved.

**V. REPORT OF OFFICERS AND COMMITTEES**

**A. Director's Report.** Doris Sims informed the commissioners that the affordable housing committee is working on a request for information proposal to build affordable housing at 1730 South Walnut. The RDC purchased the property in conjunction with the Wee Willies property, which will be used for the Switchyard Park. The park is due to be completed before the end of the year.

**B. Legal Report.** Jeff Underwood stated the Redevelopment Commission met in executive session prior to this meeting and discussed strategy with respect to real property transactions. The meeting took place in the Legal conference room at 4:30 p.m.

**C. Treasurer's Report.** Jeff Underwood reported that we are close to selling the bonds for the Fourth Street and Trades District garages. The closing will be early November. Underwood said the bonds will be sold at a premium, which means people will pay more than the principal amount of the bond. The bonds will be sufficient to fund the construction of the two garages.

**D. Business Development Updates.** Alex Crowley stated this week is Mill Week at the Dimension Mill. Mill Week will end on Friday, October 11, with the all-day Flyover Podcast Festival.

Crowley stated that IU Health asked for recommendations regarding removal of the parking garage that is currently part of the hospital complex and the old hospital site (Kohr Administration building) on the corner of 1<sup>st</sup> and Rogers. Crowley stated the hospital reuse advisory executive group met earlier this afternoon. The group agreed with the staff

recommendation to retain the parking garage that is currently part of the hospital complex. The garage has 480 spots and will come with some maintenance costs. There is still a lot of information to gather on the Kohr Administration building therefore, staff is asking the RDC to request an extension on that building from IU Health. An extension will not be materially detrimental to the project plan.

Crowley stated in two weeks staff will bring formal updates to the project review and approval form to the RDC for approval. Underwood said the revised project review and approval form will include a letter that says we want to retain the garage and request an extension on the Kohr Administration building. After RDC approval, it will be sent to IU Health on behalf of the RDC with the two recommendations.

Crowley stated discussions with Browning are ongoing. Browning is an owner's representative firm that will help us through what will be a 10-15 year project to completely transform the area after demolition of the hospital. Crowley said part of the process of having an owner's representative involves kicking off and executing a master planning and community engagement process. The process will potentially take 9-12 months. The owner's representative firm will play an important role but will not solely be responsible. It has always been contemplated that the City and the RDC will be the contracting party to the firm.

Underwood said any contracts for an owner's representative firm or master planner will need to be approved by the RDC.

## **VI. NEW BUSINESS**

- A.** Resolution 19-81: Approval of Funding Agreement for City of Bloomington, Planning & Transportation. The approved funding amount is \$48,735 for the Adams-Kirkwood-Third Streets Pedestrian Improvement Project located along Adams St., Kirkwood Avenue, and Third Street.
- B.** Resolution 19-82: Approval of Funding Agreement for Middle Way House. The approved funding amount is \$20,000. Funds will be used to replace and upgrade the existing security and fire alarm system at The Rise located at 401 S Washington Street.
- C.** Resolution 19-83: Approval of Funding Agreement for Mother Huppard's Cupboard. The approved funding amount is \$83,392. Funds will be used to renovate the existing facility at 1100 West Allen Street to improve efficiency and storage capacity.
- D.** Resolution 19-84: Approval of Funding Agreement for Bloomington Housing Authority. The approved funding amount is \$200,000. Funds will be used to improve accessibility in properties owned by the Bloomington Housing Authority, Inc.
- E.** Resolution 19-85: Approval of Funding Agreement for LIFEDesigns for a basement rehab at 1826 S. Covey. The approved funding amount is \$38,392. Funds will be used to renovate the unfinished basement into a common area that may be used by all residents and guests in the group home.
- F.** Resolution 19-86: Approval of Funding Agreement for LIFEDesigns for Security Access Control System at 2446 South Henderson. The approved funding amount is \$12,400. Funds will be used for the installation of an access control, safety and security system at 2446 S. Henderson.

- G.** Resolution 19-87: Approval of Funding Agreement for Centerstone. The approved funding amount is \$45,000. Funds will be used to improve accessibility at Centerstone's transitional housing facility.
- H.** Resolution 19-88: Approval of Funding Agreement for Habitat for Humanity. The approved funding amount is \$78,649. Funds will be used to install infrastructure improvements on undeveloped property for an affordable housing project.

The above resolutions are for physical improvement funding agreements for funding out of the 2019 Community Development Block Grant.

Don Griffin asked for public comment. There were no comments from the public.

Sue Sgambelluri moved to approve Resolution 19-81, 19-82, 19-83, 19-84, 19-85, 19-86, 19-87, and 19-88. David Walter seconded the motion. The board unanimously approved.

- I.** Resolution 19-89: Approval of Change Order #2 for West 17<sup>th</sup> Street. Matt Smethurst stated change order #2 covers charges for additional tree removal and additional rock excavation. The change order resulted in an increase of \$122,354.20.

Sue Sgambelluri asked for comment on the impact of the change order to the overall project cost. Smethurst said the project was originally estimated at \$4,000,000 however, the total project cost is \$3,152,970.38, including change order #2.

Sandweiss asked if the additional tree removal could have been foreseen. Smethurst said the plan set was mislabeled as rights-of-way clearing.

David Walter asked when the project will be completed. Smethurst said even with the rock excavation and utility delays, he is hopeful the majority of the project will be completed by the end of the year.

Don Griffin asked for public comment. There were no comments from the public.

Sue Sgambelluri moved to approve Resolution 19-89. David Walter seconded the motion. The board unanimously approved.

- J.** Resolution 19-90: Approval of Change Order #6 for Tapp/Rockport Intersection. Smethurst said any quantity adjustment more than \$25,000, requires a change order. Staff determined change order #6 was necessary to account for contract adjustments deducting \$45,411.49 from the current contract amount.

Don Griffin asked for public comment. There were no comments from the public.

David Walter moved to approve Resolution 19-90. Eric Sandweiss seconded the motion. The board unanimously agreed.

- K.** Resolution 19-91: Project Review and Approval Form – B-Line Trail Extension. This project will improve safety and accessibility for pedestrian, bicycle, and motor vehicle traffic on the West Fountain Drive and North Crescent Road by:
- Constructing a 585 ft. extension of the B-Line Trail to West Fountain Drive;
  - Constructing a new 3,540 ft. multi-use path along West Fountain Drive and North Crescent Road; and
  - Realigning the intersection of West Fountain Drive and North Crescent Road.

Roy Aten said this project will connect the B-Line Trail up to the network along 17<sup>th</sup> Street which, will eventually connect to Ellettsville. Aten said rights-of-way and design will continue through 2020. Construction will begin in April of 2021 and be completed by the end of November 2021.

Eric Sandweiss asked for comment on the types of properties that will be effected by rights-of-way acquisition. Aten said two of the large parcels were already developed by developers. However, rights-of-way acquisition will be needed on the east side of Crescent, north side of Fountain, and north of the railroad.

Eric Sandweiss asked if property owners will be notified in the next phase. Aten said there has already been one public meeting and information has been sent out to property owners. The consultant will take care of rights-of-way notifications and negotiations in the next phase. Acquisition will mostly impact businesses with the exception of a few homeowners.

David Walter stated he lives in the neighborhood just south of the railroad tracks (6<sup>th</sup>/Ritter). Walter expressed his concern with the lack of sidewalks in his neighborhood. He said the neighborhood will have no sidewalks or connection to the B-Line Trail.

Doris Sims said she will work with Planning & Transportation on a possible Community Development Block Grant application for the design or construction of sidewalks in that neighborhood.

Sue Sgambelluri asked Jeff Underwood to confirm that \$1.42 million will come from the consolidated TIF, and we are not over extending. Underwood confirmed.

Sue Sgambelluri requested when you come back for the next approval stages of this project, could you please share at each point, just as a matter of routine, what you have done to interact with the neighborhoods.

Don Griffin asked for public comment. There were no comments from the public.

Sue Sgambelluri moved to approve Resolution 19-91. David Walter seconded the motion. The board unanimously approved.

- L. Resolution 19-92: Approval of Contract with Kings III for Elevator Services at College Square. Jeff Underwood stated as part of the purchase of 216 South College, existing utilities have been transferred to the RDC, including the elevator service with Kings III. Underwood said one of the items missed in the original agreement is an emergency phone line inside of the elevator. Staff negotiated an agreement with Kings III and an addendum to the agreement for the emergency phone line service for \$39.00 per month.

Don Griffin asked for public comment. There were no comments from the public.

Sue Sgambelluri moved to approve Resolution 19-92. David Walter seconded the motion. The board unanimously approved.

## **M. BUSINESS/GENERAL DISCUSSION**

## **N. ADJOURNMENT**

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Don Griffin, President

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Mary Alice Rickert, Secretary

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Date

**EXECUTIVE SESSION**

The Redevelopment Commission of the City of Bloomington, Indiana, met on Monday, October 7, 2019, at 4:30 p.m. in the Showers City Hall, Law Library, 401 North Morton Street.

Commissioners Present: Donald Griffin, Eric Sandweiss, Sue Sgambelluri, and David Walter.

Commissioners Absent: Mary Alice Rickert and Sue Wanzer.

Staff Present: Doris Sims, Director, Housing and Neighborhood Development (HAND); Jeffrey Underwood, Treasurer, Controller.

Others Present: Larry Allen, Assistant City Attorney, City Legal Department; and Alex Crowley, Director, Economic and Sustainable Development.

The Commission discussed information in accordance with **Ind. Code § 5-14-1.5-6.1(b)(2)(D)**: strategy regarding real property transactions by the governing body.

No other matters were discussed.

The meeting adjourned at 5:00 p.m.

\_\_\_\_\_  
Donald Griffin, President

\_\_\_\_\_  
Mary Alice Rickert, Secretary

\_\_\_\_\_  
Date

**19-94  
RESOLUTION  
OF THE  
REDEVELOPMENT COMMISSION  
OF THE  
CITY OF BLOOMINGTON, INDIANA**

**APPROVAL OF RECOMMENDATION TO KEEP THE PARKING GARAGE AT  
THE IU HEALTH HOSPITAL SITE AT 2<sup>ND</sup> AND ROGERS STREETS**

WHEREAS, in Resolution 18-31, the Redevelopment Commission of the City of Bloomington (“RDC”) approved an agreement to purchase the Old Hospital Site (“Purchase Agreement”); and

WHEREAS, in Resolution 19-44, the RDC approved the Third Amendment to the Purchase Agreement extending the due diligence period to decide whether to keep the parking garage and the Kohr Administration Building on the site through November 21, 2019; and

WHEREAS, IU Health Bloomington is still evaluating the Kohr Administration Building, and City Staff is recommending an extension of the due diligence of that building in Resolution 19-95; and

WHEREAS, Staff believes it is in the best interest in the redevelopment of the site to keep the current parking garage on the site;

NOW, THEREFORE, BE IT RESOLVED BY THE REDEVELOPMENT COMMISSION OF THE CITY OF BLOOMINGTON, INDIANA, THAT:

1. The RDC reaffirms its support of the Project and reiterates that it serves the public’s best interests.
2. The RDC approves the City’s recommendation to keep the parking garage on the Old Hospital Site.

BLOOMINGTON REDEVELOPMENT COMMISSION

\_\_\_\_\_  
Donald Griffin, President

ATTEST:

\_\_\_\_\_  
Mary Alice Rickert, Secretary

\_\_\_\_\_  
Date



City of Bloomington  
Redevelopment Commission  
**Amended** Project Review & Approval Form

**Please Note:**

- Approval of the project by the Redevelopment Commission through this Project Review & Approval Form does not represent an authorization to begin work or expend funds.
- Authorization of work and the commitment of funds shall be done when the Redevelopment Commission reviews and approves: (1) a Purchase Order or Contract prepared after complying with the appropriate procurement process for the type of item, service or construction being sought and (2) the estimated costs associated with the Purchase Order or Contract.
- No payment of funds shall be made without a duly authorized and approved Purchase Order or Contract. All claims for payment against a duly authorized Purchase Order or Contract shall be submitted to the Redevelopment Commission for their review and approval along with any required departmental inspections, reviews and approvals prior to the payment of any funds.

To Be Completed by Requesting Party:

**Project Name:** Purchase and Redevelopment of IU Health Bloomington Hospital Site at 2<sup>nd</sup> and Rogers (“Hospital Site”)

**Project Manager:** Mick Renneisen; Jeff Underwood; Philippa Guthrie

**Project Description:**

Project will involve purchase of the Hospital Site at 2<sup>nd</sup> and Rogers from IU Health at such point as IU Health has vacated, razed some or all buildings on the site, and cleaned the site to a development-ready condition, in accordance with a definitive purchase agreement to be executed between the City and IU Health. The site is located in the Consolidated TIF and the City will be seeking funding for the real property purchase and for activities that will support future redevelopment of the site. If it were not for this project, it is very likely the site would be abandoned and underutilized or not utilized at all for years, as has happened across the country with similar hospital relocations and closings. This project will allow the city to prepare the site for and encourage redevelopment and best use of a prime location in the heart of downtown, and adjacent to the new Switchyard Park

It is the Legal Department’s position that this project is a permissible use of Tax Increment under Indiana Code § 36-7-14-39(b)(3).

**Project Timeline:**

Start Date: January 2018

End Date: December 31, 2021

**Financial Information:**

Estimated full cost of project:	<b>\$6,764,865.63</b>
Sources of funds:	
Consolidated TIF	<b>\$6,764,865.63</b>

**Project Phases:** This breakdown should mirror the contract(s) expected to be issued for this project. Each phase should include a description of the work to be performed, the cost, and the timeline for the contract.

Step	Description	Estimated Cost	Timeline
1	Urban Land Institute Consulting Contract	\$135,000	Services to be Completed by July 2018
2	Appraisals	\$50,000	2018-2020
3	Project Agreement with IU Health	\$6,500,000	2021
4.	<b>Due Diligence with Environmental Assessment</b>	<b>Total: \$79,865.63</b> <b>Legal Fees: \$29,275.63</b> Engineering: \$11,800 Phase 1: \$15,200 Phase 2: \$23,590	<b>Nov.2018-Mar. 2019</b>

**TIF District:** Consolidated TIF (Walnut-Winslow, South Walnut, Tapp Road, Expanded Tapp Road, Fullerton Pike)

- Resolution History:**
- 18-13 Project Review and Approval Form
  - 18-17 Approval of Contract with Urban Land Institute
  - 18-31 Approval of Agreement with IU Health for Purchase of Old Hospital Site
  - 18-61 Approval of Funding for Phase 1 Environmental Assessment
  - 18-85 Approval of Funding for Due Diligence and Phase 2 Environmental Assessment
  - 19-28 Approval of Funding for Due Diligence and Legal Fees
  - 19-44 Approval of Third Amendment to Purchase Agreement
  - 19-94 Approval to Keep Parking Garage**
  - 19-95 Approval of Fourth Amendment to Purchase Agreement**

*To Be Completed by Redevelopment Commission Staff:*

Approved on \_\_\_\_\_

By Resolution \_\_\_\_\_ by a vote of \_\_\_\_\_

**19-95  
RESOLUTION  
OF THE  
REDEVELOPMENT COMMISSION  
OF THE  
CITY OF BLOOMINGTON, INDIANA**

**APPROVAL OF FOURTH AMENDMENT TO THE PURCHASE AGREEMENT  
BETWEEN THE CITY OF BLOOMINGTON AND IU HEALTH FOR  
PURCHASE OF THE IU HEALTH HOSPITAL SITE AT 2<sup>ND</sup> AND ROGERS  
STREETS**

WHEREAS, the Redevelopment Commission of the City of Bloomington (“RDC”) is authorized to fund redevelopment of areas within the Consolidated TIF, and

WHEREAS, in Resolution 18-10, the RDC approved a Project Review and Approval Form (“Form”) for a project to envision reuse of the Old Hospital Site (“Project”), an element of which Form authorized the City to negotiate terms of purchase for the Old Hospital Site; and

WHEREAS, in Resolution 18-31, the RDC approved an agreement to purchase the Old Hospital Site (“Purchase Agreement”); and

WHEREAS, in Resolution 19-44, the RDC approved the Third Amendment to the Purchase Agreement extending the due diligence period through November 21, 2019; and

WHEREAS, City staff believe it is in the best interest of the project to execute a fourth amendment, attached to this Resolution as Exhibit A, to the Purchase Agreement, which extends the deadline to decide whether we wanted to keep the Kohr Administration Building on the site; and

WHEREAS, the amended deadline was November 21, 2019, and that date is now extended up to and including July 1, 2020; and

WHEREAS, it is in the public interest that the Agreement be undertaken and performed;

NOW, THEREFORE, BE IT RESOLVED BY THE REDEVELOPMENT COMMISSION OF THE CITY OF BLOOMINGTON, INDIANA, THAT:

1. The RDC reaffirms its support of the Project and reiterates that it serves the public’s best interests.

2. The RDC approves the third addendum to the purchase agreement, extending the demolition notice period deadline from November 21, 2019, to July 1, 2020.
3. The RDC approves Donald Griffin to sign the amendment on its behalf.

BLOOMINGTON REDEVELOPMENT COMMISSION

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Donald Griffin, President

ATTEST:

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Mary Alice Rickert, Secretary

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Date

**FOURTH AMENDMENT TO  
AGREEMENT FOR PURCHASE AND SALE OF REAL ESTATE**

This FOURTH AMENDMENT TO AGREEMENT FOR PURCHASE AND SALE OF REAL ESTATE (this “**Amendment**”) is effective as of October \_\_\_\_, 2019 (the “Effective Date”), by and between INDIANA UNIVERSITY HEALTH BLOOMINGTON, INC., an Indiana nonprofit corporation d/b/a IU HEALTH (“**Seller**”), and THE CITY OF BLOOMINGTON, INDIANA, by and through the BLOOMINGTON REDEVELOPMENT COMMISSION (“**Buyer**”).

**RECITALS**

- A. Seller and Buyer entered into an Agreement for Purchase and Sale of Real Estate, dated May 21, 2018. The parties have agreed to and executed three amendments to the Agreement for Purchase and Sale of Real Estate: the First Amendment effective August 31, 2018; the Second Amendment effective October 31, 2018; and the Third Amendment effective May 20, 2019 (collectively the “**Agreement**”).
- B. Seller and Buyer desire to extend the Demolition Notice Period for the purpose of conducting and evaluating additional structural analyses of the Kohr Administration Building.
- C. Seller and Buyer now desire to amend the Agreement on the terms and conditions below.

**TERMS AND CONDITIONS**

NOW, THEREFORE, in consideration of the foregoing premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Seller and Buyer hereby agree that the above and foregoing Recitals are true, correct, and complete and are hereby incorporated and made a part of this Amendment as if completely and fully set forth herein. Wherever the term “Agreement” is used in the Agreement, such term shall mean the “Agreement, as amended by this Amendment.” Capitalized terms not defined herein shall have the meanings set forth in the Agreement.
2. In Section 2(b)(i) of the Agreement, “one (1) year after the Effective Date,” which was amended in the THIRD AMENDMENT TO AGREEMENT FOR PURCHASE AND SALE OF REAL ESTATE dated May 20, 2019 to “eighteen (18) months after the Effective Date,” is hereby replaced with “July 1, 2020”.
3. The Parties hereby ratify and confirm the Agreement, as modified by this Amendment. If there is a conflict between the terms of this Amendment and the terms of the Agreement or any prior Amendment, the terms of this Amendment shall govern. Capitalized terms used in this Amendment and not otherwise defined herein shall have the meanings ascribed to them in the Agreement.

4. This Amendment may be executed in counterparts or by use of counterpart signature pages, each of which may be delivered by electronic means, including without limitation by facsimile or by PDF file sent by electronic mail, with the same force and effect as an original.

[The rest of this page has been intentionally left blank.]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date.

BUYER:

**THE CITY OF BLOOMINGTON, INDIANA**

By: \_\_\_\_\_  
John Hamilton, Mayor

**THE CITY OF BLOOMINGTON, INDIANA,**  
by and through the Bloomington Redevelopment  
Commission

By: \_\_\_\_\_  
Donald Griffin, President

SELLER:

**INDIANA UNIVERSITY HEALTH  
BLOOMINGTON, INC., an Indiana nonprofit  
corporation**

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Title: \_\_\_\_\_