

## REDEVELOPMENT COMMISSION MEETING

July 18, 2012

The regular meeting of the City of Mishawaka Redevelopment Commission was called to order at 6:30 p.m., Wednesday, July 18, 2012, in Room 205, City Hall, 600 East Third Street, Mishawaka, Indiana. Commissioners Eberhart, O'Dell, Troiola, Ermeti, and Pingel were present. Commissioner Stillson was absent. In addition to members of the public, the following were also in attendance: Dave Thomas, Community Development Director; Ken Prince, City Planner; John Gourley, Legal Counsel; and Kari Myers, Administrative Planner.

Commissioner Ermeti moved to approve the minutes of June 18, 2012, as circulated. Commissioner O'Dell seconded; motion carried.

### **CENTER FOR HOSPICE DEVELOPMENT AGREEMENT**

Ken Prince discussed the Development Agreement between the City and Center for Hospice.

#### **History-**

- Introduction of those in attendance
- 3 years of working together
- In June of 2011, MOU approved
- Since that time Hospice acquired and demolished the Moose facility and a handful of other properties.

#### **Part of a larger Redevelopment effort of park and surrounding neighborhoods:**

- Project 1- Hospice Campus
- Project 2- Road and Infrastructure Project
  - a- Road Connection from Cedar Street to Central Park (City's responsibility)
  - b- Expand Parking for Central Park
  - c- Small Sewer Separation Project
  - d- Water improvements to Central Park
  - e- Storm Outlet To the River
- Project 3- Riverwalk extension from Central Park to Madison Street
  - a- Includes Access to the Fish Ladder for the DNR
  - b- Fish ladder improvements
  - c- Includes river edge improvements in Central Park- fixing erosion, installing ornamental fencing, creating an overlook, minor footbridge improvements, wall repair
- Project 4- Central Park Master Plan
  - a- Demo of pavilion/restroom in parking improvement project
  - b- Create a destination playground (similar to zoo in South Bend)
  - c- Play structure has been ordered and is sitting in crates at the Motor Pool
  - d- Concepts approved by Park Board

- e- Consultants are performing design development- to determine costs

**The Agreement-**

Mr. Prince said we are asking the Commission to approve the Development Agreement and authorize entering into additional related documents that allow for the implementation of the agreement.

- Key points in the Development Agreement-
  - a. Transfer of property- Exhibit E and F
  - b. Costs- Unforeseen Conditions, unsuitable soils

Property to be conveyed from the Commission to the Developer-

Parcel A-

0.26 Acres (11,325.6 square feet)  
 MOU established price @ \$1.65 per square foot= \$18,687.24

Parcel B-

0.10 Acres (4,356 square feet)  
 MOU established price @ \$1.65 per square foot= \$7,187.40

Parcel C-

1.19 Acres (51,836.40 square feet)  
 MOU established price @ \$1.65 per square foot= \$85,530.06

Parcel E-

0.50 Acres (21,780 square feet)  
 MOU established price @ \$1.65 per square foot= \$35,937.00

Parcel F-

0.35 Acres (15,246 square feet)  
 Development Agreement established total price  
 for parcels F, G, and J  
 Transfer to not-for-profit, subject to  
 Board of Public Works and Safety Approval= \$10.00

Parcel G-

0.14 Acres (6,098.4 square feet)  
 Development Agreement established price  
 Transfer to not-for-profit, subject to  
 Board of Public Works and Safety Approval= -

Parcel J-

0.15 Acres (6,534 square feet)  
 Development Agreement established price  
 Transfer to not-for-profit, subject to  
Board of Public Works and Safety Approval= -  
 Total purchase price Paid by Developer to Commission- \$147,351.70

Property to be conveyed to the Commission from the Developer-

Parcel K-

0.21 Acres (313.03 lineal feet of river frontage)-  
 MOU established price @ \$351.56 per lineal foot = \$110,048.83

Parcel K purchase price increased to compensate  
For Debris Removal as identified in Exhibit "G"= \$315,182.00

Total purchase price Paid by Commission to Developer- \$425,230.83  
(278,000+/-) from Commission to developer)

Park Board Involvement- mutual access rights- until the property can be swapped

Commitments and dates – roads to be available by end of June, 2013. Substantial completion enough for Hospice to occupy their buildings by that date.

Revisit the agreement if additional unforeseen conditions are encountered.

Brad Sechrist, Helman Sechrist Architecture and Chris Chockley, Wightman Petrie, both presented plans for the Center for Hospice buildings and campus. Material samples were also shown.

Commissioner O'Dell moved to approve Resolution 2012-06 Approving the Transfer of Real Property to the City of Mishawaka. Commissioner Ermeti seconded; motion carried.

Commissioner Troiola moved to authorize Redevelopment Commission officers to sign documents relating to purchase agreement. Commissioner O'Dell seconded; motion carried.

Commissioner Ermeti moved to approve the Development Agreement with The Foundation for the Center for Hospice & Palliative Care, Inc. Commissioner Troiola seconded; motion carried.

#### **CORRECTED SUBORDINATION AGREEMENT**

Mr. Thomas presented a corrected subordination agreement, previously approved. The bank made another error and this one should be correct.

#### **SOS UPDATE**

Mr. Thomas said of the site on Ardennes, the church had all new windows and doors donated to them and our issue is that it increases the scope of work thereby increasing our liability. He said he doesn't want the homeowners to have issues and then of course they call the City first. Mr. Thomas said we'll do our work before or after to totally separate ourselves from the additional work.

#### **FIRST TIME HOMEBUYER UPDATE**

Mr. Thomas and Laura Raygoza provided the Commissioner's with an update. Ms. Raygoza said due to some changes, the first time homebuyer program will be changed to a homebuyer program. She said it expands who they can market the program to. She said many more people can now apply for this program.

Mr. Thomas said they still have two people approved for the first time homebuyer program and hopefully can bring those applications before the Commission soon.

#### **NSP1 & NSP3 UPDATE**

Ms. Raygoza discussed changes in the NSP1 program. She said \$257,902.97 of NSP1 funds were de-obligated from the City, therefore forcing the adjustment of expenditure of NSP3 as five NSP1 projects were affected by this de-obligation. Three of those five are eligible for NSP3 as they fall within the targeted area. In order to continue with the three NSP1 projects and meet the program's regulations and requirements, the City has decided to modify the structure of the program. This will be accomplished by restructuring the program by building the homes and then marketing, rather than pre-selling prior to construction. This will make the program much more attractive to potential buyers and allowing the City to comply with the required deadline of expending 50% of funding by March, 2013.

**ANYTHING ELSE BROUGHT BEFORE THE COMMISSION**

Mr. Thomas said using NSP funds to purchase Squads is definitely out of the question. There may be other funds available.

**817 CHRISTYANN**

Mr. Thomas said the lease agreement with the tenant at 817 Christyann is coming due and has historically been signed yearly since 2008 with the hope that someday he'll be able to purchase the property. He said the tenant took over the property from his mother after she passed away. Mr. Thomas said the air conditioning has gone out at the house and needs repair and asked how the Commission wanted to move forward.

Commissioner Eberhart stated they'll have to sign the lease if they want to move forward and asked Mr. Thomas if income stats were required.

Mr. Prince said he thought they didn't qualify for a mortgage and really, the City doesn't want to be landlords.

Mr. Thomas said he just found out the lease is expiring and we don't want to be in a position of no lease on the property. And, is it necessary to go a full year on the lease.

Mr. Thomas said the City has a \$55,000 lien on the manufactured home and it's depreciating every year. He said we have good tenants who are paying rent and would hate not to extend the lease because we don't gain anything by not doing it.

Commissioner Eberhart asked if we've done a home walk thru. Mr. Thomas said no, but suggested we send them to GreenPath Financial to help them get on track. Mr. Gourley said we can do an addendum to the lease for them to do that.

Commissioner Ermeti moved to extend the lease on 817 Christyann for one year with an addendum requiring their attendance at GreenPath. Commissioner Troiola seconded; motion carried.

**Next Meeting**

The next regularly scheduled meeting will be held Monday, August 27, 2012.

The meeting was adjourned at 8:09 p.m.

Respectfully submitted:

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Kari Myers, Administrative Planner

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M. Gilbert Eberhart, President

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David Thomas, Community Development Director