

REDEVELOPMENT COMMISSION MEETING

September 24, 2012

The regular meeting of the city of Mishawaka Redevelopment Commission was called to order at 6:30 p.m., Monday, September 24, 2012, in Room 205, City Hall, 600 East Third Street, Mishawaka, Indiana. Commissioners Eberhart, Ermeti, and Pingel were present. Commissioners O'Dell, Troiola, and Stillson were 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; Kari Myers, Administrative Planner; and Joe Dits, South Bend Tribune.

Commissioner Ermeti moved to approve the minutes of August 27, 2012, as circulated. Commissioner Pingel seconded; motion carried.

Project Updates

Ken Prince said the Mishawaka River Center Apartments are on schedule with a tentative November 30 ribbon cutting. He said they experienced more unforeseen conditions and had to remove and replace basement canopies. The project is running about \$100,000 above the \$7.4 million estimate, but not unexpected.

Mr. Prince said the Hospice Project is remediating the ground and removing debris from the site. He said a meeting is scheduled for Wed to meet with DNR and Department of Interior to discuss change of property ownership, property swap, and that needs to be reviewed and finalized.

Mr. Prince said regarding Central Park upgrades, we have entered into a contract with Lehman and Lehman and DLZ for design drawings and cost estimating. He said that will determine when the project can be plugged in for construction.

Mr. Prince said a resident on Prospect Drive contacted the Mayor and asked to have a meeting regarding the plans for the Riverwalk beyond Indiana Avenue. He said there are no plans as of yet. The plans we do have show what is envisioned for Merrifield Park which is updating the park and making into a neighborhood park; not a regional park like what is planned for Central Park. Mr. Prince said federal funding will be requested. The Troyer Group has been contacted to study the ice rink and pool complex. Currently there is no main gated entry. The question is what can be accomplished; can we do a pavilion for Summerfest as opposed to renting one every year. Mr. Prince said it's currently in a preliminary concept phase.

Mr. Prince said the paving should be complete this week on First Street and then will move to Hill Street. 42 street lights have been ordered for along Lincolnway West. The new light poles will have banner arms and this will help the clean up of the corridor.

Commissioner Ermeti asked Mr. Prince if there was anything new to report on Bob Stephens building in Beutter Park. Mr. Prince said they have a tenant for the third floor, a financial business, and inquiries from a doctor for using some of the 2nd floor. He said it wasn't the restaurant they were hoping for, but the activity is good.

SOS Update

Mr. Thomas said all 2012 projects have been wrapped up and the final bit of work is complete on Somerset. We were also able to make a big impact at the house on Normandy.

Mr. Thomas said he met with the leadership of the SOS groups we have been working with and the program will change a bit going forward. The hope is to set the groups up to be a sub-grantee of ours. Mr. Thomas said we'll still work with Code Enforcement on the top 100 list and he said they were open to that idea. It's a feel-good project, but we have a great deal of time into it. The program will continue, but in a different manner.

First Time Homebuyer Program

Mr. Thomas presented a third applicant for the Commissioners' review. He said it's a family of 3; husband is employed by Meijer, wife at Dairy Queen as a manager. He said their household income is at 34.37 AMI, they fit the criteria and have been pre-approved thru Horizon. This home will be built at 519 W. 6th St. Commissioner Ermeti moved to approve the applicants as presented. Commissioner Pingel seconded; motion carried.

Mr. Thomas said the three builds should be ready to start in the next two weeks.

Mr. Thomas presented the standard form agreements with our First Time Home Builders. All homes will be 2-story, \$130,000 total build cost. The home build addresses are 2604 Milburn Boulevard, 126 W. 10th Street, and 519 W. 6th Street. Commissioner Ermeti moved to accept the agreements as presented. Commissioner Pingel seconded; motion carried.

Main Street Underpass Properties

Mr. Prince said there are approximately 75 properties that the City has purchased since 2004 for the Main Street Underpass project and we are at a point they can safely and cleanly be transferred to the Redevelopment Commission. He said there are 44 that can be considered residential prospects and that number refers to remnants, not necessarily buildable lots. Mr. Prince said he thought that 15-20 would be considered buildable. He also said 13 had commercial potential, and 9 unbuildable.

Mr. Thomas said this is more informational tonight. Mr. Prince said it makes sense to bring these parcels to the Redevelopment Commission and then break them down and analyze them. He said it may be premature to replat the properties until we know what the interest is.

Mr. Prince said the Redevelopment Commission is the perfect vehicle for the disposal of these parcels. The City has too many hoops to jump thru.

Anything Else Brought Before Commission

Mr. Thomas said the homeowner at 1315 E. Borley Avenue has a forgivable 2nd mortgage and has been approved for refinancing through another financial institution. He said the homeowner wants to cash out \$8,000 in funds for debt consolidation purposes.

The Commission asked the length of the forgivable mortgage. Mr. Thomas said 15 years and the 15 years doesn't restart if they refinance.

Commissioner Eberhart asked if the money he cashes out would go directly to the companies he wants to pay off. Commissioner Eberhart also said if the Commission approves it and the money doesn't go to pay off debts, then he must come back for reconsideration. Commissioner Ermeti moved to approve the subordination agreement from the property owner at 1315 E. Borley subject to the cash out monies be used to pay off credit card debt. Commissioner Pingel seconded; motion carried.

Mr. Thomas said we have continued the \$400,000 line of credit with Mutual Bank. This is used as gap financing during the home builds until we get our federal funding. Commissioner Pingel moved to approve. Commissioner Ermeti seconded; motion carried.

Mr. Thomas presented Resolution 2012-08 Salary Ordinance that was continued from last month's meeting. Commissioner Pingel moved to approve Resolution 2012-08. Commissioner Ermeti seconded; motion carried.

Mr. Thomas said we obtained two appraisals for the now vacant property at 646 Lincolnway and thought we would list the property to see if there is any interest. He said it appraised at \$27,000. He said there is an interested buyer who wants to build a spec home. He also said the neighbor to the east would like some property deeded to him to give him a larger entry to his property.

Mr. Prince said we have to go by the average of the appraisals and that's what it would be listed at. We can have prospective purchasers contact us and provide financial information, surety, and plans for the property. We typically do that for larger projects, but can also do here. He said the Redevelopment Commission has the authority to put conditions on whatever they want to see there.

Commissioner Ermeti asked about the Mishawaka River Center Apartments. She asked if they all have been leased. Mr. Prince said nothing has been rented yet and the Housing Authority has been maintaining a list.

Next Meeting

The next regularly scheduled meeting will be held Monday, October 22, 2012 at 6:30 p.m.

The meeting was adjourned at 7:17 p.m.

Respectfully submitted:

Kari Myers, Administrative Planner

M. Gilbert Eberhart, President

David Thomas, Community Development Director