

**June 25, 2019, Special Meeting Minutes
HOBART REDEVELOPMENT COMMISSION**

Vice-President Shawn Kelly called the June 25, 2019, special meeting of the Redevelopment Commission (RDC) to order at 8:30 a.m. The meeting was held in the City Council Chambers at City Hall. The Pledge of Allegiance was recited. Members present: Shawn Kelly, Matthew Claussen, Pam Broadaway, and Stuart Schultz. Members absent: Carla Houck and Marsha Plesac. Also present: Denarie Kane, Director of Development; Beth Jacobson, Assistant Director of Development; Anthony DeBonis, City Attorney; Deborah Longer, Clerk-Treasurer; Brian Snedecor, Mayor (*arrived during Staff Report*); and Dawn Hostetler, RDC Recording Secretary.

Under Approval of Agenda, a motion was made by Mr. Claussen to approve the agenda as presented; seconded by Ms. Broadaway. All ayes; motion carried. (3-0)

Regarding the Minutes of June 17, 2019, Regular Meeting, a motion was made by Mr. Claussen to approve the June 17, 2019, Regular Meeting minutes as presented; seconded by Ms. Broadaway. All ayes; motion carried. (3-0)

Under Old Business, the first item was Resolution 2017-01: A Resolution Approving an Interagency Agreement Between the Hobart Sanitary District and the Hobart Redevelopment Commission for the Repayment of RDC Funds Expended on Behalf of the District for the Downtown Sewer Improvement Project to RDC Fund 406. This item remains tabled.

Under New Business, Mr. Claussen made a motion to remove the Award of Contract – 61st Avenue Median Planting Improvements from the table; seconded by Ms. Broadaway. All ayes; motion carried. (3-0) Ms. Kane informed the Commission that a meeting was held on June 14th with the general contractor (G.E. Marshall), the subcontractor (T&J Landscaping), Mayor Snedecor, Brandon Towle of Butler Fairman & Seufert (BF&S), Parks Director Kelly Goodpaster, and herself to discuss the various landscaping issues along 61st Avenue. There were no attorneys present at this meeting at the request of the general contractor. Ms. Kane said that after several requests were made, the subcontractor agreed to replace the necessary plantings outside the median wall. The subcontractor was asked to address this issue and keep it separate from the issue regarding the plantings within the median wall. She said that Ms. Goodpaster agreed to have her staff remove the weeds from the areas outside the median wall the following Monday and Tuesday with the understanding that on Wednesday, the subcontractor would replace the plants outside the median wall that were identified as unacceptable at the time of final inspection last fall. Ms. Kane stated that this plant replacement work was completed outside the median wall. She noted that there was additional plant loss during the time between last fall's final inspection and now, and these plants have yet to be replaced through other means. She explained that the City did not require the subcontractor to replace the plants that died during the interim since they were living at the time of acceptance.

Regarding the plants inside the median wall, Ms. Kane said that the City requested a cash payment of \$35,000.00 from the subcontractor in exchange for the release of any future responsibility associated with anything within the median walls with the exception of the four trees that were being monitored since last fall. She said that photos of the trees were sent to BF&S' landscape architect for evaluation, after which he indicated that two of the four trees warranted replacement due to their poor condition. Ms. Kane stated that she and Mr. Towle met

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on site and confirmed their condition which was again photo documented. She said she awaits additional written explanation from BF&S as to why these two trees no longer meet the specifications so this information can be forwarded to both contractors along with the photos. Ms. Kane said that neither the general contractor nor the subcontractor have responded yet to the City's request for a cash payment. She said that INDOT has indicated that they are discussing the City's situation with their attorneys and in house professionals, but their position on the matter is still unknown. Ms. Kane stated that the 60 day window in which to make an award for the replacement plants to be installed inside the median in the fall will be expiring in just a few days. She suggested that the Commission make a decision as to whether to award the quote. Mr. Claussen asked if it is the recommendation of the Director of Development to award the contract to Hubinger Landscape. Ms. Kane replied that she recommends that the RDC make this award.

A motion was made by Mr. Claussen to award the contract for the 61st Avenue median planting improvements to Hubinger Landscape in the amount of \$90,193.00; seconded by Ms. Broadaway. All ayes; motion carried. (3-0)

The next item of business was the Amendment to 2020 Redevelopment Commission Budget (Fund 410). Ms. Kane called attention to the revised Fund 410 budget that was included in the Commission's meeting packet. She stated that the total amount is the same as the previously approved version, but there were a couple of changes within the line item amounts. The amount of the seven year lease payment for the fire truck (\$92,857) was moved from the *Contractual Agreements* line item to the *Equipment* line item. Additionally, there was a scrivener's error in the 100 series in which the placeholder amount was inadvertently placed under the wrong position. Ms. Kane stated that this amount is now shown under the correct position. She reminded the Commission that this is a placeholder amount, and the Mayor and City Council will determine the exact amount to be paid from RDC funds via the adoption of the salary ordinance for the position of Director of Development.

A motion was made by Ms. Broadaway to amend the 2020 Redevelopment Commission Budget (Fund 410); seconded by Mr. Claussen. All ayes; motion carried. (3-0)

Staff Report – Ms. Kane stated that the City is interested in creating a new TIF district. A summary of the economic development plan contents, a proposed boundary map, and a preliminary calendar of actions needed to accomplish the creation of this new TIF district were distributed to the RDC at the meeting. Ms. Kane called attention to an area on the proposed boundary map labeled Allocation Area #2. She explained that the three parcels on the north side of 69th Avenue are currently part of the 61st Avenue/SR 51 TIF district. However, the intent is to legally remove these three parcels from the current TIF district in which the most westerly parcel would then be placed in Allocation Area #1. The remaining two parcels would become a separate, smaller Allocation Area #2 in order to prepare for a potential project that may need a TIF based incentive. Ms. Kane stated that one of the motives for creating a new TIF district is to be able to collect tax increment from new development and potentially issue debt to provide funds for capital improvement projects in this area. Another reason for having this new TIF district in place is so that the City is better prepared to compete for the location of a Lake County Convention Center. Ms. Kane gave a verbal listing of some of the capital improvement projects

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that could potentially be undertaken during the 25 year life of this new TIF district which is being referred to as the US 30 & 69th Avenue Economic Development Area.

Ms. Kane reported that staff is currently working on a memorandum of understanding (MOU) with the Hobart Sanitary District (HSD) regarding the implementation of the economic development portion of the City's GIS strategic plan. She said that the redevelopment staff will be reviewing the consultant's scope of work before presenting the MOU to the RDC for action.

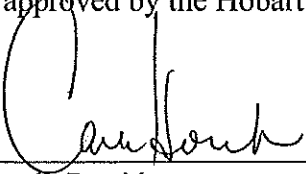
Ms. Kane stated that Ms. Jacobson is currently working on a request for proposals (RFP) to seek developers to residentially develop the 60 acre property owned by the City on the north side of 61st Avenue near Arizona Street. She said this will involve a partnership between the Board of Works and the RDC in order to advance this proposition, and more information will be forthcoming.

Ms. Kane stated that she will soon be working with the RDC's bond counsel and financial advisors in order to begin the process of issuing a 2019 lease rental bond which will provide the remaining funds needed for the 69th Avenue road improvement project and possibly other projects to be built within the 61st Avenue/SR 51 TIF district.

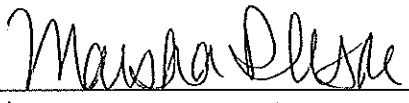
Adjournment - The meeting was adjourned at 8:53 a.m.

Minutes were prepared by Dawn Hostetler, Clerical Assistant to the Director of Development and Denarie Kane, Director of Development.

Minutes approved by the Hobart Redevelopment Commission on July 15, 2019.



Carla Houck, President



Attest: *MARSHA PLESAC, SECRETARY*