

**July 25, 2022, Special Meeting Minutes**  
**HOBART REDEVELOPMENT COMMISSION**

President Carla Houck called the July 25, 2022, special meeting of the Redevelopment Commission (RDC) to order at 8:31 a.m. The meeting was held in the City Council Chambers at City Hall, and also via Zoom with the public issued a dial-in number to allow listening and participation capabilities. The Pledge of Allegiance was recited. Members present: Carla Houck, Shawn Kelly, Marsha Plesac, Matthew Claussen, and Stuart Schultz. Members absent: Pam Broadaway. Also present: Beth Jacobson, Director of Development; Ryan Cook, RDC Attorney; Heather McCarthy, City Attorney; Brandon Towle, Butler Fairman & Seufert (BF&S); Brian Snedecor, Mayor; Phil Gralik, City Engineer (*arrived during Approval of Register of Claims*); 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. Plesac. All ayes; motion carried. (4-0)

Regarding the **Minutes of June 27, 2022, Regular Meeting**, a motion was made by Mr. Claussen to approve the June 27, 2022, Regular Meeting minutes as presented; seconded by Ms. Plesac. All ayes; motion carried. (4-0)

Regarding the **Treasurer's Report**, the June investment statements for Fund 4445 (*formerly 406*) and Fund 4450 (*formerly 410*), plus the most current fund & appropriation reports for Fund 4445, Fund 4450, Fund 4455 (*formerly 412*), and Fund 2527 (*formerly 250*) were distributed in the RDC meeting packet. There were no questions or comments.

There was no **Old Business**.

Under **New Business**, the first item was the **TRAX Project – Status Report**. Ms. Jacobson stated that neither Mr. Lorig nor Mr. Wolverton of American Structurepoint was able to attend today's meeting; however, Mr. Lorig provided a written project update to staff. She said the project is currently in design stage 3. She reminded the Commission that the City had previously been alerted that there would likely be a cost increase for this project. She called attention to the updated schedule and estimate breakdown, which reflects a substantial cost increase. She noted that the May update listed the local match as just over \$2 million, and the June estimate now shows it to be about \$3.5 million. Ms. Jacobson stated that there is a call with INDOT and Structurepoint scheduled for this Thursday to discuss some potential options and see if INDOT is able to secure additional funding to assist the municipalities that have received Local Trax grants. She recalled that at the last RDC meeting, Mr. Gralik had indicated that there may be some flexibility in the foundation design to bring the cost down if necessary. Ms. Houck asked if it is known what portion of the project is attributed to the majority of the increase. Ms. Jacobson stated that Structurepoint indicated that the construction costs were increased to reflect the current economy and bidding climate, but did not identify any specific cause. Mr. Claussen noted that the price of steel and asphalt have increased. He said there is a possibility that these costs could come down like the price of lumber did after a steep increase early in the pandemic. Ms. Houck asked Mr. Towle if the construction industry is currently experiencing the same employment issues as other industries. Mr. Towle indicated that the construction industry is so busy right now that some contractors are not even bidding some jobs because they do not have enough personnel. Ms. Jacobson said she will keep everyone updated as she learns more information.

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The next item of business was **Resolution No. 2022-09: Resolution of the City of Hobart Redevelopment Commission Authorizing the Reimbursement of the Board of Works from the 2020 Lease Rental Revenue Bonds for Certain Expenses Incurred for the Reconstruction of the Intersection at 61<sup>st</sup> Avenue and Marcella Boulevard.** Ms. Jacobson stated that this is a resolution for the RDC to reimburse the Board of Works from the 2020 bonds for expenses incurred related to the reconstruction of the 61<sup>st</sup> Avenue and Marcella Boulevard intersection. She reminded the Commission that this project had previously been identified as one that the RDC would help finance if there were any additional bond funds available after other priority projects were afforded. She said this project climbed the priority list when the 61<sup>st</sup> Avenue and Northwind Parkway intersection project was deferred due to issues caused by interference with the gas lines in the area. She stated that this resolution authorizes the RDC to reimburse the Board of Works for payments made related to the 61<sup>st</sup> Avenue and Marcella Boulevard intersection project.

Ms. Houck recalled that at a previous RDC meeting, several residents who live near Marcella Boulevard had voiced concerns about the proposed projects in that area. She asked if staff has received any further feedback and if any potential solutions have been explored. She noted that Ms. Plesac had proposed the extension of 60<sup>th</sup> Avenue as an alternative route for these residents to access their homes. Ms. Jacobson stated that she believes Mr. Gralik has discussed some options, but she will have to follow up with him since he is not present. Ms. Houck stressed the importance of taking residents' concerns into consideration when they are voiced. A motion was made by Mr. Claussen to approve Resolution No. 2022-09; seconded by Ms. Plesac. All ayes; motion carried. (4-0)

Regarding the **Approval of Pay Estimate #15 (G.E. Marshall) – 69<sup>th</sup> Avenue Improvement Project (A - Road)**, Mr. Towle stated that a walk-through of the project was completed last week, in which it was determined that there are minor concrete and asphalt repairs needed. He noted that much of the seeding was done during the summer in the heat; therefore, weeds have started to grow. He indicated that crews are in the process of eliminating the weeds by mowing and applying herbicide, then overseeding will be done in the fall. He said the project is 99.8% complete, but the contract will remain open until the remaining work is done. Mr. Towle stated that this pay estimate is for the final striping as well as the seeding that occurred on site. The retainage has been met, so the total amount of pay estimate #15 is \$112,768.58. A motion was made by Mr. Kelly Claussen to approve pay estimate #15 in the amount of \$112,768.58; seconded by Ms. Plesac. All ayes; motion carried. (4-0)

Ms. Houck commented that she recently noticed that the large berm along Mississippi Street near the entrance to Northwind Crossings is overgrown with tall grass and weeds. She noted that it had previously been maintained and beautifully landscaped, but now looks as though it has been intentionally neglected. She indicated that her understanding is that Becknell is responsible for maintaining the landscape at Northwind Crossings. Mr. Claussen asked if it is within the Town of Merrillville's right-of-way. Mayor Snedecor stated that he also made the same observation recently and noted that it is on the Hobart side of Mississippi Street. He said there is a patch of grass near the road that has been mowed, but the grass around the trees is overgrown. He said there needs to be some communication between Becknell and the City to understand what the intent is. He indicated that the fact that the landscape had previously been maintained, but is

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now overgrown suggests they are letting it go natural. Ms. Houck stated that it sends a message to the community, which already has concerns about the appearance of future industrial parks and the enforcement of the City’s design guidelines for these developments. Mayor Snedecor suggested that Ms. Jacobson contact Becknell to find out what their intentions are. Ms. Jacobson said she will go out to take a look at the site, then contact Becknell.

Ms. Jacobson reviewed the invoices on the **Register of Claims**. A motion was made by Ms. Plesac to approve the register of claims in the amount of \$100,853.97; seconded by Mr. Kelly. All ayes; motion carried. (4-0)

<u>Invoice Date</u>	<u>Invoice Number</u>	<u>Claimant</u>	<u>Amount</u>
7/6/2022	BTMA14630A	Baker Tilly	\$2,748.99
7/6/2022	BTMA14630B	Baker Tilly	\$2,798.99
7/6/2022	BTMA14630C	Baker Tilly	\$2,448.99
7/15/2022	RDC2022	City of Hobart	\$92,857.00
<b>Total:</b>			<b>\$100,853.97</b>

The next item of business was the **Acknowledgement of Pre-Paid Invoices**. Ms. Jacobson stated the prepaid register of claims includes one payment in the amount of \$25.00 to the Lake County Recorder for the recording of the minutes from the December 17, 2021 RDC meeting, in which the Commission rescinded the façade grants for 345 and 347 Main Street. She explained since the grant agreements are recorded, she wanted the documentation that these agreements have been rescinded to also be recorded to avoid any confusion in the future. A motion was made by Ms. Plesac to approve the prepaid register of claims in the amount of \$25.00; seconded by Mr. Kelly. All ayes; motion carried. (4-0)

Regarding the **Approval of 2020 Bond Register of Claims**, Requisition No. 34 includes a payment to BF&S (Invoice 96719) in the amount of \$3,072.90 for inspection services related to the 69<sup>th</sup> Avenue project, another payment to BF&S (Invoice 96864) in the amount of \$8,671.50 for engineering related to the Colorado Street widening which ties into the Local Trax project, and a payment to G.E. Marshall (Pay Estimate #15) in the amount of \$112,768.58 for construction costs related to the 69<sup>th</sup> Avenue project. A motion was made by Mr. Claussen to approve Requisition No. 34 in the amount of \$124,512.98; seconded by Ms. Plesac. All ayes; motion carried. (4-0)

The next item of business was the **Approval of Economic Development Revenue Bond, Series 2022 Register of Claims**. Ms. Jacobson stated that the 2022 Economic Development Revenue Bonds are also known as the Albanese bonds since the company purchased these bonds as a means to accomplish its expansion project. The City received about \$2.2 million in bond proceeds to accomplish the 82<sup>nd</sup> Avenue extension project. Attorney Cook has provided a legal opinion that an agreement for the RDC to reimburse the Board of Works for expenses related to the 82<sup>nd</sup> Avenue extension is not needed, and the Clerk-Treasurer or Mayor can directly request disbursement for these costs from the bonds since they are both Authorized Representatives.

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However, he advised that it would be appropriate for the RDC to approve the bond requisition request prior to submitting to the bond trustee for payment. Ms. Jacobson stated that Requisition No. 2 includes a payment to BF&S (Invoice 97025) in the amount of \$7,550.00 for right-of-way services and a payment to NIES Engineering (Invoice 22-522-00-2) in the amount of \$5,451.60 for preliminary engineering. This is the first disbursement requiring approval by the RDC since Requisition No. 1 was for FedEx expenses. A motion was made by Mr. Claussen to approve Requisition No. 2 in the amount of \$13,001.60; seconded by Ms. Plesac. All ayes; motion carried. (4-0)

**Staff Report** – Ms. Jacobson called attention to a receipt in the amount of \$33,168.50. She stated that this is for the reimbursement from the US 30 TIF fund to the 61<sup>st</sup> Avenue TIF fund that was approved at the June RDC meeting.

Ms. Hostetler pointed out that there is information in the RDC meeting packet regarding a pop-up art exhibit hosted by the IUN School of Arts inside the Southlake Mall. She invited the RDC members to attend if interested.

Ms. Jacobson reported that a reimbursement in the amount of \$162,802.30 was received from NIPSCO for the 69<sup>th</sup> Avenue utility burial. Mr. Towle explained that NIPSCO includes a 10% contingency in all their project estimates. He said he spoke with Chris Stalion of NIPSCO, who indicated that the reason for the reimbursement is due to the fact that this particular project went smoothly and therefore, came in under the contract amount.

Ms. Jacobson reminded the Commission that the Board of Works and the RDC previously entered into an agreement with a property owner near the 69<sup>th</sup> Avenue and Colorado Street roundabout for the reimbursement of landscape installation. She recalled that the RDC approved the submitted landscape plans on February 19, 2021, and the property owner was notified shortly after. She stated that the landscaping has not yet been installed, so she has drafted a letter requesting an update and inquiring if he still intends to complete the landscape work. She called attention to the draft letter, which was included in the RDC meeting packet, and requested feedback from the Commission before sending.

Ms. Houck commented on the 2021 Audit Report that was forwarded the Commission last week. She noted that no findings were published in regard to the RDC or Redevelopment Authority, which she attributes to Ms. Jacobson and Ms. Hostetler's efforts to ensure everything is in order.

Ms. Jacobson stated that staff will be meeting with Jake Dammarell of BF&S later this week to assess the feasibility of the proposed dumpster enclosure site behind JRT Tower (formerly Krull Tower), which is adjacent to the future Tavern of the Lake restaurant at 200 Main Street. She said she and Ms. Hostetler had previously met on site with the restaurant owner, Tommy Forbes, to take measurements and discuss sizing options. Mr. Forbes has indicated that he is able to accommodate a grease tank in his building, in which the grease will be pumped out through the basement. Ms. Jacobson stated that City Engineer Phil Gralik, Building Official Karen Hansen, and Fire Marshall Ron Reed have been notified of Mr. Forbes' plans, and have indicated they have no issues with this arrangement. She said this will eliminate the need for a grease dumpster within the proposed enclosure, which will reduce the size of the structure and help keep it as far

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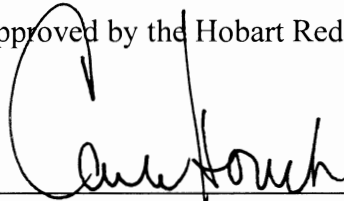
off the lakefront path as possible. Ms. Jacobson stated that the property manager for JRT Tower also met with staff on site and indicated that he and the owner are willing to work with the City to dedicate either property or an easement to allow the existing wooden enclosure to be replaced with a new brick enclosure that would accommodate both the restaurant's and apartments' dumpsters. She noted that the curb may need to be cut to allow access to the new enclosure. She said there will likely be a task order from BF&S for their assistance with this project that will be presented to the RDC for approval at the next meeting.

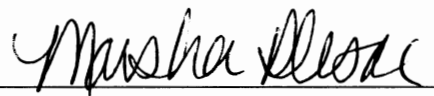
Mayor Snedecor noted that Mr. Gralik is now present to answer the Commission's questions regarding 60<sup>th</sup> Avenue. Ms. Houck asked Mr. Gralik if 60<sup>th</sup> Avenue has been explored as an access road for residents along 61<sup>st</sup> Avenue near Marcella Boulevard. Mr. Gralik stated that one of the options in the interchange justification study included extending 60<sup>th</sup> Avenue as a relief road parallel with 61<sup>st</sup> Avenue; however, this route was ruled out because of the flood plains of Turkey Creek. Ms. Houck recalled that Ms. Plesac had previously proposed the idea of extending 60<sup>th</sup> Avenue as an alternate access for the residents along 61<sup>st</sup> Avenue near Marcella Boulevard who expressed safety concerns entering and exiting their properties from 61<sup>st</sup> Avenue. She noted that 60<sup>th</sup> Avenue is an existing dead-end road. Mr. Gralik said he was unaware of this suggestion. He stated that this road could only be extended so far due to the proximity to the creek. Ms. Houck stated that the extension of this road would provide these residents with a safer option to access to their homes. She said she believes this would also send a positive message to them that the City has put some thought into finding a solution to their concerns. Mr. Gralik said he can look into that and see if it is a feasible option.

Adjournment - The meeting was adjourned at 8:58 a.m.

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

Minutes approved by the Hobart Redevelopment Commission on 8/15/22.

  
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Carla Houck, President

  
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Attest: *MARSHA PLESAC, SECRETARY*