

July 19, 2021, Regular Meeting Minutes
HOBART REDEVELOPMENT COMMISSION

President Carla Houck called the July 19, 2021, regular 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, 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 Pam Broadway (*arrived during New Business*). Members absent: Judy Dunlap. Also present: Beth Jacobson, Director of Development; Deborah Longer, Clerk-Treasurer (*via Zoom*); Phil Gralik, City Engineer; Greg Lorig, American Structurepoint (*via Zoom*); Brandon Towle, Butler Fairman & Seufert (BF&S); Brian Snedecor, Mayor; Heather McCarthy, City Attorney; Anthony DeBonis, RDC Attorney (*via Zoom*); and Dawn Hostetler, RDC Recording Secretary.

Under **Approval of Agenda**, a motion was made by Ms. Plesac to approve the agenda as presented; seconded by Mr. Kelly. All ayes; motion carried. (4-0)

Regarding the **Minutes of June 21, 2021, Regular Meeting**, a motion was made by Mr. Claussen to approve the June 21, 2021, 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 406 and Fund 410, plus the most current fund & appropriation reports for Fund 406, Fund 410, and Fund 250 were distributed in the RDC meeting packet. Ms. Longer stated that the State Board of Accounts (SBA) is currently conducting the City's 2020 audit, which is expected to be completed by the end of July. There were no questions or comments.

There was no **Old Business**.

Under **New Business**, the first item was the **TRAX Project – Status Report (American Structurepoint)**. Mr. Lorig stated that the geotechnical drilling field work has been done, and lab work was completed last week. He said that the geotechnical report is anticipated to be completed by August 2nd. He stated that American Structurepoint has been actively working on right-of-way engineering, and he expects the right-of-way plans to be finalized by early next week. Then, the appraisal development analysis will begin. Ms. Houck noted that there appears to be a long interval between now and the next phase of the project. Mr. Lorig stated that the next formal submittal to INDOT for stage 3 is March 18, 2022, which is typical with INDOT projects. He said that American Structurepoint will be working through environmental document approvals concurrently with the right-of-way appraisals during that time. Ms. Houck asked if the RDC can expect any updates between now and the next INDOT submittal in March. Mr. Lorig stated that he and Mr. Wolverton will continue to attend the RDC meetings to provide updates during that time period. Ms. Jacobson stated that the preliminary schedule and estimate breakdown was included in the RDC meeting packet. She said this revised summary sheet reflects the anticipated cost savings discussed at the June RDC meeting.

The next item of business was the **69th Avenue Improvement Project – Status Report (Brandon Towle)**. Mr. Towle stated that G.E. Marshall is expected to be on site to begin phase 2 work next Monday. He said crews will first start construction on the roundabout, which should

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not take long to complete if all the subcontractors can be lined up promptly. He reported that he and City staff received an email from the Regional Development Authority (RDA) stating that they have received the City's letter regarding the change to the MBE/WBE status. He said a letter from RDA Attorney David Hollenbeck is anticipated to be received sometime this week; however, the project is moving forward regardless.

Mr. Towle gave a brief update on the 3rd Street Streetscape project. He said there is meeting with INDOT scheduled for later this week to review the project close-out. He stated that there was an issue with the purchase order (PO) numbers, which INDOT is in the process of resolving. He indicated that several change orders are needed to close out this contract, but the most substantial one is for the reimbursement to the contractor for the time extension which covers the inflation and insurance costs. Mr. Towle stated that the contractor was on site last week working on the few remaining punch list items. He said the only item remaining is the stop sign at 4th and Center Street. Ms. Houck commended Parks Director Kelly Goodpaster and her staff for their outstanding job of maintaining the landscape and plantings throughout the City, particularly downtown.

Regarding the **Approval of Education & Workforce Training Grant Report (#2-2021) – School City of Hobart**, Ms. Hostetler stated that this is the second quarter report from SCOH for their 2021 grant (*Brickie Innovators*). They have indicated in this report that all items have been ordered and received; however, they are waiting for payments to be processed by the vendors and for proof of payment to be received before submitting reimbursement request documents. The Project Lead the Way (PLTW) biomedical supplies have been set up in the classrooms, and the maker supplies will be set up over the summer. All supplies are planned to be utilized during the 2021-22 school year. Ms. Houck noted that students were not able to make a presentation to the RDC as scheduled last year due to the pandemic. She said the Commission would enjoy watching the students demonstrate some of the projects they were able to accomplish with the grant funds. Ms. Hostetler offered to schedule a Zoom presentation once the programs are implemented next school year. Ms. Houck asked Ms. Hostetler if she thinks the fact that the utilization of these supplies has been delayed until the fall semester will impact 2022 grant requests. Ms. Hostetler reminded the Commission that the SCOH indicated in their application that all the supplies funded by this grant would be ordered in the first half of the 2021 calendar year with the goal of being utilized at the start of the 2021-22 school year. Therefore, the *Brickie Innovators* grant is still on schedule. She said she believes the schools will continue to have funding needs. A motion was made by Mr. Claussen to approve the Education & Workforce Training Grant Report (#2-2021) from SCOH; seconded by Ms. Broadway. All ayes; motion carried. (5-0)

The next item of business was the **Approval of Education & Workforce Training Grant Reports (#2-2021 Building Trades & Welding Technology) – Merrillville Community School Corporation**. Ms. Hostetler stated that these are the first quarter reports from MCSC for their 2021 grants (*Building Trades* and *Welding Technology*). She said the amount of information provided in the Building Trades grant report was deficient, so she requested a revised report with additional information. She stated that the building trades instructor indicated that he would

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provide a revised report, but it has not yet been received. She requested that the approval of the Building Trades grant report be tabled until the additional information is received. A motion was made by Mr. Claussen to table the Education & Workforce Training Grant Report (#2-2021 Building Trades) from MCSC; seconded by Mr. Kelly. All ayes; motion carried. (5-0)

In the Welding Technology grant report, the MCSC indicated that the welding machine and materials have been ordered and received; however, the welding machine did not come with an electrical plug due to various configuration options. The proper plug connection was ordered at the end of April, but has not yet been received. Therefore, the students were not able to use the equipment in during the 2020-21 school year, but they were able to see the individual components up close before installation. Additionally, the welding technology instructor is planning to convene a summer school class to give students an opportunity to utilize this equipment. The welding machine and materials will be used during the 2021-22 school year as well as future academic years. A motion was made by Ms. Broadway to approve the Education & Workforce Training Grant Report (#2-2021 Welding Technology) from MCSC; seconded by Ms. Plesac. All ayes; motion carried. (5-0)

Regarding the **Discussion on 3-Phase Electric – 69th Avenue Improvement Project (Phil Gralik)**, Mr. Gralik distributed a diagram showing the proposed routes for the 3-phase electric pole lines. He noted that the yellow lines depict the route proposed by NIPSCO, the blue lines depict the route proposed by the City, and the green line depicts the proposed compromise route. He pointed out that the yellow circle outlined in blue shows the location of NIPSCO's substation on Mississippi Street near the intersection of 69th Avenue, which is the source of power that NIPSCO intends to service not only Project MC, but ultimately future development at the southeast corner of 61st Avenue and Colorado Street as well. Mr. Gralik reminded the Commission that NIPSCO is proposing transmission lines similar to those along Mississippi Street to be installed along 69th Avenue turning north on Colorado Street. He pointed out that the red circle on the diagram depicts Project MC's future substation. He explained that Project MC's proposed phase two would require so much power that it would need its own substation, so transmission lines are needed to feed that substation.

The City's proposed route starts at the substation on Mississippi Street and continues north, then crosses the parcel just south of the railroad tracks and continues east along the railroad right-of-way. The proposed pole line would turn north at the Liverpool Road alignment where there is an existing utility easement, then head east at approximately the 67th Avenue alignment. Mr. Gralik explained that there is a proposed connection road in the City's Thoroughfare Plan between Northwind Parkway and Colorado Street near the alignment with 67th Avenue. The proposed route continues east, then turns north near the Arizona Street alignment to provide power to future development at the southeast quadrant of 61st Avenue and Colorado Street.

The proposed compromise route runs east along 69th Avenue and turns north at the Liverpool Road alignment between the Project MC property and the Meadows subdivision, then continues along the City's proposed route and ends at Colorado Street. Mr. Gralik stated that how power is

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fed to future development at the southeast quadrant of 61st Avenue and Colorado Street would be determined at a later date. He said the issue at hand is how to provide 3-phase electric to Project MC by the mid-November deadline. He reported that there is a meeting with NIPSCO tomorrow to discuss this, and he would like to get input from the Commission to present at that meeting.

Mr. Gralik said that after the RDC’s June 21st meeting, he sent an email to NIPSCO inquiring why the pole lines could not be installed along the City’s proposed route. He stated that he received a response indicating that it is simply easier for NIPSCO to install the lines along 69th Avenue. He said he does not understand why NIPSCO would not install the pole lines along the City’s proposed route if it can be done in time to meet Project MC’s phase two power needs. Mr. Claussen said it should be easy to hang the wires along Mississippi Street since the poles are already there. He said the only issue may be the accessibility of installing poles along the railroad right-of-way, but they are accustomed to doing this type of work. Mr. Gralik stated that this route is totally feasible. He said there are two wetland cells in the area, but NIPSCO has the resources to boom over them. He indicated that the poles can be set outside of the wetlands and the wires can be strung over them. Mr. Claussen said he hopes NIPSCO will agree to install the City’s proposed route. Mr. Gralik agreed, and said that he will advocate for this route in the meeting with NIPSCO if that is the consensus of the RDC. The Commission concurred with this proposed route. Ms. Houck thanked Mr. Gralik for the update and said the Commission looks forward to learning what happens at the meeting with NIPSCO.

Ms. Jacobson reviewed the invoices on the Register of Claims. There are three invoices from Baker Tilly, which include work related to the annual report, annual meeting, and the TIF estimates. Invoice 93137A from BF&S will be submitted to INDOT for 80% reimbursement once it is paid in full. Fund 410 will be reimbursed the total amount of Baker Tilly invoice BTMA10231 from Fund 412 once TIF revenue is available from the US 30 & 69th Avenue Economic Development Area. A motion was made by Ms. Plesac to approve the register of claims in the amount of \$23,783.40; seconded by Mr. Kelly. All ayes; motion carried. (5-0)

| <u>Invoice Date</u> | <u>Invoice Number</u> | <u>Claimant</u> | <u>Amount</u> |
|---------------------|-----------------------|-----------------|--------------------|
| 6/16/2021 | 93137A | BF&S | \$1,413.40 |
| 6/23/2021 | 93364 | BF&S | \$1,360.00 |
| 6/24/2021 | BTMA10229 | Baker Tilly | \$7,175.00 |
| 6/24/2021 | BTMA10230 | Baker Tilly | \$5,450.00 |
| 6/24/2021 | BTMA10231 | Baker Tilly | \$8,385.00 |
| Total: | | | \$23,783.40 |

Regarding the Approval of 2020 Bond Register of Claims, Requisition No. 22 includes one payment to BF&S (Invoice 93144) in the amount of \$12,772.29 for inspection related to the 69th Avenue project. A motion was made by Ms. Plesac to approve Requisition No. 22 in the amount of \$12,772.29; seconded by Mr. Kelly. All ayes; motion carried. (5-0)

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Staff Report – Ms. Jacobson recalled that at the last RDC meeting, Ms. Houck requested an update on the Northwest Indiana Forum’s (NWI Forum) Ignite the Region Strategic Plan that the Commission financially contributed to. She distributed a memo from the NWI Forum, which summarizes the use of those funds. The majority of the funds raised were used to engage TIP Strategies to develop a regional economic development plan for the seven counties in Northwest Indiana. Ms. Jacobson pointed out that on the backside of the memo is a “Save the Date” for the Ignite the Region Luncheon, which will be held on September 16th at Avalon Manor in Hobart.

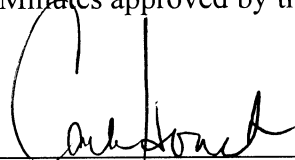
Ms. Hostetler reported that the Redevelopment Association of Indiana (RAI) will be hosting its annual site tour on July 29th in Caramel, Indiana, and invited the Commission to attend.

Ms. Jacobson called attention to information in the meeting packet related to the TIF funds received in June. She reported that \$1,457,242.51 was received into Fund 410 (61st Avenue/SR 51 TIF district), of which \$1,072,595.60 was transferred to meet debt service payments. She said that \$295,631.66 was received into Fund 406 (Downtown/SR 130 TIF district), of which \$114,500.00 was transferred to meet debt service obligations. She stated that the TIF funds that were anticipated for the US 30 & 69th Avenue TIF district were not received. She explained that there are some issues with the county’s information, which Baker Tilly is trying to work through and figure out why these funds were not received. Ms. Jacobson said the June distribution may end up being received with the December distribution, but Baker Tilly is trying to get these funds sooner. Mr. Claussen asked what the percentage of the maximum levy was actually received. Ms. Longer stated that typically 50% of the maximum levy is expected in the June distribution, and 46% was received this year. She said that historically about 96% of the maximum levy is received annually, but only 80% total was received last year. The total percentage will not be known until the December distribution is received. She stated that she is hoping to reach 95%, but she thinks it will likely be around 80-85%. She said her concern is that much less will be received in December since some banks pay the entire year in the June distribution. Ms. Houck asked Ms. Longer if she means that the banks are collecting both installments from the tax payer in June. Ms. Longer said she knows that some organizations do that. Ms. Jacobson said Baker Tilly estimated that the total 2021 distribution amount for the US 30 & 69th Avenue TIF district would be about \$42,460.00; therefore, approximately \$21,230.00 was expected to be received in June.

Adjournment - The meeting was adjourned at 9:06 a.m.

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

Minutes approved by the Hobart Redevelopment Commission on 8/16/2021.



Carla Houck, President



Attest: SHAWN KELLY, VICE-PRESIDENT