MINUTES OF A SPECIAL MEETING OF THE  
MICHIGAN CITY REDEVELOPMENT COMMISSION  
JANUARY 22, 2019

The Michigan City Redevelopment Commission met in a special meeting in the Common Council Chambers, City Hall Building, 100 East Michigan Boulevard, Michigan City, Indiana, on Tuesday, January 22, 2019, at 5:00 p.m. local time; the date, hour, and place duly established for the holding of said meeting.

CALL TO ORDER

President Babcock called the meeting to order at approximately 5:00 p.m.

ROLL CALL

Commissioners present:
Don Babcock, Pat Kowalski, Mayor Ron Meer, Charles Oberlie, John Sheets, and non-voting Commissioner Theresa Edwards

Commissioners absent:
None

Staff present:
Executive Director Craig Phillips, Attorney Alan Sirinek, Administrative Assistant Debbie Wilson

Staff absent:
None

AUTHORIZATION OF EXPENDITURE – ACQUISITION E. HIGHWAY 20 PROPERTY
Mr. Phillips referred to a drawing provided to Commissioners from the Beacon on-line GIS system showing two parcels identified in yellow – one being a vacant L-shaped parcel and one that wraps around it with a home on it. They are both owned by MT Lott Land Partners. Mr. Phillips explained that the Commission would like to acquire these parcels because they would like to connect Ameriplex Drive. The corridor plan for the south end of the city calls for better connections between roadways and it shows an east-west connection from Meijer Drive over to Cleveland Avenue, as well as connecting to Ameriplex Drive. He pointed out that the first 1,000 feet of Ameriplex Drive is currently under construction and terminates at the south end of the storage units; the intent is to continue the road and connect it with Meijer Drive to provide for better traffic circulation in that area as well as providing opportunities to redevelop some of those sites along the road. Mr. Phillips stated that the request tonight is for the
Commission to approve an expenditure of $176,354 to MT Lott Land Partners, LLC. He advised that the required appraisals of the property were done, and the purchase price came in well below the average of the two appraisals and below the lowest one.

Attorney Sirinek noted that the Commission has previously approved the purchase of the property and the agreement. Tonight, the Commission would be approving the expenditure.

Commissioner Babcock noted that the Commission would need to acquire one more piece of property to make the road connection.

The chair entertained a motion.

Motion by Commissioner Oberlie – seconded by Commissioner Meer approving an expenditure of $176,354 to MT Lott Land Partners, LLC for the purchase of parcel 46-05-09-126-009.000-009 E. U.S. Highway 20 and parcel 46-05-09-126-010.000-009 355 E. U.S. Highway 20. Voice vote was as follows: (Ayes) Don Babcock, Pat Kowalski, Mayor Ron Meer, Charles Oberlie, John Sheets – 5; (Nays) None – 0. With a vote of 5 ayes and 0 nays, the MOTION CARRIED.

BLUE CHIP CASINO PROJECT
Attorney Sirinek acknowledged Jim Dyer, Sr. Vice-President, Berglund Construction. Mr. Sirinek stated that this project has been talked about for some time and explained that during the initial discussions Boyd Gaming came to the Commission regarding their expansion to the Blue Chip Convention Center which was necessitated by demand. He explained that this is a public/private partnership with the Commission funding a portion of the $11-12 million renovation project. Blue Chip is ready to move forward with the Commission’s component of the project and they are requesting approval to put out the notice to bidders.

Mr. Dyer explained that he put together bid documents on behalf of Boyd Gaming for the bid packages. There are four bid packages which include the exterior finish material (the stucco and EIFS), the roofing, the asphalt, and the landscaping. Those four components are to equal the amount the Commission is funding. The bid packets were put together based on individual bids for each component. Boyd Gaming will be the construction manager and Berglund will be their agent and manage the construction. Mr. Dyer stated that there needs to be an advertisement for bids. Once advertised, the drawings will be sent over to Reprographic Arts, and bids received. There will be a pre-bid meeting on January 30, 2019 at 10:00 a.m. Bids are due on February 7, 2019.

Attorney Sirinek added that the bids are due in a public meeting on February 7, 2019. After review, Berglund will come back to the Commission on February 11th with a recommendation for the contractor. The Commission will ultimately approve the contractor.
Mr. Dyer said it is his understanding that the contracts will be with Michigan City. He requested approval, so the plans can go out and bids advertised.

Commissioner Babcock summarized stating that Blue Chip is making an $11.6 million investment with their project. The Commission originally agreed to fund $761,000 of the project but modifications were made, and the Commission ultimately authorized just under $1 million. He commented that Blue Chip has been a big positive for the North End and has provided significant tax increment financing dollars, so the Commission was able to do all the projects they have done in Downtown area. He pointed out that the Commission can fund certain things by legislation, so they will be able to support the investment in roofing, exterior finishes, asphalt, and landscaping. Because of the dollar amount involved it must go to a public bid rather than directly going to a provider.

Attorney Sirinek advised that the specific amount the Commission is funding is subject to competitive bidding. He said they are just guessing that those four projects will equal somewhere around $976,000, but that won't be known until the bids come in, so adjustments to the contract might be necessary.

Commissioner Babcock commented that new tax increment will be generated from the project, which over time will offset the Commission's investment to the project. The City will be made whole for its investment, not just from the tax increment but also from the additional employment and additional attractions to the community driving our economy.

Commissioner Meer asked if this still needs to come back to the Commission for possible modifications.

Attorney Sirinek replied that he provided the Commission with the final documents, so tonight the Commission is approving going forward with the notice to bidders. There will be a mandatory pre-bid meeting on January 30th, the bids will be received by February 7th and will be publicly opened, then the Commission will either approve the actual dollar amount and contractor or reject the bids at their February 11th meeting. The contract will be forthcoming down the line.

The chair entertained a motion.

*Motion by Commissioner Meer – seconded by Commissioner Kowalski approving advertisement of the notice to bidders for the four bid package components*

Mr. Phillips reviewed the notice to bidders that Mr. Dyer prepared. Modifications were made to some of the titles/language, so it would read properly.

*With a motion and second on the floor, voice vote was as follows approving the notice to bidders as modified: (Ayes) Don Babcock, Pat Kowalski, Mayor Ron*
Meer, Charles Oberlie, John Sheets – 5; (Nays) None – 0. With a vote of 5 ayes and 0 nays, the MOTION CARRIED.

Commissioner Babcock asked about the construction schedule.

Mr. Dyer replied that the project is currently under construction and he believes completion is scheduled for the end of July.

REPORT BY DIRECTOR
Mr. Phillips stated that he and Mr. Babcock received a request from the Main Street Association for permission to use Redevelopment property at the southwest corner of 7th/Franklin for a portion of the Ice Shelf Brewfest. Their intent is to have a stage for entertainment and have participants of the Brewfest do an art project on the wall of the building located at 709 Franklin, which will ultimately be demolished this spring. A mural will be created by participants launching water balloons filled with paint at the wall of the building. Mr. Phillips said he believes the President of the Commission has the right to grant the approval, but they wanted to make sure all the Commissioners were made aware of it. He noted that Main Street is going through the proper procedures with the City and are providing liability insurance with the Commission listed as an additional insured on the policy.

It was the consensus of the Commission to allow Main Street Association to use Redevelopment property at the southwest corner of 7th/Franklin for a portion of the Ice Shelf Brewfest and allow them to use the wall of the 709 Franklin Street building for creation of a mural.

PUBLIC COMMENTS
(None)

COMMISSIONER COMMENTS
Commissioner Kowalski asked what is in the works down the road for industry to bring the population back up in Michigan City year-round, not just during the summer months. He cited advantages of industry locating here including the space, the lakefront, being near Chicago, the proposed double track project, etc.

Commissioner Babcock stated that the City has invested in extending Cleveland Avenue for that very reason. The EDCMC board has been specifically working hard at that and it is the reason the risk was taken to build the commercial/industrial shell buildings on Cleveland Avenue, which is starting to see some success.

Mr. Kowalski asked if that is generating new jobs or just transferring of jobs.

Commissioner Babcock stated that the one project specifically was a transfer of jobs. Although, he said it is a good thing for the businesses to continue to invest in Michigan
City. He acknowledged that it is a lengthy effort to pull everything together to make it happen. He said up until three years ago Northwest Indiana wasn’t constructing any shell buildings but now they are starting to appear in other Indiana communities as well as in Michigan City. Mr. Babcock stated that shell buildings have been very successful in the Chicago area.

Commissioner Oberlie talked about TIF areas and the City being in the position to help with infrastructure in those areas. He specifically mentioned the East TIF where there is a lot of industrial land along Highway 212 which could provide for opportunities. He also pointed out that the City just annexed several hundred acres on the southeast side of Highway 20 near I-94 so the City would be in the position to help with infrastructure in that area as well if needed. The City can market those properties as being accessible to the interstate giving Michigan City the possibility of going after some of those jobs that want close access to the interstate for truck traffic.

Mr. Phillips mentioned previous Redevelopment projects that included partnering with the County on the upgrades made to County Road 400N and making upgrades to Cleveland Avenue. He stated that they are now focusing on the area around the Ameriplex property for additional opportunities. He pointed out that along the 212 corridor there have already been a few expansions which resulted in additional employees to those businesses. When those tax abatements roll off it will be coming to the City in the form of TIF. Mr. Phillips stated that it was identified that Michigan City did not have a lot of inventory of available stock of buildings and spaces to expand economic development opportunities, so it is necessary for the City to prepare the infrastructure necessary to make those things happen. He said there will be continued effort for the promotion of the East TIF and South TIF for that purpose. The East TIF is new and the first funds are expected in 2020. Mr. Phillips stated that it is also the intent to expand the TIF into the newly annexed area when it becomes effective next year.

Commissioner Babcock commented that marketing is one effort but just asking people to come to the community isn’t necessarily successful; you must have some place for them to go and have leadership prepared to help make that happen. He said it takes a broad-based team effort and a lot of hard work; he applauded everyone involved in that endeavor.

Mr. Phillips said another useful tool if a larger project was looking to locate in the South or East TIF is that there is the ability for that project to self-fund itself in terms of the TIF dollars generated from that project which helps incentivize that project. He gave an example of that being the GAF (Northeast TIF) project.

Commissioner Babcock also pointed out that there are Brownfields in Michigan City and the City just received a $600,000 EPA grant to allow Phase I and II Environmental Site Assessments.
Commissioner Meer added that another focus has been workforce development with job training in LaPorte County and working partnerships with the schools. He commented that there have been some expansions of existing manufacturing in Michigan City, even though some have shifted around. He said they also look at this as a regional effort in LaPorte County; pointing out that there are hundreds of manufacturing jobs available in Michigan City and LaPorte, although Mayor Meer pointed out that because of our history in Michigan City with so many manufacturing jobs having been located here, it has been difficult for people to adapt to traveling a bit of a distance to get to work. He gave an example of a successful city – St. John, Indiana which is thriving, and they cannot build enough good housing. He pointed out that 70-80% of their population does not work in St. John; they travel and commute, which is why the double track project is so important to us. Mayor Meer said people need to quit thinking Pullman Factory is going to come back to Michigan City, and even if something like that was to come here it would probably happen just outside of Michigan City if they needed enough land. He said we do want manufacturing jobs here; efforts are occurring, and the City is striving for them, but it is very competitive, and the workforce must be available. He said just because a manufacturing facility opens here with 500 jobs, it does not mean 500 people in Michigan City will work there; they will come from surrounding communities as well.

Commissioner Sheets said he agrees with Commissioner Meer but said people's mentality is that they see all this different construction going on here with restaurants, etc.

Commissioner Meer agreed that it is the mentality but said it is market driven. They would not be building mattress stores or tire stores unless they are profitable. He said we cannot tell these businesses to not invest their money into our community; they are building them, it is free enterprise, and free market. He said he does not think they would be building these things if they didn't think they were going to make money.

Commissioner Babcock commented that it used to be it was just as simple as getting an industrial park or getting manufacturing jobs, but now it has become more of a challenge in that people want quality of place. Now you must create a place that is interesting enough for young people or people with more wealth to want to come to the community and invest and bring their business with them or start their manufacturing place here. He said there needs to be a push for more entrepreneurism, talent, and more place making. Mr. Babcock said everyone wants some place that is fun to go and fun to be at as well as a safe place where they can make good money; but he said getting that balance is not easy to do. He applauded everyone involved in working toward this goal, but said it takes time.

**NEXT MEETING DATE**
The next regular meeting is scheduled for February 11, 2019.
ADJOURNMENT
The chair entertained a motion to adjourn.

Motion to adjourn by Commissioner Oberlie and unanimously approved. The chair declared the meeting adjourned at approximately 5:37 p.m.

John Sheets, Secretary