

**MINUTES OF A REGULAR MEETING OF THE
MICHIGAN CITY REDEVELOPMENT COMMISSION
JUNE 9, 2025**

The Michigan City Redevelopment Commission held their regular monthly meeting in the Common Council Chambers, City Hall, 100 E. Michigan Boulevard, Michigan City, Indiana, on Monday, June 9, 2025, at 5:00 p.m. local time; the date, hour, and place duly established for the holding of said meeting. The meeting was also available via Zoom and streaming live on the Access LaPorte County Facebook page. Access LaPorte County Media hosted Zoom.

CALL TO ORDER

President Sheila Brillson Matias called the meeting to order at approximately 5:10 p.m.

ROLL CALL

Commissioners present: Clarence Hulse, Philip Latchford, Sheila Brillson Matias, Tracie Tillman, Sheree Wilson, and non-voting adviser Thomas Dombkowski (all in person)

Commissioners absent: None

Also in attendance: Executive Director Skyler York, Attorney Alan Sirinek, and Business Manager Debbie Wilson (all in person)

MINUTES

The chair entertained a motion to accept the minutes of the 05/22/2025 executive session and the 05/22/2025 regular hybrid meeting.

A motion was made by Commissioner Tillman and seconded by Commissioner Wilson accepting the minutes of the 05/22/2025 executive session and the 05/22/2025 regular hybrid meeting as submitted. The chair called for the vote: (Ayes) Commissioners Hulse, Latchford, Matias, Tillman, Wilson – 5; (Nays) None – 0. With 5 in favor and 0 opposed, the MOTION CARRIED.

CLAIMS

Mr. York read the claims listed into the record for June 9, 2025, noting that payroll for May, 2025 totaled \$30,527.20. In summary, June claims totaled: (Operating) \$465.25; (North TIF) \$1,689,879.64; (South TIF) \$1,183,863.00; (East TIF) \$121,335.68; (2023 Mixed Use Transit Project Bond) \$734,735.08.

The chair entertained a motion to accept the claims.

A motion was made by Commissioner Wilson and seconded by Commissioner Latchford accepting the claims list for June 9, 2025, as presented. The chair called for the vote: (Ayes) Commissioners Hulse, Latchford, Matias, Tillman, Wilson – 5; (Nays) None – 0. With 5 in favor and 0 opposed, the MOTION CARRIED.

FINANCIAL REPORT

Mr. York reviewed the revised financial report dated 03/31/2025, noting that it was revised to include the first annual Transit Development District (TDD) payment received from the State of Indiana Comptroller. He summarized cash balances as follows: Operating Account \$340,147.95; South Side TIF Account \$8,479,457.38; South Side TIF Debt Reserve Account \$336,308.50; South Side TIF Capital Account \$16,199.79; North End TIF Account \$2,791,169.49; East TIF Account \$681,079.03; Northeast TIF Account \$1,232,218.36; Transit Development District \$240,562.00, for total cash of \$14,117,142.50. Loans Receivable include the County Business Loan Fund in the amount of \$94,829.59, bringing total assets to \$14,211,972.09.

The chair entertained a motion to accept the financial report.

A motion was made by Commissioner Latchford and seconded by Commissioner Hulse accepting the revised financial report ended 03/31/2025 as presented. The chair called for the vote: (Ayes) Commissioners Hulse, Latchford, Matias, Tillman, Wilson – 5; (Nays) None – 0. With 5 in favor and 0 opposed, the MOTION CARRIED.

Mr. York reviewed the financial report dated 04/30/25. He summarized cash balances as follows: Operating Account \$307,379.33; South Side TIF Account \$8,473,291.85; South Side TIF Debt Reserve Account \$336,308.50; South Side TIF Capital Account \$16,199.79; North End TIF Account \$2,583,350.26; East TIF Account \$663,162.46; Northeast TIF Account \$1,214,975.33; Transit Development District \$240,864.71, for total cash of \$13,835,532.23. Loans Receivable include the County Business Loan Fund in the amount of \$94,829.59, bringing total assets to \$13,930,361.82.

The chair entertained a motion to accept the financial report.

A motion was made by Commissioner Wilson and seconded by Commissioner Latchford accepting the financial report ended 04/30/2025 as presented. The chair called for the vote: (Ayes) Commissioners Hulse, Latchford, Matias, Tillman, Wilson – 5; (Nays) None – 0. With 5 in favor and 0 opposed, the MOTION CARRIED.

PUBLIC COMMENTS

Scott Meland (in person), 200 Kenwood Place, Michigan City, Indiana, inquired into the two sets of financials, asking if one was for April and one for May.

Commissioner Matias responded that the first one was March 31st and the other one was April 30th.

Mr. York further clarified that the March 31st financial report was previously approved by the Commission, but at that time it did not reflect the TDD because it is a new account. The revised report is to correct the record to show that payment was received in March.

Mr. Meland made note of the \$8.479 in the South TIF account. He talked about there being a lot of transient travelers being concentrated at 400/Franklin and 421/Franklin (the gas stations, hotels, restaurants). He said some of that TIF money should be used for sidewalks in that area and he questioned where that is in the priority list. Mr. Meland talked about the SoLa deadlines at the end of this month, questioning if there will be a project. Mr. Meland commented that the 11th Street project looks good and he is looking forward to the grand opening of the station. He asked if the entrance will be on 10th Street.

Mr. York replied that it will be the entrance to park.

Mr. Meland asked if you can enter on foot from 11th Street.

Mr. York replied affirmatively. He stated that there will be three entrances. Traffic entrance will be on each end the block (an entrance on Pine Street and an entrance on 10th Street). 10th Street will remain closed for staging right now.

Mr. Meland commented that the fence on Meijer Drive is separated at the top and still needs repairs. He recalled a suggestion made at a previous meeting about reflectors or reflective tape on the posts of the fence, stating it is a simple solution and would be great to see.

Tommy Kulavik (in person) 1316 Ohio Street, Michigan City, Indiana, spoke about the riverfront liquor licenses commenting that he believes the Ritz Klub bought the liquor license from Hammer's, so he suggested the Redevelopment Commission revoke the riverfront liquor license issued to them. He spoke regarding sidewalks, commenting that sidewalks were never put in on Pahs Road.

Sharon Burdett (via Zoom) stated she resides in the Tryon Farm development. She inquired into planning for sidewalks and traffic flow as a result of the Tryon Meadow development. She stated that the plans allude to a substantial number of new homes and people that will need to travel along Tryon Road. She said it seems like it would

cause a significant traffic increase and a risk to pedestrians since there are no sidewalks on Tryon Road. She asked what the plan is to manage this issue.

Mr. York responded, stating that the City Engineer has already conducted the traffic counts and calculations and has determined that there would not be a significant impact from this development. The development will have plenty of circulation with interior roads and sidewalks. Tryon Road was built to a higher standard than most roads in Michigan City and was built to carry more traffic than it is carrying today. Mr. York stated that if Ms. Burdett had any further questions about the road she should reach out to the City Engineer. Regarding sidewalks, Mr. York stated that there is extra right-of-way on Tryon Road, and he agreed that there is a need for sidewalks there. He stated that it is a matter of demand for the sidewalks, and that this project could demand the sidewalks there.

REQUEST BY MC POLICE DEPT TO UTILIZE REDEVELOPMENT OWNED LOTS

Mr. York addressed this request, explaining that Police Chief Marty Corley has requested the use of the lots at 7th/Franklin for the National Night Out Event on 8/5/2025 from 5:00-8:00 p.m. Mr. York said they have utilized the lots for this event in prior years.

The chair entertained a motion.

A motion was made by Commissioner Tillman and seconded by Commissioner Wilson approving the request by the Michigan City Police Department to utilize the lots at 7th/Franklin for the National Night Out Event on August 5, 2025 from 5:00-8:00 p.m., subject to approval by the Board of Public Works & Safety for the closure and use of the street. The chair called for the vote: (Ayes) Commissioners Hulse, Latchford, Matias, Tillman, Wilson – 5; (Nays) None – 0. With 5 in favor and 0 opposed, the MOTION CARRIED.

ANNUAL TIF PASS THROUGH LETTERS

Jason Semler (via Zoom - audio) with Baker Tilly explained that this is an annual requirement of the Redevelopment Commission to make a determination as to whether they have any excess assessed value that is not needed to capture the tax increment from that assessed value to help fund the projects/incentives that the Commission uses throughout the year. If the Commission decides that they do not need everything that is anticipated to be collected next year, they have the ability to pass through some of that assessed value to the overlapping taxing units. He said this is a decision the Commission makes every year by June 15th.

To confirm, Commissioner Matias stated that the Commission is informing the various taxing units that there is no excess assessed value to be allocated to the overlapping taxing units.

Mr. Semler confirmed that it was correct, stating that whatever the Commission decides tonight will be sent to the overlapping taxing units and the county auditor.

Commissioner Matias commented that the notice will be sent to the County Auditor, LaPorte County Council, Michigan City Common Council, Michigan City Library Board, Michigan Township Board, Coolspring Township Board, Michigan City Area School Board, Michigan City Sanitary District Board, and the LaPorte County Solid Waste District Board.

The chair entertained a motion.

A motion was made by Commissioner Tillman and seconded by Commissioner Latchford approving and authorizing staff to send the annual TIF pass through letters to overlapping taxing units determining that there is no excess assessed value to be allocated to the overlapping taxing units for 2025 taxes payable 2026. The chair called for the vote: (Ayes) Commissioners Hulse, Latchford, Matias, Tillman, Wilson – 5; (Nays) None – 0. With 5 in favor and 0 opposed, the MOTION CARRIED.

RESOLUTION 4-25

Mr. York acknowledged that the developer (John Kavchak) of Tryon Meadow was present in person. Mr. York gave a brief history about the project, stating that they have been working on this project for about a year. He outlined the steps taken that started with a piece of land that Mr. Kavchak purchased. It has gone through the Plan Commission for a rezoning process, establishing two zoning classifications to allow for two smaller apartment complexes, townhomes, and single-family units; and the land has been subdivided. The Redevelopment Commission passed a Declaratory Resolution for a Housing TIF at that location, which was also passed by the Common Council along with a Bond Ordinance. Mr. York mentioned the many hours spent working with various departments, utility districts, sanitary, stormwater, City Engineer, etc. on this project. Mr. York stated that this Confirmatory Resolution before the Redevelopment Commission tonight is the last step in the process.

Mr. Kavchak (in person) addressed the Commission, agreeing with Mr. York that this has been a coordination effort. He stated it has been a pleasure to work along side the City, from the department heads to the Redevelopment Commission to the admins to the engineer with so many moving pieces to it. He said everyone together has brought a level of focus to this mixed use development, which is a unique situation, and in record time a complex project was approved. Mr. Kavchak stated that they have already built 350 of these townhomes in Michigan and they are building them in LaPorte as well. Every six months he said they do a review to see how they can make their materials more quality, how they can optimize the spacing, etc. They have access to over 300 different trades just for one building. He acknowledged the coordination from the planning process

to the building process to the site engineering process. He said they are focused on this project and it is top priority. He said they are excited and ready to start the site work at the end of this summer and get the sewer and water in. Mr. Kavchak provided Commissioners with new sketches of their building design which have been upgraded to include higher efficiency windows and higher quality siding. He thanked everyone, stating he appreciates all the partnerships.

Commissioner Matias asked Mr. Kavchak if there will be fiber buried on the site so that area of the city gets access to the broadband.

Mr. Kavchak replied affirmatively, stating that it is his understanding that Surf Internet does have the capability to be there; that is who they are using in LaPorte and they intend to use them in Michigan City too.

Mr. York continued, stating that Mr. Kavchak is scheduled to go through a development review with the various departments on July 8th, and tentatively break ground in August. Mr. York explained that they have already gone through development review with this project, but because this is such a large project they need to do a lot of things up front. He said the land there is farmland and has certain lulls in it, ups and downs, and certain geographic things with it. He acknowledged that Mr. Kavchak has done an excellent job of planning with the land rather than going in and scraping it clean to re-elevate the land, noting that people thought highly of that.

Mr. Kavchak added that they spent a lot of time on building a community and having different product types to make sure that the site does not look like a grid. From the nature of the roads, the landscaping plan, and the variety of product types on the site, Mr. Kavchak said it will be like a small town within the city. He said they are excited about the community building aspect to cater to a wide variety of households.

Mr. York acknowledged Randy Rompola of Barnes & Thornburg being available via Zoom – audio/video.

Mr. Rompola explained that this resolution is the pledge resolution and it contemplates pledging the TIF revenues from the three Allocation Areas previously declared. It provides for the pledge of the TIF from each of the Allocation Areas. The intent is that there will be a series of bonds issued with each Allocation Area as each phase of the project is completed. The taxes being paid on the properties become tax increment and would then pay the debt service on the bonds. In summary, Mr. Rompola explained that with this resolution the Commission is pledging the TIF revenues to the payment of the debt service. He added that it is consistent with the actions taken previously by the Common Council to adopt the Bond Ordinance authorizing the issuance of the bonds in three series. The Redevelopment Commission is agreeing to pay the debt service from the TIF revenues that will be generated from each phase of the project.

The chair entertained a motion.

A motion was made by Commissioner Latchford and seconded by Commissioner Wilson approving RESOLUTION 4-25 OF THE MICHIGAN CITY REDEVELOPMENT COMMISSION PLEDGING CERTAIN TAX INCREMENT REVENUES FROM THE TRYON MEADOW ALLOCATION AREAS TO THE PAYMENT OF CERTAIN TAXABLE ECONOMIC DEVELOPMENT TAX INCREMENT REVENUE BONDS OF THE CITY OF MICHIGAN CITY, INDIANA. The chair called for the vote: (Ayes) Commissioners Hulse, Latchford, Matias, Tillman, Wilson – 5; (Nays) None – 0. With 5 in favor and 0 opposed, the MOTION CARRIED.

PUBLIC HEARING AND RESOLUTION 5-25

Mr. Rompola summarized, stating that this is the final step from actions previously taken. The Redevelopment Commission adopted the Declaratory Resolution to declare a new Economic Development Area that included three Allocation Areas, which was approved by the Plan Commission and Common Council. The final steps in the process are to hold this public hearing and approval of the resolution. Mr. Rompola acknowledged that the notice was published as well as the notice provided to the overlapping taxing units along with the Tax Impact Statement which was prepared by Baker Tilly. Adoption of the Confirming Resolution will complete the process; the area will have been declared and confirmed and the three Allocation Areas established. All that needs to be done is the construction which was alluded to earlier.

President Matias opened the public hearing regarding Resolution 5-25.

Scott Meland (in person) 200 Kenwood Place, Michigan City, Indiana, commented that he supports this project and he likes the mixed housing types and styles. He has heard concerns from others in the community about what they are getting out of this as a citizen of Michigan City, and why the City is facilitating a \$10 million infrastructure project.

Tommy Kulavik (in person) 1316 Ohio Street, Michigan City, Indiana, commented on a couple of benefits, one of which is adding to the local property tax. He said he likes the prospect of having families there and he encouraged them to enroll their students in the Michigan City Area Schools. He noted the continuous decline in enrollment over the last 20 years.

There were no other comments; President Matias closed the public portion of the hearing.

Commissioner Matias gave her perspective on the public benefit to address Mr. Meland's concern, stating that Michigan City has not had residential development in a long time. She said we are at an exciting turning point for our community; we are seeing people come here with families, with their businesses, and young people who want to develop businesses here. It is an investment in our future. The cycle of growth is happening here

and she said it is a way for the community to welcome them and encourage further investment. It invigorates our community with new energy and new families.

Commissioner Hulse commented that it has been over 50 years since there has been a development in Michigan City. Michigan City has lost over 10,000 people since 1960. He said in that regard Michigan City needs new people and to keep our residents here. He said when it is time to move up they move out because we do not have a new product. A way to keep your resident's home is to have new offerings. Commissioner Hulse stated that our industry is also suffering; they cannot find enough people. He attested that when they bring in managers, they do not live here; they are making their money here, but they are living in adjacent counties. He said it would be nice if they made their money here and stayed here. Commissioner Hulse stated it is necessary to have alternatives, whether it be condominiums, high-end, middle market, or workforce housing. This project serves the middle market with rentals, townhomes, and single-family homes; middle class is much needed in Michigan City. Commissioner Hulse said this is all part of trying to grow a community. People complain that there is nothing to do in Michigan City, but Commissioner Hulse said we need money to buy those things and invest in those things. He said it is a long way to get there, but it is part of the process.

Commissioner Latchford noted that we have excess capacity in both sewer and water. More residents and new residents help us sell that excess capacity and that helps all residents throughout the city.

Commissioner Matias commented that we send a lot of our young people off to get well educated in universities and get job experience in Chicago. She said we want them to come back home. Commissioner Matias stated this is a great place to live, work, and raise a family. If there is not sufficient housing through all markets we lose our edge.

The chair entertained a motion.

A motion was made by Commissioner Hulse and seconded by Commissioner Tillman approving RESOLUTION 5-25 OF THE MICHIGAN CITY REDEVELOPMENT COMMISSION CONFIRMING DECLARATORY RESOLUTION NO. 2-25 ADOPTED ON APRIL 14, 2025, ENTITLED "A RESOLUTION OF THE MICHIGAN CITY REDEVELOPMENT COMMISSION DECLARING AN AREA IN THE CITY OF MICHIGAN CITY, INDIANA AS THE TRYON MEADOW ECONOMIC DEVELOPMENT AREA, APPROVING AN ECONOMIC DEVELOPMENT PLAN FOR SAID AREA AND A HOUSING PLAN FOR PART OF SAID AREA, AND ESTABLISHING SEPARATE ALLOCATION AREAS". The chair called for the vote: (Ayes) Commissioners Hulse, Latchford, Matias, Tillman, Wilson – 5; (Nays) None – 0. With 5 in favor and 0 opposed, the MOTION CARRIED.

BOUNDARIES AND RULES – RIVERFRONT LIQUOR LICENSES

Mr. York gave a brief history stating that 2007 is when they first declared a Riverfront License District. It was revamped a couple of times, then in 2021 a substantial change was made to it because the laws significantly changed. It went from only being next to a river to being 500' away, then 1,500' away, and now it is 3,000' away. As part of that you must be inside a declared redevelopment area and 3,000' away. Mr. York said they took it a step further and carved out another district. He said there was also a very cumbersome map, so they are trying to simplify it using GIS. He presented the proposed map which checks the boxes of being inside 3,000' and inside a redevelopment area. It is based upon the centerline of the river (Trail Creek).

Mr. York said he also wanted to clean up some of the language. To apply through the old rules, you would have to write an essay and explain why they deserve the license. He explained that they have now actually set out criteria, including a purpose and goal section, factors for determination, eligibility, an application process, conditions and requirements for restaurants, as well as a revocation/reservations clause. The Commission has the ability to revoke the licenses if they are not being used. Mr. York stated that this is the first draft.

Attorney Sirinek stated that they have added a \$2,500 annual fee for anyone that has a license with the idea of the Common Council creating a separate fund. While the Redevelopment Commission would be responsible for enforcement of liquor licenses and ensuring payment of the liquor licenses, the fund itself would be set up and utilization would be by the discretion of the mayor or council.

Mr. York noted that it was in the original agreement but it never got established.

Attorney Sirinek said the important thing to remember is that this was set up as a development tool and it was set up for communities (Michigan City not being unique in this) to promote development, initially for the downtown area which was largely abandoned at that time. With a variety of tools, the liquor license being one of them, it is designed to promote development within the downtown area originally. As the TIF District has expanded down Michigan Boulevard, the same tool is available for that area that was never utilized. By the current rules and guidelines, they are not eligible for it at this point. By expanding this to the 3,000 feet they would now be included in this assuming they are compliant with all the other aspects.

Mr. York added that the other aspects include the hierarchy of the zoning code, fire code, building code, ADA standards, etc.

Referring to the map, Commissioner Tillman stated that this will also entwine with and benefit the DORA (Designated Outdoor Refreshment Area). She said maybe some of the proceeds from the businesses paying into the fund could be allocated for advertising,

signage, or cups that maybe needed for DORA. She suggested they look into that as well.

Commissioner Hulse said this is a great start and long overdue. He wants to see different types of menus to create unique diverse experiences by not having too much of one type of restaurant within the same area. There should be guidelines or menus or types of foods and it would be key moving forward.

In trying to address that, Attorney Sirinek stated that he included language where the Commission reserves the right to ultimately decide to approve or reject any proposals. One of the criteria to be used is exactly that point. The goal of this program is to promote downtown and to promote restaurants, foot traffic, and businesses.

There was a discussion about the map with Mr. York stating that he has to refine it. He said with the 3,000' you get a lot of new area because we have connected the South and North TIF and expanded it onto Michigan Boulevard. Those tools were never available there before, and now a portion of the Boulevard will have that opportunity.

Commissioner Hulse said to keep in mind we now have the TDD so this will expand into that district.

Commissioner Latchford asked if there are limits on the number of licenses the Commission can issue.

Mr. York replied that there is not a limit. This is a non-quoted liquor license. It is the Commission allowing someone to have this license. It is put in place as a development tool and that is why it has all the rules, some of which include being open for so many days a year; must be family friendly; food must be the main source of income and it cannot be based on liquor; it is not meant for a bar, it is meant for restaurants and to create that diversity of restaurants in our downtown. He said other cities use this; it is a tool for development and creating diversity in restaurants and attracting entrepreneurs into our downtown and helping local people who are opening restaurants in our downtown. By stacking all the incentives, you create a dynamic development toolbox.

For clarification, Commissioner Wilson asked if this goes with the address, not the purveyor.

Mr. York replied affirmatively, stating that rather than a purveyor license, this license is non-transferable both to owners and to geographic locations. As an example, he recalled that Royale with Cheese switched locations, so the Commission had to grant a transfer for that. Fiddlehead had a change in ownership from an LLC to Corporation, so the Commission had to regrant that. If a business goes out of business or never opens, the Commission's practice is revocation of that liquor license.

It was decided to table this until a future meeting. President Matias told Commissioners to send any comments to Attorney Sirinek, and if the community has comments, send them to Mr. York at syork@emichigancity.com.

AUGUST MACK PROPOSAL – 1033 E. MICHIGAN BOULEVARD

Attorney Sirinek acknowledged Paula Warren from August Mack being present via Zoom – audio. Attorney Sirinek explained that this is a proposal for a phase I on property at 8th/Michigan which is a requirement from IDEM as a final step to get them to close out the Trail Creek cleanup site, which will then allow the Commission to go to the next step for development.

Ms. Warren stated that the site is located on East 8th Street and E Street, right before the bridge over Trail Creek. She said that August Mack has been doing environmental investigation and remediation on this project for some time. Part of that remediation was installing the interceptor trench that captures the groundwater seeping off Jernigan's Hill so it does not go onto East 8th Street. It takes that contaminated water and transfers it to the Sanitary District for cleaning. Ms. Warren said there is an interest by a construction company to purchase the Trail Creek property. She explained that in order to do that, not only through IDEM but also best business practices and for liability purposes, a phase 1 ESA must be done to make sure any potential environmental concerns are brought to light and acknowledging and documenting if they are being controlled, basically indicating that there is no risk to human health if those things remain in place. She said the phase 1 would allow the purchaser/developer to check that box for their due diligence and help with their risk liability and allow them to get a comfort letter through the Indiana Brownfield's Program to acknowledge that there is still contamination around or under this property, that they did not cause it, and that they will continue these efforts to uphold the institutional controls and mitigate human health and continue to make sure it is not a problem. Ms. Warren said after construction, there could be the potential for the developer to be required to do indoor air sampling to make sure the indoor air is clean because of the groundwater plume. Although, Ms. Warren said August Mack has encouraged the developer to not build over the plume in general, so those instances should be limited. Ms. Warren stated that this is a fairly straight forward due diligence process that takes a few weeks to complete. They do a site walk along with a lot of historical research, summarizing the history and status of what has been done and what is left to do as far as the current status of the environmental site clean up.

Commissioner Matias acknowledged from the proposal that the lump sum cost does not exceed \$3,600 and the phase I report will be completed within 15 business days from notice.

Mr. York clarified Ms. Warren's comments about referring to a construction company, stating that the Commission is working on a housing project there, it is not a general construction company. That is why the environmental restrictions are in place.

Attorney Sirinek commented that this Commission has had a lot of phase I ESA's done over the years and every time there is a similar history to the Trail Creek properties, the recommendation always comes back as having to do a phase 2. He asked if there will be a recommendation to conduct a phase 2 on this.

Ms. Warren replied that it will most likely not come back that way. Although, she said there are always areas on a site that they have not investigated – not every square foot of the area has been tested. Ms. Warren stated that she anticipates the result of this phase I to come back and say that there are Recognized Environmental Conditions (REC's). It will list several REC's; some of them will be controlled and some of them will have recommendations to continue through the closure process with IDEM. She said she does not anticipate any recommendations to do sampling at this time because it will all be handled under the IDEM program that they are currently in.

Commissioner Latchford asked if the Commission would have a chance to review the draft before the final report.

Ms. Warren replied affirmatively.

Mr. York added that the Commission will own that report. They are good for six months, so it could be handed off to other developers if needed.

The chair entertained a motion.

A motion was made by Commissioner Wilson and seconded by Commissioner Hulse approving a proposal from August Mack for a Phase I ESA Singing Sands at 1033 East Michigan Boulevard (proposal number JZ1126.710) in an amount not to exceed \$3,600.00 to be completed within 15 days of approval. The chair called for the vote: (Ayes) Commissioners Hulse, Latchford, Matias, Tillman, Wilson – 5; (Nays) None – 0. With 5 in favor and 0 opposed, the MOTION CARRIED.

SoLa UPDATE / APPROVALS

Attorney Sirinek acknowledged two members of the SoLa development team being present in person to make a presentation. Attorney Sirinek talked about where they are with this, stating that the original deadline established late last year is due on June 30th. He explained that what is before the Commission tonight is a First Amendment to Second Amended and Restated Development Agreement. This agreement will extend the deadline for SoLa to get their financing to December 31, 2025. Attorney Sirinek stated that because of all the entities involved from both the private side and also from the City side, there are certain steps that need to happen, and they are also using a unique, not often used but lawful type of funding mechanism for this project. The amendment calls for certain timeframes between now and December 31st for the developer to meet. If

those things continue on course it is the hope that they will close on the property with groundbreaking shortly thereafter.

Mr. York added that to use the Economic Improvement District (EID) as a mechanism, it puts in place a series of meetings. He said there was no way to kick it off and meet the series of meetings on the schedule to get it approved by June 30th, thus the reason for the request tonight for the amendment.

Alan Schachtman and Scott Goodman from the development team introduced themselves. Mr. Schachtman concurred with Mr. York, stating that their Development Agreement was approved December 2024 and that they have been working with the City and Redevelopment Commission to take all the steps necessary. The City must take certain steps to put the EID in place and the TIF. He stated that those two things are an integral part of their capital stack, which includes equity and debt, the EID, and the TIF. He explained that now they have a hard and fast schedule of meetings, including a workshop to educate the Council as to what the EID and TIF entails. He pointed out that the important part to note is that even though the City must help them put all this in place, there is no financial risk at all to the City. The EID and TIF are both bonds that will be issued and the EID bonds will be paid back by an occupancy tax/fee on both the hotel, room stays, and the short-term rentals; the TIF is a mechanism where the increment that is created by increased property taxes for the project will be used to pay back the bonds for the TIF. Mr. Schachtman stated that they now have a schedule that hopefully will get all their approvals for the EID and TIF completed by September, and then the remainder of the time to get the rest of the debt and equity in place so they can close and start construction before the end of the year. Mr. Schachtman stressed the importance of the EID and TIF to their capital stack, noting that they cannot finalize the debt or equity until the EID and TIF are in place and bonds issued and sold.

Scott Goodman added to comments, stating that the mayor and staff have now established a great cadence that they are able to abide by and get it done by the end of the year. He acknowledged that it has been a process getting here and that it is a very ambitious project for any community, but not least of which, Michigan City, which has not seen anything like this before. He said they are excited and feel like they are on a good path now to finally get into the ground by the end of the year.

Mr. Schachtman added that it has taken a long time, although they are selling condominium units; there are 31 fully executed contracts with earnest money and 4 others that are out for signature. Mr. Schachtman commented they are making good progress, which means it is real.

Attorney Sirinek asked Mr. Schachtman to explain to the average person why it is not as simple as going to the bank and getting a loan.

Mr. Schachtman explained that this is a large project – \$300,000+ million. The debt (construction loan) is between \$190,000 - \$200,000 million. There are very few banks today that will give a loan for that amount, especially in Michigan City. He said most people do not know where Michigan City is, especially if you are talking to a banker in New York. He said they must find people who really understand what this project is, where it is, the proximity of it to Chicago, the train line, etc. It narrows down the people who they can talk to. Mr. Schachtman also pointed out that we are living in a time of economic uncertainty and banks are very skittish right now. Their main focus on the debt side is debt funds and pension funds because during times like this when a bank is on the sidelines they will step up and fund this project. He said that they are in active conversations with Joint Venture Equity Partners who does understand the project, where it is, and its relationship to Chicago and the region. He said they are making good progress, but it is not easy.

Attorney Sirinek advised that as a result this is why they have now arrived at this point of identifying two somewhat unorthodox, certainly creative, but certainly statutorily permitted mechanisms.

Commissioner Matias spoke on behalf of the public because she said they are our neighbors, friends, and the people they meet out in public, and everyone on this board is a local person. She indicated that most people think this is a bunch nonsense. She commented that Northwest Indiana is a special place; gritty but beautiful. She said we have people from all over; every type of person is here. She asked Mr. Schachtman and Mr. Goodman what they can say to the people of Michigan City, LaPorte County, and the region to let them know they are committed, that they are for real and not just here to take something that is ours, and that they want to be a community contributor.

Mr. Goodman responded, stating they understand that nobody is going to really believe it until there is a shovel in the ground. He said if they understood the amount of time, effort, money, and resources that have gone into getting them to this point, then they would know how sincere they are about this project. Mr. Goodman stated that they have 35 people that believe it and that is more than a third of what they need to sell. A lot of it is a condition precedent they need for the lenders and investors as well. They cannot break ground until they sell some of these things; the sales process takes time. He said they cannot convince anyone if they do not want to believe it but he said they sincerely, honestly, and excitedly are moving ahead with this project, and they cannot wait to get shovels in the ground themselves.

Mr. Schachtman added that they have spent a lot of time and money in this, and he and Mr. Goodman both have their own money invested in this as well as six other partners. He stated that they have both done projects of this magnitude before. They do not take this lightly; they both believe in this as do their partners. They will do everything in the power to make it happen. He said the 35 contracts they have are a good start and they believe they are going to get an uptick in sales in the summer months when people can

actually visit and see what it is like and how beautiful it is, how beautiful the marinas are. He said they are looking forward to Michigan City for the next ten years. The number of restaurants that they have been able to attract in the city, the train line improvements from South Bend to Chicago, and the amount of interest they have in restaurants in SoLa is phenomenal with people calling every week asking to get in. Mr. Schachtman said all this points to a really successful project.

Commissioner Tillman commented that it was mentioned that the developers want to hold a workshop. As Council President, Ms. Tillman said she would like that workshop scheduled for July 7th at 5:00 p.m.

Mr. Schachtman and Mr. Goodman confirmed that date/time would work.

Commissioner Hulse acknowledged that they have been doing this for a while and it has been taking a lot of time to get here. The current agreement has stipulations and it is very strict getting to December 31st. He asked if they believe they can do this because it is all or nothing at this point.

Mr. Schachtman replied that they are absolutely all in.

Mr. York added that they have established a regular cadence of what they are speaking of. He said they meet every Friday at 8:00 a.m. Mr. York commented that he believes they have made a lot of progress in those meetings, and by having their financial advisers involved and Craig Duvall involved he feels they have advanced from where they were a couple of years ago to where they are now. He complimented them on that.

Mr. Schachtman thanked Mr. York and agreed that there is a cast of 16-17 people every Friday morning which includes the City's attorneys and their attorneys. He said that they have hired Stifel of Indianapolis to issue the bonds and sell the bonds; they are knowledgeable in public finance. Mr. Schachtman agreed that they have made a lot of progress in the few months.

Commissioner Matias referred to the amendment for consideration, stating that it contains a lot of legal language in it, but she publicly made note of the Bond Submission Schedule which has hard and fast dates: Week of July 7th – Developer to hold workshop with the City's Common Council regarding project overview, EID Bonds, and Developer Bonds; July 8, 2025 – Submission of required documents, including EID Petition, EID ordinance and bond ordinance(s), to the City's Common Council for the creation of the EID and approval of the EID Bonds and Developer Bonds; August 19, 2025 – Final approval of EID Bonds and Developer Bonds by the City's Common Council; September 8, 2025 – Redevelopment Commission pledges tax increment revenues to Developer Bonds and, if applicable, EID Bonds. She said she wanted the community to know that the City is doing their part to hold them to a tight schedule because they feel that is the best way to get the project moving. They want shovels in the ground but they want it done with all

the proper pieces in place. She asked Mr. Schachtman if that schedule meets their needs.

Mr. Schachtman and Mr. Goodman replied affirmatively.

Attorney Sirinek stated that Commissioner Matias mentioned the schedule that the City has agreed to with the developers, but he advised that there also is the EID petition which is governed by state law that has a time period of 120 days from the day it is filed to the day the EID bonds are issued. He said once that process is started there is no looking back.

Mr. York added that once the EID kicks off at the Council level, there is a timeframe put in place and there is a notification process. He said the EID is a significant process in itself. He wanted it to be clear that the Redevelopment Commission does not grant the EID; it is solely in the control of the Council.

The chair entertained a motion.

A motion was made by Commissioner Tillman and seconded by Commissioner Wilson approving the First Amendment to Seconded Amended and Restated Development Agreement between the Michigan City Redevelopment Commission, the City of Michigan City, Indiana, and the YAB Development Partners, LLC for the SoLa project. The chair called for the vote: (Ayes) Commissioners Hulse, Latchford, Matias, Tillman, Wilson – 5; (Nays) None – 0. With 5 in favor and 0 opposed, the MOTION CARRIED.

11TH STREET STATION GARAGE AND RESIDENTIAL TOWER

Mr. York reported that the grand opening of the station will be on June 18th. At noon, the station will officially open. The residential tower is coming along. He invited the public to go into the train station once it opens. He stated it is something everyone can be proud of as a community; it is something we have and no one else has. He said there are some historic exhibits in it.

Commissioner Matias suggested after the ribbon cutting that someone from the City video it to show people what it looks like for the people that may not be able to get there.

REPORT BY LEGAL COUNSEL

Attorney Sirinek stated for the record that an executive session was held prior to this meeting. No decisions were made, and nothing was discussed other than what is permitted by Open Door Law.

REPORT BY DIRECTOR

Mr. York indicated that he would work on revising the Riverfront Liquor License application and refining the map and get it back to the Commission.

COMMISSIONER COMMENTS

(None)

NEXT MEETING DATE

The next meeting date is Monday, July 14, 2025

ADJOURNMENT

With all agenda items addressed, the chair declared the meeting adjourned at approximately 6:45 p.m.



Clarence Hulse Secretary