



CITY OF MUNCIE REDEVELOPMENT COMMISSION

Regular Meeting Minutes

The City of Muncie Redevelopment Commission (MRC) met on Thursday, April 21, 2022 at 9:00AM in the City Hall Auditorium, First Floor, 300 N High St. Muncie, Indiana 57305.

- I. **Call to Order:** President Jeff Howe called the meeting to order at 9:00AM.
- II. **Roll Call:** Commissioners Brandon Murphy, Shareen Wagley, Isaac Miller, and Jeff Howe were present. School Board Jim Lowe was also present. Commissioner Lorraine Tomlin was absent.
- III. **Agenda and Minutes:** President Jeff Howe presented the minutes. President Howe entertained a motion to approve the minutes from last month's meeting. Commissioner Shareen Wagley made a motion to approve the minutes as presented. Isaac Miller provided second. Motion carries, minutes approved.
- IV. **Claims:** Craig Wright, City Controller, stated there are a couple of claims that he would like to bring to the board's attention. On page one, we have a claim to Delaware County Treasurer for \$16,688.20 for the ditch and storm water assessments. On page three EFT for \$80,432.99 paid out of the Canal District Accutech for JG Case for the Lofts. Page 4 claim for 15,261 for MIRLF which should be over to the Board of Works not in MRC. Craig opened it up for any questions. Jeff Howe stated a claim related to 100 West Washington the justice center for \$4,342 to CenterPoint. Craig Wright stated that was a utility bill. Shareen Wagley stated CenterPoint has over charged us and has been paying us back. President Howe entertained a motion to approve the claims. Brandon Murphy made a motion to approve the claims as submitted. Shareen Wagley provided second. Miller, Murphy, Wagley, and Howe voted aye. Claims approved.
- V. **Annual Report:** Mayor Dan Ridenour stated that a copy of the report filed with DLGF at the state and that is the Muncie Redevelopment Commission annual report. The Board's acknowledgement that they received a copy is required. Brandon Murphy moved to acknowledge he received a copy of the annual report. Isaac Miller provided second. Commissioners Miller, Murphy, Wagley, and Howe voted aye.

Introduction of a bond resolution. MRC is going to help the City with infrastructure by providing a bond for \$3 million. There are two sections; one is phase 2 of The Lofts. This public space is something we have to fund and design. Our hope is to make this into a nice public space. Part of the bond will pay for the phase 2 of the Loft construction. Page 2 shows the infrastructure portion of phase 2 cost is \$3.319 million, including \$109,600 for demolition, \$1,900,800 for utility relocation, \$1.2 million from bond for public space, \$1 million for street work. This is all for public improvement. That is \$1.2 million of the bond; \$500,000 for public improvements will go to the North Walnut and Columbus intersection right at the entrance to Muncie Central, it is the only stoplight in the Muncie Central campus

and a new location of a YMCA. Another \$400,000 of this bond will go to the markets on Madison for the design and engineer of the parking lots. The Southway plaza transformed into something that is much more appealing for those driving into the city. The last \$900,000 will go toward the Till Pond, the urban fishing park, to become an urban fishing park for people can drive in and go fishing. That is \$300,000 of the \$900,000 left. There is \$600,000 set aside for other park improvements. Those totals are \$3 million. The Indiana DNR has a \$325,000 matching grant for the Till Pond. The Walnut and Columbus intersection is part of the Ready grant ask. We are hopeful to get \$2.6 million because of this match. Mayor Dan Ridenour asked for any questions. Isaac Miller asked what the plan is if the matching grant does not come through. Mayor Ridenour stated they are looking at population for this grant; there is no guarantee that our city will receive it. Based on population we could receive more than we expected. Shareen Wagley stated we are just up for the distribution of the grant. Mayor Ridenour stated the region already received a \$15 million award; the City of Muncie presented this as one of the projects. We are confident in receiving the grant. Each county or city has a project in mind with matching dollars. Murphy stated The River District Phase 2 covered by all previous commitments. Mayor Ridenour stated yes. The budget covers construction through 2023. Murphy stated in addition could we expect to pay cash for future phase commitments. Mayor Ridenour stated we have cash for all but the \$1.2 million. Miller stated the allocation of the \$600,000 would be decided through MRC, city council and the Mayor, how does that relationship work. Mayor Ridenour stated he would like a committee to be set up to help decide the allocation of the \$600,000. A committee of MRC and City Council will meet with the Mayor to decide the projects for the \$600,000.

- VI. **Bond Resolution:** Dennis from Bose McKinney, head of public finances, stated upon the board is a bond ready for adoption. The presented bond will be presented to City Council and upon their approval, it will move forward in the process. On the timetable, introduced to City Council May 2, 2022, consideration, and adoption on June 6, 2022. The bond resolution authorizes \$3.5 million of tax increment for the projects the Mayor just mentioned. Exhibit A shows a short description of the projects. There is an interest cap of 6%. The plan of finance is that the bond be approved by June 6 that the bonds would be negotiated to First Merchant Bank in June, and close by late June. Dennis asked for any questions. President Howe stated when the 2014 obligations roll off. Bob stated January of 2021. President Howe asked if there were competing institutions. Dennis stated he was not sure. Murphy asked about the appropriation on May 19. Dennis stated we have to have the appropriation resolution in order to spend the proceeds of the bonds on the projects. Murphy stated the mentioning of flexibility, the appropriation resolution would authorize the expenditure on these projects. Once we pass the bond resolution are we fixed on what the projects are. Dennis stated once the bond resolution is passed you are fixed on the projects. Any changes made after approval of the bond, an amendment would be necessary. Murphy stated is our approval needed today for the adoption of the bond resolution. Dennis stated the approval of the adoption is not needed today; we can follow up at the meeting on May 19.
- VII. **Bob Swince Municipal Advisor:** The resolution calls for not to exceed \$3.5 million, with the tax increment revenue bond we would need to establish a death service reserve account that would set aside a one year debt service as security to the bank. Last year the consolidated allocation areas collected just over \$4 million in tax increment. The number slightly increases into 2022. These 2022 bonds (if issued) will be on parity with the 2016 and 2019 bonds. There are some 2014 bonds left behind, after the payment of everything else. We are talking

with First Merchants and Farmers to see about rates. We are looking at rates of about 4%. Howe stated is the 4% tax exempt. Bob stated fully tax exempt. The rates will be fixed. Bob asked for any questions.

Murphy stated that we will have to address this issue on the May 19 meeting with regard to the additional appropriation. Murphy stated he would like to review the documents further and move to table until May 19. President Howe would like to clarify that it does not hold up the process. Murphy stated he was trying to clarify that and if it does hold up the process, the opinion on tabling may be different. Dennis stated there has been a council resolution that will be introduced on May 2. That resolution states the Redevelopment Commission adopted the bond resolution today. Dennis stated we would like to avoid having to amend the resolution before the Council. Dennis stated if you have reservations on May 19 about anything, you could take action at that time. Dennis stated we would not close the bond issue without the appropriation resolution. President Howe stated if the bond resolution were passed today, then on May 19 if there are changes we could amend at that time. Dennis stated that would be fine. Murphy stated is the adoption of the bond today mean that the City is liable for the costs of the bond outside of the projects. Dennis stated no, the adoption does not obligate the redevelopment commission at all. The adoption authorizes the City to proceed with the proper processes. Murphy stated to withdraw his motion.

President Howe entertained a motion to approve the adoption of the bond resolution. Shareen Wagley made a motion to approve. Isaac Miller provided second. Murphy voted not in favor of the bond. Miller, Wagley, and Howe voted aye, motion passed.

Brandon Murphy made a motion to introduce the additional appropriation resolution. Isaac Miller provided second. Commissioners Miller, Murphy, Wagley and Howe voted aye, motion passed.

- VIII. EDA with Accutech:** Request to move those items to the May 19 meeting.
- IX. Three Year Budget:** Mayor Ridenour stated he provided a three-year budget; the balances are on the documents. Mayor Ridenour stated he would like to pay the second half of the Tiff balance, \$25,000 of the \$50,000 owed to Habitat. Mayor Ridenour stated he added 20% to that. Mayor Ridenour asked for questions on the budget. Mayor Ridenour stated there is \$10,000 in the works to Howe's question.
- X. YMCA Building:** Mayor Ridenour stated there has been multiple interest in the building. We have the two appraisals and we know what we cannot exceed. Mayor stated we would give you updates.
- XI. PACE:** Mayor Ridenour stated he would like us to consider a Preservation and Community Enhancement grant program (PACE). This would be modeled after what other City's have done; this would be improvements to homes, businesses, etc. within the City of Muncie. This would be half-funded half by MRC and half from the Mayor's EDIT funds. This would be a reimbursement program. The goal would be to start with \$125,000 from each fund.
- XII. Bids for Property Mowing:** Mayor Ridenour stated we have received bids from three different organizations. Zane Bishop presented the new contract for maintenance, mainly mowing, on MRC property for 2022. Low quote from Bell Services for 2.80 for 1,000 square feet. Zane stated this is a very good price, and includes \$35 per hour for weed eating and trimming as needed. Brandon Murphy moved to approve the contract with Bell Services. Isaac Miller provided second. Commissioners Miller, Murphy, Wagley, and Howe voted aye, motion passed.

- XIII. Property Applications:** Zane Bishop stated upon the board there are two property applications to be received by the redevelopment commission. The first is from Emma McCombs at 1509 E Streeter for 1511 E Streeter purchase offer is \$500. The second is from Brandon Weaver of Hunter Property Investments LLC out of Fort Wayne offer to purchase 703 W Adams for \$500. The presented offers are recommended to be referred both applications to the Land Bank Disposition Committee. Brandon Murphy moved to approve the referral of the applications. Isaac Miller provided second. Commissioners Miller, Murphy, Wagley, and Howe voted aye, motion passed.
- XIV. Purchase Agreement:** Zane Bishop stated there is a purchase agreement from Andvanix Development out of Evansville. The purchase agreement is for 16 lots of MRC property; the lots would see and fill single-family, town houses, and duplexes. This company is also seeking out a second site. The purchase agreement is for zero dollars; the actual value of the lots will be written off and contribute toward the City's commitment to the project. Brandon Murphy stated these are all properties that have gone through the correct processes and have not awarded any. Zane Bishop stated that is correct. Brandon Murphy stated the documents state these properties are located in Grant County. Zane Bishop stated the error should be amended, as it should be Delaware County. This purchase agreement will be presented again at the May meeting.
- XV. Board Input:** Miller stated Zane completed the minutes, so is there a plan to replace that role. Mayor Ridenour stated the position is not filled yet, but has discussed with the Street Department where one of the office personnel will cover the role until someone is hired.
- XVI. Public Comment:** Howe stated seeing none, we will move to adjournment.
- XVII. Adjournment:** Howe motioned to adjourn, at 9:59AM. Howe stated we will meet again May 19, 2022.