



CITY OF MUNCIE REDEVELOPMENT COMMISSION

Regular Meeting Minutes

The City of Muncie Redevelopment Commission (MRC) met on Thursday, September 16, 2021, at 9:00AM in the City Hall Auditorium, First Floor, 300 N. High, Muncie, Indiana 47305.

- I. **Call to Order:** President Brandon Murphy called the meeting to order at 9:00AM.
- II. **Roll Call:** Commissioners Murphy, Shareen Wagley (Vice-President), Isaac Miller (Secretary), Jeff Howe, and Lorraine Tomlin were present.
- III. **Agenda:** Mayor Dan Ridenour stated the Red Carpet Inn transfer needs removed, as that was not the MRC and was taken care of yesterday at the Board of Works.
Murphy motioned to remove item 7-e-ii from the agenda; Tomlin seconded. Murphy, Wagley, Miller, Howe, and Tomlin voted aye; motion passed.
Howe motioned to approve the agenda as amended; Tomlin seconded. Murphy, Wagley, Miller, Howe, and Tomlin voted aye; motion passed.
- IV. **Minutes (August Regular Meeting):** Wagley motioned to approve as presented; Howe seconded. Murphy, Wagley, Miller, Howe, and Tomlin voted aye; motion passed.
- V. **Claims:** City Controller Craig Wright stated there were a lot of utility payments and then \$100,000 for the Innovation Connect was for the tech park.
Howe asked if that was the pass-through the MRC provided.
Wright responded yes.
Wagley motioned to approve; Miller seconded. Murphy, Wagley, Miller, Howe, and Tomlin voted aye; motion passed.
- VI. **Old Business**
 - a. **City of Muncie Update:** Mayor Ridenour reported the cash position for the Consolidated TIF as of September 8 was \$1,471,915. The Garmon parking-lot debt still needs paid down – he hasn't received a final amount – and a few other items need paid, and the account will be \$1,116,916 after all that. Those would be the reserves, then November taxes will hit with another deposit in December, then there will be bond payments again in January and February.
Mayor Ridenour stated 2067 Hoyt is the dilapidated building. The price has been negotiated and is at Indiana Title. He expects this to close before next meeting. Ten percent, or \$2,100, has been paid so far.
Howe asked if there had been an environmental done on that.
Mayor Ridenour responded it has not been done, was formerly Indiana Fence, and the owners bought at a tax sale to put up a convenience store, but not for another two or three years, and he wanted things cleaned up sooner.
Mayor Ridenour reported the Live-Learn Neighborhood Project Management team didn't want to expand by two, so Wagley—who lives near there and is a

neighbor of his—was put on there and something else will be found for Miller. McKinley is ripe for development, especially with the Y going in there.

Mayor Ridenour reported the KPEP committee with Tomlin and Howe, and they didn't have an interest in the MRC helping with anything at this time, but something could be looked at once the building is up and on the tax rolls.

Mayor Ridenour reported they met with the neighborhood association again and showed renderings of the three additional streets with 34 lots to be put in, with a variety of stories and some with swimming pools and some with kids, but it just is a rendering. The work is going out to bid over the next 30 days. A lot of earthwork needs added to build up the back part of the neighborhood as 12 of the planned homes are currently in a flood district. There is will be a dry pond, and RMA—a local company—is doing the work. There are lots of walking areas in it and the neighborhood committee and city are looking at what to do for the playground area. The City's trying to help them with the funding, possible through ARP; they would like to enhance the lighting. A major path would connect to Johnson Circle and there would also be some in the dry area. The plan looks a lot like what Zane Bishop in the Community Development department put together. Once the infrastructure is in he'll come back for pricing.

Howe asked if there would be some sort of process and criteria for pricing.

Mayor Ridenour responded it would probably be March or April until paving can be done and he'd like to put in a process by April or May, possibly with Miller.

Mayor Ridenour reported the READI grant is through the State, and they're putting out \$500 million to regional areas. Muncie is a part of the East Central Indiana Regional Partnership, which is eight counties. They received over 140 different projects and paired that list down to 53. They are asking the MRC to pay \$15,000 in costs for the consultant. Delaware County paid \$15,000. Each region will receive up to \$50 million. Part of what the grant is for is:

- The East Central Indiana Regional Talent Collaborative;
- A broadband project in Delaware County and some that would assist in Muncie because about 20% of Muncie students don't have consistent internet access at home;
- McKinley Live-Learn Neighborhood for some additional properties they've talked with the owners about acquiring
- United Way Thrive Network, who's now affiliated with Anderson, New Castle, and Winchester;
- More to Explore, a project by the Muncie Children's Museum, which he thinks is the second-largest children's museum in the state and has visitors from all over;
- A classroom connection project for East-Central Indiana;
- The Kitselman Trailhead Phase II, half of which is done;
- The Brown Family Amphitheatre, which is something that Ball State's hoping to put through;
- Expanding the Erskine Green Training Center, which currently trains disabled people to get jobs in the restaurant industry but is hoping to expand to the manufacturing industry;

- An expansion of the Madjax makers force; and
- The Emerging Growth Center hub, which he thinks is the Innovation Connector.

The submission will be sent to the State by the end of September. He is seeking permission to spend \$15,000 out of the MRC general fund which has \$157,000 in it.

Howe motioned to approve the \$15,000 request; Tomlin seconded. Murphy, Wagley, Miller, Howe, and Tomlin voted aye; motion passed.

Howe asked if the Mayor had an opportunity to research property tax responsibility for real estate owned by a nonprofit leased to for-profit entities.

Mayor Ridenour responded no, but he would get Bill Hughes on it.

Howe stated he's been asked what the progress is and asked if it would be possible to know by the next meeting.

Mayor Ridenour responded yes.

Howe added there's a concern that revenue opportunities are being missed.

- b. **White River Canal District 2:** Mayor Ridenour reported WS's first project is done and people have moved in; a certificate of occupancy was obtained for the interior, but some landscaping and exterior work is still being done. They brought in their bankers and the restaurant group and talked about Phase II. This could involve some financing. He received a report from Baker Tilly and the MRC is in a good position and may be able to pay cash. This is at the point where the Canal Shopping Center is at the bridge. The public space is where they can't build on because of the very large sewer main under there that would be \$4.5 million to move so the plans were adjusted. There's some parking in the front that could also have food trucks and a seating area. The restaurant would have outdoor seating. The first floor is 10,000 square feet of retail and restaurant, and some apartments facing City Hall. The second and third floors would have apartments, for 42 total. Downtown is a part of the Consolidated TIF, which has \$1.1 million after expenses. He wanted to see what could be done just on the value that this area would bring in. Several million in infrastructure work could be done if needed. There is a four-phase plan with them. This would be on 15-year financing if they chose to do so. He has a meeting with the City Engineer and AEP next week to look at costs for underground infrastructure. Garmong is still owed for the land. May TIF districts pay as they go. Phase II is close and to the point of getting real numbers to get started.

Howe asked what the lease-up is at this point.

Mayor Ridenour responded they had 22 at one point but then delays took that down to 15 then nine. Those nine were put in hotels then moved in Monday.

Howe asked if the interest from the restaurant group was pretty strong.

Mayor Ridenour responded yes, and it would be very large – 250 to 300 seats, two-story, and overlooking the river. They have facilities throughout Indiana.

Howe asked if that would be in the existing structure.

Mayor Ridenour responded no, in the public space near Thomas Business.

Wagley clarified there were actually three restaurant opportunities, Phase I, Phase II, and this.

Mayor Ridenour responded yes, but the Phase I space actually won't be a restaurant anymore.

Miller asked if consideration was being given for each of the phases as to how they fit into downtown.

Mayor Ridenour responded absolutely, there's already a group that has to approve designs and they have to fit in line.

Murphy asked if the availability to do several million in infrastructure work was from over and above the current improvements or just the land.

Mayor Ridenour responded demolition would have to be a part of the project and that would have to be a part of those dollars.

Howe asked if the capacity to borrow was based on the assessed value or the incremental tax increase.

Mayor Ridenour responded it's based on the increase over the current tax base, and he only wants to borrow half of what the tax revenue is.

Howe asked if the preference was to make it its own district.

Mayor Ridenour responded this will pay into the Consolidated TIF but won't go beyond the capacity of the area, and other funds could help in neighborhoods such as McKinley, the Old West End, or Southside.

Murphy asked if any action was being requested today.

Mayor Ridenour responded no, the meeting next week with the utilities will get them a feel of where to go next.

VII. New Business

- a. **Muncie Downtown Development Renewal Request:** Muncie Downtown Development President Nick Tokar reported downtown's been very active and has weathered the COVID storm relatively well. MRC has been a longtime partner of the organization and couldn't do it without them.

Downtown Development Executive Director Vicki Veach stated they are a nonprofit 501(c)(3) and are a nationally-accredited Main Street. They were surprised COVID did not negatively affect downtown stats. People are still calling about commercial space and they're running out. There have been around five net new businesses in 2021. New Census data hasn't been pulled out for downtown only, but they're expecting an increase in residency downtown, especially now with new housing coming on board. Residential occupancy hovers around 98%, and they anticipate the new apartments will be fully occupied 60-90 days after they are actively leasing. Downtown still remains the area in the city that generates the most tax value per acre – \$1.2 million in 2020. Ivy Tech is getting ready to invest more money downtown. They will be putting in a multicultural center at the Howard Street annex and a park behind the convention center – a \$250,000 investment total. Accutech has come on line and will take the employee numbers up quite a bit. Other things are happening in the Chase Building. Eighty percent of Erskine Green graduates are still employed. Downtown Weekends held an event each weekend June, July, and August. The Downtown Game Night was the hottest night of the year, so attendance was low but has a lot of potential to get sponsorship dollars. The organizers of the Downtown Car Show plans on coming back in 2022. The Muncie Visitors Bureau will have an open house during the Pumpkin Glow. They are responsible for

signs and banners for the Ironman. September 30 is the kickoff for the weekend, featuring bands and anticipating 5,000 or more that night.

Mayor Ridenour added he doesn't have the personnel to put on these events. They also help with fireworks and parades. His goal for Ironman was to get registration downtown but that's down the road. He encouraged continued participation and stated he helps out on the City's side through EDIT.

Veach added that 10,000 to 15,000 the weekend of the Army game.

Howe asked how many athletes registered for the Ironman.

Veach responded roughly 2,200 for the full and 1,200 for the 7.3. Estimates are 1.9 people are brought per athlete, with over \$5 million invested in the community during the weekend.

Howe asked if the Chase Building will have additional space after Open Door occupies it.

Veach responded there has been some conversations with them about what the first floor could be used for.

Wagley stated she accidentally joined an Ironman Facebook page, and there are athletes coming in from all over the country to see what the course will be like, so there's investment even before the weekend.

Veach added the Mayor will be participating in the Ironman, and volunteers are needed.

Murphy stated he's not seen the prior partnership agreement and asked if they were comparable.

Veach responded they were comparable, and that some work's been added for themselves.

Murphy clarified that the \$40,000 twice a year is the same.

Veach responded yes, and this is a two-year agreement because they work two years out.

Murphy stated they partnered with the Mayor on EDIT funds and asked if they partnered with other City agencies.

Veach stated the Muncie Sanitary District has earmarked funds for sidewalks and bioswale and sewer maintenance.

Miller thanked them and stated people have told him they haven't seen much of a presence on social media, just in person.

Veach responded all their events are marketed on Facebook.

Miller responded people just don't see them as much on social media as they do on physical items.

Veach responded everything that's in person is also on Facebook but they only have a staff of two. She'll talk to Intersection about it. They also post others' posts, not just their own.

Howe asked what the rough boundary of their territory was.

Veach stated the primary area is Liberty to Madison and Wysor to the railroad tracks, but their secondary area is over by Madjax and Elm Street.

Tomlin thanked them for their presentation and all they do.

Howe motioned to approve the contract and approve the payment in the contract unless they're notified by the Mayor that he's not satisfied with their work.

Murphy noted there's a 180-day termination clause.

Howe stated so they'd act on that if there was guidance from the Mayor.

Tomlin seconded. Murphy, Wagley, Miller, Howe, and Tomlin voted aye; motion passed.

- b. **Muncie Land Bank (MLB) Request:** MLB Executive Director Meghan Jennings stated she just started in July. She's here to request eight more properties from the MRC. The MLB is a 501(c)(3) nonprofit dedicated to vacant properties. The first online auction was in March of the 39 properties, 27 have sold are they are closing on them. This is to fulfill the 20-property pilot program with the MRC and the rolling 20-property cap. Of the 27 sold, 8 were from MRC. She asked if they had the list of properties.

Murphy responded he had the list but didn't make it available.

Jennings stated the properties were 624 W. Powers, 1520 N. Granville, 1908 E. Memorial, 1910 E. Memorial, 3019 E. Memorial, 905 W. 5th, 619 W. 9th, and 717 S. Vine.

Some of these were selected from MRC's current portfolio based on the MLB draft strategic plan – in neighborhoods that could take a turn for the worst. 624 W. Powers has a developer in mind that had reached out to them to help acquire properties. There are also properties along Hoyt which has a redevelopment plan or some that are near others they have.

Howe asked if these were lots or structures.

Jennings responded they were all lots. They haven't maintained any structures long-term but have torn down some.

Howe stated he's had questions about properties that are being sold to folks that already own properties that are in horrible shape and not fixing them up.

Jennings added the MLB vets buyers to make sure they are trustworthy people, have the financials to get it done, and their plan is what the community needs.

Howe asked if there were any actions that could be taken if they don't follow through.

Jennings stated she wasn't aware of any.

Murphy stated he recalled a certain list of properties late last year for the pilot program and there was a dollar figure attached to each of them and asked if they were requesting additional funds.

Jennings responded she believed so.

Murphy wanted to make sure that this was not just for a transfer of properties, but also with a dollar figure and suspected a resolution would need prepared for next month with the list and figure.

Wagley agreed and didn't know that she'd feel comfortable approving a list of properties without that.

Counsel Ben Freeman stated what he sees was a flat fee of \$50,000.

Murphy stated last time in the list of properties there were some that the Mayor had other ideas for so the new list should be reviewed to make sure that doesn't happen.

Residential Program Administrator Zane Bishop stated the Resolution referenced is 2020-30 which references to the MRC approving requests from the MLB to replenish properties and the exhibit lists one-time fees as \$2,500 for lots and \$3,500 for structures.

Murphy stated he didn't think the MRC ever approved a rolling list and stated a resolution should be approved for the eight properties next meeting.

- c. **Property Applications:** Bishop opened the following applications for MRC-owned properties:

- Kimberly Stonecipher, 100 N. Winter, New Castle: \$500 offer for 705 S. Brotherton
- Bruce Holding, 406 E. Dartmouth: \$500 offer for 425 E. Dartmouth
- Nathan Preston, 615 S. Penn: \$500 offer for 611 S. Penn and \$500 offer for 1224 E. Kirby
- John Beatty, 1208 E. Kirby: \$500 offer for 1224 E. Kirby

Bishop asked these be taken under advisement to be reviewed by the MLB Acquisition and Disposition Committee.

Murphy made that motion; Miller seconded. Murphy, Wagley, Miller, Howe, and Tomlin voted aye; motion passed.

- d. **Resolution 2021-17:** Bishop stated this would transfer previously-received applications to their applicants, 1500 E. Hines to JeJuan Isom for \$500 and 1408 E. Main to Gilbert Linnel for \$500.

Miller asked about the proposed use of 1408 for fencing and about the buyer living in Tempe.

Bishop stated it was a side lot and the fencing would connect to the rental next door, which appeared to be in good condition.

Murphy confirmed that these have been vetted by the MLB.

Bishop responded yes.

Miller motioned to approve the transfers; Murphy seconded. Murphy, Wagley, Miller, Howe, and Tomlin voted aye; motion passed.

- e. **Property Transfers**

- i. **100 W. Washington to DAC:** Mayor Ridenour stated this is the former Justice Center. An RFP has been put out. There were a number of things he was hoping to accomplish when this started: parking for City employees, parking for Accutech, add some additional housing of different types, getting the property back on the tax rolls, and not putting the parcel in a TIF district. He wants to grow the tax base and help get Muncie Community Schools, the general fund, Center Township, MITS, Sanitary District, County, and the library more funds. Mainly, he wanted to help the general funds because that pays for police, fire, and City employees. The County wanted to tear the structure down. The RFP had some interest. One developer would help solve all four things, and he's just asking for the property to be transferred to DAC while those things are being figured out. The plan is for 30 parking spaces in the basement and 88 indoor spaces on the first floor. The second and third floor would be condos, which would range from 1,400 square feet to 4,000. The

building is super solid and built like a parking structure, so it won't be difficult to tear out part of the basement and the first floor.

Tomlin clarified that would give about 50 spaces for people other than those in the building.

Mayor Ridenour responded their plan calls for second-floor parking as well which would go right into the units. There would be 15 units and 30 parking spaces for them total. The rest would be for others – 88 would be made available for businesses, he's sure for a fee. It'd be indoor so it'd be safe and secure.

Murphy asked if the City would be paying rent for the parking.

Mayor Ridenour responded yes.

Murphy asked why DAC would be better to negotiate with than the MRC.

Mayor Ridenour responded they'd be negotiating with him, DAC would just hold the property. Gilman also went through DAC.

Howe stated he was also confused about this.

Mayor Ridenour responded it make it easier on the end for transactions to occur in a timely manner.

Howe asked why that would be.

Mayor Ridenour responded transferring from the City to a non-profit is easy, but transferring from the City to a for-profit would take multiple Council meetings and slow down the timeline. DAC merely holds while the MRC pays the utilities, then the process doesn't have to wait 90 days.

Miller asked what the developer's proposed timeline is.

Mayor Ridenour stated they planned to finish by the end of January 2023.

Murphy asked if the ordinance proposed by City Council got passed.

Mayor Ridenour responded no, but that would've required transfers even to non-profits be approved by City Council.

Murphy asked if transferring to a for-profit needed approval.

Mayor Ridenour responded the building is assessed at \$12 million but not worth that much. Appraisals needed would take several months.

Wagley asked if the developer is purchasing the property where the funds would go.

Mayor Ridenour responded legal is putting something together with DAC, adding the reason he's having issues with Garmong is that their agreement is with DAC but the MRC pays the interest, but Garmong won't share the agreement with the MRC.

Howe asked where the net sale proceeds would go.

Mayor Ridenour responded if DAC put money into the project they would get that back. Gillman proceeds are going toward the general fund, and proceeds from this would go to the MRC.

Wagley asked if DAC had a board, and who's on it.

Mayor Ridenour responded they do have a board. The current chair is Kelly Shrock, and other members are himself, Scott Alexander, James King, Jay Julian, representatives from Ball State and the school system,

several business owners in the community, and Sara Shade Hamilton from the City's legal is the income president, beginning after the end of their fiscal year on September 30.

Wagley motioned to approve, then asked if there was a resolution.

Freeman stated this would be Resolution 2021-18.

Wagley motioned to approve Resolution 2021-18, transferring the Justice Center to the Delaware Advancement Corporation; Howe seconded.

Wagley, Miller, Howe, and Tomlin voted aye; Murphy voted nay; motion passed.

VIII. **Board Input:** Murphy asked for any board input but saw none.

IX. **Public Comment:** Murphy asked for any public comment but saw none.

X. **Adjournment:** Miller motioned to adjourn at 10:33AM; Tomlin seconded.

Minutes recorded by Zane Bishop.



Isaac Miller, Secretary

RESOLUTION 2021-17

A RESOLUTION OF THE CITY OF MUNCIE REDEVELOPMENT COMMISSION AUTHORIZING THE TRANSFER OF REAL PROPERTY

WHEREAS, the City of Muncie Redevelopment Commission ("Commission") is authorized by IC 36-7-14-12.2 to acquire Real Property;

WHEREAS, the Commission is authorized by IC 36-7-14-22.6 to sell properties to abutting landowners;

WHEREAS, as defined by IC 36-7-14-22.6(a), an abutting landowner is an owner of property that touches, borders on, or is contiguous to the property that is the subject of sale, but does not constitute a public easement or public right-of-way;

WHEREAS, the Commission is authorized by IC 36-7-14-22 to offer properties for public sale;


WHEREAS, the properties listed in Exhibit A shall be considered by the Commission;

NOW, THEREFORE, BE IT RESOLVED BY THIS COMMISSION THAT:

It will be in the best interest, for safety and economics that the Commission transfer the properties listed in Exhibit A.

This Resolution will be in full force and effect after adoption by the City of Muncie Redevelopment Commission on this date **September 16, 2021**.

COMMISSIONER	YEA	NAY	ABSTAIN	ABSENT
Brandon Murphy	✓			
Shareen Wagley	✓			
Isaac Miller	✓			
Jeff Howe	✓			
Lorraine Tomlin	✓			



Brandon Murphy, President
City of Muncie Redevelopment Commission

EXHIBIT A

COMMON ADDRESS & PARCEL	GRANTOR NAME	GRANTEE NAME & TAXING ADDRESS	SALE PRICE (\$)	PROPOSED USE
1500 E. Hines 18-11-10-232- 008.000-003	City of Muncie Redevelopment Commission	JeJuan J. Isom 1708 E. Hines Muncie, Indiana 47303	500	"Modular home"
1408 E. Main 18-11-10-491- 007.000-003	City of Muncie Redevelopment Commission	Gilbert Linnel 233 E. Southern Avenue #26108 Tempe, Arizona 85282	500	"Fencing"