



CITY OF MUNCIE REDEVELOPMENT COMMISSION

Regular Meeting Minutes

The City of Muncie Redevelopment Commission (MRC) met on Thursday, May 20, 2021, at 9:00AM in the Mayor's Conference Room, Third Floor, 300 N. High Street, Muncie, Indiana 47305.

- I. **Call to Order:** Murphy called the meeting to order at 9:07 AM.
- II. **Roll Call:** Commissioners Brandon Murphy (President), Shareen Wagley (Vice-President), Andrew Dale (Secretary), Jeff Howe, and Isaac Miller were present. Jim Lowe, School Board representative was absent.
- III. **Agenda:** Murphy motioned to take off New Business item A based on counsel's recommendation, as it will be handled by another body; S. Wagley seconded. Murphy, S. Wagley, Dale, Howe, and Miller voted aye; motion passed.
Dale motioned to approve the agenda as amended; Miller seconded. Murphy, S. Wagley, Dale, Howe, and Miller voted aye; motion passed.

IV. Minutes

- V. **April Regular Meeting:** S. Wagley motioned to approve as submitted; Howe seconded. Murphy, S. Wagley, Dale, Howe, and Miller voted aye; motion passed.

VI. Claims

- A. **Regular Claims:** Deputy Controller Matt Wagley reported the Evens Time charge on 5/21 was for intercom and gate repair. The Recorder charge from 5/14 for \$7,250 was for 290 mortgage releases. The 5/7 Axon Enterprises charge for \$90,996 was for police body cams. The \$16,666.67 payment to the Muncie Land Bank was the first installment in a three-year, \$50,000 contract. The \$648.83 payment to Evens Time was for server work and gate repair. The 4/23 invoice from Vandewalle was for canal district implementation. The \$91,235.85 EFT was for Madjax.

Dale asked if the MRC continued to this for public safety or if it was a one-time deal.

Mayor Dan Ridenour responded this was the last year of the agreement.

S. Wagley stated a lot was paid to the Treasurer and asked if those were taxes.

Mayor Ridenour responded he petitioned to remove some taxes but there's still ditch and stormwater fees.

M. Wagley stated there were large stormwater fees on properties with lots of impervious surfaces, such as parking lots.

Howe asked about the mortgage releases.

Residential Program Administrator Zane Bishop replied mortgages were required for reimbursements through the Blight Elimination Program.

Dale asked for clarification that these were the last big expenses for the program.

Bishop responded this would be, save for a scattered few mortgages.

Mayor Ridenour asked how many houses were demolished through the program.

Bishop responded 249, but the forms were updated at some point so some properties had multiple mortgages.

Murphy asked what the cost was per parcel to have these released.

Bishop responded \$25.

Dale stated it would be good to have a schedule for bond payments as he had requested before from Craig Wright, Controller, so that members of the MRC could align bond payments with claims; otherwise, commissioners have no way of aligning bond payments to annual cycle of payments.

M. Wagley responded that there's a running one that can be sent.

Dale clarified it'd just be helpful to the commission to receive the document.

Howe asked if body cameras would be a normal expense that'd be coming through.

Mayor Ridenour responded that it wasn't normal, but it has helped the police department financially and also to show that officers' actions were appropriate.

Howe stated that he didn't disagree that this was good.

Mayor Ridenour stated the MRC's role is to get properties back on the tax rolls but there's times when other assistance can be provided.

Dale added it was the previous administration's decision.

Dale motioned to approve the claims; Miller seconded. Murphy, S. Wagley, Dale, Howe, and Miller voted aye; motion passed.

- B. Innovation Connector Request CTP TIF Funds:** M. Wagley stated Ted Baker was unable to attend this meeting. The innovation Connector receives funds twice a year from the Ontario Systems TIF which get sent to the Tech Park. Funds are anticipated to be received prior to the June meeting and he was wondering if the MRC could preauthorize funds to be distributed.

Dale thought this was only done last year because the funds were received.

Murphy stated it was done last year because there was a specific amount.

M. Wagley stated the amount was around \$37,000 but didn't have it to the penny.

Dale asked if there was an immediate need.

Mayor Ridenour stated state funding for most certified tech parks was cut.

Dale asked if these were typically around the same amount each time.

Mayor Ridenour responded he believed so, adding there's no debt, so the total amount from the tax installments is transferred.

Dale stated he didn't think this should be waited on if they need the money.

Murphy added it's the obligation of the MRC to transfer the funds.

Counsel Ben Freeman asked if the funds were earmarked.

M. Wagley responded yes, the City's just the pass-through.

Mayor Ridenour stated it'd built up before last year's allotment but that's not normal.

Howe motioned to approve the transfer of money earmarked for them; S. Wagley seconded. Murphy, S. Wagley, Dale, Howe, and Miller voted aye; motion passed.

VII. Old Business

- A. City of Muncie Update:** Mayor Ridenour reported the MRC may be in a better position soon because of the American Recovery funds, which can help with hotels but will need

council approval. The TIF district for the Ontario Tech Park is down some \$16,000 and that could be assisted. The funds are based on 2019 because that was a normal year.

Dale asked if the MRC would be buying down short-term debt.

Mayor Ridenour stated businesses can be reimbursed due to lost revenue and they can use that to buy down debt. He should have more info next meeting, but the plan presents some opportunities.

White River Lofts is putting the exterior on now; the first floor will be brick and the other floors will have different exteriors. The building will be finished in June except for the countertops, which won't be in until July. Seventeen of the 55 leases are signed for an August 1 move-in date, with 16 of those being people that work here but don't live here. Most lumber is from Canada and has been in short supply because they're still pretty much closed, but he's not sure where the countertops were being made. One building for the parking lot is coming down in the next 30 days.

The headquarters for D.D. Danner is going up at KPEP; they are currently renting on Bethel. Work started yesterday, and there will be a solar component as well.

Howe asked how many employees they had.

Mayor Ridenour responded 36 currently.

Dale stated Gary Danner would be great to have in to speak to the MRC.

Mayor Ridenour added that he's been quietly creating a lot of success.

Mayor Ridenour reported the Plan Commission preliminarily approved Storer Estates in May and should be given final approval in June, with bids going out in July. The neighborhood committee, consisting of five neighbors plus himself and the Engineer has had one meeting to discuss restrictions and covenants.

Mayor Ridenour reported Project Brass started in August in coordination with Traci Lutton, the County, and the State. The company's down to their final two sites and there may be an announcement shortly. This would be larger than Muncie's ever seen in terms of square footage and employees. It is a publicly-traded company and the salaries would be some of the best in the area.

Mayor Ridenour reported Muncie finished second to Valparaiso for Amazon.

Project Green Sky is doing final due diligence in cooperation with Traci Lutton and the county. This would be 120 jobs and \$45 million in investment. It would involve growing lettuce and other products indoors and would be pretty interesting if they can pull it off.

Freeman asked if he had an idea of where these would go.

Mayor Ridenour responded one would be off the bypass on the southside where the Plan Commission and Commissioners changed the use from farming to light industrial. The County Council is now under an NDA because they're going to allocate some TIF dollars for part of it. The plan includes a budget for training. The other location is the shell building.

Mayor Ridenour put out an RFP for 'Memorial Cove' at 12th and Tillotson. He tried to leave it open but stated a preference for residential; those should be opened here next meeting. EDIT funds were used to option the property.

S. Wagley asked if there would be a public meeting next week.

Mayor Ridenour responded a public comment session would be held on May 26 at 6:30PM in the City Hall Auditorium, and the next opportunity to speak would be at the June 7 Council meeting at 7PM. He added their plan for the funds included a couple million for an in-patient drug and alcohol treatment center, and a company he spoke with yesterday may

match that. Community Development has \$1.8 million for the homeless, which will be used to buy and refurbish properties that A Better Way and the YWCA could send people to. There will also be some money for infrastructure, businesses, nonprofits, and neighborhoods. He also stated it's very possible this is the first plan in the country for the funds, but definitely the first in the state.

Freeman stated direct debt payments were not allowed.

Howe asked if there were reporting and COVID-impact requirements.

Mayor Ridenour replied yes and that financials were required, but it wasn't necessarily dollar-for-dollar, as some companies laid people off but can't rehire them back because they're somewhere else or don't want to come back. The Chamber will be the pass-through for business assistance, MAP for neighborhoods, and United Way for nonprofits. The funds have to be spent by 2024.

S. Wagley clarified that the City cannot condition the funds to be spent on debt service.

Freeman replied he'd say that's correct.

Mayor Ridenour added the two attorneys that have been working on this say that reduced debt could be a side benefit.

Howe stated some companies may say their recovery would be smoother with a lower debt burden.

Freeman replied absolutely. He's not saying that it cannot be used debt service, just that it cannot be earmarked for that; it's ultimately the business' decision.

Miller stated the burden's on the organization to prove it's being used for a COVID-related outcome.

Dale stated a public offering was published for 225 S. Madison, which was acquired for site control for public safety.

Mayor Ridenour responded no offers were received and the fire department indicate they no longer need for the land since the training center's been built.

Dale stated that he understood differently and that while the building structure has little to no value presently because of the cost to reconstruct but that the land does have value, and that having site control of the entire block is in the interest of the City as it pertains to prospective Fire Department needs.

Belinda Munson stated she had been interested in the property and the contractor she was working with stated it could not be deconstructed and moved to Canan Commons. The roof is in bad shape and cannot be walked on. The bay doors are sealed shut. The first contractor said it was too much work and the second contractor said it would be \$144,000 to rehab on-site and it's not moveable. It doesn't make any financial sense for the City to move it.

Dale stated his point was about site control and making sure plans are known before the property is offered to the public for sale. He shared that the commissioners of the MRC should be involved with the decision to make an MRC property available for purchase; especially a property as consequential as 225 S. Madison Street.

S. Wagley stated at this point this goes into the list of properties that anyone can bid on at any time.

Bishop clarified that no offers were received in the initial offering, which is outlined by state code to be the average of two appraisals, which was \$39,500. After 30 days, which has passed, offers of any price can be received. This will come up in the next item, but he

suggested just receiving the offers today, taking them under advisement, and then making the decision at a future meeting.

VIII. **New Business**

A. **Economic Redevelopment Area** (Ridenour) Item struck from agenda (See above under Agenda)

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

- MDJ Construction, 923 W. Bethel: \$200 offer for 225 S. Madison
- Gen Fan Properties, 1300 S. Hoyt: \$750 offer for 1300 BLK S. Kinney
- Tyler Harrison Beach, 318 W. 8th: \$200 offer for 618 N. Elm
- Rudolph Spaulding, 113 W. 5th: \$150 offer for 125 W. 5th
- Viking Realty, 515 E. Main #12: \$2,500 offer for 225 S. Madison

Murphy motioned to take these offers under advisement and refer them to the land bank; S. Wagley seconded. Murphy, S. Wagley, Dale, Howe, and Miller voted aye; motion passed.

C. **Resolution 2021-09:** Bishop stated 719 N. Mulberry had been in the notes for a previous resolution but hadn't been acted on. The application, Ocean Life for Me, only wanted 719 if 741 N. Mulberry was also acquired. This resolution is contingent on the acquisition of 741 and would speed up the disposition if approved.

Mayor Ridenour stated 719 was a property that a developer was hoping to build new on, which also include a substantially higher purchase price.

Bishop stated this could be tabled since the purchase offer would go before the board next month.

Howe asked what the planned use of 719 would be for by Ocean Life.

Bishop replied a side lot, which would substantially less tax value than a new build.

Mayor Ridenour replied the other use would be a LIHTC senior housing project also with houses in the Old West End.

Dale asked if the applicant would still be interested in 741 if 719 wasn't on the table.

Bishop stated he believed so.

Dale motioned to table; Howe seconded. Murphy, S. Wagley, Dale, Howe, and Miller voted aye; motion passed.

D. **Resolution 2021-10:** Bishop stated this would sell 703 W. Adams and 2417 S. Hoyt on land contract; the 703 applicant had an unsafe order needing removed before transfer.

Mayor Ridenour stated 703 was also a property the developer was interested in.

Bishop asked the MRC to remove 703 from the resolution.

Murphy asked what the success of land contracts was.

Bishop responded it's been varying, with one completed success and one failure. There are currently three outstanding land contracts, but Freeman wrote additional language into those such as inspection requirements that should make it easier to foreclose if necessary.

S. Wagley motioned to remove 703 W. Adams from the resolution; Miller seconded. Murphy, S. Wagley, Dale, Howe, and Miller voted aye; motion passed.

S. Wagley motioned to approve as amended; Miller seconded. S. Wagley, Dale, Howe, and Miller voted aye; Murphy voted nay; motion passed.

- IX. **Public Comment:** Murphy stated the next meeting would be here and following meetings auditorium; everyone seemed to agree with that plan.

Jerry Wise asked what the name was for the 80,000-square foot workspace.

Mayor Ridenour responded D.D. Danner.

Wise asked where they were.

Mayor Ridenour repeated they were currently on Bethel.

Wise asked if that would be taking up the wire plant.

Mayor Ridenour stated they'd be on the north end close to the railroad tracks.

- X. **Adjournment:** At 10:14AM, Dale motioned to adjourn; Murphy seconded.

Minutes recorded by Zane Bishop.

A handwritten signature in blue ink, consisting of a stylized 'Z' followed by a horizontal line and a flourish.

Secretary