



Muncie Economic Development Commission
City of Muncie, State of Indiana
June 7, 2022 Minutes

1. Muncie Economic Development Commission, City of Muncie, State of Indiana, met in the Mayor's Conference room at City Hall, at 12:00 P.M.

2. **Roll Call Members Present:** Matt Kantz, Jessica Piper and Josh Taulbee.

3. **Approval of Minutes for the February 8, 2022 Meeting:** Jessica Piper made a motion to approve the minutes. Matt Kantz provided the second. Minutes for the February 8th meeting approved by unanimous voice vote.

4. 700 S. Nichols (White River Plaza)- Economic Development Target Area & Tax Abatement

Mayor Ridenour introduces the White River Plaza project and is requesting the property located at 700 S. Nichols (White River Plaza) be designated an economic development target area so that they can be eligible for tax abatements. Mayor Ridenour clarifies the size of the property is 86,000 square feet or 6 acres. Ed Conatser with FC Tucker Commercial Real Estate accompanied by Scott Mick who is the client looking to invest in the White River Plaza. Conatser tells the Commissioner that Mick has a big footprint locally in Muncie. Mick owns the Airsmith(spelling?) building (where Savage's Alehouse is located) which also contains 16 apartments in it. Nick also owns the Kelso Building downtown which houses the Barking Cow as well as apartments and the Johnson House on East Washington St. Conatser clarifies that he and Mick have worked on many successful projects together. Conatser and Mick are under contract to purchase the White River Plaza. Conatser states that the White River Plaza is facing some deferred maintenance issues that include the parking lot, roof, as well as the interior. The building was initially built to house the Moore Bed Spring factory.

Conatser states that the request for tax abatement is to get the assessed value down. Currently, the assessed value prohibits someone from coming in and making needed improvements to the property. Conatser and Mick have been able to get the assessed value reduced from \$860,300 to \$429,700 and that takes affect 2023 paid 2024. Conatser yields the floor to Scott Mick.

Mick was initially hesitant because of the condition of the property. Mick states that he has experience with projects like the White River Plaza. Specifically, investing in buildings with history and restoring those back up. Mick refers back to the Johnson Building, Kelso Building, and the Airsmith Building and the work that they have done with those properties. Mick states that he has a spot to fill with his 1031 tax exchange

and the White River Plaza was selected because he likes the building, the location and the history of the building.

Mick distributes a list of potential repairs and the amount allotted to remedy those repairs. Commission. Mick refers to the photographs of the building and states that the parking lot is in need of repair. Mick estimates that the cost of repairing the parking lot will be around \$70,000. President Kantz asks if the work will entail paving or patching the damaged spots. Mick clarifies that a contractor has said the property does not require a complete repaving but patching and resealing the parking lot. Mick refers the Commission to an aerial view of the property and that with a renewed parking lot, there is potential for another building/business to be placed on the property. The example building is a local Taco Bell location.

Conatser asks about enhancements that Mayor Ridenour had mentioned regarding the property. Mayor Ridenour states that he would be very interested in getting the trail through Westside Park connected and that this project can potentially be the first step towards getting a restaurant more accessible to the existing Muncie trail system and close to the Cardinal Greenway system. Mayor Ridenour references that located near the property is an old, unused rail spur that goes all the way to Tillotson Avenue. Conatser explains where the rail spur is located on the aerial map of the property.

Kantz inquires about who currently owns the property. Mick clarifies that a non-profit currently owns the property. The owner of the non-profit is the current owner of Big Shots Bar that is located in the plaza. Conatser states that with the sale of the property, ownership will transfer from a non-profit to a for-profit organization. Conatser refers to the stormwater expenses associated with the property being roughly \$8000 due to the surface area of the parking lot. Conatser states that they are asking for a seven-year tax abatement. Conatser mentions that the tax abatement will be helpful in off-setting those costs while investing in the improvements to the property.

Kantz asks how many tenants are currently in the building. Conatser clarifies that there are currently ten tenants in the building. Taulbee asks for clarification that there goal is to improve the property while maintaining their current tenants. Conatser confirms. Conatser refers to Big Shots, Wizards Keep, Indy Craft Beer, Fudd's Games, and Bob's Comic Castle who have all been long-term tenants. Mick asserts that his goal for the building is to keep the commercial spots small and that in his experience, a lot of businesses aren't necessarily looking for large spots and that this project benefits from the smaller commercial spaces. Piper refers to the property being located close to Ball State University's campus.

Kantz asks for clarification as to the details of the abatement. Mayor Ridenour clarifies that it is a seven-year abatement and that it will be a sliding abatement. The first year would be 100%, year two would be 83%, year three would 67%, year four would be 50%. Ridenour refers to this being ideal for someone looking to invest in improving the location in the early years so that it is profitable.

Piper makes a motion to designate 700 S. Nichols as an economic development target area. Taulbee provided the second. Motion passes by unanimous voice vote. Piper makes a motion to recommend the 700 S. Nichols property for tax abatement. Kantz provided the second. Motion passes by unanimous voice vote.

5. Adjournment: There being no further business, Piper makes a motion to adjourn. Taulbee provided the second. Meeting adjourned at 12:45 P.M.
