

## **REDEVELOPMENT COMMISSION MEETING**

**August 23, 2010**

The regular meeting of the City of Mishawaka Redevelopment Commission was called to order at 6:30 p.m., Monday, August 23, 2010, in Room 205, City Hall, 600 East Third Street, Mishawaka, Indiana. Commissioners Eberhart, O'Dell, Troiola, Mammolenti, and Gebo were present. Commissioner Stillson was absent. Also in attendance: Lory Timmer, Community Development Director; Kari Myers, Administrative Planner; John Gourley, Legal Counsel, Greg Kil, Kil Architecture; Josh Eckert, Kil Architecture; Colleen Olund, Mishawaka Housing Authority.

Commissioner Mammolenti moved to approve the minutes of the July 26, 2010 meeting. Commissioner Gebo seconded; motion carried.

### **MISHAWAKA RIVER CENTER APARTMENTS**

The Commission discussed the rehabbed windows.

Commissioner Troiola asked why Christman had such a price difference on the three windows. Mr. Eckert said one reason was the Schoberg window was in worse shape and required additional work on the seal. He also said that some sills were in better shape than others and the amount of work would vary from window to window. He reminded the Commission the windows have been covered since the 1970's. Mr. Eckert said the new Marvin window units would have fewer variables.

Commissioner Gebo asked Colleen Olund why the Housing Authority would prefer the new Marvin Windows. Ms. Olund said maintenance of the window is a key issue. If the windows require a lot of maintenance it becomes impractical for the maintenance staff to handle and the cost must be absorbed. The windows must also be easy for the residents to open and close.

Commissioner Mammolenti asked if the Marvin window was the only window the residents could open themselves. Mr. Eckert said the Mon-Ray window can open and close, but is much harder to operate.

Commissioner Gebo asked if there would be any market for the old windows if the Marvin window was chosen. Greg Kil said they were most valuable where they were and many are in good shape.

Paul Hayden, Historic Landmarks Foundation of Indiana, said the market for the windows may be limited due to the size of the windows. He said they would probably go in a dumpster. Commissioner Gebo asked if the wood could be reconfigured. Mr. Hayden said yes, but would be very labor intensive.

Commissioner Eberhart asked about air filtration relative to drafts, energy efficiency, etc. Mr. Kil said a local company could come out and conduct a blower test.

Commissioner Troiola asked what was done with the windows from Mary Phillips. Ms. Olund said School City replaced the windows prior to the Housing Authority taking possession of the building.

Mrs. Timmer said the grant she is applying for is based on points and Energy Star windows are on the check list. Mr. Kil said you cannot get an Energy Star rating on a rehabbed window.

Commissioner Eberhart asked the Commission if they wanted to have a blower test conducted. They determined they would have Kil Architecture arrange for the test. Mrs. Timmer said she would provide the results to the Commissioners as soon as they were available.

Cliff Zenor, member of the Mishawaka Historic Preservation Commission, said he was not representing the HCP, but here as a citizen. Mr. Zenor passed out a list of items for the Commissioners to consider when making their decision. He also asked for another meeting so the windows could be examined up close.

Lory Timmer presented the Resolutions listed below for the Commissioners consideration:

**RESOLUTION 2010-25: APPROVING THE ACQUISITION OF THE PROPERTY  
LOCATED AT 116 EAST SEVENTH STREET**

Mrs. Timmer said this property is part of the NSP strategy area. It is a foreclosed-upon, vacant property that is in extremely substandard condition. The average of two appraisals,

less 1% as required by NSP guidelines, is \$22,522.50. She said HUD owns the properties, and she made an offer of \$22,000, which was accepted. Because we are a municipality, we were given a 10% discount, so our final acquisition cost is \$19,800. Closing and demolition is expected to take place in October 2010 and the cleared lot will be donated to Habitat for Humanity.

**RESOLUTION 2010-26: APPROVING THE ACQUISITION OF THE PROPERTY  
LOCATED AT 416 WEST FIRST STREET**

Mrs. Timmer said this property is part of the River Center Project area. It has been on the City's list of properties to acquire, and the owner approached us with the offer to sell. The average of two appraisals is \$89,500, which the owner accepted. Per Mrs. Timmer, closing is scheduled for September 3rd, and then plans for demolition can proceed.

**TIF PROJECTS UPDATE**

Mrs. Timmer updated the Commissioners on the projects listed below:

Mishawaka Avenue Bridge / Merrifield Park Connector

Progress on improvements to the Mishawaka Avenue Bridge is behind schedule for many reasons. An inordinate amount of trash was discovered near the Merrifield Park connector, resulting in the area being excavated and backfilled. This process was concurrent with work on the bridge. Completion may be pushed to Thanksgiving, but that is risky due to the availability of asphalt at that time.

Main Street Improvements - Mishawaka Avenue to Battell Street

The contractor, Rieth-Riley Construction, has closed Main Street from Church / Front Street to Battell Street until August 31<sup>st</sup>. Storm sewer is being installed from south of Mishawaka Avenue to Battell Street. All pavement, curb and sidewalk have been removed from Grove Street. New storm sewer along Grove has been installed. Temporary widening has been completed on the East side of Main Street in preparation for the next phase of work, which will be the reconstruction of the new southbound lanes.

Main Street Improvements Ph. IV - Donaldson to McKinley

The concrete pavement for the new northbound lanes is complete. All of the side streets on the east side of Main are complete and tied in to the new Main Street. New sidewalk and drives, as well as street lighting, are complete on the east side of Main. The Main/Omer

intersection is complete and reopened to restricted traffic. New storm sewer has been installed on the west side of Main. Contractors are grading and placing stone in preparation for the concrete for the new northbound lanes. Paving of the new northbound lanes should begin the week of August 30th.

#### North Main Street - Ardennes to Edison

Construction plans are under review. Right of way acquisition will begin soon.

#### Holy Cross Parkway Lift Station Forcemain - Ph. IIE

HRP Construction, Inc. is the contractor. Construction is expected to begin August 25<sup>th</sup> and conclude in November.

#### River Crossing 2

Construction has begun on the headworks and tailworks structure. Remaining work includes the associated piping and an odor control unit. The completion date has been moved to the end of October.

### **NEIGHBORHOOD PROGRAMS**

#### Neighborhood Stabilization Program (NSP) Grant

*River Center Apartments:* Asbestos abatement was complete, until it was discovered that all the staircases and many of the baseboards are made of asbestos. Greg Kil will meet with ACM, the environmental oversight contractor, to discuss options for proceeding with this discovery.

Mrs. Timmer said she met with our Tax Credit consultant, Anne Mannix of Neighborhood Development Associates, to discuss their application for Low-Income Housing Tax Credits. The application is based on a point system that takes every aspect of the project into consideration, and it is competitive. We must have our application submitted to the Indiana Housing and Community Development Authority (IHCDA) by November 1, 2010.

*NSP Target Area:* With our acquisition consultant, over 90 properties have been investigated. To date, we have purchased 16 of the 20 properties we proposed to acquire. Offers were made on an additional six (6) properties, and two (2) more next week will be made next week.

Since last month's meeting, the properties at 513 S. Taylor and 327 Milburn have been demolished. Within the next two weeks 407, 519 and 501 W. Sixth will be demolished. Contracts for the demolition of 311 Cleveland, 311 Laurel and 510 W. 10<sup>th</sup> were awarded to Jackson Services. The contract for the demolition of 614-618 E. Battell Street will be awarded at the August 24<sup>th</sup> meeting of the Board of Public Works.

### **FIRST TIME HOMEBUYER PROGRAM**

The year started with 13 applicants on our waiting list. Unfortunately, due to a variety of circumstances such as unemployment, relocation and purchasing homes to get the tax credit, we are now down to two applicants, and possibly just one. We plan to place an article in the Communicator to attract more applicants. If we end up with only one participant this year, we will rollover the HOME funds into next year's program, and hopefully build four or five homes in 2011.

### **MEMORANDUMS OF UNDERSTANDING WITH HABITAT FOR HUMANITY**

Mrs. Timmer indicated NSP grant guidelines dictate that grant recipients must have all contracts that will be paid with NSP funds signed by September 21. IHEDA, who administers our NSP grant, has asked that we have all contracts signed by September 10. Buy-sell agreements have been fully executed for two properties that will be donated to Habitat. Of the six properties for which purchase offers have been made, four will be donated to Habitat. These MoUs are identical to those approved by the Commission in June. IHEDA recommends having contracts signed and ready to obligate should a seller accept one of our offers, so Mrs. Timmer requested the Commission approve the Memorandums of Understanding with Habitat for the properties currently owned by the City, as well as those we're trying to acquire.

The MoUs we're presenting for approval tonight are for the following addresses / subsidy levels:

- 116 E. Seventh Street           \$50,000
- 614-618 E. Battell Street       \$50,000
- 529 E. Fourth Street           \$50,000
- 715 E. Sixth Street             \$50,000
- 616 W. Seventh Street         \$50,000
- 318 W. Tenth Street            \$50,000

**CDBG PROGRAM YEAR 2011 BUDGET**

The Department anticipates receiving a total of \$635,523 in Community Development Block Grant funds for 2011. This includes \$550,000 from the actual grant, \$20,000 that will be carried over from the 2010 grant to cover salaries for several months, and \$65,523 in program income. All of these figures are estimates based on past receipts. The sources and recommended uses of funding are presented for approval:

**SOURCES**

CDBG Entitlement	\$	550,000
PY 2010 Remaining Funds	\$	20,000
Estimated 2011 Program Income	\$	<u>65,523</u>
Total	\$	<u>635,523</u>

**USES**

Administrative	\$	90,000
South Bend Consortium Fee	\$	5,000
Fair Housing Workshop	\$	2,000
Human Rights Commission	\$	5,000
Spot Blight Elimination	\$	32,000
Spot Blight w/ Intent to Rebuild	\$	313,221
Self-Sufficiency Program	\$	60,000
Public Infrastructure Improvements	\$	52,302
Owner-Occupied Rehab	\$	5,500
Summer of Service	\$	12,000
Sub-Recipients		
FCC Counseling and Development	\$	9,500
Center for the Homeless	\$	7,500
Boys and Girls Club After School Programs	\$	20,000
YMCA Before and After School Program	\$	4,500
REAL Services Older Adult Crime Victim Program	\$	5,000
REAL Services Adult Guardianship	\$	5,000
YWCA	\$	<u>7,000</u>
Total	\$	<u>635,523</u>

Allocations to existing sub recipients are comparable to what was allocated in 2010, with some exceptions: the YMCA's Before and After School Experience (BASE) was decreased from \$10,000 to \$4,500; the Center for the Homeless Kitchen Improvement Project was funded; the YWCA's Domestic Violence Prevention program was funded; and, Stone Soup Community was not funded. In 2010 we provided \$58,500 in funding to non-profits, and in 2011 we are providing the same. We are allowed to give as much as 15% of our grant to public service agencies, so we could give as much as \$82,000 in 2011.

The YMCA is requesting that they be allowed to use their grant to increase the value of the scholarships they provide to students. They feel they can serve more low-moderate income

students if they base scholarships on a sliding fee scale. They made a similar request in November 2009, but withdrew the request when we extended their deadline for using the funds.

Commissioner O'Dell moved to allocate \$2,000.00 to Stone Soup Community and increase funding for YMCA Before and After School Program from \$4,500 to \$10,000 for an adjusted funding amount to sub-recipients of \$66,000. Commissioner Troiola seconded; motion carried.

**POLICY STATEMENT: CITY OF MISHAWAKA SECTION 3 PLAN**

Mrs. Timmer presented a policy statement for signature that corresponds to the Section 3 Plan the Commission approved at the July 2010 meeting.

**RELEASE OF MORTGAGE**

The owners of 204 Saint Lo were issued a 10-year forgivable loan in August 2000. All terms and conditions of that loan have been satisfied, so the Department will release the mortgage.

**OTHER BUSINESS**

Mayor Rea has given the Department permission to hire a staff person to assist with NSP-related activities. The position will be for the duration of 12 months only, and will begin October 1<sup>st</sup>, 2010. The salary range is \$42,000 - \$45,000 plus benefits, which is comparable to other NSP Coordinator positions in the Midwest. It will be funded with our NSP grant.

**NEXT MEETING**

The next regular meeting of the Redevelopment Commission will be October 25, 2010 at 6:30 p.m. in room 205.

The meeting was adjourned at 8:36 p.m.

Respectfully submitted:

*(Signature on file)*

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Kari Myers, Administrative Planner

*(Signature on file)*

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Lory L. Timmer, Community Development Director

Approved:

*(Signature on file)*

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M. Gilbert Eberhart, President