

## **REDEVELOPMENT COMMISSION MEETING**

**March 28, 2011**

The regular meeting of the City of Mishawaka Redevelopment Commission was called to order at 6:30 p.m., Monday, March 28, 2011, in Room 205, City Hall, 600 East Third Street, Mishawaka, Indiana. Commissioners Eberhart, O'Dell, Troiola, Mammolenti, Gebo, and Stillson were present. Also in attendance: Lory Timmer, Community Development Director; and, John Gourley, Legal Counsel.

Commissioner Gebo moved to approve the minutes of the January 24, 2011 meeting. Commissioner Troiola seconded; motion carried.

Lory Timmer presented the following updates:

### **RIVER CENTER UPDATE**

Mrs. Timmer reminded the Commission that at the February 28, 2011 meeting they were asked to consider nine (9) bundles of parcels that the Department is proposing for disposal. After meeting with appraisers, the Department has learned that the time frame was not realistic. The Department had planned to advertise for Requests for Proposals by the end of March, with proposals to be received at the April 25, 2011 Redevelopment Commission meeting. Appraisals for the nine areas will take approximately four - six weeks, which puts the advertising date closer to the end of April. Therefore, proposals will be received at the May 23 Commission meeting and distributed for review. Decisions regarding the submitted proposals will possibly be determined at the July 25th meeting.

### **TIF UPDATES**

#### **Main Street - Church Street Connector**

This project includes construction of Main Street from the south end of the bridge over the St. Joseph River to north of the Lincolnway East (SR 933) and Main / Union connector. Work includes concrete pavement, curbs and sidewalks, pavement markings, signing, lighting and landscaping. The estimated construction cost is \$2.7 million. DLZ is finalizing the bid documents; the project will be bid in the spring of 2011.

Church-Union Street: Lincolnway East to Dragoon Trail

The soils work, survey and preliminary plans are 100% complete. The environmental report and final plans are in progress.

Main Street Improvements, PH. III: Mishawaka Avenue to Battell Street

The pavement has been removed from the northbound lanes of Main Street between Mishawaka Avenue and Battell Street. The installation of a new storm sewer is scheduled to begin the week of March 28. Left turns within this corridor are still prohibited. East Grove, East Lawrence and East Battell Streets will be closed to through traffic at Main Street, but access is available from Sarah Street.

North Main Street, PH VI: Ardennes Street to Edison Road

DLZ is working on right-of-way acquisition.

Edison Road and Grape Road Intersection Improvements

DLZ is providing engineering services for the construction of Grape Road and Edison Road intersection improvements. Services include utility coordination, right-of-way services, appraisal and acquisition, design and bid phase services. Right-of-way is required for two parcels to the southeast and southwest of the intersection for a total length of approximately 700 feet.

Main Street Widening to Four Lanes: Edison Lakes Pkwy to Day Road

Appraisals of four parcels for the required right-of-way for this project and construction plans are complete. Acquisition of right-of-way is underway.

Holy Cross Parkway Lift Station Forcemain, PH. IIE

New asphalt will be placed and landscape restoration will be completed at Chestnut and Russ Streets this spring.

Douglas Road Medical Park, PH. II

Bids for Phase II of this project will be opened at the Board of Public Works and Safety on

March 29. Work includes earthwork, a three-sided precast concrete structure with a span of 32-feet for Juday Creek, curbs, pavement, driveways, sidewalks, storm sewer structures and pipe, sanitary sewer structures, pipe and water main. The cost of construction is estimated at \$1,820,000.

Fir Road Expansion, PH. I (Between the Toll Road bridge and Cleveland Road)

This project includes reconstruction of approximately .38 miles of Fir Road. The environmental study review is complete, and drainage design and construction plans are underway.

Bremen Highway Improvements

This project consists of improvements to Bremen Highway to enhance traffic flow safety within this corridor from US 20 Bypass to approximately 500 ft. north of Ireland Road. Abonmarche has completed the survey work for Bremen Highway right-of-way and all side streets for 100 feet of the project. Drainage studies, lane configuration plans, corridor aesthetic enhancements and geotechnical investigations are underway.

North Cedar Street Demolitions

Lawson-Fisher has developed a grading plan for 421 N. Cedar Street. A five-foot berm will be created along Alice Street to the north and the residential property to the west. From there, the property will have a 4:1 grade with erosion control in the form of temporary matting and low-maintenance ground cover. The remaining area will be hydroseeded. The long-term plan is to create an alternate entrance to Central Park, and possibly construct a few homes.

Advertise for Property Disposition

The Department has three unbuildable vacant lots that they are requesting permission to advertise for sale:

- 219 S. Cedar St.*      Site of substandard 4-unit apartment building that was donated to the City by Wells Fargo
- 2023 Lincolnway W*      Site of substandard vacant house that was sold to the Department for \$1
- 809 S. West St.*      Site of substandard vacant house that the City purchased for \$15,000

If approved for disposition, the lots will be appraised and advertised for sale. Bids will be received at the May 23, 2011 Redevelopment Commission meeting. The Commission will have the opportunity to accept or reject any bids. Neighbors next to all three sites have expressed interest in purchasing the lots. Commissioner Gebo moved to approve disposition of the three (3) parcels as presented. Commissioner O'Dell seconded; motion carried.

#### Merrifield Park Entrance Sign

Mrs. Timmer distributed detailed plans for the new Merrifield Park entrance sign.

#### Street Improvements: East Third Street between Cedar Street and Merrifield Avenue

Surveying of East Third Street between Cedar Street and Merrifield Avenue is complete. This section of the street will receive upgraded sidewalks, curbing and pavement. Work will take place in Summer 2011.

#### Street Improvements: Fourth Street between Baker Street and Capital Avenue

Surveying of Fourth Street between Baker Street and Capital Avenue is underway. This section of the street will receive upgraded sidewalks, curbing and pavement. Work will take place in Summer 2011.

### **NEIGHBORHOOD PROGRAMS**

#### Mishawaka River Center Apartments

To supplement the tax credits the City was awarded for this project, the Department is applying to Federal Home Loan Bank for \$750,000 in Affordable Housing Program funds. This is a forgivable loan that reduces to a zero balance over the course of 15 years, as long as the project remains affordable. The application will be submitted this week; award announcements will be made in July. The completion of the project is not dependent upon this additional funding. The Department can use TIF funds for any funding gaps that may occur.

#### Neighborhood Stabilization Program 3 (NSP3) Grant

As previously mentioned, the Indiana Housing and Community Development Authority awarded the City \$1.18 million in NSP3 funds. The money is to be used in the original NSP1 target area

to mitigate the impact of foreclosed and abandoned properties. The Department anticipates receiving the contract from IHCDA within the next few weeks, and will proceed with acquisition activities as soon as it's executed.

### Habitat for Humanity Builds

Habitat for Humanity has excavated foundations for two new houses in the NSP1 target area: 116 East Seventh Street and 715 East Sixth Street. Also, they are in the process of finishing the house at 327 Milburn Court that was started last year. Later in the summer construction will begin at 548 West Sixth Street and 616 East Battell. All of the homes built this year will be two-story.

### Summer of Service Program

There are now nine churches interested in working on houses for the Summer of Service program. As of today, there are four qualified participants. The addresses are:

2357 N. Main Street - owner 84 y.o.; \$17,981.16 (43% AMI)

218 Maplewood Street - owner 48 y.o. (disabled); \$9,324 (18% AMI)

1002 Lincolnway East - owner 66 y.o.; \$15,289 (37% AMI)

205 E. LaSalle - owner 70 y.o.; \$13,932 (34% AMI)

We are working with the City's Code Enforcement Department to identify more garages and homes that require exterior repairs to bring them up to code. Commissioner O'Dell moved to approve the four (4) applications as submitted. Commissioner Gebo seconded; motion carried.

### Spot Blight Elimination

At the March 8, 2011 Commissioner's Tax Certificate sale, the Department bid on and won the property located at 1724 E. Jefferson. It is a vacant former welding shop that Code Enforcement yellow-tagged. The winning bid was \$6,101. It is anticipated that the Redevelopment Commission will have clear title to the property in approximately six months. The structure will be demolished and cleared; there are no immediate plans for the site.

### Sixth and Wells Streets

The three properties at the northeast corner of Sixth and Wells Streets have been replatted into

two lots. The parcels will be deeded to Habitat for Humanity of St. Joseph County; Habitat will construct a two-story home on each lot. Construction will begin on the first home in May 2011.

### **FIRST TIME HOMEBUYER PROGRAM**

The Department set a goal of constructing five homes in 2011. Working with Horizon Bank and 1<sup>st</sup> Source Bank, five applicants have been pre-approved for mortgages. Once third party income verifications are received from employers, lot selection can proceed. Builders could break ground on the first home in April.

A meeting was held today with the participating builders: Place Builders, Jeff Moser Homes and The McCollester Group. It was agreed that homes would be built on our existing lots for \$130,000 (\$5,000 more than in the past two years). The builders will build on the following lots:

- 611/613 E. Third St. - Place Builders
- 519 W. Sixth St. - Place Builders
- 510 W. Tenth St. - Moser Homes
- 407 W. Sixth St. - The McCollester Group
- 311 Cleveland St. - The McCollester Group

Construction agreements for the above properties were presented for approval. Commissioner Gebo moved to approve the five (5) First Time Homebuyer builder contracts as submitted. Commissioner Mammolenti seconded; motion carried.

We have solicited quotes for a privacy fence for the backyard at 501 W. Sixth Street. After the fence is installed, sod will be placed in the front yard and the backyard will be hydroseeded.

### **ANYTHING BROUGHT BEFORE THE COMMISSION**

#### **Release of Mortgage**

The First Time Homebuyer at 622 East Grove Street sold her property. The closing took place on March 24, 2011. She originally purchased her house in October 2005 with a \$90,000 mortgage from 1<sup>st</sup> Source and a \$35,380.74 forgivable loan from the Department. The house was built for \$113,000. After having it on the market on and off for four years, she sold the home for

\$97,700.

After the payoff to 1<sup>st</sup> Source Bank, as well as closing costs, points conceded to the buyer, realtor commission, 2010 and 2011 property taxes, and other costs, there was no cash out. The balance of her forgivable Redevelopment loan had reduced to \$16,510.48. Per Federal regulations, the Department is required to write-off the balance of the loan and release the mortgage.

**NEXT MEETING**

The next regular meeting of the Redevelopment Commission will be Monday, April 25th, 2011, at 6:30 p.m. in room 205.

The meeting was adjourned at 7:36 p.m.

Respectfully submitted:

Approved:

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Lory L. Timmer,  
Community Development Director

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M. Gilbert Eberhart, President