

## **REDEVELOPMENT COMMISSION MEETING MINUTES**

**June 22, 2015**

The regular meeting of the City of Mishawaka Redevelopment Commission was called to order at 6:30 P.M. Monday, June 22, 2015 in Room 205, City Hall, 600 Third Street, Mishawaka, Indiana. Commissioners Pingel, O'Dell, Eberhart, Deal and Stillson were present. Also present were Ken Prince, Attorney Beutter, Rebecca Miller, Laura Raygoza, Marilyn Jones, Christopher Stackowicz and Joe Dits.

### **APPROVAL OF MAY 18, 2015 MINUTES**

Commissioner Eberhart motioned to approve the minutes from the May 18, 2015 Redevelopment Commission meeting, Commissioner O'Dell seconded; motion carried.

### **PRESENTATION AND CONSIDERATION OF DEVELOPMENT AGREEMENT**

#### **BARAK IRON ROCK - PROPERTY BETWEEN WEST AND HILL EXTENDED, PROPERTY WEST OF BEUTTER PARK, AND THE FORMER UNIROYAL POWER PLANT SITE "ISLAND" LOCATED NORTH OF THE RIVER RACE AND MISHAWAKA POLICE STATION**

Ken Prince turned meeting over to the President of the Barak Group to introduce his team and walk thru the agreement and then open the meeting up for comments.

Mr. Nir Davidson came to Mishawaka in 2007 from Israel. He has various developments here and would enjoy very much to continue and share his visions with the City of Mishawaka and stated that he is very much committed to the City. He then introduced Mr. Tom Panzica, Vice President of Panzica Architecture, 416 East Monroe Street, South Bend, Indiana. He spoke briefly regarding his agreement with Barak's vision. He commented on superior health care assets and affordable housing rates. He said it allows opportunity to commute to larger areas such as Chicago and will attract people that may be looking for a certain lifestyle and work outside the community. Mishawaka is very fortunate that some areas with very blighted structures, still allows a clean slate for these types of developments. After much discussion many proposals went back and forth. The work was constantly updated. He presented exhibits which were also provided as handouts to the Commission. (See attached). There would be 30 units overlooking the bridge with excellent views. Also they would like to incorporate a small cafe/coffee shop. This would serve the many people that come to Be utter Park. Also, it would have indoor/outdoor components. As a part of the first unit, there would be green space behind it. The idea is turn Beutter Park into a year round amenity. The smoke stack would serve as a fire pit in the winter time.

The vision of what it would be like is still a very early concept. It would relate to some of the iron works type of housing. Panzica showed illustrations of both views during the day and during the night. Phase 1 and Phase 2 condominiums views were shown. They are trying to develop a hard urban edge and keep some openness around the building that won't obstruct the views of the park. All units would have balconies. People walking by would have comfort in that. Also a view of the cafe was illustrated - "Phillip

Johnson's House" type not very large, opening up to a public plaza. Several dozen people could occupy this space more like a coffee shop. You could relate it to the Starbucks located at Ironwood and 23 with iron gates. He stated that everything that Barak does is "very green." He offered an illustration of the second condominium phase and apartment tower with 120 units. There is a need for more parking around Beutter Park and Kamm Island. There would be extended parking underneath with up to parking for 300 cars. The first tower would have its own parking underneath. Designs are very similar for both, but that could change.

The second phase would include 19,500 feet of retail. They do not have a rental agreement with Starbucks, it is being used for illustration purposes only. There is a disclaimer regarding this. A walkable community could be achieved in Mishawaka especially for the younger population.

The vision for the Island is a very high end hotel (boutique type). He also realizes for that to be successful, is for it to be different. One way would be to be a conference center and destination hotel where people come for a reason. Successful conference centers are destination type conference centers such as Gillespie Center in South Bend. There is the opportunity to create a critical mass of walkable downtown community with baby steps. They believe the vision is sound and the planning is good. Panzica is in their 60th year of business. Legally it is right for the community and would like to see this happen and hopes the Commission sees fit and allows this to move forward for the community. There would be a c-wall along the existing Island. When you get to more than 4 or 5 stories it gets more expensive. The goal of attracting people from Chicago will happen, but to get it off the ground it has to work for the existing community. Parking is also an issue you can only build as high as you can provide parking underneath. Resident Mary Zerbel, 216 West Broadway, Mishawaka, Indiana wondered what that would look like (scale).

Commissioner O'Dell asked about view and location- the river affords a well-placed view. Single loaded corridors and end views have views in three directions. The three center units look out to the River and there would be a glass atrium.

The apartments - instead of a single loaded corridor, it is put down the center. A typical apartment is about half the size of a condominium. Apartment shoppers are more concerned about location. The odd placement of some of the buildings allows attractive views of the City whether it is the river or the bridge. Commissioner Deal asked if there was a market study done specific to this project. Mr. Nir Davidson stated that they are still in process of finalizing their market research. They are confident that the demand is there. Amenities, style, location without overloading the market will be a success. Commissioner Deal also asked about price points. Mr. Davidson stated that it would definitely not be downtown Chicago prices but a reasonable price will be offered and is confident that they can fill these units. Mike Belavich, asked about size. They are 18-1,900 square feet. Condo buyers are a lot of empty nesters moving into the City. They want more space and do not want to downsize too much. 30 units (five floors) are in that building. He used the example of Gillespie Center to compare smaller spaces for conferences verses destination type conferences. Pocket stores are also a concept that could possibly be explored. Ken Prince stated that there will not be any other bridge as a part of the project. Brian Tanner asked if there is a concern with the long term construction plan that would produce crowds due to the

perception that there is construction going on for 7-8 years of the project phase. Mr. Davidson said it's exciting and tells everyone that Mishawaka is on the move. It's not a deterrent and Mr. Prince commented that every time we have created a "look" there would be a fence around the construction and the Riverwalk would be left open. Central Park should be completed in July and will add parking for that area. In his research of other river walks, he feels Mishawaka has done a superb job. He feels we're doing a superb job; imagine the density with this development change. There will be security cameras in there to provide additional attention and possibly foot patrol police protection. Every one of their steps has been to open up and broaden the secure feeling.

Susan Bradford, 203 Mishawaka Avenue, Mishawaka, Indiana hoped that it will provide an esthetically correct look. She suggested butting it up to Beutter Park. You would have to cross a busy thorough fare and they are trying to create a walkable community. The city has a vision for what can happen down there. She thought it would blend into the area. There is nothing there to bar public access. The Architect stated that the City did not clear that land for festivals and parks but for urban development. Ken Prince stated that we did create it for such and explained how esthetically it would be correct. A letter from Scott Sivan was read for the public record. (See attached). In addition it was stated that implying that Starbucks was coming into the area is misleading- Starbucks requires high density population with 30,000 cars. Commission Deal asked if there is any response to this letter.

It was stated that the letter which arrived a couple of hours prior to this meeting has some inaccuracies in it. We should focus on the purpose, our vision, execution and how we would like to see downtown Mishawaka. We are very much confident in our execution and nothing more to discuss than go and do it. They are judged by doing things. Ken Prince said he is honored to have been a part of Uniroyal still standing when he started working for the City in 1999. The site was cleared in 2002 with no proposals in 2002. Beutter Park opened Memorial Day 2005. Town homes by Kamm Island came as one and the town homes across came as another proposal. A lot of the product hit the market at the worst time. The last building constructed with some finishing work still going on. The office space was built not knowing what was going to occur. A lot has to do with getting financing to operate a restaurant. In the coming out of recession state, there were no specific proposals presented. When Barak came forth we met and talked about their vision and tried to convince them that this was the site to start with other than the property along Mishawaka Avenue. The master plan produced in 1999 and with key elements end use was architecturally significant. The phase to move upon is highlighted in red on the plan. There are people interested in doing development in downtown Mishawaka and call weekly. We want comprehensive development. In evaluating that proposal the City feels it makes sense. It's very similar to the town homes. It functions the same way. Commercial made sense between commercial and residential. Building commercial space in the downtown is a challenge. We have marketed this property. We don't have developers knocking on our door. The real interest is from the small private investor willing to take a risk. We feel this agreement is consistent with the other proposals that we've had. This first phase is a decent one.

Ken Prince presented the development agreement and all comparisons. He gave an overview of the anticipated timeline for the project as listed in the agreement. If they do not move forward, the agreement would be voided or continued if the Commission is satisfied with the work and progress to

that point. They wanted to present a plan that had specific timelines. If this phase would prove successful we would ask for the approval of phase 2 with future phase 3 and 4 to be determined. Environmental liability is different as stated in the agreement along with provision in the contract to deal with the unknown. Tax abatement- they are looking for a similar abatement, but again believe the proposal is consistent with the plans of the City. Anticipated cost of Phase 1 will be \$10 million, Phase 2 - \$10 million and Phase 3-\$26 million. Commissioner Deal asked how was the \$20,000 per parcel cost determined. Ken Prince stated that the Avenue property was appraised as such and we did the same. The higher investment in the property is what we are looking at. Ken Prince feels it is very consistent with that action. Commissioner Deal questioned if it is feasible to go beyond that. Commissioner Eberhart stated that if we requested the funds be appropriate for what it cost the City if would be vacant land forever. Our mission is to make a great development for a long time and pay taxes for a long time. It will give the citizens a break on their taxes because either will be help to pay for fire, police, etc. Commissioner Deal stated if there was not the opportunity for the Developer to make money he wouldn't be here, but we don't want to give away more than we have to give. The Architect (Panzica) did a quick calculation and that area is approximately 1.2 acres. Nevan stated that the cost would be essential and help them develop their vision.

Commissioner Eberhard motioned to approve the development agreement as presented; Commissioner O'Dell seconded; motion carried.

#### **BUY SELL AGREEMENT FOR 218 BYRKIT STREET**

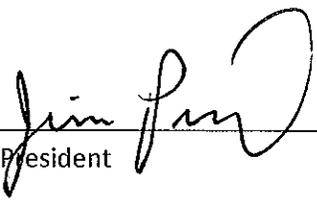
We have an obligation to spend CDBG funds by October 15, 2015. We're doing infrastructure projects. We've allocated funds toward blighted property. We would like to acquire this property. We've identified over 20 properties but only a few were eligible because others had clouded titles. This was bought at a tax sale by the owner at a low price of \$5,700.00. We offered them \$55,000.00. We think it is important to take it back to residential status. It is owned by Lara Properties, Corporation. They've had it for less than a year. Commissioner O'Dell motioned to approve the Buy Sell Agreement and that we acquire the property located at 218 Byrkit Street, Mishawaka, Indiana; Commissioner Deal seconded; motion carried.

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

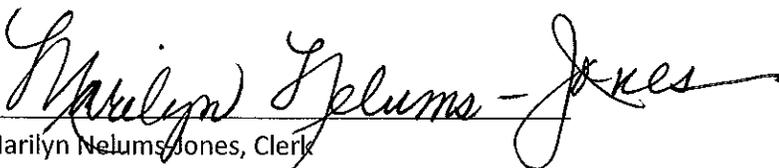
The mortgage agreement for 344 South Wells Street, Mishawaka, Indiana has already been approved and will need signature this evening.

We are planning to open Central Park by July 4th, will not be sure if it will be operational. The carvings will not be done. We have modified drainage.

Commissioner Eberhart motioned to adjourn the meeting; Commissioner Deal seconded; meeting adjourned at 7:45P.M.

  
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Jim Pingel, President

  
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Ken Prince, City Planner

  
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Marilyn Nelums-Jones, Clerk