

MINUTES

ANDERSON REDEVELOPMENT COMMISSION

May 15, 2023

PUBLIC MEETING

5:00 p.m.

ED Conference Room, Room #105

120 East 8th Street

Anderson, IN 46016

MEMBERS PRESENT

Richard Symmes, President

Danny McGhee, Vice President

Kenneth Davenport, Secretary

David Eicks

Perry Washington

JoAnna Collette, Non-voting member

STAFF PRESENT

Greg Winkler, ED Director

Karen Soetenga, ED Dept

Mike Austin, Commission Attorney

OHTERS PRESENT

Allie Rosenbarger, KennMar

Thomas Pitman, Barnes and Thornburg

Councilor Crumes, City Council

Doug Whitham, City Controller

Ken de la Bastide, Herald Bulletin

Angie Strickler, Citizen

Meredith Armstrong, Citizen

OPEN PUBLIC MEETING

Mr. Symmes stated an executive meeting was held to discuss strategy for a real property transaction, 2810 Nichol Avenue.

ROLL CALL AND DECLARATION OF QUORUM

Mr. Symmes, at 5:40 pm., established a quorum with six (6) members present.

MINUTES

Mr. Eicks moved to approve the March 28, 2023 minutes as presented. Mr. Washington seconded.

Motion passed unanimously; 5 yes, 0 no.

PAYING OF BILLS

Commission members reviewed financials and invoices.

Mr. McGhee asked if the payments to the Anderson Township Trustee completed the agreement and if the ARC now has possession of the facility on Madison Avenue. Mr. Whitham stated the payments fulfilled the financial obligation of the Commission. Mr. Eicks stated the closing has taken place and the ARC will

get possession of the Madison Avenue facility as soon as the rehabilitation of East 10th Street is complete. Discussion followed.

Mr. Eicks made a motion to approve the bills totaling \$2,152,172.88. Mr. Davenport seconded.

Mr. McGhee asked to see Barnes and Thornburg invoices. Brief discussion followed.

Motion passed unanimously; 5 yes, 0 no.

BUSINESS

Bid Opening for Mowing, Trimming and Vegetation Spraying of ARC owned properties - Request for Quote #23.01

Mr. Austin opened 4 sealed bids received within the required timeline.

- Baileys Landscaping Services, LLC - \$78,815.20 - found to be responsive.
- Select Lawn Services, LLC - \$42,095.00 - found to be responsive.
- Tyson Minnefield - \$26,950.00 - Not responsive; did not contain equipment list or quote for pesticide.
- Chamberlain Lawn Service - \$24,875.00 - Not responsive; did not contain quote for pesticide or license for pesticide.

Action on Mowing Contract - ARC owned properties

Mr. Eicks made a motion to take the bids under advisement and Mr. McGhee seconded. Motion passed unanimously; 5 yes, 0 no.

ARC03-23 Resolution Determining Need to Capture Incremental Assessed Valuation

Mr. Winkler, Economic Development Director, stated the resolution is submitted every year as notice to the various taxing units for the need to capture 100% of the assessed value of TIF. Mr. Austin, Commission Attorney stated the resolution is the same as last year and is an annual requirement. Brief discussion followed.

Mr. Eicks made a motion to approve Resolution ARC03-23 a Resolution Determining Need to Capture Incremental Assessed Valuation and Mr. McGhee seconded. Motion passed unanimously; 5 yes, 0 no.

Action on Requested Contract with Kenn Mar regarding 2810 Nichol Avenue

Mr. Winkler briefed members on an agreement with KennMar for the buildout of approximately 25,000 sq. ft. of grocery space for Needler's and an additional 15,000 sq. ft. for an ACE Hardware store. Mr. Winkler stated Needler's architectural firm was in the building on Friday and stated they are planning on placing a pharmacy in the building.

Mr. Washington asked Mr. Pitman, Barnes and Thornburg, to give a brief summary of the agreement.

Mr. Pitman stated section one of the agreement addresses the quality of the project which includes a grocery store and hardware store. The agreement requires KennMar have 10 year contracts signed by Needler's and ACE before the project commences. Mr. Pitman informed members the grocery is to be a full service establishment with both quality meat and produce offerings. There is a requirement that the project be completed no later than July 1, 2024. Mr. Pitman stated the agreement addresses what happens if the grocery store and hardware store do not operate for 10 years. Mr. Pitman briefed members on the ability of KennMar to take out a mortgage on the facility up to 3M leaving the rest of the value subject to a junior lien by the Commission. The lien would decline every year, in order to insure the operation of the two entities for 10 years: if they left after one year 100% of value of junior lien would be due to the Commission, two years, 90%, etc. Mr. Pitman stated this was a way to insure developer clearly has skin in the game. Mr. Pitman informed members of the financial commitments in the agreement; KennMar commits no less than 1.5M where they put in the first \$500,000 with the remaining 1M matched, on a prorated basis, with 7.5M injected by ARC. Mr. Pitman stated the agreement allows for close oversight of construction. KennMar and the ARC will have their own architect and both architects will agree on appropriate draws, percentage of completion and how much it should cost, allowing for close monitoring by people with expertise. Mr. Pitman stated the project was promising from the beginning because of KennMar's reputation, financial wherewithal and past accomplishments.

Mr. Symmes stated no ARC funds will be expended until work is done and a draw is submitted. The Draw will be given to the two architects for review and approval and then to ARC members to review and approve.

Councilor Crumes asked who the agreement is with. Mr. Pitman stated the contract is with KennMar and in turn, KennMar will enter into 10 year contracts with Needler's Grocery and ACE Hardware. The agreement does not become effective until the two contracts are secured. Discussion followed.

Councilor Crumes asked if Mr. Washington and Mr. McGhee have seen the inside of 2810 Nichol Avenue and Mr. Symmes stated he has not and would assume they have not. Discussion followed. Ms. Rosenbarger, KennMar, stated KennMar based projections on another Needler's project as well as other construction projects in their portfolio. Ms. Rosenbarger informed members if the project ends up costing less, the City will benefit and anything over budget will be paid by KennMar. Discussion followed.

Mr. de la Bastide, Herald Bulletin, asked if many changes were made to the original proposal. Mr. Eicks stated no, there had been few changes. Mr. de la Bastide asked if the plan was to have it open by July 1, 2024. Ms. Rosenbarger, yes; after July 1, 2024 KennMar would be in breach of the agreement.

Mr. Washington stated he brought to Ms. Rosenbarger's attention a City Ordinance concerning hiring and labor practices so the public can look at it as a creation of jobs. He stated there is an opportunity to work with Needler's and ACE on commitments to hire locally, and to adhere to Title 6, the Fair Share agreement. Discussion followed.

Ms. Strickler, citizen, asked if there is a commitment to develop local business and grassroots efforts moving forward. Mr. Washington stated the conversation with KennMar has included the grocery and hardware stores to be a seed for additional growth on the Nichol Avenue corridor, more particular on the south side of Nichol Avenue. Mr. Eicks stated west side development has been a priority, and the ARC will continue to expend money there as viable projects present themselves. Discussion followed. Ms. Strickler asked if it is part of the vision to build up grassroot businesses. Mr. Winkler stated, yes, it is part of the vision. Brief discussion followed.

Councilor Crumes asked Mr. Pitman if the Commission is required to have a comprehensive plan. Mr. Pitman stated there is an overall plan that is amended over time. Mr. Winkler stated the plan is added to as new projects come along. Discussion followed.

Mr. Davenport made a motion to approve the agreement with KennMar as presented. Mr. Eicks seconded. Mr. McGhee stated he was abstaining, due to receiving agreement on such short notice. Mr. Washington stated he was abstaining due to not getting information on a timely basis. Motion passed; 3 yes, 2 abstaining.

ADJOURNMENT

Meeting was adjourned at 6:24 pm.