

+REDEVELOPMENT COMMISSION MEETING – TIF

MAY 28, 2008

TIME: 6:00 P.M.

PRESENT:

CITY: Doug Fry, Darrell Poling, Lowell Rethlake, Jim Saler, Daryl Tressler

Minutes of the 04/30/08 meeting were approved, motion by Lowell Rethlake and seconded by Doug Fry. All ayes. So passed.

Daryl Tressler reported that our current cash position is \$ 227,428.77 in checking and \$ 800,000.00 invested in a Certificate of Deposit. He also presented a list of bills totaling \$ 14,042.10 for HNTB and \$ 122,190.00 for land acquisitions to be paid. Daryl noted that our total funds balance will be \$ 891,196.67 after the current bills are paid. **Motion by Doug Fry, seconded by Lowell Rethlake to pay HNTB. Motion by Doug Fry, seconded by Darrell Poling to pay the right of way acquisitions. All Ayes. Motion's passed.**

Christina Colon explained that 41 ROW acquisitions had been made. She then explained that the enhancements designed in the original plan were in three sections. The section we are lined up to do was estimated in the original plan to cost approximately \$ 1.5Million. She said that we now have a \$ 1Million budget for enhancements that we need to make some priority decisions since we cannot afford the entire original list. She highlighted that the brick community signage planned for Lincoln Street just North of Taco Bell has a cost of \$ 240,000.00. She indicated that we could save some money by removing bricks from the roadway intersections. She also mentioned that Duke Energy lighting poles would be cheaper than decorative light poles because Duke retains ownership of them. Ross Davis commented that the gateway signage is critical, and that decorative lighting is of minor concern. Jean Johannigman agreed with Ross since the project is not going to be able to bury the power lines anyway. Lowell remarked that he had heard concern from the street department superintendent regarding snow removal and maintenance issues involving the brick pavers in the roadway. He concluded the presentation/discussion by suggesting: Lets select transportation enhancements that are maintenance free.

Daryl Tressler asked Christina and/ or the mayor for an update regarding the council's reaction to our board action last month recommending that the HNTB Lincoln Street alternative 1 be completed. Mayor Herbert responded that he believes some of the council members need to be

educated about the planned project. He suggested that two council members could meet with two TIF board members and discuss the particulars of the project. Jim Saler indicated that he preferred not to have those private meetings because he believes they have been counter productive for the TIF board the last several months. He suggested that HNTB, Umbaugh could provide copies of the most significant current information as well as the council members should read the TIF board minutes for the last four months and they would be up to speed. Jim concluded his comments that he much prefers that all board members meet in a public meeting versus private meetings.

Daryl indicated that he was under the impression that during our sixty day time out period there was concern about getting the project moving as quickly as possible due to cost increases caused by delayed action. Christina responded that the final updated INDOT application needs to be submitted no later than January, 2009. She also indicated that the last time changes can be made to the plan should be considered to be July 15, 2008. She asked if there were any additional questions. Jim Saler commented that their most recent invoice indicates that the segment DS-007: Right-of-Way Management and Supervision has been billed at 79.3% (\$ 225,212.00 of \$ 284,000.00) which leaves only \$ 58,788.00 for future services. He inquired: If some of the ROW acquisitions are drawn out and/or ultimately end up having to be acquired by eminent domain will the TIF be asked for an additional contract extension to get those acquisitions made?

Christina responded that the current contract would not cover any eminent domain acquisitions. Therefore, we would need to contract for an additional service to accomplish those acquisitions.

Lowell commented that he has had some discussions from property owners that he concludes indicates that the HNTB appraiser needs to improve his "bedside manor" to be less offensive to the property owners. HNTB's ROW acquisition representative, ??? ??????????, explained to Lowell that the appraiser and buyer are not the designers so they cannot, and will not, answer questions from the property owners regarding the project; since it could subject them to potential liability.

Daryl Tressler asked Matt Bailey to further comment on the discussion last month regarding potential environmental liability if the city purchases real estate that has had a known environmental problem/ remediation. Matt Bailey explained that federal law imposes "strict liability" on the owners of property with environmental damage and that under state law, there can also be claims against the owner of property. He commented that it would be better to acquire contaminated property by going to court for eminent domain rather than just under threat of eminent domain. He said a defense for a current owner (potentially the city) in the chain of title is if they can clearly prove that they did not cause, or contribute to the acceleration of, the contamination. He emphasized he advises that we clearly know the potential liability before making purchases of such property. He commented that Indiana law provides that property

owners with general business liability insurance before 1995 would be covered for the cleanup of property if the contamination can be proved to have occurred before 1995. He also highlighted that the city would definitely fall into the category of having a deep pocket, therefore, it should be conservative regarding purchasing any or all of the nine properties identified with problems. He said he cannot emphasize enough knowing where money would come from for potential problems before acquisitions are made. He concluded his discussion by recommending the TIF rescind its offers on properties with known contamination until we have properly weighed the potential liability issues. **By consensus the TIF agreed to give Matt Bailey the authority to rescind current offers regarding ROW's with known contamination.**

Daryl invited comments from the public. There were no further comments.

Daryl explained that he received an Email from Umbaugh indicating there is a new potential requirement for TIF commissions to have a school board representative that is non voting.

The next meeting was set for Wednesday, June 25th at 6:00 P.M.

Meeting adjourned at 8:30 P.M.

PRESIDING OFFICER:

Secretary