

**TOWN OF MUNSTER
MINUTES OF A MEETING OF THE REDEVELOPMENT COMMISSION
SEPTEMBER 8, 2014**

A regular meeting of the Munster Redevelopment Commission convened at 7:57 p.m. on Monday, September 8, 2014, at the Munster Town Hall. Commissioners John W. Edington, Andy Koultourides, David B. Nellans, Joseph A. Simonetto, and John P. Reed were present. School Town of Munster Representative Judy Florczak was absent. Mr. Reed presided. Also present were Treasurer and Executive Secretary David F. Shafer, Assistant Town Manager Clay T. Johnson, Town Attorney Eugene M. Feingold, and Interim Fire Chief Dave Pelc. The news media were represented by Mr. Jim Masters of *The Times*.

CONSENT AGENDA

APPROVAL OF MINUTES

Approval of the minutes of the regular meeting held on August 25, 2014

ACCOUNTS PAYABLE VOUCHER REGISTERS

Confirmation of Voucher Register #R14-8K dated 08/22/14 totaling \$4,950.79
Confirmation of Voucher Register #R14-8L dated 08/28/14 totaling \$78,930.61
Approval of Voucher Register #R14-9A dated 09/08/14 totaling \$6,750.00
Approval of Voucher Register #R14-9B dated 09/08/14 totaling \$677.00
Approval of Voucher Register #R14-9C dated 09/05/14 totaling \$14,786.00

LEASE AMENDMENT: CROSSFIT MUNSTER, LLC

An amendment has been prepared for Crossfit Munster, LLC terminating the lease for the property at 9384 Calumet Avenue. The original lease is to continue to September 30, 2014 and then terminate subject to leasing of the property at 9430-1 Calumet Avenue on October 1, 2014.

ACCEPTANCE OF LEASE: CROSSFIT MUNSTER, LLC

Staff presented a thirty-nine month lease with the owner of Crossfit Munster, LLC for 9430-1 Calumet Avenue. The lease term would be October 1, 2014, through December 31, 2017. Rent payments of \$2,655.00/month beginning October 1, 2014 through October 31, 2015, \$2,734.65/month beginning November 1, 2015 through November 30, 2016, and \$2,816.69/month beginning December 1, 2016 through December 30, 2017. The first, thirteenth, and twenty-fifth months will be free. The total value of the lease is \$98,476.08. The property will be used for a gym and personal training.

Commissioner Simonetto moved, with a second by Commissioner Nellans, to suspend the rules, waive the readings, and adopt the Consent Agenda as presented. Commissioners Edington, Koultourides, Nellans, Simonetto, and Reed voted in favor; none voted against. The motion carried and the Consent Agenda was adopted as presented.

GENERAL ORDERS

LEASE AMENDMENT: 9430-1 CALUMET AVENUE

At the August 11, 2014 meeting, the Commission took action regarding the early termination of the lease with Dr. Joseph G. Hofferth, a chiropractor, at 9430-1 Calumet Avenue. Since that time, a new tenant, Crossfit Munster, has been located as addressed *supra*. Dr. Hofferth has agreed to vacate the premises by October 1, 2014. Staff requested the action taken in August be reconsidered, allowing the lease termination without penalty. Dr. Hofferth has paid all amounts due the Town and has made a significant investment into improving the property. Staff feels it appropriate to allow Dr. Hofferth to keep the month of free rent totaling \$1,787.00.

Commissioner Simonetto moved, with a second by Commissioner Koultourides, to revisit the August 11, 2014 action, to not withhold the security deposit, and allow Dr. Hofferth to keep the month of free rent because of the improvements made to the building. Commissioners Edington, Koultourides, Simonetto, and Reed voted in favor; none voted against; Commissioner Nellans abstained. Motion carried.

Commissioner Simonetto moved, with a second by Commissioner Koultourides, to release Dr. Hofferth from his lease without penalty. Commissioners Edington, Koultourides, Simonetto, and Reed voted in favor; none voted against; Commissioner Nellans abstained. Motion carried.

RESOLUTION 045: APPOINTMENT OF INTERIM EXECUTIVE DIRECTOR

Proposed Resolution 045 is A RESOLUTION AUTHORIZING AN INTERIM EXECUTIVE DIRECTOR. The position of Executive Director is currently vacant with no one authorized to fulfill the duties and responsibilities of the position. Resolution 045 has been drafted to name Interim Town Manager Clay T. Johnson as the Interim Executive Director.

As Interim Executive Director, Mr. Johnson would be responsible for most of the day-to-day duties with matters of personnel management subject to review and approval of Town Council and Redevelopment Commission President Reed or his assign. The authorization will terminate upon the commencement of employment of the new Town Manager, or December 31, 2014, whichever date occurs first.

Commissioner Simonetto moved, with a second by Commissioner Nellans to approve Resolution 045 establishing Clay Johnson as Interim Executive Director of the Munster Redevelopment Commission until a new town manager is hired or December 31, 2014, whichever is first. Commissioners Edington, Koultourides, Nellans, Simonetto, and Reed voted in favor; none voted against. Motion carried.

ASSIGNMENT AND ASSUMPTION OF LEASE: MUNSTER STEEL

Developer Matthew Kimmel stated that CVP is now the owner of the Munster Steel facility. The property boundaries need to be defined. He presented a drawing to gain clarification of the south boundary of the Planned Unit Development. The drawing shows the boundary in question to be south of the structures currently in place in Centennial Park and a bike path between the railroad tracks and the back of the proposed new buildings at the north.

President Reed stated that the boundary shown on the map provided did not match his understanding of where the boundary would be located.

Commissioner Nellans requested legal review and stated that he never intended to give the three pavilions and playground to the developer as indicated on the map.

Robinson Engineering representative Joe Nordman confirmed that 50' of Clayhole Lake is being given to the developer and that the south boundary was never legally defined.

Extended discussion ensued which included the amendment to the development agreement.

Mr. Feingold explained the situation with the assumption of the lease and that the Town is looking for an indemnification clause.

By general consent, the matter was deferred to the September 22, 2014 meeting.

FIRST AMENDMENT TO DEVELOPMENT AGREEMENT – CENTENNIAL VILLAGE, LLC

This matter was discussed at the August 11 and 25, 2014 Redevelopment Commission meetings and is closely related to the assignment and assumption of lease as discussed *supra*.

NEW BUSINESS

RAINY DAY FUND TRANSFER

Ordinance 1460, adopted December 28, 2009, created the Rainy Day Fund 448. The ordinance and IC 36-1-8-5 allow up to 10% of the unused and unappropriated budget to be transferred into the Rainy Day Fund each year. Transfers to the fund were made in 2011, 2012, and 2013 in the amount of \$100,000.00 each.

The June settlement of property taxes was received June 26, 2014, helping the cash balances. The Redevelopment Operating Fund 406 has the healthiest balance with a cash balance in excess of \$291,000.00 and approximately \$75,000.00 remaining in anticipated expenses for the remainder of the year.

Commissioner Nellans moved, with a second by Commissioner Koultourides, to authorize the transfer of \$100,000.00 from the Redevelopment Operating Fund 406 to the Rainy Day Fund 448. Commissioners Edington, Koultourides, Nellans, Simonetto, and Reed voted in favor; none voted against. Motion carried.

ADJOURNMENT

There being no further business to come before the Commission, and upon a motion by Commissioner Simonetto, seconded by Commissioner Koultourides, the meeting adjourned at 8:39 p.m.

John P. Reed, President

ATTEST:

David F. Shafer, Executive Secretary