

**MINUTES OF SPECIAL MEETING
GARY REDEVELOPMENT COMMISSION
SEPTEMBER 4, 2020**

BE IT REMEMBERED THAT the Gary Redevelopment Commission met in a Special session in a virtual meeting in its offices at 504 Broadway, Suite 200, Gary, Indiana on Friday, September 4, 2020.

PRESENT:

**Eric E. Reaves, President
George A. Rogge, Vice-President
Adam Hall, Secretary
Jeremiah King, Member
Gwendolyn F. Sims, Member
Glenn I. Johnson, Representative of School Board**

ALSO PRESENT:

**AJ Bytnar, Director
Gilbert King, Jr., Esq., Commission Attorney
Ni'Avia Wilson, Staff
Debera Backhus, Staff
Linda Barnes-Caldwell, Councilwoman of the City of Gary
Tai Adkins, Councilwoman of the City of Gary
William G. Godwin, Councilman of the City of Gary**

THE MEETING was called to order by Commissioner Reaves at 4:30 P. M.

ROLL CALL: Commissioner Reaves, Commissioner Rogge, Commissioner Hall, Commissioner King, and Commissioner Sims were present. Mr. Glenn I. Johnson, Representative of School Corp. was present.

REQUEST for APPROVAL of RESOLUTION NO. 7070, a resolution approving and authorizing the execution of an Agreement of Purchase and Sale between the City of Gary Redevelopment Commission and Bradford Equities II LLC. (Deferred September 2, 2020): Mr. Bytnar said the Agreement of Purchase and Sale is for the South Gleason Golf Course in Gilroy Stadium. This matter came before the Board

on Wednesday, September 2, 2020 for the purchase of the property in the amount of \$9 Million Dollars, minus the cost of off-site improvements and any portion of the property that is unable to be developed due to wetlands or removal from the flood plain. The updates were sent to the Board members and there are two sections that have been changed, Section 8 (b) – **“Contracts.** There are no contracts and Seller has entered into no contracts which affect the Premises or Seller’s ability to perform its covenants and promises made in this Agreement **other than Professional Services Contract dated November 13, 2019 by and between the City of Gary, Indiana Board of Park Commissioners and Rinzer Williams III d/b/a The Club House (“Contract).** **The Contract will be terminated by Seller on or before the Closing at Seller’s sole cost and expense and the Premises will be delivered to Purchaser free and clear of the Contract.”;** and Section 11(c) – **“Possession.** Sole and exclusive possession (and right of possession) to the Premises, free and clear of **the Contract and** all leases, licenses and tenancies.”. These amended sections are to account for potential claim on the property, which was uncovered. Mr. Bytnar said Trent McCain, Corporation Council for the City of Gary and Gilbert King, Jr., Commission attorney were present. Atty. King, Jr. said Section 8 (b) is acknowledgement by the purchaser that there is a certain contract between the City of Gary Park Board Commissioners and Rinzer Williams III d/b/a The Club House and that they are aware of that contract being out there. Atty. King, Jr. said he had asked that the contract be amended to include the amended Section 8 (b). Commissioner Hall moved to defer the item until the next regular meeting. Commissioner King second.

Atty. King, Jr. said he had reviewed the revised document for its legality and consistency with the issues that he had raised before, and this revised version complies with that and based upon that as being a valid legal document and being consistent with the concerns that he had raised. Atty. King, Jr. said the Board has the authority to take action on the item at this point, in fact, he would recommend to approve the above the item, but of course it is the Board's decision.

Commissioner Hall said his reason for deferral is the document is obviously rushed, the whole deal seems to be. The inconsistencies and major points of the documents, Closing dates, contract date, approval date, the inconsistencies, circularities, undefined terms, and other issues, and this is not the right form to go over them publicly. He said he would like the time to be able to discuss them with whoever is putting the documents together and he has not had the time. Commissioner Reaves said there has been enough time to review the documents.

Commissioner King asked Atty. King, Jr. if they do proceed, what is the worst case scenario as it relates to the information that they know right now. Atty. King, Jr. said there is more than enough information to proceed. The document as revised is a binding legal agreement and all of the things that are envisioned and promised as part of the document should be accomplished. He said he cannot tell him what is the worst case scenario. Commissioner King asked about the other party that is involved, did he agree to whatever that was offered contractually. Atty. King, Jr. said he did, it is an agreement and it was revised consistent with the concerns that the Board had, so yes.

Commissioner Reaves asked Commissioner Hall to repeat his motion.

Commissioner Hall moved to defer the item until the next regular meeting.

Commissioner King second. The vote showed:

**Ayes – Commissioner Hall
Commissioner King**

**Nays – Commissioner Rogge
Commissioner Sims
Commissioner Reaves**

The motion to defer the item died for the lack of a majority vote.

Commissioner Rogge moved for approval, subject to the revised documents.

Commissioner Sims second the motion. Commissioner Hall said the agreement as currently written has some potential flaws in it, the approval date, which is critical to a number of decisions is nowhere to find. Commissioner King asked about zoning requirements that may be needed or things that the City Council should probably know about, and he felt an extended period would give the parties more time to discuss the project. Commissioner King asked has there been any consideration of what kind of development would go on the property and what zoning will be required. Commissioner Reaves said not at this time. Commissioner King said he was asking because he knows that after the sale and whatever development goes on the property the City Council will have to approve it. He wanted to defer the item at this stage in opposed to on the City Council floor, which is why the communication between the parties and the City Council is also important. Commissioner Hall asked what is the necessity for the hurried approval of this is. Commissioner Reaves said it is not hurried and the Board's counsel has

recommended to approve the item, plus there are other items that are time frames that have to be met. The vote showed:

**Ayes – Commissioner Rogge
Commissioner Sims
Commissioner Reaves**

**Nays – Commissioner Hall
Commissioner King**

The motion was carried.

PUBLIC Comment(s) on agenda items only: Councilwomen Linda Barnes-Caldwell spoke on the Bradford Equities II LLC Agreement of Purchase and Sale. She said that she does not believe that \$9 Million Dollars is being paid for the property and no one knows what will be on the property, so what is the secret. Commissioner Reaves said the developer has not divulged the end use and nor does he know, there is not a secret; the possibility may be for light industrial. Commissioner Reaves said he is interested in what could go on the property and the benefits and quality of life of the City's citizens. No inducements were offered to the buyer and the buyer has not asked for any inducements. Indiana University will not be impacted or the citizens that we serve.

Councilwoman Tai Adkins asked what are the attachment deals that if the approval was not done today, the development might be delayed; and she asked what are some of the attachments to the documents. Commissioner Reaves said they have to do with the buyer and having this deal being able to go forward and he is embargo of not sharing the information. Councilwoman Adkins said when the information is available please forward it to the Council, especially Councilwoman Barnes-Caldwell since the development is in her district.

Councilman William G. Godwin said he echoes the sentiments of Councilwoman Barnes-Caldwell and Councilwoman Adkins. He said the item does seem overly rushed. Furthermore, he has no plans on voting for light industrial manufacturing, if that is the pleasure of the buyer. He said he was disturbed that the City Council was not engaged on this a long time ago.

COMMISSIONERS' Comments: Commissioner King said when it comes to matters such as this, he would rather see it handled through appropriate communications at the appropriate time, oppose to having to publicly have these types of episodes, where it is kind of more informative, oppose to decisive of how we make our decisions at that point.

Commissioner Hall said the Council members' had questions about the potential property uses of the property and the decisions of the Council in terms of zoning and various approvals that will be necessary. The buyer has the full and complete out for not getting those approvals at any point with no cost to them. So this is really a Letter of Intent instead of a Purchase and Sale Agreement, and it should have been done as a Letter of Intent in his view which is less binding because this gives the appearance of being more than it is.

SCHOOL BOARD REPRESENTATIVE'S Comments: Mr. Johnson said he had no comment.

AGENDA Item(s) for next Board Meeting: Mr. Bytnar said he had no additional items that were covered at the meeting of October 2, 2020.

ADJOURNMENT: Commissioner Rogge moved to adjourn the meeting. Commissioner Sims seconded. The vote showed:

Ayes – All

Nays – None

The motion was carried.

Commissioner Reaves adjourned the meeting at 5:03 P. M.

**By: _____
Eric E. Reaves, President**

**By: _____
Adam Hall, Secretary**