



MINUTES OF A MEETING OF THE
CITY OF HAMMOND ECONOMIC DEVELOPMENT COMMISSION
held on June 21, 2021

The Hammond Economic Development Commission held a meeting on Monday, June 21, 2021 at 9:00 a.m. The meeting was held Hammond City Council Chamber Room 209 and via Zoom on link <https://us02web.zoom.us/j/291706910> with telephonic option at 312 626 6799 Meeting ID: 291 706 910

1) **Call Meeting to Order**

The meeting was called to order by President Vezmar at 9:06 a.m.

2) **Pledge of Allegiance**

3) **Roll Call**

Members Present

John Vezmar, President
Monica Rubio, Vice President
Alexius D. Barber, Secretary
Victor Franco, Commissioner

Absent

Bonnie Henry, Commissioner

There was a quorum.

Others Present

Africa K. Tarver, Executive Director, Planning & Development
Anne Anderson, Director, Economic Development
Dave Westland, Attorney for Economic Development Commission (Westland & Bennett PC)
Juan J. Moreno, Recording Secretary

Rob Ferrino, Three Corners Development
Karl Cender, Financial Advisor
Rob Hart (Zoom), NWI Development LLC

4) **Declaration of Conflict of Interest**

There were no conflicts of interest declared

5) **Communications**

There was no communications



6) Approval of Minutes

Commissioner Rubio made a motion to approve the minutes as submitted from meeting held on February 22, 2021, Commissioner Barber seconded the motion.

Roll Call:	President Vezmar	Yes
	Vice President Rubio	Yes
	Secretary Barber	Yes
	Commissioner Henry	Absent
	Commissioner Franco	Yes

Yeas: 4

Nays: 0

Abs: 1

Motion carried

7) Old Business

There was no old business.

8) New Business

- a) Adopt Resolution 2021-2 Establishing the policy by which members of the Economic Development Commission may participate by electronic means of communication

Attorney Dave Westland explained resolution 2021-2. He informed that prior to the pandemic and the emergency order issued by Governor Holcomb bodies such as this commission could not participate electronically. Then Governor Holcomb issued the Executive Order 20-09 or 08 that established an emergency due to the pandemic. The current Executive Order is set to expire on June 30, 2021. In addition, the vaccines is taking hold and the numbers are dropping dramatically and the Governor is going to drop the emergency order at the end of this month. Attorney Westland then explained that the legislation is going to step in and present a statewide guideline and be vesicle and in cannons the resolution statewide. This resolution will be presented to every entity in the City of Hammond.

Attorney Westland explains Resolution 2021-2 to the commission that it will require 50% of the body present, a member cannot attend 50% of the meeting virtually, if a member does 2 virtually than the next one has to be in person, unless it is an excused absence that is listed in the statute and the resolution for example military duty, illness, and others listed. He explained that the legislation was very clear that they didn't want members that would participate in meetings 75% of the time virtually. If this resolution doesn't pass today, then it will require all members to be present at all the meetings in person.

President Vezmar asked if this proposed resolution is similar to that of what the State of Indiana has mandated or did we add any different measures to it.

Attorney Westland answered, it is what the state mandated and that the state has allowed municipalities to be stricter. For instance, the resolution allow up to 50% to be present / virtually, but it can read that 75% of body to be present and 25% can attend virtually. He advised that the safest thing to do today is to adopt this resolution to stay in order with the state.

Commissioner Barber made a motion to adopt Resolution 2021-2 Establishing the policy by which members of the Economic Development Commission may participate by electronic means of communication, Commissioner Franco seconded the motion.



Roll Call:	President Vezmar	Yes
	Vice President Rubio	Yes
	Secretary Barber	Yes
	Commissioner Henry	Absent
	Commissioner Franco	Yes

Yeas: 4

Nays: 0

Abs: 1

Motion carried

b) Public Hearing re: Proposed Bond Issuance for the 415 Sibley – 3 Corners Project

President Vezmar opens the Public Hearing for the Proposed Bond Issuance for the 415 Sibley – Three Corners Project. Attorney Westland describes the project briefly and statistics. He directed further detail of project to Rob Ferrino, President of Three Corners Development and any financial discussion to Karl Cender, Financial Advisor.

Attorney Westland described the location of the development project. The development project is going to be a five-story building;

- First floor Commercial Retail, 8,700 square feet of retail
- Second to fifth floor, will have studio apartments, single apartment, and thirteen-two-bedroom apartments

He advised that the total cost of the project will be approximately \$12m.

Rob Ferrino, President of Three Corners Development advised the commission that the project will actually be closer to \$15m.

Attorney Westland informed the commission that out of the \$15m cost for this development project, the City of Hammond will be issuing an incentive of \$3m. Of the \$3m it will consist of;

- \$2.3m for construction in bonds, which will be paid from real estate taxes captured from the TIF (tax increment financing) from the Downtown Hammond TIF and backed up by the Hammond Central TIF
- \$700,000 will be the non-TIF incentive for public improvement, such as;
 - bury the NIPSCO powerlines
 - re-routing one of the entrances
 - making more parking.

Overall, the city's commitment is total \$3m, with \$2.3 from bonds, which will be paid back over the course of years based on captured by his real estate taxes and backed up by Hammond Central TIF and \$700,000 to be paid for by the city for public improvements.

He explained if Resolution 2021-3 is approved by the commission today, which approves the structure, bond ordinance, trust indenture, and finance agreement; and upon approval than the documents will go before the Hammond City Council. Attorney Westland is asking for the commission to consider approval of the resolution, report, and findings of fact. Then we will follow the same with Resolution 2021-4



Rob Ferrino complimented Attorney Westland on a great job describing and explaining the project. Rob Ferrino introduced himself to the commission as the President of Three Corners Development. He described to the commission that on the abandon JC Penny site they (Three Corners Development) were one of the respondents that proposed a mixed-use real estate development.

- The first-floor retail;
 - half will be a restaurant; they are in the process of coming up with a cooperative restaunt utilizing the white school of lodging in timing with Purdue University Northwest. This restaurant will be rotating chefs and changing the theme of what is being served.
 - The other half of the retail they have plan but are not far enough on the planning yet. They are expecting the entire 1st floor to be active and energetic with the new Downtown Hammond Development Plan.
- The second thru fifth floor;
 - There will be fifty four units above the retail Ranging from a couple of studios, mostly one bedroom, and fourteen two- bedrooms. They will offer moderate rent, this will be workforce housing. They expect, police, fire, teachers, and nurses. This will be condo quality downtown Chicago feel apartments.

Rob Ferrino explained that there was challenges with the site, however the city (Hammond) worked with him and his team. He informed the commission that there is a burnt down building on the site and explained they could not move forward with an investment with burnt building on the site. He explained that part of the \$700,000 up front is to purchase the building and demolish it to develop a real nice parking lot and green space. The church that is adjacent to the burnt building also has damage from the fire and it will also be purchased and demolished. The city advised him that they want him to develop this project the right way and demolish those mentioned building to develop the entire site. They will now have ample parking and Raymundo (Garcia) was very adamant that he needed parking for his restaurant (EAT: An American Bistro).

Director Anderson, informed the commission that from an economic development standpoint, this is a fabulous development not only for Hammond but also for our Downtown Hammond area. Rob Ferrino has been there from the beginning when we had Jeff Speck the Urban Designer come to Hammond for a study and provide us with the Downtown Hammond Master Plan. She stated that Rob attended all the meetings and was very energized and recognized the site and its potential for housing. The city of Hammond and Economic Development Department is very excited for this project and excited to have the first group of people living, working, and playing in Downtown. She advised that we will be there for the groundbreaking and definitely invite all to attend.

Commissioner Barber asked where exactly will this project be, because they keep referring to the site as the former JCPenny site and the address was 5141 Hohman Ave and did the address change or is the development going to be positioned differently.

Director Anderson answered that there are twp parcels where this project will be sitting on the address Commissioner Barber mentioned and 415 Sibley.

Rob Ferrino advised that the old Hotel Site (Jefferson Hotel) sound like a better egress running off of Sibley rather than Hohman Ave. from a development standpoint.



Rob Ferrino complimented Africa (Executive Director of Planning & Development) and her staff that we have been the best compared to working for a lot of other municipalities. He informed how wonderful it is to do business in Hammond and that he is moving his family from Illinois to Munster, IN and moving both his businesses, Three Corners Development and Madison to Downtown Hammond.

Attorney Westland informed the commission that the Development Agreement was approved by the Hammond Redevelopment Commission and these documents before the commission today are the next step.

No comments from the public in person or by zoom. President Vezmar closes public hearing.

B (i) Resolution No. 2021-3 approving and authorizing certain actions and proceedings with respect to certain proposed economic development tax increment revenue bonds and related matters (415 Sibley – 3 Corners Project)

Commissioner Rubio made a motion to approve Resolution No. 2021-3 approving and authorizing certain actions and proceedings with respect to certain proposed economic development tax increment revenue bonds and related matters (415 Sibley – 3 Corners Project), Commissioner Barber seconded the motion.

Roll Call:	President Vezmar	Yes
	Vice President Rubio	Yes
	Secretary Barber	Yes
	Commissioner Henry	Absent
	Commissioner Franco	Yes

Yeas: 4

Nays: 0

Abs: 1

Motion carried

(ii) Approval of Report re: 415 Sibley – 3 Corners Project

Commissioner Rubio made a motion to approve the Report re: 415 Sibley – Three Corners Project, seconded by Commissioner Franco.

Roll Call:	President Vezmar	Yes
	Vice President Rubio	Yes
	Secretary Barber	Yes
	Commissioner Henry	Absent
	Commissioner Franco	Yes

Yeas: 4

Nays: 0

Abs: 1

Motion carried

(iii) Approval of Finding of Fact re: 415 Sibley – 3 Corners Project

Commissioner Barber made a motion to approve the Finding of Fact re: 415 Sibley – 3 Corners Project, seconded by Commissioner Rubio.

Roll Call:	President Vezmar	Yes
-------------------	------------------	-----



Vice President Rubio	Yes
Secretary Barber	Yes
Commissioner Henry	Absent
Commissioner Franco	Yes

Yeas: 4

Nays: 0

Abs: 1

Motion carried

c) Public Hearing re: Proposed Bond Issuance for the NWI Development Group – Bank Calumet Project

President Vezmar opened the public hearing on the proposed bond issuance for the NWI Development Group – Bank Calumet and advised that it will take the same format as the public hearing for 415 Sibley St.

Attorney Westland describes the project as this is the old Bank Calumet and the proposal for a mixed use development. The development will be market rate apartment and 7,000 square feet of ground floor commercial space. The bond issuance are going to be similar to those of the 415 Sibley project. There will be incentives for the structure, backed by the project itself, as well as secondary back up from the Hammond Central TIF. \$6,650,000 in bonds.

Director Anderson advised that the total investment is approximately \$25m.

Attorney Westland advised that as the commission can see from the report twenty five full time jobs will be created, with five positions to earn approximately \$60,000 per year, twenty jobs will earn between \$12- \$20 per hour, and one hundred seventy four-temporary construction jobs, having an average annual earning so \$53,000. He advised that there will be more interesting challenges on taking the old Bank Calment building for new development.

President Vezmar noted that the Old Bank Calumet is a huge building with a lot of issues.

Attorney Westland responded that the staff and the city (Hammond) takes the stand that the overall incentive should go forward and take the position that we should be at the 20% to 35% of the total construction cost.

Attorney Westland explained that they want to present to the Hammond City Council with (1) bond RJO issuance. They don't want to go back to the Hammond City Council a bunch of time if we had multiple bond issuance.

This bond has a Series A- 415 Sibley Project and Series B- NWI Development Project. The commission is be asked to approve this resolution with all supporting documents. Attorney Westland advised that even though this project is not as far as 415 project. The City Council will being asked to approve Series A and Series B Bond issuance that way we don't have to repeat all these steps in two or three months from now. Because these bonds are so close in time we can do the bond in two series as opposed to two separate bonds.



President Vezmar stated that he would imagine that this would also be cost savings on doing it this way than two separate hearing and repeating the steps.

Attorney Westland concurred. The city would save on people like Attorney Westland, Bond Council, Karl Cender and Landin, working on this two as one instead of separately.

President Vezmar commented that when people think about \$23m, sounds like a lot, but the developer has to do a lot more to that building. He also commented how beautiful the building is.

Attorney Westland complimented how beautiful the building and the lobby are. They have a developer that has the vision and creativity to answer the questions.

President Vezmar informed that in February 2021 we approved the development agreement of 415 Sibley and we just approved the ordinance for the bonds, so he advised that this process was a little in the reverse. He asked if we should clarify for the record that no money should be given until a development agreement is produced and approved.

Attorney Westland confirmed and stated that is correct. He also informed that thing are moving in a positive direction and are working on a development agreement right now.

Director Anderson advised that the developer from NWI Development is on Zoom and introduced Rob Hart and asked that he give a little background on the building.

Rob Hart (Zoom) of NWI Development LLC, thanked the commission for having him and allowing him to speak. He advised that they are excited to be here today. The reason they are here is because they were inspired by a lot of the work being done by the city (Hammond), specifically Jeff Speck and the Downtown Hammond Master Plan. This project with 100,000 square feet, five story building; first floor will be purchase space, co-working space, and apartment on the upper floors. The full project cost will be approximately \$24m, which includes the acquisition of the building, parcel for parking, and renovation and restoration of the building, and service the elevators.

President Vezmar asked what was the timeframe.

Rob Hart replied that they will be closing on the building within the next sixty days, start working by this fall, exterior and interior, and project complete by Spring of 2023.

Commissioner Rubio asked if they were going to conserve the main floor and the vault.

Rob Hart replied, they are hoping to, the main floor for sure. However, the basement and staircase to basement might be difficult to conserve being the fact that about 6 years ago it had about 6 feet of water sitting. He complimented the beauty of the building.

Commissioner Rubio replied that it is a beautiful building and that she previously worked there for 12 years.

Rob Hart advised that the main goal is to improve the building and the façade and restore as much as they can on the first floor.

Commissioner Barber asked for information on the state incentives.



Rob Hart answered, they will receive a tax credit program from the IEDC (Indiana Economic Development Corporation). The program grants to anyone that can prove they can create jobs. They were awarded \$4.75m state tax credit.

President Vezmar asked Rob Hart to tell the commission about his company.

Rob Hart answered the NWI Development group is a new company, it is himself and Anastacia Pratto became partners approximately 3 years ago. He advised that Anastacia had a very prominent position with a national real estate firm in Chicago and his background has historically been a commercial developer for 25 years. He explained that he started making investment in NWI about 10 years ago. He explained that his company is very experienced from this mentioned perspective and that they put together an unbelievable team together for this project.

President Vezmar opened for opportunity for public comment. Here and none, President Vezmar closes public hearing.

C (i) Resolution No. 2021-4 approving and authorizing certain actions and proceedings with respect to certain proposed economic development tax increment revenue bonds and related matters (NWI Development Group – Bank Calumet Project)

Commissioner Barber made a motion to approve Resolution No. 2021-4 approving and authorizing certain actions and proceedings with respect to certain proposed economic development tax increment revenue bonds and related matters (NWI Development Group – Bank Calumet Project), seconded by Commissioner Rubio.

Roll Call:	President Vezmar	Yes
	Vice President Rubio	Yes
	Secretary Barber	Yes
	Commissioner Henry	Absent
	Commissioner Franco	Yes

Yeas: 4

Nays: 0

Abs: 1

Motion carried

(ii) Approval of Report re: NWI Development Group – Bank Calumet Project

Commissioner Rubio made a motion to approve Report re: NWI Development Group – Bank Calumet Project, seconded by Commissioner Barber.

Roll Call:	President Vezmar	Yes
	Vice President Rubio	Yes
	Secretary Barber	Yes
	Commissioner Henry	Absent
	Commissioner Franco	Yes

Yeas: 4

Nays: 0

Abs: 1



Motion carried

(iii) Approval of Findings of Fact re: NWI Development Group – Bank Calumet Project

Commissioner Franco made a motion to approve Findings of Fact re: NWI Development Group – Bank Calumet Project, seconded by Commissioner Rubio.

Roll Call:	President Vezmar	Yes
	Vice President Rubio	Yes
	Secretary Barber	Yes
	Commissioner Henry	Absent
	Commissioner Franco	Yes

Yeas: 4

Nays: 0

Abs: 1

Motion carried

9) Public Expression

There was no public expression.

10) Call for Adjournment

Commissioner Rubio made a motion to adjourn, seconded by Commissioner Barber.

Roll Call:	President Vezmar	Yes
	Vice President Rubio	Yes
	Secretary Barber	Yes
	Commissioner Henry	Absent
	Commissioner Franco	Yes

Yeas: 4

Nays: 0

Abs: 1

Motion carried

The Economic Development Commission meeting was adjourned at 9:50 a.m.



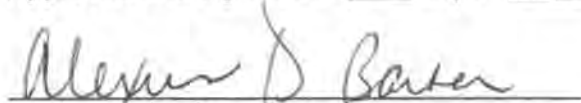
2021 Hammond Economic Development Commission attendance record of Electronic and Physical Presence.

Commissioner	2/22/2021	6/21/2021		
John Vezmar	E	P		
Monica Rubio	E	P		
Alexius D. Barber	E	P		
Victor Franco	E	P		
Bonnie Henry	E	A		
Initials	JSM	JSM		

E- Electronic
P- Present
A- Absent

If the Commissioner qualifies for an exemption from "Consecutive 50" requirements draw a circle around the E for that meeting / member. Reference to Economic Development Commission Resolution No. 2021-2

Approved and signed this 7th day of February, 2022.


Alexis D. Barber, Secretary


John Vezmar, President


Juan J. Moreno, Recording Secretary

