

FORT HARRISON REUSE AUTHORITY BOARD MINUTES  
Monday, December 16, 2013

The FHRA Board met in public session at 9120 Otis Avenue, FHRA conference room, Lawrence, IN at 5:30 p.m.

FHRA Board Members Present

Mr. Edward Treacy, President  
Mr. Jeff Congdon, Vice President  
Mr. Russell Brown, Secretary Treasurer  
Mr. Jerry Clifford, Board Member

FHRA Staff

Mr. Freddie Burrus, Executive Director  
Mrs. Heather Millikan, Executive Assistant

Public

April Pyatt, Ice Miller  
Chris Barnett, Lawrence CDC  
Kim Reeves, Browning Investments  
Terry Hebert, Browning Investments  
Tim Joyce, City of Lawrence  
Bruce Hugon, resident  
Tom Marten, resident  
Stanley Smith, Strategic Management Solutions

Official Public Meeting was called to order at 5:39 p.m. by Mr. Treacy.

Mr. Brown stated that the 2012 audit was complete and hard copies are in the FHRA office for the public to see them. They have been distributed to the board.

Mr. Burrus gave an Executive Director's update. He stated that there are residential reports at the back of the room for people to take. Mr. Burrus stated we are moving forward with the LPGA tour. It is gaining more and more momentum. The FHRA are in talks with Bloomerang about a purchase of acquiring land to bring them on board. Also he stated the FHRA have been in talks with Triton and they are solidifying their position.

Mr. Treacy asked for approval of minutes from the November 18, 2013 meeting. Mr. Congdon made a motion to approve the minutes and Mr. Clifford seconded. Motion was unanimously approved. Mr. Brown abstained because he was not present at the November meeting.

Mr. Terry Hebert of Browning Investments stated they had looked at a nine acre parcel A on the west side of the development area and worked with Browning Day to lay out a subdivision of single family residential. Mark Jackson was also engaged to do a residential study to see what product and price points and demographics worked the best. They then laid out the development and created a builder list. They looked at about twenty home builders and met with them to go thru builder interviews. They ended up receiving three letters of intent from three builders on the list. Terry stated they did follow up meetings to clarify and have made a recommendation to the board to seek contract negotiations with them.

Mr. Brown stated that Browning Investments provided to the board a good analysis why they chose one over the other. David Weekly is the recommended builder that was made to the board. Mr. Brown asked that Mr. Hebert speak to what was distinguishing about David Weekly offered over the other two developers.

Mr. Hebert stated that the Whitsett Group is a local organization that has done well but most of their products have been more in redevelopment. They are more multi family rather than single family. They don't really have elevations to look at and would have to hire an architect to do some elevations. They would also need financial help from the FHRA. They were offering more of a partnership with loans.

The Westport Group was a group that is a large builder but don't have a lot of product. They offer mostly front load products. Mr. Hebert explained front load is where the driveway comes off of the main road. That is how most of the newer homes are built now in a subdivision. Westport has what they call townhomes. It's a row of five or six homes all hooked together that have a rear load garage. They were proposing taking one of those and breaking it up. Their letter of intent was a good offer and they were a bit less aggressive.

David Weekly Homes is a good size national builder. They have two developments in town at the Village of West Clay and Saxony that they offer a rear load product. They have done better than they were hoping to do. They have a product that would fit. They have been building for a couple of years in the local market plus have some in Denver and on the east coast that would fit. They would fit our lots with no modifications and the elevations were beautiful. Mr. Treacy asked how many acres and how many units. Mr. Hebert said about nine acres and about 62 units.

Mr. Brown asked about the price point for the proposed homes. Mr. Hebert said the residential study dictated about \$170,000 to \$220,000 for the price point. David Weekly Homes felt that was very doable. They would get a model home set up for that. David Weekly Homes offer was to build three models and they really liked that.

Mr. Congdon asked what the average square footage was. Mr. Hebert stated about 2,000 square feet. Some will be two stories and some ranches and most built on slabs with the odd basement in there.

Mr. Brown asked if the board authorizes Browning to move forward tonight with negotiation agreement with David Weekly what the time frame would be with development and off site infrastructure needs. Mr. Hebert envisions approaching the board to look at and approve the contract by the next meeting. He wants to look at site design and it could take 2-3 months and work with the ARC approvals and Lawrence. They would like to break ground sometime in the spring. No more than three or four month construction process. David Weekly talked about starting models sometime around August or September. The local builders sell 65-70% of their homes between January and May. They really want to get done by the end of the year so they can hit their selling season.

Mr. Brown asked if they will be doing offsite as well as onsite improvements prepping for sale ready lots. Mr. Hebert said that is correct.

Mr. Congdon asked what total build out time for 62 lots will be. Mr. Hebert stated it would be a three year period to be sold out.

Mr. Brown stated from FHRA perspective if three versus five year when would we have to move up second phase of onsite improvements. They would probably take half of the lots upfront and there would be a trigger in there to trigger second phase. By the start of 2015 they would need to start gearing up for bids and finish up the next section.

Mr. Congdon asked if they were a publicly traded company. Kim Reeves stated she wasn't sure but they have done a lot of work in traditional neighborhood developments.

Mr. Congdon moved that the board give authorization to begin. Mr. Brown seconded. The board was unanimous.

Mr. Treacy thanked Browning for their work on this. Mr. Brown also stated they have done a great job and the comprehensive way they took input from the board on laying out parcel A and reaching out to all the people they could and having three folks interested was good. Mr. Congdon said it will be a nice use of parcel A.



The next item on the agenda was authorization to purchase 5308 Lawton Loop West or the red brick building behind the condos. The property is actually 5308 Lawton Loop East.

Mr. Hugon asked if someone is buying it and for what purpose. Mr. Treacy said the FHRA wants to buy it and said we are not sure what we are going to do with it. Mr. Congdon said it is just an offer to purchase but then there would be a survey, open space but to get that far they have to make an offer to purchase it.

Mr. Brown made a motion to authorize Mr. Treacy to execute an offer to purchase with the final purchase being subject to board approval. Mr. Clifford seconded the motion. Board unanimously approved.

Mr. Treacy stated that the next public board meeting will be on January 6, 2014 at 5:30 p.m. due to statute requiring to meet on that date to elect board officers.

Mr. Bruce Hugon asked what the status of the white building was. Mr. Congdon said the attorney is working on it. Ms. Pyatt of Ice Miller said Chicago Title is doing a title examination on the building right now. Mr. Treacy said they think two people own it. A title opinion is being worked on. Mr. Congdon said the goal is to make an offer to whoever owns it and to remove it from the premises.

Mr. Hugon asked for clarification where parcel A is. Mr. Burrus stated it is behind the mule barns and west of Triton.

A gentleman asked the density on parcel A. Mr. Hebert said 6-7 lots per acre. Mr. Brown said there is some common area there also. Mr. Barnett asked if they were zero lot line or townhouse. Mr. Brown said small lot line, single family attached. Mr. Treacy stated the FHRA did a housing study to find out what would go there and price point and extended some dollars researching this to find out what the market will bear out there. This has been planned to be single family for some time and finding the right buyer interested and having the same mind set as the FHRA did take some time.

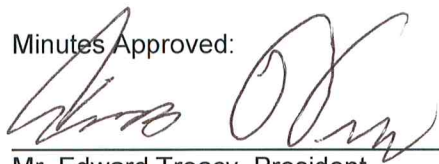
Mr. Hugon if there was any news about the PX. Mr. Treacy stated not at this time. The FHRA is doing whatever it can, whenever it can. Mr. Clifford stated it was a work in process.

A resident asked what document they have to follow for parcel A. Mr. Brown said it was the Village PUD and its elevations will have to go thru ARC approval as part of the due diligence process.

Mr. Hugon asked about the Fortune Academy and heard they want to build a wall and expand their facilities. Mr. Congdon stated it is a 1A historic district but the building is noncontributing meaning it is not considered historic. Mr. Hugon said he heard that before purchasing they had run their plans past the board for their wall and expansion and were assured it was all fine but have since run into snags. Mr. Congdon said the snag was DNR. Mr. Burrus said it was never discussed about a wall but only about a fence. Their primary concern now is trying to get a fence along 56<sup>th</sup> Street. Mr. Congdon said the road block is historical. Mr. Congdon said DNR is trying to modify their position after some discussion. The Master Plan says "if you are going to expand an existing building you cannot build a fence however if you build a fence you must get approval" which is contradictory. It does not even address a non historic building that isn't going to expand. He stated he believes they wanted a fence to protect the children but now with a growing waiting list they are looking at expanding their property. Mr. Clifford said he and Mr. Congdon will be attending a meeting with Fortune Academy on Wednesday night. He said what is important to understand is what they want to do and they are approaching it in a very steady way now. Mr. Clifford said that in recently talking to DNR he doesn't have any conclusions on where they would land or how they would move. The meeting on Wednesday night should shed light on what they will do. Mr. Clifford said in his opinion we are fortunate to have an organization in the neighborhood. He said they have a lot of resources to make the right kind of things happen and it appears that we are not dealing with someone who wants to create a problem for the neighborhood.

Mr. Treacy asked for a motion to adjourn the meeting. Mr. Congdon made the motion and Mr. Clifford seconded. The meeting adjourned at 6:08 pm.

Minutes Approved:

A handwritten signature in black ink, appearing to be 'E. Treacy', written over a horizontal line.

Mr. Edward Treacy, President

A handwritten signature in black ink, appearing to be 'R. Brown', written over a horizontal line.

Mr. Russell Brown, Secretary Treasurer