

FORT HARRISON REUSE AUTHORITY BOARD MINUTES
Monday, May 20, 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
Ms. Marci Reddick, Board Member
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
Sherron Freeman, Lawrence Common Council
Bruce Hugon, resident
Trace & Breena Yates, residents
Judy Byron, PFL
Carl Murray, resident
Tom Peck, Meyer Najem
Steve Heck, resident
Trey & Ann Kunz, residents
Paul Grayson, Lawton Loop East HOA
Judy Delong, Lawrence CDC
Ali & Tom Marten, residents
Dennis & Jan McNulty, residents
Martha Runion, resident
Jeffrey & Greta Meglin, resident
Brian Reisinger, resident
Jim & Jennifer Kane, residents
Yett Culbertson, resident
Jim Haney, resident
Jim & Patti Effinger, residents
Dennis Southerland, resident
Patrick & Maryanne O'Malley, residents
Matt Vail, resident
David Meyers, Lawrence CDC
Adam Horst, resident
Bruce Rearick, Fort Harrison Golf Course

Official Public Meeting was called to order at 5:38 p.m. by Mr. Treacy

Mr. Brown had nothing to report at this time.

Mr. Burrus gave an Executive Director's update. Mr. Burrus introduced the newest board member, Mr. Jerry Clifford. Mr. Burrus gave an update on the J.C. Hart apartments. Mr. Burrus stated that the JC Hart project is at 53% and preleased at 77%. There are only 52 units left out of 224 total units.

The first order of new business was the election of a new Vice President. Ms. Reddick made a motion to nominate Mr. Jeff Congdon as the new Vice President. Mr. Brown seconded the nomination. Motion was unanimously approved.

The next order of business was approval of minutes from the April 15, 2013 meeting. Mr. Congdon made a motion to approve the minutes and Ms. Reddick seconded. Motion unanimously approved.

The next item on the agenda was the authorization of a purchase agreement for the Cathy's Concepts building located at 5723 Birtz Road. Mr. Brown stated that counsel has reviewed the agreement and made a motion to authorize Mr. Burrus to execute the purchase agreement. Ms. Reddick seconded the motion. Motion unanimously approved.

Mr. Congdon stated that he thought it proved the direction the board was heading in is to be able to control properties that would possibly get away from the FHRA like they have in the past. He applauded the board for chasing this piece of property.

The next item on the agenda was the discussion regarding the Lawton Loop properties. Mr. Treacy stated he had a statement to read. He stated:

- 1) The properties in question are not owned or controlled by the FHRA.
- 2) Owners can do whatever they want to within the existing zoning laws.
- 3) The FHRA has not given a letter of support on the buildings in question.
- 4) The CDC came to the FHRA with their proposal.
- 5) The first response of the FHRA was "What will the neighbors on the Loop think"? Therefore the FHRA board asked the CDC to have the meeting that occurred on May 9, 2013
- 6) Four of the five board members were in attendance at that meeting. Mr. Treacy observed that discussion and it was clear to all of them that the project would not be compatible with the Loop. The board also took notice of the letter from Mayor Jessup stating his position that the proposal should be stopped and only market rate housing should be considered.
- 7) The FHRA supports market rate housing only.

Mr. Brown stated he was not able to attend the meeting but was copied on many e-mails. He has heard the concerns and agrees with the statement that Mr. Treacy has read.

Ms. Reddick stated she was in attendance also and appreciated the public input and is in agreement with Mr. Treacy and the board as well.

Mr. Clifford stated he was also in attendance and was in agreement.

One resident stated he was lead to believe all options had been explored and Section 42 was the only option and he expressed that view to his neighbors however since then he has heard the FHRA provided assistance to the Hart Apartments and wants to know if its true and how much money is in the till and is there an option for money to assist a developer to develop market rate apartments on the two remaining buildings.

Mr. Brown stated yes it was true that the FHRA provided \$1 Million in mezzanine finance to the J.C. Hart project. The FHRA is receiving 10% interest return with quarterly interest payments. There is a note that has some other internal rates of return and there is an incentive for them to pay it back as fast as possible. There is opportunity to provide a financing tool for market rate apartments. There are criteria to evaluate proposals that come thru based on what the developer is asking for. Possible mechanisms of return for an investment might be thru a direct repayment, may be thru increased property taxes or increased job opportunities.

Mr. Congdon stated the property taxes projected for the Hart project are north of \$400,000 a year which was a win-win situation for the Village.

Mr. Clifford stated there can also be consideration for assistance for businesses interested in developing property and not just limited to developers. Mr. Brown stated that was a possibility. There has been assistance with repaving parking lots to loan assistance to grant opportunities. The board can consider them and may go into full blown project agreements or some may stop at the discussion stage. Mr. Brown stated that since he has been on the board since February 2012 there have been 8 or 10 of those types of things.

Resident asked if the buildings could also be for condos as well as apartments. Mr. Brown said possibly could be. Ms. Reddick stated they would have to look at the proposals case by case.

Resident stated that when Mr. Treacy read the statement she was unsure what project he was talking about. Mr. Treacy stated the project that was the one that was discussed at the meeting on May 9. She asked if it was the Maude building or the Village of Merici. He stated no it was the Maude building and the other building that was discussed.

Mr. Treacy also wanted to bring up the PX building. Mr. Treacy asked Mr. Burrus to give an update on the PX building. Mr. Burrus stated that Way of Life AME Church is in process of closing on the PX building one day this week or next.

A resident asked if they are supposed to come with a plan on what they intend to do with building. Mr. Brown stated they are not seeking a financial assistance from us. He asked about the exterior façade and Mr. Brown stated that would be the Architectural Review Board not the FHRA Board.

A resident asked if the Board has had a chance to write a letter in support or against a proposal.

Mr. Treacy stated that one of the things he has read. He said properties in question are not controlled by the board. The owners can do what they want to do within the existing zoning laws. There is nothing the FHRA board can do between a buyer and seller in the open market.

Resident asked if the buildings part of the FHRA? Mr. Treacy stated no. The buildings are in the FHRA area but those are still private business between two private owners entering into a business deal. If something were to happen outside of the acceptable uses of the building than something can be done by the FHRA. Nothing can be done about a church.

Resident said as the uses as defined in the Master Plan of the FHRA. Ms. Reddick stated no, it is actually defined in the zoning ordinance. The Master Plan is like the comprehensive plan for Marion County. It is a guideline, it is what the Indiana Supreme Court has construed as a Master Plan or a Comp Plan, but those are guidelines and the actual zoning ordinance is the legal aspect and that is a legislative function.

Resident asked if the FHRA had to vote on the change to the PUD to the section 42. Mr. Brown stated the board did not adopt the PUD. Metropolitan Development Commission adopts the PUD. Resident stated last October the board voted on a variance to something to get Section 42. Mr. Brown stated they voted to adopt an amendment to the reuse plan. Resident asked what that amendment was. Mr. Brown stated it was an amendment to allow affordable housing to be considered an appropriate use on those four addresses.

Resident stated that the board didn't provide any comment or agreement to change the use of the buildings. Mr. Brown stated that was not what was said. Resident said the board did vote on something to change the zoning on those buildings. Mr. Brown said we did not change the zoning. Resident asked what then did the board do to allow section 42 to be applicable. Mr. Treacy stated the board said that Section 42 is not going to happen.

Mr. Brown said he was not at the meeting. He stated Section 42 tax credits are a statewide competitive process. You get points for various things being present or not present. One thing to be present to get additional points would be a letter of support from the Mayor of the community or an organization like the FHRA. Mr. Brown stated that less than 20% of projects that were submitted over the last couple of cycles were approved. It is a very competitive process. The Village of Merici had to submit twice. The first year

they were unsuccessful but the second year they were successful in part because the master redevelopment plan was amended to allow affordable housing to be a compatible use in the area. The FHRA and Mayor of Lawrence submitted a letter of support for the project. This organization and the Mayor have submitted that they will not submit letters of support for Section 42 projects on the balance of the Loop and those are points they will not get and that could be fatal for support of the proposals.

Mr. Congdon stated it would probably be fatal. Last year there were over 60 applications statewide and only 20 got approved. The year before there were approximately 60 and even less were approved. Without the points scored from the FHRA and the Mayor the odds of that happening are very slim.

Resident stated that a lot of the residents appreciate that the FHRA and the Mayor are saying they are not going to support this type of project in the future but clearly things can change over time. There was something that led them to believe something that structurally was voted on and changed last year, can that be changed back. Mr. Brown stated that that could be. Resident stated he was still unclear on what was voted on last October and can that be reversed if the FHRA and Mayor don't want to do those things. Is it more than a statement of the current board and can it be a permanent change?

Ms. Pyatt of Ice Miller stated that a change would have to be done through a resolution. She said what they are talking about is the reuse plan that was put in place for all of Fort Harrison by the task force put in place in 1998. She stated there was a change made but the change was not definitive as to this is what is going to be done here. The change was it allowed for options. One of the reuse options which included residential in this area. As you know the eastern portion under the zoning ordinance is mixed use. Under the overall comprehensive plan not binding, what the reuse authority's intent for certain uses, they included as one of those options in their language was the affordable housing component.

Resident stated that he would respectfully request the reuse authority consider another resolution to strike that portion because it is clearly not the intent of the Mayor or the Reuse Authority as has been stated.

Mr. Brown stated that there are a variety of tax credits that are available to a developer. One of them is historic tax credits. He would want to make sure that if the board decided to remove affordable housing as an appropriate use, that we were not eliminating an opportunity for a developer to come in and qualify for a historic tax credit which is in place because it's a historic building and recognize there is an increased cost in redeveloping those. He said he is not committing that they will because the board has not had that discussion because no one had made that request in all of the letters that were submitted by residents. The resident stated that they didn't fully understand that in the discussions. Mr. Treacy stated that would be something they would consider.

Resident asked when this was done last October when going back to Village of Merici wanting to do that for their building why couldn't it have been done for just their building and what was the reasoning for doing it for all of the buildings. Mr. Brown stated it was simply an opportunity to increase flexibility. He stated he has been on the board since February 2012 and in that time they have had approximately ten different developers come thru and talk about tax credit projects. That's when they reached out to the CDC who had the most solid of the proposals as far as partners included in and a proposal. As that was brought up more and more they asked if Fort Harrison was going to be a space occupied by only Section 42 projects. That's when they asked the CDC to do the public meeting. It was the opportunity to have flexible opportunities. Mr. Brown stated with an unused parcel you want the most opportunities to seek redevelopment.

Resident stated he thought it was a great meeting that the FHRA wanted to partner with the neighbors and talk to them about proposals and build some type of rapport. He just didn't understand why the other two buildings were put in there if there were no specific projects. Mr. Treacy stated for flexibility because they kept having everyone come to them.

Resident said thank you to the board for holding this public meeting. He really appreciates the Reuse Authority's commitment to quality development of the former fort. It's a gem of the Midwest and they are all excited about living in the fort. They do have serious concerns about the Section 42. They would like to say to the board that if they allow affordable housing or low income housing to come into the fort then

they have defiled the original mission of this reuse authority board. They are homeowners who are committed to quality development. They are excited about Village of Merici because they feel its mission is consistent with the original vision of the fort and the reuse authority. He would like the board to pass a resolution rescinding the openness of these other two buildings to Section 42. He stated if they don't do so they will commit the economic development to a disaster because no one else will want to come here.

Mr. Treacy asked how many other Section 42 projects are already here. Mr. Brown stated there are two here in the Fort not including the Village of Merici that are built and are already full. Mr. Treacy asked the resident if he was aware of that. The resident was not aware of that. Resident stated that this situation was different because those projects were not on the Loop. Mr. Treacy said no not on the Loop but all of the Fort.

Resident stated for the record that many on the Loop who in fact support the concept of Section 42 if other options have been explored. He believes if it is explored and someone comes forward with a project that is approved then he would support Section 42 on the Loop because the buildings are falling apart. Section 42 is serious money and refurbishing them is a better option than watching them deteriorate. He applauded his neighbors for accomplishing a time out so this can be explored.

Mr. Congdon stated that what this board would like to see is developers come to them with a project that would somewhat keep everybody saying that is not a bad project. Obviously they used to believe the highest and best use twenty years ago was condos but as everyone knows that is not what happened. The Davis building has 3 units for sale right now for \$200,000 at 2400 s.f. that is less than \$100 s.f.. To build condos in those two buildings which are 36,000 s.f. would be a lot more than \$80 per s.f. To build them to a condo level you would be, given the shape of the buildings right now, looking at \$200 per s.f.. A 2400 s.f. condo would be north of \$400,000. If someone would come to this board and say they have a plan for condos but here is the help we need, but no one is coming to the board.

Resident stated she understood but what if a developer came to the board and said the buildings have not been available for purchase, it has been a limited amount of time and I would like to secure those buildings so they could do this thoughtfully, what would the Reuse Authority say?

Mr. Congdon said the board would probably be very open to the thought process but it's been 18 years and they are still waiting for a developer. Resident stated that they could not talk about Virginia Basham's situation because it is a completely new situation. This has all changed since VLB's original vision.

Mr. Treacy asked how many would support market rate apartments. Several raised their hands. Just a few would be opposed. Resident stated that is not the best choice yet because they haven't explored everything yet. Mr. Treacy stated they are just trying to get a feel for where people are.

Resident stated a goal for the Loop is for the Loop to be a community. They are committed to the neighborhood. Village of Merici is committed to the neighborhood by investing dollars into it. He said he is still concerned that this is a community and not just a migrant passing place where there is constant turnover. The goal should be more permanent whether it's condos or not. He wants to see not having an eye sore across the Loop but there were seven units and there was one under development seven years ago and now there is five and he feels like that is progress. He doesn't understand why there is such a rush now.

Mr. Treacy asked the people who are opposed what they think should be there. A resident said he's been out there a long time. He drives thru a lot of affordable housing driving up and down Post Road. He stated he committed 13 years ago to live here. Mr. Treacy asked what does he think should go there? The resident stated not apartments because there are enough apartments in the Fort.

Resident stated that condos do not have to be developed in the same exact manner that the condos that are there are. She stated you can develop condos and they don't have to be \$350,000 condos they can still make money on those buildings. The perception that those buildings are falling in is over exaggerated. She stated there is a huge demand for loft style living. They can be beautiful high end condos and not cost \$300- \$350,000.

A resident asked if they could explore the urgency that another resident asked. Mr. Brown stated he has been aware that the Maude building has been tied up in litigation and foreclosure for a long time. The title has been a mess but now has gone thru the foreclosure process and now is back available to more easily purchase. Resident stated that's what they were referring to that the building is only very recently become available for other options. Mr. Brown said that is correct, that it is now under contract for purchase by an entity. It happens very quickly that it's available and someone has it under contract very quickly. They often have a plan to do something. That is the urgency. We are not the contract purchaser on those buildings. We tried on the officers club or PX. We tried last year and were outbid. A resident asked if the FHRA put in a bid on the barracks to either one of the existing owners. Mr. Brown said not since he has been on the board they have not. The FHRA has not bought anything yet.

A resident asked if the FHRA has the resources to buy the buildings or influence the purchase of the buildings. Mr. Treacy stated they could not influence people to sell. Resident stated that if someone owns the buildings they have to maintain or restore it to historic levels period. How can the FHRA not hold the owners accountable to maintain the buildings according to the standards. Resident stated the FHRA should have been holding VLB accountable and fined by the FHRA for not developing it quickly enough. Mr. Treacy stated the FHRA doesn't have jurisdiction over that. Resident stated that FHRA must have authority.

Ms. Pyatt of Ice Miller stated that any type of historic building is governed by SHPO the State Historic Preservation Office so if they would go in to do refurbishment or rehabilitation they would be subject to rules and guidelines of SHPO. The reuse authority has architectural control because they appoint the three member of the architectural review commission under the PUD zoning ordinance. We have many times in the past boards and previous boards have reviewed various complaints regarding the VLB buildings and have discussed with city officials. At one point we had inspections run through and we asked that code enforcement go forward and they did not. She stated all of you could force the other owners to comply under the declaration of covenants that governs all of the Reuse Authority. She stated they could sue.

Mr. Clifford asked Ms. Pyatt to introduce herself. She stated her name and said she is a real estate attorney and counsel to the FHRA. Ms. Reddick stated to make it clear it is not the City of Lawrence that has the authority to do code enforcement but it is the Marion County Department of Code Enforcement. She stated it is very frustrating.

A resident asked if they were to report to the architectural review commission for changes to the structure and maintain their homes to a certain standard. Mr. Brown stated they have to petition the entity to make changes. The resident said so the basis to that is so that it is historically and architecturally accurate.

Ms. Pyatt stated that under the PUD zoning ordinance before anyone can pull an improvement location permit in order to do rehabilitate a building or anything where you need to get an improvement location permit. The architectural review commission has to sign off on your plans like building specs, elevation, signage, before the DMD will issue and sign off and they will also do a review before issuing a permit.

Mr. Clifford asked if the reuse authority has the resources to do something with that building if given the opportunity to do it and if they make the determination that it should be done. Mr. Clifford answered the question with yes they do. Mr. Clifford stated that a gentleman present at the meeting who is considering purchase of that building for rehabilitation and his option to purchase has not expired yet and the FHRA can't do anything right now.

A resident stated that he wanted to acknowledge the entity of the FHRA board has changed several times since 15 years ago. This entity is what put us on this path. The entity back in the mid 90's chose a developer that languished and missed the opportunity to develop the buildings the way they should have been developed. As the entity should step back and recognize the entity should have culpability. He stated the master plan and zoning is all the controls on those buildings. There are no covenants on the buildings as the east side buildings have. There are no base line standards for those buildings.

Mr. Brown said thank you and that the resident was right. This entity and those who sat there back then made different choices than the five of them now would have made. Every project now faces a huge hurdle compared to those initial projects. If someone doesn't do what they were supposed to do the FHRA has a faster method to step in and take the project back and award it to someone who will do what they were supposed to do. A lot of time and energy and money with our counsel to make sure the lesson has not been lost. Resident stated maybe it's time for the FHRA to help bridge the gap on the remaining buildings that need the most.

Mr. Treacy stated the goal of the FHRA is to get control of as much property as they can.

A resident stated he wanted to reiterate the point about repealing the resolution that was passed last October. He stated he thought it would prevent any type of subsidized housing credits from being used on the Loop if he understood correctly. He asked why it was passed in the first place.

Mr. Treacy said it was for flexibility. The resident then stated that if it doesn't do anything then why pass it. Ms. Pyatt said it wasn't necessary. Mr. Brown stated it allowed the Village of Merici to get more points on their application.

The resident also stated that he thought the meeting on May 9th was drastically misrepresented and mismarketed by the CDC. He thought the meeting was about something else and didn't know there was a proposal on the table and thought it was about the Village of Merici and it spiraled in a different direction. It wasn't about a community meeting about a proposal. He knows the FHRA was aware of the meeting.

Ms. Reddick stated she was at the meeting on the 9th and it seems like from people in the room today there is urgency. Everyone would like condos and the board has to balance the idea of moving forward with responsible projects that the residents want. She asked if they do want condos. A resident stated the urgency to discuss it is for years they have had no ability to have any say to what is happening because of Virginia. The urgency is suddenly learning it's open and there are options now. Many people feel that Virginia's mess has been and they didn't come to the FHRA because of what it was. Now they would like to have a say. They would like proposals presented to the neighbors to get their input. He would like to have a meeting for each proposal.

Mr. Treacy stated that is why they asked the CDC to have the meeting so they could get some feedback. He said the message was very clear and that is why they took the position that the FHRA will not support the project.

A resident asked about a possible purchase of the PX by the church. He stated if the church is struggling to finance the purchase of the building, would they be held accountable to refurbish the building according to historic standards.

Mr. Brown stated the exterior would be subject to architectural review by the architectural review committee. Ms. Reddick stated there is a difference between architectural standards. The FHRA architectural review can tell you how it needs to look but if you let the roof fall in that is the Marion County Department of Code Enforcement.

Resident asked if it was one of the two buildings that are not developed because today they are owned by the private developer but they are not doing anything, the FHRA has a lack of authority. Once the developer starts doing something then the FHRA then has authority.

Mr. Clifford stated they have to go thru the permitting process.

Ms. Pyatt stated that before anyone can make exterior improvements they have to get approval from the architectural review committee. The committee includes Mr. Burrus as well as an engineer and an architect who are individuals who understand the matrix under the PUD and zoning ordinance and all other requirements. Ms. Pyatt stated that also since the Loop is in the historic district at the Fort, SHPO also has architectural control over architectural improvements on exterior improvements and new buildings.

Resident stated that urgency is not what project is going to be pursued and accepted but how will we make sure those buildings are not going to go away. She stated that the roofs are not caving in but they are worried that they will deteriorate to a point where they are not able to be redeveloped. How do they stabilize that?

Mr. Treacy stated that it the problem they have been dealing with for 18 years and as a gentleman stated, this board was probably partially responsible for that and the direction it went it. He stated now whatever we can do to gain control of some of these properties to control we will try to do that but it still a free market.

Resident asked if there was an entity out there that would help.

Mr. Brown said if it was an unsafe building like the roof falling in then yes the Marion County Health Department has an unsafe buildings division that can come in and make the owner make repairs. They do that thru litigation but the building has to be pretty far gone for them to do that.

Resident asked if there was anyone in the historic element that could make sure.

Mr. Congdon said no. He stated he walked around the two buildings last week and in past months anyone could go in and out. He said he tried every door and entrance and they are at least padlocked right now.

A resident asked if the resolution amendment that was passed in October on the website so they can see the exact wording?

Mr. Brown said no but we can scan and e-mail it to him.

Resident asked if one of the board members could propose for next month's meeting an amendment that goes back to the original language of luxury housing to cover the two buildings north of the Village of Merici and we can try and amend the amendment to go back to the original language to include luxury housing.

Mr. Brown stated he thinks they would like to discuss that. He stated that as said earlier that was the first time they has that request made. There are questions the board has about what other historic tax credit, does it foreclose the ability to utilize that for a future developer and he doesn't know the answer to that question. He stated it is unfair of them to commit to do that until he knows the answer to that question.

Resident stated as a citizen on Lawton Loop he would like the board to strongly consider going back to the original language including luxury housing.

Another resident of Boston Commons stated that he echoes the previous resident's comments. People that live there are financially vested. He doesn't want people who need subsidized housing living where he lives.

Resident asked if residents would have the ability to have input with the architectural review committee to make sure certain elements within the plans are addressed for instance the PX being converted into a church and having parking issues as well as garbage and trash disposal.

Mr. Brown stated that parking would not be architectural issue. It would be a zoning and code issue.

Ms. Pyatt stated there are certain on street parking requirements under the PUD zoning ordinance however the ARC is bound by the PUD. There is a matrix and there are some discretionary things but most is set forth in the PUD.

Resident stated he though SHPO has some input on this. Is there a historic preservation commission with SHPO?

Ms. Reddick stated it is Historic Landmarks Foundation. Ms. Pyatt stated they are completely different.

Resident stated that Mr. Cook who is no longer with us was able to get two huge projects off of the most endangered list. He asked if there is zero interaction or influence between SHPO and Historic Landmarks Foundation?

Mr. Congdon stated Indiana Landmarks make up their own list. He stated they did make a phone call. He said the buildings just didn't hit the radar screen strong enough mainly because there is ownership right now. They agree they are abandoned but they are not as badly abandoned as other buildings.

Resident stated he has seen others. As you walk in and out of the state fair and at the Deaf School one of the old dormitories on the school grounds. He was wondering if that was something that would put the buildings in a whole new spot light.

Mr. Congdon stated he talks to someone at Indiana Landmarks on a regular basis and he said if someone pressures them they might put the buildings on a list.

A resident stated he owns a construction company and is a developer and he is interested in the buildings. He's walked around them and lives on the Loop and he doesn't think they are that bad considering they haven't been lived in for quite some time. He asked if he put together a proposal to do something with those buildings how would he go about presenting that to the board.

Mr. Brown stated the first step would be to secure one of the properties and have it under contract.

Resident asked if it was possible to get the board's endorsement of a proposed concept prior to securing a building.

Mr. Brown said he personally wouldn't be in favor of it until one of the buildings is under contract.

Ms. Reddick stated the resident needs to do his due diligence and then come to the board.

Resident asked if the board has any suggestion how to put pressure on PE McCallister to sell his building.

Resident asked if the Reuse Authority be willing to sit down and meet with someone who doesn't have it under contract to at least start having a discussion to start exploring what options might be entertained. He asked if the other gentleman could at least engage in a conversation with someone.

Mr. Burrus stated he would be willing to engage him.

Mr. Clifford asks Ms. Pyatt if when the church goes for the permitting for reuse, because they are a church will they have to come up with certain parking spaces.

Ms. Pyatt stated what she is saying is that the PUD zoning ordinance under the architectural controls has certain parking space requirements. Under the PUD the whole eastern half of the Loop is mixed use zoning. She stated not because it is a church but there are parking requirements under the PUD zoning ordinance. She is not sure what would be applied to that building in particular and they would have to look at the zoning ordinance for parking. Ms. Pyatt stated all of the PUD zoning ordinances are on the FHRA website under "Doing A Project At The Fort" at www.fhra.org both for the Village and the Fort Harrison Reuse Authority.

Resident stated you all have a little piece of the pie as far as responsibility here for the development. She asked if all of the entities get together to discuss what is on the table or what might work best. She said it seems like you would need all these people in the room or at least one representative from all of the different ordinances to discuss this. It doesn't seem like they can get a clear answer on anything because there are so many parts to this.

Mr. Treacy stated as they said there are problems that were created a long time ago. They are trying their best to get control over the properties. The key thing is just trying to get control of some of the properties

that got away a long time ago and do their part in some ways to get them developed properly. The FHRA is willing to assist in the development of these and willing to look at reasonable projects.

Resident stated this will take some time too so development should also be given the same opportunity.

Mr. Treacy asked for the last question.

Resident asked when the TIF will run out that funds the Reuse Authority?

Ms. Pyatt stated there is no sunset. When it was passed by statute there is no sunset.

Mr. Treacy stated that the ideal from his understanding is that when this is all developed it will be turned over to the City

Ms. Pyatt said it would be turned over to the City of Lawrence. The plan was that all the properties owned by the FHRA would be sold and redeveloped. The FHRA still owns 50 to 60 acres but at the end the plan was that the City of Lawrence will take over to the extent that there were any continuing obligations.

Mr. Treacy said our goal ultimately is to work ourselves out of a job.

Mr. Brown stated we still have bond obligations that go out 18 years or so from today. The TIF is not going away for the foreseeable future.

Mr. Treacy asked if the people know what was done with the bonds.

Mr. Brown stated the 2000 series was used to build the 56th Street bridge. The PX and Commissary was moved to 59th Street with the 2006 bonds and the Village Center infrastructure was built with the use of the 2009 bonds. It is around \$3 Million annually in bond obligations that the Reuse Authority has.

A resident stated the Reuse Authority had a \$55,000 judgment against VLB for not doing things in a timely fashion. Is that not a lien on PE McCallister's building? He asked if that could be used to enforce that lien and force his hand?

Ms. Pyatt stated she was unsure if that was a judgment on PE McCallister's building. She stated VLB paid off one of the mortgages we had. She would go back and look at the files to see if there was a lien on PE.

Ms. Congdon stated that was mostly against the Davis building.

Resident said it was a judgment lien and applied to all property she had title to at the time.

Ms. Pyatt stated that when we got that judgment VLB had already conveyed that one to PE. She said she will check to see when they got the final judgment. She said she would get resident information on what the FHRA the judgment lien was.

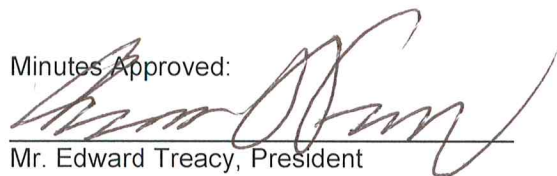
Mr. Treacy thanked the people. He stated he knows this has been unsettling for all the neighbors and hopefully they can figure out a successful resolution down the road and get something developed in there that will be pleasing to everyone. Our goal is to work with everyone and that is why they asked the CDC to have the meeting.

Mr. Brown reminded everyone that the next public meeting is June 17th at 5:30 and it is always open to the public and they always ask for public comment at the end.

Mr. Treacy made a motion to adjourn the meeting. Mr. Brown seconded. Meeting adjourned at 6:35 pm.

The next board meeting will be on June 17, 2013 at 5:30 p.m.

Minutes Approved:



Handwritten signature of Mr. Edward Treacy, President, written in dark ink over a horizontal line.

Mr. Edward Treacy, President



Handwritten signature of Mr. Russell Brown, Secretary Treasurer, written in dark ink over a horizontal line.

Mr. Russell Brown, Secretary Treasurer