

MINUTES OF THE FORT HARRISON REUSE AUTHORITY
BOARD MEETING

JUNE 16, 2005

The FHRA Board met in Executive Session at 4:30 on Thursday, June 16, 2005.
The FHRA Board met in public session at 9120 Otis Avenue, Conference Room,
Lawrence, IN at 5:00 p.m.

FHRA Board Members Present

Mr. Dennis Charles, Vice President
Ms. Ann Lathrop, Secretary-Treasurer
Ms. Cheryl Sullivan
Mr. Paul Ricketts

FHRA Board Member Absent

Mr. Carl L. Drummer, President

FHRA Staff Members

Mr. Ehren T. Bingaman
Ms. Doris Combs
Mr. Chad Dorshorst

Members of the Public

April Pyatt
Kelly Wood
Mike Couch
Dominic Smith
Bessie Harrison
Gary Vandergriff
Jon Isaacs
Stan Hirsch

A copy of the published agenda is attached.

In the absence of President Drummer, Vice President Charles presided.

1. First item on the agenda was the approval of the April 28, 2005 minutes.
This item was tabled until July meeting because only three members of the board
were present at the April meeting.

2. Second item on agenda is selection of Master Planner for City Center. Ms. Lathrop stated an RFQ process was done for the selection of the Master Planner. Six bids were received. Ms. Lathrop and Mr. Bingaman reviewed the proposals and selected down to a short list of three. An interview was held with each vendor on the short list for about an hour each. Ms. Lathrop suggested to board that FHRA begin negotiations with Eden Land and Design. They gave a great presentation; were very energetic. The folks they have partnered with is Hitchcock Design Group who has done a lot of city center planning in the Chicagoland area. Mr. Bingaman and Ms. Lathrop are very encouraged to bring this before the board and she recommended approval. The final contract will also need to come back to the board assuming it goes over the \$50,000 threshold limit that was established from last board. Mr. Charles called for a motion. Ms. Sullivan made the motion and Mr. Ricketts seconded. The vote was unanimous.

3. Third item on agenda is consideration of easement to 56th Street (LENECO) property of sewer and sanitary. The FHRA entered into a purchase agreement with 56th Street Coastal which represents LENECO Technologies. They acquired approximately 3 acres on the south side of 56th Street near Glenn Road. The FHRA approved the architectural standards and they met all their requirements in regard to that. The level of detail that the Reuse Authority does in evaluation does not get down to technical engineering documents. Part of that approval was contingent upon preservation of some very significant trees on 56th Street. The engineering documents that came forward the way the storm water drainage and sewer sanitary came through on the engineering section would have required removal of those trees. FHRA asked them to stop work and find an alternative to get that done. The LENOCO purchase is in two phases. They have already purchased Phase I which is where they are beginning construction and have an option on Phase II. The solution they came up with is actually rerouting the storm water and sanitary sewer on to the property to which they currently have the option. They are requesting the FHRA Board approve an easement to the property they have the option to buy in order to preserve those trees. The engineering documents have gone through an additional architectural review by the FHRA. The FHRA is confident that the rerouting will preserve the trees. This item is a call for action from the Board to approve the easement.

Ms. Lathrop asked if somebody else decides to buy that piece of property that person would have the option to hook into the utilities that are there or move them if needed.

Mr. Bingaman stated on advice of counsel yes.

Mr. Charles called for motion to accept. Mr. Ricketts made motion and Ms. Lathrop seconded. Motion passed unanimously.

4. Fourth item was consideration of proposal from Centex Homes for townhouse development located on approximately 13 acres at 59th and Lee Road. Mr. Jonathan Isaacs, Centex Homes addressed the board. Mr. Isaacs is the Land Entitlement Manager.

Mr. Isaacs thanked the board for letting him present his proposal to buy 13 acres. He stated he felt the town home product would be a great fit to the fabric of the community which Lawrence has. It is in sync with the architectural areas that already exist here at Fort Harrison. Also, he sees the town homes as being an important connection to the City Center. Centex Homes would be located just on the outskirts of the City Center. And providing high density homes adjacent to that area would be a benefit to that City Center. The packet has a proposal outline which is being considered. There are also illustrations of our town homes which has recently been built and opened in Zionsville. Mr. Isaacs encouraged the board members to take a drive up there. He stated he was there Monday for the grand opening of the models and felt it was definitely worth the trip to see how the architectural style of the buildings would fit in the vision of what Fort Harrison can become. There is a conceptual site plan. Thank you for the opportunity to be here. He offered to answer any questions and respectfully requested board's blessing on this proposal to move forward.

Mr. Ricketts asked if Centex Homes was requesting that FHRA continue to negotiate what the final plan should be. Mr. Isaacs stated yes, that was correct. Mr. Ricketts asked if it would be brought back to the board and Mr. Isaacs stated yes.

Mr. Ricketts asked if the conceptual plan, 13 acres and estimating Centex would take out at least four acres for the woods and the pond, stating "I believe you are looking at 120 units. At one time it was only 95. Is there a reason for going from 95 to 120?"

Mr. Isaacs stated it was partially to meet the price point Centex was trying to hit getting the density level to provide the architectural style of that product. It is a balancing act.

Mr. Ricketts asked what the density was going to be per acre and what did Centex think they were going to have to have. Mr. Isaacs stated they usually did 10-12 units. Mr. Ricketts said an initial review of the site plan, "I know this is a conceptual site plan, but I see two sides of this which could have some marketing flaws. Number one is the north end comes up against the baseball diamond that is there. In the winter that would not be a problem; all through the summer it could have an effect on the market, particularly the big baseball field that is there. The fields in the back run until 10:00 p.m. The other problem is on the far east side once the new PX/Commissary opens. From everything I have seen somebody is going to be unloading in the back; so they are going to be unloading up against or adjacent to these units that are on the east. These are just observations on my part. The retention pond I think you are going to have to have; but I think it is a creative nuisance. Out on the front on Lee Road we have had a lot of tragedies that have happened with those. You might want to visit taking some of the east side units away from the semi traffic and moving those out to the front and creating some other type of retention pond back. I don't know what your elevation are on your land there; but if it is not cost prohibitive you could drain it to that pond down into the creek."

Mr. Ricketts stated he also saw a parking problem and could not tell from the site plan how many off-street parking spaces are going to be on the boulevard area. Centex proposes to have the west side total; on the north side parking; but on the east side and

the parts that are to the south and west there doesn't appear to be any off street parking. "The only thing you are going to be able to do is park in the garages. How wide are the streets going to be? How quickly can we get fire trucks back in there? That has got to be a concern. Did you intend to dedicate the streets?" Mr. Isaacs stated that typically they do.

Mr. Ricketts stated "the density concerned him at 12 to an acre. Also have heard price range of \$180 and up. My fear is that it is now almost like an apartment complex. If the market was not there are we going to have any guarantees that the complex will not be turned into an apartment complex? Is that a convent you might consider?" Mr. Isaacs stated that was a possibility.

Mr. Ricketts asked what was the price of the units in Zionsville. Mr. Isaacs stated he believed they started at the \$255 price range. Centex hopes to bring them to the market at \$150-\$160 range. Mr. Ricketts ask if that was based on Centex market analysis of what the market.

Mr. Isaacs stated that part of their due diligence would be to confirm the market research before Centex closes on a piece of property that want to be sure market research is there. Centex does not want to do market research before they are sure they are going to have property. Centex would go through a detailed market study to make sure they were bringing to market what the buyers are looking for.

Mr. Ricketts stated he though Centex was a very good builder from his walk of life. Another item that still concerns him is, we are looking at a fairly major road out there, although it does go down to two lanes on one side. The baseball fields at night on the north side, the semi traffic running through on the east side and it just dawned on me there is a fire station and a shooting range on the south side. That to me is an awful lot of things that could bring down the value of this property and I certainly hope you will look into that.

Ms. Sullivan asked if the 10-12 units per acre was over the entire 13 acres.

Mr. Isaacs responded that was correct.

Ms. Sullivan stated that as Mr. Ricketts pointed out there were a number of acres set aside because you would not be building on them. If Centex were to keep to the 10-12 units per acre how would that reduce the total number of houses?

Mr Isaacs responded that the hope would be to be able to calculate the density on gross. Obviously Centex would be purchasing 13 acres. So the product in an urban environment can be built upwards of 20 units per acres as far as intensity. We are getting into a discussion of intensity vs density.

Ms. Sullivan stated that was what she thought the FHRA board would be interested in. What is the actual intensity?

Mr. Ricketts stated that was his original question. That it was stated at 95 and he still sees a problem with off street parking. Mr. Ricketts concern is seeing fire trucks get through the streets.

Mr. Issacs responded that the units will have two car garages attached with driveways. So technically 4 off-street parking spaces is provided for each unit, plus parking along the two boulevards

Ms. Sullivan stated she understood the Board was not seeking approval at the meeting.

Mr. Isaacs responded Centex was getting feedback and authorizing further negotiations.

Mr. Ricketts recommended that the Executive Director, FHRA continue negotiations with Centex and keep the board members up to speed.

Motion was made and vote was unanimous.

5. The fifth item was a PX/Commissary and City Center update. Mr. Bingaman stated for the good of the order the Board has agreed to do regular updates at the public sessions regarding the status of PX/Commissary project and City Center master planning. At the last board meeting, in April, the board approved a working strategic plan that served as a mark on the wall for the Board to have some ideas of timeframes when we would be attempting to achieve goals related to PX/Commissary and City Center. FHRA is within 2-3 weeks of the benchmarks. Today with the Boards approval of Eden Land and Design, the Board will be able to start negotiating with Eden and have them start working almost immediately which is a great step for FHRA. The City Center is a notion, one that FHRA has been talking about for over three years. FHRA is very excited that it will be bringing some energy, excitement and real action to the City Center development. Hopefully, we will be seeing or preparing ourselves for site of infrastructure improvement and even possible solicitations for development of City Center by late spring of 2006. FHRA thinks that is an exciting prospect for the community to be embracing and talking about right now.

With regards to the PX/Commissary project, FHRA is still working steadfastly for an end of July opportunity to have the Memorandums of Agreement signed with the various government entities involved in this project. That also means having our construction documents complete. On Tuesday of this week, FHRA had a 90% document review. That means the documents are about 90% done and our partners are working and exchanging on the details. The good news is the deal breakers have been resolved. There will be one more review of documents during the first week of July with the Department of Army, Department of Defense, Defense Commissary Agency, Air Force/Army Exchange and Army Reserves. We should be at a 100% at end of July and it will be a really big day for the Reuse Authority. Along that same line, Secretary/Treasurer Lathrop and I have started scheduling dates with banks and parties that would be interested in helping us finance the construction of the PX/Commissary.

It is FHRA's intent to attempt to construct that facility without any new issuance of debt to the community; no new bonds for the construction. FHRA is going to try and explore every possible alternative to make that happen and that will be going on over the next month. We have on the street now a Request for Qualifications for Owners Technical Reps services or representation of the Reuse Authority. The PX/Commissary on a worldwide level is one-of-a-kind which makes it unique because there is a third party non-Federal government entity constructing a facility for Federal government on Federal government land. That means there are lots of people to deal with and the Reuse Authority wants to make sure they have good representation in the actual construction of the facility and make sure that good financial resources are allocated properly. FHRA doesn't want to get the building done and have those new occupiers come to FHRA and say that FHRA built the building poorly. The Indianapolis Library is a perfect example of why you need Tech Rep Services. Maybe by July, although we won't make that commitment, we may have a firm to recommend for public consideration

Another update FHRA would like to make public is with regards to City Center, the City of Lawrence and the Reuse Authority are partnering together for the Great American Clean-Up, June 25, 10:00 AM to 2:00 PM. FHRA encourages you all as volunteers and community members to help pick up trash in what will be downtown Lawrence. This project is done in partnership with Keep Indianapolis Beautiful. Meeting site is 56th Street and Lee Road.

Mr. Ricketts asked about the old Army hospital. Is FHRA making any movement to tear it down? Is there any environmental issues? Mr. Bingaman stated in the Environmental Baseline Study by the Army Corps of Engineers there are findings of stuff we know in the building, lead paint asbestos and black mold. Those are the three FHRA knows of. FHRA also knows at this point there has been variance in past bids of what the costs might be. The strategy the FHRA is taking is to funnel that as part of construction and having our tech rep in place to make sure we get the right firm in place to begin demolition. Remediation and abatement are the first thing FHRA will be doing. Hopefully we'll be able to hear bids for that in late August so we can start demolition on that facility in the fall of this year.

Mr. Ricketts wanted to know if soil borings were being done. Mr. Bingaman stated there had been nothing to this point that was of concern to the Army Corps of Engineers in their base line studies. As part of a Federal building process we have to have a document for public review of the findings. It is actually at the Lawrence Branch of the Library as part of the Federal building process.

Mr. Bingaman stated the working timeline we have with our architects and our strategic plan is we are talking about late spring of 2007 when we turn the lights on and the Commissary/PX staff are settling in.

Mr. Ricketts wanted to know if the two buildings which existed now had to be removed before work could start on City Center. Mr. Bingaman stated he was confident other City Center work could begin because the Commissary/PX is only sitting on 12 acres. FHRA would like to keep the momentum going

Meeting was adjourned at 5:45.