BILL NO. R-23-09-27

RESOLUTION NO. __________

A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA, APPROVING THE EXPENDITURE OF AVAILABLE LOCAL INCOME TAX REVENUES FOR THE ACQUISITION OF LAND AND IMPROVEMENTS BY THE FORT WAYNE REDEVELOPMENT COMMISSION (1825 MCKINNIE AVENUE)

WHEREAS, the Southeast Strategy Update (the "Strategy"), adopted by the Common Council in 2021, identifies four geographic areas within the Southeast Quadrant where capital investment would have the greatest catalytic impact, one of which is the area surrounding the intersection of McKinnie Avenue and Anthony Boulevard; and

WHEREAS, in furtherance of the implementation of the Strategy, the Fort Wayne Redevelopment Commission (the "Commission") desires to acquire and improve 1825 McKinnie Avenue (PIN #02-13-18-351-022.000-074) (the "Real Estate"), which Real Estate is depicted in attached <u>Exhibit A</u>, because: (i) the Real Estate currently contains a vacant, deteriorating structure which exerts a blighting influence on the surroundings, (ii) the Real Estate addresses the need for safe and convenient parking at McKinnie Commons, which is a new public space located adjacent to the Real Estate, and (iii) acquisition of the Real Estate creates an opportunity for future redevelopment;

WHEREAS, the Commission has requested from the Common Council approval for the expenditure of local income tax revenues ("LIT") for payment of: (i) the purchase price of the Real Estate in the amount of Two Hundred Ninety Thousand and 0/100 Dollars ($290,000) plus associated expenses, (ii) costs associated with the demolition and clearing of the Real Estate, and (iii) costs associated with the construction of surface parking upon the Real Estate, all in an amount not to exceed Four Hundred Fifty Thousand and No/100 Dollars ($450,000) (collectively, the "Acquisition Costs"); and

WHEREAS, acquisition of the Real Estate was included in the list of neighborhood projects anticipated to be funded by the City's 2023 supplemental LIT distribution, which was appropriated by the Common Council on September 12, 2023, pursuant to Ordinance A-23-07-24.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA, AS FOLLOWS:

1. The Common Council finds, determines, ratifies and confirms that the acquisition of the Real Estate is in the best interests of the citizens and taxpayers of the City of Fort Wayne, will support the redevelopment goals and objectives of the City of Fort Wayne, and will support the ongoing implementation of the Southeast Strategy Update.

2. The Common Council does hereby approve expenditure of LIT funds for the Acquisition Costs in an amount not to exceed Four Hundred Fifty Thousand Dollars ($450,000) and authorizes the Commission to enter into such contracts as are necessary to effectuate the acquisition, demolition, and improvement of the Real Estate as described herein.

3. This Resolution shall be in full force and effect from and after the time it has been adopted by Common Council, approved by the Mayor and otherwise executed and delivered in accordance with any and all laws and governmental approvals appertaining thereto.

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Council Member

APPROVED as to form and legality

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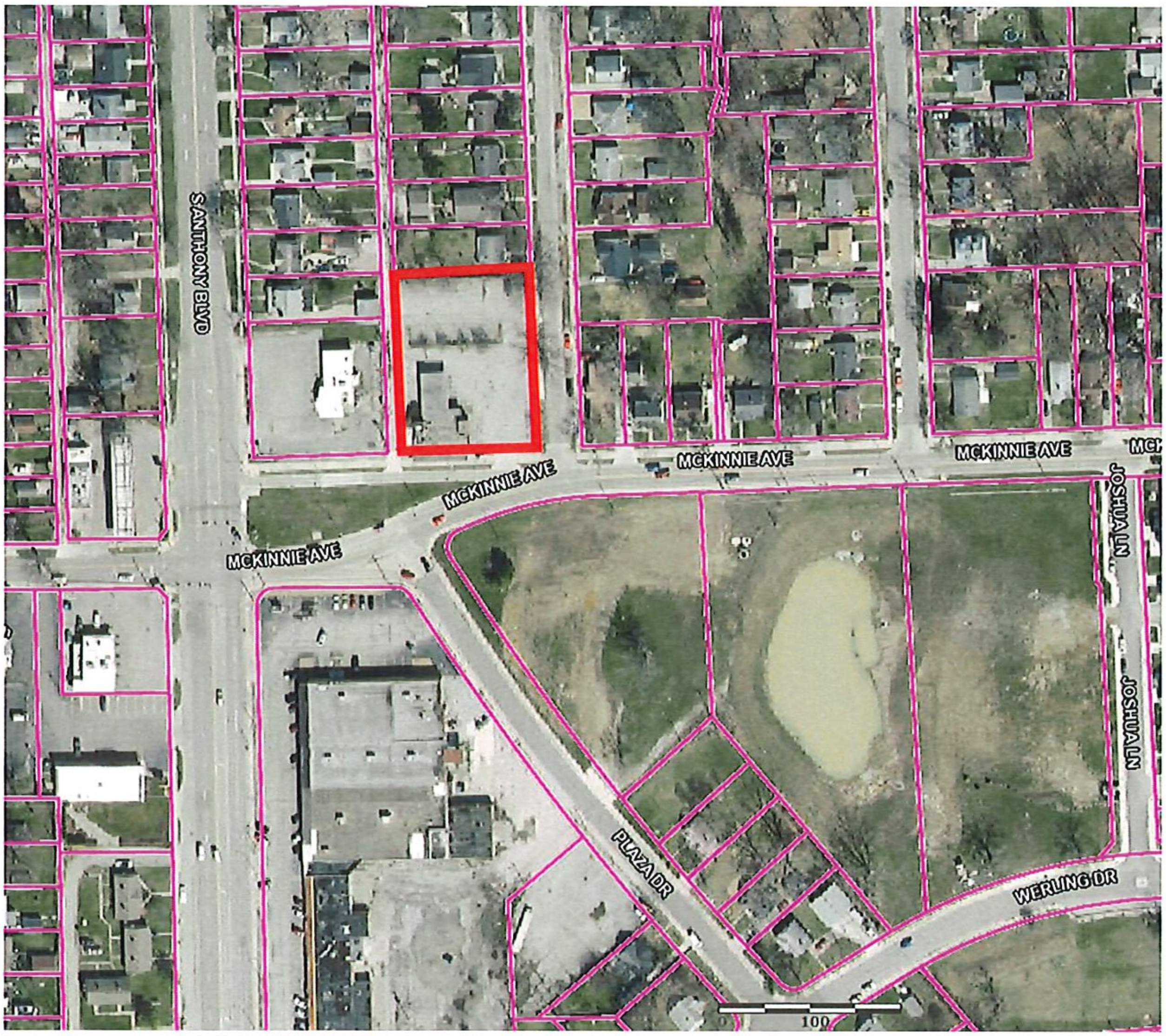
Malak Heiny, City Attorney

EXHIBIT A

THE "REAL ESTATE"

1825 McKinnie Ave

PIN: #02-13-18-351-022.000-074



DIGEST SHEET

TITLE OF RESOLUTION. A Resolution of the Common Council of the City of Fort Wayne, Indiana, Approving the Expenditure of Available Local Income Tax Revenues for the Acquisition of Land and Improvements by the Fort Wayne Redevelopment Commission (1825 McKinnie Avenue)

DEPARTMENT REQUESTING RESOLUTION. Redevelopment Commission.

SYNOPSIS OF RESOLUTION. The Fort Wayne Redevelopment Commission requests approval of $450,000 of LIT to acquire 1825 McKinnie Avenue, which is an approximately 0.70-acre parcel located near the intersection of McKinnie Ave and Anthony Blvd. The cost includes the purchase price and associated expenses, demolition and clearing of the real estate, and construction of a surface parking lot.

EFFECT OF PASSAGE. The real estate currently contains a blighted commercial building which has been vacant for more than 15 years. Passage of this resolution will not only allow for the elimination of this barrier to revitalization, but also the provision of parking for McKinnie Commons (a new public space located adjacent to the real estate) and the creation of an opportunity for future redevelopment within this target area. The intersection of McKinnie and Anthony and the surrounding area is designated in the recently-adopted Southeast Strategy Update as one of four geographic areas where capital investment will have the greatest likelihood of catalyzing further revitalization within the Southeast Quadrant.

EFFECT OF NON-PASSAGE. The Redevelopment Commission, in all likelihood, would be unable to purchase the real estate under the current terms if this resolution did not pass. The real estate would continue to exert a blighting influence on its surrounding, would continue to attract vandalism, and would continue to threaten the significant public and private investments that have already been made to revitalize this area including McKinnie Commons, Phase I of Village Premier, and Sankofa Village Center, as well as planned investments such as Phases II and III of Village Premier.

MONEY INVOLVED (DIRECT COSTS, EXPENDITURES, SAVINGS). $450,000 from LIT. This project was included in the list of neighborhood projects anticipated to be funded by the City's 2023 supplemental LIT distribution, which was appropriated by Council on September 12, 2023, via Ordinance A-23-07-24.

ASSIGNED TO COMMITTEE (PRESIDENT). ______________________________

COMMUNITY DEVELOPMENT
REDEVELOPMENT

Thomas C. Henry, Mayor

City of Fort Wayne
Community Development
200 East Berry Street, Suite 320
Fort Wayne, IN 46802

260-427-2150 fwcommunitydevelopment.org

September 20, 2023

MEMO

To: City of Fort Wayne Common Council

From: Jonathan Leist, Redevelopment Director, 427-1323

Re: **Acquisition of 1825 McKinnie Ave by the Redevelopment Commission**

Councilmembers,

The Fort Wayne Redevelopment Commission respectfully requests approval of $450,000 of LIT funds for the acquisition of 1825 McKinnie Avenue, which is a 0.70-acre parcel located near the intersection of McKinnie Ave and Anthony Blvd. The real estate currently contains a deteriorating building which has been vacant for more than 15 years, and which exerts a blighting influence on the surrounding area. This property acquisition was included in the list of projects anticipated to be funded through the City's 2023 supplemental LIT distribution that was approved by Council on September 12, 2023.

Acquisition of this real estate furthers implementation of the 2021 Southeast Strategy Update in that the McKinnie/Anthony intersection is one of the four geographic focal points identified in the Strategy where capital investment would have the best chance of catalyzing further revitalization. This area has already seen significant public and private investment since the Strategy was adopted, including McKinnie Commons, which is a new public space that opened in June 2023, Phase I of the Village Premier mixed-use project, and Sankofa Village Center.

The requested funds would cover the $290,000 purchase price for the real estate, as well as demolition of the existing building and construction of a parking lot for McKinnie Commons. Although the purchase price for the real estate is approximately 25% over the appraised value, we believe that the value to the public of eliminating this blighting influence, making it easier and safer for residents to enjoy McKinnie Commons, and creating an opportunity for future development justifies the increased cost.

Please see the enclosed Digest Sheet and Resolution for more information, and feel free to reach out to me directly if you have any questions.