

5/17/2020

Fieldhouse building must be upgraded before sale

CHAS REILLY
Times Correspondent

MERRILLVILLE — The former Fieldhouse facility needs to be brought up to minimum code before the town can sell it.

Merrillville Engineering Administrator Steven King said mold remediation and the installation of an alarm system is in the works. The town also will repair the electrical, mechanical and plumbing systems before the facility in the AmeriPlex at the Crossroads is placed on the market.

"We're diligently working on that," King said.

King said the mold is located in a central office space in the facility.

"It's scary to even walk in that portion of the building because there is so much mold," he said.

The need for repairs comes after the facility sat empty for years.

The town in 2014 purchased the building for \$3.2 million to attract a Korean pharmaceutical company to Merrillville.

Although the company leased the site for years, it sat empty during that time. The lease agreement called for the company to purchase the building by March 31 this year, but no deal was reached.

With the pharmaceutical company no longer interested in the site, Merrillville has started preparations to sell the property of nearly 53,000 square feet.

"We don't want to own the building for a long period of time," Town Manager Patrick Reardon said.

Town Attorney Joseph Svetanoff said two independent appraisers have evaluated the property.

"The minimum we can accept for the Fieldhouse at this time is \$2.95 million," Svetanoff said.

The town will seek bids for the property when the municipality has the site ready to be sold.

Once on the market, it could take about one month to go through the bidding process.

"I don't anticipate this being a long drawn-out process," Svetanoff said.

Councilman Shawn Pettit, president of the town's Redevelopment Commission, said the RDC will determine how sale proceeds would be allocated.

He said the town owes about \$950,000 from a bond issue that was used to fund the purchase of the former Fieldhouse.

"At a minimum, we have to pay off that debt service," Pettit said of the use of sale proceeds.

He said the remaining money could be allocated for the first three years of operations of the new community center that's under construction on Broadway near 66th Place.

Councilman Leonard White said he wants to have more discussions about the use of sale proceeds.

He said officials have long been planning for the community center, and they should've already determined how the town would fund operations.

"I don't think we should be searching for operating funds," White said.

Pettit said the money generated through sports leagues, programs and other activities eventually will fund the operations of the center, but "seed money" is needed for the first few years.

He said Merrillville initially planned to seek donations from businesses and other entities for naming rights of different areas of the community center, but the town is no longer pursuing that option because COVID-19 has caused financial issues for many.

"We can't go out right now and do a capital campaign," Pettit said.

Using sale proceeds from the Fieldhouse building is a "backup plan" that could cover the initial operations of the new center, which is on pace to open in 2021.

"This could not have been served up better," Pettit said.