



# CITY OF SOUTH BEND

## ECONOMIC DEVELOPMENT COMMISSION

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### SOUTH BEND ECONOMIC DEVELOPMENT COMMISSION September 13, 2018 MEETING

The South Bend Economic Development Commission was called to order at 4:00 p.m. at the County-City Building, 227 West Jefferson Boulevard, 13th floor BPW.

#### 1. ROLL CALL

Members Present: Tim Scott, President  
Marguerite Taylor, Secretary  
Quentin Phillips, Commissioner

Members Absent: Consuella Hopkins, Vice-President  
Rafael Morton, Commissioner

Staff: Sandra Kennedy, Esq.  
Mary Brazinsky, Secretary

Others: Benjamin Dougherty, Admin & Finance  
Eric Horvath, Engineering  
Aaron Perri, Venue, Parks & Arts  
Clara McDaniels, Legal  
Jo Broden, City Council  
Marcy Dean, Potawatomi Zoo

#### 2. MINUTES

##### A. Approval of Minutes for February 28, 2018

Upon a motion by Marguerite Taylor, Secretary and seconded by Quentin Phillips, Commissioner the motion carried unanimously, the Commission approved the Minutes of February 28, 2018

3. NEW BUSINESS

- A. Resolution No. 2018-1: Resolution of the South Bend Economic Development Commission relating to City of South Bend, Indiana, Economic Development Revenue Bonds, Series 2018 (The Potawatomi Zoo Project).

Randy Rampola, Barnes & Thornburg, LLP serving as bond council for the Resolution. The Resolution before the Commission is an issuance of bonds subject to the approval of Common Council for the Potawatomi Zoo Project. The bonds are being structured as such to be issued under Community Code 36-7-12. The bonds will be issued by the City. The proceeds will be deposited in a construction fund to the zoo trustee. The zoological society will be able to access those funds with the approval of the City. The bonds will be payable through the Economic Development income tax portion from the local income tax. The City has some outstanding bonds from 2015. At the next Council meeting this resolution budgets the revenues of the Economic Development tax of those bonds to the 2015 bonds. The City is the issuer of the bond and acts as debt service to the bonds. The bonds will be issued at a principal amount of \$4,205,000 in which the ordinance sets out a rate of 6% with a maximum term of 21 years. Those are the max interest rates and the term will be defined as we get closer to the sale. The underwriter for the bond will be Fifth/Third Securities. This bond will go through Council September 24<sup>th</sup>.

Benjamin Dougherty, Deputy City Controller explained that the total interest cost is at 3.9%.

Aaron Perri, Executive Director, Venue Parks and Arts. This is in recognition to the 15-year partnership that we signed with the Potawatomi Zoological Society in which we are just concluding our first 5-year partnership. The Park Board has approved a 15-year extension of that agreement. This takes some of the operating funds upfront and places them into an investment per capital project such as the front entrance to the zoo. This reduces the operating investment for the next 15 years to around \$810,000 per year compared to what we were paying out of \$890,000 per year which is fiscally more responsible.

Marcy Dean, Executive Director, Potawatomi Zoo presented a document of slides from the Potawatomi Zoo improvements. Ms. Dean explained of the \$3.7 million-dollar bond, \$2.2 million will go into deferred maintenance of the zoo to meet AZA accreditation. The zoo will be making updates such as repaving guest pathways, new carnivore containments to meet current standards, new roofs, new HVAC and electrical systems, new, safer patron fencing throughout the zoo, new East Barn containments, new fence around zoo farm, repairs to several buildings, new decking at the alligators and repairs to the tiger exhibit. The Potawatomi Zoo has been accredited for over 25 years by the AZA. They will file papers in March 2019 for a June 2019 inspection for accreditation.

The Zoo broke ground yesterday on a \$3 million capital project, the first phase of the Zoo's master plan is a true community partnership. The new entrance project has \$1.5 million in private funding and \$450,000 in Regional Cities Initiative Funding. This will make everything ADA accessible, new bathrooms, a new gathering space and doubling of the educational space. The new building will be glass on both sides with new signage. You'll be able to see the entrance to the building from the streets. By doubling the education space there will be places for corporate events and 2 locations for birthday parties and camp bringing in additional revenue. The sleep over camp will be educational and they are preparing the Red Barn area for this fun idea.

This is all part of the Potawatomi Zoo Master Plan. They are looking at future exhibits such as Giraffes with a feeding station, a Rhino exhibit which is not currently on the master plan. Other plans to this project will bring in bears and eagles as well as other exhibits including a ropes course and a zipline over the gator pit.

Upon a motion by Marguerite Taylor, Secretary and seconded by Quentin Phillips, Commissioner the motion carried unanimously, the Commission approved Resolution No. 2018-1: Resolution of the South Bend Economic Development Commission relating to City of South Bend, Indiana, Economic Development Revenue Bonds, Series 2018 (The Potawatomi Zoo Project) on September 13, 2018.

4. ADJOURNMENT

The Motion was made to adjourn the meeting by Tim Scott, President and seconded by Quentin Phillips, the motion carried unanimously.

The meeting was adjourned at 4:23 p.m.