



INTER-OFFICE MEMORANDUM

DEPARTMENT OF PUBLIC WORKS DIVISION OF ENGINEERING

TO: Redevelopment Commission

FROM: Zach Hurst, Project Engineer

SUBJECT: Jefferson 315 LLC

DATE: February 27, 2020

The exterior improvements at 315 & 319 W. Jefferson Blvd originally had a budget of \$200,000 as approved in 2019 by the Redevelopment Commission. The project consisted of four different scopes of work performed by 4 different contractors: roof repairs, masonry repairs, parking lot paving, and electrical repairs.

During the course of construction, the masonry contractor had an over-run in cost, which Cressy Commercial Real Estate paid in accordance with their development agreement. The paving contractor had an under-run in cost of \$3,870. Since Cressy had already paid for any work above and beyond \$200,000, this reduction in cost means that Cressy is due a refund of \$3,870. This proposed amendment to the existing development agreement accomplishes this.

Please contact me with any questions (3057)

THIRD AMENDMENT TO DEVELOPMENT AGREEMENT

THIS THIRD AMENDMENT TO DEVELOPMENT AGREEMENT (this "Third Amendment") is made on February 27, 2020, by and between the South Bend Redevelopment Commission, the governing body of the City of South Bend Department of Redevelopment (the "Commission"), and Jefferson 315 LLC, an Indiana limited liability company (the "Developer") (each a "Party," and collectively the "Parties").

RECITALS

A. The Commission and the Developer entered into a Development Agreement dated effective April 25, 2019 (the "Agreement"), as amended by a First Amendment to Development Agreement dated October 24, 2019 (the "First Amendment"), and a Second Amendment to Development Agreement dated December 12, 2019 (the "Second Amendment," together the Agreement, First Amendment and Second Amendment are referred to as the "Development Agreement"), for the development of a Project in the River West Development Area.

B. As set forth in the Development Agreement, the Commission agreed to expend no more than Two Hundred Eight Thousand Eight Hundred Twenty-Three Dollars (\$208,023.00) of tax increment finance revenues to complete the Local Public Improvements in support of the Developer's construction on the Developer's Property (the "Funding Amount"), including but not limited to repairs to or replacement of the windows, roof, exterior bricks, parking lot, and fencing (the "LPI").

C. As is the practice of the Commission and in order for the Board of Public Works, as the Commission's agent, to pay the contractors performing the LPI, the Funding Amount was increased by the First Amendment and the Second Amendment in order to accommodate Change Orders (as that term is defined in the First Amendment and the Second Amendment), and the Developer paid the overage amounts, totaling Eight Thousand Twenty Three Dollars (\$8,023.00).

D. The LPI have been completed pursuant to the Development Agreement, and the final amount paid by the Board on behalf of the Commission for the LPI was Two Hundred Four Thousand One Hundred Fifty-Three Dollars (\$204,153.00), which amount is Three Thousand Eight Hundred Seventy Dollars (\$3,870.00) less than the Funding Amount (the "Developer Excess Payment").

E. In order to repay the Developer Excess Payment to the Developer, the Parties desire to amend the Development Agreement to reflect the reduction in the Funding Amount, to acknowledge the overage amounts paid by the Developer, and to authorize the refund of the Developer Excess Payment to the Developer.

NOW, THEREFORE, in consideration of the mutual promises and obligations stated in the Development Agreement and this Third Amendment, the adequacy of which is hereby acknowledged, the Parties agree as follows:

1. Section 1.4 shall be deleted in its entirety and replaced with the following:

1.4 Funding Amount. “Funding Amount” means an amount not to exceed Two Hundred Four Thousand One Hundred Fifty-Three Dollars (\$204,153.00) of tax increment finance revenues to be used for paying the costs associated with the construction, equipping, inspection, and delivery of the Local Public Improvements.

2. As an inducement for the Commission’s increases of the Funding Amount under the First Amendment and the Second Amendment, the Developer submitted to the Commission and the Commission acknowledged receipt of funds in the amount of Eight Thousand Twenty-Three Dollars (\$8,023.00), which funds were held by the Commission and paid, in part, toward the LPI Contract in accordance with the Board’s ordinary payment practices and applicable laws.

3. The Parties acknowledge that the Developer paid the Commission funds in excess of the Funding Amount, and the Commission desires to refund the Developer Excess Payment to the Developer.

4. Capitalized terms used in this Third Amendment will have the meanings set forth in the Development Agreement unless otherwise stated herein.

5. The recitals set forth above are hereby incorporated into the operative provisions of this Third Amendment.

6. This Third Amendment will be governed and construed in accordance with the laws of the State of Indiana.

7. This Third Amendment may be executed in separate counterparts, each of which when so executed shall be an original, but all of which together shall constitute one and the same instrument. Any electronically transmitted version of a manually executed original shall be deemed a manually executed original.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the Parties hereby execute this Third Amendment to Development Agreement as of the first date stated above.

COMMISSION:

SOUTH BEND REDEVELOPMENT
COMMISSION

By: _____
Marcia I. Jones, President

ATTEST:

By: _____
Quentin M. Phillips, Secretary

DEVELOPER:

JEFFERSON 315 LLC

By: _____
Corey Cressy, Managing Member