



CITY OF SOUTH BEND

REDEVELOPMENT AUTHORITY

January 19, 2022 – 11:00 am
<http://tiny.cc/RDA11922>

The meeting was called to order at 11:00 am

1. ROLL CALL

Members Present: Richard Klee, President
Erin Linder Hanig, Vice-President
Anthony Fitts, Secretary

Redevelopment Staff: Mary Brazinsky, Board Secretary

Legal Counsel: Sandra Kennedy, Esq.
Danielle Campbell, Esq.

Attending: Daniel Parker, Admin & Finance
Ben Dougherty, Admin & Finance
Amanda Pietsch, DCI
Randy Rampola, Barnes & Thornburg

2. ELECTION OF OFFICERS

President: Upon a motion by Erin Linder Hanig, seconded by Anthony Fitts, the motion carried unanimously, the Authority elected Richard Klee as President of the Redevelopment Authority for 2022.

Vice-President: Upon a motion by Richard Klee, seconded by Anthony Fitts, the motion carried unanimously, the Authority elected Erin Linder Hanig as Vice-President of the Redevelopment Authority for 2022.

Secretary: Upon a motion by Erin Linder Hanig, seconded by Richard Klee, the motion carried unanimously, the Authority elected Anthony Fitts as Secretary of the Redevelopment Authority for 2022.

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3. APPROVAL OF MINUTES

A. Approval of Minutes of the Regular Meeting of November 22, 2021

Upon a motion by Erin Linder Hanig, Vice-President seconded by Richard Klee, President, the motion carried unanimously, the Authority approved the Minutes of the Meeting November 22, 2021.

4. NEW BUSINESS

A. Resolution No. 211 (Accepting Transfer of Property from RDC)

Sandra Kennedy, Corporation Council presented Resolution No. 211 (Accepting Transfer of Property from RDC). The Redevelopment Authority will receive the property from the Redevelopment Commission to receive the lease revenue. The Redevelopment Commission will be paying the lease payments.

Anthony Fitts asked if there is enough coverage with the amount of tax that will be generated.

Randy Rampola, Barnes, and Thornburg state that Baker Tilly has projected that there is sufficient motel/hotel tax revenue that will be received. There is a ½ percent specifically for the Morris. There should be revenue left over for infrastructure projects. The intent is to have bond closing on March 2nd and have the bond sale a week prior.

Daniel Parker noted that we expect the bids to come in much lower than what was put in the documents. Even with rates going up we expect no more than 2 ¾ percent.

Upon a motion by Anthony Fitts, Secretary made a motion seconded by Erin Linder Hanig, Vice-President, the motion carried unanimously, the Authority approved Resolution No. 211 (Accepting Transfer of Property from RDC) on January 19, 2022.

B. Resolution No. 212 (Bond Resolution – South Bend _Morris Civic Bonds 2022)

Mr. Rampola presented Resolution No. 212 (Bond Resolution – South Bend Morris Civic Bonds 2022). One change that Baker Tilly did make was although you are seeing rates at a competitive basis, we are publishing a notice of intent with the 1st publication this weekend. We want to have the ability to pivot in case there is a higher interest rate. We would ask underwriters for their proposals. We are asking for a public sale as that will be the best interest rate. This resolution does authorize bonds at a not to exceed rate of \$7.25M which is expected to cover the cost of the project. It has a maximum term of not to exceed 25 years and

it may get a little bit less than that. We expect the interest rate to be less than what is listed here. In the resolution, you are authorizing Baker Tilly to prepare the offering document. This also authorizes officers to sign a trust indenture that will buy the security of the bonds. The bonds are paid from the lease rentals and the lease rentals are paid from the hotel/motel tax revenues. There is a tax back-up in place. If there was no tax back up, we may receive a rating in the high 3%.

Richard Klee asked where would we expected the ceiling rate to come in?

Randy Rampola states in the latest draft it is \$6,590,000. We are looking for proposals from either a policy or from cash on hand which will not increase the actual sale. The cash deposit is in the range of \$350,000. The bonds are sold electronically usually within 30 minutes with the city controller signing the document and returning it.

Upon a motion by Anthony Fitts, Secretary made a motion seconded by Richard Klee, President, the motion carried unanimously, the Authority approved Resolution No. 212 (Bond Resolution – South Bend Morris Civic Bonds 2022) on January 19, 2022.

5. ADJOURNMENT

The Authority adjourned the meeting at 11:19 am.

Anthony Fitts, Secretary
South Bend Redevelopment Authority

Erin Linder Hanig, Vice-President
South Bend Redevelopment Authority