



CITY OF SOUTH BEND

REDEVELOPMENT COMMISSION

Redevelopment Authority Agenda Item

DATE: Dec. 19, 2022

FROM: Caleb Bauer, Executive Director of DCI

SUBJECT: Resolution Authorizing Execution of Lease with South Bend Redevelopment Commission

_____ Pres/V-Pres

ATTEST: _____ Secretary

Date: _____

APPROVED

Not Approved

Funding Source* (circle one) River West; River East; South Side; Douglas Road; West Washington; RDC General

*Funds are subject to the City Controller's determination of availability; if funds are unavailable, as solely determined by the City Controller, then the authorization of the expenditure of such funds shall be void and of no effect.

Purpose of Request: Authorization of Proposed Lease with South Bend Redevelopment Commission for issuance of Tax-Exempt Lease Rental Revenue Bonds, Series A, and Taxable Lease Rental Revenue Bonds, Series B

Specifics: The proposed lease would initiate the process of issuance of a pair of TIF-funded bonds to finance a number of Public Improvement Projects in the River West and River East TIF Districts, including:

River East

- Lasalle Avenue Streetscape Improvements (between MLK and Eddy St)
- Phase I and Phase II of shared-use path to improve bicycle and pedestrian access between downtown and Notre Dame
- Mishawaka Avenue Streetscape Improvements (Between Longfellow and Emerson)
- Coquillard Park Splash Pad Upgrades

River West

- Kennedy Park Funding Match for state grant program to make significant improvements to the park
- Portage-Elwood Sidewalk Project to improve pedestrian safety and activate storefronts near Portage-Elwood intersection
- Martin Luther King Jr. Dream Center park Improvements, including splashpad, playground, basketball courts
- Linden Avenue Streetscape Improvements (between College and Birdsell)
- Southeast Park improvements, including splashpad and playground resurfacing

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- River Bridge Connector Pedestrian Bridge to connect trail systems across the St. Joseph River
- Walker Field and Connection to Rum Village Improvements to enhance the historic Walker Field pavilion and provide better pedestrian connection to Rum Village

The Taxable Lease Rental Revenue Bond, Series B would fund the construction of two structured parking garages and other site preparation work to support the Beacon Integrative Health and Lifestyle District, which will support more than \$350 million in private investment.

If approved, South Bend Common Council will hear resolution authorizing bond issuance.

RESOLUTION NO. 213

A RESOLUTION OF THE SOUTH BEND REDEVELOPMENT AUTHORITY ESTABLISHING ITS INTENT TO ISSUE REDEVELOPMENT AUTHORITY LEASE RENTAL REVENUE BONDS, APPROVING A PROPOSED LEASE WITH THE SOUTH BEND REDEVELOPMENT COMMISSION, AND ALL MATTERS RELATED THERE TO

WHEREAS, the South Bend Redevelopment Authority (the “Authority”) has been created pursuant to Indiana Code 36-7-14.5 as a separate body, corporate and politic, and as an instrumentality of the City of South Bend, Indiana (the “City”), to finance local public improvements for lease to the South Bend Redevelopment Commission (the “Commission”); and

WHEREAS, the Commission, pursuant to declaratory resolutions previously adopted by the Commission and amended from time to time, has declared (i) a certain area of the City known as the “River East Development Area” (the “River East Area”) as a redevelopment area and an allocation area under the Act and approved a redevelopment plan for the Area (ii) a certain area of the City known as the “River West Development Area” (the “River West Area”) as an economic development area and an allocation area under the Act and approved an economic development plan for the Area; and

WHEREAS, the Commission has given consideration to undertaking local public improvement projects in the River West Area including all or any portion of the following: (i) River Bridge Connector (plus Madison) to South Bend-Notre Dame Trail which consists of Phase 3 of the trail project (the “Trail Project”) to construct a pedestrian bridge to connect the trail from the University of Notre Dame campus to the City’s downtown, and any related improvements; (ii) Linden improvements which consists of streetscape improvements in coordination with the Martin Luther King Jr. Dream Center, from College to Birdsell, including improvements for bikes and pedestrians, and any related improvements; (iii) Kennedy Park improvements which consist of natural and aquatic improvements to the existing park and any related improvements to increase accessible recreation resources on the west side of the City; (iv) South East Park improvements which consist of improvements to the park, including splashpad improvements and playground resurfacing, and any related improvements; (v) Martin Luther King Jr. Dream Center improvements which consist of exterior park redevelopment, including without limitation splashpad, playground, basketball court, other related park amenity improvements, and any related improvements; (vi) Rum Village Park Plan improvements which consist of enhancements to the historic pavilion and the Park including exterior restoration and stabilization of the fieldstones, broad arches, and courtyard, and any related improvements; and (vii) all projects related to any of the projects described in clauses (i) through and including (vi) (clauses (i) through and including (vii), collectively, the “River West Improvements”);

WHEREAS, the Commission has given consideration to undertaking additional local public improvements in the River West Area to support and provide incentives to foster the development of the Beacon Integrated Health and Lifestyle District project, said project having been awarded up to a \$11,780,000 Regional Economic Acceleration and Development Initiative grant by the South Bend-Elkhart Regional Development Authority, which local public improvements include, without limitation, site work, construction of up to two (2) public parking garages and a skyway improvement, and any projects related to the foregoing (collectively, the “Beacon District Improvements”); and

WHEREAS, the Commission has given consideration to undertaking local public improvement projects in the River East Area including all or any portion of the following: (i) LaSalle Streetscape which consists of a road diet with a focus on bike and pedestrian improvements from Martin Luther King Boulevard to Eddy Street and any related improvements; (ii) Hill Street Trail (South Bend Avenue to LaSalle Street) which consists of Phase 2 of the Trail Project to construct a shared use path and any related improvements to improve bicycle and pedestrian facilities between the University of Notre Dame campus and the City's downtown; (iii) South Bend Avenue (Hill Street to Notre Dame Avenue) and Hill Street Intersection which consists of Phase 1 of the Trail Project to construct a shared use path and any related improvements to improve bicycle and pedestrian facilities between the University of Notre Dame campus and the City's downtown; (iv) Mishawaka Avenue Streetscape Improvements which consist of a road diet and improved parking from Longfellow Street to Emerson Street, storm sewer separation, and any related improvements; (v) Coquillard Splashpad which consists of upgrading the splashpad at Coquillard Park to modern health, safety, and experiential standards, and any related improvements; and (vi) all projects related to any of the projects described in clauses (i) through and including (v) (clauses (i) through and including (vi), collectively, the "River East Projects" and collectively with the River West Projects and the Beacon District Improvements, the "Projects"); and

WHEREAS, the Authority desires to express its intent to issue its taxable or tax-exempt lease rental revenue bonds in one (1) or more series in an estimated aggregate principal amount of Sixty-four Million Dollars (\$64,000,000) (the "Bonds") for the purpose of (i) financing the cost of funding all or any portion of the Projects and related expenses; (ii) funding a debt service reserve fund, if necessary in connection with the issuance of the Bonds to finance the costs of the Projects or purchasing a surety bond to satisfy a reserve requirement; and (iii) pay costs incurred in connection with the issuance of the Bonds; and

WHEREAS, the Authority seeks to enter into and adopt a proposed Lease Agreement with the Commission in the form presented at this public meeting (the "Lease") for the purpose of paying the principal and interest on the Bonds issued pursuant to I.C. 36-7-14.5 to finance all or any portion of the Projects, and the other costs set forth above; and

WHEREAS, the Authority or the Commission may pay for certain costs of the Projects (collectively, the "Expenditures") prior to the issuance of the Bonds, and the Authority desires to reimburse the Expenditures with proceeds received by the Authority upon the issuance of the Bonds; and

WHEREAS, the Authority now seeks to declare its intent to reimburse the Expenditures pursuant to Treas. Reg. §1.150-2 and Indiana Code 5-1-14-6(c);

NOW, THEREFORE, BE IT RESOLVED BY THE SOUTH BEND REDEVELOPMENT AUTHORITY, AS FOLLOWS:

SECTION 1. The Authority hereby declares its intent to issue the Bonds pursuant to Indiana Code 36-7-14.5 for the purpose of financing all or any portion of the costs of the Projects and related expenses and to reimburse the Expenditures, if any, from proceeds of the sale of such Bonds.

SECTION 2. The Authority hereby approves the proposed Lease between the Authority and the Commission in the form presented at this public meeting. The President and Secretary of the Authority are hereby authorized to execute the Lease on behalf of the Authority following

approval of the Lease by the Common Council of the City, with such changes thereto as such Officers shall approve, such approval to be conclusively evidenced by their execution thereof.

SECTION 3. This Resolution shall take effect, and be in full force and effect from and after its passage and approval by the Authority, in conformance with applicable law.

ADOPTED at a meeting of the South Bend Redevelopment Authority held on December____, 2022, in the _____ of the County-City Building, 277 West Jefferson Boulevard, South Bend, Indiana 46601.

SOUTH BEND REDEVELOPMENT AUTHORITY

Anthony Fitts, President

ATTEST:

Erin Hanig, Secretary