



South Bend
Redevelopment Commission
 227 West Jefferson Boulevard, Room 1308, South Bend, IN

**SOUTH BEND REDEVELOPMENT COMMISSION
 RE-SCHEDULED REGULAR MEETING**

January 12, 2023 – 9:30 am
http://tiny.cc/RDC___ or 4th Floor Council

Presiding: Troy Warner, Vice-President

The meeting was called to order at 9:31 a.m.

1. ROLL CALL

Members Present:	Troy Warner, VP, IP Vivian Sallie, Sec., IP Eli Wax, Comm., IP Dave Relos, Comm., IP Leslie Wesley, Comm., IP	IP = In Person V = Virtual
Members Absent:	Marcia Jones, President	
Legal Counsel:	Sandra Kennedy, Esq. Danielle Campbell-Weiss, Esq.	
Redevelopment Staff:	Mary Brazinsky, Board Secretary Joseph Molnar, RDC Staff	
Others Present:	Caleb Bauer – DCI, IP Erik Glavich – DCI, IP Laura Althoff – DCI, V Angela Rose – DCI, V Rachel Boyles – DCI, IP Zach Hurst – Engineering, IP WSBT22 Alison Mynsberge – V Kaine Kanczuzewski – V Allison – V Jerry – V Richard Harte – V Kate Barrett – V Conrad Damian – V Elizabeth Harte – V Dylan Lambert – V Tom Hall – V Chris Lemert - V	Alyson Herzig – V Hillary Horvath – V Katrina Marquardt – V Mike – V Michael Miller – V Cara Grabowski, Engineering V Marilyn M – V Erica Futa – V Doug Hall – V Dan Buckenmeyer – V Chris Dressel, DCI – V Jordan Gathers, Mayor Office, V Frank Perri, V Anon12 – V MaryEllen O’Connell – V Jo Broden – V William Panzica – V Michael Szymanski - V

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Others Present:	Sharon McBride, Council – IP Kate Bolze, DCI – V Tim Corcoran, DCI – V ABC57 – V JP – V Robert Moss – V Marshall C. – V Jeff Young, DCI – V Kara Boyles, Engineering, V Kisha Hoover – V Robert Moss – V Bob Jones – V Leslie Biek – V Charlotte Brach – V Maura Johnson – V Scott Jessup – V David Francisco – V Cathy G. – V Coughlan78 – V Jim North – V Shawn O’Brien – V Tricia Miller – V Matt Barrett – IP Richard Nussbaum – V Marshall Clevenger – V Rachel Tomas Morgan – Council – V Maura Johnson – V Bob Jones – V Kathy Gauthier – IP Chris Lemert – V Tom Hall – V Shawn O’Brien – V Robert Moss - V	
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2. Election of Officers

- A. Troy Warner nominated Marcia Jones as President of the Redevelopment Commission for 2023. The nomination was seconded by Eli Wax. The Commission agreed unanimously, and Marcia Jones was elected President of the Redevelopment Commission for 2023.

- B. Troy Warner submitted his name as Vice-President of the Redevelopment Commission for 2023. The nomination was seconded by Dave Relos. The Commission agreed unanimously, and Troy Warner was elected Vice-President of the Redevelopment Commission for 2023.

- C. Troy Warner nominated Vivian Sallie as Secretary of the Redevelopment Commission for 2023. The nomination was seconded by Eli Wax. The Commission agreed unanimously, and Vivian Sallie was elected Secretary of the Redevelopment Commission for 2023.

Vice-President Warner made a motion to move item 7C1 to the top of the agenda and suspend the rest until after this item. Commissioner Wax seconded the motion and the commission agreed unanimously to move onto item 7C1.

7. Progress Reports

C. Other

1. Resolution No. 3566 (Commending Donald E Inks)

Vice-President Warner Presented Resolution No. 3566 (Commending Donald E Inks). The Resolution was read to Donald E. Inks which commended his role as commissioner and employee with his many years of service.

Commissioner Relos appreciated all the work Don has performed when he was a staff member and before that as a co-worker for 10+years. Don is truly an asset for the city and everybody in South Bend.

Secretary Sallie adds her thanks to Don and notes they have worked together on many committees and commissions over the years. It has been a joy to work with Don. Don has always put the city's interest first whenever a decision has been made. She appreciates all that he has done.

Commissioner Wesley thanked Don for being a great servant of South Bend and being on the commission. Don's commitment to the city has been a great mentorship to her. Great blessing to you in the future.

Mr. Bauer noted that Don served with the city for over 41 years in different capacities as a member of city staff and commissioner; thank you Don for over 4 decades of service to the City of South Bend.

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Commissioner Wax notes that it has been a pleasure working with Don for the past couple of years on Commission; he appreciates Don's very thoughtful insight. If you had something to say, it was something worth listening to. Wishing you success in all your future endeavors.

Sharon McBride, President, South Bend City Council congratulated Don Inks and wishes continued success and thanked him for all of his years of service to the community and to the city.

Richard Nussbaum, practicing lawyer in South Bend at 210 S Michigan Street 46601. He notes he is coming up on an anniversary February 1, 1988 when he became an attorney in South Bend and frankly doesn't know a heck of a lot about municipal law. He will always be internally/eternally grateful to Don for his patience. There are a lot of people that do great things for the city quietly behind the scenes; if he were to write a book about those people, Don would certainly be in the book. Richard thanked Don personally and professionally for himself and what he had done for every citizen of the city.

Upon a unanimous motion by the Commission Resolution No. 3566 (Commending Donald E Inks) is approved and submitted on Thursday, January 12, 2023.

Donald E Inks stated that he has known some of the commissioners for a long period of time and some not so long, but he knows one thing about all of you is that you have the interest of the city at heart and spend your time and energy to see those interests fulfilled to make South Bend a better place for all of its citizens. It has been a privilege and an honor to serve with all of you.

3. Approval of Minutes

A. Approval of Minutes of the Regular Meeting of Monday, December 19, 2022

Upon a motion by Commissioner Wax, seconded by Secretary Sallie, the motion carried with Mr. Relos abstaining since he was not in attendance, the Commission approved the minutes of the regular meeting of Monday, December 19, 2022.

4. Approval of Claims

A. Claims Submitted for December 6 and December 13, 2022

Upon a motion by Commissioner Wax, seconded by Secretary Sallie, the motion carried unanimously, the Commission approved the claims for December 6, 2022.

Commissioner Wax asked about the last item on December 13, 2023, claim.

Laura Althoff replied the amount was for various projects being performed at Seitz Park including concrete and excavation work. There are payments for some lighting, extra retention for the sea wall and plumbing and electricity for the restrooms.

Upon a motion by Secretary Sallie, seconded by Vice-President Warner, the motion carried unanimously, the Commission approved the claims for December 13, 2022.

5. Old Business

A. Update 300 E LaSalle (Developer)

Caleb Bauer, Executive Director, Community Investment. Mr. Bauer stated that at the request of the Commission, a letter was sent certified mail to David Matthews, developer of the 300 E LaSalle Building, a little over two weeks ago. A letter was received in return that was shared with the Commission as to why the developer would not be attending today's meeting, but he did extend an invitation for a tour. A number of Commissioner's and Mr. Bauer offered to tour the facility on Wednesday, January 11, 2023 but the developer said they were too busy and would be unable to make time. Unfortunately, we won't be hearing from the developer today.

There have been some developments since the commission last met. A so-called grocery store was opened by the developer without a certificate of occupancy and without the appropriate retail food licenses. My understanding is that it was open for less than one day before receiving a violation from the building department for occupying a space without a certificate of occupancy. Since that time, it has been closed. Referring to the addendum of the development agreement with the developer it does not meet a number of the requirements including the types of food purchased based on our limited understanding as Mr. Bauer has not been able to access the space, but as well as it did not have the necessary licenses to operate which was stipulated in the addendum to the development agreement.

This item was opened by Vice-President Warner for questions by commissioners to Mr. Bauer or to our city legal team. A few members of the public have also asked to speak, so we will then open it up for public comment and then bring it back to the Commission.

Commissioner Relos asked if any of the commissioner's have been into see the space.

Mr. Bauer answered that Building Department Inspectors have been inside the space as the developer requested a final inspection on either December 27th/28th. They did enter the space and conduct some inspections but were not able to issue a certificate of occupancy because the space was incomplete.

Commissioner Relos asked what the square footage of the grocery store was supposed to be.

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Mr. Bauer noted the space, as it was contemplated in the plan submitted, would have been 6,000 square feet. Mr. Bauer did not measure the existing space but believes that it does not meet the 6,000 square foot requirement.

Mr. Relos asked if it just contained dead walls.

Mr. Bauer stated that was correct, unfinished.

Commissioner Wax asked if the position of the city was default or breach of contract.

Ms. Kennedy stated yes, breach of contract.

Commissioner Wax asked if there is a notice requirement under the agreement.

Ms. Kennedy stated there is. Some requirements of the agreement do not require notice and others do require notice. What would require a notice is if the commission is asking for the return of the \$5M investment plus the additional \$2.5M claw back. That would require notice. There's no notice required if he did not substantially complete the project by the deadline date, which was December 31, 2022.

Vice-President Warner upon hearing no more questions from the commission, explained that he would open this item up to the public. Public comment is limited to three minutes with residents stating their name and address. The process started with individuals in-person then moved online.

Scott Jessup, 327 S Francis Street #8 in the River Walk neighborhood by Howard Park. Mr. Jessup noted he is 68 years old and retired from the University of Notre Dame. He is a lifelong resident of South Bend. Never in his life has he spoken to a government official at city, state or federal level. Maybe the occasional police officer, but other than that he has never been motivated to come in and address anybody but he is motivated today. Mr. Jessup states that he sent each of the commissioners an email last night. In case it was one of those too long emails that did not get read he will paraphrase the important parts. He has experience with David Matthews as he purchased a townhome from David built at Ivy Quad in 2016. It was delivered six months late and unfinished. It was a very unenjoyable, unimpressive experience. Mr. Jessup was on the board of Ivy Quad when they had to pursue legal action against David for failure of materials and workmanship. After many, many efforts to resolve the issue, they had no other choice. Mr. Jessup's understanding is that it is still unresolved (he has moved since). Mr. Jessup's understanding is that David applied for and received \$5M from the city in support of his project. That is about \$50 per resident in South Bend. He also received a \$4.9M from the state so in total David received \$10M under the understanding that he would develop a project that included a fully functioning grocery store and pharmacy in a neighborhood that needs it. It is a food desert and David understood the importance of this and this was where the public and private come together to serve the public. David's cynical display on the 31st of the soft opening

of an incomplete grocery store that featured Pringles and Ritz crackers is simply a challenge to everybody's intelligence and integrity. We know where we stand. We know what we are dealing with. I think it's incumbent upon the city to take every remedy possible to hold him accountable, responsible and get the city and state's money back plus appropriate penalties. Thank you for your time.

Matt Barrett, 110 S Niles, I've stood before this board since last June, asking for accountability. I have sent you a lengthy e-mail. I again want to highlight that the city's core values are excellence, accountability, innovation, inclusion, and empowerment. The "grocery store" is not excellent and this is about accountability, accountability, and accountability, and I hope that today is a good day for accountability in South Bend. Thank you.

Kathy Gauthier, 221 E Colfax SB at the East Bank Townhomes. She understands that the conversation today is directly focused on the grocery store and pharmacy. She respectfully suggest that the commission take a step back and look at the context. David has done the multi-use building at that place without partnering with a team. There was to be River Race Flats plus a multi-use building and what you have there now is a disaster parking lot that is unpaved (it was once paved). And then we have the disparagingly called Stonehenge that stopped construction in 2017 which was also to be a multi-use building which we taxpayers can take back \$5M I understand. So you have three multi-use buildings in the East Bank area within South Bend so there has not been a good partnering with the city, or with the neighbors. I'd like to point out Warsaw also had a multi-use building effort with him on their river. He was to start demolition. It was only half completed when the city of Warsaw jumped in and said the delays had been enough and they completed the work themselves. They awarded the job to another developer. She kindly suggests that as a community and taxpayers that we consider the context of the multi-use buildings. He has not successfully partnered with the city, with the community. I don't think multi-use buildings are his forte. The Indiana Supreme Court said he and his wife are responsible for repairs. Thank you.

Sharon McBride, President South Bend City Council, as part of a press release that I sent out yesterday it states that over the last decade, Mr. Matthews has build a career on city financial assistance for multiple projects, including being handed numerous city lots for \$10 dollars, given tax abatements and then given tax dollars. The city has improved its efforts to provide those same assistance to women and minorities working towards equity and inclusion in its development incentives. This matter highlights the need to continue to grow those inclusion efforts. Matthews has in no small part created his successes and wealth due to the city's assistance and now the city needs to hold Mr. Matthews accountable for his broken promises and enforce the contract. And having \$10M and particularly \$5M of taxpayer dollars is a disgrace and I ask that the commission and the city hold him accountable. Thank you.

Richard Nussbaum, attorney in South Bend, 210 S Michigan Street. I don't want to beat a dead horse here but a couple of observations. I am really impressed by the fact of how many council members are here this morning. I think that reflects the seriousness with which the city is taking this. I do have every confidence in our city legal department. I know the commission has retained counsel and I have great confidence in that counsel. We have reached a point where we need to take action and I believe that this commission will do the right thing. Claw backs are never a preferred remedy, but they're a necessary remedy because there is a fiduciary duty of the city and a fiduciary duty on the part of the recipient of those funds to do what they're used for. Public dollars are very difficult to come by and this is a gregarious breach of a development agreement that I've ever seen, and I've been around a long time. Thank you for your time making this opportunity. I am not surprised that Mr. Matthews didn't show up. He hasn't showed up for anything that we have invited him to, and Mr. Warner, you are very aware of that because you've invited him a number of times for neighborhood meetings. He just doesn't show up. That's not a breach of his contract with the city but it is a breach of just good common sense and being a good citizen. Thank you.

The Commission moved to the online public comment portion.

Mary Ellen O'Connell, 129 W North Shore Drive so an easy walk to 300 LaSalle where apparently I will not be buying groceries or pharmacy items. I have three very brief points in everything that has been said so far. The uncertified, temporary tables and the few freezers being passed off as a grocery store, let alone a grocery and pharmacy, really showed contempt for this Commission and for the city and for its residents and all we've done to try to support Mr. Matthews's plans. It's consistent with his other failures. We've heard about several of those just now. I'll just briefly add a few more. His failure to keep the property around the Emporium building, including the boardwalk in safe and usable condition. His violations of building codes and city ordinances for the Madison Center passed off as housing for the un-housed. His Redevelopment Commission actions have been taken to him for the variety of unfinished projects that we've heard about, et cetera. If he is allowed once again to avoid the claw back provisions of this contract, this will be not only a failure with regard to accountability in his case, but it sends a message to other potential partners and development groups that the city wants to support in future for the really vital work that you're doing. We can see the future for South Bend and it is so bright because of everything that's Commission and other members of our city and County Council have done. It's not the time to allow this sort of ongoing problematic developer to walk away from his commitments. It sends the wrong message to others. We want to maintain a high level of commitment and accountability. Compliance with our contracts. Otherwise, how do we enforce and maintain those high standards in the future? That's the point I really want to emphasize why it's imperative at this meeting. The decision for the claw back action go forward. Thank you for your time and for your service.

Alyson Mynsberge, 2633 Arrowhead Drive on the far west, north west side and somewhat close to Meijer, Aldi's and Walmart which are all large super stores that are not really traditional grocery stores. When I moved back to South Bend before the pandemic in late 2018, I had grown up in South Bend then having come back to visit family and help my mom stack the grocery shelves with bread at the Portage meat market back when it had been Martins, but also when it was the Portage meat market. When I chose to move back to South Bend I returned to the west side where I had grown up and had been sold on the idea that this city had improved. I was excited to move back and to be able to bike in the city as I had in the other places, I lived in the past 20 years. Instead, the Portage meat market that I biked to was gone. I have been told repeatedly that there is no relationship between the loss of the grocery store at Elwood and Portage and this project. However, in January 2017 the South Bend Regional Chamber said it is tricky for grocery stores to figure out how to get downtown for a whole host of reasons. That was at the time that this deal was reached. It was in June 2017 that Martins on Portage announced it would close Martins at Elwood and Portage and replace it with Portage meat market. The Portage meat market closed shortly before the pandemic which sent pandemic EBT cards and snap food benefits into the hands of all of the residents in that area who send their kids to public schools. I think that an influx of funding would have helped sustain a proper Martins or even the Portage meat market. Instead, the Redevelopment Commission has spent \$5M supporting Dave Matthews to build a downtown grocery on the claim that that it was a food desert. Now we have another food desert in South Bend, because of the loss of the store at Portage and Elwood. Not only that, but we've decreased the livability of the neighborhoods that we already had that were already functioning. I believe it is imperative that this money be clawed back and that the City Redevelopment Commission pursue better plans in the future using that money to help encourage grocery stores in existing food deserts and in low-income areas. To build back, so instead of taking the idea of putting a new grocery store below luxury apartments, it would have instead helped provide the funds for an existing grocery store to stay in the neighborhood that so desperately needed its services. That is my concern and I hope that you guys will consider that and look at the past to see the mistakes and learn from them. It's not a blame game. It's about learning from past mistakes and doing better for the city in the future. Thank you.

Jo M. Broden, 201 W North Shore Drive in the 4th District. I have a history with this project as a formal councilmember representing the 4th district. I want to emphasize that every comment that has been made by every neighbor, whether in person or virtual, is accurate and on point. The driving factor in funding unprecedented level of funding and the tax abatements, whether it was from the city or regional cities or even private investors, was the full-service grocery store, the pharmacy space office and retail; that was proposed and promised, and commitments made in development agreements with this developer. You have held other developers to account and it is way past time to hold this developer to account. Regional cities should be at our table on this, and I do agree with others in this meeting that the city and the state investment plus penalties should be what we should seek as a remedy. It is an egregious breach of the contract. If the developer will not come before you and has refused to come before you and has not been

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present at meetings on site, at some point, it's time to just say enough. We've had enough as a community proceed to the legal process and advanced remedies in accordance with that, I concur with all those who have spoken about this being bigger than just this project. When we invest as a city, we make choices. Some of the choices were made just last night at a neighborhood meeting, that brought together all the neighborhood groups; We learned that 20% of traffic calming measures within the city of South Bend will be left unmet. We know that a functional full service public transportation system will be unmet. We need to invest in things that truly improve our community, advance our workforce and our ability for everyone's income to rise and the quality and the benefits of strong investments that are outlined in development agreements that you make need to be upheld and we need to set that as a high standard. And, if we don't chase this to its full conclusion in the form of very strong documents that that staff and the city has put together and again also the regional cities, then we do send a poor message to other developers who want to work with the City of South Bend.

David Francisco, attorney with office at 712 E Jefferson. This has been probably the 4th or 5th meeting that I've taken time out to express my displeasure for what Mr. Matthews has done. I don't have anything substantive to add. When I look at this and there are about 48 of us that are online that have taken time out of our day to voice our opposition to what Mr. Matthews is doing rather than what he has done. I think the only way you are going to stop this is by taking that money as a claw back. I don't know exactly how much is at stake but all of us bothered to show up and Mr. Matthews did not. I would respectfully request the commission take action and get that money back. Thank you.

Caleb Bauer, Executive Director, Community Investment, this isn't standard protocol for the Commission but if you would be willing, we could offer a recommendation to you.

Vice-President Warner asked if there was anyone that wished to speak to this item.

Marshall Clevenger, 300 E LaSalle Street, I live on the 9th floor. I am a little ignorant about the entire process. I moved to South Bend a year ago and I moved here based on, well my businesses are out-of-town and my buildings are out of town that I own; I moved here based on the marketing scheme that was put on and I thought I was moving into where there was a grocery store and a pharmacy and a rooftop pool. All of those things. After promises being made about those things coming and I understand materials, engineering and construction being slowed down through this economic period of time. I will say that it was a very appealing property for people to move to town. I wanted to make South Bend my home, just me and my 3-year old daughter that was a good space for us. The River Park area is very nice. The people are very nice. It is great to be around there. Whatever the legal ramifications are for this project not moving forward and not meeting its commitments, I do hope that these types of projects do continue for this town. They are very appealing from an outsider. I didn't know much about South Bend, I did a lot of internet research before I came here to look at properties. The potential of that building, the potential of that neighborhood is a beautiful thing for the city. Moving forward, whatever the steps are, whatever happens there, I understand. I would also just keep in mind that these are the things that are bringing people to

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town, myself included. I have several friends interested as well. On a positive note, moving forward is something that could be great but it is going to take everyone fulfilling their promises and commitments. I understand the legal action you have to do on the contractual side, I just hope that it works out for the benefit of the East Village. Thank you.

Caleb Bauer, Executive Director, Community Investment. From our perspective this is about commitments that the city made as a commitment as part of this original development agreement and the commission and the staff that supports the commission have upheld that commitment. That \$5M in tax increment funds went towards construction of portions of the building we see today. This is about upholding those commitments and the developer also made commitments in that original development agreement as we have all heard and seen today. A number of those commitments remain unmet so from the perspective of the Department of Community Investment and the administration as a whole, we would recommend that the commission make a motion to authorize the city legal department to engage with outside counsel and enforce the terms of the agreement and the claw back provision. Thank you.

Secretary Sallie states that she supports the suggestion from Mr. Bauer and would like to make a motion.

Vice-President Warner clarified the motion stating we have a motion to enforce the contract and authorize the city attorney to take the necessary legal action; including sending necessary notice, retaining outside counsel and filing litigation; and return of the funds and any penalty.

Commissioner Wax asked if there is an appropriation necessary of is it already part of the budget.

Mr. Bauer states that this will utilize city civil funds that we may return to you for an appropriation at a later date if you were to authorize the motion.

Vice-President Warner seconded the motion and clarified that we have a motion authorizing enforcement of the contract and authorizing our Corporation Counsel to act on behalf of the Redevelopment Commission to send necessary notice, retain outside legal counsel, file litigation action and dealing with claw back of the agreement.

Vice-President Warner stated that today is the sixth anniversary of when the agreement was signed and promises were made. Mr. Matthews has had three extra years in addition to the original time he has had to complete this. This body has put him on notice at various points of the year that we were watching and had expectations. I think when we see him put a cheap theatrical attempt of sawhorses and plywood together at the last minute when he has been on notice for at least six months when we were expecting something or at least trying to get him to come and talk to us shows no real attempt is going to be made. I think we also have a fiduciary duty. I have heard a lot of people say that the city should act. We or the body that has to act on behalf of the city have a duty to do so. I support taking this

action.

Commissioner Wesley states that, I am disheartened, and I cannot believe what I am hearing. I was not part of the Redevelopment Commission six years and I am going to leave this with everyone's equity. The minority businesses: the women in businesses have to be vetted through a process. What am I hearing? From everyone and I appreciate all the emails from the public and the phone calls because I had no idea that the tax money that this type of partnership, that the city engaged with a developer. When I am talking to other developers and also other minority businesses that can't get supported and how over the years you would allow for someone to be able to get \$10M, \$5M which are taxpayers dollars to develop a project where letters are constantly sent and he is refusing but yet we are not equitable in making sure that our start-up businesses have the opportunity and those who have born and raised in South Bend not be able to get any dollars. Allowing a developer to tell you when they're going to come to a meeting and when they are available. It's just unheard of. I hope this is a lesson that we start from today, whatever the commission decides to do at the vote that we put in place a system of accountability and make sure everyone gets a fair chance at using taxpayer dollars for developments. I am very upset as a taxpayer and my heart goes out of downtown. We do have a food desert. If that promise wasn't met then we have to take measures, legal measures to fulfill a promise. Let this be a lesson to those who gave him the money also and allowed him to receive over \$10M. Shame on you.

Commissioner Wax states that this isn't about the developer. Our job here as commissioners is to look out for the best interests of the city, as I think we heard before that we have a fiduciary responsibility to look out for the commission and the city's best interest. It's not about personalities. While other issues may color how we view things, it's not about all the other topics that we've discussed. It's with this specific agreement. How do we put the city's best interests forward? Today, from where we are I do believe that pursuing this path is how we put the city's best interest first.

Upon a motion by Secretary Sallie, seconded by Vice-President Warner, the motion carried unanimously, the Commission approved authorizing enforcement of the development agreement, authorizing Corporation Counsel to act on behalf of the Redevelopment Commission, sending necessary notice of the breach of contract, retaining outside legal counsel, file litigation action and dealing with claw back of the agreement on Thursday, January 12, 2023.

6. New Business

A. Redevelopment Fund (aka Pokagon Fund)

1. Budget Request (High Skill Immigration Fund)

Mr. Bauer Presented a Budget Request (High Skill Immigration Fund). Before you is a request for \$300k to come out of the Redevelopment General also known as the Pokagon Fund. What we're hoping to do with these funds is to pilot a new high skilled immigration fund that would be a partnership between the city and then focus to develop a matching grant program for employers who are interested

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in pursuing H1B visas. This is something we have heard from employers that is of interest to them in terms of filling high skill positions. H1B visas are available for positions with technical skills required. The visas are awarded in a lottery system so an employer could sponsor an individual for an H1B visa, and that individual might meet all of the qualifications. That individual might not be selected from the lottery and if that employer sponsored that individual they are out what could range at six to eight thousand dollars of that sponsorship. We are looking at what we can do to incentivize employers that have never tried. There are a lot of employers who have never tried due to the risk of not being chosen. We are looking at the number of employers who are interested and looking to reduce the risk to the employers. This funding would help to set up some educational opportunities for employers to learn about the process. We are excited about this and hope the legislature chooses to fund Ready 2.0; we would hope to apply for a larger grant amount in a round later this year or next year. This is our chance to pilot this proof of concept and really see what kind of interest we can get from employers on a matching grant program. Commission approval requested.

Commissioner Wax asked if Mr. Bauer had details of employers that were not able to fill high skilled positions either from local talent or national talent.

Mr. Bauer stated yes we have seen this in some manufacturers as well as the healthcare industry there are a number of staff shortages. Locally we know there's an interest in exploring the H1B process as a solution for some staffing challenges.

Commissioner Wax asked if all businesses are eligible for this or would it be focused on smaller businesses. I don't think we need to be off-setting business expenses.

Mr. Bauer states this is a piece the city is still working on. The employer would only qualify for a certain number of the matching grants. Depending on the business size, we would cap the number of matching grants received. We are really focusing on smaller employers that are willing to try three sponsorships.

Secretary Sallie asked what the length of the program would be.

Mr. Bauer stated that we are looking at a two year pilot program but we may extend the funds.

Secretary Sallie would like an update as time goes on and asked if any other cities are using this program.

Mr. Bauer states there are some other cities that have looked at the process and there are some similar grant programs. We hosted one earlier last year that had a great attendance.

Secretary Sallie asked what the rationale for using the Pokagon Fund would be.

Mr. Bauer stated that our rationale is the Pokagon funds focus on combating

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poverty and also on growing South Bend. We believe that by helping to solve issues for employers and also bringing new residents into South Bend, is really going to help the community as a whole as we grow. As we've discussed before, our community does face challenges based on our population on. Maintenance of our underlying infrastructure and so our overarching goal is to continue to grow the population of South Bend. We believe this is one way that we can do that.

Secretary Sallie noted that is why she asked about the Pokagon Fund since they are supposed to be used to offset poverty in our community. We are talking about bringing people from outside into the community to participate in the program. Working with people that are already here might be a benefit to this program.

Mr. Bauer stated that we have explored with some other partners other than EnFocus that are looking at helping people locally who are looking for certain certifications. We have been doing that through our upscale South Bend program which is able to cover a significant portion of the cost of a new certification for a number of different certifications. Our thought is growing South Bend's population and helping employers solve their staffing challenges.

Commissioner Wax asked if this is going to be done internally?

Mr. Bauer states that the program will be contracted to a third party with EnFocus to assist administering some of the funds and setting up the workshops, information sessions, etc.

Commissioner Wax asked out of the \$300k do we have a breakdown between the administration slash education portion versus the grant.

Mr. Bauer stated roughly \$50k would go towards the underlying support from EnFocus; we have earmarked around \$30k to \$40k for the cost of hosting the workshops although that could end up being lower.

Commissioner Wax states that at least 2/3 would be for the core program.

Mr. Bauer stated that is correct.

Rachel Tomas Morgan, Councilmember, 114 Chapin Street; I was expecting to speak on another issue today, but there is plenty here who are able to speak about that issue. I just want to share that this is an exciting pilot. I was involved in some previous conversations about such ideas a couple years ago. I want to share as a daughter of an immigrant who moved to this country from the Philippines, who came in on a visa and then as he raised his family and moved to another visa in order to stay in this country and to serve his community. My father was that immigrant. I have been here in this community, a part of support letters for such individuals on H1B visas and know that we have people in our community who have come to South Bend on a visa who are highly skilled from their countries. High levels of education and could serve and work in our community should they pursue H1B visas. I think this is a great example of how we could attract but also retain talent that is in South Bend and would support this initiative

and ask for your support. Thank you.

Upon a motion by Commissioner Wax, seconded by Vice-President Warner, the motion carried unanimously, the Commission approved Budget Request (High Skill Immigration Fund) submitted on Thursday, January 12, 2023.

B. South Side Development Area

1. Budget Request (Fire Station No. 8)

Mr. Hurst Presented Budget Request (Fire Station No. 8). This is a budget request for the remainder of an intended \$3.5M allotment to cover the demolition and replacement of Fire Station No. 8 on the south side of town. We have gone through a schematic design process previously funded through the Redevelopment Commission and have arrived at a proposed new two-story station that measures about 7,000 square feet. The demolition of the existing building is estimated at around \$50k. The largest chunk would be the construction of the new station. At \$3.8M. And that does leave us a little bit of construction contingency to work with. And then overall, this total request between the previous schematic design and this current request is \$3.5M. Commission approval is requested.

Commissioner Wax asked for more information on the expansion provided over what there is currently.

Mr. Hurst stated that it is a lot different than most fire stations. This one is located in the middle of a neighborhood and without signage you wouldn't know it is a fire station. It is roughly the size of a residential home. The existing facility does not have separate restrooms. We know now that this is part of their physical and mental well being and we want them to be at their best. The process was to come up with a floor plan that can comfortably house all the firefighters both male and female. Our base bid was for a one bay firetruck but an alternate two bay bid will be an expected \$200k to \$250k more that would house a medical vehicle. We want to ensure that the facility is not too large to overwhelm the residential neighborhood.

Commissioner Wax asked if the bid was hopefully to find a bid for the two bays?

Mr. Hurst stated that is the approach right now. We do have the one bay funded but that is where we are ultimately headed.

Commissioner Relos asked is this to be added onto the existing building?

Mr. Hurst stated no this will be a full demolition.

Vice-President Warner stated that we have updated several stations from the 50s/60s. How many are left?

Mr. Hurst stated it is his understanding Fire Station No. 7 will be next. After that he is not sure what will be next.

Commissioner Wax noted that he grew up on the same block as Fire Station No. 8. It is really well known by the community. The firefighters considered themselves part of the community. Being able to update this is important to the community. It provides a safe and comfortable environment. I do think that it is important as much as possible to do the expansion and provide for the better needs of the firefighters so they can take care of the community they serve. Having that second bay for the emergency vehicle would be really helpful. I encourage that we pursue that.

Upon a motion by Secretary Sallie, seconded by Vice-President Warner, the motion carried unanimously, the Commission approved Budget Request (Fire Station No. 8) submitted on Thursday, January 12, 2023.

2. First Amendment to Development Agreement (Miami Hills)

Mr. Hurst Presented First Amendment to Development Agreement (Miami Hills). The original Miami Hills agreement stated that the commission would contribute \$1M towards replacing windows and installing vinyl siding at the complex. BPW attempted to open bids in June of 2022; no bids were received. In accordance with BPW policy we started an open market solicitation to find a contractor. Time was spent meeting with MWBE and local contractors in the area, even down in Indianapolis. The most reasonable price was from a contractor in Atlanta that has an existing relationship with Miami Hills apartment ownership team. He has done work with them already. This amendment modifies the funding amount up to just under \$1.6M. The Miami Hills group would reimburse the city the difference in the original amount. They are ready to wire us the money upon receipt of approval that will allow us to route this back through BPW to finalize a contract with H&H renovations to do the window replacement and siding installation. Commission approval is requested.

Commissioner Wax asked for the timeline of completion.

Mr. Hurst stated it will hopefully be completed by the end of summer 2023. We are seeing minor delays in window delivery, but the intent is to finish in 2023.

Commissioner Wax asked about the developer's portion of spending \$2.6M on the buildings. Has that happened?

Mr. Hurst knows reports have been submitted but does not know the total spent to date. They are working to meet their obligations.

Matt Barrett, 110 S Niles asked has the developer complied with the obligations in Section 4.6 on periodic reports. One was due on December 31st. He asked if they have hired local contractors and asked about the progress construction status report including itemized accounting and identifying the private investment to date. Mr. Barrett asked if there is a net cost of \$1M why is there a need to come back before the Redevelopment Commission? Can contracts just be approved in the future if the developer is going to contribute the additional \$600k?

Mr. Hurst noted that for accounting and auditing reasons the city needs to provide a number trail when we enter into a \$1.6M contract where do the \$600k come from. That is why it needed to be amended to show that the bids came in higher than what was expected.

Vice-President Warner stated that commission would appreciate a report back on this and other projects.

Mr. Bauer states they are confident that work is being done as stated and apologized for not having a report available.

Vice-President Warner stated that a few years ago Miami Hills was at a critical deterioration level and we are excited about getting this new owner in to stabilize and improve the units and improve the security. There has been a lot less serious violent incidents over the last year.

Commissioner Wax states it is exciting to see the improvements at Miami Hills with the inhabitants of the residents and the security. There is still room to progress, but he looks forward to seeing for the first time in a long time that things are moving in the right direction and hopes things will continue on that path.

Upon a motion by Secretary Warner, seconded by Commissioner Sallie, the motion carried unanimously, the Commission approved First Amendment to Development Agreement (Miami Hills) submitted on Thursday, January 12, 2023.

C. South Side Development Area

1. Resolution No. 3567 (2023 Meeting Schedule RDC)

Vice-President Warner Presented Resolution No. 3567 (2023 Meeting Schedule RDC). Commission approval is requested.

Upon a motion by Secretary Sallie, seconded by Vice-President Warner, the motion carried unanimously, the Commission approved Resolution No. 3567 (2023 Meeting Schedule RDC) submitted on Thursday, January 12, 2023.

7. Progress Reports

- A. Tax Abatement
- B. Common Council
- C. Other

Commissioner Wax asked about the housing credits.

Mr. Bauer stated IHEDA normally awards these in November. Because of interest rate increases over the time of the application period and their processing period, they have requested that all applicants re-submit their financing packages and move the award date to January 26, 2023. We will let you know when we have a final decision from them.

Mr. Barrett thanked the commission for the vote to enforce the contract at 300 E LaSalle. He noted that there are two other contracts that are still issues. One at 228 Sycamore and the former Traeger site. Stonehenge remains a one-story shell. He hopes that the commission also enforces that contract. He respectfully requested an add to the motion to enforce the Trager site as the developer continues to hold the land for speculation. There was a notice of default in September 2021 with no action taken. There are more than \$100k in fines that have accrued for the vacant lots on that site. The fines were appealed with the Superior court dismissing the appeal without prejudice and the developer has not appealed within the time period. I believe it is time to move forward on those two contracts. The reality is great things are happening here, but these properties are an impediment to future development.

8. Next Commission Meeting:

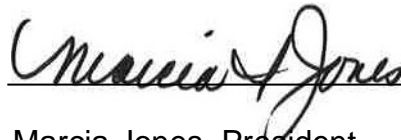
Thursday, January 26, 2023

9. Adjournment

Thursday, January 12, 2023, 11:01 a.m.



Vivian Sallie, Secretary



Marcia Jones, President