



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

**SOUTH BEND REDEVELOPMENT COMMISSION
 SCHEDULED REGULAR MEETING**

January 26, 2023 – 9:30 am
http://tiny.cc/RDC__ or BPW 13th Floor

Presiding: Marcia Jones, President

The meeting was called to order at 9:30 a.m.

1. ROLL CALL

Members Present:	Marcia Jones, President – IP Troy Warner, Vice-President – V Vivian Sallie, Secretary - IP Eli Wax, Commissioner - IP Dave Relos, Commissioner - IP	IP = In Person V = Virtual
Members Absent:	Leslie Wesley, Commissioner	
Legal Counsel:	Sandra Kennedy, Esq.	
Redevelopment Staff:	Mary Brazinsky, Board Secretary Joseph Molnar, RDC Staff	
Others Present:	Caleb Bauer Erik Glavich Laura Althoff Tim Corcoran Amy Paul Charlotte Brach Matt Barrett	DCI - IP DCI – IP DCI – V DCI – V DCI – V Engineering – V Resident

2. Approval of Minutes

- **Approval of Minutes of the Regular Meeting of Thursday, January 12, 2023**

Secretary Sallie stated there was an error on page 6 of the minutes changing the second approval to Vice-President Warner.

Upon a motion by Commissioner Relos, seconded by Secretary Sallie, the motion carried unanimously, with above mention change, the Commission approved the minutes of the regular meeting of Thursday, January 12, 2023.

3. Approval of Claims

- **Claims Submitted for January 10, 2023**

Upon a motion by Commissioner Relos, seconded by Commissioner Wax, the motion carried unanimously, the Commission approved the claim for January 10, 2023

4. Old Business

1. Mr. Molnar stated that today was the deadline for receipt of bids for the Lafayette building RFP and no bids have been received. There was a lot of interest about the property by different developers. At the next meeting we will have a petition to reject all bids. The city will now be able to work with developers and negotiate the purchase price so we are hopeful to see that site redeveloped; we will keep working on marketing the site.

Commissioner Wax asked about the 26 parking spaces; will they stay with the Lafayette Building?

Mr. Molnar stated that they would. Once the city moves to the School Corporation, those spaces will be available; the contract would be conditional upon our moving.

5. New Business

A. River West Development Area

1. **Resolution No. 3568 (Disposition Offering Price LWW/Leland/Marion)**

Mr. Molnar Presented Resolution No. 3568 (Disposition Offering Price LWW/Leland/Marion). These are sites that the city acquired over the past 10 years. They were included in the scattered sited RFP. They have not been through the disposition process. The total appraised value of the properties is \$72,952, which is our opening asking price. The resolution, therefore, sets the disposition price. The disposition due date is February 23, 2023. Commission approval is requested.

Upon a motion by Commissioner Relos, seconded by Commissioner Wax, the motion carried unanimously, the Commission approved Resolution No. 3568 (Disposition Offering Price LWW/Leland/Marion) submitted on Thursday, January 26, 2023.

2. Approval of Bid Specifications (LWW/Leland/Marion)

Mr. Molnar Presented Approval of Bid Specifications (LWW/Leland/Marion). This item is for the commission to approve the bid specifications for the disposition property. Commission approval is requested.

Upon a motion by Commissioner Relos, seconded by Commissioner Wax, the motion carried unanimously, the Commission approved Approval of Bid Specifications (LWW/Leland/Marion) submitted on Thursday, January 26, 2023.

3. Request to Advertise (LWW/Leland/Marion)

Mr. Molnar Presented Request to Advertise (LWW/Leland/Marion). This is a request to the commission to give staff permission to advertise the disposition properties on February 3 and February 10, 2023. Commission approval is requested.

Upon a motion by Commissioner Relos, seconded by Commissioner Wax, the motion carried unanimously, the Commission approved Request to Advertise (LWW/Leland/Marion) submitted on Thursday, January 26, 2023.

4. Resolution No. 3570 (Disposition Offering Price Salvation Army Building)

Mr. Molnar Presented Resolution No. 3568 (Disposition Offering Price Salvation Army Building). We had previously transferred this property from BPW to the RDC to put through the disposition process. This site has been the site of weather amnesty since 2019. The city had purchased the property for \$299,000. A more permanent solution has been agreed upon by the city. The city wishes to see this site redeveloped after April 2023. The total appraised value of the properties is \$671,500. The resolution, therefore, sets the disposition price. The disposition due date is February 23, 2023. Commission approval is requested.

Commissioner Wax asked if staff is able to talk about the proposed winter amnesty.

Mr. Bauer stated that the permanent solution is a partnership with the Center for the Homeless for 68 plus beds at the centers current location as part of a remodel. The remodel will be complete prior to next winter.

Commissioner Wax asked how many beds are in use.

Mr. Bauer stated 50 to 60 beds.

Mr. Barrett asked how this relates to the proposal with the county.

Mr. Baur stated that we are currently working on this as it relates to the motels for now issue and cannot speak for the County Council. We will see in March what their decision will be.

Mr. Barrett is correct that the city has committed funds for the construction and operation.

Mr. Bauer stated that the city has committed funds both for construction and operation of a new low barrier intake center in partnership with Our Lady of the Road. They have also received state funding. This is a couple years out since they need to secure a site, complete construction, etc. We believe a partnership with the county on Motels for now will bridge the gap. The city does provide Oaklawn wrap around support for both sites.

Upon a motion by Commissioner Wax, seconded by Secretary Sallie, the motion carried unanimously, the Commission approved Resolution No. 3570 (Salvation Army Building) submitted on Thursday, January 26, 2023.

5. Approval of Bid Specifications (Salvation Army Building)

Mr. Molnar Presented Approval of Bid Specifications (Salvation Army Building). This item is for the commission to approve the bid specifications for the disposition property. Commission approval is requested.

Upon a motion by Commissioner Wax, seconded by Secretary Sallie, the motion carried unanimously, the Commission approved Approval of Bid Specifications (Salvation Army Building) submitted on Thursday, January 26, 2023.

6. Request to Advertise (Salvation Army Building)

Mr. Molnar Request to Advertise (Salvation Army Building). This is a request to the commission to give staff permission to advertise the disposition properties on February 3 and February 10, 2023. Commission approval is requested.

Upon a motion by Commissioner Wax, seconded by Secretary Sallie, the motion carried unanimously, the Commission approved Request to Advertise (Salvation Army Building) submitted on Thursday, January 26, 2023.

B. West Washington Chapin Development Area

1. Resolution No. 3569 (Disposition Offering Price Masterbilt/18 Chestnut)

Mr. Molnar Presented Resolution No. 3569 (Disposition Offering Price Masterbilt/18 Chestnut). A few months ago, we transferred these parcels from BPW to RDC. There is very little street front at all. Both parcels are from the sixties. Neither property has a real address. The total appraised value of the properties is \$1,930. The resolution, therefore, sets the disposition price. The disposition due date is February 23, 2023. Commission approval is requested.

Commissioner Wax asked if a city property is sold do the proceeds go to that individual TIF.

Mr. Molnar answered yes.

Upon a motion by Secretary Sallie, seconded by Commissioner Wax, the motion carried unanimously, the Commission approved Resolution No. 3569 (Disposition Offering Price Masterbilt/18 Chestnut) submitted on Thursday, January 26, 2023.

2. Approval of Bid Specifications (Masterbilt/18 Chestnut)

Mr. Molnar Presented Approval of Bid Specifications (Masterbilt/18 Chestnut). This item is for the commission to approve the bid specifications for the disposition property. Commission approval is requested.

Upon a motion by Secretary Sallie, seconded by Commissioner Wax, the motion carried unanimously, the Commission approved Approval of Bid Specifications submitted on Thursday, January 26, 2023.

3. Request to Advertise (Masterbilt/18 Chestnut)

Mr. Molnar Presented Request to Advertise (Masterbilt/18 Chestnut). This is a request to the commission to give staff permission to advertise the disposition properties on February 3 and February 10, 2023. Commission approval is requested.

Upon a motion by Secretary Sallie, seconded by Commissioner Wax, the motion carried unanimously, the Commission approved Request to Advertise (Masterbilt/18 Chestnut) submitted on Thursday, January 26, 2023.

6. Progress Reports

1. Tax Abatement
2. Common Council
3. Other

1. Mr. Bauer stated he shared with the Commissioner's via email and now here that the Redevelopment Commission has filed a complaint against Commerce Center Development, LLC on Friday, January 20, 2023. It is now ongoing litigation. If the Commission wishes to have an Executive Session to discuss, please contact staff.

Mr. Relos asked how long Commerce Center Development, LLC has to respond.

Commissioner Wax stated 20 days.

Ms. Kennedy states that an extension will most likely be filed giving an additional 30 days for response.

2. Commissioner Wax asked what the due date of the tax credits is.

Mr. Bauer stated later today, and he would update the Commission on progress.

3. Commissioner Wax asked about the deadline for Barehands.

Mr. Bauer states February 1, 2023, is the deadline for a rough in. There has been new electrical happening (building permit was approved).

4. Mr. Barrett stated that at the last commission meeting he asked for the commission to add onto the litigation the property on Sycamore street and the vacant lots on the corner of south Niles and east Jefferson. He believes other neighbors sent messages to the commission as well. How long do we need to wait. Nothing has happened. This deprives others of using the property. It is unsafe. It is unfinished. I noticed a default was sent in September 2021 which stated that if no action is taken within thirty days of receiving this notice that the commission and the city shall institute proceedings to enforce its rights under the agreement. There have been seventy-one notices of ordinance violations sent certified mail. The fines now approach \$150,000 from code enforcement.

Commissioner Relos asked if the Sycamore street was covered by state RDA.

Mr. Bauer stated that it is, and they have sent a letter of default to Matthews, LLC.

Commissioner Relos asked if the city looked into its agreement of selling the parking lot on the east side of Sycamore.

Mr. Bauer states that we have and that agreement is superseded by the Commerce Center Development agreement because the Commerce Center Development agreement was part of the commitment to construct a building on that parking lot.

Commissioner Relos clarified that the city's agreement from Commerce Center then most likely superseded those sales.

Mr. Barrett noted that property can just sit there in its current perpetuity.

Mr. Bauer noted, no, but it is not germane to the redevelopment commission to discuss until there is a code hearing.

Mr. Barrett asked so the city's position is currently null and void.

Mr. Bauer stated generally yes. The time to enforce that agreement would have been prior to the creation of a new development agreement that's contemplated the same property that the parking lot was on.

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Mr. Barrett asked so in addition to the claw back that there is another breach of the agreement of the Commerce Center.

Mr. Bauer notes that in our opinion there are potentially numerous breaches of the agreement.

Commissioner Relos asked about certificate of occupancy have been issued.

Mr. Bauer stated that all apartments have been issued a certificate of occupancy (issued floor by floor). The first level, however, does not.

Mr. Barrett asked about the Trager site. He notes that there are seventy-one violations that are not improving the property.

Mr. Bauer states that there was litigation related to that case that has been resolved and we have moved onto collections.

Mr. Barrett states he is asking for enforcement of the notice of default 30 days.

Mr. Bauer thanks him for his comments.

Commissioner Relos asked if the court upheld the fines.

Ms. Kennedy stated that he was challenging the Board of Zoning Appeals process and the court upheld that the process had been filed correctly.

Mr. Bauer states that the amount exceeds \$150k. Generally it would go to collections prior to that high amount, however, since it is ongoing litigation, the appeal by the property owner was unsuccessful. Now new fines have been levied. The fines are not being paid.

7. Next Commission Meeting:

Thursday, February 9, 2023

8. Adjournment

Thursday, January 26, 2023, 10:01 a.m.



Vivian Sallie, Secretary



Marcia Jones, President