



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

**SOUTH BEND REDEVELOPMENT COMMISSION
 SCHEDULED REGULAR MEETING**

May 25, 2023 – 9:30 am

<https://tinyurl.com/RedevelopmentCommission> **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 – IP Vivian Sallie, Secretary - IP Eli Wax, Commissioner - IP David Relos, Commissioner – IP	IP = In Person V = Virtual
Members Absent:	Leslie Wesley, Commissioner - V	
Legal Counsel:	Sandra Kennedy, Esq. Danielle Campbell, Asst. City Attorney	
Redevelopment Staff:	Mary Brazinsky, Board Secretary Joseph Molnar, RDC Staff	
Others Present:	Caleb Bauer Erik Glavich Tim Corcoran Rosa Tomas Charlotte Brach Zach Hurst Leslie Biek Mark Neal Kris Priemer Jordan Smith	DCI DCI DCI DCI Engineering Engineering Engineering Momentum Momentum SB Tribune

2. Approval of Minutes

• **Approval of Minutes of the Regular Meeting of Thursday, May 11, 2023**

Upon a motion by Secretary Sallie, seconded by Vice-President Warner, the motion carried unanimously, the Commission approved the minutes of the regular meeting of Thursday, May 11, 2023.

3. Approval of Claims

A. Claims Allowance 5.16.23

Upon a motion by Commissioner Relos, seconded by Vice-President Warner, the motion carried unanimously, the Commission approved the claims allowance of May 16, 2023.

4. Old Business

5. New Business

A. River West Development Area

1. Temporary Access Agreement (Salvation Army Parking Lots)

Joseph Molnar Presented a Temporary Access Agreement (Salvation Army Parking Lots). This agreement is with Momentum Development Group. At the last meeting RDC approved a purchase agreement for the building itself in the amount of \$1,000. That agreement included a \$6M minimum investment in improvements to the building making it a larger mixed-use, office, and commissary kitchen space. The developers wanted to access the building as soon as possible. The attached access agreement will let them have access to the parking lots until December 31, 2024. Commission approval is requested.

Upon a motion by Commissioner Wax, seconded by Commissioner Relos, the motion carried unanimously, the Commission approved Temporary Access Agreement (Salvation Army Parking Logs) submitted on Thursday, May 25, 2023.

2. Real Estate Option Agreement (Salvation Army Parking Lots)

Joe Molnar Presented a Real Estate Option Agreement (Salvation Army Parking Lots). At the last meeting RDC approved a purchase agreement for the building itself in the amount of \$1,000. That agreement included a \$6M minimum investment in improvements to the building making it a larger mixed-use, office, and commissary kitchen space. The Real Estate Option Agreement gives the developer an option to purchase the lots by December 31, 2024. The developer will pay us an additional \$1,000 for this option if they choose to purchase. Momentum plans a community kitchen, retail space and office space.

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Caleb Bauer noted that we would plan to take a real property tax abatement to the Common Council related to this project and would plan to return to the Redevelopment Commission with a Development Agreement that would look at improvements to the parking lot in support to both this project and Soma Lofts projects.

Commissioner Relos asked if Momentum is expecting to keep the parking lots as is between the two buildings.

Mark Neal, developer for Momentum noted that the plan is to maximize the parking capacity for all of the parcels, should we purchase all of the lots. They would reserve space in the southeast corner of the building to present an outdoor patio as a venue or a rental space. They would ensure that there is sufficient parking for both of the buildings. Probably a third of it is grass and taking all of that into parking will give us sufficient parking for both buildings. We would abut the alley.

They have not worked through the alley portion as of yet. They are in discussions with the DCI planning team on the access points of entry to be sure they are sufficient. Right now, they are focused on due diligence to be sure purchasing the building will be easy and hopefully complete in thirty days. They think that the final inspection will be pretty straightforward with the parking lot requiring some coordination. They are working with the city first to be sure utilities are in order. They are expecting to use a portion of dollars from the Readi program for some of the improvements.

Commissioner Relos asked if the lot to the east is still privately owned.

Mr. Neal noted that they did purchase that lot from Transpo and will help with the redevelopment of this building. The expectation is that the drainage requirements for the Soma property will utilize that lot. The cost of construction is challenging. They are really focusing on entrepreneurs/co-working hub. They are hoping that most of the residents of Soma would in fact be members of Momentum. The idea is that those who have vehicles would utilize the parking spaces.

Upon a motion by Commissioner Wax, seconded by Commissioner Relos, the motion carried unanimously, the Commission approved Real Estate Option Agreement (Salvation Army Parking Lots) submitted on Thursday, May 25, 2023.

3. Property Transfer RDC to BPW (Resolution No. 3573 – 900 S. Franklin)

Joe Molnar Presented a Property Transfer RDC to BPW (Resolution No. 3573 – 900 S. Franklin). This property transfer from the Redevelopment Commission to Board of Public Works is for land located at Lafayette and Sample off of Franklin. A few months ago, the RDC put out a request for proposals on this parcel. One of the more interesting proposals was from Advantix Development Corporation out of Evansville; they had submitted a number of parcels but through negotiations with them we did not feel that their product fit what we were looking for. We have been continuously working with them and have identified that they want to apply for scattered sites like this for low-income housing tax credit applications for

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residential properties that the Board of Public Works owns.

Advantix did want to use one large scale property in addition to the scattered sites approach to try to keep costs down. As mentioned, all of the other properties are owned by the Board of Public Works except for this one. This property was identified as a possible site for twelve townhomes. Some of these will go through council for rezoning. It is zoned as Industrial right now. This document is to transfer the property to the Board of Public Works.

We believe that this project will score very highly, however, if it does not, we would like to give them two years to try. If it does not work, we will petition to return the land back to RDC from BPW. They also agree that the site is quite large and admit they would not need all of it. If they are awarded, they have agreed that they will give up some of the more southern land to be developed in the future. Part of the LIHTC application would be to build come type of Community Center that would be an addition to this land.

Caleb Bauer noted that there was a first reading filed for rezoning of twenty-one parcels around the city. All of those are related to LIHTC applications we are supporting. Advantix and one other one with KCG. Those will be coming up the second meeting in June. We will be at committee for those meetings.

Commissioner Wax asked if the LIHTC applications is for all thirty-nine parcels.

Mr. Bauer replied there would be two applications that the city is supporting one is for Advantix scattered sites thirty-nine parcels. KCG is a more standard LIHTC application with one larger multi-family complex.

Vice-President Warner asked where that will be located.

Mr. Bauer stated that it is Lafayette and Stahl across from the Transpo Depot.

Mr. Molnar stated that agreement is coming through RDC at a later date.

Commissioner Wax asked how many units.

Mr. Bauer replied fifteen.

Commissioner Wax asked where the rest of the scattered sites would be and is the plan to turn single family into duplexes?

Mr. Bauer noted that Advantix is working on the full profile, and we hope to have that rezoned. Generally, it will be thirty-nine sites in which nineteen will be single family homes, approximately twenty potential duplexes/triplexes and the rest quadplex. These will be middle density size developments.

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Mr. Molnar stated that Advantix is very good and is writing a competitive application and looking at some blighted properties that the city owns. Those will be more single family and tax sale properties. Advantix is planning on attending a neighborhood meeting in the NNN which is where a large portion of the properties are located.

Commissioner Relos asked if the alley at the 900 location ever became vacated.

Mr. Molnar noted he saw some paperwork on that. He noted that the good thing about LIHTC is that the process will take until next summer so if there is anything to clean up between now and then we can do that.

Upon a motion by Commissioner Relos, seconded by Commissioner Wax, the motion carried unanimously, the Commission approved Property Transfer RDC to BPW (Resolution No. 3573 – 900 S. Franklin) submitted on Thursday, May 25, 2023.

4. Third Amendment to Real Estate Purchase Agreement (Diamond View Apartments).

Joe Molnar Presented a Third Amendment to Real Estate Purchase Agreement (Diamond View Apartments). In 2021 RealAmerica applied for a LIHTC award, and that project was approved. This will consist of sixty affordable housing units. Due to the state's delay in the awarding of the project, the closing date has been altered. Earlier this year we asked for a second amendment to extend the time period. This third amendment is just extending the agreement for the closing date. This will allow for RealAmerica to finish their due diligence and environmental work. We hope the project starts next year.

Commissioner Wax asked if we knew when the project will be completed.

Mr. Molnar stated thirty-six months after the closing. He feels that they want to move quicker once construction starts depending on construction.

Commissioner Wax how many units.

Mr. Molnar stated sixty affordable (LIHTC award), sixty market rates and potentially seven townhomes totaling one hundred twenty-seven units.

Commissioner Relos asked if they are planning on building the entire site except for the east corner.

Mr. Molnar states that is correct.

Upon a motion by Commissioner Wax, seconded by Vice-President Warner, the motion carried unanimously, the Commission approved Third Amendment to Real Estate Purchase Agreement (Diamond View Apartments) submitted on Thursday, May 25, 2023.

6. Progress Reports

A. Tax Abatement

1. Erik Glavich stated that at the Common Council meeting the Council approved a declaratory resolution (four years) for a new Burton's Laundry at 521 N William Street.

B. Common Council

C. Other

1. Caleb Bauer noted that the St. Joseph County Redevelopment Commission approved a tax abatement for General Motors related to the battery plant west on Indiana 2. We hope to hear final word from Samsung and GM in the next few weeks. Our Commission should not be involved in any approvals, however, the city will be involved as providing utilities. There will be approximately 1,800 jobs with a potential of 1,000 construction jobs.
2. Vice-President Warner commended Mr. Bauer, Mr. Molnar, and team on the scattered site RFP process. He stated that thirty-nine lots far exceeded his expectation of what he thought would happen. There were a lot of eyebrows raised when they kept having first readings at council for rezoning, but he wants to be sure that recognition is given.
3. Mr. Bauer states that kudos for the RFP's goes to the planning team and Tim Corcoran and Joe Molar working on these. Hopefully we have more to share in the near future.

7. Next Commission Meeting:

Thursday, June 8, 2023

8. Adjournment

Thursday, May 11, 2023, 9:58 a.m.



Vivian Sallie, Secretary



Marcia Jones, President