



CITY OF SOUTH BEND

ECONOMIC DEVELOPMENT COMMISSION

SOUTH BEND ECONOMIC DEVELOPMENT COMMISSION

November 22, 2021

<http://tiny.cc/EDC11.22.21>

The South Bend Economic Development Commission was called to order at 11:30 am

1. **Roll Call**

Members Present: Cecilia Lopez Monterrosa, President
Fredrick Teague, Vice-President
Renata Matousova, Secretary

Members Absent:

Staff: Sandra Kennedy, Esq.
Jenna Throw, City Attorney
Mary Brazinsky, Secretary

Others Present: Phil Faccenda, Barnes & Thornburg
Daniel Parker, Admin & Finance
Benjamin Dougherty, Admin & Finance

2. **Election of Officers**

Cecilia Lopez Monterrosa Nominated herself for President of the South Bend Economic Development Commission. Renata Matousova Seconded the Nomination. The Commission voted unanimously for this election.

Fredrick Teague Nominated himself for Vice-President of the South Bend Economic Development Commission. Renata Matousova Seconded the Nomination. The Commission voted unanimously for this election.

Cecilia Lopez Monterrosa Nominated Renata Matousova for Secretary of the South Bend Economic Development Commission. Fredrick Teague Seconded the Nomination. The Commission voted unanimously for this election.

3. **New Business**

A. **Resolution No. 2021-1 (Potawatomi Zoo Project)**

Mr. Phil Faccenda, Barnes & Thornburg presented Resolution No. 2021-1 (Potawatomi Zoo Project). This is for financing for the Potawatomi Zoo project. The City of South Bend is going to issue a not to exceed amount of \$6.5M revenue bonds. This is lease financing. This is for financing bond revenues for the Potawatomi Zoo. They are doing so through a statute that the Economic Development Commission is a body in which documents come before it goes onto the Common Council. As a Commission you look at Economic Development projects and say to the Council this is a good project and you should finance it with economic development revenue bonds.

Lease rentals are used for paying debt service on the bonds. It is essentially a bond financing. The South Bend Building Corporation met and approved the financing so they could lease streets within the city to the Redevelopment Commission. The Redevelopment Commission then pays lease rental. It pledges a general tax that could be levied if needed (a general special benefits tax). What we anticipate using for the taxes is the hotel/motel tax of ½ percent. This was a special allocation through the legislature to back these bonds. It is reasonably expected that there will be plenty of revenue of approximately 1.3x the coverage to back the bonds. The bonds are \$6.5M not to exceed. The annual debt service/lease rental will be approximately \$420,000 per year. There will be enough hotel/motel tax revenue to pay that lease rental yearly.

The bonds are for a not to exceed period of 22 years. The proceeds will go to several projects at the zoo including a new line habit and visitor viewing area to be constructed. A new concession and dining area. A new picnic and kitchen area. A new holding barn. A new black bear habitat. A new tiger habitat. There is quite a lot going on at the zoo.

It is noted that the EDC held the public hearing on bond financing and adopted the resolution approving the issuance of the Bonds and approved the Project Report.

Upon a motion by Cecilia Lopez Monterrosa and seconded by Renata Matousova, Secretary the motion carried unanimously, the Commission approved Resolution No. 2021-1 (Potawatomi Zoo Project) November 22, 2021

B. **Report of the South Bend Economic Development Commission (Potawatomi Zoo)**

Mr. Phil Faccenda, Barnes & Thornburg presented the Report of the South Bend Economic Development Commission (Potawatomi Zoo). This report states that there is no additional services that are being requested of the city when we start this project. The city is not being asked to run sewer/water or any additional public works. The project and bonds will help retain 38 full-time jobs, 90 seasonal jobs with an annual estimated payroll of just over \$2M dollars. Also, there will be no additional economical adverse effect because of undertaking this project.

4. **Adjournment**

The meeting was adjourned at 11:50 a.m.