

OFFICE OF THE CITY CLERK

BIANCA L. TIRADO, CITY CLERK

COMMUNITY INVESTMENT

MARCH 11, 2024 4:00 P.M.

Committee Members Present:

Troy Warner, Rachel Tomas Morgan, Ophelia Gooden-Rodgers, Sherry Bolden-Simpson,

Kaine Kanczuzewski

Committee Members Absent:

None

Other Council Present:

Dr. Oliver Davis, Sharon McBride

Others Present:

Bianca L. Tirado, Elivet Quijada-Navarro, Danica Kulemeka, Matthew Neal, Bob

Palmer

Presenters:

Joseph Molnar, Caleb Bauer, Michelle

Adams, Erik Glavich

Agenda:

Bill *No.* <u>24-04</u> – Resolution Authorizing Purchase of Kelly's Pub 1150 E. Mishawaka

Ave.

Bill No. <u>24-05</u> – Resolution to approve the issuance of Scrap Metal / Junk Dealers / Recycling Operation Licenses pursuant to Section 4-51 of the South Bend Municipal

Code

Bill *No.* 24-06 – Declaratory Resolution, Mixed-Use Development Real Property Tax Abatement for Momentum Development

Group, LLC

Please note the attached link for the meeting recording: http://docs.southbendin.gov/WebLink/browse.aspx?dbid=0&mediaid=381054

Committee Chair Troy Warner called to order the Community Investment Committee meeting at 4:00 p.m.

INTEGRITY | SERVICE | ACCESSIBILITY

Danica Kulomeka Chief Deputy/ Chief of staff Eliver Quijada-Navarro Deputy/ Director of Policy Matthew Neal Director of Special Projects

EXCELLENCE | ACCOUNTABILITY | INNOVATION | INCLUSION | EMPOWERMENT



Chair Warner stated that he plans to set up a training meeting regarding types of bills and projects that the Community Investment Committee may see throughout the course of the year.

Bill No. 24-04 - Resolution Authorizing Purchase of Kelly's Pub 1150 E. Mishawaka Ave.

Joseph Molnar, Property Development Manager, with offices on the 14th floor of the County-City Building, stated that Bill *No.* <u>24-04</u> would authorize the Board of Public Works to purchase three parcels located at 1150 East Mishawaka Avenue, two (2) of which are parking lots and one (1) of which is Kelly's Pub. Kelly's Pub The reasons for purchasing Kelly's Pub are to address concerns raised by residents in the neighborhood, to improve the safety of the neighborhood and the City overall, to give the City control over the future of the property, to provide a site for redevelopment in a growing area, and to ease the City's process regarding improvements of Mishawaka Avenue.

Caleb Bauer, Executive Director of Community Investment, with offices on the 14th floor of the County-City Building, stated that the reason for not bringing this purchase before the Redevelopment Commission is because the property is not on the River East Development Area Acquisition list, and would take months to be added.

Committee Vice Chair Rachel Tomas Morgan asked if there will be any formal process with the public to draft a plan for the Market District.

Caleb Bauer stated that the City has and will continue to take into consideration the desires of the partners within the Market District, but notes that there is not a formal public vision.

Committee Member Ophelia Gooden-Rodgers requested information regarding the timeline of the Mishawaka Avenue streetscape project.

Caleb Bauer stated that the City hopes to begin construction on the Mishawaka Avenue streetscape plan in 2025.

Committee Member Kaine Kanczuzewski asked regarding the timeline for demolishion of Kelly's Pub, and asked if the City intends on advertising a Request For Proposal (RFP) for the site.

Caleb Bauer stated that the goal for demolishion is construction season this year, and that yes the City would look to do an RFP for the future use of the site.

Committee Member Karen L. White requested information regarding current plans for the Market District, and asked if there are any plans to extend the project beyond Mishawaka Avenue.

Caleb Bauer stated that future projects beyond Mishawaka Avenue are being discussed, but are only conceptual at the moment.

Committee Member White asked when the Council will be made aware of future plans.

Caleb Bauer stated that they can give presentations on where they currently stand with project designs, and stated that they can give a summary on where the City stands with the Ray's Grant process.

Committee Member White requested an update on how the Tax Increment Financing (TIF) funds will be utilized once the West Washington TIF is retired.



Caleb Bauer stated that most of the current balance in the West Washington Development Area is committed to support the Martin Luther King Jr. Center project.

Councilmember Dr. Oliver Davis asked if the process of buying and shutting down nuisance properties like Kelly's Pub will be a process that the City will choose to do in all districts.

Caleb Bauer stated that in cases like Kelly Pub where the City has multiple reasons to need to acquire ownership of a property that there would be a willingness to explore the option.

Councilmember Dr. Davis asked if this will be the criteria that the City can utilize going forward so that there is consistency applied in these decisions.

Caleb Bauer stated that the City has been transparent about the reasons for purchasing Kelly's Pub, and that decisions to purchase properties in the future need to be made on a case-by-case basis.

Councilmember Dr. Davis stated that the public will look back on this Kelly's Pub decision as the standard set for future projects.

Council President Sharon McBride stated that this beneficial acquisition has presented itself in an opportune time. President McBride stated that while this can be used as a model for other districts, it is an unusual situation and has a lot of moving parts.

Committee Chair Warner opened the public hearing.

Logan Foster, 1138 College Street, South Bend IN 46628, stated that he believes it is disingenuous for the City to suggest it is buying Kelly's Pub for safety reasons, and asked the Administration if they would consider buying his house for safety reasons.

Committee Vice Chair Tomas Morgan motioned to send Bill No. <u>24-04</u> to the Committee of the Whole with a favorable recommendation, which was seconded by Committee Member Kaine Kanczuzewski and carried by a vote of five (5) ayes.

Committee Chair Troy Warner - Aye	Committee Vice Chair Rachel Tomas Morgan – Aye
Committee Member Ophelia Gooden-Rodgers - Aye	Committee Member Sherry Bolden-Simpson – Aye
Committee Member Kaine Kanczuzewski - Aye	

Bill No. <u>24-05</u> – Resolution to approve the issuance of Scrap Metal / Junk Dealers / Recycling Operation Licenses pursuant to Section 4-51 of the South Bend Municipal Code

Michelle Adams, Business License Administrator, with offices on the 14th floor of the County-City Building, stated that Bill *No.* <u>24-05</u> approves the issuance of scrap metal / junk dealers / recycling operations licenses. Each reviewing agency has found each property to be compliant and has recommended that the license be issued.

Committee Member Tomas Morgan requested information regarding the process these properties underwent to update their status to legal nonconforming.

Michelle Adams stated that the properties were grandfathered in so they are not required to update their status, but new applicants would be required to go through the Zoning Department to file for a special exception.



Committee Chair Warner held the public hearing and no members of the public spoke.

Committee Member Gooden-Rodgers motioned to send Bill *No.* <u>24-05</u> to the Committee of the Whole with a favorable recommendation, which was seconded by Committee Member Kaine Kanczuzewski and carried by a vote of five (5) ayes.

Committee Chair Troy Warner - Aye	Committee Vice Chair Rachel Tomas Morgan – Aye
Committee Member Ophelia Gooden-Rodgers - Aye	Committee Member Sherry Bolden-Simpson – Aye
Committee Member Kaine Kanczuzewski - Aye	

Bill No. <u>24-06</u> – Declaratory Resolution, Mixed-Use Development Real Property Tax Abatement for Momentum Development Group, LLC

Erik Glavich, Director of Growth and Opportunity, with offices on the 14th floor of the County-City Building, stated that Bill *No.* <u>24-06</u> is a declaratory resolution for an eight (8) year real property tax abatement for Momentum Development Group, LLC, for a property located at 510 South Main Street. The property is better known as the former Salvation Army Building. This project is another in a series of City supported projects on the southern area of downtown. This project is anticipated to generate sixty-seven (67) jobs and raise the current tax revenue from zero dollars (\$0) per year to three hundred and forty-eight thousand, four hundred and sixty-nine dollars (\$348,469) over the eight (8) year period.

Kristopher Priemer, 534 Kamm Island Place, Mishawaka IN 46544, stated that this project will bring an entrepreneurship hub to South Bend, create a place that drives talent retention for the City, and creates a welcoming environment for small businesses and freelancers.

Committee Member Kanczuzewski requested information regarding obligations that need to be met.

Erik Glavich stated that part of the Memorandum of Agreement that Momentum Development Group, LLC will be required to sign to receive the confirming resolutions approval is the private investment commitment of roughly six million, three hundred thousand dollars (\$6,300,000) and a commitment toward having sixty-seven (67) jobs. Erik Glavich stated that his office ensures compliance every year.

Committee Member Gooden-Rodgers requested information regarding the wages of the new jobs.

Kristopher Priemer stated that wages are going to vary based on the type of job, but that they will all be above minimum wage.

Committee Vice Chair Tomas Morgan inquired about possible expansion of the property.

Kristopher Priemer stated that there are no plans for expansion.

Chair Warner opened the public hearing.

Logan Foster, 1138 College Street, South Bend IN 46628, stated that the abatement schedule assumes no increase in property taxes, and voiced his disapproval of there being no exact answer regarding the wages of the future jobs.



Chair Warner stated that taxes increase as well as the amount that is abated, but the amount that gets paid in the end also increases.

Erik Glavich stated that the City is unable to estimate future assessed values of properties, so they must assume constant assessed values moving forward.

Committee Member Tomas Morgan motioned to send Bill *No.* <u>24-06</u> to the Committee of the Whole with a favorable recommendation, which was seconded by Committee Member Bolden-Simpson and carried by a vote of four (4) ayes and one (1) Committee Member abstaining.

Committee Chair Troy Warner - Aye	Committee Vice Chair Rachel Tomas Morgan – Aye
Committee Member Ophelia Gooden-Rodgers - Aye	Committee Member Sherry Bolden-Simpson – Aye
Committee Member Kaine Kanczuzewski - Abstained	

With no further business, Committee Chair Troy Warner adjourned the Community Investment Committee meeting at 4:53 p.m.

Respectfully Submitted,

Troy Warner, Computtee Chair