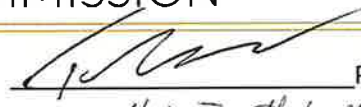




CITY OF SOUTH BEND REDEVELOPMENT COMMISSION

Redevelopment Commission Agenda Item

 Pres/V-Pres

ATTEST:  Secretary

Date: 7-25-2024

DATE: 7/23/24

FROM: Erik Glavich, Director, Growth & Opportunity

Approved Not Approved

SUBJECT: Resolution No. 3605 (Affordable HomeMatters Indiana LLC/Intend Indiana)

SOUTH BEND REDEVELOPMENT COMMISSION

Which TIF? (circle one) River West; River East; South Side; Douglas Road; West Washington

PURPOSE OF REQUEST: Resolution No. 3605 appropriating TIF revenues for Affordable HomeMatters Indiana LLC/Intend Indiana scattered site infill housing project

SPECIFICS: The Commission will consider a resolution that will appropriate an amount not to exceed \$1.125 million for the first draw for the Affordable HomeMatters Indiana LLC/Intend Indiana scattered site infill housing project. Affordable HomeMatters Indiana LLC/Intend Indiana will build 92 new single-family homes over 5 years and can draw up to the appropriated amount of \$1.125 million per year.

On June 25, the Commission approved a development agreement and a resolution, respectively, providing TIF funds for the project. As a reminder, the total funding provided by Commission will not exceed \$5 million and the private investment by the Developer will be no less than \$20 million. The Developer agrees to complete the project by December 31, 2029. Funding will be provided via a loan that will be forgiven if the Developer completes the project as committed.

INTERNAL USE ONLY: Project Code: _____;

Total Amount new/change (inc/dec) in budget: _____; Break down:

Costs: Engineering Amt: _____; Other Prof Serv Amt _____;

Acquisition of Land/Bldg (circle one) Amt: _____; Street Const Amt _____;

Building Imp Amt _____; Sewers Amt _____; Other (specify) Amt: _____

Going to BPW for Contracting? Y/N

Is this item ready to encumber now? ___ Existing PO# _____ Inc/Dec \$ _____

EXCELLENCE | ACCOUNTABILITY | INNOVATION | INCLUSION | EMPOWERMENT

RESOLUTION NO. 3605

A RESOLUTION OF THE SOUTH BEND REDEVELOPMENT COMMISSION APPROPRIATING CERTAIN FUNDS IN CONNECTION WITH A DIRECT LOAN TO THE DEVELOPER OF AN ECONOMIC DEVELOPMENT FACILITY (LINCOLN PARK PROJECT)

WHEREAS, the South Bend Redevelopment Commission (the "Commission"), the governing body of the South Bend Department of Redevelopment and the Redevelopment District of the City of South Bend, Indiana (the "District"), exists and operates under the provisions of Indiana Code 36-7-14, as amended from time to time (the "Act"); and

WHEREAS, the Commission is committed to improving the City of South Bend, Indiana (the "City") by administering and funding projects that support economic development, public infrastructure, and neighborhood revitalization; and

WHEREAS, the Commission has previously adopted a declaratory resolution, as subsequently confirmed and amended, which (i) declared the River West Economic Development Area (the "River West Economic Development Area") as an economic development area pursuant to Section 41 of the Act, (ii) designated the River West Economic Development Area as an allocation area pursuant to Section 39 of the Act (the "River West Allocation Area"), for the purpose of capturing property tax proceeds derived from incremental assessed valuation of real property in such allocation area which is in excess of the "base assessed value" (such property tax proceeds, hereinafter referred to as "River West TIF Revenues"), (iii) created the River West Allocation Area Fund into which all River West TIF Revenues are deposited, all pursuant to and as described Section 39 of the Act, and (iv) approved an economic development plan for the River West Economic Development Area; and

WHEREAS, Affordable HomeMatters Indiana LLC, a single member limited liability company owned and operated by Intend Indiana, Inc., an Indiana nonprofit corporation (the "Developer"), has informed the City that it desires to acquire and construct certain economic development facilities within the City which will consist of up to ninety-two (92) single-family detached homes containing two (2) to four (4) bedrooms of which (i) at least forty (40) homes will be sold to households earning less than eighty percent (80%) of the Area Median Income ("AMI"), (ii) at least seventeen (17) homes will be sold to households earning between eighty percent (80%) of AMI and one hundred twenty percent (120%) of AMI, and (iii) the remainder will be sold at the market rate, with an approximate total development cost of Twenty-five Million Dollars (\$25,000,000), on certain parcels of real property generally located in the Lincoln Park neighborhood in the City (collectively, the "Project"), and has requested that the City make a loan to the Developer on a draw basis for the purposes of financing or reimbursing the Developer for a portion of the costs of acquisition and construction of the Project; and

WHEREAS, the Common Council of the City adopted its loan ordinance (the "Loan Ordinance") on July 22, 2024, which Loan Ordinance authorizes the issuance and funding of a forgivable loan from the City to the Developer on an annual draw basis (the "Loan") over a five (5) year period, with each annual draw amount totaling not more than \$1,125,000, in the total

aggregate principal amount not to exceed Five Million Dollars (\$5,000,000) to finance a portion of the Project;

WHEREAS, the Commission previously adopted its Resolution No. 3603 on June 27, 2024, determining, subject to annual appropriation by the Commission, to make available the River West TIF Revenues to simultaneously reimburse the City for its costs incurred to fund each draw on the Loan to the Developer with respect to the Project; and

WHEREAS, the Commission now desires to appropriate an amount not to exceed One Million One Hundred Twenty-Five Thousand Dollars (\$1,125,000) to fund the first draw on the Loan to the Developer with respect to the Project; and

WHEREAS, notice has been given and this date a public hearing has been conducted regarding such appropriation, as required by Indiana law;

NOW, THEREFORE, BE IT RESOLVED BY THE SOUTH BEND REDEVELOPMENT COMMISSION, AS FOLLOWS:

SECTION 1. 1. An appropriation in an amount not to exceed One Million One Hundred Twenty-Five Thousand Dollars (\$1,125,000), is hereby made for the purpose of simultaneously reimbursing the City for expenditures made, or to be made, by the City to fund the first draw on the Loan to the Developer with respect to the Project, and the funds to meet this appropriation will be provided out of the River West TIF Revenues collected in the River West Allocation Area. Said appropriation shall be in addition to all other appropriations provided for in the existing budget and tax levy.


SECTION 2. The officers of the Commission and the Controller of the City are hereby directed to make any and all required filings, if any, with the Department of Local Government Finance in connection with this resolution.

SECTION 3. The President, Vice President or any other officer or member of the Commission are hereby authorized to take all such actions and to execute all such instruments as are desirable to carry out the transactions contemplated by this resolution, in such forms as such officer or member executing the same shall deem proper, to be conclusively evidenced by the execution thereof.

SECTION 4. This Resolution shall be in full force and effect from and after its passage.

ADOPTED at a meeting of the South Bend Redevelopment Commission held on July 25, 2024, in Room 1308, County-City Building, 227 West Jefferson Boulevard, South Bend, Indiana, 46601.

SOUTH BEND REDEVELOPMENT
COMMISSION

By: 
Troy Warner, President

ATTEST:


Vivian G. Sallie, Secretary