

# OFFICE OF THE CITY CLERK BIANCA L. TIRADO, CITY CLERK

COMMUNITY INVESTMENT	JULY 22, 2024 4:40 P.M.
Committee Members Present:	Troy Warner, Rachel Tomas Morgan*, Ophelia Gooden Rodgers, Sherry Bolden- Simpson, Kaine Kanczuzewski, Thomas Gryp
Committee Members Absent:	None
Others Present:	Bianca L. Tirado, Elivet Quijada-Navarro, Matthew Neal, Samuel Turck, Bob Palmer, Canneth Lee, Sheila Niezgodski
Presenter(s):	Caleb Bauer, Jeb Reece
Agenda:	Bill No. <u>33-24</u> — Economic Development Loan- Lincoln Park Project (Substitute)
	Bill No. <u>34-24</u> — Economic Development Loan- Southeast Neighborhood Project
	Bill <i>No.</i> <u>24-24</u> — Declaratory Resolution – Real Property Tax Abatement 711-713 Leland Avenue

Members marked with an asterisk (\*) are in virtual attendance.

Please note the attached link for the meeting recording: https://docs.southbendin.gov/WebLink/browse.aspx?dbid=0&mediaid=382880

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

### Substitute Bill No. 33-24 — Economic Development Loan- Lincoln Park Project

Committee Member Sherry Bolden-Simpson motioned to accept the Substitute Bill No. 33-24, seconded by Committee Member Rachel Tomas Morgan and carried by a vote of six (6) ayes.

INTEGRITY SERVICE ACCESSIBILITY		
Elivet Quijada-Navarro	Matthew Neal	Sounde Track
CHIEF DEPUTY CITY CLERK	DEPUTY/ DIRECTOR OF POLICY	DIRECTOR OF SPECIAL OF PROJECTS
EXCELLENCE   ACCOUNTABILITY   INNOVATION   INCLUSION   EMPOWERMENT		SION   EMPOWERMENT
455 County-City Building   227 W. Jefferson Blu	d.   South Bend, Indiana 46601   p. 574.235.92	221   f. 574.235.9173   www.southbendin.gov

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	Committee Member Thomas Gryp - Aye

Caleb Bauer, Executive Director of Community Development, with offices on the 14th floor of the County-City Building, spoke regarding Substitute Bill *No. <u>33-24</u>*. This plan would allow for ninety-two (92) homes to be built in the Lincoln Park Neighborhood. All of these homes are going to be built on vacant lots. A CDC named Intend Indiana will build the houses. The loan from the City would be five million dollars (\$5,000,000) over five years paired with twenty-five million dollars (\$20,000,000) of private investment.

Jeb Reece, Associate Director of Land Banking and Strategic Planning at Intend Indiana, with offices at 1704 Bellefontaine St., Indianapolis, IN 46202, spoke in support of Substitute Bill *No.* <u>33-24.</u>

Citizen Member Kaine Kanczuzewski asked about the price of the homes, whether there is a commitment to build all ninety-two (92) homes, and whether the income-dependent homes will be built first.

Caleb Bauer stated that the 40 income-qualified homes will be front-loaded, but there is not a specific order as of now.

Jeb Reece stated that the first bracket of homes are being sold at one hundred and thirty-five thousand dollars (\$135,000). The second income bracket is sold at one hundred and seventy-five thousand dollars (\$175,000).

Ben Harris, Director of Real Estate Development at Intend Indiana, with offices at 1704 Bellefontaine St., Indianapolis, IN 46202, spoke in support of Substitute Bill *No. <u>33-24</u>*. Ben Harris stated that Intend Indiana has contacted the Lincoln Park Neighborhood and is preparing resources for the community to receive these homes.

Citizen Member Kanczuzewski asked for clarification on the investment.

Jeb Recce answered that they will be seeking additional loans from local banks.

Citizen Member Thomas Gryp asked if Intend Indiana has found a general contractor.

Jeb Recce answered no.

Citizen Member Gryp asked when the project would start.

Jeb Recce answered sometime around Halloween.

Citizen Member Bolden-Simpson asked if the project would use union labor.

Caleb Bauer stated that union labor is not required, but there is a verbal agreement to use local contractors.

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Citizen Member Kanczuzewski stated that it would be very difficult to use an entire union workforce on a project of this size in South Bend.

Caleb Bauer stated that the majority of unionized labor is focused on commercial construction. With unprecedented levels of commercial construction happening in the City, local union labor does not have the capacity to add on a project of this size.

Committee Member Gooden Rodgers thanked the petitioners and welcomed them to the  $2^{nd}$  District.

Committee Member White thanked the petitioners for providing affordable housing that matches the neighborhood.

Ben Harris stated that if communities are going to build generational wealth, it is important for their homes to look like the rest of the neighborhood.

Councilmember Canneth Lee requested a copy of the presentation and asked if the homes would be distributed evenly throughout the neighborhood.

Caleb Bauer stated that lower-income families prosper when in mixed-income neighborhoods.

Councilmember Lee asked about education about acquiring these homes and good homeownership practices.

Jeb Recce stated that Intend Indiana has not identified what organizations it will partner with. The goal is to have these classes in central locations like neighborhood centers or churches. The homeownership classes would start as soon as construction begins.

Committee Member Gooden Rodgers asked where these classes will be located.

Ben Harris answered that locations have not been selected.

Committee Member Bolden-Simpson stated that Intend Indiana should contact the faith community.

Councilmember Niezgodski asked about the layout of the homes.

Caleb Bauer stated that eight (8) different models with different sizes of homes are currently approved. This will allow for some other styles of homes while still blending into the neighborhood.

Committee Chair Warner held the public hearing and nobody spoke.

Committee Vice Tomas Morgan motioned to send Substitute Bill *No <u>33-24</u>* to the Committee of the Whole with a favorable recommendation which was seconded by Committee Member Gooden Rodgers and carried by a vote of six (6) 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	Committee Member Thomas Gryp - Aye



#### Substitute Bill No. 34-24 — Economic Development Loan- Southeast Neighborhood Project

Committee Member Sherry Bolden-Simpson motioned to accept the Substitute Bill *No. <u>33-24</u>*, seconded by Committee Member Rachel Tomas Morgan and carried by a vote of six (6) 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	Committee Member Thomas Gryp - Aye

Caleb Bauer, Executive Director of Community Development, with offices on the 14th floor of the County-City Building, spoke regarding Substitute Bill *No. <u>34-24</u>*. This plan would allow thirty (30) homes to be built in the Lincoln Park Neighborhood. All of these homes are going to be built on vacant lots. The homes will be built by a local CDC named 466 Works. The loan from the City would be three and a half million dollars (\$3,500,000) over three (3) years paired with five million and two hundred thousand dollars (\$5,200,000) of private investment.

Charlotte Pfeifer, a Board Member of 466 Works, 1013 W Washington Street, South Bend, IN 46601, spoke in support of the resolution.

Ann Mannix, 724 W Washington Street, South Bend, IN 46601, spoke in support of the resolution and stated that people are excited about these homes. Ann Mannix noted that over fifty percent (50%) of the applicants of these homes are in the low-income bracket.

Caleb Bauer stated that loans like this grow the City economy and benefit local employers.

Committee Member Gryp asked about the cost of building the homes.

Ann Mannix stated the homes are about two hundred fifty thousand dollars (\$250,000) per home and thanked the Council for considering this loan, as this is the first project of its kind to possibly receive a loan.

Charlotte Pfeifer stated that the community is continuing to grow.

Committee Member Bolden-Simpson asked if the homes would have basements.

Ann Mannix stated yes.

Citizen Member Kanczuzewski asked about what the homes will cost.

Ann Mannix answered one hundred and seventy thousand dollars (\$170,000).

Committee Chair Warner opened the public hearing and nobody spoke.

Citizen Member Kanczuzewski motioned to accept the Substitute Bill *No. <u>34-24</u>*, seconded by Committee Member Gooden Rodgers and carried by a vote of five (5) ayes and one (1) Committee Member absent.

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

Committee Chair Warner motioned to send Bill *No. <u>34-24</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 five (5) ayes, and one (1) Committee Member absent.

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

# Bill No. 24-24 — Declaratory Resolution – Real Property Tax Abatement 711-713 Leland Avenue

Erik Glavich, Director of Growth and Opportunity with offices on the 14<sup>th</sup> floor of the County-City Building, spoke regarding Bill *No. <u>24-24</u>*. When it is completed, the new tax benefit from this property will go from two thousand seven hundred twenty dollars (\$2,720) to eleven thousand eight hundred and seventy-six dollars (\$11,876) per year. The petitioners intend to turn this home into a breakfast restaurant and residential unit.

Amanda Shutts-Crowne, 701 Portage Avenue, South Bend IN 46616, owns this parcel. This location will be a walkable market for the surrounding neighborhood.

Committee Member Bolden-Simpson stated that the petitioners should contact the Pastor of Saint Paul Bethel Missionary Baptist Church, which abuts the property, and asked where the residents will park.

Amanda Shutts-Crowne stated that the parking would be in the carriage house in the rear.

Councilmember Lee asked when the construction would start.

Amanda Shutts-Crowne stated as soon as possible.

Committee Chair Warner held the public hearing and nobody spoke.

Citizen Member Kanczuzewski motioned to send Bill *No. <u>24-24</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 five (5) ayes and one (1) Committee Member absent.

Committee Chair Troy Warner - Aye	Committee Vice Chair Rachel Tomas Morgan - Absent
Committee Member Ophelia Gooden-Rodgers - Aye	Committee Member Sherry Bolden-Simpson - Nay
Committee Member Kaine Kanczuzewski - Aye	Committee Member Thomas Gryp - Aye

Committee Chair Warner requested that Caleb Bauer give the details of Bill *No. <u>24-23</u>* revoking the tax abatement for 300 E LaSalle Avenue.

Caleb Bauer stated that the bill proposes revocation of the 300 E LaSalle tax abatement due to noncompliance with the abatement terms we had sent forward. In the thirty (30) day cure period allotted by municipal code, the developer did not contact the City. On the thirty-first (31st) day, contact was made, and the developer will meet with the City prior to the next Common Council meeting.

With no further business, Committee Chair Troy Warner adjourned the Community Investment Committee meeting at 5:35 p.m.

Respectfully Submitted,

Infr

Troy Warner, Committee Chair

NOTICE FOR HEARING AND SIGHT IMPAIRED PERSONS Auxiliary Aid or Other Services may be Available upon Request at No Charge. Please give Reasonable Advance Request when Possible