



South Bend

Redevelopment Commission

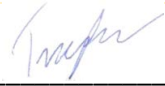
215 S. Dr. Martin Luther King, Jr. Blvd., Room 301, South Bend, Indiana


Redevelopment Commission Agenda Item

DATE: 3/8/26

FROM: Joseph Molnar
Assistant Director, Growth & Opportunity

SUBJECT: Development Agreement – KCG Development
2018-2020 S. Main Street

 _____ Pres/V-Pres

ATTEST:  _____ Secretary

Date: March 12, 2026

APPROVED Not Approved
SOUTH BEND REDEVELOPMENT COMMISSION

Funding Source* (circle) River West; River East; **South Side**; Douglas Road; West Washington; RDC General; Riv. East Res.

* Funds are subject to the City Controller's determination of availability; if funds are unavailable, as solely determined by the City Controller, then the authorization of the expenditure of such funds shall be void and of no effect.

PURPOSE OF REQUEST:

Approval of Development Agreement with KCG Development for an affordable housing project at 2018-2020 S. Main St.

SPECIFICS:

The Redevelopment Commission approved a Purchase Agreement on June 12, 2025 with KCG Development LLC for RDC owned property located at 2018-2020 S. Main Street. KCG applied for low-income housing tax credits for a multi-family apartment building with fifty (50) affordable income housing units. KCG was awarded the tax credits from the IHCD in November 2025.

For the KCG application to be awarded as many points as possible and increase the chance of a successful application, the City partnered with KCG in support of the project. As part of that support, the attached Development Agreement commits the RDC to funding \$1,000,000 from the South Side Development Area funds. The Development Agreement commits KCG to investing \$13,000,000 in private funding into the site.

Construction of a new apartment building on currently vacant land will add vitality to the Main Street corridor as well as providing quality affordable housing.

Staff recommends approval

DEVELOPMENT AGREEMENT

This Development Agreement (this “Agreement”), is effective as of March 12, 2026 (the “Effective Date”), by and between the City of South Bend, Department of Redevelopment, acting by and through its governing body, the South Bend Redevelopment Commission (the “Commission”), and KCG Development LLC a Florida Limited Liability Company, with its registered address being 9311 N Meridian Street, Suite 100, Indianapolis, IN 46260 (the “Developer”) (each, a “Party,” and collectively, the “Parties”).

RECITALS

WHEREAS, the Commission exists and operates under the provisions of the Redevelopment of Cities and Towns Act of 1953, as amended (I.C. 36-7-14 *et seq.*, the “Act”); and

WHEREAS, the Act provides that the clearance, replanning, and redevelopment of redevelopment areas are public uses and purposes for which public money may be spent; and

WHEREAS, the Commission owns certain vacant and inactive real property described in **Exhibit A**, which, concurrently with this Agreement, the Commission is agreeing to sell to Developer through a Real Estate Purchase Agreement dated effective June 12, 2025 (the “Purchase Agreement”), inclusive of vacant lots and all fixtures, easements, appurtenances, hereditaments, rights, powers, privileges, and other improvements thereon and/or appurtenant thereto; and

WHEREAS, in exchange for the discounted purchase price for the real property described in **Exhibit A**, the Purchase Agreement contains certain post-closing development obligations that the Developer must meet; and

WHEREAS, the Developer applied for and was awarded low-income housing tax credits to construct a multi-family building (the “Project”) in accordance with the project plan (the “Project Plan”) attached hereto as **Exhibit B**; and

WHEREAS, the Developer Property is located within the corporate boundaries of the City within the South Side Development Area (the “Area”); and

WHEREAS, the Commission has adopted (and subsequently amended, from time to time) a development plan, which contemplates development of the Area consistent with the Project; and

WHEREAS, the Commission believes that accomplishing the Project as described herein is in the best interests of the health, safety, and welfare of the City and its residents; and

WHEREAS, the Commission desires to facilitate and assist the Project by undertaking the local public improvements stated in **Exhibit C** (the “Local Public Improvements”) and the financing thereof, subject to the terms and conditions of this Agreement and in accordance with the Act.

NOW, THEREFORE, in consideration of the mutual promises and obligations stated in this Agreement, the adequacy of which is hereby acknowledged, the Parties agree as follows:

SECTION 1. DEFINITIONS.

Unless otherwise defined in this Agreement, capitalized terms used in this Agreement have the following meanings:

1.1 Assessed Value. “Assessed Value” means the market value-in-use of a property, used for property tax assessment purposes as determined by the St. Joseph County Assessor.

1.2 Board of Works. “Board of Works” means the Board of Public Works of the City, a public body granted the power to award contracts for public works pursuant to I.C. 36-1-12.

1.3 Funding Amount. “Funding Amount” means an amount not to exceed One Million Dollars (\$1,000,000.00) of tax increment finance revenues to be used for paying the costs associated with the construction, equipping, inspection, and delivery of the Local Public Improvements.

1.4 Private Investment. “Private Investment” means an amount no less than Thirteen Million Dollars (\$13,000,000.00) to be expended by the Developer for the costs associated with constructing the improvements set forth in the Project Plan, including architectural, engineering, and any other costs directly related to completion of the Project that are expected to contribute to increases in the Assessed Value of the Developer Property.

SECTION 2. INTERPRETATION, TERMS, AND RECITALS.

2.1 Interpretation.

(a) The terms “herein,” “hereto,” “hereunder,” and all terms of similar import shall be deemed to refer to this Agreement as a whole rather than to any Article of, Section of, or Exhibit to this Agreement.

(b) Unless otherwise specified, references in this Agreement to (i) “Section” or “Article” shall be deemed to refer to the Section or Article of this Agreement bearing the number so specified, (ii) “Exhibit” shall be deemed to refer to the Exhibit of this Agreement bearing the letter or number so specified, and (iii) references to this “Agreement” shall mean this Agreement and any exhibits and attachments hereto.

(c) Captions used for or in Sections, Articles, and Exhibits of this Agreement are for convenience of reference only and shall not affect the construction of this Agreement.

(d) The terms “include,” “including,” and “such as” shall each be construed as if followed by the phrase “without being limited to.”

2.2 Recitals. The Recitals set forth above are incorporated into and are a part of this Agreement for all purposes.

SECTION 3. ACCESS.

3.1 Grant of Easement. The Developer will grant to the Commission a temporary, non-exclusive easement on, in, over, under and across any part(s) of the Developer Property (the “Easement”) in the form attached hereto as **Exhibit D**, to permit the Commission to fulfill its obligations under this Agreement, including the construction, equipping, inspection, and delivery of the Local Public Improvements. The Easement shall (a) inure to the benefit of the Commission and the Board of Works or any contractors acting on behalf of the Commission in connection with the construction, equipping, inspection, and delivery of the Local Public Improvements; (b) shall bind the Developer and its grantees, successors, and assigns; and (c) shall terminate no later than upon completion of the Local Public Improvements, as determined by the Board of Works.

SECTION 4. DEVELOPER’S OBLIGATIONS.

4.1 Generally. The Parties acknowledge and agree that the Commission’s agreements to perform and abide by the covenants and obligations set forth in this Agreement are material consideration for the Developer’s commitment to perform and abide by the covenants and obligations of the Developer contained in this Agreement and the Purchase Agreement.

4.2 The Project.

(a) The Developer will perform all necessary work to complete the improvements set forth in the Project Plan attached hereto as **Exhibit B** and the plans and specifications to be approved by the Executive Director of the Department of Community Investment, or their designee, pursuant to Section 4.7 (“Submission of Plans and Specifications for Project”) of this Agreement, which improvements shall comply with all zoning and land use laws and ordinances. Developer will commence construction within ten (10) months after the Closing Date as specified in the Purchase Agreement (“Construction Commencement Date”).

(b) The Developer will expend the Private Investment to complete the Project in accordance with the Project Plan attached hereto as **Exhibit B** and the plans and specifications to be approved by the Commission pursuant to Section 4.7 (“Submission of Plans and Specifications for Project”) of this Agreement.

4.3 Cooperation. The Developer agrees to endorse and support the Commission’s efforts to expedite the Local Public Improvements through any required planning, design, public bidding, construction, inspection, waiver, permitting, and related regulatory processes. Additionally Developer will permit the City to perform reviews and monitor the progress of the the Project.

4.4 Obtain Necessary Easements. The Developer agrees to obtain any and all easements from any governmental entity and/or any other third parties that the Developer or the Commission deems necessary or advisable in order to complete the Local Public Improvements, and the obtaining of such easements is a condition precedent to the Commission’s obligations under this Agreement.

4.5 Timeframe for Completion. The Developer hereby agrees to complete the Project as set forth in the Project Plan and any other obligations the Developer may have under this Agreement by the completion date established in the Purchase Agreement, namely thirty (30) months after the Construction Commencement Date (the “Mandatory Project Completion Date”). The timeframe for completion may be modified by mutual agreement between the Developer and the Commission due to unforeseen circumstances and delays. The Developer further agrees the total Project will be completed in accordance with the Project Plan attached hereto as **Exhibit B.**

Notwithstanding any provision of this Agreement to the contrary, the Developer’s failure to complete the Project or any other obligations the Developer may have under this Agreement by the Mandatory Project Completion Date will constitute a default under this Agreement without any requirement of notice of or an opportunity to cure such failure.

4.6 Reporting Obligations.

(a) Upon the letting of contracts for substantial portions of the Project and again upon substantial completion of the Project, the Developer hereby agrees to report to the Commission the number of local contractors and local laborers involved in the Project, the amount of bid awards for each contract related to the Project, and information regarding which contractor is awarded each contract with respect to the Project.

(b) On or before June 30 and December 31 of each year until substantial completion of the Project, the Developer shall submit to the Commission a report, in the format set forth as **Exhibit E,** demonstrating the Developer’s good-faith compliance with the terms of this Agreement. The report shall include the following information and documents: (i) a status report of the construction completed to date, (ii) an update on the project schedule, (iii) an itemized accounting generally identifying the Private Investment to date, and (iv) a status report of the number of jobs created for employment at the Developer Property.

4.7 Submission of Plans and Specifications for Project. Promptly upon completion of all plans and specifications for the Project, or changes thereto, and prior to the Commission’s expenditure of the Funding Amount, the Developer shall deliver a complete set thereof to the City’s Executive Director of the Department of Community Investment, or their designee, who may approve or disapprove said plans and specifications for the Project in their sole discretion as being compliant with applicable City Neighborhood or area plans, and may request revisions or amendments to be made to the same.

4.8 Costs and Expenses of Construction of Project. The Developer hereby agrees to pay, or cause to be paid, all costs and expenses of planning, construction, management, and all other activities or purposes associated with the Project (including legal, architectural, and engineering fees), exclusive of the Local Public Improvements, which shall be paid for by the Commission by and through the Funding Amount subject to the terms of this Agreement.

4.9 Specifications for Local Public Improvements. The Developer will be responsible for the preparation of all bid specifications related to the Local Public Improvements, and the Developer will pay all costs and expenses of such preparation, provided, however, that if the

Commission pays any costs or expenses of such preparation, then the amount paid by the Commission will be deducted from the Funding Amount. The Developer will submit all bid specifications related to the Local Public Improvements to the City of South Bend Engineering Department (the "Engineering Department"). The Engineering Department may approve or disapprove said bid specifications for the Project in its sole discretion and may request revisions or amendments to be made to the same. Approval or Disapproval of Plans and Specifications by the Executive Director or designee is solely for the purpose of determining consistency with applicable City neighborhood, area, or redevelopment plans. Such approval or disapproval shall not be deemed or relied upon as a determination of the feasibility, constructability, safety, or compliance of the Project with engineering standards, building codes, or industry best practices. Developer remains solely responsible for the accuracy, adequacy, and completeness of the plans and specifications and for compliance with all applicable laws, regulations, codes, and industry standards. The Commission shall not be required to expend the Funding Amount unless the Engineering Department, and any other relevant authority, has approved all bid specifications.

4.10 Non-Interference. Developer hereby agrees to use commercially reasonable efforts to minimize disruption for those living and working near the Developer Property during construction of the Project.

4.11 Insurance. The Developer shall purchase and maintain comprehensive insurance coverage as is appropriate for the work being performed with respect to the Project. The Developer shall provide proof of such adequate insurance to the Commission and shall notify the Commission and the City of any change in or termination of such insurance. During the period of construction or provision of services regarding any Local Public Improvements, the Developer shall maintain insurance in the kinds and for at least the minimum amounts as described in **Exhibit F** attached hereto and the Commission and the City shall be named as additional insureds on such policies (but not on any worker's compensation policies).

4.12 Information. The Developer agrees to provide any and all due diligence items with respect to the Project reasonably requested by the Commission.

SECTION 5. COMMISSION'S OBLIGATIONS.

5.1 Generally. The Parties acknowledge and agree that the Developer's agreement to perform and abide by the covenants and obligations set forth in this Agreement is material consideration for the Commission's commitment to perform and abide by the covenants and obligations of the Commission contained in this Agreement. The Commission acknowledges that its obligations to complete the Local Public Improvements directly impact the Project Plan and agrees to perform such obligations in a good and workmanlike manner, in accordance with applicable laws, regulations, and the terms of this Agreement..

5.2 Completion of Local Public Improvements.

(a) The Commission hereby agrees to complete (or cause to be completed) the Local Public Improvements described in **Exhibit C** attached hereto on a schedule to be reasonably determined and agreed to by the Commission and the Developer, as may be modified due to unforeseen circumstances and delays. In the event that the Purchase

Agreement is terminated, and the transfer of property contemplated therein does not occur, this Development Agreement shall become null and void, and the Commission shall have no obligation to complete or cause to be completed the Local Public Improvements or expend the Funding Amount.

(b) Before any work on the Local Public Improvements will commence, (a) the Commission will have received satisfactory plans and specifications for the Project and responded in accordance with Section 4.7 (“Submission of Plans and Specifications for Project”) of this Agreement, and (b) the Engineering Department will have received satisfactory bid specifications for the Local Public Improvements and approved the same in accordance with Section 4.9 (“Specifications for Local Public Improvements”) of this Agreement.

(c) The Commission shall be responsible for selecting the contractor to perform the Local Public Improvements but prior to any selection the Developer shall have the right to review and approve the scope and amount of any contract entered into in connection with construction of the Local Public Improvements.

(d) The Local Public Improvements will be completed in accordance with all applicable public bidding and contracting laws and will be subject to inspection by the Engineering Department or its designee.

(e) Notwithstanding anything contained herein to the contrary, in the event the costs associated with the Local Public Improvements are in excess of the Funding Amount, Developer, at its sole option, may determine to pay to the Commission the amount of the excess costs to permit timely completion of the Local Public Improvements by the Commission, or an agent of the Commission, which amounts shall be applied for such purpose. If Developer chooses not to pay any such excess costs of the Local Public Improvements (above the Funding Amount), the Commission may reduce the scope of the Local Public Improvements to the amount which may be funded with the Funding Amount. In no event will the Commission be required to spend more than the Funding Amount in connection with the Local Public Improvements.

5.3 Cooperation. The Commission agrees to endorse and support the Developer’s efforts to expedite the Project through any required planning, design, permitting, waiver, and related regulatory processes, provided, however, that the Commission will not be required to expend any money in connection therewith.

5.4 Public Announcements, Press Releases, and Marketing Materials. The Commission hereby agrees to coordinate all public announcements and press releases relating to the Project with the Developer.

5.5 Transfer and Assignment Contracts. The Commission shall ensure that all agreements and contracts in connection with the Local Public Improvements (the “Contracts”) may be transferred and assigned to Developer or its affiliates. Following the completion of the Local Public Improvements, the Commission shall take all such actions that may be necessary or appropriate to transfer and assign such Contracts.

5.6 Liens. The Commission shall promptly and timely pay all subcontractors, sub-subcontractors, laborers, material suppliers, and other persons or entities furnishing labor, materials, or services in connection with the Local Public Improvements. The Commission shall ensure that the Work is performed and completed free and clear of any mechanics', materialmen's, or other liens, claims, stop notices, or encumbrances arising out of or relating to payments for the Local Public Improvements. If any lien, claim, or encumbrance is filed or asserted against Owner's property arising out of or relating to the Local Public Improvements, the Commission shall, at its sole cost and expense, within ten (10) days after written notice from Developer (or sooner if required by law), cause such lien or claim to be released, discharged, or bonded off in a manner reasonably satisfactory to Owner. The Commission shall indemnify and hold harmless Developer and its affiliates, and their respective officers, directors, members, managers, employees, agents, and representatives, from and against any and all claims, liens, demands, causes of action, damages, losses, liabilities, costs, and expenses (including, without limitation, attorneys' fees and court costs) arising out of or relating to (i) Commission's failure to timely pay subcontractors, suppliers, or other parties furnishing labor or materials for the Local Public Improvements, or (ii) the filing, enforcement, or satisfaction of any mechanics' lien or similar claim relating to payments for the Local Public Improvements.

SECTION 6. COOPERATION IN THE EVENT OF LEGAL CHALLENGE.

6.1 Cooperation. In the event of any administrative, legal, or equitable action or other proceeding instituted by any person not a party to this Agreement challenging the validity of any provision of this Agreement, the Parties shall cooperate in defending such action or proceeding to settlement or final judgment including all appeals. Each Party shall select its own legal counsel; however, Developer shall reimburse the Commission for its reasonable attorneys' fees associated with the Commission's defense of this Agreement against a third-party lawsuit. In no event shall the Commission be required to bear the fees and costs of the Developer's attorneys. The Parties agree that if any other provision of this Agreement, or this Agreement as a whole, is invalidated, rendered null, or set aside by a court of competent jurisdiction, the Parties agree to be bound by the terms of this Section 6.1, which shall survive such invalidation, nullification, or setting aside.

SECTION 7. DEFAULT.

7.1 Default. Any failure by either Party to perform any term or provision of this Agreement, which failure continues uncured for a period of thirty (30) days following written notice of such failure from the other Party, shall constitute a default under this Agreement. Any notice given pursuant to the preceding sentence shall specify the nature of the alleged failure and, where appropriate, the manner in which said failure satisfactorily may be cured. Upon the occurrence of a default under this Agreement, the non-defaulting Party may (a) terminate this Agreement, or (b) institute legal proceedings at law or in equity (including any action to compel specific performance) seeking remedies for such default. If the default is cured within thirty (30) days after the notice described in this Section 7.1, then no default shall exist and the noticing Party shall take no further action.

7.2 Reimbursement Obligation. In the event that the Developer fails (a) to complete the Project by the Mandatory Project Completion Date, or (b) to expend the full amount of the

Private Investment by the Mandatory Project Completion Date, then the Commission shall be entitled to recover from Developer, as liquidated damages, One Hundred Fifty Percent (150%) of the portion of the Funding Amount expended by the Commission in furtherance of the Local Public Improvements (“Liquidated Damages”). The Parties acknowledge and agree that the actual damages to the Commission, the City, and its citizens in the event of a default by Developer would be difficult or impossible to determine, and the Liquidated Damages set forth above represents the best estimate of the Parties as to the amount of such damages at the time of execution and delivery of this Agreement. If the Developer fails to perform and complete the work within the timeframe fixed for completion, the Liquidated Damages shall be considered not as a penalty, but as agreed upon monetary damages sustained by the Commission, the City, and citizens of South Bend for the Commission’s direct investment into the Project, the negative impact upon the Commission’s ability to develop other projects in South Bend, and expenses of City employees supporting the Project, including, redevelopment staff, engineering staff, legal department staff, and a construction manager on site. In addition to the Liquidated Damages described herein, and not in lieu thereof, the Commission shall retain all rights and remedies available under the Purchase Agreement, including, without limitation, the reversionary interest and the right to re-enter the Property and cause title to revert in the Commission pursuant to Section 7(b)(1)(a) of the Purchase Agreement.

7.3 Force Majeure. Notwithstanding anything to the contrary contained in this Agreement, none of the Parties shall be deemed to be in default where delays in performance or failures to perform are due to, and a necessary outcome of, war, insurrection, strikes or other labor disturbances, walk-outs, riots, floods, earthquakes, fires, casualties, acts of God, acts of terrorism, restrictions imposed or mandated by governmental entities, enactment of conflicting state or federal laws or regulations, new or supplemental environments regulations, contract defaults by third parties, or similar basis for excused performance which is not within the reasonable control of the Party to be excused (each, an event of “Force Majeure”). Upon the request of any of the Parties, a reasonable extension of any date or deadline set forth in this Agreement due to such cause will be granted in writing for a period necessitated by the event of Force Majeure, or longer as may be mutually agreed upon by all the Parties.

SECTION 8. NO AGENCY, JOINT VENTURE, OR PARTNERSHIP; CONFLICT OF INTEREST; INDEMNITY.

8.1 No Agency, Joint Venture or Partnership. The Parties acknowledge and agree that:

- (a) The Project is a private development;
- (b) None of the Commission, the Board of Works, or the Developer has any interest or responsibilities for, or due to, third parties concerning any improvements until such time, and only until such time, that the Commission, the Board of Works, and/or the Developer expressly accepts the same; and
- (c) The Parties hereby renounce the existence of any form of agency relationship, joint venture or partnership between the Commission, the Board of Works, and the Developer and agree that nothing contained herein or in any document executed in

connection herewith shall be construed as creating any such relationship between the Commission, the Board of Works, and the Developer.

8.2 Conflict of Interest; Commission Representatives Not Individually Liable. No member, official, or employee of the Commission or the City may have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official, or employee participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership, or association in which he or she is, directly or indirectly, interested. No member, official, or employee of the Commission or the City shall be personally liable to the Developer, or any successor in interest, in the event of any default or breach by the Commission or for any amount which may become due to the Developer, or its successors and assigns, or on any obligations under the terms of this Agreement. No partner, member, employee, or agent of the Developer or successors of them shall be personally liable to the Commission under this Agreement.

8.3 Indemnity. The Developer agrees to indemnify, defend, and hold harmless the Commission and the City from and against any third-party claims suffered by the Commission or the City resulting from or incurred in connection with the Local Public Improvements or the Project. The Commission shall indemnify and hold harmless Developer and its affiliates, and their respective officers, directors, members, managers, employees, agents, and representatives, solely from and against third-party claims arising out of the Commission's failure to timely make payments due for the Local Public Improvements. The Commission shall have no duty to defend, and nothing in this Section shall be construed to require the Commission to indemnify Developer for claims relating to the design, specifications, construction means or methods, performance, or completion of the Local Public Improvements or the Project, or for any other matters beyond the Commission's payment obligations for the Local Public Improvements, all of which are the responsibility of Developer and its contractors.

SECTION 9. MISCELLANEOUS.

9.1 Severability. If any term or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining terms and provisions of this Agreement shall continue in full force and effect unless amended or modified by mutual consent of the parties.

9.2 Waiver. Neither the failure nor any delay on the part of a Party to exercise any right, remedy, power, or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power, or privilege preclude any other or further exercise of the same or of any right, remedy, power, or privilege with respect to any occurrence be construed as a waiver of any such right, remedy, power, or privilege with respect to any other occurrence. No waiver shall be effective unless it is in writing and is signed by the party asserted to have granted such waiver.

9.3 Other Necessary Acts. Each Party shall execute and deliver to the other Parties all such other further instruments and documents as may be reasonably necessary to accomplish the Project and the Local Public Improvements contemplated by this Agreement and to provide and secure to the other Parties the full and complete enjoyment of its rights and privileges hereunder.

Notwithstanding the foregoing, the Parties understand and agree that certain actions contemplated by this Agreement may be required to be undertaken by persons, agencies, or entities that are not a party to this Agreement, including, but not limited to certain permits, consents, and/or approvals (to the extent they have not yet been obtained and completed), and that any action by such third parties shall require independent approval by the respective person, agency, entity, or governing body thereof.

9.4 Dispute Resolution; Jurisdiction; Waiver of Jury Trial. Any action to enforce the terms or conditions of this Agreement or otherwise concerning a dispute under this Agreement will be commenced in the courts of St. Joseph County, Indiana, unless the Parties mutually agree to an alternative method of dispute resolution. The Parties acknowledge that disputes arising under this Agreement are likely to be complex and they desire to streamline and minimize the cost of resolving such disputes. In any legal proceeding, each Party irrevocably waives the right to trial by jury in any action, counterclaim, dispute, or proceeding based upon, or related to, the subject matter of this Agreement. This waiver applies to all claims against all parties to such actions and proceedings. This waiver is knowingly, intentionally, and voluntarily made by both Parties.

9.5 Attorneys' Fees. In the event the Commission pursues any legal action (including arbitration) to enforce or interpret this Agreement, Developer shall pay Commission's reasonable attorneys' fees and other costs and expenses (including expert witness fees).

9.6 Equal Employment Opportunity. The Developer, for itself and its successors and assigns, agrees that during the construction of the Project:

(a) The Developer will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Developer agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause; and

(b) The Developer will state, in all solicitations or advertisements for employees placed by or on behalf of the Developer, that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

9.7 Counterparts. This Agreement may be executed in separate counterparts, each of which when so executed shall be an original, but all of which together shall constitute one and the same instrument. Any electronically transmitted version of a manually executed original shall be deemed a manually executed original.

9.8 Notices and Demands. Any notice, demand, or other communication required or permitted under the terms of this Agreement may be delivered (a) by hand-delivery (which will be deemed delivered at the time of receipt), (b) by registered or certified mail, return receipt requested (which will be deemed delivered three (3) days after mailing), or (c) by overnight courier service (which will be deemed delivered on the next business day) to each Party's respective addresses and representatives stated below.

Developer: KCG Development LLC
Attn: RJ Pasquesi

9311 N Meridian St. Suite 100
Indianapolis, IN 46260

Email: rpasquesi@kcgcompanies.com

With a copy to: Stefani Thomas, Esq.

26050 Mureau Rd, Suite 200
Calabasas, CA 91302
Email: sthomas@walkerdunlop.com

With a copy to: Thomas Stone, Est.

26050 Mureau Rd, Suite 200
Calabasas, CA 91302
Email: tstone@walkerdunlop.com

Commission: South Bend Redevelopment Commission
215 S. Dr. Martin Luther King Jr Blvd
Suite 500
South Bend, IN 46601
Attn: Executive Director, South Bend Department of
Community Investment

With a copy to: South Bend Legal Department
215 S. Dr. Martin Luther King Jr Blvd
Suite 600
South Bend, IN 46601
Attn: Corporation Counsel

9.9 Governing Law. This Agreement is governed by and construed in accordance with the laws of the State of Indiana.

9.10 Authority. Each undersigned person executing and delivering this Agreement on behalf of a Party represents and certifies that he or she is the duly authorized officer or representative of such Party, that he or she has been fully empowered to execute and deliver this Agreement on behalf of such Party, and that all necessary action to execute and deliver this Agreement has been taken by such Party.

9.11 No Third-Party Beneficiaries. Nothing in this Agreement, express or implied, is intended or shall be construed to confer upon any person, firm, or corporation other than the Parties hereto and their respective successors or assigns, any remedy or claim under or by reason of this Agreement or any term, covenant, or condition hereof, as third-party beneficiaries or otherwise, and all of the terms, covenants, and conditions hereof shall be for the sole and exclusive benefit of the Parties herein.

9.12 Assignment. The Developer's rights under this Agreement shall be personal to the Developer and shall not run with the land. The Developer may not assign its rights or obligations under this Agreement to any non-affiliated third party without obtaining the Commission's prior written consent to such assignment, which the Commission may give or withhold in its sole discretion. In the event the Developer seeks the Commission's consent to any such assignment, the Developer shall provide to the Commission all relevant information concerning the identities of the persons or entities proposed to be involved in and an explanation of the purposes for the proposed assignment(s).

9.13 Further Assurances. The Parties agree that they will each undertake in good faith, as permitted by law, any action and execute and deliver any document reasonably required to carry out the intents and purposes of this Agreement.

9.14 Exhibits. All exhibits described herein and attached hereto are incorporated into this Agreement by reference.

9.15 Entire Agreement. No representation, promise, or inducement not included in this Agreement will be binding upon the Parties hereto. This Agreement cannot be modified except by mutual agreement of the Parties set forth in a written instrument signed by the Parties' authorized representatives.

9.16 Time. Time is of the essence of this Agreement.

Signature Page Follows

IN WITNESS WHEREOF, the Parties hereby execute this Agreement to be effective as of the Effective Date stated above.

SOUTH BEND REDEVELOPMENT
COMMISSION



Troy Warner, President

ATTEST:



Eli Wax, Secretary

KCG DEVELOPMENT, LLC

KCG DEVELOPMENT, LLC
a Florida Limited Liability Company

IN WITNESS WHEREOF, the Parties hereby execute this Agreement to be effective as of the Effective Date stated above.

SOUTH BEND REDEVELOPMENT
COMMISSION

Troy Warner, President

ATTEST:

Eli Wax, Secretary

KCG DEVELOPMENT, LLC

Karla Burck
boxSIGN 1JRK6J7Y-4P2WLK37

KCG DEVELOPMENT, LLC
a Florida Limited Liability Company

EXHIBIT A

Description of Developer Property

Address: 2018 S Main St
Parcel Number: 018-8011-0484
State Parcel: 71-08-13-355-002.000-026
Legal Description: Lot 29 Bowmans Add To Town Myler Now Pt City South Bend

Address: 2020 S Main St
Parcel Number: 018-8011-050001
State Parcel: 71-08-13-355-003.000-026
Legal Description: Lot 26 Thru 28 Bowman Add To Town Of Myler Now Pt Of City Of So Bend

Address: 18 VAC LOT 96X165 MAIN ST
Parcel Number: 018-8011-0500
State Parcel: 71-08-13-355-004.000-026
Legal Description: Lots 24 And 25 Bowman Add To The Town Of Myler

EXHIBIT B

Project Plan

The Developer will complete the following work in accordance with the terms and conditions of this Agreement and in compliance with all applicable laws and regulations:

The Developer will complete the development of an apartment building with fifty (50) affordable housing units in accordance with the Developer's Indiana Housing and Community Development Authority Low Income Housing Tax Credit application.

The Developer will expend a minimum of \$13,000,000 on the project.

The Developer will complete the work contemplated herein in accordance with the terms and conditions of this Agreement and in compliance with all applicable laws and regulations.

The structure will be considered complete upon the issuance of Certificates of Occupancy for the entire building.

EXHIBIT C

Description of Local Public Improvements

As of the date of this Agreement, it is the parties intent that the Commission will complete, or cause to be completed, the following work in accordance with the terms and conditions of this Agreement and in compliance with all applicable laws and regulations:

- Site and foundation preparation and work; and
- Pavement of sidewalks, parking lot, other paved surfaces; and
- Stormwater related expenses including overall drainage systems; and
- Any other local public improvements eligible to be paid from tax increment finance revenues as agreed upon between the Parties.

Upon receipt and approval of the contract amounts relating to the Local Public Improvements, the Parties shall identify contracts, or portions thereof, with an aggregate value equal to the Funding Amount. The Parties may thereafter transfer or assign, in whole or in part, any such contracts necessary to implement the Project Plan to the Developer or its affiliates. It is understood between the Parties that the Commission will contribute an amount not to exceed the Funding Amount specified in Section 1.3 of this Agreement for the Local Public Improvements. The Developer shall have the sole responsibility to fund any and all costs associated with Local Public Improvements which exceeds this amount. Any and all costs associated with improvements not explicitly described above and not approved pursuant to Section 4.9 (“Specifications for Local Public Improvements”) or that require funding above the Funding Amount are the sole responsibility of the Developer.

EXHIBIT D

Form of Easement

GRANT OF TEMPORARY EASEMENT

THIS INDENTURE, made as of the _____ of _____, 2026 (the “Effective Date”), by and between KCG Development, LLC , a Florida Limited Liability Company and/or its permitted assigns with its mailing address at 9311 N Meridian Street, Suite 100, Indianapolis, IN 46260 (the “Grantor”), and the South Bend Redevelopment Commission, governing body of the City of South Bend Department of Redevelopment, 1400S County-City Building, 227 West Jefferson Boulevard, South Bend, Indiana 46601 (the “Grantee”).

WITNESSETH:

For the sum of One Dollar (\$1.00) and other good and valuable consideration, the receipt of which Grantor hereby acknowledges, Grantor hereby grants, conveys, and warrants to Grantee a temporary, non-exclusive easement (the “Easement”) on, in, over, under and across the real property described in attached Exhibit 1 (the “Property”) for the construction, equipping, and delivery of certain improvements on the Property (the “Local Public Improvements”), together with the right of ingress to and egress from the Easement for said purposes, all pursuant to a certain Development Agreement by and between Grantor and Grantee, dated _____, 2026 (the “Development Agreement”). Capitalized terms not otherwise defined herein shall have the meanings set forth in the Development Agreement.

The Easement granted herein shall pertain to the air, surface, and subsurface rights and interests of Grantor, for the use and benefit of Grantee, and its successors and assigns, to the extent necessary to accomplish and carry out the construction, equipping, and delivery of the Local Improvements on the Property. The Easement hereby granted includes the right and privilege for Grantee at reasonable times to clean and remove from said Easement any debris or obstructions interfering with said Easement.

The Easement granted herein, and its associated benefits and obligations, shall inure to the benefit of Grantee and Grantee’s contractors acting on Grantee’s behalf in connection with the Local Public Improvements.

Notwithstanding anything contained herein to the contrary, unless extended in writing by Grantor, the Easement shall terminate and be of no further force and effect on the date (hereinafter, the “Construction Termination Date”) of the earliest of the following: (a) completion of the Local Public Improvements (b) such earlier date as Grantor and Grantee may agree to in writing.

EXHIBIT 1

Description of Property

Address: 2018 S Main St

Parcel Number: 018-8011-0484

State Parcel: 71-08-13-355-002.000-026

Legal Description: Lot 29 Bowmans Add To Town Myler Now Pt City South Bend

Address: 2020 S Main St

Parcel Number: 018-8011-050001

State Parcel: 71-08-13-355-003.000-026

Legal Description: Lot 26 Thru 28 Bowman Add To Town Of Myler Now Pt Of City Of So Bend

Address: 18 VAC LOT 96X165 MAIN ST

Parcel Number: 018-8011-0500

State Parcel: 71-08-13-355-004.000-026

Legal Description: Lots 24 And 25 Bowman Add To The Town Of Myler

EXHIBIT E

Form of Report to Commission

City of South Bend
Department of Community Investment

Development Agreement Review

Answer the below questions and return to the Department of Community Investment.

Project Information

Project Name: _____

Address: _____

Construction Completed to Date:

Project Schedule Update:

Itemized Accounting of Private Investment to Date:

Number of Jobs Created:

Name: _____

Address: _____

Position: _____

Email: _____

Signature: _____ Date: _____

EXHIBIT F

Minimum Insurance Amounts

- A. Worker's Compensation
 - 1. State Statutory
 - 2. Applicable Federal Statutory
 - 3. Employer's Liability \$100,000.00

- B. Comprehensive General Liability
 - a. \$5,000,000.00 Each Occurrence
 - b. \$5,000,000.00 Annual Aggregate Products and Completed Operation

 - 2. Property Damage
 - a. \$5,000,000.00 Each Occurrence
 - b. \$5,000,000.00 Annual Aggregate

- C. Comprehensive Automobile Liability
 - 1. Bodily Injury
 - a. \$500,000.00 Each Person
 - b. \$500,000.00 Each Accident

 - 2. Property Damage
 - a. \$500,000.00 Each Occurrence