



Redevelopment Budget Presentation October 8, 2014



PRESENTATION OUTLINE

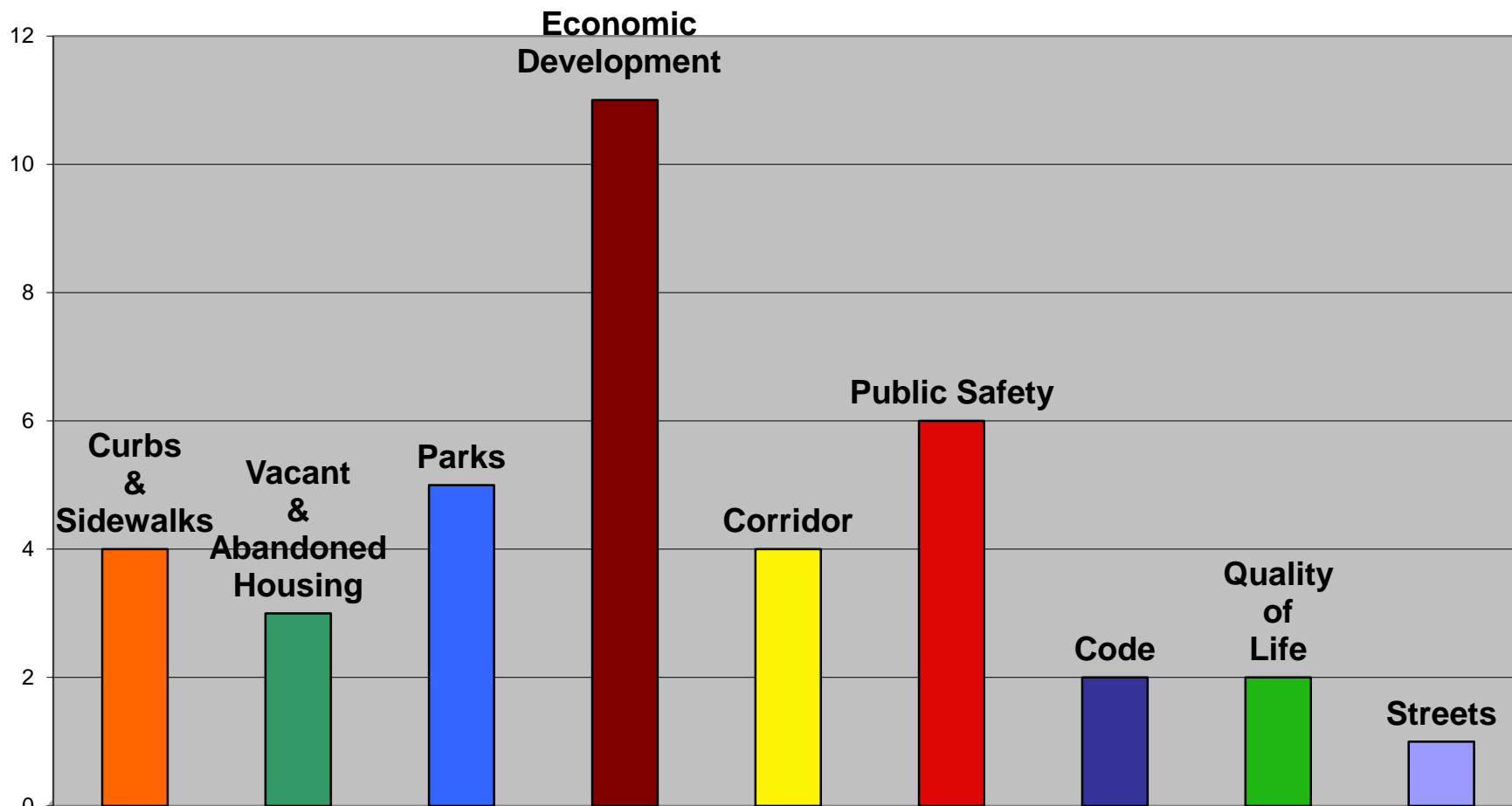
- Council Priorities
- Mission
- 2014 Accomplishments
- Proposed Realignment
- Historic Expenditures
- Revenue Projections
- TIF Areas – 2015 Activities
- Importance of Economic Development





COUNCIL PRIORITIES

Common Council Tally of Priorities





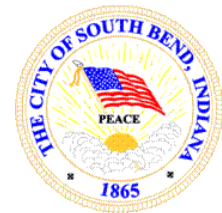
DCI - MISSION

To spur investment in a stronger South Bend.

We do this by:

- Attracting & retaining growing businesses
- Connecting residents to economic opportunities
- Planning for vibrant neighborhoods





2014 ACCOMPLISHMENTS


1. Attracting & Retaining growing businesses

- 19 major economic development projects
- \$173 million in private investment
- Leverage of \$7 private for every \$1 public
- 3 major announcements at SBN Int'l
- New assessed value to our community of approximately \$146 million
- New tax revenues of \$5 million per year phased in over next 6-8 years

ECONOMIC SCORECARD

These are some of the recent job announcements


Lippert Components



Elkhart RV supplier announced in April it will lease warehouse at Olive and Sample streets in South Bend. About 180 will work there by end of this year with another 200 to be added by 2024.

SOUTH BEND

Nello Corp.



South Bend company makes steel towers, announced plan earlier this month to build new plant on southwest side and employ up to 639 people here.

SOUTH BEND



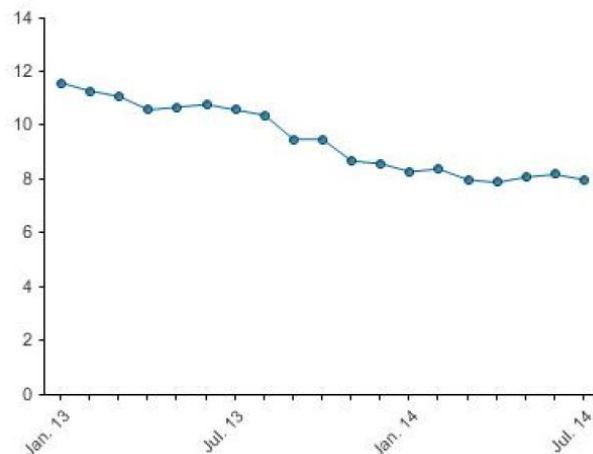


2014 ACCOMPLISHMENTS

2. Connecting Residents to Economic Opportunities

- 372 jobs projected to come online this year from DCI assisted projects
- 1287 announced jobs from new projects assisted by DCI
- 17 S.B. SMART graduates
 - 19/22 employed

Unemployment Rate: City of South Bend Jan 13-Present



Source: Indiana Bureau of Workforce Development / www.hoosierdata.in.gov



SMART students in the classroom



2014 ACCOMPLISHMENTS

3. Planning for Vibrant Neighborhoods:

- Ignition Park Development
- Urban Residential Development
- Vacant & Abandoned Housing Initiative
- Smart Streets Implementation
- Corridors Plan:
2014 West Side Mainstreets Revitalization Plan





IGNITION PARK

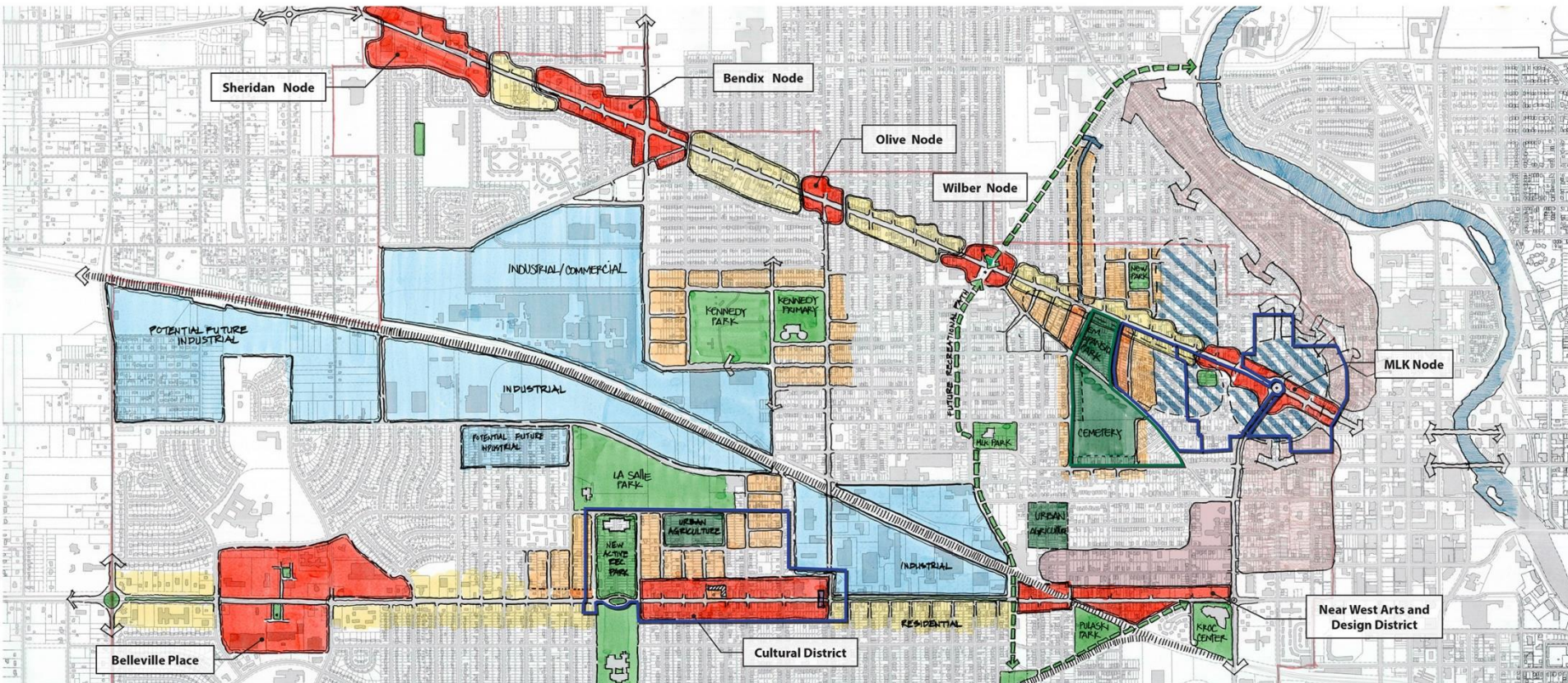
Multi-Tenant Campus



WEST SIDE MAINSTREETS REVITALIZATION PLAN



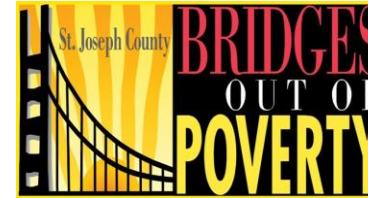
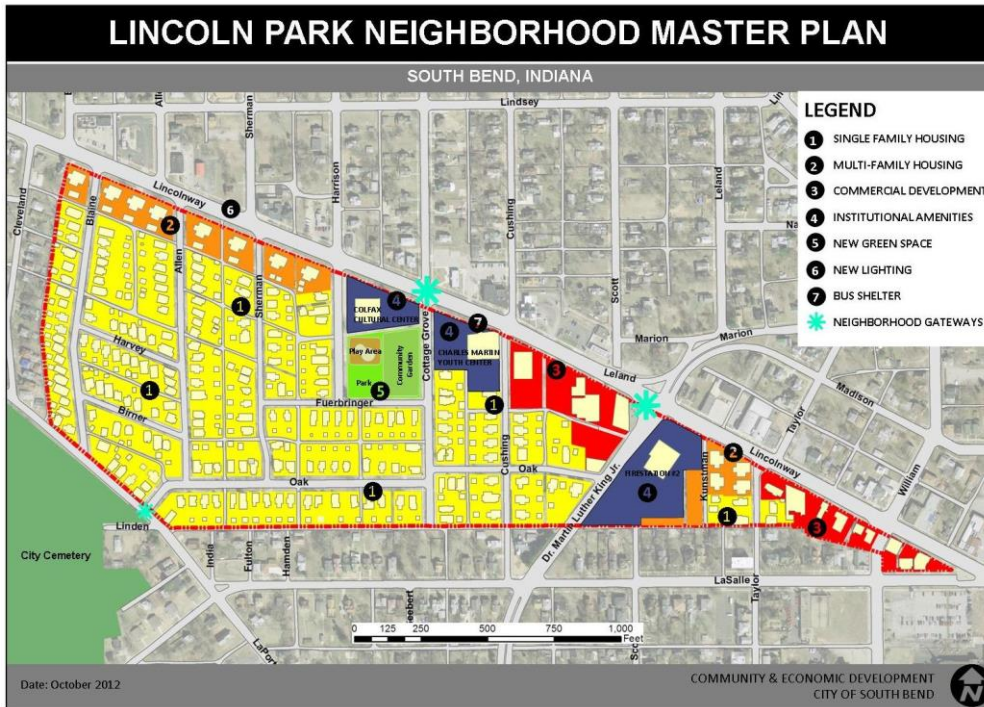
West Side Neighborhood Plan



* Boundaries Illustrated are Preliminary/Approximate and are Subject to Change



WEST SIDE MAINSTREETS REVITALIZATION PLAN



WEST SIDE MAINSTREETS REVITALIZATION PLAN



Lincolnway West Pilot Projects



Western Avenue Pilot Projects



| West Side Main Streets Plan | July | Aug | Sept | Oct | Nov | Dec |
|--|-------------|-------------|-------------|------------|------------|------------|
| Advisory Committee Feedback | X | | | | | |
| Torti Gallas Completes Plan | X | X | X | | | |
| Plan Complete | | | X | | | |
| Governance & Funding | | | | | | |
| 2015 City Budgets Developed | X | X | X | X | | |
| TIF Area Reorganization | X | X | X | X | | |
| Plan Adoption (APC, Redev Comm, Council) | | | X | X | X | |
| Development of Zoning Revisions | | | X | X | X | X |
| Actions/Projects | | | | | | |
| Lincolnway Travel Lanes Reconfiguration / Trees | X Survey | X Design | X Design | X Bid | | |
| Seek properties through County Commissioners (Certificate Sale) | X | | | | | |
| Award of Housing Tax Credits: South Bend Mutual Homes | | X | | | | |
| Western Avenue Better Block Project | | | | X | | |

WEST SIDE MAINSTREETS ACTIVITIES

Corridor Activities w/ TIF Expansion

Reconfiguration of Western Avenue travel lanes, with addition of on-street parking, street trees, etc. (\$1.4M)

Curb, sidewalk and lighting improvements along LWW and Western

Infrastructure improvements to intersections of Western & Olive, LWW & MLK

Infrastructure support (streets, curbs, sidewalks, water/sewer connections) for housing revitalization activities in neighborhoods

Bus shelters

Creation of West Side Greenway multipurpose trail

Business assistance programs/partnerships

Façade matching grants

Support for industrial expansion along Norfolk Southern tracks, Sample Street, Airport entrance

Arts & Design District along Western

Property acquisition for potential housing redevelopment projects, commercial development, City Cemetery northern expansion, expansion of LaSalle Park, public spaces, and urban agriculture

Ambassador Program



TIF REALIGNMENT GOALS

- Fiscal Stewardship
- Economic Development
 - Creation of 2200 jobs over 5 years
 - \$475 million of private investment over 5 years
- Neighborhood Revitalization
 - West Side Main Streets “corridors” Plan
 - Smart Streets
 - Parks
 - Curb & Sidewalk
 - Light-Up South Bend

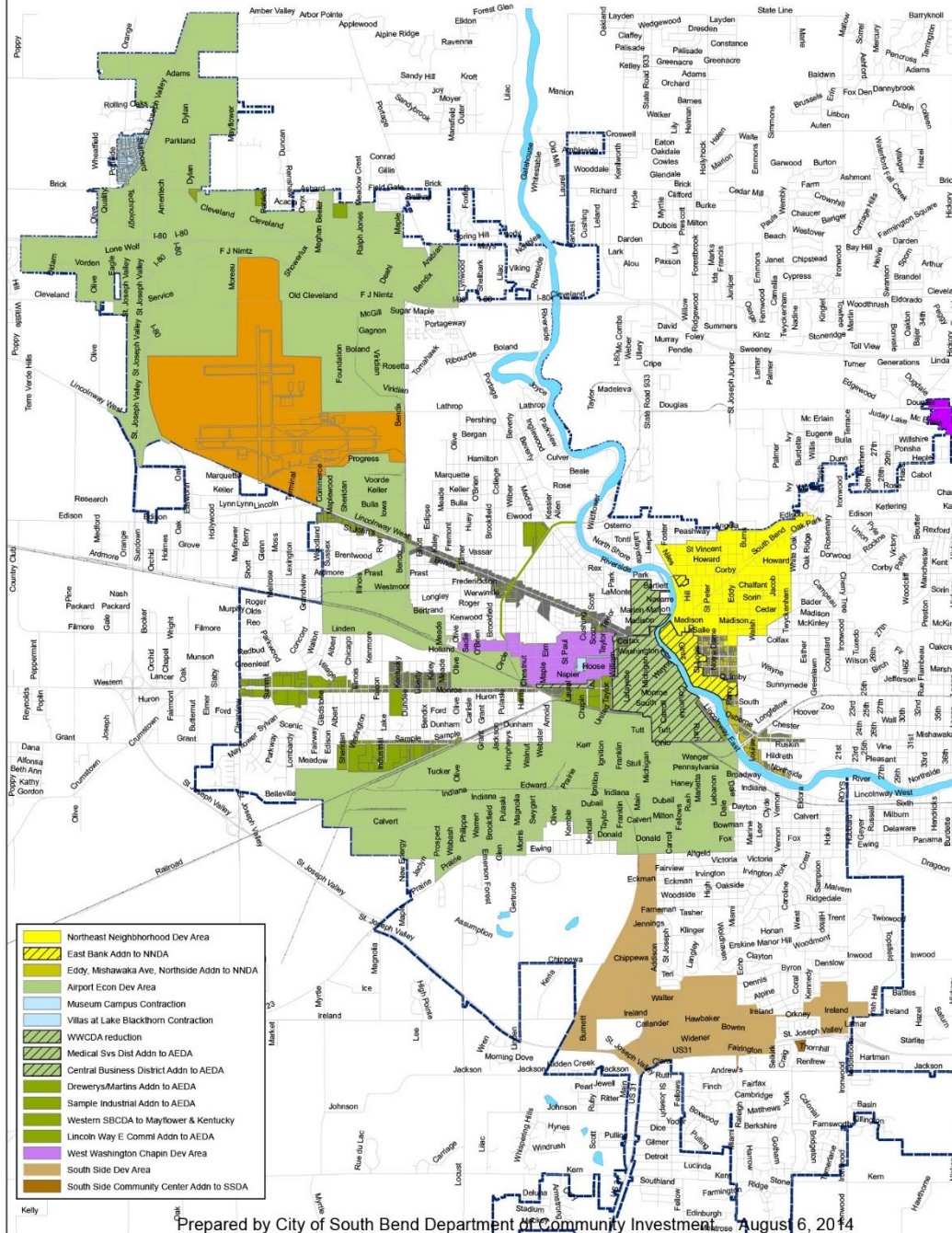
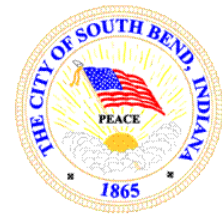




PROPOSED CHANGES

- 665.7 net new acres added to TIF districts
 - 405 acres (61%) : Westside Corridors
 - 142 acres (21%): East Bank, Farmer's Market to IUSB
 - 118 acres (18%): Sample Street Industrial Zone
- Release the \$19M AV from CMDA
 - Reduce tax rate from \$6.0211 to \$5.9823 (\$0.0388)
 - \$80,190 increase local taxing units rate controlled rev.
 - \$311,685 in circuit breaker relief
- River West and River East Development Areas





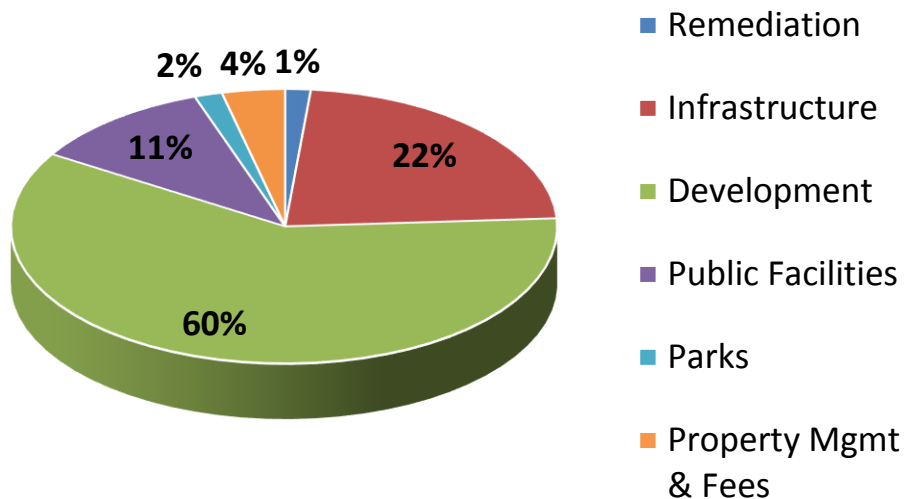
- Northeast Neighborhood Dev Area
- East Bank Addn to NNDA
- Eddy, Mishawaka Ave., Northside Addn to NNDA
- Airport Econ Dev Area
- Museum Campus Contraction
- Villas at Lake Blackthorn Contraction
- WWCA reduction
- Medical Svs Dist Addn to AEDA
- Central Businss District Addn to AEDA
- Drewerys/Martins Addn to AEDA
- Sample Industrial Addn to AEDA
- Western SBCCA to Mayflower & Kentucky
- Lincoln Way E Comm Addn to AEDA
- West Washington Chapin Dev Area
- South Side Dev Area
- South Side Community Center Addn to SSDA



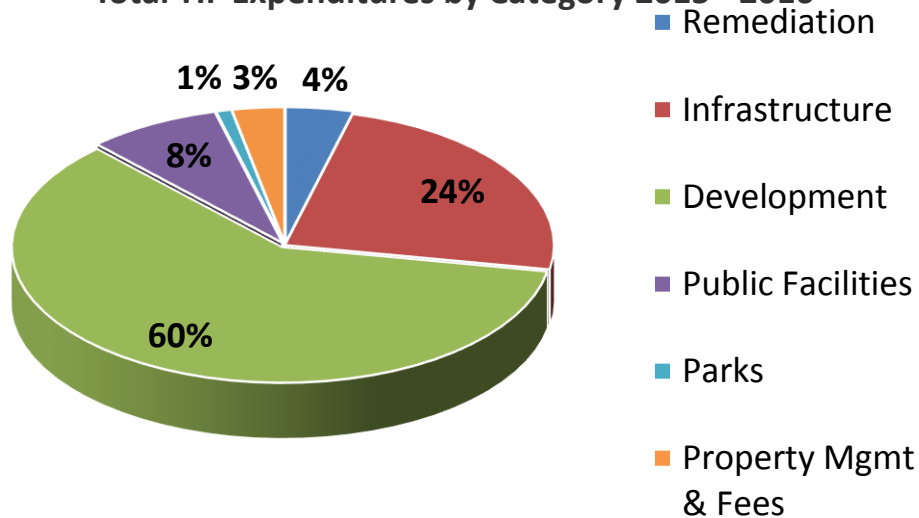
TIF EXPENDITURES:

Type

Total TIF Expenditures by Category 2004 - 2014



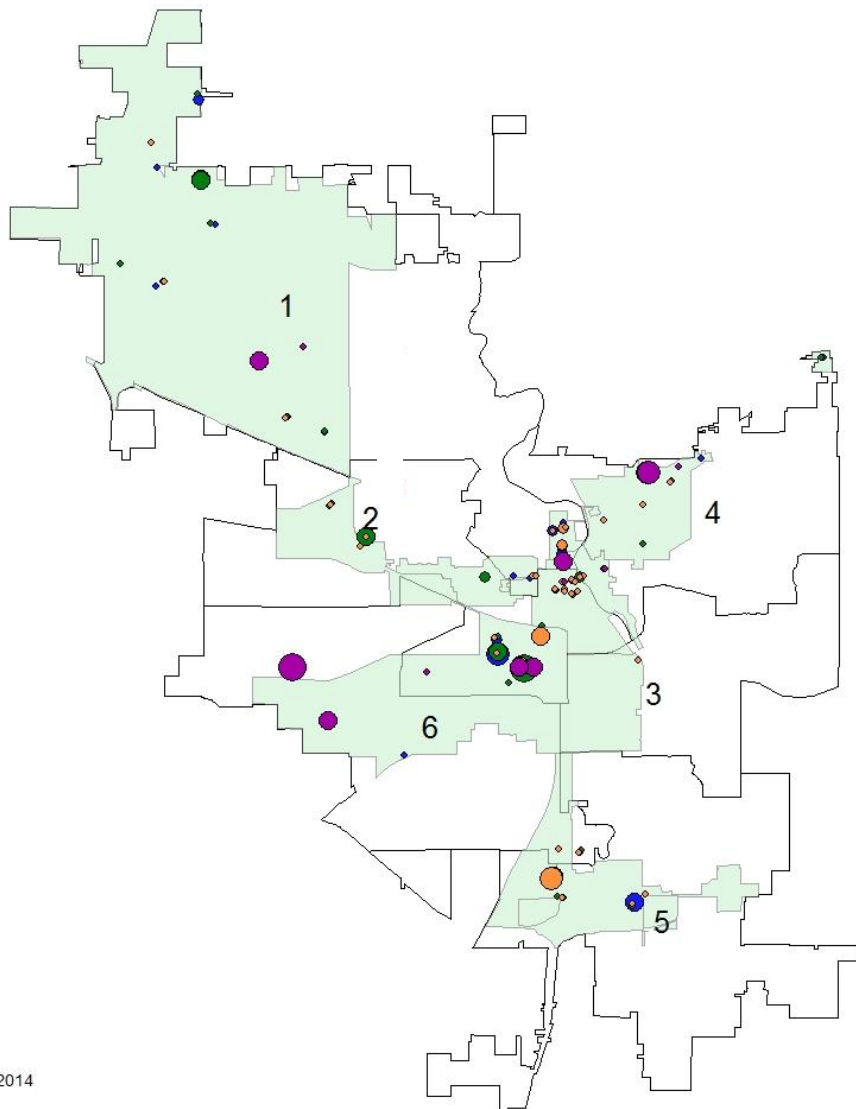
Total TIF Expenditures by Category 2015 - 2016





TIF EXPENDITURES

Geography



Legend

TIF_Spending2014

Cost

- \$12,917.00 - \$500,000.00
- \$500,000.01 - \$1,000,000.00
- \$1,000,000.01 - \$2,500,000.00
- \$2,500,000.01 - \$5,000,000.00
- \$5,000,000.01 - \$10,000,000.00

TIF_Spending2013

Cost

- \$965.00 - \$500,000.00
- \$500,000.01 - \$1,000,000.00
- \$1,000,000.01 - \$2,500,000.00
- \$2,500,000.01 - \$5,000,000.00
- \$5,000,000.01 - \$10,000,000.00

TIF_Spending2012

Cost

- \$855.00 - \$500,000.00
- \$500,000.01 - \$1,000,000.00
- \$1,000,000.01 - \$2,500,000.00
- \$2,500,000.01 - \$5,000,000.00
- \$5,000,000.01 - \$10,000,000.00

TIF_Spending2011

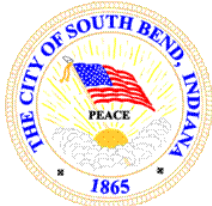
Cost

- \$214.00 - \$500,000.00
- \$500,000.01 - \$1,000,000.00
- \$1,000,000.01 - \$2,500,000.00
- \$2,500,000.01 - \$5,000,000.00
- \$5,000,000.01 - \$10,000,000.00

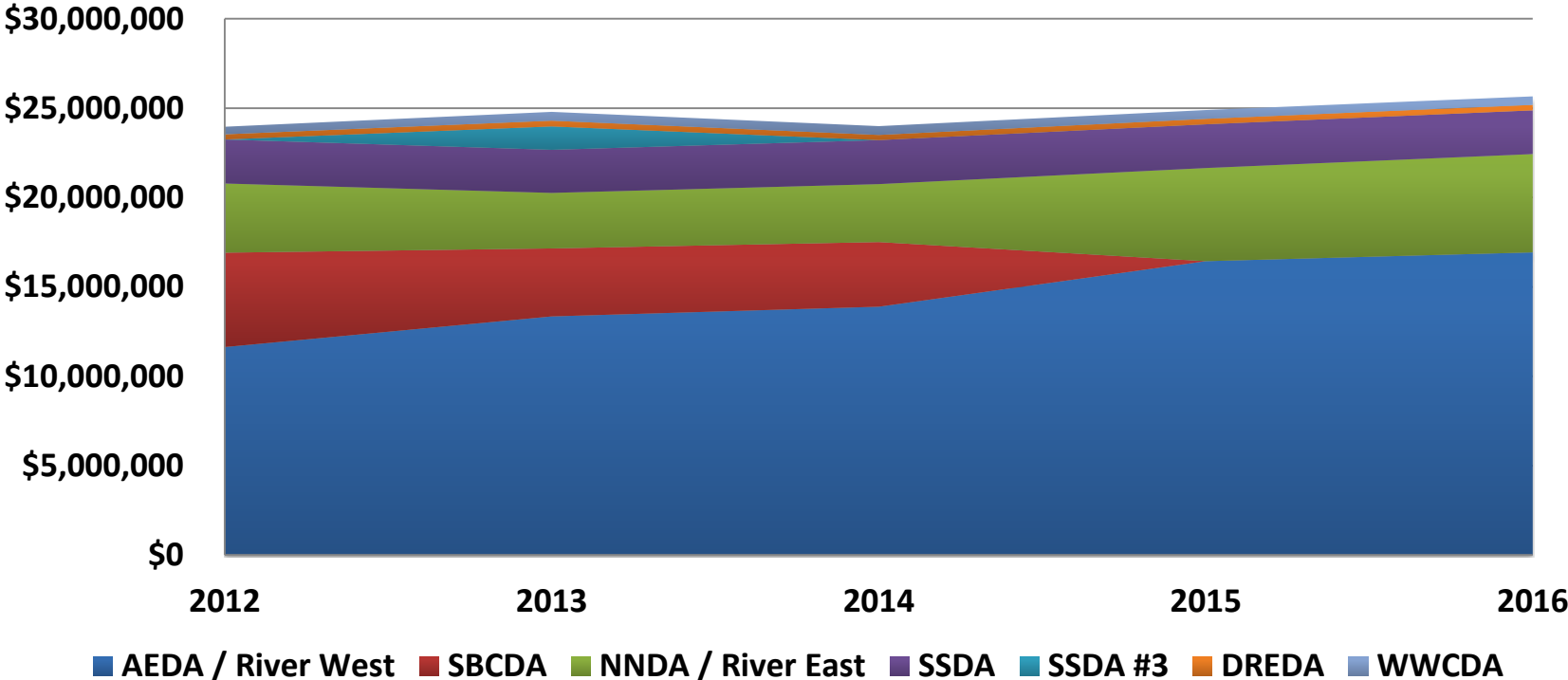
LandRecords.DATA.SB.Districts_2014

TIFDistrict_Export

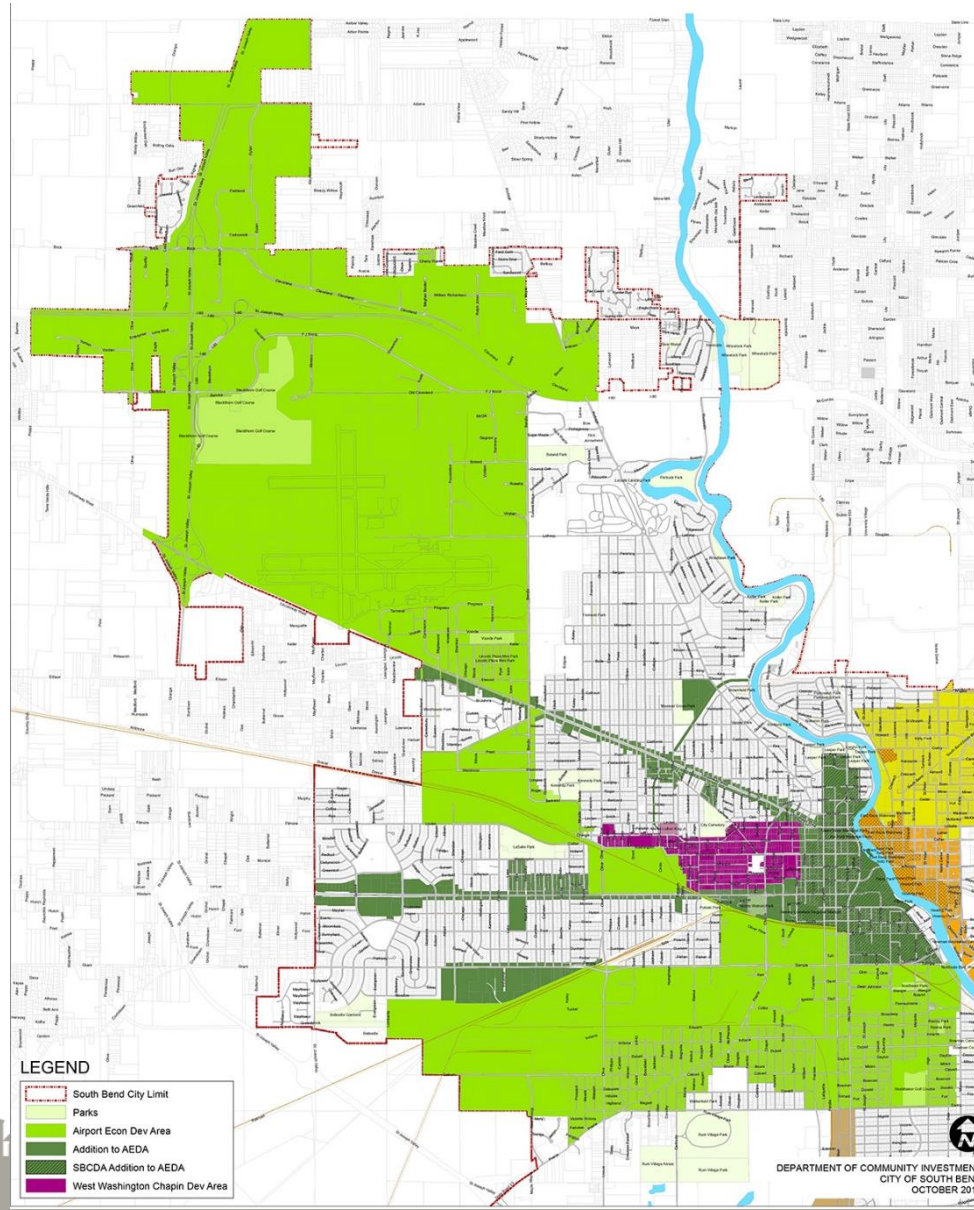
TIF REVENUES

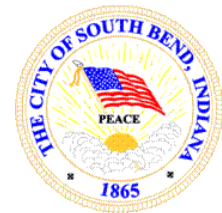


TIF REVENUES



RIVER WEST DEVELOPMENT AREA



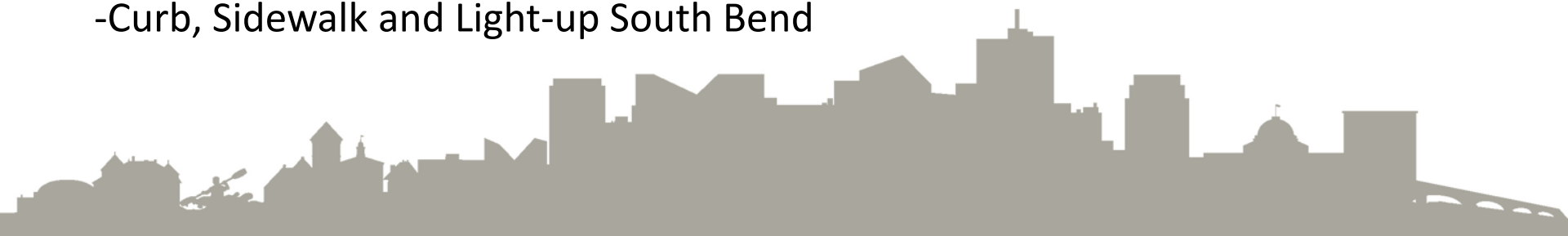


RIVER WEST DEVELOPMENT AREA

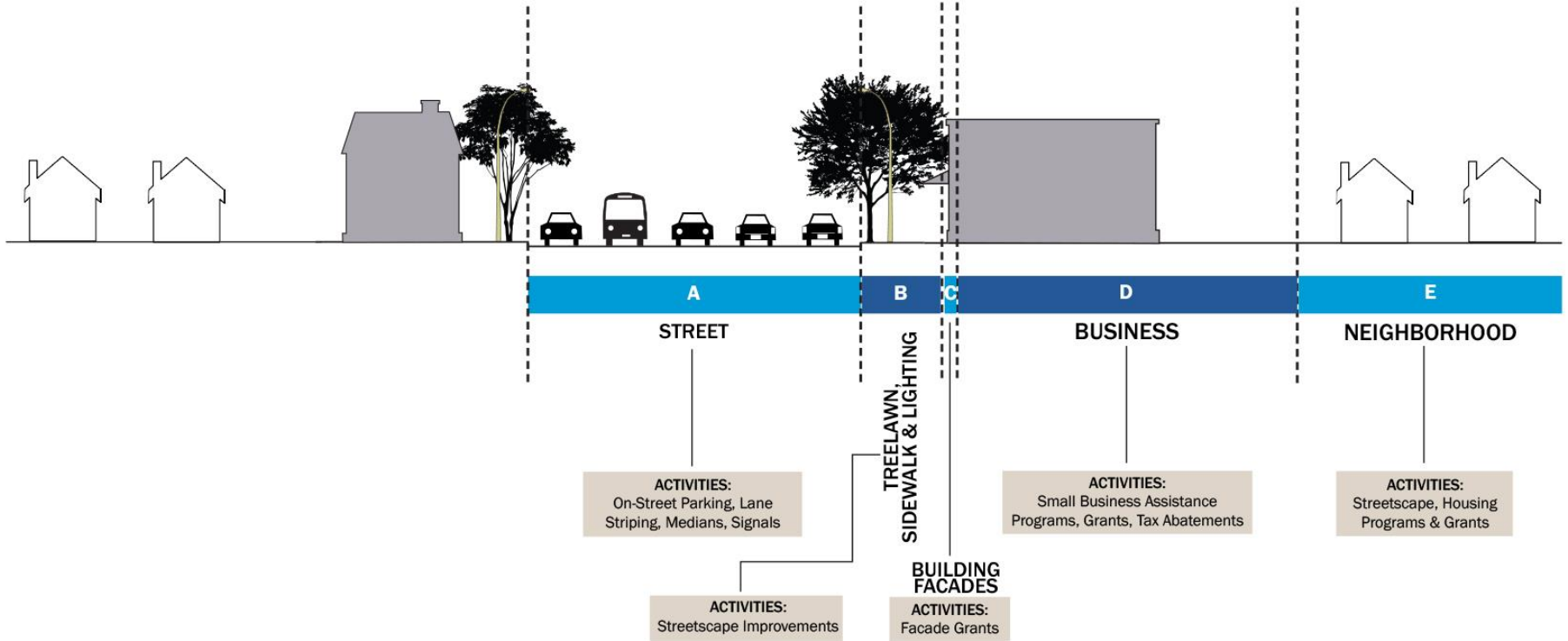
Key Activities:

- 300 announced new jobs
- \$75 million private investment
- West Side Main Streets Revitalization
- Smart Streets Implementation
- Ignition Park – VRP, Phase II Infrastructure, multi-tenant building, ND Turbo Facility
- Hoffman, LaSalle Hotel
- Nello
- Parks
- Curb, Sidewalk and Light-up South Bend

| | 2015 |
|----------------------|--------------|
| Revenues | \$16,433,274 |
| Debt Service | \$7,195,762 |
| Existing Commitments | \$8,691,545 |
| Ant. Expenses | \$4,700,000 |
| Opportunity Reserve | \$49,000 |



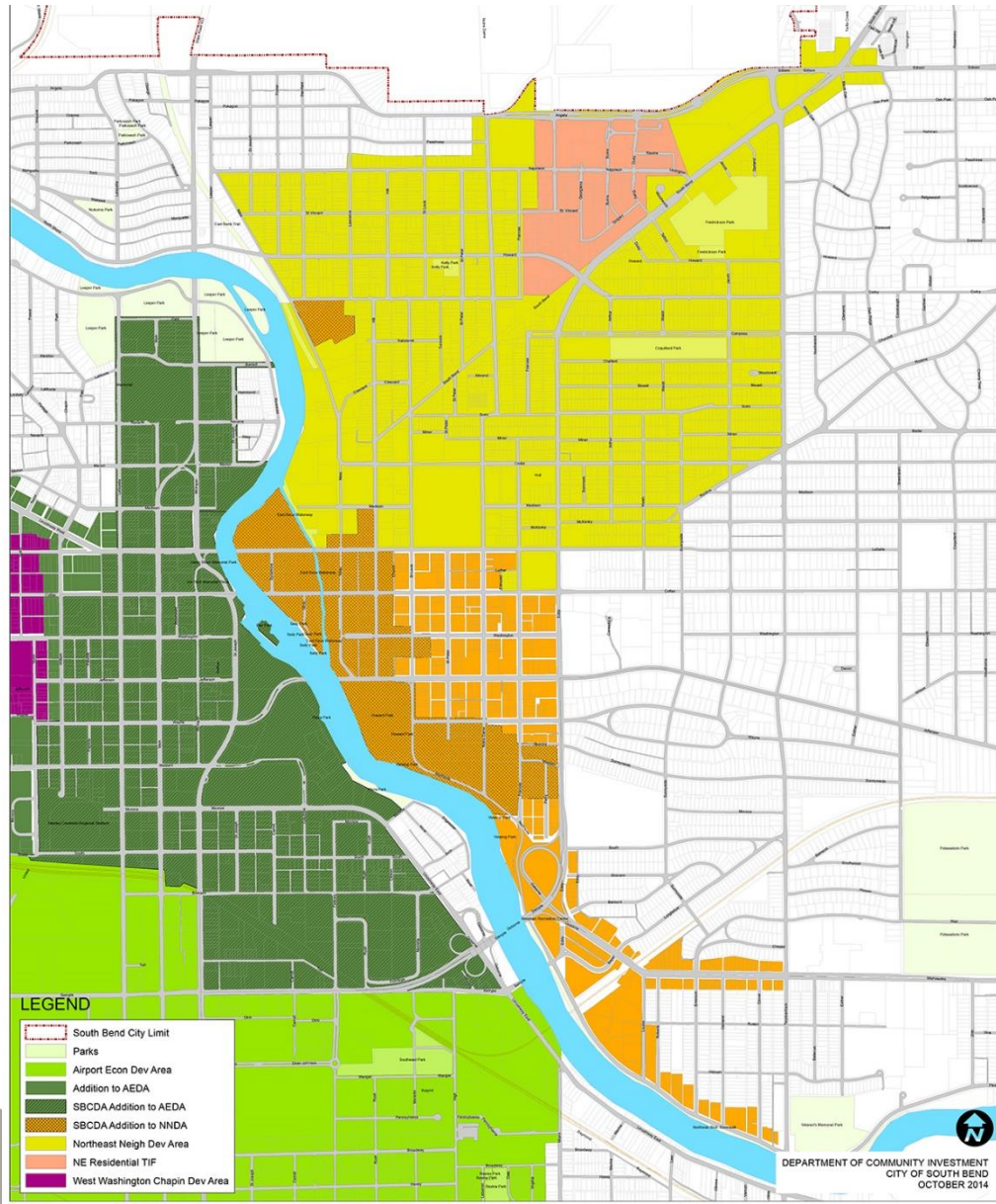
PROCESS & STRATEGY



SOUTH BEND SMART STREETS INITIATIVE



RIVER EAST DEVELOPMENT AREA





RIVER EAST DEVELOPMENT AREA

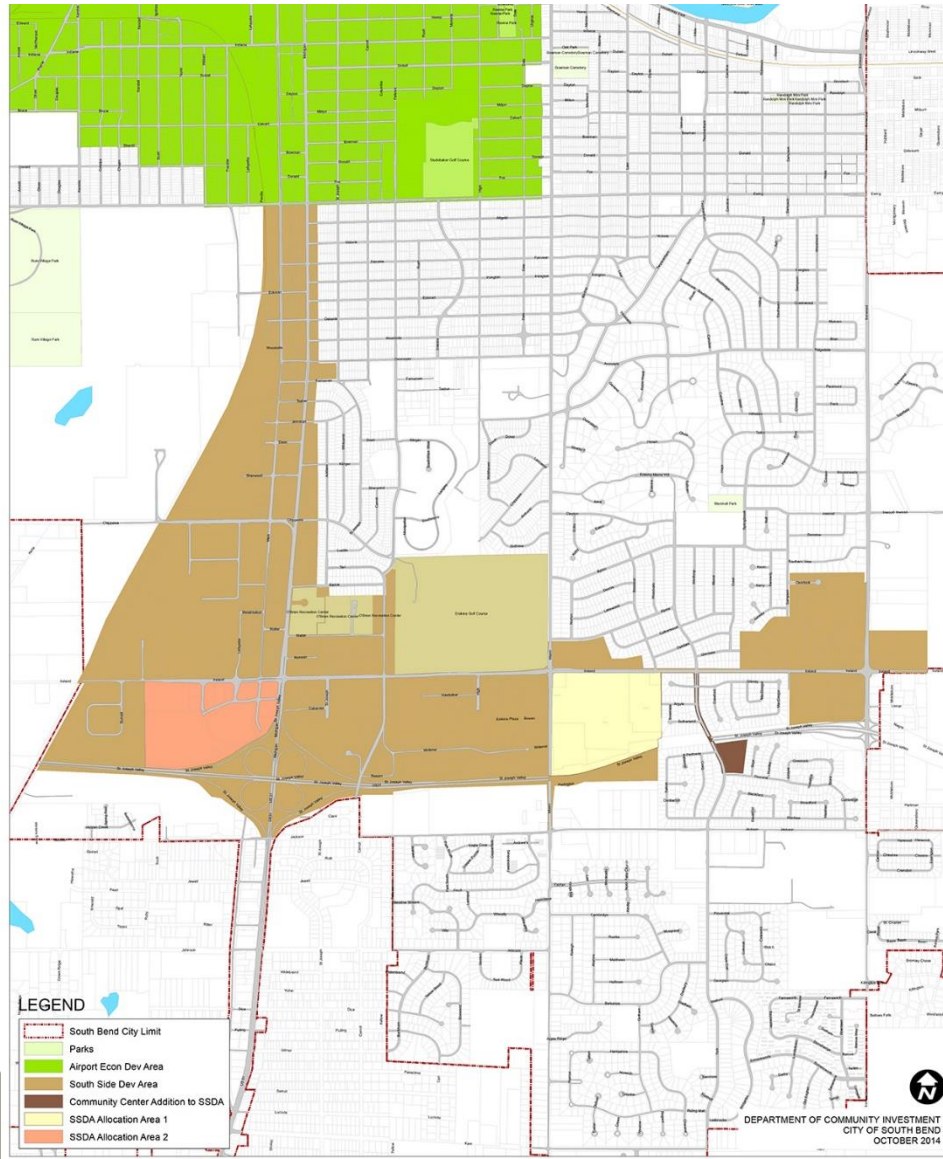
Key Activities:

- CSO / TRANSCO Site Improvements
- Eddy Street Phase II
- Four Points Utility Infrastructure
- Hill Street Improvements
- Eddy Streetscape (Four Points to Sample)
- Parks
- Curb, Sidewalk and Light-up South Bend

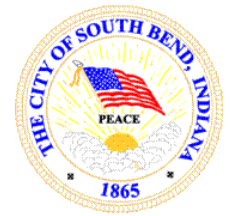
| | 2015 |
|----------------------|-------------|
| Revenues | \$5,218,004 |
| Debt Service | \$3,425,628 |
| Existing Commitments | \$2,100,000 |
| Ant. Expenses | \$500,000 |
| Opportunity Reserve | \$1,936,467 |



SOUTH SIDE DEVELOPMENT AREA



SOUTH SIDE DEVELOPMENT AREA



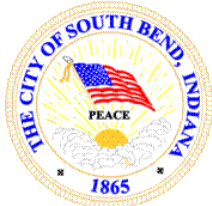
Key Activities:

- Smart Streets / Chippewa Improvements
- Erskine Pond / berm corrections
- Parks
- Curb, Sidewalk and Light-up South Bend

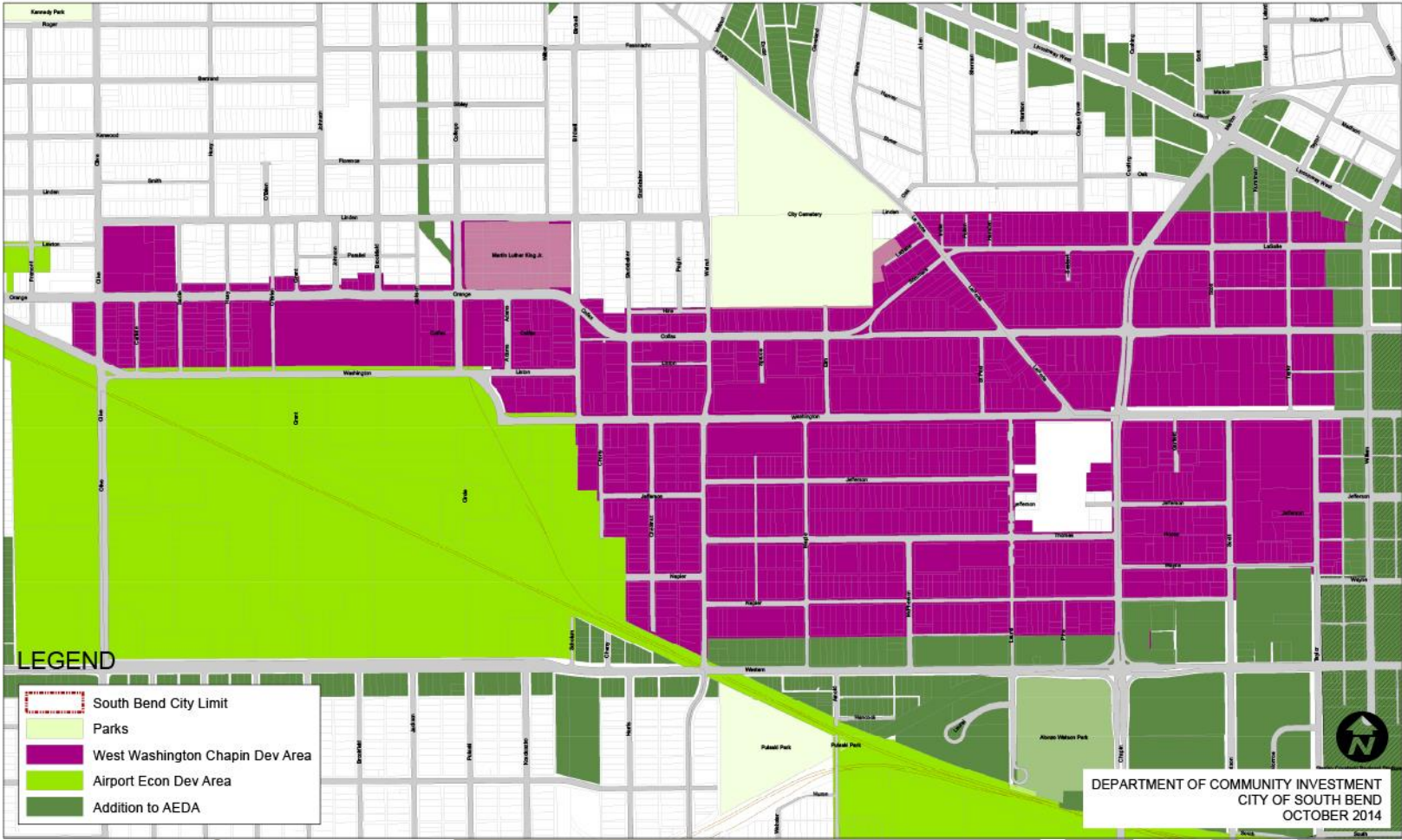
| | 2015 |
|----------------------|-------------|
| Revenues | \$2,450,000 |
| Debt Service | \$0.00 |
| Existing Commitments | \$562,000 |
| Ant. Expenses | \$2,900,000 |
| Opportunity Reserve | \$0 |

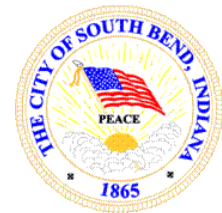


WEST WASHINGTON DEVAREA



WEST WASHINGTON CHAPIN DEVELOPMENT AREA





WEST WASHINGTON DEV AREA

Key Activities:

- City Cemetery Phase I (entrance)
- City Cemetery Phase II (North of Colfax, acquisition, demo)
- Curb, Sidewalk and Light-up South Bend

| | 2015 |
|----------------------|-----------|
| Revenues | \$481,007 |
| Debt Service | \$0.00 |
| Existing Commitments | \$610,000 |
| Ant. Expenses | \$0.00 |
| Opportunity Reserve | \$658,358 |





CASE STUDY: NELLO Corp.

- Private Investment: \$ 48,000,000
- Public Investment: \$ 9,000,000
- Return on Investment: 7.08 years
- 524 jobs (excludes retained jobs)



| REVENUE SOURCE | \$ AMOUNT (10 yrs) |
|-------------------|---------------------|
| Personal Ppty Tax | \$4,165,280 |
| Real Ppty Tax | \$6,461,160 |
| LOIT | \$757,512 |
| Total | \$11,383,952 |

| COMMUNITY IMPACT | \$ AMOUNT (10 yrs) |
|------------------|-----------------------|
| General Fund | \$2,631,888 (PP,LOIT) |
| TIF | \$6,461,160 (RP) |
| Other Tax Units | \$2,290,904 (PP) |
| Total | \$11,383,952 |





CASE STUDY: NOBLE AMERICAS

- Private Investment: \$ 31,715,000
- Public Investment: \$ 1,500,000
- Return on Investment: 2.75 years
 - (Excludes waste water usage)
- 50 jobs



| REVENUE SOURCE | \$ AMOUNT (10 yrs) |
|-------------------|--------------------|
| Personal Ppty Tax | \$3,008,205 |
| Real Ppty Tax | \$542,960 |
| LOIT | \$125,250 |
| Total | \$3,676,315 |

| COMMUNITY IMPACT | \$ AMOUNT (10 yrs) |
|------------------|----------------------------|
| General Fund | \$1,478,942 (PP-Net, LOIT) |
| TIF | \$542,960 (RP) |
| Other Tax Units | \$1,654,413 (PP - Net) |
| Total | \$3,676,315 |





PROCESS / SCHEDULE

| | Jan- August | August | | | | | Sept | | | Oct | | |
|---------------------------------------|----------------|--------|---|---|---|---|------|--|---|-----|---|---|
| Corridor Plan | X | X | X | X | X | | | | | | | |
| RDC Declaratory Resolution | | | | | X | | | | | | | |
| APC Resolution | | | | | | X | | | | | | |
| Presentations to Common Council | | | | | | | | | X | X | | |
| Common Council Vote on APC Resolution | | | | | | | | | | X | | |
| Public Meetings LWW, Western and NNDA | | | | | | | | | | | X | X |
| RDC Confirming Resolution | | | | | | | | | | | | X |





DCI-VISION: Vibrant urbanism is economic development

Dull, inert cities, it is true, do contain the seeds of their own destruction and little else.

But lively, diverse, intense cities contain the seeds of their own regeneration, with energy enough to carry over for problems and needs outside themselves.

Jane Jacobs

Death & Life of American Cities



Thank you for your support and partnership to improve the quality of life in South Bend.

