



Department of
Community Investment

Memorandum

Monday, January 12, 2015

TO: Redevelopment Commission
FROM: Brock Zeeb, Director of Economic Resources
SUBJECT: Renaissance District Environmental Funding

On October 25, 2012, the Commission approved an Environmental Indemnity Agreement (EIA) for remediation of the Studebaker Building 84 site, the last remaining Studebaker manufacturing building in South Bend.

The originally Redevelopment budget was estimated to be \$3.3 million. This represented the best estimate based on known environmental contaminants at the site. PCB, soil, and ground water sampling were not contemplated, but are conditions that required remediation under the EIA.

LBP removal on floors 1 through 4 is bid and under way. Completing LBP removal on floors 5 and 6 will complete remediation of the entire building, a budget increase of \$605,000 is needed. Upon complete LBP remediation, the owner of the building will be able to begin internal improvements. Bidding these last two floors at this time should also save the City roughly \$500,000 in overall costs, since a second contractor would have waterproofing and mobilization costs.

Staff requests increasing this project's environmental remediation budget by \$605,000, to allow completion of LBP removal. With this approval, total remediation costs will be \$4,380,000. After reviewing all current environmental testing data, it is not anticipated any further funding requests will be needed.

