



South Bend

Redevelopment Commission

227 West Jefferson Boulevard, Room 1308, South Bend, Indiana

SOUTH BEND REDEVELOPMENT COMMISSION REGULAR MEETING

December 29, 2016

9:30 a.m.

Presiding: Marcia Jones, President

227 West Jefferson Boulevard

South Bend, Indiana

The meeting was called to order at 9:32 a.m.

1. ROLL CALL

Members Present:	Dave Varner, Vice President Don Inks, Secretary Gavin Ferlic, Commissioner
Members Absent:	Marcia Jones, President Greg Downes, Commissioner John Anella, Commissioner
Legal Counsel:	Benjamin Dougherty, Esq.
Redevelopment Staff:	David Relos, Associate Mary Brazinsky, Recording Secretary

Others Present:	Brian Pawlowski	DCI
	Aaron Kobb	DCI
	James Mueller	Mayor's Office
	Frank Perri	Wharf Partners LLC
	Tom Panzica	Wharf Partners LLC
	Denise Barkdull	Frost Brown Todd LLC
	Matt Gabet	Kite Realty Group
	Alex Hammel	Career Academy of South Bend
	Erin Blasko	SB Tribune
	Kenny Hayes	
	Murray Miller	ABC57
	Evan Sery	WSBT
	Molly Jirasek	WNDU
Kasey Chronis		

2. APPROVAL OF MINUTES

A. Approval of Minutes of the Regular Meeting of Thursday, December 15, 2016

Upon a motion by Secretary Inks, seconded by Commissioner Ferlic, the motion carried unanimously, the Commission approved the minutes of the regular meeting of Thursday, December 15, 2016.

3. Claims None

4. Old Business None

5. New Business

A. River East Development Area

(1) Eddy Street Commons

a) Resolution No. 3363 (Eddy Street Commons Phase II)

b) Development Agreement (Kite Realty Group/Eddy Street Commons Phase II)

Brian Pawlowski presented Resolution No. 3363 (Eddy Street Commons Phase II) and the Development Agreement (Kite Realty Group/Eddy Street Commons Phase II). Mr. Pawlowski said that the development of Phase I has flourished providing growth and opportunity in South Bend, adding that the timing is now right to start Phase II. Both the developer and the City believe that the project can pay for itself and will be successful. Once built the project's tax revenue will fund its construction. The City will issue a bond in the gross of \$25M with a net of \$21M to \$23M. Approval is needed from the Redevelopment Commission, Economic Development Commission and Common Council. The proceeds will go to the project on infrastructure, public space/use, the Robinson Center and parking.

Matt Gabet, Kite Realty Group spoke about Phase II which is a natural extension of Phase I. This will continue the dense walkable urban environment which will include subgrade parking. The project includes a new and improved Robinson Center that will double in size. The project provides space available for flex units which can be used as either commercial or residential spaces.

Denise Barkdull, Frost Brown Todd, LLC (City Bond Council) explains that with the \$25M bond amount, a not-to-exceed amount was added since we will not know the final determination of cost. The difference between \$21M to \$25M is a reserve that is required to pay interest on the bonds while the project is under construction. TIF revenues are projected to cover the bond payments. Denise

explained in Resolution No. 3363 the City is pledging TIF revenues from the River East Residential TIF. It is projected the revenues from Phase II and Phase I will cover the debt. The City will not issue the bonds until Kite Realty Group is ready to proceed (Kite will provide a written 30 day notice).

Upon a motion by Commissioner Ferlic, seconded by Secretary Inks the motion carried unanimously, the Commission approved Resolution No. 3363 (Eddy Street Commons Phase II) submitted December 29, 2016.

Upon a motion by Commissioner Ferlic, seconded by Secretary Inks the motion carried unanimously, the Commission approved the Development Agreement (Kite Realty Group/Eddy Street Commons Phase II) submitted December 29, 2016.

(2) Development Agreement (Wharf Partners, LLC)

Aaron Kobb presented the Development Agreement with Wharf Partners, LLC. This is a prime undeveloped site which presents a lot of variables including the City's Blue Ways Project, the University's Hydro Project and Seitz Park. The vision is understood and embraced by all the teams and projects coming on line in this area. Much gratitude went out to the City teams working to make these projects a reality, including the Mayor's office, Ben Dougherty, Brian Pawlowski, Aaron Perri, Tim Corcoran, and several developmental office teams.

Frank Perri, Wharf Partners, LLC presented conceptual drawings from March 2016 explaining the transitional phases their project has gone through to come to fruition. Frank expressed his thanks to his partners the Panzica's, the Mayor's teams including James Mueller, Aaron Kobb, and Brian Pawlowski for bringing the Wharf Project to where it is today. The project would like to break ground no later than May 2017 and deliver units by late spring 2018.

Tom Panzica of Wharf Partners, LLC and Panzica Building Corporation will be the architects and contractors for the site. The site was acquired in 2011. Tom explained that Wharf Partners, LLC is committed to developing a project that is worthy of the site while being responsive to the market. The St. Joseph River once powered the industrial past of South Bend and it's about to happen again. If developed properly, it will power South Bend's future as a recreational and aesthetic amenity of downtown. Tom stated he already sees this with the vitality it's bringing to our area. This site was once Stephenson Mills, and that it has been either an industrial site or a restaurant. For a generation it has been vacant, under-utilized land. The final project will be a mid-height mixed use development including a restaurant that will be consistent with the East Bank plan.

Ben Dougherty added that the Development Agreement includes a late addition to Exhibit B adding III: A single 5-6 story building containing a minimum of 15 condominiums plus commercial space of approx. 6,000 sq. ft., plus a private parking garage.

Brian Pawlowski said as a result of the Regional Cities Initiative, the City was awarded \$5M for riverfront improvements from this site to the Farmer's Market, including Howard Park.

Upon a motion by Secretary Inks, seconded by Commissioner Ferlic the motion carried unanimously, the Commission approved the Development Agreement with Wharf Partners, LLC submitted December 29, 2016.

B. River West Development Area

(1) Real Estate Purchase Agreement (Career Academy of South Bend Inc.)

David Relos presented the Real Estate Purchase Agreement with Career Academy of South Bend Inc (Lots 4KB and 4L). These are the two lots just to the south and west of the school, and would allow them to expand their operations. These lots fall off into the natural retention area behind them and is not ideal for siting a building.

Alex Hammel with the Career Academy explained that their space right now is 100% utilized for their building and parking lot. With the school's growth over the years they have developed sports teams, but have no green space for them to practice, causing them to have to go off-site. There is an area that is flat close to the school where they can build some fields and utilize the wetland areas for testing water samples and other outdoor classroom environmental studies.

Upon a motion by Secretary Inks, seconded by Commissioner Ferlic the motion carried unanimously, the Commission approved the Real Estate Purchase Agreement with Career Academy of South Bend Inc. submitted December 29, 2016.

6. Progress Reports

A. Tax Abatement

B. Common Council

C. Other

LangLab

Brian Pawlowski brought to the Commission's attention that LangLab may be coming to Redevelopment in January 2017. Brian explained that LangLab is a lot like Unity Gardens, where they are a huge community benefit and we would like to see them expand. This will be a small business development project that will benefit a number of people.

7. Next Commission Meeting:

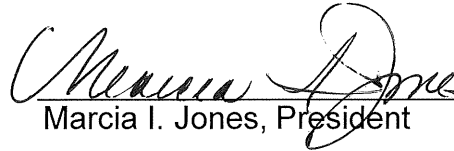
Thursday, January 12, 2017, 9:30 a.m.

8. Adjournment

Thursday, December 29, 2016, 10:05 a.m.



Aaron Kobb, Director of Economic Resources



Marcia I. Jones, President