



South Bend

Redevelopment Commission

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

Agenda

Regular Meeting, August 24, 2017 9:30 a.m.

1. **Roll Call**
2. **Approval of Minutes**
 - A. Minutes of the Regular Meeting of Thursday, August 10, 2017
3. **Approval of Claims**
 - A. Claims Submitted August 24, 2017
4. **Old Business**
5. **New Business**
 - A. River East Development Area
 1. Resolution No. 3399 (Disposition Offering Price 126 N. Niles)
 2. Approval of Bid Specifications (126 N. Niles)
 3. Request to Advertise (126 N. Niles)
 4. Budget Increase (Howard Park Reconstruction)
 - B. River West Development Area
 1. Resolution No. 3400 (Approving the Assignment of Real Estate Purchase Agreement to Blackthorn Associates, LLC)
6. **Progress Reports**
 - A. Tax Abatement
 - B. Common Council
 - C. Other
7. **Next Commission Meeting:**

Thursday, September 14, 2017, 9:30 a.m.
8. **Adjournment**

NOTICE FOR HEARING AND SIGHT IMPAIRED PERSONS

Auxiliary Aid or Other Services are Available upon Request at No Charge.
Please Give Reasonable Advance Request when Possible.



South Bend

Redevelopment Commission

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

SOUTH BEND REDEVELOPMENT COMMISSION REGULAR MEETING

August 10, 2017

9:30 a.m.

Presiding: Marcia Jones, President

227 West Jefferson Boulevard
South Bend, Indiana

The meeting was called to order at 9:30 a.m.

1. ROLL CALL

Members Present:	Marcia Jones, President Dave Varner, Vice President Gavin Ferlic, Commissioner Kintae Lark, Commissioner
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Members Absent:	Don Inks, Secretary John Anella, Commissioner
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Legal Counsel:	Benjamin Dougherty, Esq.
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Redevelopment Staff:	David Relos, Associate Mary Brazinsky, Recording Secretary
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Others Present:	James Mueller	DCI
	Elizabeth Maradik	DCI
	Dan Buckenmeyer	DCI
	Elizabeth Leonard Inks	DCI
	Mark Peterson	WNDU
	Eric Watson	WNDU
	Bryan Glendening	IngenAE
	Mark Seaman	Prism
	Ed Bradley	Newmark Cressy
	Sue Kesin	

2. Approval of Minutes

A. Approval of Minutes of the Regular Meeting of Thursday, July 27, 2017

Upon a motion by Commissioner Ferlic, seconded by Commissioner Lark, the motion carried unanimously, the Commission approved the minutes of the regular meeting of Thursday, July 27, 2017.

3. Approval of Claims

A. Claims Submitted August 10, 2017

	Claims submitted	Explanation of Project	Items added after Agenda Distributed
REDEVELOPMENT COMMISSION Redevelopment Commission Claims August 10, 2017 for approval			
<u>324 RIVER WEST DEVELOPMENT AREA</u>			
Jones Petrie Rafinski	20,175.01	Downtown East West Streetscapes	
Hull & Associates	9,924.72	GW Assessment & Remedy Evaluation at Ignition Pk	
IDEM	450.00	Remediation	
Abonmarche	1,250.00	Portage Prairie Area Sewer Study	
Tri County News	61.20	Marriott Hotel Site Development at HOF	
Prairie Ave Brownfield Loan		Prairie Ave Brownfield Loan	100,000.00
<u>435 FUND DOUGLAS ROAD DEVELOPMENT AREA TIF</u>			
Major Moves Fund 412	185,608.00	Douglas Rd. Project	
Total	217,468.93		

Upon a motion by Commissioner Ferlic, seconded by Commissioner Lark, the motion carried unanimously, the Commission approved the claims submitted on Thursday August 10, 2017.

4. Old Business

1. Recommendation (505-513 S. Michigan St. – Fat Daddy’s)

Mr. Relos stated that staff has a recommendation for 505 – 513 S. Michigan Street. At the last Commission meeting bids were due, with one received from Commonwealth Development Corporation. Commonwealth’s bid met the minimum offering price. Commission approval to accept the bid amount and have DCI staff and Legal proceed with a Real Estate Purchase Agreement is requested.

Upon a motion by Vice President Varner, seconded by Commissioner Ferlic, the motion carried unanimously, the Commission approved the recommendation for 505-513 S. Michigan Street submitted on August 10, 2017.

5. New Business

A. River West Development Area

1. Resolution No. 3398 (Conveyance of Certain Equipment to F Cubed LLC)

Mr. Relos presented Resolution No. 3398 (Conveyance of Certain Equipment to F Cubed LLC). On November 8, 2012 the Commission approved an Economic Development Memorandum of Understanding with F Cubed LLC, and on April 23, 2014 entered in to an Equipment Lease Agreement, where the Commission acquired and leased certain equipment to F Cubed, a start-up at Innovation Park.

F Cubed has entered in to a five year lease with Studebaker Building 84, within the Renaissance District. Upon meeting those two requirements, the Lease allows F Cubed an option to purchase the equipment for \$1, which they are exercising. Staff requests approval of Resolution No. 3398, which includes a Bill of Sale, conveying to F Cubed the equipment included in the Lease.

Upon a motion by Commissioner Ferlic, seconded by Vice President Varner, the motion carried unanimously, the Commission Resolution No. 3398 (Conveyance of Certain Equipment to F Cubed LLC) submitted on August 10, 2017.

2. Second Amendment to Temporary Use and Management Agreement (DTSB)

Mr. Relos presented the Second Amendment (DTSB). The Second Amendment with DTSB is to update the list of parking lots they manage and add the Board of Public Works, who will pay DTSB a monthly management fee for their services (parking enforcement, maintenance of landscaping, cleaning, safety patrols, signage, and snow and ice removal, etc.). Several of the parking lots DTSB has managed for the Commission are no longer available, with others now being added. Commission approval of this Second Amendment is requested.

Upon a motion by Commissioner Ferlic, seconded by Vice President Varner, the motion carried unanimously, the Commission approved the Second Amendment (DTSB) submitted on August 10, 2017.

3. Memorandum of Assignment and Assumption of Ground and Airspace Lease

Mr. Relos presented the Memorandum of Assignment and Assumption of Ground and Airspace Lease. This underlying 1998 Lease was for the development of the north office building in the Leighton Complex, and includes airspace rights. In an effort to consolidate the City's parking garage ownership and management, on September 15, 2016 the Commission approved the assignment to the Board of Public Works leases that were in its name related to the parking garages. Because the original Lease was recorded, the recording of this Memorandum will put on record that it was assigned to the Board of Public Works. Commission approval is requested.

Upon a motion by Vice President Varner, seconded by Commissioner Ferlic, the motion carried unanimously, the Commission approved the Memorandum of Assignment and Assumption of Ground and Airspace Lease submitted on August 10, 2017.

4. Memorandum of Assignment and Assumption of Ground Lease

Mr. Relos presented the Memorandum of Assignment and Assumption of Ground Lease. This underlying 1998 Lease with Memorial Hospital was for the development of the south office building in the Leighton Complex. In an effort to consolidate the City's parking garage ownership and management, on September 15, 2016 the Commission approved the assignment to the Board of Public Works leases that were in its name related to the parking garages. Because the original Lease was recorded, the recording of this Memorandum will put on record that it was assigned to the Board of Public Works. Commission approval is requested.

Upon a motion by Vice President Varner, seconded by Commissioner Ferlic, the motion carried unanimously, the Commission approved the Memorandum of Assignment and Assumption of Ground Lease submitted on August 10, 2017.

5. Real Estate Purchase Agreement (Leighton & Wayne St. Garage Retail Spaces)

Mr. Relos presented the Real Estate Purchase Agreement (Leighton & Wayne St. Garage Retail Spaces). This Real Estate Purchase Agreement is for the Leighton and Wayne St. garage retail spaces, which have been subdivided from their respective parking garages. In late 2016 the Wayne St. garage's retail space was taken through the disposition process, and in early 2017 the Leighton retail spaces, with no bids being received for either.

Cressy & Everett has made an offer to purchase both properties. The Agreement includes a purchase price of \$625,000, earnest money deposit of \$10,000, due diligence period of 120 days, and assumption of the current leases. The Agreement is subject to mutually agreeable forms of agreement with the Board of Public Works regarding ownership and maintenance of the garage's facades and structures, use restrictions for the Leighton spaces, and a mutually agreeable form of agreement with the Park's Board for parking spaces in the Leighton and Wayne St. garages.

Eddie Bradley with Cressy stated the momentum of downtown and their investment and ownership of the neighboring One Michiana Square building, which is 95% full, will help in their marketing efforts for these spaces.

Upon a motion by Vice President Varner, seconded by Commissioner Ferlic, the motion carried unanimously, the Commission approved the Real Estate Purchase Agreement (Leighton & Wayne St. Garage Retail Spaces) submitted on August 10, 2017.

B. River East Development Area

1. Agreement with Abonmarche (Seitz Park)

Ms. Maradik presented the Agreement with Abonmarche (Seitz Park). Staff requests approval of a professional services agreement with Abonmarche Consultants, Inc. in an amount not to exceed \$6,200, in order to complete a boundary survey of Seitz Park and the surrounding area. The survey will assist in the development of final plans for Seitz Park and the adjacent portion of the East Bank Trail, furthering the implementation of the Riverfront Parks & Trails Conceptual Framework.

Upon a motion by Vice President Varner, seconded by Commissioner Ferlic, the motion carried unanimously, the Commission approved the Agreement with Abonmarche (Seitz Park) submitted on August 10, 2017.

6. Progress Reports

A. Tax Abatement

B. Common Council

1. Vice President Varner welcomed all to the next Common Council meeting where they will be reviewing the City's budgets.

C. Other

7. Next Commission Meeting:

Thursday, August 24, 2017, 9:30 a.m.

8. Adjournment

Thursday, August 10, 2017, 9:43 a.m.



David Relos, Economic Resources

Dave Varner, Vice President

ITEM: 3A

	Claims submitted	Explanation of Project
REDEVELOPMENT COMMISSION Redevelopment Commission Claims August 24, 2017 for ratified and approval		
<u>324 RIVER WEST DEVELOPMENT AREA</u>		
Selige Construction Co., Inc.	436,722.70	Western Ave & Olive St. Intersection Improvement
Abonmarche	7,337.50	Western Ave & Olive St. Intersection Improvement
Plew Shadley Racher & Braun LLP	3,224.40	Bosch/Honeywell / Environmental
Jones Petrie Rafinski	12,246.25	Courtyard by Marriott
Kolata Enterprises LLC	315.00	Professional Services
Gibson-Lewis, LLC	164,299.71	Fire Station #4
<u>429 FUND RIVER EAST DEVELOPMENT TIF</u>		
Abonmarche Consultants of Inc.	18,925.26	Perley Primary Center Safe Routes to School Const.
SmithGroup JJR	42,765.33	SB Riverfront Pks and Trails Master Plan
C&S Masonry Restoration, LLC.	15,200.00	Newman Center Masonry Repair
J.W. Wertz & Son, Inc,	87,281.25	Newman Center Window and Door Repair
<u>430 FUND SOUTH SIDE TIF AREA #1</u>		
McCormick Engineering, LLC	10,774.39	Bowen St. Improvements
Total	799,091.79	



Department of
Community Investment

Memorandum
August 24, 2017

TO: South Bend Redevelopment Commission
FROM: David Relos, Economic Resources *DR*
SUBJECT: Resolution No. 3399
126 N. Niles Ave.

Attached is Resolution No. 3399, which sets the disposition offering price for 126 N. Niles Ave., within the River East Development Area.

The proposed fair market value of the property, as derived by two independent appraisals, is found in "Exhibit A" in the attached resolution.

Staff requests approval of Resolution No. 3399.

INTERNAL USE ONLY: Project Code: _____
Total Amount new in budget: __-0-_____; broken down by:
Acct # __none_____
Going to BPW for Contracting? No Is this item ready to encumber now? No
Existing PO# _____ Inc/Dec \$ _____



RESOLUTION NO. 3399

**RESOLUTION OF THE SOUTH BEND REDEVELOPMENT
COMMISSION ESTABLISHING THE OFFERING PRICE OF
PROPERTY IN THE RIVER EAST DEVELOPMENT AREA**

WHEREAS, the South Bend Redevelopment Commission (the "Commission"), the governing body of the City of South Bend, Department of Redevelopment, exists and operates pursuant to I.C. 36-7-14 (the "Act"); and

WHEREAS, the Commission may dispose of real property in accordance with Section 22 of the Act; and

WHEREAS, the real property identified at Exhibit A attached hereto and incorporated herein has been appraised by two qualified, independent, professional real estate appraisers and a written and signed copy of their appraisals is contained in the Commission's files; and

WHEREAS, each such appraisal has been reviewed by a qualified Redevelopment staff person, and no corrections, revisions, or additions were requested by such reviewer.

NOW, THEREFORE, BE IT RESOLVED by the Commission, pursuant to Section 22 of the Act, that based upon such appraisals, the offering price of the property described at Exhibit A is hereby established as stated therein, which amount is not less than the average of the two appraisals, and all documentation related to such determination is contained in the Commission's files.

ADOPTED at a meeting of the South Bend Redevelopment Commission held on August 24, 2017, at 1308 County-City Building, 227 West Jefferson Boulevard, South Bend, Indiana 46601.

SOUTH BEND REDEVELOPMENT
COMMISSION

Marcia I. Jones, President

ATTEST:

Donald E. Inks, Secretary

**EXHIBIT A
TO RESOLUTION NO. 3399**

Property	Size	Minimum Offering Price	Proposed Use
126 N. Niles Ave.	<u>Lot:</u> 10,890 SF +/-	<u>Entire site</u> \$64,400	<p>Commercial projects that are permitted within the Central Business District zoning designation.</p> <p>Strong emphasis will be placed during the review process on compatibility with the goals and objectives of the River East Development Area; East Bank Village Master Plan; and the surrounding neighborhood and businesses.</p>



Department of
Community Investment

Memorandum

August 24, 2017

TO: Redevelopment Commission
FROM: David Relos, Economic Resources *DR*
SUBJECT: Approval of Bid Specifications and Design Considerations
126 N. Niles Ave.

Attached are the Bid Specifications and Design Considerations for the disposition of property at 126 N. Niles Ave., in the past used by the Park's Dept.

The Bid Specifications outline the uses and development requirements that will be considered for this site.

Staff requests approval of the Bid Specifications and Design Considerations for the eventual disposition of this property.

INTERNAL USE ONLY: Project Code: _____
Total Amount new in budget: __-0- _____; broken down by:
Acct # __ none _____
Going to BPW for Contracting? No Is this item ready to encumber now? No
Existing PO# _____ Inc/Dec \$ _____



Bid Specifications & Design Considerations

**Sale of Redevelopment Owned Property
126 N. Niles Ave.
River East Development Area**

1. All of the provisions of I.C. 36-7-14-22 will apply to the bidding process.
2. All offers must meet the minimum price listed on the Offering Sheet.
3. Proposals for redevelopment are required to be for projects that are permitted within the Central Business District zoning designation. All proposals must conform to the existing zoning provisions as outlined in the South Bend Zoning Ordinance Title 21 of the City of South Bend Municipal Code.
4. Proposals for the reuse of the property must include a basic reuse plan for the site and a project timeline detailing aspects of the site redevelopment and site improvements. During the review process, emphasis will be placed on compatibility with the goals and objectives of the surrounding businesses and neighborhood; the East Bank Village Master Plan; and the Development Plan for the River East Development Area.
5. Bidders are prohibited from the use of the property for speculation or land-holding purposes.
6. All other provisions of the River East Development Area Development Plan must be met.



Department of
Community Investment

Memorandum
August 24, 2017

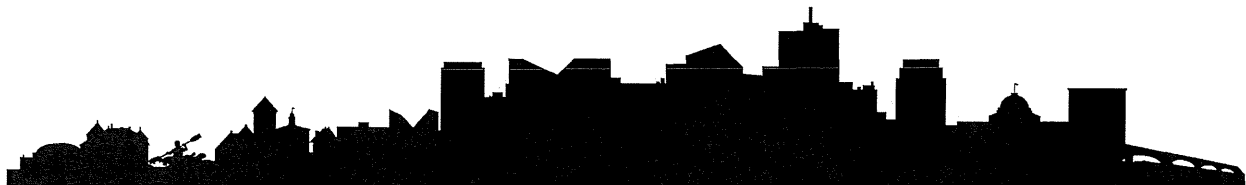
TO: South Bend Redevelopment Commission
FROM: David Relos, Economic Resources *DR*
SUBJECT: Request to Advertise
126 N. Niles Ave. Disposition

Attached is the Notice of Intended Disposition of Property (Notice) for 126 N. Niles Ave., in the River East Development Area.

This Notice is planned to be advertised in both the South Bend Tribune and the Tri-County News on September 1 and September 8, 2017.

Staff requests approval of this Notice and the Request to Advertise, for the eventual disposition of this property.

INTERNAL USE ONLY: Project Code: _____
Total Amount new in budget: __-0-_____; broken down by:
Acct # _____
Going to BPW for Contracting? No Is this item ready to encumber now? No
Existing PO# _____ Inc/Dec \$ _____



Notice of Intended Disposition of Property

RIVER EAST DEVELOPMENT AREA
126 N. Niles Ave.
South Bend, Indiana

Notice is hereby given that the Redevelopment Commission of the City of South Bend, Indiana, will receive sealed offers for the purchase of certain property situated in the River East Development Area until 9:00 a.m. (local time) on the 28th day of September, 2017 in the Office of the Department of Redevelopment, 1400 S. County-City Building, 227 West Jefferson Boulevard, South Bend, Indiana, 46601. All offers will be publicly opened and read aloud at 9:30 a.m. (local time) on the 28th day of September, 2017 at the Regular Meeting of the Redevelopment Commission to be held that date and time in Room 1308 County-City Building, 227 West Jefferson Boulevard, South Bend, IN 46601, or in the event of cancellation or rescheduling, at the Redevelopment Commission's subsequent regular meeting or rescheduled regular meeting held at a time and place given by public notice. Bid proposals for the purchase of the property offered will be considered.

The property being offered is 126 N. Niles Ave., in the River East Development Area, South Bend, Indiana. Any proposal submitted must be for the entire site. The required re-use for the parcel is for projects that are permitted within the Central Business District zoning designation. Strong emphasis will be placed during the review process on compatibility with the River East Development Area; the East Bank Village Master Plan; and the surrounding businesses and neighborhood.

A packet containing bid forms, the Offering Sheet and other pertinent information may be picked up at the Department of Community Investment, 1400 S. County-City Building, 227 West Jefferson Boulevard, South Bend, IN 46601.

The Commission reserves the right to reject any and all bids, and to make the award to the highest and best bidder. In determining the best bid, the Commission will take into consideration the following:

1. The use of the improvements proposed to be made by each bidder on the property, and their compatibility with the proposed re-use as described in the Offering Sheet
2. Each bidder's ability to improve the property with reasonable promptness
3. Each bidder's proposed purchase price
4. Any factors which will assure the Commission that the sale, if made, will further the carrying out of the Development Plan for the River East Development Area and will best serve the interest of the community from the standpoint of human and economic welfare
5. The ability of each bidder to finance the proposed improvements to the property with reasonable promptness

The Commission further reserves the right to waive any formalities in bidding which are not mandatory requirements.

A bid submitted by a trust (as defined in IC 30-4-1-1(a)) must identify each:

- (A) beneficiary of the trust; and
- (B) settlor empowered to revoke or modify the trust.

To secure the execution of the disposition agreement, the purchase of the property and the redevelopment thereof in accordance with the agreement, the bidder must submit with the proposal a faithful performance guaranty, in the sum of ten percent (10%) of the amount offered for the purchase of the property. The guaranty sum may be in the form of a certified check, a cashier's check, surety bond, letter of credit from a bank or trust company as approved by the Redevelopment Commission, or by other sufficient security, but the form, substance and terms of the performance guaranty must be approved as satisfactory by the Redevelopment Commission. The performance guaranty, if by certified check, shall be deposited in any account of the Department of Redevelopment, City of South Bend, in a bank or trust company selected by the Redevelopment Commission.

CITY OF SOUTH BEND, INDIANA
DEPARTMENT OF COMMUNITY INVESTMENT

James Mueller, Executive Director
Publish Dates: September 1 and September 8, 2017



Department of
Community Investment

Redevelopment Commission Agenda Item

DATE: August 24, 2017
FROM: Corbitt Kerr, Director of Redevelopment Engineering
SUBJECT: Howard Park Improvements Design – Budget Request

PURPOSE OF REQUEST:

The City of South Bend wishes to implement improvements to Howard Park as recommended in the Riverfront Parks & Trails framework. The City has engaged Alliance Architects to develop a design for the first phase of construction (which includes the proposed buildings, ice surface & interactive water feature, playground, and the plaza & interconnecting spaces in between these elements). This agreement includes the completion of design work through the schematic design phase for the northeast corner of the park. The city wishes to extend that work to the entire park. The additional fee for extending that scope is \$10,500. In addition, the city wishes to engage with Earth Exploration to perform geotechnical services for the park at a cost of \$10,200.

Staff requests Commission approval of a budget of \$20,700 for additional design work as noted above.

INTERNAL USE ONLY: Project Code: 17J031
Total Amount **new**/change (inc/dec) in budget: \$195,700 (20,700 inc); broken down by:
Acct # 429.1050.460.31-02 Amt: \$ _____; Acct # _____ Amt: _____;
Acct # _____ Amt: _____; Acct # _____ Amt: _____;
Going to BPW for Contracting? **Y**/N Is this item ready to encumber now? Yes
Existing PO# Yes (Alliance Only – EE Needs one) **Inc**/Dec \$10,500

