



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

**SOUTH BEND REDEVELOPMENT COMMISSION
REGULAR MEETING**

February 22, 2018
9:30 a.m.
Presiding: Marcia Jones, President

227 West Jefferson Boulevard
South Bend, Indiana

The meeting was called to order at 9:35 a.m.

1. ROLL CALL

| | | |
|----------------------|---------------------------------|------------------------|
| Members Present: | Marcia Jones, President | |
| | Don Inks, Secretary | |
| | Gavin Ferlic, Commissioner | |
| Members Absent: | Dave Varner, Vice-President | |
| Legal Counsel: | Benjamin Dougherty, Esq. | |
| Redevelopment Staff: | David Relos, RDC Staff | |
| | Mary Brazinsky, Board Secretary | |
| Others Present: | James Mueller | DCI |
| | Dan Buckenmeyer | DCI |
| | Tim Corcoran | DCI |
| | Andrew Netter | DCI |
| | Austin Gammage | DCI |
| | Elizabeth Leonard Inks | DCI |
| | Kyle Silveus | Engineering |
| | Caleb Bauer | South Bend Tribune |
| | Mark Peterson | WNDU |
| | Eric Watson | WNDU |
| | Charles Hayes | Five Corners LLC |
| | Tom Panzica | Panzica Building Corp. |
| | Lisa DeBerry | |
| | Eric Henderson | Prism Environmental |

2. Approval of Minutes

A. Approval of Minutes of the Regular Meeting of Thursday, February 8, 2018

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, February 8, 2018.

3. Approval of Claims

A. Claims Submitted February 22, 2018

| | Claims submitted | Explanation of Project | Items added after Agenda Distributed |
|--|------------------|---|--------------------------------------|
| REDEVELOPMENT COMMISSION | | | |
| Redevelopment Commission Claims February 22, 2018 for approval | | | |
| 324 RIVER WEST DEVELOPMENT AREA | | | |
| Plews Shadley Racher & Braun LLP | 1,250.50 | Environmental - General | |
| Selge Construction Co, Inc. | 143,522.83 | Western Ave & Olive | |
| Kolata Enterprises LLC | 540.00 | Professional Service | |
| Hull & Associates Inc. | 4,671.97 | GW & Vapor Intrusion Evaluation | |
| Walsh & Kelly Inc. | 23,151.25 | Monroe St. Parking Lot / Fellows Streetscape | |
| Aecom | 30,123.01 | South Shore Line Station Alternatives Feasibility Study | |
| Joseph A Dzierla & Associates, Inc. | 9,500.00 | Ziker Bldg. | |
| 422 FUND WEST WASHINGTON DEVELOPMENT TIF | | | |
| Robert Tharbs | | Rent Assist-Colfax | 23,289.42 |
| 429 FUND RIVER EAST DEVELOPMENT TIF | | | |
| Lawson-Fisher Associates | 7,377.73 | Corby St. Storms Sewer System Evaluation | |
| Total | 220,137.29 | | 23,289.42 |
| Total Of Both Columns | 243,426.71 | | |

Upon a motion by Secretary Inks, seconded by Commissioner Ferlic, the motion carried unanimously, the Commission approved the claims submitted on Thursday, February 22, 2018.

4. Old Business

5. New Business

A. River West Development Area

1. Design Consulting Reimbursement Agreement (SJCPL)

Mr. Corcoran presented the Design Consulting Reimbursement Agreement with the SJCPL. This is a partnership with the St. Joseph County Library and the Community Foundation of St. Joseph County to develop a master plan for the downtown Library block. The master plan will illustrate how and where the library could expand in the future while developing a vision for the remainder of the block.

Through a joint selection committee that included the Library, Community Foundation and City representatives, the highly distinguished New York firm, RAMSA (Robert A.M. Stern & Associates) was chosen from a pool of four top tier urban design and architecture firms. Today is the site visit with RAMSA. This is a very busy block within South Bend. Total contract amount is \$200,000. Mr. Corcoran states that they will be looking at the broader scheme of how the library can be utilized in the future and the library block as a whole. Commission approval in the amount of \$25,000 is requested.

Mr. Dougherty stated there are two minor adjustments to the Agreement. One is the date has been updated to reflect today's date, and secondly in Recital D a minor typo has been corrected.

Upon a motion by Commissioner Ferlic, seconded by Secretary Inks, the motion carried unanimously, the Commission approved the Design Consulting Reimbursement Agreement (SJCPL) submitted on February 22, 2018.

2. Resolution No. 3428 (Accepting 115 S. Lafayette from BPW)

Mr. Relos presented Resolution No. 3428, which accepts 115 S. Lafayette from the Board of Public Works. This is the Lafayette Building across the street from the County City Building. This week the Board of Public Works received the recorded tax deed. This is the matching Resolution between two municipal entities. This Resolution accepts the property subject to the Board of Public Works approval on February 27th.

Mr. Relos stated in October 2017 the Commission approved a budget of \$1.5 million to stabilize the building. There is a contract through Code Enforcement for a new roof to secure the building. There is asbestos, mold, and pigeon excrement that needs removal on the interior. Kil Architects did a study stating the building would need some tuck pointing and various other renovations, depending on its final use.

Upon a motion by Commissioner Ferlic, seconded by Secretary Inks, the motion carried unanimously, the Commission approved Resolution No. 3428 (Accepting 115 S. Lafayette from BPW) submitted on February 22, 2018.

3. First Amendment to Real Estate Option Agreement (former Studebaker Museum Property & Cove Lot #4)

Mr. Relos presented a First Amendment to the Real Estate Option Agreement on the former Studebaker Museum property & Cove Lot # 4. The Commission approved the original Real Estate Option Agreement on September 29, 2016. Per section 2 of the Agreement the option period ends March 31, 2018 but could be extended to March 31, 2019 with a \$5,000 payment and notice of any development plans by February 1, 2018. Discussions began February 8th with Heading for Home LLC regarding their option extension and on February 12th they paid the \$5,000 to extend their option for one year. Future development plans for this site will be studied once the Ivy at Berlin Place is completed.

Upon a motion by Commissioner Ferlic, seconded by Secretary Inks, the motion carried unanimously, the Commission approved First Amendment to Real Estate Option Agreement (former Studebaker Museum Property & Cove Lot #4) submitted on February 22, 2018.

4. License Agreement for Temporary Parking (Hibberd Development LLC)

Mr. Relos presented a License Agreement for Temporary Parking with Hibberd Development LLC. This Agreement allows Hibberd Development to park eighteen vehicles in the recently acquired parking lot at 322 S. Lafayette. This parking lot is directly behind the Hibberd Building, and will allow construction and ultimately tenant parking for this project. The license fee is \$20 per space per month and may be terminated with a 30 day notification period.

Upon a motion by Secretary Inks, seconded by Commissioner Ferlic, the motion carried unanimously, the Commission approved License Agreement for Temporary Parking (Hibberd Development LLC) submitted on February 22, 2018.

5. Real Estate Purchase Agreement (Five Corners LLC)

Mr. Buckenmeyer presented a Real Estate Purchase Agreement with Five Corners LLC. Mr. Buckenmeyer presented a map that showed the property next to Ignition Park, bordered by Sample Street, Garst, Franklin, Lafayette. The development will be drawn out into a three phases. The City feels there is a lot of demand for 5,000, 10,000, and 15,000 square foot units. The units will be complimentary to the current buildings and designs that are currently in place within Ignition Park. The sales price for this block is \$84,000, which is the average appraised value. Private investment will be a minimum of \$3 million with the square footage of the initial building being 30,000 square feet. The second and third buildings will be half to 2/3 of that.

Upon a motion by Commissioner Ferlic, seconded by Secretary Inks, the motion carried unanimously, the Commission approved Real Estate Purchase Agreement (Five Corners LLC) submitted on February 22, 2018.

6. Development Agreement (Wharf Partners LLC)

Mr. Mueller presented the Development Agreement with Wharf Partners LLC. This site is on Colfax Avenue on the east side of the river, by Seitz Park and the River Lights. There is a long history on this site. In December 2016 a Development Agreement was approved to build on this site, with a commitment of \$16 million in private investment and \$2.5 million public investment with a completion of June 1, 2018.

We now have a more complete vision with more details for the project. First there will be good faith efforts and cooperation with ND Hydro and the Parks Dept. which is all planned to occur in the next 3 to 4 years. Seitz Park and the river front trails will be reconstructed as part of My SB Parks Program.

There will also be a land conveyance; at the SE Corner of the Wharf site that the Commission owns will transfer to Wharf and in return, a part of the western Wharf property along the river that will transfer to the Parks Department so the trail system can be wider with more public access.

The Agreement contemplates \$38.5 million dollars in private investment, which is almost 2 ½ times more than the 2016 Agreement, with public investment increasing to \$5 million. New jobs are targeted at 20, with a possibility of a hotel or multi-family units. The commencement date for Phase I is April 30, 2018 with a completion 24 months later. Phase II has a commencement date of June 30, 2021 with completion of 2023. There is a provision that if the Phase I commencement is not met there will be a force sale of the property to the City. There is a 60% local labor agreement.

Tom Panzica, a member of Wharf Partners, commented this has been the most studied site in the City of South Bend. When the site was first acquired in 2011 it was a much different vision; it was scaled down, a less risky development. The market is better today and mixed use is the best use based on the market. His team thinks by delaying the project it will be a much better use of the property. They do think there is a market for upscale apartment's downtown. That will benefit the City as it is taxed differently. Depending on how Phase II goes, there may not be a Phase III as it will occupy all of the space for a mixed use. They have figured out parking with a common ramp without building the whole site as a whole underground parking garage.

Mr. Dougherty noted that the form of easement in the Development Agreement was omitted, which is a temporary easement. It will be added at a later date once its dimensions are fully known.

Upon a motion by Commissioner Ferlic, seconded by Secretary Inks, the motion carried unanimously, the Commission approved the Development Agreement (Wharf Partners LLC) submitted on February 22, 2018.

B. Other

1. Second Amendment Engineering Services Agreement

Mr. Buckenmeyer presented the Second Amendment Engineering Services Agreement. This updates the Engineering Services Agreement by amending the personnel and fees for the employees who spend their time on TIF related projects.

Upon a motion by Secretary Inks, seconded by Commissioner Ferlic, the motion carried unanimously, the Commission approved the Second Amendment Engineering Services Agreement submitted on February 22, 2018.

2. First Amendment to Redevelopment Supervisory Services Agreement

Mr. Buckenmeyer presented the First Amendment to Redevelopment Supervisory Services Agreement. This updates the Redevelopment Supervisory Services Agreement by amending the staff who spend their time on TIF related projects.

Upon a motion by Secretary Inks, seconded by Commissioner Ferlic, the motion carried unanimously, the Commission approved the First Amendment to Redevelopment Supervisory Services Agreement submitted on February 22, 2018.

6. Progress Reports

- A. Tax Abatement
- B. Common Council
- C. Other

Mr. Dougherty mentioned this is his last meeting with the Commission and thanked them for everything. He will be transitioning to a new position with the City as Deputy City Controller.

Commissioner Jones thanked Ben and said we will all be sad to see him go and miss his diligence. She stated in her opinion he has been the best City Attorney on the Commission, just phenomenal, not only in the quality of work but in his demeanor and his approach toward to the many things we throw on his plate so Thank You.

Commissioner Inks seconded Commissioner Jones' words and stated if you ever want to come back, we would gladly take you back.

Commissioner Ferlic thanked Ben for everything and he agrees with the words from everyone.

Mr. Buckenmeyer stated that in the last few weeks we have flooded Ben with work and he has done more than his due diligence staying up all hours of the night to be sure it was all done. That is the kind of work ethic we have grown to respect and we're going to miss him.

Mr. Relos recalled that Ben's first meeting was a public hearing held at the Recital Hall in Century Center when we were doing the TIF Realignment in 2014, and he thought Ben must be thinking - what am I getting myself into? It's been an absolute pleasure working with Ben, and he will be deeply missed.

7. Next Commission Meeting:

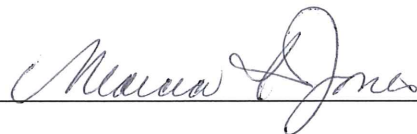
Thursday, March 8, 2018, 9:30 a.m.

8. Adjournment

Thursday, February 22, 2018, 10:08 a.m.



David Relos, Property Development Manager



Marcia I. Jones, President