



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

**SOUTH BEND REDEVELOPMENT COMMISSION
 REGULAR MEETING**

November 14, 2019
 4:00 p.m.
 Presiding: Marcia Jones, President

227 West Jefferson Boulevard
 South Bend, Indiana

The meeting was called to order at 4:01 p.m.

1. ROLL CALL

| | | |
|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Members Present: | Marcia Jones, President Quentin Phillips, Secretary Gavin Ferlic, Commissioner Lesley Wesley, Commissioner | |
| Members Absent: | Don Inks, Vice-President Todd Monk, Commissioner | |
| Legal Counsel: | Sandra Kennedy, Esq. | |
| Redevelopment Staff: | David Relos, RDC Staff Mary Brazinsky, Board Secretary | |
| Others Present: | Jitin Kain Daniel Buckenmeyer Pam Meyer Amanda Pietsch Chris Dressel Andrew Netter Lory Timmer Zach Hurst Kyle Silveus Charlotte Brach Mark Bode Conrad Damian Randy Rampola Mark Peterson & Eric Walton Jeff Parrott Matt Eckerle John Voorde Oliver Davis | DCI DCI DCI DCI DCI DCI DCI DCI Engineering Engineering Engineering Mayor's Office 718 E Broadway Barnes & Thornburg WNDU SB Tribune Baker Tilly Council Council |

South Bend Redevelopment Commission Regular Meeting – November 14, 2019

Others Present
Continued

| | |
|--------------------------------------|--------------------|
| Carl Hetler | UMC 1412 S Carroll |
| Greg Hann | 128 S Scott #1 |
| Jessica Piser | 824 W Colfax |
| Bill Merryfield | 218 Chapin St |
| Jim Bognar | 807 W Washington |
| Kaine Kanczuzewski | |
| Rafael Morton | County Council |
| Mahan Mirza | 702 W Colfax |
| Monica Murphy | WSBT |
| Kathy Schneider, St Margaret's House | 117 N Lafayette |

2. Approval of Minutes

- **Approval of Minutes of the Regular Meeting of Thursday, October 24, 2019**

Upon a motion by Commissioner Ferlic, seconded by Secretary Phillips, the motion carried unanimously, the Commission approved the minutes of the regular meeting of Thursday, October 24, 2019.

3. Approval of Claims

- **Claims Submitted November 14, 2019**

| | Claims submitted | Explanation of Project | Items added after Agenda Distributed |
|--------------------------------------------------------------------------------------------|------------------|--------------------------------------------------------------|--------------------------------------|
| REDEVELOPMENT COMMISSION Redevelopment Commission Claims November 14, 2019 for approval | | | |
| <u>324 FUND RIVER WEST DEVELOPMENT AREA</u> | | | |
| Kil Architecture Planning | 1,760.80 | Lafayette Building Skylight and Masonry | |
| Baker Tilly Municipal Advisors | 8,750.00 | Professional Services | |
| Kolata Enterprises LLC | 270.00 | Professional Services | |
| City of South Bend | 22,321.00 | Services Rendered Legal | |
| Indiana Earth, Inc. | | Western Ave Streetscape Ph II | 512,700.57 |
| <u>429 FUND RIVER EAST DEVELOPMENT TIF</u> | | | |
| Baker Tilly Municipal Advisors | 8,750.00 | Professional Services | |
| Lawson-Fisher Associates P.C. | 1,801.31 | Corby St Storm sewer System Evaluation | |
| Indiana Earth, Inc. | | Three Twenty at The Cascade = Site Utilities (Water & Storm) | 9,457.25 |
| <u>430 FUND SOUTH SIDE TIF AREA #1</u> | | | |
| Baker Tilly Municipal Advisors | 8,750.00 | Professional Services | |
| <u>433 FUND REDEVELOPMENT GENERAL</u> | | | |
| HC3 LLC dba St. Clair Development | 146,969.24 | 510 S. Main St. Building Improvements | |
| <u>439 FUND CERTIFIED TECHNOLOGY PARK</u> | | | |
| Office Interiors, Inc. | 4,662.33 | Tech Resource Center | |
| <u>452 FUND TIF PARK BOND</u> | | | |
| Lawson-Fisher Associates P.C. | 27,471.97 | SBN - west Bank Corridor Improvements Final Design | |
| Total | 231,506.65 | | 522,157.82 |
| Total Both Columns | 753,664.47 | | |

Upon a motion by Commissioner Ferlic, seconded by Secretary Phillips, the motion carried unanimously, the Commission approved the claims submitted on Thursday, November 14, 2019.

4. Old Business

5. New Business

A. River West Development Area

1. Permanent Supportive Housing Funding Update

Ms. Meyer presented an update to the Commission on the revised focus to serve the homeless and the Gateway Center funding previously approved by the Commission, and to request shifting the funding to Permanent Supportive Housing projects. In March 2018 a request was approved by the Commission to allocate \$1.5M to a Gateway Center, which was a recommendation in the report from the Working Group on Homelessness. The Gateway Center was to be a facility operated by partners in a temporary facility, for persons experiencing chronic homelessness while waiting to move into Permanent Supportive Housing. Initially it was contemplated that the donated modular units might be used for this purpose. Site selection was challenging, and other options were considered. In August 2019 Mayor Pete presented an overview of the City strategy to address homelessness. In the presentation he shared a consensus between the City and service providers that there were no Permanent Supportive Housing units for people to move to and the concept of a Gateway Center didn't make sense. The idea of a Gateway Center was seen as costly, a short-term issue and not the long-term solution of Permanent Supportive Housing that the community had expressed as needed. The decision was made to pivot efforts away from the Gateway Center to address Permanent Supportive Housing as a private effort. At the same time was the Corporation for Supportive Housing Institute. South Bend Heritage, the City and Oaklawn's team application was approved for attendance at the Institute. The Institute process resulted in a successful proposal for up to 60 units of Permanent Supportive Housing in our community. Twenty of these would be in a new construction development and 40 would be scattered site vouchers. Oaklawn would be providing services to either the twenty-unit development or any voucher supported unit. To support this effort and the state funding that was committed of \$2.2M, the City determined that \$500,000 from the previously approved \$1.5M from the Gateway project would be allocated towards a future new construction development. Additionally, local home funding in the amount of \$970,000 is also committed to that project. The City also determined that up to \$1M would go towards the second phase of the Gemini apartments where up to 6 units of Permanent Supportive Housing would be committed. The \$1M dollars would pay for the cost of roof, masonry and fire stairs at the Colfax building of the complex which supports all of the units in that building. A total of \$165,000 of local home funding for the interior rehab for up to 6 units at Gemini in the Colfax building has been committed. To clarify the complex of the Gemini Apartments is two buildings with 30 units in each. The City supported of the first phase, which was the Washington Street building at \$1.2M, had the exact same repairs of roof, masonry and fire stairs plus parking lot and landscaping. Before the complex was

South Bend Redevelopment Commission Regular Meeting – November 14, 2019

known as Gemini and owned by South Bend Heritage, the complex had a history of issues and was a problem for many years. Support of the rehab is important given the Gemini complex is a key asset in the neighborhood and will have up to 6 units of Permanent Supportive Housing.

President Jones opened the floor for public comment.

Carl Hetler, Pastor at Broadway Christian Parish and Methodist Church, home address of 210 S Hawthorne Drive. Mr. Hetler spoke in support of this measure. The minister sees people in his ministry in need of Permanent Supportive Housing. This is a good model to work and should be spread throughout the City. Six units is an appropriate amount. They are working with all the partners of Permanent Supportive Housing throughout the City to be sure that people receive the support they need. The church is in support of this effort in hopes that people find the housing, safety and security that they need also with drug addiction services, mental health rehabilitation and other services they need.

Kathy Schneider, Executive Director of St. Margaret's House speaking in support of this project. We have had many women who go there, and it has saved their lives. The most important thing is to get them housing. They need many more units but if this is where we are at then I support it completely. We need to get people inside.

Kaine Kanczuzewski, 2636 Thornacres Drive, Niles: this is more of a question with a million dollar commitment from the City for a commitment to the PSH does that mean that all units in the Colfax portion will also come online or is that purely just towards the six units and is there any guarantee that it won't be 30 or 40 down the road with a million dollar commitment down the road.

Mahan Mizer, 702 W Colfax, owner of a small bed and breakfast. My wife and I want to support this for those who are in need in the City. There are a lot of needs. The only question we have is what would be the character of the Colfax side of Gemini. If we are beginning with these six units would there be more in the future. What is the distinction between the Colfax side and Washington side? Why not 3 and 3? Is there a separation as far as people in each side? Prior to renovations there was quite a few problems. We would like to make sure with renovation that the problems do not return.

Jessica Piser, 824 W Colfax: Apologizes for not having coherent thoughts as a neighborhood we just found out about this Tuesday. I was at the Common Council meeting 2 months ago when the 1500 block rezoning was voted down. As the Councilmembers said at that meeting, they were voting no for their failure to work with the neighborhood. Failure to communicate with the neighborhood. As a neighbor it is disconcerting. This is a repeat of South Bend Heritage's lack of effort to work with the neighborhood. What kind of effort is it if they fail to communicate with the neighborhood? I do not see this moving forward as I do not see them working with us.

Jim Bognar, 807 W Washington: This Commission knows that I have come in to support the neighborhood. I thank County Council President Morton and Councilmember John Voorde for being here. The Common Council members did not know about this. It was very clear in the Council meeting that there would be an effort in whatever neighborhood, that Council would be aware, and it would not be done in a back-door meeting and that frankly the neighborhood would be involved. In talking with Councilmembers, John Voorde can speak to this. Council asked if this could be delayed until the new Council and new board. This is significant. We have a good neighborhood. This is the oldest neighborhood in the City. We care about the homeless and we have been a part and want to continue to be a part of the solution. What I am asking is for the Commission to table this measure until a new Council comes aboard so we continue this measure in a productive way where we can come together as one and solve this problem. I thank the Commission and hope that we can solve this at a later date where there can be a proper vetting. I thank you for all that you are doing.

John Voorde, 1029 Clairemont Drive: I am here representing not only the City Council but also as a member that grew up in that neighborhood. I would like to echo what the two previous speakers have said. One we do appreciate the work that has been done, we are supportive of scattered site housing, we do not want to ban any number of units in the Washington/Colfax apartments. I sold raffle tickets there when I was a kid. I think the majority of the Council, who also just found out about this last Tuesday at our meeting, I think a majority of the Council if I can speak for them, would support a continuation or a delay in the vote that you are about to take on this, if not to the new Council, we would be happy to deal with it as long as there is a formative give and take meeting with the Council that feels left out at this point and the neighborhood that is clearly involved and the City who has done a lot of good work here. To make sure everyone is informed and can feel better about this and not feel that an error has happened that you defer a vote. Would there be time for an informative discussion.

Rhonda Hughes, 1029 Riverside Drive: I speak in support of Permanent Supportive Housing. I think that the scattered site approach that would be part of something like 6 units at the Colfax/Washington apartments would be appropriate. I lived in those apartments at one time. I think that it is wonderful that South Bend Heritage is making these apartments available to the public again. So much of our public investment in the last several years has gone into tax abatements and other high-end upscale apartments. This modest infusion of 60 units of affordable market rate housing in our community is a very exciting thing. We need basically affordable housing in our community. If we had more affordable housing, we could have less homeless people. The ratio of 6 units for homeless is very appropriate. I don't know what decision is in the fortnight, but I urge your infusion of funds into housing of this particular kind for Permanent Supportive Housing.

South Bend Redevelopment Commission Regular Meeting – November 14, 2019

Oliver Davis, 1801 Nash Street: I have great concerns as to how this is being done. For those of us on the Council it was told to us after this kind of a situation on Washington Street, we were told there would be a lot more neighborhood involvement. Those of us that live in the 6th District were stunned when Oliver Apartments came. That was not discussed with us. I found out about it on the news. I found out from the neighbors that we didn't even have a meeting. When you're dealing with something as important as Permanent Supportive Housing. As a licensed clinical social worker, who has my specialty in dealing with homelessness, you have to work with the whole neighborhood to deal with support housing, that's why they call it support housing. It's not only the services in the facility but the whole group in the holistic neighborhood that builds up the support housing, so therefore it shocked me when this whole system was put in place that neighbors weren't included that should have been included. From the Oliver Apartments we had meetings in the Rum Village area to help deal with that situation. We had the same thing that came over in the Washington situation and here we are today, and it has been pushed, and a lot of people have said to me, is it a part of a political campaign, all of us should not be a part of it. It should be a part of South Bend, beyond any kind of campaign, beyond any kind of issues. In order to have supportive housing you have to have an understanding of where we are with the support of the neighborhood. Will they always understand everything, no, but there is something that can come together and have more of not a rush kind of environment. And for us to get notice on a Tuesday night was not the best. That's why we encourage our team and understand where we are because this is not how we had it set up. We've also had issues about the financial feasibility of what's going on with South Bend Heritage. There's a lot of concern that this is being pushed right now because they are in financial crisis. I think we need to have a better understanding of what their roll is because they have so much of the property within the City of South Bend and their financial management is not going to be put in place, what's going to happen to not only this site but other properties that they are dealing with. Those are some key things we are dealing with, so I urge you to come back with a better plan. I thank you.

The floor was closed to public comment.

Pam Meyer addressed some of the questions asked.

The first question about \$1M for 6 units; The \$1M is only for the masonry, the fire stairs and the roof. This is an exterior improvement only.

The dollar amount related to the rehab for 6 units is a total of \$165,000 is not TIF money, it is federal home dollars.

The character of the Colfax building is there a distinction between the Colfax side and the Washington side. Not to my knowledge, I think that the units that are best suited to come on line quickly, I think South Bend Heritage has selected the Colfax side vs. the Washington side. I can't speak to anything else related to that particular issue.

South Bend Redevelopment Commission Regular Meeting – November 14, 2019

The working with the neighborhood is an opportunity to engage the neighborhood. We have certainly committed and so has South Bend Heritage that relative to the new construction development when we would be seeking out a potential property and having communication across the communities about potential new site for the project that had been proposed for West Washington, that would be a fully engaged community process. That plan and process has been put aside for those vouchers and the length of time it takes. We are getting vouchers into the community that would be used in units that would be up hopefully within a 12-month period of time; instead of 2 to 3 years in a new construction because it takes so much longer to construct through our winter period.

The vouchers are project based and go along with the actual facility and are vouchers owned by South Bend Heritage as they are the actual applicant for the vouchers for their property sites. They are only for South Bend Heritage properties.

In order for us to better understand what engaging the neighborhoods means, I think we have to understand what people want to learn about voucher placement, so we know how to share that information.

There is no knowledge I have in regard to South Bend Heritage being in financial crisis so I cannot speak to that.

Commissioner Ferlic thanked everyone for coming out and voicing their concerns. Also, thank you to the administration for this issue as it is an important issue for the community. Based on the concerns, it makes sense to take a little bit more time. We may also want a Council update. The next Redevelopment Commission meeting is the same day as the next Council meeting due to Thanksgiving. If it does not affect the project in a negative way, we can look at this again on December 12th. We would want to reach out to Councilmembers and in addition we can give a little more time to reach out to neighbors and make sure that everything is clarified.

Commissioner Phillips agrees with Commission Ferlic that there needs to be more information for the neighbors to be further discussed.

President Jones said there is nothing more important than engaging the neighbors. That was a little slip with this. This is important as this is where people live. They need to be heard and need to be communicated with as much as we can. Slowing down and including more education and speaking with South Bend Heritage so they can add more information to the conversation by December 12th we can get a lot more conversations going so everyone is up to speed. This is something that I totally support but also would like a little more information.

Commissioner Ferlic wants to make sure accurate information is in place. Generally, neighbors are supportive when there is accurate information in place. The overall communication from Community Investment and the administration has been outstanding and I want to thank you for your efforts.

Upon a motion by Commissioner Ferlic, seconded by Secretary Phillips, the motion carried unanimously, the Commission tabled this item until Thursday, December 12, 2019.

2. Budget Request (Coal Line Property Acquisition)

Mr. Dressel presented a Budget Request (Coal Line Property Acquisition). This is a budget request for the ongoing Coal Line project. We are now ready for property negotiations. We have identified 9 different parcels under 8 property owners to acquire and build the trail on. These are all vacant parcels with no homes or buildings in the way. Five of them are fractions of an acre. No people will be relocated. This is on the old coal line rail line. On Lincolnway over the St. Joseph River to the East Bank Trail and to the 933 trails. Building on Phase I on Lincolnway. Phase II on the East Bank Trail. Commission approval is requested in the amount of \$221,765.

President Jones opened the floor for public comment.

Rhonda Hughes, 1029 Riverside Drive: This project has been around for a long time. Was it delayed at any point?

Mr. Dressel stated No, it's just the use of public funds for building trails. It takes a long time.

The floor was closed to public comment.

Upon a motion by Commissioner Ferlic, seconded by Secretary Phillips, the motion carried unanimously, the Commission approved Budget Request (Coal Line Property Acquisition) submitted on Thursday, November 14, 2019.

3. Partial Façade Release (Catalyst III)

Mr. Buckenmeyer presented Partial Façade Release (Catalyst III). In the early stages of Ignition Park, the City wanted to be sure that guidelines were followed regarding design, so we took an easement on this property. Everything there is completed and looks great. The City is doing a partial façade release of Catalyst III for them to continue on with new construction. The easement will stay on Catalyst I and II. This is for the new Press Ganey site. Commission approval is requested.

President Jones opened the floor for public comment.

Kaine Kanczuzewski, 2636 Thornacres Drive, Niles: The façade requirements stay the same, but the easement drops or does the façade requirements for Catalyst III are not required?

Mr. Buckenmeyer stated that the actual requirements are in the PUD so it will still follow the same design guidelines and fits in with the character of Catalyst I and II.

The floor was closed to public comment.

South Bend Redevelopment Commission Regular Meeting – November 14, 2019

Upon a motion by Commissioner Ferlic, seconded by Secretary Phillips, the motion carried unanimously, the Commission approved Partial Façade Release (Catalyst III) submitted on Thursday, November 14, 2019.

4. License Agreement (Majority Builders)

Mr. Buckenmeyer presented License Agreement (Majority Builders). This is promoting the project for Press Ganey. Majority has requested to place a sign on Ignition Dr. and Sample stating they are the builders. The Redevelopment Commission owns the property, and this is a license agreement to access that land. Commission approval is requested.

President Jones opened the floor for public comment. No public comment was made. The floor was closed to public comment.

Upon a motion by Commissioner Ferlic, seconded by Secretary Phillips, the motion carried unanimously, the Commission approved License Agreement (Majority Builders) submitted on Thursday, November 14, 2019.

B. West Washington Chapin Development Area

1. First Amendment to Development Agreement (Indiana Landmarks)

Mr. Hurst presented the First Amendment to Development Agreement (Indiana Landmarks). This is regarding the Kizer House on Washington and Chapin. The approved amount of \$200,000 is for window replacement and repair. The low bid came in at a little over \$200,000. This amendment memorializes the overage and Indiana Landmarks has agreed to cover that overage amount. Commission approval is requested.

President Jones opened the floor for public comment.

Rhonda Hughes, 1029 Riverside Drive: What is the ultimate plan for that property? Will it be sold?

Mr. Hurst stated that Indiana Landmarks plans to make it their base of operations. If the price is right someone may purchase it. For right now it will become their office space.

The floor was closed to public comment.

Upon a motion by Commissioner Ferlic, seconded by Secretary Phillips, the motion carried unanimously, the Commission approved the First Amendment to Development Agreement (Indiana Landmarks) submitted on Thursday, November 14, 2019.

C. Other

1. Resolution No. 3501 (Setting Public Hearing 2019 Additional TIF Appropriations)

Ms. Pietsch presented Resolution No. 3501 (Setting Public Hearing 2019

South Bend Redevelopment Commission Regular Meeting – November 14, 2019

Additional TIF Appropriations). This sets the public hearing for the Airport Bond Debt Service Reserve for December 12th. This account has earned more interest than is anticipated with the budget. Commission approval is requested.

President Jones opened the floor for public comment. No public comment was made. The floor was closed to public comment.

Upon a motion by Commissioner Ferlic, seconded by Secretary Phillips, the motion carried unanimously, the Commission approved Resolution No. 3501 (Setting Public Hearing 2019 Additional TIF Appropriations) submitted on Thursday, November 14, 2019.

2. Resolution No. 3509 (Setting Public Hearing 2019 Additional RWDA Appropriations)

Ms. Pietsch presented Resolution No. 3509 (Setting Public Hearing 2019 Additional RWDA Appropriations). This is to set a public hearing on December 12th. When the budget was made for 2019 the budget included the debt service amortization for the bonds instead of looking at the whole lease rental amount. Commission approval is requested.

President Jones opened the floor for public comment. No public comment was made. The floor was closed to public comment.

Upon a motion by Commissioner Ferlic, seconded by Secretary Phillips, the motion carried unanimously, the Commission approved Resolution No. 3509 (Setting Public Hearing 2019 Additional RWDA Appropriations) submitted on Thursday, November 14, 2019.

3. Resolution No. 3510 (Set-up Double Tracking Bond Accounts)

Ms. Pietsch presented Resolution No. 3510 (Set-up Double Tracking Bond Accounts). This is for the ongoing double tracking bond which we will set-up the accounts and funds paying the lease payments.

Randy Rampola, Barnes and Thornburg stated this simply sets up the account by which the Redevelopment Commission will pay the lease rental payments to the Redevelopment Authority. That money will be paid to the bond trustee on behalf of the Redevelopment Authority and that will pay off the bond. The account is set up so it is expected that available TIF revenues in the River West Development Area will pay the lease rental which will pay the debt service on the bonds. The Resolution does indicate if the TIF revenue was ever insufficient, there would be a levy for a tax pay back. There is no expectation this mechanism will be needed. The reason we use this is to get the lowest cost in borrowing. The Redevelopment Authority met earlier today, and we are on track in respect to the bond financing. This is a house keeping matter to establish the needed fund account. December 4th is the expected date of the bond sale.

President Jones opened the floor for public comment. No public comment was made. The floor was closed to public comment.

South Bend Redevelopment Commission Regular Meeting – November 14, 2019

Upon a motion by Secretary Phillips, seconded by Commissioner Ferlic, the motion carried unanimously, the Commission approved Resolution No. 3510 (Set-up Double Tracking Bond Accounts) submitted on Thursday, November 14, 2019.

6. Progress Reports

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

7. Next Commission Meeting:

Thursday, November 25, 2019, 4:00 p.m.

8. Adjournment

Thursday, November 14, 2019, 4:50 p.m.

David Relos, Property Development Manager

Marcia Jones, President