



South Bend.
Redevelopment Commission
 227 West Jefferson Boulevard, Room 1308, South Bend, IN
 46601

**SOUTH BEND REDEVELOPMENT COMMISSION
 REGULAR MEETING**

November 8, 2021

9:30 a.m.

Presiding: Marcia Jones, President

<https://tiny.cc/RDC110821>

South Bend, Indiana

The meeting was called to order at 9:31 a.m.

1. ROLL CALL

Members Present:	Marcia Jones, President Don Inks, Vice-President Troy Warner, Secretary Vivian Sallie, Commissioner Eli Wax, Commissioner Leslie Wesley, Commissioner	
Members Absent:		
Legal Counsel:	Sandra Kennedy, Esq.	
Redevelopment Staff:	Mary Brazinsky, Board Secretary	
Others Present:	Santiago Garces Tim Corcoran Andrew Netter Amanda Pietsch Aaron Perri Kyle Silveus Ben Dougherty Daniel Parker Mark Peterson Randy Rampola Emma Adlam Josh Sisk, Executive Director Mike Danitra	DCI DCI DCI DCI VPA Engineering Admin & Finance Admin & Finance WNDU Barnes & Thornburg Resident Potawatomi Zoo Resident

2. Approval of Minutes

- **Approval of Minutes of the Regular Meeting of Thursday, October 28, 2021**

Upon a motion by Vice-President Inks, seconded by Secretary Warner, the motion carried unanimously, the Commission approved the minutes of the regular meeting of Thursday, October 28, 2021.

3. Approval of Claims

- **Claims Submitted for November 3, 2021**

Upon a motion by Vice-President Inks, seconded by Commissioner Sallie, the motion carried unanimously, the Commission approved the claims for November 3, 2021, submitted on Thursday, November 8, 2021.

4. Old Business

5. New Business

A. River West Development Area

1. **Resolution No. 3538 (Lease Rental Revenue Bonds of 2022 Morris Performing Arts Center Project)**

Mr. Parker Presented Resolution No. 3538 (Lease Rental Revenue Bonds of 2022 Morris Performing Arts Center Project). This resolution is the first step in several steps for the 100-year Morris Performing Arts Center. This is for Lease Rental Financing. All this Resolution does is approve the form of the lease.

Randy Rampola, Barnes, and Thornburg states this is the initial steps in the improvements at the Morris. This resolution approved the form of the lease and authorizes the lease hearing which is at the next Redevelopment Commission Meeting on Monday, November 22, 2021. The lease itself is for the Morris. It provides for an annual rental not to exceed \$420k and has a current lease term of not to exceed 25 years. Both options may be modified after the bonds are sold. The lease provides language for the lease rental to be reduced and the rental to be reduced to match whatever the debt service on the bonds will be. The lease rental will be payable as set out on the lease from hotel/motel tax revenues so this will leverage the .5% increase portion that is dedicated by the statute to pay for improvements to the Morris. The lease will also be backed by special property tax that will not be intended to be used. The lease rental is intended to be paid solely from the motel/hotel tax but to minimize the interest expense, the city has agreed to put a tax back-up in place, which is not uncommon. The city has used this technique in the past. The most recent example is the double tracking project. Baker Tilly is structuring this so it will pay the lease revenue from the bonds, but it will fit in with the hotel/motel tax revenues with enough for coverage. With the adoption of the resolution today, you are setting the public hearing on the lease for

Monday, November 22nd. Commission approval is requested.

Secretary Warner asked what percentage of the increase we expect to pay the bond payments, the entirety of the half percent or a smaller portion that we expect to come in from the half percent.

Randy Rampola states that half percent is entirely pledged to the debt service on the bonds, but there will be a coverage amount. Baker Tilly is structuring the lease rental bonds so there will be 125% coverage; meaning if we have \$100 that the debt service payment would be \$75 so there are \$25 left over annually. The hotel/motel tax board did adopt a pledge resolution adopting that half percent to the payment of the debt service on the lease rental. That \$25 will accrue in that account and by state law that money would always be available to the Morris. There would be opportunity in the future to use cash on hand for future improvements on the Morris.

Upon a motion by Secretary Warner, seconded by President Jones, the motion carried unanimously, the Commission approved Resolution No. 3538 (Lease Rental Revenue Bonds of 2022 Morris Performing Arts Center Project) submitted on Monday, November 8, 2021.

2. **Resolution No. 3539 (Lease Rental Revenue Bonds of 2022 Potawatomi Zoo)**
Mr. Parker Presented Resolution No. 3539 (Lease Rental Revenue Bonds of 2022 Potawatomi Zoo). This is like the Morris as we use the .5% of the hotel/motel tax that will be dedicated to the Potawatomi Zoo. The approval of the resolution today would just approve the lease. The entirety of the .5% of the hotel/motel tax board was pledged last week but there is a coverage ratio so there will be a cash balance particularly if the hotel business continues to grow and more people continue to come into the city; the revenue could grow statutorily. Josh Sisk from the Potawatomi Zoo is on the call.

Josh Sisk states that the cash balance will help us in the future to add to our Master Plan in the future.

Randy Rampola adds that this lease is like the Double Tracking as we are anticipating leasing 3 portions of streets; green, lawn and separate portions of wall street to provide for the leasing mechanism. The leasing mechanism is again important to provide the ability to have a tax back up in place. The term of this lease is not to exceed 22 years.

Upon a motion by Secretary Warner, seconded by Commissioner Sallie, the motion carried unanimously, the Commission approved Resolution No. 3539 (Lease Rental Revenue Bonds of 2022 Potawatomi Zoo) submitted on Monday, November 8, 2021.

B. River East Development Area

1. Budget Request (Mishawaka Avenue Survey)

Mr. Silveus Presented Budget Request (Mishawaka Avenue Survey). This request would fund the topographic survey that will collect data for future streetscape improvement along Mishawaka Avenue. The overall projects vision is to calm the traffic, beautify the area and support growth along this corridor. The survey would extend from the Eddy Street ramps to Emerson Drive. The initial phase will end approximately at Louise. Commission approval is requested.

Upon a motion by Vice-President Inks, seconded by Commissioner Sallie, the motion carried unanimously, the Commission approved Budget Request (Mishawaka Avenue Survey) submitted on Monday, November 8, 2021.

6. Progress Reports

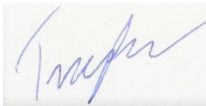
- A. Tax Abatement
- B. Common Council
- C. Other

7. Next Commission Meeting:

Monday, November 22, 2021, 9:30 a.m.

8. Adjournment

Monday, November 8, 2021, 9:51 a.m.



Troy Warner, Secretary



Marcia Jones, President